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PROCEEDINGS AND DEBATES OF THE 99th CONGRESS, SECOND SESSION

SENATE—*Wednesday, March 12, 1986*

(Legislative day of Monday, March 10, 1986)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. The opening prayer for the Senate today will be given by the Reverend William A. Alexander, Sr., minister of the St. Andrew's Presbyterian Church, of Nashville, TN. He is sponsored by Senator ALBERT GORE.

PRAYER

The Reverend William A. Alexander, Sr., minister, St. Andrew's Presbyterian Church, Nashville, TN, offered the following prayer:

Let us pray.

Almighty God, we beseech Thee to look with favor upon our land and people. All undeserving, Thou hast made us great among the nations of the Earth. Let us not forget that this place and this power have come of Thee, and that we need divine inspiration and a divine trust to use in Thy service.

Gracious Father, grant to the Members and the officers of this august body a sacred moment of quiet ere they take up the duties of the day. May all their legislation be such as will promote not just the welfare of our country, but to be resolute in purpose to advance good will and peace among all men.

Heavenly Father, let them not think, when this prayer is said, that their dependence upon Thee is over, and forget Thy counsels for the rest of the day. Prayer at its best is revealed when a man enjoys God and prays out of sheer love of Him.

Eternal God, lest we forget the words of the prophet who said, "He hath showed Thee O man, what is good; and what doth the Lord require of Thee, but to do justly, and to love mercy, and to walk humbly with Thy God?" Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader is recognized.

Mr. DOLE. Mr. President, let me first yield to my distinguished colleague from Tennessee, Senator GORE.

TRIBUTE TO THE REVEREND WILLIAM A. ALEXANDER, SR.

Mr. GORE. Mr. President, I thank the distinguished majority leader for yielding.

Rev. William A. Alexander is pastor of St. Andrew's Presbyterian Church in Nashville. He is a graduate of Fisk, and a World War II veteran. He and his wife, Faye, have three sons and a daughter, including a son making a career in the Air Force, a doctor, and two students.

In December, he will have served as pastor of St. Andrew's for 35 years.

Thousands in Nashville have found inspiration in his words, and now, through this morning's inaugural radio broadcast of the Senate, millions have the opportunity to share Reverend Alexander's prayer.

It is an honor to be able to introduce him to the Senate. We appreciate the prayer that he has delivered this morning.

Mr. DOLE. I thank my colleague from Tennessee.

Let me yield briefly to the distinguished Senator from Mississippi who has an announcement to make of some importance to thousands of us in rural areas.

URGENT SUPPLEMENTAL APPROPRIATIONS FOR COMMODITY CREDIT CORPORATION

Mr. COCHRAN. Mr. President, I am happy to be able to announce that the conferees have agreed this morning on an urgent supplemental appropriations bill making available $5 billion to the Commodity Credit Corporation.

The Senate will recall that there has been some limiting language added by the House to this bill.

We were able to work out the differences by providing that the Federal Crop Insurance Corporation will continue to have borrowing authority from the Commodity Credit Corporation to pay claims for those insured under that program.

Also, the Conservation Reserve Program will continue to have access to the Commodity Credit Corporation funds for the first 2 years of the operation of the Conservation Reserve Program.

We also added language that clearly indicates the intent of the conferees that the appropriated levels of funds for the insured operating loan program of the Farmers Home Administration be made available until expended but subject to the sequester order of March 1, 1986.

I am happy to make that announcement, and I appreciate very much the majority leader yielding for that purpose.

Mr. DOLE. I thank my distinguished colleague from Mississippi, Senator COCHRAN.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each, followed by special orders in favor of Senators THURMOND, PROXMIRE—and I ask unanimous consent that Senator DENTON's time be transferred to Senator ARMSTRONG.

The PRESIDING OFFICER (Mr. PRESSLER). Without objection, it is so ordered.

Mr. DOLE. Senators ARMSTRONG, FORD, TRIBLE, PRYOR, and CRANSTON, not to exceed 5 minutes each, and then routine morning business not to extend beyond the hour of 11 a.m. with Senators permitted to speak for not more than 5 minutes each.

Following routine morning business, the Senate will resume consideration of Senate Joint Resolution 225, the

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

constitutional amendment calling for a balanced budget.

I would again alert my colleagues we will have rollcall votes today. This could be a very late evening, hopefully not, but we would like to complete action on the balanced budget amendment. We would like to take up, following the balanced budget amendment today, the committee funding resolutions. We understand they must be done this week, and the distinguished chairman of the Rules Committee, Senator MATHIAS, will not be available after today. So we need to act on those.

I hope we can resolve any problems rather quickly, and then tomorrow we will consider either the water bill or the regional airport legislation. There will likely be a session and votes on Friday.

RADIO/TELEVISION TEST PERIOD BEGINS

Mr. DOLE. Mr. President, as has already been noted by some, today marks the beginning of a new era in the U.S. Senate.

Today the American people can tune-in to their democracy. As the Senate majority leader, I am pleased to announce that this is the beginning of an historic test period for radio and television in this Chamber. During the next 126 days, the people will be able to hear for themselves—without traveling to their Capitol—what's going on in Washington. Thanks to radio, you, the people * * * on the Great Plains of Kansas; in our cities and on our farms; and up and down Main Street America; you are now listening to the sounds of the Senate.

Because of technical considerations, radio goes first; but television is just around the corner. Actually, after viewing us on television, the people may demand that we stick with radio! In fact, radio and politics have come a long way together. History tells us that the first radio show broadcast the results of the Harding-Cox Presidential election returns of 1920. But while radio moved forward into the satellite era, the Senate stayed behind in the days of the crystal set. Despite the fact that there are a half billion radios in the United States, not one of them yesterday could pick up the Senate proceedings.

I want to salute the many champions of the legislation that helped open this institution to the microphone and the camera.

My predecessor, Howard Baker, of Tennessee, was a tireless advocate of radio and television coverage of the Senate proceedings, as was Senator MATHIAS, the distinguished chairman of the Rules Committee; Senator WENDELL FORD, the ranking Democratic member; Senator BILL ARMSTRONG; Senator ALBERT GORE; and many, many others who have been in the forefront; Senator TED STEVENS; and certainly my good friend and distinguished minority leader has been in the forefront of this advance.

There are many others, Mr. President, who deserve credit on both sides of the aisle, but the important point in this is a bipartisan effort. The results were bipartisan. I hope that the impact will be bipartisan across the country.

We have had radio before. We have had special coverage of the Panama Canal treaties in 1978.

But for too long, the Senate has been off limits to modern technology. That is why, starting today, the American public will have its ear to this Chamber; later its eyes, when television plugs in on June 1. For the first time, our proceedings will be heard by the people unedited: All the debates, the filibusters, the rollcall votes and, of course, all the bleeps, bloops and blunders, and the delays. One thing I would hope that could come from live radio and TV coverage would be more orderly procedures, more discipline, and less wasted time. I hope the American people demand that of those of us who are honored to serve in the U.S. Senate.

This test will run until July 15, after which time Senators will take 2 weeks to evaluate the grand experiment. We may decide to pull the plug; or continue the test; or make radio and television coverage permanent. You the listener will help us make that decision and we look forward to hearing from you.

Many of us hoped that the arrival of broadcasting would also bring with it some much-needed rules changes—changes that would make this body more efficient. If radio and TV coverage help us reach that goal, so much the better. Yes, some modest rules changes have been enacted for this test period, but true to the ground rules of this institution, we are still wide open to debate. We are not the House of Representatives, as you will see and hear. Millions of television viewers have been watching the House for years and have come to understand some of the nuts and bolts of congressional procedure.

But let me explain that the Senate is a whole different ballgame, and you cannot superimpose the two Houses—it is apples and oranges: we are the apples, they are the oranges. [Laughter.] We are different from the House with regards to the rules of debate. In the House, its Rules Committee can strictly limit debate on a measure. No such committee prevents Members on this side from speaking at length or offering a great many amendments. There are rules and procedures here that most likely will baffle, confuse and frustrate our radio and TV audience. Believe me, they will have my sympathy. Nevertheless, these very rules of the game make the Senate a unique and important voice in the system of checks and balances that are the foundation of our Government. These special rules protect the rights of the minority and allow one man or one woman to make a difference. This is the essence of our democracy.

Today there is much work to be done, and we could be as I have indicated earlier, in session late, late this evening. Before us is a very important issue—whether our Constitution should require the Federal budget to be in balance each and every year. I believe it must. I look forward to sharing this debate today with you, the American people. Above all, I welcome you to this historic moment in the U.S. Senate.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. The minority leader is recognized.

Mr. BYRD. Mr. President, I thank the Chair.

RADIO COVERAGE OF SENATE PROCEEDINGS

Mr. BYRD. Mr. President, Talleyrand dominated the politics of Europe for 40 years. It was he who said, "There is more wisdom in public opinion than is to be found in Napoleon, Voltaire, or all the Ministers of State, present and to come.

It is that belief in the wisdom of public opinion that has motivated many of us, if not most of us, to support television and radio coverage of the Senate debates.

Today is an important and proud day in the history of the U.S. Senate, and in the history of broadcasting. Today marks the first time that the proceedings of the U.S. Senate will be broadcast on a regular basis. This is a day, I am sure, which will be forever included as one of the historic dates in the history of broadcasting.

The broadcasting of the 1920 returns in the Presidential election between Warren G. Harding and James Cox by KDKA in Pittsburgh sparked what the former Chief of Motion Pictures, Broadcasting, and Recorded Sound of the Library of Congress, Erik Barnouw, described as the "national mania."

Following that election broadcasting, the Commerce Department was deluged with applications for broadcast licenses. The beginning of radio's increasing involvement in America's political life, then, has not been too long ago.

In 1923, the opening of Congress and President Calvin Coolidge's State of the Union Message were broadcast over radio from the House Chamber.

On March 3, 1929, came the first radio broadcast from the Senate Chamber when retiring Vice President Dawes and incoming Vice President Charles Curtis both spoke. The next year, 1930, witnessed yet even another important step in the history of radio: The first coast-to-coast network hookup was established. I am pleased to point out that it was a Member of this Chamber, Senator William Borah, of Idaho, who made the first address across the entire Nation.

During the Panama Canal debates, the Senate broadcast the coverage of those debates by radio. It was on February 8, 1978, that the American people, for the first time, became directly involved in the floor proceedings of the U.S. Senate. As the then-majority leader of the U.S. Senate, I worked for such coverage and the then-minority leader, Senator Howard Baker, worked with me and other Senators in making the radio broadcast of those debates possible.

National Public Radio found that its audience increased fivehold in Washington, DC, New York, and Los Angeles, cities in which ratings were measured, and the broadcast of those proceedings constituted an informative as well as an interesting service to the American people. It brought them better and more accurate information regarding the basis on which Senators voted for or against the treaty. It cleared away some of the distorted debris of misinformation and propaganda that were being espoused by some who opposed the treaty.

Because of the decision to broadcast Senate proceedings on a regular basis, a policy that begins today, I am confident that a better and more fully informed public opinion will result. And it is an informed public opinion that substantiates and supports democracy, and on which our representative democracy depends and thrives.

On this day, the people's right to a full and unvarnished truth has taken a rather important step. The benefits will accrue to all because an informed public opinion is not merely healthy, it is also essential for the democratic process to work effectively.

I fully expect that American history will record this as another of the red-letter dates in the annals of broadcasting and in the annals of democracy. I am proud—and I share that pride with 99 other Members of this body—to have witnessed this day as a Member of the Senate. I am also proud to have played a part in hastening the arrival of this day. I commend all other Senators, both current and former, who worked to see what is happening today become a reality.

Mr. President, I yield the balance of my time to Senator ALBERT GORE, a Senator who has worked hard and long and very effectively in making this day of radio coverage of Senate debates possible.

Mr. GORE. Mr. President, I appreciate the distinguished minority leader yielding. As he has said, this is a historic day for the U.S. Senate, the first regular session of the Senate to be carried on a live radio broadcast. Like the House of Representatives, we shall begin with radio and then move on to television. The executive branch followed a similar evolution in its relationship with the electronic media.

Technically, this is a test period, but we all expect that the test will be successful and that today will mark the beginning of continuous electronic broadcast coverage of Senate sessions.

When the American people can hear for themselves what takes place here on the floor of the Senate, they will realize how well we have listened to them all along. Putting free debate on the air will reinvigorate representative democracy and self-government and help the Senate restore its place as the premier deliberative body in the world.

Many have mentioned those who have made this day possible, but I would like to pay particular tribute to the minority leader, Senator ROBERT BYRD. Others have tried hard to open the Senate to broadcast coverage. This session, for the first time, Senator BYRD led the fight. It is no coincidence that this time we won.

I would like to also commend the majority leader, Senator DOLE, who provided outstanding leadership in assisting the Senate to take this step. Senator MATHIAS and Senator FORD on the Rules Committee have given us leadership and shared with us their wisdom. I would like to also single out Senator ARMSTRONG, who has been an invaluable ally in pushing this forward. It certainly would not have happened without his leadership and support.

Like the majority leader, I, too, would like to pay tribute to my predecessor, a Senator from Tennessee, Senator Howard Baker. He fought long and hard to open up this institution to broadcast coverage, and the night we voted to do so, I called him to make sure he would be the first outside this Chamber to know. As my colleagues might expect, he was just as pleased as I am that we had made such a historic decision. I thank the minority leader yielding on this occasion, and I again congratulate all those who have made this day possible.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. I think I have 51 seconds remaining of my leader's time. I would like to yield that to the distinguished chairman of the Rules Committee, Senator MATHIAS.

Mr. MATHIAS. Mr. President, I thank the majority leader. This has been a longer struggle than most people realize. It began in 1924. That makes it extremely significant that the majority leader, Senator DOLE, the minority leader, Senator BYRD, Senator ARMSTRONG, Senator STEVENS, Senator GORE, and many others have joined together to bring us to this day. It is a historic day.

It marks the culmination of efforts that began 62 years ago, when radio coverage of the Senate was first conceived, because it was in 1924 that far-sighted Senators first explored the possibility of providing radio coverage of Senate proceedings. The Senators asked the Secretary of War and the Secretary of the Navy to investigate and report to the Senate about the feasibility of broadcasting from the Senate floor. Unfortunately, that was not technologically possible, but today it has become possible.

Three years later the U.S. military reported back that they had no apparatus that could be used that was worthy of mention. The committee found that "the greater part" of the country would best be covered by the installation of 23 stations, but that the stations would be too far apart to allow a sufficiently strong signal to be received at the next station. So much for the pioneering days of radio in the Senate.

Today, the technological barriers that stymied our predecessors have vanished. It was a simple matter to install the equipment that makes possible live radio broadcasting of Senate proceedings. With a flip of a switch, we are on the air, and the American people can hear their Senators at work. In 6 weeks, when the TV test period begins, the people will be able to see us at work as well. The steps we take today are long overdue, but I hope we will all conclude that they are well worth taking, and that radio and TV coverage of the Senate will be made permanent.

Mr. President, as we prepare for the test period of televising proceedings of the U.S. Senate, we would do well to reflect on the wise advice offered by James Reston in the New York Times on March 2, 1986.

Mr. Reston said that televising Senate proceedings offers an excellent opportunity for Senators. Instead of preening and grandstanding before the cameras, as critics of television insist they will, they could set aside specific periods of time to debate the great issues facing the world, and use television "for the education of their constituents." Mr. Reston suggested that under such an arrangement, even young people might be persuaded to watch the Senate seriously debate an issue and then continue the discussion among themselves afterward.

Mr. President, two of the Senate's distinguished former members, Senators James Pearson of Kansas and

Abraham Ribicoff of Connecticut offered the same suggestions in a report on Senate practices and procedures issued in April 1983. I hope the Members of the Senate will act on these fine suggestions from Mr. Reston and from within the Senate itself, and allow the country and the world to watch this great deliberative body tackle the controversial issues of our time. We would all benefit from such debate.

Mr. President, I ask unanimous consent that the article by Mr. Reston be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TV IN THE SENATE

(By James Reston)

WASHINGTON.—The Senate of the United States has decided to experiment with televising its proceedings. This could help restore the great debating tradition of the United States or it could bring back vaudeville. It all depends on the rules.

It's easy to understand why the Senate reached this decision after fiddling and fudging it for years. Ronald Reagan hasn't convinced the senators that his policy is right, but he has convinced them that his personality and his television techniques are dominating public opinion, and that they have to do something about it.

Besides, the House of Representatives, without many people's noticing, has been televising its arguments for some time, and the Senate, proud of its reputation as the "greatest deliberative body in the world," has always felt that what the House does, the Senate can do better.

The case for televising debates here in Washington on the decisions that affect the lives of the American people is that the voters should, at least once in a while, have a glimpse about how these decisions are made, not only in the Congress, but in the Supreme Court of the United States.

Warren Burger of Minnesota, Chief Justice of the United States, is fiercely opposed to this intrusion of television on the decision process, and has given clear warning that if the day ever comes when the television cameras come into his Court, that will be the day he'll resign.

But there's a difference between the Court and the Congress; and an argument could be made that for the Congess, television is not a problem but an opportunity, as we saw in the racial struggles of the South many years ago, in the Vietnam War and most recently in the crisis of the Philippines, when the cameras brought the struggles into our living rooms and made us think.

There are, as we all know, troubling problems among the nations on the control of weapons on earth and in outer space, and about the distribution of money for weapons or for the education of our children, or about the bankruptcy of our farmers.

The decision of the Senate to bring the cameras into its chamber suggests at least the possibility that television could be used to help national understanding of those problems and not merely for political interests.

We are living in a revolutionary age of propaganda at home and abroad. For the first time we have a world economy, with the industrial nations competing for trade and profit; the superpowers argue over nuclear weapons, and the majority of the human race lives in hunger and hears by modern communications that their misery is not inevitable but intolerable.

So much depends on how the United States handles all these tangles, how our people see the coming world in which their children will have to live. Television, which too often gives us the world of illusion, has also recently shown us in the Philippines a vision of reality.

In the Senate it could go either way. The proceedings could be televised, each member could take his clips, and after careful editing in the television studios in the basement of the Senate office buildings, send them back to TV stations in their states to demonstrate what fine senators they are and how necessary is their relection.

On the other hand, the Senate could, without altering many rules, set aside, say once a month, an hour's time to debate the major questions for decision.

Even the commerical networks wouldn't be able to ignore such a surprising meeting of the Senate, with all members present, so that the people, almost for the first time, would be able to judge for themselves the struggle over public issues.

It could even be that young people in the universities, who for some reason would rather demonstrate than debate, would watch the Senate in serious discussion and carry it on among themselves later on.

Most senators have got the main point: that politically, they're probably going to live or die by television; but there's just a chance now that they can use it not only for themselves or their parties, but for the education of their constitutents, and particularly for the respect of the young, whose enthusiasm for politicians and the media, and even the democratic process, is not excessive these days.

But it will all depend on the rules on television in the Senate. The senators can use television for their own purposes or for the purpose of bringing the nation together. We will just have to wait and see what sort of rules they can agree upon.

Mr. BYRD. Mr. President, do I have any time remaining?

The PRESIDING OFFICER. The Democratic leader has 1 minute and 40 seconds.

Mr. BYRD. I thank the Chair.

I yield that time to the distinguished Senator from Kentucky, Mr. FORD, who is the ranking member on the Rules Committee, and who has worked hard to make this day possible.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Mr. President, I thank the distinguished minority leader for allowing me to take his time this morning to make a few remarks. They will be brief.

Mr. President, I rise today in celebration of the marriage of technology to the principles of democratic government. When the Senate first convened almost 200 years ago, its deliberations were closed to the public. In response to the objections of President Washington and several Senators, the Senate galleries were opened to the public after an extended debate.

At that time, however, radio did not exist; although every American had the right to listen to the debates of the Senate, it was necessary to travel to Washington in order to do so. And so it remained, with the exception of the Panama Canal treaties debate, until today. As of this morning, the Senate is making available to any broadcaster who wants to carry it, radio coverage of the floor proceedings of the U.S. Senate. I am hopeful that many broadcasters will choose to make such programming available to their listeners, and am confident that broadcast coverage of the Senate will become a permanent feature of American politics.

Mr. President, this is a proud day for the U.S. Senate. This body of a free and open government "of the people" has finally taken advantage of one tool of the world's most advanced society in order to bring its people closer to the process of American government. I would venture to guess that there are many Americans who would want to listen to our debates, but who do not have the time or the money to come to Washington, DC. Now they can hear us—or shut us off—with the flip of a switch.

I would like to acknowledge the efforts of our two leaders in bringing the Senate into the 20th century. Without the determination of Senator BYRD and the patience of Senator DOLE, the opening of the Senate to the American people would not have been possible. I praise them for their efforts in bringing an open government closer to a free society.

In closing, let me compliment my distinguished colleague from Maryland, Senator MATHIAS. He is one of the major reasons that we are having radio today.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. FORD. I thank the Chair.

RECOGNITION OF SENATOR THURMOND

The PRESIDING OFFICER. Under the previous order, the Senator from South Carolina, Mr. THURMOND, is recognized for not to exceed 5 minutes.

LIVE RADIO BROADCAST OF SENATE PROCEEDINGS

Mr. THURMOND. Mr. President, today marks an historic occasion indeed. For the first time since the 1977 debates on the Panama Canal treaties, the American public has access to the proceedings of the Senate Chamber via the medium of radio. I welcome this, Mr. President, and I say welcome to those who may be listening to these proceedings, especially those who may be hearing

Senate proceedings for the very first time.

I wish to commend the able majority leader, Senator DOLE, for the leadership he has shown in this matter and also for the former majority leader, Senator Howard Baker, for the lead he took in it also. I also wish to commend Senator MATHIAS and Senator STEVENS, Senator ARMSTRONG and others. On the Democratic side I wish to commend the able Democratic leader, Senator BYRD, and also Senator GORE and Senator FORD for the lead they have taken in this matter.

In my view, Mr. President, broadcast media coverage of Senate Chamber proceedings is both warranted and wise. The providing of such coverage is no more than a recognition of the basic right and need of the citizens of our Nation to know the business of their Government. It will, I believe, lead to a more informed citizenry, and thereby hopefully improve the quality of our representative democracy. The ability of the electorate to scrutinize the representation provided by their respective Senators will be greatly enhanced. In the long run, the quality of Senate debate and decisionmaking will be improved, and the country will be the better for it.

While it is a historic day, it is my sincere hope, Mr. President, that today will be recorded by history as but a milestone in the progression of events leading up to full, continuous access to Senate proceedings through live radio broadcasts as well as live television coverage. Upon expiration of this test period of radio and television coverage of Senate proceedings, the Senate should approve permanent broadcast coverage. The American public deserves no less.

OUR TRADE DEFICIT AND THE DECLINE OF THE DOLLAR

Mr. THURMOND. Mr. President, much attention has been given as of late to the recent declines in the value of the dollar relative to a select few other currencies. We keep hearing that the huge trade deficits we have been accumulating will be offset by these recent declines in the value of the dollar. I wish this were the case; but, unfortunately, it does not appear to be.

In January of this year, almost a year after the dollar peaked against the yen and several other major currencies, Mr. President, the U.S. merchandise trade deficit hit a new monthly record of $16.5 billion. During January, the United States imported goods, the value of which totaled almost twice the value of goods we exported. Figures such as that unfortunately demonstrate that the drop in the value of the dollar has not solved our trade problems. In fact, during the past 3 months, the trade deficit has run at an annual rate of about $180 billion, compared with the record $148.5 billion deficit for all of 1985.

Why has the declining dollar not improved our trade situation? An article in the March 2, 1986, edition of the Washington Post points out some of the reasons. According to the article, it could take up to 2 years for the dollar's decline to have a substantial impact on the flow of trade. In the meantime, plants continue to close and workers continue to lose their jobs.

Furthermore, Mr. President, the dollar has not fallen nearly so much as many might like to have us believe—at least not when compared with the currencies of some countries with which we have a very large, unfavorable balance of trade. For instance, the value of the dollar last week was, in real terms, higher relative to the currencies of Canada, Hong Kong, Taiwan, South Korea, Mexico, Brazil, Venezuela, and Australia than it was, on average, in 1984.

It is true that the dollar has declined in value somewhat against the Japanese yen and the German mark. This should help with respect to trade with those nations. However, insofar as those other countries I have mentioned are concerned, the dollar remains higher now than it was in 1984 and these are some of the countries from which we buy a great deal of goods. Our own domestic industries must compete with them both here and in foreign markets. The heralded "declining dollar" has not declined against them and we should not expect our trade situation with them to improve. Until such time as our dollar does decline in value against those currencies, the prospects for improving our trade situation with those nations appears bleak.

Mr. President, this is particularly bad news for our beleaguered textile and apparel industry. Three of the countries where the relative value of our dollar has risen are the largest shippers of textile and apparel products into the United States. Combined imports from Taiwan, South Korea, and Hong Kong account for over 35 percent of total American textile and apparel imports. I can only hope that this does not mean that an already terrible situation will get even worse.

For the 2 previous months for which figures are available—December and January—imports of textiles and apparel were up consecutively by more than 40 percent over the same months of 1 year ago. We had back-to-back monthly import increases of more than 40 percent. In the 5-month period spanning September 1985, through January 1986, we imported more textile and apparel products than in the entire year of 1980. More imports in 5 months, Mr. President, than for the entire year of 1980. This is indeed startling.

Mr. President, as import figures from the last few months indicate, the textile industry of our Nation is in deep trouble. It cannot survive if these import surges continue. As I have pointed out, the so-called decline of the dollar is not helping our textile manufacturers. Something must be done to preserve American jobs in this vital industry. I urge the administration to negotiate a tough, new multifiber arrangement. In addition, I urge my colleagues to stand ready to override the veto of the Textile and Apparel Trade Enforcement Act. If we do not act strongly and decisively, it will be too late for thousands of hard-working Americans.

Mr. President, so that my colleagues may have the benefit of the entire Post article which I mentioned earlier, I ask unanimous consent that it appear at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DOLLAR'S DECLINE HAS NOT BRIGHTENED NATION'S FOREIGN TRADE PICTURE SO FAR

(By John M. Berry)

The sharp decline in the value of the U.S. dollar on foreign exchange markets has been almost a non-event as far as the nation's bleak trade picture is concerned.

Some U.S. companies trying to sell goods abroad, where the competition is Japanese, West German or French—against whose currencies the dollar has come down the most—are finding they again have something to talk about, according to analysts surveying the trade scene.

So far, however, there has been no surge of export orders, according to these analysts. And meanwhile, the pace of imports is expected to pick up as the result of an apparent pickup in economic growth.

One reason for the lack of response to date might be that the value of the dollar—adjusted for inflation differentials and according to the amount of trade between each country and the United States—now is about 2.5 percent below its 1984 average.

But the dollar, when measured this way, is well above its value for several years prior to 1984.

In January, nearly a year after the dollar peaked against the yen, deutsche mark and several other prominent currencies, the U.S. merchandise trade deficit hit a record $16.5 billion, the Commerce Department said last week.

With the cost of insurance and freight charges included in the value of imports, the United States imported almost twice as many goods as it exported.

Nor is the bad trade news a one-month blip. During the past three months, the merchandise trade deficit has run at an annual rate of about $180 billion, compared with the $148.5 billion deficit for all of 1985.

Economist Rimmer de Vries of Morgan Guaranty Trust Co. recently told the Joint Economic Committee that if there were no further depreciation of the dollar, the nation's merchandise trade balance would improve slowly.

It would decline to about $105 billion by 1988 but then start to rise again, he said. A

substantial part of the improvement would be the result of lower oil prices, not the fall of the dollar to date.

C. Fred Bergsten of the Institute for International Economics is less optimistic than de Vries. Bergsten estimates the dollar's drop so far is only about enough to stabilize the non-oil trade deficit, not improve it.

Economists and government policymakers have warned all along that it could take up to two years for the dollar's decline to have a substantial impact on trade flows. In fact, in the short-run, the decline of a currency can make a trade deficit appear worse.

That phenomenon—called the "J-curve" effect—occurs because it will take more dollars to buy a given quantity of imported goods unless foreign producers lower their prices as calculated in terms of their own currencies.

Eventually, export markets are supposed to be stimulated because U.S. producers would be able to sell their goods more cheaply abroad than before, while importers would have to charge higher prices, in terms of dollars, when they sell in the United States. This shift in relative prices should encourage export sales and discourage purchases of imported goods, and thus improve the trade balance.

For all that to occur, two things have to happen. First, the value of the dollar must come down compared with the currencies of the countries with which the United States trades, or against whose products U.S. producers compete in so-called third-country markets—that is, in countries other than the United States or the home country of the competing producer.

Second, foreign producers have to set their prices so they reflect a significant portion of the change in exchange rates. If a foreign producer is willing to accept a much smaller profit margin on his sales, he might be able to absorb the impact of a cheaper dollar and hold onto his share of the market for his products.

There is strong evidence that neither of these two necessary changes have taken place.

For one thing, the value of the U.S. dollar has fallen far less than might be supposed from the daily news stories about its decline against the yen, the mark and a few other currencies. Compared with currencies of some countries important to U.S. trade, the dollar has fallen little, or, in some cases, it has even risen.

Meanwhile, the dollar prices of many imported goods are rising only modestly. At the end of 1985, a Labor Department index of imported goods prices stood lower than it had at the beginning of the year.

The index did go up 1.8 percent in the fourth quarter, but that only retraced part of the declines earlier in the year.

Furthermore, there has been little upward movement in the dollar cost of raw commodities traded in auction markets around the world, one of the first places most analysts had expected the dollar's decline to be felt.

How one measures the extent of the dollar's decline depends of several factors, including the point from which the change is measures.

Take the yen, for example. The dollar peaked against the yen in February 1985. As of last week, the dollar's value had dropped more than 30 percent compared with the Japanese currency.

However, many analysts regard the February peak as a sort of speculative bubble that had little impact on trade flows. Instead of the peak, they prefer to use as a base the average yen-dollar exchange rate over a longer period, often 1984. From that average, the dollar's value has fallen only about 24 percent.

And many analysts believe such comparisons are substantially improved if the exchange rates are adjusted for any differential in inflation between the countries involved. In this case, Japanese inflation has been running at about half the rate of inflation in the United States. Thus, the real yen-dollar exchange rate has come down about 20 percent compared with 1984 rather than 24 percent.

But Japan is not the most important country for U.S. trade. Canada has had that position for years, and 1985 accounted for more than 20 percent of U.S. trade—that is, imports and exports. Japan was not far behind with 16.5 percent.

The increase in the value of the yen eventually ought to lead to a reduction in the huge $49.7 billion trade deficit the United States had with that nation last year.

On the other hand, the 6.4 percent rise in the real value of the dollar since 1984 compared with the Canadian dollar also has important implications for trade.

The Canadian dollar is not a widely used international currency and its movements have not made the headlines. Nor has the fact that the U.S. dollar is up in real value by nearly 20 percent compared with the Mexican peso, the United States's third largest trading partner. (See table.)

The U.S. dollar's value also was higher in real terms last week than it was, on average, in 1984, when compared with the currencies of South Korea, Taiwan, Hong Kong, Brazil, Venezuela and Australia.

If the change in the dollar's value against each of the currencies of the 14 countries shown in the table—which together encompass nearly three-fourths of all U.S. trade—is averaged using the volume of bilateral trade as weights, the dollar has declined only about 2.5 percent from its 1984 average.

A different weighting process using various countries' share of total world trade—in which the German mark and the French franc, for instance, have much greater importance—shows a considerably greater decline in the value of the dollar.

An in-between sort of approach, that uses elements of bilateral and multilateral trade weights, shows a decline of about 10 percent since 1984, according to Bergsten of the Institute of International Economics.

Some relief on the trade front should be on the way soon as a result of plunging oil prices.

Many oil experts expect the cost of imported oil to be down by at least one-third from last year's average of about $27 for each 42-gallon barrel—and the price drop could be greater. With net imports of about 1.6 billion barrels, last year's net oil bill of about $43 billion could be lowered by $14 billion or more.

But the big drop in oil prices has little or nothing to do with what has happened to the value of the dollar.

Since oil is priced in dollars worldwide, a shift in the dollar's value can have a significant impact on the local cost of oil in, say, West Germany or Japan, but not in the United States.

The fastest route to improvement of the trade balance, in the opinion of a number of economists, would be faster economic growth in other industrial nations, particularly West Germany and Japan.

However, governments of both countries have resisted suggestions by the United States that their economies could be given a boost by lowering interest rates—though Japanese rates were reduced slightly a few weeks ago.

Meanwhile, significant reduction in the record trade deficits apparently will require a continued decline in the value of the dollar, however it is measured.

Mr. THURMOND. Mr. President, in closing, I want to say that actions must be taken to preserve our textile industry. Again, I want to repeat that the Defense Department has said that textiles rank second to steel in the matter of national defense.

Again I want to repeat that in the last 5 years we have lost 350,000 jobs in the textile and apparel industry. In my State alone, we have lost 25,000 jobs. Mills keep closing. People keep losing their jobs.

Mr. President, now is the time for action. We urge the administration, we plead with the administration, we beg the administration, to take some action to remedy this situation with regard to textiles and apparel. A new Multifiber Arrangement meeting is coming up. It is vital that strong action be taken to preserve these American jobs. It does not make sense to send jobs overseas when our people are out of work. I hope the administration will see this and take the proper action.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 5 minutes.

RADIO BROADCAST OF SENATE PROCEEDINGS

Mr. PROXMIRE. Mr. President, in case anybody listening on the radio thinks that the Senate is always harmonious, I want to dispel that myth immediately. I think this is a very bad idea. I do not think we should ever broadcast our proceedings on the radio, certainly not gavel to gavel, and I do not think we should have television broadcasts.

As a matter of fact, the No. 1 victim of this is the rights of Senators. Already we have seen them abridged. This is the first time in about 15 years when we have not been able to get a special order for more than 5 minutes. That means that if you want to make a statement of any substance, you have to confine it to 5 minutes. That is one limitation that I think is serious.

It is unfortunate. It is something that should not happen.

I always thought when I came to the Senate it was one body where you could get up and speak at will as an elected Member. I find that is not

true. We have had limitations on our rights throughout the years, and I suspect that once television gets going in this body that 5 minutes will be limited to 1 minute or 2 minutes.

The leaders still have 10 minutes. You can predict that. They have not shortened their time at all. But the rank and file Members get 5 minutes, and that is all. We are all equal except for a couple of leaders who are not equal.

We all used to have the opportunity to get up and speak when we wished at length when I first came to this body. Now it is down to 5 minutes and declining.

TOP COMPUTER EXPERTS SAY STAR WARS WON'T WORK

Mr. PROXMIRE. Mr. President, who opposes SDI or star wars? Answer: Those who have the most significant qualifications. Most impressively it comes from expert scientists who could gain rich monetary reward by selling out to star wars but refuse to do so. These are the people who have the expert competence to assess the practical prospects of SDI as an effective contribution to our national security. Consider David Parnas. He is one of the world's leading computer experts. He has been a longtime, highly valued contributor to weapons development for the Department of Defense. The DOD so esteemed his expertise that they paid him $1,000 a day as a consultant on star wars. Star wars posed an exciting as well as financially rewarding challenge for this top computer expert. Dr. Parnas is thoroughly familiar with the complexity of the challenge as well as the marvelous potential capability of computers—particularly when the Government is ready, willing and able to spend whatever billions of dollars it might require to provide a computer system that could make star wars succeed. But Dr. Parnas decided star wars cannot work. He has decided the SDI will be a multibillion dollar fiasco. He has proven the sincerity of his conviction in a way that deeply impresses this Senator. Parnas quit his thousand-dollar-a-day job as a consultant for the Defense Department on star wars because—said Parnas—the project will fail. It is a waste of money.

Last summer 52 members of the physics faculty at the University of Illinois and 70 doctoral students signed a statement labelling star wars, "technically dubious and politically unwise." These computer experts, made two devastating arguments against further Federal spending on SDI. They said first, "anti-ballistic missile defense of sufficient reliability to defend the population of the United States against a Soviet first strike is not technically feasible in the foreseeable future." Then they added the second argument, the real crusher. "A system of more limited capability will only serve to escalate the arms race by encouraging the development of both overkill and all-out competition." These scientists said they would not accept support from "the Strategic Defense Organization that funds star wars."

Mr. President, here are experts who have the technical competence to know what they are talking about. To their great credit they have the integrity to turn their backs on the temptation of millions of dollars of contracts. These are University of Illinois faculty members and scholars. The University of Illinois has one of the Nation's premier computer research centers. The University of Illinois refuseniks are not alone. They are working to secure opposition to SDI from similar experts at such top flight technological institutions as the University of California at Berkeley, the Institute for Theoretical Physics at Santa Barbara, the Fermi Research Center near Chicago, IBM's research center at Yorktown Heights and at Cornell University.

As we might expect the Defense Department is not taking this lying down. The strategic defense initiative office issued press releases announcing that it had formed four consortiums of universities for the research effort. Did they? No. Two of the Nations very top technological institutions said the star wars officials were blowing smoke. Massachusetts Institute of Technology and the California Institute of Technology both declared that the SDI statement misrepresented their position. These blue ribbon institutions had not endorsed or supported star wars. The universities as such were not involved. Only individual researchers at the schools, not the institutes themselves, had been picked for the consortiums. Here is what the president of MIT told the MIT commencement class last June:

> What I find particularly troublesome about SDI funding is the effort to short-circuit the debate and use MIT and other universities as political instruments. Any participation at MIT in SDI funded research should in no way be understood or used as an institutional endorsement of the SDI program.

Mr. President, John Kogut a University of Illinois physics professor put the technical case against star wars simply and emphatically, just listen:

> The type of computerization envisioned for SDI is not feasible. Machines one thousand times faster than the GRAY II super computer would be needed. It's totally beyond the technology that we can imagine. It's certainly irregular that this should be seen as a totally reliable system on which we should stake our national security. The hardware and software are not achievable. The idea of basing a weapons system on this kind of technology is just absurd.

Mr. President, the factual basis of this speech has come from an article in the February 5 special edition of Current News prepared for the Strategic Air Force by Richard C. Gross.

MYTH OF THE DAY: THE BLACK TEEN PREGNANCY RATE CANNOT BE LOWERED

Mr. PROXMIRE. Mr. President, the myth of the day is that the conditions that lead to high rates of black teenage pregnancy cannot be overcome.

It just is not true, and a program in Milwaukee, WI, is proving it right now.

The program is called "Reach for the Stars" and it is attempting to address the root of the problem that has led Milwaukee to have the highest pregnancy rate for black teens in the country.

Listen to what Dr. Janice Anderson, the administrator of HealthReach, a major inner-city HMO and the founder of "Reach for the Stars" has to say:

> Kids need something to work for. And to me there is no greater symbol to a black teenage girl than another black woman who has made it.

And that is what "Reach for the Stars" is all about. Successful, black women speaking to teens, challenging them and motivating them to make something of themselves.

In Dr. Anderson's view, teens need to see women, like themselves, who fought the same odds, overcame the same obstacles, and made it.

Dr. Anderson notes:

> We all admit that we came from poverty. We came from conditions that no one expected us to overcome. But we did it. And we've got to tell it, and tell it fully, so they can know it can be done.

As one woman who donated time to "Reach for the Stars" points out:

> We want them to dream and we want them to believe in themselves. That's why some of the teens have gotten into trouble. They don't believe they can do something else.

Is it working? One indication is the national attention this phenomenal program is receiving. It was recently the subject of a profile on "Good Morning America."

But the real test is the reaction of the teens themselves—the toughest audience imaginable as any parent knows.

And what do they say?

"It made me realize I had a chance."

"They made me feel stronger about myself and what I believe."

As one counselor noted: "I had a young lady approach me who was pregnant and she said, 'You know, if I only could have talked to somebody like you before—I became pregnant— * * *.' There it is."

And there it is, indeed. Successful people teaching success. To Dr. Janice Anderson, whose vision fueled this program and the many, many successful women who are donating their

time to make a difference, my hat is off to you. You can clearly make a difference.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PROXMIRE. Once again, I regret we are being cut off. I would like to say what I have to say as a free citizen and as a Senator.

RECOGNITION OF SENATOR ARMSTRONG

The PRESIDING OFFICER. The Senator from Colorado [Mr. ARMSTRONG] is recognized for not to exceed 5 minutes.

RADIO COVERAGE OF SENATE PROCEEDINGS

Mr. ARMSTRONG. Mr. President, today is a great day in the history of the Senate because it is the first day on which we make available live gavel-to-gavel coverage of debates in the Senate for radio broadcast by those who may desire to broadcast these proceedings.

For the first time, Americans across the Nation will be able to listen in to the Senate debates on actual policy.

Mr. President, I think it is as others have expressed, a historical occasion. There is little I can add to the general round of congratulations that has occurred. Yet as one who has cared about broadcast in the Senate, I would not care to let this opportunity pass without congratulating the two leaders for making this possible, without commending and complimenting the chairman of the Rules Committee, Mr. MATHIAS, the Senator from Alaska [Mr. STEVENS], the Senator from Kentucky [Mr. FORD], and particularly my fellow colleague and partner in this effort, the Senator from Tennessee [Mr. GORE], and others who have made this historic occasion possible.

Mr. President, I also want to call attention to what I think is a noteworthy beginning for broadcast coverage in that virtually the first spoken words to be broadcast; that is, the first statement after the convening of the Senate by the President pro tempore, were words of prayer.

This is not happenstance. It did not have to begin on that note. In fact, the beginning of broadcast coverage with prayer was the result of a wise and deliberate decision by the majority leader. So I want to especially compliment him and congratulate him that he arranged the business of the Senate and the beginning of the broadcast coverage in that way. I applaud him for doing so.

Beginning each legislative session of the Senate with prayer has been the first order of business since the days of the Continental Congress. It was Benjamin Franklin who suggested the daily prayer as a way to acknowledge a superior order and seek guidance, establishing an important principle even at the time when the Founding Fathers were developing institutions to govern this land.

They acknowledged, as we have in the Senate each day since, the provisional nature our being and the need for divine power.

Benjamin Franklin told the Continental Congress, Mr. President:

> The small progress we have made after 4 or 5 weeks close attendance and continual reasoning with each other, our different sentiments on almost every question, is melancholy proof of the intervention of the human understanding. In this situation of this assembly groping, as it were, in the dark to find political truth and scarce able to distinguish it when presented to us, how has it happened, sir, that we have not hitherto once thought of humbly applying to the Father of light to illuminate our understanding?

Mr. Franklin continued:

> In the beginning of the contest with Great Britain when we were sensible of the danger we had daily prayer in this room for divine protection. Our prayers were heard and graciously answered. I therefore beg leave to move that henceforth prayer to implore the blessings of heaven be held in this assembly every morning before we proceed to business.

Mr. Franklin's motion, of course, was adopted, and the tradition has continued to this very day.

So, Mr. President, it seemed especially fitting that we have begun the broadcast coverage of the Senate on this note.

Mr. President, I want to add just one footnote to what has been said about the broadcast coverage.

That is to note that now, 40 full minutes after such coverage has begun, the Chamber is empty, the press gallery is empty and, at least for the moment, we have set to rest the worst fears of those who contemplated broadcast coverage with the thought that the Chamber would be perpetually filled with those who would be seeking to make statements to the Nation via the electronic medium. As of this moment, I do not see any such clamor and it reassures me to think we shall quickly adjust to having coverage by radio. I judge that on the day television coverage is inaugurated, some 40 days hence, there will be, for the first hour or half hour or day, Senators coming to the floor clamoring to express their opinions and views, but this will not last long. Then it will be business as usual in the Senate.

It is business as usual, Mr. President, that I wish to see broadcast and televised, the Senate warts and all. That was the vision of former Senator Howard Baker, who championed forcefully television coverage of the Senate. It was not his desire, nor is it mine, to show something different from the regular order, to show a dressed-up or prettified version of the Senate but the Senate at work with all its foibles, quirks, and unusual proceedings which are inherent in the greatness of this institution.

RECOGNITION OF SENATOR TRIBLE

The PRESIDING OFFICER. Under the previous order, the Senator from Virginia [Mr. TRIBLE] is recognized for not to exceed 5 minutes.

ETHIOPIANS FORCED RESETTLEMENT PROGRAM

Mr. TRIBLE. Mr. President, today I am introducing, along with Senators KASSEBAUM and BOSCHWITZ, a sense-of-the-Congress resolution condemning Ethiopia's program of forcible resettlement which urges the President to consider imposing economic sanctions if the Ethiopian regime continues this inhumane policy.

The reports from Ethiopia are absolutely distressing. The forced resettlement program has caused untold suffering and death. Hundreds of thousands have been coercively sent to other parts of the country, many at gunpoint. The program entails the capture, imprisonment, and forcible relocation of peasants. During this process, families are separated and food and water are systematically withheld so that the victims do not try to escape.

Cultural Survival, a Harvard-based research group, has interviewed refugees in the Sudan who fled Ethiopian resettlement camps. According to those interviews 40 percent of those resettled claimed to have been beaten and 20 percent said they had witnessed others being beaten to death. Eighty percent said their families had been broken up in the resettlement process.

At best, the Mengistu regime has shown a most callous disregard for human lie. At worst, the Government of Ethiopia has carried out a policy of genocide.

Deaths from this draconian policy are conservatively estimated to exceed 100,000 by Medecin Sans Frontieres, a French private voluntary organization. This gruesome total must be directly attributed to the appalling conditions in the resettlement sites.

Most sites have no houses or health facilities. Food is supplied erratically and is inadequate for individuals forced to engage in hard manual labor. Armed political cadres force camp residents to work 10 hours or more a day, 6½ days a week. If residents fail to meet arbitrary quotas, their meager food rations are cut.

The brutal and barbaric policies of the Government of Ethiopia must be condemned by civilized nations around the world. This resolution condemns the forced resettlement policy and

urges the President to consider the imposition of economic sanctions if the policy continues. The resolution also urges the President to make every reasonable diplomatic effort to persuade the Mengistu government to abandon its inhumane resettlement program.

Mr. President, the Congress of the United States must express its outrage at this policy and I urge my colleagues to support this resolution.

I send the concurrent resolution to the desk and I yield the floor.

The PRESIDING OFFICER. The concurrent resolution will be received and appropriately referred.

Mr. TRIBLE. Mr. President, surveying the Chamber, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KASTEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond the hour of 11 a.m., with statements therein limited to 5 minutes each.

Mr. DOLE. Mr. President, I ask unanimous consent that further proceedings under the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there further morning business?

The majority leader.

ORDER OF PROCEDURE

Mr. DOLE. As I understand, we are about prepared to go back on the balanced budget amendment. I want to urge my colleagues on each side, as I normally do, to be here within 5 minutes with their amendments so that we can dispose of this matter today. I understand there may be amendments. I understand the distinguished Senator from Alabama [Mr. HEFLIN] is prepared to offer an amendment. Others may have amendments. I hope that we can offer them and not have extended quorum calls or other delays that will eat up most of the day.

It is possible in my view to complete action on the balanced budget amendment by 4 or 5 o'clock and then move to the committee funding resolutions. And that will be necessary because the chairman of the Rules Committee will not be available for the next few days. So we do need to act on the committee funding resolutions. I know Senator STEVENS of Alaska has an amendment, and I believe the distinguished Senator from New Hampshire [Mr. HUMPHREY] will have an amendment. The Senator from New Hampshire and the Senator from Illinois [Mr. DIXON] are joined together in an amendment. So I would hope that we can resolve any problems on the amendments and complete action on the committee funding resolutions.

Then it would be our hope that on tomorrow and Friday, with votes both days, we could move to the water resources bill, Senate bill 1567. Then next week we would be on the budget resolution, Contra aid, regional airport compact, and a number of other items we would like to finish before the Easter recess, which is scheduled to begin the close of business on March 26.

CONCLUSION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

The PRESIDING OFFICER. The clerk will report the unfinished business.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 225) proposing an amendment to the Constitution relating to a Federal balanced budget.

The Senate resumed consideration of the joint resolution.

Pending:

Thurmond Amendment No. 1652, in the nature of a substitute.

Mr. DOLE. Mr. President, I understand the distinguished Senator from Alabama is prepared to offer his amendment. My view is that the managers are on the way, but I am certain they would have no objection to offering the amendment and starting the discussion and when they arrive they can take up the debate. I thank the Senator from Alabama for being here.

The PRESIDING OFFICER. The Senator from Alabama.

AMENDMENT NO. 1659

(Purpose: To modify the waiver provision)

Mr. HEFLIN. Mr. President, I have an amendment to the proposed constitutional amendment to balance the budget dealing with undeclared wars primarily.

I am a strong supporter of the constitutional amendment to balance the budget. When I first came to the Senate in 1979, in January, I introduced at that time a resolution calling for a constitutional amendment to balance the budget and have been involved in working in the Judiciary Committee and in a balanced budget caucus for many years trying to adopt a resolution which would authorize the submission to the States for ratification of a constitutional amendment to require a balanced budget.

As you know, in 1982, the Senate did pass a constitutional amendment calling for a balanced budget by more than the required two-thirds vote. There were 69 votes in favor of it at that time. It was sent to the House of Representatives where, in the House Judiciary Committee, it was bottled up, where the chairman there would not allow it to come up for a committee vote, in order that it might be reported to the floor of the House of Representatives.

In order to bring it up for a vote in the House of Representatives, it was necessary to file a discharge petition. A discharge petition is a petition that has to be signed by more than a majority of the whole number of the House of Representatives, and then it is brought up and voted on without any amendment. It failed to obtain the necessary two-thirds vote that was required in the House of Representatives at that time.

I believe that was in 1982. I know that we passed the Senate version of the constitutional amendment requiring a balanced budget in August 1982. Since that time, there has been considerable debate, various articles have been written in numerous publications, and editorials have appeared in numerous newspapers. Many speeches have been made on the floor of the Senate, and I have made numerous speeches advocating the adoption of a constitutional amendment requiring a balanced budget.

There is one aspect of this amendment as it is presently drafted, in my judgment, that has a void, and that is a void dealing with the issue of undeclared war.

Section 3 of the proposed Senate Joint Resolution 225, the resolution now before the Senate calling for a constitutional amendment to balance the budget, says that Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect. It allows it only in the event of a declaration of war.

Looking back over the history of this Nation, we find that we have had only five undeclared wars. The most recent encounters of the United States in armed conflict with enemies have been, of course, undeclared wars. We fought the Vietnam war without a declaration of war. The Korean action was fought without a declaration of war.

I think there is a defect in the proposed language of the resolution calling for this constitutional amendment to balance the budget, and because of that defect, I wish to offer an amendment to correct it. Therefore, at this time I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. KASTEN). The amendment will be stated.

The legislative clerk read as follows:

The Senator from Alabama [Mr. HEFLIN] proposes an amendment numbered 1659:

On page 1, strike out lines 16 through 18 and insert in lieu thereof the following:

"Section 3. The provisions of this article are automatically waived for any fiscal year in which a declaration of war is in effect.

"The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and is so declared by a joint resolution, adopted by a majority of the whole number of each House of the Congress, which becomes law. Afterwards any waiver adopted shall be by a joint resolution of like requirements.".

Mr. HEFLIN. Mr. President, the amendment I am offering to Senate Joint Resolution 225 is simple and straightforward, and yet it is one that could prove vital to the national security of the United States. Section 3 of Senate Joint Resolution 225, the constitutional amendment to balance the budget, authorizes Congress to waive the provisions of this article for any fiscal year in which a declaration of war is in effect. While this exception to the general rule of a balanced budget is necessary in my judgment, it does not go far enough.

This country can be faced with military emergencies which threaten our national security, without a formal declaration of war. Circumstances may arise in which Congress may need to spend significant amounts on national defense without a declaration of war. Congress and the President must be given the necessary flexibility to respond rapidly when a military emergency arises. If the purpose of section 3 is to allow this Nation to respond when the country is involved in conflict which threatens our national security, then it falls short of its intended purpose.

Throughout our history, the United States has engaged in only five declared wars: the War of 1812, the Mexican War, the Spanish-American War, the First World War, and the Second World War.

It is interesting to note that the War Between the States was not a declared war.

My amendment provides for the automatic waiver of the provisions of the constitutional amendment when a declared war is in effect. I think that is a substantial change and a needed change.

There could be a war like the Vietnam war, which went on for 11 years, and each year you would have to waive the constitutional amendment pertaining to a balanced budget by a three-fifths vote. We might look back and we would see that the vote to withdraw the troops from Vietnam carried by only 8 votes. The difference between a majority, as my amendment provides, and the three-fifths vote is a difference between 51 and 60, which is 9 votes.

I believe that when a declared war is in effect, the requirements should be automatically suspended, automatically waived, and therefore we should not have to go every year. A war may drag on, and become very unpopular, and it might be that a majority of the Members of Congress might support the activities that are going on, but three-fifths would not. Therefore, I think it is important that that automatic waiver be included, rather than the requirement that each fiscal year that a declared war is in effect, you have to waive it.

My amendment also provides that the provisions can be waived if the United States is engaged in military conflict which causes an imminent and serious military threat to national security.

A statement from a report issued by the Foreign Affairs Division of the Congressional Research Service, "Background Information On The Use of U.S. Armed Forces in Foreign Countries," revised as of 1975, quoting the Harvard Law Review best describes the type of conflicts which are more commonplace today.

Though there may have been a time when . . . changes in legal status were uniquely the result of a formal declaration [of war] this is clearly no longer true today. Countries have long engaged in undeclared hostilities which in terms of the effort involved, the impact on citizens and the effect on domestic and international legal relations are often indistinguishable from a formerly declared war . . . the formal declaration of war in the modern context is often deliberately avoided precisely because of the apparent commitment to total victory and the general hardening of attitudes likely to result.

The report continues:

Twice since the end of the Second World War, first in Korea and then in Indochina, the United States has been heavily engaged in armed conflicts abroad. On other occasions, American troops have been sent to foreign countries in times of crisis, Lebanon in 1958, and the Dominican Republic in 1965. Additional critical situations, including the confrontation in the Formosa Straits in 1955, the Cuban missile crisis in 1962, the seizure of the *Mayaguez* in 1975, have been met by a use of American military forces.

If this report which I have read from, the Congressional Research Service, "Background Information on the Use of U.S. Armed Forces in Foreign Countries," would be extended to date, it would include additional instances.

I think it is also wise to look at some of the other instances in which we have had undeclared war and to see how serious they were.

We find that in 1914 to 1917, during a time of revolution in Mexico, there were at least two major armed actions by U.S. forces in Mexico. The hostilities included the capture of Vera Cruz and later Pershing's expedition into northern Mexico. In 1927, fighting at Shanghai caused American naval forces and marines to be increased. In March of 1927, a naval guard was stationed at the American consulate at Nanking after national forces captured the city. A United States and British warship fired on Chinese soldiers to protect the escape of Americans and other foreigners.

By the end of 1927, the United States had 44 naval vessels in Chinese waters and 5,670 men ashore.

In 1918, Marines were landed at Vladivostok in June and July to protect the American consulate. The United States landed 7,000 troops which remained until January 29, as part of an allied occupation force.

In September 1918, American troops joined the allied intervention force at Archangel and suffered some 500 casualties.

When a pro-Nasser coup took place in Iraq in January 1958, the President of Lebanon sent an urgent plea for assistance to President Eisenhower saying his country was threatened both by internal rebellion and indirect aggression. President Eisenhower responded by sending 5,000 marines to Beirut to protect American lives and help the Lebanonese maintain their independence. This force was gradually increased to 14,000 soldiers and marines who occupied strategic positions throughout the country.

I think you could go on and on concerning various instances that have occurred pertaining to our involvement in conflict abroad at various times in which there was undeclared war.

I will not specify the instances under which such a waiver would be necessary or appropriate. I am one individual among many individuals. But there have been, throughout the history of our country, approximately 200 instances when the United States has utilized military forces abroad, in situations of conflict, to protect or promote the U.S. interests. Not all of these would move Congress to seek a waiver of the requirements of a balanced budget. I do not think that they should. I think that the language for my exception for undeclared war ought to present safeguards against its misuse and I think that we have framed it in language which will prevent misuse of the waiver for an undeclared war. But Congress certainly should have the flexibility, within the mandates of a constitutional amendment, to allow the Nation to provide for our Nation's security.

I realize that Senate Joint Resolution 225 currently provides for deficit spending by three-fifths vote of the whole number of each House of Congress. I also know the difficulty in ob-

taining the three-fifths vote. If we are serious about balancing the budget, the decision to operate with a deficit should come at a higher price but not when the security of our Nation is at stake. If there is a military conflict, I would not want the security of our Nation to rest possibly on the difference between 9 votes in the Senate and 43 votes in the House of Representatives.

Under those circumstances, our first—no, our only thought—should be to preserve the security of our country.

I do not offer my amendment lightly. I have drafted the amendment in such a way that provides these safeguards, as I have previously mentioned, against its misuse.

First, if there is a declaration of war, there should be no question that the requirements of a balanced budget are waived. I believe it would be rare in today's arena for war to ever again be formally declared, but we must provide for that possibility.

Second, my amendment provides that the article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security which is so declared by a joint resolution which becomes law.

It also means, under the language, that it has to be declared as a military threat. This joint resolution has to become law. In an attempt to further tighten these requirements, this joint resolution has been drafted so that it would be adopted by a majority of the whole number of each House of Congress. Under current law, a majority of the Senate membership is 51 and the majority of the House of Representatives is 218. That is an additional requirement; whereas, the waiver for the fiscal year in the present section 3 only requires a majority of those present and voting.

My resolution here, which is a joint resolution and which must be signed by the President, requires that the majority must be a majority of the whole number of each House of Congress.

Therefore, there must first be a resolution stating that the United States is engaged in military conflict which causes an imminent and serious military threat to national security. That means you have to be in military conflict and it must be determined that it causes an imminent, meaning an immediate, and a serious military threat to national security. That word "military" is in there. It means that it would eliminate matters which are not of a military nature.

Then after that resolution has been declared, there would be a second requirement.

The second requirement means that there would be two separate votes. The first, of course, as I have described, is a joint resolution which becomes law, meaning it is either signed by the President, or the President's veto is overriden, declaring the threat, and the second vote, would then be on a waiver of the constitutional amendment of a balanced budget in time of undeclared war. That additional step would be to vote for the waiver and the waiver would last only for the duration of the fiscal year. And if the undeclared war continued, it would have to be voted each fiscal year.

The vote on the waiver would have to be adopted: by a majority of the whole membership of each House of Congress and it would have to become law.

Now the waiver under section 3 of the present proposed Senate Joint Resolution 225 does not have the President involved in the waiver. It says only that the Congress may waive the provisions. My amendment requires the President to participate in the resolution, declaring the threat, and then in the second requirement of a waiver.

Now these are safeguards. The reason for the safeguards is that you would not have a waiver during a fiscal year when there would be an instance like Grenada, a 7-day war. Grenada involved a military conflict. But, in my judgment, it did not involve or cause an imminent and serious military threat to the security of the United States.

I would also point out another recent instance involving the marines in Lebanon, our involvement there as a part of a multinational peacekeeping force. In my judgment, they did become involved in military conflict. But that military conflict that they were involved in did not—did not—cause an imminent or a serious threat to the national security.

So, therefore, a Grenada or a situation like Lebanon, at Beirut during the time after the marine barracks were bombed by the truck with dynamite by the suicide driver, those instances would not have qualified to bring about a waiver. You would have to have us involved in a situation like Korea, in a situation like Vietnam, in order to bring this into being and for the requirements to be met.

Without my amendment, an unusual situation is created. Under the War Powers Act, the President is required in every possible instance to consult with Congress before introducing American Armed Forces into hostilities or potential conflicts unless there has been a declaration of war or some specific congressional authorization. It also requires the President to report to Congress the introduction of forces into hostilities or imminent hostilities, and the Congress must authorize the use of force within 60 days or the forces must be withdrawn. There are provisions that do allow for the extension up to 90 days.

Now this creates a situation where Congress, by a simple majority vote, has the authority to decide whether troops will remain in a conflict situation, but it would require—under the provisions of the drafted Senate Joint Resolution 225, the resolution before the Senate right now without my amendment—it would require a three-fifths vote to provide additional funds to protect those troops.

In other words, under the War Powers Act, Congress could approve an action by a majority vote, a majority vote of those present and voting, but under the provisions of the proposed constitutional amendment, a three-fifths vote would be necessary in order to provide the funds. Now I think that is an unusual situation.

I think you have to read and see the factual situation that would arise and the applicability of the War Powers Act to my amendment. You would have a military conflict. You would have the War Powers Act coming into being. You would have at least 60 days. Then you would have, at the same time, the matter concerning the adoption of a resolution to the effect that there was an imminent and serious threat to the national security. And then you would have the additional waiver that would be required.

This means that, a military conflict that would be going on in which there would be no declaration of war would have to be read in pari materia with the application of the War Powers Act. This would be a safeguard and would mean that you would not have a waiver on frivalous instances.

My amendment is directed primarily toward Vietnam, toward Korea, toward those instances in which we have been involved for a sustained period of time and in which the United States is in a similar situation as if they had declared war.

So we have put the safeguards here to protect against its misuse. And, to me, the amendment that I have offered provides these safeguards and it is very important.

I do not know what the intentions of my colleagues would be, but I know that some of those in this body who may oppose my amendment favor a strong national defense.

There are those of us—especially under the difficult constraints of Gramm-Rudman-Hollings—who think it is time that defense fended for itself. But this is not simply a budget matter. We are in the process of amending the Constitution. Our frustrations today should not impact upon our decisions of tomorrow.

In the 97th Congress, I offered an amendment somewhat broader in scope. In the spirit of compromise, I have clarified the language. Part of

the language of the amendment that I am offering today was offered by the distinguished chairman of the Judiciary Committee, Senator STROM THURMOND, in committee. However, Senator THURMOND later withdrew his amendment.

When I offered a similar amendment on national security in the 97th Congress, the administration not only initially supported, but offered suggestions on drafting part of that amendment. On July 13, 1982, the administration issued a statement stating their support of the constitutional amendment. Then they stated:

> The administration does, however, believe that section 3—that is the section suspending the article in the event of declared war—should be broadened and would support the following change:
>
> The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect, or there is an unforeseen and imminent threat to the national security.

At one time during the summer of 1982, we met with members of the administration to discuss their concern for this national defense emergency exception.

Also, on the date that this came up—and before it lacked only four votes from being adopted—on August 3, 1982, when we voted on the undeclared war exception to the constitutional amendment to balance the budget, the Secretary of Treasury, Donald Regan, testified before a committee of the House, and in that testimony he made this statement:

> A wide variety of events, not necessarily entailing a declaration of war, may pose threats to national security. The administration should encourage the Congress to amend by constitutional amendment to allow a broader range of events, unforeseen events posing an imminent threat to national security to qualify for a waiver.

He made that statement before a House Judiciary Subcommittee on Monopolies and Commercial Law. That was Donald Regan who was then the Secretary of Treasury.

Now, I do not bring this issue up to infer that the administration supported my amendment on the final vote in the 97th Congress. Frankly, I think they got talked out of the support that they would have given to the amendment that they helped me draft, and which I submitted because they had some fears that they might lose the votes of some doves in the U.S. Senate. And, again, that is a problem.

You have some fiscal conservatives who consider themselves doves, and who do not want to look at defense in a proper manner. At least, that is the way I would classify the way that they look at it. But I do not think that they ought to be looking at it from that viewpoint.

We are writing a constitutional amendment. It will live for years and years. And we ought not to let political expediency determine the language that is involved when the national security of this Nation is one of the primary issues.

To me, the fact that the national security is the issue means we ought to write the language for a waiver in such a manner as to look toward the future and to provide for the exceptions to provide reasonable safeguards against its misuse.

So I think that really the administration somehow got talked out of their position. I do not bring this up at this time to say that they supported my amendment on final vote in the 97th Congress, or that the administration currently supports my amendment. Frankly, I do not know. After working with them for a long period of time on this matter, they know in the committees and have known that I have been working since I offered a similar amendment to this in committees, and I have not heard from them. So I assume they maybe they do not support it.

But I want to point out that there have been others that have expressed concern over the lack of flexibility in the declared war provision as it is written. And I think they should have concern. And every Senator ought to have concern about the lack of flexibility in the written resolution that is before you, particularly in regard to times of undeclared war.

It is important, I think, that we face the facts, and the facts as we know them. We know them from history. A person that does not study history is going to make errors again in the future. We look back in history, and we see that we have only had five declared wars. And that in recent years our activities in military conflicts have been in undeclared wars. I think that should illustrate from a historical viewpoint that we need to provide flexibility concerning the issue of undeclared war.

Well, I really feel that the opposition to my amendment is not based upon the language of the amendment or the principle of the amendment, but more upon the political climate. Some fear that my amendment will weaken the chances of the constitutional amendment's passage. I do not really share this fear. But I have an even greater fear that in the absence of this needed flexibility, we risk an even greater danger. Many will argue that, if there is truly an emergency, we will have no difficulty in reaching the three-fifths vote.

But there have been some close votes in the history of this country. And I think we ought to look back at some of the close votes that we have had in the history of this country, and in some instances, if they had not carried, this country would have faced disaster.

The Senate voted to declare war on Great Britain in 1812 by a seven-vote margin. The vote approving the withdrawal of troops from Vietnam passed the Senate by nine votes.

The point I want to make, as I mentioned these instances, is the difference between the majority of the whole membership of each House, and a three-fifths vote of the whole membership of each House that would be required—that there are nine votes in the Senate and 43 votes in the House.

I do not believe that this constitutional amendment in 1982 in the House failed to achieve the two-thirds vote by more than 43 votes. I do not remember. But it seems to me that it was less than 43 votes, and that it failed to achieve the necessary two-thirds vote over there.

I pointed out already two instances where nine votes in the Senate would have made a considerable difference. The vote to provide statutory authority for the war powers resolutions for continued U.S. participation in the multinational peacekeeping force in Lebanon for up to 18 months, after the enactment of the resolution, passed by a vote of 54 to 46, an 8-vote difference.

The issue of Contra aid is going to come up. Is there anybody in the Senate that thinks that Contra aid is going to carry more than nine votes in this Senate? Well, I support the President. But I want to say to you, and to the administration if they will listen, if they think Contra aid is going to pass by more than nine votes, they are certainly engaging in wishful thinking.

What about the House of Representatives? Is there anyone who thinks the House is going to vote Contra aid by more than 43 votes, and support the administration's position over there? Nicaragua, Central America—all of this—in the future may cause serious problems.

They are close to home. We have not had, since the Cuban crisis, anything as close to home as we have here. I think you ought to give careful consideration to it.

But there is one vote that I think should convince anybody who is on the fence about this amendment. That simple vote meant the difference, in my judgment, between victory and defeat for the United States in World War II.

That vote occurred on August 12, 1941, when the extension of the Selective Service Act came up, the draft.

In the debate that occurred on this amendment in the 97th Congress, Senator Jennings Randolph, who is not now in the Senate, joined me in supporting my amendment at that time, which was quite similar. It was to a similar resolution on a balanced budget in the 97th Congress.

Senator Randolph supported it and said that he was in the House of Representatives, on August 12, 1941, and that his vote, as well as the others' votes, was the difference, because there was a one-vote difference concerning the extension of the Selective Service Act at that time. On August 12, 1941, the draft was extended by a vote of 203 to 202. One vote—after many hours of bitter debate and many harsh words. It was at a time when Hitler was bent on destroying Europe, yet the Selective Service Extension Act was passed by a single vote.

Less than 4 months later, Japan attacked Pearl Harbor. If we had not continued the Selective Service Act at that time and had gone through a 4-month dismantling of the Selective Service System, I shudder to think what might have been the outcome relative to World War II.

One vote made the difference then. It can make the difference now. All I am asking is that we include within this constitutional amendment the ability to respond in times other than declared war.

The preamble to our Constitution reads:

We, the people of the United States, in order to form a more perfect union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America.

We will soon be celebrating the 200th anniversary of the Constitution, a constitution written not just with a vision of today, but one with a vision of tomorrow. It is a vision that has served us well.

Mr. President, I will ask unanimous consent that a report from the Congressional Research Service which lists the instances of the use of the U.S. Armed Forces abroad from 1798 to 1983, be printed in the RECORD. This is Report No. 83-204F. The list through 1975 is reprinted from the U.S. Congress, House Committee on International Relations, now Foreign Affairs, Subcommittee on International Security and Scientific Affairs. "Background Information on the Use of U.S. Armed Forces in Foreign Countries, 1975," revision: Committee print, 94th Congress, 1st session, prepared by the Foreign Affairs Division, Congressional Research Service. This shows the instances of our participation in military conflict in foreign countries during this period of time, only five of which were during a declared war.

Mr. President, I do not want to prolong debate on this. We can go ahead and proceed to a vote. I do want to emphasize that my amendment involves the President. The present language in section 3 does not have the President involved.

My amendment would automatically waive the provision of a balanced budget in time of war. It would, in time of undeclared war, provide the flexibility to waive the constitutional amendment and not require a three-fifths vote. I have listed some instances, like the Vietnam war, the Korean war, where I think we ought to bring to mind the problems that existed. I seriously question whether or not we could have waived by a three-fifths vote in the last year of the Vietnam war the requirements of the constitutional amendment requiring a balanced budget when our national security needed it so much.

I think this provides a flexibility that is needed and it is something that will add to this constitutional amendment. I strongly support the constitutional amendment to balance the budget. I think there are some corrections that should be made. There are some drafting errors.

I have been working with Senator ARMSTRONG on the matter of self-enforcement.

I feel very strongly, however, about the exception in times of undeclared war.

I send to the desk and ask unanimous consent to have printed in the RECORD this report from the Congressional Research Service on instances of the use of U.S. Armed Forces abroad from 1798 to 1983.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

INSTANCES OF USE OF UNITED STATES ARMED FORCES ABROAD, 1798-1983 [1]

The following list indicates approximately 200 times that the United States has utilized military forces abroad in situations of conflict to protect or promote U.S. interests. Because of differing judgments over the kinds of actions to be included, other lists may include more or fewer instances.[2]

The instances vary greatly in size of operation, legal authorization, and significance. The number of troops involved range from a few sailors or Marines landed to protect American lives and property to hundreds of thousands in Vietnam and millions in World War II. Some actions were of short duration and some lasted a number of years. In some instances the President acted solely under his powers as Commander in Chief; five were declared wars. Inclusion in this list does not connote either legality or significance.

1798-1800—Undeclared Naval War with France. This contest included land actions, such as that in the Dominican Republic, city of Puerto Plata, where marines captured a French privateer under the guns of the forts.

1801-05—Tripoli. The First Barbary War, including the George Washington and Philadelphia affairs and the Eaton expedition, during which a few marines landed with United States Agent William Eaton to raise a force against Tripoli in an effort to free the crew of the Philadelphia. Tripoli declared war but not the United States.

1806—Mexico (Spanish territory). Capt. Z.M. Pike, with a platoon of troops, invaded Spanish territory at the headwaters of the Rio Grande deliberately and on orders from Gen. James Wilkinson. He was made prisoner without resistance at a fort he constructed in present day Colorado, taken to Mexico, later released after seizure of his papers.

1806-10—Gulf of Mexico. American gunboats operated from New Orleans against Spanish and French privateers, such as La Fitte, off the Mississippi Delta, chiefly under Capt. John Shaw and Master Commandant David Porter.

1810—West Florida (Spanish territory). Gov. Claiborne of Louisiana, on orders of the President, occupied with troops territory in dispute east of Mississippi as far as the Pearl River, later the eastern boundary of Louisiana. He was authorized to seize as far east as the Peridido River. No armed clash.

1812—Amelia Island and other parts of east Florida, then under Spain. Temporary possession was authorized by President Madison and by Congress, to prevent occupation by any other power; but possession was obtained by Gen. George Matthews in so irregular a manner that his measures were disavowed by the President.

1812-15—Great Britain. War of 1812. Formally declared.

1813—West Florida (Spanish territory). On authority given by Congress, General Wilkinson seized Mobile Bay in April with 600 soldiers. A small Spanish garrison gave way. Thus U.S. advanced into disputed territory to the Perdido River, as projected in 1810. No fighting.

1813-14—Marquesas Islands. Built a fort on island of Nukahiva to protect three prize ships which had been captured from the British.

1814—Spanish Florida. Gen Andrew Jackson took Pensacola and drove out the British with whom the United States was at war.

1814-25—Caribbean. Engagements between pirates and American ships or squadrons took place repeatedly especially ashore and offshore about Cuba, Puerto Rico, Santo Domingo, and Yucatan. Three thousand pirate attacks on merchantmen were reported between 1815 and 1823. In 1822 Commodore James Biddle employed a squadron of two frigates, four sloops of war, two brigs, four schooners, and two gunboats in the West Indies.

1815—Algiers. The second Barbary War, declared by the opponents but not by the United States. Congress authorized an expedition. A large fleet under Decatur attacked Algiers and obtained indemnities.

1815—Tripoli. After securing an agreement from Algiers, Decatur demonstrated with his squadron at Tunis and Tripoli,

[1] This list through 1975 is reprinted from: U.S. Congress. House Committee on International Relations [now Foreign Affairs]. Subcommittee on International Security and Scientific Affairs. Background Information on the Use of U.S. Armed Forces in Foreign Countries, 1975 Revision. Committee print, 94th Congress, 1st session. Prepared by the Foreign Affairs Division, Congressional Research Service, Library of Congress. Washington, U.S. Govt. Print. Office, 1975. 84 p.

[2] Other lists include:

Goldwater, Senator Barry. War Without Declaration. A Chronological List of 199 U.S. Military Hostilities Abroad Without a Declaration of War. 1798-1972. Remarks in the Senate. Congressional Record, v. 119, July 20, 1973: S14174-14183.

U.S. Department of State. Armed Actions Taken by the United States Without a Declaration of War, 1789-1967. Research Project 806A. Historical Studies Division. Historical Office. Bureau of Public Affairs.

where he secured indemnities for offenses during the War of 1812.

1816—Spanish Florida. United States forces destroyed Nicholls Fort, called also Negro Fort, which harbored raiders making forays into United States territory.

1816-18—Spanish Florida.—First Seminole War. The Seminole Indians, whose area was a resort for escaped slaves and border ruffians, were attacked by troops under Generals Jackson and Gaines and pursued into northern Florida. Spanish posts were attacked and occupied, British citizens executed. There was no declaration or congressional authorization but the Executive was sustained.

1817—Amelia Island (Spanish territory off Florida). Under orders of President Monroe, United States forces landed and expelled a group of smugglers, adventurers, and freebooters.

1818—Oregon. The U.S.S. Ontario, dispatched from Washington, landed at the Columbia River and in August took possession. Britain had conceded sovereignty but Russia and Spain asserted claims to the area.

1820-23—Africa. Naval units raided the slave traffic pursuant to the 1819 act of Congress.

1822—Cuba. United States naval forces suppressing piracy landed on the northwest coast of Cuba and burned a pirate station.

1823—Cuba. Brief landings in pursuit of pirates occurred April 8 near Escondido; April 16 near Cayo Blanco; July 11 at Siquapa Bay; July 21 at Cape Cruz; and October 23 at Camrioca.

1824—Cuba. In October the U.S.S. *Porpoise* landed bluejackets near Matanzas in pursuit of pirates. This was during the cruise authorized in 1822.

1824—Puerto Rico (Spanish territory). Commodore David Porter with a landing party attacked the town of Fajardo which had sheltered pirates and insulted American naval officers. He landed with 200 men in November and forced an apology.

1825—Cuba. In March cooperating American and British forces landed at Sagua La Grande to capture pirates.

1827—Greece. In October and November landing parties hunted pirates on the islands of Argenteire, Miconi, and Andross.

1831-32—Falkland Islands. To investigate the capture of three American sailing vessels and to protect American interests.

1832—Sumatra—February 6 to 9. To punish natives of the town of Quallah Battoo for depredations on American shipping.

1833—Argentina—October 31 to November 15. A force was sent ashore at Buenos Aires to protect the interests of the United States and other countries during an insurrection.

1835-36—Peru—Decembr 10, 1835 to January 24, 1836, and August 31 to December 7, 1836. Marines protected American interests in Callao and Lima during an attempted revolution.

1836—Mexico. General Gaines occupied Nacogdoches (Tex.), disputed territory from July to December during the Texan war for independence, under orders to cross the "imaginary boundary line" if an Indian outbreak threatened.

1838-39—Sumatra—December 24, 1838 to January 4, 1839. To punish natives of the towns of Quallah Battoo and Muckie (Mukki) for depredations on American shipping.

1840—Fiji Islands—July. To punish natives for attacking American exploring and surveying parties.

1841—Drummond Island, Kingsmill Group. To avenge the murder of a seaman by the natives.

1841—Samoa—February 24. To avenge the murder of an American seaman on Upolu Island.

1842—Mexico. Commodore T.A.C. Jones, in command of a squadron long cruising off California, occupied Monterey, Calif., on October 19, believing war had come. He discovered peace, withdrew, and saluted. A similar incident occurred a week later at San Diego.

1843—China. Sailors and marines from the St. Louis were landed after a clash between Americans and Chinese at the trading post in Canton.

1843—Africa, November 29 to December 16. Four United States vessels demonstrated and landed various parties (one of 200 marines and sailors) to discourage piracy and the slave trade along the Ivory coast, etc., and to punish attacks by the natives on American seamen and shipping.

1844—Mexico. President Tyler deployed U.S. forces to protect Texas against Mexico, pending Senate approval of a treaty of annexation. (Later rejected.) He defended his action against a Senate resolution of inquiry.

1846-48—Mexico, the Mexican War. President Polk's occupation of disputed territory precipitated it. War formally declared.

1849—Smyrna. In July a naval force gained release of an American seized by Austrian officials.

1851—Turkey. After a massacre of foreigners (including Americans) at Jaffa in January, a demonstration by the Mediterranean Squadron was ordered along the Turkish (Levant) coast. Apparently no shots fired.

1851—Johanna Island (east of Africa), August. To exact redress for the unlawful imprisonment of the captain of an American whaling brig.

1852-53—Argentina—February 3 to 12, 1852; September 17, 1852 to April 1853. Marines were landed and maintained in Buenos Aires to protect American interest during a revolution.

1853—Nicaragua—March 11 to 13. To protect American lives and interests during political disturbances.

1853-54—Japan. The "opening of Japan" and the Perry Expedition.

1853-54—Ryukyu and Bonin Islands. Commodore Perry on three visits before going to Japan and while waiting for a reply from Japan made a naval demonstration, landing marines twice, and secured a coaling concession from the ruler of Naha on Okinawa. He also demonstrated in Bonion Islands. All to secure facilities for commerce.

1854—China—April 4 to June 15 to 17. To protect American interests in and near Shanghai during Chinese civil strife.

1854—Nicaragua—July 9 to 15. San Juan del Norte (Greytown) was destroyed to avenge an insult to the American Minister to Nicaragua.

1855—China—May 19 to 21 (?). To protect American interests in Shanghai. August 3 to 5 to fight pirates near Hong Kong.

1855—Fiji Islands—September 12 to November 4. To seek reparations for depredations on Americans.

1855—Uruguay—November 25 to 29 or 30. United States and European naval forces landed to protect American interests during an attempted revolution in Montevideo.

1856—Panama, Republic of New Grenada—September 19 to 22. To protect American interests during an insurrection.

1856—China—October 22 to December 6. To protect American interests at Canton during hostilities between the British and the Chinese; and to avenge an unprovoked assault upon an unarmed boat displaying the United States flag.

1857—Nicaragua—April to May, November to December. To oppose William Walker's attempt to get control of the country. In May Commander C.H. Davis of the United States Navy, with some marines, received Walker's surrender and protected his men from the retaliation of native allies who had been fighting Walker. In November and December of the same year United States vessels *Saratoga*, *Wabash*, and *Fulton* opposed another attempt of William Walker on Nicaragua. Commodore Hiram Paulding's act of landing marines and compelling the removal of Walker to the United States, was tacitly disavowed by Secretary of State Lewis Cass, and Paulding was forced into retirement.

1858—Uruguay—January 2 to 27. Forces from two United States warships landed to protect American property during a revolution in Montevideo.

1858—Fiji Islands—October 6 to 16. To chastise the natives for the murder of two American citizens.

1858-59—Turkey. Display of naval force along the Levant at the request of the Secretary of State after massacre of Americans at Jaffa and mistreatment elsewhere "to remind the authorities (of Turkey) * * * of the power of the United States."

1859—Paraguay. Congress authorized a naval squadron to seek redress for an attack on a naval vessel in the Parana River during 1855. Apologies were made after a large display of force.

1859—Mexico. Two hundred United States soldiers crossed the Rio Grande in pursuit of the Mexican bandit Cortina.

1859—China—July 31 to August 2. For the protection of American interests in Shanghai.

1860—Angola, Portuguese West Africa—March 1. To protect American lives and property at Kissembo when the natives became troublesome.

1860—Colombia, Bay of Panama—September 27 to October 8. To protect American interests during a revolution.

1863—Japan—July 16. To redress an insult to the American flag—firing on an American vessel—at Shimonoseki.

1864—Japan—July 14 to August 3, approximately. To protect the United States Minister to Japan when he visited Yedo to negotiate concerning some American claims against Japan, and to make his negotiations easier by impressing the Japanese with American power.

1864—Japan—September 4 to 14—Straits of Shimonoseki. To compel Japan and the Prince of Nagato in particular to permit the Straits to be used by foreign shipping in accordance with treaties already signed.

1865—Panama—March 9 and 10. To protect the lives and property of American residents during a revolution.

1866—Mexico. To protect American residents, General Sedgwick and 100 men in November obtained surrender of Matamoras. After 3 days he was ordered by U.S. Government to withdraw. His act was repudiated by the President.

1866—China—June 20 to July 7. To punish an assault on the American consul at Newchwang; July 14, for consultation with authorities on shore; August 9, at Shanghai, to help extinguish a serious fire in the city.

1867—Nicaragua. Marines occupied Managua and Leon.

1867—Island of Formosa—June 13. To punish a horde of savages who were sup-

posed to have murdered the crew of a wrecked American vessel.

1868—Japan (Osaka, Hiogo, Nagasaki, Yokohama, and Negata)—Mainly, February 4 to 8, April 4 to May 12, June 12 and 13. To protect American interests during the civil war in Japan over the abolition of the Shogunate and the restoration of the Mikado.

1868—Uruguay—February 7 and 8, 19 to 26. To protect foreign residents and the customhouse during an insurrection at Montevideo.

1868—Colombia—April 7—at Aspinwall. To protect passengers and treasure in transit during the absence of local police or troops on the occasion of the death of the President of Colombia.

1870—Mexico, June 17 and 18. To destroy the pirate ship *Forward*, which had been run aground about 40 miles up the Rio Tecapan.

1870—Hawaiian Islands—September 21. To place the American flag at half mast upon the death of Queen Kalama, when the American consul at Honolulu would not assume responsibility for so doing.

1871—Korea—June 10 to 12. To punish natives for depredations on Americans, particularly for murdering the crew of the *General Sherman* and burning the schooner, and for later firing on other American small boats taking soundings up the Salee River.

1873—Colombia (Bay of Panama)—May 7 to 22, September 23 to October 9. To protect American interests during hostilities over possession of the government of the State of Panama.

1873—Mexico. United States troops crossed the Mexican border repeatedly in pursuit of cattle and other thieves. There were some reciprocal pursuits by Mexican troops into border territory. The cases were only technically invasions, if that, although Mexico protested constantly. Notable cases were at Remolina in May 1873 and at Las Cuevas in 1875. Washington orders often supported these excursions. Agreements between Mexico and the United States, the first in 1882, finally legitimized such raids. They continued intermittently, with minor disputes, until 1896.

1874—Hawaiian Islands—February 12 to 20. To preserve order and protect American lives and interests during the coronation of a new king.

1876—Mexico—May 18. To police the town of Matamoras temporarily while it was without other government.

1882—Egypt—July 14 to 18. To protect American interests during warfare between British and Egyptians and looting of the city of Alexandria by Arabs.

1885—Panama (Colon)—January 18 and 19. To guard the valuables in transit over the Panama Railroad, and the safes and vaults of the company during revolutionary activity. In March, April, and May in the cities of Colon and Panama, to reestablish freedom of transit during revolutionary activity.

1888—Korea—June. To protect American residents in Seoul during unsettled political conditions, when an outbreak of the populace was expected.

1888—Haiti—December 20. To persuade the Haitian Government to give up an American steamer which had been seized on the charge of breach of blockade.

1888-89—Samoa—November 14, 1888, to March 20, 1889. To protect American citizens and the consulate during a native civil war.

1889—Hawaiian Islands—July 30 and 31. To protect American interests at Honolulu during a revolution.

1890—Argentina. A naval party landed to protect U.S. consulate and legation in Buenos Aires.

1891—Haiti. To protect American lives and property on Navassa Island.

1891—Bering Strait—July 2 to October 5. To stop seal poaching.

1891—Chile—August 28 to 30. To protect the American consulate and the women and children who had taken refuge in it during a revolution in Valparaiso.

1893—Hawaii—January 16 to April 1. Ostensibly to protect American lives and property; actually to promote a provisional government under Sanford B. Dole. This action was disavowed by the United States.

1894—Brazil—January. To protect American commerce and shipping at Rio de Janeiro during a Brazilian civil war. No landing was attempted but there was a display of naval force.

1894—Nicaragua—July 6 to August 7. To protect American interests at Bluefields following a revolution.

1894-95—China. Marines were stationed at Tientsin and penetrated to Peking for protection purposes during the Sino-Japanese War.

1894-95—China. Naval vessel beached and used as a fort at Newchwang for protection of American nationals.

1894-96—Korea—July 24, 1894 to April 3, 1896. To protect American lives and interests at Seoul during and following the Sino-Japanese War. A guard of marines was kept at the American legation most of the time until April 1896.

1895—Colombia—March 8 to 9. To protect American interests during an attack on the town of Bocas del Toro by a bandit chieftain.

1896—Nicaragua—May 2 to 4. To protect American interests in Corinto during political unrest.

1898—Nicaragua—February 7 and 8. To protect American lives and property at Suan Juan del Sur.

1898—Spain. The Spanish-American War. Fully declared.

1898-99—China—November 5, 1898 to March 15, 1899. To provide a guard for the legation at Peking and the consulate at Tientsin during contest between the Dowager Empress and her son.

1899—Nicaragua. To protect American interests at San Juan del Norte, February 22 to March 5, and at Bluefields a few weeks later in connection with the insurrection of Gen. Juan P. Reyes.

1899—Samoa—March 13 to May 15. To protect American interests and to take part in a bloody contention over the succession to the throne.

1899-1901—Philippine Islands. To protect American interests following the war with Spain, and to conquer the islands by defeating the Filipinos in their war for independence.

1900—China—May 24 to September 28. To protect foreign lives during the Boxer rising, particularly at Peking. For many years after this experience a permanent legation guard was maintained in Peking, and was strengthened at times as trouble threatened. It was still there in 1934.

1901—Colombia (State of Panama)—November 20 to December 4. To protect American property on the Isthmus and to keep transit lines open during serious revolutionary disturbances.

1902—Colombia—April 16 to 23. To protect American lives and property at Bocas del Toro during a civil war.

1902—Colombia (State of Panama)—September 17 to November 18. To place armed guards on all trains crossing the Isthmus and to keep the railroad line open.

1903—Honduras—March 23 to 30 or 31. To protect the American consulate and the steamship wharf at Puerto Cortez during a period of revolutionary activity.

1903—Dominican Republic—March 30 to April 21. To protect American interests in the city of Santo Domingo during a revolutionary outbreak.

1903—Syria—September 7 to 12. To protect the American consulate in Beirut when a local Moslem uprising was feared.

1903-04—Abyssinia. Twenty-five marines were sent to Abyssinia to protect the U.S. Consul General while he negotiated a treaty.

1903-14—Panama. To protect American interests and lives during and following the revolution for independence from Colombia over construction of the Isthmian Canal. With brief intermissions, United States Marines were stationed on the Isthmus from November 4, 1903, to January 21, 1914, to guard American interests.

1904—Dominican Republic—January 2 to February 11. To protect American interests in Puerto Plata and Sosua and Santo Domingo City during revolutionary fighting.

1904—Tangier, Morocco. "We want either Perdicaris alive or Raisula dead." Demonstration by a squadron to force release of a kidnapped American Marine guard landed to protect consul general.

1904—Panama—November 17 to 24. To protect American lives and property at Ancon at the time of a threatened insurrection.

1904-05—Korea—January 5, 1904, to November 11, 1905. To guard the American Legations in Seoul.

1904-05—Korea. Marine guard sent to Seoul for protection during Russo-Japanese War.

1906-09—Cuba—September 1906 to January 23, 1909. Intervention to restore order, protect foreigners, and establish a stable government after serious revolutionary activity.

1907—Honduras—March 28 to June 8. To protect American interests during a war between Honduras and Nicaragua; troops were stationed for a few days or weeks in Trujillo, Ceiba, Puerto Cortez, San Pedro, Laguna and Choloma.

1910—Nicaragua—February 22. During a civil war, to get information of conditions at Corinto; May 19 to September 4, to protect American interests at Bluefields.

1911—Honduras—January 26 and some weeks thereafter. To protect American lives and interests during a civil war in Honduras.

1911—China. Approaching stages of the nationalist revolution. An ensign and 10 men in October tried to enter Wuchang to rescue missionaries but retired on being warned away.

A small landing force guarded American private property and consulate at Hankow in October.

A marine guard was established in November over the cable stations at Shanghai.

Landing forces were sent for protection in Nanking, Chinkiang, Taku and elsewhere.

1912—Honduras. Small force landed to prevent seizure by the government of an American-owned railroad at Puerto Cortez. Forces withdrawn after the United States disapproved the action.

1912—Panama. Troops, on request of both political parties, supervised elections outside the Canal Zone.

1912—Cuba—June 5 to August 5. To protect American interests on the Province of Oriente, and in Havana.

1912—China—August 24 to 26, on Kentucky Island, and August 26 to 30 at Camp Nicholson. To protect Americans and American interests during revolutionary activity.

1912—Turkey—November 18 to December 3. To guard the American legation at Constantinople during a Balkan War.

1912-25—Nicaragua—August to November 1912. To protect American interests during an attempted revolution. A small force serving as a legation guard and as a promoter of peace and governmental stability, remained until August 5, 1925.

1912-41—China. The disorders which began with the Kuomintang rebellion in 1912, which were redirected by the invasion of China by Japan and finally ended by war between Japan and the United States in 1941, led to demonstrations and landing parties for the protection of U.S. interests in China continuously and at many points from 1912 on to 1941. The guard at Peking and along the route to the sea was maintained until 1941. In 1927, the United States had 5,670 troops ashore in China and 44 naval vessels in its waters. In 1933 U.S. had 3,027 armed men ashore. All this protective action was in general terms based on treaties with China ranging from 1858 to 1901.

1913—Mexico—September 5 to 7. A few marines landed at Ciaris Estero to aid in evacuating American citizens and others from the Yaqui Valley, made dangerous for foreigners by civil strife.

1914—Haiti—January 29 to February 9, February 20 to 21, October 19. To protect American nationals in a time of dangerous unrest.

1914—Dominican Republic—June and July. During a revolutionary movement, United States naval forces by gunfire stopped the bombardment of Puerto Plata, and by threat of force maintained Santo Domingo City as a neutral zone.

1914-17—Mexico. The undeclared Mexican-American hostilities following the Dolphin affair and Villa's raids included capture of Vera Cruz and later Pershing's expedition into northern Mexico.

1915-34—Haiti—July 28, 1915, to August 15, 1934. To maintain order during a period of chronic and threatened insurrection.

1916—China. American forces landed to quell a riot taking place on American property in Nanking.

1916-24—Dominican Republic—May 1916 to September 1924. To maintain order during a period of chronic and threatened insurrection.

1917—China. American troops were landed at Chungking to protect American lives during a political crisis.

1917-18—World War I. Fully declared.

1917-22—Cuba. To protect American interests during an insurrection and subsequent unsettled conditions. Most of the United States armed forces left Cuba by August 1919, but two companies remained at Camaguey until February 1922.

1918-19—Mexico. After withdrawal of the Pershing expedition, U.S. troops entered Mexico in pursuit of bandits at least three times in 1918 and six in 1919. In August 1918 American and Mexican troops fought at Nogales.

1918-20—Panama. For police duty according to treaty stipulations, at Chiriqui, during election disturbances and subsequent unrest.

1918-20—Soviet Russia. Marines were landed at and near Vladivostok in June and July to protect the American consulate and other points in the fighting between the Bolsheviki troops and the Czech Army which had traversed Siberia from the western front. A joint proclamation of emergency government and neutrality was issued by the American, Japanese, British, French, and Czech commanders in July and the party remained until late August.

In August the project expanded. Then 7,000 men were landed in Vladivostok and remained until January 1920, as part of an allied occupation force.

In September 1918, 5,000 American troops joined the allied intervention force at Archangel, suffered 500 casualties and remained until June 1919.

A handful of marines took part earlier in a British landing on the Murman coast (near Norway) but only incidentally.

All these operations were to offset effects of the Bolsheviki revolution in Russia and were partly supported by Czarist or Kerensky elements. No war was declared.

1919—Dalmatia. U.S. forces were landed at Trau at the request of Italian authorities to police order between the Italians and Serbs.

1919—Turkey. Marines from the U.S.S. Arizona were landed to guard the U.S. Consulate during the Greek occupation of Constantinople.

1919—Honduras—September 8 to 12. A landing force was sent ashore to maintain order in a neutral zone during an attempted revolution.

1920—China—March 14. A landing force was sent ashore for a few hours to protect lives during a disturbance at Kiukiang.

1920—Guatemala—April 9 to 27. To protect the American Legation and other American interests, such as the cable station, during a period of fighting between Unionists and the Government of Guatemala.

1920-22—Russia (Siberia)—February 16, 1920, to November 19, 1922. A marine guard to protect the United States radio station and property on Russian Island, Bay of Vladivostok.

1921—Panama-Costa Rica. American naval squadrons demonstrated in April on both sides of the Isthmus to prevent war between the two countries over a boundary dispute.

1922—Turkey—September and October. A landing force was sent ashore with consent of both Greek and Turkish authorities, to protect American lives and property when the Turkish Nationalists entered Smyrna.

1922-23—China. Between April 1922 and November 1923 marines were landed five times to protect Americans during periods of unrest.

1924—Honduras—February 28 to March 31, September 10 to 15. To protect American lives and interests during election hostilities.

1924—China—September. Marines were landed to protect Americans and other foreigners in Shanghai during Chinese factional hostilities.

1925—China—January 15 to August 29. Fighting of Chinese factions accompanied by riots and demonstrations in Shanghai necessitated landing American forces to protect lives and property in the International Settlement.

1925—Honduras—April 19 to 21. To protect foreigners at La Ceiba during a political upheaval.

1925—Panama—October 12 to 23. Strikes and rent riots led to the landing of about 600 American troops to keep order and protect American interests.

1926—China—August and September. The Nationalist attack on Hankow necessitated the landing of American naval forces to protect American citizens. A small guard was maintained at the consulate general even after September 16, when the rest of the forces were withdrawn. Likewise, when Nationalist forces captured Kiukiang, naval forces were landed for the protection of foreigners November 4 to 6.

1926-33—Nicaragua—May 7 to June 5, 1926; August 27, 1926, to January 3, 1933. The coup d'etat of General Chamorro aroused revolutionary activities leading to the landing of American marines to protect the interests of the United States. United States forces came and went, but seem not to have left the country entirely until January 3, 1933. Their work included activity against the outlaw leader Sandino in 1928.

1927—China—February. Fighting at Shanghai caused American naval forces and marines to be increased there. In March a naval guard was statuioned at the American consulate at Nanking after Nationalist forces captured the city. American and British destroyers later used shell fire to protect Americans and other foreigners. "Following this incident additional forces of marines and naval vessels were ordered to China and stationed in the vicinity of Shanghai and Tientsin."

1932—China. American forces were landed to protect American interests during the Japanese occupation of Shanghai.

1933—Cuba. During a revolution against President Gerardo Machada naval forces demonstrated but no landing was made.

1934—China. Marines landed at Foochow to protect the American Consulate.

1940—Newfoundland, Bermuda, St. Lucia, Bahamas, Jamaica, Antigua, Trinidad, and British Guiana. Troops were sent to guard air and naval bases obtained by negotiation with Great Britain. These were sometimes called lend-lease bases.

1941—Greenland. Taken under protection of the United States in April.

1941—Netherlands (Dutch Guiana). In November the President ordered American troops to occupy Dutch Guiana but by agreement with the Netherlands government in exile, Brazil cooperated to protect aluminum ore supply from the bauxite mines in Surinam.

1941—Iceland. Taken under the protection of the United States, with consent of its Government, for strategic reasons.

1941—Germany. Sometime in the spring the President ordered the Navy to patrol ship lanes to Europe. By July U.S. warships were convoying and by September were attacking German submarines. There was no authorization of Congress or declaration of war. In November, the Neutrality Act was partly repealed to protect military aid to Britain, Russia, etc.

1941-45—Germany, Italy, Japan, etc. World War II. Fully declared.

1946—Trieste. President Truman ordered the augmentation of U.S. troops along the zonal occupation line and the reinforcement of air forces in northern Italy after Yugoslav forces shot down an unarmed U.S. Army transport plane flying over Venezia Giulia. Earlier U.S. naval units had been dispatched to the scene.

1948—Palestine. A marine consular guard was sent to Jerusalem to protect the U.S. Consular General.

1948-49—China. Marines were dispatched to Nanking to protect the American Embassy when the city fell to Communist troops,

and to Shanghai to aid in the protection and evacuation of Americans.

1950-53—Korea. U.S. responded to North Korean invasion of South Korea by going to its assistance, pursuant to United Nations Security Council resolutions. Congressional authorization was not sought.

1954-55—China. Naval units evacuated U.S. civilians and military personnel from the Tachen Islands.

1956—Egypt. A marine battalion evacuated U.S. nationals and other persons from Alexandria during the Suez crisis.

1958—Lebanon. Marines were landed in Lebanon at the invitation of its government to help protect against threatened insurrection supported from the outside.

1959-60—The Caribbean. 2d Marine Ground Task Force was deployed to protect U.S. nationals during the Cuban crisis.

1962—Cuba. President Kennedy instituted a "quarantine" on the shipment of offensive missiles to Cuba from the Soviet Union. He also warned the Soviet Union that the launching of any missile from Cuba against any nation in the Western Hemisphere would bring about U.S. nuclear retaliation on the Soviet Union. A negotiated settlement was achieved in a few days.

1962—Thailand. The 3d Marine Expeditionary Unit landed on May 17, 1962 to support that country during the threat of Communist pressure from outside; by July 30 the 5,000 marines had been withdrawn.

1962-75—Laos. From October 1962 until 1975, the United States played a role of military support in Laos.

1964—Congo. The United states sent four transport planes to provide airlift for Congolese troops during a rebellion and to transport Belgian paratroopers to rescue foreigners.

1964-73—War in Vietnam. U.S. military advisers had been in South Vietnam for a decade, and their numbers had been increased as military position of Saigon government became weaker. After the attacks on U.S. destroyers in the Tonkin Gulf, President Johnson asked for a resolution expressing U.S. determination to support freedom and protect peace in Southeast Asia. Congress responded with the Tonkin Gulf Resolution, expressing support for "all necessary measures" the President might take to repel armed attack against U.S. forces and prevent futher aggression. Following this resolution, and following a Communist attack on a U.S. installation in central Vietnam, the U.S. escalated its participation in the war.

1965—Dominican Republic. Intervention to protect lives and property during a Dominican revolt. More troops were sent as the U.S. feared the revolutionary forces were coming increasingly under Communist control.

1967—Congo. The United States sent three military transport aircraft with crews to provide the Congo central government with logistical support during a revolt.

1970—Cambodia. U.S. troops were ordered into Cambodia to clean out Communist sanctuaries from which Viet Cong and North Vietnamese attacked U.S. and South Vietnamese forces in Vietnam.

The object of this attack, which lasted from April 30 to June 30, was to ensure the continuing safe withdrawal of American forces from South Vietnam and to assist the program of Vietnamization.

1974—Evacuation from Cyprus. United States naval forces evacuated U.S. civilians during hostilities between Turkish and Greek Cypriot forces.

1975—Evacuation from Vietnam. On April 3, 1975, President Ford reported U.S. naval vessels, helicopters, and marines had been sent to assist in evacuation of refugees and U.S. nationals from Vietnam.[3]

1975—Evacuation from Cambodia. On April 12, 1975, President Ford reported that he had ordered U.S. military forces to proceed with the planned evacuation of U.S. citizens from Cambodia.

1975—South Vietnam. On April 30, 1975, President Ford reported that a force of 70 evacuation helicopters and 865 marines had evacuated about 1,400 U.S. citizens and 5,500 third country nationals and South Vietnamese from landing zones near the U.S. Embassy in Saigon and the Tan Son Nhut Airfield.

1975—Mayaguez incident. On May 15, 1975, President Ford reported he had ordered military forces to retake the SS Mayaguez, a merchant vessel en route from Hong Kong to Thailand with a U.S. citizen crew which was seized from Cambodian naval patrol boats in international waters and forced to proceed to a nearby island.

1976—Lebanon. On July 22 and 23, 1974, helicopters from five U.S. naval vessels evacuated approximately 250 Americans and Europeans from Lebanon during fighting between Lebanese factions after an overland convoy evacuation had been blocked by hostilities.

1976—Korea. Additional forces were sent to Korea after two American military personnel were killed while in the demilitarized zone between North and South Korea for the purpose of cutting down a tree.

1978—Zaire. From May 19 through June 1978, the United States utilized military transport aircraft to provide logistical support to Belgian and French rescue operations in Zaire.

1980—Iran. On April 26, 1980, President Carter reported the use of six U.S. transport planes and eight helicopters in an unsuccessful attempt to rescue American hostages being held in Iran.

1981—El Salvador. Additional military advisers were sent to El Salvador to assist in training government forces against guerrilla warfare.

1982—Sinai. On March 19, 1982, President Reagan reported the deployment of military personnel and equipment to participate in the Multinational Force and Observers in the Sinai. Participation had been authorized by the Multinational Force and Observers Resolution, Public Law 97-132.

1982—Lebanon. On Aug. 21, 1982, President Reagan reported the dispatch of 800 marines to serve in the multinational force to assist in the withdrawal of members of the Palestine Liberation force from Beirut. The Marines left Sept. 20, 1982.

1982—Lebanon. On Sept. 29, 1982, President Reagan reported the deployment of 1200 marines to serve in a temporary multinational force to facilitate the restoration of Lebanese government sovereignty. On Sept. 29, 1983, Congress passed the Multinational Force in Lebanon Resolution (P.L. 98-119) authorizing the continued participation for eighteen months.

1983—Honduras and the Caribbean. In July 1983 during a period of conflict in Nicaragua, the United States undertook a series of ground and sea training exercises in Honduras and the Caribbean.

1983—Chad. On Aug. 8, 1983, President Reagan reported the deployment of two AWACS electronic surveillance planes and eight F-15 fighter planes and ground logistical support forces to assist Chad against Libyan and rebel forces.

1983—Grenada. On Oct. 25, 1983, President Reagan reported a landing on Grenada by Marines and Army airborne troops to protect lives and assist in the restoration of law and order and at the request of five members of the Organization of Eastern Caribbean States.

Mr. HEFLIN. Mr. President, I yield the floor.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I commend the able and distinguished Senator from Alabama for his excellent contributions in the efforts to pass a balanced budget constitutional amendment. The Senator from Alabama is a prominent member of the Judiciary Committee and renders the country a fine service.

I regret that we cannot go along with this amendment. We do not think it is necessary. We think it will encumber this process. We feel that our amendment as now written takes care of the situation.

Mr. President, I believe Senator HEFLIN and I and virtually all those who support the constitutional amendment want to make sure that Congress retains the flexibility necessary to respond in a national security crisis. I believe the Senate Joint Resolution 225 provides this flexibility.

Under this resolution, should we become involved in a military conflict or face any other military situation which causes an imminent threat to the Nation's security, Congress would have several options available to it.

First, Congress could waive the balanced budget requirement by a three-fifths vote and provide whatever amount necessary to address the threat. It is Senator HEFLIN's concern that three-fifths may not be achievable to address what amounts to an emergency security risk to the Nation.

But I submit, Mr. President, that no military conflict which truly amounted to an imminent threat to our Nation's security would be abandoned because Congress could not muster a three-fifths vote. Congress has always responded to those emergencies where the security of the Nation is at stake.

Mr. President, I ask unanimous consent to include in the RECORD at the conclusion of my remarks a table showing that Congress has met emergency situations with votes easily surpassing the 60 percent necessary under Senate Joint Resolution 225.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

[3] This and subsequent mentions of Presidential reports refer to reports to Congress pursuant to the War Powers Resolution (Public Law 93-148, November 7, 1973).

Mr. THURMOND. Mr. President, second, in those instances when a majority, but less than three-fifths, of the Senate or House believe there to be a threat to the Nation's security, the same majority could reduce spending in other areas of the budget or increase taxes to combat the threat.

I have no fear that Congress is going to allow a threat to exist and not take care of it. They have always done it in the past. They do it now; they will do it in the future.

Third, Mr. President, Congress can maintain a contingency fund as part of their approved balanced budget to be activated by a simple majority when needed to address the military threat if they want to do so.

Mr. President, I again commend the Senator from Alabama for his commitment to what is the primary responsibility of the Federal Government; that is, the defense of the Nation. That is the full responsibility of this country, to defend this Nation, to defend its people. I believe and my record shows that I share that commitment. I am convinced, however, that Senate Joint Resolution 225 will not deprive Congress of its ability to provide for the defense of the Nation. For these reasons, Mr. President, I oppose this amendment and feel it should be defeated.

EXHIBIT 1

HISTORY OF CONGRESSIONAL VOTES ON MAJOR DEFENSE SPENDING BILLS DURING URGENT MILITARY SITUATIONS (1937–82)

PRE-WORLD WAR II

Bill/law	Title/description	Amount	Year	House—Vote
H.R. 5232	Navy Department appropriations	$528 million	1937	Final passage: House—Voice; Senate—64 to 11. Conference report: House—Voice; Senate—Voice.
H.R. 6692	Army appropriations fiscal year 1938	417 million	1937	Final passage: House—Voice; Senate—Voice, Conference report: House—300 to 42; Senate—Voice.
H.R. 8993	Navy Department appropriations, fiscal year 1939	546.9 million	1938	Final passage: House—Voice; Senate—Voice.
H.R. 9995	Army appropriations fiscal year 1939	459 million	1938	Final passage: House—Voice; Senate—Voice, Conference report: House—Voice; Senate—Voice.
H.R. 6149	Navy appropriations bill	770.5 million	1939	House—297 to 58; Senate—61 to 14.
H.R. 6791	Supplemental military appropriations	223 million	1939	Final passage: House—Voice; Senate—Voice.
H.R. 7805	Army and Navy appropriations fiscal year 1941	740 million	1940	Final passage: House—Voice; Senate—Voice, Conference report: House—Voice; Senate—Voice.
H.R. 9209	Military establishment appropriations, fiscal year 1941	785 million	1940	Final passage: House—Voice; Senate—74 to 0. Conference report: House—Voice; Senate—Voice.
H.J. Res. 607	Additioanl Military Establishment appropriations, fiscal year 1941	337 million	1940	Final passage: House—Unamimous; Senate—Voice .
H.J. Res. 614	Supplemental defense housing measure, fiscal year 1941	75 million	1940	Final passage: House—Voice; Senate—Voice.
H.R. 10263	Supplemental national defense appropriations, fiscal year 1941	5 billion	1940	Final passage: House—Voice; Senate—Unamimous. Conference report: House—Voice, Senate—Voice.
H.R. 10572	3d supplemental defense appropriations, fiscal year 1941	2 million (defense research)	1940	Final passage: House—Voice; Senate—Voice.
H.R. 4124	Supplemental national defense appropriations	4.4 billion	1941	Final passage: House—327 to 0.
H.R. 4050	Supplemental national defense appropriations	7 billion	1941	Final passage: House—336 to 55; Senate—67 to 19.
H.R. 6159	Supplemental military appropriations	10 billion	1941	House—Voice; Senate—Voice.
H.R. 5788	Supplemental military appropriations	6 billion	1941	Final passage: House—328 to 67; Senate—59 to 13.

Note: United States declared war on Japan Dec. 8, 1941. Germany and Italy Dec. 11, 1941.

PRE-KOREAN WAR BUILD-UP

Bill/law	Title/description	Amount	Date	House	Vote
1947					
H.R. 3493	Navy appropriations, fiscal year 1948	$3.1 billion	May 20, 1947	House	Voice.
H.R. 3493	Navy appropriations, fiscal year 1948	$3.3 billion	June 24, 1947	Senate	Voice.
H.R. 3493	Navy appropriations, fiscal year 1948, conference report	$3.2 billion	July 15, 1947	House, Senate	Voice.
H.R. 3678	Military establishment appropriation bill	$5.2 billion	June 5, 1947	House	Voice.
H.R. 3576	Military establishment appropriation bill	$5.6 billion	July 15, 1947	Senate	Voice.
H.R. 3678	Military establishment appropriation bill, conference report	$5.4 billion	July 25, 1947	House, Senate	Voice.
1948					
H.R. 6226	National defense supplemental, 1948	$923.1 billion	April 15, 1948	House	343 to 3.
H.R. 6226	National defense supplemental, 1948	$953.2 billion	May 6, 1948	Senate	74 to 2.
H.R. 6226	National defense supplemental, 1948, conference report	$948.9 billion	May 11, 1948	House, Senate	Voice.
H.R. 6771	National military establishment, military functions	$6.4 billion	June 2, 1948	House	350 to 2.
H.R. 6771	National military establishment, military functions	$6.8 billion	July 17, 1948	Senate	Voice.
H.R. 6771	National military establishment, conference report	$6.7 billion	July 19, 1948	House, Senate	Voice.
H.R. 6772	Department of the Navy	$3.6 billion	June 3, 1948	House	Voice.
H.R. 6772	Department of the Navy	$3.8 billion	June 15, 1948	Senate	Voice.
H.R. 6772	Department of the Navy, conference report	$3.7 billion	June 17, 1948	House, Senate	Voice.
1949					
H.R. 4146, Public Law 434	National military establishment appropriations bill, fiscal year 1950	$15.6 billion	April 13, 1949	House	271 to 1.
			August 29, 1949	Senate	Voice.
H.R. 6427, Public Law 430	Second supplemental appropriations bill	$1,079 million, included $915 million for military aid and Military National Establishment.	October 14, 1949	Senate	Voice.
			October 18, 1949		

KOREAN WAR

[North Korea invaded the Republic of Korea June 25, 1950. U.S. ground forces landed June 30. On July 24, President Truman asked Congress for $10 billion for armed services for Korean military operations]

Bill/law	Title/description	amount	Date	House	Vote
1950					
H.R. 9526, Public Law 848	1st supplemental appropriations/in direct response to the cost of the Korean war and President Truman's July 24 request.	$17.2 billion total included $11.6 billion for the Defense Department $4 billion for military aid.	Aug. 26, 1950	House	311 to 1, final passage.
			Sept. 14, 1950	Senate	Voice, final passage.
H.R. 9920, Public Law 911	2d supplemental appropriations/additional appropriations for the Korean war.	$19.8 billion total, included $16.8 billion for the Defense Department.	Dec. 15, 1950	House	Voice.
			Dec. 21, 1950	Senate	Voice.
			Jan. 1, 1951	House	Voice, conference report.
			Jan. 2, 1951	Senate	Voice, conference report.
1951					
S. Res. 99	Affirmed the dispatch of 4 U.S. divisions to NATO by President Truman.		Apr. 4, 1951	Senate	69 to 21.
H.R. 9526	Supplemental appropriations for 1951	$16.8 billion total, $11.6 billion for military purposes.	Aug. 26,1951	House	310 to 1, final passage.
H.R. 5054	Defense Department appropriations for 1952	$56.9 billion	Aug. 9, 1951	House	348 to 2, final passage.
			Sept. 13, 1951	Senate	79 to 0, final passage.

KOREAN WAR—Continued

[North Korea invaded the Republic of Korea June 25, 1950. U.S. ground forces landed June 30. On July 24, President Truman asked Congress for $10 billion for armed services for Korean military operations]

Bill/law	Title/description	amount	Date	House	Vote
1952					
H.R. 7391	Defense appropriations for 1953	$45.7 billion	Apr. 9, 1952	House	Voice, final passage.
			June 30, 1952	Senate	66 to 0, final passage.
1953					
H.R. 5969	Defense appropriations for 1954	$34.4 billion total, $2 billion for the Korean War	July 2, 1953	House	386 to 0, final passage.
			July 23, 1953	Senate	Voice, final passage.

SPUTNIK AND THE "MISSILE GAP"

[Sputnik was successfully launched on Oct. 4, 1957]

Bill/law	Title/description	Amount	Date	House	Vote
1958					
H.R. 9739, Public Law 325	Authorization of supplemental funds for construction of Air Force SAC bases	$550 million	Jan. 15, 1958	House	374 to 0, final passage.
			Jan. 30, 1958	Senate	Voice, final passage.
H.R. 10146, Public Law 322	Supplemental appropriations to accelerate strategic programs	$1.3 billion	Jan. 23, 1958	House	388 to 40, final passage.
			Feb. 8, 1958	Senate	78 to 0, final passage.
H.R. 12738, Public Law 724	Defense appropriations for 1959	$39.6 billion	June 5, 1958	House	390 to 0, final passage.
			July 30, 1958	Senate	71 to 0, final passage.
H.R. 13015, Public Law 685	Authorization for funds for military construction	$1.76 billion	July 10, 1958	House	379 to 2, final passage.
			July 30, 1958	Senate	80 to 0, final passage.
1959					
H.R. 7454, Public Law 166	Defense appropriations for 1960	$39.2 billion	June 3, 1959	House	392 to 3, final passage.
			July 14, 1959	Senate	90 to 0, final passage.
H.R. 5674, Public Law 149	Authorization for funds for military construction	$1.2 billion	Apr. 16, 1959	House	379 to 7, final passage.
			June 30, 1959	Senate	89 to 3, final passage.
S. 1096, Public Law 12	Authorization for funds for NASA	$48.4 million	Mar. 10, 1959	Senate	91 to 0, final passage.
			Apr. 14, 1959	House	Voice, final passage.
H.R. 7007, Public Law 86	Authorization for funds for NASA	$485.3 million	May 20, 1959	House	294 to 128, final passage.
			June 14, 1959	Senate	81 to 1, final passage.
1960					
H.R. 10809, Public Law 481	Authorization for funds to accelerate the Saturn rocket program	$915 million	Mar. 9, 1960	House	399 to 10, final passage.
			May 3, 1960	Senate	78 to 0, final passage.
H.R. 10777, Public Law 500	Authorization for funds for military construction	$1.2 billion	Mar. 9, 1960	House	407 to 4, final passage.
			May 13, 1960	Senate	Voice, final passage.
H.R. 11998, Public Law 601	Appropriations for defense for 1961	$40 billion	June 30, 1960	House	402 to 5, conference report.
			June 30, 1960	Senate	83 to 3, conference report.

VIETNAM WAR

Bill/law	Title/description	Amount	Date	House	Vote
1964					
H.J. Res. 1145	Southeast Asia resolution ("Gulf of Tonkin" resolution)		Aug. 7, 1964	House	414 to 0.
H.J. Res. 1145	Southeast Asia resolution ("Gulf of Tonkin" resolution)		Aug. 7, 1964	Senate	88 to 2.
1965 [1]					
S. 800	Military procurement authorization, fiscal year 1966	$15.2 billion	April 6, 1965	Senate	85 to 0.
H.R. 7657	Military procurement authorization, fiscal year 1966	$15.3 billion	May 5, 1965	House	396 to 0.
H.J. Res. 447 [2]	Supplemental appropriations for military operations in Southeast Asia	$700 million	May 5, 1965	House	408 to 7.
H.J. Res. 447	Military supplemental appropriations, fiscal year 1966	$700 million	May 6, 1965	Senate	88 to 3.
H.R. 9221	Defense Department appropriations, fiscal year 1966	$45.1 billion	June 23, 1965	House	407 to 0.
			August 25, 1965	Senate	89 to 0.
1966					
H.R. 12889, S. 2791	Supplemental Defense authorization for Vietnam war, fiscal year 1966	$4.8 billion	March 1, 1966	House	393 to 4.
			March 1, 1966	Senate	93 to 2.
H.R. 13546	Defense Department Vietnam supplemental appropriations, fiscal year 1966	$13.1 billion	Mar. 15, 1966	House	389 to 3.
			Mar. 22, 1966	Senate	87 to 2.
S. 2950	Military procurement authorization, fiscal year 1967	$17.5 billion	April 28, 1966	Senate	Voice.
			June 14, 1966	House	356 to 2.
S. 2950	Military procurement authorization, fiscal year 1967 (conference report)		July 12, 1966	Senate	81 to 1.
			July 12, 1966	House	359 to 2.
H.R. 15941	Defense appropriations, fiscal year 1967	$58.6 billion	July 20, 1966	House	393 to 1.
H.R. 15941	Defense appropriations, fiscal year 1967	$58.1 billion	August 18, 1966	Senate	86 to 0.
H.R. 17637	Military construction and housing appropriations, fiscal year 1967	$1 billion	September 14, 1966	House	346 to 3.
			October 10, 1966	Senate	Voice.
1967					
S. 665	Supplemental defense authorization for Vietnam war	$4.4 billion	March 1, 1967	Senate	89 to 2.
S. 665	Supplemental defense authorization for Vietnam war (conference report)	$4.5 billion	March 8, 1967	House	364 to 13.
H.R. 7123	Vietnam supplemental fiscal year 1967	$12.2 billion	March 16, 1967	House	385 to 11.
H.R. 7123	Vietnam supplemental fiscal year 1967	$12.2 billion	Mar. 20, 1967	Senate	77 to 3.
S. 656	Military procurement authorization, fiscal year 1968	$20.8 billion	Mar. 21, 1967	Senate	86 to 2.
H.R. 9240	Military procurement authorization, fiscal year 1968	$21.5 billion	May 9, 1967	House	401 to 3.
H.R. 10738	Defense Department appropriations, fiscal year 1968	$70.2 billion	June 13, 1967	House	407 to 1.
H.R. 10738	Defense Department appropriations, fiscal year 1968	$70.1 billion	Aug. 22, 1967	Senate	84 to 3.
H.R. 10738	Defense appropriations fiscal year 1968, conference report	$69.9 billion	Sept. 12, 1967	House	365 to 4.
			Sept. 13, 1967	Senate	74 to 3.
1968					
H.R. 16703	Military construction	$1.8 billion	Apr. 25, 1968	House	346 to 14.
			June 25, 1968	Senate	74 to 3.
S. 3293	Military procurement authorization, fiscal year 1969	$21.6 billion	Apr. 19, 1968	Senate	54 to 3.
			July 11, 1968	House	363 to 15.
S. 3293	Military procurement authorization, fiscal year 1969 conference report	$21.6 billion	Sept. 10, 1968	House	322 to 15.
			Sept. 11, 1968	Senate	Voice.
H.R. 18785	Military construction appropriations, fiscal year 1969	$1.7 billion	July 29, 1969	House	Voice.
			Aug. 1, 1968	Senate	71 to 3.
H.R. 18707	Defense Department appropriations, fiscal year 1969	$72.2 billion	Sept. 12, 1968	House	333 to 7.
H.R. 18707	Defense Department appropriations, fiscal year 1969	$71.8 billion	Oct. 3, 1968	Senate	55 to 2.
H.R. 18707	Defense appropriations, fiscal year 1969, conference report	$71.8 billion	Oct. 11, 1968	House	213 to 6.
			Oct. 11, 1968	Senate	Voice.

VIETNAM WAR—Continued

Bill/law	Title/description	Amount	Date	House	Vote
1969					
H.R. 14751	Military construction appropriations, fiscal year 1970	$1.4 billion	Nov. 13, 1969	House	343 to 32.
H.R. 15090	Defense Department appropriations, fiscal year 1970	$69.3 billion	Dec. 8, 1969	House	330 to 33.
H.R. 14751	Military construction appropriations, fiscal year 1970	$1.69 billion	Dec. 8. 1969	Senate	82 to 0.
H.R. 15090	Defense Department appropriations, fiscal year 1970	$69.6 billion	Dec. 15, 1969	Senate	85 to 4.
1970					
H.R. 17123	Military procurement authorization, fiscal year 1971	$19.9 billion	May 6, 1970	House	326 to 69.
			Sept. 1, 1970	Senate	84 to 5.
H.R. 19590	Defense Department appropriations, fiscal year 1971	$66.4 billion	Oct. 8, 1970	House	274 to 31.
			Dec. 8, 1970	Senate	89 to 0.
H.R. 17970	Military construction appropriations, fiscal year 1971	$2.04 billion	June 11, 1970	House	308 to 57.
			Oct. 14, 1970	Senate	Voice.
1971					
H.R. 8687	Defense procurement authorization	$21 billion	June 17, 1971	House	331 to 58.
H.R. 8687	Defense procurement authorization	$21.4 billion	October 6, 1971	Senate	82 to 4.
H.R. 11731	Defense appropriations, fiscal year 1972	$70.8 billion	November 23, 1971	Senate	80 to 5.
H.R. 11731	Defense appropriations, fiscal year 1972	$70.5 billion	December 15, 1971	House	293 to 39.
1972					
H.R. 15495	Defense procurement authorization, fiscal year 1973	$21.3 billion	June 27, 1972	House	334 to 59.
H.R. 15495	Defense procurement authorization, fiscal year 1973	$20.5 billion	August 2, 1972	Senate	92 to 5.
H.R. 15495	Defense procurement authorization, fiscal year 1973, conference report	$20.9 billion	September 13, 1972	House	335 to 44.
H.R. 15495	Defense procurement authorization, fiscal year 1973, conference report	$20.9 billion	September 15, 1972	Senate	73 to 5.
H.R. 16754	Military construction appropriations, fiscal year 1973	$2.2 billion	September 25, 1972	House	293 to 12.
H.R. 16754	Military construction appropriations, fiscal year 1973	$2.3 billion	October 3, 1972	Senate	87 to 0.
H.R. 16593	Defense Department appropriations, fiscal year 1973	$74.6 billion	September 14, 1972	House	322 to 41.
		$74.5 billion	October 2, 1972	Senate	70 to 5.
H.R. 16754	Military construction appropriations, fiscal year 1973, conference report	$2.3 billion	October 12, 1972	House	333 to 10.
			October 12, 1972	Senate	Voice.
H.R. 16593	Defense Department appropriations, fiscal year 1973, conference report	$74.4 billion	October 12, 1972	House	316 to 42.
			October 13, 1972	Senate	Voice.

[1] February 1965: President Johnson ordered bombing raids over North Vietnam. On June 8, 1965, U.S. commanders authorized to commit 23,000 U.S. advisers to combat.
[2] H.J. Res. 447 was approved in less than 53 hrs. after President Johnson's request.

Mr. DENTON. Mr. President, I respect, perhaps as no other Senator, the President pro tempore [Mr. THURMOND], my chairman on the Judiciary Committee, a ranking member of the Armed Services Committee, a man to whom I feel great gratitude for such contributions as I have been able to make in this body as chairman of the Subcommittee on Security and Terrorism. I have similar respect for my distinguished friend and colleague from Utah [Mr. HATCH] who, I know, shares the views just expressed by the distinguished Senator from South Carolina [Mr. THURMOND]. So it is with humility but with great sincerity that I ask them to consider what is at stake in the answer given by the President pro tempore to the postulation by my senior colleague from Alabama [Mr. HEFLIN] concerning his amendment.

First, the Senator from South Carolina said there are a number of examples in which three-fifths of the Senate—of the whole number of both Houses of Congress—met the requirement of providing for the national defense in a number of instances. I would have to say that there are very many instances in which the vote was less than that, and I can give references to them, and I shall submit them for inclusion in the RECORD by unanimous consent.

As far as passing legislation to cut spending is concerned, while that is theoretically correct, I am sure the Senator from South Carolina would realize that in a case such as that which gave rise to the Truman doctrine, for example, when guerrillas in Greece and Turkey breaking through the hills—let us take an example similar to that and say that it occurs in October of a year and we want to respond, as President Truman did, with some support for them. That means an expenditure of money. That support might be economic, it might be a military gesture which ends up in a military involvement—I would hope not, but at least if we do make a military gesture, it tends to deter the continuation of that event, it tends to deter the continuation of progress by the enemy toward the taking away of a U.S. interest. I believe that in such a situation, there would not be enough time, practically speaking, to decide what spending we would have to cut for the year in question.

Indeed, I ask my friends and colleagues to consider this point. I do not think the amendment of my senior colleague from Alabama goes far enough, because his amendment asks that we have a military conflict actually existing before we are able to go to this majority vote under his amendment. How many times has Congress, led properly by the President of the United States, undertaken to send the 6th Fleet to the eastern Mediterranean or the 7th Fleet to the Formosa Straits, or alerted our aircraft, as we did during the Cuban missile crisis and deployed them around Key West, and sent carriers to the threatened region? All of those things cost money.

How many times have we come up with appropriations for economic aid, which cost money, but which, during the days when we enjoyed a bipartisan foreign policy in the House and the Senate, were deterrent, effective and economical, not only in defending our interests but in appropriately meeting the need with less than the sacrifice of American blood?

In this frenzy of trying to balance the budget—which I admit is a necessary goal and I am very much in favor of the constitutional amendment—I am not in favor and am strongly opposed to an amendment to the Constitution which would not only change the Constitution but would betray the most basic fundamental principle of that Constitution. Any nation's constitution, including ours, contains the understanding and the statement that the reason for the existence of the government is to ensure the survival of the nation. To reach the height of folly and say that in order, in a given year, to keep appropriations within a given level by a plan—although well-intended and well-needed—to keep a balanced budget, we would not respond to an unexpected, imminent threat to the security of this country by providing for our common defense—to do that is, to me, an "Alice in Wonderland" approach, involving the best men I know in this body who, in the interest of doing one good thing, are prepared to accept the risk of a worse thing, a much worse thing, occurring.

I do not wish to be a superpatriot; I do not wish to posture on this issue. I only ask that we consider where in the Constitution one finds justification for establishing a rule that a three-fifths majority is required to appropriate money to provide for the common defense. Where in the Constitution do we find justification for the idea that keeping a balanced budget for a given year takes priority over providing for the common defense? I sincerely ask my colleagues to consider what we are doing.

No one here wants us to have a balanced budget amendment more than I. But I do not want to succumb to hysteria of taking a step which, in my view, is insane and unconstitutional. I agree that we can amend the Constitution, but I do not think it was meant to be amended in a way that would betray and violate it's fundamental principles.

This is not an addition to the Constitution; this is a fundamental change in the perception of what government is. I implore my liberal colleagues as well as my conservative colleagues to think carefully about what we are doing. I would have asked my senior colleague, as I did the last time he proposed a similar amendment, if he would not consider amending his own amendment by leaving out the words, "military conflict." We would be forcing the President of the United States, I think, to make up an excuse to have a military conflict, which could cost American lives, before we would appropriate the money necessary for the national defense.

Why, if it is clear enough to us that the money would be to provide for our common defense, and if that is sufficiently clear to the executive department—which is supposed to have the lead in foreign policy in providing for the common defense—and sufficiently clear for a majority in Congress, which has been the rule up to now, why should we not permit that to be the case with the constitutional amendment we are considering?

If this amendment is defeated, I may offer another, because I believe the issue which we are discussing is one that this body has delayed too long in confronting.

I do not believe that any of my colleagues are guilty of a lack of patriotism. Perhaps it is my own stupidity that I cannot see what others see. I am willing to admit that. But I ask what is wrong with what I am saying?

Mr. EVANS and Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President and my colleagues, I rise in opposition to the amendment by my good friend from Alabama. I have great respect for him. I have the good fortune to sit next to him in the Judiciary Committee and have profited by that experience. And I respect my other colleague from Alabama, Senator DENTON, for his sincerity. Many of us have had the privilege—and it has been a privilege—to serve overseas with the services but few have been asked to make the kind of sacrifices that he has made, and so his words carry special meaning.

First of all, let me say, as I would expect from Senator HEFLIN, this is a well-crafted amendment. All of us—I think this applies without any question to 100 Members of this body—want a strong national defense. The two questions are, is this amendment needed and is it desirable? In response to both of those, I come up with a negative. First, in genuine emergencies or even in emergencies of a lesser nature, Congress has been willing to provide the necessary financing. The Gulf of Tonkin resolution, for example, passed with an 88 to 2 vote, one of the more controversial matters.

I agree with my colleague from Alabama, Senator HEFLIN, when he says we ought to look at history. If you look at the constitutional convention, one of the things that the founders of our country said was, we better put some restraints on the military, and for that reason they made it not an easy thing for the United States to get into war.

Senator HEFLIN makes another point that is very valid, and that is undeclared wars are going to be the kinds of things that we are going to get into in the future, the kind of situation like we have in Nicaragua. The question is, can we respond to those under this statement, without the amendment of the Senator from Alabama. My answer is clearly in the affirmative.

Let us take a look at the Defense Department appropriation right now and the money they have available. They have roughly $60 billion that is available that is not contracted for right now. In addition, in fiscal year 1987, they are asking for $86.4 billion for operations, which can be transferred for emergency operations.

Second, Senator DENTON brings up a point—and I think it is a valid point—how do we respond to something like the situation in Greece, or the situation in Turkey that President Truman faced?

The reality is, we are going to be facing those situations and we should not use those situations as excuses for creating huge deficits. Harry Truman, in the middle of the Korean war, in 1951, had a budget surplus of $6.1 billion. Harry Truman, to his everlasting credit, came to the American people and said, "We are involved in this war. We are going to have to pay for it as we go along."

If we permit the Heflin amendment to be adopted, we make it too easy to find excuses for creating deficits. We should not make defense spending and creating deficits unnecessarily for defense spending easier than for other things. We want to protect the national defense. We can do that within the budgets we have. We have the experience, the precedent of other Presidents who have acted in the past, who have seen to it that we had a balanced budget as we moved on military emergencies. And then if we get into a World War II kind of situation—and we all hope and pray we will not—there is not going to be any question that Congress is going to vote that authority. We will. We have in the past. We will in the future.

I have great respect for my colleagues from Alabama. I think it would be imprudent for this body to pass their amendment. At an appropriate time, Mr. President, I will make a motion to table. I do not want to restrain any further debate at this point, however.

Mr. EVANS addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. EVANS. Thank you, Mr. President.

I think we have heard this morning an eloquent presentation by both the senior and junior Senators from Alabama. They point up very well one of the weaknesses, not the only one with this constitutional amendment, but nonetheless a major weakness. I would like to, first, before speaking specifically on this amendment and how it might be even expanded, read to you the testimony of Roy Ash, which was given to the Senate Judiciary Committee last spring. He points to another threat to the national security of this country in the way a budget amendment like this would work:

> I believe, and I'm sure others of this committee do, that we shouldn't play around with our defense capability. Yet, if this amendment were operative, defense would become the tail end of the budget whipsaw. The best budget is, necessarily, an estimate. As the year progresses, acutal spending will vary from the estimate. But the constitutional amendment would require that actual outlays for the year conform to plan amounts or someone will have violated the Constitution. Let's assume we're racing through the year, are 60 to 90 days from its end, and find that $15 billion has to be removed from spending in these remaining days. Such variations do happen. Interest expenditures can't be cut. Would Social Security and other entitlements be exempt? (If they're not, who decides how to immediately cut which programs? There's no time for the regular executive-legislative process to work.) If these large dollar programs were exempt, defense is the only other expenditure of a magnitude sufficient to accommodate the short-term cut requirements. Do we really want to subordinate defense preparedness to a higher order goal of balancing out national arithmetic? Yet, if quick defense money is not saved on short notice, someone goes to jail, so to speak, for violating the Constitution.

That is a quote for Roy Ash, who, as I said yesterday, was the distinguished Director of the Office of Management and Budget under the Nixon and Ford administrations.

Listening to my distinguished colleague from Illinois this morning in response to the Senators from Alabama, I think he carries on that case and gives me greater fear that that is precisely what would happen when he talks about the ability of the Defense Department to respond—to respond because they have $60 billion of uncontracted money and $84 billion in

operations which somehow could be easily shifted around. He talks about the excuses for creating huge deficits, but it must be pointed out that this budget amendment to the Constitution does not allow any deficits. We are not talking about huge deficits or small deficits. We are talking about no deficits. We are talking about pinpointing at the end of each fiscal year precisely and absolutely the kind of budget balancing which is going to be exceedingly difficult and which will, in my view and in the view of Roy Ash, ultimately fall more harshly on the national security of this country than on any other element of the budget.

Now let me speak to that splendid presentation of the Senators from Alabama.

They point to—the senior Senator from Alabama particularly—the number of instances where we have had clear national security problems and where the Congress of the United States responded by only a simple majority.

I suggest that all the arguments used on behalf of this amendment could be equally valid and ought to be equally applied in an economic sense as well as a military sense. The wording of the proposed amendment talks about imminent and serious military threat to national security. I think it is very possible that we could have an equally imminent and serious economic threat to our national security, to our national well-being, to our national solvency, and would find the same difficulty in response that the sponsor of the amendment suggests would apply to the military.

It would be hard to say that Black Friday of October 1929 was not a serious economic problem for the country and, if repeated today, would be an enormous, staggering economic problem that would affect this Nation.

Who could say that the days of bank closure and the early days of 1933 were not an imminent and serious economic threat to the well-being or even the security of our country?

I think this amendment has clearly pointed up one of the weaknesses of this constitutional amendment as a whole. It should be corrected. But, in my view, it should apply equally to the serious and imminent economic threats as to the serious and imminent military threats.

In changing the Constitution, we are attempting to do something that is permanent. Every word in our Constitution, with the single exception of prohibition, has remained there to this day—from its adoption, either as a Constitution or as an amendment, it has remained permanent. And it is the presumption of this amendment, that it indeed would be permanent. We would be permanently held captive to a potential, determined minority of this House or the other House who could insist that their minority viewpoint thwart the will of the majority—not only of this Congress, but also what might well be the will of the people of the country as a whole.

That has no place in the Constitution.

While I believe this is a step forward—and I will support the amendment of the Senator from Alabama—I also believe that it does not go far enough. There are equal threats to this Nation that are economic in nature and can be just as rapid, just as sharp, just as threatening to the country as the military threats which the Senator has suggested.

Mr. DENTON. Mr. President, I appreciate the kindness of the Senator from Washington and the sincerity and well-intendedness of his thoughts on this subject. I find it difficult to think of an economic threat as dangerous as, say, a nuclear strike in the day in which we might have an SDI capability. I do respect his views. I simply focus mine on the military or security threats and on interests overseas, because that is what I have been studying.

I should like to have the kind attention of the Senator from Utah, so that somebody who is deeply interested in the other side of this issue could hear just one thing.

I just wanted to offer some of the examples of history in which the United States has had to take actions in the interest of its security, in which we did not have a three-fifths majority in the Senate, and let us keep this in mind as we go through these examples.

Wars can be deterred. Wars are failures in diplomacy. Wars are a resort after all other means fail. We in the United States do not want war. The Soviet Union only wants it when violence is required to achieve the world revolution. We are not after world revolution. We want peace. We want justice. The Soviets want world revolution by violence when necessary. But even they would resort to it last.

So there are examples in which we tried to avert tragedy. Keep in mind that in World War I the Germans took actions such as the sinking of the *Lusitania.* They knew they might draw the United States into the war because they thought the United States would not have enough time to mobilize and become a factor in the war. Our national survival depends on our remembering such history.

In World War II, Hitler made the same decision based on the same rationale. He took actions which he knew would cause the United States to come into the war, but he did it as a calculated risk, thinking we would not have time to mobilize. In other words, the United States was unprepared. The unpreparedness brought on the war. The unpreparedness brought on the loss of lives in the war. The unpreparedness brought on the butchery of World War II, which appalled the principals who were drawn into that conflict.

So there have been actions which we took to deter war.

May we have order, please, Mr. President?

The PRESIDING OFFICER. The Senate will be in order.

Mr. DENTON. Mr. President, one example: Prior to 1936, the Washington Treaty limited the authorized naval strength of the United States, Great Britain, and Japan to a 5-5-3 ratio, respectively. That treaty expired in 1936, and Great Britain and Japan began building in excess of all prior treaty limitations. A bill was introduced in the House to authorize sufficient buildup of our naval strength to reachieve the 5-5-3 ratio, and the report of the House Committee on Naval Affairs on that bill, H.R. 9218 stated:

> It is essential to have, for our proper national defense, the increase provided in this bill, or else the security of our Nation is jeopardized. * * * The increase authorized in this bill will furnish the minimum national defense necessary to attain our national security and preserve our Republic.

Senator Walsh stated in support of the bill:

> The question which the bill presents, and the only question, is the question of national security and safety, and, to that end, the maintenance of an adequate Navy.
>
> The bill was passed by the Senate on May 3, 1938, by a vote of 56 to 28, two votes short of a three-fifths majority.

Again, that action was not sufficient to dissuade Germany from deciding that the United States was not sufficiently prepared to deter Germany from taking actions which it knew would draw us into the war, but it was a step in the right direction. With more steps like that, we could have saved a lot of lives.

As another example, after the outbreak of World War II, Congress passed the Neutrality Act of 1939, the so-called Cash and Carry Act, permitting belligerent nations to purchase war materials in the United States and transport them abroad in their own vessels with payment only in cash.

For those of us who remember history, let us go back to those days. Churchill and Roosevelt, our President, were in earnest communication regarding the need to oppose the Nazi aggression in the world. The President was trying to prepare the United States. Some of us might remember that in Louisiana, our soldiers were drilling with broomsticks, which helped to encourage Hitler to take the moves which brought us into World War II.

President Roosevelt urged Congress to pass a bill allowing the manufacture and provision of weapons to nations at

war with the Axis powers so that the flow of necessary weapons to Britain would not be stopped.

In response to that request, Congress passed H.R. 1776, the Lend-Lease Act, which empowered the President to authorize various heads of Government departments and agencies to manufacture and procure defense articles for the government of any country whose defense the President deemed vital to the defense of the United States and to exchange, lease, lend, or otherwise dispose of defense articles to such countries.

I will not give the quotation from Secretary of War Stimson, but he said it was the most important legislative achievement of the entire war, leading to our victory.

Again, the actions that I am talking about and the reason for my amendment, which I may offer independently or as an amendment in the second degree to my senior colleague's amendment, is to deter war and do it economically.

The House of Representatives Committee on Foreign Affairs concluded in its report on H.R. 1776, the Lend Lease Act:

> It is the firm opinion of your committee, that taking into consideration existing world conditions, prompt enactment of H.R. 1776 into law is of the highest importance to the vital interests of our country—and even of our civilization.

The Senate vote on H.R. 1776, Mr. President, was only two votes over a three-fifths majority. The House vote was 260 to 165, one vote short of three-fifths majority.

I think many of us remember the one vote majority by which we instituted the draft shortly before World War II broke out.

There are too many such instances. We have the vote on the Contras which many of us think is vital, including the President of the United States. I am quite sure that it would not pass if it had to pass by a three-fifths majority. Only history will prove whether it was necessary or not. But the Constitution did not provide that we should permit ourselves tc be saddled with a three-fifths majority requirement in providing for the common defense.

I ask my colleague from Illinois, who kindly consented to permit enough time before he moved to table, and the floor manager on the other side, the Senator from South Carolina, whether they intend to move to table without relinquishing the floor. I want to know if this debate is going to be permitted to go on for a while.

Mr. SIMON. I was having a discussion with Senator THURMOND and I did not hear the question.

Mr. DENTON. I am asking Senator SIMON and Senator THURMOND if upon my yielding the floor they intend to move to table. If so, I do not wish to relinquish my right to the floor.

Mr. SIMON. We will move to table at that point unless someone else has something to add to the debate.

Mr. DENTON. Then I ask my senior colleague from Alabama, recognizing that his bill has a better chance to pass the way he has composed it and recognizing that he has certainly put in considerable thought and consultation with others—and the interests of his amendment may, indeed, exceed that which I am about to request of him—but I ask the Senator from Alabama, as I asked him several years ago, if he would consider that the imposition of the requirement for this Nation to be in armed conflict may not be the best way to go about this. Why require conflict if the need is that evident? For example, if missiles were on their way. We have some defensive missiles, but it is going to cost money for the electricity to push the button to get those missiles fired. Are we going to have to be in conflict to get that money? Will someone have to die? Do we have to have troops dying before we undo the budget by $5 for electricity?

I ask that with great respect because of the force of my sincerity on the issue, and not out of any lack of deep respect for the Senator's courage and wisdom in offering his amendment.

Mr. HEFLIN. I reply, we worked on it. Last time I took the Senator's amendment, and at that time we did not have the word "conflict." In the 97th Congress we failed to get sufficient votes. I believe it was four votes short.

I had a great number of Senators and other people indicate to me that if we had provided for undeclared wars they would have supported it, and that the military conflict was a requirement.

I will be delighted to support the Senator in his efforts because I basically feel that there should be exceptions.

But I think from the viewpoint right now, I would like to keep them separate and would like to have a vote on a military conflict which involves some sustained activity.

There may be instances which might not require expenditure of money. We could have instances where the amendment might be misused. But we have tried to phrase this amendment in such a way to prevent its misuse. The language requires the United States to be engaged in military conflict which causes an imminent and serious military threat to the national security. That joint resolution must go to the President. It is signed. Then it comes back and we go through a second vote on the waiver. Bearing in mind the War Powers Act, I think that this is directed to situations where there is a sustained conflict that justifies the waiver of the constitutional amendment and the expenditure of additional funds.

I think we have these safeguards. I will support the Senator in his efforts. I think it would be desirable to do so.

But from a viewpoint of this amendment I would like to keep them separate and have this one voted on without the other aspect which does not involve military conflict.

Mr. DENTON. I thank my colleague.

Mr. President, I am giving consideration, if it suits my colleague from Alabama, to offering my amendment in the second degree and then, of course, he would get the first vote for tabling, or whatever, and without meaning to inconvenience my colleague, if he wished me not to do that, I would offer it independently.

Mr. President, I ask the Senator's view of that.

Mr. HEFLIN. If the Senator wants to, I believe under the parliamentary procedure, if he files a second-degree amendment, and there is a motion to table, it tables both, we will not get a separate vote on it. We will be involved in a parliamentary thicket there.

I do not believe that the Senator is in a situation where he wants to do that. I would think that the better procedure is to let us go ahead and vote on this. My staff has worked with the Senator. I saw a day or so ago his language that he wanted and I was under the impression that he was going to make a separate amendment, in which I told my staff to tell the Senator's staff that we would support the Senator, and I do.

I believe the Senator's second-degree amendment will have the effect of causing us to lose. The motion to table the Heflin amendment takes down the Denton amendment without any separate vote on it.

Mr. DENTON. In that case, Mr. President, I will withhold offering my amendment in the second degree to my senior colleague's amendment, but I may offer an amendment, not necessarily in hopes that it pass but in the hope that perhaps two or three or four other Senators may come a little closer or that I may learn something more, because we are discussing a very important issue here. The Senator from Illinois said we could fight within the budget or prepare within the budget. That is fine, except that if something unexpected occurs on the part of the enemy in the way of a buildup or a threat, we will not have budgeted for that. We will not know ahead of time. We cannot dream that up.

So I think we have to do what we need to do with respect to the threat when and if it occurs, not according to our desire in advance.

But I will yield the floor and let the vote occur.

Mr. DECONCINI. Mr. President, I thank the junior Senator from Alabama. I think it is better that we take his amendment up, if we need to take it up, separately, because I think his goes a little further.

I am not going to belabor the issue here, but I want to join my colleague from Illinois in saying that Senator HEFLIN's amendment is one of the best drawn amendments that I have seen, in all due respect to all those other fine amendments that are here or going to be here.

I have listened to the debate, both in my office and here, and I am just very reluctant to put this type of criteria of "imminent," to put that word and these phrasings actually into the amendment. I urge my colleagues to vote against the amendment or to table it, as the case may be.

I yield to my friend from Illinois.

Mr. SIMON. Mr. President, I move to table the amendment.

Mr. HEFLIN. Will the Senator withhold?

Mr. SIMON. Yes.

Mr. HEFLIN. I would like to respond briefly. To the Arguments that the opponents to my amendment have made. I believe there have been two arguments. The one by Senator SIMON is that there is provisions for transfer of funds within the Defense Department. The Korean war lasted 3 years. The Vietnam war lasted 11 years. Those transfers might help in the first fiscal year, but afterward I do not think that is an answer.

Senator THURMOND's argument was that you will always get the three-fifths vote. And I said, "Well, you know, lawyers sometimes like to narrow the issues and tell a jury if you believe this, you vote one way, and if you believe that, you vote one way."

So it would appear to me if you would say, "All right, if you believe that you will always get a three-fifths vote, then you vote against the amendment. But if you believe that you will not in the future always get a three-fifths vote, then you vote for the amendment."

I say that is not the real issue here as we deal with national security. The issue is this: Is there a question in your mind that you will always get a three-fifths vote? If there is a question in your mind, then vote for the Heflin amendment, because the national security should not be subject to a question.

On the other hand, if there is no question in your mind that you will always get a three-fifths vote, then vote against the Heflin amendment. But if there remains in the back of your mind, as you consider your patriotism, any question whatsoever, then vote for the Heflin amendment.

Mr. HATCH. Mr. President, there are no two Senators I have more regard for than the two distinguished Senators from Alabama. Both of them played leading roles in attempting to get up a constitutional amendment to balance the budget in the past; frankly, very important roles.

But we are talking about a constitutional amendment. We are talking about an amendment that treats everything on the budget across the board basically equally, except defense. Because, under section 2, it says:

> The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect.

Under those circumstances, this amendment becomes ineffective for that particular year in which a declaration of war is in effect.

Now, admittedly, we have not had many declarations of war; and, admittedly, probably because the Constitution has been ignored in times past.

But, you do not just have to have a three-fifths vote to be able to take care of the military. I suggest that if there is a genuine national state of emergency, I cannot imagine anybody in either body not doing everything they possibly can to vote to help our country. I do not think a three-fifths vote will be very difficult to get. The fact is, we do not face these circumstances very squarely sometimes. But I do not believe that that is going to be a problem and it highlights the issue like never before and it does so in a constitutional way.

Second, if we do not want to get a three-fifths vote, we can have a majority vote to help the military. All we have to do is raise the revenues to do so. And the American people are willing to do that when that is necessary. None of us want to be slaves, none of us want to lose our freedoms, none of us will fail to stand up for what is right for this country. If you cannot get a three-fifths vote, then certainly you are going to be able to get a majority vote in order to increase taxes or revenues in order to pay for the emergency.

So it is not like you have to have a three-fifths vote, which I believe will not be too difficult to get, if we have a genuine state of national emergency.

Now, I have to admit it would be wonderful if we could put a 20-page document in the Constutition—I suppose in the eyes of some—that just outlines every little contingency. I suppose, before this day is out, at least one Senator will bring an amendment to the floor to try to exclude Social Security, because he knows that that is something that everybody can get excited about. Nobody wants to undermine Social Security. Nobody wants it to ever fail. Everybody wants us to live up to it. But I am sure, before the end of this day, one of our colleagues will bring an amendment to the constitutional amendment to exclude Social Security from consideration of the constitutional amendment.

Mr. DECONCINI. Will my friend, the Senator from Utah, yield for a question?

Mr. HATCH. I am happy to yield.

Mr. DECONCINI. From my recollection of the hearings on the constitutional amendment, when the administration testified, I do not recall—and please correct me if I am wrong—any indication from the administration in support of any additional needs for national security that are not already here. Am I correct?

Mr. HATCH. The Senator points out a very cogent point.

Mr. DECONCINI. I just think the record should show there is not any movement here by our military establishment now, to take nothing away from our good colleagues here from Alabama who have a little different opinion about our national security. I do not question their intent here. But I do not think that, from an executive point of view, that has ever been brought to the attention of the Judiciary Committee and what we have here is satisfactory with the administration.

Mr. HATCH. The Senator stated it very appropriately.

Neither do I take anything away from the intent of the two distinguished Senators. I respect what they are trying to do. But we are talking about a constitutional amendment, not a substitute.

The reason it is so difficult to pass a constitutional amendment is because the Founding Fathers wanted to make it that way, so we just do not have a readily amendable basic document in this land.

Mr. DENTON. Will the Senator yield for one comment?

Mr. HATCH. I am happy to yield.

Mr. DENTON. I did call, through such channels as I could avail myself of, this morning, after many calls from my staff, according to them, during the past 4 or 5 working days. I did not get an endorsement, nor did I get a denial, a disagreement with this from anyone in the administration. They did not give me a position.

But to say "the Military Establishment" is to beg the question. I do not know what the Military Establishment would think, but I imagine they would be very much in favor of what I am proposing.

Mr. DECONCINI. If the Senator will yield, in my reference to the Military Establishment, I meant the Defense Department, from the Secretary on down, did not testify in support of anything other than what is here. I did not mean to say all the military out there would support it, because I have no way of knowing.

Mr. DENTON. If the Senator from Utah will permit me, I see in what he

has said—I ask his deference to make this comment—with regard to a majority to pass the appropriations necessary, my fear, as I have expressed in previous debates, is that somebody is going to come up with something about Social Security or another nondefense issue when Congress is attempting to pass the necessary defense appropriations—I have never seen an appropriations process that was very prompt. And a response to a defense need could be one requiring promptness, and therein lies my reservation about that.

Mr. HATCH. Well, if there was a serious military threat to national security, I have no doubt in my mind that the Congress will act one way or the other. You either have to have a three-fifths vote which everything else in the budget has to have—it is only fair to treat everything in the budget the same way—or you can increase revenues through a majority vote. It is not like you do not have a majority vote or you do not have any possibility of doing anything by majority vote.

I agree, a balanced budget may not always be appropriate. That is the purpose of both the wartime waiver in section 2, as well as the three-fifths exemption in section 1.

I do not see the purpose, however, in adding another exception whether it is the form of "national emergency," "imminent threat to national security," or because of high levels of unemployment. If any of these circumstances genuinely warrant the deficit, I would think a three-fifths vote would not prevent an insuperable obstacle. If it did, it would suggest that the national emergency was not as well accepted as some may have suggested. In other words, the present language of Senate Joint Resolution 225 contains an exception for each of these circumstances. It simply defines the emergency, or threat to security, or whatever, by a three-fifths vote of Congress, by a majority vote, to increase revenues or we could set up a contingency fund to take care of these problems which is probably one of the best things we could do.

I further remind my colleagues that, even if a deficit were unavailable for some important spending program, the present amendment would allow taxes to be increased to pay for such a program by a majority vote. I made that point over and over.

The major problem again that I personally have with the amendment is one of definition. I believe that it would seriously undermine this constitutional amendment to place in it a general term of exception that could be employed virtually without standings. That is the last way in my opinion to impose a genuine restraint upon Congress.

I believe that the present amendment addresses this issue properly. If three-fifths of the Members of Congress are not persuaded that some unusual circumstance requires the budget deficit then it shall be permissible. Otherwise, I am comfortable with the present terms of the amendment being imposed upon Congress. There is a difference in my view between recognizing that an amendment of this sort has to be flexible and between writing in a loophole that virtually consumes the general rule of the amendment.

I would also make note of the fact that this country has lived under the terms of one national emergency after another for most of the post-World War II period.

I believe, for example, that the national emergency represented by the Korean war lasted nearly a decade after the so-called antivet war.

This amendment poses a difficult question. What kind of military emergency does this intend to cover which would not be perceived by the Congress or any Member of Congress as sufficiently threatening to invoke three-fifths waiver in section 1? If we are at war, section 2 waives the provisions for a balanced budget. If we are in a serious emergency, three-fifths of Congress will certainly perceive the threat.

What kind of crisis then falls between these two categories that this amendment intends to cover? Does it include Grenada, or the Lebanese Marine barracks disaster, or the unrest in the Philippines or Nicaragua? If so, such crises are underway nearly every day of every year.

What we do not want is to have those who are enemies of balanced budgets using this as an excuse and as a loophole to be able to unbalance the budget anytime they want to, and have business as usual, which is what we have had for 26 of the last 27 years during which time we failed to balance the budget of this country.

This amendment has been carefully written and carefully drafted. It is a consensus amendment, bipartisan amendment, and I can tell you that the White House supports it as it is, and the Office of Management and Budget supports it as it is. They do not want changes. They do it because it is bipartisan, because it does have a consensus, because there have been just thousands and thousands of hours put into trying to bring together the coalition that makes this amendment possible to even come to the floor.

Mr. DENTON. Will the Senator kindly yield for a question?

Mr. HATCH. I am happy to yield.

Mr. DENTON. Mr. President, it seems that the deficit is being laid at the feet of the defense spending for meeting emergencies.

Mr. HATCH. If the Senator will yield, that is not the case—not from this Senator. I am saying that I realize under John F. Kennedy 50 percent of the budget went for the military. When Reagan became President, we were down to 23 percent. Now it is up to 26 percent. If he gets what he wants this year, it might go to 28. But that is still 20 percentage points less.

Mr. DENTON. As the Senator knows, the spending program has gone up like that.

Mr. HATCH. The defense spending has gone way up while military has gone way down. But still that does not justify, other than the section we have provided, treating the military any differently from anybody else on this budget. It does not justify having an exception for Social Security. There are savings that can be made there as well, and still give justice to the poor, the weak, and the elderly who need the help of Social Security.

We should have everything in the budget looked at pursuant to this amendment, and nothing should really be excepted including the military. There are enough flexible ways of getting around this problem within this amendment that we do not need to add another amendment to allow anybody to raise this issue anytime they want to, to make the balanced budget amendment once it is adopted into the Constitution basically a nonentity.

Mr. DENTON, One other question. The Senator understands that my reservation is not based upon the logic of what he is saying. It has to do with the timing. I could not foresee the probability that an agreement about an appropriations bill with all that normally goes into that will necessarily be as speedy as it should be to permit the expenditure of money.

Mr. HATCH. As the Senator knows, we do not need an appropriations bill. We could have a joint resolution between both Houses of Congress passed in 5 minutes in each body.

I yield to the distinguished Senator from Washington.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator form Washington is recognized.

Mr. GORTON. Mr. President, the concern which the two distinguished Senators from Alabama expressed, which is evident in this amendment to the proposed constitutional amendment, is one which is very difficult for this Senator who is an opponent of the entire idea of amending the Constitution to deal with.

I am slightly inclined to vote in favor of the amendment proposed by the two distinguished Senators from Alabama. But I believe they would be better advised to deal with this concern by opposing the entire proposition that the Constitution of the United States should be amended in this fashion. I say that starting my argument by reading the Preamble to

the Constitution of the United States. It reads:

We the People of the United States, in Order to form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common defence, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity, do ordain and establish this Constitution for the United States of America.

The Senators from Alabama feel that one of those purposes, "to provide for the common defense," should be an exception to this proposal to include a certain fiscal policy in the Constitution of the United States; that even in the absence of a declaration of war, providing for the common defense should not be subject to the supermajority which is at the heart of this constitutional amendment. Evidently, however, the importance of providing for the establishment of justice, the insurance of domestic tranquility, the promotion of the general welfare and securing the blessings of liberty are not so important as is providing for the common defense. And, therefore, moneys for those purposes, a perfect union, justice, tranquility, general welfare can appropriately be subjected to this greater fiscal discipline.

I believe that the correct answer to the dilemma facing the two Senators from Alabama is not somehow or another to prefer one of the purposes of the Constitution to all other purposes of the Constitution, but simply not to pass a new element to the Constitution on this subject at all.

Last Friday I stated that my extended debate over this subject with the distinguished Senator from Utah in 1982 marked one of the high points of my career in the U.S. Senate. I have since looked back at the notes of that debate and, of course, I am first struck by the fact that the amendment to the Constitution of the United States for this purpose proposed in 1982 was somewhat different from the version which is proposed here in 1986. That in and of itself may illustrate the fact that the Constitution is not the place with which to deal with problems of fiscal policy.

Some of the criticisms which I directed at that proposal are no longer relevant, though others have taken their place.

A summary of my own argument in 1982, however, Mr. President, was that it was clearly premature to deal with these fiscal questions—with the demand for a balanced budget—in the form of a constitutional amendment rather than in the form of a statute; that we should first see whether or not this goal could be reached statutorily before we seriously considered changing the fundamental law of our land.

Since 1982, of course, we have done just that. Last November we passed the Gramm-Rudman-Hollings Balanced Budget Act of 1985. We passed it only after extended debate; only after a multitude of changes were made in the original form of Gramm-Rudman-Hollings, and only after we had set out in detail, in detail which occupies in excess of 100 pages, the exact way in which we were to approach a balanced budget over a 5-year period.

And yet, at the beginning of a debate over the first budget resolution, which is subject to the provisions of Gramm-Rudman-Hollings, we are again on the floor attempting to place something like the policy included in that bill into the Constitution of the United States.

If it was even remotely premature to deal with the issue as a constitutional amendment in 1982, it is clearly so in 1986.

There will be one of two results of Gramm-Rudman-Hollings. I hope and I believe, as a result of that intelligent statutory approach to this challenge, it will be that we will in fact balance the budget by 1991 because of the intense discipline which it imposes on our fiscal maintaining debates and because of the incentives it gives to the Members of the Congress to operate responsibly.

If I am correct, if Gramm-Rudman-Hollings works, it is clear we do not need a constitutional amendment on the subject at all; that we in fact can meet these responsibilities at least under present circumstances through the form of a statute. Certainly, we should always abide by the proposition that we should solve a problem in the least intrusive possible fashion. If a problem can be adequately solved through regulation, it should be solved through regulation. If it requires a statute, we should pass a statute. But only if no other method avails should we even consider changing the Constitution of the United States.

The second alternative, of course, is that Gramm-Rudman-Hollings will fail. Well, if it does, why will it fail? I submit, Mr. President, it will fail if, and only if, the people of the United States decide that a balanced budget is not a particularly high priority; that what they have seen in the last few years as being vitally important is not as important as many other priorities which the people of the United States have.

It is in that respect, of course, Mr. President, that I think that this whole approach is most greatly flawed.

The proponents of this constitutional amendment purport to decide not only for this Congress and, for that matter, for Congresses through 1991, what a valid fiscal policy for the United States should be; they purport to make that decision for the year 2000, for the year 2010, for the year 2050, and for the tricentennial of the United States in the year 2076.

I submit, Mr. President, that none of us can see that far in the future. To make decisions of this nature and to enshrine them in the Constitution, in my view, Mr. President, is the height of arrogance. We have enough problems facing us today which we need to solve without attempting to set fiscal policies for the next century.

Second, Mr. President, it seems clear to me, as it did in 1982, that this amendment is flawed from the point of view of the method by which it will operate. I had an interesting discussion with the distinguished Senators from Illinois and Utah on last Friday on that subject.

I submit more firmly than ever that the phrases "receipts" and "outlays" are words of art and even the authors of this constitutional amendment cannot anticipate how they will be interpreted in the future.

The distiguished Senator from New Mexico [Mr. DOMENICI] proposes a one-word addition to this constitutional amendment by putting the word "total" in the phrase "receipts and outlays," as if that would make the term more precise.

There is no way in the world that that will make it more precise or that it can be made more precise.

What, for example, Mr. President, do the sponsors say to the proposition that in order to get around some of the strictures of this proposal the Congress might sell the space shuttle or a courthouse or a national forest and lease it back for use by the United States? Presumably the receipts from that sale would be receipts and only the lease payments outlays. So we would be borrowing against the future with as great a reality under those circumstances as we do at the present time when we call borrowing borrowing.

The imaginations of our predecessors and of our contemporaries here certainly will not exceed the fertility of the imaginations of our successors in finding ways around this constitutional amendment when it appears imperative for them to do so.

We simply are faced with a situtation, Mr. President, in which we should let well enough alone. This Congress has done an outstanding job in the passage of Gramm-Rudman-Hollings. We have at least started down the road toward a balanced budget and toward fiscal responsibility. We should not enshrine that kind of policy in the Constitution of the United States at the very least until we learn what the consequences of following that roadway to its ultimate goal are, in fact.

The distinguished Senator from Utah has assured me this year, as he did in 1982, that the interference by

the courts of the United States in the fiscal process resulting from this constitutional amendment would be infrequent and minimal.

I wish I could accept that assurance of the distinguished Senator from Utah. I have few examples, if any, of instances in which the courts of the United States have been asked to interpret the Constitution in which their interferences have been few and have been minimal. I submit that that interference will be frequent and intrusive; that the losing side on every vote on fiscal policy in the Congresses of the future will, as did the opponents of Gramm-Rudman-Hollings, immediately adjourn across the street to the closest U.S. district court and challenge their majoritarian colleagues for having violated this constitutional provision.

Finally, Mr. President, somewhat unlike the proposal in 1982, this constitutional amendment seems to me to fly under a false flag. It is not really a balanced budget amendment at all. It is a supermajority amendment. The Senator from Utah went to great pains to point out to the distinguished junior Senator from Alabama just a few moments ago how easy it will be to unbalance the budget pursuant to this amendment when we are faced with a national security emergency. It will be almost automatic, he said. It would take 5 minutes to pass a joint resolution through the two Houses of Congress.

In that respect, I am convinced that the Senator from Utah is absolutely and totally correct. All we have done is to distort the relationship between spending and taxes by requiring certain spending decisions to require a three-fifths vote and certain taxing decisions to require only a constitutional majority vote.

What we will do, should we pass this constitutional amendment, is to put an immensely potent weapon into the hands of a handful of Members of this body and of the House of Representatives—9 Senators, in fact, since it takes 51 to have a majority at the present time in the Senate and would require 60 to unbalance the budget pursuant to this amendment.

Do not think that those last nine votes, when a majority desires to unbalance the budget, are not going to have a tremendous amount of leverage and a tremendous amount of trading stock. Do not think when the budget becomes unbalanced pursuant to this proposed rule that it is not going to be much worse than it is right now, because each of those nine Senators will demand his or her pound of flesh, his or her appropriation, his or her share of that unbalanced budget.

I submit, Mr. President, that the ultimate impact of passing this kind of constitutional amendment may be to make our budgets unbalanced by a greater degree than they are at the present time rather than a lesser degree, because more people will have to come together, more Members will have to be satisfied before such a measure can in effect be passed.

It seems to me in summary, Mr. President, that this proposal is very bad policy, that it will not succeed in reaching its goal nearly as well as Gramm-Rudman-Hollings can, and that the amendment proposed by the two Senators from Alabama illustrates just exactly what the problem is. They fear that it may be too difficult, pursuant to this constitutional amendment, to provide for the common defense of the people of the United States. They may be right. But if it is, it is then too difficult to provide for the general welfare of the people of the United States or to insure the domestic tranquility of the people of the United States, or to engage in any of the other purposes of the Constitution.

On the other hand, if the Senator from Utah is right, it will not be difficult at all to deal with the common defense, even though it requires a three-fifths majority and, by the same token, it will not be difficult to unbalance the budget for other purposes, either.

Mr. HEFLIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. HEFLIN. Mr. President, I ask unanimous consent that Senator DENTON be added as a cosponsor to my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HEFLIN. Mr. President, I have just one brief remark to the distinguished senior Senator from Washington [Mr. GORTON]. I think he points out the other aspects of the preamble of the Constitution—to establish justice, insure domestic tranquility, promote the general welfare, secure the blessings of liberty. None of those can be accomplished under our democratic form of government unless we defend the Nation against our enemies. Therefore, I think that providing for the common defense has priority.

Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, again I commend the able Senators from Alabama for their dedication, their patriotism, and for all they are doing to try to keep the country with a strong defense. I do want to say this: We spend about $300 billion a year to keep a strong defense and this is sufficient to allow us to respond to any initial emergency, an initial emergency up to 60 days. We have time then to provide more funds. Never in the history of this country that I know of has Congress ever failed to provide funds in case of an emergency, in case of conflict, in case of war. I just do not think any Congress will in the future. If we are in a conflict, there is no question in my mind that Congress will provide the funds.

That is what we spend all this money for now, to keep this country prepared and we take care of any initial assault that may come and respond to it and we will have time to do it.

The funds can be provided then, if necessary, by a majority of the Congress. They can provide more funds.

We do not think this amendment is necessary, we think it will encumber the Constitution. It is a lot of words that are not necessary here. We have a simple, straightforward amendment that we think ought to be adopted. That is the reason we oppose this amendment.

Mr. SIMON. Mr. President, I renew my motion to lay the amendment on the table. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay the amendment of the Senator from Alabama on the table. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER (Mr. GRASSLEY). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 52, nays 48—as follows:

[Rollcall Vote No. 31 Leg.]

YEAS—52

Abdnor	Hatch	Packwood
Armstrong	Hatfield	Pressler
Boschwitz	Hawkins	Proxmire
Burdick	Hecht	Roth
Chiles	Helms	Rudman
Cochran	Hollings	Simon
D'Amato	Humphrey	Simpson
Danforth	Kassebaum	Specter
DeConcini	Kasten	Stafford
Dixon	Laxalt	Symms
Dole	Long	Thurmond
Domenici	Lugar	Trible
Durenberger	McClure	Warner
East	McConnell	Weicker
Garn	Metzenbaum	Wilson
Gramm	Moynihan	Zorinsky
Grassley	Murkowski	
Hart	Nickles	

NAYS—48

Andrews	Denton	Heinz
Baucus	Dodd	Inouye
Bentsen	Eagleton	Johnston
Biden	Evans	Kennedy
Bingaman	Exon	Kerry
Boren	Ford	Lautenberg
Bradley	Glenn	Leahy
Bumpers	Goldwater	Levin
Byrd	Gore	Mathias
Chafee	Gorton	Matsunaga
Cohen	Harkin	Mattingly
Cranston	Heflin	Melcher

Mitchell	Quayle	Sasser
Nunn	Riegle	Stennis
Pell	Rockefeller	Stevens
Pryor	Sarbanes	Wallop

So the motion to lay on the table was agreed to.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Florida.

Mrs. HAWKINS. Mr. President, I ask unanimous consent to proceed as if in morning business for 3 minutes.

Mr. METZENBAUM. Mr. President, reserving the right to object, for how long a period of time?

Mrs. HAWKINS. I said 3 minutes.

Mr. METZENBAUM. No objection.

The PRESIDING OFFICER. The Senator from Florida is recognized.

COCAINE—ITS IMPACT ON OUR CHILDREN AND CRIME

Mrs. HAWKINS. Mr. President, the cover story of the current issue of Newsweek magazine is devoted to "Kids and Cocaine" and reveals to a public that at times seems apathetic and indifferent "the plain fact is that cocaine abuse is the fastest growing drug problem in America for adults and school-age children alike." To make matters worse, cocaine is now being sold and used in an "especially destructive new form" known on the street as "crack" or "rock." Crack is smoked and the resulting intoxication is, according to the Newsweek research, "far more intense than snorted cocaine—much quicker, much more euphoric, and much, much more addictive." A specialist at Fair Oaks Hospital in Summit, NJ, Arnold Washton, is quoted as follows:

> Crack is almost instantaneous addiction, whereas if you snort coke it can take 2 to 5 years before addiction sets in. There is no such thing as the recreational use of crack. It is the most addictive drug known to man right now.

The implications of this new drug technique to public health, society, law enforcement, and the economy are menacing. The impact on the economy from drugs already is disastrous. When I first addressed the subject of "Drugs and Productivity" on the Senate floor on July 29, 1983 and "Drugs in the Workplace" on September 21, 1983, a study by the Research Triangle Institute of North Carolina indicated that the cost of drug abuse to the American economy was nearly $26 billion, including $16.6 billion in lost productivity alone. In a study released by Research Triangle in 1984 the total had risen to $47 billion.

Whatever the crime statistics are in a given year—whether they are up or down in certain categories—there is an undeniable link between crime and drug addiction. An addict uses all the resources he or she can muster legitimately, then turns to crime as a means of financing a costly drug habit. It is also a well-documented fact that people under the influence of drugs tend to relax their moral and ethical standards. That leads them down the road to temptations and criminal behavior that in the normal course of events might not be encountered.

Sociologists point out another causal relationship between criminal behavior and drugs. Drugs are part of a contemporary, trendy lifestyle which sometimes leads to crime, and in which the commission of a crime itself is a tremendous high.

Studies of drug use and its relationship to crime reveal some interesting things. One study of Federal prisoners disclosed that one-third of them were drug addicts. Up to 40 percent reported using heroin prior to imprisonment, and an even larger percentage reported using other illicit drugs. In a study conducted at a New York drug center, involving 38 people, every person had committed criminal acts. Twenty-six addicts were responsible, on a daily basis, for 22 crimes. In a California prison, regular users of heroin admitted they had committed an average of 177 property crimes a year, compared with an average of just over 20 for nondrug offenders. In Michigan, daily heroin users committed 103 property crimes a year, versus 41 for nondrug offenders. In Texas, addicts admitted 180 property crimes, versus 23 for nondrug offenders.

The contrasting rates for theft further strengthen the evidence of a link between drug use and crime. In Texas, crimes of theft ran 15 times higher among drug users than nonusers. In Michigan, theft crimes were 4 times higher, and 10 times higher in California, among offenders with a drug habit than among persons who were drug free.

If there is still doubt, let me cite the findings of one more study, conducted by the National Institute on Drug Abuse, involving 243 Baltimore addicts. They averaged 248 days of crime a year for the entire group. Nearly 10 percent of the group committed one or more crimes every single day of the year. Over a 2-year period, these 243 heroin addicts committed over 500,000 crimes.

We have noted crime against property, which involves breaking and entering, auto theft, arson, forgery, counterfeiting, passing worthless checks, misuse of credit cards, buying and selling stolen property, and vandalism. And we have talked about theft, ranging from armed robbery to purse snatching and confidence games. But what of other kinds of criminal behavior: homicide, manslaughter, rape, assault, and child molestation? What of prostitution and pornography, of offenses against the family, violence, disorderly conduct, and vagrancy?

What of monetary costs to society beyond what the victims of crime suffer directly? The cost of drug-related crime is more than $5 billion a year for courts, police, and prisons. More than $1.6 billion is spent annually on alarm systems, locks, and other protective measures. Property valued at more than $110 million is destroyed or damaged during criminal acts.

There is no way to fix the cost in human terms to families whose lives are disrupted by drug addiction. Invasion of a home by drug-crazed strangers must be one of the most frightening of human encounters. The addiction of a family member who first mistreats and brutalizes his loved ones, denies them of essentials in order to feed his habit, and then turns to crime for money to buy drugs, is a shattering experience.

The Nation's youth, ever eager to chalk up new experiences and sample the fruits of life, are especially vulnerable. They experiment with drugs because of one simple fact: the drugs are there. It's a logical extension of why the explorer climbs the mountain: because it is there. Beyond experimentation, there is addiction. Beyond addiction, there is crime. There can be no serious doubt about a cause/effect relationship between crime and drugs. They go hand in hand. To make a serious reduction in the incidence of crime, we must first deal striking blows to the international drug traffic and we must take whatever steps are necessary to reduce the attraction of our citizenry, both the young and the mature, to drugs.

President Nixon, in his message to Congress on June 17, 1971, stated that the drug abuse problem in the United States has reached the dimension of "a national emergency." I regret to say that the description is just as accurate today as it was when Mr. Nixon used it 15 years ago. In fact, the situation is much worse.

Mr. President, I ask unanimous consent that stories on drugs and children, from Newsweek magazine, and on drugs in the workplace, from Time magazine, be printed in the RECORD.

There being no objection, the stories were ordered to be printed in the RECORD, as follows:

[From Time, Mar. 17, 1986]

BATTLING THE ENEMY WITHIN

The night shift at the General Motors plant in Wentzville, Mo., was busy putting together Buick Park Avenues and Oldsmobile Regency 98s when ten policemen quietly entered the factory. Making their way along the assembly line, the offices clapped handcuffs on twelve workers. They had allegedly sold cocaine, hashish, marijuana and LSD with an estimated street value of $250,000 to two young undercover agents

who had been hired by GM to pose as assembly-line workers.

Alarmed by reports of widespread drug and alcohol use at its Laughlin, Nev., generating station, the Southern California Edison Co. organized its own raid. Corporate managers and security officers cut the personal padlocks off 400 employee lockers to rummage through the contents. They searched cars in the parking lot and even frisked a few workers. Seven employees were fired for possessing drugs or alcohol at work in violation of company rules.

Twenty Unocal employees were startled when company cars and vans converged on their remote oil-pumping station in Piru, Calif., and discharged a cordon of private security officers and drug-sniffing dogs to search the grounds. No drugs were found, but six workers were later suspended when urine tests demanded by the company showed traces of marijuana. The six were reinstated only after they agreed to submit to urinalysis regularly in the future.

In the old days, an oilworker might have decked his boss for asking him to supply a urine sample, and workplace raids by company vigilantes, let alone police, would have been unthinkable. But in the old days, it was rare for someone to come to work stoned on drugs or for managers to have to worry about cokeheads in the office. Not anymore, and not just in isolated instances either. Illegal drugs have become so pervasive in the U.S. workplace that they are used in almost every industry, the daily companions of blue- and white-collar workers alike. Their presence on the job is sapping the energy, honesty and reliability of the American labor force even as competition from foreign companies is growing ever tougher.

Now U.S. employers have decided to strike back at the drug plague. In high-rise office towers and sprawling factory complexes, in bustling retail stores and remote warehouses, companies are cracking down on workers who get high on the job. Supervisors are watching closely for tell-tale signs and confronting workers who seem impaired. Employees caught with drugs are often fired on the spot, and suspected users are urged to enter rehabilitation clinics. Hundreds of companies are setting up programs to combat drugs, providing psychiatric counseling for employees, resorting to urinalysis to identify users, and in a few cases going so far as to install hidden video cameras or hire undercover agents.

A measure of the inroads drugs have made on the U.S. workplace came last week when the President's Commission on Organized Crime took the extraordinary step of asking all U.S. companies to test their employees for drug use. In an initial report based on a 32-month study, the commission also urged the Government not only to test its own workers but to withhold federal contracts from private firms that refuse to do the same. "Drug trafficking is the most serious organized-crime problem in the world today," said the commission, which argued that the Government and private companies can play a vital role in curbing demand for drugs.

The recommendations immediately stirred a fire storm of controversy. Said Representative Peter Rodino, a New Jersey Democrat who chairs the House Judiciary Committee: "Wholesale testing is unwarranted and raises serious civil liberty concerns." Agreed Democratic Representative Charles Schumer of New York: "Trying to stop organized crime's multimillion-dollar drug business by creating a police state in federal office buildings would be virtually ineffective and would create one crime to stop another."

But many business leaders have concluded that the threat posed by drugs on the job can be answered only with tough measures. Dr. Michael Walsh, chief of clinical and behavioral pharmacology at the National Institute on Drug Abuse, notes that the number of corporations that ask him for advice on how to get drugs out of the workplace has increased dramatically in the past few months. Says he: "The momentum is very, very strong at this point."

And with good reason. The costs of drug abuse on the job are staggering. The consequences range from accidents and injuries to theft, bad decisions and ruined lives. According to the Research Triangle Institute, a respected North Carolina business-sponsored research organization, drug abuse cost the U.S. economy $60 billion in 1983, or nearly 30% more than the $47 billion estimated for 1980. Other studies have found that employees who use drugs are far less productive than their co-workers and miss ten or more times as many workdays. Drug abusers are three times as likely as nonusers to injure themselves or someone else. Moreover, addicts with expensive habits are much more likely to steal cash from a company safe, products from a warehouse or equipment from a factory.

Concern is greatest, of course, in industries where mistakes can cost lives. Since 1975, about 50 train accidents have been attributed to drug- or alcohol-impaired workers. In those mishaps, 37 people were killed, 80 were injured, and more than $34 million worth of property was destroyed. In 1979, for instance, a Conrail employee was high on marijuana at the controls of a locomotive when he missed a stop signal and crashed into the rear of another train at Royersford, Pa. The accident killed two people and caused damages amounting to $467,500.

In the airline industry, the code of pride and honor that has kept most pilots and air-traffic controllers sober over the years may be seriously eroding. In September 1984 a pilot for a major international airline called 800-COCAINE, a New Jersey-based hot line that provides treatment referral and information. He said that he had been up for three days straight snorting cocaine and that he was scheduled to fly a passenger jet to Europe that night. He was feeling exhausted and paranoid, he confided, but was sure he could stay awake and alert if he just kept taking drugs. "Call in sick and get some sleep," urged the hot-line counselor. The counselor, who never found out what the pilot finally decided to do, says that such calls are not unusual.

The National Transportation Safety Board attributed a fatal 1983 air accident to illegal drug abuse. Two crewmen died when a cargo flight crash-landed at Newark airport. Autopsies showed that the pilot had been smoking marijuana, possibly while flying. In an incident last March, a New York-based air-traffic controller who had been injecting three grams of cocaine daily at work put a DC-10 jumbo jet on a collision course with a private plane. At the last moment, the smaller aircraft made an emergency landing.

Even the space program has not been immune to the drug plague. Dr. Howard Frankel, who was medical director of Rockwell's space shuttle division from 1981 until 1983, says that he treated employees who were hallucinating on the job, collapsing from cocaine overdoses and using marijuana, PCP, heroin and numerous other drugs while they worked. Frankel estimates that 20% to 25% of the Rockwell workers at the Palmdale, Calif., plant, the final assembly point for the four space shuttles, were high on the job from drugs, alcohol or both. During the construction of the spacecraft, police raided Rockwell's shuttle assembly plant in Downey, Calif., several times after undercover agents bought cocaine, heroin, methamphetamines and marijuana from employees. Nine workers were fired.

No evidence suggests that Rockwell's drug situation had any thing to do with the *Challenger* tragedy. The solid rocket booster that is suspected of causing the explosion was made by Chicago-based Morton Thiokol, and no reports of drug use among its employees have surfaced. Nonetheless, any drug abuse among production workers in the space program or the defense industry carries grave risks. Says Frankel: "In this kind of ultra-high-tech work, the guy who makes the little adjustments, the screwer-on of parts, the bolter of nuts, is just as important as the project's chief engineer."

Besides fearing that stoned employees may do shoddy work on missiles and planes, defense industry executives are concerned about security. They fear that addicts on the payroll might sell defense secrets to support their habits. Moreover, because criminal narcotics-possession charges could lead to the loss of security clearances necessary for many jobs in the defense industry, drug abusers are extremely vulnerable to blackmail. Says R. Richard Heppe, the president of Lockheed California: "We do a lot of highly classified work here, and people with these problems are much higher security risks."

No one knows precisely how pervasive drug use on the job is. But there is no doubt that during the past couple of decades, illegal drugs have become deeply ingrained in American life. Federal experts estimate that between 10% and 23% of all U.S. workers use dangerous drugs on the job. Other research indicates that people who take drugs regularly, some 25% of the population according to Government calculations, are likely to use them at work or at least sometimes be on a high when they arrive at the workplace. In a 1985 study conducted by the 800-COCAINE counselors, 75% of those calling the hot line reported that they sometimes took coke while on the job, and 69% said they regularly worked under the influence of cocaine. One-fourth said they used cocaine at work every day.

Marijuana was once the most common drug in the workplace, but cocaine may now have become No. 1. According to estimates by the National Institute on Drug Abuse, the number of Americans who take marijuana at least occasionally declined between 1979 and 1982, the most recent years for which statistics are available, from 22 million to 20 million. During the same period, the ranks of cocaine users increased from 15 million to 22 million. The problem seems to be most prevalent among young adults. NIDA estimated last week that nearly two-thirds of the people now entering the work force have used illegal drugs and 44% have taken them during the past year.

Cocaine is an increasingly popular drug to use at work, partly because the intense high it generates often gives users the false feeling that they can do their jobs better and faster. Moreover, cocaine is easy to hide. It is generally snorted rather than smoked, and does not give off an odor as marijuana does. Users have devised ingenious ways of

taking the drug right in front of their coworkers without being detected. Some, for example, buy squeeze-bottle medications for sinus congestion, empty out the medicine and refill the bottles with cocaine. Cocaine vaporizes at temperatures above 80°, so merely carrying it in a pocket keeps the container close to normal body temperature of 98.6° and the coke ready for sniffing.

In many offices, drugs are as easy to obtain as paper clips from the stock room. Some dealers provide messenger services to deliver cocaine and marijuana right to their customers' desks. In other cases, users send unwitting company messengers on "business" errands to pick up packages that actually contain narcotics.

Dangerous drugs can be found at every level of industry, from the shop floor to the executive suite. Says Naomi Behrman, a counselor for AT&T/Bell Labs: "You can no longer assume that because a person wears a three-piece suit and a necktie, you can rule out drug abuse."

In fact, many managers are in an excellent position to hide drug habits because they can close their office doors and delegate work to others. Company officers also travel frequently, making it easier to use narcotics on the sly. Chief executives who order up internal investigations of drug problems are often shocked when the trail leads to some of their most trusted aides. Says Special Agent George Miller of the Drug Enforcement Administration "Companies never think of drug use on the executive level. They always think it's on the assembly line."

Sometimes the chief is the culprit. Chairman Terence Fox of Iroquois Brands, the Greenwich, Conn.-based maker of Champale malt liquor, was arrested in November after being discovered in a hotel room with $8,000 worth of cocaine. Last year Miller Brewing filed a $19 million civil suit against Robert Landau Associates, a New York City sports-promotion firm that had gone into bankruptcy proceedings in 1984. The brewer, a former client of Landau Associates, charged that President Robert Landau spent $2 million of Miller's promotional money on cocaine, racehorses and other personal expenses. Landau has denied the allegations.

Though drug abuse is most likely to make the headlines when it involves Hollywood celebrities and sports stars, the problem is also epidemic among doctors, lawyers and other professionals in high-pressure, fast-paced work environments. In the high-tech firms of California's Silicon Valley, sudden wealth has created a thirst for instant gratification and expensive highs. One former employee at a computer company tells of being the office cocaine pusher for three years. Says he: "It was made to order. I had an instant clientele—hundreds of people who worked with me."

In the heady bull markets of the past two years, more than a few hot young brokers on Wall Street have stoked up on drugs for frenetic trading sessions. Steve, a stockbroker and recovering addict, snorted cocaine in his office, in men's rooms, even in elevators. "It woke me up and gave me strength," he recalls. "It made me feel like J.P. Morgan.

Up and down Madison Avenue, cocaine has become almost a currency in advertising agencies. Coke for models, photographers and artists is buried in budgets. Copywriters use cocaine to jump-start their creative juices. Independent producers supply it to the agency representatives on location. In a survey of 300 advertising directors conducted by Advertising Age magazine in August, 45 reported cases in which cocaine had been used as under-the-counter compensation. Sometimes, ad agency employees hire production companies to make commercials only if the firms offer bribes of cocaine.

But drug abuse is not just a by-product of life in the fast lane. Drugs are also used by multitudes of blue-collar workers to relieve the deadening boredom of menial jobs. Says Miriam Ingebritson, clinical director for a St. Louis-based consulting firm that provides drug-therapy services for IBM, the Cincinnati Reds and the City of St. Louis: "Frequently we find that it is not the exhilarating high that people are looking for, but rather to escape from tedium."

GM, Ford and other manufacturers with large blue-collar work forces have discovered that drug dealers offer virtually an alternative cafeteria service in their plants. Instead of meat loaf, marcaroni and apple pie, the choices are marijuana, hashish, cocaine and amphetamines. For Cherry Electrical Products, a semiconductor and electrical-equipment manufacturer near Chicago, the seamy side of company life came to light in October 1984, when two employees were arrested late one evening for selling marijuana to an undercover policeman. President Peter Cherry peddled in the company's stock room. One woman employee with an unmanageably expensive habit had allegedly become a parking-lot prostitute during breaks. Within three weeks, 20 workers who were accused of taking or selling drugs quit or were fired. Says Cherry: "it was like Pandora's box was opened. We were stunned."

Some workers get so freaked out on drugs that they become a menace to everyone around them. A meter reader for Washington utility became crazed after taking PCP and ran from one backyard to another. He hid behind bushes and jumped out and screamed at frightened neighborhood residents until police arrested him. In New Jersey a dentist who injected himself with three syringes of cocaine every morning as he drove down the turnpike to work began to complain that the fillings he was putting into patients' mouths were talking to him. His partners quickly forced the dentist to sell his share of the practice.

Many professionals have ridden their drug habits to bankruptcy and homelessness. Bob, a Wall Street trader, was so hooked on cocaine that he lost his job and wound up eating out of garbage cans and living on the streets. David, an attorney in New Jersey, spent $60,000 on cocaine in 1983 and frequently free-based cocaine in his office. Fearing that invisible people were watching him at all hours, he nailed shut the windows in his house and covered them with sheets, but still believed they were coming through the walls. Both men now regularly attend meetings of Cocaine Anonymous, a national self-help group patterned on the principles of Alcoholics Anonymous. While David is back on the job, many of the people he used to get high with were not so fortunate. Says he: "A lot of my old friends are dead."

Until recently, many companies have been slow to respond to their growing drug dilemmas. They did not realize how widespread the abuse was and had no idea how to combat it. Managers were not sure how to recognize the signs of drug use and were often afraid to confront workers who appeared to be high. Many executives doubted that the problem was serious enough to warrant a crackdown that might generate bad publicity.

But the smoking, snorting and dealing on the job eventually became so blatant and the results so tragic that companies could not longer afford to ignore what was going on. New York-based Capital Cities/ABC woke up to its drug troubles in 1984 after an employee collapsed at work, and subsequently died, from a cocaine overdose. Shortly thereafter, Capital Cities, which later acquired ABC, discovered organized drug dealing in one of its divisions. Last year, according to Dr. Robert Wick, corporate medical director for American Airlines, a computer operator who was high on marijuana failed to load a crucial tape into a major airline's computer reservations system. Result: the system was out of service for some eight hours, costing the company about $19 million. Says Wick: "That was an awfully expensive joint by anybody's standards."

Such revelations have broken down corporate resistance to taking a strong stand against drugs. Psychiatrist Robert DuPont, a former director of the National Institute on Drug Abuse who now helps companies set up antidrug programs, says that employers "have gone through a mental barrier that was blocking them before. What was that barrier? The barrier was that it was a private matter. The barrier was that it was not very important. The barrier was that there was not anything to be done about it anyhow. The barrier was that it was a societal problem and not a work-related problem. There was a whole series of barriers that kept the companies from moving, and they are all falling down."

Employees attitudes toward drugs are slowly changing as well. Workers have long been reluctant to turn in their colleagues for drug use. They have been afraid of ruining their co-workers' careers and of being ostracized for snitching. In addition, they could not be sure that management would believe them or back them up. But more and more employees are becoming fed up with working alongside people who are stoned. Says a news correspondent for a major New York City TV station: "After all, you work for days sometimes to make a story the best you can and then some drug-abusing idiot pushes the wrong button when you're on the air. Why should I put up with that?"

Once companies acknowledge and confront the drug threat, their first task is to establish a consistent policy that is both firm and fair. Typically, companies decide to dismiss workers caught taking or selling drugs on the job but also offer a helping hand to users who voluntarily admit their problem.

To help put impaired workers on the road to rehabilitation, about 30% of the Fortune 500 largest industrial corporations have established in-house employee-assistance programs, commonly known as EAPs. Many of these programs were set up during the 1970s for workers suffering from alcoholism, and have since been expanded to include drug abusers. The motivation behind the EAPs has been economic as well as humanitarian. Says Drug Consultant Ingebritson: "It's much easier to help a person who has been on the job for nine years than it is to hire and train someone to replace him."

Mobil's drug-treatment program is fairly typical. Employees with a problem can call or stop by the medical departments at any of the oil company's facilities around the world. Supervisors who spot unusual behavior that is affecting job performance can encourage workers to contact an employee-as-

sistance counselor. After initial medical examinations and counseling sessions, patients are generally referred to a hospital or outpatient drug clinic for treatment, which may take from four to six weeks. During that period the employees are given sick leave with pay, and their status is kept confidential. Company health-insurance benefits pay all the treatment costs. Once employees return to the job, they are allowed to attend follow-up counseling sessions during work hours. Says Dr. Joseph M. Cannella, Mobil's medical director: "We like to identify people, get them treated and back to work." He claims that Mobil's rehabilitation efforts have been 70% to 75% successful.

Many companies, including Capital Cities/ABC, Xerox and Dean Witter, have made it easier for employees to seek help by setting up nationwide hot lines with toll-free 800 numbers that workers and their families can call to get advice on drug problems. The service offers a guarantee of privacy to employees who are reluctant to approach their bosses or stop by medical departments. Once the drug user is on the phone, the hotline counselor can encourage him to get help through an EAP or local clinical program.

While helping current employees to quit taking drugs, many companies are working to make sure that they do not take on any additional drug users. More and more firms are requiring job applicants to submit to new, sophisticated laboratory tests that can detect traces of narcotics in urine samples, and before long, companies may also be testing hair.

The list of corporations that ask all job applicants to undergo urinalysis is like a roll call of the largest and most prestigious firms in the U.S. Among them: Exxon, IBM, Lockheed, Shearson Lehman, Federal Express, United Airlines, TWA, Hoffmann-La Roche, the New York Times. On March 1, Du Pont became the newest name on the list. And this spring, AT&T, which already tests applicants at plants where volatile chemicals are handled, will start screening all potential employees at its manufacturing facilities for drug use. About one-fourth of the Fortune 500 companies now screen applicants for drugs, and an additional 20% are expected to begin doing so this year.

An increasing number of firms are testing not only applicants but also certain classes of current employees. Rockwell, for example, makes test pilots give periodic urine samples. Dozens of companies, including the Los Angeles Times, Southern Pacific railroad and Georgia Power, an electric utility, now demand that employees take drug tests if their supervisors think they may be impaired. All the major U.S. oil companies have instituted such a policy for workers on drilling rigs. Since last month, a Federal Railroad Administration regulation has required some 100,000 employees who operate U.S. railroads to undergo urinalysis whenever their supervisors think they may be high. This week a new regulation takes effect requiring workers to take a test when they have been involved in a serious accident.

Drug testing of all employees is still rare, but some organizations are considering that step, especially in professional sports. After the New England Patriots suffered the most humiliating Super Bowl defeat (46-10) in history last January, the team admitted that several of its key players had been using illegal drugs during the season. Coach Raymond Berry has asked all players to submit to random drug testing. Two weeks ago, Baseball Commissioner Peter Ueberroth suspended seven players for one year without pay for using and distributing drugs. To be reinstated the players must give 10% of their 1986 salaries to drug-rehabilitation programs, contribute 100 hours of community service in each of the next two years and agree to drug testing on demand for the rest of their careers.

The largest employer to test all personnel is the U.S. military. Alarmed by rampant drug use among men and women in uniform, the Pentagon began widespread random testing in 1982, starting with the Army. At first, the program was developed so fast and handled so sloppily that it gave drug testing a bad name. Hundreds of soldiers claimed that they were falsely accused of being drug users because of inaccurate results.

In July 1984, the Army admitted that in tests of 60,000 soldiers, about half of the urine samples had been mishandled. In many cases, samples were mixed up in the lab, and service members received results from specimens that were not their own. Since then, the Pentagon has improved procedures and extended the tests to all branches of the armed forces. It claims to have cut drug use by military personnel in half since 1980.

The most widely used new urine test, known as EMIT (for Enzyme Multiplied Immunoassay Test), is believed to be 97% accurate in the best of circumstances. But since laboratory workers often mishandle or accidentally contaminate the samples during analysis, the rate of accuracy may be considerably less. Because of such doubts, few companies fire employees or refuse to hire applicants on the basis of only one test. If the first test indicates drug use, employers generally try to confirm that result with a second urinalysis using a different laboratory technique.

A few companies are waging a more active—and clandestine—war against drugs. GM, for example, has used private undercover agents supervised by the police to make some 200 arrests at its plants within the past 18 months. In the sting operation at the Wentzville plant, the company was able to hire two young former narcotics agents unobtrusively when it added a second shift. Dressed in T shrits and jeans, they mingled easily with the assembly-line workers. During a six-month period they bought everything from cocaine to LSD from the plant's alleged pushers. Says Dr. Robert Wiencek, GM's director of occupational safety and health: "We want any individual who is selling drugs in our plants to know that his days as a GM employee are numbered. We're not going to tolerate it." Last week Electronic Data Systems, a subsidiary of GM, began firing employees in the Detroit area who had failed drug-screening tests given to 104 security guards, clerks and secretaries in February.

Some firms are literally calling in the dogs. Canine detectives, trained to recognize the smell of marijuana and other drugs, have nosed around offshore oil platforms owned by Pennzoil, Mobil and Exxon. Atlanta's Alpha Academy of Dog Training supplies drug-sniffing German shepherds, springer spaniels and golden retrievers to corporate clients and law-enforcement agencies.

The corporate battle against drugs is a bonanza for dozens of small companies that provide the weapons. Private laboratories that perform drug tests, for example, are growing rapidly. So are security firms that supply undercover agents. Professional Law Enforcement, a five-year-old Dayton firm, has doubled its business in the past year. Says President William Taylor III: "Companies are starting to recognize that they have to attack the problem in a different way. You can't send a standard security guard or a management person out there to handle a person dealing in drugs."

Because narcotics abuse spawns stealing, companies that specialize in investigating employee theft are much in demand. A Baltimore firm called Loss Management provides its clients with a national hot line and has solved cases with the help of office tipsters who report theft at their place of work. In one case, a clerk called the hot line when the invoices she was processing did not add up correctly. As it turned out, three top managers at the company were embezzling money to buy cocaine.

Though employee support for finding antidrug programs is growing, some workers feel that their companies are going too far. At the Kansas City Star and Times, two newspapers owned by Capital Cities/ABC, employees were stunned in January when management proposed to use narcotics-sniffing dogs as part of an experimental antidrug effort. Though newsroom wags passed around dog biscuits, most employees were in no mood to laugh. They felt that using the dogs would be an implicit accusation and an unwarranted and heavy-handed action. After heated staff protests, Capital Cities/ABC backed down and called off the experiment.

Much of the criticism of corporate antidrug efforts focuses on the growing use of urinalysis. Opponents charge that urine tests are a particularly invasive and humiliating method of determining whether a worker has used drugs. Says Bus Driver Randy Kemp, whose employer, Seattle Metro, requires employees who appear to be impaired to submit blood and urine samples: "You've got to have a search warrant to search my house. Well, my body is a lot more sacred than my home."

Some executives agree. Hewlett-Packard and McDonnell Douglas, for example, do not ask job applicants or employees to take drug tests. Says Hewlett-Packard Spokesman Gene Endicott: "It's an invasion of the employee's privacy."

Another objection to urinalysis is that companies are trying to control what workers do in their private time as well as during working hours. Because the tests do not reveal when a drug was used, workers could be penalized or fired for what they do in the evening or at weekend parties. Workers' rights advocates maintain that corporate antidrug policies can be particularly unfair in the case of marijuana, which has been virtually decriminalized in some states and cities. Says Los Angeles Labor Lawyer Glenn Rothner: "Termination for marijuana use, or worse, for simply having minute traces of marijuana in the body when tested is sentencing these employees to the equivalent of corporate capital punishment for an offense that would only merit a $100 fine in California."

The reaction of organized labor to antidrug efforts has been mixed. Unions generally support corporate drug-rehabilitation programs, but opposition to urinalysis is growing. Says Douglas Maguire, director of the labor assistance program for the Los Angeles County Federation of Labor, AFL-CIO: "Labor is not supporting testing in the workplace. As part of a physical exam for new employees, it is acceptable, but other-

wise there are problems of violating civil rights." Some unions also fight against firings of workers with drug problems. Rockwell's Frankel quit as the company's medical director in 1983 partly because, he says, management repeatedly gave in to union demands that drug abusers be reinstated in their jobs.

Many executives are becoming increasingly impatient with the objections of labor leaders and civil libertarians. Says Peter Cherry of Cherry Electrical: "We have a right to say how you behave at the workplace. You don't bring a gun to work. You can't come to work naked. You're not allowed to yell 'Fire!' in the middle of the factory. We're just asking people to be fit while they're on the job."

Because drug use by workers can result in shoddy, unsafe products and accidents in the workplace, executives argue, individual rights must be subordinated to the broader welfare of fellow employees and customers. "We're not on a witch hunt," says Personnel Manager John Hunt of Southern California Edison. "Our No. 1 concern here is safety. We also have a responsibility to our customers. Our meter readers go into people's homes." Independent experts share the executives' concerns. Says Peter Bensinger, a former head of the Drug Enforcement Administration who is now a leading consultant on corporate drug problems: "Companies do have a right and responsibility to establish sound working conditions. We're talking about people and their safety, and our own individual rights to work in a safe environment." Company officials also point out that a strong stance against drugs is basically humanitarian because it ultimately benefits workers who use them as much as it does the firm.

Furthermore, the argument that what employees do in their own time is none of the company's business is being undermined by new evidence of the lingering effects of drug use. In November, researchers at the Stanford University School of Medicine and the Palo Alto Veterans Administration Medical Center published the results of a study on how marijuana use affects the ability of pilots to land planes. The pilots in the experiment smoked marijuana and then tested their skills in flight simulators. A full day after taking the drug, long after any sensation of being high had passed, the pilots were still swerving dangerously upon landing. One "crashed" his plane beside the runway. The researchers, who are now expanding the study, concluded that marijuana users may have difficulty performing complex mechanical tasks or doing work that demands quick reactions for 24 hours after smoking the drug.

While it is still too early to measure the success of the corporate war against drugs, some companies can already cite impressive results. Commonwealth Edison, a Chicago-based electric utility, started an antidrug education and rehabilitation program in 1982, offering treatment to users who came forward and threatening to fire those caught with drugs at work. The company also gives urine tests to job applicants. Since the program started, absenteeism is down 25%, and medical claims, which had been rising steadily at an average rate of 23% annually, rose only 6% last year. Moreover, the company has fewer on-the-job accidents in 1985 than in any previous year. Says Vice President J. Patrick Sanders: "I don't think that all of the improvements are directly related to the drug program. But it's got to be more than coincidental."

The corporate campaign against drugs may do more, however, than create safer, more productive workplaces. It may also begin to stem the plague of drug use in America. As more companies require job applicants to prove that they are drug free, it will become increasingly difficult to use drugs and make a living. The economic deterrent may begin to succeed where the legal deterrent has failed. Says Walsh of the National Institute on Drug Abuse: "We feel that if Big Business continues as it has in the last year to develop more and more stringent kinds of policies, it eventually will reduce the demand for illicit substances. It may be very effective in changing the way people view drug taking in this country."

Many executives believe that they can make a difference far beyond the office doors or the factory gates by insisting that their employees stay away from drugs. Says Capital Cities/ABC President Daniel Burke: "I consider drugs damn dangerous. I believe that my responsibility is such that my position against drugs has to be clearly understood by everyone who works under my direction." If companies can help employees kick the drug habit, the effort will pay dividens to business—and society—that cannot be measured in dollars and cents.—By Janice Castro.

Telltale Hair

Do cokeheads have hot hair? The answer to that question holds a potential way out for employers who wish to test workers or job applicants for drug use but are reluctant to face the delicate task of asking for urine or blood samples. Not surprisingly, executives and assembly-line workers often balk at the indignity of testing. But people might object less to losing just a snippet of hair, particularly if it meant a less demeaning and more accurate method of drug screening. The question is relevant because scientists have discovered that human hair holds a permanent record of all chemicals that a person has taken.

Los Angeles Chemist Werner Baumgartner has developed a new drug test that utilizes radiation. When performed on human hair, it reveals what drugs have been taken and, unlike blood or urine tests, shows when the chemicals were consumed.

Baumgartner and his partner, Psychopharmacologist Ronald Siegel, claim that the hair test is more reliable than urinalysis. The San Diego-based Navy Drug Rehabilitation Center has been using the test on an experimental basis since last December. At the same time, Baumgartner and Siegel are training technicians so that the test can be tried on a broader scale.

A fascinating sidelight of the research is that the test can be used on preserved hair samples from long-dead famous figures. Among samples that Baumgartner and Siegel have analyzed are locks belonging to John Keats, the 19th century poet. The test confirmed scholars' suspicions that the author of "Ode on a Grecian Urn" was an opium user.

The Other Plague

As executives confront the scary phenomenon of drug use on the job, they cannot afford to forget about an older and even more prevalent problem: alcoholism among workers. Though drinking hard liquor is not as fashionable as it once was the Americans have cut their average consumption of alcohol by 4% since 1980, the number of people who are addicted to booze has increased by 8%, to 12 million, according to the National Institute on Alcohol Abuse and Alcoholism. More than any other ailment, alcoholism breeds absenteeism, high medical bills and reduced work quality. North Carolina's Research Triangle Institute estimates that alcoholism cost the U.S. economy $117 billion in 1983, up 30% since 1980.

Today, though, physicians and counselors are increasingly encountering a different kind of alcoholic—one who uses both booze and drugs. Says Dr. Jules Trop, the administrator of the Addiction Treatment Center at Mount Sinai Medical Center in Miami Beach and himself a recovered cocaine addict: "A pure alcoholic is a rarity these days, just as a pure coke junkie is." Addicts who stick to alcohol alone are typically over 45, while younger people are more likely to use a combination of cocaine, marijuana and liquor. Dr. Joseph Pursch, medical director of CompCare, a chain of treatment centers based in Irvine, Calif., points out that workers who are drunk on the job sometimes think that cocaine or some other stimulant will sober them up and help them perform better.

Many companies' employee-assistance programs combat alcoholism and drug abuse with similar methods of hospital care and psychiatric counseling. Says Peggy Carey, manager of New England Telephone's treatment program: "We treat addicts as addicts, no matter what the substance."

While alcoholism strikes janitors and corporate chiefs alike, executives can be the most difficult to deal with. They often wield such power in an organization that few people feel able or willing to challenge their performance. Says Dr. Gregrory Collins, director of the alcohol and drug recovery program at the Cleveland Clinic: "Executives have very little accountability. They're very intimidating and don't come in [for treatment] until very late in the game."

In contrast to drug use, drinking usually starts out as an innocent, relatively harmless social pastime. Only later, and not always, does it turn out to be a problem. While a certain stigma still attaches to drug use despite its wide popularity, society remains tolerant of drinking even after it has passed the moderate stage. Says J. Bennet Tate, director of Kaiser Aluminum's treatment program: "Alcohol is easy. It's acceptable. It's legal." That is why curbing alcoholism will never be a simple task."

Testing Testing

When it comes to broad-scale efforts to check out employee drug use, the toughest test of all may be the court test. Even some members of the President's Commission on Organized Crime were surprised at the commission's recommendation that tests be given to many employees of the U.S. and of private companies with federal contracts. Like the other 18 commissioners, Thomas McBride, associate dean of Stanford Law School, saw a draft of the report but not the staff-prepared final version. The language calling for broad testing was an effort to reconcile various suggestions from the commissioners. "I never would have approved it," McBride says.

Since the phenomenon of drug testing is relatively new, the legal limits are not yet clear. Public employees are protected by the Fourth and 14th Amendments' safeguards of privacy and due process. But, says Michigan Federal Judge Avern Cohn, if the tests are "job related or have something to do with job performance, then the courts are

going to uphold them." As for private-sector employees, because the Constitution is concerned largely with dealings between citizens and government, its provisions do not apply to most relations between them and their employers. Even so, argues Berkeley Law School Dean Jesse Choper, it would be excessive "to invade the body, in mass testing, without any particular cause to believe that any particular individual is a user." Job seekers may be the least protected of all. Most authorities believe that companies may require pre-employment drug screening for every applicant.

Here and there rules on the leeway and limits are beginning to emerge for those on the job. Some union contracts define when workers may be tested or dismissed. A Greyhound mechanic in Detroit was twice fired after testing positive for marijuana, and twice reinstated by arbitrators—first because the procedure was error prone and not described to employees in advance, then because there was no indication that he was not doing his job adequatly. In those cases that have come before them, courts have been looking closely at such issues as how reliable and how invasive a test is. For instance, to prevent cheating, witnesses sometimes must accompany those giving urine samples.

Several important cases are under way, notably a wrongful-dismissal suit brought against Southern Pacific by a computer-program designer. She was fired for refusing to submit to urinalysis ordered by the company last July for more than 200 randomly chosen employees in San Francisco. The uproar following that incident led the city to pass the nation's first ordinance barring employers from administering blood, urine or electroencephalogram tests at random. Legislation to restrict or regulate drug testing is being considered by Oregon, Maryland, Maine and California.

[From Time, Mar. 17, 1986]

BURIED BY A TROPICAL SNOWSTORM

Not long ago in the woods of Georgia, a black bear wandering in search of food came across an air-dropped duffel bag packed with about 75 lbs. of cocaine. The animal proceeded to nibble at the coke until it died from an overdose. At about the same time in Haiti, millions of dollars' worth of poorly aimed cocaine packages fell upon an isolated farming village. The natives tried to make the mysterious substance into a whitewash for their huts but discovered it worked better as a foot powder and diaper-rash treatment. They began selling it for about $50 a kilogram (actual wholesale value: $30,000 per kg) until police heard about their windfall and carted away what was left of the drug.

Like an acid rain, cocaine is pouring from the sky and corroding everything it touches. Although the battle to keep coke and other illegal drugs out of U.S. offices and factories may be a winnable one, shutting those substances out of the country is another story. The Reagan Administration's campaign to stop the smugglers, an effort backed by $1.2 billion last year compared with $708 million in 1981, seems to make the outlaws only craftier and more coldblooded. Total imports of heroin and marijuana have declined somewhat, but cocaine now flows into the U.S. from Latin America at a rate of roughly 125 tons a year, compared with about 58 tons in 1982. "Despite the rhetorical bravado and a few highly publicized successes, the U.S. effort has been a bitter disappointment," says Ted Galen Carpenter, a foreign-policy expert at the Cato Institute, a Washington research organization.

Because of the booming supply, cocaine users are getting far more buzz for their buck. Even though U.S. coke consumption went up 11% in 1984, the most recent year for which statistics are available, the price has dropped from $100 a gram to as low as $60 in some cities. Meanwhile, well-stocked dealers have substantially boosted the purity of street cocaine, which makes the drug more attractive than ever.

Even so, the Reagan Administration can claim some victories, notably in starting to control the growth of trafficking in the cocaine corridor of Florida and the Caribbean. "We are having a major impact on the supply side," declares John Lawn, chief of the federal Drug Enforcement Administation. The South Florida Task Force, launched by President Reagan in March 1982 and headed by Vice President Bush, has brought more personnel and high-tech gear to the task. AWACS-type aircraft and three tethered balloons—soon to be eight—provide radar to help authorities keep track of nearly every plane and ship that moves through the region.

In downtown Miami the drug busters have just finished building an ultramodern electronic command post that resembles the bridge of the U.S.S. *Enterprise* in *Star Trek*. Drug agents hover 24 hours a day over four multicolored radar screens that display the entire region's traffic. When authorities spot a suspicious craft, they quickly calculate which law-enforcement boats or planes can make the fastest interception. Then they dispatch the police craft with a state-of-the-art radio network that puts dozens of federal and local agencies on the same wavelength. Cutoms Service technicians built the system from scratch, starting with computer software borrowed from the Pentagon. "We're light-years ahead of the military. I'm very proud of it," says Michael Wewers, a Customs Service special agent.

Yet the show of force in South Florida has resulted in much faster growth of the smuggling business at other border crossings and landing strips from San Diego to Portland, Me. Smugglers' jets equipped with long-range fuel tanks now bypass Florida's notorious narcs and land instead in South Carolina, Tennessee or even New York's Long Island, which puts the product only a few miles from Manhattan's penthouses and discos. The influx has prompted New York Governor Mario Cuomo to assign 200 more officers to drug-enforcement squads.

The Northwest has also become a smuggler's cove. In January the Coast Guard tracked the 195-ft. Honduran freighter *Eagle One* as it tried to sneak up the California coast toward Seattle. Just outside Puget Sound, drug agents boarded the ship and took it into dock, where they seized 447 lbs. of cocaine in a welded-shut compartment. Says Robert Dreisbach, spokesman for the Seattle office of the DEA: "The smugglers are moving away from the heavily patrolled ports, and we are particularly vulnerable because of our less dense popluation along an immense amount of coastline."

By far the busiest new cocaine alley is the 2,100-mile Mexican border. "It's a sieve, and we don't have enough fingers to plug all the holes," says Drexel Watson, a senior special agent for the Customs Service. "More drugs than ever are coming in. It's pretty devastating." Mexico has become a conduit for as much as a third of the South American cocaine entering the U.S. Mexico is also grabbing larger shares of the U.S. markets for heroin and marijuana. Partly because of Mexico's economic woes, struggling farmers have boosted their crops of opium poppies and marijuana plants. U.S. consumer demand for their output has increased as well. Mexico's illicit heroin-refining labs have upgraded their equipment so that their product, previously a crude substance dubbed "Mexican brown," now competes with purer varieties from Southeast Asia. At the same time, Mexico's marijuana has made a comeback with bargain-minded smokers; it costs only $100 or less an ounce on the street, compared with $200 for California's superpotent sinsemilla.

Narcotraficantes usually have little trouble moving South American coke by plane or ship from processing plants in Colombia to stopover depots in Mexico. The next step, crossing the U.S. border, requires more subterfuge. Typical methods: flying at night to deserted airstrips in the Southwest or hiding the drugs in the axles and wheel wells of cars and trucks.

The smugglers and U.S. Customs agents play a high-stakes cat-and-mouse game at the Tijuana-San Ysidro border crossing, an inspection station that handles 27,000 vehicles a day. On one recent afternoon, a raggedly dressed vendor carrying a load of serapes could be seen watching the inspectors and tipping off the Mexican driver of a pickup truck to work his way over to lane 7, where a weary Customs officer was waving most cars through without a check. At the same time, another supposed vendor worked the other side, scrutinizing the vehicles for the Customs agents and whispering into a miniature radio when he spotted a nervous-looking driver.

The U.S. inspectors no longer have to waste time ripping apart a car to find contraband. They now wield high-tech instruments, including fiber-optic devices for examining the interiors of gas tanks and ultrasonic range finders to determine whether hollow panels really are empty. Last week the San Diego district began a policy of tougher inspections that had cars backed up for more than a mile.

Despite such scrutiny, "an astronomical amount is getting through," admits Customs District Director Allan Rappoport. Worse still, the so-called mule skinners who are caught with the shipments seldom turn out to be Mr. Big. "The people who drive the vehicles are usually very poor and uneducated," says one U.S. drug agent. "There is so much poverty in Mexico that traffickers have an unlimited labor pool. The drivers almost always keep their mouths shut, since they have been told that their wives and kids will be blown away otherwise."

U.S. agents have been hamstrung in their efforts to catch smuggling kingpins south of the border because many Mexican government officials are on the traffickers' payroll. When smugglers tortured and murdered DEA agent Enrique Camerena Salazar near Guadalajara last March, Mexican investigators seemed to be looking the other way. But honest members of Mexico's government are just as upset as Americans about the violence bred by smuggling. In a massacre last November, an army of 50 marijuana traffickers equipped with automatic weapons shot and killed 17 Mexican police officers and seven guides.

Frustrated U.S. drug busters may have decided to go outside diplomatic channels to apprehend one reputed marijuana smuggler, René Martin Verdugo, who is suspected of being involved in the DEA agent's killing.

Verdugo, widely known as *La Rana* (the Frog), was walking the streets of tiny San Felipe, Mexico, on Jan. 24 when six masked men pounced on him and whisked him into an unmarked car. They drove their blindfolded captive north to an obscure stretch of the Mexican border near Calexico, Calif., where they handed him through a hole in the fence to U.S. marshals. He is now in a San Diego jail awaiting trial on smuggling charges.

Cocaine money has compromised many government officials in the Caribbean, where smugglers seek islands as rest-and-refueling stops for trips to the U.S. In the words of one disheartened religious leader in Barbados, politicians "see the glint of gold and not the blood dripping from this accursed money." In the Bahamas, an inquiry by a three-member panel implicated two Cabinet members in drug smuggling and nearly toppled the administration of Prime Minister Lynden O. Pindling. Commented the Miami *Herald* in an editorial: "The panel portrays a country haunted by cocaine abuse, a police force riddled with corruption, lawyers perverted by greed and a government tainted by widespread influence peddling."

Most cocaine arrives in the U.S. aboard private aircraft, which the smugglers consider expendable. Even a $450,000 Cessna twin-engine plane costs far less than the millions of dollars of cocaine it can carry. The latest stunt among cocaine pilots has been to air-drop a shipment of cocaine, then put the aircraft on automatic pilot and bail out. One pilot laden down with 79 lbs. of cocaine was killed last September in Tennessee when his parachute failed.

An estimated 18% of coke shipments arrive on commercial airlines. Last month a DEA official revealed that a grand jury was preparing criminal indictments against as many as 50 Eastern Air Lines workers, mostly baggage handlers, who allegedly had smuggled a billion dollars' worth of cocaine into Miami in the cargo bellies of jets. Customs officers routinely find large caches of cocaine aboard flights from the main producing countries, Peru, Bolivia and Colombia. Inspectors at Miami International Airport found a near-record shipment of 3,227 lbs. of cocaine in January aboard a cargo jet owned by Avianca, the Colombian national airline. Agents discovered the drug when they opened 55-gal. barrels of passion fruit in syrup and found football-shaped containers of coke bobbing in the mixture.

Some airborne smugglers try to bring coke or heroin through Customs in their baggage, an old-fashioned but sometimes successful ploy. Another, potentially deadly, technique is to pack the drug in condoms and swallow them or insert them in body orifices. If the package breaks, the carrier is likely to die of an overdose. One day last November, inspectors at New York's Kennedy Airport caught 13 smugglers who had swallowed or inserted their contraband.

Besides pinching the inflow of drugs, the Government has tried to squeeze the outflow of profits. Since 1980 the Treasury Department has required financial institutions to report any transaction involving more than $10,000 in cash, a step that has sharply limited the ability of trafficking tycoons to invest or spend their money. In the past year the Government has clamped down on twelve major banks that failed to file the forms and may have been accepting drug money, wittingly or otherwise. In January the Treasury Department fined BankAmerica a record $4.75 million for such offenses.

The Administration ultimately hopes to cut smugglers off at the source by persuading producing countries to root out their drug crops. Yet despite an increase in cooperation from such nations as Thailand and Peru, many developing countries have mixed feelings about eradication programs because their peasants earn far more money cultivating opium poppies or coca plants than they would get from corn or cotton. Bolivia, for example, earns $1 billion a year from cocaine, its largest export.

Developing countries see drug abuse as America's dilemma, not theirs. Says Bolivian Interior Minister Fernando Barthelemy: "It is unfair to put most of the weight on the coca-producing countries when it is a simple law of demand. American and Western European consumers keep doping more and more. Consequently more coca is planted." For that reason, U.S. corporations that try to stem the demand for drugs are getting right to the heart of the problem

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[From Newsweek, Mar. 17, 1986]

KIDS AND COCAINE

(Mr. Yummy was known all over Columbia, S.C., as the friendly ice-cream man. His drivers cruised around town in a fleet of red, white and blue trucks, broadcasting peppy tunes over the loudspeaker as they peddled snow cones, Nutty Buddies and Popsicles to the kids. But one day some of Mr. Yummy's teenage customers discovered a strange new flavor for sale: cocaine. The Richland County Sheriff's Department investigated, and on Feb. 7, 1986, deputies seized 15 grams of coke at the company office. Mr. Yummy's owner, Hugh M. Gill, 39, and an office employee were arrested and charged with trafficking; they are expected to plead not guilty. "We have indications that they definitely were selling to children," says Sheriff Frank Powell.)

It would be funny if it weren't so frightening—and if, in cities and suburbs all across the nation, a generation of American children were not increasingly at risk to the nightmare of cocaine addiction. As thousands of teens have already learned to their families' infinite sorrow, coke is it in the 1980s—the most glamorous, seductive, destructive, dangerous drug on the supersaturated national black market. The federal government's failed attempts to interdict smuggling from Central and South America has allowed a flood tide of cocaine to reach consumers of all ages in this country: prices are down, purity is up and The Man doesn't care if you're under 21. "There are two trends in cocaine use," says Frank LaVecchia, a former high-school guidance counselor who runs a drug-treatment center in suburban Miami. "Younger and younger and more and more."

Most Americans stopped listening to Cassandras like LaVecchia long ago—and most, it seems, think they know all there is to know about cocaine. They "know," for example, that coke is very expensive and that it is widely used as a recreational drug by jet-setters—by movie moguls, rock stars and professional athletes. They know it is usually absorbed through the membranes of the nose and they "know" it is only mildly addictive.

But all of that is half-truth at best—and at worst, it is a dangerous myth. The plain fact is that cocaine abuse is the fastest-growing drug problem in America for adults and school-age children alike. The plain fact is that coke is widely available at low prices—within the financial reach of the young. And the plain fact is that coke is now being sold and used in an especially destructive new form. The new coke goes by many names on the street, but it is usually called "crack" or "rock." It is smoked, not snorted, and the resulting intoxication is far more intense than that of snorted cocaine—much quicker, much more euphoric and much, much more addictive. "Crack is the most addictive drug known to man right now," says Arnold Washton, a psychopharmacologist at Fair Oaks Hospital in Summit, N.J. "It is almost instantaneous addiction, whereas if you snort coke it can take two to five years before addiction sets in. There is no such thing as the 'recreational use' of crack."

Crack is simply a variant on "freebasing," which is the conversion of sniffable cocaine crystals into a smokable "base" form of the drug. Most Americans heard about freebasing for the first time in 1980, when comedian Richard Pryor sustained third-degree burns when he accidentally ignited a container of ether, a flammable solvent then used in the conversion process. But ether is no longer needed to make base cocaine—and the conversion process is so simple it can be performed in any kitchen. Dealers make crack by mixing cocaine with common baking soda and water, creating a paste that is usually at least 75 percent cocaine. The paste hardens and is cut into chips that resemble soap or whitish gravel. A small piece, sometimes called "a quarter rock," produces a 20-to 30-minute high. It is usually smoked in water pipes.

Crack is not widely used in many areas of the country—but that may only be a matter of time. It is already creating social havoc in the ghettos of Los Angeles, New York and other large cities, and it is rapidly spreading into the suburbs on both coasts. It is probably a major reason that cocaine abuse among the young is on the rise, although the available national surveys do not distinguish between cocaine in its usual form and crack. "Right now, we don't know the answer," says Edgar Adams, acting director of epidemiology and statistical analysis at the National Institute on Drug Abuse (NIDA). "Is crack responsible for the increase or is the increase responsible for crack? We do know that cocaine use has gone up among high-school seniors, and we have been hearing about crack for eight months or so. I think it's entirely feasible that as the price has gone down you've had more people able to try it."

Adams's stress on "unit-dose distribution" is a cautious way of saying that crack is a drug dealer's dream. It is easy to prepare, easy to use, easy to hide—and a single dose sells for as little as $10 to $15. "Crack itself is a marketing effort." says Washton. "Like fast food, it's a quick-sale product. [Because] it transforms the occasional cocaine user into an addictive user, it is much more likely to yield a repeat customer." Though the dealer himself may be an adult, crack is widely peddled by juvenile front men—primarily because teenagers, under the law in most states, normally do not face heavy penalties when arrested. According to NIDA sociologist Michael Backenheimer, crack "is an extremely dangerous precedent because the distribution level now includes the kids. It's a form that is terribly pure and a form that is smoked. In certain cities they have 'crack houses' where it is totally possible to buy a 'rock' for $10. I was even told that an ice-cream truck in one city was actually peddling this stuff. If that's true, it scares the hell out of me."

In New York, eager buyers queue up outside crack houses like movie fans outside a theater—and the lines, according to one drug agent, "are loaded with kids." There are white kids, black kids, Hispanic kids—kids from the ghetto and kids from the suburbs. Austin Muldoon, a New York City police officer, remembers a recent crack house bust in upper Manhattan. Muldoon was stationed in an alley while his partners broke through the apartment door. The dealer dumped the evidence—a plastic bag containing several hundred vials of crack—out a window. Muldoon soon found himself mobbed by "a crowd of people, including young kids" begging for free drugs. The mob engulfed him, and Muldoon was forced to run. Breaking tackles and clutching the plastic bag in his arms he escaped from the alleyway with his dignity—and the evidence—barely intact. It was just another day in the war against cocaine.

"We have lost the cocaine battle," Los Angeles police detective Frank Goldberg says flatly. Goldberg is a juvenile-narcotics officer who works L.A.'s south central black ghetto—an area where rock is epidemic and where the dealers, many of them in their teens, have taken over. Like some other big-city ghettos, south central L.A. is infested with rock houses: also known as crack houses or base houses, they are centers of the new cocaine trade. Typically, a rock house is a rented apartment or bungalow with a reinforced steel door. The dealer sits inside with his drugs, taking money and doling out doses of crack through a slot in the door. The door prevents ripoffs by the customers, and it slows down the cops: by the time a police raiding party breaks in, the dealer can flush his coke stash down the toilet. Some rock houses have a room for customers as well: typically, it contains a mattress, a TV set and a water pipe. In many respects, crack houses are the modern-day equivalent of opium dens—and their clientele includes young people from the suburbs as well as the city and from virtually every level of society.

Crack, with its enormous profits and violent crime, has transformed the ghetto. To a striking degree, the coke boom is a youth phenomenon: in both L.A. and New York, crack houses are protected by armed teenagers. Other teens hawk crack on street corners, and in some cities dealers ply their trade from cars: in Atlanta, where suburban teens have begun driving into the city to make quick curbside purchasers, it's known as "stop-and-cop." ("To cop" is junkie slang for buying drugs.) "The size of the cocaine market is beyond description," says Lt. Joe Kunkel of the Houston police. "It's everywhere. You could stand on any street corner in town and say, 'I want a toot' and three people will try to sell it to you." And in Camden County, N.J., where police have sent undercover agents into local high schools (page 62), prosecutor Samuel Asbell is convinced that the city's contagion has already spread to suburbia.

Police in Houston and Los Angeles estimate that hundreds of rock houses are operating in their cities at any given time, and the same statement could be made about New York, where Police Commissioner Benjamin Ward has declared crack to be the top-priority drug-enforcement problem of 1986. "They're like fast-food franchises," Kunkel says of Houston's rock houses. "They rent a location, bring in a crew of kids to work it, and if those kids get busted the middleman just gets another crew." For a ghetto teenager, working in a crack house means big money. "When a 16-year-old can sit in a rock house for six or seven hours and earn $300 a day just for taking the chance of getting busted, he sees that as a good tradeoff," says Sgt. Michael Jennings of the Houston of P.D.L.A.P.D. detective Steve Havel says the kids "are living a 'Miami Vice' fantasy—heavy gold chains, $200 sweat suits, 500SEC Mercedeses and a $160 Porsche sunglasses. Their aspiration is to be a successful supplier with a string of drug concessions and a string of condos."

The side effect is violence—and even hardened street cops are shocked by the viciousness of the cocaine wars now raging in big cities. The dealers are armed heavily—pistols are commonplace and automatic carbines are de rigueur—and their teenage guards carry weapons as well. Rubouts and ripoffs are frequent, and law-abiding neighbors are cowed. Over the past three years, 57 persons have been killed in drug-related violence in Oakland, Calif., and a community leader in south L.A. compared her neighborhood to "Beirut, without the tanks." But that was a year ago: since then, the L.A.P.D. has escalated the cocaine-war arms race by deploying a six-ton truck with a 14-foot battering ram to punch through the rock houses' steel doors.

Marshall Hardy has cleaned up his act—but it was not so long ago that he was dealing and using cocaine. As a high-school student in Corpus Christi, Texas, he says, he could make "one phone call and get you a quarter of a pound of coke. I sold to kids my own age, and I subcontracted to my brother-in-law to sell to attorneys and judges. When I was 16 I paid cash for a brown Jaguar. I'd fly to L.A. or Acapulco for an evening just to go out with girls." It all came apart when Hardy was 17—for he was by then addicted, in jail and facing a 10-year sentence. With help from Cenikor, a privately funded anti-drug program in Houston, Hardy brought his addiction under control; now 26, he is teaching others about the dangers of coke. "The attraction is still there—I still get a Pavlovian response when I look at sugar or coffee creamer," Hardy says. "The hardest part is knowing that the whole coke culture is just a phone call away."

There is simply no question that cocaine in all its forms is seeping into the nation's schools. An annual survey conducted by the Institute of Social Research at the University of Michigan shows the percentage of high-school seniors who have ever tried cocaine has nearly doubled in the past 10 years, from 9 percent to 17.3 percent (chart). The use of all other drugs—marijuana, stimulants, depressants and so on—has leveled off or declined in recent years, although researchers now fear the decline has ended. Overall, marijuana remains the most widely used illicit drug among high-school seniors: 49.6 percent say they have used it within the past year. It is followed by stimulants (15.8 percent) and cocaine (13.1 percent). Predictably, because of the pattern of cocaine distribution from South America, school-age cocaine abuse is higher on the East and West coasts—but it has also increased significantly in all areas of the country.

The reality of school-age drug abuse in any given community cannot, of course, be inferred from national surveys—just as the presence of drugs in a given school does not predict that any individual student will use them. And it is still broadly true that the vast majority of American high-school students will pass through the turmoils of adolescence without succumbing to addiction. But it is also true, according to Lloyd Johnston, program director of the Institute for Social Research, that "there is no other industrialized country in the world that has a comparable proportion of young people involved with illicit drugs." Cocaine abuse by school-age children is growing rapidly, and experts somberly predict that the worst is yet to come. "We haven't yet seen all the consequences of cocaine use among teenagers and young adults," says Prof. Everett H. Ellinwood of Duke University. "It's marched through all the cultural heroes—entertainers, baseball players, quarterbacks. It's marched through all the fastlane professionals. Now we're seeing a gradual progression down to kids and people at the marginal economic levels."

The carriers of cocaine abuse are most often the kids themselves—for as the national statistics on high-school seniors suggest, years of well-intentioned efforts have so far failed to eradicate the drug culture among the young. Cocaine's increasing availability, its glamour and its undeserved reputation as a low-risk high have combined to expand its appeal to teenagers. Over the past 10 years, Johnston says, the Michigan survey has recorded a steady increase in the percentage of high-school students who say cocaine is available to them: the latest figure, for 1985, is 49 percent. At the same time, he says, the survey shows that "a great number of high-school seniors see a great risk in being regular marijuana users—but very few see experimenting with cocaine as a great risk."

Parents and school authorities, similarly, are largely uninformed about cocaine—and most know even less about its fearsome stepchild, crack. "They're worried about marijuana and cocaine paraphernalia. We explain rock, and they're surprised," says Tom Weschler, a Miami Beach detective. "Unfortunately, a lot of parents don't recognize what's going on."

They started young, usually with pot, and moved on to coke—sometimes snorted, sometimes injected, sometimes freebased. Now they're patients at Phoenix House, a residential treatment center in Orange County, Calif. "When I first smoked rock I fell in love," says Samantha. "I wanted to do more right away. I would lie, steal—anything for a hit off the pipe. It gets hold of you real fast." To Amy, "coke was the wonder drug, and freebasing was better than sex. I had no morals: I'd do anything with my body for coke." Dan, a bleached-blond 15-year-old from Orange County, stole from his parents, from his employer and from neighbors. "I used all the cash for drugs," he says. "I didn't care about food, I didn't care about a bed. It was scary on the street, but the cocaine made it all right." Dan says about half the kids at his old high school now use coke.

There are three ways for a teenage user to support a habit, and none of them is legal. There is theft, there is prostitution, and there is dealing drugs to other kids. The police see all three. "If you don't make a dope deal before lunch in some schools, you're out of luck," says detective Everett Berry, who works the high-school drug beat for the L.A.P.D. "They're sold out." Berry's men watched one young pusher dealing at a video arcade in the San Fernando Valley: the boy drove a $14,000 Toyota pickup and wore a beeper to keep in touch with his supplier. He sold $600 worth of rock before police made the bust. Last December Berry's team swept up dealers from eight different high schools in a single week; rock

cocaine was being sold at seven of the eight schools. "It makes no difference whether it was a white, affluent high school, a black inner-city school or a Latino school," Berry says. "The only difference is rich kids buy $100 rocks and ghetto kids buy quarter rocks."

Dealing has its own mystique. Teen pushers, according to Marshall Hardy, view themselves as powerful, successful, adult—and the rewards are commensurate. In Houston, Sgt. Michael Jennings recalls, "we had one informant in a good high school who was dealing $30,000 a month. He bought a Mercedes for cash, and all his parents said was, 'Oh, you got a job.'" Tulane University Prof. Richard Garey, a psychiatrist who treats young drug offenders, had a patient from a wealthy New Orleans family who made enough money selling cocaine to buy a red Porsche—which he kept at a friend's house. "Where the coke is, the girls are," says a youthful ex-dealer from suburban L.A. "I had all the girls I wanted—I had all the sex I wanted."

Measured against the array of powerful allures that cocaine offers, society's attempts to wean the young from drugs seem mostly ineffectual. Many drug-abuse experts quietly concede that in-school drug-prevention programs, necessary though they may be, have largely failed to reach their teenage audience: there is still widespread disagreement about the root causes of drug abuse and equally little consensus on the best tactics for prevention. Law enforcement, similarly, has some impact in deterring youthful users—but few police officials would claim that teen trafficking is under control. In the bleak view of many experts, drug use will persist among young Americans as long as adult America condones it—and adult America, they say, tacitly accepts drugs in many forms, cocaine included. Worse yet, kids in many areas have already heard about the potency of crack and rock. "Rock sells itself—it's not as much due to 'peer pressure' as the experts will have you believe," says Elizabeth Skaggs, assistant director of the East Oakland, Calif., Recovery Center. "Ask any kid. He'll say the rush is such a great sensation that you want the rush again."

And that is precisely the point: crack is intensely addictive. Indeed, recent research on cocaine is changing the definition of addiction itself. According to many researchers, the traditional emphasis on physiological dependence must be broadened to include the much subtler psychological compulsion that drives an addict back to drugs again and again. Cocaine floods the pleasure centers of the brain—and using crack, says Arnold Washton, "multiplies the dangers of using coke 5 to 10 times." Crack, in short, may well be the nightmare drug that proves the Cassandras right—but as Washton says, the kids (and many parents) "have learned to discount scare tactics—and now when crack comes along, no one wants to listen." That heedlessness is ultimately as dangerous as crack itself—and may yet cost a generation the joys of growing up.

[From Newsweek, Mar. 17, 1986]

TALE OF THREE ADDICTIONS

(Cocaine use is still more prevalent among boys than girls, but the percentage of young women taking the drug is rising fast, according to a national study of high-school students by the Institute for Social Research. How three young girls have struggled with their addictions:)

STILL MISSING, STILL DEALING

The banging started on Eileen's door at 3 a.m. It was her 19-year-old daughter, Lori, emaciated, high on crack and begging to be let in. "I picked her up to throw her out and felt her bones sticking out. It scared the hell out of me," Eileen says. She took her daughter in, but the truce didn't last. Lori balked at entering a drug-treatment program. One day last month she left the New York City apartment and never returned. Her mother's gold bracelet and $100 were missing as well.

As Eileen tells it, Lori began slipping away about five years ago. Divorced 16 years ago, Eileen struggled hard to raise her daughter alone, but Lori didn't seem to appreciate her efforts. She was like her friends, Eileen says bitterly: "They all have this idea that they have had terrible lives, that the toughness of the world is on their shoulders and that the world owes them." At 15, Lori dropped out of school and began smoking marijuana. At 17, she moved in with friends, and Eileen suspects she was first exposed to cocaine then. Last year Lori had an abortion, and she was hospitalized briefly after taking an overdose of sleeping pills in a suicide attempt.

At times, Lori has reached out for help. Last month she confided that she and her boyfriend had spent $15,000 on crack since September. She has introduced so many friends to drugs that her name is "as good as gold—she's their dealer," her mother says in horror. Ironically, Eileen wishes Lori's crisis had come sooner: "Maybe if she had done crack when she was 15, I could have done something for her then."

Now all Eileen can do is wait in desperation. "At this stage," she says, "she's cutting herself off from anyone who doesn't have what she wants—money, drugs or a place to stay." Once she called the hotel where she believed Lori was living. Lori said she had the wrong number and hung up. Eileen refused to go to the hotel herself because she fears Lori's friends. Two weeks ago Lori called collect to say she'd heard her mother wanted her arrested for stealing the bracelet and the $100. She wouldn't say where she was, but Eileen suspects she is somewhere in New York, still high on crack and dealing. The phone call, Eileen believes, was simply a way of saying that "she is still alive."

CHILD OF THE MEAN STREETS

Heather is torn between two worlds. She is no longer addicted to crack, but her mother often calls begging her to return to their life on the streets. Since finishing the first phase of a Hayward, Calif., program for chemically dependent adolescents, however, Heather has refused. "The most important lesson I've learned is that I'm worth something," says the 13-year-old Hispanic girl who looks twice her age. Only a small "12" tattooed on her hand betrays her past. It was tattooed there one night after she did 12 bags of heroin and 12 lines of cocaine. Now, it reminds her of the 12 stages of drug-abuse recovery.

Heather grew up fast. When she was five, her drug-addict parents left her to be raised near Oakland by her grandmother, Leslie Greene. She was seven when she began experimenting with marijuana and PCP. At 11, she went to live with her mother and joined her world of sex and drugs: She turned to prostitution when her habit reached $200 a day. She returned to her grandmother the following year, but soon she ran away. She was raped twice and arrested for heroin use, and even when she moved back to her grandmother's house, she continued using crack. One night last January she returned home intoxicated and high on PCP. "I walked into the house, then I fell on the floor and started kicking and screaming, telling my grandmother to kill me," Heather recalls. Instead her grandmother enrolled her in the drug-treatment program. "It was the first time I was strong enough to say, 'That's it'," Greene says.

The beginning was difficult. "She was hard to read—cold and distant," says Richard Dutra, manager of the 20-bed inpatient program. "I don't always trust others with my feelings," Heather admits. Soon, however, she was talking openly. Emphasizing family interaction along with detoxification, the program teaches teens they will never be free of the urge to use drugs or the pressures of the world outside. "They can't leave it all to start anew," says 19-year-old Ayrron Comini, who attends a rap group with Heather in the second phase of her treatment. "They are thrown back into a hell hole." In Heather's case, the pressures are tremendous. But she is facing the challenge with a maturity few 13-year-olds know. As Heather herself puts it, "There's no way I can be a kid again."

A CHEERLEADER'S FALL—AND RISE

At 14, Andrea Schiros had it all. She was a cheerleader in suburban Atlanta, a member of the homecoming queen's court and an honor student who thought that taking drugs was dumb. But Andrea did an abrupt about-face when she was suspended from the cheerleading squad for putting on lipstick during class. She bleached her hair white and cut it in a Mohawk. As her mother, Jan, remembers, "She went from preppy to punk in seven months."

No longer in the teenage social elite, Andrea sought acceptance in the school's drug culture. "I just wanted to be 'it' again, and I was, with another group," she says. Soon her grades dropped to F's, she couldn't wake up in the morning, and she had screaming fights with her divorced mother. "I was strung out on coke, acid—everything I could put into my body," Andrea recalls. Jan suspected drugs, but when she broached the subject, Andrea ran away. Friends found her a sanctuary in a rundown Atlanta neighborhood called Cabbagetown and introduced her to free-based cocaine. Andrea called an old school friend, giving her a phone number "in case anything happens to me." The call probably saved her life.

The friend finally betrayed Andrea's secret to Andrea's frantic parents. Two juvenile officers plucked her from a seedy apartment about 4 a.m. and later that day, she was committed to Charter Brook Hospital, a drug-rehabilitation center for youths. "She was screaming and carrying on," Jan says. But shortly after admission, Andrea grew determined to come clean. "I wanted help," she said. "I was about dead."

Andrea'a most vivid memory of treatment was being able to see colors again. In the depths of her addiction, she saw eveything in shades of black and gray. She stayed in the locked inpatient program for seven months, then attended public school part-time for five months. In January she was released to the third phase of the program—called aftercare—and still attends Narcotics Anonymous meetings every night. She changed schools to avoid her old drug-based friendships and has to fight temptation constantly. "Most everyone in high school uses in some way or other—even if it's just drinking on the weekends," she says. But Andrea

is determined to stay off drugs. "Look at what staying clean has done for me. I'm going to go for it." She is earning straight A's. She hopes to attend Pratt Institute after graduation and is living in a far happier household with a new stepfather who has taken an active role in her recovery. "Now, I tell my mother I love her—more than once a day," Andrea says. "It's been a miracle."

[From Newsweek, Mar. 17, 1986]

A NARC GOES UNDERCOVER AT CHERRY HILL EAST HIGH

When he enrolled at New Jersey's Cherry Hill East High School last fall, Richard Minardi seemed to be just an ordinary kid—though a little more anxious than most to join the drug scene. Five months later students learned that Minardi was a narc: a youthful-looking 27-year-old undercover cop from the Camden County prosecutor's Narcotics Strike Force assigned to ferret out drugs at the school.

Sending a narc to class is the most controversial of the antidrug measures at schools across the country. Many offer drug education and counseling but undercover operations such as the one at Cherry Hill East raise serious questions about privacy and the role of a school. Says Arnold May, a senior at the school: "We're here to learn, not to be investigated." School and law-enforcement officials defend using what Camden County Prosecutor Samuel Asbell calls "a positive scare tactic." He says that at Cherry Hill East and nearby schools, almost half of the students use drugs.

"Spied on"

Minardi concentrated on a small group of these students. For three months he watched and participated in drug deals on and off the sprawling 55.7-acre campus in an affluent Philadelphia suburb. The end of this subterfuge shocked many of the 2,800 students. At 8 a.m. on Jan. 30, an assistant principal rounded up nine students and brought them to a school conference room where a dozen plainclothes officers and Minardi were waiting to arrest them on a variety of drug charges, including trafficking in cocaine. Minardi's disguise had been so successful that most of those arrested didn't realize even then that he was a narc. "I talked with that kid," said one student, glaring at Minardi. "He was in the market to buy." Other students felt similarly betrayed. "We felt we were spied on," says Warren Moliken, 18, president of the Student Congress. But principal Anthony Cost, who boasts of his school's academic record, says he nonetheless saw the usefulness of the undercover operation as "one more weapon in our arsenal to fight drug abuse."

The school has for some years relied on more traditional antidrug programs. Drug-education classes are part of the health curriculum, and a separate program sends high-school students to elementary schools to warn youngsters to stay away from drugs. At the high school a psychologist and social worker are available for counseling. Even with all this, Cost decided in 1981 that the problem was severe enough to warrant more forceful action.

These measures have turned the high school into something Beaver Cleaver's brother, Wally, would not recognize. Two unarmed police officers patrol school hallways and make periodic drug checks of lockers and other areas. If any are discovered, a student can be suspended, arrested and referred to counseling. Kids suspected of drug use can be ordered to a hospital for testing.

"Safety and well-being"

While many parents have applauded the school's tough antidrug program, some students question whether it is effective. "In the '80s, I don't think there is anything a school administration can do to stop drug abuse," says Moliken, the Student Congress president. The health classes, he says, are "about as effective as the surgeon general's warning on a package of cigarettes." Students say that the undercover operation merely moved the dealing off campus. But principal Cost says schools must do whatever they can to protect the "safety and well-being of students." And drugs, he says, "are a threat to that safety and well-being."

[From Newsweek, Mar. 17, 1986]

WHAT TO DO IF YOUR SON OR DAUGHTER GETS HOOKED

How can you tell if your child is on cocaine or other drugs? Experts say there are some specific warning signs. Of course, not all mean that a child uses drugs; adolescence is a difficult time, and a certain amount of erratic behavior is unavoidable. But if any of these signs are present, parents should try to find out if drugs are involved:

Problems in school; unexplained time away from home; a desire for isolation; an increase in spending money or a demand for money as well as unexplained losses of parents' money or jewelry; new friendships, especially with kids the parents never meet; unusual changes in health, grooming or behavior, and an interest in clothes or jewelry identified with drug culture or possession of drug paraphernalia.

What should you do if you find out that your child does use drugs? A parent's first reactions will probably be shock, hurt and guilt, says Thomas Gleaton, executive director of the Parents Resources Institute for Drug Education (PRIDE). "I usually tell parents to take a deep breath, try to relax and understand that this is probably something that can be taken care of," Gleaton says. The next step is education, he says; parents should learn everything they can about the biological effects of drugs and the social pressures that make kids turn to drugs. Then, Gleaton says, a parent can say: "I care too much about you to let you do this to yourself."

Where can you go for more help? Several organizations, some with toll-free 800 phone numbers, provide helpful information for parents. Among them:

National Federation of Parents for Drug-Free Youth, 8730 Georgia Avenue, Suite 200, Silver Spring, Md. 20910 (1-800-554-KIDS).

American Council for Drug Education, 5820 Hubbard Drive, Rockville, Md. 20852 (1-301-984-5700).

PRIDE, Robert W. Woodruff Building, 100 Edgewood Avenue, Suite 1216, Atlanta, Ga. 30303 (1-800-241-9746).

Fair Oaks Hospital, 19 Prospect Street, Summit, N.J. 07901 (1-800-COCAINE).

What can parents do to prevent drug use? Experts say parents are still the first and best line of defense. "Parents have to take primary responsibility for their family's education about drugs and what drugs do to their kids," says Joyce Nalepka, president of the National Federation of Parents for Drug-Free Youth. It's not enough merely to tell kids to say "no," Nalepka says—parents have to explain the dangers and give kids mental ammunition to combat often overwhelming peer pressure.

ORDER OF BUSINESS

Mr. DOLE. May we have order?

The PRESIDING OFFICER. The Senate majority leader has asked for order. The Chair agrees.

Mr. DOLE. Mr. President, let me remind colleagues.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. Let me remind my colleagues we are on live radio and not able to hear the Senator speaking.

Mr. METZENBAUM. I cannot hear what is going on.

Mr. President, we cannot hear what is going on.

The PRESIDING OFFICER. The Senate will come to order.

The custom is if Senators desire to converse they shall leave the floor of the Senate.

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

The Senate resumed consideration of Senate Joint Resolution 225.

The PRESIDING OFFICER. Does the manager of the amendment, the Senator from South Carolina, seek the floor?

Mr. METZENBAUM. Mr. President, the Senator from Ohio seeks the floor.

The PRESIDING OFFICER. The Chair does recognize the Senator from Ohio.

AMENDMENT NO. 1660

(Purpose: To provide that no reduction in benefits payable under title II of the Social Security Act may be taken into account for purposes of complying with section 1 of the proposed article)

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM] for himself, Mr. RIEGLE, and Mr. MOYNIHAN proposes an amendment numbered 1660.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 1, strike out lines 16 through 21 and insert in lieu thereof the following:

" 'Section 3. No reduction in benefits payable under title II of the Social Security Act may be taken into account for purposes of complying with section 1 of this article.

" 'Section 4. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect.

" 'Section 5. This article shall take effect for the fiscal year 1991 or for the second fiscal year beginning after its ratification, whichever is later.'.".

The PRESIDING OFFICER. The Senator from Ohio may now proceed.

Mr. METZENBAUM. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. Once again this Presiding Officer would prefer that you make the job of bringing order to the Senate much easier than it appears on my part to be and so I ask that you give the Senator from Ohio the attention which he deserves.

I will defer to the Senator from Ohio if he feels he has the attention of the body. The Chair would feel it is much more orderly now than when he proposed the point of order.

Is the Senator from Ohio ready to proceed?

Mr. METZENBAUM. I am ready to proceed, and I do appreciate the cooperation of the Chair.

Mr. President, this amendment is the Social Security amendment. It provides Social Security benefits cannot be reduced to comply with the balanced budget amendment.

I cannot think of anything more important to the senior citizens of this country and I believe to all Americans than the adoption of this amendment. When we passed the Gramm-Rudman Act, we passed it with the understanding that it would not affect Social Security benefits. Therefore, I believe that if we are to be consistent with the passage of that act, we have to provide an exception in connection with the constitutional amendment.

If we do not pass this amendment, we are going to find in future years that the trust funds for Social Security will be increasing, that there will be substantial balances in those trust funds and the suggestion will be, and the urging will be, both from the President of the United States and Congress as well that we impact those Social Security funds in order to balance the budget.

This is not what the senior citizens of this country are entitled to. This is not what they worked all their lives to provide. Our obligation is to see to it that those funds be protected and the only way we can protect those funds is by adopting this amendment to the constitutional amendment.

Absent that, absent our adopting this amendment, the Social Security trust funds of this country will be in jeopardy as far as future increases are concerned in Social Security benefits.

I say to my colleagues, and many of you have stood, you have spoken to the issue of Social Security, if you believe as strongly as I do that the older Americans in this country are entitled to protection, that their funds should not be used in order to balance the budget for defense spending or for any one of a host of other programs, then you have no choice but to adopt this amendment.

Mr. President, I see the senior Senator from Michigan on the floor. It is my understanding that he wishes to address himself to this issue, and I yield the floor to him at this time.

Before he does so, I wish to point out my amendment was offered on behalf of myself, Senator RIEGLE, and Senator MOYNIHAN.

The PRESIDING OFFICER. The Chair recognizes the Senator from Michigan.

Mr. RIEGLE. I thank the Chair.

Mr. President, I want to follow along with the comments of my colleague from Ohio who brings this very important amendment to the floor in behalf of himself, myself, and Senator MOYNIHAN.

The purpose of this amendment is to correct what is a glaring flaw in this proposed constitutional amendment.

The currently drafted Thurmond amendment to the Constitution would actually have the effect of undoing the delicate compromise on Social Security that was reached there only 3 months ago in the Gramm-Rudman legislation.

I might say I think the Social Security understanding and agreement at that time was critical to the ability of the Gramm-Rudman legislation to pass. So to now by any means undo that central aspect of what went on at that time with respect to Social Security is clearly something that ought not to happen.

During that debate on Gramm-Rudman, this Congress, with the President concurring, made the decision to remove Social Security from the Federal budget effective immediately. In fact, that may have been the only good part of Gramm-Rudman. It was the fact that that was nailed down because clearly Social Security being a separate trust fund ought not to be part of the Federal budget. It did not use to be years ago. It was brought into the unified Federal budget I think for the wrong purposes, namely, to disguise the buildup and cost of the Vietnam war. Many of us have been fighting for many years to take Social Security out of the Federal budget so it could stand by itself, be managed and monitored independent of other activities of the Federal Government as is appropriate for something that is independently funded as a Social Security System is.

But if we were to adopt the Thurmond compromise as it has been drafted, the important protection that we won just 90 days ago for the Social Security System would have no meaning. We would be right back into the same problem that we were in before.

That would happen because the current Thurmond amendment says that outlays in any fiscal year shall not exceed receipts and both Social Security benefits and revenues are included in such a formulation.

As a result, in any year, one could propose a reduction in Social Security benefits as a means for achieving the overall balance in the Federal budget as a whole. And that clearly ought not to be the case. That out not to be what is even possible to do.

It is precisely that type of action, which would be motivated solely by budgetary considerations, that Congress was worried about and concerned enough about that we decided that we wanted to take Social Security out from under the budget umbrella so that that threat would not exist and that danger would not be there.

We have accomplished that but this constitutional amendment that is before us now would undo that and take us right back into this previous situation and endanger the Social Security System that I think has to be prevented.

Now, I just want to stress again that the reason why it is inappropriate for us to move in the direction that has been recommended here in the constitutional amendment includes three points.

The first is that Social Security is separately financed through a dedicated payroll tax and, as a matter of fact, the Social Security System is in good financial condition. It is building its financial reserves at the present time as properly it should, so that the money is there in the future to meet and pay the benefits of workers who are now in their working years but later on will retire and be eligible to receive those benefits.

Second, the program Social Security by law is prohibited from ever running a deficit. So, as a matter of fact, we do not have to worry about the Social Security System running a deficit or contributing to some overall notion of a deficit for the Government as a whole because the law will not allow that to happen.

And, in fact, we have to be at least in a balance and preferably in a situation where we are building a surplus in the Social Security System so that we do not need any kind of constitutional action affecting Social Security to provide that kind of protection which is there now.

Third, the surpluses that are accumulating in the Social Security trust funds are actually helping to reduce, if you will, the overall arithmetic of the Federal budget deficit in the aggregate. In fact, the surpluses that are growing in the Social Security System now will be reaching a figure of approximately a $70 billion surplus by the year 1991, which is just 5 years from now.

So there, again, you have a situation where very substantial surpluses are there. And, from an overall bookkeeping or accounting point of view, they have the effect of tending to give the appearance of reducing overall Federal deficits when the Social Security accounts are added in.

So the amendment that we have offered here—the Senator from Ohio, myself and the Senator from New York—is a very straightforward amendment. What it would do is simply preserve the agreement that was reached in the Gramm-Rudman legislation just a short time ago. Our amendment would very simply prohibit reduction in Social Security benefits from being counted for the purpose of complying with the requirements of balancing Federal receipts under a constitutional balanced budget amendment. That would remove Social Security as a target. It would mean that it would not be proper or possible for people to go in and try to raid the Social Security System by cutting down the benefits in any fashion in order to take and create a larger surplus which could then be used as an offset against Federal spending in some other area of the Federal budget.

I would just say to senior citizens and to those who will become senior citizens later across the country, we have seen over the last 5 years a number of attacks directed at the Social Security System by this administration. President Reagan early on recommended the elimination of the minimum benefit under Social Security and then major reductions or eliminations in the annual cost-of-living adjustments for inflation under Social Security and other major Social Security cuts.

In recent years, we have led the fight, those of us who feel strongly that those proposals are wrong, against those kinds of reductions and we have been successful. We have been able to run them off when they have tried to come in and damage Social Security.

But this package, as it is on the floor today, endangers Social Security. And every senior citizen in this country ought to take account of the fact that that kind of risk would be created here if we fail to adopt the amendment that we have just put forward and is at the desk at the present time.

So I hope that everyone here who has understood the nature of this problem and has said in the past that they are willing to see that Social Security is set aside so that it cannot be subjected to an attack to try, in any strange way, to finance or seem to finance other areas of the Federal budget, I hope that they will join with us at this time. It is essential that we pass this amendment. If we do not, I think you will find that there will be a firestorm that will occur out there when the word gets out as to what this new jeopardy would be.

I yield the floor.

Mr. HATCH. Mr. President, there is hardly any issue of importance that comes around here where someone does not raise the Social Security issue. I believe the purpose of raising it, in all honesty, is to try to obtain political advantage. I think the purpose of it is to keep our senior citizens in constant fear that somebody is going to interfere with their Social Security, and I think it is no exception here.

It is clearly brought up for one reason and that is to try to kill the balanced budget constitutional amendment. The other side is willing to do almost anything in this context to kill the balanced budget amendment. They do not want to put into the Constitution of the United States any kind of restraint on their spending practices which have been going on now without balanced budgets for 26 of the last 27 years. They will use any method, they will use any argument, and they do not care who they scare or who they frighten to make their points.

And I can tell you that a lot of the votes, if you check them, on the last amendment were entered by people who literally normally would not support the position of this administration in national security, or at least with regard to the military. But they voted for it because they knew, with something that broadly written that basically would allow any state of emergency to exist almost any time in the eyes of almost anybody, if that amendment was accepted, it would kill the constitutional amendment to mandate a balanced budget.

Now, that is what is involved here. If they are good amendments, we are going to accept them. But we are fighting for a principle here that literally the American people have wanted for a long time.

The Founding Fathers of this Nation did not want this country to continually have deficit spending. They expected it during times of national emergency and war—maybe during times of severe depression or recession—but not every year after year after year, even during good times. They expected surpluses during good times. They never contemplated in their wildest imagination that they would have a Congress of the United States, or have a succession of Congresses of the United States, that ignores, the will of the American people to the extent these Congresses have over the last 53 years.

So what we are faced with here now is another amendment brought for only one reason, and that is to try to defeat this constitutional amendment to mandate a balanced budget.

Senate Joint Resolution 225 does not jeopardize Social Security in the slightest. We have heard many drastic predictions that Senate Joint Resolution 225 might somehow harm basis social services. These predictions might be justified if Senate Joint Resolution 225 required a balanced budget under all circumstances and if Congress were not free to implement Senate Joint Resolution 225 responsibly.

Let me be perfectly clear. This constitutional amendment could not cause the drastic consequences predicted by the Senator from Ohio or the Senator from Michigan. Only Congress can cause those conditions, not this amendment. And it is very unlikely that Congress will be insensitive to the needs of their constitutents and, above all, the needs of the elderly in this society. We have not shown that propensity in the past in either party and I do not think we will show it in the future.

To repeat, Senate Joint Resolution 225 is a constitutional amendment to require a balanced budget. It does not harm Social Security in the slightest. It does not change the circumstances affecting Social Security at all.

Under Senate Joint Resolution 225, this amendment to the Constitution, Social Security could only be changed or altered if Congress elected that course, which is an extremely unlikely prospect, and the proponents of this amendment know that. We go through this every time we try to get any budgetary restraint around here. If the conditions described by the Senator from Ohio and/or the Senator from Michigan were even remotely possible under a balanced budget in some future fiscal year, Congress could avert those circumstances or those consequences in many ways. It is important to review those alternatives which clearly leaves Congress in the posture of deciding how to handle difficulties. Thus, Congress, not Senate Joint Resolution 225, would dictate any potential alterations in Social Security.

It is important to note, however, that I cannot imagine a scenario under which Congress is likely to fail to keep its commitments in the Social Security System.

As has been repeatedly mentioned, Senate Joint Resolution 225 will be implemented by legislation. In this legislative implementation, Congress will be free to suggest whatever protections are necessary to prevent any damage to the basic purpose of Social Security.

That will occur if the amendment stays in its present form, but to satisfy the distinguished Senator from Florida, we are willing to take his amendment to require implementing legislation, even though that is implicit in this amendment.

Even in the most desperate economic circumstances, Congress would have alternatives to insure that Social Security is not harmed. Let me list some of those.

Congress could set aside a contingency fund to cover Social Security in the times of economic difficulty that re-

quire adjustments under this amendment.

Congress could enact spending rescissions or cuts in less important programs to secure compliance with the ratified Senate Joint Resolution 225 amendment. Congress could by a majority vote of both Houses of Congress enact a tax increase or surtax to comply with Senate Joint Resolution 225. Congress could do any combination of these alternatives to comply with Senate Joint Resolution 225. Moreover, the President could have a role in enforcing this amendment. The President could veto inappropriate spending. He could defer spending in accord with the authority conferred by the 1974 Budget Act, recommend rescissions, or tax increases, or any combination of these alternatives to compliment Congress' compliance actions.

It is important to note that none of these alternatives concerns Social Security at all. It is important to note that I have not yet mentioned the authorization of a specific excess in outlays over receipts by a three-fifths vote yet this would still be a further safety valve.

In the conditions described by the Senator from Ohio, I would fully expect that Congress could muster the consensus to take such a step. This is still a further protection. Although I am confident that nearly all of my colleagues have voted at one time or another to preserve the basic purposes of the Social Security Program, indeed, very few, if any, Senators question the merits of this statutory program. Dealing with specific statutory programs in the context of the Constitution, however, does pose tremendous difficulties.

In the first place, the exemption of a statutory program from the aggregate totals of outlays and receipts under this proposed amendment would mean one of two things, both of questionable merit. It could mean the current Social Security System would be frozen into the Constitution. Congress could lose the ability to adjust the system as population demographics change and whereas needs grow or decline.

Under this reading of this proposed amendment only the current Social Security System would be exempted and any changes in the program would be subject to the budget aggregates of the amendment thus making statutory changes in the program difficult—statutory changes that may be in the best interests of the program.

As is evident, this absence of flexibility can make it nearly impossible for Congress to respond to the needs of future generations to statutory adjustment.

This attempt to constitutionalize a statutory program could be disadvantageous to future beneficiaries of our Social Security System.

Another prospect is that this statutory loophole could also undermine the intent of this amendment. Since the Social Security Program System is a statute it can be changed by a mere majority vote.

Another reading of this proposal might suggest that any statutory adjustments would also be exempt from the Budget Act of Senate Joint Resolution 225; that is, any program could escape the constraints of a balanced budget if it were simply crafted as an amendment to Social Security laws. This could invite rebukes. In the wake of ratification of Senate Joint Resolution 225 any new program, regardless of its content, is likely to be drafted as an amendment to the Social Security laws.

If you want to place them in jeopardy, then follow the lead of the distinguished Senator from Ohio.

Mr. JOHNSTON. Mr. President, will the Senator yield for a question?

Mr. HATCH. I am delighted.

Mr. JOHNSTON. I hesitate to interrupt the Senator. But on this subject, is it the Senator's view that the balanced budget amendment itself would authorize, empower or indeed require a President to impound moneys that exceeded the balanced budget amendment restrictions?

Mr. HATCH. We do not believe that this amendment authorizes any change in the law over existing law at the present time. So whatever the President has the right to do now he would have a right to do in the future. It is clearly not the intent of this amendment however to establish any new authority in the President absent congressional action or to imply any reordering of the separation of powers balance between the branches of the National Government.

So this amendment simply does not invest within the President any new authority over the impoundment of appropriated funds.

Congress, however, may choose in its wisdom to amend existing statutes or impoundment statutes consistent with the Constitution and establish a greater power, if it wants to, in the President to carry out section 1 obligations by impounding funds. That is our right as the Congress, if we want to, and if we choose to do so. But we chose not to require that in this amendment, as the Senator knows.

In the absence of such legislation, it is still expected that the President will exercise his budget proposing authority, his veto authority, and any other authority available to him to carry out the mandate of this section.

Mr. JOHNSTON. So that if the President, for example, thought that all of that money was outlayed in an appropriation bill, he would have no authority to impound for the purpose of complying with the outlay restrictions.

Mr. HATCH. The Senator is correct. Under this amendment, he will not have the power to amend it. He will have no further power than he has right now. I might add neither will Congress.

Mr. JOHNSTON. No implied authority at all?

Mr. HATCH. No implied authority at all.

Mr. JOHNSTON. I thank the Senator.

I think his answer was very clear and concise. I hope the legislative record will be absolutely clear on this. I think the Senator's answer makes it clear.

Mr. HATCH. I think we have tried to make it clear. We will continue to do.

Mr. METZENBAUM. If the Senator will yield just 1 minute without the Senator from Utah losing his right to the floor, I believe that there are varying opinions as to what the President's right might be vis-a-vis the question of impoundment.

I do not want that colloquy which occurred between the Senator from Louisiana and the Senator from Utah to be determinative of what the law is. The Constitution speaks for itself, and a legislative debate does not provide a basis to determine what the Constitution says or means. The only way that will be decided is either by a President acting and somebody challenging him in the courts or in some other way having the issue before the courts.

But I do not want this matter to be brought in such a manner that we will have made history without there being some indication that other points of view are possible.

Mr. HATCH. Let me make this point.

Mr. JOHNSTON. I thank the Senator.

I think that is certainly correct. Does the Senator from Utah tell me that all of the sponsors of this amendment and the legislative history thus far would all support his view on the matter?

Mr. HATCH. I am saying that all of the sponsors are in agreement, that there is no new power given to either the President or the Congress by this amendment other than the balanced budget amendment provisions.

Mr. JOHNSTON. No implied power?

Mr. HATCH. And the Judiciary Committee reports that clearly as well.

Let me add one other thing to make it even more clear. I might add that the Congress gets no new powers under this. The President is vested with no new substantive authorities, impoundment, line item vetoes, and so forth, but simply that he is obligated to exercise his excising authority in

light of new constitutional directions which this amendment will give him and will give us. He is charged by this sentence with exercising his veto authority, his proposal authority, and his Executive or administrative authority generally in behalf of the new obligations set forth in this amendment.

In other words, he is given no new standards by which to exercise his present authority and no new substantive authority. And I believe every proponent of this amendment agrees with that.

Mr. JOHNSTON. I thank the Senator very much for his answer.

Mr. HATCH. If I can finish my remarks with regard to this particular amendment by the Senator from Ohio, in the wake of ratification of Senate Joint Resolution 225 any new program regardless of its content is likely to be drafted as an amendment to Social Security.

That is really a worry to me because that would mean that we could abuse the process even more just by exempting Social Security.

Mr. SIMON. Mr. President, will my colleague yield?

Mr. HATCH. I am happy to yield to my friend from Illinois.

Mr. SIMON. I am sorry to ask my colleague to yield, but I agree with his opposition to this amendment.

I think it is important that we do not start putting detailed exemptions in this amendment for the same reason that the well-intentioned amendment by our colleague, Senator HEFLIN, was not put in. This amendment should not be adopted because it would put us in the position of having to accept an amendment for the railroad retirees, and an amendment for the Federal Government retirees, and who knows what else.

I happen to be among those who have fought for and will continue to fight for Social Security recipients. I want to keep that program independent. I do not want Social Security to be part of solving the deficit problem. But I do not think it ought to be part of the Constitution.

Mr. HATCH. I believe the distinguished Senator from Illinois agrees with me—that we will all be fighting for that, and that this amendment has one purpose; and, that is, to try to defeat this constitutional amendment.

Mr. SIMON. I think it puts in great jeopardy the whole concept.

Mr. HATCH. Of course.

Mr. SIMON. I thank my colleague for yielding.

Mr. HATCH. I want to thank my colleague for his comments.

Let me say this: If we pass this amendment, every amendment will be brought to the Social Security Act. If you want to jeopardize the elderly, then do it the way the distinguished Senator from Ohio and the distinguished Senator from Michigan are advocating. Start playing around with the Social Security Program, treat it as though it is something completely different from all other budgetary concerns, and put it as an exemption into amendment.

Mr. METZENBAUM. Will the Senator yield for a question?

Mr. HATCH. I will yield in a moment. Let me finish my thought in this regard and then I will be delighted to yield to my colleague from Ohio.

I think this type of an approach, when they start drafting amendments to the Social Security bill because it is exempt by the constitutional amendment, amendments which have nothing to do with Social Security, deludes the significance of the Social Security Program in our society. It makes it a catchall bill for new spending programs. It is just another excuse to continue doing what we have been doing all these years.

This might also provoke a backlash damaging the genuine beneficiaries of Social Security. The constraints of Senate Joint Resolution 225 could be circumvented by a majority vote. This would make Senate Joint Resolution 225 operate as we do currently. By a majority vote, any spending could be authorized without any regard.

I realize these two scenarios could not both prevail but either could potentially be damaging both for the purpose of Senate Joint Resolution 225 and for the future beneficiaries of the Social Security System. The reason we cannot be confident about which of these deleterious alternatives is most likely is that a statute has never been incorporated into the Constitution by reference, and it never should be.

The Constitution is not a readily amendable statute itself. That is why we only have 26 amendments to it. That is as it should be. We cannot anticipate all the consequences of such an unprecedented and potentially unwise action as I believe the actions would be of this amendment.

To summarize, Senate Joint Resolution 225 does not jeopardize Social Security under any circumstances. Senate Joint Resolution 225 does not mandate spending cuts or tax increases, or any other specific legislative action. Congress will be responsible to decide how to comply with the mandate of Senate Joint Resolution 225. Thus, Social Security can only be changed if Congress elects to do so, which is no different from current law.

In addition, this amendment takes the unprecedented step of incorporating a statute into the Constitution. The consequences of that action could be damaging both to Congress ability to adjust Social Security to meet future needs and also to the intent of the constitutional amendment.

I really believe that the Senator's amendment is not only dangerous to the Constitution, it is dangerous to Social Security.

Mr. METZENBAUM. Will the Senator yield for a question?

Mr. HATCH. I am happy to yield.

Mr. METZENBAUM. Why does the Senator state that adoption of this amendment would somehow jeopardize Social Security? Let me make it clear.

Our amendment specifically provides that Social Security benefits cannot be reduced to comply with the balanced-budget amendment. That is all it is. It is not complicated.

I would like to ask my colleague from Utah, a good friend of mine, how in any way he could come on the floor of the Senate and say that this amendment might jeopardize Social Security. As a matter of fact, it is a fact that the constitutional amendment that he is supporting, without our amendment, would indeed jeopardize the Social Security funds because those funds are going to grow, and as they grow there will be the temptation to dip into them in order to balance the budget. Will he respond?

Mr. HATCH. Social Security, at its present levels, is a potential or it can be used as a catchall statutory item for anybody to add anything onto that they want to, and pork barrel the Social Security Program for other ulterior purposes. It is the wrong thing to do. You do not incorporate statutes into the Constitution. If we start to do that, the Constitution will be left behind. This document which has made us the greatest country in the world will be diminished, demeaned. Frankly, I cannot imagine anybody in this body who wants to hurt Social Security. So why put it into the Constitution?

Mr. METZENBAUM. But you will be hurting it if you pass the constitutional amendment without providing an exclusionary clause.

Mr. HATCH. Not in any way, shape or form. Nothing in this amendment hurts Social Security. The only way Social Security can be hurt is if Members of Congress do it to it and you are doing it to it by trying to add this as a statutory provision to the Constitution. You are doing it because it opens up the Constitution and all the Social Security law to all kinds of amendments. That, I think, is deleterious.

Mr. METZENBAUM. In the past we have made it possible to build up the Social Security funds, and that is just as it should be. As a matter of fact, by the time your constitutional amendment as well as the Gramm-Rudman provision has affected Social Security it will all kick in in the 1991. In 1991 there will be a $6.2 billion surplus in the trust fund.

Mr. HATCH. Let me ask you a question, just to set the record straight. If we accept this amendment, would you become a cosponsor or even vote for the balanced budget amendment?

Mr. METZENBAUM. I believe it is a terrible way to try to run the Government by a constitutional amendment to balance the budget so I would say no. I would further say if you want to balance the budget, you come with me on this floor and do that which we should be doing, vis-a-vis closing tax loopholes, vis-a-vis getting rid of some of the water projects in this country where we provide total subsidization, and doing some of the things we ought to try to do on the floor of the Senate instead of trying to kid the American people that somehow a constitutional amendment will solve that problem.

The PRESIDING OFFICER. The Senator from Utah has the floor.

Mr. HATCH. Mr. President, I did vote for the budget that came out of the Senate last time to cut 13 programs. I notice the distinguished Senator from Ohio did not. He did not. It was a chance to really try to trim the budget and get things cut back. I can promise another at least couple of thousand votes——

Mr. METZENBAUM. Was it the fact that the 13 programs included Social Security?

Mr. HATCH. Social Security was not cut. We cut 13 programs. Medicaid and Medicare were not cut. I think the distinguished Senator knows that.

All I can say to the distinguished Senator from Ohio is there is only one reason for this amendment. There is not a person in this body that would cut Social Security from the present benefits, not one.

I can tell you that there is only one reason for this amendment: That is the distinguished Senator from Ohio would not support a balanced budget amendment if his life depended upon it. He would not support a balanced budget amendment for any reason. We both know that. I admire his sincerity in standing up and telling the people of America and the people of Ohio that he does not support a balanced budget.

Mr. METZENBAUM. But will the Senator come on the floor and vote his conscience to see to it that we balance the budget?

Mr. HATCH. I have done it today and I have done it for the last 10 years.

Mr. METZENBAUM. I still have a vote——

The PRESIDING OFFICER (Mr. COCHRAN). The Senator from Utah has the floor.

Mr. HATCH. I have been doing it for 10 years, and I think my reputation as a fiscal conservative in this body is pretty strong.

Mr. METZENBAUM. Is it true that the Senator from Utah failed to vote for a minimum corporate tax?

Mr. HATCH. I will be delighted to yield to the distinguished Senator from Ohio if he asks courteously, and I will be happy to answer his questions.

If you compare the record of the two Senators, I have been there on the fiscal conservative votes. The Senator from Ohio is not known for his fiscal conservatism. He is known as one of the important Members of this body and there is no question about it. I have a lot of respect for him. I know he stands up for what he believes. I think he is wrong in almost everything he does, but that does not diminish from his sincerity.

But we are talking about getting this country under control. We are talking about putting into the basic document something that might save this country. We are talking about saying, "Congress, OK, no more excuses because you cannot do everything you want to statutorily."

We are going to put into the Constitution that point and then even liberals can go to their constituencies and say,"I am sorry; I would like to spend more for you, but I have to abide by the Constitution because all of us are sworn to uphold the Constitution."

Mr. METZENBAUM. Will the Senator yield for a question?

Mr HATCH. Yes.

Mr. METZENBAUM. Is not the Senator from Utah more liberal than anybody in the Senate as far as protecting corporate loopholes, no minimum tax for corporations? Is it not a fact that the Senator from Utah has no evidence in his record of ever voting that the tax burdens of this country should be shared fairly but, rather, sees to it that the corporations have been protected? Is it not a fact that the Senator, when offered a minimum corporate tax so that some corporations who are making large profits would pay their fair share of taxes, was one of those who were the leaders in opposing that?

Mr. HATCH. Let me say this is not atypical of the distinguished Senator from Ohio. Rather than explain his liberal votes on the floor, he will bring up something like that.

Yes, I am for a minimum corporate tax.

I was not for his corporate tax because like most Members of this body, we do not find fault with what most business does in this country. We believe that business does create the opportunities for people to work.

I might say that corporations do not pay taxes but pass them on to you and me, and every other consumer. We pay the taxes. That is where the distinguished Senator from Ohio misses the vote on many, many issues. He would just as soon hammer the corporations in the country under the guise that he is doing something for the little people when the little people always have to pay for it anyway.

We are off the subject.

Mr. METZENBAUM. You haven't called me a liberal for the last 30 seconds.

I want to tell you, for a right-wing reactionary like you to stand on the floor and be talking in these terms is absurd to me. I say to my colleague that you and I know, we have met on many occasions on various programs, and you know as well as I do that constantly, you refuse to see to it that the American people and the American corporations share the burden.

I have never proposed that we come down with any oppressive taxes. But when 49 corporations in this country make $65 billion and wind up getting $3.5 billion in tax refunds and then you vote against a corporate minimum tax on the floor of the Senate, I think you have some explaining to do to the people of Utah.

Mr. HATCH. I have something to say about those 49 corporations. I think you raise a good point, but the way you raise it in your amendment itself is not very good. I think we should do something, but do it in a good way, not demagog it. I think that is what we do, demagog the issue, because you know there is not a person in this body who is going to hurt Social Security. All you are trying to do is kill this constitutional amendment, which you would not vote for anyway, even if this amendment passes.

Let me yield to the Senator from Wyoming.

Mr. SIMPSON. Mr. President, this is a fascinating debate. I would not have missed any of it, but I wish I had missed some of it.

Let me say that I am one of the original cosponsors of the balanced budget amendment. I remember so distinctly those early months working with Senator DECONCINI, Senator HEFLIN, Senator HATCH, and Senator THURMOND. The five of us put together the first package. We have had a long road and these gentlemen deserve all the credit—Senator THURMOND, Senator HATCH, Senator HEFLIN, Senator DECONCINI, and now a fine new Member of the body, Senator SIMON of Illinois, who has been an extraordinary participant here.

As an original cosponsor, I remember what we were trying to do. Nothing has changed. We tried to do some things with Gramm-Rudman-Hollings. We are doing that by statute. We have a lot more to do, and we do it here, then, through the Constitution.

I must say, Mr. President, I have been here 7 years—and now the American people get to listen in on what we do here. I am pleased about that be-

cause it will disclose a rather extraordinary arena in which to work. The driest form of human labor is legislating—if done correctly. If done incorrectly, it just becomes a mish-mash of hype and hoorah. I have said before that you either pass or kill a piece of legislation on this floor by using a very deft blend of emotion, fear, guilt, or racism. Is that not a nice way to do your work? Yes, emotion, fear, guilt, or racism can either pass or kill a bill, using that kind of deft blend of one or all of those issues.

It is very tiresome, very tedious. It is, in many cases, kind of pathetic, because the very easiest thing to do in this city or in this Chamber is just to grab a microphone and get everybody all juiced up. Then it takes thoughtful legislators, Democrats and Republicans, alike, to come along behind those people and police up after them like we do after the Fourth of July parade in Cody, WY. And it gets that deep.

Social Security. Now I tell you, Mr. President, there it is right there. We do not do anything with Social Security but use it as a bomb to roll under the Democrats' chairs or to roll it under the Republicans' chairs, hoping it will go off under them. What a tedious process. It has become an art form to bring up Social Security on everything and anything. And it is $212 billion worth of our budget. How can you ignore it? We are fools to ignore it. So we do not ignore it. We have SSI—supplemental security income—we never touched their benefits or their cost-of-living allowances either. I remember when inflation was 14 percent, nobody complained when their check was increased by 14 percent. But then when inflation went to 3 or 4 percent, they said, "Well, that is not enough, I wanted 8."

We said, "No, no, inflation adjustments were to be the 'cost-of-living.' When it was 14 percent, you got that. Now it is 3.5 percent, you get that."

They said, "Oh, no, that is impossible. We want 8."

Who is saying all that? Well, there are a lot of groups in the United States who get pretty juiced up about Social Security and use it as the bomb. No one suggests reducing benefits. So we left the program and its automatic COLA's off the table. Yet nowhere in the Golden Book of Speeches did anybody find out how you actually leave cost-of-living allowances off the table. We could have saved ourselves about 5.5 or $6 billion if we had left the cost-of-living allowance on Social Security on the budget deficit table, but we could not do that, because the old mail system breaks down when you do that.

I joined the AARP. I am now 54 years old. I wanted to see how they do things there. It only costs $5 to join. The AARP is a good and remarkable organization, the American Association of Retired Persons. They publish a magazine called Modern Maturity, which is much in form like the Smithsonian magazine. It is a pretty jazzy magazine.

All of the editorial comment in that magazine would have you believe that somehow everybody over 65 is foraging in an alley or eating out of a garbage can. How absurd. Then their advertising package—the one that they send to the folks who they want to put in their ads in their magazine, says, "If you want to get the biggest bang for your buck, advertise in Modern Maturity, because you are then directing your ad to the most affluent sector of American society."

Is that not fascinating? Absolutely fascinating. And the ads in the magazine show some of the sleekest gray-haired cats you have ever seen—playing tennis, and the ads have to do with cruise ships, where you can go, how you can get a discount here or there and fly or cruise the world. That is great. I am going to enjoy that in my later years. I am going to pay my dues continually and I am going to enjoy those trips. But for heaven's sake, you cannot have it both ways.

You cannot have a system that pays 3 bucks out for every buck you pay in and pretend it works. It is not actuarially sound. I do not care what is in the Social Security trust fund right now. It does not matter what is in it. We have been told what is in it for decades and we have never come out on the right end. It never will. Come the year 2020 and we will look like we fell off a cliff when the baby boomers begin to drag the fund's surpluses down. That is a troubling thing.

We do not do anyting with Medicare, either; $70 billion this year, but that is off limits. We do not touch that because the mailroom breaks down. The 200 billion bucks in Social Security, and $70 billion in that. We do not touch either of them—none of them. We do not put any "means-test" on Medicare. Many people on Medicare are well able to take care of their own health care expenses.

How do we get to a place in this country where everybody over 65 is supposed to be in deep fiscal trouble, especially when we are compassionate and put together an SSI package to take care of those people with real problems? How did we get to the point where everybody who is ever sick and not in a catastrophic illness should have the Government pay for it? Remember the original construction of the Medicare Program? The funding was supposed to be 50 percent from the beneficiary and 50 percent from your Government. Right now, the Government pays 76 percent and the beneficiary pays 24 percent. We tried to change that 1 percentage point last year and the mailroom broke down. That is because "the juicers" were out doing their work. A fascinating business.

We either pay attention to Social Security and make it actuarially sound or do something else with it, because in the year 2020, it will be chaotic. If we do not do something with the inordinate pressure from the senior citizens interest groups, usually on the issue of Social Security, then—get this—in the year 2020, 60 percent of our domestic budget will be directed to people over 65 years of age.

Whoever had in mind—in any kind of a society—that the old people should take the Government's resources and the young people should keep providing for them and not get their own return when the time comes?

Now, that is where we are headed, as long as we continue to hear the great hype and the hoorah about Social Security.

Take a look at veterans' benefits. How did we ever get to the point in this country where somehow we are to believe that every veteran is somehow "disadvantaged"? Well, that is offensive to me totally. I gave 2 years of military service to this Government, and I do not remember them telling me anything about what I was going to get. Now they say, "Well, we gotta know what we are going to get before we go in."

I served at the end of the Army of Occupation in Germany and was very proud to do that, I got the GI bill and loved it, but I do not remember any promises. Nowadays it is all promises. And if you touch the veterans' budget, I mean they march out over the parade ground and do the sword trick on you. I have heard and seen that one, too. And yet there are millions of veterans who served less than 6 months, never left the United States, were not involved in any kind of activity combatwise, and who draw every single benefit that a combat veteran draws. Try to change that. Oh boy. The mailroom breaks down because the juicers are out juicing up the troops. Fascinating, really fascinating.

Then you can be a disabled American veteran by crushing your knee on a ski slope in Vail when you are stationed at Fort Carson and be a service-connected disabled veteran.

I am not saying that to get people all up in arms. I am saying it because it is true. I say—let us direct the veterans resources of this country to the combat theater service-connected disabled, their widows and orphans and then make priorities for stateside service-connected disabled and non-service-connected disabilities, and down the list. And I would not even be saying these things if we were not faced with things like the Gramm-Rudman-Hollings deficit reduction package.

I notice that every time we get into an emotional debate on veterans here, I do not hear our most respected colleagues DANNY INOUYE, or LLOYD BENTSEN, or BOB DOLE, or STROM THURMOND in the debate. They are men who fought overseas and some left pieces of their anatomies on various foreign shores. The debate is usually often participated in by Senators who are not even veterans, and I will tell you that is offensive to me because they just get in it to juice up the troops, and the rest of us have to come along and do it thoughtfully.

I asked a professional veteran member of a veterans' service organization, "What is it you want?" They said, "Well, if we trash them long enough they'll go along." They trashed Max Cleland. He left three pieces of his anatomy in Vietnam. He could not "pass the test" and they tried to drum him out of the corps. Bob Nimmo was in three wars for his country and they had him drummed out of the corps. You cannot satisfy them. You say, "Why do you do that?" And they say, "To get that old membership up. Don't you understand? That's our job. We've got to get the membership up."

So here I am as a "Veteran of Foreign Wars." I am fiercely proud of that. That is an impressive title to me and I am very proud to have been in Germany, but I was there in 1955. I do not remember a live round every whistling by my head in combat. And of those 29 million veterans, maybe 3 million of us ever had a live round whistle by our head in combat. And I say wherever they were or whatever theater, give them the works, anything they need. But, for heaven's sake, every time we raise the issue of looking at the veterans' programs the mailroom breaks down.

We talk about anybody over 65, the mailroom breaks down. Anybody on Medicare, the mailroom breaks down. So we have effectively set aside about 70 percent of the budget that we do not touch at all while we are going through this ghastly exercise of trying to get the budget deficit under control.

Fascinating business. At least the Gramm-Rudman-Hollings plan—and God bless the three sponsors of it—will make us revisit the issue. Next year we will say, "We cannot leave Social Security COLA's out of the mix. We cannot leave Medicare out of the mix. We cannot leave non-service-connected disability payments and compensation, and on and on and on, out of the mix. We have to address it all. We cannot leave the COLA's out of the mix." That is where we are in this country.

I am very pleased that now at least the American people can tune in on the radio and hear how it really is—that everytime you get to a serious issue, somebody throws in something that has to do with emotion, fear, guilt, or racism, and pretends that they are about doing "the Nation's business." I must admit that I do a little of it myself. I do not leave myself out of the equation. I am not that kind. But I tell you, when you deal with issues like I have on immigration reform, and nuclear regulation, and veterans, and agent orange, you finally get to where you see Moon from both sides. I think that it would be well if the American people will tune in and listen to the juicers and the guys that love to hype it up and hoorah it, because it takes no brains at all to be a critic. No experience is necessary. If you really want to get something done, well, then, get in and legislate and do a little of the hard work in the hearings and the compromises and the amending like a lot of thoughtful Democrats and Republicans do.

It seems to me in my assessment that of the 100 of us here, about 85 of us came here to work and about 15 came here to raise hell, and they do it often and well and extraordinarily. I think it is time, and I am pleased that the American public can tune in to hear it, and maybe begin to identify who they are.

I thank the Chair.

Mr. DECONCINI and Mr. EVANS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. DECONCINI. Mr. President, I will not be long, but I want to thank Senator SIMPSON for his, as usual, very candid remarks about how this place operates. Although he and I may differ on issues, indeed he is correct on a number of things in his observations. One is that he was one of the original sponsors of this latest effort. I know Senator THURMOND would consider he has been the original sponsor. From probably the time that the Senator from Wyoming and I were still in college, he was working on it. But we did start to move toward bringing it to the floor when the Senator and I and Senators HATCH and HEFLIN and THURMOND got together. I appreciate his remarks on it because it has been a long, hard road and he has played an important part.

The Senator points out the so-called juicers. I do not find it as critical as he does. Whether I agree with him or not, I think it is part of the process. I do agree with the Senator that I think it is important for the American public to have an opportunity to listen to all of this because some if it borders on the ridiculous, in my judgment. I am sure other Members will have their own thoughts about what is really important here.

I want to just say that although the Senator from Wyoming and I have a different feeling on some veterans issues, indeed there are special interest groups that whip up their membership and bring it to various Members here, and that does not offend me. It does, of course, when I do not agree with them on the issue. But it does not offend me to have that process. I think it is important that the Senator from Wyoming so candidly explained how it works, because what he says is right. That is how it works. I am not sure that that is all bad, but he spelled it out. He peeled it open. And now we are faced with an amendment to this constitutional amendment dealing with that favorite subject of all of us, and that is Social Security.

I do not chide the Senator from Ohio or perhaps the Senator from Michigan who is going to talk on this. If anybody stood up for Social Security, certainly they have. But I have, too, and so have most Members in this body. Nobody in my opinion has really forsaken or abandoned the Social Security recipient here. The purpose of the amendment before us today, which now is being amended by the Senator from Ohio, is not to jeopardize Social Security one iota. And you can even make an argument that it may make it stronger. But to stand here and raise that threat—as the Senator from Wyoming said, get the juices flowing and get the senior citizens here concerned about this is going to not provide for their protection—is nonsense.

I agree with the Senator from Wyoming that it is once again being used as a tool. And I stand shoulder to shoulder with my colleague from Ohio in consistently supporting the Social Security system, exempting it from the Gramm-Rudman-Hollings legislation. The Senator from Michigan has been one of the stalwarts here, and I will always admire his willingness to come out here and fight for the Social Security system. But this is not a Social Security fight. This involves whether or not we want to put statutory language, Gramm-Rudman language in a constitutional amendment. I do not think that is wise, nor do I think it is necessary. If we did do that, are we not inviting ourselves then to say, "Well, then, what other real important priorities are there?"

What about veterans? Should veterans' retirements be excluded from such a constitutional amendment? How about research on AIDS, something that has really stricken this country? Shall we take that out? Or military disability payments, or Federal retirees' payments in the retirement program? How about the railroad retirees? There is a group that pretty well sustains itself through its program. Should they not be excluded, as is the proposal by the Senator from Ohio? I do not think so.

I do not think that by saying, "No, they should not be excluded from this constitutional amendment," it in any

way means that Congress is not going to protect the Social Security recipients or the railroad retirees or continue our commitment to research in AIDS or some other area.

Mr. RIEGLE. Mr. President, will the Senator yield?

Mr. DECONCINI. I am glad to yield to the Senator from Michigan.

Mr. RIEGLE. I appreciate the Senator yielding. He is always very kind in that regard, and I appreciate the kind reference he made to this Senator a short time ago.

I have been listening very carefully to what the Senator has been saying. It seems to me that we are making a change here, and this proposed amendment to the Constitution introduces economic policy in the form of a balanced budget, to the Constitution in a new way. That is why the Senator is offering it.

It seems to me that if we are going to insert an economic policy matter into the Constitution this way, something as fundamental as whether the Social Security Trust Fund should be in or out of that formulation is a related question. It is not as if it is an extraneous question.

When you raise the issue of economic policy and a Federal budget policy, the question of whether or not Social Security Trust Funds should be in or out seems to me to be a logical question that follows from the very recommendation the Senator is making.

So I feel that we are not raising the Social Security issue out of the thin air. It relates to the proposition that the Senator brought to us here on the floor today.

All I want to do is to try to make it clear that we will set Social Security to the side, that it will not be a target for cutting under this constitutional amendment. I do not see why that should not be acceptable. I should think that people on the Senator's side of the argument would be prepared to accept that, because I hear everybody saying, "We don't intend to cut Social Security." If that is the case, why not accept this amendment? It is only one sentence. It makes sure that, in the future, we have not put a loophole in here that gets used for a bad purpose, a purpose the Senator does not want and I do not want.

Mr. DECONCINI. Let me respond in a couple of ways to the Senator's question.

Let us first assume that his agrument is valid, that this is an economic decision, and for that purpose historically we have always protected the Social Security System. I say I want to protect it, and everybody says they want to protect it, and why not put it in the amendment? It seems to me you are then faced with the question of what do you do with other important programs, just as important as Social Security programs?

First, I think that once you start to do that, Social Security or not Social Security, it should not be in here.

Second, as to it being an economic issue, it seems to me that the economic issue here is very clear. It is not what is going to be included or excluded. It is merely that this Government is not going to adopt a balanced budget without a three-fifths vote. That means that something as important as Social Security, if in fact we had it funded through some other means, would take a greater majority vote to do it. If we were going to do it with deficit dollars, if we were not going to raise the Social Security tax to pay for benefits and increased COLA's out of general revenues, which has been proposed here before, then it would take a three-fifths vote. Or, if we were going to raise a tax, it would take a three-fifths vote.

That is economic policy that, in my judgment—and the Senator from Michigan and I may disagree on that—is distinct from including or excluding, as the amendment of the Senator from Ohio says—excluding Social Security from this umbrella of trying to get a balanced budget.

Mr. RIEGLE. Mr. President, will the Senator yield?

Mr. DECONCINI. I yield.

Mr. RIEGLE. I thank the Senator for yielding.

I just make this point: As the Senator well knows, we have had proposals made each year now for the last 4 years to cut Social Security, to cut the COLA's under Social Security, or to cut other aspects of Social Security. I have fought very hard against those, as the Senator knows, and Members are divided on that. We have had several pitched battles in the Senate over that question for the last 4 years running.

That was the history that led up to the decision in the Gramm-Rudman legislation to finally agree in law that we would take Social Security out of the budget because it is financed with a separate tax and separate trust fund and has certain separate legal obligations, and we would put it off to the side, we would not treat that under the broad umbrella of the Federal Government's budget. We just settled that in the Gramm-Rudman vote here, roughly 90 days ago, and the President signed it into law, so he presumably agreed with that proposition.

So what our amendment does is simply state that again, because the constitutional amendment here threatens to undo that protection, because it leaves it open, it leaves it ambiguous.

We have just gone through this long history of all these fights against cuts in Social Security, which the American public, by overwhelming numbers, do not want. When people are asked, they state clearly that they do not think Social Security should be cut that way. So, having just taken the step in Gramm-Rudman to provide the protection, 90 days later this issue is going to be raised, although it is not the Senator's intention. If we do not put this protection in here, we are wide open to another attack, and this could be back on the chopping, block, and I do not think we should see that happen.

Mr. DECONCINI. I will say why I think it is not a good idea.

This Senator will proclaim to the world that no one has fought harder than the Senator from Michigan, and I have joined him on those votes, standing up under not the best of circumstancs sometimes.

Mr. RIEGLE. I appreciate that.

Mr. DECONCINI. I agree with the Senator from Michigan that this effort caused the Gramm-Rudman-Hollings proposal to set Social Security aside, or at least to exempt it from the cuts. It does not mean that, under Gramm-Rudman-Hollings, Congress could not pass a change in the Social Security system, cut out education benefits, give only half a COLA. They could still do that. But the Gramm-Rudman automatic cuts will not do it, and I think that is wise.

As to the constitutional amendment, it appears to this Senator that, No. 1, this amendment does not speak to Social Security, nor does it speak to research in cancer or AIDS or military retirees or anything else, nor should it. This is an umbrella that we are trying to put out for the country in the highest law of this land. Why should we take any program, whether it is defense expenditures for those who want the MX missile or SDI, or whether it is the railroad retirees, or Social Security, and say we are never going to look at this program? We may want to add benefits or reduce benefits. Who knows what we are going to do?

We took care of that under Gramm-Rudman-Hollings, that we are not going to cut it in automatic cuts. That is what would happen if this amendment were here and there was a budget before us.

If there was a deficit and if deficits are particularly directed toward Social Security, the votes are here. The votes have been here to protect Social Security, for the most part. This Senator and the Senator from Michigan would be there.

So, to me it is not necessary, and it is no affront to the Senator from Michigan that the proponents of this amendment are opposed to this constitutional amendment process. I do not think anybody questions that. I cannot help but wonder why it is brought here under these circumstances, because I think if it were put on here, it would weaken the possibili-

ty of this amendment passing, not enhance it.

I would love to be corrected and have the Senator from Ohio and the Senator from Michigan say, "No, by gosh—if the Senator from Ohio's amendment is adopted, I am going to be a believer, and I will support a balanced budget amendment." But I have yet to hear that argument.

The question arises, in all sincerity, what is the purpose of this amendment?

Mr. REIGLE. I appreciate what the Senator from Arizona has said. I would say that this amendment, if it is adopted, would solve one of the major defects in the constitutional amendment, at least so far as this Senator is concerned.

I think the threat to Social Security has been real and we have had to fight many fights on over the past 5 years here. I think the jeopardy increases dramatically if we pass this constitutional amendment that the Senator brought to us here as is without the perfecting amendment that I and others here have offered. I think it is going to put Social Security right back up there as a nice big juicy target. And there are people around here, and the Senator from Arizona knows it, who are just dying to cut Social Security. The Senator from Arizona is not and I am not, but there are some here who are.

Mr. DECONCINI. Mr. President, if the Senator will yield, is it not a juicy target all the time? Has it not been a juicy target before Gramm-Rudman? Is it not likely to be a juicy target?

Mr. RIEGLE. To some people it has been, but we have been in a stronger position to fight it off.

Finally, it culminated in a major achievement in Gramm-Rudman-Hollings, where finally we won a victory where Social Security was not only taken out from the point of view of any of the automatic cuts under Gramm-Rudman-Hollings but also it forbids in the language of Gramm-Rudman-Hollings for Social Security accounts to be considered in the budgetary calculations. It went farther than just the automatic cuts.

That was a very major policy breakthrough that we finally achieved and, as I say, President Reagan signed that law. So it is not just something Congress passed. We were all in that situation.

Mr. DECONCINI. Mr. President, will the Senator just yield for a quick question?

Mr. RIEGLE. Sure.

Mr. DECONCINI. As far as Social Security, as it stands now, is it not still subject to President Reagan, as he has done in the past, to send up reductions here in the Social Security System? Is that not true?

Mr. RIEGLE. Of course, he can do that.

Mr. DECONCINI. So it is still a juicy target if anyone wants to be against it.

Mr. RIEGLE. Mr. President, if you will, I think that strengthens the argument that I am advancing, namely that, you know, we are not altering the fundamental laws in terms of what Congress or the President can propose or want to do, and so forth.

But what you are doing here, I am afraid, unwittingly is you are creating a discipline and by stepping back over the line and putting Social Security back in on the same footing as everything else, even though it gets its own separate financing and its own separate trust funds, by putting it back in on the same footing with everything else in the Government even though it is far different. You are subjecting it to the jeopardy that we fought against for 5 years to remove it from and you are creating a new pressure.

I think what is going to happen is people will come in here and say we have to cut Social Security because the constitutional amendment to balance the budget that has now been ratified by the States says we have to balance the budget. There was a debate on the floor on Social Security way back when—namely now in 1986—and Congress did not, and the Senate at that time, did not go ahead and make this exclusion for Social Security and, therefore, we have to cut Social Security.

I can just hear the people saying that. They will be in here saying it and you and I are going to have to fight them off.

Mr. DECONCINI. And I will join with the Senators, I am sure.

Let me make this statement: Take the argument that the Senator from Michigan offers, and I know the Senator from Michigan is a leader in this area, and he also is very strong for national defense. I do not know anyone in this body who is for a weak national defense. Certainly, the Senator from Michigan has been interested in that as was pointed in the record and the votes, and what have you.

If national defense is one of the No. 1 important thesis of Government, and I think it is, why should not we take national defense out of this amendment and say, "Hey, we should not have this here, because, by gosh, this is too important to have as a juicy target to reduce. It is in the amendment."

Mr. RIEGLE. I would say to the Senator that I think defense falls into a very urgent category of its own for a different reason. But the defense budget is not financed with the separate payroll tax. If it were, I would make the same argument. I would say you have to deal with that account with its own separate funding sources, and whether you are funding it with a surplus or however you are building up your reserves in that account, that is a separate matter.

In the Social Security Trust Fund, this money does not belong to the Government. This money belongs to the American people. They are putting the money in. It is for their retirement.

Mr. DECONCINI. That is right.

Mr. RIEGLE. We ought to keep our cotton-picking hands off it.

Mr. DECONCINI. Mr. President, if the Senator will yield, no one is putting their cotton-picking hands on the Social Security funds by the fact that this amendment is before us.

Mr. RIEGLE. It makes it easier.

Mr. DECONCINI. I dispute the Senator. It does not make it easier at all.

Mr. RIEGLE. That is where the difference lies. I think it makes it easier and I think it is going to invite the same kind of attacks on Social Security we have every year for the last 5 years.

I thought we solved this problem 3 months ago with the Gramm-Rudman-Hollings prohibition and having Social Security as a target.

But this reintroduces it, and I can tell you the people want to dip into those Social Security funds in effect by either lowering the benefits, and thereby increasing the surpluses, or in some other way inflating some other area of Government spending and hide it behind the surpluses in the Social Security system. I am telling you based on the experience we have seen I think it becomes more likely here.

I think the American people want us to protect the Social Security system. They want it off to the side. It is their money that we are supposed to be here helping to provide a protection so it cannot be tampered with, and that is all this amendment does. I would think 100 people could vote for it.

Mr. DECONCINI. Mr. President, will the Senator yield?

Mr. RIEGLE. Of course.

Mr. DECONCINI. I appreciate the Senator's disagreement in this area. I cannot indicate that I could not more strongly be in disagreement with him, though I have supported him and will support him in the protection of the Social Security system, and I agree that this is a juicy target and probably will be as the defense budget.

But to me this amendment before us does not affect or touch the Social Security system and it is really I think very questionable that we are here debating Social Security on a constitutional amendment. It has no bearing whatsoever.

I regret that those who may be listening to this debate and this amendment outside are going to be so frightened once again that Congress is doing something to Social Security.

We are not doing anything here to Social Security. The distinguished Senators from Michigan and Ohio know that as well as I do.

I do want to say, Mr. President, on a slightly different topic, there was a colloquy here between the Senator from Louisiana and the Senator from Utah on the impoundment provisions. I sat and listened to most of it, and I concur with the conclusion as one member of the committee. This does not give any implied authority whatsoever to the President for impoundment.

I hope the amendment of the Senator from Ohio, going back on Social Security, is defeated because it is just not in the subject matter here, in my judgment, and it is posing a question to the American public, those on Social Security and those who may want to be on it, that once again Congress is tinkering with the Social Security funds.

That is nonsense.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. EVANS. Mr. President, let me be brief. In fact, I would not have spoken at all on this amendment if I had not listened with some interest to the comments first of the Senator from Utah and the exchange between the Senators from Utah and Ohio.

We heard a lot of talk about extreme liberals and rightwing radicals, and then I listened to a long discourse from my colleague from Wyoming about juicing and the legislative process.

Let me say to this body that I, for one, will not shrink to any other Member of this body in terms of working toward and having experience with balanced budgets. I have not served in this body very long, but I will say, as I have said earlier in this debate, that no Member of this body has ever submitted more balanced budgets, signed more balanced budgets, and worked for more balanced budgets, than this Senator in the 12 years I served as Governor.

I have voted for and worked as hard as I could for every one of the budget reduction measures during the last several years and was and am now an enthusiastic supporter of the Gramm-Rudman concept. And I think it is wrong indeed to suggest that those who object to this constitutional amendment somehow are slackers in terms of balanced budgets and that they do not care about the people of this country. I think that is just simply a wrong assumption and it does not deserve the kinds of arguments that we have heard on the floor of this Senate.

But let us face it. The balanced budget amendment, as I said yesterday, does not give courage to a cowardly lion as happened in the Wizard of Oz. A balanced budget amendment simply is a crutch. It is a crutch to attempt to supplant courage, common sense, brains, and the ability of this body and the other House to put together responsible budgets for this country.

I have watched the proponents of this amendment wiggle and squirm and have great difficulty today. First in objecting to the amendment of the Senator from Alabama, that would suggest that military emergencies do not always come with the declaration of war and, in fact, very rarely come with the declaration of war since World War II. But that was turned down by a narrow margin.

Now, the suggestion in opposition to this amendment is that Social Security will not be touched, will not be affected. It seems to me that each time an amendment is suggested, the response is that, "Well, it will not hurt in terms of the military, it will not hurt in terms of Social Security, it will not hurt at all."

One of two things are true: Either the amendment is effective and it does mean something and it will introduce restraints beyond those which we now have, or it does not mean anything. And if it does not mean anything, it does not deserve the week we have spent on debate. And if it does mean something, then these amendments have some merit, at least to be discussed, debated honestly and ultimately voted upon.

I have heard time after time the proponents of this amendment suggest, in answer to many of the propositions raised, the emergencies and the potential problems that could come up in the future, saying that, "Well, the votes will be there. If there is a 60-percent requirement, obviously the Congress will respond." And yet they turn right around and say, "We need this balanced budget amendment to the Constitution because the Congress has not responded, because they have not done the job."

You cannot have it both ways. Either the Congress is going to be responsible and has been responsible and will be responsible or, if irresponsible in the past and irresponsible in the future, a constitutional amendment will not prevent irresponsibility.

Perhaps if that is the concern, that the Congress will be irresponsible in the future, then maybe we ought to consider whether some restrictions be placed in that constitutional amendment as to where and how we can shrink that budget to make it fit Cinderella's slipper.

Mr. President, I think it is time to vote on this amendment. I think it is time to vote on the constitutional amendment that is being presented itself. I think the issue is clear. The debate has occurred. It is time to have this Senate make up its mind and express its opinion.

Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. LEVIN. Mr. President, I will vote against this amendment, and that is why I want it to be clear on what a vote against this amendment really signifies. A vote against this amendment is not a vote to cut Social Security benefits. But if at some point in the future there is a cut in Social Security COLA's, for instance, then it is only fair that such a cut, and the sacrifice by the elderly who would bear it, should be recognized as contributing to deficit reduction. If the amendment offered by the Senator from Ohio were to pass, then it would be impossible to acknowledge, in terms of the deficit, that sacrifice by the elderly of this Nation. That is why I am opposing this amendment.

Mr. THURMOND. Mr. President, I wish to commend the able Senator from Arizona [Mr. DECONCINI] for the manner in which he has answered the distinguished Senator from Michigan and the distinguished Senator from Ohio on this amendment. I also wish to thank the distinguished Senator from Illinois for the fine manner in which he has handled his response to this amendment, and the able Senator from Utah. I think all of them have answered this amendment amply.

But I just want to mention this point. This amendment can be answered in one sentence. We should not exempt any program from the dictates of this constitutional amendment. There are a lot of programs very worthy—it has been mentioned here disabled veterans—and I could go on and on with others. If we go to exempting one program, there will be efforts to exempt other programs and the constitutional amendment will amount to nothing.

Mr. President, the claim has been made that the balanced budget constitutional amendment is a backdoor effort to attack the programs of the elderly. This claim is purely and simply untrue.

I happen to be a senior citizen myself. But if I were not, I would certainly stand for the senior citizens. They have given their life, they have raised families, they have run the services of the country, and I do not think any right-thinking person wants to harm our elderly citizens.

This constitutional amendment is needed today to ensure the future economic security of our Nation. Balanced Federal budgets, and the health of the economy which will result from such budgets, will benefit all of our citizens, regardless of age. I do not

know of any group it will help more than the elderly people, because they are on fixed incomes. And if we do not do something about this debt which is now over $2 trillion, interest rates will go back up, taxes will go back up, and the elderly will be hurt worse than any other group I know, especially from the standpoint of inflation.

Nothing in Senate Joint Resolution 225 requires any particular program to be reduced or affected in any way. The decision of how to balance the budget is left totally in the hands of the Congress and the President, just as it is now.

My colleagues are aware that the recently-passed Gramm-Rudman-Hollings balanced budget statute excluded Social Security and a number of other programs from its mandates. Under Senate Joint Resolution 225, Congress would retain the power it exercised in that statute to exempt a program from spending reductions or spending freezes. Such a program would, of course, continue to be included in the calculation of outlays and receipts.

Mr. President, this constitutional amendment is intended to require Congress to establish budget priorities. It would be highly inappropriate to establish those priorities, however meritorious though they may be today, in the Constitution. This is no place to establish priorities, to put them in the Constitution. Future Congresses must remain unrestrained in their ability to address the priorities of their time.

I, therefore, urge defeat of this proposal and any proposal which seeks to exclude any particular program from the mandates of the balanced budget amendment.

We have not balanced this budget but once in 26 years. If people believe in fiscal responsibility, now is the time to show it. Now is the time to show the people back home that we do want to take care of the finances here in Washington in a responsible manner, which has not been done for the last third of a century almost. We balanced the budget once in the last 26 years; only twice in the last third of a century.

What individual or what corporation can stay in business that handles its business in such a way as that? No individual can do it. No corporation can do it. And this Government cannot keep on doing it.

We have gone too long now without taking steps. Now is the time, today is the date. Let us pass this constitutional amendment and keep off all these extraneous matters and do not try to exempt this group or that group or this class or that class. Let us leave that to the Congress and the President, where it belongs.

Mr. President, I move to table the amendment.

Mr. METZENBAUM. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER (Mr. D'AMATO). Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the motion of the Senator from South Carolina [Mr. THURMOND] to table the amendment of the Senator from Ohio [Mr. METZENBAUM]. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Arizona [Mr. GOLDWATER] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 57, nays 42, as follows:

[Rollcall Vote No. 32 Leg.]

YEAS—57

Abdnor	Grassley	Packwood
Armstrong	Hatch	Proxmire
Baucus	Hatfield	Pryor
Bentsen	Hecht	Quayle
Biden	Heflin	Roth
Bingaman	Helms	Rudman
Boren	Hollings	Simon
Boschwitz	Humphrey	Simpson
Cochran	Kassebaum	Stafford
Danforth	Laxalt	Stennis
DeConcini	Levin	Stevens
Dixon	Long	Symms
Dole	Lugar	Thurmond
Domenici	Mattingly	Trible
Durenberger	McClure	Wallop
East	McConnell	Warner
Exon	Murkowski	Weicker
Garn	Nickles	Wilson
Gramm	Nunn	Zorinsky

NAYS—42

Andrews	Ford	Leahy
Bradley	Glenn	Mathias
Bumpers	Gore	Matsunaga
Burdick	Gorton	Melcher
Byrd	Harkin	Metzenbaum
Chafee	Hart	Mitchell
Chiles	Hawkins	Moynihan
Cohen	Heinz	Pell
Cranston	Inouye	Pressler
D'Amato	Johnston	Riegle
Denton	Kasten	Rockefeller
Dodd	Kennedy	Sarbanes
Eagleton	Kerry	Sasser
Evans	Lautenberg	Specter

NOT VOTING—1

Goldwater

So the motion to lay on the table amendment No. 1660 was agreed to.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. HATCH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WEICKER addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. MATHIAS. Mr. President, will the distinguished Senator from Connecticut yield to me for a moment?

Mr. WEICKER. I will, Mr. President. I yield to the distinguished Senator from Maryland.

Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. MATHIAS. Let me ask the Senator from Connecticut what his opinion of the constitutional responsibility of Congress is and its constitutional relationship with the President.

Mr. WEICKER. Mr. President, article 1, section 1 states: "All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and a House of Representatives."

Article 1, section 8 states:

The Congress shall have the powers to lay and collect taxes, duties, imposts and excises, to pay the debts and provide for the common defense and general welfare of the United States; but all the duties, imposts and excises shall be uniform throughout the United States.

Congress clearly has the constitutional duties and the necessary constitutional power to carry out those duties.

Article 1, section 7, clause 2:

Every order, resolution, or vote to which the concurrence of the Senate and House of Representatives may be necessary (except on a question of adjournment) shall be presented to the President of the United States; and before the same shall take effect, shall be approved by him, or being disapproved by him, shall be repassed by two thirds of the Senate and the House of Representatives, according to the rules and limitations prescribed in the case of a bill.

The Constitution is clear about the duties, clear about the powers and here in section 7, clear about the relationship between the Congress and the President. The power to appropriate for the defense and general welfare rests with the Congress, to be ratified by the President, not to be dictated by economic statistics.

Mr. MATHIAS. If the Senator from Connecticut will yield for a further question, one of the principal arguments which is made in favor of this amendment is that in the view of some people—and specifically the proponents of the amendment—the Congress of the United States is paralyzed, that it cannot act. They say only an amendment to the Constitution can correct this inherent flaw in the Constitution, which is to grant to politicians the power to spend without constraint.

Mr. WEICKER. If there is one great untruth in this debate, it is the notion that the Constitution of the United States is flawed. Those who pursue this argument claim the legislative branch of the United States has no incentive but to spend. Anyone who acts otherwise with the finances of the United States is seen by these critics to be somehow irrational under our system of Government. In effect, this argument says the Constitution created and maintained corruption, the spoils of which go not to the greedy, but rather to every Senator and Representative who faithfully executes his duties under the Constitution. This is

a cynical argument. We can talk about the retreat of Congress in the face of tough budget choices, or even its surrender. But it is hypocrisy to blame the erosion of congressional guts on the Constitution. That document is crystal clear about fiscal authority. In the same manner, it is crystal clear about the tenure of Senators and Congressmen, all of whom can be thrown out of office on a regular basis if they fail to do their jobs.

Mr. MATHIAS. I ask the Senator from Connecticut, as many people have asked in this debate, What in his view is the harm of automatically blocking the possibility of deficit spending?

Mr. WEICKER. To my good friend, the Senator from Maryland, I say this Nation is not well served when Congress goes on automatic pilot. We have plenty of experience with this business of replacing decisionmakers by economic statistics. For years, the great transportation need in much of the United States, especially in the Northeast, was for highways. And so, the Highway Trust Fund was set up and put beyond the reach of Congress and the appropriations process. And so, on automatic pilot, this money was to be used for highways and highways alone. Now, in the Northeast, we have the greatest highway system in the world and we are far behind in the area of providing mass transit. Once the automatic pilot was turned on, the needs of Connecticut, the needs of the Northeast over time meant nothing.

My understanding is that no State has passed a call for a constitutional convention in more than 2 years. Is it the impression of the Senator from Maryland that there is a growing sentiment in the States and their legislatures that a constitutional convention is a dangerous and unnecessary way to achieve a balanced budget?

Mr. MATHIAS. Mr. President, the call for a constitutional convention was one of those ground swells of passing opinion that was ridden very effectively for a time by some well organized lobbying groups—single-issue groups, if you will. However, in their calls to change the Constitution, they failed to carefully examine what was already in the document. The Constitution already contains all the power needed to responsibly deal with the budget deficit. We have the power, we have the authority, to balance the budget today. Even the proponents of this amendment agree that the Congress already has all the necessary power to achieve this result.

Fortunately, there is a strong and growing realization of this simple fact in the States. In September 1984, a committee of the Michigan Legislature failed by one vote to report out a balanced budget constitutional amendment resolution. The one vote was cast by a veteran Republican legislator. I think its important to repeat the reasons for this courageous woman's vote. She said, "I realized I don't want the Constitution tampered with. Congress has all the tools and powers to act and it has not acted." That really very simply is the point. There is nothing wrong with the Constitution. What is required is effective action by Congress and the President to bring some order to our fiscal policy to reduce these deficits. Unfortunately, we have not found any way yet in our history as a Nation to mandate common sense. That is what is required.

Mr. WEICKER. The proponents have suggested that the Federal courts would not become involved in enforcing the provisions of this amendment. The individuals would lack standing to challenge particular spending and taxing measures in the Federal courts.

Mr. MATHIAS. If the Judiciary Committee was correct that citizens do not have standing to enforce the provisions of this amendment in court, then I would submit to the Senator from Connecticut it would have to be self-enforcing or else we have to admit that it is simply not enforceable. Therefore, it may or may not achieve the goal of a balanced budget. Failure to enforce this amendment could I think erode respect for other provisions of the Constitution and for all law.

It is a curious thing that many of those who are supporting this constitutional amendment are among those who speak out most actively against judicial activism, those who are against the intervention of Federal judges into the political and social life of the country, those who question the President's nominees for the Federal bench, who say, "Are you a judicial activist? If you are, we may not want to confirm you." Yet, this balanced budget amendment is simply an invitation to judicial activism.

Let me give the Senator just one example. The Subcommittee on Patents, Copyrights, and Trademarks, of which I am a member, is working on legislation that affects the fees charged by the Patent and Trademark Office for various services—patent applications, trademark registrations and that kind of thing. Basically, this is a noncontroversial bill. However, under this proposed amendment I would suggest that this bill would have to be passed by a rollcall vote and absolute majority of the membership of both Houses since these fee changes might result in some minimal increase in Federal revenues. If the bill were passed in any other way, the individuals affected by these fee schedules might well sue in Federal court. Surely in that case they would have standing. So we will have to be very careful in this Chamber and in the other body. Noncontroversial bills that have even a very modest revenue impact, that might result in $1 additional entering the Federal Treasury, will have to be passed by formal rollcall votes and will require absolute majorities. Now, I do not think there will be a problem necessarily in getting those majority votes, but I just cite this as an example of the concern that we may find an increasing amount of time devoted to rollcall votes in the Senate on basically noncontroversial matters simply to satisfy a requirement of the Constitution that all revenue measures be voted on in this way and receive a majority of the membership of each body. I cannot imagine any real revenue raising legislation passing without a record vote, and I cannot see the necessity for including such a provision in the Constitution. This again really seems to me to be a public relations ploy rather than a thoughtful or necessary change in the constitutional system.

Now, if the Senator from Connecticut will yield for just one last time, let me say that there has been discussion on this floor about fiscal problems connected to this amendment. I am wondering what the Senator's view is as to what the amendment will do to our ability to respond to crises and opportunities in a timely manner?

Mr. WEICKER. Only our ability to spend in anticipation of greater savings has enabled us to respond to certain problems in the Nation, especially, as an example, a serious disease like AIDS. Dr. Myron Essex, chairman of the Department of Cancer Biology at the Havard School of Public Health said the following in an interview published in the New York Times magazine last Sunday:

> The Centers for Disease Control has been trying to inform the public without overly alarming them. But we outside the Government are freer to speak. The fact is that the dire predictions of those who have cried doom ever since AIDS appeared haven't been far off the mark. There isn't just one AIDS virus but a score that we know of—and countless others, because it mutates at a hundred times the rate of other viruses. So, making an effective vaccine will be extremely difficult. The effects of the virus are far wider than most people realize. In Zaire, Zambia, and Rwanda, it's been spreading rapidly by means of heterosexual intercourse; in Rwanda as many women as men have AIDS. And infected women are giving birth to infected babies. In short, AIDS is clearly a serious threat to the entire population.

All is not grim on the subject of AIDS. Last year, the Congress and the administration responded to give the National Institutes of Health every nickel it requested to battle this disease. There are promising reports from this battlefront, precisely because we were able last year to marshal a portion of the Nation's resources against this disease. But there is great danger ahead; 80 percent of the people with AIDS die within 2 years. This incurable disease is spread-

ing quickly. Some 8,000 Americans were found to have AIDS in 1985; 15,000 more are expected to get a similar diagnosis in 1986 and the figure is expected to double again in 1987. It is vital that the Nation maintain the flexibility to deal not only with this crisis, but any that presents itself.

I say to my good friend from Maryland, there is a great deal wrong in the sense of the deficits of this Nation. There is a great deal wrong with the inability of individual Congressmen and Senators to stand up and be counted, and there is a great deal wrong with the American people for failure to kick out those who imbalance the budget or reward those who do balance the budget. But there is not one thing wrong with the Constitution of the United States. It sits alone in its magnificence, no matter how banal our actions on the floor or how uncaring the nonparticipation of the American voters.

Mr. MATHIAS. Once again, we can remember the words of Gladstone, who said:

I have always regarded that Constitution as the most remarkable work known to me in modern times to have been produced by the human intellect, at a single stroke (so to speak), in its application to political affairs.

I thank the Senator.

Mr. WEICKER. I thank my distinguished colleague from Maryland.

The PRESIDING OFFICER. The Senator from Florida.

Mr. METZENBAUM. Let us vote.

Mr. CHILES addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

AMENDMENT NO. 1661

Mr. CHILES. Mr. President, I send to the desk an amendment on behalf of myself and Senator DOMENICI and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Florida [Mr. CHILES], for himself and Mr. DOMENICI, proposes an amendment numbered 1661.

Mr. CHILES. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the amendment, insert the following new sections:

"SEC. . The Congress shall enforce and implement this article by appropriate legislation.

Mr. CHILES. Mr. President, as a member of the Senate Budget Committee, I fully appreciate the value of balancing the budget. And I am glad the Senate has another chance to write a balanced budget requirement into the Constitution.

So, it is not what is in this constitutional amendment that bothers me. It is what is missing that I worry about.

In August of 1982, the Senate approved a constitutional amendment to balance the budget. We approved it 69 to 31. I voted for it. And I played a role in helping shape that amendment by adding something to it. In section 5 of the amendment, we included the provision:

The Congress shall enforce and implement this article by appropriate legislation.

I thought then, and I believe today, that was a key feature of the amendment. It was a sort of guarantee on our will power.

The question is what moved Congress to underline the fact that the amendment would be enforced with appropriate legislation?

It might have something to do with skepticism about good intentions. Years ago, one of the most popular songs in the Nation was "Oh, Promise Me." Well, over the years we have come to understand in this country that a constitutional amendment may be the highest legal form of promise. But if that is all it is, it is still just a promise.

I am afraid the promise before us now—Senate Joint Resolution 225—is sort of a streamlined pledge to balance the budget without making any provision for the kind of legislative punch to make sure we keep that promise.

We are sort of hauling out the heavy artillery here, but we have not been putting in the ammunition. Even among the first 10 amendments to the Constitution—the bill of rights—article III said, "no soldier shall, in time of peace, be quartered in any house without the consent of the owner, nor in time of war but in a manner to be prescribed by law."

Now, when we are facing one of the most profound constitutional issues in modern America—balancing the budget—it seems to me we should do more than just promise to get it done. We ought to provide for the legislative means to make sure that will happen.

I do not think the country can put up with an empty promise no matter how noble it sounds. I think they deserve the assurance we will do what we say.

Of course, some will point to last year's enactment of the Gramm-Rudman-Hollings law as evidence that Congress can and will act to provide the legislative means to balance the budget. Why make provision for legislative enforcement in this constitutional amendment?

The answer to that should be clear. To keep the heat and the pressure on. I do not think we can automatically assume that approving a constitutional amendment and hitching it to a law we passed last year is a guarantee that we have done the full job. What we have now might need to be changed. What we have now might not be good enough.

When we last debated the constitutional amendment I introduced a rewrite of the Budget Act which would implement the amendment. Some of the budgetary control procedures and points of order from that bill were incorporated in Gramm-Rudman-Hollings. But another key provision was missing. It required the Budget Committee to report a reconciliation bill to meet the balanced budget agreement each year. Not an automatic across-the-board sequester by executive fiat, but a piece of legislation where we examined priorities and met the goals.

What we have before us now, however, is a constitutional amendment without the specified mandate to enact the laws necessary to convert it from a promise into a living part of the national charter.

The way the amendment stands right now, it could produce some unintended consequences.

It says "outlays * * * shall not exceed receipts to the United States" in a given year. I have no quarrel with that. But there are a number of ways to reach that goal, and one of them is the impoundment of funds by the President.

We fought that battle once before during the early 1970's. The President did not use his impoundment authority just to save money as many of his predecessors had done. He used it to alter—and in some cases—reverse congressional policy. It was no longer a question of withholding funds because they could not be spent effectively. It was no longer a case of viewing appropriated funds as a ceiling. Impoundment became a means of overturning the judgment of the public expressed through the Congress.

Our response to that crisis was legislation, the Congressional Budget and Impoundment Act of 1974. We were confronted with a dilemma, and no amount of good intentions and no number of promises were enough to get things in order. We had to act. We had to pass legislation to enforce our will.

There can be no question that a constitutional amendment is a shell, no matter how highly polished. Something must follow. Visions don't become facts unless you act on them. There has got to be some mechanism between the hope expressed in a constitutional amendment and the aim it is intended to achieve. And the mechanism must be legislation. We know that. And we should make provision for it in the amendment itself.

Certainly, heavy-handed impoundments are a possibility we must be prepared to guard against. But we also have to give ourselves the means to deal with problems spawned by an activist judicial branch.

In the effort to balance the budget, we could be confronted with class

action suits on particular budget cuts. An activist court could end up telling the President and Congress where to spend and where to avoid spending; where to cut and where to avoid cutting. Sort of court-ordered busing between budget accounts.

Certainly Congress would act to deal with circumstances like that. But we can make it clear beyond question Congress has that power by saying so in this amendment.

Now, I know the Senate Judiciary Committee report on Senate Joint Resolution 13 argues that the authority to enact legislation to carry out the amendment is somehow implicit in the Constitution itself. But the language I am proposing today makes clear what is now merely implicit.

The Constitution is not a self-executing document. It is subject to interpretation. We have spent some of the most momentous parts of our history haggling over what the Constitution says. And, as this amendment now stands, I am afraid it does not say enough.

The report on Senate Joint Resolution 13, the predecessor of the amendment now before the Senate, says the amendment does not vest the President with any new impoundment authority. It says further that the amendment does not alter the separation of powers. And I agree with that as far as it goes. But the trouble is it raises issues outside the scope of my point today. The point is this:

The mere declaration that we want to balance the budget does not guarantee we will adopt the means to do it. It will not send the message that certain existing authorities might have to be changed or others created. So the issue is not whether the amendment creates some now-hidden power that will knock the Constitution out of kilter. The issue is whether Congress will enact the measures necessary to meet the goals set by the amendment itself.

Congress—and the President—have a long history of circumventing responsibility. I do not like it. No one does. But confronted by hard choices, we have often found ways to get around them. The modification I offer today aims to make clear to the public that the responsibility is squarely on our shoulders.

It will deny Congress the fallback position of relying on the implicit or the assumed. It basically says we approved the amendment, and now we are determined to enforce it. If we do not, we could all be rightly questioned about why we chose to sidestep a specific constitutional responsibility.

Mr. President, no matter what language we put in this constitutional amendment, no matter how forceful we make it sound, the only thing that will make it work is us. We have to develop the means to implement and enforce it. The amendment says, "I do." But we are the ones who will have to make the marriage work.

What I ask today is for the Senate to make it clear that Congress has the resolve to match its promise. Let us put language in this amendment and make part of the Constitution the unmistakable point that we will do what is necessary to uphold the constitutional mandate to balance the budget.

Mr. THURMOND. Mr. President, to save time, I just want to say that we are willing to accept the amendment.

Mr. HATCH. Mr. President, I intend to be very brief. We are willing to accept this amendment, as the distinguished Senator from South Carolina has indicated. We do not believe it is essential to this constitutional amendment, because we think that implicit within the amendment is the requisite to have implementing legislation.

The distinguished Senator from Florida is very concerned about this, being the ranking minority member of the Budget Committee. We feel it is an appropriate amendment. It will not change the intent of the constitutional amendment, and we will accept this amendment.

Mr. DOMENICI. Mr. President, I will be brief, also.

I just want to say that during the consideration of the balanced budget constitutional amendment of 1982, I sponsored, along with Senator CHILES, a package of amendments which the Senate adopted by a vote of 97 to 0. One of those amendments was the section saying, "Congress shall enforce and implement this article by appropriate legislation." As I understand it, the amendment by the distinguished Senator from Florida does just that.

I think we should make it eminently clear that we do intend to implement by legislation this constitutional amendment. I urge its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1661) was agreed to.

Mr. HATCH. Mr. President, I move to reconsider the vote by which the amendment was agree to.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1662

Mr. DOMENICI. Mr. President, I send an amendment to the desk, on behalf of myself and the distinguished Senator from Florida [Mr. CHILES], and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for himself and Mr. CHILES, proposes an amendment numbered 1662:

In section 1 of the pending amendment, strike "Outlays of the United States for any fiscal year shall not exceed receipts" and insert in lieu thereof:

"Total outlays of the United States for any fiscal year shall not exceed total receipts."

Mr. DOMENICI. Mr. President, last fall the Congress enacted balanced budget legislation which set our Nation on a glide path toward a balanced Federal budget. The Balanced Budget and Emergency Deficit Control Act of 1985 put us on the road to preserving our short-term economic health.

Senate Joint Resolution 225, the balanced budget constitutional amendment, addresses our Nation's long-term economic health. While Gramm-Rudman-Hollings was enacted to bring us to a balanced budget in 1991, the balanced budget constitutional amendment is designed to keep us there. I commend the Judiciary Committee and the majority leader for bringing this measure before the Senate.

Make no mistake: this amendment is not a panacea. It will not, by itself, produce balanced budgets. The hard decisions on how to achieve budgetary balance will still have to be made by future Presidents and Congresses. No process, no procedure, not even a constitutional amendment, can do that for us.

I do believe, however, that a balanced budget constitutional amendment can generate needed pressure on future Congresses and Presidents to make those tough decisions. If the highest law of the land requires future policymakers to produce balanced budgets, the tough choices which ought to be made will be made.

I therefore support the idea of a balanced budget constitutional amendment. However, before I can support the joint resolution before us, we need to strengthen it. We must do all we can to ensure that this amendment to our Constitution will be every bit as effective as the rest of the Constitution. I am therefore offering a perfecting amendment which, I believe, will improve the effectiveness of the balanced budget amendment.

EXPLANATION OF AMENDMENT

In 1982, the version of the balanced budget amendment, passed by the Senate 69 to 31, included language which made explicit the intent of Congress that all outlays and all receipts are to be included in calculation of the deficit. That language provided that "total receipts shall include all receipts of the United States except those derived from borrowing and total outlays shall include all outlays of the United States except those for repayment of debt principal."

The Judiciary Committee report on Senate Joint Resolution 225 states that such language is "believed to be unnecessary in the body of the pro-

posed amendment, although it continues to reflect the intent of the committee."

Mr. President, I share the Judiciary Committee's view that all outlays and all receipts ought to be on-budget for purposes of calculating the deficit. However, I believe our intent on this matter should be made explicit. I am therefore offering an amendment which would make clear that all outlays and all receipts are to be included when we calculate our adherence to the balanced budget requirement.

Very simply, my amendment inserts the word "total" before "outlays" and "receipts" in section 1 of the pending substitute. Section 1, as so amended, would read:

> Total outlays of the United States for any fiscal year shall not exceed total receipts to the United States for that year, unless three-fifths of the whole number of both Houses of Congress shall provide for a specific excess of outlays over receipts.

My amendment accomplishes the same purpose as the provision passed by the Senate in 1982, but in a simpler way. It will ensure that the Congress is faithful to the spirit, as well as the letter, of the balanced budget amendment. And it will ensure that our budget process continues to accurately reflect the impact of our Federal budget on the American economy.

Budgetary gimmickry, such as excluding certain outlays from budgetary calculations or excluding capital expenditures, must not be allowed as a means of avoiding constitutional requirements. I therefore urge the Senate to adopt this clarifying amendment.

CONCLUSION

With this amendment I believe we will have a good amendment worthy of adding to our Constitution. We will be affirming as a Nation that our old habits of burdening our children with the debts of their parents are going to end. And we will be committing our Nation to the fundamental principle of fiscal responsibility.

Mr. President, earlier I said to the Senate that in 1982 the Senate passed the balanced budget constitutional amendment with similar language. My amendment is simpler in form than it was before. It merely has two words, "total," in two different places.

There is no way we can asure what Congress will do in the future with reference to receipts and outlays. This makes it clear that we are talking about all of them. The word "total" precedes and make operative, in a broader sense, the word "receipts" and the word "outlays."

I thank the distinguished Senator from Florida for cosponsoring the amendment. I hope it will be accepted.

Mr. CHILES. I join my distinguished colleague.

Mr. THURMOND. Mr. President, we have considered this amendment. We think it is a good amendment and are willing to accept it.

Mr. SIMON. Mr. President, on this side, we also have looked at it. We think it is an excellent amendment and accept it.

WHAT IS MEANT BY THE TERM "OUTLAYS?" COULD THE AMENDMENT BE CIRCUMVENTED BY "OFF BUDGET" SPENDING?

Mr. HATCH. Mr. President, we are prepared to accept the amendment. We think it makes the amendment more clear.

The key word here is "outlays," because anything the Federal Government spends, except to pay off the debt, is embraced within the term "outlays" in the amendment. Outlays includes off-budget spending.

You would not be able to purchase oil reserves with debt under the amendment except straight up as part of the overall budget outlay problem. And there is no way that that could occur without a vote on it. In this case, it would have to be either a three-fifths vote, if we wanted to deficit spend in order to purchase that oil, or we would have to have a constitutional majority in order to raise taxes to pay for it, or we would have to reduce spending elsewhere to do it. One way or the other, we would have to stand up, vote, and be counted. A few years ago, we did move to off-budget spending in that category and there was not the concomitant standing up and voting, such as we would have under the amendment.

I might also add that "outlays" is intended to include, according to page 42 of our committee report:

> All disbursements from the Treasury of the United States, either directly or indirectly through Federal or quasi-Federal agencies created under the authority of acts of Congress, and either "on budget" or "off budget." With certain notable exceptions, outlays are those withdrawals subject to article I, section 9, which provides that "no money shall be drawn from the Treasury, but in consequence of appropriations made by law."

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1662) was agreed to.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATCH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATCH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, it is no secret on the floor that we are attempting to accelerate the process because one of the Members will have to leave at 5 o'clock. I urge upon my colleague from Utah that if he thinks he has an amendment, he call it up. I do not believe there is any objection to it.

Mr. HATCH. We are trying to check on it.

Mr. METZENBAUM. Time is rapidly running out on us. If there is not a vote by 5 o'clock, we will have to kick this matter over for a week, and I do not think any of us want to do that. We are prepared to vote on this bill.

Mr. HATCH. We will try to move as expeditiously as we can. We would like to meet that deadline for you. We will do the best we can.

Mr. WEICKER. Mr. President, I ask my colleagues: Is there some reason for delay? I point out that on Thursday and Friday, I wanted to vote on this matter. We are trying to vote now. I agree that both the distinguished Senator from South Carolina and the manager for the minority have worked hard on this matter, and they deserve a vote. If it is not going to occur shortly, it will not occur for quite a period of time.

Mr. HATCH. In answer to the distinguished Senator from Connecticut, we hope to get this vote this afternoon. We have a couple of last minute things.

Mr. THURMOND. Mr. President, yesterday we waited all day for people to offer amendments and they did not do it, and we have been rushing all we can.

Mr. HATCH. We waited 3 days before we had any amendments. Now, suddenly, everybody has to move quickly. We are trying to accommodate them, but we will not do it on a constitutional amendment unless it is done right.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. THURMOND. Mr. President, I suggest the absence of a quorum.

Mr. METZENBAUM. Mr. President, I have the floor.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, the managers of the bill have controlled the floor. We are perfectly willing to have them vote.

There is an amendment that I understand the Senator from Utah has on behalf of the Senator from Colorado. We do not have any particular problem with it. We do not think it is a particularly bad amendment.

We think we should move this process along and not put it over for another week.

I cannot urge those who have amendments strongly enough to come to the floor to offer their amendments.

We do not want to delay this matter for another week, but if certain Senators have to leave and there will not be a full complement of the Members of the body, then it will be delayed.

I know the majority leader has attempted to accelerate the process. We want to accelerate it.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. METZENBAUM. I do indeed.

Mr. HATCH. We understand that there are two amendments remaining. We know of one that is going to be offered by Senator McCLURE and Senator MATTINGLY.

We would invite them to come to the floor immediately and let us have it offered. There will have to be a rollcall vote on their amendment.

The second one will be one offered by me on behalf of Senators THURMOND, HATCH, DECONCINI, SIMON, ARMSTRONG, BOREN, and GRAMM. We are not prepared to offer that at this time, so we need to go on the McClure-Mattingly amendment.

We anticipate that the amendment I will offer will not take an exorbitant period of time.

So if Senators McCLURE and MATTINGLY will come to the floor and offer an amendment, we will finish it up.

Mr. METZENBAUM. Will the Senator be good enough to explain why we have to wait for Senators McCLURE and MATTINGLY to come to the floor?

Mr. HATCH. As the Senator knows, it is a constitutional amendment. They have spoken to us. We feel we have to offer that. I think the distinguished Senator from Ohio does also. I believe they will come to the floor. We have sent notice to them.

Mr. METZENBAUM. Mr. President, let the RECORD show that if there is a delay in the matter and it has to be put over, the burden will lie on those who are the proponents, not on the opponents. We are prepared to act.

Mr. HATCH. Wait a minute. Let us not get to that.

We waited 3 days for the first amendment to be offered. All of a sudden, those who are opposing this want to just push this thing right along. We do, too. We would like to have a vote and are prepared to vote.

We are not going to turn around and mistreat any Senator who has indicated a desire to bring an amendment to the floor. If it goes over a week, that is fine with me.

But my point is I would just as soon get it over with today and have a vote up-or-down and let the chips fall where they may.

We have done everything we know how to do on this amendment, and I think the distinguished Senator from Ohio has done the same, as well as the distinguished Senator from Washington.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, as an original cosponsor of Senate Joint Resolution 13, which laid the groundwork, in this Congress, for today's compromise amendment, which I have also cosponsored, I am going to be very pleased to cast my vote for a balanced budget amendment to the Constitution.

Balancing the Federal Government's budget by reducing or limiting spending has been one of my top legislative priorities in the 11 years that I have served in this and the other body. There is no question that Federal spending must be restrained if we are to bring interest rates under control and continue the progress we have made in lowering the rate of inflation, thereby creating more economic stability.

It took two centuries for this country to pile up its first trillion dollars of debt. It took only 5 years for the second trillion. At this rate, it will take only 3 years for the third trillion dollars of national debt.

We are very clearly on a crisis course. Since 1979, the annual increase in the debt is rising faster than the size of the deficit. We create debt this year to pay off last year's debt. This, of course, is the textbook illustration of a country headed for bankruptcy.

Meanwhile, the runaway debt is compounding itself exponentially, relative to our ability to pay for it. This year's deficit adds to the pressure. The rapid expansion and compounding of debt locks us into a permanent debt spiral which is feeding on itself. This is not a situation where we can merely continue to borrow, or, because of the mind-boggling size, repudiate it. I can assure you, Mr. President, we will pay for it.

As a farmer and legislator, I believe that, without question, American farmers and agribusinesses have a greater stake in the monetary, fiscal, and trade policies that are being debated in Washington than almost any other group in America. In my own State of Iowa, thousands of small farmers and businesses are disappearing because of the immediate detrimental impact deficit spending has had on interest rates and overseas markets. As a working farmer, I see real interest rates that are four to five times higher than what they should be. Interest expense as a percentage of all farm production expenses has more than doubled—from 7 percent in 1973 to 16 percent in 1985.

These higher interest costs, which are a direct result of deficit spending, have, in turn, caused the unacceptable drop in net farm income. The drastic economic situation on the farm is a formidable foreshadowing of the desperate economic condition the entire Nation will be in if the President and Congress do not learn to live within our budgetary means.

Mr. President, over the years that I have been involved in the struggle for economic stability, I have become convinced that a constitutional amendment—this constitutional amendment, for sure, or even a better one that was voted on and passed in 1982—mandating a balanced budget in either instance is absolutely necessary.

In 1978, I happened to have been an author of an amendment, just a change in the law, that was added to the International Monetary Fund bill that year that happened to be the first Federal statutory requirement of a balanced budget, which was to begin in 1981. Unfortunately, both the executive and the legislative branches have failed to abide by this restriction.

In 1982, the Senate passed a proposed constitutional amendment to balance the budget. I cosponsored that amendment, as well as the one before us. I participated in the debate that year. The debate took place over several days, and I voted for the amendment. Unfortunately, that proposal was defeated in the House of Representatives.

Nevertheless, last year, Congress enacted another statutory attempt to contain Federal spending in the so-called Gramm-Rudman-Hollings bill, which appeared to have a better chance for success because of built-in enforcement mechanisms. However, this statutory remedy's long-term effectiveness is uncertain due to a, thus far, successful constitutional challenge. However, even if successful, the statute only applies to budgets through 1991.

Consequently, because the Congress and the President cannot seem to effectively adhere to a policy of fiscal restraint, I am convinced that a constitutional solution is essential. A balanced budget provision should have been made a part of the Constitution years ago, which, I believe, would have gone a long way in securing financial stability for the entire international economy.

Therefore, I hope my colleagues will join me in voting for this present balanced budget amendment to the Constitution, which is a vote for fiscal re-

sponsibility, and a stable future for our Nation.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. EVANS). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1663

(Purpose: To provide that expenditures may not exceed receipts except under certain circumstances)

Mr. BYRD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD] proposes an amendment numbered 1663 to Amendment No. 1652.

In lieu of the matter proposed to be inserted, insert the following: "That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution if ratified by the legislatures of three-fourths of the several States within seven years after its submission to the States for ratification:

"ARTICLE —

"SECTION 1. The Congress shall ensure that expenditures of public money by the federal government do not exceed its receipts, except in time of war or military conflict; or when, by an affirmative vote of three-fifths of the whole number of each House, the Congress provides for a specific excess of expenditures over receipts.

"SEC. 2. The Congress shall have the power to enforce this article by appropriate legislation.

"SEC. 3. This Article shall take effect in 1991 or for the second fiscal year beginning after its ratification, whichever is later."

Mr. BYRD. Mr. President, I shall not speak long. I understand there are some Members who have appointments and engagements and must leave the floor shortly. I, therefore, will speak briefly.

Mr. President, nearly 2 centuries ago the values, the ideals, and the freedoms of this great Republic were forever enshrined in the most magnificent document of its kind yet designed by the human mind—the Constitution of the United States. Those principles, passed on to us by the sages of years long past, have charted a course for generations of Americans—generations who have lived, who have died, and generations yet unborn.

The foresight, the wisdom, and the vision of those great leaders are qualities ever to be cherished and always to be held dear. The enduring nature of this document, our national charter, breathes through our separate lives, and pulsates through the collective soul of our great country without repose. It guides us in our daily tasks. It restrains us in our professional endeavors. And it is so much a part of the very essence of our American life that we sometimes take for granted its very existence.

As this historic debate draws to a close, we must be mindful that it is that historic document which is the subject of our discussions in this Chamber today. Only 16 times since the adoption of the Bill of Rights have we dared to alter this document. Most of those changes involved fundamental questions of human freedoms and human rights in the processes of our Government. The single occasion when we sought to address something less basic to our national care turned out to be a mistake.

It would serve us well to recall Hamilton's words today. And I quote from the Federalist Papers No. 34:

Constitutions of civil government are not to be framed upon a calculation of existing exigencies, but upon a combination of these with the probable exigencies of ages, according to the natural and tried course of human affairs. Nothing, therefore, can be more fallacious than to infer the extent of any power proper to be lodged in the national government from an estimate of its immediate necessities. There ought to be a capacity to provide for future contingencies as they may happen; and as these are illimitable in their nature, so it is impossible safely to limit that capacity.

Mr. President, keeping the vision of Hamilton before us, let us examine what it is that we are seeking to accomplish here today. Let us be mindful, as was Hamilton, that if the Constitution of the United States is to be inscribed with new words, new phrases, and new directions, then we shall be charting a new course, not just for this time and place alone, but also for centuries yet to come.

We must ask ourselves, as did Hamilton, whether we are truly framing language "not upon a calculation of existing exigencies, but upon a combination of these with the probable exigencies of ages."

Mr. President, we ask, What is our task here today? The answer seems clear. We hear the people's call. We are called upon to act. We must respond, not only for the people of today, but also for the children of tomorrow.

Our task is to forge new language into the Constitution of the United States, language that will live and endure for ages to come.

We have engaged our wisdom, our energies, and our capacities in a commendable way. I salute my colleagues for their efforts. I would not doubt for a moment their sincerity or the justice of their cause. I commend my colleagues on both sides of the aisle. I congratulate the proponents and the opponents.

Our goal is to fashion consensus from all the truths which have been uttered during the course of this debate. And if we fail, it will surely not be for the want of our having tried, so try we must. I believe that we can fashion effective and meaningful constitutional language to accomplish the task at hand. But I do not believe that Senate Joint Resolution 225 presently offers such language.

My effort today comes only from the judgment that we can do better for the generations yet unborn. I believe that we can artfully craft new phrases, and new clauses which will better befit our responsibilities as Members of the body.

In a literal sense we have not been elected just by our contemporaries but we must also serve the people who are still to come in the future. It is my judgment that the ends sought by the distinguished sponsors of Senate Joint Resolution 225 can best be achieved by the subsitute which I have offered. Our goals are the same—to achieve, by force of constitutional mandate, a balanced budget.

Let no one doubt for a single moment that if a constitutional amendment is adopted by the two Houses of this Congress it will be a major step in the history of our country.

I agree with the sponsors of the pending resolution that the problem of continuing tremendous deficits has reached such magnitude that a new form of budgetary discipline is now required. That is the conclusion reached by the sponsors, and that is the goal of my proposed substitute.

Mr. President, in looking at the Constitution note that each provision is a model of brevity, of directness, and of simplicity. Its words and phrases were chosen with the greatest of care so to provide for that essential flexibility which is the obvious and necessary ingredient in crafting language that will serve for generations to come.

The Constitution, Mr. President, should not contain all of the precise details concerning how we are to conduct our affairs. Changing times and circumstances may occasion new approaches and new duties. The language that I have provided in my amendment allows the flexibility necessary to adapt to those changing needs in the future.

My substitute states a principle for the governance of our Republic. It states a requirement for the management of the people's money. And there are exceptions that provide for obvious unforeseen circumstances—for example, a situation in which American fighting men are involved in an undeclared war.

My amendment also provides the flexibility needed for a situation in which American military forces have been thrust into circumstances in which there is not a military conflict,

in the strict sense, but there does exist an imminent danger of military conflict.

Thomas Jefferson warned us not to hold the Constitution with such sanctimonious reverence that it be viewed like the Ark of the Covenant—too sacred to be touched. "Some men," he said, "ascribe to the men of the preceding age of wisdom more than human" and suppose that what they did was beyond amendment. "Let us not," Jefferson admonished, "weakly believe that one generation is not as capable as another of taking care of itself and of ordering its own affairs. Each generation is as independent of the one preceeding as that was of all which has gone before. It has then, like them, a right to choose for itself the form of government it believes most promotive of its own happiness. Consequently, to accommodate to the circumstances in which it finds itself, that received from its predecessors; and it is for the peace and good of mankind, that a solemn opportunity of doing this is provided by the Constitution; so that it may be handed on, with periodic repairs, from generation to generation, to the end of time, if anything human can so long endure."

Mr. President, it is incumbent upon us to follow the charge of Jefferson, restrained by the warnings of Hamilton about the "probable exigencies of the ages." I have attempted to achieve that end. Fortunately, our efforts in this Chamber will not be the end of the process, but only the beginning. Ultimately the people of this country will decide, if the other body, following what may be an adoption of the amendment by this body, decides in its wisdom to likewise adopt the constitutional amendment. The people of this country will then decide whether this language should become a part of our Constitution.

As Talleyrand said—and I have quoted Talleyrand in other circumstances even today—"There is more wisdom in public opinion than is to be found in Napoleon, Voltaire, or all of the ministers of state, present and to come." The people through their State legislatures, or in convention, will tell us whether they will accept what we have done. That is the way it should be. That is the way it must be. And the American people will have made their choice.

Mr. President, as I indicated earlier, I do not wish to impose further upon the time of the Senate, but only because of my recognition that there are others of our colleagues on both sides of the aisle who must depart this place, and yet who wish to vote on this proposal before their departure.

Mr. HEFLIN. Mr. President, will the Senator yield?

Mr. BYRD. Yes, I yield.

Mr. HEFLIN. Mr. President, I have the Senator's revised version, and I think it adds a lot of thought and a lot of language, but basically still provides for an affirmative vote of three-fifths of the whole number when we provide for a specific excess of expenditures over receipts. And the Senator's amendment talks in terms of the "expenditure of public money". By the acceptance of a good number of amendments, we do not know where we are in the Hatch-Thurmond-Simon amendment. I am concerned that by taking the word "total," they have eliminated every definition that was in the balanced-budget report. Where they made some distinctions between what the outlays were and receipts, all receipts and all outlays under the word "total" that they have accepted are now included. So I think where we were relying on the report language, we cannot.

I also notice that the Senator's amendment says in time of war but it does not say declared war. And the Senator's amendment says military conflict. I think the Senator's amendment has some merit, as I consider it. I think we are in a state of great confusion here with no longer any definitions to follow that were in the report language. The Senator's proposal is very brief. It certainly provides for an exception in time of war. It does not have to be declared war. It provides for military conflict.

At this stage in looking at this, I see this is different from what I had previously seen that the Senator had proposed, but as the debate has gone on the Senator has refined his amendment.

It appears that you now have a very workable amendment. I congratulate the Senator.

Would the Senator care to elaborate on what expenditures of public money might mean as opposed to total outlays?

Mr. BYRD. That is a phrase we find used in the Constitution. This is exactly what I was referring to earlier; namely, that I had tried to adopt some of the phrases and words in the original Constitution because not only does such approach allow for greater flexibility in the application of the amendment, but it also allows for some better understanding of just what is meant by virtue of the fact that by using phrases that are already in the Constitution we find in many instances the Court has already deliberated, spoken on, written of, and reached decisions making interpretations to which we may repair.

I also must say that I discussed this amendment with the distinguished senior Senator from Alabama earlier, and some of the changes that I have made in the verbiage of the amendment were the result of my having talked with the distinguished Senator [Mr. HEFLIN], who was formerly the chief judge of the Alabama Supreme Court.

He is quite right also in making reference to the verbiage "except in time of war or military conflict."

The fact that we do not in this amendment speak of a declared war is because, as the distinguished Senator from Alabama has pointed out before on many occasions, this country has engaged in undeclared wars on a number of occasions. I believe I am correct in saying that this country has not fought a declared war since World War II; yet, this country was deeply embroiled in, and suffered greatly in blood and treasure from participation in the Vietnam war and the Korean war.

So it is for that reason that this language has been adopted.

"Section 2. The Congress shall have the power to enforce this article by appropriate legislation" is language found in other amendments to the Constitution; for example, in the 13th, 14th, and 15th amendments, this language appears.

So Congress can spell out at a date subsequent to the adoption of the language here today just what actions should be taken to enforce the article and Congress also can seek to better define and interpret the language thereof.

I thank the distinguished Senator from Alabama for his counsel and advice and for his expression of support.

Mr. WARNER. Mr. President, the measure the Senate is preparing to vote upon is primarily sponsored by the distinguished Senator from West Virginia, Mr. ROBERT BYRD. It is an interesting footnote in history that the roots of this amendment, I think Mr. BYRD of West Virginia would acknowledge, were in legislation put before this distinguished body by Harry F. Byrd, Sr., and Harry F. Byrd, Jr., when each, through the years, propounded various pieces of legislation to eliminate the deficit and balance the budget.

I specifically remember Harry F. Byrd, Jr., each year proposing an amendment which said that the expenditures of the Federal Government could not exceed its revenues. In 1977 it became the law of the land—a statutory requirement to balance the budget. However, several years later Congress unwisely chose to repeal that mandate. It is for that reason that I am pleased to join my colleagues in supporting this measure.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, in his usual way, the distinguished minority leader has tried here to have a consensus and bring people together. He has made a great effort to do so, as you

read this amendment, and made a great effort to accommodate our distinguished friend from Alabama as well.

It says:

SECTION 1. The Congress shall ensure that expenditures of public money by the federal government do not exceed its receipts, except in time of war or military conflict; or when, by an affirmative vote of three-fifths of the whole number of each House, the Congress provides for a specific excess of expenditures over receipts.

The amendment itself leaves a lot of ambiguities and loopholes, as we see it. "Expenditures of public money" is ambiguous. It does away with the constitutional amendment to balance the budget "except in time of war," whatever that means, "or military conflict," whatever that means.

So there are some really serious exceptions in here that I think would basically make the constitutional amendment not only less effective but probably not effective.

I would suggest that exceptions in this amendment engulf the rule. The exceptions are sufficiently broad to permit this language from achieving its stated objective of fiscal responsibility and accountability. Due to the breadth of this proposed amendment, it would not establish linkage between taxing and spending decisions but merely perpetuate the current regime. I think that is true.

Second, the language is ambiguous. "In time of war," does that mean declared war or simply time of military conflict? The latter applies to Grenada, Vietnam, Korea. Does this mean war in which the United States is involved or a conflict in which the United States may have an interest? Does it involve the CIA, the State Department, DOD?

The latter may apply to Nicaragua or Afghanistan because they are conflicts in which the United States has an interest. A broad and yet fair reading of the phrase could excuse compliance with the balanced budget requirement in nearly every day of every year, which is pretty much the problem we have had with these amendments from the word go.

The "expenditures of public money" though found in article I, section 9, has always been an ambiguous term which may have unintended limitations. In its article I context these words only seem to apply to the executive branch's action in disbursing funds from the General Treasury. This raises questions about whether the Federal Government transactions outside the Treasury would be exempt from the proposed language: Borrowing by FHA or other Government agencies, taxing or paying out of special trust funds, for instance, Social Security, and the like.

The word "ensure." This apparently means make sure or guarantee. Congress without an executive branch check would apparently determine what is necessary to meet this new constitutional standard. Does this mean only that the Congress must make its best effort and if the President frustrates that effort that Congress is excused? Could Congress differ on the degree of effort necessary to satisfy the "ensure" standard?

Some may argue that as long as Congress did its best to ensure, it is excused if circumstances "beyond its control" were determined by Congress to have frustrated its efforts. Congress would make the determination by majority vote concerning what degree of guarantee satisfies the standard. That, of course, puts us right back to current law.

This amendment also is addressed solely to the executive branch.

By exclusively mentioning Congress, does this proposal intend to exclude the executive branch from any responsibility to comply, which we do take care of in the present amendment before this body? That is, the constitutional amendment of Senator THURMOND and I.

The President's veto power makes him a participant in the appropriations and spending process. Moreover, the Commander in Chief authority makes the President able to initiate military conflict, apparently exceptions to the terms of the proposed amendment. Would the President be obligated to use his constitutional powers to reach the objectives of the proposed amendment?

These are not questions that can be answered today except I think many of them would have to be answered adversely to this amendment, if they are answered at all. I think they would be certainly in the future answered that way.

There is superfluous language here. "The Congress shall have the power to enforce" has only been included in those constitutional amendments limiting State action. In those cases, it was necessary to establish that Congress possessed the power previously held exclusively by the States. This language empowered Congress to preempt conflicting State laws.

In this proposed amendment, on the other hand, it only limits the Federal Government. Congress already has under article I, sections 8 and 9, all the authority to enforce this proposal by legislation. Who else would have the power? Is this language adding anything? What is it adding, if it does?

As you can see, there are many, many questions on this amendment, as there are on all constitutional amendments.

That is why we spent so many years and so many hours and so many hearings and so many witnesses listening to language with regard to the constitutional amendment that Senator THURMOND has offered.

I do not want to take any more time, because we are trying to conclude this discussion, we are trying to come to a final vote on this amendment. I would recommend that our colleagues not accept this amendment at this time, filed at the last minute of the last hour of the last day of this constitutional amendment debate, because there are too many ambiguities and too many unanswered questions. Even the questions that can be answered I think are adverse to having a balanced budget. So I recommend that we consider not voting for this amendment.

Mr. McCLURE. Mr. President, I send an amendment to the desk——

The PRESIDING OFFICER. There is an amendment pending.

Is there further debate on the pending amendment? If there be no further discussion, the question is on agreeing to the amendment.

Mr. SIMON. Mr. President, let me first say to my distinguished leader that this is much better than the original amendment that I first saw. I think there are still substantial problems.

When we say "except in time of war," are we talking about declared war? "Military conflict." What is that? Is what is happening in Nicaragua today military conflict?

These are just a few of what I believe are several substantial questions. I think, with all due respect to my leader, who is one of the finest persons ever to have graced this body, I shall not support his amendment. At the appropriate time, I shall make a motion to lay it on the table.

Mr. BYRD. Mr. President, I hope the distinguished Senator will not make a motion to table this amendment. That would be within his rights, of course, but the amendment is sincere enough and serious enough to deserve an up or down vote. I hope the Senate will be permitted to vote it up or down.

I do not intend to further take the time of the Senate, so a motion to table would not be necessary in order to shut off debate.

Mr. SIMON. Mr. President, I shall yield to the admonitions of my leader, as I ordinarily do, and not press the motion to table.

Mr. BYRD. Mr. President, I thank my distinguished friend.

The PRESIDING OFFICER. Is there further discussion?

Mr. BYRD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further discussion? If there be no further discussion, the question is

on agreeing to the substitute amendment of the Senator from West Virginia. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON: I announce that the Senator from Nevada [Mr. LAXALT] is necessarily absent.

The PRESIDING OFFICER (Mr. DANFORTH). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 35, nays 64—as follows:

[Rollcall Vote No. 33 Leg.]

YEAS—35

Andrews	Glenn	McClure
Baucus	Gore	Melcher
Bentsen	Harkin	Metzenbaum
Biden	Heflin	Moynihan
Bingaman	Inouye	Nunn
Boren	Johnston	Pell
Byrd	Kennedy	Pryor
Cranston	Kerry	Sarbanes
Denton	Leahy	Sasser
Eagleton	Levin	Stevens
Exon	Mathias	Warner
Ford	Matsunaga	

NAYS—64

Abdnor	Gorton	Packwood
Armstrong	Gramm	Pressler
Boschwitz	Grassley	Proxmire
Bradley	Hart	Quayle
Bumpers	Hatch	Riegle
Burdick	Hatfield	Rockefeller
Chafee	Hawkins	Roth
Chiles	Hecht	Rudman
Cochran	Heinz	Simon
Cohen	Helms	Simpson
D'Amato	Hollings	Specter
Danforth	Humphrey	Stafford
DeConcini	Kassebaum	Stennis
Dixon	Kasten	Symms
Dodd	Lautenberg	Thurmond
Dole	Long	Trible
Domenici	Lugar	Wallop
Durenberger	Mattingly	Weicker
East	McConnell	Wilson
Evans	Mitchell	Zorinsky
Garn	Murkowski	
Goldwater	Nickles	

NOT VOTING—1

Laxalt

So the amendment (No. 1663) was rejected.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. METZENBAUM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LEVIN. Mr. President, a number of questions have been asked during the course of this debate as to whether implementing legislation would be required subsequent to the passage of this amendment. I would like to review some of these questions in order to see if the floor manager agrees that subsequent implementing legislation would be required.

How would the monitoring of the flow of receipts and outlays be done to determine whether the budget for any fiscal year is on the track of being balanced? Would this require implementing legislation?

Mr. SIMON. There would have to be monitoring, and future legislation would have to take care of the implementation of that monitoring.

Mr. LEVIN. What exactly is the definition of receipts and outlays? Specifically, would the receipts and outlays of Bonneville Power Administration be receipts and outlays of the United States pursuant to this constitutional amendment? Would the answer to these questions require implementing legislation?

Mr. SIMON. Implementing legislation will be needed on some of these peripheral questions, but the intent is clear.

Mr. LEVIN. Who would have standing to sue in court to enforce the amendment? Would the answer to this question require implementing legislation?

Mr. SIMON. There is a difference of opinion on this, and future legislation will have to take care of this.

Mr. LEVIN. I ask the floor managers whether a similar response would apply to the following questions.

In an instance in which the President's Office of Management and Budget and the Congressional Budget Office disagree with each other on what a level of outlays is, how will the dispute be resolved so that it can be determined whether or not outlays exceed receipts?

Mr. SIMON. Future legislation will have to take care of this.

Mr. LEVIN. Who will determine the level of receipts and whether a revenue bill is "a bill to increase revenues"? For example, the Finance Committee is now laboring under the burden of keeping tax reform legislation "revenue neutral." It is my understanding from staff discussions that a revenue neutral bill would not be "a bill to increase revenues" under the terms of this constitutional amendment. If it is revenue neutral, then under this amendment it could be passed by a majority of those present and voting. If it was not revenue neutral, but rather a bill that would be a net tax increase, then it would require 51 votes in the Senate. My question is, What happens if the revenue estimaters in the Treasury Department say the bill is revenue neutral, and the Joint Committee on Taxation say the bill will result in a net increase in revenues? Whose estimate will prevail? How will the dispute be resolved?

Mr. SIMON. That will also have to be determined through future legislation.

Mr. LEVIN. At what point will it be determined that outlays will in fact exceed revenues and that action such as a tax increase, spending cuts, or tapping into a rainy day fund will be required? August 1, September 15? Who will make the determination?

Mr. SIMON. There again will have to be regular monitoring, and future legislation will work out the details.

Mr. LEVIN. Finally, one reason why the proponents of this legislation indicate that it will be abided by is that Members of Congress are required by their oath to uphold the Constitution. My question is this: Would it be possible for every Member of Congress to vote for a different balanced budget, but to have none of those budgets passed? Would not, then, each Member of Congress have abided by his or her oath of office, but there still would not be a balanced budget?

Mr. SIMON. That theory would not happen in practice. Clearly, Members of Congress would not be complying with either the spirit or letter of the Constitution if collectively they did not balance the budget.

AMENDMENT NO. 1664

Mr. McCLURE. Mr. President, I send an amendment to the desk on behalf of myself and Senator MATTINGLY and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Idaho [Mr. McCLURE], for himself and Mr. MATTINGLY, proposed an amendment numbered 1664.

Mr. McCLURE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 1, strike out lines 16 through 21 and insert in lieu thereof the following:

"'SECTION 3. Notwithstanding section 1 of this article, total outlays for a fiscal year shall not exceed an amount equal to the greater of—

"'(1) the difference between—

"'(A) an amount which bears the same ratio to the national income of the United States at the close of such fiscal year as total outlays for the preceding fiscal year bear to the national income of the United States at the close of such preceding fiscal year, and

"'(B) an amount which is equal to 1 percent of the national income for such fiscal year; or

"'(2) 20 percent of the national income for such fiscal year.

"'SECTION 4. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war in in effect.

"'SECTION 5. This article shall take effect for the fiscal year 1991 or for the second fiscal year beginning after its ratification, whichever is later.'.".

The PRESIDING OFFICER. The Senator will withhold. The Senate is not in order.

The Senate is still not in order.

The Senator from Idaho.

Mr. McCLURE. Mr. President, I thank the Chair for establishing order.

I will be very brief. I know that the die is cast, I believe, with respect to this pending amendment. I think the votes on various amendments which have been offered would indicate that

the committee has not only drawn a very tight line but also is able to maintain that tight line here without respect to the merits or the demerits of any specific proposal. So perhaps what I am doing is an exercise in futility.

But, Mr. President, I think it is important, if we are going to pass an amendment to the Constitution, that it embody the principles which we think are important, not just to pass an amendment for the sake of an amendment, not just to pass an amendment for the sake of a political position or a posture for the people back home, but to write a constitutional provision which truly expresses the will of this body that will endure for the generations to come and not be temporal or temporary.

Mr. President, in 1982 this body passed a constitutional amendment to balance the budget and I strongly supported that amendment. I felt it would go a long way in restoring fiscal responsibility to our Government.

I support the amendment that is before us today and will vote for it if it is not amended simply because I agree with the sponsors of the amendment that it is better that we do this than do nothing. But I still believe it is important for us to do the best we possibly can in fashioning a constitutional provision which will endure and not simply be temporary.

Mr. President, everyone who has looked at this issue over the last several years will recognize that the American public are saying that it is time for us to get our fiscal house in order, hence, the movement for an amendment. But they are also telling us cut the size and expense of Government. They are not telling us increase the size and cost of Government. They are not telling us balance the budget by raising taxes. They are telling us to balance the budget by reducing expenditures.

That is what Gramm-Rudman-Hollings implies and certainly tilts it in that direction. Although it does not say that you cannot balance the budget by raising taxes, it certainly tilts the argument in that direction.

What I and Senator MATTINGLY are trying to do by this amendment is limit the amount of spending that the Government can do as a percentage of national income.

When this body, by a vote of 69 Members, voted for a constitutional amendment in 1982, it had such a limitation in it. It was phrased a little differently than this because it would ratchet spending down against the peg of current revenues.

Right now revenues are slightly less than 19 percent, actually by estimates now 18.6 percent of national income. Expenditures are at 24 percent of national income, and the gap between those two is the measure of our deficit.

The American public is asking today, are you going to balance the budget and reduce that deficit and if so are you going to do it by increasing the burden of taxation, or are you going to do it by reducing the burden of Government?

Our amendment would say try to strike a median between the positions taken by several different groups across the country, by saying ratchet the expenditures down until they reach 20 percent—not the current standard of 18.6 percent—but 20 percent of national income. And do that by 1-percent increments which in the judgment of my cosponsor and myself matches the thrust and the process under Gramm-Rudman-Hollings.

It would allow us to not only get to a balanced budget, according to that schedule, but once having achieved that balanced budget, maintain it, but at the same time put a constitutional cap on the amount of money that can be taken through taxation and charges to finance and run this Government.

I am mindful, Mr. President, that some will say this is not necessary. I am mindful, Mr. President, that some said it was not necessary to worry about the scope of income tax when it was passed in 1913.

Mr. President, in 1982 this body passed a constitutional amendment to balance the budget. I strongly supported that measure and felt it would go a long way in restoring fiscal responsibility to our Government. However, as with any compromise, there were imperfections. We can all agree that it is imperative that the Federal Government adopt and stick to a policy of spending no more than it takes in as revenue, but the way to accomplish that goal is under constant scrutiny.

I rise in support of the pending measure but I must again point out, as I did in 1982, that an important consideration is being overlooked. Not only should we protect the American public from future economic chaos brought on by deficit spending, but we should insure the American public that we are committed to stopping the continual encroachment and growth of the Federal Government in the national economy.

The Thurmond-Hatch-DeConcini-Simon substitute to Senate Joint Resolution 225, does not include provisions to limit the size of Government. Theoretically, we could have a balanced budget and have the Government taking more than 50 percent of the national income. I think we all agree that the Government should not have the controlling interest in our free-market economy. The question we must ask ourselves is at what point do we say no; at what point do we put our foot down to further Government intervention?

A review of the past several years gives us a guide to make this decision. As early as 1940 the total receipts to the Federal Government totaled only 6.8 percent of GNP. Since that time the annual percentage of GNP taken by the Federal Government has fluctuated. It reached a high of 21.7 percent at the end of World War II. The average over the 46-year time span is 17.48 percent. In 1985, it reached only 18.6 percent. Out year estimates show an increase of 19 percent in 1990 and then a gradual decline to around 18 percent.

Mr. President, Prof. Milton Friedman, Nobel Prize winner in economics, stated in a 1983 Atlantic Monthly article that "* * * while I would prefer that the budget be balanced, I would rather have Government spend $500 billion and run a deficit of $100 billion than have it spend $800 billion with a balanced budget. It matters greatly how the budget is balanced, whether by cutting spending or by raising taxes." I share Professor Friedman's views that it matters greatly how the budget is balanced.

In 1982, 69 Members of this body voted for a constitutional amendment to balance the budget which included a tax or spending limitation. The compromise before us today does not include such a measure. It does require a constitutional majority of both Houses to increase revenues, but it does not limit the potential growth of Government. Our amendment would place an overall cap on outlays. This cap would be tied to national income so growth could not increase faster than the economy grows.

This amendment requires that outlays for a fiscal year shall not exceed an amount greater than 20 percent and provides a mechanism which would reduce outlays to this level. In 1985, total outlays equaled 24 percent of GNP. If this amendment is adopted, outlays would have to be reduced by 1 percent a year until outlays reach 20 percent of national income. Therefore, we would reach the 20-percent cap in 4 years. In addition, this amendment would place a cap on the overall size of the Federal Government and the degree of its involvement in the economy.

Mr. President, I sense, as many of my colleagues do, that the American people feel that this constitutional amendment is a superficial gesture by Congress that is riddled with loopholes and inequities that will easily be bypassed. Government spending is bleeding our Nation dry and limiting the size of Government is essential if we are to keep the economy growing. Congress has been unable to address the problem of deficit spending. The balanced budget amendment is a solution, but it creates an overwhelming temptation to levy additional taxes.

This amendment would put an end to constant growth.

I saw the irresponsible direction Government spending was taking as a freshman Congressman and supported a measure in the 90th Congress to require a single appropriations bill so that we might more closely examine total Government spending and facilitate its control. Throughout my service in Congress, I have supported legislation to limit expenditures from exceeding revenues. For too long we have failed in any attempt to set spending priorities for the Government. Instead, we have appropriated for the collective priority of everyone, every Member and every special interest. Unfortunately, even if this constitutional amendment is passed and is ratified, I still question whether spending would be controlled.

Certainly we could balance the budget by taxing our citizens at a rate of 60 or 80 percent but what would that accomplish? What will a further tax burden do to an already fragile economy? Unless we continue to change the direction of this country, government at all levels will take an ever increasing percent of every dollar earned. High taxes are choking the economy by penalizing productivity, thrift, and investment.

If we look back to the 1950's and 1960's when Federal spending took a smaller share of our economy, we were much more productive. In the 1960's Federal spending was about 18 percent of our GNP. During this period our economy, as it is measured by GNP, grew 6.72 percent. In the seventies during Congress freewheeling spending spree, Federal spending as a percentage of GNP exceeded 20 percent and at the same time our inflation rate was above 7 percent and the growth of our economy was only 3 percent. There is no doubt that as Federal spending consumes more and more of our economy we are less productive and we turn to inflationary policies to make up the difference.

We must realize that money expenditures do not solve social problems. The world's longest experiment conducted on this subject by this body has failed and we should learn from this. More money spent on a bad idea will not make that idea good. We have tried that so many times it should be obvious to all Senators that it does not work.

The amendment we are introducing today will go a long way to reaffirm valid financial standards. By reducing the Federal Government's share of national income 1 percent a year until it is back down to productive levels of 20 percent, we will go a long way to restore responsibility to government. It should be very clear to us that the American people feel that modern government is out of control. They are correct.

The time is now to draw the line and give the American people what they want and exactly what the economy needs: A budget that is balanced by taking the foot off of the neck of the economy.

Mr. President, sometimes individual examples are more persuasive than abstract principle. When leisure becomes more rewarding to a laboring person than does the after-tax rewards of their labor, they choose leisure. They are not stupid. The sawmill worker in northern Idaho suddenly was sick every other Friday afternoon and his employers naturally doubted whether that was fact, and they called him in and said, "Hank, we notice that you are sick every other Friday afternoon and we don't believe it." And he said, "Well, you are right. The first Friday afternoon I was sick. I could hardly get home and into bed. I was in bed all weekend, I could hardly get back to work on Monday morning, but when I got my check for that week it was only a few dollars less than if I had worked on Friday afternoon. And, frankly, my Friday afternoon is worth more than that to me."

Not a lazy American worker, a smart American doing what our system tells him to do, and that is to choose leisure as more rewarding to him than the after-tax rewards of labor.

That is what this amendment is all about, to try to get spending back down to the limits where Americans begin to see that the rewards of labor are more important to them than the rewards of leisure. We will never attain that in our system as long as the burden of taxation continues to rise. As important as the amendment is as reported by the Judiciary Committee, it does not do all of the job that needs to be done because spending can continue to rise under the amendment.

I think the Senator from Utah and the Senator from South Carolina are to be commended highly for having gotten this bill to the floor, and I do not mean to subtract that at all. I think that the conclusion that I must reach is that this amendment is crafted the way it is, without a limitation on spending, upon a judgment of the people that are involved in getting it passed that to go further would guarantee its defeat rather than its passage.

So, Mr. President, while I strongly support the amendment, I also believe very strongly that there should be a limitation on the amount of money the Government could spend, rather than just the requirement that the budget be balanced, even though it may be by ever-increasing levels of taxation.

There are those who tell us that we are undertaxed, that the American public pays less than other countries do. But that is one of the unique aspects of the American scene—that we are not like other countries. We are free people, and we cherish our freedom. We do not like the idea of government taking away from us, as a matter of right, more than half of all we make, and that is what government at all levels is doing today.

I cherish the thought that a free people, working in a free society, are more productive as well as more free. While other societies may opt for less freedom and may accept higher burdens of taxation, that is not the American way, and I hope it never will be.

Mr. President, I ask unanimous consent that the Senator from California [Mr. WILSON] be added as an original cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Georgia.

Mr. MATTINGLY. Mr. President, the amendment that the distinguished Senator from Idaho, Senator MCCLURE and myself are offering goes to the very heart of our Constitution as a document that outlines and limits the power and authority of the Federal Government.

The amendment limits annual spending outlays at 20 percent of national income, in doing so, it makes it clear that the role and the intrusion of the Federal Government into the economic affairs of its citizens is not unlimited; that there are boundaries to the amount of income that Washington can extract from the people. Our amendment makes the point that our economic problems, for the most part, have been created not simply by deficit spending, but by excessive Government spending.

Let me expand on that statement. Prof. Milton Friedman in the committee report, Senate Report 99-162, that accompanied Senate Joint Resolution 13, the balanced budget and tax limitation amendment, said:

> I would rather have Government spend $500 billion and run a deficit of $100 billion than have it spend $800 billion with a balanced budget. It matters greatly how the budget is balanced, whether by cutting spending or by raising taxes.

The Mattingly-McClure amendment establishes a process by which total annual outlays as a percentage of national income are reduced by 1 percent a year until they do not exceed 20 percent. As most of my colleagues know, outlays during fiscal year 1985 according to the historical tables that were submitted with the President's fiscal year 1987 budget, were 24 percent of our country's gross national product. Just 10 years ago, in fiscal year 1975, they were 21.8 percent of gross national product and 20 years ago in 1965, they were 17.6 percent of gross national product.

Why a 20-percent limit? History shows that during the post-World War

II period of the fifties and sixties America experienced enormous economic growth. That growth averaged between 4 and 7 percent with an average inflation around 2 percent. During that same period, the level of Government spending was between 18 and 20 percent of the gross national product.

There is another reason for the 20-percent level. At 20 percent of the gross national product, each American worker must work 1 day of each week to produce the goods and services that pay for the Federal budget. The efforts of 1 day a week will go to maintain the Federal Government. I ask my colleagues in the Senate to reflect on this fact and ask themselves, isn't 1 day a week enough to pay for the Federal Government? Should the American taxpayer have to labor for 2 days out of every 5 for the Federal Government? Must the taxpayer wait until Wednesday of each week before he or she can take home any of that paycheck?

Our amendment would prevent a budget being brought into balance by ever increasing rates of taxation. Without such protection, Federal spending could continue to soar and Congress could use this balanced budget amendment as a rational to explain to the electorate why higher taxes were necessary. The responsibility for higher taxes could be ever so subtlely shifted from the individual decisions of the elected representatives of the people to the budget balancing requirement of the constitution.

I salute the efforts that have been made on this proposal by the distinguished chairman of the Judiciary Committee, Senator THURMOND, and Senator HATCH, the chairman of the Constitution Subcommittee. I know of the contribution that has been made by Senators DECONCINI and SIMON and of the delicate consensus that has been put together on behalf of this constitutional amendment proposal.

I appreciate those efforts, but it is my belief that without the type of limitation proposed in our amendment, the balanced budget concept is open to abuse. If the Members of Congress lacked the courage to make the spending cuts necessary to bring about a balanced budget, major tax increases would be the result. Members of Congress could then vote for the tax increase and point to the balanced budget amendment and say "The Constitution made me do it."

The McClure-Mattingly amendment strengthens the proposal and increases its chances of actually bringing about the structural reforms that are recognized as being so necessary to our economic well-being. This amendment would make certain that the Federal Government does not continue to take an ever-increasing amount of the income generated in our country.

Mr. President, I yield the floor.

Mr. MCCLURE. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. MATTINGLY. I yield to the Senator from Idaho.

Mr. MCCLURE. Mr. President, I ask unanimous consent that the distinguished Senator from Nebraska [Mr. ZORINSKY] be added as an original cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILSON. Mr. President, I rise to support the amendment offered by Senator MCCLURE and Senator MATTINGLY. It proposes to improve what will be a historic check upon the appetites, however well intentioned, of the Congress and future administrations in the interest of the American people. What is proposed here is a very simple idea without which I think this will be a less effective amendment and one which, as Senator MATTINGLY has pointed out, does pose some risk that we will achieve balance not by exercising discipline upon that appetite but by giving grain to it and feeding it with excessive taxation.

Let me suggest, Mr. President, that what we are proposing here is by no means an anomaly. It is not beyond the common experience of other governmental agencies. There are several agencies throughout the Nation, States, local governments, which have imposed upon themselves, or had imposed upon them by vote of their constituents, the kind of reasonable spending limits that is in fact proposed in this amendment.

In my home State of California, there has been not only a revenue limitation imposed by a vote of the people, but, additionally, a subsequent vote of the people imposed a spending limit. Prior to that occurring in my own home city, my city council, during the time that I was mayor, offered a similar amendment to our own charter. We said that there could be growth beyond a baseline only in an amount that was really geared to not inflation but three-quarters of inflation and actual population growth.

The purpose of that was, very simply, to see to it that, whatever our good intentions and whatever the increase in assessed valuation of the real property that was our tax base, we would not give grain to that good intention and exploit increased assessed valuation by taking too much from homeowners.

Mr. President, I cite that experience simply to make the point: My city, in consequence of that decision, did not come upon disastrous times, as predicted by all those who opposed that measure. To the contrary, that city and its economy flourished and became more attractive to those seeking to bring employment to it. New companies brought new jobs in consequence of an exhibited attitude on the part of the people and their elected officials to not engage in excessive taxation and excessive spending.

So, Mr. President, let me commend the effort not only by those who have brought this constitutional amendment proposal to the floor, but I would urge that they and others improve upon it by accepting the amendment offered by Senator MCCLURE, Senator MATTINGLY, myself, and Senator ZORINSKY. It will not destroy the hopes of those who seek to bring about a balance in our budgeting. Rather, it will simply add an additional tool to provide the constraint which Congress and a succession of administrations have historically been unable to impose upon themselves.

I thank the Chair.

Mr. SYMMS. Mr. President, first, I wish to pay my respects and compliments to Senator THURMOND, Senator HATCH, Senator DECONCINI, and those on the other side of the aisle who worked long and hard to bring this amendment to the floor.

Mr. President, in the last Gallup Poll, 9 out of every 10 Americans said they believed the Federal deficit is a serious threat to the Nation's economy. This should come as no surprise. The American people have been telling us about these fears of the deficit for over a decade. Since 1975, States have been petitioning Congress to pass a balanced budget amendment for them to ratify.

Mr. President, let me just review what we have done. In 1978, we passed the Byrd-Grassley amendment—that is Harry Byrd and CHARLES GRASSLEY, then a Member of the other body—which became Public Law 94-435 that statutorily required a balanced budget in 1981. You all know that it did not work.

In 1979, we passed Public Law 96-5 that said "Congress shall balance the budget," period. That did not work.

In 1980, we passed Public Law 96-389 that said "Congress reaffirms its commitment to balance the Federal budget beginning with fiscal year 1981." The response to that was a $200 billion deficit, so it did not work.

In 1985, we had the largest Federal deficit in history. In August, we became a net debtor Nation for the first time in 100 years. We ran the largest trade deficit in our Nation's history.

Mr. President, the question before us is not whether we should pass a balanced budget amendment or not. The question is, can we develop one that is better than the one before us?

I take a back seat to no one on fiscal conservatirsm. And I want to compliment Senator HATCH and Senator DECONCINI. I think they have done the best they could do. I also compli-

ment those of my colleagues who are working to improve this amendment

If we are truly serious about bringing deficits under control, we must pass a balanced budget amendment to the Constitution. We must pass this constitutional amendment in this Chamber, pass it in the other body, and do our best to help it be ratified throughout the country by the 50 States. We must shackle Congress with the chains of the Constitution so that we will no longer be tempted to spend the public's money.

To argue that we have other statutory laws contradicts the lessons of history. Those who say a balanced budget should not be part of the Constitution might do well to reflect on what Thomas Jefferson said in a letter in 1793:

I place the economy as among the first and most important virtues and the public debt as the greatest danger.

I wish it were possible to obtain a single amendment to our Consitition. I would be willing to depend on that for the reduction of our Government to the genuine principles of our Constitution. I mean an additional article taking from the Federal Government the power of borrowing.

The amendment before us today may not be perfect. I happen to think the amendment pending to the amendment that Senator HATCH brought to the floor would be an improvement. But I want to say that no compromise is ever perfect. As far as the balanced budget amendment, I am going to support the amendment with or without the amendment that is now pending before us.

The people overwhelmingly demand that we pass a balanced budget amendment to their Constitution. Everywhere I go in my State, people come up to me and ask the question: "When is Congress going to balance the budget? When will we see an end to deficit spending?"

I think Congress made it clear, with statutory laws passed in 1978, 1979, 1980, and 1985, that statutory laws always allow wiggle room for those in the Congress. Despite these statutory laws, we have continued to further burden the working Americans with a growing national debt.

Mr. President, We have reached a point now where each and every American has to pay $750 per capita to pay their share of the interest on the national debt. So that means the working family of four has to pay $3,000 a year just to pay its share of servicing the debt. Whether they pay it in direct taxes or indirect taxes, it comes out of their sweat, blood, tears, labors, efforts, capital, and savings. It comes out of their future. I think it is most important that we pass this amendment so we can, once and for all, get the Government on a track like most of the State governments, like most of the local governments in this country, and like the household budgets in this country.

Finally, I wish to ask those who believe we can continue on this road of fiscal irresponsibility to explain to the farmers in my State, or in other States—Idaho is not unique in the fact that our farmers are in bad trouble—why the Government is exempt from the laws of the economy; why the Government can somehow go on and keep borrowing money and keep spending money when the farmers are not able to do it; why the Government continues to spend what it does not have, while they must see their farms auctioned off because real interest rates are too high and their products cannot compete overseas?

If anyone believes deficits can continue while the Federal interest payment slowly becomes the largest item in the Federal budget, I would like to ask them to come with me to Idaho and talk to some of the sawmill workers who have had pay cuts recently—those who are still lucky enough to have a job.

Mr. President, 659 sawmills that have closed in the Pacific Northwest, in Oregon, Washington, and Idaho in the last 5 or 6 years: 695 out of 2,000. A lot of that can be traced to high interest rates, big Government spending, and unfair competition from foreign timber producers.

So this is one of the reasons why I support this amendment. It is important for people. We are talking about the lives of families and people in this country. Those who would be opposed to a constitutional amendment to insist on a balanced fiscal policy by the Federal Government should come and explain to the Idaho miners why we are funding their competition in other parts of the world. Through the international banks that we finance, like the World Bank, the IMF, and others, we are directly financing their competition.

These people deserve to have their Congress allow them to correct their Nation's most serious problem. In my judgment, Mr. President, it is time we listened to the people. It is time we changed this Congress' miserable record on this issue. We should and we must heed the words of the Founding Fathers, and we must pass this balanced budget amendment.

In conclusion, Mr. President, I would like to ask unanimous consent to have printed in the RECORD the March 11, 1986, Wall Street Journal article by Mr. James Davidson, chairman of the National Taxpayers Union. I ask my colleagues to read this article.

Mr. President, the title of the article says it all: "Put Gramm-Rudman in Stone."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

From the Wall Street Journal, Mar. 11, 1986]

PUT GRAMM-RUDMAN IN STONE

(By James D. Davidson)

We all know the scene from the "Peanuts" comic strip where Lucy asks Charlie Brown to kick the football. The last time, and every time before that, Lucy jerked the ball away at the last minute, and Charlie Brown landed flat on his back. Charlie wants to believe Lucy when she says this time will be different. But what happens?

It's the same old Lucy—and Charlie Brown lands on his back once again.

Now picture this scene. "We promise," says Congress. "We'll trim these deficits. We'll balance the budget. Just give us one more chance. Let's follow the Gramm-Rudman-Hollings plan to eliminate deficits by 1991."

We have heard repeated promises from our nation's leaders about how the budget will be balanced by some certain date—usually, as here, a date four or five years in the future. This time, Congress and the president have a law reinforcing this promise with a new budget process designed to fulfill it. The mood of Washington appears to have changed.

But—wait a minute here. A federal court has just declared the law's key enforcement mechanism unconstitutional. Congress will miss the first-year (1986) deficit reduction target by roughly $36 billion. The president and his Democratic adversaries are singing the same old songs about how their priorities are not going to be cut, no matter what. More than half the budget—including Social Security and other huge entitlement programs—is declared off-limits entirely. And a growing chorus is complaining that the required cuts would be, well, just too painful, and maybe we should learn to live with hefty deficits well into the 1990s.

In the face of all this, should the American people play Charlie Brown?

Congress passed a balanced-budget statute once before, amid much hoopla, in 1978. That law promised to eliminate deficits by 1981. Seven days into the 1981 fiscal year, it was quietly repealed.

But Congress need never actually repeal a balanced-budget statute to run a deficit. When Congress passes a budget-busting law that conflicts with a previous law, that old law is implicitly repealed and superseded, pure and simple. No Congress can bind any succeeding Congress.

The warning signals are plain to see. The special treatment accorded to Social Security, veterans benefits and other entitlement programs may soon be extended to other categories of programs. Education. Farm programs. Foreign aid. Recall the political undertow of last summer's budget resolution. Whatever chance Congress had for meaningful deficit reduction lay in a compromise package that would have frozen spending for entitlements and defense. The deal was both or neither. It turned out to be neither.

When it comes to budget deficits, Congress may have reached the same stage Neville Chamberlain did when he belatedly realized that "peace in our time" wouldn't work. But we see no signs of a Churchillian mood. Congress still thinks it can find an easy way out.

Some members hope that budget deficits will go away. Recent projections show the deficit will (under current programs) decline to "only" $120 billion by 1990. But these rest on so many hopeful assumptions about

the economy and spending patterns that we could easily be back to $200 billion "as far as the eye can see."

The Gramm-Rudman-Hollings plan may help phase in a balanced budget, but only if it can be made binding in some way. The best way would be to enact the balanced-budget amendment to the U.S. Constitution. That couldn't be overridden by a Congress that finds budget-cutting impolitic.

This amendment was first proposed back in 1975. In that year, the national debt was one-third what it is today. Annual budget deficits were about one-fourth their present dimensions. And we were spending one-sixth as much as we do today on gross interest for the national debt. The delay has been costly—especially for America's children, who 10 years later owe an extra $60,000 in taxes just to pay the interest on what has already been borrowed.

What the balanced-budget amendment would do is force an uncluttered three-fifths vote to authorize deficits. Tax increases would require a constitutional majority of each house of Congress.

This would add accountability. If the American people want balanced budgets at responsible levels of taxation—and we know they do—they could pay attention to how their legislators vote on these questions. Members would not be able to conceal their true positions on deficits and taxes as they do today. If the American people are determined enough to reward or penalize incumbents accordingly on Election Day, we will indeed see a balanced budget before long.

Mr. SYMMS. I yield the floor.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, I will make a few brief remarks.

Mr. President, throughout my service in the Senate, I have sought a mechanism that would force Congress to act on deficits. I have proposed legislative changes to that end, beginning in 1975 with measures to sunset Government programs. In recent years, I have carefully examined several constitutional proposals and even offered one myself.

When the Judiciary Committee voted on balanced budget proposals last July, Gramm-Rudman-Hollings had not yet been conceived, let alone adopted. That statutory scheme is a viable fiscal policy tool which, I believe, can force Congress and the President to eliminate the deficits that have plagued us for much too long. That is why I voted for it. While Gramm-Rudman-Hollings has flaws, it is working.

We must give the concept of a mandated deficit reduction law a chance before we embark on the most permanent but uncertain road of all—amending the Constitution.

We will know within a year how effective Gramm-Rudman-Hollings can be in eliminating deficits. Any further action on deficit reduction mechanisms, such as the one before us, should be based on our experience under Gramm-Rudman-Hollings. We will then have a measure as to how well a legislative mechanism can work. It is certainly more desirable to tailor any budget process to the needs of the time than to be locked into a constitutional amendment that is difficult to modify when it needs change.

Although it is far from perfect, I believe that Gramm-Rudman-Hollings will eventually prove to have been a wiser choice than any constitutional amendment. I recognized long ago the frustrations that fuel the drive to amend the Constitution in order to balance the budget. During floor debate on a balanced budget constitutional amendment in August 1982, I noted that Congress is unable to discipline itself. We are all looking for mechanical devices to force us to do what is very difficult to do; that is, tell interest groups "no," whether they be defense or social programs or whatever they happen to be.

Later, in September 1984, during a Judiciary Committee meeting considered a balanced budget amendment, I said that the strongest argument for the amendment, and one that I subscribed to, is that we, in fact, must have a legislative and/or constitutional mechanism written into the law or the Constitution that requires us to do what is the most difficult thing for us to do in this Congress and is the most difficult thing for Presidents to do.

But now we have a potentially effective legislative mechanism in hand, while the constitutional amendment before us cannot become effective before 1991. Therefore, its adoption at this particular moment is not critical. We should wait for results from what is already in place.

The first freestanding sunset bill, which I introduced in 1975, would have terminated most Federal spending programs on a periodic schedule, to allow a review of program effectiveness. In its time, sunset was as controversial as Gramm-Rudman-Hollings is today. Had we adopted sunset legislation then, we might well have avoided many of today's problems.

I also introduced legislation to slow the creation of tax preferences and loopholes that offer special tax breaks to small groups of individuals or corporations, which the vast majority of taxpayers do not enjoy. My proposal also contained a provision for periodic review of all such tax provisions. Such a proposal could well have prevented the massive losses of revenues which plague our budget process and thereby reduced the levels of today's deficits.

Over the years, I supported many other efforts to control deficits. In 1985 and again in 1986, I offered, with Senators GRASSLEY, KASSEBAUM, and BAUCUS, a budget freeze which could have made a large dent in our current deficit problem.

I am convinced that the Gramm-Rudman-Hollings proposal represents a workable process for forcing deficit reduction. It is unlikely that the automatic sequester process will ever take effect for fiscal year 1987 or beyond. Instead, I believe that Congress will adopt a fiscal program that will achieve the target of a balanced budget by 1991.

In suggesting that we wait for results under Gramm-Rudman-Hollings, I do not agree with those who argue that deficits have become less of a problem than in prior years. They have not. Nor will they until Congress acts. The Congressional Budget Office now projects that deficits may decline over the next 5 years, perhaps reaching $104 billion by 1991. Much of the reason for these declining deficit projections relates to lower estimates of future spending which may or may not prove accurate. The more favorable CBO estimate also has to do with favorable economic estimates for the next 5 years, which also may or may not turn out to be accurate.

So when you look carefully at the figures, it is clear that the actual situation in which we find ourselves has improved little. Only the artificial baseline has changed, not the reality. We still need that action-forcing mechanism I have been seeking for the past 13 years. But I believe that we may now have that mechanism. It is true that it will take 5 years to reach a balanced budget. But I know of no economist who seriously believes that such great economic stimulus as a $200 billion deficit should be eliminated more quickly.

My reservations about the balanced budget amendment before us are strengthened by the fact that it would not be an effective addition to our deficit-fighting measures. I expressed these reservations when I voted to report the original Senate Joint Resolution 225 for floor action. Nothing has happened since then to alleviate those reservations.

First, and most fundamentally, the only national security exception in this proposal requires the existence of a declaration of war. Such a provision is too restrictive and unrealistic in these perilous times. The threats against which we must protect ourself are less clear cut than a formal state of war, but no less dangerous. We must be ready to protect ourselves against the development of new weapons systems that threaten our security. We must be prepared to carry out military missions short of all-out conflict which are essential to our security, and we must be able to react swiftly and effectively to situations which threaten American lives. In addition, there are economic threats that may pose as much of a danger to our national security as any military action. I believe it is most unwise to gamble the future security of this country on obtaining a three-fifths vote to authorize any deficit that may be necessary.

Senator HEFLIN's efforts in the Judiciary Committee, and here on the Senate floor, to broaden the national security provisions have not succeeded. This is a most serious defect in this balanced budget mechanism.

Second, Mr. President, I am concerned that this amendment may be interpreted in the future as expanding the President's impoundment powers. The amendment does not say that, of course. The amendment does say, however, that outlays shall not exceed receipts. And rate of outlays is not directly controlled by Congress. It is the executive branch that primarily controls outlays. It is hard to escape the presumption that the President will have a prime responsibility in enforcing this amendment. The committee report reinforces this feeling when it says: "One possible way to control this problem is through Presidential action."

Finally, the supporters of this amendment have offered no explanation of what practical means can be found to control the levels of spending or receipts. On the spending side, a 1 percent estimating error means a $10 billion deficit. On the receipts side, a recession can lead to a rapid decline in receipts collection—1982 presents a good example of what can happen. For that year, the President overestimated revenues by $33 billion, while underestimating spending by $33 billion also. In its budget for that year, Congress overstimated revenues by $40 billion, while underestimating spending by $33 billion; 1982 was a difficult economic year, but we can expect others in the future. The amendment offers no practical means of dealing with such uncertainties, which are bound to arise.

I listened with great interest to my colleague from Idaho suggesting that we now chisel in granite what in fact has been legislated.

I always think it is better if we can solve a problem by a piece of legislation rather than a constitutional amendment. We should do it.

I suggest to all that I believe this is premature. We are now wrestling with the ability to deal with the implementation of Gramm-Rudman-Hollings, which I voted for and support.

I think it is not appropriate for us to be amending the Constitution at this moment. If, in a year from now, it is not working, then I am prepared to come back and look at this. But now let us deal with what we have before us. Let us not chisel anything in stone or granite until we know whether or not it works. It seems to me we have an opportunity to find that out.

Mr. METZENBAUM and Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I understand the desire to proceed quickly, and I also want to accommodate my friend from Maryland. I want to speak briefly in opposition to this well-motivated amendment. I agree with my friend from Idaho, Senator SYMMS, about what is happening to the individual. Incidentally, those figures now have gone up to $820 per person from $750 per person.

This is a well-motivated amendment but it is an amendment that should not pass. There are two basic difficulties with it. No. 1, it complicates an already difficult task of getting a two-thirds majority in this body to vote for it. It makes it infinitely more difficult to pass over in the House side.

Second, none of us knows what is going to happen 5 years from now, or 10 years from now. For example, if 5 years from now or 10 years from now we see that the roads and bridges of our country need repair and we vote a 10-cent increase in the gasoline tax, we would then have to reduce other expenditures, other revenue, Social Security, whatever it might be, and I really think that is not the direction we ought to be going.

I just think that there is not a single person here who knows what is going to happen 5 years from now, 10 years from now, much less 20 or 30 years from now. I strongly urge that we defeat this amendment. Despite the good motivation of the sponsors, it is not sound public policy.

Mr. DOMENICI and Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I wonder if I can ask the distinguished prime sponsor of the amendment a couple of questions.

Might I ask my friend, the Senator from Idaho, do I understand that, in talking about 20 percent of GNP——

Mr. McCLURE. The language of the amendment is 20 percent of national income, and, if the Senator will refer back to the discussions around the balanced budget constitutional amendment report in 1982, there is an extensive discussion of what that means.

Mr. DOMENICI. So whatever that definition is, am I correct that we are charged with getting there?

Mr. McCLURE. The Senator is correct—not only charged, but mandated.

Mr. DOMENICI. We are mandated to get there in a manner by reducing what annually?

Mr. McCLURE. Reduce outlays by 1 percent of national income per year until we have reduced from the current 24 percent of GNP as defined today down to 20 percent of national income.

Mr. DOMENICI. And the Congress is going to have to do that, as the Senator understands the amendment?

Mr. McCLURE. The Senator is correct.

Mr. DOMENICI. Do I understand that all outlays of the Government are the same? Are outlays outlays; that is, Social Security checks are outlays?

Mr. McCLURE. They are outlays.

Mr. DOMENICI. And what we spend for the highways are outlays?

Mr. McCLURE. Those are outlays.

Mr. DOMENICI. And to the extent that the definition of the percentage, the 20 percent, to the extent that that is measured in some kind of revenues here, all revenues are the same, whether they are revenues for Social Security or revenues for the trust fund for highways?

Mr. McCLURE. The Senator is correct.

Mr. DOMENICI. So that what we are saying is we could end up with Social Security and Medicare growing proportionately as they have doubled in the past 15 years, if we do not touch them, then we have to cut the other things to get to that 20 percent?

Mr. McCLURE. The Senator would be correct.

Mr. DOMENICI. I thank the Senator.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I move to table the amendment.

Mr. HATCH. Mr. President, I ask that the Senator withhold his motion. I would like to address this amendment.

Mr. METZENBAUM Then I will have other amendments to offer.

Mr. HATCH. Then I will have 10 other amendments.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that I be permitted to be heard for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, the only reason I am moving to table is I do not care whether the amendment is agreed to or not, but we have been trying all afternoon to bring debate to a close and have final passage on this constitutional amendment. We know one Member wants to get away. There has been delay and delay from the proponents. The only reason I am moving to lay it on the table is so that we might move forward and have a final vote tonight.

Mr. HATCH. Will the Senator yield?

Mr. METZENBAUM. I yield.

Mr. HATCH. I am asking the Senator, as one of the key proponents of this amendment and as chairman of the Constitution Subcommittee, who has had to handle this from the beginning, all the way through the end, along with Senators THURMOND, DECONCINI, and SIMON, to withhold his motion to table until I make my remarks on this. Then he can move to table. All I want to do——

Mr. METZENBAUM. Can the Senator assure us there will be a final vote up or down on passage soon?

Mr. HATCH. I cannot answer that. All I want to ask is that I be permitted to make my remarks. If he does not permit me, it will be the first time in the Senate when a Senator has prevented another Senator from speaking before making such a motion.

Mr. METZENBAUM. I withdraw my motion.

Mr. HATCH. I thank the Senator. The Senator knows I have worked hard all afternoon to try to bring this to a vote. I understand there may be people on our side having trouble meeting their schedule. It may come to a point where we have to agree on a time certain, go to third reading, and vote. All I can say is that we are trying to accommodate every Senator on this floor. This is an important amendment. I hope all 100 Senators can understand that. It is the Senator's side that we are trying to accommodate.

I understand from the majority leader that there may be some on our side who will be gone. We cannot afford any of ours to be gone. It will be a close vote.

With regard to the McClure-Mattingly amendment, as I read the amendment, it basically provides for a ratcheting down on a 1-percent national income until you reach the 20 percent of gross national product for such fiscal year.

I think this would be totally inconsistent with the intent of Senate Joint Resolution 225 to create a more neutral budget process, one that is not biased toward higher spending and taxes, but one that is equally unbiased toward lower spending and taxes.

The proposed amendment would sharply skew the system in favor of lower spending and taxes.

What we are trying to do is even up the system with this constitutional amendment to require a balanced budget or at least push toward a balanced budget.

While I personally support a spending limit based on a percentage of the GNP, I do not believe that it is appropriate to incorporate it in the Constitution. The purpose of Senate Joint Resolution 225, I emphasize again, is to create neutrality and to eliminate biases one way or the other.

The premise of the present constitutional amendment is the Congress should not be able to increase spending without voting to pay for such spending.

Basically, I cannot disagree with this amendment, except this is not the time to bring it to the floor.

If Congress is willing to vote for spending, then it is not the business of the Constitution to prevent the elected representatives of the people from doing it.

The intent, I am sure, is well intentioned.

I will just say this: To bring it to the floor at this particular time and try to substitute for the amendment that is a consensus amendment, I think, is a mistake.

In this sense, Senate Joint Resolution 225 does contain a spending limit. It is not an absolute limit based on—Mr. President, could I have order?

The PRESIDING OFFICER. There will be order in the Senate.

Mr. HATCH. In this sense, Senate Joint Resolution 225 does contain a spending limit. It is not an absolute limit based on GNP or any other external and uncontrollable limit derived from the principle that Congress will be required to vote affirmatively for new taxes to fund any new spending. That is a very real limit.

No. 1, one of the major objections I have to this amendment is not constitutional language in any sense of the word. Those who work with constitutional language, I think, would have to agree.

Two, Senate Joint Resolution 225 establishes a norm that the budget must be balanced. It does not dictate to future Congresses in perpetuity how those representatives must achieve that mandate.

This addition, however, would tie the hands of future Congresses.

Complex formulas of GNP or percentages, of the national income or ratios to national income would instead dictate what Congress could do.

Three, there have been absolutely no hearings or legislative history as to the meaning of terms. The authors of this amendment could have brought it to the Senate Judiciary Committee and asked for hearings on this matter, but they did not. I cannot blame them for bringing it now, and they have every right to do so. But I do believe, if we are going to have an amendment like this, it flies in the face of the bipartisan consensus that we have, and certainly, it seems to me, comes at too late a date because there have not been extensive legislative hearings on the meaning of terms as defined in this particular amendment.

I do not want to find fault with the authors of this amendment because I know they are sincere. I know they mean well, and I know their approach may be a valid approach down the line. But so is the approach that we have before the Senate at this time in the Thurmond constitutional amendment that has been filed as a substitute to Senate Joint Resolution 225.

With that, I hope that everybody in the Senate will vote down this amendment and we can go from there.

Mr. McCLURE addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Mr. President, let me respond only to the latter part of what the Senator has said as to whether or not the committee has had the opportunity to consider and discuss this particular amendment.

Mr. President, I know it is not really quite fair, but I would call the Senator's attention to the report of the Committee on the Judiciary, of which he is a distinguished member, on Senate Joint Resolution 13, the additional minority views, the 99th Congress, first session, which was published on October 23, 1985.

It discusses this subject matter and the discussions and deliberations of the Judiciary Committee with respect to this subject matter.

For the Senator to indicate that they simply have not had a chance to discuss is disingenuous in the extreme.

Mr. MATTINGLY addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. MATTINGLY. In response to the distinguished Senator from Utah, Mr. President, I would like to point out that, in the report of the Committee on the Judiciary that accompanied Senate Joint Resolution 13, then professor, and now U.S. Circuit Court Judge Robert Bork was quoted as saying:

> The long-term growth of Government's share of national wealth is a serious near-term threat to the vitality of the economy. Less obviously perhaps, rising Government spending is a long-term threat to American political freedom.

So I just point out that in the Judiciary Committee's own report, it is noted that the Federal share of the national income is too great and that it should be reduced.

The Senator from Illinois and the Senator from Utah have referred to this amendment as well-intentioned, well-motivated, and a valid approach. I would urge them to support it.

I thank the Chair.

Mr. HATCH. Mr. President, as the chairman of the Constitution Subcommittee, I do take some issue with the Senator from Idaho. Yes, we have discussed approximately 60 to 100 constitutional amendments to balance the budget since I have been on the Judiciary Committee. And since I have been chairman of the Constitution Subcommittee, I suppose we have gone through at least 40 constitutional amendments to mandate a balanced budget. I can tell you right here and now that I have never seen this amendment before today nor have I seen this particular concept before today. Nor have I seen this particular form of amendment before today, which is certainly not in the form of a constitutional amendment.

That is procedure, I admit. That is not substance, as far as that goes.

Mr. McCLURE. If the Senator will yield, he would agree, would he not,

that there was a limitation discussed on the floor of the Senate in 1982——

Mr. HATCH. In the balanced budgets tax limitation amendment at that time, which was different from this.

Mr. McCLURE. But the concept was discussed.

Mr. HATCH. Yes, the concept was discussed but that is not the point of the Senator from Utah.

Mr. McCLURE. Would the Senator also agree that the Senate Committee on the Judiciary last fall reported Senate Joint Resolution 13?

Mr. HATCH. The Senator will agree to that.

Mr. McCLURE. And that the report on that included a discussion of what were total receipts, total outlays, national income, in the context of a concept exactly the same or substantially similar to that amendment now before us?

Mr. HATCH. There is no question that some of those concepts were discussed in Senate Joint Resolution 13. However, Senate Joint Resolution 13 dealt with receipts; not an increase in national income without a constitutional majority. It was a completely different concept. It certainly was not this concept at all.

Second, there is a lot of different language in here, and every time you have a word in a constitutional amendment, we go through untold difficulties with constitutional experts all over the country on these amendments. Every word has a particular meaning that is very difficult to define in this context and this shortened time period without having time to really look at it and determine just what the constitutional implications are.

Having gone through it time after time with constitutional amendments, I have to confess that having one brought at the last minute like this that has these kinds of implications, and which has a really different concept than what we had in Senate Joint Resolution 13, which we decided not to bring to the floor of the U.S. Senate, I think really mandates that this be voted down so we have time to examine it and also hold hearings on it.

Last but not least, Mr. President, we have worked for 10 years to get to a consensus amendment that we could do something with. Frankly, we have a consensus amendment. This would completely change the tenor of that amendment. We have no doubt that the Senators are sincere, that there are some good concepts here, but we would like not to have to change it this way.

Mr. President, I am prepared to vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. McCLURE. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I shall take but a couple of minutes on this. I just want to say that we have worked long and hard to try to craft an amendment here that will accomplish the goal. The amendment that has been offered by these distinguished Senators, for both of whom I have the highest respect, I think is a complicated amendment. We ought to have a hearing on it and later it could be offered as a statute or as a constitutional amendment. But to bring it in here at this late date when we have had no hearing on it, I think, would be a mistake.

For that reason, Mr. President, I move to lay the amendment on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to table.

Mr. THURMOND. Mr. President, we had already gotten the yeas and nays, I thought. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay the amendment on the table.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER (Mr. MATTINGLY). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 87, nays 13—as follows:

[Rollcall Vote No. 34 Leg.]

YEAS—87

Abdnor	Exon	McConnell
Andrews	Ford	Melcher
Baucus	Glenn	Metzenbaum
Bentsen	Gore	Mitchell
Biden	Gorton	Murkowski
Bingaman	Gramm	Nickles
Boren	Grassley	Nunn
Boschwitz	Harkin	Packwood
Bradley	Hart	Pell
Bumpers	Hatch	Pressler
Burdick	Hatfield	Proxmire
Byrd	Hawkins	Pryor
Chafee	Hecht	Quayle
Chiles	Heinz	Riegle
Cochran	Hollings	Rockefeller
Cohen	Inouye	Roth
Cranston	Johnston	Rudman
D'Amato	Kassebaum	Sarbanes
Danforth	Kasten	Sasser
DeConcini	Kennedy	Simon
Denton	Kerry	Simpson
Dixon	Lautenberg	Specter
Dodd	Laxalt	Stafford
Dole	Leahy	Stennis
Domenici	Levin	Stevens
Durenberger	Long	Thurmond
Eagleton	Lugar	Trible
East	Mathias	Warner
Evans	Matsunaga	Weicker

NAYS—13

Armstrong	Humphrey	Wallop
Garn	Mattingly	Wilson
Goldwater	McClure	Zorinsky
Heflin	Moynihan	
Helms	Symms	

So the motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. THURMOND. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, if I could have order, I might be able to indicate to my colleagues what the program will be for the remainder of the evening.

Mr. President, as I understand, there are two additional amendments to be offered to the balanced budget amendment which will be accepted by the managers of the bill, one by the distinguished Senator from Colorado, Senator ARMSTRONG, and one by the distinguished Senator from Tennessee, Senator GORE.

Mr. THURMOND. And Senator EXON.

Mr. DOLE. And the distinguished Senator from Nebraska, Senator EXON.

Mr. STENNIS. Mr. President, let us have order so we will be able to hear the majority leader.

The PRESIDING OFFICER. Senators will please retire from the well and the Senate will please be in order.

The majority leader.

Mr. DOLE. At that time, following the adoption of those two amendments we would go to third reading and then there would be a unanimous-consent propounded that the vote occur on the adoption of Senate Joint Resolution 225 at 2 p.m. on Tuesday, March 25, 1986 and that paragraph 4 of rule XII be waived. So the vote would occur on final passage at that time.

If no one objects to that, the only other thing we would do this evening would be take up the committee funding resolutions.

I am prepared to suggest if there should be a request for a RECORD vote on that this evening we could have that vote tomorrow.

So we are down to the wire on committee funding. As I understand, Friday is sort of the last day we can fund the committee staff.

Mr. METZENBAUM. Mr. President, will the Senator yield for a question?

Mr. DOLE. I am happy to yield to the Senator from Ohio.

Mr. METZENBAUM. I know of the Armstrong amendment. It is my understanding that the Exon-Gore amendment is identical to the amendment that this body turned down, and that I offered yesterday, by a vote of

53 to 43, although they told me that they might change a word or two.

Is that in substance correct?

Mr. DOLE. Mr. President, I yield to the distinguished Senator from Illinois. I do not know.

Mr. SIMON. If my colleague from Ohio will yield, there has been a substantial change in his amendment.

Mr. METZENBAUM. Then I do not think the Senator can expect us to accept it without knowing what it is and without having an opportunity to vote on it. We certainly should know what is in the amendment.

What is the substantial change? Would the Senator tell me that?

Mr. DOLE. Mr. President, I am happy to yield to the Senator from Nebraska to respond to the Senator from Ohio.

Mr. EXON. Mr. President, it seems to me that tempers are extremely short in this body at the present time. I have tried to calm the waters as best I can. Sometimes I stir the waters. I am in a calming procedure right now.

There has been considerable discussion over an amendment that would address the matter of the President submitting a balanced budget or stating reasons thereof to be incorporated into the amendment.

That was a suggestion that I had made, and I had several cosponsors to that.

I was basically convinced by my friend from Illinois and my friend from Utah that that should not be put into the amendment for reasons best known to them. I thought they were wrong at the time, but I did want to understand the amendment.

I was at the White House yesterday at the request of the President when we had a vote on the amendment offered by the Senator from Ohio. Had I been here I would have voted that because I think it is basically a good amendment.

We have been trying to come up with some language here that would be acceptable basically because the managers of the bill want to get all the votes that they can, for obvious reasons. We could not come up with the correct language for reasons best known to those who could not come to an agreement.

Finally, everyone said let us accept the language of the Senator from Ohio, and I said in the spirit of cooperation and calming of the waters I agree, but I said I will not introduce or be a part of the introduction of a motion that was drafted and worded by any other Senator.

I have not made what respect I have in this body by stealing the wording of another Senator.

So I went to the Senator from Ohio, asked him if he would agree to minor word changes to be substantive enough to qualify as far as not being repetitious.

And the Senator from Ohio said he did not care to enter into such an agreement. We then offered to the Senator from Ohio, if we got unanimous consent to reconsider his motion, would he agree with that. And he said, "No, I will not agree with that."

With that attitude by the Senator from Ohio, the Senator from Nebraska, rightly or wrongly, said, "Well, if that is his attitude, I will take his language, because I made the offer to him."

That agreement was agreed to by the junior Senator from Tennessee, who has been very active and supportive of the general efforts. And so, that is where we are and that basically is what the amendment is. We are making some changes that will be substantive enough to clear any problems from a procedural standpoint. But it basically is the amendment offered yesterday by the Senator from Ohio that he now seems to oppose.

With that, in a few moments I will call up the amendment.

Mr. METZENBAUM. I am asking what it is. I am just asking what the changes are.

Mr. DOLE. I will be happy to get out of this.

Mr. METZENBAUM. Just tell me what the changes are and I could very well step aside. Show it to me.

Mr. DOLE. The best way to do that is if they are prepared to offer that amendment now.

Mr. EXON. The amendment is being retyped at this very moment.

Mr. METZENBAUM. Why do we not go to the Armstrong amendment?

Several Senators addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. Let me indicate to my colleagues that it might be in their interest to hang around just for a few moments to determine what that amendment is.

Mr. METZENBAUM. I would be perfectly agreeable if the Senator wants to go forward with his unanimous-consent request subject only to these two amendments.

Mr. DOLE. I yield to the Senator from Alabama.

Mr. HEFLIN. If the majority leader would yield, I would suggest to the majority leader, rather than having unanimous consent to vote on the 25th at 2 o'clock, that we make it at 4 o'clock. In my judgment, there have been some changes in the language which could drastically have changed some of the definitions that were contained in the conference report. I know the Armstrong amendment is to be added in, which, basically, I endeavored to try to get in the committee and I support, but I am not sure that I accomplish what he intends to do. I think the period of time will allow some scholarship and some study. It may well be that when we meet on Tuesday, knowing how Tuesdays go, there is not much that starts until about 2 o'clock in the afternoon. I think there needs to be 2 or 3 hours in the afternoon before you vote on this.

Mr. DOLE. I have no objection to that, if there are no other objections.

Mr. WEICKER. Reserving the right to object, I ask the majority leader and also the Senator from Alabama what is contemplated in his 2 hours of debate; not a period of time when further amendments could be offered prior to final vote? That is not what the Senator is asking for?

Mr. HEFLIN. It could well be there could be some amendments that have to clarify some language, I would say. In my judgment, they would be technical amendments.

Mr. WEICKER. I am not sure I could agree with that. I think this only exemplifies why you should not try to run the United States of America on a day-to-day basis through the Constitution.

Mr. DOLE. Mr. President, let us proceed with the amendments that are pending and see what happens after that.

AMENDMENT NO. 1665

(Purpose: To prohibit borrowing on the credit of the United States unless three-fifths of both Houses of Congress approve a waiver)

Mr. HATCH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Utah [Mr. HATCH], for himself, Mr. THURMOND, Mr. DECONCINI, Mr. SIMON, Mr. ARMSTRONG, Mr. BOREN, and Mr. GRAMM, proposes an amendment numbered 1665 to Amendment No. 1652.

Mr. HATCH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

On page 1, line 10, strike "," and insert in lieu thereof the following:

"Nor shall borrowing on the credit of the United States be authorized to finance an excess of outlays over receipts for any fiscal year,".

The PRESIDING OFFICER. There will please be order so the Senator can be heard.

Mr. HATCH. Mr. President, I send this amendment to the desk on behalf of Senators THURMOND, HATCH, DECONCINI, SIMON, ARMSTRONG, BOREN, and GRAMM. This is basically the Armstrong-Boren amendment that we have agreed to in language.

In 1982, the Senate adopted an amendment, authored by the Senator from Colorado, to require a three-fifths vote to increase the public debt.

This amendment I have just sent to the desk achieves, in more appropriate constitutional language, many objectives of the earlier Armstrong amendment and Senator ARMSTRONG has helped to write this.

Article I, section 8, states that the Congress has the authority to "borrow money on the credit of the United States." Unfortunately, this authority has been used to amass more than $2 trillion of public debt.

This amendment states that Congress shall not be empowered to authorize further borrowing on the credit of the United States unless three-fifths of both Houses provide for a specific excess of outlays over receipts. In other words, if you want to lift the debt limit, you are going to have to have a three-fifths vote from here on in, assuming that this amendment passes and is ratified by three-quarters of the States.

If, for any reason, Congress anticipated that a fiscal year's financing might result in a deficit, Congress would have to authorize the specific excess of outlays over receipts and borrowing to fund the deficit by a three-fifths vote. The language "for any fiscal year" in my language is intended to clarify that this amendment does not ban borrowing within or during a fiscal year as long as no borrowing is necessary at year's end to reconcile outlays and receipts. This will allow the Government to deal with fluctuations in the way receipts are actually collected. Thus, the amendment would continue to operate on a fiscal year basis.

The PRESIDING OFFICER. Will the Senator withhold for a moment?

Mr. HATCH. I would be delighted to.

The PRESIDING OFFICER. Will there please be order in the Chamber? Senators will please retire to the cloakroom so the Senator from Utah may be heard. Will Senators please retire to the cloakroom?

The Senator will please withhold.

Mr. HATCH. I would be delighted to.

The PRESIDING OFFICER. Will Senators and staff please retire to the cloakroom with their conversations until such time as the Senator from Utah is finished?

The Senator from Utah.

Mr. HATCH. I thank the Chair.

As I pointed out, the amendment would continue to operate on a fiscal year basis. The Government would not need to shut down outlays in January because most taxpayers filed their returns in March. This language is flexible, it is workable, but it does forbid the increase of the statutory debt limit or other borrowing actions without a three-fifths authorization.

The intent is to preclude Congress from authorizing by debt limit increases or otherwise borrowing to finance a budget deficit. Under the operation of Senate Joint Resolution 225, with this change, Congress would most likely authorize borrowing within the same bill that authorizes a specific excess of outlays over receipts. This would require a three-fifths vote.

This amendment also has the virtue of using constitutional language. It also avoids freezing into the Constitution the notion of a public debt limit. This language should be read in the context of the entire language of Senate Joint Resolution 225. It does not forbid all borrowing of the Government without a three-fifths vote. It only requires a supermajority for borrowing in any fiscal year required to fund a deficit in that fiscal year.

This language will not end sound financial practices. It will restrain the practice of raising the public debt to accommodate endless borrowing.

In that regard, I want to thank the distinguished Senator from Colorado and the distinguished Senator from Oklahoma, Senators ARMSTRONG and BOREN, and tell them that I think they have done the Senate and the constitutional process a service by putting this into the constitutional amendment that the distinguished Senator from South Carolina has proposed.

I also believe that Senator GRAMM has added a great deal to this as well. I believe it is a good amendment. I believe it strengthens the constitutional amendment. I believe it is in the best interests of the constitutional language, and I believe that most people in this country would like to see this type of a supermajority vote necessary in order to continue to raise the debt ceiling.

Mr. ARMSTRONG and Mr. HEFLIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ARMSTRONG. Mr. President, I rise to express my appreciation to the Senator from Utah for developing this language in response to the concerns which the Senator from Oklahoma, [Mr. BOREN]; the Senator from Texas, [Mr. GRAMM]; and the Senator from Alabama, [Mr. HEFLIN]; and others have expressed.

I am really delighted by the resolution of this, not necessarily because I think this is the only formulation of language which would serve the intended purpose or even necessarily that it is the best possible formulation. But I think it is practical, I think it is workable, and the reason why I particularly want to express publicly my appreciation to our colleague from Utah is that he has been trying to get everybody on board the same bandwagon.

You have an enormous majority here that favors the general concept of a balanced budget amendment. But fallen to ORRIN HATCH is the task of trying to get a two-thirds majority behind some particular formulation of it. As one who has harassed him, nipped at his heels, phoned him, sent him letters, and insisted that we had to have something in there about the debt limit, I want to say to my brother, I am very grateful to him for doing it.

I want to take just 1 more minute to respond to a criticism that I anticipate that somehow this will be subject to interpretation, and that there might be some remaining ambiguity. I guess I have looked at 25 different formulations at this basic proposition in the last 2 years. Every one of them has some ambiguity in somebody's opinion. Frankly, I do not care about that. I will tell you why. Because, unlike the balanced budget amendment, the no-debt limit portion of the amendment is self-enforcing. Not only would the courts enforce it, but more important and more to the point, the bond markets will enforce it.

Any ambiguity which remains after the passage of this will be resolved in an inclusive way. In other words, if there is a doubt of whether or not Congress acted properly to authorize the issuance of more public debt, I will tell you right here and now what ever any Congressman or Senator says or what ever the Supreme Court says, the bond markets will see to it that the intent of this is faithfully adhered to.

So I congratulate the Senator from Utah, and I really do thank him for helping us to get over this hurdle.

Mr. HEFLIN addressed the Chair.

Mr. EVANS. Mr. President, will the Senator from Colorado yield?

The PRESIDING OFFICER. The Senator from Alabama.

Mr. HEFLIN. Mr. President, in the committee I offered an amendment and then withdrew it with the idea that it would be worked out. I am glad that we are making some progress, and may have made sufficient progress.

However, there are some aspects of this I think the Senate ought to realize. You are changing the raising of the debt ceiling to a three-fifths vote. It means that from now on, since this is all debt ceiling as you would have it, in the future after the present debt ceiling would run you would not have debt if there was not an excess of outlays over receipts.

So what it in effect says is that after a certain period of time all future raising of the debt ceiling will have to be done by a three-fifths vote. And I am not sure that is a bad requirement. But I think you had better realize that.

The second aspect of this is the language of section 1 that this is added to requires only the action of three-fifths of both Houses of Congress. It does not involve the presentment to the President. It eliminates the President

from the debt ceiling process, and of the raising of the debt ceiling.

I really think we ought to have the President involved in raising of the debt ceiling. I really think if you are going to have an unbalanced budget that the President ought to be involved in that. But according to the colloquy that we had yesterday, there is no question now that the presentment to the President under section 1 is eliminated.

I think we are adopting language from section 8 of the Constitution, article I, which talks about the credit of the United States. And I have not yet had an opportunity to thorougly research and go into this. I hope that there is no ambiguity on this as to the general obligation of the United States as opposed to revenue bonds.

Many States have interpreted their constitutions in a manner that revenue bonds do not involve the general obligation or the general credit of the State. I have not studied this. And I will do it. But I think this needs to be studied, and during this period of time, I would suggest staff and others work on this to be sure that the word "borrowing" on the credit of the United States is sufficiently broad to cover all aspects of borrowing—not just revenue sharing, not general obligation but all aspects of it.

I think that ought to be carefully looked into. I am a little bit worried from the language that was in the former Armstrong amendment in that there you made the public debt permanent. And you had a base to start from.

That language is not in it. And this language has just come about now in the last hour or two, and we have not had an opportunity to research it and study it. But before, there was a purpose in making the public debt permanent and tying therefore the raising of the public debt by the three-fifths vote that was required tying it to that permanency of the public debt.

Again, it may not be any problem on this but I do think that these matters need to be looked into. But there are some substantial changes that will occur. You will eventually have the situation of where you reach a debt limit, and after you reach the debt limit you will not have any increase in debt under a constitutional amendment like this unless outlays are in excess of receipts.

From then on it would mean that the raising of the debt ceiling would have to be done by a three-fifths vote of the whole Members, of the whole Membership of each House which means 61 votes here, and I have not figured out what the three-fifths or 60 percent of the whole Membership of the House would be.

It also in accordance with the colloquy and the language here eliminates the President from the debt ceiling process. And you do not have representation. I merely point these out to say that maybe in the meantime we ought to be carefully considering this. When we come back it may well be that technical amendments should be made relative to that matter.

So I at this time intend to support this amendment. I do not intend to call for any rollcall vote since the managers of the bill want to accept it, and since I am in general agreement with it.

But I do raise some concerns which I hope will be thoroughly studied in the interim between now and the time that we finally vote on Senate Joint Resolution 225, the constitutional amendment.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. BOREN. Mr. President, I want to join in thanking my colleague from Utah for working so hard on this amendment and also to commend my colleague from Colorado who first expressed the very serious concerns that we make certain that if we pass a budget-balancing amendment, that we will really get the job done. Many of us have had the experience of seeing the budget-balanced on paper year in and year out. We come up with estimates that indicate what our income is going to be, and, of course, we overestimate that always.

We come up with estimates of what our outlays will be and we always tend to underestimate the amount of outlays. So we have had balanced budgets on paper at the beginning of many years around here only to find out that by the time the year ends we are many billions of dollars in the red.

Many of us want to make sure we send to the people for ratification a proposed amendment to the U.S. Constitution that is really an effective one, that we make certain that we balance the actual outlays of this Government with the actual income of this Government.

I think that this amendment assures that this provision will be effective in that regard.

The adoption of this particular provision will assure that we cannot increase the debt of the United States without an action by a supermajority, and that means that we will have to balance the actual income and outlays of this Government on an annual basis. That is exactly what we should be striving to do.

I want to commend all of those who had a part in making certain that when we present this amendment to the people it will not be a mere slogan but it will be effective in doing exactly what it purports to do.

I would like to ask the Senator from Utah a question in regard to it.

There has been an issue raised or a question raised in regard to agricultural programs. We, of course, have many agricultural programs which involve the granting of loans to farmers on an individual basis. We have programs that operate through the CCC, the Commodity Credit Corporation, on a revolving fund basis. So there is, of course, a temporary extension of the creditor loans of the Government of the United States in the operation of these agricultural programs. But on a fiscal year basis, the operation of this particular program has never been deemed by itself to constitute an increase in the national debt limit or the total borrowing authority of the Government of the United States.

I would ask my colleague from Utah if I am correct in assuming that the kind of agricultural programs that I have described would not be constrained by the language of this amendment, that this amendment, instead, is dealing with the total borrowing of the U.S. Government on a fiscal year basis to assure that we are not adding to the national debt at the end of a fiscal year.

Mr. HATCH. If the Senator will yield, the Senator raises a very good point. The fact of the matter is the intent of this amendment is only with regard to financing, borrowing to finance the deficit. It would not affect the other matters that the distinguished Senator is concerned about, the CCC or the other agricultural matters that he is concerned about.

Mr. BOREN. As I understand, Mr. President, it merely says that the borrowing on the credit of the United States would not be authorized, any additions to the borrowing on the credit of the United States, without a special vote. That is the reason we added the words "to finance excessive outlays over receipts for any fiscal year." Is that correct, that it is our intent that it not apply to the agricultural programs?

Mr. HATCH. The Senator is absolutely correct.

Mr. BOREN. Mr. President, I thank my colleague from Utah. Again, I commend him and my colleague from Colorado for their actions. I hope that if we pass an amendment to the Constitution to balance the budget, that it will get the job done. I know that people in the future will realize the debt of gratitude that they owe him and others who have participated in this process.

Mr. DECONCINI addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. DECONCINI. Mr. President, let me rise to express the appreciation of this Senator to the Senator from Oklahoma and particularly the Senator from Colorado. He has been very

consistent in his beliefs. We worked 3 years ago on this particular financing issue and the three-fifths vote. I think a great deal of credit goes to him for being willing first to negotiate on it but credit goes to him for being willing first to negotiate on it but without giving up his underlying principle, that is, to raise the national debt you have to have a three-fifths vote. It is right on target and is what this country needs. It has made a very definite improvement in this amendment. I think it is going to be well received in this body and hopefully in the House and when it is referred to the people for ratification.

I also thank the Senator from Utah for being, as usual, willing to work out something that we did try to do in the Judiciary Committee without jeopardizing the simplicity that we tried to maintain in this bill and also incorporating a good, solid financial idea.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, let me address two or three questions to the Senator from Utah or the Senator from Colorado.

I want to ask a couple of questions pursuant to the questions raised by the Senator from Oklahoma about farm programs.

For example, the Farmers Home Administration has two loan programs, a direct loan program and a guaranteed loan program. We score the direct loan program as an outlay; is that not correct?

Mr. HATCH. It applies only with regard to borrowing.

Mr. BUMPERS. I am sorry, I did not hear the Senator.

Mr. HATCH. The language of this amendment applies to each fiscal year. It applies to financing excess of outlays over receipts. In other words, it applies to finance borrowing to raise the debt limit, if that is the only way it has to be. But it does not interfere with the programs the Senator is concerned about. I think we made that clear in our colloquy with the distinguished Senator from Oklahoma.

Mr. SARBANES. Will the Senator yield for a moment?

Mr. BUMPERS. Yes.

Mr. SARBANES. Will the Senator explain to us why that is the case? I have read the amendment. Why is it the case that on certain programs, loans would be made without any limitation or restriction, would not be affected by this provision?

Mr. HATCH. The language in this amendment is intended to clarify that this amendment does not extend borrowing within or during a fiscal year as long as no borrowing is necessary at year's end to reconcile outlays with receipts. In other words, it permits borrowing by the farm programs within or during any particular year. That language makes that very clear.

Mr. SARBANES. Will the CCC be covered.

Mr. HATCH. It will not be covered.

Mr. SARBANES. Not at all?

Mr. HATCH. Not at all. It would not be covered.

Mr. SARBANES. How about student loan programs?

Mr. HATCH. That would be the same principle.

Mr. SARBANES. The student loan programs would not be covered?

Mr. HATCH. That is correct.

Mr. SARBANES. So if a program can be set up on that basis, whatever the program may be, it would not be covered by this amendment?

Mr. HATCH. So long as it is within that fiscal year.

Mr. SARBANES. So that in any instance that we might want the program not to be subjected to this, it could be set up with factors comparable either to the agricultural loans or the student loans, is that correct?

Mr. HATCH. That is correct. You have to say that this amendment has to be read in the context of the whole constitutional amendment, Senate Joint Resolution 225. It does not forbid all borrowing of the Government. It only requires a supermajority for borrowing in any fiscal year required to fund in that fiscal year.

Mr. BUMPERS. Does the amendment go to Government borrowing or borrowing by others on the guarantee of Government?

Mr. HATCH. It goes to Government borrowing to finance.

Mr. SARBANES. Borrowing on the credit of the United States, does that apply simply to direct Government borrowing or any instance in which the credit of the United States may be available as a guarantee?

Mr. HATCH. It does say it shall authorize the Government to borrow.

Mr. SARBANES. But what is the answer to the question? As to the meaning of the phrase "borrowing on the credit of the United States"—does that extend only to direct Government borrowing, or does it encompass instances in which the credit of the United States is pledged or used as a guarantee for borrowers?

Mr. HATCH. Under those circumstances, it would cover both.

Mr. BUMPERS. Mr. President, let me walk through a couple of examples, if I may. Right now, we finance the deficit in a number of ways. One way, of course, is that we just print money. The chairman of the Federal Reserve Bank, Mr. Volcker, just prints a certain amount of money.

Another way we finance the deficit, of course, is through borrowing. We issue Government bonds and Treasury bills and so on. That is borrowing—I think the Senator and I would both agree there is absolutely no question that that is borrowing on the credit of the United States.

Mr. HATCH. This is correct.

Mr. BUMPERS. Now, the Senator's amendment obviously would say that under the terms of this amendment, the Treasury may not go out and just borrow money nor may Congress authorize borrowing. I assume the amendment says, in effect, that Congress may not authorize borrowing to pay for outlays in excess of receipts without a three-fifths vote. Is that a fair statement?

Mr. HATCH. That is correct. We cannot finance deficit——

Mr. BUMPERS. We agree on that. As far as I know, they cannot do that now without at least a majority vote by Congress.

Mr. HATCH. That is correct.

Mr. BUMPERS. The second question is the more relevant one because, right now, farmers all over America are going down to the banks and borrowing money and the Farmers Home Administration is guaranteeing those loans. The reason they are borrowing that money and the reason the banks are letting them have the money is that they are putting up the credit of the United States. I do not see any other interpretation that can be put on it: "Nor shall borrowing on the credit of the United States be authorized."

Certainly, a student who is getting a guaranteed student loan, a farmer who is getting a guaranteed farm loan, a small businessman who is getting a guaranteed Small Business Administration loan—nobody will lend any one of those people 10 cents except under the full faith and credit of the U.S. Government. Why does the Senator's amendment not apply to those?

Mr. HATCH. Let me make it clear, Mr. President, we are not covering loan guarantees unless they produce net debt.

Mr. BUMPERS. Well, the Senator is not talking about the language of the amendment.

Mr. HATCH. We are not talking about loan guarantees unless they produce a net debt. If they do, we are going to have to have a three-fifths vote to increase the net debt. Under the Constitution right now, loan guarantees do not——

Mr. BUMPERS. So the Senator is, regarding Farmers Home Loan and all these other loans, saying they will require a three-fifths vote.

Mr. DECONCINI. If the Senator will yield——

Mr. BUMPERS. I shall be happy to yield to anybody who can explain this.

Mr. DECONCINI. I do not know if I can explain it to the Senator's satisfaction, but as far as I understand it, if you have a student loan or a Farmers Home Loan, you do not have a debt. You have guaranteed the loan.

Mr. BUMPERS. If the Senator will yield——

Mr. DECONCINI. Let me finish, Mr. President.

Let us say there is a default on the loan and the banker now wants to collect. He is entitled to go to the Farmers Home Loan Bank or the CCC or the Student Loan Program and present it for a payment. The Treasury pays that. If there is no money in the Treasury because there are not enough receipts, then there is a debt that has to be financed. That debt, if you trace it all the way back to the Senator's hypothetical, is going to take three-fifths vote to finance.

But to guarantee the debt in the first place, in the first instance, will not require any such vote. If a default is there and there is no money to pay it and you have gone to the market, that is the public debt.

Mr. BUMPERS. I do not understand that answer, I must confess.

Mr. HATCH. Let me see if I can explain it to the Senator. In the case of the instance that the distinguished Senator from Arkansas raises, the individuals are borrowing under the guarantee of the United States. I think the distinguished Senator from Arizona is absolutely correct: If they default after having borrowed on that guarantee—they are not borrowing on the credit of the United States; they are borrowing on the guarantee of the United States. If they default, that becomes money that the United States owes. At that point, that would increase the net debt. If it increases the net debt beyond the receipts, then we are going to have to have a three-fifths vote. But only then.

Mr. BUMPERS. Mr. President, is the Senator telling me that the U.S. Congress can pass a law which allows these different categories of groups such as small business people, students, farmers—he is telling me that we can pass a bill by a simple majority vote here that will enable them to go down to the bank and borrow money on the guarantee, the full faith and credit of the United States, and he is telling me that if they default and we have to pay that off, that is going to require a three-fifths vote of this body?

Mr. HATCH. No, Mr. President, Farmers Home loans, CCC loans, guaranteed student loans are not covered by this at all because they are borrowed on the guarantee of the United States. But if they default and they contribute to the overall public debt under the budget of our country, then we are going to have to have a three-fifths vote.

Mr. SIMON. Will the Senator yield?

Mr. HATCH. On those particular defaults.

Mr. GRAMM. Will the Senator yield?

Mr. SARBANES. Will the Senator from Utah yield?

The PRESIDING OFFICER. The Senator from Utah has the floor.

Mr. HATCH. Mr. President, I am happy to yield to the Senator from Texas.

Mr. GRAMM. Mr. President, let me clarify this as I understand it. Let me remind the distinguished Senator from Arkansas that we have a statutory debt limit. That debt limit, the last I looked, was $2.3 trillion. We have an outstanding contingency liability on loan guarantees, on commitments to Federal retirement, and Social Security, many times that amount. But they do not represent the debt of the Federal Government.

As I understand the answer that has been given in relation to this amendment, it is simple and straightforward:

No. 1, this amendment does not affect debt transactions of the Government within the fiscal year so long as the debt ceiling for that fiscal year is not increased.

No. 2, it does not affect the guaranteed lending of the Federal Government or the Government's debt transactions as long as it does not entail a claim against the Federal Government where the Federal Government must incur a deficit or must incur debt. That is the amendment as I understand it.

Mr. SARBANES. Will the Senator from Texas yield on that point?

Mr. GRAMM. I am happy to yield to the Senator from Maryland.

Mr. SARBANES. As I understand the presentation that was made on this amendment, an argument for it was that it would embrace the constitutional language to borrow money on the credit of the United States. Is that correct?

Mr. GRAMM. I am sorry, Mr. President, but I was not here when that argument was made.

Mr. SARBANES. Well, that was an argument advanced by the distinguished Senator from Colorado [Mr. ARMSTRONG], that the language contained here tracked the constitutional language. I note that in fact, it does do that: "to borrow money on the credit of the United States."

As I understand it, we are being told that when the Government guarantees these loans that are made, that is not embraced within this language of borrowing on the credit of the United States.

Mr. DECONCINI. If the Senator will yield, Mr. President——

Mr. SARBANES. If that is correct, where is the power coming from to make those guarantees? What constitutional language provides the power to make the guarantees if it is not the constitutional language to borrow money on the credit of the United States? Either the guarantee is encompassed within the language or the Senator must show me other constitutional language that provides the guarantee authority.

Mr. DECONCINI. If the Senator will yield—

The PRESIDING OFFICER. The Senator from Texas has the floor.

Mr. GRAMM. I shall be happy to yield, but let me respond very briefly.

This amendment is an enforcing mechanism on the requirement to balance the budget. It says that if we borrow money by raising, in this case, the debt ceiling to allow the borrowing of money by the Federal Government, it will require a three-fifths vote.

The guaranteeing of credit involves borrowing money only if the loans are not paid, and the contingency liability falls back on the Federal Government.

Mr. MELCHER. Will the Senator yield?

Mr. DECONCINI. Will the Senator yield?

Mr. GRAMM. I will be happy to yield in just a moment. But in terms of the guaranteed student loan, if that guaranteed student loan were within a balanced budget, then that loan can operate. If default results beyond the limits set out, and requires the Federal Government to incur debt, and we were in a situation where the net debt had to be increased, it would take a three-fifths vote.

Mr. DECONCINI. Will the Senator yield?

Mr. BUMPERS. Will the Senator yield?

Mr. DECONCINI. Let me just say to the Senator from Maryland, I understand what the point is, I think, but I think there is one missed interpretation here. Today—and the Senator from Arkansas raised it—when you have these guaranteed loans, whether they are in the agriculture area or student loans, that does not go as part of the public debt. And we do not have to have a vote.

Mr. BUMPERS, Wait a minute.

Mr. DECONCINI. And that does not have to have a vote.

Mr. SARBANES. If the Senator will yield, this does not say the public debt. I think the Senator from Texas——

Mr. DECONCINI. It says the full faith and credit of the United States.

Mr. SARBANES [continuing]. Left open the circle. Where the circle is left open is the assertion that has been made to us by the manager of the bill in response to questions that this language does not cover farm loans or student loans.

Mr. DECONCINI. Guarantees.

Mr. SARBANES. Where is the authority for the guarantee coming from if it is not coming from the language "borrowing on the credit of the United States?" You cannot have it both ways.

Mr. BUMPERS. Let me ask a simple question of the Senator from Arizona.

Whose credit is being used when that farmer goes into the bank to get a guaranteed loan, guaranteed by the U.S. Government, or a student or a small businessman that is going in to get a guaranteed loan guaranteed by the U.S. Government? Whose credit is being used to get that money?

Mr. DECONCINI. The Senator from Arkansas knows that when you go in and you borrow money, if he goes in and borrows money, the institution is loaning to him. Now, if I guarantee it, and they say they will not loan it to the Senator from Arkansas unless the Senator from Arizona guarantees it, that is a second transaction to insure it. In case the Senator from Arkansas does not pay it, they have somebody who will. That is the same thing with a guaranteed loan. If there is a default first by the Senator who borrowed it, or the farmer, or the student, then you come to the person who guaranteed it.

Mr. BUMPERS. At that point, how many votes is it going to take? Because that was not contemplated. And when that man defaults on the loan, the U.S. Government is going to have to pay it off.

Mr. DECONCINI. That is right. If that happens and the Government writes the check to pay the loan off, it comes out of the Treasury. If there is no money in the Treasury, as the Senator from Texas pointed out, to get the money to pay that off, because it is more than what the receipts are coming in, you would have to have a three-fifths vote.

Mr. BUMPERS. All right. Now, a second question. How many banks do you know, once you explain that just the way the Senator explained it to me just now, how many banks do you know are going to loan somebody money when it says now, wait just a minute here, Mr. Jones. I am looking at this amendment that the Senate adopted there on March 12 at about 7:30 in the evening without really thinking much about it. You adopted this amendment. I want to go over it with you. Now, what they said during the debate on that is if you default on this thing, it may require a three-fifths vote for me to ever get my money. What if the Senate is responding to a public clamor not to exceed receipts under any conditions? How am I going to get my money?

Mr. DECONCINI. As I just explained to the Senator, he asked how many banks——

Mr. HATCH. Will the Senator from Arizona yield?

Mr. DECONCINI. The Senator asked how many banks.

Mr. MELCHER. Will the Senator yield?

Mr. DECONCINI. Just as many banks are involved now.

The PRESIDING OFFICER. The Senate will be in order.

Mr. DECONCINI. Who has the floor?

Mr. BUMPERS. Who has the floor?

Mr. SARBANES. Mr. President, who has the floor?

Mr. HATCH. Will the Senator yield?

The PRESIDING OFFICER. The Senator from Texas has the floor, and he yielded for a question. The Senator from Texas is recognized.

Mr. GRAMM. Mr. President, perhaps it would be easiest for me to respond.

Let me respond to the Senator from Arkansas that each bank, each creditor every day faces exactly that dilemma.

Mr. BUMPERS. A three-fifths vote?

Mr. GRAMM. In fact, when we went a week without raising the debt ceiling, the contingency liability of the Federal guarantee of every credit extended where the Government was a contingency liability holder was called into question. We have exactly the same situation existing today. If Congress had to raise the debt ceiling to pay off that loan, then the loan would be paid only if Congress voted to raise the debt ceiling. All that this would require is that there be a three-fifths vote.

Mr. MELCHER. Will the Senator yield?

Mr. SARBANES. Will the Senator yield?

Mr. MELCHER. Will the Senator yield for a question?

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. MELCHER. Mr. President, who has the floor?

Mr. SARBANES. Mr. President, I was seeking recognition.

Mr. MELCHER. I am seeking recognition, too.

The PRESIDING OFFICER. The Senator from Texas has the floor.

Mr. SARBANES. I object, Mr. President. The Senator cannot yield the floor.

Mr. GRAMM. I answered a question because he was asking a question.

Mr. MELCHER. Mr. President, I renew my request to find out whether the Senator from Texas will yield for a question.

Mr. GRAMM. I have yielded to the Senator from Utah for a question.

Mr. MELCHER. From Utah?

Mr. HATCH. May I yield to the distinguished Senator from Montana. I want to make a request.

The PRESIDING OFFICER. That will take unanimous consent.

Mr. MELCHER. I am sorry this amendment came up.

Mr. HATCH. Without losing my right to the floor, I would be happy to yield for a question.

The PRESIDING OFFICER. The Senator from Texas has the floor.

The Senator from Texas can only yield for a question.

Mr. GRAMM. I would be happy to yield to the Senator from Montana for a question.

Mr. MELCHER. I thank the Senator.

Now, I am sorry this amendment came up. I support the underlying amendment, the constitutional amendment. I am sorry this one has been offered. And I am asking now, since it has been stated incorrectly—or maybe not incorrectly, because it is hard to tell from these answers given—that this does not affect the CCC borrowing, might I ask the Senator from Texas if that is correct, if that is his interpretation of this language, it does not affect CCC borrowing?

Mr. GRAMM. It affects the CCC borrowing only to the extent that it adds to the deficit and therefore entails an increase in the debt limit on the debt of the United States.

Mr. MELCHER. Well, there may have been some confusion here because when you are talking about loan guarantees and farm loans, a crop loan is not a guaranteed loan. It is a nonrecourse loan. And whatever billions of dollars it adds up to in this fiscal year and the next fiscal year, we call for that loan to be available.

Mr. HATCH. Will the Senator yield to me? I would be happy to answer his question.

Mr. GRAMM. I yield to the Senator from Utah.

Mr. HATCH. Let me at least try to answer the question.

The PRESIDING OFFICER. The Senator from Texas can yield for a question.

Mr. GRAMM. Well, if I may try——

Mr. HATCH. Yield to me and I will ask my question to the Senator, but I am also answering him in the process.

Mr. GRAMM. I yield to the Senator from Utah for a somewhat convoluted question.

Mr. HATCH. I think that is a very nice thing to do.

Let me just say this: This amendment does not cover FHA, CCC, or other loans at all. If those loans are defaulted, the default becomes an outlay. Under our budget, it beomes an outlay. And that added outlay is treated as all other outlays are treated at that point.

Mr. MELCHER. I want to stop my friend.

Mr. HATCH. Let me just finish.

Mr. MELCHER. It is not treated the same. It is treated as an obligation against the United States and the whole budget process.

Mr. HATCH. That is right. That is right. That is right.

Mr. MELCHER. All right.

Mr. HATCH. I agree with that.

Mr. MELCHER. So it is different than a guaranteed loan.

Mr. HATCH. There is no question about it. That is the distinction I am drawing.

Mr. MELCHER. OK.

Mr. HATCH. Only if outlays exeed receipts will we have a deficit. If it is treated as an outlay, which, of course, it will be at that point upon default, then only if outlays exceed receipts will we have a deficit. Then the Treasury could not borrow to cover the deficit without a three-fifths vote.

Now, this amendment only affects borrowing to finance deficits, not borrowing for FHA or other purposes.

Now, this clause defining the purpose of our amendment here is clear, Guaranteed loans are not included in the amendment. The amendment addresses only one narrow class of borrowing, and that is borrowing to finance a deficit. And that does not arise until it becomes defaulted or becomes in the form of an outlay so that it is included within the deficit. Other borrowing is untouched by this amendment. And the language is explicit and our intent is explicit.

Mr. MELCHER. Well, the correct answer, if I can interpret the response of the Senator from Utah, is that CCC borrowing would become subject to this at the point it exeeds the planned outlay for that fiscal year?

Mr. HATCH. No; that is not true. Only if the CCC borrowing is defaulted by individual defaulters. Then it becomes an outlay because the Federal Government becomes obligated for it at that point.

Mr. MELCHER. Let us review it.

CCC borrowing is done periodically, whenever the CCC runs out of funds. It has been routine since I have been in Congress for CCC appropriations almost automatically to be reauthorized. We passed one a few days ago for a little over $5 billion.

I think the correct answer, as I understand the Senator from Utah, is that at the point that CCC borrowing would exceed the planned outlay for that given year—I am talking about replenishing the fund, appropriating dollars to CCC whenever they need it—if they did exceed it, the budget for that year would put the budget over, in the red, and then it would require a 16 percent loan.

Mr. HATCH. That is correct.

The amendment says: "Nor shall borrowing on the credit of the United States be authorized to finance any excess of outlays over receipts."

We are specific about that. What we are saying here is that the amendment addresses only one, narrow class of borrowing, and that is borrowing to finance the actual deficit. It does not affect these other programs, because they do not become outlays until there is a default. It is that simple.

Mr. MELCHER. The Senator does have the floor?

Mr. GRAMM. Mr. President, I have to take the chair, so let me make my statement.

I have delayed coming to the floor to speak on the balanced budget amendment to this point because I was concerned about enforceability. I want to be sure that when we respond to a public mandate that I perceive to be very real and very strong, and when we go back home and say that we adopted an amendment to the Constitution to mandate a balanced budget, something all the American people want very strongly, that in fact we have done that in such a way as to bind Congress and to close a loophole in the Constitution that Jefferson recognized when he said that a mistake we have made in the Constitution is not limiting the ability of the Federal Government to borrow money. This amendment closes that loophole very specifically.

I decided to come forward now and endorse the amendment very strongly because I believe that, No. 1, we have closed a potential loophole in terms of off-budget items by limiting the ability of the Federal Government to incur debt without a three-fifths vote. I believe we have an effective enforcement mechanism.

As the distinguished Senator from Utah said, if there is any doubt about the full faith and credit of the United States on these bonds, they will not sell.

I believe that we have now a clearcut amendment which is workable and enforceable and does what we claim it will do.

Many people have said, "Well, now that we have the Gramm-Rudman-Hollings amendment, do we need a balanced budget amendment to the Constitution?" I believe we do. Our bill is an emergency bill. It runs for only 5 years, and at the end of 5 years it will be gone. What we are trying to do in that bill is balance the budget. What we are trying to do in this amendment to the Constitution is to keep it balanced.

The Gramm-Rudman-Hollings bill is to the balanced budget amendment to the Constitution what engagement is to marriage. I believe we have an opportunity here to consumate that marriage. It may not be a marriage of love, but it is a marriage of necessity.

I believe that the American people want this amendment. I strongly support it. I am totally satisfied with the amendment, and I urge my colleagues to accept this amendment.

Let us be sure that when we adopt a balanced budget to the Constitution it is in fact binding on Congress. I believe the net result will be a stronger and richer America.

Mr. HEFLIN. Mr. President, on page 52 of the report of the Committee on the Judiciary of the balanced budget constitutional amendment, there is this paragraph:

> Loans for which the Federal Government guarantees in whole or in part the repayment of principal and/or interest impose no funding obligation on the Treasury unless and until such loans come into default and the Treasury must discharge and guarantee obligation. Such a discharge is intended to be construed as an outlay in the fiscal year of discharge, not in the fiscal year during which the loan was guaranteed. Such a discharge is not intended to be construed as a repayment of debt principal; unlike the debt repayments to be excluded, such discharges do not involve a prior receipt by the Treasury of borrowed funds.

That language, I think, would have clearly explained this, prior to the adoption of the amendment that has total receipts and total outlays. I believe that the adoption of this language of "total" has meant that all outlays and all receipts are now covered under this. I think that, therefore, this thing has to be studied. You had a report that was studied. You had definitions, a lot of definitions, in this about outlays.

I cannot find the one dealing with CCC, but I say to the Senator from Montana [Mr. MELCHER] that there is in this a particular about revolving funds.

Maybe it still could be covered, but we have to clarify this issue, where you have the managers of this bill saying they are not going to take any amendments and started taking amendments; and without really giving a lot of serious thought to it, we now have put the report in a situation where it may not be applicable. I think it is important that we study this to see its effect before we go into the final adoption of this.

I think that a week off is a good idea to do some careful studying, careful review of the report we have, in order to determine what the language may be and what the interpretation may be. I believe some good questions have been raised.

What I was saying is directed toward the word "total." It is not directed toward the credit obligation amendment. In the Armstrong-Boren amendment that was adopted some 3 years ago, the credit obligation of the United States was not involved, and it was directed merely to the public debt.

I have raised some questions about that language. The language, of course, is adopted from the original Constitution, in section 8 of article I, which gives a precedent. In looking, we found that there have been very few cases that have interpreted that particular clause of the Constitution. I do not think it sheds much light on it, and I raise the question whether you have something like revenue bonds or credit that goes toward specific trust funds and other things that might be involved here.

So I think that this needs to be carefully studied.

The report language would have really answered all of the questions that have been raised, but with the amendments that have been now accepted, it raises a serious question about them. I think all of this should be carefully studied before we finally adopt the constitutional amendment to balance the budget.

Mr. MELCHER and Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER (Mr. GRAMM). The Senator from Montana.

Mr. MELCHER. Mr. President, as I said earlier, I am sorry that this amendment has been proposed because there is some fear in my heart that it might be accepted.

I listened to what I could on the radio before coming over here on how this amendment would affect Commodity Credit Corporation, and I did not hear anything said about it.

Then when I walked on to the floor, we were talking about loan guarantees and somehow the Commodity Credit Corporation got mixed up with loan guarantees.

The nonrecourse loans that CCC makes on crops are certainly treated differently and budgetwise than loan guarantees are.

As I understand the answer I received from the Senator from Utah, CCC, it is intended, would only be restricted when it had exceeded its loaning capability and was necessary for an appropriation to be made to overcome that.

The nature of the Commodity Credit Corporation funding is such that we do not know from March of this year until August of this year exactly how much will be necessary. We will not know come September 30 if we will have to appropriate more funds for CCC before we adjourn until the very end of a period Congress is going to be in session and then, if it appears that we may need to, we will have an appropriation bill out of the House appropriating funds for CCC.

I do not know whether there are other examples of the Commodity Credit Corporation in the U.S. Government functions. There may be, but I will speak only to this one. A super majority is 60 percent of those voting, three-fifths, 60 percent of the whole number of both Houses of Congress. My fear is that, given the nature of Congress appropriations to fund CCC activities which come up periodically, perhaps twice a year some years, maybe three times a year occasionally, surely once in a year at least for the past 8 or 9 years, at least once a year requiring a supermajority will be difficult to obtain.

We cannot predict what the needs are. We just have to meet those needs when they occur, and they occur at a very unlikely time and a very untimely occasion when it would be extremely difficult to receive 60 percent of the entire body of each House of Congress.

Now, I have a further question in my mind at least, of whether or not in the language itself, or in the very detailed report, this matter has ever been seriously considered. I am comfortable with the other terms in the proposed constitutional amendment requiring that there be a majority of the entire House and the entire Senate to increase revenue. I am not uncomfortable with that. It is a little bit different than what we have now.

I am not uncomfortable with the section 1 as it stands before us without this amendment, that we have to agree in a budgetary process that we are going to have 60 percent vote, 60 percent of the whole number of both Houses.

But I am very uncomfortable with this amendment. I am not sure how it covers even the term "nonrecourse loan," how that is counted, whether CCC can be examined to determine, since it is a revolving fund, that it is really out of money before we have an appropriation.

I see with the dire circumstances we have been in with agricultural programs that funding for CCC is much higher than we would like and that there is certainly a growing attitude that perhaps we are appropriating too much for these agricultural programs.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. MELCHER. That being the case, I find it difficult in my own mind to think that come an emergency we are going to have the supermajority to get the necessary work done.

Yes, I am delighted to yield to my friend from Utah.

(Mr. ARMSTRONG assumed the chair.)

Mr. HATCH. If the Senator will yield, maybe I can shed light on this. There is no question that the guaranteed loans are not included in this amendment. The amendment addresses, as I said before, just one narrow class of borrowing, that is borrowing to finance the deficit.

So CCC loans, FHA loans, other guaranteed loans are not part of this.

We make it clear in the report on this issue. Loans for which the Federal Government guarantees in whole or in part the repayment of principal or interest impose no funding obligations on the Treasury unless and until such loans come into default and the Treasury must discharge a guarantee obligation.

Such discharge is intended to be construed as an outlay in the fiscal year of discharge, not in the fiscal year in which the loan was guaranteed. Such a discharge is not intended to be construed as a repayment of debt principal. Unlike the debt repayments to be included, such discharges do not involve a prior receipt by the Treasury of borrowed funds.

Furthermore, this amendment, should it be passed by both Houses of Congress, really does not become effective until fiscal year 1991 or the second fiscal year beginning after its ratification, whichever is later.

Assuming that is the case and assuming Gramm-Rudman works at all, and let us assume it becomes effective in fiscal year 1991, we should have a balanced budget in that year. Whether we do or not, it just means that we have to look at the whole budget and with regard to all appropriations bills we have to make priority choices.

I have no doubt in my mind that those priority choices will be made before any debt ceiling problem comes into mind, even if the Senator was right that we have to have appropriations for CCC or FHA or whatever else it may be.

The fact is that I cannot imagine this body not funding those entities as a priority funding preference over some of the other things that we continually fund that are not priority to those. Even if we do not do that, then there are lots of alternatives under this amendment as to what could be done even assuming that there are some literal outlays as a result of appropriations bills with regard to some of the areas the Senator is concerned with, and I do not think there will be because they are guarantees, they are not outlays.

Now even if there were, then we have the option of getting three-fifths vote, we can increase taxes by a majority vote, we can provide for sinking funds to take care of these matters. Frankly, there is no real problem with this particular issue.

It is clear. I think the language is clear. I think this is an important amendment because of what it does. It says "Look, the games are over on these debt ceiling liftoffs because we just do those by voice votes half the time anymore." Frankly, that is one of the big problems we have.

If we are serious about the balanced budget amendment, it seems to me we have to have the language in it.

Mr. GRAMM. Mr. President, will the Senator yield? I have to clarify one additional point.

Mr. MELCHER. I am delighted to yield to my friend from Texas.

Mr. GRAMM. The Senator's concern, as I understand it, is that if you had some defaults under CCC above the level you are holding contingencies for, that under this amendment to the balanced budget amendment you would be required to get a three-fifths vote. I understand that concern, but let me assure the Senator that that concern exists with or without this amendment. This is because, if the contingency fund being held to

redeem the CCC loans is insufficient to meet the demand, that is going to produce a deficit and that is going to require a three-fifths vote, as well.

So the concern that the Senator raises is not a concern that is produced by this amendment, which controls the incurring of debt, because if defaults on CCC were above the level that we were carrying in the budget, those defaults would produce a deficit and would require a three-fifths vote with or without this amendment. And I think that is an important point to clarify.

Mr. MELCHER. Mr. President, I thank both the Senator from Utah and the Senator from Texas. I am going to restate my concerns.

First of all, we are not dealing with guaranteed loans. CCC nonrecourse loans on crops are simply not guaranteed loans. They are a little bit of a different breed, maybe you would like to call them a hybrid. They are nonrecourse loans.

My concerns are as follows: One is that in accounting procedures there may be a question of whether CCC actually has more nonrecourse loans in its portfolio than exceeds its borrowing authority. Now, that is one point. That can happen. I suspect, if you talk to the CCC people downtown, they will assure you that it has happened occasionally, perhaps rarely, and perhaps in very insignificant amounts.

But, nevertheless, this language would cover that and would require this supermajority in order to provide an appropriation if it would exceed expected outlays for any given year; that is, the expected total outlay for any given year.

I do not believe that the committee report has dealt with this specific problem. It is just the repayment of debt principal, receipts, borrowing outlays, total outlays, guaranteed loans, what have you. They simply do not cover that.

A nonrecourse loan is just the option of the individual farmer, whether he wants to redeem and claim his crop or not. It is not really a default. He just makes that decision. And what the CCC can do about that is nothing after the crop is underground.

Second, the way the crop loans are made has nothing to do with fiscal years. They happen to fall on one side or the other of the fiscal year. The corn loan may be made in the beginning of a fiscal year, whereas a wheat loan may have been made toward the tail end of the previous fiscal year.

I am not trying to raise questions that cannot be answered in this debate. What I am trying to point out is that we have not really addressed that, as far as I know, in the committee report, nor has it adequately been covered in this discussion we have had.

The nonrecourse loan is a different type of animal. The Commodity Credit Corporation itself is a different type of Government function. If there are other types similar to it in the U.S. Government, I do not know of them, but there may be.

I am very regretful that the amendment is being offered, because I think it raises some serious questions. I hope that the amendment is either withdrawn or defeated.

Mr. HATCH. Mr. President, I move the amendment.

Mr. MELCHER. Mr. President, I ask for the yeas and nays on the amendment.

Mr. HATCH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. GRAMM). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HATCH. Mr. President, we have had a request for a rollcall vote with regard to the amendment. I suggest that we temporarily lay aside the Armstrong amendment so that we can confer with the majority leader as to when that rollcall will take place.

Mr. MELCHER. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HATCH. Mr. President, I ask unanimous consent that we temporarily lay aside that amendment to give us time to chat with the majority leader to determine when that rollcall vote will occur—either tonight or tomorrow.

The PRESIDING OFFICER. Is there objection?

Mr. JOHNSTON. Mr. President, reserving the right to object——

The PRESIDING OFFICER. The Senator from Louisiana reserves the right to object.

Mr. JOHNSTON. Mr. President, can we not make up our mind either to vote now or vote tomorrow?

Mr. HATCH. Let me amend the unanimous-consent request.

I ask unanimous consent that we temporarily lay aside the Armstrong amendment until 8:15, whereupon a rollcall vote will take place. The majority leader would like the rollcall vote this evening.

Mr. LONG. Mr. President, I object. If I understand what the Senator is asking, he is asking that we wait around until 8:15, and then we decide that we are going to have a rollcall vote.

The PRESIDING OFFICER. Is there objection?

Mr. JOHNSTON. Mr. President, if we want to put this off until tomorrow, we can ask for that request now.

We should not have to wait around to accommodate people who are out on the town, which is OK if they want to go out on the town. But the rest of us should not have to wait around.

Mr. HATCH. If the Senator will yield, there are Senators who have gone home who felt there were going to be no further rollcall votes this evening. They are not out on the town. We want to allow them time to come back. We could start the vote now, and have a lengthy vote to allow them time to come in.

Mr. METZENBAUM. Mr. President, will the Senator from Utah yield for a question?

Mr. HATCH. Surely.

Mr. METZENBAUM. Would it not be advisable at this point to get unanimous consent with respect to, A, having this vote now, and going forward with it, continuing as long as the Senator from Utah or the Senator from South Carolina wanted to do it, then setting that matter aside temporarily—I will wait until the Senator can listen.

Mr. LONG. Mr. President, might we have order?

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Utah has the floor.

Mr. HATCH. Mr. President, I yield for a question from the distinguished Senator from Ohio.

Mr. METZENBAUM. I will start over since I know the Senator from Utah was preoccupied.

Would it not be possible to temporarily set this aside in order that we may dispose of the amendment that was defeated yesterday, and I know the Senator is prepared to accept it today, and immediately thereafter call up this amendment for a vote with the understanding that we will carry on the vote as long as the leadership desires it should be carried on but meanwhile those of us who are here could vote on it?

Mr. HATCH. I think that is a reasonable request.

Mr. METZENBAUM. Just a moment. And at the same time the Senator offer his unanimous-consent request so that we might dispose of that having to do with the final vote on March 25?

Mr. HATCH. Let me see if I can propound a unanimous-consent request that will be acceptable to my colleagues.

I ask unanimous consent that we temporarily lay aside the Armstrong amendment so that the distinguished Senator from Ohio can bring up his amendment, which I believe will be readily accepted here on the floor, and then immediately thereafter have a rollcall vote on the Armstrong amendment to extend as long as the majority leader desires; and then immediately afterwards, move to third reading, and then agree to have the final vote up and down on the balanced budget

amendment, as amended, on March 25, of this month.

Mr. METZENBAUM. Without further amendment.

Mr. HATCH. Without further amendment, and at 4 o'clock p.m.

Mr. HEFLIN. If the Senator will yield, we will go to third reading on that language in there. I will have to object to that. I want there to be some study to be done to correct some of the errors that have crept into this matter. I do not want to be precluded from having some technical amendments. I do not have any substantive amendments. But I think we are going to have to have the right to have some corrective amendments if the Armstrong amendment passes. But I cannot agree to go to third reading and preclude us from having the right to have technical amendments.

Mr. HATCH. I will so amend the unanimous-consent agreement to include the right to have technical amendments, but not substantive amendments.

The PRESIDING OFFICER. Is there objection?

Mr. EVANS. Reserving the right to object——

The PRESIDING OFFICER. The Senator from Washington.

Mr. EVANS. Mr. President, I think it is terribly important now to identify what constitutes technical amendments. That may be subject to more misinterpretation than all of the rest of this.

Mr. HATCH. It would be by unanimous consent. That is how technical amendments are accepted.

Mr. EVANS. That is part of it; as a technical amendment. I think if it is indeed a technical amendment, it ought to be subjected to a unanimous-consent agreement. If that is the case, I have no objection. Otherwise, I do have an objection.

Mr. HEFLIN. I would have to object to that. I would like to keep the floor open to correct the thing dealing with the Constitution, and as a result of that I would like to be accommodating to the people and would like to be agreeable with them. But, nevertheless, I think I have to have the right to make what I would call technical amendments.

Mr. EVANS. If the Senator from Alabama will yield for a question, and I am not sure who has the floor.

The PRESIDING OFFICER. The Senator from Utah has the floor.

Mr. HATCH. I am happy to yield for a question.

Mr. EVANS. As the Senator put it, the Senator would reserve the right for what the Senator would call a technical amendment; that is, the Senator from Alabama would call a technical amendment, and would he describe further what he would place in that category, and what is outside that category?

Mr. HEFLIN. I have raised the debate of several issues pertaining to them. I do not know whether I can have a comprehensive list. In my judgment, there are quite a number.

I will attempt to name some in regard to this matter. It may well be that it will be technical to the extent of calling for some definitions.

We now have new terms that we are using which are contrary, and are different from the terms that were in the committee report language. As a result of this, it could have a considerable effect upon the application of this constitutional amendment.

I have raised some issues about the language in the Armstrong amendment as to whether or not the language "credit" of the United States includes general obligations, whether on the other hand they would take care of obligations of debt which involve matters of specific designation of certain revenues which are not general obligations.

There have been in the States a number of decisions relative to general obligation credit obligations that are entirely different from the general obligations. I think some of these need to be clarified.

It may well be that some technical amendment to accomplish the Armstrong amendment could well be to change the language from the credit of the United States or borrowing on the credit of the United States to the matter of limiting it to the public debt.

Mr. HATCH. Will the Senator yield for a moment?

Let me see if I can accommodate my colleagues who would like to go home.

Let me just ask this much in a unanimous-consent request and we will proceed accordingly.

I ask unanimous consent that we temporarily set aside the Armstrong amendment to enable the distinguished Senator from Ohio to send his amendment to the desk, which we will accept, which we will dispose of. Immediately thereafter, for as long as the majority leader would like, we could have a rollcall vote on the Armstrong amendment. Let us go from there.

Mr. BYRD. Will the distinguished Senator propound the request?

Mr. HATCH. I ask unanimous consent to temporarily set aside the Armstrong amendment until the Metzenbaum amendment is adopted and then immediately go to a rollcall vote on the Armstrong amendment, to extend as long as the majority leader desires, to accommodate various Members of the Senate who may have to come from some distance.

Then when that is over we will proceed and try to resolve this. That will be to accommodate our colleagues. We will try to resolve whatever we can with regard to third reading and final disposition.

The PRESIDING OFFICER. Is there objection?

Mr. MELCHER. Mr. President, reserving the right to object, I only want to state with regard to the Armstrong amendment that there is a very serious question that cannot be adequately addressed by the comments that have been made in the debate to the satisfaction of myself and perhaps of others, that it would not be very workable for CCC, the Commodity Credit Corporation, funding to continue in the same process that it has.

I only make these comments at this time because I shall not object to the request of the Senator from Utah. But the request does preclude further debate on the Armstrong amendment and I make those comments. I hope the Armstrong amendment is defeated because it raises questions that have not been totally answered as of yet and would probably complicate this constitutional amendment, and might be the very factor where it would not get the 67 votes that are needed to be accepted by the Senate.

Mr. HATCH. One more thing in the unanimous-consent request. I want to accommodate in that request both the majority leader and minority leader with regard to the length of the rollcall vote. They both should be satisfied with regard to that.

The PRESIDING OFFICER. Is there objection?

Mr. LEVIN. Mr. President, reserving the right to object, as I understand the unanimous-consent request, it does preclude further debate on the Armstrong amendment.

Mr. HATCH. It does.

Mr. LEVIN. That is somewhat different from what I believe Senator MELCHER's understanding was.

Mr. HATCH. We would proceed to a rollcall vote on the Armstrong amendment.

Mr. LEVIN. I thought Senator MELCHER said he thought he would be able to debate the Armstrong amendment pursuant to that request.

Mr. MELCHER. Will the Senator from Utah yield?

Mr. HATCH. Yes.

Mr. MELCHER. I thank my friend from Michigan, but I understand the unanimous-consent request would preclude further debate on the Armstrong amendment. While I am against the Armstrong amendment, I am willing to accede to the request.

Mr. LEVIN. Mr. President, as I understand the unanimous-consent request, it would not preclude further amendment after the disposition of the Armstrong amendment.

Mr. HATCH. That is correct.

Mr. LEVIN. Would the Senator be willing to amend the unanimous-consent request to make it in order that

the Armstrong amendment be amendable after it is adopted, if it is adopted?

Mr. HATCH. I cannot make that part of the request.

Mr. LEVIN. It would not be in order to amend the amendment after adoption unless it is part of the unanimous-consent request to allow us to do so. Would you be willing to amend your request?

Mr. HATCH. Yes; I so amend the unanimous-consent request in the event it is adopted.

Mr. HEFLIN. Will the distinguished Senator from Utah yield?

Mr. HATCH. I yield.

Mr. HEFLIN. To accommodate several of us who would like to go early, and there might be others, we ought to have a time limit. The Senator said as long as the majority and minority leaders want the rollcall vote to last. I would like to be back here and participate in any proceedings at a certain time and would like to eat in the meantime. I wonder if we could set a definite hour as being a minimum time. It would appear to me that if you are going to have to bring them in from all over the city, from Potomac and a few other places, you might well need a little time to get them here, since, as I understand it, they were told that there would not be any further votes. I would think a minimum of an hour would be required, or it might have to be longer than that.

When we come back, if we proceed then, I would want to be here at that time. Maybe we can agree on a certain time when we start voting that it would take at least an hour. Is that agreeable?

Mr. BYRD. Mr. President, will the distinguished Senator yield?

Mr. HATCH. I yield.

Mr. BYRD. Mr. President, I do not particularly like the idea of the responsibility for the length of time resting on the majority and minority leaders at this hour of the evening. I can easily perceive of our being pressed to keep the vote open for another 30 minutes, another 45 minutes, another hour. I do not think we ought to do that. I have no objection to setting the pending amendment aside temporarily.

Mr. THURMOND. Will the Senator yield?

Mr. BYRD. The Senator from Utah has the floor.

Mr. THURMOND. Could we make it not beyond 8:40? Would that be satisfactory?

Mr. METZENBAUM. If the Senator will yield, is there any reason why the Senator wants to have a vote this evening and not tomorrow morning?

Mr. THURMOND. The majority leader is here now. Perhaps he has a comment.

The PRESIDING OFFICER (Mr. TRIBLE). The Senator from Utah has the floor.

Mr. BYRD. May I say to the distinguished majority leader, if the Senator will yield——

Mr. HATCH. I yield.

Mr. BYRD. If we are going to postpone any vote, it should be postponed until tomorrow. A good many Senators have gone with the understanding that there would be no more votes this evening. I do not mean that with respect to committee funding because I do not think they were told or had any right to infer that there would be no rollcall votes at all. But on this matter here, I should think, if the distinguished majority leader is agreeable, it really ought to go over until tomorrow.

There are some who are waiting patiently here. If we can go to the funding for the committees, that could be disposed of.

Mr. HATCH. I yield to the distinguished majority leader.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. Mr. President, I yield to the Senator from Kentucky.

Mr. FORD. As relates to committee funding, I was led to believe that that probably would not come up tonight, and I allowed my staff to go home. I am perfectly ready if the Senator wants to bring it up tonight and vote on it, have the amendments and lay them over until tomorrow. I am here and ready to do whatever pleases my colleagues. I think we are getting into—if the people could see us tonight rather than just hear us tonight, they would understand basically some of the problems that occur after dinner.

Mr. DOLE. Mr. President, I do not think anything unusual happens after dinner any more than would happen before dinner. I have no problem if we could go ahead and close off other amendments—in other words, agree that—I think one other amendment is going to be accepted. Is that correct?

Mr. THURMOND. That is correct, a Metzenbaum amendment.

Mr. DOLE. I must say when I indicated it looked pretty good for tonight, there was no doubt in my mind that the two amendments were going to be accepted and we were going to agree on a passage vote on March 25, we would go to the funding resolutions and any votes would be put over until tomorrow. That is when I thought we would be finished this by 6:30. Now it is 8 o'clock. I know Members on both sides have probably assumed, well, it is 8 o'clock and nothing has happened and they may not be on the way back.

Could we agree that the vote on this amendment would occur at, say, 10 o'clock tomorrow morning?

Mr. GARN. Reserving the right to object, and I shall not object, I also remind the majority leader that a majority of the Senate stayed until 8 o'clock for nothing.

Mr. DOLE. I take issue with that, Mr. President. We would not have had any vote from 6 to 8 in any event because there are eight Republicans who could not be here. So let the RECORD reflect that there was no intention of having a vote between 6 and 8 because a Member on this side requested there not be any votes between 6 and 8. The distinguished minority leader knows that from time to time we need to protect our colleagues.

Mr. LEVIN. Reserving the right to object, Mr. President, let me suggest, if we are going to delay the vote until tomorrow, that an amendment to this amendment be in order prior to the vote. The understanding of the Senator from Utah [Mr. HATCH]—I do not see him at the moment. He agreed it would be in order to offer an amendment to the Armstrong amendment, in the event it passed, after it passed in order to accommodate a vote tonight. It is a rather unusual procedure but if we are going to delay the vote on the Armstrong amendment until tomorrow, I would like the right to offer an amendment to that tomorrow. It would be with regard to the full faith and credit of the United States being protected on the loan guarantees and the nonrecourse loans. There is some concern about protecting the full faith and credit. If we are going to adopt the Armstrong amendment, I would like to offer an amendment prior to its being voted on tomorrow morning.

Mr. DOLE. Could the Senator offer it now?

Mr. LEVIN. I could send it to the desk now so everybody could see it.

Mr. DOLE. What I do not want to do is end up here tomorrow morning——

Mr. LEVIN. We could have a debate on it, 20 minutes evenly divided tomorrow morning would be fine, because this issue has been much debated tonight.

Mr. DOLE. Is there another amendment we are prepared to accept this evening?

Mr. SIMON. Senator METZENBAUM's amendment.

Mr. DOLE. Could we agree there be no other amendments?

Mr. HEFLIN. No, Mr. President, I have not agreed there be no other amendments. I want to reserve the right for technical amendments that can correct. I have no substantive amendment whatsoever, but there has been certain language that has been taken out, added, that changes entirely the definitions that were contained in the committee report. We are dealing with the Constitution.

I, of course, reserve the right as the language of the Armstrong amendment just came out. I have no desire to do anything other than technical,

but that is my duty. Senator EVANS has questions about what is technical, but they would be very germane to what we have already done and would be there.

Mr. METZENBAUM. Is the Senator from Alabama willing to agree that the Parliamentarian could decide what is and is not technical?

Mr. HEFLIN. Well, I do not know all the problems. Here we are——

Mr. METZENBAUM. The answer is no, I guess.

Mr. HEFLIN. I have to study these things.

Mr. DOLE. Mr. President, if we are going to do all this, I do not see any reason to leave the scene. I think we can notify Members and they could be here within the next hour. I see the makings of another full day on this matter, which I thought would have been resolved by 6:30 tonight. Had we voted passage at 6:30 tonight, the Senator from Alabama could raise technical amendments—I think he probably could always raise technical amendments. But it was my hope we could complete action on this tonight.

Mr. LONG. Mr. President, will the majority leader yield?

Mr. DOLE. Yes, Mr. President, I yield.

Mr. LONG. How were we going to vote by 6:30 when the leader told everybody we were not going to vote between 6 and 8? How were we going to vote at 6:30 if some Senators on the other side of the aisle were told there would be no votes between 6 and 8? I do not think a constitutional amendment is going to pass by a voice vote.

Mr. DOLE. It was the understanding that vote would come on March 25 at 2 o'clock—4 o'clock. There was not any effort to protect people on this side, but there was not any need not to protect them in this case because we were not going to vote in any event. Now we have people who want to amend the amendment and maybe people who have other amendments. What is the pleasure of the managers of the bill?

Mr. THURMOND. Either we could go ahead now or carry it over until tomorrow with one amendment.

Mr. SIMON. On this one, let us carry it over until tomorrow.

Mr. HEFLIN. Mr. President, if we are going to delay it until March 25, then I would say that during that period of time, you have an opportunity to study it, to reflect on it, to read the case law on issues of the language to see what has been interpreted. None of this has ever been studied before, so I think it provides an opportunity. If we go on and vote now, then, of course, it can be straightened out in conference or someplace else. But if we are going to pass it over until the 25th, I think it provides an opportunity for some careful study. If we have careful study, I just want to reserve the right to be able to give you the fruits of the careful study.

Mr. DOLE. I do not know whether they may be ripe already. In any event, it seems to me we are still going to be in conference. The Senate is talking about vote tonight, go to conference or vote the 25th. We still end up in conference where we obviously add just technical amendments.

Mr. DECONCINI. Mr. President, will the leader yield?

Mr. DOLE. Yes, Mr. President.

Mr. DECONCINI. My recollection is that on the farm bill, I think it was, we had this problem of technical amendments and we needed to pass the bill. If my recollection is correct, we decided the majority and minority leaders would put together those technical amendments. As to what is technical, I am just trying to find some resolution here because I could go over, too, for technical amendments.

I wonder if there were some formula that could satisfy the Senator from Washington and the Senator from Alabama.

Mr. DOLE. I do not have any problem with the Senator from Alabama offering technical amendments. I know he is a learned jurist and would only do it in complete good faith. I would think anything the Senator from Alabama would offer would be welcome. I think on the general principle, we would want it technically correct, so I do not quarrel with the Senator from Alabama.

Others are afraid that what might be technical could also be a matter of substance and that they have not much interest in it. So let me do this. Let us first agree that we will come in tomorrow morning at probably an early hour, that at 10 a.m. there be a vote on the Armstrong amendment.

Mr. LEVIN. I would like to lead off with an amendment, with 20 minutes equally divided, prior to the Armstrong amendment being voted on.

Mr. DOLE. Subject to an amendment by the distinguished Senator from Michigan, an amendment to the Armstrong amendment.

Mr. LEVIN. Twenty minutes equally divided because we have debated this issue tonight I think.

Mr. DOLE. Twenty minutes equally divided.

The PRESIDING OFFICER. Is there objection?

Mr. ARMSTRONG. I am very reluctant to even object because the leader is trying to get us out of this, but after a day's discussion, I am not aware of the contents of the Levin amendment and it is not clear to me why we would want to qualify one amendment, but not other amendments.

Mr. DECONCINI. He could offer an amendment now. There is nothing prohibiting him from doing it.

Mr. LEVIN. The debate tonight was on the question of the nonrecourse CCC loans and the student loans, Government-guaranteed loans. This amendment makes it clear that they would not indeed be covered by the Armstrong amendment because I think many of us have great concerns that we might not pay our obligations, that banks therefore might not make loans to students and that CCC loans would be in some doubt. We want to clarify that. We are very nervous about the language of the Senator's amendment and would simply make clear that that amendment does not apply the way some of the sponsors said it would apply to those loans.

Mr. DOLE. Could the Senator not offer that amendment now?

Mr. ARMSTRONG. Let us take that amendment up now.

Mr. LEVIN. I can offer it tonight. I do not know whether we need a rollcall tonight or not. I would like to circulate it, if I may have at least a few minutes, perhaps 5 or 10, to let some of the people who have raised questions about the Armstrong amendment see if it meets their concerns. So if you give me 10 minutes I probably could offer it. You could take the Metzenbaum amendment in the meantime.

Mr. DOLE. Mr. President, I do not want to inconvenience my colleagues, but I think I must say if we do not continue this evening then I think we are looking at a long evening tomorrow, on Thursday. So I would ask unanimous consent that we temporarily set aside the Armstrong amendment so the Senator from Ohio may offer his amendment, which we can agree to, and that there be no more rollcall votes this evening.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 1667

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will immediately report the amendment of the Senator from Ohio.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM], for himself, Mr. EXON, Mr. GORE, Mr. BOREN, and Mr. BINGAMAN, proposes an amendment numbered 1667.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

On page 1, insert a new section 3 and renumber succeeding sections accordingly: "Prior to each fiscal year, the President

shall transmit to the Congress a proposed budget for the United States Government for that fiscal year in which total outlays are not greater than total receipts. The President may also recommend an alternative budget in which total outlays exceed total receipts, which shall be accompanied by a detailed explanation of the need for such excess."

The PRESIDING OFFICER. The Senate is not in order.

Those Senators engaged in conversations are asked to leave the Chamber. We cannot proceed until the Senate is in order.

The Senator from Ohio is recognized.

Mr. METZENBAUM. Mr. President, I have good news for my colleagues in the Senate. Yesterday my colleagues in the Senate rejected by a vote of 54 to 44 the amendment that I now find is acceptable and which I have sent to the desk on behalf of myself, Senator EXON, Senator GORE, and Senator BOREN. This amendment is the one that was offered having to do with the President's responsibility to send to Congress a proposed budget in which total outlays are not greater than total receipts, and it also provided that the President had the right to send an alternative budget in which total outlays exceed total receipts with a detailed explanation of the need for such excess. It places the responsibility on the President to come forward with a balanced budget and, if it is not balanced, to indicate clearly to the Congress why it is not balanced.

Now, yesterday my colleagues in the Senate saw fit to turn this amendment down. They did not think that the President should be called upon to send us such a balanced budget. But lo and behold, 24 hours later, there is a different point of view.

Now, I am not totally unaware of the circumstances. Somewhere along the line it was learned that there were certain Members of this body who were prepared to vote against the constitutional amendment without this language but who might be prevailed upon to vote for it if the language were included. And so suddenly 54 Members who voted against it yesterday are now switching signals and saying, "Well, if that is the way we have to pick up one or more votes, then we are willing to call the President into play."

Now, I think it is a rather unbelievable procedure to use for us to decide as to whether the President should or should not be involved in this budgetary process based on whether or not it makes it possible or hopeful to pass the constitutional amendment, but I guess that is part of the legislative process and it does not necessarily have to be very logical.

Therefore, I am told that this amendment will now be accepted. I think it should have been accepted in the first instance. I do not think it makes the constitutional amendment a good amendment. I do not think it still should be passed, but I think it makes it a better amendment than what it would be without it.

The PRESIDING OFFICER. Is there further debate?

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator is recognized.

Mr. EXON. Mr. President, I think the most logical explanation to my friend and colleague from Ohio of the dramatic turnaround in the attitude of the Senate on this matter is that it is just one of those miracles that occur from time to time and probably not because of the persuasive talents of either the Senator from Ohio or the Senator from Nebraska, but at least it has happened and I think it is good. There is a long story behind what happened and I think all of the players know what that story is.

Mr. President, the Senate will soon move to a vote for final passage of historic legislation to require a balanced Federal budget. I have been a longtime proponent of such an amendment and look forward to finally enacting this constitutional mandate of fiscal discipline.

I am an original cosponsor of Senate Joint Resolution 13, the balanced budget and spending limitation constitutional amendment which was introduced on the first day of the 99th Congress. Certainly, the deficit crisis is the most important issue facing this body. While a constitutional amendment will not magically balance the budget, it is a long-range measure which could help prevent future Congresses and administrations from reenacting the fiscal and economic mistakes of the past.

I cosponsored Senate Joint Resolution 13 because I have been a longtime fiscal conservative and strongly believe that a government, like a family or a business cannot continue to spend more than it has without facing financial ruin. As introduced, Senate Joint Resolution 13 contained an appropriate balance of legislative and executive responsibility in balancing the Federal budget.

However, the proposed amendment underwent revision in the Senate Judiciary Committee. The proposal which emerged dropped all reference to the executive branch.

I believe that it is crucial for the executive branch to exert leadership in the effort to balance the Federal budget. The executive branch administers the programs and policies approved by Congress and has immediate accesss to the information necessary to produce a balanced budget.

The Metz-Exon-Gore amendment simply requires the President to recommend a budget which is in balance or surplus, or explain why the Congress should adopt a budget which contains a deficit. This amendment does not alter any other provision of the balanced budget amendment. In theory, this amendment mirrors the provision in the Gramm-Rudman law which requires the President to submit budgets which meet the Gramm-Rudman deficit targets.

If adopted, Congress will maintain its full authority over the Federal purse strings and may dispose or adopt the President's recommendations as it sees fit. This amendment would only formalize the President's leadership role in the budget process.

Mr. President, not only will adoption of this amendment improve our chances of securing sufficient votes to pass the balanced budget constitutional amendment, it will strengthen the proposed constitutional amendment and help insure its success.

Mr. SIMON. Will the Senator from Nebraska yield?

Mr. EXON. I will be happy to yield.

Mr. SIMON. I simply want to commend my colleague from Ohio and my colleague from Nebraska as well as Senator GORE from Tennessee. The three of them really have done a yeoman's job here and we are pleased to have this amendment.

Mr. THURMOND. Addressed the Chair.

The PRESIDING OFFICER. The distinguished Senator from South Carolina.

Mr. THURMOND. Mr. President, we did not think this amendment was necessary but some of the Members felt they could not vote for this amendment without it, and with a slight change in the amendment we are willing to accept it.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

So the amendment (No. 1667) was agreed to.

Mr. THURMOND. I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, let the record reflect I always did think the amendment had some merit. It was only overnight that it occurred to me how much merit.

Mr. METZENBAUM. I assumed that is why the Senator voted against it yesterday and for it today.

Mr. DOLE. That is correct. I am a slow learner.

Mr. METZENBAUM. I understand.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll to ascertain the presence of a quorum.

The assistant legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I suggest further proceeding under the quorum be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from South Carolina.

Mr. THURMOND. Mr. President, in view of taking this matter up tomorrow morning, I would ask unanimous consent that the Judiciary Committee meet at 3 o'clock tomorrow.

Mr. BYRD. Mr. President, reserving the right to object——

Mr. METZENBAUM. Reserving the right to object——

Mr. BYRD. Reserving the right to object, that has not been cleared on this side, I do not believe.

Mr. THURMOND. Mr. President, I suggest the absence of a quorum.

Mr. BYRD. Mr. President, what happened to the request? Has it been withdrawn?

The PRESIDING OFFICER. The Senator from South Carolina retains the floor.

Mr. THURMOND. Mr. President, I withdraw the request.

The PRESIDING OFFICER. The unanimous-consent request has been withdrawn by the Senator from South Carolina.

Mr. THURMOND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I wish to thank my colleagues for the progress we have made today on the balanced budget amendment. I am advised, up until this last quorum call, that there had only been about 7 or 10 minutes devoted to quorum calls all day. That is an indication that maybe the electronic media will bring about some discipline; either that, or longer speeches.

But, in any event, we are about to conclude the first day of radio coverage since the Panama Canal debates. My own view is that it has been successful. We have accomplished a great deal. We have had some votes. We have had excellent debates on both sides. I hope that we could complete action, with the exception of final passage, on Senate Resolution 225 tomorrow morning.

Mr. NICKLES. Mr. President, when the Senate considered the balanced budget amendment in 1982, we had an annual deficit of $128 billion and a national debt of $1,147 billion. By contrast, we now have an estimated deficit for fiscal year 1986 of $203 billion and a debt of $2,112 billion, It is ironic to note that if we were able to pass and implement a fiscal year 1987 budget with a deficit at the 1982 level, it would be heralded as one of the great accomplishments of this century. The failure of the U.S. House of Representatives to pass the balanced budget amendment in 1982 has directly contributed to the enormous growth of our national debt which will be carried ahead for generations to come.

I strongly support this effort to put into the supreme law of the land a requirement to balance the Federal budget.

I cannot emphasize enough, however, the importance to look toward the spending side of the budget as opposed to resorting to tax increases. Since 1975, receipts have averaged 18.6 percent of GNP while spending averaged 22.4 percent. Our deficits are not caused by our being undertaxed but rather because spending has risen out of control. Revenues increased last year by over 10 percent but spending increased by over 11 percent.

Occasionally, I analyze Federal spending for the Members of the Senate based upon the monthly statement of debt, receipts and outlays published by the Treasury Department. This is particularly relevant during our discussion of the balanced budget amendment.

For the month ending January 31, 1986, total public debt outstanding was $1,963 billion—that is $1.9 trillion. This compares to $1,680 billion for the same period in 1984, an increase of $283 billion in 12 months. For the latest census data, this equals $8,475 per person and $22,972 per household. This represents a 16.8-percent increase of total debt over last year and a 413-percent increase over 1970.

The estimate of borrowing from the public to finance the Federal debt for the year is $204 billion. Total capital available in U.S. markets is $742 billion of which Government borrowing takes a 27-percent share. At the current rate, we will have $2,064 billion in total public debt by the end of this fiscal year. This amount is especially staggering when compared to the debt of $383 billion for 1970.

For the month of January, we amassed $76.7 billion in receipts and $82.8 billion in outlays, leaving a deficit for the month of $6.5 billion. Since we started this fiscal year last October, the Federal Government has taken in $253.9 billion and spent $336.8 billion. At this rate we will have accumulated for the year $777.1 billion in receipts, $975.3 billion in outlays, and a deficit of $202.8 billion.

These comments are aimed at encouraging my colleagues into making the tough decisions to limit Federal spending in order to bring down the deficit when we consider the budget resolution, authorizing and appropriating legislation. For this reason we must provide a constitutional change in the way we do business; 44 States, including Oklahoma, set for themselves stringent requirements to balance their budgets, it is certainly right for the U.S. Government to do the same. I urge adoption of the amendment.

Mr. DANFORTH. Mr. President, we are debating this proposed constitutional amendment for one reason and one reason only—our own fiscal irresponsibility. Time after time after time, we have increased Federal spending without voting new taxes to pay for this spending. As a result, we have annual Federal deficits of $200 billion and a national debt of $2 trillion. Unless drastic steps are taken—including a constitutional amendment to require a balanced Federal budget—our Nation's economic future is bleak.

I do not believe the threat of deficits on our economic future can be overstated. As I, along with many others, have said many times before—deficits are a mortgage on our economic future. In May 1983, I noted on the floor that the national debt was $1.2 trillion, or about $5,200 per person. The national debt is now nearly $2 trillion, or about $8,500 per person. That represents an astonishing increase of nearly 67 percent in just 3 years. If we apportion the national debt among the 82 million taxpayers in the country, the individual share of the debt is roughly $25,800. Each taxpayer will pay $1,800 this year for interest alone. That is more than the total income tax bill of a typical family of four earning $20,000 a year. For 1985, our budget outlays are estimated to have exceeded our receipts by approximately $222 billion. For 1986, the deficit is estimated to be roughly $180 billion.

As long as we continue to approve deficits of this magnitude, the amount of our Nation's resources that go toward paying the interest on the debt will increase. Fewer resources will, therefore, be available to pay for education, welfare, health care, and defense. What concerns me most about the deficit is the impact it will have on future generations—our children and our children's children. They will be the ones who will pay for our fiscal irresponsibility—and not simply in terms of the interest on the debt with which they will be saddled. They will also suffer deprivation because of an inadequate Federal investment in those things that are future-oriented—education, health research, and the Nation's infrastructure.

As chairman of the international trade subcommittee, I have become particularly sensitive to the impact of deficit spending on our foreign trade imbalance. Deficits contribute to high interest rates and an overvalued dollar. The high dollar, in turn, penalizes American exports in international markets—while cheap foreign imports flood our markets at home. The effect

on American industry and American workers is devastating. Well over 1 million trade-related jobs have been lost to our economy in recent years, with import-sensitive and export-dependent industry alike suffering the trade symptoms of our bloated Federal budget. In my State of Missouri, factories have closed and farmers face prices depressed by our decline in agricultural exports. Mr. President, the Trade Subcommittee has before it a myriad of bills aimed at reducing our trade deficit; yet, the effects of this legislation will be negligible unless we can reduce simultaneously our Federal deficit. While part of the blame for our trade deficit legitimately rests with our trading partners, the hands of the U.S. Congress are not clean. Because of our fiscal irresponsibility, we must share the blame.

I believe an amendment to the Constitution is a very serious step that should only be taken as a last resort. However, we have reached the end of our rope as far as the deficit goes. If there were ever justification for such action, this is surely it. This amendment would force us to do what we seem to be unable to do of our own volition—make the hard spending and tax decisions needed to move the budget back toward balance.

Mr. SIMON. What principles govern the definition of "outlays" and "receipts" and "revenues?"

Mr. HATCH. As the report of the Judiciary Committee makes clear, outlays and receipts are defined by contemporary budget practice as defined by the "Glossary of Terms Used in the Budget Process."

Use of the word "revenues" in section 2 is governed by the use of the term in article 1, section 7, as I clarified in my opening address. In a few words, "revenue" is not intended to imply that a constitutional majority is necessary to increase fees on Government services, from Government publications to inland waterways, but clearly applies the application of this section to increases in taxes.

Mr. SIMON. Are the following receipts or outlays under Senate Joint Resolution 225? First, what about borrowing from IMF or any other source?

Mr. HATCH. Neither. Borrowing is the difference between outlays and receipts and is not included in either term. As your question implies, this principle applies to all forms of borrowing. The balanced budget amendment approved by the Senate in 1982 specified that "receipts includes all receipts * * * except those derived from borrowing." This principle, however, is so evident from the language of Senate Joint Resolution 225 and the intent of its authors that this explicit exclusion of borrowing as either outlays or receipts is not necessary.

Mr. SIMON. Second, what about revenues from the Outer Continental Shelf?

Mr. HATCH. Those would be treated as offsetting receipts.

Mr. SIMON. Third, what are the moneys received from sale of postage stamps?

Mr. HATCH. Those would also be treated as offsetting receipts.

Mr. SIMON. Fourth, what about user fees and inspection fees?

Mr. HATCH. As with the other items mentioned by the Senator, they would be treated as offsetting receipts.

Mr. SIMON. Fifth, and what about any income from Government-owned land or property?

Mr. HATCH. That income would be treated as offsetting receipts.

Mr. SIMON. Sixth, what about revenues of TVA or Bonneville Power?

Mr. HATCH. These would also be offsetting fees.

Mr. SIMON. Seventh, what would the role of capital assets be?

Mr. HATCH. Capital assets would be treated as outlays. I would like to clarify further, however, that the cost of the capital asset could not be depreciated over its lifetime in the computation of outlays and receipts.

Mr. SIMON. Eighth, what about capital assets that produce income?

Mr. HATCH. Likewise, they would be outlays with no depreciation.

Mr. SIMON. Ninth, what about Social Security trust fund revenues?

Mr. HATCH. The interest earnings of Social Security trust funds would be treated as offsetting receipts. This, of course, does not change the fact that these funds are earmarked by law for one purpose—namely, to support the Social Security System. It merely means that this interest would be counted exclusively for budget purposes—as a receipt.

Mr. SIMON. Tenth, and what about the retirement of the national debt?

Mr. HATCH. Debt retirement is neither outlays nor receipts. Debt retirement is the difference between receipts and outlays and is not included in either term. Once again, the balanced budget amendment adopted in 1982 specified that "outlays shall include all outlays * * * except those for the repayment of debt principal." For the same reasons as with borrowing, however, it is not necessary to include an axiomatic proposition in this balanced budget amendment.

Mr. SIMON. May a reserve fund established by a surplus in prior years be used to offset a current deficit?

Mr. HATCH. Such a practice would reduce the problems of implementing section 1 and would still constrain the development of a cumulative deficit over a period of years. Withdrawals from this fund should be treated as current receipts. This practice would permit the balance of the budget over a number of years, rather than requiring a balance in each year, as long as a surplus is accumuated first.

One of the ways that Congress might elect to handle an unanticipated downturn in receipts near the end of a fiscal year or to fund an unexpected surge in outlays perhaps due to a recession would be to have available a contingency fund. Several States, including Michigan, which have balanced budget requirements, have adopted similar contingency or "rainy day" funds. This contingency fund would be essentially a national savings program. In any given fiscal year, Congress might elect to take some of its receipts and set them aside as a contingency fund. In that year, the amount in the fund would be listed as both a receipt and an outlay. It would be an outlay because it would be "paid" into an account to collect interest until needed. Then, in a future year when it is needed to offset a receipts shortfall or an outlay overrun, the amount brought back into the Federal budget from the contingency fund would be treated as a receipt. As a receipt, it could offset other outlays in that fiscal year of need.

A contingency fund would not be borrowing against the future and postponing debt indefinitely into tomorrow. Borrowing against the future is the practice that has precipitated the current deficit and debt crisis. The important principle that distinguishes a contingency fund from borrowing is that the fund is comprised of actual funds saved from the past. A contingency fund is a saving principle, not a borrowing concept.

A contingency fund could also be used to make Federal budgetary policies under Senate Joint Resolution 225 countercyclical. During surplus years, Congress could set aside a contingency fund. Later, if the economy fell into a recession, the fund could be used to finance the extra entitlement spending caused by some additional unemployment and to offset the downturn in receipts. As the economy later cycled into a recovery, the fund could be replenished with the added receipts generated by fuller employment and higher productivity.

As I mentioned earlier, several States have used these contingency funds to their advantage. This is not a mandatory program under Senate Joint Resolution 225. It is only one of several options that Congress may wish to explore to make the balanced budget norm of Senate Joint Resolution 225 a wise and workable policy.

Mr. COHEN. Mr. President, the Senate will shortly vote on whether to adopt or reject Senate Joint Resolution 225, a proposed constitutional amendment to require the balancing of Federal budgets. It will be an important vote for the Senate. No one in this body, I am confident, takes lightly

the prospect of amending the Constitution of the United States.

The eloquence and the wisdom of our Constitution rests in its embodiment of the fundamental principles which have guided this Nation. In considering amendments to it, we must proceed with all due care and caution. We must define just what we are attempting to achieve and determine whether an amendment to our Constitution is the appropriate means to accomplish our purpose.

Some 3½ years ago, I addressed the Senate on Senate Joint Resolution 58, a proposed balanced budget and tax limitation constitutional amendment then under consideration by the 97th Congress. I said then, and I will say again today, that the Senate should not attempt to address—or pretend to address—the fiscal imbalance of the Federal Government by way of a constitutional amendment.

Although I will not dwell upon the point, I must acknowledge the gravity of the economic circumstances which have set the stage for debate on Senate Joint Resolution 225. The uncertain hope of recently enacted legislation and of optimistic economic projections notwithstanding, the fiscal condition of the Federal Government is indeed grave. Recent and continuing additions to the national debt portend a lasting strain upon future Federal budgets and upon the economy of the United States. Like a dark cloud, the growing national debt literally hangs over the prospects of our posterity.

Proponents of the proposed constitutional amendment would have us believe that the gravity of the general problem itself stands as a sufficient argument for this specific proposed solution. It does not.

Opponents of the proposed constitutional amendment know—just as well as its proponents do—that the Federal budget has been in balance only once in the past 25 years. Opponents are equally aware that the national debt has increased nearly sevenfold over the past quarter century. Opponents of Senate Joint Resolution 225 lament, as all Senators must, the unfortunate legacy this generation is leaving to subsequent generations. Do these facts and figures in and of themselves—acknowledged by opponents and proponents alike—prove that a constitutional amendment is the solution to the problem of the fiscal imbalance of the Federal Government? Of course not.

Dire fiscal circumstances have again brought a proposal for a balanced budget constitutional amendment to the floor of the U.S. Senate. Yet there is little reason to believe that a constitutional amendment would address these dire circumstances. I must oppose Senate Joint Resolution 225 because the economic proscription it proposes is not the province of our Constitution; because means other than constitutional are both necessary and appropriate; and because the proposed amendment is more of a gesture than it is a solution.

The economic policy proscription of the proposed resolution does not belong in our Constitution. The U.S. Constitution has stood the test of 200 years so well because it is a fundamental statement of the basic rights of our citizens and a fundamental statement setting forth the organization of our Government. It has served as a basis and an inspiration for the constitutions of other nations the world over. Since the passage of the Bill of Rights, this Constitution has been amended only 16 times. Eight of these amendments tinkered with the organization of the Federal Government, such as the establishment of a two-term limitation of the Presidency and the provision for the direct election of U.S. Senators. Only 6 of these 16 amendments involved matters of fundamental rights, such as the abolition of slavery and the extension of suffrage to women, blacks, and 18-year-olds. These are rightfully matters of constitutional importance.

The remaining two amendments are the 18th amendment, which established prohibition, and the 21st amendment, which repealed prohibition. The Senate would do well to recall the constitutional travesty of the 18th amendment. Although well intended, it was unenforceable; it did not fulfill its intended purpose; and far from solving problems, it multiplied them.

The question of Federal spending, revenues, and the relationship between the two are political matters, not constitutional matters. Matters of macroeconomic policy, such as the proscription of Federal budget deficits, simply do not belong in the U.S. Constitution. National macroeconomic policy should be, and indeed can only be, left to the political process. Therefore, means other than constitutional are both appropriate and necessary for the pursuit of balance in Federal budgets.

At the close of the first session of this, the 99th Congress, the political process did at long last produce a significant step toward restoring the Federal Government to fiscal balance. I refer, of course, to the enactment of the Balanced Budget and Emergency Deficit Control Act of 1985, which is better known as the Gramm-Rudman-Hollings deficit reduction measure. The Gramm-Rudman-Hollings measure establishes, by statutory means, a binding and self-enforcing mechanism to achieve a balanced Federal budget by 1991. We should by no means regard the enactment of Gramm-Rudman-Hollings as having put the matter of deficit reduction behind us. Neither should we dismiss it before it has had a chance to work. Rather, we must regard it as a significant first step in the direction of restoring fiscal balance and as a tool to serve that end. I was an original cosponsor of this legislation.

Some proponents assert that we now need this proposed constitutional amendment to secure for the long term that which Gramm-Rudman-Hollings will achieve in the short run—a balanced Federal budget. I disagree.

Gramm-Rudman-Hollings imposes, via statute, a binding requirement of a balanced budget for fiscal year 1991. It also establishes a strengthened budget process and an enforcement mechanism as necessary to reach the balanced budget by 1991. By contrast, the proposed constitutional amendment would simply declare deficits unconstitutional. It offers no clue as to how the Congress is to achieve compliance except for the implicit imperative that Congress enact implementing or enforcing legislation.

What form might such implementing legislation take? The Gramm-Rudman-Hollings measure offers the best indicator of how the Congress might enforce upon itself a balanced budget requirement. That is, the implementation of the balanced budget constitutional amendment might well require legislation along the lines of Gramm-Rudman-Hollings. If Gramm-Rudman-Hollings works as intended, I would favor keeping it in force past 1991 in order to maintain budget balance. If Gramm-Rudman-Hollings does not succeed, it raises a host of questions as to the enforcement of a balanced budget constitutional requirement. The recent debate on the proposed resolution has done very little to dismiss such questions regarding enforcement of the amendment, its probable circumvention, and the likelihood of the resultant constitutional entanglement of the three branches of our Government.

Proponents of the proposed amendment argue further, that constitutional action is now required because a constitutional question hangs over the Gramm-Rudman-Hollings measure. The constitutionality of Gramm-Rudman-Hollings is indeed in question and the subject of current review by the Supreme Court. Rather than rushing to adopt a constitutional amendment, however, I believe the Congress should await the forthcoming decision of the Supreme Court. Should the Supreme Court strike down the automatic sequestration provisions of Gramm-Rudman-Hollings, I believe the Congress should either modify Gramm-Rudman-Hollings as neccessary to render it entirely constitutional or rely upon its secondary provisions for sequestration.

Proponents of Senate Joint Resolution 225 also argue that a constitutional amendment is now necessary be-

cause a mere majority in both the House and Senate could, absent a Presidential veto, revise, weaken, or repeal Gramm-Rudman-Hollings. Under the proposed amendment, a three-fifths supermajority of both the House of Representatives and the Senate would be required to allow a Federal budget deficit. I submit that revising or repealing Gramm-Rudman-Hollings, even if it requires only a mere majority in both the House and Senate, as well as a quiescent presidential veto pen, would be no easy matter. More importantly, under most circumstances, I would prefer that waiver of a balanced budget imperative require only a majority rather than a three-fifths supermajority. The three-fifths requirement of the proposed amendment would incline the Congress to chronic stalemate and paralysis by placing in the hands of a minority of either the House or the Senate too much power. It is impossible to foresee the full extent of the dangers such a situation might pose in the face of an economic or other national emergency.

The Gramm-Rudman-Hollings deficit reduction measure, as a creature of the Congress, will be subject to political forces and open to legislative revision. Since I feel Federal spending and revenue matters are properly matters for political consideration, I feel that the statutory approach to fiscal restraint as represented by Gramm-Rudman-Hollings is appropriate. I also feel that we must exhaust such alternatives before considering a constitutional approach.

Finally, since I believe that the proposed constitutional amendment is an inappropriate and ineffective means to pursue an appropriate goal, I feel that its adoption by the Senate would be an empty gesture. An abstract declaration that Federal budget deficits shall be unconstitutional does nothing to address the spending and revenue decisions necessary to achieve budget balance. In this sense, Senate Joint Resolution 225 is little more than wishful thinking. It is a pretentious exercise which detracts from the actual business of deficit reduction by diverting energies and by giving the illusion of addressing the problem. To the extent that this exercise is a facile substitute for real effort to restore balance to the Federal budget, and to the extent that it displaces other efforts, it does more harm than good.

A vote for a balanced budget constitutional amendment is a relatively easy vote. It is not a vote for specific spending cuts. It is not a vote for specific tax increases. Supporters of the amendment will subsequently represent their vote for Senate Joint Resolution 225 as proof of their commitment to fiscal responsibility. Of course, however, a vote for this resolution proves nothing of the sort. The constitutional imperative Senate Joint Resolution 225 would impose is so far removed from the practical matter of deficit reduction as to be irrelevant.

In summary, I oppose Senate Joint Resolution because it is an inappropriate and merely illusory solution to the problem of the Federal Government's fiscal imbalance. I therefore urge my colleagues to reject Senate Joint Resolution 225.

Mr. DURENBERGER. Mr. President, I rise to indicate my support for the pending amendment to the Constitution to bring about a balanced Federal budget. I must confess that I have no great enthusiasm for opening up our Nation's founding document for surgery, but on balance I believe now, as I did in 1982, that this is a wise and responsible course.

Passage of the Gramm-Rudman-Hollings budget proposal last year was a watershed event in contemporary American history. It represented the ratification of a national concensus that deficit reduction, painful though it may be, is item No. 1 on the U.S. Government's agenda. It has been at the top of the people's list for years and we, at the Federal level, have finally gotten in line.

Passage of Gramm-Rudman-Hollings, however, has caused some to reverse their position on this amendment, arguing that a constitutional amendment is now superfluous. I have two problems with that line of reasoning.

First, there is a significant body of opinion, especially among opponents of this amendment, that Gramm-Rudman-Hollings is unconstitutional and will soon be thrown out by the Supreme Court. In that event, which I would not welcome, we would be left with no dedicated mechanism or visible mandate for deficit reduction.

More importantly, defeat of this amendment sends exactly the wrong signal to the American people. Our voting down this amendment will threaten the political momentum for deficit reduction which Gramm-Rudman-Hollings has generated. And it may very well be the final push which brings two more States into the call for an article V convention, which would, in my view, be a constitutional catastrophe.

Neither am I convinced by those who argue that this particular amendment should be defeated on vagueness grounds. Many of those same critics opposed the 1982 Balanced Budget Amendment because it was too specific. The Constitution has survived because its generality permitted flexible application; amendments should follow that same standard.

Perhaps the most disturbing argument raised by the opponents of this amendment is: Since it does not deal with an issue of fundamental rights, it does not belong in our Constitution. If the protection of future generations of Americans from oppressive debts incurred by the current generation is not an issue of fundamental rights, I don't know what is.

Among our Founding Fathers, Thomas Jefferson articulated best our moral obligation to live within our means and the risk that debt presents to the survival of our Republic. He wrote, "We should consider ourselves unauthorized to saddle posterity with our debts, and morally bound to pay them ourselves." He referred to the national debt as "swindling futurity on a large scale." Perhaps if Jefferson had been in Philadelphia instead of Paris in 1783 our Constitution might have settled this matter at the outset.

Four years after he left the Presidency, he wrote, "Ought not the right of each successive generation to be guaranteed against the dissipations and corruptions of those preceding, by a fundamental provision of our Constitution?"

On behalf of Americans young and unborn the U.S. Senate should respond today in the affirmative.

Mr. WARNER. Mr. President, I rise today in support of Senate Joint Resolution 225, a constitutional amendment to balance the Federal Government's budget.

This amendment completes the job we started last session to achieve a real and lasting solution to the serious Federal deficit problem that has led to a doubling of the total outstanding debt of the U.S. Government in the last 6 years.

Today, just to pay the interest on the almost $2 trillion of Federal debt, we will have to spend $142.7 billion, making those interest payments in fiscal 1986 the third largest single item in the Federal budget.

In fact, those interest payments will make up a full 60 percent of the amount the Federal Government must borrow this fiscal year to meet the projected deficit.

Late last year we passed the Emergency Deficit Control and Reduction Act, known as the Gramm-Rudman-Hollings bill, which mandated declining deficit targets over the next 5 years. I supported this law.

Some have suggested this constitutional amendment is therefore no longer necessary now that we have Gramm-Rudman-Hollings.

They are mistaken.

This constitutional amendment seeks to carry on to a logical conclusion the spirit of deficit reduction and elimination first embodied in Gramm-Rudman-Hollings.

The Gramm-Rudman-Hollings deficit reduction process under which we are currently operating is not written in stone.

It has a limited life of 5 years and can be changed by Congress at any time.

It is true it provides us with a transitional period to strive toward balancing the Federal budget and eliminating the deficit.

But in reality it only achieves its purpose for a single year!

What about fiscal 1992, and the years beyond?

Are we honestly to believe that once we manage to balance the Federal budget under the Gramm-Rudman-Hollings process for 1 year we will be cured of the chronic deficit disorder for all time?

I doubt it.

That is why this amendment is so important.

It seeks to pick up where Gramm-Rudman-Hollings leaves off and provide a continuing, mandatory requirement of Congress to link spending and taxing decisions; a linkage which I believe is sorely lacking in our current budget and fiscal decisonmaking process.

We need the backdrop of this constitutional amendment to balance the Federal budget, in order to impose fiscal restraints on Congress and the executive branch.

We all know Gramm-Rudman-Hollings is on shaky legal ground, which should be resolved in several months.

Even with a favorable resolution in the courts, Gramm-Rudman-Hollings will always remain on uncertain legislative ground because of its statutory nature.

What Congress has done it can undo.

If we are serious in achieving and maintaining a balanced Federal budget, as I believe we are, we must create a rigorous and disciplined environment under which Congress and the President are forced to work out a budget which will take effect on the first day of the new fiscal year and pay for itself throughout that year.

This amendment is the only lasting way to provide us that much-needed environment.

Mr. President, I urge my colleagues to support Senate Joint Resolution 225.

● Mr. MOYNIHAN. Mr. President, I speak in opposition to Senate Joint Resolution 225, a proposal to amend the Constitution to require a balanced Federal budget.

We have placed before us today the most basic questions about our system of government, its laws and institutions: What is a Constitution? Is it what we take to be fundamental law? Is it a framework of government? It is, of course, both.

The Constitution, the Bill of Rights, and subsequent amendments to the Constitution were, and remain, an enumeration of the principles that guide our Government. The Constitution embodies fundamental law, not the evanescent ideas of whatever social and economic policies may prevail in a particular era. The Constitution also establishes a governmental structure, with the powers of the legislative, executive, and judicial branches set forth. Restrictions on the powers of the individual States are described. The rights of individuals—to free speech, to freedom of political assembly, to the unfettered practice of religious beliefs—are delineated.

Citizens vote for, and elect, the Congress and the President to make choices. As elected officials we must choose how, and from whom, to collect the resources to pay for the policies we decide to pursue. And of course we must decide how to spend those revenues: How much on defense; how much on education; how much on roads; how much on scientific research.

On its face, the proposition before us is simple—deceptively so. It requires that outlays equal receipts for any fiscal year unless three-fifths of the whole number of both Houses of the Congress provide for a specific excess of outlays. Any bill to increase revenues must be passed by a majority of those duly sworn in both Houses. Finally, a provision is made to waive the requirement for any fiscal year in which a declaration of war is in effect.

In the history of our Republic we have been exceptionally sparing in the amendments we have added to our Constitution. Save the original 10 amendments—the Bill of Rights—we have added but 16. One amendment gave us prohibition, another took it away. Most of the others have dealt with basic questions of how we organize our Government and its relation to our citizens—the terms of Presidential office and the machinery of Presidential succession; the age, sex, and race of voters.

Today, it is true, there is a growing demand for an amendment to balance the Federal budget. Yet we need to be absolutely clear about the problem for which such a drastic solution is now being propounded. Between 1792 and 1986, the Federal Government ran 89 deficits greater than $1 million. That's 89 deficits in 195 years—about half the time. Federal deficits were not unusual events, but neither were they sustained. In the 19th century, for example, Federal deficits were largely the result of war expenditures. These were subsequently counterbalanced by budget surpluses.

This dynamic is no longer in evidence. The last year the Federal Government ran a surplus was 1969. Yet, it is true that during the 1970's, Federal deficits were deliberate. Indeed, during that period the deliberate, intentional nature of those deficits was openly acknowledged, and generally approved. When our distinguished Secretary of State George P. Shultz was Director of the Office of Management and Budget, he prepared for President Nixon what was known as a "full employment budget"—that is, a budget which provided for outlays that would equal revenues were the economy at full employment. The shortfall was designed to stimulate the economy towards that goal. The arrangment was not perfect, and perhaps could never be. But it was moderate, and above all it was public. Such cannot be said of the deficits we face today.

Neither economics nor history, Mr. President, is on the side of those who today offer this balanced budget amendment. Requiring that outlays equal receipts for any fiscal year, this proposed amendment to our fundamental law neglects to define these terms. Nor does this proposed amendment indicate whether outlays and receipts of the Social Security trust funds, which we have placed off-budget, are to count in the calculation of the deficit. Under Gramm-Rudman they do. But would they under this constitutional amendment? Mr. President, on this as on other critical matters we are left uninformed.

We would do well, Mr. President, to recall the 1979 testimony of the distinguished economist, Charles L. Schultze, then chairman of President Carter's Council of Economic Advisors and now senior fellow at the Brookings Institution. Speaking against an earlier incarnation of the proposal before us today, Dr. Schultze observed:

> As part of the enduring Constitution, the amendment would have to attempt a definition of the meaning of expenditures and revenues in a way that could last for generations. Imagine the task facing the Founding Fathers in 1787 trying to define a budget in a way that would be applicable to the 1970's. Can you imagine Alexander Hamilton dealing with revolving bonds and trust funds and new obligation authority? It's almost inconceivable to do that definitionally in a way that will last against the inventiveness of the human mind.

As for history, Mr. President, it reminds us that the very idea of a fiscal year is predicated on an agricultural economy that we have long since outgrown. We are no longer organized in such a way that we plant the wheat in the spring, watch it grow in the summer, and then harvest it in the fall, at which time we take account of how well off we are. No, Mr. President, we can no longer just measure when the wool clip comes in, or the apple crop, or whatever else used to be the agricultural mainstays of our economy.

Indeed, economic cycles in modern industrial economies such as ours obey no such rhythms of nature. Their study has in fact long been the province of the National Bureau of Economic Research, founded at Columbia University in the 1920's under the direction of a great American economist,

C. Wesley Mitchell, and headed until not so long ago by the distinguished Dr. Arthur Burns. The researches into the business cycle at the bureau and at other institutions have established some clear patterns in these matters. And of these we were reminded recently by an article in the Wall Street Journal of March 10, 1986. There we learn that the average duration of business-cycle expansions is 33 months.

Under such modern conditions what then will a constitutional amendment requiring a balanced budget each fiscal year mean? It is elemental to predict, Mr. President, that recessions will become depressions. For we have, as have other modern industrial nations, deliberately fashioned countercyclical devices to deal with the harsh realities of business cycles. Under current policies, in times of recession the Government tends to spend more—more in unemployment insurance benefits, and other programs to those adversely affected. At the same time receipts to the Federal Government inevitably fall. As businesses produce less and sell less, and as families earn less income, tax receipts are necessarily reduced. Such mechanisms that we have wisely chosen to build into our political economy will then be hamstrung by the kind of amendment we are being asked to consider here today.

But allow me to emphasize once again, Mr. President: The deficits we face today are not only unprecedented in size; they also present us with a fundamentally new problem. Not without reason has the Federal deficit become the central political argument of the age. Let us not forget that this situation has come into being precisely when both the executive branch and the Senate are controlled by Republicans.

Popular thought holds that there is something systemically wrong here. Arguments that "the system is broke" were persuasive to many, and Congress overwhelmingly voted for Gramm-Rudman-Hollings to fix it. Mr. President, I was one of 24 Senators to oppose that legislation. The fact is that our system is not broken. The simple truth is rather that this unprecedented deficit was created deliberately by the present administration. It is also true that this administration has intentionally misled the American people about these deficits. Thus, when the Reagan administration proposed its first budget 4 years ago, a budget deficit of $91.5 billion was predicted. As I told my colleagues on the Budget Committee during the markup session last week:

> Starting in 1982, the administration began lying to this committee. They weren't making mistakes. They were telling what they knew or judged to be untruths. They would overestimate revenues, overestimate spending. In 1982, they came here with a very specific and consciously misleading budget that showed that they would not cross into a three digit deficit for fiscal year 1983.

Contrary to the prevailing wisdom, Mr. President, the present deficit crisis is not the result of policy out of control. No, it is the result of policy in place—the intentional policy of this administration.

This being the case, we must then ask ourselves how will future executives behave if constrained by a constitutional amendment such as proposed here today. The answer most likely is that they will misrepresent fact, as this administration has chosen to do. The only difference will be that future executives will, by the amendment proposed here today, be forced to do so. What law, Mr. President, what constitutional amendment will stop elected officials intent upon deceiving the American people?

It is, Mr. President, precisely because the Founders had no illusions about the motives and intentions of elected officials that they labored to produce a constitution. For in this manner they sought to establish an enduring framework to withstand the petty whims and deep-seated ambitions of individual men and momentary majorities. As Hamilton wrote in Federalist No. 34:

> Constitutions of civil government are not to be framed upon a calculation of existing exigencies but upon a combination of these with the probable exigencies of the ages.

It would be tragic indeed, Mr. President, if today under the press of such exigencies we were to tamper with the instrument that was intended to save us from the follies and deceits now confronting us.●

● Mr. WALLOP. Mr. President, I wish to reiterate my strong and unwavering support for a constitutional amendment requiring a balanced budget. As many of my colleagues know, I have sponsored or cosponsored such legislation ever since I came to the Senate in 1977. Back then, the need for this amendment was compelling and urgent. Unfortunately, things have only gone from bad to worse in the intervening years. In 1977, we faced a deficit of some $53 billion—a sum that seems minuscule in comparison to the $200 billion deficit we are battling today. The national debt back then hovered at $709 billion. Today it exceeds $2 trillion. Last year, we paid $130 billion in interest charges alone on the Federal debt. This accounts for 14 percent of all Federal spending—or $1 of every $7. Worse still, the Grace Commission estimates that if we continue at this rate, by the year 2000 the interest on the debt alone will top $1 trillion a year.

It is high time to get out of debt. Clearly, a balanced budget is an idea whose time has not only come, but is long overdue.

Last fall we enacted Gramm-Rudman, which requires a balanced budget by 1991. Many hailed this as a great achievement and indeed, for Congress, it is. But we must not lose sight of the fact that Gramm-Rudman is only a substitute for responsibility. It only works when Congress fails to do so. What is needed is a Federal law that will permanently prohibit Government from spending more than it takes in and prohibits Congress from shirking its primary duty of fiscal responsibility.

Long-lasting and enduring Federal fiscal responsibility requires a constitutional remedy. While Gramm-Rudman is a step in the right direction, the only way to stop Congress from heaping a tremendous debt against future generations is to etch the requirement for a balanced budget into constitutional stone. Congress has to be accountable to the American people, who, time and again, have called on us for fiscal restraint in order to spur economic growth. Forty-six State constitutions, including that of my home State of Wyoming, require a balanced budget. No less should be asked of the Federal Government.

The amendment's language is clear, simple, and effective. It will ensure that the first tottering steps we've taken toward fiscal soundness with Gramm-Rudman will become the sturdy strides of a healthy Federal spending policy. As we near the Constitution's 200th anniversary, let us make sure the legacy we pass down to future generations is that of the freedom embodied in that unique document, rather than the heavy burden of an overwhelming Federal debt that will only serve to limit the freedoms of those who come after us.●

APPOINTMENT OF ROBERT PENN WARREN, AS FIRST U.S. POET-LAUREATE SETS HIGHEST STANDARDS

Mr. MATSUNAGA. Mr. President, I rise to congratulate and commend our Librarian of Congress, Daniel J. Boorstin, on his selection of Robert Penn Warren as the first Poet-Laureate of the United States.

Mr. Warren's career as a writer is a long and distinguished one. His poetry and prose have been honored in many quarters and he has rightfully earned the distinction of being the only writer to receive Pulitzer Prizes for fiction and poetry.

Born in Kentucky in 1905, Mr. Warren was graduated from Vanderbilt University, where he was a member of the influential fugitive group which included such well-known writers as John Crowe Ransom and Allen Tate. He received a master's degree from the University of Califor-

nia and a bachelor of literature from Oxford University, which he attended on a Rhodes scholarship. As cofounder and editor of "The Southern Review," Mr. Warren continued to build on his already important place in American literature.

His appointment as U.S. Poet Laureate-Consultant in Poetry will serve as an inspiration to the next generation of writers. It is interesting to note, in this connection that one of the fastest growing programs at the university level in this country is writing. The number of aspiring American poets and writers continues to increase, as evidenced by the keen competition among candidates for entrance into writing programs at universities and colleges throughout the Nation. At Columbia University alone, some 70 applicants vied for admission to the 20 vacancies in the school's writing program for the fall semester last year.

The Associated Writing Program sponsored by a 19-year-old association headquartered at Old Dominion University in Norfolk, VA, issues an AWP catalogue which provides program descriptions for 279 writing programs at the undergraduate and graduate level in the United States and Canada. AWP estimates that at least 5,000 undergraduates are currently enrolled in writing programs this year.

The Poetry Society of America, a New York City-based service organization representing a broad spectrum of American poets, said its membership increased in number by 200 in 1985 to 1,600 active and publishing poets. As one who has long believed that if the lessons of human experience were all written in verse we might better learn and remember them, I take great encouragement from this recent trend.

Mr. President, the position of Poetry Consultant of the Library of Congress has existed for 50 years as a privately endowed program. Upgrading that post to that of Poet Laureate will now provide young American poets with role models, as well as an incentive to aspire to the highest position in their art, just as the young politically inclined aspire to the office of the President of the United States.

As the introducer of the bill to establish the position of Poet Laureate of the United States in 1963, and having pursued the objective for over 22 years, I am truly delighted that that position has at long last been established and that it has been filled by one who will set the highest standard for those who aspire to that position.

Mr. President, I ask unanimous consent to include in the RECORD two editorials, one from my hometown newspaper, the Honolulu Advertiser, and the other from the Columbus, OH, Dispatch, both of which applaud the Congress for establishing the position of the U.S. Poet Laureate.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Honolulu Advertiser, Mar. 3, 1986]

A POETIC CHOICE

A danger in appointing people to government posts for their ability to express themselves is that when they say what they think it may not be what people want to hear.

This is true of Robert Penn Warren, just chosen as the nation's first poet laureate. He said, "The people who create these posts don't give a damn about poetry."

Well, that is not true of Hawaii Senator Spark Matsunaga who campaigned for years to elevate the poetry consultant to the Library of Congress to the more august sounding post of "poet laureate."

Still, Warren, 80, is a fitting choice. He is a three-time Pulitzer Prize winner, twice for poetry and once in 1947 for the novel that made him famous, "All the King's Men," which grew out of observing the late Governor Huey P. Long of Louisiana.

In addition to Pulitzers, Warren has won the Bollingen Prize, the Presidential Medal of Freedom, the National Book Award, the National Medal for Literature and a MacArthur "Genius" Award.

Warren will likely not be writing verse on demand to memorialize events and people. As when he was poetry consultant twice before, he will advise on literary programs, recommend new poets for inclusion in the Library of Congress and deliver a public reading and a lecture each year.

"To have great poetry," Walt Whitman wrote, "there must be great audiences." If having a poet laureate helps just a bit to infuse a little poetry into the prosaic lives of Americans, it will be better for poetry and for people.

[From the Columbus (OH) Dispatch, Feb. 13, 1986]

OUR OWN POET LAUREATE

For the first time in its history, the United States is going to have a poet laureate.

Tacked on to a bill in Congress last year dealing with the National Endowments of Arts and Humanities was an amendment Sen. Spark M. Matsunaga, Hawaiian Democrat and a poet, has been trying to get through for more than 20 years.

Congress approved and President Reagan signed the measure which empowers the Librarian of Congress, now Daniel J. Boorstin, to name each year a "poet laureate," combining the position with that of consultant in poetry the library has maintained for more than 50 years.

The designated poet laureate-consultant will receive a stipend of $10,000 and a salary of about $35,000 and is to produce at least one major work of poetry a year and appear at selected national ceremonies.

We think it's a fine idea. Great Britain has, of course, for centuries honored one of its leading poets with the laureate title. President Kennedy delighted poetry lovers by inviting Robert Frost to participate in his inaugural ceremony.

The new laureate's official appearances may vary greatly with the literary tastes of the incumbent president, whoever it may be, but the title itself should, as Matsunaga hopes, "give greater visibility and prestige" to poets and their work.

We also think Congress showed unusual sensitivity in timing the first appointment to come up in February. What better time than the month of hearts and valentines to add a spokesman for romance and the gentler instincts to our national roster?

A TRIBUTE TO FORMER SENATOR JACOB JAVITS

Mr. STEVENS. Mr. President, it is with deep sorrow that I rise to speak about the passing of a friend and truly remarkable man, Senator Jacob Javits.

There are many, many individuals who follow standards; there are very few who set them. Jack Javits was a man who set them.

Rising from poverty to become one of the most powerful and influential men in America, Jack Javits proved that with hard work and courage, anything is possible in this great country. His wisdom was sought by Presidents and world leaders. Indeed, his counsel was sought by all who served with him—Republicans and Democrats—in the Senate.

Senator Javits was a master at his trade. His debate skills are well remembered by those of us who sat in this Chamber and heard him fight for and defend legislation. He was a tireless lawmaker whose influence and expertise ran the gamut from social policy and foreign affairs to banking and pension reform.

He was a kind and gentle man who possessed a great intellect and understanding of his fellow man and this institution.

While he was a Senator from New York, serious students of the Senate time and again called Jacob Javits the most competent Member of this body. He will always be remembered in that way.

MAXINE SNOWDEN: ANOTHER SENATE "FIRST"

Mr. DOLE. Mr. President, in addition to broadcasting our proceedings to the public, today we had occasion to observe another "first" in Senate history. The Secretary of the Senate's appointment of Maxine Snowden, formerly an assistant legislative clerk with the House of Representatives, as the Senate's assistant enrolling clerk, represents the first time that a woman has held this position. And Maxine's transmittal of House Joint Resolution 345 today at 3 is the first time that a woman has transmitted a message into that Chamber.

History continues to be made in this institution. We congratulate Maxine on carving out her niche in Senate "firsts" and hope she finds this side of the Capitol equally rewarding.

THE CONSTRUCTION INDUSTRY LABOR LAW AMENDMENTS

Mr. KENNEDY. I was pleased yesterday to join with Senator D'AMATO

and other Senators from both sides of the aisle in introducing S. 2181, the construction industry labor law amendments. This legislation is a long overdue correction of our labor law to end a practice which has drained the vitality from the special construction industry amendments added in 1959 to the National Labor Relations Act.

The construction industry is a unique one, and our labor statutes have made some attempts to fit the proverbial square peg in a round hole. Characterized by constantly shifting worksites, continually changing manpower requirements, and a large and frequently mobile work force, the construction industry requires special attention to accommodate its unique characteristics, and special attempts to provide for stability and security in so vital an industry.

Recent decisions of the National Labor Relations Board have negated the special construction provisions of the 1959 amendments, and today many employers successfully avoid lawful collective-bargaining agreements by playing corporate shell games.

S. 2181 will close this loophole in the law, a loophole spawned by erroneous NLRB interpretation of the act and the objectives Congress sought to achieve in this unique industry in 1959.

I commend Senator D'AMATO for introducing this long overdue correction to our labor law in the construction industry.

DEATH OF SENATOR JACOB JAVITS

Mr. DECONCINI. Mr. President, last week the Senate lost one of the most illustrious members ever to serve in this body—Senator Jacob Javits. In Senator Javits' words, the Senate was his first love. He loved this institution, respected its traditions and, through hard work and deep commitment, elevated public service to a level against which all who follow will be measured.

While I only had the privilege of serving with Senator Javits for 4 years, I felt his presence long before arriving in the Senate in 1977, and have felt his legacy since his departure in January 1981. Senator Javits' intellect was legendary; the depth and breadth of his knowledge on a broad range of issues, from foreign policy to civil rights, was unparalled; and his deep dedication to the causes to which he committed his life and energies brought him the admiration and respect of his colleagues. Senator Javits was not feared, rather he was revered. Senator Javits was not selfish, he was selfless. Senator Javits was not complacent, he was compassionate. Oftentimes, he was a voice in the wilderness, but when Jake Javits spoke, we paid attention. We knew that the issues Jake Javits relentlessly and resolutely pursued were morally right. We listened, because we knew that nothing Jake Javits did was for short term political gain. In many ways, he was our conscience. We listened to Jake Javits and wrestled with our own consciences on the merits of the issues he espoused with such passion.

Senator Javits represented the State of New York for 24 years—longer than any other Senator from that great State. Senator Javits was a Republican from a State with a long Democratic tradition. Yet he was elected and reelected, not only because he represented his State well, but because his constituents respected his judgments as did his colleagues.

Senator Javits never strayed far, either emotionally or spiritually, from the New York tenement in which he was raised. His great compassion for the poor and disadvantaged of our society was born out of personal experience. Despite the heights he achieved, he never forgot his roots.

As much as any other Member who ever served in this body, Senator Javits was responsible for changing the course of our thought and our actions with regard to programs for the poor, the disabled, the disadvantaged, and those who were the victims of discrimination. And he did so without ever holding a committee chairmanship. He persuaded the majority of his colleagues of the rightness of his causes, not through intimidation or strident political rhetoric, but through quiet reason.

It is ironic that after leaving the Senate, Senator Javits succumbed to a debilitating disease. Confined to a wheelchair, and barely able to speak, Jake Javits continued to champion the causes to which he had dedicated his life in the Senate. Fortunately, to the end, he maintained his keen intellect and indomitable spirit. His life was a glorious example of the heights to which the human spirit can rise.

I would like to express my sincere condolences to Senator Javits' wife and his family. A great American statesman has died. All of us who had the good fortune to know and serve with him are richer for that experience.

THE PASSING OF SENATOR JACOB JAVITS

Mr. DODD. Mr. President, I would like to say a few words to commemorate the passing last Friday of Jacob Javits, a former Member of this body, a man for whom I had enormous respect and affection.

I have often said about the day I took office as a U.S. Senator that amidst the pride and joy of that day a tinge of sourness in my heart was caused by the realization that I would not be serving with Jack Javits, he would not be my chairman at the Foreign Relations Committee. That coverted dream had eluded him, as he himself wrote later in his autobiography: "I was shown the promised land but was not permitted to enter it."

Even though this last honor was destined to avoid him, Jack Javits was one of the greatest lawyer statesmen our country ever produced. He became a dominant influence on our foreign policy without ever being elected President or serving as Secretary of State. He made his mark as a Member of the Senate and its Committee on Foreign Relations.

His Senate career epitomized a profound respect for the Constitution and for those basic values that are the essence of that document and that are shared by all Americans. He recognized the transcedent nature of American values and did his best to promote foreign policy ideas that were deeply rooted in those values. As he himself wrote in one of his books:

> * * * the fundamental values for which this Nation stands . . . are not merely American values but values distilled from man's long, harrowing experience in trying to bring truth and good beauty into human existence. I believe these values will endure.

Jack Javits had a leading role in authoring the war powers resolution because he wanted to prevent Presidential wars that, lacking popular support, might tear the fabric of the Nation apart.

He was instrumental in formulating our foreign aid policy that is the mainfestation of the charitable instincts of the American people and, at the same time, an excellent tool of promoting democracy and liberty abroad.

Jack Javits was as painfully aware of the shortcomings of the United Nations system as anyone but as a legislator of vision and wisdom he recognized its importance as an institution that was founded on American ideas and as a forum for the promotion of those ideas.

I would not do justice to the splendid achievements of this "Senate man"—a typical self-characterization—if I did not mention his rich record in labor, civil rights, and social legislation. Small in stature but a giant in accomplishments he continued to work and teach even after leaving public life. More and more incapacitated by a crippling and incurable disease he set an example of how to face such enormous adversity with good cheer and courage and continue to live a busy and productive life until death.

I saw him last at the dedication of the archives of his papers at the Stony Brook campus of the State University of New York. He was thrilled at the idea of having the record of his life's work continue to serve students and scholars. He has now left us, but his rich life and example will continue to

inspire and teach many further generations.

"WHAT WORKS"

Mr. HATCH. Mr. President, King Solomon was not completely correct. I am pleased to note that there is something new on the horizon. What's new is a little pamphlet entitled "What Works."

Over the years, millions of taxpayers' dollars have been spent on research to determine how and why children learn various subjects and how that learning can be improved. Much of that research has contributed to our understanding of the education process. This new publication is a compilation of the more worthwhile research projects presented in a commonsense, no jargon format for use by parents, teachers, and other members of the education community.

On Tuesday, March 4, 1986, the Secretary of Education, Dr. William Bennett, and President Reagan issued this fascinating report. This publication is an obvious complement to the highly acclaimed "Nation at Risk" report which raised serious questions about problems facing our schools as a result of the experiments of the 1960's and 1970's. "What Works" answers many parents' questions about how they can participate in the excellence in education movement on behalf of their children.

In this regard, it is interesting to note one of the report's conclusions; namely, that parents can do many things to perfect their children's education at home. What parents do to help their children learn is more important to their academic success than the economic condition of the family. In short, all American children are educable.

I hope that this and the other findings contained in "What Works" will encourage greater parental involvement in their children's education. This will help ensure that the pursuit of excellence in education is maintained. I applaud Secretary Bennett and Assistant Secretary Chester E. Finn, Jr., for their work on this project and for our Nation's new rededication to improving the quality of America's education system.

CESSNA AND ITS CHAIRMAN RUSS MEYER WIN 1985 ROBERT J. COLLIER TROPHY

Mr. DOLE. Mr. President, I am pleased to rise today to honor the Cessna Aircraft Co., of Wichita, KS, and its distinguished chairman, Russell W. Meyer, Jr. Both have been named as the 1985 recipients of the Robert J. Collier Trophy, one of the most prestigious awards for the field of aviation. The Collier Trophy is presented annually by the National Aeronautical Association to an individual or company for the greatest achievement in aeronautics or astronautics in the United States with respect to improving the performance, efficiency, or safety of air or space vehicles.

Cessna and Russ Meyer were nominated for the impressive 1985 safety record of the Cessna Citation business jet aircraft. With a worldwide fleet of nearly 1,400, the Citation aircraft logged almost 750,000 flight hours in 40 countries without a single passenger fatality for the second consecutive year.

In the 14 years and 3.5 million flight hours since the Citation was introduced, only four Citation accidents involving passenger fatalities have occurred in the United States. Worldwide, the Citation fleet logs more than 2,000 flying hours per day, or the equivalent of 33 trips around the world.

That is quite a record. With the Nation becoming increasingly aware of aviation safety, Russ Meyer and the entire Cessna family can be truly proud of the Citation's record.

This award has special significance for Cessna and Russ Meyer because they are the first general aviation recipients in over 70 years since the initial Collier Trophy was awarded to Glenn Curtiss. The names of Cessna and Russ Meyer will be inscribed on the trophy which is on permanent display in the Smithsonian's National Air and Space Museum. They join such distinguished former recipients as: Orville Wright, Chuck Yeager, the crew of Apollo II, and the Senate's own John Glenn.

I am especially pleased that an outstanding Kansas company received this prestigious award. The Citation is a tremendous aircraft and everyone associated with it—employees, customers, and suppliers—should be proud of its unparalleled safety record.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

BUDGET RESCISSIONS AND DEFERRALS—MESSAGE FROM THE PRESIDENT—PM 119

The Presiding Officer laid before the Senate the following message from the President of the United States, together with accompanying papers; which, pursuant to the order of January 30, 1975, was referred jointly to the Committee on the Budget, the Committee on Appropriations, the Committee on Agriculture, Nutrition, and Forestry, the Committee on Energy and Natural Resources, the Committee on Finance, the Committee on Appropriation, and the Committee on Foreign Relations:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report three new rescission proposals totaling $61,377,000, six new deferrals of budget authority totaling $1,209,629,624, and five revised deferrals of budget authority totaling $394,054,125.

The rescissions affect programs in the Department of Energy.

The deferrals affect programs in the Departments of Agriculture, Energy, Interior, and Treasury, and Funds Appropriated to the President.

The details of these rescission proposals and deferrals are contained in the attached report.

RONALD REAGAN.

THE WHITE HOUSE, *March 12, 1986.*

MESSAGES FROM THE HOUSE

At 12:04 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill, with amendments, in which it requests the concurrence of the Senate:

S. 410. An act to repeal the Commercial and Apartment Conservation Service, and for other purposes.

The House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 3556. An act to provide for the exchange of land for the Cape Henry Memorial site in Fort Story, Virginia;

H.R. 4240. An act to amend title 23 of the United States Code to increase the limitation on the amount of obligations from $30,000,000 to $100,000,000 for emergency relief projects in any State resulting from any single natural disaster or catastrophic failure occuring in calendar year 1986; and

H.R. 4329. An act to authorize United States contributions to the International Fund established pursuant to the November 15, 1985 agreement between the United Kingdom and Ireland.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

At 4:05 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled bill and joint resolution:

H.R. 1614. An act entitled the "Food Security Improvements Act of 1986"; and

H.J. Res. 345. Joint resolution to designate March 1986, as "Music In Our Schools Month".

The enrolled bill and joint resolution were subsequently signed by the President pro tempore (Mr. THURMOND).

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 3556. An act to provide for the exchange of land for the Cape Henry Memorial site in Fort Story, VA; to the Committee on Energy and Natural Resources.

H.R. 4240. An act to amend title 23 of the United States Code to increase the limitation on the amount of obligations from $30,000,000 to $100,000,000 for emergency relief projects in any State resulting from any single natural disaster or catastrophic failure occuring in calendar year 1986; to the Committee on Environment and Public Works.

MEASURE READ THE FIRST TIME

The following bill was read the first time:

H.R. 4329. An act to authorize United States contributions to the International Fund established pursuant to the November 15, 1985, agreement between the United Kingdom and Ireland.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-593. Concurrent resolution adopted by the Legislature of South Carolina; to the Committee on Agriculture, Nutrition, and Forestry:

"A CONCURRENT RESOLUTION

"Whereas, ending the starvation in Africa requires thirty million tons a year of cereal and animal and vegetable protein foods from outside the continent for three years; and

"Whereas, worldwide food supplies per capita are shrinking dangerously and annual world grain production has declined from eighteen bushels per capita to fifteen bushels per capita when every person needs the equivalent of twenty-four bushels per person per year for a healthy diet, including animal protein; and

"Whereas, the agricultural output potential of the developing sector nations is being destroyed through the International Monetary Fund system; and

"Whereas, a small number of world food cartels and private family trusts have consolidated monopoly control over international food, trade, and shipping facilities, domestic food processing, and farm supply companies, and this poses a threat to national and western security because agreements have been made to guarantee Soviet food stocks resulting in food scarcities in the west; and

"Whereas, the potential agricultural production of the globe is enormous if emergency measures are implemented immediately and provision is begun for applying a wave of advanced technologies to developing largescale infrastructure projects such as dams, irrigation systems, ports and to providing cheap, plentiful power. Now, therefore,

"*Be it resolved* by the House of Representatives, the Senate concurring:

That the members of the General Assembly of South Carolina hereby memorialize the President and the Congress of the United States:

"1. To ensure emergency food production orders to guarantee resumed livestock development and spring planting, including government-to-government food commodity trade commitments to guarantee cost-of-production parity prices to farmers in all trading partner nations.

"2. To institute investigations and antitrust proceedings against the food, shipping, and chemical cartel companies starting with conflict-of-interest hearings on the role of former cartel executives who occupy positions within the United States Department of Agriculture;

"3. To conduct a national grain and food inventory to produce an accurate public record of national food stocks and total western food supplies, and to set production objectives like the World War II mobilization; and

"4. To provide emergency food to Africa and all other points of need and to supply the logistics and infrastructural assistance needed to allow the most rapid economic development.

"*Be it further resolved* that copies of this resolution be forwarded to the President of the United States, the United States Senate, the United States House of Representatives, and to each member of the South Carolina Congressional Delegation."

POM-594. Concurrent resolution adopted by the Legislature of the State of Michigan; to the Committee on Environment and Public Works:

SENATE CONCURRENT RESOLUTION No. 574.

"A concurrent resolution memorializing the United States Congress to form a task force in order to provide a liaison between the federal government and the states relative to reduction of the dangerously high water levels of the Great Lakes.

"Whereas, Amid the recent controversy stemming from a report issued by the United States Army Corps of Engineers, there has been considerable concern generated for the plight of people and properly directly affected by water levels of the Great Lakes. The waters of the lakes and connecting waterways have been, in general, rising over the past few years. This year, especially during spring rains, elevations are predicted to reach record high levels; and

"Whereas, Experts feel the disastrous effects of extensive flooding, including loss of life and property sure to be a result of the predicted high water levels, can be drastically reduced, if not eliminated, through the careful regulation of still-water elevations. This could be accomplished by safe utilization of existing control points on the Great Lakes; and

"Whereas, Specifically, it is felt that usage of six major control gates, including the Chicago Diversion, the Ogoki and Long Lake Diversions, the Welland Canal, the Black Lock Shipping Canal, the New York State Barge Canal, and the control locks at Sault Ste. Marie could responsibly bring waters to below-crises levels. Originally constructed for diverse purposes, many of these existing control gates fall under differing jurisdictions. A liaison between the governing jurisdictions would greatly facilitate the apportionment and balance of water levels in the Great Lakes, contributing to the safety and benefit of countless United States and Canadian citizens; now, therefore, be it

"*Resolved by the Senate (the House of Representatives concurring),* That the United States Congress be hereby memorialized to form a task force in order to provide a liaison between the federal government and the states relative to reduction of the hazardous high water levels of the Great Lakes; and be it further

"*Resolved* That a copy of this resolution be transmitted to the President of the United States, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation."

POM-595. Concurrent resolution adopted by the Legislature of the State of Alaska; to the Committee on Finance:

"CONCURRENT RESOLUTION

"*Be it resolved by the Legislature of the State of Alaska:*

"Whereas the Aid to Families with Dependent Children (AFDC) program is an integral part of the social programs of the United States and critical to the health and welfare of the children who live in poverty in the United States; and

"Whereas Alaska supports a system of quality control of the AFDC program if the system is equitable and cost-effective, review is timely, fiscal sanctions are reasonable, and incentives are included; and

"Whereas the quality control programs instituted by the states and territories of the United States and monitored by the federal government have reduced the national rate of error on the payment of AFDC benefits by one-half during the last decade; and

"Whereas experience with the quality control program for AFDC shows that many errors are based on errors in paperwork or on client errors that the states and territories cannot control and that are not necessarily related to misspent funds; and

"Whereas the states and territories of the United States are facing 1.3 billion dollars in fiscal sanctions for exceeding federally determined error tolerance levels; and

"Whereas the states and territories of the United States are faced with the necessity of either reducing the administration of their social programs and thereby risking higher rates of error, or reducing benefits to clients to compensate for the fiscal sanctions imposed by the federal government; and

"Whereas all programs for low income people, including the food stamp and Medicaid programs, are inextricably linked to each other, and reductions or changes in one program affect the benefits available in other programs; and

"Whereas all federal programs for low income persons have separate quality control and fiscal sanction components, thereby amassing billions of dollars in potential fiscal sanctions for the states and territories of the United States;

"*Be it resolved* by the Alaska State Legislature that the United States Congress is respectfully urged to support the passage of legislation that incorporates the substance of the AFDC Error Reduction and Quality Control Act (H.R. 1279, 99th Congress), amended to cover the Food Stamp and Med-

icaid Programs as well as the AFDC program; and be it

"Further resolved that this legislation should require that

"(1) the United States Department of Health and Human Services (DHHS) shall disregard errors that have no fiscal impact when determining error rates;

"(2) there shall be established a national error rate that is four percent for the AFDC and Medicaid programs and five percent for the food stamp program, and that allows a higher error rate on a state-by-state or territory-by-territory basis under appropriate conditions;

"(3) DHHS shall provide positive financial incentives to states and territories with error rates less than the national error rates in the form of enhanced federal funding for the administrative costs of the AFDC, Medicaid and food stamp programs; and

"(4) DHHS shall waive all or part of the fiscal sanctions if the secretary of the DHHS determines that a noncomplying state or territory has made a good faith effort to comply but has experienced circumstances beyond its control that make it impossible for the state or territory to comply."

POM-596. Concurrent resolution adopted by the Legislature of the State of Michigan; to the Committee on Foreign Relations:

"SENATE CONCURRENT RESOLUTION No. 573

"A concurrent resolution memorializing the United States Congress to urge the International Joint Commission to study the Great Lakes water system in regard to possible long-term solutions concerning dangerous high water levels.

"Whereas, Rain and snowfall in the Great Lakes basin last year exceeded the annual average, causing much concern over the high water level of the individual Great Lakes. Recent reports show the lakes to be at their highest level in several years, with water rising by at least nine inches during the past year. This will lead to disastrous flooding this spring and much loss to shorelines, personal property, and public docks and beaches. Officials are also warning of health and pollution concerns as sewer systems become flooded; and

"Whereas, One answer to the dilemma of record high water levels is better management of water intake and outflow. Specifically, regulation of the Niagara River Channel would help to control the dangerously high water level of Lake Erie. Such a project is also justified by economic by-products, including hydroelectric power. Careful usage of other already existing water diversion points or construction of new efforts should also be investigated; and

"Whereas, The International Joint Commission (IJC), a United States-Canadian agency that sets Great Lakes water policy, reviews Great Lakes regulation and examines proposals in regard to the lakes, weighing both advantages and disadvantages with an international perspective. We urge the IJC to reopen previous studies concerning efficient water capacity on the Great Lakes and to undertake new studies exploring the feasibility of organizing a central management entity to oversee the administrative operations of such an endeavor; now, therefore, be it

"Resolved by the Senate (the House of Representatives concurring), That we hereby memorialize the United States Congress to urge the International Joint Commission to study the Great Lakes water system in regard to all possible long-term solutions regarding dangerous high water levels; and be it further

"Resolved, That a copy of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, the members of the Michigan congressional delegation, and officials of the International Joint Commission."

POM-597. Petition from citizens of Huachuca City, Arizona favoring legislation to stop all/or any future raids on the Civil Service Retirement Trust Fund and guarantee the cost of living adjustments; to the Committee on Government Affairs.

POM-598. Resolution adopted by the Legislature of Guam; to the Committee on the Judiciary:

"RESOLUTION No. 284

"Be It Resolved by the Legislature of The Territory of Guam:

"Whereas, the United States of America is only one year away from celebrating the Bicentennial of the Constitution; and

"Whereas, the people of Guam have been a part of the American political family since 1898; and

"Whereas, the past several years have seen fundamental shifts in the responsibility of the Federal Government toward the people of Guam; and

"Whereas, the Federal Government has now enacted an unprecedented mechanism for reducing the federal budget deficit; and

"Whereas, the people of Guam are now in the process of formally renewing their political relationship with the United States; and

"Whereas, political institutions at every level of government have been dramatically transformed and modernized over the past two decades; and

"Whereas, these combined forces cause the people of Guam to reflect on their government, on how it operates, on the services it provides, and on how it relates to the people of Guam; now, therefore, be it

"Resolved, that the Eighteenth Guam Legislature, on behalf of the people of Guam, express its desire to participate in the preparation and celebration of the Bicentennial of the Constitution of the United States; and be it further

"Resolved, that the Eighteenth Guam Legislature, on behalf of the people of Guam, urge the Congress and people of the United States to support the aspirations of the people of Guam in achieving a more defined political status with the United States; now, therefore, be it

"Resolved, that the Eighteenth Guam Legislature, on behalf of the people of Guam, urge the member legislatures of the National Conference of State Legislatures to support a renewed spirit of political aspiration for the people of Guam; and be it further

"Resolved, that the Speaker certify to and the Legislative Secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the President of the United States; to the President of the Senate and Speaker of the House of Representatives of the Congress of the United States; to Congressman Ben Blaz; to the members of the United States Congress, both House and Senate; to the Chairperson and Members of the Bicentennial Commission; to the President, National Conference of State Legislatures; and to the Governor of Guam."

POM-599. Joint resolution adopted by the Legislature of the State of South Dakota; to the Committee on the Judiciary:

"A JOINT RESOLUTION

"Be it resolved by the Senate of the State of South Dakota, the House of Representatives concurring therein:

"Whereas, despite various efforts to control the explosive growth of federal spending, the President has had insufficient authority with respect to the budgetary process; and

"Whereas, the federal budget has not been balanced since 1969 and the national debt has increased fourteen-fold in the past ten years; and

"Whereas, Presidents since the Civil War, of both political parties, have cited the need for greater presidential involvement in administering the budgetary affairs of the nation; and

"Whereas, in forty-three states, the Chief Executive has the constitutional power to veto items of appropriation while approving other portions of a bill; and

"Whereas, this power has been described by political scholars as a highly desirable one, and one which has had a positive effect on the operation of government; and

"Whereas, under Article V of the United States Constitution, amendments to the Constitution may be proposed by the Congress whenever two-thirds of both houses deem it necessary, or, on the application of the legislatures of two-thirds of the several states, the Congress shall call a Constitutional Convention for the purpose of proposing amendments: Now, therefore, be it

"Resolved, by the Senate of the Sixty-first Legislature of the state of South Dakota, the House of Representatives concurring therein, that the Legislature does hereby make application to the Congress of the United States that procedures be instituted in the Congress to add a new article to the Constitution of the United States, and that the Legislature of the state of South Dakota hereby requests the Congress to prepare and submit to the several states an amendment to the Constitution of the United States, which would authorize the President of the United States to reduce or eliminate one or more items of appropriation while approving other portions of a bill; and

"Be it further resolved, that alternatively, this Legislature hereby makes application under said Article V of the Constitution of the United States and with the same force and effect as if this Resolution consisted of this portion alone and requests that the Congress of the United States call a constitutional convention for the specific and exclusive purpose of proposing an amendment to the Constitution of the United States, which would authorize the President of the United States to reduce or eliminate one or more items of appropriation while approving other portions of a bill; and

"Be it further resolved, that this application and request be deemed null and void, rescinded, and of no effect in the event that such convention not be limited to such specific and exclusive purpose; and

"Be it further resolved, that this application by this Legislature constitutes a continuing application in accordance with Article V of the Constitution of the United States until at least two-thirds of the legislatures of the several states have made applications for similar relief pursuant to Article V, but, if Congress proposes an amendment to the Constitution identical in sub-

ject matter to that contained in this Joint Resolution then this petition for a Constitutional Convention shall no longer be of any force or effect; and

"Be it further resolved, that this Legislature also proposes that the legislatures of each of the several states comprising the United States apply to the Congress requesting the enactment of an appropriate amendment to the Federal Constitution, or requiring the Congress to call a constitutional convention for proposing such an amendment to the Federal Constitution; and

"Be it further resolved, that copies of this Joint Resolution be sent by the Secretary of State to each member of the South Dakota Congressional Delegation; and

"Be it further resolved, that the Secretary of State is directed to send copies of this Joint Resolution to the presiding officers of both Houses of the Legislature of each of the other states in the Union, the Clerk of the United States House of Representatives, Washington, D.C., and the Secretary of the United States Senate, Washington, D.C."

POM-600. Resolution adopted by the Senate of the Legislature of the State of West Virginia; to the Committee on Labor and Human Resources:

"SENATE RESOLUTION No. 22

"Whereas, The safety of the pertussis vaccine against whooping cough is the topic of current national debate and, while reasonable minds differ on more effective treatment, opponents and proponents both agree that a safer and more effective vaccine is needed; and

"Whereas, The pertussis vaccine is known to have caused seizures, brain damage, mental retardation, deafness, blindness, muscle paralysis, and even death in young children; and

"Whereas, It is important that parents be informed about diseases and vaccines against these diseases, it is equally important that parents be informed about adverse reactions to vaccines so that "high risk children" can be identified and screened out of the vaccination process; and, be it

"Resolved by the Senate, That the passage of the National Childhood Vaccine Injury Compensation Act, US Senate Bill No. 827, which would require the United States Department of Health and Human Services to promote the development of safer vaccines, and impose stronger standards of care and mandates for vaccine testing, warning, labeling, quality control, field surveillance, etc.; provide both doctors and parents with information necessary to elicit and give genuine informed consent; require reporting, recording, and long-term follow up of major vaccine reactions to aid in screening out children at risk; preserve parents' unfettered access to the tort system (both to permit parents to choose the legal care most appropriate for their injured child and to retain the tort system's deterrent incentives against negligence in the manufacture and administration of mandated vaccines); offer an expeditious, non-adversarial, unbiased and adequate compensation alternative to the tort system for those parents who elect it; and provide emergency stand-by authority for Health and Human Services to assure adequate supplies of childhood vaccines if private insurance genuinely becomes unavailable to vaccine makers; is hereby supported as introduced, without amendments to weaken the bill; and, be it

Further Resolved, That the Clerk of this body forward copies of this resolution to each of the six members of the Congressional Delegation from West Virginia; to the President to the United States; the Vice President of the United States and to the Speaker of the U.S. House of Representatives."

POM-601. Joint resolution adopted by the Legislature of the Commonwealth of Virginia; to the Committee on Veterans' Affairs.

SENATE JOINT RESOLUTION No. 24

"Whereas, in the course of armed conflict, American military personnel are sometimes taken prisoner by the enemy; and

"Whereas, particularly during World War II, the Korean Conflict, and the Vietnam War, many American prisoners of war were subjected to atrocious treatment by their captors; and

"Whereas, in the course of their maltreatment, many American prisoners were physically abused, exposed to ravaging diseases, and psychologically tortured; and

"Whereas, the enemies of our country have sought to hide their hideous abuse of American prisoners of war and there are often no medical records or other documentary evidence of their frequently bestial treatment of American soldiers, sailors, marines, and aircrews; and

"Whereas, American former prisoners of war have often been unable to qualify for federal veterans' benefits available to former military personnel because of the absence of medical records and documentary evidence of their mistreatment; and

"Whereas, legislation now before the Congress would go a long way toward making it easier for these former prisoners of war to qualify for these benefits; and

"Whereas, this legislation has been endorsed not only by many Virginia veterans' organizations but also by the Virginia Commission on Veterans' Affairs; now, therefore, be it

Resolved, by the Senate, the House of Delegates concurring, That the Congress of the United States is hereby memorialized to pass legislation now before it (H.R. 864 and S. 1446) to aid American former prisoners of war in obtaining the veterans' benefits which they so very richly deserve; and, be it

"*Resolved Further,* That the Clerk of the Senate transmit copies of this resolution to the members of the Virginia delegation to the Congress, to the Speaker of the United States House of Representatives and the President of the United States Senate in order that they may be apprised of the sense of the General Assembly."

POM-602. Joint resolution adopted by the Legislature of the State of California; ordered to lie on the table:

"SENATE JOINT RESOLUTION No. 39

"Whereas, Currently, local fire departments are responsible for fighting fires on ships in ports; and

"Whereas, The personnel of these departments are inadequately trained for this task, and there is a lack of resources to purchase necessary equipment, such as fireboats; and

"Whereas, Legislation is pending before Congress to authorize urgently needed grants to local fire departments for these purposes; now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the Congress of the United States and the President to include in the Water Resources Development Act of 1985 (S. 1567) the provisions contained in Section 109(a)(1)(B) and Section 113 of H.R. 6 concerning financial assistance for emergency response services in ports and to enact those provisions into law; and be it further

"Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BURDICK:

S. 2182. A bill to amend the Food Stamp Act of 1977 to require for purposes of food stamp program that income for all households that produce self-employment income be reduced by the amount of self-employment losses; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. METZENBAUM (for himself and Mr. HOLLINGS):

S. 2183. A bill to improve services for individuals with Alzheimer's disease and their families; to the Committee on Labor and Human Resources.

By Mr. HATCH:

S. 2184. A bill to authorize appropriations to the National Science Foundation for the fiscal year 1987, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. KENNEDY (for himself and Mr. KERRY):

S. 2185. A bill to extend the term of the Cape Cod National Seashore Advisory Commission; to the Committee on Energy and National Resources.

By Mr. MURKOWSKI (for himself, Mr. THURMOND, Mr. SPECTER, Mr. DENTON, Mr. ABDNOR, and Mrs. HAWKINS):

S. 2186. A bill to exempt any amounts available to provide certain benefits to veterans with service-connected disabilities from any requirement for sequestration of funds under part C of the Balanced Budget and Emergency Deficit Control Act of 1985; to the Committee on Governmental Affairs.

By Mr. DECONCINI:

S. 2187. A bill to amend title 38, United States Code, to exempt from sequestration certain benefits for veterans and dependents and survivors of certain veterans which are paid based on the service-connected disability or death of veterans; to the Committee on Governmental Affairs.

By Mr. DECONCINI:

S.J. Res. 294. A joint resolution to designate the month of April 1986 as "National Child Abuse Prevention Month"; to the Committee on the Judiciary.

By Mr. MATTINGLY:

S.J. Res. 295. A joint resolution to authorize and request the President to designate May 11, 1986 to June 15, 1986 as "Family Reunion Month"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. GLENN:

S. Res. 365. A resolution to implement rule XLII of the Standing Rules of the Senate, relating to employment practices; to the Committee on Rules and Administration.

By Mr. TRIBLE (for himself, Mrs. KASSEBAUM and Mr. BOSCHWITZ):

S. Con. Res. 115. A concurrent resolution expressing the opposition of the United States to the forcible resettlement and systematic oppression of the Ethiopian people; to the Committee on Foreign Relations.

By Mr. KASTEN (for himself, Mr. HATFIELD, Mr. INOUYE, Mr. RUDMAN, Mr. BRADLEY, Mr. HATCH, Mr. GORE, Mr. NICKLES, Mr. DECONCINI, Mr. EXON, Mr. LEVIN, Mr. DURENBERGER, Mr. CRANSTON, Mr. BUMPERS, Mr. GRASSLEY, and Mr. RIEGLE):

S. Con. Res. 116. A concurrent resolution concerning the ongoing famine in Ethiopia and the Ethiopian Government's resettlement policy; to the Committee on Foreign Relations.

By Mr. SIMON:

S. Con. Res. 117. A concurrent resolution expressing the sense of the Congress in support of RIAS, the radio in the American Sector of Berlin; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. METZENBAUM (for himself and Mr. HOLLINGS):

S. 2183. A bill to improve services for individuals with Alzheimer's disease and their families; to the Committee on Labor and Human Resources.

ALZHEIMER'S DISEASE RESEARCH AND ASSISTANCE ACT

Mr. METZENBAUM. Mr. President, on November 6, 1985, I introduced S. 1835, "The Alzheimer's Disease Demonstration, Research, Respite, and Assistance Act of 1985," comprehensive legislation to strengthen and to make more coherent our national response to a disease that afflicts 2.5 million to 3 million Americans and kills 150,000 every year. The bill was referred to the Committee on Finance, then referred for executive comment to the Office of Management and Budget, the Treasury Department, and the Department of Health and Human Services.

S. 1835 which is cosponsored by Sen. HOLLINGS, addresses the range of needs experienced by Alzheimer's victims and their families. It deals with a wide range of needs, programs, services and agencies through a coordinated approach. The National Alzheimer's Disease and Related Disorders Association, representing families across the country, enthusiastically supports the bill. It is my hope that the Committee on Finance will report it favorably.

However, to facilitate the legislative process, I am today introducing a new version of S. 1835, "The Alzheimer's Disease Research and Assistance Act of 1986." This bill is similar to the original—except that the provisions dealing with tax policy, Medicare, small business loans, and the Veterans' Administration have been deleted. The remaining provisions all address issues under the jurisdiction of the Labor and Human Resources Committee. I will seek an early hearing before that panel.

Ultimately, I continue to believe that all of S. 1835 should be enacted to assure a comprehensive Federal program on Alzheimer's disease. By moving to quick hearings in the Labor and Human Resources Committee, I believe the bill I am introducing today will hasten that outcome.

As the population ages, it becomes ever more incumbent upon us to facilitate and expedite the effort to place Alzheimer's disease on the national agenda, to find solutions for Alzheimer's disease, and to plan for acute catastrophic health care and long-term care.

I would like to submit my statement of November 6, 1985, for the RECORD once again. And I request that the new bill, "The Alzheimer's Disease Research and Assistance Act of 1986," be printed in the RECORD in full.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2183

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE

This Act may be cited as the "Alzheimer's Disease Research and Assistance Act of 1986".

SEC. 2. EXPANSION AND COORDINATION OF RESEARCH ON ALZHEIMER'S DISEASE.

(a) RESEARCH PARTNERSHIPS.—(a) To facilitate research with respect to Alzheimer's disease, the National Institute on Aging shall develop and encourage partnerships between—

(A) Federal agencies concerned with, or involved in, research on Alzheimer's disease; and

(B) academic institutions, pharmaceutical companies, nursing homes, providers of day care services and respite services for patients with Alzheimer's disease, private insurers, and other private entities.

(2) Under paragraph (1), the National Institute on Aging shall facilitate partnerships for research in areas such as—

(A) the etiology, diagnosis, clinical course, treatment, and epidemiology of Alzheimer's disease;

(B) the psychological and social functioning of patients with Alzheimer's disease; and

(C) effective methods of raising or sustaining the quality of life for patients with Alzheimer's disease, means of financing each such method, and the cost-effectiveness of each such method.

(3) To facilitate research partnerships under this subsection, the National Institute on Aging shall establish a scientific and medical advisory panel on Alzheimer's disease, which shall consist of biomedical researchers and health services researchers, including health economists and medical sociologists, who are conducting research with respect to Alzheimer's disease.

(b) DATA COLLECTION.—The National Center for Health Statistics, in cooperation with the National Institute on Aging, shall collect, maintain, and provide for the exchange of medical information necessary to—

(1) diagnose and evaluate individuals with Alzheimer's disease; and

(2) develop and establish a national data base concerning Alzheimer's disease, including accurate information on Alzheimer's disease as a cause of death.

(c) RESEARCH.—The Director of the National Institutes of Health shall establish five research centers on Alzheimer's disease and related disorders for basic and clinical research into, training in, and demonstration of advanced diagnostic, prevention, and treatment methods for Alzheimer's disease and related disorders, which shall be in addition to the number of such centers which have been established prior to the date of enactment of this Act. For such additional centers, there are authorized to be appropriated $3,500,000 for fiscal year 1987.

SEC. 3. SPECIAL PROJECTS IN ALZHEIMER'S DISEASE SERVICES.

The Older Americans Act of 1965 is amended by adding after section 426 the following new section:

"SPECIAL PROJECTS IN ALZHEIMER'S DISEASE SERVICES

"SEC. 427. (a)(1) The Commissioner is authorized, directly or through grants or contracts, to develop programs which are designed to assist elderly victims of Alzheimer's disease and other related neurological and organic brain disorders, whether living independently or with their families to meet their day-to-day needs including—

"(A) home health care for such victims, including functional health care, physical therapy, and occupational therapy;

"(B) adult day care for such victims:

"(C) Home management assistance, transportation to access services, and in-home respite care for the families, particularly spouses of such families;

"(D) referral services to appropriate community services for such victims and their families throughout the continuum of care; and

"(E) the conduct of workshops for health care professionals and other personnel in the field of aging relating to the provision of functional and skilled care to individuals who suffer from Alzheimer's disease and other related neurological and organic brain disorders.

"(2) The Commissioner may, whenever appropriate, provide for the charging of fees for services under paragraph (1).

"(3) The Commissioner is authorized to make grants and to enter into contracts under this section with State agencies, area agencies on aging, and appropriate nonprofit private organizations in the private sector, including the Alzheimer's Disease and Related Disorders Association.

"(b) In carrying out the provisions of this section, the Commissioner shall, in addition to agencies specified in section 402(b), request the technical assistance and cooperation of the Veterans' Administration.".

SEC. 4. HEALTH SERVICES RESEARCH RELATING TO ALZHEIMER'S DISEASE.

(a) RESEARCH.—(1) The National Institute on Aging shall conduct research relating to

methods for financing systems for providing long-term care to victims of Alzheimer's disease and related disorders.

(2) For purposes of conducting research under paragraph (1), the National Institute on Aging shall establish a panel, which shall include such representatives as may be necessary from—

(A) State and Federal agencies involved in providing long-term care;

(B) private health insurers;

(C) health services researchers, including health economists and medical sociologists;

(D) health specialists skilled in functional assessment and management, including occupational therapists and physical therapists;

(E) national voluntary organizations concerned with Alzheimer's disease and related disorders; and

(F) health care consumers.

(3) Within one year after the date of the enactment of this Act, the National Institute on Aging shall prepare and transmit a report to the Congress describing the results of the research conducted under this subsection and containing such recommendations as the National Institute on Aging and the panel established under paragraph (2) consider appropriate.

(b) DEVELOPMENT OF DATA BASE.—The National Institute on Aging, in cooperation with the Administration on Aging, the National Institute of Mental Health, and the National Center for Health Statistics, shall develop a data base on needs (current and projected) for long-term care, and on costs of alternative funding strategies for such care through a mix of private and governmental resources. The National Institute on Aging shall report to the Congress with respect to the development of such data base within one year after the date of the enactment of this Act.

(c) REGISTRIES.—The Commissioner of the Administration on Aging, through the State agencies designated under section 305(a)(1) of the Older Americans Act of 1965, shall direct the area agencies on aging to maintain—

(1) registries for referrals to certified skilled professionals to provide home care and support services, including social workers, physical therapists, occupational therapists, nurses, psychologists, and psychiatrists; and

(2) registries of other community services.

SEC. 5. NONDISCRIMINATION BY NURSING HOMES AGAINST MEDICAID-ELIGIBLE ALZHEIMER'S DISEASE VICTIMS.

(a) NONDISCRIMINATION.—No skilled nursing facility or intermediate care facility which receives payments under title XVIII of the Social Security Act or under a State plan approved under title XIX of such Act may discriminate in the acceptance or refusal of individuals as patients on the grounds that an individual is eligible for medical assistance under a State plan approved under title XIX of the Social Security Act, or on the grounds that an individual is a victim of Alzheimer's disease.

(b) FUNCTIONAL ASSESSMENT.—Skilled nursing facilities and intermediate care facilities receiving payments under title XVIII or a State plan under title XIX of the Social Security Act shall be required to include in the initial admission evaluation a functional assessment of the Alzheimer's disease patient prepared by an occupational or physical therapist with respect to management of functional impairment. Such assessment shall be reviewed periodically, but not less than three times per year, by the administrator of the skilled nursing facility or the intermediate care facility with the occupational or physical therapist.

(c) ANNUAL REPORT.—The Secretary of Health and Human Services shall report annually, beginning one year after the date of the enactment of this Act, to the Congress with respect to implementation of this section.

SEC. 6. DISABILITY GUIDELINES.

(a) UPDATING GUIDELINES.—The National Institutes of Health shall review current information relating to Alzheimer's disease which may be relevant with respect to establishing and updating eligibility criteria for the disability programs under titles II and XVI of the Social Security Act on the basis of such disease. The National Institutes of Health shall report its findings to the Congress not less often than annually.

(b) DISSEMINATION OF INFORMATION AND TRAINING.—The Secretary of Health and Human Services shall establish a mechanism for prompt dissemination of information and guidelines relating to Alzheimer's disease, and for providing training relating to work evaluation of individuals with such disease, to personnel of the Social Security Administration, and of the State agencies making disability determinations pursuant to section 221 of the Social Security Act, who are involved in the disability determination process. Such information shall be geared to enhancing the understanding of such personnel with respect to Alzheimer's disease as an organic brain malfunction.

SEC. 7. TRAINING PROGRAMS.

(a) DEVELOPMENT OF CURRICULA.—The National Institute on Aging and the National Institute of Mental Health, in cooperation with appropriate Federal agencies, shall—

(1) develop curricula for the training of personnel who provide health services to patients with Alzheimer's disease; and

(2) disseminate such curricula, and provide consultation services with respect to such curricula, to health care providers who provide such services.

(b) CLINICAL CARE.—The National Institute on Aging, through the centers for research on Alzheimer's disease and related disorders, and in cooperation with appropriate national voluntary organizations, shall develop and implement programs—

(1) to train providers of clinical care services (such as physicians, psychologists, nurses, social workers, occupational therapists, and physical therapists) to patients with Alzheimer's disease; and

(2) to train families of patients with Alzheimer's disease to provide care for such patients in their homes.

(c) LONG-TERM CARE.—The Secretary of Health and Human Services shall develop and implement programs to train personnel (including home health care aides) who provide long-term care services to patients with Alzheimer's disease, including continuing in-service training programs.

(d) NURSING HOME PROGRAMS.—The Secretary of Health and Human Services shall make grants to schools of medicine to establish training programs for physicians and other health care personnel who provide health care services to patients with Alzheimer's disease who reside in nursing homes.

(e) SAFETY AND TRANSPORTATION PERSONNEL.—The Secretary of Health and Human Services shall conduct training programs on Alzheimer's disease for safety and transportation personnel, such as police, security guards, bus drivers, and other operators of, and attendants on, public conveyances.

(f) MEDICAL EXAMINERS.—(1) The Secretary of Health and Human Services shall conduct training programs for medical examiners, coroners, and pathologists in the proper conduct of an autopsy to determine whether Alzheimer's disease was a contributing factor to the death of an individual.

(2) The Secretary of Health and Human Services shall promulgate regulations encouraging medical examiners, coroners, and pathologists to provide reports concerning the findings of autopsies in which Alzheimer's disease contributed to the death of an individual to the Director of the National Institute on Aging, the Director of the National Center for Health Statistics, and the family of such individual. The Director of the National Center for Health Statistics shall include information from such reports in the data base established under section 2(b)(2).

(g) ADVICE AND COOPERATION.—In carrying out this section, the Secretary of Health and Human Services shall obtain the advice and cooperation of appropriate national organizations concerned with Alzheimer's disease.

(h) AUTHORIZATION.—To carry out this section, there are authorized to be appropriated such sums as may be necessary.

By Mr. METZENBAUM:

S. 1835. A bill to provide assistance in alleviating the suffering of victims of Alzheimer's disease and their families; to the Committee on Finance.

ALZHEIMER'S DISEASE DEMONSTRATION, RESEARCH, RESPITE, AND ASSISTANCE ACT

Mr. METZENBAUM. Mr. President, I am today introducing the Alzheimer's Disease Demonstration, Research, Respite, and Assistance Act, legislation designed to strengthen and to make more coherent our national response to Alzheimer's disease, an affliction that has devasted the lives of millions of Americans.

Alzheimer's disease, Mr. President, is a neurological disorder that, before killing its victims, renders them incapable of caring for themselves.

How widespread is it?

Approximately 2.5 to 3 million Americans suffer today from Alzheimer's.

According to the Public Health Service, this terrible disease strikes 1 of every 20 people between the ages of 65 and 75. And beyond the age of 80, it afflicts one person in every five. But it has been known to strike people in their thirties, too, and people at the peak of their careers and contributions to society.

Alzheimer's is a deadly disease—the fourth leading killer of adults in this country. Each year, 150,000 Americans die from this disorder and related complications.

But these are only numbers, Mr. President. And numbers cannot begin to convey the tragedy of Alzheimer's—the tragedy for those who contract this affliction, and for their families, who must not only watch the mental and physical disintegration of a loved one, but in many cases, provide the round-the-clock care to the victim.

Mr. President, in the past few years, several Members of the House and the Senate, myself included, have sponsored a variety of efforts to address one or another facet of Alzheimer's disease. And from these efforts, we have learned that, to deal with the very broad impact of Alzheimer's requires bringing together in a coordinated manner a wide, wide range of programs and services.

The legislation I am introducing today will establish basic guideposts in order to promote a coordinated program.

NATIONAL ADVISORY COUNCIL

Two years ago, the Secretary of HHS established an interagency task force to help coordinate Government efforts pertaining to Alzheimer's disease. The task force has served in many ways as a catalyst for agency programs and activities.

The legislation I am introducing today would take the task force concept a step further, by establishing in statute for a period of 6 years, an advisory council that would report to the President and the Congress.

This advisory council would be composed of representatives from Government, the research and medical communities, health care providers, researchers, and representatives of families whose members have been stricken with Alzheimer's. One of the council's primary functions would be to help develop, encourage, and guide research on Alzheimer's disease. But beyond that, the council would serve as a "switching station"—a mechanism for conveying new information and ideas to physicians, nurses, care givers, and family members.

RESEARCH, STATISTICS, AND INFORMATION EXCHANGE

To begin with, this legislation would underscore the critical need for both basic and clinical research on Alzheimer's disease. It would promote research partnerships between Government agencies such as the National Institutes of Health and the Veterans' Administration and, at the same time, encourage collaborative efforts among Government agencies, university research centers, pharmaceutical houses, and others throughout the medical and scientific community. And it would establish five additional research centers.

I hasten to add that while medical research offers the only real hope for finding a cure, we cannot overlook the desperate needs of those who are already struggling to cope with the day-to-day ravages of this disease. For that reason, the legislation I am introducing would also encourage long-overdue research and demonstration on delivering health services.

The legislation would designate the National Institute on Aging as the agency responsible for collecting and disseminating information on Alzheimer's disease.

DEVELOPMENT AND COORDINATION OF SERVICES

Approaches that may be helpful to Alzheimer's patients are often beyond the reach of too many people, owing to a lack of income, and absence of community resources, and shortages of trained personnel.

Rather than establish a whole new system of community-based services, this legislation would make use of mechanisms already in place throughout the country. The administration on aging's extensive network of State and area agencies, the VA's medical and nursing facilities, and the family support systems of national voluntary organizations, such as the Alzheimer's Disease and Related Disorders Association, would all be utilized in a coordinated way to assist victims and their families. The legislation provides also for low-cost loans to those private individuals who will establish day care centers for Alzheimer's families.

Among other things, the National Institute on Aging and the National Institute on Mental Health with the advice of the National Advisory Council would be assigned responsibility for designing and implementing training programs for those professionals whose job it is to care for victims of the disease.

LONG-TERM CARE STRATEGIES

Mr. President, since the turn of this century our Nation has made tremendous strides in the fields of health and medical science. New drugs, new technologies, and improved procedures have all helped to raise the health standards of our citizens.

Still, our system of social protections—particularly for the elderly—is not reaching all of the target population. In the case of Alzheimer's patients, families most often bear the full burden of care with little help from others. Medicare does not cover the long-term costs of caring for victims, nor do most private insurance plans. For that matter, few local communities are either able or willing to assume at least a part of the responsibility for care.

Under the legislation I am introducing today, there would be tax relief for the short term, but for the longer term, the appropriate Government agencies such as the Health Care Financing Administration, would, with the assistance of the National Council, assume responsibility for developing systems to provide long-term care and alternative financing mechanisms specifically for victims of Alzheimer's disease and related disorders. An advisory subpanel of the National Council would work with HCFA, providing recommendations and expertise.

In order to encourage new and innovative approaches to care, the Secretary of HHS is directed to authorize Medicare waivers for home health care and other support services. The Secretary will also promulgate regulations to prohibit discrimination against Alzheimer's patients who are eligible for Medicaid assistance.

At the same time, the National Institute on Aging and the National Center for Health Statistics are directed by the legislation to collect, maintain and provide for the exchange of medical information and the development of a national data base on Alzheimer's disease.

UNIFORM VETERANS' ADMINISTRATION POLICY

It is not easy to believe, Mr. President, but it is a fact that the Veterans' Administration currently has no consistent policy with respect to veterans with Alzheimer's disease. As a consequence, some victims of the disease are admitted to VA medical facilities, while others are either denied admission or are referred to State-run or private facilities.

The legislation I am proposing today will address this problem by requiring the VA to set fair and consistent guidelines regarding veterans with Alzheimer's disease. As part of that effort, VA facilities will be required to provide at least minimum services, including assessment and diagnosis, counseling, and tracking for veterans over age 55 who suffer from Alzheimer's disease. The VA is also required to develop a limited number of high quality demonstration projects in order to explore the most effective means of providing care outside of institutional settings. Such services would include adult day care, respite care, hospital-based home care, and home intervention teams.

SOCIAL SECURITY DISABILITY BENEFITS

Yet another problem confronting most victims of Alzheimer's disease pertains to the Federal Disability Insurance Program.

Currently, the statutes authorizing disability benefits do not preclude benefit payments to individuals suffering from Alzheimer's disease. Nevertheless, the guidelines used by State examiners to evaluate benefit claims are rather vague when it comes to this ailment. This, in turn, has led to what can only be described as unfair treatment of those who have a rightful claim to benefits.

This legislation charges the National Advisory Council with responsibility for channeling the most current scientific and medical information to the Social Security Administration. The information will then be used to update Social Security guidelines on the Disability Program, as well as on supplemental security income [SSI]. And, in addition to putting the latest information in the hands of those who need it most—the claims examiners—the Social Security Administration will be required, periodically, to train and retrain examiners.

TAX-RELATED PROVISIONS

In addition, this legislation will extend tax relief to families. First, it increases the dependent adult day care tax credit allowed while caring for a victim at home. Second, it provides a deduction for dependent adult home health care services and equipment. And finally, it allows a tax deduction for nursing home care prescribed by specified health professionals.

EDUCATION AND TRAINING

Finally, this legislation provides for the development and dissemination of curricula on Alzheimer's disease and for the training of various care givers, including clinical care providers, patient families, home health aides, nursing home personnel, and safety and transportation personnel. This month is national Alzheimer's Disease Awareness Month, and we must continue to raise public awareness to the tragic need to provide assistance for its victims and to move toward its elimination. Mr. President, the intent of this legislation is to promote a coordinated and compassionate approach to the problem of Alzheimer's disease. I hope that we will be able to act expeditiously on this legislation, and ask unanimous consent that the text of this bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1835

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Alzheimer's Disease Demonstration, Research, Respite, and Assistance Act of 1985".

SEC. 2. NATIONAL COUNCIL ON ALZHEIMER'S DISEASE.

(a) ESTABLISHMENT.—There is established the National Council on Alzheimer's Disease (hereafter in this Act referred to as the "National Council").

(b) DUTIES.—The National Council shall be responsible for planning, coordinating, and monitoring activities carried out by Federal agencies under this Act and shall carry out the duties assigned to the National Council by this Act.

(c) COMPOSITION.—(1) The National Council shall be composed of twenty-four members as follows:

(A) Eight members appointed by the President.

(B) Eight members appointed by the President pro tempore of the Senate, upon the recommendations of the majority leader and the minority leader of the Senate.

(C) Eight members appointed by the Speaker of the House of Representatives, upon the recommendations of the majority

leader and the minority leader of the House of Representatives.

(2) Of the eight members appointed by the President under paragraph (1)(A), of the eight members appointed by the President pro tempore of the Senate under paragraph (1)(B), and of the eight members appointed by the Speaker of the House of Representatives under paragraph (1)(C)—

(A) three shall be physicians or scientists involved in the treatment of, or research relating to, Alzheimer's disease; and

(B) five shall be from representatives of family members of patients with Alzheimer's disease, individuals providing health and social services to patients with Alzheimer's disease, individuals conducting health services research with respect to Alzheimer's disease, private insurers, national voluntary organizations, and the general public.

(d) TERM OF OFFICE.—The term of office of a member of the National Council shall be four years, except that—

(1) of the members first appointed to the National Council under subsection (c)(1)(A), four shall be appointed for a term of two years and four shall be appointed for a term of four years, as designated by the President at the time of appointment;

(2) of the members first appointed to the National Council under subsection (c)(1)(B), four shall be appointed for a term of two years and four shall be appointed for a term of four years, as designated by the President pro tempore of the Senate at the time of appointment; and

(3) of the members first appointed to the National Council under subsection (c)(1)(C), four shall be appointed for a term of two years and four shall be appointed for a term of four years, as designated by the Speaker of the House of Representatives at the time of appointment.

(e) CHAIRMAN.—The National Council shall elect a Chairman from among its members.

(f) MEETINGS.—The National Council shall meet four times each year, as well as at the call of the Chairman.

(g) QUORUM.—Fourteen members of the National Council shall constitute a quorum, but a lesser number may hold hearings. A vacancy in the National Council shall not affect its powers.

(h) HONORARIUM.—Each member of the National Council who is not an officer or employee of the United States shall receive an honorarium of $100 for each meeting of the National Council which such member attends. Any member of the National Council who is an officer or employee of the United States shall receive no compensation for service as a member of the National Council.

(1) EXPENSES.—While away from their homes or regular places of business in the performance of services for the National Council, all members of the National Council shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under section 5702 of title 5, United States Code.

(j) PERSONNEL.—(1) The Chairman of the National Council may, without regard to the civil service laws, rules, and regulations, appoint and fix the compensation of an executive secretary and such other additional personnel as may be necessary to enable the National Council to carry out its functions.

(2) Any Federal employee may be detached to the National Council without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(3) The National Council may produce temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates of individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for GS–18 of the General Schedule under section 5332 of such title.

(k) POWERS.—(1) The National Council may, for the purpose of carrying out this Act, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the National Council considers appropriate.

(2) The National Council may secure directly from any department or agency of the United States information necessary to enable the National Council to carry out this Act. Upon request of the Chairman of the National Council, the head of such department or agency shall furnish such information to the National Council.

(3) The National Council may accept, use, and dispose of gifts or donations of services or property.

(4) The National Council may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(l) SUPPORT SERVICES.—The Administrator of General Services shall provide to the National Council on a reimbursable basis such administrative and support services as the National Council may request.

(m) ANNUAL REPORT.—Within one year after the date of enactment of this Act, and annually thereafter, the National Council shall prepare and transmit to the President and the Congress a report which describes the activities of the National Council under this Act.

(n) AUTHORIZATION.—There are authorized to be appropriated such sums as may be necessary to carry out the activities of the National Council under this Act.

(o) TERMINATION.—The National Council shall terminate six years after the date of enactment of this Act.

SEC. 3 EXPANSION AND COORDINATION OF RESEARCH ON ALZHEIMER'S DISEASE.

(a) RESEARCH PARTNERSHIPS.—(1) To facilitate research with respect to Alzheimer's disease, the National Council shall develop and encourage partnerships between—

(A) Federal agencies, particularly the National Institute on Aging, the National Institute on Mental Health, the Health Care Financing Administration, and the Veterans' Administration; and

(B) academic institutions, pharmaceutical companies, nursing homes, providers of day care services and respite services for patients with Alzheimer's disease, private insurers, and other private entities.

(2) Under paragraph (1), the National Council shall facilitate partnerships for research in areas such as—

(A) the etiology, diagnosis, clinical course, treatment, and epidemiology of Alzheimer's disease;

(B) the psychological and social functioning of patients with Alzheimer's disease; and

(C) effective methods of raising or sustaining the quality of life for patients with Alzheimer's disease, means of financing each such method, and the cost-effectiveness of each such method.

(3) To facilitate research partnerships under this subsection, the National Council shall establish a scientific and medical advisory panel on Alzheimer's disease, which shall consist of biomedical researchers and health services researchers, including health economists and medical sociologists, who are conducting research with respect to Alzheimer's disease.

(b) DATA COLLECTION.—The National Center for Health Statistics, in cooperation with the National Institute on Aging, shall collect, maintain, and provide for the exchange of medical information necessary to—

(1) diagnose and evaluate individuals with Alzheimer's disease; and

(2) develop and establish a national data base concerning Alzheimer's disease, including accurate information on Alzheimer's disease as a cause of death.

(c) RESEARCH.—The Director of the National Institutes of Health shall establish five research centers on Alzheimer's disease and related disorders for basic and clinical research into, training in, and demonstration of advanced diagnostic, prevention, and treatment methods for Alzheimer's disease and related disorders, which shall be in addition to the number of such centers which have been established prior to the date of enactment of this Act. For such additional centers, there are authorized to be appropriated $3,500,000 for fiscal year 1987.

SEC. 4. SPECIAL PROJECTS IN ALZHEIMER'S DISEASE SERVICES.

The Older Americans Act of 1965 is amended by adding after section 426 the following new section:

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"SEC. 427. (a)(1) The Commissioner is authorized, directly or through grants or contracts, to develop programs which are designed to assist elderly victims of Alzheimer's disease and other related neurological and organic brain disorders, whether living independently or with their families to meet their day-to-day needs including—

"(A) home health care for such victims, including functional health care, physical therapy, and occupational therapy;

"(B) adult day care for such victims;

"(C) home management assistance, transportation to access services, and in-home respite care for the families, particularly spouses of such families;

"(D) referral services to appropriate community services for such victims and their families throughout the continuum of care; and

"(E) the conduct of workshops for health care professionals and other personnel in the field of aging relating to the provision of functional and skilled care to individuals who suffer from Alzheimer's disease and other related neurological and organic brain disorders.

"(2) The Commissioner may, whenever appropriate, provide for the charging of fees for services under paragraph (1).

"(3) The Commissioner is authorized to make grants and to enter into contracts under this section with State agencies, area agencies on aging, and appropriate nonprofit private organizations in the private sector, including the Alzheimer's Disease and Related Disorders Association.

"(b) In carrying out the provisions of this section, the Commissioner shall, in addition to agencies specified in section 402(b), request the technical assistance and cooperation of the Veterans' Administration.".

SEC. 5. LOANS TO FINANCE NONPROFIT ADULT DAYCARE CENTERS AND RESPITE CARE PROGRAMS.

(a) AUTHORIZATION OF LOANS.—The Small Business Administration is authorized to make loans to private, nonprofit corporations to finance the development of adult

daycare centers and respite care programs for Alzheimer patients and their families.

(b) TERMS OF LOANS.—A loan under this section shall have—

(1) a maximum principal amount of $60,000;

(2) an interest rate equal to the lesser of 9 per centum per annum or 2 percentage points less than the average of the prime rates as established from time to time by the three largest United States commercial banks from which such data are available; and

(3) be repayable over a period of not to exceed ten years.

(c) CONSULTATION AND TECHNICAL ASSISTANCE.—In carrying out this section, the Small Business Administration shall provide technical assistance relative to establishing and maintaining a small business (i.e., adult day care or respite care center), and shall consult and coordinate with, and make referrals as necessary to, the Administration on Aging and the National Institutes of Health for additional technical assistance.

(d) RESEARCH.—The nonprofit corporate owner of each center assisted under this section shall enter into appropriate arrangements with the Administration on Aging or the National Institutes of Health to permit research designed to measure the cost effectiveness of centers assisted under this section as well as the effectiveness of the diverse therapeutic modalities of the programs established.

(e) SOURCE OF LOAN FUNDS.—For the purpose of this section, loans may be made from the business and investment loan fund of the Small Business Administration.

SEC. 6. RESEARCH AND DEMONSTRATION PROGRAMS ON SYSTEMS AND FINANCING FOR LONG-TERM CARE FOR ALZHEIMER'S DISEASE VICTIMS.

(a) RESEARCH.—(1) The National Council, in cooperation with the Health Care Financing Administration, shall conduct research relating to methods for financing systems for providing long-term care to victims of Alzheimer's disease and related disorders.

(2) For purpose of conducting research under paragraph (1), the National Council shall establish a subpanel of the National Council. The National Council shall include on the subpanel such representatives as may be necessary from—

(A) State and Federal agencies involved in providing long-term care;

(B) private health insurers;

(C) health services researchers, including health economists and medical sociologists;

(D) health specialists skilled in functional assessment and management, including occupational therapists and physical therapists;

(E) national voluntary organizations concerned with Alzheimer's disease and related disorders; and

(F) health care consumers.

(3) Within one year after the date of the enactment of this Act and annually thereafter, the National Council shall prepare and transmit a report to the Congress describing the results of the research conducted under this subsection and containing such recommendations as the National Council considers appropriate.

(b) DEVELOPMENT OF DATA BASE.—The National Council, in cooperation with the Health Care Financing Administration, the Administration on Aging, the National Institute on Aging, the National Institute on Mental Health, the National Center for Health Statistics, and the Veterans' Administration, shall develop a data base on needs (current and projected) for long-term care, and on costs of alternative funding strategies for such care through a mix of private and governmental resources. The National Council shall report to the Congress with respect to the development of such data base within one year after the date of the enactment of this Act and annually thereafter.

(c) MEDICARE WAIVERS.—(1) The Secretary of Health and Human Services shall conduct demonstration projects pursuant to the authority in section 402(a) of the Social Security Amendments of 1967 and section 222 of the Social Security Amendments of 1972 under which home care and other support services are provided under the Medicare program for victims of Alzheimer's disease and related disorders who could otherwise not be cared for at home. Such services shall be prescribed through the hospital discharge planning office at the point of discharge, or shall be prescribed, implemented, or provided by a social work agency or by a certified occupational or physical therapist skilled in the assessment and management of functional impairment. The Secretary may, whenever appropriate, provide for the charging of fees for such services.

(2) The Commissioner of the Administration on Aging, through the State agencies designated under section 305(a)(1) of the Older Americans Act of 1965, shall direct the area agencies on aging to maintain—

(A) registries for referrals to certified skilled professionals to provide the services described in paragraph (1), including social workers, physical therapists, occupational therapists, nurses, psychologists, and psychiatrists; and

(B) registries of other community services.

(3) The Secretary of Health and Human Services shall report annually, beginning one year after the date of the enactment of this Act, to the Congress and to the National Council with respect to the results of demonstration projects conducted under this subsection.

SEC. 7. NONDISCRIMINATION BY NURSING HOMES AGAINST MEDICAID-ELIGIBLE ALZHEIMER'S DISEASE VICTIMS.

(a) NONDISCRIMINATION.—No skilled nursing facility or intermediate care facility which receives payments under title XVIII of the Social Security Act or under a State plan approved under title XIX of such Act may discriminate in the acceptance or refusal of individuals as patients on the grounds that an individual is eligible for medical assistance under a State plan approved under title XIX of the Social Security Act, or on the grounds that an individual is a victim of Alzheimer's disease.

(b) FUNCTIONAL ASSESSMENT.—Skilled nursing facilities and intermediate care facilities receiving payments under title XVIII or a State plan under title XIX of the Social Security Act shall be required to include in the initial admission evaluation a functional assessment of the Alzheimer's patient prepared by an occupational or physical therapist with respect to management of functional impairment. Such assessment shall be reviewed periodically, but not less than three times per year, by the administrator of the skilled nursing facility or the intermediate care facility with the occupational or physical therapists.

(c) ANNUAL REPORT.—The Secretary of Health and Human Services shall report annually, beginning one year after the date of the enactment of this Act, to the Congress with respect to implementation of this section.

SEC. 8. VETERANS' HEALTH CARE.

(a) IN GENERAL.—(1) Subchapter II of chapter 17 of title 38, United States Code, is amended by adding at the end thereof the following new section 620B:

"§ 620B. Care and treatment for Alzheimer's disease; demographic information; demonstration project

"(a) The Administrator shall promulgate consistent national policies for treatment of eligible veterans who have Alzheimer's disease and are at least 55 years of age. The policy and procedures shall include provisions for unified case management for each such veteran. Unified case management under such procedures shall include medical, functional, and psychological assessment, diagnosis, referral, and followup monitoring.

"(b) In order to assist in demographic research on Alzheimer's disease, the Administrator shall compile information on the cases of Alzheimer's disease in which care and services are furnished under this chapter, and shall provide such data to the National Council on Alzheimer's Disease, the National Institute on Aging, and the National Center for Health Statistics.

"(c)(1) The Administrator shall conduct a demonstration project to furnish comprehensive community-based care and related services to eligible veterans who have Alzheimer's disease and are at least 55 years of age and to their families in order to delay the need for hospital or nursing home admissions of such veterans. The Administrator may, whenever appropriate, provide for the charging of fees for such services.

"(2) Under the demonstration project, the Administrator shall, as the Administrator considers appropriate—

"(A) furnish day care and respite care to veterans referred to in paragraph (1) of this subsection; and

"(B) furnish home intervention services to such veterans' and their families, including medical and functional assistance.

"(3) The Administrator, with the advice and consent of the National Council on Alzheimer's Disease, shall prescribe regulations to carry out this subsection. The regulations shall specify the respite care services and home intervention services which are to be furnished under the demonstration project.

"(d)(1) The Administrator shall transmit an annual report to the Committees on Veterans Affairs of the Senate and the House of Representatives and to the National Council on Alzheimer's Disease on the Administrator's actions under this section and on the administration of the provisions of this section and the policy and procedures prescribed under subsection (a) of this section during the fiscal year ending on the day before the fiscal year in which the report is transmitted to such committees.

"(2) Each report made under paragraph (1) of this subsection for a fiscal year during which the demonstration project required by subsection (c) of this section is conducted shall include—

"(A) a description of the experience under such demonstration project and actions taken in conducting such demonstration project during such fiscal year; and

"(B) any recommendations for legislation on the care and treatment of veterans who have Alzheimer's disease which the Administrator considers appropriate.".

(2) The chapter analysis at the beginning of such chapter is amended by inserting after the item relating to section 620A the following new item:

"§ 620B. Care and treatment for Alzheimer's

disease; demographic information; demonstration project.".

(b) SUBMISSION OF REPORT.—The first report required by section 620B(d) of such title, as added by subsection (a), shall be submitted not later than one year after the date of enactment of this Act.

SEC. 9. DISABILITY GUIDELINES.

(a) UPDATING GUIDELINES.—The National Council shall review current information relating to Alzheimer's disease which may be relevant with respect to establishing and updating eligibility criteria for the disability programs under titles II and XVI of the Social Security Act on the basis of such disease. The National Council shall report its findings to the Congress not less often than annually.

(b) DISSEMINATION OF INFORMATION AND TRAINING.—The Secretary of Health and Human Services shall establish a mechanism for prompt dissemination of information and guidelines relating to Alzheimer's disease, and for providing training relating to work evaluation of individuals with such disease, to personnel of the Social Security Administration, and of the State agencies making disability determinations pursuant to section 221 of the Social Security Act, who are involved in the disability determination process. Such information shall be geared to enhancing the understanding of such personnel with respect to Alzheimer's disease as an organic brain malfunction.

SEC. 10. CREDITS FOR ADULT DEPENDENT CARE FOR ALZHEIMER PATIENTS.

(a) INCREASE IN CREDIT ALLOWABLE FOR EXPENSES FOR HOUSEHOLD AND DEPENDENT CARE SERVICES.—Paragraph (2) of section 21(a) of the Internal Revenue Code of 1954 (relating to allowance of credit) is amended by striking out "30 percent" and inserting in lieu thereof "40 percent".

(b) CREDIT ALLOWABLE FOR HOME CARE AND NURSING HOME CARE EXPENSES FOR DEPENDENTS WITH ALZHEIMER'S DISEASE.—(1) Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to nonrefundable personal credits) is amended by inserting after section 22 the following new section:

"SEC. 22A. CREDIT FOR HOME CARE AND NURSING HOME CARE EXPENSES FOR DEPENDENTS WITH ALZHEIMER'S DISEASE AND RELATED NEUROLOGICAL AND ORGANIC BRAIN DISORDERS.

"(a) ALLOWANCE OF CREDIT.—

"(1) IN GENERAL.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the applicable pecentage of qualified dependent care expenses paid by such individual for the care of a qualifying family member during the taxable year.

"(2) APPLICABLE PERCENTAGE DEFINED.—For purposes of paragraph (1), the term 'applicable percentage' means 40 percent reduced by 1 percentage point for each $1,000 (or fraction thereof) by which the adjusted gross income of the taxpayer for the taxable year exceeds $25,000.

"(b) DOLLAR LIMITATIONS ON AMOUNT OF CREDIT.—For purposes of this section—

"(1) MAXIMUM QUALIFIED DEPENDENT CARE EXPENSES TAKEN INTO ACCOUNT.—The amount of qualified dependent care expenses taken into account under subsection (a) by any taxpayer for any taxable year shall not exceed $20,000, except that not more than $10,000 may be taken into account with respect to any one qualifying family member.

"(2) 2 OR MORE INDIVIDUALS MAKING EXPENDITURES WITH RESPECT TO SAME QUALIFYING FAMILY MEMBER.—If 2 or more individuals have qualified for dependent care expenses with respect to any qualifying family member during any calendar year, then—

"(i) the amount of the qualified dependent care expenses taken into account with respect to such qualifying family member shall be determined by treating all of such individuals as one taxpayer whose taxable year is such calendar year, and

"(ii) the amount of such expenditures taken into account by each of such individuals for the taxable year in which such calendar year ends shall be equal to the amount which bears the same ratio to the amount determined under paragraph (1) as the amount of such expenditures made by such individual during such calendar years bears to the aggregate of such expenditures made by all of such individuals during such calendar year.

"(c) DEFINITIONS.—For purposes of this section—

"(1) QUALIFYING FAMILY MEMBER.—The term 'qualifying family member' means any individual who—

"(A) is the spouse (as determined under section 143) or a dependent (as defined in section 152(a)) of the taxpayer, and

"(B) suffers from Alzheimer's disease or a related neurological or organic brain disorder, and is physically or mentally incapable of caring for himself, as determined by a physician.

"(2) QUALIFIED DEPENDENT CARE EXPENSES.—The term 'qualified dependent care expenses' means payments by the taxpayer for home health agency services provided by an organization certified by the Health Care Financing Administration, including functional care and management services provided by a physician, certified occupational or physical therapist, nurse, psychologist, or social worker, homemaker services, adult day care, respite care, health-care equipment and supplies, or care in a nursing home which—

"(A) are provided to such qualifying family member,

"(B) are provided by an organization or individual not related to the taxpayer or to the qualifying family member,

"(C) are not compensated for by insurance or otherwise, and

"(D) are prescribed by a physician, certified social worker, nurse, psychologist, or certified occupational or physical therapist.

"(3) PHYSICIAN.—The term 'physican' has the meaning given much term by section 1861(r) of the Social Security Act.

"(d) SPECIAL RULES.—

"(1) DENIAL OF DOUBLE BENEFIT.—No deduction or credit shall be allowed under any other provision of this chapter with respect to any amount for which a credit is allowed under subsection (a).

"(2) MARRIED INDIVIDUALS FILING SEPARATE RETURNS.—In the case of a married individual filing a separate return, subsections (a)(2) and (b)(1) shall be applied by substituting for each dollar amount contained therein an amount equal to 1/2 of such dollar amount.".

(2) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 22 the following new item:

"Sec. 22A. Credit for home care and nursing home care expenses for dependents with Alzheimer's disease."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1985.

SEC. 11. TRAINING PROGRAMS.

(a) DEVELOPMENT OF CURRICULA.—The National Institute on Aging and the National Institute on Mental Health, in cooperation with the Veterans' Administration, shall—

(1) develop curricula for the training of personnel who provide health services to patients with Alzheimer's disease; and

(2) disseminate such curricula, and provide consultation services with respect to such curricula, to health care providers who provide such services.

(b) CLINICAL CARE.—The National Institute on Aging, through the centers for research on Alzheimer's disease and related disorders, and in cooperation with appropriate national volunatary organizations, shall develop and implement programs—

(1) to train providers of clinical care services (such as physicians, psychologists, nurses, social workers, occupational therapists, and phsyical therapists) to patients with Alzheimer's disease; and

(2) to train families of patients with Alzheimer's disease to provide care for such patients in their homes.

(c) LONG-TERM CARE.—The Secretary of Health and Human Services shall develop and implement programs to train personnel (including home health care aides) who provide long-term care services to patients with Alzheimer's disease, including continuing in-service training programs.

(d) NURSING HOME PROGRAMS.—The Secretary of Health and Human Services shall make grants to schools of medicine to establish training programs for physicians and other health care personnel who provide health services to patients with Alzheimer's disease who reside in nursing homes.

(e) SAFETY AND TRANSPORTATION PERSONNEL.—The Secretary of Health and Human Services shall conduct training programs on Alzheimer's disease for safety and transportation personnel, such as police, security guards, bus drivers, and other operators of, and attendants on, public conveyances.

(f) MEDICAL EXAMINERS.—(1) The Secretary of Health and Human Services shall conduct training programs for medical examiners, coroners, and pathologists in the proper conduct of an autopsy to determine whether Alzheimer's disease was a contributing factor to the death of an individual.

(2) The Secretary of Health and Human Services shall promulgate regulations encouraging medical examiners, coroners, and pathologists to provide reports concerning the findings of autopsies in which Alzheimer's disease contributed to the death of an individual to the Director of the National Institute of Aging, the Director of the National Center for Health Statistics, and the family of such individual. The Director of the National Center for Health Statistics shall include information from such reports in the data base established under section 3(b)(2).

(g) ADVICE AND COOPERATION.—In carrying out this section, the Secretary of Health and Human Services shall obtain the advice and cooperation of appropriate national organizations concerned with Alzheimer's disease and shall work in cooperation with the National Council.

(h) AUTHORIZATION.—To carry out this section, there are authorized to be appropriated such sums as may be necessary.

By Mr. HATCH:

S. 2184. A bill to authorize appropriations to the National Science Foundation for the fiscal year 1987,

and for other purposes; to the Committee on Labor and Human Resources.

NATIONAL SCIENCE FOUNDATION AUTHORIZATION ACT, FISCAL YEAR 1987

Mr. HATCH. Mr President, I am pleased to introduce legislation which authorizes the programs of the National Science Foundation for fiscal year 1987. The fact that the Reagan administration has submitted a request for over $1.6 billion in funding for the NSF, an increase of 8.4 percent before Gramm-Rudman-Hollings reductions, is indicative of how important basic research is to our future.

Last year, the Labor and Human Resources Committee teamed up with our colleagues on the Commerce, Science, and Transportation Committee and the House Science and Technology Committee to enact the first regular NSF authorization measure in 5 years. I hope we can work together again to pass this bill in an expeditious manner, and in so doing, provide some clear direction and stability of congressional intent.

Mr. President, for the convenience of all Senators and organizations which follow this legislation, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2184

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That this Act may be cited as the "National Science Foundation Authorization Act for Fiscal Year 1987".

AUTHORIZATION OF APPROPRIATIONS

SEC. 2. (a) There is authorized to be appropriated to the National Science Foundation $1,685,000,000 for the fiscal year 1987.

(b) Funds authorized for the fiscal year 1987 will be available for the following categories:

(1) Advanced Scientific Computing, $53,630,000.

(2) Astronomical, Atmospheric, Earth and Ocean Sciences, $383,210,000.

(3) Biological, Behavioral, and Social Sciences, $282,410,000.

(4) Engineering, $185,470,000.

(5) Mathematical and Physical Sciences, $449,250,000.

(6) Scientific, Technological, and International Affairs, $47,030,000.

(7) Program Development and Management, $78,000,000.

(8) Science and Engineering Education, $89,000,000.

(9) United States Antarctic Program, $117,000,000.

AVAILABILITY

SEC. 3. Appropriations made under authority provided in section 2 and 5 shall remain available for obligation for periods specified in the Acts making the appropriations.

OFFICIAL EXPENSES

SEC. 4. From appropriations made under authorizations provided in this Act, not more than $5,000 for fiscal year 1987 may be used for official consultation, representation, or other extraordinary expenses at the discretion of the Director of the Foundation. The determination of the Director will be final and conclusive upon the accounting officers of the Government.

FOREIGN CURRENCY AUTHORIZATION

SEC. 5. In addition to the sums authorized by section 2, not more than $700,000 for fiscal year 1987 are authorized to be appropriated for expenses of the National Science Foundation incurred outside the United States, to be drawn from foreign currencies that the Treasury Department determines to be excess to the normal requirements of the United States.

TRANSFERS AUTHORIZED

SEC. 6. (a) Funds may be transferred among the categories listed in section 2(b), so long as the net funds transferred to or from any category do not exceed 10 percent of the amount authorized for that category in section 2.

(b) The Director of the Foundation may propose transfers to or from any category exceeding 10 percent of the amount authorized for that category in section 2. An explanation of any such proposed transfer must be transmitted in writing to the Speaker of the House, the President of the Senate, the Committees on Labor and Human Resources and Commerce, Science, and Transportation of the Senate, and the Committee on Science and Technology of the House of Representatives. The proposed transfer may be made only when 30 calendar days have passed after submission of the written explanation.

AMENDMENTS TO THE NATIONAL SCIENCE FOUNDATION ACT OF 1950

SEC. 7. (a) Section 3(a)(6) of the National Science Foundation Act of 1950 (42 U.S.C. 1862(a)(6)) is amended to read as follows:

"(6) to provide a central clearinghouse for the collection, interpretation, and analysis of data on scientific and engineering resources and to provide a source of information for policy formulation by other agencies of the Federal Government;".

(b) Section 10 of such Act (42 U.S.C. 1869) is amended by striking out ", within the limits of funds made available specifically for such purpose pursuant to section 16,".

REPEAL

SEC. 8. Title IX of the National Defense Education Act of 1959 (42 U.S.C. 1876 et seq.) is repealed.

By Mr. KENNEDY (for himself and Mr. KERRY):

S. 2185. A bill to extend the term of the Cape Cod National Seashore Advisory Commission; to the Committee on Energy and Natural Resources.

EXTENSION OF THE TERM OF THE CAPE COD NATIONAL SEASHORE ADVISORY COMMISSION

Mr. KENNEDY. Mr. President, today, I, along with my colleague Senator KERRY, am pleased to introduce a bill to authorize the charter of the Cape Cod National Seashore Advisory Commission until 1997. This bill will complement the legislation introduced last week in the House by Congressman STUDDS.

In 1961, the Cape Cod National Seashore was established to preserve its natural beauty and enable the citizens from across our country to enjoy the spacious beaches, wildlife and forested areas. The legislation also created the Cape Cod Advisory Commission, composed of representatives from the communities abutting the seashore, as well as from the county, State and Federal Governments. Since its inception 24 years ago, the Cape Cod National Seashore Advisory Commission has provided valuable input into major decisions concerning the use and management of the Cape Cod National Seashore. The people of Massachusetts and across our Nation have derived significant benefits from the work of the Commission, which has served to bridge the gap between competing interests at the national seashore. The Commission's work has been held in high esteem and is deeply respected by the National Park Service, local officials and the residents of Cape Cod.

Every year, millions of visitors from across our Nation have flocked to enjoy the seashore. These visitors have a direct impact, not only on the seashore, but the neighboring communities. Unlike other national parks, the beautiful lands on the Cape Cod National Seashore are owned not only by the Federal Government, but the local communities and private individuals. These facts underlie the importance of having a Commission which will provide recommendations to the National Park Service on decisions affecting the entire area.

The work of the Cape Cod National Seashore Advisory Commission began in 1962 when President John F. Kennedy, recognizing the value of the seashore and the importance of establishing a citizen advisory board, stated, "If we had not seized by national decision, the Cape Cod National Park * * * [it] would have been gone forever * * * I urge therefore that the talented and able people of this State make the judgments on recreation and conservation and wise use of our resources now with a long look forward, not for this decade but for the next generation."

This legislation will ensure that the Cape Code National Seashore Advisory Commission, which has worked diligently to represent the Cape Cod communities and to preserve the natural beauty of the Cape Cod National Park, will continue to serve the Commonwealth of Massachusetts and the Nation.

By Mr. MURKOWSKI (for himself, Mr. THURMOND, Mr. SPECTER, Mr. DENTON, Mr. ABDNOR, and Mrs. HAWKINS):

S. 2186. A bill to exempt any amounts available to provide certain benefits to veterans with service-connected disabilities from any requirement for sequestration of funds under part C of the Balanced Budget and Emergency Deficit Control Act of 1985; to the Committee on Governmental Affairs.

EXEMPTING VETERANS BENEFITS FROM SEQUESTRATION ORDERS

● Mr. MURKOWSKI. Mr. President, I rise today in support of S. 2186, which I introduce along with Senators THURMOND, SPECTER, DENTON, ABDNOR, and HAWKINS, who are original cosponsors. This bill is intended to exempt from any future requirement for sequestration of funds pursuant to Public Law 99-177, the "Balanced Budget and Emergency Deficit Control Act of 1985," amounts available to provide certain benefits or assistance to veterans with service-connected disabilities.

The Veterans' Administration programs to be exempted by this legislation from any future reductions under a sequester order include: benefits relating to specially adapted housing for disabled veterans; burial benefits for veterans who die as the result of a service-connected disability; assistance for vocational training and rehabilitation for veterans with service-connected disabilities which are rated 50 percent or more by the Veterans' Administration; benefits relating to automobiles and adaptive equipment for certain disabled veterans and members of the Armed Forces; and benefits for service-connected disabled patients which are provided by the special therapeutic and rehabilitation activities fund which supports the compensated work therapy program. The provisions of this bill would apply to any sequestration order issued for a fiscal year after fiscal year 1986.

The final passage of the "Balanced Budget and Emergency Deficit Control Act of 1985" exempted from any sequestration reduction, veterans' compensation and pension programs and provided a measure of protection to VA health care. At that time, many of our colleagues stressed the importance of providing a measure of protection for programs for those veterans for whom the Veterans' Administration was established—the service-connected disabled veterans. The Congress clearly did not intend that programs and benefits for service-connected disabled veterans would be affected by sequestration reductions.

As the Veterans' Administration has gone about the implementation of the first sequestration order issued by the President on February 1, 1986, it has become apparent that some of the benefit programs designed specifically for service-connected disabled veterans, specifically those who have been injured or disabled during active military service to this Nation, have been denied the full benefit of their statutory entitlement because of their non-protected status under the first sequestration order for fiscal year 1986. The Congress did not anticipate this resulting sequestration of programs designed for service-connected disabled veterans. We should act to correct this serious oversight.

It is important to note that the intent of this bill I am introducing today is not to chip away at the basic intent of the Gramm-Rudman-Hollings legislation. One of my highest priorities as a Senator and as chairman of the Veterans' Affairs Committee is to work toward meaningful deficit reduction. I do want to stress the word meaningful. I believe that veterans, as all Americans, must share the responsibility of reducing Federal spending. But, Mr. President, I believe that those veterans who incurred injuries or disabilities as a result of their service to our country must be provided a special measure of protection, especially those with severe disabilities. This legislation would provide an exemption from future sequestrations for the category of severely disabled service-connected veterans.

PROVISIONS OF S. 2186

Mr. President, in fiscal year 1984, 7,250 physically or mentally disabled veterans participated in the VA's Compensated Work Therapy Program. This program provides work rehabilitation in return for monetary compensation for VA patients. The primary purpose of the program is to promote the development of social interaction, mental awareness, and self-esteem of program participants of all ages. The program is funded through a self-sustaining revolving fund: the special therapeutic and rehabilitation activities fund. Fiscal year 1984 receipts were approximately $2.3 million.

This program was inadvertently subject to the fiscal year 1986 Gramm-Rudman-Hollings sequester order since it was not specifically exempted by the legislation. Because it is a self-sustaining fund and since the program's specific focus is on the rehabilitation of disabled veterans, I believe it is inappropriate to include it in any sequester order. The legislation I am introducing today would exempt from a sequester order, the special therapeutic and rehabilitation activities fund which supports the Compensated Work Therapy Program funding for service-connected veterans.

Also protected from sequestration are the grants made for specially adapted housing. These grants of up to $32,500 are available to veterans whose service-connected disabilities are permanent and total and in addition have resulted in the loss of limbs, or a combination of sight and limbs, so as to require the use of a wheel chair or other prosthetic devices. The veterans who receive these grants are not only service-connected, they are among the most seriously disabled of the service-connected disabled veterans. These grants, which help offset the higher cost of constructing a home adapted to the needs of mobility impaired disabled veterans, are an appropriate addition to the service-connected compensation paid to these veterans.

Because these veterans are seriously disabled, they are often unable to purchase mortgage protection life insurance to insure that their families will have a home if they die. The VA makes mortgage life insurance available to these veterans. The veterans pays the standard premium that a non-disabled individual would pay and the VA pays the additional premium imposed because of the veterans' service-connected disability. This legislation would also protect this mortgage insurance from a sequestration order.

Another program similar to the grant for specially adapted housing is the $5,000 grant for an automobile for veterans whose service-connected disabilities have resulted in the loss or permanent impairment of use of one or both hands or feet or permanent impairment of vision. The VA may then provide the adaptive equipment needed to allow the veteran to make use of the vehicle. For a seriously disabled veteran mobility is a basic need. In our country today mobility generally means a vehicle. We do no favor to veterans who have lost sight or limb while serving our country if we protect the compensation they receive because of their disability but reduce the benefits intended to provide them the mobility they need to have access the society they served.

Mr. President, this legislation would also protect the allowance paid for the burial of veterans who die as a result of a service-connected cause. This $1,100 allowance serves as a last symbol of the value the Nation places on their sacrifice on our behalf.

This legislation would also protect from a sequester order the benefits paid to veterans with a service-connected disability rated 50 percent or more disabling while they are in training using VA vocational rehabilitation. VA pays the tuition and fees of veterans in vocational rehabilitation. In addition, the veteran receives a subsistence allowance. In the implementation of the fiscal year 1986 sequester order the Veterans' Administration reduced the subsistence allowance by over 13 percent. In February 1986 about 6,000 of these seriously disabled veterans were in training. Legislation cannot restore the limbs or ease the pain of these veterans, but the Congress can preserve the effectiveness of the program that provides the training they need to overcome their handicaps in order to function at their maximum capacity. Protecting the disability compensation of these veterans while reducing the vocational rehabilitation that could return them to the mainstream of life and work would be both poor policy and unresponsive to the needs of veterans who are seriously disabled as the result of injuries in-

curred while they were in the service of the Nation.

In summary, Mr. President, these very important benefits which are designed to aid the most severely disabled service-connected veterans should not be subject to sequestration. The sequester baseline of these five programs for fiscal year 1986 is approximately $140 million and the sequester level is approximately $6 million. Due to the nature of these programs and the long-standing congressional commitment to our Nation's service-connected disabled veterans, I believe that this legislation should be enacted to ensure that this commitment is continued.●

By Mr. DeCONCINI:

S. 2187. A bill to amend title 38, United States Code, to exempt from sequestration certain benefits for veterans and dependents and survivors of certain veterans which are paid based on the service-connected disability or death of veterans; to the Committee on Governmental Affairs.

EXEMPTION OF VETERANS DISABILITY BENEFITS FROM SEQUESTRATION

Mr. DeCONCINI. Mr. President, I am today introducing legislation, S. 2187, to provide an exemption from future sequestration under Gramm-Rudman for certain Veterans' Administration benefits that are paid based on the service-connected disability or death of a veteran. This is the companion to a bipartisan bill being introduced in the House of Representatives today by House Committee on Veterans' Affairs Chairman SONNY MONTGOMERY.

Under the Balanced Budget and Emergency Deficit Control Act of 1985—known as "Gramm-Rudman"—the only exemptions for veterans' programs from the across-the-board cuts entailed in Presidential sequestration orders are for compensation paid to service-connected disabled veterans, dependency and indemnity compensation [DIC] paid to the survivors of those who die from service-connected disabilities, and non-service-connected pension paid to needy wartime veterans who are totally disabled or elderly and to needy survivors of wartime veterans. In addition, Gramm-Rudman cuts in spending for health care services are limited to 1 percent in fiscal year 1986 and 2 percent in fiscal years 1987-91.

The exemption for service-connected disability compensation for veterans and DIC for survivors was fully justified as necessary to help ensure—with respect to those benefits—that our Nation keeps its commitments to those who incur disabilities during their military service and to the survivors of those who die from service-connected causes.

However, Mr. President, the exemption provided in the law as enacted does not go far enough in protecting benefits based on service-connected disability or death. Certain small—but extremely important in terms of our obligations to those who served at great personal sacrifice or who gave their lives defending our freedoms—programs were not protected in any way. Thus, the following VA programs are not exempt:

Vocational rehabilitation for service-connected disabled veterans who have employment handicaps; specially adapted housing grants paid to veterans with certain severe service-connected disabilities; adapted automobile and adaptive auto-equipment grants paid to veterans with certain serious service-connected disabilities; burial benefits for those who die from service-connected causes; and educational assistance for the survivors of those who die from service-connected causes and for the dependents of permanently and totally service-connected disabled veterans.

Thus, under the President's fiscal year 1986 sequestration order, those VA benefits were reduced, effective March 1, as follows:

First, the subsistence allowances paid to service-connected disabled veterans with employment handicaps who are enrolled in VA vocational rehabilitation under chapter 31 of title 38, United States Code, were reduced by 13.1 percent.

Second, education assistance allowances paid under chapter 35 of title 38 to the dependents of veterans who are totally disabled due to service-connected disabilities and the survivors of those who die as a result of service-connected disabilities were reduced by 8.7 percent.

Third, specially adapted housing grants paid under chapter 21 of title 38 to veterans with certain permanent and total service-connected disabilities that severely impair their mobility were reduced from $35,000 to $32,600, a cut of 8 percent.

Fourth, grants up to $6,000 paid under the same chapter to provide home adaptations needed by veterans with service-connected blindness or the service-connected loss or loss of use of both upper extremities are being reduced by 8 percent.

Fifth, one-time grants paid under chapter 39 of title 38 to veterans with certain serious service-connected disabilities, for the purchase of specially adapted automobiles were reduced from $5,000 to $4,600, an 8-percent cut.

Sixth, payments to these veterans under the same chapter for automobile adaptive equipment were reduced by 8 percent.

Seventh, burial benefits paid under section 907 of title 38 to the survivors of those who die as the result of service-connected disability were reduced from $1,100 to $1,014, a 7.8-percent cut.

Mr. President, I deeply regret that these reductions have been made, and my bill would ensure that no cuts under Gramm-Rudman will ever again be imposed on these top-priority benefits which serve to help fulfill some of our Nation's most fundamental obligations.

I consider the imposition of these cuts in fiscal year 1986 to be the tragic result of an oversight by Congress in the rush to enact the Gramm-Rudman legislation without benefit of the committee process in either body. Correcting this error for future years—when the percentage reductions could be much greater—would entail no costs at all. My bill would simply remove from any future sequestration pool, without changing the total that would be sequestered, programs for which the total estimated spending will be only $230 million in fiscal year 1987—or only two-tenths of a percent of the nonexempt, nondefense programs that are totally unprotected or only one-tenth of 1-percent of all nonexempt, nondefense programs. Thus, its impact on those other programs under a future sequestration order would be most insignificant.

Mr. President, I urge all of my colleagues to join with me in supporting this legislation of such great importance both to veterans whose valor and sacrifices have kept our Nation free and strong and to their families.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being on objection , the bill was ordered to be printed in the RECORD, as follows:

S. 2187

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXEMPTION FROM SEQUESTRATION FOR VETERANS' BENEFITS BASED ON SERVICE-CONNECTED DISABILITY.

(a)(1) Chapter 1 of the title 38, United States Code, is amended by adding at the end the following new section:

"§ 113. Preservation of funding for certain service-connected programs

"(a) In addition to compensation benefits and dependency and indemnity compensation benefits as specified in section 255(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901 et seq.) benefits based on service-connected disability or death under the following provisions shall be exempt from sequestration and reduction under any order issued under part C of such Act:

"(1) Chapter 21 of this title, relating to specially adapted housing for veterans with certain service-connected disabilities.

"(2) Section 907 of this title, relating to burial and funeral benefits in the case of veterans who die as a result of service-connected disability.

"(3) Chapter 31 of this title, relating to training and rehabilitation for certain veterans with service-connected disabilities.

"(4) Chapter 35 of this title, relating to educational assistance for the dependents of

veterans with service-connected disabilities rated total and permanent and for the survivors of those who die as a result of service-connected disability.

"(5) Chapter 39 of this title, relating to automobiles and adaptive equipment for veterans with certain service-connected disabilities.

"(b) Amounts provided for in any budget account for the payment of any benefit specified in clauses (1) through (5) of subsection (a) of this section shall be excluded from the computations under part C of such Act of any amount in such account to be sequestered by, and any amount by which such account is to be reduced by, any order issued by the President under such part.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"113. Preservation of funding for certain service-connected programs.".

(b) The amendments made by subsection (a) shall apply with respect to any order issued by the President under part C of the Balanced Budget and Emergency Deficit Control Act of 1985 with respect to any fiscal year after fiscal year 1986.

By Mr. DECONCINI:

S.J. Res. 294. Joint resolution to designate the month of April 1986 as "National Child Abuse Prevention Month;" to the Committee on the Judiciary.

NATIONAL CHILD ABUSE PREVENTION MONTH

Mr. DECONCINI. Mr. President, I am introducing today a joint resolution to declare the month of April 1986 as "National Child Abuse Prevention Month." I am pleased to know that a great number of my distinguished colleagues will join me in this important effort.

Mr. President, despite the fact that agencies serving our children have made notable improvements over the past few years, by revamping rules and regulations, pin-pointing issues, disseminating information and increasing public awareness—child abuse is still on the increase.

It is clear from data generated over the past few years that our Nation's poor children are the high-risk subjects for abuse, neglect and other problems associated with poverty. The families of these children are caught in a web of strife, stress and strain in their attempt to just survive from day to day. Their struggle is compounded by the lack of resources, both spiritual and physical, to lighten the burden imposed by their state of poverty.

Mr. President, child abuse is not getting better it's getting worse, for example, recent statistics and reports reveal that, last year alone, over 800,000 youngsters were neglected or deprived of their basic needs and resulting in cases of both physical and or emotional damage to the child. Additionally, over 50,000 children per year suffered a major physical injury at the hands of a child abuser. And according to the American Association for Protecting Children, a division of the American Humane Association, reports of child abuse and neglect are up by 39.8 percent since 1981.

Furthermore, in it's annual report, the children's defense fund states:

Neglect is the most frequently reported type of maltreatment, accounting for 41.7 percent of the reports. Abuse alone accounted for 33.3 percent, and abuse and neglect together accounted for 16.8 percent. Almost always, perpetrators are those with whom the child lives . . . in 86 percent of cases, the child's parent.

Mr. President, indeed, many children in the U.S.A. are growing up in wholesome environments, however, there are millions who are not. These are the children in homes with a multitude of family problems, and the families are not equipped to furnish the children with the basic safety and solace they need to become productive and responsible adults. Every child in the world needs food, clothing, shelter, and nurturing in order to survive and succeed in our society.

As I have stated previously, Members of Congress have an opportunity to assist the many individuals, organizations, and agencies that are striving to rid our Nation of the child abuse problem and to assist the victims as well. We can help focus public attention on the goals and objectives of these agencies and improve the general welfare of our children.

The declaration of April 1986 as "National Child Abuse Prevention Month" is a significant way we can emphasize the importance of increasing public awareness and education for the benefit of our troubled families and suffering children. Therefore, I urge my fellow colleagues to join me in this effort to have April 1986 designated as "National Child Abuse Prevention Month."

ADDITIONAL COSPONSORS

S. 8

At the request of Mr. CRANSTON, the names of the Senator from Delaware [Mr. ROTH], and the Senator from Oklahoma [Mr. BOREN] were added as cosponsors of S. 8, a bill to grant a Federal charter to the Vietnam Veterans of America, Inc.

S. 951

At the request of Mr. GORTON, the name of the Senator from Kentucky [Mr. MCCONNELL] was added as a cosponsor of S. 951, a bill to amend the Fair Debt Collection Practices Act to provide that any attorney who collects debts on behalf of a client shall be subject to the provisions of such act.

S. 1277

At the request of Mr. BRADLEY, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 1277, a bill to amend title XIX of the Social Security Act to provide that States may provide home or community-based services under the Medicaid Program without the necessity of obtaining a waiver.

S. 1494

At the request of Mr. GORTON, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 1494, a bill to amend title 23, United States Code, to limit outdoor advertising adjacent to Interstate and Federal-aid primary highways.

S. 1562

At the request of Mr. GRASSLEY, the name of the Senator from Arkansas [Mr. PRYOR] was added as a cosponsor of S. 1562, a bill to amend the False Claims Act, and title 18 of the United States Code regarding penalties for false claims, and for other purposes.

S. 1747

At the request of Mr. ROTH, the name of the Senator from Delaware [Mr. BIDEN] was added as a cosponsor of S. 1747, a bill to amend the Foreign Assistance Act of 1961 to protect tropical forests in developing countries.

S. 1748

At the request of Mr. ROTH, the name of the Senator from Delaware [Mr. BIDEN] was added as a cosponsor of S. 1748, a bill to amend the Foreign Assistance Act of 1961 to protect biological diversity in developing countries.

S. 1855

At the request of Mr. WEICKER, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of S. 1855, a bill to revise the provisions of the Public Health Service Act relating to health planning.

S. 1917

At the request of Mr. D'AMATO, his name was added as a cosponsor of S. 1917, a bill to amend the Foreign Assistance Act of 1961 to provide assistance to promote immunization and oral rehydration, and for other purposes.

S. 2063

At the request of Mr. DODD, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 2063, a bill to provide financial assistance to small businesses seeking relief under the antidumping and countervailing duty laws.

S. 2090

At the request of Mr. PRYOR, the names of the Senator from Colorado [Mr. ARMSTRONG], and the Senator from Florida [Mr. CHILES] were added as cosponsors of S. 2090, a bill to provide that the Internal Revenue Service may not before July 1, 1987, enforce its regulations relating to the tax treatment of the personal use of vehicles, and for other purposes.

S. 2115

At the request of Mr. THURMOND, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a co-

sponsor of S. 2115, a bill to recognize the organization known as the 82d Airborne Division Association, Inc.

S. 2129

At the request of Mr. KASTEN, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 2129, a bill to facilitate the ability of organizations to establish risk retention groups, to facilitate the ability of such organizations to purchase liability insurance on a group basis, and for other purposes.

S. 2149

At the request of Mr. KENNEDY, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 2149, a bill to authorize United States contributions to the International Fund established pursuant to the November 15, 1985, agreement between the United Kingdom and Ireland.

S. 2160

At the request of Mr. THURMOND, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of S. 2160, a bill to clarify and improve the analysis of mergers under the antitrust laws.

S. 2161

At the request of Mr. THURMOND, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of S. 2161, a bill to provide alternative relief for industries adjusting to increased imports.

S. 2162

At the request of Mr. THURMOND, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of S. 2162, a bill to promote and improve efficient and effective enforcement of the antitrust laws.

S. 2163

At the request of Mr. THURMOND, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of S. 2163, a bill to make necessary and appropriate amendments to the antitrust laws governing service as a director of competing corporations.

S. 2164

At the request of Mr. THURMOND, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of S. 2164, a bill to amend the Sherman and the Clayton Acts to improve and clarify the application of such acts to international commerce.

SENATE JOINT RESOLUTION 256

At the request of Mr. TRIBLE, the name of the Senator from Nevada [Mr. LAXALT] was added as a cosponsor of Senate Joint Resolution 256, a bill designating August 12, 1986, as "National Neighborhood Crime Watch Day."

SENATE JOINT RESOLUTION 264

At the request of Mr. PRYOR, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of Senate Joint Resolution 264, a joint resolution designating April 28, 1986, as "National Nursing Home Residents Day."

SENATE JOINT RESOLUTION 284

At the request of Mr. METZENBAUM, the names of the Senator from New Jersey [Mr. BRADLEY], the Senator from Kansas [Mr. DOLE], the Senator from Nebraska [Mr. ZORINSKY], the Senator from South Carolina [Mr. THURMOND], the Senator from Illinois [Mr. SIMON], the Senator from Georgia [Mr. NUNN], the Senator from Illinois [Mr. DIXON], and the Senator from California [Mr. CRANSTON], were added as cosponsors of Senate Joint Resolution 284, a joint resolution to designate the month of May 1986 as "Better Hearing and Speech Month."

SENATE JOINT RESOLUTION 287

At the request of Mr. BOREN, the names of the Senator from Arkansas [Mr. PRYOR], the Senator from West Virginia [Mr. ROCKEFELLER], and the Senator from Rhode Island [Mr. PELL], were added as cosponsors of Senate Joint Resolution 287, a joint resolution designating September 29, 1986, as "National Teachers Day."

SENATE JOINT RESOLUTION 289

At the request of Mr. ROTH, the names of the Senator from Tennessee [Mr. GORE], and the Senator from Rhode Island [Mr. PELL], were added as cosponsors of Senate Joint Resolution 289, a joint resolution to designate 1988 as the "Year of New Sweden" and to recognize the New Sweden '88 American Committee.

SENATE JOINT RESOLUTION 290

At the request of Mr. DECONCINI, the names of the Senator from North Dakota [Mr. BURDICK], the Senator from Vermont [Mr. LEAHY], the Senator from Michigan [Mr. RIEGLE], and the Senator from New York [Mr. D'AMATO], were added as cosponsors of Senate Joint Resolution 290, a joint resolution to designate July 4, 1986, as "National Immigrants Day."

SENATE JOINT RESOLUTION 291

At the request of Mr. HUMPHREY, the name of the Senator from Alabama [Mr. DENTON], was added as a cosponsor of Senate Joint Resolution 291, a joint resolution proposing an amendment to the Constitution of the United States with respect to the right to life.

SENATE JOINT RESOLUTION 292

At the request of Mr. HUMPHREY, the name of the Senator from Alabama [Mr. DENTON], was added as a cosponsor of Senate Joint Resolution 292, a joint resolution proposing an amendment to the Constitution of the United States with respect to the right to life.

SENATE CONCURRENT RESOLUTION 95

At the request of Mr. METZENBAUM, the names of the Senator from Ohio [Mr. GLENN], and the Senator from Hawaii [Mr. MATSUNAGA] were added as cosponsors of Senate Concurrent Resolution 95, a concurrent resolution to recognize and honor the contributions of Consumers Union.

SENATE CONCURRENT RESOLUTION 105

At the request of Mr. GRAMM, the names of the Senator from Oklahoma [Mr. NICKLES], and the Senator from California [Mr. WILSON] were added as cosponsors of Senate Concurrent Resolution 105, a concurrent resolution to express the sense of the Congress that any tax reform provisions relating to tax-exempt municipal bonds take effect no earlier than January 1, 1987.

SENATE RESOLUTION 105

At the request of Mr. D'AMATO, his name was added as a cosponsor of Senate Resolution 105, a resolution to designate March 21, 1986, as "Henry Ossian Flipper Day."

At the request of Mr. MATTINGLY, the names of the Senator from Mississippi [Mr. STENNIS], the Senator from Oklahoma [Mr. BOREN], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Arizona [Mr. DECONCINI], the Senator from Alabama [Mr. DENTON], the Senator from Florida [Mrs. HAWKINS], the Senator from New York [Mr. MOYNIHAN], the Senator from Texas [Mr. BENTSEN], the Senator from Florida [Mr. CHILES], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from South Dakota [Mr. ABDNOR], and the Senator from Illinois [Mr. SIMON] were added as cosponsors of Senate Resolution 105, supra.

SENATE RESOLUTION 304

At the request of Mr. D'AMATO, his name was added as a cosponsor of Senate Resolution 304, a resolution to express the sense of the Senate that the present 3-year basis recovery rule on taxation of retirement annuities be maintained.

AMENDMENT NO. 1652

At the request of Mr. THURMOND, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of amendment No. 1652 proposed to Senate Joint Resolution 225, an original joint resolution proposing an amendment to the Constitution relating to a Federal balanced budget.

At the request of Mr. SIMON, the names of the Senator from South Carolina [Mr. HOLLINGS] and the Senator from Nebraska [Mr. ZORINSKY] were added as cosponsors of amendment No. 1652 proposed to Senate Joint Resolution 225, supra.

SENATE CONCURRENT RESOLUTION 115—OPPOSING FORCED RESETTLEMENT AND OPPRESSION IN ETHIOPIA

Mr. TRIBLE (for himself, Mrs. KASSEBAUM, and Mr. BOSCHWITZ) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 115

Whereas the Ethiopian regime has forcibly resettled hundreds of thousands of people to other parts of that country, resulting in massive human suffering, widespread separation of families, and the deaths of more than 100,000 people;

Whereas many Ethiopians, unable to withstand diseases common to regions to which they have been resettled, have died from such diseases after being moved;

Whereas the Ethiopian government has expropriated food and other humanitarian supplies intended for hunger relief and has used them instead to further its forcible resettlement program and to supply its military;

Whereas one purpose of the forcible resettlement program is to remove from Ethiopia's northern provinces those Ethiopians who are sympathetic to anti-government resistance forces present there;

Whereas many resettlement camps in Ethiopia have been found to be unhealthy and inhumane;

Whereas the French humanitarian organization Medicins Sans Frontiers has been banned from Ethiopia for disclosing the truth about the government's brutal resettlement program;

Whereas there are over 1,700 Soviet and 2,500 Cuban troops and advisors stationed in Ethiopia, and the Ethiopian regime spends billions of dollars to purchase military arms and supplies from the Soviet Union;

Whereas the United States, together with all humanitarian aid donors, remains committed to alleviating the suffering of victims of famine and oppression in Ethiopia: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring).—

SECTION 1. That in the event that the forcible resettlement program continues to be implemented in a manner that causes, directly or indirectly, loss of life among those forcibly resettled, the President is urged to consider—

1. Prohibiting importation of all goods and services from Ethiopia and encouraging all Western nations to do the same;

2. Removing all Generalized System of Preferences privileges from Ethiopia;

3. Stripping Ethiopia of its Most-Favored-Nation trade status;

4. Adding Ethiopia to the list of communist countries contained in Section 620 (f) of the Foreign Assistance Act;

5. Forbidding any United States person, corporation, or foreign affiliate, including any branch of the Government of the United States, from extending any loans or credits to, or making any investment in, the Government of Ethiopia, or any corporation or partnership owned or controlled by the government of Ethiopia;

6. Instructing all United States representatives to international lending institutions to vote against furnishing any assistance by those institutions to the Government of Ethiopia;

SEC. 2. That it is the sense of the Congress that the President should—

1. Immediately call on the United Nations and other donors to closely monitor all resettlement efforts in Ethiopia to ensure that coercion is not used; that families are not separated as a result of being moved; and, that any individuals who voluntarily relocate are healthy enough to undertake and survive the journey;

2. Immediately call upon the Ethiopian government to place an immediate moratorium on any relocation effort whose effect is to cause suffering or death, or whose partial or sole purpose is to remove from certain regions of that country those Ethiopians who are sympathetic to the anti-government rebels;

3. Request that the Government of Ethiopia immediately commit sufficient resources to improve conditions in existing resettlement camps and to alleviate the continuing hunger of thousands of Ethiopians, instead of diverting needed resources to its forcible resettlement program and its military;

4. Insist that international observers and the news media be immediately given free access to all resettlement camps and to all relocation activities in Ethiopia; and

5. Ensure that the United States continues to raise Ethiopia's forcible resettlement program and diversion of resources in every appropriate international forum, including the United Nations.

SEC. 3. For as long as the resettlement and villagization programs are continued, the Assistant Secretary of State for Human Rights and Humanitarian Affairs is requested to transmit to the Speaker of the House of Representatives and the Chairman of the Senate Foreign Relations Committee a report within 30 days, and every 60 days thereafter, indicating the number of Ethiopians he believes or has reason to believe have died as a direct or indirect result of the resettlement program.

SEC. 4. The Secretary of State shall transmit a copy of this resolution to the head of the diplomatic mission of Ethiopia to the United States, to Ethiopia's permanent representative to the United Nations and its specialized agencies, and to all major donor countries and heads of their governments.

SENATE CONCURRENT RESOLUTION 116—CONCERNING THE FAMINE IN ETHIOPIA AND THE GOVERNMENT'S RESETTLEMENT POLICY

Mr. KASTEN (for himself, Mr. HATFIELD, Mr. INOUYE, Mr. RUDMAN, Mr. BRADLEY, Mr. HATCH, Mr. GORE, Mr. NICKLES, Mr. DECONCINI, Mr. EXON, Mr. LEVIN, Mr. DURENBERGER, Mr. CRANSTON, Mr. BUMPERS, Mr. GRASSLEY, and Mr. RIEGLE) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 116

Whereas a significant hunger crisis continues to threaten thousands of lives in Ethiopia, despite the concentrated efforts of Western donors;

Whereas the American people, along with the worldwide humanitarian community, find the suffering in Africa due to famine an enormous tragedy and seek ways to relieve the sickness and hardship of starvation victims;

Whereas the aid contributed by Western donors is given in good faith, with the understanding that it will reach the actual victims of the famine;

Whereas the United States Government monitors the distribution by private and voluntary organizations of American-donated food through the Agency for International Development;

Whereas the United Nations, through its Office of Emergency Operations in Africa, oversees and helps direct the efforts of donor countries;

Whereas the Ethiopian Government has engaged in a program of resettlement designed to move significant numbers of people from some areas of the country to resettle them in other areas;

Whereas the Ethiopian Government has stated that resettlement should be voluntary, that it should not separate family members, and that it should be conducted without causing undue suffering of the participants;

Whereas reputable international voluntary agencies have alleged that the Ethiopian Government has used coercive force in this resettlement;

Whereas allegations have been made that the Ethiopian Government misused non-United States food assistance as part of its resettlement program;

Whereas allegations have been made regarding inhumane conditions prevailing in many resettlement camps;

Whereas Ethiopian authorities have not met their commitment to international donors to distribute 2,500 metric tons of food and relief goods per day from the port of Assab;

Whereas all resources are needed to deal with the continuing hunger crisis and should not be diverted to resettlement efforts; and

Whereas the United States, the United Nations, and all other donors seek the cooperation of the Ethiopian Government in aiding the vast number of Ethiopians who are victims of the current famine: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(1) the United States, in cooperation with other members of the international donor community, should call upon the Ethiopian Government to recognize that resources donated for famine relief should be used for that purpose and not diverted to resettlement efforts or other purposes:

(2) the Ethiopian Government should give its strongest consideration to suspending its resettlement program for the duration of the drought so that all available resources can be focused on famine needs and so that, during its announced consolidation period, the Ethiopian Government can make progress toward improvement of conditions of the settlements already in place;

(3) the international donor community should jointly call for a halt to all forced resettlements by the Ethiopian Government, just as the Congress hereby calls for the end of coercive resettlement activities;

(4) the United Nations, through its Special Representative in Ethiopa, should monitor any resettlement effort so that coercion is not used and there is total freedom to move into or out of any resettlement camp;

(5) the United Nations, through its Special Representative in Ethiopia, should insist that the Ethiopian Government provide free access to all resettlement sites for all international observers and the news media;

(6) the United Nations, through its Office of Emergency Operations in Africa, should immediately report on the conditions in the resettlement camps; and

(7) the Ethiopian Government should commit sufficient resources to move donated food and relief goods from the port of Assab to distribution centers so that the minimum rate of 2,500 metric tons per day necessary to meet the needs of its people is maintained.

Mr. KASTEN. Mr. President, on February 26, Senators HATFIELD, INOUYE, and I sent a letter to our colleagues inviting cosponsorship of a resolution pertaining to the forced resettlement program of the Government of Ethiopia.

Since we sent that letter, there have been additional reports on the extraordinary hardship and deaths being caused by this program. Private organizations, independent observers, and administration officials continue to report numerous instances of inhumane conditions in the resettlement of Ethiopians, including gross overcrowding in unpressurized airplanes; inadequate medical facilities, food, water, and shelter, both in transit and at the resettlement camps. Rates of death at these locations are reported to be extraordinarily high, with disease rampant. Those resettled are often taken against their will, and held under constant guard to prevent escape, and many are separated from their families. An article in the Washington Post on Monday, March 10, detailed the misery of one family who tried to escape this resettlement program, including the initial use of food to in effect coax this family into resettlement.

Today, we are introducing that concurrent resolution, which in addition to myself, Senator HATFIELD, and Senator INOUYE, is cosponsored by 13 of our colleagues. I would anticipate that many others would wish to join us as the reports of the misery caused by this resettlement program continue.

Our concurrent resolution, which is identical to the one which has been introduced by Congresswoman ROUKEMA and cosponsored by among others, Congressmen FASCELL and BROOMFIELD, calls upon the Ethiopian Government to stop any new settlement movements; to open up the resettlement areas to United Nations monitors and to the free press; to allow freedom of movement to those who do not wish to stay in the resettlement areas; and to use those resources which the Government has been using in the resettlement program instead for relief and rehabilitation.

Mr. President, the concurrent resolution we are offering will join the Senate with the House and the administration in expressing our horror at this ongoing tragedy and hopefully will be the type of pressure which will result in the Ethiopian Government's abandonment of their forced resettlement policy.

Mr. President, I ask unanimous consent that the Washington Post article I referred to be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ETHIOPIANS RISK LIVES FLEEING RESETTLEMENT

(By Blaine Harden)

ED DAMAZIN, SUDAN—The dismal odyssey of the young Ethiopian mother began last spring with a false promise of free food.

That promise lured Letehawaria Gebre Yessus into a trip that took her from the highlands of northern Ethiopia to a swampy resettlement camp in its southwestern corner. Late in February, after an escape journey of three months, she found her way here to a refugee camp in the thorn-tree badlands of eastern Sudan.

En route, she said, she was forced by Ethiopian soldiers to abandon her two children, and she watched her husband die of disease in a crowded transit camp. After fleeing Ethiopia, she said, she was robbed, beaten, raped and held as a slave by Sudanese rebels.

The woman's story, which she quietly told in the shade of a refugee tent, echoes those of many of the nearly 1,000 Ethiopian refugees here who have fled the resettlement program that the Ethiopian government insists is the only possible long-term solution to chronic famine in the country.

Nearly 600,000 northern Ethiopians have been moved south by the program since November 1984. When it began, Tamrat Kebede, the Ethiopian official responsible for designing the program, said in an interview in Addis Ababa that the resettlement would be voluntary, that families would not be split and that each family would be given about five acres of land to farm privately.

Tamrat said then that these conditions would guarantee the human rights and self-respect of resettled famine victims, and would ensure needed grass-roots support.

But interviews here with escapees from resettlement camps, along with the reports of researchers and relief workers who have conducted random surveys among refugees, indicate that the Ethiopian government has widely violated and ignored its present conditions.

As Ethiopia's famine abates, the resettlement program continues, with a goal of moving 1.5 million people by the end of this year. The program has become by far the most contentious issue between Marxist Ethiopia and the western governments and private relief organizations that supply most of its famine assistance.

The Ethiopian government temporarily suspended the resettlement program at the end of last month in response to criticism from western aid donors. The suspension, to last an indefinite period, was ordered "for a period of consolidation and to digest what they have already done," a senior western aid official in Addis Ababa told United Press International last weekend.

According to western aid officials in the Ethiopian capital, the final 1,000 resettlers arrived in Asosa from Welo Province in the last week of February. Ethiopian government officials, while not officially announcing the suspension, said last week that internal and external criticism has forced a government review of resettlement. But western aid officials say that it was primarily outside donor criticism that forced the suspension.

While Italy and Canada have given money specifically to support resettlement, most other donors have expressed reservations. The United States, by far the largest food donor, has condemned the program as a diversion of resources better spent in the famine-affected north. A French-based relief agency, Doctors Without Borders, was expelled from Ethiopia last fall for charging that up to 100,000 persons had died as a result of resettlement.

Most critics of resettlement contend that it has a political, not a humanitarian, aim: to depopulate the rebel-dominated north, where the government has been unable for nearly a quarter century to impose military control.

The Ethiopian government has admitted to some abuses in the program by "overzealous local officials." But it maintains that the idea of moving famine victims from the drought-razed northern highlands to the fertile southwestern lowlands is sound. The Soviet-supported rulers have dismissed most criticism of resettlement as motivated by western, anti-Marxist ideology disguised as humanitarian concern. At the same time, the Ethiopian government strictly restricts outside access to resettlement areas.

The stories told here in this two-month-old refugee camp come not from outsiders but from peasant farmers from the Welo and Tigray regions of northern Ethiopia. In 13 separate interviews here, they told a consistent story, details of which are supported by earlier interviews in Ethiopia with relief officials.

Most of the refugees said they were "tricked" into gathering in northern villages by government-circulated promises that the "Red Cross" would be distributing free food. Many left their children behind, thinking that they would soon be coming back home. However, they were surrounded by Ethiopian soldiers and loaded onto buses or helicopters bound for transit camps. Several refugees said they saw soldiers shoot and kill farmers who tried to run away.

The settlers described several weeks in transit camps, with shortages of food, water and medical care, as well as many deaths from illness. They then were packed into Soviet Antonov transport planes or buses for the 600- to 700-mile journey south to resettlement sites near Asosa and Gambela. Several said that people who became critically ill during the bus ride south were hauled out of the buses and abandoned at roadsides.

In Gambela and Asosa, lowland areas where more than 145,000 people have been resettled in scores of new villages in the past 16 months, the refugees said there were chronic shortages of food, clothes and shelter. Many said they became ill with malaria, a disease they had no experience with in the northern highlands.

Party cadre and soliders, the refugees said, forced the settlers to clear land and build houses, enforcing discipline by beating and imprisoning those who refused to work. In Asosa and Gambela, refugees said they were forced to work on cooperative farms and were allowed little time to tend their small gardens.

Gebre Selassie, 24, a political refugee here who said he worked in Asosa for the Ethiopian government as a medical assistant, supported the accounts of many refugees by saying that the major health problem in the camps was malnutrition.

"Most of the people in the camps were sick because of hunger. They were not given enough food," said Gebre Selassie. He said most settlers were given about a pound of corn a day at Asosa, an amount nutritionists say is insufficient to maintain body weight while doing heavy work.

Refugees here said they were warned frequently by party cadre against trying to escape from the camps. In weekly "political education" meetings, the cadre warned set-

tlers of Ethiopian soldiers who would shoot them, of wild animals in nearby jungles and of allegedly cannibalistic tribesmen across the nearby Sudanese border.

Yet, between last November and the first of this year, the refugees estimate that about 3,000 Ethiopians tried to escape from Gambela and Asosa. They said many were captured inside the border and that some drowned trying to cross rivers into Sudan.

Letehawaria, the 27-year-old mother of two whose husband died in transit before reaching Gambela, was one of several hundred women captured by Sudanese rebel soldiers, believed by relief officials here to belong to the Sudanese People's Liberation Army (SPLA), which controls nearby areas of southern Sudan.

According to several of these women who arrived here last month, the Sudanese rebel soldiers raped them and forced them to live for a month as slaves in Sudanese villages. Relief officials believe these men were members of the Dinka tribe, which dominates that region of Sudan.

The SPLA, which receives arms and funding from the Ethiopian government, also extored money from many of the fleeing Ethiopians, stole their clothes and forced some of them back to resettlement camps, the refugees said.

Those who eluded or later escaped the rebel soldiers have been brought here to Ed Damazin by the Sudanese military. They are temporarily under the care of the Fellowship for African Relief, a small Canadian relief agency. The U.N. refugee commission in Khartoum says many of them soon will be transported north and allowed to return across the border into rebel-held areas of Ethiopia.

Like many of his fellow resettlement escapees, Yibran Alemayeh, 54, said he wants to find his wife and six children. He said soldiers rounded him up a year ago in the Tigrayan city of Adua. If he cannot find his family, Yibran says he will join the Tigray People's Liberation Front, which has been fighting the Ethiopian government for more than a decade.

SENATE CONCURRENT RESOLUTION 117—SUPPORTING RIAS RADIO IN THE AMERICAN SECTOR OF BERLIN

Mr. SIMON submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 117

Whereas the United Nations Declaration of Human Rights and the Final Act of the Conference on Security and Cooperation in Europe (also known as the "Helsinki Accords") declare that it is in the best interest of mankind to allow information to flow freely across international boundaries;

Whereas a constructive dialogue designed to enhance mutual understanding between peoples and governments reinforces the "spirit of Geneva";

Whereas the free flow of information among the people of Berlin and to the German Democratic Republic promotes mutual understanding and thus serves the universal cause of peace and human freedom;

Whereas RIAS, the Radio in the American Sector of Berlin, serves the cause of freedom by communicating accurate information and a wide spectrum of Western values to all of people of Berlin and to the German Democratic Republic;

Whereas RIAS is a joint effort of the United States and the Federal Republic of Germany and is an outstanding example of partnership and cooperation between these nations; and

Whereas RIAS is an important symbol of the commitment of the United States to the freedom of Berlin: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress, recognizing the significance of RIAS, the Radio in the American Sector of Berlin, for improving communication, enhancing mutual understanding, and aiding the free flow of information among the people of Berlin and to the German Democratic Republic—

(1) reaffirms its strong support for the effort of RIAS to serve the cause of freedom through the communication of information and Western values to all of the people of Berlin and to the German Democratic Republic; and

(2) reaffirms RIAS as a symbol of the commitment of the United States to the freedom of Berlin.

Mr. SIMON. Mr. President, I am pleased to submit this concurrent resolution expressing the support of Congress for RIAS, Radio in the American Sector of Berlin. RIAS was established 40 years ago at a critical moment in European history. The free flow of information was essential during those early years of postwar recovery, the Berlin airlift, and East European struggle with Soviet occupation.

Now, in 1986, communications between the two blocs in Central Europe is no less important. We have a dual mission in a Europe still divided by artificial barriers: to tell our side of the story, while encouraging less propaganda and less hostility. This sometimes requires a delicate balancing act, but through the years we have always held high standards of professionalism. USIA is to be commended for its vital role in making information available in places where it otherwise might not be made known.

RIAS does this, and at virtually no cost to the Treasury. The Government of West Germany picks up 96 percent of the expense in running RIAS, but the programming is put together by USIA. It is by all accounts widely popular in many parts of Eastern Europe, particularly in East Germany. I commend RIAS, and urge my colleagues to join me in expressing our support for this worthwhile venture.

SENATE RESOLUTION 365—RELATING TO FAIR EMPLOYMENT PRACTICES IN THE SENATE

Mr. GLENN submitted the following resolution; which was referred to the Committee on Rules and Administration.

S. RES. 365

Resolved, That this resolution may be cited as the "Senate Fair Employment Relations Resolution".

PURPOSE

SEC. 2. It is the purpose of this resolution to implement the provisions of rule XLII of the Standing Rules of the Senate, by establishing a Senate Fair Employment Relations Board, a Senate Fair Employment Relations Office, and procedures for hearing and settling complaints alleging violations of rule XLII by Members, officers, and employees of the Senate.

DEFINITIONS

SEC. 3. For purposes of this resolution, the term—

(1) "Board" means the Senate Fair Employment Relations Board established by section 101;

(2) "Office" means the Senate Fair Employment Relations Office established by section 201;

(3) "Director" means the Director of the Senate Fair Employment Relations Office established by section 201;

(4) "employee of the Senate" means any individual who is an employee of the Senate, or is treated as an employee of the Senate, for purposes of the Senate Code of Official Conduct;

(5) "complainant" means an employee of the Senate or other individual who applies for a position in the Senate and who files a complaint under section 302;

(6) "respondent" means a Member, officer, or employee of the Senate against whom a complaint is filed under section 302;

(7) "office of the Senate" includes the office of a Senator;

(8) "rule XLII" means rule XLII of the Standing Rules of the Senate; and

(9) "supervisor" has the meaning given to it by paragraph 11 of rule XXXVII of the Standing Rules of the Senate.

TITLE I—FAIR EMPLOYMENT RELATIONS BOARD

ESTABLISHMENT

SEC. 101. (a) There is established an office of the Senate to be known as the Senate Fair Employment Relations Board. The Board shall consist of six members, selected from among individuals in the private sector, who have a demonstrated commitment to fair employment relations—

(1) three of whom shall be appointed by, and may be removed by, the Majority Leader of the Senate with the approval, by majority vote, of the Conference of the Majority; and

(2) three of whom shall be appointed by, and may be removed by, the Minority Leader of the Senate with the approval, by majority vote, of the Conference of the Minority.

No individual who has served as a Member, officer, or employee of the Senate or the House of Representatives or as an officer or employee of the Congress may be appointed as a member of the Board during the three-year period following the termination of his or her service as such a Member, officer, or employee.

(b) Each member of the Board shall be appointed for a term of four years commencing with the day after the expiration of the term of his or her predecessor, except that of the members first appointed—

(1) one member appointed by the Majority Leader and one member appointed by the Minority Leader (as designated by the respective Leaders) shall be appointed for a term of two years commencing on the day on which this resolution is agreed to; and

(2) two members appointed by the Majority Leader and two members appointed by

the Minority Leader (as designated by the respective Leaders) shall be appointed for a term of four years commencing on such day. Any member appointed to fill a vacancy occurring prior to the expiration of a term shall be appointed only for the unexpired portion of such term. Any member serving at the expiration of a term may continue to serve until his or her successor is appointed.

(c) The Board shall elect one of its members to serve as Chairperson.

(d) A quorum of the Board shall consist of four members, but no action of the Board in performing the functions and duties specified in paragraphs (1) and (3) of section 104(a) or in appointing or removing the Director under section 201 may be taken except with the concurrence of a majority of the members holding office.

(e) The Board is authorized to delegate to the Chairperson or any other member of the Board the authority to approve on behalf of the Board those actions of the Director which require approval of the Board under sections 201, 202, and 203.

COMPENSATION

SEC. 102. Each member of the Board shall receive compensation equal to the daily equivalent of the salary of the Secretary of the Senate for each day on which the member is engaged in performing his or her duties as a member of the Board and in traveling from or to his or her home to attend meetings of the Board. Each member shall also be entitled to reimbursement for transportation costs and actual travel expenses while so traveling in the same amounts as are payable to employees of the Senate.

MEETINGS; ADMINISTRATIVE SERVICES

SEC. 103. (a) The Board shall meet at least once every three months and shall also meet upon call of the Chairperson or of a majority of the members holding office. Notice of any meeting of the Board shall be given to all members at least three days prior to such meeting.

(b) All necessary administrative services required by the Board shall be furnished by the Office.

FUNCTIONS AND DUTIES

SEC. 104. (a) It shall be the function and duty of the Board—

(1) to establish and publish policies and guidelines for the implementation and enforcement of rule XLII;

(2) to supervise the actions of the Director and the operations of the Office through the Director; and

(3) to hear and determine complaints alleging violations of rule XLII in accordance with title III.

(b) In order to carry out its functions and duties under title III, the Board is authorized to appoint and fix the compensation (subject to applicable limitations imposed by or pursuant to law on the salaries of employees of the Senate) of such number of hearing examiners as may be necessary. Any such hearing examiner may be appointed on a temporary (not to exceed one year) or intermittent basis and any hearing examiner so appointed may be paid, for each day on which he or she performs services, not in excess of the daily equivalent of the highest salary which may be paid to a hearing examiner appointed on a permanent basis.

(c) The Board may adopt such regulations as it determines necessary to carry out its duties and functions.

PAYMENT OF EXPENSES

SEC. 105. The expenses of the Board (including compensation of members of the Board and hearing examiners) shall be paid from the contingent fund of the Senate pursuant to appropriations made to the contingent fund for such purpose. Until funds are first so appropriated, such salaries and expenses shall be paid from the contingent fund out of funds appropriated for "Miscellaneous Items". Such salaries and expenses shall be paid out of the contingent fund upon vouchers approved by the Chairperson, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

TITLE II—SENATE FAIR EMPLOYMENT RELATIONS OFFICE

ESTABLISHMENT

SEC. 201. (a) There is established an office of the Senate to be known as the Senate Fair Employment Relations Office. The Office shall be headed by a Director who shall be appointed by, and shall serve at the pleasure of, the Board. The Director shall receive compensation at an annual rate fixed by the Board but not in excess of the highest rate of compensation which may be paid to an employee of a committee of the Senate under section 105(e)(3) of the Legislative Branch Appropriations Act, 1968 (2 U.S.C. 61-1(e)(3)).

(b) The Director, with approval of the Board, shall appoint and fix the compensation (subject to applicable salary limitations imposed by or pursuant to law on the salaries of employees of the Senate) of such personnel as may be necessary to carry out the duties and functions of the Office. All personnel of the Office shall be appointed without regard to political affiliation and solely on the basis of their fitness to perform their duties.

(c) In carrying out the functions and duties of the Office, the Director, with the approval of the Board, may procure the temporary (not to exceed one year) or intermittent services of experts or consultants or organizations thereof by contract as independent contractors, or, in the case of individual experts or consultants, by employment at rates of pay not in excess of the daily equivalent of the highest rate of compensation which may be paid to employees of the Office appointed on a permanent basis.

(d) The Director may prescribe the duties and responsibilities of the personnel of the Office, and delegate to them authority to perform any of the functions and duties imposed on the Office or on the Director, with the exception of the submission of reports under subsections (b) and (c) of section 302.

FUNCTIONS AND DUTIES

SEC. 202. (a) In addition to the functions and duties imposed on it by title III, the Office shall—

(1) develop procedures to implement the policies and guidelines of the Board to encourage full compliance with rule XLII by all Members, officers, and employees of the Senate; and

(2) perform such other functions as may be prescribed by the Board.

(b) The Office shall gather and maintain information with respect to each category of employees and individuals who are afforded equal employment opportunity by rule XLII, including, to the extent possible, information relating to individuals who apply for positions on the staffs of committees and offices of the Senate. The Office shall also gather and maintain information with respect to the employment practices of committees and offices of the Senate. Each year the Director, with the approval of the Board, shall submit to the Senate a report with respect to the information gathered under this subsection. Each report after the first report shall contain a comparison and evaluation of the data contained in such report with the data contained in prior reports.

(c) Upon the request of any committee or office of the Senate, the Office shall submit to such committee or office its recommendations for improvements in the employment practices of such committee or office. The Office shall assist the placement office with the development of procedures to collect and disseminate applications submitted by individuals from categories which are afforded equal employment opportunity by rule XLII.

(d) The Office shall review the procedures and practices for receiving, hearing, and settling complaints of alleged violations of rule XLII under title III and make recommendations regarding the continuation or improvement of such procedures. Not later than January 3, 1987, the Director, with the approval of the Board, shall submit to the Senate the results of such review, together with his or her recommendations. Such report shall be referred to the appropriate committee or committees of the Senate which, within one hundred and eighty days after the date of referral, shall submit their recommendations on the report to the Senate.

SUPPLIES: PAYMENT OF EXPENSES

SEC. 203. (a) The Director is authorized to procure such books, stationery, and other supplies as may be necessary for the proper performance of the functions and duties of the Office. The Architect of the Capitol and the Sergeant at Arms of the Senate shall furnish the Office such furniture and office equipment as may be necessary.

(b) The expenses of the Office (including salaries) shall be paid from the contingent fund of the Senate pursuant to appropriations made to the contingent fund for such purpose. Until funds are first so appropriated, such salaries and expenses shall be paid from the contingent fund out of funds appropriated for "Miscellaneous Items". Such salaries and expenses shall be paid out of the contingent fund upon vouchers signed by the Director, and approved by the Board, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

TITLE III—COMPLAINTS OF VIOLATIONS OF EQUAL EMPLOYMENT OPPORTUNITY

PART A—COUNSELING AND CONCILIATION

COUNSELING AND ASSISTANCE

SEC. 301. (a) Any employee of the Senate, or other individual who applies for a position in the Senate, who believes that he or she is being or has been discriminated against in violation of rule XLII may make a request to the Office for counseling and assistance. The Director shall designate employees of the Office to serve as counselors. Counselors shall advise employees and other individuals as to their rights under rule XLII and furnish such other advice and assistance as may be requested with respect to the application of rule XLII. No written statement shall be required for an employee or other individual to receive counseling and assistance under this section.

(b) Counseling under this section must be requested within sixty days of the action giving rise to the alleged discrimination, unless the Director authorizes counseling after such sixty-day period or unless the alleged discrimination is based upon a continuing practice or policy.

INFORMAL COMPLAINTS AND CONCILIATION

SEC. 302. (a) Any employee of the Senate, or other individual who applies for a position in the Senate, who believes that he or she is being or has been discriminated against in violation of rule XLII may, within twenty days after counseling is requested under section 301, file an informal complaint with the Director. Such an informal complaint may be filed only against an individual whom the complainant believes actually participated in the alleged violation or the individual who has authority to remedy the alleged violation, or both. Such an informal complaint shall consist of a brief written statement of the alleged violation. The Director shall furnish a copy of such informal complaint to the respondent and, if the respondent is an officer or employee, shall furnish a copy of such informal complaint to the respondent's supervisor.

(b) Upon the filing of an informal complaint under subsection (a), the Director shall collect information concerning the alleged violation. Within forty-five days after the date of filing, the Director shall submit a report to the Board with respect to such informal complaint and shall furnish an copies of such report to the complaint and respondent and, if the respondent is an officer or employee, shall furnish a copy of such report to the respondent's supervisor.

(c)(1) If as a result of the information collected under subsection (b), the Director determines that there is no reason to believe that a violation of rule XLII may have occurred, he or she shall so state in the report submitted pursuant to such subsection, together with his or her reasons for such determination.

(2) If as a result of the information collected under subsection (b), the Director determines that there is reason to believe a violation of rule XLII may have occurred, he or she shall attempt to resolve such violation by informal means. If an informal agreement between the complainant and respondent is reached, the Director shall so state in the report submitted pursuant to such subsection. If an informal agreement between the complainant and the respondent is not reached, the Director shall include his or her findings in the report submitted pursuant to such subsection.

PART B—FORMAL COMPLAINTS AND HEARINGS

FILING OF FORMAL COMPLAINTS

SEC. 311. (a) If the report of the Director under section 302 with respect to an informal complaint sets forth the Director's determination that there is reason to believe that a violation of rule XLII may have occurred but no agreement has been reached between the complainant and the respondent, then the complainant may, within thirty days after the date on which such report is submitted to the Board, file a formal complaint with the Board. A formal complaint shall be under oath and shall be in such form and set forth the basis of the complaint in such detail as the Board may prescribe by rule or regulation.

(b) If the report of the Director under section 302 sets forth the Director's determination that there is no reason to believe that a violation of rule XLII may have occurred, the complainant may request the Board to review such determination. Such request shall be in writing and shall be made within thirty days after the date on which such report is submitted to the Board. The Board shall complete its review within thirty days after such request is made and if it determines that there is reason to believe that a violation of rule XLII may have occurred, the complainant may, within thirty days after the date of the Board's determination, file a formal complaint under subsection (a).

HEARINGS

SEC. 312. (a) Each complaint filed under section 311 shall be assigned by the Board (or by such individual as the Board may designate) for a hearing by a hearing examiner appointed under section 104(b). The hearing examiner shall cause a copy of the complaint to be served on the respondent and, if the respondent is an officer or employee, shall furnish a copy of the complaint to the respondent's supervisor. The respondent shall be entitled to file, within ten days after such service, or within such longer time as the Board may permit, a formal answer to such complaint. A formal answer shall be under oath and shall be in such form as the Board may prescribe by rule or regulation.

(b) The hearing on a complaint shall be conducted expeditiously with a record in transcript form. Upon conclusion of the hearing, the hearing examiner shall submit to the Board a report containing his or her findings and recommendations (if any) for remedial action.

DECISIONS BY THE BOARD

SEC. 313. (a) The Board shall review the transcript and the findings and recommendations of the hearing examiner with respect to each complaint filed under section 311. If the Board finds that the hearing is incomplete, it may remand the case to the hearing examiner. The Board shall render a decision in each case within sixty days after the filing of the formal complaint, unless prior thereto the complainant and the respondent reach an agreement disposing of such case.

(b) If the Board determines in any case that there is or has been a violation of rule XLII, its decision shall include an order for such remedial action as it determines appropriate, except that no remedy may be ordered which the Board determines would result in undue benefit or undue hardship to the complainant or the respondent.

RULES; PROCEDURE

SEC. 314. The Board shall prescribe such rules or regulations as it determines proper to carry out the provisions of this part, including rules or regulations relating to the conduct of hearings and proceedings under this part and the rights and privileges of complainants and respondents in such hearings and proceedings. The Board shall publish all rules and regulations which it proposes to prescribe under this section and shall give interested persons an opportunity to comment thereon.

PART C—APPEALS TO SELECT COMMITTEE ON ETHICS

APPEALS

SEC. 321. (a) A complainant or respondent who is aggrieved by a decision or order of the Board under section 313 may, within thirty days after the decision or order is issued, appeal the decision or order to the Select Committee on Ethics.

(b) Within sixty days after an appeal is filed under subsection (a), the Select Committee on Ethics shall render its decision with respect to such appeal. Such decision may affirm the decision or order of the Board, reverse such decision or order in whole or in part, or remand the case to the Board for further proceedings. In any case in which the select committee reverses a decision or order of the Board, in whole or in part, if the select committee determines that there is or has been a violation of rule XLII, it may order such remedial action as it determines appropriate, except that no remedy may be ordered which the select committee determines would result in undue benefit or undue hardship to the complainant or the respondent.

PROCEDURE

SEC. 322. The Select Committee on Ethics shall prescribe such rules or regulations as it determines proper to carry out the provisions of section 321.

PART D—MISCELLANEOUS

REMEDIES

SEC. 331. (a) The remedial actions which may be specified in an order issued by the Board under section 313 or by the Select Committee on Ethics under section 321 include, but are not limited to—

(1) if the discrimination is failure or refusal to hire an individual, a requirement that such individual be employed within a specified period of time, or the payment of a specified sum to such individual, or both;

(2) if the discrimination is discharging an individual, a requirement that such individual be reemployed within a specified period of time, or the payment of a specified sum to such individual, or both;

(3) if the discrimination is with respect to the promotion or compensation of an individual, a requirement that such individual be promoted to or compensated at a specified level within a specified period of time, or the payment of a specified sum to such individual, or both; and

(4) if the discrimination is with respect to terms, conditions, or privileges of employment of an individual, a requirement that such terms, conditions, or privileges be changed within a specified period of time, or the payment of a specified sum to such individual, or both.

(b) Any payment ordered to be made to an individual under an order issued by the Board or the Select Committee on Ethics shall be made out of the contingent fund of the Senate upon a voucher signed by the Chairperson of the Board or the chairman of the select committee, as the case may be.

(c) No complainant or witness in a proceeding under this title shall be subject to any reprisal, interference, intimidation, or coercion by any Member, officer, or employee of the Senate as a result of filing such complaint or appearing as such a witness.

RECORDS; CONFIDENTIALITY OF INFORMATION

SEC. 332. (a) The records, files, and papers relating to each informal complaint filed under section 302, each formal complaint filed under section 311, and each appeal taken under section 321 shall constitute papers of the Senate and shall be retained for at least five years. All such information, including the existence of a case, shall be maintained on a confidential basis, and, except as provided in subsection (b) or as otherwise ordered by the Senate, such information shall not be disclosed to any person (other than the complainant and the respondent) and shall not be available for inspection other than by the Board, the Director and employees of the Office, and,

with respect to any appeal taken under section 321, the Select Committee on Ethics.

(b) Decisions and orders of the Board under section 313 and decisions and orders of the Select Committee on Ethics under section 321 shall be made public.

COOPERATION BY COMMITTEES AND OFFICES

SEC. 333. Each committee and office of the Senate shall cooperate with the Board, the Office, and the Select Committee on Ethics in order that the functions and duties imposed on them by this resolution may be properly and effectively carried out.

● Mr. GLENN. Mr. President, it's now been almost 2 months since America celebrated its first national holiday commemorating the birth of Dr. Martin Luther King, Jr. That we did so was right and proper. And even though I have supported every piece of civil rights legislation introduced in the Senate since I became a Member in 1975, one of the things I am proudest of is that I was an original cosponsor of the bill that has made Dr. King's birthday a national holiday.

As a country, we have come far since the days of hate in Selma, the bus boycott in Montgomery, and the assassination in Memphis. But our work is far from over. Whether you look at jobs, housing, or virtually any other aspect of our national life, it's clear that we have not yet reached that day that Dr. King dreamed of—a day when people will be judged not by the color of their skin, but by the content of their character. And so long as any discrimination exists in our society—whether for race, sex, age, religion, handicap, or national origin—then we as a nation must seek to eradicate it.

That is why the theme of this year's King birthday celebration was "living the dream"; it was a recognition not only that the dream goes on, but that the work that lies ahead of us is every bit as important as the memories that lie behind us.

Last January, from one end of this great country to the other, Americans of every color and every political persuasion rededicated themselves to the ideal of equality, and pledged their best efforts toward making that dream a reality. That rededication occurred everywhere; that is, except in the Congress of the United States.

Actually, those of us in Congress did what most people have come to expect of us: We unveiled a bust of Dr. King in the Capitol.

Some of us traveled to Atlanta or took part in other major ceremonies across the country.

Still others of us participated in the observances that took place in our home States.

But as a body, the U.S. Senate took no concrete action to show that it—and we—are truly serious about "living the dream."

In fact, I think most Americans would be shocked if they were to find out that despite our rhetorical commitment to the cause of equality, Congress has specifically exempted itself from most of the civil rights laws enacted in this Nation.

In other words, Congress doesn't have to live by the same rules everyone else does. If a Senator wants to discriminate on his staff against blacks—or Jews, or Hispanics, or women—he can do it with no questions asked and with no fear of consequences.

In my view, that is worse than wrong. It's outrageous. It's the rankest kind of hypocrisy. And I hope my colleagues will join with me today in declaring it completely unacceptable.

Laws that are good enough for everybody else ought to be good enough for us. And the civil rights principles we've insisted that others adhere to certainly should hold equal sway in the Halls and the offices of the people who wrote them.

For all those reasons, I am today submitting the Senate fair employment relations resolution. As some of my colleagues may remember, this isn't the first time I've brought this legislation to the floor. I do hope, however, that it will be the last time.

The purpose of my legislation is very simple. It would merely ensure that all Senators—and that the Senate as an institution—adheres to Senate rule 42, which prohibits us from making employment decisions based on race, sex, religion, handicap, national origin, or age. Right now, this is a rule without effect and without teeth—for there is currently no means of enforcing it.

This legislation would provide the enforcement mechanism. Let me very briefly summarize how it would work.

As you know, title VII of the Civil Rights Act offers protection against employment discrimination to employees in the private sector as well as to State and local governments. My legislation will establish a similar system for hearing and resolving complaints of discrimination filed by Senate employees.

It will do this by establishing a Senate Fair Employment Relations Office, governed by a six-member board, that will develop policy and guidelines.

The Senate Fair Employment Relations Office will be responsible for counseling, investigating complaints, and attempting to resolve cases in which discrimination is found. All findings will be reviewed by the board and, in the case of an appeal, by the Select Committee on Ethics.

Any employee who feels that he or she has been discriminated against would be required to consult a counselor before filing an informal or formal complaint. If discrimination is found, the board will determine the appropriate remedy.

Finally, my resolution would not require any additional appropriations. Both the office and the board would be funded through the Senate contingent fund's miscellaneous items account from moneys already available.

Mr. President, I hope my colleagues in the Senate will overwhelmingly approve this resolution. By doing so, we can clearly demonstrate our conviction that the protections of our civil rights laws would be extended to every American including the employees of the U.S. Senate. We can prove our commitment to a single legal standard in this country, instead of applying one standard to ourselves, and a different one to everyone else. And by passing this resolution, we can show the people of this Nation that we, too, are dedicated to "living the dream"—the dream that someday the blight of bigotry and the stain of discrimination will be wiped forever from the face of our land. That is the dream for which Dr. Martin Luther King, Jr., gave his life. By passing this resolution, we can show that we are determined to redeem that dream in ours.●

AMENDMENTS SUBMITTED

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

HEFLIN (AND DENTON) AMENDMENT NO. 1659

Mr. HEFLIN (for himself and Mr. DENTON) proposed an amendment to amendment No. 1652 proposed by Mr. THURMOND (and others) to the joint resolution (S.J. Res. 225) proposing an amendment to the Constitution relating to a Federal balanced budget; as follows:

On page 1, strike out lines 16 through 18 and insert in lieu thereof the following:

" 'SECTION 3. The provisions of this article are automatically waived for any fiscal year in which a declaration of war is in effect.

" 'The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and is so declared by a joint resolution, adopted by a majority of the whole number of each House of the Congress, which becomes law. Afterwards any waiver adopted shall be by a joint resolution of like requirements.".

METZENBAUM (AND OTHERS) AMENDMENT NO. 1660

Mr. METZENBAUM (for himself, Mr. RIEGLE, and Mr. MOYNIHAN) proposed an amendment to amendment No. 1652 proposed by Mr. THURMOND (and others) to the joint resolution (S.J. Res. 225), supra; as follows:

On page 1, strike out lines 16 through 21 and insert in lieu thereof the following:

" 'SECTION 3. No reduction in benefits payable under title II of the Social Security Act may be taken into account for purposes of complying with section 1 of this article.

" 'SEC. 4. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect.

" 'SEC. 5. This article shall take effect for the fiscal year 1991 or for the second fiscal year beginning after its ratification, whichever is later.'.".

CHILES (AND DOMENICI) AMENDMENT NO. 1661

Mr. CHILES (for himself and Mr. DOMENICI) proposed an amendment to amendment No. 1652 proposed by Mr. THURMOND (and others) to the joint resolution (S.J. Res. 225), supra; as follows:

At the appropriate place in the amendment, insert the following new sections:

"SEC. . The Congress shall enforce and implement this article by appropriate legislation.

DOMENICI (AND CHILES) AMENDMENT NO. 1662

Mr. DOMENICI (for himself and Mr. CHILES) proposed an amendment to amendment No. 1652 proposed by Mr. THURMOND (and others) to the joint resolution (S.J. Res. 225), supra; as follows:

In section 1 of the pending amendment, strike "Outlays of the United States for any fiscal year shall not exceed receipts" and insert in lieu thereof:

"Total outlays of the United States for any fiscal year shall not exceed total receipts".

BYRD AMENDMENT NO. 1663

Mr. BYRD proposed an amendment to amendment No. 1652 proposed by Mr. THURMOND (and others) to the joint resolution (S.J. Res. 225), supra as follows:

In lieu of the matter proposed to be inserted, insert the following: "That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution if ratified by the legislatures of three-fourths of the several States within seven years after its submission to the States for ratification:

ARTICLE —

" 'SECTION 1. The Congress shall ensure that expenditures of public money by the federal government do not exceed its receipts, except in time of war or military conflict; or when, by an affirmative vote of three-fifths of the whole number of each House, the Congress provides for a specific excess of expenditures over receipts.'.

" 'SECTION 2. The Congress shall have the power to enforce this article by appropriate legislation.'.

" 'SECTION 3. This Article shall take effect in 1991 or for the second fiscal year beginning after its ratification, whichever is later.'.".

McCLURE (AND OTHERS) AMENDMENT NO. 1664

Mr. McCLURE (for himself, Mr. MATTINGLY, Mr. WILSON, and Mr. ZORINSKY) proposed an amendment to amendment No. 1652 proposed by Mr. THURMOND (and others) to the joint resolution (S.J. Res. 225), supra; as follows:

On page 1, strike out lines 16 through 21 and insert in lieu thereof the following:

" 'SECTION 3. Notwithstanding section 1 of this article, total outlays for a fiscal year shall not exceed an amount equal to the greater of—

" '(1) the difference between—

" '(A) an amount which bears the same ratio to the national income of the United States at the close of such fiscal year as total outlays for the preceding fiscal year bear to the national income of the United States at the close of such preceding fiscal year, and

" '(B) an amount which is equal to 1 percent of the national income for such fiscal year; or

" '(2) 20 percent of the national income for such fiscal year.

" 'SECTION 4. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect.

" 'SECTION 5. This article shall take effect for the fiscal year 1991 or for the second fiscal year beginning after its ratification, whichever is later.'.".

HATCH (AND OTHERS) AMENDMENT NO. 1665

Mr. HATCH (for himself, Mr. THURMOND, Mr. DECONCINI, Mr. SIMON, Mr. ARMSTRONG, Mr. BOREN, and Mr. GRAMM) proposed an amendment to amendment No. 1652 proposed by Mr. THURMOND (and others) to the joint resolution (S.J. Res. 225), supra; as follows:

On page 1, line 10, strike "," and insert in lieu thereof the following:

"Nor shall borrowing on the credit of the United States be authorized to finance an excess of outlays over receipts for any fiscal year,".

FAIR HOUSING ENFORCEMENT

DOLE AMENDMENT NO. 1666

(Ordered referred to the Committee on the Judiciary.)

Mr. DOLE (by request) submitted an amendment intended to be proposed by him to the bill (S. 2146) to amend title VIII of the act commonly referred to as the Civil Rights Act of 1968 to provide the Secretary of Housing and Urban Development and the Attorney General with additional authority to enforce rights to fair housing, and for other purposes; as follows:

On page 2, line 22, strike out "818" and insert in lieu thereof "817".

On page 12, line 15, after "$50,000," insert "and for any subsequent violation by such respondent may assess a civil penalty in an amount not exceeding $100,000,".

On page 13, line 9, strike out "813" and insert in lieu thereof "812".

On page 13, line 13, strike out ", section 812 or section 813" and insert in lieu thereof "or section 812".

On page 19, line 23 and 24, strike out "813, or 814" and insert in lieu thereof "812 or 813".

On page 20, line 1, strike out "818" and insert in lieu thereof "817".

Mr. DOLE. Mr. President, last week I introduced a bill, S. 2146, at the request of the administration to strengthen our fair housing laws. Today I am filing an amendment to make certain technical corrections to that bill, and to add language which would provide for civil penalties of up to $100,000 for repeated violations of the fair housing law. The section-by-section summary I placed in the RECORD when I introduced the bill specified that such civil penalties would be available, but due to a drafting oversight, language to that effect was omitted from the bill.

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

METZENBAUM (AND OTHERS) AMENDMENT NO. 1667

Mr. METZENBAUM (for himself, Mr. EXON, Mr. GORE, Mr. BOREN, and Mr. BINGAMAN) proposed an amendment to the joint resolution (S.J. Res. 225), supra; as follows:

On page 1, insert a new section 3 and renumber succeeding sections accordingly:

"Prior to each fiscal year, the President shall transmit to the Congress a proposed budget for the United States Government for that fiscal year in which total outlays are not greater than total receipts. The President may also recommend an alternative budget in which total outlays exceed total receipts, which shall be accompanied by a detailed explanation of the need for such excess."

NOTICES OF HEARINGS

COMMITTEE ON RULES AND ADMINISTRATION

Senator MATHIAS. Mr. President, I wish to announce that the Committee on Rules and Administration will meet at 9:30 a.m., in SR-301, Russell Senate Office Building, on Thursday, March 27, 1986, to receive testimony on pending legislation to amend the campaign finance laws (S. 59, S. 1787, S. 1806, and S. 1891).

Those wishing to testify or to submit a statement for the hearing record are requested to contact the elections staff of the Rules Committee at (202) 224-3448.

SUBCOMMITTEE ON DEFENSE

Mr. STEVENS. Mr. President, I wish to announce the Defense Appropriations Subcommittee will hold hearings for non-Government witnesses this year on Tuesday, April 29, and Thursday, May 1 in room 192 of the Dirksen Senate Office Building.

I make this announcement at this time so that any interested members of the public will have time to contact the subcommittee if they desire to appear and testify on defense and military spending issues in the context of the President's fiscal year 1987 budget request. There are no plans to sched-

ule any additional hearings for outside witnesses this session.

Anyone wishing to testify may write to me as chairman of the Subcommittee on Defense, Committee on Appropriations, or telephone the subcommittee staff directly at 224-7255.

COMMITTEE ON SMALL BUSINESS

Mr. WEICKER. Mr. President, I would like to announce that the Senate Small Business Committee will hold a hearing on S. 2147, a bill to reauthorize the eligibility of sheltered workshops to compete on Federal procurement contracts on March 26, 1986. The hearing will commence at 9:30 a.m. in room 428A of the Russell Senate Office Building. For further information, please call Ed Tiryakian, of the committee staff at 224-5175.

SUBCOMMITTEE ON WATER AND POWER

Mr. MURKOWSKI. Mr. President, I would like to announce for the information of the Senate and the public that the Subcommittee on Water and Power of the Committee on Energy and Natural Resources has scheduled a public hearing on Thursday, April 17, 1986, at 10 a.m. in room SD-366 of the Senate Dirksen Office Building, Washington, DC. The subcommittee will receive testimony on S. 1319, to relieve the Washoe County Water Conservation District, NV, of certain Federal repayment obligations and also S. 1772, to authorize and direct the Secretary of the Interior to convey certain real property to the Pershing County Water Conservation District.

Those wishing to testify or who wish to submit written statements for the hearing record should write to the Committee on Energy and Natural Resources, Subcommittee on Water and Power, U.S. Senate, Washington, DC. 20510.

For further information regarding this hearing, please contact Mr. Russell Brown of the subcommittee staff at 202-224-2366.

SUBCOMMITTEE ON PUBLIC LANDS, RESERVED WATER AND RESOURCE CONSERVATION

Mr. WALLOP. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of a hearing before the Subcommittee on Public Lands, Reserved Water and Resource Conservation of the Committee on Energy and Natural Resources on Friday, April 11, 1986, at 9:30 a.m. in room SD-366 of the Senate Dirksen Office Building, Washington, DC 20510. Testimony will be received on the following measures:

S. 977, to establish the Hennepin Canal National Heritage Corridor in the State of Illinois, and for other purposes.

S. 1374, to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island.

S. 1413 and H.R. 2067, to validate conveyances of certain lands in the State of California that form part of the right-of-way granted by the United States to the Central Pacific Railway Company.

S. 1542, to amend the National Trails System Act by designating the Nez Perce (Nee-Me-Poo) Trail as a component of the National Trails System.

Those wishing to testify should contact the Subcommittee on Public Lands, Reserved Water and Resource Conservation of the Committee on Energy and Natural Resources, room SD-308, Dirksen Senate Office Building, Washington, DC 20510. Oral testimony may be limited to 5 minutes per witness. Written statements may be longer. Witnesses may be placed in panels, and are requested to submit 25 copies of their testimony 24 hours in advance of the hearing, and 50 copies on the day of the hearing.

For further information, please contact Patty Kennedy or Tony Bevinetto of the subcommittee staff at (202) 224-0613.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. THURMOND. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, March 12, 1986, in order to receive testimony concerning the following nomination:

U.S. CIRCUIT JUDGE

Daniel A. Manion, of Indiana, to be U.S. circuit judge for the seventh circuit.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. THURMOND. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, March 12, 1986, in closed executive session in order to conduct a hearing on the fiscal year 1987 intelligence authorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. THURMOND. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Wednesday, March 12, to hold a closed oversight hearing on the domestic and international petroleum situation.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. THURMOND. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, March 12, 1986, in closed executive session in order to receive a briefing from the administration on the President's Nicaraguan assistance request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, March 12, 1986, in closed executive session in order to meet with the leaders of the United Nicaraguan Opposition, and to act on the resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, March 12, 1986, in open session, with the possibility of a closed session, to conduct a hearing in order to receive testimony from the unified commanders.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

SALUTE TO THE YMCA

● Mr. GOLDWATER. Mr. President, I join my friend SONNY MONTGOMERY, in the House of Representatives, and my colleagues in the Senate, in saluting the YMCA's 125th anniversary in its service to members of our Armed Forces.

I am honored to be a member of the anniversary committee for the armed services YMCA. This year marks the YMCA's 125th anniversary of service to our military community. In celebration of this event and to kick off national attention to our military community, a dinner honoring President Reagan, as Commander-in-Chief, the Joint Chiefs of Staff, and other key Armed Forces leaders will be held by ASYMCA April 22. April was chosen for the initial celebration event because National Volunteer Week falls in that month and, it is the anniversary of the commencement of the Civil War, when YMCA volunteers first began their work with the Armed Forces. I would like to take a moment, Mr. President, to give my colleagues a history of the great service this group has done in support of our country's military both in war and peace. I also want to explain some of the services they are currently rendering to our young military community.

One week after the start of the Civil War a group of YMCA volunteers began providing helpful services to soldiers on both sides. This spirit of volunteerism continued when on November 15, 1861, representatives from 15 YMCA's created the U.S. Christian Commission in order to coordinate

overall YMCA efforts. The commission's initial purpose was to alleviate the suffering of countless thousands of soldiers by providing them with both spiritual and physical comfort. The USCC was the Nation's first large scale civilian volunteer service corps. At this time agencies such as the Red Cross had not yet been created and therefore volunteers were recruited from many fields to aid the commission with its efforts.

The YMCA also established a War Prisoners Aid Program during the Civil War. This program distributed food, clothing, medical supplies, books, and magazines to Union soldiers in Confederate prisons and also ministered to the needs of Confederate soldiers in various Northern prisons.

Following the Civil War, the YMCA established the Nation's first recreational, sports, and counseling services for military personnel through its peacetime volunteer Militia Camp Program.

With the beginning of the Spanish-American War in the spring of 1898, the YMCA began its tradition of "following the flag" by sending volunteers to Cuba, Puerto Rico, and the Philippines. The YMCA acted so quickly with this effort that its supplies were in Cuba and the Philippines before many of the Army's own supplies. Teddy Roosevelt's Rough Riders' early dispatches were written on YMCA stationary; and troops in the Philippines used YMCA medical supplies. Following the close of the war, a permanent Army and Navy committee was established to give national direction to the YMCA's work.

When the United States entered the First World War in 1917, the YMCA immediately offered its services to the Government, an offer which was quickly accepted. The YMCA's War Prisoners Aid Program was again implemented, but on a much larger scale than had been previously established during the Civil War. Never before in history had any organization brought aid to so many men, over such vast areas, and under such diverse conditions as the ASYMCA did during World War I.

After the First World War, the YMCA was the only postwar civilian organization carrying on an extensive peacetime program for servicemen. In February 1941, the YMCA joined five other national voluntary organizations as the principle founder of the United Services Organization [the USO].

During the Second World War, the YMCA undertook a massive humanitarian task similar to the one undertaken in World War I. The prisoner-of-war work was reinstated but it was far more extensive and of greater magnitude and duration than during the First World War. These efforts continued after the war until 1951 but on a reduced scale.

The Armed Services YMCA continued to provide services to military personnel throughout the Korean war, the Vietnam conflict, and into the mid-seventies.

With the establishment of the All-Volunteer armed services came new demands on organizations serving our young military people. The Armed Services YMCA adjusted its programs and responded to these new needs.

Today the ASYMCA continues to offer effective and meaningful service to young military personnel—both single and married. Outreach centers, counseling and mediation services, trips, tours, child care, day camps, recreational programs, and drop-in centers are among the various services that the ASYMCA provides to our military communities. These programs supplement those set up by the Armed Forces. They offer home-like recreational opportunities as well as social services. Through these activities the Armed Service YMCA forms a bridge between the Armed Forces and the local community.

In addition to these direct services, the ASYMCA operates a national center in support of the professional service providers within the Armed Forces. This unit, the Military Family Support Center, initiates a wide-range of professional services, including training seminars and conferences.

Enriching the quality of life for military people is at the center of today's YMCA service with the Armed Forces. There is widespread recognition that healthy families and lifestyles contribute substantially to mission readiness and retention. Not only do such wholesome lifestyles benefit the individuals of the Armed Forces but they also benefit the Defense Establishment itself.

I ask Senators to join me in supporting the Armed Services YMCA in their States as well as here in Washington on April 22.●

U.S. FIRE ADMINISTRATION AND THE NATIONAL FIRE ACADEMY

● Mr. MATHIAS. Mr. President, I am pleased to join with the Senator from Washington [Mr. GORTON], in sponsoring legislation (S. 2180) to authorize appropriations for the U.S. Fire Administration and the National Fire Academy.

Fire is one of the leading causes of accidental death in this country. It seems that we are bombarded daily with reports of death by fire in our cities and towns. Too often it is reported that this needless loss of life could have been prevented through a smoke alarm, better building materials and, most important, better education and information.

Since its dedication in the fall of 1979, the programs offered at the National Fire Academy in Emmitsburg, MD, have trained 12,000 people per year. Many of this number are volunteer firefighters who attend the Academy's weekend programs. Without the Academy, these people would not have the opportunity to learn from the professional staff.

For example, the National Fire Academy is now offering a 13-week command and staff program. This program allows firefighters and administrators from all over the country to receive the best and latest information in an academic setting.

The bill will support the Academy as well as other programs by restoring the travel stipends and lodging costs. This is important because many local jurisdictions would be unable to afford to send their personnel for this vital training. It is also important because the Fire Academy is not authorized to provide funds to local communities for fire training. Education must take place at the Academy.

We are all conscious these days of the need to reduce the Federal budget deficit. This bill reflects that goal by providing an 18-percent cut from the fiscal year 1986 authorization for the U.S. Fire Administration and a 7-percent cut from the current appropriation for the National Fire Academy.

The programs authorized under the Federal Fire Prevention and Control Act of 1974 are too important to lose. We simply cannot afford to have the activities of the U.S. Fire Administration and the National Fire Academy eliminated or reduced. I hope that Senators will join the Senator from Washington in supporting his bill.●

CARDIOPULMONARY RESUSCITATION [CPR]

● Mr. HATFIELD. Mr. President, not long ago, a U.S. Senate Service Department employee slumped to the floor, the victim of a heart attack. His breathing stopped and he had no pulse: he was clinically dead. But he was not biologically dead. For 4 minutes after his pulse stopped there was the possibility of beginning his breathing and heart pumping activity again and maintaining it artificially for an indefinite length of time until professional medical services were available. This story has a happy ending. A capitol policeman ran to the rescue, started CPR procedure and kept this Senate employee alive until an emergency medical team arrived.

During the last 2 days, my entire staff has been trained in my office in CPR—cardiopulmonary resuscitation procedure—by superbly qualified Hill nurses, Beverly Wallace and Estelle Luther. The training required two mornings—a total of 6 hours. As a result, any member of my staff will be able to keep alive a Senate employee or a family member, who suffered a

heart attack, was choking, had drowned, had a reaction to drugs, was asphyxiated or was unconscious because of electric shock.

One of the most startling ideas in the history of medicine is the realization that "sudden death" can be curable. Even more astonishing is the realization that this apparent miracle can be brought about not by space-age wizardry or esoteric skills, but by any of us, anywhere, using no tools but our hands, our lungs, and our brains. The mechanical processes of breathing and blood pulsation can be maintained artificially and keep a clinically dead person from biological death.

Next week the staffs in both my home offices in Oregon will be taking CPR training, becoming a part of the 15 million Americans who have learned the procedure. More importantly they will become a part of the nationwide, volunteer, emergency rescue team that saved over 120,000 lives last year. That means that 120,000 people are living today only because a layman knew the procedure of CPR and was able to administer it in an emergency situation before a skilled medical team arrived.

That group of 120,000 people include babies saved by their mothers at home, workers saved in their offices by officemates, young men and women saved at swimming pools by friends, wives saved from choking in restaurants by their husbands: average people, doing average things, saved by other average people.

Thousands of people intersect our lives in the halls and offices of the Senate complex each year. No doubt at least 1 or 2 of them will be 1 of the 650,000 people who die from heart attacks in the United States each year and will collapse somewhere around us here in the Senate. A cadre of Senate employees trained in CPR could prevent the death of those individuals.

But, unfortunately, Senate offices have lagged behind House offices in understanding this fact and in committing themselves to taking the time to learn the CPR procedure. Mrs. Wallace and Mrs. Luther are ready and willing with an excellent film, a succinct presentation and useful training devices. I urge each of my colleagues to make this training mandatory for their staff. It may help one of us to return someone close to us to life.●

VETERANS BEARING THE BRUNT OF BUDGET CUTS

● Mr. SARBANES. Mr. President, in recent years there has been a continual erosion of programs created to provide education and employment opportunities, housing assistance, and health benefits for the individuals who served in America's armed services. For as long as I can remember, it has been our Nation's policy, and I believe an obligation, to provide certain programs for our veterans. Mr. President, I am concerned that enactment of the Balanced Budget and Emergency Deficit Control Act of 1985, Public Law 99-177, and reductions recommended in the President's fiscal year 1987 budget, may cause many veterans to question the sincerity of that commitment.

On February 15, 1986, the Hagerstown Daily Mail published an article written by Commander Dale L. Renaud, national commander of the American Legion, which underscores some of the inequities veterans will endure under Gramm-Rudman-Hollings and the President's fiscal year 1987 budget proposal. Commander Renaud raises serious concerns which, I am certain, must be shared by thousands of individuals nationwide who served in America's armed services and who depend on certain veterans programs. Knowing that many of my colleagues share my concern about the future of these programs I wanted to bring Commander Renaud's article to the attention of the entire Senate.

The article follows:

[From the Hagerstown (MD) Daily Mail, Feb. 15, 1986]

VETERANS BEARING THE BRUNT OF BUDGET CUTS

(By Dale L. Renaud)

Proposed reductions in federal spending during 1986, forced on the current budget by provisions of the Balanced Budget and Emergency Deficit Control Act of 1985, pose a significant and immediate threat to some of the nation's most vulnerable—yet deserving—citizens.

As Congress and the administration begin to wrestle with still another federal budget—FY 1987—it would be unfortunate to let this year's cuts be taken without due concern for the hundreds of thousands of citizens directly affected. We deserve a full discussion of the effect of deficit control legislation.

The nearly three million men and women I represent, all veterans of war or war-time service, are united in their belief that of all citizens, veterans in need deserve first consideration when the wealth of the nation is disturbed. Yet the administration has proposed that $39 million be eliminated from veterans' readjustment programs designed to provide educational and vocational assistance or rehabilitation, and from programs established to assist the handicapped veterans in need of special equipment in their homes and automobiles.

The Office of Management and Budget instructed the Veterans Administration to make the $39 million cut, despite clear prohibitions in the deficit reduction legislation prohibiting cuts in such basic entitlement programs. By that action, the administration has shown that of the two ways to control federal spending—the easy way versus the fair way—it has taken the easy way out: Identify a vulnerable, apparently powerless, group such as handicapped or untrained veterans and tell them that they can no longer receive the assistance held out to them as a promise, should the need ever arise, from a grateful nation.

The fair way, on the other hand, is for all groups to share the burden equally. But the Office of Management and Budget has not chosen that path.

For example, the majority of Vietnam veterans who now are pursuing their educations are those who have undergone readjustment problems following their military service, or who have faced severe economic problems because of unemployment or lack of skills.

Vietnam veterans are not the only veterans unfairly targeted. Those who have managed to achieve some level of economic stability now face severe restrictions on their ability to finance "GI loan" home purchases. Others, struggling under burdensome and exhorbitantly high mortgage interest rates, are barred from re-financing their homes to forestall foreclosures or other losses. But veterans are not the only losers in this scheme. With the establishment of a limit on home purchasers prices under VA guarantees, entire sections of major cities, are, in effect, redlined. Why extract such a clearly uneconomical price?

And perhaps most poignant, is the elimination of $117.5 million from the Veterans Administration medical care system. There, where the nation's oldest, sickest and poorest past defenders must turn when all other options are gone, the reduction means at least 1,300 fewer people to provide direct bedside health care in a system already woefully understaffed. And no matter what may have been reported otherwise, the VA health care system represents the single most cost-effective health care system in the nation. Moreover, fewer than 10 percent of the eligible veterans ever set foot in a VA hospital—in an era when the number of those applying for treatment and subsequently denied it has increased from an average of 21,000 a month to 37,000 per month last year alone.

These reductions are only a few of those to be imposed on the veterans of America. The cuts are wrong. They are callous. And they are indefensible. The men and women I represent are realistic. We know this nation must get its staggering spending excesses under control. But it must be done across the board, with corresponding cuts in all federal agencies. There can be no excuse for asking one segment of the population to bear the burden alone, as a careful examination of the past 10 years of spending for veterans will show has been done.

By immediate and concerned action, all Americans can help assure that promises made in time of war are kept in time of peace. I urge you all to contact your representatives in Washington, and become informed on this issue. . . .●

COMMUNITY SERVICES BLOCK GRANT

● Mr. HATFIELD. Mr. President, we are all aware that the number of people in poverty has increased substantially in recent years in this country. This year, the Community Services Block Grant [CSBG]—the only piece of Federal legislation targeted to providing services and opportunities to low-income people—is under consideration for reauthorization. The administration has proposed the termination of this block grant. I believe that it is imperative for the sake of the poor, that this legislation be reauthorized.

In testimony before the Congress, the administration has expressed its support for Community Action Agencies, the chief recipients of CSBG funding, but has proposed elimination of the Community Services Block Grant based on three assertions: First, that CAA's do not need CSBG to operate; that the administrative allowances of other programs operated by CAA's could be used for agencywide functions now supported by CSBG; second, that CSBG-funded services duplicate the Social Services Block Grant; and third, that CSBG services are not unique and necessary to the poor.

Recently the Government Accounting Office [GAO] conducted a study of CAA's, the results of which refute all three of these charges.

In testimony last month before the Subcommittee on Human Resources, J. William Gadsby of GAO testified that visits to 16 CAA's in 8 States early this year showed that most Community Action Agencies are using the entire administrative allowances of other programs to operate their own programs. Frequently, the administrative allowances of those programs are not sufficient and CSBG is legitimately supplementing administrative costs of other Federal programs. Two examples cited by GAO are the Temporary Emergency Food Assistance Program which sometimes gives zero administrative funding to CAA's, the major operators of this program. Another program mentioned by GAO as needing a CSBG administrative supplement is the Department of Energy's Weatherization Program which provides only a 5-percent administrative allowance. CSBG funds are also used, most often, to pay the salaries of the CAA executive director and the CAA fiscal officer.

Contrary to the administration's charge that CSBG funding to CAA's could be replaced by the administrative allowances of other CAA programs, GAO indicates that not only would CAA's not be able to operate without the CSBG but that some other Federal programs would not be able to operate or would have to shift dwindling program funds to an increased administrative cost.

A second administration change that the GAO testimony refutes is that CSBG funded services duplicate the activities of the Social Services Block Grant. GAO reports that in some instances CSBG supported services did, on the surface, seem similar to those provided by the local social services agency, but on closer examination were found to be different. GAO found that CAA's and local social services agencies generally have mechanisms in place to assure that there is an awareness of each other's programs and only one activity in one community was operated by both agencies.

Finally, the administration has charged that CSBG funds are not unique and necessary. GAO stated, "Essentially, CSBG is viewed as the discretionary money that enables CAA's to identify community needs, provide services not available under other Federal or State programs, and support administrative operations." There are no other Federal, State, or local funds to perform these unique and necessary functions other than the Community Services Block Grant.

It was interesting to me that, according to a New York Times article on February 18, James Miller, Director of the Office of Management and Budget, in an appearance before the House Budget Committee, identified the Community Services Block Grant as the source of Federal assistance to local governments for programs for the homeless. CSBG is used extensively for homeless programs and CAA's in Oregon and throughout the country have homeless programs. My interest was stirred, however, by the fact that Mr. Miller did not appear to know that his own budget proposed terminating this block grant.

I do not believe that this administration does know very much about the Community Services Block Grant except that it serves the poor and is, therefore, targeted for elimination.

Mr. President, I have followed and supported CAA legislation throughout its history because I believe that CAA's perform invaluable, front-line services for the Nation's poor. Now we have the GAO testimony that entirely eliminates the administration's rationale for eliminating the block grant and strong indications of how valuable this program is.

I urge my colleagues to support continuation of the Community Services Block Grant legislation and that the full GAO testimony be included in the RECORD.

The material follows.

STATEMENT OF J. WILLIAM GADSBY, ASSOCIATE DIRECTOR, HUMAN RESOURCES DIVISION

Mr. Chairman and Members of the Subcommittee: I am pleased to be here today to discuss the Community Services Block Grant (CSBG). GAO is just completing visits to eight states to review 16 community action agencies (CAAs), the primary recipient of CSBG funds. The states are: California, Colorado, Florida, Iowa, Michigan, Mississippi, New York, and Vermont. The 16 community action programs reflect the diverse character of CAAs nationwide. They range from urban programs in New York City to rural programs in Bonifay, Florida. Half are publicly managed and about half are run by private non-profit organizations. The geographic areas they serve range from a single city to a 10 county area. In addition to visiting CAAs, we discussed the community action programs with social services agency officials and top local govenment officials in the same communities.

My testimony this morning will focus on our preliminary analysis of three major issues:

What do CSBG funds support?

Do activities funded by the Social Services and Community Services block grants duplicate each other?

How could the loss of CSBG funds affect CAAs?

CSBG SUPPORTS BOTH SERVICES AND ADMINISTRATION

Eleven of the 16 CAAs we visited used 70 percent or more of their 1985 CSBG funds to deliver services to the poor. The most commonly funded services funded by the 16 CAAs were (1) information, referral, and outreach activities; (2) emergency services, such as providing groceries or temporary shelter; and (3) nutrition services, such as self-help gardening and food-canning projects. CAAs also used their CSBG funds to help individuals obtain financial assistance for housing, train home day-care providers, arrange transportation, and provide home meals for the elderly, ill, and handicapped.

These same 11 CAAs used less than 30 percent of their 1985 CSBG funds for administrative expenses. The other five CAAs used amounts for administration ranging from 31 percent to Los Angeles to 58 percent in Steuben County, New York. These funds were used primarily to pay office expenses, such as salaries of the executive director and fiscal officer.

Most CAA officials also told us that CSBG plays an important role in supporting the administration of certain other federal programs. For example, Agriculture's surplus commodity food program provides no administrative expense funding, and Energy's weatherization program provides 5 percent. In such situations, CSBG funds are used to pay the administrative costs that exceed allowed amounts.

Essentially, CSBG is viewed as the discretionary money that enables CAAs to identify community needs, provide services not available under other federal or state programs, and support administrative operations.

CSBG-FUNDED SERVICES COMPLEMENT RATHER THAN DUPLICATE SSBG-FUNDED SERVICES

Our preliminary analysis shows that in most instances, the CSBG-supported services do not duplicate those provided by the local social services agencies. In the communities we visited, CSBG-supported services were often targeted to fill specific unmet needs. For example, the CAAs we visited frequently used CSBG funds to support nutrition and transportation programs, which are not eligible for Social Services Block Grant funding.

In some instances, CSBG-supported services did, on the surface, seem similar to those provided by the local social services agency. But, closer inspection during our on-site reviews showed that, in all but one case, either the types of clients served or the specific services offered were quite different. In Newport, Vermont, for example, the social services agency provides day-care services while the community action agency uses CSBG funds to support the training of day-care personnel. Both are labeled day-care services. In Detroit, the social services transportation program provides medically related transportation for the elderly, while the CAA's transportation program provides for non-medical transportation needs, such as grocery shopping.

CAAs and local social services agencies are usually aware of each other's services and try to prevent duplication. For example, in El Paso County, Colorado, a local official told us that a local agency serves as a clear-

inghouse for services to low-income persons, and both public and private agencies check with this clearinghouse before providing services to new clients.

As previously mentioned, in only one instance did we find duplicative types of services. Both the local social service agency and the community action agency in Hattiesburg, Mississippi, provided a similar emergency service, which included cash payments to the poor. Neither was aware of the other's program.

LOSS OF CSBG FUNDS COULD AFFECT CAA'S

According to the CSBG's national voluntary reporting system, CSBG provided about 11 percent of community action agencies' total budgets in 1984 on a nationwide basis. For the 16 locations we visited, CSBG's share of total CAA funding in 1985 ranged from 3 percent in Des Moines to 33 percent in Denver and amounted to less than 11 percent at nine locations. This proportion represents a decline since 1981, when CSBG provided less than 11 percent of total funding at only four of the locations we visited. However, even though CSBG funds represent a small proportion of total funding, CAA directors told us that these funds are very important in administration and service delivery.

How the loss of CSBG funds would affect CAA's is not certain at this time. However, two factors could influence their ability to continue operations.

First, some suggest that existing federal and state grants could be used to fund administrative operations now funded by CSBG. However, at all but two of the CAAs we visited, other grants were being charged the full amounts allowed for administrative expenses.

Second, state and local governments could fund CAAs by replacing lost CSBG funds. While state and local actions cannot be predicted when community services funds were reduced in the early 1980's, 3 of the 16 localities and 2 of the 8 states we visited mitigated the cuts. While the state and local officials we talked to were generally supportive of CAA activities, none thought their state or local governments would replace lost CSBG funds.

This concludes my statement and I would be pleased to respond to any questions you may have.

A MEMORIAL TO ZEPHYR

● Mr. HUMPHREY. Mr. President, recently, a constituent of mine, the wife of popular singer Tom Rush, sent me a copy of a song she wrote and performed. The song is a touching, sensitive perspective on the profound effect abortion has on all those involved—not only the unborn child, here named Zephyr, but also the mother. I encourage all my colleagues to read the words of this song and consider precisely what has been done to the million and a half women each year who suffer the physical, emotional and spiritual pain of legalized abortion, I ask that the lyric sheet for the song be printed in the RECORD.

The material follows:

A MEMORIAL TO ZEPHYR

(Words and Music by Beverly Rush)

Zephyr, you're the gentle wind,
The silent breeze in my life.
Zephyr, though a gentle wind,
You brought a storm in my life.
When you blew into my life,
My body felt so strange.
If I could change one thing in this world,
It's the day I brought you pain.
Zephyr, you're the gentle wind,
The silent breeze in my life.
Zephyr, though a silent sigh,
You're the deepest cry of my life.
When I sought the grace of God,
He took away my shame.
Though the years have passed, it's
Not 'til today, that you've ever had a name.
Zephyr, you're the gentle wind,
The silent breeze in my life.
Zephyr, you're the gentle wind,
The first fruit in my life.
Now there is hope for mothers and fathers,
Who drink this mournful cup.
Know that every child who has been forsaken,
The Lord will take him up.
And love, and hold him,
And keep your treasure safe.
And when you are ready,
In your heart he'll find his place.
Zephyr, you're the gentle wind,
The silent breeze in our lives.
Zephyr, though a silent breeze,
You have sung your song in our hearts,
You have sung your song in our hearts.●

MAJOR SMALL BUSINESS ORGANIZATIONS OPPOSE THE ELIMINATION OF SBA AS AN INDEPENDENT AGENCY

● Mr. WEICKER. Mr. President, on March 10, 1986, key organizations which represent virtually the entire small business community submitted to the chairman and members of the Senate Budget Committee a statement expressing their strong opposition to the administration's fiscal year 1987 budget submission for the Small Business Administration [SBA]. The statement was endorsed by the U.S. Chamber of Commerce, the National Association of Small Business Investment Companies, the National Federation of Independent Business, the National Small Business Association, the Small Business Legislative Council, Small Business United, and the Vietnam Veterans of America. These groups all oppose the President's proposed elimination of important SBA programs and the transfer of SBA to the Department of Commerce. In recognizing the need to reduce the deficit, they state:

> We will not support, however, the virtual elimination of the agency as proposed in the administration's budget proposal. The SBA has played a vital role in creating an environment for the growth and expansion of small business and it is clear to all what small business has meant to job creation efforts. Preserving the independence of SBA and preserving the strength and vitality of small business are synonymous.

Instead of the administration's proposal, they urge the Senate Budget Committee to adopt the bipartisan budget proposal which Senator BUMPERS and I, on behalf of the Senate Small Business Committee, formally submitted to the Budget Committee in a letter on March 5, 1986. Our fiscal year 1987 budget proposal tracks very closely the conference agreement reached with the House of Representatives in title XVIII of the Reconciliation Act of 1985, H.R. 3128. As my colleagues will recall, that conference agreement is consistent with S. 408 which passed the Senate on July 16, 1985, by a vote of 94 to 3 and represents the product of a full year of negotiations with the administration and the Republican Senate leadership.

Mr. President, the key elements of the Weicker-Bumpers proposal are as follows:

Retain SBA as an independent agency with all of its core of financial, management, and procurement assistance programs intact.

Maintain the loan portfolio for normal collection.

Eliminate all direct loans except for economic opportunity, MESBIC's, handicapped and veterans loan programs, and freeze those programs at the fiscal year 1986 appropriated levels.

Eliminate the Non-physical Disaster Program.

Eliminate farmers' eligibility for SBA disaster loan assistance for disasters declared after September 30, 1985.

Require small business investment companies to sell their debentures in the private capital markets.

Require all 503 certified development company debentures be sold to the private capital markets by fiscal year 1988.

Maintain guarantee loan programs at current services levels.

Increase the fee for 7(a) borrowers from 1 to 2 percent and set the maximum guarantee for loans over $155,000 at 85 percent, and for loans under $155,000 require a 90-percent guarantee.

Maintain salaries and expenses at the CBO current services levels.

According to the Congressional Budget Office, our proposal would achieve $2.88 billion of outlay savings over 3 years and would reduce SBA's outlays by more than 70 percent by fiscal year 1989.

Small businesses lead the Nation in job creation, innovation and research, and productivity. Such a vital segment of our economy deserves to have a strong independent agency in the Federal Government to serve its interests. The Small Business Administration is the only Federal agency whose sole mission has been to serve small businesses, and small business organizations unanimously support its continuance as an independent agency.

I ask that the text of the small business organizations' statement be printed in the RECORD.

The text follows:

MARCH 10, 1986.

On behalf of the following organizations which constitute the breadth and depth of the small business community we strongly encourage the Committee on the Budget to adopt the bipartisan budget recommendations on the Small Business Administration as put forth by the Senate Committee on Small Business in its letter to the Committee on the Budget, March 5, 1986.

The Small Business Committee's proposal represents dramatic and substantial savings, a significant contribution to deficit reduction. Once again small business is willing to stand up and lead the fight for reductions. We will not support, however, the virtual elimination of the agency as proposed in the Administration's budget proposal. The SBA has played a vital role in creating an environment for the growth and expansion of small business and it is clear to all what small business has meant to job creation efforts. Preserving the independence on SBA and preserving the strength and vitality of small business are synonymous.

The Committee on Small Business proposal would achieve savings of $532 million in 1987. It reduces the budget by over 70 percent over three years. It emphasizes the guaranteed loan program, eliminates most direct lending and the non physical disaster loan program, but maintains the SBA as an independent agency with its most productive programs such advocacy, management assistance, procurement assistance, and the field operations intact.

We must emphasize the unanimity among the small business community on this issue. We hope you will adopt the Senate Small Business Committee's proposal as the best way to meet deficit reduction concerns and to address the needs of small business.

ALBERT D. BOURLAND,
Vice President-Congressional Affairs, Chamber of Commerce of the United States.
WALTER STULTS,
President, National Association of Small Business Investment Companies.
JOHN J. MOTLEY III,
Director of Federal Legislation, National Federation of Independent Business.
JEROME R. GULAN,
Executive Vice President, National Small Business Association.
JOHN S. SATAGAJ,
President, Small Business Legislative Council.
SAM HOPE,
President, Small Business United.
RICHARD F. WEIDMAN,
Government Relations Liaison, Vietnam Veterans of America.●

TAX REFORM

● Mr. D'AMATO. Mr. President, I rise today to reiterate my support for Federal tax reform. I believe it is absolutely necessary that we pursue the administration's goal for a simpler, more fair tax system. Simplicity is the order of the day. I am, however, concerned with the proposed changes in the House-passed bill with respect to the method of taxing retirement benefits for individuals contributing to their retirement accounts. For this reason, Mr. President, I am pleased to be added as a cosponsor of Senate Resolution 304, a resolution expressing the sense of the Senate with respect to proposals before the Congress to retain the current tax treatment of benefits received by individuals who contribute to their retirement accounts which has been championed by my colleague from Virginia.

The House of Representatives chose to eliminate the current method of taxing retirement benefits for the nearly 20 million employees who contribute toward their retirement accounts. I believe, however, that to change the treatment of tax deferred annuities violates tax reform's stated goal of fairness.

Annuity benefits, under the present system, are not subject to taxation until an individual has recovered the capital originally contributed to the fund, approximately an 18-month period. H.R. 3838, however, would tax the annuity immediately. This change would place an additional burden on individuals who are experiencing a dramatic change in their lifestyles; that is, retirement.

Any plan to tax employee benefits is antifamily and antiworker. Americans rely on these benefits for their everyday needs. Any attempt to unfairly tax these benefits as income is wrong.

Mr. President, I urge the Senate to adopt this resolution.●

THE MEIMANS: A DANGEROUS SITUATION

Mr. SIMON. Mr. President, I recently received a letter from Paris, France, requesting assistance for Inna and Naum Meiman, Soviet Jews who have been refuseniks for over 10 years. Inna is critically ill with cancer and Naum, at 74, is not getting any younger. The Meimans' plight is known throughout the world. No one in the West can afford to rest for a minute while the Meimans of the Soviet Union, and their fellow refuseniks, languish behind the Iron Curtain.

I ask that the letter from Mark Klein and Peter Shinkel of Paris, France, and the plea from my friend, Naum Meiman, be inserted into the RECORD.

I implore the Soviet authorities to allow Inna and Naum Meiman of Moscow to emigrate.

The letter follows:

PARIS, FRANCE,
March 6, 1986.

Hon. PAUL SIMON,
U.S. Senate,
Washington, DC.

DEAR SENATOR SIMON: We would like to draw to your attention the dramatic situation of Inna Meiman. We are addressing a letter to you written by her husband. It appears to us that Inna's situation has dramatically changed in the past two weeks. We have just come back from the Soviet Union where we met with the Meimans who urged us that time is running out.

There is no treatment existing in the Soviet Union that can help Inna let alone save her. The Meimans feel that your voice can help Inna obtain a treatment in the West.

Kindly send a telegramme to Secretary General Mikhail Gorbachev asking to allow Inna Meiman the last chance she may have to save her live.

Respectfully,
MARK B. KLEIN,
PETER SHINKEL.

PREVENT A CRIME

I appeal to people of good will every where to express their outrage and protest against what amounts to human sacrifice, with my wife, Inna Kitrosskaya-Meiman, 53 years old, slated as the victim.

Inna is being sacrificed for the imaginary security of the Soviet Union, which could supposedly be threatened if this mortally sick woman were allowed to leave this country.

In the fall of 1983, Inna was stricken by sarcoma on the back of her neck. In less than two years, she has undergone four difficult and dangerous operations. It was clear right after the first operation that the Soviet Union can provide no other treatment. Accordingly, my wife was generously offered hopeful treatment in oncological centers in Sweden, the United States, Israel, or France. The only thing required was that the Soviet authorities should not hamper her treatment, that they should allow her an exit visa to go for a cure abroad. This the Soviets refuse.

Last fall, the tumor grew again, but this time specialists found it impossible to operate once again. There having no other form of treatment in the Soviet Union, my wife has been left without medical attention.

Meanwhile, two historical breakthroughs were achieved in cancer therapy in the United States. An outstanding professor, Douglas P. Zipes, wrote to General Secretary Mikhail Gorbachev that the new discoveries raised hope that my wife could be cured. Also, U.S. Senator Grassley wrote to Soviet Ambassador in the United States Dobrynin that my wife has been accepted for the Sloan-Kettering Experimental Program working on the new discoveries.

These facts are being ignored, and my failing wife is not being allowed to go for treatment abroad. The official explanation, given by the chief of the national Visa Office, was that my wife has been married to me for a long time, so that her departure had become a security risk.

My wife is a teacher of English. We married in 1981, and now for about three years she has been ill. It is naturally difficult to understand the mad logic of the authorities.

I am a mathematician, 74 years old. More than 30 years ago, I had the misfortune to do certain classified calculations of a quite academic nature, which have long lost all meaning and value. Anyone can see how false and absurd it is to talk about scientific and calculation secrets more than 30 years old. However, they were enough to deliberately doom my wife to death.

I appeal for help to save my wife's life before it is too late. February 12, 1986.

PROF. NAHUM MEIMAN,
Member, Moscow Helsinki Monitoring Group.

AUTOMOBILE RECORDKEEPING RULES

● Mr. PRYOR. Mr. President, today along with the Senator from Wyoming [Mr. WALLOP], and the Senator from

Iowa [Mr. GRASSLEY], I want to discuss the brief, but controversial history of the so-called automobile recordkeeping rules.

On February 24, 1986, I introduced S. 2090, a bill which would impose an 18-month moratorium on the regulations issued by the Internal Revenue Service [IRS] in this area. I was joined by Senators WALLOP, GRASSLEY, and BOREN in introducing that measure. Senators NICKLES, ROTH, BUMPERS, ZORINSKY, TRIBLE, MELCHER, HOLLINGS, NUNN, PRESSLER, ARMSTRONG, and CHILES are now sponsoring the bill.

Mr. President, I sincerely hope we can clean up this area of the tax law. It is my hope that once this is done, we can close the last chapter of this book once and for all.

At this point, Mr. President, I think a brief history of the problem would be helpful.

In late 1983, various proposals were made to limit the tax benefits—the investment tax credit and accelerated depreciation—associated with using a luxury car in your trade or business. The most prominent of these proposals was to limit the basis—cost—that could be taken into account in computing the investment tax credit and accelerated depreciation. In fact, this type of proposal was ultimately adopted. In the Tax Reform Act the ITC was capped at $1,000—regardless of the purchase price of the car—and annual depreciation deductions were limited—$4,000 the first year, and $6,000 for each succeeding year. Additionally, changes were made in the rules dealing with how these credits and deductions were substantiated. Prior to the 1984 act, local travel was generally governed by the provisions of section 162 of the Tax Code dealing with expenses incurred in carrying on a trade or business. In the act, local travel, along with other "listed property"—like computers and other equipment where personal use might be involved—were made subject to the substantiation rules of section 274. Before the 1984 act, the provisions of section 274 generally applied to travel and entertainment expenses. That section contained much more detailed recordkeeping requirements. In fact, in the 1984 act, section 274 was made even tougher in that the requirement of adequate records was expanded to included "contemporaneous" records. Finally, Mr. President, in the 1984 act, changes were made that dealt with how employer-provided vehicles were to be treated for fringe benefit purposes.

After many complaints from our constituents about the very detailed and onerous recordkeeping required for purely local travel, bills were introduced in early 1985 to repeal the requirement that contemporaneous records be kept to substantiate these deductions and tax credits. A bill was passed by the House that repealed the contemporaneous requirement, and made further cutbacks on the ITC and ACRS deductions that could be claimed on vehicles. In the Senate, legislation was also adopted, but our version was better than the House bill. On the Senate floor, we adopted an amendment by the Senator from Wyoming, Mr. WALLOP, which eased these rules in both the recordkeeping and fringe benefit areas. Unfortunately, many of the provisions added by the Senate were dropped in conference with the House. The regulations that were ultimately issued to implement these proposed changes virtually required contemporaneous, written records. This is the only practical way to meet the regulations under section 274.

Mr. President, I submit that this wasn't the intent of Congress when we acted last year. For this reason, I introduced S. 2090. The bill basically tells the Treasury to "go back to the drawing board." The regulations, as proposed, are very complex, are more stringent than intended by Congress, and in my opinion should be nullified. If any Member of the Senate has any question about the complexity of the proposed regulations, I suggest that the November 6, 1985, edition of the Federal Register be consulted. The proposed regulations are very detailed and complex.

It seems to me that before we allow any regulations to go into effect we should have an extensive review of this area. Requiring small businesses, farmers, and others in the State of Arkansas and other States to keep these records was not what we intended. A moratorium is an efficient way to prohibit these proposed regulations from going into effect. Further, the bill provides that no regulations can be issued during this moratorium period.

Mr. President, I hope this moratorium on the regulations can be approved by the Senate in the very near future. I ask unanimous consent that a copy of S. 2090 be printed in the RECORD.

The text of the bill follows:

A BILL To provide that the Internal Revenue Service may not before July 1, 1987, enforce its regulations relating to the tax treatment of the personal use of vehicles, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. MORATORIUM ON ENFORCEMENT OF VEHICLE REGULATIONS.

(a) SUBSTANTIATION REQUIREMENTS.—The substantiation requirements of section 274(d) of the Internal Revenue Code of 1954 with respect to deductions for business use of a vehicle during the moratorium period shall be applied—

(1) without regard to Temporary Regulations § 1.274-5T and § 1.274-6T or any regulation, ruling, or decision reaching the same result as, or a result similar to, such temporary regulations, and

(2) with regard to the regulations in effect under section 274(d) of such Code as in effect before the enactment of the Tax Reform Act of 1984.

Paragraph (1) shall not apply to use of a qualified nonpersonal use vehicle (within the meaning of section 274(i) of such Code).

(b) INCLUSION IN INCOME.—The determination under section 61 of the Internal Revenue Code of 1954 as to the amount includible in gross income with respect to the personal use of an employer-provided vehicle during the moratorium period shall be made without regard to Temporary Regulation § 1.61-2T or any regulation, ruling, or decision reaching the same result as, or a result similar to, such temporary regulation.

(c) PROHIBITION ON ISSUANCE OF REGULATIONS.—The Secretary of the Treasury or his delegate shall not issue during the moratorium period any regulations with respect to the substantiation requirements described in subsection (a) or the determination described in subsection (b).

(d) MORATORIUM PERIOD.—For purposes of this section, the term "moratorium period" means the period beginning on January 1, 1986, and ending on June 30, 1987.

● Mr. WALLOP. Mr. President, I come before the Senate today to address a Government-created problem which has unnecessarily complicated the lives of millions of Americans who drive employer-provided vehicles or make business use of their own.

When the 98th Congress passed the Deficit Reduction Act of 1984, we added to the legislation several tax provisions relating to the business and personal use of vehicles. The regulations issued by the Treasury Department to implement the directives almost immediately raised eyebrows and angry voices all across the country. Wyoming farmers and ranchers, energy and construction workers, and salesmen and computers beat a path to my office door to tell me of their frustration in trying to comply with the outlandish new regulations. In past years, a taxpayer claiming business deductions for use of a vehicle had only to maintain adequate records demonstrating the business use of his car or truck, or provide ample evidence that the auto was indeed used for business purposes. Under the interpretation of the IRS, the Deficit Reduction Act required that a detailed log be kept of all business and personal use of a vehicle, or no deduction or credit would be allowed at tax time. In addition to having to schlepp around with a record book in their cars, Americans would have to be prepared to pay taxes on any unaccountable miles which the IRS might deem as personal use.

The uproar caused by this new recordkeeping requirement lit a fire in my home State of Wyoming, and at the urging of myself and a few of my clear-thinking colleagues, Congress voted to repeal the contemporaneous recordkeeping requirements, which caused the law to require employees to report and pay taxes on the value of

the personal use of their company cars, no matter how insignificant.

The Treasury Department, in a quest for additional revenues and in conjunction with the IRS, re-released its temporary recordkeeping regulations, which went into effect on January 1 of this year. While the regulations have been reissued and supposedly cleaned up, taxpayers are being advised that in order to be safe at tax time, they must still keep a detailed logbook for the whole year. And, they must now contend with the additional burden of answering half a dozen questions on their tax forms regarding the use of their vehicles and the records they kept, questions which go far beyond what I believe to be the intent of Congress. As I warned here on the Senate floor last summer, we have not solved the problem.

A Wyoming stockgrower rises before the Sun to drive his feed truck out to the herd. After breakfast he takes his family car into town to buy supplies and visit his banker and get a haircut. It is unreasonable to expect him to keep a log which differentiates between insignificant personal use and business use of his vehicle which occur in the same trip. A penalty for failing to follow this logging requirement to the letter adds insult to injury.

For all Americans affected by these illogical regulations, I rise today, joining with Senator PRYOR to introduce legislation to declare an 18-month moratorium on the authority of the IRS to enforce the temporary and proposed regulations regarding substantiation of business use of personal vehicles, and similarly suspending IRS enforcement of employer-provided vehicle taxation. In addition this bill will prohibit the IRS from issuing additional regulations in both areas.

Since being reported, these new regulations have created confusion and caused great expense for businesses, employees, tax consultants, and legislative correspondents alike. It is my belief that our best means of alleviating this confusion will be to delay the effective date of the proposed rules, and rethink our automobile expense substantiation needs and come up with a simpler, more fair way of dealing with the issue, and I invite the support of my colleagues.

● Mr. GRASSLEY. Mr. President, when I received the following letter from a CPA in Iowa, I knew that somehow Congress' good intentions had run amok.

JANUARY 14, 1985.

Senator CHARLES GRASSLEY,
Russell Senate Building,
Washington, DC.

DEAR CHUCK: In recent years the income tax laws have included rewards and penalties directed toward social objectives. Among the many examples would be the incentives of rehabilitation credits for older buildings and the punitive disallowance of demolition costs or write-off of the undepreciated basis of historic structures.

The Deficit Reduction Act of 84 eased the tax problems of divorce while restricting the tax benefits of business use of automobiles, particularly luxury automobiles. With respect to the tax aspect of divorce, there is no longer a tax on the division of property pursuant to a divorce and alimony is easier to deduct. One might conclude that divorce is good and automobiles are evil!

For my part, I would prefer a new automobile to a new wife. My reasons are simple:

1. A new automobile is less expensive than a new wife—especially if you choose a luxury model.

2. When you get a new auto, you have the choice of keeping the old one around in case you have become sentimentally attached to it, or just want an extra.

3. In selecting a new auto, there is a much wider choice of optional accessories and new gadgets to choose from.

In any event, happy recordkeeping. If you need more autologs, please let me know.

In response to the wisdom expressed by the CPA and farmers, salesmen, public sector employees, repairmen, and assorted other taxpayers, one of the first pieces of legislation passed by this Congress was the repeal of the contemporaneous recordkeeping requirements for business automobiles. The Treasury Department was left to determine a workable standard for implementing the substantiation requirements. After issuing three different versions of the regulations since the passage of the original rules in the 1984 Deficit Reduction Act, perhaps it is time for Congress to admit what is obvious to millions of taxpayers across this country. The burden is simply to great in terms of the time, the busy work and the headache for individuals and businesses to justify the dollars raised in tax revenues.

While I am not optimistic that anything short of complete repeal of these regulations will solve this problem, I am willing to let the Treasury Department continue to try and write a reasonable set of rules. Therefore Mr. President, I am pleased to join my colleagues, Mr. WALLOP, Mr. PRYOR, and Mr. BOREN in introducing S. 2090 which provides that the IRS may not enforce its regulations relating to the tax treatment of the personal use of vehicles prior to July 1, 1987.●

HENRY OSSIAN FLIPPER DAY

● Mr. D'AMATO. Mr. President, I rise this afternoon, as countless Federal, State, and local efforts are under way across the country in recognition of the contributions of black Americans, to highlight the contributions of Henry Ossian Flipper by expressing my support for Senate Resolution 105, introduced by my good friend and colleague from Georgia, Senator MATTINGLY, This resolution recognizes the contributions and achievements of Henry O. Flipper as one of America's outstanding black citizens, a man whose patience and strength of character, whose courage in the face of adversity, and whose service to his country were precedents for all of us to follow.

The story of Henry Flipper begins just prior to the Civil War, a story retold numerous times on film. We all know that the climate of racial strife during the mid-1800's was extremely heated, but there were none more familiar with that fact than Henry Flipper. Henry was born into slavery in 1856, at a time when racial conflict and turmoil had nearly reached the boiling point. Not long after, it did. But Henry was a man who loved his country and would not let the scars of the Civil War temper his zeal to serve his country. Shortly after the Civil War, Henry dedicated his life to military and civil service.

Henry Flipper was admitted to the U.S. Military Academy in 1873, and, although a handfull of black cadets had joined before him, Henry was the first to endure the full course of prejudice and painful adversity fellow students had to offer. In 1877, he became the first black graduate of West Point. Those who knew him at the Academy revered him; the applause he received at the graduation ceremony is testimony to that fact. As the Regular Army's first black officer, Lieutenant Flipper distinguished himself in the field.

As a direct result of the evils of racial prejudice, however, Lieutenant Flipper was court-martialed. He spent the next 36 years of his life fighting his charge, but never did he hold his trials and tribulations as the fault of his country. Lesser men would have thrown in the towel; Henry Flipper, however, was blazing his way into our history books because he did not quit, and we shall always remember how he continuously rose higher than his pitfalls set him back.

In 1891, 9 years after his court-martial, Henry Flipper successfully represented the town of Nogales, AZ, before the court of private land claims. He subsequently was appointed to the Justice Department as a special assistant before the court of private claims. His distinguished tenure is marked by many successes, including sparing the U.S. Government the loss of thousands of acres of disputed Southwestern land.

Later, at the call of his friend from New Mexico, Senator Fall, who became the Secretary of the Interior under President Harding, Lt. Flipper was appointed as his special assistant at the Interior Department. At that time, Henry O. Flipper's position made him one of the highest ranking blacks in the U.S. Government.

Mr. President, this recounting of Henry Flipper's achievements is a small tribute to a man who deserves our utmost respect and admiration. He was a man in love with his country.

Others would have been filled with hatred had they encountered a fraction of his obstacles, but not Henry Flipper. He fought hatred with love, he fought adversity with perserverance and determination, and he fought seemingly insurmountable odds with patience.

We understand this today. That is why Henry Flipper was exonerated of his court-martial by President Ford. His remains were moved from his grave in Atlanta and reinterred at his birthplace, Thomasville, GA, where he was given a burial with full military honors. Henry O. Flipper's qualities are remembered each May at West Point when, to encourage others to follow his lead, a member of the graduating class is awarded the Henry O. Flipper Award. This award is presented to the cadet who best exemplifies the attributes of the man whose service to his country are precedents we all should follow.

Mr. President, I believe Mr. MATTINGLY's resolution deserves our unbending support. Senate Resolution 105 designates March 21, 1986, the 130th birthday of Henry Flipper, as "Henry Ossian Flipper Day." I urge my colleagues to join with those who already have cosponsored Senate Resolution 105 to ensure its speedy passage.●

THE CONFERENCE REPORT ON H.R. 2453, A BILL TO AMEND THE OLDER AMERICANS ACT

● Mr. GRASSLEY. Mr. President, this conference report concerns a bill which I introduced in the Senate as S. 1858 on November 19, 1985, and was reported by the Committee on Labor and Human Resources on December 17, 1985 and passed by the Senate on February 5, 1986. I placed in the CONGRESSIONAL RECORD on November 19 a lengthy explanation of, and justification for, this bill. I placed a second statement in the RECORD on February 5, 1986 to update my colleagues on developments affecting the program which this bill, if passed and signed into law, will affect; namely, the Surplus Commodities Program authorized by the Older Americans Act and administered by the Department of Agriculture.

The bill accepted by the conference of the two bodies of the Congress is essentially the same as the original S. 1858. In conference one provision of the bill was deleted, a provision which would require that the Department of Agriculture make regular notification of the possibility that the cents per meal reimbursement in the program would be reduced. The Senate receded to the House on this item in the face of arguments that the Department already makes good faith efforts to do this. No House amendments were accepted.

The bill the Senate is now considering would therefore: First, freeze the cents per meal reimbursement level which the Department of Agriculture is required to provide at 56.76 cents per meal; second, authorizes $127.8 million for fiscal year 1985. And $144 million for fiscal years 1986 and 1987; and third, requires the Department of Agricuture and Health and Human services to provide information to the Older Americans Act Network which would enable it to take better advantage of the bonus commodities programs of the Department of Agriculture.

Mr. President, in conclusion I would just like to say that passage of this bill indicate that the U.S. Senate considers this food program for mostly need older people to be a high priority, and that this is not an appropriate time to reduce the number of meals that our Older Americans Act Network can make available to them.●

THE 74TH ANNIVERSARY OF THE GIRL SCOUTS

● Mr. ANDREWS. Mr. President, I rise today to honor the 74th anniversary of the Girl Scouts of the U.S.A. Last month we observed the 76th anniversary of the Boy Scouts of America. All Americans should take pride in the achievements and accomplishments of the members of these key youth organizations.

When Juliette Gordon Low organized the first troop of Girl Scouts near her home in Savannah, GA in 1912, one-half of our population, women, were relegated to second class status in society. Low was a colorful iconoclast personality who had gone trout fishing in formal wear with Rudyard Kipling, forged iron, and fine tuned her talents as a poetess. She wanted to help young American women broaden their spheres of experience and teach them that they could have an education, a career, and a family.

As a result, close to 3 million girls presently learn both life skills and personal values in the organization—guided by some 500,000 adult leaders. These leaders carry on a program established to instill in our Nation's young women the values of the Girl Scout promise, the Girl Scout law, and five areas of interest—people, well-being, the arts, the outdoors, and today and tomorrow. Juliette Low created an organization through which the promise of young American girls could be fulfilled.

For fulfilling the dreams and hopes of millions of women, both here in America and abroad, I salute Juliette Gordon Low and all former and current Girl Scouts on the occasion of their 74th anniversary.●

AMENDMENT OF THE EXPORT TRADING COMPANY ACT

● Mr. HEINZ. Mr. President, I would like to bring to the attention of my colleagues a recently issued GAO report entitled "Export Promotion: Implementation of the Export Trading Company Act of 1982." The finding of the report confirm the need for changes to the Export Trading Company Act, as proposed in my bill, S. 1934, which would facilitate further expansion of export trading companies [ETC's].

At the time of passage of the act in 1982, there were high hopes for the success of the legislation. In my judgment, the act represented a major step in the evolution of our antitrust and bank regulation laws. The act clearly delineated circumstances under which banks could engage in nonbanking businesses which had previously been off limits under the Glass-Steagall Act. This step opened up an entire sector of international, trade-related activities to banks where there was a great need for their participation and without prejudicing the safety and soundness concerns that have characterized our bank regulatory policies for the past 50 years.

With respect to antitrust questions, the act clarified existing antitrust laws and enforcement policies by drawing a clear line, in the form of a certificate, between what export activities were permitted by the law and what were not. This approach provides clearer guidance to exporters than was previously available.

Despite these landmark changes, the act has not turned out to be as big a success as some had predicted. At the end of 1985, there were 38 approved ETC's, with 59 certificates of review granted and 7 pending. This is not disappointing only 3 years after enactment. What has been more disappointing is the limited growth and success these entities have had. Most of them continue to be small, and many have had to limit their initial ambitious plans. Furthermore, as GAO noted in testimony on its report before the Subcommittee on Commerce, Consumer, and Monetary Affairs of the House Government Operations Committee, despite improvement in the export environment over the last year, ETC activities have actually declined.

The biggest obstacle has been the appreciation of the dollar and the ballooning of our trade deficit, which occurred at precisely the time the Export Trading Company Act was coming into effect and made it difficult to export under any circumstances. Healthy, growing ETC's no doubt could have survived that kind of challenge, but banks and others new to exporting faced with such sharply adverse international economic conditions have been deterred from going

into the business or have been unable to grow to the extent necessary.

Beyond the dollar, however, there are some other problems in the act that have retarded ETC development. Some of them are unintended results of the original legislation; others were predicted by some of us at the time but were accepted anyway as the price of compromise. Three years of experience have given us a better understanding of exporting, a more realistic view of what ETCs are able to accomplish, and how best to design legislation to enhance those possibilities.

The bill I introduced on December 12, the Export Trading Company Amendments Act of 1985, S. 1934, makes five changes in the banking provisions of the ETC Act.

DEFINITION OF EXPORT TRADING COMPANY

The original ETC Act requires approved ETC's to be "organized and operated principally for purposes of exporting goods or services produced in the United States * * *" "Principally" was construed in legislative history and subsequently in regulation to mean that more than 50 percent of the ETC's income must come from exports. This has proved to be a significant constraint on ETC activity because of their need to engage in importing and their desire to enter into third country transactions which involve neither exports nor imports from the United States. Obviously, no company can engage only in one-way trade and expect to function successfully over the long term. The very concept of trade implies goods and services flowing in two directions. Thus, some degree of importing activity is inevitable in any successful ETC. At the same time, however, many companies have found that there are opportunities throughout the world for an ETC to facilitate trade between two or more countries outside the United States. For example, the sale of Indonesian rice to Algeria would be an example of third country trade that does not impact on the United States trade balance but provides profit opportunities for American ETC's.

At present, however, such transactions effectively count as imports in the Federal Reserve Board's periodic calculation of whether an ETC is meeting this test, since income from exports is effectively measured against—and must exceed—income from all other sources. While I believe ETC's should facilitate exports, it is equally clear that we should not constrain them from entering into third country transactions that have no adverse effect on our trade balance.

Accordingly my bill amends the act to provide that "principally" means an excess of export-related income over import-related income, thereby excluding third country transaction income from the test entirely. This will make it easier for ETC's to continue to meet the definition of export trading company, and it will encourage them to enter into these kinds of transactions, which will provide both present income as well as future business opportunities which might well include direct exports from the United States.

Another problem with the definition of export trading company lies in an erroneous interpretation of the 1982 legislation by the Federal Reserve Board relating to the export of services. The Board interpreted the legislation to preclude counting the export of services produced by the ETC itself or an affiliate as export-related income for purposes of the definition. Effectively this prevents an ETC from setting up a division abroad that provides services. This interpretation is contrary to our intent when we wrote the law and an unwarranted and unnecessary constraint on ETC activity. The new definition in my bill also corrects this problem.

ETC RELATIONS WITH AFFILIATES

Along with limits on bank lending to affiliates, section 23A of the Federal Reserve Act defines collateral requirements that must be met when institutions like ETC's borrow from affiliated banks. These limits vary depending on the type of collateral used, but the nature of ETC's is such that in most cases collateral would consist at least in part of accounts receivable; in which case the requirement is 120 percent of the loan or extension of credit. This has proved to be an unnecessarily onerous requirement, particularly for ETC's in their startup phase, which at the present time includes practically all of them. With few accounts receivable, at least in the beginning, little financing capital of their own, and limited access to commercial paper, the collateral requirement puts ETC's at a significant disadvantage.

The simplest solution, which is contained in this bill, is to exempt ETC's from the requirements of section 23A. This change would not affect bank safety and soundness, since the quantitative limits on bank extensions of credit to ETC's in the ETC Act would remain.

LEVERAGE AND INVENTORY

The remaining two sections of the bill concern two issues raised in the Federal Reserve Board's regulations. The Board has rendered an excessively conservation to bank safety that ETC's pose, but which has been a significant disincentive to ETC formation over the past 3 years.

The first provision would change the Board's requirement that ETC's proposing an assets-to-equity ratio of more than 10 to 1 must have their application considered in Washington rather than approved at the regional Federal Reserve bank. This regulation has had the chilling effect of telling prospective ETC's that a proposed ratio of greater than 10 to 1 will encounter considerably more bureaucratic difficulty, delay, and expense.

While I do not oppose the establishment of a desirable ratio as a guideline to be considered in reviewing ETC applications, I believe that 10 to 1 is unrealistic. A more appropriate level, in view of what is common practice in other countries, would be 25 to 1. That is what S. 1934 proposes in the form of a general specification that the Board may not disapprove an application solely on the basis of a proposed assets to equity ratio, unless that ratio is greater than 25 to 1.

The second regulatory amendment would change the Board's requirement that proposals to permit an ETC to hold inventory in excess of $2 million also be referred to Washington. That requirement sends the same negative signal as the regulation on leverage ratios. It is also particularly burdensome since $2 million is an extraordinarily low amount, particularly as ETC's begin to expand. A better approach, in my judgment, is to move away from this kind of arbitrary standard, at least as it is applied across-the-board to all ETC's. In some cases $2 million may be an appropriate limit to adequately protect bank safety; in other cases it may not. The best approach would be to tie such a limit, if it is to be imposed at all, to the circumstances of a particular case, and to the extent that it would effect safety and soundness of the affiliated bank. Therefore, the provision in S. 1934 would prohibit the Board from imposing by regulation a dollar limit on inventories except on a case-by-case basis as just described.

These five changes address the most obvious problems that have occurred in the 3 years since enactment of the legislation, but of course by themselves they will not lead to the creation of thousands of new ETC's. That can occur only if the disincentives to ETC formation represented by the overvalued dollar and the generally difficult situation for American exports over the past 3 years changes. These issues are addressed in other legislation—notably S. 1860, the Trade Enhancement Act, now sponsored by 35 Senators. S. 1934, however, will remove some built-in disincentives to ETC formation, will clarify current law, and in the process will send a clear signal to the Federal Reserve Board that Congress intends an interpretation of this law that will encourage, rather than discourage ETC formation.

The GAO reports on ETC's strongly supports a number of the above points regarding the current law, and provides convincing evidence of a need for the changes included in S. 1934. I ask that a portion of the GAO report be printed in the RECORD.

The material follows:

CONCERNS THAT REGULATIONS WILL AFFECT ETC PERFORMANCE

A major concern is the degree to which bank ETCs are regulated. Bank ETCs believe that certain provisions of the Act and certain Federal Reserve Board regulations and policies have affected or will affect their export performance, potential to compete with foreign-owned trading companies, and ability to survive. Of particular concern are the provisions that bank ETCs (1) must engage exclusively in international trade, (2) must meet the requirement that 50 percent of their total revenues from all sources be derived from exporting, (3) cannot invest in firms that export services, (4) must observe the same collateral requirements as non-bank affiliates when borrowing from parent banks, and (5) must have a leveraging, or asset-to-capital, ratio not greater than 10 to 1, thereby limiting the amount that can be borrowed. The Board's collateral requirements and the leveraging ratio are intended to protect the solvency and soundness of banks.

The Export Trading Company Act itself requires that bank ETCs engage exclusively in activities related to international trade. The Federal Reserve Board views its definition of exports and the 50-percent requirement impose by its regulations as necessary to carry out the intent of the legislation, which is to promote exports. Regarding the export of services, the Board reasons that its restriction that bank ETCs serve only as export facilitators is sufficiently supported by the Act's purpose and the legislative history. The Department of Commerce disagrees with the Board regarding the restriction on the export of services. Commerce contends that both the statute and the legislative history clearly indicate that Congress intended that a bank could invest in an ETC which exports goods or services or which facilitates the export of goods or services of others by providing export trade services.

Two of these issues seem particularly important to us, and since receiving agency comments we have given additional consideration to them. With regard to the required extent of export revenues, we believe the Board clearly is authorized to establish the requirement that more than 50 percent of revenue be from exports. The term "principally" in the context of the statutory provision contemplates that the preponderance of an ETC's activity will not be imports, and the legislative history on the House side anticipates the Board's measuring an ETC's activities in terms of revenue shares. The Board acted within its authority by defining "principally" only in terms of export revenues and in setting the requirement that exports be more than 50 percent of all revenues.

The statute, however, does not itself address how such revenues should be calculated or whether revenue should be the sole basis for determining if an ETC is organized and operated principally for the purpose of exports. In fact, it does not even include the term "revenue." Therefore, for calculations to meet the 50-percent requirement we believe the Board could redefine its own term "revenues" to include only proceeds from imports to and exports from the United States. This change would exclude, for purposes of establishing whether an ETC meets the 50-percent requirement, the proceeds from foreign products sold in overseas markets that do not enter U.S. commerce. The Board could also devise indices additional to "revenue" to determine whether a company is "organized and operated" principally for exporting or facilitating exports and it could extend beyond 2 years the period during which qualifying revenues are computed. We believe such modifications could have the effect of reducing the extent to which companies view the current regulation as a potential impediment to operations and still assure that importing does not constitute the preponderance of ETC activity.

With regard to the agencies' interpretations of the Export Trading Company Act as it relates to export of services, we believe that Commerce's position is the better interpretation of the statute and its legislative history. In our view, the definition of export trading company in Title II of the Act permits bank holding company investment in an ETC which exports services.

Legislation currently before the Senate, S. 2934, the "Export Trading Company Amendments Act of 1985," would make changes to address these and other matters. The bill addresses computation of the Board's 50-percent requirement by proposing to amend the Act to provide that a company qualifies as an ETC when its export revenues exceed its import revenues. The intended effect is to exclude from the calculation of revenues those third-party transactions involving neither exports to nor imports from the United States. Also, the bill would clarify that a bank holding company may invest in an ETC which exports services and that revenue from the export of services produced by an ETC itself or an affiliate counts as export income.●

CHILD IMMUNIZATION

● Mr. D'AMATO. Mr. President, I rise today in support of legislation, S. 1917, introduced by my distinguished colleague from New Jersey [Mr. BRADLEY]. I commend his recognition of the importance of child immunization, and I wholeheartedly support a U.S. commitment to universal immunization.

S. 1917, the Universal Child Immunization Act of 1986, increases the funding of the child survival fund by $50 million, from $25 to $75 million, in order to assist nations in the development of locally sustainable delivery systems capable of immunizing their own children. With the help of this money, children around the world will be immunized by 1990.

The lack of adequate immunization directly affects the lives of children around the world—3.5 million children still die annually from polio, measles, whooping cough, diptheria, tetanus, and tuberculosis. All of these diseases can be prevented by vaccines. In addition, 3.5 million additional children who survive these diseases are left—scarred for life—with a physical or mental handicap or are permanently weakened to the point of becoming prime targets of malnutrition and diarrhea.

Without action, more than 2.5 million children will be permanently disabled by polio and 20 million children will die from measles. These are unnecessary ailments and deaths. We can prevent these tragedies from occurring with just a small amount of effort on our part.

Currently, the Third World provides 80 percent of the resources necessary for universal immunization. This clearly indicates that the Third World has made a commitment to its own health. Italy has supported that commitment by donating $100 million to UNICEF for immunization activities. Now it is time for the United States to get involved.

A U.S. investment will mean great savings to the Third World in the long run. In the Ivory Coast, every $1 spent on immunization saves $20 in medical and rehabilitation costs. At a time when the United States has a great investment in the long-term future of the Third World, promoting cost efficient health should not be ignored.●

ADVANCE NOTIFICATION PROPOSED ARMS SALES

● Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Committee on Foreign Relations.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the committee with a preliminary notification 20 days before transmittal of the official notification. The official notification will be printed in the RECORD in accordance with previous practice.

I wish to inform Members of the Senate that such a notification has been received.

Interested Senators may inquire as to the details of this advance notification at the office of the Committee on Foreign Relations, room SD-423.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, March 11, 1986.

In reply refer to: I-01201/86ct.

Dr. M. GRAEME BANNERMAN,
Staff Director, Committee on Foreign Relations, U.S. Senate, Washington, DC

DEAR DR. BANNERMAN: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b)(1) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notifications related to missiles and support equipment, which will be forwarded under a single transmittal.

The Department of State is considering offers to a Middle Eastern country tentatively estimated to cost $50 million or more.

Sincerely,

PHILIP C. GAST, *Director.*●

RADIO AND TELEVISION COVERAGE OF SENATE PROCEEDINGS

● Mr. GORE. Mr. President, I submit for printing in the RECORD three editorials in connection with radio and television coverage of Senate proceedings.

The editorials follow:

[From the *Kingsport Times-News*, Mar. 7, 1986]

TV MAY GIVE SENATE SOME ADDED INCENTIVE

After years of procrastination, the U.S. Senate has finally decided to allow broadcast of Senate proceedings on a trial basis beginning June 1. And that's good news for those Americans who enjoy watching the deliberations of federal lawmakers. The House has televised its proceedings for years.

Some opponents of Senate TV coverage fretted that cameras could turn the Senate into a showboat. Others worried that TV, coupled with the Senate's lack of tight time limits on speeches, would spur senators to drone on interminably. Still others insisted that cameras would end the Senate's days as a slow, deliberative body by forcing it into the fast-paced world of TV drama.

But once the cameras are in place, senators likely will discover what House members have known for years; that TV coverage can be an important way to teach the public how Congress works—and a strong pressure to make it work better.

[From the Nashville Tennessean, Mar. 8, 1986]

A RED LIGHT FOR THE U.S. SENATE

Members of the U.S. Senate decided last week that it was time they took a little screen test.

At long last, the Senate voted to allow radio and television broadcast of its sessions on a trial basis. The House of Representatives has been broadcasting its sessions since 1979.

Radio broadcasts of the Senate will begin as soon as the equipment is installed, which should take only a few days. Closed-circuit television broadcasting to Senate offices is scheduled to begin on May 1. On June 1, television coverage will be made available to any of the commercial or cable TV networks.

But this is just a test. The trial period ends July 15, at which time the senators will decide whether or not to continue either TV or radio broadcasting.

Tennessee senators deserve a lot of credit for getting this legislation approved. When former Sen. Howard Baker became Majority Leader in 1981, he said broadcasting Senate proceedings was his top priority. He sponsored broadcast legislation four consecutive years, but although he was an extremely powerful and popular Majority Leader, he couldn't persuade his colleagues to approve the measure.

When Mr. Baker left the Senate, his successor, Sen. Albert Gore, Jr., adopted the crusade. Senator Gore was serving in the House when it began broadcasting its session, so he was able to speak from experience about any effect it might have on the upper chamber. He also sweetened the legislation for the senators by throwing in the closed-circuit system, which will allow the senators to monitor Senate action from their offices.

The opponents of this measure are concerned that senators will play to the camera instead of keeping their minds on Senate business. Surely the members of what is often called the world's greatest deliberative body are mature enough to resist that temptation. But if that turns out to be the case, the public can always discern the actors from the statesmen—and the public can always turn the dial.

[From the Chattanooga Times, Mar. 7, 1986]

THE TELEVISED SENATE

After years of talking about it, the U.S. Senate is about to move into the television age. By a 67-to-21 vote last week, the Senate agreed to a two-month test period of radio and television coverage of its proceedings. Radio coverage has begun already; the television cameras start work May 1.

At first, television coverage will be limited to a closed-circuit arrangement, with proceedings transmitted only to Senate offices. On July 1, however, viewing will be expanded for national audiences. The test period will end two weeks later, whereupon the Senate will debate whether to permit permanent radio and TV coverage. The decision shouldn't be hard. The House has allowed live television coverage of its proceedings for more than seven years, with no apparent damage to its character.

Some comments by Sen. Albert Gore of Tennessee, a co-sponor, following the vote bear repeating. Televising the Senate's proceedings "will let people watch government in action, (and) make them better informed (and) more knowledgeable about their government and elected officials. It will renew public interest and decrease cynicism regarding the governmental process."

The proceedings will be carried live on C-Span, a cable network available to 23 million households nationwide. The impact could be considerable because 93 percent of C-Span viewers voted in 1984.

Will the camera's presence change the character of the Senate? Of course it will. But the Senate will survive, just as it survived previous changes, such as the imposition of cloture to shut off filibusters. The televising of Senate debates will inevitably force that body to change the way it does things, even though we may have to suffer the occasional posturing of a senator performing for the cameras or an extended debate on a dull subject.

But that will be outweighed by the fact that television will re-introduce the public to what is often called the "world's greatest deliberative body."

The Senate vote reaffirms the concept that government belongs to the people, and the television camera will reinforce that message. It is exactly what was needed at a time of rampant skepticism about government's efficiency. We applaud the Senate's decision—and the efforts of former Sen. Howard Baker, who worked for years to persuade his colleagues to allow cameras into the Senate chamber. He didn't succeed, but his efforts helped set the stage for last week's vote.●

GENERAL REVENUE SHARING

● Mr. MATHIAS. Mr. President, because I believe the word of Congress should be its bond, I am pleased to add my name as a cosponsor of Senate Joint Resolution 282, a resolution disapproving of the proposed rescission of the fourth quarter payment under the General Revenue Sharing Program. This proposed rescission, which was included in the President's fiscal year 1987 budget proposal, would eliminate some $760 million in revenue sharing to local governments across the country.

As my colleagues know, the General Revenue Sharing [GRS] Program is unique in its purpose of providing Federal money to local governments for uses to be determined by those governments. By and large, the funds provide needed governmental services ranging from fire and police protection to park maintenance.

The Congress has made a commitment to local governments to fund this program until its current authorization expires at the end of this fiscal year. In turn, local governments have made budget commitments in reliance on expected funding levels from the GRS Program. For the Congress now to renege on that commitment would be unfair, unnecessary, and inappropriate.

Therefore, Mr. President, I cannot support the plan to rescind this appropriation. Dedication to fiscal restraint must go hand in hand with a commitment to equality of sacrifice and fairness. The proposed rescission is neither fair nor equitable. I commend the senior Senator from New York [Mr. MOYNIHAN] for introducing Senate Joint Resolution 282, and I urge my colleagues to support it.●

ORDERS FOR THURSDAY

RECESS UNTIL 9 A.M.

Mr. DOLE. Mr. President, I, therefore, ask unanimous consent that once the Senate completes its business today it stand in recess until the hour of 9 a.m., on Thursday, March 13, 1986.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. DOLE. Mr. President, following the recognition of the two leaders under the standing order, I ask unanimous consent that there be special orders in favor of the following Senators for not to exceed 5 minutes each: Senators SPECTER, PROXMIRE, HAWKINS, SASSER, and HART.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, following the special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond 10 a.m., with Senators permit-

ted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

Mr. DOLE. Mr. President, following morning business, the Senate will resume the balanced budget resolution. I see the Senator from Colorado is on the floor. The Senator from Michigan, Senator LEVIN, indicated he could be here in the morning at 10 o'clock. Could we proceed with the Senator's amendment tomorrow morning at 10 o'clock?

Mr. ARMSTRONG. Mr. President, if the Senator will yield, I am not authorized to really make any representation on behalf of the Senator from Michigan. Yet I do believe that I can say that the Senator from Michigan will not have an amendment to offer. We believe that we have worked out a way in which, hopefully, by 10 o'clock in the morning, will be acceptable to everybody to clarify the questions raised by the Senator from Michigan. The Senator from Michigan, nonetheless, will not agree to my amendment, but he will oppose it cleanly, because he just differs in principle. I would think we would save ourselves a step by avoiding that debate.

Mr. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

Mr. DOLE. Mr. President, I thank the distinguished Senator from Colorado. I did visit briefly with the Senator from Michigan. Senator LEVIN. He felt there was a way to resolve his problem. Then I hope that we could dispose of that amendment. There will be a rollcall request, I understand, by the Senator from Montana, Senator MELCHER, and others. It should require very little debate. We have had extensive debate on that amendment this evening, a couple of hours. Hopefully we could be voting on that amendment by 10:15 or 10:20 tomorrow morning.

Then we have the question of satisfying the distinguished Senator from Alabama on what we might do if we can agree to have final passage on March 25 and how we would be prepared to handle any purely technical amendments that he might discover or might feel necessary to offer at that time. In my view, there must be a way to handle technical amendments. There ought to be some way we could work it out so that it would be satisfactory not only to the Senator from Alabama, but to Senators on the other side, the Senator from Ohio, Senator METZENBAUM, the Senator from Washington, Senator EVANS, and others.

So I am hopeful that we can resolve that to the satisfaction of the Senator from Alabama, because I would like to ask unanimous consent that, following the vote on the Armstrong amendment tomorrow morning, we do go to third reading and put off the final vote until March 25.

Mr. HEFLIN. Mr. President, I reserve the right to object.

Mr. DOLE. I will not make that request now.

Mr. HEFLIN. I would say that we have made some progress and half of my concerns, I believe, can be eliminated by some language that would clarify the presentment to the President of the issue, a limitation of this language of the public debt limit, which is the intent, really, of what the Armstrong amendment is, we could come up with some language if Senator LEVIN and others would eliminate the matter of loans and other matters there.

Assuming that that could be clarified, then the issue, largely, is technical amendments dealing with the word "total" and the carrying of the word "total" as it would be applicable to receipts and outlays throughout the entire amendment.

And if that can be worked out, maybe it can be worked out with a colloquy in which everybody will agree on it. But on the other hand, it may involve the same problem that arose under the Armstrong amendment—the revolving loans, the nonrecourse loans, and the loan guarantees which could become involved there.

So it is a matter of trying to reach a choice of language. I think we pretty well are all agreed on the substance that you do not want to get involved in those types of loans, but that we want to have the language where it would still take care of constitutional amendments to balance the budget on outlays.

But there is the fact that we have a committee report, we have definitions in the committee report, we adopted language that changed the words that were defined, and therefore that causes problems. It is technical but perhaps I think we can reach it, and I will try to work to see if we cannot reach it. It could possibly be done by a colloquy. On the other hand, it might be a technical amendment. But we are dealing with the Constitution. If you make a mistake on it, you have 7 years before you can come back and correct it because it goes to the States for ratification, and stays out there for 7 years before you come back to ratify it.

So I do not want to do something in a hurry just to get along. But I want to be sure that we have adopted the proper language to carry out the intent of the Senate and the Congress.

Mr. DOLE. Mr. President, I thank the Senator from Alabama. We certainly will attempt to satisfy his just concerns, and I certainly agree. If we can agree on the vote to occur on March 25, then it would be my intention to turn to either the water resources bill, S. 1567, or Senate Resolution 353, committee funding resolutions. There will be at least two or three amendments on the committee funding resolutions. I assume there will be votes on those. Then it is my understanding that there will be a cloture motion filed on the Fitzwater nomination, and there may be an effort to get consent to vote on that—if not tomorrow, on Friday.

So I would suggest that we can expect rollcall votes throughout the day on Thursday, March 13, 1986. It could be a late session.

With that in mind, let me clarify a statement that I made earlier. I left the wrong impression that we had in effect advised Senators that from 6 to 8 not to be concerned, there would not be any votes. I think, first of all, that was generally felt to be the case because we were under the impression that the two remaining amendments on Senate Resolution 225 would be agreed to, then we could agree on final passage to be put over until March 25, and then we would be on the funding resolution which we knew would take some time. I felt fairly safe in at least indicating to the Senators that it looked pretty good from about 6:30 until 8 o'clock.

As it turned out, it demonstrates how wrong you can be because it did not happen. We had debate for 2 hours. But in any event, I would indicate for the record that my message to the distinguished Senator from Florida, Senator HAWKINS, in this case was that in the event there was a vote we would try to give some notice.

I have indicated to the distinguished minority leader that it would be my custom to advise him of any such requests, what action is followed, and maybe if he has any similar requests we would be able to accommodate Members on both sides—not just black out or blank out 2 hours and say no votes but at least give Members who may be unnecessarily away from the Senate some time to return to the Senate before there is a rollcall.

So I want the RECORD to correctly reflect the understanding that I had.

I apologize to the distinguished Senator from Utah, Senator GARN. I believe I indicated to everyone—and no one is ever certain around here—that there could be votes. As it turned out, there was a request for a vote. So we do our best to keep Members on both sides apprised so that they can avoid being here at 8 or 9 o'clock in the evening.

RECONCILIATION

Mr. BYRD. Mr. President, I thank the distinguished majority leader for

his statement that he has just made for the RECORD.

I would like to ask the distinguished majority leader what his plans are with respect to Friday and also with respect to reconciliation. I listened to the distinguished majority leader's statement with reference to the program tomorrow and I do not believe I heard anything pertaining to reconciliation. Will he elaborate thereon at this time?

Mr. DOLE. Let me indicate to the distinguished majority leader—and I was here when the minority leader indicated yesterday morning that he hoped we could move on reconciliation—that I share his view. We have been working with White House representatives to see if we could come together with some package that would satisfy a lot of Senators on both sides of the aisle, plus have it signed by the President.

It does not do too much good to have it vetoed so we are trying to have it signed by the President. There are very important programs—the Tobacco Program, and an 8(c) Program that is very important to the Senator from Indiana and certain other States. We believe we are very close to agreement.

Of course, if that would break tomorrow morning, I would then contact the distinguished majority leader to see if we could bring it up tomorrow sometime.

Mr. BYRD. I thank the distinguished majority leader. Its passage and signature into law would also represent considerable savings and reduction in the deficit.

Mr. DOLE. That is correct, $18 billion over 3 years. Some of that is revenues, but it is still substantial savings.

Mr. BYRD. I thank the distinguished majority leader.

Does he expect any rollcall votes on Friday?

Mr. DOLE. I indicated in our policy luncheon Tuesday that I felt that since we were nearing the Easter recess, I would need to correct a misunderstanding that some of my colleagues had. That recess is scheduled to begin at the close of business on Thursday, March 27. I incorrectly stated an earlier date of Wednesday, March 26.

Since we are nearing that date, I would guess there could be rollcall votes on Friday. We would still attempt to complete our business by midafternoon.

Mr. BYRD. I thank the distinguished majority leader.

UNITED STATES CONTRIBUTIONS TO THE AGREEMENT BETWEEN THE UNITED KINGDOM AND IRELAND

Mr. BYRD. Mr. President, on behalf of Mr. KENNEDY, I ask that the House message on H.R. 4329 be read for the first time.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 4329) to authorize United States contributions to the International Fund established pursuant to the November 15, 1985, agreement between the United Kingdom and Ireland.

Mr. BYRD. Mr. President, I ask for second reading.

Mr. DOLE. Mr. President, I object.

The PRESIDING OFFICER. The bill will be held at the desk and read for a second time on our next legislative day.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I want to thank the distinguished chairman of the Judiciary Committee for his efforts on the balanced budget amendment. I know that by coming in tomorrow morning we interfere with the scheduled committee meeting the chairman had planned for 10 a.m. I wonder if the distinguished minority leader would have any objection to the Judiciary Committee sitting only to hear nominations at 3 o'clock tomorrow afternoon.

Mr. BYRD. Mr. President, I would ask the distinguished majority leader to have a little time to discuss that. Perhaps he could make the request in the morning.

Mr. THURMOND. Since the Senate is going to meet to attend to its work tomorrow morning, it will be necessary for Senators SIMON, SIMPSON, HATCH, and maybe another Senator on the committee to be here in the Chamber. I thought if we could just meet tomorrow afternoon at 3 o'clock, it would suit the convenience of Senator SIMON and others.

Mr. BYRD. Mr. President, I hope we will be able to accommodate the distinguished chairman on this side. I cannot do that this evening but I hope I will be able to in the morning.

Mr. THURMOND. I thank the distinguished minority leader.

Mr. DOLE. Mr. President, as I understand, the nominations on the Calendar have not been cleared. Perhaps we could work on some of those tomorrow.

Mr. DOLE. Mr. President, again, we can take care of that request tomorrow.

RECESS UNTIL 9 A.M. TOMORROW

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move, in accordance with the previous order, that at 9:01 p.m., the Senate stand in recess until 9 a.m. tomorrow morning, Thursday, March 13, 1986.

The motion was agreed to, and at 9:01 p.m., the Senate recessed until tomorrow, Thursday, March 13, 1986, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate March 12, 1986:

THE JUDICIARY

Kenneth L. Ryskamp, of Florida, to be U.S. district judge for the southern district of Florida, vice Joe Eaton.

DEPARTMENT OF LABOR

Salvatore R. Martoche, of New York, to be an Assistant Secretary of Labor, vice John J. O'Donnell.

FEDERAL COMMUNICATIONS COMMISSION

Patricia Diaz Dennis, of Virginia, to be a member of the Federal Communications Commission for the unexpired term of 7 years from July 1, 1980, vice Henry M. Rivera, resigned.

IN THE COAST GUARD

The following cadets of the U.S. Coast Guard Academy for appointment to the grade of ensign:

Douglas W. Anderson
Roger P. Barney
Steven T. Baynes
Jon G. Beyer
Patricia A. Bradley
Robert E. Brogan
Wayne P. Brown
Robert S. Burchell, Jr.
Gregory C. Bush
Robert M. Camillucci
John R. Caplis II
Steven V. Carleton
Dana C. Caron
Mark A. Cawthorn
Michael B. Christian
Kurt A. Clason
Barry A. Compagnoni
Timothy A. Cook
Laura L. Coppola
Jeffrey S. Cowan
Kurt W. Cox
Timothy J. Custer
Daniel V. Delgado
Jay F. Dell
Mark C. Dietrich
Mark E. Dolan
John T. Dromsky
Marcel R. Dunaime
Andrew W. Dunphy
Jacob R. Ellefson
Craig L. Eller
Mark W. Elliott
Brian C. Emrich
Serena J. Ensley
Alfred T. Ezman, Jr.
Christina C. Fahy
James J. Fisher
Catherine A. Flood
Brendan C. Frost
Karl J. Gabrielsen
John D. Gallagher
Patrick H. Geddes
Richard J. Gill
Brett H. Goodell
Douglas T. Graham
Robert T. Haines
John N. Healey
James M. Heinz
Laurie J. Hennaut
Thomas E. Hickey
Michael R. Hicks
Richard K. Hunt
Steven C. Hunt
Margaret A. Irkfetz
Stephen C. Jackson
Jay W. Jewess
John S. Kaptinski
Terance E. Keenan
William G. Keene III
Scott A. Kitchen
Robert J. Klapproth
James L. Knight
Christine C. Knudson
Kris J. Larson
Elizabeth A. Lasicki
Peter N. Lavalette
Timothy P. Leary
James R. Lee, Jr.
Michael T. Leonard
Robert A. Lippe
Patrick E. Little
Albert R. Liwanag II
Mark T. Lunday
Jon A. Lundgren
Frederick P. Maddox
Raymond M. Maher
Gregory W. Martin
James F. Martin
Michael F. McAllister
Peter F. Meyers
Tommey H. Meyers
Michael A. Mohn
John C. Murphy
Frederick G. Myer III
Brian D. Myers
Hung M. Nguyen
Jack W. Niemiec
Kathryn L. Oakley
Mark S. Ogle
Kevin L. Ortloff
Annette M. Passalugo
Mark P. Peterson
George W. Petras, Jr.
Daniel T. Pippenger
James S. Plugge
Edward R. Raynolds
Kathleen Reilly
Brandt G. Rousseaux
James B. Rumen
Emily F. Salanio

Raymond A. Schembri
Robert S. Schmidt
Peter W. Seaman
Talmadge E. Seaman
John D. Sharon
Paul M. Slyman
Jerilyn D. Small
Hunter W. Stephenson
Gregory J.A. Sundgaard
Paul S. Szwed
Gary M. Thomas
Byron E. Thompson, Jr.
Christopher J. Tomney
Joseph R. Topper, Jr.
Geoffrey A. Trivers
Mark A. True
Steven C. Truhlar
John R. Turley
Charles A. Turner
Todd S.W. Turner
Nathalie Valley
Kurt A. Vanhorn
David A. Vaughn
Eric E. Vernon
Robert T. Vicente
Matthew S. Von Ruden
Michael W. Wampler
Todd K. Watanabe
Thomas F. Watson III
Clay L. Wild
Werner A. Winz
Christopher R. Yakabe
Robert A. Yergeau
Christopher N. Zendan

IN THE FOREIGN SERVICE

The following-named persons of the agencies indicated for appointment or promotion as career members of the Senior Foreign Service of the classes stated, and also for the other appointments indicated herewith:

For reappointment in the Foreign Service as a career member of the Senior Foreign Service, class of Minister-Counselor, and a consular officer and a Secretary in the Diplomatic Service of the United States of America:

AGENCY FOR INTERNATIONAL DEVELOPMENT

Marshall D. Brown, of Virginia.

For appointment into the Senior Foreign Service as a career member of the Senior Foreign Service, class of Minister-Counselor, and a consular officer and a Secretary of the Diplomatic Service of the United State of America:

AGENCY FOR INTERNATIONAL DEVELOPMENT

Robert C. Chase, of Virginia.

For promotion into the Senior Foreign Service as career members of the Senior Foreign Service, class of Counselor, and consular officers and secretaries in the Diplomatic Service of the United States of America:

U.S. INFORMATION AGENCY

Wallace E. Freeman, of California.
Richard T. Stephens, of Virginia.

For appointment into the Senior Foreign Service as career members of the Senior Foreign Service of the United States of America, class of Counselor, and consular officers and secretaries in the Diplomatic Service of the United States of America:

AGENCY FOR INTERNATIONAL DEVELOPMENT

William Richard Joslin, of New Hampshire.
Jerome Robert LaPittus, of California.

The following-named persons of the agencies indicated for appointment as Foreign Service officers of the classes stated, and also for the other appointments indicated herewith:

For appointment as Foreign Service officers of class 1, consular officers, and secretaries in the Diplomatic Service of the United States of America:

DEPARTMENT OF COMMERCE

Keith R. Bovetti, of California.
Thomas C. Moore, of Florida.

AGENCY FOR INTERNATIONAL DEVELOPMENT

Robert Francis Barnes, of Florida.
Anselmo E. Bernal, of New Mexico.
Sidney Andrew Chernenkoff, of Virginia.
Frank Allen Dickey, of California.
Neil C. Edin, of Florida.
Geoffrey G. Fritzler, of California.
Richard Harvey Goldman, of Connecticut.
Donald Everett Hickson, of Florida.
William David Jones, of Virginia.
Stephen Klein, of the District of Columbia.
Arnold J. Radi, of New Jersey.
James Douglass Shepperd, of the District of Columbia.
Graham Clark Thompson, Jr., of Maryland.

For appointment as Foreign Service officers of class 2, consular officers, and secretaries in the Diplomatic Service of the United States of America:

DEPARTMENT OF STATE

John M. Salazar, of New Mexico.

DEPARTMENT OF COMMERCE

Robert C. Fraser, of California.
Bobette K. Orr, of Maryland.

AGENCY FOR INTERNATIONAL DEVELOPMENT

Douglas P. Broome, of California.
David William Carr, of New York.
Benedicto Guillen De Olazo, of Virginia.
Glenn L. Post, of New York.
Jerry Lynn Rann, of Michigan.
Joan Margaret Silver, of California.
Thomas John Walsh III, of Missouri.

For reappointment in the Foreign Service as a Foreign Service officer of class 3, a consular officer, and a secretary in the Diplomatic Service of the United States of America:

DEPARTMENT OF STATE

Mary Marchany Daniel, of Texas.

For appointment as Foreign Service officers of class 3, consular officers and secretaries in the Diplomatic Service of the United States of America:

DEPARTMENT OF STATE

Dennis A. Foster, of North Carolina.
William Payne Francisco III, of Texas.
Carolyn Huggins, of Florida.
Nancy Edith Johnson, of the District of Columbia.
Katharine E. Koch, of Ohio.
Kathleen Mavorneen Reddy, of Massachusetts.

DEPARTMENT OF COMMERCE

Thomas L. Boam, of Utah.
Andrew Tangalos, of New York.
Cantwell Walsh, Jr., of the District of Columbia.

AGENCY FOR INTERNATIONAL DEVELOPMENT

Anne C. Bradley, of Virginia.
Jaime Correa-Montalvo, of Puerto Rico.
James Michael Harmon, of Illinois.
Sylvia A. Jackson, of California.
Thomas Michael Kerst, of California.
Patricia Jane Lerner, of California.
David Howard Pritchard, of Virginia.
Ron F. Ruybal, of California.

For appointment as Foreign Service officers of class 4, consular officers and secretaries in the Diplomatic Service of the United States of America:

DEPARTMENT OF STATE

Jonathan Mark Aloisi, of Vermont.
Paul S. Ashby, of Texas.
John Ross Beyrle, of Virginia.
Helen Bridget Burkart, of Maryland.
Deborah Cunningham Cavin, of Texas.
Judith Beth Cefkin, of Texas.
David John Creagan, of Ohio.
D. Purnell Delly, of Virginia.
Larry Miles Dinger, of Virginia.
James S. Elliott, of Tennessee.
Janice L. Elmore, of Texas.
David Ettinger, of New Jersey.
Kathleen M. Fitzpatrick, of Maryland.
Jane Anderson Benton Fort, of Tennessee.
Russell Louis Frisbie, of Vermont.
Theresa Ann Hebron, of Missouri.
Richard Huff, of Virginia.
Mark Jackson, of Florida.
Frederick J. Kaplan, of Washington.
Vonda M. Kimble, of Virginia.
Mark James Mowrey, of New Jersey.
Thomas Clinton Niblock, Jr., of Tennessee.
Charles M. Parish, Jr., of California.
Newman Bruce Pickering, of California.
Shirlie Carol Pinkham, of West Virginia.
Amy Pitts, of North Carolina.
Peter Friend Secor, of New York.
Florita Indira Sheppard, of Texas.
Sheri Kathleen Sprigg, of Montana.
Paul Dwight Stephenson, of Washington.
Robert Osgood Tatge, of Connecticut.
Richard Stephen Taylor, of Georgia
Robert Dale Wilson, of Missouri
Marcia K. Wong, of the District of Columbia.

DEPARTMENT OF COMMERCE

Jere M. Dabbs, of Alabama.

U.S. INFORMATION AGENCY

Morgan Louise Kulla, of California.

The following-named members of the Foreign Service of the Departments of State and Commerce, and the U.S. Information Agency, to be consular officers and/or secretaries in the Diplomatic Service of the United States of America, as indicated:

Consular officers and secretaries in the Diplomatic Service of the United States of America:

Stephen Alden Acker, of California.
Kimberly A. Adcock, of Michigan.
Steven M. Allers, of Michigan.
Eric Allison, of New York.
Dana M. Ammerman, of Virginia.
Ellen R. Anderson, of Virginia.
Phillip Lee Antweiler, of Virginia.
Charles Vincent Barclay, Jr., of California.
Matthew Gordon Boyse, of Michigan.
John Christopher Bradshaw, of New Jersey.
Anne E. Campbell, of Virginia.
Benjamin H. Castro, of California.
Marcia Elizabeth Barber Cole, of Maryland.
Jeanine Marlen Collins, of Tennessee.
Elizabeth A. Corwin, of Florida.
Lawrence Nelson Corwin, of Texas.
Linda Murl Cowher, of Pennsylvania.
Richard James Douglas, of Florida.
Mary D. Draper, of California.
Richard P. Dulik, of Ohio.
Stephen Douglas Dunn, of Arkansas.
Renee M. Earle, of Kentucky.
Douglas Ebner, of the District of Columbia.
Jacelyn Rae Eckman, of California.
Charles A. Ehrenfried, of Pennsylvania.
Matt Allen Ellsworth, of California.
Thomas Scott Engle, of the District of Columbia.
Martin A. Eshleman, of West Virginia.
Robert T. Fagan, of Connecticut.
Jeffrey David Feltman, of Ohio.
Rhonda L. Ferguson-Augustus, of New York.
Thomas C. Fosnacht, of Pennsylvania.
Patrick J. Freeman, of California.
Claire E. Fried, of Virginia.
Paul G. Gilmer, of California.
Deborah Weiss Glassman, of Virginia.
Francisco Javier Gonzalez, of New Jersey.
Julie J. Hagarty, of the District of Columbia.

Robert Hallauer, of Oregon.
Kathryn Alden Harrison, of Texas.
Stanley J. Harsha, of Colorado.
Stuart MacKenzie Hatcher, of Connecticut.
John Edward Havasy, of Connecticut.
Patricia Ann Havasy, of Connecticut.
Richard Edwin Henry, of Florida.
Elizabeth Mary Holzhall, of Texas.
Wajat Iqbal, of Washington.
John Kendall Johnson, Jr., of New York.
Lysbeth Elaine Johnson, of Oregon.
Richard H. Juarez, of Virginia.
Elizabeth Cooper Kauffman, of Florida.
John S. Kincannon, of Maryland.
Paul Kolbe, of Michigan.
Ingeborg Alix Louise Kummant, of Pennsylvania.
Dan Jonathan Larsen, of New Jersey.
Robert A. Lavery, of Michigan.
Harvey Samuel Lee, of Oregon.
Mark J. Leesman, of Virginia.
John Louis Lister, of California.
Bryan G. Lowe, of Virginia.
Peter Francis Maher, of Maryland.
Kathryn R. Martin, of Illinois.
Andrea Stowe Mathews, of Connecticut.
Donna T. Maxon, of Texas.
Mark Steven Mayfield, of Texas.
Joan McKniff, of California.
Willie Merkerson, of North Carolina.
Dan McKenzie Miller, of New Jersey.
Donald Maxwell Miller, of California.
Douglas E. Miller, of Maryland.
Wanda M. Miska, of Virginia.
Stephen B. Morisseau, of New York.
Luther R. Morris, of Illinois.
Kevin Morrissey, of Texas.
Kenneth Andrew Moskow, of Massachusetts.
Andrew W. Oltyan, of Texas.
J. Martin O'Meara, Jr., of Texas.
Warren Neil Post, of Washington.
Linda Recht, of New Jersey.
Jonathan K. Rice, of New Hampshire.
Christopher Richard, of Virginia.
William E. Richey, of Texas.
Brooks A. Robinson, of California.
Fernando Mark Rondon, of the District of Columbia.
William H. Schauer, of Maryland.
Bernardo Schwartz, of Virginia.
Elizabeth Turner Shelton, of California.
Mark J. Sherman, of New York.
Thomas F. Skipper, of North Carolina.
Philippa N. Smithey, of North Carolina.
Edith Arlene Spruill, of the District of Columbia.
Earl James Steele, of Arizona.
Darnall Calvert Steuart, of Virginia.
Hollis Spurgeon Summers III, of Texas.
W. Stuart Symington V, of Missouri.
Molly J, Tasker, of Florida.
Peter Geoffrey Tinsley, of California.
Frank X. Tracy, of Massachusetts.
Eric Ronald von Eckartsberg, of the District of Columbia.
D. Bruce Wharton, of Texas.
Gerri Lynne Williams, of Minnesota.

Secretaries in the Diplomatic Service of the United States of America:
L. John Erickson, of Florida.
Robert K. Fujimura, of Tennessee.
Paul M. Thiel, of California.

The following-named career member of the Senior Foreign Service of the Department of State for promotion in the Senior Foreign Service to the class indicated, effective December 22, 1985:

Career member of the Senior Foreign Service, class of Minister-Counselor:
Larry E. Lane, of Texas.

The following-named career member of the Senior Foreign Service of the U.S. Information Agency for promotion in the Senior Foreign Service to the class indicated, effective March 16, 1986:

Career member of the Senior Foreign Service, class of Minister-Counselor:
Robert A. Riccio, of Rhode Island.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. David K. Doyle, [redacted], age 54, U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Thurman D. Rodgers, [redacted], U.S. Army.

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Nathaniel R. Thompson, Jr., [redacted], age 58, U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Henry Doctor, Jr., [redacted], U.S. Army.

IN THE MARINE CORPS

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be general

Gen. John K. Davis, [redacted] U.S. Marine Corps.

HOUSE OF REPRESENTATIVES—*Wednesday, March 12, 1986*

The House met at 3 p.m.

The Reverend Endel Meiusi, general secretary, Estonian Christian Ministries, Denver, CO, offered the following prayer:

Our gracious Heavenly Father, we praise and bless You for the gift of freedom and liberty we enjoy in America. We pray for our President and for our leaders. Give them and especially the Congress, much wisdom in their deliberations and decisions.

Be merciful to all people who are not free. We pray for those in the occupied Baltic nations, Estonia in particular, that they may once again be free of all foreign domination and that free men everywhere would speak out on their behalf.

We thank You that regardless of the outward circumstances, You offer peace and freedom of heart through Your Holy Spirit to those who call upon You.

Help us to continue to put our trust in You, our loving God! Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

The SPEAKER. It appears as though something new has been added to the Senate side. This is the first time that the Senate has ever sent over a messenger who is a woman.

So we welcome her here.

A message from the Senate by Mrs. Snowden, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 345. Joint resolution to designate March 1986, as "Music in Our Schools Month."

The message also announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 1889. An act to amend title 11 of the United States Code, relating to bankruptcy, to prevent discharge of administratively ordered support obligations;

S.J Res. 205. Joint resolution to designate March 21, 1986, as "National Energy Education Day";

S.J. Res. 273. Joint resolution to designate the week of March 9, 1986 through March 15, 1986 as "National Developmental Disabilities Awareness Week";

S.J. Res. 275. Joint resolution designating May 11 through May 17, 1986, as "Jewish Heritage Week";

S.J. Res. 276. Joint resolution to designate February 19, 1987, as "National Day for Federal Retirees"; and

S.J. Res. 285. Joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "National Osteoporosis Awareness Week of 1986."

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On February 27, 1986:

H.R. 1185. An act to amend the act establishing the Petrified Forest National Park; and

H.R. 4061. An act to amend title 5, United States Code, to expand the class of individuals eligible for refunds or other returns of contributions from contingency reserves in the Employees Health Benefits Fund; to make miscellaneous amendments relating to the Civil Service Retirement System and the Federal Employees Health Benefits Program; and for other purposes.

On March 4, 1986:

H.J. Res. 499. Joint resolution designating the week beginning March 2, 1986, as "Women's History Week."

On March 7, 1986:

H.R. 4130. An act to establish, for the purpose of implementing any order issued by the President for fiscal year 1986 under any law providing for sequestration of new loan guarantee commitments, a guaranteed loan limitation amount applicable to chapter 37 of title 38, United States Code, for fiscal year 1986.

On March 10, 1986:

H.J. Res. 409. Joint resolution to direct the President to issue a proclamation designating February 16, 1986, as "Lithuanian Independence Day."

THE REVEREND ENDEL MEIUSI

(Mr. SCHAEFER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHAEFER. Mr. Speaker, Reverend Meiusi was born in Estonia in 1932. His family was forced to escape from Estonia to Sweden when both Russian and Nazi armies invaded his country during World War II. After time in Sweden and Australia, Reverend Meiusi came to America in 1953 to study theology and psychology and graduated with a bachelor of arts from Southern California College. He continued his studies at other universities and in 1958 was ordained by the Baptist Church in San Francisco.

Pastor Meiusi has served Estonian congregations in Los Angeles, San Francisco, and Sydney, Australia and has pastored Canadian and American Baptist Churches for over 20 years. Since 1953, he has been very involved with Estonian language broadcasting in the United States—an activity he pioneered. In addition, Reverend Meiusi taught at Vancouver Bible College in Canada and has spoken widely in several countries. Currently, Pastor Meiusi serves as the general secretary of the Estonian Christian Ministries with headquarters in Denver, CO, where he has resided for the past 7 years.

The Estonian Christian Ministries presently provides interdenominational shortwave broadcasts 3 days a week from Portugal to listeners throughout Europe, but especially to Soviet-occupied Estonia. These broadcasts are widely listened to in that country as the Estonian people have been largely deprived of their religious and cultural heritage by the illegal Soviet occupation.

This condition is indeed an international tragedy, as 68 years ago last month the independent Republic of Estonia was founded. On February 24, 1918, after centuries of foreign domination, Estonians successfully repulsed invading Bolshevik Russians and asserted their national sovereignty. For the brief period of free statehood, the Republic of Estonia made impressive national progress and was, to a large extent, a model republic.

However, this prosperity and independence was cruelly ended in 1940 by the brutal invasion and illegal annexation of the Baltic States by the Soviet Union, under the terms of the infamous Hitler-Stalin Pact. An estimated one-third of the Estonian population was lost in the decade after 1939, most of whom died in Russian labor camps or while defending their homeland. Since the forced incorporation of Estonia, the Soviet Union has undertaken a policy of systematic russification of Estonia, in an attempt to deprive this nation of its proud cultural heritage. Each year, more and more young Estonians are ordered out of their homeland to work in distant parts of the Soviet Union, and increasing numbers of Russians are settling in Estonian territory. Traditional Estonian values are being eroded. This Russian influx, in conjunction with the conscious denationalization of Es-

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

tonia, threatens the survival of Estonians as a distinct people.

The United States, and most Western nations, has never recognized the illegal incorporation of Estonia and the other Baltic States of Latvia and Lithuania. We must continue to insist that the wish for freedom and independence of the Estonian people be recognized. We must pledge to press the Soviet Union to respect Estonian national and cultural sovereignty.

Reverend Meiusi's efforts are a reminder to us all of the proud heritage of the Estonian people and their deep desire for freedom. I would like to thank him again for his prayer as we all should keep the Estonian people in our thoughts.

THE STANDARD OF LIVING IS BUT A MIRROR OF THE MONETARY STANDARD

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, the standard of living of the American people had been improving steadily during the first 190 years of the Republic, benefiting all segments of society, including the poor. After that, our standard of living went into a decline. What is not widely recognized, however, is that the decline of our living standard faithfully mirrors the depreciation of the dollar.

The watershed was the year 1968. It was during that year that President Johnson asked the Congress to repeal speedily what he termed an outmoded law, requiring that every $1 in paper money be backed by 25 cents in gold. When the House of Representatives voted 199 to 190, on February 21, and the Senate voted 39 to 37, on March 14, to repeal the gold reserve requirements against Federal Reserve notes, and the President signed the bill on March 19, they injured this Nation seriously by converting its currency into fiat money. Money is the bloodstream of a nation. Fiat money is the most diseased monetary bloodstream known to mankind. It is a national drug with the ultimate effect of a poison. It is a means and invitation to national catastrophe.

Apart from the more obvious consequences in terms of a deteriorating standard of living, loss of purchasing power of wages and savings, and the loss of control of the public purse, there are other more subtle and intangible social consequences. As money loses value, so do moral and spiritual values decline. Crime and graft mount. Juvenile delinquency increases. Licentiousness spreads. We have been witnessing a general degradation of standards. But the first occurrence, it should be remembered, was the debasement of the monetary standard.

PLEAS FOR DIPLOMACY

(Mr. KLECZKA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KLECZKA. Mr. Speaker, first of all, peace in Central America is not brought any closer by the type of Democratic-bashing rhetoric which we've heard recently. Let's bash our enemies, not our own patriots.

Last Friday, President Reagan called on veteran troubleshooter Philip Habib to be his new special envoy to Central America. I welcome this appointment, as the administration's efforts to reach a diplomatic solution to the crisis have been sorely lacking.

However, before we send Mr. Habib on another mission to warmer climates, let's examine some of the baggage he will be bringing with him. Specifically, his arrival coincides with the President's request for $100 million in aid to the Nicaraguan Contras, $70 million of which surely will be for military hardware. That doesn't seem to me to be a very encouraging introduction to the serious negotiations we all know are needed in that region.

Mr. President, let's not just throw another $100 million at this problem—let's actually try to solve it with a truly sincere effort at diplomacy, an effort, I might add, which is supported by all of our NATO, Latin American, and Japanese allies. Mr. President, let Philip Habib do the job you've asked of him.

THE DEFENSE REORGANIZATION ACT OF 1986

(Mr. HOPKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOPKINS. Mr. Speaker, in war and peace, two fundamental questions must be asked about America's defense system:

First, is it adequate to deter or defend against foreign aggression; and

Second, is America getting the most effective and efficient military system in return for the massive investment we make in our national defense?

To insure that the answer to both these questions is "yes" the Nichols-Hopkins Defense Reorganization Act of 1986 has been introduced.

This legislation is comprehensive in scope, prudent in the pace with which changes will occur, and historic in effect and purpose.

It represents the first total reorganization of our defense system in 40 years.

If you are interested in perfecting the military chain of command, ending interservice rivalry, improving communication and protection for our front-line troops, and straightening out the procurement mess, we welcome your cosponsorship and urge your support of House Resolution 4370.

PRIVATE SECTOR REQUIRES POLYGRAPH AS A TOOL IN SELECTING EMPLOYEES

(Mr. DARDEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DARDEN. Mr. Speaker, today we will consider the proper role for the polygraph—commonly known as the "lie detector"—in the screening of employees and job applicants by private industry.

With internal theft costing business—and, ultimately, consumers—billions of dollars each year, the private sector needs the polygraph as one tool in selecting employees for positions of trust. At the same time, we recognize the potential for abuse of the device.

That is why the gentleman from Florida [Mr. YOUNG] and I will offer a substitute setting minimum Federal standards for polygraph use—a reasonable alternative, I believe, to denying private industry the right to use this valuable investigative aid.

The Federal Government already considers the polygraph suitable for national security investigations. Private industry should have an equal opportunity to employ this device as one tool of a comprehensive investigation.

FREE, FAIR AND OPEN TRADE WORLDWIDE

(Mr. COATS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COATS. Mr. Speaker, the new numbers are in, and it is more bad news on the trade front. The latest month's trade deficit was $16.5 billion, a staggering number.

But more than the number is staggering. Our trade deficit is staggering in human terms, also, because it shrinks U.S. markets, decreases investment, and causes lost jobs and dislocated families.

It is imperative that Congress address this problem. I have previously called for movement on four fronts, and today I renew that call.

First, we must make trade a top priority. Today I am introducing legislation to elevate trade policy to a top priority by forming a Department of Trade to bring the patchwork of trade regulators and specialists under one agency.

Second, the principle of reciprocity must guide our trade efforts. We must open foreign markets to American goods.

Third, we must vigorously enforce current trade laws where clear evidence exists that foreign nations are

violating international law, and strengthen those laws where needed.

Finally, we must get our own house in order by reducing the deficit so that interest rates can continue to fall.

These steps can reverse the trade deficit and bring jobs to millions of Americans.

LET'S STOP THE CONTRA WAR NOW

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, in recent days we have heard some talk of cutting a deal with the administration on Contra aid. Mr. Speaker, I would like to thank you and commend you for your forthrightness in opposing any such "compromise." The administration proposal is a formula for failure and a formula for war in Central America. Six months' delay and another "promise them anything" won't change that.

Last year Mr. Reagan sent us a letter saying that he was all for negotiation, he was all for Contadora, and he was all for cleaning up human rights violations by the Contras. Many Members of this House, for whom I have the deepest respect, accepted these promises and representations in good faith. What happened? The administration isn't negotiating. It is ignoring Contadora. And the Contras haven't cleaned up their act—they still look to Somoza's old officers for leadership.

Let's not repeat this history.

Military aid is military aid, now or 6 months from now. Now is the time to make a choice. Let's stop the Contra war now.

□ 1515

LET'S WORK TOGETHER TO MAKE GRAMM-RUDMAN WORK

(Mr. DELAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DELAY. Mr. Speaker, in the past few weeks we have seen more and more examples of agencies that are trying to discredit Gramm-Rudman by cutting the most visible and popular services instead of finding the fat and waste in their programs. The goal, I believe, is to turn public sentiment against Gramm-Rudman. Gramm-Rudman is not the culprit in these layoffs and certailed service, Government waste is. Recently, I found an example of how Gramm-Rudman should be working. Last week, one of my district staffers came to Washington for research access training at the Library of Congress. She found that classes ended much earlier than expected. When she asked why this was, the response was "Gramm-Rudman." I was disturbed by this reply and so I contacted Congressional Research Service regarding changes in their program. CRS explained that they had cut out the unnecessary parts of their training program. They made changes, and I quote, "To lower the cost of the program without diminishing its quality."

My only regret is that it took Gramm-Rudman to eliminate previously wasteful practices. By taking a hard look at their program, CRS found a way to provide the same high quality training programs we have come to expect. Mr. Speaker, as elected representatives, it is our duty to make sure that all of the bureaucracy takes this same approach. Unfortunately, many of my colleagues on the other side of the aisle are quick to stand behind the cries of agencies which in the past have been largely unaccountable for waste and abuse. Let's work together to make Gramm-Rudman work.

PRESIDENT'S EDUCATION BUDGET, 1987

(Mr. PERKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PERKINS. Mr. Speaker, there's a good program in existence today which helps needy students go to college. The Pell Grant Program has widespread support among the people involved in higher education.

I believe that we Members of Congress are given the responsibility to help financially disadvantaged students. These young people are crying out for an opportunity; Pell grants give them a chance to obtain the college education they deserve.

The administration, for reasons hard for me to understand has asked that we take away this opportunity for 816,000 students by cutting the funding for Pell grants by over $800 million. Where will these students turn for the help they need to go to college; 816,000 students are asking for your help.

NICARAGUA

(Mr. RITTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RITTER. Mr. Speaker, we are hearing from many different quarters about the situation in Nicaragua. Here is a quarter, perhaps, that is worth listening to. These are the results of a poll taken on March 2 and 3 by the newspaper Le Nacion in San Jose, Costa Rica:

Nicaragua is an agent of Cuba and the U.S.S.R., how many people believe that is true? Ninety-three percent of the population of Costa Rica, the oldest democracy in Central America and South America, believe that Nicaragua is an agent of Cuba and the U.S.S.R.

In Honduras the percentage of people in a democratically elected government that believe that Nicaragua is an agent of Cuba and the U.S.S.R. is 93 percent as well.

In Guatemala, a country removed, the opinion of the people in that nation, with a newly elected democratic government, 80 percent of the people believe Nicaragua is an agent of Cuba and the U.S.S.R.

In San Salvador, 74 percent of the people believe that.

What about the aid to Contras in Nicaragua?

In Costa Rica, 69 percent of the people approve, 24 percent disapprove. In Honduras, 55 percent approve, 25 percent disapprove; in Guatemala, 54 percent approve, 22 percent disapprove; and in San Salvador, 48 percent approve and 19 percent disapprove.

Nicaragua, most widely seen as a military threat. In Costa Rica, 92 percent view Nicaragua as a military threat. In Honduras, 90 percent.

These people are telling the American people something. They are telling the U.S. Congress something. Let us listen.

MEMBERS URGED TO SUPPORT H.R. 1840, THE SATELLITE VIEWING RIGHTS ACT

(Mr. TAUZIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TAUZIN. Mr. Speaker, last week the telecommunications subcommittee held an extensive hearing on the scrambling of satellite television programming to determine whether the marketplace is working or whether we need legislation like the satellite viewing rights bill I have introduced.

We learned through the hearing that the market is not working, that the market is not competitive. In fact, we learned at those hearings that the first programmer to scramble, HBO, has developed an elaborate kickback scheme—which they call a credit—to create a monopoly for sales of its programming.

I learned just this morning that Showtime and the Movie Channel have developed a marketing development allowance that is almost identical to the HBO kickback plan.

The bottom line—both these schemes force satellite dish consumers in a cable franchise area to pay the cable company for satellite TV programs, either voluntarily or involuntarily.

In 1984 Congress deregulated the cable industry because we were told it would operate in a competitive mar-

ketplace. But what we see today is a very different picture. It is the picture of a small, but promising competitor being dominated by huge communications conglomerates.

If you want competitive markets, I urge you to support H.R. 1840, the Satellite Viewing Rights Act.

CONRAIL SALE

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, in the very near future Congress will be deciding the fate of Conrail. The stakes for Ohio and other States serviced by Conrail are high should the decision be made to sell to Norfolk Southern. According to some reports, Ohio will suffer 44 percent of all the lost jobs associated with that sale. Think about it. Ohio will lose 44 percent of all those jobs.

Ohio is already No. 1 of the large industrial populated States for unemployment. In my district, mainly the northeastern Ohio-Youngstown area, is No. 1 for unemployment in the State. In addition to that, Ohio is No. 2 for the loss of population of all the 48 contiguous States, second only to Michigan. Michigan lost 5 percent of its total population between 1980 and 1984. We have lost 3 percent; 329,000 people have left Ohio, folks.

Now, on top of other economic tragedies, the sale of Conrail potentially to Norfolk Southern will cost us 800 jobs.

I am asking my colleagues to take a look at this unemployment dilemma in northeastern Ohio and take a look at the sale to Norfolk Southern and give us some relief. My God Almighty, we deserve it.

SATELLITE DISHES

(Mr. TALLON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TALLON. Mr. Speaker, the home satellite earth station brought the rural population of this country fully into the mainstream of American culture.

Unfortunately, many of the major satellite program distributors have recently cut-off dish owners by scrambling their signals.

A great many of my constituents must buy expensive descrambling equipment and pay inflated monthly service fees or lose thousands of dollars invested in their satellite dishes.

Any legislative solution to this problem must ensure that descrambling devices will be widely available at reasonable prices on the open market.

Furthermore, a fair system of compensation for satellite programmers must be arranged.

Both dish owners and satellite programmers will profit as program availability increases.

I urge my colleagues to support pending legislation for an orderly transition period during which all affected parties are treated fairly.

FEDERAL FIREARMS LAW REFORM ACT of 1986

(Mr. HUGHES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUGHES. Mr. Speaker, yesterday, the Judiciary Committee, unanimously—let me repeat, 35 to 0—reported out H.R. 4332, the Federal Firearms Law Reform Act. As that unanimous vote indicates, it is a thoughtful, well-balanced bill that has been carefully drafted to provide real relief to the Nation's sportsmen and hunters without doing damage to the Nation's law enforcement efforts as other legislative proposals would do.

Not only does this bill meet the needs of hunters and sportsmen, for example, to transport their rifles and shotguns for legal sporting activities, but the bill actually strengthens law enforcement in a dozen significant ways.

This bill will help protect the public from violent crime by providing notification to law enforcement about criminals buying guns. Current law requires purchasers of firearms to fill out a form indicating that they are not a criminal or mental incompetent. But we know that a great percentage of criminals lie on these forms—and currently those forms never get to law enforcement. This makes no sense. This bill will enable law enforcement to find armed criminals who have lied when they buy handguns.

The bill bans the sales of silencers, and kits to make silencers.

The bill bans the parts used to convert weapons to machine guns.

This bill provides a 5-year mandatory prison term for carrying a firearm during drug trafficking.

This bill provides a 10-year mandatory prison term for carrying a machine gun during a felony.

Attorney General Meese said today in testimony before our committee that he has no problem with its provisions, that he is comfortable with it, unlike S. 49 which he said should be amended in a number of provisions.

This reasonable and balanced firearms reform bill has been endorsed by the coalition of every major law enforcement organization in the Nation.

This is a good bill. Please take the time to examine it carefully. It merits your support.

THE FUTURE OF THE AMERICAN MACHINE TOOL INDUSTRY IS ON THE LINE THIS WEEK

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, next Monday, March 17, the President will consider the evidence of import penetration of our machine tool industry filed in a 232 petition by the National Machine Tool Builders Association almost 3 years ago.

The finding by the Commerce Department that the machine tool industry of this country needed relief has been languishing at the White House for over 2 years. We hear that one member of the National Security Council has been blocking that decision for that long. One member, appointed—picked by no voting constituency—has a power greater than the Congress who drafted the law, who represents the American people.

In 1 year of that 2-year period, April 1, 1984, to March 31, 1985, the U.S. Department of Defense has obligated $26,693,000 to purchase machine tools abroad. While all this is going on, thousands of persons in the manufacturing end of machine tools in our country have joined the unemployment ranks. This industry may be even more important in an emergency than a strong Navy.

I hope that our American machine tool producers can get some relief from many sources in the next week. We will not be a world leader nor will we be safe unless they are saved.

□ 1530

PERMISSION TO FILE REPORT ON H.R. 4151, OMNIBUS DIPLOMATIC SECURITY AND ANTI-TERRORISM ACT OF 1986

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs have until midnight tonight to file a report on H.R. 4151, the Omnibus Diplomatic Security and Anti-Terrorism Act of 1986.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. WALKER. Mr. Speaker, reserving the right to object, I would ask of the gentleman if he can tell us the amount of money that is involved in the bill that he is requesting to file a report on?

Mr. FASCELL. If the gentleman will yield, I have not seen the final tabulation by CBO, but I will tell the gentleman that it encompass everything the President requested. That total package runs for the full course of the 5-year time period it would take to implement it, about $4.4 billion.

Mr. WALKER. A little over $4 billion.

Are we going to have to have any kind of a Gramm-Rudman waiver to bring that bill to the floor?

Mr. FASCELL. No, sir.

Mr. WALKER. So that it will come out purely as an authorization bill; it will not involve any kind of entitlements or so on that would involve a Gramm-Rudman waiver? Is that correct?

Mr. FASCELL. The gentleman is correct.

Mr. WALKER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

ARMS SALE TO SAUDI ARABIA

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVIN of Michigan. Mr. Speaker, the administration's proposal to sell $345 million worth of antiaircraft and antiship missiles to the Saudis is wrong and it doesn't make sense.

It's wrong because the Saudi's still haven't lived up to the bargain that the administration proposed during debate over the 1981 arms sale to Saudi Arabia. The bargain then was that the Saudi's in return for advanced weaponry would work to directly foster the peace process in the Middle East.

But the Saudi's have yet to do any such thing.

Now the administration suggests that we must sell the Saudi's advanced antiaircraft and antiship missiles in order to deter an Iranian threat. Yet the arms are not scheduled for first delivery until 1989. How does that connect to the Iranian's current war offensive? It doesn't make sense.

To offer the Saudi's a long term sale of advanced weaponry while the Saudi's refuse to move forward on a peaceful settlement in the Middle East and while they refuse to even use their influence to work toward the cessation of terrorist activities in the Middle East is to offer all the wrong signals to the Saudi's.

THE APPOINTMENT OF A MURDERER AS AMBASSADOR TO THE UNITED NATIONS

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, I think the appointment of a murderer to be Ambassador to the United Nations should tell us something about the Sandinista regime. Nora Astorga, who was just appointed as Ambassador to the United Nations by the Communist Sandinista Government, is a Sandinista hero because she lured a general to her bedroom and slit his throat. This is what we call murder, and the Sandinistas call "revolutionary justice."

Now we are going to have this woman at the United Nations berating the United States day-in and day-out for crimes against humanity, while the Communist Sandinista regime continues to dispense "revolutionary justice" against the people of Nicaragua. The Sandinistas have burned and tortured priests, massacred the Miskito Indians, have thousands of political prisoners—and she'll be lecturing us on human rights!

Nora Astorga will be feeding the American people a steady diet of misinformation like the phony human rights reports coming out of the Sandinistas law firm, Reichler and Applebaum. It's time this Congress stopped listening to Sandinista propagandists and did what's right. Or else Nora Astorga's "revolutionary justice" will plague the rest of Central America.

SPAIN VOTES TO STAY A MEMBER OF NATO

(Mr. GARCIA asked and was given permission to address the House for 1 minute.)

Mr. GARCIA. Mr. Speaker, I have just received a phone call from some leading authorities in Spain, and it seems that the Spanish people have decided, or it looks that way, and I want to make that very clear, it is not official yet, but it appears that Spain will remain as a member of NATO.

I think that this is significant; I think it is important, and I would like to personally take this floor and be amongst the first to congratulate Felipe Gonzalez, the Prime Minister of Spain.

I would also like to go on to say that the North Atlantic Assembly is very important to the free world. I want to make it clear that NATO is not just an organization of military and political bodies. It is also a committee in which we deal with human rights, we deal with successor generations, we deal with education, and we deal with Radio Free Europe.

So I am delighted that Spain and the Spanish people have taken it upon themselves as it appears to be at this moment to remain as part of the free world and free Europe, and has decided to stay with the North Atlantic Assembly.

INTRODUCTION OF HOUSE RESOLUTION 395—RESOLUTION OF INQUIRY

(Mr. PANETTA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PANETTA. Mr. Speaker, when we voted last year to provide the $27 million in aid to the Contras, we required that the President establish procedures to guarantee that our aid would in fact be used for humanitarian purposes.

Now, the GAO tells us that not only have those procedures not been established, but that they cannot be sure where $7.1 million of this appropriation has gone, and that we cannot even be sure that the Contras in fact are getting the goods supposedly purchased with this money.

The issue here is not one of whether you are for or against aid to the Contras. The issue is not whether you are for one type of aid versus the other. The issue is simply accountability. The issue is whether the law in fact is being carried out.

For that reason, I have introduced House Resolution 395, which is a resolution of inquiry that would require the President to provide the Congress all of the available information as to where this money has gone.

Surely in the very least the public is entitled to these answers as we consider the President's $100 million request. I urge my colleagues to support this resolution of inquiry and to demand that the Congress and the public get these answers.

MISREPRESENTATION OF INTRODUCTION OF HOUSE CONCURRENT RESOLUTION 296, PRESIDENT'S BUDGET RESOLUTION

(Mr. GRAY of Pennsylvania asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GRAY of Pennsylvania. Mr. Speaker, I feel compelled to come to the well of the House to set the record straight in response to a statement made on this floor yesterday by one of my colleagues from the Pennsylvania delegation, Mr. WALKER. I only wish Mr. WALKER had had the foresight to speak with me before he took the floor and misrepresented both the intent and facts of my introduction of House Concurrent Resolution 296.

House Concurrent Resolution 296 is the President's Budget resolution; strictly reflecting the budget as submitted by the President on February 5, 1986. I understand Mr. WALKER claimed that this concurrent resolution "has a deficit figure in it of $159 billion in violation of Gramm-Rudman" and "the President's budget came up with a deficit of $144 billion". House Concurrent Resolution 296 reflected the President's budget as submitted. What Mr. WALKER overlooked is the fact that Gramm-Rudman requires that the budget resolution contain two deficit levels. One, known as the Gramm-Rudman deficit, must take into account Social Security trust fund activities. The other deficit level must be calculated

without Social Security receipts and disbursements. The President followed that same directive in his budget (as summarized on page 6-E-7).

Let me clear up another misrepresentation. I do talk about the budget with Members of the other party, including the Republican leadership. It is my hope that we will all be able to work together in the days and weeks ahead once the minority has a better idea of its plans for the budget and once I have had the opportunity to complete my talks with the Democratic membership.

It is my intention that together, in a bipartisan manner, we will be able to present to the House for consideration a budget which fulfills our obligation in meeting the needs of America.

I realize that in the heat of our politically charged atmosphere, a slip of the lip is sometimes unavoidable. But, we all must be ever more diligent to avoid misrepresentations as we answer the call of our most difficult task ahead: the fiscal year 1987 budget.

CALENDAR WEDNESDAY

The SPEAKER pro tempore. This is Calendar Wednesday. The Clerk will call the committees.

The Clerk called the committees.

□ 1540

TEMPORARY EXTENSION OF CERTAIN HOUSING AND COMMUNITY DEVELOPMENT PROGRAMS

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that the Committee on Banking, Finance and Urban Affairs be discharged from further consideration of the joint resolution (H.J. Res. 563) to provide for the temporary extension of certain programs relating to housing and community development, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. McKINNEY. Reserving the right to object, Mr. Speaker, I yield to the chairman of the subcommittee to explain to the House in general what we are doing.

Mr. GONZALEZ. Mr. Speaker, I thank the distinguished ranking minority member of the Subcommittee on Housing and one of the long-time members of the full committee and one of the most constructive and creative members that we have on the committee, to simply say that it is the same extender that we have now for the fourth time asked the House, and accordingly with the Senate, to extend the basic FHA mortgage insurance programs that will expire after the 90-day more-or-less extension that we obtained last December.

This extension would be for and until April 30. It would include an extension also of the other basic programs, such as the Farmers Home Rural Housing authorization and the related programs, all of which we included in the three prior extensions and fundamentally what this means is that we will in a timely fashion preserve some stability in the basic housing finance mortgage markets of this country.

Mr. McKINNEY. Further reserving the right to object, Mr. Speaker, I thank the chairman of the subcommittee for his explanation, and I yield to the ranking member of the full committee, the gentleman from Ohio [Mr. WYLIE].

Mr. WYLIE. Mr. Speaker, I thank the gentleman from Connecticut for yielding.

I am pleased to support House Joint Resolution 563 legislation to extend certain insuring authorities relating to programs that fall under the jurisdiction of the Banking Committee. These authorities are due to expire next Monday and the resolution would extend them until April 30.

As mentioned by the gentleman from Texas [Mr. GONZALEZ], the primary authority that is extended is the insuring authority for FHA programs at the Department of Housing and Urban Development. In addition, the resolution would also extend certain housing programs under the jurisdiction of the Farmers Home Administration and the Flood and Crime Insurance Programs of the Federal Insurance Administration.

Mr. Speaker, I support limiting this extension to April 30 because I hope we will be able to enact the annual housing authorization bill during the interim. I know the Members have heard that statement before but I believe I can sense a new spirit of negotiation and compromise on the part of all parties.

I support extending the authority for all the programs mentioned even though I do not support the reauthorization of the Crime Insurance Program. That issue, however, can best be dealt with in connection with the regular housing authorization legislation.

In the meantime, we will be assuring that these important insuring authorities will continue without a break in service. This is especially important at this time of the year for the FHA Insurance Program. Housing activity is especially strong. With interest rates down many first-time home buyers are getting ready to purchase their first home. This segment of our society is a big user of the FHA program. It must be available when they need it.

Mr. Speaker, I urge adoption of House Joint Resolution 563.

Mr. McKINNEY. Further reserving the right to object, Mr. Speaker, I just would like to say that the less damage we do to the secondary market, the more the red machine can produce thread and I think by having this action in time we are moving ahead in getting it done.

Furthermore, as an Irishman in the House of Representatives of the United States of America, I would like to remind everybody that Monday is St. Patrick's Day and that is a very sad day to have anything expire, except those individuals enjoying green beer and good spirits.

Mr. Speaker, I have a feeling that we want to hear from the gentleman from Pennsylvania and I yield to the gentleman.

Mr. WALKER. Mr. Speaker, I just wanted to make certain that we have no problems with Gramm-Rudman, no budgetary problems at all by taking this action in this way. We are not using unanimous consent, for instance, to get around any kind of waiver provisions; is that correct?

Mr. McKINNEY. This particular movement today should give the gentleman a sense of deja vu. I think it is, because we have done it and this will be the fourth time. It is a simple extension, no complications, no problems, no hidden nuances, and the chairman of the subcommittee, the ranking member of the subcommittee, and the full ranking member will then go back into their little hot box and wax poetic on a housing bill which hopefully by the end of April will arrive here.

Mr. WALKER. Mr. Speaker, I thank the gentleman.

Mr. McKINNEY. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 563

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF FEDERAL HOUSING ADMINISTRATION MORTGAGE INSURANCE PROGRAMS.

(a) TITLE I INSURANCE.—Section 2(a) of the National Housing Act is amended by striking out "March 17, 1986" in the first sentence and inserting in lieu thereof "April 30, 1986".

(b) GENERAL INSURANCE.—Section 217 of the National Housing Act is amended by striking out "March 17, 1986" and inserting in lieu thereof "April 30, 1986".

(c) LOW AND MODERATE INCOME HOUSING INSURANCE.—Section 221(f) of the National Housing Act is amended by striking out "March 17, 1986" in the fifth sentence and inserting in lieu thereof "April 30, 1986".

(d) SECTION 235 HOMEOWNERSHIP.—

(1) ASSISTANCE PAYMENTS AUTHORITY.—Section 235(h)(1) of the National Housing Act is amended by striking out "March 17, 1986" in the last sentence and inserting in lieu thereof "April 30, 1986".

(2) INSURANCE AUTHORITY.—Section 235(m) of the National Housing Act is amended by striking out "March 17, 1986" and inserting in lieu thereof "April 30, 1986".

(3) HOUSING STIMULUS AUTHORITY.—Section 235(q)(1) of the National Housing Act is amended by striking out "March 17, 1986" in the last sentence and inserting in lieu thereof "April 30, 1986".

(e) CO-INSURANCE.—

(1) GENERAL AUTHORITY.—Section 244(d) of the National Housing Act is amended by striking out "March 17, 1986" and inserting in lieu thereof "April 30, 1986".

(2) RENTAL REHABILITATION AND DEVELOPMENT PROJECTS.—Section 244(h) of the National Housing Act is amended by striking out "March 17, 1986" in the last sentence and inserting in lieu thereof "April 30, 1986".

(f) GRADUATED PAYMENT AND INDEXED MORTGAGE INSURANCE.—Section 245(a) of the National Housing Act is amended by striking out "March 17, 1986" in the last sentence and inserting in lieu thereof "April 30, 1986".

(g) REINSURANCE CONTRACTS.—Section 249(a) of the National Housing Act is amended by striking out "March 17, 1986" in the second sentence and inserting in lieu thereof "April 30, 1986".

(h) LIMITATION ON INSURANCE COMMITMENTS.—Section 531 of the National Housing Act is amended to read as follows:

"LIMITATION ON COMMITMENTS TO INSURE LOANS AND MORTGAGES

"SEC. 531. The authority of the Secretary to enter into commitments to insure loans and mortgages under this Act shall be effective for fiscal year 1986 only to such extent or in such amounts as are or have been provided in appropriation Acts for such fiscal year.".

(i) ARMED SERVICES HOUSING INSURANCE.—

(1) CIVILIAN EMPLOYEES OF ARMED FORCES.—Section 809(f) of the National Housing Act is amended by striking out "March 17, 1986" in the last sentence and inserting in lieu thereof "April 30, 1986".

(2) DEFENSE HOUSING FOR IMPACTED AREAS.—Section 810(k) of the National Housing Act is amended by striking out "March 17, 1986" in the last sentence and inserting in lieu thereof "April 30, 1986".

(j) LAND DEVELOPMENT INSURANCE.—Section 1002(a) of the National Housing Act is amended by striking out "March 17, 1986" in the last sentence and inserting in lieu thereof "April 30, 1986".

(k) GROUP PRACTICE FACILITIES INSURANCE.—Section 1101(a) of the National Housing Act is amended by striking out "March 17, 1986" in the last sentence and inserting in lieu thereof "April 30, 1986".

SEC. 2. EXTENSION OF REHABILITATION LOAN AUTHORITY.

Section 312(h) of the Housing Act of 1964 is amended by striking out "March 17, 1986" in the last sentence and inserting in lieu thereof "April 30, 1986".

SEC. 3. EXTENSION OF RURAL HOUSING AUTHORITIES.

(a) RENTAL HOUSING LOAN AUTHORITY.—Section 515(b)(4) of the Housing Act of 1949 is amended by striking out "March 17, 1986" in the last sentence and inserting in lieu thereof "April 30, 1986".

(b) RURAL AREA CLASSIFICATION.—Section 520 of the Housing Act of 1949 is amended by striking out "March 17, 1986" in the last sentence and inserting in lieu thereof "April 30, 1986".

(c) MUTUAL AND SELF-HELP HOUSING GRANT AND LOAN AUTHORITY.—Section 523(f) of the Housing Act of 1949 is amended by striking out "March 17, 1986" and inserting in lieu thereof "April 30, 1986".

SEC. 4. EXTENSION OF FLOOD AND CRIME INSURANCE PROGRAMS.

(a) FLOOD INSURANCE.—

(1) GENERAL AUTHORITY.—Section 1319 of the National Flood Insurance Act of 1968 is amended by striking out "March 17, 1986" and inserting in lieu thereof "April 30, 1986".

(2) EMERGENCY IMPLEMENTATION.—Section 1336(a) of the National Flood Insurance Act of 1968 is amended by striking out "March 17, 1986" and inserting in lieu thereof "April 30, 1986".

(3) ESTABLISHMENT OF FLOOD-RISK ZONES.—Section 1360(a)(2) of the National Flood Insurance Act of 1968 is amended by striking out "March 17, 1986" and inserting in lieu thereof "April 30, 1986".

(b) CRIME INSURANCE.—Section 1201(b)(1) of the National Housing Act is amended by striking out "March 17, 1986" in the matter preceding subparagraph (A) and inserting in lieu thereof "April 30, 1986".

SEC. 5. MISCELLANEOUS EXTENSIONS.

(a) COMMUNITY DEVELOPMENT BLOCK GRANT CLASSIFICATIONS.—

(1) METROPOLITAN CITY.—Section 102(a)(4) of the Housing and Community Development Act of 1974 is amended by striking out "March 17, 1986" in the second sentence and inserting in lieu thereof "April 30, 1986".

(2) URBAN COUNTY.—Section 102(a)(6) of the Housing and Community Development Act of 1974 is amended by striking out "March 17, 1986" in the second sentence and inserting in lieu thereof "April 30, 1986".

(b) SECTION 202 INTEREST RATE LIMITATION.—Section 223(a)(2) of the Housing and Urban-Rural Recovery Act of 1983 is amended by striking out "March 17, 1986" and inserting in lieu thereof "April 30, 1986".

(c) HOME MORTGAGE DISCLOSURE ACT OF 1975.—Section 312 of the Home Mortgage Disclosure Act of 1975 is amended by striking out "March 17, 1986" and inserting in lieu thereof "April 30, 1986".

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THREE NEW RESCISSION PROPOSALS, SIX NEW DEFERRALS OF BUDGET AUTHORITY, AND FIVE REVISED DEFERRALS OF BUDGET AUTHORITY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-180)

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed:

(For message, see proceedings of the Senate of today, Wednesday, March 12, 1986.)

EMPLOYEE POLYGRAPH PROTECTION ACT OF 1985

The SPEAKER pro tempore. Pursuant to House Resolution 337 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1524.

□ 1545

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1524) to prevent the denial of employment opportunities by prohibiting the use of lie detectors by employers involved in or affecting interstate commerce, with Mr. GONZALEZ in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from California [Mr. MARTINEZ] will be recognized for 30 minutes and the gentleman from Vermont [Mr. JEFFORDS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. MARTINEZ].

Mr. MARTINEZ. Mr. Chairman, I yield myself as much time as I may consume.

Mr. Chairman, I rise in support of H.R. 1524, the Employee Polygraph Protection Act, which passed out of my subcommittee and the Education and Labor Committee.

The use of polygraphs has multiplied in the private workplace, and 80 percent of its use has been for the screening of job applicants. Yet, in testimony before my subcommittee by victims of the polygraph, by reformed former polygraphers, by researchers, and by civil liberties and labor groups, we have seen how the polygraph machine is an unreliable tool for detecting truth and dishonesty.

The polygraph machine is basically a machine which measures body temperature, blood pressure, and blood pulse levels to detect stress during questioning by polygraphers. We all know that stress can result from any number of stimuli, including being investigated or accused falsely of wrongdoing.

In addition, the polygrapher plays judge, jury, and God in determining a worker's fate for all future jobs. No one reviews or second guesses a polygrapher's findings, and polygraphers often boast of never having failed to get their man or woman. Merely regulating polygraphers by licensing or requiring bachelor of arts degrees only elevates a voodoo craft into a science.

This bill will prohibit the use of polygraphers in the work force, with exceptions given to the Government sector and in case of national security

and the drug industry for people who have access to dangerous drugs. Government bodies will continue to be able to use the polygraph machines for police investigations.

This bill is important, because it protects worker's rights to privacy, to due process, and to the presumption of innocence until some degree of evidence proves them guilty of alleged wrong acts. It is important to emphasize that all courts of law prohibit the use of polygraphs in court as evidence unless stipulated by the parties. In addition, the American Psychological Association opposes the use of polygraphs as a scientifically reliable lie detector instrument.

Employers would be better off if sound auditing and personnel screening practices would be employed which would truly determine the fitness of an individual for employment or continued employment.

Mr. JEFFORDS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, polygraphs have become a big business. An estimated 2 million polygraph examinations are administered each year. Millions of employees have been, and continue to be, judged on the basis of these examinations. Thousands of employers use them for one purpose or another. Yet neither they nor we know for certain how accurate these tests really are. That uncertainty alone was enough to convince me not to cosponsor the bill before us. I did so because I wanted to take a good, hard look at this legislation and the issues it addresses.

The validity of polygraphs was the subject of a 1983 study by the Office of Technology Assessment which found estimates of accuracy ranging from 64 to 98 percent. Overall, OTA found that when used in criminal investigations, polygraphs work better than chance, but have error rates that could be considered significant.

Unfortunately, most studies ascribing high rates of accuracy to polygraphs have been conducted by polygraphers themselves. Asking them to gauge their own validity is a little like asking me to analyze the correctness of my voting record. In both cases, the answer is near perfect. Studies by people who do not make their living from polygraphs have found a substantially lower rate of accuracy.

Some businesses, of course, have testifed that polygraphs are essential to combating theft in the workplace. They maintain that polygraphs are useful in both preemployment screening and in the investigation of a particular incident. Other businesses, however, argue that polygraphs are not useful; that they are not accurate and even counterproductive. These employers have found that if you don't put some trust in your employees, they may do their best to merit your mistrust.

With business divided and science unsure, what should our approach be? Mixed reviews are nothing new to polygraphs, dating back to at least the beginning of this century. Although Congress has confronted the issue only in the past two decades, the courts have been facing it for a good deal longer.

In the leading case on the admissability of polygraphs, *Frye* v. *U.S.*, (CA DC; 293 F. 1013, 12/3/23), a unanimous U.S. Court of Appeals for the District of Columbia rejected the defendant's attempt to introduce the results of a lie detector test. As the court noted, the theory underlying the lie detector "seems to be that the truth is spontaneous, and comes without conscious effort, while the utterance of falsehood requires a conscious effort, which is reflected in blood pressure." In ruling against the admissability of the lie detector, the court wrote that:

> Just when a scientific principle or discovery crosses the line between the experimental and demonstrable stages is difficult to define. Somewhere in this twilight zone the evidential force of a principle must be recognized, and while the courts will go a long way in admitting expert testimony deduced from a well-recognized scientific principle or discovery, the thing from which the deduction is made must be sufficiently established to have gained general acceptance in the particular field in which it belongs.
>
> We think the systolic blood pressure deception test has not yet gained such standing and scientific recognition among physiological and phychological authorities as would justify the courts in admitting expert testimony deduced from the discovery, development and experiments thus far made.

That decision was rendered over 60 years ago. Does it still hold true? Have polygraphs crossed the line to scientific acceptance?

To be accurate, the instrument discussed in the Frye case apparently only measured blood pressure, whereas today's polygraph also measures breathing and sweating. Despite the addition of these indicia, however, psychological authorities have not improved their opinion of the polygraph.

In fact, a month and a half ago, the American Psychological Association adopted a resolution stating that the evidence of polygraphs' validity remains unsatisfactory, and is particularly poor for employment screening and in dealing with victims of crime. The resolution also warned against the potential for great damage to the innocent people who will be labeled as liars by the polygraph.

Some courts have permitted the introduction of polygraph results, typically with a written agreement by both parties in advance of the examination. However, most courts continue to adhere to the approach in the Frye decision, rejecting the introduction of polygraphs as evidence. Even the Justice Department, which objects to this legislation, opposes the use of polygraph results in criminal trials.

But if the use of polygraphs is generally prohibited by our courts, does it follow that employers should be bound by the same rules? Not necessarily. A personnel office is obviously not a court of law.

However, I do not think that an employee has to leave his or her rights outside the personnel office door, either. Leaving aside the issues of accuracy and admissibility for the moment, what is the personal impact of the polygraph exam?

I don't think there is any question but that polygraphs are intimidating and humiliating. And if they do not actually violate an individual's rights to speech, privacy, and freedom from self-incrimination, they sure come close. The fundamental principles of the Constitution's first, fourth, and fifth amendments are not advanced by the polygraph—in fact, quite the opposite. Yet 2 million people every year are asked to take these tests.

I think all of us have been preaching the virtues of cooperation between labor and management. I know I have, telling business and unions alike that we cannot afford to waste our time, energy, and resources on disputes, and that we must work more as a team, where risks and rewards are shared. Do polygraphs have any place in this drive for labor-management cooperation? The question answers itself. Of course they do not. A workplace run on fear will run fearfully.

But let's bring the issue a little closer to home. Suppose during your reelection campaign this October, your opponent asks you to take a polygraph. You know that it might be 90 percent accurate, or it might be right only 60 percent of the time. Would you take it? Or would you protest that you had done nothing wrong? If you would take it, then by all means oppose this bill. If you wouldn't risk your career on a 10- to 40-percent chance of error, then don't ask 2 million other Americans to take that same risk.

I urge you to join me in opposing the Young-Darden substitute and voting for H.R. 1524.

□ 1555

Mr. MARTINEZ. Mr. Chairman, I yield 5 minutes to the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. I thank the gentleman for yielding this time to me.

My colleagues, this is not a bill to ban the use of lie detectors in America. The purpose of this bill is to limit the epidemic growth of lie detector, polygraph, testing in the workplace. The American Polygraph Association estimates that last year more than 2 million lie detector tests were given. By the way, that number of tests has

tripled—tripled—in just the past 10 years.

When Americans hear that last year we gave 2 million lie detector tests, they automatically assume that those tests are being given by the FBI or the CIA or your local police, but the fact is that 98 percent of those 2 million tests were given by private business, and approximately three-quarters of these tests are given for preemployment testing, while the other one-fourth are used for investigations of possible wrongdoing of workers.

This legislation is moderate. It does not place a total ban on the use of lie detectors. It does halt the epidemic growth in them. The bill protects workers who are wrongfully denied employment and whose careers are devastated based on the results of these questionable tests. In fact, tens of thousands of workers are wrongfully denied employment every year, because of the demonstrated and inherent inaccuracies of both these lie detector gadgets and the people who operate them.

Through the years, States have made sporadic efforts to control the use of this gadget. Today, 31 States and the District of Columbia have passed legislation affecting their use in the private work force. However, these separate laws have not proven effective. In fact, they have, ironically, given a false sense of security that the gadget works, and thus, once a State regulates the gadget, the use of the gadget explodes.

Often employers undermine State law by pressuring employees and jobseekers into "volunteering" to take a test even when the State law prohibits requiring or requesting an examination. In States that completely ban the use of lie detectors, employers may avoid the law by hiring in a neighboring State which permits examination and then transferring the employee into the State where such testing is prohibited. It is clear now that State regulation has been perceived as a "seal of approval" on the gadget, thus resulting in the explosive, epidemic rise to 20 million lie detector tests on American citizens each year.

Our criminal justice system presumes that an individual is innocent until proven guilty. The polygraph abuses that principle because it requires one to prove one's innocence. The courts in this country refuse to admit, in most instances, polygraph results as evidence in trials because of the documented inaccuracies of these gadgets and because they, in effect, require testifying against oneself.

Is it not sadly ironic, my colleagues, that criminals are protected from having to take the lie detector examination, but America's workers are not?

This bill is moderate. It does not ban polygraphs. It fully respects the previous decisions of this Congress to allow careful, limited, and specific use of lie detectors by the Federal Government in matters pertaining to our national security and public health.

Likewise, this bill provides cautious exemptions for those private businesses that directly impact on our national security or public health. We will be accepting amendments to provide other exemptions regarding dangerous drugs, security guards, and the protection of electric and nuclear powerplants and public transportation.

We will accept those amendments because they are a matter of protecting the national health and safety.

A bipartisan group of 168 Members of the House has joined me in cosponsoring this legislation. A companion bill to H.R. 1524 has been introduced in the Senate, S. 1815, by Chairman ORRIN HATCH and ranking member Senator EDWARD KENNEDY.

Mr. JEFFORDS. Mr. Chairman, I yield 5 minutes to the gentleman from Connecticut [Mr. MCKINNEY].

Mr. MCKINNEY. I thank the gentleman for yielding this time to me.

Mr. Chairman, quite some time ago a former colleague in this body left to become the mayor of the city of New York, and he handed me a bill, several of them in fact. One of them was a bill prohibiting the use of the polygraph in private employment screening and testing, and for private employees.

Since that time, the bill has led a many-checkered life in this body and is now in front of us, and I hope it passes.

We are talking about a basic point of civil rights when it comes to the polygraph. What amazes me is the fact that we are talking about it at a time when there is more and more doubt cast upon the very efficacy of this method of telling whether or not, in fact, someone is lying.

We have private employers throughout the country using the test in a way that it was never meant to be used, to find out the sexual proclivity, the marital status, the financial problems of individuals, for which they have no right to ask questions or to invade a human being's privacy.

In this day and age, this bill does not just simply become a matter of the lie detector and its ill use. It really becomes a matter of, sooner or later, we have to stop through electronic methods violating the civil rights and the privacy of the American citizens.

Almost every day that one picks up the newspaper, there is another way found to invade that human privacy; there is another requirement set up. And although I certainly am not going to argue the condition of drug tests or anything else, I am going to state that it has been proven that the lie detector is not an accurate test.

We have the U.S. Department of Justice, of all places, in 1976 testifying versus the reliability of polygraph tests and recommending not using polygraph evidence in criminal trials. The President's Privacy Protection Study Commission, established in 1974 under a Republican administration, concluded that the use of polygraphs is an unreasonable invasion of privacy that should be proscribed. The Congressional Office of Technology Assessment, in a 1983 study of the scientific validity of polygraph testing, concluded there is no scientific evidence to establish the validity of polygraph testing for screening a large number of people.

In other words, Mr. Chairman, what we are doing today is simply protecting the American people within the privacy of their lives from the interference of their employers. There is nothing within this bill that affects Federal employees. I wish it did. There is nothing in this bill that affects State employees. I wish it did. There is nothing in this bill that will exempt certain people from its protection if, in fact, they work for the defense industry or are contracted with by the Defense Department.

The bill is a basic, minimum statement of private and individual privacy and civil rights and deserves to pass. It was interesting, Mr. Chairman, and it may be interesting for the audience to realize that on a television show a "lie detector test" being given to someone who had never had one before, who was not asking for a single thing, who had nothing to hide, and the questions were innocuous, that by tightening certain muscles of the human body they could send the machine into paroxysms of misreadings.

This is the machine we are talking about, and to put people in fear of its application, in fear of their livelihood and job, in fear of their future relations with other people because of this test, is to me a total, complete and absolute violation of everything this country stands for.

I urge my colleagues to support the bill as passed out by the committee. It is the minimum standard we can get through to eliminate once and for all the private, unspecific, uncontrolled use of what I consider a machine that is itself, the big liar.

□ 1605

Mr. MARTINEZ. Mr. Chairman, I yield 2 minutes to the gentleman from Missouri [Mr. GEPHARDT].

Mr. GEPHARDT. Mr. Chairman, I rise today in support of H.R. 1524, a measure which, in my opinion, is an important step to ensure that tens of thousands of workers are no longer wrongfully denied employment.

Over the last 10 years, the number of polygraph tests given in the workplace has tripled to the point that now more than 2 million tests are given each year. Approximately three-quar-

ters of these tests are given for preemployment purposes, while the other one-quarter is used for the investigation of workers.

Unfortunately, the lie detector is an unreliable instrument. In fact, the courts refuse to admit the results of lie detector tests as evidence because of the documented inaccuracies of these gadgets. As Pat Williams pointed out, "It is sadly ironic that criminals are protected from polygraphs while American workers are not."

The bill doesn't totally ban the use of lie detectors, but it does stem the tide of their increasing use. The bill protects workers who are wrongfully denied employment by providing a heightened threshold of worker protection which States may exceed but may not fall below.

These inaccurate instruments simply shouldn't be allowed to regulate the workplace. The Office of Technology Assessment in 1983 indicated there was some evidence for polygraph validity in criminal investigations, but little evidence of validity in screening situations, whether they be preemployment, preclearance, periodic or aperiodic, random or dragnet. In fact, the agency said, error rates in preemployment polygraph screening could be as high as 50 percent.

This is a bill whose time has come—it deserves our support.

Mr. JEFFORDS. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. Mr. Chairman, as the ranking minority member on the Employment Opportunities Subcommittee which has jurisdiction over this legislation, I have had the opportunity to attend all of the hearings, to study the issue, and to try to arrive at some conclusions. I am here to suggest to you today that my conclusion is perhaps one of frustration with all of those options which have been presented before us.

I think if there is one tragedy in the whole labor management area of the 99th Congress, it is that we have resorted to the extremes, one extreme or the other, whether it be plant-closing legislation or whether it be polygraph legislation, or I suspect some other similar bills which may come down before this Congress in the future. We have apparently decided to abandon any efforts to achieve a reasonable consensus or reasonable middle ground.

I would like to suggest that there are three different concepts that ought to be considered when looking at this legislation, and those would be the issues of consistency, accuracy, and discrimination.

First and foremost is the issue of consistency. The legislation before us today, whether it be the bill from my friend and distinguished colleague on the committee, the gentleman from Montana [Mr. WILLIAMS], or whether it be the substitute that would be offered, I think both lack in the area of consistency. I have to tell you I have real problems. I have real problems going home to western Wisconsin and saying to the people in my home town of Osseo that the city clerk in that small community of 1,500 people and other city employees can all be required to take a lie detector test, but no one in the private business sector in town can use a similar means to deal with potential crime. I have real problems with consistency that says it is OK to use a polygraph, it is reliable enough to use a polygraph for national security, but it is not a reliable enough tool to use in the Ben Franklin Store. That seems to me to be very inconsistent, lacking some kind of consistent public policy.

The second question is one of accuracy, because, despite my concerns over consistency, I have similar problems with the accuracy of the polygraph as an instrument. It is clear in study after study that the polygraph is not a reliable tool.

Let me quote for you just a second from the committee report where it says:

For more than 20 years the Congress has been interested in the validity of these tests and every study done since 1983 for the U.S. Congress has found that there is no scientific basis for polygraphs as lie detectors.

The third issue that I bring to this Congress is the whole issue of discrimination, because I think we ought to be concerned about discrimination against potential employees. That is exactly what happens when you use the polygraph in the screening process when it is an unreliable tool. But I think also we must recognize when we are looking at discrimination that if our effort is one of eliminating discrimination in employee screening, that we then also ought to be in front of this Congress today and in the well of the House dealing with such issues as the usual interviews, as written tests and as references, because I would suggest to you that all of those three preemployment screening tools discriminate in other ways, sometimes just as much against a potential employee as does the polygraph.

Certainly, tools such as the polygraph have a need in this country. They are needed simply because when you look at the realities of business and industry in this country in the high risk industries, they need to have every possible opportunity to try to deal with the potentials for theft and fraud and abuse which occur.

Second, we must recognize that there is something like $10 billion a year in employee theft that occurs in the U.S. retailing industry alone. That is something that is a legitimate concern of America's private sector.

Third, in the area of drugs and controlled substances, there are approximately 10,000 drug-related thefts a year reported to the Drug Enforcement Agency; 15 percent of those come from employee theft.

On the other hand, I think we need to recognize that, while there may be a role and a need for the polygraph, there certainly are some major problems with the use of the polygraph. The validity of the polygraph is absolutely questioned I think by almost everyone. The little research which has been done on its accuracy is inconclusive, but that which is there would suggest that clearly it is not a reliable instrument.

We have problems with poorly trained examiners. We have major problems with irrelevant questions that are being asked. Further, outside factors such as stress, physical movement, the type of individual tested, length and depth of the test, and training and prejudices of the examiner, to name a few, can substantially affect the exam's results, particularly in preemployment screening.

Mr. Chairman, what then is the proper role of the Federal Government in providing a consistent policy which is fair to the business but at the same time protects current and prospective workers from inaccuracies and subsequent discrimination from faulty polygraph exams? I do feel that the Federal Government must do something to regulate and restrict the use of such questionable tools; however, I am concerned that an across-the-board ban of polygraph testing in the private sector workplace as provided for in H.R. 1524 would result in an unfair disadvantage for many private employers. On the other hand, the regulatory approach as proposed by Representatives YOUNG and DARDEN in H.R. 3916 would not provide sufficient protection.

For this reason, I prepared a substitute to H.R. 1524 that would uphold the provisions of the bill which prohibit polygraph testing for preemployment screening, and which would prohibit periodic testing of current employees for no identifiable cause. But, my substitute would allow private employers to use the polygraph as an investigative tool in the event of substantial employee theft, embezzlement, misappropriation of funds, or industrial espionage.

This substitute would also allow employers to make use of the polygraph for investigative purposes in the event that a crime has occurred which threatens public safety or results in substantial property damage. Retaining the language in H.R. 1524 that would allow for testing upon the theft or diversion of controlled substances, my alternative measure would also allow for preemployment screening for those employees who would have access to such controlled substances in their future employment. Finally, the amendment would exempt government agencies, public utilities facilities, and security services companies from the restrictions of the act—except for certain basic employee protection provisions that apply throughout.

There would, however, be restrictions placed upon polygraph testing as allowed by this substitute. No. 1, the use of the polygraph for investigative purposes would only be allowed if such testing is consistent with applicable State and local law and with any negotiated collective-bargaining agreement that explicitly or implicitly limits or prohibits the use of such lie detector exams. Second, polygraph tests would only be allowed to be administered to employees who have had access to stolen property or to facilities, items, individuals against which the crime occurred, or who are under reasonable suspicion. Last, the crime in question would have to be reported to an appropriate law enforcement agency before such polygraph testing would be allowed.

Other provisions of my substitute include certain protections for employees requested to take polygraph examinations as provided for under the act, such as restrictions on questions to be asked, a provision that examinees be provided copies of test results upon request, and that future employment decisions now be based solely on the results of the polygraph exam. Penalties under this substitute would be the same as those provided for under H.R. 1524 for violators of the act, although, the substitute if enacted would not preempt any State law which provides more restrictive protections on polygraph testing.

Unfortunately, in discussing this approach with my colleagues, I did not find that my substitute would meet with adequate support during today's consideration of the polygraph protection legislation to justify pursuit of its passage. Therefore, I have decided against offering it here today, although I continue to feel this alternative to be preferable.

Studies prove that the polygraph is much more accurate when used as an investigative tool as opposed to an employment screening mechanism. While this alternative would not have totally banned the use of the polygraph in the private sector—it would have restricted its use to that of an investigative tool—to be used only when cause is shown.

Many proponents of preemployment and less restrictive testing of current employees may have argued that this approach would be like "locking the barn door after the horse has already gotten out," but I disagree. While such testing would occur only after a theft or other crime had occurred—the fact that it would be an allowable tool—would have served to discourage employees from initially indulging in crimes.

In closing, let me just remind everyone that the majority of employees are very honest, upstanding individuals. I would still have concerns over the use of the polygraph even under the restricted circumstances provided for under my proposed substitute due to the test's questionable accuracy. However, this approach would have provided businesses with some form of protection against high losses due to employee crime—another tool that if used properly could have aided in prevention of such activities, while still restricting its use.

I continue to maintain that other forms of investigations and employee screening are much preferable to the use of the polygraph exam; this alternative would have just provided what I feel to be a more reasonable position for the Federal Government to take in protection against unfair polygraph examinations in the workplace than is found under H.R. 1524 or H.R. 3916.

Mr. MARTINEZ. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Thank you, Mr. Chairman, for the time and the opportunity to speak out on this issue. I want to start out by commending the sponsor, the gentleman from Montana, Mr. PAT WILLIAMS, on his legislation and the intent and the content of that legislation. Mr. Chairman, I commend you also for bringing these issues to the floor and fighting so hard to maintain rights.

Mr. Chairman, this is not a conservative issue; this is not a liberal issue; This is not an employment issue, this is not a crime issue. This is a rights issue.

If an individual in America was accused of murder, of killing four people, and perhaps maybe even was seen with a gun smoking in his hands, he could hide behind his rights and refuse to take a polygraph, and either way that polygraph could not be used against him. Imagine the American people that have a 20-year-old daughter that is out to be hired for a job. She is not accused of committing any crime, but she has to go in and as one of the employment screening devices she is going to be subjected to a polygraph test.

My God, it is a wonder why we even need this type of legislation to protect rights when this administration is attempting to turn back the clock. I honest to God believe that this is not necessary to vote on. This is a common sense issue and a rights issue.

□ 1615

For all of those people out there that are saying we must protect America's national security, be advised the bill exempts all Government employers; Federal, State and local. Second of all, it exempts any private contractor doing business related to intelligence or counterintelligence with either the CIA, the National Security Agency, or the FBI.

In addition, this bill allows the use of lie detector tests by private contractors dealing with Defense Department counterintelligence functions.

Finally, the bill also allows employers to administer a polygraph to any employee with direct access to controlled substances when those substances have been reported stolen to the Drug Enforcement Administration.

Let me say one other thing: The measure requires the Labor Department to prepare, print, and distribute notices to employers on the protections that this act provides.

This act, this bill, makes the rights of the average American in the workplace more secure. It does not turn back the clock. So when you hear all of this debate, the American people could recognize the fact that this is not conservative versus liberal; this is not Democrat versus Republican; this is not an employment process; this is not a crime process. This is a rights issue, and that is what separates us from the rest of the planet. Any other person in any other government; they do not enjoy those rights and we cannot let precedent turn back that clock.

So I am asking every Member here to support Mr. WILLIAMS' bill, to have an overwhelming vote for rights in this country; and, finally to oppose the, measure and the substitute being brought by Darden-Young.

Mr. JEFFORDS. Mr. Chairman, I yield 4 minutes to the gentleman from Louisiana [Mr. LIVINGSTON].

Mr. LIVINGSTON. Mr. Chairman, after serving more than 6 years as a prosecutor in Louisiana I have extensive experience using the polygraph exam. It proved to be a valuable investigative tool in my work as deputy chief of the criminal division in the U.S. attorney's office, as chief special prosecutor for the local district attorney's office, and as chief prosecutor for the organized crime unit of the Louisiana attorney general's office.

I voted with 332 of my colleagues in favor of legislation introduced by BILL YOUNG of Florida to expand the use of polygraph testing by Federal intelligence agencies so that they can better protect our national security. I believe that it would be a terrible mistake for the House to approve the use of the polygraph for the Government while prohibiting it for the private sector.

We've passed hundreds of bills requiring business to protect the health and welfare of their customers, and we hold them liable in court if they don't. But, if we pass H.R. 1524, what we are really doing is stripping many businesses of an important tool they need to protect the public.

For example, up to a million doses of legal drugs vanish from drug company inventories each year. These drugs have the potential to kill or cripple their users. By denying these companies the use of the polygraph, you kill a valuable tool they need to protect their inventories from thieves. Child care centers, nuclear facilities, and banks are just a few examples of the hundreds of other businesses that entrust their customers' health, welfare, and resources to their employees. These businesses need the polygraph to help them hire honest, competent people and to help find out when thefts and abuses occur.

When a certain retailer in my district stopped using his polygraph

screening process, thefts went up so dramatically that he was forced to reinstitute it immediately. We all know that the cost of employee and customer theft in the retail business is ultimately passed on to the consumer, so a vote for this bill is a vote for higher retail prices.

The polygraph's accuracy has been shown in study after study to be between 85 to 95 percent. This is why we want our intelligence-gathering agencies to use it. In Louisiana, there were numerous instances in which we used the polygraph to help us in our criminal investigations.

In the space of 6 years during which I served in law enforcement, I can truthfully say that I never experienced any doubt in the usefulness of the polygraph. In fact, in several instances charges were actually dropped because of a defendant's performance on a polygraph. So the polygraph not only helps in catching crooks, but often it clears innocent people.

For all of this, just as polygraph results are inadmissible as evidence in court, I do not believe that employers should use the test results as the sole criterion in making a decision about an employee. This is also the opinion of most polygraph examiners and of the American Polygraph Association.

It is in everyone's interest that polygraph results be as accurate as possible. In a number of States, Louisiana among them, laws have been passed which establish guidelines for training and licensing of polygraph examiners, set requirements for the equipment used in the test, and institute protections for the rights of those taking the exam. This is why I am a cosponsor of H.R. 3916, introduced by Mr. YOUNG and Mr. DARDEN, which will be offered as a substitute to H.R. 1524.

Although I really fail to see any purpose in the Federal Government's involvement in this area at all, it would be better to pass legislation modeled on current State law requirements than to simply outlaw the use of the polygraph in the private sector. I believe that it is important that businesses continue to have the tools they need to protect the public's interests. The polygraph is one of these tools, and I urge the House to reject H.R. 1524.

Mr. JEFFORDS. Mr. Chairman, I yield myself such time as I may consume to bring to the attention of the body that the administration is opposed to the substitute and to the bill.

Mr. Chairman, I reserve the balance of my time.

Mr. MARTINEZ. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. BROOKS].

Mr. BROOKS. Mr. Chairman, I rise in strong support of H.R. 1524—the Employee Protection Act of 1985. This bill will eliminate the widespread and growing use of so-called lie detector tests as a condition of employment in America. It will not block their use by law enforcement agencies for actual investigations. Rather, it is aimed at stopping the growing abuse of polygraph use when private employers force their employees to take such tests as a condition of employment even though they are not even suspected of any wrongdoing. This practice is un-American—it assumes everyone to be guilty until they prove their innocence.

My views on polygraphs have been developed over many years, as a member of the House Government Operations Committee. This committee has overseen the Government's polygraph programs since the early 1960's, and has strongly recommended against the use of polygraphs for screening in the Federal Government in four reports.

Last year, the Office of Technology Assessment surveyed the scientific literature on polygraph validity for the Government Operations Committee. In its report, the OTA concluded that there was no scientifically acceptable study to support the use of polygraphs for screening purposes, and that any validity that the polygraph test may have for specific incident use would likely decrease dramatically in a screening context.

OTA found that coercing persons to take a polygraph test would affect validity negatively. By its nature, screening as a condition of employment is extremely coercive.

Since OTA's study, many proponents of polygraph use have backed away from their claims of high polygraph validity. Instead, they argue the concept of utility. They point to numerous instances when the polygraph exam or the threat of the exam, has been useful in eliciting important information or even confessions.

We should not confuse validity with utility. There is no question that the polygraph can be a very intimidating tool and may have some utility in that regard, just as the dunking stool, the rack, and the firing squad have had in past centuries. As former President Nixon says about polygraphs, "I don't know how accurate they are, but I do know that they'll scare the hell out of people."

This elaborate con operation should not be allowed to be institutionalized as a feature of our Nation's workplace. It is inherently offensive to American concepts of justice.

Last month, the world's largest association of psychologists condemned the widespread use of polygraph tests for screening purposes. The American Psychological Association concluded that conducting such tests by psychologists would be unethical. The group found the scientific evidence regarding the validity of polygraphing to be "unsatisfactory and particularly poor concerning polygraph use in employment screening." They recognized the "great damage to the innocent persons who must inevitably be labeled as deceptors" in such screening situations.

We should not allow passing some bogus lie detector test to become a condition of employment in this country. I urge you to vote for H.R. 1524.

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I want to take this time to commend the gentleman from Montana [Mr. WILLIAMS] and his committee for their outstanding work in bringing this legislation to the floor, backed up as they were by substantial support from the Republicans and from a bipartisan staff that is truly outstanding.

Mr. JEFFORDS. Mr. Chairman, I yield 4 minutes to the gentleman from New York [Mr. KEMP].

Mr. KEMP. I thank the gentleman for yielding.

I thank my colleague from Vermont and commend him and the gentleman from Montana [Mr. WILLIAMS] for their work in bringing this bill, which I consider to be an important piece of legislation, to the floor. There is no doubt that there are many honest and well-meaning employers who see this as a necessary mechanism by which to screen applicants for jobs, and investigate cases of wrongdoing. I do not deny that. I think there are well-meaning men and women on both sides of this issue, but there is a civil rights consideration that has to be made in this debate and it is one that I feel compelled to make.

We need to protect people from polygraphs for obvious reasons. There are serious flaws with regard to their administration, there are problems with the ability to detect veracity, and of the training and competency of the polygraph examiner.

We protect criminals from polygraphs. But yet some working men and women would be subject to something that is not allowable in a court of law. The crime? They want a job. They could be intimidated, they could get nervous, they could be very subjective with regard to how they respond. They could be put under pressure about what their decisions would be on some matters that have nothing to do with the issue of honesty or crime or drugs, which are legitimate concerns of employers, small business men and women around the country.

I think there has to be protection. I have looked at this issue. I have wrestled with the arguments made by my friends, some of whom are for and some of whom are against, and I must say that all of us want to do the right thing. But I think it is important for the Members of this body to recognize that there are very important issues at stake. One is the civil liberties of the

American people and the working men and women of this country.

The participation that they have in a lie detector test seems to me to be too much to ask them as a condition for employment.

Now the bill does recognize the limited need for the use of polygraphs for some investigatory purposes under controlled and reputable circumstances; it provides for an exemption from that ban for Federal, State, and local government, for businesses engaged in Government contracts that relate to national security. But for the vast majority of employers, in my view, passage of this legislation will help protect the rights, the legitimate rights of the workers and those people who are seeking work.

I would urge a vote for this legislation. It is not, nor is any legislation, perfect, but as far as I am concerned, it is an important step in the right direction for both sides of the aisle to join together in this way in order to protect those very serious concerns that we have about how this can be distorted, how it could be abused, and how workers' rights would be denied them under the law.

The CHAIRMAN. The time of the gentleman from New York [Mr. KEMP] has expired.

Mr. MARTINEZ. Mr. Chairman, I yield 30 additional seconds to the gentleman from New York.

Mr. KEMP. I thank the gentleman for yielding this additional time and appreciate it, so that I may finish my point.

It is very clear that polygraphs obtain no more accurate results than if the administrator in some cases just flipped a coin. Now we have to ask ourselves: Is this what we want to develop in our country? Would the conditions for employment require that type of flippancy, if you will, that type of denigration in some cases of the rights of an individual, man or woman, who is seeking employment or legitimately wants to carry out their rights under the free-enterprise system?

Mr. Chairman, I urge a vote for the Williams-Jeffords legislation and applaud their efforts and look forward to participating in the rest of the debate.

Mr. OWENS. Mr. Chairman, I rise in support of H.R. 1524, the Employee Polygraph Protection Act of 1985. This legislation is desperately needed to protect workers from the indiscriminate use of polygraph testing which is neither valid nor reliable.

Polygraph testing is used in employment screening and "dragnet" searches for the dishonest on the theory that the polygraph is a "lie detector." In point of fact, the polygraph is simply one more stress detector which shares the same problems of reliability and validity as its early forebears. Earlier versions of the polygraph include medieval tests of guilt and innocence such as the requirement that clergymen who were charged with a crime swallow a large piece of bread without water. This mild version of the trial by ordeal was based on the simple observation that when people are frightened—under stress—the mouth would go dry preventing the swallowing of dry bread. Today, by using other measures of stress such as heart rate, breathing, and perspiration, the "trial by ordeal" takes on a scientific gloss without ever having been able to pass scientific muster. In point of fact, when polygraph results have been studied they have been found wanting as was pointed out in the 1985 Office of Technical Assessment study on polygraphs.

Given the lack of validity and reliability, why then are polygraphs so appealing to employers? It would appear, in the fact of security problems, that employers would rather trust a machine rather than their own judgment. Today, more than 30 percent of the Fortune 500 companies and half of the retail businesses use polygraphs instead of, or in addition to, reference checks. The results of polygraph use have not justified its use. Employers who do not use polygraphs have lower rates of theft than those that do. This result would indicate that preemployment reference checks and sound inventory practices may be far more effective in the control of theft.

Polygraphs are also used to gain information which is not related to employment. Frequently questions are asked about political and social beliefs as well as sexual attitudes and practices. Women have been subjected to particularly repugnant questions of a sexual nature. Although redress may be available through legal action for such abuse, that is small comfort to the women who have been put in the humiliating position of having been asked these questions in the first place.

The polygraph's general lack of validity and reliability is enhanced when one is testing a particularly sensitive or intelligent individual. As noted in the OTA report:

> Because exceptionally honest and intelligent individuals may be highly reactive to questions about their truthfulness, such desirable employees will be misidentified at higher rates than other less desirable employees.

In short, the polygraph will label as liars those who are most truthful.

The polygraph appears to be an easy way out for the employer who is faced with a security problem. All of those graphs and wires seem to indicate that something scientific is going on. In reality, the polygraph is merely an updated trial by ordeal with all of the faults of the earlier versions. There is simply no short cut to determining the truth. Employers are faced, as they have always been, with the tedious task of checking references and making judgments. I urge my colleagues to support H.R. 1524 without weakening amendments.

Mr. DELAY. Mr. Chairman, are we going to be consistent this afternoon, or are we going to create a double standard? Are we going to allow individual businesses to use an investigative tool which we require of the Department of Defense, or are we going to tell those businesses that this tool is off limits for them?

On June 26, 333 of us supported an amendment to the Department of Defense authorization bill where we directed the Pentagon to use random polygraph examinations to screen Pentagon and contractor employees with access to classified information.

In June we voted in favor of requiring this polygraph testing and 9 months later we are considering a vote against it!

What short memories we have!

How can we be so inconsistent?

The issue before us today is simple: Either the polygraph is a valid tool or it is not.

According to the committee report—and I quote—"the committee recognizes that certain employers should be exempted from the provisions of this bill." The bill exempts those involved in matters of national security and those who have direct access to controlled substances.

Now the question we need to ask ourselves this afternoon is this:

"If the polygraph is an evil, unreliable tool, as the advocates of this bill would have us believe, then why should anyone be exempted from H.R. 1524 and be required to take a polygraph?"

The answer, of course, is that it is a positive tool. We recognized its merits with our overwhelming vote in June and the committee tacitly admits them by providing for exemptions.

FBI statistics indicate that internal theft is on the rise. Financial institutions in the United States lost over $280 million in 1983 and over $380 million in 1984. This is over nine times the amount lost by robberies.

Your constituents and mine share the burden of internal fraud and embezzlement. Estimates place the increase in consumer prices resulting from internal theft as high as 15 percent.

How can we justify passing this kind of price increase on to the consumers in our districts when there is an investigative tool available which can help avoid it? Clearly it would be bad public policy to eliminate an important instrument in the fight against these losses when the problem is increasingly serious.

This bill places businesses in a catch-22 situation. Employers are held liable for the conduct of their employees and oftentimes required to pay astronomical judgments as a result of litigation. Nevertheless H.R. 1524 denies them the use of a tool which will help to ensure proper conduct.

The issue is best addressed by State regulation—not Federal prohibition. A majority of the States and the District of Columbia now regulate the use of polygraphs in the workplace, helping to assure their responsible use. Licensing procedures and guidelines are appropriate State functions, similar to licensing doctors, real estate brokers, and lawyers. There is no need for the Federal Government to intervene where the States are already responsive.

Polygraph testing has limitations and should not be the sole criterion for determining guilt or innocence. Yet most law enforcement methods, from fingerprinting to voice identification, are also open to interpretation. The extent and seriousness of the situation demands that polygraph, one effective crime prevention and detection tool, be available to employers.

Recent incidents of child abuse at day care centers only highlight the need for the use of polygraph testing to protect children. I would

be very uncomfortable leaving my child at a day care center which was legally prevented from using the polygraph to screen out abusive individuals.

Mr. Chairman, this legislation is fundamentally flawed.

It is inconsistent with prior action by the Members of this House;

It is inconsistent with the tacit admissions of the committee;

It closes its eye to the staggering problem of internal theft;

It needlessly passes costs on to the consumer;

It places employers in a no-win situation; and

It needlessly interferes with State regulations.

Mr. Chairman, this is a bad old bill and I urge my colleagues to vote against it.

Mr. RODINO. Mr. Chairman, I rise in support of H.R. 1524, the Employee Polygraph Protection Act. The bill provides the American worker with important protection against an invidious evil—the polygraph test.

Mr. Chairman, I oppose the widespread use of polygraphs for a simple reason, they don't work. Polygraphs only measure physiological response. It makes no claim to, and does not, measure deception. Study after study has concluded that the polygraph simply is not accurate. When used for preemployment screening, polygraphs are particularly notorious.

Polygraph advocates say that the polygraph has great utility, that it is a useful tool to root out the truth. But Mr. Chairman, the bottom line is that polygraphs cannot ascertain truth, but serve only to coerce employees.

This bill makes certain exceptions for matters relating to drugs and national security. These appear to be limited and reasonable exceptions, based on testimony developed at committee hearings.

Some of our colleagues, Mr. Chairman, favor alternatives to this bill, where polygraphs are limited to certain situations or are licensed for use. The unreliability of the polygraph makes these alternatives unacceptable. Polygraphs just don't work, and should not be used as a device to deny employment opportunities.

Mr. Chairman, I urge our colleagues to support this bill as a necessary measure to rid our Nation of this modern day witchcraft.

Mr. DENNY SMITH. Mr. Chairman, today we are considering legislation which will prevent the use of polygraphs by employers in the private sector. This is a very controversial issue, and it does deserve the attention of this body. But our goal should be insuring that the polygraph is not used indiscriminately by untrained examiners for unwarranted purposes. Under the guise of protecting the rights of individuals, the supporters of this legislation have decided to overlook the rights of corporations to hire the most qualified and dependable persons, and the rights of the general public who must ultimately pick up the costs of employee crime and negligence.

Crime in the workplace is not some fictitious problem that is used as a justification by an employer who wants to violate an individual's constitutional rights. It is a real problem with real consequences for all of us. According to a recent study done of the banking industry, over 80 percent of all losses incurred by banks around the country are a result of employee theft. According to the Federal Bureau of Investigation, these losses amounted to $282 million in 1983, and $382 million in 1984. Besides these losses, we have heard stories over the past several months of many officers of financial institutions pleading guilty to involvement in "money laundering" schemes often associated with organized crime and drug trafficking.

Employee theft in the retail industry accounts for millions of dollars worth of losses every year. According to groups such as the American Retail Federation, these thefts account for about 15 percent of the cost of all items sold today. These are costs that are borne directly by the consumer.

The use of illegal drugs has become a major problem in the workplace. Time magazine has made this issue its cover story for this week because of its implications. Drugs play a major role in both white and blue-collar crime. In addition, it has lead to loss of lives and property, especially in the transportation industry. I'm sure every one of us have heard the stories of truck drivers who have been involved in accidents while on drugs. Recent fatal railroad accidents in the United States and Canada have been attributed to human error as a result of drugs. Businesses have a right to protect themselves from those people who will not abide by company policy, thus subjecting that company to increased costs and the general public to increased risks.

This legislation would prevent multinational companies such as airlines from conducting preemployment polygraphs. Given the problems we now face with increased espionage cases and terrorism, it seems ridiculous that we would enact legislation which would prevent these companies from taking the necessary steps to protect American interests.

This body was so concerned with the espionage issue that just a few weeks ago we passed legislation which would increase the use of polygraphs by the Department of Defense and defense-related industries. This legislation passed by almost a 5-to-1 margin in the House. At that time, there was no argument about the veracity of the process or the need for it. Polygraphs were an acceptable way to guarantee our national security. What has changed in the past few weeks that makes us differentiate between certain industries and certain sectors of the economy? We are quick to point out the risks and take necessary precautions when our national interests are at stake. Isn't protection from crime a national interest?

I received a call from Bruce Balcom of the McKesson Drug Co. In Wilsonville, OR, yesterday. He expressed his concern about what the loss of polygraph requirements would do in his industry. I'm sure everyone is aware of the many precautions taken by these companies to protect their products from theft. Mr. Balcom told me how easy it would be to steal pills that have a market value of $17 and sell them on the street for about $800 apiece. It is imperative for companies involved in the pharmaceutical industry, such as McKesson and Eli Lily, to have the opportunity to protect themselves and the community from those who seek employment for the purpose of engaging in illegal drug trade. The use of preemployment polygraphs is vital to this effort.

What we are saying if we pass H.R. 1524 is that company officials do not have the same rights as their employees. An individual has a right to protect himself from an invasion of his privacy, but the company does not have the right to know whether or not the person applying for the job could cause potential harm to the business or the community.

Polygraphs are a useful and necessary tool in the business community. No one is claiming that they are 100 percent accurate, but by the same token, they are no less reliable than individual interviews. Polygraphs cannot, and should not, be the sole justification for the hiring or firing of an employees. But a professionally administered polygraph exam will insure that everyone's rights are protected—employee, employer, and the general public.

Mr. VENTO. Mr. Chairman, I rise in support of H.R. 1524, the Employee Polygraph Protection Act. This bill broadly prohibits employers from requiring employees and job applicants to take any polygraph test. The bill also prohibits employers from discharging or disciplining any employee who refuses to take such a test. All government employers—Federal, State, and local—are exempt from these prohibitions. There are also certain exemptions from the bill involving persons in highly security-sensitive employment.

Mr. Chairman, the polygraph machine is not as some would suggest a "lie detector." Rather, it is a mechanical device which, when connected to an individual, measures a number of physiological phenomena which are subject to widely varying interpretations. Most polygraph machines measure heart beat, blood pressure, respiration, and other functions. From this data, an examiner draws inferences. The scientific literature is extensive on the polygraph. Many studies, including an authoritative study by Prof. David Lykken of the University of Minnesota, titled, "A Tremor in the Blood," clearly establish that the polygraph machine is not a reliable device for always discerning who is telling the truth from who is not. Polygraph results are subject to widely varying interpretations based on the experience of the person administering the test in interpreting its results but also on the physical condition of the subject at the time the test is administered.

The consequences of a mistake in interpreting a polygraph test with a result which is adverse to an employee or job applicant can be devastating to that individual's future employment prospects. Because of this fact, many States have moved to limit these types of tests.

Unfortunately, however, employers in some States which have moved to restrict the use of such tests have occasionally required employees or job applicants to take such tests in another State with less restrictive laws on the subject. This bill would end such practices through a broad prohibition.

Mr. Chairman, there are certainly more reasonable and reliable methods for assessing the character of employees and job applicants than through the administration of polygraph tests. Thorough background checks of employees and job applicants and extensive

interviews with references and known acquaintances as well as a careful evaluation of an individual's prior work history provide a far more detailed and reliable base of information about an individual than the results of a polygraph test. Employers have a right to expect that their employees will perform their work honestly and competently. There are many ways to insure that these expectations will be met which are far less intrusive. But while employers have certain legitimate expectations, so too, do employees and job applicants. They have a right to an honest and fair assessment of their qualifications for employment based on information which is verifiable, accurate, and credible. Polygraph tests do not meet this threshold test of fairness. Surely that is why the results of polygraph tests are not admissible in evidence in any court of law in the United States.

While I do not favor most of the exceptions to this measure which permit some employers, such as Federal, State, and local governments to use polygraph tests, I believe that the enactment of this legislation is an improvement over the indiscriminate use of polygraph tests that may exist in many States today.

I am pleased to support H.R. 1524.

Mr. JEFFORDS. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. MARTINEZ. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, the committee amendment in the nature of a substitute now printed in the reported bill shall be considered as an original bill for the purpose of amendment, and each section shall be considered as having been read.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Employee Polygraph Protection Act of 1985."

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. YOUNG OF FLORIDA

Mr. YOUNG of Florida. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. YOUNG of Florida:

Strike out all after the enacting clause and insert in lieu thereof the following:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the 'Polygraph Reform Act of 1985'.

DEFINITIONS

SEC. 2. For the purposes of this Act—

(1) the term 'commerce' has the meaning provided by section 3(b) of the Fair Labor Standards Act (29 U.S.C. 203(b));

(2) the term 'employer' has the same meaning as—

(A) such term is defined in section 2(2) of the National Labor Relations Act (29 U.S.C. 152(2)); and

(B) the term 'carrier' is defined in section 1 of the Railway Labor Act (45 U.S.C. 151);

(3) the term 'polygraph examination' means—

(A) any examination involving the use of any polygraph, deceptograph, voice stress analyzer, psychological stress evaluator, or any other similar device which is used for the purpose of detecting deception or verifying the truth of statements; and

(B) any interview of any employee or prospective employee that uses any device referred to in subparagraph (A) regardless of terms used in reporting to an employer the findings, opinions, or statements made in or results of such exmination;

(4) the term 'polygraph examiner' means any person who conducts a polygraph examination as defined in paragraph (3) of this section; and

(5) the term 'Secretary' means the Secretary of Labor.

FINDINGS AND PURPOSE

SEC. 3. (a) The Congress finds that—

(1) the improper use of polygraph examinations in work situations in industries engaged in interstate commerce imposes a substantial burden on interstate commerce through loss of employment and employment opportunities; and

(2) the free flow of goods and services in interstate commerce is burdened by theft, dishonesty, and breaches of trust by dishonest employees and by crimes committed against employees, customers, and the public.

(b) The purposes of this Act are to—

(1) establish minimum standards for the use of polygraphs in employment;

(2) encourage the States and political subdivisions thereof to administer such standards in accordance with the policies of this Act;

(3) provide relief for the improper use of polygraphs; and

(4) provide for Federal oversight of the administration of such standards.

PROHIBITION OF POLYGRAPH TESTING NOT IN ACCORDANCE WITH MINIMUM STANDARDS

SEC. 4. No employer may take any action affecting the employment status of an employee or prospective employee, if such action is based on the results of a polygraph examination of such employee or prospective employee that has not been administered in accordance with sections 5 and 6 of this Act.

RIGHTS OF POLYGRAPH EXAMINEE

SEC. 5. (a) Each prospective examinee shall sign a notification prior to any polygraph examination which states that—

(1) such examinee is consenting voluntarily to take the examination;

(2) the polygraph examiner may not inquire into—

(A) religious beliefs or affiliations;

(B) beliefs or opinions regarding racial matters;

(C) political beliefs or affiliations;

(D) sexual preferences or activities, unless necessary to determine the qualifications of the employee to be employed (1) by a nursing home, rest home, sanitarium, hospital, day nursery or similar child care facility, or such other institution or service in which the well-being of children, the aged, handicapped, or infirm are entrusted to the care of the employees of such institutions or services, or (2) by an employer providing services in the residence of the employer's customers; or

(E) beliefs, affiliations, or opinions regarding unions or labor organizations;

(3) such examinee may terminate the examination at any time;

(4) such examinee shall be provided with a written copy of any opinions or conclusions rendered as a result of the examination upon written request and payment of a reasonable fee by such examinee;

(5) the polygraph examiner is prohibited from asking the examinee any question during the examination that is not in writing and was not reviewed with the examinee prior to the examination;

(6) such examinee has specific legal rights and remedies if the polygraph examination is not conducted in accordance with the provisions of this Act; and

(7) such examinee may receive a copy of the notification upon written request.

(b) Upon written request from an examinee, a polygraph examiner shall provide a signed copy of all opinions or conclusions of a polygraph examination rendered in accordance with section 6 of this Act.

(c) No action may be taken by an employer regarding the employment status of an employee or an applicant for employment that is based solely on opinions or conclusions of a polygraph examiner reached by analysis of a polygraph chart.

(d) Nothing in this section shall be construed to apply with respect to a polygraph examination conducted by, or at the direction of, the United States in accordance with otherwise applicable Federal law.

MINIMUM STANDARDS FOR POLYGRAPH EXAMINATIONS

SEC. 6. (a) A polygraph examination may be conducted only by a person who—

(1) is at least twenty-one years of age;

(2) is a citizen of the United States;

(3) is a person of good moral character;

(4) is in compliance with all laws, rules, and regulations of any appropriate State or local government authority governing the use of polygraphs; and

(5)(A) holds a baccalaureate degree from an accredited college or university and has successfully completed a formal training course in the use of polygraphs that has been approved by the Secretary; and

(B) has completed a polygraph examiner internship of at least six months in duration under the direct supervision of a polygraph examiner who has met the requirements of this section.

(b) Notwithstanding the provisions of paragraph (5) of subsection (a), a person shall be permitted to conduct a polygraph examination in accordance with the provisions of this Act, if such person—

(1) has met the requirements of paragraphs (1) through (4) of subsection (a); and

(2)(A) on the date of enactment of this Act, holds a valid polygraph examiner license issued by a licensing authority of a State or political subdivision thereof; or

(B)(i) within a period of five years immediately preceding the date of enactment of this Act, has conducted not less than two hundred polygraph examinations; and

(ii) within one year after the date of enactment of this Act, has satisfactorily completed a formal training course in the administration of polygraph examinations approved by the Secretary.

(c) All examiners meeting the requirements of subsections (a) and (b) of this section shall be required every twenty-four months to complete not less than twenty-four hours of continuing education approved by the Secretary regarding the use of polygraphs.

(d) A polygraph examiner may not ask a question during a polygraph examination, unless such question is in writing and has been reviewed with the examinee prior to such examination.

(e) A polygraph examiner may not inquire into—

(1) religious beliefs or affiliations;

(2) beliefs or opinions regarding racial matters;

(3) political beliefs or affiliations;

(4) sexual preferences or activities, unless necessary to determine the qualifications of the employee to be employed by (1) a nursing home, rest home, sanitarium, hospital, day nursery or similar child care facility, or such other institution or service in which the wellbeing of children, the aged, handicapped, or infirm are entrusted to the care of the employees of such institutions or services or (2) by an employer providing services in the residence of the employer's customers; and

(5) beliefs, affiliations, or opinions regarding unions or labor organizations.

(f) A polygraph examiner may not perform more than twelve polygraph examinations in any twenty-four hour period.

(g) (1) A polygraph examiner shall—

(A) use an instrument which records continuously, visually, permanently, and simultaneously changes in cardiovascular, respiratory, and galvanic skin response patterns as minimum instrumentation standards; and

(B) base an opinion of truthfulness upon changes in physiological activity or reactivity in the cardiovascular, respiratory, and galvanic skin response patterns.

(2) A polygraph examiner may use an instrument which records additional physiological patterns as measured in paragraph (1) and may consider such additional patterns in rendering an opinion.

(h) All conclusions or opinions of the polygraph examiner arising from the polygraph examination shall—

(1) be in writing and based only on polygraph chart analysis;

(2) contain no information other than admissions, information, and interpretation of the chart data relevant to the purpose and stated objectives of the examination; and

(3) contain no recommendation regarding the prospective or continued employment of an examinee.

(i) A polygraph examiner shall maintain all opinions, reports, charts, questions lists, and all other records relating to the polygraph examination for a minimum of two years after administering such examination.

"(j) Nothing in this section shall be construed to apply to a polygraph examiner employed by the United States, or conducting a polygraph examination at the direction of the United States in accordance with otherwise applicable Federal law."

CERTIFICATION OF ADMINISTRATIVE PLANS

SEC. 7. (a) Any State or political subdivision thereof which desires to develop and enforce standards for the use of polygraphs by employers and polygraph examiners may submit an administrative plan to the Secretary at such times, in such manner, and containing or accompanied by such information as the Secretary may reasonably require. Such plan shall—

(1) identify any agency designated as responsible for administering the plan;

(2) describe the standards in the administrative plan governing polygraph examiners and the use of polygraph examinations;

(3) provide assurances through a written certification that such standards and the enforcement of such standards, shall be at least as effective as the standards set out in this Act; and

(4) explain the manner in which the standards in such plan are administered and enforced by such agency to assure compliance with this Act.

(b) An administrative plan providing adequate assurances and meeting the requirements of subsection (a) shall be deemed approved by the Secretary.

(c) The Secretary shall make a continuing evaluation of each administrative plan which has been approved. If the Secretary finds that a plan is not being administered in a manner that assures substantial compliance with the standards of this Act, the Secretary shall notify the State or political subdivision thereof of the withdrawal of approval of such plan and, upon receipt of such notice, such plan shall cease to be in effect.

(d) Review of a decision of the Secretary to withdraw approval of an administrative plan under this section may be obtained in the United States court of appeals for the circuit in which the State or political subdivision thereof is located by filing a petition for review with such court within thirty days after receipt of the notice of withdrawal of approval.

CERTIFICATION OF POLYGRAPH EXAMINERS

SEC. 8. (a)(1) No person may conduct polygraph examinations, unless such person has certified to the Secretary that he is conducting such examinations in compliance with sections 5 and 6 of this Act and is in compliance with rules and regulations issued by the Secretary pursuant to section 12 of this Act.

(2) The provisions of paragraph (1) shall not apply if such person has met the requirements of an administrative plan adopted pursuant to section 7 of this Act.

(b) The Secretary shall make a continuing evaluation of each certification required by subsection (a) of this section. If the Secretary finds that a person is not in compliance with the provisions of sections 5, 6, and 7 of this Act, the Secretary shall notify the person of the revocation of certification and, upon receipt of such notice, such person may not conduct polygraph examinations.

(c) Review of a decision of the Secretary to revoke a certification under this section may be obtained in the United States district court in the district in which the person resides or has a principal place of business by filing a petition for review with such court within thirty days after receipt of the notice of revocation of certification.

(d) Nothing in this section shall be construed to apply to a polygraph examiner employed by the United States, or conducting a polygraph examination at the direction of the United States in accordance with otherwise applicable Federal law.

DISCLOSURE OF INFORMATION

SEC. 9. (a) A person other than an examinee may not disclose information obtained during a polygraph examination, except as provided in this section.

(b) A polygraph examiner, polygraph trainee, or employee of a polygraph examiner may disclose information acquired from a polygraph examination only to—

(1) another polygraph examiner in private consultation, the examinee or any other person specifically designated in writing by the examinee; and

(2) the person or governmental agency that requested the examination or others required by due process of law.

(c) An employer for whom a polygraph examination is conducted may disclose information from the examination only to a person described in subsection (b).

(d) Nothing in this section prohibits the disclosure of information obtained during a polygraph examination to a federal law enforcement agency or intelligence agency in accordance with otherwise applicable Federal law or to prohibit subsequent redisclosure by such an agency in accordance with such law.

WAIVER OF RIGHTS PROHIBITED

SEC. 10. The rights and procedures provided pursuant to this Act may not be waived by contract or otherwise. No polygraph examiner may request an examinee to waive any such right or procedure.

NOTICE OF PROTECTION

SEC. 11. The Secretary shall prepare and print a notice setting forth information necessary to effectuate the purposes of this Act. Such notice shall be posted at all times in conspicuous places upon the premises of every employer engaged in any business in or affecting interstate commerce.

AUTHORITY OF THE SECRETARY

SEC. 12. The Secretary shall—

(1) issue such rules and regulations as may be necessary or appropriate for carrying out this Act;

(2) cooperate with regional, State, local, and other agencies, and cooperate with and furnish technical assistance to employers, labor organizations, and employment agencies to carry out the purposes of this Act; and

(3) make investigations and inspections and require the keeping of records necessary and appropriate for the administration of this Act.

CIVIL PENALTIES

SEC. 13. (a) Subject to the provisions of subsection (b) of this section, whoever violates this Act may be assessed a civil penalty of not more than $10,000 by the Secretary.

(b) In determining the amount of any penalty under subsection (a) of this section, the Secretary shall consider the previous record of the person in complying with the Act and the gravity of the violation

RELIEF

SEC. 14. (a) Any person who is given a polygraph examination in violation of this Act may bring a civil action against the polygraph examiner in the United States district court in the district in which the alleged violation occurred or in which the examiner has its principal office.

(b) Upon a finding of a violation of this section, such court may grant appropriate relief, including the imposition of a civil fine of not more than $10,000.

(c) In addition to the relief provided in subsections (a) and (b) of this section, an employee or prospective employee seeking relief from a violation of this Act in a jurisdiction in which the certification requirements of section 7 of this Act have not been complied with, shall be provided relief in accordance with the provisions of sections 11(b), 16, and 17 of the Fair Labor Standards Act of 1938 (29 U.S.C. 211(b), 216, and 217). Amounts owing to a person as a result of a violation of this Act shall be deemed to be unpaid minimum wages or unpaid overtime compensation for purposes of sections 16 and 17 of the Fair Labor Standards Act of 1938 (29 U.S.C. 216 and 217).

(d) The remedies provided by this Act shall be exclusive and may not be construed

to permit a cause of action by an examinee against any party other than an employer, a prospective employer, or a polygraph examiner.

(e) If a State or political subdivision thereof is in compliance with section 7 of this Act, any person seeking relief under this section must first exhaust the remedies of the administrative plan of the State or political subdivision thereof.

EFFECTIVE DATE

SEC. 15. This Act shall take effect one year after the date of enactment.

Mr. YOUNG of Florida (during the reading). Mr. Chairman, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD, inasmuch as it has been previously printed in the RECORD and copies have been made available to the interested parties.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

(By unanimous consent, Mr. YOUNG of Florida was allowed to proceed for 5 additional minutes.)

Mr. YOUNG of Florida. I thank the chairman.

Mr. Chairman, I would like to say to my colleagues I have been here on the floor and have heard the debate from the very beginning this afternoon. I would like to compliment all those who participated in the debate and presented what I think is a reasonable and logical debate.

I offer this amendment in the nature of a substitute for myself, as the author of the amendment last June which provided polygraph services for our national security efforts, and for my friend and colleague from Georgia, Mr. DARDEN, who is a distinguished Member of the House of Representatives and who also served, in a former life, as a prosecuting attorney with great exposure to the use of polygraph.

Mr. Chairman, the substitute does not prohibit the use of polygraphs. H.R. 1524, however, originally set out to prohibit the use of polygraphs. But in committee they adopted several amendments that exempted certain types of industry as well as government. It is my understanding on the floor later today they have agreed to accept additional amendments that would provide additional exemptions to the prohibition that H.R. 1524 would bring to the use of polygraphs.

Mr. DARDEN and I suggest a different approach. We agree, for example, with those speakers who have made the point that this is really a rights issue—the right of the employee. We agree with that. We would say to you, Mr. Chairman, that our substitute is the only legislation before the House that actually provides a "bill of rights" for those people who might be examined during the seeking of employment. We actually provide in the law a bill of rights for those employees and prospective employees who would be subject to the polygraph.

Mr. Chairman, it has also been suggested that this is a way to get at the guilty, that we are looking to prove someone guilty before they have been given a chance to prove they are innocent.

In some cases that may be the case. For example we know from the Walker spy case, that instigated the amendment last June on the national defense bill, that the authority to use the polygraph was asked for consistently by those in naval intelligence who told us it would be one of the best tools they could use to deter espionage against our Nation. So we know, it is a good tool. By itself it is not a total tool, it is only part of an overall effort.

There is more to our substitute.

Our approach also protects the innocent. Yes, we are looking for the guilty, but we are also seeking to protect the innocent and ours is the only approach on the floor today that actually will bring protection for the innocent.

I would like to give you an example: Back in Florida I have a good friend who owns a number of drug stores. He began to find narcotics and controlled substances missing from his warehouses and his shelves and he could not determine who was stealing the substances. So he considered firing everyone in his business who had access to those drugs and those controlled substances.

Now that really would not have been fair because it was subsequently proved that all of the employees were not involved in the theft—just one. So instead of firing all of the innocent people, he decided to employ a polygraph examiner. Through the use of a polygraph examination, and through the extended investigation based on the results of the polygraph examination, he determined who the guility party was.

□ 1640

The guilty party admitted it, and the guilty party was terminated. He lost his job, but innocent people were allowed to keep their jobs.

We think that the innocent should be protected, and we believe that we can protect them under the substitute that Mr. DARDEN and I offer today.

The reason we believe our approach protects the innocent and does the job that is required in private industry is that our substitute provides for minimum professional standards for polygraph examiners. One of the speakers earlier today said that many people in our country believe that any time there is a polygraph examination, it is given by the CIA or it is given by the FBI or it is given by a police agency. They made the point that that is not true, because many polygraph examinations are given by people who are not nearly as professional as those who give them for the Department of Defense. We agree with that. That is the basis of our approach.

We are asking for a Federal law that would establish certain stiff professional requirements before a person would be permitted to give polygraph examinations and, at the same time, we provide a bill of rights I mentioned earlier for those who might be required to take that polygraph examination.

We do not want to do what Mr. JACK BROOKS mentioned earlier, that is to go back to the days of the dunking tool. We do not want to use the dunking tool any more than the gentleman from Texas does. That is why we are trying to make sure that those people who give polygraph examinations are not the dunking tool professionals. We seek to ensure that they are able to do the job in a professional manner, that they have had the proper education, and that they have had the proper training.

Mr. Chairman, in addition, this is a States' right issue. It was mentioned earlier in debate, that some 31 States have already enacted polygraph legislation. We would like to encourage the States to take the lead—and if any State would like to go further than we go in the Federal law, in the proposal that Mr. DARDEN and I make, they are permitted to do so. In fact, if a State decided to ban polygraph altogether, they could do so under the substitute that we offer today.

It has been suggested that the polygraph is not a reliable tool. I would say that if we are going to rely only on the polygraph, only on that tool, that I would have to agree. But it is only part of an overall investigative capability.

For example, in the Walker spy case that I mentioned, one of the Walker family denied any implication whatsoever in that spy case where they were giving classified information to the Soviets. But after he was confronted with the results of a polygraph examination that indicated there was some problem in his responses to the questions, he finally confessed. He confessed that he had been lying; that he was involved in divulging national security secrets to the Soviets; and that he went on to give us additional information that was used in the case against the Walkers. We suggest that the people of the United States deserve that kind of protection, not only for national security issues, but also for private business.

As the sponsor of the bill, H.R. 1524, has suggested, he is going to exempt from his legislation some industries. So, in effect, what the gentleman is saying is that polygraph is OK here in one area but not another. Well, my

suggestion is if it is OK here, it should also be OK over here, if it is done in a professional fashion.

The cost to the American consumer from internal theft is estimated to be $40 billion each and every year. That means in the case of most retailers, that about 10 to 15 percent of the cost of their clothes that they sell, the shoes that they sell, the food that they sell, the furniture, the household items, whatever they sell, whatever your constituents go out to buy at a store at any given time, 10 to 15 percent of that cost is due to internal theft.

Mr. Chairman, I think that is a terrible tax. If we came here to the floor today asking to add a 10-percent or a 15-percent sales tax on all of those goods, I think there would be a revolution in the House. I do not believe we would ever pass that kind of a bill. But because of internal theft, the prices are increased from 10 to 15 percent.

We have to stop that, and it can be stopped. We have proof positive that when the polygraph system is used, that the cost of employee theft goes down from 15 percent to about 1 percent of the price of goods. We have a communication from the manager of Days Inn, a motel chain. Before Days Inn used the polygraph, they had losses of over $1 million a year. When they went to the use of a polygraph, those losses dropped to just over $100,000 a year, a reduction of some 85 percent. That means that the cost of that theft was reduced and did not have to be passed on to consumers.

I have a letter, a case file of a television repair man who was interviewed for his job and denied ever being convicted of a crime. He denied any former problems of that type. He went out on a call from his employer and he sexually molested two small children. The records are full of this type of thing. They are also full of cases where innocent people have been protected by the polygraph. But in this case, the repairman had in previous employment been convicted of sexual molestation a number of times. Had he been polygraphed, that might have been found.

I do not use this as some kind of a scare tactic. I am just trying to give examples of the fact, that yes, the polygraph does work. We can provide many additional examples of how the innocence of people has been protected by the polygraph.

Mr. MARTINEZ. Mr. Chairman, I rise in opposition to the substitute.

Mr. Chairman, according to the testimony from representatives of private industry before my subcommittee, it was testified it would not be a part of an investigation, but it would be the only tool used to determine guilt. Therein lie the fallacy of the arguments by the gentleman in favor of the substitute.

The situation is this. I do believe that there should be standards in which we determine who is qualified to become polygraph examiners. But I believe those standards should be national and not just left up to the options of the individual States, where we already know what practices are that where polygraphs are not allowed, employers will transport citizens to areas where they are allowed, give the polygraph test, and then bring them back.

So I would assume that if it was allowed the way the substitute described that States that had lesser qualifications for polygraph examiners, where the polygraph regulations were looser, the employers would do the same thing and move the employees to those areas.

Let me tell you another couple of reasons why I and the committee oppose the substitute. The Congressional Budget Office reports that the substitute will cost the Government $2 million. Do we really want to spend $2 million to put the congressional good housekeeping seal of approval on this gadget?

The Congressional Research Service reports that the substitute would create a patchwork quilt of regulations with the possibility of adjacent States having Federal, State, city, or county regulations.

The substitute claims that the prospective or current employees can volunteer to take the lie detector test. How is it voluntary when employers require the test as a condition of employment? Whenever State legislatures have blessed the lie detector by passing regulatory legislation, the use of this gadget has skyrocketed.

Mr. Chairman, I stand in opposition to this, and I want to alert the Members that when we vote on this bill, we are voting on the substitute on the next vote, not the Williams bill.

Mr. DARDEN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise today along with the gentleman from Florida to introduce and support the substitute which offers protection for consumers and employees through rigorous, but fair, regulation of polygraph use in the private sector.

Mr. Chairman, I want to take a moment, however, to commend the chairman, and also the sponsor, the gentleman from Montana, for bringing their critical issue to the floor of the House. I certainly agree with them that we might have a different approach to solve the problem, but I think it is one of national urgency. I want to commend them for taking the lead and bringing it forward. While we disagree on the methods that would be used, I appreciate their courage in coming forward with this very important legislation.

But as I said before, I disagree with the methods being used in H.R. 1524. What H.R. 1524 does is basically ban the use of the polygraph in the private sector.

Oh, sure, let us have a few exceptions, a few exemptions. Let us let the nuclear power industry out. Let us let out people who are involved with national security.

□ 1650

Let us leave out all Government workers; let us exclude the entire transportation industry; let us only put this burden on the businessmen of the United States.

I am saying to the Members now that we have all heard this phrase in Washington recently, which goes something like this: I am for tax reform but. Now everybody is saying: I do not think we ought to use the polygraph but.

Everybody wants their specific little exception or exemption.

So what I am saying to the Members today is that if polygraphs are a sham and a farce and a device which cannot be depended upon, why not use this vehicle, this legislation here today, to ban their use entirely from use in America today?

The distinguished chairman of the Committee on Government Operations was up a few moments ago saying, in very touching terms, his feelings for the protection of the rights of people who are being protected by this act.

Why not extend the same protection to Government employees? If the polygraph does not work in the private sector, it sure does not work in the public sector.

Let me, basically, go through what this substitute does. As a former district attorney, incidentally, I have come to rely on the polygraph as a very reliable investigative tool. As a defense counsel, I used it not to indicate guilt but, in many instances, to exonerate persons who where wrongfully charged with a crime.

I would point out to the Members, when it is said that the polygraph is subject to some degree of failure, that it is not perfect; I submit that it is not perfect. However, our criminal justice system is not perfect. The House of Representatives in which we stand today is not perfect. I also tell you there are more people in the prisons of America wrongfully convicted on mistaken eye witness testimony, than for any other purpose.

So, sure, polygraphs are not perfect; but they are a reliable tool.

We do two things in this substitute. One is that we impose minimum standards on the examiner to be sure that he can properly be trained to do his job. The requirements are listed in the substitute.

The second thing we do, which I think is very important, is that we prohibit the employer from using the polygraph as the sole purpose for which a person can be denied employment or fired. You have got to have other evidence. And, also, it has a bill of rights in here which prevents any individual from being asked about matters of a personal nature, sexual matters, matters having to do with that person's union affiliation or political beliefs.

So this substitute here today I think very wisely provides a bill of rights and protection to the worker, probably far more protection than is provided by H.R. 1524.

I want to say, in conclusion, that 333 of you voted last June 1985 to sanction the use of the polygraph in national security and in the Department of Defense.

The CHAIRMAN pro tempore (Mr. DONNELLY). The time of the gentleman from Georgia [Mr. DARDEN] has expired.

(By unanimous consent, Mr. DARDEN was allowed to proceed for 15 additional seconds.)

Mr. DARDEN. Surely, we owe the private sector the same degree and the same amount of protection that we owe the Department of Defense.

So let me say, in conclusion, vote for the substitute and against the bill.

Mr. BARTLETT. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the substitute.

Mr. Chairman, I rise in strong support of the substitute that is offered by the gentleman from Florida and by the gentleman from Georgia. I rise to support the substitute and to oppose the bill.

It seems to me that there are some essential differences between the bill that is before us and the substitute that is offered. It seems to me that the essential difference is that the bill would prohibit the use of the polygraph in virtually all circumstances in the private sector, and the bill that the two gentleman have constructed and are proposing as a substitute would permit the polygraph to be used to protect employees' rights and permit the polygraph to be used as one tool, not the sole tool—it would prohibit that. It would permit it to be used as one tool but not the sole tool.

I think what the gentleman from Florida has done with his substitute is to acknowledge the need from time to time that the polygraph be used to protect the employees, it is to create minimum standards that States then can and sometimes do adopt and say that the polygraph cannot be used as the sole test but can be used as one test.

I would like to yield to the gentleman from Florida [Mr. YOUNG] to clarify some of the things that are in this very well-crafted piece of legislation that does precisely what needs to be done to protect employee rights.

As I understand, and I would ask the gentleman, under his legislation, the substitute polygraph bill, the polygraph examiners must meet specific requirements. Could the gentleman elaborate on some of those requirements?

Mr. YOUNG of Florida. If the gentleman will yield, I appreciate the gentleman's comments. He is exactly right. In this substitute there are two pages of protections for the rights of the examinee—the person who might be examined.

For example, the examinee would have to sign a notification prior to any polygraph examination, and that notification would state that he is doing it on a voluntary basis. He is not required to take that test.

Mr. BARTLETT. The gentleman is saying that he has to sign a written notice prior to the examination?

Mr. YOUNG of Florida. That is correct. And that notice includes the fact that he is doing it voluntarily.

Now, during that test, the examiner may not inquire into an examinee's religious belief or affiliations, he may not inquire into beliefs or opinions regarding racial matters, he may not inquire into political beliefs or affiliations, he may not inquire into sexual preferences or activities unless—and this is a very important exception—unless it is necessary to determine the qualifications of the employee to be employed by a nursing home, where so many of our elderly Americans spend the rest of their lives, a rest home, a sanitarium, a hospital, or a day-care nursery.

So in those cases where we have a right and an obligation to protect senior citizens or children in those institutions, those type of questions would be permitted.

Mr. BARTLETT. I would ask the gentleman, further, as I understand the intent of the gentleman's substitute is to say that the polygraph, then, could not be used as a sole criteria but merely as one additional tool.

So does the gentleman have a prohibition that no one could lose their job based solely on a polygraph test?

Mr. YOUNG of Florida. The gentleman makes a very valid observation, and I thank him for that. That is correct. Our law provides that the polygraph will not be the sole determining factor. It further provides that the examinee may at any time terminate the polygraph examination, after the first sentence, after the first question, halfway through the examination, or wherever. He may terminate it and still he could not lose his job or be denied employment strictly because of that.

Mr. BARTLETT. And I would ask the question that, as I understand it, the person being examined could obtain a written copy of all the questions and his responses, merely for asking?

Mr. YOUNG of Florida. Exactly.

Mr. BARTLETT. Are there penalties provided in the gentleman's substitute if an examiner violates the legislation?

Mr. YOUNG of Florida. Yes. We provide in this substitute that the examinee who feels his rights have been violated may file an action in Federal court, and the fine would be up to $10,000.

Mr. BARTLETT. I thank the gentleman for his clarification.

Mr. Chairman, it seems to be that what we have is a choice between a sledge hammer approach and an approach of the gentleman from Florida in the substitute that would provide very precise and real protections. So rather than to allow this House to simply vote on the title, I think that what the gentleman is proposing is a way to provide those protections without that sledge hammer of eliminating all use of what is used in an area of employee rights.

And the gentleman from Florida said something during his opening which I think is correct, and that is that this is an employee rights piece of legislation. The gentleman's substitute does provide for the rights of employees.

The CHAIRMAN pro tempore. The time of the gentleman from Texas [Mr. BARTLETT] has expired.

(By unanimous consent, Mr. BARTLETT was allowed to proceed for 1 additional minute.)

Mr. BARTLETT. The employees who would be protected by the substitute and would be harmed by the bill are those employees who are in high risk, ex-felons, young people, persons who have lost a previous job, and the polygraph used as one tool can help him to get that job. It protects those fellow employees who are falsely accused. It protects employees during taking the test and it protects the consumers who should not have to pay the higher prices due to theft and pilferage.

I think the gentleman approaches the subject correctly and with an idea of employee rights.

Mr. SKELTON. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the substitute.

Mr. Chairman, I approach the subject, of course, in favor of the original bill and against the substitute, the whole subject, with trepidation. A number of years ago, I had the opportunity to serve as the Lafayette County prosecuting attorney back home in Missouri, and on several occasions, I was aware of and knew of the administration of polygraph tests to people who were suspected of criminal

activity in one form or another. As a result of the experience that I had, in some cases, at best, there was inconclusiveness. On two occasions, I have good reason to believe that people "beat" the test, that these are far from reliable operative tests and that they are no better than the person who gives them. We are fortunate back home in my county right now to have a sheriff who has been either a deputy or a sheriff for some 27 years, and I think no one would question his ability. But compare this gentleman, Sheriff Gene Darnell, in my home county, with someone who has had 6 weeks of training and is a certified polygraph tester and I think that there would be a great deal of difference between the two.

I need not go on at length about this, but I would like to question one bit of this, that there is language that would tend to cause us to believe that the polygraph test under the substitute would not be the sole tool, but I can hear people, unfortunately, saying, "But, you know, they flunked the lie detector test."

In all truthfulness, I have some serious problems or qualms about the issue and, because of my past experience, I am driven irresistibly in favor of the bill.

Mr. GLICKMAN. Mr. Chairman, will the gentleman yield?

Mr. SKELTON. I yield to the gentleman from Kansas.

Mr. GLICKMAN. Mr. Chairman, I want to join my colleague in opposing the substitute and supporting the bill.

The polygraph is not a science, and this amendment tries to put the Good Housekeeping stamp of approval on the use of polygraphs in this country—and you cannot do it.

The basic problem is that the polygraph is not reliable. It tests your heart rate, your breathing rate and your sweat, or your galvanic skin response, and all of those can be modified or subjected to change by reason of people who are hyperreactors, who are very, very nervous or who are on medicine, such as beta blockers, which prevent those things from happening the way the polygraph operator would want them to be.

The polygraph is very intimidating and it can take a person, an honest person, and turn that person into a wild, scared person, for fear of the machine that is strapped around them, and it is unfair to use that as a tool to deprive that person of a job.

I think the gentleman also makes a good point concerning the contention that under the substitute the polygraph could not be a sole criteria, only one of the criteria. That is ridiculous, because if an examiner says that the gentleman or the gentlewoman flunked the test, I guarantee that person is not going to get the job.

So I join my colleague in urging defeat of the substitute and in support of the bill.

Mr. HERTEL of Michigan. Mr. Chairman, will the gentleman yield?

Mr. SKELTON. I yield to the gentleman from Michigan.

Mr. HERTEL of Michigan. I thank the gentleman for yielding, and I also agree with his remarks. The gentleman points out very well that we will never know if it is the sole reason for the decision in firing somebody. In fact, if we looked at the substitute, it is wide open to all kinds of misinterpretations, using the word "substantial" without defining exactly what "substantial" would mean, when they talk about simply having to have the key provisions of H.R. 3916 employed by written statement by the Secretary of Labor of their State. It could be one sentence saying that they would do that without any of the facts involved as to how they will enforce it.

But let me go more to the direct issue. What the bill is designed to do is to say that someone cannot lose their job or you cannot refuse to hire someone because they will not take a polygraph test. You cannot deny someone a livelihood because they will not take a polygraph test. And I do not see the people who are supporting this substitute saying that candidates for public office, including the U.S Congress, should have to take a polygraph test or that incumbents of Congress should have to take a polygraph test. I do not see them proposing that the Ethics Committee of this Congress and this House should use a polygraph test. Why?

The CHAIRMAN pro tempore. The time of the gentleman from Missouri [Mr. SKELTON] has expired.

(On request of Mr. HERTEL of Michigan and by unanimous consent, Mr. SKELTON was allowed to proceed for 1 additional minute.)

□ 1705

Mr. HERTEL of Michigan. Why in the substitute do they not require polygraph tests for elected officials or candidates for public office? Simply because they are unreliable, they are not recognized in court, and therefore we should not take innocent individuals and take away their livelihood or deny them the right to have a job and apply for a job because they will not be intimidated by being forced to take such a test.

Mr. DARDEN. Mr. Chairman, will the gentleman yield?

Mr. SKELTON. I yield to the gentleman.

Mr. DARDEN. Is the gentleman aware that under 1524 all Government employees, both from the Federal, State, and local are exempt? So the very bill here exempts all employees of any government.

Mr. SKELTON. If I may reclaim my time, I understand what the gentleman is saying. But we are speaking about people in their ordinary, day-to-day activities. I really think that it is an invasion of privacy of the greatest sort to be subjected to this.

The CHAIRMAN pro tempore. The time of the gentleman from Missouri [Mr. SKELTON] has expired.

(On request of Mr. HERTEL of Michigan and by unanimous consent, Mr. SKELTON was allowed to proceed for 1 additional minute.)

Mr. SKELTON. I yield to the gentleman from Michigan [Mr. HERTEL].

Mr. HERTEL of Michigan. I just want to answer the gentleman from Georgia.

That is exactly the point: Why should we have different classifications in this country? Some people have to take it; some people do not have to take the test. If the test was so good, the courts would have recognized the results of the polygraph test.

The fact is it has come out in this debate and in past history that they are not 100 percent accurate nor anywhere near it. So we should not have different standards, and we should not say that some people are required to take this test to get a job or to keep their job.

Mr. DARDEN. Mr. Chairman, will the gentleman yield?

Mr. SKELTON. I yield to the gentleman.

Mr. DARDEN. I would respectfully point out, though, that you, as a Member of Congress, are actually exempt from a polygraph test under this.

Mr. HERTEL of Michigan. That is my point. Why should I be exempt if we are going to stick it on somebody else if they have to take the test? We should be treated the same; we should not be exempt if we allow others to be required to take it.

Mr. DARDEN. Not under this bill; we are not treated the same under this very bill.

Mr. HERTEL of Michigan. That is exactly my point: You are treating us differently under your own substitute, and under the bill because it is already an existing law. That is because the standard cannot be met for accuracy for taking and giving a polygraph test.

That is why we should oppose the substitute and not give, as the gentleman said, approval for these means of testing and denying employment of American citizens.

Mrs. VUCANOVICH. Mr. Chairman, I move to strike the requisite number of words.

Mr. YOUNG of Florida. Mr. Chairman, will the gentlewoman yield?

Mrs. VUCANOVICH. I yield to the gentleman.

Mr. YOUNG of Florida. I thank the gentlewoman very much. I am sorry

the gentleman from Missouri had to leave, but he made this statement, and I quote:

"That a polygraph examination is no better than the person who gives it." I think he has got a lot of merit there. The substitute that we offer today for H.R. 1524 provides professional requirements for those polygraph examiners.

We agree with him, and we want them to be qualified and professional in the way that they conduct their business.

Mrs. VUCANOVICH. Mr. Chairman, today we are discussing the issue of polygraph testing and its use and effectiveness in the workplace. At issue is not whether polygraph testing is good or bad—certainly we wish we lived in an ideal world where there was no need for such a tool, where employee theft and crime did not occur—but we don't reside in such a Utopia, and internal theft has cost the businesses of our country hundreds of millions of dollars a year—many more times the amount lost to robbery. We cannot escape the fact that ultimately it is the consumer who pays with increases in the cost of goods and services.

While we recognize that this imperfect world we live in necessitates the use of polygraph testing in certain situations, we also recognize that abuses can and do occur. Abuses occur where there are no standards for training and conducting the tests. Abuses occur when the rights of the individual being examined are not a priority.

The answer is to eliminate the abuses, not the uses of the polygraph. Polygraph testing in employment settings, be it prehire interviews or internal investigations, can be an effective device when used properly. It is an effective, albeit imperfect tool. It is certainly as reliable, if not more so, than the personal interview, where the one conducting the interview cannot avoid subjective deductions, and consciously or not, projects his or her values, likes and dislikes, while listening to the responses, and analyzing every movement, as well as the verbal and physical nuances. Are the person's eyes blinking too rapidly? Is he or she nervously shuffling papers? What does that mean? What message is being conveyed? What is the message received? Is it accurate? Can the conclusions drawn by the interviewer be completely objective and fair to the individual being questioned? Of course, there can be no such assurances.

In the House of Representatives we have recognized the legitimate use of the polygraph. We did this just last year when by an overwhelming vote of 333 to 71, we approved an amendment to the Department of Defense authorization bill, requiring polygraph testing to be used as a screening device with employees who have access to sensitive information. And since we have already acknowledged polygraph testing to be a legitimate and effective tool for the Government to use, how can we deny its credibility and effectiveness for the private sector? Surely we cannot condone such a double standard—strongly supporting legislation to allow and even require the Government to conduct polygraph tests on its employees and prospective employees, while saying to private businesses that the results of such testing are inaccurate and unfair, and therefore cannot be used? Obviously the use of polygraph testing has its proper place in both Government and private business, when used within certain guidelines.

Mr. MARTINEZ. Mr. Chairman, will the gentlewoman yield?

Mrs. VUCANOVICH. I yield to the gentleman.

Mr. MARTINEZ. Originally, it was not in the bill, but because there was a precedent set, or because there was that concern for national security and it was demonstrated by that vote that the gentlewoman alludes to, that when it was apparent to the author of the bill that there might be in the private sector that "like threat" to security, that is why Government entities dealing in national security defense contracting were allowed to be offered as an exemption and accepted by the author for the very same reasons.

But what we have done is exactly the same thing that we have done with national security and in the public work force. In the private work force, allow the like situation to exist for the equity to be there on both sides.

Mrs. VUCANOVICH. Mr. Chairman, tourism is Nevada's No. 1 industry and casino gaming is the major element in this industry—essential to my State's economy, which has the highest tourism dependency of any State in the Union—more than 80 percent of the tourist spending in our State comes from gaming. Obviously, Nevada has a vested interest in the integrity of these operations—both to protect the patrons and to protect State revenue generated from these operations.

The Nevada gaming industry, in full cooperation with our State regulators and law enforcement agencies, uses the polygraph along with other methods, to insure the integrity of applicants, employees, and overall operations. It is a tool the industry uses to police itself, and without it, our State gaming regulators and investigators will be further burdened and the blow to tourism, our major industry, will be severe——

The CHAIRMAN. The time of the gentlewoman from Nevada [Mrs. VUCANOVICH] has expired.

(By unanimous consent, Mrs. VUCANOVICH was allowed to proceed for 1 additional minute.)

Mrs. VUCANOVICH. The polygraph provides a strong deterrent to theft and other misconduct that adversely affect the gaming industry. It has been an effective tool in controlling cash handling, drug trafficking, and other matters in cage, casino, and slot operations. In addition, the removal of criminal elements and dishonest personnel provides a positive boost to the morale of the vast majority of employees who are honest and law abiding. I have received over 100 letters from such employees who realize that the use of polygraphs is essential to the integrity of the industry and important to them as well.

The Young-Darden substitute, the Polygraph Reform Act of 1985, is the proper approach to regulating the use of polygraph testing, ensuring that examiners meet certain standards, while guaranteeing the rights of individuals being examined. The Young-Darden substitute recognizes the need to permit the use of polygraph testing, while at the same time recognizing the need to provide uniform, strict standards. It is a balanced bill, protecting both the employee and the employer. It is a moderate alternative, allowing the private sector the same protections afforded the Government.

This alternative bill is the reasonable answer to a critical problem that is growing and costing our businesses and the public untold millions of dollars each year. I strongly urge my colleagues to support the Young-Darden substitute.

The CHAIRMAN. The time of the gentlewoman from Nevada [Mrs. VUCANOVICH] has expired.

(On request of Mr. WILLIAMS and by unanimous consent, Mrs. VUCANOVICH was allowed to proceed for 1 additional minute.)

Mr. WILLIAMS. Mr. Chairman, will the gentlewoman yield?

Mrs. VUCANOVICH. I yield to the gentleman.

Mr. WILLIAMS. We shared your concern, myself as sponsor of the legislation for which the substitute now stands, and members of the committee shared your concern about the ability or inability of gambling enterprises to polygraph their employees.

We called a company that owns one of the major casinos in both Nevada and New Jersey, and asked them if there was any difference in their losses and thefts between the casino which is in the State which allows polygraphing and the casino which is in the State that does not. They said, "No, there is no difference."

Mrs. VUCANOVICH. Would you tell me who gave you that response?

Mr. WILLIAMS. The owners of Harrah's Club. Just a few days ago, if the gentlewoman will continue to yield, this was in the Las Vegas Sun, quoting:

Ridiculous contraptions that don't work are the words Steven Wynn used to describe polygraph machines. The Chief of the Golden Nugget goes on to say "That the policy of his company is that since the polygraph machine has been proven worthless, we don't use it."

Mr. VALENTINE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let me say at the outset that I think I can count and I recognize that there are a lot of Members of this body committed to the legislation. I want to compliment the sponsors and I respect them all, but I think they are wrong.

I rise in support of the committee substitute, H.R. 3916.

Mr. Chairman, the subject of polygraph testing in the private sector has raised a controversy that is difficult to resolve.

On the one hand, the proponents of such testing point to the need to prevent dishonesty in the workplace. They say that polygraphs are an effective tool in discovering potential and current employees who could harm the company for which they work.

On the other hand, critics of polygraph point to the right of individual citizens to protect their thoughts and opinions from arbitrary invasion. They say that polygraphs are unreliable and therefore dangerous to the honest employee.

All of these people are partially correct in their views. This fact makes it all the more difficult to evaluate the substance of their claims.

H.R. 1524, in my view, goes too far in paying heed to the fears of polygraph opponents. This bill would make it impossible for the business community to benefit from polygraph testing that is conducted in a sensible way.

I believe that we can find a sensible way, and I believe this solution is to be found in the amendment, offered in the nature of a substitute, called H.R. 3916.

This amendment offers protection to individual rights while allowing employers the use of tests conducted with proper protection in mind.

H.R. 3916 sets minimum standards for the conduct and use of such testing:

It ensures that testing is voluntary.

It prohibits questions that pry into religion, race, political beliefs, sexual preferences, or activity in labor organizations.

The bill allows the examinee to stop the test at any time.

It requires testers to review their questions in advance with the persons they examine.

It states that employers may take no action based on test results alone.

The bill also guards test results from disclosure to unauthorized persons.

H.R. 3916 enforces these rules by allowing States and local governments to set up plans in line with the standards described in the bill. The Secretary of Labor will have power to enforce these plans. Those who violate the bill's standards will be subject to fines of $10,000 and to penalties described by the Fair Labor Standards Act of 1938.

There is without doubt a public need to ensure employee honesty, especially in certain sectors of the economy. In pharmaceutical firms, for instance, the safety of the public depends largely on the protection of inventory. Dishonest employees must be prevented from gaining access to these stocks. The same is true for the banking industry, where millions of dollars in assets and transactions must be protected from misuse.

One major insurance company estimates that one-third of all business failures are caused by employee theft. This and other economic crime against business damages the economy by up to $200 billion annually.

Are polygraphs an effective solution to these problems? Private business has long recognized the great value of polygraph testing. The Committee on Education and Labor has determined that 2 million polygraph tests are administered in the private sector each year. This is more than all the examinations in criminal cases and in the Government combined.

During the last 10 years, the number of lie detector tests has tripled. Surveys have indicated that approximately 20 percent of all major businesses in the United States use polygraph testing. In banking, this figure reaches 50 percent. In retail operations, the figure is 60 percent.

The reputation of polygraph testing as a valuable tool is buttressed also by the use of such testing in almost all Federal law enforcement, intelligence and counterintelligence agencies.

All of these figures indicate that polygraph testing is a popular, widely recognized method of selecting potential employees and evaluating the honesty of employees in sensitive jobs. Passage of H.R. 1524 would unfairly prohibit private employers from using this widely recognized tool.

I urge my colleagues to vote instead for the amendment in the nature of a substitute, H.R. 3916. I wish to commend my colleagues BILL YOUNG and BUDDY DARDEN for their work on this substitute bill. It will protect the constitutional rights of polygraph subjects while guarding the legitimate rights of employers. Because this bill so well secures the rights of all the parties involved in polygraph testing, it deserves our approval.

I do not think that this Congress wants to say to American business that we reserve the right in the Federal Government to use a polygraph all that we want to, in every way in congressional offices, without any limitation whatever; but the American businessman shall not touch it. If the polygraph is the evil and sinister machine they say it is, then let us abolish it for every use.

How can we stand here and say to business in this country that the guy who operates a jewelry store cannot use a polygraph, but the Federal Government can.

Mr. LIVINGSTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. STUMP. Mr. Chairman, will the gentleman yield to me?

Mr. LIVINSTON. I am happy to yield to the gentleman.

Mr. STUMP. Mr. Chairman, I rise in support of the amendment in the nature of a substitute to H.R. 1524 offered by the gentleman from Florida [Mr. YOUNG]. The substitute takes the proper approach in dealing with use of the polygraph in the private sector—it does not ban such use, but it does require that such use meet specific standards designed to protect the interests of both employers and employees.

As ranking member on the Intelligence Committee and as a member of the Armed Services Committee, I have strongly supported the use of the polygraph in personnel security screening for sensitive national security programs. The Federal agencies which use the polygraph to protect the secrets involved in such programs have careful safeguards designed to protect the rights of employees and prospective employees who take a polygraph examination. The amendment offered by Mr. YOUNG would provide similar safeguards for the private sector.

I would note that the amendment offered by Mr. YOUNG has been crafted carefully to ensure that it does not impair national security polygraph programs, including contractor industrial security programs, conducted by Federal agencies.

I urge my colleagues to support the Young amendment in the nature of substitute.

Mr. LIVINGSTON. Mr. Chairman, I rise in support of the Young-Darden substitute to H.R. 1524, and I wholeheartedly agree with the sponsors that a total ban on the use of polygraph tests by the private sector is inappropriate and dangerous. I believe that it is in everyone's interest that polygraph results be as accurate as possible. In my own State of Louisiana, laws have been passed which establish guidelines for training and licensing of polygraph examiners, set requirements for the equipment used in the test, and institute protections for the rights of those taking the exam.

As I have stated before, I don't see merit in any Federal involvement in this area at all, for I believe the States are fully capable of handling this matter, but at least, it would be better

to pass legislation modeled on current State law requirements than to simply outlaw the use of the polygraph. That is why I support this substitute amendment.

This substitute provides strict standards for the use of polygraphs by employers in the private sector, governs how examinations may be conducted, and prohibits employers from taking any action based solely on the results of a polygraph test. In addition, this measure protects State programs already in effect and encourages the remaining States to set up programs of their own. I believe that if something must be done by the Federal Government in this area, the best way is to set up standards for the use of polygraphs rather than an outright ban.

There will be a number of amendments offered to exempt certain businesses from the provisions of this bill. In fact, H.R. 1524 itself provides for three exemptions from the total ban provisions included in the bill. But I would submit that opponents of polygraph tests are inconsistent in their arguments. On one hand they say that polygraph tests are not accurate enough to have any value, then they go right ahead and make exceptions to a total ban which in effect admit that there are legitimate uses for such tests.

Mr. Chairman, H.R. 1524 is bad legislation, and I urge my colleagues to support the Young-Darden substitute amendment, so that if we are to take any action, the action we take will at least be reasonable.

Mr. Chairman, we had a colleague on the floor a little while ago who had some questions that I would now propound on his behalf, since he could not stay, to the gentleman from Florida, one of the coauthors of the amendment.

Section 5, subsection (a)(1) of the amendment provides that an employee or prospective employee who is asked to take a polygraph shall sign a notification stating, among other things, that "such examinee is consenting voluntarily to take the examination".

I would like to ask the maker of the amendment, is the intent of that language to provide that an employee or prospective employee must voluntarily agree to take a polygraph examination?

Mr. YOUNG of Florida. Mr. Chairman, if the gentleman will yield, my answer is "yes," that is exactly our intent.

Mr. LIVINGSTON. It must be voluntary?

Mr. YOUNG of Florida. Yes.

Mr. LIVINGSTON. And if the employee or prospective employee declines and refuses the polygraph, may the employer take any employment action—such as firing, denying a promotion, refusing to hire, or any disciplinary action—because of or based on the refusal?

Mr. YOUNG of Florida. No, sir.

Mr. LIVINGSTON. Similarly, section 5, subsection (a)(3) requires the employee or prospective employee to be informed that he or she may terminate the examination at any time after it has begun. Is the intent of this language that no employment action may be taken against the employee or prospective employee for terminating the examination?

Mr. YOUNG of Florida. If the gentleman will yield, yes, that is the intent.

Mr. LIVINGSTON. Section 7 of the amendment provides for certification of state or local plans for regulating the use of polygraphs. Subsection (3) of that section requires that such plan "provide assurances that [the] standards and the enforcement of [the] standards [in the state or local] plan shall be at least as effective as the standards set out in this Act". Is the intent of that language that states and/or local governments may enact, or maintain if they have previously enacted, laws or regulations more strict than the language of this bill, including, if the state or the local government so chooses, to totally ban the use of polygraphs?

Mr. YOUNG of Florida. That is the intent and the effect of the Young-Darden substitute.

Mr. LIVINGSTON. Mr. Chairman, I appreciate the gentleman's response.

Mr. JEFFORDS. Mr. Chairman, will the gentleman yield?

Mr. LIVINGSTON. I yield to the gentleman from Vermont.

Mr. JEFFORDS. Mr. Chairman, I appreciate the gentleman yielding, because I have some questions along those lines.

I am deeply troubled by some of the provisions of this law; in particular, one that the gentleman was referring to with respect to whether or not a person could be dismissed or fired or whatever; however, the way I read the law, and I would like to be corrected if I am not correct, is that a person who refuses to take any examination could be not hired or could be fired.

Now, that is the way I read the law, and if I am incorrect, I would appreciate being corrected.

Mr. LIVINGSTON. That is certainly not my understanding, as I understood the answer of the gentleman from Florida.

Mr. DARDEN. Mr. Chairman, will the gentleman yield?

Mr. LIVINGSTON. I yield to the gentleman from Georgia.

Mr. DARDEN. Mr. Chairman, I would like to certainly state that under no circumstances can the polygraph be the sole determinant as to whether someone is not hired or discharged. The substitute specifically prohibits using the polygraph as the sole determinant.

Mr. JEFFORDS. That is not my question, though, if the gentleman will yield.

My question is, based upon the wording of sections 4, 5, and 6, it appears to me that although if a person consents to and takes the examination, you could not use that as a sole reason for not hiring or for firing; but it does not answer the question that appears to me from reading that, that you could refuse to hire or you could fire someone if they refuse to take the polygraph examination. That is quite a different question and that is the way I read the amendment.

Mr. DARDEN. Mr. Chairman, if the gentleman will yield further, I would inform the gentleman that under the bill as written and the intent of the authors of the bill, the gentleman from Florida [Mr. YOUNG] and I, is that refusal to take the polygraph in no way could jeopardize or in any way cause a person not to be hired or discharged.

Mr. LIVINGSTON. Mr. Chairman, if I can reclaim my time, certainly the gentleman can get his own time in a few minutes, I would simply say that that is not my understanding in my reading of the bill and certainly that is not what I would intend as I rise here to support this substitute. I think it is a good substitute.

More importantly, I think that this is truly a matter that can easily be resolved——

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

(By unanimous consent, Mr. LIVINGSTON was allowed to proceed for 30 additional seconds.)

Mr. LIVINGSTON. Mr. Chairman, it appears quite apparent that this is a matter that can easily be resolved on an ad hoc basis in each individual State.

Here we are again sitting here in the hub of the Nation, in the Nation's Capital, dipping into the province of State legislatures. There is no reason in the world why this bill should be before us, but since it is, I certainly wholeheartedly endorse the Young-Darden substitute and ask my colleagues to support it.

Mr. ANDREWS. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to the substitute.

Mr. Chairman, let me first say that I think an employer does have a legitimate grievance when he interviews a prospective employee. He is at somewhat of a disadvantage when he is trying to ascertain whether or not that person is credible as to an issue of whether he will steal or not from that employer. What we do know about these machines, however, is that they

are fallible. What we do know is that these machines can be misdirected if a person's temperature is wrong, if their body chemistry happens to be a certain way, if the operator is not well trained, if the machine is not working that day. We know that machine is fallible.

What we also need to appreciate I think in this debate is what these statistics mean in the real world. For 4 years I worked in the district attorney's office in the Houston area. Most of that time I prosecuted organized crime cases, drug organizations, robbery and theft rings and organized crime. We took most of the cases from the investigative stage through to trial.

In one particular case I tried an alleged robber. This young person went up to a photo booth in a parking lot in a sweatsuit with a hood pulled down over his face, and pointed a pistol at a young 20-year-old woman and demanded her money. The robbery took maybe 60 seconds, maybe a minute and a half. The robber left with the money and ran away.

The young woman later picked the suspect out of a lineup and insisted that, "Yes, that is the person that robbed me that day."

The defendant had five alibi witnesses and he insisted on taking a lie detector test. The Houston Police Department administered that test and he passed it with flying colors.

We were prepared to dismiss the case, but the young woman insisted, "That is the guilty man that robbed me that day," and I tried the lawsuit.

When the jury came back with a verdict of 25 years a young lawyer leaned forward (that was sitting behind me in the courtroom) and asked, "Do you really think he did it? Do you really think he was guilty?"

Everyone in the courtroom knew of the lie detector test except for the jury that heard the evidence.

A few weeks later this defendant was brought manacled into the courtroom to receive his formal sentencing and be sent away to the penitentiary, and as he stood in the back of the room and looked up to the bench, to the judge that was about to sentence him, he leaned over to the bailiff and whispered in his ear and said, "You know, if I had killed that girl that day, I would never be here now."

These machines do not work and it is time that this Congress stands up and says something about them. Make no mistake about it, if you vote for this substitute you are certifying this equipment. You are certifying these faulty machines.

I urge defeat of this substitute and a vote in support of this important legislation.

□ 1730

Mr. JEFFORDS. Mr. Chairman, I move to strike the requisite number of words.

Mr. COLEMAN of Texas. Mr. Chairmank will the gentleman yield?

Mr. JEFFORDS. I would be happy to yield to the gentleman from Texas.

Mr. COLEMAN of Texas. Mr. Chairman, I rise in opposition to H.R. 1524, the Employee Polygraph Protection Act.

I am opposing this bill not because I doubt the stories of abusive employment practices which have taken place throughout the workplace due to increased reliance on a sometimes inaccurate and unreliable procedure, but because I do not believe that Congress should be creating two classes of individuals in relation to polygraph tests generally.

If, as many have testified, the overwhelming body of evidence suggests that these tests are unscientific, inaccurate, and unreliable in the workplace and, therefore, should be prohibited in the private sector, then why are we permitting their use—in any form—against only Government employees. Aside from the obvious flawed logic behind this position, a vote for this bill is a vote to allow discrimination in the workplace against all Government employees whether they are local, State, or Federal.

Instead of pretending this inconsistency is premised on some tremendous concern about the recent rash of espionage cases, this House would do well to direct its attentions to screening methods of those public employees in sensitive national security positions which promise a degree of reliability and usefulness in which we feel confident.

Mr. JEFFORDS. Mr. Chairman, I certainly commend the previous speaker for his excellent statement and somewhat emotional statement.

I would like to try to clearly draft where the issues are here in my mind. I might well have been able to support a substitute which provided some more leeway for the States. However, I just cannot support this substitute.

The bill that we have before us, the original bill, basically eliminates the use of polygraphs in employment practices except under certain circumstances, some of which we have already provided in the bill and some of which would be provided later on, which have to do with national security and health and safety issues where the public may be threatened in that sense. Thus, we recognize that although generally these are not reliable, they may be of some help, under those circumstances, to raise some questions which should be investigated where national security and health and safety issues are involved.

However, we have an extremely different situation with respect to the original bill and the substitute. The difference is simply this: The bill before you, by the committee, eliminates the use of polygraphs for employment practices except in certain situations. The substitute gives a right to conduct polygraph exams in all cases except where there might be some violations of the rules and regulations set out.

That is a vast difference, and the question is whether we want to give a right here to businesses to conduct polygraph exams. I do not believe we do.

For instance, there is a hybrid system in the substitute which allows Federal, State, and local agencies to conduct polygraph exams, and it might have been better had they left the original bill the way it was wherein they had to be approved by the Department of Labor for those plans, but they have struck that out and they have said, instead, that it is deemed to have been approved when you submit an administrative plan. That is one problem.

It appears to me that by invoking the commerce clause in section 2(1) and then going on with respect, under section 3, to set forth the uses of polygraphs, that they have, in effect, said that States themselves cannot prohibit the use of polygraphs.

Mr. DARDEN. Mr. Chairman, will the gentleman yield for a question?

Mr. JEFFORDS. I will if I have time at the end, but the other side has gone through and said the opposite. I would like to bring out these points.

There is going to be a substantial cost to this amendment, and none to the original bill. It is going to cost the Department of Labor somewhere, according to the CBO, between $1 and $2 million to administer it, and that is an unnecessary cost. It is much better to go with the approach of the bill.

Also, as I previously pointed out, and I will not go over it again, it appears to me very clear that under this bill if someone refuses to take the polygraph exam, they can be refused to be hired or can be fired. I do not agree or see anything which says otherwise.

It protects the present polygraph licensees; whereas, new polygraphers must perform internships and take exams previous to continuing. Some it exempts and grandfathers. Those may be bad polygraph examiners who have performed more than 200 exams for a whole year.

Also, although it claims to allow different kinds of polygraph examinations in section 3(a), it then eliminates the use of anything except those currently being used by the polygraph examiners.

It precludes the private right of action under 14(b), and I would point out this is probably just a drafting error, but on that section, by referring to a section instead of the act, it practically eliminates all enforcement and all utilization of the relief.

Under 14(a), if you take a look, if you have a violation, ordinarily if there is a violation of an agent of a company, that liability goes to the cor-

poration or the business. Under this it just goes to the polygraph examiner, which probably eliminates any effect of relief.

So I think there are a lot of problems with this bill, but the basic problem with me is the very basic question of do we want to eliminate polygraph exams as being used for hiring practices except under very narrow provisions under the bill before us, and perhaps some to be added relative to national security and health and safety, or would we allow companies not to hire somebody because they refuse to take a polygraph exam? I think that is the basic difference.

The CHAIRMAN. The time of the gentleman from Vermont [Mr. JEFFORDS] has expired.

(On request of Mr. DARDEN and by unanimous consent, Mr. JEFFORDS was allowed to proceed for 2 additional minutes.)

Mr. DARDEN. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman from Georgia.

Mr. DARDEN. I thank the gentleman for yielding.

Mr. Chairman, is the gentleman aware that under the substitute that the States can still totally prohibit the use of polygraphs in their respective States and that the States, in fact, can be even more restrictive than the minimum Federal standards set forth in the substitute?

Mr. JEFFORDS. I would appreciate it if the gentleman would point that wording out to me because I cannot find it in the bill and the people we have shown it to cannot find it.

Can the gentleman tell me which section it is that says that the States can prohibit?

Mr. DARDEN. If the gentleman will yield further, we will make that available to him.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. I would be happy to yield to the gentleman from Florida.

Mr. YOUNG of Florida. I thank the gentleman for yielding.

Mr. Chairman, on the other technical question that the gentleman had asked, I would like to respond if he would allow me.

Sections 4 and 5 need to be read together, because section says that:

> No employer may take any action affecting the employment status of an employee or prospective employee, if such action is based on the results of a polygraph examination of such employee or prospective employee * * *.

In section 5, the first subparagraph says——

Mr. JEFFORDS. Hold on. If I may reclaim my time, it goes on to say "that has not been administered in accordance with sections 5 and 6 of this act."

Mr. YOUNG of Florida. That is the point I am getting to. That is correct. But in section 5, subsection (1) says, "such examinee is consenting voluntarily to take the examination." So if he volunteers to take it or if he does not volunteer to take it, that would be an action referred to in section 4.

So the employer may not take any action affecting that employment status based on section 5, subsection (1).

Mr. JEFFORDS. But that is not the way I read it, because suppose he refuses to take the exam?

Mr. YOUNG of Florida. Section 5, subsection (1), says that the exam is voluntary.

Mr. JEFFORDS. Right. So he has refused to take it. It is not voluntary.

Mr. YOUNG of Florida. And section 4 says that his status cannot be affected by a test given in conjunction with section 5, which says that it is voluntary.

Mr. JEFFORDS. But it does not say that if he does not take it that that cannot be used as a reason for not hiring him.

Mr. YOUNG of Florida. I think "voluntary" means you can take it or you cannot take it. It is up to the person being examined.

Mr. JEFFORDS. I hope the gentleman is right, but that is certainly not the way I read it.

Mr. BIAGGI. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to this amendment.

Quite frankly, the idea of formal standards for polygraph testing has a good deal of appeal on the surface, but those of us who have heard testimony about the abuse, misuse, and overuse of polygraph testing in the private sector know that standards are simply not enough. We need responsible, yet strict limitations on the use of polygraph testing and once the amendment process is completed here today, a process I will be involved in, I am confident that H.R. 1524 will meet that objective.

The American Polygraph Association estimates that more than two million polygraph tests are being given each year, 98 percent of which are being given by private business. That number is very troubling to me. Consider, for example, that our Nation's largest private security services provider, a company employing some 55,000 security personnel, gave only 900 polygraph tests in 1984. They have testified before our committee that they use these tests on a very selective basis, and in no case is a person denied employment or dismissed solely on the results of a polygraph examination.

Certainly, there is no company in the private business sector that could establish any greater need for the polygraph test. Why, then, do we have more than 2 million of these tests being conducted each year? Are they really necessary? My close study of this issue says no.

Not only are these tests being overused, but I am familiar with too many cases of a lie detector test being used as the sole determinant of whether a person is hired for a particular job. That is particularly bothersome, since we know that tens of thousands of workers are wrongfully denied employment every year, either because they refused to take the polygraph test on principle or because the inaccuracies in the process have falsely judged that individual.

Admittedly, there are certain industries in our Nation that have demonstrated a proven need for the polygraph. These industries include the security industry, the pharmaceutical industry, and Government intelligence agencies. But, exemptions for these industries have either already been established in this bill, or will be established in the bill today. I am satisfied with those exemptions. They provide for the responsible and necessary use of the polygraph, while allowing the remaining provisions in the bill to prevent the abuse, misuse, and overuse of the lie detector test. This is a very fair and balanced approach.

The Darden-Young substitute falls short of the mark. Standards will not be able to prevent the unscrupulous employer from pressuring employees or prospective employees from "volunteering" to take the test, and standards will not prevent the unscrupulous employer in States that prohibit the tests to simply send job seekers to a neighboring State to take the test and, Mr. Chairman, these types of abuses are occurring.

The American work force deserves our support and protection. H.R. 1524 sends the right message, the Darden-Young substitute does not. I urge my colleagues to oppose this amendment.

□ 1740

Mr. FORD of Michigan. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of H.R. 1524, the Employee Polygraph Protection Act, which would prohibit most uses of the polygraph in private sector employment. Passage of H.R. 1524 will protect millions of American workers—and their employers—from the abuses associated with a misplaced reliance on the polygraph machine as a "lie detector."

I want my position to be perfectly clear. If there really were such a thing as a valid lie detector, I would not be opposed to its use, just as I am not opposed to background checks and other investigations designed to determine whether employees are lying or truthful. If an employee tells an employer, "I am a high school graduate" or "I have never used narcotics" the employer has every right to investigate whether the employee is telling the truth. But a polygraph machine won't provide the answer.

According to the Congressional Office of Technology Assessment, as employment

screening devices, polygraph tests give wrong answers nearly as often as they give correct answers. The result is that thousands of innocent, talented potential employees are unfairly denied, jobs, while employers are falsely lulled into hiring thousands of undersirable people who manage to pass their polygraph tests.

It is no wonder that the past chairman of the Georgia Board of Polygraph Examiners testified that he would be unwilling to take a polygraph test in his State if his job and career were to depend on the results.

No scientifically valid study has ever shown that polygraph tests can detect lies. What studies there are indicate that polygraphs wrongly identify innocent subjects from 5 to 88 percent of the time. Thus, even under the best of circumstances, 5 innocent individuals in 100 will be labled as guilty, denied a job, or fired. In the worst scenario, 88 innocent people out of 100 would be incriminated.

It is no surprise that in the overwhelming majority of State and Federal courts, polygraph tests are inadmissible as evidence unless all parties consent to their admissibility. Many courts, includng those in my own State of Michigan, will not permit the use of polygraph tests as evidence even when the parties stipulate to their admissibility. The courts do not admit polygraph evidence because there is no way to determine its reliability. Employers interested in an accurate evaluation of their employees should follow the courts' example.

It is wrong to allow employers, however well-intentioned they might be, to subject job applicants or employees to the Russian roulette of polygraph testing. The congressional Office of Technology Assessment estimates that as many as 50,000 innocent employees lose their jobs each year because of inaccurate polygraph tests, while large numbers of guilty employees—shoplifters and embezzlers—are wrongly exonerated. Employers lose both ways, by retaining bad employees and by losing valuable, honest, and loyal employees.

Regulation of polygraph testing is no answer. Regulation cannot transform the polygraph test into a valid lie detector. It can only create a false aura of validity and encourage more employers to rely on polygraph testing. I urge my colleagues to defeat the Young and Darden substitute and to vote for H.R. 1524.

Mr. BROOKS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong opposition to the Darden-Young substitute amendment. This amendment would create a Federal regulatory scheme for the polygraph practice in the private sector and, in doing so, would legitimize it as an accepted part of the American workplace.

As I have indicated previously, the polygraph has no acceptable place in the screening of workers who are not under suspicion of wrongdoing. The practice of polygraph screening itself is fundamentally flawed from a scientific standpoint and inherently abusive under American principles of justice.

The American Psychological Association has condemned polygraph screening by its members as unethical. The Darden-Young substitute, however, authorizes the practice; its regulatory approach is a wolf in sheep's clothing. Under its terms, every private polygrapher in the country who runs American workers through his pseudoscientific tests, will have a Federal certificate of approval on his wall.

I urge defeat of this amendment.

Mr. McCOLLUM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today to discuss this issue because it concerns me greatly that we are in the process of making a choice between competing public interests, and we seem to be having a great deal of difficulty getting the disection of the two competing interests clearly laid before the Members. I would like to do that, and reason hopefully with my colleagues about where we ought to be going on the Young-Darden amendment and on this bill.

I do not think there is any question but that there are those who rightfully point to the fact that polygraph examinations—lie detector examinations—are not always accurate. They never have been and they probably never will be. It is not an absolute science.

In the area of criminal law, I have dealt with those. I remember doing this when I was on active duty in the military. They certainly are not going to be acceptable, and they should not be in the course of a criminal prosecution where the proof is beyond a reasonable doubt in order to convict a person who is accused of a crime. But they have been used successfully by our law enforcement officials in the process of criminal prosecutions in behalf of the accused in situations that I have been involved in, and I am sure many others around the country have been. That is when there is some questionable evidence involved in the case and the accused himself oftentimes is allowed the opportunity to present a polygraph examination, conducted by a reputable lie detector giver of that examination, and he comes out according to that exam as saying that he is speaking the truth and the benefit of the doubt is given to him, and he is then oftentimes faced with no charges. The charges are dropped.

Now let us look at what we are talking about today. We are not talking about the criminal world. We are talking about the civilian world. We are talking about lawsuits, we are talking about employment. We are talking about business opportunities and business interests and the public interests.

What are the public interests here? There is a public interest, no question about it, being argued by the committee bill out here today and those who would argue against this amendment. There is a public interest in reducing the possible abuse of the polygraph. We do not want to see it abused, and it can be abused in the sense that an employer would discriminate in its use, or in the sense that somebody who does not know how it is being used, or how to administer it properly, asks the wrong questions or does not effectively ask the questions at all. No question, a preemployment screening can be abusive, or a screening of any sort under the polygraph.

That interest, though, and how often it occurs has to be weighed against the very strong public interests in many sectors of our society today to be able to screen out people who would be thieves, people who would steal from companies, people who would steal from the public because these companies represent the public interest. And it is when weighing these interests that we get in trouble drawing that line. How do you write a bill like this one that draws that line? I think you can see the difficulty by the number of exceptions that are created in this bill, and the number of exceptions that apparently are going to be seen on amendments that will follow if this one is not adopted, all kinds of concerns over the pharmaceutical industry, for example. The Drug Enforcement Administration says one-half million or a million doses of drugs are stolen every year by employees of pharmacies and wholesale drug manufacturers and distributors. This increases the cost of drugs to consumers.

Imagine the cutback in expenditures for drugs elderly people on fixed incomes could experience if the drug manufacturers could cut back on those theft losses? The National Association of Chain Drugstores estimates consumers pay 10 to 15 percent more for drugs to cover losses from internal theft.

We have had one amendment to this bill in committee dealing with this. We are probably going to have another one on the floor today to allow the opportunity to have polygraph examinations used in connection with pharmaceuticals. That is just one example of where it needs to be.

I understand there may be another one dealing with the armored car deliveries of cash. Frankly, we need to look at the whole area of financial services where we have got problems with money laundering. Where else is the public interest greater in not having thieves than in our banking world today where 80 percent of the internal losses of banks in this country each year are from internal theft; $382 million last year in losses in banks for that reason, not to mention the vulnerability of the public to money laundering of drug dealings in cash

through the process of our financial institutions.

There are a myriad of those. There are no exceptions in this bill for that. I could go on and on and on, as many will do today if this amendment does not pass, and lay out the litany of examples of where we have a public interest in allowing the polygraph to be used, even though there is a competing interest that says maybe we should do away with it. We have got to have those exceptions to protect the public.

It seems to me that under the circumstances of this, with the national security interests already excepted, with Government employees in many cases already excepted, with the dual standard being created by this legislation that the logical thing, rather than create this whole long list of exceptions that we otherwise would have to do in this bill, and just let a few people have them, it seems to me that the logical thing to do rather than to create this whole additional laundry list of exceptions where the public interest has to be weighed more heavily in favor of using the polygraph against the other aspects of the public interest involved that we adopt a broad policy statement in this legislation that puts some limits and checks on the users of polygraphs, that requires certification of the persons who are administering them and of the parameters to which the testing may go as far as questions asked and so forth. That is what the Young-Darden amendment does.

The CHAIRMAN. The time of the gentleman from Florida [Mr. McCOLLUM] has expired.

(By unanimous consent, Mr. McCOLLUM was allowed to proceed for 1 additional minute.)

Mr. McCOLLUM. This is the sensible way to approach the abuses in the polygraph given in the private industry of this country, and I urge may colleagues to think about this for a minute. I think when you do, you will realize that rather than riddling this bill full of exceptions hither and yon, the logical thing to do is to pass the comprehensive approach that Young-Darden allows to correct the abuses without killing off the good and necessary part of giving lie detector tests to those in private industry who are employees in very sensitive areas.

Mrs. SCHROEDER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, how can Congress support limited use of the polygraph as a counterespionage tool by the Government and still pass this legislation which severely restricts polygraph use by private employers?

The answer lies in the profound difference in the scope of polygraph examinations, the rights of the individuals subject to the examination, the uses of the test results, and the training and certification of polygraph examiners between the Federal Government counterintelligence and private sector employment polygraphs. Consider the differences:

SCOPE OF EXAMINATIONS

The Federal counterintelligence examination involves six specific relevant questions concerning contact with hostile intelligence services. There are no relevant lifestyle questions and the control questions are designed to be nonintrusive. Private employment polygraph exams usually concentrate on honesty and use of drugs and alcohol. The questions are often quite intrusive. Unnecessarily embarrassing questions produce far more false positive than do less intrusive questions. Further, the Federal program involves extensive pretest interviews during which every question to be asked will be reviewed. Not necessarily so in the private sector.

RIGHTS OF INDIVIDUALS

In the Federal program, individuals who refuse to take the examination are ordinarily reassigned to other, less sensitive work, without loss of pay. There are no such protections in the private sector. Federal civilian and military personal have the right to counsel outside the examination room, they are reminded of their privilege against self-incrimination, and they are not asked about religion, politics, or personal beliefs, all interviews are recorded and all charts are reviewed by a second or third examiner. The results are never communicated outside a very small group of officials. Virtually none of these protections exist in the private sector.

USE OF RESULTS

No action can be taken against an individual based solely on the results of a polygraph examination. Deceptive results can lead to further investigation, but, unless the deception is substantiated by external investigation, no adverse action is taken. In the private sector, the charts are often the only determining factor. Frequently, charts are not reviewed by a second examiner. And, unlike the Federal Government where the questions are repeated three times to assure the accuracy of results, often a single response will be considered decisive in the private sector.

EXAMINER CERTIFICATION AND TRAINING

The Federal Government requires completion of a 14-week training program, including the live administration of 50 exams, and a 6-month internship. States have varying standards. Yet, there are no private-sector training courses which involve the live administration of anywhere near 50 exams. The Federal Government requires a B.A. degree and 2 years of investigative experience. There are no such private-sector requirements.

I am not a big fan of the Federal counterintelligence polygraph program. It is very expensive and the reliability of the polygraph for counterintelligence screening is not supported by any valid research.

Still, a responsible, limited program, when used in conjunction with other security measures, may make sense. Permitting the widespread use of poor quality polygraphs in the private sector to determine the employment future of millions of Americans is nothing short of scandal. The bill before us today corrects that problem.

My State of Colorado has no standards for polygraph givers, so employers may be paying for poor quality, but worse, an employee may be labeled for life by incorrect results.

□ 1750

So what happens is you can have people with no experience go out and make terrible mistakes, and it is the employees who will then pay for the rest of their lives.

So, I think that is why the substitute is majorly flawed. I had tried to figure out how to put an amendment on it, but could not in time. The bill is majorly flawed because it does not deal with the States that have no criteria; and by passing this, it is really giving a feel of congressional approval to the utilization of polygraphs in the private sector, and I think that is a very dangerous thing to do.

I hope the substitute will not pass, because it goes in the wrong direction by not having that very vital protection. The machine is one thing, but the machine is only as good as the person who uses it, and many States have not dealt with that. So to have a Federal mandate that we should start moving down that road is wrong and to say that, well, we are just doing this because the Federal Government could do it is also not accurate because the Federal Government has very stringent standards.

Mr. YOUNG of Florida. Will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman.

Mr. YOUNG of Florida. I thank the gentlewoman for yielding. In the beginning, I thought she was speaking for our substitute. She is correct, that presently there are no standards that exist in the private sector, while they are stringent in the Federal sector.

Mrs. SCHROEDER. I am talking about standards, reclaiming my time, standards for the training of the polygraph examiners.

Now, had the gentleman brought in, say, DOD Directive No. 5210.48, which is the Federal Government's, then we would know what that standard was, but there is not a standard in there. You defer to the States and many States have no standards.

Mr. YOUNG of Florida. If the gentlewoman will yield, on page 6 of our substitute, we provide that a polygraph examiner must be at least 21 years of age, a citizen of the United States, a person of good moral character, in compliance with all laws, rules and regulations of any appropriate State or local government governing use of the polygraph, holds a B.A. degree from an accredited college or university, has successfully completed a formal training course in use of polygraph that has been approved by the Secretary, and has completed a polygraph examiner internship of at least 6 months duration under the direct supervision of a polygraph examiner who has met the requirements of this section.

I think we have to have these stringent requirements.

Mrs. SCHROEDER. If the Federal Government is looked at, they have a much more stringent one, and I can point out what that is, it is a 14-week training course, it includes 50 live examinations, a 6-month internship and the administration of anywhere near 50 exams, a B.A. degree, and 2 years of investigative experience.

I think that that is a much stricter standard, and I think if we are going to compare oranges and apples, we should have exactly the same standard that we have in the Federal Government.

Otherwise, I think we have a major loophole that people can get through, and that concerns me.

Mr. YOUNG of Florida. If the gentlewoman will yield, I agree with that. Our standards are not quite as strict as those of the Defense Department, but they are far stricter than any that exist today, because basically throughout the country there are practically no standards at all.

Mrs. SCHROEDER. I think that when we go ahead and say that we are going to do this, we should have it at least at the same level if we are going to say we are doing it in the private sector, because they do it in the Federal sector.

As I say, in the Federal sector, we also have all sorts of other protections such as the rights of individuals; the availability of counsel; and so forth and so on, and it is very well laid out.

That I do not see, and as I say, I will put all of this in the RECORD; but that I do not see as an equivalent, and I really worry that that could allow some abuse.

Mr. YOUNG of Florida. If the gentlewoman would yield just one more time, I would request respectfully that she read section 4 and 5 of this——

Mrs. SCHROEDER. The gentlewoman has read the section, and that is what I am pointing out.

Mr. YOUNG of Florida. I think you will find that——

Mrs. SCHROEDER. Is that it is not the same. I wish it were the same. It is not the same, and I am saying if we are talking about saying we are doing this because we do it in the Federal sector, then it should be the same. And that is all I am saying.

Mr. YOUNG of Florida. But once again, it is far better than the nonexistent protections——

Mrs. SCHROEDER. It is stil not the same level of protection that we give to Federal employees, and I think we should make it the same or we cannot use that as an argument.

Mr. SWINDALL. Mr. Chairman, I rise to strike the requisite number of words.

Mr. Chairman, as a former practicing attorney and as a private business owner, I rise in support of the Darden-Young substitute, and in opposition to the committee version for the simple reason that I think today more than any other issue, business men and women in this country are concerned about this continuing attitude in Washington, DC that somehow folks in Washington have better sense than folks back home.

H.R. 1524 is a classic example of that type of mentality, that somehow we have got to continue to set standards out of Washington; in this case completely usurping the right of the private sector to use a polygraph is at least part of a multifaceted process of determining not only qualifications for employment, but also in determining how to best contain theft losses which ultimately benefits the public at large.

What concerns me about 1524 is, it just continues to usurp the same rights that individuals I think repeatedly have stated at least if you go to my district and talk to individuals, that they would be perfectly satisfied if they could just go about the business of running their business with the least amount of interference from Washington, DC.

The substitute that has been offered by Mr. YOUNG and Mr. DARDEN I think addresses the real hearts of the concerns of those individuals who feel that polygraphs have been abused; but it does not go so far as to outlaw that provision; it does set some very rational standards, and even sets forth some remedies that do not exist under current law.

For the reason, Mr. Chairman, I think that we do a tremendous disservice not only for businesspersons in this country, but to consumers who will ulitmately bear the cost of this bill in the sense that there will be taken away a very substantive way that individuals can regulate losses in their businesses.

The last point I would make is that no employer under this substitute would be authorized to take any action solely of the basis of a polygraph test.

Mrs. VUCANOVICH. Will the gentleman yield?

Mr. SWINDALL. I yield to the gentlewoman.

Mrs. VUCANOVICH. I would just like to make a point that I did not have a chance to make, again in support of the Young-Darden substitute. Our colleague from Montana [Mr. WILLIAMS] referred to the fact that all of the casinos in my State did not feel this was important, and I did want to make the point that 90 percent of the northern Nevada casinos want to have the ability to use the polygraph, and 70 percent of the southern Nevada casinos support it.

Our colleague also referred to a casino owner, a Mr. Steve Wynn, who has a casino in the southern part of our State, in Las Vegas, and said that the casinos that use polygraph and the casinos that do not, there is no loss difference; and I would like to know how in the world anyone can measure that. If the money is stolen, how are you going to be able to tell?

So I think the importance is that the private businesses such as casinos who handle money as they do, money loses its name once it leaves your hand; cash does. If we can have the ability in our State and private industry where it is in compliance with our State law, it is a very important tool, and it is obviously not the only tool.

I thank you very much for the time.

Mr. SWINDALL. Two other points that I would like to make very briefly, Mr. Chairman are: First, the inconsistence of H.R. 1524. On the one hand it argues that polygraph tests are somehow invalid and then on the other hand it argues an exemption in a number of categories, mostly relating to the public sector. How can it be invalid in the private sector but yet have validity in the public sector?

The other attitude that bothers me about this bill is this same prevailing attitude that State governments and local governments are incapable of not only noting problems, but solving the problems.

I happen to believe very strongly that our local elected officials are very capable of addressing these problems, and do not need our help.

I will yield to Mr. YOUNG.

Mr. YOUNG of Florida. During the debate of our colleague from Texas [Mr. ANDREWS] he made what I thought was an effective argument against the position that I support.

I want to have an opportunity to respond to that, because I did not want to let it go unanswered.

He made the point that machines are fallible, and I agree with that. God knows the families of the seven crew members of the shuttle *Challenger* know that machines are fallible.

He also said that these machines do not work.

(On request of Mr. YOUNG of Florida and by unanimous consent, Mr. SWINDALL was allowed to proceed for 2 additional minutes.)

Mr YOUNG of Florida. If the gentleman will yield, in that argument after saying that machines are fallible, he also said that polygraph machines do not work. But at the same time, H.R. 1524, the vehicle that he supports in opposition to our substitute, allows the use of the unworkable machine by the Defense Department, which we support of course.

He is also prepared, as are the sponsors of H.R. 1524, to allow the use of this supposedly unworkable machine for FBI contractors.

□ 1800

They are willing to allow the supposedly unworkable machine in the use of those dealing with drugs. I understand they are also prepared to accept exemptions for public utilities, public security services, armored car personnel, uniformed security personnel, the jewelry business, the legalized gaming business, aviation employees, and banks. I understand that they are prepared to allow exemptions for this supposedly unworkable machine for many, many types of industry. I think that is inconsistent. I would like to close this argument by saying that what we are trying to do with the Young-Darden substitute is not only protect against the criminal, but also to protect the innocent who might lose his job if he was not able to have access or if the industry was not able to have access to the use of the polygraph. We believe by having a professional approach to using the polygraph with a legal safeguard for the person being examined that we are protecting the innocent and we are protecting the consumer who pays more than $40 billion a year now because of internal theft.

I thank the gentleman for yielding.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

(By unanimous consent, Mr. SWINDALL was allowed to proceed for 1 additional minute.)

Mr. SWINDALL. In my own business, I have repeatedly used the polygraph to protect individuals in situations where they are suspect. I, for one, have on numbers of occasions hired former felons and one of their protections is, when an individual accuses them wrongly, they can go to a polygraph examination and vindicate themselves, and they, I know from personal experience, have applauded the use of that to vindicate themselves.

I would certainly hate to see us take away that very valid method of vindication.

Mr. SHELBY. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the substitute.

Mr. Chairman, the substitute seeks to curb polygraph abuse by regulating the testing procedure and licensing polygraph operators. I believe that polygraph tests are basically abusive. H.R. 3916 would only legitimize the Federal Government's approval of what I think is an unscientific subjective procedure that, by its very nature, violates some of the fundamental principles of our Constitution: the presumption of innocence, the right of privacy, and the privilege against self-incrimination that we all have.

Experience by a lot of us, and I have served as a prosecutor and as a U.S. magistrate and as a practicing attorney, experience shows that polygraph licensing and regulatory statutes will not work and do not work. I also believe that the rights provided by H.R. 3916 are meaningless in practice and you have got to ask yourself how voluntary can polygraph examiners really be when H.R. 3916, the substitute, allows employers to require workers and job applicants to take polygraph tests to keep or get their jobs. Does that seem voluntary to you? The requirements for a polygraph license imposed by the substitute are so weak that a polygrapher could obtain a polygraph license without even a high-school education.

But the true purpose of the polygraph is, what? I submit to you, it is basically to intimidate people. Most information obtained from a polygraph interrogation is obtained before the examinee is even hooked up to the polygraph machine because they are so afraid of the machine.

The real way to effectively protect people from the intimidation of the polygraph is, how? It is to ban its use.

The procedure and the machine are flawed, not reliable. We should not play with this kind of thing. Let us protect our constitutional rights.

Mr. Chairman, I yield back the balance of my time.

Mr. STRATTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have served some 34 years in naval intelligence, and I think I have experienced some number of individuals who have operated a polygraph and who have carried on polygraph examinations in connection with the principles administered and proposed in the other legislation which exempts the Federal Government employees and defense operations of the Nation but somehow the idea of utilizing the polygraph in local governments or in businesses is said to be wrong.

The point was made by the gentleman who spoke just a moment ago that if it is so wrong, why is it OK in the other bill? The idea of a polygraph is not that you run everybody through it to see how many people are lying. You use it simply when you have some individual whom you may suspect of some nefarious activity. A polygraph usually ends up at the end of the line when you make a final determination.

I think there is a good deal of misunderstanding that if somebody loses something, you are going to run everybody through the polygraph and try to find out who was guilty and who was not. Why are we objecting to the idea of utilizing it in business? In fact, in recent years, we have seen all kinds of businesses which have been preyed upon. There have been banks that have had individuals taking money out of the banks.

We have had the kind of industrial espionage that has taken place in the case of a couple of companies in Japan coming over here to the United States.

Our business, our whole procedure of keeping American businesses going indicates that there are many opportunities for sabotage, for larceny, all of these other things. In fact, a number of bills and amendments have been offered to protect airlines, to protect utilities. All of these things are subject to sabotage. This is the very kind of a procedure that can work out as effectively as it does in the Government operations in the individual States and communities. This bill is a bill that would encourage States who have not set up any programs for operating this kind of detection to go ahead in this field under appropriate standards.

I think it is this kind of legislation that will help American businesses and will reduce the type of wrongdoing that we have been seeing in the business sector in recent months and recent years.

Mr. Chairman, I yield back the balance of my time.

Mr. THOMAS of Georgia. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Young-Darden substitute and in opposition to the bill.

Mr. Chairman, the possibility of polygraph abuse can be a problem, as we have heard in testimony before our committees and as we read in newspaper accounts. We need legislation to address this potential abuse, and I believe that the best approach is contained in the substitute offered by Mr. YOUNG and Mr. DARDEN.

This substitute bill has a number of protections for those taking the exams. And it also represents a much more appropriate "federalist" approach to solving this problem.

Historically, States assume the responsibility to regulate and license those who deliver services to their citizens. Utilities are regulated by the States. Insurance companies and real estate brokers are licensed by States, as are doctors, lawyers, dentists, and other professionals. The States

assume the duty to protect their citizens and to fine-tune regulations to cover their particular needs and circumstances.

Polygraph examiners fit into this same category of professionals offering services to businesses and individuals. At least 30 States have passed legislation to regulate the polygraph industry by licensing examiners and setting standards for exams.

The States' right to govern themselves should be respected. State legislators are working to develop legislation which protects the rights of examinees, establishes training guidelines for examiners, and restricts the kinds of questions that can be asked so the personal lives of examinees are not invaded.

The Young-Darden substitute would encourage other States to follow suit and would set up clear guidelines for States to institute the kinds of protections that examinees need. It seems to me that this approach is much more responsible than the committee bill blanket prohibition against polygraph use in the private sector.

The polygraph has been used for decades by businesses that have particular security problems. Many of these businesses are likely to get exemptions from the committee bill so they can continue to use the exams. That means that tens of thousands of employees and job applicants would continue to be subject to potential abuses.

The committee bill simply won't work in the real world. The polygraph will continue to be used, and instances of polygraph abuse could continue unless we do something. Prohibition is not the answer. What will work is legislation that is carefully drafted and which recognizes the practical needs of American business and that is sensitive to the potential harm that can be done to examinees by improperly trained testers or others who abuse test results.

I believe that the States are best able to consider all of these needs and to find the balance that works best for their citizens. The States should have the authority to pass their own bills, using the guidelines set out in the substitute bill.

I urge my colleagues to support the Young-Darden substitute as the most sensitive and responsible solution to instances of polygraph abuse.

□ 1810

Mr. ROBINSON. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the substitute.

Mr. Chairman, I will make my remarks very brief. I have listened to the arguments on both sides, and both sides have made very valid points.

However, I would like to briefly digress and talk about my experiences with the polygraph starting back in 1963, when I entered law enforcement as a rookie police officer trying to obtain a college degree and work during the daytime and go to school at night.

I had to take a polygraph test once as a condition for employment in law enforcement. The examiner that administered the test to me was a very cantankerous gentleman who was in a big hurry that afternoon to hurry up and finish his screening process of all of us young potential rookie cops. He came out and told me after my test that I had failed.

He said, "I asked you one question on this test," and he said, "You lied."

I said, "What was the question? I don't think I lied."

He said, "I asked you a question: Have you ever done anything in your life that, if we found out about it, might be embarrassing to you or this department?"

Of course, I said, "No." I never stole anything. I never did anything that I thought was real terrible. But I guess in my subconscious, I remembered I borrowed a marble when I was 5 years old, and didn't return it.

He said, "That's what it was. You stole a marble when you were 5 years old, so you flunked. You are not going to get the job as a State trooper."

I said, "That is absolutely ridiculous. I want to see the next person in charge." I went to see the next superior officer, and he said it was ridiculous.

The point I am making is the polygraph is only as good as the examiner and the questions and the way they are predicated. I have no problems with some of the exemptions in this bill. I voted for the bill to allow the Defense Department to give polygraphs. It is a very useful investigative tool.

My fear is that we are going to put the congressional stamp of approval on polygraphing every person who applies for a job in any business in this country as a precondition to employment. I think we have a responsibility to the workers in the country, as well as to our businesses and to our Government. For that reason, I oppose the substitute and I urge passage of the bill.

Mr. WILLIAMS. Mr. Chairman, I rise to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the substitute, which is a good-faith attempt and has been well presented by its sponsors and cosponsors.

The chairman of the subcommittee, the gentleman from California, mentioned that we have a Congressional Budget Office estimate that this substitute would cost the Federal Government $1 to $2 million in administrative costs. Let me read to you from the Congressional Budget Office letter:

The bill would increase the workload of the Department of Labor, and so result in increased costs for that agency. H.R. 3916 requires all persons conducting polygraph examinations to be certified by the Secretary of Labor, and requires the Secretary to make continuing evaluations of certifications. Should a certification be withdrawn, appeals may be brought in the District Court. In lieu of this process, the Secretary is responsible for certifying administrative plans of state and local governments. In addition to these duties, the Secretary must issue rules and regulations necessary to implement the act, make necessary inspections and investigations, prepare and print notices to be posted upon the premises of every employer involved in interstate commerce, and approve training and continuing education classes necessary for examiners to receive and maintain certification.

Based on information from several states that license polygraph examiners, we estimate that the additional costs to the federal government as a result of this bill would be between $1 million and $2 million annually.

The question is, does the Congress of the United States want to spend another $2 million to encourage the use of lie detector gadgets in this country?

That is what this bill will do, because we have found that every State that has passed regulations over lie detectors has ended up with an explosion of use, because people have become snookered into believing that the lie detector works because the stamp of approval of the Government has been put on it.

As a side matter, one of the other gentlemen in the debate mentioned two recent spies, both tragic cases, but let me bring them up again, the cases of Mr. Walker and Mr. Chin. They were apparently, and convicted of being, spies against this country.

What the proponents of this substitute, which I oppose, did not tell you was that Mr. Walker and Mr. Chin took and passed the lie detector test that was given to them. What they also did not tell you is Mr. Walker used to be a lie detector examiner. He used to give the tests.

Finally, we need to look at this, and we need to look at it in a dispassionate manner: Do these things work? Are they reliable?

A polygraph instrument cannot detect truth or deceit. It can detect increases in blood pressure. It can detect increase respiration. It can detect increased perspiration. But it cannot detect lies. It cannot find the truth. It detects something, but it does not detect lies because there is no uniform physiological response for all liars. That is primarily why this gadget does not work.

The human is a complex instrument. It is a system of thought processes and behavioral processes and intellectual processes, all woven together in a way that man does not understand.

The lie detector people would tell you that that gadget is able to pierce that human intellect and discover

what is going on inside of it, whether the brain is lying or telling the truth. People are not psychologically transparent.

Business has been snookered by the lie detector industry. Business is getting the business from the polygraph industry. The lie detector assumes that Pinochhio is not a myth, that when we lie you can see it. Our nose will grow. We will sweat a certain amount more. Our respiration will rise. The lie detector gadget, my friends, does not work.

Perhaps America would be better off if it did, but it does not.

Mr. Chairman, I urge my colleagues to oppose the substitute.

□ 1820

Mr. YOUNG of Florida. Mr. Chairman, I rise in opposition to H.R. 1524 and to close the debate for the proponents of the amendment in the nature of a substitute.

The CHAIRMAN. Without objection, the gentleman from Florida [Mr. YOUNG] is recognized for 5 minutes.

There was no objection.

Mr. YOUNG of Florida. Mr. Chairman, I thank my colleagues for the generosity of their time this afternoon. I just want to respond to a couple of points, as those of us who support the substitute close the debate.

The chairman of the committee presenting the bill makes the point that CBO has said our substitute will cost from $1 to $2 million to administer. That is nothing compared to the administrative cost of most bills that this House considers. But when you compare it to the nearly $40 billion a year that our Nation's businesses are losing from internal theft and that we are trying to prevent by a professional approach to the polygraph, the $1 to $2 million is a great investment.

The gentleman also suggested that this machine is not any good and that it cannot determine the truth. He says all it does is measure temperature and perspiration and heart rate. If that is the case, why is he willing to make it available for certain segments of our Government and, certain segments of our private industry, but not others. I find something very, very inconsistent in that argument. If it is good for one industry, it is good for another. I think that argument is very, very flawed and very, very inconsistent.

Mr. Chairman, I yield to my colleague, the gentleman from Georgia [Mr. DARDEN], to close the debate on this amendment.

Mr. DARDEN. I thank the gentleman for yielding and I want to join my colleague in expressing my clear surprise at the sponsor of the bill and the distinguished chairman of the committee who complains about spending $1 million to save $50 billion, $50 billion which is stolen from the businessmen of America by dishonest employees.

I think we can spend and ought to spend $1 million or $2 million or $10 million to assure that we do not continue to permit this type of theft because, Mr. Chairman, here is what happens when we have $50 billion stolen from the private sector: The cost goes up.

Who ends up paying for it? The taxpayer, the consumer.

Mr. Chairman, it is estimated that, as a result of employee theft in this country, the cost of goods at retail is 10 to 15 percent more than what it would be did not employee dishonesty occur.

So I think $1 million is a small price to pay, Mr. Chairman, in return for taking all precautions that we can take against dishonest employees.

I would also point out, Mr. Chairman, that in this day of a litigation-conscious society, employers are constantly being sued and brought to court and being held accountable for not properly screening, not properly seeing that the persons they hire have matters in their backgrounds which are objectionable; for example, the repairman who might rape a customer, or something, while making a service call.

So, in many instances, we are being asked and employers are being held more and more accountable to the general public for a closer scrutiny of their employees.

But let me finally say, Mr. Chairman, in conclusion, that the substitute ought to pass, and the reason it ought to be is that we should not have one standard for the private sector and another standard for the public sector. It is time to put this hypocrisy to rest.

And remember that on the motion of my colleague from Florida, in June 1985 this House approved polygraph use by the Department of Defense, by a vote of 333 to 71.

H.R. 1524 would take away from private industry an investigative tool which the Congress has deemed appropriate and necessary for use by the Federal Government. If it is good enough for the Federal Government, it is good enough for the businessmen of America.

I urge the adoption of the substitute.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Florida [Mr. YOUNG].

The question was taken; and the Chairman announced that he was in doubt.

RECORDED VOTE

Mr. DARDEN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 173, noes 241, not voting 20, as follows:

[Roll No. 45]

AYES—173

Anderson	Gradison	Packard
Archer	Hall (OH)	Parris
Armey	Hammerschmidt	Petri
Badham	Hansen	Pickle
Barnard	Hartnett	Porter
Bartlett	Hefner	Ray
Barton	Hendon	Regula
Bateman	Henry	Roberts
Bennett	Hiler	Roemer
Bentley	Hillis	Rogers
Bereuter	Holt	Rose
Bevill	Hopkins	Roth
Bilirakis	Huckaby	Roukema
Bliley	Hunter	Rowland (GA)
Boulter	Hutto	Schaefer
Broomfield	Hyde	Schuette
Brown (CO)	Ireland	Schulze
Broyhill	Jenkins	Sensenbrenner
Byron	Jones (NC)	Shaw
Callahan	Jones (TN)	Shumway
Carney	Kindness	Shuster
Chandler	Kolbe	Siljander
Chapman	Kramer	Sisisky
Chappell	Lagomarsino	Skeen
Chappie	Leath (TX)	Slaughter
Cheney	Lent	Smith (NE)
Cobey	Lewis (CA)	Smith, Denny (OR)
Coble	Lewis (FL)	Smith, Robert (NH)
Coleman (MO)	Lightfoot	Smith, Robert (OR)
Combest	Livingston	Snyder
Craig	Lloyd	Solomon
Crane	Lott	Spence
Daniel	Lowery (CA)	Spratt
Dannemeyer	Lujan	Stenholm
Darden	Lungren	Stratton
Daub	Mack	Stump
DeLay	MacKay	Sundquist
Derrick	Madigan	Sweeney
DeWine	Marlenee	Swindall
Dickinson	Martin (NY)	Tallon
DioGuardi	McCain	Tauzin
Dowdy	McCandless	Thomas (CA)
Dreier	McCollum	Thomas (GA)
Duncan	McEwen	Valentine
Eckert (NY)	McGrath	Vander Jagt
Emerson	McKernan	Vucanovich
Fawell	McMillan	Walker
Fiedler	Michel	Whitehurst
Fields	Miller (OH)	Whitley
Fish	Molinari	Whittaker
Flippo	Monson	Whitten
Fowler	Montgomery	Wolf
Franklin	Moore	Wortley
Frenzel	Moorhead	Wylie
Frost	Morrison (WA)	Young (FL)
Fuqua	Myers	
Gekas	Nelson	
Gingrich	Nichols	
Goodling	Oxley	

NOES—241

Ackerman	Bustamante	Edwards (CA)
Akaka	Carper	Edwards (OK)
Alexander	Carr	English
Andrews	Clay	Erdreich
Annunzio	Clinger	Evans (IL)
Anthony	Coats	Fascell
Applegate	Coelho	Fazio
Atkins	Coleman (TX)	Feighan
AuCoin	Conte	Florio
Barnes	Conyers	Foglietta
Bates	Cooper	Foley
Bedell	Coughlin	Ford (MI)
Beilenson	Courter	Ford (TN)
Berman	Coyne	Frank
Biaggi	Crockett	Gallo
Boehlert	Daschle	Garcia
Boggs	Davis	Gaydos
Boland	de la Garza	Gejdenson
Boner (TN)	Dellums	Gibbons
Bonior (MI)	Dicks	Gilman
Bonker	Dingell	Glickman
Borski	Dixon	Gonzalez
Bosco	Donnelly	Gordon
Boucher	Dorgan (ND)	Gray (IL)
Boxer	Downey	Gray (PA)
Breaux	Durbin	Green
Brooks	Dwyer	Gregg
Bruce	Dyson	Guarini
Bryant	Early	Gunderson
Burton (CA)	Eckart (OH)	Hamilton
Burton (IN)	Edgar	Hawkins

Hayes	Miller (WA)	Schumer
Heftel	Mineta	Seiberling
Hertel	Mitchell	Sharp
Horton	Moakley	Shelby
Howard	Mollohan	Sikorski
Hoyer	Moody	Skelton
Hubbard	Morrison (CT)	Slattery
Hughes	Mrazek	Smith (FL)
Jacobs	Murphy	Smith (IA)
Jeffords	Murtha	Smith (NJ)
Johnson	Natcher	Snowe
Jones (OK)	Neal	Solarz
Kanjorski	Nielson	St Germain
Kaptur	Nowak	Staggers
Kasich	O'Brien	Stallings
Kastenmeier	Oakar	Stangeland
Kemp	Oberstar	Stokes
Kennelly	Obey	Strang
Kildee	Olin	Studds
Kleczka	Ortiz	Swift
Kolter	Owens	Synar
Kostmayer	Panetta	Tauke
LaFalce	Pashayan	Torres
Lantos	Pease	Torricelli
Leach (IA)	Penny	Towns
Lehman (CA)	Pepper	Traficant
Lehman (FL)	Perkins	Udall
Leland	Price	Vento
Levin (MI)	Pursell	Visclosky
Levine (CA)	Quillen	Volkmer
Lipinski	Rahall	Walgren
Long	Rangel	Watkins
Lowry (WA)	Reid	Waxman
Luken	Richardson	Weber
Lundine	Ridge	Weiss
Manton	Rinaldo	Wheat
Markey	Ritter	Williams
Martin (IL)	Robinson	Wilson
Martinez	Rodino	Wirth
Matsui	Roe	Wise
Mavroules	Rostenkowski	Wolpe
Mazzoli	Rowland (CT)	Wright
McCloskey	Roybal	Wyden
McDade	Russo	Yates
McHugh	Sabo	Yatron
McKinney	Savage	Young (AK)
Meyers	Saxton	Young (MO)
Mica	Scheuer	Zschau
Mikulski	Schneider	
Miller (CA)	Schroeder	

NOT VOTING—20

Addabbo	Evans (IA)	McCurdy
Aspin	Gephardt	Rudd
Brown (CA)	Grotberg	Stark
Campbell	Hall, Ralph	Taylor
Collins	Hatcher	Traxler
Dornan (CA)	Latta	Weaver
Dymally	Loeffler	

□ 1835

Mr. SAXTON changed his vote from "aye" to "no."

Mr. BARTON of Texas and Mr. CRANE changed their votes from "no" to "aye."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

□ 1845

The CHAIRMAN. The Clerk will designate section 2.

The text of section 2 is as follows:

SEC. 2. PROHIBITIONS OF LIE DETECTOR USE.

It shall be unlawful for any employer engaged in commerce or in the production of goods for commerce—

(1) directly or indirectly, to require, request, suggest, or cause any employee or prospective employee to take or submit to any lie detector test;

(2) to use, accept, refer to, or inquire concerning the results of any lie detector test of any empoyee or prospective employee;

(3) to discharge, dismiss, discipline in any manner, or deny employment or promotion to, or threaten to take any such action against—

(A) any employee or prospective employee who refuses, declines, or fails to take or submit to any lie detector test; or

(B) any employee or prospective employee on the basis of the results of any lie detector test; or

(4) to discharge or in any manner discriminate against an employee or prospective employee because—

(A) such employee or prospective employee has filed any complaint or instituted or caused to be instituted any proceeding under or related to this Act;

(B) such employee or prospective employee has testified or is about to testify in any such proceeding; or

(C) of the exercise by such employee, on behalf of himself or others, of any right afforded by this Act.

Mr. JEFFORDS. Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Vermont?

There was no objection.

The text of the remainder of the bill, beginning with section 3, is as follows:

SEC. 3. NOTICE OF PROTECTION.

The Secretary of Labor shall prepare, have printed, and distribute a notice that employers are prohibited by this Act from using a lie detector test on any employee or prospective employee. Upon receipt by the employer, such notice shall be posted at all times in conspicuous places upon the premises of every employer engaged in commerce or in the production of goods for commerce.

SEC. 4. AUTHORITY OF THE SECRETARY OF LABOR.

(a) IN GENERAL.—The Secretary of Labor shall—

(1) issue such rules and regulations as may be necessary or appropriate for carrying out this Act;

(2) cooperate with regional, State, local, and other agencies, and cooperate with and furnish technical assistance to employers, labor organizations, and employment agencies to aid in effectuating the purposes of this Act; and

(3) make investigations and inspections and require the keeping of records necessary or appropriate for the administration of this Act.

(b) SUBPENA AUTHORITY.—For the purpose of any hearing or investigation under this Act, the Secretary shall have the authority contained in sections 9 and 10 of the Federal Trade Commission Act (15 U.S.C. 49, 50).

SEC. 5. ENFORCEMENT PROVISIONS.

(a) CIVIL PENALTIES.—(1) Subject to paragraph (2), whoever violates this Act may be assessed a civil penalty of not more than $10,000.

(2) In determining the amount of any penalty under paragraph (1), the Secretary shall take into account the previous record of the person in terms of compliance with this Act and the gravity of the violation.

(3) Any civil penalty assessed under this subsection shall be collected in the same manner as is required by subsections (b) through (e) of section 503 of the Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1853) with respect to civil penalties assessed under subsection (a) of such section.

(b) INJUNCTIVE ACTIONS BY THE SECRETARY.—The Secretary may bring an action to restrain violations of this Act. The district courts of the United States shall have jurisdiction, for cause shown, to issue temporary or permanent restraining orders and injunctions to require compliance with this Act.

(c) PRIVATE CIVIL ACTIONS.—(1) An employer who violates the provisions of this Act shall be liable to the employee or prospective employee affected by such violation. An employer who violates the provisions of this Act shall be liable for such legal or equitable relief as may be appropriate, including without limitation employment, reinstatement, promotion, and the payment of wages lost and an additional amount as liquidated damages.

(2) An action to recover the liability prescribed in paragraph (1) may be maintained against the employer in any Federal or State court of competent jurisdiction by any one or more employees for or in behalf of himself or themselves and other employees similarly situated.

(3) The court shall award to a prevailing plaintiff in any action under this subsection the reasonable costs of such action, including attorneys' fees.

SEC. 6. EXEMPTIONS.

(a) NO APPLICATION TO GOVERNMENTAL EMPLOYERS.—The provisions of this Act shall not apply with respect to the United States Government, a State or local government, or any political subdivision of a State or local government.

(b) COUNTERINTELLIGENCE PROGRAM EXEMPTION.—(1) Nothing in this Act shall be construed to prohibit the administration, in the performance of any counterintelligence function, of any lie detector test that is conducted pursuant to section 1221 of the Department of Defense Authorization Act, 1986.

(2) Nothing in this Act shall be construed to prohibit the administration, in the performance of any intelligence or counterintelligence functions, of any lie detector test—

(A) to an individual assigned or detailed to the Central Intelligence Agency or to any expert or consultant under a contract with the Central Intelligence Agency;

(B) to (i) an individual employed by or assigned or detailed to the National Security Agency, (ii) an expert or consultant under contract to the National Security Agency, (iii) an employee of a contractor of the National Security Agency, or (iv) an individual applying for a position in the National Security Agency; or

(C) to an individual assigned to a space where sensitive cryptologic information is produced, processed, or stored for the Central Intelligence Agency or the National Security Agency.

(c) EXEMPTION FOR FBI CONTRACTORS.—Nothing in this Act shall be construed to prohibit the administration, in the performance of any counterintelligence function, of any lie detector test to an employee of a contractor of the Federal Bureau of Investigation of the Department of Justice who is engaged in the performance of any work under the contract with such Bureau.

(d) EXEMPTION FOR DRUG THEFT OR DIVERSION INVESTIGATIONS.—This Act shall not prohibit the use of a lie detector test on current employees by an employer investigating a reported theft or diversion of a con-

trolled substance listed in schedule I, II, III, or IV pursuant to section 202 of the Controlled Substances Act (21 U.S.C. 812) to the extent that—

(1) such use is consistent with—

(A) applicable State and local law, and

(B) any negotiated collective bargaining agreement,

that explicitly or implicitly limits or prohibits the use of lie detector tests on such employees; and

(2) the test is administered only to employees with direct access to such controlled substances.

SEC. 7. DEFINITIONS.

As used in this Act—

(1) The term "lie detector test" includes any examination involving the use of any polygraph, deceptograph, voice stress analyzer, psychological stress evaluator, or any other similar device (whether mechanical, electrical, or chemical) which is used, or the result of which are used, for the purpose of detecting deception or verifying the truth of statements.

(2) The term "employer" includes any person acting directly or indirectly in the interest of an employer in relation to an employee or prospective employee.

(3) The term "commerce" has the meaning provided by section 3(b) of the Fair Labor Standards Act (29 U.S.C. 203(b)).

SEC. 8. EFFECTIVE DATE.

The provisions of this Act shall take effect on the date of enactment, except for section 3, which shall take effect six months after the date of enactment of this Act.

AMENDMENT OFFERED BY MR. WILLIAMS

Mr. WILLIAMS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WILLIAMS: Page 6, beginning on line 20, strike out all of subsection (b) through page 7, line 17, and insert in lieu thereof the following:

(b) NATIONAL DEFENSE AND SECURITY EXEMPTION.—(1) Nothing in this Act shall be construed to prohibit the administration, in the performance of any counterintelligence function, of any lie detector test to—

(A) any expert or consultant under contract to the Department of Defense or any employee of any contractor of such department; or

(B) any expert or consultant under contract with the Department of Energy in connection with the atomic energy defense activities of such department or any employee of any contractor of such department in connection with such activities.

(2) Nothing in this Act shall be construed to prohibit the administration, in the performance of any intelligence or counterintelligence function, of any lie detector test to—

(A)(i) any individual employed by, or assigned or detailed to, the National Security Agency or the Central Intelligence Agency, (ii) any expert or consultant under contract to the National Security Agency or the Central Intelligence Agency, (iii) any employee of a contractor of the National Security Agency or the Central Intelligence Agency, or (iv) any individual applying for a position in the National Security Agency or the Central Intelligence Agency; or

(B) any individual assigned to a space where sensitive cryptographic information is produced, processed, or stored for the National Security Agency or the Central Intelligence Agency.

Mr. WILLIAMS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. WILLIAMS. Mr. Chairman, the amendment I am offering today has been reviewed by the other side. I understand there are no objections. It has been developed in discussions with the Department of Defense, the Department of Energy, and the Central Intelligence Agency and has their full support.

I am including in the RECORD letters from them to Chairman HAWKINS for the RECORD confirming their support. The amendment has been reviewed and agreed to by the Armed Services Committee of the House as well as by my friends in minority.

The letters are as follows:

THE UNDER SECRETARY OF DEFENSE,
Washington, DC., December 11, 1985.

In reply refer to: I-18837/85.

Hon. AUGUSTUS F. HAWKINS,
Chairman, Committee on Education and Labor, Washington, DC.

DEAR MR. CHAIRMAN: Reference is made to your letter of December 4, 1985 in which you offer amendment language to House Resolution 1524.

We do indeed support the language of the amendment and interpose no objection to the Bill so long as agencies of the Federal government and persons contracting with the government are exempt from its provisions.

Sincerely,

FRED C. IKLE.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC., December 12, 1985.

Hon. PAT WILLIAMS,
House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR PAT: I understand that H.R. 1524, the Employee Polygraph Protection Act of 1985, will soon be considered by the House.

This is to advise you that the Committee on Armed Services is supportive of the amendment you propose to offer to section 6(b) of the bill. That amendment would exempt consultants or employees of contractors of the Department of Defense from the provisions of the bill. We believe it is necessary that the bill provide a specific exemption for employees of contractors of the Department of Defense and for consultants of the department.

Sincerely,

LES ASPIN, *Chairman.*

CENTRAL INTELLIGENCE AGENCY,
Washington, DC, December 11, 1985.

Hon. AUGUSTUS F. HAWKINS,
Chairman, Committee on Education and Labor, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I am pleased to respond on behalf of the Central Intelligence Agency to your letter of December 4, 1985 concerning H.R. 1524.

The Agency's concern with this legislation has been the sufficiency of the exemption for employees of Agency contractors. We have reviewed the "Amendment in the Nature of a Substitute to Section 6(b) in H.R. 1524" which was enclosed with your letter. Assuming that this amendment were to be adopted, the Agency's concern would be alleviated and the Agency would have no objection to this legislation. Other agencies, however, may seek amendments to the exemption provisions to insure that polygraph examinations are not precluded for contractors and consultants employed by the Federal Government and having access to classified information.

Thank you for the opportunity to comment on this legislation.

The Office of Management and Budget has advised that there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,

CHARLES A. BRIGGS,
Director, Office of Legislative Liaison.

Mr. WILLIAMS. Mr. Chairman, this amendment is technical in nature. It simply consolidates language relating to the decision of the House earlier a few months ago to grant the use of lie detectors to some agencies of the Federal Government.

Mr. JEFFORDS. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS. I yield to the gentleman from Vermont.

Mr. JEFFORDS. Mr. Chairman, I am happy to support the gentleman's amendment. We have read it and this side supports the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Montana [Mr. WILLIAMS].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. WILLIAMS

Mr. WILLIAMS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WILLIAMS: Page 2, line 5, strike out "of 1985".

Page 3, line 14, strike out "bais" and insert in lieu thereof "basis".

Mr. WILLIAMS. Mr. Chairman, this amendment is very technical in nature, simply changing the date to make it conform with this year and also correcting a typographical error, a misspelling.

Mr. JEFFORDS. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS. I yield to the gentleman from Vermont.

Mr. JEFFORDS. Mr. Chairman, I thank the gentleman for yielding, and just to say that the minority has reviewed the amendment and has no objection to it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Montana [Mr. WILLIAMS].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. JEFFORDS

Mr. JEFFORDS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JEFFORDS: Page 9, strike out lines 8 through 11 and insert in lieu thereof the following:

SEC. 8. EFFECTIVE DATE.

This Act shall take effect 6 months after the date of the enactment of this Act.

Mr. JEFFORDS. Mr. Chairman, this amendment merely makes the effective date 6 months after enactment instead of upon enactment, to give the industry time to adjust to the new law and allow the Secretary of Labor to promulgate such notices as he may deem appropriate.

Mr. MARTINEZ. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. I am happy to yield to the gentleman from California.

Mr. MARTINEZ. Mr. Chairman, the committee has reviewed the amendment and has no objection to it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Vermont [Mr. JEFFORDS].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ECKART OF OHIO

Mr. ECKART of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ECKART of Ohio: Page 8, strike out lines 1 through 15 and insert in lieu thereof the following:

(d) EXEMPTION FOR DRUG SECURITY, DRUG THEFT, OR DRUG DIVERSION INVESTIGATIONS.—This Act shall not prohibit the use of a lie detector test by any employer authorized to manufacture, distribute, or dispense a controlled substance listed in schedule I, II, III, or IV pursuant to section 202 of the Controlled Substances Act (21 U.S.C. 812) to the extent that—

(1) such use is consistent with—

(A) applicable State and local law, and

(B) any negotiated collective bargaining agreement,

that explicitly or implicitly limits or prohibits the use of lie detector tests by any such employer;

(2) the test is administered only to an employee who has, or prospective employee who would have, direct access to any such controlled substance; and

(3) the results of an analysis of lie detector charts are not used as the sole basis upon which any employee or prospective employee is discharged, dismissed, disciplined in any manner, or denied employment or promotion.

Mr. ECKART of Ohio (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

□ 1900

Mr. ECKART of Ohio. Mr. Chairman, when this legislation came before the Education and Labor Committee last fall, I was successful in including language which provides a specific exemption for the pharmaceutical industry with respect to its handling of controlled substances. My committee amendment allows those employers in the industry to polygraph employees who have direct access to controlled substances as part of a broader investigation into a theft or diversion of such drugs.

The amendment I am offering today would alter the committee-approved language in two ways: No. 1, the exemption would be slightly expanded to allow for the preemployment screening of prospective employees who would have direct access to these substances during the course of their employment, No. 2, the amendment explicitly prohibits that the results of the test be used as the sole basis for hiring or firing an employee.

During consideration of my amendment in committee, concern was expressed that by only allowing the testing of employees during an investigation, rather than before he or she is hired, is synonymous with closing the barn door after the horse has escaped. While I have serious reservations regarding the accuracy of this instrument, reservations that are supported by a number of studies which question the scientific validity of the polygraph, I am offering this exemption because of my concerns with the epidemic of drug abuse in this Nation.

Yet, because of the questionable accuracy of the lie detector, especially with regard to preemployment testing, my amendment protects employees by requiring that the evidence from the test must be supported by additional information before punitive action can be taken against that employee or prospective employee.

Mr. Chairman, I urge support for my amendment. The full committee, in approving my earlier language, agreed with my premise that we must extend every legal tool available to the pharmaceutical industry to assist in combating the theft of dangerous drugs. I firmly believe that it is in our interest to do all that we can to halt the illlegal trafficking and selling of drugs. I hope that my colleagues will support this amendment.

AMENDMENT OFFERED BY MR. ARMEY TO THE AMENDMENT OFFERED BY MR. ECKART OF OHIO

Mr. ARMEY. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. ARMEY to the amendment offered by Mr. ECKART of Ohio: Page 1, strike out lines 14 through 16 and insert in lieu thereof the following:

(2) the test is administered only to an employee who has, or prospective employees who would have, access to the manufacture, storage, distribution, or sale of any such controlled substance; and

Mr. ARMEY. Mr. Chairman, I offer this amendment somewhat reluctantly because I do support the thrust of the Eckart amendment.

When this bill was before our full committee, I offered an amendment to exempt the drug industry from the demand for polygraphs, and my amendment was amended by the gentleman from Ohio to limit preemployment testing and to limit testing to those employees who have direct access to controlled substances.

Given the nature and extent of our drug problem and the lengths that some will go to obtain drugs, I felt this was unwise. This particular exemption for the drug industry was adopted by the committee, and I am very pleased that the gentleman from Ohio [Mr. ECKART] proposes now to add that preemployment testing. I am concerned, however, with the limitation on testing for those who have only "direct access to controlled substances."

It is not hard to imagine a number of scenarios whereby employees who are far removed from the direct handling of drugs can be very directly involved in stealing them. This, Mr. Chairman, is what my amendment addresses. It is not difficult, for example, to understand the extent to which people will go, the lengths they will go to obtain these drugs illegally and then, of course, to move them on the street and access them to our youngsters.

Obviously, business already does a good deal to create procedures for handling of the drugs that would give us some sense of security, and anybody who would try to bypass these procedures would find themselves with some difficulty, especially when you realize that the recording of the transactions and the recording of the manifests are kept separate from that person who actually physically moves the drugs. It turns out in all too many cases that if an individual is driving the truck, for example, and wishes to move the drugs or remove them, that they would be faced with the fact that there is a paper trail, a record on the movement of these drugs, and for him to be able to get away with that, it would be necessary to have that record altered. We have documented cases where the theft was only made possible by the fact that the individual was able to conspire with somebody, perhaps a computer operator or a billing clerk that was able at the same time the drugs were removed to alter the record. So indeed they could not be traced through this paper trail.

The long and the short of my amendment is that we have got to be able to use this instrument of investigation to detect the entire trail of these drugs, and to be able to have some assurance that we can investigate at any juncture where, indeed, an infraction of the security of the drugs may take place and become available to our youngsters in the future.

Mr. ECKART of Ohio. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I am happy to yield to the gentleman from Ohio.

Mr. ECKART of Ohio. I have two short questions if my friend would. We list the schedules, I, II, III, and IV. There are similar schedules. When the gentleman uses the word "controlled substances," I assume he refers to the section 202 common list of controlled substances?

Mr. ARMEY. Yes, I do.

Mr. ECKART of Ohio. The second question I would have would focus on the word "access." My concern would be the cashier, the clerk, someone who would not be in the manufacture, storage, distribution. Can we get some agreement to insert the word "direct" before the word "access," to try to narrow the focus?

Mr. ARMEY. I share the gentleman's concern and he is absolutely right about somebody employed in the business that has no access whatsoever. I am concerned about the record-keeping, and the gentleman understands that problem.

Mr. ECKART of Ohio. If the gentleman would put the word "direct" in there, then I will be happy to accept the amendment.

Mr. ARMEY. I see the gentleman's point, given the manufacture, storage, and distribution, and then we would have covered all of the bases that we feel need to be, without spilling over into areas that are not in need.

Mr. ECKART of Ohio. If the gentleman would ask unanimous consent to include that word, we would be happy to accept the amendment under the circumstances.

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I yield to the gentleman from Montana.

Mr. WILLIAMS. Mr. Chairman, in the instance of a computer operator who is filling in the location and the amounts of these code A drugs, is that computer operator considered to have direct access to those drugs under the gentleman's amendment?

□ 1910

Mr. ARMEY. Well, I would consider that a direct portion of the distribution process. In other words, if you talk to people in this industry who, of course, feel this responsibility of moving these, one of the components of their plan for security is to keep that paper trail so that we can know, in effect, who they are checked out to and what inventory was left, which location and so on.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. ECKART of Ohio, and by unanimous consent, Mr. ARMEY was allowed to proceed for 2 additional minutes.)

Mr. ARMEY. I would be concerned that anybody who would be able to have the responsibility to keep the record of the movement of these materials, whether they are entering the record or perhaps on the other end, would have an opportunity to alter that record and thereby cover the, more or less cover the tracks of the person who physically removed them.

I share the concern of the gentleman from Ohio. We do not want this to spill over to janitors or other people.

Mr. WILLIAMS. If the gentleman will yield, do I understand that the gentleman has willingly accepted the word "direct" to be placed before the word "access" in his amendment?

Mr. ARMEY. I believe if we put the word "direct" in there, given our understanding of what we mean by distribution; I expect perhaps to hear some legislative record of that understanding, we would probably all find ourselves quite satisfied.

Mr. WILLIAMS. If the gentleman will yield, I would say to the subcommittee chairman and to my friend from Ohio, that the sponsor of the legislation would accept the amendment.

Mr. ECKART of Ohio. Mr. Chairman, I ask unanimous-consent that the amendment offered by the gentleman from Texas [Mr. ARMEY] be modified after the word "have," and after the comma to insert the word "direct".

The CHAIRMAN. Is there objection to the unanimous-consent request of the gentleman from Ohio?

There was no objection.

The text of the amendment, as modified, is as follows:

Amendment offered by Mr. ARMEY to the amendment offered by Mr. ECKART of Ohio: Page 1, strike out lines 14 through 16 and insert in lieu thereof:

(2) the test is administered only to an employee who has, or prospective employees who would have, direct access to the manufacture, storage, distribution, or sale of any such controlled substances; and

Mr. ECKART of Ohio. Mr. Chairman, we are delighted to accept the modification, and appreciate the gentleman's expression of concern on this question.

Mr. ARMEY. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. ARMEY], as modified, to the amendment offered by the gentleman from Ohio [Mr. ECKART].

The amendment, as modified, to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. ECKART], as amended.

The amendment, as amended, was agreed to.

AMENDMENT OFFERED BY MRS. ROUKEMA

Mrs. ROUKEMA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. ROUKEMA: Page 8, after line 15, insert the following new subsection:

(e) EXEMPTION FOR SECURITY SERVICES.—(1) Subject to paragraph (3), this Act shall not prohibit the use of a lie detector test by a private employer whose primary business purpose consists of providing armored car personnel, personnel engaged in the design, installation, and maintenance of security alarm systems, or other uniformed or plainclothes security personnel and whose function includes protection of—

(A) facilities, materials, or operations having a significant impact on the health or safety of any State or political subdivision therof, or the national security of the United States, as determined under rules and regulations issued by the Secretary within 60 days after the date of the enactment of this Act, including—

(i) facilities engaged in the production, transmission, or distribution of electric or nuclear power;

(ii) public water supply facilities;

(iii) shipments or storage of radioactive or other toxic waste materials; and

(iv) public transportation; or

(B) currency, negotiable securities, precious commodities or instruments, or proprietary information.

(2) The exemption provided under paragraph (1) shall not diminish an employer's obligation to comply with—

(A) applicable State and local law, and

(B) any negotiated collective bargaining agreement, which limit or prohibit the use of lie detector tests on such employees.

(3) The exemption provided under this subsection shall not apply if—

(A) the results of an analysis of lie detector charts are used as the sole basis upon which an employee or prospective employee is discharged, dismissed, disciplined in any manner, or denied employment or promotion; or

(B) the test is administered to an employee or prospective employee who is not or would not be employed to protect facilities, materials, operations, or assets referred to in paragraph (1).

Mrs. ROUKEMA (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

Mrs. ROUKEMA. Mr. Chairman, I join Congressman BIAGGI in offering an amendment which would exempt from the bill's coverage firms whose primary business is to furnish protective security services when they are engaged in the protection of sensitive facilities and valuable items and documents. The Roukema-Biaggi amendment includes armored car, uniformed and plainclothes guards, and security alarm companies. It would allow polygraphs to be administered for the protection of such facilities as nuclear powerplants, public water supply, and public transportation.

First, I would like to commend my colleague on the Education and Labor Committee, Mr. BIAGGI, a cosponsor of H.R. 1524, who recognized the need

for this exemption during the committee's deliberations. The gentleman from New York has played a crucial role in the development of this amendment and I am pleased to have him join me in offering it.

In addition, I appreciate the cooperative spirit of the sponsor of H.R. 1524, Mr. WILLIAMS, who recognizes the need for flexibility in the protective security area. Despite our philosophical differences over the need for H.R. 1524, it is indeed reassuring that we have been able to cast aside those differences to fashion an amendment which allows flexibility while still containing necessary safeguards for the employees.

Even if you believe there is a need for this bill's prohibitions, you must realize that there are certain interests which are so sensitive to both the employer and the society at large that we must provide some additional leeway to that employer. The bill already recognizes a need to accommodate certain sensitive concerns by exempting governmental employees and contractors to the CIA, FBI, and the National Security Agency. But our national security goes well beyond the operations of the Federal Government and is affected by strictly private-sector functions such as the transportation of currency and the operation of certain facilities, such as airports. The threat of terrorism alone warrants our permitting additional flexibility in establishing security measures in these areas.

The need for my amendment is underscored by a recent survey showing that 65 percent of the total losses in the armored car industry are a result of internal theft. To give an idea of what this means in dollars, that industry transports, counts, and stores over $15 billion a day. In addition, employees in the protective security industry frequently are required to carry guns, which is almost always the case with armored car drivers. As custodians of a customer's money and protector of his interests, the industry has an obligation to do everything in its power to attempt to recruit and hire employees whose honesty and integrity is beyond question.

The vulnerability of the security industry was illustrated by an incident which recently occurred in Connecticut, where preemployment polygraphing is outlawed. The FBI arrested members of the Puerto Rican terrorist organization—the Macheros—and charged them with an $8 million robbery by planting a member of their group as a Wells Fargo armored car driver. The money has since been traced to Cuba where it is now beyond recovery.

Since the guard in this case had no prior criminal record, the only way of detecting his motives for applying would have been through the use of the polygraph. Indeed, as was learned from testimony received from a representative of the industry, applicants with illegitimate motives are usually deterred from even applying by the mere existence of the polygraph.

As I have mentioned, the bill itself recognizes that there can be instances where the use of polygraphs is appropriate. Indeed, the House as a whole recognized this necessity when it overwhelmingly—333 to 71—adopted an amendment to the defense authorization bill requiring the use of polygraphs for counterintelligence purposes.

My amendment simply expands upon this by recognizing that, regardless of any doubts one has regarding the use of polygraphs, there are certain situations where life and property are so extremely vulnerable that we must permit companies to take reasonable precautions. When these situations include such activities as the guarding of nuclear facilities and the transporting of millions of dollars, the utmost caution is essential.

To address concerns that the exemption would be so broad as to cover low-priority security functions, my amendment contains an important limitation. It only allows polygraphs to be administered to employees engaged in the protection of currency, negotiable securities, precious commodities or instruments, proprietary information, or facilities, materials, or operations having a significant impact on our national security or the health or safety of a State or locality. The definition of such facilities would be provided by the Secretary of Labor through regulations issued within 60 days after enactment.

In further defining these interests through regulations, I emphasize that the language in the amendment is designed to be inclusive and broadly construed. Therefore, we do not expect the Secretary in his regulations to limit the exemption to just those facilities listed in the amendment. In addition the definition of "proprietary information" shall include documents which are essential for the functioning of a business.

Finally, my amendment contains a necessary safeguard to ensure that innocent individuals are not injured through the use of a polygraph. It would prohibit exempted employers from denying employment, firing, or taking any other employment action solely on the basis of the results of the polygraph. In the committee's hearings we received testimony from the protective security industry and others indicating that this is the standard practice for employers who use polygraphs in a responsible manner.

We must not forget that, ultimately, it is the average citizen who relies on the dependability and integrity of the protective security industry. Let's make sure they have the resources to live up to those expectations.

Mr. Chairman, this is a common sense approach to the use of the polygraph.

Mr. HILER. Will the gentleman yield?

Mrs. ROUKEMA. I yield to the gentleman.

Mr. HILER. I would ask the gentlewoman, her amendment seems reasonable, but I wonder is the polygraph more accurate when it deals with Brinks car operators than it is when it deals with people in manufacturing or people that are tellers in banks?

Mrs. ROUKEMA. No. I would agree with the point that the gentleman is making, and indeed I have opposed this legislation for precisely that reason.

However, it is important to understand that this amendment is an improvement and it also makes the point that there are reasonable exceptions.

Mr. HILER. Yes.

If the gentlewoman will yield further, I am astonished that the authors of this bill are accepting exemptions. If a polygraph does not work for manufacturing enterprises in the United States, I am not sure why it works for national security or why it works for guarding nuclear facilities or anything else. I am just bewildered that the authors of the bill are accepting all these amendments.

Mr. WILLIAMS. Will the gentleman yield?

Mrs. ROUKEMA. I yield to the gentleman.

Mr. WILLIAMS. I thank the gentlewoman for yielding, and inasmuch as the gentleman has in effect asked a question of the author of the legislation and I am the author, let me say that the reason we are willing to accept this amendment is because it is very necessary, in the judgment of the sponsor of the amendment as it is to the sponsor of the legislation, to establish symmetry between what we allow in the public sector in the way of polygraphing and what we allow in the private sector.

The gentlewoman is correct. Security guards who guard our nuclear powerplants, our hydroelectric facilities, our huge shipments of code A drugs, our negotiable securities are guarding the health and safety of America, and we allow them to be polygraphed.

We think that establishes some symmetry with what the FBI, the CIA, and the National Security Agency are allowed to do.

Mrs. ROUKEMA. Mr. Chairman, I yield back the balance of my time.

Mr. BIAGGI. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I am proud to join the gentlelady from New Jersey who has worked diligently with me in developing this language in offering this

amendment. Simply put, it recognizes the highly sensitive nature of the security industry and provides certain segments of this industry with the responsible and necessary use of the polygraph, while providing a number of carefully crafted and very important labor protections.

The Roukema-Biaggi amendment would allow a private employer to use the polygraph for prehiring and posthiring purposes, but only in those cases where employees would be responsible for high priority security functions, such as protecting public utilities, hazardous materials shipments, public transportation, currency, negotiable securities, precious commodities, or proprietary information.

Further, the amendment specifically states that the exemption provided for the security industry "shall not diminish an employer's obligation to comply with applicable State and local law, and any negotiated collective-bargaining agreement, which limit or prohibit the use of lie detector tests on such employees."

Finally, the amendment would guarantee that the "analysis of lie detector charts" are not used as the sole basis for discharging, dismissing, disciplining, or denying employment or promotion. The Department of Labor would be required to ensure that these provisions are effectively enforced and that the rights of the employee under these provisions are fully protected.

Mr. Chairman, as a 23-year veteran of law enforcement, I believe there are certain very specific situations where the polygraph can and should be used to help prevent crimes, and to detect criminals once a crime has been committed. This is one of those times. After all, the private security industry provides security for nuclear power facilities, the Federal Reserve, the strategic petroleum reserve, commercial and industrial firms, the U.S. Postal Service, the banking industry, hospitals and airports, to name just some of their responsibilities.

Certainly, a crime at any of these facilities could have devastating consequences. That is why they deserve the same special consideration being given by this bill to Government employers and private contractors dealing with intelligence or counterintelligence with the CIA, NSA, Department of Defense, and the FBI.

One final note, Mr. Chairman. History tells us that the polygraph test is neither overused nor abused by the private security services industry. The test, itself, costs hundreds of dollars to administer responsibly and is used on a very selective basis. For example, the industry's largest firm, which employs some 55,000 security personnel, has testified before our committee that in 1984 they gave only 700 preemployment polygraph tests, 150 tests related to missing funds and 50 random tests to those employees in highly sensitive areas. Further, they stated that in no case is a person denied employment or dismissed solely on the results of a polygraph examination.

Mr. Chairman, for anyone here interested in fighting crime, this is a good amendment. For anyone here interested in protecting the rights of labor, this is a good amendment. And, for anyone here interested in protecting the security interests of our Nation, this is a good amendment. I strongly urge its approval.

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The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New Jersey [Mrs. ROUKEMA].

The amendment was agreed to:

AMENDMENT OFFERED BY MR. ECKART OF OHIO

Mr. ECKART of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ECKART of Ohio: Page 8, after line 15, insert the following new section (and redesignate the succeeding sections accordingly):

SEC. 7. DISCLOSURE TO EXAMINED EMPLOYEE OR PROSPECTIVE EMPLOYEE.

It shall be unlawful for any person who administers a lie detector test on behalf of any employer (other than an employer described in section 6(a), 6(b), or 6(c)) to fail to provide to the individual examined, within a reasonable time upon the request of that individual, a copy of written reports, recommendations, and charts which are prepared for, or made available to, such employer on the basis of the results of such test.

Mr. ECKART of Ohio (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ECKART of Ohio. Mr. Chairman, I am offering an amendment which would require that the employee or prospective employee who has been polygraphed under the exemptions provided in this bill, have the right to obtain copies of the test results as well as any written reports or recommendations based on the results of that exam.

I am offering this amendment in order to provide protection to the employees who may be required to submit to a polygraph exam. The scientific accuracy of these instruments have never been proven. As a result, I think it is vital that we provide every employee with the recourse to examine their test responses and determine whether they have been wrongfully accused of lying during the course of their polygraph examination.

I don't believe that my colleagues should have a problem with this amendment. My colleagues from Georgia and Florida, who have introduced legislation to require the licensing of polygraph examiners, provided a similar protection in their bill.

The exemptions we have accepted today, though limited in scope, still provide a congressional approval of polygraphing in some cases. I do not believe that the adoption of these amendments signify congressional approval of the polygraph as an instrument for all employment testing, but rather a realization that there are some very specific cases, such as when our Nation's security is at stake, to allow the industry to use this tool as part of preemployment screening or an investigation.

Because we allow these limited exemptions, but still do not have full faith that the polygraph is properly registering the responses of the examinee, it is important that we provide examinees with the ability to obtain copies of materials which have been presented to their employer or prospective employer.

I urge my colleagues to adopt this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. ECKART].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BROOMFIELD

Mr. BROOMFIELD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BROOMFIELD: Page 8, after line 15, insert the following new subsection:

(e) PUBLIC UTILITIES EXEMPTION.—(1) Subject to paragraph (3), this Act shall not apply with respect to—

(A) an employee or prospective employee of a public utility engaged in the production, distribution, or transmission of electric energy; or

(B) an employee of a contractor with any such utility.

(2) The exemption provided under paragraph (1) shall not diminish an employer's obligation to comply with—

(A) applicable State and local law, and

(B) any negotiated collective bargaining agreement, which limit or prohibit the use of lie detector tests on such employees.

(3) The exemption provided under this subsection shall not apply if—

(A) the results of an analysis of lie detector charts are used as the sole basis upon which an employee or prospective employee is discharged, dismissed, disciplined in any manner, or denied employment or promotion; or

(B) the test is administered to an employee or prospective employee who does not or would not have direct access to computers, generators, power lines, or other facilities or equipment related to the production, transmission, or distribution of electric energy.

Mr. BROOMFIELD (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BROOMFIELD Mr. Chairman, the amendment I am offering would extend the national security exemption, already in this bill, by allowing our vital electric utilities to continue polygraph testing of certain employees, prospective employees, and employees of contractors who have or would have direct access to the computers, generators, powerlines, or other facilities or equipment related to the production, transmission, or distribution of electric energy.

It is a narrowly drawn amendment that has been developed with the cooperation of Congressman WILLIAMS and his staff, as well as the various investor-owned utility associations. Their contributions to this amendment have been enormous and I wish to express my appreciation for their help.

We are all aware of the important role that electric power—whether it is generated from nuclear powerplants or from other sources—plays in the well-being of the American people and in our national security. Because of this important role it is critical that we maintain a reliable supply to the Nation.

However, all of us are aware of the ugly specter of terrorism in the world today, and our utility companies and this Nation, unfortunately, are not invulnerable to them. Our power supply depends upon interconnected networks covering vast geographic areas. An act of sabotage or terrorism in one major generating facility or switching station could cause power outages in several States. Further, many of our power companies also own and operate nuclear powerplants which must also be protected. These plants, according to the Nuclear Regulatory Commission, have already been the targets of more than a dozen deliberate acts of damage between 1980 and 1982.

Mr. Chairman, the electric utilities exercise great caution and care in selecting employees for these sensitive facilities, and the polygraph and similar methods serve as one of the tools they utilize in their checks.

I urge my colleagues to allow them to continue to use this tool to protect their operations and us by accepting my amendment.

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I yield to the author of the bill, the gentleman from Montana.

Mr. WILLIAMS. I thank the gentleman from Michigan for yielding to me. Speaking as the author of the bill, as a sponsor of the bill, we are glad to accept this amendment because again it extends the exemption to power-generating resources. It is in the best interests of the security of this country that we protect large hydroelectric plants and nuclear powerplants from sabotage. That is what the gentleman is trying to accomplish. I note that the gentleman's amendment has the endorsement of the Edison Electric Institute, the Association of Investor-owned Electric Utilities, and the American Nuclear Energy Council. I am glad to join them and the gentleman in supporting his amendment.

EDISON ELECTRIC INSTITUTE,
Washington, DC, March 11, 1986.

Hon. PAT WILLIAMS,
House of Representatives,
Washington, DC.

DEAR PAT: The Polygraph Protection Act (H.R. 1524) is scheduled for House consideration on Wednesday, March 12. The purpose of the legislation is to limit the use of lie detector and similar tests by employers engaged in interstate commerce.

In a previous letter, I outlined the national security reasons why the electric utility industry must retain the option of using such tests. Congressman William S. Broomfield will offer an amendment to accomplish this purpose. The amendment exempting electric utilities is drafted narrowly, and applies only to employees of electric utilities engaged in the production, transmission, or distribution of electric power. The amendment has the support of Congressman Pat Williams, the primary sponsor of H.R. 1524.

With the inclusion of the amendment exempting electric utilities, the Edison Electric Institute supports H.R. 1524.

Sincerely,

THOMAS R. KUHN.

AMERICAN NUCLEAR ENERGY COUNCIL,
Washington, DC, March 11, 1986.

Hon. PAT WILLIAMS,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN WILLIAMS: On behalf of the nuclear utility members of the Council, I am writing to express support for the Broomfield amendment to H.R. 1524, The Polygraph Protection Act of 1985.

This amendment establishes a necessary exemption for electric utilities in order to protect public health and safety as well as national security.

I am pleased to learn that you have agreed to support the Broomfield amendment. As amended by the Broomfield amendment, the Council supports H.R. 1524.

Sincerely,

EDWARD M. DAVIS.

Mr. HILER. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from Indiana.

Mr. HILER. Mr. Chairman, is this yet another exemption from this bill, this polygraph which is such a dangerous, dastardly piece of equipment? Do we have yet another exemption?

Mr. BROOMFIELD. Mr. Chairman, the amendment speaks for itself.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. BROOMFIELD].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. MCCOLLUM

Mr. McCOLLUM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MCCOLLUM: Page 8, after line 15, insert the following new subsection:

(e) FINANCIAL INSTITUTION EXEMPTION.—(1) This Act shall not prohibit the use of a lie detector test on any officer or employee or prospective officer or prospective employee of any financial institution (as defined in section 5312(a)(2) of title 31, United States Code).

(2) This subsection shall not preempt any State or local law which prohibits or restricts the use of lie detector tests.

Mr. McCOLLUM. Mr. Chairman, my amendment is very simple. It exempts all financial institutions from this act. It exempts banks, credit unions, it exempts savings and loans, it exempts securities dealers, it exempts anybody who is defined as a financial institution under our laws. We have already listed a number of exemptions to the Polygraph Act tonight.

We just a few moments ago passed an exemption for armored cars and drivers of armored cars that carry the cash around town for our banks. But we have not exempted the banks. It does not make any sense to me not to exempt the banks if we are going to exempt the armored-car drivers. The fact of the matter is we have exempted some drug people too, exempted the pharmaceutical companies, but we have not exempted the banks and the banks who are the employers of the tellers who are the ones in the front line to guard us against the money launderers who take the drug money from drug offenses.

It seems to me if we are going to have a logical bill in this case that if we have done the exemptions we just did for the pharmaceutical companies, for the armored-car drivers, for the security guards, we ought to exempt the banks and financial institutions.

Now why, beyond the fact that they fall into a similar category, do we exempt them? In the first place financial institutions operate with other people's money on the basis of trust. While most financial institutions have regulations covering actions that they may take in commerce with depositors' money there are no regulations that cover the conduct and integrity of prospective employees. For banks, over 80 percent of losses occur from internal theft. In 1983 financial losses to banks from internal theft amounted to over $282 million. In 1984 that increased to over $382 million, and that is while they were using polygraph tests to try to screen prospective employees. That is not just some of the banks' money we are talking about that is being lost here, these millions of dollars; that is money from somebody's checking account, that is somebody's life savings we are talking about. While many of

those losses are insured, the costs of those thefts occur to all depositors and not all losses are insured.

Second, let us look at the fact that banks deal in large amounts of cash. That is why we are covering armored-car drivers in the first place. Cash is important, we ought to be concerned about that.

My colleagues, I think this is an important amendment. It is very important because we are dealing with financial institutions, banks, people's money, we are dealing with whether or not we are going to be able to have a lie-detector test to give them one more tool to screen employees just as we have allowed the lie-detector test to be used for certain industries like pharmaceuticals, armored cars, and security guards.

Money disappears in banks all the time. It disappears because people steal it, those who are working for the banks. That is where the problem is. That is why we need a check on them.

The fact of the matter is that not only do people steal cash from banks, they steal securities. Not only that, but the biggest single way you steal money today in the financial world is with a computer, just being an employee who has access to press a botton at one of these institutions to transfer money from one account to another or overseas or wherever. And almost anybody who has access as an employee of a bank has access to these computers to play games with whether it is in the middle of the night or otherwise.

I submit to you that at the forefront of those institutions in this country in the private world that need the little protection that public policy allows, we have these financial institutions and we need an exemption for them for that reason.

But it is not just a question of stealing money or pushing a button or doing what else might be done in a normal financial transaction that bothers me. Right now we have millions of dollars, millions of dollars every year that are laundered through our financial institutions by drug dealers looking for a way to cover up the sources of their illegal transactions, looking for a way to come up with money that is clean and looking good. Who do they go to for that? Well, they go to a lot of people but not too unusual to have them go to a local teller in branch X, Y, or Z of bank X. And when they do that and they find a person who is susceptible to corruption, it is very easy to launder that money, in the millions of dollars that we are talking about, to avoid the Bank Secrecy Act, to avoid any law we have now on the books and it will make it that much more difficult when we come out with a bill on the floor this year or later to have a reasonable money laundering crime that can be enforced under those situations.

I submit to my colleagues that above all else tonight if we are going to pass this bill we need an exemption for financial institutions so they can screen the employees that have the trust of the money of this country. We need it desperately and I urge my colleagues that they adopt this amendment that I am offering tonight and we get on with the reasonableness which is in this bill from the standpoint of exemptions. This is another exemption as my colleague from Indiana said. It is a very important exemption, and I urge the passage of the McCollum amendment, please.

Mr. WILLIAMS. Mr. Chairman, I move to strike the requisite number of words, and I rise to oppose this amendment.

We have accepted most of the amendments, I guess all of the amendments that have been offered on this bill today. But we cannot accept an amendment to include all of the employees of a financial institution. Let me tell you what that does. The definition of "financial institution" reads this way: All private banks, all commerical banks, all thrift institutions, all credit-card systems, all insurance companies, all pawnbrokers, all loan companies, all telegraph companies, all travel agencies. That is the definition of "financial institutions."

Now if you are for strapping in all the little telegraph operators to the lie-detector gadget, you are for the McCollum amendment. If you are for strapping in all the tellers, you are for the McCollum amendment.

But if you are for that, you cannot possible be for this bill.

Mr. McCOLLUM. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS. Yes, I would be glad to yield to my friend.

Mr. McCOLLUM. I thank the gentleman for yielding.

That is one of the fallacies of the bill. I do not think there is any question but that the gentleman has made a good point. But the only way when you start drawing these lines, and that is what that gentleman and others out here are doing today, you draw hard lines. You cannot draw easy lines. Financial institutions by definition do cover all those people. They are involved with passing the money of this country, they are the ones where the traveler's checks are, they are the ones where the bank drafts are, and they are the ones where the computer pushes millions of dollars around. You cannot have a narrow definition of a financial institution and you cannot narrow this thing down any more than that without providing a reasonable exemption for the polygraph.

Mr. WILLIAMS. Reclaiming my time, this is the business of this House to draw lines and with this bill we have drawn the line I think, but we should not allow all the pawnbrokers, telegraph operators, and the little gals sitting in the credit-card companies to undergo lie-detector tests.

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Mr. TRAFICANT. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS. I yield to my friend, the gentleman from Ohio.

Mr. TRAFICANT. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I support the position of the sponsor of the bill and rise in opposition to this particular amendment.

I think we are getting a little bit carried away. I think the Congress is an institution that oversees more money than probably many of these groups we are talking about. Someone is going to come up with an amendment that perhaps maybe every Congressman should be tested whether or not they have any Communist ties. I think we are trying to eradicate the basic measure that is here. And I think we are going to come up with enough exemptions that there will be no intent to the original bill, that I think has the support of the Members of Congress.

Mr. Chairman, I would just like to say that we are starting to deviate. This is not a drug issue, a dollar issue, a crime issue, a Republican issue, a Democrat issue; it is a rights issue. We are starting to get to the point with accepting all these exemptions that we are starting to infringe upon those rights.

Mr. Chairman, I oppose the amendment.

Mr. WILLIAMS. Mr. Chairman, I want to tell my colleagues that we just accepted an amendment that says if you are a guard dealing with currency, negotiable securities, precious commodities, you can be made to undergo this lie detector examination. That is OK; this goes far too far.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS. I yield to my friend, the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, I thank my friend for yielding.

Mr. Chairman, I would just like to suggest to my friend from Florida that the litany of institutions that are covered under this definition is so extensive that, if I were the gentleman, I would advance my cause to associate myself with the remarks of the gentleman from Montana.

Mr. HILER. Mr. Chairman, I move to strike the last word, and I rise in support of the amendment.

Mr. Chairman, it seems to make eminent sense to me that if we exempt the people who carry the money away from the financial institutions, should we not exempt the people who collect

the money at the financial institutions.

Money comes in many forms today. It comes in plastic cards. In comes in wire transfers. It comes in travelers checks. It comes in greenbacks and it comes in hard currency.

This amendment makes eminent good sense. I think the bill is a bad bill, but if we are going to have the bill, if we are going to have many exemptions already, this exemption clearly is one that ought to be allowed. When we talk about the life savings and the cash flows of businesses and people and corporate America, we ought to be just as concerned about the safety of the institutions that take care of those functions as we are about the institutions that carry the money away.

Mr. McCOLLUM. Mr. Chairman, will the gentleman yield?

Mr. HILER. I yield to the gentleman from Florida.

Mr. McCOLLUM. Mr. Chairman, I would like to make a point on the gentleman's time, and I thank the gentleman for yielding.

The author of this legislation just said we covered all of this and we protect your money because we accepted an amendment to cover guards who guard the money. Guards who guard the buildings with pistols in their pockets or carry the money in trucks are not guarding much of our money today. They are protecting some time-honored 1920's bank robbery, protecting the public from that. But most of the money transactions today and the crime with money is done with a computer inside those institutions. The only way you can protect the money of the people of America today is with the McCollum amendment, protecting the rights of the employers in these financial institutions to examine in advance the employees they are going to hire to find out if they have a record of theft in the past, if they have a record that tends to mean they could be blackmailed into going along with a money laundering machine that somebody proposes to them, that tends to show that they would be a likely subject to go ahead and push that computer buttom and embezzle some money or transfer it somewhere.

Even with that, we cannot expect to protect it all, as the figures I gave earlier show. But with the polygraph, at least we will have some degree of protection with what we have today. Strip the polygraph away, the banks and the public have no protection, none, from people who may be hired who have the thought in mind of going out and stealing moneys while they work at the bank.

Mr. Chairman, I thank the gentleman for taking some time to make this point. The McCollum amendment is absolutely essential for the protection of the public.

Mr. SUNDQUIST. Mr. Chairman, will the gentleman yield?

Mr. HILER. I yield to the gentleman from Tennessee.

Mr. SUNDQUIST. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, it is interesting to me as I sat and observed the debate that we have moved—and incidentally, I support the gentleman's amendment. I think it makes sense, and I think the points the gentleman makes are accurate. But it is interesting that we are no longer debating the merits of polygraph. Now we are talking about who is important enough to have protection under polygraph, as we should.

As we are debating this, we have shifted now, as the debate should have shifted. The gentleman from Florida has pointed out how important this is that they be included.

On the other hand, we still have not answered the question of where do we draw the line. The author of the legislation said that we have a responsibility to have a fine line. I would submit that fine line is blurred, because of the debate of the opinion of the gentleman from Florida, the gentleman has pointed out how important it is. We are no longer talking about whether or not it is dependable, but who ought to have exemption from the proposed legislation.

The small business people, the mom and pop shops, are the ones who are going to suffer when we end up with this, because they are the only ones left who are going to be excluded.

Mr. Chairman, I would suggest we vote for this amendment and then close the entire piece of legislation.

Mr. HILER. Mr. Chairman, if the polygraph can work effectively for security guards, clearly it can work effectively for financial institutions.

Mr. Chairman, I support the gentleman's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. McCOLLUM].

The question was taken, and on a division (demanded by Mr. WILLIAMS) there were—ayes 60, noes 47.

RECORDED VOTE

Mr. WILLIAMS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 194, noes 217, not voting 23, as follows:

[Roll No. 46]

AYES—194

Anderson	Boulter	Cheney
Archer	Broomfield	Coats
Armey	Brown (CO)	Cobey
Badham	Burton (IN)	Coble
Barnard	Byron	Coleman (MO)
Bartlett	Callahan	Combest
Barton	Carney	Craig
Bateman	Carper	Crane
Bennett	Chandler	Daniel
Bereuter	Chapman	Dannemeyer
Bilirakis	Chappell	Darden
Bliley	Chappie	Daub
de la Garza	Lagomarsino	Roukema
DeLay	Leath (TX)	Rowland (CT)
Derrick	Lent	Rowland (GA)
DeWine	Lewis (CA)	Saxton
Dickinson	Lewis (FL)	Schaefer
DioGuardi	Lightfoot	Schneider
Dowdy	Livingston	Schroeder
Dreier	Lloyd	Schuette
Duncan	Lott	Schulze
Eckert (NY)	Lowery (CA)	Sensenbrenner
Edwards (OK)	Lujan	Shaw
Emerson	Lungren	Shumway
English	Mack	Shuster
Erdreich	MacKay	Siljander
Evans (IA)	Marlenee	Sisisky
Fawell	Martin (NY)	Skeen
Fiedler	Mazzoli	Slaughter
Fields	McCain	Smith (NE)
Fish	McCandless	Smith, Denny (OR)
Franklin	McCollum	
Frenzel	McEwen	Smith, Robert (NH)
Frost	McGrath	
Fuqua	McKernan	Smith, Robert (OR)
Gallo	McMillan	
Gekas	Meyers	Snyder
Gingrich	Michel	Solomon
Goodling	Miller (OH)	Spence
Gradison	Molinari	St Germain
Green	Monson	Stangeland
Gregg	Montgomery	Stenholm
Gunderson	Moore	Stratton
Hall (OH)	Moorhead	Stump
Hammerschmidt	Morrison (WA)	Sundquist
Hansen	Myers	Sweeney
Hartnett	Nelson	Swindall
Heftel	Nichols	Tallon
Hendon	O'Brien	Tauzin
Henry	Oxley	Thomas (CA)
Hiler	Packard	Thomas (GA)
Hillis	Panetta	Torricelli
Holt	Parris	Valentine
Hopkins	Pashayan	Vander Jagt
Huckaby	Petri	Vucanovich
Hughes	Porter	Walker
Hunter	Pursell	Watkins
Hutto	Quillen	Whitehurst
Hyde	Ray	Whitley
Ireland	Regula	Whittaker
Jones (OK)	Ritter	Wolf
Jones (TN)	Roberts	Wortley
Kasich	Roemer	Young (AK)
Kindness	Rogers	Young (FL)
Kolbe	Rose	Zschau
Kramer	Roth	

NOES—217

Ackerman	Cooper	Glickman
Akaka	Coughlin	Gonzalez
Alexander	Courter	Gordon
Andrews	Coyne	Gray (IL)
Annunzio	Crockett	Gray (PA)
Anthony	Daschle	Guarini
Applegate	Davis	Hamilton
Atkins	Dellums	Hawkins
AuCoin	Dicks	Hayes
Bates	Dingell	Hefner
Bedell	Dixon	Hertel
Beilenson	Donnelly	Horton
Bentley	Dorgan (ND)	Howard
Berman	Downey	Hoyer
Bevill	Durbin	Hubbard
Biaggi	Dwyer	Jacobs
Boehlert	Dymally	Jenkins
Boggs	Dyson	Johnson
Boland	Early	Jones (NC)
Boner (TN)	Eckart (OH)	Kanjorski
Bonior (MI)	Edgar	Kaptur
Bonker	Edwards (CA)	Kastenmeier
Borski	Evans (IL)	Kemp
Bosco	Fascell	Kennelly
Boucher	Fazio	Kildee
Boxer	Feighan	Kleczka
Breaux	Flippo	Kolter
Brooks	Florio	Kostmayer
Bruce	Foglietta	Lantos
Bryant	Foley	Leach (IA)
Burton (CA)	Ford (MI)	Lehman (CA)
Bustamante	Ford (TN)	Lehman (FL)
Carr	Fowler	Leland
Clay	Frank	Levin (MI)
Clinger	Garcia	Levine (CA)
Coelho	Gaydos	Lipinski
Coleman (TX)	Gejdenson	Long
Conte	Gibbons	Lowry (WA)
Conyers	Gilman	Luken

Lundine	Pease	Staggers
Manton	Penny	Stallings
Markey	Pepper	Stark
Martin (IL)	Perkins	Stokes
Martinez	Pickle	Strang
Matsui	Price	Studds
Mavroules	Rahall	Swift
McCloskey	Rangel	Synar
McDade	Reid	Tauke
McHugh	Richardson	Torres
McKinney	Ridge	Traficant
Mica	Rinaldo	Traxler
Mikulski	Robinson	Udall
Miller (CA)	Rodino	Vento
Miller (WA)	Roe	Visclosky
Mineta	Rostenkowski	Volkmer
Mitchell	Roybal	Walgren
Moakley	Russo	Waxman
Mollohan	Sabo	Weber
Moody	Savage	Weiss
Morrison (CT)	Scheuer	Wheat
Mrazek	Schumer	Whitten
Murphy	Seiberling	Williams
Murtha	Sharp	Wilson
Natcher	Shelby	Wirth
Neal	Sikorski	Wise
Nielson	Skelton	Wolpe
Nowak	Slattery	Wright
Oakar	Smith (FL)	Wyden
Oberstar	Smith (IA)	Yates
Obey	Smith (NJ)	Yatron
Olin	Snowe	Young (MO)
Ortiz	Solarz	
Owens	Spratt	

NOT VOTING—23

Addabbo	Gephardt	Madigan
Aspin	Grotberg	McCurdy
Barnes	Hall, Ralph	Rudd
Brown (CA)	Hatcher	Taylor
Broyhill	Jeffords	Towns
Campbell	LaFalce	Weaver
Collins	Latta	Wylie
Dornan (CA)	Loeffler	

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The Clerk announced the following pairs:

On this vote:

Mr. Taylor for, with Mrs. Collins against.

Mr. Loeffler for, with Mr. Weaver against.

Mr. Campbell for, with Mr. Traxler against.

Mr. Rudd for, with Mr. Dymally against.

Messrs. HEFNER, GILMAN, and VOLKMER changed their votes from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. YOUNG OF FLORIDA

Mr. YOUNG of Florida. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. YOUNG of Florida: Page 8, after line 15, insert the following new subsection:

(e) Children's day care center exemption—

(1) This Act shall not prohibit the use of a lie detector test on any employee or prospective employee of any children's day care center.

(2) This subsection shall not preempt any State or local law which prohibits or restricts the use of lie detector tests.

(f) Nursing home exemption—

(1) This Act shall not prohibit the use of a lie detector test on any prospective employee of any nursing home facility.

(2) This subsection shall not preempt any State or local law which prohibits or restricts the use of lie detector tests.

Mr. YOUNG of Florida. Mr. Chairman, of the amendments that I have prefiled, this is the only one that I intend to offer.

In view of the fact that the committee has accepted a number of amendments that exempted certain types of industry, I would ask the committee to very seriously consider accepting this amendment to exempt from the prohibition those industries dealing with children and day-care centers and America's senior citizens in nursing homes. These are people who cannot take care of themselves; people who need someone to be their champion.

Let the House of Representatives tonight take care of America's kids and America's senior citizens. I do not have to relate and I am not going to relate some of the terrible, terrible stories that we have read about in recent months about how children and senior Americans have been so terribly affected by some people in whose care they were charged.

This is a good amendment; it is certainly in keeping with the protection of people that the chairman of the committee talked about before. I hope the committee will accept it.

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Florida. I yield to the gentleman.

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Mr. WILLIAMS. Do I understand that the gentleman's amendment would allow or if the employer wished require the lie detecting of all teachers who worked with children in day-care centers, the janitor, the secretary, the person that answers the telephone?

Mr. YOUNG of Florida. My response is yes, anyone who would have access to those children or anyone that would have access to those senior citizens lying unprotected in a nursing home bed.

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield further?

Mr. YOUNG of Florida. Yes, I certainly will.

Mr. WILLIAMS. Would all of the people who worked in a nursing home, that is, the driver of the van, the Meals on Wheels people, the janitor, the custodian that puts up the flag, would all those people have to undergo a lie detector test?

Mr. YOUNG of Florida. Well, I do not believe that our intent is to go that far, although we did accept an amendment that would exempt those same people if they carried money. Well, I think the protection of a child's life or a child's well-being is much more important than money.

Mr. WILLIAMS. Well, I am considering trying to accept the gentleman's amendment, but I want to know how direct the access with children and senior citizens is. If the gentleman is talking about giving a lie detector test to somebody who does not deal with these people, then I think that it is too broadly drawn.

Mr. YOUNG of Florida. No, sir; I would say to the gentleman that is not our intent. It is only our intent to allow polygraph exams for those who deal directly with children or directly with the elderly in nursing homes.

Mr. MAZZOLI. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Florida. Yes, I am happy to yield.

Mr. MAZZOLI. Mr. Chairman, let me salute the gentleman on his amendment. When I have been watching the debate and listening to it, I was sorely tempted to offer an amendment along the lines of what the gentleman said. I think it would be highly irresponsible for this Chamber having exempted drivers of Brink's armored cars, having exempted a variety of other people, and not exempt from the application of this law the very people who deal with our children, vulnerable, weak, impressionable children, and the old people the very same way.

I think the gentleman has a very sensible, a very direct and I think an amendment which ought to be adopted.

Mr. YOUNG of Florida. Well, I certainly appreciate the gentleman's comments.

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield again?

Mr. YOUNG of Florida. Yes, I yield.

Mr. WILLIAMS. Mr. Chairman, I need to understand the gentleman's intention. Is the gentleman referring to those employees in child care centers and nursing homes that have direct access to the children and the senior citizens?

Mr. YOUNG of Florida. That is my intent.

Mr. WILLIAMS. This gentleman will accept the gentleman's amendment.

Mr. YOUNG of Florida. Mr. Chairman, I thank the gentleman.

Mr. WEISS. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to the amendment.

Mr. Chairman, I know the hour is running late. I would have no objection if in fact the sponsors of this bill, the managers, would decide to take it up tomorrow at an earlier hour, to allow us to deal with it when we are refreshed. It seems to me that we are dealing with a very, very critical subject at this point.

We started with the premise that these polygraph tests are unreliable, unscientific, and endanger the security, well-being, lives and careers of people who are subjected to them. That has been the thrust of the argument on this issue all along.

The reason that this legislation came forward was to try to provide protection for American workers in the work place. Instead, what is begin-

ning to happen by sort of a salami tactic is that we build in exemption after exemption after exemption. By the time we get through, we will have a piece of legislation which in essence authorizes, rather than restricts, the use of polygraph tests. It passes a favorable judgment on polygraphs.

The legislation would now say that it is OK to subject people who work in day-care centers to these tests. Why not for people who work in grammar schools? What is the magic cutoff? Is it kindergarten, first grade, or second grade?

I really do think, Mr. Chairman, that those who want this legislation very, very badly have lost sight of how this bill has been amended. It is no longer the bill it started out to be or was intended to be.

I think the better part of wisdom at this point, rather than to agree to amendments which ultimately turn this legislation inside out, is to recognize that the climate and the tenor in this body is such that you are accomplishing exactly the opposite of what you set out to do.

I hope that this amendment is defeated, and I would hope that the legislation would be withdrawn because it is in fact creating a worse situation than existed before this bill came on the floor. If adopted, it will be used as the justification for the ever-increasing use of polygraph tests, and you can be assured that the Federal Government will not be far behind in insisting that all Federal employees, too, should be subject to these tests. The process which we have engaged in today is a classic example of good intentions having run amok.

Mr. ECKART of Ohio. Mr. Chairman, I move to strike the requisite number of words.

May I engage in a colloquy with the gentleman from Florida.

The concern expressed by my colleague, the gentleman from Montana, concerning direct access and who would be covered, if I may ask the gentleman if after the words that appear, "prospective employee," to insert the phrase in subsection (e)(1) "with direct access to children," and in subsection (f)(1) "with direct access to nursing home residents."

Mr. YOUNG of Florida. Mr. Chairman, if the gentleman will yield, I ask unanimous consent that the gentleman's modification be included as part of the original amendment.

The CHAIRMAN. Will the gentleman please repeat the modification for the Clerk's sake.

Mr. ECKART of Ohio. Mr. Chairman, after the words "prospective employee" in subsection (e)(1) insert the phrase "with direct access to children," and in subsection (f)(1) after the words "prospective employee" insert the phrase "with direct access to nursing home residents."

The CHAIRMAN. Is there objection to the modification?

There was no objection.

The CHAIRMAN. The Clerk will report the modification to the amendment offered by the gentleman from Florida [Mr. YOUNG].

The Clerk read as follows:

Modification to the amendment offered by Mr. YOUNG of Florida: In subsection (e)(1) after "prospective employee" insert "with direct access to children" and in subsection (f)(1) after "prospective employee" insert "with direct access to nursing home residents".

The text of the amendment, as modified, is as follows:

Amendment offered by Mr. YOUNG of Florida, as modified: Page 8, after line 15, insert the following new subsection:

(e) Children's day care center exemption—

(1) This Act shall not prohibit the use of a lie detector test on any employee or prospective employee with direct access to children of any children's day care center.

(2) This subsection shall not preempt any State or local law which prohibits or restricts the use of lie detector tests.

(f) Nursing home exemption—

(1) This Act shall not prohibit the use of a lie detector test on any prospective employee with direct access to nursing home residents of any nursing home facility.

(2) This subsection shall not preempt any State or local law which prohibits or restricts the use of lie detector tests.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. YOUNG] as modified.

The amendment, as modified, was agreed to.

AMENDMENT OFFERED BY MR. HUGHES

Mr. HUGHES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HUGHES: Page 8, after line 15, insert the following new subsection:

(e) EXEMPTION FOR LEGALIZED GAMING ESTABLISHMENTS.—(1) This Act shall not prohibit the administration of a lie detector test to any employee of a legalized gaming establishment by such an establishment to the extent that—

(A) such use is consistent with—

(i) applicable State and local law, and

(ii) any negotiated collective bargaining agreement,

that limits or prohibits the use of lie detector tests on such employees; and

(B) the test is administered only to employees with responsibility for, and in connection with, assuring compliance with subchapter II of chapter 53 of title 31, United States Code.

(2) For purposes of this subsection the term "legalized gaming establishment" means any establishment operated under a comprehensive State regulatory system regulating casino gaming or gambling.

Mr. HUGHES (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HUGHES. Mr. Chairman, my amendment provides an exemption for employees of casinos when those employees are involved in handling large amounts of cash or guaranteeing against money laundering through the casinos.

I might say it does not apply to New Jersey because New Jersey law would not permit polygraphs.

It allows polygraphs to be used to determine whether these employees are in fact involved in laundering large amounts of cash, but only where the use of polygraphs is consistent with State law and existing collective bargaining agreements.

It is very narrowly drawn so it only reaches the filing of those financial transactions that the Department of the Treasury uses to determine whether laundering is taking place.

Casinos present a unique problem in that we do not have the same structure as other financial institutions and if in fact we are serious about trying to focus in on money laundering, then you have got to make sure there are not people inside the casino that ashcan those filing requirements, those reports, that in fact the Department of the Treasury sees.

It is focused just to those reporting requirements. No other areas are covered by this particular amendment.

I would hope that this amendment for casinos and the reporting of financial transactions will be accepted by the committee I think it is needed. We are doing a lot of work in the area of money laundering and it seems to me that unless we close this loophole, it is not going to help us pass new money laundering legislation.

Mr. MARTINEZ. Mr. Chairman, will the gentleman yield?

Mr. HUGHES. I am happy to yield.

Mr. MARTINEZ. Mr. Chairman, would the gentleman agree to a unanimous consent request to add to his amendment the following:

(A) the results of an analysis of lie detector charts are used as the sole basis upon which an employee or prospective employee is discharged, dismissed, disciplined in any manner, or denied employment or promotion.

Mr. HUGHES. The gentleman asks if I will accept the language which indicates:

(3) The exemption provided under this subsection shall not apply if—

(A) the results of an analysis of lie detector charts are used as the sole basis upon which an employee or prospective employee is discharged, dismissed, disciplined in any manner, or denied employment or promotion.

Mr. Chairman, I ask unanimous consent to accept that modification as part of the original amendment that I have offered. I understand the gentleman has offered this to each amend-

ment and I would accept that modification.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The CHAIRMAN. The Clerk will report the modification to the amendment offered by the gentleman from New Jersey [Mr. HUGHES].

The Clerk read as follows:

Modification to this amendment offered by Mr. HUGHES: (3) The exemption provided under this subsection shall not apply if—

(A) the results of an analysis of lie detector charts are used as the sole basis upon which an employee or prospective employee is discharged, dismissed, disciplined in any manner, or denied employment or promotion.

Mr. MARTINEZ. Mr. Chairman, if the gentleman will yield, with the gentleman's acceptance of that modification, we have no objection to the amendment.

Mr. HUGHES. Mr. Chairman, I thank the gentleman.

Mr. MAZZOLI. Mr. Chairman, will the gentleman yield?

Mr. HUGHES. I am happy to yield to my colleague, the gentleman from Kentucky.

Mr. MAZZOLI. Mr. Chairman, let me first salute my friend, the gentleman from New Jersey, my chairman on the Crime Subcommittee, for the work the gentleman has done to promote law enforcement in this country and particularly the bill on amending the Gun Act of 1968, which will be on this floor next week. I would commend the gentleman's bill to the floor for serious consideration.

But let me ask the gentleman this question. I do not oppose the gentleman's amendment, but may I ask the question, we are stretching this string so far. In reading the newspapers, I understand that money is laundered through pizza cuts. It is laundered through pizza restaurants. It is laundered through arrangements for haulage of freight and cargo.

The question is, the whole bill may be a dissuasion for the very kind of information we need, which is on money laundering.

So I will not oppose the gentleman's amendment, obviously, but is there any kind of an amendment that we could offer that would allow us to go across the board in trying to find money laundering activities?

Mr. HUGHES. Well, that would be very difficult and the gentleman makes a very valid point. The problem, however, with casinos is that large sums of money are in fact laundered and there are so many different devices——

□ 2025

I said to my colleagues that casinos present a unique problem, and that is one of the reasons why the regulations have been changed to require certain financial transactions to be recorded, particularly where there are large sums of cash which go through the casinos. This amendment is just targeted to those areas. There is no sense in the Federal Government conducting all of these investigations, requiring all of these reports to be filed if, in fact, a dishonest employee can ash can these reports and otherwise tamper with these reports that come in when large transactions go down in the casino.

Mr. MAZZOLI. If I could ask my friend one final question. As one who is so much of an expert in this area, is there anything in this bill, if it were to pass, that would impede our efforts to control money laundering?

Mr. HUGHES. No; I think the law enforcement community is probably adequately protected in the legislation.

Mr. JEFFORDS. Mr. Chairman, will the gentleman yield?

Mr. HUGHES. I am happy to yield to the gentleman from Vermont.

Mr. JEFFORDS. Mr. Chairman, I apologize, but we are having a great deal of problem understanding the gentleman's amendment because of the noise level. I want to be able to reconcile it with the action of this body turning down an exemption for financial institutions.

As I understand your amendment, it is narrowly drawn with respect to gambling institutions to those employees which may have an opportunity to launder money, and it is directed at organized crime.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. HUGHES] has expired.

(On request of Mr. JEFFORDS and by unanimous consent, Mr. HUGHES was allowed to proceed for 1 additional minute.)

Mr. HUGHES. I yield to the gentleman from Vermont.

Mr. JEFFORDS. The gentleman's amendment is directed at those employees that might have an opportunity in concert with other illegal entities to be able to launder money through the gambling institutions; is that correct?

Mr. HUGHES. That is correct. In fact, it is very limited because the test can only be administered to employees with responsibility for and in connection with assuring compliance with subchapter II of chapter 53 of title 31, United States Code, which deals with those transactions that are reported to the Federal Government.

Mr. JEFFORDS. I have no objection to the amendment.

The CHAIRMAN. The Chair will request the Clerk to read the modification to the amendment offered by the gentleman from New Jersey [Mr. HUGHES].

The Clerk read as follows:

At the end of the amendment offered by the gentleman from New Jersey [Mr. HUGHES], insert:

"(3) The exemption provided under this subsection shall not apply if—

"(A) the results of an analysis of lie detector charts are used as the sole basis upon which an employee or prospective employee is discharged, dismissed, disciplined in any manner, or denied employment or promotion."

The CHAIRMAN. Is there objection to the modification offered by the gentleman from California [Mr. MARTINEZ]?

There was no objection.

The text of the amendment, as modified, is as follows:

Amendment offered by Mr. HUGHES: Page 8, after line 15, insert the following new subsection:

(e) EXEMPTION FOR LEGALIZED GAMING ESTABLISHMENTS.—(1) This Act shall not prohibit the administration of a lie detector test to any employee of a legalized gaming establishment by such an establishment to the extent that—

(A) such use is consistent with—

(i) applicable State and local law, and

(ii) any negotiated collective bargaining agreement,

that limits or prohibits the use of lie detector tests on such employees; and

(B) the test is administered only to employees with responsibility for, and in connection with, assuring compliance with subchapter II of chapter 53 of title 31, United States Code.

(2) For purposes of this subsection the term "legalized gaming establishment" means any establishment operated under a comprehensive State regulatory system regulating casino gaming or gambling.

(3) The exemption provided under this subsection shall not apply if—

(A) the results of an analysis of lie detector charts are used as the sole basis upon which an employee or prospective employee is discharged, dismissed, disciplined in any manner, or denied employment or promotion.

Mr. HILER. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, I find it absolutely incredulous that we are going to exempt casinos while we include financial institutions in this bill. I mean, think about that, 14,000 banks, 3,000 savings and loans, 20,000 credit unions who handle billions and billions and billions of dollars of depositors' money, day after day after day. We say that they are not exempt from the bill, but we exempt casinos.

My colleagues, I am going to give you an opportunity to cast a vote on this particular amendment as I will ask for a recorded vote.

Mr. MITCHELL. Mr. Chairman, will the gentleman yield?

Mr. HILER. I yield to the gentleman from Maryland.

Mr. MITCHELL. You convince me. You have absolutely convinced me. We are opening this thing wider and wider. The last one on daycare, where

a woman who cooks, does not have any access to the child, but one day might because somebody is out sick, might have to take that food up to the child has to get a polygraph test.

I think we have opened this up so wide that it is no longer a palatable bill for this Member, and I would find it exceedingly difficult to vote for it.

Mr. SUNDQUIST. Mr. Chairman, will the gentleman yield?

Mr. HILER. I yield to the gentleman from Tennessee.

Mr. SUNDQUIST. Mr. Chairman, I have a question of the gentleman from Indiana. Is what the gentleman saying that we are going to propose voting to exempt these gambling casinos, but not those members, those individuals who run a mom and pop shop, the small business person that belongs to the National Federation of Independent Businesses, these kinds of people are excluded from testing? Is that what the gentleman is saying?

Mr. HILER. That would be my interpretation, yes.

Mr. SUNDQUIST. I thank the gentleman.

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield?

Mr. HILER. I yield to the gentleman from Montana.

Mr. WILLIAMS. Mr. Chairman, Members need to understand that we are not with this amendment excepting the polygraphing of everyone that works in a casino. We did not except it for banks and we are not excepting it for casinos. We are excepting it for a very narrow group of people, very select, very few people who are in a position in the casino to launder large amounts of money that threatens the safety, the financial safety of America. That is why we are excepting in the amendment.

Mr. HILER. Mr. Chairman, I find it fascinating that laundering of money in casinos threatens the safety and soundness of the economic system when that same type of activity in a bank does not. I find that argument incredulous.

Mrs. VUCANOVICH. Mr. Chairman, I move to strike the requisite number of words and to speak in support of the amendment of the gentleman from New Jersey [Mr. HUGHES].

Mr. Chairman, I only wish that the amendment of the gentleman from Florida [Mr. MCCOLLUM] had been adopted because it would have covered casinos as a financial institution. This is an amendment which the gentleman from New Jersey Mr. [HUGHES] supported, as did I.

I urge all of my colleagues to support this amendment.

Mr. Chairman, gaming is Nevada's No. 1 industry yielding approximately $148 million in annual revenues or 51 percent of the State's total revenues. Nevada's economy has the highest tourism dependency of any State in the Union, and more than 80 percent of Nevada's tourist spending is attributable to the presence of gaming. Nevada's gaming industry is strictly regulated by the State gaming commission making Nevada gaming the most closely scrutinized private industry in the country.

One of the tools the gaming industry uses to maintain these standards and strengthen licensing procedures is the polygraph. I believe this system of licensing and controls has worked well, eliminating abuses and providing employees adequate levels of protection against the misuse of the polygraph. The polygraph provides a strong deterrent to theft and other acts of willful misconduct which adversely affect the gaming industry.

For example, before polygraph tests were used, cash shortages at the Days Inn casino exceeded $1 million per year. Since the use of the polygraph, those losses have been cut dramatically, to less than 1 percent of the casino's gross. In another example, a majority of employees failed the polygraph when asked if they were selling and distributing drugs to casino patrons. In this instance, the polygraph helped the casino eliminate this activity and provide better service to its patrons.

Polygraphs have provided a valuable service to Nevada gaming employers in controlling cash handling, drug trafficking, and other related matters in cage, casino and slot operations. If H.R. 1524 is passed, it will be extremely difficult for casinos to police themselves and will add an extra burden on law enforcement officials in this area.

I believe legalized gaming casinos should be able to continue to use the polygraph so that the criminal element can be further reduced in the State of Nevada.

I support this amendment, and I hope my colleagues will support it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. HUGHES], as modified.

The amendment, as modified, was rejected.

The CHAIRMAN. If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. FOLEY] having assumed the chair, Mr. GONZALEZ, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1524), to prevent the denial of employment opportunities by prohibiting the use of lie detectors by employers involved in or affecting interstate commerce, pursuant to House Resolution 337, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. HILER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 236, noes 173, not voting 25, as follows:

[Roll No. 47]

AYES—236

Ackerman	Dicks	Hughes
Akaka	Dingell	Jacobs
Alexander	Dixon	Jeffords
Andrews	Donnelly	Johnson
Annunzio	Dorgan (ND)	Jones (OK)
Anthony	Downey	Kanjorski
Applegate	Durbin	Kaptur
Atkins	Dwyer	Kastenmeier
AuCoin	Dymally	Kemp
Bedell	Dyson	Kennelly
Bellenson	Early	Kildee
Bentley	Eckart (OH)	Kleczka
Bereuter	Edwards (CA)	Kolter
Berman	English	Kostmayer
Bevill	Erdreich	LaFalce
Biaggi	Evans (IL)	Lantos
Boehlert	Fascell	Leach (IA)
Boggs	Fazio	Lehman (CA)
Boland	Feighan	Lehman (FL)
Boner (TN)	Flippo	Leland
Bonior (MI)	Florio	Levin (MI)
Bonker	Foglietta	Levine (CA)
Borski	Foley	Lipinski
Bosco	Ford (MI)	Long
Boucher	Ford (TN)	Lowry (WA)
Boxer	Frank	Luken
Breaux	Gallo	Lundine
Brooks	Garcia	Manton
Bruce	Gaydos	Markey
Bryant	Gejdenson	Martin (IL)
Burton (CA)	Gekas	Martinez
Bustamante	Gilman	Matsui
Byron	Glickman	Mavroules
Carper	Gonzalez	Mazzoli
Carr	Gordon	McCloskey
Clay	Gray (IL)	McDade
Clinger	Gray (PA)	McHugh
Coelho	Green	McKinney
Conte	Gregg	Mica
Conyers	Guarini	Mikulski
Cooper	Hamilton	Miller (CA)
Coughlin	Hawkins	Miller (WA)
Courter	Hayes	Mineta
Coyne	Heftel	Moakley
Crockett	Hertel	Mollohan
Daschle	Horton	Moody
Davis	Howard	Morrison (CT)
Dellums	Hoyer	Mrazek
Dickinson	Hubbard	Murphy

Murtha	Roe	Stratton
Natcher	Roemer	Studds
Neal	Rostenkowski	Swift
Nichols	Rowland (CT)	Synar
Nielson	Roybal	Tauke
Nowak	Russo	Tauzin
Oakar	Sabo	Torres
Oberstar	Savage	Torricelli
Obey	Saxton	Traficant
Olin	Scheuer	Traxler
Owens	Schneider	Udall
Panetta	Schroeder	Vento
Pashayan	Schumer	Visclosky
Pease	Seiberling	Volkmer
Penny	Sharp	Walgren
Pepper	Shelby	Watkins
Perkins	Sikorski	Waxman
Pickle	Skelton	Weber
Price	Slattery	Wheat
Quillen	Smith (FL)	Williams
Rahall	Smith (IA)	Wilson
Rangel	Smith (NJ)	Wirth
Regula	Snowe	Wise
Reid	Solarz	Wolpe
Richardson	St Germain	Wyden
Ridge	Staggers	Yates
Rinaldo	Stallings	Yatron
Ritter	Stangeland	Young (AK)
Robinson	Stark	Young (MO)
Rodino	Stokes	

NOES—173

Anderson	Gradison	Ortiz
Archer	Gunderson	Oxley
Armey	Hall (OH)	Packard
Badham	Hammerschmidt	Parris
Barnard	Hansen	Petri
Bartlett	Hartnett	Porter
Barton	Hefner	Pursell
Bateman	Hendon	Ray
Bates	Henry	Roberts
Bennett	Hiler	Rogers
Bilirakis	Hillis	Rose
Bliley	Holt	Roth
Boulter	Hopkins	Roukema
Broomfield	Huckaby	Rowland (GA)
Brown (CO)	Hunter	Schaefer
Broyhill	Hutto	Schuette
Burton (IN)	Hyde	Schulze
Callahan	Ireland	Sensenbrenner
Carney	Jenkins	Shaw
Chandler	Jones (NC)	Shumway
Chapman	Jones (TN)	Shuster
Chappell	Kasich	Siljander
Chappie	Kolbe	Sisisky
Cheney	Kramer	Skeen
Coats	Lagomarsino	Slaughter
Cobey	Leath (TX)	Smith (NE)
Coble	Lewis (CA)	Smith, Denny (OR)
Coleman (MO)	Lewis (FL)	Smith, Robert (NH)
Coleman (TX)	Lightfoot	Smith, Robert (OR)
Combest	Livingston	Snyder
Craig	Lloyd	Solomon
Crane	Lott	Spence
Daniel	Lowery (CA)	Spratt
Dannemeyer	Lujan	Stenholm
Darden	Lungren	Strang
Daub	Mack	Stump
de la Garza	MacKay	Sundquist
DeLay	Marlenee	Sweeney
Derrick	Martin (NY)	Swindall
DeWine	McCain	Tallon
DioGuardi	McCandless	Thomas (CA)
Dowdy	McCollum	Thomas (GA)
Dreier	McEwen	Valentine
Duncan	McGrath	Vander Jagt
Eckert (NY)	McKernan	Vucanovich
Edwards (OK)	McMillan	Walker
Emerson	Meyers	Weiss
Evans (IA)	Michel	Whitehurst
Fawell	Miller (OH)	Whitley
Fiedler	Mitchell	Whittaker
Fields	Molinari	Whitten
Fish	Monson	Wolf
Fowler	Montgomery	Wortley
Franklin	Moore	Young (FL)
Frenzel	Moorhead	Zschau
Fuqua	Morrison (WA)	
Gibbons	Myers	
Gingrich	Nelson	
Goodling	O'Brien	

NOT VOTING—25

Addabbo	Barnes	Campbell
Aspin	Brown (CA)	Collins
Dornan (CA)	Kindness	Taylor
Edgar	Latta	Towns
Frost	Lent	Weaver
Gephardt	Loeffler	Wright
Grotberg	Madigan	Wylie
Hall, Ralph	McCurdy	
Hatcher	Rudd	

□ 2045

The Clerk announced the following pairs:

On this vote:

Mrs. Collins for, with Mr. Taylor against.

Mr. Weaver for, with Mr. Loeffler against.

Mr. Barnes for, with Mr. Campbell against.

Mr. Brown of California for, with Mr. Rudd against.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MARTINEZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on, H.R. 1524, the bill just passed.

The SPEAKER pro tempore (Mr. BOUCHER). Is there objection to the request of the gentleman from California?

There was no objection.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN THE ENGROSSMENT OF H.R. 1524, EMPLOYEE POLYGRAPH PROTECTION ACT OF 1985

Mr. MARTINEZ. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, the Clerk be authorized to make corrections in section numbers, punctuation, and cross-references and to make such other technical and conforming changes as may be necessary to reflect the actions of the House in amending the bill, H.R. 1524, the Employee Polygraph Protection Act of 1985.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF HOUSE CONCURRENT RESOLUTION 296, CONGRESSIONAL BUDGET FOR THE U.S. GOVERNMENT, 1987, 1988, 1989

Mrs. BURTON of California, from the Committee on Rules, submitted a privileged report (Rept. No. 99-491) on the resolution (H. Res. 397) providing for the consideration of the concurrent resolution (H. Con. Res. 296) setting forth the congressional budget for the United States Government for the fiscal years 1987, 1988, and 1989, which was referred to the House Calendar and ordered printed.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF THE CONFERENCE REPORT AND AN AMENDMENT REPORTED FROM CONFERENCE IN DISAGREEMENT ON HOUSE JOINT RESOLUTION 534, URGENT SUPPLEMENTAL APPROPRIATIONS FOR DEPARTMENT OF AGRICULTURE, 1986

Mrs. BURTON of California, from the Committee on Rules, submitted a privileged report (Rept. No. 99-492) on the resolution (H. Res. 398) waiving certain points of order against consideration of the conference report and an amendment reported from conference in disagreement on the joint resolution (H.J. Res. 534) making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes, which was referred to the House Calendar and ordered to be printed.

CONFERENCE REPORT ON HOUSE JOINT RESOLUTION 534, URGENT SUPPLEMENTAL APPROPRIATION FOR THE DEPARTMENT OF AGRICULTURE, 1986

Mr. WHITTEN submitted the following conference report and statement on the joint resolution (H.J. Res. 534), making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes:

CONFERENCE REPORT (H. REPT. 99-493)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the resolution (H.J. Res. 534) "making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes," having met, after full and free conference, have been unable to agree.

The committee of conference, report in disagreement amendment numbered 1.

JAMIE L. WHITTEN,
BOB TRAXLER,
MATTHEW F. MCHUGH,
WILLIAM H. NATCHER,
DANIEL K. AKAKA,
WES WATKINS,
RICHARD J. DURBIN,
NEAL SMITH,
VIRGINIA SMITH,
JOHN T. MYERS,
HAROLD ROGERS,
JOE SKEEN,
SILVIO O. CONTE,
Managers on the Part of the House.

THAD COCHRAN,
JAMES A. MCCLURE,
MARK ANDREWS,
JAMES ABDNOR,
BOB KASTEN,

MACK MATTINGLY,
ARLEN SPECTER,
MARK O. HATFIELD,
QUENTIN N. BURDICK,
JOHN C. STENNIS,
LAWTON CHILES,
JIM SASSER,
DALE BUMPERS,
TOM HARKIN,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the joint resolution (H.J. Res. 534), making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes, report that the conferees have been unable to agree. This is a technical disagreement, necessitated by the fact that the substitute language agreed to by the conferees includes a provision which would fall outside the normal range between the House provision and deletion of the House provision as was proposed by the Senate.

It is the intention of the conferees that the managers on the part of the House will offer a motion in the House to recede and concur in the Senate amendment with an amendment consisting of the language agreed to in conference, and that upon the adoption of such amendment in the House, the managers on the part of the Senate will offer a motion in the Senate to concur therein.

The managers on the part of the House and the Senate submit the following joint statement in explanation of the action agreed upon by the managers:

DEPARTMENT OF AGRICULTURE

COMMODITY CREDIT CORPORATION

Amendment No. 1. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows:

: Provided further, That after fiscal year 1987, funds available to the Corporation may be used to carry out section 1241(a)(1) of the Food Security Act of 1985, only to such extent or in such amounts as provided in advance in appropriations Acts. The sign-up agreement should not reduce total production below levels needed to meet domestic needs, maintain the supply line, and provide for an adequate supply for export by either the Commodity Credit Corporation or private corporations or individuals at competitive prices; since by law the proceeds from sales become available for use by the Commodity Credit Corporation, such sales should reduce future appropriations: Provided further, That the conservation reserve program shall not replace or reduce any existing conservation program.

The level of funds previously appropriated for the insured operating loan program of the Farmers Home Administration, as provided in the Appropriations Act for fiscal year 1986 for Agriculture, Rural Development, and Related Agencies (H.R. 3037), as enacted by Public Law 99-190 on December 19, 1985, shall be available until expended except as that level may be reduced by the terms of the sequester order implemented on March 1, 1986.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement deletes House language which provided that after fiscal year 1986, funds available to the Commodity Credit Corporation to carry out the conservation reserve program and the Federal Crop Insurance Corporation program shall be available only to such extent or in such amounts as provided in advance in appropriations Acts.

The conference agreement includes language that the sign-up agreement for the conservation reserve program should not reduce total production below levels needed to meet domestic needs, maintain the supply line, and provide for an adequate supply for export by either the Commodity Credit Corporation or private corporations or individuals at competitive prices.

The conference agreement also provides that the conservation reserve program shall not replace or reduce any existing conservation program.

The Appropriations Act for fiscal year 1986 (H.R. 3037), as enacted by Public Law 99-190 on December 19, 1985, provided $2.7 billion for direct operating loans. The conferees insist that the funds provided in the Appropriations Act remain available for fiscal year 1986, and remain available until expended, except as that level may be reduced by the terms of the sequester order implemented on March 1, 1986.

COMMODITY SUPPLEMENTAL FOOD PROGRAM

The conferees have been advised that the Department plans to use commodity supplemental food program funds to reimburse the Commodity Credit Corporation for donated surplus commodities. The conferees have agreed these funds shall not be used for reimbursement until this proposal has been reviewed by the appropriate committees of Congress.

JAMIE L. WHITTEN,
BOB TRAXLER,
MATTHEW F. MCHUGH,
WILLIAM H. NATCHER,
DANIEL K. AKAKA,
WES WATKINS,
RICHARD J. DURBIN,
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JOHN C. STENNIS,
LAWTON CHILES,
JIM SASSER,
DALE BUMPERS,
TOM HARKIN,
Managers on the Part of the Senate.

COMMUNICATION FROM THE HONORABLE F. JAMES SENSENBRENNER, JR., MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Honorable F. JAMES SENSENBRENNER, Jr.:

HOUSE OF REPRESENTATIVES,
Washington, DC, February 25, 1986.

Hon. THOMAS P. O'NEILL,
Speaker, House of Representatives, H-204, Capitol, Washington, DC.

DEAR MR. SPEAKER: This is to notify you, pursuant to Rule L(50) of the Rules of the House of Representatives, that Thomas Schreibel, Patricia Piekenbrock, and James Murphy of my district office, and Paul Zanowski formerly of my district office and currently in my Washington office, have been served with subpoenas issued by the Circuit Court for the State of Wisconsin, Waukesha County. After consultation with the General Counsel to the Clerk, I will notify you of my determinations as required by the House Rules.

Sincerely,

F. JAMES SENSENBRENNER, Jr.,
Member of Congress.

LET'S GIVE NEGOTIATIONS ONE LAST CHANCE

(Mr. SKELTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. SKELTON. Mr. Speaker, last week I joined a number of our colleagues here in the House in a meeting with Secretary of State George Shultz concerning the proposed assistance package to the Nicaraguan Contras. At that meeting I suggested some additions to the administration's proposal to reassure Members about the administration's intentions. Today I am sending a letter to the President restating my proposal which includes the following points:

Renewed efforts of the Contadoran negotiations with a time limit lasting no longer than 90 days. This gives negotiations one last chance.

That the aid package be split into two parts—humanitarian aid to be dispersed immediately and military aid to be dispersed after a 90-day period should negotiations fail.

A broadening of the resistance forces who would be eligible for assistance.

More attention to human rights by the Contras.

That defensive weapons be supplied immediately to defend against Sandinista air and armored attack during the 90-day period.

That military training of the Contras begin immediately so that if negotiations fail they will not have lost time.

Mr. Speaker, it is now our hope that the President will give serious attention to the proposals that I have outlined. Our Nation needs an effective bipartisan program to deal with the difficult situation we face in Nicaragua. I include a copy of my letter in the RECORD.

HOUSE OF REPRESENTATIVES,
Washington, DC, March 12, 1986.

Hon. RONALD REAGAN,
1600 Pennsylvania Avenue, NW, Washington, DC.

DEAR MR. PRESIDENT: Together with several other Democratic Members of the House, I had the opportunity to meet with Secretary of State Shultz on Thursday March 6 concerning the proposed assistance package to the Nicaraguan democratic resistance forces, the "contras". At that time, I suggested to the Secretary that you consider a few additional measures as a way to reassure the undersigned about the Administration's intentions.

My proposal to Secretary Shultz included the following points:

1. that there be a renewed effort of the Contadora negotiations with a time limit lasting no longer than 90 days;

2. that the aid package be split into two parts—humanitarian aid, to be disbursed immediately; military aid, to be disbursed after a 90-day period should negotiations fail;

3. that the resistance forces to receive both humanitarian and military aid be broadened to include Misurasata, BOS, and any other resistance group whose aim is the establishment of a genuinely democratic process in Nicaragua;

4. that measures to improve the attention given to human rights by the resistance forces be intensified;

5. that defensive weapons be supplied immediately to the broadened resistance forces to defend against air and armored attacks, but only for these defensive purposes during the 90-day period;

6. that military training of the resistance forces begin immediately so that if negotiations fail they will be able to go into action with a greater assurance of success;

7. that at the end of the 90-day period, if negotiations fail, the Administration report to the proper authorizing committees the progress or lack of progress that has been made with respect to the six points listed above. Included in that report should be a separate section updating the progress made in fulfilling the recommendations made by the Kissinger Commission in January 1984.

Let me explain the thinking behind the seven points in my proposal. Broadly speaking the effort here is to follow a two-track approach: (1) giving negotiations one last chance and (2) preparing the "contras" to continue the fight should negotiations fail. I hope that the second track will actually put pressure on the Sandinistas to negotiate seriously.

A renewed negotiating effort with Ambassador Habib, a well-respected career diplomat, will enable the Administration to convince some of its skeptics that a good faith effort towards a negotiated settlement is being made. By limiting the negotiating period to no longer than 90 days the pressure would be placed on the Sandinistas to either make meaningful concessions or reveal themselves as uninterested in serious negotiations. They could no longer hope to stretch out negotiations indefinitely with the real purpose being that of consolidating power.

By splitting the aid package in two parts the United States will give further proof of wanting to come to an agreement with the Sandinistas while at the same time not breaking faith with the democratic resistance. The "contras" need continuing US humanitarian support now, if only to show US resolve. Immediate disbursement of humanitarian aid will fulfill this need. Military aid will serve two purposes: first, to put pressure on the Sandinistas to negotiate seriously; second, to prepare the resistance forces to go into action should negotiations fail.

The purpose in expanding the list of resistance forces receiving aid is to give support to those groups that have been neglected in past efforts. One group, Misurasata, has managed to secure the bulk of the Atlantic coastal Indian territory against military attacks of the Nicaraguan Army. Whether they are formally a part of the United Nicaraguan Opposition or not should not matter. Theirs is a genuinely popular resistance that merits the support of the United States. Similar other resistance forces should also be supported.

Attention to human rights is a crucial part of any assistance we give to the resistance forces. Any effort to put pressure on the Sandinistas will fail if serious attention to correcting abuses by the resistance forces is not put into effect. This should be included in the training effort of the resistance forces that I have called for in point six.

The purpose in supplying defensive weapons, shoulder-fired anti-aircraft missiles, is to enable the resistance forces to fend off M1-24 helicopter attacks. Protection against such attacks is a legitimate defensive effort that should be permitted during the 90 day period of negotiations.

Mr. President, we hope that you will give serious attention to these matters so that we can put together an effective, bipartisan program to deal with the difficult situation we face in Nicaragua.

Sincerely,

Ike Skelton.

SOFT ON LOGIC, LONG ON FANTASY

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ALEXANDER. Mr. Speaker, since 1981 the Reagan administration has spent $3.4 billion in foreign assistance in Central America. While the President's policy of militarization of the region has not rooted out the Sandinistas, he is now saying another $100 million will do the trick.

This weekend President Belasario Betancur of Colombia, the leader of the Contadora movement in Latin America, repeated his opposition to more American aid to the Contras. President Betancur and I have been friends for several years, and I know him to be a man of extraordinary courage and commitment. In an interview reported in the Washington Post Monday, President Betancur said:

I think that an initiative such as the request for $100 million * * * is wrong. I know we can get more through negotiation. I know that the Reagan administration is aware of the fact that Latin America has its own language and that language is expressed through Contadora.

Mr. Speaker, Mr. Reagan suggests that those who oppose his war in Central America are soft on communism, and long on naivete. President Betancur's comments make it clear that in Latin America, Mr. Reagan's policy in Central America is soft on logic and long on fantasy.

CONTRA AID "WRONG," COLOMBIAN DECLARES

(By Bradley Graham)

BOGOTA, COLOMBIA, March 9.—President Belisario Betancur, a leading opponent of military intervention in Central America, says the Reagan administration's request for $100 million in aid to anti-Sandinista Nicaraguan rebels is "wrong" and "will not produce good results."

In an interview, the Colombian leader, a founder of the Contadora group of eight Latin American states proposing a negotiated peace in Central America, said "all of Latin America doesn't like the Reagan proposal" and urged the U.S. president to talk with, not fight the Sandinistas in Nicaragua.

"I think that an initiative such as the request for $100 million taken by President Reagan is wrong," said Betancur. "I know we can get more through negotiation. I know that the Reagan administration is aware of the fact that Latin America has its own language, and that language is expressed through Contadora."

The extent of Latin American support for the aid request has been a point of controversy in Washington. Administration officials contend that some Latin American leaders do not want to endorse the plan publicly for domestic political reasons but that privately they are sympathetic with the U.S. anti-Sandinista campaign.

Betancur's firm opposition was expressed during a 45-minute interview Friday assessing his four-year term in office, which ends in August. Colombians went to the polls today to elect a new Congress in a vote that foreshadows presidential elections in May. The Colombian constitution prevents presidents from seeking a second consecutive term.

A man of peasant background and populist political skills, Betancur, 63, was elected on a platform of achieving peace at home with leftist guerrillas and abroad between warring groups in Central America. Although the peace agreements he sought are far from being realized fully, Betancur said he has established a legacy of negotiation on both fronts. He is constitutionally prohibited from running for a second consecutive term.

The silver-haired leader calmly rejected the claims of critics on both the right and the left who regard his peace policies as having disintegrated in the fact of mounting guerrilla warfare in Colombia and heightened tensions between the United States and Nicaragua. He said he had established an "anti-Vietnam approach" to armed conflict in the region, an approach of "dialogue and agreement" that, he added, is now irreversible, at least in Colombia.

"It is also the philosophy of the Contadora group," he said. "It consists in telling the guerrilla groups in Central America: Why not talk, why not search for diplomatic solutions and negotiate?"

The Contadora process is stalled at the moment over the refusal of the Sandinistas to talk with the rebels, known as contras—short for counterrevolutionaries—and U.S. refusal to resume conversations with the Nicaraguan government under existing circumstances.

Despite Betancur's emphasis on negotiated solutions, his own room to maneuver with guerrilla groups in Colombia was dramatically called into question last November, when security forces stormed Bogota's

main courthouse, which had been seized by April 19 Movement (M19) guerrillas, killing not only the terrorists but also 11 of 24 Supreme Court members and more than 50 other hostages held inside.

A number of Colombians and foreign analysts suspect that military leaders, who were never comfortable with the peace process, moved against the guerrillas without consulting Betancur, leaving the president to assume responsibility for the massacre to uphold the image of civilian authority. Since then, the Army has increased operations against M19 and other smaller guerrilla groups concentrated in southern Colombia.

Defending the institutional integrity of his government, Betancur reiterated that he had been in full charge during the 27-hour siege at the Palace of Justice. He said military forces had been permitted to continue advancing on the building to prevent the guerrillas from consolidating their position inside.

He blamed the M19 attackers for the carnage, saying they had refused to drop their guns and accept his nonnegotiable offer of a fair civilian court trail if the hostages were released. He said he had been willing to "converse" with the guerrillas, "offer them a way out, a solution," but not "negotiate" with them after they had taken over the building, killing guards and others.

Asked why, several hours after the midday attack began, he had declined to take a frantic telephone call from a trapped Supreme Court president pleading for a cease-fire that might have permitted a dialogue, Betancur said he has passed the call to police Gen. Victor Alberto Delgado "because the operation taking place was a military operation, directed by the police chief."

The president was reluctant to discuss other details of the incident. He noted that a special judiciary commission was due to report this month on the siege.

Countering public perceptions that full-scale guerrilla warfare has resumed, Betancur said that a two-year-old cease-fire with the Revolutionary Armed Forces of Colombia, or FARC, the country's oldest and largest rebel movement, remains in effect. Government and FARC representatives signed an agreement a week ago extending the truce indefinitely, and FARC has set up a political front, the Patriotic Union, which is running candidates in this year's elections.

Betancur said dealing with Colombian guerrillas has been complicated by the contrasting nature of various groups. FARC, for instance, which Betancur said represents 90 percent of the insurgents, is linked to the Communist Party, while the M19 is a nationalist force with no clear international ideological connection.

Moreover, said Betancur, violence has been chronic in Colombia. "We are trying to solve a problem 40 years old," said the president. "That's not possible overnight. What I'm satisfied with is having brought the peace process to a point of no return."

Betancur said investment in poor regions where guerrillas recruit will be the government's best defense against subversion. He said legislation passed last year authorizing the election instead of appointment of mayors starting in 1988, and facilitating the formation of new parties, will widen participation in politics.

VOICE OF DEMOCRACY SCRIPTWRITING WINNER FROM MISSISSIPPI

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its ladies auxiliary sponsor the Voice of Democracy scriptwriting contest. More than 250,000 secondary school students participated this year, competing for six national scholarships. The theme of this year's contest was "New Horizons For America's Youth."

During the 24 years of VFW sponsorship, more than 5 million students have participated and awards have been given totaling over $3 million, ranging from scholarships to savings bonds.

I am proud to say that the 1986 Mississippi winner resides in my congressional district. He is Daniel Duke Brown of Starkville. Dan is a junior at Starkville High School, where he has been an outstanding student. I want to share his winning essay with my colleagues.

NEW HORIZONS FOR AMERICA'S YOUTH

(By Dan Brown)

Today, America's youth can look forward to ever-broadening horizons in educational, vocational, and technological areas. Among the most important events in our lifetimes: We've seen the transformation of the computer from a room-filling giant to a desk top friend; we've seen preparations for the colonization of space, and we've taken a part in the video revolution. In the area of education, today's youth can look forward to better and less costly schools. Colleges and Universities all across the U.S. are extending their programs, to include every possible interest of the student. In addition, many states are enacting educational reform bills to improve education in public schools. In vocational areas, we've seen labor saving tools and techniques introduced in the work place increasing output. We've seen the decline of government in business and the stabilization of the economy, leaving the door wide open to new businesses. In agriculture, newer, more productive strains are being used in farming to improve yields.

Most important to our lives, however, have been the numerous advances in technology. As mentioned before, the computer has been the most significant invention yet in the area of research. It alone has the power to answer previously unanswerable questions. The youth of today have the ability to use this powerful instrument in ways never thought of. Another advancement in the areas of technology is the utilization of different forms of energy. Today's youth may see cleaner and cheaper energy sources in their future making more powerful tools such as lasers commmonplace. America's youth also have the ability to explore two unknown regions: space and the sea.

Space! Only 16 years ago the U.S. put a man on the moon. Since then we have sent up stations, probes, and shuttles, not to mention hundreds of satellites. Space travel is becoming more of a reality with every launch of our fleet of space shuttles. America's youth are no longer earthbound. We lead all other nations in the exploration of this unknown region; however, here on earth man still does not fully understand the ocean. Of all the areas on earth, the ocean is the only one left unexplored. Deep-sea exploration is important to the future of man. The ocean may become an important supplier of minerals, food, and even energy.

One other field that broadens horizons for America's youth is the medical field. Important, life-saving discoveries are made in this field almost every day. With the experimentation of artificial body parts, and research on incurable diseases such as AIDS, important questions are left to be answered by America's youth. As Henry David Thoreau once said, "The youth gets together his materials to build a bridge to the moon, or perchance, a palace or temple on the earth, and, at length, the middle-aged man concludes to build a woodshed with them." As you can see, today's youth have new horizons to work towards and what has been mentioned is only a small sample of what is in store for America's greatest resource—her youth.

SOME THOUGHTS ON THE 48TH ANNIVERSARY OF MY INTRODUCTION TO FREEDOM IN THE UNITED STATES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. WEISS] is recognized for 5 minutes.

Mr. WEISS. Mr. Speaker, I take this occasion to note the 48th anniversary of my arrival in the United States of America.

On March 12, 1938, with my mother, of blessed memory, and my sister, we pulled into New York Harbor on the U.S.S. *President Harding* after a very difficult 9-day voyage. I remember that on that Saturday morning especially in this year when we have such a tremendous focus and renewed attention on the Statue of Liberty and what it stands for, that I was taken along the railing, and an elderly gentleman who had become my guide on the ship, told me to wait, wait until the statue came into sight. Indeed it was an awesome and magnificent and a very welcoming sight after that difficult crossing.

The trip and our arrival coincided with the Nazis increasing their coming to power in Europe.

The day before we landed in New York Harbor on March 11, 1938, was the day of the Anschluss, it was the day when Hitler triumphantly marched into Austria to be welcomed by the Austrian population as the celebration of the union between Austria and Germany.

I have special reason to be grateful to the United States of America and to its people for allowing me and my family the safe haven of that day in that era. Others in my family were not so fortunate. My grandparents on both sides and countless uncles, aunts, cousins, and other relatives did not survive the Holocaust, and I am sure that had I not been fortunate enough to come here the chance of my survival would have been extremely limited.

So on each March 12 I recall, indeed I look forward to the date with anticipation. Those who have had the good fortune to arrive in this country as immigrants, I think, recall the date of our arrival before we recall any other date that we celebrate, it is probably more important as a date to us than our birth date or any other anniversary celebration.

I think it ought to be so because it is indeed the occasion and the marking of a rebirth, an opportunity for rebirth which this country has meant to me as it has to so many others who preceded me and who followed me.

I shall be eternally grateful to this country for giving me the opportunities which would not have been present even under normal circumstances in Hungary.

I came from a small village, of a family which was a very distinct minority, Jewish, and not at all wealthy or affluent.

My grandfather was a dealer in grains and feathers. The problem of anyone not of affluent means receiving the opportunity for education beyond the sixth grade was extremely limited at that time.

So whatever I am, whatever I have achieved I really own to my good fortune in having had the opportunity to spend the bulk of my life in the United States of America.

□ 2100

20/20/20 BUDGET ALTERNATIVE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, as the House prepares to debate a fiscal year 1987 budget resolution I hope Members will seriously consider the budget alternative I am introducing today. Briefly, this resolution sets a deficit target of $130.5 billion for fiscal year 1987—well below the $144 billion level mandated by the Balanced Budget and Emergency Deficit Control Act of 1985 by:

Freezing defense spending for savings of $20 billion;

Freezing most domestic spending programs for savings of $20 billion;

Raising revenues by $20 billion in fiscal year 1987.

20/20/20 is the sort of bold alternative we need to meet the deficit target required by law, to stop this process of nickel-dime deficit reduction that avoids tough choices, and to avoid the massive automatic cuts which will be required if that target is not met.

We are now experiencing in Federal domestic programs the effects of a 4.3-percent automatic cut, or sequestration, required by the balanced budget law. Many saw this as a small, insignificant cut a few months ago, but there is no doubt today that it is causing havoc in many of our most valuable Federal programs and it has had a real impact on the lives of people who depend on these programs.

As we proceed through the budget process this year the overriding goal must be to avoid another sequestration starting this October 1. If deficit reductions are not enacted which bring us to the $144 billion deficit target, we will be forced to watch helplessly as domestic cuts are made by the Gramm-Rudman process. Estimates of the magnitude of the cuts needed to reduce the deficit have already been calculated: In defense we could see reductions in budget authority of up to $60 billion below the President's request, and in domestic programs cuts of up to 20 percent would be triggered.

There is no argument that a sequestration of this size would undermine our national security and devastate Federal programs like law enforcement, air safety, and a variety of programs designed to aid low-income Americans—programs that all of us recognize are essential responsibilities of Government.

To avoid this catastrophic event we must adopt a budget resolution which guarantees that the $144 billion target is met, pass appropriation bills and a reconciliation bill implementing that resolution—all by August 20, the date CBO and OMB will issue their report on where the deficit will be in relation to the $144 billion target.

Our first deadline under the new law is April 15. By then the House and Senate must pass budget resolutions.

THREE TESTS

Any budget resolution we pass must meet three tests:

Balance: It must demand an equal contribution from all of the three major areas of the budget—defense spending, domestic spending, and revenues

Fairness: It must protect essential low-income programs, and it must not ask specific programs to bear an unfair amount of the deficit reduction burden.

A deficit lower than 144: To ensure that changes in the economy or spending trends do not increase the deficit and trigger automatic cuts, a deficit target well below $144 billion must be set in the budget resolution.

I believe this last test is one most budget alternatives will flunk. Many in the House and the Senate are going to be satisfied with simply meeting, at least on paper, the $144 billion target. Settling for this modest achievement would, in my judgment, be a terrible mistake. Even in good years we have not hit our targets in reconciliation and in discretionary spending, and when you factor in economic changes the result, all too often, has been a little like shooting an air ball in basketball—you totally miss the target.

This has been true for every year I have been in Congress, and it would be a great mistake for us to ignore the possibility—one can almost say probability—of the numbers changing on us in midstream.

We all know how difficult it is to predict economic conditions and spending patterns. This year, with the drop in oil prices, the economy might just fulfill the optimistic projections of OMB and CBO. On the other hand, the unemployment rate jumped by 0.6 percent in February, the largest 1-month increase in almost 6 years. We cannot ignore the fall last January in the Commerce Department's index of leading economic indicators, or the continuing large trade deficit. The point is this: We all hope for continued healthy growth, but even as we bathe in the warm glow of current economic conditions we cannot ignore the volatility of the economy, and the impact unforeseen changes will have on the budget deficit.

The bottom line is that the Congress cannot be certain exactly what will be achieved out of any deficit reduction package or what the economy has in store for us. We can gamble that a deficit reduction package that, at least on paper, appears to reach $144 billion will be enough. But that gamble is a recipe for automatic cuts in October. A wiser approach is to aim for a deficit well below $144 billion. This will give us some room to accommodate changes in the economy and guarantee that any minor or major failures in our attempt at deficit reduction this year will not be penalized by sequestration in October.

Finally, on the bright side, if the economy turns out to be as strong or stronger as many think it will be, taking a bigger chunk out of the deficit this year will make it that much easier to reach the deficit targets set in law for fiscal years 1988 through 1991. Beyond that, it will finally give us the opportunity to begin to invest in this Nation's future instead of constantly stealing from our priorities to pay the bills.

THE PRESIDENT'S BUDGET

The only budget currently before us is the President's budget. His budget, which was rejected last week by the Senate Budget Committee, fails all three tests.

It increases defense spending by $30 billion, while burdening domestic programs with cuts of $24 billion;

It hits low income programs with cuts of over $4 billion;

It fails even to hit the $144 billion target—CBO estimates that the President's policies will result in a deficit of $160 billion, $16 billion off the mark.

In contrast, a 20/20/20 approach satisfies the three crucial priorities:

It is balanced: It requires an equivalent deficit reduction contribution, $20 billion, from each major portion of the budget: defense, domestic spending and revenues. It also reflects the Gramm-Rudman formula for deficit reduction on the spending side: 50 percent from defense and 50 percent from nondefense.

It is fair: All of the low-income programs exempted from cuts under Gramm-Rudman—AFDC, WIC, food stamps, SSI, Child Nutrition, Medicaid, veterans' compensation, and veterans' pensions—are protected in this proposal. Furthermore the freeze approach guarantees that specific programs are not asked to bear an unfair amount of the deficit reduction burden.

Finally, the package addresses the economic projection issue by reducing the deficit well below the $144 billion target—to $130.5 billion. Because the economy is currently strong, now is the time to set more ambitious goals for the Congress on deficit reduction—if we can take the deficit below $144 billion with a national budget then we should not miss this opportunity to do so. And, as I explained above, if the economic projections for fiscal year 1987 do not pan out we will need a cush-

ion to avoid automatic cuts under the Gramm-Rudman law. The $60 billion deficit reduction package I favor would provide this protection.

Following my statement is a more detailed description of 20/20/20 and the alternative in budget resolution form.

There will be a temptation this year, an election year, to avoid the hard choices and to pull together a deficit reduction package that contains questionable savings and is just big enough to hit the $144 billion target. This is no time to hide from the tough choices. Instead, I believe the public is prepared to accept strong leadership on this issue. A bold approach not only takes the political high ground but gets us away from the quicksand of year to year budget ambivalence. 20/20/20 puts us within striking distance of the outyear deficit targets, and brings the deficit down quickly to a level where it will no longer be a drag on our Nation's future economic growth.

Finally, I would like to comment on the situation regarding the constitutionality of the automatic spending cut process under the new balanced budget law. Some believe the Supreme Court will bail us out of the need for meeting the $144 billion target if it upholds the lower court's decision that the guts of the Gramm-Rudman law—the automatic cut procedure—is unconstitutional. The Court may very well decide this, and in fact most experts expect this result in June. A note of caution must be sounded here, however. Congress, and more specifically the "Temporary Joint Committee on Deficit Reduction"—established by the balanced budget law as part of a fallback procedure to be used in the event the automatic sequestration process is declared unconstitutional—will still be receiving a report from OMB and CBO on August 20 of this year with: First, findings on the size of the deficit; and second, spending cuts needed to eliminate this gap in the form of across-the-board percentage reductions in defense and domestic programs.

The alternative to the joint committee simply submitting this draft order to the House and Senate for approval is for both Houses to have a legitimate deficit reduction effort in place which eliminates any excess deficit over $144 billion. Without this effort I fear there will be enormous pressure to simply approve the draft sequestration order and send it to the President, and the result could be devastating cuts in defense and domestic programs just before the November elections—an event I assume neither party wants to be responsible for. Or, alternatively, Congress can just ignore the CBO-OMB report and abandon the effort to meet a specific deficit goal for fiscal year 1987. This will only fuel efforts to push a constitutional balanced budget amendment or a line-item veto as deficit cure-alls. The vehicle for these proposals will, of course, be the next debt ceiling increase which will have to be voted on next fall.

So the Supreme Court eliminating the automatic cut procedure of the balanced budget legislation does not mean that the pressure is off, or that we are going to get a free ride this year.

The key to maneuvering ourselves into a position where we will not be faced with the choice of voting for automatic cuts or abandoning the goal of a $144 billion deficit is to agree on a realistic, hard-hitting budget resolution soon, and then implement its goals with action on appropriation bills and reconciliation. If we have the right budget resolution and a commitment to enforce it, we can either eliminate the excess deficit before August 20 or be well on our way to eliminating it by that date, in which case the joint committee will not be forced to act on the OMB–CBO report.

I believe 20/20/20 is the budget resolution which will make those automatic cuts unnecessary, which takes us below the $144 billion target in a fair, balanced way, and that places us on a path which will avoid further devastating cuts in the outyears.

The need is to end this constant deficit struggle once and for all. Every priority, every increase is dominated by the debate over the deficit. This nation has been unable to take a positive stride forward during the last 5 years because of its inability to resolve the deficit crisis. That tragic and depressing process must end. The time for tough choices is now.

I hope all members will seriously consider this approach to deficit reduction.

The following is a description of the 20/20/20 proposal and the text of the resolution:

DESCRIPTION OF THE 20/20/20 PROPOSAL

Section (2) Not later than thirty calendar days after final action on this resolution, the House committees named in subsection (b) through (j) of this section shall submit their recommendations to the House Budget Committee. After receiving those recommendations the Committee on the Budget shall report to the House a reconciliation bill or resolution or both carrying out all such recommendations without any substantive revision.

(b) The House Committee on Agriculture shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $63,000,000 and outlays by $429,000,000 in fiscal year 1987.

(c) The House Committee on Armed Services shall report changes in laws within the jurisdiction of that committee sufficient to reduce outlays by $455,000,000 in fiscal year 1987.

(d) The House Committee on Education and Labor shall report changes in laws within the jurisdiction of that committee sufficient to reduce outlays by $200,000,000 in fiscal year 1987.

(e) The House Committee on Energy and Commerce shall report changes in laws within the jurisdiction of that committee sufficient to reduce outlays by $438,000,000 in fiscal year 1987.

(f) The House Committee on Interior and Insular Affairs shall report changes in laws within the jurisdiction of that committee sufficient to reduce outlays by $398,000,000 in fiscal year 1987.

(g) The House Committee on Merchant Marine and Fisheries shall report changes in laws within the jurisdiction of that committee sufficient to reduce outlays by $242,000,000 in fiscal year 1987.

(h) The House Committee on Post Office and Civil Service shall report changes in laws within the jurisdiction of that committee sufficient to reduce outlays by $609,000,000 in fiscal year 1987.

(i) The House Committee on Ways and Means shall report changes in laws within the jurisdiction of that committee sufficient to reduce outlays by $6,164,000,000 in fiscal year 1987.

(j) The House Committee on Ways and Means shall report changes in laws within the jurisdiction of that committee sufficient to increase revenues by $20,000,000,000 in fiscal year 1987.

FY 87 BUDGET OPTION: 20/20/20

Described below is a deficit reduction option for the Fiscal Year 1987 budget which:

Freezes defense spending at the FY 1986 Budget Authority level for savings of $20 billion in outlays;

Freezes most domestic spending programs at FY 1986 levels for savings of $20 billion in outlays;

Increases revenues by $20 billion in FY 1987.

This proposal, along with enactment of last year's reconciliation bill, reaches a deficit of approximately $130 billion in fiscal year 1987—well below the Gramm-Rudman target of $144 billion. This deficit reduction plan would ensure that weaker-than-projected economic conditions would not act to increase the deficit to the extent that automatic spending reductions in defense and domestic programs are triggered.

	Billions
Baseline deficit	$194
Defense reductions	−$20
Domestic reductions	−$20
Revenue increases	−$20
FY 86 reconciliation	−$4
Remaining deficit	$130

BASELINE DEFICIT

The baseline deficit reflects the Congressional Budget Office baseline deficit projection ($181 billion) plus the President's defense request as reestimated by CBO.

CBO has reestimated the President's defense outlay number—what outlays will flow from his budget authority request—upwards by almost $15 billion, as follows:

President's request:	
Budget authority	320
Outlay	282
Outlay adjustment:	
Budget authority	
Outlay	+15
President's reestimated:	
Budget authority	320
Outlay	297

In the CBO baseline defense outlays total $284 billion (based on 0 percent real growth), making the difference between the President's reestimated outlay figure and the CBO defense baseline $13 billion. This $13 billion is added to the CBO baseline deficit to reflect the President's defense request, creating a new baseline deficit of $194 billion.

	Billions
CBO Baseline Deficit	$181
Adjustment based on President's Defense request	+13
New Baseline Deficit	194

Defense spending: $20 billion.

CBO estimates that a BA freeze in defense (function 050) totals $292 billion in BA and $277 billion in outlays. Off the President's reestimated outlay total of $297 billion this is a savings of $20 billion. (note: off the CBO baseline the savings would be $7 billion)

Domestic spending: $20 billion.

COLA freeze: $5.0 billion.

CBO estimates that a COLA freeze in non-means tested programs would save approximately $6.0 billion. $1.0 billion would be set aside for the protection of low-income recipients for a total savings of $5.0 billion.

Medicare freeze: $3.0 billion.

CBO estimates that a freeze in the Medicare program would save almost $3.0 billion.

Pay freeze: $1.0 billion.

CBO estimates that freezing Federal civilian pay would save $1.0 billion.

Domestic freeze: $4.0 billion.

A freeze in other domestic programs would result in savings of approximately $4.0 billion. The low-income programs exempt from cuts under Gramm-Rudman (SSI, WIC, Food Stamp, AFDC, Child Nutrition, Medicaid, Veterans' compensation and Veterans' pensions) would not be frozen.

Sale of Conrail: $1.2 billion.

Estimates for the proceeds from sale of Conrail range from $1.2 to $1.8 billion.

User fees: −$3.0 billion.

The President has proposed a variety of user fees totalling over $3.0 billion in fiscal year 1987.

Interest savings: −$3.0 billion.

Reduced interest costs resulting from $60 billion in deficit reductions for FY 1987 total approximately $3.0 billion.

	Billion
COLA freeze	$−5.0
Medicare freeze	−3.0
Civilian pay freeze	−1.0
Other domestic freeze	−4.0
Conrail sale	−1.2
User fees	−3.0
Interest savings	−3.0
Total domestic savings	20.2

Revenue increases: −$20 billion

The following are options that could be considered in raising revenues in FY 87 by $20.0 billion over current law. All estimates are from the Congressional Budget Office.

	Billion
Revenue increases proposed in the President's budget	$6.3
5 percent Corporate Surtax	3.9
10 percent Corporate Surtax	7.8
Corporate Minimum Tax	5.0 to 12.0
Extend Cigarette Excise Tax	1.5
$5 per barrel oil import fee	7.4
$5 per barrel tax on all oil	20.4
12 cents per gallon increase in motor fuel tax	10.4
5 percent on all energy consumption	13.9
Increase Taxation of Non-Means Tested Entitlement Benefits	5.6
Tax Non-Retirement Fringe Benefits	9.8
Superfund provisions in Reconciliation	1.3
5 percent tax or VAT (exemptions for Food, Housing and Medical Care)	42.4
Freeze indexing for one year	4.4
Limit entertainment deductions	.5

H. Con. Res. 297

Concurrent Resolution setting forth the congressional budget for the United States Government for the fiscal year 1987

Resolved by the House of Representatives (the Senate concurring), That the Congress hereby determines and declares that the concurrent resolution on the budget for fiscal year 1987 is hereby established:

(a) The following budgetary levels are appropriate for the fiscal year beginning on October 1, 1986:

(1) The recommended level of Federal revenue is as follows:

Fiscal year 1987: $653,314,000,000.

and the amount by which the aggregate level of Federal revenue should be increased is as follows:

Fiscal year 1987: $20,000,000,000.

(2) The appropriate level of total new budget authority is as follows:

Fiscal year 1987: $866,421,000,000.

(3) The appropriate level of total budget outlays is as follows:

Fiscal year 1987: $796,256,000,000.

(4)(A) The amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is as follows:

Fiscal year 1987: $142,942,000,000.

(B) For purposes of the maximum deficit amount mandated by the Balanced Budget and Emergency Deficit Control Act of 1985 and section 301(i) of the Congressional Budget Act of 1974 only, the appropriate level of total new budget authority, budget outlays, Federal revenue, and deficit, including receipts and disbursements of the Federal Old-Age and Survivors Trust Fund and the Federal Disability Trust Fund, is as follows:

New budget authority:
Fiscal year 1987: $108,711,000,000,000.
Outlays:
Fiscal year 1987: $996,828,000,000.
Revenues:
Fiscal year 1987: $866,314,000,000.
Deficit:
Fiscal year 1987: $130,514,000,000.

(5) The appropriate level of the public debt is as follows:

Fiscal year 1987: $2,307,000,000,000.

(6) The appropriate levels of total Federal credit activity for the fiscal year beginning on October 1, 1986, is as follows:

Fiscal year 1987:
(A) New direct loan obligations, $37,503,295,000.
(B) New primary loan guarantee commitments, $88,147,100,000.

(b) The Congress hereby determines and declares the appropriate levels of budget authority and budget outlays, and the appropriate levels of new direct loan obligations and new primary loan guarantee commitments for fiscal year 1987 for each major functional category are:

(1) National Defense (050):
Fiscal year 1987:
(A) New budget authority, $286,750,000,000.
(B) Outlays, $276,950,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

(2) International Affairs (150):
Fiscal year 1987:
(A) New budget authority, $18,750,000,000.
(B) Outlays, $14,650,000,000.
(C) New direct loan obligations, $8,775,099,000.
(D) New primary loan guarantee commitments, $12,248,391,000.

(3) General Science, Space, and Technology (250):
Fiscal year 1987:
(A) New budget authority, $8,850,000,000.
(B) Outlays, $8,850,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

(4) Energy (270):
Fiscal year 1987:
(A) New budget authority, $5,000,000,000.
(B) Outlays, $4,865,000,000.
(C) New direct loan obligations, $2,096,033,000.
(D) New primary loan guarantee commitments, $0.

(5) Natural Resources and Environment (300):
Fiscal year 1987:
(A) New budget authority, $12,550,000,000.
(B) Outlays, $12,607,000,000.
(C) New direct loan obligations, $76,206,000.
(D) New primary loan guarantee commitments, $0.

(6) Agriculture (350):
Fiscal year 1987:
(A) New budget authority, $19,787,000,000.
(B) Outlays, $19,687,000,000.
(C) New direct loan obligations, $14,281,705,000.
(D) New primary loan guarantee commitments, $8,006,000,000.

(7) Commerce and Housing Credit (370):
Fiscal year 1987:
(A) New budget authority, $10,000,000,000.
(B) Outlays, $4,600,000,000.
(C) New direct loan obligations, $5,147,487,000.
(D) New primary loan guarantee commitments, $40,538,030,000.

(8) Transportation (400):
Fiscal year 1987:
(A) New budget authority, $26,600,000,000.
(B) Outlays, $25,658,000,000.
(C) New direct loan obligations, $505,892,000.
(D) New primary loan guarantee commitments, $70,000,000.

(9) Community and Regional Development (450):
Fiscal year 1987:
(A) New budget authority, $6,900,000,000.
(B) Outlays, $7,850,000,000.
(C) New direct loan obligations, $1,740,762,000.
(D) New primary loan guarantee commitments, $148,679,000.

(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1987:
(A) New budget authority, $30,400,000,000.
(B) Outlays, $30,200,000,000.
(C) New direct loan obligations, $1,533,615,000.
(D) New primary loan guarantee commitments, $10,545,000,000.

(11) Health (550):
Fiscal year 1987:
(A) New budget authority, $38,400,000,000.
(B) Outlays, $37,884,000,000.
(C) New direct loan obligations, $21,650,000.
(D) New primary loan guarantee commitments, $290,000,000.

(12) Medical Insurance (570):
Fiscal year 1987:
(A) New budget authority, $82,850,000,000.
(B) Outlays, $74,500,000,000.

(13) Income Security (600):
Fiscal year 1987:
(A) New budget authority, $163,134,000,000.
(B) Outlays, $123,526,000,000.
(C) New direct loan obligations, $1,796,566,000.
(D) New primary loan guarantee commitments, $0.

(14) Social Security (650):
Fiscal year 1987:
(A) New budget authority, $5,700,000,000.
(B) Outlays, $5,700,000,000.
(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.
(15) Veterans Benefits and Services (700):
Fiscal year 1987:
(A) New budget authority, $27,350,000,000.
(B) Outlays, $26,950,000,000.
(C) New direct loan obligations, $1,528,280,000.
(D) New primary loan guarantee commitments, $16,301,000,000.
(16) Administration of Justice (750):
Fiscal year 1987:
(A) New budget authority, $6,750,000,000.
(B) Outlays, $6,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(17) General Government (800):
Fiscal year 1987:
(A) New budget authority, $5,750,000,000.
(B) Outlays, $4,787,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(18) General Purpose Fiscal Assistance (850):
Fiscal year 1987:
(A) New budget authority, $6,400,000,000.
(B) Outlays, $5,692,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(19) Net interest (900):
Fiscal year 1987:
(A) New budget authority, $142,100,000,000.
(B) Outlays, $142,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(20) Allowances (920):
Fiscal year 1987:
(A) New budget authority, −$1,200,000,000.
(B) Outlays, −$1,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(21) Undistributed Offsetting Receipts (950):
Fiscal year 1987:
(A) New budget authority, −$36,400,000,000.
(B) Outlays, −$36,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

EVENTS IN KOREA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. FASCELL] is recognized for 10 minutes.

Mr. FASCELL. Mr. Speaker, although the spotlight of world opinion has been focused on the Philippines in the last few weeks, disturbing events in another Asian country closely allied with the United States should not be ignored.

In the last month, the South Korean Government has clamped down harshly on a campaign to collect 10 million signatures supporting constitutional revisions to elect the President by popular vote. Opposition leaders Kim Dae Jung and Kim Young Sam were placed under house arrest as were 80 legislators, virtually the entire opposition in Korea's parliament, the National Assembly. More than 200 other officials of the New Korea Democratic Party [NKDP] were detained in their homes to prevent the holding of the party's central committee. Heavy police barricades were drawn around the headquarters of the NKDP and the Council for the Promotion of Democracy, the group responsible for the petition drive. Just yesterday, riot police broke up student rallies in support of election reforms at two campuses in Seoul.

Tragically, these actions are but the latest in a series of repressive moves by the Korean Government against its own people. Respected international human rights organizations have documented serious human rights violations in Korea, including harassment of the political opposition, restrictions on the press, confiscation of "banned" books, the firing of university administrators, imprisonment of labor union activists and the intimidation of student leaders.

Most alarming, there are now more prisoners jailed for political offenses than at any other time in Chun's 6-year-long reign. The use of excessive force by the police is pervasive and credible reports of torture increased significantly last year, according to the State Department.

As a democratic nation, the United States simply cannot condone the continued abridgment of freedoms we take for granted. In my view, the old arguments used to excuse the severe restrictions of rights in Korea are wholly inadequate. The North Korean threat, while real and significant, is no justification for repression in South Korea. We face potential annihilation from the Soviet Union, but still operate as a democracy. In Korea too, the key to long-term stability is movement toward genuine democratic traditions and respect for human rights and fundamental freedoms.

Mr. Speaker, I realize that comparisons with the Philippines are not very appropriate for Korea. Korea's economy is far stronger. It does not suffer inadequacy in military preparedness, nor does it require the military reforms so sorely needed in the Philippines. However, one lesson does seem worth heeding: President Marcos lost his mandate to rule as he violated the rights of his people and frustrated their longing for democratic rule.

Americans fought and many lost their lives to preserve the freedom of Korea and the right of its citizens. The time has come—indeed is overdue—for the Korean Government to restore to its citizens the control of their own destiny.

The 1988 summer Olympic games will be held in Seoul. The whole world's attention will be directed toward Korea and expectations are very high. Now is the time for decisive political steps in Seoul to end the crackdown on dissent and the other abusive practices that only work to tarnish the image of South Korea in the world. We in the U.S. Congress are hopeful that the Chun government will reverse the present trend and open up the political process in Korea. We are watching and waiting.

THE BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WALKER] is recognized for 60 minutes.

Mr. WALKER. Mr. Speaker, I want to talk a little bit about a subject that is going to be before us tomorrow; namely, the budget, and deal with some of the realities of where we are in the budget process as compared to some of the things that we have said about the budget process that bear on no reality at all.

I want to begin, though, this evening by acknowledging a point brought to my attention yesterday by the Parliamentarians after a speech I made during the 1-minute times on the budget. At that point, I had indicated that the budget that had been introduced by Chairman GRAY was a budget that reflected a figure larger than the Gramm-Rudman figure. I was on the front page of the bill indicating a figure of about $159 billion in deficit which, of course, is above the $144 billion deficit reduction target that Gramm-Rudman calls for. It was pointed out to me by the parliamentary staff that indeed on page 2 there is another deficit target that is the one that is the official deficit target, that it is in fact $143.6 billion, under the $144 billion that we set for Gramm-Rudman. So, in fact, the budget does comply with Gramm-Rudman. I wish to make that correction.

However, that particular correction still does not get at the basic issue that I raised in the course of those remarks yesterday, and that is when that budget was introduced by Chairman GRAY, it was introduced, according to the language within the bill, by request.

I had an opportunity to talk to the chairman briefly today, and I ask the chairman who requested him to put the bill in. The chairman informed me that it was the administration. I did some checking and found out the administration did not ask the chairman to put it in. I informed the chairman of that, and the chairman said that the administration came before his committee and testified that they wanted a vote on their budget and, therefore, the chairman assumed that that was the request.

I would say that that is a rather unique procedure, based upon how we normally have requests brought to the House floor through the bill process, or have bills introduced by request. Normally, if the administration wants it requested, they simply send a letter to the Hill asking someone to put a bill in on their behalf. That certainly was not done in this instance. It is one more example of what I would call political gamesmanship being done here on the budget without really producing a budget.

The real issue facing this Congress right now is, Where is the Democratic budget? We have the President's budget. We have had it now for 2 months. We have had a chance to ex-

amine it. The Budget Committee has done some detailed examinations, including running around the country asking people about the budget. We have had a lot of examination. We know that there are problems in there. We know that there are things that we want to change. In fact, there are things that have to be changed just based upon the economic performance of the present time. You cannot take the President's budget as it was basically done in January and apply it to present circumstances, because the economy has changed significantly in 2 months. It is significantly better 2 months down the road. We want to figure in that change in the economy in any kind of budget plans that we make.

But, instead, what we have had introduced here is a static document developed 2 or 3 months ago and brought to the House.

What we do not have is the majority party's budget.

It seems to me that the exercise that we are going to go through tomorrow of bringing the President's budget in static terms to this floor for an up or down vote without having the alternative budget presented by the majority party in this body is a cynical political ploy that has no basis whatsoever in budget reality. It is a delaying tactic in my mind that is designed purely to paper over the fact that the Democrats have been unable to produce their own budget.

Mr. Speaker, I suspect, I must say, that it goes even deeper than that, because the one thing about the President's budget that I think merits our attention is the fact the President met the Gramm-Rudman targets. He met the balanced budget law targets without raising taxes. There was no tax increase in the President's budget. Yet, we have heard over the several weeks of listening on this House floor, Democrats come to the well here time after time after time suggesting that there needed to be some grand compromise ultimately on the budget that includes tax increases.

My guess is that one of the ploys we are going through tomorrow is to reject the budget that has no tax increases in it in order to try to get to a process later on that takes a budget up that has a tax increase in it. One of the things we will hear pointed back to is the fact, well, you had one chance at a budget that had no increases, and now we have to consider this one where we are raising the taxes on the American people. In other words, our spending needs to be covered out of the wage earnings of the American people. I would guess that that is not something that is going to be very popular, but I would not be at all surprised to see it take place.

In large part, it is going to take place because the left wing majority of the Democratic Party still has not come to grips with the fact that we have got a spending problem in this Congress and in this country, and that is what has got to be handled.

They would still like to believe, their philosophy dictates, that what you have to do is get more tax money, get more revenues, grab more money from the American people in order to pay the bill for their spending habits around here.

I would say also about the President's budget that we are going to take up tomorrow that at least the President's budget is based upon a philosophy that works. The budget that we are going to ultimately get from the Democrats, maybe, is based upon a philosophy that simply does not work.

Why would I say the President's budget is based upon a philosophy that works?

First of all, supply-side economics has worked. I hear a lot of people coming to this floor talking about the failures of supply-side economics.

I would like to review some of the so-called failures that the left wing tells us about, because I would suggest it is a success story to have inflation down. I would submit that bringing down inflation rates from the double-digit rates that they were at the end of the Carter era to the present 3.5 percent is in fact a fairly major economic success story. I would also submit that bringing unemployment down has been a major success story of supply-side economics; and bringing interest rates down to where they are at the present time has also been a major supply-side success story.

Beyond that, you take a look at some of the other things that are happening in the American economy that are helping some of those big issues take place. If you take, for instance, the fact that the gasoline prices have dropped. A lot of people in this body and politicians around the country are saying, well, you know, that is just one of those things that happened. It really has nothing to do with Ronald Reagan's economics.

Well, that just does not hold water. Ronald Reagan took a risk early in his administration by totally deregulating the price of gasoline. At that time, many of the leftwing Democrats in this body came to this floor and said that the result of that was going to be massive increases in gasoline prices, that we were going to have $2 a gallon gasoline before you could blink your eyes, that we were going to see the energy crisis in this country shoot out of sight, that Reagan was being irresponsible. The fact is that what happened was that deregulated price caused, first of all, the supply problems to go away; but second, it also caused the kind of competition within the marketplace that ultimately leveled off the price and began to move it downward. Today in some sections of the country we have gasoline selling at less than 60 cents a gallon.

□ 2110

I would submit that the President's policies have had a great deal to do with that. The courage to deregulate early did in fact have an effect.

This economic growth within the stock market, investors have confidence in the economy. People putting up risk capital are taking those kinds of risks at the present time because they have confidence in the long-term growth of the economy. That stock market increase is allowing, then, many of those firms to have additional value against which they can borrow and thereby improve productivity, and so on. It is the kind of success story that this administration has helped sketch.

You also have the average family benefiting from all of this. Those lower interest rates translate not just to the fact that a family can buy a few new consumer goods or can buy a new car; what they are really able to purchase now that they were not able to purchase for most of the era of the Democrats' malaise is a new home. Today, literally, real estate agencies and lending agencies for home purchases are being swamped with people who want to purchase a home. That is a major success story for the economy because it means that new homes are going to be built, it means that there are going to be a lot of things happening in this economy, growth will take-place because people have the kind of interest rate situation, the kind of in-pocket money as a result of being back on the job, that they can go out and purchase a home.

I suggest that, then, the President's budget is based upon the kind of philosophy that brought us that economic good news and that that kind of economic good news at least is something which can be shown to work. And what we know now is that all of this does not just happen in a vacuum, that you do not just have a lot of good things happening because they just happen to take place. Not at all.

If you are going to do, as many of my colleagues in this body are so apt to do, blame the President for all that goes wrong in the country, we also ought to take a look and figure out some of the things that are going right in the country are as a result of the policies that he has pushed for and has had the courage to stand for against odds on many occasions.

The Democrats, on the other hand, have consistently been wrong about what they have told us as we have put many of those programs into place.

I remember back a few years ago when we were debating the famous Gramm-Latta budget bill. That was in

1981 and we have heard a lot about it. The majority leader of this House comes to the floor often and talks about the terrible Gramm-Latta budget bill and all the things that went wrong.

Well, I remember, also, what they were saying at that time. They were saying that if we passed that bill, literally, it would rip the country apart, that we would not be able to fund Government, that we would not be able to do all of these various things. And the fact is that we survived it quite well, that the country is better off having done some of the cutting that we mandated in 1981, and that much of what the Democrats have done since that time is try to restore a lot of the spending that we took out in 1981 that in fact proved so helpful. They have been exacerbating the problems that we face with regard to the deficit.

I also would point out that when we passed the President's tax bill there was Democrat after Democrat after Democrat who came to this floor suggesting that the passage of a tax-cut bill of the type that we were about to take up was going to bring about major doses of inflation in this economy, that we were going to experience massive double-digit inflation as a result of that economic judgment.

The fact is that inflation has dropped steadily since that time, that we now have an inflation situation far better than it was during the Carter years and that we have seen an economic success story develop as a result of that tax bill, the economic growth that is now taking place.

Mr. MOODY. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I would be glad to yield to the gentleman from Wisconsin.

Mr. MOODY. I thank the gentleman for yielding.

I was not in Congress at that time, but I remember the debate being, starting with GEORGE BUSH, that this was voodoo economics, that a tax cut of that dimension would probably throw us into a big deficit, you could not increase military spending the way the President wants, cut taxes, and balance the budget. All three promises were incompatible with one another. And, insofar as yielding this unprecedented prosperity, we saw a tremendous recession of near depression magnitudes in parts of the country in 1981 and 1982. We came out of it beautifully, and that is to the credit of all concerned.

I think Mr. Paul Volcker deserves a lot of credit for breaking the back of inflation, although it was at a terrible price.

At the time, I might add, the White House was complaining and supply-side economists who argued exactly for the tax cut were complaining that Mr. Volcker was being far too tight with money and he was wrecking the whole thing. His answer was, "We are bringing inflation down. That is my first responsibility."

Insofar as this unprecedented prosperity, you know we are going to have to pay for these deficits at a future date. We are flying now and paying later. So I am not so sure the final word is in yet on just how prosperous this Nation is.

Mr. WALKER. If the gentleman will allow me to reclaim my time, the gentleman will admit that we have had one of the longest sustained recoveries since the end of World War II.

Mr. MOODY. Yes, indeed.

Mr. WALKER. That in fact has has to have something to do with the economic policies that we have followed.

And I would also submit to the gentleman that the recession began—the gentleman is an economist, he knows that we track these things—before any of the Reagan economic policies went into place in 1981; that as you track the recession, the recession begin in July of 1981. Virtually everybody agrees with that. There was not one element of the Reagan economic program that was in place. The recession in 1981 and 1982 was in large part the hangover effects from the mismanaged economy during the latter part of the Carter years. And I think that we need to be somewhat realistic in taking a look at the real figures.

Mr. MOODY. Will the gentleman yield further?

Mr. WALKER. Yes; I would be glad to yield to the gentleman.

Mr. MOODY. I thank the gentleman.

I do not dispute the gentleman's point that the seeds of the 1981 recession and the ingredients were certainly present in the last days of the Carter administration, and no one is standing here extolling the management of the Carter economic policies. I think they were flawed in some important ways. There is a natural business cycle, and the recession of 1981 was due to a lot of things, but it was made far, far worse—and I think you only have to consult some of the supply-siders on this matter—by the fact of the Federal Reserve policies of extremely tight money, which were made necessary by the tremendous fiscal stimulus and adrenalin that was being poured into the economy at that time.

Bear in mind that we have stimulated the economy to the tune of $900 billion in deficit spending, almost $1 trillion, since this administration came in office. To counter that, to maintain some kind of balance, you have got to step on the monetary brakes, and they were stepped on hard, and interest rates went up, up, up, the real interest rates were very high, higher than under Carter, and that did stifle investment, that did create unemployment, and we had unemployment up to 11 percent in many parts of the country.

Mr. WALKER. Well, let me say to the gentleman——

Mr. MOODY. So it is not just Carter's policies.

Mr. WALKER. I think the gentleman makes a point, but he is historically wrong in terms of the overheating of the economy. When the 25-percent tax reduction went into place, it went into place, the first few months of it, during the first year at a 5-percent rate. The first 5 percent was upfront. We did not get the full 25 percent of the tax cut until we were well into 1983. Those of us who were supply-siders, the real supply-siders, wanted those tax cuts upfront so that we would not plunge the Nation into that kind of a recession. But this House decided in its wisdom to first of all not have a 30-percent reduction but to have a 25-percent reduction and front-load it in a way that the lesser cuts came at the beginning of the period.

I would submit to the gentleman that if we had had the full tax cut, if we had a full 10-percent tax cut in the first year, we might have avoided the depths of that recession, and that that was indeed the mistake that was made; but once we cut in the full impact of the tax reduction, we have seen the sustained period of economic growth since those days and that that is in large part the result of the policies we pursued.

I will be glad to yield to the gentleman.

Mr. MOODY. I thank the gentleman very much, and I appreciate his courtesy.

I would not dispute that. I think there probably were people, and I am sure, from what the gentleman says, that he was one of them, who has argued that we should have gone much deeper in our tax cuts in 1981. I suspect that would have caused a more serious deficit than we had. We only had what? $184 billion, I guess it was, instead of $200 billion in the deficit. We probably would have been well over $200 billion if those policies had been followed, unless there would have been stimulus enough to bring the whole economy up, which might have been the case, but I will remind the gentleman that the Volcker philosophy was that we cannot have that much stimulus without countervailing monetary restraint.

Mr. WALKER. The gentleman is correct except that he seems to ignore the fact that the tax cuts did not bring less revenue to the Federal Government, they brought more revenue to the Federal Government. As a result of economic growth, we have growth revenues into the Federal Government at rates of $60 to $70 billion a year.

We are seeing economic growth produce additional revenues to the Federal Government.

I am constantly amazed at the economic analyses by many people in this body that suggest that all of the losses by the tax-cut bill would have taken place because we would have had the same amount of economic growth. Had we maintained the Carter administration tax rates from 1981 through 1985, this country would still be in a recession because this economy could not sustain those kinds of tax rates. That is what we found out.

Mr. MOODY. Could I respond?

Mr. WALKER. And it seems to me that it is somewhat disingenuous to suggest that we would have had the same amount of economic growth and so that therefore we have lost tax revenues as a result of the reduction in the tax rate. I would suggest that we have gained a great deal of tax revenue as a result of the tax rate.

I yield to the gentleman.

Mr. MOODY. I appreciate the gentleman's courtesy. It is most kind of him to allow me to participate.

We did not generate more revenue by virtue of those tax cuts. That is not a correct statement. We generated more revenue historically, but the whole economy tends to generate more revenue as you go along, for obvious reasons, growth reasons. The revenues that we now have are lower than they would be had the Carter policies been in place, by most mainstream economic analysis. No one can prove that, I would quite readily agree, because we cannot run a controlled experiment, but the numbers that the CBO indicates and others indicate is that we would have quite a bit more revenue had we had the old pre-Reagan tax policies in place.

Mr. WALKER. Let me just ask the gentleman, when he makes that statement, is that based on the same rates of economic growth?

Mr. MOODY. No, no; they make adjustments for that. But it is not true to say that we have more revenues as a result of the tax cut. That is not a correct statement. We have less revenues as a result of the tax cut. If you look at the CBO analysis—and the CBO is not a Democratic organization, it is not a Republican organization; it is a respected nonpartisan or bipartisan organization that happens to be run by a respected Republican economist at this time, Rudy Penner, for whom we all have a great deal of respect——

Mr. WALKER. Who makes static analyses of budgets.

Mr. MOODY. Well, they do their best, rolling in what they think are reasonable assumptions about dynamic analysis. But be that as it may——

Mr. WALKER. But, largely, it is a CBO analysis, and one of the great problems I have as a supply-sider is that we are stuck in most of what we do around here with static analyses.

Mr. MOODY. That is always a problem. But, anyway, the numbers are this: If you take the 1981 tax cuts, without the restoration of the taxes that happened in 1984, 1982 and 1984, you have $850 billion in revenue cuts over 5 years. That is an average of over $170 billion a year.

If you look at the 1985 numbers alone, they are as follows: You start with a deficit under Carter policies of about $74 billion, you add $169 billion in revenue loss as a result of the 1981 tax cuts, then you subtract $53 billion in taxes that were put back over the intervening period, and you still come out with a huge loss.

Now, military spending went up about $38 billion, domestic spending went down about $35 billion. It is almost a wash. The big item that has enlarged so rapidly the deficit—and, of course, the interest costs have compounded it—has been in fact the 1981 tax cut, assuming some sort of dynamic analysis. No one can be positive to the dollar, but that in fact, I say to my friend from Pennsylvania, is the rough magnitude of the numbers.

Mr. WALKER. Well, I would say to the gentleman that we as a result of the tax cuts are still collecting—well, let me say, parenthetically here, I assume that the gentleman, then, is suggesting that under the Carter administration policies and the Carter tax rates we would have continued to take a larger and larger percentage of the GNP in Federal taxes because the only way that the gentleman can be correct is if we had moved up the amount of taxes being taken out of the economy by the Federal Government, because at the present time we are at precisely the historic level of revenues that we have been at for the last 20 years in terms of intake to the Federal Government. We have been taking in somewhere in the vicinity of 18½ percent to 19½ percent of gross national product for a period of 20 years in Federal taxes. That is right precisely where we are at the present time. We are right at about 19.3 percent at the present time of revenues coming into the Federal Government as compared to GNP.

The problem is, I would say to the gentleman, that in the period of time of which we are speaking, the spending of the Federal Government has moved from a 20-percent level up to a 25-percent level.

Mr. MOODY. Under this President it has gone up. It has gone up under this President.

Mr. WALKER. No.

Mr. MOODY. Yes, indeed.

Mr. WALKER. Well, it has gone up under this President but because of this Congress. We have overspent——

Mr. MOODY. We have spent less than he has asked us to spend.

Mr. WALKER. Let me say to the gentleman that one of the things I am doing here this evening is, I have got a total analysis here that the gentleman might want to look through, because what this shows is that compared to our first budget resolution in each of the years from 1981 to 1985, we overspent our own budgets over that period of time by a total of $160 billion. We are the spenders.

Mr. MOODY. We have spent less than the President has asked for in 4 out of the 5 years.

Mr. WALKER. That is based on, again, this crazy business that we have got around here of analyzing the President—the only way you come up with that analysis is that you analyze in all of the supplementals the President has been forced to ask for as a result of our appropriations process in this body, where we underfund programs purposely in order to hold spending levels up. The Food Stamp Program, for example, I will say to the gentleman, over the last several years what we have done is, we have funded it at the level the President asked for in his original budget but only for 9 months.

□ 2125

And then we come back in later on with a supplemental. In the area of agriculture over that 5-year period, as a result of that kind of phony economics, we have overspent our own first budget resolutions in the area of agriculture by $45 billion.

Mr. MOODY. The gentleman is correct, but I will still stick by the statement. In the end, if you add it all up and net it out, the gentleman is correct about food stamps; we have come back again for supplementals. But the total aggregate numbers are still lower than the President asked for. The budget deficit itself has been lower than the President's request.

The President has requested a bigger deficit than we have ended up passing for most of the years. Those are the facts.

Mr. WALKER. But we are responsible for spending the money. If you want to pass it off to the President, go ahead and pass it off to the President, but ultimately we are responsible in this body for spending, and the point that I am making to the gentleman——

Mr. MOODY. We are asking for truth in numbering here.

Mr. WALKER. But the point I am making with the gentleman is that we have committed ourselves to certain things around here. We have committed ourselves in first budget resolutions to certain levels of spending since 1981. We have said in those first budget resolutions, this is going to be the level of spending. That is the

promise by this House. Invariably, we have gone over that amount.

Mr. MOODY. We have still been under what the President has asked for in 4 out of 5 years.

Mr. WALKER. But the President is not responsible for our spending. I will tell the gentleman that most of the reason why you are over is because you are adding in the supplementals. That is the only reason.

Mr. MOODY. We are still spending less than the President has asked for. Do not say that he is providing leadership on spending constraint; he is not.

Mr. WALKER. I would say to the gentleman our budgets have consistently been higher than the budget the President asked for. We have consistently——

Mr. MOODY. That is not true; we have spent less than the President has asked for in 4 out of 5 years.

Mr. WALKER. These figures certainly would not show that we are a small spending body.

Mr. MOODY. We are a big spending body.

Mr. WALKER. It shows that our pledges on the budget are just absolutely inane. We now have a study done by the Republican Study Committee that shows that last year's budget, which I do not know whether the gentleman voted for or not, whether he voted for the fiscal 1986 budget or not, where we were promised by the majority on the Budget Committee that we were going to get $56.2 billion in deficit reduction. Well, the figures are now in. The CBO that the gentleman refers to has now told us that the total amount that we have gotten in savings in that deficit is a total of $4 billion.

We were promised $56.2 and we got $4 billion.

Mr. MOODY. You are shifting the argument.

You are talking about spending levels, and spending levels are lower in Congress than they have been proposed by the executive branch in 4 out of the 5 years.

The fund numbers you raised——

Mr. WALKER. What the gentleman wants to do is take spending levels that result from a lot of supplementals as two.

Mr. MOODY. The whole thing. And they are still less than the President has asked for.

Mr. WALKER. But you do not want to deal with the fact that the reason why the President has to come up here and ask for supplementals is because we passed phony appropriations to begin with. It is not just in food stamps. It is in CCC; it is in program after program after program.

Mr. MOODY. If we had passed the whole thing we would still be under; we did it in stages which is the wrong way to do it.

Mr. WALKER. But there I would tell the gentleman that I think he is wrong. That if in fact we had stuck with the original numbers, and the President would not have to have asked for supplementals, that the President would have asked for less money than we ended up spending.

Mr. MOODY. Why did the President ask for supplementals because he himself recognized that more money was, at least he felt and recommended to us that more money is needed. The bare fact is this: The President has asked for more spending in 4 out of 5 years than Congress has granted. The President has asked for bigger budget deficits than Congress has granted. They are still way too big, and there I side with the gentleman. We need to bring them down and I side with the gentleman as well and say the buck stops here. We cannot blame the President.

What I object to is pretending that this President has asked for lower spending; he is not. The percentage of GNP under this President has gone up in terms of Government spending. Of course, the mix that he would like is different than the mix we want. We have not given as much military as he wants. We have given him more civilian than he wants. But the total level of spending is higher than it was under the previous President.

As for taxes, a very important error was made a few months ago I think is worth pointing out. At least I feel it is an error, with all due respect. The level of taxation of our society, yes, it is not 19 as you slipped into. You were right when you said it is about 18 something. It historically has been 18; that is correct. But there is a very important fact that one overlooks and one gives that gross figure. A larger and larger and larger percentage of that figure, of those taxes are in fact user fees and contribution payments for Social Security, Medicare, et cetera. A smaller and smaller and smaller fraction of that 18 percent is general revenues. Of course, corporate taxation has dropped dramatically as you well know. It is now a very minor segment of the total tax take.

What has really grown under that 4 to 18 percent has been the entitlement payments, that is the revenues from the withholding of payroll taxes.

Mr. WALKER. The gentleman still agrees with me though it is 19.3 percent at the present time.

Mr. MOODY. It is under 19; it is under 19 the last I looked. That is not my main point. My main point is this: The Social Security taxes are now running greatly ahead of Social Security payments. The Social Security System is running a huge surplus.

The President is not asking us to pay taxes to cover the regular part of Government. The general revenues are not nearly covering the general operations of the Government. If we took out Social Security taxes and we took out Social Security payments, we would be in a much bigger deficit. That is really a new phenomenon. That is a very serious phenomenon, I think, and that is why if you set aside Social Security payments and Social Security taxes, we are now running a huge imbalance which I think cannot be sustained and should not be sustained. We need to build those surpluses up because we have got a huge baby boom that is going to be retiring in the year 2010 and to blink at that is a very serious error.

To not agree with what you are saying, we have drastically cut the percentage of our GNP which we use to fund general government. Under this administration that percentage, taking aside Social Security, has been drastically cut. It is now in the 14-percent range.

Mr. WALKER. I go back to what I said before, the gentleman's program then is to raise the amount of revenue taking out of this economy by the Federal Government to a level far higher than the historic performance. That is the gentleman's program. He may explain it as being money paying into trust funds, and whatever, but the fact is that you are really suggesting that we need to have an economic philosophy that we ought to take 20 percent or more out of the economy in terms of revenues.

This gentleman believes that that is disastrous; that is precisely the direction the Carter administration was heading and it plunged us into economic disaster and that we have a far better chance of achieving what we want to do if you have real economic growth as a result of low tax rates.

Mr. MOODY. First of all, that is not what would plunge us into recession. My point is that if we are going to run the level of government at $1 trillion then we should pay, or if we are going to run general government, some minor Social Security trust funding at $800 million a year, then I think we should run taxes to cover it. I do not believe in borrowing those kind of magnitudes. Whatever Government level of spending we set, we should raise enough money to cover it. Not borrow the way we are doing now. We are borrowing $150 billion a year from foreigners to cover this imbalance which is going to have to be financed in the future out of our children's standard of living because it is going to have to be paid back with interest not to Americans but to Germans and Japanese and others.

My philosophy is not that we should raise taxes; my philosophy is that whatever we decide to spend, the way to finance it is to pay-as-you-go revenues, not borrowing.

I would join the gentleman in cutting government. So I am not saying

that we have to raise taxes. But I would either reduce government or raise taxes, but I would not tolerate deficits.

Mr. WALKER. The performance of this House, I would say to the gentleman, is not to cut the spending.

Mr. MOODY. This administration is not to cut the spending.

Mr. WALKER. I am concerned about the job that the American people have elected me to do. And the job the American people have elected me to do is to come to this body and try to do what we can here to end the spending machine. In fact, what we saw what we were doing, is adding to the spending problem, not reducing it.

Mr. MOODY. I agree with the gentleman. We are held accountable, hopefully, for what we do, not for what the President proposes; there we agree. But I would say when you want to lay the blame, it takes leadership from the White House. The only person who is elected to represent the whole country is the President. If you and I say our districts will take disproportionately large cuts to help the deficit, that would have much of an impact. I would be willing to do that. The point is, it has got to come from the White House. But to not admit in the well of the House that the White House has proposed more spending than we have granted, I think perhaps some of the people are watching the program.

□ 2135

Mr. WALKER. Well, what I have said to the gentleman is the only way we can come to that figure is to use the supplementals which we, in fact, have basically mandated with the kind of irresponsible appropriating that we have largely done.

Let me also say to the gentleman that the administration has now shown leadership. They have sent up the Hill a budget that is $143.6 billion and it is therefore within the Gramm-Rudman targets.

Mr. MOODY. That is right. I applaud him meeting those targets. That is leadership. We have not seen that kind of restraint in the last 5 years.

Mr. WALKER. But it has been done. I would say to the gentleman that one of the things I began here complaining about is the fact that tomorrow we are going to run that budget out here on the House floor. My guess is that it is purely a political tactic because it is being brought out here without any kind of analysis for the changes in the economy that have taken place since it was written and so on and so forth, and it is also being brought out here without any alternative being offered by the gentleman's side of the aisle. We are going to have no Democratic budget out here on the floor tomorrow whatsoever. We are simply going to have this exercise of running through the President's budget.

I would suggest to the gentleman that leadership is a two-way street, that if we are going to have that kind of performance, then the gentleman's party, that leadership, the Speaker of this House, have an obligation to come forward with their own plan and not just come out here being totally negative, kicking around the President's plan, which I assume is the only thing we are going to hear tomorrow.

I will be glad to yield to the gentleman.

Mr. MOODY. Well, I think the gentleman makes a good point. I think if we were ending Congress tomorrow, that would be a very good point; but we will have a chance to have alternatives. There will be Democratic alternatives and I hope Republican alternatives that will be fashioned in committee and elsewhere brought to this floor so that we can vote, but it does not all have to happen tomorrow.

Mr. WALKER. But why have this vote? Maybe the gentleman can explain to me, why have this vote in isolation tomorrow if we are going to go through the whole process? Why not move the process forward by having the President's budget considered as a part of the process, rather than this rather cynical political ploy that this House is going to parade through here tomorrow.

Mr. MOODY. Well, I will try to respond. I am not in the leadership, so I cannot answer for the leadership, and I do not think it is proper or even in accordance with the rules of the House, but the gentleman is probably the best exponent of this body in following, to impugn the motives of the leadership of either side in why they bring something out. To call something a cynical political ploy I think violates the dignity of the assumption that everyone is operating with the best of motives.

Mr. WALKER. Can the gentleman ascribe some other motive to it?

Mr. MOODY. Yes. I think there is in fact a very legitimate case for taking a reading, a thermometer reading, if you will, on the President's budget tomorrow, or at some early date so we know just how much support there is. It may pass. I do not think it is going to and the gentleman does not think it is going to, but it at least should have an opportunity to pass. If it does not pass, we go to the drawing boards. We know that that is not the blueprint that the Republican or the Democratic side subscribes to and we have got to come up with something different.

I think it is appropriate to have that as a part, and it is in fact a part of the process. The process is not a 1-day process. It is a multiday process.

Mr. WALKER. Can the gentleman name me any other time in the last 12 years of the budget process when we have had this temperature reading used?

Mr. MOODY. I think that is the problem with this body. There are too many people saying that it has not been done before. I do not think that is an argument why it should not be done now. I think we are too tradition bound in some ways. I think the President deserves the budget vote tomorrow or any other day soon so that we can get a reading. I do not think it is a cynical political ploy.

Listen, I hope the gentleman will vote for it. I assume he will from his comments, because the gentleman says it comes under Gramm-Rudman and to the gentleman and to me that is a very important point.

Mr. WALKER. I intend to vote tomorrow "present." I intend to vote "P" and I will tell the gentleman why I am going to vote "P" for "protest," because I think it shows the ultimate sickness of this House to have this kind of thing paraded before us as somehow a reality in budgeting.

This is not a real exercise tomorrow. Everybody knows it is not a real exercise tomorrow and the fact that we would go through it is simply an attempt either to embarrass the President, or as I suggested earlier in my talk, perhaps to throw out, if possible, the budget that is up here without tax increases in it so that we can get around to discussing a budget later on that includes tax increases, because there have been an awful lot of people down here suggesting that the grand strategy for the future has to include a tax increase.

Mr. MOODY. Let me respond.

Mr. WALKER. I am glad to yield to the gentleman.

Mr. MOODY. First of all, no less a personage than the Budget Director, James Miller, has asked for a vote, an early vote on this budget, so it is not as though we have concocted the idea of a vote, the Democrats.

I think there are people within the administration that want to vote, James Miller is, of course, the chief spokesman in this area. He wants a vote. He should be getting it.

They do not agree with that you said this is not a real budget. They say this is a serious budget, a real budget. If it were a phony budget, I think the gentleman would have a point, but they say it is not a phony budget. It is a real budget. Therefore, it deserves a vote.

Mr. WALKER. I did not say a vote was phony.

Mr. MOODY. I do not plan to dishonor my franchise in this body by trivializing the President's budget by simply voting "present" tomorrow and calling the whole thing a sham. The President's budget is a serious matter.

Mr. WALKER. The President's budget is not a sham. The President's

budget is a real budget that meets the Gramm-Rudman targets.

Mr. MOODY. And it should be voted on.

Mr. WALKER. There is no budget on the gentleman's side of the aisle that comes anywhere close. We do not even have any language on the gentleman's side of the aisle and what we are protesting is the sham of a process that we are going through here, because we all know that the President's budget could be included as part of a budget package so that people could have a look and look at the various alternatives. This way there will be no alternative and I would suggest to the gentleman——

Mr. MOODY. If the President wants an up or down vote on Contra aid, what is wrong with an up or down vote on something like that? Then you can go on to compromises after that.

This is an up or down vote on the President's budget. He has asked for this budget. He is the most important budget player here in town. This is the leading document in town at the present time. The Democrats do not yet have an alternative. You cannot though criticize them for having no alternative and say they should have one in time by tomorrow morning.

Mr. WALKER. I would respectfully suggest to the gentleman that the gentleman ought to reread the Constitution, that the President is not the most important budget player in this town. We are. We are the most important budget players in this town by the Constitution.

Mr. MOODY. Who submits the budget first? The President.

Mr. WALKER. We do not have a prime minister form of government. We do not have a parliamentary form of government. We by the Constitution are given the responsibility of doing the budgeting in this particular system of government, beginning it, and the President can send a suggestion up here. That is what he has done. He has provided us with a working document.

Mr. MOODY. That is a very artificial reading of the process. The American people know what the President does.

Mr. WALKER. It is not an artificial reading, it is a constitutional reading.

Mr. MOODY. No. The President submits the budget first. He does that traditionally.

The gentleman invoked tradition a few minutes ago, saying when has this happened before. Presidents traditionally send the budget to Congress way before Congress is ready to even conceive what the budget should look like and that becomes the document from which we work.

If the gentleman would like to see them side by side simultaneously, I suggest there may be a chance to do that. If the gentleman is willing to vote tomorrow on it, the gentleman may find that it may come back. In fact, I would suggest that if it fails tomorrow or if enough people vote "P" that you boycott the election tomorrow, the vote, then perhaps the gentleman should ask that the rules be made in order that the President's budget may come back when we finally do have a democratic alternative. I hope we have it swiftly. We should have the President's budget side by side when we have a democratic alternative.

Mr. WALKER. If that is the gentleman's point, then why in the world could we not get a rule to offer an additional budget out here tomorrow? The Rules Committee is going to send a rule out here tomorrow, a closed rule so that only the President's budget can be offered.

Mr. MOODY. That is tomorrow. Next week or next month we can have another one.

Mr. WALKER. I realize that. So why, if that is the gentleman's point, why go through this cynical charade tomorrow, because it strikes me that is a completely useless exercise to go through and that is the reason why we are going to get a lot of votes "P" for protest tomorrow again because it is a totally unreal exercise, set up for purely political ends, I would say to the gentleman.

Mr. MOODY. I think the gentleman is out of order. I think it is against the rules of the House to impugn the motives of the leadership of either side.

Mr. WALKER. Does the gentleman wish to have any words taken down?

Mr. MOODY. No. I am just giving the gentleman my opinion.

Mr. WALKER. I the gentleman feels I am out of order, I would say to the gentleman that I know the rules a little bit and I do not think there is anything in the rules that suggest that I cannot call an action by people in here a political ploy.

Mr. MOODY. A cynical political ploy.

Mr. WALKER. A cynical political ploy, and I think that is totally within the rules of the House to suggest that something that is going on in this House is in fact just that.

Mr. MOODY. I think that demeans the dignity of this House. This is a serious vote tomorrow and if the gentleman intends to trivialize it, that is his privilege.

Mr. WALKER. I do not intend to trivialize it beyond the fact that it has been trivialized by the gentleman's party in bringing the bill to the floor in the way that they are bringing it.

First of all, the chairman of the committee told me today that the bill was introduced at the request of the administration. When I checked with the administration, they told me that is not the case.

Right away it has been trivialized, so we do not have a real budget out here that has been introduced at the request of the administration.

Mr. MOODY. That is a very sterile point. We know they submitted a budget. I have a big stack of blue books in my office that is from the administration.

Mr. WALKER. And it is a working document.

Mr. MOODY. Mr. Miller told me this is a very serious proposal. We do not trivialize his proposal. They want a vote on it. Mr. Miller has asked for a vote on it.

Mr. WALKER. I agree.

Mr. MOODY. He did not say at the same time as the Democratic alternative. We will have a chance to vote on the President's proposal and Democratic alternatives. They do not have to be done simultaneously. If the gentleman votes no tomorrow or yes tomorrow, the gentleman will have a chance to vote again on the Democratic proposal.

Mr. WALKER. I would say to the gentleman that what we have done is we have taken what has traditionally been a working document and we have brought about a process here which I have got to tell the gentleman in the opinion of many of us who serve on the minority side are entitled to an opinion, too, is a process that stinks.

Mr. ARMEY. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I am very glad to yield to the gentleman from Texas.

Mr. ARMEY. I appreciate that. This has been a very fascinating discussion. There are so many points I would like to make. I would like to make a couple points.

First of all, even if we go back to Laffer's work, he cites President Kennedy, who would now be in the most conservative wing of the Democratic Party if he were here today, as having conducted this experiment of lowering taxes and increasing tax revenues. At that time Kennedy was considered a genius for his creativity.

I want to make just kind of a run through of history. We were doing all right until President Johnson gave his famous "guns and butter" speech in 1966 and said that we could have our war on poverty and our war in Vietnam at the same time without raising taxes to pay it and then took William McChesney Martin down to Texas for a barbecue when Martin tried to have a tight money policy to combat inflation. That is when inflation took off in America and we never got it under control, quite frankly, until Chairman Volcker came along and did something that the Federal Reserve had not done.

If you take that period of time, their idea of tight money was to raise interest rates. Well, the interest rate is the most high linkage price in America. When you raise the price of credit,

you increase the cost of doing business both on the producing and on the buying side. You have a double-barreled dose of inflation coming into the economy.

In fact, I can remember Milton Friedman's famous editorial which he entitled, "The Inflationary Fed" that said that you cannot fight inflation by raising the price of the most pervasive commodity and exchange in the economy, the price of credit.

Now, what Paul Volcker did was switched from a high interest policy for the first time in years to a tight money policy. Paul Volcker basically taught the Federal Reserve how to operate a tight money policy and indeed it did have an impact and it did work.

I want to go back to "voodoo economics." I can forgive GEORGE, the Vice President, for the comments on voodoo economics. The only experience he had to relate to was the experience of Lyndon Johnson's famous guns and butter speech, and that was voodoo economics. He did not know the extent to which this Presidential candidate had a new idea and a better idea, an idea that did involve lowering the marginal tax rates to begin with, providing the incentives and indeed the desire on the part of our President at that time to have reductions in expenditures on the domestic side in order to close that window of vulnerability by restoring our Nation's defense on the other side.

If you talk to the Vice President today I think you will find an unqualified friend of Ronald Reagan. His loyalty to the President and his understanding of what the President is doing is not something we could have expected necessarily at that time, reflecting back on the Johnson experience.

Mr. WALKER. If the gentleman will let me reclaim my time just for a moment, my guess is that the Vice President might think at the present time that the promise to the American people of a $56.2 billion deficit reduction in the budget and then to produce only $4 billion in deficit reduction might be the true case of voodoo economics at the present time.

Mr. ARMEY. Well, I appreciate that.

I would like to go back to one point, the most interesting part of the discussion is why all of a sudden in a case that I have never seen before is the President's budget recommendation taken seriously by the House and even brought directly to the floor for a vote? I am going to suggest another explanation.

Mr. WALKER. Other than a cynical political ploy?

Mr. ARMEY. No, no, other than that. Gramm-Rudman. I remember the debate, somebody stood in the well and raised their hands in despair and said that Gramm-Rudman will change the way we do business in the House.

□ 2150

That is one of the reasons I voted for it.

But if you take a look at what has happened, we now have to meet the limits on borrowing with Gramm-Rudman, and we have to also have a budget that we have to live with. This House never had that before.

Now it is very likely that the majority of the members on the Budget Committee do not know how to do that, do not know how to get that restrained budget without borrowing, or without taxing, do not know how to get past cutting spending, and quite frankly, they may be so bewildered by the requirement that they must cut spending that they cannot raise taxes or they cannot increase borrowing, so totally bewildered about that that the only course of action that they can conceive to do is to take the President's budget and his leadership to the floor and have an up or down vote on it, on a consideration of that to learn something from the process so that indeed in the unhappy event that the President's budget may fail to pass tomorrow, they may have learned something in the process that will help to learn how to cope with the requirement imposed on this body by the American people. Yes, we have got to cut spending, cut down on borrowing. And no, the American people will not tolerate a tax increase as long as we have these wasteful spendings, trying to sustain that Great Society Program begun in the Johnson administration, sustained all these years despite the fact that the American people today so clearly see those policies have been abject failures, have done nothing but aggrieved the problems that they were originally designed to help alleviate.

Mr. WALKER. Let me say to the gentleman that there is some evidence for his thesis, because the fact is that if you take the budget that this House passed last year, the budget brought forth by the Budget Committee last year that promised $56.2 billion in deficit reduction, I said that it has actually produced $4 billion. The only way that it did that was because we got $12 billion in Gramm-Rudman cuts. If it had not been for the $12 billion of Gramm-Rudman cuts, last year's budget that was supposed to save $56.2 billion would have actually increased the deficit by $8 billion.

Mr. ARMEY. I remember that well. In fact, it was watching that budget process last July, almost a year ago, that gave this new Member of Congress the clear and unqualified understanding that at least at that time the budget process in this House was nothing but politics, had nothing to do with policy and would, indeed, result in that disaster. That is what is so great about Gramm-Rudman. It does two things. It defines a limit somewhere in the fiscal triad that this House stands on: Spending, taxing, and borrowing. It finally defines a limit someplace that this House must face.

Incidentally, the second point is that it says to this House you had better learn how to make a budget and live within the budget you make. We have never had to do that before.

Mr. WALKER. That is an important point because last year, despite all of the promises on the House floor about the fact that we were doing something real about deficit reduction, the fact is it was all smoke and mirrors.

Mr. ARMEY. Absolutely.

Mr. WALKER. It was gamesmanship. There was nothing real there. The only real savings came in the Gramm-Rudman process that we are now taking credit for. But even with the Gramm-Rudman $12 billion savings, our budget process last year has saved us a total, from the CBO baseline of $4 billion, which means that we are missing billions, tens of billions of dollars of promised savings. The only reason why those funds could be missing is because they were not real in the first place. It was all smoke and mirrors. We were not going to either make this savings, or we were not going to get the revenues, or something was going to go wrong and we have a report here of some of the things that went wrong.

But the bottom line is that that was not a real process. My suspicion is, my suspicion is we are going then through one more gamesmanship by running the President's budget out here, because we have not yet found a way in this body to do the real things that are required under Gramm-Rudman. So what they are going to do is they are going to try, if they can, to undermine the President's effort to do something real with Gramm-Rudman, come in and meet the target, try to undermine that so that when they bring their product to the floor at some point in the future, hopefully, it will get hopefully more sympathetic consideration simply because we have already turned down the President's attempt.

But the fact is that it is likely to be a collection of smoke and mirrors also.

For instance, I hear now one of the things they are looking at is the tax amnesty program. I do not see anything wrong with maybe looking at the tax amnesty as one way to get some additional revenues. But I have been told there are people saying that they are going to add $20 billion of additional revenue to a budget coming from tax amnesty. Everybody knows that that would simply be so much smoke and it would be meaningless. Some people are saying it may be

worth $2 or $3 billion. OK. Fine. Maybe we can find that. But certainly not some of the figures that are now being tossed around.

So my guess is that there is an attempt to first of all justify some smoke and mirrors in the future, and second to raise taxes in the future.

Mr. ARMEY. Unhappily, as a new Member of this body learning the way this body operates, I cannot argue with the gentleman's guess or his suspicion, or however you want to characterize it. I find it somewhat discouraging that the only more encouraging thesis that I might offer for this tactic is that they simply do not know what to do with their loss, they do not know how to deal with the rigors of Gramm-Rudman. Those are the only two theses that I could quite understand.

Mr. WALKER. But the disturbing thing about that is that one of the ways that they are hoping to get the monkey off their back that they have done nothing on the budget is to run the President's budget out here so that they can all say, oh, we have done something, we ran the President's budget out here and it failed, without taking the responsibility of leadership, of producing a budget of their own. That is part of the reason why I am disturbed too. It is my guess that part of the attempt here is to justify the fact that really we are not doing anything around here. We have gone weeks without doing very much in the House of Representatives toward legislating for the Nation's future, and certainly we have not done very much in the budget. My guess is that if we got a rule tomorrow and we defeated the previous question and allowed the chairman of the Budget Committee to present his own budget out here on the floor tomorrow, my guess is that he could not produce that budget. My guess is that there is no such document that he could produce on the floor tomorrow.

I will be glad to yield to the gentleman from New York [Mr. MRAZEK] if he would like me to.

Mr. MRAZEK. I must confess that like some of my other colleagues, the gentleman speaks so quickly at times that it is hard to keep up, and I am not sure whether we are here debating Gramm-Rudman, as my colleague from Texas is such a strong advocate for, and which I voted for, and which I voted for with terrible misgivings. But based upon the fact that I did not see the kind of joint partnership between the President of the United States and the U.S. Senate, which is, as you know, controlled by the Republican Party, the other body, and this House of Representatives, which is controlled by my party. That kind of bipartisanship which could lead to making the very difficult decisions to close this deficit is not being evidenced by the debate that I have heard since I have been here tonight. I have heard a lot of partisanship here tonight.

Mr. WALKER. If the gentleman will allow me to reclaim my time, does the gentleman regard it as an exercise in bipartisanship to bring the President's budget to the floor tomorrow? Does not the gentleman think perhaps there is a tinge of partisanship by his party in conducting the budget process in that way?

Mr. MRAZEK. If I might respond to the gentleman, I might suggest there is a lot of hypocrisy that takes place in this town. But just the fact that this hypocrisy takes place does not mean one has to add to it with debates like this. I mean, the President of the United States cannot stand on the steps of this Capitol and say he is for a budget that is balanced, that he is for a constitutional amendment to balance the budget, and then continue to submit year after year budgets that are not only in deficit, but are in deficit by some of the largest figures in the history of this United States of America.

My only point is he is not solely to blame for what has taken place. And I know there are people in my own party who would suggest that by dramatically increasing defense expenditures to meet projected ostensibly credible threats that this is a necessary expenditure for the United States of America, and that it is also important to the growth of our economy to lower tax rates. But you cannot take credit for the good things that happen in this economy and at the same time ignore the fact that some of the decisions made by this administration have, in fact, increased the deficit just as President Johnson dramatically increased the deficit when he suggested we can afford both guns and butter back in the 1960's.

□ 2200

Mr. WALKER. If the gentleman would let me reclaim my time just for a moment, the President cannot do any of those things on his own. The President cannot spend one dime that we have not approved. So if in fact the President of the United States has requested those levels, we could have very easily suggested to the President that we were not willing to spend at those levels and send him down budgets, and he could not spend one dime.

The fact is that what we are hearing right now is the President is sitting down there, deferring some money, and we are hearing screams of bloody murder, largely from liberal Democrats, about the fact that some of these deferrals are taking place and they think it is illegal; they have even threatened to go to court and try to get the President to spend the money.

Mr. MRAZEK. I think it is important that everybody play by the same rule book. What concerns me is that the President presents a budget to this Congress. Now, are we supposed to assume that that budget is just a charade, a worthless document? Or a working paper?

Mr. WALKER. No, a working document.

Mr. MRAZEK. Well, when it turns out to be a working paper that underestimates defense revenues by $15.9 billion according to the Congressional Budget Office, according to Senator PETE DOMENICI of the other body, the chairman of the Senate Budget Committee, according to the chairman of our Budget Committee, I am suggesting to you that perhaps we are not playing by the same rule book.

Mr. WALKER. If the gentleman will allow me to reclaim my time again, then why is the leadership of the gentleman's party bringing that budget to the floor tomorow with precisely those figures in it? If those figures are as wrong as the gentleman says, and there is general agreement that those figures are wrong, why is it coming to the floor tomorrow with those figures in it precisely the same?

NICARAGUAN COMMUNISTS SKILLFULLY CONFUSE THE AMERICAN PUBLIC

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. RITTER] is recognized for 60 minutes.

Mr. RITTER. Mr. Speaker, there is substantial confusion amongst the American people about what is happening in Nicaragua and why. We are faced, next week on March 19 with a vote of historic proportions, and yet the American people remain confused.

I would like to shed some light on this debate by first telling the American people and my colleagues what the people of Central America think about Nicaragua.

In a poll published in the La Nacion newspaper in San Jose, Costa Rica, representing results of inquiries made during March 2 and 3, this was the outcome:

In Costa Rica—the oldest democracy in Central and South America—93 percent of the people perceive Nicaragua as an agent of Cuba and the Soviet Union. Now they are closer. If you can see the map of Central America, Costa Rica sits due south of Nicaragua, and they have a very good idea, a very good knowledge about what is happening in that country; a very good idea how it impacts them, because indeed the gift from Nicaragua to this oldest democracy in Central and South America, Costa Rica, has been the training of Costa Rican Communist guerrillas to subvert this oldest democracy in Central and South America and therefore it is rather natural that

the people of Costa Rica would be concerned.

When the people of Costa Rica see the largest army in the history of the region bristling with Soviet weapons and supercharged by Cuban military advisers, it is only natural that they would perceive Nicaragua as an agent of Cuba and the Soviet Union.

The situation is not different in Honduras, which borders Nicaragua on the north. The opinion in Honduras of that poll taken during the days March 2 and 3 was also 93 percent viewed Nicaragua as an agent of Cuba and the Soviet Union.

The opinion in Guatemala was some 80 percent viewing Nicaragua as an agent of Cuba and the Soviet Union. Now, Guatemala is one country removed on the other side, the north side of Honduras. They do not share a direct border with Nicaragua, but still 80 percent of the people perceive Nicaragua as an agent of Cuba and the Soviet Union.

The poll was also taken in the city of San Salvador, and 74 percent of the population in San Salvador felt that Nicaragua was an agent of Cuba and the Soviet Union.

Why then is there such rampant confusion amongst the people of the United States when the neighboring countries are so convinced of the threat of Nicaragua as an agent of Cuba and the Soviet Union?

I suppose we are much further removed from the threat, and perhaps have a greater luxury of being confused, but I think part of it is the very sophisticated methods by which the Communist government in Nicaragua has set out to fool the people of the United States of America.

There is an interesting document that has been produced, and it relates to a defector from the Ministry of Interior—which is a pseudonym in Communist countries for the secret police—a Mr. Baldizon, who has testified extensively before groups in Washington, DC, committees, intelligence committees, and the like.

Mr. Baldizon talks about deceiving visiting international delegations on page 11 of this State Department-produced document.

Let me just quote:

As part of its international political strategy, the Sandinista government seeks to use foreign visitors and religious groups as instruments of support for its public posture that the FSLN—that's the Sandinista party, the communist party—and the Nicaraguan government respect religion and human rights. How else could the Catholic Conference of Bishops deny the pleas and the entreaties of the Cardinal, Obando Y Bravo, the Cardinal of Nicaragua? And take a stand against the kind of action that would bring religious freedom for Catholics in Nicaragua?

Baldizon said that "The Sandinista Government carefully orchestrates such visits whenever possible in order to obtain the greatest propaganda value." Many of the visiting delegations are organized by Nicaraguan solidarity groups in the United States and Western Europe. These group tours of Nicaragua are often prepared in conjunction with Sandinista organizations to show only what the Sandinistas want to be seen.

In many cases, the members of such groups are told by the organizers that they have an obligation when they return to their countries to speak out on the "Nicaraguan reality" that they have experienced. In truth, what they have experienced and seen is merely a carefully prepared facade which masks the real situation in Nicaragua.

This goes back a long way. In the beginning of the Soviet revolutionary era, they used to fix up the facade of villages, paint them, fix up the windows, fix up the streets; and these were called "potempkin" villages.

We have potempkin villages in Nicaragua today. These group tours of Nicaragua composed of American church groups and well-meaning religious organizations in the United States are being deceived by the Sandinista government.

Baldizon explained that when the Nicaraguan Government learns that a foreign delegation wants to visit certain areas in the country, government "officials are sent out to prepare the way. People who appear on" the government's "list of 'potential enemies' receive visits by the officials and are told to stay away from the visiting delegation. Some 'potential enemies' are locked up during the visit as a warning to others of what could happen to them if they do not cooperate.

"Security agents pretending to be photographers, journalists, or relatives to the people in the region to be visited frequently join the delegations to accompany them on their trips. In this way, the" government "can monitor the attitudes of the groups' members and subtly steer them to particular places or people.

"They report to the Ministry on groups' travel itinerary, using advanced notice of the group's travel plans.

"The Interior Minister, Tomas Borge, sends teams of people to be on the routes used and in the localities to be visited. They are called casual encounter teams. And when a delegation arrives at a location, government personnel, pretending to be local residents, just happen to be available to talk with the delegation's members. They describe alleged contra atrocities and the benefits of the Sandinistas revolution for Nicaruagua's peasants and workers."

□ 2210

I submit that this is a significant feature of the landscape of confusion in the United States today.

Unlike the Costa Rican public opinion, Costa Rica being on the southern border of Nicaragua, or unlike the Honduran public opinion—and by the way, both Honduras as well as Costa Rica is a democratic government, freely elected, democratic government. In both of those democracies, 93 percent of the people perceive Nicaragua as an agent of Cuba and the Soviet Union.

I yield to the gentleman from New York.

Mr. MRAZEK. I thank the gentleman for yielding.

I am curious as to the source of those polls, because needless to say in a democracy the key poll is an election.

Mr. RITTER. Yes.

Mr. MRAZEK. We have a new President in Costa Rica, we have a President in our Contadora ally in Colombia, we have a new President in an emerging democracy in Guatemala, President Cerezo.

In all three cases none of the Presidents of these emerging democracies of Costa Rica, Guatemala, and Colombia, not one of those Presidents agree with the policies of the Sandinista government in Nicaragua. Yet if I might just add one further point, not one of those Presidents agrees with the policies of this administration in its support of the Contras. And in fact every single one of those Presidents in recent weeks has spoken out against the $100 million commitment to the Contra forces.

Mr. RITTER. I think the gentleman makes an extremely important point and that is that these governments in spite of the fact that their people feel the way they do, that these governments fear the Sandinista Communists greatly.

I traveled in that region on an Intelligence Committee trip with a member of the Democratic side, and a liberal Democrat to boot, and not a proponent at that time of the President's policies. In each of the countries that we visited we talked with the Presidents at that time. Each of those Presidents told us, and I will not mention names because I do not want to embarrass them and their Foreign Ministers, told us, and their political leaders told us, that they fear deeply what is going on in Nicaragua, that they support the idea of pressure, including military pressure, on the Sandinistas but publicly they fear going out on a limb that is wide, that is thin, that is very extended, that can break off at any time. Why? The gentleman raises such an interesting point because it gets back to my next point, and that is that the policy of this Government because of this Congress has been, in the words of Alfonso Rubello, a former member of the Sandinista junta, a social democrat if there ever was one, in the mold of European social democrats, quite liberal by American standards, former president of the Central American University in Managua, Nicaragua, in his words these leaders cannot take a position, they cannot take a position up front because the United States policy of yo-yo, on again, off again, can leave these leaders and leave their populations naked and exposed to an aggressor the likes of which the Central American region has never seen in terms of armaments, in terms of size of army, in terms of ideology, in terms of repression.

They are frightened and they are fearful of going out on this limb because they are afraid that this Congress, not this administration, because they know where the administration stands, but this Congress, and in large measure the Democratic Party in this Congress, will saw off that limb and they will fall. While they are on their backs, they will be consumed by the realities of power in Central America and that is Communist Nicaragua acting as agent for the Soviet Union.

I yield to the gentleman briefly.

Mr. MRAZEK. I fully appreciate the fact that oftentimes my majority party in this House controls the time. By the same token I like to think that in this body there is a sharing of ideas and perhaps I have interrupted an important soliloquy in terms of a presentation that you would like to make to the American people. And if that is the case, I certainly do not want to intrude on that soliloquy.

Mr. RITTER. I appreciate the views of the gentleman, his comments, and I am willing to yield. I hope the gentleman can get on with his contribution.

Mr. MRAZEK. It is curious to me that for example a new President of Costa Rica who could meet in his office with a gentleman named John McLaughlin from the American press, who I do not think is perceived as an exceedingly liberal man by peace groups, for example in the United States of America, that John McLaughlin would meet with the new President of Costa Rica for a 90-minute or 2-hour interview which has been taped and in which the President of Costa Rica very candidly tries to express his views as to why he believes the Reagan administration's posture with support of the Contras against the Sandinistas is counterproductive to the goals that we all share, that we all share as Americans who want to see stable democracies in Central and South America, counterproductive because in fact the Contras do not have indigenous support amongst the people of Nicaragua.

Mr. RITTER. I accept the gentleman's point. I reclaim my time.

The gentleman makes another very interesting assertion, and that assertion is that these leaders in Central America today—and again I was in Central America in July and there was another President, but the people who were running for President were at that same meeting and each one of them took us aside and said, "Look, whatever you do, do it with strength, do it with force, don't tarry, don't yo-yo, don't go back and forth. Make up your mind and act."

Mr. MRAZEK. You are saying that the present President of Costa Rica is a hypocrite who told you one thing and——

Mr. RITTER. Excuse me, I control the time.

In meeting with the reporter from the American media, believe me, if I was a Central American President and I was exposed to the vagaries and vicissitudes of the U.S. House of Representatives and I was exposed to the yo-yo of American policy in the region, I would be very cautious as to how I presented my case but in a way I agree with the gentleman because when we were down there the public postures were all of that ilk. But the private statements, the going aside, these statements are all in support of a strong American position.

□ 2020

Why? Because the alternative to a strong American position is dominance by Communist power, by Soviet power and the militarization of the region.

Mr. MRAZEK. Mr. Speaker, if the gentleman will yield, I would submit to the gentleman that a strong America does not have to be a military commitment.

Mr. RITTER. I will recognize the gentleman at the appropriate time.

Mr. MRAZEK. Thank you.

Mr. RITTER. The gentleman can get his own special order.

Mr. MRAZEK. No. I thank my colleague.

Mr. RITTER. The same people who were viewing Nicaragua as an agent of Cuba and the Soviet Union also in this opinion poll viewed Nicaragua as a grave military threat.

In Costa Rica, 92 percent of the people named Nicaragua as a military threat; in Honduras, 89 percent of the people; in El Salvador, 63 percent of the people, that have got their own military threat at home; in Guatemala, once removed with its own liberation struggle off in the hills, 48 percent.

But I think that the key thing is that the two bordering countries of Costa Rica and Honduras view Nicaragua as a military threat. That is really what the vote we take next week is all about. It is about the militarization of Nicaragua by Cuba and the Soviet Union, and the threat that it poses to the region and, yes, eventually to the United States.

The same people who see Nicaragua as a military threat, Costa Rica, Honduras, Guatemala, El Salvador; 4 percent of Costa Rica views the United States as a military threat, 2 percent of Honduras views the United States as a military threat, and 5 percent of Guatemala.

Let me go back.

Mr. MRAZEK. Will the gentleman yield?

Mr. RITTER. Maybe the gentleman does not like La Nacion's poll.

Mr. MRAZEK. Will the gentleman yield?

Mr. RITTER. I want to give some results from a Harris poll taken in November which essentially solidifies the feelings of these people, and perhaps the gentleman would believe more strongly the Lewis-Harris work with Central America. But I yield at this point to the gentleman.

Mr. MRAZEK. I would submit that, needless to say, a lot of Americans have read polls and they can be useful in their place. I do not think anyone in this body is disagreeing with the fact that we want to see a different type of government than the Sandinista government in Nicaragua.

The question is, what approach that we can take is going to bring about that kind of fundamental change toward a stable democracy, toward a government that has benign and not seeking to perhaps disrupt the internal workings of another nation.

Mr. RITTER. The gentleman qualifies the use of the word "disrupt." Is that purposeful? When the gentleman says perhaps disrupt, does the gentleman really mean disrupt, or is perhaps—is the gentleman not sure? I would like to quote chapter and verse from some good examples of disruption. I just have that question for the gentleman.

Mr. MRAZEK. I try to choose my words very carefully. What I tried to suggest was that we all as Americans want to see a stable democracy. The question is, if we spend $100 million supporting the Contras, or we spent $400 million supporting the Contras, or we spend $1 billion supporting the Contras, is it in fact going to bring about a stable democracy in Nicaragua?

Mr. RITTER. The gentleman has asked——

Mr. MRAZEK. And I would like to try to respond to that question without having to refer to a poll.

Mr. RITTER. Let me go on, because it is my time, and then I will yield back to the gentleman.

That is the question. What will $100 million or $200 million do?

First of all, $100 million——

Mr. MRAZEK. Could help a lot of farmers.

Mr. RITTER. $100 million is not new funds. It is reprogrammed funds from foreign assistance programs or from defense programs.

Mr. MRAZEK. Farm support programs or mass transit.

Mr. RITTER; No; I am sorry. From foreign assistance programs, security assistance programs or defense programs. That is where the funds will be reprogrammed from.

Now, $100 million amounts to about six fighter aircraft.

Mr. MRAZEK. That is a lot of money, is it not?

Mr. RITTER. Excuse me. It is a very small percentage of our defense allocation.

Now, what can we get for this very small percentage of our defense spending?

There are 20,000 to 25,000 Contras. This is no mercenary army. They are volunteers. They are Nicaraguan people who are fighting to regain their country, and at the present time they are very poorly armed against the Soviet-Cuban supplied massive armed force.

But one of the things we could get out of this $100 milion, perhaps to the tune of $5 million, is weaponry to neutralize the Sandinista helicopter attack force. The Sandinistas currently maintain a large number of MI-8 troop-carrying helicopters, and lately, as we understand it, two fleets, perhaps as many as 24 of the MI-24 Hind helicopter gunships, the most effective counterinsurgency weapon in the world today. We have nothing like it. This is the weapon that is killing people in Afghanistan and it is now killing people in Nicaragua.

But with the proper defensive weaponry against these instruments of war, which incidentally cost on the order of, we estimate, $12 or $13 million apiece, for maybe $5 million we can get antiaircraft, antihelicopter weaponry to neutralize that. So we are getting something to do something against that Sandinista army.

That could be very effective. That money could be extraordinarily effective.

Mr. MRAZEK. That $100 million might save a few farmers in this Nation, too.

Mr. RITTER. Again, I am saying let us not build 3 fighter planes, let us not build 10 tanks; let us do this, because it is far, far more important.

Mr. MRAZEK. That is the problem I think of this Congress. All too often we want to spend money in foreign countries that we could better spend here in the United States.

Mr. RITTER. Mr. Speaker, I am willing to yield to the gentleman, but I refuse to have the gentleman continue interrupting me.

The SPEAKER pro tempore. The gentleman from Pennsylvania has the time.

Mr. RITTER. I will yield.

Mr. MRAZEK. When?

Mr. RITTER. Twenty thousand Contras are equivalent to some 1.5 million Americans up in arms against the Federal Government of the United States of America. Just picture the kind of mass revolt that would be existing, let us say confined to the border areas of Texas and Canada. But 1.5 million Americans taking up arms against the Federal Government, that is a large number, all volunteers, unpaid. I mean this Contra force is not a small force considering the size of Nicaragua. And I have just pointed out how a limited amount of portable antiaircraft weapons could do a great deal of damage to the Sandinista air force.

Mr. MRAZEK. Will the gentleman yield.

Mr. RITTER. The gentleman is asking what does $100 million do. I think that is a very important question.

The Sandinistas have tanks. They have armored personnel carriers. They have 154 tanks. Do you know how many tanks there are in El Salvador? Three. Do you know how many tanks there are in Costa Rica? Zero.

Now, with a few million dollars worth of the latest technology and wire-guided or similar antitank weapons, we could neutralize a tank force. The Sandinistas are loaded with—these are all Soviet tanks, obviously, Soviet armored personnel carriers and Soviet trucks. The right kinds of assault weapons can be very, very effective.

The bottom line is, that force of 20,000 is going begging while the Sandinista army is supersaturated with Soviet weapons.

Mr. MRAZEK. Will the gentleman yield for 30 seconds?

Mr. RITTER. They could not conceivably absorb any more.

Mr. MRAZEK. Will the gentleman yield for 30 seconds?

Mr. RITTER. The fact is that $100 million has a very significant impact on the conflict. Most experts say it takes a 10-to-1 ratio in order to neutralize the guerrilla force. The Sandinistas, the Nicaraguan Communists, would have to draft practically every person of draft age in the entire country to get that kind of ratio.

Mr. MRAZEK. Will the gentleman yield for 30 seconds?

Mr. RITTER. So what I am saying to my colleague, and I think it is a very excellent point that the gentleman made, that $100 million, that reprogrammed money from 6 fighter planes or 3 fighter planes and 14 tanks could make one heck of a difference in bringing some kind of pressure on the Sandinista Communists.

Now I yield to the gentleman.

Mr. MRAZEK. We are talking about a $100 million figure, 100 million U.S. tax dollars, at a time when farmers are killing themselves, when they are killing their families, when disabled veterans are killing their families and themselves.

□ 2230

And you are suggesting that $100 million sent to 15,000 to 20,000 mercenaries, most of them copping out in Costa Rica or Honduras——

Mr. RITTER. They are not mercenaries. That is absolutely not true. These people are not mercenaries. Most of them are peasants.

Mr. MRAZEK. We created the Contras.

Mr. RITTER. Excuse me.

Mr. MRAZEK. We created the Contras, we sponsor the Contras, we pay for the Contras. I think it is our responsibility as the American Government to give them their severance pay and to try to get them back into Nicaragua peacefully.

Mr. RITTER. If the gentleman will yield back, I must correct his misstatements.

I do not know what you are talking about. You better check the facts. The facts are that these people are fighting to regain their country.

Now, I urge you, as some of your colleagues have done, some who have voted against assistance, some who are on the very liberal side of the spectrum, I urge you to talk to them—and I will name names after I talk—to talk to them and ask them——

Mr. MRAZEK. My distinguished colleague does not provide me time to respond to the points that he makes.

Mr. RITTER. I will provide you time. But I would hope that you would not make misstatements.

Mr. MRAZEK. If you do not have time tonight, then perhaps we could debate it next week. But I do not have any opportunity, truly, to respond to your points without your interrupting or immediately reclaiming your time as soon as you feel that I have made some significant point here.

Mr. RITTER. I would like to mention to the gentleman that is my time, and I appreciate his interaction in this debate.

Mr. MRAZEK. I thank the gentleman.

Mr. RITTER. But if there is a misstatement I think it is incumbent to correct that misstatement.

The Contras are fighting to regain their country from a bunch of thugs, gangsters, Communists and Soviet and Cuban agents. Now, that is the bottom line. Now, if you do not characterize it that way, I would like you to please describe to me how you characterize that leadership in Managua today.

Mr. MRAZEK. I would submit to you that just because there are bad guys and the President calls the Sandinista government bad guys, just because there are bad buys in Nicaragua does not mean that according to some pristine symmetry of history there are automatically good guys.

The unfortunate problem here is that we are supporting people who neither have indigenous support within Nicaragua—and, in fact, I just met with a gentleman, Col. Edward King, who came back from Central America within the last 2 weeks, who suggested that if you want to quantify the makeup of the Contras right now, approximately a quarter to a third of the Contra fighting forces hiding out in Honduras and Costa Rica could be represented by people who have a genuine grievance against the Sandinista

government. In other words, people who are reasonably motivated to fight to regain their country. Then you have a significant element of people who have been coerced or kidnapped into going with the Contras. You have a component of people who were of draft age. They did not want to be drafted by the Sandinistas, and they ended up going across the border into Honduras and Costa Rica and are in refugee camps in close proximity to the Contras and are claimed by the Contras. But the bottom line is that you have a poorly trained force that right now says they cannot go back into Nicaragua because they do not have boots and they cannot find boots. I do not know if they have to be accountered by L.L. Bean in order to get the proper equipment that they need to go back into Nicaragua to fight for their homeland, but I am submitting to you that I see a lot of similarities between the ARVIN—and I am talking now about the South Vietnamese Army that my generation was asked to volunteer and fight to support because they were part of a fledgling little democracy in South Vietnam, fighting against Communist subversion and terrorism, and my generation and I volunteered——

Mr. RITTER. I would like to respond to some of these comments.

Mr. MRAZEK. If I could have 1 minute more, I will finish my point.

Mr. RITTER. I would like to reclaim my time because the gentleman has made some statements which are positively outrageous.

Mr. MRAZEK. How about 1 more minute so that I can make a few more statements, and then you can come back.

Mr. RITTER. If you will stick around, I will give you another minute.

Mr. MRAZEK. I ask for 1 more minute.

Mr. RITTER. All right, 1 more minute.

Mr. MRAZEK. I thank my distinguished colleague. I deeply appreciate it. I know how sincerely you feel about this position. But I must suggest to you than we went through a terrible experience. And I know the President calls it a noble war, but it was an experience in which my generation of Americans were asked to fight a fledgling democracy, and we had 55,000 Americans dead, 500,000 wounded, we spent several hundred billion dollars there, we sowed the country with agent orange, we admitted to killing 3 million Vietnamese, and when we pulled out, that country collapsed like the rotten house of cards that it always was.

Mr. RITTER. All right, the gentleman has had his time. I will now reclaim my time.

Mr. MRAZEK. That was a pretty fast minute. That was like the 10 count for Sonny Liston.

Mr. RITTER. I would like to comment on just a few of these absolutely outrageous statements.

Vietnam today is a slave state. The gentleman seems to be thinking somehow that we are responsible for Vietnam being a communized slave society, a society where 500,000 people fled to the South China Sea, where 100,000 people drowned in Southeast Asia, where up to 3 million Cambodians were killed in the greatest genocide the world has known since the Holocaust. And somehow this other side, according to the gentleman, does not come in for any blame. It is the United States, we are responsible. This is the blame-America-first attitude. Jeane Kirkpatrick talks about it.

Mr. MRAZEK. I take great exception to that. I do not blame America. I volunteered to serve my country at that time, and I am sure the gentleman might have had a very good reason——

Mr. RITTER. If the gentleman will please follow the rules of the House. The gentleman seems to think that somehow the United States was responsible for communism and repression and terror.

Mr. MRAZEK. Do not put words in my mouth, please.

Mr. RITTER. Well, I would like to hear you say that the North Vietnamese and their Soviet allies behaved criminally in that conflict, in that denouncement after the conflict. I would like to hear somebody from your side get up and do a special order once on Cambodia and the genocide that the Communists brought to Cambodia. But I want to get back to Nicaragua.

Mr. MRAZEK. That was not the North Vietnamese.

Mr. RITTER. I want to get back to the Contras. The Contras——

Mr. MRAZEK. Like the South Vietnamese soldiers.

Mr. RITTER. Are fighting to regain their nation. The Contras do not like communism.

Mr. MRAZEK. Do we have to do their fighting for them?

Mr. RITTER. They do not like—excuse me?

Mr. MRAZEK. Do we have to do their fighting for them?

Mr. RITTER. We do not. And that is again the bottom line.

Mr. MRAZEK. Why are they in Honduras and Costa Rica?

Mr. RITTER. Why should the United States be forced into a position later on? Why should the United States not support those fighting for freedom to regain their country?

Let me tell you about Contra leadership. I mention Alfonso Robelo. I wish you would sit down and talk to him once. I wish you would talk to one of the Sandinista junta, one of the three top people, Arturo Cruz. I wish you would talk to him, a democrat if there ever was one, small "d." The same is true with Alphonso Robelo, Adolpho Calero, a businessman, a democrat, with a small "d," imprisoned by Somoza. These are the leadership of the Contras. They have a well-defined program for the country to enter into democracy and pluralism, essentially living up to the demands acceded to in words only by the Sandinistas in order to get the Organization of American States support prior to their grabbing power.

Yes, these are democrats, the people who are fighting to regain Nicaragua for Nicaraguans as opposed to Cubans, as opposed to Soviets, as opposed to Bulgarians, as opposed to Libyans, as opposed to East Germans, as opposed to Vietnamese and North Koreans. Because that is who is running Nicaragua today. The gentleman knows it. It is all in our intelligence reports.

Mr. MRAZEK. Why are they hiding out in Honduras and in Costa Rica?

Mr. RITTER. The interesting thing about our policy there is that it has been a yoyo policy.

Now, here is what happened, here is the reality of what happened: We cut off assistance to the Contras. The Contras were making some very substantial gains.

In June of 1984, we cut off military assistance. We cut off all assistance. We even cut off advice. We have an intelligence capability there, and that intelligence capability was not even allowed by law to advise the Contras when the Sandinistas were coming after them or when there were major movements of Sandinista troops. That cutoff lasted from June of 1984 to September of 1985. That was 16 months. In that 16 months of no American involvement in the military effort, in that 16 months of intense negotiations with the Sandinistas, what was going on inside Nicaragua? Civil and human rights were further removed, Economic rights were further removed. The Sandinista army continued a precipitous, sharp buildup supplied by the Cubans and the Soviets, and in November of 1984, which is 5 months after the United States aid was cut off by the Boland amendment they took delivery of the first MI-24 Hind D helicopters, the most effective counterinsurgency weapon in the world today, the first.

Now, this was our repayment for this Congress, at least, going on record—not this gentleman, but I am sure that gentleman, and many of his colleagues, most of his colleagues indeed—that was the repayment that we got for hamstringing this administration for cutting off its policy at the knees for 16 months. We got increased militarization of Nicaragua by the Communists, increased repression, in-

creased movement to a totalitarian rule, increased press censorship. That was the time of negotiations. We had dozens of meetings, both with the Contadora group and the direct negotiations between us and the Sandinistas.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. RITTER. I yield to my colleague, the gentleman from Pennsylvania.

Mr. WALKER. The gentleman from New York asked a specific question, and I think maybe the answer to his question is that there are members of the democratic resistance in Nicaragua that are in Costa Rica and Honduras for the same reason that there are freedom fighters in Afghanistan in Pakistan. The fact is that if you are fighting a guerrilla movement, you basically need safe places to go to.

The gentleman I think has told us that he fought in Vietnam. I was in the military during the Vietnam era. I was not there. But in talking to many of my generation who——

Mr. MRAZEK. I did not say I fought in Vietnam. I said I volunteered for the service at the time and was in military service, as the gentleman was.

Mr. WALKER. Yes. I, too, served during that time, and I remember talking to my friends at that time who were in Vietnam. One of the most frustrating things in Vietnam was the fact that the Vietcong kept escaping into Cambodia where we were not allowed to go. Guerrilla movements have tended to always have those kinds of safe havens as a part of their tactics, and the gentleman from Pennsylvania I think makes a very good point, one of the reasons why they have had to retreat to those safe havens right now is that they do not have any equipment to sustain their drive.

Mr. MRAZEK. Oh, please, let me have an opportunity to respond.

Mr. RITTER. What the gentleman is saying is true on both counts. But the fact is that they are very short of equipment.

So here is the bottom line——

Mr. MRAZEK. Is it possible for me to respond for even 15 seconds?

Mr. RITTER. I will let the gentleman respond.

The bottom line is that those fighting for democracy, those fighting to stop the Soviet-Cuban advance have been cut off by the Americans, and those fighting on behalf of the Soviets and the Cubans—and certainly these polls show, whether it is a local poll or Harris poll—that the people down there believe that the Nicaraguans are agents of the Soviets and Cubans, that those Nicaraguans are fully supported, armed to the teeth by the Soviets and the Cubans.

So you have a Soviet-Cuban proxy in the Sandinista Communists, armed to the teeth by them, fighting the democratic proxy which has had the rug pulled out, largely by this Congress, largely, I might add, by your own party.

So this is the imbalance that we face.

How can you withhold small amounts of support for those fighting for freedom when those who they are fighting against are receiving a vast—up to the billions—amount of dollars in hardware from the Soviet and Cuban Communists.

Mr. MRAZEK. Will the gentleman yield for 30 seconds?

Mr. RITTER. Do you perceive any threat whatsoever from a Soviet base and the full communization of Nicaragua? Do you see that as any problem whatsoever, given all the statements that the Sandinista director has made about exporting the revolution and being part of the world revolutionary movement and the justification of their existence being spreading international communism?

Mr. MRAZEK. It is a long question. Do I get a chance?

□ 2245

Mr. MRAZEK. Please, in the interest of fundamental truth, to begin with, do not confuse the Afghan freedom fighters with the Contras. The Afghan freedom fighters would fight with their bare hands against the Soviet invasion of their country. They are in their country, they are taking extraordinary casualties, they are fighting against nerve gas, they deserve our highest respect.

Do not compare the Afghan freedom fighters who are putting their lives and their families on the line to the Contras who are hiding in——

Mr. RITTER. I must respond to that. The gentleman in the well is probably the longest standing supporter in this House of the Afghan freedom fighters. I had organized an informal task group on Afghanistan long before the State Department had any involvement. Long before the committees of the Congress had any involvement.

Mr. MRAZEK. I applaud the gentleman when he is correct, and I must criticize the gentleman when he is incorrect. I applaud your support for the Afghan freedom fighters.

Mr. RITTER. There are very great cultural differences between Afghan freedom fighters and Nicaraguan freedom fighters. But this I will tell the gentleman being rather familiar, from personal experience in both places, with both groups, the Afghan freedom fighter does not conceive given his cultural background, of the types of social orders and democratic orders and pluralistic orders that the Nicaraguan freedom fighters perceive.

Mr. MRAZEK. Are we talking about people who are part of the national guard of Anastasio Somoza?

Mr. RITTER. You know, this is the biggest red herring I have ever heard. The amazing thing about this red herring is that there are probably more ex-Somocistas fighting with the Sandinista Communists, the more criminal elements fighting with the Sandinista Communists than there are fighting with the Contras. We have names, we have numbers and we can prove that.

This dragging out of the Somocistas, I would like to get one iota of consideration from the gentleman, whether he thinks that this Soviet-Cuban putsch, this communization of the Central American mainland, this construction of massive airfields and massive military training sites and all of this armor and all of these helicopters and all of this repression in this society, does the gentleman for a moment have any reservations about what is going on there?

Mr. MRAZEK. May I respond?

Mr. RITTER. Indeed.

Mr. MRAZEK. We are talking about a very poor country with a population of approximately 3 million people surrounded by a number of other nations that are emerging democracies. All of whom want to see the problem in Nicaragua resolved. Who want to see the Sandinista government brought under control, but who have a different approach than you do.

They share a common culture and a common language with Nicaragua. They think that it is possible to negotiate a solution in which there would be a removal of all foreign forces, all Cubans, all Soviets. That is what they say. These are our allies. This is what the President of Costa Rica says; this is what the President of Colombia says.

Mr. RITTER. They say more than that. The gentleman needs to yield on this point.

They say much more than that. Yes, they want foreign forces out. But they also want the kinds of changes taking place internally within Nicaragua that will insure safety, not tomorrow or in June or in September or 2 years from now, but will insure a kind of long-term safety because they do not trust the Communist government in Nicaragua. They know their leanings. They have read the materials; they have read the documents. They know their participation in this Soviet, Communist international movement. They feel that for safety's sake they need internal changes. Those are changes proposed in Contadora. Those are the elements of change that the Sandinistas themselves purported when they took power in a broad democratic front but have denied, all along have denied their own people.

Now, I guess it boils down to this: What makes the gentleman think that not having given an inch in this direction during 16 months of no U.S. military assistance, no U.S. advice, no U.S. humanitarian assistance, what makes the gentleman think that all of a sudden these hard-boiled Communists are going to all of a sudden get religion and adopt democracy or the trappings of a pluralistic, more open society when there is no pressure whatsoever to do so?

Mr. MRAZEK. Because if the gentleman will give me my 10 or 15 seconds you have been gracious to give me on occasion, I would simply suggest to you that the Contadora nations that surround Nicaragua right now do business with Nicaragua.

We have an embargo in Nicaragua, but none of our allies do, and the key to getting an agreement that we would accept, that Nicaragua would then either be in a position to accept or reject, would put them on the dime, so to speak. If they reject it, it would be encumbent on all of those allies that we have down there to quarantine Nicaragua, to economically and politically and socially quarantine Nicaragua and that would have an impact on that country. Undeniably it would have an impact on that country.

Mr. RITTER. I do not say undeniably. As a matter of fact, the impact could be quite minimal, Nicaragua's economy is more and more integrated with the east bloc economy, they are building massive Soviet-style courts and transit areas for importing goods from outside. I do not think it is at all essential. Nicaragua will survive, the people will be poverty stricken, communism will destroy their economy, but I can tell you this: The leadership will continue to live in the best houses, they will continue to have wild parties, they will continue to drive Mercedes.

Mr. MRAZEK. Are we talking about the Philippines or Nicaragua now?

Mr. RITTER. We are talking about Nicaragua. You know, it is interesting, the gentleman and his party, were all for intervening six ways to Sunday in the Philippines to bring democracy to that country so that stability could come to that region so that American security and East Asian security would be fulfilled.

I agree, but it is really kind of interesting that the gentleman and his party, when it comes to doing something about bringing democracy to Nicaragua, do not touch it with a 10-foot pole. I have not heard Members of the gentleman's party get up here in 1-minute speeches or special orders complaining about the lack of human rights in Nicaragua. Believe me, the lack of human rights in Nicaragua are far more substantial than the lack of human rights in the Philippines.

Mr. MRAZEK. But I have not heard the gentleman criticize the lack of human rights in Chile which needless to say are far more repressive than anything that is taking place in Nicaragua.

Mr. RITTER. Oh, the gentleman speaks totally out of line. Chile is free paradise compared to Nicaragua. I am not going to say good things about the Chilean military regime; no. I would like to see it shift toward democracy.

The interesting thing about it is in Latin America today, about 90 percent of the people are livng under democratic rule. What a marvelous victory for our way of life and our way of thinking. I think you can trace it back to Jimmy Carter's emphasis on human rights and Ronald Reagan's maintaining that emphasis, but maintaining a strong America so that these countries could move toward democracy, understand where the United States stood and not feel in a position to be destabilized and therefore, they could move into the high-risk area of free elections.

This is all taking place. What has happened in Nicaragua? The absolute opposite. By the way, all of these regimes were rightwing regimes, they were generally military regimes, military juntas, and they shifted and they changed. Franco's regime shifted and changed in Spain. The Greek colonels' regime shifted and changed in Greece. We have seen quite a few examples of the shift in change, but it has never happened, it has never happened from a Communist country. Never. N-e-v-e-r.

The only shift and change in a Communist government came because the United States moved into Grenada. That is the only situation of its kind since the Communist revolution in 1917. That is an amazing historical record.

I would like to just refer to some other views of the people of Central America as pointed out in a poll taken between June and November of 1985. It was done by a Costa Rican affiliate of the Gallup organization. In each country 800 persons were polled, they were a representative sample of adults with at least 1 year of secondary school. Independent opinion surveys are not permitted in Nicaragua so it was all the surrounding countries.

Central Americans generally hold that Salvadoran elections have been honest while those in Nicaragua are seen as having been dishonest. Nicaragua was named as the country trying most to weaken their own governments. That was the view of 70 percent in Costa Rica, 63 percent in Honduras, 52 percent in El Salvador. Nicaragua was identified as the country posing the greatest military threat to their own countries. That was the view of 87 percent in Costa Rica, 79 percent in Honduras, 56 percent in El Salvador.

□ 2255

Nicaragua was viewed as the country most likely to attack their own countries. That was the view of 64 percent in Costa Rica, 67 percent in Honduras. Three-fourths of those interviewed in Costa Rica favor United States aid to the Nicaraguan democratic resistance forces, while that policy is supported by a 2-to-1 margin in the other countries.

The majority also approved United States military aid to El Salvador and United States military presence in the region is seen favorably.

The United States was identified overwhelmingly as the country helping these countries to defend themselves. That was the view of 84 percent of the people in Costa Rica, 97 percent of the people in Honduras and 84 percent of the people in El Salvador.

Mr. MRAZEK. If the gentleman will yield long enough, I would like to thank him for allowing me to participate in this debate tonight. That is all I wanted to say.

Mr. RITTER. Well, I appreciate the gentleman's comments, but again, before the gentleman leaves, I would like one inkling of his concern that what has happened in Nicaragua, the Soviet-Cuban military buildup, all the intelligence that we have, the building of major port facilities, the air fields, all of the subversion of their neighbors, the involvement of the Nicaraguans in the M-19 attack on the Palace of Justice in Bogota, the tracing of the weapons to the Sandinistas, the ceremony that took place with Thomas Borge himself, the Interior Minister there, at a memorial to the M-19 guerrillas who were killed when the Colombians moved back in. Is there one inkling from the gentleman that something has gone radically wrong there and this Communist enterprise poses some sort of threat to the region and to the hemisphere?

Mr. MRAZEK. Let me just respond to the gentleman by saying I am deeply concerned about the impact and influence of both Cuba and the Soviet Union through its shipment of weapons, crude as they might be, to the Nicaraguan Government.

Mr. RITTER. The MI-24, the gentleman makes his statement——

Mr. MRAZEK. If I might simply say, they have not shipped Migs, they have not shipped nuclear weapons to my knowledge to Nicaragua.

Mr. RITTER. They do not need Migs, they really do not. They are solidifying, consolidating their own Communist revolution. They are dealing in the fringes at their borders.

The MI-24 helicopter gunship, the Hind-D, is the most sophisticated counterinsurgency weapon in the world today and the gentleman is saying, crude as they may be, these weapons, certainly it is just wrong.

The MI-24's two fleets of MI-24's could dominate the entire region of Central America. They have a range to extend well beyond their own borders.

Mr. MRAZEK. We are spending hundreds of millions of dollars deploying up to 15,000 troops at a time in exercises in Honduras, well-equipped American troops. We are training the forces of many of our Central American neighbors.

Mr. RITTER. Does the gentleman disagree with that?

Mr. MRAZEK. No; I do not, but I am submitting to the gentleman that it is not necessary to exaggerate the threat to the American people when in fact our allies down there who have asked for our assistance when they need it say that this particular policy of supporting the Contras is a mistake. It is a mistake in terms of the joint commitment we have to try to build a stable democracy in that country and throughout that region.

I can only suggest in conclusion that I share the gentleman's concern over this kind of potential influence, but I submit that spending $100 million to support these individuals, the Contras, is a mistake. I think the American people agree it is a mistake, because fundamentally and deep down the American people know who is willing to commit themselves on their own behalf and fight for themselves and for their freedom and who needs the kind of crutch that our South Vietnamese partners needed awhile back in the seventies.

Mr. RITTER. I resent the gentleman comparing this situation with South Vietnam and I reclaim my time.

Mr. MRAZEK. I am sorry, because I certainly do not want to create any resentment with my colleague.

Mr. RITTER. Fighting for their freedom in Nicaragua, they are serious about reclaiming their country from a Communist dictatorship, which the gentleman and his party obviously thinks is not a threat or not a real significant problem. The gentleman talks about restoring democracy.

Listen, if the Contra armies had a miniscule fraction of what the Sandinista armies have, they could potentially take out the Sandinista government or put them in a position where they would have to negotiate.

Mr. MRAZEK. I thank the gentleman for offering me the time that he did.

Mr. RITTER. I thank the gentleman for participating in the debate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. GROTBERG (at the request of Mr. MICHEL), for today and the balance of the week, on account of illness.

Mr. MADIGAN (at the request of Mr. MICHEL), from 7:30 p.m. today and the balance of the week, on account of illness in the family.

Mr. TAYLOR (at the request of Mr. MICHEL), for today and the balance of the week, on account of attending a funeral.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SUNDQUIST) to revise and extend their remarks and include extraneous material:)

Mr. WALKER, for 60 minutes, today.
Mr. DAUB, for 30 minutes, March 13.
Mr. RITTER, for 60 minutes, today.
Mr. CRAIG, for 60 minutes, March 19.

(The following Members (at the request of Mr. WEISS) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.
Mr. MONTGOMERY, for 5 minutes, today.
Mr. WEISS, for 5 minutes, today.
Mr. RODINO, for 5 minutes, today.
Mr. PANETTA, for 5 minutes, today.
Mr. FASCELL, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. BEDELL, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $3,198.

(The following Members (at the request of Mr. SUNDQUIST) and to include extraneous matter:)

Mr. COURTER in two instances.
Mr. ROTH.
Mr. GILMAN in three instances.
Mr. HILLIS.
Mr. RITTER in two instances.
Mr. DAUB.
Mr. MORRISON of Washington.
Mr. GEKAS in two instances.
Mr. YOUNG of Alaska.
Mr. KEMP in two instances.
Mr. MCEWEN.
Mr. DENNY SMITH.
Mr. BLILEY in 11 instances.
Mr. GRADISON.
Mr. FRANKLIN in two instances.
Mr. BURTON of Indiana.

(The following Members (at the request of Mr. WEISS) and to include extraneous matter:)

Mr. LIPINSKI in two instances.
Mr. COLEMAN of Texas.
Mr. DYSON.
Mr. SKELTON.
Mr. VENTO.
Mr. SOLARZ.
Mr. WYDEN.
Mr. NATCHER.
Mr. RANGEL.
Mr. FASCELL in two instances.
Mr. YATRON.
Mr. HAMILTON.
Mr. FORD of Michigan.
Mr. DASCHLE in five instances.
Mr. APPLEGATE.
Mr. DWYER of New Jersey.
Mr. PEPPER.
Mr. EDWARDS of California.
Mr. HUBBARD.
Mr. TORRICELLI.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1614. An act entitled the "Food Security Improvements Act of 1986"; and

H.J. Res. 345. Joint resolution to designate March 1986, as "Music in Our Schools Month."

SENATE BILL AND JOINT RESOLUTIONS REFERRED

A bill and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1889. An act to amend title 11 of the United States Code, relating to bankruptcy, to prevent discharge of administratively ordered support obligations; to the Committee on the Judiciary.

S.J. Res. 205. Joint resolution to designate March 21, 1986 as "National Energy Education Day"; to the Committee on the Post Office and Civil Service.

S.J. Res. 273. Joint resolution to designate the week of March 9, 1986 through March 15, 1986 as "National Development Disabilities Awareness Week"; to the Committee on the Post Office and Civil Service.

S.J. Res. 275. Joint resolution designating May 11 through May 17, 1986 as "Jewish Heritage Week"; to the Committee on the Post Office and Civil Service.

S.J. Res. 276. Joint resolution to designate February 19, 1987 as "National Day for Federal Retirees"; to the Committee on the Post Office and Civil Service.

S.J. Res. 285. Joint resolution to designate the week of May 11, 1986 through May 17, 1986, as "National Osteoporosis Awareness Week of 1986"; to the Committee on the Post Office and Civil Service.

ADJOURNMENT

Mr. MRAZEK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 1 minute p.m.) the House adjourned until tomorrow, Thursday, March 13, 1986, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from

the Speaker's table and referred as follows:

2973. A letter from the Comptroller General of the United States, transmitting a report on a rescission proposal contained in the President's third special message for fiscal year 1986, pursuant to 2 U.S.C. 685 (H. Doc. No. 99-181); to the Committee on Appropriations and ordered to be printed.

2974. A letter from the Executive Associate Director, Office of Management and Budget, transmitting a report that the appropriation to the Veterans' Administration for "Compensation and Pensions" for fiscal year 1986 has been reapportioned on a basis that indicates the necessity for a supplemental estimate of appropriation, pursuant to 31 U.S.C. 1515(b)(2); to the Committee on Appropriations.

2975. A letter from the Deputy Assistant Secretary (Military Manpower and Personnel Policy) Department of Defense, transmitting a report on special pay for duty subject to hostile fire, covering the period January 1 through December 31, 1985, pursuant to 37 U.S.C. 310(d); to the Committee on Armed Services.

2976. A letter from the Deputy Assistant Secretary (Military Manpower and Personnel Policy) Department of Defense, transmitting the calendar year 1985 report concerning officer responsibility pay, pursuant to 37 U.S.C. 306(f); to the Committee on Armed Services.

2977. A letter from the General Counsel, Department of Energy, transmitting a draft of proposed legislation to authorize appropriations for the Department of Energy for national security programs for fiscal year 1987 and fiscal year 1988, and for other purposes; to the Committee on Armed Services.

2978. A letter from the Assistant Attorney General, Department of Justice, transmitting notification of the results of the Department's review of H.R. 1524; to the Committee on Education and Labor.

2979. A letter from the Secretary of State, transmitting notification of the President's intention to authorize the furnishing of up to $10 million in emergency military assistance to Chad, pursuant to 22 U.S.C. 2318(b)(2) and 22 U.S.C. 2411; to the Committee on Foreign Affairs.

2980. A letter from the Administrator, Small Business Administration, transmitting SBA's 1985 Freedom of Information Act report, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2981. A letter from the Assistant Secretary for Administration, Department of Commerce, transmitting a report of the Department's activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2982. A letter from the Chairman, Board of Directors, Tennessee Valley Authority, transmitting a report of activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2983. A letter from the Chairman, Navajo and Hopi Indian Relocation Commission, transmitting a report on the Commission's compliance with the requirements of the internal accounting and administrative control system during the year ended December 31, 1985, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2984. A letter from the Director, Equal Employment Opportunity Commission, transmitting the Commission's 1985 Freedom of Information Act report, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2985. A letter from the General Counsel, Administrative Conference of the United States, transmitting the 1985 Freedom of Information Act report, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2986. A letter from the Deputy Federal Inspector, Office of the Federal Inspector, Alaska Natural Gas Transportation System, transmitting a report of activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2987. A letter from the Secretary of Labor, transmitting the Department's 1985 Freedom of Information Act report, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2988. A letter from the Chairman, Federal Election Commission, transmitting 24 recommendations for legislative action, pursuant to Public Law 92-225, section 307(d)(2) (93 Stat. 1354, 1356); to the Committee on House Administration.

2989. A letter from the Secretaries of Agriculture and of the Interior, transmitting a copy of the grazing fee review and evaluation report and the experimental stewardship report, pursuant to Public Law 95-514, section 12; to the Committee on Interior and Insular Affairs.

2990. A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to amend the Land and Water Conservation Fund Act of 1965, as amended, to permit the use of park entrance, admission, and recreation use fees for the operation of the National Park System, and for other purposes; to the Committee on Interior and Insular Affairs.

2991. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the National Oceanic and Atmospheric Administration Marine Fisheries Program Authorization Act to authorize appropriations for fiscal years 1987 and 1988; to the Committee on Merchant Marine and Fisheries.

2992. A letter from the Special Counsel, U.S. Merit Systems Protection Board, transmitting the results of his review of the Secretary of the Interior's investigation into allegations of a violation of law and regulation, mismanagement, gross waste of funds and abuse of authority by officials of the Golden Gate National Recreation Area, National Park Service, pursuant to 5 U.S.C. 1206(b)(5)(A) (92 Stat. 1125); to the Committee on Post Office and Civil Service.

2993. A letter from the Acting Administrator, Veterans' Administration, transmitting a draft of proposed legislation to amend title 38, United States Code, to increase the rates of compensation for disabled veterans and the rates of dependency and indemnity compensation for surviving spouses and children of veterans, and for other purposes; to the Committee on Veterans' Affairs.

2994. A letter from the Secretary of Labor, transmitting a report on the expenditure and need for worker adjustment assistance training funds under the Trade Act of 1974, as amended, during the fourth quarter of fiscal year 1985, pursuant to Public Law 93-618, section 236(a)(2) (95 Stat. 885); to the Committee on Ways and Means.

2995. A letter from the Secretary of Health and Human Services, transmitting a report on increasing the SSI resource levels, as required by the conference report accompanying the Deficit Reduction Act of 1984; to the Committee on Ways and Means.

2996. A letter from the Attorney General, Department of Justice, transmitting the 1985 annual report on the number of applications that were made for orders and extension of orders approving electronic surveillance under the Foreign Intelligence Surveillance Act, pursuant to 50 U.S.C. 1807; jointly, to the Committee on the Judiciary and the Permanent Select Committee on Intelligence.

2997. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend title II of the Marine Protection, Research, and Sanctuaries Act of 1972, as amended, to authorize appropriations for fiscal years 1987 and 1988; jointly, to the Committees on Merchant Marine and Fisheries and Science and Technology.

2998. A letter from the Administrator, General Services Administration, transmitting the annual report regarding the accessibility standards issued, revised, amended, or repealed under the Architectural Barriers Act of 1968, as amended, pursuant to Public Law 90-480, section 7(a) (90 Stat. 2508); jointly, to the Committees on Public Works and Transportation and Education and Labor.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FROST: Committee on Rules. House Resolution 397. Resolution providing for the consideration of H. Con. Res. 296, resolution setting forth the congressional budget for the U.S. Government for the fiscal years 1987, 1988, and 1989 (Rept. 99-491). Referred to the House Calendar.

Mr. HALL of Ohio: Committee on Rules. House Resolution 398. Resolution waiving certain points of order against consideration of the conference report and an amendment reported from conference in disagreement on H.J. Res. 534, resolution making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes (Rept. 99-492). Referred to the House Calendar.

Mr. WHITTEN: Committee of Conference. Conference report on House Joint Resolution 534 (Rept. 99-493) Ordered to be printed.

Mr. MICA: Committee on Foreign Affairs. H.R. 4151. A bill to provide for the security of U.S. diplomatic personnel, facilities, and operations, and for other purposes; with amendments (Rept. 99-494). Referred to the Committee of the Whole House on the State of the Union.

ADVERSE REPORTS

Under clause 2 of rule XIII,

Mr. HAMILTON: Permanent Select Committee on Intelligence House Joint Resolution 540. Joint resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985. (Adverse Rept. 99-483 Pt. 4). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. JENKINS:

H.R. 4379. A bill to amend the Internal Revenue Code of 1954 to provide that nonrecognition of gain on the sale of a principal residence shall apply where one of the spouses who occupied the old residence dies before occupying the new residence; to the Committee on Ways and Means.

By Mr. WHITTEN:

H.R. 4380. A bill making urgent supplemental appropriations for the fiscal year ending September 30, 1986, and for other purposes to the Committee on Appropriations.

By Mr. DUNCAN (by request):

H.R. 4381. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to provide interim financing and borrowing authority, and for other purposes; jointly, to the Committees on Energy and Commerce, Public Works and Transportation, and Ways and Means.

By Mr. BLILEY:

H.R. 4382. A bill to require the Architect of the Capitol to place a plaque at the original site of Providence Hospital; to the Committee on Public Works and Transportation.

By Mr. COATS:

H.R. 4383. A bill to establish a Department of Trade as an executive department of the Government of the United States, and for other purposes; to the Committee on Government Operations.

By Mr. DASCHLE (for himself, Mr. MCEWEN, Mr. MONTGOMERY, Mr. HAMMERSCHMIDT, Mr. EVANS of Illinois, Ms. KAPTUR, Mr. BRYANT, Mr. FLORIO, Mr. GRAY of Illinois, Mr. WYLIE, Mr. SOLOMON, and Mr. HENDON):

H.R. 4384. A bill to amend title 38, United States Code, with respect to veterans' readjustment appointments; to the Committee on Veterans' Affairs.

By Mr. GRAY of Illinois (by request):

H.R. 4385. A bill to provide limits and procedures in certain civil cases; to the Committee on the Judiciary.

By Mr. GREEN:

H.R. 4386. A bill to amend the Federal Election Campaign Act of 1971 to provide for financing of general election campaigns for the House of Representatives; to the Committee on House Administration.

By Mr. LEACH of Iowa:

H.R. 4387. A bill to amend the Federal Deposit Insurance Act to establish an emergency temporary procedure to facilitate the restructuring of certain agricultural loans by agricultural banks, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. MCEWEN:

H.R. 4388. A bill to amend title 18, United States Code, to authorize prosecution of terrorists who attack United States nationals abroad, and for other purposes; to the Committee on the Judiciary.

By Mr. MICA:

H.R. 4389. A bill to amend the Export Administration Act of 1979 to prohibit certain actions to be taken by United States persons with respect to foreign officials; to the Committee on Foreign Affairs.

By Mr. WYDEN:

H.R. 4390. A bill to provide for State committees to review good faith professional review activities of health care entities, to require collection and dissemination to hospitals of information concerning certain payments in medical malpractice actions and certain adverse licensure decisions, and for other purposes; jointly, to the Committees on Ways and Means, and Energy and Commerce.

By Mr. MONTGOMERY (for himself, Mr. HAMMERSCHMIDT, Mr. EDGAR, Mr. WYLIE, Mr. APPLEGATE, Mr. HILLIS, Mr. SHELBY, Mr. MCEWEN, Mr. MICA, Mr. SMITH of New Jersey, Mr. DASCHLE, Mr. SUNDQUIST, Mr. DOWDY of Mississippi, Mr. BILIRAKIS, Mr. EVANS of Illinois, Mr. MOLINARI, Ms. KAPTUR, Mr. RIDGE, Mr. MOLLOHAN, Mr. HENDON, Mr. STAGGERS, Mr. ROWLAND of Connecticut, Mr. ROWLAND of Georgia, Mr. FLORIO, Mr. GRAY of Illinois, and Mr. KANJORSKI):

H.R. 4391. A bill to amend title 38, United States Code, to exempt from any requirement for sequestration of appropriated funds any amounts available to provide certain benefits to veterans with service-connected disabilities; to the Committee on Veterans' Affairs.

By Mr. RICHARDSON:

H.R. 4392. A bill to amend the Public Health Service Act to provide Federal financial assistance for the control of plague; to the Committee on Energy and Commerce.

By Mr. SWIFT (for himself, Mr. DICKINSON, Mr. SCHUMER, and Mr. HUTTO):

H.R. 4393. A bill to consolidate and improve provisions of law relating to absentee registration and voting in elections for Federal office by members of uniformed services and persons who reside overseas; to the Committee on House Administration.

By Mr. SWIFT (for himself, Mr. MORRISON of Washington, and Mr. STANGELAND):

H.R. 4394. A bill to amend the Price-Anderson provisions of the Atomic Energy Act of 1954 to establish liability and indemnification for nuclear incidents arising out of Federal storage, disposal, and related transportation of radioactive waste; jointly, to the Committees on Energy and Commerce, and Interior and Insular Affairs.

By Mr. GONZALES (for himself, and Mr. MCKINNEY):

H.J. Res. 563. Joint resolution to provide for the temporary extension of certain programs relating to housing and community development, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. DEWINE (for himself, Mr. LAGOMARSINO, Mr. WORTLEY, Mr. DAUB, Mr. BARTLETT, Mr. SUNIA, Mr. DONNELLY, Mr. SCHAEFER, Mr. WOLF, Mr. BRYANT, Mr. REID, Mr. HORTON, Mr. KASICH, Mr. MINETA, Mr. MCKERNAN, Mr. MATSUI, Mr. NIELSON of Utah, Mr. ROGERS, Mr. DANNEMEYER, and Mrs. HOLT):

H.J. Res. 564. Joint resolution to designate September 1986 as "Partnerships in Education Month; to the Committee on Post Office and Civil Service.

By Mrs. KENNELLY:

H.J. Res. 565. Joint resolution disapproving several proposed deferrals of budget authority for Department of Housing and Urban Development programs; to the Committee on Appropriations.

By Mr. LUJAN:

H.J. Res. 566. Joint resolution to designate April 19, 1986, as "National Infantry Day;" to the Committee on Post Office and Civil Service.

By Mr. PANETTA:

H. Con. Res. 297. Concurrent resolution setting forth the congressional budget for the U.S. Government for the fiscal year 1987; to the Committee on the Budget.

By Mr. RANGEL:

H. Con. Res. 298. Concurrent resolution expressing the sense of the Congress that the United States should support the courageous efforts of Bishop Desmond Tutu to peacefully end racial segregation in the Republic of South Africa; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

308. By the SPEAKER: Memorial of the legislature of the State of California, relative to harbor emergency response services; to the Committee on Public Works and Transportation.

309. Also, memorial of the Senate of the State of Michigan, relative to a study of the Great Lakes water system; to the Committee on Public Works and Transportation.

310. Also, memorial of the general assembly of the State of Indiana, relative to the concept of tax-exempt financing to provide lower interest rates to American farmers; jointly, to the Committees on Agriculture and Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DUNCAN:

H.R. 4395. A bill to provide that section 6248 of title 10, United States Code, shall not apply to an award of a Silver Star to Raymond Anderson, and for other purposes; to the Committee on Armed Services.

By Mr. RICHARDSON:

H.R. 4396. A bill for the relief of Frank H. Gammache, Jr.; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 147: Mr. WHEAT, Mr. BATES, and Mr. GLICKMAN.

H.R. 471: Mr. SOLOMON.

H.R. 780: Mr. SLATTERY.

H.R. 864: Mr. JONES of Oklahoma.

H.R. 945: Mr. PENNY and Mr. BURTON of Indiana.

H.R. 1400: Mr. DASCHLE, Mr. HUBBARD, Mr. BROWN of California, Mr. HAMMERSCHMIDT, Mr. DICKS, Mr. PENNY, Mrs. LLOYD, Mr. ROGERS, Mr. DURBIN, Mr. LELAND, and Mr. MINETA.

H.R. 1416: Mr. KILDEE.

H.R. 1507: Mr. MCDADE and Mr. YATRON.

H.R. 1607: Mr. HAWKINS and Mr. MARTINEZ.

H.R. 1769: Mr. MARTIN of New York.

H.R. 1780: Mr. BLILEY, Mr. UDALL, and Mr. JONES of North Carolina.

H.R. 1840: Mr. BEVILL.
H.R. 2210: Mr. ROBINSON.
H.R. 2952: Mr. ST GERMAIN.
H.R. 3006: Mr. YATRON.
H.R. 3042: Mr. VENTO.
H.R. 3263: Mr. LAFALCE, Mr. DE LA GARZA, Mr. WORTLEY, and Mr. GALLO.
H.R. 3426: Mr. BARTON of Texas, Mr. GILMAN, and Mr. TAUKE.
H.R. 3582: Mr. LEWIS of California.
H.R. 3690: Mr. LOWRY of Washington.
H.R. 3800: Mr. HENRY, Mr. CROCKETT, Mr. EDWARDS of Oklahoma, Mr. SENSENBRENNER, Mr. DAVIS, Mr. DERRICK, Mr. EMERSON, Mr. BADHAM, Mr. JACOBS, Mr. CHAPPIE, Mr. ANDREWS, Mr. PARRIS, Mr. FAZIO, Mr. SPRATT, Mr. CARR, Mr. MCEWEN, Mr. BONIOR of Michigan, Mr. TRAXLER, Mr. PURSELL, Mr. CAMPBELL, Mr. OXLEY, Mr. APPLEGATE, Mr. STALLINGS, Mr. HYDE, Mr. BATES, Mr. FORD of Michigan, Mr. FAUNTROY, Mr. O'BRIEN, Mr. HERTEL of Michigan, Mr. PORTER, Mr. HUNTER, Mr. FLIPPO, Mr. ROTH, Mr. BEVILL, Mr. CHANDLER, Mr. FEIGHAN, Mr. HAWKINS, Mr. CHENEY, Mr. EVANS of Iowa, Mr. KLECZKA, Mr. BROWN of California, Mrs. JOHNSON, Mr. MCCANDLESS, Mr. HANSEN, Mr. FIELDS, Mr. LEWIS of California, Mrs. MARTIN of Illinois, Mr. FOGLIETTA, Mr. DANNEMEYER, Mr. ROYBAL, and Mr. BOSCO.
H.R. 3946: Mr. BOEHLERT.
H.R. 4003: Mr. WOLPE, Mr. BONIOR of Michigan, Mr. ACKERMAN, Mr. SEIBERLING, Mr. APPLEGATE, Mr. MILLER of California, and Mr. VENTO.
H.R. 4020: Mr. RANGEL, Mr. KOLTER, and Mr. CROCKETT.
H.R. 4034: Mr. MARTINEZ, Mr. BEDELL, Mr. EMERSON, Mrs. BYRON, Mr. TOWNS, Mr. MONSON, Mr. FIELDS, Mr. MORRISON of Connecticut, Ms. MIKULSKI, and Mr. OBERSTAR.
H.R. 4041: Mr. SWINDALL.
H.R. 4093: Mr. RANGEL and Mr. MARTINEZ.
H.R. 4096: Mrs. LONG, Mr. EVANS of Iowa, and Mr. LEWIS of Florida.
H.R. 4151: Mr. FASCELL, Mr. BROOMFIELD, Mr. LEVINE of California, Mr. GILMAN, Mr. SMITH of Florida, Mr. MCCAIN, Mr. STUDDS, Mr. BARNES, Mr. WOLPE, Mr. DYMALLY, Mr. JONES of North Carolina, Mr. LENT, Mr. BIAGGI, Mr. HOWARD, Mr. YOUNG of Missouri, Mr. RODINO, Mr. EDWARDS of California, Mr. HAMILTON, Mr. YATRON, Mr. SOLARZ, Mr. GEJDENSON, Mr. LANTOS, Mr. TORRICELLI, Mr. FEIGHAN, Mr. REID, Mr. ACKERMAN, Mr. GARCIA, Mr. SOLOMON, Mr. BEREUTER, Mr. SILJANDER, Mr. DEWINE, and Mr. WEISS.
H.R. 4186: Mr. FORD of Michigan, Mrs. BENTLEY, Mr. CLINGER, Mr. MCDADE, Mr. LEVINE of California, Mr. SMITH of Florida, Mr. REID, Mr. DORNAN of California, Mr. RANGEL, Mr. DURBIN, Mr. DWYER of New Jersey, Mr. GALLO, Mr. MARTINEZ, Mr. GLICKMAN, Mrs. BOXER, and Mr. WILSON.
H.R. 4195: Mr. DORGAN of North Dakota, Mr. ROE, Mr. FRANK, and Mr. JEFFORDS.
H.R. 4300: Mr. FOGLIETTA, Mr. MORRISON of Connecticut, Mr. PURSELL, Mr. SABO, Mr. HUGHES, Mr. LOWRY of Washington, Mr. MARTINEZ, Mr. MARKEY, Mr. MINETA, Mr. MOODY, and Mr. ROBINSON.
H.R. 4304: Mr. CRANE.
H.R. 4333: Mr. JONES of Oklahoma and Mr. RICHARDSON.
H.R. 4346: Mr. DANIEL.
H.J. Res. 131: Mr. BEREUTER, Mr. WEAVER, Mr. CARNEY, Mr. RUSSO, Mr. RINALDO, Mr. CHAPPELL, Mr. TORRES, Mr. BENNETT, Mr. MATSUI, Mr. COLEMAN of Missouri, Mr. BORSKI, Mr. CROCKETT, Mr. PETRI, and Mr. ORTIZ.
H.J. Res. 266: Mr. BRYANT, Mr. STOKES, Mr. BUSTAMANTE, Mr. FEIGHAN, Mr. FRANK, Mr. FUSTER, Mr. HATCHER, Mr. ORTIZ, Mr. PASHAYAN, Mr. RODINO, Mr. KEMP, Mr. LANTOS, Mr. LATTA, Mr. LEWIS of California, Mr. LOWRY of Washington, Mr. MCDADE, Mr. MONSON, Mr. MACK, Mr. MOORE, Mr. NICHOLS, Mr. TALLON, Mr. TRAXLER, Mr. BENNETT, Mr. CONYERS, Mr. WEISS, Mr. DELLUMS, Mr. BIAGGI, Mr. HANSEN, Mr. ROSE, Mr. TAUZIN, and Mr. SCHEUER.
H.J. Res. 297: Mr. FORD of Tennessee, and Mr. LUKEN.
H.J. Res. 336: Mr. ANDREWS, Mr. BORSKI, Mr. CHANDLER, Mrs. COLLINS, Mr. DICKS, Mr. FASCELL, Mr. GEPHARDT, Mr. HANSEN, Mr. JACOBS, Mr. LIPINSKI, Mrs. MEYERS of Kansas, Mr. PENNY, Mr. PICKLE, Mr. STALLINGS, Mr. VANDER JAGT, and Mr. BOSCO.
H.J. Res. 379: Mr. COLEMAN of Texas, Mr. BONER of Tennessee, Mr. TOWNS, Mr. DOWDY of Mississippi, Mr. DANNEMEYER, Mr. BARNES, Mr. NEAL, Mr. BERMAN, Mr. MARKEY, Mr. RAHALL, Mr. HENRY, Mr. MINETA, and Mr. KILDEE.
H.J. Res. 381: Mr. DE LA GARZA, Mr. LEVINE of California, Mr. BIAGGI, Mr. LEVIN of Michigan, Mr. MARTINEZ, Mr. BROOKS, Mr. WILSON, Mr. VENTO, Mr. JONES of North Carolina, Mr. OWENS, Mr. PRICE, Mr. MCDADE, Mr. MCCOLLUM, and Mr. CHAPPELL.
H.J. Res. 425: Mr. COURTER.
H.J. Res. 435: Mr. BATES.
H.J. Res. 480: Mr. MARTINEZ, Mr. SMITH of Florida, Mr. DANNEMEYER, Mr. ROE, Mr. TRAXLER, Mr. TAUZIN, Mr. TOWNS, Mr. LAGOMARSINO, Mrs. HOLT, and Mr. OWENS.
H.J. Res. 492: Mr. LEVIN of Michigan, Mr. OBERSTAR, Mr. KOLBE, Mr. SABO, Mr. BENNETT, Mr. LUKEN, Mr. FOWLER, Mr. COYNE, Mr. HUGHES, Mrs. BENTLEY, Mr. MOORHEAD, Mr. LUJAN, Mr. EDGAR, and Mr. MARTINEZ.
H.J. Res. 504: Mr. GALLO, Mr. HUGHES, Mr. REID, Mr. SKELTON, and Mr. WEISS.
H.J. Res. 508: Mr. SWINDALL, Mr. PANETTA, and Mr. KILDEE.
H.J. Res. 516: Mr. SYNAR, Mr. LEVIN of Michigan, Mr. MATSUI, Mrs. COLLINS, Mr. LEWIS of Florida, Mrs. LLOYD, Mr. SCHEUER, Mr. BEVILL, Mr. FAZIO, Mr. MCGRATH, and Mr. UDALL.
H.J. Res. 526: Mr. O'BRIEN, Mr. WORTLEY, Mrs. HOLT, Mr. LOWERY of California, Mr. LAGOMARSINO, Mr. TOWNS, Mr. MINETA, Mr. DAUB, Mr. HAYES, Mr. LIPINSKI, Mr. BEDELL, Mr. LUNGREN, Mr. BRYANT, Mrs. BENTLEY, Mr. MCDADE, Mr. KANJORSKI, Mr. BLILEY, Mr. WEISS, Mr. COYNE, Mr. LEWIS of Florida, Mr. OLIN, Mr. CHAPPELL, Mr. LUJAN, Mr. CARNEY, Mr. WOLF, Mr. FRANKLIN, Mr. LEWIS of California, Mr. DE LA GARZA, Mr. CALLAHAN, Mr. MOORE, Mr. BROOKS, Mr. HEFNER, Mr. DANIEL, Mr. GONZALEZ, Mr. BOEHLERT, Mr. GRADISON, Mr. FAUNTROY, Mr. WALGREN, Mr. FUSTER, and Mr. FASCELL.
H.J. Res. 529: Mr. SAXTON, and Mr. MCEWEN.
H.J. Res. 531: Mr. BARNES, Mr. DE LUGO, Mr. MCGRATH, Mr. LELAND, Mr. HUGHES, Mr. VENTO, Mr. TRAXLER, Mr. HORTON, Mr. BLILEY, Mr. MARKEY, and Mr. BORSKI.
H.J. Res. 537: Mr. GREEN, Mr. SMITH of New Hampshire, Mr. CONTE, Mr. BROWN of Colorado, Mr. LIVINGSTON, Mr. BLILEY, Mr. LEVINE of California, Mr. HORTON, Mr. ROTH, Mr. DORNAN of California, Mr. DANIEL, Mr. BRYANT, Mr. WORTLEY, Mr. WEBER, Mr. HUNTER, Mr. MCGRATH, Mr. CARPER, Mr. HAMILTON, Mr. GINGRICH, Ms. MIKULSKI, Mr. WILSON, Mrs. BENTLEY, Mr. MOORHEAD, Mr. SMITH of Florida, Mr. DAUB, Mr. SAXTON, Mr. KOLBE, Mr. MONSON, Mr. SOLOMON, Mr. GILMAN, Mr. SMITH of New Jersey, Mr. SOLARZ, and Mr. LEACH of Iowa.
H.J. Res. 539: Mr. NEAL, Mr. WORTLEY, Mr. RANGEL, Mr. GALLO, Mr. TALLON, Mr. HOWARD, Mr. TRAXLER, Mr. DWYER of New Jersey, Mr. MARTINEZ, Mr. DE LUGO, Mr. DE LA GARZA, Mr. MARKEY, Mr. BEDELL, and Mr. KANJORSKI.
H.J. Res. 543: Mr. DICKINSON, Mr. MOLLOHAN, Mrs. BURTON of California, Mrs. LONG, Mr. NICHOLS, Mr. WEAVER, Ms. SNOWE, Mr. MCKERNAN, Mr. MOORHEAD, Mr. ECKERT of New York, Mr. WHITTAKER, Mrs. BYRON, Mr. SNYDER, Mr. DARDEN, Mr. FROST, Mr. GUARINI, Mr. MCMILLAN, Mr. RUSSO, Mr. WHEAT, Mr. MACK, and Mr. ROGERS.
H.J. Res. 544: Mr. NIELSON of Utah, Mr. MARTINEZ, Mr. FAZIO, Mr. NEAL, Mr. CONYERS, Mr. MATSUI, Mr. O'BRIEN, Mr. SAVAGE, Mr. LOWRY of Washington, Mr. DE LA GARZA, Mr. STUMP, Mr. MCCAIN, Mr. DAUB, Mr. ROE, Mr. SKELTON, Mr. TRAXLER, Mr. MONSON, Mr. HUGHES, and Mr. GUARINI.
H.J. Res. 556: Mr. LELAND, Mr. HUGHES, Mr. MILLER of California, Mr. BONER of Tennessee, Mr. ACKERMAN, Mr. TOWNS, Mr. CROCKETT, Mr. VALENTINE, Mr. SABO, Mr. WAXMAN, Mr. SCHEUER, Mr. MACKAY, and Mr. DE LA GARZA.
H. Con. Res. 261: Mr. WIRTH, Mr. GLICKMAN, Mr. BERMAN, Mr. BARNES, Mr. MARTINEZ, and Mr. OBERSTAR.
H. Con. Res. 272: Mr. DE LUGO.
H. Con. Res. 279: Mr. BARTON of Texas, Mr. BROOKS, Mr. RALPH M. HALL, and Mr. BOULTER.
H. Res. 60: Mr. CRANE.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

286. By the SPEAKER: Petition of John R. Lopez, Washington, DC, relative to the education of the deaf systems; to the Committee on Education and Labor.

287. Also, petition of Carol Barber, et al., Adair Standish Corp., Standish, MI, relative to union representation; to the Committee on Education and Labor.

EXTENSIONS OF REMARKS

TORT LAW CRISIS

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. RITTER. Mr. Speaker, continuing in my effort to bring pertinent information on the tort law crisis to the attention of my colleagues, I trust they will find this March 10, 1986, Robert J. Samuelson article from Newsweek of interest.

[From Newsweek, Mar. 10, 1986]

THE LAWYERING OF AMERICA

(By Robert J. Samuelson)

We are now seeing the glimmers of a new legal crisis in America. It arises from the clamor over liability insurance and a vague unease that lawyers are exercising too much influence. The United States now has more lawyers (an estimated 675,000 of them in 1985) per capita than any other major nation. Since 1950, their numbers have grown twice as fast as the population. But our sense that lawyers are meddling too much sits awkwardly with the great American faith in law as a remedy for almost any ill. Or, as one book a few years ago put it, "Sue the B*st*rds."

The key to understanding this confusion—if not entirely dispelling it—is to grasp a basic truth. Lawyers and law firms are businesses, and their business is conflict. Creative lawyering often means exploiting or creating conflicts. Just as companies develop new products, so lawyers search for new legal theories on which to sue. Rights of action are lawyers' markets. But their economic self-interest—their legal innovations—may subvert their social usefulness. The civil-justice system's essential purpose is to resolve conflict, not to excite it.

It's often a pretense that lawyers represent other people's grievances rather than their own economic interests. There are thousands of cases where lawyers, not their supposed clients, are the main aggressors. In the early 1980s, for example, many new "high technology" companies sold stock to the public. Many of these admittedly speculative stocks subsequently collapsed. Now there are dozens of suits against these companies, their officers, accountants and insurance companies alleging that investors were mislead. But the suits have been brought by a few law firms on a contingency-fee basis. The lawyers—who typically take 30 percent or more of a settlement or damages—stand to win the most.

Of course, a rising tide of lawsuits is not the only reason for more lawyers. Greater government regulation, complicated tax rules and expanding international business have all contributed. But the growth of lawsuits also has a big multiplier effect. It requires defense lawyers and lawyers to advise people and companies how to avoid being sued. Consider the evidence of more litigation:

Since 1970, membership of the Association of Trial Lawyers of America has nearly tripled, to 60,000. (In the same period, all lawyers rose 90 percent). To belong, half a lawyer's work must be representing people in personal-injury cases.

The number of product-liability cases filed in federal courts has risen from 1,579 in 1975 to 10,745 in 1984. Although most cases are settled before trial, the volume of jury awards in product-liability and medical-malpractice suits roughly tripled between 1975 and 1984, says Jury Verdict Research Inc.

Since the mid-1970s, suits against officers and directors of public corporations—from shareholders, employees, customers and others—have more than doubled, according to The Wyatt Co., a Chicago actuarial firm. Many of these cases are contingency-fee cases.

To be fair, the liability-insurance mess—complaints from doctors, cities, counsulting engineers, day-care centers and others that insurance is too costly or unavailable—is not entirely the doing of lawyers. The insurance industry bears much of the blame. A few years ago companies lowered premiums to compete for business. They expected to earn lush profits by investing premium income at high interest rates. Declining interest rates wrecked that gamble and, combined with steep insurance losses, triggered premium increases and coverage cutbacks. But the insurers' blunder only mitigates the role of lawyers.

SIDE EFFECTS

If courts adopt expansive liability doctrines, then the costs—not just insurance—will be huge. The gravest danger is becoming a precautionary society. Unintended side effects are already emerging. The threat of suits has driven some drug companies from manufacturing vaccines; consulting engineers now refuse to work on hazardous sites for fear of suits. Companies are losing outside directors for lack of liability coverage. As attorney Peter Huber argues, courts deal poorly with the full social effects of products, like vaccines, whose public benefits overwhelm the risks. Courts see only mistakes. "Beneficiaries of risk-reducing products . . do not litigate," he writes.

Stating the problem is easier than solving it. Lawsuits are an important discipline on corporate and individual irresponsibility. They do compensate victims. There is no neat dividing line between too much or too little liability. But we can impose self-restraint on the legal system by treating lawyers for what they are—businesses. We need legal rules with proper economic incentives. In damage suits, the losing side should always pay the other side's legal fees. This would deter weak suits by reducing the pressure for expedient settlements that are less than the cost of litigation. And a losing defense would ultimately pay if its delays ran up the other side's costs.

These common-sense ideas strike many lawyers as radical. They aren't. One inevitable complaint is that having losers pay would make it tougher for people of modest means to bring legitimate cases to court. This is nonsense. The reality is that the contingency-fee lawyer is already financing these cases. Strong cases would be more attractive under this system, because—aside from the contingency fee—the lawyer would also recover costs. But weak cases would be less attractive (the losing contingency-fee lawyer would pay the other side's legal fees), and they should be. The system exists to settle conflicts, not to generate lawyer caseloads. In a subtle way, commercial interests of lawyers now corrupt the law.

So let the lawyers grumble. If the current insurance mess leads to any good, it will be renewed political interest in our legal system. And that is as it should be. To paraphrase an old cliché: law is sometimes too important to be left to lawyers.

THE FEDERAL RADIOACTIVE WASTE LIABILITY ACT OF 1986

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. SWIFT. Mr. Speaker, today I am joining with my colleague, Representative SID MORRISON, to introduce the Federal Radioactive Waste Liability Act of 1986. This bill, which has the strong and enthusiastic support of Governor Gardner from Washington State, would help to mitigate a serious inequity caused by the Nuclear Waste Policy Act of 1982, that the citizens of one or two States—the final repository States—will be asked to assume virtually all of the risks that will exist from the presence of the Nation's nuclear waste.

Spent nuclear fuel, which is the waste product of nuclear fuel rods, is expected to remain deadly for at least 10,000 years. An accidental release of radioactivity from spent fuel, or other types of radioactive waste, could be devastating. If it were a major release, it could cause a disaster of unprecedented magnitude.

The citizens of one State should not be asked to take both the waste and the risk—taking the waste is contribution enough. Our bill would ensure that the Nation as a whole would at least assume the financial risk. It would guarantee that any citizen injured by a nuclear accident involving radioactive waste owned by the Federal Government—whether that accident occurs during transportation, treatment, storage, or disposal—would be fully compensated for that injury.

Although our bill is offered as an amendment to the Price-Anderson Act, there would be no "cap" on liability as there currently is for accidents at nuclear powerplants. The liability "cap" that Price-Anderson applies to nuclear power accidents was established because Congress wanted to give impetus to the growth of a commercial nuclear industry, and limited liability for major accidents was deemed essential to that policy. On the other hand, in the case of nuclear waste, the only thing we are trying to achieve is its safe and permanent disposal. By assuming full liability for nuclear waste accidents, the Federal Gov-

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

ernment would not be discouraging a desired activity—it would be encouraging it.

Our bill establishes a two-tiered system of payment. The first $5 billion of liability arising from any single nuclear waste accident would come from the nuclear waste fund, a utility-financed source of payments. If the liability from a nuclear waste accident exceeds $5 billion, payments would be made directly by the Secretary of Energy, who would be required to borrow the money from the Treasury. This would ensure that persons who are injured by a nuclear waste accident would be fully compensated for their damages.

This bill builds on H.R. 2524, which Representative MORRISON of Washington introduced last May. In developing the bill we are introducing today, Representative MORRISON of Washington and I have incorporated the policies set forth in H.R. 2524, and we have expanded on them. Representative MORRISON has been a leader in this area, and I'm pleased to join him in working toward the goal of assuring full compensation by the Federal Government in the event of a nuclear waste accident.

Mr. Speaker, the bill which Representative MORRISON of Washington and I are introducing today would be a major step forward in establishing the credibility of the Federal Government's management of nuclear waste. It is our goal to enact this bill into law this year, and we ask for the support of our colleagues in that endeavor.

SERVICE-CONNECTED BENEFITS MUST BE PROTECTED FROM BUDGET CUTS

HON. G. V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. MONTGOMERY. Mr. Speaker, I voted for Public Law 99-177, the Gramm-Rudman-Hollings bill, because I believe we must reduce the Federal deficit. I expressed my reservations about certain aspects of the proposal during many hours of debate on the measure. When certain beneficiaries were exempted from the automatic reductions required under the legislation, I was the first to take the floor to express my strong views about exemptions for certain veterans' programs. As my colleagues know, the House provided the leadership that eventually protected compensation for veterans disabled in service and dependency and indemnity compensation for eligible dependents. The House provided a measure of protection for our veterans' health care system. The measure that passed provides that in no event shall the medical care account be reduced more than 1 percent in the current fiscal year or 2 percent in any other fiscal year.

The budget-balancing legislation moved very swiftly through the Congress and the President was quick to sign the measure into law. Many of my colleagues pointed out that the legislation was not perfect; in fact, we knew there were many areas that would require adjustments based on each individual Member's priorities.

One flaw in the measure quickly surfaced as soon as the President's sequestration order was issued on February 1. The order set a VA home loan ceiling that, if not corrected, would have shut down the GI Home Loan Program by April 1 of this year. To its credit, the Congress acted quickly and veterans are now assured that they can take advantage of the low interest rates to get into a home for the first time or refinance their loans and save thousands of dollars over the mortgage period. The correction we made with the enactment of H.R. 4130 (Public Law 99-255), was good for veterans, the home building industry, financial institutions, and the country.

During the debate on the Gramm-Rudman-Hollings proposal, there was not enough time to properly analyze the impact of the proposal on all veterans' programs. We did the best we could and, as I have indicated, we were able to protect the major income maintenance and health care programs. There are, however, other adjustments to be made and the bill I am introducing today, with Mr. HAMMERSCHMIDT, and other members of our committee, if enacted, will make certain that programs for the more severely disabled veterans and education benefits under the "War Orphans Education Act" will not be subjected to reductions should another sequestration order be issued by the President.

Mr. Speaker, let me ask my colleagues whether they would have voted to curtail the following benefits which are part of the compensation package we provide to veterans with service-connected disabilities:

First, vocational rehabilitation benefits provided to veterans with service-connected disabilities enrolled in a program of vocational rehabilitation following discharge from service. Over 26,000 veterans enrolled in this program had their monthly subsistence benefit cut by 13.1 percent effective March 1, pursuant to Public Law 99-177.

Second, education and training assistance to dependents and survivors of veterans who are totally disabled due to service-connected disabilities. Approximately 51,800 dependents, spouses, and widows had their monthly educational assistance allowance reduced by 8.7 percent on March 1.

Third, specially adapted housing grants to certain permanently and totally disabled veterans. According to the VA, 455 veterans who are expected to receive these grants for "wheelchair homes" will see the grant reduced from $35,000 to $32,600.

Fourth, burial benefits in the case of veterans whose deaths are the result of service-connected disabilities. The widows or next of kin of such veterans will receive approximately 10 percent less than authorized by law, because of the sequestration order issued on March 1.

Fifth, automobile and adaptive equipment grants for certain severely disabled veterans. According to the VA, these benefits, which enable a disabled veteran to drive a vehicle, will be cut by 8 percent effective March 1.

Mr. Speaker, had I been a conferee on Public Law 99-177, I certainly would have asked my fellow conferees whether they intended to cut these programs. They are as much a part of the fabric of the benefits which we provide to the men and women who were injured in the service of their country as the basic compensation benefit, which was totally protected from any sequestration. Indeed, one can make the argument that these benefits are more important, because they are provided to a selected number of veterans whose disabilities are quite severe or to the survivors of those who have died of such disabilities; however, I will not make such an argument because I believe that all veterans with service-connected disabilities deserve special consideration.

Are the reductions fair, Mr. Speaker? I think not, and the measure we are introducing today will protect these programs from future cuts under Public Law 99-177. I urge my colleagues to support the bill and to join us in cosponsoring the measure.

KENTUCKY VOICE OF DEMOCRACY WINNER, CHERYL GENTRY

HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. NATCHER. Mr. Speaker, each year the Veterans of Foreign Wars and its ladies auxiliary conduct the Voice of Democracy Contest. This year more than 250,000 secondary school students participated in the contest and competed for the six national scholarships that are awarded as top prizes. The contest theme this year is "New Horizons for America's Youth."

The winning entry from the Commonwealth of Kentucky was delivered by Cheryl Renee Gentry of Horse Cave, KY—located in the Second Congressional District, which I have the privilege of representing in the Congress of the United States. Cheryl attends Caverna High School and is the daughter of Wayne and Rosie Gentry.

It is with great pleasure that I submit Cheryl's essay for insertion into the CONGRESSIONAL RECORD:

NEW HORIZONS FOR AMERICA'S YOUTH

Horizon literally defined is the line where the earth and sky seem to meet. One cannot see beyond the horizon.

I disagree. My definition of horizon is the limit of one's imagination, determination, and aspirations of what the future holds for him and for America.

Go back in time with me to the 1840's. A sixteen year old slave boy has just completed another work day in the cotton fields. The dinner bell has just rung. As he walks to his one room cabin that he shares with his brother and six other slaves, he looks up at the stars. He thinks about tomorrow—his future. What future? He thinks about his father who lies dead in a cold grave somewhere. At thirty he died in his master's cotton field. His chains which once bound him to his master's land are now broken. The boy realizes his father is now free, forevermore. A tear drops to his cheek. The boy knows his own death will be in a cotton field somewhere. He has no horizons. He can't even control his future. A white man with the highest bid does.

Time passes. The year is now 1908. Time has moved forward, but horizons for Ameri-

ca's youth have not. A ten year old girl is finishing her sixteen hour work day in a textile factory. The child labor laws do not yet exist in America. She has no one to protect her future. Uneducated, the only work she is capable of doing is unskilled labor. Thus, she has little chance to better her horizons or her America.

Unlike their predecessors, youth in 1985 do have horizons. I am a sixteen year old youth. According to Walter Lippman: "The horizon should be vivid with splendor and hope". Today it is. I am able to attend school, learn, and use the knowledge I gain. This I consider a privilege. I'm entitled to my own opinion, and when I grow older, I will have the choice of any career my education permits me to have. I am not a slave to any man, nor is any man a slave to me.

The foundation of these privileges and rights was laid by the people of this great country, people that believed in life, liberty, and the pursuit of happiness, people that believed in liberty and justice for all, men and women of America that carried deep in their hearts a flame, a torch—the will that the nation they built with their own hands could and would be free.

America has evolved from the slave boy, the child factory worker, the founders of freedom into the youth of today. We represent America. America's youth have great visions. Through these visions we will move forward to a greater tomorrow.

Horizon, as my definition states, is the limit of one's imagination, determination, and aspirations. I believe, imagination, determination, and aspirations have no limits and no boundaries; thus the horizons of America's youth have none either.

I hold my future, my dreams, and America's horizons in my own hands; for they are now my own.

INSURANCE FAMINE PLAGUES THE NATION

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. ROTH. Mr. Speaker, I only need to recite a few specific cases to illustrate the need to reform our current tort system. A decade ago one manufacturer paid $15,000 for adequate coverage. Today he pays $750,000 for inadequate coverage. Ladder manufacturers pay more than 8 percent of sales for product liability insurance. Seven out of nine U.S. firms have stopped making anesthesia equipment because of high product liability costs.

The Nation is faced with a litigation explosion. The number of product liability suits has jumped from 1,600 in 1974 to 13,554 last year. In 1985 the average product liability award was $1.07 million—up from $345,000 10 years earlier.

Yesterday the other body held committee hearings on legislation designed to reform the system. It is the duty of this House to address the situation with all due speed. I commend to my colleagues the second in a series of Washington Post articles by T.R. Reid on "The Liability Crisis."

THE LIABILITY CRISIS: LITIGATION LOOSENS THE STIFF UPPER LIP

(By T.R. Reid)

Whatever happened to the stiff upper lip?

What happened to the tough, self-reliant, forbearing American—the kind who brushed off setback or injury and got on with the job?

Somewhere along the line, according to many social critics, that traditional role model of the American breed has given way to a new set of values reflecting a new attitude. This attitudinal shift, some say, has rejected the stiff upper lip and replaced it with a national mood demanding near-total redress for nearly every injury.

The shift is evident—to the point of becoming a stale joke—in the familiar cry of "Whiplash!" that accompanies many minor auto accidents. It is reflected in the curious incidents wherein passers-by at the site of accidents pretend to be victims in hope of grabbing a piece of the inevitable lawsuit.

This attitudinal shift may be one cause of the nation's current "civil liability crisis": America today has an excess of personal, corporate and governmental liability and a shortage of insurance to cover it.

The liability insurance crunch touches almost every element of American life. It will almost surely lead to higher prices and taxes for every consumer. It is forcing some familiar products and services off the market because they cannot be insured. And it could have an adverse effect on the worldwide competitiveness of U.S. companies.

This broad impact, in turn, has sparked major political battles in state capitals and in Washington as governments search for a solution. To date, the official responses have been atomized and often contradictory. There's nothing close to agreement on corrective action.

One reason the political system has not agreed on a fix is that there's no agreement on what is broken. Some talk of a "tort crisis," some see an "insurance crisis" and some speak of an "attitudinal crisis" in society.

Many business and political leaders argue that the nation's liability problem reflects a growing litigiousness in American life. This camp holds that there has been a "tort explosion" in recent years, with unprecedented numbers of civil cases burdening the legal system and civil defendants.

"Filing lawsuits has replaced baseball as our national pastime," says Colorado Gov. Richard D. Lamm. "'See you in court' used to be a real threat," Lamm says. "Now it's as common as 'Have a nice day.'"

Although many legal scholars have studied the question, there is no hard data showing a "tort explosion" in recent years. The per capita number of civil suits has increased in some states and dropped in others. In Lamm's Colorado, there are fewer personal injury suits per capita now than a decade ago.

As Chief Justice Warren E. Burger regularly complains, there has been a huge increase in civil cases filed in the federal courts over the past decade. But a "tort explosion" isn't the culprit.

Professor Marc Galanter of the University of Wisconsin, one of the leading scholars in this area, says the statistics mainly reflect a big increase in lawsuits over government aid payments. For liability cases, he says, "the pattern of use . . . is conservative, departing relatively little from earlier patterns."

The professor's point is that the United States, bulwark of individualism, has always been a litigious society. Alexis de Tocqueville's observation that every American dispute eventually finds its way to court was first published, after all, in 1835.

For these reasons, Galanter and others conclude that the alleged "explosion" in numbers of civil suits does not exist—and thus cannot explain the country's current liability crisis. They look for other explanations; economic patterns, social trends and changes in the substance, rather than the quantity, of civil law.

The insurance industry argues that the crisis is the fault of activist judges and fee-hungry lawyers who have expanded the legal concept of liability for physical, financial or emotional injury far beyond its traditional limits. Some consumer groups and many trial lawyers argue that the current crunch is the fault of short-sighted insurance executives who led their industry to the brink of financial disaster and want their business, professional and governmental customers to bail them out.

Both sides are right.

THE TORT CRISIS

The "tort crisis," as reflected in the expansion of legal definitions of liability, stems from a gradual but fundamental change in our society's notion of risk.

Once the American people prided themselves on qualities of toughness and forbearance. When the stagecoach turned over atop John Wayne, he dusted himself off and shrugged to Olivia de Havilland, "It's nothing, ma'am." That rugged acceptance of the risks of everyday life was considered a cardinal American virtue.

This attitude was enshrined in American law. "The general principle of our law," Oliver Wendell Holmes wrote in a famous treatise, "is that loss from an accident must lie where it falls, and this principle is not affected by the fact that human being is the instrument of misfortune."

That "general principle" probably wouldn't stand a chance in an American courtroom today. Our society has decided that loss from an accident need not lie with the victim. To the contrary, we have created mechanisms to assure that almost anyone who suffers injury will be reimbursed. The chief mechanism serving this purpose is the legal tort system. (In civil law, "tort" means a violation of the duty to avoid harming others.)

Where did this change in attitude come from?

Some sociologists suggest that the shift from quiet self-reliance to aggressive demand for redress results from a growing dependence on government. According to this theory, the same mindset that sees an "entitlement" to a government benefit check sees an "entitlement" to reimbursement for any hurt.

Another explanation lies in a "lottery" mentality, fueled by extensive state lottery advertising that seems to suggest that people are entitled to a windfall.

D.C. City Council member Nadine P. Winter noted this connection last fall when the council was debating no-fault auto insurance. She said some people think of an accident, and the resulting lawsuit, the way others think of the lottery: a way to make a quick million.

Whatever the soundness of this theory, the courts have been aligning themselves with this emerging social impulse for decades.

Two men played a crucial role in the extension of tort liability: Justice Roger Traynor of the California Supreme Court,

one of the most distinguished state judges of his time, and Prof. William L. Prosser, a scholar and author who was to torts what Dr. Spock is to child care.

Prosser's books and articles, together with a series of Traynor opinions from 1946 to 1962, created an influential concept called "risk distribution." This theory deemphasized the question of who was at fault for an accident—in many modern accidents, the fault was hard to pinpoint—and moved toward a notion of "strict liability" that often made businesses (or their insurance carriers) pay damages to an injured person even if they had done no wrong.

The soaring expansion of civil liability in the state courts was matched by a series of federal court decisions that sharply increased the liability exposure of local and state governments. The old notion of "sovereign immunity"—the rule that a governmental unit could not be sued—was condemned to the trash heap as the courts permitted people to fight city hall in court over wrongs from police brutality to puddles on a public skating rink.

The momentum of legal change has continued almost unabated for four decades. Courts and juries continue to expand the range of business and governmental liability.

Exacerbating the changing rules of liability, the courts have been changing the rules for awarding damages as well. In addition to standard "compensatory" damages, which are supposed to make good any losses the victim suffered in an accident, courts and juries have been much more willing in recent years to award "punitive" damages. This kind of award is designed to punish a defendant for reprehensible conduct and the punishment sometimes runs into the millions of dollars.

If there has been a "tort explosion" in recent years, some contend, it is not in the numbers of cases filed but rather the explosive growth of punitive damage awards.

Highly publicized litigation, such as that following the 1981 collapse of the Kansas City Hyatt Regency Hotel skywalks that killed 114 during a tea dance, attracts great attention. So do large awards of punitive damages, or "punies," to use the trial lawyers' shorthand: $9 million to a man whose insurance company refused to pay a 46,000 claim; $128 million to a man burned when the fuel tank of his Pinto exploded in a crash.

People reading those headlines conclude that something crazy must be going on. Indeed, a business group called The Product Liability Alliance, which is working to reverse the expansion of tort liability, distributes a list of recent awards that it calls "the crazy cases list."

But almost all of these "crazy" awards have come from juries of ordinary, sane people. Many of them are later reduced by judges or appeals courts (the Pinto award was cut to $6.3 million.) and according to a recent study by the American Bar Foundation, the number and size of the megajudgments in liability cases are not as high as many believe.

To understand what prompts a jury to return a huge damage award, it might be instructive to look at one of the classic "crazy" cases.

A California man, Earl Norman, visited his doctor and then filed the $48 bill with his medical insurance company. The insurance company refused to pay, saying the visit wasn't covered in Norman's policy. Norman sued the insurance company over the unpaid $48 bill; the jury awarded him $4.5 million.

What possessed a jury to return an award 100,000 times as great as the unpaid doctor bill?

At the trial, Norman produced evidence showing that the insurer had paid that kind of bill routinely for years. Then Norman received a letter from the insurer urging him to buy a new and better policy at a higher premium. Norman brought the new policy. But under this new, more expensive policy, Norman's routine doctor visit was excluded from coverage.

Norman's lawyer argued that the insurance company had deliberately cut back its coverage—and deliberately misled its customers about the change. An actuarial expert testified that the new policy, if issued to all the insurance company's customers, would save the insurer $4.5 million.

The jury concluded that Norman had been victimized—and gave him the entire $4.5 million as recompense.

"This is the pattern for a lot of the so-called 'crazy cases,'" says Robert Hunter, an insurance expert who heads the National Insurance Consumer's Organization, a group affiliated with Ralph Nader.

"In the Earl Norman case, you have to say that the plaintiff was unjustly enriched by that million-dollar award. But you also have to say the defendant deserved the penalty it got. So yeah, it's crazy, but it's also not crazy."

The insurance company that lost the Norman case denounced the jury's award and swore to appeal. Eventually, however, the firm agreed to pay Norman $2 million and the case was settled before it reached the appellate court.

The expansion of the legal doctrine of "liability" and the growth of punitive damage awards have made it difficult to predict what a company or a government might be held liable for in the future. The uncertainty has been disastrous for insurance companies. They have no way to know what their liability exposure might be a year or a decade from now.

"There is no rule of law that today is certain," says Victor Schwartz, the Washington lawyer and tort scholar whose textbook is known to thousands of law students as "Schwartz on Torts." "That's an impossible situation for an insurance company. They try to set rates and run a business under certain rules of law, and then the rules change—and change constantly." (Schwartz has represented The Product Liability Alliance, a coalition of business groups that has lobbied for a change in the country's product liability laws.)

THE INSURANCE CRISIS

But the uncertainty of liability law provides only a partial explanation of the liability crisis of 1986. Much of the blame for the current problems facing the insurance industry belongs to the industry itself.

Insurance leaders readily admit that their industry is in fiscal trouble—and that the trouble in largely the industry's fault. A study carried out last year by the industry's research arm reached this conclusion: "The property/casualty must accept the major responsibility for its current financial condition."

In the late 1970s, when interest rates were reaching historic highs, insurance companies were eager, to put it mildly, to sell policies and thus take in premium payments that they could invest at interest rates as high as 20 percent. To sell more insurance, companies slashed prices and sold unusually risky policies. Actuarial and experience data were ignored in the competitive frenzy to accumulate premium dollars.

Today the insurers are reaping the results of their six-year binge. The firms are no longer getting high-interest returns on premium dollars, but claims are stil coming in on policies sold at deep discounts. In consequence, property and casualty insurance companies reported record operating losses in the past two years.

It's key to note that despite the big losses on "operations"—that is, on selling insurance and paying claims—the insurance industry still racked up $1 billion in net profits last year, thanks to gains on investments and federal tax credits.

This explains why insurance stocks remain the darlings of Wall Street. In 1985, while insurance executives were bewailing their operating losses and talking of a "crisis," property-casualty insurance stocks jumped by twice as much as the overall Standard & Poor's stock index.

That experience has prompted Ralph Nader and other consumer advocates to argue that the present insurance famine is simply a ploy by a healthy industry to force rates higher and to change the rules governing liability. The Federal Trade Commission is reportedly investigating whether insurance firms are engaged in a concerted boycott to drive up prices.

Insurance executives say, though, that the decline in interest earnings and the losses on operations have cut sharply into the reserve accounts they maintain to pay future claims. And with reserve accounts depleted, the companies say they have to limit the coverage they provide.

In summary, then, the current liability crunch that extends across the fabric of American life stems from disparate social and economic phenomena: a basic change in the nation's notion of risk, a broad expansion of the legal concept of liability and a series of managerial blunders by the insurance industry.

"There's not a single explanation," says Schwartz. "And that means there's not going to be a solution that works unless it gets to all the causes."

NBC'S POOR JUDGMENT

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. LIPINSKI. Mr. Speaker, I rise today to inform my colleagues of blatantly poor judgment on the part of the NBC network. Tonight at 8 p.m., NBC will air an episode of the program, "Highway to Heaven," that will deal with the tormenting of a Holocaust survivor by neo-Nazis. The name of the leader of these neo-Nazi tormentors is Jan Baltic.

I am certain that NBC meant no harm by creating this fictional name. One of my staff members had a conversation with a person working on the program who offered repeated assurances that no offense was intended. But why Jan Baltic? The first name, "Jan," is a very common Eastern European name and the last name, "Baltic," obviously refers to the Baltic countries of Estonia, Latvia, and Lithuania. The association of neo-Nazism with the Baltic States, even if unintended and in a fic-

tional setting, is rightfully repugnant to citizens of Baltic descent, some of whom experienced the atrocity of living under Nazi rule during the Second World War.

Even though no offense is intended, NBC should make amends. On the basis of the above conversation, however, the network has no plans to resolve the problem. Suggestions to dub over the name Jan Baltic with one that had no such connotations or, at the very least, to provide a disclaimer at the beginning of the show, were met with disapproval by NBC. I am joined by nearly a dozen ethnic and religious organizations in hoping that the network take such positive action. With the right to air programs comes the responsibility to maintain standards of propriety and fairness. It is hoped NBC takes this responsibility seriously.

UNIFORMED AND OVERSEAS CITIZENS ABSENTEE VOTING ACT

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. SWIFT. Mr. Speaker, today I am joining with Mr. DICKINSON, Mr. HUTTO, and Mr. SCHUMER in introducing the "Uniformed and Overseas Citizens Absentee Voting Act."

Many of our fellow Americans live and work overseas—those who serve our country in uniform, or who are working for American companies with foreign installations.

They are entitled to vote, and most of them want to vote. Through the Federal Voting Assistance Act of 1955, and the Overseas Citizens Voting Rights Act of 1975, Congress has initiated ways to improve their ability to exercise their voting rights. State and local election jurisdictions have been responsive to our stimulus, and many of them have made efforts of their own as well.

As a result, it is now possible for all military and overseas voters to vote absentee. And most may both register and request an absentee ballot with a single application. The application, known as the Federal postcard application [FPCA], is a postage-free postcard printed and distributed by the Federal Government. In addition, voting assistance is widely available at military installations, and at U.S. embassies and consulates.

These and other steps have achieved the goal of ensuring that most overseas and uniformed voters have the opportunity to vote. Nevertheless, a few problems remain. Because mail service, is slow and unreliable in many parts of the world, a voter may not receive his absentee ballot in time to cast it before his or her State's deadline. This problem is particularly acute in States—such as those with late primaries—where ballots either are not printed or cannot be printed until a few short weeks before the election. In 1984, almost one-fifth of all ballots were not mailed to applicants until the last 2 weeks of October.

And that is the reason behind the Uniformed and Overseas Citizens Absentee Voting Act. The purpose of this bill is to allow an overseas voter who applied for an absentee ballot in a timely fashion, but who did not receive it in time to return it before the voting deadline, to use an alternative, write-in ballot for Federal candidates.

There are several components to this proposal:

First, write-in ballots will be placed overseas at military bases and in embassies and consulates.

Second, any registered voter who applies for a regular absentee ballot at least 30 days before an election, but who fails to receive that ballot in time to vote it, mail it, and have it arrive by the State deadline, will be entitled to use the write-in. On the write-in ballot, the voter will be able to vote for Federal offices—President, Vice President, Senator and Representative.

Third, if the voter receives a regular absentee after having sent in the write-in, the voter could go ahead and return the regular absentee as well.

Fourth, all absentee ballots will be held by local election officials until the day when absentees are usually counted in the State in question. At that time, if the voter's regular absentee ballot has been received, the election officials will discard the write-in and count the regular absentee. But if the regular ballot has not arrived, the write-in will be counted.

This is a simple proposal. It will not add a new class of voters, it will simply provide a voting opportuntiy for individuals who took all necessary steps to exercise their franchise, but who—through no fault of their own—did not receive their absentee ballots in time.

The Subcommittee on Elections, which I chair, started working on a draft bill early this year. It does two things. First, it combines and consolidates the laws currently on the books—minus their many obsolete and conflicting provisions. Second, and most important, it incorporates the wrote-in ballot proposal.

On February 6 of this year, the subcommittee held a hearing on the idea. We heard testimony from Henry Valentino, Director of the Federal Voting Assistance Program that works with military and overseas voters, as well as with State and local election officials from around the country.

We also had witnesses from Democrats Abroad, Republicans Abroad, the National Association of Uniformed Services, and the Non-Commissioned Officers Association.

Finally, we heard from State and local election officials. They represented several States, including both those with State absentee ballots similar to the proposed Federal ballot, and States without such special ballots.

In response to some of the suggestions we have received, modifications will no doubt be necessary as we work to refine this proposal, but my good friends from Alabama, Florida and New York have joined with me in introducing the bill today in order to make it available for your suggestions, and for your support. We urge you to join with us in sponsoring this simple but important proposal.

GEN. TERRENCIO SIERRA 1986

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. SKELTON. Mr. Speaker, during the past weekend I had the privilege of visiting with the Army National Guard constructing a road in Honduras. This is the second consecutive year that these citizen soldiers have conducted their annual training in Central America. Last year these guardsmen helped build a 15-kilometer road in Panama during "Blazing Trails 1985." That training was so successful for our troops, and the Panamanian people, that I suggested these exercises should be expanded to other countries in the region. The Government of Honduras recognized the benefits of these exercises and requested one for their country.

Once again all the members of my group were impressed with the high morale of our guardsmen. They see the benefits of this realistic training and how, when the road is completed, the Honduran people will reap the fruits of their labors. The guardsmen realize that they are our ambassadors of good will to the Honduran people.

I met with several Hondurans whose lives will be enhanced by our road building. These people were unanimous in praising the efforts of our guardsmen. As a Missourian, I have always been proud of the work of the Missouri National Guard. This year there is an extra bit of pride involved since Missouri is providing the leadership for this year's exercise. Col. Bob Harris of the 135th Engineering Group in Cape Girardeau, MO, is commanding the task force for this year's exercise. Also, I must make mention of the 110th Engineering Battalion, commanded by Lt. Col. John Holman, as making a great contribution to this exercise. These guardsmen are doing an outstanding job under difficult conditions.

I submit for the RECORD that section of my trip report concerning "Gen. Terrencio Sierra 1986." I would like to repeat my suggestion from last year that these type exercises should be expanded to other countries. They provide excellent training for our Guard personnel and a useable road that enriches the lives of the local people.

APPENDIX I: GEN. TERRENCIO SIERRA 1986

The objective of exercise "General Terrencio Sierra '86" is to repair and construct 20 kilometers of road in the north-central Honduran province of Yoro. The exercise was named by the Honduran Government after a turn-of-the-century patriot and president.

Part of the exercise area was the site of a combined U.S.-Honduran exercise in July-September 1985 called "Cabanas '85". At that time a pioneer road was constructed between the towns of Jocon and San Lorenzo. This area of Honduras is very remote and sparsely populated. The exercise will replace a cattle trail that is impassable, except on foot, several months during the year, with a 20-foot compacted gravel road. The improved road will connect the towns of Puenticita and Jocon. This "farm-to-market" road will be actively used by lumber companies in this timber region.

Honduran and National Guard engineers are jointly constructing the road. They are operating from the base camp named "Oso Grande (Big Bear)" in honor of the bears that appear on Missouri's state seal.

The exercise involves almost 5,000 National Guard engineers and support personnel from Missouri, Alabama, North Dakota, California, Florida, Kentucky, Maryland, South Carolina, Tennessee, New Mexico, West Virginia, Pennsylvania and Arizona. This exercise is part of the annual two-week active duty training for these volunteer citizen-soldiers. The guardsmen rotate to the exercise site in 17 day cycles, working 6½ days a week.

The exercise provides valuable experience in mobilization and deployment techniques as well as essential training in their skills in time of crisis, e.g. engineering, logistics, communications, etc. Our medical personnel are also receiving excellent training. As they treat the local people they are seeing medical problems not usually encountered in the United States. These guardsmen will benefit from training in a remote, austere environment under realistic wartime conditions.

Funding is being shared by the Defense Department (training and support costs of U.S. personnel) and Honduras (all materials and fuel). The U.S. costs would be incurred under normal training conditions, irrespective of location.

The exercise is going well. The morale of the National Guardsmen is sky high. Many members expressed their enthusiasm for this type of training exercise. They are seeing the living conditions of Central America first hand while constructing a project that will positively impact on the local citizens.

We talked with several Honduran citizens who unanimously supported the road project. They were very supportive of the United States and this road project.

H.R. 4381, TO PROVIDE INTERMEDIATE FUNDING FOR THE SUPERFUND PROGRAM

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. DUNCAN. Mr. Speaker, today I am introducing, at the request of the administration, H.R. 4381, which will provide intermediate funding for the Superfund Program. I support the administration position that those Americans who need to be protected by a speedy cleanup of toxic waste would best be served by a 5-year reauthorization of the Superfund Program—not intermediate funding. A sound program requires long-term commitments and, therefore, long-term funding.

However, there is a serious risk that this Congress will fail to produce a timely reauthorization. Indeed, the Superfund conferees have only begun to meet and have not made significant progress. If the reauthorization process is not completed by the end of March, the resulting shortfall in funding is likely to cause the kind of programmatic damage that can only be corrected through costly rebuilding. It is essential that intermediate funding be put in place to protect against this possibility.

Therefore, I urge my colleagues to approve a temporary financing package for the Superfund Program as soon as possible to avoid unacceptable disruptions of this essential program. Following that, the Congress should move as soon as possible to complete the 5-year reauthorization process.

A section-by-section analysis of the administration's short-term funding legislation is set forth below.

SECTION 1. SHORT TITLE.

This section denotes the Act as the "Superfund Interim Financing Act of 1986" in order to stress the short-term nature of the legislation and the need for a full, five-year reauthorization of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 ("CERCLA" or "Superfund").

SEC. 2. EXTENSION OF ENVIRONMENTAL TAXES.

This section, in combination with sections 5 and 6, provides new taxing authority for the Superfund by reimposing the environmental taxes set out in Chapter 38 of the Internal Revenue Code of 1954 at their original rates, beginning on April 1, 1986. The taxes are on petroleum and certain chemicals. The taxes are designed to repay the advance made to the fund under the borrowing authority provided for in section 4 and will terminate when sufficient revenues have been raised to repay all borrowed funds, together with interest.

SEC. 3. TERMINATION OF TAX ON HAZARDOUS WASTES.

This section insures that the tax on hazardous wastes received at qualified hazardous waste disposal facilities, which supports the post-closure liability trust fund under CERCLA, will not be reimposed pending a congressional decision on whether to continue the post-closure fund.

SEC. 4. EXTENSION OF REPAYABLE ADVANCE AUTHORITY.

This section amends the original authority to borrow under CERCLA by authorizing a repayable advance to the response trust fund in fiscal year 1986 in an amount not to exceed $861,300,000. This section, together with sections 2 and 5, which enact new taxing authority to support the Superfund Program, will provide funding sufficient to operate the program for a 12-month period at the appropriation level established for fiscal year 1986.

SEC. 5. TECHNICAL AMENDMENT.

This section amends CERCLA by repealing section 303, the expiration and sunset provision, so as to permit the imposition of new taxes under section 2 of this Act.

SEC. 6. EFFECTIVE DATE.

This section makes the provisions of the Act, including the taxes, effective on April 1, 1986.

HONORING CHARLES A. HALLECK

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. UDALL. Mr. Speaker, I join with my colleagues in mourning the passing of Charles Halleck, a former Member of this House who died, March 3, in Lafayette, IN.

Charlie Halleck and I were frequently on opposite sides of issues—the Indiana Dunes National Lakeshore comes to mind—but Charlie didn't hold grudges, and we always remained friends.

For nearly 20 of his 33 years in this House, Charlie Halleck led his party with passion and commitment, but he was always fair to the opposition and always a gentleman.

Charlie Halleck served his Nation, and congressional district with distinction. I am sorry that he is gone, and I extend my sympathy to his family.

MARTIN FELDSTEIN ON PRIVATIZATION AND DEFICIT REDUCTION

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. SWIFT. Mr. Speaker, the administration's budget proposal includes the sale of the Bonneville Power Administration [BPA]. We're told that we should go along with the sale of the BPA, notwithstanding the fact that such a sale would devastate the economy of the Pacific Northwest, because it would contribute $8.85 billion toward deficit reduction.

The $8.85 billion in deficit reduction is awfully tempting; but the fact of the matter is that it's an illusion. This is what Martin Feldstein, who used to be chairman of the Council of Economic Advisers under President Reagan, has to say about the effect that the proposed BPA sale would have on the deficit:

"Although government accounting methods would make it look as if Federal spending and receipts are in better balance, these asset sales would do nothing to lessen the burden of the deficit. That burden occurs because Government borrowing to finance the deficit preempts savings that would otherwise be available for private investment in plant and equipment and in housing construction. The administration's proposed asset sales would preempt private savings every bit as much as a Federal sale of new debt of the same value."

The real reason for the administration's BPA sale proposal is clearly based on an ideological commitment to eliminate Government wherever possible—with little regard for the social or economic impact. We must address the issue of privatization in that context, and not based on an erroneous belief that it would reduce the deficit burden.

CONGRATULATIONS DAVID L. EBERSOLE

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. GEKAS. Mr. Speaker, today I would like to recognize the achievement of Mr. David L. Ebersole, a constituent of mine from Middletown, PA. On Sunday, March 16, 1986, kith and kin will gather to recognize the achievements of this outstanding young man at an Eagle Recognition Dinner held at the American Legion Post 594, Middletown.

David, who has been in the Scouting program from Cubs, Webelos through Scouts, possessed an uncommon determination toward achieving the highest rank in Boy Scouting—the coveted Eagle Scout Award.

As a student at Middletown High School, David has devoted himself to many school activities including participation in the stage band, chorus, and brass ensemble and has been listed in "Who's Who Among American High School Students." Mr. Ebersole has been accepted at Hawthorne College, NH.

I am proud to congratulate Mr. Ebersole for his outstanding contributions to his community. His unselfish attitude toward others has set an example for the rest of us to follow. I am honored to have an individual like David in my congressional district.

AMENDMENTS TO THE FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. BEDELL. Mr. Speaker, I am today introducing, along with my colleagues, Mr. ROBERTS and Mr. BROWN of California, legislation to reauthorize and to amend the basic law that governs the production and use of pesticides in this country.

This bill, the Federal Insecticide, Fungicide, and Rodenticide Act Amendments of 1986, is the product of months of hard work between a major segment of the pesticide industry and a coalition of environmental, consumer, and labor organizations. As a review of their work makes apparent, they must be commended for the determination and flexibility with which they sought to resolve the controversy that has for some time made FIFRA reform one of the most intractable issues before the Congress. The measure represents countless hours of negotiations and compromise between these parties and offers—as efforts of this kind must—something for both sides.

I believe the agreement demonstrates that both sides can come out a winner in undertakings of this sort. The industry stands to gain from the accelerated and streamlined regulatory process which promises to emerge from the effort, and the environmental, consumer, and labor groups apparently have achieved many of the safeguards they have sought regarding the manufacture and use of pesticides. Moreover, both will benefit, I think, if the public abandons its perception that each side often was prevented by dogmatic and inflexible positions from recognizing the legitimate concerns of the other.

Mr. Speaker, it is my hope that this legislation will provide the basic framework for achieving the progress that we must make this year in reauthorizing and reforming FIFRA. The Agriculture Subcommittee on Department Operations, Research, and Foreign Agriculture, which I chair, has scheduled hearings on this legislation and related issues for March 19 and 20, and it is my firm intention to hold to a steady schedule of legislative activity this spring so that we can have a FIFRA reform package before the House this summer.

As we move ahead, however, it must be pointed out that not everyone has endorsed this compromise agreement, and that some may in fact oppose portions of the measure. Among those not a party to the agreement are a number of the farm and commodity organizations and various producers and users of pesticides. Many of these groups have special FIFRA concerns and they will have an opportunity, as we proceed with our work, to make those concerns known.

Mr. Speaker, FIFRA reform must be made one of the major environmental priorities of this session, and I urge our colleagues to lend their support to this effort.

The text of the bill and a section-by-section analysis follows:

FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT AMENDMENTS OF 1986 SECTION-BY-SECTION ANALYSIS

ANALYSIS

SHORT TITLE

Section 1 provides that this Act may be cited as the "Federal Insecticide, Fungicide, and Rodenticide Act Amendments of 1986" (hereinafter referred to as "the Amendments") and supplies a table of contents.

REFERENCES

Section 2 states that, except as otherwise specifically provided in the Amendments, an amendment or repeal of a section or other provision shall be considered to be made to a section or provision of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136 et seq.) (hereinafter referred to as "the Act").

PREREGISTRATION ACCESS TO DATA

Section 101(a) adds a new paragraph (9) to section 3(c) of the Act, providing the public preregistration access to certain data used to support pesticide registrations.

Subparagraph (A) establishes that, prior to the registration of a pesticide, the Administrator shall provide public access to health, safety and environmental data that are submitted in support of an initial application for the registration for a new active ingredient or initial food use of a previously registered active ingredient.

Subparagraph (B) states that the administrator shall publish in the Federal Register a notice of the application for registration of a pesticide in accordance with section 3(c)(4), as modified by section 101(b) of the Amendments.

Subparagraph (C) states that, not later than thirty (30) days after publication of the public notice, a person seeking access to the data must send by certified mail a request for access and an affirmation described in section 3(c)(9)(E). Such request and affirmation must be sent simultaneously to the Administrator and to the applicant for pesticide registration. A person wishing to make public comments on the proposed registration without examining the data can continue to do so as under current law.

Subparagraph (D) provides the Administrator shall either grant or deny the request within 15 days of receipt and may not extend the time for acting on the request.

Subparagraph (E) requires that, notwithstanding any other provision of law, the preregistration data may be made available only to a person who provides an affirmation, and such supporting evidence as the Administrator considers necessary, that the person is neither employed by nor acting directly or indirectly on behalf of a person or entity engaged or affiliated with a person engaged in the production, sale, or distribution of a pesticide. Supporting evidence might be a business or identification card or letter of authorization. The subparagraph also defines affiliate. The required affirmation shall state that the person is neither employed by nor acting on behalf of a pesticide producer, seller or distributor, or affiliate; shall identify any business, employer, or other entity, if any, on whose behalf the person is requesting access to the data; and affirm that the person will not intentionally or recklessly violate the preregistration access to data provisions of paragraph (9). Finally, the subparagraph provides that 18 U.S.C. section 1001 shall apply to the affirmation.

Subparagraph (F)(i) states that the preregistration data shall be made available to persons only for the purpose of permitting the person to comment to the Administrator on the application for registration of the pesticide. It is intended that comments may be exchanged with others for peer review within the restrictions of this subsection. The subparagraph provides further in clause (ii) that, except for certain exceptions described in clause (iii) and (iv) of the subparagraph, the data so obtained may not be published, copied, or transferred to any other individual or entity for use to obtain approval to sell, manufacture, or distribute a pesticide anywhere in the world, and may not be used in litigation or agency proceedings prior to the registration's approval or after the Administrator's decision if the application for registration is denied. Clause (iii) of the subparagraph states that data relating to a pesticide may be reasonably quoted in comments submitted to the Administrator, but that the comments may not be made public prior to the decision by the Administrator on the registration or after such decision if the application for the registration is denied. Clause (iv) states that preregistration data and comments may be disclosed, consistent with section 10 of the Act, after registration of the pesticide.

Subparagraph (G) provides procedures for the Administrator's disclosure of preregistration data as follows:

(i) The data may be examined in an office of the Environmental Protection Agency or an appropriate state agency that complies with section 3 and may not be removed from the office.

(ii) The Administrator shall maintain a record of the persons who inspect the data and a copy of the record entry shall be sent to the date submitter.

(iii) Once access to the data is granted, the data may be examined and comments on the application filed within sixty (60) days, unless extended an additional thirty (30) days for good cause.

(iv) If access to the data is denied, comments on the application shall be filed within sixty (60) days of a decision to deny access.

Section 101(b) makes changes to section 3(C)(4) regarding the notice of application, requiring the Administrator to publish the notice of application within 30 days of receipt and provide a 60 day comment period.

Section 102 amends section 14(b)(3) of the Act regarding criminal penalties for disclosure of information. Subparagraph (A) restates current law. Subparagraph (B) is a new requirement which states that any person, including any officer, contractor or employee of the United States or State who (i) is granted preregistration access to data

and (ii) in furtherance of a commercial purpose involving the production, registration, distribution or sale of a pesticide, knowingly violates section 3(c)(9) regarding preregistration access to data, or knowingly allows the data to be made available in violation of the section shall be fined not more than $100,000, or imprisoned for not more than three years, or both.

CONDITIONAL REGISTRATION

Section 201 amends section 3(c)(7) (B) and (C) of the Act regarding conditional registrations.

Subparagraph B is amended to state in clause (i) that the Administrator may conditionally amend a registration of a pesticide to permit additional uses of a pesticide, notwithstanding that certain data concerning the pesticide may be insufficient to support an unconditional amendment, if the Administrator determines that (I) the applicant has submitted all additional data that are required solely for the proposed additional use; (II) amending the registration in the manner proposed by the applicant would not materially increase the risk of an unreasonable adverse effect on the environment; and (III) the additional use is in the public interest. The amended provision more clearly describes the requirement on the applicant to provide data on the new use. The term "significantly" in the Act is deleted and replaced with the term "materially". Finally, conditional amendments for a new use must be in the public interest, a new provision similar to the current requirement for conditional registrations for new products under section 3(c)(7)(C).

Subparagraph (B) states further in clause (ii) that, notwithstanding clause (i), no registration of a pesticide may be amended to permit an additional use of the pesticide if the Administrator has issued a notice stating that the pesticide, or any ingredient, meets or exceeds risk criteria associated in whole or in part with human dietary exposure specified in regulations issued under the Act. The revised provision also eliminates the Administrator's current authority to issue conditional registrations for minor use pesticides in similar circumstances.

Clauses (iii) and (iv) restate provisions of the current law that an applicant seeking an amended conditional registration shall submit data that would be required to obtain an unconditional registration for a similar pesticide under section 3(c)(5) of the Act. Further, except as provided in clause (v), if an applicant is unable to submit an item of data (other than data pertaining to the proposed additional new use) because it has not yet been generated, the Administrator may amend the registration of a pesticide under such conditions as will require the submission of the data not later than the time such data are required for similar pesticides already registered.

Clause (v) is a new provision which states that, if data concerning chronic toxicity (oncogenicity, reproductive effects, and mutagenicity), neurotoxicity, or teratogenicity are required for registration of an additional major use of a pesticide and such data requirement was in effect at the time the studies to obtain the data commenced, a conditional registration for the use shall not be granted unless the data are submitted. This provision ensures that conditional registrations will not be granted when key studies have not been submitted.

Clause (vi) adds that an amendment to an existing conditional registration may be issued if the registrant has initiated necessary tests to secure the data, even though the data have not been submitted, and satisfied the other requirements in paragraph 7 for the amendment of a conditional registration. This clause is intended to permit an amendment to an existing conditional registration, such as a label change, provided the change does not create a new use and the amendment meets other requirements of the section.

Subparagraph (C) restates current provisions of the Act in clauses (i) and (ii), regarding the conditions under which the Administrator may conditionally register a pesticide containing an active ingredient not contained in any currently registered pesticide. Clause (iii) of subparagraph 3 provides an additional requirement for new pesticides that, if data concerning chronic toxicity (oncogenicity, reproductive effects, and mutagenicity), neurotoxicity, or teratogenicity are required for registration of the pesticide and such a data requirement was in effect at the time the studies to obtain the data commenced, a conditional registration shall not be granted unless such data have been submitted.

REREGISTRATION AND REVENUES

Section 301 amends section 2 of the Act by adding a definition of "outstanding data requirement". This definition clarifies the meaning of a data gap. Subsection (ff) states that:

(1) the term "outstanding data requirement" means any study, required information, or data necessary to make a determination under section 3(C)(5) that has (A) not been submitted to the Administrator, or (B) has been submitted but which the Administrator determines are not valid, complete, or adequate to make a determination under section 3.

(2) In making a determination under clause (B), the Administrator shall examine, at a minimum, relevant protocols, documentation of the conduct and analysis of the study, and the results of the study to determine whether the study and the results of the study fulfill the data requirement for which the study was submitted to the Administrator.

Section 302 replaces section 3(g) of the Act, regarding the reregistration of pesticides, with an expanded section.

Paragraph (1) states that the Administrator shall reregister each pesticide in accordance with subsection (g).

Paragraph (2) provides that the Administrator shall establish two priority lists of pesticide active ingredients for reregistration. Subparagraph (A) requires the Administrator to publish in the Federal Register a priority list of three hundred (300) pesticide active ingredients for reregistration, within 60 days of the effective date of the Amendments. Subparagraph (B) requires the Administrator to publish a second list of remaining active ingredients for reregistration, within 90 days of the effective date.

Paragraph (3) establishes criteria for setting the priority for the active ingredient pesticides on the lists required under paragraph (2) and states that the Administrator shall give the highest priority to pesticides that:

(A) are in major use on or in food or feed that may result in post-harvest residues,

(B) may result in residues of potential toxicological concern in potable groundwater, edible fish, or shellfish,

(C) have previously been determined by the Administrator to have the most significant outstanding data requirements, or

(D) are used on crops, including in greenhouses and nurseries, where worker exposure is most liekly to occur.

Paragraph (4) states that, not later than ninety (90) days after publication of each priority list, the Administrator shall remove an active ingredient from the list if the Administrator is requested by all registrants of all pesticides containing the active ingredient that the registratioins of their pesticides should be cancelled.

Paragraph (5) states that establishment of the lists by the Administrator shall not be subject to judicial review.

Paragraph (6) establishes the procedures to be followed by the Administrator in determining data requirements for reregistration. The procedures are as follows:

(A) Not later than eighteen (18) months after the effective date of the Amendments, the Administrator shall identify and publish in the Federal Register a list of the outstanding data requirements for each active ingredient pesticide identified in the first list under paragraph 2(A), and simultaneously notify each existing registrant of pesticides containing such active ingredient that, in order to maintain the registration of the pesticide, the registrant must fill the outstanding data requirements within a reasonable amount of time, not to exceed four (4) years after the notice.

(B) Not later than twenty-four (24) months after the effective date of the Amendments, the Administrtor shall identify and publish in the *Federal Register* a list of the outstanding data requirements for the remaining active ingredients identified in the second list under paragraph 2(B), simultaneiously notify applicable registrants of such requirements, and require the studies to be filled with a reasonable time, not to exceed four (4) years after the notice. It is anticipated that the Administrator would set deadlines shorter than four (4) years for studies that can be completed more quickly, as done in current data call-in notices.

(C) The Administrator may extend the period of time for completion of the studies by no more than two (2) years if extraordinary circumstances beyond the control of the registrant prevent filling the outstanding data requirement. Such extraordinary circumstances mean non-negligent loss of laboratory results, destruction of laboratory results, major animal loss, or similar unanticipated catastrophes.

(D) If a hearing is requested following the issuance of a notice under subsection (c)(2)(B) to fill outstanding data requirements, the registrant may appeal in the hearing the classification of the study as an outstanding data requirement and other matters for resolution in subsection (c)(2)(B)(iv).

Paragraph (7) states that the Administrator shall take certain steps to ascertain whether the outstanding data requirements are being met. Subparagraph (A) requires that, not later than six (6) months after issuance of the notice required in paragraph (6) for the pesticide active ingredient, the Administrator shall determine whether appropriate tests have been initiated to fill the identified outstanding data requirement. Subparagraph (B) requires that the registrant shall submit annual progess reports to the Administrator to indicate the status of testing and to report interim results. The purpose of this provision is to ensure that the Administrator keeps track of whether studies have begun.

Paragraph (8) provides that the Administrator shall issue a notice of intent to sus-

pend the registration of a pesticide under subsection (c)(2)(B)(iv), if the Administrator determines that (A) necessary tests have not been initiated within one year of issuance of the notice, (B) progress is insufficient to ensure the completion of the tests within the deadlines established in the notice, (C) the required test data have not been submitted to the Administrator within the specified deadline, or (D) a registrant has failed to comply with section 3(c)(2)(B)(ii) and (iii) regarding steps to secure the additional data, joint development of data, and cost-sharing.

Paragraph (9) desribes the requirements on the Administrator for reregistration. Subparagraph (A) states that not more than one (1) year after receipt of the data required by the notice, the Administrator shall complete reregistration of the pesticide by determining whether the pesticide fulfills the requirements of section 3(c)(5). Subparagraph (B) states further that the Administrator shall determine whether a pesticide should be reregistered by conducting a thorough examination of all data or taking such other steps necessary to make the determination.

Paragraph (10) establishes certain fees for reregistration. The imposition of these fees does not suggest that the Administrator is authorized under this Act or other statutes to impose other reregistration or registration fees. The requirements of this new provision are as follows:

Subparagraph (A) states that the Administrator shall charge and collect reregistration fees from registrants in accordance with paragraph (10).

Subparagraph (B) provides that, to identify outstanding data requirements for each pesticide required to be reregistered, upon issuance of the notice requiring certain data under section 3(c)(2)(B), the Administrator shall change and collect from the registrant or registrants of the pesticide active ingredient a one-time fee of $50,000. The amendment states further that no fee shall be collected for a pesticide voluntarily cancelled in accordance with paragraph (4).

Subparagraph (C) states that, to evaluate data and reregister a pesticide, upon submission of data required by the notice issued under section 3(c)(2)(B), the Administrator shall charge and collect from the registrant or registrants of the active ingredient pesticide an additional one-time fee of $100,000. The fee is divided into two payments so that EPA can receive the necessary revenues both to identify the data gaps and then evaluate the data after the studies are completed. Also, an active ingredient registrant who decides not to conduct the required studies will not have to pay the second fee.

Subparagraph (D) allows that, if a pesticide active ingredient is registered solely for uses other than for food or feed, the Administrator may levy a reduced fee for reregistration, but not less than one-half of the fee charged for an active ingredient pesticide registered for use on food or feed. This reduced fee for non-food pesticides stems from the fact it takes less data to register such an active ingredient. In addition, formulators are exempted from paying any fee under an amendment to section 3(c)(2)(D).

Subparagraph (E) makes clear that, on payment of the fee for reregistration of an active ingredient, the Administrator may not levy any other fees for reregistration of the active ingredient.

Subparagraph (F) states that, if there are two or more registrants of an active ingredient, the fee shall be apportioned by such registrants in accordance with section 3.

Paragraph (11) establishes procedures for managing the reregistration fee revenues through a revolving fund, not subject to fiscal year limitation, so that EPA will devote these fees directly to reregistration. The paragraph requires the Administrator to provide an annual accounting of the fees collected and dispersed from the revolving fund, and take all steps necessary to insure that expenditures are solley used to carry out reregistration.

Paragraph (12) makes clear that, on submission of data or fees required under the reregistration subsection, the data submitter shall be compensated in accordance with section 3(c)(1)(D). If fees for data are submitted jointly by two or more registrants, an agent shall be appointed by the registrants at the time of the joint submission or payment of the reregistration fee to handle any subsequent compensation matters.

INERT INGREDIENTS

Section 401 amends section 2(n) regarding the definition of "ingredient statement." The section restates the provisions in the current law and adds that the name of each inert ingredient listed on the priority list established under section (3)(h)(1) shall be included in the ingredient statement. Thus, if an inert ingredient is one of the 50 to 75 EPA decides must be tested because it may be hazardous or is in widespread use, it will be listed on the product label. The amendment adds further that an inert ingredient shall be identified by its most common name.

Section 402 amends section 3(c)(2)(D) regarding compensation for data on inert ingredients. The amendment adds a new clause to subparagraph (D) stating that no applicant for registration of a pesticide who proposes to purchase an inert ingredient from another producer in order to formulate the pesticide shall be required to offer to pay reasonable compensation, otherwise required by paragraph (1)(D) for a study required to be cited or submitted, that was generated under the Toxic Substances Control Act or, in certain circumstances, under the Act.

Section 403(a) amends section 3(c)(5) regarding approval of registrations of pesticides containing substitute inert ingredients. The amendment makes certain technical changes and adds a new subparagraph (E) to section 3(C)(5) requiring, in the case of an application to amend a registration to substitute an inert ingredient for an inert ingredient listed under new section 3(h)(1), that the requirements of new section (3)(i), regarding testing of inerts, are satisfied.

Section 403(b) states further that section 3(c)(5) is amended by adding a requirement that, on or after the date specified for submission of a study in the final data development plan published under section 3(h)(1), an application to register or amend a registration of a pesticide containing a listed inert ingredient shall be considered not to satisfy the requirements of section 3(c)(5), unless the application is supported by the study required under paragraph (1)(D).

Section 404 establishes requirements for a priority list of inert ingredients to be reviewed and the data development plans for those ingredients. Section 3 is amended by adding a new subsection (h). The amendment provides as follows:

Paragraph (1) establishes a priority list of inert ingredients consisting of (A) inert ingredients that appear to cause a pesticide to meet or exceed a criterion for initiating an interim administrative review established under section 3(c)(8); and (B) inert ingredients for which additional data are reasonably necessary to evaluate whether the inert ingredient may result in the pesticide causing an unreasonable adverse effect on the environment—

(i) that are similar in molecular structure to a chemical that is oncogenic, mutagenic, teratogenetic, or causes another significant adverse effect, and have a significant use in pesticides or to which there is significant exposure from pesticides, or

(ii) to which there is significant and widespread exposure or that are in widespread use in pesticides.

Paragraph (2) requires the priority list to be published not later than ninety (90) days after the effective date of the Amendments, and that the Administrator shall publish revisions to the list at least annually. Thus, the priority list is dynamic, with inerts coming on and off the list in accordance with the criteria.

Paragraph (3) states that the priority list and any revisions shall not be subject to judicial review at the time that the initial or revised priority list is published. Any judicial review will occur at the time the final data development plans are issued.

Paragraph (4) states that an inert ingredient included on the priority list under paragraph (1)(A), because it has appeared to cause a pesticide to trigger an interim administrative review, shall be removed from the priority list upon (A) a final decision by the Administrator not to initiate an interim administrative review with respect to any pesticide containing the inert ingredient, or final action by the Administrator concluding the interim administrative review, any subsequent actions under section 6, and judicial review, and (B) a final decision by the Administrator not to require additional data, or the receipt and evaluation by the Administrator of all required data, any actions under section (6), and judicial review.

Paragraph (5) states that an inert ingredient included on the priority list under paragraph (1)(B), because of the need for additional data, shall be removed from the priority list upon (A) a final decision by the Administrator not to require additional data, and any subsequent judicial review, or (B) the receipt and evaluation by the Administrator of all required data, any subsequent actions under section (6), and judicial review.

Paragraph (6) states that the priority list shall consist of not less than fifty (50), and not more than seventy-five (75) inert ingredients. Further, the list shall initially consist of fifty (50) inert ingredients, with twenty-five (25) additional inert ingredients added to the list fifteen (15) months after the effective date of the Amendments. This means the list will be expanded one year after the first list is established.

Paragraph (7) establishes procedures for the Administrator's formulation of data development plans for inert ingredients included on the priority list.

Subparagraph (A) requires the Administrator to publish a proposed data development plan for each inert ingredient within one year after the ingredient is listed.

Subparagraph (B) requires that the proposed development plan include (j) a discussion of the risk concerns raised by the inert ingredient and the anticipated exposures to man and the environment, (ii) the studies that the Administrator proposes to require to address those concerns or, if the Administrator proposes not to require additional studies, a discussion of the reasons, (iii) the regulatory mechanisms or other procedures

the administrator proposes to use to generate the studies, and (iv) the dates for submission of the studies.

Subparagraph (C) further states that the proposed development plan shall require the submission of the studies within a reasonable time, not to exceed four (4) years after the issuance of the final data development plan. The Administrator may extend the period for development of the studies by no more than two (2) years if extraordinary circumstances beyond the control of the registrant prevent the submission of the studies.

Subparagraph (D) identifies the factors that the Administrator shall consider in preparing a proposed data development plan. These factors are: (i) the minor use factors referred to in section 3(c)(2)(A); (ii) the guidelines published under section 3(c)(2)(A); (iii) the use of tiered testing program, under which the need for long-term studies would be evaluated after receipt of short-term studies; (iv) the use of other statutory authorities such as the Toxic Substances Control Act, to require the generation of the studies on an equitable basis, considering nonpesticide uses, and within the dates specified in the data development plan; and (v) data generated or scheduled for generation. It is intended that the Administrator should consider non-pesticide uses of the chemical in determining where the testing burden should lie. In general, the Toxic Substances Control Act should be used whenever the quantity of the substance used in pesticides is small in relation to the total quantity produced, or the exposure to the environment from the use of the substance in pesticides is small in relation to the exposure to the environment from the manufacture, processing and disposal of the substance, and from its uses other than in pesticides.

Subparagraph (E) provides for a sixty (60) day comment period on the proposed plan.

Subparagraph (F) requires the Administrator to publish a final data development plan or a final decision to require no additional studies within 30 days of the close of the comment period. The Administrator's final decision shall be subject to judicial review under section 16. The omission of an inert ingredient from the priority list shall be subject to judicial review under section 16 at any time after the first data development plan is published.

Subparagraph (G) provides that the Administrator shall take appropriate action to implement the final data development plan at the same time as the publication of the plan, including data call-in notices. If a hearing is requested by a registrant, the registrant may contest whether the Administrator has considered all the factors required to be considered and included in the data development plan under subparagraphs (B) and (D).

Subparagraph (H) states that, upon receipt of the additional data for the inert ingredients, the Administrator is required within one year to evaluate the data and take such steps as are appropriate to prevent any unreasonable adverse effects on the environment from pesticides containing such inert ingredients.

Subparagraph (I) makes clear that, for purposes of section 3(c)(1)(D), any study generated with other than public funds under a data development plan using another statutory authority of the Administrator (*e.g.*, the Toxic Substances Control Act) shall be treated as having been submitted in support of a registration, and the person who submitted the study shall be treated as an original data submitter. Further, for the purposes of section 3(c)(1)(D)(iii), the compensation period for a study generated using the Toxic Substances Control Act shall expire upon the expiration of the reimbursement period provided for in that Act.

Section 405 amends section 3 of the Act by adding a new subsection (i) regarding the substitution of inert ingredients in registered pesticides. The Administrator shall approve an application to amend the registration of a pesticide to substitute an inert ingredient for an inert ingredient listed under section 3(h)(1) if the Administrator finds, on the basis of similarity in molecular structure to a chemical known to cause significant adverse effects, existing data, or such short term tests as the Administrator determines are necessary, that the substitute inert ingredient does not pose the same or similar concerns about unreasonable adverse effects on the environment that resulted in the listing of the original inert ingredient. This provision should ensure that a possibly hazardous priority inert ingredient is not replaced with another inert ingredient with similar concerns and that undue burdens are not imposed on inert ingredient substitution.

Section 406 further amends section 3 by adding a new subsection (j) regarding labeling requirements for certain inert ingredients. Paragraph (1) requires that, not later than thirty (30) days after publication of the final data development plan, the registrant of a pesticide that contains an inert ingredient listed under section 3(h)(1) shall apply for an amended registration of the pesticide to change the label to conform with section 2(g)(2)(A) and (n). It is intended that identification of the inert ingredient on the label shall be limited to the statement of ingredients. The amendment provides further that the Administrator shall act on this application within thirty (30) days after its receipt. Paragraph (2) states that a pesticide, the inert ingredient statement of which does not satify section (2)(n) with respect to a listed inert ingredient, shall not be considered misbranded until one-hundred-twenty (120) days after publication of the data development plan, or the date on which the Administrator approves a registration amendment providing for a change in the label of the pesticide, whichever occurs later.

Section 407 also amends section 3 by adding to the end a new subsection (k) regarding formula statements. Paragraph (1) states that not later than one-hundred-twenty (120) days after initial publication of the priority list, each registrant of a pesticide containing an inert ingredient or ingredients contained on the list shall make any necessary modifications to the formula statement submitted purusant to section 3(c)(1)(E). Paragraph (2) states further that not more than two-hundred-forty (240) days after the initial publication of the priority list, each registrant of a pesticide containing an inert ingredient or ingredients shall make any necessary modifications to the formula statement submitted pursuant to section 3(c)(1)(E). This provision is intended to ensure that EPA has up-to-date and accurate formula statements.

Section 408(a) amends section 10(d)(1)(C) by adding a provision allowing disclosure of listed inert ingredients. This amendment is made by adding at the end of subparagraph (C) the clause "except that the indentity of an inert ingredient listed under section 3(h)(1) shall be disclosed in accordance with paragraph (4)."

Section 408(b) amends section (10)(d) by adding a new paragraph (4) regarding disclosure of inert ingredients. Subparagraph (A) states that the identity of an inert ingredient may be disclosed by the listing of the inert ingredient on the priority list required by section 3(h)(1) and the release of product labels disclosing the identity of an inert ingredient on the priority list. Subparagraph (B) permits the Administrator to continue to require identification of an inert ingredient on the product label after the removal of the ingredient from the priority list if the Administrator has commence an interim administrative review under section 3(c)(8) or issued a notice of cancellation under section 6.

PUBLIC RIGHT TO KNOW

Section 510 amends section 3(c)(1) of the Act by adding two new subparagraphs on additional requirements in registration statements.

Subparagraph (G)(i) requires registrants to submit proposed fact sheets containing the name of the pesticide active ingredient and priority inert ingredients referred to in section 3(h)(1), and a summary of relevant health, safety and environmental data. These fact sheets are intended to be similar in form and substance to the information required in Material Safety Data Sheets under the OSHA hazard communications standard. Clause (ii) requires that, not later than 120 days after the effective date of the Amendments, each registrant of a pesticide active ingredient or pesticide containing an inert ingredient referred to in section 3(h)((1) shall submit to the Administrator the fact sheets. Clause (iii) states that the fact sheets shall be maintained and kept current by the registrant and made available to the public, on request, by the Administrator and the registrant. Finally, clause (iv) allows the Administrator to require amendments to the fact sheets in order to provide accurate and clear information to the public. The amendment will provide the public with clear health and safety information on all active ingredients and priority inert ingredients.

Subparagraph (H)(i) requires registrants to submit with their registration statements a list of locations where their pesticide active ingredient will be produced in the United States. Clause (ii) requires that, not later than 120 days after the effective date of the Amendments, registrants of currently registered active ingredients shall submit the identity of locations where their pesticide active ingredients are produced in the United States. Clause (iii) states that the list is to be maintained and kept current by the registrant and made available to the public, on request, by the Administrator and the registrant.

Section 502(a) amends section 7(d) of the Act regarding confidential records and information, stating that production locations shall be disclosed to the public. This amendment makes it clear that the public may have access to the identity of locations where a pesticide is produced.

Section 502(b) amends section 7 by adding a new subsection (e) regarding the retention of fact sheets. The amendment states that any producer operating an establishment registered under section 7 shall obtain and make available to the public a fact sheet, required to be developed under section 3(c)(1)(G), for each active ingredient and

listed inert ingredient used in the establishment.

DATA DISCLOSURE TO STATES

Section 601 amends section 10 by adding a new subsection (h) on data disclosure to States.

Paragraph (1) allows the Administrator to disclose to a State any data or information acquired under the Act if both the State assures the Administrator and the Administrator determines that the owner of the data or information will receive no less protection with respect to the disclosure and use of the data or information by the State than is provided by sections 3 and 10 of the Act.

Paragraph (2) states, for purposes of any action that may lie against the United States for just compensation under 28 U.S.C. Section 1491, the disclosure or use of data or information provided by the Administrator to a State in a manner inconsistent with sections 3 and 10 shall be considered a taking of property and the act of a State with respect to such data or information shall be considered an act of the United States.

CANCELLATION PROCEDURES

Section 701(a) amends section 3(c)(8) of the Act regarding interim administrative reviews.

Subparagraph (A) establishes criteria for the Administrator's initiation of an interim administrative review.

Clauses (i) and (ii) of subparagraph (A) restate current law.

Clause (iii) adds a new provision that the criteria for initiating an interim administrative review shall be established on the basis of levels of risk and may include consideration of currently available exposure data.

Clause (iv) states that the absence of exposure data shall not delay or preclude initiation of an interim administrative review and that the Administrator shall not decline to initiate a review solely on the basis of exposure, unless adequate data on all relevant means of exposure have been considered.

Clause (v) provides that, on receipt of data demonstrating to the Administrator that the review triggers are exceeded, the Administrator shall immediately notify all registrants of the pesticide and provide the registrants with appropriate information and explanation of the manner in which the trigger has been exceeded.

Clause (vi) states that, not later than 30 days after receipt of the notice, a registrant may respond to the notice.

Finally, clause (vii) provides that not later than 30 days after the Administrator receives a response from the registrant, the Administrator shall determine whether an interim administrative review of the pesticide shall be initiated.

Subparagraph (B) establishes the procedures for the interim administrative review.

Clause (i) of subparagraph (B) states that notice of an interim administrative review shall be provided to all registrants and interested members of the public and shall be published in the Federal Register.

Clause (ii) states that the notice shall give the basis for the review, indicate availability of all data on which the position of the Administrator is based, and include a request for additional data needed for the review.

Clause (iii) states that, not later than 90 days after publication of the notice, comments may be submitted.

Clause (iv) allows not more than 90 days after the close of the comment period for the Administrator to review all comments and additional data submitted and publish a proposed regulatory position.

Clause (v) states that, not later than 45 days after the close of the initial comment period, additional comments may be submitted to the Administrator to address comments filed by other parties.

Clause (vi) states that the Administrator's proposed regulatory position shall be submitted to the Scientific Advisory Panel at its next scheduled meeting for comment solely on relevant scientific issues and that the public may submit comments to the Panel concerning the Administrator's proposed position. The clause also provides that the Scientific Advisory Panel shall issue a report on the proposed position not later than 30 days after its meeting, the Administrator review and consider the report of the Panel and, not later than 60 days after receipt of the report, the Administrator issue a final regulatory decision whether to retain, restrict, or cancel the uses of the pesticide.

Clause (vii) requires the Administrator to make a final decision with one year of initiation of the review.

Clause (viii) states that the time limits specified for conducting the special review may not be extended, except in exceptional circumstances in which additional data critical to a fair and accurate determination of the risks are required, the extension is limited to the time required to obtain the additional data on expedited basis and no event to exceed one year, and the Administrator acted to obtain the additional data at the time the interim administrative review was initiated.

Section 701(b) amends section 25(d) regarding the Scientific Advisory Panel. An insertion at the beginning of the subsection avoids duplicate referrals to the Panel when the interim administrative review is followed by a section 6 hearing.

Section 701(c) states that the amendments made in section 3(c)(8), relating to interim administrative reviews, shall apply only to reviews initiated after January 1, 1986.

Section 702 amends section 6(b) of the Act regarding cancellation and change in classification of pesticide registrations.

Paragraph (1)(A) repeats the provisions of the current Act, establishing the criteria and requirements for the Administrator's notice of intent to cancel or change in the classification of pesticide.

Subparagraph (B) adds a new provision that the Administrator may require changes to the labelling of a pesticide by informal rulemaking, unless the changes are equivalent to a cancellation of use, render the product unmarketable or otherwise have a major economic impact on the product. In such circumstances, the changes shall be subject to the hearing procedure set forth in section 6. The label changes issued through informal rulemaking shall not be effective pending any judicial review requested under section 16 after a final order of the Administrator.

Subparagraphs (C), (E), (F) and (G) track current law, regarding the time requirements and other procedures followed in the notice.

Subparagraph (D) adds a requirement that the notice include the findings and conclusions the Administrator uses in support of the proposed action.

Paragraph (2) provides procedures for the conduct of the hearing.

Subparagraph (A) restates requirements of the current law.

Subparagraph (B) provides that, when a request for a hearing is made, the request shall identify with particularity the findings and conclusions of the decision of the Administrator that are disputed and include a complete statement of the reasons and factual basis that support the request for the hearing.

Subparagraph (C) states that another party to the proceeding may also identify findings and conclusions in dispute.

Subparagraph (D) restates current law.

Paragraph (3) repeats the factors under current law that the Administrator shall consider in taking any action under the subsection.

Section 703 of the Amendments deletes in section 6(d) the referral of matters to the National Academy of Sciences and requires the Administrator to complete a section 6 hearing, not preceded by an interim administrative review, within 12 months after issuance of the notice that gave rise to the hearing.

Section 704 amends section 6 by adding a new subsection (g) on the procedures for a hearing following an interim administrative review.

Paragraph (g)(1) of the new subsection states that, if a hearing is held following an interim administrative review, the procedures set forth in section 6(b) and (d) shall be modified in accordance with new subsection (g).

Paragraph (2) allows any person who is adversely affected by decision of the Administrator following an interim administrative review to request a hearing within 30 days of such decision.

Paragraph (3) confirms the right of any person to seek judicial review of the Administrator's failure to make a decision within the time required.

Paragraph (4) established the procedures to be followed in a hearing following interim administrative review. At the request of a party, a hearing examiner may receive into evidence portions of the interim administrative review record that the party demonstrates are relevant and material to the disputed issues. The right of other parties to confront and cross-examine the evidence shall be preserved with respect to material issues of adjudicative fact, so long as the cross-examination is not unduly repetitious. Not later than 60 days afte the hearing examiner is appointed, pre-hearing matters shall be completed and the hearing commence. Further, not later than 30 days before the hearing commences, the parties shall exchange witness lists and exhibits to be offered at the hearing. Paragraph (4) also states that if studies become available that were not considered during the administrative review, the hearing examiner may, on request of any party and when in the examiner's judgment it is necessary, submit the studies to the Scientific Advisory Panel for supplemental comment on an expedited basis. The Panel review shall not extend the time for completion of the hearing. The hearing examiner must schedule the presentation and examination of witnesses in the hearing so that the presentation of evidence is completed within 60 days, except that the schedule should not prejudice the right of a party to present evidence. The parties shall submit briefs within 20 days of receiving a transcript of the hearing and the hearing examiner shall render a recommended decision within 20 days of submission of the briefs. The paragraph states that the hearing shall be completed within 6 months of the issuance of the notice that gave rise to the hearing. Further, the time limits imposed by the subsection may not be ex-

tended, except in exceptional circumstances when it is essential for a fair and accurate determination of pivotal facts central to the proceeding, and in no event to exceed 180 days.

FALSE OR INVALID DATA

Section 801 amends section 6 by adding a new subsection (h) regarding cancellation of registrations based on false or invalid data.

Paragraph (1) requires that the Administrator shall immediately issue a notice of intent to suspend and to cancel the registration of a pesticide if, prior to the effective date of the Amendments, the Administrator has previously determined in the Industrial Biotest validation process that data submitted by registrant in support of the registration were invalid, have not been replaced or have not been submitted by April 1, 1988 under a schedule approved by the Administrator, and are material to the registration.

Paragraph (2) states that after the effective date of the Amendments, if the Administrator determines that invalid data have been submitted by a registrant in support of a registration, the Administrator may either (A) require the registrant to submit valid replacement studies or data on expedited schedule and to submit interim progress report, or (B) issue a notice of intent to cancel the registration if such action would be in the public interest, taking into account the scope of the invalid data and the need to use the data to determine whether the pesticide may cause unreasonable adverse effects on the environment. This section does not address "routine" outstanding data requirements, where the quality of health and safety studies does not comply with current requirements or guidelines. Rather, its purpose is to permit the Administrator to take action on registrations in any future circumstances, such as occurred with IBT, where the Agency discovers that pivotal studies, previously thought to be valid in justifying a product's registration, are in fact invalid and the continued use of the product may cause an unreasonable risk.

Paragraph (3) states that, if a registrant willfully submits material data known to be false in support of the registration of a pesticide, the Administrator shall immediately issue a notice of intent to suspend and cancel the registration.

Paragraph (4) establishes procedures for hearings on the cancellation or suspension of registrations based on false or invalid data.

Subparagraph (A) states that any suspension or cancellation under section 6(h) shall become final and effective at the end of the 30 day period beginning on receipt by the registrant of a notice issued under the section unless, during the 30 day period, a request for a hearing is made by a person adversely affected.

Subparagraph (B) requires that the hearing shall be conducted in accordance with section 6(c) or (d), as appropriate.

Subparagraph (C) states that the only matters for resolution at a hearing under paragraph (1), regarding data involving the Industrial Biotest validation process, shall be whether data previously determined by the Administrator to be invalid have not been replaced or are being replaced and the completed studies have not been submitted to the Administrator by April 1, 1988, are in response to a notice of the Administrator issued under section 3(c)(2)(B) or other formal notice, and are material to the registration.

Subparagraph (D) states that the only matters for resolution at a hearing conducted pursuant to paragraph (2), regarding data determined subsequent to the Amendments to be invalid, shall be whether data are invalid, material, and necessary to adequately determine whether a pesticide may cause unreasonable adverse effects on the environment.

Subparagraph (E) states that the only matters for resolution at a hearing conducted pursuant to paragraph (3), regarding data determined to be false, shall be whether a registrant willfully submitted material data known to be false.

Subparagraph (F) adds that the decision shall be final after completion of the hearing.

Subsection (6) states that, notwithstanding any other provision of the Act, a hearing shall be held and a determination made within 75 days after receipt of a request for a hearing.

Section 802 amends section 12(a)(2) regarding unlawful acts. Paragraphs (1) and (2) make technical changes. Paragraph (3) adds at the end of section 12(a)(2) a new subparagraph (Q), making an unlawful act to willfully falsify all or part of any data submitted pursuant to the Act or to willfully submit such data knowing it to be false.

INSPECTION OF LABORATORIES

Section 901 amends section 9(a) by adding a new paragraph after the first paragraph of the subsection. The amendment states that, for purposes of verifying the accuracy of data submitted in support of an experimental use permit or registration, an officer or employee duly designated by the Administrator is authorized, after the submission of an application for an experimental use permit or registration, to enter at reasonable times any laboratory to inspect relevant parts of the laboratory, related books and records, and data that have been or are being developed in support of the application. The amendment states further that the Administrator shall coordinate inspections with actions taken under other Federal laws for the purpose of avoiding duplication of inspections.

EXPORT OF PESTICIDES

Section 1001 amends section 2(q)(1) regarding the definition of "misbranded." Paragraphs (1) and (2) make certain technical amendments. Paragraph (3) adds at the end of section 2(q)(1) a new subparagraph (I). The amendment states that a product is misbranded, in the case of a pesticide intended for export that is substantially similar in composition and use pattern to a pesticide registered under section 3, if the label does not contain the same health, safety, and hazard precautions as a pesticide registered under section 3, unless such precautions on the label are in conflict with the law of the importing country. It is intended that a conflict means a direct conflict in which the foreign law does not permit inclusion of the information on the label.

Section 1002 amends section 2 by adding at the end a new subsection (gg) defining the term "importing country". The amendment states that the term "importing country" means the first country to which a pesticide, device, or active ingredient, subject to the notification requirement of section 17(a), is exported from the United States.

Section 1003 amends section 8(a) by inserting the terms "and exporters" after the term "producers". This change clarifies the Administrator's authority to regulate the records of pesticide exporters.

Section 1004(a) amends section 17(a) regarding pesticides and devices intended for export. The amendment is as follows:

Paragraph (1) restates current provisions of the law and adds references to sections of the Act to which a pesticide, device, or active ingredient used in producing a pesticide intended solely for export to a foreign country shall apply. The new sections added are sections 2(q)(1)(I), and 17(a) (2), (3), (4), (5), and (6). The current provision in the Act is deleted that requires foreign purchasers to sign a statement acknowledging that the exported pesticide is not registered for use in the United States and cannot be sold in the United States.

Paragraph (2)(A) states that paragraph (2) applies to pesticides, devices, or active ingredients—

(i) for which a restricted use classification has become effective under section 3,

(ii) for which a cancellation or suspension has beome effective under section 6,

(iii) for which the registration has been voluntarily withdrawn by the registrant, if the withdrawal was associated with concern over potential adverse public health or environmental effects, or

(iv) which is not registered under section 3 for any use.

Subparagraph (B) states that no pesticide, device, or active ingredient identified in subparagraph (I) may be exported to any foreign country unless the person has provided a notification. An exporter must, at least 30 days prior to the first shipment each year into the importing country, have—

(i) notified the person importing the pesticide and the appropriate government regulatory office in the importing country,

(ii) received written evidence that the notification was delivered to the appropriate government regulatory office, and

(iii) submitted a copy of the notification in English and evidence of delivery of the notice to the Administrator. This notice requirement does not require prior informed consent of the importing country; however, it does require the exporter to receive written evidence that the notification was delivered. Normally, such evidence would be a recipient's signature indicating delivery, a receipt, or a telex answer back form. Where such evidence is not available, the exporter could obtain evidence of delivery through written certification of delivery by the deliverer.

Finally, subparagraph (C) states that the notification shall be made available to the public, on request. Such disclosure shall be consistent with section 10.

Paragraph (3) states what the notification shall contain. The requirements are identified in subparagraphs (A) through (F) and include the name of the pesticide, common and chemical names of the active ingredient, name and address of the person exporting the pesticide, name and address of the person importing the pesticide, statement of the reasons why the pesticide was cancelled, suspended, voluntarily withdrawn, not registered in the United States, or classified for restricted use, and other information.

Paragraph (4) adds a new requirement for labels on exported pesticides. Subparagraph (A) states that the label of pesticides intended for export from the United States shall be written in an appropriate language. Subparagraph (B) states that, except as provided in section 2(q)(1)(H), such labels may not refer to compliance with the laws of the United States unless the label also contains or is accompanied by a description of the relevant requirements of such laws.

Section 1004(b) establishes the effective dates of actions under section 17.

Paragraph (1) requires that section 17(a)(2) and (3) shall become effective 90 days after enactment of the Amendments.

Paragraph (2) requires that, not later than 30 days after enactment of the Amendments, the Administrator shall publish in the Federal Register a list of the names, addresses, and the international telecommunications codes of appropriate regulatory officials required to receive notices under section 17(a)(2)(B).

Paragraph (3) requires that, not later than 180 days after enactment of the Amendments and annually thereafter, the Administrator shall revise the list of regulatory offices of importing countries designated to receive notices.

Paragraph (4) requires that, not later than 90 days after enactment of the Amendments, the Administrator shall publish in the Federal Register preliminary guidelines on the form of the notification, translation of the notification and labels required under section 17(a), retention of shipping documents and other pertinent records by exporters, and the procedures for public access to documents submitted by exporters.

Paragraph (5) states that, not later than one year after enactment of the Amendments, the Administrator shall issue regulations necessary to carry out section 17(a)(2) and (3), regarding the notification requirements.

Section 1005 amends section 17(b) of the Act to expand the scope and frequency of cancellation notices furnished to foreign governments and appropriate international agencies by the United States. The Administrator shall transmit through the Department of State a notice at such time and annually thereafter whenever a pesticide registration, or a cancellation or suspension of the registration, becomes effective or ceases to be effective, or a pesticide is classified for restricted use. The contents of such notification shall include the reasons for the regulatory action taken and, for cancelled or suspended registrations, information concerning other pesticides that are registered under section 3 and that could be used in lieu of the pesticide.

Section 1006 amends section 17(d) to provide greater cooperation by the United States in international efforts on pesticide regulation.

Paragraph (1) requires the Administrator, in cooperation with the Department of State, other appropriate Federal agencies and non-governmental and international organizations, to actively participate in international efforts to develop and improve pesticide research and regulatory programs.

Paragraph (2) states that the Administrator shall provide foreign countries with technical assistance to develop comprehensive pesticide regulatory programs.

Paragraph (3) states that, within one year of the effective date of the amendments and every three years thereafter, the Administrator shall conduct and publish a survey of all countries that import pesticides from the United States or from which the United States imports agricultural commodities, to ascertain what procedures exist in each country regarding the registration, labelling, and training to ensure safe handling, transportation, application and disposal of pesticides, and control residues on foods in order to meet tolerances established under United States law.

Paragraph (4) requires the Administrator to report to Congress annually on the activities conducted to comply with section 17(d) and the results.

Section 1007 adds a new subsection (f) to section 17. The new subsection requires the Administrator to take certain action on tolerances for agricultural commodities that have been cancelled, suspended, denied, or voluntarily withdrawn (unless any such action was due solely to environmental effects).

Paragraph (1) requires the Administrator, within 60 days after such regulatory action, to revoke or amend the corresponding tolerance or exemption from tolerance established under section 408 of the Federal Food, Drug, and Cosmetic Act, and any food additive regulation established under section 409 of that law.

Paragraph (2) states that the Administrator may amend the tolerance only to permit food in commerce that contains residues of the pesticide from previously registered uses, from foreign or United States use of existing stocks permitted under section 6(a), or from unavoidable residual environmental contamination.

Paragraph (3) provides that the Administrator shall promptly lower any amended tolerance as soon as the residues decrease.

AUTHORIZATION FOR APPROPRIATIONS

Section 1101 amends section 31 to appropriate sufficient funds to implement the Act, as amended, for four (4) years.

EMPLOYEE PROTECTION

Section 1201 adds a new section 32 on employee protection.

Subsection (a) states that no employer may discharge or otherwise discriminate against any employee with respect to the employee's compensation, terms, conditions, or privileges of employment because the employee (or person acting by a request of the employee) has commenced, caused, or is about to commence a proceeding under the Act, testified or is about to testify, or assisted or participated, or is about to assist or participate, in any manner in a proceeding or action furthering the purposes of the Act.

Subsection (b) requires the Administrator to implement section 32 in a manner consistent with the procedures, remedies, review, enforcement, and exclusion provisions of section 23 of the Toxic Substances Control Act, an identical provision to section 32 of the Amendment.

TECHNICAL AMENDMENTS

Section 1301 makes certain technical amendments required by changes to the Act.

INTRODUCTION OF THE HEALTH CARE QUALITY IMPROVEMENT ACT OF 1986

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. WYDEN. Mr. Speaker, today I am pleased to introduce a bill to reduce medical malpractice in this country, the Health Care Quality Improvement Act of 1986.

Of special significance is the fact that, for the first time, the American Association of Retired Persons, the American Medical Association, and the American Hospital Association have come together to work with me on this bill and are behind this effort to curb the medical malpractice problem.

Medical malpractice is bad for all Americans. For consumers it has meant higher health care bills and greater risks as doctors practice more defensive medicine and subject consumers to more tests and procedures. If you are a medical patient, it can present the ultimate question—life or death.

There is no quick fix for the malpractice problem. But a good place to start is with the medical profession itself. Doctors are in the best position to do something about malpractice—because they see it happening around them. Most doctors are honest, hard-working, competent professionals. What's needed are new systems that encourage doctors to bring cases of incompetence to disciplinary authorities.

The present system can penalize those doctors who blow the whistle on a colleague they believe is malpracticing. In Astoria, OR where the physicians of a clinic reviewed another doctor's surgical competence, the doctor sued them. This suit, where restraint of trade was charged, resulted in a $2 million damage award for the plaintiff doctor.

Regardless of the guilt or innocence of the Astoria doctor, cases like this demonstrate that if this country wants physicians to come forward and prevent truly bad doctors from hurting people, there must be legal protection for them from the possibility of multimillion-dollar litigation, years in court and financial ruin.

That's exactly what the Health Care Quality Improvement Act would provide. Under this act, if a physician peer review committee makes a good faith determination that a member of its hospital's medical staff is incompetent, and the committee removes the malpracticing physician from the medical staff, the members of the committee receive legal protections for that action.

In addition, my legislation creates new tools to prevent incompetent doctors from repeatedly endangering the health of our citizens.

For the first time, a national data bank would be established to give hospitals information about the malpractice track record of those doctors who apply to practice on their staffs. Hospitals would be required to check the data bank before permitting a physician to practice in the hospital and when reviewing a physician's privileges. Through the provisions of this bill, we can stop incompetent doctors from moving to work in a new area of the country while keeping a record of malpractice secret.

The need for this legislation is clear. In the past decade, the number of malpractice claims has tripled to an average of 900 per day. The amount of money awarded has grown. The average award now is in excess of $100,000 and awards of more than $1 million are common.

If the growing malpractice problem is not reversed, this country's ability to provide affordable, quality health care could be crippled.

In the past, the response to the malpractice problem has been to play the "blame grame." One group says it is another's fault, and instead of solutions we have gridlock. The approach taken in this bill is grounded in consensus, not finger pointing. Its purpose it to provide physicians and hospitals with tools to

reduce malpractice. And I expect the medical profession to use these new tools to the fullest extent possible.

EAGLE SCOUT WILLIAM R. O'CONNELL

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. LIPINSKI. Mr. Speaker, I would like to take this opportunity to bring to the attention of my colleagues the achievements of a fine young man in my district, William R. O'Connell. Recently, William was honored for achieving the highest rank in Scouting, that of Eagle Scout.

The path to Eagle Scout is truly a long and difficult one. It requires an extraordinary amount of dedication and determination not usually seen in youths of this age. The tasks which must be completed to become an Eagle Scout cover virtually every realm of human experience. Some require intellectual and creative abilities while others call for physical agility and strength. Some tasks help integrate the young man into society through community action that benefits his neighborhood and world. Still other acts are performed alone intended to develop internal growth and maturity. Always, however, is the challenge to set and strive for goals through initiative and diligence.

Young men like William are leaders. The achievement of Eagle Scout is likely to be only the beginning of a future full of accomplishments. For this young man has shown that he can perform exceptionally well without a compelling hand of authority over him. I say this not to downplay the importance of the encouragement he received from his family and Scout leaders but, rather, to assert the independence and self-motivation he has already shown.

Your achievement of becoming an Eagle Scout is praised and applauded. It is with sincere pleasure that I commend you, William O'Connell, before my fellow Members in Congress.

THE FEDERAL RADIOACTIVE WASTE LIABILITY ACT OF 1986

HON. SID MORRISON

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. MORRISON of Washington. Mr. Speaker, just a few months ago I introduced legislation to make the Federal Government liable for accidents involving the disposal of nuclear waste. At that time a few colleagues rallied around to support the concept, but most thought I was crazy to stick my neck out in support of total compensation.

Today, I don't have to stand alone in my support of full compensation. My colleagues have come to realize the fairness and simplicity of this approach. Today I can stand up in support of this concept with Congressman AL SWIFT—a respected Member of Congress who has shown great leadership and knowledge on this subject—and introduce a refined version of that first bill.

This bill, the Federal Radioactive Waste Liability Act of 1986, addresses a troubling concern voiced by the States now involved in the site selection process for disposal of radioactive waste. That concern simply expressed is: "Who has liability in the event of an accident and for how much?" The bill we are introducing today is intended to clarify this ambiguity by putting the brunt of the responsibility where it belongs—squarely on the Federal Government. Our bill accomplishes this objective by making two fundamental changes in present law.

First, the Price-Anderson Act is amended to eliminate the current $500 million liability ceiling for those Federal contractors engaged in nuclear waste disposal activities. This limited notion of liability is unacceptable to the States and affected parties. In my mind, it is irresponsible for the Federal Government not to accept strict liability and provide full compensation when they are taking title to radioactive materials.

Second, the bill sets up a two-tier system for payment of liability claims. The initial source for payment of liability claims—up to $5 billion—will be the nuclear waste trust fund. This fund represents a ready pool of cash for paying claims. The second tier for compensation will be the Secretary's already existing authority to issue Treasury bonds. Together these two tiers will provide full compensation in a timely and fair manner.

I hope this legislation will provide a starting point for the Federal Government and affected States to work out in a cooperative fashion this area of disagreement.

H.R.—

A bill to amend the Price-Anderson provisions of the Atomic Energy Act of 1954 to establish liability and indemnification for nuclear incidents arising out of Federal storage, disposal, and related transportation of radioactive waste

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as "The Federal Radioactive Waste Liability Act of 1986".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) the Federal Government currently does not, but should, assume the responsibility to provide total indemnification for public liability claims arising out of nuclear incidents relating to Federal storage, disposal, and related transportation of radioactive waste; and

(2) such indemnification should be made part from amounts available through the Nuclear Waste Fund established in section 302 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222).

(b) PURPOSE.—The purpose of this Act is to amend the Price-Anderson provisions of the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) to ensure that the Federal Government assumes the responsibility to provide, in part through the use of the Nuclear Waste Fund, total indemnification for public liability claims arising out of nuclear incidents relating to Federal storage, disposal and related transportation of radioactive waste.

(c) NATIONAL POLICY.—The Congress hereby declares it to be the national policy of the United States to provide full compensation, founded upon liability without fault, to all persons and entities entitled to such compensation as a result of nuclear incidents relating to radioactive waste to which the United States holds title.

SEC. 3. FEDERAL RADIOACTIVE WASTE LIABILITY AND INDEMNIFICATION.

Section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) is amended by adding at the end thereof the following new subsection:

"q. FEDERAL RADIOACTIVE WASTE LIABILITY.—

"(1) INDEMNIFICATION AGREEMENTS.—The Secretary of Energy (hereafter referred to in this subsection as the "Secretary") shall enter into agreements of indemnification with each contractor of the Secretary carrying out any contractual activity with respect to radioactive waste, including transportation, treatment, storage, and disposal, to which the United States holds title. In such agreements of indemnification, the Secretary shall, notwithstanding the provisions of subsection e., indemnify the persons indemnified against claims for public liability for nuclear incidents arising out of or in connection with any such contractual activity. Each indemnification agreement entered into by the Secretary pursuant to this subsection shall, as to all activities of the contractor covered by the agreement, include the provisions authorized for incorporation in indemnification agreements by subsection n.

"(2) NONCONTRACTUAL ACTIVITIES OF SECRETARY.—For purposes of any activity that is undertaken by the Secretary with respect to radioactive waste to which the United States holds title and that is not undertaken by contract, the Secretary shall be considered to be a contractor with whom an agreement of indemnification has been entered into under this subsection.

"(3) PAYMENT.—The Secretary shall make all payments required under an agreement of indemnification entered into under this subsection. Such payments shall be made as follows:

"(A) NUCLEAR WASTE FUND.—The first $5,000,000,000 of payments arising from any one nuclear incident arising from the implementation of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101 et seq.) shall be made from amounts in the Nuclear Waste Fund established in section 302 of such Act (42 U.S.C. 10222). The payment of claims under this subparagraph shall not be subject to subsection (d), or the penultimate sentence of subsection (e)(2), of such section 302. If sufficient amounts are not available in the Nuclear Waste Fund to expeditiously pay valid claims made under this subsection, the Secretary shall exercise the authority provided in subsections (a)(4) and (e)(5) of such section 302.

"(B) BORROWING AUTHORITY.—For the purposes of paying claims arising from any one nuclear incident which either (1) arises out of activities other than the implementation of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101 et seq.), or (2) arises out of the implementation of such Act but exceeds the amount set forth in subparagraph (A), the Secretary shall issue to the Secretary of the Treasury obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be agreed to by the Secretary and the Secretary of the Treasury. Such obligations shall

bear interest at a rate determined by the Secretary of the Treasury by taking into consideration the average market yield on outstanding marketable obligations to the United States of comparable maturities during the month preceding the issuance of the obligations under this subparagraph. The Secretary of the Treasury shall purchase any issued obligation, and for such purpose the Secretary of the Treasury may use as a public debt transaction the proceeds from the sale of any securities issued under chapter 31 of title 31, United States Code, and the purposes for which securities may be issued under such chapter are extended to include any purchase of such obligations. The Secretary of the Treasury may at any time sell any obligation acquired by the Secretary of the Treasury under this subparagraph. All redemptions, purchases, and sales by the Secretary of the Treasury of obligations under this subparagraph shall be treated as public debt transactions of the United States."

SEC. 4. PRECAUTIONARY STATE ACTIVITIES.

(a) LIABILITY OF FEDERAL CONTRACTORS.—Section 11 w. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(w)) is amended by inserting after "nuclear incident" the first place it appears the following: "or, in the case of an indemnity agreement entered into under section 170 q., a precautionary State activity".

(b) DEFINITION.—Section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 2014) is amended by adding at the end thereof the following new subsection:

"dd. The term 'precautionary State activity' means an action taken by a state or local government official to evacuate the public residing in the vicinity of (a) a production of utilization facility, or (b) a disposal or storage facility or transportation route for spent nuclear fuel, high-level radioactive waste, or transuranic waste, and other appropriate emergency response action, which is deemed necessary to protect the public health and safety from real or imminent danger, or threat thereof, arising from a nuclear incident associated with (a) or (b)."

SEC. 5. APPLICABILITY OF WAIVER OF DEFENSES REQUIREMENT TO LIABILITY FOR FEDERAL RADIOACTIVE WASTE ACTIVITIES.

Section 170 n. (1) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(n)(1)) is amended—

(1) by redesignating subparagraphs (a), (b), and (c) as subparagraphs (A), (B), and (C), respectively;

(2) by striking out "or" at the end of subparagraphs (A) and (B); and

(3) by inserting after subparagraph (C) the following new subparagraph:

"(D) arises out of, results from, or occurs in the course of, any activity undertaken by the Secretary of Energy (or under contract with the Secretary of Energy) with respect to radioactive waste to which the United States holds title,".

THE FEDERAL RADIOACTIVE WASTE LIABILITY ACT OF 1986, MARCH 12, 1986

GENERAL DESCRIPTION

Amends the Atomic Energy Act to establish strict Federal liability for nuclear incidents that arise from the transportation, treatment, storage or disposal of radioactive waste to which the United States holds title; and to assure that persons damaged thereby are fully compensated.

SECTION-BY-SECTION SUMMARY

Sec. 1. Short title

This Act may be cited as "The Federal Radioactive Waste Liability Act of 1986."

Sec. 2. Findings and purpose

The Congress finds that the Federal government should assume responsibility for total indemnification for public liability claims arising out of nuclear incidents involving Federal radioactive waste; and that a portion of such indemnification should come from the Nuclear Waste Fund. The purpose and policy of the Act is to effectuate the same.

Sec. 3. Federal radioactive waste liability and indemnification

Sec. 170 of the Atomic Energy Act (the Price-Anderson Act) is amended by adding a new subsection "q" at the end thereof.

Para. (1). Indemnification agreements

The Secretary of Energy shall enter into indemnification agreements with contractors involved in Federal radioactive waste activities. These contracts shall not be subject to the limitations on liability found in subsection "e" of the Price-Anderson Act. The waiver of defenses in Sec. 5 would apply to any nuclear incidents involving Federal radioactive waste.

Para. 2. Noncontractual agreements

For any radioactive waste activities that the Secretary undertakes without a contractual agreement, the Secretary shall be considered the contractor and thereby subject to the provisions of this legislation.

Para. 3. Payment

The first $5 billion of payments resulting from a single nuclear incident shall be made from the Nuclear Waste Fund. To trigger payments from the Nuclear Waste Fund the incident must occur as a result of implementation of the Nuclear Waste Policy Act of 1982. Should the incident be a result of other activities, or if the payment exceeds $5 billion, payments shall be made by the Secretary with funds raised through the issuance of Treasury obligations.

Sec. 4. Precautionary State activities

State and local governments shall be reimbursed for costs associated with evacuating the public or with carrying out appropriate emergency response actions when these activities are necessary to protect the public from real or imminent danger or the threat of such danger.

Sec. 5. Waiver of defenses

Adds radioactive waste activities to the instances under which defenses are waived in the event of an extraordinary nuclear occurrence.

A TRIBUTE TO MARGUERITE CHANDLER AND EDYTHE GUTMAN

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. COURTER. Mr. Speaker, the National Association of Social Workers has declared March, "Social Workers Month." With this in mind, I wish to bring to the attention of the House of Representatives the outstanding work of Marguerite Chandler and Edythe Gutman, who have been respectively nominated as "Citizen of the Year" and "Social Worker of the Year" by the New Jersey chapter of the association.

Each of these women have unselfishly served their communities and are model citizens. Edythe Gutman has served as president of many important organizations in the large municipality of East Brunswick, NJ, including the board of education, commission on aging, and youth services commission. She has also worked on numerous projects which have benefited hundreds of teenagers and involved working in cooperation with numerous township agencies and officials. While it is not possible to adequately summarize Edythe's contribution over 36 years of dedicated community service, the above offers brief insight into her character and her concern for her fellowman.

Similarly, Marguerite Chandler has been equally devoted in her service to those in need. She is the founder and president of the Food Bank Network of Somerset County and Aid to Friends, programs which assist the elderly, handicapped, and homeless. Her energy and generous outreach serve as a model and inspiration for all who wish to help the poor and less fortunate.

New Jersey and my congressional district are indeed lucky to have two such gracious ladies. Their volunteerism epitomize the spirit that helped build this great land. I applaud these women for their leadership, sensitivity, organizational skills and drive, which have helped to benefit so many. I wish them all the best for the future as well.

A TRIBUTE TO RETIRING POCOMOKE CITY MAYOR J. DAWSON CLARKE

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. DYSON. Mr. Speaker, it comes as a great honor for me to pay tribute to a gentleman whose vim, vigor, and vision has brought great bounty to Pocomoke City, MD. I speak of J. Dawson Clarke, who, as mayor of Pocomoke for the past 18 years, has mixed charisms and compassion to enrich the lives of the citizenry he so proudly serves.

When I look at the life and times of J. Dawson Clarke, I see a man who captures the very essence of what we hope for in a public personage. A diligent and dedicated man, driven by a restless pioneering spirit and an eternal optimism, Mayor Clarke has committed himself to seeing Pocomoke live up to its claim of being the "friendliest town on the Eastern Shore."

During Mayor Clarke's tenure in office, Pocomoke has become a paradigm of progress and prosperity. In fact, Pocomoke's Sunshine Village Apartments, the Pocomoke Area Medical Center, and the downtown revitalization project resulted in Pocomoke being selected as one of 17 finalists in the 1985 All-America Cities competition. This remarkable achievement stands as a towering testament to Mayor Clarke, City Manager Russell Blake, and to untold others who believe in the power of community action.

If Mayor Clarke's public agenda has been ambitious, his personal interests have been extraordinary. Hailing from Dover, DE, Mayor Clarke first carved his niche in Pocomoke in 1927 as the city's cultural cause celebre, playing live piano to the latest showing silent films. Thus began an enduring affection for the theatre for Mayor Clarke, who, along with his wife Hattie, has owned and operated Pocomoke's sole movie house for over half a century.

Mayor Clarke is also widely known on the Eastern Shore for his 25 years of inspired, innovative and informative live radio work for WBOC in Salisbury. Just as with his movie house, Mayor Clarke's radio show has brought great joy and happiness to countless citizens across the Eastern Shore.

Never content to rest upon the laurels of past achievement, Mayor Clarke has given his time and energy to an array of causes—all with a view toward improving the quality of life for the people he so faithfully serves. Among the many notable positions Mayor Clarke has held, is the presidency of the Rotary Club, the presidency of the Lower-Eastern Shore Mayor's Association and the vice-presidency of Maryland's Municipal League. The mayor has also devoted himself to work in historic preservation on the Spirit of Newton Committee, as well as to promoting growth in business through the Maryland Chamber of Commerce.

Mayor Clarke is truly a man of the people. Ever accessible, the mayor has long cut a striking figure on the city sidewalks of Pocomoke, making his daily rounds so as to lend an ear and offer a hand to concerned townfolk. Even on Sundays, as fellow members of Pitts Creek Presbyterian Church begin to make their way home, Mayor Clarke can be found doing what he does so well—listening, learning, and leading the way to a constructive course of action.

As J. Dawson Clarke approaches his retirement, he will be leaving behind a rich and enduring legacy. One that is a source of great pride to his family, friends, and the many people whose lives he has touched. The mayor has shown us all, that one person can indeed make a difference.

So, Mr. Speaker, I proudly salute Pocomoke City Mayor J. Dawson Clarke—a man who by daring to dream, by demanding the most of himself and of others, looms large in the lore of one shining city on a hill.

BILL KASTRIN'S PIONEERING APPROACH TO UNITED STATES-MEXICO RELATIONS

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. COLEMAN of Texas. Mr. Speaker, I would like to take this opportunity to bring to the attention of my colleagues the untiring efforts on behalf of United States-Mexico relations of one of the most distinguished leading citizens of El Paso, TX, William J. Kastrin.

Long before anyone in Washington recognized the urgency of improved United States-Mexico relations and the importance of trade agreements between us, Bill Kastrin had begun his lifelong effort to bring together business and political leaders from both countries to promote joint economic development of the borderlands region. His constant theme has been to stress the importance of sitting down together on both sides of the border and talking about mutual problems and mutual opportunities. In this regard, I look to him as one of my mentors in the development of a modern approach to United States-Mexico relations.

This new approach begun by Bill Kastrin with American and Mexican leaders in El Paso has been embodied in numerous pieces of legislation, including a bill I first introduced in 1983 calling for a comprehensive United States-Mexico trade summit. When compared to the frequent lack of a real dialog between our two countries, Bill Kastrin's efforts to solve mutual problems by face-to-face negotiations at every level of business, labor, and government has provided a ray of hope between two peoples.

Bill Kastrin's pioneering approach to United States-Mexico relations is one with which I have tried to educate the administration, the United States Congress, the media, and the varied and diverse interest groups in Washington, DC, that have a voice in this issue. This approach is the foundation of the philosophy of the bipartisan congressional border caucus, which I founded in 1983 to give border communities like El Paso and the Sixteenth Congressional District a voice in the congressional and legislative process where one had not existed before. The caucus has achieved a string of legislative and policy successes in the last 2 years, due in no small part to this founding philosophy of mutual respect and emphasis on discussion and negotiation.

Bill Kastrin's contributions are of course not limited to the field of United States-Mexico relations. A major force in the El Paso construction and manufacturing community, he currently serves as chairman of the board of Southwestern Sheet Metal Works, Inc., which is the third largest sheet metal products manufacturer in the country. He has played a leading role in attracting local and international investors to the El Paso area, and has made significant contributions to El Paso's present and future economic development.

On Thursday, March 20, 1986, Bill Kastrin will be honored by the 23d Humanitarian Award Dinner sponsored by the National Conference of Christians and Jews. I am proud to bring to the attention of my colleagues and the United States Congress the many and ongoing accomplishments of Bill Kastrin in industry, civic affairs, and perhaps most significantly, to the relationship between the countries of the United States and Mexico. His philosophy of negotiation, which he bases on mutual respect and trust, is a tremendous example of how a private sector individual can have a profound impact on the course of public policy through the power of his idea, and I join the people of El Paso in this most fitting tribute.

TRIBUTE TO MRS. MARTHA BIGGERSTAFF JONES

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. HILLIS. Mr. Speaker, I would like to pay tribute to one of the most outstanding schoolteachers ever to walk into an Indiana classroom. Mrs. Martha Biggerstaff Jones, who taught thousands of students in her 25 years of teaching in Wabash, was honored recently by her friends and neighbors as the recipient of the Wabash Distinguished Citizen Award. I would like to join in congratulating her for this achievement which is a recognition of her years of service to the community.

At the Wabash Area Chamber of Commerce banquet, former students remembered her with fondness and gratitude. "She prepared her students for a more enriched life," one said. "Oh how she prepared."

Her life beyond the classroom is a story of the love she has for Wabash. Mrs. Jones contributed her time and talents to the Wabash Carnegie Public Library Board, the Symphony Board, Arts Council, Dance Theatre, Historical Society, and the Wabash Winterfest. She was a leader in establishing a historical record of the county hospital and instrumental in the publication of the history of Wabash County during our Nation's Bicentennial.

I think all of us had a favorite teacher from our childhood who touched our lives and inspired us to excel. For hundreds of students who attended Linlawn and Wabash high schools and Wabash Junior High School, that teacher was Martha Jones.

HONORING GEORGE GABRIEL

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. RITTER. Mr. Speaker, I would like to take this opportunity to commend George Gabriel, who lives in Lehigh Valley of Pennsylvania. On April 5, Lehigh chapter No. 60 of AHEPA is honoring George, and I want to add my sincere appreciation for the role he has played in the community.

George has been active on the local, State, and national political scene for several years and he is one of the Lehigh Valley's great human assets. George represents the best when it comes to integrity and leadership.

He has served in every capacity including the presidency in the Lehigh Valley chapter No. 60 of AHEPA. As an AHEPA member, he has been a supreme governor, a supreme secretary, chairman of the supreme board of trustees, supreme vice president and he's currently supreme president.

Under George's direction, the AHEPA's national headquarters in Washington were modernized, complete with a new computer.

For the past 8 years, he has been chairman of the Budget and Finance Committee at the national conventions, and has been the advi-

sor and consultant regarding the AHEPA's investments.

George has been active in the Greek Orthodox Church ever since his family moved to Allentown, PA, in 1957. In 1982, his eminence, the archbishop, appointed him as a member of the archdiocesan council and a member of the archdiocesan finance and executive committees. He was recently bestowed with the honor of "Founder of St. Andrew" and archon of the ecumenical patriarchate.

George has been president and chairman of the board of directors of Atlas Minerals & Chemicals, Inc., of Mertztown, PA, since 1978. He has guided the company to prosperity and has provided the community with his leadership.

In sum, Mr. Speaker, George Gabriel, along with his lovely wife, Evangeline, is the kind of concerned and active man who makes the community in which he lives a better place.

ON MYTH, GRIDLOCK AND GRAMM-RUDMAN

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. SWIFT. Mr. Speaker, I am about to tell you more than you even wanted to know about Gramm-Rudman. As they say in the old movies, "it's not a pretty story."

But before we get into "what" Gramm-Rudman does, let's examine the "why"of it.

HOW DID WE GET HERE, ANYWAY?

In 1980, as this administration took office, the annual deficit had averaged around $20 billion per year for the last decade, and the national debt had climbed—over the nearly 200-year history of the country—to about $1 trillion.

In 1986, we are running annual deficits over five times as large as the previous decade—they quiver around $200 billion per year—and we have doubled the national debt to $2 trillion. That's pretty good work for just 5 short years, if you are trying to destroy the American Government's ability to provide legitimate and often essential services to its people. I would suggest, furthermore, that among those services endangered in this wash of red ink is the country's ability to defend itself and play its role in international affairs as the leader of the free world.

Here's how things got so out of hand. Starting in 1981, the administration simultaneously initiated two contradictory policies: First, massively increased spending on defense; and second, a tax cut that reduced Government income. Even after we cut spending in nondefense areas we were still bringing in less and spending more than before. It doesn't take a mathematician to predict the result.

Of course, it wasn't supposed to work that way. The Kemp-Roth type tax cut was supposed to so stimulate the economy that we would "cut tax rates without reducing revenues." It was a happy fairy tale, that did not work. The tax cut reduced revenues by $700 billion over 5 years. That's over two-thirds of the entire deficit for that period right there.

It is also instructive to remember that the defense increases came on top of the largest peacetime boost in defense spending in the history of the country. That was during the last year of the Carter administration.

So revenues go down. Spending goes up. The deficit is multiplied. The national debt doubles in 5 years. And the American people are beginning to remember Oliver Hardy's line, "It's a fine mess you've gotten us into this time."

A LITTLE ABOUT MYTHOLOGY

How do we get out of this mess?

One of the big problems in trying to develop a solution to the deficit is that layers of mythology cover the facts. Let me cite some examples.

Myth: If we could just get the cheats off welfare, we could balance the budget.

Fact: Welfare, as it is generally thought of, constitutes less than 7 percent of the total budget. That's not the cheats. That's the entire program. The deficit, by comparison, is about 21 percent.

Myth: Cut foreign aid and we could balance the budget.

Fact: Nonmilitary foreign aid is about ½ percent of the budget and is, frankly, spent on what we consider to be in our own best interest. Except for occasional instances of natural disaster, the days of our spreading money around the world for largely humanitarian reasons is, for good or ill, gone and has been for 30 years.

Myth: Eliminate waste, fraud, and abuse. You'll balance the budget.

Fact: There is no excuse for wasting tax dollars. Fraud should be prosecuted and abuses ended when they are found as, in fact, they are. We've tightened military procurement, and more is being done. We've tightened up food stamps and similar programs. But, this alone will not balance the budget either.

Myth: Just make all those countries that owe us money pay it back and we could balance the budget.

Fact: Most debts owed us are being paid off. But the total owed us by all nations on all debts is $72.5 billion, about one-third of our annual deficit. We should continue to insist on repayment, as we do, but this provides no easy deficit solution either.

The problem with these myths is that they give us the impression that there is really an easy way to address this deficit problem. As long as we believe that, it will be very hard to develop a realistic and, therefore, effective solution.

There is, incidentally, one other prevalent myth abroad in the land that is a crucial impediment to public understanding of what's going on. It's the "fiddling while Rome burns" myth. Its premise is that people in Washington, DC, don't really understand the gravity of the deficit problem and that we are all just engaged in business as usual. Well, that's not true either. But there is reason that we may look that way.

THE GRIDLOCK

What we have in official Washington—in the administration and in the Congress—is a gridlock about priorities. Everyone understands we have to reduce the deficit. Everyone knows that will involve reduced spending. But everyone also has some programs that they feel must be exempt from cutting. By the time each of us removes our priority programs from consideration there isn't enough left to deal effectively with the deficit.

For example, the President is demanding we raise defense spending to cover inflation and then add an 8-percent increase on top of that for fiscal 1987. Defense is the largest single budget category, so that's a whopping increase in overall spending. But he's not doing that for frivolous or political reasons. In fact, the polls show it's a pretty unpopular idea. And, in my judgment, since we've doubled defense spending in 5 years, if there isn't enough money now the President has a management problem not an appropriations problem. He genuinely believes the build up is essential and he wants the defense budget "off the negotiating table."

Others, just as genuinely, believe that other programs are essential. If we fail to make investments now in research and development, where will we be in 20 or 30 years when that kind of investment—which is being made now by our trading partners—finally pays off? We could lose our world leadership in technology.

What happens if we fail to make the investment in education for our children? You cannot retrofit an entire generation of Americans when it becomes clear in a couple of decades that we haven't provided our children with the knowledge they need to compete in a more sophisticated workplace with workers in other nations like Japan and West Germany.

That is precisely the source of the gridlock. What is at issue are fundamental disagreements on national priorities. These are crucial considerations and ones that cannot be dismissed. Yet, we must find a way to break that gridlock.

ON THE TRAIL OF THE SACRED COW

While it is, obviously, easier said than done, each of us has to put our favorite programs back on the negotiating table if we are to break the gridlock. Defense must be there, along with all the rest.

Everything should be the subject of negotiation, because if we don't deal effectively with the deficit, everything—every program—is jeopardized in the long run, anyway.

If we all try to protect our sacred cow, we will all run out of hay. Then, when all cows die, everyone loses. That just doesn't make good sense.

ENTER, GRAMM-RUDMAN, LAUGHING

At the start, it was a little funny. The House had passed a bill to raise the debt ceiling on August 1. In October, the Senate still hadn't acted on it. The debt ceiling raiser is a demagog's dream. It is easy to say that we can curtail spending by not raising the debt ceiling. The fact is that the money has already been spent, and all this action does is let the Government pay its bills. Voting against raising the debt ceiling is like thinking you're controlling your overcharging by refusing to pay your credit card bills.

Anyway, a lot of those who'd had field days in the past when debt ceiling bills came up under other Presidents now found themselves in the embarrassing position of having to vote for one that raised it above the staggering figure of $2 trillion. Moreover, half of that debt

had been created on their watch, and they were rather embarrassed. So some of them decided to swath this unwelcome measure in an attractive blanket—one labeled deficit reduction.

At first it was even more amusing because its sponsors suggested that the defense budget—the largest single budget item—be exempted from the provisions. That was ludicrous.

It stopped being funny, however, when it became clear that this bill was going to pass, ill-conceived as it was. With that in mind, the House got to work to try to improve the thing. We were successful in a number of respects.

GRAMM-RUDMAN SOBERS UP

First, we succeeded in putting the defense budget back into the Gramm-Rudman procedure, where it should have been.

Second, a few other programs, all with smaller budgets, were exempted. These included things like Social Security, railroad retirement and veterans pensions, Medicaid and aid to families with dependent children.

Third, we put in a provision for immediate court review of the constitutionality of the whole thing.

We made a number of other improvements and ended up with a procedure by which to approach deficit reduction. It is a flawed procedure. It is clumsy. But it has, in my view, one major virtue. More about that in a minute.

HERE'S HOW GRAMM-RUDMAN IS SUPPOSED TO WORK

Gramm-Rudman sets a specific dollar amount to which the deficit must be reduced each year. Those annual goals are to balance the budget in 5 years—by 1991.

The President submits his budget, showing how he would reach the annual goal.

Congress goes through the normal budgeting process to reach the same goal, using its set of priorities.

If the goal is reached, that's it. Gramm-Rudman stops there.

However, if Congress and the President can't agree, or if economic projections—which are always a part of any budget—prove wrong and the deficit reduction goal is missed, Gramm-Rudman provides a "sequestering" process. That simply means that all programs which are not exempt take an "across the board" cut of whatever percentage is necessary to reach the goal.

At this point no distinction is made between one program and another, between what may be necessary and what is nice. Programs that have already been hit hard, will take another hit along with those who may have been treated more generously.

But this very mindlessness may make the President and Congress want to meet the deficit reduction goals themselves rather than triggering sequestration. That's the theory. And if it works, it may be the tool that can break the gridlock in which we find ourselves. There is another possible benefit to come out of this flawed process.

THE "BORROW AND SPEND" CYCLE

Recent polls show that about two-thirds of the American people believe that some form of a tax increase will have to be part of the effort to balance the budget. The President, almost alone in his own party as well as in the Congress as a whole, believes we can balance the budget through spending cuts alone while still increasing the defense budget. That is exactly the approach that got us into the "borrow and spend" cycle which ran up these deficits.

But, the dreaded sequestration process of Gramm-Rudman may be the one thing that can force the administration to understand that two of its key policies are inherently contradictory. At sequestration the President will have to choose between massive increases in defense spending or his "no tax increase" policy. That is the key to the gridlock.

However, one needs a bit more information on where the Federal tax dollar is spent to know why spending cuts alone won't do the job.

Four items—just four—account for over 71 percent of the entire Federal budget. I'm using fiscal 1985 figures, but the proportions are essentially the same for current years.

	Percent
1. Defense	27
2. Social Security	20
3. Interest on the national debt	14
4. Health programs (essentially Medicare and Medicaid)	10.5
Total	71.5

That leaves only 28.5 percent of the budget from which the administration says all the spending cuts must come. Considering that the budget is out of balance by 21 percent, simple arithmetic tells you what the administration is really saying is to abolish most all the rest of the Government. Let's look at those other expenditures.

Program	Percent of budget	Spending trend since 1981
Public assistance	6.6	Flat.[1]
Education, manpower, and disability	3.0	Down
Aid to veterans	2.8	Do.
Transportation and business credits	3.0	Do.
Civil service retirement	2.5	Do.
Unemployment compensation	2.5	Do.[1]
International affairs	1.6	Do.
Energy	.4	Do.[2]
All other outlays	6.1	Flat.

[1] These fluctuated during the period due to recession.
[2] This has been cut 75 percent with conservation and renewable energy research at a standstill. Only nuclear research continues.

What this means is that virtually every Government service or program you have ever heard about would have to be abolished if we are to balance the budget with spending cuts alone. Those programs would include all research and development—including medical research—education, the FBI, Customs and Immigration Services, Border Patrol and the Coast Guard, housing, the Supreme Court, the Congress—a lot of people like that idea—the Presidency itself, the Soil Conservation Program, all agricultural programs, the Parks and Forest Services, meat inspection, all veterans programs and on and on.

Those myths didn't tell us that. When most Americans thought about cutting spending, they meant wasteful programs and abuses of otherwise valuable programs. But we had a disproportionate idea of the assumed budget impact and, as a result, budget balancing always seemed as if it should be a relatively easy task. It's turning out to be tougher than expected.

The disagreement with the President is not philosophical. It is arithmetic.

I voted for Gramm-Rudman for one simple reason. If it will force us to deal with both spending and revenues as the twin solutions to the deficit, it will have accomplished something very useful.

TAX INCREASE? WHAT DO YOU HAVE IN MIND?

The first thing one thinks of when they hear of a tax increase is a rise in the income tax. But there are other ways.

For example, right now would be a good time to consider an oil import tax. With world oil prices dropping, we could put in place a tax that would essentially keep prices at the pump level and raise an estimated $11 to $16 billion. As consumers, we would not get the benefit of lower prices, but neither would our costs go up. This could be one of the few relatively painless actions we can take to help reduce the deficit.

Furthermore, the President's tax reform bill is going through Congress now. By closing loopholes, we will be able to reduce tax rates. If we reduce them less than we would for a "revenue neutral" bill, we could raise new revenue—basically from loophole closing.

Another approach: repeal part or all of the 1981 tax cut. That tax reduction went primarily to upper income people. The whole theory of Kemp-Roth was to free up spending money for the wealthy in the belief that it would then be invested and propel the economy to new heights. Instead, we had the worst recession since 1928, and the wealthy put their money into tax shelters rather than productive enterprises. But that's another story.

So we could reduce that tax cut and restore needed revenues. That would avoid a tax increase for most middle- and low-income Americans who never benefited from the 1981 tax cut. And those whose taxes would go up would have benefited from 5 years of significantly lower taxes anyway.

JEOPARDY IS MORE THAN A GAME SHOW

The crisis we face can be underrated. No matter how far back you can remember, we've always heard complaints about deficit spending. All the rhetoric about leaving this burden to our children and grandchildren is true, but it's become a cliche. It's as though we cried "wolf" so often that it doesn't mean much anymore. And, in fact, things have been pretty good for Americans for a long time, through years of deficit and years of surplus. Yes, there have been surpluses. We just never hear about them. But these deficits we're facing today are different. This time our situation is critical.

What is so different?

First, the deficit is bigger than anything we've ever heard of before. It's a larger portion of the budget. It's a greater percentage of the gross national product. It can consume a greater share of the Nation's credit supply. By every measure these deficits are more critical because they are immensely larger.

Second, it's important to know that currently about 15 cents of every tax dollar goes to pay interest on the national debt. If nothing is done some have predicted that number could increase sharply by the end of the decade. It is possible that the deficit can grow so large it will devour our capacity to do much of anything with our Federal revenues except service the debt.

Programs that have meant so much to Americans over the years in urban areas and on the farm, for education and health, for law enforcement and transportation, for commerce and in space, and, yes, for defense—all those programs are jeopardized by this sponge-like deficit with its potential for soaking up all the revenues we use to pay for them.

But it doesn't stop there.

WHAT HAPPENS IF THE ECONOMY HICCUPS?

One of the things that a national government has to do that no other budget, private or public, really has to be concerned with is administering the economy. When a recession or depression threatens, the national government has to step in. That usually means deficit spending for a time to "prime the pump" of the economy and get it moving again. And a tax increase in the face of an economic downturn is disastrous, because it will drive the economy deeper and deeper into depression.

There are several ominous potentials that could trigger problems for the U.S. economy. One is possible default by foreign debtor nations. These are not debts owed to the U.S. Government but to major U.S. banks. Some of our largest banks are overexposed to some very large and very shaky loans to developing countries. Many economists believe that some defaults could so damage these banks that it could shake the entire economy of the country.

Other harm to the economy associated with the deficit has been masked by an unusual occurrence. The normal problems caused by giant deficits have not been obvious to us recently because the U.S. dollar has been so strong in foreign countries. In other words, foreigners have been buying our bonds as investments so that we have not had to finance these debts from our own domestic economy. That's protected us from the usual leaps in interest rates that accompany a large deficit.

But the strong dollar also means that no one wants to buy our goods. Our trade deficit is running at $145 billion a year, and that drain poses other problems all its own. So we should do everything we can to bring the dollar down, right?

It's not that easy. If the dollar drops, we will have to service our deficit ourselves, sell those bonds here at home. That means the Federal Government will be into the Nation's supply of credit for something like over half of all that is there. Unless someone repealed the law of supply and demand while we weren't watching, that should inflate interest and start us off on another economic ski jump.

And then—and this is the point—then we cannot reduce spending or increase taxes without making our economic situation worse, driving the recession deeper.

NO ONE EVER FOUGHT A WAR ON A BALANCED BUDGET

Just as a national government has to run the economy, so does it deal exclusively with national defense. And an economic crisis and a military crisis can create much the same budget problem. Usually wars are neither cheap nor optional. They can affect the economy so as to drive a deficit deeper too.

No one wants either economic trouble or war. But we don't have total control over either eventuality. Should either happen now, we would be incredibly vulnerable because, while we would do what we had to do, it would leave us with what debt we incurred in the crisis piled on top of the debt we've managed to build during the last 5 years when we were at peace.

The question is simply: How much can you add to a $200 million annual deficit and expect to recover?

Common sense tells us that:

First, we must deal with the deficits.

Second, it can't be done without a two-pronged effort of both spending restraint and revenue increases.

Third, speed is important so we can reduce spending and raise new revenues to deal with the deficit now, before economic conditions change and make either course of action questionable.

Fourth, the sooner we get about it, the shorter period we're in jeopardy and the sooner we can again have the flexibility to deal with crises, economic or military.

BUILDING BACK

We have to start building back. Pulling that deficit down is the first order of business, but not the last. Some of the budget cuts we've made—and others that are yet to come—have damaged programs that are very valuable to all of us.

Some examples:

The Border Patrol can't afford to board illegal aliens in county jails. Neither can it afford to transport them to the border for deportation.

The Forest Service is closing camp grounds right and left. It is abandoning trails. It hasn't the money to maintain either. Timber sales may be slowed because of limited road building.

User fees are being proposed for practically anything from meat inspection to camp grounds to going through customs.

Financial aid to veterans trying to go to college is cut.

The Small Business Administration is slated for extinction.

Revenue sharing for local governments is gone, severely limiting many local programs.

Education funding is chopped.

Farm credit is the worst since the Great Depression.

And on it goes. The fact is those "myths" nailed us again. We've been mesmerized and infuriated by the "Welfare Queen." That image—hugely exaggerated—has made us so concerned that under serving people might get something they shouldn't have, that many have applauded the erosion of the infrastructure of Government—the very programs that have built the broadest, proudest, most free, most affluent middle class the world has ever seen.

Most of these programs really helped us all.

For example, families tend to move around more. Low income housing for senior citizens has been a Godsend, not just for the elderly, but for their families who often live too far away to provide the kind of direct, personal support they might have had a generation ago.

Many of us have college educations because of one form or another of student aid.

Veterans, having served their country, got an education or bought a house, or both, with the proper and welcome help of Government.

Farmers, some of the most ruggedly independent people in our society, have used Government to keep the family farm alive and to help keep America's consumers out of the clutches of corporate farms with their greater marketplace clout.

The vast majority of Government programs have always helped to build and sustain the middle class. We take them for granted. But now they are eroding. Some are gone. We will have to build them again, both to secure ourselves and to help others get a fair shot at the American dream.

The one thing that should be clear now is that it was not these programs that created our present budget crisis, because this deficit grows while those very programs on which deficits have always been blamed are being slashed and eliminated.

But we can't restore these efforts if we don't restore our ability to finance them. That's what's at stake in this fight to control the deficit: Nothing less than our ability to build into the next century an America as great and strong, as compassionate and prosperous as the one our parents built for us. This generation will not preside over the dissolution of the good that was passed on to us. We will build back a great legacy. We will pass it along. But our ability to do that will be determined by what we do in the next few months to deal with the damnable deficit.

We must abandon the myths that confound us if we are to secure the dream of opportunity and justice for everyone. We need to revive our ability to work together, directly with each other and through Government, to preserve life and liberty and to pursue happiness with all the vigor the diverse people of this great Nation possess.

THE CONSTITUENTS' TOLL FREE FRIEND

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. DASCHLE. Mr. Speaker, for almost as many years as I have been honored to serve in the Congress, a very special person has served the people of South Dakota with tremendous dedication.

After thousands of phone calls on the toll-free line from people in our State seeking help on everything from matters of life and death to another White House ticket, Lee has served with empathy and enthusiasm. She epitomizes the very best in a deep personal commitment to public service.

Recently, an article appeared in the Washington Post providing a glimpse into her work and the impact which she has on the lives of those South Dakotans with whom she works. It confirms what we've known for a long time. We're lucky to have her.

THE CONSTITUENTS' TOLL-FREE FRIEND

(By Donnie Radcliffe)

It started out as a campaign promise by Rep. Thomas A. Daschle in 1978: a toll-free help line. But for scores of his constituents, the South Dakota Democrat's 1-800 number has turned into a life—and death—line.

Last week it brought a death notice, the last wish of a Korean War veteran, Larry Rodman, 48, in and out of veterans hospitals most of the time since the war. For him, "next of kin" was the voice at the other end of the telephone: Lee Edel, who has been manning Daschle's 1-800 line from the beginning.

Edel has become the voice of concern here for others in distress, whether they are veterans, parents looking for lost children, needy families, Medicare patients, Social Security recipients or South Dakota's farmers feeling the squeeze of the Reagan administration's farm policies.

Lately, most of the calls for help have come from the farmers, some of them suggesting a solution all too final. "We used to get a suicide call every six months; now it's about once a week," says Edel.

Sometimes the callers are distraught farm wives secretly seeking help for husbands who face foreclosure and bankruptcy. Sometimes they are the farmers themselves, telling their personal versions of the now-familiar Farm Belt horror stories about sheriff's sales and auctioneers.

Edel says she does not panic at talk of suicide. "Having had two parents who went that route, I am not easily shocked," she says. Instead, she listens, using a calm, sympathetic, if reasoned, approach in telling the caller "what it's like for those they will leave behind."

Larry Rodman's first call in 1982 also had that desperation in it. He telephoned from a South Dakota veterans hospital seeking help for his tangled affairs as a war veteran. In the years that followed (and in accordance with instructions from Daschle, a member of the Veterans' Affairs Committee, to take calls from veterans wherever they are), Edel and Rodman continued to talk, wherever he went—the Midwest, New England or the South. If she took a special interest, she says now, it was because she discovered early that his home town, too, was Canton, Ohio.

Then last week a woman called from the veterans hospital at Johnson City, Tenn., to tell Edel that Rodman had died of heart complications. Following Rodman's instructions of whom to notify in case of death—"Lee-1-800-424-9094"—the astonished hospital worker told Edel, "I didn't think you existed."

When Edel hung up, she made her own phone call. Yes, the florist said, he would see to it that a single red rose was placed on Larry Rodman's grave.

A SCAR FROM THE CYPRIOT WAR: THE MISSING

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. YATRON. Mr. Speaker, I want to take this opportunity to discuss the continuing problem of Americans missing abroad. As chairman of the House Foreign Affairs Subcommittee on Human Rights and International Organizations, I am deeply concerned over reports that some Americans may still be in Vietnam as a result of the conflict in Indochina and that U.S. citizens remain hostages in Lebanon.

It is indeed sad that there are other countries where American citizens are missing. A December 27 New York Times article reports that eight Americans are missing in Cyprus as a result of the Turkish invasion in 1974. Clearly, we must be resolute in our efforts to press Turkish and Turkish-Cypriot authorities to be more forthcoming on this matter, just as we must enhance our efforts to obtain information about Americans missing in the Middle East, Southeast Asia, and elsewhere. Moreover, where Americans are being deliberately held as hostages or in violation of internationally recognized standards of justice, we must actively work for and demand their release.

I am submitting the New York Times article on the Cyprus situation for the RECORD. I hope that this report will inspire more efforts to resolve the problem of Americans missing in this country.

[From the New York Times, Dec. 27, 1985]

A SCAR FROM THE CYPRIOT WAR: THE MISSING

(By Henry Kamm)

NICOSIA, CYPRUS.—More than a decade after the Turkish invasion of this Mediterranean island, some Cypriot families still suffer from the grief of uncertainty, trying to discover what happened to relatives whose fate remains unknown and pressing for an answer that is likely to be painful.

The total of the missing on the Greek side is 1,618. They are distinct from the men, women and children lost without trace in the two surges of fighting in July and August 1974 that left the northern part of the island occupied by Turkey. They are people who, the Greek Cypriots say, probably fell into the hands of the invading army.

The Turkish Cypriots, too, have reported the names of missing people—600 from the 1974 war and 200 from fighting on the island in 1963. But the initiative that has kept the issue alive has come from the Greek Cypriots.

The victorious Turks want to put the past behind them, but the Greek Cypriots, seeking to recover what they lost, pursue the issue, constantly pressed by committees of the afflicted families.

EIGHT AMERICANS AMONG THE MISSING

The missing also includes Americans. The names of eight Americans missing since the Turkish invasion of 1974 are known. One was 17 then, an American-born youth spending the summer with relatives. The others were naturalized Americans of Cypriot origin, living out their retirement on native soil. Their ages ranged from 65 to 76.

Some of the missing Greek Cypriots were registered by the International Committee of the Red Cross as prisoners of war or civilian detainees. Others were reported by Turkey as prisoners but never set free. Still others were identified in Turkish press photographs of prisoners, spoke over the Turkish Cypriot radio or were seen by prisoners later released.

According to George Michaelides, Greek Cypriot representative on the Committee on Missing Persons, no evidence that might lead to the discovery of a listed person has turned up. The only clues that the United Nations-sponsored committee has found point to a likelihood that a missing person is dead.

In private conversations, Cypriot officials on both sides, as well as international officials, say they do not think any of the missing are still alive. Summary killings were a mark of a conflict in which pent-up ethnic antagonisms found outlets when tension broke out into warfare.

A COUP, THEN THE INVASION

Turkish Cypriot officials assert that many of the missing were killed by the Greek Cypriot extremists who staged the coup against their own Government that brought on the Turkish invasion. On the Greek side, officials insist that all the 1,618 are known to have been captured by Turkish forces.

So divisive is the issue that it took more than three years, until 1977, for the United Nations to call for the creation of an investigative body. Only in 1981 did Greek and Turkish Cypriots agree on its terms of reference and name its three members, including a Swiss official chosen by the International Committee of the Red Cross, a Swiss organization. It took three more years to agree on procedures before work began last year.

Mr. Michaelides said the committee had met 24 times to present some of the cases. Work is slowed by the fact that at Turkish Cypriot insistence no investigators are allowed to work on the opposing side. Investigation is carried out by the neutral member, accompanied by a representative of the accused side.

No individual case has been completed, Mr. Michaelides said. Of the missing Americans, only the case of Andrew K. Kasapis, born in Detroit in 1957 and raised in the suburb of Highland Park, has been presented for investigation so far.

His family was told in October 1974 by a released prisoner that Mr. Kasapis was in a Turkish prison. The next month his name appeared on a list of students to be released that the Turkish side submitted to the United Nations.

Mr. Kasapis was one of six on the list who were never turned over. The Turkish Cypriots have given no explanation.

SOIL CONSERVATION

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, March 12, 1986, into the CONGRESSIONAL RECORD:

SOIL CONSERVATION

One of the few farm programs to be significantly overhauled during the rewrite of the omnibus farm law last year was soil conservation. The new changes have been called the most significant soil conservation legislation in the past 50 years.

The impetus for change was the widespread recognition that our soil erosion problem is not improving. America is losing some 5 billion tons of topsoil every year through water and wind erosion. the problem stems from several factors, including expanded use of soil-depleting crops, less crop rotation, more absentee landlords, and the farming of marginal land. Expanded use of conservation tillage, in which new crops are planted over the previous year's residue,

has helped, but the problem remains serious. The "permissible" level of erosion is 5 tons per acre each year (a layer of soil the thickness of a dime), yet nationwide the annual topsoil loss on cultivated cropland exceeds 8 tons per acre. Nearly half of all US cropland, and 40% of Indiana's, exceeds the acceptable erosion rates.

High erosion rates can reduce the land's productivity, but it also causes other problems. In particular, there is growing concern about the off-site costs, such as the costs of removing deposits in channels and reservoirs, and treating water to remove sediments and agricultural chemicals. Estimates put the off-site costs of erosion at $3-13 billion annually.

In response to these problems, the new farm law makes several major changes in conservation policy. Under the "sodbuster" program, farmers who plant crops on highly erodible land will lose price supports and other federal farm benefits on all of their crops. This will primarily affect farmers in the West, and similar "swampbuster" provisions are aimed mainly at the conversion of wetlands to croplands in the Southeast and the upper Midwest. Another new program, the conservation reserve, pays farmers to return highly erodible cropland to less intensive uses (such as planting it with grass or trees) for at least 10 years. To minimize the local impact, no more than 25% of the land in any county can be enrolled. Proponents claim that if 40 million of our 53 million "highly erodible" acres are put into the reserve, our overall soil erosion would be cut by a third. These new programs target our efforts, because a small portion of the cropland is responsible for most of the excess erosion.

These changes were strongly supported by a surprisingly diverse coalition, including not only conservationists, but farm groups and the Reagan Administration, which has traditionally favored cutting soil conservation funding. Although supporters' reasons varied, several points were made in favor of the changes. First, our past conservation efforts have not worked well enough. Despite 26 Department of Agriculture conservation programs costing $1 billion a year, our erosion problem is not being solved. Most farmers with serious erosion problems are not enrolled in the programs, and financial hardship could force others to abandon conservation efforts. The new programs offer greater promise. For example, USDA estimates that the conservation reserve will reduce erosion rates by 10 times the amount achieved before. Second, recent production—oriented federal farm programs often contributed to our erosion problem, so changes were sought to bring our commodity and conservation programs more into harmony. Third, many felt that we should no longer pay federal subsidies to those who abuse the land. Finally, strong soil conservation programs offered the potential not only to protect the environment, but also to help our troubled farm sector by reducing overproduction, stabilizing crop prices, and cutting government program costs. For example, although setting up the conservation reserve would cost an estimated $5 billion over the first 5 years, USDA estimates that idling this land would save almost $8 billion in subsidies to purchase and store surplus crops. Bolstered by these arguments, the new conservation programs sailed through the House and the Senate, and were approved by the President.

Yet not everyone is totally sold on the new programs. Some object to the idea of paying farmers not to abuse their own soil, and argue that the best way to discourage the farming of fragile land is to reduce federal farm production subsidies. Others feel that the claims of reduced productivity from eroded soil are exaggerated, because any such reductions might be more than offset by the biotechnology revolution. Another concern is that the programs may not work as well as advertised. The projected USDA savings from land idled through the conservation reserve could be lower than estimated if farmers boost production on their remaining land, or if a significant number of acres put into the reserve were not growing commodity program crops anyway. Moreover, there are memories of the exaggerated estimates of savings from the Administration's PIK program, and some question whether all the new conservation programs will be fully implemented by the Administration, fully funded by Congress during a time of major fiscal constraint, or continued if our farm export demand picks up. Finally, critics point out that the major focus of the new conservation changes is to protect highly erodible land—land that probably should not have been put into production in the first place—while giving much less attention to reducing erosion rates on our prime farmland.

Despite such objections, my own view is that the programs signal an important and positive new direction in federal soil conservation policy. Certainly we would no longer subsidize farmers who are abusing the land; the sodbuster changes were long overdue. Whether we should also subsidize farmers for not abusing their own land, through the conservation reserve, is a more difficult question. My sense is that the reserve may not work out as well as some of its strongest proponents think it will. Yet a strong federal role in soil conservation is justified. America's fragile topsoil is one of our most precious natural resources. New conservation programs may be difficult to fund at a time when many valuable programs are being cut, but if we do not improve our conservation efforts, we may soon discover that our farmland, a primary source of our nation's strength, has been damaged beyond repair.

H.R. 700, THE CIVIL RIGHTS RESTORATION ACT

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. EDWARDS of California. Mr. Speaker, "More than 200 discrimination cases have been dismissed or postponed by Federal agencies since the Grove City ruling," points out the below-set-forth Washington Post editorial of March 12, 1986.

This is discrimination on a massive national scale, and it emphasizes how important the prompt enactment of H.R. 700, the Civil Rights Restoration Act is.

The editorial also points out that to enact the bill cooperation between longtime allies and civil rights supporters is essential.

Mr. Speaker, we hope that this hope can become a reality with all the friends of civil rights working together to pass this key bill.

CIVIL RIGHTS STALEMATE

Thousands of women who came to this city on Sunday to march for abortion rights stayed over and spent Monday lobbying on the Hill. Their objective is to get Congress moving on the Grove City bill, which was designed to overturn a 1984 Supreme Court decision involving civil rights laws and federally funded institutions. The measure has been tied up in the House for almost a year because of somewhat peripheral but controversial questions involving religion and abortion.

The Supreme Court, in the case involving Grove City College, had limited the government's ability to enforce civil rights laws applicable to federal aid recipients. These laws, the court held, apply only to the particular program receiving federal funds—a physics lab, for example, or a special course for the disabled—rather than the entire institution of which that program is a part. There was an immediate response to the ruling in Congress, and a bill passed the House 375 to 34 but died in the Senate. Some initial objections to the scope of the bill were ironed out after Congress adjourned, and in 1985 a new bill was introduced, with dozens of cosponsors in the Senate and more than 200 in the House. To everyone's surprise, new opposition surfaced in the House, and the bill has been stalled there since committee action was completed last May. Abortion is the stumbling block.

Catholic bishops, who traditionally have been part of the broad civil rights lobbying coalition, have supported two amendments to the bill. The first would repeal regulations that prohibit educational institutions receiving federal funds from discriminating with regard to abortion services or benefits; the second would exempt from the regulations these institutions affiliated with religious organizations—only those controlled by these organizations now qualify for exemption—in cases where compliance would conflict with religious tenets. These are important questions, and they are worthy of congressional consideration. But putting the amendments on a broader, far less controversial bill, as a House committee has done, has created a stalemate.

More than 200 discrimination cases have been dismissed or postponed by federal agencies since the Grove City ruling. If the important work of clarifying the law and restoring its original intent is to go forward, the impasse on abortion must be broken. The best solution would be to reach an agreement to consider these peripheral questions in a separate bill. At the very least, a high level conference between the concerned church leaders and the sponsors of the restoration act should be scheduled to work out a compromise. Time is short, and powerful opponents of the civil rights laws at issue lie in wait in the Senate. A disagreement between longtime allies and civil rights supporters should not prevent action in the House, where the measure has a commanding majority.

WILLIAM RASPBERRY FINDS SUCCESS AT KENILWORTH-PARKSIDE HOUSING PROJECT

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. KEMP. Mr. Speaker, Washington, DC's, Kenilworth-Parkside Housing Project, under the dynamic leadership of Kimi Gray, has become a model of public-private partnership for the Nation. Through their Resident Management Corp., the tenants of Kenilworth-Parkside have made their community an example of what can be accomplished when Government allows individuals to have greater control of their destiny. My friends Bob Woodson of the National Center for Neighborhood Enterprise and Congressman WALTER FAUNTROY of the District of Columbia have been working together on legislation to facilitate the formation of resident management systems like Kenilworth-Parkside's, and we will soon be joining together to reintroduce this legislation, together with my bill to allow public housing residents to purchase their units from the Government at discounts. I commend this article to the attention of my colleagues, and I hope they will join with us in pursuing this effective proposal.

STUDYING SUCCESS

(By William Raspberry)

(The only reason to spend your time studying failure is if you want to produce more failure. You cannot learn to produce success by studying failure. Every school, every neighborhood, no matter how dismal its circumstances, has successes. It's a mystery to me why we spend so much time crying over our failures and so little time trying to learn from our successes.—Robert L. Woodson, president of the Center for Neighborhood Enterprise.)

Neither Bob Woodson nor D.C. Del. Walter E. Fauntroy knew what to expect a couple of months ago when they agreed to a face-to-face meeting arranged by a mutual friend.

Fauntroy, whose background is the civil rights movement is as solidly liberal as any member of Congress. Woodson, whose very name can evoke sneers from some members of the civil rights community, is head of a bipartisan group of black conservatives known as the Council for a Black Economic Agenda.

What could these two talk about without going for each other's throats?

Well, it turns out that, has one result of that meeting, Fauntroy has introduced legislation to encourage one of Woodson's pet ideas: resident management of public housing.

Fauntroy looked at what a woman named Kimi Gray has done at the Kenilworth-Parkside public housing project in Northeast Washington, and he was sufficiently impressed by what he saw to want to make it possible for others like her to come to the surface.

What Gray and her Resident Management Corp. have done is to halt the deterioration of a project that once went three years without heat and hot water; provided employment for scores of residents; launched businesses run by and for their tenants, and, miraculously, turned the deficit-ridden complex into a black-ink enterprise, more than doubling rent collections.

Gray and her colleagues had to fight for the right to manage their 464-unit property. Fauntroy's legislation, while it would not make resident management automatic, would establish this idea of a resident management corporation as a policy goal.

It would also make it possible to do what Gray was able to do only after she won a fight against the District Building: retain the profits from her improved rent collections and newly efficient management to provide jobs, services and, eventually, more homes for low-income families.

It is just the sort of idea that has appeal for both liberals and conservatives concerned about helping the poor. The emphasis of the liberal is on the government's responsibility in helping to remedy problems that it helped to create, although the liberal recognizes that people have a responsibility for improving their own circumstances. The conservative lays stress on having the government get out of the way so that people can run their own lives, although he acknowledges that the government's help is sometimes vital.

That is why these two, away from the glare of the television cameras, were able to find areas of agreement. There are doubtless others, if liberals and conservatives will look for them instead of looking for ways to make one another look ridiculous.

Fauntroy understands that there are very few Kimi Grays, in public housing or out, and that his legislation won't create them. It is unlikely, for instance, that many of the RMC's created as a result of his bill would be able to match—though some might—Gray's record of sending 580 of her residents to post-secondary education. (Before she took over, an average of two residents per year went to college.)

But Fauntroy is proposing opportunities, not miracles. He wants to create the possibility that others can learn from Kenilworth-Parkside and similar successes around the country.

VETERANS READJUSTMENT APPOINTMENT

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. DASCHLE. Mr. Speaker, I am introducing legislation today which would extend and improve the veterans readjustment appointment authority, a hiring program which has helped launch over 250,000 veterans of the Vietnam era in civilian careers with the Federal Government. This authority, which under current law expires on September 30, 1986, allows certain Vietnam-era veterans to be appointed noncompetitively to Federal civilian jobs which lead to competitive status and career or career-conditional tenure upon satisfactory completion of 2 years of service and education or training. The concept of the VRA was first instituted by Executive Order 11397, issued by President Lyndon Johnson on February 7, 1968. The program was further developed by Executive Order 11521 issued by President Nixon in April 1970 and codified by Public Law 93-508 which was enacted December 3, 1974. The legislation I am today introducing would improve the VRA program and extend until December 31, 1991, the authority set forth in section 2014(b) of title 38, United States Code, for veterans readjustment appointments—VRA's. I am very pleased the chairman of the full committee, G. V. (SONNY) MONTGOMERY, the ranking minority member, JOHN PAUL HAMMERSCHMIDT, as well as all members of the Subcommittee on Education, Training and Employment are joining me as original cosponsors.

The success and value of the VRA is easily demonstrated by the 250,000 Vietnam-era veterans who have entered the civil service under the VRA program. Additionally, OPM's semiannual report to Congress for the second half of fiscal year 1983 indicates that of the 17,341 VRA employees onboard as of December 31, 1978, and tracked through December 31, 1981, an impressive 79.4 percent were converted to career or career-conditional status. This extremely high percentage of conversions clearly shows that veterans hired by the Federal Government using the VRA authority are competent, desirable employees and that veterans want to continue their Government service as Federal civilian employees. Vietnam veterans served their country with distinction during a difficult era. These veterans have proven their commitment to their country and exhibited their ability to work and function in a disciplined, competent manner, often under extremely stressful circumstances. We want and need these former service members in the civil service, and should encourage these veterans to again serve their country.

Last year, the House passed H.R. 1408, Veterans' Employment Amendments of 1985. Among the provisions contained in H.R. 1408 were several improvements to the VRA program, but unfortunately, the Senate has never acted on this bill. I am including those provisions in the bill I am introducing today. These improvements are important to the continuing success of the VRA program, and I think we in the House want to again say to the Senate that we support employment opportunities in the Federal Government for Vietnam veterans.

Many of these veterans lacked the skills and advanced education needed to compete in a tight labor market when this program was initially established as a means to help in the readjustment of veterans returning from Southeast Asia. Since that time, however, VA statistics indicate that 80 percent of the veterans of the Vietnam era have utilized at least part of their GI bill educational assistance benefits. In recognition of this, the bill I am introducing today, as did H.R. 1408, would eliminate the current educational restriction which prohibits a nondisabled Vietnam-era veteran from qualifying as a VRA appointee if he or she has over 14 years of education. It is time to update the VRA program and cease denying veterans employment because they have increased their education. The education restriction now defeats the main purpose of the VRA program which is to provide long-term employment opportunities to Vietnam-era veterans.

Under current law, service-disabled veterans enjoy a certain advantage under the VRA program because they are not subject to the 14-year education restriction. To continue this

advantage, this legislation provides that preference for a VRA appointment would be given to a service-connected disabled Vietnam veteran over other Vietnam-era veterans who have more than 14 years of education.

The bill I am introducing today would additionally raise the highest entry grade for VRA hires from GS–9 to GS–11. This, too, is identical to a provision in H.R. 1408, which passed the House last year. In keeping with the VRA purpose of providing long-term employment opportunities, I believe that those veterans who are qualified for a higher level job should be encouraged to come to work for the Federal Government, not be held back because of their experience and educational achievements. Additionally, agencies would have increased flexibility when making employment decisions thereby increasing agency usage of the VRA hiring authority.

In this time of budget austerity, I think it is important to point out that there are no costs associated with the VRA program. Agency usage of this hiring authority is voluntary and VRA positions are regular civil service positions that count against an agency's staffing ceiling. Thus, over a quarter of a million Vietnam-era veterans have been brought into the Federal civil service at no cost to the taxpayer.

This Nation is obligated to assist veterans who are seeking employment. It is also in the best interest of our Nation to encourage veterans to seek employment with the Federal Government. The VRA program accomplishes both of those goals. I urge you to support this legislation.

IN TRIBUTE TO MYRON COHEN

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. GILMAN. Mr. Speaker, we recently learned with a great deal of sadness that one of our Nation's foremost comedians, Myron Cohen, died this week of a heart attack at the age of 83. A resident of Nyack, NY, in my congressional district, Myron Cohen will always be fondly remembered by not only my constituents but by the many millions of people who were privileged to hear his witty stories and gags over these many years.

Born in Poland, Myron Cohen was raised in the United States. While he did not have an accent, he discovered his talent in re-creating the Eastern European Yiddish accent of his colleagues in the New York garment district, where for several years he was a silk salesman. Able to win sales through his ability to tell jokes and stories, Myron Cohen began his amateur career during open microphone evenings at New York's Leon and Eddie's Cafe on 52d Street. Soon he decided to become a professional comedian, and success brought him to nightclubs such as the Copacabana. Ultimately, he became known to Americans all across the Nation through his many TV appearances on the Ed Sullivan Show.

Married in 1925 to Miriam, Myron Cohen was able, with her assistance, to sustain his ability to tell stories about various ethnic groups, in dialect, without sounding the least bit negative. One of his best concerns the situation when a husband and wife go to the mountains, each takes special pains to keep an eye on the other. A married couple was seated in the dining room of their mountain hotel, and while they were eating, a beautiful young lady walked by. "That's an attractive woman," commented the husband. "You mean the one with the dyed red hair and the cheap-looking platform shoes?" "Yes, she does have red hair." "With her complexion, she should never wear that purplish color," remarked the wife. "Her dress is badly cut through the middle and hangs unevenly in the back. She shouldn't wear such light stockings, and I hate green nail polish." "I still say she's attractive," said the husband. "Of course, I can't say for sure," answered the wife, "I really didn't take a good look at her!"

Mr. Speaker, Myron Cohen had a lengthy repertory of such stories, so much so that he published a number of them in his book, "Laughing Out Loud," in 1958. He did not allow a heart attack in 1976 to interrupt his many philanthropic activities, which included numerous benefit performances for the New City Jewish Center, of which he was a founding member. His connection and involvement with our region was always close and warm, and his great dedication to the community was appreciated and recognized by all.

Mrs. Cohen died in 1981, having been married to Myron for over 55 years. Without her, Myron attempted to manage as best he could, but the devastation was clear, and he never fully recovered from her loss. Myron Cohen retired from active performing in 1984, shortly before yet another heart attack hospitalized him. Then, his third heart attack a few days ago caused the death which we mourn today. Services were held in New York City earlier today, and I extend my sincere condolences to the survivors, his brothers, Philip Cohen of Fort Lee, NJ, and Milton Cohen of Jackson Heights, Queens, as well as his two nephews, Burton Cohen of River Vale, NJ, and Dr. Mitchell Cohen of Cincinnati, OH.

Those of us who knew Myron Cohen will miss him greatly. His quiet humor and gentle wit were always able to entertain, and he always had a willing audience. Yet we still have fond memories, which will stay with us forever.

MARCH 21, 1986 IS NATIONAL ENERGY EDUCATION DAY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. ANDERSON. Mr. Speaker, on March 21, schools throughout the Nation will celebrate "National Energy Education Day," which was instituted by the Congress by proclamation in 1980.

Recently, a member of my family, fifth grader, Michelle Plaxton of Schaumburg, IL, sent me a letter detailing her school's—J. Edgar Hoover Elementary School, district 54—energy saving tips and advice. Persons are encouraged to sign a pledge and adopt an energy saving tip for that day. Frankly, I think this is a great idea and I would hope my colleagues would select one of the following energy tips so that we can help better conserve our precious natural resources. The list is as follows:

1. Read rather than watch TV.
2. Use both sides of a sheet of paper.
3. Recycle newspapers.
4. Turn off that light.
5. Take a 3-minute shower—not a bath.
6. Put weatherstrip around doors.
7. Recycle aluminum cans.
8. Replace caulking around windows.
9. Turn down your thermostat to 65° when leaving the house.
10. Turn off the water when brushing your teeth.
11. Use a hand can opener instead of an electric one.
12. Change the air filter in your furnace.
13. Check your car's air tire pressure.
14. Use flourescent instead of incandescent bulbs.
15. Close your drapes and shades on cold nights.
16. Wait for a full load for both your clothes and dishwasher.
17. Reuse your lunch bag.
18. Walk, bus, or carpool to work or school.
19. Think about what you'd like before opening the refrigerator.
20. Drive the speed limit and save gasoline.
21. Clean light fixtures to use lights efficently.
22. Limit opening the oven when baking.
23. Do not leave your car idling.

THE INSURANCE CRISIS IN THE TRUCKING INDUSTRY

HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. DAUB. Mr. Speaker, several days ago I addressed this body regarding the insurance crisis. At that time I offered an example of a trucker in Nebraska who has experienced a 46-percent increase in liability insurance costs in less than 3 years.

At that time, I noted that this was just the tip of the insurance crisis iceberg and the worst was yet to come. For that Nebraska trucker, the worst did come a few days later.

After finding eight insurance agencies who were still willing to discuss coverage, the Nebraska businessman found that only two would provide bids for the liability coverage. The two bids were 630 percent and 190 percent increases, respectively, in the cost of liability insurance for this business.

These kinds of premium increases are putting many of our transportation businesses out of business. Rather than see this kind of result, however, I will be working to develop appropriate tort reform and other legislation necessary to head off this significant problem.

Moving the necessary legislation in this House and the other body, however, will be a difficult process. Only by recognizing that the problem the Nebraska trucker faces is the same as that faced in other industries, can we move meaningful reforms. In fact, the insur-

ance crisis is just as painful for American manufacturers, public education institutions, municipal governments, professionals, day care centers, the health care of industry, farmers, and small businesses of every shape and kind.

During the coming weeks, I will be working very hard to develop a coalition of Members, private industry representatives, and State and municipal government representatives who are interested in this effort. By tapping the expertise of this broad partnership, Congress can act both expeditiously and intelligently toward putting out the insurance crisis fire.

LET'S HELP THE PHILIPPINES BECOME A MODEL FOR DEMOCRATIC CAPITALISM

HON. JACK F. KEMP
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. KEMP. Mr. Speaker, President Corazon Aquino's main economic adviser, Jaime V. Ongpin, could help bring the Philippines into a new era of democratic capitalism with rising growth and opportunity for that troubled nation.

In a recent article in the Wall Street Journal, Mr. Ongpin has strongly supported government policies to liberate the small businessman, entrepreneur, farmer, and small capitalist. He has endorsed a free world trading system, tax form, privatization, and fair and lawful land reform. This sounds like the supply-side economic policies which have worked so successfully in the United States and Asian countries.

Mr. Ongpin's new economic direction is one of the most exciting and promising developments in the world today. The United States and world economic organizations should do all we can to foster and bolster these positive developments. In particular, I hope that we will help the Philippines become a model of free markets and democracy for the developing world. I particularly hope that Treasury Secretary James Baker and his staff will provide the Philippines with the progrowth economic advice and material support that he has promised will be the centerpiece of American economic policy in the world.

Too many times in the past we have snuffed out free market initiatives in the developing world by promoting austerity and greater government. This time we have a fresh opportunity not only to launch the Philippines into a new ERA of democratic capitalism, but to remake U.S. foreign policy into a force for growth, entrepreneurship, and political and economic freedom. Let's seize that opportunity.

I commend the following article to my colleagues.

The article follows:

MANILA'S ECONOMIC REVOLUTIONARY
(By Paul A. Gigot)

MANILA.—As a private businessman three years ago, Jaime V. Ongpin attacked a government bailout of a Ferdinand Marcos crony as "the most obscene, brazen and disgraceful misallocation of taxpayers' money in the history of the Philippines." It didn't matter that the bailout was ordered by his older brother, Roberto, then a cabinet minister.

Today Mr. Ongpin is the new Philippine finance minister, but he still isn't talking in euphemistic terms. Asked about negotiations with the International Monetary Fund, Mr. Ongpin says, "Now that [the IMF] isn't dealing with a bunch of thieves, we hope we won't be treated like a bunch of thieves."

Both comments are vintage Ongpin: candid, principled but loaded with tart derision for what the meddling Marcoses wrought for the Philippine economy. The comments also symbolize the freshest economic thinking to blow through the Philippines in at least 20 years, and maybe ever. As President Corazon Aquino's main economic adviser, Mr. Ongpin will lead the attack on a Marcos legacy that had turned the Philippines into something of a feudal economy, where favors from the throne often determined who would succeed in business. And as a (classical) liberal, Mr. Ongpin hopes to achieve this by sweeping away both government interference and monopolies, by liberating small capitalists and farmers, and by purging any hint of Marcos-style cronyism.

"First of all you dismantle all of this crony structure," the 47-year-old Mr. Ongpin told a handful of reporters over lunch yesterday. "I think government should get out of business completely. Privatize everything. . . . I don't think you need any fancy bag of tricks. All you need to do is say, 'Here's the set of rules. It applies to everybody, fairly, equitably,' I am philosophically committed to the absolute minimum of government interference."

Putting all of this into practice, unfortunately, may take a revolution on the order of last week's at Camp Crame. The Marcos regime gave government interference a bad name, but it also created political forces that won't always, if ever, agree to liberal reform. Some of those forces sit with Mr. Ongpin in President Aquino's new cabinet, a motley and fragile political coalition if ever there was one. Protectionists also lurk here, as everywhere. And there is the left, waiting to make hay if Mr. Ongpin and his allies stumble. The U.S., the IMF, the creditor banks and, especially, most Filipinos will want to see that they don't.

If anyone has to lead these battles, however, it's hard to imagine a better general than Mr. Ongpin. Indeed, friends at Harvard (M.B.A. '62) called him "the general," says his former roommate, because Jaime Ongpin was strong-willed even then. His Jesuit training also made him idealistic, friends say, and he remains so. One prominent Filipino recalls having dinner at the Ongpins' home last year and asserting that Filipinos really did need an authoritarian ruler, to impose order. A heated argument ensued (Mr. Ongpin's wife, Maribel, is said to be as strong-minded as Jaime), and the man says he hasn't been invited back.

For almost 20 years Mr. Ongpin avoided politics, climbing the ladder at a big Philippine mining company, Benguet Corp., rising to president. As the Marcos years lumbered on, however, Mr. Ongpin grew increasingly critical—and vocal. His public blast at his brother marked the first major attack on the Marcos government from the Philippine middle and business classes. His work for the opposition increased until, last week, Mr. Ongpin found himself sleeping on the floor of Camp Crame with the rebels, hoping loyalist soldiers wouldn't attack. "I was never so frightened in my life," he says.

This record of dissent has given him credibility with President Aquino, whose own economic views are unclear, if not unformed. He helped write her major economic policy speeches before last month's election, for example, and Filipinos say he has had significant influence in Mrs. Aquino's choice of other economic advisers. Every one of them shares much of Mr. Ongpin's free-market philosophy.

Mr. Ongpin will need this credibility, because he is certain to face some wrenching political battles. Mostly Roman Catholics, Filipino politicians have long stressed "social justice," often assuming that government action is the only way to achieve it. This view has several supporters in the Aquino cabinet, especially the influential local governments minister, Aquilino Pimentel, a self-professed socialist. Mrs. Aquino herself has also sometimes expressed a vague populism that, if given any rein, could derail market reforms. Mr. Ongpin, for his part, is optimistic, claiming that only one cabinet member is really a statist and that he isn't handling an economic portfolio.

Another threat could come from business nationalists. Throughout the Marcos years, many Filipinos built inefficient business empires behind high tariffs; effective rates of protection remain more than 40 percent, far higher than anywhere else in East Asia. Mr. Ongpin wants to dismantle those trade barriers, saying that "philosophically, I don't believe in protection, period." Instead, he wants to make local businesses more efficient and export-competitive. That view is bound to irk many businessmen, however, and a few have already started griping to the newly free press. Mrs. Aquino's new minister of industry, Jose Concepcion, has wavered from a free-trade stand and his brother, Raul, is among the loudest protectionists.

Mr. Ongpin says the best compromise may be to tell the inefficient that, OK, "we'll buy you a little time. But the minute the economy gets back on its feet . . . that's it." The Aquino government has already asked for, and been granted, a 60-day delay in its current import-liberalization program with the IMF.

The IMF will be a target of economic nationalists for other reasons, too. Because it distrusted the Marcos government, the IMF in 1984 imposed on Manila the toughest austerity package it has ever signed anywhere. Many Filipinos now chafe at the terms, especially because service on the country's $27 billion foreign debt continues to eat up some 50 percent of exports. That austerity and falling commodity prices have caused gross national product to sink nearly 10 percent over the past two years.

Mr. Ongpin wants some IMF relief (thus his comment about thieves), but he doesn't favor any Peruvian-style militancy. "We don't intend to do anything unilaterally," he says. "I don't blame the IMF for what they did. If I were in their shoes, I would have been tougher." His job of selling the IMF accord will be made even more difficult, however, by Mr. Marcos's spending raid on the treasury during the last campaign; sources say Mr. Marcos may have exceeded IMF money-supply targets by as much as $500 million. A new period of austerity will be required to mop up all that inflationary credit.

Mr. Ongpin already has had to expend political capital in this IMF debate. Last week he fought to have Mr. Marcos's Central Bank governor, Jose Fernandez, retained by Mrs. Aquino because, Mr. Ongpin says, he's

competent and wasn't personally tainted with mismanagement. As the symbol of austerity, however, Mr. Fernandez is anathema to many businessmen, and a few have already taken to picketing Mrs. Aquino's headquarters in protest.

For all these potential dangers, however, the sense of economic optimism in Manila today is tangible. Though the Aquino government hasn't done much of anything yet, the Philippine peso has already firmed and the Central Bank says gold and dollar transfers (in return for pesos) are at record levels. The stock market a dog for years, has perked up. Demand is already picking up in some of Manila's main housing developments, too, as Filipino expatriates begin to return home. Mr. Ongpin figures there may be as much as $10 billion in Philippine flight capital abroad, waiting to return.

"Our priority is to convince Filipinos to invest in their own country," says Mr. Ongpin, "and we're confident that if we achieve that, the foreign investors will follow."

Indeed, Mr. Ongpin isn't even that eager to take advantage of the "mini-Marshall Plan" in aid for Manila now being talked about in Washington and Tokyo. "I would actually be inclined to start very modestly," he says, "The problems here are to severe and too complex to assume they can be solved by throwing huge amounts of money at them."

He says he wants to solve the economy's structural problems first—dismantle the farm monopolies, make the tax system fairer, implement a land reform based on the successful (and not confiscatory) Malaysian model. And when the aid money does flow, he says, "I would like all of this made available to the private sector"—as equity capital for farmers, perhaps. He doesn't, Mr. Ongpin stresses, want the aid channeled through a government agency that might abuse it for political gain.

"I haven't the slighest doubt in my mind," he says, "that if you just create the right climate, and make sure you're fair . . ." He pauses: "I guess it's the invisible hand. It'll work."

WE NEED A CABINET-LEVEL DEPARTMENT OF TRADE

HON. DAN COATS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. COATS. Mr. Speaker, today, I am introducing legislation to remedy a problem of critical interest not only to my constituents in northeastern Indiana, but also to the millions of Americans whose jobs and livelihoods depend upon international trade. I refer, of course, to our incoherent and inconsistent system of regulating and monitoring commerce with our trading partners.

My bill would eliminate the confusion which has become almost routine in all facets of our commerce with other nations, and establish a single Department of Trade to unify the trade functions which currently reside in 25 separate executive departments and agencies. I believe this move is necessary, even in today's stringent budgetary environment, because we must highlight the importance of trade as a national economic issue and provide a framework that would allow us to compete in a more organized and aggressive fashion in the international marketplace.

Currently, exports are a vital part of our national economy. The relationship, however, is clouded by the detrimental effect that the current imbalance has on America's businesses. For example, 1 in 8 U.S. manufacturing jobs now relate to exports, 1 in 3 acres of our farmland produces for foreign nations, and 40 percent of all agricultural jobs are linked to exports. In my own district, nearly 50 percent of our crops are exported, and Indiana is second in the Nation in the contribution of foreign trade to personal income at $1,767 per person.

On the flip side, however, our substantial trade imbalance, estimated at more than $150 billion in 1985, is sapping strength from our economy. The adverse impact that this deficit has on our commerce and business is an issue that must be addressed immediately if we are to continue the economic growth which we have enjoyed in the recent past.

One of the most important means of stemming the flow of American capital abroad is to increase the competitiveness of our industries in foreign markets and help them get back some of what we have lost. Under the current hodgepodge of agencies with jurisdiction over trade, it is difficult to establish a comprehensive plan to boost our business, and nearly impossible to execute in a coherent fashion whatever initiatives do come forth out of the current maze surrounding international commerce.

The formation of a separate Department of Trade would have the twin benefits of highlighting the importance of the issue and providing centralization of the trade functions of our Government to place authority into a single office that would be able to effectively promote our goods and services abroad. I believe that this would be a giant step forward toward restoring America to its role at the forefront of world commerce and trade, and reinforce our economic growth for years to come.

VOICE OF DEMOCRACY

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. YOUNG of Alaska. Mr. Speaker, as you know, every year the Veterans of Foreign Wars of the United States and the Ladies' Auxiliary sponsor a wonderful essay contest called the Voice of Democracy scriptwriting contest. Each student writes an essay based on a common theme and the winning contestant from each State is brought to Washington, DC for the final judging as a guest of the VFW.

This year's theme was "New Horizons for America's Youth." I am proud to submit the winning essay from the State of Alaska written by David Michael Stevens of Soldotna. David's essay won second place honors in the contest and I am sure you will enjoy it as I did. David is a senior at Soldotna High School in Soldotna, AK, and hopes to attend the California Institute of Technology where he will study engineering. He has received many awards and held several offices while attending high school. He has a 4.0 grade point average, works with the school theater's technical staff and has a job with a local radio station.

David's essay follows:

NEW HORIZONS FOR AMERICA'S YOUTH

(By David Stevens)

In 1492, three ships set sail from a Port in Spain to test the horizon. A young man named Christopher Columbus had dared to challenge the accepted belief that beyond the point where sky met sea there was nothing. Because of his challenge, a new horizon was opened. This new horizon came to be America, where determined people with a flare for challenge and adventure eventually founded a new nation. This nation itself was a challenge against accepted beliefs; it was the first nation of its size to be governed by the masses. Such is the heritage of America; to challenge the accepted, to push back the horizon.

The horizons that America's youth face today are wide and diverse. One example of a horizon that must be faced is the energy horizon. Where will we get energy in the future? How will we replenish the energy we consume? What new sources of energy will be discovered? What new uses for energy will be invented? This is just one horizon that we, as America's youth, must face. Many more horizons present themselves with each rise in life's road. How will we handle diplomatic relations with other countries? What will we do about world hunger? What will we do about domestic poverty? Will we begin to colonize space? Can we stop the arms race? Can we find cures for presently incurable diseases? As medicine makes more and more advances in artificial organry, will we be able to push back death? And most importantly, as each of these questions is answered, what new questions will the answers present?

Such are the horizons that tomorrow's leaders, America's youth, will strive to confront and overcome. Throughout history, Americans have defeated their boundaries and led the way to new horizons. Americans were the first people to set up wide scale democracy. It was an American who first invented standardized parts. An American was the first to run a boat upstream. It was an American who first produced the automobile. Americans were the first to fly. An American team opened the door to the Atomic Age. Americans were the first to break the sound barrier. Americans were the first to set foot on the moon. And it is America that is reopening space for mankind with the introduction of the Space Shuttle. All of these events marked the passing of one horizon, and the rise of many more. I have faith that the horizons looming before America now will, like those that loomed before, be reached, and surpassed. I have faith that world peace will be established. I have faith that world hunger will be satiated. I have faith that diseases yet incurable will be cured. I have faith in America's youth and their ability to meet the challenges of their new horizons; horizons that, like the illusive rainbow, are never reached, but only continue to recede.

THE RUNAWAY TRADE DEFICIT

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. APPLEGATE. Mr. Speaker, I have sensed a growing concern among my colleagues about the issue of trade and just what needs to be done to allow us to gain control of our runaway trade deficit. I realize that there may be disagreement as to what the solution to our trade problems is, but I want to bring to the attention of my fellow Members one of the causes of the anything but fair trade policy that now exists in this Nation.

The heart of America's industrial base is being undermined by many individuals in Washington, DC, who used to work for the Reagan administration but who have since left the public sector only to lobby Congress and the administration on behalf of foreign countries, attempting to get trade policies that will help their foreign clients. I am very concerned about the amount of influence that these individuals exert over their friends in the administration. Many have unlimited access to the policymakers in the White House. Their involvement oftentimes leads to the acceptance of trade policies that are not in the best interest of American industry, to say the very least, and more often benefit countries like Japan and Korea, which alone account for one-third of our staggering trade deficit.

I would like to point out that Japan alone spends over $60 million annually on Washington lobbyists. And, of course, there is the case of long-time adviser and close personal friend of the President's Michael Deaver, whose pulic relations firm is paid $475,000 a year by a Korean group representing their government and certain businesses. There are many other glaring examples of this type of activities, as well.

Mr. Speaker, I believe this type of activity is a blatant case of conflict of interest and a gross violation of ethics in the White House of which the American people should be aware.

RAIL RETIREES BENEFITS BEING ERODED

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. DWYER of New Jersey. Mr. Speaker, railroad retirees all over the country are expressing great concern about the new budget proposals outlined by the President for fiscal year 1987.

Their railroad retirement fund, which has been included in the Federal budget since 1969 along with Social Security, is to remain in the budget even though Social Security now takes a separate path. As a result, railroad retirees are now in line for cuts in their hard-earned benefits under the Gramm-Rudman law to eliminate the national deficit.

Our colleague from New Jersey, Rep. JAMES J. FLORIO, in a recent news article, pointed out that "about 1 million railroad retirees nationwide will be drastically affected" by such a move.

The importance of this issue is unquestionable and as he further points out to pretend to balance the Federal budget by depriving people of their hard-earned retirement benefits which they have paid for is undeniably unfair.

Mr. Speaker, I am certain many of our colleagues would agree on this point, therefore, I commend the following New Jersey News Tribune article by Mary Farmer to the attention of our colleagues for their review.

[From the News Tribune, Feb. 13, 1986]

GLOWING WITH AGE

(By Mary Farmer)

RAHWAY.—Railroad retirees are troubled by the new budget proposals outlined by President Reagan in his State of the Union address

Their Railroad Retirement Fund that has been included in the federal budget since 1969 along with Social Security is to remain in the budget even though Social Security gets to ride a separate track.

"We got left behind. Now we're in line for cuts in our benefits under the Gramm-Rudman law to eliminate the national deficit," said Harold Kendler of Red Bank.

Kendler serves as legislative representative of the 300-member Retired Railroaders Group 2 that meets regularly in the Rahway Senior Citizens Center.

"The president has based his budget proposals on that legislation and it's bad legislation," he said.

A concern of the railroaders is that the cost of living increase (COLA) in the private pension portion of the Railroad Retirement System (Tier II) will be eliminated. Also, taxes will be increased on benefits.

It was pointed out by Rep. James J. Florio (D.-N.J.), majority member of the House Energy and Commerce Committee, in an earlier statement, that "about one million railroad retirees nationwide will be drastically affected. And to pretend to balance the budget by depriving people of the hard-earned retirement benefits which they have paid for is unfair."

Ironically, railroad retirees and those still working on the railroad along with the railroad companies themselves came to their own rescue just three years ago when the Railroad Retirement System was faced with severe financial difficulty.

Florio related, "Sacrifices were made. Benefits were reduced. Contributions from both the workers and the employers were increased. And the system was made to be financially sound."

"Problems had begun in 1983 with a recession-induced drop in employment," Florio explained. "But Congress enacted the Railroad Retirement Solvency Act that year based on an agreement between rail labor and management. It included significant sacrifices by railroad retirees, one of which was postponement of cost-of-living adjustments."

Benefits of the Railroad Retirement System are paid out of a trust fund from payroll taxes paid by railroad workers and employers. The system is administered by the Railroad Retirement Board headquartered in Chicago.

All railroad retirees receive a benefit with two components. These are "Tier I" which is comparable to Social Security; and "Tier II" which is comparable to a private pension.

Under current law, Tier I has received the same COLA as social security.

Tier II receives a 32.5 percent (one-third) of the Social Security COLA. Thus, if the Social Security COLA is 3 percent, the Tier I COLA is 3 percent and the Tier II COLA one percent.

Tier I benefits are subject to income taxation like social security benefits (but only if total income is above a certain level) and Tier II and dual benefits are subject to tax just like a private pension.

"What the Reagan administration hasn't realized is that railroad retirees had been paying out more from their earnings than what social security took out from other people's salaries," said Al Gehrum of Iselin, a member of the area retirees group.

"During my worklife, 10 percent of my salary was being taken out for the railroad retirement system. Social Security meanwhile was taking 2 or 3 percent then," he disclosed. "Now, we're being faced with cuts out of a good portion of our retirement checks. And what's more, there's less money going into the pension fund ever since Amtrak experienced the loss of thousands of jobs."

According to Kendler, "We have to act now to back our supporters in Washington like Congressman Florio and Senators John Heinz, Bill Bradley and Frank Lautenberg. This means getting off our backsides and being serious. By next year when the cuts will start, it may be too late for us."

A GREAT JOB APPRECIATED

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. PEPPER. Mr. Speaker, distinguished colleagues and friends, it is a rare privilege for me to have the honor to call to your attention so exemplary and accomplished a public servant as David H. Pingree has been to the people of the State of Florida as secretary of the Florida Department of Health and Rehabilitative Services from 1979 until this year.

Secretary Pingree and I have exchanged views and information leading to the introduction of a number of proposals and programs in Congress and to the passage of various provisions improving to a great extent the delivery and targeting of health care services to the elderly of this country and of Florida. He has been a dynamic gatherer and a creative analyzer of facts, trends, budgetary options and innovative concepts helping the aged, the handicapped and the many other in our society who need help desperately through no fault of their own.

He has been alert to opportunities arising in the work of Congress as well as our Florida Legislature, where he successfully developed support for new or expanded programs for child care, health services and aid to the elderly, and the poor.

Until the advent of the infamous Gramm-Rudman law, which I did not support because I believe it is not in accord with the Constitution, Secretary Pingree has succeeded in improving the performance of this fine department in each year, building public confidence and a greater degree of public commitment to

its increasingly effective and compassionate functioning.

I am sorry that David Pingree was not given increased resources with which to do more and better things of the kind he has so ably done for all those in society who are in the shadow of life—whose misfortune it has become to suffer a lack of inadequate nutrition, housing, medicine, care, education, training, opportunity, and humane concern such as this man wholeheartedly and with superb capacity has devoted to them.

By serving in this exemplary way, Secretary Pingree has served our State in the highest degree and also he has served well our national interest. Just the other day, as some of you know, I testified before the House Budget Committee on the ill conception of the administration's additional proposals for budget rescissions and deferrals. I quoted the letter to me of a young couple from my district, whose elderly mother had suffered two strokes and while able to move around required constant attention. This would require one of the two young people to quit his or her job and cease contributing to the country's economy to stay at home and watch this dear older one who shares their home all day. Instead she has been under the group care of an Adult Day Care Program during the work day, saving money over the higher cost of full institutionalization and allowing the mother to be with her children mornings and evenings and at night, allowing as well the younger people to go out and earn a living, teaching school. Now the President, with a sweeping cut, will end all that family way of life for this little family helping one another with a little assistance saving the country a lot while working to help others.

Well, David, I convey to you my highest commendation and esteem for all you have done and will continue to do and congratulate you on your accomplishment as secretary of health and rehabilitative services in Florida.

SECRETARY PINGREE RESIGNS

David H. Pingree, secretary of Florida's Department of Health and Rehabilitative Services (HRS) from 1979-1980 and 1981-1986, leaves February 28 to enter the private sector. With his departure, Florida loses one of its most knowledgeable, capable and dedicated public servants. Florida's human service agency, with an annual budget of $3.2 billion and over 33,000 employees, is a model nationally for its unified, decentralized and integrated delivery of health, social and rehabilitation services to abused, neglected and delinquent children; the mentally ill; the aged and disabled; those who are addicted to drugs and alcohol; the mentally retarded and those living in poverty. David Pingree's leadership during his earlier tenure at staff director of the Committee on Health and Rehabilitative Services of the Florida House of Representatives and his more than 10 years as a top level administrator in HRS has been instrumental in allowing the state to meet the challenges presented by major cuts in federal and state funding, a severe and continuing immigration crisis, and AIDS. His focus has always been on finding solutions to human need. He will be sorely missed.

A native of Boston, Mass., Pingree graduated from high school in Winchester, Mass., in 1957. He attended Harvard University for three years before transferring to Drew University where he received a bachelor's degree in political science in 1963. He has done graduate work at Emory University in Atlanta and doctoral work at Florida State University.

In 1960 he was named as a delegate to the White House Conference on Children and Youth and in the same year was elected a member of Winchester, Mass., Annual Town Meeting.

He is a member of the American Society for Public Administration and in 1984 received the group's National Public Service Award. He is also a member of the American Political Science Association. Pingree has two daughters and a son.

HRS' PINGREE SAYS HE'S RESIGNING AT END OF MONTH

(By Bill Cotterell)

Secretary of Health and Rehabilitative Services David Pingree, who has headed Florida's largest state agency through an era of growing need and shrinking budgets, said Tuesday that he would resign at the end of this month.

Gov. Bob Graham appointed Florida State University Professor William "Pete" Page Jr., one of Pingree's predecessors in the giant social services agency, to succeed him March 1, Page, 58, who headed HRS through the second administration of former Gov. Reubin Askew, is now a professor of public administration and social work at FSU.

Pingree, 46, announced at a meeting of HRS executives he would leave the department Feb. 28 to become vice president for development of state, local and international business for Burroughs Corp. in Detroit. He said he would help expand the nation's No. 2 computer company's business with state governments, but would not approach any of his HRS appointees about buying Burroughs business machines.

Although he expressed dissatisfaction with Florida's per-capita spending for the poor, elderly and ill, Pingree said he was not quiting out of any sense of frustration. He said he long ago told the governor he intended to leave at the end of the Graham administration next January, but that the Burroughs opportunity came up unexpectedly in the last two months.

He declined to disclose his Burroughs salary, but said it was more than the $73,000 a year the HRS secretary's job pays. Pingree said he admired Burroughs because "it's a company with a social conscience," headed by former Treasury Secretary Michael Blumenthal.

Pingree was a consultant on intergovernmental relations in Atlanta before becoming staff director of the House HRS Committee in the early 1970s. When Graham became governor in 1978, he chose Pingree to succeed Page as secretary of HRS.

Pingree headed HRS until mid-1980, when he moved to the governor's office as deputy chief of staff. Graham named him chief of staff in September 1981, but sent him back to HRS a month later when then-Secretary Alvin Taylor resigned.

Pingree said he would make recommendations to Graham by the end of this month for reducing administrative costs in HRS, in compliance with federally mandated strictures of the Gramm-Rudman deficit-reduction law. He said the size of the cuts was not yet known, but that he hoped the first round of reductions could be absorbed through restricting agency travel and lowering some administrative payments—not cutting services to the needy.

He said the 1986 Florida Legislature would have to put up extra money to tide HRS over between July 1, the end of the state financial year, and the Oct. 1 start of the new federal financial year, when a new round of federal cuts in social spending is anticipated.

Pingree said his greatest satisfaction at HRS came as a result of the Legislature's support of new or expanded programs for child care, health services and aid to the elderly and poor. The low point, he said, came last summer, when 16 HRS employees were disciplined—and some resigned—after the death of an infant who had been placed by HRS in an overcrowded foster-care home in Treasure Island.

Pingree said the Graham administration had been able to streamline paperwork procedures within the vast HRS agency, but that the level of state services provided to needy children and unemployed adults was still inadequate.

"Florida is considered to be in the top five states in the management of human services, and yet it's in the bottom five states in the funding per capita that we provide for human services," Pingree said.

FOREIGN TRADE PRACTICES ACT

HON. DAN MICA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. MICA. Mr. Speaker, today I am introducing legislation designed to clarify the Foreign Corrupt Practices Act.

With a trade deficit of over $148 billion, improved access to foreign markets should be one of our Nation's priorities. While our trading partners offer incentives and export promotion programs, we have impediments and barriers. The list of export disincentives is long. One of the most complex and confusing is the Foreign Corrupt Practices Act.

Like most other export disincentives, the FCPA was implemented with noble intentions. Following public disclosure of in the mid-1970's that U.S. multinational corporations had paid bribes to high-ranking foreign government officials, the Congress reacted. The result was a law that makes the United States the only nation in the world to impose a comprehensive extraterritorial antibribery law upon all of its foreign business practices.

From its inception, the FCPA has created problems for law-abiding companies engaged in international transactions. The law itself is difficult to decipher, hard to enforce, and has created confusion for both regulators and business people.

The overall purpose of this legislation is to eliminate ambiguities that have been troubling to our export community, and at the same time retain the absolutely necessary prohibitions against bribery of foreign government officals now found in the Foreign Corrupt Practices Act.

My bill would establish certain restrictions on payments to foreign government officials in the course of export trade and would direct the executive branch to undertake negotiation of an international agreement governing business payments to foreign officals.

Mr. Speaker, my bill would double the existing fines for prohibited payments. Having clarified the kinds of payments and other actions that are unacceptable for American businesses, I think it is appropriate and necessary to strengthen the deterrent against illicit practices in international business.

This legislation would require repeal of the Foreign Corrupt Practices Act, replacing it with similar provisions in the Export Administration Act. Responsibility for its administration and enforcement would be transferred from the Securities and Exchange Commission to the Department of Commerce.

Mr. Speaker, I commend this legislation to all of my colleagues who share my feeling that we can no longer afford to sacrifice exports and the jobs that exports generate by unduly restricting our exporters. I believe this proposal will strongly discourage illicit payments to foreign officials without such costly disruptions of trade as have resulted from the ambiguities of the Foreign Corrupt Practices Act.

AMY CUSHMAN, VIRGINIA WINNER "VOICE OF DEMOCRACY"

HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. BLILEY. Mr. Speaker, Amy Cushman, a 12th grade student from Monacan High School in my district, has won a $1,000 scholarship from the Veterans of Foreign Wars Voice of Democracy Scholarship Program. Amy's essay received a sixth place award out of 250,000 entries. I and all of the residents of my district are very proud of Amy and of her goals for herself and for America. Amy's essay should be an inspiration to us all, and I would like to share it with you now. The essay follows:

NEW HORIZONS FOR AMERICA'S YOUTH

As a child my favorite song was "Somewhere over the Rainbow" from the famous movie, The Wizard of Oz. It's most memorable lines to me are "Somewhere over the rainbow, skies are blue." And the dreams that you dare to dream really do come true. I never understood the true meaning of these words until we began studying the works of men such as Paine, Jefferson and Washington in my senior government class. These were men who dared to dream. Today our country is based on an American dream and the new horizons for America's youth today are unlimited.

There are others in our American history that dared to dream and who have shown us countless opportunities and horizons. Martin Luther King announced to the world, "I have a dream" and he dared to visualize how racial equality could become a reality. John F. Kennedy, our 35th President, dared the people of America to commit themselves when he said, "Ask not what your country can do for you. Ask what you can do for your country". He dared to dream about a better America.

Buzz Aldren and Neil Armstrong took that one small step for man and one giant leap for mankind. These men dared to dream and expanded their horizon to the unexplored world of outer space.

The youngest symbol of an American youth going for a "10" is Mary Lou Retton. In the 1984 Olympics, her spirit and exuberance were uncontained. She dared to dream.

I too dare to dream and seek new horizons in my education and in my future career. As Shakespeare once said, "Strong reasons make strong actions". The lessons, beliefs and basic freedoms our forefathers have left us marked the beginning of the United States expansion. Based on those principles, men like Martin Luther King were able to pronounce, "I have a dream", and seek racial equality in America. The first men to walk on the moon set out to conquer space and showed us we could achieve almost anything. Like Mary Lou Retton we should all try for a "10" and be the best that we can be.

In my chosen field of communications and media, I pledge to help others seek and find the American dream and to maintain the great principles this country was founded on.

By becoming involved in school and community affairs, I can expand my horizons and help not only others, but myself as well. As a young woman, I am formulating my own ideas of the world and their places in it. I am exploring my feelings, hopes and dreams and wondering where they will fit into the larger world beyond it.

I belong to the Parent Teacher and Student Association which stresses the importance of education and the knowledge of what's going on in the world. Other organizations such as the National Forensic League and the Speech Communications Association reflect the concerns of my generation and attempt to provide us with the communication tools needed for succeeding in our present environment as well as exploring our future horizons.

The final lines of "Somewhere over the Rainbow" are "If birds fly over the rainbow, why oh why can't I? The answer now is clear. I can. I can dare to dream and I can achieve that dream.

PANAMANIAN DILEMMA

HON. WEBB FRANKLIN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. FRANKLIN. Mr. Speaker, as a member of the Merchant Marine and Fisheries Committee, I have had the opportunity to become familiar with the Panama Canal, and with the U.S. role in operating and using that canal under the 1977 Canal Treaties.

I think the United States Congress and the American people need to understand that the terms of our future relationship with Panama and with the canal are not particularly clear cut. Our committee has had several discussions with the Panamanian Legislative Committee which is responsible for oversight of the canal, and based on my observation, I am concerned that Panama and the United States may have different ideas on the future of that canal.

We have a number of problems which must be worked out if the U.S. interests in the canal are to be protected after 1999. Capt. G. Russell Evans, a retired Coast Guard officer, has outlined many of those concerns in a recent article, and I think his analysis is an accurate one.

[From the Ledger-Star, Feb. 7, 1986]

CANAL TREATIES—PANAMANIAN DILEMMA

(By G. Russell Evans)

When things go wrong in the Republic of Panama, the United States is often blamed.

Recently, according to a foreign broadcast from Panama City, the U.S. State Department was charged with a "seditious scheme" against the country, provoking internal problems, and "discrediting" the military. But the problems were all generated by the all-powerful Panamanian Defense Forces (formerly the Guardia) through their implication in drug trafficking and murder of the patriot, Dr. Hugo Spadafora. Guardia Commander Manuel Noriega forced President Nicolas Barletta to resign when the latter was about to investigate the Guardia, and then appointed his own man, Eric Arturo del Valle, to the presidency.

Such is the immediate background for the State Department's latest attempt to squeeze maximum benefits for the Panamanians out of the 1977 Canal Treaties. And if Secretary George Shultz has his way, U.S. taxpayers could literally buy the canal all over again, even help pay for a sea-level canal.

These possibilities will be examined in a four-year study by the U.S., Japan, and Panama starting in 1986. The costs would be some $20 to $30 million for the study, up to $4 billion for modernization and $20 to $25 billion for a sea-level (tidal lock) canal.

The State Department recently agreed to this ambitious trilateral involvement, the 18th study in the canal's history. This commitment could produce recommendations that the U.S. pay billions of dollars for massive improvements to a canal soon to be lost—or for a new sea-level waterway capable of handling 300,000-ton tankers, as compared with 65,000 in the present canal, that is, a colossal new wonder of the world.

Sea-level advocates, apparently unconcerned about unresearched ecological hazards, are getting the publicity, and are calling for alternatives rather than solutions to the demonstrated problems of marine operations in the existing Canal.

A solution, enthusiastically endorsed by the pilots and engineers with extensive canal operating experience, has been developed by retired Navy Capt. Miles P. DuVal Jr. It is the Terminal Lake/Third Locks Plan, called best for engineering and safest for navigation, already partially completed and once approved all the way to the White House.

Basically, the DuVal Plan would remove the Pedro Miguel Locks and elevate Miraflores Lake and Gatun Lake from 87 to 92 feet, thereby providing uninterrupted passage between the Atlantic locks and the Pacific locks. It would add a third set of locks, straighten the channel, and widen Gaillard Cut. The first order of business for the Shultz study group should be the DuVal Plan.

The 1977 Treaties provide for (not guarantee), joint studies in Article XII of the basic treaty, but do not commit the U.S. to spend a dime for additions to a waterway that presumably will pass to Panamanian ownership in 1999, despite abundant evidence of invalid treaties. Some writers have incorrectly asserted that the treaties guarantee U.S. founding for the studies and modernization. But considering the crumbling Panamanian economy and the generosity of the U.S. State Department, there is little doubt that the United States will be expected to pay for both the Panamanian and U.S. shares of

the feasibility study and whatever modernizations are recommended—unless U.S. voters rebel.

Obviously, Secretary Shultz is exceeding the terms of the treaties. He would even exclude representatives of the Defense Department and the Panama Canal Commission from participation as members of the U.S. commission.

Rep. Webb Franklin, R-Miss., has asked questions: Why has the State Department, and not the Corps of Engineers, taken the lead role in what is essentially an engineering study? Is it in our best interests to conclude a study so long before the canal transfer when a later study could provide more leverage in negotiations? This latter question relates to the need for U.S. bases in Panama to defend the canal on scene, after 1999 when, by the treaties, the U.S. Southern Command and all other military forces are to be expelled. Take note: After 1999, the sovereign nation of Panama is free to call on Cuba, Nicaragua, and the Soviet Union to operate the former American canal, improve it or dig another—thanks to the Carter-Torrijos Treaties.

Mr. Franklin and the chairman of the House Panama Canal subcommittee, Mike Lowry, D-Wash., have introduced legislation (HR 3882) to curb the State Department zealots and to find out why the U.S. military and the present operators of the canal, the members of the Panama Canal Commission, are denied input, as commission members, to the feasibility study. Their bill would restrict the study to the explicit terms of the treaties, and would establish guidelines, limitations and funding.

Japan, a co-equal partner in this latest canal study, is the best customer, with 30 percent of cargo-ship transits, and will doubtless insist on full protection for any investments. So should the United States, unequivocally, and with absolute and irreversible guarantees of national security benefits. These are benefits and guarantees, unfortunately, that are not contained in the 1977 Panama treaties, not even with the present status of the DeConcini Reservation, which was to provide U.S. defense rights, but were voided by Panama's secret counter-reservation to the treaties. In the 13 short years until 1999, the United States will face delicate problems concerning the canal, among them: (1) getting along with the Guardia dictatorship, (2) striking some kind of bargain on canal modernization and U.S. security, and (3) controlling the runaways in the U.S. State Department.

NED PRAISED BY THE NEW REPUBLIC

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. COURTER. Mr. Speaker, the National Endowment for Democracy is one of the world's most useful organizations for furthering the spread of free government and free labor unions.

Recently the editors of the New Republic outlined the virtues of the endowment, and pointed to a number of its successes. The article is excellent, and I wish to lay it before my colleagues. I take issue with it in one respect alone: There is no good reason why the Democratic and Republican parties ought not play a role in the direction of the endowment. Afterall, they are our most experienced hands in the world of politics.

The article follows:

[From the New Republic, Jan. 20, 1096]

PLANTING SEEDS OF FREEDOM

Democracy may be less a choice that societies make than the result of a very limited variety of circumstances and histories. If this is so, one consequence is that the number of democracies in the world, and their resilience, is not likely to increase greatly. Another consequence is that the longtime grievance against American foreign policy—that the U.S. reflexively allies itself with undemocratic regimes and movements in parts of the world not yet at home with modernity or constitutionalism—loses much of its moral force. For if arbitrary rule is the destiny of the billions of people born outside the ambit of John Locke, then the character of our ties to other states may be judged primarily by the standards of realpolitik.

Those who reject the standards of realpolitik as callous and counter-historical must have a theory of how the great transformation can take place from governments that disregard the rights and trample the liberties of their people to governments that respect them. How does it happen?

Before 1917 and since, it has been thought by many millions of militants, and by more timid folk too, that revolution would do the trick. But in most countries that have experienced revolution, the result has been the increasing immiseration of the populace and its submission to forms of domination that are often more brutal, and only occasionally more subtle. The spark ignited by Lenin in Russia 70 years ago, therefore, no longer glows so brightly. The fires that spread from it have consumed too many lives and too much hope. The moral cachet of revolution hasn't survived the conflagration, at least among people who have seen it up close. This is the meaning of Solidarity, and of Charta 77, and indeed of the whole incandescently nonviolent underground in Central and Eastern Europe.

But from afar, the prospect of salvation by fire still has its enthusiasts. Thus the El Salvador guerrilla movement recently proclaimed itself to be what any astute observer already knew it was, a Marxist-Leninist vanguard. Given the bloody histories of such vanguards, this is uncommon fair warning. More often these days, the agrarian reformer disguise is not shed until the rebels sit in the seats of the mighty. By then it is too late; a democratic future is all but foreclosed.

Of course the struggle for democracy must still be waged against traditional privilege, as well as against the mesmerizing delusions of revolution. But democrats are always at a disadvantage when they compete with the ruthless. That is one reason why indigenous democratic forces are justified in expecting more than mere handwringing and moral support from mature democratic societies. They are entitled to concrete assistance. The United States succored the revival of democracy in postwar Europe and presided over its very creation in postwar Japan. Surely we should not be indifferent to the ordeal of struggling democrats around the world today.

The National Endowment for Democracy, a government-funded independent foundation, is an appropriate vehicle for solidarity with precisely such democrats who need help. It is an instrument of practical justice. The existence of NED does not preclude similar voluntary efforts by the vast networks of voluntary associations so characteristic of our democracy. What American churches are doing in South Africa is very similar to the mission envisioned by the legislation establishing the Endowment. But great public goals are never fulfilled solely by private action. Those who rightly criticize President Reagan's instinct to "privatize" every public purpose in the domestic arena seem worse than silly—and perhaps even insincere—when they argue that public solidarity with struggling democrats in the international arena should not be expressed in public acts or with public funds. Such abnegation would help only the dictatorships. The democrats of Spain and Portugal, once right-wing authoritarian regimes that are now full members of the brotherhood of democratic states, know just how important U.S. government assistance was in keeping them alive during the Franco and Salazar years. That assistance was directed to them by the CIA—yes, the CIA. And these were precisely the people who steered their countries away from the habits of fascism and the temptations of communism, into the constitutional mainstream of Western Europe. NED hopes that its support will sustain similar circles of democrats and their democratic activities in countries where the future has not yet been settled.

If you scrutinize any public or private bureaucracy, you are likely to find that it has made some mistakes. This is particularly so with a new agency. It turned out, for example, that the AFL-CIO's Free Trade Union Institute, using NED funds, has appropriated large sums to two French organizations, one of which has a shadowy history dating back to the *pieds noirs* of French Algeria. Reasonable questions might be raised about why U.S. money should be spent in vibrantly democratic France at all; there are also reasonable justifications for doing so. In any case, these particular errors, if errors they were, resulted from the initial legislation that gave NED little direct control over the congressionally mandated appropriations to the FTUI. In the new legislation continuing NED funding, this structural flaw has been corrected. (The flaw that puts arms of the Democratic and Republican parties into the decisionmaking process has not been corrected.)

By focusing on the French cases, however, critics tried to put into question the entire enterprise. This is fair neither to FTUI nor to NED. A few idiosyncratic connections notwithstanding, the historic role of the American trade union movement in bolstering trade unionism and democratic values internationally—and especially in the Third World, where a special sensitivity to the peasant sensibility was required—is nothing less than exhilarating.

NED has been functioning for a bit more than two years. It has assisted democrats in the Communist world and those driven into exile from it. The proportion of funds expended in such work has been small. In fact, the great burden of its funded activities has been in the less developed countries where false clichés have the U.S. collaborating against social and political change. Here the very idea of pluralist institutions must seem like something of a dream. But encouraging the critical habits of the press or the adversary stance of lawyers is just the kind of encouragement these societies need if freedom is to have a chance. Often NED supports democratic developments in countries whose governments, hardly unfriendly to the U.S.,

would prefer not to see democracy developing at all. This is essential to NED's purpose. This is the case now in the Philippines, where fully ten percent of NED's money is going. It is also the case in Paraguay, Chile, South Africa, and other countries where it takes bravery to want social and political change. To match the bravery of the kind of people we should want to help, NED may have to be more daring than public agencies are prone to be.

In Guatemala, NED aid was critical in mobilizing the population for the recent election, which has given that country its first hope in decades of ending the reign of terror. The election won't guarantee that democracy will flourish. But it has emboldened vast numbers of people, across the rigid stratifications of a poor and frightened polity, to believe that there is another way to live.

Such emboldening is the absolute precondition for democratic change. Without NED, the U.S. has no way to embolden the hopeless except with empty rhetoric or with guns.

CHANGES IN HEALTH CARE

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. McEWEN. Mr. Speaker, Dr. John F. Seidensticker of Chillicothe, OH, has provided an incisive overview of the various costs associated with our Nation's health care system. In his article, which appeared in the Chillicothe Gazette, Dr. Seidensticker indicates how our health care system has changed over the years. Moreover, he has noted the effect of these changes on health care costs in the areas of medical malpractice, third party reimbursement of medical care, and cost containment.

In my view, Dr. Seidensticker has a unique perspective regarding this situation. He is the past president of the Ross County Ohio Medical Society and the past chief of staff of Medical Center Hospital in Chillicothe, OH. He has generously shared his thoughts and recommendations with the people of his community on this subject. Moreover, I think his insights warrant the attention of all Members of Congress. I have provided this article for their consideration.

HEALTH CARE HAS CHANGED, AND NOT ALL OF IT IS FOR THE BETTER

(By Dr. John F. Seidensticker)

This is an open letter to all people who are currently patients, those who may become patients, and to anyone who is involved in the medical system. Times have changed! Technologic advances, surgical procedures, medications, ancillary and supportive care all have improved and will continue to add to the ability to provide better medical care. These changes make our lives better—but they also make life more complicated and expensive. In addition, numerous other circumstances and events influence and dictate medical practice.

There are three basic areas of concern that we need to try to thoroughly understand: (1.) the medical malpractice crisis, (2.) third-party intervention in medical care (e.g. federal government—Medicare, private insurance companies involvement, industry involvement), HMOs (Health Maintenance Organizations), PPOs (Preferred Provider Organizations), IPAs (Independent Providers Association), and (3.) cost containment.

I would like to address these items in further detail.

MALPRACTICE CRISIS

We are living in a litigious era—no question. If something goes wrong, our first thought can be to sue. If we have an accident, we sue. If something doesn't work right, we sue. If we smoke for 40 years and get cancer, we sue the cigarette company. On and on. This mentality is especially prevalent now in the medical profession.

Physicians cannot practice medicine and assure that the result of each patient-physician encounter is perfect health. The *best* we can do is attempt to make a reasonably educated diagnosis and offer a reasonably educated solution to the problem. The stresses resulting from potential error for each patient-physician contact can result in a less than satisfactory future relationship. The need to practice "defensive medicine" (the ordering of X-rays, tests and consultation with other physicians to try to triple-check ourselves and attempt to ensure that we don't miss anything) will only result in further escalation of medical costs.

This cycle has to be interrupted. You, our patients, need to be made aware of the result of increased costs to the patient in the immediate future and over the long haul if this scourge of malpractice is not removed from the everyday practice of medicine.

THIRD-PARTY INTERVENTION

This is now a fact of life and reality. The most distressing aspect is the federal government's freeze on payment for services provided to Medicare patients. We have been placed in a situation in which we cannot increase our fees as we deem necessary to Medicare patients. (There is an alternative—accept Medicare "assignment"—we have tried this approach and found it unworkable.)

The freeze payment covers all services to Medicare patients and is in effect for an indefinite period. In the meantime, patients who are not receiving Medicare are being charged the usual and customary fees; this results in a two-tier system of medical care. That is separate charges for the same service or less service to a whole class of patients. This is exactly what none of us desires, either those providing the care or those receiving the care.

If the current freeze continues for any period of time, the discrepancy of payment between Medicare and non-Medicare patients will increase further, a situation which we feel is intolerable.

Another result of third-party intervention is the development of organizations such as HMOs, PPOs, IPAs, etc. These organizations are developing nationwide to provide alternative health care delivery systems. The systems are being formed at urging from the federal government, industry and insurance companies and medical groups. These "alternative care delivery systems" are going to be with us in the future, and in fact will provide welcome competition to the traditional fee for service-type medicine.

These systems are not all good. But again, they are not all bad. The result, however, is development of a different fee schedule for members as dictated by the contracts that are drawn between the parties. Depending on the specifics, the patients will be provided with different services. This results in a third tier of medical care!

COST CONTAINMENT

Finally we have the issue of cost containment, which all agree is a necessity. By cost containment we mean that physicians are being urged to provide the most complete and optimal medical care at the least expense. We are encouraged to avoid unnecessary hospitalization, testing or X-rays.

Of course, the definition "unnecessary" is a judgment that can only be made by the physician on a case-by-case basis. All would agree that cost containment is judicious and necessary, but we have a problem in that as we attempt to provide economical and practical care, we can't afford to "miss anything" because of the threat of malpractice.

Most patients will opt for the latest and best science has to offer if it is their own illness—especially if their insurance pays for it—but the public raises eyebrows at the total cost of medical care. This obviously is a no-win situation.

In the past when a patient came to a physician for medical care, the physician used a common sense, practical approach, keeping in mind the best interest of the patient, both medically and economically. Now the burden falls on the physician not to miss anything that might be causing the problem. Therefore, defensive medicine is deemed necessary.

This occurs because if anything is found later that could have been picked up a little earlier, "everything" has been done to establish the proper diagnosis at the earliest moment. Cost containment places extreme stress on the medical care providers. This has to result in a loss of the traditional close relationship between the patient and the physician. This is a lamentable situation for all us.

We realize that times are changing, that the expectations of patients are in an evolving pattern. And we realize that there is a place for legitimate compensation for true malpractice and that the medical profession needs to have the tools to better police itself. We realize that there are no immediate solutions to the problems. We also realize that our patients—the public—need to be aware of the potential ramifications for all of us if solutions aren't forthcoming.

We need to let legislators know our desires and thoughts. We need to have some resolution that is equitable to both the patient and medical care providers—a solution that will eliminate the need for defensive medicine. We also must address the possibility of Medicare patients effectively becoming second-class citizens insofar as medical care is concerned unless Congress acts soon.

The medical profession is not perfect and not without blame for problems, past and present. No profession is without its bad apples. Some physicians have profited excessively from the care of the sick—no argument. My firm belief is that most physicians are providing the highest quality medical care. We are trying to provide the best care to our patients in a changing environment. We would like to take care of patients and forget the external problems. We ask for your help and suggestions so that future generations of Americans will have a close patient-physician relationship and the highest quality of medical care as we have known it in past decades.

HONORING MR. ANTHONY ANDORA

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. TORRICELLI. Mr. Speaker, I rise today to honor Mr. Anthony Andora. He has recently been named outstanding citizen of the year by the Saddle Brook Chapter of UNICO.

Mr. Andora has held many distinguished positions within the legal profession and has contributed countless hours in service to his community. Tony truly exemplifies the spirit of UNICO's motto of "Service Above Self."

At the State and local level, Tony has served in a variety of positions. He was deputy attorney general for the State of New Jersey and assistant county prosecutor for Bergen County. In addition, he has represented the towns of Closter, Cresskill, and Elmwood Park as borough attorney and has been counsel to the Bergen County Sewer Authority.

A respected leader in the legal profession, Tony has had the honor of serving as chairman of the State Bar Association's banking section and its administrative law section. He is currently a trustee of the Bergen County Bar Association and has been selected to be a member of the New Jersey Supreme Court's Committee on the Tax Court.

A dedicated and active citizen, Tony has served as a member of the Democratic State Committee and as chairman for the Bergen County Democratic County Committee. More recently, Tony has been appointed to the Property Tax Assessment Committee.

The many achievements of Tony Andora would fill several volumes. He truly embodies the spirit and dedication of this distinguished award.

It is with great honor and pleasure that I join with so many of Tony's friends in honoring him as UNICO's Outstanding Citizen of the Year.

ST. PATRICK'S DAY 1986—A DAY OF REFLECTION AND RECOMMITMENT

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. GILMAN. Mr. Speaker, each March 17, the world's citizens join in varied celebrations and events in recognition of St. Patrick's Day. In this country alone, Americans from all walks of life, from all cultures, take time to pay tribute to the rich traditions of the nation and people of Ireland. Indeed our President and the distinguished Speaker of our House of Representatives, Mr. O'NEILL, are just 2 of the 40 million Irish-Americans who have contributed their talents to make this such a great Nation. St. Patrick's Day not only affords all of us the opportunity to honor our Irish-American heritage, however, but to recommit and rededicate ourselves to the continuing effort to achieve a real and lasting peace in Northern Ireland.

This past year has been both one of great frustration and/or great hope in the long fight to attain justice and equal opportunity for the Catholic minority in Northern Ireland. Earlier this year the Senate was presented with a Supplemental Extradition Treaty which had been negotiated between the United States and the United Kingdom for ratification by that body. The main purpose of this supplemental treaty is to eliminate a provision in the current treaty between our two nations, excepting political offenders from extradition. The expediency with which this treaty was negotiated and sent to the Senate and the potentially enormous ramifications that removing the political offense exception could have upon our extradition treaties with other nations, has caused deep concern throughout this Congress and the Irish-American community.

I joined many of my fellow colleagues this past fall when I testified before the Senate Committee on Foreign Relations, against ratification of this treaty. This Nation's extradition policies should be addressed in comprehensive extradition reform legislation, not on a piecemeal basis which could result in unfair or discriminatory immigration practices directed at one community. I am hopeful that the Senate will also remain mindful of the long history of violence and political oppression against the Catholic minority in Northern Ireland throughout any future considerations of this Supplemental Extradition Treaty.

The signing of the Anglo-Irish agreement in November 1986, resulted in a role for the Republic of Ireland in the governance of the North, offering a hopeful first step towards future peace and prosperity in Northern Ireland. In response to this historic accord, the U.S. House of Representatives adopted legislation on March 11, 1986, providing $250 million in aid for economic development and reconciliation only, in Ireland and Northern Ireland. This measure, the Peace, Stability, and Reconciliation in Ireland and Northern Ireland Act of 1986, builds upon, and I believe improves the administration's original proposal, by specifically applying Foreign Assistance Act restrictions relating to police training and by prohibiting use of these moneys for military and paramilitary purposes. I am pleased that the House Committee on Foreign Affairs, of which I am a member, was able to fashion legislation, which fosters reconciliation and achieves the goals of flexibility and accountability.

Before the President can provide moneys into the international fund established pursuant to this legislation, he must certify that the fund's board is broadly representative of a community of interests in Ireland and Northern Ireland, and that fund disbursements meet principles of equality of opportunity and nondiscrimination in employment, without regard to religious affiliation, and address the needs for both communities in Northern Ireland. Each year the President will report to Congress on the degree to which our funds have contributed to the goals of reconciliation, encouraged new investment and development on the basis of equality of opportunity, and increased respect for human rights and fundamental freedom in the North.

The troubles in Northern Ireland will not be resolved by just this first step, but support of constructive efforts to correct the economic and political disenfranchisement of the minority in that region, is a positive beginning.

Let us then give thanks, on St. Patrick's Day 1986, grateful that we as a nation can offer our moral and financial support to our troubled brothers and sisters in Northern Ireland, and that we have been able to help lay the foundation for peace and prosperity in Northern Ireland.

THE SHOCKING DISMISSAL OF LEE IACOCCA

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. HUBBARD. Mr. Speaker, I have received an excellent letter from Mr. Walter H. Mathis, a friend from Owensboro, KY, who has been actively involved in volunteer work to raise money for the restoration of the Statue of Liberty.

Mr. Mathis highlights his strong disappointment about the firing of Mr. Lee Iacocca from the Government Advisory Commission for the restoration of the Statue of Liberty. Many of my constituents and others across America are upset about the firing of Mr. Iacocca in light of his immense success in fundraising for this very worthwhile cause. Mr. Mathis' letter to me follows:

OWENSBORO, KY,
February 18, 1986.

HON. CARROLL HUBBARD,
Room 2182, Rayburn House Office Building, Washington, DC.

DEAR REPRESENTATIVE HUBBARD: This is to convey my shock and disappointment in the firing of Mr. Lee Iacocca from the Government Advisory Commission for the restoration of the Statue of Liberty and Ellis Island. It appears to be an act of partisan politics on the part of the Interior Secretary, Mr. Donald Hodel, unwarranted government intervention into a people project and a let-down to the millions of volunteer workers who responded to Mr. Iacocca's leadership. Those Americans have spent many, many volunteer hours raising funds for the restoration of one of our most prized symbols of freedom.

I am expressing my disappointment, not only as a citizen and volunteer worker but also as a member of the Telephone Pioneers of America, an organization which, nationwide, has raised almost 2 million dollars of it's 3.5 million dollar pledge toward restoration. My wife, Linda, worked hundreds of volunteer hours for 2 years as Statue of Liberty Fund Raising Chairperson for the Kentucky Chapter Telephone Pioneers and the Pennyrile Council Telephone Pioneers; organizations which have raised $25,700 and $3,313 respectively. She and I, like millions of other Americans, are personally committed to the restoration efforts, even without government contributions.

Our federal government can't continue to fund all projects, including all social services, and I have no quarrel with more being shifted downward to be supported by citizens, the private sector and volunteers. However, similiar acts such as Mr. Hodel's firing of Mr. Iacocca are distasteful and without adequate explanation of reason can serve to "turn off" the enthusiasm and com-

mitment of volunteer workers on any worthwhile project.

My conclusions, concerning Mr. Iacocca's dismissal, have been drawn from media information only and any additional explanation available which you feel appropriate to furnish would be appreciated or if you feel that my thoughts should be conveyed to appropriate government officials, including Mr. Hodel, please do.

Yours truly,

WALTER H. MATHIS.

PROVIDENCE HOSPITAL'S 125TH ANNIVERSARY

HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. BLILEY. Mr. Speaker, this year Providence Hospital in Washington, DC, will celebrate its 125th anniversary.

Opened in 1861 by the Daughters of Charity of St. Vincent de Paul, its charter was signed in 1864 by President Lincoln. Since its establishment, the Daughters of Charity and staff of Providence Hospital have given continuous and dedicated care and service to the Washington community. They have tended civilians and soldiers, blind to all but the dignity and worth of each individual who passes through their doors.

In October of last year, Providence Hospital sought permission from the Architect of the Capitol to erect a plaque on the original site of the hospital—Second and D Streets, Southeast—as part of its anniversary celebration. The Architect responded, citing 40 U.S.C. 162, "that no change in the landscape features of the Capitol Grounds (could) be made except on plans to be approved by Congress," and that legislation would be necessary "to permit the erection of the proposed plaque."

Shortly after this, Sr. Catherine Norton, president of Providence, requested that I introduce a bill giving the Daughters of Charity the permission they needed. (By way of background, the request was made of me because my Aunt Margaret is a Daughter of Charity and is known by many of the Sisters in the area.) I am here today to introduce such a bill.

I would like to submit for the RECORD a brief account of the history and features of Providence Hospital.

I would also like to point out that the cost of the preparation of the plaque and pedestal would be borne by the Daughters of Charity at Providence Hospital.

I encourage my colleagues to join me in showing Congress' gratitude to Washington, DC's oldest private, nonprofit hospital in continuous cooperation and to all the individuals who have dedicated themselves to the noble art of healing at this magnificent institution.

H.R. —

A bill to require the Architect of the Capitol to place a plaque at the original site of Providence Hospital

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Providence Hospital Commemorative Plaque Act".

SEC 2. PURPOSE.

The purpose of this Act is to commemorate Providence Hospital for providing 125 years of service to the District of Columbia by authorizing the placement of a plaque at the original site of the Hospital.

SEC. 3. PREPARATION OF PLAQUE.

(a) REQUIRED SPECIFICATIONS.—The Architect of the Capitol shall prepare or accept by donation a plaque that—

(1) is 36 inches in width and 24 inches in height;

(2) displays on the left one-third of the plaque a bas-relief of Providence Hospital as it existed in 1866; and

(3) displays on the right two-thirds of the plaque the following language in Caslon typeface:

"ORIGINAL SITE OF PROVIDENCE HOSPITAL

"Providence Hospital was located on this site during the years 1861 through 1956. Founded in 1861 by the Daughters of Charity of Saint Vincent de Paul from Emmitsburg, Maryland, the hospital was chartered by an Act of Congress in 1864.

"During the Civil War, while other hospitals in Washington, DC, were filled with war casualties, Providence Hospital had the special mission of providing care primarily to the civilian population. Originally located in a private home, the hospital moved in 1866 to the more permanent quarters illustrated on this plaque.

"On this site, Providence Hospital opened the area's first surgical amphitheater in 1882, inaugurated the first social service department in 1894, and opened the first contagious ward in 1898.

"Providence Hospital moved to its present location at 12th and Varnum Streets, NE, in 1956.".

(b) DISCRETIONARY SPECIFICATIONS.—The Architect of the Capitol shall—

(1) prepare the plaque described in subsection (a) with such additional specifications as the Architect determines to be appropriate for carrying out the purpose of this Act; or

(2) require any such plaque that is donated to comply with such additional specifications.

SEC. 4. MOUNTING OF PLAQUE.

The Architect of the Capitol shall mount any plaque prepared or accepted by donation under section 3 on a pedestal to be built in accordance with section 5.

SEC. 5. CONSTRUCTION OF PEDESTAL.

(a) LOCATION.—The Architect of the Capitol shall construct a pedestal at a location that approximates the location of the main entrance of Providence Hospital as it existed in 1866 or, if the Architect of the Capitol determines that such location is not practicable, at a nearby location on the original site of Providence Hospital.

(b) SPECIFICATIONS.—The pedestal referred to in subsection (a) shall be constructed with such specifications as the Architect of the Capitol determines to be appropriate for carrying out the purpose of this act.

SEC. 6. PAYMENT OF EXPENSES.

(a) IN GENERAL.—The United States may not pay any expense of the preparation and mounting of the plaque or the construction of the pedestal under this Act.

(b) DONATION OF FUNDS.—The Architect of the Capitol shall carry out this Act only if sufficient funds are donated for such purpose.

PROVIDENCE HOSPITAL

". . . In the course of a few days a hospital, under the charge and direction of the Sisters of Charity, will be opened for the reception of patients.

The site chosen for the institution is Nicholson Park . . . on Second Street, East, opposite the well-known Carroll Mansion. The house is large and airy, the location high and healthy, and the grounds extensive and beautifully ornamented with shade trees and gravel walks.

We can imagine what a relief it would be to the invalid to be transferred from the hot and dusty city to the grateful shade of this cool and quiet retreat."—Daily National Intelligencer, June 8, 1861, Washington, D.C.

The setting for the opening of Providence Hospital, which admitted its first patient on June 27, 1961, was the capital of a nation torn by civil war. The city's medical facilities, which included 84 other hospitals, were strained by the need to care for the Army's wounded.

The Daughters of Charity of Saint Vincent de Paul opened Providence to respond to the need for expert and caring medical attention for civilian patients as well as wounded soldiers. In 1864, Congress granted the hospital a charter, which was signed by President Abraham Lincoln.

Of the many hospitals in Washington during the Civil War, only Providence has remained, offering continuous service to patients in the nation's capital.

As even a quick look through these scenes from Washington's past reminds us, there have been many changes in the city during these 125 years.

Providence has changed, too. Working always to provide the best available medical care for its community, Providence has twice outgrown its facilities. After using the Nicholson house for five years, the Sisters began construction of permanent facilities in 1866. Further additions were made in 1869 and 1872.

The formal dedication of the "new" Providence, also located on Capitol Hill, was held on March 15, 1904, with a cast that included James Cardinal Gibbons, Secretary of War William Howard Taft, Speaker of the House Joseph G. Cannon and Surgeon General George M. Sternberg.

Fifty years later, the hospital moved to its present location in northeast Washington, where Archbishop Patrick O'Boyle and Speaker of the House John McCormack helped dedicate the new building on March 25, 1956.

Today Providence is a 364-bed hospital with a 440-member medical staff and more than 500 nurses, offering quality medical care to its community. It provides advanced diagnostic procedures, including a modern radiology department and one of the most sophisticated pathology laboratories in the area. Its nurses continue the caring ministry which has been a hallmark of the Daughters of Charity since the 17th century. Besides its in-patient medical, surgical and obstetric services, Providence offers emergency care for major crises and a Walk-In Health Center for quick medical attention without an appointment in non-emergency situations.

Seton House at Providence was the capital's first hospital-based alcoholism treatment center. It offers both residential and outpatient treatment programs.

The Center for Life is a resource for people struggling with problems affecting the essence and dignity of their lives and the lives of others. Its programs include reduced fee maternity care, family life education and support for homebound elderly patients.

In these and other programs at Providence, the goal remains, as it was 125 years ago, to minister to the needs of the whole person. Providence's pastoral care department offers loving support to patients as they face the stress of illness. Social services professionals help patients take advantage of community resources after they leave the hospital. And everyone on the staff endeavors to provide a caring atmosphere for those who turn to Providence to meet their medical needs.

We hope you will enjoy these views of Washington and Providence as they used to be, that you will help us celebrate the 125 years of service we have been privileged to provide to the Washington area, and that you will help us grow and continue to serve in the future.

Sister CATHERINE NORTON,
President, Providence Hospital.

A STRONG CASE AGAINST SPECIAL TAX BREAKS

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. GRADISON. Mr. Speaker, I would like to share with you excerpts from a speech which Michael D. Rose, chairman and chief executive officer of the Holiday Corp., recently gave to a Laventhol & Horwath development conference in Dallas concerning the state of the hotel industry.

Mr. Rose makes a strong case for comprehensive tax reform, and advocates base-broadening by eliminating special interest tax breaks. He illustrates in a clear way why we should revise the Tax Code so that business decisions are made on the basis of economic rather than tax considerations. Mr. Rose's remarks follow:

There are certain aspects about our business that are very healthy. Demand for our products continues to grow at a slow but steady pace. The demographics of the population are working in our favor. In the very near term, the decline of the dollar over the last few months should help correct the foreign travel imbalance and keep more Americans at home as well as attracting more foreign visitors to the U.S. Rising terrorism also has a dampening impact of U.S. travel abroad.

Falling oil prices should make travel cheaper, and airline deregulation continues to put competitive pressure on prices to the benefit of travelers everywhere.

From the demand side, you would have to sum up our industry with a much overused phrase: we are a mature business. By mature, I mean that on average over any extended period of time, our business will continue to grow in accordance with the overall population growth and overall economic growth.

I don't think we should fret about being in a mature market place, since virtually every product or service ultimately reaches a mature level of demand, with some simply maturing faster than others. If you remember some businesses, like C.B. radios and video game parlors with pizza outlets, the maturity can be awfully fast.

From a demand standpoint, we are in a good solid business that has lots of positives. The problem with the hotel business is not on the demand side. It's on the supply side, and it's been getting worse for a long period of time.

We are in a slow growth, mature industry, and that is often ignored by overestimating demand growth. We all know that feasibility studies get commissioned by people who want to build hotels. No one wants to hear about a 2 percent growth in demand in any given market place because that level of growth will certainly be absorbed by even a minor addition in supply over the near term. So we are constantly overestimating demand growth by being overly optimistic.

We are constantly underestimating supply growth in any given market. While projections of demand look to the future and try to protect many unknowns, projections of supply only look at a point in time. They tend to describe only known products, either currently under construction or in the proposed stage. But they fail to recognize what we all know—in a growing market there can be a whole new set of proposed projects in a very short period of time. By the time your hotel is completed, there can be three other competitors under construction that you never heard of.

The most obvious reason for oversupply is governmental policy which encourages overbuilding. I bet none of you thought about the fact that you are doing business in a government-subsidized industry, but in fact you are. With the change in the federal tax law in 1981, real estate became even more subsidized as an investment form through even more accelerated depreciation as well as investment tax credits.

State and local governments further encourage hotel development by allowing industrial revenue bonds and industrial development bonds at below market rates to be used to subsidize hotel development. And some cities even permit real estate tax reduction for some hotels in some locations.

The lending community has helped move this process along, by making lots of money available during the last five years. While conventional rates are still extremely high in real terms by any historical yardstick, they have come down from those extremely high rates of the late 70s and money has become more readily available as institutions seek places to put their money at work in a slowing economy.

Then there are the syndicators who have found a way to capitalize on all of this. They have been able to find tax motivated investors who don't understand a thing about the basic economics of the hotel business, combine them with a lender eager to place some money at these very high real interest rates, sprinkle in a feasibility study that persuasively convinces everyone that demand in this market place will grow at up to 10% a year and rates will grow at 8% a year. This is proclaimed to be true even though the economy is only growing at 3% and inflation is at 4%, and even though there are 6 other deal-makers out there eyeing the same statistics and putting together their own development package for the very same market sector at this very moment.

Then you toss in a developer who can work with a syndicator to raise the money, work on the construction side to get the hotel built, take a nice development fee for this activity, and get a carried interest in the project with some tax shelter benefits thrown in. And no real risk.

Like every subsidized industry, all the participants take great comfort in the subsidy as equalizing their position through good times and bad. It's only when things get really bad that people begin to realize that the subsidy isn't sufficient. The tax shelter investors who got those famous 2 for 1 write-offs and thought that therefore the other taxpayers had all the risk were right; until foreclosure, and then the depreciation is recaptured and those investors are now looking at a different set of tax economics than they thought they had. The same thing happens to the bond holders of industrial revenue bonds when even the subsidized level of interest can't be serviced.

The first ray of hope is in the passage of a major tax bill in 1986. I would like to see a tax reform bill that puts real estate back on the same footing as other forms of investment, so that real estate decisions can be made with a sharp eye on economic realities instead of most of the focus being on the tax benefits.

I think the shake-out clearly has begun and the marginal competitors are either slowing down, stopping, dropping out or seeking protection under the bankruptcy laws. Shake-outs are painful, lots of people get hurt, but they are cathartic, and they usually do help restore balance.

My personal belief is that the shake-out this time is going to be longer and more painful than the ones that I have experienced in the past. One of the obvious reasons for this is my belief that the oversupply is worse today than it has been in the past.

In any environment the strong will survive and prosper and the weak will ultimately disappear. Subsidies tend to distort this law of nature by first encouraging too many weak competitors and then by prolonging their ultimate demise.

We are in a very attractive industry from a demand standpoint, which has been made unattractive by the intervention of government subsidies in the form of too many tax incentives. These subsidies have attracted too much competition, reducing the returns for everyone, and leading the industry into a shake-out since supply is outstripping demand and has been doing so for the last five years.

The combination of a change in the tax law, and more selective development decisions by both developers and lenders, will probably result in the same pattern we have seen during other periods of supply outstripping demand. The strong will get stronger, the weak will get weaker, and the competitive environment will work to the advantage of the traveling public.

CROP LOAN RATES

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. BURTON of Indiana. Mr. Speaker, I recently sent a letter to the farmers of my district and gave them incorrect information on crop loan rates which I received directly from the Department of Agriculture. If I, a U.S. Congressman, can't get the right information out of the Department of Agriculture, is it any wonder our farmers are confused?

I called USDA for the loan rates for the 1986 crop year and was incorrectly given the loan rates for the 1985 crop year. Unfortunately, this information was published in a

letter I sent to sixth district farmers. The correct loan rates are $2.40 for wheat and $1.92 for corn. The loan rate for soybeans is still to be announced.

I apologize to the farmers in my district for sending them the wrong information. The next time, I'll be more skeptical of any information the USDA gives me. It's no wonder our farmers are frustrated. The new Secretary of Agriculture must make sure this confusion ends immediately.

FARM CREDIT UNCERTAINTY BIG CONCERN TO GROWERS

HON. WEBB FRANKLIN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1986

Mr. FRANKLIN. Mr. Speaker, Mississippi's Second Congressional District, which I represent, is quite similar to rural agricultural areas throughout the country. Most people do not understand the extent to which the entire economy of my district is affected by profits—or lack of profits—on the farm. We are also seriously affected by any delays or inaction from Congress and the USDA. In that regard, 1986 has already been a particularly difficult year.

The following article has appeared in two major southern farm press publications, the Delta Farm Press and the Southwest Farm Press. Many of the causes and effects of our most immediate problems are outlined in this concise summary, and are described by the people most directly affected:

FARM CREDIT UNCERTAINTY BIG CONCERN TO GROWERS

(By Farm Press Editorial Staff)

Although new farm legislation was paramount on agriculture's agenda for many months, that item has finally been stamped into law. Now comes a more immediate concern for farmers and agribusinesses alike—official and final interpretation of some provisions of that law, in particular the freeing of Farmers Home Administration from a quagmire of administrative delays that are binding 1986 production funds so sorely needed by thousands of producers facing spring planting season.

For some reason, rules, and regulations governing FmHA lending policies have not yet come down from Washington and, obviously, many farmers are dependent upon funding by this agency for their very survival.

Too, many farmers with their backs against a financial wall, are seeking leniency from FmHA not only in its demands on delinquent borrowers but in its policies and administration of new production loans.

CAMPAIGN MOUNTED

So acute has the situation become that many banks, agribusinesses, farm organizations and individual farmers recently initiated an effort to obtain the attention of Vice President George Bush during his recent visit to Mississippi.

They feel that administration action can and must be taken immediately:

". . . The existing policies on eligibility requirements for FmHA loans have almost stifled a large number of the applications filed at local FmHA offices in our area," said Chip Morgan, executive vice president of Mississippi's Delta Council, in a letter to Bush.

". . . Planting the 1986 crop is at hand. Unfortunately, many farmers do not know if they will be able to secure financing due to their current loan status and to the present policies of the FmHA," said CPA Eugene Clarke, Hollandale, Miss. ". . . We encourage you to . . . adopt a policy of leniency for our farmers during this time of depressed farm prices," he told the vice president.

PLEA FROM BANKERS

". . . Please use your influence to help bring to the attention of our leaders in Washington the need for FmHA to come forth with some practical and feasible program of survival to fit this period of hard times."—John W. Pope, President, Bank of Hollandale, Miss.

". . . It is imperative that the FmHA implement debt deferrals and reamortization programs in order for the farmer to survive."—Burell O. McGee, President and Chairman, Bank of Leland, Miss.

". . . I ask that you support and work for the reinstatement of the moratorium on FmHA foreclosures until agricultural economic conditions improve."—George Green, President, Valley Bank, Cleveland, Miss.

From H.E. McCaslin, Chairman, First National Bank of Rosedale, Miss.: ". . . Farmers need help from FmHA now, not foreclosures."

"Time is of the essence for farmers of America," wrote Howard W. Hemphill, President of Dixie Ag Credit, Inc., Belzoni, Miss. "Planting time is almost here; however, the farm program policy has not been implemented at the local level of FmHA and Agricultural Stabilization and Conservation Service. Please assist in expediting this program. . . ."

And, from agribusiness:

". . . It doesn't appear to me that the administration has the total picture. This financial situation has to be dealt with now. It is a desperate situation from every angle. . . ."—Jimmy Sanders, President, Sanders Seed Co., Cleveland, Miss.

". . . Please have FmHA policy passed down from Washington so that 1986 loan applications can be processed. No applications are being taken from delinquent borrowers pending policy from Washington."—Solon Scott, President, Scott Petroleum Corp., Itta Bena, Miss.

". . . There appears to be mass confusion at the present time." said Jere B. Nash, Jr., Chairman of the Board and CEO of Delta Implement Co., Leland, Miss., in his letter to the vice president. "We desperately need details of the program to be worked out so that the status of the farmer can be clarified with FmHA and/or ASCS and loans expedited to those farmers who are to receive them."

". . . Farmers need immediate help in the form of direct loans and debt deferral . . . The recent FmHA policy seems to be too strict. . . ."—D.O. Baker, President, Baker Implement Co., Leland, Miss.

". . . Particularly urgently needed is the information regarding FmHA policy on farmers whose previous loans are delinquent. . . . Without prompt action and assistance, the whole economy of our Mississippi Delta will be in very serious condition."—V.L. Ayres, President, The Ayres Co., Leland, Miss.

And a Case III dealer writes:

"The farmer, his landlord, his suppliers are all in a quandary as to what to do. As planting time gets near, it is becoming increasingly critical. If the farmer is not going to be able to farm the land, the landlord needs to rent it to someone else and his creditors need to take whatever steps they can to protect themselves. . . ."—Jack Johnson, Johnson Implement Co., Greenwood, Miss.

". . . We need help from Washington immediately in the form of implementing the new farm program. Lending institutions and businesses cannot make a decision at this time. Everything is at a complete standstill pending action on this matter."—Raymond Murrell, Delta Seed & Services, Arcola, Miss.

". . . Action needs to be taken in Washington so the farmer will not continue to be left in a holding pattern and not know where he's going in the 1986 farming year. Please expedite the necessary actions on the '86 farm bill so that the necessary monies can be released and farmers can move forward."—William M. McCrory, McCrory Agricultural Sales, Greenville, Miss.

Bill Lowry, Jr., President of Lowry Storage Systems, Inc., Greenville, Miss., told Vice President Bush that "I have heard farmers will love the new farm bill in 1990. . . . This is a joke as the majority of them won't be farming in 1990. The Ark. La. Miss. farmers are in desperate need of answers and decisions from the Department of Agriculture. . . ."

From the Mississippi Farm Bureau Federation: ". . . Many producers have suffered through several years of losses to the extent that all equity is now gone and they are at the end of the rope for the year 1986. Changes in regulations will dictate that many will no longer be able to qualify for funds from the 'last resort' lending institution—FmHA . . . My appeal to you is that every effort be made that could give relief to a group of people whose future plans have been clouded by misfortune . . ."—Hugh M. Arant, President.

". . . Cannot your high office be used to help alleviate this Farmers Home Administration problem to the extent that these borrowers, who have a chance of surviving, will be given that opportunity? . . ."—Alex S. Curtis, President and CEO, Farmers Grain Terminal, Greenville, Miss.

". . . The Farmers Home Administration is holding up programs that are in place to finance farmers this year. The situation is so desperate in many instances, that farmers cannot purchase tractor fuel, pay for labor, or any other farm expenses. . . ."—Thomas C. Parry, President, Mississippi Chemical Corporation.

From other lenders:

". . . As we meet with our farmers to try to set up 1986 financing, we run into some problems due to the new farm program. As a lender, these factors become more critical as we deal with those borrowers of ours whose financial situations have deteriorated significantly and whose ability to obtain financing is questionable. . . . Your encouraging those responsible for making prompt decisions on the definite provisions of the farm program would be most helpful and appreciated."—Curtis A. Buchanan, Regional Vice President, First South Production Credit Association.

And letters from individual farmers to Vice President Bush: ". . . We need some help immediately. We need for George Bush and Ronald Reagan to cut the red tape and act NOW—we don't need words, we need action. Farmers are desperate."—Anson H. Sheldon, Jr., 1,200 acre farmer, Greenville, Miss.

". . . Due to bad weather, high interest rates, high costs of labor, high fuel costs, and the low price of farm products and the embargo, farmers had no chance to control their destiny. Most FmHA borrowers at one time were sound farmers and could have paid off their obligations had the situations not gotten out of control. . . . Without the moratorium put back in place, the farm situation may cause economic depression worse than the one in the "30s."—W.T. Tullos, Tullos Farms, Beulah, Miss.

". . . The FmHA rules and regulations at the present time have such requirements that no one can meet them and get production money. . . ."—Joe Lee Gilbert, Cleveland, Miss.

". . . Two major areas of concern are the FmHA loans and credit regulations and the ASCS regulations and guidelines for crop limitations. Both of these farm programs need to be studied and revised to provide relief and support for the farmer. . . ."—Jim Humber, III. Clarksdale, Miss.

". . . Although our needs are many, there are two things that must be done quickly if we are to continue in business: (1) FmHA must change its loan and payback policy so that many of our farmers can get production loans for this year's crop. And, I must add they need that money now. (2) USDA must come forth with a speedy interpretation of the new farm bill so that our county ASCS offices can administer the new farm program fairly and efficiently."—Noel Morgan, cotton, rice and soybean farmer, Cleveland, Miss.

". . . I urge you to help the farmer and reinstate the moratorium on foreclosures in our state and look into the FmHA situation with an open mind."—John Gates, Cleveland, Miss.

And this from a farm wife:

". . . Farmers need your support today! As a Mississippi farm wife, I have seen the fall of our family farm system and turn to you, our vice president, for help. I am requesting you help reinstate the moratorium in Mississippi and recognize our federal farm program and regulations so farming can become feasible again."—Ms. Gerri Gates, Cleveland, Miss.

All told, over 300 letters from this state alone have been forwarded to Vice President Bush.

65,000 ACROSS USA LATE ON FMHA LOANS

Of 321,587 farmers who have Farmers Home Administration loans, 65,323—about 20 percent—were delinquent on repaying them as of Jan. 10. Here's a look at the number of active FmHA borrowers and the number of delinquent in each state:[1]

State	Active	Delinquent
Ala.	5,786	1,239
Alaska	11	4
Ariz.	1,153	562
Ark.	10,734	2,785
Calif.	3,356	1,297
Colo.	2,298	668
Conn.	318	26
Del.	372	32
Fla.	2,653	1,088
Ga.	7,546	3,719
Hawaii	363	48
Idaho	4,066	1,275
Ill.	10,434	1,791
Ind.	6,245	1,987
Iowa	14,349	2,525
Kan.	7,894	1,699
Ky.	9,374	991
La.	7,114	2,823
Maine	2,117	458
Md.	1,169	161
Mass.	449	39
Mich.	5,007	1,190
Minn.	9,906	2,817
Miss.	11,844	4,595
Mo.	12,026	2,934
Mont.	3,265	855
Neb.	9,493	2,104
Nev.	302	90
N.H.	144	8
N.J.	765	223
N.M.	1,486	336
N.Y.	5,926	1,483
N.C.	8,936	2,243
N.D.	8,587	1,799
Ohio	4,048	973
Okla.	9,406	1,707
Ore.	2,299	626
Pa.	2,992	482
R.I.	66	10
S.C.	3,894	1,195
S.D.	11,553	1,985
Tenn.	8,436	2,029
Texas	14,690	5,818
Utah	1,340	136
Vt.	839	30
Va.	4,705	1,312
Wash.	2,327	628
W.Va.	1,866	214
Wis.	8,407	1,375
Wyo.	976	215

[1] Puerto Rico: 7,855 active, 694 delinquent.

Source: Farmers Home Administration.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, March 13, 1986, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MARCH 14

9:00 a.m.
Armed Services
Strategic and Theater Nuclear Forces Subcommittee
To hold open and closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the Department of Defense, focusing on the ICBM modernization program.
SR-222

9:30 a.m.
Finance
Health Subcommittee
To hold hearings on S. 2121, to revise the method of payment to hospitals for capital-related costs under the Medicare program.
SD-215

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Navy shipbuilding programs.
SD-192

Armed Services
Military Construction Subcommittee
To resume hearings on S. 2132, authorizing funds for fiscal year 1987 for military construction programs, focusing on energy security.
SR-232A

10:30 a.m.
Energy and Natural Resources
To resume oversight hearings on the domestic and international petroleum situation.
SD-366

MARCH 17

2:00 p.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To hold oversight hearings on the Department of Energy's fossil energy program and conservation and renewable energy program.
SD-366

MARCH 18

9:00 a.m.
Veterans' Affairs
To hold hearings on the nomination of Thomas K. Turnage, of California, to be Administrator of Veterans' Affairs.
SR-418

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Health Care Financing Administration, Social Security Administration, Office of Child Support Enforcement, and refugee programs, all of the Department of Health and Human Services.
SD-116

Labor and Human Resources
Labor Subcommittee
To hold oversight hearings on the retirement policy for public safety officials under the Age Discrimination in Employment Act.
SD-430

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Army modernization programs.
SD-192

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Postal Service.
SD-124

Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold oversight hearings on memorials and monuments on Federal and District land in the District of Colum-

bia, including criteria for approval, jurisdiction, placement, design, funding and maintenance.
SD-366

Foreign Relations
To hold hearings on the following treaties: An Amendment to the 1973 Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), adopted at an Extraordinary Meeting of the Parties to the Convention April 30, 1983 (Treaty Doc. 98-10); the Protocol to the 1966 International Convention for the Conservation of Atlantic Tunas (ICCAT), agreed upon July 10, 1984, by the Conference of Plenipotentiaries of the Contracting Parties to the 1966 Convention and signed by the United States on September 10, 1984 (Treaty Doc. 99-4); and the Vienna Convention for the Protection of the Ozone Layer, done at Vienna on March 22, 1985 (Treaty Doc. 99-9).
SD-419

Judiciary
Constitution Subcommittee
To resume hearings on S. 436, relating to civil actions for the deprivation of rights, to limit the applicabilty of that statute to laws relating to equal rights, and to provide a special defense to the liability of political subdivisions of States.
SD-226

11:30 a.m.
Veterans' Affairs
Business meeting, to consider the nomination of Thomas K. Turnage, of California, to be Administrator of Veterans' Affairs.
SR-418

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for international security assistance programs of the Department of State.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of the Interior.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs, focusing on the Nuclear Regulatory Commission and the Federal Energy Regulatory Commission.
SD-192

Armed Services
Strategic and Theater Nuclear Forces Subcommittee
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the Department of Defense, focusing on Soviet strategic force developments.
S-407, Capitol

Judiciary
To resume hearings on white collar crime in the United States.
SD-226

MARCH 19

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Human Development Services, Office of Community Services, Departmental Management (salaries and expenses), and Policy Research, all of the Department of Health and Human Services.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, and the Arms Control and Disarmament Agency.
S-146, Capitol

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

Select on Intelligence
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Defense programs, focusing on force management and personnel.
SD-192

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Veterans' Administration.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Transportation Safety Board, Department of Transportation, and the Architectural and Transportation Barriers Compliance Board.
SD-138

Armed Services
Sea Power and Force Projection Subcommittee
To hold closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the Department of Defense, focusing on Navy anti-submarine warfare capabilities.
SR-232A

Energy and Natural Resources
Business meeting, to resume consideration of S. 1225, to compensate the public for injuries or damages suffered in the event of an accident involving nuclear activities undertaken by the Nuclear Regulatory Commission licensees or Department of Energy contractors, and the nomination of Jed Dean Christensen, of Virginia, to be Director of the Office of Surface Mining Reclamation and Enforcement, Department of the Interior.
SD-366

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Export-Import Bank.
S-126, Capitol

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the General Services Administration, National Archives and Records Service, Executive Office of the President, and National Park Service, Department of the Interior (regarding White House and Vice President residence).
SD-124

Foreign Relations
To hold hearings on S. 1747 and S. 1748, bills to strengthen existing provisions of the Foreign Assistance Act of 1961, pertaining to tropical deforestation and biological diversity.
SD-419

Judiciary
To hold hearings on pending nominations.
SD-226

MARCH 20

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1987 for NASA.
SR-253

Energy and Natural Resources
To hold oversight hearings on the implications of fees on imported oil.
SD-366

Labor and Human Resources
Handicapped Subcommittee
To hold hearings on proposed legislation authorizing funds for rehabilitation programs.
SD-430

10:00 a.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Secret Service, Bureau of Alcohol, Tobacco and Firearms, and the Federal Law Enforcement Training Center, all of the Department of the Treasury.
SD-124

Armed Services
Sea Power and Force Projection Subcommittee
To hold open and closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the Department of Defense, focusing on the C-17 airlifter.
SR-232A

Judiciary
Business meeting, to consider pending calendar business.
SD-226

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on proposed legislation authorizing funds for the Community Services Block Grant programs.
SD-562

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the United States Geological Survey, Department of the Interior.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs, focusing on the Power Marketing Administrations.
SD-192

Armed Services
Strategic and Theater Nuclear Forces Subcommittee
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the Department of Defense, focusing on the Strategic Air Command's strategic force assessment.
SR-222

Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on S. 1885, to establish a Military Auxiliary Revolving Fund within the Treasury of the United States for the construction in private U.S. shipyards of merchant vessels capable of serving as naval and military auxiliaries in time of war or national emergency.
SR-253

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold oversight hearings on government nonproliferation activities for 1985.
SD-342

Select on Indian Affairs
To hold hearings on S. 2095, authorizing funds through fiscal year 1990 for the tribally controlled community colleges and the Navajo Community College.
SR-428A

4:00 p.m.
Select on Intelligence
To continue closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

MARCH 21

9:00 a.m.
Armed Services
Strategic and Theater Nuclear Forces Subcommittee
To continue open and closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the Department of Defense, focusing on Navy reactor and nuclear programs.
SR-222

Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on S. 1992 and S. 1993, bills to preserve the rights of certain parties with an interest in certain vessels or fishing facilities, or with an interest in aircrafts, aircrafts parts, or vessels.
SR-253

MARCH 25

9:30 a.m.
Energy and Natural Resources
To resume oversight hearings on the domestic and international petroleum situation and the implications of fees on imported oil.
SD-366

Labor and Human Resources
Handicapped Subcommittee
To resume hearings on proposed legislation authorizing funds for rehabilitation programs.
SD-430

Veterans' Affairs
To hold hearings to review Veterans' Administration policies relating to the construction of major medical facilities.
SR-418

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Forest Service, Department of Agriculture.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs, focusing on atomic energy defense activities.
SD-116

MARCH 26

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Trade Commission, and the U.S. Commission on Civil Rights.
S-146, Capitol

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for the National Science Foundation.
SD-430

Small Business
To hold hearings on S. 2147, to extend the authorization for not-for-profit organizations operated in the interest of handicapped and blind individuals to receive procurement contracts under the Small Business Act.
SR-428A

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Interstate Commerce Commission and the Office of the Secretary of Transportation.
SD-138

MARCH 27

9:30 a.m.
Rules and Administration
To resume hearings on S. 59, S. 1787, S. 1806, and S. 1891, and related measures to amend the Federal campaign finance laws.
SR-301

10:00 a.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Customs Service, Department of the Treasury.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Holocaust Memorial, and the Bureau of Mines, Department of the Interior.
SD-138

APRIL 8

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy conservation programs.
SD-138

APRIL 9

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of the Secretary of Education, Departmental Management (salaries and expenses), Office for Civil Rights, and Office of Inspector General, all of the Department of Education.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Attorney General, Department of Justice.
S-146, Capitol

Labor and Human Resources
To hold hearings on pending nominations.
SD-430

10:00 a.m.
Appropriations
Defense Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1987 for the strategic defense initiative.
S-407, Capitol

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Railroad Administration, Department of Transportation, and the

National Railroad Passenger Corporation (AMTRAK).
SD-138

2:00 p.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Personnel Management, and the Federal Elections Commission.
SD-124

APRIL 10

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including elementary and secondary education, education block grants, and impact aid.
SD-116

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for National Oceanic and Atmospheric Administration, focusing on funds for satellite and atmospheric programs.
SR-253

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the strategic defense initiative.
SD-192

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Management and Budget.
S-126, Capitol

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Inspector General, Agency for International Development, Peace Corps, Inter-American Foundation, and the African Development Foundation.
S-126, Capitol

APRIL 11

9:30 a.m.
Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold hearings on S. 977, to establish the Hennepin Canal National Heritage Corridor in Illinois, S. 1374, to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island, S. 1413 and H.R. 2067, bills to validate conveyances of certain lands in California that form part of the right-of-way granted by the United States to the Central Pacific Railway Company, and S. 1542, to designate the Nez Perce Trail in Oregon and Montana as a component of the National Trails System.
SD-366

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the strategic defense initiative.
SD-192

APRIL 14

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

APRIL 15

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including education for the handicapped, rehabilitation services and handicapped research, and special institutions (including Howard University).
SD-116

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Agency for International Development.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Endowment for the Arts and National Endowment for the Humanities.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

APRIL 16

9:00 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative priorities of AMVETS, Vietnam Veterans of America, World War I Veterans, Jewish War Veterans of the U.S.A., and Atomic Veterans.
SD-106

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including student financial assistance, guaranteed student loans, higher and continuing education, higher education facilities loans and insurance, college housing loans, and educational research and training.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Oceanic and Atmospheric Administration, Department of Commerce, and the Marine Mammal Commission.
S-146, Capitol

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
To hold hearings on Acquired Immune Deficiency Syndrome.
SD-430

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Aeronautics and Space Administration.
SD-124

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Coast Guard, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of the Treasury, Postal Service, and general government programs.
SD-124

APRIL 17

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including bi-

lingual education, vocational and adult education, education statistics, libraries, and the National Institute of Education.
SD-116

Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on S. 1319, to relieve the Washoe County Water Conservation District, Nevada, of certain Federal repayment obligations, and S. 1772, to convey certain real property to the Pershing County Water Conservation District.
SD-366

10:00 a.m.
Commerce, Science, and Transportation
To hold hearings with the National Ocean Policy Study on S. 2138 and H.R. 2935, bills to establish a National Marketing Council to enable the United States fishing industry to establish a coordinated program of research, education, and promotion to expand markets for fisheries products.
SR-385

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for foreign assistance programs.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Fish and Wildlife Service, Department of the Interior.
SD-192

APRIL 22

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Soldiers' and Airmen's Home, Prospective Payment Commission, Railroad Retirement Board, National Labor Relations Board, National Mediation Board, Occupational Safety and Health Review Commission, Federal Mediation and Conciliation Service, and the United States Institute of Peace.
SD-116

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, focusing on international narcotics control, migration and refugee assistance, and anti-terrorism programs.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Navajo-Hopi Indian Relocation Commission, and the Office of Surface Mining, Reclamation and Enforcement, Department of the Interior.
SD-192

APRIL 23

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for ACTION (domestic programs), Corporation for Public Broadcasting, National Council on the Handicapped, Mine Safety and Health Review Commission, National Commission on Libraries and Information Science, and National Center for the Study of Afro-American History and Culture.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Bureau of Investigation and Drug Enforcement Administration, Department of Justice, and the Equal Employment Opportunity Commission.
S-146, Capitol

Labor and Human Resources
To hold hearings on S. 1815, to prohibit any employer from using any lie detector test or examination in the work place, either for pre-employment testing or testing in the course of employment.
SD-430

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Navy aircraft procurement programs.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the United States Railway Association and Conrail.
SD-138

APRIL 24

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 1018, to clarify the meaning of the term "guard" for the purpose of permitting certain labor organizations to be certified by the National Labor Relations Board as representatives of employees other than plant guards.
SD-430

10:00 a.m.
Appropriations
Defense Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1987 for intelligence programs.
S-407, Capitol

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, focusing on voluntary contributions to international organizations programs, and for the Office of the U.S. Representative to the United Nations.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Energy Information Administration and the Economic Regulatory Administration, Department of Energy.
SD-192

APRIL 29

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health, and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for certain defense programs.
SD-192

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Bureau of Indian Affairs, Department of the Interior.
SD-192

APRIL 30

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of U.S. Trade Representative, and the Federal Communications Commission.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings on the human resources impact of reentry of women into the labor force.
SD-430

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Housing and Urban De-

velopment and certain independent agencies.
SD-124

MAY 1

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health, and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for certain defense programs.
SD-192

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for territorial affairs, Department of the Interior.
SD-192

MAY 6

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health, and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Air Force aircraft procurement programs.
SD-192

MAY 7

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Supreme Court of the United States, U.S. District Courts/Courts of Appeals, and the Commission on the Bicentennial of the U.S. Constitution.
S-146, Capitol
Labor and Human Resources
To hold oversight hearings on medical malpractice.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Urban Mass Transportation Administration, Department of Transportation, and the Washington Metropolitan Area Transit Authority.
SD-138

MAY 8

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for strategic systems.
SD-192
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Aviation Administration, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearing on proposed budget estimates for fiscal year 1987 for the Smithsonian Institution.
SD-192

MAY 13

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

MAY 14

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Legal Services Corporation, and the Securities and Exchange Commission.
S-146, Capitol
Labor and Human Resources
To hold hearings to review barriers to health care.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Transportation and certain related agencies.
SD-138
Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on S. 525, to provide for the transfer to the Secretary of Health and Human Services the authority of the Secretary of Energy to conduct epidemiological studies of radiation effects.
SD-342

MAY 15

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for fossil energy and clean coal technology.
SD-192

MAY 20

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Indian Health Service, Department of Health and Human Services.
SD-192

MAY 21

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Information Agency, and the National Endowment for Democracy.
S-146, Capitol
Labor and Human Resources
To resume oversight hearings on medical malpractice.
SD-430

MAY 29

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of the Secretary and Office of the Solicitor, Department of the Interior.
SD-192

JUNE 3

10:00 a.m.
Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on statistical policy for an aging America.
SD-342

JUNE 4

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Commerce, Justice, and State, the Judiciary, and certain related agencies.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings to review the imposition of user fees in FDA approval procedures for new drugs.
SD-430

JUNE 11

9:30 a.m.
Labor and Human Resources
To hold hearings on pending nominations to the National Advisory Council on Women's Educational Programs.
SD-430

JUNE 17

9:30 a.m.
Labor and Human Resources
To hold hearings on food safety issues.
SD-430

JUNE 18

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

JUNE 25

9:30 a.m.
Labor and Human Resources
To hold hearing on the administration of the Mine Safety and Health Review Commission.
SD-430

JULY 16

9:30 a.m.
Labor and Human Resources
To hold hearings on the establishment of generic drug procedures and patent term restoration for animal drugs.
SD-430

JULY 30

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

AUGUST 13

9:30 a.m.
Labor and Human Resources
To hold hearings to review the private sector initiatives in human services.
SD-430

SEPTEMBER 10

9:30 a.m.
Labor and Human Resources
To hold hearings to review the human resources impact on drug research and space technology.
SD-430

SEPTEMBER 16

9:30 a.m.
Labor and Human Resources
To hold hearings on pending nominations.
SD-430

SEPTEMBER 24

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

CANCELLATIONS

MARCH 13

9:00 a.m.
Labor and Human Resources
Employment and Productivity Subcommittee
To resume hearings on S. 2069, to improve the Job Training Partnership program stability and lessen burdensome administrative requirements, improve services to youth and the hard-to-serve, and strengthen enforcement.
SD-430

HOUSE OF REPRESENTATIVES—*Thursday, March 13, 1986*

The House met at 11 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We pray, gracious God, that Your hand of love will be with any of Your people who are in need of Your healing power. We give thanks for all those who use their talents to help heal our hurts and care for our illnesses. We know, O loving God, that Your grace is greater than our knowledge or our abilities, and we pray that Your providers will watch over us and give us strength for each day. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. STRANG. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. STRANG. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. There will be no 1-minute speeches until after legislative business today.

The vote was taken by electronic device, and there were—yeas 266, nays 132, not voting 36, as follows:

[Roll No. 48]

YEAS—266

Ackerman	Biaggi	Byron
Akaka	Boggs	Carper
Alexander	Boland	Carr
Anderson	Boner (TN)	Chapman
Andrews	Bonior (MI)	Chappell
Annunzio	Bonker	Clinger
Applegate	Borski	Coelho
Archer	Bosco	Coleman (TX)
Aspin	Boucher	Combest
Atkins	Boxer	Conyers
Barnard	Breaux	Cooper
Barnes	Brooks	Coyne
Bateman	Broomfield	Crockett
Bates	Brown (CA)	Daniel
Bedell	Broyhill	Darden
Beilenson	Bruce	Daschle
Bennett	Bryant	de la Garza
Berman	Burton (CA)	Dellums
Bevill	Bustamante	Derrick
Dicks	Kasich	Rangel
Dingell	Kastenmeier	Ray
Donnelly	Kemp	Reid
Dorgan (ND)	Kennelly	Richardson
Dowdy	Kildee	Ritter
Downey	Kolter	Robinson
Duncan	Kostmayer	Rodino
Dwyer	LaFalce	Roe
Dymally	Lantos	Rose
Early	Leath (TX)	Rostenkowski
Eckart (OH)	Lehman (CA)	Rowland (CT)
Eckert (NY)	Lehman (FL)	Rowland (GA)
Edwards (CA)	Levin (MI)	Roybal
English	Levine (CA)	Russo
Erdreich	Lipinski	Sabo
Evans (IL)	Livingston	Scheuer
Fascell	Long	Schneider
Fazio	Lujan	Schulze
Feighan	Luken	Seiberling
Fish	Lundine	Sharp
Flippo	MacKay	Shelby
Florio	Manton	Shumway
Foglietta	Markey	Sisisky
Foley	Martin (NY)	Skelton
Ford (TN)	Martinez	Slattery
Fowler	Matsui	Smith (FL)
Frank	Mavroules	Smith (IA)
Franklin	Mazzoli	Smith (NE)
Frost	McCollum	Smith (NJ)
Fuqua	McCurdy	Snyder
Garcia	McDade	Spratt
Gejdenson	McEwen	St Germain
Gephardt	McHugh	Staggers
Gibbons	McKinney	Stallings
Gilman	Mica	Stark
Glickman	Mikulski	Stenholm
Gonzalez	Miller (CA)	Stokes
Gordon	Miller (WA)	Stratton
Gradison	Mineta	Studds
Gray (IL)	Moakley	Sweeney
Gray (PA)	Mollohan	Swift
Green	Montgomery	Synar
Guarini	Moody	Tauzin
Hall (OH)	Moore,	Thomas (GA)
Hamilton	Morrison (CT)	Torres
Hartnett	Morrison (WA)	Torricelli
Hatcher	Mrazek	Traficant
Hawkins	Murphy	Traxler
Hayes	Myers	Udall
Hefner	Natcher	Valentine
Heftel	Neal	Vento
Hertel	Nelson	Visclosky
Hillis	Nowak	Volkmer
Holt	O'Brien	Walgren
Hopkins	Oakar	Watkins
Horton	Oberstar	Waxman
Howard	Obey	Weiss
Hoyer	Olin	Wheat
Hubbard	Ortiz	Whitley
Huckaby	Owens	Whitten
Hughes	Panetta	Wirth
Hutto	Pease	Wise
Hyde	Pepper	Wolpe
Jeffords	Perkins	Wortley
Jenkins	Petri	Wright
Johnson	Pickle	Wyden
Jones (NC)	Porter	Yates
Jones (TN)	Pursell	Yatron
Kanjorski	Quillen	Young (MO)
Kaptur	Rahall	

NAYS—132

Armey	Callahan	Craig
AuCoin	Carney	Crane
Badham	Chandler	Dannemeyer
Bartlett	Chappie	Daub
Barton	Cheney	Davis
Bentley	Clay	DeLay
Bereuter	Coats	DeWine
Billirakis	Cobey	Dickinson
Billey	Coble	Dornan (CA)
Boehlert	Coleman (MO)	Dreier
Boulter	Conte	Durbin
Brown (CO)	Coughlin	Dyson
Burton (IN)	Courter	Edwards (OK)
Emerson	Mack	Sensenbrenner
Evans (IA)	Marlenee	Shaw
Fawell	Martin (IL)	Shuster
Fiedler	McCain	Sikorski
Fields	McCandless	Siljander
Frenzel	McGrath	Skeen
Gallo	McKernan	Smith, Denny (OR)
Gekas	McMillan	Smith, Robert (NH)
Gingrich	Meyers	Smith, Robert (OR)
Goodling	Michel	Snowe
Gregg	Miller (OH)	Solomon
Gunderson	Molinari	Spence
Hall, Ralph	Monson	Stangeland
Hammerschmidt	Moorhead	Strang
Hansen	Nielson	Stump
Hendon	Oxley	Sundquist
Henry	Packard	Swindall
Hiler	Parris	Tauke
Hunter	Pashayan	Thomas (CA)
Jacobs	Penny	Vander Jagt
Jones (OK)	Price	Vucanovich
Kolbe	Regula	Walker
Kramer	Ridge	Weber
Lagomarsino	Roberts	Whitehurst
Leach (IA)	Roemer	Whittaker
Lent	Rogers	Wolf
Lewis (CA)	Roth	Young (AK)
Lightfoot	Roukema	Young (FL)
Lloyd	Saxton	Zschau
Lott	Schaefer	
Lowry (WA)	Schroeder	
Lungren	Schuette	

NOT VOTING—36

Addabbo	Kleczka	Rudd
Anthony	Latta	Savage
Campbell	Leland	Schumer
Collins	Lewis (FL)	Slaughter
DioGuardi	Loeffler	Solarz
Dixon	Lowery (CA)	Tallon
Edgar	Madigan	Taylor
Ford (MI)	McCloskey	Towns
Gaydos	Mitchell	Weaver
Grotberg	Murtha	Williams
Ireland	Nichols	Wilson
Kindness	Rinaldo	Wylie

□ 1115

Mr. KOLBE changed his vote from "yea" to "nay."

So the Journal was approved.

The result of the vote was announced as above recorded.

APPOINTMENT AS MEMBERS OF DELEGATION TO ATTEND CONFERENCE OF THE INTERPARLIAMENTARY UNION

The SPEAKER pro tempore (Mr. MOAKLEY). Pursuant to the provisions of 22 U.S.C. 276a-1, the Chair appoints on behalf of the Speaker as members of the delegation to attend the Conference of the Interparliamentary Union to be held in Mexico City, Mexico, on April 7 through April 12, 1986, the following Members on the part of the House:

Mr. PEPPER of Florida, chairman;

Mr. HAMILTON of Indiana, vice chairman;

Mr. UDALL of Arizona;

Mr. DE LA GARZA of Texas;

Mr. STOKES of Ohio;

Mr. BEDELL of Iowa;

Mr. HAMMERSCHMIDT of Arkansas;

Mr. VANDER JAGT of Michigan; and
Mr. HYDE of Illinois.

APPOINTMENT AS MEMBERS OF FEDERAL COUNCIL ON AGING

The SPEAKER pro tempore. Pursuant to section 204 of Public Law 98-459, the Chair appoints on behalf of the Speaker as members of the Federal Council on the Aging the following persons from private life:

Ms. Tessa Macaulay of Miami, FL; and

Mrs. Josephine K. Oblinger of Springfield, IL.

CONFERENCE REPORT ON HOUSE JOINT RESOLUTION 534, URGENT SUPPLEMENTAL APPROPRIATION FOR THE DEPARTMENT OF AGRICULTURE, 1986

Mr. HALL of Ohio. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 398 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 398

Resolved, That all points of order for failure to comply with the provisions of clause 2 of rule XXVIII are hereby waived against the consideration of the conference report and amendment reported from conference in disagreement on the joint resolution (H.J. Res. 534) making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes. All points of order for failure to comply with the provisions of clause 7 of rule XVI are hereby waived against a motion to concur in the Senate amendment reported from conference in disagreement with the amendment printed in the joint statement of managers on said conference report.

□ 1125

The SPEAKER pro tempore (Mr. MAVROULES). The gentleman from Ohio [Mr. HALL] is recognized for 1 hour.

Mr. HALL of Ohio. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Tennessee [Mr. QUILLEN], for purposes of debate only, and pending that, I yield myself such time as I may consume.

Mr. HALL of Ohio. Mr. Speaker, this rule permits consideration of the conference report on House Joint Resolution 534, the joint resolution making an urgent supplemental appropriation for the Department of Agriculture for the current fiscal year.

The rule waives clause 2 of rule XXVIII against consideration of the conference report and the amendment reported in disagreement. This is the rule which requires that conference reports be printed in the RECORD and lay over for 3 days after the reports and accompanying statements have been filed in the House. This waiver is necessary since the conference report on House Joint Resolution 534 was filed on March 12.

It also should be noted that the rule waives clause 7 of rule XVI against a motion to concur in the Senate amendment reported from conference in disagreement with the amendment printed in the joint statement of the managers. This is the rule prohibiting nongermane amendments. This waiver is required because the provisions relating to the operating credit program of the Farmers Home Administration are not germane to the provisions relating to the urgent supplemental for the Commodity Credit Corporation.

Mr. Speaker, this legislation is of great importance to our farmers across the country. The Commodity Credit Corporation is running out of money for the government's farm price support programs. The CCC borrows funds from the Treasury to distribute to farmers in the form of crop loans, income subsidies, and other farm price supports. The CCC plans to distribute more money than usual during the current fiscal year by giving partial income subsidies to farmers in advance of the planting season. This signup program under the farm bill of 1985 is being held up. If the CCC lacks funds to make the deficiency payments in advance, many farmers will not be able to put in their spring crops and the farm program will come to a standstill. The emergency appropriation of $5 billion in this bill should help to carry the CCC programs into the summer.

The joint resolution also makes certain that the $2.7 billion provided in the continuing appropriation resolution for fiscal 1986 for the insured operating loan program of the Farmers Home Administration will in fact remain available. The funds will be available at the $2.7 billion level until expended, except that this level may be reduced by the sequester order of March 1, 1986.

Mr. Speaker, I am not aware of any opposition to this rule on the conference report, and I urge my colleagues to adopt it.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the rule has been ably explained, and it would be redundant for me to go into detail on the rule again.

We all know there is a crisis in our farm areas. We know it is spring planting time. We know that this measure needs to be considered on the floor of the House.

I urge the adoption of the rule, even though there are waivers granted.

Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I rise in opposition to this rule. This rule is an embarrassment to this House, it is an embarrassment to the Congress, and it is certainly an embarrassment at a time when we are trying to do something about controlling our budgetary problems.

What this rule does is make in order the consideration of a conference report that contains a nongermane amendment that will add to the budget outlays of this Nation in 1986 $900 million. You are talking here about a $900 million rule. This rule is an embarrassment. We ought not be considering it out here. There is no way that the bill that is being brought to the floor under this rule should be brought to this House.

The amendment that we are talking about is an amendment that was not passed by this House nor was it passed by the other body. It was added in the conference committee. It is the big spenders' typical ploy whenever they want to spend big money. What they do is, they take a totally legitimate bill—and let us understand that the CCC bill is a very legitimate bill. There is a need out in the country because we purposely underfunded the CCC program at the beginning of the year. We now need to come back and fund it at the full levels, otherwise farmers are in big trouble. We need to do that. So you have got a much needed bill. And what do they do? They go to the conference committee and they add in $900 million of additional outlays so that we can justify it based upon the fact we have got this bill we have got to pass. So we are going to throw $900 million more into the deficit of this country in order to spend that additonal money on a bill which is needed but which never should be brought to the floor under these circumstances.

I tell you it is an embarrassment for this House of Representatives to have a situation where the Appropriations Committee is walking into conference committees and coming up with this kind of a proposal, this add on, that was not passed by either House and was done strictly in conference committee. And then to have a rule brought to the floor that justifies that kind of behavior I just think is wrong, and we ought not justify it.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the chairman, the gentleman from Mississippi.

Mr. WHITTEN. Mr. Speaker, may I say that the only reason we have this provision in here at all is because somebody made a misinterpretation.

In December we passed a continuing resolution. In that resolution there was $2.7 billion for direct operating loans. Folks began to argue because subsequently the legislative committee used a smaller figure. The money is already available. It is not made available here. Your attention is called to

the fact that it has been available all the time.

So the gentleman is completely incorrect. We do not make the money available here. We call attention to the fact that we made it available in December. And you cannot change an appropriation by passing an authorization bill later.

So the gentleman is in error, and I just wanted to call his attention to it.

Mr. WALKER. I appreciate the chairman's explanation, but I do have in front of me here a statement of administration policy that backs up precisely what I just said. The administration policy says it adds $919 million in new direct lending authority for the Farmers Home Administration and it increases 1986 outlays by almost $900 million over previous projects.

That is the administration saying that, and I would say to the gentleman that if he wants to call the administration wrong—virtually everybody is always wrong out here, but the problem is that we end up spending the money. And what I am saying to you is that you could not do this, you could not put this money in there if you did not have this rule coming before us that allows you to put the money in.

I would say to the gentleman that we ought not have a situation out here where you are using the Rules Committee in order to justify an amendment that was put in without either House having approved that amendment.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Mississippi.

Mr. WHITTEN. This morning I called the young man who wrote this letter and called his attention to this. Has the gentleman talked to him lately? He might do that, because it is agreed that the statement in the letter is incorrect.

Mr. WALKER. I thank the chairman, but I have no reason to understand whatsoever that this statement of administration policy that has been brought to the floor is in fact not the administration policy and that they are not going to strongly oppose this legislation—not because of the CCC provisions, which this gentleman states are needed, but because the Appropriations Committee on its own has decided that we are now going to spend $900 million more.

The gentleman refers to the fact that money was already in the pipeline from previous appropriations. Well, I will say to the gentleman that we passed the farm bill, though, afterwards, so what you are really saying is that if you take the line of reasoning that the chairman is giving us on the floor, we are going to repudiate the farm bill. I suggest we ought not be repudiating the farm bill.

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the gentlewoman from Nebraska [Mrs. SMITH].

Mrs. SMITH of Nebraska. I thank the gentleman for yielding.

Mr. Speaker, I want to express my appreciation to the Rules Committee for recognizing the desperate seriousness of the agricultural situation and allowing this bill to come to the floor today.

I come from the second most agricultural district in the Nation. My people are out there waiting for these advance deficiency payments. Most of them expect to use that money to enable them to pay for this year's crop. It is planting time now, so time is of the essence, and I am thankful that we have this bill on the floor today.

Now, let me point out that, contrary to what my colleague has just said, the 1986 appropriations bill provided $2.7 billion for direct loans through FHA. This bill was passed by the House, passed by the Senate, signed by the President in December.

We are only giving the administration the authority to use the amount that was already appropriated to alleviate the forth-coming credit crunch.

And let me add that last year it was necessary to spend well over $4 billion to alleviate the most desperate credit situation in agriculture through the Farmers Home Administration loan program, and if we pass this bill we will only have made available $3.4 billion total and will probably have to come later for more funds.

I urge that you approve the rule and that we go forward and let this $5 billion be available to relieve a desperate situation in our agricultural areas.

Mr. QUILLEN. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman for yielding.

Mr. Speaker, I think it is important to recognize that, based upon what the gentlewoman has just told us, the administration, as of yesterday, indicated that they are going to use their emergency authority to transfer $750 million from other programs within FHA to make the direct operating loan program workable. So the fact is that when we add this $900 million, what we are going to do is, instead of just $900 million, because of that transfer you are going to have $1.6 billion available in those accounts.

This gentleman suggests that at a time of deficits, when farmers are suffering as a result of high interest rates and all of the other things that we have as deficits, to add this to a program that this gentleman admits is necessary—the gentlewoman is absolutely right, the CCC program is absolutely necessary. But to go along with this travesty that adds in $900 million to a basic bill it seems to me is just not in our interest, particularly when the administration is trying to act responsibly.

Mrs. SMITH of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentlewoman from Nebraska.

Mrs. SMITH of Nebraska. Mr. Speaker, I was at the White House 3 days ago and asked the President to transfer that money, as he did last year, because we were out of money in FHA. Without any FmHA money in my State, how are my farmers expected to continue their operations?

Mr. WALKER. And the President has done that. That is precisely what the President has done.

Mr. QUILLEN. Mr. Speaker, I yield 1 additional minute to the gentlewoman from Nebraska [Mrs. SMITH].

Mrs. SMITH of Nebraska. Mr. Speaker, let me emphasize that that $750 million will not last very long. It will take about $4 billion for this year's program. That $750 million, coupled with what is in this bill, $2.7 billion, will leave us with a total of only $3.4 billion, considerably less than the $4 billion we used last year for FmHA.

Mr. WALKER. Mr. Speaker, will the gentlewoman yield?

Mrs SMITH of Nebraska. I yield to the gentleman from Pennsylvania.

Mr. WALKER. The reason why you do not have enough money in the program is because it was deliberately underfunded, in the first place.

Mrs. SMITH of Nebraska. I do not agree with the gentleman.

Mr. WALKER. And that is the problem that we now face.

Mrs. SMITH of Nebraska. I will reclaim my time.

I do not agree with this. We cannot tell in the Appropriations Committee what the weather is going to be or how much money we are going to need for a total year of CCC appropriations. We do not want to overfund these programs that fluctuate so much.

Mr. QUILLEN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I have no requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 283, nays 129, not voting 22, as follows:

[Roll No. 49]

YEAS—283

Ackerman	Ford (TN)	Mollohan
Akaka	Fowler	Montgomery
Alexander	Frank	Moody
Andrews	Franklin	Moore
Annunzio	Frost	Morrison (CT)
Anthony	Fuqua	Mrazek
Applegate	Garcia	Murphy
Aspin	Gaydos	Murtha
Atkins	Gejdenson	Myers
AuCoin	Gephardt	Natcher
Barnes	Gilman	Neal
Bates	Glickman	Nelson
Bedell	Gonzalez	Nichols
Beilenson	Gordon	Nowak
Bennett	Gray (IL)	O'Brien
Bereuter	Gray (PA)	Oakar
Berman	Guarini	Oberstar
Bevill	Gunderson	Obey
Biaggi	Hall (OH)	Olin
Boehlert	Hamilton	Ortiz
Boggs	Hammerschmidt	Owens
Boland	Hatcher	Panetta
Boner (TN)	Hawkins	Pease
Bonior (MI)	Hayes	Penny
Bonker	Hefner	Pepper
Borski	Heftel	Perkins
Bosco	Hendon	Pickle
Boucher	Hertel	Price
Boulter	Hiler	Quillen
Boxer	Hillis	Rahall
Breaux	Horton	Rangel
Brooks	Howard	Ray
Bruce	Hoyer	Regula
Bryant	Hubbard	Reid
Burton (CA)	Huckaby	Richardson
Burton (IN)	Hughes	Rinaldo
Bustamante	Hutto	Roberts
Byron	Jeffords	Robinson
Callahan	Jenkins	Rodino
Carper	Jones (NC)	Roe
Carr	Jones (OK)	Rose
Chapman	Jones (TN)	Rostenkowski
Chappell	Kanjorski	Roth
Clay	Kaptur	Rowland (GA)
Clinger	Kastenmeier	Roybal
Coats	Kemp	Russo
Coelho	Kildee	Sabo
Coleman (MO)	Kleczka	Scheuer
Coleman (TX)	Kolter	Schuette
Conyers	Kostmayer	Seiberling
Cooper	LaFalce	Sharp
Coyne	Lantos	Shelby
Crockett	Leach (IA)	Sikorski
Daniel	Lehman (CA)	Siljander
Darden	Lehman (FL)	Sisisky
Daschle	Leland	Skeen
Davis	Levin (MI)	Skelton
de la Garza	Levine (CA)	Smith (IA)
Dellums	Lightfoot	Smith (NE)
Derrick	Lipinski	Smith (NJ)
Dicks	Lloyd	Snowe
Dixon	Long	Snyder
Donnelly	Lujan	Solarz
Dorgan (ND)	Luken	Spence
Dowdy	Lundine	Spratt
Downey	MacKay	St Germain
Duncan	Manton	Staggers
Durbin	Markey	Stallings
Dwyer	Marlenee	Stangeland
Dymally	Martin (NY)	Stark
Dyson	Martinez	Stokes
Early	Matsui	Stratton
Eckart (OH)	Mavroules	Studds
Edwards (CA)	Mazzoli	Swift
Edwards (OK)	McCain	Synar
Emerson	McCloskey	Tallon
English	McCurdy	Tauke
Erdreich	McDade	Tauzin
Evans (IA)	McEwen	Thomas (GA)
Evans (IL)	McHugh	Torres
Fascell	McKinney	Torricelli
Fazio	Mica	Traficant
Feighan	Mikulski	Traxler
Flippo	Miller (CA)	Udall
Florio	Miller (OH)	Valentine
Foglietta	Mineta	Vento
Foley	Mitchell	Visclosky
Ford (MI)	Moakley	Volkmer
Walgren	Whittaker	Wright
Watkins	Whitten	Wyden
Waxman	Williams	Yates
Weber	Wirth	Yatron
Weiss	Wise	Young (MO)
Wheat	Wolpe	
Whitley	Wortley	

NAYS—129

Anderson	Green	Pashayan
Archer	Gregg	Petri
Armey	Hall, Ralph	Porter
Badham	Hansen	Pursell
Barnard	Hartnett	Ridge
Bartlett	Henry	Ritter
Barton	Holt	Roemer
Bateman	Hopkins	Rogers
Bentley	Hunter	Roukema
Bilirakis	Hyde	Rowland (CT)
Bliley	Ireland	Saxton
Broomfield	Jacobs	Schaefer
Brown (CO)	Johnson	Schneider
Broyhill	Kasich	Schroeder
Carney	Kolbe	Schulze
Chandler	Kramer	Sensenbrenner
Chappie	Lagomarsino	Shaw
Cheney	Leath (TX)	Shumway
Cobey	Lent	Shuster
Coble	Lewis (CA)	Slattery
Combest	Lewis (FL)	Slaughter
Conte	Livingston	Smith (FL)
Coughlin	Lott	Smith, Denny (OR)
Courter	Lowery (CA)	
Craig	Lowry (WA)	Smith, Robert (NH)
Crane	Lungren	
Dannemeyer	Mack	Smith, Robert (OR)
Daub	Martin (IL)	
DeLay	McCandless	Solomon
DeWine	McCollum	Stenholm
DioGuardi	McGrath	Strang
Dornan (CA)	McKernan	Stump
Dreier	McMillan	Sundquist
Eckert (NY)	Meyers	Sweeney
Fawell	Michel	Swindall
Fiedler	Miller (WA)	Thomas (CA)
Fields	Molinari	Vander Jagt
Fish	Monson	Vucanovich
Frenzel	Moorhead	Walker
Gallo	Morrison (WA)	Whitehurst
Gekas	Nielson	Wolf
Gibbons	Oxley	Young (AK)
Gingrich	Packard	Young (FL)
Goodling	Parris	Zschau

NOT VOTING—22

Addabbo	Grotberg	Schumer
Brown (CA)	Kennelly	Taylor
Campbell	Kindness	Towns
Collins	Latta	Weaver
Dickinson	Loeffler	Wilson
Dingell	Madigan	Wylie
Edgar	Rudd	
Gradison	Savage	

Messrs. SLATTRY, COUGHLIN, BADHAM, BARNARD, MOORHEAD, THOMAS of California, and BARTON of Texas changed their votes from "yea" to "nay."

Messrs. WHITTAKER, DERRICK, and BURTON of Indiana changed their votes from "nay" to "yea."

So the resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. WHITTEN. Mr. Speaker, pursuant to the rule just adopted, I call up the conference report on the joint resolution (H.J. Res. 534) making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. The Clerk will read the conference report.

The Clerk read the conference report.

(For conference report and statement, see proceedings of the House of March 12, 1986, at page H1070.)

AMENDMENT IN DISAGREEMENT

The SPEAKER pro tempore. The Clerk will report the Senate amendment.

The Clerk read as follows:

Senate amendment: Page 2, line 10, strike out all after "prices" down to and including "Acts" in line 16.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 1 and concur therein with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows: ": *Provided further,* That after fiscal year 1987, funds available to the Corporation may be used to carry out section 1241(a)(1) of the Food Security Act of 1985, only to such extent or in such amounts as provided in advance in appropriations Acts. The sign-up agreement should not reduce total production below levels needed to meet domestic needs, maintain the supply line, and provide for an adequate supply for export by either the Commodity Credit Corporation or private corporations or individuals at competitive prices; since by law the proceeds from sales become available for use by the Commodity Credit Corporation, such sales should reduce future appropriations: *Provided further,* That the conservation reserve program shall not replace or reduce any existing conservation program.

"The level of funds previously appropriated for the insured operating loan program of the Farmers Home Administration, as provided in the Appropriations Act for fiscal year 1986 for Agriculture, Rural Development, and Related Agencies (H.R. 3037), as enacted by Public Law 99-190 on December 19, 1985, shall be available until expended except as that level may be reduced by the terms of the sequester order implemented on March 1, 1986.".

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. WHITTEN] will be recognized for 30 minutes and the gentlewoman from Nebraska [Mrs. SMITH] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, I hope I may have the attention of my colleagues. As you doubtless know on December 4, 1985, with all the problems facing American agriculture and thereby the country, the House of Representatives passed a bill which I had introduced which provided that we should announce a loan program for basic commodities that lets the farmer make a profit and make the purchasers pay the cost. I still think that is what we should do and the law permits it now. However that measure failed in the other body.

The bill that was enacted into law by the Congress provides for paying cash

to take certain amounts of acreage out of production and to make certain deficiency payments and to fix certain rates of pay.

Now, 1,336,000 American farmers today are waiting for those deficiency payments. Not only that, but it is extremely difficult for most people in agriculture to get loans to make their crops this year.

Under the law that we passed that leaves us where many, many of them are absolutely dependent on borrowing from the Farmers Home Administration, the Government agency.

If we do not act today, on Thursday, and it has to go over until Monday, notices will go out to all the county offices all over the country to close shop, so we are told.

So we met with the Senate, and let me point out that every conferee, Democrat and Republican on the House and the Senate side, signed this conference report.

Now, our friend makes a point here, and I called the young man who writes the House Republican Council Legislative Digest. I called him this morning and called his attention to the errors that are in there.

The only reason that the reference to $2.7 billion is mentioned in here is to point out they already had it but have not used it. It was made available in the continuing resolution which we passed in December, but someone in the executive branch interpreted that to mean that an appropriation already in the law and already available was changed by a later authorization for a lesser amount.

□ 1205

That is not true. We put the provision in here to call attention to the fact that it is not true. If Members just think a minute, they know that money already appropriated and in the hands of the Secretary of Agriculture to carry out the obligations of the Department does not get changed because some other committee later may lower an authorization. So we put it in here to call attention to that fact. There is no argument about it.

I repeat again: I can tell you why I think the present farm law is not good. I could tell you why it is sound to tell them to still go ahead and arrange a program where the farmer gets something connected with the cost of production, and not only that, but lets the fellow who buys his product pay him for it instead of paying for it out of the Treasury.

But that is not what was decided. I voted for the new farm bill because it is the best that had a chance. So I respectfully urge Members to pass this as quickly as we can.

I do not want to be responsible for these messages going out to close shop.

Mrs. SMITH of Nebraska. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of this bill and I want to commend our chairman for all the hard work that he has done on it.

I also want to commend the Committee on Rules for its understanding of the desperately serious plight that agriculture faces by making it possible so that we can bring this issue up today and not have to wait until next week and have the further distress across the agricultural economy of having notices sent out to our distressed farmers telling them that we do not have any money to pay the advance deficiency payments that we have previously agreed to pay.

I know that we have many, many farmers out across Nebraska who are waiting for these payments so that they will have enough money to plant their crops and planting time is right upon us. So it is very, very important that we act now.

Also, another important part of this supplemental provides that we will have the authority to use the full $2.7 billion that we have already appropriated through the appropriations process, approved by this House, approved by the Senate, signed by the President last December, that we will have it available to use through this year.

Let me point out that this is a substantially lesser amount than we had to spend last year to meet the most desperate credit needs of the agricultural economy.

I also want to commend the President for realizing this plight of agriculture, because when I went to him about this problem earlier this week he set aside $750 million of emergency funding to give us some funding immediately, because in my State and in many other States we are clear out of money. I want to point out that at the rate we are lending money right now in Nebraska, if appropriated equally to all States, our share of the money he set aside will last approximately 7 days, 1 week, and we are not yet at the peak of our lending needs.

So this is a very, very important bill and I urge that Members support it.

Mr. Speaker, I yield 5 minutes to our distinguished ranking minority member of the committee, the gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. I thank the gentlewoman for yielding this time to me.

Mr. Speaker, there's a lot of rhetoric in this Chamber this morning about the urgent need to help the American farmer and how this urgent supplemental is designed to provide that help. I don't know who we're trying to fool here, but I hope that the farmer has his ears and eyes open on this one.

This is no longer just an urgent CCC supplemental, which I supported, for $5 billion. We took a step into the twilight zone on February 26, when we passed this joint resolution that contained unrelated language on the new conservation reserve and the crop insurance programs. Today, we bring you a conference agreement which, after 15 long hard days, settles the issue of funding for the time being on the CCC, and reaffirms our commitment to the new reserve and the crop insurance programs as well as to our existing conservation programs. But it also contains an extra billion dollars in new loan authority for a Farmers Home Administration program.

Members should know this. Farmers should know this. The reason that the CCC has been shut down for over a week, and the reason that farmers cannot get their entitled payments, is because we are tinkering around with laws that have only been on the books for 3 months now—the farm bill, the CR, and Gramm-Rudman.

If we were truly serious about helping the American farmer, we would give the CCC the full amount of funding that it needs to meet our Federal commitments under existing law. That is at least another $2.3 billion more than we have in this bill. Then we should work like the dickens, day and night for as long as it takes, to repeal and then amend that 1985 farm bill, the most expensive mistake we have made in this 99th Congress.

But here, we are holding up money that is rightfully due the American farmer to deal with unrelated and less urgent issues. I don't know whose interest is served by inviting a Presidential veto, and that is what we have done with the conference report before us today.

As a member of the conference committee, I am generally pleased with the agreements which we have reached on this urgent supplemental. We have made some commendable changes to the House version which will allow us to get a running head start on the retirement of highly erodible cropland through the Conservation Reserve Program without reducing our commitment to existing conservation activities.

Mr. Speaker, I urge defeat to this motion for the simple reason that we will be inviting a veto, and subjecting the people we are trying to help to further, needless delays in receiving the money they are owed under existing law. As the gentleman is well aware, the amendment included in the conference agreement is expected to add $900 million in new outlays to our fiscal year 1986 totals. At a time when we are so desperate to reduce our deficits that we pass a law requiring automatic, across-the-board cuts, this is no time to be adding to the deficit.

I will admit that there is a considerable dispute over the levels which the Congress approved for the operating

loan program of Farmers Home in fiscal year 1986. If we are to reconcile these differences we should do so in a separate and distinct manner, as the gentleman has proposed in one of the other recent resolutions which he has introduced, H.R. 4363. Let us remind ourselves that the CCC has been shut down because of our actions or inactions for the past week.

This gentleman well remembers the hectic last days of the first session in which we considered and passed the 1985 farm bill. That measure placed a ceiling of $1.74 billion on insured operating loans. One day after, we passed the fiscal year 1986 CR which contained $2.7 billion for the same program. The President happened to sign the farm bill after the CR, and his administration considers the lower levels to be binding. That is where the difference of the $1 billion comes in. This is a considerable amount. If this deserves the attention and reconciliation of our colleagues, then we should give it full attention in a separate measure. But for the past 3 months, those levels have been binding. The sequester which took effect on March 1 was based on a level of $1.7 billion. In taking action to change fiscal year 1986 levels at this time, without full details on the new outlay impacts, we are once again giving an exemption to an individual farm program and increasing the level of the cuts which may have to be taken in fiscal year 1987 if another more massive sequester must be made.

Mr. WHITTEN. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, my colleague, the gentleman from Massachusetts and I, have worked together for a long time. I do not believe he heard the earlier statement.

I have before me the legislative digest of the Republican conference, which has the information which the gentleman gave Members. I called attention earlier to the fact that we do not have the money in here. It was in the continuing resolution which was signed into law last December.

What we had to do here was to point out that it was available because somebody down town was interpreting the law as being that where we had an appropriation and money was made available, and it is already available to the Department of Agriculture, that at some later date if the legislative committee comes along after the fact, with a lesser amount, the appropriation was repealed. They were interpreting that subsequent law as having changed the appropriation bill which had been passed and was signed by the President.

So there is no extra $1 billion in here. We tried to point out in here, and this is the second time today I have pointed it out, that we do not put the money in here; we call attention to the fact that we provided the money last December. I would like the record to show that and correct this again. This letter is completely misleading. If you call the young man who wrote it, he will agree with that.

Mrs. SMITH of Nebraska. Mr. Speaker, I am happy to yield 1 minute to my good friend, the gentleman from Massachusetts.

Mr. CONTE. I thank the gentlewoman for yielding this additional time to me.

Mr. Speaker, I am only trying to inform the House of the facts of life. If this bill should ever get through, it is going to be vetoed because of this FmHA provision. It ought to be put in a separate bill. That is all I am saying.

If this goes back to the other body, I am willing to make a wager of a catfish to a lobster to the chairman of the committee that this report will not even get through the other body.

□ 1215

Senator DOMENICI is not going to let this bill get through the Senate with this budget-busting $1 billion provision.

Will you take me up on that, a box of catfish for lobsters?

Mr. WHITTEN. If the gentleman will yield, I would like to point out that all Senate conferees signed the conference report. House rules prevent me from commending them by name.

The SPEAKER pro tempore. Members should avoid reference to Members of the other body.

Mr. WHITTEN. It is not often that you get all of the Senators to agree with you. I did that in this case.

On the other point my colleague mentioned here, I will read on page 4 where it says—

> The conferees insist that the funds provided in the Appropriations Act remain available for fiscal year 1986, and remain available until expended, except as that level may be reduced by the terms of the sequester order implemented on March 1, 1986.

The SPEAKER pro tempore. The time of the gentleman from Massachusetts [Mr. CONTE] has expired.

Mr. WHITTEN. Mr. Speaker, I yield myself 1 additional minute.

I do not know what we could do to protect the gentleman any more than that.

Mr. CONTE. Would the gentleman agree with me on another point, though? I stick by what I said. I believe that this bill will not get through the other body.

Mr. WHITTEN. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. I thank the gentleman for yielding me this time.

I say the bill will not get through the other body, and if it gets through, it will not get by the administration. They are going to veto it, and you are holding up the CCC payments that are so badly needed.

But is it not true, Mr. Chairman, under the sequester order and the Gramm-Rudman-Hollings provisions that only $74 million was sequestered from the Farmers Home Administration?

Mr. WHITTEN. We made it subject to the sequester order in this resolution. He is my President, too, I would hate for him to veto this matter based on misleading information. That is the reason I called the facts to the attention of the young man who wrote this Republican letter.

The SPEAKER pro tempore. The time of the gentleman from Massachusetts [Mr. CONTE] has expired.

Mr. CONTE. That was a short 2 minutes, Mr. Speaker.

Mrs. SMITH of Nebraska. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I thank the gentlewoman for yielding me this time.

Let me say softly what I said rather loudly a few minutes ago. This bill is literally an embarrassment.

We had a bill that went through this House that was basically agreed to by everybody that we ought to give $5 billion to CCC, that it is needed because the programs were underfunded to begin with. They have run out of money and the farmers out there need it. It went through this House. A similar bill went through the other body. Those two bills got to conference committee, and the Appropriations Committee, in its wisdom, decided to take a rules-breaking action of adding a nongermane amendment that adds $900 million in outlays.

I would say to the distinguished chairman, I do not think anybody is arguing about whether or not that young man, whoever it is, up in the legislative digest shop of the Republican conference said it. The point is that the Executive Office of the President, the Office of Management and Budget says the same thing. The point is that the statement of administration policy says the same thing. I think that they probably have some credibility in looking at the figures. They are saying that this bill is $900 million off. It does not much matter what some young man in the legislative digest shop says. The administration is saying that this is, in fact, a $900-million budget-buster, and that is the problem that this gentleman has, and I think a number of Members in this body would have.

We are talking here about a process that is going to end up with this body spending $900 million more of deficit, and that is what we are doing here. We ought not kid oursleves, and we ought not try to slough it off anyplace

else. We are responsible with the action that we are taking today with adding $900 million to the budget deficit of this country. That is the whole point.

As of yesterday, the President tried to solve some of this problem by adding $750 million in new operating loan funds for the Farmers Home Administration. He tried to take care of the emergency nature of the problem. We have heard referred today that, well, that is simply not enough money. I quote from the press release that the Secretary of Agriculture has sent out with regard to it. This is from the Secretary of Agriculture and he says:

These funds will come from accounts where demand is considerably less than anticipated and should assure satisfactory levels of operating loans for all eligible farm borrowers.

In other words, the Department does not agree that this is not enough money, that they have now provided enough money, and what we are doing is adding $900 million more over and above what is needed. We are busting the budget here with what we are doing. Pure and simple, this is $900 million in budget-busting. The administration says so, OMB says so. We cannot get around it.

Mr. WHITTEN. Will the gentleman yield?

Mr. WALKER. In just a minute, but let me make one final point here. We have done this consistently.

The Appropriations Committee, I think, has to take some responsibility for the fact that if you go back and look at what we committed ourselves to do in budgets over the last 5 years, and what we ended up doing in spending, we have overspent our own budget resolutions in actual spending by $160 billion in the last 5 years, and $45 billion of that comes in what area? In agriculture. In agriculture, $45 billion of that $160 billion comes from.

In other words, when it comes to actual spending, we exceed our first budget resolutions consistently.

I have to tell you, that is where deficits come from. They are not some magical thing that appears. They are not the President down there spending money that he has not got. It is us. We are spending the money. We are giving him the money to spend, and that is where it comes from.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield to me?

Mr. WALKER. I am glad to yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Speaker, the reason I quoted this letter, all of you are using $900 million. The difference between the two figures is $1 billion, $1.7 billion and $2.7 billion, and I mentioned the letter because that is bound to be where the $900 million comes from. I repeat again, that is not true.

Let me say something else you do not seem to be aware of. The President's budget asked for $7.9 billion. They said on the telephone they really needed $8.8 billion. So we are below the ceiling imposed by the Budget Act. We are below the amount that they asked for downtown. Not a dime of it will be spent unless it is needed. We have 1,336,000 folks waiting for advance deficiency payments that are due under the law that the Congress has passed.

Mr. WALKER. If I can reclaim my time, since I have limited time and the gentleman can, of course, yield himself whatever time he wants.

Mr. WHITTEN. I yield the gentleman from Pennsylvania 2 additional minutes.

Mr. WALKER. I thank the gentleman for the time and I am happy to continue to yield to the gentleman from Mississippi.

Mr. WHITTEN. So these folks are entitled to their money. This resolution makes the money available. Unless we approve this resolution, a whole lot of applicants are going to be turned down.

We had the head of the Farmers Home Administration before us, and he took the view that under the new farm bill, he doubted many folks could show that they would make enough money to pay their debts.

But I say again, we only make it available. It is not used unless your administration approves the application, and it is not made available here in this resolution. It was made available in December, and because a legislation committee subsequently comes along with a different figure does not change the fact.

Mr. WALKER. And then we will have people running around the country politically saying that we made the money available but the administration refused to spend it and so, therefore, this administration is insensitive to agriculture.

Mr. WHITTEN. I have not stated that.

Mr. WALKER. We ought to have the guts, we ought to have the guts right here and now to decide what the priorities of this country are, and we ought not add $900 million of additional spending authority.

I have to say to the chairman, too, that he has raised the issue of the farm bill here. You know when some of us voted for the farm bill, we voted for the good and the bad. One of the angles of the farm bill was in addition to spending the money, it also saved some money. One of the areas in which it saved some money was right here. What we are now doing on the floor with this bill is we are saying, well, those savings may have taken place, but forget it, the Appropriations Committee overrides the authorization committee and so, therefore, we are going to go ahead and spend the money regardless with what the farm bill said.

I will say to the gentleman when I voted for the farm bill, I voted for some of the savings as well as some of the spending. I resent the fact that we now come back and override that spending decision.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Massachusetts.

□ 1225

Mr. CONTE. Another point I made, which was glossed over was that, under the sequester, under the Gramm-Rudman-Hollings vote, $74 million was sequestered from the Farmers Home Administration Insured Operating Loan Program.

Now you are turning around, because they have already had a sequester, and you are putting in another $900 million. How about all the other programs? The distinguished chairman of our Subcommittee on Labor-HHS-Education, Bill NATCHER, and I are sitting up there listening to all the testimony from the National Institutes of Health; they got lopped 4.3 percent on research for cancer, heart, lung, diabetes, digestive disease, you name them; education got lopped 4.3 percent; 100,000 students fell off the roles of Pell grants. Let's bring in $1 billion for that.

Mr. WALKER. Federal retirees did not get their COLA's.

Mrs. SMITH of Nebraska. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. MYERS].

Mr. MYERS of Indiana. Mr. Speaker, here we are again. It seems like every month we can get a record out. We only change the time; faces do not change and facts do not change, but the Appropriations Committee finds itself in a posture here of trying to help some people who are destitute today; the farmers of America, or a great majority of them.

We find ourselves caught in a dilemma here. It is criticized if we do and criticized if we do not. Twice in December this committee was criticized for not appropriating enough money to take care of the farmers. Twice we were criticized when we came to the floor.

We were forced into that position because we could not appropriate enough. Now we are hoping that we are appropriating or at least identifying enough money from previous appropriations that will take care of the agricultural needs very soon, in the next 60 days and most of rural America.

We are caught again on that thing that we have run into too many times of OMB using one set of rules as a guideline; what they count and what

they do not count. Our own offices here using a different one.

Now the gentleman from Pennsylvania [Mr. WALKER] is right to a point; I would agree with him. But if he is absolutely right then we have nothing to fear whatsoever; the money will never be spent. Because we are only doing here something that has already been done.

So if the gentleman is right that the money that the President set aside earlier this week to take care of agricultural needs, if that is sufficient, then the money we are identifying in this bill will never be spent for any purpose.

So we have nothing to fear then; it will be taken care of.

The real problem is on scoring. Here is where the Office of Management and Budget has a statement of administrative policy, and they state, "adds $919 million in new direct lending authority for the Farmers Home Administration." Then the second, as if it were added to that, increases 1986 outlays by almost $900 million.

Well, they are both the same, but it does not do that, as the chairman has previously said. The question is, the language that we put in yesterday in the conference report, I want to read it to you. After reading it, you tell me where it appropriates the money.

This is the section of the conference report that is in question, and I quote:

> The level of funds previously appropriated for the insured operating loan program of the Farmers Home Administration, as provided in the Appropriations Act for fiscal year 1986 for Agriculture, Rural Development, and Related Agencies (H.R. 3037), as enacted by Public Law 99-190 on December 19, 1985, shall be available until expended except as that level may be reduced by the terms of the sequester order implemented on March 1, 1986.

On December 19, that provision passed this House by a vote of 261 to 137. No new appropriated money than this; we simply identify that money that already is appropriated; shall remain available if it is needed, if it is needed.

Again I reiterate, subject to the reduced terms of the sequester order. It does not do anything about Gramm-Rudman. It recognizes the deductions by Gramm-Rudman.

So my friends, the poor farmer out there who is struggling right now, trying to find some way to get enough money to plant the crop that we are all going to enjoy eating in the fall, hopefully we will export a lot of it and help the balance of trade, he is wondering where that money will come from.

He may have to look to this source here, so you have to decide today when you cast this vote for or against this conference report, no one can make that decision except you. Are we more concerned about the ground rules here and within the Congress that "Oh, we've stepped on someone's toes"—which we have not—but if we are more concerned about that than we are about rural America, about the farmers that are so vitally needed and are in such destitute condition today, are we going to help that farmer or are we going to worry about our ground rules?

Yes, I agree with the gentleman, our dear friend from Massachusetts, I think farmers are watching today; but they may be looking a little bit different than the gentleman from Massachusetts thinks. They may be looking to say, "Is that Congress really concerned about rural America, the farmers' need to get the crops planted, or are they more concerend about their ground rules; whether we appropriate it this way or a different way?"

I think farmers, yes, are too sophisiticated, too intelligent; will see through this game today.

Mrs. SMITH of Nebraska. Mr. Speaker, I yield 30 seconds to the gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. Mr. Speaker, I just want to add to the remarks of the gentleman from Indiana [Mr. MYERS], I have supported the CCC, and I believe we should have $2.3 billion more for the farmers in this bill today, but I am not going to support any more of these shenanigans.

The gentleman from Indiana has indicated that sequester applies to this FmHA increase. If the full 4.3 percent sequester had applied when the sequester took effect on March 1 at $2.7 billion, we would have sequestered $116 million and not $74 million.

Mrs. SMITH of Nebraska. Mr. Speaker, I yield 2 minutes to my good friend, the gentleman from Mississippi [Mr. FRANKLIN].

Mr. FRANKLIN. I thank the gentlewoman for yielding, and first of all, Mr. Speaker, I want to commend the dean of this House, my colleague from Mississippi, Chairman WHITTEN. In my home State he is known as the Permanent Secretary of Agriculture. He has been dealing with these kinds of problems for a long time. He understands them, and I appreciate the input that he has had into this agricultural policy of this Nation.

The practical effect, my friends, of what we are doing here today is to alleviate a problem that farmers all over this Nation have. When they go into the Farmers Home Administration office, they sign up and they are put on a list as to the date they get in there.

Their loans are processed and many of them approved. If the money is available, then those farmers get funded. However, if that money is not available, then they are told by their local supervisors: "I'm sorry, you're going to have to wait until we get an additional appropriation out of the U.S. Congress."

This happened three times last year, and the longer we waited the more and more we were assuring those farmers who were approved and not funded that they were going to have a crop disaster for this planning year.

I think that this is an attempt to try to make the kind of money available that is needed so that those farmers who get approved through the regulations and the rules that are stringent, very stringent.

Once they get approved, that money should be there for them so that they can get their checks and begin their farming operation so that they can continue to be viable as producers and people who have a chance to make a profit. That is what the agency is for; that is what we are doing here today.

My friend from Pennsylvania says that we ought to have the guts here today to determine the spending priorities. Well, I think that is exactly what we are doing. I think that is what the chairman of the Committee on Appropriations, the gentlewoman from Nebraska [Mrs. SMITH] and those of us who are interested in trying to see that American agriculture survives are trying to do here today by setting those priorities.

I urge my colleagues to vote for the farmer, and let us pass this bill and let them try to be successful for the crop year 1986.

Mrs. SMITH of Nebraska. Mr. Speaker, I yield 2 minutes to my good friend, the gentleman from Indiana [Mr. MYERS].

Mr. MYERS of Indiana. I apologize, Mr. Speaker, for taking the floor again, but things have been said here. Again, going back to the statement of administration policy, and I did not get this; I checked my office before I came over here, but I had to come over to the floor and see what somebody else received from OMB.

If it is true that this is new authority, what happened to that money we appropriated in December? Has anyone seen a rescission? Has anyone seen a deferral? It is still legally available.

This came up because the Department attorneys for the Department of Agriculture interpreted—their interpretation that this Congress, after it passed one bill, superseded that authority and appropriation by an authorization bill the following day, on December 20.

Well, where is it if it is being appropriated again, where was the rescission? Can anybody bring forth the rescission? Or the deferral? Or the difference between $4.4 billion and $2.7, which is about—where is the deferral? I do not think it can be found.

If they scored it, and they did score it against us in December, for the $4.4

billion; $4.4 was scored in December, where is it now? Of course it is still available, and we do not reappropriate; we only say it shall continue to be available. It is only language in there; it does not reappropriate. You do not change the outcome. You might if this does not provide it. You might have to come back again in June or whatever it is. We are already borrowing—the Secretary this morning told us we are borrowing from the third and fourth quarter of 1986 to fund the planting of crops. Not buying new farms or new equipment; only operating to plant the crop. We are borrowing from the third and fourth quarter.

□ 1235

We are borrowing for the third and fourth quarters. There are going to be requirements for the third and fourth quarters to carry out the act of 1985. Where is that money going to come from if we do not do this today? If you do not do it, you are going to be back here with a supplemental. Let us do it the right way. As the gentleman from Pennsylvania so often says, "Let's do what is right." Tell us right now what you need. Well, this is what agriculture is going to need. So vote for it.

Mrs. SMITH of Nebraska. Mr. Speaker, I have no more requests for time. I would just like to close by commending our chairman for the great job he has done and by pointing out again that agriculture is in a desperate situation and urging support for this House Joint Resolution 534.

Mr. WHITTEN. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the motion.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. CONTE. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 272, nays 141, not voting 21, as follows:

[Roll No. 50]

YEAS—272

Ackerman	Barton	Boehlert
Akaka	Bates	Boggs
Alexander	Bedell	Boland
Annunzio	Bellenson	Boner (TN)
Anthony	Bennett	Bonior (MI)
Applegate	Bereuter	Bonker
Aspin	Berman	Borski
Atkins	Bevill	Bosco
Barnes	Biaggi	Boucher
Boulter	Hatcher	Ortiz
Boxer	Hawkins	Owens
Breaux	Hayes	Panetta
Brooks	Hefner	Pashayan
Brown (CA)	Heftel	Pease
Bruce	Hendon	Pepper
Bryant	Hiler	Perkins
Burton (CA)	Hillis	Petri
Burton (IN)	Horton	Pickle
Bustamante	Howard	Price
Byron	Hoyer	Quillen
Callahan	Hubbard	Rahall
Carr	Huckaby	Rangel
Chapman	Hunter	Ray
Chappell	Hutto	Reid
Clay	Jeffords	Richardson
Coats	Johnson	Roberts
Coble	Jones (NC)	Robinson
Coelho	Jones (OK)	Rodino
Coleman (TX)	Jones (TN)	Roe
Combest	Kanjorski	Roemer
Conyers	Kaptur	Rogers
Cooper	Kasich	Rose
Coyne	Kastenmeier	Rostenkowski
Crockett	Kemp	Roth
Darden	Kennelly	Rowland (GA)
Daschle	Kildee	Roybal
Daub	Kleczka	Schuette
Davis	Kolter	Schulze
de la Garza	LaFalce	Seiberling
Dellums	Lantos	Sharp
Derrick	Leach (IA)	Shelby
Dicks	Lehman (CA)	Sikorski
Dingell	Lehman (FL)	Siljander
Dixon	Leland	Sisisky
Donnelly	Levin (MI)	Skeen
Dorgan (ND)	Levine (CA)	Skelton
Dowdy	Lightfoot	Smith (IA)
Downey	Lloyd	Smith (NE)
Duncan	Long	Smith, Robert (OR)
Durbin	Lott	Snowe
Dwyer	Lundine	Solarz
Dymally	Manton	Spence
Dyson	Markey	Spratt
Early	Marlenee	St Germain
Eckart (OH)	Martin (IL)	Staggers
Edwards (CA)	Martin (NY)	Stallings
Edwards (OK)	Martinez	Stangeland
Emerson	Matsui	Stokes
English	Mavroules	Strang
Erdreich	Mazzoli	Stratton
Evans (IA)	McCloskey	Sundquist
Evans (IL)	McCurdy	Sweeney
Fascell	McDade	Swift
Fazio	McEwen	Synar
Flippo	McHugh	Tallon
Florio	McKernan	Tauke
Foglietta	McKinney	Tauzin
Foley	McMillan	Thomas (GA)
Ford (MI)	Mica	Torres
Ford (TN)	Michel	Torricelli
Fowler	Mikulski	Traficant
Franklin	Miller (OH)	Traxler
Frost	Mineta	Udall
Fuqua	Mitchell	Valentine
Garcia	Moakley	Visclosky
Gaydos	Mollohan	Volkmer
Gejdenson	Montgomery	Walgren
Gephardt	Moody	Watkins
Gilman	Moore	Waxman
Glickman	Morrison (WA)	Weber
Gonzalez	Murphy	Wheat
Gordon	Murtha	Whitley
Gradison	Myers	Whittaker
Gray (IL)	Natcher	Whitten
Gray (PA)	Neal	Wirth
Guarini	Nichols	Wise
Gunderson	Nielson	Wolpe
Hall (OH)	Nowak	Wright
Hall, Ralph	Oakar	Yatron
Hamilton	Oberstar	Young (MO)
Hammerschmidt	Obey	

NAYS—141

Anderson	Bliley	Coleman (MO)
Andrews	Broomfield	Conte
Archer	Brown (CO)	Coughlin
Armey	Broyhill	Courter
AuCoin	Carney	Craig
Badham	Carper	Crane
Barnard	Chandler	Daniel
Bartlett	Chappie	Dannemeyer
Bateman	Cheney	DeLay
Bentley	Clinger	DeWine
Bilirakis	Cobey	DioGuardi
Dornan (CA)	Livingston	Schaefer
Dreier	Lowery (CA)	Scheuer
Eckert (NY)	Lowry (WA)	Schneider
Fawell	Lujan	Schroeder
Feighan	Luken	Sensenbrenner
Fiedler	Lungren	Shaw
Fields	Mack	Shumway
Fish	MacKay	Shuster
Frank	McCain	Slattery
Frenzel	McCandless	Slaughter
Gallo	McCollum	Smith (FL)
Gekas	McGrath	Smith (NJ)
Gingrich	Meyers	Smith, Robert (NH)
Goodling	Miller (WA)	Snyder
Green	Molinari	Solomon
Gregg	Monson	Stark
Hansen	Moorhead	Stenholm
Hartnett	Morrison (CT)	Studds
Henry	Mrazek	Stump
Hertel	Nelson	Swindall
Holt	O'Brien	Thomas (CA)
Hopkins	Olin	Vander Jagt
Hughes	Oxley	Vento
Hyde	Packard	Vucanovich
Ireland	Parris	Walker
Jacobs	Penny	Weiss
Jenkins	Porter	Whitehurst
Kolbe	Pursell	Wolf
Kostmayer	Regula	Wortley
Kramer	Ridge	Wyden
Lagomarsino	Rinaldo	Yates
Latta	Ritter	Young (AK)
Leath (TX)	Roukema	Young (FL)
Lent	Rowland (CT)	Zschau
Lewis (CA)	Russo	
Lewis (FL)	Sabo	
Lipinski	Saxton	

NOT VOTING—21

Addabbo	Loeffler	Taylor
Campbell	Madigan	Towns
Collins	Miller (CA)	Weaver
Dickinson	Rudd	Williams
Edgar	Savage	Wilson
Gibbons	Schumer	Wylie
Grotberg	Smith, Denny (OR)	
Kindness		

□ 1250

The Clerk announced the following pair:

On this vote:

Mrs. Collins for, with Mr. Gibbons against.

Mr. RINALDO changed his vote from "yea" to "nay."

Messrs. STOKES, NIELSON of Utah, and ROEMER changed their votes from "nay" to "yea."

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

BUDGET FOR THE U.S. GOVERNMENT, FISCAL YEARS 1987, 1988, AND 1989

Mr. FROST. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 397 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 397

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the concurrent resolution (H. Con. Res. 296) setting forth the congressional budget for the United States Government for the fiscal

years 1987, 1988, and 1989, and the first reading of the resolution shall be dispensed with. After general debate, which shall be confined to the resolution and shall continue not to exceed four hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget, the resolution shall be considered as having been read for amendment under the five-minute rule. No amendment to the resolution shall be in order. At the conclusion of the consideration of the resolution in the Committee of the Whole, the Committee shall rise and report the resolution to the House, and the previous question shall be considered as ordered on the resolution to final adoption without intervening motion except one motion to commit, which may not contain instructions.

The SPEAKER pro tempore. The gentleman from Texas [Mr. FROST] is recognized for 1 hour.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Mississippi [Mr. LOTT], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 397 provides for consideration of the President's budget. House Resolution 397 is a closed rule. It provides 4 hours of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget. The rule also provides one motion to commit which may not contain instructions.

Mr. Speaker, the Rules Committee grants closed rules infrequently and with some reservation. In this case, however, the rationale is clear. The rule provides an opportunity to vote directly on the President's budget. This is not the time for amendments. There will be time to debate substitutes when the Budget Committee reports a budget resolution.

The Rules Committee has provided a simple motion to commit without instructions since this resolution has not been reported from the Budget Committee. While the Budget Act provides that a motion to recommit a privileged budget resolution reported from the Budget Committee, or any substitutes that the House may adopt, is not in order, the Rules Committee believes that in this instance, because this resolution has not been reported, it would be appropriate to provide a motion to commit the resolution to the Budget Committee. The Rules Committee did not, however, believe a motion to commit with instructions was necessary. There are a number of avenues both the majority and minority are exploring as they try to develop a congressional budget. The time to discuss alternatives to the President's budget is when a reported resolution and any other major alternatives are considered by the House.

If it is the will of the House to reject the President's budget today, a congressional budget resolution will be considered in the near future. Chairman GRAY has said the Budget Committee will report a budget resolution by early April. I should add, as a member of the Budget Committee, we have been hard at work. The Budget Committee has held numerous hearings. We have consulted with the other House committees, as required by Gramm-Rudman. Democratic members of the committee have met regularly trying to develop a consensus position. We are close. Republican members of the committee have been meeting for the same purpose under the able leadership of the gentlelady from Illinois. As my colleagues know, Representative MARTIN stepped in when the gentleman from Ohio, the ranking minority member, fell ill. Mrs. MARTIN has done a fine job but I am pleased, as I am sure we all are, to see that my dear friend from Ohio, my colleague on both the Budget Committee and the Rules Committee, Representative LATTA is back with us.

Some Members have complained that the resolution before us was not reported from committee. That is not so unusual. Last week, the farm bills we considered were not reported from committee.

Mr. Speaker, it has been asked: Why are we considering the President's budget now? Why not wait until the Budget Committee reports its resolution? There are two reasons. First, the Budget Committee is seeking guidance. There are difficult choices to be made. During consideration of the President's budget, the will of the House can be expressed. The debate will inform and enlighten the Budget Committee.

The other reason to take up the President's budget now is the President has requested that we promptly do so. Administration witnesses appearing before the Appropriations Committee, the Budget Committee, and other House committees have asked that we give prompt and favorable consideration to the President's budget. The President himself, in his radio broadcasts, television appearances, and press interviews, has repeatedly made the same request.

The rule before the House simply gives us an up or down vote on the matter.

Mr. Speaker, if this rule is adopted, there will be ample opportunity to discuss the merits of the President's budget. I will not take time to discuss such matters now. I will address two substantive questions: Does the deficit in House Concurrent Resolution 296 represent the President's budget and is it within the limits set by the Budget Act and the rules of the House regarding maximum deficit amounts?

Mr. Speaker, there is some confusion about the President's deficit figure for fiscal year 1987. Some Members say the President's deficit is about $16 billion above the Gramm-Rudman target for fiscal year 1986. That is misleading. The President estimates his own deficit will be $143.6 billion, or $400 million below the maximum deficit mark.

It is true that the Congressional Budget Office estimated the President's deficit will be $16.7 billion higher than the President estimated. About $14 billion of that difference is in defense outlays. The administration and the Congressional Budget Office agree on defense budget authority but CBO uses historical spending patterns to estimate the defense spend-out rate. To determine how quickly the Defense Department will turn its budget authority into outlays, CBO looks at how quickly defense budget authority has been spent in the past. The administration believes, however, that historical defense spending patterns will not apply during the next fiscal years. There are a few other disagreements. CBO contends that the President underestimated outlays for farm price supports and overstated proceeds from the sale of Government assets.

I respectfully remind my colleagues we are talking about the President's budget. We will be voting on the President's proposals. When we debate congressional budget resolutions, CBO cost estimates are appropriate. It would have been unfair and misleading, however, to have called House Concurrent Resolution 296 the President's budget had we reestimated his deficit using CBO's assumptions. The President's deficit—using his own technical estimates and economic assumptions—is $143.6 billion.

There is another source of the $16 billion confusion. House Concurrent Resolution 296 shows two deficit figures. Section 4(a) says the President's deficit will be $159.3 billion but section 4(b) says the President's deficit will be $143.6 billion. The $159.3 billion figure does not include Social Security. I remind my colleagues that Gramm-Rudman—section 261(a)(1)—took Social Security off budget beginning in fiscal year 1986. The Social Security Trust Fund is estimated to run about $16.2 billion in the black for fiscal year 1987. The President's budget deficit, not counting that surplus, is $159.3 billion. This figure, however, cannot be compared with the Gramm-Rudman target of $144 billion.

Gramm-Rudman, in section 201(a)(1), specifies how the deficit is to be calculated for purposes of comparison with the maximum deficit amount. Social Security must be counted under the special rules. The President's budget deficit, therefore, for purposes of comparison with the maximum deficit amount, is $143.6 billion.

Mr. Speaker, the rule before the House simply provides an opportunity to consider the President's proposals. If his proposals are rejected, we will

move forward knowing what changes must be made. The chairman of the Budget Committee has pledged himself to bring a budget resolution to the floor as soon as possible. Debate on the President's budget now can only aid the committee's markup in the near future.

Nonetheless, we will hear many excuses to put off this debate. We will hear charges of partisan politics. We will hear claims that the President's budget was dead on arrival, that no purpose can be served by putting another nail in the coffin. We will be told that the President's January proposals are outdated, that oil prices and interest rates have dropped. We may hear that even the President no longer stands behind his budget. That is not true. The President has, again and again, called for prompt and favorable consideration for his budget. He has never repudiated his budget. Do not listen to the excuses.

In conclusion, Mr. Speaker, there is only one reason some Members oppose this rule. They fear an up-or-down vote on the President's proposals. It is time to take a stand. It is time for the House to debate the President's budget. Mr. Speaker, I urge adoption of the previous question and adoption of the rule.

□ 1300

Mr. LOTT. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. MARTIN].

Mr. MARTIN of New York. I appreciate the gentleman's yielding.

Mr. Speaker, I want to say to the distinguished Republican whip that, as he knows, we all from time to time make plans for being back in the district or whether or not we are going to be here and, from time to time, we have to cancel those engagements back in the district, however important they may be. I do have some very important engagements tomorrow. Looking down through the agenda, generally a person would be inclined to cancel those engagements. But as I find out, for the first time in history here we are going to vote on a President's budget as sent down, without the opportunity to amend it or give that type of consideration that makes any type of sense.

I regret to inform the Republican whip and my colleagues that, while I enjoy politics as much as anybody else, I cannot play today, and I am going to opt to go back to my district where I think the time can be much better spent.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 397 is a 4-hour, very closed rule providing for the consideration of House Concurrent Resolution 296, which purports in its title to be the "Congressional Budget for the United States Government." I repeat: The title is "The Congressional Budget for the United States Government."

Mr. Speaker, if this were the private sector, the authors of that title would be hauled into court for violating the "Truth in Labeling Act," because there ain't no way in God's green earth that this can be called a "Congressional budget." I presume, under the terms of the Budget Act. It was not considered, discussed, amended or reported by the House Budget Committee.

Now, the gentleman from Texas just said, "Well, that's no big deal. Other committees don't act on legislation that comes to the floor."

And I just have to ask my colleagues: On something as important as the budget resolution, the budget for the Government for the fiscal year, you do not want the committee to consider it and act? Why have the committee? Are we going to start over and over again allowing bills to come from whatever committee, Appropriations or Budget or Agriculture, without going to committee? We will just all meet in the Committee of the Whole. That is the most powerful committee. But I think it is totally ludicrous to say that it is no big problem if it does not go through the committee process. I think it is very important.

This was just simply introduced by the Budget chairman last Monday and brought directly to the Rules Committee yesterday.

Make no mistake about it: This is not the Congressional budget process we are following. It is a partisan fudge-it process designed to score some political points and obscure the lack of a Democrat alternative or even the fact that nothing is happening in the Budget Committee.

But I do not think that the American people are going to be taken in for one minute by this flim-flam sham. The perpetrators of this little exercise today should heed the wisdom of what should be an ancient Chinese proverb, even if it is not, which goes like this: "He who throws eggs into the wind ends up with egg on face."

I would advise my colleagues who are involved in this little exercise today to refrain from throwing your rotten eggs in this direction. The yolk may be on you.

Now, Mr. Speaker, House Concurrent Resolution 296 indicates on its cover that it was introduced by request. When questioned in the Rules Committee by the distinguished gentleman from Tennessee [Mr. QUILLEN], the ranking minority member, as to who requested its introduction, Chairman GRAY responded that the President had asked for its consideration. As proof—proof, ladies and gentleman—of that request, he cited a line in the President's budget message that reads, "Let's do it," and a T-shirt that the President once held up to the TV cameras which read, "Save our budget."

Mr. Speaker, this is the first time, to my knowledge, that a committee chairman has felt compelled to follow the dictates of a T-shirt. One can just imagine the successes this administration might have if it floods the Hill with T-shirts and bumper stickers.

But the fact is, Mr. Speaker, when the Budget chairman was asked again who requested the introduction of this resolution, two Rules Committee members on the other side of the aisle, the Democrats, admitted that they had requested that we follow this procedure. Their candor is refreshing, even if their tactics are a little stale. But even more refreshing was the candor of another Rules Committee member, a Democrat, the gentleman from California [Mr. BEILENSON], who questioned the wisdom of this whole approach, even though he opposed the President's budget request. He suggested that the President's budget should be considered in connection with the Budget Committee's budget and other alternatives which will be coming to the floor later on.

Now, the point was also made by the gentleman from Texas that there is no need for amendments at this point. I do not recall since the budget process got started that we have ever had a situation where a budget was brought up with no amendments in order, no substitutes, no alternatives. This is a little different. Even an opportunity to have any kind of motion to recommit with instructions was knocked out, no Democrat alternative, no Republican alternative.

And I might point out to my colleagues that some gentlemen did come to the Rules Committee, one from Illinois, one from Minnesota and one from Colorado, who have a budget process ready to go, serious, they put a lot of work into it, they worked with CBO, it cuts spending, it cuts back on defense, it raises revenue. But they said, "This is such a sideshow that we are not getting on this train."

So it could be done. We could have amendments in order and we could be doing this seriously, but, unfortunately, we are not doing it at this point.

Mr. FRANK. Mr. Speaker, will the gentleman yield to me?

Mr. LOTT. I would like to finish my remarks, like the gentleman from Texas did, and I will be glad to yield at that point. I am sure we can engage in polemics here, a little fun. That is what this is all about. It will be great, because I know the gentleman from Massachusetts always has a sense of humor, and we appreciate that. And that is the way we should handle this. I mean this is fun and games. We are going to have a little fun here this afternoon, and let's don't get mad,

let's don't get serious, we can talk seriously later, I hope. And I believe the gentleman from Pennsylvania, the chairman of the committee, is going to be serious about trying to develop a budget and, hopefully, a bipartisan budget. But this ain't it. This is a waste of time.

Now, if any of you think that this is all right, I want to point out to you that this is the middle of March, and we have not done anything. The clock marches on, and we are still sucking our thumbs. Even our colleagues on the other side of the Capitol, Democrat and Republican, are working together and making progress on developing a budget. But are we doing that? No. We are here on the floor, playing, while the clock marches on.

And you might think, "Well, we have got plenty of time."

Let me tell you, we are not going to make the April 1 deadline. We are not going to make the April 15. We are wasting time here today, we are wasting time on the budget process.

You might say, "Oh, we can do it before Easter."

Baloney. As a matter of fact, look at your Congressional calendars that are sent to you by the gentleman from Washington [Mr. FOLEY], and which I sent out on my side of the aisle. We need a break. We have worked so hard, we need a break. Let us take a recess for Easter. And why wait for Easter? Let's go out in March. Your calendar will show you that we are scheduled to go out at the close of business on Tuesday March 25. Now, how many of you wiseacres around here think that we are going to come in here and work on Monday and Tuesday when we are going to be out Wednesday, Thursday, and Friday?

□ 1140

So let us go ahead. Does the gentleman believe that? No, he does not believe that. Let us go ahead and admit it; we have got 1 week. Five days before we go out for the Easter recess. Next week and that is it. Then we will be back on Monday, April 7? Come on. You know we are not coming back in here Monday, April 7. We will have a couple of suspensions, maybe a little rule change here; nothing much. We will put the vote off until Tuesday.

We are not coming back here until April 8. Are we going to have a budget resolution by the first of May? God, I hope so. But why, why do we not go ahead and get the process going. Why are we doing this?

Look at your calendars and you are going to be very surprised and disappointed that we are not doing anything.

Even the gentleman from Pennsylvania, the chairman of the committee, met with our colleagues on the other side of the aisle in a bipartisan way so we could get together and agree on some basics like baselines. Let us get together and understand what we are talking about. Let us not have apples and oranges. Let us not have Democrat numbers in the House; Republican numbers in the House. CBO numbers, OMB numbers; let us cut all that out. Let us agree on a set of numbers.

I thought that was a good idea. I did not think that was partisan. But somehow the meetings never happened. We do not even know what numbers we are talking about. We cannot even agree on the starting point.

I am frustrated by this; I am disappointed that we are going through this exercise. The Republican leadership, the distinguished lady from Illinois, who is our acting ranking Member on the Budget Committee, has been doing an outstanding job. We want to work with you; we made that offer. I am telling you, we are ready to go. We know where we need to go and we will talk with you about it; we will exchange some ideas.

Mr. ROEMER. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman.

Mr. ROEMER. I thank my colleague for yielding.

Mr. Speaker, my respect for the gentleman is high. He has earned his pay today in a most difficult role. Let me make sure I understand your role.

Are you telling your friends and colleagues in the House that you do not want a vote on the President's budget? That it does not deserve a vote? That it is dead already so why kill it again?

Just exactly what are you saying?

Mr. LOTT. What I want a vote on is a serious budget resolution where the Congress, the House of Representatives, lives up to the Budget Act law and to the Constitution. Never but one other time has the Congress, the House of Representatives brought a President's budget directly to the floor of the House, and that was done one other time with the Reagan budget, never, in 4 years, did the House bring up a Carter budget resolution.

Mr. ROEMER. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman.

Mr. ROEMER. Now, I have the highest regard for the gentleman and I do not want to misspeak. He has characterized the President's budget as a rotten egg; he has characterized it as frivolous, nonserious——

Mr. LOTT. No, no, no, no, no. I take back my time.

I did not say that. What I characterized as a rotten egg was this process; the way this is being handled. The waste of time we are dealing with here.

Mr. ROEMER. You said it was nonserious. The President's budget is not serious?

Mr. LOTT. No; the process and the way that this is being brought up with no alternatives; no opportunities for amendments. Everybody in this room knows that this is going to be voted against en bloc by the Democrats.

Mr. ROEMER. As a friend of the gentleman I just wanted to make it clear: You are not opposed to the President's budget; you like it You are opposed to the process.

Mr. LOTT. As a matter of fact, I like the President's budget.

Mr. ROEMER. Thank you. We will talk more about that today.

Mr. LOTT. I want to make that perfectly clear. In my district, they think this budget has got a lot of positive features. But we are going to make some changes in the President's recommendations, as we have always done. That is our prerogative under the Budget Act and the Constitution.

We are not doing that here; you will not even give us an opportunity to have an alternative for anybody or any amendments. But I appreciate the gentleman's participation.

Mr. FRANK. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman.

Mr. FRANK. I thank the gentleman for yielding.

Mr. Speaker, my friend from Louisiana has anticipated some of what I had to say. I just wanted to underline what the strategy is on the other side today, and that is, at all costs to stay away from the merits of the President's budget.

We are going to debate everything, apparently, but the budget itself. The gentleman is going to be critical of the fact that we are voting on it. We are going to be talking about the procedures. Let me say that if this budget is voted down, of course there will be an alternative opportunity.

Mr. LOTT. When? When would we have that opportunity? Would we have that opportunity before the first of April? Would we have that opportunity that would meet the deadline that we voted for in Gramm-Rudman?

Mr. FRANK. Are these rhetorical questions or will the gentleman again yield to me to answer them?

Mr. LOTT. I would like to speak for awhile and I will yield back to you.

We would like to also debate your Democrat alternative. Put it out, and then we will go forward with the two of them side-by-side.

I yield to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. I thank the gentleman for yielding again, and maybe I will get 40 seconds in this time.

The point is that we will have a chance to do that if the President's budget is voted down. The President has said that this is what he wants. I was at a hearing, the gentleman said: "Who asked us to vote on the President's budget?"

I was at a hearing this morning, in the Immigration Subcommittee, and

the Director of Immigration was there. I asked him, "What would happen if we had sequestration and other alternatives?" He said, "Give us the President's budget and we will be OK." So I had that today from the Commissioner of Immigration.

I do not understand why it should be considered illegitimate to say that it is a two-step process.

We will first have an up-or-down vote on the President's——

Mr. LOTT. Did you say legitimate or illegitimate?

Mr. FRANK. I do not understand why you consider it illegitimate. I would advise the gentleman that is the nicest form of that word I may use on the floor with the Parliamentarian looking on.

I do not understand why it is considered illegitimate to vote on the President's budget. If it is defeated, there will then be the chance to vote on the alternatives. We just pointed out, the gentleman has characterized the President's budget, if we got back before he revises his remarks, "As a waste of time, a rotten egg, and is not serious." He said, "We do not want to vote on this; we want to vote on a serious budget."

Well, if we get this out of the way, we can get on to the serious budgets.

Mr. LAGOMARSINO. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman.

Mr. LAGOMARSINO. I think before I speak you should again correct the "rotten egg" reference by the gentleman from Massachusetts.

Mr. LOTT. I do not need to correct it because the way I stated it clearly was directed to the process.

Mr. LAGOMARSINO. It was very clear to me.

In other words, what you are saying is that the 5 hours or more that we will spend on this process today could be better spent in really doing what we are all here to do.

I see the majority leader, JIM WRIGHT here on the floor, and he recently stated regarding the budget, "Congress makes the budget. The President does not."

That is a very important distinction. I think, as the gentleman in the well has pointed out, over the history of this country, and I would suspect the history of every State in this country and every local municipality and county, probably never has there been an instance where a budget submitted by the Chief Executive of that particular jurisdiction has ever gone through completely unchanged.

There have been some changes since the President submitted the budget; there are some things that need to be done. Why do we not have the alternative from the Democrats? Obviously, they do not agree with the President's budget; where is theirs?

I agree with the gentleman that we could spend the time much better today than we are going to.

Mr. Speaker, I rise in strong opposition to the rule for consideration of the President's 1987 Federal budget proposal. This is nothing but a sham and act of political posturing. No bipartisan committee hearings have been held so far and the Democrat majority does not even have an alternative. This Nation, and particularly the Congress, is facing a difficult task in abiding by the Gramm-Rudman-Hollings deficit requirements but my liberal colleagues on the other side of the aisle feel compelled to play games and try to embarrass the President even though the majority of the Nation, in poll after poll, believe that the fault lies with the Congress.

Mr. Speaker, Democractic majority leader JIM WRIGHT of Texas recently stated regarding the budget "Congress makes the budget; the President does not. That is a very important distinction." He is certainly correct. I would like to point out to the American people that the power of the purse lies with the Congress and that the house has been dominated by democrats for approximately 30 years. Many of my liberal colleagues on the other side of the aisle have simply not acted to reduce the deficit. They have opposed the balanced budget amendment, the line-item veto, cost cutting recommendations of the Grace Commission and various amendments to appropriation bills to cut spending and reduce waste.

Finally, to prove who is truly responsible for increasing the debt and causing these deficits, a watchdogs of the Treasury study for the first session of the 99th Congress showed of that of the 136 Representatives who were honored for showing fiscal responsibility, 126 were Republicans and only 10 were Democrats. Who is kidding whom?

Mrs. SCHROEDER. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentlewoman.

Mrs. SCHROEDER. I just wanted to make sure I understand the gentleman's point.

Is it the point that you would like to have the vote on the President's budget delayed; is it that he has not had enough time to work to get votes?

Mr. LOTT. I would like for us to have a congressional budget process that could include, as it has in the past, a vote on the President's budget request, but at the same time allow for a vote on the Democrat alternative; perhaps the Republican substitute.

Make in order some amendments to all of the above because the situations have changed with regard to economic assumptions, or what assumptions are we talking about?

I think that the process that is being used here today undermines what we need to be trying to do. I think it makes it difficult in the future for us in the House to work in a biapartisan way and I remind the lady in the House that last year I worked with the chairman of the Budget Committee in a bipartisan way that my friends on the other side of the aisle did not like, but we are willing to do it to make the process work.

When we start off by throwing things at each other through this process, I just do not think it is positive.

Mrs. SCHROEDER. My frustration is that I understand the Budget Committee did have hearings on the President's budget. My understanding was the President asked to have his budget brought up and was afraid it would not. I think if you have some assumptions in the President's budget you do not like or something, we should know about that.

Mr. LOTT. The Budget Committee never gave us an opportunity in the Budget Committee to offer amendments, to change economic assumptions, to go through the normal process.

We had some road shows that went around the country that we were not even given an opportunity to participate in, and you say that is adequate hearings?

Mrs. SCHROEDER. My understanding was that was never asked for.

Mr. LOTT. Let me wrap up my remarks if I could.

I would like to urge my colleagues to vote down the previous question. If we defeat the previous question, we will offer a rule that makes in order a substitute by the Democrats. A Democrat proposal.

Now, you might say, "We are not exactly ready." If we defeat the previous question and pass a rule that makes in order your substitute, we do not have to bring it up right today. We could bring it up when you get ready; hopefully maybe next week, in a bipartisan effort to show that we are serious about this.

We want to give you an opportunity to offer your Democratic alternative.

□ 1325

Let me emphasize to you now if you vote for the previous question you are saying that you do not want an opportunity to offer a Democratic alternative. You need to understand that. That is what they are saying. If they vote for the previous question, they want it just like it is, which means they do not even want a chance to offer the Democratic alternative.

So we are going to urge our colleagues, all of you, to vote no on the previous question. Let us make in order a rule that would give us an opportunity to have the normal process. Let us see what you have got to offer. Put your cards on the table.

And also, heaven forbid, if we do not defeat the previous question, we should defeat this rule, save ourselves 4 hours of wasted time today. Let the committee meet this afternoon and do their job.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentleman from Louisiana. Mr. [HUCKABY].

Mr. HUCKABY. Mr. Speaker, I thank the gentleman for yielding.

I am amazed that my friend, my colleague, the gentleman from Mississippi, considers this time a waste of time as such. Certainly the President's budget is meant to be a blueprint for the future of this country. If it cannot be that, it should be at least a basic framework from which we can start.

Unfortunately, this document, I do not think, is either one. I think it is entirely proper that this House vote today and dispose of this document and get it off the board, so to speak, so that then we can go with the process and when we return, we can get out a meaningful budget.

The gentleman from Mississippi did not speak in one sentence about any content of the President's budget, and we probably will not hear any debate today, because it misses the mark so far and the fact that it increases defense spending 8 percent, while at the same time it is decimating such programs as agriculture and education.

Certainly this is not the framework to begin with. I would urge my colleagues, let us pass this rule and then defeat the proposed budget before us this afternoon.

Mr. LOTT. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding.

What we have happening here today is just a political travesty. The people on the majority side of the aisle understand that it is a political travesty. They understand that the only reason why this is happening is that they hope that perhaps they will get to make some political points and that they will get a couple of political things in; and yet they have the guts, they have the guts to continue to talk about bipartisanship.

In today's CONGRESSIONAL RECORD the chairman of the Budget Committee has a remark in there that says: "It is my intention that together in a bipartisan manner we will be able to present to the House for consideration a budget which fulfills our obligation in meeting the needs of America."

Now, we have real bipartisanship out here today. Every Member of the minority party, everyone of them, regards this whole process as a political charade, as a total travesty. Every Member of the minority party regards it as such, and yet you bring it out.

Now, there is true bipartisanship. That is real bipartisanship, my friends. We really are setting off the budget process in a very bipartisan fashion. We really want bipartisanship in developing a budget when we start this.

We bring it up under a closed rule, told that we do not need any amendments, no amendments are necessary, that we ought not give the minority any chance to offer amendments.

That is not the process we ought to have. That is true bipartisanship.

Boy, oh boy, take your 2-to-1 majority in the Rules Committee and shove it down our throats, that is real bipartisanship. We have got real bipartisanship on the budget process out here.

Do not allow any update of the figures. Despite the fact that the chairman of the committee himself has stated that the figures in the budget are wrong, do not allow any update of the figures to make this budget process real, even with regard to the President's figures.

Now, there is true bipartisanship. We have got real bipartisanship out here on the floor today.

The majority party really wants a bipartisanship effort. That is the reason why they are doing this.

Yes, sir; boy, we have got bipartisanship. We have real bipartisanship out here.

Bipartisanship on the budget, what a bunch of crap.

Mr. FROST. Mr. Speaker, I normally would not comment on the language used by another Member, but I would urge Members on the other side to observe the rules of the House.

Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from North Carolina [Mr. HEFNER].

Mr. WALKER. Mr. Speaker, will the gentleman yield for a parliamentary inquiry?

Mr. HEFNER. I yield to the gentleman from Pennsylvania.

PARLIAMENTARY INQUIRY

Mr. WALKER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. WALKER. Mr. Speaker, is there any language that has been used on the floor that was in violation of the rules of the House?

The SPEAKER pro tempore. The Chair is not required to rule on that at this point.

Mr. HEFNER. Mr. Speaker, I do not think there has been any language used that has not been used that you could classify being used in special orders and 1-minute speeches for the past few days. I think it all fits into this scenario.

I would like to talk just a bit about politics. We have had—I have been on the Budget Committee now this is my sixth budget from the administration. Let us face it. They have all been political budgets.

This is something that has to take place simply from our point of view. It is politics. Let us make no mistake about it, but all these have been political budgets. They have been disallowed in the Budget Committee. They have been disallowed in the other body, and yet when you go out and you talk about policy and what you are doing from the administration, you get the same rhetoric for the last 5 years. "Had you adopted my budget, we wouldn't have these problems. We wouldn't have had any of the problems that exist in the free world today if we had adopted these budgets in the past 5 years."

So I think it is only fitting that we come before this greatest deliberative body and the great debators who understand the use of the King's English and talk about it in terms of guts and crap, because that it what we are talking about when we consider this budget is an awful lot of crap in this budget; so let us separate the wheat from the crap, as it were, and talk about what it does.

How much does it cut vocational training? Are you in favor of doing what the President wants to do in vocational training? If you are, let us say so.

If you want to cut the feeding programs for children, let us say so.

If you want to cut out the extension agents 57 percent that served this country since 1914, let us say so.

Let us come down, let us establish where we are. If you are talking about political courage, if you want to increase the defense budget by 8 percent and if you want to talk about assumptions, let us look at assumptions.

The President's own budget was off $15 billion just in the defense category alone.

You are going to get a chance to vote on your budget. You are going to get a chance to vote on our budget that is going to be used in the same assumptions that our friends in the other body have already put together.

You have never had a time in the last 5 years that you haven't had a chance to offer a budget.

You talk about a constitutional amendment to balance the budget. There is absolutely nothing to prohibit you on this side of the aisle from bringing to this House a budget that is in balance, not in 1991, but you can offer within the next 4 weeks, you can come to this House and offer a budget that is in balance in 1987.

Let us get away from the wheat and the crap and get on with the business.

Mr. LOTT. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. DANNEMEYER].

Mr. DANNEMEYER. Mr. Speaker, I am at a loss to understand why we are going through this process this afternoon. This Member from California has been an active participant in the budget process at least over the last 3 years. I have been one of those who has been urging the House to adopt a

budget which 3 years ago we could claim would be balanced. Since the advent of the triple digit, that is $200 billion deficit era, none of us have been able to stand in the well and say with a straight face that the budget we are advocating would give us a balance in that particular year; but I am one of those in this Chamber this year who would like to offer a budget, but will be precluded from doing so under this rule because it is not in order, which would let us do the following: Comply with Gramm-Rudman, not cut any social program, permit all COLA's to rise consistent with the CPI, permit the President's requested increase in defense after inflation at 3 percent and not raise taxes.

But how do we do that? We do that by correcting what is fundamentally wrong with the budget process in the whole government itself; namely, monetary instability.

High interest rates that every person in America must pay, including the U.S. Government, are essentially caused because of monetary instability. The U.S. Government today has to spend an interest rate of about 10 percent on the average to service its national debt. Up until 1971 the U.S. Government could sell its debt at 3 percent. If you drive 7 points off the annual debt service expense, you are reducing the annual interest cost in maintaining the national debt by in excess of $150 billion a year. That is the alternative that I would like to present to the House.

It involves the sale of bonds backed by gold. These bonds could be sold at an interest rate of 2¼ percent. It is the means whereby we dig ourselves out of this hole that we have dug for ourselves. We delude ourselves if we think we are going to be able to get out of this fiscal problem just by concentrating on reducing spending that does not exclude interest. It is not possible. We cannot raise taxes enough to balance the budget. We collectively do not have the intestinal fortitude to cut spending to balance the budget unless, as I say, we concentrate our attention on the interest cost of maintaining the national debt.

This rule, unfortunately, precludes this Member or any Member from offering this kind of a budget alternative. Therefore, I am going to be in opposition to this rule.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. Mr. Speaker, I think some of us need a little more time to digest the notion that 2¼-percent bonds are going to solve the deficit problem, so maybe it is just as well that we have to wait here.

I want to talk about what seems to me to be the implicit premise of the remarks of people on the other side. We are being denounced for being political; rather a bizarre thing to accuse 435 elected officials of being, but the premise of the denunciation for being political, let us be very clear, is this. They say we are trying to make political points. We are trying to embarrass people on the other side. How? By asking them to vote on the President's budget.

The premise of this is that it is an unpopular budget. You do not make political points by asking people to cast a vote which they find easy; so it is very clear that our friends on the other side are conceding that the President's budget is a difficult one to defend, because we are being accused of a lack of bipartisanship. Members are entitled to say what they want, but I have to say to my friend, the gentleman from Pennsylvania [Mr. WALKER], to many of us he is about as credible an advocate of bipartisanship as Ferdinand Marcos is of elected reform. He has many talents, but an advocacy of bipartisanship has not heretofore been one of them told to us.

But the premise again is that this is a lousy budget, because we could not make political points by asking you to vote on a good budget.

It is also noticeable that no one on the other side wants to say a good word about the President's budget. You want to denounce us for bringing it up. You want to talk about 2¼-percent bonds to reduce the deficit.

Mr. DANNEMEYER. Mr. Speaker, will the gentleman yield?

Mr. FRANK. I yield to the gentleman. Maybe the bonds will drop to a point and three-quarters.

Mr. DANNEMEYER. Mr. Speaker, some of us continually in life try to push a string. The gentelman knows as well as I do, Presidents propose and Congress disposes. Presidents do not set the level of spending for this Nation. We do, and the gentleman is asking us to vote for a budget process whereby we have not had an opportunity of having some input in what we think the level of spending should be. Is that not reasonable?

Mr. FRANK. No, it is not, and I will tell the gentleman why.

The President has proposed and we propose to dispose. The gentleman says we are supposed to vote. That is what we want to do.

Now, I think this is a budget which is eminently disposable myself. I suspect Members on the other side do, because if this were such a great budget, you could not wait to vote for it. The gentleman is distraught.

They are telling us it is a dirty trick to make you vote on Ronald Reagan's budget. Did someone sneak into the White House under cover of darkness and foist on this poor President a budget over which he had no control? It is his document of which he is proud.

And remember, too, the analogy between State budgets and this budget is inapposite, because State budgets are detailed and specific. This is a very general one. This is drawn in broad categories. It leaves the legislative function before us.

We all know that passing a budget does not bind this House into specifics. What we have here is a budget which is indefensible.

The majority party has said, let us have a vote on it and let us see how many people want to defend it. So far the count is none.

We are being attacked for asking people to vote on it and I do not think we are going to hear much about the merits of the budget. The gentleman from Mississippi said that it has wrong assumptions. Well, let us hear what the assumptions ought to be.

□ 1340

I do not understand why it is not appropriate procedure for us to vote on the President's budget first, dispose of it. If people do not like it, we will then go on to other budgets.

The gentleman from California thinks 2¾-percent bonds will solve our problem. Some of us will express our opinions on that later.

But the fundamental point remains. The premise of what we are being told on the other side is that the President's budget is unpopular and they do not want to have to vote on it.

Mr. LOTT. Mr. Speaker, may I inquire as to how much time has been used on both sides?

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. LOTT] has 7 minutes remaining and the gentleman from Texas [Mr. FROST] has 16 minutes remaining.

Mr. LOTT. Mr. Speaker, I think in the interest of a balance of time, perhaps the gentleman would prefer to consume some more of his time.

Mr. FROST. Mr. Speaker, I would ask the gentleman from Mississippi how many additional speakers he anticipates having?

Mr. LOTT. Perhaps one. I understand the gentleman has two. I think the normal procedure would be for the gentleman to yield to one, and I would yield to one, and then the gentleman would be entitled to the wrapup speaker. I would rather not get a double whammy there at the end without being able to balance it out.

The SPEAKER pro tempore. The gentleman from Texas [Mr. FROST] has the right to conclude the debate.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 5 minutes to the distinguished majority leader, the gentleman from Texas [Mr. WRIGHT].

Mr. WRIGHT. Mr. Speaker, I am somewhat amused at all of the rhetorical argument here today about parliamentary procedure. We have heard such words as "charade" and "travesty" and other words that I shall not repeat, used to describe what is happening here today.

I have not heard any comment about the merits of the President's budget on the side of those who do not want to vote on it and obviously do not want to discuss it. That is a curiosity, really, is it not?

There is a disposition not to discuss and not to vote upon the budget submitted to us by the President of the United States. The President has personally and publicly asked that we give consideration to his budget request. He has asked that the Congress vote on it.

In all of the major media markets throughout the country, high-priced, slick television commercials have been bombarding the public eardrums asking that people write to the Congress and demand a vote on the President's budget. "Support the President's budget," say the ads.

Do you not think, then, that this is what we ought to do, give him a vote and see how much support he really has?

People have said, "Well, we need to have some alternatives." There will be ample opportunity for alternatives. When the Committee on the Budget reports the budget from the committee, opportunity will be granted, as always it is, for alternatives of a variety of types from a variety of sources. So members of the minority will have a chance to offer their alternatives. Members of the majority party also will have a chance to offer alternatives. Surely nobody seriously apprehends otherwise.

The question today is not that. The question is very simple. The question is: Do you approve of the President's budget? Do you want it? Are you for it or against it? Does it represent the set of priorities that you support? Does it represent in your mind what this Nation ought to be doing?

For example, do you believe that in time, with this stringent budget situation when we are ending a year in September with something like $220 billion in deficit, that we need to add $34 billion more next year for military spending, an increase of 12 percent over the current fiscal year, or 8 percent after accounting for expected inflation, and at the very same time to do away with, utterly to eliminate in totality, the new GI bill for veterans, and while doing that to reduce the availability of Veterans' Administration hospital services and care for some 58,000 American veterans? Is that our idea of a good priority? For my money it is not, but if it is for you, then vote for the President's budget if that is what you think is right.

Do you believe that we ought to be putting money into the development of a hypersonic airplane in which those who can afford to do so may orbit over to Tokyo for lunch in 2 hours, but at the very same time to eliminate in totality the Amtrak funds and to cut by 66 percent public transportation funds so that ordinary men and women may not have any way to get to work? If that represents your idea of the right set of priorities for America, then perhaps you want to vote for the President's budget.

If you believe in eliminating college loans for at least 250,000 American students, making it impossible for them to get a college education, then maybe you want to vote for the President's budget. Personally, I disagree with that. I think this is a time when we desperately need quality education and educational opportunity to be expanded, not contracted, for America's youth.

If you believe that we ought to eliminate all new low-income housing and take housing and homes out of the reach of modest-income people, then maybe you want to vote for the President's budget. But if you do, you must understand that is what you are voting for, and that is why we have brought the bill today.

We want to let Members of the House have an opportunity to say whether or not they believe in doing away with the WIN, the Work Incentive Program which the President has verbally endorsed but now wants to eliminate, and thus make it impossible for many jobless Americans to get assistance in finding jobs or job training.

If you want to eliminate school lunches for 5 million to 8 million American children, at least 2 million of whom are very poor and would have no other opportunity for a hot lunch, then maybe you want to vote for the President's budget. But let us make it clear, that is what you are voting for if and when you do.

So let us vote for this rule and give an opportunity for discussion in order that we may examine these priorities and make our judgments on them.

Mr. LOTT. Mr. Speaker, before I yield to the gentlewoman from Illinois; I would like to yield myself such time as I may consume just momentarily.

Mr. Speaker, in the vein of the gentleman's comments, and I must say he really made some strong arguments in behalf of the President's budget there in his comments. If he is interested in some savings, I understand the other body has reached some agreement with regard to reconciliation, that we can make some savings in the Federal deficit, and I assume or would hope that the gentleman would be willing to join us later on today in bringing up that reconciliation package. Last week, he made a very beautiful speech in support of the effort to pass reconciliation and save that money. So we are going to have an opportunity this afternoon to do that.

Will the gentleman join us in that effort?

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I would be glad to yield to the gentleman from texas.

Mr. WRIGHT. Of course, I would want to see what the Senate has done to our reconciliation bill and what changes, if any, it has made in the formula that it earlier approved and voted for last December. But we have cranked into our considerations in trying to put together a budget in the committee the assumption that that reconciliation bill be passed, and by all means we want it included.

Mr. LOTT. We are certainly looking forward to working with the gentleman in doing that this very afternoon, because there are not only savings in it, but more savings are in it now than what we had in it last week.

With that, Mr. Speaker, I am glad to yield 5 minutes to the gentlewoman from Illinois [Mrs. MARTIN].

Mrs. MARTIN of Illinois. I thank the gentleman for yielding this time to me.

Mr. Speaker, it is ridiculous to bring up only the President's budget for a vote on the floor of the House. This charade is being staged by the majority to cover up their own lack of progress.

The Committee on the Budget in the other body continues to work on a bipartisan budget and they, in fact, meet right now. As House Republicans, we have studied the budget and we have agonized over the hard choices that first the President has made and now we must make.

We have also asked the Democrats repeatedly to sit down with us to work on the House budget, but the Democrats are stuck. They have been meeting for weeks and have not been able to come up with a budget that all their factions can agree on.

Democrats have found it hard to get a budget that conservatives can support while their liberals can still stay on board. So have we. It is not easy to write a budget with a deficit of only $144 billion. And look at how we talk around here—only $144 billion.

To cover up this stalemate, the leadership on the other side has decided to put the President's budget on the stump and we are to vote. That is fine. We will vote.

□ 1350

We will say some good about the President's budget and we will say where we differ because unlike you, we have always determined on our side of

the aisle that we want to make changes, that we do not accept in toto what comes from an administration, that we are not mere robots, but independent individuals constrained only by the Constitution in our efforts to come up with our own budget, and we are ready. We do not believe that the debate of House Concurrent Resolution 296 is either serious or credible, and that is obvious.

The only Budget Committee activity that has occurred so far this year has been a series of field hearings to criticize the President's budget; then a week of hearings in DC, to hear the administration witnesses, a rather normal part of the process. But the committee has not scheduled a meeting to consider the President's budget nor to examine any possibility for amending it in any constructive way.

The Budget Committee has not scheduled any meetings, we have not scheduled a markup. There have not even yet occurred the group discussions so necessary to final solution.

In short, the Budget Committee thus far has taken no actions that would lead to a congressional budget resolution.

So perhaps indeed they do want to do one totally on their own and without Republican help. Perhaps there is a Democratic budget floating around somewhere and that the majority leadership has a budget strategy.

I am told that the answer is yes and I have a copy today of what the majority has come up with so far for the Democratic majority's budget resolution, and I bring it to you, House concurrent resolution nothing. Notice its sublety. Notice the difficult choices that the Democrats have made.

This budget is useless because together we must work to come up with one and not waste the time we are here this afternoon.

Could I at least ask that we do not spend 4 hours in President-bashing, that actually some of our Members on both sides might have preferred a shorter rule. Indeed, on our side, we recommended such a rule that would have a more limited amount of time. But I suppose that the partisan excesses that we are indulging in are necessary, and I can only hope that they do not spoil the chances for that fine art of political compromise.

I will still hold out the hope that the Democrats will be willing at some point in the future to begin working with Republicans on a congressional budget resolution. The chances for such a House summit on the budget or even normal budget negotiations must begin and should begin this afternoon, not later.

The SPEAKER pro tempore. The gentleman from Texas [Mr. FROST] has 11 minutes remaining and the gentleman from Mississippi [Mr. LOTT] has 2 minutes remaining.

Mr. LOTT. Mr. Speaker, I would like to again urge my colleagues to vote "no" on the previous question.

I yield that balance of our time, 2 minutes, to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. Mr. Speaker, this has been a day of great amusement for all of us. The same fun-loving folks who have loused up the budget since 1975 have brought us something else that we can find fun and merriment over today.

This is the crowd whose budgets have understated the deficits for 12 straight years, who have given us $200 billion deficits for the last 5 or 6 years, and they are now carrying out their obligations to bring the President's budget before us. My understanding of the congressional obligation may be a little old-fashioned, but I thought we were supposed to bring out our budget. It is probably a silly notion I had that nobody should take very seriously.

But here is a Budget Committee that does not have a budget of its own, which has not met for several weeks at all, which has never met for a markup on the budget. It is a Budget Committee that has not adopted the CBO assumption. It has not even said what it is going to use for a baseline.

But the chairman of that committee, which does not meet, we are told, although we are told the Democrats meet sometimes together, is coming before us and saying we should now vote on the President's budget. That is fine with us. We will vote on anything the gentleman would like to vote on.

We do think, however, in the serious nature of the deficit crisis we are in that the committee owes us a budget. I have already introduced a budget. I do not think the House will ever get a chance to vote on that, but the committe is bringing us a budget which it really should not do under Gramm-Rudman-Hollings restrictions, because it does not fit the CBO characteristics for a budget that this House can pass.

Now as long as that is the case, we on this side have the right to say where is the Democrat budget? What is the House Budget Committee doing? Why are we not given the real budget? Why are we given the fun and the games and the amusement, the Barnum & Bailey show, the carnival? One of our Members called it a charade. I guess you can call it whatever you want, but we know it is not leading us to a budget.

We want the Democrat budget so that we can work on it. I do not care how many times we vote on budgets, I will be delighted to do it. But the most fun is going to be voting on the Budget Committee's budget, because I know very well what my vote will be on that one.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. GRAY], chairman of the Budget Committee.

Mr. GRAY of Pennsylvania. Mr. Speaker, I rise in strong support of the rule allowing for consideration of House Concurrent Resolution 296, the concurrent resolution on the budget for fiscal year 1987.

This budget reflects the budget for the U.S. Government for fiscal year 1987 as submitted by the President on February 5, 1986. Of course, as anyone who knows the legislative process understands, if it is adopted then the wording on the bill is absolutely correct, it then becomes the congressional budget.

It is my feeling that Members of the House should be given the opportunity to express their opinions of support or opposition toward the President's budget. At the same time, I think it is important to provide the President the opportunity to have his budget considered as it was introduced.

Last week the Senate Budget Committee considered the President's budget and voted against its adoption. In considering the President's budget, the Senate Budget Committee was able to gain some idea of the level of support for that plan and use that experience in setting out to formulate an alternative. Then after the vote, they started to work on an alternative and they are still working. They did not have an alternative when they voted on the President's budget. They voted and they are now working, and I propose the same thing.

The SPEAKER pro tempore. The Chair would ask that Members not refer to any specific vote in the other body.

Mr. GRAY of Pennsylvania. The other body has acted and, therefore, I am proposing that we follow the practice of the other body, which is that we will have an opportunity to act on the President's budget, and then we will proceed to develop an alternative if the President's budget is defeated.

I find it interesting that all of my colleagues from the other side are assuming the President's budget is going to be defeated. I do not know that. Today we will find out. If it is defeated, then we will need an alternative and we are prepared to work on one.

Let me just simply say to my colleagues from the other side, the Budget Committee has been meeting. We have had not only field hearings, but as those of you in America have observed on television, we have had the Cabinet members come before us. We have had weeks upon weeks of hearings. I suppose the reason why my colleagues have forgotten is because many of them did not attend either the field hearings or the hearings here in the Capitol. You remember, they were boycotting the hearings and now

they say we will not talk or work with them.

□ 1400

Be that as it may, we are prepared, should this body defeat the President's budget, to move forward, to develop an alternative. I have already asked the ranking member of the committee if she would meet with me at the beginning of next week to outline a bipartisan consensus. We think this is a correct procedure. The President has asked for an opportunity for Congress to consider his budget and we are providing that opportunity for a vote on his proposal.

Each Member, whether they think it is a rotten egg or whether they think it is Ringling Brothers and Barnum & Bailey, or whether they think it is not serious, or whether they think it is the right way to go, will have an opportunity to vote. That is exactly what Members are sent here to do. We are asked to show the American public where we stand on issues, and there is no issue more important than the budget of this great Nation.

We have an opportunity today, Mr. Speaker and colleagues, to show the American people where we stand. Do we support the President's budget or do we not? If we do not, then this Chair, and I hope my colleagues on the other side, are prepared to move to develop an alternative.

We do not need an alternative if the President's budget should pass. I would urge all of us to vote for this rule.

Mr. FROST. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. LOTT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 243, nays 171, not voting 20, as follows:

[Roll No. 51]

YEAS—243

Ackerman	Bates	Bosco
Akaka	Bedell	Boucher
Alexander	Bellenson	Boxer
Anderson	Bennett	Breaux
Andrews	Berman	Brooks
Annunzio	Bevill	Brown (CA)
Anthony	Biaggi	Bruce
Applegate	Boggs	Bryant
Aspin	Boland	Burton (CA)
Atkins	Boner (TN)	Bustamante
AuCoin	Bonior (MI)	Byron
Barnard	Bonker	Carper
Barnes	Borski	Carr
Chapman	Hughes	Price
Clay	Hutto	Rahall
Coelho	Jenkins	Rangel
Coleman (TX)	Jones (NC)	Ray
Conyers	Jones (OK)	Reid
Cooper	Jones (TN)	Richardson
Coyne	Kanjorski	Robinson
Crockett	Kaptur	Rodino
Daniel	Kastenmeier	Roe
Darden	Kennelly	Roemer
Daschle	Kildee	Rose
de la Garza	Kleczka	Rostenkowski
Dellums	Kolter	Rowland (GA)
Derrick	Kostmayer	Roybal
Dicks	LaFalce	Russo
Dingell	Lantos	Sabo
Dixon	Leath (TX)	Savage
Donnelly	Lehman (CA)	Scheuer
Dorgan (ND)	Lehman (FL)	Schroeder
Dowdy	Leland	Seiberling
Downey	Levin (MI)	Sharp
Durbin	Levine (CA)	Shelby
Dwyer	Lipinski	Sikorski
Dymally	Lloyd	Sisisky
Dyson	Long	Skelton
Early	Lowry (WA)	Slattery
Eckart (OH)	Luken	Smith (FL)
Eckert (NY)	Lundine	Smith (IA)
Edwards (CA)	MacKay	Solarz
English	Manton	Spratt
Erdreich	Markey	St Germain
Evans (IL)	Martinez	Staggers
Fascell	Matsui	Stallings
Fazio	Mavroules	Stark
Feighan	Mazzoli	Stenholm
Flippo	McCloskey	Stokes
Florio	McCurdy	Stratton
Foglietta	McHugh	Studds
Foley	Mica	Swift
Ford (MI)	Mikulski	Synar
Ford (TN)	Miller (CA)	Tallon
Fowler	Mineta	Tauzin
Frank	Mitchell	Thomas (GA)
Frost	Moakley	Torres
Fuqua	Mollohan	Torricelli
Garcia	Montgomery	Traficant
Gaydos	Moody	Traxler
Gejdenson	Morrison (CT)	Udall
Gephardt	Mrazek	Valentine
Gibbons	Murphy	Vento
Glickman	Murtha	Visclosky
Gonzalez	Natcher	Volkmer
Gordon	Neal	Walgren
Gray (IL)	Nelson	Watkins
Gray (PA)	Nichols	Waxman
Guarini	Nowak	Weiss
Hall (OH)	Oakar	Wheat
Hall, Ralph	Oberstar	Whitley
Hamilton	Obey	Whitten
Hatcher	Olin	Williams
Hawkins	Ortiz	Wirth
Hayes	Owens	Wise
Hefner	Panetta	Wolpe
Heftel	Pease	Wright
Hertel	Penny	Wyden
Howard	Pepper	Yates
Hoyer	Perkins	Yatron
Hubbard	Pickle	Young (MO)

NAYS—171

Archer	Coleman (MO)	Frenzel
Armey	Combest	Gallo
Badham	Conte	Gekas
Bartlett	Coughlin	Gilman
Barton	Courter	Gingrich
Bateman	Craig	Goodling
Bentley	Crane	Gradison
Bereuter	Dannemeyer	Green
Bilirakis	Daub	Gregg
Billey	Davis	Gunderson
Boehlert	DeLay	Hammerschmidt
Boulter	DeWine	Hansen
Broomfield	Dickinson	Hartnett
Brown (CO)	DioGuardi	Hendon
Broyhill	Dornan (CA)	Henry
Burton (IN)	Dreier	Hiler
Callahan	Duncan	Hillis
Carney	Edwards (OK)	Holt
Chandler	Emerson	Hopkins
Chappie	Evans (IA)	Horton
Cheney	Fawell	Hunter
Clinger	Fiedler	Hyde
Coats	Fields	Ireland
Cobey	Fish	Jacobs
Coble	Franklin	Jeffords
Johnson	Molinari	Siljander
Kasich	Monson	Skeen
Kemp	Moorhead	Slaughter
Kolbe	Morrison (WA)	Smith (NE)
Kramer	Myers	Smith (NJ)
Lagomarsino	Nielson	Smith, Robert (NH)
Latta	O'Brien	Smith, Robert (OR)
Leach (IA)	Oxley	Snowe
Lent	Packard	Snyder
Lewis (CA)	Parris	Solomon
Lewis (FL)	Pashayan	Spence
Lightfoot	Petri	Stangeland
Livingston	Porter	Strang
Lott	Pursell	Stump
Lowery (CA)	Quillen	Sundquist
Lujan	Regula	Sweeney
Lungren	Ridge	Swindall
Mack	Rinaldo	Tauke
Marlenee	Ritter	Thomas (CA)
Martin (IL)	Roberts	Vander Jagt
McCain	Rogers	Vucanovich
McCandless	Roth	Walker
McCollum	Roukema	Weber
McDade	Rowland (CT)	Whitehurst
McEwen	Saxton	Whittaker
McGrath	Schaefer	Wolf
McKernan	Schneider	Wortley
McKinney	Schuette	Young (AK)
McMillan	Schulze	Young (FL)
Meyers	Sensenbrenner	Zschau
Michel	Shaw	
Miller (OH)	Shumway	
Miller (WA)	Shuster	

NOT VOTING—20

Addabbo	Kindness	Smith, Denny (OR)
Campbell	Loeffler	Taylor
Chappell	Madigan	Towns
Collins	Martin (NY)	Weaver
Edgar	Moore	Wilson
Grotberg	Rudd	Wylie
Huckaby	Schumer	

□ 1410

The Clerk announced the following pairs:

On this vote:

Mr. Chappell for, with Mr. Taylor against.

Mr. Huckaby for, with Mr. Rudd against.

Mrs. Collins for, with Mr. Campbell against.

Messrs. STARK, SOLARZ, and MAZZOLI changed their votes from "nay" to "yea."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken, and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. LOTT. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 239, noes 168, not voting, 27, as follows:

[Roll No. 52]

AYES—239

Ackerman	Bedell	Boxer
Akaka	Bellenson	Breaux
Alexander	Bennett	Brooks
Anderson	Berman	Brown (CA)
Andrews	Bevill	Bruce
Annunzio	Biaggi	Bryant
Anthony	Boggs	Burton (CA)
Applegate	Boland	Bustamante
Aspin	Boner (TN)	Byron
Atkins	Bonior (MI)	Carper
AuCoin	Bonker	Carr
Barnard	Borski	Chapman
Barnes	Bosco	Clay
Bates	Boucher	Coelho

Coleman (TX)
Conyers
Cooper
Coyne
Crockett
Daniel
Darden
Daschle
de la Garza
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Eckert (NY)
Edwards (CA)
English
Erdreich
Evans (IL)
Fascell
Feighan
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Fuqua
Garcia
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Gordon
Gray (IL)
Gray (PA)
Guarini
Hall (OH)
Hamilton
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hertel
Hopkins
Howard
Hoyer
Hubbard
Hughes
Hutto
Jenkins
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kastenmeier
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lipinski
Lloyd
Long
Lowry (WA)
Luken
Lundine
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
McCloskey
McCurdy
McHugh
Mica
Mineta
Mitchell
Moakley
Mollohan
Montgomery
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Panetta
Pease
Penny
Pepper
Perkins
Pickle
Price
Rahall
Rangel
Ray
Reid
Richardson
Robinson
Rodino
Roe
Roemer
Rose
Rostenkowski
Rowland (GA)
Roybal
Russo
Sabo
Savage
Scheuer
Schroeder
Seiberling
Sharp
Shelby
Sikorski
Sisisky
Skelton
Slattery
Smith (FL)
Smith (IA)
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whitley
Whitten
Williams
Wilson
Wirth
Wise
Wolpe
Wright
Wyden
Yates
Yatron
Young (MO)

NOES—168

Archer
Armey
Badham
Bartlett
Barton
Bateman
Bentley
Bereuter
Billirakis
Billey
Boehlert
Boulter
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Callahan
Carney
Chandler
Chappie
Cheney
Clinger
Coats
Cobey
Coble
Coleman (MO)
Combest
Conte
Coughlin
Courter
Crane
Dannemeyer
Daub
Davis
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Evans (IA)
Fawell
Fiedler
Fields
Fish
Franklin
Frenzel
Gallo
Gekas
Gilman
Gingrich
Goodling
Gradison
Green
Gregg
Gunderson
Hall, Ralph
Hammerschmidt
Hansen
Hartnett
Hendon
Henry
Hiler
Hillis
Holt
Horton
Hunter
Hyde
Ireland
Jacobs
Jeffords
Johnson
Kasich
Kolbe
Kramer
Lagomarsino
Leach (IA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lott
Lowery (CA)
Lujan
Lungren
Mack
Marlenee
Martin (IL)
Mazzoli
McCain
McCollum
McDade
McEwen
McGrath
McKernan
McKinney
McMillan
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Monson
Moorhead
Morrison (WA)
Myers
Nielson
O'Brien
Oxley
Packard
Parris
Pashayan
Petri
Porter
Pursell
Quillen
Regula
Ridge
Rinaldo
Ritter
Roberts
Rogers
Roth
Roukema
Rowland (CT)
Saxton
Schaefer
Schneider
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Siljander
Skeen
Slaughter
Smith (NE)
Smith (NJ)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Snyder
Solomon
Spence
Stangeland
Strang
Stump
Sundquist
Sweeney
Swindall
Tauke
Thomas (CA)
Vander Jagt
Vucanovich
Walker
Weber
Whitehurst
Whittaker
Wolf
Wortley
Young (AK)
Young (FL)
Zschau

NOT VOTING—27

Addabbo
Campbell
Chappell
Collins
Craig
Durbin
Edgar
Fazio
Gaydos
Grotberg
Huckaby
Kemp
Kindness
Latta
Loeffler
Madigan
Martin (NY)
McCandless
Mikulski
Miller (CA)
Moore
Rudd
Schumer
Smith, Denny (OR)
Taylor
Weaver
Wylie

□ 1425

The Clerk announced the following pairs:

On this vote:

Mr. Chappell for, with Mr. Taylor against.

Mr. Huckaby for, with Mr. Rudd against.

Mrs. Collins for, with Mr. Campbell against.

So the resolution was agreed to.

A motion to reconsider was laid on the table.

Mrs. MARTIN of Illinois. Mr. Speaker, I ask unanimous consent that the debate on House Concurrent Resolution 296 be limited to 3 hours, and that the time be equally divided between the chairman of the Committee on the Budget and the acting ranking minority member.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Illinois?

□ 1435

Mr. GRAY of Pennsylvania. Mr. Speaker, reserving the right to object—and I will not object—the gentlewoman from Illinois, the acting ranking minority member of the Committee on the Budget, is requesting that we limit debate to 3 hours instead of 4 hours; is that correct?

Mrs. MARTIN of Illinois. If the gentleman will yield, that is correct.

Mr. GRAY of Pennsylvania. And the time will be equally divided?

Mrs. MARTIN of Illinois. If the gentleman will yield, that is also correct.

Mr. GRAY of Pennsylvania. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

The SPEAKER pro tempore. Pursuant to House Resolution 397 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the concurrent resolution, House Concurrent Resolution 296.

POINT OF ORDER

Mr. BROWN of Colorado. Mr. Speaker, I rise to make a point of order against consideration of House Concurrent Resolution 296.

The SPEAKER pro tempore. The gentleman will state his point of order, please.

Mr. BROWN of Colorado. Mr. Speaker, this resolution proposes a congressional budget for the U.S. Government for fiscal years 1987, 1988, and 1989. It fails to comply with section 306 of the Congressional Budget Act.

Section 306 of the Congressional Budget Act is very clear. It says:

No bill or resolution, and no amendment to any bill or resolution, dealing with any matter which is within the jurisdiction of the Committee on the Budget or either House shall be considered in that House unless it is a bill or resolution which has been reported by the Committee on the Budget of that House (or from the consideration of which such committee has been discharged) or unless it is an amendment to such a bill or resolution.

Now, Mr. Speaker, section 308 was reaffirmed last year in the debt limit bill, the balanced budget, and Emergency Deficit Control Act. It is on our books as Public Law 99-177.

House Concurrent Resolution 296 clearly is legislation dealing with the congressional budget that must be handled by the Budget Committee. Since the committee has neither reported or been discharged from consideration of the resolution, bringing the resolution to the floor violates section 306.

The rule reported by the Rules Committee makes in order the consideration of House Concurrent Resolution 296, but it does not waive any point of order against the resolution for failing to comply with section 306.

Now, Mr. Speaker, some might argue that by adoption of the rule we have somehow waived section 306.

Let me refer this body and the Chair to the resolution itself and the rule that we just passed. It is very clear that there is no waiver within that resolution to section 306 of the Budget Act.

To hold contrary, to hold somehow that this rule does something that it does not say, is a clear violation of the rules of this House, and I would ask that my point of order be upheld.

The SPEAKER pro tempore (Mr. KILDEE). Does any other Member wish to speak on the point of order? If not, the Chair will rule.

The Chair, first of all, will reread for the House section 306. The section reads:

"SEC. 306. No bill or resolution, and no amendment to any bill or resolution, dealing with any matter which is within the jurisdiction of the Committee on the Budget of either House shall be considered in that House unless it is a bill or resolution which has been reported by the Committee on the Budget of that House (or from the consideration of which such committee has been discharged) or unless it is an amendment to such a bill or resolution.

The rule just adopted does discharge the Committee on the Budget. It has that inevitable effect under the precedents. The rule needs no waiver of section 306 because this procedure is in compliance with section 306 and within the authority of the Committee on Rules.

The Chair, therefore, overrules the point of order.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whose House on the State of the Union for the consideration of the concurrent resolution (H. Con. Res. 296) setting forth the congressional budget for the U.S. Government for the fiscal years 1987, 1988, and 1989, with Mr. NATCHER in the Chair.

The Clerk read the title of the concurrent resolution.

The CHAIRMAN. Pursuant to the rule, the first reading of the concurrent resolution is dispensed with.

Pursuant to the order of the House of today, the gentleman from Pennsylvania [Mr. GRAY] will be recognized for 1½ hours, and the gentlewoman from Illinois [Mrs. MARTIN] will be recognized for 1½ hours.

(By unanimous consent, Mr. BIAGGI was allowed to speak out of order.)

MEMBERS INVITED TO COSPONSOR BILL DESIGNATING JOSEPH P. ADDABBO FEDERAL BUILDING IN JAMAICA, QUEENS

Mr. BIAGGI. Mr. Chairman, I plan to introduce a bill which would designate the Federal building located in Jamaica, Queens, as the Joseph P. Addabbo Federal Building. We all know that Mr. ADDABBO is grievously ill. I would like to do this while he is still alive. All of those who desire to cosponsor the bill, please let my office know.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. GRAY].

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this afternoon we will debate and vote on the President's budget for fiscal year 1987. This is an important debate and an important vote. Today we will help to set the course our Government and our country will take over the coming year.

The President is this country's Chief Executive Officer and, by law is required to submit a budget each year for the U.S. Government. Some Members of the House have made statements to the effect that bringing the President's budget to the floor of the House is meant to embarrass the President. I strongly disagree. The President deserves to have his budget debated and acted on by the Congress. Equally important, the American people deserve to know where their elected Representatives stand on the President's budget and priorities. The President has urged the Congress to approve his budget. How do we embarrass the President by giving him his day in court?

I have said this debate is important, and I truly believe that it is. The President's budget is more than just columns of numbers. The President's budget is the President's blueprint for our Nation. In examining this plan, we are representing 241 million people who cannot be present for this debate.

We should remember that we are here to debate priorities, not personalities. The President is a very personable person, but we are here to debate not his character but his policies. We are much like the loan officer in the bank considering a business loan application. The bank does not give the loan because the businessman is charming and has a good sense of humor; the banker gives the loan because the businessman's ideas are sound. Substance is more important than appearance here.

Let us today debate the substance of the President's budget. Are we to follow the President along the fiscal path he has suggested? Speaking as one Representative, I cannot.

The President is asking us to continue to provide major increases for the Pentagon after Congress has already provided over $1.2 trillion over the past 5 years. Over the next 6 years, the President has requested $2.1 trillion. Given the deficits that we face, I do not think the country can afford that level of spending, particularly when we are not convinced that the money that has already been spent has been spent wisely. The American people should not be asked to provide vast new amounts to the Pentagon until they are convinced the money is being spent wisely and prudently.

While defense spending continues to be full-speed ahead, with an increase of $34 billion requested for next year, vital domestic programs of our Government receive little or no attention. I think this policy is shortsighted. We cannot ignore the needs of our young if we are going to be strong in the years ahead. We have become a great nation because we have been blessed with abundant resources and industrious people. We will not remain a great nation if we squander our resources and ignore our people.

I think the President's budget is out of balance, and I will not vote for it. My impression is that the majority of Americans, if they could be here today, would not vote for it.

I think they agree with the President that our deficits must be reduced. And so does this Member of Congress. However, we are debating the choices that we make in reducing those deficits.

The process, however, will not end today. We have to have a budget. If the President's budget is not approved today, it will be up to the Congress to construct a budget that does have the support of the majority of the people. I am here to say this will be done. But I would hope that the President would work with the Congress to construct a workable budget that can be approved and not simply walk away from the process. In fact, should this budget be defeated, I hope that the President will convene a bipartisan group of both Houses of Congress to look at a way that we can address collectively this issue of deficit reduction with equity and compassion. These enormous deficits must be reduced in a way which protects our national interests but yet continues vital programs for our people. Congress cannot do the job alone.

Mrs. MARTIN of Illinois. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. MICHEL], the Republican leader.

Mr. MICHEL. Mr. Chairman, may I thank the gentlewoman for yielding this early in the debate to her fellow compatriot from her home State.

Mr. Chairman, may I simply say that I am going to be very brief, because I consider all these shenanigans this afternoon to be a waste of time.

What electricity really fills the air? Where is the excitement, the apprehension? Are they all awaiting how the vote is going to turn out on this thing, hanging on the ends of their chairs? We are talking up the President's budget today, folks, is this a day of excitement?

What a charade, what a sham.

I have been around here for 30 years now. I have never seen a President present a budget to the Congress that was not altered in some degree or fashion, no matter who he was, and when we got around to this whole business of changing things was after 1974 because of what some Members of the Congress felt was an undue stretch of power by the Executive in the impounding of funds and the thought that "Oh, we are spending so much, let's get Government spending under control, let's get the Congress in the act with a Budget Control Act."

□ 1450

If you look at those figures ever since we enacted that Budget Control Act, and what has happened to deficits is that they have grown and grown and grown. You have got to come, eventually, to the conclusion that the whole system has fallen apart and it has not helped one doggone bit at all.

Let us face up it, my friends. Why is the budget presented to us by the President rather unrealistic? I will tell you why. It is because we here in the Congress forced some very tight restrictions on the executive branch in presenting their budget in the first place.

A majority of the House, a majority of the Senate passed this thing called Gramm-Rudman, and it has an orderly process to get us to balance out there, hopefully, in the year 1991. By so doing, we have got to come up, within that framework, or having a deficit no larger than $144 billion.

If we are up in that $200 billion range, I cannot recall in all the time I have been around here that we have ever come from that kind of figure down to 144 within 1 year without at least causing some little wrinkle of pain and concern that this or that program has got to be cut or diminished or reduced. How do you do it? How do you get there if you do not do that?

Oh, the condemnations out there can flow from every quarter in this House, on both sides of the aisle. But you cannot lay it all on the President down there because he complied with what the Congress said he had to do in presenting his budget.

We are all at fault. I have to commend the gentlewoman from Illinois in her short dissertation on the rule, holding up a concurrent resolution signifying the lack of a budget from the majority. Nothing is so true. We on the Republican side here have been working on a budget. We are 71 votes behind, but we have been working daily, commiserating with our colleagues; this group, that group; what causes pain; what can we cut; what can be do to fashion something that will eventually fly.

I do not know what is going on over here on the Democratic majority side. My dear friend, the gentleman from Pennsylvania, a knowledged man of the cloth; I am reminded of biblical scripture: "Come let us reason together." Instead of going through this charade, I would suggest that maybe it is high time, with only a few weeks left now before we are supposed to produce something, that we get down to the real nitty-gritty business of picking and choosing and doing what is right.

This is all a farce today; it is a sham. I do not think there will be a nickel's worth of press play given to this coverage this afternoon, and that is about the way it should be.

Frankly, to underscore that point, I would suggest to my folks on this side, when that vote comes up, that you do not want to be against the President's budget in toto; of course not. You do not want to be altogether for it because you have got some reasons for making some adjustment.

Personally, I am voting "present." I am urging the Members on our side of the aisle: You all vote "present" too, and I think there are a good many of my friends on the Democratic side who might feel the very same way.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 8 minutes to the gentleman from Wisconsin [Mr. OBEY], the distinguished chairman of the Joint Economic Committee.

Mr. OBEY. I thank the gentleman for yielding me this time.

Mr. Chairman, we just heard a very interesting rewrite of history by the distinguished gentleman from Illinois, the minority leader.

He told us two things: He told us, "Gee whiz, boys and girls, do not blame the President for Gramm-Rudman; do not blame him for that budget, because, after all, we made him do it."

I remember the President making it crystal clear just 90 days ago, that if Congress did not pass Gramm-Rudman, lock, stock, and barrel, he was willing to do everything including disinvest the Social Security system in order to have it pass.

I led the opposition to Gramm-Rudman; I did not see the President on my side. I saw him on the other side of the argument. He also tells us that it is a sham to consider a budget which is presented by the President of the United States. That is absolute nonsense.

We have had a lot of concern expressed by the minority leader about the fact that the budget process is not working. Let me tell you something: That is right; it is not working. Let me tell you why, and it is for quite different reasons than the reasons cited by the gentleman from Illinois.

Since 1921, the President has been at the heart of the preparation of our national budget. For over 60 years, 10 Presidents carried that responsibility. They carried it with dignity, and they carried it fairly. They carried the responsibility for taking that first step in producing a realistic budget that could be supported by the Congress.

The executive branch of Government has 95 percent of the resources in this Government available for putting together a budget. But what has happened for the last 5 years? For the last 5 years, those resources have been used to put together a Presidential budget that did not spend what it said it would spend, that did not raise the revenue and did not hit the revenue target that it promised it would hit, and that did not divide the resources in a way that a majority in either party could support. I think we will see that demonstrated here today.

There is nothing wrong with asking the Members of the President's own party to stand up and say "yes" or "no" to the budget which the White House is saying we ought to pass in an elaborate public relations campaign on television at this very moment.

Let me tell you some things about this budget. It does not meet the statutory requirement laid out for it under Gramm-Rudman, first of all, because it underestimates the cost of its own military spending by $15 billion.

Second, it is based on economic assumptions that are to be kind rosy. It estimates that this year and for the next 5 years the economy is going to grow every year at the rate of 4 percent. Let me point out that over the last 5 years, the economy has grown on average at 2.3 percent. If the economy grows over the next 5 years at the rate that it grew the last 5 years, this budget will be $30 billion short in revenue. That will mean we will run into sequestration even if we pass it.

Where will that shortfall impact? This chart demonstrates where it will impact. Since 1980, interest has inceased by 60 percent in budgets that the President has submitted. Military and foreign operations have increased by 25 percent in the budgets he submitted since 1980. But where have the cuts fallen?

The cuts have fallen in the remainder portion of the budget that has been cut from 21 percent of the budget in 1980 to 11 percent of the budget this year. What does that mean? That is the portion of the budget that invests in the future of the country. It is the portion we invest in kids by way of education; it is what we invest in workers by way of job training; it is what we invest in science by way of science research or medical research; it is what we invest in community infrastructure so our businesses can make a profit and workers can earn a decent wage.

What is happening to that section of the budget? CBO points out that in 1962 domestic discretionary programs, before we ever heard of Lyndon Johnson's Great Society took up 4.2 percent of GNP. In 1980, they had grown to 5.8 percent. Today, they are down to 4.1 percent, a smaller portion of our national treasure devoted to solving our domestic problems that we were spending before we ever heard of the Great Society. If the President's budget passes, that will take us down to 2.7 percent of our GNP by 1991—30 percent lower than it was when we decided we had a problem that needed correcting in the first place.

This budget cuts cancer research by $70 million. It cuts heart research by $60 million. It cuts AIDS research by

$30 million. It cuts agriculture by $8 billion. It cuts transportation by $5 billion. It cuts educational opportunity, student loans for middle-income kids by one-quarter. And what does it do? It adds $34 billion in military spending which has doubled over 5 year's time, and it adds $2 billion to foreign aid, over which my subcommittee has jurisdiction.

What does that budget do on foreign aid? For low-interest, military loans abroad, while we are throwing them out the window back home, for low-interest, military loans abroad, the budget contains a 46-percent increase. Grant military assistance, is the giveaway stuff Republicans used to squawk about when Democratic Presidents were in the White House.

□ 1500

Grant military assistance under Ronald Reagan, that is the stuff we give away, has gone up 800 percent since the day he became President. This budget alone asks for a 30-percent increase this year over last year, when we are cutting back on the domestic side the way I have just described.

Mr. Chairman, a great country has to defend its interests around the world, but a great country also has to pay its bills. And a great country owes it to its own citizens to provide a square deal by providing the basic investments that we need to make human life better and to make this country stronger, not just militarily, but economically and socially as well.

If you do not do it, you have a turkey for a budget, and no matter how nice the man is who presents it, the policy in this budget is wrong. It is wrong for the country. It is wrong for our future. It is wrong for the people we represent and I urge you to vote it down.

Mrs. MARTIN of Illinois. Mr. Chairman, I yield myself such time as I might consume.

I just wanted to say on behalf of the chairman of the committee and myself how glad we were, if I may take a personal note in the midst of this partisanship, how glad both Chairman GRAY and I were to see the true ranking minority member back today and voting, the gentleman from Ohio, Mr. DEL LATTA. He is not on the floor right now, but on behalf of all of us, I just wanted to say that welcome.

Mr. GRAY of Pennsylvania. Mr. Chairman, will the gentlewoman yield?

Mrs. MARTIN of Illinois. Indeed, I will.

Mr. GRAY of Pennsylvania. Mr. Chairman, I certainly would like to join the gentlewoman in welcoming back our colleague, the distinguished gentleman from Ohio [Mr. LATTA], who has normally been our ranking member on the Budget Committee for so many years, representing the minority side so ably and we are just glad to see him back after serious illness and surgery. We pray for his speedy recovery and welcome him back and, of course, he has been ably represented by the gentlewoman from Illinois.

Mrs. MARTIN of Illinois. I thank the chairman for that small personal tribute. I know the chairman and I share that.

Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. BOULTER].

Mr. BOULTER. Mr. Chairman, I thank the gentlewoman for yielding.

Now to continue somewhat with I suppose the partisan rehetoric, in spite of my chairman's explanation as to why we are voting on the President's budget today, I do still wonder about that. I wonder why we are voting on the President's budget when we have a Budget Committee that has not yet had any meeting, not one meeting all year to actually work on any budget document and to start the budget process.

I wonder if it has something to do with the desire to defer any serious budgetary process until automatic sequestration takes place in October.

We all know that the President's budget is supposed to be a staring point and that the President has come forward with his budget and now the ball is in Congress' court. We know that we are supposed to be responsible for coming up with a budget that meets the Gramm-Rudman deficit target for fiscal year 1987 of $144 billion.

We should be marking up the President's budget or marking up a document that has been produced by the Democrat majority of this House, not simply holding up the President to ridicule in this House.

Obviously, there is the usual political posturing that has to be done. The Reagan budget must get its annual lashing from partisans whose philosophy of Government is nothing more than the sum of constituency group demands that they can identify; but this year there is a new wrinkle in the gamemanship and it is Gramm-Rudman and the threat of sequestration.

Notwithstanding what my chairman said about his desire to produce a budget and not doubting for a moment the sincerity of his personal remarks on that, I do not think I am going too far to say that there are many Members of this body, mostly on the Democrat side of the aisle, who not only would be perfectly content to see, but would wish to see automatic sequestration take place in October, putting the President and his political party to embarrassment as a means to getting a tax increase so that you will not have to fundamentally change your spending habits in any way.

Before March 1, I introduced a resolution which would have avoided automatic sequestration and was told there was no time to do it before the March 1 cuts, and yet we went on a week of recess. We came back and I think the first week we were back we had but one vote, one vote only, and yet we are told there is no time.

Here we go again, no Budget Committee meetings to produce a budget.

It is just time that we began getting down to serious business and start putting together the budget. Under the Gramm-Rudman-Hollings law, Congress must complete action on the budget resolution for fiscal year 1987 by April 15. Does anyone think that is going to happen if theatrics such as today's so-called vote continue? I do not.

Let us put aside the posturing and get down to the business of putting together a budget.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 2 minutes to the gentleman from Louisiana [Mr. ROEMER].

Mr. ROEMER. Mr. Chairman, I thank my colleague for yielding.

I would like to respond to my good friend, the minority leader, the gentleman from Illinois [Mr. MICHEL] when he said, "Don't look at the President's budget too closely. Gramm-Rudman messed it up."

Well, it was not Gramm-Rudman that caused the President and his budget to add $34 billion in additional spending to the military to continue unabated a long-term buildup. It was not Gramm-Rudman that caused the President to set the following priorities, to increase foreign aid and decrease health care for Americans.

It was not Gramm-Rudman that caused the President to set the priority of reducing aid to public education while pulling in $2 billion in tuition tax credit.

You cannot blame that on Gramm-Rudman. You blame that on the President's priorities. That is why we need this vote today for the President to hear what we have got to say about his priorities.

I judge this budget simply. I judge it in the highest terms.

Abraham Lincoln when he was a Member of this body said, "Do you know what the difference between the American dream and the dream of everybody else in the world is? It's easy. Everybody else in the world dreams of coming to America."

That is what the President's budget is about. It is about America.

I do not like his priorities and that is what we are going to vote on today. We are going to vote about America.

That is why the gentleman from Illinois [Mr. MICHEL] is wrong. Good man though he is, he is wrong when he asks anybody in this House to be

present, but to be uninvolved. He says, "Don't vote yes or no. Vote present."

Bad advice, bad dream, bad budget. We ought to make the President hear us today.

Mrs. MARTIN of Illinois. Mr. Chairman, I yield 7 minutes to the gentleman from Colorado [Mr. BROWN], a member of the committee.

Mr. BROWN of Colorado. Mr. Chairman, I thank the gentlewoman and express my appreciation for the time to address this bill.

Let me suggest to the Members gathered here that this exercise this afternoon is a slap in the face for the budget process and a slap in the face of I think the reputation of this institution.

Let us be honest. This budget does not meet the Gramm-Rudman target. That is not my statement. That is the statement from your own folks. This budget does not meet the $144 billion deficit and the Democratic leadership has so indicated.

The Congressional Budget Office with more updated figures has remarked it and shows it as $16 billion over the budget.

The Gramm-Rudman budget axe clearly indicates that it is out of order to bring a budget to the floor that does not meet the $144 billion target.

Our very rules call for it. It is a fundamental tenet of trying to get our budget deficit under control to say that we are not going to consider a budget that is not under $144 billion in deficit.

The simple fact is this is brought up, it is a political game. It is a slap in the face at the integrity of the process that we have tried to adopt to bring this under control.

I have great respect for the gentleman from Louisiana who just spoke. He talked about foreign aid and defense.

Let me share with this body what the reality is. I voted against the defense authorization and appropriation bill since I have been in this body. I believe there is one authorization, but every defense appropriation bill I voted against; but let me tell you how they pass it, because they passed it. There is not a cent that has been spent in the last 5 years for defense in this country that was not approved by this body.

And do you know who passed it? Both Democrats and Republicans, and if you want to check the RECORD, the majority of Democrats voted for those defense appropriation bills.

To stand up and point the finger at the President for the spending that the majority of Democrats in this Chamber voted for is ludicrous and every Member in this Chamber knows it.

On the foreign aid bill, I have not voted for foreign aid, but I can tell you, the majority of this Chamber has. To blame the President for the explosion in foreign aid spending may sound like good rhetoric, but it overlooks the fact that the majority of the Members of this Chamber have been the ones who pushed that foreign aid forward.

Now, let us be honest. What this involves is a cute political trick. It is business as usual where we forgo what is good for the country and play games. Is there anyone here who does not believe that?

The reality is we need a new approach. What we are dealing with is more important than the Democratic Party or the Republican Party. It is the future of our country and anybody who does not believe this budget is not out of control is simply not keeping their eyes open.

What can we cut? Can we possibly make the budget fit? We have a honey program that takes American production of honey and puts it in warehouses while we import the product that is sold in this country.

For heaven's sake, if you cannot eliminate a silly program like that, what can you do?

But we do not vote on that today. The democratically controlled Rules Committee would not permit amendments.

We have got a land program that puts land into production, at the same time we have a program that takes land out of production, but we cannot vote on that today because the Democratic Rules Committee would not allow that to be offered.

We have 1,200 guards on Capital Hill to guard our offices up here. We have as many guards as we have people on the U.S. Mexican Border Patrol, but we cannot vote on that today because the Democratic Rules Committee would not allow it to be considered.

This process is an insult to the American people. Let us dispose of this, go back to the committee and draft a bill. Let us not anymore consider a process that avoids the problem and avoids solutions. Let us go forward with a process that allows a vote in the committee and a vote on this floor on the issues before this country. Let us be strong enough to face the issues and vote on them. Let us solve the problems, not turn our backs on the needs of the American people.

This process is a game. It is a game where all Americans loose.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Colorado. I am glad to yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, the gentleman has introduced a budget committee of his own, with some illustrious help?

Mr. BROWN of Colorado. With a number of my colleagues, I have introduced a budget.

Mr. FRENZEL. The gentleman did not have any trouble putting it together, the trouble with making the choices, is that correct?

Mr. BROWN of Colorado. The very difficult choices, but the budget itself reaches the $144 billion figure with properly adjusted CBO figures and it does it without major tax increases.

Mr. FRENZEL. I am kind of surprised that the gentleman as a private member and I using our own staffs and a few other members were able to complete a budget.

It surprises me that the Budget Committee with the vast resources of a hundred or more staff people and an expense of several millions of dollars, the vast resources of the Congressional Budget Office, whose expense are even more, which has hundreds of underemployed economists working night and day in windowless cells that whole aglomeration has been able to come up with nothing other than the President's budget.

We do not have a budget from the Budget Committee or from the Democrats. What does the gentleman suppose is inhibiting them?

Mr. BROWN of Colorado. I am glad they are here today and will perhaps speak for themselves. I think it is important they address that, but I must tell the gentleman, I think it is a failure to deal with the issues and an unwillingness to come forth with a budget of their own.

Mr. FRENZEL. Well, if the gentleman will yield further, I think this is important. As I understand it, the Budget Committee has not met recently and the Democrats are meeting in some kind of caucus action and moving around.

I really think that taking the time of the House with this adventure is mischievous. I believe the President's budget should be considered if he wants it, or they want to consider it, when they present their budget, when we get a chance to present our budget and when other Members of the House or other significant Members of the House present their budgets. They can be considered one against the other, but to bring this budget up here in a separate sequence, it seems to me simply reveals the committee is not getting its job done.

□ 1515

It is willing to spend a day in caucus, a day in the Committee on Rules, a full day on the floor, instead of doing the job that it is his obligation to do under the rules of the House.

Mr. BROWN of Colorado. I believe the gentleman has stated the situation correctly.

The CHAIRMAN. The time of the gentleman from Colorado [Mr. BROWN] has again expired.

Mrs. MARTIN of Illinois. Mr. Chairman, I will yield 1 additional minute to the gentleman from Colorado [Mr. BROWN].

Mr. GRAY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Colorado. I yield to the gentleman from Pennsylvania.

Mr. GRAY of Pennsylvania. I thank the gentleman for yielding.

Mr. Chairman, is it not true that the gentleman went to the Committee on Rules yesterday and withdrew his request to make in order an amendment so he could produce his own budget today on the floor? He did not ask the Committee on Rules for an amendment so that he could produce it as a part of the voting process and debate it?

Mr. BROWN of Colorado. I am not sure the chairman had an opportunity to stay for our presentation. We brought a fully prepared, ready-to-go budget, along with the appropriate amendment and the appropriate papers.

Our purpose was to offer it as a substitute for the Democratic budget and, unfortunately, as the gentleman knows, there was no Democratic budget to offer it as a substitute for.

So we did not refuse to withdraw it or offer it. We went to offer it as a substitute for the Democratic budget.

Mr. GRAY of Pennsylvania. I want to thank the gentleman.

In other words, you have a budget but you wanted to offer it as a substitute for a Democratic budget as opposed to a substitute for the President's budget. That is correct, what the gentleman said?

Mr. BROWN of Colorado. The gentleman is exactly right and, of course, he understands that the budget that we are referring to is the budget that properly comes out of the Committee on the Budget, as our rules call for.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. RUSSO], a member of the Committee on the Budget.

Mr. RUSSO. I thank the gentleman for yielding this time to me.

Mr. Chairman, Benjamin Franklin once said, "If a man empties his purse into his head, no man can take it away from him. An investment in knowledge always pays the best interest." Unfortunately, Mr. Chairman the President has chosen to pour our purse as follows: $34 billion more in budget authority into the Pentagon and $3 billion more in budget authority into foreign aid—that's his priority. I'd like to talk about the President's budget for education because it reveals a tragic shortsightedness about the real sources of our national strength.

In the simplest terms, the President's education proposals threaten our economic vitality, our national security, and our children's future. A growing economy, a healthy society, and a strong defense depend on an educated and knowledgable citizenry. It is knowledge that our machines, develops our ideas, manages our business, and places America in the forefront of scientific advance.

The President refuses to recognize that our citizens want an adequately funded system of education. Polls indicate that 70 percent of all Americans want education funding to be increased or stay the same. In contrast, 56 percent do not want an increase in military spending.

Our citizens realize that education is the real source of growth and productivity. However, the President ignores the pulbic's wishes. His blueprint for American greatness, instead, cuts education funding from $18.4 billion in fiscal 1986 to $15.2 billion in fiscal year 1987. Fewer young adults will-have the opportunity to go to college—fewer people will confront the mysteries of science—fewer people will be qualified to run the sophisticated computer systems our society relies on—fewer young Americans will master the intricacies of the business world—fewer people will discover cures for the illnesses which plauge our society—fewer Americans will learn the skills to represent this great country in international athletic competition—fewer students will be inspired to teach future generations the secrets of our modern life—fewer handicapped and disadvantaged children will receive the special attention they need to realize their potential. The President has presented us with a blueprint, all right, a blueprint for a home with closed doors and broken windows.

The President has chosen to force-feed the Pentagon at the expense of education. Cutting education, is like fighting a war with plenty of guns and no ammunition. Yet the President continues to super inflate the defense budget. A recent GAO study of the 1986 Defense Department budget recently discovered an inflation windfall from 1982 to 1986 of over $40 billion. In the last few months of 1986 alone the over estimation for inflation reached $7.5 billion This $7.5 billion, which is currently gathering dust in the Pentagon, equals almost one-half of the education budget. Wouldn't the education of our children be a better use of this money?

We must understand that education is as important as defense. We all know this is true. And yet this administration continues to propose a broad array of cuts which are truly astonishing in their magnitude. In 1980, the Federal Government provided only 9.2 percent of education spending: In 1985, this dropped to only 6.2 percent. This has amounted to a real decline of 15 percent. One out of seven young adults fails to finish high school and one-fourth to one-half of these dropouts are currently unemployed. The cuts in students financial assistance would result in 1.4 million students being dropped from the rolls. The cuts in Pell grants alone would cause almost 300,000 students to lose their awards while cutting the grants of another 500,000 young Americans.

Is this what America stands for? America has always been the land of promise and opportunity. Is this becoming a thing of the past? A better future, filled with every opportunity, is something that all parents want for their sons and daughters. And education is the way to achieve this goal.

It is wrong for this administration to deny young adults the possibility of a better future—it is wrong for this administration to impose an excessive burden of debt on those seeking self-improvement—it is wrong to waste the potential of our own children—it is wrong to develop weapons systems rather then minds—it is wrong to adopt funding policies that hasten the day when a quality education is available for only the wealthy—it is wrong to ignore the threat of ignorance—I hope that my colleagues will recognize this basic inequity and vote down President Reagan's blueprint for the future which denies a brighter future to many young Americans.

Rev. John Richardson, president of DePaul University, my alma mater, recently stated: "Students are the most important resource this country has. Our future depends more on these people than on all of the armaments we can amass." I ask my colleagues to heed this wisdom and reject the Reagan administration's budget.

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield?

Mr. RUSSO. I yield to the gentleman from Montana.

Mr. WILLIAMS. I thank the gentleman for yielding.

Mr. Chairman, we have heard this consideration of the President's budget today called mischievous, and referred to as a charade and President-bashing. I think all of that is nonsense.

I think, as the chairman of our committee has said, the President's budget is a roadmap to get to the future of which President Reagan so eloquently speaks. It contains his solutions.

The American people know that there is too much illiteracy in America. What is the solution in this budget? The President eliminates funding for the Nation's libraries.

The American people know there is too much jobless among America's youth. What is the President's solution in this budget? He eliminates 379,000 young Americans from jobs next summer.

The American people understand that college tuition costs are rising at record rates. What is the President's

solution? He takes 250,000 college-bound youngsters off of eligibility for loans next year.

The American people know that immigration in America is a problem. What is the President's solution? He eliminates education for America's immigrants.

The American people and President Reagan know that the basic reading, writing, and arithmetic is a problem in this country. What does the President do? He eliminates $8 million for chapter I, the program that teaches moderate-income children reading, writing, and arithmetic.

And the worst of it is, what does the President do with the money? He gives it to "Cap" Weinberger at the Pentagon.

We indeed should be talking about these solutions and this President's roadmap.

Mrs. MARTIN of Illinois. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. PORTER].

Mr. PORTER. I thank the gentlewoman for yielding this time to me.

Mr. Chairman, I want to express first my profound respect and admiration for the chairman of the Committee on the Budget. He is truly, in many ways, an amazing man.

Yesterday he went before the Committee on Rules not as chairman of the Committee on the Budget, but personally, and asked for this rule and the consideration of this resolution, and then the rule came out taking jurisdiction away from his own committee. So this is a man of great power who can personally take jurisdiction away from his own committee by a rule that, if it did not exist, would create a resolution that is terribly out of order, and I have to admire the smart lawyers who put the answer to the House on the point of order of my colleague, the gentleman from Colorado.

Mr. Chairman, I am also amazed that the chairman of the Committee on the Budget has time to be here, and time yesterday to be before the Committee on Rules, because it seems to me we are using up valuable time in this political exercise that is very, very much needed in getting a budget resolution that can be passed by the House of Representatives and the Senate, too, before these bodies.

Before Gramm-Rudman, the date for having the resolution out on the floor was April 1. There has been no markup scheduled by the chairman of the Committee on the Budget, as I understand it, and here we are with the clock ticking, valuable time being lost playing these kinds of games.

I have to ask the chairman, where is his budget? The gentleman from Minnesota [Mr. FRENZEL], the gentleman from Colorado [Mr. BROWN], and I offered our version of what a responsible budget ought to be, a freeze on outlays in almost every function, and yet ours meets Gramm-Rudman without a tax increase. Our staff worked on it for some months. It is time, Mr. Chairman, that we see your budget.

No one, I think, believes that the House of Representatives will be in actual session with votes on March 24 and 25. After that we are scheduled to recess for the Easter holiday. So as I read the schedule, Mr. Chairman, you have next week in which to bring a budget resolution before the House or fail to meet the deadline that we provided by law less than 6 months ago.

Mr. Chairman, I do not knock giving people the opportunity to criticize the President's priorities. I do not agree with every one of them myself. But it seems to me that it is time we had a commitment from the chairman of the Committee on the Budget that he will, in fact, have a budget on the floor for us to consider next week, that we will have a chance to vote on it, that we will have a chance to offer, as a substitute for it, the budget that we put together ourselves.

So let me ask you, Mr. Chairman: Can you give us an assurance that you will have a resolution?

Mr. GRAY of Pennsylvania. Mr. Chairman, will the gentleman yield on that point?

Mr. PORTER. I yield to the gentleman from Pennsylvania.

Mr. GRAY of Pennsylvania. I thank the gentleman for yielding.

Mr. Chairman, let me point out, because it has been mistakenly stated here on at least two occasions today, that according to Gramm-Rudman there is a requirement that by April 1 there must be a budget passed by the House.

□ 1525

I would think if you would read the Gramm-Rudman Act, you will find that that is not true. The April 1 deadline that you are talking about applies to the Senate, I believe, and there is no April 1 deadline for the House. It is April 15.

So I would just say to the gentleman I have a little bit more than next week.

Mr. PORTER. Let me respond to the gentleman and say that the April 15 deadline is for a budget resolution to pass into law, so if you do not have one out by next week, it seems to me that there will be very little opportunity to conference with the other body on a budget resolution and get the job done. I simply say to the gentleman it is fine to vote on the President's budget resolution; let us do it. But let us see what you have to offer. We would like to get on with this process and meet the deadline.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from New York [Mr. DOWNEY], a senior member of the Budget Committee.

Mr. DOWNEY of New York. Mr. Chairman, our Republican colleagues are embarrassed by this exercise. They are embarrassed because the President's budget is an embarrassment. The most shameful of which happens to be the money that the President asks us to spend on defense. That is why the President's budget is in such terrible shape.

If you take a look at what we have spent during the Reagan years, we have spent over $1 trillion on defense. Yet the President continues to insist that we are behind the Soviet Union in military power. Indeed, a House Armed Services Committee report has suggested to us that this trillion dollars has not really bought us very much.

What is the President's response to this? Is there a wholesale examination of how we do our defense business? Well, there is a look at it, but what there really is, in a defense is more of the same.

In 1980, we spent about $140 billion on defense. Last year that amount was nearly doubled, it was $268 billion that we spent on defense. The President wants to spend $34 billion more on defense this year, a 12-percent increase, when every other aspect of the budget, save foreign aid, goes down.

What does this President suggest? He tells us that if you spend more for defense, you will be stronger and, in fact, we are marginally stronger, but not that much stronger. Not $1 trillion stronger.

But when you take a look at the other side of the coin on education, and the President says, oh, but if you spend more on education, you will be stupider, if you spend more on health, you will be sicker, if you spend more on training programs, you will increase unemployment. This is a world turned upside down. The American people will not accept this budget and neither should we. The party of Lincoln and Teddy Roosevelt in this House is going to walk away from their leader as well they should. But I pray that they don't vote "present." We are elected to take positions not avoid them.

Mrs. MARTIN of Illinois. Mr. Chairman, I yield 4 minutes to the gentleman from Utah [Mr. NIELSON].

Mr. NIELSON of Utah. Mr. Chairman, an old farmer was asked how his wife was, and he answered, "Compared with what?"

I think that is the problem today. We are asked to evaluate the President's budget without looking at alternatives.

In previous budget years, both in 1984 and 1985, we had a series of budgets. The President's budget was presented, we had a Democratic substi-

tute, we had a 92 Group substitute, we had a 21-percent solution from the conservative wing of the Democratic Party, we had a Darnemeyer proposal, we had a Black Caucus budget, and we had a regular minority budget. We had a whole retinue of things to look at, and comparing all of those budgets, we were able to make decisions.

I voted against the President's budget last time because it was not my set of priorities, but how is it to be compared right now? I have no choice. I will simply vote "present" because there is no alternative presented.

I agree with some things that have been said. I do not agree with the President's priorities in everything. I have been a supporter for a long time of both the handicapped and vocational programs. In fact, the original program to help the handicapped receive a free education was provided by a bill I sponsored in the Utah State Legislature. I am proud of that, and the principle was later made into public law on the Federal level.

I would like to say also that we do have a deadline coming up on the 15th of April. You can argue the 1st or the 15th of April, but the fact is we are out of session between the 26th of March and the 7th of April, and that does not leave very much time to consider any of the sets of alternatives at all.

I am dismayed that the Budget Committee has not met on a bipartisan basis. I know that Budget Committee members have met in little groups to some extent, but the committee has not really put anything together. It would appear to me that this would be the appropriate thing to do in connection with other budgets.

I do not support the 12-percent increase in the military. I think that along with the other agencies defense should share the pain. I voted with the 92d Group budget and the Republican alternative last year. I voted with the conservative Democrats in 1984. I vote for those budgets which are responsible, and I will do so again. I think there are many on this side as well as the other side of the aisle who want to look at all of the alternatives.

The previous speaker said that the budget the President presented is an embarrassment. It has to come down to a $144 billion deficit. I suggest and I predict that any budget that comes before this Congress that has to come to $144 billion deficit will be an embarrassment because it will have to cut a great many programs. The pain will have to be shared in a great many areas. We will have to make difficult choices, and it will be such that no one will accept any budget with any great enthusiasm.

I am waiting to see whether the budget produced by the Budget Committee might also be an embarrassment.

I am also concerned about the fact that when we first came here in 1983-84, we could not wait to pass 20- and 30-percent increases to make up for the so-called lost time of 1981-82. Last year we sobered up a bit and we were more responsible. The realities are with us now and we are waiting to see how we can get a budget resolution which is not an embarrassment. I am willing to look at all possibilities and to work with any group. But I think we must be responsible.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 2 minutes to the distinguished deputy whip, the gentleman from Arkansas [Mr ALEXANDER].

Mr. ALEXANDER. Mr. Chairman, for citizens who are watching this debate today, I suspect that they are confused. People are confused because Members of this body are talking about several different subjects, and citizens are also confused by the Federal budget. While the size and scope of the budget are complicated the purpose is simple.

The Federal budget is a statement of two goals. It is: First, a statement of fiscal policy; and second, a statement of the President's priorities for the Nation. Those are the basic purposes.

It is first a statement of fiscal policy. Since 1969 when I first became a Member of the Congress, fiscal policy stated in each President's budget has been to spend more money than anticipated to be received in tax revenues. That policy has prevailed for 16 years with exceptions in 1970 and 1971.

What we have this year is another fudge-it budget, a budget which does not do what the President says that it is supposed to do. It is a fudge-it budget just like the last 16 years of budgets.

I would note also that during 17 of the last 19 years, Presidential spending requests have exceeded the amount of spending allowed by Congress in all but 2 years.

The data for 1986 are incomplete because the year is incomplete. The data for 1987 are incomplete because the year begins on October 1, 1986.

Facts which may be useful in reviewing the table:

The data are for on- and off-budget requests, spending, and deficits;

The data in the "President's Spending Request" column reflects the request presented by the President early in the calendar year with the same date as the fiscal year, thus, do not include supplemental spending requests submitted by Presidents later in the year;

The data in the "Spending Congress Allowed" column are those reported in Budget of the U.S. Government, fiscal year 1987, submitted by President Ronald Reagan on February 5, 1986;

Fiscal years 1969 through 1976 began on July 1 of the previous calendar year, that is, fiscal year 1969 began on July 1, 1968;

Fiscal years 1977 through 1987 began, or will begin, on October 1 of the previous calendar year, that is, fiscal year 1977 began on October 1, 1976;

On March 10, 1981, President Reagan modified the fiscal 1981 presidential spending request and his modified number is shown; and,

Economic conditions affect Federal spending.

During the 19 years covered by the table, the President has been, or will be a Republican in 15 years; and, a Democrat in 4 years.

During the same period, the majority party has been—Democrat in the House of Representatives for 18 years; Democrat in the Senate for 12 years—1969-1980; and, Republican in the Senate for 6 years—1981-1986.

General elections in November 1986, will determine the majority party in the House and the Senate in 1987.

COMPARING PRESIDENTIAL SPENDING REQUESTS WITH SPENDING ALLOWED BY CONGRESSES—1969 THROUGH 1987

[Dollars in billions]

Fiscal year	President's spending			Surplus (+) or deficit (−)	President [1]	
	Spending request	Congress allowed	Difference		Democrat	Republican
1969	$183.7	$183.6	−$0.1	+$3.2	Johnson	
1970	197.9	195.6	−2.3	−2.8		Nixon
1971	212.8	210.2	−2.6	−23.0		Nixon
1972	236.6	230.7	−5.9	−23.4		Nixon
1973	249.8	245.7	−14.9	−14.9		Nixon
1974	290.3	269.4	−20.9	−6.1		Nixon
1975	351.8	332.3	−19.5	−53.2		Nixon
1976	390.9	371.8	−19.1	−73.7		Ford
1977	422.0	409.2	−12.8	−53.6		Ford

COMPARING PRESIDENTIAL SPENDING REQUESTS WITH SPENDING ALLOWED BY CONGRESSES—1969 THROUGH 1987—Continued

[Dollars in billions]

Fiscal year	President's spending: Spending request	Congress allowed	Difference	Surplus (+) or deficit (−)	President [1]: Democrat	Republican
1978	473.7	458.7	−15.0	−59.2	Carter	
1979	505.4	503.5	−1.9	−40.2	Carter	
1980	580.3	590.0	+10.6	−73.8	Carter	
1981	678.8	678.2	−0.6	−78.9		Reagan [2]
1982	745.0	745.7	+0.7	−127.9		Reagan
1983	822.2	808.3	−13.9	−207.8		Reagan
1984	870.0	851.8	−18.8	−185.3		Reagan
1985	959.1	946.3	−12.8	−212.3		Reagan
1986	979.9	(Data incomplete—year ends September 30, 1986)				Reagan
1987	994.9	(Data incomplete—year begins October 1, 1986)				Reagan [3]

[1] The President listed is the President who made the spending request.
[2] President Reagan, on March 10, 1981, modified President Carter's final spending request for fiscal year 1981, thus President Reagan's request is used. Fiscal Year 1981: Budget Revisions, March 10, 1981.
[3] The request data is based on President Reagan's initial request as submitted on February 5, 1986. Budget of the United States Government Fiscal Year 1987.

Data sources: Budget of the United States Government for fiscal years 1970 through 1981, 1982 through 1987. These documents are submitted by the President. Fiscal Year 1981: Budget Revisions submitted by President Reagan on March 10, 1981.

□ 1535

Congress has allowed more to be spent than requested by Presidents only 2 of the last 19 years. Check the data. Let the numbers do the talking.

Since Congress allows less spending than Presidents request, why do budget deficits occur?

The bottom line answer to this question is that Presidents regularly propose that the Federal budget operate at a deficit—that Federal spending be greater than Federal revenues.

For instance, on March 10, 1981, President Reagan, in a budget message to the Congress estimated that total Federal revenues for fiscal 1981 would be $600.2 billion and requested that Federal spending be $678.8 billion. Congress allowed spending to be $678.2 billion, or $600 million less than the President requested.

The table below shows the revenue, outlay, and deficit totals President Ronald Reagan proposed for fiscal years 1981-87, and the actual revenue, spending, and deficit data.

[Dollars in billions]

Year	President proposed: Revenue	Spending	Deficit	Actual year results: Revenue	Spending	Deficit [1]
1981	$600.3	$678.8	$78.5	$599.3	$678.2	$78.9
1982	626.7	745.0	118.3	617.8	745.7	127.9
1983	597.5	822.2	224.8	600.6	808.3	207.8
1984	670.1	870.0	199.9	666.5	851.8	185.3
1985	736.9	959.1	222.2	734.0	946.3	212.3
1986	777.1	979.9	202.8	([2])	([2])	([2])
1987	850.4	994.0	143.6	([3])	([3])	([3])

[1] Based on President Reagan's March 10, 1981, proposals. Fiscal Year 1982 Budget Revisions, March, 1981.
[2] Actual data will not be available until after Fiscal Year ends on September 30, 1986.
[3] Fiscal Year 1987 begins October 1, 1986. Actual data not available until after fiscal year ends on September 30, 1987.

Data Sources: Budget of the United States Government Fiscal Year 1983 through 1987, and Fiscal Year 1982 Budget Revisions, March, 1981.

Note: The document titled Budget of the United States Government is an official document submitted by the President of the United States. Fiscal Year 1982 Budget Revisions was an official document submitted by President Ronald Reagan in March, 1981. All budget documents used as data sources were submitted by President Reagan.

Therefore, I reject the President's budget on the basis that it is not sound fiscal policy. It has in fact added to the President's policies of creating the largest deficits in history during his last 5 years in office.

Mrs. MARTIN of Illinois. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Chairman, I quote:

No President, no President in the history of the United States—not Franklin Roosevelt, not Lyndon Johnson, not George Washington or Thomas Jefferson—ever demanded of Congress that we lie down submissively and give him every last detail just as his minions order it. No President has ever demanded that we allow the Office of Management and Budget to write our legislation.

Have we come to this? Has the Congress of the United States—the last repository of the people's will—come to the point that we are willing to let an appointed official in the Office of Management and Budget dictate every last scintilla, every last phrase of law, to tell us what precise provisions we may and may not pass in carrying out his mandate to reduce by $36 billion the cost of Government?

That was the distinguished majority leader, Mr. WRIGHT. Mr. WRIGHT saying things far different a couple of years ago than he said in this well today.

When the politics of the moment a couple of years ago demanded that we stand up for the integrity of the legislative process, we get statements like that. When the politics of the moment dictate that we come to the floor with this charade, well, we get the statements like we are getting on the House floor today.

The chairman said a little while ago, the chairman of the committee, my distinguished colleague from Pennsylvania; said: What we are debating is choices.

We are not debating any choices out here today. There is no choice. We have the President's budget before us, and you can vote one way or the other: There is no choice. They have made no choice on the majority side about what their priorities will be. Everybody has to meet that target of $144 billion of deficit. What tough choices are going to be in their budget?

We are hearing nothing about that. We are engaged in an exercise out here of some Presidential budget-bashing or, more precisely I would say to my colleagues, some defense budget bashing. Because person after person has come to the floor here suggesting that what we want to do is slash defense.

I would suggest that if their budget, when it comes forward, is going to take it out of the hide of our fighting men and women. If what you are going to do is cut defense muscle for this country, that that is not a choice that very many of the American people are going to want to do either.

That is beginning to sound like what your budget is going to contain.

There is one other point I think we ought to recognize, too, as we go through this exercise of Presidential budget-bashing, and that is we do have a budget before us without tax increases in it. The President's budget does not require the American people to pay any more taxes. What is your budget going to do?

Are you going to require more taxes? When you went down to the Greenbriar here recently, we heard a lot of talk about tax increases. Well, my guess is that that is going to be one of the options that you would like us to consider. Already, some of your leadership has suggested that the President ought to get on board for some grand compromise of tax increases.

Well, that is not a choice that very many of my constituents would endorse.

I would also suggest that there are some things down in the present budget when you vote "No" today that you may want to consider that your "No" vote is a little bit questionable.

For example, we in Pennsylvania have to pay the full amount of our utility bills. We've got to pay the full price for electricity in Pennsylvania, and there are places in the West that we are subsidizing.

The President's budget suggests that maybe we ought not subsidize utility bills in other parts of the country. And maybe, like in Pennsylvania, people ought to pay the full cost of utility bills? Well, when you vote for this, or against the President's budget, you are voting to say that we in Pennsylvania ought to pay the full price of utilities, but other people should not have to do that.

Well, you know, I would guess that maybe somebody might want to raise that as a political question since this is a political exercise, anyhow.

It is obvious, it seems to me also, as we hear people talking here about spending more, more, more, in all these various areas, that what their choice is really is for bigger deficits as well, and we know from last year's budget process, the budget that we produced here last year, that is what we got.

You know, we were told we were going to get $56.2 billion of budget savings. You know what we ended up with? According to CBO, this agency that we hear quoted all the time, we have ended up getting $4 billion of deficit reduction out of last year's budget.

The budget that we produced that many of us said was smoke and mirrors last year has given us $4 billion in deficit reduction, not the $56.2 billion that we were supposed to get; and how did we get the $4 billion? Well, because of Gramm-Rudman.

We hear Gramm-Rudman criticized out here all the time, but the fact is that only because of Gramm-Rudman did we get any deficit reduction at all, if it had not been for Gramm-Rudman, the budget that we produced in this House last year would have given us $8 billion more of deficit, not $56 billion less of deficit.

We are concerned about that kind of priority, and I would say that we ought to have a real choice out here, not the kind of thing that is happening today.

The CHAIRMAN. The gentleman has consumed 5 minutes.

Mrs. MARTIN of Illinois. Mr. Chairman, I yield 2 additional minutes to the gentleman.

Mr. MACK. Will the gentleman yield?

Mr. WALKER. I yield to the gentleman.

Mr. MACK. The gentleman has mentioned the term Gramm-Rudman several times, and I guess I am mystified. I thought that one of the requirements of Gramm-Rudman was that if a budget comes to the floor of the House it has to meet a certain target; $144 billion.

During the last several weeks, Mr. Chairman, there was a hearing that indicated that the President's outlay number for defense, underestimated the outlays.

Mr. WALKER. By CBO, is my understanding.

Mr. MACK. By the Congressional Budget Office. I think that the Congressional Budget Office is one of those that is supposed to kind of look over the shoulder of Congress and determine whether we are meeting the targets.

How can we have the budget resolution come to the floor of the House, even though it is the President's, I understand, that does not meet the target—is there a game being played here?

Mr. WALKER. Well, we have a simple matter of the majority playing politics. What we had was a rule that overruled the rules of the House so that we could come out to the floor with a budget resolution that would typically be in violation of the rules of the House.

I mean, it is a neat little game: They go to a 2 to 1 Rules Committee that they stack against us, and they come up with this rule, and then the Chair rules in favor of a process which, by every measure, is a violation of Gramm-Rudman that is supposed to protect us from this kind of thing happening.

That is what happened; we have got the majority forcing their political will on the House.

Mr. MACK. Will the gentleman yield?

Mr. WALKER. I yield to the gentleman.

Mr. MACK. Is there an implication in the fact that this budget resolution has come to the floor with the outlays that the President has indicated; is that saying the President's outlay projection is correct, then?

Mr. WALKER. My guess is that we have to accept the fact that the President's figures are indeed right, and everything that we heard before was just an obfuscation for political purposes before. Because now what we have had is, we have had a ruling by the Chair of the House of Representatives, by the Speaker of the House, that in fact the budget was in order; that suggests that the President's figures are correct.

Mr. MACK. So then we do have a budget that the President has put forward that meets the target of $144 billion?

Mr. WALKER. That is the ruling of the Chair of the House of Representatives. That is correct.

Mr. MACK. And this particular proposal does not raise taxes?

Mr. WALKER. This particular proposal does not raise taxes; that is right.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Arizona, Congressman MO UDALL.

Mr. UDALL. Mr. Chairman, there are many serious problems with the President's Budget. Today I want to bring to the attention of the House just a few of the serious problems that I have found with the Reagan budget in the programs that are within the jurisdiction of my committee.

The administration asks us to sacrifice programs for American Indians, Alaska Native peoples, and the peoples of the U.S. territories and commonwealths, and other American citizens so it can increase funding for its own agenda which is far out of line with the needs and priorities of all our people including those who most need help.

It is unfair to sacrifice these programs to the misguided priorities of this administration.

We who represent the people who live in the small towns, the reservations, and the islands stand with the mayors of our cities in redressing this radical attempt to imbalance our Nation's priorities.

As a people we believe that an outstanding Republican and conservationist, Teddy Roosevelt, was right to set aside unique lands for national parks, and the Congress should continue to do so.

Mr. Chairman, the committee which I chair—the Committee on Interior and Insular Affairs—is the trustee for the American people when it comes to protecting their lands, their resources, and their heritage. It is, also, the trustee for people whole voices fre-

quently go unheard—the native Americans who live on our Indian reservations and the millions of Americans who live in Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands.

Now I want to address several specific problems I have with respect to Indian programs, territories and the land and water conservation fund as they are proposed to be funded in the President's budget.

Mr. Chairman, the programs of the Bureau of Indian Affairs, except for education, and the programs of the Indian Health Service are within the jurisdiction of my committee. We need only look at the President's budget request for these two agencies to see the basic unfairness of the administration's budget.

Mr. MACK. Will the gentleman yield?

Mr. UDALL. I will yield briefly to the gentleman.

Mr. MACK. I am just curious if the chairman could tell us what the figure that he recommended to the Budget Committee, as far as the expenditures for his committee would be? It would be helpful to those of us on the minority side who are trying to put a budget together, if we could know that figure.

□ 1545

Mr. UDALL. I will get to those later in my statement. I would be glad to work with the gentleman on getting adequate funds for Indian programs.

The basic unfairness of the administration's budget can be seen looking at the programs of Indian health service. We have a special trust responsibility for the Indian tribes and their members.

The United States has a special trust responsibility for the Indian tribes and their members. The Indian people are almost solely reliant upon the programs and services made available by these two agencies. Yet despite this special responsibility, our Indian citizens remain the most destitute and impoverished in the Nation.

Official unemployment on the reservation is about 35 percent and real unemployment ranges from 50 to 80 percent.

Nearly half of the Indian families live on incomes below the national poverty standards.

Nearly 40 percent of the Indian housing is in a substandard, unacceptable condition.

In the critical field of health care and status, Indians lag behind the rest of the Nation by almost every indicator. In the words of the recent report of OTA on Indian health, "* * * Indian health is a generation behind that of the U.S. non-Indian population * * *"

Mr. Chairman, even in this era of Gramm-Rudman and high Federal deficits, we might expect the administration to seek budget increases for these two agencies to enable the United States to meet its unique responsibility to Indian people or, at least, to maintain current program effort.

But, unhappily, I must report that this is not the case.

The President's fiscal year 1987 budget request proposed to impose a $126,000,000 cut on the Indian Health Service, a cut of nearly 16 percent. Mr. Chairman, Indian people in this country already bear an unacceptable burden because of inadequate health care. This new cut would simply impose additional human suffering on them.

For the Bureau of Indian Affairs, which provides a broad range of programs and services for Indian people, the administration is proposing a cut from fiscal year 1986 of approximately $35,000,000. With poverty a way of life on Indian reservations, this kind of cut is unacceptable to my committee. This is particularly true when the cut is taken in light of severe cuts which have been made and are proposed for the many other Federal social programs upon which Indian tribes rely for essential services.

Mr. Chairman, my committee has submitted recommendations on the various programs within its jurisdiction. Those recommendations generally provide that the BIA and IHS budgets should be maintained at the fiscal year 1986 level after the Gramm-Rudman reduction.

This is the minimum we should do. Even that is inadequate if we are to make meaningful progress toward solving serious Indian health problems, toward ending poverty on Indian reservations, and toward upgrading Indian housing.

Among the most needy and least powerful of our fellow Americans are the 3.7 million Americans of the 5 territories and commonwealths.

Their per capita incomes range to a third of the national average and their unemployment rates range to three times the national average.

Our Federal system denies the insular areas the voting influence over their future that it provides States. So, we have a trust-like responsibility to see to it that their basic needs are provided for in national decisions.

The President's budget does not pass the test on this score. It would ignore basic human needs in the insular areas.

Its most grievous violation of our responsibility to our insular Americans is its proposal to ignore the plight of the hungry in Puerto Rico. The President signed the Farm Security Act which would have increased nutrition assistance to these needy Americans just last December. But his budget would deny the increase mandated by that law.

Already Puerto Rico receives 20 to 40 percent less nutrition assistance than the States and territories participating in the Food Stamps Program. By not increasing the block grant Puerto Rico receives for its own Food Assistance Program, the President is asking us to widen that gap.

We cannot agree to worsen the discrimination created by the Reconciliation Act of 1981, especially when we began to rectify it with a law the President signed weeks before submitting his budget.

The Interior and Insular Affairs Committee's reaction to this proposal was bipartisan and virtually unanimous. We felt the same way about other elements of the President's budget regarding the insular areas.

Another important way that the President's budget fails to meet our responsibility to insular America is that it would not correct a serious injustice that even the Director of the Office of Management and Budget admits was created by Gramm-Rudman.

Throughout this century, the Federal Government has collected taxes, customs duties, and fees for Puerto Rico, Guam, and the Virgin Islands and transferred them to the insular governments. We are obligated to do so by the laws which establish our political relationship with the islands, some of which were adopted on a mutual agreement basis.

A basic element of our policy toward the insular areas has always been that revenues from these islands unrepresented in the decisions of how to spend Federal revenues should only be spent for the people of these islands.

Gramm-Rudman failed to make provision for this and these collections for the insular governments are being sequestered although even OMB agrees they are not really a part of the Federal budget.

We have a responsibility to correct the error and restore the amounts withheld.

The President's budget would also deny the Interior Department a portion of the money it needs to pay the Federal share of the debt of the Guam Power Authority. Since the system serves both civilian and military needs, imperiling the financial position of the utility could undermine important Federal responsibilities.

The President's proposal to substantially increase spending for essential public infrastructure in the Northern Mariana Islands is a step in the right direction. But it makes little sense in light of his proposal to decrease meeting similar needs in American Samoa and Guam.

These islands have critical needs for medical equipment and facilities needed to give their people access to the quality of health care to which every American is entitled.

The President's proposal to eliminate the small amounts being spent this year to develop the tremendous indigenous, renewable energy resources of our insular areas is penny wise and pound foolish.

Their current costly and almost total dependence on imported oil is an economic burden to the Nation as well as the islands themselves. It can be alleviated by development that is a bargain by comparison.

Our islands in the Caribbean and the Pacific are our insular borders in strategic regions of the world. They serve national interests just as we have responsibilities to them.

Hit far harder by budget cuts than any other area of the Nation, we need to meet our responsibilities better than we have and certainly better than the President proposes.

Mr. Speaker, for 5 long years now my committee, with the strong support of the Appropriations Committee and the House, has fought off the misguided efforts of the Reagan administration to gut or to misuse the land and water conservation fund. This is the sole source of Federal money not only for Federal park land acquisition, but also State and local parks, and other vital outdoor recreation and conservation needs. One of Secretary Watt's highest priorities during his lamentable tenure was to stop Federal, State, and local acquisition and development and to turn the fund into an operation and maintenance account for the park service.

If my committee has learned little else over the years, it is the foolishness of this approach. Not only do the American people overwhelmingly support the fund's activities, it also is abundantly clear that failure to finance the fund only pushes off onto future budgets the higher costs of today's inaction—whether it be through escalating land acquisition costs, unfinished projects in community after community that must be finished at a later date or through damage to resources that must be mitigated at great expense. I might add parenthetically that the fund's activities are so important and the lack of money for them so destructive that President Reagan's own Commission on Americans Outdoors is seriously considering ways to dramatically increase spending and make the fund self-financing.

We in the House defeated Mr. Watt's effort and have defeated the proposals of each subsequent Secretary to starve the land and water conservation fund into ineffectiveness. The pressures of Gramm-Rudman must not now be used as the excuse to achieve this extremely shortsighted piece of the administration agenda.

The administration's proposal this year is, once again, unrealistic and unacceptable.

Last year's minimal appropriation to the Park Service of $48 million for land acquisition and $50 million for grants to the States would be slashed by $83 million. The Park Service would have just $15 million for land acquisition. The administration wants to rub salt in that wound by seeking a rescission of almost $20 million in fiscal year 1986 in land acquisition funds and $36 million in State grants. The Fish and Wildlife Service is reduced from approximately $39 to $1.5 million, the Forest Service drops from $27 million to just over $3 million, and the Bureau of Land Management gets nothing at all.

This is Secretary Watt's old moratorium wine in a new bottle. It was wrong then, and it is wrong now. To those who say the fund must take cuts like everybody else, I say we already gave at the office. During the Carter years we appropriated up to $900 million annually for the fund. Now we are fighting for $150 to $200 million. This is a reasonable and realistic funding level that acknowledges current fiscal realities without adopting the radical and needlessly destructive approach of the Reagan administration.

Mr. Chairman, once again the President has sent to the Congress the same misguided proposals that we have rejected in his past four budgets. The Congress will have to again reject this budget and maintain the priorities that it has established over the past 4 years so that the needs and interests of the American people will better be served.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland [Mr. BARNES].

Mr. BARNES. I thank the distinguished chairman of the Committee on the Budget for yielding to me. It is a great honor to serve under his leadership as a member of the Committee on the Budget.

Mr. Chairman, as cochairman and founder of the Federal Government Service Task Force, I have seen President Reagan submit the same shortsighted proposals over and over again.

The proposals offered in this year's budget are all repeats of past, unsuccessful offerings.

It is critical that we reject these proposals or we will drive our best Federal employees out of Government service.

Previous cutbacks have already taken their toll. Most of the original leaders of the space shuttle program have left for the private sector where they can make two, three, four times as much money. I don't mean to criticize the new people, but who knows whether what happened is the result of the fact that we lost a lot of our most experienced people.

If the President's proposals were implemented, the value of the Federal compensation package would be substantially reduced. Coupled with the failure of the comparability system, which has left Federal employee pay lagging 19 percent behind the private sector, implementing these cuts would send a signal to Federal employees that we don't think they're worth much. That is wrong.

COLA'S

Under this administration we have seen delayed COLA's, diet COLA's and last year we got the un-COLA. The President now proposes to continue the un-COLA into 1988.

If the January 1987 COLA is frozen, Federal retirees will have received only two inflation adjustments, worth 7.5 percent, in the 57 months since their COLA's were first delayed. During that time, inflation has gone up nearly 23 percent. That means Federal retirees have been denied two-thirds of their adjustments.

Social security recipients have been getting their adjustments. Over the past 10 years, social security retirees have received 10 percent more in COLA's than Federal retirees. We should not pit these groups against each other, we should treat them equally.

This year marks the 65th anniversary of NARFE, and I think that's a good time to show our good faith to Federal retirees who kept their end of a bargain made many years ago.

STRUCTURAL CHANGES

In addition to the COLA freeze, the President has proposed several structural changes to the retirement system.

The key number in the President's proposals is two.

When COLA's resume, he proposes to pay them at 2 percent less than inflation. While that sounds like a modest cut, if inflation continues to run around 3 percent, that means a 66-percent cut in the adjustment.

He also proposes to change the method for calculating annuities by 2, by changing the base from a high 3-year average to a high 5-year average. If implemented, this proposal alone would cost the 1986 retiree 7 percent of his or her annuity through 1990, a loss of over $1,000 a year.

The President again has proposed to raise the retirement age to 62, and penalize employees who retire early by cutting their benefits by 2 percent for each year they are under 62.

In addition, he proposes to increase employee contributions to the retirement system by 2 percent—from 7 percent to 9 percent. All these changes would mean that Federal employees are paying more money for fewer benefits. That is unfair.

PAY

Although the President's final recommendation on pay won't be made until the fall, after his pay agent reports on the disparity between private

and Federal pay, the budget proposes a 3-percent raise for Federal employees, delayed until January 1987.

That would not bring Federal pay anywhere close to where the law says it should be. Title 5 states that Federal employees should be paid wages comparable to their private sector counterparts. Yet, for the past 10 years, their pay has lagged far behind.

Last year, the Advisory Committee on Federal Pay found that Federal salaries are now over 19 percent behind private sector pay. Taking a longer view, in the 10 years ending in 1985, inflation has outpaced Federal pay, also by 19 percent. So, when people say that Federal employees have gotten raises, that's not really right because those raises haven't even kept pace with the cost of living.

CONCLUSION

The Wall Street Journal recently reported that for 1986, the average private sector pay raise was 6.9 percent. Federal employees got nothing.

It is awful what we are doing to our public servants. We are driving the best people out. Any manager can tell you that if you don't pay decent salaries, you won't get top employees. Our Nation cannot afford that. Now more than ever we need a first-rate Federal work force that can make the most use out of fewer resources.

If we implement these cuts, our top producers will leave Government service to work for employers who appreciate their work and give them 7 percent raises.

We must show them that we appreciate their work. This country boasts the finest civil service in the world and we need to hang onto it.

The administration is once again being pennywise and pound foolish. Under the guise of cutting costs, President Reagan is gutting a major part of Federal employees' compensation.

It is up to us to once again reject these proposals and show our commitment to the people who carry out the policies and programs that we set. If we adopt the President's shortsighted view of Federal compensation and benefits, we will find ourselves with a workforce that is unable to function.

We need, and the American public deserves, the highest caliber Federal employee that we can find.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia [Mr. JENKINS].

Mr. JENKINS. Mr. Speaker and my colleagues, there has been a great deal of talk today that this is a political charade.

I want to be perfectly honest. When we speak of the 1984–85 budget a year or so ago we were inundated on this side of the aisle with mail saying, "Do not change one word of the President's budget, do not change a single word." And then when we finally adopted a budget, the President himself was continually saying, "I sent a budget up and the House would not consider it."

So, yes, I insist, as a Member from the Democratic side, that we give due consideration to the budget of the President of the United States. He ought to have his opportunity to have his priorities considered by this body today. And Members from the Republican side of the aisle can do whatever they desire to do. You can run, but you cannot hide. I believe I have heard that saying before, "You can run, but you cannot hide."

If you want to increase foreign aid, then vote for this budget. If you want to decrease Medicare, which we have increased by 70 percent over the last 4 years where old people are now paying $800 a year for a hospital visit out of their own pockets, whereas it was $300 4 years ago, then vote for this budget. But do not vote "present;" stand up, don't hide. Say, "I support my President. I support his budget. I support it today." Do not be ashamed. Do not be embarrassed. We all love the President. We simply believe his priorities are wrong. We simply believe that we ought to look after the handicapped a little bit more before we look after foreign aid; we believe we ought to look after education, we believe we ought to look after American people first.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I only have 1 minute. If you will give me time after I finish.

Mr. WALKER. I do not have any time.

Mr. JENKINS. We believe we ought to look after Americans first. We do not consistently oppose foreign aid. We understand the need for it at times. But we believe that in a time of crises there is a time for our priorities. We believe that we deserve a better set of priorities for education, for the handicapped, from the standpoint of the hungry in this Nation, and our own Third Worlds within the borders of this country. We believe that we ought to have the opportunity to set our own priorities. So I say to you rather than vote "present" if you do not like the President's priorities, do as we shall do on this side of the aisle and vote "no." Thank you.

Mrs. MARTIN of Illinois. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. I appreciate the gentlelady yielding.

Let me say that since we passed the Gramm-Rudman proposal, I have had a steady stream of people who have entered my office to really talk about what the impact of Gramm-Rudman will be in fiscal year 1987. They have said, "Can we do anything to avoid actually implementing Gramm-Rudman in fiscal year 1987?" I am talking about everybody. Everybody in this Congress in fact wants to avoid the enactment of Gramm-Rudman in fiscal year 1987. That is why I am so disappointed today because as the steady stream of people comes through my office I tell them everyone in Congress, when you look at the tremendous vote we had in passing Gramm-Rudman, everybody in this Congress is sick and tired of coming to this floor and raising the national debt without any formula or hope for ultimately getting this budget under control. Gramm-Rudman is going to force us to work together.

What I am disappointed about today is we bring a working document, and that is essentially what it is, a working document from which the Budget Committee is able to start. We bring that to the floor and we say, "Are we going to pass it? Are we going to accept the President's priorities?" Everybody in this House has disagreements with some of the priorities of the President. It is a working document. In my hand are three pages worth of changes that were made in the Carter years under President Carter's budgets. Budgets really only are a working document. Then the Congress works to try to shape priorities.

Now what do I tell these people when then come in? What do I tell them to ease the fears of veterans who go to "SONNY" MONTGOMERY to talk about how do we avoid Gramm-Rudman effects on veterans? Or who wants to go to NANCY JOHNSON and talk about the effects on transportation? Or the people who go to anybody who serves on the Committee on Agriculture? The answer is we have got to forget our partisan affiliations, we have got to drop some of our own parochial interests and on this side that means for those interested in transportation we have got to drop some of those parochial interests, on defense the same thing. We have got to work together. So what I am disappointed about is we are running out of time to work together to avoid Gramm-Rudman. Yet we bring a political document up on the floor now.

Now I mean you all know this is not going to pass. Why do we bring it up? All it does is really put us at odds again. If we are going to do this, if we are going to be able to effectively avoid Gramm-Rudman, pass a budget that is compassionate, pass a budget that still provides for the defense needs of this country, and pass a budget that is fiscally responsible, we have got to stop playing politics on this floor because we flat out are running out of time.

I say to the chairman, as he knows, I was willing to accept one of his budget recommendations in the last Congress out of a spirit of good will, and I urge my colleagues on the Budget Commit-

tee to not get hung up on one or two issues but let us work together.

I ask the chairman today: Let's stop the politics, let's stop the infighting and let's do something for the country. Let us do something for our constituents who come into our offices.

Let me just conclude by saying we can avoid these effects of Gramm-Rudman. I believe we can get a budget. I have talked to our chairman. I have talked to a number of people on the Democratic side of the aisle and on the Republican side. Let us forget our parochial interests for a while, let us forget them, period. Let us drop our party labels, let us work together, and let us stop this kind of nonsense before it is too late for the American people.

Mr. MACK. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I would be glad to yield to the gentleman from Florida.

Mr. MACK. The gentleman referred a couple of times to the fact that we are running out of time. You know when I first heard that during this budget cycle? Do you remember back in January or early February when some of us suggested that maybe there were some more reasonable approaches to the sequester that was going to take place on March 1 and suggested that each of the committees ought to decide where they are going to make the cuts and where they are going to make the reductions so that rational thought will be put into the process? Do you remember what the response was? We do not have time. Apparently nothing has happened during that time that was going to be devoted to putting the budget together because we have no alternative on the floor today.

So I share the concern of the gentleman for time.

Mr. KASICH. I guess a legitimate argument could have been made about the time factor in the last cycle. But no argument can be made today that there certainly is enough time to do this thing intelligently and to avoid these across-the-board cuts.

I can tell you that the leadership on our side has said repeatedly that they want to be able to work this thing out. I think they can. I believe the gentleman from Florida believes we can work it out if we are all willing to give a little bit and that is what the nature of being able to pass a budget is.

But we are not starting it when we get the politics raised in this Chamber and try to argue that we are going to pass this budget in total. I do not agree with many of the priorities the President establishes. It is a working document, something by which Congress can come togther, Republicans and Democrats, and put something together that makes sense for our country.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Alabama [Mr. BEVILL].

Mr. BEVILL. Mr. Chairman, I would like to express some concerns over the President's fiscal year 1987 budget request for programs under the jurisdiction of the Energy and Water Development Subcommittee of the Appropriations Committee.

With regard to water development programs, the President's budget is generally supportive of the legislation we included in the supplemental appropriation bill last year. Legislation for cost sharing and certain user fees is currently being considered by Congress. While I have certain reservations about user fees, my subcommittee will certainly follow whatever legislation that is enacted.

I do have a number of serious reservations with regard to the President's fiscal year 1987 budget, however.

The budget proposes the sale of a number of the Government's assets. These include the sale of the Bonneville Power Administration, the four other power marketing administrations and parts of the uranium enrichment program.

I have not seen any analysis by the administration as to the benefits of such a sale, but I have heard from constituents that see the potential for increased electrical rates.

I am also greatly concerned with the budget proposal to eliminate the job creating, economic development programs of the Tennessee Valley Authority and the Appalachian Regional Commission. These programs are vital to the continued ongoing health and education of Appalachia, the Tennessee Valley and the country.

With regard to the Department of Energy, I am not significantly concerned with the total request, but my committee will have to review carefully the balance of Energy Research and Development.

We will need to be assured that we are not allowing the wasteful cancellation of nearly complete projects with significant investment to date.

The budget for the Defense portions of the Department of Energy is at a healthy level. We are conducting hearings on these programs and will include our recommendation in the fiscal year 1987 appropriation bill.

In general, that portion of the President's budget that falls under my jurisdiction is adequate in total, but may require a number of significant adjustments to the President's proposed priorities.

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Mr. MACK. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to the gentleman.

Mr. MACK. Mr. Chairman, I was curious if the gentleman could give us a figure that his committee is going to be dealing with that we might be able to consider.

Mr. BEVILL. Mr. Chairman, for the gentleman's information, my subcommittee has come under the President's budget every year. We have never appropriated as much money as he has asked for. We have never appropriated as much money as the joint resolutions of the House and Senate asked for.

Mr. GRAY of Pennsylvania. Mr. Chairman, may I inquire of the Chair how much time this side has remaining?

The CHAIRMAN. The gentleman from Pennsylvania [Mr. GRAY] has 54 minutes remaining and the gentlewoman from Illinois [Mrs. MARTIN] has 53 minutes remaining.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. FAZIO], a member of the committee.

Mr. FAZIO. Mr. Chairman, I thank my chairman for yielding me this time.

Mr. Chairman, it is rather strange that we have just been asked by our friends on the other side of the aisle to not bring this political document to the floor. That is a rather strange way to typify the budget submitted by the President of the United States, with the admonition that we not consider it dead on arrival, that we give it complete and thorough consideration.

What it really is is a statement of the values of this administration, the values of this President, what he believes in, who he wants to help, and who he thinks he must hurt.

If we look simply at transportation, I think we get a very clear view of what the President's budget priorities are. I think it is summed up very simply when we see that he wants to spend $45 million on a hypersonic plane to get us to Tokyo in 2 hours from Washington, DC, while cutting $4.5 billion from highway and transit funding after pushing through a gas tax increase just 4 years ago.

We on this side of the aisle believe that people are less concerned about the 2-hour trip to Japan than they are at getting to their jobs in rush hour every morning.

Can our constituents look forward to a balanced transportation future that cuts highways and mass transit funding by 79 percent? I think we all know they cannot. Mass transit would be reduced from $3.6 billion in 1986 to $1.2 billion in 1987, a 66-percent cut in 1 year. We will be paying higher fares and higher sales and local property taxes as we abandon our historic, and I regret to say, now declining partnership share.

The low income, the elderly and rural and urban areas will feel the greatest impact of these cuts. Sixty percent of transit riders have incomes under $20,000 a year. Fully one-third have incomes under $10,000. Forty percent are minorities, and 30 percent are too young or too old to afford or to be able to drive a car. Our highways and bridges will deterioriate, pushing the bill we pay further into the future so it impacts our children's future.

I think we all understand that we will have more potholes and more traffic gridlock in our future, because the President will not face reality. All across the land when it is morning in America, as the President's campaign theme would have it, people should think of this President's budget as they sit in stop-and-go traffic and wait at bus and subway stops for a ride to work that takes longer and longer to arrive.

We can do better, and our budget will do so. We should reject this travesty and bring a better alternative to the floor in several weeks. Transportation can accept its share of cuts, as it so frequently has been forced to in the past, but it cannot be devastated because the victims of this cut have no clout with the President.

Yes, in fact, this is a political document, and it accurately reflects the priorities of this President and his party.

Mr. Chairman, I think the time has come that we reject those priorities and move on to a future that has some promise for all Americans, not just the favored few.

The President has proposed ending the Federal subsidy for Amtrak. This means that Amtrak would no longer exist. All passenger train service in this country would end and Amtrak would be forced into bankruptcy. What exactly would this mean?

First, 25,000 employees would be out of work.

Second, The Federal taxpayer would lose over $3 billion that has been invested to make the system modern and safe.

Third, Amtrak would be unable to sell its assets for little more than scrap value leaving an unfunded liability of at least $2 billion in labor protection payments required by law.

Fourth, the Federal Government, as Amtrak's largest stockholder, would receive nothing for its initial investment.

Fifth, other freight and passenger trains that use Amtrak's tracks, such as Conrail and SEPTA, would lose so much business that their viability would be questionable.

Sixth, the 1 million passengers who use Amtrak each year, primarily for their commute to work, would for the most part be left without transportation to a job.

And lastly, if these passengers did try to use airplane or highways instead of Amtrak, the additional congestion in the Northeast corridor would be unmanageable. The head of the Federal Aviation Administration has already said so in congressional testimony.

Obviously, the President's proposal has no merit whatsoever—it would waste money already invested by the taxpayer and cause considerable costs for current taxpayers. The proposal would not only impact severely on the livelihood of individual Americans, but be a financial ripoff of all Federal taxpayers.

FUNCTION 450: COMMUNITY AND REGIONAL AGENCIES DEVELOPMENT TALKING POINTS

THE PRESIDENT'S BUDGET

The President's proposal for the community and regional development proposal should be viewed in the context of his overall policy for aid to State and local governments.

The President's 1987 budget proposes $89.1 billion in budget authority for aid to States and localities an approximate 25 percent reduction in just 1 year.

In the community and regional development function he proposes budget authority of $3.80 billion compared to a CBO 1987 baseline of $7 billion, a 46-percent reduction.

The reduction in this function is accomplished by significantly reducing or eliminating almost every program in the function, including all of the significant urban and rural community assistance programs.

The largest program in the function is the $3 billion Community Development Block Grant Program which is divided 70 percent to urban communities and 30 percent to rural communities.

The President proposes to reduce the 1986 program funding from $3 billion to $2.5 billion by deferring $500 million. Next, he proposes to reduce the overall 1987 funding level to $2.6 billion—including the $500 million deferral.

This is a prelude to the complete elimination of the Community Development Block Grant Program in his future budget submissions. He is taking a program that we the Congress already reduced from $3.5 billion in 1985 to $3 billion after Gramm-Rudman and further reducing it to $2.6 billion with no program justification whatsoever. Next it will be $2 billion then $1 billion and then gone. This a program that by law must be spent 51 percent on low- and moderate-income people and in fact 90 percent is spent this way. The program is targetted to distressed communities, the urban and rural poor who need assistance. This is not a giveaway program, it is not for the rich, it is fundamentally used to provide needed housing, public works, and other job creation.

The President then has a litany of urban and rural programs that he wants to eliminate, Urban Development Action Grants, the Economic Development Administration, the Appalachian Regional Commission, The Tennessee Valley Authority, the Rural Development Insurance Fund, rural water and wastewater grants, Small Business Administration disaster loans and others.

We know these programs by their letters, UDAG, EDA, TVA, ARC, and so forth—the President thinks this is an alphabet soup that you can throw down the sink. These are people programs where there is an identifiable cost and an identifiable benefit.

Take UDAG for example, the President says the program doesn't work. I would think the President would like this program since it is a classic example of a true public-private partnership. UDAG by law leverages several private dollars for each public dollar. The President says that UDAG doesn't work, local officials know better. Visit Lowell, MA; Charleston, SC; Baltimore; and many other cities where downtowns have been revitalized, where people have returned to live, visit, and do business—you will find UDAG grants anchoring the projects. UDAG used to be funded at $675 million, we reduced it to $440 million by 1985, a 25 percent reduction in 1986 to $330 and then Gramm-Rudman to $316. The President doesn't want community development programs he wants localities to sink or swim. That's OK if your local economy is strong but it's not OK if you've got problems that need solutions.

It's the same with many of the others, eliminate Appalachian Regional Commission—this is where President Kennedy first envisioned the war on poverty—the President must believe that we've won that war but it isn't so. The poverty rate has soared in the administration and Appalachia is still lagging the Nation. We're still having only 57 percent of the children finish high school there, much better than the 33 percent in 1960 but let's finish the job.

EDA, he says it doesn't work but the House has approved a reauthorization bill 3 years in a row with almost a three to one majority each time.

Rural development insurance fund and rural water and wastewater grants are slated for termination by the President, the net effect of these proposals will be to deny a healthy environment to sparsely populated rural areas where there are insufficient local resources to provide clean water.

One more example of where I think the President's proposals are clearly mistaken is the proposal to eliminate the Small Business Disaster Loan Program. We are a Federal system where the Federal Government is a partner with the States and localities, when natural disasters strike we work together. This function has the FEMA disaster Relief Program and the SBA Disaster Loan Program. Somehow the initials SBA have become an excuse for eliminating a program. The President would keep the Disaster Relief Program and in fact requests a supplemental but he would eliminate the SBA Disaster Loan Program. When floods, tornadoes, and other disasters occur, we the Federal Government will no longer be there to help. When Governors call on the President to declare a disaster area he would now say, I can't help. And it doesn't even save any money because this is a loan program not a grant program and over time the money is paid back when people are back on their feet.

I want to make two last points. First, there are many other parts of the budget that go hand in hand with the programs in this function and serve to build our cities and communities. The President reduces or eliminates many of those programs. A fine example, is housing programs in both the rural and urban programs. We used to build close to half a million units a year. Last year we were at about a 150,000 level—now the President wants only 50,000. If he doesn't realize there are poor people who need housing now he should get out of the limousine and walk the

streets of our cities. And in function 850: There is the proposal to eliminate the General Revenue Sharing Program. I understand that this is an issue the Congress must face but I cannot understand his proposal to eliminate this year's fourth quarter payment that has been carried in the budgets of 39,000 local communities all year long.

Finally, I want to point out that the President's proposals to eliminate almost all of the urban and rural community development programs is based on his view that the States and localities of this country are running healthy surpluses and that everything is just fine and dandy with our State and local partners.

Unfortunately, all is not roses throughout the Nation. As you know the unemployment rate just jumped up from 6.7 percent in January to 7.3 percent in February. California's rate jumped up from 5.8 to 7.2 percent with almost 1 million people unemployed, Illinois' rate jumped from 7.7 to 9.5 percent with half a million unemployed and Texas jumped from 6.4 to 8.4 percent with 670,000 unemployed.

Some say this is a statistical quirk, that it overstates the case but back in December when the national rate was going down, West Virginia had a 12.4-percent unemployment rate and Alaska, Kentucky, Louisiana, and Mississippi also reported double-digit rates.

The impact of the farm crisis, falling energy prices and tough international competition evidenced by our record $148.5 billion trade deficit is shaking many State and local economies. Does it really make sense to slash State and local aid by 25 percent in 1 year?

Yes; States are running in aggregate about a $5 to 6 billion surplus with a few States having about half the surplus. But if the President's budget was adopted as is, the budget reductions assumed would exceed the year-end projected surpluses in 43 out of 50 States.

The President's budget should be rejected because his program proposals do not make sense, they are counterproductive in this area and they have no relation to what's actually happening to States and local governments in the real world.

Mr. MACK. Mr. Chairman, I yield 5 minutes to the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I do not support the President's budget entirely. My priorities are not precisely those that are reflected in the President's budget. I know that essentially all of my Democratic colleagues did not support President Carter's priorities in his budget either, because every one of his budgets went to committees and were changed by his Democratic-controlled House and Senate.

I do think the folks out there listening ought to know that this has never happened before. The President's budget has never been brought to the House floor circumventing committee consideration, and the hours that are being devoted today to what is basically a sham operation.

But what is sad about what is going on today is that it is sabotaging what was to me the most important part of the Gramm-Rudman bill. Yes, it set deficit reduction targets. Yes, it has an automatic provision that will reduce spending if we prove ourselves incapable of passing a budget that meets the needs of this Nation, and that includes addressing the deficit. But what it did that was revolutionary, the reason it was supported by Members on both sides of the aisle, was because, frankly, it was a last, dying, desperate gasp at trying to put in place a process that would enable us to write a decent budget in a timeframe that could serve this Nation, and it is that process that is being destroyed here today.

We have 10 working days left until that budget is supposed to be out of this place. That means the House has to pass it, the Senate has to pass it, and it has to come back from conference committee. So we know ourselves well enough to know that if we are not debating your budget, Mr. Chairman, today on this floor, we cannot meet that deadline. That is the tragedy of today. That is what we are doing; deceitful to the American public today.

What we should be doing here is debating our budget document, deciding what the House thinks should be the pattern of spending that this Nation should follow next year, and how we are going to take on and discharge the responsibilities to address that deficit that we know threatens our economic well-being and the lives and jobs and livelihoods of the people that we represent. That is what we should be doing today.

But instead of that, the Budget Committee has had an organizational meeting. It has had hearings. It has not begun to mark up a document. So we have 10 working days to pass a budget in the interests of this Nation, to get it through the Senate, to get through conference committee.

What is tragic about what is going on here today is that this shows the willingness of Members to dedicate themselves to sabotaging something we just constructed as a last desperate effort, and we are going to fail again.

What are the consequences of failing to pass a budget? I will tell you what the consequences are of failing to pass a budget. It is not only that we are not going to meet our deficit targets. It is that we are going to condemn administrators in America.

I talked to a friend of mine who has tried to run a jobs program to help people find employment. He has in some instances found himself in May without a budget. What does it mean if your life is on the line, your reputation, and you are spending dollars that the Congress has not finally approved? I will tell you what it means. It means that you run a niggardly timid program. Regardless of what the law is, regardless of what we promise, you run a lousy program because we are doing a lousy job passing a budget that will give you the dollars to get out there and say, "How tough and aggressive can I be in fulfillment of the statutes that govern this Nation?"

We changed the law to put the fiscal year to begin on October 1 because we could not complete our work by July 1. We did that because we said it was important to have a budget before the year begins.

There is not a town or city in America—and I represent plenty that have a population of 1,000. How do you explain to those people who govern themselves that, yes, it is March and we do not know what your revenue sharing payment is going to be in the next quarter? How do you explain year after year that we withdraw from you the right to govern this great democracy effectively?

It is out of that concern that we passed Gramm-Rudman. The deficit was only an excuse. The goals were only an excuse. We have never done things over 5 years. We make our budget each year. That was a lot of hokey stuff.

□ 1610

The automatic trigger was the kind of hammer we hoped would help us to act. But the real reforms were in the process part, and the process part said by April 15 we will have a budget out of the House and out of the Senate, and it said that by July 4 we will have passed all of the appropriations bills, and when we take that vacation we would go home with bills that everyone can look at, that the Congressional Budget Office can evaluate, that OMB can evaluate, and that in an open and clear way, as a democracy ought to function, we can get out there some measure of what is going to be the relationship between our spending plan and the needs of the Nation, and if we failed, then, yes, something automatic would happen.

But, you see, at this point if we cannot keep on track, then by July 4 we cannot keep on track and, ultimately, that ability to measure and say, "Did we or did we not measure up, did we or did we not do what the nation needs?" that opportunity for accountability will be lost, and that is what is at stake here today.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield such time as he may consume to the gentleman from Wisconsin [Mr. MOODY].

Mr. MOODY. Mr. Chairman, I rise in strong opposition to the President's budget.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 3 minutes to the gentleman from Mississippi [Mr. MONTGOMERY], the distinguished

chairman of the Committee on Veterans' Affairs.

Mr. MONTGOMERY. I appreciate the gentleman yielding to me.

Mr. Chairman, I rise in opposition to the President's budget.

Mr. Chairman, I have much difficulty with this budget as it relates to veterans. When the Acting Administrator of the VA appeared before our committee on February 6, committee members raised serious questions regarding VA's ability to provide benefits and services to which veterans are entitled, were Congress to adopt the administration's budget.

For example, under the administration's budget, personnel who work in VA hospitals would be cut by about 8,800. We cannot operate these hospitals with a personnel cut that large. Because of age, we are getting more patients in the VA system. In addition, VA medical construction would be cut about 41 percent, an amount unacceptable to our committee.

The President is recommending that the new GI bill, which only became effective July 1 of last year, be repealed. This would be disastrous for all branches of the military services. We know that 70 percent of the new Army recruits are signing up for the new program. They are paying in $100 a month of their pay for 12 months to get this GI bill. About 50 percent of the other services are signing up for the GI bill. Repeal of the new GI bill makes no sense at all. No way can the National Guard and Reserve make their strength quotas without the new GI bill.

Finally, Mr. Chairman, the administration's budget would double the current 1 percent user fee for veterans who apply for VA home loans. With home-loan interest rates at 9.5 percent, this is no time, really, to discourage veterans from buying a home or refinancing his or her home loan. This is the time for veterans to go out and get a new loan. Our committee is not going to make the VA home loan program less attractive by adding 1-percent user fee.

Mr. Chairman, I cannot support the administration's budget because it does not provide for a level of benefits and services for veterans that I think is adequate. We are not asking for an increase, but just provide us enough service and funds to take care of the veterans.

Mr. MACK. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. DANNEMEYER].

Mr. DANNEMEYER. I thank my colleague from Florida for yielding me this time.

Mr. Chairman, I would like to be able to say to my colleagues that the budget alternative that I am offering to the House for its consideration would permit us to avoid the problems that have really resulted in political stalemate since 1981 here in the House of Representatives. If we are candid with ourselves, that is where we are.

We have a President who wants to continue to build up defense spending for the country. We have a Democratic majority in the House who resist that. We have Republicans in the House who believe we are spending too much on social programs. Our Democrat colleagues in the House believe we are not spending enough. Our Democrat colleagues in the House believe we Americans are undertaxed. Our Republican President says we Americans are not being undertaxed, and so it goes.

We have a stalemate today in American politics, and it is going to go on until the people of this country decide they want to eliminate the stalemate by an election in November 1986 or November 1988, or at some time. In the meantime, we are tearing at one another because we each protect our own constituencies. I admit that I am a hardliner when it comes to protecting the President's defense buildup because I believe that is what the security interests of this Nation require. I have less sympathy for protecting social programs because I think we are, frankly, spending too much. But the suggestion that I would like to bring to my colleagues today is that we have been concentrating on the wrong item of spending in our budget, at least during this Member's 7½ years-plus service in the House of Representatives, and it is to that point that I would like to speak briefly today.

The third highest item in the budget is interest on the national debt. We are today spending 43 cents out of every dollar that we collect in general undesignated revenue as interest on the national debt. Interest on the national debt this year is $196 billion. Its meaning to every citizen in America is clear. When you seek to go into the housing market today, either as a young home buyer or to buy a home or to refinance a home, you are asked to pay 9 or 10 percent. How would you like to be able to buy a home at 5 or 6 percent interest? That is what this whole discussion means to you or persons in your personal life, loved ones of your family.

And the same interest inflation premium is in the lending rate the Federal Government has to pay. The U.S. Government today is spending about 10 percent on the outstanding debt of $2 trillion. We have it within our ability to reduce the interest expense that we spend in maintaining a national debt by the simple expedient of issuing bonds that are backed by the promise of the U.S. Government to pay interest in gold. This bond would carry an interest premium of 2¼ percent. Now, when you take the inflation premium of 7 or 8 points out of what we are paying on the national debt of some $2 trillion and drive that down to 2¼ percent, you are removing from the annual debt service expense roughly $150 billion a year, and that is the option that I would like to be able to talk about.

Unfortunately, under the rules that pervade today, this Member from California does not have the opportunity of offering that budget alternative. I would hope in the next month or two we would get around to it because I think it is time we have a national debate on what it means not only to every consumer in America to be able to borrow money at an interest rate that they can afford to pay to buy their own home, but begin to talk about the U.S. Government being able to service its debt at a rate of interest that would drive down the annual cost by $150 billion in 1 year.

What does that mean for us? It means that we can comply with Gramm-Rudman this year. It means that we can give the President his request to increase defense spending 3 percent after inflation. It means that we would let any COLA increase as the CPA would require. It means that we would not have to implement any reductions in spending for what are projected in the CBO baseline. And we would do all of this without the necessity of raising taxes. That is the option that I would like to urge to the House today. Unfortunately, as I have indicated, the rules do not permit us to vote directly on that position.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 1½ minutes to the gentleman from Oklahoma [Mr. WATKINS].

Mr. WATKINS. I thank the chairman for yielding.

Mr. Chairman, I stand in opposition to the President's budget. Let all the American people realize that we all want to reduce the deficit. The question today before the American people concerns our priorities, and I think the priorities in the budget the President has presented are all wrong.

The President has increased the military budget over 100 percent the last 5 years, and in this budget he wants 12.2 percent more increase in funds.

There is $1 billion increase for foreign aid in the President's budget as he proposes to cut health care for the elderly and education for our children.

There is a 6-percent increase in the White House budget while at the same time there is reduction of funds for the homeless.

In Biblical terms, it says we are supposed to pound our weapons into plow shares, but the Reagan budget does exactly the opposite. The Reagan budget is turning our plow shares into weapons.

We have had reductions, massive reductions, in rural programs, and I think the President is fulfilling what he wanted when he said, "We want to export the farmers instead of exporting the grain."

Let me see what the budget does. This budget will force the exporting of rural people from the land. He is cutting the rural water and waste grants 45 percent, the community facilities for rural America 62 percent, and cutting the business and industrial loans assigned to help the jobless in rural America by 87 percent. And, get this: With the rural electric the cuts and along with destroying the Southwest Power Administration the rural people will have a 90-percent increase in their electric bills, over $100 a month. That is a tax increase, a hidden tax increase, just as requiring agriculture user fees happens to be a hidden tax increase.

Let me assure you the only thing worse than Gramm-Rudman is the President's budget whose priorities are all wrong to meet the needs of the less fortunate, and to save the citizen of rural America. The President's budget would further destroy rural America—not rebuild rural America.

So I ask all of my friends and colleagues to oppose the President's budget.

Mr. MACK. Mr. Chairman, I yield 7 minutes to my distinguished colleague the gentleman from Florida [Mr. YOUNG].

Mr. YOUNG of Florida. I thank the gentleman for yielding to me.

Mr. Chairman, it looks like today, March 13, 1986, is the day the Budget Committee tries to rub Ronald Reagan's nose into something. I am not sure what, but I do not think it is going to work, because the American people are smarter than that. The American people know, for example, that the budget process includes a series of hearings and the Budget Committee making its recommendations and its reports rather than just taking a message from the White House. We have never done this before. This is very unique. But at least I guess we ought to pat ourselves on the back: We are finally doing something, even if it is wrong.

The American people know that there is a process that ought to be followed, and it is not. The American people also know that the appropriations process has just begun. The chairman of the Committee on the Budget—as is the chairman of the Committee of the Whole, and many of us on the floor today—is a member of the Appropriations Committee. We have just begun our hearings on the budget for fiscal year 1987.

I wanted to talk a minute today in this whatever it will be referred to later on, this discussion, I want to talk about something in this budget that has not been mentioned and most people try to ignore.

When you try to blame Ronald Reagan for all of the problems in the world, let me tell you something you are overlooking. When President Reagan was sworn into office in January 1981, he inherited a national debt of $1 trillion, a debt that he had nothing to do with creating.

The interest payment on that debt that year was $117 billion, and that interest payment on an annual basis has now risen since President Reagan took office to $206.9 billion estimated for 1987. That is a 76½-percent increase, making our annual interest payment on the national debt the fastest growing component of our Federal budget.

Outlays for interest payments from the national debt have grown 25 percent faster than those for President Reagan's much criticized national defense program. And as a member of the Appropriations Subcommittee on National Defense, I can tell you that President Reagan's request for 1987 is less than that amount that President Carter projected would be needed for fiscal year 1987 for national defense.

□ 1625

If it was not for the interest on the national debt that has to be paid, the average annual deficit since Reagan became President would be a mere $16.4 billion, rather than the $200 billion that we are talking about now.

The first budget over which President Reagan exercised any control, the fiscal year 1982 budget, had a $127.9 billion deficit. But $117 billion of that $127.9 was interest paid on the national debt that he had no control over.

For fiscal year 1983, the Federal budget deficit was $207.8 billion. But of that figure, $128.6 billion was the interest payment on the national debt. The Federal deficit fell in fiscal year 1984 to $185 billion. But again, the interest payment for that year rose to $153.8 billion. For fiscal year 1985, the Federal deficit was $212.3 billion. Of that deficit, $179 billion was interest on the national debt.

Estimates for the current fiscal year show that the Federal budget for this next year in effect would be balanced, yes, I say balanced, if it were not for the interest payment on the national debt. These are the figures that are estimated.

For 1986, the deficit is estimated to be $202.8 billion; $196 billion of that figure is the interest payment on the national debt. Finally, for fiscal year 1987, the budget we are now considering, it appears that the Federal Government would actually show a budget surplus were it not for the annual interest payment.

The President's projected fiscal year 1987 deficit is $143.6 billion, but the interest payment on the national debt for this same period is estimated to be $206.9 billion; $66 billion more than the deficit itself.

For those interest payments, we are not getting any hospital care or medical care. We are not getting anything for education. We are not getting anything for national defense. We are not getting anything except paying the interest on a debt most of which the incumbent President inherited when he took office.

From fiscal year 1982, the first budget submitted by the President through the fiscal year 1987 budget, President Reagan has had no choice but to request and spend $981.7 billion just to pay the interest on the national debt. Of the $1.8 trillion increase in the national debt since President Reagan became President, $981.7 billion or 91 percent of that increase has been to pay interest on the national debt.

So those who would like to blame President Reagan for our mounting national debt are laying the blame on the wrong doorstep. The fact is that those interest payments that have provided 91 percent of the increase in our debt since President Reagan took office were to pay interest on something that he had practically nothing to do with. Spending programs that have put this Nation in a near-disastrous economic situation.

Mr. Chairman, it is time that we in the House, the body that the Constitution says shall make these determinations, it is time that we quit playing the political ball games and get down to the business of not trying to avoid the hard votes through a Gramm-Rudman-type approach; not trying to avoid the hard votes through a closed rule on a reconciliation bill or something like that. It is time for the Members of this House to be willing to face up to the very difficult and very controversial and politically sensitive votes that we ought to cast, rather than hiding behind a Gramm-Rudman, or rather than hiding behind a closed rule on a reconciliation bill, or rather than hiding behind a budget resolution that may or may not be presented to this House in this fiscal year of 1987.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. I thank the gentleman for yielding me this time.

Mr. Chairman, I guess it is altogether appropriate that we gather here to provide final burial to the President's budget.

Appropriate, if for nothing else, to move on and do the job that has to be done. I think it is a very sad commentary that each year we have to gather to overwhelmingly reject a President's proposal whether it is in committee or

whether it is in the House or whether it is in the other body.

We begin a game of "budget chicken" in which we wait for the other side to make the tough choices that have to be made to try to get our budget in line. It is a lousy way to do business; we all understand that. It is what gave birth to the Gramm-Rudman approach, and it is what creates the frustration that we now deal with here.

The hope is that the President would exercise leadership in presenting a budget to the Congress that is realistic and that is serious. But instead of pulling together, he pulls apart. Instead of providing leadership, he plays games. The danger is that we too fall into the same trap. This budget is wrong; we know it is wrong, and it will fail for several reasons.

One, because if you are serious about doing a budget, it has to be joint responsibility. The President has to work with the Congress to get a budget adopted, not pull in different directions. He has known from the beginning that this was not a budget that either the other body or this body would accept and work with.

Second, if you want to pass a budget, it has to be fair and balanced in terms of the sacrifice that we present to the American people. This budget reflects the same old priorities of increasing defense, of refusing to pay for it, and of taking it out of the hides of the poorest of the poor.

Just on nutrition, an area that I deal with in the Agriculture Committee, we have recognized in this country a growing problem of hunger in our society. We have passed a Hunger Relief Act. We have passed additional proposals on the farm bill. This budget would cut $4 billion from nutrition programs. It would provide that 8 to 10 million children would no longer get school lunches; 2 million of whom are the poorest of the poor. That is the set of priorities that are contained in this budget. That is why it is doomed to fail.

I realize that there is anger and there is frustration as a result of that, because the ball has been thrown to us. I guess it is good and well that we go through this catharsis of voting on his budget and voting it down.

Let us defeat it; let us bury it. But let us also get on with the very difficult task that now lies with the Congress to find our way out of this budget morass.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. WAXMAN].

Mr. WAXMAN. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in opposition to this resolution. While I find much that is objectionable throughout this budget, I want to confine these remarks to the health proposals.

The President's budget would cut Federal health spending by nearly $73 billion over the next 5 years. According to the CBO, outlays for Medicare would be slashed by $52.8 billion, Medicaid by $9.9 billion and public health programs by $10.1 billion.

If these numbers sound big, that's because they are. They represent what amounts to a scorched earth policy for health care.

Aside from the devastation it would work upon the elderly and the poor, this health budget is remarkable in that it has virtually no public support. No one has ever accused the President of being a lousy politician. Yet he has managed to present the American people with a health budget that they overwhelming oppose.

Last month, the Washington Post and ABC News conducted a national telephone survey in which they asked 1,500 people at random whether they felt spending for particular programs ought to be increased, decreased, or left about the same.

A mere 4 percent of those polled supported a cut in the Medicare Program. More than 60 percent of those polled said they favored increased funding for Medicare. Yet the President's budget would cut Medicare by nearly $53 billion over the next 5 years, including $22 billion in a direct shift of costs to the beneficiaries.

A mere 9 percent of those polled supported a cut in the Medicaid program. Almost half—49 percent—said they favored increased funding for Medicaid. Yet the President's budget would cut Medicaid by almost $10 billion.

The poll did not ask how people felt about spending for biomedical research, maternal and child health, childhood immunizations, and other vital public health programs. But I know the answer. The American people will not tolerate the dismantling of the National Institutes of Health or our Nation's public health system. Yet that is precisely what the President's budget proposes.

The Nation's physicians, nurses, hospitals, and other health providers certainly understand the threat that this budget poses. They have joined together in an unprecedented coalition of 108 groups to oppose the President's Medicare and Medicaid cuts. They put the matter bluntly: "Neither Government nor providers can be expected to continue to deliver more care to more people for less money."

In other words, if these cuts are enacted, the availability and quality of care for the elderly and the poor will deteriorate. We are not talking about frills. We are talking about basic physician, hospital, and nursing home care.

Nowhere is this more apparent than in the President's Medicaid "cap" proposal. This is essentially the same proposal that we rejected in 1981 and again last year. It would limit Federal Medicaid payments to $23.6 million next year, regardless of how much the States need to spend in order to provide basic medical care to the poor.

According to the National Governor's Association, this would result in a loss to the States of $2.5 billion next year. The States that would be hardest hit by the cap are those in the weakest economic position right now. Florida, Idaho, Indiana, Michigan, Mississippi, New Mexico, Ohio, Oregon, South Carolina, Tennessee, and Utah would all have to increase their current State contributions by at least 25 percent just to maintain current service levels.

Obviously, few if any of these States will be able to offset Federal funding reductions of this magnitude. As a result, eligibility will be cut, benefits will be cut, payment rates will be cut, and the poor will go without needed care.

Of course, the cap would completely stymie any initiatives that the States might want to start to reduce infant mortality and morbidity. The Southern Governor's Association and the Southern Legislative Conference has recently proposed a modest, bipartisan Medicaid initiative to enable the States in that region to better target Medicaid funds on poor pregnant women and their infants. But under a cap we would not be talking about providing more prenatal care and saving more babies' lives. We would be talking about more preventable infant deaths, and more preventable lifelong disabilities like mental retardation.

The major health issue facing many States right now is how to provide health care to the 35 million uninsured people in this country. Under a Medicaid cap, more people, not less, would end up without insurance coverage and without the ability to pay for needed health care. Fewer people would be eligible, and their services would be cut back.

The President's Medicare proposals are equally unacceptable. Once again, he is proposing that beneficiaries pay higher premiums, higher deductibles, and higher copayments. Over the next 5 years, these proposals would shift about $23 billion in additional out-of-pocket costs onto Medicare beneficiaries.

The President seems to be under the illusion that Medicare beneficiaries don't pay enough for their health care already. The fact of the matter is that the elderly already spend a greater percentage of their income on health care than before Medicare was enacted. And while the President and his upperbracket colleagues might not

think much of a monthly premium increase of $21.10, it means a great deal to the 7½ million poor and near-poor elderly who rely on Medicare to protect them from spiraling health care costs.

A few years ago, we could say that Medicare spending could be cut by going after the providers without harming beneficiaries. But after 5 years of continuous cutting, that won't work. We've squeezed provider payments to the point where the quality of care available to beneficiaries is beginning to deteriorate. Further cuts will only make matters worse.

Take hospital care for example. The President would cut Medicare hospital payments by nearly $27 billion over the next 5 years. This will work major harm on those hospitals that serve large numbers of poor or very sick Medicare patients. We would be moving toward a two-class system of care, with the quality of care in hospitals used by lots of Medicare patients falling further and further behind.

I won't stand by and let the President butcher one of this Nation's great social welfare triumphs. And I know that my Democratic colleagues will not allow Medicare to be destroyed. But I can't understand why the President continues to press the members of his own party to whack away at Medicare, even though they have repeatedly shown no support for the scale of the cuts the President has sought.

Neither Medicaid nor Medicare are strangers to budget cuts. Medicaid has been cut by nearly $4.5 billion since 1981; Medicare by more than $21 billion.

At some point, further meat ax cuts will jeopardize the health and safety of the elderly and the poor beneficiaries. In my judgment, we have reached that point.

It is not just Medicare and Medicaid that are damaged by the President's budget. Many of our finest public health programs would be hit as well.

Consider what would happen to the Childhood Immunization Program. Under the President's budget, States would be forced to choose between buying the vaccines or employing staff to give the shots. And even if the States choose to use all their money on vaccine alone, the President's budget would protect 400,000 fewer children. By scrimping on funding for vaccine purchases, we will lose hundreds of millions in avoidable health care costs for sick and disabled children.

The President's budget would freeze funding for the Maternal and Child Health Program at current levels. States will have no choice but to cut back on the number of ventilator-dependent and other special needs children that these programs now serve.

The President's budget for the National Institutes of Health would mean a 17-percent reduction in the number of new and competing biomedical research grants. What does the President think has driven medical progress in this country? Why does he insist on stifling research opportunities for promising young scientists and physicians whom this country will need if it is to maintain its leadership in biotechnology?

Why does the President's budget do so much violence to our Federal health programs? Because he does not believe that the Federal Government has a responsibility to finance the delivery of health care services or research in this country. He believes that this is the responsibility of the States, the counties, and the private sector.

Well, the American people flatly disagree. Over 90 percent of the American people oppose further cuts in Medicaid. Over 95 percent oppose further cuts in Medicare.

I urge my colleagues to reject this budget.

□ 1635

Mrs. MARTIN of Illinois. Mr. Chairman, I yield 9 minutes to the gentleman from New York [Mr. KEMP], a member of the committee.

Mr. KEMP. Mr. Chairman, I thank my colleague, the gentlewoman from Illinois.

I do not know if the gentleman is watching on television in his office, but I want to join my colleagues on both sides of the aisle in welcoming our colleague, our friend and comrade in arms, the gentleman from Ohio, Mr. DEL LATTA, back to the House today. We appreciate him and have missed him and we are glad he is here.

I want to say to the gentleman from Pennsylvania [Mr. GRAY], the chairman of the Budget Committee with whom I have worked, as well as my good friend, the gentlewoman from Illinois [Mrs. MARTIN] that the purpose for which I have come to the well of the House today is to try to suggest some points that have not yet been made in this debate over how we can get our Nation toward a budget equilibrium, lower deficits, and a better economy for all the American people.

Mr. Chairman, it smacks of politics to take so many pot shots at President Reagan without offering an alternative, but that point has been made, so let me lay it aside and recognize that this is a political atmosphere. I can understand people standing up and saying that the President was wrong here and there, but I want to stand up and say that he is right fundamentally on changing the course of this Nation's economy, job climate and future. It was not so long ago that we were standing around debating whether America had much of a future.

In 1979, we wondered whether we ever would be able to get inflation down. There were some folks who said that mortgage rates were perpetually at double digit levels. Oil prices in 1979 were going toward $40 a barrel. Interest rates on short- and long-term instruments were anywhere from 15 to 21 percent, unemployment was rising, there was despair and despondency. Of course, it is not fair to say that we have cured all the macro- or microeconomic problems, but the corner has been turned. We have had a new beginning and the budget of the President is the first step in drawing the attention of the Congress, as it should be, in debating priorities. But, again, it is pretty tough to debate with Democrats over priorities because there is no Democratic budget, other than to tell us that we have got to raise taxes and slash defense.

I am only speaking for myself up here, but I do not think the American people want to weaken the modernization program of conventional and strategic forces upon which this Nation depends and our allies depend for a more peaceful world and a freer world.

Again, we can debate whether the buildup should be at 3 percent per annum or 4 percent per annum, but most of the American people recognize that you cannot defend peace through a weak defense.

Now, that is not really why I wanted to stand up here. It was to bring some good news to an otherwise gloomy debate. Even among my own colleagues on my side of the aisle, I do not think enough has been said about the progress that has been made toward achieving our goals of reducing interest rates, reducing unemployment rates, reducing prices, reducing long-term projections of deficits, as well as short-term projections of deficits.

I am going to vote "present," not to cop out, but to simply say that from my standpoint I have voted for the President's budget in the past and I can vote for it again. I am going to vote "present" because I believe that the President deserves credit. He is not getting credit for changing the debate in this country from redistribution of wealth to how to create wealth from increasing spending to bringing down spending, from raising taxes to bringing down taxes. I think the agenda is on this side of the aisle, not on that side of the aisle. That is a very partisan statement and I will just let it be.

But the fact remains that there is some good news today.

Interest rates on long-term instruments are down 4 full percentage points since last year. Each and every one of us said last year that we wanted to get interest rates down.

Mortgage rates are now in single digit levels. I think they should be lower.

Short-term interest rates have come down almost 200 points, or 2 full percentage points.

When this debate was taking place last year, and I was part of a coalition of Democrats and Republicans trying to work out a compromise on the budget, the overnight cost of money was around 9 percent. Today it is about 7½ percent.

Last year at this time 30-year Treasury paper was about 12 percent. I do not know if you noticed in the morning New York Times, it is 7.9 percent.

CBO and OMB made their projections of the deficit for the fiscal year budget upon which we are working with long-term interest rates at least 1 full percentage point over where we are right now. I do not know how much that translates into budget deficit savings, but if interest were to stay 1 percentage point below current forecasts the deficit in 1991 would be $25 billion less than it is projected to be by both OMB and CBO.

The oil price upon which CBO and OMB made their projection for the deficit in fiscal year 1987 is $26.50 a barrel. I do not know what it is today in the Rotterdam stock market, but it is closer to $16.50 than $26.50, $10 off the oil price.

Allen Sinai at Shearson Lehman Brothers, recently estimated that translates into an $85 billion deficit reduction over the next 3 years.

CBO and OMB in January 1983 predicted that the fiscal year 1987 deficit would be $300 billion. Now they are talking about $179 billion to $182 billion.

Could it be that the deficit mania misled the American people and the policymakers and the Congress? In light of the recent good news shouldn't we revise our estimates to give us a better picture as to where we are and how we are going to get to the Gramm-Rudman targets? I want to stand up and say that I do not think we need to raise taxes. I do not think we need to gut programs for the poor. I do not think we need to abolish conventional or strategic modernization programs for defense.

I would hope that after we get out of this political framework that we can get down to the business of drafting a budget that will get us from here to there, like we ended up doing last year. Do you remember when all the debate and all the politics were over. Democrats and Republicans got together and fashioned a budget? It was not perfect, but it was a heck of a lot better than just standing up and posturing day after day on who is right and who is wrong.

I just ask my colleagues, why do we not after today join together and begin to hammer out a budget?

The gentlewoman from Illinois, LYNN MARTIN, has worked harder than anybody I have seen work in a long time around here to offer an olive branch to our friends in the Democratic Party.

I would suggest the time is rapidly approaching when we put politics aside and take note of some of the good news.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield such time as he may consume to the gentleman from Missouri [Mr. GEPHARDT].

Mr. GEPHARDT. Mr. Chairman, I rise to state that the President's budget proposal is a national tragedy.

In this moment our Nation faces unprecedented challenges. It is absolutely crucial that we regain our economic strength and our position of leadership in the world economy. For the United States of America, it is now or never.

In this moment, our top priority must be to invest in the resources that will enable us to meet these challenges. And those resources are human resources. Now more than ever before we must invest in our people.

We must make absolutely sure that our citizens—all our citizens—have the education, the training, the opportunities to develop to their full potential and become creative and productive members of our economy.

This administration's budget proposal will send the country in exactly the wrong direction, at a time when we can least afford to lag on the road to growth and increasing national strength. The future the President is leading us to is not the future we want—not the future we need.

To plan for the future we want, we have to understand the present. And America today is brimming with contradictions.

When Charles Dickens wrote, "It was the best of times, it was the worst of times," he could have been talking about our era.

To hear the President tell it, times are very good. And they are—if you measure success by the number of months without recession, or by the rate of inflation, or by the corporate profits and stock prices quoted on the Dow Jones Index.

Unfortunately, that's only part of the story. Our economy isn't just a set of cold numbers laid out on a spreadsheet. The American economy's goal should be—must be—to expand and promote opportunity and empowerment—to give every one of our people the chance to fulfill their potential.

When 1 in 7 Americans lives in poverty, when at least 23 million Americans are functionally illiterate, when approximately 1 million students fail to graduate from high school every year, when almost 8 million Americans are jobless, when those Americans who are working see their paychecks and their hopes shrinking, we simply aren't fulfilling our potential.

For some, these are the best of times. But others are being told they should settle for less. And nowhere is this more clear than in the President's budget.

In his State of the Union Address, the President borrowed a line from the movie, "Back to the Future." He said, "Where we're going, we don't need roads."

A day later we got a look at his budget proposal—and according to that plan, we don't need roads—or bridges—or schools—or farms—or nutrition either. When it comes to education, or training, or housing, or nutrition, it seems this administration knows the price of everything—and the value of nothing.

Let's take a look at some of the programs, proven effective in giving our citizens the opportunities they need to fulfill their potential, that the President proposes to cut or eliminate.

Let's look first at education, that most crucial of tools. The administration proposes to spend a paltry 1½ percent of its total budget on education, all education, in this country next year. The total Department of Education funding request for fiscal year 1987 is $2½ billion less than in fiscal year 1986. And by 1991 they propose to be spending 36 percent less than we are now.

They plan to reduce guaranteed student loans by 30 percent and student financial assistance by 23 percent. The overall effect of these cuts would be to eliminate 2 million student financial aid awards and significantly reduce 1 million more. Other higher education programs are to be cut 45 percent.

But our students won't even make it to college unless they have strong early childhood, elementary, and secondary educations. And what does the President propose to do here?

The Head Start Program with its proven record of breath-taking effectiveness is starting youngsters out on the path to educational success, is to be frozen at fiscal year 1985 levels. And by the way, the Head Start Program currently serves only half of the eligible population.

Chapter I, the compensatory education programs in elementary and secondary education, is also frozen at fiscal year 1985 levels. As a result, the Department of Education estimates that 260,000 fewer children will be served by this program in 1987, and only half of the eligible population is being served now.

At a time when our unemployment rate seems stuck at around 7 percent, when the nature of jobs in this country is changing at a dramatic rate and workers need new skills, the President proposes to cut our job training programs by 17 percent, and to eliminate the Work Incentive Program [WIN]. After trying unsuccessfully to elimi-

nate Job Corps in fiscal year 1986, the administration has settled this year for cutting funding 43 percent, to reduce Job Corp's operating capacity to 1977 levels.

Just when we need to give our citizens, particularly women and minorities, every possible opportunity to start their own businesses, the President proposes to decimate the Small Business Administration, totally eliminating the loan fund and cutting the rest of the program by close to 90 percent.

Our child poverty rates are a national scandal. In 1984, 21 percent of America's children—13 million children—lived in poverty. Children in female-headed single-parent families fared much worse: 54 percent of these children lived in poverty. And remember that when children are poor, it is most often because their mothers are poor—too often locked into lives of dwindling hope for themselves and their children. This is an outrageous waste of human potential.

What is the President's response to this outrage? For the sixth year in a row he proposes massive cuts in programs for poor families and children. Children would lose another $6 billion in fiscal year 1987—and in the 5 years from 1987 to 1991, they would lose $33 billion.

Here is some of what he proposes to do to programs for poor children and families in fiscal year 1987: Cut Medicaid by 6.5 percent; cut child nutrition programs by 14 percent; cut food stamps by 3 percent; cut AFDC by 14 percent; completely gut the subsidized housing and rental housing programs.

My colleagues, I ask you: Is this any way to plan for the future? Can we ever reach our full potential as a nation if we squander our human potential in this way?

I think the answer is "no"—and I think the American people agree with me. A recent Washington Post-ABC poll revealed that the American people differ sharply with the President's spending priorities. And no wonder. It is the American people who suffer from the President's spending priorities.

A vote against the President's budget today is a vote for the American people. I urge you to vote against the President's budget proposal—to show the American people that we believe in them and that we intend to give them the opportunities they deserve to fulfill their potential and become full members of a strong and vibrant America.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield such time as he may consume to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. I am glad to join my friends and colleagues Mr. FAZIO and chairman HOWARD to discuss the President's budget request for transportation. I rise today to speak directly to the President's termination of the Federal commitment to the Washington Metrorail System.

Along with other members from the Washington metropolitan region I was taken aback by this request since it violates the continued support of administrations of both parties since 1960. This administration in particular, in testimony before the Appropriations Transportation Subcommittee last year, assured the Congress of its continued support for Metro. Ralph Stanley, director of UMTA, stated in testimony that the current administration "affirms its commitment to complete funding under the Stark-Harris authorization." Mr. Stanley went on to commit to "provide construction funding for the Washington Metrorail System until the funding provided by the Stark-Harris legislation is exhausted." It is no wonder then, that the Washington area should feel betrayed at this budget proposal which zeroes Metro out of the budget. It is a 180 degree turnaround and an irresponsible abrogation of the Federal Government's commitment to assist in building a fully operable, regional metrorail system

Breaking the commitment at this critical construction juncture jeopardizes a delicate regional agreement which provided for construction of a fully operable system with the remaining funds in the Stark-Harris authorization. These important line extensions can be quickly completed through a smooth continuation of Federal and local funding.

The House should note that local governments have continuously met their funding commitments.

Further, WMATA has worked very hard to ensure that Metro is operated efficiently and effectively. They have created a glowing success story. Metro now carries over 12 million riders each year, and ridership continues to grow. Metro has sparked over $2 billion in local development and is responsible for even more in planned future development. Fifty-five percent of all new jobs in the Washington region are located near a transit stop. And Metro aids the inner city by carrying Federal employees and other city workers into the city each day, thereby reducing congestion which would occur with their estimated 90,000 autos on the streets.

This Congress has long recognized the importance of this system for our Nation's Capital. We have consistently supported the regional nature of the system through authorizations which recognize the unique nature of the system and its special service to the Federal Government and our workers.

This Congress has recognized again and again, in the words of Chairman LEHMAN, that—

This is not just a metropolitan area rapid transit system, it is the rapid rail transit system of the capital of our country and the capital of the country that is the leader of the free world. It should be made representative of this kind of symbol.

I would say to this House, let us keep our commitment. Let us reject the President's budget and restore funding under the Stark-Harris authorization. Let us continue to build a transit system that we can be proud of, that our Nation can be proud of.

The President has proposed a meager 1-percent pay increase for Federal employees. I say 1 percent because though he has recommended a 3-percent increase for civilian workers, he has also recommended increasing retirement contributions by employees from 7 to 9 percent, thereby whittling away 2 percent of the proposed increase. This proposal again fails to close the gap between public and private pay rates, which grew to a 19-percent lag with last year's denial of a pay raise for Federal workers. If we are going to attract and retain quality people, we cannot and must not, continue to pay 19 percent less than the private sector.

Last year the House rejected the President's recommendation for a pay cut for Federal employees. This year I hope that we will reject what is essentially another pay freeze for employees. We must begin to abide by the long-ignored "Pay Comparability Act of 1970" and recommend a genuine raise for Federal employees.

Second, the President again proposes to freeze retirees' COLA's, while awarding Social Security recipients a 3.7-percent COLA. I would submit that the pain of inflation is no less severe for Federal retirees than it is for our deserving Social Security recipients. Their needs are just as pressing, and it is patently unfair to deny them their cost of living adjustment once again. We should meet our commitments to our workers and our retirees. We should accord them the dignity and security that they deserve. Because without them what we do here is meaningless. Let's send them a signal of our support and let's reject the President's budget.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 4 minutes to the distinguished chairman of the Public Works Committee, the gentleman from New Jersey [Mr. HOWARD].

Mr. HOWARD. Mr. Chairman, I rise in strong opposition to House Concurrent Resolution 296, the concurrent resolution on the President's budget for fiscal year 1987. There are many aspects of this budget that I would like to speak out against today, but I will restrict my remarks to those matters which fall under the jurisdiction of the Committee on Public Works and Transportation.

The committee has examined the President's budget very carefully and has found that it fails to provide for the needs of our Nation in many areas. The President's proposal ignores the vital elements of the Nation's infrastructure which must receive adequate funding for the good of the entire Nation. If we do not pay these costs now, we will pay more later. These needs will not disappear and must be faced.

The decision to cut these programs will have the counterproductive effect of adding costs to the budget through the additional unemployment benefits that will be paid to thousands of unemployed workers who would otherwise have jobs. These increased benefit costs must be deducted from the savings that are attributed to the reduced programs. The budget must be viewed in overall context—not as a one-dimensional accounting procedure.

In the area of highway transportation, the President's budget contains funding levels significantly below current law, levels which are inadequate to meet the capital needs of the Federal-aid highway system, and which do not adequately reflect the fiscal ability of the highway trust fund to support the highway program. Specifically, the administration's highway budget and legislative proposal cuts over $2 billion annually and virtually abandons the national goal of completing the Interstate Highway System; it ignores the accumulation of interest income in the highway trust fund as a basis for determining program levels, a disturbing and damaging break with precedent; and it provides no assurance that the President's legislative program, however inadequate it may be, even if it is enacted, will not be ratcheted-down each year by OMB or by Gramm-Rudman.

Frankly, we can see no compelling reason why our user-supported and financed programs should be subject to cuts of this dimension. Mr. Chairman, trust-funded programs don't add a penny to the deficit! In fact, they are deficit-proof by law.

Mr. Chairman, the President's mass transit budget is an assault on all users of public transportation—whether in urban, suburban or rural areas. It will provide service reductions and fare increases. What the President is saying to the working people of this Nation is your needs are not important, your transit systems are not a Federal concern. While we may not be able to get to work on the train, the President wants us to be able to get to Tokyo for lunch.

Here's what it does for local transportation programs:

It eliminates all general fund support for mass transit;

It slashes total funding by two-thirds, with no guarantee that any funds will be spent on transit under the highway/transit block grant program;

It eliminates operating assistance for the 116 largest urban areas and cuts funding in half for the smaller areas; and

It effectively halts new start and extension projects, cancels over $500 million in prior-year money, and pits highways against transit in competition for interstate transfer dollars. In short, it makes Gramm-Rudman look kind and generous.

In the area of water pollution, the President has truly proposed a dirty water budget. After years of obvious success with federally supported sewage treatment plants that have cleaned up the Nation's waters, the President has actually proposed no fiscal year 1987 funding for the construction grant program that has made these plants a reality. The President does say he will agree to a minimal amount of funding for 3 years if we enact authorizing legislation that will kill the program in 3 years, but that is an unacceptable bargain.

In the late 1970's, this program was funded at $5 billion annually. Since 1981, it has received $2.4 billion annually and, during the last fiscal year, the Federal share of the projects was reduced from 75 percent to 55 percent. To eliminate this program in the way the President has proposed ignores the health and environmental needs of the American public. The people want clean water and I hope this Congress will recognize the importance of this program in fighting water polution. We should be acting to eliminate pollution as quickly as possible, not eliminating our antipollution programs.

It should be made clear that these transportation and pollution programs must be funded. If we do not do it in fiscal year 1987, it will be done in 1988 or the next year or even later. But the longer we wait, the more expensive it will become and the worse the problem will be. These programs are essential elements of our governmental responsibility in providing for a smoothly functioning society and they should receive proper funding.

□ 1650

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from South Dakota [Mr. DASCHLE].

Mr. DASCHLE. Mr. Chairman, this is the first debate this year as we consider the President's budget this afternoon to decide what matters, what matters for us in determining where we put our limited resources. What matters for us determining what is most important as we look to the fiscal 1987 budget.

The President is saying what matters is national security, that in the name of national security, he wants the taxpayers to cough up another $34 billion, to provide $100 million in aid to the Contras, that to provide for this funding and yet meet the deficit reduction targets for this fiscal year that we must eliminate 43 programs in the Federal Government now providing for the needs of our Nation, while cutting hundreds more.

In the name of national security, just in the two areas of Government of veterans benefits and agriculture, this is the most destructive budget ever proposed to the House of Representatives. It cuts extension by 59 percent, that is 59 percent. It cuts export promotion by 20 percent while eliminating entirely the rural electrification and telephone programs.

In the name of national security, it cuts the GI bill. It eliminates 8,900 VA medical personnel. It eliminates 57,000 patient visits to VA hospitals just in the next fiscal year.

If this House has been criticized for anything, it has been criticized because we have not accepted the President's position on what matters in this country. Well, we have a chance today. If the President is right, support this budget. If he is wrong, oppose it. If you do not know, vote present.

I think he is wrong. I think the administration is looking at national security with blinders on. National security is supporting more than just something that explodes. It depends upon how educated we are, it depends upon how we care for those who have fought for this country. It depends upon how we care for the land and those who farm it.

This budget does not enhance national security, it jeopardizes it and it does not signify what matters, it paralyzes it. I am convinced that it would be overwhelmingly rejected by the American people if this afternoon they were the ones voting on this budget. I know that it will be rejected by the House this afternoon.

I yield back the balance of my time.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 2 minutes and 30 seconds to the gentleman from California [Mr. MINETA].

Mr. MINETA. Mr. Chairman, I would like to take a couple of minutes to bring to the House's attention the impact of the President's fiscal year 1987 budget on the Nation's aviation programs.

Yesterday the Aviation Subcommittee, which I chair, held hearings on the President's budget for the Federal Aviation Administration and the National Transportation Safety Board. We, of course, knew the dollar amounts a few weeks ago when the President submitted his proposals to the Congress. But what we learned yesterday was most illustrative of how this administration really feels about maintaining the safety and capacity of our Nation's aviation system.

In the executive branch's development of the budget, the FAA requested $1.4 billion for carrying out their facilities and equipment program. This is the program that is aimed at modernizing the air traffic control and navigation systems and implementing long overdue safety improvements, such as radar to detect dangerous wind shear conditions.

The administration told FAA: No, only $825 million will be spent to meet those safety and capacity needs. What was realized in our hearing and in earlier discussions with the Administration was the fact that the $825 million figure was not arrived at through any project-by-project analysis of needs or priorities. It was simply an amount dictated from on high. Apparently FAA was told that they'd have to take this substantial cut, and it was left to them to work out the details so that there would be the least damage to the safety and capacity of the system. They are still sorting out which particular programs would have to be curtailed, but there is no question that the safety and capacity of our Nation's aviation system would be damaged by the President's proposal.

In another area, Congress has authorized just over $1 billion for grants at local airports for needed safety and development projects. The President again wants to limit spending to $712 million. Projects such as runway overrun areas that saved an Eastern shuttle flight here at National Airport will not be funded to the extent necessary. Projects for new and longer runways to enhance the capacity and efficiency of the system will have to be foregone, creating further delays in the system.

On the operational side, the subcommittee received most distressing news about the air traffic controller work force. At the Congress' behest the administration finally came around to the view that more controllers are needed. But we learned yesterday that a significant number of the new hires were only going to be offsetting normal attrition in the controller work force. It must also be added that the administration staffing levels are substantially below the staffing levels specified in last year's continuing appropriations resolution. The air traffic control system, which we all know to be stretched to the limit today, will most certainly continue in that state under the President's budget.

Mr. Chairman, I could go on for some time about the implications for the President's budget for aviation safety and development. In brief, the President is proposing that the Government step way back from its important role in aviation safety. I oppose the President's budget for a wide range of reasons, but in my capacity as Aviation Subcommittee chairman I want my colleagues to know that the aviation aspects of the budget are not in the interest of the traveling public—especially since these programs are paid for by user taxes—not the general budget—and there's a $3.2 billion unobligated balance now in the aviation trust fund.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 1 minute to the gentlewoman from California [Mrs. BURTON].

Mrs. BURTON of California. Mr. Chairman, some Members of this House say we should not vote on this proposal. I ask them: If the President was not serious about this budget, why did he send it to us? We have a responsibility to vote on this proposal, not to simply ignore it and hope that no one will notice the poor judgment that went into its drafting.

My colleagues who object to this vote should have joined my good friend BILL GRAY when he and his committee traveled across this country to hear what people think of this budget. In San Francisco, my hometown, witness after witness came before the committee and detailed the loss of opportunity, the suffering and the neglect that would result from this budget.

Mr. Chairman, the budget we will vote on today is so unfair, so distorted in its priorities, that I could spend the entire day highlighting only its most outrageous proposals. I urge the Members of this House to listen to this debate, to hear from members of those committees that have spent years developing effective and valuable programs that will be devastated by this budget. Listen, and then vote against this ill-advised budget.

□ 1700

Mrs. MARTIN of Illinois. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. BARTON].

Mr. BARTON of Texas. Mr. Chairman, I speak in support of the President's budget. Do I agree with everything in the budget? No, I do not. I think perhaps that the President has requested too much for defense; I think perhaps the President has cut some of our farm programs too severely. I agree with my colleague from California that some of the aviation programs have perhaps been subjected to too severe cuts; but I do agree with the overall thrust of the President's budget.

Just what is that? First of all, the President does not request or require any tax increases. I think the taxes that the American people pay are too high now, and they should not be subjected to any higher tax increases.

I agree with the President that we need to make every effort to meet the deficit targets of the Gramm-Rudman bill, that a majority of Members in this House recently voted on, right before Christmas.

I agree with the President that we need to restore the historical balance between Federal spending, State spending, and local spending. I agree with the President that those things that can best be handled by the private sector should be handled by the private sector.

Those are significant things that I think the majority of my colleagues, if they will sit down and reflect, would agree upon.

There are several things that I think need to be pointed out about the President's budget. Many Members in this body would have the American people believe that spending is going to be cut. That is not correct. Spending is actually going to rise in fiscal year 1987 as compared to fiscal year 1986 by $14 billion, rising from $890 billion to $994 billion.

Receipts are going to go up if the President's budget is enacted, by $73 billion, from $771 billion to $850 billion. Obviously, receipts are not as large as outlays, so there is going to be a deficit; and we need to begin to reduce that deficit.

Many Members are against the President's budget because they have strong reservations about one particular program that is very important to their district, or two particular programs or three particular programs.

I have similar reservations about some of the programs, but we have to look as the deliberative body that makes the law, that passes the budget, we have to look at the larger picture. The President has done that.

I would ask the question: Is it wrong to encourage welfare recipients that can work to work? The President says yes; I say yes; I think a majority of the American people say yes.

Is it wrong to set Government loan rates at levels that at least allow the Government to recover its cost of borrowing. I think it is right, the President thinks it is right, and I think we should support him in that area.

Is it wrong to encourage efforts to combat such high priority issues as drug abuse and drug smuggling? I think it is right; the President thinks it is right, and I support him in that area.

Is it wrong to eliminate those programs that no longer serve any useful purpose such as the Interstate Commerce Commission? I think not.

Is it wrong to eliminate programs such as Amtrak that help very, very few Americans? I think not.

The bottom line: Is it wrong to begin to set spending priorities and to make some decisions? I think not, so I support the budget that the President has proposed. I hope my colleagues will vote for it. I intend to vote for it.

I would point out that we have no alternative at this point in time. Our distinguished colleague, the chairman of

the Committe on the Budget, has not yet brought forth any alternative budget. For this reason this may not be the best budget, but right now it is the only budget that we have; it meets our national objectives, and I think we should vote yes for it when we have that opportunity.

The CHAIRMAN. The Chair will state that the gentlewoman from Illinois [Mrs. MARTIN] has 21 minutes remaining, and the gentleman from Pennsylvania [Mr. GRAY] has 29 minutes.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield such time as he may consume to a distinguished member of the committee, the gentleman from Michigan [Mr. WOLPE].

Mr. WOLPE. Mr. Chairman, I rise in strong opposition to the President's budget proposal for fiscal year 1987. I do so because the President's budget priorities, in my view, ignore entirely the fundamental economic challenge facing this country: Creating and protecting jobs for Americans by restoring America's competitiveness in international markets.

The competitiveness of American industry—both at home and abroad—has become a vital issue of monumental concern to American business and American labor. And the essential role American education must play in helping business and labor restore our Nation's competitive position is now almost indisputable.

In the last 30 months, no less than 17 national studies have been concluded on the topic of industrial competitiveness. And initially all of these studies—including the report of the President's own Commission on Industrial Competitiveness—argue that the effort to rejuvenate our Nation's trade performance must begin with a "no-holds-barred" commitment to accelerating our rate of investment in these areas: in education, in research, and in worker training and retraining.

But this budget ignores that advice. This budget doesn't merely relegate this cluster of issues to the back burner—this budget takes them off the stove altogether.

Japan—with half our population—graduates twice as many scientists and engineers as the United States every year! Is it any wonder, then, that Sony, Mitsubishi, and Hitachi are becoming household words while Zenith, General Motors, and 3M are laying off workers? There is no question that we must increase the pool of scientists and engineers from which American industry can draw its personnel. Nonetheless, this budget would actually cut Federal aid to higher education by 25 percent, and reduce the number of advanced-degree students graduating from American colleges and universities by slashing the Guaranteed Student Loan Program by 30 percent.

American colleges and universities now conduct about 12 percent of all American research and development and about half of our basic research. But at a time when these institutions face substantial, growing and unmet needs to replace obsolete research equipment and modernize existing laboratories, the President proposes to cut funding for university-based research facilities by $78 million. These reductions will surely hamper the process of modernization needed to support local industry's attempts to boost technological competitiveness and to develop new products.

Finally, as American industry continues its difficult adjustment to the new realities of high-tech manufacturing, it will need to draw upon an American work force that is equipped with new and highly flexible skills. That work force will not magically appear overnight. Developing that work force will require a clear national commitment to worker training and retraining. But this budget ignores that need. The President proposes to eliminate the Trade Adjustment Assistance Program, and to make deep cuts in the Job Corps and Summer Youth Employment Program. Moreover, the President would reduce Federal funding for vocational education by 32 percent, and would accomplish those savings by eliminating the general improvement, innovation and expansion of vocational educational services.

Mr. Chairman, in January of 1985, the President's Commission on Industrial Competitiveness warned that "Americans must take on the challenge of competitiveness as the economic agenda for the next decade." It's a warning that we must heed. The stakes are very high.

No one denies that soaring Federal deficits must be brought under control—that is not the issue. The issue is how we—as a Congress and as a Nation—will choose to achieve deficit reduction. To target for budget cutting those programs that promise to see our Nation through its difficult economic transition and to boost our competitive position both at home and abroad is a foolhardy proposition and should be rejected.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield such time as he may consume to the gentleman from Missouri [Mr. VOLKMER].

Mr. VOLKMER. Mr. Chairman, I've just returned from several days in my district—several days of trying to explain to my constituents just what the President's budget will do to rural America. They did not want to believe that this budget will devastate rural America, including my ninth district of Missouri.

Mr. Chairman, education is vital to my district. But apparently education is not vital to this administration. This budget will cut student loans, this budget will gut vocational education, this budget will cut from $10 million to $4 million funding for extension at the University of Missouri, this budget will put higher education beyond the dreams of many.

But far worse for the majority of my constituents will be the damage this budget will inflict on the farmers and agribusiness in my district. This budget will devastate funding to REA and mean higher electrical bills to all coop members. These farmers can't afford higher electrical bills. Rural housing will be cut. Under this budget there won't be any more housing projects vital to our rural elderly. Rural highway funds will be cut, soil conservation will be ignored, rural water and waste systems will be curtailed under the budget. The list goes on and on. In a year's time the President will be hard pressed to come to my district in Missouri and find one person who has not been adversely affected by this budget.

Mr. Chairman, this budget is wrong. When you hurt rural America you hurt all of America. My people are hurting enough. America is hurting enough. It's time this administration rethought its priorities.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Chairman, in listening to this debate, one would think everything was milk and honey. Mr. Chairman, foreclosures on individually homes are at record levels. Farm foreclosures at record levels. Bankruptcy failures for small business are at record levels.

Ladies and gentlemen, it is not all that great. What I have come here to address today is, the President has submitted a financial blueprint to operate this country. He put his priorities down on paper and the American people should recognize it.

I do not believe the other side of the aisle wants to see the Democrat version. I believe the other side of the aisle does not want to get aligned with a priority system that tramples on many Americans in a line item that cannot be decieved nor denied.

My district suffers the greatest unemployment in America. This budget tramples on us and it literally destroys many opportunities for Americans in this society.

I believe that a "present" vote by anybody in this House today should be reviewed by the constituents of those Members very carefully and scrutinized.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. Mr. Speaker, I rise in opposition to the resolution before us today, in opposition to the President's budget. I do so for several reasons, not the least of which is that it is $16 billion over the Gramm-Rudman targets that Mr. President, you endorsed and I voted for.

It proposes to continue: First, the policies that have given us $1 trillion in new debt over the last 5 years, most of which I have supported. It is time for a change in the game plan, and I vote against, oppose the President's budget today for another major reason.

In agriculture, where I spend most of my time in the legislative process in the committee, I find myself in very strong opposition to the priorities that are established, Mr. President.

The suggestion that we go to user fees in the area of meat inspection. Meat inspection is not an industry prerogative, nor a private benefit; it is a public health measure which will be funded out of general revenue, because the public is the primary beneficiary.

I have concerns about the priority that suggests that we are going to cut 59 percent from the Extension Service, in the area of agriculture, at a time when we have a need of training and retraining and assisting the farmers of this country; those who are going bankrupt and have the need of doing other things with their lives. It just does not make sense.

If you are going to criticize, though, you must be prepared to offer something in the alternative. Last year I was a part of that alternative. It is very simple; it is called Leath-Slattery-MacKay. It is a realistic budget. It cuts everything, straight across the board, with no exceptions. I think that is where we need to go.

There has been a lot of talk about bipartisanship. Well, today is my day to be partisan, because I listened to my colleagues on the other side who philosophically I vote with quite often. They have their field day, and they are going to continue to have their field day dealing with the budget, but it is time for us to get realistic and start supporting a program that will do something about the deficit. Today it is partisan; tomorrow it is bipartisan.

Mr. Chairman, I rise in opposition to the resolution. First, I want to touch on my serious concern about what the President's budget would do in the area of agriculture and then discuss in broader outlines the problems in this budget not the least of which it is $16 billion over the Gramm-Rudman target.

The President's fiscal year 1987 budget proposes cutting $8.6 billion—12 percent—out of the overall USDA budget and contains many "repackaged" and ill-advised cuts proposed in previous years in virtually all agricultural areas.

I question the adminintration's wisdom and priorities in attempting to lower the deficit by reducing or termination programs such as conservation, and extension, which could help alleviate some of the severe problems facing American agriculture today. Moreover, the long-term consequenses of these cuts may considerably exceed the short-term savings.

At a time when we are trying to incease our farm exports in order to decrease surpluses and improve farm prices, the President's budget proposes drastic cuts in farm export credits provided for in the 1985 farm bill.

Furthermore, I oppose OMB's continued effort to impose a user fee to pay the cost of Government-mandated meat inspection. Meat inspection is not an industry prerogative nor a private benefit. It is a public health measure which should be funded out of general revenues because the public is the primary beneficiary.

Do not misunderstand me. The answer to the woes of our agricultural economy lies not in increasing Federal outlays, but in long-term reforms that will increase farm profitability through the marketplace. In fact, as one of the principal sponsors of the balanced budget constitutional amendment, I propose we can freeze farm program spending at fiscal year 1986 levels and make major spending cuts from that figure over the next 3 years.

Such a true general freeze would go a long way in reestablishing progrowth national economic policies and lowering the deficit. Let me be quick to point out, however, that my reference to a general freeze means across the full board—not two-thirds or one -fourth of the board—but all the way.

Overall, CBO's baseline projections for 1987 show that almost 18 percent of outlays will be deficit spending, a figure that falls no lower than 14 percent, even if we meet the Gramm-Rudman-Hollings target for 1987. Looking down the road, we cannot balance the budget by taking all of that 18 percent—or even 14 percent—of total spending out of the 16 percent that is domestic discretionary spending, unless we want to destroy the family farmer, gut law enforcement, and forget about investing in job training, education, and science. The question is, where is the realistic budget?

It does not come from the White House, in a budget that overestimates economic growth, underestimates the defense spend-out rate, and is afraid to touch entitlement reform or revenues in the slightest. If we need any defense increase above a freeze, it should be covered by additional revenues on a "pay-as-you-go" basis.

Where is the realistic budget? I can give you last year's answer in three words: Leath-Slattery-MacKay. Last year, our three colleagues offered a budget that would freeze defense, restrain growth in Social Security while still providing fully for the elderly poor, and modestly raise revenues. The more you put on the table, the lower and more equitable are the shared burdens. As was obvious long before Gramm-Rudman, the more you take off the table, the more you hurt the programs—and the people—that remain.

The Leath-Slattery-MacKay amendment would have brought us to a balanced budget at least a year ahead of the Gramm-Rudman schedule. Last year, only 56 House Members voted for the real deficit reductions in that amendment. This year, we have an opportunity to be more responsible.

Some say a Member has to come from a pretty secure district to be able to tackle defense, Social Security, and taxes all in one budget resolution. I disagree. I give the American people more credit than that. Voting courageously can make a district secure. We don't need the six postal patron mailings we are allowed each year to explain a courageous vote cast for the good of the Nation.

In a recent opinion poll conducted by the "Farmer-Stockman of the Midwest," no less than 82 percent of the respondants said they favored spending cuts if they were "across the board." More impressively, 94 percent said they were willing to sacrific some Government programs, if the Federal deficit were really brought under control.

The American people realize we have come to a point where we must all hang together or we'll all hang separately. We have heard the saying, "To govern is to choose." Like it or not, harnessing Government spending requires hard choices. We may wish for some quick, painless answer, but we've got to work with the cards we've been dealt.

Today we roundly criticize the President's budget, and that budget deserves it. Tomorrow, this House must offer a better budget, a real budget, that doesn't shrink away from the difficult decisions that must be made.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Texas [Mr. FROST] a member of the committee and also a member of the Committee on Rules.

Mr. FROST. Mr. Chairman, the President's budget proposal is unfair, unworkable, and unrealistic—and nothing illustrates this point better than his proposals for function 550.

This function covers most of the Federal programs which provide direct health care services, including Medicaid which finances health services for approximately 22 million low-income people. The President has proposed a cut of $15.5 billion for Medicaid over the next 5 years, to be achieved by setting an annual limit on the amount of Federal payments to Medicaid. In 1987, the program's funding level would fall more than $1 billion below the level needed to maintain current services. Beginning the following year, the capped Federal payments would be allowed to grow only at the annual medical care inflation rate—no other increase in Federal funds would be permitted. No increases in funds would be permitted for program improvements and no increases would be allowed in the often extremely low fees that sometimes discourage providers from participating.

The implications for Medicaid recipients—the poorest of the poor and their children—are frightening. Medicaid has been under constant pressure from the administration and has already suffered from both funding cuts and administrative program changes. Under President Reagan, Medicaid has already been reduced by $4 billion. The result is that many States have had to reduce eligibility and provide fewer services for those who remained eligible. States have been forced to place limits on the number of hosptial days and the number of visits to the doctor for which they will pay, regardless of how ill the patient is. According to the National Governors' Association, almost every State will be seriously impacted by the President's Medicaid proposal.

Before we ask Medicaid recipients for any further sacrifice, it's important that we understand who they are. Many working poor families were dropped from the program as a result of the President's earlier cuts, leaving only the very poorest of our families as beneficiaries. Currently, Medicaid reaches only 46 percent of poor and near-poor families in this country and that number will drop even lower under the President's budget. More than half of Medicaid recipients—11.4 million—are children. Medicaid also provides primary health care to 3.3

million elderly Americans, 3.1 million blind and disabled, and about 5.8 million AFDC mothers. In fact, this program is often the only source of prenatal care for poor mothers, preventive care for children, and nurisng home care for low-income elderly and the disabled.

Finally, Medicaid is a program that works. It provides critical assistance to many of our poorest families and has produced some remarkable results. Access to health care for low-income mothers, infants, and children has improved radically and, as a result, their health status is much improved. For black infants, mortality dropped by 49 percent in the first 15 years of the Medicaid Program. By averting more serious and more costly health problems, Medicaid has proven cost-effective. Research shows that for every dollar spent to provide comprehensive maternity care for pregnant Medicaid recipients, $3.50 is saved in caring for disabled children.

Included in the President's budget proposal is also a $450 million cut in biomedical research in 1987, with the number of new research grants dropping by 950 in 1 year. He suggests an almost wholesale elimination of Federal support for medical training, and cuts Indian health services by over $100 million.

Frankly, we cannot afford the President's health care budget. Our national health policy must be cost-effective, but it must also make decent health care available and affordable for all Americans. The President's budget presents a real and a serious threat to the well-being of our most vulnerable citizens. I urge my colleagues not to abandon their commitment to these individuals and to join me in voting against this dangerous budget.

□ 1710

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. The minority leader said at the beginning of the debate, "Don't take the President's budget seriously, it is only the President's budget." Well, I took it seriously. I took it home. I took it with me to a Job Corps site. The President proposes to cut the Job Corps. They do not like the President's priorities.

I took it to campuses. The President proposes to cut student loans. They do not like his priorities.

I took it to a veterans' hospital. The President's budget proposes to make it more difficult for veterans to obtain medical care. They do not like the President's priorities.

I took it to housing sites. The President's budget would make it much more difficult to rehab public and other housing. They do not like his priorities. I took it to a major vocational education center. The President proposes to cut vocational education support 50 percent. They do not like his priorities. The same with the city commissions, their views of his cuts in CDBG and revenue sharing.

I say to the Republicans you can run away from the President's budget, but you cannot hide from its mistaken priorities.

Mrs. MARTIN of Illinois. Mr. Chairman, I yield 7 minutes to the gentleman from California [Mr. LUNGREN].

Mr. LUNGREN. Mr. Chairman, it has been very enjoyable watching the debate for the last couple of hours. I have not been able to watch the reruns of the "Gong Show" for a long time. It appears that is what we are doing here. I am not sure about the seriousness of today's event because, I do not know, the Democratic Party has overtaken what we in the Republican Party used to be. We used to be the party of the nay-sayers. We managed to lose election after election after election being able to say more loudly and more persistently "no" than the Democratic Party. But having seen our success for saying "yes" the other party has said it is now time for them to become the "no" party. And that is what we have heard here. We do not like this about the President's budget, no we do not like that about the President's budget; no, this does not look like a very good idea. Unfortunately it appears to me we are witnessing today something that is very sad. What we are witnessing is an acknowledgement by the majority political party in this country, at least in this House, that they have run out of ideas. All they know how to do is to present a budget here and say they do not like it. They have run from a job site to a college to everyplace else saying "Tell me what's wrong with the President's budget." Did they go to those same places and show them their particular budget? I do not know. We have not seen it. If they did, why isn't it here? Why did we not have a chance to vote on this particular thing?

We can all find things wrong, we can all find things wrong when we are trying to cut back.

At Christmastime when my children come to me and say, "Gee, we've got all these presents we would like you to buy," it is not easy to say to them, "Well, there are five great presents you have there, but we can only afford three, so you cannot have those two." I suppose if someone went to them and said, "Your father is not going to buy that for you. Do you think that is a good idea or a bad idea?" most of them would say it is a bad idea.

What do we do here in Congress? People come to us with 300 different programs and instead of saying we can only afford 200 of them in Congress we say, "Here are all 300 of them and here are 200 more you haven't thought of and forget about the cost."

Now you know what Gramm-Rudman is going to do with the President's budget if we follow this out for a number of years. If we follow this out we would deny ourselves so much that at the end of the 1980's when we begin 1990 we would only have saddled ourselves with a $3 trillion debt. That is all we do. We just go from $2 trillion to $3 trillion. So obviously this is such an austere budget it ruins this entire economy. Now I do not understand why we have the President's original budget here without us having an opportunity to reflect the new economic circumstances that we know are about us. CBO, the Budget Office, analysts across the country have said they were not bullish enough on the economic circumstances at the time this particular budget was presented. So we are denied by the rule the opportunity to have this budget reflect new economic circumstances. I guess we give new meaning to the idea of legislating out of ignorance. We not only legislate out of ignorance, we ensure that we legislate out of ignorance because we are not allowed the opportunity to bring the new economic forecasts upon which there is general agreement here. Yesterday I was privileged to chair a meeting of the Joint Economic Committee on the subject of the impact of falling oil prices.

Now even though there was discussion about how in particular areas for some short period of time there might be some economic dislocation, all of the economists who appeared before us talked about lessening of the deficit, lessening of interest rates, lessening of inflation, and increase in employment. All of those things added together ought to at least be reflected in whatever document we are going to adopt here. But we were not allowed by the majority party to even consider those things here. So this is more than a charade, this is more than a sham, this is a suggestion that we are doing something serious when we specifically are not allowed to deal with the economic circumstances with which the country is presently confronted. That does not sound like serious work. I think that is unfortunate because I thought there was a bipartisan effort beginning to work in the Budget Committee that would bring us some opportunity to vote on something serious. But instead we have this, we have this.

So what are we supposed to learn out of today's discussion? I suppose that the President's budget has some problems with it, I think we all acknowledge that. I suppose that cutting is difficult and easy to criticize; we expect that.

Where are we going to go? I am waiting for the other side to tell us where

they are going to go. Maybe they will come up in the last few minutes and tell us some new ideas about where we are to go. But since they are not, I have to turn to the newspapers to find out and I look to the Speaker of the House, Mr. O'NEILL, when he was quoted in the Baltimore Sun on October 17 of last year in which the Speaker of the House said, "Should we pay through the nose by taxation? The answer is yes." Maybe that is a hint of what we are going to get from the other side.

Congressman ROSTENKOWSKI, chairman of the Committee on Ways and Means, in the Chicago Tribune on the 19th of October last year, "We all know we are going to raise taxes, raise taxes."

Congressman GEPHARDT, quoted in an AP story on the 20th of January, "The idea that we are going to balance this budget by cutting loans to me is wrongheaded."

Washington Post of January 21, Mr. GEPHARDT said he would prefer to raise income taxes.

So maybe that is what we are talking about. If you have the President's budget out here all by itself, you can criticize it a lot. But let us compare it to the alternative, and the only thing I guess we can do is read the newspapers and see what they are saying and that says raise taxes, or compared to the other alternative, which is sequestration.

In hearing after hearing that I have attended I have heard the horror stories about what sequestering will do. So if we are not going to sequester, we have to have an alternative. The President's budget out here is the alternative. Where is the other alternative?

Mr. Chairman, I ask you, where is your alternative? Don't just tell us what is wrong with the President's proposal; don't just disallow us the opportunity to reflect true economic circumstances.

Mr. Chairman, where is your alternative? Let us give the American people some hope. Let us not make such a downer out of this whole thing. I am sure that your side can come up with some alternative. If you want to have new taxes, tell us about it. If you want to gut defense, just tell us about it. If you want to go to sequestering, tell us about it. We cannot hope against hope that the Supreme Court is going to say that sequestering is no good and we will not have to reach that point. Let us realize if you do not have this budget then you are going to have sequestering unless you come up with something else.

I ask you, I implore you, Mr. Chairman, tell us I am wrong, tell us TIP O'NEILL was wrong when he said last year, "Should we pay through the nose by taxation? The answer is 'yes'." Say it isn't so, Mr. Chairman.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 2½ minutes to the chairman of the Committee on Post Office and Civil Service, and a member of a subcommittee of the Committee on Education and Labor, the gentleman from Michigan [Mr. FORD].

Mr. FORD of Michigan. Mr. Chairman, I want to address the President's budget wearing both of my hats today. As chairman of the Committee on Post Office and Civil Service where during the President's administration he has been successful in taking $25 billion in benefits and pay away from the Federal work force and the retirees. During all of this time he has been successfully convincing them that it is the Congress that has done this and that he had nothing to do with it. That is why I find it interesting that my friends on the other side of the aisle who somehow think that when the Congress gets blamed for something it is only the majority in the House that the people look to for responsibility, that for the first time the President's budget and the priorities that that budget suggests is before the American people.

The speaker before me said he cannot understand why the Democrats pick it apart and say it is so bad. He did not say it was good. He has not indicated that he is going to vote for it. As a matter of fact the leader on the Republican side recommended the Republicans to vote the most irresponsible way that they possibly can and that is to stand by looking at the stars and vote "present" and then go home and tell people they voted "present" because they could not tell whether they wanted to vote against the President's bad budget or vote for the President's bad budget and here they are now able only to represent their people by voting "present." It should be noted that as an opponent of Gramm-Rudman and one who opposed it and voted against it, I now find it interesting that people would say, "Well, if you adopt the President's budget, you can avoid Gramm-Rudman." Well, I submit that adopting the President's budget would be worse than Gramm-Rudman.

□ 1725

As bad as that is because, unlike Gramm-Rudman that would cut all of the education programs, the President's budget would kill the Guaranteed Student Loan Program in this country dead as a doornail, thereby throwing 2,300,000 young people who are now borrowing money to go to college out of the program, and it would result in losing $8 billion in private capital that we would expect to be invested this year by banks, savings and loans, and credit unions in student loans.

Each of the cuts the President proposes shows, not an attempt to cut as the irresponsible Gramm-Rudman resolution does too deep, they show an attempt to cut the throats of these programs and kill them so that they can never be funded, even when the President and the Congress finally come together and find a way to resolve our fiscal problems in this country.

No one in this country is fooled by the fact that we now are locked with the President saying, I sent a budget to the Congress that will get the job done and save you from Gramm-Rudman, without taxes, without any pain; all the Congress has to do is have the responsibility to adopt that budget and everything is fine. I challenge my friends from the President's party to stand up with your President and do what he has been asking you through the American people for now 3 months, as he started to prepare and then sent us the budget.

Mr. Chairman, today I rise to speak in opposition to the fiscal year 1987 budget recommendations proposed by President Reagan in the area of postsecondary education. This year, as in the 4 previous years, the administration's request would significantly reduce spending for higher education. It demonstrates the low priority which the President and the Secretary of Education place on the education of the American people.

Under the President's recommendations, 2.3 million awards to needy students would be eliminated. Of particular significance is the President's recommendations for the Guaranteed Student Loan Program, which through cutbacks in special allowance, reduced subsidies for students, and reduced reinsurance, would probably result in the demise of the program. This would mean an additional 3.2 million students would be denied Federal education benefits and there would be a reduction of over $8 billion in private capital which is now available to students.

These recommendations follow 5 years of substantially reduced Federal support for postsecondary education:

The Pell Grant Program today includes a half-million more students with family incomes under $12,000 than in 1980. However, over this period, the total number of students in the program has remained the same. That means that the modest increases we have allowed for Pell grants have been absorbed in a losing race to meet the increased needs of families who have no resources to contribute to their children's education. The value of the Pell grant has been eroded by 16 percent in constant dollars.

The availability of other grant aid for needy students has been reduced by almost $3 billion during this period, through the loss of two programs which in the late 1970's provided the

largest sources of Federal support for student assistance—social security educational benefits which provided $1.9 billion in benefits in fiscal year 1980 and today have been totally eliminated and veterans educational benefits which have declined from $1.7 billion in fiscal year 1980 to $746 million in fiscal year 1986.

The loss of these programs has increased the importance of supplemental educational opportunity grants, college work study and national direct student loans to needy students. However, appropriations for these programs have been reduced since 1980, and in constant dollars their value has declined by 27 percent.

The President's education budget proposals always contain long explanations of how the Federal role in education is small and Federal funds represent only a small fraction of the total dollars spent each year. While that may be true overall it is not true for student aid; 75 percent of all assistance to students comes from Federal dollars. When the President requests reductions in higher education in excess of 20 percent, as he has this year, he is effectively forcing thousands of needy students to give up their goal of a postsecondary education and he is robbing our future of the brainpower that is necessary to maintain the quality of life we now have and essential to bringing about a better world for all of us.

I urge my colleagues to join me in rejecting this ill-conceived and shortsighted budget.

Mr. Chairman, for 5 years now this administration has been playing recklessly with the pay and benefits of the Federal work force and those who have retired from it, causing serious problems for the Federal Government in its ability to recruit and retain the best people to do the work of the people.

What this means is that we are having great difficulty getting the best qualified people to protect our President, guarantee that our foods and drugs are safe, gather the intelligence that is so important to our security, solve our space problems and do all those things that are so essential to a nation as complex and diverse as ours.

And from my vantage point, it is clear that the administration's latest budget proposal exacerbates the problem with some of the most severe recommendations to date.

I don't think there is any question that if we continue to treat Federal employees and retirees the way we have in recent years we are going to end up with a work force drawn from a pool of those in our society that are unable to find employment anywhere else. The Government will be the employer of last resort and it is the people of this country who pay.

In other words, we will have workers who have been turned away by the private sector performing critical tasks at NASA, the Food and Drug Administration, the FBI, the State Department, the IRS and all the other vital departments and agencies which perform critical services for the people of this Nation.

Since this administration took over, more than $25 billion has been cut from the checks of Federal workers and retirees.

And now, on top of this, the administration wants to extract another pound of flesh from pay, cost-of-living adjustments and mindless changes in the Civil Service Retirement System.

The President had proposed a 5-percent pay cut for this year. This cockeyed idea was rejected by Congress, but the result was that there was not a penny increase. Now the President wants to limit the 1987 increase to a paltry 3 percent.

When taken together with the administration's proposal to increase from 7 to 9 percent the employees' retirement contribution, it would result in an increase of less than $50 a year in take-home pay for the typical GS–5 and less than $20 for the GS–9. For the typical GS–12 it would be a net loss of $63. And a senior executive at ES–4, where we are having real trouble recruiting the best and the brightest, would have a net loss of $348.

The effects of the administration's proposals to base annuities on the high five instead of high 3 salary years, a proposal to penalize early retirees a 2-percent reduction for each year under 62 and limiting future COLA's to the CPI minus 2 percentage points would be horrendous.

According to the GAO, the overall effect of the three proposed benefit reductions would be a loss of a whopping $111,767 over the typical life expectancy of 80 years.

Retirees already have suffered enough over the past 5 years in COLA losses. There was no increase this year as a result of Gramm-Rudman. Now the President wants to eliminate the one due in January 1987. And if Gramm-Rudman is allowed to stand, COLA increases could be denied for 5 straight years.

Mr. Chairman, I just think we have to stop this beating up on Federal employees and retirees now or start paying the piper.

In addition, the President proposes the elimination of the revenue forgone appropriation which will again increase the postage paid by certain types of preferred mailers such as the Salvation Army, Crippled Children's Society, publishers of small rural newspapers. Since December 31, 1985, postage for these groups have increased as much as 173 percent. Also the President would eliminate the free postage now used by the blind and the handicapped.

The President's proposal to increase the Postal Service's payment to the Civil Service Retirement Fund and increase its payment for health insurance for its annuitants could certainly result in increasing the price of a first-class stamp by a penny within the next year.

Mr. Chairman, my Committee on Post Office and Civil Service has recommended that the President's proposals be rejected. I urge the House to follow suit.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 1½ minutes to the distinguished gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, the centerpiece of the President's budget is a 12-percent before-inflation increase in Pentagon spending, and we all know that a lot of this has little to do with defense, and it invites waste, and it has very little to do with national security.

So I suggest to our friends that what we ought to do is define national security.

Every time we deny young people a chance to have a college education, we affect our national security, and the President's budget attempts to do that. Every time we eliminate cost of living adjustments for our elderly, this case Federal employees and retirees, we affect the national security of our senior citizens. Every time we eliminate a training program for unemployed, we affect our national security. Every time we eliminate the chance to repair our infrastructures, as the President would have us do in his budget, we affect our national security.

One of the things that deeply concerns me, as someone who represents an urban area, is the wholesale abandonment of our cities, wholesale abandonment. When you look at the President's budget that seeks to cut community development block grant money, guts the UDAG program, the coalition of business and cities working together to create jobs, the elimination of revenue sharing, if you look at his deferrals and rescissions, you know that the President's priority is to abandon our cities, our urban areas.

I want to say that if this does not affect our national security, the abandonment of our American cities, I do not know what does.

Mr. Chairman, the President's fiscal year 1987 budget calls for the largest outlays in our country's history—nearly $1 trillion—yet it would require the American people to accept great sacrifices and move our society into a generation of austerity and decline. The unprecedented $994 billion outlay request should be sufficient to provide for all of our country's priorities, but only if they are allocated in a way that is consistent with our values and genuine national security and domestic needs. The President's budget is out of step with these priorities and should be rejected. I urge my colleagues to vote no on the budget resolution.

The centerpiece of the President's budget is a 12-percent before inflation increase in Pentagon spending. This level of increase invites waste. Very little to do with national security. Over the last several years, the defense community has demonstrated its inability to efficiently administer that level of fiscal resources. In addition to the acceleration of domestic military spending, the President is asking for a $2 billion increase in foreign military aid, a request that amounts to an investment in military adventurism and conflict. To the extent that waste and unnecessary military spending limits our country's ability to meet its other priorities, our national security is weakened. This irresponsible increase in defense spending would be reason enough to reject

the President's budget. The unwise request for peacetime austerity is another.

The wholesale cuts in education, employment and training, housing, community development, transportation, agriculture, health, commercial development, retirement security, and numerous other basic services would result in a further unraveling of our social fabric and a disinvestment in our future.

The treatment the President's budget would give the Nation's transportation system is indicative of the skewed values that would relegate our country to a second-class status. The administration budget proposes to cut $5 billion in ground, air, and water transportation. This would turn our Nation's back on the serious but solvable problem of our decaying infrastructure. Neglecting our roads, bridges, airports, harbors, and canals will come back to haunt us with diminished economic activity and in decreased safety.

Related to cutbacks in our transportation system, is the administration's budget proposals that would abandon the cities of our country. The President proposes a 70-percent cut in mass transit. Were this proposal to go into effect, nearly every small transit system would be forced to close. Larger cities would have to implement drastic cuts in service and disruptive fare increases. The victims of the 70-percent cut would be that sector of our society that relies on public transportation—the elderly, the young and those trying to work their way into the economic mainstream by commuting to work on public transportation. In addition to massive cuts in transit, the President's budget would totally eliminate UDAG's, general revenue sharing, and the Ecomomic Development Administration.

At a time when it advocates a transfer of national responsibility to the States the President's budget also includes deep and unwarranted cuts in community development programs that revitalize our cities and urban areas, create jobs and economic growth, and expand the State and Federal tax base. Community development block grants and UDAG's are the very programs this administration should be heralding the loudest. Through a cooperative and successful partnership, public dollars are leveraged with private investment at better than a 5-to-1 ratio. In my own city of Cleveland, OH, $53 million in UDAG money has stimulated $277 million in private investment and the creation of more than 8,000 jobs. The budget would reduce assisted housing expenditures by 91 percent from levels just 4 years ago and impose new taxes in the form of user fees on Federal housing credit agencies that make home ownership possible for millions of Americans. The President's budget for community development gives clear and indisputable evidence that his administration has no urban policy.

Implementation of the President's budget would not only affect the health of our Nation's cities and towns, it would also affect the health of the people who live in every community of our land. Under the administration's proposal, Medicare would be cut by $55 billion over the next 5 years and $17.2 billion of that would come directly from the pockets of our hard-pressed senior citizens. Right now, Medicare covers less than half an elderly citizen's health care bills. Instead of looking for ways to provide more comprehensive health care coverage, the administration seeks to transfer costs onto the backs of those least able to pay, our elderly Americans.

The President's budget would also shortchange young Americans, who constitute our country's future. Education, the most important and the most basic investment we can make, would be cut more than 15 percent from current levels. Middle-class parents trying to give their children a college education, low-income parents, parents of the disadvantaged, and the handicapped will all find it more difficult, perhaps impossible, to provide their children with the tools they need to cope with a changing future. In such a case, the whole country would suffer.

The administration's proposals for Federal employees and annuitants are another strong reason to reject the President's budget. While the budget would provide a 3-percent pay increase for civilian employees, it would take back more than that in retirement and benefit cuts, in a series of complex proposals that have been submitted by the President in previous years and have been rejected by this and previous Congresses. The proposals were rejected because they were unfair. Federal employees are not faceless bureaucrats. They are scientists at the National Institute of Health, seeking a cure for cancer. They are letter carriers and postal employees, law enforcement officers, astronauts, and other dedicated professionals who provide the American people with vital services. Their wages and benefits already lag far behind those of their counterparts in the private sector. Implementation of the President's budget proposals would have a severe impact on the morale and productivity of Federal employees, as well as on the vital services that they provide their fellow citizens.

The budget that the President is asking Congress to approve proposes an America in decline, an America that is unable to educate its children, unwilling to accept the moral obligation to provide a dignified retirement for its senior citizens and an America that is no longer capable of providing for the basic services of civilized society. I do not believe that America is in decline. We can and must allocate our budget resources in such a manner that continues our progress to a sound and proud future for our country and its citizens. I urge my colleagues to reject the administration budget and its priorities so that we can address the real needs of our society in a responsible budget resolution that reflects our values and our priorities.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 1 minute to the distinguished gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Chairman, I thank the gentleman for yielding and rise in strong opposition to House Concurrent Resolution 296, President Reagan's fiscal year 1987 budget.

Mr. Chairman, what a dirty, rotten trick we are playing on the Republican Members of this House. We are giving them the chance to vote yes or no on the budget of the President whose policies they claim to support. That is absolutely diabolical. How dare we do that to them.

Although they think that is awful for us to do that, I have not heard anybody on the Republican side say that they disagree with the President's policy of doubling military expenditures, of giving windfall tax benefits to the wealthiest corporations and individuals in this country. They seem to be in favor of devastating the domestic programs of this country. That is what the President's budget does.

I say to my Republican colleagues: If you favor the President's policy, here is your chance. Vote for it. Then we will see once and for all whether you are for essential programs for the people of this country or whether you are for Ronald Reagan's destructive policies.

Mr. Chairman, in its broad outline, this budget is not unlike the previous Reagan budgets. It endangers the future of our Nation by ignoring the pressing needs of the American people. Instead, it feeds the unceasing appetite of the Pentagon for more and more heinous weapons of destruction—weapons that make our survival on this planet more tenuous with each passing day.

What are the priorities of Ronald Reagan?

The President does not believe in affordable housing, so he is shutting the middle class out of the markets and throwing the poor out on the streets.

The President does not believe in quality health care, so he is cutting Medicare by 14 percent in the next 5 years and forcing older Americans to make impossible choices between basic human needs.

The President does not think the AIDS epidemic demands an immediate response, so he is slashing funding for research and control of this devastating and tragic disease.

The President does not believe in quality education, so he is reducing college financial aid programs by 25 percent and disrupting the educational plans of millions of students.

The President wants to make scapegoats of Federal workers, so he is reducing their retirement benefits and capping their pay.

And he wants to stab our State and local governments in the back, so he is terminating the Federal Revenue Sharing Program, slashing social services, and derailing mass transit.

But what the President takes with one hand he will give with the other. The Pentagon will receive another windfall bonanza—another opportunity to go on a shopping spree in the supermarket of gold-plated, destabilizing weaponry. For this year, the President wants a 12-percent defense increase. For the next 5 years, he wants the taxpayers to kick in $1.8 trillion more than we have already spent for defense.

The President's budget is setting America back. It sets our people back. It sets our economy back. And it sets our arms control efforts back.

Even worse, the President is not being honest with the American people. First as a candidate and then as our President, Ronald Reagan has railed against our massive defi-

cits. We all know what all that rhetoric has led to: the biggest deficits ever, a doubling of our national debt, and rapidly escalating interest costs that must be borne by the taxpayers.

However, we now know that the President has never wanted to reduce the deficit. Rather, he has purposefully created the massive deficits of the last 5 years in order to convince Congress and the American people that we cannot afford domestic spending programs any longer.

Last year, the President endorsed the Gramm-Rudman law that forces declining deficits in the coming years. But this year, he had to use unrealistic economic assumptions and fudged defense numbers to pretend that he is meeting the Gramm-Rudman targets.

All the rhetoric and all the posturing will not hide the real motive of Reagan's budget policy. The President wants to completely eliminate the progressive achievements of the past 50 years. This is what the President's budget is all about. This is what Gramm-Rudman is all about. This is what is threatening the future of our Nation. And this is what we must reject out of hand in this body.

Until Congress and the President are willing to cut excessive military spending and raise more revenue by closing unfair tax loopholes, there will be no solution to the deficit crisis. Instead, the American people will continue to bear the burden of a budget that ignores their wishes and disregards their needs.

Mr. Chairman, I urge my colleagues to reject the Reagan budget of despair.

Mrs. MARTIN of Illinois. Mr. Chairman, before I yield to the gentleman from California, I would just tell the Members that a new head of the World Bank has been announced, our former colleague, Barber Conable. I thought the membership might like to hear that.

Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Chairman, I thank the gentlewoman for yielding me this time.

Mr. Chairman, I come to the well on that good news about our former colleague, Mr. Conable. The first thought that flashed through my mind and why we received applause from both sides of the House is we will get phone calls answered from the vaunted World Bank. It is nice to see former Members in positions where they can interact with this great body and the other body.

My colleagues, you can feel the pain in the well. Those of you who are not Californians probably do not remember a line of our great President when he was running for Governor in California. He said, "It should hurt when you pay taxes." I guess the budget process should hurt also. As much respect as I have for my Chairman, I hope the gentleman does not mind my observing that, because of his good nature, some people might not notice that it is painful to have the job that the Chairman has. It is very difficult.

I have no problem. As my distinguished colleague from New York said, it is a dirty trick; it is fine for me to stand up and support the President's budget. I have not had the fun of voting for the President's budget since 1981, when Mr. JONES' budget went down and we had that last opportunity. I look forward to it.

Mr. Chariman, I have heard a lot of talk about priorities from my colleagues on the other side of the aisle and I have to say that it is certainly clear from their statements that they do not share the President's priorities. However, that is all we have heard from them—what their priorities are remain a mystery.

I now want to share with my colleagues an excerpt from a recent article by David Broder that appeared in the Washington Post that may shed some light on the Democrat's budget strategy for the year. Mr. Broder wrote:

> The real reason House Democrats dodge the tax question is that many of them have concluded that their party cannot regain power until more voters feel real pain from the Reagan-imposed budget cuts.
>
> One of O'NEILL's close associates told me, "Our strategy is to be sure the Republican Party has its name emblazoned on every program cut * * *. It may take more than a few months for the middle-class families to feel the painful effects, but inside 2 years, they will know the price of supply-side politics."

Now I ask my colleagues, what has happened to the vaunted Democratic capacity for compassion?

It is amazing that the same Democrats who so roundly ridiculed Gramm-Rudman as an "abrogation of responsibility" are now eager to see its irresponsible sequestering provisions go into effect. It is amazing that the same Democrats who whine the loudest about the President's budget don't have one of their own to offer. It is amazing that we are wasting valuable time here today so that the Democrats can engage in a little President-bashing.

My colleagues from California recently cited some polls showing that the American people are not in favor of reducing spending on health programs. I am glad my colleague is so responsive to the will of the people because I have a couple of polls I would like to share with my colleagues.

When asked if they favored spending cuts or tax increases as the best way to balance the budget, a New York Time/CBS News poll showed that 83 percent of those polled favored spending cuts, while only 7 percent favored tax increases. Another 7 percent said some combination of both was the way to go. I hope my colleague keeps this poll and those numbers in mind when it comes time to debate the democratic budget.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Massachusetts [Mr. ATKINS] a member of the committee.

Mr. ATKINS. Mr. Chairman, much has been made today of the question of whether the House leadership acted in good faith in bringing this budget to the floor today. I think the real question is whether the administration acted in good faith in submitting it to the Congress in the first place.

In the swirl of numbers that make up this year's Federal budget debate, one number is more equal than all the others. Three months ago, when Congress passed and the President signed into law the Balanced Budget and Emergency Deficit Reduction Act, we agreed that the deficit for 1987 would be $144 billion.

The administration's budget does not meet that requirement of law. In fact, it misses by $16 billion, and a careful examination of the overspending would suggest that it is the result of deliberate policy decisions.

The Congessional Budget Office, in its annual reestimate of the President's budget, calculates that the defense outlays resulting from the administration's budget request will be $296.7 billion, rather than $282.2 billion as the administration claims. It stretches credibility to suppose that the extra $14.5 billion for the Pentagon is an accident.

At issue is the technical question of how fast the budget authority requested by the President will spend out. CBO uses spendout rates that follow historical averages under this administration. Those rates, applied to the period 1980 to 1985, yielded outlays within 2 to 4 percent of what they actually turned out to be.

Furthermore, CBO's estimates adhere to outlay rates published by the Defense Department of its financial summary tables, which were released at the same time as its 1987 budget. DOD's own numbers offer outlay projections much higher than the administration proposes, virtually identical to CBO's.

CBO and the administration have never had outlay estimating differences of this magnitude before. In contrast to the $14.5 billion difference for 1987, the average difference from 1980 to 1985 was less than $400 million. In no year was it greater than $700 million.

The administration might have gotten away with the disappearing outlays trick if they'd limited it to 1987. But they blew it when they tried the same trick for each of the next 4 years.

Any magician worth his wand knows you can never explain your sleight-of-hand. As soon as people know how it's done, the magic is over and the show closes.

The administration justifies its lower outlay estimates for 1987 on the basis of policy and management changes that will slow the spendout of funds. The problem is that simple logic dictates that the 1987 budget authority has to spend out, and thus be counted against the deficit, sooner or later. If outlays are less now, they will be more later. For the administration's budget to ring true, the outlay savings claimed in 1987 would have to be offset by increased outlays in the outyears.

But the bell clangs. CBO, using historical outlay rates, estimates that in each of the next 5 years the administration has understated defense outlays by amounts that far surpass any technical estimating differences in past years. The difference is $14.5 billion in 1987, $17.5 billion in 1988, $13.8 billion in 1989, $11.7 billion in 1990, $10.6 billion in 1991. A total of $68 billion over 5 years in unspent budget authority.

Holding back on the Pentagon's pursestrings has not been a distinguishing characteristic of this administration. In fact, Cap Weinberger has specifically rejected stretchouts of military spending. Yet most of the outlay savings claimed here are from management initiatives that amount to paying contractors more slowly and stretching out production schedules.

Maybe the administration is planning never to spend the money. Or maybe they're looking for a way to exempt the Pentagon from the reductions mandated by Gramm-Rudman.

The real trick here is that, as usual, the administration is trying to turn defense budget increases into domestic budget cuts. If the hidden outlays trick worked, the budget snapshot taken by CBO and OMB would show that the deficit was $14.5 billion above the target. Then the sequestration order would take half the savings needed to get down to $144 billion from domestic and half from defense. Presto. The domestic budget picked up half the tab for the increase in defense spending.

CBO's technical estimates also found that the administration's budget understated outlays in other areas. In agriculture, OCS receipts, and the sale of the naval petroleum reserves and the power marketing administrations, CBO finds $3.6 billion in differences. In all other areas of the budget combined, another $1.1 billion would be added to the budget deficit. When all is accounted for, the president has missed by $17.9 billion. The budget should be rejected.

□ 1735

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 3 minutes to the gentleman from South Carolina [Mr. DERRICK], a senior member of the committee.

Mr. DERRICK. Mr. Chairman, I am vitally concerned about rural America and what the President's budget would mean to the agricultural and rural portions of our country. His budget would terminate nine major programs of benefit to rural America, including the elimination of Farmers Home rural housing loans and Farmers Home rural water and waste disposal grants, termination of conservation programs in the ASCS, elimination of the Appalachian Regional Commission, the Economic Development Administration, and the phaseout of the Rural Electric District Loan Program by 1991.

In addition, he proposes significant reductions in other programs affecting the agricultural and rural sections of our country—reductions that will have a severe impact on my State of South Carolina—a part of the country still struggling to recover from the recession. Last year the President proposed a 39-percent reduction for programs directly serving our rural citizens. Even though the Congress did not agree to all of these cuts, substantial reductions were made by the Congress in this area. Now, the President has come back again proposing a 20.5-percent reduction.

For example, his budget requests a 57-percent cut in Federal funding for the Agricultural Extension Service. This is a very beneficial program which has been in existence since 1914. It works through the Department of Agriculture and the land-grant colleges to provide practical assistance in agriculture. Those being helped by this program are given information and assistance on issues ranging from pesticides, to fertilizers, to animal management, to 4-H Club work for our youth, to helping a low-income homemaker stretch the food dollar into the most nutritional diet possible for the family. On top of all this, it is the only Federal program providing direct support to farmers facing the possible trauma of foreclosure. In my district and I am sure that of my colleagues from rural areas, this program has had a tremendous impact on the quality of life. It represents one of the most desirable commitments our Government can make to its citizens—that of teaching people to help themselves.

The President also wants to privatize the Federal Crop Insurance Program by phasing out all Federal subsidies for crop insurance premiums and operations by 1991. This program provides the only viable disaster protection available to farmers. I fear that without the Federal support for this insurance program and with current conditions in the farm economy, this vital protection would be priced out of the market for farmers as they would simply be unable to pay the premiums. I might also add that loan assistance is not available unless the farmer has the insurance protection.

I have been provided statistics for South Carolina which indicate the average premium cost per acre for insurance would be increased from $16.15 per acre to $51.48 per acre. With such premium increases, many farmers will be faced with the unavoidable decision of leaving the farming business because they cannot afford the cost of insurance or going without it and facing sure financial ruin if a natural disaster such as a tornado, hailstorm, or unseasonable cold weather struck. If this happens, the political pressure would be on the Congress to provide other disaster assistance, which would be far more costly than the crop insurance premium subsidy.

Mr. Chairman, I am sure that I don't have to remind my colleagues that our farmers are struggling to survive the worst economic times since the Great Depression. We have had sharp increases in farm loan delinquencies and bankruptcies. Our farm exports are declining. At the same time, the Federal Government has provided necessary support to farmers. Can you imagine what the financial distress in the farm community would have been without this help?

There is not just one cause for this situation and there are no easy fixes. The Congress is reassessing its role in agriculture through the 1985 farm bill, enacted this past December. This legislation represents a significant shift in the focus of agriculture policy by helping to make American commodities more competitive in world markets, protecting farm income by freezing target prices, and by conservation programs to protect land from overproduction.

I urge my colleagues to give the farm bill a chance to work—to strengthen our farmers—and not agree to the President's proposals for farm policy such as the insurance program or useful extension service support. To support his policies would further hamper our farmers in recovering from their difficulties and once again becoming a very vital sector in the American economy.

Mr. Chairman, if I may continue, in the section of the budget affecting Commerce and Housing Credit, I want to call the attention of my colleagues to just a couple of areas in the President's budget which cause me great concern—his proposals regarding rural housing and the revenue forgone postal subsidy.

The Rural Housing Program operated by the Farmers Home Administration is targeted to very low-income households. The average income of participants is at or below the poverty level—$10,600. Since its inception, over 2 million disadvantaged rural house-

holds have received assistance through Farmers Home.

The President proposes termination of the Farmers Home Administration Rural Housing Program, and transfer of this function to the Department of Housing and Urban Development, but his budget proposes no new loan commitments in fiscal year 1987. If his proposals are accepted, Federal spending for low-income housing will drop from about $13 billion in fiscal year 1986 to $2 billion in 1987. Assisted housing units will drop from 175,000 to 50,000. Over 15,000 rental assistance contracts specifically targeted to the very low-income and elderly participants would expire.

As my colleagues will recall, the Congress in fiscal year 1986 reduced rural housing lending by 40 percent. I fully realize that all areas of Federal spending need to be carefully looked at for savings, but I submit to you that this program has received its fair share and the need for this assistance is still overwhelming. Over 2 million rural households live in substandard housing. Over 1 million rural units are without complete plumbing, another million are overcrowded, over 2 million lack adequate drinking water, close to 17 million lack adequate waste disposal, and over a million rural residents with incomes of less than $10,000 pay more than 35 percent of their income for housing costs.

We have made tremendous progress in improving the quality of housing in rural communities over the past decade. Termination of these programs means an end to this progress while the need is still so great. Thus, the President's proposals should be rejected.

In addition, the President proposes termination of the revenue forgone postal subsidy which reduces postal rates for various classes of nonprofit uses. This would mean that the postal subsidy which goes to the blind and handicapped, rural newspapers, libraries and schools, as well as charitable organizations would be eliminated—resulting in sharply increased postal rates for these groups.

Mr. Chairman, already this year these groups have experienced significant increases in their postal costs. Due to action taken by the Congress in fiscal year 1986 and the sequestration on March 1, 1986, the funding assistance provided by the Congress has dropped from $1.04 billion in 1985 to $716 million in 1986. This has resulted in postal rates increasing anywhere from 10 to 19 percent for these uses. For example, a rural newspaper in my home area has advised me that just last month their postal rate went up 16 percent.

Again, this area should not be exempt from its share of reductions, but a drastic termination of the postal subsidy such as the President proposes cannot be absorbed all at once without severe disruption in the services and activities provided for the users of this subsidy.

Mr. Chairman, the thoughts I have shared here today represent just a few of the areas where the President's budget does not meet the needs of our citizens. I urge its rejection.

Mr. GRAY of Pennsylvania. Mr. Chairman, I would like to inquire of the Chair how much time is remaining for both sides.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. GRAY] has 12 minutes remaining and the gentlewoman from Illinois [Mrs. MARTIN] has 12 minutes remaining.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 2 minutes to the distinguished gentlewoman from California [Mrs. BOXER].

Mrs. BOXER. Mr. Chairman, the President wanted a vote on his budget and he will have it today. This President's budget is isolated from reality. I want to address just one part of the fantasy: The Reagan defense number—an increase of $34 billion in Defense budget authority—$34 billion in addition to the $100 billion already added into the Reagan years while everything else has been cut.

Once again, the President has submitted a budget that would mean another early Christmas for the military-industrial complex, while showing little mercy or compassion for middle America and those who are vulnerable: the sick, the elderly, the homeless, the students, the veterans, and the poor children of this country.

If we have learned one thing over the past several years, it is that there is waste at the Pentagon; that there is room in the military budget for belt tightening.

Let me briefly review some of the facts which prove this point:

A 26-cent plastic stool cap that the Air Force paid over $900 for and whose price tag jumped to $1,100 a year later.

A $9,600 Allen wrench, courtesy of General Dynamics. The original price, before minor modifications, was 8 cents.

A $435 claw hammer.

A $7,600 coffee brewer, built to withstand an airplane crash that would kill all coffee drinkers on board.

And what is the President's reaction to these facts? He adds another $34 billion to the Defense budget.

In August 1985, Secretary of Defense Weinberger canceled the Divad air defense gun. It couldn't hit the targets it was designed for, but it was great at locking onto latrine fans. Cost to the taxpayer: $1.8 billion.

In light of the budget deficit, the Congressional Budget Office has suggested the AMRAAM missile could be canceled, because it has had performance and cost problems and is more than 2 years behind schedule. I hope the Armed Service Committee heeds the CBO's recommendation. Cost to the U.S. Government so far: $1 billion.

The General Accounting Office has just concluded that the Army did not conduct realistic testing of the Bradley infantry fighting vehicle. In truth, the $1.7 million dollar apiece troop carrier is a deathtrap for the soliders inside. And I commend my colleagues, MEL LEVINE and DENNY SMITH for their commitment to exposing the Bradley's problems. The CBO has also placed the Bradley on its budget deficit hit list. But the Pentagon wants to spend $13 billion more for the Bradley.

And despite these facts, the President's budget includes $34 billion more for the Pentagon.

Last year we heard about contractors charging the Government for dog kennel fees, country club memberships, and trips to Swedish massage parlors.

And the President wants to increase the Pentagon's budget by $34 billion.

Last year, Secretary Weinberger admitted to having an extra $4 billion to play with because he overbudgeted for inflation. This year, the GAO tells us, the Pentagon will wind up with an extra $7½ billion for the same reason.

And what does the President do? He wants another $34 billion for the Defense budget.

We've all heard about former Assistant Secretary of the Navy, George Sawyer, who negotiated contracts with General Dynamics while he was negotiating for a job with that company.

We're also familiar with the fact that eight Army officers involved in either the testing or development of the Ford aerospace prototype of late Divad air defense gun, went to work for that company or its subcontractors.

There are hundreds and hundreds of cases of revolving door, an obvious sign that there has been little accountability at the Pentagon.

And what does the President do? He asks us for $34 billion more for the Pentagon.

This administration has had its way long enough. But they have gone too far. The times, they are changing. The same administration that gave us unprecedented budget deficits and endorsed Gramm-Rudman, now has to accept the consequences.

In the process of balancing the budget, we are going to have to balance our priorities. Unfortunately, this President's priorities are out of whack. We can no longer allow him to keep feeding the Pentagon's insatiable appetite, while ignoring those in our country who go hungry. One in four children in America are poor. And what does the President do? He adds $34 billion to the Defense budget.

And how does he pay for it? He cuts the same amount from domestic programs, from small business, from transit, from local government, from health, from education, from everything else.

Mr. President, we do not support your budget. It is a mean-spirited and isolated document and its priorities do not match those of the American people.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. OWENS].

Mr. OWENS. Mr. Chairman, I rise in opposition to the President's budget.

Mr. Chairman, the President's budget presently being debated tramples on the people of the 12th Congressional District of New York. This budget represents the spirit of Ebenezer Scrooge and is unworthy of the richest Nation in the world. The President's budget represents a poverty of spirit and a poverty of vision. At a time when American corporations are earning more money than ever before, at a time when the stock market is booming, we are behaving as if the national Treasury is on the verge of bankruptcy. The American Colossus has the capacity to meet the needs of all Americans. We can prepare for the future by educating all who need to be educated. We can provide decent housing and adequate food for all.

The problem is not a lack of resources. The problem is a lack of will. The President appeals to the worst instincts of Americans while at the same time he camouflages the real waste in the budget. This budget is a coverup for 5 years of bad judgments made by Ronald Reagan. Each Member of this House who cares about the future of this country should join me in voting no on this spirit of Ebenezer Scrooge. The American people and the people of the world deserve better leadership and a better use of the abundant resources which God has made available to America.

Mr GRAY of Pennsylvania. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. LEATH], a member of the committee.

Mr. LEATH of Texas. Mr. Chairman, obviously there are some on my side of the aisle who would bring this budget before us today, naked as it is, for purely partisan reasons. I happen not to be one of those. I am not one of those who would do that because I think I have proven that in the past. And let me remind my Republican colleagues that this Member does have considerable credibility as a nonpartisan player on an issue such as this, as I have joined with you on numerous occasions in the past, in direct contradiction to my own party.

But that was back in the old days, 1981 and 1982, when it appeared that this President was much more concerned about deficit spending than he has been for the last 3 or 4 years.

So why, then, today should we examine this budget and look at this budget and focus on this budget?

Purely and simply, because this is the fourth budget in a row that this President has sent to this Hill that is nothing more than a real giggler. Of the three previous proposals that the President has sent here, two were never even brought up. The one that was brought up received one vote on the floor of this House.

Now, I ask you: Is a proposal like that, whether it be from me or from the gentleman from Pennsylvania [Mr. GRAY] or the President of the United States, a serious and honest proposal?

Absolutely not. I do not think anybody can claim that it is.

Year after year we get these budgets from the President, we look at them and we giggle and we throw them in the can, and then we attempt to sit down and write one on our own while the President sits down there in the convenience of the Oval Office and criticizes the Congress for not doing its job. "Why don't you do what I asked you to do, and we won't have these problems."

Then we spend the rest of the year listening to the White House tell the American people, "If only they would have done what I ask them to do, we would not have these deficits."

Well, Mr. President, today we are going to lay your 1987 budget on the table and we are going to dissect it as we have here now for several hours, we are going to debate it, we are going to ask the people's House how serious you are.

I for one want to know, before I go any further trying to write a budget, just how right you are, Mr. President.

I want you, Mr. President, to be an honest broker in this game. That is all I ask you to do. I want you to be realistic. I want you to, finally, once and for all, understand what Gramm-Rudman is and understand what it is going to do to the defense of this country and what it is going to do to other programs in the domestic part of this budget that do not need cutting if we do not face up to this problem.

Mrs. MARTIN of Illinois. Mr. Chairman, I yield 2 minutes to the gentleman from Missouri [Mr. EMERSON].

Mr. EMERSON. I thank the gentlewoman for yielding.

Mr. Chairman, I will vote "no" on the proposition this afternoon, for several reasons. The first is, of course, that I do not agree with all of the President's budget proposals, although I do agree with many and I do agree with the target numbers. Modifications of his priorities are in order. That is to be expected. But this resolution has not even been treated with the normal, ordinary, mundane, legislative consideration or courtesy that we would give to any "commemorative observance" bill. I resent the process that is being foisted upon us this afternoon; a real ruse, a charade, a rhetorical Reagan-bashing exercise that does not become the House.

This House should have a higher sense of responsibility than to purport that there is real meaning in what has been done here today. There is no opportunity in this exercise to reprioritize or for the House to make any input into the process based on the concerns of our constituents.

Of course we will have that opportunity to be involved in the weeks and months ahead, if we ever get down to our own budget process.

This House, the other body and the President should work sensitively with each other in addressing the deficits, one of the most serious problems and concerns on the agenda, do it seriously and stand back from this game-playing, this sophomoric game-playing.

It is, after all, time for us to admit, time for this House to admit, that no President ever spent a nickel that was not authorized and appropriated by the Congress.

It is time for us to get on with legislating, not sequestrating, of seeing the budget process work as it should rather than going through these charades.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from New York [Mr. SCHUMER] a member of the committee.

Mr. SCHUMER. I thank the distinguished Chairman for giving me some time this afternoon.

Mr. Chairman, we have heard a lot of rhetoric. Most of it has really come from the people saying that this side of the aisle is rhetoric.

Let me say to my friends on the other side of the aisle that only one of you today, a gentleman from Texas, had the courage to say he was for the President's budget. We have heard words like "charade" and we have heard words like "political" and we have had people holding up pads that are blank, but only one person on the other side of the aisle has screwed his courage to the sticking board and said, "I'll back my President."

Ladies and gentlemen, if this exercise is a charade, then the President's budget is a charade. And, conversely, if the President's budget is real, then this exercise is real, because all we are doing, no more, no less, is asking every Member of this House to say yes or no to the President on the President's budget priorities.

And why is there such consternation, confusion and, yes, rhetoric from that side of the aisle? Because there is a lot of squirming going on. The leader of their party and the people on that side of the aisle simply disagree in priorities.

Would it not be more honest, would it not be more fair, would it not be more effective back in your districts to

simply say, "Mr. President, we disagree with your priorities. You are a good President, you are the leader of our party, but we disagree on priorities."

That would be the honest thing to do. But instead of examining the President's budget, instead of admitting that you simply do not like it, no more, no less, you attack the Democrats.

□ 1750

Members of this body, that attack will not wash. That attack will not wash; it will not work. Your vote will be the ultimate arbiter of what happens today. There will be a yes or there will be a no, and maybe there will be a few people abstaining or not voting.

But that is what we will leave. That is what will be at the end of today. Not all the language, not all the accusations but a yes or a no. Are you with your President or are you against him?

Mrs. MARTIN of Illinois. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. I thank the gentlewoman for yielding me this time.

Mr. Chairman, Members of the Committee, I have been watching this debate and listening to it all day, and it really is a sham.

I, for one, standing in this well, do not like the President's budget, and I will vote against the President's budget. But to hear that other side get up, one after another, and say what the President's budget is going to do is a sham, because over 100 Democrats voted for Gramm-Rudman.

I pleaded here in this well, I told you what Gramm-Rudman was going to do too. Look at education. On March 1, you bleeding hearts, 290,000 students went off the Pell grants in this country of ours because of your vote.

At least 500 older Americans will not get safe and decent subsidized housing because of your vote.

Nine million fewer meals on wheels will be served because of your vote.

You hurt the air controllers, you hurt the Coast Guard which was cut by $86 million, you hurt the Customs which was cut by $34 million; everybody got cut across-the-board, 4.3 percent. And do you know why you voted for Gramm-Rudman? Because you did not have the guts to make the proper cuts.

You were hoping that sequestration would do the job for you. I happen to be one of the 12 guys that brought suit against Gramm-Rudman, and the 3-judge court down at the District Court ruled in our favor. Hopefully, the Supreme Court will rule in our favor.

You did not have the guts to make the tough cuts, and to make the tough choices. You were all going to hide behind sequestration, and then when your constituents came to you, the students came to you the health professions came to you, the social programs came to you; you were going to say, "Hey, I am with you. I am with you, but that is sequestration. Those awful people down there did it; we did not do it."

You wanted the President to handle sequestration. But now, after the Supreme Court rules, you are going to have to make those tough decisions. You do not like the President's budget; I do not like it. But what are you going to come up with? You have only got a couple more weeks. April 15 is the deadline, and we just cannot wait to see that beautiful budget you'll come up with.

Mr. McCOLLUM. Mr. Chairman, consideration of House Concurrent Resolution 296 makes a sham of the entire legislative process. The Democrats in Congress, who control the purse strings, who control the staff, who control the committees, are bringing to the House floor a budget bill that has not been considered by any subcommittee, any committee, or any public forum at all.

We are expected to vote on a bill that has not been examined at all by those Members who are charged to do so. This, in the old phrase, is a pig in a poke. Instead of meeting the hard challenge of constructing a budget to meet our national needs, the Budget Committee, with no notice to anyone is simply dumping the President's budget out on the floor for an up or down vote.

The Democrats have not even taken the time to construct an alternative budget. That says either they so wholeheartedly agree with the President or they simply don't care enough about the budget of the United States to take a serious approach and come up with a serious alternative.

Public policy, particularly public budgets, are always a matter of choices. I have consistently stated that I would prefer the President's budget, with all its flaws, to the consequences of the Gramm-Rudman sequestration process. But, I never imagined that that is all this House would consider. We, and the American people deserve to look at and make choices about this budget.

The legislative procedure used now by the Democrats ignores the need for a democratic society to have choices. The Democrats are using this tactic to simply vent their complaints about the President's budget. That's fine. But where are the choices? If they have problems with the President's budget, then they should offer an alternative, or at least allow the rest of us to offer alternatives.

In failing to come up with legitimate alternatives, the Democrats abandon their shared responsibility with the executive branch to govern this country. By ordering this vote in this fashion, the Democrats are failing in their constitutional responsibility to hold the purse-strings of this Government.

Because this vote fails to give me or my constituents any choices in setting Federal budget priorities, and because this vote represents an abdication of our solemn responsibility as Members of the U.S. House of Representatives, and is merely a Democratic political ploy. I am compelled to vote present to protest this unseemly and politically inspired legislation.

Mr. CHANDLER. Mr. Chairman, failure to address persistent budget deficits of unprecedented magnitude would wreak such havoc on our way of life that this Congress, just a few months ago, in an extraordinary show of bipartisanship, passed an extraordinary measure, the Gramm-Rudman-Obey amendment.

The bipartisan support for that mechanism, not the mechanism itself, is the most promising development in the struggle to overcome the deficit.

Now that we're committed to reducing the fiscal 1987 deficit to $144 billion, there's only one way to do it. Republicans and Democrats in this House must set aside their partisan differences and work together.

Mr. Chairman, bringing the President's budget to the floor, knowing full well that there aren't enough votes to pass it, may be a good way to embarrass the minority in this House, but it's no way to cut the deficit.

Let's go ahead and have the vote. We all know what the outcome will be. And then let's put aside this partisan posturing and work together to develop a budget. The American people don't want games. They want us to deliver on our promise of progress toward a balanced budget.

Mr. HUTTO. Mr. Chairman, I am voting present on the President's budget because I do not think it means a thing. It is purely an exercise since the Budget Committee has not yet marked up a budget resolution establishing a figure to be used by the authorizing committees and the Appropriations Committee to meet the $144 billion deficit figure for fiscal year 1987.

Mrs. LLOYD. Mr. Chairman, I rise in opposition to the administration's proposed budget for fiscal year 1987. This budget reflects the same priorities that have characterized the administration's budgets in the past: large increases in defense spending and foreign assistance and deep cuts in domestic spending.

We need a strong defense—but we can never have a strong defense unless it is backed by a strong country—strength that can only come by developing our Nation's resources—our real wealth—with an educated, healthy populace, with adequate food and nutrition flowing from a strong agriculture base.

The administration, however, proposes to exempt the Defense Department from the budget cuts required to meet the Gramm-Rudman deficit limits. Instead, the Reagan budget would increase defense appropriations by $34 billion—12 percent—in fiscal year 1987, and by 42 percent over the next 5 years, the same period in which the Gramm-Rudman law would require the complete elimination of the deficit. The administration's plan for domestic programs, on the other hand, is quite different: Deep cuts in virtually every portion of the domestic budget, with Social Security Benefits the major exception. The Reagan budget would cut domestic spending $22 billion below current spending levels and $28 billion below what is needed to maintain current services.

Today, our national debt has doubled to over $2 trillion and large sections of our Na-

tion's industry are bankrupt. The textile industry is facing bankruptcy from imports—with similar disasters in shoes and steel and others. Land values have dropped as much as 75 percent. In 1985 more banks failed in any year since the Depression. Of course we need a strong defense but we must also have a strong economy. The drastic cuts proposed in this budget would preclude the growth by business and industry that is needed to attain economic vitality.

More than 40 domestic programs would be completely eliminated under the President's budget. Many of these programs are essential to my district and the Nation such as the Small Business Administration, the Appalachian Regional Commission, community urban development and action grants, and general revenue sharing. Our farmers would be deeply hurt by the elimination of the agriculture conservation programs, the rural development programs, farm loan programs and agriculture research and extension.

This budget would deprive hundreds of thousands of low- and middle-income students of the opportunity for a college education by making it much harder for their families to obtain the financial help they need. Drastic cuts in funding and changes in student financial aid programs would eliminate 2 million student aid awards and reduce 1 million more. The proposed changes in the guaranteed Student Loan Program may force many banks to stop issuing student loans altogether thereby leaving even more students without any financial aid. This budget would slash vocational education and severly cut funds for handicapped education.

This budget would shut hundreds of thousands of middle-income families out of the housing market, leveling disastrous effects on home builders and realtors.

As you can see from these facts, clearly, an increase of nearly $2 billion in fiscal year 1987 for foreign assistance is unconscionable. We must prioritize to make this country grow and prosper and we cannot continue to subsidize to make this country grow and prosper and we cannot continue to subsidize foreign governments at the expense of our own farmers, steel and textile workers. We must continue to maintain a reliable flow of Federal support to cost-effective programs that enlarge and enrich our human and physical resources and our capacity for innovative research and development. The administration's budget will not meet those goals. I urge my colleagues to join with me in voicing strong opposition to this proposal.

Mr. GALLO. Mr. Chairman, as whip of the freshman class, I have had the honor and privilege of working closely with the leadership of my party to advocate a responsible budget process in this House.

The debate here today strongly suggests that our message has fallen on deaf ears.

Today, we are playing a cruel game with sensitive issues affecting millions of Americans. Today's budget vote was a sham of the worst kind.

Many members of the House on both sides of the aisle are waiting for the majority leadership to take responsible action. We want a budget resolution that reflects the sense of the Congress.

When the Gramm-Rudman bill passed the House with a strong bipartisan vote, 271-154, Congress committed itself to a policy of spending limits designed to end deficit spending. The majority leadership must know that its failure to develop a responsible budget within deficit-reduction targets by the appointed deadline will result in an automatic meat-ax approach to fiscal responsibility. But, in spite of that knowledge, today's vote brings us one step closer to the inevitable.

We want to reassure the people that the House is capable of producing a budget resolution by April 15 that ends the uncertainty created by congressional inaction.

All we got today was a meaningless vote that covers up the facts of life in the House.

The facts are that it is March and we have not even started the real budget process in the House.

The facts are that there was nothing sincere or genuine in this highly irregular vote on the President's budget proposal, which was conducted without the benefit of due process.

President Reagan met his legal requirement by delivering a budget to Congress more than a month ago. Obviously, the decisionmakers in the House have chosen to make no decision, to offer no new ideas for solving a serious problem, and to let the clock run on the budget process.

The facts are that we are 8 legislative days away from a required vote on a budget resolution, and the majority leadership has abdicated its responsibility to lead by turning the budget process into a media show.

With this action today, the handwriting is on the wall. During the years before World War II, Winston Churchill watched the clock tick away the wasted hours as British Government ignored the obvious and failed to prepare for their own defense.

Today, those of us who were present for this vote remember that Churchill was rewarded for his constant vigilance with leadership in time of crisis.

Our time of crisis is coming. I hope we, too, will be blessed with leadership when it counts.

Mr. ROYBAL. Mr. Chairman, with the submission of the President's 1987 budget plan, the administration has launched its fiscal year 1987 strategy to cripple domestic programs such as health, housing and education while favoring and protecting military spending. If the administration's budget passes and if what many consider to be optimistic revenue estimates turn out to be low, Gramm-Rudman-Hollings will trigger on October 1 and bring a second devasting round of cuts to domestic programs already decimated by the administration's budget plan.

In the administration's budget, OMB estimates the 1987 Federal deficit exceeds the Gramm-Rudman-Hollings targets by only $38 billion—partly due to optimistic revenue estimates. If revenues are lower, deficits will be higher and will likely trigger Gramm-Rudman-Hollings sequestrations.

The Reagan administration's plan for 12 percent growth—8 percent real growth—in defense budget authority ignores deficit reduction priorities established by Gramm-Rudman-Hollings. If enacted as presented, the administration's budget will shelter defense from the full magnitude of Gramm-Rudman-Hollings. Meanwhile, programs for the poor, elderly and disadvantaged face double jeopardy: cuts under the Reagan administration's budget as well as under Gramm-Rudman-Hollings.

Over the next 5 years, the budget makes deep cuts in HUD-assisted housing—$29.1 billion, Medicare—$53.8 billion, and Medicaid—$17.1 billion. Once again, the administration shows its disregard for the American life support system protecting millions of vulnerable Americans of all ages. It's tragic that the President proposes to defer, rescind, or eliminate virtually all low-income housing assistance—not based on whether these programs have proven to be successful or not—but rather based on the misconception that we cannot affort to assist the poorest of Americans.

America's health support system is placed in serious jeopardy. Raising the Medicare part B annual premium 82 percent to $452 per year in 1991 and increasing the part B deductible $45 by 1991 will add up to $265 to an elderly beneficiary's health care bill. Elderly out-of-pockets costs may reach 20 percent of income by 1990—substantially higher than the 15 percent level when Medicare and Medicaid began. Further, cutting Medicare hospital and physician payments by $7.99 billion in 1991 will greatly add to current health care quality and access problems facing elderly and disabled Medicare beneficiaries.

In a budget that threatens essential life support programs, the Reagan administration fails to target the true source of $200 billion deficits. According to 1985 Congressional Budget Office estimates, lost revenues and increased expenditures from this administration's tax and defense policies will equal the projected 1989 Federal deficit and exceed the 1990 deficit by nearly $40 billion.

The President's budget does not represent the interests or take into consideration the vast majority of the American public. The President's budget should be rejected.

Mr. MARTINEZ. Mr. Chairman, the administration has again proposed a budget with unrealistic, distorted priorities that do not reflect the needs and wishes of the American people. This unbalanced budget would have us cut spending for nondefense programs by $28 billion below what would be needed just to maintain current services—taking inflation and the number of eligible beneficiaries into account. This unbalanced budget would have us totally eliminate 40 domestic programs. Some of the programs targeted for the Reagan ax are Immigrant Education, the Work Incentive Program—WIN, the Legal Services Corporation, General Revenue Sharing, Urban Development Action Grants, Low-Income Weatherization—the list of casualities goes on and on.

At the same time, the administration is asking for $34 billion in increased appropriations for the military. Under the current administration, there has been a sharp increase in the amount of funds appropriated for the military but neither spent nor even obligated under contracts by the end of the fiscal year. This unobligated backlog is estimated to reach $60 billion this year. We all support an effective American military. We are all willing to give the Defense Department what it truly

needs to carry out its critical job of keeping the peace, but I cannot and will not support cuts in vital social programs while billions of dollars are being thrown at a military establishment that cannot even spend all the appropriations it has been given.

Mr. BOLAND. Mr. Chairman, when President Reagan sent his fiscal year 1987 budget to Congress last month, he rejected the notion that it was dead on arrival. Instead, he requested that it be considered and approved, and today we make a judgment on that request.

We have had the President's budget for about 6 weeks. Our Budget Committee has held field hearings on it; other committees of the House including the Appropriations Committee on which I serve had had hearings in Washington on it; it has been extensively analyzed by the media; and, if your constituents are like mine, they have let you know what they think of it. In short, I believe we know enough about Mr. Reagan's budget to vote on it.

Budgets are spending blueprints. They reflect their author's belief as to how the Nation's resources should be allocated. Budgets are a statement of priorities; if you agree with those priorities you vote for their embodiment in the budget. If the budget's priorities are not yours, you don't vote for it. It's really that simple. And Mr. Chairman, let me make it clear that the priorities reflected in President Reagan's fiscal year 1987 budget are not my priorities, and I won't be voting for it.

The Presidential budget for the next fiscal year is a rewrite of past efforts by this administration. It is sadly out of balance in terms of priorities. As usual, the President would increase defense outlays while reducing domestic spending. I yield to no one in my belief that one of the primary responsibilities of the Federal Government is to ensure the national defense. I have supported, and will continue to support, the programs I believe are necessary to provide for our national security. I also know, however, that there are investments we must make in our country and its people—investments in areas like education, health care, job training, transportation and the like—which are every bit as important to guaranteeing our security as are the missiles, bombers, and submarines we entrust to the Defense Department. The President's budget would have you believe that all good things flow from a steadily increasing defense budget and a steadily decreasing domestic program budget. That was not true in 1981, Mr. Chairman, it is not true in 1986, and it will never be true.

I do not intend to address the very legitimate concern that the President's budget may have underestimated defense spending by $15 billion and therefore may not have complied with the dictates of Gramm-Rudman. That is obviously a serious issue, but I am more concerned about the direction in which the President's budget would lead the Nation. I don't believe that the American people want to follow the course set forth by this budget, a course that will inevitably lead to a society less able to respond to the challenges of a rapidly changing world. That course, and this budget, deserve to be rejected. I hope this House will go on record today in opposition to them, and I hope that the message of rejection we will send will be received and understood by those who set spending priorities in this administration.

Mr. ANDREWS. Mr. Chairman, today's debate over the budget is essentially a debate over the priorities of our Nation. By that I do not mean the priority of reducing our enormous budget deficit; I think on that issue we are all agreed. We must take decisive action to rid ourselves of a deficit so large that it threatens the national economy. Instead, today's debate revolves around how we are to go about doing the job.

Today, we are voting on the President's budget proposal—his priorities for our Nation in the year ahead. They are very clear. The President insists that the deficit reduction targets set by the Gramm-Rudman balanced budget legislation must be met without raising any new revenue, and without reducing his continuing military buildup. Under the President's budget, then, all deficit reductions must come from domestic spending. Specifically, the President would increase military outlays by $16 billion while reducing outlays for domestic programs by $22 billion.

This vote will demonstrate how many Members of the House of Representatives share the priorities of the President. I do not believe the numbers will be great. Last week the Senate Budget Committee, the majority of which belong to the President's party, voted 16 to 6 against adopting his budget. If it is not already, it will soon be clear that the majority of the U.S. Congress does not share the priorities for our Nation. We will not endorse a budget that decimates important health, education, and veterans' programs, and that does so, not to reduce the national deficit, but to finance increased military expenditures.

Mr. Chairman, this vote will demonstrate the obvious desire on both sides of the aisle to craft an alternative to the President's list of budget priorities. This is the business we must turn to. We must act in a forceful, forthright, and most importantly, a bipartisan manner to forge a new set of budget priorities. It is only the cooperative, collective action of both parties in both Houses of Congress that will contribute to a sound, responsible resolution of the budget debate. Let us turn to the task of creating a budget that meets the deficit reduction targets of Gramm-Rudman, but meets them without placing an unequal burden on any one segment of society. Let us work together to craft a national budget which is representative of a consensus of opinion, and is truly reflective of the priorities of the citizens of this country. Thank you.

Mr. MANTON, Mr. Chairman, I rise in strong opposition to President Reagan's budget for fiscal year 1987. I want to commend the gentleman from Pennsylvania, the chairman of the Budget Committee, Mr. GRAY, for bringing the President's budget to the floor today. My constituents in Ninth Congressional District of New York, and all Americans have a right to know exactly how President Reagan proposes to reduce the Federal deficit.

Mr. Chairman, President Reagan told Americans in his State of the Union Address that his budget provides a "modest increase" for defense, protects programs for the poor and elderly, promotes family values, and meets the Gramm-Rudman deficit target for fiscal year 1987. A closer look at the President's budget tells a much different story.

First, the President claims his budget would increase defense spending by a "modest" 3 percent after inflation. However, the Congressional Budget Office estimates that defense spending would actually rise by 8 percent in fiscal year 1987 under the President's budget. An 8-percent real increase in defense spending is excessive, unrealistic, and unwarranted, given our current deficit crisis.

Mr. Chairman, Pentagon spending has doubled since 1981. But the more than $1 trillion spent by the Pentagon under the Reagan administration has not bought America a stronger defense. Instead, billions of dollars have been thrown at costly and needless weapons systems like the MX missile, while funds for training and readiness have been cut by 30 percent. Sacrificing readiness to buy highly complex and unnecessary weapons systems has undermined our defense capabilities.

Furthermore, the Pentagon has allowed many of the Nation's largest defense contractors to reap a massive windfall from fraudulent, abusive and illegal contracting practices. The Defense Department Inspector General has found that more than half of the spare parts purchased by the Pentagon since 1984 were not reasonably priced. This waste and fraud has eroded the quality of our weaponry.

Enough is enough. We can no longer afford to write the Pentagon a blank check as the President has once again proposed. We can have a strong defense and also cut billions from the President's defense budget. But to do so we must require the Pentagon to procure weapons on a competitive basis, and we must eliminate weapons systems that are unnecessary or duplicative.

Second, I reject the administration's claim that this budget is profamily and protects the poor and elderly. The President's budget imposes harsh cuts on vital programs that have already been cut to the bone by his administration. The President's budget would slash domestic spending in fiscal year 1987 by $22 billion. More than 40 programs that are important to the families and the elderly people in my district would be totally eliminated under the President's budget, including low-income weatherization, mass transit assistance, supplemental education opportunity grants, community services block grants, general revenue sharing and housing for the elderly and poor. Funds for infrastructure repair, community development, and health assistance would be severely curtailed.

Mr. Chairman, New York City has been forced to absorb dramatic cuts in Federal assistance over the past 5 years. Since 1981, Federal aid to New York City and its residents has been reduced by $2.4 billion. Under the President's budget for fiscal year 1987, Federal assistance to New York City would be cut by another $1.5 billion. The city will be forced to cut such basic services as police and fire protection, education, and social services for the poor and elderly.

The President's proposals for housing programs clearly illustrate that once again this Administration is attempting to balance the budget on the backs of working families, the poor and the elderly.

First, the President's budget terminates virtually all existing federally assisted housing programs. In New York City, we are faced with a housing crisis of dramatic proportions. Homelessness is on the rise. Many of those who have been fortunate enough to secure housing are paying as much as half of their income for rent. Thousands of families are forced to double up in crowded, unsafe units with the streets being the only alternative. New York and many other cities across the country lack an adequate supply of safe, decent, affordable housing. The President's proposal to wipe out most existing Federal housing programs would make our serious housing problems much, much worse.

Second, the President's proposals to strictly limit eligibility for FHA mortgage insurance, while at the same time more than doubling the amount borrowers would have to pay at closing will kill the dream of homeownership for millions of young families seeking to purchase their first home.

Finally, Mr. Chairman, the administration's budget does not meet the deficit target of $144 billion established under Gramm-Rudman which the President signed into law just 3 months ago. The President overshoots the deficit target by more than $14 billion because the administration understates defense spending. Gramm-Rudman requires the President to submit and the Congress to adopt a budget that meets annual deficit targets established by that measure. The President has failed to live up to his end of the bargain and abdicated his responsibility to submit to Congress a realistic and workable budget that adequately reduces the Federal deficit. In fact, for 6 straight years the President has failed to submit a balanced budget, even though that was a central tenant of his 1980 campaign platform.

Mr. Chairman, President Reagan's budget for fiscal year 1987 is a cruel and heartless proposal that ignores the vital and growing needs of our elderly and our less fortunate. For our Nation's cities, the President's budget is a blueprint for disaster.

I urge my colleagues to join me in voting "no" on President Reagan's fiscal year 1987 budget proposal. I look forward to working with the chairman of the House Budget Committee to develop a reasonable and compassionate deficit reduction plan that brings the bloated Pentagon budget under control and protects vital domestic programs from the outrageous cuts proposed by the Reagan administration.

Mr. BIAGGI. Mr. Chairman, I rise in opposition to the administration's fiscal year 1987 budget proposal embodied in House Concurrent Resolution 296. With its defeat we will have disposed of perhaps the greater of the two evils thus far before us in the budget process. We will be left however with the other, Gramm-Rudman round II. We must produce an alternative to avert this catastrophe.

The administration has once again produced a budget which has misplaced priorities and misguided goals. It follows the poor precedent established by Gramm-Rudman by expecting to be able to make major reductions in the deficit simply by slashing spending for certain programs. Many of these programs have already been decimated by earlier budgets prompted by the administration.

Meanwhile almost in total defiance of logic—the administration proposes to increase defense spending by about 12 percent. This while they propose the outright elimination of key programs that help the poor and needy of our Nation such as the Community Service Block Grant Program. In round numbers the story is even more dramatic. The administration budget proposal would increase defense outlays by $27 billion while reducing domestic spending by $18 billion.

Consider some of the more draconian plans in this budget. Consider revenue sharing—not only would this budget eliminate the program in fiscal year 1987 it would through a recission wipe out the fourth quarter payment for this fiscal year as well. Consider the urban mobility block grant—an idea whose time should never come. Here is an idea whereby localities would get increased flexibility on how to distribute their highway and mass transit funding. The only problem with this great idea is they will have this flexibility but the amount that would be available for the mass transit portion of this block grant would be cut by 40 percent. This will affect each and every one of the 733 urbanized areas in the United States who receive mass transit aid. It could lead to the shutdown of more than 15 percent of the systems around the United States. Rejection of this budget is one way to kill this idea. I have also authored House Resolution 271 to disapprove this proposal.

This budget is flawed in many other regards as well. I oppose its imposition of a cap on Medicaid spending. I oppose the budget's phasing out of the section 202 Housing Assistance Program for the Elderly. I oppose the 50-percent cut in this budget for summer youth employment programs. I vigorously oppose the proposed 25-percent cut below fiscal year 1986 levels in spending for student financial aid programs.

This budget has more problems than it does have assets. It should be rejected and I hope it will be expeditiously.

Mr. FORD of Tennessee. Mr. Chairman, as America looks closely for an answer to the deficit dilemma, I encourage everyone to pay special attention to those deficit figures recorded over the past 5 years. The President's 1987 budget typifies his past budgets, which have set unprecedented levels of debt. The 1987 budget does not address the problems associated with policies that have thus far contributed to driving the deficit up over $2 trillion.

In particular, I refer to the Reagan defense budget. Mr. Chairman, while I believe in a strong defense, recent events have made the Pentagon's request for increased funding seem less than credible.

Whereas defense made up 23 percent of the total spending in fiscal year 1981, the President's budget finds defense programs totalling 28 percent of all spending for 1987. Money spent for defense increased more than $34 billion from last year, or 12 percent over the fiscal year 1986 level after the Gramm-Rudman cuts. Has that increased spending resulted in an improved, battle ready defense? This Member does not believe so.

I believe that when the administration blocks initiatives such as procurement reform, they are blocking one of the items that needs the greatest amount of change. The defense budget is so large that billions of dollars go unspent from year to year. How do you tell that to a Federal retiree who is having his or her small COLA eliminated?

The defense budget rises continually at the expense of America's less fortunate. While every American pays for these buildups, it is the homeless, the teenage mothers, and the young people of this country that are hurt the most.

Mr. Chairman, the President's commitment to a strong national defense has failed because of a military establishment that has abused the system. We pay for weapons that don't work, for toilet seats and coffee makers more suited for Beverly Hills than B-52's and for contractors who bill the Government for the costs associated with public relations and the travel of their pets. Is this the type of strong defense we can be proud of?

While the defense budget is ever increasing, I can run down a whole laundry list of programs to assist our Nation's poor which are not. Every worthwhile social program, every program that promotes the economic development of this section of society has been either cut or reduced.

In this budget, the administration is suffering from a case of misguided priorities. We cannot forget the moral principles that made our country great. America's less fortunate have not benefited from the tax cut of 1981, better known as the trickle down theory. These people are worse off than ever before. We cannot forget or ignore that the poor continue to live in the greatest need. Government must do all it can to help these people break the vicious circle of poverty.

This budget continues a 5-year trend of increasing defense expenditures at the expense of these people. For these reasons, I cannot support the President's budget today. I urge my colleagues to vote down this budget, and call upon my colleagues to consider the plight of America's poor as we look at alternative budgets in the weeks to come.

Mr. MOODY. Mr. Chairman, I am pleased that we have an opportunity to vote today on the President's budget.

This budget is an accurate reflection of the values of this President, what he believes in, who he wants to help and who he proposes to cut.

This budget contains few surprises. It continues the massive peacetime buildup of an already bloated defense budget and it continues to cut drastically vital domestic and social programs.

According to the Congressional Budget Office, the President's budget would increase defense outlays by $28 billion while domestic outlays would be slashed by $22 billion.

Look at his priorities.

His budget cuts education funding by $3.2 billion. More than 1.4 million college students would be dropped from financial assistance rolls, while funding for handicapped education would be slashed $119 million and vocational and adult education by $428 million.

Extraordinarily successful programs such as Head Start—which gives disadvantaged students a critical educational foundation—currently serves less than half the eligible population. Yet its funding would be frozen at 1985 levels.

In 1970, child poverty in America was 13.8 percent. Today, 5 years after Ronald Reagan took office, it is 21.3 percent. Thirteen million children in this country live in poverty, yet this President has once again proposed massive cuts in programs for poor families and their children.

Child nutrition programs would be cut by 14 percent. Medicaid would be cut by 6.5 percent. In all, children stand to lose $33 billion over the next 5 years under his budget.

Mr. Chairman, the moving testimony of Marian Wright Edelman before your Budget Committee in Chicago revealed a shocking fact: a black child born in Chicago has a greater chance of dying in his or her first year of life than a child born in Costa Rica or Cuba. Yet the President would cut child immunization programs and biomedical research.

The President's budget is unrealistic, unfair and impractical. It must be defeated.

Mrs. MARTIN of Illinois. Mr. Chairman, I reserve the balance of my time.

Mr. GRAY of Pennsylvania. Mr. Chairman, we have no further speakers. We are prepared to close out debate if the gentlewoman wants to close.

Mrs. MARTIN of Illinois. Mr. Chairman, the gentlewoman is thrilled to yield back her time.

Mr. GRAY of Pennsylvania. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to close this debate with just a few statements. First of all, this debate has not been about process as so many people have come to the well and talked about the process of whether it should have come to the floor or should it have gone to the committee.

This debate is not about whether the Democrats have an alternative or the Republicans of the House have an alternative. This debate is about one, simple thing, and that is: What does this House feel about the President's budget?

I find it interesting that most of my colleagues who come from the other side have talked about process, they have talked about politics, they have even talked about Gramm-Rudman. Sometimes they have gotten their facts wrong, as my colleague did just a moment ago. He failed to mention that Gramm-Rudman passed with the majority of Democrats voting against it, not for it, and most of the Republicans.

But it is not about Gramm-Rudman; it is about how do we prevent Gramm-Rudman and sequestration taking place. We prevent it by producing a budget that reaches a true 144. The President has given us his budget, he has asked for consideration, and that is what we have been trying to do here today.

Talk about what is in his budget, what does it do to agriculture? What does it do to the FAA? What does it do to education? Not whether it should have gone to the Budget Committee, not whether Gramm-Rudman, not who created the deficit.

In a moment, all of us will get a chance to vote. We will get a chance to vote "yes" or "no" on the President's economic blueprint. I hope that Members will not vote "present." I hope that they will do what people expect them to do when they came here, which is to take a stand for or against that document.

If that document is defeated, and I hope it will be, because I think it is the wrong blueprint for an American future that stands tall. Then I think it is time for us to sit down with our colleagues on the Republican side to draft an alternative. It is time for bipartisan consensus.

However, I would urge the President to read the writing on the wall, and if the budget is defeated that he proposes, come to the table with Democrats and Republicans from both bodies and convene a meeting so that we can try to avoid the grim reaper of Gramm-Rudman known as sequestration and yet sort out our priorities and invest in our security and also in our human capital.

That is what the vote is about. I urge Members to vote and vote "no" against the President's budget.

The CHAIRMAN. Pursuant to the rule, the concurrent resolution is considered as having been read for amendment under the 5-minute rule.

No amendments are in order.

The text of the concurrent resolution is as follows:

H. CON. RES. 296

Resolved by the House of Representatives (the Senate concurring), That the Congress hereby determines and declares that the concurrent resolution on the budget for fiscal year 1987 is hereby established and the appropriate budgetary levels for fiscal years 1988 and 1989 are hereby set forth:

(a) The following budgetary levels are appropriate for the fiscal years beginning on October 1, 1986, October 1, 1987, and October 1, 1988:

(1) The recommended levels of Federal revenues are as follows:
Fiscal year 1987: $636,100,000,000.
Fiscal year 1988: $690,400,000,000.
Fiscal year 1989: $732,500,000,000.
and the amounts by which the aggregate levels of Federal revenues should be increased are as follows:
Fiscal year 1987: $6,000,000,000.
Fiscal year 1988: $5,700,000,000.
Fiscal year 1989: $6,100,000,000.

(2) The appropriate levels of total new budget authority are as follows:
Fiscal year 1987: $887,700,000,000.
Fiscal year 1988: $923,100,000,000.
Fiscal year 1989: $954,400,000,000.

(3) The appropriate levels of total budget outlays are as follows:
Fiscal year 1987: $795,400,000,000.
Fiscal year 1988: $817,100,000,000.
Fiscal year 1989: $843,800,000,000.

(4)(A) The amounts of the deficits in the budget which are appropriate in the light of economic conditions and all other relevant factors are as follows:
Fiscal year 1987: $159,300,000,000.
Fiscal year 1988: $126,700,000,000.
Fiscal year 1989: $111,300,000,000.

(B) For purposes of the maximum deficit amount mandated by the Balanced Budget and Emergency Deficit Control Act of 1985 and section 301(i) of the Congressional Budget Act of 1974 only, the appropriate levels of total new budget authority, budget outlays, Federal revenues, and deficits, including receipts and disbursements of the Federal Old-Age and Survivors Trust Fund and the Federal Disability Trust Fund, are as follows:
New budget authority:
Fiscal year 1987: $1,102,000,000,000.
Fiscal year 1988: $1,165,900,000,000.
Fiscal year 1989: $1,218,000,000,000.
Outlays:
Fiscal year 1987: $994,000,000,000.
Fiscal year 1988: $1,026,800,000,000.
Fiscal year 1989: $1,063,600,000,000.
Revenues:
Fiscal year 1987: $850,400,000,000.
Fiscal year 1988: $933,200,000,000.
Fiscal year 1989: $996,100,000,000.
Deficit:
Fiscal year 1987: $143,600,000,000.
Fiscal year 1988: $93,600,000,000.
Fiscal year 1989: $67,500,000,000.

(5) The appropriate levels of the public debt are as follows:
Fiscal year 1987: $2,317,350,000,000.
Fiscal year 1988: $2,506,500,000,000.
Fiscal year 1989: $2,681,900,000,000.

(6) The appropriate levels of total Federal credit activity for the fiscal years beginning on October 1, 1986, October 1, 1987, and October 1, 1988, are as follows:

Fiscal year 1987:
(A) New direct loan obligations, $30,600,000,000.
(B) New primary loan guarantee commitments, $79,800,000,000.
(C) New secondary loan guarantee commitments, $55,350,000,000.

Fiscal year 1988:
(A) New direct loan obligations, $28,000,000,000.
(B) New primary loan guarantee commitments, $81,700,000,000.
(C) New secondary loan guarantee commitments, $51,900,000,000.

Fiscal year 1989:
(A) New direct loan obligations, $24,800,000,000.
(B) New primary loan guarantee commitments, $83,300,000,000.
(C) New secondary loan guarantee commitments, $52,650,000,000.

(b) The Congress hereby determines and declares the appropriate levels of budget authority and budget outlays, and the appropriate levels of new direct loan obligations and new loan guarantee commitments for fiscal years 1987 through 1989 for each major functional category are:

(1) National Defense (050):

Fiscal year 1987:
(A) New budget authority, $320,350,000,000.
(B) Outlays, $282,250,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:
(A) New budget authority, $341,550,000,000.

(B) Outlays, $299,150,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $363,250,000,000.
(B) Outlays, $322,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(2) International Affairs (150):
Fiscal year 1987:
(A) New budget authority, $22,650,000,000.
(B) Outlays, $18,600,000,000.
(C) New direct loan obligations, $8,100,000,000.
(D) New primary loan guarantee commitments, $12,150,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $21,550,000,000.
(B) Outlays, $18,250,000,000.
(C) New direct loan obligations, $8,200,000,000.
(D) New primary loan guarantee commitments, $12,150,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $21,450,000,000.
(B) Outlays, $18,050,000,000.
(C) New direct loan obligations, $8,350,000,000.
(D) New primary loan guarantee commitments, $12,000,000,000.
(E) New secondary loan guarantee commitments, $0.
(3) General Science, Space, and Technology (250):
Fiscal year 1987:
(A) New budget authority, $9,450,000,000.
(B) Outlays, $9,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $9,950,000,000.
(B) Outlays, $9,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $11,050,000,000.
(B) Outlays, $10,150,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(4) Energy (270):
Fiscal year 1987:
(A) New budget authority, $4,350,000,000.
(B) Outlays, $4,000,000,000.
(C) New direct loan obligations, $2,500,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $5,350,000,000.
(B) Outlays, $4,500,000,000.
(C) New direct loan obligations, $2,050,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $4,800,000,000.
(B) Outlays, $3,950,000,000.
(C) New direct loan obligations, $1,650,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(5) Natural Resources and Environment (300):
Fiscal year 1987:
(A) New budget authority, $10,950,000,000.
(B) Outlays, $11,950,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $10,600,000,000.
(B) Outlays, $11,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $10,000,000,000.
(B) Outlays, $11,650,000,000.
(C) New direct loan obligations, $50,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(6) Agriculture (350):
Fiscal year 1987:
(A) New budget authority, $19,600,000,000.
(B) Outlays, $19,550,000,000.
(C) New direct loan obligations, $13,000,000,000.
(D) New primary loan guarantee commitments, $5,500,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $22,250,000,000.
(B) Outlays, $19,650,000,000.
(C) New direct loan obligations, $11,950,000,000.
(D) New primary loan guarantee commitments, $6,000,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $22,500,000,000.
(B) Outlays, $19,900,000,000.
(C) New direct loan obligations, $9,800,000,000.
(D) New primary loan guarantee commitments, $6,500,000,000.
(E) New secondary loan guarantee commitments, $0.
(7) Commerce and Housing Credit (370):
Fiscal year 1987:
(A) New budget authority, $10,200,000,000.
(B) Outlays, $1,350,000,000.
(C) New direct loan obligations, $1,800,000,000.
(D) New primary loan guarantee commitments, $37,500,000,000.
(E) New secondary loan guarantee commitments, $55,350,000,000.
Fiscal year 1988:
(A) New budget authority, $8,700,000,000.
(B) Outlays, $3,850,000,000.
(C) New direct loan obligations, $1,650,000,000.
(D) New primary loan guarantee commitments, $37,450,000,000.
(E) New secondary loan guarantee commitments, $51,900,000,000.
Fiscal year 1989:
(A) New budget authority, $6,500,000,000.
(B) Outlays, $500,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $37,400,000,000.
(E) New secondary loan guarantee commitments, $52,650,000,000.
(8) Transportation (400):
Fiscal year 1987:
(A) New budget authority, $22,550,000,000.
(B) Outlays, $25,500,000,000.
(C) New direct loan obligations, $150,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $22,400,000,000.
(B) Outlays, $24,100,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $22,500,000,000.
(B) Outlays, $23,400,000,000.
(C) New direct loan obligations, $50,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(9) Community and Regional Development (450):
Fiscal year 1987:
(A) New budget authority, $3,800,000,000.
(B) Outlays, $6,550,000,000.
(C) New direct loan obligations, $450,000,000.
(D) New primary loan guarantee commitments, $50,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $4,950,000,000.
(B) Outlays, $5,450,000,000.
(C) New direct loan obligations, $150,000,000.
(D) New primary loan guarantee commitments, $50,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $4,850,000,000.
(B) Outlays, $4,950,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $50,000,000.
(E) New secondary loan guarantee commitments, $0.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1987:
(A) New budget authority, $26,950,000,000.
(B) Outlays, $27,450,000,000.
(C) New direct loan obligations, $1,550,000,000.
(D) New primary loan guarantee commitments, $9,750,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $26,650,000,000.
(B) Outlays, $26,300,000,000.
(C) New direct loan obligations, $1,700,000,000.

(D) New primary loan guarantee commitments, $11,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $26,550,000,000.
(B) Outlays, $26,450,000,000.
(C) New direct loan obligations, $1,800,000,000.
(D) New primary loan guarantee commitments, $12,900,000,000.
(E) New secondary loan guarantee commitments, $0.
(11) Health (550):
Fiscal year 1987:
(A) New budget authority, $35,350,000,000.
(B) Outlays, $35,000,000,000.
(C) New direct loan obligations, $50,000,000.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $36,500,000,000.
(B) Outlays, $36,650,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $38,000,000,000.
(B) Outlays, $37,950,000,000.
(C) New direct loan obligations, $50,000,000.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
(12) Medical Insurance (570):
Fiscal year 1987:
(A) New budget authority, $82,250,000,000.
(B) Outlays, $70,250,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $89,750,000,000.
(B) Outlays, $76,050,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $98,150,000,000.
(B) Outlays, $83,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(13) Income Security (600):
Fiscal year 1987:
(A) New budget authority, $153,300,000,000.
(B) Outlays, $118,350,000,000.
(C) New direct loan obligations, $1,750,000,000.
(D) New primary loan guarantee commitments, $350,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $163,350,000,000.
(B) Outlays, $123,100,000,000.
(C) New direct loan obligations, $1,150,000,000.
(D) New primary loan guarantee commitments, $365,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $166,050,000,000.
(B) Outlays, $125,750,000,000.
(C) New direct loan obligations, $500,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(14) Social Security (650):
Fiscal year 1987:
(A) New budget authority, $5,700,000,000.
(B) Outlays, $5,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $6,400,000,000.
(B) Outlays, $6,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $7,200,000,000.
(B) Outlays, $7,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(15) Veterans Benefits and Services (700):
Fiscal year 1987:
(A) New budget authority, $26,700,000,000.
(B) Outlays, $26,400,000,000.
(C) New direct loan obligations, $1,150,000,000.
(D) New primary loan guarantee commitments, $14,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $27,300,000,000.
(B) Outlays, $26,900,000,000.
(C) New direct loan obligations, $1,050,000,000.
(D) New primary loan guarantee commitments, $14,550,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $27,500,000,000.
(B) Outlays, $26,900,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $14,450,000,000.
(E) New secondary loan guarantee commitments, $0.
(16) Administration of Justice (750):
Fiscal year 1987:
(A) New budget authority, $7,100,000,000.
(B) Outlays, $6,950,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $7,200,000,000.
(B) Outlays, $7,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $7,300,000,000.
(B) Outlays, $7,050,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(17) General Government (800):
Fiscal year 1987:
(A) New budget authority, $6,200,000,000.
(B) Outlays, $6,050,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $5,750,000,000.
(B) Outlays, $5,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $6,050,000,000.
(B) Outlays, $6,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(18) General Purpose Fiscal Assistance (850):
Fiscal year 1987:
(A) New budget authority, $1,750,000,000.
(B) Outlays, $1,750,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $1,850,000,000.
(B) Outlays, $1,850,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $1,900,000,000.
(B) Outlays, $1,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(19) Net Interest (900):
Fiscal year 1987:
(A) New budget authority, $148,000,000,000.
(B) Outlays, $148,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $145,100,000,000.
(B) Outlays, $145,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $136,050,000,000.
(B) Outlays, $136,050,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(20) Allowances (920):

Fiscal year 1987:

(A) New budget authority, $750,000,000.

(B) Outlays, $750,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $2,400,000,000.

(B) Outlays, $2,350,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $3,550,000,000.

(B) Outlays, $3,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(21) Undistributed Offsetting Receipts (950):

Fiscal year 1987:

(A) New budget authority, $-38,150,000,000.

(B) Outlays, $-38,150,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $-46,350,000,000.

(B) Outlays, $-46,350,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $-43,800,000,000.

(B) Outlays, $-43,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

The CHAIRMAN. Under the rule, the Committee rises.

□ 1800

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the concurrent resolution (H. Con. Res. 296) setting forth the congressional budget for the U.S. Government for the fiscal years 1987, 1988, and 1989, pursuant to House Resolution 397, had directed him to report the concurrent resolution back to the House with the recommendation that the concurrent resolution be agreed to.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the concurrent resolution.

The question was taken; and the speaker announced that the ayes appeared to have it.

Mr. GRAY of Pennsylvania. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 12, nays 312, answered "present" 78, not voting 32, as follows:

[Roll No. 53]

YEAS—12

Armey	Hansen	Moorhead
Badham	Livingston	Oxley
Bartlett	Lujan	Quillen
Barton	Mack	Shumway

NAYS—312

Ackerman	Derrick	Hughes
Akaka	Dicks	Jacobs
Alexander	Dingell	Jeffords
Anderson	DioGuardi	Jenkins
Andrews	Dixon	Jones (NC)
Annunzio	Donnelly	Jones (OK)
Anthony	Dorgan (ND)	Jones (TN)
Applegate	Dowdy	Kanjorski
Aspin	Downey	Kaptur
Atkins	Durbin	Kasich
AuCoin	Dwyer	Kastenmeier
Barnes	Dymally	Kennelly
Bates	Dyson	Kildee
Bedell	Early	Kleczka
Bennett	Eckart (OH)	Kolter
Bereuter	Eckert (NY)	Kostmayer
Berman	Edwards (CA)	LaFalce
Bevill	Emerson	Lantos
Biaggi	English	Leath (TX)
Bilirakis	Erdreich	Lehman (CA)
Boehlert	Evans (IA)	Lehman (FL)
Boggs	Evans (IL)	Leland
Boland	Fascell	Lent
Boner (TN)	Fazio	Levin (MI)
Bonior (MI)	Feighan	Levine (CA)
Bonker	Flippo	Lightfoot
Borski	Florio	Lipinski
Bosco	Foglietta	Lloyd
Boucher	Foley	Long
Boulter	Ford (MI)	Lowry (WA)
Boxer	Ford (TN)	Luken
Breaux	Fowler	Lundine
Brooks	Frank	MacKay
Brown (CA)	Franklin	Manton
Brown (CO)	Frost	Markey
Bruce	Fuqua	Martinez
Bryant	Garcia	Matsui
Burton (CA)	Gaydos	Mavroules
Byron	Gejdenson	Mazzoli
Carney	Gibbons	McCloskey
Carper	Gilman	McCurdy
Carr	Glickman	McDade
Chapman	Gonzalez	McGrath
Clay	Gordon	McHugh
Clinger	Gray (IL)	McKinney
Coats	Gray (PA)	Mica
Cobey	Green	Mikulski
Coble	Gregg	Miller (CA)
Coelho	Guarini	Miller (WA)
Coleman (TX)	Hall (OH)	Mineta
Combest	Hall, Ralph	Mitchell
Conte	Hamilton	Moakley
Conyers	Hammerschmidt	Mollohan
Cooper	Hatcher	Montgomery
Courter	Hawkins	Moody
Coyne	Hayes	Moore
Craig	Hefner	Morrison (WA)
Crane	Heftel	Mrazek
Crockett	Hendon	Murphy
Daniel	Henry	Murtha
Darden	Hertel	Myers
Daschle	Hiler	Natcher
Daub	Horton	Neal
Davis	Howard	Nelson
de la Garza	Hoyer	Nichols
Dellums	Hubbard	Nowak
O'Brien	Savage	Synar
Oakar	Schaefer	Tallon
Oberstar	Scheuer	Tauke
Obey	Schneider	Tauzin
Olin	Schroeder	Thomas (GA)
Owens	Schuette	Torres
Panetta	Schulze	Torricelli
Parris	Schumer	Towns
Pease	Seiberling	Traficant
Penny	Sensenbrenner	Traxler
Pepper	Sharp	Udall
Perkins	Shelby	Valentine
Petri	Sikorski	Vento
Pickle	Sisisky	Visclosky
Porter	Skelton	Volkmer
Price	Slattery	Walgren
Pursell	Smith (FL)	Watkins
Rahall	Smith (IA)	Waxman
Rangel	Smith (NE)	Weber
Ray	Smith (NJ)	Weiss
Regula	Smith, Robert (NH)	Wheat
Reid	Smith, Robert (OR)	Whitley
Richardson	Snowe	Whittaker
Ridge	Solarz	Whitten
Rinaldo	Solomon	Williams
Ritter	Spence	Wilson
Roberts	Spratt	Wirth
Robinson	St Germain	Wise
Rodino	Staggers	Wolf
Roe	Stallings	Wolpe
Roemer	Stenholm	Wortley
Rose	Stokes	Wright
Rostenkowski	Stratton	Wyden
Roukema	Studds	Yates
Rowland (CT)	Sweeney	Yatron
Rowland (GA)	Swift	Young (AK)
Roybal	Swindall	Young (FL)
Russo		Young (MO)
Sabo		

ANSWERED "PRESENT"—78

Archer	Gingrich	McEwen
Bateman	Goodling	McKernan
Bentley	Gradison	McMillan
Bliley	Gunderson	Meyers
Broomfield	Hillis	Miller (OH)
Broyhill	Holt	Molinari
Burton (IN)	Hopkins	Monson
Callahan	Hunter	Nielson
Chandler	Hutto	Packard
Chappie	Hyde	Pashayan
Cheney	Ireland	Rogers
Coleman (MO)	Kemp	Roth
Dannemeyer	Kolbe	Saxton
DeLay	Kramer	Shaw
DeWine	Lagomarsino	Siljander
Dickinson	Latta	Skeen
Dornan (CA)	Lewis (CA)	Slaughter
Dreier	Lewis (FL)	Snyder
Duncan	Lott	Stangeland
Edwards (OK)	Lowery (CA)	Strang
Fawell	Lungren	Stump
Fiedler	Marlenee	Sundquist
Fields	Martin (IL)	Vander Jagt
Fish	McCain	Vucanovich
Gallo	McCandless	Walker
Gekas	McCollum	Zschau

NOT VOTING—32

Addabbo	Grotberg	Ortiz
Barnard	Hartnett	Rudd
Beilenson	Huckaby	Shuster
Bustamante	Johnson	Smith, Denny (OR)
Campbell	Kindness	Stark
Chappell	Leach (IA)	Taylor
Collins	Loeffler	Thomas (CA)
Coughlin	Madigan	Weaver
Edgar	Martin (NY)	Whitehurst
Frenzel	Michel	Wylie
Gephardt	Morrison (CT)	

□ 1815

The Clerk announced the following pair.

On this vote:

Mr. Rudd for, with Mr. Frenzel against.

Mr. TORRES changed his vote from "yea" to "nay."

Mr. DUNCAN and Mr. PASHAYAN changed their votes from "nay" to "present."

Mrs. SMITH of Nebraska changed her vote from "present" to "nay."

Mr. PACKARD changed his vote from "yea" to "present."

So the concurrent resolution was not agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GRAY of Pennsylvania. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on House Concurrent Resolution 296.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

NATIONAL YEAR OF THANKSGIVING

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from the further consideration of the Senate joint resolution (S.J. Res. 254), to designate the year of 1987 as the "National Year of Thanksgiving," and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object but simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, under my reservation of objection I yield to the gentleman from Ohio [Mr. HALL], who is the chief sponsor of House Joint Resolution 398.

Mr. HALL of Ohio. Mr. Speaker, I rise in support of the resolution to designate 1987 as the "National Year of Thanksgiving." I commend the gentleman from New York [Mr. GARCIA] and the gentleman from Michigan [Mr. FORD] for their kind efforts to bring this measure before the full House of Representatives.

I also wish to thank all of my colleagues who joined with me and the other original sponsor, the gentleman from New York [Mr. KEMP], to cosponsor the House version of this legislation, House Joint Resolution 398. I especially thank the gentleman from New York [Mr. KEMP] for his leadership and work on behalf of this resolution.

The resolution before us will proclaim 1987 as the "National Year of Thanksgiving." During 1987, our Nation will celebrate the Bicentennial of the Constitution and the convening of the 100th Congress. Making 1987 the "National Year of Thanksgiving" will foster national expressions of gratitude and thankfulness to God for America's quality of life and the constitutionally guaranteed freedoms which make it possible. Moreover, it will create greater awareness and appreciation among Americans for the unique contribution each race and ethnic group has made to America.

Thanksgiving is a major hallmark of our Nation's history. Presidents Washington and Lincoln made Thanksgiving proclamations during their terms in office, and in 1941, Thanksgiving became a national holiday.

In light of our heritage and the great freedom and prosperity our Nation enjoys, it is fitting to set aside an entire year to give thanks to God for the many blessings we have received. A year of reflection and thanksgiving will serve to inspire our Nation and renew in our citizens the spirit of unity and patriotism.

I wish to call to my colleagues' attention the exciting and tireless work of the National Committee of 1987 the Year of Thanksgiving. In particular, I want to commend and congratulate Brian G. Roquemore, the executive director of the National Committee. He and his coworkers have labored hard to make this resolution possible, and they deserve our special thanks. Once 1987 is officially proclaimed as the "National Year of Thanksgiving," they will be actively involved in implementing the celebrations across the country.

I urge my colleagues to vote in favor of this resolution, so that it can be cleared for the President's signature. I am looking forward to a year in which we focus on the many ways our Nation has been blessed and in which we show greater appreciation and kindness toward one another.

Mr. KEMP. Mr. Speaker, we have before us a bill to designate 1987 as the "National Year of Thanksgiving." I would like to thank Mr. GARCIA and Mr. FORD for their efforts to bring this bill before the full House today.

I would also like to thank my colleagues, the majority of the House, who joined as cosponsors of this resolution. Most particularly I want to commend the gentleman from Ohio, Mr. TONY HALL, whom I joined as an original sponsor of this bill, for his leadership and his tireless efforts for this cause. And this bill would never have come before the floor if it had not been for Brian Roquemore who has made it his mission to establish this Year of Thanksgiving and to make it a constant presence in the hearts and minds of the American people.

The resolution before us will declare 1987 to be the "National Year of Thanksgiving." Alsc, 1987 is a most appropriate time since it also marks the 200th anniversary of our Constitution and the convening of the 100th Congress.

Least we forget the rich blessings that citizenship in this great Nation has afforded us, the passage of this bill will ensure that we are constantly aware that we, as a people, are truly blessed. We will have the opportunity to think about the freedoms bestowed upon us by our Constitution and the Bill of Rights, and protected for us by our democratic system of government.

The Year of Thanksgiving will be a continuous celebration of that which we usually celebrate once a year. George Washington issued a Thanksgiving proclamation in 1789 "to recommend to the people of the United States a day of public thanksgiving and prayer to be observed by acknowledging with grateful hearts the many single favors of Almighty God especially by affording them an opportunity peacably to establish a form of government for their safety and happiness." Abraham Lincoln in 1863 said "It is the duty of nations to own their independence upon the over-ruling power of God . . . It has seemed to me fit and proper that God should be solemnly, reverently and gratefuly acknowledged, as with one heart and one voice, by the whole American people."

These sentiments are still valid, and form the basis for our success as a nation and as a people. The "Year of Thanksgiving" will foster national appreciation for our quality of life and the constitutionally guaranteed freedoms which make it possible. It will also create greater awareness for the uniqueness and character which each race and ethnic group brings to our land.

This is truly a great opportunity to count our blessings as one Nation under God.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. Res. 254

Whereas the celebration of a Thanksgiving season has been a national tradition observed by the people of the United States from the days of the early settlers to the present time;

Whereas many of the great leaders of the Nation, including Presidents George Washington and Abraham Lincoln, recognized the importance of setting aside a time of Thanksgiving, and Presidential proclamations have established the last Thursday of November as a day of Thanksgiving;

Whereas in 1941, Thanksgiving was established as a permanent national holiday;

Whereas in 1987, the United States will celebrate the bicentennial of the United States Constitution and the opening of the one-hundredth Congress;

Whereas the United States Constitution has adapted to changing times and remains a living document;

Whereas it is appropriate to give thanks for the everyday freedom that the people of the United States so often take for granted;

Whereas the people of the United States should take time to appreciate a land of plenty, a Nation of vast human and natural resources; and

Whereas the people of the United States should better understand the history of the

rich American heritage: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the year 1987 is designated as the "National Year of Thanksgiving", and the President is authorized and requested to issue a proclamation calling upon the governors of the several States, the chief officials of local governments, and the people of the United States to observe such year with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL ENERGY EDUCATION DAY

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 205), to designate March 21, 1986, as "National Energy Education Day," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object but simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 205

Whereas a reliable and economical supply of energy is essential to the future well-being of the United States;

Whereas the development and implementation of an enlightened energy policy requires that the public be adequately informed of the issues and alternatives;

Whereas ongoing quality energy education programs in America's schools and communities will continue to play an important role in educating the public regarding energy issues;

Whereas the annual celebration of "National Energy Education Day" (NEED) brings together students, teachers, school officials, and community leaders to focus attention on the need for energy education in our Nation's schools and communities; and

Whereas such a celebration should be conducted in a manner which encourages a deeper understanding of the role education will play in shaping America's energy future: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, in order to promote and enhance energy education programs at all grade levels of public and private schools throughout the United States, March 21, 1986, is designated "National Energy Education Day". The President is requested to issue a proclamation calling upon the people of the United States, and all educational institutions, to observe such a day with appropriate ceremonies and activities, and encourage appropriate Federal agencies to participate in the observance of such a day and to cooperate with persons and institutions conducting such ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RECOGNIZING ACHIEVEMENTS OF THE IRELAND FUND AND ITS FOUNDER, DR. ANTHONY J.F. O'REILLY

Mr. GARCIA. Mr. Speaker I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the concurrent resolution (H. Con. Res. 281), recognizing the achievements of the Ireland Fund and its founder, Dr. Anthony J.F. O'Reilly, and ask for its immediate consideration.

The Clerk read the title of the concurrent resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. GARCIA. Mr. Speaker, I am proud to be a cosponsor of this legislation. Too often lately we only hear about Ireland because of the troubles in the north. That presents a distorted picture of this lovely island nation.

The Irish have made any number of contributions to the United States and the world. Ireland has given us two Nobel laureates for literature—Samuel Beckett and W.B. Yeats. It has also given us writers such as James Joyce, Sean O'Casey, and the poet Seamus Heaney. All of these distinguished individuals have drawn their inspiration from their heritage.

The United States has traditionally had a warm relationship with Ireland. The Irish make up one of the largest ethnic groups in this Nation. Ireland has given us a number of noteworthy political leaders, including a few Presidents, Senators, and Speakers of the House.

Dr. Anthony J.F. O'Reilly, founder of the Ireland Fund, has done a tremendous job in spreading friendship and good will between the United States and Ireland. The fund has supported a number of worthwhile programs throughout Ireland. Both the fund and Dr. O'Reilly exemplify the spirit of Ireland and the Irish people.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 281

Whereas the Ireland Fund characterizes the friendship between the United States and Ireland and the goodwill which the American and Irish people have for each other;

Whereas the Ireland Fund is a nonpolitical, nonsectarian organization which raises funds in the United States to promote peace, culture, and charity in Ireland;

Whereas the goal of the Ireland Fund is to realize the highest in human potential, regardless of creed or economic background;

Whereas donations to the Ireland Fund reflect the warm feelings of Americans for the people of Ireland and for the unique heritage which has contributed so much to America's growth and diversity;

Whereas the Ireland Fund has provided an opportunity for concerned Americans to support projects aimed at establishing peace and harmony in Ireland, preserving the Irish culture, and fostering charitable giving to the less fortunate;

Whereas over the centuries the Irish have created one of the world's great bodies of literature, poetry, drama, art, and music and the Ireland Fund has fostered Irish culture by supporting libraries, visual arts, drama, dance, opera, classical and choral music programs as well as historic, cultural, and wildlife preservation;

Whereas the Ireland Fund supports economic and social programs in the Catholic and Protestant areas of Northern and Southern Ireland in an effort to develop the economy of both communities through programs for employment, job training, youth sports, and educational opportunities for children;

Whereas the Ireland Fund has supported many hospitals, health care facilities, and programs for the sick, the handicapped, the deaf, the blind, the abused, the homeless, the rural poor, and the elderly; and

Whereas Dr. Anthony J.F. O'Reilly, the founder and chairman of the Ireland Fund, will celebrate his fiftieth birthday on May 7, 1986: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress recognizes the laudable charitable achievements of the Ireland Fund and further recognizes its founder, Dr. Anthony J.F. O'Reilly, for the humane work he has inspired on behalf of the of the people of Ireland.

The concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

□ 1825

MEETING OF COMMITTEE ON RULES TO CONSIDER RULE ON H.R. 4151, OMNIBUS DIPLOMATIC SECURITY AND ANTI-TERRORISM ACT OF 1986

(Mr. FASCELL asked and was given permission to address the House for 1 minute.)

Mr. FASCELL. Mr. Speaker, pursuant to discussions with the majority and minority leadership, I take this opportunity to advise Members that the Committee on Foreign Affairs will request a modified closed rule on H.R. 4151, the Omnibus Diplomatic Security and Anti-Terrorism Act of 1986. The Committee on Rules will meet on H.R. 4151, as amended, on Monday, March 17 at 11 a.m. floor consideration will take place on Tuesday, March 18.

BOBBY FISCHER AS OFFICIAL WORLD CHESS CHAMPION

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 545) recognizing Bobby Fischer as the official World Chess Champion, and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, under my reservation, I yield to the gentleman from California [Mr. PASHAYAN], the chief sponsor of the joint resolution.

Mr. PASHAYAN. Mr. Speaker, I thank the gentlemen from New York for presenting House Joint Resolution 545 to this body. I appreciate the support of the chairman of the committee, Mr. FORD, and my other colleagues on the committee.

This bill is a recognition to a brilliant American citizen who is the best human being in history ever to play the game of chess, Bobby Fischer. Bobby Fischer in winning the FIDE world championship title in 1972 by beating the Soviet Union's Boris Spassky in Iceland, became the first American to become the world chess champion since the American, Paul Morphy.

In accomplishing this, Bobby Fischer brought America to the forefront of the world's most universal game and at the same time dealt a blow to the Soviet propagandists who touted the Soviets' superiority in chess as an example of a superior Soviet society.

It is a great shortcoming indeed that our Government has failed in any way whatsoever to recognize this American hero. Actually it was ironic that in 1972 President Nixon honored the Soviet, Olga Korbut, who won first place as a gymnast at the Olympics in 1972, but failed to invite Bobby Fischer to the White House for a similar honor.

The reason, Mr. Speaker, that the world has not heard from Bobby Fischer since 1972 is not that he has not played anybody in chess, but that nobody has played him. What do I mean by this? In 1973, Bobby Fischer offered to defend his title under a set of rules that actually gave the challenger a greater chance to win than the rules gave Bobby Fischer when he was the challenger to Spassky. This enormously fair offer to defend his title was all but unheard of in the modern history of chess, and yet FIDE refused to adopt Fischer's proposed rules. The Soviet Government influenced FIDE to deny Fischer's proposed rules in the hope that Fischer would not play.

Indeed, rather than to play under rules that he thought were unfair, Bobby Fischer as a matter of high principle refused to defend the FIDE title. He informed FIDE by telegram in 1974 that he resigned FIDE's title rather than to play under unfair rules, but in doing so he signed the telegram "Bobby Fischer, The World Chess Champion." In short, Mr. Speaker, Bobby Fischer retained the true world championship title, and remains the world champion today. Nobody has properly challenged him to defend his title, and certainly not the Soviets.

Mr. Speaker, the popularity of chess in the Soviet Union and the Eastern Bloc countries is immense beyond the imagination of many Americans.

Our recognition of Bobby Fischer as the World Chess Champion is too long overdue. Americans everywhere should take national pride that in the game in which the Soviets claim superiority, America's Bobby Fischer is better than them all.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 545

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States Government recognizes Bobby Fischer as the official World Chess Champion.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on the several joint resolutions just considered.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will recognize Members for 1-minute speeches at this time, and then return to the schedule for the remainder of the day and the remainder of the week.

THE NEW REPUBLIC EDITORIAL SUPPORTING THE PRESIDENT'S REQUEST FOR AID TO THE CONTRAS

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, the March 24 edition of the New Republic carries an editorial which makes the case for supporting the President's request for aid for the democratic resistance in Nicaragua.

The editorial examines the various arguments put forth by critics of aid to the Contras and convincingly rebuts each excuse. One of those arguments is that "the Contras will draw the United States into war." But as the New Republic states, "Nothing is more likely to force American military intervention than the consolidation of an aggressive, highly militarized, pro-Soviet regime in the area. The Contras want to do their own fighting. Cut them off, and the only body in the hemisphere able to restrain the Sandinistas will be the U.S. Army."

I am submitting the New Republic editorial for inclusion in today's extensions of remarks. I urge my colleagues to read this thoughtful and thought-provoking commentary.

CONGRATULATIONS TO THE GIRL SCOUTS!

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, it is my pleasure to congratulate the Girl Scouts of America this morning. In communities across the country, this organization is training and working with our young women, guiding and counseling them about the values of our great country.

It is an inspiring thought that so many of our citizens give of their time and their experience to the Scouting movement. The example of these adults sharing their concern and time with future generations is in the finest tradition of the American experience.

Ours is a nation built on the idea of voluntarism. From the citizen army which stood off the best of the Eng-

lish soldiers in the Revolution, to the volunteer firefighters who still protect our towns and villages as their fathers and grandfathers did—we are an involved people.

These young people are being trained in that tradition by the Girl Scouts. I would like to thank them for their efforts. I want to congratulate them for their success.

We are a better nation for all they have done.

BARBER CONABLE TO HEAD WORLD BANK

(Mr. GIBBONS asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, I am sure all Members of the House who knew him will be glad to know that our fine former colleague, Barber Conable, is to be the new head of the World Bank.

I cannot think of anybody who is better qualified to attack this job and to bring dignity, skill, and the fine lessons that he has learned in practical work of the world and politics to that job than Barber Conable. A great appointment, and I wish him well.

LEGISLATIVE PROGRAM

(Mr. LOTT asked and was given permission to address the House for 1 minute.)

Mr. LOTT. Mr. Speaker, we are very anxious to learn the schedule for the balance of the day and tomorrow, if any, and also for next week.

For that purpose, I would be glad to engage in a dialog with the distinguished majority leader. I yield to him at this point.

Mr. WRIGHT. I thank the gentleman for yielding.

This concludes the scheduled legislative business for today, and it had been expected that tomorrow would be a pro forma day, if there were any expectation at all of any legislation arising tomorrow, we will have to ask that we go over until Monday.

Mr. LOTT. So the Members could understand clearly about today and tomorrow, we are through for today?

Mr. WRIGHT. That is correct. We are through for today, and since we have told Members that tomorrow would be only a pro forma session, and Members have made their plans not to be present then, a great many of them on both sides of the aisle, then we feel that we have a good faith responsibility to them to assure that there should be no legislation considered tomorrow in their absence.

Mr. LOTT. Does the gentleman intend to ask unanimous consent to go over until Monday?

Mr. WRIGHT. That would be my expectation.

Mr. LOTT. At the close of our dialog, you would intend to do that?

Mr. WRIGHT. I would hope to do that; yes.

Mr. LOTT. So that we would not have a pro forma session tomorrow?

Mr. WRIGHT. That is right, and we would hope that in doing so, we might also get unanimous consent that it would be in order to consider the President's request with regard to Nicaragua on our Wednesday next, which otherwise might have been adversely affected under the rules by tomorrow's not having had a session.

Mr. LOTT. Thank you.

Mr. WRIGHT. Those are the unanimous-consent requests.

Mr. LOTT. Before the gentleman goes to the schedule next week, I think the Members are interested in and aware that what we have been discussing back and forth and waiting on is another opportunity to consider the reconciliation conference report.

The Senate is going to take it up, presumably today at some point; there was some chance, then, that if they had acted earlier today that we might have tried to recede and concur today, or a chance that it will come tomorrow. We do not know exactly when the Senate will complete action; we do not know exactly what the content will be in that reconciliation package, and certainly we would like to see that, but we had told the Members that they would be on a pro forma session tomorrow.

So neither side is interested in causing undue hardships on the Members. However, there is a complicating problem with that in that the tobacco provisions that are in the law at this point will expire at midnight tomorrow night; and so we were particularly hopeful that perhaps there could be action by the Senate and action by the House before that deadline.

It appears, now, if we go over, that that is not possible. Is that correct?

Mr. WRIGHT. If the gentleman will yield, I think that is exactly correct. We had hoped as well that the Senate might have acted at a sufficiently timely moment that we could have considered their response; if they did not want to accept what we had passed earlier in order that this might be considered prior to Saturday, but it now appears uncertain whether the Senate would act tonight or tomorrow, and if so, what it would contain and obviously, the Members are not of a disposition just to sit around and wait and wonder.

□ 1835

So under those circumstances it seems most likely to me that if it is agreeable to the gentleman and the Members on his side of the aisle we would contemplate taking that matter up and considering it perhaps on Tuesday next.

Mr. LOTT. That you would hope that perhaps we consider it on Tuesday next, is that right?

Mr. WRIGHT. Assuming that it is passed by the other body at that time and assuming that there is anything for the House to act upon that we would consider it in an orderly and timely way.

Mr. LOTT. I wonder if the gentleman would consider a unanimous-consent request of extension of the tax under these conditions?

Mr. WRIGHT. I have been informed, if the gentleman will yield.

Mr. LOTT. I would be glad to yield.

Mr. WRIGHT. By some of the Members that any unanimous-consent request to lift out of the package of the reconciliation bill and treat separately the extension of the cigarette tax would be objected to.

Mr. LOTT. Well, it would only be for 4 days and it does cause some problems with a few States where the ceiling would be removed and some State laws would kick in and I do not think we could then come back and recover it next week. So some Member that would be interested, from a tobacco State area, may still wish to make that unanimous-consent request. I would appeal in a bipartisan way that for only 4 days that would certainly be considered.

Having said that I would like to urge, even if that is not successful, that we have a vote on reconciliation, a clear vote at the earliest possible opportunity.

Now I realize we want to see what we have. But quoting the gentleman from Texas just last week, he said with regard to reconciliation, "The time for talk really has passed. Now it is time for action. This is an opportunity to save $18 billion off the deficits of the next 3 years." I share those feelings. I voted with him last week. I hope to be able to vote for something next week that the President can sign.

Mr. WRIGHT. I appreciate the gentleman's concern and I would simply add that not only the cigarette tax but a number of other very important provisions on which a great many Americans depend similarly expire on midnight Friday. Such things as the Trade Adjustment Assistance Act and Medicare payments and certain other things on which a great many Americans are reliant.

So there is no disposition whatsoever on any Member on this side of the aisle to delay unnecessarily action on the reconciliation bill. We would like to get it just as soon as we could.

Mr. LOTT. While I am very concerned about quick action on reconciliation, in view of the fact that we are waiting on the other body and need to see what is involved, this side would certainly not at this time plan to object to your motion to go over. We

would hope that we would get the same sort of consideration next week and get a clear vote on reconciliation.

Mr. WRIGHT. I appreciate the concern of the gentleman and we will try to work together.

Did the gentleman desire——

Mr. LOTT. I yield further for the schedule for next week.

ADJOURNMENT TO MONDAY, MARCH 17, 1986, AND MAKING IN ORDER A MOTION FOR CONSIDERATION OF HOUSE JOINT RESOLUTION 540 IN THE COMMITTEE OF THE WHOLE ON WEDNESDAY NEXT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns today, that it adjourn to meet Monday next and that it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for consideration of House Joint Resolution 540 on Wednesday next although it would not have been on the Union Calendar for 5 legislative days as required by Public Law 99-83.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. WRIGHT. Mr. Speaker, responding to the request of the gentleman from Mississippi, on Monday, March 17, we will expect no votes. There will be two suspensions considered. One, to name a post office for the late Honorable Edwin B. Forsythe and another to name a post office for Juanita Craft. Votes on those suspensions, if required to be recorded, will be postponed until Tuesday.

On Tuesday, March 18, we will meet at noon, vote on the suspensions debated on Monday if those votes are required, consider a conference report on H.R. 2453, the Older Americans Act, and act upon H.R. 4351, the Omnibus Diplomatic Security and Anti-Terrorism Act, subject to the granting of a rule.

I should like to add that if agreement is reached, we would expect to consider also on that day if necessary further action on the reconciliation bill.

On Wednesday the House would meet at 10 a.m. We would take up House Joint Resolution 540, the President's request for assistance for Nicaraguan opposition.

Under that rule 10 hours of debate are allowed. We do not expect that we would conclude action on Wednesday, but would postpone some of that debate, maybe 2 hours, over until the following day Thursday. Now we will ask unanimous consent, however, that we may go in at 11 o'clock on Wednesday rather than at the late hour of 3 o'clock in order to facilitate that important debate.

Mr. LOTT. If the gentleman would yield at that point, my understanding was that we would take up House Joint Resolution 540 on Wednesday and it would be debated for 8 hours and then on Thursday, if we come in at 10, that we would take up the remaining 2 hours.

Mr. WRIGHT. That is exactly what I understand that members of the committees involved would like to do on both sides, Republicans and Democrats as well. And if that is agreeable to the gentleman from Mississippi, it surely is agreeable to Members on this side.

Mr. LOTT. Yes, sir.

Mr. WRIGHT. Then after having acted upon the President's request with regard to Nicaraguan opposition, we would take up H.R. 4332, the Federal Firearms Law Reform Act of 1986, subject to a rule being granted.

Mr. LOTT. Do we anticipate a Friday session on next week?

Mr. WRIGHT. Responding to the request of the gentleman, I think we need to anticipate a Friday session. Given the number and the importance of the legislative matters pending to be acted upon before the end of the week, I think we might as well expect that there will be a Friday session.

Mr. LOTT. All right. I think we need to clarify that. We have two bills on Thursday, the President's request for assistance for Nicaraguan opposition, which I presume will take about 2½ to 3 hours, plus the Federal firearms law reform subject to a rule and we do not know exactly how much time will be allowed there, but you are saying that the Members should be on notice for the possibility of a session on Friday with the possibility of votes.

Mr. WRIGHT. Yes. I think that is wise. We do not know exactly what rule will obtain with regard to the Firearms Act. Not knowing that, nor how many amendments might be offered——

Mr. LOTT. If I could take it one step further, then: We are scheduled at this time to go out for the Easter recess at the close of business Tuesday, March 25. Is it anticipated that we will be in session on Monday and Tuesday the 24th and 25th?

Mr. WRIGHT. Assuming of course that we were able to complete all of our business by the close of business Thursday, we would not have to be here Friday. But I think it is an unrealistic expectation, and if Members were encouraged to believe that we were not going to be here Friday and made plans, they might find themselves in an awkward position.

Mr. LOTT. If I could propound my other question: Do we still anticipate having a session and votes on Monday and Tuesday the 24th and 25th?

Mr. WRIGHT. I think what I have said should hold true for Monday and Tuesday. If we are able to complete our business by Friday of next week, then we could hold Monday and Tuesday harmless.

Mr. LOTT. I see.

Mr. WRIGHT. But not knowing that we will, I hesitate to suggest to Members that there will be no legislative business on Monday or Tuesday because then they would make their plans to be absent and if we found inadvertently that we had not completed some of this important business, they would feel that we had misled them.

Mr. LOTT. Well, I thank the gentleman for providing this information.

Just one final and most important question: Under the budget laws that we are working with at this time, the House must consider the budget resolution, I believe, by April 15. Do we expect to have an opportunity to vote on the Democratic budget proposal before the Easter recess?

Mr. WRIGHT. The Easter recess comes very early this year, as the gentleman from Mississippi recognizes. It begins in March, the last week in March. I do not believe we have ever voted on a budget resolution that early, and I think it would be unlikely to expect that we would have a budget resolution next week. There is not room for it.

Mr. LOTT. Easter comes very early, and the Democratic budget resolution obviously is going to come very late. But I would remind the leader once again, by April 15, both the House and the other body are supposed to have acted on the budget resolution. We will only have the conference report and we will only have that after we get back from April 9 to April 15, 6 days in which both bodies must act. We have problems.

Mr. WRIGHT. The gentleman makes a good point. We will get back, however, April 7 and we believe there is a week in which that action can be completed. If it is not, then the situation will be much the same as it has been in past years.

You know, the House on numerous occasions has passed that budget resolution on time and one year, the year before last, the other body did not act on it until late August and then would not meet with us in conference even into September.

So, wholly beyond our power to control, it was delayed for several months. The same thing happened to some lesser degree last year. And when we are at the mercy of the other body to agree with our positions on resolutions of that kind, it is very difficult, as the gentleman points out, to make any clear-cut target.

Mr. LOTT. Well, I might say that we have worked together with the other side to try to have an expedited schedule this year. That is why we have these specified early dates. I would certainly hope that we would make a

much better effort in trying to meet those dates because we have a lot of work to do and not much time to do it in.

Mr. Speaker, I yield back the balance of my time.

HOUR OF MEETING ON WEDNESDAY, MARCH 19, 1986

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns on Tuesday next, it adjourn to meet at 10 a.m. on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule shall be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

TRIBUTE TO THE LATE LESTER DIXON

(Mr. THOMAS of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THOMAS of Georgia. Mr. Speaker, in the nearly 4 years of my service in the Congress, I have seen this body pause in its deliberations to mark the passing of many noted Americans. Most often they have been famous political leaders or other citizens of national or international acclaim.

I stand before the House today to announce the death of another great American. And though he was not a famous figure in Washington, his life was a living testament to the strengths and values that are the bedrock of our national life.

This great man died yesterday in his native Georgia, and his name was Lester Dixon, known with great reverence as Brother Lester, the dean of the wiregrass preachers.

He was without peer as a preacher and an orator. But his greatest gift was that of a teacher—a teacher of the Christian faith, and a teacher of honor and decency and love for his fellow man. He leaves behind him a life of achievement and honor that will stand for all time as a measure of what makes America great.

Brother Dixon had seen, in his own words, the passing of 97 springs and summers and autumns and winters, and now he has been called home.

I was privileged to be born and raised directly across the street from his home. I saw him countless times over the years, but I remember that even as a small boy, I could sense the consistent theme of his life which flowed through all his years.

He had an unshakable conviction that made his life a testament of the Christian faith, a life that was a living example of its teachings and its principles.

Brother Lester was born Henry Lester Dixon on September 15, 1888. He was the pastor of the Patterson Baptist Church for 25 years until his retirement in September of 1958. He was a native and lifelong resident of Pierce County.

He served for 47 years as a rural letter carrier, a career which began in the horse and buggy days. He was the former president of the Patterson Bank.

He was the founder of Laura Chapel Baptist Church and the Pleasant Hill Baptist Church in Pierce County, and he also served as pastor of the Offerman, Bristol, Merchan, Pine Grove, and Walkerville Baptist Churches.

According to the records of the Patterson Baptist Church, he has performed more than 1,000 weddings and probably as many funerals. His contributions to his community was recognized by his receipt of the Jeoffry Jones Humanitarian Award for outstanding service.

In the passing of his years, Brother Lester's skills as an orator and a preacher grew stronger and stronger. In his own way, he was a poet whose words would make the truth of his teachings ring like a bell in the communities where he came to preach. I often felt when I was with him that I was in the presence of a prophet.

He was among the very last of his generation. He had seen wars and peace and prosperity and depression. He had seen the end of the 19th century and nearly all of the 20th. All of the joy and all of the sorrow of those years were part of his life and character.

We have an annual homecoming at the Patterson Baptist Church in south Georgia, and Brother Lester would come and speak. He taught the word of God, and that word was the foundation of his life.

He would talk about the passage of the years and the changes he had seen. But his theme was not about change—his theme was about the principles of honor and decency and love. He taught us that those things do not change, and that they must always be our guiding star.

Certainly there is no better measurement of a man's greatness than the breadth of his influence on those around him. The lives of those he touched and influenced are beyond estimate. The good that has come and will continue to come through those lives he influenced will be a fitting and never ending tribute.

We have lost a great American with the death of Lester Dixon. We mourn him, and we extend our deepest sympathies to his family. But we celebrate the joy of having had him amongst us for so many years. We celebrate his coming home to the Lord. We thank God that his teaching and his preaching will live in the hearts of others for all time.

□ 1850

PERMISSION FOR COMMITTEE ON THE JUDICIARY TO HAVE UNTIL MIDNIGHT, FRIDAY, MARCH 14, 1986, TO FILE REPORT ON H.R. 4332, FEDERAL FIREARMS LAW REFORM ACT OF 1986

Mr. HUGHES. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have until midnight, Friday, March 14, 1986, to file its report on the bill, H.R. 4332, the Federal Firearms Law Reform Act of 1986.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

Mr. CRAIG. Mr. Speaker, reserving the right to object, I yield to my colleague from Michigan [Mr. DINGELL].

Mr. DINGELL. I thank the gentleman for yielding.

Mr. Speaker, I am trying to find out what the gentleman's request is.

Mr. HUGHES. Mr. Speaker, if the gentleman will yield, I seek permission to file a report by midnight tomorrow night. It has been cleared. We are trying to get unanimous consent to file our report on the bill, H.R. 4332.

Mr. CRAIG. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

FAIR TRADE AND ECONOMIC JUSTICE ACT OF 1986

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. PEASE] is recognized for 5 minutes.

Mr. PEASE. Mr. Speaker, I just want to advise our colleagues that I and 10 other Members of the House today introduced a bill which would define as an unfair trade practice the denial or repression of internationally recognized labor rights by any of our trading partners.

This approach is pursuant to a conference that was held here in the House 1 week ago today, a conference over in the Rayburn Building, a conference which was addressed by some very distinguished speakers, including

Lane Kirkland, the president of the AFL-CIO; Owen Beaver, the president of the United Automobile Workers; and Ray Marshall, a former Secretary of Labor in the Carter administration.

It seems to me, Mr. Speaker, and to a lot of other people as well, that American workers will find it difficult in the future to compete with foreign imports which are produced by labor that gets paid 35 cents an hour or by labor of teenage girls who are working 14 to 16 hours a day under unsafe working conditions.

We cannot extend and force upon Third World countries the identical standards which we in the United States use for our workers. But it seems to me that it is entirely legitimate for us to ask our trading partners to extend minimum internationally recognized labor rights to their workers. And these rights include freedom of association. Who is going to argue with that? They include the right to organize and to bargain collectively. They include a prohibition on forced labor. Who would complain about that? They include the requirement that a Third World nation have some minimum age below which children cannot work in factories. It includes a requirement that Third World countries have some minimal standards for wages and for health and safety and other considerations.

We are concerned; and one stated object of our trade policy is to benefit everybody in the world. Perhaps the consumers in the United States, but the workers and people of Third World countries. And it does little good for those workers in Third World countries if we allow imports to come into this United States under conditions which deny the workers of those Third World countries the opportunity for a decent standard of living and to improve their standards of living.

Mr. Speaker, I believe, and the 10 persons who cosponsored the legislation I introduced today believe, that it constitutes an unfair trading practice against the United States and against the workers of the United States for us to allow goods to come into this country which are produced by forced labor, which are produced by child labor, which are produced under circumstances where the workers do not even have the right to associate with one another and to organize and bargain collectively.

So this legislation would define as an unfair trade practice the effort of a country to deny to workers those basic fundamental rights.

It seems to me that if we are going to be fair to the workers of the United States, we have to be able to say to them, if we are allowing imports to come into this country, at least we want to assure you that they are being produced by workers who have some rights in their own factories.

It seems to me, Mr. Speaker, that we ought to heed the words of the poet, James Russell Lowell, when we talk about what is happening in our country and in other countries, particularly Third World countries.

Mr. Speaker, I ask support and urge support of the legislation that I introduced today.

Mr. Speaker, let me add these further remarks:

If America is to recoup our competitiveness in the world marketplace, the terms of the current trade debate must be altered. First, we need to understand how our competitive position has changed in relation to those of other trading nations. Then we must move beyond pristine theories about free trade to ask critically who is benefiting materially from our rapid integration into the global economy and to what degree? Finally, we need to recall our heritage and work for specific changes in the international trading system that will promote economic justice at home and abroad.

From 1945 to 1965, the American economy was largely self-reliant. Most Americans saw their living standards go up as part of the general prosperity. American industries and manufacturing workers—producing primarily for domestic consumption—were not threatened by imports.

In the last 20 years, our position in the global economy has changed dramatically amidst a tidal wave of imports. America has gone from being the acknowledged economic superpower in the world to being one of a pack of economic powerhouses engaged in very hard-nosed global competition to retain old markets and to open new ones.

All across America, scores of communities, hundreds of factories, and millions of workers have suffered. Coming to grips with the new dynamics of international trade is proving very painful and costly for thousands of Americans whose jobs have been moved overseas and who have been denied means to retrain themselves for new jobs.

What now passes as free trade among nations does not redound equally to everyone's benefit. International corporations get the most from the emergence of the global factory, as the capacity to market finished products from parts manufactured in several different countries is often called. Advances in transportation, communications, and information systems have greatly enhanced the ability of these international corporate giants to take advantage of international wage, productivity, and unit labor cost differential. In this regard, I commend to you the special report in Business Week last week on "The Hollow Corporation."

As capital and technology move around the world with little regard for national boundaries, workers remain stationary and bound by national laws and personal allegiances. These economic facts of life fuel an escalating trend in global production that undercuts the rights of all workers. In particular, they combine to move the rights of American workers toward the lowest common international denominator.

The central questions before us today are these: Is it possible, for example, for American workers to compete with South Koreans working under the thumb of an authoritarian regime and receiving 10 percent of United States manufacturing wages? More importantly, is it right?

We have entered a new era in which America ought to use its far-reaching economic leverage to insist upon changes in the international trading system that will spread the benefits of open trade within nations as well as among them. Currently, the General Agreement on Tariffs and Trade [GATT] spells out rules in practice with regard to capital subsidies and dumping to promote fair competition, but not for labor practices. Anything goes. The current rules in world trade condone competition at any cost as far as workers are concerned.

But trade is not and should not be viewed as an end in itself. Fair competition in world trade should renounce labor repression. It should be structured in rule and in practice to improve the living standards of workers as well as consumers.

We need not postpone action until completion of a new round of multilateral trade negotiations. Many American industries and unions rightfully protest unfair trade subsidies and the dumping of low-priced foreign goods on our shores. The same outcry should be heard and acted upon in protest of "social dumping"—competitive advantages in international trade derived from the denial of internationally-recognized worker rights. Ten of my colleagues are joining me today in introducing legislation toward that end.

The rights of American workers will be more secure and U.S. competitiveness will be improved by a forward-looking, aggressive, coordinated strategy to extend basic labor rights, such as freedom of association, to workers in all countries. The threat by American-based international corporations to transfer domestic production and jobs to foreign countries in which there are no labor rights becomes an ever more common technique to force American workers to relinquish legitimate rights and material benefits.

As a leader among nations, America should fight just as hard for the right to join a union as the right to vote.

America should stand up for the right to bargain collectively just as we stand up for the right to free speech.

And yes, those Americans who are most outspoken about traditional family values ought to join the rest of us in showing the same measure of concern for children being sold into slavery or forced into factory work without ever having seen the inside of a classroom.

To those who blithely assume and argue that American living standards should decline in order to offset the differences between how American workers are treated in relation to many foreign workers, recall and reflect on the words of the poet, James Russell Lowell:

He's true to God's who's true to man;
whenever wrong is done.
To the humblest and the weakest,
'neath the all-beholding Sun.
That wrong is also done to us,
and they are slaves most base,
Whose love of right is for themselves
and not for all the race.

As Americans, shouldn't we really be trying to see to it that all workers have the tools to

bring their living and working standards up to some minimum level decency rather than asking American workers to compete with growing numbers of foreign workers who are treated as chattel?

□ 1900

THE STRIKE OF TWA FLIGHT ATTENDANTS

The SPEAKER pro tempore. Under a previous order of the House the gentleman from New York [Mr. WEISS] is recognized for 5 minutes.

Mr. WEISS. Mr. Speaker, today is the seventh day of the strike by Trans World Airlines flight attendants. Under discussion is not how much money the flight attendants will make, but how little. TWA, the recent subject of a corporate takeover by Carl Icahn, told flight attendants it planned to reduce their wages by 22 percent. The flight attendant's union offered to take a 15-percent cut. TWA refused the offer.

Of even greater concern to both workers and passengers is TWA's insistence on changing the work rules for flight attendants. On domestic flights, attendants are given a minimum of 10 hours of rest between flights. This typically gives a flight attendant 5 or 6 hours of sleep. TWA wants to reduce this by 2 hours, forcing them to operate on 3 to 4 hours sleep. TWA also wants to reduce the number of flight attendants aboard each plane. Extend on-duty time from 12½ to 13 consecutive hours, reduce the minimum rest time on international flights from 24 to 14 hours, cut vacation time 20 percent, and eliminate approximately 1,500 jobs, about 21 percent of the work force.

These demands are not only an affront to the dignity of the flight attendants, they show a shocking disregard for passenger safety. Last year more people died from airline crashes than in any other year in modern aviation history. At a time when we should be working to make airlines safer. TWA's demands would make passenger flights riskier than ever. Flight attendants play a critical role in passenger safety, and are responsible for everything from in-flight medical emergencies to evacuating airplanes during accidents. To force them to operate on only a few hours of sleep, for 13 hours straight, with a smaller staff, is to court disaster.

More troublesome still is the way that TWA is attempting to operate during the strike, hiring inexperienced attendants and rushing them through 18 days of training, instead of the usual 5 weeks. Only last weekend, when a TWA Lockheed 1011 landed in Los Angeles, it was discovered that the flight attendant in charge of passenger deplaning did not even know how to open the airplane door. It was only her second day flying. She was the senior attendant on the plane at the time. If there had been a need for emergency evacuation, the passengers of that flight would have been in dire trouble.

And yet, TWA Chairman Carl Icahn is refusing to negotiate. Yesterday Mr. Icahn did not even bother to go to a scheduled contract negotiation meeting. Perhaps he was preoccupied with announcing TWA's 30 percent discount on all flights, designed to lure passengers back to his troubled airline. Thirty percent may seem like a pretty good discount, but it won't be much comfort if it means flying on an unsafe airplane. This callous approach to contract discussing suggests a contempt not only for the Independent Federation of Flight Attendants, but the safety of thousands of airline passengers as well.

TWA's attitude toward the flight attendants also suggests an undercurrent of sexism. TWA management and noncontract employees were given 14 percent wage cuts. The machinists were given a 15-percent cut, with a "snap-back" clause to restore the cuts when their contract runs out. Yet the flight attendants were told they must accept a 22-percent cut, later changed to a 17-percent cut, with no snap-back clause. Why this disparity? Mr. Icahn refers to the flight attendants as "girls" and promotes the offensive and incorrect notion that they are "not breadwinners," and therefore, they are not entitled to earn the same amount of money that men do. Such prehistoric logic should be left in the caves, and not brought to the negotiating table.

To put the TWA strike in context, we must remember how TWA arrived at its current, precarious position—via the frenzied world of highly-leveraged corporate takeovers. Carl Icahn, a well-known greenmail specialist, spent much of 1985 seeking to take over TWA. His original plan entailed selling off TWA's most valuable asset, the PARS reservation system, and then disposing of the rest of the airline for a quick profit. Instead, he encountered a series of problems that have forced him to try to operate the airline as a legitimate business.

It is not difficult to understand why a corporate raider, who originally sought to dismantle TWA and sell off its parts at a handsome profit, is insensitive to the needs of employees and the safety of the public.

The TWA case illustrates how dangerous the recent frenzy of corporate takeovers has become. Corporate acquisitions occurred at the rate of 11 per day in 1985. Many recent takeovers have been engineered by raiders who are more interested in short-term profit than the long-term health of the corporations they target. Thus, they harm the economy and shatter the lives of communities and workers that are directly involved.

An important factor in the recent rash of acquisitions is the availability of junk bonds, or high-yield securities that have extremely low credit ratings. These bonds are used to finance takeover bids that line the pockets of corporate raiders, but leave previously successful companies close to bankruptcy.

At a time when our industries are facing intense competition from abroad, we cannot afford to have resources diverted to nonproductive takeovers. We should take action now to impose restraints on junk bond financing and other techniques that encourage nonproductive takeovers.

In the meantime, Mr. Icahn should start negotiating with the flight attendants—and begin to think about, the safety of his passengers, and fair dealing with his employees and not just the numbers in his bank account.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. LEVINE] is recognized for 5 minutes.

Mr. LEVINE of California. Mr. Speaker, had I been present on Thursday, March 6, 1986, I would have voted aye on House Resolution 390 (budget reconciliation, rollcall No. 41). I was away on official business.

FISHING VESSEL INSURANCE LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. STUDDS] is recognized for 10 minutes.

Mr. STUDDS. Mr. Speaker, I am today introducing legislation designed to deal with the crippling shortage of affordable insurance for owners of commercial fishing vessels. I am pleased to have joining me as cosponsors of this legislation the Honorable ROBERT DAVIS, ranking minority member of the Subcommittee on Coast Guard and Navigation, and the Honorable CLAUDINE SCHNEIDER, a member of the Committee on Merchant Marine and Fisheries.

Fishermen throughout the country are faced with the choice of trying to pay for insurance coverage that they cannot afford, or of going to sea without adequate coverage, which they cannot rationally do. Just this week, I have been informed that as many as 1,100 fishing vessels may not have their current insurance policies renewed. Vessel owners have become the pawns of an insurance market over which they are too small to have leverage, but upon which their survival depends. I am well aware that this is not a problem that can be fully resolved by Federal legislative action. The resolution of this crisis will require the cooperation of the insurance industry as well as the imagination of fishermen seeking cheaper coverage through insurance and reinsurance pools and other mechanisms. It will also take time. But I am convinced that there are some legislative steps that can and should be taken to ease the present severity of the

problem and to make a long-range solution easier to achieve.

The bill I am introducing today is intended to lend stability and predictability to the insurance market, while treating fairly both the owners of vessels and their crew. The key to the crisis is the vulnerability of the boatowners, and their insurers, to huge settlements involving personal injury. The approach taken by this bill is to restrict the type of damages for which an injured crewmember can sue; thus guaranteeing equitable, but not excessive, compensation for a loss.

Under this bill, vessel owners would be expected to provide medical and hospital expenses—called cure under general maritime law—and maintenance payments of at least $40 per day to compensate injured crew members. Owners who comply with this requirement would then be entitled to limit their additional liability to the full amount of wages lost by a seaman as a result of the injury. A boatowner would not, however, be entitled to a limitation of liability if the injury were caused by his own gross negligence or willful misconduct.

The insurance crisis has spread nationwide, affecting towns, recreational facilities, health care professionals, manufacturers, bars and restaurants, as well as commercial fishermen. Some have argued that we cannot respond to this problem on an industry-by-industry basis. But the fact is that the commercial fishing industry needs immediate help.

One of the reasons that protection and indemnity [P&I] insurance has become increasingly expensive is that court awards to injured fishermen—who are treated as seamen under Federal law—have increased dramatically in recent years. To understand this problem, it is important to note that there exist, under current law, three independent causes of action an injured fisherman can pursue: maintenance and cure, unseaworthiness, and the Jones Act.

MAINTENANCE AND CURE

The maintenance and cure remedy under general maritime law is the legal obligation of the vessel owner to maintain and cure a seaman injured in service to a vessel. Maintenance and cure is only intended to compensate the fisherman for expenses actually incurred as a result of the accident. Under our bill, the vessel owner would be required to pay reasonable costs for maintenance and cure in order to be entitled to a limitation on his liability for other potential costs.

UNSEAWORTHINESS

This remedy allows an injured fisherman to recover against the vessel if his injury was caused by the unseaworthy condition of the vessel, its equipment, or its crew. There is no need to establish negligence on the part of the owners. Our proposed bill would not eliminate unseaworthiness as a cause for action by a crew member against the owner of a vessel.

THE JONES ACT

The Congress provided, in the Jones Act, that "any seaman who shall suffer personal injury in the course of his employment may, at his election, maintain an action for damages at law, with the right of trial by jury." (46 U.S.C. 68ε).

While based upon the negligence of the vessel owner, the Jones Act remedy is very popular in personal injury cases. Unlike the other available remedies which are afforded by admiralty law, a plaintiff in a Jones Act case is entitled to a trial by jury. Since a jury is thought likely to be more sympathetic in the awarding of damages than a judge, the injured seaman will virtually always allege negligence under the Jones Act as well as maintenance and cure and unseaworthiness in his complaint. A jury can then consider the entire complaint.

In recent years, juries have awarded some huge settlements to fishermen under the Jones Act. In one oftcited case, DiMercurio versus DiMercurio Fishing Corporation, the vessel's skipper had his arm broken when a 20-pound block fell from its rigging. The vessel's insurer, New Hampshire Insurance Co., offered a settlement of $20,000. DiMercurio then sued the corporation, of which he was a majority owner, and received a settlement of over $500,000. While this settlement was later reduced by an appeals court, New Hampshire Insurance Co. no longer provides coverage to commercial fishing vessels. Under the proposed bill, crew members would still be entitled to sue under the Jones Act but the liability of a vessel owner who: First, is making maintenance and cure payments and second, is not guilty of gross negligence or willful misconduct, will be limited to the full amount of wages and other compensation lost as a result of the injury.

BACKGROUND

The insurance crisis for fishermen results from the fact that companies concerned by potentially high settlements either cancel policies or rewrite them at much higher premium rates. Since there is virtually no State regulation of maritime insurance, vessel owners do not have the type of protection afforded to many other industries. In Massachusetts, for example, a company providing insurance to a group of approximately 80 vessels canceled the policies, giving the vessel owners 2 weeks notice. A vessel under mortgage cannot go fishing without insurance.

Problems facing the commercial fishing industry must be viewed within the context of the crisis generally facing all those who have to purchase casualty insurance. Insurance profits are derived only in part from premiums. A substantial portion is derived from income generated from investing the premiums. Thus, the recent decline in interest rates, from the high rates of the late 1970's, has caused insurance companies to move away from a number of risky industries since they cannot receive an adequate return on the investment of the premiums to cover the potentially huge settlements they might have to make. In the past, the casualty insurance industry has been cyclical in nature and problems of this type have self-corrected. The present downturn, however, seems to be especially severe.

According to the Wall Street Journal, commercial insurance rates dropped continually during the late 1970's as companies battled for premium dollars to invest during that period of high interest rates. Premiums were driven too low, however, and insurers are currently compensating by raising premiums and getting out of the types of business that have resulted in large claims.

While the problem is clearly national in scope and may require some broader legislative initiatives, there are a number of reasons that the fishing vessel situation is legitimately addressed in a separate bill.

Members of the Committee on Merchant Marine and Fisheries have been working for over a year to develop a workable solution to the particular difficulties facing the fishing industry, which was one of the first industries to face a serious problem. The committee first held a field hearing on this problem in Boston in October 1984. During the past session of Congress, the Subcommittees on Coast Guard and Navigation and on Fisheries, Wildlife Conservation and the Environment held a series of hearings in Seattle, New Bedford, and San Diego. Since the beginning of this year, committee staff have devoted countless hours to meetings and research.

During these hearings, subcommittee members learned of dramatic increases in the price of P&I insurance, and about shortages of available insurance at any price. As a result, many boats have been forced to stop fishing or are going out with little or no insurance. Further complicating the picture for the fishing industry is the very small percentage that it represents of the insurance written nationwide. For many insurance companies, it is easier to stop writing the insurance for this market than to face the risk of a potentially huge settlement. The small share of the market taken by the fishing industry also limits the willingness of the insurance companies to provide coverage specially tailored to vessels with good safety records, or which operate in relatively safe waters. Accordingly, accidents or sinkings in one region appear to affect the availability and price of insurance throughout the country.

One major goal of our legislation is to limit the potential for the kind of huge settlement that has the tendency to distort the outcome of subsequent litigation, while causing insurance companies to raise premiums or to consider leaving the market altogether.

SAFETY

The shortage of insurance is also related to the very dangerous nature of commercial fishing which, according to the Coast Guard, has become the most dangerous of all U.S. industries. Traditionally, the safety of vessels has been left to owners and operators, while the Federal Government has kept its hands off. It is time for that attitude to change. There is no excuse for a commercial fishing vessel to go to sea today without survival suits, liferafts, emergency signaling gear, and quality communications equipment. This bill would require this equipment on all U.S.-documented seagoing fishing vessels.

INDUSTRY INITIATIVES

The fishing industry has not been sitting idle, awaiting congressional action to solve this problem. Working with a Federal grant provided under the Saltonstall-Kennedy program, which the administration has slated for elimination, the National Council on Fishing Vessel Safety and Insurance conducted a study, run by Prof. Dennis Nixon of the University of Rhode Island, to investigate alterna-

tives to the current compensation schemes available to commercial fishermen. Professor Nixon's report has been an extremely valuable tool for those of us interested in this problem. While the legislation we are proposing today does not directly track Mr. Nixon's recommendations, its development was largely influenced by his report. Like Mr. Nixon, we have attempted to fashion a bill that will make it more attractive to the insurance industry to return to the fishing vessel market, while ensuring that injured fishermen are compensated in a fair and expeditious manner.

The fishing industry has also been making a strong effort to respond, on a voluntary basis, to the safety problem. A series of recommendations on all aspects of vessel construction and operating safety have been developed by the Coast Guard, in cooperation with the industry. The North Pacific Fishing Vessel Owner's Association has been working to develop a safety operations manual that may well be applicable, with modification, to other regions of the country.

CONCLUSION

Limiting the vessel owner's liability to demonstrated lost earnings and medical costs, as proposed in this bill, should result in more readily available insurance, at a more reasonable cost. It must be emphasized, however, that we have no guarantees from the insurance industry that this will in fact take place. While injured seamen could no longer sue for pain and suffering or mental anguish resulting from an injury, they would be fully compensated for any lost income and for medical expenses.

In addition, this bill recognizes the need for improved safety on fishing vessels and sets forth additional safety equipment requirements for documented fishing vessels operating on the high seas. In addition to the requirements already included in chapter 41 of title 46 of the United States Code, these vessels would now be required to carry, as established by regulation, emergency position indicating radio beacons [EPIRB's], visual distress signaling devices, communications equipment, a sufficient number of life rafts and, in certain areas, survival suits for all crewmen aboard the vessel. The addition of these pieces of life saving equipment will help make the vessel a safer place for the seamen to operate.

I think it is obvious that there will be no simple, immediate, or complete solution to the fishing vessel insurance crisis; it is obvious, as well, that events will have to occur outside the arena of Federal legislation to make the provision of insurance to the fishing industry a more attractive proposition. The legislation I have developed is intended as a document for discussion, not a tablet to be consecrated. I encourage other Members of Congress to submit their own proposals, so that we can review a range of options for future action. Despite the limitations on what Federal legislation will be able to accomplish, I am convinced that some measure of relief may be derived from these initiatives, and given the severity of the crisis we face, a failure to be as helpful as possible could not be excused.

NEITHER McCARTHYISM NOR COMMUNISM: HOW CAN WE HAVE A SERIOUS INTELLECTUAL DEBATE ABOUT THE SOVIET EMPIRE, THE THREAT TO FREEDOM AND AMERICA'S ROLE IN THE WORLD?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. Mr. Speaker, I want to talk this evening on a very important topic which I am calling "neither McCarthyism nor communism: How can we have a serious intellectual debate about the Soviet empire, the threat to freedom and America's role in the world?"

In recent weeks the debate over Communist Nicaragua and the American effort to help the freedom fighters has grown increasingly bitter. Those who favor the Soviet empire being dealt with in Central America by stopping the Communist Nicaraguan Government and by helping the freedom fighters have, in their passion, used stronger and stronger language to project the consequences of not supporting the freedom fighters and to outline what they see as an intense threat.

Those, on the other hand, who basically focus on the Nicaraguan situation by itself, while minimizing the threat of a Soviet-Cuban colony in North America, have reacted by using equally strong language to warn against the tone and the thrust of the anti-Communist rhetoric.

One side warns of the danger of communism; the other side warns of the danger of McCarthyism. Both have merit. Both are legitimate concerns. On the one hand, there is a real danger from the Soviet empire and communism. On the other hand, we must have a real respect for the right to disagree, to analyze differently, to vigorously advocate different beliefs and propose different courses of action.

While the one side, the right, is motivated by fear of more countries going Communist, of freedom shrinking throughout the world and our own national security being threatened from without, on the other side, the left, there is honest motivation by fear of American involvement in bad causes, by militarism and fearmongering and suppression of the dissent threatening freedom from within.

Both sides are honorable and legitimate. Both sides have legitimate fears. There is a danger to freedom from the Soviet Union. There is a danger to freedom if patriotism becomes a cover for suppressing legitimate dissent.

As a free society, we must learn to argue about the Soviet empire and our own behavior in the world with intellectual rigor and honest passion but without bitterness or attacks on personalities.

Yesterday three of us proposed a course that would move the debate about the Soviet empire and America's role in the world onto a more intellectual plane. We proposed a series of debates. We suggested that there are honest, deep, difficult questions that must be asked about the nature of the Soviet empire, about the competition freedom faces from tyranny around the world, about the history of the last 15 years and our reaction to Soviet, Cuban, and other Communist activities, and about the basic question of actions of the U.S. Congress and of our role in trying to stop the Soviet empire.

We suggested that there is a real point to debating the question of judgment, not patriotism, to debating the question of accountability, not patriotism, to argue about the effectiveness, the intellectual accuracy, the tests in the real world of things we have done as a country over the last few years.

Today I was surprised by several Members of the House who chatted with me about our challenge yesterday as though it was either a personal attack on an individual Member or as though in some way it was too strong, too harsh, as one very bright member of the Foreign Affairs Committee said to me.

So I decided to do this special order tonight to try to outline what I think is a fundamental problem in America today.

It is very difficult to talk about the Soviet empire, Cuba as a colonial police force, using the Cuban army in Angola, Ethiopia, Nicaragua, and elsewhere for the Soviet empire, and the relationship of the United States Congress to that Soviet empire without people getting very nervous and very upset, for several reasons.

One, there is a legitimate cultural memory on the left of Joe McCarthy, of a period in American history which was frightening, of the danger of dissent being suppressed, of witch hunts, of searches for spies that did not exist.

On the other hand, one would have to say there really are spies, there really are dangers. We really have to ask the question: How can we talk about the effect of our behavior without impugning the motives of our behavior?

Let me draw an analogy: If someone said to you that they wanted to become a nutrition expert but you noticed that they were in fact a bartender, if they said to you that their goal was to help people lead healthier lives, but you noticed that over the last 6 months they had convinced 30 people to become alcoholics, if they said to you that their goal was to help people do better, but you noticed that three of their customers in a drunken stupor

had driven into a tree and killed themselves, you might be legitimately entitled to ask a question about the effect of their behavior as distinct from the intention of their behavior.

People often intend to do good. That does not necessarily mean that they achieve good.

All of us, to take an example that does not involve the Communist empire, can look at the sincere and decent concerns of President Carter and others for the people of Iran, the desire to improve the Government of Iran from the conditions that it had under the Shah; and yet it is very hard to argue that Iran under Khomeini has a tyranny that has killed thousands of people in religious persecutions, that has been involved in a bitter war with Iraq, that has imposed a police state. It is very hard to argue that the good intentions of those people who meant well have been rewarded by the people of Iran doing better. In fact, I think it is overwhelmingly clear that the people of Iran are worse off today than they were before that.

Two years ago there was a strong argument in this House because a number of us were reading a paper by Frank Gregorsky, entitled, "What's the Matter with Democratic Foreign Policy?" into the record, and there was a feeling that the paper was too strong. And yet, if I can tonight, let me simply suggest that anyone interested in this debate would do very well to get a copy of Mr. Gregorsky's paper and reread it, because the most consistent thing that comes out in his paper, simply by walking through case after case after case, is the fact that people who meant well were wrong about what would happen in South Vietnam. We have quotes in here from honest, sincere, patriotic, well-meaning Americans, who simply were wrong. They said:

> If only we would get out, somehow the North Vietnamese would have a compromise, there wouldn't be a dictatorship, and they would have an agreement politically.

As we all know, South Vietnam today is a Communist dictatorship, the Government is so horrible that over a million people have fled in boats, and in fact the people who said that were just wrong. They misunderstood the nature of the virus of communism; they misanalyzed what was happening.

There are quotes in Mr. Gregorsky's paper of people who said about Cambodia:

> If only we would abandon Lon Nol and get out of Cambodia, then good things would happen. If only we would leave, then peace would come to Cambodia.

As we all know, this Congress voted that we leave. We did leave. And what happened was the worst single atrocity since the Nazi Holocaust. And in fact as a percentage of population, an unbelievable number of Cambodians died because the Communists who took over and systematically butchered innocent decent people.

Then there is the case, to carry it a stage further, of Ethiopia. Can anyone seriously argue that the current Communist government of Ethiopia is better than Haile Selassie, the previous government which was a dictatorship, which was a monarchy, which was in some ways a medieval government?

But can anyone argue that a country, which under Communist leadership, with Cuban troops there today, with Soviet advisers there today, killing, according to the French organization "Doctors Without Borders" over a thousand people a day in forced resettlement camps? Can anyone argue that those people are not worse off, that in fact the Communist government of Ethiopia is terrible?

□ 1915

Or to take another case. This Congress voted for what was called the Clark amendment. This Congress said that faced with the threat and the challenge of the Soviet Union and the Soviet empire moving Cuban troops, serving, as I said earlier, as the colonial army of the Soviet empire, into Angola and Mozambique, this Congress voted, in 1975, to say that we would stay out of the way. It violated Harry Truman's warning when Truman said, and I quote:

> I had a very good picture of what a revival of American isolationism would mean for the world. After World War II, it was clear that without American participation, there was no power capable of meeting Russia as an equal.

Truman was saying that if the Russians were determined to fly Cuban troops into Angola, and the United States did nothing, then communism would win. The United States did nothing, communism has now been in charge of Angola for 11 years, and while Savimbi is in the field, and has been for 18 years against both Portuguese and Cuban and Soviet powers, nonetheless, you cannot argue that freedom has won or that the people of Angola are better off.

Take the case of Cuba. Throughout the sixties and early seventies innocent, well-meaning young Americans, mostly upper middle class flew to Cuba for 30 or 40 days of cutting sugarcane, of showing solidarity with the Cuban revolution. Yet, while they were in the fields feeling good about themselves, we now know without any question, Cuba was a totalitarian prison camp. Poets, writers, dramatists were thrown in jail and thousands of people were being persecuted. The Cuban Army was being trained by the Soviet Union, and the Cuban Secret Police were working with the Soviet KGB to train terrorists around the world. Yet, even today, those innocent young people now grown middle aged look on with nostalgia at Fidel Castro as though he were somehow a hero instead of merely being a militaristic dictator in charge of a Communist colony of the Soviet empire.

Then we come to Grenada. The Grenadian revolution kicked out a dictator, a bad dictator and replaced it with a Communist, Leninist party. We know that it was a Leninist party because they say so. We know it was Leninist because after the liberation of Grenada we captured all of their documents. We know that they said to themselves over and over again. that they were allies of the Soviet Union, they were the allies of Communist Cuba, they were good Communists, they were allies of Libya, that they were against the United States; but, that they would publicly always lie because they had been taught by the Cubans and the Soviets that to tell the truth to the Americans was simply to mobilize the American nation, and that the Americans would believe any lie that sounded good because it allowed Americans to avoid being responsible.

Now we know all that. We have a 1,000-page thick public document of selected Grenadian documents. We have in fact 35,000 pounds of documents on microfiche sitting over at the National Archives available for anyone to read. We know that they lied to U.S. Congressmen; we know that U.S. Congressmen were willing to believe those lies. We know that they were wrong.

Finally, we come to Nicaragua. The Nicaraguan Communist leadership is Marxist-Leninist; it says so in public. The Nicaraguan Communist leadership came from a party founded by a man named Fonseca who himself had written an essay in 1957 entitled, "A Nicaraguan Visits Moscow," in which he said flatly that the Soviet Union had free churches and free newspapers and that the Soviet suppression of the Hungarian Revoluation was an example of Communist self-criticism.

Now, a man who believes that the Soviet Union has free churches and has free press is a man who will believe almost anything. And a man who believes that Soviet tanks crushing brave Hungarian freedom fighters is a sign of self-criticism is a man capable of becoming a true Stalinist and imposing a real Communist dictatorship.

Faced with the fact that we knew that the leaders of the so-called Sandinistas were in fact Communists deliberately using a national term to hide their real beliefs, a number of us began warning that in fact if we were not very careful in the late 1970's we were going to end up with a Communist Nicaragua.

Today, we have a Communist Nicaragua. Now, given just the cases I have outlined, and Mr. Gregorsky goes through most of them step by step by step; given that they were wrong in Vietnam and communism came to the South; given that they were wrong in Cambodia and communism killed over a million people; given that they were wrong in Ethiopia and communism kills today, a thousand people a day, without mass rallies, with no one being arrested in front of the Ethiopan Embassy with no effort by our friends on the left to say much about it; given that they were wrong in Angola and 35,000 Communist Cuban troops today prop up a Communist dicatorship, and given that they were wrong about Grenada, and it was, as we now know from the documents, a Communist tyranny; given that they were wrong about Cuba, and given that they were wrong about Nicaragua, one might ask the question: Why would they think they are right this time?

Let me read what Harry Truman, a Democrat, a hard-line anti-Communist himself said, and I quote:

> Within our own nation I had seen many well-meaning groups who campaign for peace at any price while apologizing for the aggressive acts of the Russians as merely a reflection of Russian reaction to our own tough policy. Many respectable Americans espoused such ideas without realizing the danger to which they were subjecting our national security and the freedoms for which we had fought so hard.

What was President Truman trying to say in the late 1940's? He was saying that there are two deep traditions in American life which are noble and moral but which are destructive in the real world. One is the tradition of pacifism which goes deep in our church structure and which has very strong followings at theology schools and always has, a pacifism which, in the 1930's was opposed to doing anything about Adolf Hitler, and a pacifism which in the 1980's is opposed to doing anything about communism.

Second was a tradition of isolationism, of America being separated from the rest of the world by big oceans and being able to avoid involvement. Those two traditions came together on the left in the Henry Wallace campaign of 1948, in which the Progressive Party ran against Harry Truman on the grounds that Harry Truman was much, much too strong an anti-Communist. That he was unreasonable in his opposition to communism.

The Henry Wallace Progressive Party tradition had as one of the aggressive, younger supporters George McGovern. A young man then, a man who had come out of a good religious background, a man who believes essentially in the pacifistic isolationist tradition of that particular part of the American tradition.

Not an ignoble tradition, not an unnatural tradition, but a tradition which, in a truly dangerous world could be markably destructive.

The question then becomes, and I think it is a deep question and one that one has to look at: How can we discuss and debate this tradition stipulating that it is an argument between patriots, it is an argument between good Americans, it is an argument about the nature of the world, the nature of the Soviet empire, the nature of its threat to our survival and the whole issue of whether or not the United States can be effective in the world at large.

I say this because it is totally wrong for anyone on the right to suggest that our opponents are not committed, patriotic, sincere, dedicated Americans. But it is equally wrong for those on the left to say that to question their judgment, to question their record, to look at the underlying core of values of what happened out in the world.

Not what they meant to do, not what they would have liked to have happen, but what happened is wrong. It seems to me, and I want to quote here from the Washington Post, as quoted by Frank Gregorsky, to show you a sense of how far back this argument goes and why Harry Truman is the right person to bring into the argument.

On January 14, 1984, the Washington Post ran an article about George McGovern and made the point that he was not one of the Democrats radicalized by Vietnam; that in Gregorsky's language, he was a radical 40 years ago. He condemned the Truman doctrine in 1947. This is a quote now from the Washington Post, quoting George McGovern:

> U.S. military aid is flowing into Greece in an effort to prop up a decadent reactionary monarchy, a feudal policy which we inherited from the British at a time when they had already realized its stupidity.

□ 1925

Now, I would simply say to anyone who has visited Greece, was it worth it? Was it worth helping to stop communism? Is it good to have a free country you can visit? Is it good to have a free country that is part of NATO? Is it good to know that millions of decent people at the very home of democracy in Athens are themselves free? Was that a legitimate expenditure of U.S. resources?

When you look back 40 years, are you glad that Harry Truman won and that the Democrats who were committed to stopping communism won, or do you wish that George McGovern had won, that in fact we had not helped Greece, that it had gone Communist, that the eastern Mediterranean had been Communist, in which case today Turkey would probably be Communist. There would be no Israel and, in fact, we would not recognize the world as it is.

But McGovern was consistent. In 1948, he said:

> Under the blinding light of the current red scare we are going all out for nationalism, militarism, suspicion and power politics. Do we realize that we only show our loss of faith in the American dream when we foolishly hope to stop Communism with dollars and bombs?

That was 1948. Was McGovern attacking vicious right wing Ronald Reagan? No; this is in fact on Harry Truman.

And what was Harry Truman trying to do in 1948? He was proposing that we defend Western Europe; you know, those reactionary countries, Germany, Norway, Denmark, Holland, Belgium, France, Italy, Britain.

Think of it, Harry Truman had the gall to say maybe we should do what is necessary so that Germany would be free. Is it not terrible? Harry Truman had the gall to say maybe we should do what is necessary so that Britain is free, so that Norway is free.

Let me repeat the quote from McGovern, because I think if you look at it you will hear almost the same words today from the direct heirs of Henry Wallace and George McGovern on this House floor in the next week:

> Under the blinding light of the current red scare we are going all out for nationalism, militarism, suspicion and power politics. Do we realize that we only show our loss of faith in the American dream when we foolishly hope to stop Communism with dollars and bombs.

Now, notice, 1948 is 3 years after World War II. A man who had lived through and in fact in his case I believe fought in World War II, who had seen Adolf Hitler's Nazi Germany, who could then turn and think that the American dream would survive in a dangerous world without dollars and bombs, who would think that somehow magically the Soviet empire would respect Coca-Cola and therefore we did not need the tanks, that the Soviet empire would understand the importance of the Phil Donahue show so that we do not need the fighter aircraft, that the Soviet empire would be dazzled by watching Dallas on the evening show and therefore we did not need to have any kind of strengths?

This, remember, is right at the point of the Berlin airlift when the Soviet Union in fact blocked all land traffic and it was only the use of the airlift that allowed us to keep Berlin free.

This is just before the North Koreans invaded South Korea. What American dream would have saved South Korea had George McGovern, rather than Harry Truman, been President?

I say this because it is important to understand the degree to which the modern left is the direct heir of George McGovern, that Harry

Truman and John F. Kennedy have lost control of their party and that it has been replaced by the Wallace-McGovern wing.

Let me quote one other George McGovern quotation from 1971, a Fortune magazine interview:

> I don't believe the Soviets would even try to test me because I would think they would regard me as a friend and would do everything they could to keep my friendship.

Well, the point is, anyone who thinks of the Soviet empire as friends or is thinking of us as friends does not understand the Soviet empire. It is not a question whether George McGovern is pro-Soviet. I do not think he is. I have debated George. He is a bright guy, very, very intelligent man. I think he honestly and fundamentally misunderstands the nature of the Soviet Union. He does not understand that it is a police state. He does not believe Leninism is real. He does not think they in fact are serious and in a sense, as Charles Krauthammer has pointed out in his book, it is doing them a disservice. These are serious people. The North Vietnamese were serious people. The Cuban Communists are serious people. The Soviet KGB are serious people. They deserve to be taken seriously on their own terms.

There is something almost arrogant in the willingness of the American left to say, "Oh, they really don't mean what they say. They really aren't doing what they are doing. Somehow we know better."

Why do I focus on the McGovern-Wallace tradition in explaining the debate about America's role in Central America and the danger of the Soviet empire and of Communist Cuba imposing a Communist Nicaragua? Well, it is partially, as Gregorsky sites on page 52 of his paper in quoting from a review of the Coercive Utopians in Fortune magazine, the review said, by Michael Levin:

> The book's authors tell us that the New Left is all over the place, older but not particularly wiser. The veterans of those passionate crusades of the sixties today command influence greatly disproportionate to their numbers. Far from having disappeared, they are strategically situated in the churches, the think tanks, the mass media, government bureaucracies and other branches of what the authors call the consciousness industries.

Gregorsky goes on to say, and I quote from Gregorsky:

> They are strategically located in the House, too, though few would think to look for them there.

The point is this. There was a very small stream of people in the late 1940's who honestly believed that turning the other cheek would somehow convince Joseph Stalin not to worry. They believed that if the Russians were being bad, it is because we forced them to. They believed that if the Russians were being aggressive, it was because America is rich and the Russians were jealous; so whatever happened, it was always because the Communists were being forced to by the Americans, because we as the largest country in the world were always the people making them do something, because we were always guilty.

In the late 1940's, in the 1948 election, Henry Wallace and George McGovern and the left wing, what Gregorsky calls the "radical worldview" lost to Harry Truman and from 1948 to 1965 the Harry Truman-John F. Kennedy wing of the Democratic Party dominated the Democratic Party and dominated the American intellectual community.

That was a belief, a group who said, and including Hubert Humphrey as part of it, Henry Jackson, Jean Kirkpatrick, Ronald Reagan was a Democrat for a large part of that period; Ronald Reagan, for example, campaigned for Harry Truman and Hubert Humphrey in 1948 because Reagan was the anti-Communist leader of a labor union in Hollywood and Reagan was an anti-Communist Democrat, and that wing of the Democratic Party dominated the debate and the McGovern wing was very tiny and except for a handful of people had almost no real influence in this country.

Then as the United States got mired down, Lyndon Johnson lost his nerve. The fact that President Kennedy had been assassinated robbed the Democratic Party of its most articulate and I think best visionary leader since FDR and there was no one who had the nerve and the ability, and it took both, to articulate and explain Vietnam in the context of Harry Truman's concern about communism.

So the country split. Essentially three things happened in parallel along with the rise of the baby boom generation. You had an enormous biological upsurge of just lots and lots of young people suddenly getting to be adolescents, so the sheer energy of the younger generation was available, and normally you have, as we saw in the twenties with the flappers, we have seen it again and again in their history, if there are enough young people at any given moment, there will be a natural tendency to try to test the established values. That tendency took three forms in the 1960's.

First of all, it took the form of the civil rights movement in what was a very positive and very good long-term thrust that broke the back of segregation, but in the process legitimized challenging legal authority headon through sit-ins and civil disobedience.

Second, it took the form of the free speech movement, beginning at Berkeley, CA, and the notion that going braless and using dirty words and not having learned grammar were virtues and that somehow this younger generation had discovered new ways of seeing the world.

Third, it took the form of the antiwar protestors and the assault on the American establishment's commitment to stopping communism in Southeast Asia.

Those three streams of behavior came together in a mood of self-righteousness, a mood which legitimized rioting in the streets of Chicago in 1968, a mood which came for the hard left to mean, "We're right and they're wrong and, therefore, we can do whatever we want to."

Watergate came along and frankly fixated that belief. The mood became clear that the American Government really was unacceptable, that it was not legitimate for the American Government to do things, that we were not truly an honorable system.

So the combination of the rise of the baby boom generation and sheer biological energy and the sense of adolescence, the civil rights movement, the free speech movement, the antiwar movement and Watergate meant that by 1974 there was an entire network of activists younger left wing Democrats and a handful of left wing Republicans, but primarily left wing Democrats, who suddenly managed to win elections in seats they would not normally have held and they came to Washington honestly believing that the primary problem in the world was the United States and its inability to restrain itself, that it was the CIA in Washington and not the KGB in Moscow that we had to fear; that the greatest danger to America was the suppression of dissent and that anybody who talked seriously about communism was a kook.

That move became very sincere and very deeply fixed and there are many people in this House today who honestly and sincerely and patriotically believe that.

I emphasize, these are decent, well-meaning, highly misguided Americans, with a remarkably low level of historical information and they are people who now cherish their belief at the expense of data, a psychological process called cognitive dissonance, which says that if you learn something new that threatens what you already believe, you will try to avoid learning it, that it is better to keep remembering what you believe. It is a little bit like a person who likes chocolate ice cream and also wants to lose weight, so they reject the information that there are a lot of calories in chocolate ice cream, because they do not want to think about it.

What we have now is an entire group of people who have been actively unwilling to confront the Soviet empire for in some cases as many as 20 years now, who are relatively important. In the seminaries they are often the theologians who are training the next generation of ministers into this

left wing pacifist isolationism, which then goes out and imbues the churches. In many cases they are college professors who teach classes based on the myths they believe, rather than the facts that are available. In many cases they are politicians who believe so deeply in the world as they would like it to be that they do not deal with the world as it is.

Let me emphasize again, it is not a question of patriotism. It is a question of belief systems, of ideologies, of a way of thinking about the world.

Let me quote from Georgie Anne Geyer to give you a sense of where this all comes from. June 6, 1984:

> Almost without people knowing it, the old question of how Fidel Castro became a Communist has among all the scholars and serious analysts that I know virtually been solved and today no one seriously blames it on the United States. The United States did not decide the character of the revolution, Carlo Franki, the Cuban who was Mr. Castro's closest advisor in the early years said recently at a small session in Washington. Fidel himself said that the United States did not change the character of the Cuban revolution, that the Cuban revolution was socialist before. He is the first one in Latin America to discover how to have total power.

Now, I can report to this House that as recently as three weeks ago I debated a leftwing Democratic Member of this House, a very bright man, a very articulate man, who said, "We made Castro become a Communist and if we had been nice to him, he wouldn't have been."

Yet here you have Georgie Anne Geyer outlining and quoting from one of Castro's closest advisers that Castro had always been a Communist.

I can cite Hugh Thomas' book, which is the most authoritative single work, he is a Britisher, not an American. He is not generally considered to be a rightwinger. He is the most authoritative student of the Cuban revolution and he is quite clear that in fact Castro wanted total power and Castro was going to get total power and the only country that would side with Castro as he sought total power was the Soviet Union.

Yet today in this House there are, I would venture to guess, 150 Members who honestly and sincerely believe that if it were not for the United States, Castro would today be a nice man that we could deal with; but the fact is that Castro was a Communist, was determined to impose a dictatorship, and while he was a more opportunistic Communist than Gorbachev, he is a man who has in effect sold his country into being a Soviet plantation which primarily produces two products, sugar and soldiers.

□ 1940

So he has added the country's children to the exports, and today there are 35,000 Cuban soldiers who are busily imposing slavery in Angola in order to earn money from the Soviet empire for Fidel Castro's Communist Cuba.

Let me cite another person about a general problem, Mayor Ed Koch of New York. Mayor Koch said in October to November 1983, Public Opinion, and I quote:

> There are extremists in our party who have never voted for a single defense appropriation or authorization bill because they found some particular defense expenditure objectionable. When I was in Congress, I would often vote against the defense authorization bill because that is where the mischief is done. I would take a stand in opposition to particular expenditures, but I did vote for many of the appropriation bills because I favored a strong defense. If our defense depended upon those people who vote against every defense bill, we would be living under some Soviet commissar.

Notice the explicit statement that there are a group of people in the House who so consistently vote against defense bills that if we depended on them for our defense, and I quote from Mayor Koch, a Democrat from New York, "We would be living under some Soviet commissar." This is not a rightwing statement. Mayor Koch does not work for the Reagan White House. Mayor Koch, in fact, is a Democrat, but he is a Democrat in the Harry Truman, John F. Kennedy tradition.

Where then are we today? Those of us who fear the Soviet empire, those of us who believe the Soviet empire is real have a very great challenge. Somehow we have to reach out to our colleagues in this House, we have to reach out to the intellectual community, we have to reach out to the Nation at large and make the argument that what is at stake is a question of reality, and the way to measure that reality is in the words of Al Smith, the Happy Warrior, the Democratic Presidential nominee of 1928, to look at the record, to challenge every person who several years ago signed the Commandante Ortego letter urging that the Nicaraguan Communist change, to look at them. They have not changed, although it has been almost 3 years since you sent them that letter. To urge every person who has found excuse after excuse to avoid the reality of communism in Central America and say look at it; there is a Soviet Empire.

I have debated at least four times with leftwing Democrats from this House on television who have said how can you be afraid of Nicaragua. And in that question, they make my point about the Wallace-McGovern leftwing radical mindset about the world. If Nicaragua by itself were the question, there is no excuse for the United States to be involved. If Nicaragua and the Communist dictatorship of Nicaragua existed in isolation, there is no reason for us to send money. If a local dictatorship in a local area was all that mattered, it would not be important.

Oh, morally it would be. Morally a Communist dictatorship is always worse than an authoritarian dictatorship. Even Dan Rather said that on December 13, 1983, and I am quoting now Dan Rather of "CBS News":

> Somoza was a dictator. But he never enjoyed the security enjoyed by the Andropovs of the world. Under Somoza Nicaragua had religious freedom, and a degree of freedom of the press that seemed to vary with the government's mood, and some economic freedom if you weren't a peasant.
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> Somoza's Nicaragua was not a nice place. But, all in all, his country may have been a freer place than the Soviet Union or any of its satellites. It's not exactly fashionable to think in these terms . . . I think the authoritarian-versus-totalitarian debate is a good one to keep in mind as we think these days about Central America—as we think about Nicaragua, about El Salvador, and other such countries.

That is from Dan Rather's radio commentary on "CBS News." We would hope that all dictatorships would become democracies. We would hope that everywhere that the rule of one man over others exists, that we can work for the rule of all men and women over themselves through self-government.

But if all we were faced with in Nicaragua was a local government and a local problem, then I would argue we have no business being there.

Yet I want to go back to Harry Truman's quote because I think it is the crux of what is wrong with the modern radical world view and the crux of what is wrong with our friends on the left today and their opposition to helping the freedom fighters. Harry Truman said, and I want to quote it again:

> I had a very good picture of what a revival of American isolationism would mean for the world. After World War II, it was clear that without American participation, there was no power capable of meeting Russia as an equal.

Now what do our friends on the left say? They say, well, why don't we negotiate, let us not send any military aid while we negotiate.

One might agree with that after we match the Soviet empire. The Soviet empire currently has an estimated 8,000 advisers in Nicaragua. The Soviet empire has sent $1.4 million in aid to Nicaragua to impose a Communist government.

If their side of the playing field gets $1.4 million in help, gets Hind helicopters, gattling guns and rockets, armored personnel carriers, if their side gets 8,000 advisers, and now we are going to stop, and we are going to talk while they consolidate, we guarantee the establishment of a Communist colony in Nicaragua. That is the first failure of our friends on the left. They want the West to talk while the Com-

munist bloc digs in. Not because they are pro-Communist, but because I think to the best of my understanding they do not seem to understand the concept of Leninism, the concept of a Soviet empire, and the concept of what happens when a Communist tyranny starts to impose itself.

Let me quote, to give you a sense of that tyranny, from Nguyan Van Canh, a former Saigon University law professor, now living in Los Angeles. He is talking about what has happened in South Vietnam in a Communist tyranny imposed by the secret police, and it is exactly the same kind of system established in Nicaragua, and it explains why Nicaraguans who are quoted on radio or television or in the newspaper are very careful. Listen to this description of exactly the kind of block system that the Cubans have imposed in Cuba, that the Soviets use and that the Nicaraguans are learning from the Cubans and the Vietnamese.

> Imagine a society in which you have to keep attending political meetings, usually when you are too tired or have better things to do. Any chance remark that you let fall at one of these meetings could result in your being denounced as a reactionary and sent to a concentration camp . . . Or suppose that you happen to meet two friends at a cafe and strike up a conversation with them. If a security agent or government informer happens to see you, you will all three be invited to visit the ward security office. There you will be separated from each other and required to make declarations as to what you talked about. If there is any discrepancy between the declarations, you can be sent to a concentration camp for the rest of your life. At the least, your name will be placed on a list of suspicious persons. Once your name is on the list, you could be arrested and interned at any time. Even your children may be interned.

I would challenge any of our friends on the left to come in at any time this week, next week or the forthcoming years because tragically the Soviet empire will be around a long time, and challenge that description. The Cubans under Castro developed a Communist neighborhood block system tied into the secret police. The Vietnamese have a Communist neighborhood block system tied into the secret police, and Nicaragua is learning how to establish a Communist neighborhood block system backed by the secret police.

So the longer we are unwilling to help the freedom fighters, the deeper entrenched the secret police and the neighborhood system gets.

Second, our friends on the left say, well, even if Nicaragua is bad, and even if the Soviet empire is terrible, no one in Latin America seems very eager to jump up and down and ask us to come in. There are two reasons for that. In the first place, there is a tradition of the giant of the north of the American colossus; that is, a tradition that sometimes has been good. It saved Central and South America from nazism in 1940 and 1941. It is also a tradition that sometimes in the past was bad, the famous stories of United Fruit Co. and the Marines.

No Latin American politician, particularly in a free society, can jump up and down and call for the North Americans to come without looking like he has betrayed or she has betrayed the essence of historic tradition.

□ 1950

But there is a second reason that I think that Central and South American governments are very cautious. They know that the Cubans and the Soviets are serious, they know that if they shoot their mouths off very much in public the Cuban reaction is to arm more guerrillas, to start a guerrilla war in their country, to have the terrorists start setting off bombs, start killing randomly and they know the best way to keep the guerrillas down for the moment is to say nothing.

If Colombia or Brazil or Mexico were to stand up tomorrow morning and decide they were going to help us take out communism in Nicaragua, the very first thing they know would happen is the Soviet and Cuban terrorist networks in their own countries would go to work the following evening. Their countries would be targets. Furthermore, they know tragically that the United States is a remarkably unreliable ally. This is something every American should think about and in my judgment think about with some sense of shame. If you were in Central America or South America and you had watched this Congress leave Vietnam and let it go Communist, leave Cambodia and let a holocaust take place with a million people dying, leave Laos, do nothing effective about Afghanistan, ignore a thousand dead a day in Ethiopia under the Communists, allow the Cubans to ship 35,000 men into Angola, would you really want to bet on the American side? Would you want to gamble on this Congress if you were a prudent, cautious Central or South American Government?

So ironically the very leftwing radical world view which creates the uncertainty and the insecurity, which voted with glee to leave Vietnam, which voted excitedly to cutoff aid in Angola, which was enthusiastic about accepting the Communist Sandinistas in Nicaragua, that same group having established the instability now turns and points to people who are frightened because they do not trust America and says, "You see, they aren't willing to stand up, so why should we?" yet the fact is, as Harry Truman pointed out, if we do not lead against the Soviets and the Cubans, who is going to? If we have not the courage to contest Soviet helicopters in our own backyard, who is going to? If we are not willing to make it difficult for the Soviet empire to get a colony in our backyard, who is going to? If we are uncertain in this House, can we ask Honduras to be brave? If we are confused in this House, can we ask Costa Rica to stand firm? If we have tolerated now for 28 years a Communist colony in Cuba on our doorstep, should we be surprised that Panama or Bolivia or Brazil would tolerate a Communist Nicaragua? If the largest, most powerful defender of freedom on the planet will not clean up its own neighborhood, does it really expect its weaker, more timid neighbors to do the job for it?

Ah, but the third argument of our friends on the left is that the freedom fighters cannot win, that it is a waste of money, that we should not do it because it will not get us anywhere. I want to quote in that sense from one of the most articulate spokesmen in this House. In a committee meeting last year while successfully arguing for aid to the Cambodian contras, a man who normally stands for a more leftwing analysis, but in this case made, I thought, a beautifully articulate plea. He said, and I quote:

> There is no way the noncommunist resistance is ever going to force Vietnam out. That is clearly impossible. But what is possible is that an increasingly effective resistance by increasing the price Vietnam has to pay for their occupation of Cambodia might induce the Vietnamese to agree to a political settlement.

I would say to our friends on the left, if it makes sense to send money all the way across the world to Cambodia to help Cambodian freedom fighters against communism, why does it not make sense to send a little money in our own neighborhood to help Nicaraguan freedom fighters against communism? If, as this gentleman said, there is no way the non-Communist resistance is ever going to force Vietnam out, that is clearly impossible, what is possible is that an increasingly effective resistance by increasing the price Vietnam has to pay for their occupation of Cambodia might induce the Vietnamese to a political settlement. Then could we not change a few words? Could we not accept the argument of the left and say, to paraphrase, "There is no way the non-Communist resistance is every going to force the Communists out of Managua. That is clearly impossible. but what is possible is that an increasingly effective resistance by increasing the price that Cuba and the Soviet Union have to pay for their occupation of Nicaragua might induce the Nicaraguan Communists to agree to a political settlement." So I would argue that even on the left in Afghanistan and in Cambodia they are willing to accept the argument of supporting the side of freedom even though it is difficult and even though it would be hard because

it is the right side, because it is the right thing to do, and because in the long run it is our best hope.

Finally, our friends on the left say, "Ah, but if we start getting involved in Central America and if the freedom fighters do not win, then aren't we going to send American troops? Isn't this the first step toward American boys dying in a distant jungle in a country far from home?"

The question I would ask is simple: Nicaragua is closer than Germany, there were American troops saving freedom; Nicaragua is closer than Korea, but there American troops were saving freedom in the Far East; Nicaragua is in our own backyard. I am against sending American troops to Nicaragua. That is why I want to help freedom fighters help themselves. I am not willing to accept communism. It seems to me there are only three functional choices next Wednesday. You can vote to accept communism not because you are pro-Communist but because in your honest, legitimate judgment communism is less dangerous than the alternatives. You can vote to help the Nicaraguan freedom fighters and hopefully that will stop communism and make a change. Or you can vote, you can hope that nothing will happen, but if it does we are going to send American troops.

My challenge to the friends on the left is simple: If we do not do anything now, if the Nicaraguan Government consolidates itself, what then? Last night on MacNeil-Lehrer, one of the Democrats who articulates brilliantly the radical worldview, began explaining that if things go bad we could send in the Marines. I have to confess I was on the show with him and I was so stunned that I did not ask him the obvious question: "If you think there is any likelihood of sending in our boys to die sometime in the future, isn't it far better to help the freedom fighters now?" I literally sat there amazed and I did not react very quickly because it was so inconceivable to me that he would say it. If Nicaragua destabilizes Honduras, as they promised they would in radio addresses in 1981, if they continue to help the guerrillas in El Salvador now as they have been doing for 8 years, what will we do? On the right we have an answer. It is an answer from Harry Truman, from John F. Kennedy, from Dwight Eisenhower, it is an answer from Hubert Humphrey, it is an answer that says help the forces of freedom because Nicaraguan freedom fighters want to help themselves.

On the left it seems to me there are only two answers. One is to accept communism. Nicaragua is Communist, that is fine, let's not do anything. If Honduras becomes Communist that will be fine, let's not do anything. If Mexico becomes Communist presumably that is fine, let's not do anything. At which point I might point out Pat Buchanan, the President's Communications Director, will be right because if Mexico becomes Communist, there will be Communists on the San Diego County line. And that is the stated goal of the Nicaraguan Communists, and we can produce more than enough citations where they said that over and over again. But if our friends on the radical worldview, those on the Democratic left and the very few who are on the Republican left do not believe we should help the freedom fighters and they do not want to accept communism, my challenge to them before they vote next Wednesday is what is your solution? You promised to negotiate. As early as 1979 we have testimony from leaders of the Democratic Party in this House that they are going down to Nicaragua to make sure it got to be free. We have letters sent as early as 1983 to Daniel Ortega asking him to be free. We have had speech after speech after speech and with every letter we send two new Cuban military advisers arrive, with every mission we send, another $100,000 of Soviet equipment arrives; for every American delegation, there is a Soviet helicopter. How long, I would ask, can our friends on the left kid themselves about what is happening?

And if you have no solution other than to accept communism, then vote "No" and go home or go out to the press and say "Look, I can tell you in my honest judgment as an American patriot that a Communist Nicaragua is less dangerous than the alternative." That is an honest debate. If your solution is to say if they do anything across the borders I will send in American troops and risk American boys dying, then say that. If you do not have a solution other than those two, then I would hope you would vote yes, because at least Ronald Reagan is trying, at least the American President has found a solution that does not accept communism and does not risk American lives. The United States and the Soviets are at a crossroads in Central America. The Soviets already have committed $1.4 billion in aid to help their Communist Nicaraguan allies. The Soviets have sent 200 advisers who will colonize a Communist Nicaragua. Cuba has sent 7,500 advisers. In addition, Bulgaria and East Germany have sent contingents of advisers. The Soviets have made their choice. They intend to stay on the North American continent and build naval ports and military airfields in Nicaragua to add to the bases they already have in Communist Cuba.

Why has the Soviet Union gambled so heavily in Nicaragua? Because the Soviet ally, Colonel Qadhafi of Libya, said recently, Nicaragua is right in America's backyard. At very little cost to themselves the Soviets are hundreds of miles closer to the Panama Canal. For the first time the Soviets have airfields in Nicaragua that would let their spy planes fly down the American west coast.

I yield to the gentleman from Pennsylvania.

Mr. RITTER. I would like to just refer to the Qadhafi statement. Qadhafi's statement, more explicitly, was: Why do we fight with the Sandinistas? We fight with the Sandinistas because they fight the United States on the doorstep of the United States.

Mr. GINGRICH. I appreciate the gentleman putting in the more correct citation, and I would say Colonel Qadhafi understands what he is doing. He is trying to defeat us. Meanwhile our friends on the left are trying to negotiate with the forces who are trying to defeat us. So you have the highly unequal experience of one side sitting down—it is like a football game where one side is trying to negotiate while the other side tries to score touchdowns. And then we wonder why they are gaining. Look at what they are gaining.

For the first time, the Soviets have airfields in Nicaragua to let their spy planes fly down the American west coast just as Cuban airfields let the Soviets spy on our east coast. For the first time, Soviets can launch guerrilla wars into El Salvador, Honduras, Guatemala, and Mexico from a land base on the North American continent. That will mean waves of "foot people," refugees coming to America overland through Mexico. For the first time, the Soviets can divert our attention and resources to our southern border, which has been totally peaceful for 70 years.

Yet even with such great gains possible, it's very unusual for the Soviets to take the gamble of confronting us in our backyard. Normally the Soviets are slow, patient chess players moving carefully from calculated risk to the next calculated risk.

The Soviets gambled in Nicaragua because they believe the U.S. Congress ultimately will protect them from risk. Soviets have studied our Congress for a long time. They know how deeply some Congressmen, a few key Democrats in particular, dislike any decisive, firm foreign policy to deal with this threat.

There are now two wings of liberalism in Congress today. One wing denies we should do anything about the Soviet empire in Central America. The other wing admits the Soviet empire in Nicaragua is bad, but they will only support steps they know will be ineffective.

America has three choices. We can accept a Soviets colony in Nicaragua and hope it doesn't spread. That choice only guarantees that the Nicaraguan freedom fighters will collapse. And if that happens communism will

gradually spread throughout Central America.

The second choice would be to send American troops into Nicaragua.

The third choice, the best choice, is to help the Nicaraguan freedom fighters liberate their own country. Nicaraguan freedom fighters aren't asking for American troops to come fight their battles for them. Instead, they are asking for American equipment so they can do the fighting.

The choice for America is clear. It's either a little money now to stop the Communists or a lot of money later to take care of the refugees and defend our border.

It's either a little effort now to help liberate Nicaragua or a lot more effort later when the Communists are better organized, more entrenched, and more dangerous.

The Soviets have made their choice. Now we must make ours.

I thank the Speaker.

NICARAGUAN COMMUNISTS SKILLFULLY CONFUSE THE AMERICAN PUBLIC

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. RITTER] is recognized for 60 minutes.

Mr. RITTER. Mr. Speaker, I would like to commend the previous speaker for an intelligent exposition of a very confusing issue. The gentleman from Georgia has shown once again that he can put in historical perspective today's events in such a way, truly nonpartisan, truly with an intellectual base, and with an eye toward solving problems rather than exacerbating them.

Last night I spoke on the floor of the House about the problem of the confusion of the American people about the situation in Nicaragua. My feeling, after listening to the gentleman from Georgia, is that if Americans who are confused on this issue could have spent this last hour listening to the exposition of the gentleman from Georgia, all confusion would be gone, but the confusion remains. I would like to play a small part in reducing some of that confusion.

The interesting thing is that the people of Central America are not at all confused.

In a poll reported in La Nacio newspaper in San Jose, Costa Rica, 93 percent of the Costa Ricans view Nicaragua as an agent of Cuba and the Soviet Union. So they are not at all confused.

The opinion in Honduras is similar. Some 93 percent of the population view Nicaragua as an agent of Cuba and the Soviet Union.

What about United States aid to the opposition forces, to the Contras in Nicaragua? There is tremendous confusion here in the United States. In the border countries surrounding Nicaragua, there is no confusion.

In Costa Rica, the oldest democracy in Central and South America, 69 percent of the people support United States aid to the opposition forces in Nicaragua; 24 percent disapprove. In Honduras, the northern border state above Nicaragua, 55 percent of the people support United States aid to the opposition forces, the Contras, in Nicaragua; 25 percent oppose. In Guatemala, a country removed, 54 percent of the people support United States aid to opposition forces, the Contras, in Nicaragua; 22 percent disapprove.

It is quite fascinating that in Central America, the people understand the threat. In the United States it is more difficult.

Last night I read from a report and quoted from a report that was called "Inside the Sandinista Regime, a Special Investigator's Perspective." It is based on the experiences of a high ranking official in the Sandinista version of the KGB. His name is Jose Baldizon. I talked about the kind of show that is put on for visiting church people, academic people, tourists from North America and elsewhere, the kind of potemkin villages that are created, villages with painted facades.

I would like to continue and talk a little bit about the way the Sandinista Party, the FSLN, which is basically the Communist Party of Nicaragua, how their leader, Interior Minister Tomas Borge, has taken on the responsibility for exploiting religion for propaganda purposes.

This is awfully important, because so much of the well-meaning and, I think, misguided opposition to helping the democratic forces in Nicaragua comes from church groups. I quote:

Borge, a hard-line Marxist, has been studying the Bible because, as he explained to Baldizon and other party members, "There is no more effective way to combat the enemy than with his own weapons."

Baldizon reports that Borge prepares himself for visits from foreign Christian religious organizations or speeches to these groups by studying the Bible and extracting appropriate passages for use in his conversations or addresses. When the foreign visitors have departed he scoffs at them in front of his subordinates in the Interior Ministry, bragging about his ability to maniplulate and exploit the "deluded" religious group. Baldizon says that Borge refers to the visiting religious and human rights groups as "temporary allies" and *tonts utiles* (useful fools).

I think this is an awfully important point for the American people to recognize. That is that there is a conscious policy on the part of the Nicaraguan Communists to deceive well-meaning Americans who come to Nicaragua interested in promoting peace. I quote:

In internal FSLN circles Borge insists he cannot confide in religious persons because they are misguided idealists who have a reactionary nature. Such persons can only be temporary tactical allies of the Revolution. For this reason, Borge said, one must exercise great care with FSLN members who show signs of this type of idealism because such persons are ideologically weak and might one day betray the Revolution.

Yet, countless American groups and religious organizations visit Nicaragua and are taken in by this duplicity.

To impress foreign religious groups that visit Nicaragua, Borge has decorated his Ministry of Interior Office—

By the way, the Ministry of the Interior is pseudonymic in Marxist-Leninist regimes with the secret police bureau—

has decorated his Ministry of the Interior office with large pictures of poor children and prominently displayed religious objects such as crucifixes, tapestries with religious motifs, a large wooden statue of Christ carved by local artisans, and a Bible. Borge has another office, his favorite, in the Reparto Bello Horizonte where he conducts most ministerial business and where he also lives. This office contains pictures of Marx, Engels, Lenin, Augusto Cesar Sandino, and Carlos Fonseca and there are no religious objects to be seen. Copies of the *Communist Manifesto, Das Kapital, The State and the Law,* and various volumes of Marxist/Leninist philosophy are in evidence. Borge uses this office to receive delegations from Socialist countries and for official ministerial functions.

In late May 1985, all personnel from the principal MINT offices were instructed to come to work in civilian clothes the following day and to assemble at the Silvio Mayorga Building (MINT headquarters). There they were told that they were to participate in the closing ceremony of an International Young Baptist Convention of the Baptist Church in Managua, pretending to be Nicaraguan Evangelicals. The ceremony was to be presided over by Borge. At about 6:30 p.m. the ceremony began and, as planned, some 70 percent of those present were military or Ministry of the Interior personnel dressed in civilian clothes. In addition to some 600 military/Interior Ministry personnel, there were delegations from the United States, Puerto Rico, and several Latin American countries. The affair was covered by Sandinista television for showing only outside Nicaragua since the local citizenry would have recognized the many MINT employees among the alleged Nicaraguan Baptists.

□ 2015

Well, I think that says something about why we have such confusion amongst church groups in the United States. It is a direct policy of the Communist government in Nicaragua to deceive these people.

Now, it is also well known that Nicaragua is a closed society and that in a closed society it is difficult to get out the messages.

In the Philippines, the press was active in and out of the Marcos government, and the whole world knew what was happening in the election and in the period following the election. There were institutions in the Philippines, institutions that sowed the seeds of democracy. The Philip-

pines had been in the past democratic. There was the press which was independent, to some large extent; there was the church, which was completely independent; there were universities and business organizations and labor unions and social and fraternal groups.

In a Communist society like Nicaragua, all of these institutions are controlled by the state. So it is very difficult to get information out of the country that reflects accurately on the status of the society.

This is also a very powerful reason why there is so much confusion amongst the American people.

One of the things we have been learning, however, and we have been piecing together information about are Nicaraguan prisons. It is very difficult to find out what is going on inside Nicaragua, as I have said, and far more difficult to find out about people who are incarcerated for political reasons. These issues are kept from the public, and the incarcerations are hidden. But there has been some research recently, and I would like to relate to that research.

A man named Wesley Smith has done a report which was just released. The report was based on 500 interviews with Nicaraguan refugees in Central America. The research that began last August was only completed less than a week ago.

What is interesting about this is that next to Cuba, Nicaragua holds the most political prisoners in the entire Western Hemisphere. No, there are not more political prisoners in Chile or there were not more political prisoners in Haiti or El Salvador. No. The leadership, in incarcerating people for political acts, belongs to Nicaragua.

On an absolute basis, Nicaragua, with its 7,500 political prisoners, as estimated by the Independent Human Rights Commission of Nicaragua, holds more political prisoners than any other Latin nation except Cuba.

Wesley Smith says that there may be 9,000 political prisoners in Nicaragua. Some people estimate as many as 15,000. But let us just take the number 7,500.

Chile, with its population of 11 million, more than four times that of Nicaragua, and a favorite target of liberals in this House, has 5,200 political prisoners. That is too many, to be sure. But that is 2,300 less than the low estimate in Nicaragua with one quarter of the population.

Even more dramatic is the contrast if the number of political prisoners in Nicaragua as compared with those of the Philippines under the regime of former President Marcos. President Corazon Aquino stated that the Marcos regime held 500 political prisoners. The comparison is significant when one considers that Marcos held 500 political prisoners out of a population of 53 million, whereas the Sandinistas in Nicaragua hold 7,500 political prisoners out of a population of only 3 million people.

El Salvador has less than 500 persons in the category of political prisoners. And in contrast to Nicaragua, where many of the prisoners have never been formally charged, the Salvadoran prisoners have been convicted of specific acts of violence or direct participation in guerrilla activities. Thus, the Sandinistas' 7,500 prisoners, on an absolute basis, is higher than all other Latin American countries except Cuba and, if calculated on a relative basis, is absolutely astronomical in relation to the others.

For example, if Chile were to have the same per capita ratio of political prisoners as Nicaragua, the number would be 27,500. In the Philippines, the equivalent number would be 132,500, and in the United States the approximate number would be 200 times 7,500.

The vast majority of Sandinista political prisoners remains hidden from observation. This is another reason behind the confusion in the United States.

Reporters travel to Contra camps. Reporters travel throughout with the Contras, and the press has an open view of the good and the bad that the Contras show. But the press has no access to the entire interior of Nicaragua, only very, very superficial access. Human rights organizations, both foreign and domestic, have not been able to obtain access to the prisons operated by the general director of the state security—that's the DGSE, the secret police; that is your KGB, Nicaraguan style—where these victims of Sandinista oppression are held.

In El Salvador, Cuban rights groups have access to all prisons. Occasionally the Sandinistas permit human rights groups carefully controlled visits to certain inmates in model prisons, but political prisoners in general remain out of reach of the world. There is no wonder that people outside of this country have difficulty understanding the extent of human rights repression conducted by the Sandinista Communists.

As Mateo Guerrero, former executive director of the Sandinista government's human rights commission testified, even the government commission employees were barred from visiting the places where political prisoners were held. It is a deep, dark secret. They intend to keep it that way. But the effect is that groups outside of Nicaragua, such as American church groups and religious organizations and certain human rights groups, are not exposed to the reality of repression under Sandinista rule.

Another dramatic comparison is the number of prisons in Nicaragua. Whereas the Somoza regime had but one prison, the Sandinistas have expanded the number of prisons to at least 10. We can verify this number. However, there are also reports of secret facilities where small numbers of political prisoners are also held. Merely listing the number of detainees or the number of prisons does not tell the whole story, for these numbers do not reflect the citizens who are held for short times under abominable conditions to deter them from future resistance. Many are not formally charged or told why they have been arrested. Such action can lead to stopping all political activity to avoid even a possibility of long-term political imprisonment.

As Lenin said, the purpose of terror is to terrorize. In Nicaragua, political detention, short or long-term, works.

I would like to share with you aerial photographs of the different prisons in Nicaragua.

In this particular aerial photograph, the old Somoza prison is shown surrounded by a red line, and above it is the addition completed in 1983. That is the extent of the prison facilities under the Somoza regime.

So in addition to the addition on the old Somoza prison is a new prison, with a modern design, called Asuncion Prison, near Juigalpa, Nicaragua. Maximum security areas are outlined, detention areas are outlined, administrative areas are outlined, and guard towers are outlined.

And then there is another brand new prison, Chinandega Prison, in Chinandega, Nicaragua. Again the facilities are shown, detention areas, administrative areas, security areas.

Another prison, Esteli Prison, in Esteli, Nicaragua.

And yet a fifth prison, Club Hipico, near Matagalpa, Nicaragua.

And here is another prison, Zona Franca Prison, Sandino Airport, Nicaragua.

And here is yet another prison, La Palmera Prison, near Grenada, Nicaragua.

Some of the latest prisons seems to have a unique design, which is thought to be either a Cuban or Soviet prison structure.

And then there is Waswali Prison, near Matagalpa, Nicaragua.

Yes, the Sandinista regime has 10 times the prisons and at least 10 times the prison capacity of the old Somoza regime. And by incarcerating people, they keep them out of any contact with outsiders, so those who would be active or those who have ever spoken against the regime are put in jail and, therefore, when groups of Americans travel to Nicaragua they do not get to meet people who dare to speak out. Those people are either in prison or fearful of ending up in prison.

Now, next week we must rise above the confusion. We need to consider the importance of our vote.

I have talked to people on both sides of the aisle, and both sides agree that this is one of the most important votes taken in the House of Representatives in years, perhaps decades. Why is it so important that we act now? Why is it that we cannot wait for yet another round of negotiations to take place prior to providing assistance to the democratic forces in Nicaragua?

Let me go back to March 20, 1984, for the beginning of my explanation why it is not appropriate to vote for yet another stage of negotiations at this time but it is more appropriate to vote for the United States to act to help those who would help themselves.

I go back to March 20, 1984, a letter written by a number of Members on the Democratic side of this House to Commandante Daniel Ortega, at that time the coordinator of the Sandinista government. He has since been elected—and I use that term with some reservations—President of Nicaragua. But at that time he was still Commandante Ortega. This letter was addressed to "Dear Commandante," and it said:

We address this letter to you in a spirit of hopefulness and good will.

No one can argue with that.

As members of the U.S. House of Representatives, we regret the fact that better relations do not exist between the United States and your country.

And then they say:

We have been, and remain, opposed to U.S. support for military action directed against the people or Government of Nicaragua.

Now, one has to question whether the term "government" is meaningful at all in this case, whether this government is government as we understand the term, representing the people. But, in any case, it goes on to say:

We want to commend you and the members of your government for taking steps to open up the political process in your country. The Nicaraguan people have not had the opportunity to participate in a genuinely free election for over 50 years. We support your decision to schedule elections this year, to reduce press censorship, and to allow greater freedom of assembly for political parties. Finally, we recognize that you have taken these steps in the midst of ongoing military hostilities on the borders of Nicaragua.

At that time, the Contras still had U.S. assistance and were active.

□ 2030

Those scheduled elections turned out to be a farce. The reduced press censorship has ended up in almost total press censorship with hardly a peep coming out of the only independent voice left in all of Nicaragua, La Prensa. By the way, La Prensa's allocation of paper was recently reduced to two pages a day and Mrs. Tremoro, the editor, said that that most likely would force them to go out of business.

Also it says to allow greater freedom of assembly for political parties. We know what happened to freedom of assembly in the so-called election. It was virtually nonexistent, and that is why key people decided not to participate.

We write with the hope that the initial steps you have taken will be followed by others designed to guarantee a fully open and democratic electoral process. We note that some who have been exiles from Nicaragua have expressed a willingness to return to participate in the elections, if assurances are provided that their security will be protected and their political rights recognized. Among those exiles are some who have taken up arms against your government and who have stated their willingness to lay down those arms to participate in a truly democratic process.

We know what happened; those people, of course, were not let back into the country to participate. There was no fully open and democratic electoral process. It was a farce, and that the exiles who expressed willingness to return never returned because the conditions of the election were so managed as to make any possible real participation futile.

They go on to say, in this "Dear Commandante" letter that:

If this were to occur, the prospects for peace and stability throughout Central America would be dramatically enhanced. Those responsible for supporting violence against your government and for obstructing serious negotiations for broad political participation in El Salvador would have far greater difficulty winning support for their policies than they do today.

Those responsible for supporting violence against your government—

I guess they meant the Contras and supporters of the Contras in the United States. They "would have far greater difficulty winning support for their policies than they do today," if the Sandinista government would somehow come to terms and become democratic.

Yes; that would be true, but the fact remains that they have made no motion toward pluralism, toward freedom of assembly, toward freedom of the press, toward basic human rights, toward democracy; no motion at all. As a matter of fact, it has been motion in the opposite direction.

As of October 15, 1985, virtually all human rights were wiped out in Nicaragua by decree.

They go on to say, in the "Dear Commandante" letter that, "We believe that you can have it in your power to establish an example in Central America that can be of enormous historical importance." They have, indeed, established an example in Central America of enormous historical importance. They have, indeed, established a Soviet-Cuban base on the mainland of Central America. They have established a Communist, totalitarian regime the likes of which we have never known in this hemisphere on the mainland. The likes of which we have only seen in Cuba and in Soviet satellite states.

They continue:

For this to occur, you have only to lend real force and meaning to concepts your leadership has already endorsed concerning the rules by which political parties may compete openly and equitably for political power.

There was never any open and equitable competition for political power. The authors of the "Dear Commandante" letter go on to say:

A decision on your part to provide these reasonable assurances and conduct truly free and open elections would significantly improve the prospect of better relations between our two countries and significantly strengthen the hands of those in our country who desire better relations based upon true equality, self-determination and mutual good will.

We reaffirm to you our continuing respect and friendship for the Nicaraguan people, and pledge our willingness to discuss these or other matters of concern to you or officials of your government at any time.

It is signed by many of the leadership in the Democratic Party, and sent, at that time, March 20, 1984, to "Dear Commandante, Daniel Ortega," who serves as the President of the Marxist-Leninist regime in Nicaragua.

What happened after that letter was sent? I would like to just detail some of the events. In June, this House voted to cut off all assistance to the Contras. The so-called Boland amendment was enacted. What did that mean? That meant that both military and nonmilitary assistance was cut off. Included in that nonmilitary assistance was intelligence assistance; we could not even advise them.

What was their response to that June 1984 cutoff? In September or October of that year the Nicaraguan Communists took delivery of the first MI-21 Hind-D helicopter gunships, the most sophisticated, most potent insurgency battle weapon in the world today. That was one response.

What was our response? I have here a summary of the various acts of negotiation, several pages long that detail U.S. interaction with the Contadora process. Not only working with the Contadora nations, but with the Nicaraguan Government directly in the Manzaneo Talks.

Those months following the cutoff of U.S. assistance to the Contras totaled 16; 1 year and 4 months. In those 16 months, which involved negotiations time and again with the Nicaraguans, with the Contadoras, during those 16 months, the Nicaraguan Communists further secured their totalitarian hold on the Nicaraguan people.

Repression increased, militarization increased. Soviet arms shipments increased precipitously. So what does all that mean to the vote on Wednesday of next week? What that means is that

there was a time when negotiations were given a very significant chance to succeed. There was 16 months of negotiations without American support for the democratic forces. What that must mean is that 16 months of negotiations without American support were not effective; that they failed. It is quite probable that they failed precisely because there was no American support. There was nothing backing up those negotiations.

How is it that we can expect the Nicaraguan Communists to enter into negotiations now after this previous experience when we have nothing in our pockets again, and the democractic forces have nothing to negotiate with once again?

□ 2040

Why should it be any different? Why would it be any different? Why would a promise of doing something in the future, something that we are having incredible trouble doing now, why would a promise of taking action in the future have any effect at all? They must at one point come to the realization that the American people are paralyzed, that the American Congress has paralyzed this administration and that there is no need to negotiate anything of substance.

There is another letter that has been sent. This time it is pretty recent and it has been sent to the President of the United States. This letter is signed by 31 I am sure very well-meaning Members of the Democratic Party in the House, 25 of whom I understand voted for humanitarian aid, and as I look at the list I can even see a few here who voted in the past for military assistance. This group of 31 is essentially asking the President to try negotiations once more with the Sandinista Communists in the hope of reaching some agreement on the military situation in Central America, the threat posed by the Soviet-Cuban advisers and the Soviet armaments and the militarization of Nicaragua, talk about that, and to talk about democratic reforms inside the Communist Nicaragua. We would before we did anything to talk about the military situation and the internal situation.

How is it possible to expect that hard-line Marxist-Leninist, self-professed hard-line Marxist-Leninists that make up the core of the Communist Government in Nicaragua, how is it we could possibly expect them to discuss anything of substance in these negotiations, when there is absolutely no pressure on them to do anything different than they are doing today?

The previous "Dear Commandante" letter and 16 months of inactivity on behalf of the democratic forces certainly did not create a climate positive for negotiations. No. What they did was bring in the most effective battle weapon in the world today, the MI-24 Hind-D helicopter from the Soviet Union. That was their response then. What could possibly be their response now?

As a matter of fact, asking for negotiations now without having any kind of pressure to go along with it would simply say to the Communist government in Nicaragua that we give up.

I mean, that is how these hard-line Marxists-Leninists are going to interpret something like this at this time.

Well, this tale of two letters I think is very instructive to the American people because it calls attention to what is becoming the focus of the debate. Do we vote in the House next Wednesday for more negotiations with no pressure, or do we vote for some pressure that could perhaps make negotiations work?

Now, I know there are those who will say that no matter what we do, the Soviet Union and Cuba will do more. I think that is a real copout. That is saying that we are going to leave this Communist regime alone because we cannot possibly do anything about it because the enemy will simply up the ante and do more than he has already done. It is a real copout.

Now, here is the intelligence of estimate of what might happen with assistance to the Contras. Because there are 20,000 to 25,000 of these people willing to fight and die to regain their homeland, because there is such a large number with respect to the population of Nicaragua and because a guerrilla war is fought in a very different way than fielding armies, 25,000 Contras who are well armed can make quite a difference.

As a matter of fact, small amounts of back-packed portable antiaircraft missiles of the Sam-7, of the Red Eye, of the Stinger type could conceivably neutralize the entire helicopter force and the Air Force of the Sandinista Army.

Now, that is impact, that is effect.

What about the fact that the Sandinistas could simply be provided with more arms, more equipment? We have it from intelligence sources that the Sandinista army is already saturated with Soviet weapons, that they cannot draft more people because they will run out of people of age groups that are necessary to run the country and the factories. They cannot draft everybody of draftable age, which is what they would need to put down an insurrection of 20,000 to 25,000 people.

The fact is that 20,000 to 25,000 people in Nicaragua fighting against the Communist government is equivalent to 1.5 million Americans taking up arms and fighting against the Federal Government of the United States.

So it is quite possible that given the proper equipment, the Contras could cause serious changes in the relationship between forces in Nicaragua. It is quite possible that if they had the pressure to bring to bear on the situation, the Communist government could withdraw from its increasing totalitarian tendencies and begin perhaps even to talk with the democratic forces.

The gentleman who spoke before me, the gentleman from Georgia [Mr. GINGRICH], pointed out that we do not have that many alternatives, and I want to second that.

There are three basic alternatives that he mentioned and I think it bears repetition. One is to do nothing, which at this point seems to be the will of a vast majority of the Democrats in the House of Representatives. By doing nothing, we insure the continued communization of Nicaragua, the continued consolidation of their Communist revolution. We insure the continued military buildup of a Soviet-Cuban base on the mainland of this hemisphere and the mainland of Central America. That is what doing nothing gives us.

I frankly think it is not a very good alternative. I frankly think that Nicaragua being on the Central American mainland, a lot closer to the Texas border than many points throughout the Northeast and Midwest and Northwest United States are to the Texas border, is really dangerous and that the explosion of the region in revolution would really tie up the United States right here south of our border, conceivably create massive flows of refugees northward and change the world balance between the United States and the Soviets remarkably.

Now, I do not think doing nothing is an alternative at all. I think it is an ostrich alternative, if anything, and it consists of sticking our heads in the sand and leaving our rear ends propped up in the air ready for target shooting.

The second possibility is to send in American troops and clean out the rats' nest there, but I do not support that. I do not believe the American people want to see American blood spilled in Central America.

The third possibility and I believe the only real alternative at this time is to help the Nicaraguan democratic forces regain their country, and the conditions are reasonable for doing that. That to me is the only sane alternative.

I have heard Members on the Democratic side of the aisle say that if things get bad enough, we can always send in the Marines. I think that is waiting too long and that absolutely ensures the loss of American lives and the spilling of American blood unnecessarily.

It does not make any sense to let the situation get so bad that the only alternative left is an American invasion. It seems to me that the situation is so dangerous in Central America because

of the Nicaraguans acting as agents for Cuba and the Soviet Union, the situation is so dangerous that we either act now in a way that helps those who would fight for freedom to regain their homeland, or it is very, very conceivable, perhaps even probable, that we will be forced to act later on our own by ourselves against a vastly more entrenched military capability.

So the only alternative, it seems to me, is to vote to help the freedom fighters regain their country, regain Nicaragua, to vote to provide them with the kind of military assistance that will bring some pressure to bear on the Communist government so that perhaps through discussion, perhaps through changes wrought in the system, we can ensure safety for the hemisphere, for ourselves, for the future of Central America and really for the kind of world that we want to see occur.

Without support for these people, we are going to lose the kind of world we would like to see happen right in our own backyard. I think that is unacceptable. I think the American people if they were exposed to all the facts would resoundingly conclude that that is unacceptable.

I would hope that on Wednesday, March 19, 2 years and 1 day after the "Dear Commandante" letter this House also concludes that a Soviet-Cuban base on the Central American mainland poised against its neighbors and us is also unacceptable.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. DORNAN of California, for 30 minutes, on March 19.

(The following Members (at the request of Mr. STRANG) to revise and extend their remarks and include extraneous material:)

Mr. RITTER, for 60 minutes, today.

Mr. BURTON of Indiana, for 60 minutes, on March 18.

Mrs. BENTLEY, for 30 minutes, today.

Mr. DAUB, for 30 minutes, on March 18.

Mr. GINGRICH, for 60 minutes, on March 17.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. PEASE, for 5 minutes, today.

Mr. WEISS, for 5 minutes, today.

Mr. FASCELL, for 5 minutes, today.

Mr. LEVINE of California, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. STUDDS, for 10 minutes, today.

Mr. GONZALEZ, for 60 minutes, on March 17.

Mr. DORGAN of North Dakota, for 60 minutes, on March 17.

Mr. GAYDOS, for 30 minutes, on March 18.

Mr. GAYDOS, for 30 minutes, on March 19.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. STRANG) and to include extraneous matter:)

Mr. GRADISON.
Mr. BEREUTER in two instances.
Mr. LAGOMARSINO.
Mr. CRANE in two instances.
Mr. HARTNETT.
Mr. DENNY SMITH.
Mr. COURTER in three instances.
Mr. FRENZEL in five instances.
Mr. GILMAN.
Mr. GREEN.
Mr. LIGHTFOOT.
Mr. ROTH.
Mr. STRANG.
Mr. GALLO.
Mr. COLEMAN of Missouri.
Mr. CHANDLER.
Mr. DANNEMEYER.
Mr. MCCAIN.
Mr. MCCANDLESS.
Mr. CRAIG.
Mr. SOLOMON.
Mr. KEMP.
Mr. MOORE.
Mr. MCCOLLUM.

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous matter:)

Mr. LAFALCE.
Mr. VENTO in two instances.
Mrs. SCHROEDER.
Mr. YATRON in two instances.
Mr. STALLINGS
Mr. LIPINSKI.
Mr. MONTGOMERY.
Mr. DOWNEY of New York.
Mr. CLAY.
Mr. DARDEN.
Mr. EDWARDS of California.
Mr. UDALL.
Mr. TRAFICANT.
Mr. BARNES.
Mr. FAUNTROY.
Mr. DELLUMS.
Mr. COLEMAN of Texas.
Mr. MORRISON of Connecticut in two instances.
Mr. DONNELLY.
Mr. JONES of Tennessee.
Mr. TORRICELLI.
Mr. RODINO in two instances.
Mr. OBEY in two instances.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1396. An act to settle unresolved claims relating to certain allotted Indian lands on the White Earth Indian Reservation, to remove clouds from the titles to certain lands, and for other purposes.

ADJOURNMENT

Mr. WEISS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 55 minutes p.m.), under its previous order, the House adjourned until Monday, March 17, 1986, at 12 o'clock noon.

MOTION TO DISCHARGE COMMITTEE

MARCH 13, 1986.

To the CLERK OF THE HOUSE OF REPRESENTATIVES:

Pursuant to clause 4 of rule XXVII, I, Harold L. Volkmer, move to discharge the Committee on Rules from the consideration of the resolution (H. Res. 290) providing for the consideration of the bill (H.R. 945) to protect the rights of firearms owners, which was referred to said committee October 3, 1985, in support of which motion the undersigned Members of the House of Representatives affix their signatures, to wit:

1. Harold L. Volkmer.
2. Robert J. Lagomarsino.
3. Robert E. Badham.
4. Howard C. Nielson.
5. Ron Marlenee.
6. Larry E. Craig.
7. Robert S. Walker.
8. Tommy F. Robinson.
9. Dan Burton.
10. John Paul Hammerschmidt.
11. Robert F. (Bob) Smith.
12. Don Sundquist.
13. Thomas J. Bliley, Jr.
14. John R. McKernan, Jr.
15. Charles Pashayan, Jr.
16. Vin Weber.
17. Ken Kramer.
18. W. Henson Moore.
19. Barbara F. Vucanovich.
20. Bob Stump.
21. Joe Skeen.
22. James V. Hansen.
23. Norman D. Shumway.
24. Paul E. Kanjorski.
25. Jim Kolbe.
26. Tim Valentine.
27. Howard Coble.
28. J. Alex McMillan.
29. John B. Breaux.
30. Andy Ireland.
31. Bill Emerson.
32. Robert Lindsay Thomas.
33. Charles Wilson.
34. Pat Roberts.
35. Richard K. Armey.
36. Larry Combest.
37. F. James Sensenbrenner, Jr.
38. David S. Monson.
39. Frank McCloskey.
40. Thomas A. Daschle.
41. Newt Gingrich.
42. Alan B. Mollohan.
43. Thomas S. Foley.
44. Jim Lightfoot.

45. Arlan Stangeland.
46. William E. Dannemeyer.
47. William F. Clinger, Jr.
48. Denny Smith.
49. Bill Schuette.
50. Ronald D. Coleman.
51. Carl C. Perkins.
52. Carlos J. Moorhead.
53. Jack Fields.
54. Don Young.
55. Charles Whitley.
56. Charles Rose.
57. Robert A. Young.
58. Beau Boulter.
59. Tom DeLay.
60. Bob Whittaker.
61. Robert C. Smith.
62. Marilyn Lloyd.
63. Webb Franklin.
64. Ralph M. Hall.
65. Richard H. Stallings.
66. Jim Chapman.
67. Gene Chappie.
68. Duncan Hunter.
69. Tom Bevill.
70. Jack F. Kemp.
71. Steve Bartlett.
72. Manuel Lujan, Jr.
73. James T. Broyhill.
74. Gene Snyder.
75. Gene Taylor.
76. Dan Schaefer.
77. W.G. (Bill) Hefner.
78. Bill Hendon.
79. Patrick L. Swindall.
80. Dick Cheney.
81. George (Buddy) Darden.
82. Richard C. Shelby.
83. John E. Grotberg.
84. Michael L. Strang.
85. Hamilton Fish, Jr.
86. Dean A. Gallo.
87. Toby Roth.
88. Delbert L. Latta.
89. Jerry Lewis.
90. Robert K. Dornan.
91. Bill Richardson.
92. Robert W. Davis.
93. Larry J. Hopkins.
94. Joe Barton.
95. Norman F. Lent.
96. Dan Coats.
97. Thomas F. Hartnett.
98. Bobbi Fiedler.
99. Dave McCurdy.
100. Virginia Smith.
101. Tom Loeffler.
102. Ed Jones.
103. Charles W. Stenholm.
104. Floyd Spence.
105. Joseph M. Gaydos.
106. Tom Lewis.
107. William Hill Boner.
108. Doug Barnard, Jr.
109. Clarence E. Miller.
110. James H. (Jimmy) Quillen.
111. Mickey Edwards.
112. Wayne Dowdy.
113. Bob Traxler.
114. Guy Vander Jagt.
115. Hal Daub.
116. Ike Skelton.
117. Philip M. Crane.
118. William W. Cobey, Jr.
119. John R. Kasich.
120. James Weaver.
121. Mark D. Siljander.
122. Mac Sweeney.
123. Ed Jenkins
124. Hank Brown.
125. Gerald B.H. Solomon.
126. Trent Lott.
127. Don Ritter.
128. Pat Williams.
129. Jim Saxton.
130. Cooper Evans.
131. Eldon Rudd.
132. Thomas E. Petri.
133. David O'B. Martin.
134. J. Roy Rowland.
135. Michael Bilirakis.
136. Jerry Huckaby.
137. Bart Gordon.
138. Harry Reid.
139. Richard Ray.
140. D. French Slaughter, Jr.
141. George M. O'Brien.
142. John McCain.
143. Steve Gunderson.
144. David Dreier.
145. John G. Rowland.
146. Jim Courter.
147. Stan Parris.
148. Connie Mack.
149. Wes Watkins.
150. Carroll Hubbard, Jr.
151. Bill Lowery.
152. Olympia J. Snowe.
153. Ben Erdreich.
154. Sonny Callahan.
155. Alfred A. (Al) McCandless.
156. Judd Gregg.
157. Terry L. Bruce.
158. W.J. (Billy) Tauzin.
159. Glenn English.
160. Jamie L. Whitten.
161. Sid Morrison.
162. Carroll A. Campbell, Jr.
163. William H. Natcher.
164. Ronnie G. Flippo.
165. Dan Daniel.
166. G.V. (Sonny) Montgomery.
167. Michael DeWine.
168. William Carney.
169. William L. Dickinson.
170. Thomas J. Ridge.
171. Thomas J. Tauke.
172. Harold Rogers.
173. Gus Yatron.
174. Sherwood L. Boehlert.
175. Bob Livingston.
176. Bob McEwen.
177. William F. Goodling.
178. Robin Tallon.
179. Beverly B. Byron.
180. Fred J. Eckert.
181. Frank Horton.
182. John D. Dingell.
183. William M. Thomas.
184. Albert G. Bustamante.
185. Jim Olin.
186. Butler Derrick.
187. Robert E. Wise, Jr.
188. Thomas A. Luken.
189. Guy V. Molinari.
190. Stephen L. Neal.
191. Bill Chappell, Jr.
192. Marvin Leath.
193. Gerry Sikorski.
194. Les AuCoin.
195. Buddy Roemer.
196. Raymond J. McGrath.
197. Joe Kolter.
198. Thomas N. Kindness.
199. Nick Joe Rahall.
200. Austin J. Murphy.
201. Joseph M. McDade.
202. Solomon P. Ortiz.
203. Ron Packard.
204. James R. Jones.
205. Doug Bereuter.
206. Bill Nelson.
207. E de la Garza.
208. Nancy L. Johnson.
209. John J. Duncan.
210. Bud Shuster.
211. Bob Carr.
212. George C. Wortley.
213. Marjorie S. Holt.
214. Richard T. Schulze.
215. Herbert H. Bateman.
216. Ron Wyden.
217. Walter B. Jones.
218. Roy Dyson.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2999. A letter from the Secretary, Department of Health and Human Services, transmitting the 1984 annual report on the National Health Service Corps [NHSC] and NHSC Scholarship Program [NHSCSP], pursuant to 42 U.S.C. 254b(g); to the Committee on Energy and Commerce.

3000. A letter from the Chairman, Federal Communications Commission, transmitting the Commission's legislative proposal package; to the Committee on Energy and Commerce.

3001. A letter from the Chairman, Securities and Exchange Commission, transmitting a draft of proposed legislation to amend the Securities Exchange Act of 1934 to shorten the period for filing beneficial ownership statements under section 13(d)(1); to the Committee on Energy and Commerce.

3002. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed lease of defense articles to the Dominican Republic (Transmittal No. 14-86), pursuant to 22 U.S.C. 2796(a); to the Committee on Foreign Affairs.

3003. A letter from the Chairman, Federal Communications Commission, transmitting the Commission's calendar year 1985 report of its activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3004. A letter from the Acting Chairman, National Historical Publications and Records Commission, transmitting the 1984 annual report of the National Historical Publications and Records Commission [NHPRC], pursuant to 44 U.S.C. 2504(a); to the Committee on Government Operations.

3005. Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3006. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3007. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3008. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3009. A letter from the Attorney General, Department of Justice, transmitting the first of three annual reports on enforcement activities with respect to robberies and burglaries involving controlled substances, pursuant to Public Law 98-305, section 4; to the Committee on the Judiciary.

3010. A letter from the Secretary, the Foundation of the Federal Bar Association, transmitting the audit report of the Foundation of the Federal Bar Association for the fiscal year ending September 30, 1985, pursuant to Public Law 88-504, section 3 (36 U.S.C. 1103); to the Committee on the Judiciary.

3011. A letter from the Executive Secretary, Department of Defense, transmitting a report on DOD procurement from small and other business firms for October 1985 through December 1985, pursuant to 15 U.S.C. 639(d); to the Committee on Small Business.

3012. A letter from the Director, Office of Management and Budget, transmitting his certification that, in order to maintain the budgeted level of operation for Radio Free Europe/Radio Liberty, Inc., additional amounts previously appropriated to offset exchange rate losses are now needed because of adverse fluctuations in foreign currency exchange rates, pursuant to 22 U.S.C. 2877(a)(2); jointly, to the Committees on Foreign Affairs and Appropriations.

3013. A letter from the Secretary of Transportation, transmitting a report entitled "Pipeline Safety Testing/Inspection Methods Study," pursuant to 49 U.S.C. app. 2009(c)(3); jointly, to the Committees on Public Works and Transportation and Energy and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GLICKMAN: Committee on the Judiciary. H.R. 2554. A bill to limit conflicts of interest in defense procurement; with an amendment (Rept. 99-397, Pt. 2). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS:

H.R. 4397. A bill to establish a National Space Grant College Program; to the Committee on Science and Technology.

By Mr. BARTON of Texas:

H.R. 4398. A bill to establish a National Space Grant College Program; to the Committee on Science and Technology.

By Mr. BIAGGI for himself, Mr. HOWARD, Mr. STRATTON, Mr. HORTON, Mr. GARCIA, Mr. GREEN, Mr. MANTON, Mr. MOLINARI, Mr. OWENS, Mr. RANGEL, Mr. SCHEUER, Mr. SCHUMER, Mr. SOLARZ, Mr. TOWNS, Mr. WEISS, Mr. FISH, Mr. BOEHLERT, Mr. CARNEY, Mr. DIOGUARDI, Mr. DOWNEY of New York, Mr. GILMAN, Mr. KEMP, Mr. LAFALCE, Mr. LENT, Mr. LUNDINE, Mr. MCGRATH, Mr. MARTIN of New York, Mr. MRAZEK, Mr. SOLOMON, Mr. WORTLEY, Mr. WHITTEN, Mr. CONTE, Mr. ROSE, Mr. COLEMAN of Texas, Mr. DORGAN of North Dakota, Mr. BOLAND, Mr. CARR, Mrs. BOXER, Mr. SKEEN, Mr. SMITH of Florida, Mr. MOLLOHAN, Mr. GRAY of Illinois, Mr. PRICE, Mr. OBEY, Mr. DUNCAN, Mr. ALEXANDER, Mr. FORD of Michigan, Mr. YOUNG of Missouri, Mr. MILLER of Ohio, Mr. PURSELL, Mr. STAGGERS, Mr. MYERS of Indiana, Mr. LOWERY of California, Mr. YATES, Mr. STOKES, Mr. BEVILL, Mr. EARLY, Mr. WILSON, Mr. DICKS, Mr. LEHMAN of Florida, Mr. FAZIO, Mr. HEFNER, Mr. AUCOIN, Mr. AKAKA, Mr. WATKINS, Mr. DWYER of New Jersey, Mr. BONER of Tennessee, Mr. YOUNG of Florida, Mr. O'BRIEN, Mr. MCDADE, Mr. ROGERS, Mr. HOYER, Mr. MURTHA, Mr. REGULA, Mr. DIXON, and Mr. LIVINGSTON):

H.R. 4399. A bill to designate the Federal Building located in Jamaica, Queens, NY, as the Joseph P. Addabbo Federal Building; to the Committee on Public Works and Transportation.

By Mr. BURTON of Indiana (by request):

H.R. 4400. A bill to amend section 3109 of title 5, United States Code, to clarify the authority for appointment and compensation of experts and consultants, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. DANNEMEYER:

H.R. 4401. A bill to provide for a resumption of the gold standard; to the Committee on Banking, Finance and Urban Affairs.

By Mr. EDWARDS of Oklahoma (for himself, Mr. ENGLISH, Mr. JONES of Oklahoma, Mr. MCCURDY, Mr. WATKINS, Mr. ARMEY, Mr. BARTON of Texas, Mr. LAGOMARSINO, and Mr. SMITH of New Hampshire):

H.R. 4402. A bill to amend the Powerplant and Industrial Fuel Use Act of 1978 to repeal the prohibitions against the use of petroleum and natural gas as primary energy sources in new powerplants or major fuel-burning installations; to the Committee on Energy and Commerce.

By Mr. GLICKMAN (for himself, Mr. MOLINARI, Mr. FOLEY, Mr. NICHOLS, Mr. MAZZOLI, Mr. HUGHES, Mr. SYNAR, Mrs. SCHROEDER, Mr. FEIGHAN, Mr. SCHUMER, Mr. PANETTA, Mr. LUNGREN, Mr. TRAFICANT, and Mr. CLAY):

H.R. 4403. A bill to amend the Federal Aviation Act of 1958 to increase criminal penalties for failure to file certain reports and for falsification of records and to increase civil penalties for violations of aviation safety regulations; jointly, to the Committee on Public Works and Transportation and the Judiciary.

By Mr. GRADISON:

H.R. 4404. A bill to suspend for a 3-year period the duty on 1-(4-(1,1-dimethylethyl) phenyl)-4-hydroxydiphenylmethyl-i-piperidinyl)-1-butanone, to the Committee on Ways and Means.

By Mr. HUCKABY (for himself, and Mr. ROEMER):

H.R. 4405. A bill to provide equitable treatment for State and local governments participating in the Food Stamp Program; to the Committee on Agriculture.

By Mr. HYDE:

H.R. 4406. A bill to impose certain limitations on civil actions brought against local governments for negligence; to the Committee on the Judiciary.

By Mr. JONES of North Carolina:

H.R. 4407. A bill to limit the liability in the operation of fishing vessels that comply with improved safety requirements; to the Committee on Merchant Marine and Fisheries.

By Mr. KOSTMAYER (for himself and Mr. SMITH of New Jersey):

H.R. 4408. A bill directing the Secretary of Transportation to designate a proposed bridge between the Commonwealth of Pennsylvania and the State of New Jersey as part of the Interstate Highway System, granting the consent of the Congress to a supplemental agreement between such States concerning the authority of the Delaware River Joint Toll Bridge Commission, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. LOWRY of Washington:

H.R. 4409. A bill to authorize appropriations for fiscal year 1987 for the operation and maintenance of the Panama Canal, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. NEAL:

H.R. 4410. A bill to amend title 31 of the United States Code to require that the President's budget include a statement setting forth the percentage of total budget outlays contained in each major functional category; to the Committee on Government Operations.

H.R. 4411. A bill to require the Secretary of the Treasury to modify the proposed regulation relating to the use of the cents-per-mile valuation rule in valuing the fringe benefit received by an employee for personal use of a vehicle provided by his employer; to the Committee on Ways and Means.

By Mr. PEASE (for himself, Mr. SEIBERLING, Mr. WEAVER, Mr. OWENS, Mr. BATES, Mr. DELLUMS, Ms. KAPTUR, Mr. EVANS OF ILLINOIS, Mr. TORRES, Mr. HAYES, and Mr. HAWKINS):

H.R. 4412. A bill to improve the response of the United States to unfair trade practices of foreign countries; to treat the denial of internationally recognized worker rights as such an unfair trade practice; and for other purposes; to the Committee on Ways and Means.

By Mr. REID:

H.R. 4413. A bill to amend the Engle Act of 1958 (Public Law 85-337) to improve the management of the public lands; jointly, to the Committees on Interior and Insular Affairs, Agriculture, and Armed Services.

By Mr. RICHARDSON (for himself and Mr. FLORIO):

H.R. 4414. A bill to require fair disclosure by sellers of satellite Earth stations of pri-

vate satellite viewing rights under Federal law; to the Committee on Energy and Commerce.

By Mr. STUDDS (for himself, Mr. DAVIS, and Mrs. SCHNEIDER):

H.R. 4415. A bill to impose certain limitations on damage awards in actions for personal injury incurred by seamen on fishing vessels and to require additional safety regulations for fishing vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. WALGREN (for himself and Mr. RITTER):

H.R. 4416. A bill to promote energy conservation and assist in eliminating the current technological disadvantages facing the American steel industry, and to increase the ability of that industry to compete effectively with steelmakers abroad, through a government-industry-university program of scientific research and development designed to develop new advanced technologies in steel manufacturing; to the Committee on Science and Technology.

By Mr. LANTOS (for himself and Mr. KEMP):

H.J. Res. 567. Joint resolution to commend the people and Government of Spain for their commitment to democracy as reflected most recently by their strong vote of support for NATO and to maintain their commitment to the common defense of the democratic principles shared by our two great democratic nations and the other democracies of the Western Alliance; to the Committee on Foreign Affairs.

By Mr. SOLARZ:

H.J. Res. 568. Joint resolution to designate October 1986 as "National Down Syndrome Month"; to the Committee on Post Office and Civil Service.

By Mrs. LLOYD:

H. Res. 399. Resolution to amend the Rules of the House of Representatives to require a rollcall vote on passage of any measure making appropriations or providing revenue; to the Committee on Rules.

By Mr. LUKEN (for himself, Mr. GLICKMAN, Mr. MOLINARI, Mr. BOUCHER, Mr. GILMAN, Mr. NEAL, and Mr. BRYANT):

H. Res. 400. Resolution expressing disapproval of any proposal to establish a Social Security Court or any similar proposal limiting the jurisdiction of the district courts of the United States over cases involving entitlement to Social Security benefits; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII,

311. The SPEAKER presented a memorial of the Senate of the State of West Virginia, relative to the National Childhood Vaccine Injury Compensation Act, S. 827; to the Committee on Energy and Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. JACOBS introduced a bill (H.R. 4417) for the relief of Ella B. Richmond; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 128: Mr. WEBER, Mr. BROWN of Colorado, and Mr. WHITEHURST.

H.R. 442: Mr. SOLARZ, and Mr. SAXTON.

H.R. 769: Mr. ACKERMAN, Mr. HORTON, and Mr. SUNIA.

H.R. 1031: Mr. CONYERS.

H.R. 1032: Mr. CONYERS.

H.R. 1052: Mr. MARTINEZ.

H.R. 1398: Mrs. KENNELLY.

H.R. 1577: Mr. COYNE.

H.R. 2554: Mr. BRYANT.

H.R. 2620: Ms. KAPTUR, Mr. BATES, Mr. MINETA, and Mr. SAXTON.

H.R. 2668: Mr. VANDER JAGT.

H.R. 3024: Mr. ORTIZ, Mr. STANGELAND, Mr. FLIPPO, Mr. WYDEN, Mr. BRYANT, Mr. BARTON of Texas, Mr. VENTO, and Mr. MORRISON of Connecticut.

H.R. 3263: Mr. LEVIN of Michigan.

H.R. 3465: Mr. SIKORSKI, Mr. KLECZKA, Mr. ANDERSON, Mr. COYNE, Mr. BROOKS, Mr. MILLER of Ohio, Mr. BONIOR of Michigan, Mrs. BURTON of California, Mr. YATRON, and Mr. MCCLOSKEY.

H.R. 3470: Mr. EVANS of Illinois and Mr. PACKARD.

H.R. 3522: Mr. MCGRATH.

H.R. 3557: Mr. THOMAS of Georgia.

H.R. 3638: Mr. LOWRY of Washington, Mr. MRAZEK, Mr. MILLER of Washington, Mr. COLEMAN of Texas, Mr. BUSTAMANTE, and Mr. DONNELLY.

H.R. 3655: Mr. DELLUMS, Mr. FORD of Michigan, Mr. HUNTER, Ms. KAPTUR, Mr. MITCHELL, and Mr. PEPPER.

H.R. 3733: Mr. AKAKA, Mrs. SCHROEDER, Mr. GEPHARDT, Mr. ROBINSON, Mr. SEIBERLING, Mr. TRAFICANT, Mr. EVANS of Illinois, Mr. LIPINSKI, Mr. SAVAGE, Mr. KASTENMEIER, Mr. SIKORSKI, Mr. VENTO, Mr. STOKES, Mr. MITCHELL, Mr. MCCLOSKEY, Mr. WISE, Mr. KILDEE, Mr. DONNELLY, Mr. WATKINS, Mr. GAYDOS, Mr. APPLEGATE, Mr. CONYERS, Mr. WHITLEY, Mr. PERKINS, Mr. GONZALEZ, Mr. MURPHY, Mr. ST GERMAIN, Mr. UDALL, and Mr. WALKER.

H.R. 3817: Mr. TOWNS, Mr. FIELDS, Mr. HARTNETT, Mr. FOGLIETTA, Mr. BORSKI, Mr. ADDABBO, Mr. DWYER of New Jersey, Mr. EVANS of Iowa, Mr. DYSON, Mr. QUILLEN, Mr. MRAZEK, Mr. PARRIS, Mr. PERKINS, Mr. SHELBY, Mr. COELHO, Mr. THOMAS of Georgia, Mr. TORRICELLI, Mr. NELSON of Florida, Mr. WHITEHURST, Mr. TALLON, Mr. CARR, Mr. DAVIS, Mr. LUJAN, Mr. BONIOR of Michigan, Mr. ROSE, Mr. GAYDOS, Mr. RODINO, Mr. SCHULZE, Mr. SAXTON, Mr. SCHAEFER, Mr. FRANKLIN, Mr. TAYLOR, Mr. STANGELAND, Mr. MURPHY, Mr. CALLAHAN, Mr. CARNEY, Mrs. LLOYD, Mr. MARTINEZ, and Mr. MCGRATH.

H.R. 3833: Mr. EDWARDS of Oklahoma.

H.R. 3842: Mr. NIELSON of Utah, Mr. DAUB, Mr. HUCKABY, Mr. VANDER JAGT, Mr. BATES, Mr. COYNE, Mr. HILER, Mr. CROCKETT, Mr. TOWNS, Mrs. BOXER, Mr. STANGELAND, Mr. MOORHEAD, Mr. OXLEY, Mr. MRAZEK, Mr. CONTE, Mr. HAYES, Mr. HUGHES, Mr. FASCELL, Mr. MCGRATH, Mr. REGULA, Mr. WORTLEY, Mr. RUDD, Mr. LIPINSKI, Mr. DE LA GARZA, Mr. MOLLOHAN, Mr. CLINGER, Mr. WOLF, Mr. BRYANT, Mrs. BENTLEY, Mr. COBEY, Mr. LEVIN of Michigan, Mr. DUNCAN, Mr. SCHULZE, Mr. NATCHER, Mr. EDWARDS of California, Mr. COLEMAN of Missouri, Mr. RANGEL, Mr. LAGOMARSINO, Mr. CRAIG, Mr. GINGRICH, Mr. BIAGGI, Mr. MARTINEZ, Mr. RUSSO, Mr. KOLBE, Mr. BORSKI, Mr. EDGAR, Mr. AKAKA, and Mr. FISH.

H.R. 3866: Mr. KOLBE, Mr. MARTINEZ, Mr. HUTTO, Mr. FLIPPO, Mr. SLATTERY, and Mr. JEFFORDS.

H.R. 3876: Mr. PORTER and Mr. GARCIA.

H.R. 3906: Mr. MCGRATH and Mr. KANJORSKI.

H.R. 3925: Mr. WHITTEN.

H.R. 3940: Mr. ACKERMAN.

H.R. 3989: Mr. BATEMAN, Mr. BOUCHER, Mr. CLINGER, Mr. DAUB, Mr. DERRICK, Mr. ERDREICH, Mr. HORTON, Mr. IRELAND, Mr. JEFFORDS, Mr. JENKINS, Mr. KOLBE, Mr. LOTT, Mr. MONTGOMERY, Mr. RAHALL, Mr. SCHUETTE, Mr. SUNDQUIST, Mr. THOMAS of Georgia, Mr. TRAXLER, Mr. VANDER JAGT, and Mr. WILSON.

H.R. 3995: Mr. GLICKMAN, Mr. GREGG, Mr. GOODLING, Mr. GREEN, Mr. HILER, and Mr. LIPINSKI.

H.R. 4003: Mrs. BURTON of California, Mr. KOLTER, Mr. MCCLOSKEY, Ms. OAKAR, Mr. RAHALL, Mr. FORD of Michigan, Mr. UDALL, Mr. BOSCO, Mr. BARNES, Mrs. BOXER, Mr. MATSUI, Mr. DYSON, and Mr. OBERSTAR.

H.R. 4025: Mr. OLIN, Mr. OWENS, Mr. DYMALLY, Mr. GEJDENSON, Mr. HOWARD, and Mr. FOGLIETTA.

H.R. 4056: Mr. GINGRICH, Mr. SHUMWAY, Mr. GRADISON, Mr. RALPH M. HALL, Mr. STENHOLM, Mr. MONSON, and Mr. BEREUTER.

H.R. 4075: Mr. BILIRAKIS and Mr. SISISKY.

H.R. 4126: Mr. WORTLEY and Mr. LAGOMARSINO.

H.R. 4139: Mrs. SMITH of Nebraska.

H.R. 4143: Mr. DYMALLY, Mr. HENRY, Mr. HAYES, Mr. OWENS, Mr. PERKINS, Mrs. BURTON of California, Mr. MURPHY, Mr. EDGAR, Mr. MCKERNAN, Mr. DIXON, Mr. MRAZEK, Mr. LANTOS, Mr. COYNE, Mr. MATSUI, Mr. TOWNS, Mr. FUSTER, Mrs. COLLINS, Mr. RAHALL, Mr. GREGG, Mr. FAZIO, Mr. LAGOMARSINO, Mr. HUGHES, Mrs. BENTLEY, Mr. MINETA, Mr. MARTINEZ, Mr. LIGHTFOOT, Mr. PANETTA, Mr. HENDON, Mr. LAFALCE, Mr. GUNDERSON, Mr. SMITH of Florida, Mr. DE LA GARZA, Mr. MITCHELL, Mr. BIAGGI, Mr. KILDEE, Mr. DWYER of New Jersey, Mr. ROE, Mr. HOWARD, Mr. WORTLEY, Mr. VENTO, Mrs. BOXER, Mr. TRAFICANT, and Mr. TRAXLER.

H.R. 4157: Mr. BLILEY, Mr. BADHAM, Mr. CHAPPELL, Mr. VALENTINE, Mr. NIELSON of Utah, and Mr. EDWARDS of Oklahoma.

H.R. 4171: Mr. MURPHY.

H.R. 4186: Mr. RINALDO, Mrs. SCHNEIDER, Mr. MCKINNEY, Mr. CLAY, Mr. STOKES, Mr. MCCAIN, Mr. KOLBE, Mr. SMITH of New Jersey, Mr. SENSENBRENNER, Mr. COUGHLIN, Mr. MYERS of Indiana, Mr. SPENCE, Mr. LIVINGSTON, Mr. ROWLAND of Connecticut, and Mrs. BURTON of California.

H.R. 4194: Mr. ROE and Mr. HOWARD.

H.R. 4268: Mr. WIRTH.

H.R. 4357: Mr. ROE, Mr. DYSON, Mr. BUSTAMANTE, Mr. COELHO, Mr. ROBERT F. SMITH, Mr. LIGHTFOOT, Mrs. HOLT, Mr. HORTON, and Mr. CALLAHAN.

H.R. 4358: Mr. RAHALL.

H.R. 4359: Mr. RAHALL.

H.R. 4370: Mr. MORRISON of Connecticut, Mr. GARCIA, Mr. GINGRICH, Mr. ANDREWS, Mr. RICHARDSON, Mr. GEJDENSON, Mr. SABO, Mr. PENNY, Mrs. LLOYD, Mr. SHAW, Mr. SMITH of Florida, Mr. WHITTAKER, Mr. BATES, Mr. CLINGER, Mr. ECKERT of New York, Mr. BEVILL, Ms. KAPTUR, Mr. ENGLISH, Mr. BEDELL, Mr. NEAL, Mr. FAZIO, Mr. KOLBE, Mr. DIOGUARDI, Mr. REID, Mr. RIDGE, Mr. FISH, Mr. FROST, and Mr. MCCLOSKEY.

H.J. Res. 10: Mr. DANNEMEYER and Mr. NEAL.

H.J. Res. 27: Mr. WORTLEY.

H.J. Res. 133: Mr. DE LUGO, Mr. BEILENSON, Mr. LEVIN of Michigan, Mr. BEVILL, Mr. WYDEN, Mr. MORRISON of Connecticut, Mr. STUDDS, Mr. TOWNS, Mr. EARLY, Mr. DEWINE, Mr. BRYANT, Mr. KANJORSKI, Mr. LAGOMARSINO, Mr. MARKEY, Mr. FAZIO, Mr. LAFALCE, Mr. DAUB, Mr. DORNAN of California, Mr. MRAZEK, Mr. REID, Mr. MARTINEZ,

Mr. RANGEL, Mr. WEAVER, Mr. CALLAHAN, and Mr. VOLKMER.

H.J. Res. 234: Mr. LIPINSKI, Mr. BOUCHER, Mr. COELHO, Mr. MORRISON of Connecticut, Mr. PERKINS, Mr. DYMALLY, Mr. HUGHES, Mr. MONSON, Mr. SILJANDER, Mr. SMITH of New Jersey, Mrs. BENTLEY, Mr. BONER of Tennessee, Mr. TALLON, Mr. SCHEUER, Mr. COLEMAN of Missouri, Mr. JACOBS, Mr. BEDELL, Mr. MURPHY, Mr. MCHUGH, Mr. DOWDY of Mississippi, Mr. LIGHTFOOT, Mr. CHANDLER, Mr. SUNIA, Mr. KANJORSKI, Mr. SYNAR, Mr. BLAZ, Mr. MARKEY, Mr. MCCAIN, and Mr. FUSTER.

H.J. Res. 381: Mr. RODINO, Mr. SAXTON, Mr. LEWIS of California, Mr. TALLON, Mr. ST GERMAIN, and Mr. GOODLING.

H.J. Res. 398: Mr. CRANE, Mr. MARTINEZ, and Mr. STRANG.

H.J. Res. 470: Mrs. BOXER, Mr. DORNAN of California, Mr. DE LUGO, Mr. ROBERT F. SMITH, Mr. DANNEMEYER, Mr. DONNELLY, Mr. HYDE, Mr. KASTENMEIER, Mr. PERKINS, Mr. ORTIZ, Mr. RODINO, Mr. GRAY of Pennsylvania, Mr. LELAND, Mr. LEACH of Iowa, and Mr. DEWINE.

H.J. Res. 497: Mr. GLICKMAN, Mr. DURBIN, Mrs. LLOYD, Mr. CLINGER, Mr. HUTTO, and Mr. KOLBE.

H.J. Res. 516: Mr. RANGEL, Mr. BRYANT, Mr. MARTINEZ, Mr. TOWNS, Mr. KOLBE, Mr. SKELTON, and Mr. FROST.

H.J. Res. 539: Mr. LUNDINE.

H.J. Res. 541: Mr. REID, Mr. DIXON, Mr. ANDERSON, Mr. JEFFORDS, Mr. FOLEY, Mr. KILDEE, Mr. DELLUMS, Mr. THOMAS of Georgia, Mr. CARPER, and Mr. FASCELL.

H.J. Res. 553: Mr. BARNES, Mrs. BENTLEY, Mr. DURBIN, Mrs. HOLT, Mr. HOWARD, Mrs. LLOYD, Mr. MCDADE, Mr. NELSON of Florida, Mr. OBERSTAR, Mr. PANETTA, and Mr. BONIOR of Michigan.

H.J. Res. 556: Mr. CHANDLER, Mr. DYMALLY, Mrs. HOLT, Mr. HOYER, Mr. IRELAND, Mr. BREAUX, Mr. MATSUI, Mr. FISH, Mr. RAHALL, Mr. LAFALCE, Mr. LEVINE of Michigan, and Mr. CONTE.

H. Con. Res. 29: Mrs. BOXER.

H. Con. Res. 279: Mr. MCKERNAN.

H. Con. Res. 287: Mr. STALLINGS.

H. Res. 36: Mr. ANDREWS, Mrs. ROUKEMA, Mr. WOLPE, and Mr. YATES.

H. Res. 395: Mr. UDALL, Mr. DELLUMS, Mr. DIXON, Mr. RAHALL, Mr. ROE, Mr. LOWRY of Washington, Mrs. BURTON of California, Mr. PENNY, Mr. DOWNEY of New York, and Mr. FUSTER.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

288. By the SPEAKER: Petition of the Chamber of Commerce, Farmington, NM, relative to acid rain pollution; to the Committee on Energy and Commerce.

289. Also, petition of the European Parliament, Brussels, Belgium, relative to proposed U.S. aid for the Contras; to the Committee on Foreign Affairs.

SENATE—*Thursday, March 13, 1986*

(Legislative day of Monday, March 10, 1986)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Honorable MARK ANDREWS, a Senator from the State of North Dakota.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Almighty God, our Father in Heaven, who "giveth to all life and breath and all things * * *," we thank you for the gift of life. We praise you for daily blessings, so routine that we are in danger of taking them for granted. Help us never to allow familiarity with constant, continuous benefits to breed in us contempt and ingratitude. Help us who always have more than we need of everything to remember with compassion those who never have enough of anything they need. Deliver us from the indictment of the Apostle Paul, "though they knew God, they glorified him not as God, neither were thankful * * *" (Romans 1:21). We pray this in the name of Him Who sought in all things to please You. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. THURMOND].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 13, 1986.

TO THE SENATE: Under the provisions of Rule I, Section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable MARK ANDREWS, a Senator from the State of North Dakota, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. ANDREWS thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the majority leader is recognized.

Mr. DOLE. Mr. President, I thank the distinguished Presiding Officer.

SCHEDULE

Mr. DOLE. Under the standing order, the leaders have 10 minutes each, and I will reserve any time I do not use; special orders in favor of the following Senators for not to exceed 5 minutes each. And I understand that the Senator from Pennsylvania [Mr. SPECTER] will not take his 5 minutes, so I ask unanimous consent that that order be vitiated.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DOLE. So it would be Senators PROXMIRE, HAWKINS, SASSER, and HART, for 5 minutes each. Then morning business not to extend beyond 10 a.m., with Senators limited to 5 minutes each, and then we will go back to Senate Joint Resolution 225, a constitutional amendment calling for a balanced budget. There is an amendment that I hope will be offered right at or near 10 o'clock by Senator ARMSTRONG. It is my understanding that they have now satisfied the Senator from Michigan [Mr. LEVIN]; that he may not have an amendment. So hopefully, if the Armstrong amendment is modified, then we can have a vote on that amendment before 11 o'clock, and then hopefully agree to go to third reading, and final action on the constitutional amendment for a balanced budget would be on March 25 at either 2 o'clock or maybe after an hour of debate at 3 o'clock or whatever. We hope we can work that out.

It will be necessary that we take up committee funding resolutions, if not today, on tomorrow, and I would hope that we could dispose of the funding resolutions without a great deal of debate, though I understand the Senator from New Hampshire [Mr. HUMPHREY] has an amendment and the Senator from Alaska [Mr. STEVENS] has an amendment. There may be others on either side of the aisle, which could take some time. It is also my hope that we can turn to the water resources bill and work on that bill today and tomorrow.

In any event, so my colleagues will be alerted, we can expect a fairly lengthy session today, and again I cannot guarantee how many votes there will be or when they will come, whether it will be one after 6 or before 7 or whatever, but we will try to accommodate Senators on either side if there are special problems. In order to complete some of our business which must be done before the Easter recess begins at the close of business on Thursday, March 27, it is necessary that we spend some time in the evenings.

Mr. President, I thank the Presiding Officer. I reserve the remainder of my time.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the Democratic leader is recognized.

THE RECONCILIATION BILL

Mr. BYRD. Mr. President, today, I hope that the Senate will take long overdue action on a measure that will cut the deficit now. I speak of the reconciliation bill, which the House passed last week and sent to the Senate.

That measure will reduce spending by about $12 billion over the next 3 years and raise about $6 billion in revenues over the same period, for a total deficit reduction of $18 billion over the fiscal year 1986–88 period.

This measure will result in deficit reduction now. It is not just a promise to balance the budget in the future. Democrats voted to send the House-passed bill to the President last December.

We oppose further delay which endangers the measure. It is my hope that the entire Senate will vote to support the reconciliation bill and send it to the President. It had good support in the House, where it was adopted by a vote of 314 to 86.

I hope for similar support in the Senate.

The reconciliation bill alone will not solve the deficit problems that the Nation faces, but it does show that Congress is capable of taking effective and resolute action to reduce the deficit.

It is important, as we face the prospect of another $200 billion plus deficit this year—and possibly further cuts under Gramm-Rudman—that the Senate pass this bill and send it to the President.

We pass drastic measures around here, like the Gramm-Rudman law, that in the final analysis determines what cuts will be made in each agency, probably by computer. Computers do not have hearts.

So the Senate passes legislation like Gramm-Rudman, that forces unwise funding cuts in vital programs while we ignore an opportunity for signifi-

cant deficit reduction which is right in front of our noses—namely, the reconciliation bill which has already had action in both Houses.

The reductions are in it and by quick passage, those reductions would go into effect now. We have already crossed the Rubicon on that measure. So why should we not act finally now and get the reconciliation measure down to the White House?

I hope the Senate will be allowed to act on this legislation today and that it may be sent to the President for his signature.

The reconciliation measure is not the end of the road, but it is an important milestone in reducing the deficit. Without it, the road to a balanced budget will be longer and more difficult.

S. 2188—THE ELECTRIC GENERATION AND INDUSTRIAL ENERGY DEVELOPMENT ACT

Mr. BYRD. Mr. President, late last year, the Congress enacted my $400 million Clean Coal Technology Program, a program which I have promoted, and in connection with which there has been bipartisan support on both sides of the aisle. It is a program intended to demonstrate the commercial feasibility of new and advanced technologies for using coal in an environmentally acceptable manner. The widespread commercial application of such technologies could yield a number of benefits, such as reductions in emissions of sulfur dioxide and nitrogen oxides which have been associated with acid rain. Consequently, there is a consensus in the Congress that it is in the national interest to develop clean coal technologies to use America's abundant coal resources, and to provide energy for future economic growth and development.

A few months ago, a report was issued by Drew Lewis and William Davis, the special envoys appointed by President Reagan and Canadian Prime Minister Mulroney to assess the bilateral aspects of the acid rain issue and make recommendations. In that report, they recognized the potential environmental significance of clean coal technologies, and recommended that the President endorse a $5 billion program to support the commercial demonstration of such technologies. This ambitious proposal is the cornerstone of what is now known in this country as the "Drew Lewis Report."

However, Mr. President, we should recognize that the demonstration of clean coal technologies is only the first step leading to the adoption of such technologies by the private sector. There is more to be done if the Nation is to reap the fruits of the seeds we have sown.

The legislation which I am introducing today is intended as the next step. The basic purpose of my bill, the Electric Generation and Industrial Energy Development Act, is to encourage the administration to develop a policy framework to facilitate the market acceptance of clean coal technologies. The development of such a framework would be particularly timely in light of the enactment of my Clean Coal Technology Program, and the proposal for a much larger $5 billion effort to address the acid rain problem. My bill would help ensure the success of such efforts by directing the administration to identify regulatory and other impediments to the commercial adoption of new and advanced coal technologies, and to define coordinated policy measures to address them.

Specifically, my bill requires the Secretary of Energy, in consultation with the Secretary of the Interior, the Chairman of the Federal Energy Regulatory Commission, and the Administrator of the Environmental Protection Agency, to consider and recommend administrative, regulatory, and other measures which would encourage electric utilities, and industrial companies, such as steel or aluminum mills, to use clean coal technologies. The bill establishes a temporary Clean Coal Advisory Committee to provide advice and counsel to the Secretary in formulating his recommendations. The Secretary is to submit his recommendations to the President and the Congress within 180 days.

Mr. President, with the enactment of the Clean Coal Technology Program the Congress took a bold step in ensuring the timely development of a range of technological options for the clean use of coal. The availability of such options will be important for the planning and construction of powerplants to provide new electric generating capacity to meet the Nation's future energy needs. Of equal importance, electric utilities considering whether to make capital investments to extend the life of existing generating facilities will have a variety of technologies from which to choose. Finally, for energy intensive industries, such as steel and aluminum, improvements in the production of energy through the use of clean coal technologies can contribute to the enhancement of the competitiveness of such industries in international markets.

Mr. President, the enactment of this legislation will help realize the promise offered by clean coal technologies—most efficient use of the Nation's coal resources, jobs, cleaner air, and adequate supplies of energy in the future to ensure economic growth for generations of Americans to come.

Mr. President, I send the bill to the desk and ask for its appropriate referral.

The PRESIDING OFFICER. Without objection, the bill will be received and appropriately referred.

Mr. BYRD. I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2188

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Electric Generation and Industrial Energy Development Act of 1986".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that—

(1) there will be a need for additional electric generating capacity in the United States before the turn of the century;

(2) current utility construction schedules, and anticipated levels of demand suggest that the United States may face an electric power capacity short fall as early as the mid-1990's;

(3) new clear coal technologies that ensure efficient, cost-effective generation of electric power while also enabling electric utilities to achieve the greatest economic benefit from such units can be used to modernize or retrofit existing powerplants;

(4) clean coal technologies may enable major domestic industries, including steel and aluminum, that are reliant upon coal as a primary energy source, to use coal more efficiently, thereby allowing such industries to achieve greater competitive advantage in world trade;

(5) America has abundant coal resources which can be used to ensure adequate supplies of energy in an environmentally acceptable manner;

(6) Congress has enacted a new $400,000,000 program within the Department of Energy to demonstrate emerging technologies for the clean use of coal;

(7) special envoys from the United States and Canada have recommended a multiyear, $5,000,000,000 clean coal technology program as a means of reducing emissions associated with electric power generation; and

(8) there is a need for coordinated development and application of regulatory, financial, and other incentives, at the Federal and non-Federal level of government, to facilitate the widespread commercial application of clean coal technologies.

(b) The purpose of this Act is to—

(1) direct the Secretary of Energy to consider and recommend the most appropriate means by which the marketplace could be encouraged to use clean coal technologies for generating electric power and providing energy for major industrial uses; and

(2) establish a policy framework to facilitate utilization of clean coal technologies on a broad scale to meet future electrical generating capacity requirements and other energy needs, while also reducing overall emissions from such facilities.

STUDY AND REPORT

SEC. 3. (a) The Secretary of Energy shall, in consultation with the Secretary of the Interior, the Chairman of the Federal Energy Regulatory Commission, the Administrator of the Environmental Protection Agency, and the Clean Coal Advisory Committee (as established in section 4), consider and recommend actions which would facilitate—

(1) the adoption of clean coal technologies in new electric generating facilities to meet increased electricity demand in the future;

(2) the use of clean coal technologies for retrofit or modernization of existing facilities where such applications can achieve emission reductions in a cost-effective manner; and

(3) the use of cost-effective coal technologies in major domestic basic industries, such as steel and aluminum, consistent with environmental requirements.

(b) The Secretary of Energy shall consider and make recommendations that include proposals for administrative and regulatory actions, including financial assistance, to enhance the prospects for—

(1) the application of clean coal technologies;

(2) generating electric power; and

(3) using coal in major industrial applications in an environmentally acceptable manner.

(c) The Secretary of Energy shall submit the recommendations required pursuant to subsections (a) and (b) to the President and the Congress within 180 days of the date of enactment of this act.

CLEAN COAL ADVISORY COMMITTEE.

SEC. 4. (a) There is established within the Department of Energy a Clean Coal Advisory Committee to be appointed by the Secretary of Energy. The purpose of the committee shall be to provide the Secretary with advice and counsel in formulating recommendations required by this Act.

(b) The membership of the committee shall include—

(1) a representative of the National Academy of Sciences;

(2) an expert in the field of coal use technology;

(3) a representative of the National Acid Precipitation Task Force;

(4) a representative of the National Association of Regulatory Utility Commissioners;

(5) a representative of State government environmental officials;

(6) a representative of the electric utility industry;

(7) an expert on environmental law and regulation; and

(8) a representative of major domestic industrial coal users.

(c) The Secretary shall designate an officer or employee of the Federal Government to serve as the chairman of the committee.

(d) The committee shall be terminated 6 months from the date of the appointment of the members.

ELECTRIC GENERATION AND INDUSTRIAL ENERGY DEVELOPMENT ACT OF 1986

I. FINDINGS

A. There will be a need for additional electric generating capacity in the United States before the turn of the century.

B. Current utility construction schedules, and anticipated levels of demand suggest that the United States may face an electric power capacity shortfall as early as the mid-1990's.

C. New clean coal technologies that ensure efficient, cost-effective generation of electric power while also enabling electric utilities to achieve the greatest economic benefit from such units can be used to modernize or retrofit existing powerplants.

D. Clean coal technologies may enable major domestic industries, including steel and aluminum, that are reliant upon coal as a primary energy source, to use coal more efficiently, thereby allowing such industries to achieve greater competitive advantage in world trade.

E. America has abundant coal resources which can be used to ensure adequate supplies of energy in an environmentally acceptable manner.

F. Congress has enacted a new $400 million program within the Department of Energy to demonstrate emerging technologies for the clean use of coal.

G. Special Envoys from the United States and Canada have recommended a multi-year, $5 billion clean coal technology program as a means of reducing emissions associated with electric power generation.

H. There is a need for coordinated development and application of regulatory, financial, and other incentives, at the Federal and non-federal levels of government, to facilitate the widespread commercial application of clean coal technologies.

II. PURPOSE OF THE LEGISLATION

A. To direct the Secretary of Energy to consider and recommend the most appropriate means by which the marketplace could be encouraged to use clean coal technologies for generating electric power and providing energy for major industrial uses.

B. To establish a policy framework to facilitate utilization of clean coal technologies on a broad scale to meet future electrical generating capacity requirements and other energy needs, while also reducing overall emissions from such facilities.

III. MAJOR PROVISIONS

A. Directs the Secretary of Energy, in consultation with the Secretary of the Interior, the Chairman of the Federal Energy Regulatory Commission, the Administrator of the Environmental Protection Agency, and the Clean Coal Advisory Committee, to consider and recommend actions which would facilitate:

1. Adoption of clean coal technologies in new electric generating facilities to meet increased electricity demand in the future;

2. Use of clean coal technologies for retrofit or modernization of existing facilities where such application can achieve emission reductions in a cost effective manner; and

3. Use of cost-effective coal technologies in major domestic basic industries, such as steel and aluminum, consistent with environmental requirements.

B. Directs the Secretary to make recommendations that include proposals for administrative and regulatory actions, including financial assistance, to enhance the prospects for the application of clean coal technologies for generating electric power, and for using coal in major industrial applications in an environmentally acceptable manner.

C. Directs the Secretary to submit his recommendations to the President and the Congress within 180 days from enactment of this Act.

D. Establishes a Clean Coal Advisory Committee appointed by the Secretary of Energy. The purpose of the Committee is to provide the Secretary with advice and counsel so that he might better fulfill his obligations as set forth in the bill. The life of the Committee will be 6 months from the date of the appointment of the members. The Secretary shall designate an officer or employee of the Federal government to serve as the chairman of the Committee.

Mr. BYRD. Mr. President, I yield the remainder of my time to the distinguished minority whip, Mr. CRANSTON.

The ACTING PRESIDENT pro tempore. The Senator from California.

Mr. CRANSTON. I thank the distinguished Senator from West Virginia and our leader on this side of the aisle.

CONTRA AID

Mr. CRANSTON. Mr. President, the Senate will face the vitally important Nicaraguan issue in a few days. I believe a majority of the Senate will not and should not approve the administration's request for $100 million of mostly military aid to the Contras who have no hesitation in turning to terrorist tactics in their efforts to overthrow the Government of Nicaragua. No Senator has any sympathy for the Marxist Sandinista government of Nicaragua, but a great many Senators, both Democrats and Republicans, believe that the present United States policy strengthens rather than weakens the Sandinista regime and increases their dependency on Cuba and the Soviet Union; $100 million will not overthrow the Sandinistas, so the administration will ask for $200 million and, when that does not do it, they will ask for $300 million.

The danger is that when it is clear that dollars will not do the job and that backing the Contras will not do the job, there will be those who will say, "Only American troops can do the job." That is the way we landed in the tragedy of Vietnam.

Further evidence of how deeply and dangerously we are getting militarily involved in Central America surfaced yesterday at the House Military Construction Appropriations Subcommittee. Top Pentagon officials testified that during 3 years of nearly continuous United States military exercises in Honduras, American troops have built an intricate infrastructure of roads, airstrips, and bases. A 400-man United States Army engineering battalion is right now building an airstrip 15 miles from the Nicaraguan border, and next year, the subcommittee was told, the Pentagon will seek $5 million to build facilities for a United States intelligence unit in Honduras.

I ask this question: Are United States military forces digging in and building up for a long stay in Honduras on the Nicaraguan border? "No," says Mr. Sanchez, who is Deputy Assistant Defense Secretary for Inter-American Affairs. "Our activities in Honduras," Mr. Sanchez assured the subcommittee, "are of an indefinite nature, temporary and indefinite."

Think about that. Our 3-year military presence and the expenditure of all this United States taxpayers' money in Honduras is "temporary and indefinite."

The ancient Greeks gave us a word for this kind of ludicrous doubletalk—oxymoron. It comes from a word base meaning self-contradictory, stupid, foolish. In a word, the administration's

policy in Central America is "oxymoronic." I hope the Senate is not about to support that policy. I do not believe the Senate will support that policy.

U.S. BALANCE OF TRADE

Mr. CRANSTON. Mr. President, I would like to speak for one moment on another issue that is important to California and the Nation relating to our severe trade imbalance and all the problems that brings in terms of unemployment and lost profit opportunities in our country.

The Commerce Department has just found the Japanese guilty of dumping chips in the United States. That is an unfair trade practice.

It seems to me that the time has come now for a test for the Reagan administration of whether or not it really has a trade policy. Will it negotiate effectively and firmly with Japan to bring an end to this unfair trade practice, or will it fail to do so? There is a sort of deadline looming. Prime Minister Nakasone of Japan is coming to our country next month. Either before he arrives or when he is here, this matter should be worked out.

I hope that the administration, at long last, will take a firm position on this matter and end this unfair trade practice against the United States. If it does not happen, then we will have to take some action on our own.

RECOGNITION OF SENATOR PROXMIRE

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Wisconsin is recognized for not to exceed 5 minutes.

Mr. PROXMIRE. I thank the Chair.

STAR WARS: A WAY OF GOING IT ALONE

Mr. PROXMIRE. Mr. President, back in Wisconsin, thoughtful people ask: Why is there a growing popular support for the administration's proposed star wars, or SDI? Why did a Congress facing the biggest Federal budget deficits in American history agree to increase the 1986 budget for star wars by 100 percent to $2.8 billion? Do the people supporting star wars understand that the cost will certainly be in the hundreds of billions and probably in excess of a trillion dollars? And don't Wisconsin people understand that not one penny of the $2.8 billion the Federal Government will spend on star wars in 1986 will come back to Wisconsin? Do they realize that Wisconsin's share of the cost of star wars for this year alone will be about $56 million. Have Wisconsin's people thought about the virtually certain increase in the danger of nuclear war caused by star wars?

Do they understand that if both superpowers should some day deploy a star wars defense, there would be a greatly increased incentive for one of the superpowers to initiate a preemptive nuclear strike? Here is why: The only way SDI or star wars has even an outside chance of working would require one power to strike big and strike first, in the hope that it could knock out enough of the adversary's nuclear arsenal that the star wars missile defense could provide protection against the adversary's sharply diminished nuclear forces.

Mr. President, many Wisconsin people fully understand some or all of these reasons why star wars seems to be a supreme folly. Why, then, do they support it? On January 2, an article by Townsend Hoopes in the New York Times provides a persuasive analysis of why star wars has such a strong appeal to so many Americans. Hoopes is no dove or dreamy idealist. In fact, he is a former Under Secretary of the Air Force. Hoopes explains the appeal of star wars in terms of our long American history of relying not on agreements or cooperation with others but on ourselves. Unlike any other country on Earth, America has succeeded in maintaining its freedom and security by relying on its own economic and technological strength and the blessed geography that separates our country from other world power centers by two vast oceans. Nuclear weapons have changed that. The terrible prospect of nuclear war has created an entirely new world. It can never again be the same.

With the advent of the nuclear age, the colossal destructive power of nuclear weapons and the concentration of vast nuclear arsenals in the United States and the Soviet Union, both the United States and the Soviet Union are totally and permanently vulnerable. We either live in a world with the U.S.S.R. or we die. The Soviet Union is not going to vanish. It is a fact of life. It is a grim fact of life. We loathe the Soviet Communist system. Many of us consider the Soviet Union a vast prison camp. The last thing we want is to have to rely on an agreement, a treaty—any kind of cooperation—with the Soviet Union.

So, why should we? Here is why: First, is there an alternative? The powerful appeal of star wars is that with the vigorous support of the President of the United States and with our faith in our marvelous technology, we hope and dream that if we spend enough money, we can buy invulnerability. Can't we someday, somehow hope to build a giant astrodome over the country—like star wars—to repel any Soviet nuclear attack? The answer is almost certainly that we cannot. Our most competent scientists say we cannot. The National Academy of Science has estimated that if only 1 percent of the U.S.S.R.'s 10,000 strategic nuclear warheads should penetrate SDI defenses, the attack could instantly kill between 35 and 55 million Americans and leave the United States in a shambles. No expert has ever claimed that star wars at its best could stop 99 percent of the Soviet missiles from reaching the American targets.

Second, the alternative to star wars makes sense. Mutually assured survival does not depend on building a massive missile defense. It does not depend on trusting the Soviet Union. It does not depend on a miracle. What does it depend on? It depends on the same mutual deterrence that has kept the nuclear peace for the 40 years of the nuclear age. That is, the understanding by the Soviets and the United States that a nuclear war would utterly destroy both sides.

Third, a mutual, comprehensive, verifiable nuclear arms agreement between the United States and the Soviet Union to stop the arms race would prevent the dangerous instability of nuclear weapons competition and save hundreds of billions of dollars. That agreement must be solidly based on mutual restraint, on vigorous verification of compliance, and on prompt action to prevent cheating. The general success of arms control treaties with the U.S.S.R. over the past 22 years promises a far more realistic path toward peace than the reliance on the creation of a technological miracle in star wars.

Mr. President, I ask unanimous consent that the article to which I referred, in the January 2, New York Times entitled, "'Star Wars'—a Way of Going It Alone" by Townsend Hoopes, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"STAR WARS"—A WAY OF GOING IT ALONE

(By Townsend Hoopes)

WASHINGTON.—Of all the issues that we as a nation will face in the coming year, no single decision is likely to be as significant as what we do about "Star Wars."

The first step to take in making that decision is to face the fundamental existential condition of our age—that neither superpower can significantly alter the present stalemate, no matter how great its military and technological exertions. The fact is that we and the Russians will live together or perish together. We share a common security problem—our mutual vulnerability.

Unfortunately, the Reagan Administration is divided on the idea of mutual vulnerability. The rational part of the Administration sees a need for agreements to reduce the threat of war. But other key Reaganites see acknowledgement of our vulnerability as an inadmissible loss of nerve, and they resist agreement with the "focus of evil." They are also the ones who are pushing Star Wars—another effort to escape our inherent and inescapable vulnerability.

The American public's continued tolerance for this kind of dangerously unreal thinking suggests a deep ambivalence in the American psyche. By instinct and heritage, we are a nation of "can-do" unilateralists.

American historical experience has made it difficult for us to accept the idea of interdependence, and even more difficult to cooperate with nations whose political philosophy we despise and whose power we fear. Historically, we have preferred either to avoid them or destroy them. The trouble is that an attempt to destroy them now would very probably bring about our destruction as well.

Ever since our forefathers came to America, to escape what they regarded as intrigue, corruption and alien ideologies, we have felt that we are both different and better. We are aloof and given to moral censure of others, impatient with deep-seated disputes between and within older nations—disputes that must in reality be lived with because they can never be clearly resolved. Every other nation accepts interdependence as an inescapable condition, but Americans continue to resist any limits on our freedom of action—even though the reality of interdependence now applies fully to us.

The Star Wars program is the latest, and possibly the most dangerous, manifestation of our national penchant for acting alone. The President is telling the American people that we can achieve a nice, clean, technologically sound, once-and-for-all solution to the threat of nuclear destruction. He also suggests we can achieve it without Soviet cooperation.

The scientific community is divided on the question of whether strategic defense is technically feasible. It is, however, virtually unanimous in believing that a wide range of countermeasures would be available to the Soviet Union—measures that would be less expensive and less technically demanding than the defenses themselves. Zealous cheerleaders for Star Wars chastise critics by reminding them of the naysayers who said we could not get to the moon. But that is a false analogy: The effort to get to the moon was not complicated by the presence of an adversary.

There is no way today to protect people and cities against the nuclear threat. Mutual vulnerability is an irremovable condition of life: It will not be changed by spending $26 billion on Star Wars in the next five years—or hundreds of billions of dollars thereafter. It would probably take as little as 100 warheads to destroy either superpower. That is only 1 percent of the 10,000 strategic warheads available on each side—and no conceivable defense could prevent "leakage" of 1 percent. Thus, even if Star Wars defenses were fully deployed by both superpowers, both societies would remain vulnerable to total destruction.

Wisdom lies not in pursuing a trillion dollar mirage but in facing the fact that our national security cannot be secured by acting alone. Mutual assured survival depends on stabilizing and strengthening our relations with the Soviet Union and entering into a series of arms reductions carried out incrementally over a period of years. This may be a hard road to travel, but it is the only one that leads away from nuclear war.

MYTH OF THE DAY: MEDICARE PHYSICIAN PAYMENT IS FAIR OR EQUITABLE

Mr. PROXMIRE. Mr. President, the myth of the day is that Medicare's payments to physicians are either fair or equitable. For many physicians, they are neither.

The variations in Medicare payment across the country go far beyond a mere reflection of differences in practice costs in urban and rural areas. The variation in payment is so extreme that it is perverse and, in many cases, contrary to national policy.

By design, Medicare attempted to impose the smallest amount of disruption on physician payment patterns when the program was established. Therefore, a national fee schedule was not established. Instead, local carriers, Medicare's payment agents, established local payment areas that corresponded to their then-existing business. While there has been some consolidation in recent years, this means that Medicare has 240 different payment schedules for the same services, reflecting the 240 different localities, established by the carriers.

Because Medicare's payment calculations are triggered by a physician's actual charges in a prior year, this design resulted in high fee schedules being locked in for some localities.

And just look at the results.

HCFA data for 1980 show that the highest prevailing charge for a brief followup visit by a physician to a hospitalized patient exceeded the lowest prevailing charge by a whopping 373 percent.

For extraction of a lens, the difference was 159 percent.

A single-view chest x-ray resulted in reimbursement difference that were an incredible 536 percent.

Four, five, sixfold variations in prevailing charges are not unusual. They are the norm, according to a recent report on physician payment by the Office of Technology Assessment.

Even after adjusting for differences in cost-of-living, malpractice premiums, quality of care, or relative physician shortages, a study, cited by OTA's report, still found threefold variations.

And these differences do not only exist between different parts of the country but within States as well. OTA's report noted that variations between localities within the same State are often as high as 50 percent. A 1976 study of Medicare payment levels found that urban payments exceeded those to physicians in rural areas by 23 percent. Yet OTA also cites a study which demonstrated that average reported professional expenses have been highest in nonmetropolitan areas, where reimbursement is significantly lower.

This means that payments not only do not fairly reflect practice costs but they also work against national policy. It is more likely that Medicare beneficiaries will be faced with more access problems in rural areas and the policy undercuts our efforts to encourage physicians to move into more underserved, rural areas.

Mr. President, it is time to revamp Medicare's payment system for physician services. The inequities I have pointed out are only the tip of the iceberg. I have not touched on the differences between payments to physicians just beginning their practice and those in practice for some time, the incentives provided to technical procedures rather than cognitive services, the whimsical differences in actual coverage policy by different carriers. The list goes on and on.

Some problems faced by physicians—the impact of the freeze and the delay in updating fees from year to year—are inherently unresolvable in light of the financial crisis we face. There is little chance for addressing those issues.

But within the resources we do have available, it is essential that we try to make our reimbursement system both understandable and equitable. Currently, it is neither. And we need to address both problems.

RECOGNITION OF SENATOR HAWKINS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Florida is recognized for not to exceed 5 minutes.

UEBERROTH POPS UP TO END THE INNING AGAINST DRUGS IN BASEBALL

Mrs. HAWKINS. Mr. President, three cheers for Carl Rowan's open letter to Baseball Commissioner Ueberroth, chastising him for his disappointing, lenient treatment of drug pushers and users in professional baseball. As chairman of the U.S. Senate Caucus on International Narcotics Control, chairman of the Subcommittee on Drug Abuse, and a Senator from the State of Florida, where Mr. Rowan got his inspiration for this letter, I welcome the plain-spoken wisdom and honesty of Mr. Rowan's letter. I hope that Mr. Ueberroth and other kingpins in professional sports and the media give Rowan's letter the close attention that it deserves.

Mr. Ueberroth did lose an important opportunity to deliver a much needed, stronger message against drug use to the millions of baseball fans, including our youth, who idolize the stars of our national pastime. After the demoralizing revelations of widespread drug use and trafficking in professional baseball that emerged from the trial in Pittsburgh last year, we expected and deserved a more responsible display of leadership by the commissioner. There was a crying need to dispense justice to the guilty with an eye to the welfare of the public, the larger and more important victim of those millionaire baseball players who plead for leniency and one more chance, while continuing to show contempt for the

public welfare, biting the very hand that feeds them.

To see how spineless our sports systems have become, contrast the actions of Commissioner Kenesaw Mountain Landis, during the Black Sox scandal of 1919, to the actions of Commissioner Ueberroth today. In 1919, Commissioner Landis expelled eight players from the game for life, despite their formal acquittal in court, for fixing World Series games. In 1986, Ueberroth merely threatened to suspend, for 1 year, seven major league baseball players who, the commissioner admits, both used and facilitated distribution of illicit drugs in and around baseball in the last several years. And no suspension at all will occur if they agree to donate 10 percent of their 1986 salaries to drug use prevention and treatment charities, accept random drug-testing, and spend 200 hours in community service work related to the drug problem.

Other professional sports, without the direct impetus of the Pittsburgh trial drug use in baseball, have taken much sterner action against their addicts and users. Several months ago, the Men's International Professional Tennis Council approved mandatory drug testing for the men's professional tennis tour in 1986. Last week, we saw the National Basketball Association ban from further league play its first active player, Michael Ray Richardson, and totally voided his 4-year, $3 million contract. Mr. Ueberroth followed up with what can only be called a pop-fly in foul territory down the left field line to end this rally in professional sports toward responsible supervision of its own criminal element.

Our professional sports organizations are a major focus of attention by the young, and not so young, in this country. Their prominence in the public eye and the extent to which they are idolized as role models by our youth make them a key ingredient in any realistic effort to swing public attitudes against drug use in this country.

A country suffering as much as we are from illicit drug use simply cannot tolerate drug use by its famous or infamous professional athletes. To do so is to sit idly by, as good civil libertarians, while our society self-destructs. Those of us who do not share this death wish must act decisively against illicit drug use. As Mr. Rowan so eloquently illustrated, the freedom to indulge oneself without restraint or detection in illegal activity, regardless of the consequences to one's society, is not what civil liberty is about.

Mr. President, I ask unanimous consent that Mr. Rowan's open letter, which appeared in the Washington Post on March 5, 1986, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AN OPEN LETTER TO COMMISSIONER UEBERROTH

BOCA RATON, FLA., *March 5, 1986.*

To Mr. Peter Ueberroth, Commissioner of Baseball, New York, NY.

DEAR MR. COMMISSIONER: There is a touch of tragedy in the fact that I read of your crackdown on illicit drug users and peddlers in baseball while in South Florida, trying to determine whether the United States has lost the war against drug abuse—or what steps might yet be taken to wipe out this curse. I applauded at the initial TV news announcement that you had suspended 11 drug-using players, some of them superstars . . . and then I heard that the "suspensions" were not really suspensions.

I thought you were saying that there is absolutely no place in the Great American Pastime for cocaine junkies or pushers of marijuana, heroin, morphine, PCP and other destructive controlled substances. I hoped you were saying to millions of youngsters, "Hit the drug trail, and it will lead you to a lot of places, most of them prisons, hospitals, cemeteries, but it will never lead you to a World Series."

I realized, quickly and unhappily, that you really were saying: "Get caught pushing and using drugs, and I'm going to sock it to you. Instead of making a million bucks a year, I'll only let you have $900,000; and you'll have to undergo drug tests, then go out and tell kids what a bad boy you've been."

I know the pressures to sing to Keith Hernandez, Dale Berra, Dave Parker, Joaquin Andujar and others that old pre-drug-era lyric, "Just One More Chance." I know that you don't want to be lynched by the owners, coaches and fans of the teams that count on the likes of Lonnie Smith, Enos Cabell and Jeff Leonard. But I suggest that you ask yourself again whether your punishment of these "role models" is sufficient to free baseball (and football, basketball, television, the movies and Wall Street) of an affliction that makes the United States more bedeviled by illicit drug abuse than any country on earth.

I write you from South Florida, where baseball spring training is in full swing. Just prior to reading of your "crackdown" I read an editorial in the Boca Raton News saying that "one of five high school students (in Palm Beach County) tried cocaine before graduating by the end of 1985. By the end of this year 19 percent of the high school students will be regular users."

I ask you, Mr. Ueberroth, whether you think the "punishment" that you have meted out to these millionaire baseball superstars is sufficient to convince high school kids that drug abuse does not pay?

The history of drug abuse suggests that a terrible rate of recidivism exists, and that whether your "random drug tests" work or not, a lot of the players getting second and third chances are going to be devoured by "The Lady," cocaine, or by other mind-bending and destructive drugs.

The objective must not be the "fairness" of "second chances" for those already hopelessly hooked, but a ruthlessly unbending message to kids like those in high school here that when they say yes to cocaine or heroin, they have said no to baseball.

Would you think again about whether your punishments deter or encourage teenagers, gladiators, cheerleaders and school band members to experiment with drugs that eventually will devour them?

An admirer, CARL T. ROWAN.

Mr. MELCHER. Mr. President, I ask unanimous consent to proceed for 5 minutes as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

Mr. MELCHER. Mr. President, in consideration of the proposed constitutional amendment, the proposed constitutional amendment is the so-called balanced budget amendment. It is an amendment that I have been supporting for several years and now I hope that it can pass.

However, the amendment to the amendment that is pending by the Senators from Utah and Colorado, Senator HATCH and Senator ARMSTRONG, is an amendment that causes me a great deal of concern.

It would add this phrase:

Nor shall borrowing on the credit of the United States be authorized to finance an excess of outlays over receipts for any fiscal year, . . .

That ties into the proposed constitutional amendment, continuing—

unless three-fifths of the whole number of both Houses of Congress shall provide for a specific excess of outlays over receipts.

Mr. President, boiled down, this amendment would require that there be the supermajority of three-fifths of both Houses of Congress if we were to exceed outlays over receipts for any fiscal year. That is in fitting with the purpose of the amendment up to a point.

The point that concerns me is what happens in regard to the Commodity Credit Corporation if at the end of the fiscal year or near the end of the fiscal year we find that CCC requires an appropriation of a certain amount in order for it to be able to continue to function for the coming months.

If that case arises—and it could easily arise, because the appropriations for the Commodity Credit Corporation are made periodically whenever the corporation is faced with the limitation on its ability to continue to act for lack of funds—we would be required to have a supermajority in both Houses of Congress, 60 percent, if it were to exceed the budget for that particular year.

This is distressing because the funding of the CCC has historically been that way and will continue that way. We cannot predict exactly when it will need reimbursement, and it might be difficult from time to time, particularly at the end of a fiscal year, to get a supermajority of 60 percent of both Houses of Congress to vote affirmatively if it were necessary to reimburse the CCC so they would have adequate

funding and if it were in excess of the budget for that particular fiscal year.

I think that uncertainty makes the amendment offered by our colleagues from Colorado and Utah, Senator HATCH and Senator ARMSTRONG, a very lamentable amendment.

I hope it is defeated. I do not think it has been properly addressed in the consideration of this proposed constitutional amendment. It certainly is not covered in the report that accompanies the constitutional amendment.

I doubt, judging from the colloquy and the debate that we had here last evening, that it has been thoroughly explored or thoroughly contemplated by the authors of the amendment.

I think in all fairness if we want this constitutional amendment to receive two-thirds vote in this body we should defeat this amendment because I think it would greatly endanger the passage of the constitutional amendment if the Hatch-Armstrong amendment is adopted.

RECOGNITION OF SENATOR SASSER

The PRESIDING OFFICER. Under the previous order, the Senator from Tennessee is recognized for not to exceed 5 minutes.

HUNGER IN AMERICA

Mr. SASSER. Mr. President, as many of my colleagues know, recent studies suggest that as many as 20 million adults and children here in this country go to bed hungry for days out of each month. In light of the substantial Federal dollars we have invested in nutrition programs—over $20 billion last year alone—I was deeply troubled by these reports of hunger on the rise in our land. In the midst of a period of economic growth, with massive Federal expenditures on nutrition programs, the question I ask myself is, How can hunger be increasing? In our land of plenty just how real of a problem does hunger pose?

To answer these questions, I held an extensive field hearing in my home State of Tennessee last month. To be quite frank, I was astonished to find that many Tennessee families and senior citizens are truly facing hunger and malnutrition. I heard from rural Appalachian mothers who aid that even though they spend their food stamps wisely, their stamps run out well before the end of each month. For as long as 2 weeks each month, some of these families exist solely on rations of potatoes and biscuits. One mother told of rationing the few eggs and milk she received from the Women, Infants, and Children Feeding Program among her family of eight children.

Another witness at the hearing—an 85-year-old urban woman—told me that she eats only one meal per day. She relies on the weekday lunches she receives from the Senior Feeding Program at a neighborhood senior citizens center and $37 a month in food stamps which she must spread over a whole month. She stated that on weekends, "I'm just used to not eating." When I asked these individuals if they or their children went hungry, their response was an unequivocal "yes."

Hunger seems to be focused primarily on the very young and the very old.

These witnesses do not represent isolated cases. I heard from individuals who work in Federal, State, and private food distribution programs that cases of hunger and malnutrition are increasing at an alarming rate. Moreover, physicians and nutrition experts informed me that the patients they see, both rural and urban, are increasingly showing signs and symptoms of hunger and malnutrition. These symptoms include anemia, vitamin deficiencies, mothers birthing of small, sick babies, and higher incidence of disease. The doctors made it clear that, where there is hunger, there is also increased health care costs.

The up-shot of this chilling testimony was crystal clear. Federal nutrition programs are functioning, but are simply not meeting the urgent need that exists in our cities and rural communities. Furthermore, this shortcoming has been exacerbated by the fact that, in 1981, States were prohibited from using Federal money to fund outreach programs designed to inform potential recipients of the availability of nutrition assistance.

Although we have seen an increase in nominal dollars spent for Federal nutrition programs over the past 5 years, inflation has eaten these increases, and, in fact, decreased the real purchasing power of these food dollars. As a result, program recipients are losing ground to inflation. If we are indeed serious about combating hunger, it is time to reconsider the value of Federal nutrition programs and find ways to make them more effective and more available to those who are truly in need. Existing programs have laid a foundation for providing food for persons who, through no fault of their own, find themselves unemployed and hungry. But this is a foundation which we must build on to tackle the devastating consequences of hunger. With domestic hunger and malnutrition rising, it is imperative that we begin this process.

Unfortunately, Mr. President, the administration's proposed budget for fiscal year 1987 moves in just the opposite direction. The administration has proposed reductions in several of our most effective food programs—programs with demonstrated results in assisting the individuals most vulnerable to extreme health consequences from hunger and malnourishment.

In light of the vivid pictures of hunger in America which I brought back from my hearing, I find such proposals ill-advised and untimely. And I am writing a letter to the President indicating my opposition to these proposed cuts in nutrition programs at a time when constructive steps are called for. I would urge my colleagues to join me in this endeavor.

In addition, I intend to sponsor a resolution calling for an end to domestic hunger by the end of this decade. The evidence shows that domestic hunger is real, but that it can be prevented. We must rekindle national interest in ending this growing tragedy. The resolution I will introduce is but a first step in this process.

Finally, as we debate the budget for the up-coming year and examine nutrition programs, we must keep in mind the plight of the hungry. We must stand ready to make budget and statutory changes to address this travesty.

For, quite simply, Mr. President, recent reports on hunger and its consequences should serve to direct our attention to a very serious and growing need that is not being met by the private sector or the Federal or State governments. We have nutrition programs, but they are failing to meet the challenge for which they were implemented: To prevent hunger and malnutrition right here in the United States.

One indicator of a country's greatness is how it treats its least advantaged and its most vulnerable. I urge my colleagues to join my efforts on this very important issue to help eliminate hunger in America.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond the hour of 10 a.m. with statements therein limited to 5 minutes each.

Mr. SASSER. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HART. Mr. President, I ask unanimous consent that the order for the quorum call be recinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SENATOR DANIEL PATRICK MOYNIHAN: FAMILY AND NATION

Mr. HART. Mr. President, this weekend, I had the pleasure of reading an extraordinary book by an extraordi-

nary colleague—a volume called "Family and Nation" by Senator DANIEL PATRICK MOYNIHAN.

There is, I think, a paradox in America today. We live in a society which literally worships youth. Yet, our budgets and politics confine the impact of Government policy on children and the families which surround them, to be periphery; after-thought.

Consequently, there is virtually no incentive for a policymaker of PAT MOYNIHAN's eminence to wander outside the political spotlight, to spend time with America's children and their families, to ask "how they're doing," and "why?" There is not typically much media attention; there are few rewards, even fewer votes. But our colleague, PAT MOYNIHAN, has been doing it—pursuing these questions for three decades.

But he has been doing it for three decades. He has been doing it well, and with some effect. And he persists in doing it even when there has been considerable personal cost in pursuing some very controversial issues. Twice, in the last 20 years, his labors have been interrupted by ugly attacks on his professionalism—for raising the right questions more than slightly ahead of their time—and yet he persists still. This record speaks volumes about his love for the subject, and his love for the subject speaks volumes about him.

Mr. President, how is it that the issues our colleague has raised—like poverty and the relative status of children—have been pushed to centerstage? The answer, not unlike the subjects themselves, is complex, variegated.

In part, these concerns have penetrated the public debate because the administration has underestimated our view of patriotism and community. Americans understand that patriotism demands more than a celebration of how well our Nation did in the past or is doing now. It demands that we ask how America can do better. America's conscience does not forget that the ultimate goal of citizenship is not doing well; it is doing good. And, as well as many of us have done these past 5 years, many of us could be doing better. And many too many of our fellow Americans are not doing well at all.

And, as public attention has turned to the least among us, and the burdens of deprivation they carry, the debate has been quickened by the emergence of scholarly conservative works which challenge the very basis of our social welfare structure.

But most important, this debate became focused when Senator MOYNIHAN returned to Harvard University as Godkin lecturer for 1984–85 and gave a series of talks on "Family and Nation." He had all that he needed: an elegant voice, a steady pen, decades of experience, the right data, and core values. With these tools, he restored this Nation's vision of community, conscience and caring.

To those in our society who want us to do more, Senator MOYNIHAN's book offers concrete evidence of what we can do well, where we have failed, and how we can do better. He reminds us that the New Deal and the Great Society were not abject failures, as some have tried to make them.

He cites, for example, our progress with respect to the elderly. The growth of the elderly population in America during the 1970's exceeded that of the entire population of India. But we find that poverty rates among the aged have virtually vanished. We can thank Medicare and Social Security for that, and ought to. From 1965–80, infant mortality was cut in half—and we can attribute that success in part to WIC, Medicaid, and other programs. Some poor children are performing better in school, and we can point to the success of Head Start. Job training does benefit women who benefit from AFDC—it is a fact, welfare dependence is reduced and occupational opportunities enhanced.

Senator MOYNIHAN is frank to say our job is not done. The poverty rate for children is seven times that as great for the aged. Teenage pregnancies are proliferating at rates which claw our impoverished communities. Drugs are destroying men, women and babies, and Government seems powerless to stop the epidemic. And the 14-percent rate of poverty seems resistant to change regardless of the growth of the economy.

But "Family and Nation" reminds us that our efforts do, at times, bear fruit. Certainly enough to continue to try. Government cannot do it all, and Senator MOYNIHAN does not suggest otherwise. Family structure matters, it matters a lot. Individual initiative, local control, strong values and economic opportunity matter as well. But we would be hasty, and we would be wrong, to abandon wholesale a range of education, job training and welfare initiative which help dependent people do better.

The question, Senator MOYNIHAN reminds us, is not whether Government will have a policy for children and families, but what kind. He says:

> (N)o government, however firm might be its wish, can avoid having policies that profoundly influence family relationships. This is not to be avoided. The only option is whether these will be purposeful, intended policies or whether they will be residual, derivative, in a sense, concealed ones.

Senator MOYNIHAN has helped form a purposeful and humane family policy in four successive administrations, in numerous scholarly books and articles, and in years of distinguished service on the Senate Budget and Finance Committees. The publication of "Family and Nation" reminds us how dedicated he has been, and how he has been a persuasive force for good.

PAT MOYNIHAN was interviewed recently on "Face the Nation" by Lesley Stahl of CBS. Ms. Stahl closed the interview asking PAT whether it was realistic to hope—in this budget environment—that improvements in Federal policy regarding poverty were likely. Here is his reply:

> From Washington? In this century, what's left of it? No, but it is realistic that people will begin to care, that people will put some of their own time, some of the local resources, and that when in the next century, which is my judgment, Washington starts thinking about the condition of people in this country again, maybe we can do something for our children.

Of course, it must happen. With or without PATRICK's help, it may not. Without his help, it probably will not. With his help, it probably will.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER (Mr. HATFIELD). The Senator from Mississippi.

INTERNATIONAL ATOMIC ENERGY AGENCY

Mr. COCHRAN. Mr. President, I invite the attention of the Senate to a report from the International Atomic Energy Agency.

Last week, I met with Dr. Hans Blix, Director General of the International Atomic Energy Agency [IAEA], during his visit to Washington. It was a pleasure to talk with him and to receive a report on the excellent progress of the IAEA in contributing to the international effort to discourage the spread of nuclear weapons.

United States participation in the IAEA will be among the topics discussed when the Subcommittee on Energy, Nuclear Proliferation, and Government Processes holds a hearing on March 20 at which time Mr. Richard T. Kennedy, Ambassador at Large and Special Adviser to the Secretary of State on Non-Proliferation Policy and Nuclear Energy Affairs, will review the nonproliferation activities of our Government during 1985.

Mr. President, I hope my colleagues will join me in strong support for the work of IAEA in the international nonproliferation effort. I ask unanimous consent that a recent report on IAEA safeguards for 1980–85, be printed in the RECORD following my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. COCHRAN. Mr. President, many observers view nuclear proliferation—the spread of nuclear weapons—as the main security problem confronting the world today. There is continuing fear that any increase in the number of nations possessing nuclear weapons would increase the likelihood of nuclear conflict. This anxiety has motivated world leaders to search for international means to retard proliferation. Over the past four decades, a whole array of national and multinational policies has been designed to prevent the spread of nuclear weapons to nations not already possessing them. An international nuclear nonproliferation regime has been built which has brought most nations together in the attempt to devise ways to discourage the spread of nuclear weapons.

This is a difficult issue, since the spread of the nuclear fuel and technology needed for civilian nuclear power in effect provides more and more countries with the means to build nuclear military capability. Just as it is possible to turn nuclear swords into plowshares, it is increasingly feasible to turn nuclear plowshares into swords.

The danger sign is that by the turn of the century numerous industrial nations will be able to refine and process uranium ore into material for use in nuclear weapons. The countervailing hopeful sign, however, is that many countries which already have this ability have chosen not to use it. It is the purpose of the international nonproliferation regime to encourage other nations to follow this example and to adhere to nonproliferation standards developed by the international community.

Efforts to restrain the spread of nuclear weapons to additional countries have been remarkably successful. At the beginning of the 1960's, President Kennedy feared that 15 to 20 or 25 countries might develop atomic weapons. We can be thankful that this has not happened and that the number of nuclear-weapon states has remained limited to five nations: the United States, the Soviet Union, the United Kingdom, France, and China.

Most nations which have decided to develop civilian nuclear power have gradually come to accept the desirability of controls to inhibit proliferation. These restraints are contained in a collection of treaties, agreements, and voluntary commitments to prevent the spread of nuclear weapons. A system has grown up in which recordkeeping, audits, inspections, and technical controls assure countries that their neighbors are not misusing atomic energy. These safeguards have become the heart of the international nonproliferation regime. They have evolved principally through the work of the International Atomic Energy Agency [IAEA], created in 1957 to control as well as to promote nuclear power.

The safeguards operations of the IAEA are unique. They mark the first instance in history of sovereign nations inviting an impartial international organization to audit their accounts and conduct inspections on their own territory. Countries agree to the application of IAEA safeguards as a matter of self-interest so as to give their neighbors and the rest of the world complete assurance that their nuclear energy activities are being exclusively applied for peaceful purposes. In their awareness of the special nature of nuclear energy, they justly believe that, in order to build confidence among nations and so create the most favorable conditions for broad nuclear commerce, they must adhere to principles of nuclear exchange based on the nonproliferation regime.

An overwhelming majority of nations of the world—131 at latest count—have joined the Treaty on the Non-Proliferation of Nuclear Weapons [NPT], unquestionably the most important international agreement underlying the nonproliferation regime. The nonweapons states that have signed the NPT have agreed to accept IAEA inspection on all of their nuclear activities. The result is that some 95 percent of all nuclear installations in countries not possessing nuclear weapons are now under safeguards. While the 5 percent not open to inspection continue to give us cause for concern, the growing coverage of safeguards is encouraging.

In a few decades, the safeguards system has evolved from a small operation in an entirely new field to a professional verification system. The costs for IAEA safeguards in 1985 came to about $30 million. For value received, this would seem a very reasonable sum indeed, especially when we remember that police departments in many American cities have budgets which far exceed that amount.

Mr. President, it is encouraging to note that nonproliferation and the IAEA are subjects on which the interests of the United States and the Soviet Union have converged for more than 20 years. Since the early 1960's the two superpowers have been on the same side of most issues coming before the IAEA. They worked in harmony in negotiating the Non-Proliferation Treaty in 1968, and since 1982 the two countries have had continuing nonproliferation discussions. After a wide-ranging examination of world problems at the recent Geneva summit, the two sides pledged:

To continue to promote the strengthening of the International Atomic Energy Agency and to support the activities of the Agency in implementing safeguards as well as in promoting the peaceful uses of nuclear energy.

The improving safeguards system has broad significance as a confidence-building mechanism whereby nations can increasingly rely upon international verification in the implementation of arms reduction agreements. In this regard, we should take heart from the willingness of all countries already having nuclear weapons to accept safeguards on selected civilian nuclear facilities. Four of the nuclear-weapon nations—the United States, the United Kingdom, France, and the Soviet Union—have concluded agreements for that purpose, and while China has not negotiated such an agreement with the IAEA, she has indicated a willingness to do so.

The importance of these inspections lies not so much in the field of nonproliferation, since these countries already possess nuclear weapons. Their greater significance lies in the precedent that they give to the world for verification that peaceful nuclear activities in countries possessing nuclear arsenals are kept separate from military uses. Such experience is extremely valuable to the international community in gaining experience of impartial inspection in these countries through the IAEA. Since the question of verification is usually a major stumbling block in arms talks, the IAEA safeguards system may serve as a prototype for an international inspection system, offering hope of dependable verification of future nuclear arms reduction agreements.

Continued strong American support for the IAEA is vital to the international nonproliferation regime. We in Congress need to understand the crucial importance of that regime to our Nation's foreign policy and to our national security and to give continuing attention and support to the vital work of the IAEA.

With constant international watchfulness, we may confidently hope that time is on the side of the international effort to halt the spread of nuclear weapons. Every year we see a strengthening of public attitudes, agreements, safeguards, and technical requirements which discourage proliferation. And sustaining the growing effectiveness of the International Atomic Energy Agency will undergird our effort to prevent nuclear war, the most important challenge that our generation faces.

EXHIBIT 1

INTERNATIONAL ATOMIC ENERGY AGENCY—IAEA SAFEGUARDS 1980-85

This paper covers the main developments in IAEA safeguards between 1980-1985.

GROWTH AND PRESENT STATUS OF IAEA SAFEGUARDS

By September 1985 IAEA safeguards covered more than 95% of the nuclear plant and materials outside the five nuclear-weapon countries (China, France, UK, USA, and USSR). In fact only five non-nuclear-weapon countries (Argentina, India, Israel,

Pakistan, South Africa) were known to be operating unsafeguarded plants. Four of the five nuclear weapon countries had opened all (US, UK) or some (France, USSR) of their civilian nuclear plants to IAEA safeguards inspection.[1] When IAEA safeguards also cover Chinese plants, as a result of China's recently announced intention to negotiate an agreement, every country in the world that has a nuclear reactor, will have accepted safeguards on all or at least some of its nuclear plants.

The following statistics show the growth in the safeguards operation 1980–85.

	1980 [1]	1985 [1]
Coverage by State:		
Number of countries with safeguards agreements.	84	96 (end 1985).
NPT or Tlatelolco	67	80 (end 1985).
Non-NPT or non-Tlatelolco	14	12 (end 1985).
NWS	3	4 (end 1985).
Number of agreements in force	134	163 (end 1985).
Agreements with weapon countries	1	4 (end 1985).
Parties to NPT	113	131 (end 1985).
Facilities and material under safeguards (including nuclear weapon states):		
Facilities	393	460.
Separated plutonium	7 tons	7.7 tons.
Plutonium in spent fuel	68 tons	129.5 tons.
Highly enriched uranium	11.4 tons	11.8 tons.
Low-enriched uranium	11,700 tons.	22,784 tons.
Source material (natural uranium, etc.)	15,400 tons.	31,724 tons.
Resources and effort:		
Safeguards expenditure	$18m (1980).	$30m (1985).
Inspectors (in Operations)	94	186.
Inspections	1,000 (1980).	1,820 (1984).
Countries [2] carrying out safeguards support programmes.	5	10.

[1] All figures in this paper refer to 1 January 1980—1 January 1985 unless otherwise indicated.
[2] Including EURATOM.

The number of non-nuclear-weapon countries outside the NPT and having significant nuclear activity declined from twelve to nine (Argentina, Brazil, Chile, Cuba, India, Israel, Pakistan, Spain, South Africa) as the Democratic People's Republic of Korea[2], Egypt and Turkey adhered to the NPT. Spain placed its entire nuclear programme under safeguards[3]. Certain other countries which have not adhered to NPT have all their present facilities subject to safeguards.

The Third NPT Review Conference in its consensus final declaration, stated: ". . . the conviction that IAEA safeguards provide assurance that States are complying with their undertakings and assist States in demonstrating this compliance. They thereby promote further confidence among States and help to strengthen their collective security . . . [playing] a key role in preventing proliferation . . . Unsafeguarded nuclear activities in non-nuclear-weapon States pose serious proliferation dangers".

The conference thus affirmed the key role of IAEA safeguards and its own confidence in them. It also expressed the view that the real and pressing danger of proliferation begins where IAEA safeguards end.

[1] Limited resources have so far permitted the IAEA to select for inspection only a few "eligible" plants in nuclear weapon countries.

[2] Adherence of the Democratic People's Republic of Korea to NPT deposited on 12 December 1985.

[3] But Argentina, India and Pakistan began operating unsafeguarded plants. By 1985 most governments of the world had thus come to rely on IAEA safeguards to give assurance to other nations that they were abiding by their own non-proliferation or other safeguards undertakings; to have continuing confidence that other nations were doing the same; and to provide the essential framework for peaceful international commerce in nuclear plant and materials.

This affirmation is important since the discussions which followed the Israeli OSIRAQ attack in June 1981 had affected confidence in IAEA safeguards, especially in the United States. Partly, perhaps, because many had not realized that the IAEA operates under some unavoidable constraints. But also partly because the incident revealed certain weaknesses in the operation, due chiefly to its rapid expansion between 1975 and 1980 in the non-nuclear weapon states of EURATOM and in Japan and to the fact that it was totally a new and pioneering undertaking in international verification.

What are these weaknesses and contraints and what has the IAEA done to remove or alleviate them?

POLITICAL PARAMETERS

Safeguards seek to build confidence, but cannot physically prevent breach of agreement

Safeguards—"international verification" would be a better term—are a confidence building measure. If a country decides that its interests are best served by foregoing the option of nuclear weapons, one way of creating international confidence in the decision is to enter a treaty through which the stand taken becomes an internationally binding obligation. It can create still more confidence by opening any nuclear activities on its territory international inspection, verifying and certifying compliance with the non-proliferation engagement that it has entered.

It should go without saying—but is regrettably not always understood—that international verification cannot physically prevent a nation from violating its commitment. It is an alarm bell, not a police operation. Neither the US nor the eleven main authors of the IAEA Statute (1953–1956) considered it necessary or politically feasible to give the Agency the authority or means forcibly to intervene against violations of their commitments. This is not to say that deterrents do not exist against possible inclinations in a State to violate the commitments entered. Reports on non-compliance may lead to suspension or termination of various Agency services and rights and privileges. After transmission to the United Nations such reports may result in measures by the Security Council or the General Assembly. Any reports on non-compliance with obligations can also be expected to trigger political and diplomatic reactions by individual governments. Beyond the verification system there are thus legal and political mechanisms which are likely to operate in case non-compliance is reported. Indeed, some reactions are likely to be triggered if there were to be reports that a country is not co-operative in the verification.

While verification of fulfillment of non-proliferation commitments is the purpose of safeguards and a positive result of the verification is the rule, the technical aim of safeguards is stated to be ". . . the timely detection of diversion of significant quantities of nuclear material. . ." (underlining supplied). To provide some quantitative yardstick of achievement of this technical aid, IAEA safeguards work on the basis of preset quantitative detection and inspection goals. These are dealt with in detail on pages 15/16.

Has the IAEA fostered the confidence it seeks to create? The positive judgment of the Third NPT Review Conference has already been noted. That judgment has regularly been given specific confirmation by the annual statements of the IAEA's Board of Governors that during the preceding year the IAEA had detected no anomaly indicating diversion of a significant quantity of material and that "it is reasonable to conclude" that safeguarded material was peacefully used or otherwise accounted for.

There have been three exceptions, each signalled by the Director General to the IAEA Board. Between 1981 and early 1983 the IAEA was not able to give independent verification that there was no diversion at two plants in two countries not parties to NPT, although the Director General made it clear at the time that there was no suggestion of a violation of the relevant safeguards agreements or of any diversion. With the Board's support the Director General was able to renegotiate the safeguards arrangements for these plants and upgrade them satisfactorily. And in 1984 an NPT country failed to send the due notification requested by the safeguards agreement of the export of nearly 50 tonnes of depleted uranium under safeguards. Later the importing country declared that the material had been imported for non-nuclear, non-explosive purposes and most of the unused material was shown to the IAEA.

These incidents—all brought before the IAEA Board of Governors by the Director General—give confidence that the IAEA will sound an alarm if it is unable to certify peaceful use or if it detects a serious anomaly.

The coverage of safeguards—freedom of movement of inspectors

No country will permit foreign inspectors to roam freely around its territory in search of unreported plants or material, nor do the safeguards agreements concluded and approved by the Board include such a provision. Does this mean that facilities or material which should be subject to safeguards may be constructed or used clandestinely?

The IAEA has fully monitored, through its safeguards, the evolution of the nuclear programmes of most NPT countries since the programmes were first launched. In Western Europe EURATOM did the same for its original five non-nuclear weapons member states (Belgium, the Federal Republic of Germany, Italy, Luxembourg, Netherlands) and has now merged its data with those of the IAEA. The only significant cases where IAEA safeguards started to be applied after the beginning of the nuclear programme of the non-nuclear weapon state concerned were Canada, Sweden and those countries in Eastern Europe which had nuclear programmes before safeguards pursuant to NPT started.

Moreover, since the IAEA began applying safeguards in 1959 no case has come to light of a government failing to report a nuclear plant which should have been reported under a safeguards agreement.

A related question is that of IAEA access to facilities in NPT countries, which are not yet in use and do not have to be reported to the IAEA, since NPT safeguards agreements apply safeguards to nuclear material only. However, these agreements make provision for the Agency to verify the design of facilities before any nuclear material is introduced, and of any subsequent modifications.

The IAEA also has the right formally to request special inspections, with access to information and locations in addition to those open to routine inspections, if it believes that the information it is getting from the government concerned ". . . is not adequate for the Agency to fulfill its responsibilities . . ." So far the information that

governments have provided has been considered adequate and the IAEA has not found it necessary to make use of this right.

Several developments since 1980 have helped to increase confidence that the IAEA is able to inspect all that it should inspect under safeguards agreements. IAEA coverage of the international fuel cycle and its access to information has increased as more countries joined the NPT; as more countries not party to NPT agreed to require application of safeguards to their exports (as Argentina, China and South Africa have recently announced); as more nuclear-weapon states placed facilities under safeguards; as more countries accept the IAEA's recommendations to standardize and make comparable the notifications to the IAEA of exports and imports of nuclear materials, etc.

Since 1980 the IAEA has also greatly expanded and improved its inspector training programme (see below). One result is that inspectors have a clearer understanding of their rights and are better able to insist upon them if necessary. The IAEA has also taken further steps to monitor systematically and as fully as possible the nuclear programmes of all countries both parties and non-parties to NPT, in which it carries out inspections. Comprehensive computerized data are available on the nuclear programmes of most states.[4]

The right to reject inspectors

Every nation insists on the right to refuse admission of particular foreign nationals, be they diplomats, national officials or international inspectors. All safeguards agreements require the Director General to consult the government of the country concerned about the names of officials he plans to designate as inspectors of its nuclear plants. This does not mean that the government decides which IAEA officials will inspect its plants. That decision rests solely with the Director General and his staff. And if a government repeatedly rejects the Director General's proposals, the relevant safeguards document and agreement explicitly indicate that he can raise the matter with the Board.

In this connection it should be noted that the Agency never uses a national of a country in which there are safeguarded facilities, to inspect those facilities.

In practice it is rare for a government to reject a particular inspector and the Director General has not so far had to go to the Board because of persistent rejections. However, some countries have indicated in advance that, for instance, they will not be willing to accept inspectors if the countries of which they are nationals do not themselves accept inspection; inspectors of a particular nationality; inspectors if the country of which they are nationals refuses to accept inspectors who are nationals of the country being consulted ("reciprocity"); more than a limited total number of inspectors; inspectors who are not sufficiently familiar with the language of the country being inspected (if the language is one of the Agency's official languages).

In addition some countries are very tardy in responding to proposals for designation of inspectors, with delays extending well beyond a reasonable or prescribed period for response.

The removal of these restrictions and delays, which make more difficult the use of inspection manpower in an optimal and flexible way, clearly lies chiefly in the hands of governments rather than with the IAEA. However, the increasing size of the Inspectorate has enabled the IAEA to make more flexible use of the staff available and to ensure that the right qualifications are matched to the right task. It has also been possible to double the number of inspectors accepted by countries. In 1980 about 750 designations had been agreed to by 51 countries; by 1985 the figure had risen to 1,500 designations and 56 countries. The annual Safeguards Implementation Reports that the Director General submits to the Board have also devoted a special section analysing designation problems and the progress that the Secretariat has been able to make.

Even if an inspector has been by a particular country for designation, he may still require a visa. In certain circumstances this can make it difficult to arrange "surprise" (unannounced) inspections. Visa requirements vary from none at all except for citizens of prescribed countries (most of Western Europe); nearly every foreign entrant (the USA and most of the New World); very stringent (most of Eastern Europe).

The IAEA has taken a number of steps to solve this visa problem. As noted, it hardly presents a barrier to unannounced inspections in Western Europe. By establishing resident inspectors in Japan and Canada the visa problem has been eliminated in two other countries with large nuclear fuel cycles. For countries that are more restrictive, the IAEA now requests multiple-entry visas.

Even if he does not need a visa (or has one) an inspector may have difficulty in obtaining access to plants because of physical security or other controls. Nevertheless, the IAEA was able to carry out the first unnannounced inspections in certain Western European countries and Japan in 1983–85.

The utility of an unannounced inspection differs widely from one type of plant to another. For instance, in the Light Water Reactor, every 12–18 months the reactor is opened, spent fuel is taken and fresh fuel is put in. The plant operator and the IAEA must make arrangements well in advance for inspecting this operation which usually lasts several days. When the reactor resumes operation, all significant movement in the plant are recorded by surveillance cameras or video tape recorders. In the case of this type of plant unannounced inspections would therefore serve little purpose.

On the other hand, for certain types of plant (gas centrifuge enrichment) unannounced inspections are a major element of the safeguards regime. In the case of a few bulk handling facilities the IAEA has implemented a practically continuous inspection safeguards regime.

Transparency and confidence

The public and legislatures must have sufficient information to be reasonably sure that the safeguards are effective and worth the money they cost. On the other hand, non-nuclear-weapon countries with large competing nuclear industries feel disadvantaged vis-a-vis the lightly safeguarded nuclear weapon states. They seek to ensure that the IAEA protects and keep confidential any operationally and commercially sensitive information that IAEA safeguards collect. IAEA inspectors, too, would feel inhibited if the government whose plants they inspect had access to their confidential reports.

The Board has therefore adopted strict rules to protect information and has recently again decided that the distribution of the detailed annual report on safeguards should be limited. However, the IAEA's published annual report and a summary of the safeguards report now give much more detailed information about the safeguards operations, its problems and achievements.

TECHNICAL AND OPERATIONAL PROGRESS

Reactors

There is no longer any significant problem in safeguarding the Light Water Reactor. It accounts for about 80% of the power reactors under safeguards. The small research reactor likewise presents no problem. About 80% of the safeguarded reactors in this category have a fuel inventory smaller than a single "significant quantity" (i.e. roughly the amount needed for a nuclear explosive).

The reactors that have presented more significant safeguarding problems are large research reactors (including critical assemblies) and heavy water power reactors. Fifteen large research reactors and critical assemblies are now under safeguards. Since 1980 the IAEA has refined the diversion scenarios for such reactors and has upgraded the safeguards it applies to them (including increasing the inspection effort and frequency). These measures give greater assurance that unreported production of plutonium would be promptly detected.

The IAEA is safeguarding 26 heavy water power reactors of the CANDU type (21 in Canada and the others in Argentina, India, Pakistan and the Republic of Korea).[5] These reactors, which are continuously refuelled, have presented special safeguards problems in the past. In arrangements with the IAEA, the Canadian Government has developed a very sophisticated installation for monitoring and counting the fuel removed for this type of reactor. It has now been installed in several reactors and is being rigorously tested and monitored. The IAEA is also studying or testing equipment and safeguards approaches for advanced reactors such as the high temperature reactor and the fast breeder.

Fuel fabrication plants

Natural and low enriched fuel fabrication plants do not present significant safeguarding problems. Satisfactory arrangements have been made for safeguarding the 5 plutonium/uranium mixed oxide and highly enriched uranium fuel fabrication plants operating in Western Europe and Japan.

Enrichment plants

So far the only type of enrichment plant to come under safeguards is the gas centrifuge (in the Netherlands, Japan, the United Kingdom and the Federal Republic of Germany). After several years of studies and discussions the IAEA, Australia, the Federal Republic of Germany, Japan, the Netherlands, the United Kingdom, the United States and EURATOM reached agreement in 1983 on the safeguards regime to be followed in such plants which up until then had been inspected on an ad hoc basis. This regime has been incorporated in the detailed safeguards arrangements (facility attachments) for these plants. The regime includes a limited number of unannounced inspections. The first inspections inside the sensitive cascade areas have been carried out.

The IAEA is negotiating with South Africa on a safeguards regime and agreement for the South African "helicon" type, semi-commercial, enrichment plant.

[4] Based on information officially available.

[5] All figures as of 1 January 1985 and include plants under advanced construction.

There have been no indications that any nation will place a gaseous diffusion enrichment plant under safeguards. It is well-known that laser enrichment may present difficult safeguarding problems. The IAEA has noted the United States announcement that it intends commercially to develop AVLIS laser enrichment (in place of gas centrifuge enrichment). Certain other countries might follow suit. It is expected that the safeguards regime needed for effectively safeguarding this type of plant will be studied simultaneously.

Reprocessing plants—"The Plutonium Economy"

In the late 1970's there was concern that the widespread use of the fast breeder reactor would create a world-wide "plutonium economy" with large-scale production of plutonium and large quantities of separated plutonium moving from country to country. It was feared that the likelihood of diversion or of hijacking or other form of terrorims would rise steeply.

So far these fears have proved unfounded. Fast breeder reactors are confined to 3 weapon nations (France, USSR, UK), and to the Federal Republic of Germany, Japan and India. In the West, only France is operating an industry-size plant. There is little prospect of any large-scale commercial use of the fast breeder reactor before the second decade of the next century. Such fast breeder reactors as are built before then will probably be in those countries that already operate prototypes.

In the meantime large reprocessing plants in France and United Kingdom (and possibly, the USSR) and somewhat smaller ones in Japan and India are producing ton quantities of plutonium. The Federal Republic of Germany and Japan also plan to build large new reprocessing plants. At such plants there are problems in verifying (through materials accountancy alone) whether such significant quantities of plutonium as may be unaccounted for, represent measurement uncertainties or cloak a possible diversion.

Safeguarded plants of this kind are not likely to operate before the mid-1990's. To deal with them in advance a number of countries, including the Federal Republic of Germany and Japan are co-operating with the IAEA to develop concepts and new procedures for safeguarding effectively their future Reprocessing plants. The concepts include "near-real-time accounting" [6] accounting which is especially important in view of the short time needed to convert separated plutonium into weapon components.

In the IAEA Board of Governors there have also been extensive discussions of an international plutonium storage system (IPS). So far there has been no agreement on any particular scheme, but alternative models have been defined and the subject remains for further discussion within the IAEA.

Spent fuel

The amount of spent fuel in storage throughout the world is steadily increasing. This is not only because of the new arisings from existing or new reactors, but also because of delays in the construction of reprocessing plants. As already noted in the table in page 2 the plutonium contained in spent fuel under IAEA safeguards nearly doubled form 68 tons in 1979 to 124.5 tons in 1984.

However, most [55%] of the Western world's contained plutonium in nuclear power plant spent fuel through 1990 is in the nuclear weapon countries (US, UK, France) and most [73%] of it is in spent fuel from light water reactors. Most [90%] of the plutonium in spent fuel of LWRs in NNWS is in Western Europe and Japan, the remainder (22.6 t) is in Brazil (1.4 t), India (1.4 t), South Korea (6.3 t), Mexico (0.8 t), Philippines (0.5 t), South Africa (1.9 t) Taiwan (9.3t) and Yugoslavia (1 t).[7]

Given the potential military utility of all spent fuel and especially the fact that the longer it is stored the easier it is to reprocess it the IAEA, in addition to applying its safeguards to spent fuel in short-term storages, is developing effective safeguards concepts and procedures for long-term away-from-reactor spent fuel storage. The aim is timely detection of any unreported removal of spent fuel from such a storage.

Heavy water production

Since 1980, a heavy water production plant has come under an IAEA safeguards agreement. The IAEA is developing a safeguards approach for this facility which is due to begin operating within the next two years. Heavy water in facilities in States party to the NPT is not subject to safeguards, in accordance with the terms of safeguards agreements based on INFCIRC/153. Until recently heavy water in States not party to NPT was likewise not subject to IAEA safeguards, but there are now safeguards agreements with certain States not party to NPT which cover heavy water.

More effective and more cost-effective safeguards

Since 1980 the IAEA has undertaken a number of other steps to increase the overall effectiveness of the safeguards operation.

Note has already been taken of the definition of new diversion scenarios and safeguards concepts for larger research reactors and of the consequent upgrading of safeguards at such plants, of the steps taken to carry out unannounced inspections and to incorporate unannounced inspections as a regular feature of the safeguards regime for gas centrifuge enrichment plants.

Other steps include:

In 1981 the IAEA introduced a newly-developed safeguards information system for the eventual computerization of all safeguards data. This has enabled the IAEA to improve greatly and automatize the system of recording and evaluating reports received from States on nuclear material in their facilities or in transit and for standardizing and computerizing to the extent possible, the results of inspections. It has also permitted the Department of Safeguards to introduce strict security procedures for the protection of information and to prevent access by unauthorized individuals.

The IAEA has begun simultaneous inspection of all facilities in a particular country handling the same kind of nuclear materials. This procedure is designed to deal with a diversion scenario in which nuclear material is "borrowed" from a facility not being inspected to make up a short fall in a facility about to be inspected.

As regards safeguards equipment, the following improvements have been achieved mainly through the support of several Member States in the framework of formalized support programmes:

There has been a marked improvement in the reliability and performance of film cameras for surveillance of nuclear facilities. Their failure rate is now about one third of that of 1980 and is mainly due to human error rather than equipment failure.

The IAEA is also testing advanced closed-circuit television systems. The IAEA has also improved and standardized the techniques for evaluating surveillance films and tapes.

To meet increasingly stringent licensing requirements the US has developed for the IAEA a new special container to transport safeguards samples by air. Procedures for the shipment of samples have been improved.

Better and more tamper-resistant seals are now being used. The IAEA has introduced procedures to control and ensure that they are effectively used.

There have also been significant improvements in the accuracy and reliability and ease-of-use of instruments for measuring the composition of nuclear material.

The organization and resources of the Department of Safeguards have also been strengthened since 1980 e.g.:

The newly-established training section has enabled the IAEA to pay special attention to improving the training of inspectors. The section has developed training manuals and has carried out an intensive training programme. This includes exercises at nuclear plants in Member States for all new inspectors. It also includes advanced courses in inspection procedures and in use of the computer data base, including computerized inspection reports. Refresher courses are offered at regular intervals to experienced inspectors, and language training for fluency in the local language.

With the creation of two new supporting divisions a major effort is being made to improve the evaluation of the results achieved in applying safeguards and to standardize the procedures used. Conceptual work has been done to define inspection goals and other basic concepts used for planning inspections.

Simultaneously, several improvements have been introduced in the annual Safeguards Implementation Reports so as to ensure that the Board of Governors and Member States may more easily assess the effectiveness of the safeguards operation.

The increase in the manpower available for inspection and the more effective use that is now made of it has led to a number of improvements in the number of inspection man-days spent in the field. These increased from 3300 in 1979 to 6600 in 1984. The creation of safeguards offices in Japan and Canada, already mentioned, has played some part in this improvement.

Achievement of inspection goals

The IAEA's inspection goals referred to on p. 4 are formulated on the following basis: to detect diversion with a probability of 90 to 95%; to preset the minimum quantities of nuclear material which safeguards accounting should detect, if the material were diverted; and to preset the maximum times which should elapse before a diversion is detected.

These times reflect the time it would take to turn the nuclear material into a nuclear explosive device or weapon.

The IAEA has developed criteria for inspection goals attainment by which it de-

[6] "Near-real-time accounting" requires frequent measurements at short intervals and enables the IAEA to verify the operation within a very short time after a change occurs, e.g. to verify the amount of plutonium very soon after it is separated.

[7] Library of Congress Report, August 1985.

scribes the capability of the inspectorate to detect the diversion of significant quantities of nuclear material in case such a diversion would occur. These criteria are based on technically relevant diversion scenarios—including some very remote and difficult of achievement—for categories of facilities. The criteria take account of legal and technical factors and of the inherent limitation of the safeguards system referred to on page 4. A failure fully to meet an inspection goal does not mean that a diversion has occurred without being detected. It does however give a signal to the Agency and to the Member States concerned that further improvements or developments may be called for and/or an increase in resources required.

The IAEA aims in the first place at fully attaining its inspection goals with respect to direct weapon-usable materials (plutonium and highly-enriched uranium), placing less emphasis on the safeguards activities related to other nuclear materials.

The progress described earlier in this paper has led to a significant improvement in achieving fully the IAEA inspection goals at individual facilities from 60% in 1979 to 71% in 1984 as far as direct weapon-usable materials are concerned and from 27% in 1979 to 53% in 1984 with respect to all nuclear materials.

THE FUTURE

Further improvements

The IAEA now has the capability and techniques to fulfill its current safeguards responsibilities, although an increase in manpower resources would be highly desirable to improve still further inspection goal achievement. For the future, the IAEA must focus on increased professionalism (rigorous recruitment criteria, advanced training) and develop the capacity to deal with emerging technologies. More specifically, what is needed is:

Onus on IAEA (in co-operation with certain Member States):

(a) Further improvement of the effectiveness and efficiency of the safeguards system e.g. by increased use of electronic information treatment.

(b) More extensive advanced training of inspectors, including fuller use by inspectors of advanced measuring and analytical techniques and instruments.

(c) Further development of safeguards procedures for advanced fuel-cycle technologies (e.g. laser enrichment) and for the safeguarding of MOX fuel fabrication, large-scale reprocessing and enrichment plants.

Onus on IAEA (in co-operation with operators):

(d) More comprehensive, and accurate verification of the inventories of nuclear material at major plants. This requires better co-operation by plant operators.

(e) Removal of restriction on the use of newly-developed safeguards instrumentation.

Onus on States:

(f) More prompt, accurate and complete reports by governments on the nuclear material flow at plants in their countries.

(g) Alleviation of restrictions that governments impose on the Director General's authority to designate inspectors, and speedier responses to designation proposals.

(h) Easier comparability in reports submitted by governments about their exports or imports of nuclear material.

For several years now, member governments have applied the "zero-growth" rule to the IAEA's budget. Thanks to gains in efficiency it has nevertheless been possible to increase the allocations for safeguard and for promotion of the peaceful uses of nuclear energy. The safeguards operation will continue to need larger resources to meet its commitments in the non-nuclear-weapon countries and to make further use of the voluntary offer safeguards agreements with nuclear weapon states. Also, to meet the concerns of certain countries (especially in Western Europe, Japan) that safeguards may impact unfairly on their industry, and to take account of the final declaration of the Third NPT Review Conference, the Agency is giving consideration to the economic and practical possibility of extending application of safeguards to additional civil facilities in the nuclear weapon states.

Concluding comments

The Third NPT Review Conference ". . . noted with satisfaction the improvement of IAEA Safeguards which has enabled it to continue to apply safeguards effectively during a period of rapid growth in the number of safeguarded facilities. It also noted that IAEA safeguards approaches are capable of adequately dealing with facilities under safeguards. . ." The IAEA has been able to report each year that there has been no indication that a significant quantity of nuclear material subject to safeguards have been diverted.

In addition, the Conference also underlined the need for the IAEA "to be provided with the necessary financial and human resources to ensure that the Agency is able to continue to meet effectively its safeguards responsibilities".

The November 1985 Summit Meeting in Geneva between President Reagan and General Secretary Gorbachev recorded in its concluding statement that the two sides (US and USSR) planned "to continue to promote the strengthening of the International Atomic Energy Agency, to support the activities of the Agency in implementing safeguards, as well as in promoting the peaceful uses of nuclear energy".

The number of plants coming under IAEA safeguards has grown much more slowly in recent years as IAEA safeguards coverage has become more than 95% complete in the non-nuclear-weapon countries and as the expansion of nuclear power has slowed down. This trend seems to be likely to continue for a number of years. The IAEA will however continue to need considerable additional financial and manpower resources to achieve all its safeguards goals and to finance the cost of increasingly complex equipment and R and D. The period ahead therefore offers an opportunity to the Member States of the IAEA to provide such resources as will enable the IAEA fully to meet its responsibilities for effective international safeguards, "as well as in promoting the peaceful uses of nuclear energy" in the words of the Summit Meeting. The performance of the IAEA in discharging its increasing safeguards responsibilities during 1980-1985 (outlined in this paper) shows that the IAEA has made substantial progress in effectively carrying out its tasks and in overcoming the difficulties encountered.

A TRIBUTE TO DANIEL L. LAMBERT

Mr. COHEN. Mr. President, I rise today to pay tribute to one of the greatest advocates for the rights of veterans our Nation has known, Daniel L. Lambert, who died February 15, 1986.

Dan Lambert embodied the finest of all American values. He was a brave soldier who was wounded four times in World War II and who was awarded numerous medals for his valor. He was a leader of veterans who fought to protect the rights of those who had sacrificed for their country. He was a proud citizen who never grew tired of defending the American way of life.

Dan Lambert has had an extraordinary impact on the lives of thousands of citizens in Maine and throughout the country. He was recognized as a man who held fast to his values, never bowing to the winds of change, and he encouraged others to join him in extolling the many virtues of this country.

Dan will long be remembered for his sense of duty to our country and to those who served in our armed forces. For over 40 years, he fought for Maine veterans who needed assistance. He founded the Maine Veterans Coordinating Committee and worked tirelessly for the establishment of the Maine Veterans Memorial Cemetery and the Maine State Veterans Home.

Over the years, he became known as "Mr. American Legion." He was editor of the Maine Legionnaire, which was recognized last year as the top newspaper serving veterans in the country, and he held numerous high offices within the Legion. He was known for always taking the time to listen to the individual concerns of those who sought his assistance.

His words and deeds have touched us all, and it is with great respect and admiration that I call attention to the many outstanding accomplishments of Daniel L. Lambert.

A TRIBUTE TO LEE V. BENSON

Mr. HATCH. Mr. President, I would like to take a moment of the Senate's time to acknowledge the outstanding work and journalistic accomplishments of Mr. Lee V. Benson, a native Utahn and sports columnist for Salt Lake City's Deseret News.

The year 1985 marks the 10th time in a row Mr. Benson has been named Utah's Sportswriter of the Year by the National Sportscasters and Sportswriters Association. The award is a prestigious one. All sports journalists in the State are eligible. The voters are the sportswriters themselves. An honor bestowed by one's peers is especially satisfying and noteworthy.

The fact that Mr. Benson has dominated his field for such a long time impresses me. It is difficult enough just to get to the top of a profession. To stay there for a decade in the competitive and creative climate of sports journalism is extraordinary.

I am also impressed by the way Mr. Benson has gone about developing and mastering his skills. From all accounts,

his efforts from the beginning have been dedicated and tireless. The son of a farmer and mechanic, Mr. Benson had no head start or special benefits of any kind in his chosen field; just a desire to write and have someone publish his work.

The story of the way Mr. Benson obtained his first job is illustrative of his dedication. It was 1972 and he was a senior at Brigham Young University in Provo, UT. He heard of an opening at the Deseret News, one of Utah's major daily newspapers in Salt Lake City. He immediately applied for the job and an interview with the newspaper's sports editor was arranged. The sports editor was not encouraging, pointing out that Mr. Benson did not have any real experience, aside from the college newspaper, and that he had not yet obtained a college degree.

The night before the interview, northern Utah was hit with a major winter storm. Over 18 inches of snow fell. Visibility was almost zero. All roads were nearly impassable and Lee Benson found himself in Provo, 50 miles from Salt Lake City, with nothing but a 1968 Volkswagen to get him there. He got up 3 hours early and left anyway.

When the Utah Highway Patrol closed I-15 between Salt Lake City and Provo, Mr. Benson doubled back and found an alternate route through Heber City and Park City and down Parleys Canyon to Salt Lake City. There were times he didn't know if his car was still on the highway. But he kept going, finally arriving. He was on time. The sports editor was late.

Later in the day, Mr. Benson got his interview, and still later in the day, he got the job. His first beat was a do-it-right-or-there's-the-door assignment covering prep sports by winter and women's golf in the summer. He got right to it, attacking high school sports with roughly the same vengeance as he had the back roads to Salt Lake City. Four years later, having acquired a working knowledge of the location of every high school gymnasium in every corner of the State of Utah, he moved on to cover college and professional sports. Along the way he began developing as a writer, capturing America's obsession with sports in an entertaining blend of humor, wit and commentary.

In 1979, at only 31 years of age, Mr. Benson became the Deseret News' Sports Editor and daily columnist, a position he continues to hold. In addition to his decade-long lock on the annual sportswriter-of-the-year award, he has received many regional and national writing awards, and has served in a number of important organizations, including most recently a term as president of the College Basketball Writers of America. In 1984, he was ranked among the top 10 sports columnists in the Nation by Associated Press sports editors. Every day he brings us the world of sports, from the Olympic Games to the World Series to University of Utah basketball. We're proud of him in Utah. We think he has sliced off a piece of the American dream. He is doing what he does best and his fellow journalists have once again given him their praise. I join them in doing so, and I thank the chair for allowing me this opportunity to bring to the attention of my Senate colleagues such an outstanding journalist.

A column Mr. Benson filed a few years ago from Super Bowl XV in New Orleans which coincided with the final hours of the Iranian hostage crisis typifies his style. Mr. President, I ask that the column be printed in the Record.

The column follows:

WISH YOU'D BEEN THERE

(By Lee Benson)

NEW ORLEANS.—There were no more hostages to worry about, or presidential races either. What it came down to was whether six-foot-tall Lester Hayes could honestly stay with six-foot-eight Harold Carmichael (he could) and whether a part-Indian reconstructed quarterback could outthrow a Polish strongarm on the other side of the field (he could). Pleasant problems for a change, ones the nation could enjoy. Ones it did.

Sure it was just a football game here on Sunday, the 15th annual Super Bowl to decide the NFL's world champion, which is rather an arbitrary title since nobody else in the world plays American football. But that's the way it is with freedom. Football games can command 100 million TV viewers, assume arbitrary sovereignty, charge $550,000 for one minute of commercial time, and even turn a people city like Noo Awlins into shoulder to shoulder congestion, and I'm not talking about Hayes vs. Carmichael.

America had a celebration here Sunday.

Maybe the entire country didn't attend, but a pretty good cross-section did. Lots of fans from California out West and Philadelphia out East, and politicans and celebrities and media types from every state in the union. No consensus of opinion on who should or would win. No made-by-the-state teams. Good old American hatred between the people wearing green T-shirts and those who drove all the way from Sacramento in five-to-the-gallon Winnebagos with "Go Raiders" scribbled on the white sidewalls.

It was one beautiful sight Sunday—not the game, the people. Seventy thousand visitors in New Orleans, booking every single one of the 22,000 hotel rooms, eating in every single one of the 2,500 restaurants (although Pascal Mansle's got more than its fair share and they say it was worth the wait) and using a football game for an excuse to have a good time while pumping something like 350 million into a grateful New Orleans economy.

I saw America the Beautiful Sunday in New Orleans, and America the Free and America the Spirited. I walked the French Quarter before going to the game in the Superdome at 5 p.m. I wish you'd been there. For some reason, nature saw fit to bestow a windless 72 degree day for ex-hostage Sunday. The aforementioned 70,000 visitors all were outdoors.

There were smiles everywhere—if it is only imaginary that these smiles reflected a relief the Iran captives are back home then tolerate the fact—and Philadelphians clearly outnumbered all others, including, I should think, Louisianans, Philadelphians in green, spelling out E-A-G-L-E-S as they walked in bunches, wearing "Raider Haters" on their hats.

In front of the Old Absinthe House—Where Mark Twain and Jefferson Davis relaxed once upon a time while traveling between books or wars—was a group of high school cheerleaders from Illinois leading cheers for either side, upon request. Further down was a black kid doing a tap dance routine putting anything Shirley Temple ever did to absolute shame. As a capitalist, he was in sharp contrast to the scalper on the corner, waving four tickets to the approaching game and asking $74 apiece. All the while, the dancer kept tapping, and his hat on the pavement kept collecting dollars. In no time, he had enough to get into the game.

In the crowds they all rubbed elbows, blacks and whites and browns and an Arab wearing a ghoutra, and on the street were white Cadillac limos in front of the Montelone Hotel waiting to take VIPs to the game, the cars all decked out with yellow ribbons knotted around their hood ornaments, welcoming 62 Americans back to the land of the free.

In Jackson Square artists were doing portraits in chalk for $20 and on the promenade overlooking the Mississippi a bugler was playing "I Left My Heart in San Francisco" for the Californians, "Philadelphia Freedom" for the Pennsylvanians and "Cryin' the Blues" for those who would lose.

Then, at the Superdome, an 80-foot yellow bow tie on the front and 30,000 yellow bows passed out to the spactators—all this giving way to a noisy, cheering crowd that rose with Helen O'Connell to sing the national anthem and—wait for this—most of them singing with her.

A party and a day for America and Americans, all going their different directions, all free to choose which way they'd cheer, or if they'd cheer at all; or if they'd do like a lot of writers did here earlier in the week—decry the Super Bowl as overrated, as an event that doesn't deserve such national adoration and status, as a sign of the times that America's values are out of touch when so much is made of 22 grown men dressing up in padding and attempting to stop each other from delivering an oblong ball across a goal line.

But for the life of me I could see nothing wrong with the fuss. Getting excited about a couple of free enterprise teams that made it to the top isn't such a bad kind of adoration.

Sure, the Super Bowl is just a game. And there are poverty problems to worry about, and inflation, and worries about oil and rising crime rates and not having enough wilderness area in the Sierra Nevadas. But nobody's forced to go, and forced to enjoy himself, either. It is a game that once a year draws—pardon me—super attention to our free way of life.

Especially this year.

TOM VALLELY—A FIGHTER FOR MASSACHUSETTS

Mr. KERRY. Mr. President, yesterday, one of my closest friends, Massachusetts State Representative Tom Vallely, gave up his quest to become

the next Congressman from the Eighth District in Massachusetts, the seat now held by the Speaker of the House.

There are many other fine candidates left in the race, and I have no doubt the Eighth District will be well-represented by one of them. But with Tom's withdrawal from the race, Massachusetts has, for at least the time being, lost a great candidate for Congress.

Tom Vallely and I go back a long way. Both of us fought in Vietnam, where Tom won a Silver Star for courage. Both of us came back from the war and fought to end it. Tom and I fought for veterans' rights together. We've been through many campaigns together. And for many many years now, Tom has been one of my best friends, through good times and bad.

I have seen Tom's loyalty and courage on so many occasions, and it would have been wonderful for the people who live in the Eighth to have Tom down in Washington fighting for the things he believes in. Tom is tough. He has compassion. He is a fighter. He gets things done. And he sets his own agenda.

It was no accident that Tom Vallely got a gay rights bill through the Massachusetts House and secured enactment of agent orange legislation to find out more about what happened to men exposed to dioxin in Vietnam. Tom turned commitment into legislation throughout his career in the State house, and he will do it again in the future.

Yesterday, Tom recognized that he didn't have the name recognition to compete in the Eighth Congressional District, and he has withdrawn from the race, characteristically, because as the Boston Globe put it, "he didn't feel comfortable asking supporters and potential supporters for so much when the odds were so long."

I have no doubt that Tom will find an important place in the government of our State and our Nation in any case. Tom Vallely may never be on the cover of People magazine—he may never get 100 percent on any lobbyist's list of who voted right on their particular special interest. What Tom has instead is both commonsense and an extraordinary amount of personal and political courage, and those are traits that will continue to serve Tom and Massachusetts well.

In today's Boston Globe, columnist Robert L. Turner wrote a column that captured a lot of Tom Vallely's strengths, called "Bowing Out With Candor." I ask unanimous consent that this column appear in full in the CONGRESSIONAL RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

BOWING OUT WITH CANDOR

Candor has always been Tom Vallely's hallmark.

It is not a quality overflowing from most politicians, and Vallely enjoys surprising people with it—to a fault, sometimes.

When he announced for Congress on Jan. 16, he refused to make hairbreadth distinctions between the way he had divested investments in companies doing business in South Africa and the way Joe Kennedy had. "It's about the same," he said.

Vallely ended his candidacy yesterday with the same candor with which he had begun it.

He said he felt he couldn't win—that his low visibility in a large field prevented him from becoming a contender. And "I'm a little out of step," he said. "I have an inability to take things that are very complicated and make them simple."

This is vintage Vallely. He was a liberal in a liberal district, but he refused again and again to recite the liberal creed.

He was for cutting the Pentagon budget, but not with mindless, across-the-board slashes. He opposed most of the new weapons systems sought by President Reagan, but he said certain systems would improve deterrence and help prevent war. He backed organized labor 90 percent of the time, but not the 100 percent frequently demanded by liberal litmus tests.

He was forever making distinctions that he thought were important, that went to the heart of real policy questions, but that got lost in the hubbub from a dozen candidates.

This doesn't mean that Vallely was always right. His was not the quickest mind in the field—that probably belongs to Sen. George Bachrach—or his philosophy the most coherent—that is probably Rep. Tom Gallagher's.

But Vallely has a restless, inquisitive manner that is skeptical of the accepted wisdom, that is always pushing wider and deeper, looking for the real causes of problems and for real solutions, not for slogans.

Taped over the desk of press aide Carter Wilkie in Vallely's Somerville headquarters yesterday was a picture of Mark Twain with the quotation: "Loyalty to petrified opinion never yet broke a chain or freed a human soul."

That quality will be badly missed in this campaign.

Does Vallely's departure mean that Kennedy's election is inevitable? Not necessarily. Any reduction in the size of the field creates a better chance that someone will be able to engage Kennedy head-on.

But some people felt that Vallely, with his independent thinking, his background as a Vietnam veteran, his money, his expert support and his energy, stood the best chance of beating Kennedy if he could only become a contender.

No one suggested that Vallely's action yesterday was a failure of courage. This has never been a question. Not when he was a Marine in Vietnam, not when he was an antiwar veteran in Washington and not in his six years in the Massachusetts House.

Vallely didn't think twice about opposing organized labor on the prevailing-wage law or the antinuclear purists on nuclear strategy. He was virtually the only white elected official in Boston to support Mel King versus Ray Flynn in the 1983 mayoral election.

When Albert O'Niel, the blunt instrument of this congressional campaign, questioned him on busing recently, Vallely was eloquent in its defense.

And the enormous heart Vallely showed in support of his friend John Kerry in the final two weeks of Kerry's successful campaign for the Senate two years ago was only what would be expected from him.

Indeed, one of the chief reasons for Vallely's departure was his reluctance to ask of his supporters what he was only too willing to give himself.

He felt his candidacy stood for something, especially for a Vietnam legacy he cared about deeply, and he didn't want to see that embarrassed by the poor showing he felt his candidacy was almost inevitably headed toward.

He didn't feel comfortable asking supporters and potential supporters for so much when the odds were so long.

In the end, he was candid with himself. "And I couldn't lie to them," he said.

THE SIX AMERICAN HOSTAGES IN BEIRUT

Mr. MOYNIHAN. Mr. President, this Sunday, March 16, has been declared "Terry Anderson Day" by the New York State Assembly. Terry Anderson is one of the six American hostages being held in Beirut. To commemorate this day, as well as the first anniversary of Terry Anderson's kidnapping and the second anniversary of William Buckley's disappearance, families of the hostages plan to gather before the White House this Sunday. I support this effort, and am pleased to bring it to the attention of my colleagues.

I do not think it necessary to remind my colleagues that six Americans continue to be held hostage in Beirut. Yet I would like to let the families of the hostages, and perhaps the hostages themselves, know that their fate has not been lost in the smoke of more recent terrorist actions. Their names: William Buckley, political officer at the U.S. Embassy in Beirut, kidnaped on March 16, 1984; Peter Kilburn, a librarian at the American University, believed to have been kidnaped on December 3, 1984; the Reverend Lawrence Jenco, the head of Catholic Relief Services in Lebanon when he was kidnaped on January 8, 1985; Terry A. Anderson, chief Middle East correspondent for the Associated Press, abducted March 16, 1985; David P. Jacobsen, director of the American University Hospital, kidnaped on May 28, 1985; and Thomas M. Sutherland, dean of the agriculture department at the American University in Beirut when he was kidnaped on June 9, 1985.

I cannot excape two observations. first, these are honorable men, who were following honorable pursuits when they were kidnaped. Second, these men have been held for a long time, in William Buckley's case as long as 24 months.

The Department of State is in contact with certain governments in the

area, including the Syrians, as well as various factions in Beirut. Vice President BUSH and other members of the administration have also met with Special Envoy Terry Waite, a representative of the Archibishop of Canterbury and an experienced hostage negotiator who has already made two trips to Lebanon. Mr. Waite has been in touch with the faction which is said to hold the hostages, although he has not yet been able to meet with any of them. The State Department operates on the assumption that all six hostages are still alive. And well they should. My colleague across the aisle can tell you a bit about how long the human spirit can survive in captivity.

Secretary Shultz knows well the urgency of this matter. But to the hostages, I say "You are not forgotten." When I was U.S. Representative to the United Nations, the United States introduced a resolution calling for a world-wide amnesty for political prisoners. This resolution was greeted with considerable skepticism, and in any event, was soon amended beyond recognition such that we withdrew it from consideration. But I have not forgotten the comments of a young German reporter at the time: "Word of this resolution will be in every jail cell in Eastern Europe tonight," he said. "I know. Because I was in one of those cells."

Mr. President, our American hostages in Beirut, and their families who wait, are not forgotten. I hope they know this.

DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE JOHN N. McMAHON

Mr. MOYNIHAN. Mr. President, I rise today to salute a public servant. On March 4 the President accepted the resignation of John N. McMahon as Deputy Director of Central Intelligence. His resignation is effective March 29.

Mr. McMahon joined the Central Intelligence Agency in September 1951, and for the next 34 years rose in the ranks until he became principal deputy to the Director of Central Intelligence. Previous to that he served successful tours as Executive Director of the Central Intelligence Agency, Deputy Director for National Foreign Assessment—now Directorate of Intelligence, and Deputy Director of the CIA for Operations. Mr. President, I ask unanimous consent that Mr. McMahon's distinguished biography be printed in the RECORD at this point.

There being no objection, the biography was ordered to be printed in the RECORD, as follows:

BIOGRAPHY OF JOHN N. MCMAHON

John N. McMahon was sworn in as Deputy Director of Central Intelligence on June 10, 1982. In this position he is principal deputy to the Director, who heads the Intelligence Community (all of the foreign intelligence agencies of the United States) and directs the Central Intelligence Agency. A career CIA employee, Mr. McMahon has served in senior positions in all of the Agency's four Directorates.

Mr. McMahon graduated from Holy Cross in 1951; in September he joined the Central Intelligence Agency and was assigned overseas in June 1952. He returned in 1957 for basic training with the U.S. Army. In 1959 Mr. McMahon was assigned to the U-2 program. In 1965 he was appointed Deputy Director for CIA's reconnaissance R&D. In July 1971 he was named Director, Office of Electronic Intelligence and later, Director of the Office of Technical Service. On August 3, 1974 Mr. McMahon was appointed Associate Deputy Director of CIA for Administration, and on May 10, 1976 was named Associate Deputy to the DCI for the Intelligence Community. He was appointed Deputy Director of CIA for Operations in January 1978 and served in that capacity until April 12, 1981 when he was named Deputy Director for National Foreign Assessment (now Directorate of Intelligence), responsible for directing analysis and production of intelligence. On January 4, 1982 Mr. McMahon was appointed as the Agency's Executive Director, responsible for the day-to-day management of CIA; he remained in this position until his appointment as the Deputy Director of Central Intelligence.

Mr. McMahon holds a Certificate of Distinction awarded by CIA, the Intelligence Medal of Merit, and two Distinguished Intelligence Medals and the Intelligence Distinguished Service Medal.

Mr. McMahon was born on July 3, 1929 in East Norwalk, Connecticut. He and his wife Margaret have four children.

Mr. MOYNIHAN. Mr. President, I was a member of the Select Committee on Intelligence for an 8-year term, March 1977 until January 1985. For the last 4 years of that period I served as vice chairman. As vice chairman I strongly supported Mr. McMahon's appointment in June 1982 as Deputy Director of Central Intelligence, and I know something of John McMahon's unique contribution to responsible intelligence gathering and the security of this Nation. I am sorry to see him depart the intelligence community.

To borrow from the British military historian, Michael Howard, the trouble with praising those in this community is of course that when honor is really due, few among us knows anything about it, or I might add, should know anything about it. Such is the case with John McMahon. But I will tell you this. John McMahon is a man of exceptional integrity and loyalty. He has been called the conscience of the Central Intelligence Agency. This penchant for the truth allowed us on the Committee on Intelligence to ensure effective oversight of the intelligence community without compromising the Nation's secrets. And he did this, as well, without violating his loyalty to the Agency he served with devotion and distinction.

CONCLUSION OF ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, has morning business expired?

The PRESIDING OFFICER. Morning business is now closed.

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

Mr. DOLE. The pending business is what?

The PRESIDING OFFICER. The Senate will now resume consideration of the unfinished business, Senate Joint Resolution 225, which the clerk will now report.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 225) proposing an amendment to the Constitution relating to a Federal balanced budget.

The Senate resumed consideration of the joint resolution.

Pending:

(1) Thurmond Amendment No. 1652, in the nature of a substitute.

(2) Hatch Amendment No. 1665 (to Amendment No. 1652), to prohibit borrowing on the credit of the United States unless three-fifths of both Houses of Congress approve a waiver.

Mr. DOLE. Mr. President, I would hope that we could complete action on the amendment that will be offered by the distinguished Senator from Colorado [Mr. ARMSTRONG], and then satisfy the concerns raised by my distinguished colleague from Alabama, Senator HEFLIN, and do all that and then agree that we will go to third reading and have the final vote on the constitutional balanced budget amendment on March 25. And then we hope to move either to the committee funding resolutions or the water resources bill in an effort to complete action on those two matters before midafternoon tomorrow.

I note the distinguished Senator from Arizona [Mr. DECONCINI] is here ready on his side, and I understand the distinguished chairman of the committee, Senator THURMOND, is available. Now we need the Senator from Colorado to offer the amendment.

I know that sometime this morning the chairman of the Judiciary Committee, Senator THURMOND, will ask unanimous consent that his committee may be permitted to meet this afternoon because they were scheduled to meet at 10 a.m. this morning and because of the pending business were unable to do so. But the Senator from South Carolina will make that request. I know we had indicated last evening to the minority leader that that would be forthcoming.

Mr. President, again I would urge those who have amendments to come to the floor. We do want to complete action on this matter this morning. I

would indicate that yesterday during the entire day we only had about 7 minutes of quorum calls. This is the second day of live radio coverage and we do not want to have any more than 7 minutes today.

Mr. MELCHER. Mr. President, will the majority leader yield?

Mr. DOLE. I would be happy to yield the floor.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. MELCHER. Mr. President, I have now been handed a proposed new amendment. The heading on it is "New Armstrong Language." I do not know who is going to offer this amendment, but I am going to read it into the RECORD because I think that it is a serious proposition to be amending the Constitution of the United States. I do not believe we ought to be doing it off the top of our head or by somebody strolling on the floor and casually laying down a new amendment. But I will read how section 1 of the proposed constitutional amendment would read if this language were accepted. First of all, it would strike out whatever was offered last night. It does not say so here, but obviously it would have to strike out what was offered last night by Senator ARMSTRONG and Senator HATCH, and section 1, if this new language were adopted, would read as follows:

Total outlays of the United States for any fiscal year shall not exceed total receipts to the United States for that year unless three-fifths of the whole number of both Houses of Congress shall provide by law for a specific excess of outlays over receipts. The public debt of the United States shall not be increased to fund any excess of outlays over receipts for any fiscal year unless three-fifths of the whole number of both Houses of Congress shall provide by law for such an increase.

The language offered by the two Senators last night, notably Mr. HATCH and Mr. ARMSTRONG, has been stricken and the phrase "by law" is added in the first sentence of this section. The second sentence of the section that I just read, beginning with "the public debt of the United States," et cetera, is entirely new language.

Now, I would say that, if this becomes what we vote on, the Armstrong-Hatch amendment, it is in much better form than it was last night because it does narrow it down in the new language to clearly identify that what is being proposed here for a supermajority vote in both Houses of Congress is the public debt itself. And that was not very clear.

I do not think it could have been interpreted from the language earlier submitted that they were just referring to the public debt. I find it in better form now than it was last night. I would encourage Senators to review it very carefully before we have a vote on it. There may be more bugs in it than what I have perceived.

Mr. DECONCINI. Will the Senator yield?

Mr. MELCHER. Yes; I will be delighted to yield to my friend from Arizona.

Mr. DECONCINI. I just wanted to inform the Senator that the consideration in this language that was worked out somewhat last night was to take into consideration the Senator from Montana and the Senator from Alabama and others who were concerned about the credit of the United States. And I do not think there is any great authorship pride here, but it was the feeling that this really went to the point that the Senator from Montana raised last night, or at least questioned.

He advised us I think that he would have to vote against this amendment because of the uncertainty that it might relate to some of the agriculture programs and this was the best judgment that we could come up with last night.

I welcome some changes on it, but I wonder if it does not really go to some, to the deep concerns that the Senator from Montana expressed last evening.

Mr. MELCHER. I thank my friend from Arizona. That is correct, it does go to some of the uncertainty that was presented by the language last night. The second sentence, "The public debt of the United States shall not be increased," is easily understood and is clear. It does not get embroiled in whether or not the Commodity Credit Corporation is involved or, on the other hand, what other Senators were talking about, whether guaranteed loans were being involved.

Mr. MELCHER. To be specific, it says "public debt of the United States."

While it may have been the primary intention of the authors of last night's amendment, I think they went far beyond that scope, in a far-ranging way that is as yet unplumbed and really not charted. I do not know whether we knew how far we were reaching last night. I think this clearly does express the concern of those who have interest in requiring a three-fifths vote of both Houses of Congress on increasing the public debt. It goes directly to that point.

Mr. DECONCINI. I thank the Senator. I thank the Senator also for bringing it up.

As was expressed last evening, it was not the intent to jeopardize the guaranteed programs as such. I hope this puts to rest some of the concern the Senator from Montana has.

Mr. LEVIN. Mr. President, while Senator MELCHER is on the floor, and because I was involved in this matter last night, I should like to comment on the point he raised.

The new language is intended to clarify that it is subject to the debt limit and not individual obligations. However, the concerns he raised are still very real, and I want to explain why the concerns that he and others raised last night go to the basic heart of this amendment.

The amendment is fundamentally flawed in part because it may reach indirectly those very crop loans he was talking about last night and the guaranteed loans for students, which the Government guarantees. They are still within the reach of this new language.

This amendment has not been cured; it has been clarified. It is still fatefully flawed. It cannot be cured by further amendment. It can only be cured now by being defeated.

The PRESIDING OFFICER. The Senate will please be in order. The Senator from Michigan cannot be heard.

Mr. LEVIN. I thank the Chair.

The PRESIDING OFFICER. The Senator may proceed.

Mr. LEVIN. Mr. President, the issue is this: Do we wish to make it harder to pay the legal obligations, the bills, of the U.S. Government, whether those obligations are CCC loans or deficiency payments or obligations to banks that have lent their money to students based on the Government's promise to pay in the event of default? Do we wish to make it harder to pay our legal obligations? They may be obligations to people who mail our Social Security checks, who work for the Government. Indeed, these obligations may be bills for goods that the Government has purchased.

The issue we are going to vote on in this new language is whether to make it more difficult for the United States to honor its obligations. The issue is whether the full faith and credit of the United States shall have a question mark after it instead of an exclamation point.

It is an altogether different thing to make it harder to incur obligations. That is an important goal, and reasonable people can differ on whether the advantages of putting constitutional limits on that outweigh the dangers of doing so. But it is fundamentally different and simply wrong to make it harder to pay our legal obligations, and that is what this amendment more clearly does, and that is why it should be defeated. Those obligations, I emphasize, could be those CCC loans. They could be loans to students which have been guaranteed by the Government. They could be any number of things.

The language makes it clearer that we are no longer focusing on those, so the language is clearer, but those obligations of the Government, very clearly, can still be caught by this language.

Mr. President, the new language makes it clearer that Government guaranteed loans and farmers' crop loans are not treated differently from other obligations of the United States. It is clearer now that they are all in the same leaky boat.

It is clearer now that it is not intended that the bills for those loans or obligations be treated differently from other incurred obligations. They will all be placed in doubt, in the event the debt limit might have to be raised. It could take only 41 of us instead of a majority to stop those bills from being paid, if those are the bills that the Secretary of the Treasury puts at the bottom of the pile.

Mr. MELCHER. Mr. President, will the Senator from Michigan yield?

Mr. LEVIN. I yield.

Mr. MELCHER. Mr. President, I want to express to my friend from Michigan that I thoroughly agree with his analysis of the proposed new language. I think his analysis is entirely correct.

I also want to express to my friend from Michigan that I agree with his premise and his logic of voting against this amendment. I still will oppose the amendment. I think the new language will verify what the amendment seeks to do, but I believe it is a threshold that we do not want to raise by constitutional law.

Mr. LEVIN. I thank my friend. I appreciate that comment very much.

Since I was involved in this discussion last night, I thought it was important to emphasize here that this amendment is clearly and fundamentally wrong, even though it is clearer. The language was being revised to meet this concern which the Senator from Montana had raised, but I am still very much opposed to this amendment.

Mr. President, it is going to be argued that the only other way to enforce the rest of this constitutional provision is with this new language. That is not even accurate, because the sponsors of this provision, in their committee report, said that the spirit of the constitutional amendment would not be violated by a de minimis excess of outlays over receipts even to the extent of a $10 billion excess. Let us say that the outlays are $5 billion over receipts for 1 year and there is an effort to raise the debt limit to accommodate it. Again, we are talking about legal obligations already incurred, not future spending. The issue is obligations which this Government has already incurred.

The sponsors of this amendment said that that $5 billion de minimis excess is within the spirit of the constitutional amendment, that there is no violation of the spirit of the amendment; yet, under this amendment, the revised language or the old language, 41 Members could stop the debt ceiling from being increased to pay for those obligations that were incurred by the U.S. Government.

So, Mr. President, the language change clarifies the intent, and it is now easier to see why it is so clearly wrong in its approach. While I am glad that intent has been clarified—as I understand, it is going to be—and I thank the sponsors of the amendment for doing that, I will not be offering my amendment, because my amendment cannot cure this amendment. This amendment can be cured now only by being defeated.

Mr. HATCH. Mr. President, I assure my colleagues that we are trying to accommodate all of them.

I ask unanimous consent that the amendment (No. 1665) be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1668

(Purpose: To prohibit borrowing on the credit of the United States unless three-fifths of both Houses of Congress approve a waiver)

Mr. HATCH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Utah [Mr. HATCH] for Mr. THURMOND and himself, Mr. DECONCINI, Mr. SIMON, Mr. ARMSTRONG, Mr. BOREN, Mr. GRAMM, and Mr. WILSON, proposes an amendment numbered 1668.

Mr. HATCH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

Mr. DECONCINI. I object.

The PRESIDING OFFICER. The clerk will read the amendment.

The assistant legislative clerk read as follows:

On page 1, line 12, insert after "receipts." the following:

"The public debt of the United States shall not be increased to fund any excess of outlays over receipts for any fiscal year, unless three-fifths of both Houses of Congress shall provide, by law, for such an increase.".

Mr. HATCH. It should be "three-fifths of the whole number of both Houses of Congress shall provide, by law * * *."

The PRESIDING OFFICER. The Senator has a right to modify his amendment. The amendment is so modified.

The modified amendment reads as follows:

On page 1, line 12, insert after "receipts." the following:

"The public debt of the United States shall not be increased to fund any excess of outlays over receipts for any fiscal year, unless three-fifths of the whole number of both houses of Congress shall provide, by law, for such an increase.".

Mr. HEFLIN. I did not understand the modification that was sent to the desk.

Mr. HATCH. The clerk misread what was sent to the desk. The language added will be:

"The public debt of the United States shall not be increased to fund any excess of outlays over receipts for any fiscal year, unless three-fifths of the whole number of both houses of Congress shall provide, by law, for such an increase.".

Mr. DECONCINI. Mr. President, if I could just for a moment, if the Senator from Utah will yield——

The PRESIDING OFFICER. The Senate will be in order.

Just a moment, please. The Senator from Alabama was asking a question. Has the Senator finished his question?

Mr. HEFLIN. I would like to clarify. Section 1 of this amendment will now read as follows:

Total outlays of the United States for any fiscal year shall not exceed total receipts to the United States for that year, unless three-fifths of the whole number of both Houses of Congress shall provide for a specific excess of outlays over receipts.

"The public debt of the United States shall not be increased to fund any excess of outlays over receipts for any fiscal year, unless three-fifths of the whole number of both houses of Congress shall provide, by law, for such an increase.".

That is the way section 1 will read, is that right?

Mr. HATCH. The Senator is absolutely correct.

Mr. HEFLIN. This makes a distinction between the three-fifths vote pertaining to the specific excess of outlays over receipts and the public debt increase. The public debt increase, while requiring three-fifths of the whole number of both Houses of Congress to approve it, by law, and the words "by law" being added thereto, as I understand it, means presentment to the President, where the President has the right to veto or has the right to sign. If the President vetoes the bill it will be returned to Congress for action to possibly override the veto.

As I understand it, regarding the specific excess of outlays over receipts in the first sentence, there is no requirement that Congress by three-fifths vote do this "by law." Therefore, I interpret this to mean that the first sentence which has the requirement of the three-fifths vote to provide for a specific excess of outlays over receipts does not include presentment to the President and, therefore, the issue of whether the President signs or vetoes will not arise.

I just want everyone to understand. Is this interpretation correct? If it is incorrect, I would like to have it corrected. I am seeking to have uniformity of interpretation concerning the three-fifths vote and presentment to the President. And there have been some differences of opinion.

Mr. HATCH. I think my friend raises an important issue.

Article I, section 7, of the Constitution requires all bills to be presented to the President for his action, as the distinguished Senator has pointed out. It has been the intent of the authors of Senate Joint Resolution 225 to require presentment of any bill authorizing raising the debt under our "safety valve" provision. This is accomplished by the addition of the words "by law" to the three-fifths clauses in section 1. These words "by law" are not incorporated in the first sentence of section 1 to permit Congress to decide whether a bill or resolution shall be approved by three-fifths to authorize in excess of outlays over receipts. Even if Congress uses a resolution, a subsequent appropriations bill will usually, and I think in all cases, be required to authorize the outlays excess. That, of course, would involve the President.

So in the ultimate conclusion of this, the President would be involved and would have the right to sign or veto, and we would have the right to override any particular veto.

I think the Senator has done a service to this body and to this discussion by raising this issue and I think making it clear just where we are going in this matter.

I yield to the distinguished Senator from Illinois for the purpose of making a comment.

Mr. HEFLIN. Let me reply to the distinguished Senator from Utah before the Senator from Illinois begins.

The appropriation process which will follow, as the distinguished Senator from Utah said, would not involve a three-fifths vote regarding appropriating that excess of the outlays over receipts but it would involve a majority of those present and voting and would involve the presentment of the President and his right to sign or veto.

Mr. HATCH. The Senator is absolutely correct.

I think that is an important point to make and he has made it and made it eloquently.

Mr. HEFLIN. But in increasing the public debt of the United States, since the world "by law" was used the President would be involved, there would be presentment to the President, the President would either sign or veto.

Mr. HATCH. That is correct. These things will happen simultaneously and the Senator is correct, and I think the record is well made.

Mr. SIMON. If I can just add, and I thank my colleague for yielding, that is the four of us, THURMOND, DECONCINI, HATCH, and I, have been discussing that this morning, as the Senator from Alabama knows, with him. That is our unanimous interpretation. It is clear, that is our intent, and I think the Senator from Alabama has helped to make crystal clear what we want to do in this regard.

Mr. HEFLIN. Does the distinguished Senator from South Carolina agree with that?

Mr. THURMOND. Mr. President, I commend the able Senator from Alabama for raising these points and expressing himself on them and clarifying the subject for the RECORD.

I do agree with what the distinguished Senator from Alabama said and with the interpretation that he has placed upon it.

Mr. HATCH. I personally thank the distinguished Senator from Alabama as well. I think this has been a fruitful discussion, and certainly I hope the work all of us have done into the evening last night and not finishing until probably after 11 o'clock—I did not leave until 11:15—has been fruitful.

Mr. HEFLIN. I see the distinguished Senator from Colorado [Mr. ARMSTRONG] present. I want to be sure that he understands that and has no objection to this modification since it is really his amendment.

The amendment as it is would require the public debt to have a three-fifths of the whole number of each House by law, but the deficit statement or wherever the approval of the specific excess of outlays over receipts requires a three-fifths vote, but no presentment to the President.

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Alabama so the Senator from Alabama may pose a question to the Senator from Colorado?

Mr. HATCH. I yield, without losing my right to the floor.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ARMSTRONG. I thank the Senator from Utah.

If the Senator from Alabama will yield, I will be glad to respond. First, I would like to say publicly something that I said privately to the Senator from Alabama. I really think the contribution which the Senator from Alabama made to this discussion yesterday was enormously valuable because he brought into focus this presentment question which had never really been understood by most Senators.

I will have to admit it had never crossed my mind at any stage of the game that the question of the President's signature was in doubt. I think he has done us a very valuable service.

My own preference, let me say to the Senator from Alabama, is that the President be required to sign any of the documents that are referred to herein; in other words, I would rather that the whole thing was subject to presentment.

It is my understanding that in sifting this through and trying to sort of find the golden mean, what is the most satisfactory to the largest number of Senators, the resolution under the leadership of the Senator from Utah, it is that the first part, that is the three-fifths vote to establish an excess of outlays over receipts, would not necessarily require presentment, but that an increase in the debt limit would be by law, and, therefore, by definition would require presentment.

I personally would be more comfortable if the whole thing went to the White House, but I believe there is a point at which we have to arrive at an accommodation. While it is not entirely to my liking, I think it is serviceable.

In fact, Mr. President, while I am on my feet, let me just say this: This has been referred to a few times as the Armstrong amendment. It really is not the Armstrong amendment. Senator BOREN and I raised a question about the debt limit and about the need to have a three-fifths majority and it was a concern of ours, but the Senator from Utah, the Senator from South Carolina, the Senator from Illinois, the Senator from Arizona, the Senator from Alabama, and others, have been just as interested, and the final formulation of it was worked out last night by a number of Senators and members of their staffs.

While this is not exactly the way I would have written it, I think it is serviceable. I think it will serve its intended purpose and I think it is good, and I say let us go with it.

Mr. HATCH. Mr. President, I thank the Senator from Colorado. I yield to the Senator from Alabama.

Mr. HEFLIN. Mr. President, I appreciate the remarks of the Senator from Colorado. I agree with him, I would prefer presentment, but I am not going to stand in the way. I think we need the constitutional amendment.

I might say this: After the public debt reaches a point and that you have an excess in the future, and you only have an increase whenever there is an excess of outlays over receipts, you will then have two steps: one step, an authorization of a specific sum to have an excess of outlays over receipts, and then you will have the second step of raising of the public debt. So, in effect, they are both tied together and, in effect, the presentment to the President will occur when raising the public debt and the President would participate.

I assume that the orderly fashion of doing this might be a resolution providing for the specific excess of outlays over receipts and raising the debt limit at the same time, and sent to the President. It probably will be done separately, but it could be done jointly. One would be superfluous because the President would be required to sign it.

But I think, from a practical viewpoint, we are quibbling over something

that, in the long run, the difference will not be important.

Mr. HATCH. Mr. President, I thank the distinguished Senator from Alabama for his comments on this.

Let me just take a few moments to comment on the amendment itself. This is an amendment by Thurmond, Hatch, DeConcini, Simon, Armstrong, Boren, and Gramm. I personally wish to express my appreciation to the distinguished chairman of the Judiciary Committee for the fight he has waged for this balanced-budget amendment every single year of his tenure in the Senate. Without him, it would not even be on the floor. I just want everybody to know that.

I also want everybody to know who are listening on the radio that this is probably the last time a balanced-budget constitutional amendment will be brought to the Senate within the next number of years. So this is the time to enact it if we are going to do so. I suspect that, as all constitutional amendments are, it is very difficult to enact because it takes a two-thirds vote in both Houses of Congress. This is a very hard-fought matter and I hope our citizens out there will bring this to the attention of their Senators, whichever side they are on. If you want a balanced-budget amendment, then you had better start talking to your Senators now because there are a number who are not going to vote for this, even though they feel we should balance the budget, many of them. If you are against it, then talk to your Senators about that. But I hope that the citizens of this country would play a significant role, because there will be a 2-week delay here and that vote will be a very, very important vote.

This amendment might be adequately described as the "safety valve" amendment. Section 1 of Senate Joint Resolution 225 already states outright that "total outlays . . . shall not exceed total receipts" Without the three-fifths authorization of a specific excess of outlays over receipts. This means Congress and the President would be obligated to ensure that no deficit ever occur in the absence of a three-fifths authorization. Since the third branch would have no ability to order the legislative and executive to meet this obligation, this provision is intended to serve as a safety valve. It will require a three-fifths vote to increase the public debt to fund a deficit. This additional provision will increase the pressure to comply with the mandate of this proposed constitutional amendment, and this puts more teeth into this constitutional amendment.

Last evening, a version of this amendment was perceived to have created some ambiguities about loans and borrowing under the FHA, CCC, student loan, and other Federal lending and financing programs. This change in language is intended to clarify our intent to limit the effect of this amendment to increases in the public debt necessary to fund a deficit for any fiscal year. It does not cover borrowing within our during a fiscal year by FHA, CCC, or any other entity of the Federal Government or the Treasury itself. These entities are not restricted by this language at all. As with current law, these entities would only be affected if Congress elected to make alterations in those programs. If these entities needed to borrow or seek further appropriations to fund their obligations, those borrowing or appropriation activities would be counted as outlays under the aggregates of this amendment. But the effect of these agencies on the budget aggregates is accounted just as any other program's effect on the aggregates. No single program would ever be responsible for creating a deficit. Accordingly, the actions of this amendment will not affect any single program. Congress will determine what is necessary to comply with this amendment in the event that there is any need to make alterations in Federal programs or taxes to comply with the balanced budget norm.

In other words, Congress may, from time to time, have to choose among competing priorities, but at least Congress has that right to choose and no particular program is in danger.

To repeat, this new language is intended to clarify that increases in the public debt are only subject to three-fifths approval if those increases are funding an excess of outlays over receipts in budget aggregates.

This language is also meant to clarify that borrowing during or within a fiscal year to deal with fluctations in the rate receipts are collected or outlays are disbursed. This only clarifies that if the public debt must ever be increased—most likely by increasing the statutory public debt limit—to accommodate a budget deficit for a fiscal year, that increase must occur by a three-fifths margin in a bill that is submitted to the President.

This will provide a safety valve in the form of a second three-fifths vote in the event that Congress and the President are ever in danger of creating an excess of outlays over receipts. It will thus ensure that public debt limits act to make the norm of a balanced budget work.

Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. SIMON. Mr. President, first of all, I wish to commend Senator HATCH and all those who had anything to do with drafting this revision which clearly gets us out of some problems that were called to our attention by the Senator from Michigan and the Senator from Montana and others. I think this is better language.

I do want to comment just briefly on the comments of my good friend from Michigan, for whom I have the greatest respect, on the guarantees of this Government. When we guarantee a loan, that guarantee is still going to be good. What this constitutional amendment means is we are going to be a little more careful in starting to move into guaranteeing things. And that caution is, frankly, needed.

There is no question, if this amendment is adopted, that the guarantees of the Federal Government are just as good, just as strong and, in fact, perhaps a little better than they were before because we are going to be in better fiscal shape. Those guarantees mean a little more from an institution that is in sounder shape.

And let me tell you, without an amendment like this or something along this line, we are headed for real trouble.

So I again commend my colleague. I hope that the Senate will adopt this amendment at this point, and come March 25, we will move decisively in support of the constitutional amendment.

Mr. LEVIN. Will my friend from Illinois yield?

Mr. SIMON. I yield to my colleague from Michigan.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. I thank my friend from Illinois for his comments.

I could not agree with him more—that we need caution in incurring obligations. I happened to have voted for the Gramm-Rudman amendment, by the way, because I think we should show some restraint. I think it is long overdue in this country, and in this Government. There can be a good faith difference, I believe, in the value of this constitutional amendment in terms of trying to give us some restraint in terms of incurring future obligations.

Reasonable people can differ on this. I happen to oppose the amendment because I think it is dangerous in many ways. I think the advantages of the restraint are outweighed by the danger when you give to the minority for instance in the Congress the right to determine whether or not we are going to go into deficit financing to get out of a recession. Reasonable people can differ on that. My friend from Illinois and I differ on that. I would like to think we are both reasonable people.

The point on this amendment however is whether we pay the bills we have incurred. That is the issue—whether we are going to make it tougher to pay our bill, not whether we are going to make it tougher to

pass programs. That should be tougher. I am all in favor of that. I am in favor of restraint in terms of what new obligations you incur. That is long overdue—that restraint.

But the issue on this amendment is whether we make it harder to pay the bills we have already incurred with people who have provided services to the U.S. Government, or people who have relied on the full faith and credit of the U.S. Government. That is the issue here.

The issue is not the future. The issue is the obligations we have already incurred, and whether we will then make it tougher to raise the debt limit to carry out those obligations.

That to me is a moral issue. I want to reduce this deficit as much as anybody but not this way—not by telling banks or farmers, or whoever, who have provided services or who have worked for the Government, that it will be tougher to raise the debt limit if we had to pay our obligations that we are legally obligated for.

Mr. SIMON. Will my colleague yield?

Mr. LEVIN. I yield for a question. I would be happy to.

Mr. SIMON. I thank him.

My experience in this Congress is that while there is reluctance in moving forward to meet obligations and increase that indebtedness, we do it. I am confident that we will continue. I have never voted against a single measure to increase the debt limit in my 11 years in the Congress.

Mr. LEVIN. Is the Senator saying that we do or we should?

Mr. SIMON. I say that we have been doing it, and we will do it.

Mr. LEVIN. Should we do it?

Mr. SIMON. We should do it.

Mr. LEVIN. If we should do it, why should we make it harder to do it? This amendment makes it harder to do it because it says now it is going to take 61 of us instead of 51 of us to pay our bills. Why does the Senator want to make it harder to do what we should do?

Mr. SIMON. Will my colleague yield?

Mr. LEVIN. I would be happy to yield for a question.

Mr. SIMON. I think we have to make it harder to incur that indebtedness so we are going to be more cautious, and that the Senator wants. I think we are talking about current obligations which we are going to meet. There is no question in my mind about that. If there were any questions, I would not be voting for this, and we are going to be a little more cautious in the future.

Mr. LEVIN. Most of the time we have not gotten three-fifths of the votes to pay our bills.

Mr. SIMON. That is correct.

Mr. LEVIN. Most of the time we have not gotten three-fifths of the votes to pay our bills, folks. It is easy to vote against an increase in the debt ceiling if people can make political points by voting against it. By the way, I have never voted against increasing the debt ceiling either, because I think we ought to pay the bills of this Government. We should not make it harder to pay the bills. We ought to make it harder to incur the debt to begin with. That is the purpose of this constitutional amendment.

May I say while reasonable people can differ over whether the risk of doing it outweighs the advantages of doing it, I do not think we ought to make it harder to pay bills that have been incurred. These are legal obligations of the U.S. Government; legal obligations of the U.S. Government. These could be banks that have lent money to students. It could be crop loans to farmers. We do not know what it will be that will be at the bottom of the pile on the desk of the Treasurer of the United States. But sooner or later we may be in the situation even without violating the other provisions of this constitutional provision——

Mr. DECONCINI. Will the Senator yield?

Mr. LEVIN. Let me finish. Just 1 moment, and then I would be happy to yield.

We will or may be in the position where we have to vote to increase the debt limit even though we have not violated the spirit of this constitutional amendment. I quote from the committee report:

> The spirit of the amendment would not be violated if, at the close of the fiscal year, a de minimis balance was determined to have occurred. What is de minimis is subject to some interpretation but given present day monitoring abilities and the size of the Federal budget it would be fair to say that a $10 billion imbalance, or roughly 1 percent of the Federal outlays, would not reflect an intent to avoid the purpose of this amendment.

OK, the spirit of the amendment is not violated if we go up to $10 billion over. But we still have to raise the debt limit. We might have to, unless we can get a tax increase voted around here. We might have to vote on it. As a matter of fact, this amendment assumes we might have to vote on a debt limit increase.

Mr. DECONCINI. If the Senator will yield on that point——

Mr. LEVIN. I am happy to yield.

Mr. DECONCINI. On the point made a moment ago, I wonder if the Senator says we have all these obligations here, and we are making it impossible for us perhaps——

Mr. LEVIN. Not impossible, but harder.

Mr. DECONCINI [continuing]. Making it harder for us to pay that bill. But I wonder if the Senator knows that—I do not know, but I know it is very low, but maybe the Senator knows it. How many of these guarantees become defaulted in a year? I will bet it is less than 5 percent of the dollar. It may be down to 1 or 2 percent. So no prudent lender requires that you set aside anticipated losses at 100 percent. You just do not do that. So the Senator is saying that we have to do that because we are going to make it harder to pay those losses if they come about.

Mr. LEVIN. No. I do not think that is my point.

Mr. DECONCINI. A small loss may come about, and we continue, even though it will come about, but assuming there is a small loss, how many——

Mr. LEVIN. I may be misunderstanding my friend. That is not my point. My point is what we are talking about in this pending amendment are the legal obligations of the United States.

Mr. DECONCINI. Guaranteed.

Mr. LEVIN. Could be guaranteed, could be crop loans, could be anything—could be any bill that happens to come across the desk of the Treasurer when there is inadequate funds in the Treasury to pay. He is going to have to pick which bills we will pay with the funds and which ones we will not, unless the debt ceiling is increased. These are legal obligations. They could be student loans from banks; they could be CCC loans. We do not know what they are.

Mr. DECONCINI. Are they not likely to be guaranteed loans? Is that not how we got into this discussion last night?

Mr. LEVIN. Could be.

Mr. DECONCINI. Mostly guaranteed loans, student loans, or CCC loans?

Mr. LEVIN. Could be wages to folks who send out Social Security checks.

Mr. DECONCINI. But to me, if the Senator from Michigan will just pause for a moment, it seems there is a lot of difference whether it is a guaranteed loan that is secured by some value, made to some individual first who has the first call to pay for it, and the Government is the final guarantor, then it is that the Government stands up and makes the loan itself, or the Government makes the cash payment or has agreed on a certain date such as issuing checks that have to be paid to the Federal retirees.

To me there is a big difference here, and the Senator from Michigan with the greatest respect that I have for him, it seems to me is trying to lump them all here, and saying the cash disbursements for retirees is the same as the guarantee on a CCC loan.

I submit to the Senator from Michigan that there is a great difference both as to the default and the ultimate obligation by the U.S. Treasury.

Mr. LEVIN. In both cases they are legal obligations of the United States.

One has the full faith and credit of the United States behind it, but in both instances I think my friend would agree we are talking about the legal obligation of the U.S. Treasury. The U.S. Treasury does not pay anything except the legal obligations of the United States, at least I hope not. I hope the Treasurer is not paying out things we are not obligated to pay.

When my friend from Illinois, who is the prime sponsor of this amendment, says in his usual candid, honest way we should if necessary increase the debt limit to pay our bills, then why in the name of Heaven do we want to make it harder for ourselves to do what we should do?

Maybe we ought to raise taxes to do it. By the way, I have voted at least against tax cuts in this body. So I have been one who has been willing to take the medicine on that issue. Maybe we should do that. We made it a little harder to do that in this amendment, too.

But that is not the issue. We have to face the issue of eyeball to eyeball in this amendment.

The issue here is if that time comes when we must vote to raise the debt limit of the United States—because that is the issue we are voting on—do we then want to make it harder to pay our bills or easier? Harder to keep our commitments or easier?

My friend from Illinois said we should not make those commitments so easily. I could not agree more. I voted for Gramm-Rudman. We are now talking about commitments which have been made. We are not arguing in this particular language whether we should make them. We are talking about whether we pay the bills we have incurred. That is the issue.

Mr. SIMON. Will the Senator yield?

Mr. LEVIN. I am happy to yield for a question.

Mr. SIMON. I thank my colleague for yielding. Let me say that he and I generally vote together. In fact, a recent analysis of voting records shows that I vote more like the Senator from Michigan than any Member of this body. I hope it does not ruin the reputation of the Senator.

Mr. LEVIN. I welcome that, and I hope you can survive that in Illinois, too.

Mr. SIMON. I think the Senator from Colorado has made this very clear. What he wants to do is to put some real teeth into this thing to make sure that we do not in some fashion get around this thing, and I think that is all to the good.

Mr. LEVIN. If I could comment, I will yield the floor in 1 minute.

You are putting teeth into it and that sounds great. The teeth you are putting into it are immoral teeth, they are the wrong teeth. I want to pay our bills. You do not want to tell somebody to whom we owe money, who has provided services to this Government or who has lent money to a student based on the full faith and credit pledged of the U.S. Government, you do not want to tell those people that, "We may or may not pay you," in order to put teeth into a constitutional amendment.

That is not the way to do it. The ends do not justify the means. They do not justify any means around here.

What we are doing is, sure, we are putting teeth into it but we are putting the wrong kinds of teeth. These are bad teeth. These are unfair teeth. These are teeth which are going to bite the wrong people. These are teeth which are going to bite the banker who lent money to the student based on the pledge of the U.S. Government.

In conclusion, let me just say this, that the full faith and credit of the United States used to be followed by an exclamation point. If this amendment is adopted, it will be followed by a questionmark.

I yield the floor.

Mr. ARMSTRONG addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ARMSTRONG. Somebody has to have the last word. I think the Senator from Michigan has had it. I share his point of view. I agree with the Senators from Illinois, from Utah, from South Carolina, and from Arizona that this is a good amendment, and I hope it passes. I believe all Senators understand the issue and we are ready to go to a vote.

Mr. HEFLIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. HEFLIN. Mr. President, the language now changes section 1. I think we have clarified the issue concerning the presentment to the President. We still have the question of the changes that have been brought about by the Domenici amendment and bringing the word "total" into the picture with the word "outlays" and the word "receipts."

I have been trying to figure a method by which we could resolve this and resolve it to where there is uniformity as to the intention, trying to gather a method by which CCC loans, nonrecurring loans, loan guarantees, these offsetting matters and that sort of thing, could be clarified.

I have discussed it with some.

If I can get the attention of everyone, including the Senator from Michigan, I believe if we were to prepare a very detailed colloquy of definitions similar to what is contained in the report language as to how the words "total" and "outlays" apply, what is included, it would be helpful. Obviously, from statements last night by the distinguished Senator from Utah, CCC loans, revolving loans, nonrecourse loans, and loan guarantees are not intended to be within the term "total outlays."

I would think if we could prepare a detailed colloquy similar to the language that is in the definition section of the report in Senate Joint Resolution 225, dealing with outlays and receipts and publish it in advance of March 25 so everybody could review it and look at it, to see if they had any question—and I would particularly like to have the Senator from Montana, Senator MELCHER, who is very knowledgeable on farm matters, farm loans; Senator LEVIN, the Senator from Michigan, who raised these questions, Senator SARBANES, and others, to look at the colloquy—if there are differences as to what they might consider in definitions, we could discuss it and try to reach a uniformity of interpretation as to what is to be included in the term "total outlays" and in the term "total receipts."

I think we could resolve the issue and my reservation about technical amendments, while I would still want to reserve it, the chances are that the colloquy could take care of those technical amendments and we could cure this situation in a matter about which we would have uniformity of legislative history, with no ambiguity.

I think the report language attempted to do that, but I am fearful that the word "total" means all outlays. We have already seen from statements on the floor by the distinguished Senator from Utah that it does not include all outlays. Largely, the definitions that are included in the report language are not be be changed by this.

Mr. HATCH. Will the Senator yield on that point?

Mr. HEFLIN. Yes.

Mr. HATCH. I said that it does not include guarantees.

Mr. HEFLIN. What I am saying is that if the staff of the Senator's committee could work on this and come forth with it, publishing it about 2 or 3 days in advance of March 25, allowing for corrections or arguments pertaining to it and then on March 25 prior to the vote have a detailed colloquy, a colloquy in which Senator THURMOND, Senator HATCH, Senator SIMON, Senator DECONCINI all in effect would agree on a uniform interpretation of these terms, it could be helpful.

Mr. THURMOND. Will the Senator yield?

Mr. HEFLIN. I yield.

Mr. THURMOND. Mr. President, I think we can discuss this matter and reach an agreement on that by the 25th. I suggest that the Senator and some of us get together and work up a colloquy and present it at that time. Is that satisfactory?

Mr. HEFLIN. I would like to have it published in advance so that people could see it and see exactly what it is and what it means.

Mr. THURMOND. This could be done Monday or Tuesday.

Mr. HEFLIN. I think it ought to be done at least by Friday before the vote on Tuesday.

Mr. THURMOND. I see no objection to that. If the Senator wants to prepare such a colloquy, or we will work with him, I am sure we can agree on a colloquy on that matter.

Mr. HEFLIN. I would suggest that that be done.

While I have the floor, let me make one statement.

The Armstrong amendment, in my judgment, puts teeth into the constitutional amendment. We have had many statutory enactments that say we are going to have a balanced budget. We have a procedure under the constitutional amendment that makes it harder to have an unbalanced budget, to have deficit spending.

You have a procedure here by which, if you have an excess of outlays over receipts—and that means deficit spending during a fiscal year—you must approve that specific amount by a three-fifths vote of the whole membership of both Houses. That in itself is fine, but it is largely directory. It does not have an enforcement procedure. An enforcement procedure is provided by the Armstrong amendment, which is the public debt.

The distinguished Senator from Michigan said it makes it harder to pay our debts. What it does is make it harder for us to vote a deficit. It means that if we do vote a deficit and therefore, we have to increase the public debt, if we fail to increase the public debt, then Government will come to a halt. If we do not increase the public debt, eventually, we run on a balanced budget.

We cannot run on deficit spending. Therefore, it has the intention of making it harder. So I say it is not for the purpose of making it harder to pay our debts, it is to make it harder to go into deficit spending and it gives an enforcement procedure.

I think that the distinguished Senator from Colorado [Mr. ARMSTRONG] is to be commended—before when this came up and is to be commended now for this. Other than just being directory, it now has some teeth and that is what is so important if we are going to do away with deficit spending and operate so that we do not spend any more money than comes into the Government. That is what we are trying to achieve here. But it does allow for the escape in those instances of depression and those instances of war.

In my judgment, I still think my amendment on undeclared war should have been adopted, but I am not going to fight that again. I say now it has an enforcement procedure in it, a process, a mechanism that is so important, and it is not just words that we could pass by and ignore.

Mr. HATCH. Mr. President, I do not want to prolong this debate, but I want to make this one statement on offsetting receipts.

Yesterday, we adopted an amendment proposed by Senator DOMENICI, distinguished chairman of the Budget Committee, to add the language "total" in front of outlays to underscore the committee report's principle that no particular programs are moved off-budget to escape accountability under Senate Joint Resolution 225. If some categories of Federal spending were not included in "outlays" as defined under this amemdment, the advocates of every category of spending would be tempted to have their pet programs excluded from the constraints of the amendment. Not only would this circumvent the intent of the amendment, it could destroy the Federal budget process as a comprehensive approach to Government spending, receipts, and borrowing. We would have reduced, rather than increased, our fiscal controls.

For that reason, all Federal spending and taxing programs must be included under the constraints of Senate Joint Resolution 225. The addition of the word "total" reinforced this principle by adding language to the proposed amendment to the Constitution.

We hope that makes it clear.

Mr. President, we are prepared to go to a vote.

Mr. THURMOND. Mr. President, before we vote on this amendment, I want to thank the distinguished Senators here—Senator HATCH, Senator SIMON, Senator DECONCINI, Senator HEFLIN, Senator ARMSTRONG, and others who participated, for their excellent work in preparing this excellent amendment. I also want to thank the staff members who worked on this amendment last night and chiefly accomplished this for us:

On my staff, Mr. Joe Buzhardt was most helpful. On Senator HATCH's staff, Mr. Randal Rader was most helpful; on Senator DOLE's staff, Mr. Pieler was most helpful. On Senator DECONCINI's staff, Bob Fiedler was most helpful and on Senator SIMON's staff, Laurie Westley was most helpful. On Senator HEFLIN's staff, Karen Kremer was most helpful.

I just want to pay tribute to these people who worked last night several hours to work this matter out and they did a great job in connection with it.

On Senator ARMSTRONG's staff, I believe Tony Coppolino and Lincoln Oliphant were most helpful.

We want to express to all these people our gratitude for their working with us and trying to bring forth an amendment that we feel could be a consensus and could get adopted.

The PRESIDING OFFICER. Is there further debate?

Mr. HEFLIN. Mr. President, I understand from the Senator from Utah that there are no exclusions. This puts a different light on it. I had hoped that I could work it out through a colloquy, but it may well be that we will certainly have to consider amendments now on the 25th relative to this matter and we shall have to study what it means.

The PRESIDING OFFICER. Is there further debate?

Mr. THURMOND. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. LEVIN. Mr. President, are we operating under unanimous consent now?

The PRESIDING OFFICER. There is no unanimous consent.

Mr. LEVIN. So there is no limit on later amendments, as my friend from Alabama indicated might be forthcoming?

The PRESIDING OFFICER. Amendments to the unamended parts of the resolution would be in order.

Mr. LEVIN. May I understand, just one quick question to my friend from Utah—and perhaps my friend from Alabama can listen to this—that he would be opposed to exempting anything from that word "total" outlays for the reasons that he gave?

Mr. HATCH. I cannot state for the distinguished Senator from Alabama.

Mr. LEVIN. No, Mr. President. I am saying did I hear my friend from Utah correctly that he would oppose exempting anything from that phrase "total outlays" for the reasons he gave?

Mr. HATCH. No, Mr. President, we are talking about outlays. We would be opposed to excluding any literal outlays from the effect of this amendment, that is correct. But they have to be outlays.

Mr. LEVIN. Of course.

If, for instance, loans are involved which would require an outlay to pay it back that made the outlay, that outlay would be included in the language.

Mr. HATCH. If it becomes in default, that becomes an outlay, of course, but only if the loan is in default.

Mr. LEVIN. Those are the only loans we are talking about, those that are in default, because those are the loans the banks are afraid will not be paid so they require payment from the United States. Those are the outlays we are discussing. If I understand my friend from Utah, I think my friend from Alabama is exactly right. He has said he will oppose any exception, any amendment to that word "total" outlays. That is what we are facing right now.

Mr. HATCH. If we do not do that, we are going to provide a mechanism

for any Senator to load anything into the amendments.

Guaranteed loans do not represent outlays in the year in which they are guaranteed. The proposed amendment would not preclude the Congress from authorizing such agreements. However, just to make it clear, to the extent that a guaranteed loan is defaulted by the borrower, the outlays would come under the terms of this amendment in the year of the default. It is just that clear.

Irresponsibility in extension of loan guarantees by a prior Congress could cause a successor Congress to face painful budgetary choices—no question about it—just as under current laws. It is the same as current laws. It would be those irresponsibilities that a successor Congress should face explicitly rather than the current practice of automatically shifting the burden to the private sector.

Nothing in the proposed amendment would prevent Congress from adopting constructive procedures for dealing with this aspect of spending. If anything, the amendment itself could be constructive in inducing Congress to adopt long overdue guidelines and procedures for the Federal credit budget.

So this has great meaning, and I think the Senator has done a service in making sure that we have this clarified once and for all. I think it has been cleared up. I do not think there is any question about it. We are just not going to let any loopholes on outlays exist. It is that simple. We want Congress to do what it really needs to do. We have been using every mechanism through the years to get around a balanced budget and to shift things off to other areas. We have used off budget mechanisms. We have used private sector mechanisms. You can go on and on—capital mechanisms. There are other ingenious approaches. I cannot believe the ingenuity of the Members of Congress who want to spend and sometimes that includes everybody, because everybody here wants to spend one way or the other.

What we are trying to do is have a constitutional amendment that will give the taxpayers and the citizens out there a break by giving them a fair game so that Members of Congress have to stand up and do things straight up, and not find loopholes, and not find ways around the law, and not find ways around a constitutional amendment to continue the spending practices that have brought us to a $2 trillion to $3 trillion national debt.

Now, that is what we are trying to do. We think this amendment does it. We think it does it in a legitimate, reasonable, easily enforceable way, and we believe that everybody who understands the budget understands that clearly. I am prepared to vote.

Mr. LEVIN. Mr. President, I thank my friend from Utah. I do think that he has been forthright on this issue, but I would want to make it very clear that no colloquy is going to solve the problem of my friend from Alabama, because the colloquy is not going to permit any combination, any modification, any deviation from what the Senator from Utah has said.

Total outlays will include any outlay which is necessary to pay on a defaulted loan. It will include that, and so then the question will come: Are we going to pay loans that this Government has guaranteed or are we going to make it more difficult to pay those loans? Do we really want to make it more difficult to pay our bills? That is the question. Should we ever incur those bills to begin with? I happen to agree with the Senator. I happen to agree where he says we should make it more difficult to incur those bills. But this is the place that we differ and I think where our friend from Alabama has made such a contribution. We ought to pay our obligations once they are incurred, and that is the issue on this amendment, whether we want to make it more difficult for ourselves to do that.

Mechanisms to get us to reduce deficits are fine. I am all for them. But not mechanisms which hit the wrong people, people who provide services, people whose loans have been guaranteed, people who rely on the full faith and credit of the U.S. Government. That is not the mechanism you want to look to. You do not want to threaten people who have provided services to this Government that we are not going to pay the bill for those services. You do not want to threaten farmers who have relied on the law that they are going to get a crop loan. You do not want to threaten those farmers with no loans after they have been assured by law that that loan will in fact be made to them. So you are threatening the legal obligations of the Government, and that is where I think we must draw the line. We should make it harder for ourselves to do that.

Mr. HATCH. Will the Senator yield?

Mr. LEVIN. I will be happy to yield.

Mr. HATCH. We are not doing that at all, no way. The farmer has his loan. The Government has not incurred an outlay expense unless that farmer defaults. When the farmer gets the loan, he knows that he has to live up to the credit.

Mr. LEVIN. I am talking about the bank that makes the loan.

Mr. HATCH. Even so, the bank knows its obligations and it knows why it is making the loan. It knows it is being protected by a U.S. guarantee.

A little bit further. This is just a program.

Mr. LEVIN. Just a what?

Mr. HATCH. A program out of thousands of programs that we fund in the Federal Government.

Mr. LEVIN. But we have to focus on some program.

Mr. HATCH. There is no reason why we cannot resolve the problems. We just have to make the priority choices.

Mr. LEVIN. To answer the question, we have to focus on a program to illustrate the point. The point here is that a bank has made a loan to a farmer based on our promise to repay. Now we are saying that repayment, if that loan is in default——

Mr. HATCH. No.

Mr. LEVIN. If I could just finish—that repayment, if that is the thing which pushes us above the debt limit, if that is the one bill that is at the bottom of the pile on the desk of the Secretary of the Treasury, then it will take 60 of us, three-fifths of us to vote to raise the debt limit to pay that particular bill.

Now, I think we ought to pay that bill. It was a good faith bill by a bank relying on our promise of the full faith and credit of the U.S. Government. So should we use mechanisms to reduce deficits? Your darned right. But those mechanisms must not jeopardize the full faith of this Government and must not put teeth in this at the expense of people who have in good faith provided us services and lent money to people based on our guarantee.

Mr. HATCH. If the Senator will yield——

Mr. SIMON. Will the Senator yield?

Mr. HATCH. If the Senator will yield for just one more comment—and I will be happy to yield to my friend from Illinois—look, if a farmer defaults on a CCC loan or FHA loan or whatever it is and the bank is held responsible and the Government has the guarantee, that may be $100,000, it may be $150,000—I do not know what it is, but it would be a pretty pathetic thing if we Members of Congress cannot resolve it. So it is not the monumental problem that the distinguished Senator has indicated.

Mr. LEVIN. It is a monumental principle.

Mr. HATCH. But as Members of Congress, we will have to make priority choices among competing programs. I have no doubt in my mind that we will always live up to the guarantees of the United States of America. We have to. But it may mean that we are going to have to either raise taxes, cut other programs, or get the three-fifths vote to increase the debt limit.

There are lots of mechanisms. We may have to set up contingency funds. We may have to do a variety of things that will be financially and fiscally responsible, things that are not being done today. That is what this amendment is going to help us to do.

We can debate these individual items ad infinitum. It does not make much difference. It just comes down to the

fact are we going to be fiscally responsible or are we not. And that is what this amendment requires us to be.

Mr. SIMON. Will the Senator yield?

Mr. LEVIN. If I could just comment on that before I do yield because I did have the floor. I would like to comment on that question. The amount of money may not be monumental in that particular instance, but you have to talk about some real example. Let us use that example of a $100,000 loan. It may not seem like a monumental loan to you, but it is to that bank that made that loan. It could be a small bank. The principle is monumental. My friend from Utah says he has no doubt that we will always pay our obligations. His amendment makes it harder for us to pay these obligations. That is the issue. Do we want to make it harder when that moment comes, if it ever does, that we have to increase the debt limit? Do we want to make it harder to pay legal obligations of the United States? Should we have incurred those obligations? No. Under the Senator's amendment, in fact, we probably will never be in the position, if it passes, where we could incur them. Under Gramm-Rudman or a similar approach, we are not going to be incurring these obligations. I have voted in many instances to cut incurring these obligations. I have voted where necessary to raise revenues to pay our obligations.

That is not the issue. The issue in this amendment is where those legal obligations have been incurred, do we want to make it harder to pay.

My friend from Illinois is candid. He said we should pay our obligations. This amendment says, yes, but it will take 60 of us to pay our obligations instead of 50. So I understand what the Senator is trying to do. He is trying to put a mechanism in here which he thinks will help enforce the other provisions of the constitutional amendment. But what I am saying is the teeth that he is putting in it are biting the wrong people—biting the banker who makes the loan on the good faith of the United States, or biting the person who provides services to the United States, or biting somebody who is working in the Social Security Administration sending out our Social Security checks. He is biting the wrong people.

Mr. SIMON. Will the Senator yield?

Mr. LEVIN. I will be happy to yield. I yield the floor.

Mr. SIMON. If my colleague will yield for a question, though.

Mr. LEVIN. I will be happy to.

Mr. SIMON. I think it ultimately gets down to a judgmental call. It is based on this question: If we have obligations, will there be 60 votes to raise the debt or 51 debts to raise the tax to meet those obligations? My belief is the Congress of the United States is not going to avoid meeting its obligations. I gather the judgment of the Senator from Michigan is he thinks that somehow we will not do it.

Mr. LEVIN. You are making it harder. That is all I am saying. This amendment makes it harder to meet our obligations, not easier.

Mr. SIMON. I understand it makes it harder, but does the Senator from Michigan really believe we will not meet our obligations?

Mr. LEVIN. The Senator from Michigan has been on this floor on many occasions when we could not get 60 votes to meet our obligations.

Mr. SIMON. Temporarily.

Mr. LEVIN. Many occasions. And permanently.

Mr. SIMON. But we always manage to do it. And I think we will do it.

Mr. LEVIN. You are making it harder to do it. For the life of me, I understand why we want to make it harder to incur obligations but not by threatening not to pay the ones that have been incurred. That is a means to an end that I do not think we ought to threaten. Should we not incur these obligations? Absolutely. Should we threaten people to whom we owe money that we will not pay that money in order to deter us from making obligations? No. That is a means to an end that I do not think we can justify. That is the difference between us.

Mr. SIMON. I recognize that.

Mr. LEVIN. I do not think it is a justifiable mechanism. Is it a useful mechanism? Will it work? It might, but then the question is what are you willing to do to achieve an end? I think, again, the teeth that we are putting into this are going to bite people who have provided services who have worked for the Government or who have lent money to students based on the full faith and credit of the Government. You are biting the wrong people with these teeth.

Mr. SIMON. If I felt this would do that, I would be voting against the amendment, as the Senator from Michigan will.

Mr. BOREN. Mr. President, I certainly commend my colleague from Michigan for his interest in this matter. My respect for the Senator from Michigan is very great. I hold no one in higher esteem in this body than I do the Senator from Michigan. He is a very thoughtful person. He has stood with us on many occasions. He has indicated his sympathy, as he is doing today, for the farm program and for those who must depend upon the reliability of Government programs at critical points in terms of economic crisis. I appreciate his sensitivity to those problems. But, with all due respect, I believe that today he is seeing something in this proposal that is not there.

As the Senator from Illinois has said, if I truly believed that it would work as the Senator from Michigan is saying, I would not be for this proposal myself.

We are not operating here in a vacuum, however. We have had experience at the State level with budget balancing amendments.

I had an experience with that kind of provision as Governor of Oklahoma. we did not have the right to increase the public debt of the State of Oklahoma or the indebtedness of the State of Oklahoma if our estimates of our income and our estimates of our spending did not happen to be acurate. We did not have the luxury of paying it out of the deficit, as we do again and again at the Federal level, until we have run our country into the ground, until we have created a looming crisis in our country, in which we have decimated key sectors of our economy, and we attract foreign money to pay the interest on our debt, which is the result of living beyond our means for many years. We did not have that luxury at the State level.

If the income was not sufficient to fully fund the budget, we simply had to automatically reduce our spending proportionately, until the legislature and the Governor got together and made a decision: either cut other areas of spending or raise additional revenues to pay the bills. It works.

The State did not break any of its obligations. Those not under contractual obligation were proportionately reduced until the money was there to pay the bills. It does not result in failing to meet responsibilities.

Mr. DECONCINI. Mr. President, will the Senator yield for a question?

Mr. BOREN. I yield.

Mr. DECONCINI. In the experience of the Senator from Oklahoma, did the State of Oaklahoma have any guaranteed programs where they extended their credit without having to put up the money and guarantee any obligations?

Mr. BOREN. We did not have a lot of guaranteed programs. There are certain guaranteed bond programs where the full faith and credit of the State stands behind those. We never had an experience of defaulting on any of those responsibilities. We had entered into contracts for goods and services, and those contracts were honored, and we proportionately reduced other kinds of expenditures.

Mr. DECONCINI. If that is the case, that there were some obligations or guarantees there, those guarantees, in and of themselves, were not included?

Mr. BOREN. That is correct. Those obligations were met without proportional reduction.

Mr. DECONCINI. And before they were met, they were not included in your receipts and disbursements, were they?

Mr. BOREN. It would depend on the program. They were not proportionally reduced in midstream.

Mr. DECONCINI. So far as having to pay that, which the Senator indicated the State never had to, it would not have been part of the equation of what the cost to the Government would have been unless there was a default. Is that correct?

Mr. BOREN. That is correct. It would not have been part unless there was a default.

Mr. DECONCINI. I thank the Senator from Oklahoma, because I think that underscores what we are talking about here. It is really two different things.

The Senator from Michigan has left some impression that the obligations through guarantees are going to be part of an obligation to pay immediately. That is not the case. A long period of time goes through in any default before it becomes the obligation of the guarantor. I am sure the Senator from Oklahoma agrees that there has to be legal action to take back the property that is put up as the security. The individual also has probably signed and maybe put up other security. Then, of course, if it is not enough to pay the loan, maybe half the loan, maybe all of it, goes to the guarantor.

Mr. BOREN. The Senator is correct. In our experience of operating under the balanced budget amendment at the State level, we have never experienced a situation in which the Governor of the State and the members of the legislature failed to meet their responsibilities. If we found that the actual income fell below the estimates or the outflow was ahead of the estimates, we simply managed a special session of the legislature or took care of it in a regular session, in a straightforward manner, to say that we have a shortfall and we have a choice. One choice was not to increase the debt of the State. Our choice was to cut certain areas of spending, to bring it back into balance, or raise revenues. By following that procedure, we have avoided a lot of problems that we have incurred at the Federal level, and these problems are decimating our country.

We have reached the point where we all understand that it is not a question of whether some day the next generation of Americans will have to pay the bill. We all know they will.

There is no way you can run budget deficits such as we are running, to the tune of $200 billion, and the bill not some day come due. There is no way that in order to fund those domestic budget deficits, by continuing to cripple the whole export sector of this country—agriculture, heavy industry, or other export products—you will not eventually come into the situation in which people in other countries to whom we owe money will not finally say that we have to pay that money back.

When we have to pay that money back, the standard of living in this country will have to be diminished.

We all understand that if we save money and lend it to someone else, we are deferring the enjoyment of that money ourselves until some later period of time because we want to earn a return on that money in the meantime. Other countries are lending us money right now on that basis. But they are not going to forever defer the enjoyment of the fruits of that money, which they have earned by selling us more than we have been selling to them. When they decide that they want the pleasure of enjoying that credit balance that they have built up against this country, the real standard of living of our people is going to plunge.

So here we are debating a constitutional amendment to try to rectify that situation—at a point in time when we are the first generation of Americans who are likely to be passing on to the next generation a diminished standard of living and a diminished quality of life from that which we have enjoyed. Throughout our history, every succeeding generation of Americans has had its standard of living and quality of life a little better than the preceding generation. Every succeeding generation has been a little more highly trained, a little more educated, a little more literate than the previous generation.

We have reached the sad point in our country where it is increasingly possible that this generation, for the first time, will pass on something less, something diminished, to the next generation. I do not think any of us want to do that.

It is our hope and dream, as Americans, not only that we will benefit from the heritage that has been passed on to us, but also, that we will care enough about this country and its future that we will add something to it in ourselves, our own efforts, our own spirit, and enhance it in some way as we pass it on to our children and grandchildren.

But we are not going to do that. Why? Because time and time again we have paid for our own pleasure, we have paid for the programs which we want to enjoy now, we have paid, you might say, for the luxuries for this generation by sending the bill on to the next generation.

I think what the American people want is for us to finally have to live within our means so that we do not continue to erode the future of this country, that we do not continue to live off our inventory, that we do not continue to denude the shelf at the back of the store without replenishing it.

This amendment, yes, it is radical in a sense compared to what we have been doing.

It says this: If you have an actual imbalance in your budget, if you are spending more in actual fact at the end of the fiscal year than you have taken in that fiscal year, you must make two difficult choices: you must either reduce your standard of living, the way you have been living beyond your means, you have to cut your spending; or, you are going to have to find some way to pay for it through additional revenues to the Government.

That is exactly the choice which the American people want us to have to make. That is exactly the choice that year in and year out, except in times of emergency or some extraordinary circumstance, that we should be making.

We should not be continuing to live beyond our means by simply paying for it by adding to the debt.

So, yes, this makes it much more difficult as a choice. It is more difficult as a choice to live beyond our means and say we will simply pay for it by adding it to the debt. It requires a supermajority. It is for us by simple majority to either cut our spending or increase our revenues to balance our budget. It should be. If we are going to sell this budget balancing amendment to the people of the United States as some kind of long-range solution—by the way, it is certainly no short-range solution—we are fooling ourselves and the people if we say that we ought to go ahead and make our responsibility here and now.

It has always been a little ironic to me that the President, who has submitted budgets to us that have been in deficit approximately a trillion dollars by his own suggestions what he asked us to do himself over the last 4 or 5 years, that he ran about the country calling for an amendment to balance the budget, when he himself becomes engaged in the budgetmaking process, instead of sending us budgets over here billions and billions of dollars in the red, requesting us to rubberstamp those budgets deficits that are huge. If he had already done his job and engaged us to better do our job we would not be in the situation we are in.

If we are going to have an amendment, and I think we should have a constitutional amendment, let us not send an amendment to the States with no teeth in it.

As I mentioned last night, we have balanced the budget in this country in Congress several times just since I have been here a mere 7½ years. I can remember the joy we felt on several occasions when we thought we had our paper estimates of our income and our paper estimates of our outflow all in balance and it was a wonderful pre-

diction that we were on the road to balancing the budget and going to live up to the law, the statute that the Senator from Virginia at that time, Senator Harry Byrd, had written into the statute, only to find at the end of the year that our estimates were over by billions of dollars.

What this does is put some teeth into the provision. It says if we are wrong in our estimates and we finally have to face the fact that we are spending more than we are taking in, we are going to either have to cut the spending or raise taxes, or we are going to have to marshal a supermajority to increase the public debt of this country.

This should only be a last resort and it should take a supermajority. This amendment makes sense. It does not mean that Congress is not going to stand behind guaranteed programs.

It means we will be forced to come in here and set priorities, find ways to pay for those programs, including keeping faith with those that are under control and we will meet those responsibilities.

States have met those responsibilities operating under very, very similar circumstances as those that are required in this amendment.

Mr. METZENBAUM. Mr. President, will the Senator from Oklahoma yield for a question?

Mr. BOREN. I am happy to yield.

Mr. METZEMBAUM. The premise of the Senator's remarks is that we have to reduce the standard of living of Government and we know that under the original constitutional amendment it provides that revenues must at least equal outlays. Under Gramm-Rudman, assuming we were able to meet that target, we would still be $140 billion short this year.

Is it not the fact that we will then have to go out and borrow that $140 billion, and is it not the fact that a bare majority will not be sufficient but that we will have to have three-fifths?

Under those circumstances, are we not putting in jeopardy the CCC funds, the TVA funds, those funds? As a matter of fact, the Senator from Utah has actually said that anything the Federal Government spends except to pay off the debt is embraced within the term "outlays?" That means SBA, that means farm housing loans, all of that money is obtained through the Federal financing bank.

Do I understand my friend from Oklahoma to be saying that none of those moneys can be raised from the public if this amendment is adopted and that, furthermore, we will not be able to pay our debt? We are not now talking about expenditures. We are talking about paying past debts. That is the point that the Senator from Michigan has been making. How do we pay our past debts?

Mr. BOREN. I say to my friend from Ohio, and I will try to be brief because I know my colleagues who have been here earlier are anxious to bring this matter to a close and allow the Senate to express its will on this matter, first of all, that if we were to pass this constitutional amendment through Congress, it, then, of course, must be submitted to the legislatures of the States, ratified by the legislatures of the States. We all know that this is a time-consuming process. It is not going to happen overnight.

One of the reasons why many of us felt we must get on a glide path to a balanced budget is not only there is an urgent and immediate need to do so, but we hope it will allow us then in an orderly way to put in place a process that will keep our budgets in balance once we reach those targets for the future so we will not fall back into our old bad habit of simply charging everything to the next generation and adding it to the national debt and paying for things out of the debt ceiling.

We are not in a circumstance where this amendment is going to take effect tomorrow. If we act on it today, it is not going to go into effect tomorrow.

It is my hope, if we do submit this amendment to the ratification of the vote of the State legislatures and they are moving to the ratification of it, it will be another incentive to us to work along this glide path to make sure we get the budgets in balance by the time this amendment is due to come into effect.

Then we will not have the problem that the Senator is anticipating.

I know the economy of this country is going to be in shambles if we do not move toward a balanced budget, perhaps not in the manner that Gramm-Rudman now imposes upon us, but certainly in terms of getting the total deficits down under that kind of a guideline. I think it is essential that we do that.

I would simply say, and the Senator from Ohio knows my strong feeling about agricultural programs, educational programs, if I were rewriting the budgets of this country, priorities would be very different. I would not be increasing foreign aid by $3 billion and cutting education by $3 billion.

It is often said I wish whoever wrote the President's State of the Union message about the importance of education also had a hand in writing the budget. They, obviously, did not talk to each other.

But I think we are simply in a situation where we are not singling out any program; we are singling out all the outlays.

In terms of the loan programs, many of the agricultural programs are revolving funds, that not only have payments at one end but also have paybacks at the other, so they are running a deficit.

Mr. METZENBAUM. They run back for more money. The CCC, the Conservation Corps, the Commodity Credit Corporation just needed $5 billion, as I understand it. You would not have been able to get that $5 billion because that would have been increasing the debt to the Federal Government had this amendment been in place without getting three-fifths of the Members of Congress voting for it.

Mr. BOREN. We finally get into the situation and it is true if we have a shortage at the end of the year—some years there are surpluses and some years there are shortages.

Mr. METZENBAUM. When was there ever a surplus?

Mr. BOREN. I did not bring over my research on that point.

But, of course, in the recent years, the last 3 or 4 years, because of the agricultural depression, we had the most serious problems, and this Senator has certainly supported emergency appropriations to make those funds whole.

We still have to consider that under appropriation for a particular period of time. We do not do this on a weekly basis.

If we are going to run short on an annual basis when the money runs out and then we do have to dip into what would be called net outlays for the Government, we are not getting in as revolving funds paying out; we have to make a supplemental appropriation to it. That supplemental appropriation and every supplemental appropriation for every program of every kind of spending imaginable would fall under the rules that we would have to pay for in one of two ways: Either cutting other programs to come up with the money, raising revenue to come up with the money, or if we had a surplus in some area of the budget, tapping that surplus in the budget. The States sometimes have had that. Or we have to add to the debt.

Mr. METZENBAUM. How about those we owe debts? We have—I forget how much it is—I think it is in excess of $2 trillion in debt now. That debt rolls over every year. That means that there is nothing—they could not issue new bonds unless Congress authorized it by a three-fifths vote.

The Senator from Oklahoma does not have to be persuaded how difficult it is to get a majority around here to increase the national debt. If you need a three-fifths vote it would become almost impossible. Are we not going to jeopardize our ability to meet out obligations in the future once we pass this amendment as amended by this amendment?

Mr. BOREN. I thank my colleague from Ohio. I would just have to conclude—and I will conclude at this point so we can go forward with a vote—that

I suppose we just have an honest difference of opinion on this matter. I think we should treat all of our obligations the same. I cannot believe the Congress would fail to meet the responsibilities that would in any way impair the full faith and credit of the Government of the United States. We have always, over the years, attached a very high priority to maintaining the full faith and credit of the United States once it is extended and maintaining the credibility of that full faith and credit. I believe any succeeding Congress would be derelict in its duty if it failed to so so.

What we have done all too well, all too well, is continue to live beyond our means, spend beyond our income, and pay for it by increasing the national debt. That has been a serious mistake economically and socially for this country. It is time for us to remedy that mistake. It is time for us to quit paying for our excessive spending, which exceeds our income, by continuing to pass on the bill to the next generation, by adding it to the deficit, and by continuing to increase the national debt levels. I think it is time we put the brakes on. I think this amendment is an effective way to apply those brakes and I think it is sensible and sound public policy.

Mr. MELCHER. Mr. President, I want to make three points.

First of all, while we have had a confusion on guaranteed loans being compared to the funds to operate the Credit Commodity Corporation, I believe that perhaps that has been clarified to the extent that we now recognize that Credit Commodity Corporation funds are appropriated. When the crop loans, for instance, are paid back, the funds paid back go directly to the Credit Commodity Corporation as a revolving fund.

Nevertheless, this particular amendment disturbs me and it disturbs me on a very basic, fundamental point. The actions that Congress takes from time to time are almost invariably decided by majority vote and not by anything more than a majority vote. Yet, there we are going to impose a super 60-percent vote on Congress in what is currently the functions of the day-to-day operations of Congress. Because that is where we are. Since we have large deficits and since we have a large public debt, we are attempting to gain control of it and to establish priorities. And, by and large, we are doing that on a majority vote, as it should be.

My friend from Oklahoma mentioned that when he was Governor of Oklahoma, when they were faced with an unbalanced budget, they had to make corrections in that. Of course, if their legislature is like our Montana Legislature, they did it by majority vote, not by some figure of a supermajority, in this case 60 percent is what we are proposing here.

I believe that this is very unwise to raise this threshold. It is not done very often in the Constitution. It is reserved for a few very serious propositions where we require more than a majority vote. In both of the two sentences of this section, by requiring three-fifths of the whole number of both Houses of Congress for an action to be successful and to pass the Congress, I believe we are raising the threshold too high.

For that reason, a fundamental reason, I shall vote against the amendment and I hope it is defeated. If the amendment is passed and adopted as part of section 1, I believe that it will require some careful research and examination by many of us to see how extensive this raising of the threshold to 60 percent of the whole number of both Houses and how it impinges on not only the Credit Commodity Corporation, but it impinges on some other programs that are vital to the success of the United States.

I sincerely hope that the amendment is defeated because the basic constitutional amendment as proposed does enough. We go far enough in revising the Constitution on balancing the budget. I am afraid this amendment goes much too far.

Mr. METZENBAUM. Mr. President, I thought it would be a little interesting to check some history on this subject, and so I dug out the files. I think we ought to understand that not since 1981 has the Senate had a three-fifths majority to increase the debt limit. And I also checked to see how those who are sponsoring this amendment have voted in the past with respect to increasing the debt limit.

Now in 1981, we increased the debt limit $50 billion and in that instance it was by a vote of 73 to 18. Senator HATCH, yes; Senator ARMSTRONG, no.

Then we get after that into 1982 and we increased the debt limit by $64 billion. In that one, the vote was 49 to 41, obviously not three-fifths. Senator HATCH, absent; Senator ARMSTRONG, no.

In May 1983, we increased the debt limit by $400 billion, Senator HATCH, yes; Senator ARMSTRONG, absent.

In November 1983, we increased the debt limit by $61 billion. The vote was 58 to 40, obviously not a three-fifths majority. Senator ARMSTRONG, no; Senator HATCH, no. It might be interesting to note that had they both voted yes at that time there would have been a three-fifths majority.

In 1984, there was an effort to increase the debt limit by $251 billion. The vote was 14 to 46, it was defeated. Senator ARMSTRONG, no; Senator HATCH, no.

In 1984, they then came back to the same issue, reconsidered it, and at that time it did pass by a vote of 37 to 30, again not by a three-fifths margin. Senator ARMSTRONG, absent; Senator HATCH, yes.

And in 1985, even though it was a part of the Gramm-Rudman bill, they still did not have a three-fifths majority. And with that, Senator ARMSTRONG and Senator HATCH, yes.

My point is that those who are proposing this amendment have not been a part of that group which was willing to increase the debt limit in the past; that, as a matter of fact, there has only been since 1981 one instance in 1981 when there was a three-fifths majority.

I think what you are doing is hamstringing the Government. I think you are making that which you would propose as a constitutional amendment that will work totally unworkable. And I would say to all of my colleagues who have a concern about farm programs, who have a concern about TVA, who have a concern about the Bonneville Power Authority, who have a concern about the SBA, who have a concern about student loans, who have a concern about any of the lending agencies of Government, that with this amendment it may be impossible to run the Government in the future, but, even worse than that, it probably would be impossible to meet our debt obligations to the people who hold the U.S. bonds or other obligations.

Mr. DECONCINI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. WILSON). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. EVANS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EVANS. Mr. President, I did not intend to speak on this amendment but I cannot proceed without responding to my good friend from Oklahoma. We served together as Governors, and had many opportunities to work under the strictures of a balanced budget. And he pointed out this morning in some detail the efficacies of the balanced budget amendment at the State level, and how well it worked.

Let me repeat again that State balanced budgets and State balanced budget amendments are far more apparent than real. All States, or virtually all States, have separate capital budgets which would paint a considerably different picture if that were applied at the Federal level.

In addition, when States have found it difficult to balance their budgets under the strictures of a balanced budget amendment, they have used a wide variety of fiscal legerdemain to show a balanced budget when in fact they were taking from the future. These elements include such things as underfunding the amounts that need

to be applied to State pension programs. They include changing the scope and nature of a fiscal year. They include—and they did include in the State of Washington—adding the 25th month of a biennium in terms of income which is a one-time gain.

Several States borrow funds on a short-term basis from credit markets to cover operating expenses. I certainly do not suggest that that is wise budgetmaking, but nonetheless they do it. Michigan, Minnesota, and Washington have all done that. Almost half of the States at one time or another have postponed certain payments into the next fiscal period to give the appearance of a balanced budget. They improve their cash flow also by pulling revenues into the current fiscal period when they normally would be delayed until the next.

In other words, there are many, many ways to reach a balanced budget, and this amendment—and, in fact, the balanced budget amendment itself—will not by itself do the job.

It is strange. It is strange, indeed, that we will likely have a vote on the constitutional amendment when it comes to final passage where 60 or perhaps 63 or 64—but I do not think 67—will vote for it. It is strange indeed that there is this 60-plus majority in the Senate avidly supporting a balanced budget amendment to the Constitution, a number incidentally strong enough to vote cloture—far more than enough to do the job of budget balancing.

What in the world has happened in past years? Where have these same people been in past years? What has prevented them in past years from doing the responsible job that has been talked about at length during the course of the last week?

No amendment is necessary for that 60-plus in this Senate to do the job of responsible budgeting. This amendment, I think, is a wrong addition. And there will be many opportunities, if the amendment is adopted to speak on it, and to analyze it between now and the time of the final vote on the 25th.

I hope it will not be adopted. It puts strictures on this and future Congresses that will prove to be not only painful, but just simply wrong.

Mr. President, I think it is quite apparent that those who would suggest that the States are paragons of virtue simply have not analyzed how and under what circumstances States have purportedly lived up to their balanced budget amendments. Those amendments have not been the things that have worked. States that have done a good job financially, and States that have budgeted responsibly have done so because it was the choice of those who served in the legislatures, and those who governed those States to do so. It was not the balanced budget amendment, which I have shown can be eluded in many, many ways.

Mr. HATCH. Mr. President, Senate Joint Resolution 225 does nothing described by the Senator from Michigan. It addresses no specific programs, only aggregates. It only says that Congress must prevent total outlays from exceeding total receipts. Congress must act to ensure deficits do not occur. Congress will finally be obligated to remain fiscally responsible.

Senate Joint Resolution 225 does not jeopardize these programs, loans, or guarantees in the slightest. We have heard many drastic predictions that Senate Joint Resolution 225 might somehow harm these basic services. These predictions might be justified if Senate Joint Resolution 225 required a balanced budget under all circumstances and if Congress were not free to implement 225 responsibly. Let me be perfectly clear. Senate Joint Resolution 225 could not cause the drastic consequences predicted by the Senator from Ohio; only Congress could cause those conditions. And it is very unlikely that Congress will be insensitive to the needs of their constituents. To repeat, Senate Joint Resolution 225 does not harm these programs in the slightest. It does not change the circumstances affecting Social Security at all. Under Senate Joint Resolution 225, these loans could only be harmed if Congress elected that course—an unlikely prospect.

If the conditions described by the Senator from Michigan were even remotely possible under a balanced budget in some future fiscal year, Congress could avert those consequences in many ways. It is important to review those alternatives which clearly leave Congress in the posture of deciding how to handle difficulties. Thus, Congress, not Senate Joint Resolution 225, would dictate any potential alterations in loans of all kinds.

It is important to note, however, that I cannot imagine a senerio under which Congress is likely to fail to keep its commitments. As has been repeatedly mentioned, Senate Joint Resolution 225 will be implemented by legislation. In this legislative implementation, Congress will be free to suggest whatever protections are necessary to prevent any damage to the basic purposes of Social Security. Even in the most desperate economic circumstances, Congress would have alternatives to ensure that these vital programs are not harmed. Let me list some of these. Congress could set aside a contingency fund to cover defaults. Congress could enact spending rescissions or cuts in less important programs to secure compliance with a ratified Senate Joint Resolution 225. Congress could by a majority vote of both Houses of Congress enact a tax increase or surtax to comply with 225. Congress could do any combination of these alternatives to comply with Senate Joint Resolution 225. Moreover the President would have a role in enforcing this amendment. The President could veto inappropriate spending, defer spending in accord with authority conferred by the 1974 Budget Act, recommend rescissions or tax increases, or any combination of these alternatives to complement Congress's compliance actions. It is important to note that none of these alternatives imply defaulting on loans.

It is important to note that I have not yet mentioned the authorization of a specific excess of outlays over receipts by three-fifths vote. Yet this would still be a further safety valve. In the conditions described by the Senator from Michigan, I would fully expect that Congress could muster the consensus to take such a step. This is still a further protection.

Although I am confident that most of my colleagues have voted at one time or another to preserve the basic purposes of these loan programs. Indeed very few, if any, Senators would allow the United States to default on its obligations.

Mr. DECONCINI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. EVANS). Without objection, it is so ordered.

Mr. DOLE. Mr. President, I understand we are about ready to vote on the pending amendment. The distinguished minority leader wishes to speak on the amendment.

While we are awaiting that, I thought I might indicate to my colleagues that if we can let this be the last amendment, and if we can satisfy the concerns of the Senator from Alabama and get agreement for final passage on the 25th of March, it would be my intention to move to one of three things:

The committee funding resolutions which we have to do by tomorrow. There will be amendments and votes on committee funding.

Reconciliation, which we have been working on. I think a number of Members on both sides have a deep interest in that.

Third is a water resources bill, if we can accomplish that, something we have not been able to do for 9 years. I know there are some concerns. The Senator from Ohio has expressed concern about amendments, but there is another glitch or two we are trying to work out in the water resources bill.

Overall, I understand that members of the committee, both Republican

and Democrats, are pretty much in support of the committee bill and would like to get it up and out. We might be able to do that rather quickly.

I would hope that Members will not be inconvenienced if we are here for a while this evening.

Mr. HART. Will the Senator yield?

Mr. DOLE. I am happy to yield.

Mr. HART. What did the majority leader say about an evening session?

Mr. DOLE. I said there might be one.

Mr. HART. When will the majority leader know about that?

Mr. DOLE. I am almost certain there will be one right now. But with all of these other matters there has been some concern about trying to get out in midafternoon tomorrow. If the Senator has a special request, maybe we can work on it.

I am advised by the distinguished minority leader that we can proceed with the vote.

Have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered.

The question is on agreeing to amendment No. 1668, as modified.

The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Idaho [Mr. SYMMS] is necessarily absent.

I also announce that the Senator from Arizona [Mr. GOLDWATER] and the Senator from Maryland [Mr. MATHIAS] are absent on official business

The PRESIDING OFFICER (Mr. PRESSLER). Are there any other Senators in the Chamber who disire to vote?

The result was announced—yeas 57, nays 40, as follows:

[Rollcall Vote No. 35 Leg.]

YEAS—57

Abdnor	Garn	Nunn
Andrews	Gramm	Pressler
Armstrong	Grassley	Proxmire
Baucus	Hatch	Pryor
Bentsen	Hawkins	Quayle
Boren	Hecht	Roth
Boschwitz	Heflin	Rudman
Burdick	Helms	Simon
Chiles	Humphrey	Simpson
Cochran	Kassebaum	Specter
Cohen	Kasten	Stafford
D'Amato	Laxalt	Stennis
Danforth	Leahy	Stevens
DeConcini	Long	Thurmond
Denton	Mattingly	Trible
Dixon	McClure	Wallop
Dole	McConnell	Warner
Domenici	Murkowski	Wilson
East	Nickles	Zorinsky

NAYS—40

Biden	Eagleton	Hatfield
Bingaman	Evans	Heinz
Bradley	Exon	Hollings
Bumpers	Ford	Inouye
Byrd	Glenn	Johnston
Chafee	Gore	Kennedy
Cranston	Gorton	Kerry
Dodd	Harkin	Lautenberg
Durenberger	Hart	Levin
Lugar	Moynihan	Sarbanes
Matsunaga	Packwood	Sasser
Melcher	Pell	Weicker
Metzenbaum	Riegle	
Mitchell	Rockefeller	

NOT VOTING—3

Goldwater	Mathias	Symms

So the amendment (No. 1668), as modified, was agreed to.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader.

The Senate will be in order.

AUTHORIZATION FOR JUDICIARY COMMITTEE TO MEET TODAY

Mr. DOLE. Mr. President, I might make one request here while we are waiting. I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, March 13, in order to receive testimony concerning the nomination of Jefferson Sessions to be U.S. district judge for the southern district of Alabama. I would indicate that that has been cleared by the distinguished minority leader.

Mr. BYRD. Reserving the right to object——

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, I remove my reservation.

The PRESIDING OFFICER. Without objection, it is so ordered.

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

The Senate continued consideration of the joint resolution.

Mr. DOLE. Mr. President, as I understand it, there are no further amendments to Senate Joint Resolution 225. We think we may be able to reach some agreement to satisfy the concerns of the distinguished Senator from Alabama [Mr. HEFLIN].

We are trying to put in writing what the Senator indicated, in consultation with the Senator from Ohio [Mr. METZENBAUM] and the Senator from Washington [Mr. EVANS] the three of them might agree on. As I understand the Senator from Alabama, what he is suggesting is that between now and March 19——

Mr. HEFLIN. Wednesday, March 19, yes.

Mr. DOLE. Wednesday, March 19—the staffs, Senator THURMOND, Senator HATCH, Senator DECONCINI, the Senator from Alabama, and others who want——

Mr. HEFLIN. I think maybe Senator DOMENICI ought to be there, too, and CHILES.

Mr. DOLE. DOMENICI and CHILES. In any event, those who would have responsibility in the event this constitutional amendment passed would be able to review the language of the amendment, see if there are any technical amendments that would need to be made, particularly in the area of definitions or if it could be resolved through a colloquy where the Senator from Alabama, for example, could ask questions and could be agreed upon or whatever discussed by the managers. Then, if that was not totally satisfactory, that it would be in order to offer a technical amendment on March 25 at some time after 2 o'clock.

Let me just read the request and see if that is anywhere near what the parties had in mind.

I will not put the request. I will just read it for our own information

I would ask unanimous consent that the joint resolution be advanced to third reading immediately following the disposition of amendment No. 1652, as amended.

Then I would ask unanimous consent that the vote occur at 4 p.m. on Tuesday, March 25; then, that a colloquy be placed in the RECORD, to be prepared by Senators HATCH, THURMOND, DECONCINI, and HEFLIN, no later than—I have here Friday, March 25.

Mr. HEFLIN. I think it is all right to place that in the RECORD. It would have to be agreed to.

I am trying to get a deadline to agree on it. To place it in the RECORD, it would be on the 21st.

Mr. DOLE. No later than March 21.

We would discuss the definition of several items.

In the event that a colloquy cannot be reached, the Senator from Alabama [Mr. HEFLIN] would be recognized at 3 p.m. on Tuesday, March 25, to offer a technical amendment which would add to the joint resolution a definition section, and that amendment be limited to 1 hour, to be equally divided in the usual form.

No amendments would be in order to the Heflin amendment, and the agreement would be in the usual form.

Then there would be an information statement that anyone who has an interest in technical amendments or the language itself should contact the staff of Senator HATCH, Senator DECONCINI, and others.

Mr. SARBANES. Mr. President, will the Senator yield for a question?

Mr. DOLE. I yield.

Mr. SARBANES. Under this arrangement, is the colloquy going to be generally available to the Members of the Senate to review before it moves along?

Mr. DOLE. Yes.

Mr. SARBANES. There may be a group that will agree on a colloquy, and others may disagree with the interpretation of the colloquy.

Mr. DOLE. That is why we suggest it be placed in the RECORD on March 21—the colloquy.

Mr. SARBANES. So there would be an opportunity at the beginning of the following week, before the vote, to indicate a disagreement with the colloquy, if one had it?

Mr. DOLE. The Senator from Maryland is correct.

Mr. SARBANES. I thank the Senator.

Mr. HEFLIN. Mr. President, I would further suggest that this unanimous-consent agreement be changed, to the effect that in the event that people disagree with the colloquy, anyone would have the right to add a definition section in the amendment, to be limited to 1 hour, in a way that it is not reserved just to me. As it is right now, it is reserved only to me. It could be to somebody else. Senator MELCHER may want to agree with the colloquy. I would say that he might want to add a definition. But that would be limited to 1 hour debate, equally divided—whoever makes it.

Mr. DOLE. What I have done is just outline it. We have not had a chance to discuss this with anyone. It was just handed to me.

I suggest that we spend a little time—those who have an interest in going back and refining it. This is simply a draft that the staff has prepared very quickly. Perhaps we could have a brief quorum call, and the principals could get together here and see if they can agree on it.

I do not have any pride of authorship, obviously, and I do not have a role in this matter except trying to facilitate the business of the Senate.

I might add that when we complete this, if we can, we will go to the committee funding resolutions. I hope we will be able to do that by 1:30 and that we could complete action on those no later than 3 o'clock.

It is my hope that we can bring up reconciliation this afternoon and do that rather quickly, and then start on the water resources bill this afternoon or this evening.

Mr. EVANS. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. EVANS. If there is to be a potential of an amendment with 1 hour equally divided, it seems to me that we ought to then extend debate on the bill itself, to assure that there is 2 hours of debate on passage of the bill. Otherwise, we will be very restricted in final debate, if an hour of that 2 hours is taken out for an amendment.

Mr. DOLE That is a matter that can be resolved.

Mr. BYRD. Mr. President, will the distinguished majority leader yield?

Mr. DOLE. I yield. I am ready to yield the floor.

Mr. BYRD. Mr. President, I think that, in fairness to the majority leader, I will have to say that I cannot agree to this proposal at this time.

We are not dealing with a statute. This is not just an ordinary bill, no matter how important an ordinary bill might be. We are discussing a constitutional amendment.

I say that for this reason: There are more than just the principal Senators who have been most active. There are 100 Senators who will have to make a decision on this amendment.

I cannot agree at this moment that there be only one amendment, a technical amendment. I see that we are going to be asked that no amendments be in order to the Heflin amendment and that a "technical amendment" be limited to 1 hour.

In our haste, if this turns out to be a constitutional amendment that straitjackets the operation of this Government so that it cannot effectively act in the face of a recession or in a situation in which American troops are militarily engaged, or are being introduced into an environment of imminent hostilities, we can be sorry we acted in haste.

I do not want to agree at this time that there be no more amendments; that the resolution go to third reading and that there be no more amendments. I do not believe that is the way to legislate on a constitutional amendment.

Mr. DOLE. Mr. President, I just say in response, and then I will yield the floor to the Senator, maybe if we just vote right now—if no one has any amendments—go to third reading and have the vote.

I am trying to accommodate some Senators who cannot be here. But as far as I know there are no more amendments, technical or otherwise.

I think there will be a colloquy between the Senator from Alabama and maybe a number of Senators. If we could do that now then perhaps rather than string this out and start over on March 25, we might be better served to vote today.

I am not certain where the votes are. If there are no amendments, then I am certain we could go to third reading.

The distinguished minority leader indicated he does not have any amendments or is not trying to hold it up.

I am just trying to get it either locked in concrete for a future date or maybe dispose of it today.

So perhaps, if we could have an exchange between the Senator from Alabama and the Senator from South Carolina and others who want to get into that exchange, then we could decide whether just to go ahead and vote. That might be the best procedure.

Mr. President, I yield the floor.

Mr. THURMOND. Mr. President, I want to put a clean copy of the amendment in the RECORD.

Mr. President, I ask unanimous consent that a clean copy of the amendment as has been approved so far by the Senate be printed in the RECORD at this point for the convenience of Senators so they can see just what has been acted upon by the Senate.

Mr. HEFLIN. Mr. President, reserving the right to object, I wish to review what is being offered as a clean copy.

Is this being offered as an amendment now to it or just as a technical correction, or what?

Mr. THURMOND. No. This is the amendment as it stands today as amended by the Senator's suggestions, by other Members' suggestions and actions taken by the Senate.

I thought Senators would like to see a copy of the amendment where it stands so they can study it, read it, and be prepared to vote when the time comes.

Mr. HEFLIN. This is not a substitute of what we have done so far?

Mr. THURMOND. No.

I am just asking unanimous consent to have in the RECORD this copy for information of Senators.

Mr. HEFLIN. This is just a proposed method of the way it will appear when it is published right now?

Mr. THURMOND. This is what the Senate has done so far. We have changed the amendment considerably, and that is the way it stands now. I just thought Senators would like to see the way it stands now so they can understand whether they want to vote for it on the 25th.

Mr. LONG. Mr. President, if the Senator will yield, will the Senator be so kind as to ask unanimous consent that the amendment as it stands, which he has just offered and sent to the desk, be printed and be at the desks of all Senators?

Personally, I think it is very helpful to have before me what the proposal is before we have to vote on it.

Mr. THURMOND. That is all this does. It prints what we have done so Senators can see it.

Mr. LONG. Could we have unanimous consent that the amendment as it stands be printed and made available at the desks of all Senators?

Mr. THURMOND. That is the point I made. That is exactly what I proposed.

Mr. LONG. I thank the Senator.

Mr. BYRD. Mr. President, if the distinguished President pro tempore will yield, as I understand the Senator he merely wants the amendment, meaning the basic amendment, not a new amendment, to be printed to reflect the actions that the Senate has taken to date.

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Mr. THURMOND. That is what I said.

Mr. BYRD. It is not an amendment that will be called up.

Mr. THURMOND. That is what I said.

Mr. BYRD. It is simply a reprinting of the amendment with the actions that have been taken.

Mr. THURMOND. With the actions taken to date.

Mr. BYRD. I think that is a good thing.

Mr. THURMOND. I thought every Senator would want to see that.

Mr. HEFLIN. All right.

I just wanted to be sure. I will review it afterward.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

ARTICLE —

SECTION 1. Total outlays of the United States for any fiscal year shall not exceed total receipts to the United States for that year, unless three-fifths of the whole number of both houses of Congress shall provide for a specific excess of outlays over receipts. The public debt of the United States shall not be increased to fund any excess of outlays over receipts for any fiscal year, unless three-fifths of the whole number of both houses of Congress shall provide, by law, for such an increase.

SEC. 2. Any bill to increase revenue shall become law only if approved by a majority of the whole number of both Houses of Congress by rollcall vote.

SEC. 3. Prior to each fiscal year, the President shall transmit to the Congress a proposed budget for the United States Government for that fiscal year in which total outlays are not greater than total receipts. The President may also recommend an alternative budget in which total outlays exceed total receipts, which shall be accompanied by a detailed explanation of the need for such excess.

SEC. 4. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect.

SEC. 5. The Congress shall enforce and implement this article by appropriate legislation.

SEC. 6. This article shall take effect for the fiscal year 1991 or for the second fiscal year beginning after its ratification, whichever is later.

Mr. THURMOND. Mr. President, I wish to say we have been on this amendment now for 3 days. Everyone has had a chance to offer amendments and a lot of Senators have offered amendments.

There is no use to have delay after delay and those who are opposed to it do not want to act anytime. They want to keep putting it off, keep amending it, keep going forward.

So as far as I am concerned, it seems to me that if there are any additional amendments they want to act on today we can try to get through with it.

I thought we were going to third reading. We told Senators about these amendments coming up. We have acted on all amendments that have been presented.

I want to say that it is my intention to work with the distinguished Senator from Alabama to develop a colloquy on the matter and I believe the sponsors of this proposal are in agreement that the definition of "total outlays" and "total receipts" should be based on the Judiciary Committee report which I understand the able Senator from Alabama favored doing.

So I was under the impression that the amendments were all through, that we were through with the bill, that we will just have a colloquy to accommodate the Senator from Alabama on the point that he raised there.

Mr. HEFLIN. In reply to it, I would assume that if the colloquy clarifies the issue, I am only seeking a uniform legislative history to give a uniform interpretation to certain terms that are included in it. As long as they are as we understand them and basically as I understand it now the Domenici-Chiles amendment by adding the word "total" is not to change any of the definitions that were contained in the report language other than to add off-budget items to be included within the words "total outlays" and "total receipts."

I would assume that we can work that colloquy out and that that can be done.

If we are not going to vote today, I would assume it can be published in advance, Senators could go over it, and we could go into a detailed colloquy and, in the event the colloquy does not satisfy everyone, then the right to have an amendment for a definition section would be available.

But I am perfectly willing to try to move either now or later.

It is my understanding there are absent Senators, and all I am doing is saying that if there is time let us take advantage of that time to review this in order that we not make any mistakes.

Mr. THURMOND. Mr. President, everyone has had a chance to offer amendments. Amendment after amendment has been offered. Day after day has gone here. We have been on this amendment 5 days. I believe today goes on the sixth day.

Those who are opposed to it never want to come to an end with it.

We feel that we have had ample time. We worked with everyone and tried to accommodate and reach a consensus as much as we can. The only thing that remains that I know to be considered was this question of definition of "outlays," and we have a colloquy with the distinguished Senator from Alabama. We will get with him on the 21st and work up a colloquy and then present that on the 25th when we come back to act to get a final vote on the amendment.

Mr. BYRD. Mr. President, will the distinguished President pro tempore yield?

Mr. THURMOND. I am pleased to yield to the able Democratic leader.

Mr. BYRD. The distinguished President pro tempore says that we have spent 5 or 6 days.

Mr. President, our forebears who met in Philadelphia during that hot summer of 1787 did not have any air-conditioning units, I am sure. However, no one proposed after 5 or 6 days, to set up a final date for a vote with the condition that only one amendment be offered in the meantime or that a given problem be settled by a colloquy.

I have no problem with setting a final date, my I say to the distinguished President pro tempore. If we want to make the final date for a vote the 25th of March, that is all right with me.

My problem comes with having us say to ourselves: "Well, there cannot be any amendments, or there can only be one amendment, or we will just resolve this or that matter by colloquy."

I have every good faith in the distinguished Senator from Alabama and other Senators who would participate in that colloquy. I commend the Senator from Alabama on having focused on a palpable weakness here. I assure the distinguished Senator from South Carolina, Mr. THURMOND, that I am not interested in filibustering. I do not personally have any amendment in mind.

The President pro tempore did the Senate a service in asking that there be a new print of the resolution showing the actions of the Senate thereon to date. As I say, if the Senate wants to enter into an agreement to vote for final passage on the 25th, that is OK, but I cannot, at the moment, agree that the Senate enter an order precluding the offering of amendments by Senators prior to final passage.

I have no intention to filibuster this proposition. I am not going to agree to a unanimous-consent request that, in essence, we treat the constitutional amendment as we do a statute. On statutes, as I have said already, whether they be joint resolutions or bills, we, from time to time, enter into agreements ruling out nongermane amendments, ruling out further amendments, or specifying certain amendments only that can be called up. But this is a far, far different matter, when we are talking about an amendment to the Constitution of the United States. Once it is done and we find that, to our regrets, we acted in too much haste, it will take a long time to undo our mistake.

So, again, if the majority leader or the distinguished President pro tempore wants to set a final date for the vote, that is all right with me. I would

like to leave the resolution at least open to amendment if, in the meantime, our review of the actions of the Senate indicates a need for further amendment. The Senate ought to have the opportunity to meet that need.

Mr. THURMOND. Mr. President, I just wish to say that the able Democratic leader mentioned about those who wrote the Constitution, that they met in April and finished in September of 1787. But they wrote a whole new constitution for a new government. We are not doing that. We have just one amendment. There have been 26 amendments to the Constitution so far. This is just one amendment on one subject that we have been on now for 5 days, and 2 years ago we spent a month on this question. It seems to me that most of the people are generally familiar with it.

We feel that ample opportunity has been given to everybody to offer amendments. The able Democratic leader offered an amendment. It did not pass, but he had a chance to offer it or offer more. Others have offered amendments, and we have taken action on them.

It seems to me the American people are demanding now that we go forward and get this amendment passed, if we can.

I wish to repeat: We have not balanced the budget but once in 26 years—26 years. No individual and no corporation could stay in business that operates like that, and this Government cannot, either. It is time we give the people relief on this subject. We are going in debt at the rate of $200 billion a year, a debt between $2 trillion and $3 trillion a year.

Now somebody said the Gramm-Rudman-Hollings amendment takes care of the situation. I supported that. I think it is a good amendment. Under that, if we stick to it, we have got the courage to do it, we can balance this budget in 5 years. But that only brings us to a balance. But what are you going to do to keep it in balance? We have not shown the fortitude to keep it in balance so far.

So this constitutional amendment will mandate a balanced budget, and it will make the Congress balance the budget. That is the only way I think we are ever going to get it done.

Pressure here is so great on the Congressmen that they want to accommodate the constituents in various matters, vote appropriation after appropriation, and spend money after money.

But this constitutional amendment will bring it to a head. It will tell the people that we cannot spend more than we take in. In that way we can keep the budget balanced.

So I say this is a way once we get the budget balanced to keep it balanced. We need to do that.

I do not think this matter ought to be delayed unnecessarily. We have given ample opportunity to everybody all this week to offer any amendment they wanted to. We thought they were through. Nobody else came forward with any other amendments. Why should we not act, and send it to third reading? We do not need any other amendment. The only thing that is left to consider is a definition there of outlays and total receipts.

I am sure the able Senator from Alabama, in working with our group, can reach a consensus on that, and have a little colloquy and end it, go to third reading if they will vote, and those who are against the amendment will have a chance to vote against it. For those who are for it—and I hope there will be two-thirds for it, and the people want it—they will vote it overwhelmingly. In the polls they want it. And then they can act on it.

Mr. President, it seems to me that the time has come to act, to quit delaying this matter, and quit putting it off as some now want to do. I hope we can go to third reading. Then the distinguished Senator from Alabama, if we do not reach an agreement with him on the colloquy, can keep it open and continue. But if we do, it is not necessary to continue.

The distinguished Senator from Alabama is on the floor. I think he feels we can reach an agreement here in a colloquy on a definition of total outlays, and total receipts. That is all that is left. It seems to me we ought to go ahead and act.

Where is the Senator from Alabama? He was here just a moment ago.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, as I understand from the Senator from Alabama in talking with us, he felt this matter could be handled with a colloquy, it would not be necessary to have any further amendments, and that the total outlays and total receipts could be based on the Judiciary Committee report. But any other differences there I feel we could handle with a colloquy and get through with this matter.

I would like to know if the Senator from Alabama still feels that way.

Mr. HEFLIN. I beg the Senator's pardon. I was talking, and I did not understand exactly the inquiry.

Mr. THURMOND. I just made a statement that we understood the Senator's position was that we are through with the amendments, and the only thing left could be a little colloquy between the Senator and our group, to get together and agree on that colloquy. And we can meet on the 21st, and work that out. On the 25th we would have a final vote.

Mr. HEFLIN. Basically, my position is that I want to try to have a legislative history that brings about an unquestionable, uniform interpretation. I do not want an interpretation from the legislative history that would indicate differences of opinion as to what the term "total outlays" means, and what the term "total receipts" means. I am trying to clarify any ambiguities or any inconsistencies that exist in the minds of the Members. I think that can be done through a colloquy.

There are some people from a substantive viewpoint on what is included within total outlays that may have some legitimate substantive differences. That is a matter, of course, that would have to develop.

My concern is primarily technical in nature, and an attempt to insure as we draft a constitutional amendment, that it is drafted in the best possible manner. Therefore preventing a lot of questions for the courts to cover concerning the legislative history of the legislative intent. That is my purpose.

As I understand it, if this proves to be correct, I do not have any real objection to moving forward at any time. And the purpose of adding the world "total" to the world "outlays," and adding of the word "total" to the word "receipts" by Senator DOMENICI in his amendment was for the purpose of bringing in all budget items. It was not intended in any way to change any of the definitions that are contained in the report of the committee on Senate Joint Resolution 225.

There are definitions which are scattered throughout, but there are some particular definitions on pages 46, 47, 48, 49, 50, 51, 52, 53 of the report that as I understand from Senator HATCH have not been changed by the use of the word "total" which has been added to the word "outlays" and the use of the word "total" which has been added to the word "receipts".

The purpose of a report, as the distinguished President pro tempore of the Senate, and chairman of the Judiciary Committee, is to give definition, and is to give legislative history rather than trying to put every detail in the Constitution. The constitutional enactments ought to be general, broad language and supported by a report or by the legislative history to give the intent, and to provide the details.

So that is my understanding, and if that is correct, I have no problems with it at this time.

It could well be that there could be other Senators that do have substantive problems with these definitions, and with the additions of adding the

off-budget items. But that remains for them to articulate and to voice.

Mr. THURMOND. I say to the Senator that I think he has interpreted correctly, and no one else has challenged him. On page 42 of the report, it says:

"Outlays" is intended to include all disbursements from the Treasury of the United States, either directly or indirectly through Federal or quasi-Federal agencies created under the authority of acts of Congress, and either "on-budget" or "off-budget."

On page 43 of the report it says:

"Outlays," "receipts," "fiscal year" are all terms defined by or to be defined by statute and, as such, have no constitutional standing apart from these statutory definitions. The intentions of the Committee with regard to current concepts have been set out elsewhere in the report. At the same time, the Committee is sensitive to the likelihood that such concepts will undergo modification through time. Provided these modifications are not designed to subvert the restrictions imposed by the amendment, but rather are designed to further those purposes, there is no intention that the meanings given here are immutable.

In other words, the way the Senator has construed it is the way we construed it.

He is the only one who has raised the point. So where is the conflict? As the Senator said originally, and as I think he probably feels now, a little colloquy here will clear things up. I am sure we can get together on it on the 21st and we can put it into the RECORD. Then on the 25th we can have a final vote.

Mr. HEFLIN. I thank the Senator. That will be fine.

Mr. THURMOND. I thank the Senator. In view of that, is there any objection now to going to third reading?

Mr. BYRD. Mr. President, I have already indicated that it is agreeable with me if the Senate wishes to enter an order to the effect that the final vote would occur on this joint resolution on the 25th of March. I have no problem with that. I will be having a conference of Members on my side of the aisle at 2 o'clock today. That conference will be for the purpose of discussing several subjects.

I shall talk with my colleagues in that conference to see if they are willing to go to third reading, which precludes further amendments.

I will discuss this matter with my colleagues.

Having said that, there is nothing more I can say to ease the concerns of the distinguished President pro tempore.

Mr. THURMOND. Mr. President, I just want to say that I repeat again that everybody has had the opportunity to offer amendments. We have taken up every amendment anybody has offered. We attempted to work out the bill and finally pass it yesterday or today. But some Senators had to be away. Senator MATHIAS, who voted against it, was away and some others were away. The only reason the vote was put off until March 25 was to accommodate those Senators, so they could be here. Everything else was supposed to be finished today.

Mr. President, does the able Democratic leader not feel we can go to third reading?

Mr. BYRD. Mr. President, I do not think we have to go over and over this matter. I have stated very clearly what I think I should do. I have responsibilities not only as a Senator but also as the leader of my party. I just cannot agree, as I said earlier, at this time to entering an order that would provide for going to third reading.

I will say once again that there is a conference of Democratic Senators at 2 o'clock today to discuss other matters. I will seek to find out at that conference how Senators on my side feel about entering an agreement that would have the Senate go to third reading on the joint resolution, with no further opportunities to offer amendments.

I do not wish to go over and over and over this subject. It has been adequately aired. I think my position is eminently clear.

I would hope that the Senator would desist from trying to get an answer at this point in time that is other than what I have already stated repeatedly as being my position.

Mr. THURMOND. Mr. President, I see the majority leader is back now.

For his information I might just say that we were under the impression that we were going to finish everything today, except for the vote on the 25th. The able Senator from Alabama is satisfied now with the colloquy. He is the only one who has raised any point about that. There has been nobody else who has come forward with any amendment. We thought we could finish everything today except the vote on the 25th, with a colloquy to be worked out on the 21st, to be worked out and printed in the RECORD and available to us.

So Mr. President, that is the status now. There is objection to third reading. The minority leader says he is having a meeting at 2 o'clock with his Democratic colleagues and will take up the matter there.

Again I want to repeat that Republicans and Democrats have had days and days to offer any amendments. They knew we wanted to get through. It seems to me they should have offered them before now if they were going to do it.

We have given everybody plenty of time, ample time. Those who are against it, of course, never want it to come to a vote.

Several of them here have offered amendments. They have said they were going to vote against it even though they offered amendments, they said, to try to improve it. They have a right to do that.

The point is, I do not know that you will satisfy everybody in either party. It seems to me for the good of the people we ought to do this.

While I am on my feet, I want to say to the people of the United States, "If you want a constitutional amendment, contact your Senator and tell him you want it. Polls have shown all over this country that we deserve a constitutional amendment, that the people want a constitutional amendment. I hope you get in touch with your Senator and tell him how you feel."

Some Senators are reluctant, it seems, for one reason or another, to go forward here. We feel that the people ought to be heard from. We feel they ought to get in touch with their respective Senators and let them know how they feel.

If you want to keep this budget balanced, once we balance it under the Gramm-Rudman-Hollings amendment, which I hope we do, we want to keep it balanced. The Senate has not shown in actions heretofore, the House either, to keep it balanced.

This constitutional amendment will mandate the balanced budget. That is what it is going to take to keep it balanced in the future.

The fact that we have not balanced it but once in 26 years I think is an indication that even though we balance it by 1991, it will not stay balanced. It will become unbalanced again. But if we pass this constitutional amendment to make the Congress balance it, that is another story.

I hope the people of the United States who are listening to the radio today will contact their Senators and urge them to vote for this constitutional amendment so we can keep this budget balanced, keep interest rates down, and keep inflation down.

If we do that, if we balance this budget, it will do more than anything I know to keep interest rates down and keep inflation down, which would help everybody: Senior citizens on fixed income, other people on fixed income, people all over this country, enabling more development to take place, more houses to be built, and more improvement and progress in every way.

This constitutional amendment is the most vital subject before the American people today. We must pass this amendment. We must pass it for the good of future generations. It is not right for our generation to be spending and putting on the backs of our children and their children this deficit and make them pay it off. We ought to have the courage to keep it balanced.

If it takes more taxes, we ought to have whatever it takes. But if the country spends as we think it ought to, it will not take more taxes.

Again, I want to say that we have to balance this budget, which I think we will do by 1991 under Gramm-Rudman-Hollings, and then have this amendment and keep it balanced.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I just heard an argument in politics on radio in the Senate. I did not know we were going to get into politics on this. I thought we would discuss it on the merits.

I am concerned about the remarks of the Senator from South Carolina because he knows as well as anybody on this floor that yesterday those of us who were opposing this amendment made every possible effort to shorten the debate. We wanted to get to a final vote yesterday afternoon. We knew that one Member on the opposite side was leaving for about a week and we wanted to give him an opportunity to vote on it. We tried to get Senators either not to call up their amendments or if they did so to shorten their remarks.

But it is a fact that just about the time we thought we had resolved that matter an amendment was called up on behalf of those who support the constitutional amendment and about four Senators dragged out the debate for a sufficiently long period of time that then it became necessary for the majority leader and two of the other Members on the other side of the aisle to come back with a unanimous-consent proposal.

Those of us who were opposed to the amendment and are opposed to it agreed to that. But we had hoped we could vote yesterday afternoon. We wanted to vote yesterday afternoon. We tried in every possible way to vote yesterday afternoon.

So I am a little bit disturbed to hear the distinguished Senator from South Carolina start talking as if the opponents were the ones who had delayed this matter. This matter has been delayed when those who are supporting the constitutional amendment did not have the votes yesterday. They knew they did not have the votes yesterday and they did not want to vote yesterday.

The distinguished Senator from South Carolina himself proposed to me that we put the matter off until March 25. I said, "No, we are not willing to do that."

I would just say that we are prepared now to agree to vote on March 25. There was somewhat of a hangup having to do with some concerns expressed by the distinguished Senator from Alabama, but I think those have been pretty well worked out.

As I see it at this moment, the minority leader has indicated that he wishes to consult with Members on his side of the aisle. It would seem to me that the majority leader and the minority leader might serve all of our purposes well if this matter were just laid aside for an hour and a half or two, unless the minority leader or the majority leader has an objection to that and perhaps we might go on to some other matters. I still hope we can come to an agreement to vote final passage or final defeat, whatever the case may be, on March 25.

Mr. DOLE. Mr. President, I thank the distinguished Senator from Ohio, the distinguished Senator from South Carolina, and the distinguished minority leader. What I would like to do now is ask that we move this measure aside and move on to Calendar No. 526, Senate Resolution 353, the committee funding resolution. That would give the distinguished minority leader and Members on his side an opportunity to caucus. I have checked with Senators FORD and WARNER. I told them that about 1:30, we ought to be ready. So, if there is no objection to that, that should satisfy the concerns just expressed.

The PRESIDING OFFICER. Is there objection to the request?

Hearing no objection, it is so ordered.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WARNER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection. it is so ordered.

OMNIBUS COMMITTEE FUNDING RESOLUTION OF 1986

The PRESIDING OFFICER. The clerk will report a resolution.

The legislative clerk read as follows:

A resolution (S. Res. 353) authorizing expenditures by committees of the Senate.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. WARNER. Mr. President, I appear today on behalf of the distinguished chairman of the Rules Committee, Mr. MATHIAS, who had to depart the country on official business. It is a pleasure to be joined today by the distinguished ranking minority member, the distinguished Senator from Kentucky [Mr. FORD].

The Senate has been debating for several days a constitutional amendment to balance the budget. As we are all aware, the Congress passed last year the Gramm-Rudman-Hollings amendment which would balance the budget by 1991.

The Committee on Rules and Administration has therefore favorably reported to the full Senate, Senate Resolution 353. This resolution authorizes expenditures by committees of the Senate which maintains the Senate committee budget at the 1985 funding level, less the amount sequestered under Gramm-Rudman-Hollings. This is in keeping with the efforts of Congress to control Government spending.

This is a very important resolution as it permits our committees to continue their work of holding hearings on issues of vital importance to our Nation and the people. This resolution also permits the Senate to pay the very able and capable staff who research the issues before the committees and maintains the daily operation of the committees. Committees are a very vital and important part of all legislation that is passed or sometimes rejected by the Senate.

The Committee on Rules and Administration, in reporting an original resolution authorizing expenditures for Senate committees, recommends a total funding level for the standing committees of the Senate, the Special Committee on Aging, the Select Committee on Intelligence, and the Select Committee on Indian Affairs, of $43,597,366 for the period, March 1, 1986, through February 28, 1987. I submit for the RECORD the amounts for each committee as recommended, and I ask unanimous consent that this material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SECTION AND COMMITTEE	*Amount*
Agriculture, Nutrition, and Forestry	$1,263,379
Appropriations	3,999,860
Armed Services	2,097,190
Banking, Housing, and Urban Affairs	1,613,364
Budget	2,873,857
Commerce, Science and Transportation	3,217,690
Energy and Natural Resources	2,329,322
Environment and Public Works	2,267,021
Finance	2,153,790
Foreign Relations	2,365,019
Governmental Affairs	4,313,488
Judiciary	4,125,039
Labor and Human Resources	4,326,021
Rules and Administration	1,194,353
Small Business	899,782
Veterans' Affairs	861,749
Aging (Special)	1,041,514
Intelligence (Select)	1,864,131
Indian Affairs (Select)	790,797
Grand total	43,597,366

Mr. WARNER. Mr. President, the Rules Committee held 3 days of hearings, February 3, 4, and 5, 1986, with each committee chairman and ranking minority member presenting their

committee plans for oversight and legislative review activities for the coming year.

On February 27, 1986, the Rules Committee held a markup session and took the following action:

The committee agreed to a method to comply with the fiscal year 1986 sequestration mandated by the Balanced Budget and Emergency Deficit Control Act. The $2,195,000 reduction is to be prorated between the committee fiscal year ending February 28, 1986, and the committee fiscal year beginning March 1, 1986.

This is the strong recommendation of the Rules Committee. I urge my colleagues to support Senate Resolution 353.

Mr. President, at this time I yield to my distinguished colleague from Kentucky.

Mr. FORD. Mr. President, I thank my distinguished colleague, the senior Senator from Virginia [Mr. WARNER]. He has accurately related the procedure which the Rules Committee followed in determining the amount of funds for the various committees of the U.S. Senate.

It is not an easy job for those of us on the Rules Committee to try to satisfy each committee or to satisfy each chairman and ranking minority member of the various committees.

I think the decision by the Rules Committee has been fair. It is adequate. I know there are some who would have liked to have more money, but under the circumstances I think the Rules Committee and its members have made, as I said earlier, a fair judgment on funding for each committee.

I join my distinguished colleagues in urging the Senate to adopt this resolution and that any amendments to the resolution, other than technical, not be accepted.

If any problems appear in the coming fiscal year, there is always the normal procedure of a supplemental appropriation, and at that time I am sure the Rules Committee will give it the same kind of consideration it gave the present resolution, and I am sure the Senate will act accordingly.

So, Mr. President, I thank my distinguished colleagues for allowing me to say these few words.

I should like to compliment the chairman of the Rules Committee, Senator MATHIAS, from the great State of Maryland, who is out of the city on official business. He has been a stalwart in standing up for fairness. This budget we are presenting to the Senate today has his strong backing, and I want to thank him publicly for the hard work he has given to bring us to the point we are today.

I yield the floor.

Mr. WARNER. Mr. President, I talked with Mr. MATHIAS, the chairman, before his departure last night, and he would be the first to reciprocate those kind remarks were he present today. Having been a member of this committee several years, I have seen firsthand the very close working relationship between the chairman and the distinguished ranking minority member. Indeed, their selfless efforts enable those of us who are members of the committee to rely most often on their recommendations, without a great deal of independent analysis of the issues by other members.

AMENDMENT NO. 1669

(Purpose: Payment of long-distance telephone calls)

Mr. WARNER. Mr. President, I send to the desk a technical amendment.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Virginia [Mr. WARNER] proposes an amendment numbered 1669:

In section 2(c) after the word "required" insert "(1)", At the end of section 2(c) strike the period and insert the following: ", or (2) for the payment of long-distance telephone calls."

Mr. WARNER. Mr. President, this is in the nature of a technical amendment. This amendment is intended to restore standard language which was inadvertently omitted when the resolution was reported. It authorizes an administrative efficiency by eliminating the need for committee clerks to prepare vouchers for the expense of long distance telephone calls. The bills are paid by the Sergeant of Arms after each committee has had an opportunity to certify the accuracy of its portion. The funding authority of each committee is then debited by the appropriate amount and the Sergeant at Arms appropriations is reimbursed by the aggregate total of all committee long distance charges. This is the same procedure used to pay for the toll calls placed by each Senator's Washington office.

Mr. FORD. Mr. President, I join my colleagues in supporting this amendment. It is technical. It was inadvertently left out in the printing. It is part of the resolution that was approved by the Rules Committee and I urge its adoption.

Mr. WARNER. Mr. President, I see no other Senator desiring to speak to this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1669) was agreed to.

Mr. FORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WARNER. Mr. President, as the distinguished Senator from Kentucky has just said, we, as managers of the bill are prepared to address any amendments desired by other Members of the Senate.

It is the intention of the leadership to have this measure move along as expeditiously as possible. Of course, Senators are aware that, for certain technical reasons, the Senate has to act on this measure prior to tomorrow, in order to avoid certain financial hardships.

Mr. STENNIS. Mr. President, will the Senator yield for a brief remark?

Mr. WARNER. I yield to the distinguished Senator from Mississippi.

Mr. STENNIS. Mr. President, on behalf of the Members of this body, I want to thank both Senators and other members of the Rules Committee for the service rendered. I have noticed with satisfaction the great volume of work they have done.

I was on the Rules Committee for a time, and I know how tedious a lot of the work is and how personal it is and how voluminous it can be.

Soon after I came to the Senate, I was taken to the White House to meet the President of the United States, Harry Truman. He was formerly a Member of this body. He asked me what committees I was on, and I told him the Rules Committee. He said, "Well, that's a good one, but it's fruitless of thanks." So he explained a little in his good humored way.

I have noticed that the volume continues, and I feel that gratitude, and I think the membership does, for what the committee has done.

I want to join in the tribute to the retiring chairman, the Senator from Maryland [Mr. MATHIAS]. He never gives out. I have enjoyed seeing him in his work on the Senate floor, in his committee. He always makes good speeches and is always prepared on his entire assignments.

Mr. WARNER. Mr. President, on behalf of the chairman, the ranking minority member, and all the other members of the Rules Committee, I express our heartfelt thanks for the thoughtful remarks of the senior Senator from Mississippi.

There are few among us who have a greater knowledge of the Senate as a whole and responsibilities of Members, and when you take the responsibility yourself, Senator STENNIS, to interject your personal thoughts as you have just done, it is a very special commendation to all of us. I express our appreciation.

Mr. STENNIS. Thank you.

Mr. WARNER. Now, Mr. President, I believe there is another Member on the floor seeking recognition as to the pending business.

Mr. HUMPHREY. Mr. President, I am going to offer an amendment. Before I do so I want to address a question or two to the manager of the

bill. I confess I have not had time yet to read through this resolution now before us. I certainly am disposed to accept the recommendations of the managers.

But I do have one area of question which I will direct to the Senator from Virginia, if I have his attention: Can he tell me the amount of funding allocated to the Committee on Armed Services? Does that stand right out in this report?

Mr. WARNER. Yes. The Senator is correct. It is in a document that was placed before the Senate by unanimous consent rather than read all the figures.

Mr. HUMPHREY. Does the Senator have the gross figures for Armed Services?

Mr. WARNER. The Committee on the Armed Services has been authorized $2,185,810. At the present time, that allocation of funding is below the level sought by the distinguished chairman and ranking minority member.

When you delete the sequestration, the net figure for Armed Services will be $2,097,190.

I and other members of the Rules Committee are looking at a means by which to accommodate special needs of the Armed Services Committee, needs justified by the ever-increasing responsibilities placed on this committee by the growing defense budget.

Mr. HUMPHREY. Mr. President, I am glad to hear the sensitivity of the Senator from Virginia to that point.

I wonder how much on the same basis is allocated to the Rules Committee staff?

Mr. WARNER. The Rules Committee following sequestration would get $1,194,353.

Mr. HUMPHREY. I thank the Senator from Virginia.

The point I wanted to make, although the statistics do not quite back me up as well as I thought they might, is that the Armed Services Committee, in the view of this Senator, who is a member of that committee, does not have sufficient staff to effectively carry out its duties.

I know it is almost treason to say as much in public today, that we do not have enough staff in this area or that. But I would point out that the defense budget is nearly a third, it is in any event 28 to 29 percent of total Federal spending, and among other things with which the Armed Services Committee shares is the oversight of those expenditures, some pretty close to $300 billion and that is an awful lot of oversight to be undertaken by the limited number of staff which we have.

Now, let me illustrate with a concrete example. The Senator from New Hampshire chairs the Subcommittee on Preparedness. The Preparedness Subcommittee is principally charged with reviewing and overseeing the operations and maintenance budget, which is a substantial part of the defense budget, approximately $80 billion in fiscal year 1986, and the chairman has available to him in that responsibility a total of one staff member to help him oversee some $80 billion in spending.

I suggest to my colleague that there is no way that I or any Senator with one staff member can do an effective job of oversight under those circumstances.

I suggest further that it is a false economy. I bet we could save the salary of several staff members a thousand times over in efficiencies and economies if we could effectively oversee the O&M budget. But we cannot. I cannot with one staff member. And this is my way of registering a protest, I suppose.

I do not know quite how the allocation between committees is accomplished. I am sure there is a great deal of conscientious effort. I think there is also, I am told, at least a lot of historical precedent involved. Once a committee received a certain amount of money it is sort of difficult ever to cut that individually unless it is on the across-the-board basis.

I wonder if some of these committees are not getting more really than they need and others, for instance the Armed Services Committee, a good deal less.

Has that issue been addressed in this year's allocation?

Mr. WARNER. Yes. I wish to assure the Senator from New Hampshire that the Committee on Rules as a whole considers carefully each budget.

The Senator is correct. Some of these levels of funding have been established over many years traditionally in the Senate. But I have found that recently in view of the constraint on spending that the Committee on Rules is beginning to look into those traditions and make adjustments in the figures where they feel it is appropriate.

I regret that our distinguished former chairman of the Armed Services Committee, Senator STENNIS, has just departed the floor, because I think the very conservation figure that the Armed Services Committee has operated on for many years is derivative of the stewardship, the excellent stewardship, provided first by Richard Russell, then JOHN STENNIS, John Tower, and now the distinguished Senator from Arizona, Mr. GOLDWATER.

The Senator from New Hampshire is correct, having himself served on this Committee of the Armed Services now for over 7 years, recognizing the growth in its responsibilities occasioned by the increases in defense spending.

So we are going to address the shortfall brought to the attention of the rules Committee by Chairman GOLDWATER this year.

Now, there are several means by which that shortfall is going to be addressed. It may well be that one Senator will shortly come to the floor with an alternative which may well be in the form of an amendment today.

But absent that, as the ranking minority member pointed out, there is an established procedure within the Rules Committee now to address anytime in the fiscal year the special needs of a committee.

Perhaps my colleague would like to comment.

Mr. FORD. Mr. President, if the distinguished Senator from New Hampshire will allow me, and I thank him, I believe it was Senator BYRD's resolution that we followed some several years ago and it was not one of those things that you or I, either one, would like to do because we are dealing in an impersonal way, as Senator STENNIS said a few moments ago, but we cut all of the committees 10 percent and almost $5 million, and we have refused to allow those committee expenditures to go up.

So with inflation and other things, I think it is indicative of what the Rules Committee has been trying to do over the years. What we did this time is that the committees will take a smaller cut than your office account. So when you look at your personal office and it takes a deeper cut than your committees, I think the Rules Committee came up with some innovative ideas as it related to funding for the committees.

So I say to my distinguished friend that I hope that what he is driving at is not to ask for more money for the various committees and therefore we can continue along the Gramm-Rudman path that he wants us to follow, and if you think it is tough this year, you wait until we get into 18- or 20-percent cuts beginning next year, and it will be somewhat tougher, and you will be coming and saying we are getting cut 20 percent and that is about $400,000.

You are not only not getting additional help, but you are probably losing a staff member, and you are going to have to burn some midnight oil yourself or more of it.

Mr. HUMPHREY. The Senator from New Hampshire is not arguing for the overall greater staff budget for the Senate.

I am simply suggesting that the allocation of staff resources between committees should not rest on historical practice, because responsibilities change over the years, but should rather reflect the responsibilities of each committee.

I have not attended the Rules Committee. I am sure their workload is very heavy. But let us recall that the

Rules Committee deals largely with housekeeping functions of the Senate. I do not want any of my housekeeping functions cut off. But it gets $1.2 million for staff.

The Rules Committee—and I do not mean just to pick on that one—since they make up the budget are in a privileged position I suppose: $1.1 million for Rules which oversees the housekeeping in the Senate, and $2.1 million for the Armed Services Committee which oversees $300 billion in spending on perhaps, at least in the opinion of this Senator, the most important business of the National Government.

(Mr. COHEN assumed the chair.)

Mr. FORD. Will the Senator yield?

Mr. HUMPHREY. Of course.

Mr. FORD. It does not take nearly as long and nearly the wailing and gnashing of teeth to work out the funding for the Department of Defense as it does to try to have TV in the Senate.

Every document that a Senator sends out, as it relates to the expenses of his office, is audited by the Rules Committee. All those are our responsibilities.

The functions of the Senate and the housekeeping is just part of it. We are the overseers. We have oversight of all of the offices to try to hold the expenses down, not only for the personal offices but for the committees.

If the Senate sees its way clear to alter what we have done, that is the will of the Senate. That is the way for all committees. So if a Senator has a problem with what we are doing, enter an amendment, and let us have a vote on it. If not, we would like to get this budget passed.

Mr. HUMPHREY. I may well take the Senator up on his invitation next year.

Mr. FORD. I know the Senator will.

Mr. HUMPHREY. And I am not prepared to do so this year. But I am hoping to encourage a discussion of this issue because on the surface it appears the allocation of resources between the committees is not consistent with the changed responsibilities of those committees.

Mr. WARNER. Mr. President, if the Senator will indulge me just for a moment, since there are now persons following this matter, and possibly listening by radio, I would state the following observations. The Rules and Administration Committee is composed of some of the most senior and experienced Members of the U.S. Senate: Retiring chairman, Mr. MATHIAS; Mr. HATFIELD, chairman of the Appropriations Committee; Mr. MCCLURE, chairman of the Energy Committee; Mr. HELMS, chairman of the Agriculture Committee; myself; Mr. DOLE, the majority leader; Mr. STEVENS, the senior member of the Appropriations Committee; Mr. GARN, chairman of the Banking Committee.

On the minority side, the distinguished ranking minority member Mr. FORD; Mr. PELL, ranking on Foreign Relations; Mr. ROBERT C. BYRD, the minority leader of the Senate; Mr. INOUYE, the senior member of the Appropriations Committee; Mr. DECONCINI, the senior member of the Appropriations; and Mr. GORE.

So I think we have a very good prospect in the Senate to look at the very issues raised by our distinguished colleague from New Hampshire with great care.

Mr. HUMPHREY. I must say that is a very impressive roster. But I would ask the Senator from Virginia to offer his opinion on whether he would consider it adequate to have as an example one staff member assigned to the chairman of the subcommittee which oversees $80 billion in spending? Do you think any chairman with such subcommittee with such responsibilities can adequately discharge those responsibilities with one staff member?

Mr. WARNER. I say to the distinguished Senator from New Hampshire, having again indeed served with him for these 7 years plus on the Armed Services Committee, that I recognize the increasing difficulty of his subcommittee as well as other subcommittees of the Armed Services Committee to discharge their duties in view of the restraints on the budget overall at the Armed Services Committee.

With specific reference to the question, and the Senator's subcommittee, I would have to differ to the chairman, Mr. GOLDWATER. But I would say I would be highly supportive of any recommendation the chairman might have with respect to the staffing situation of the Senator from New Hampshire.

Mr. HUMPHREY. I thank the Senator from Virginia.

Mr. President, I will not dwell on this point further. My real purpose in addressing this point was just to focus attention on it. I do think it is an area that needs attention very badly in fact. I hope some enterprising reporter will dig into this matter so that we might encourage a public dialog as well as between Senators.

AMENDMENT NO. 1670

(Purpose: To express the sense of the Senate with respect to the conducting of an investigation by the Commission on Security and Cooperation in Europe, and for other purposes)

Mr. HUMPHREY. Mr. President, my main purpose is to offer an amendment, and I send an amendment to the desk on behalf of Senator DOLE, Senator DIXON, and myself.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New Hampshire [Mr. HUMPHREY], for himself, Mr. DOLE, and Mr. DIXON, proposes an amendment numbered 1670.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 24, after line 16, add the following reservation:

INVESTIGATION BY THE COMMISSION ON SECURITY AND COOPERATION IN EUROPE

SEC. 23. (a) It is the sense of the Senate that the Commission on Security and Cooperation in Europe (hereafter in this section known as the "Commission") should—

(1) conduct an investigation to determine—

(A) whether any officer or employee of the United States violated any law of the United States or any State or local law, including any statute, regulation, ordinance, or procedure promulgated pursuant to law, in connection with the defection attempt of Mirsolav Medvid;

(B) the instances in which an individual (other than the individual referred to in clause (A)), who was a national of the Soviet Union or a Soviet-bloc Eastern European country, requested political asylum in the United States and was returned to the authorities of his country in violation of any United States, State, or local law, including any statute, regulation, ordinance, or procedure promulgated pursuant to law; and

(C) whether the treatment accorded to individuals described in clauses (A) and (B) requires changes in the laws of the United States; and

(2) submit a report, not later than one year after the date of adoption of this resolution, to the House of Representatives and the Senate to the findings of such investigation, including any recommendations for changes in the laws of the United States.

(b) Salaries and expenses in connection with the implementation of this section shall be paid from the contingent fund of the Senate out of the Account for Miscellaneous Items, subject to the following terms and conditions:

(1) The aggregate amount of salaries and expenses payable under this section shall not exceed $200,000.

(2) Such salaries shall be payable only for not more than five individuals at any time—

(A) who shall be employees of the Senate and shall be under the policy direction of the Chairman and Cochairman of the Commission; and

(B) who shall be appointed to perform services in the conduct of activities under this section, on or after the date of adoption of this resolution, and who shall have their compensation fixed at an annual rate, by the Secretary of the Senate, upon the joint recommendation of the Chairman and Cochairman of the Commission.

(3) Payment of expenses shall be disbursed upon vouchers approved jointly by the Chairman and Cochairman of the Commission, and no voucher shall be required for the disbursement of a salary of an individual appointed under paragraph (2).

(4) For purposes of determining whether and to what extent any travel or other official expense incurred by the Commission in carrying out any activity under this section is payable from the contingent fund of the Senate, such expense shall be treated as if it has been incurred by a standing committee

of the Senate and as if the Commission and its staff were members and staff, respectively, of such a committee.

(5) Any expense under this section may be payble only if—

(A) the Committee on Rules and Administration of the Senate approves;

(B) such expense is of the type for which payment may be made if incurred by a standing committee of the Senate;

(C) such expense is not attributable to the detailing of employees; and

(D) the payment of such expense is otherwise in accordance with all laws, rules, and regulations governing expenses of standing committees of the Senate.

(6) Not more than $20,000 of the funds made available by this subsection shall be available for the procurement by the Secretary of the Senate, upon the joint recommendation of the Chairman and Cochairman of the Commission, of services, on a temporary basis, of individual consultants, or organizations thereof, with the prior consent of the Committee on Rules and Administration of the Senate. Such services may be procured by contract with the providers acting as independent contractors or, in the case of individuals, by employment at daily rates of compensation not in excess of the per diem equivalent of the highest gross rate of annual compensation which may be paid to employees of a standing committee of the Senate. Any such contract shall not be subject to the provisions of section 5 of title 41, United States Code, or any other provisions of law requiring advertising.

(c) None of the funds may be obligated from the contingent fund of the Senate to carry out any provision of this section on or after a date 30 days after—

(1) the date on which the report described in subsection (a)(2) is submitted, or

(2) a date one year after the date of adoption of this resolution,

whichever comes first.

(d) For purposes of this section, the term "Soviet-bloc Eastern European country" includes Bulgaria, Czechoslovakia, the German Democratic Republic, Hungary, Poland, and Romania.

Mr. WARNER. Mr. President, could I ask the distinguished Senator from New Hampshire whether or not he has considered the possibility of a time agreement on this particular amendment?

Mr. HUMPHREY. It had not occurred to me. Does the Senator anticipate a great many amendments to this resolution?

Mr. WARNER. We know of three other amendments.

Mr. HUMPHREY. Why do we not proceed here and see how things develop? If we get bogged down, I would be happy to consider that. I know Senator SIMPSON has a vital interest in this amendment. I am sure he and I could come to some agreement, if one seems indicated.

Mr. WARNER. We will proceed on the assumption that the Senator from New Hampshire will cooperate with the managers if he feels a time agreement is necessary.

Mr. FORD. Mr. President, we are getting into a schedule problem as relates to two other pieces of legislation. The majority leader would like to bring them up today. I am not sure that he is expecting a time agreement on amendments of this legislation. I would encourage the distinguished Senator, if he could, to give us a time agreement so we can begin to fit. He can work out his schedule, and the majority leader can bring up the other two pieces of legislation that he would like to bring before the Senate before we leave tonight.

So I would encourage him, if he felt he could, to give us a half an hour divided equally, or something similar—40 minutes, 20 minutes on each side, so we can know. I would say 40 minutes, 20 minutes on each side probably would be a good time limit. We would not want any more than 20 minutes on our side, and may not need all of that.

Mr. HUMPHREY. I understand the wish of the floor manager for the minority side. I would prefer not at this point to enter into such an agreement.

The matter I wish to address is very important, and has in one form or another been before this body for a long time. I do not really wish to be rushed though I do not think it will take a great deal of time.

Mr. President, a little background: Some months ago, about 4 months ago in fact, Senator DIXON and I—and at that time I think it was 60 Senators altogether—sent a resolution to the desk which has lain there since that time, whose purpose was to construct a special ad hoc committee to investigate the case of Myorslav Medvid, the Ukranian sailor who jumped ship, and ultimately left this country back in October.

The cosponsorship of that resolution is now 63 Members of the Senate. The amendment which I have just sent to the desk is similar to that amendment which 63 Senators have cosponsored but represents at least from our point of view something of a compromise.

The resolution offered back in November would have created a special ad hoc committee, as I have said, in the Senate whose members were to be appointed by the majority leader and the minority leader, and which would have been funded, as I recall, by some $300,000 to be drawn from the contingency fund of the Senate.

For various reasons we have elected to modify our approach, and that modification is embodied in the amendment which I sent to the desk a moment ago.

The amendment now before us has the very same purpose—to investigate the Medvid case from top to bottom, and to do so by providing explicit and dedicated resources for that text. But the responsibility for the investigation, instead of being lodged in a special ad hoc committee, would instead be lodged in an existing body of the Congress—namely, the Helsinki Commission. Moreover, the requested funding has been reduced to $200,000; likewise to be drawn from the contingency fund of the Senate.

My principal sponsor, Senator DIXON, is anxious to speak on this subject. I know Senator SIMPSON, who has another point of view, will want to speak, and I will certainly want to respond to his remarks, and perhaps any questions he might care to offer.

Before yielding the floor, Mr. President, perhaps a brief review of the situation of the principal case in mind is in order at this point.

All of this stems from the Medvid incident which began in the evening of October 24 of last year when Soviet seaman Myroslav Medvid placed his personal possessions into a glass jar and jumped 40 feet off the Soviet freighter, the Marshal Konev, into the hurricane broiled waters of the Mississippi River.

To make a tragic story short, while he was in the hands of the border patrol, a call was placed to a contract interpreter, Irene Padoch, who at that time was in New York City. Mrs. Padoch subsequently stated in her testimony before the Senate that in her conversation with Medvid he several times asked for asylum, making it perfectly clear that he did not want to return to the ship or the Soviet Union.

Despite that, tragically, Medvid was placed in the hands of the shipping agent who has the contract for that particular cargo and they proceeded to return him by launch to the Konev.

As the launch approached the Konev, this time, I guess, at 2 or 3 in the morning, pitch dark, in the midst of the hurricane, or perhaps it was only a tropical storm at that time, Mr. Medvid on approaching the ship jumped once again into the Mississippi River, swam ashore, was run down there and bound, according to the shipping agents as quoted in the press. He struggled violently. He screamed and resisted in every way he could. Apparently, he was nonetheless forcibly returned to the Konev and disappeared into that vessel for several days before he was seen further by an American.

At that point he was examined and we got some of the details. For the purpose of brevity, he was examined by American physicians, taken ashore and questioned at some length by State Department officials, and ultimately signed a statement indicating that he was returning to the Soviet Union of his own free will.

Before he was finally, for the last time, turned over to the Soviets, the Senate Agriculture Committee issued a subpoena for Mr. Medvid, the subpoena of which the administration was aware, of which the executive department of the Government was aware, to which the executive attached no particular or obvious importance for the executive department chose not to ex-

ercise its authority under regulations under which it could have detained Medvid, under which they can detain any alien wanted for investigation by the executive, judicial or legislation branches of the Government.

For what reason the executive department chose not to detain the man who was clearly wanted by the legislative branch for investigation I have not been able to determine, though I have written the Justice Department months ago asking for an explanation. I have so far received only a bureaucratic letter.

That, at least from my point of view, is a barebones recap of that tragic episode.

A lot of questions were asked at the time, and even more afterwards, about the event. A lot of contentions and allegations were voiced.

Very early on I voiced a wish for a full fledged investigation independent of the executive, that is, a legislative investigation. That is why back in November, Senator DIXON and I, a total of 63 Senators, asked for an investigation. Many questions remain to this day.

Why did the executive ignore the subpoena?

Why did it fail to detain Medvid when he was known to be wanted for a legislative investigation?

To his credit, Senator SIMPSON, our colleague from Wyoming, chairman of the Immigration Subcommittee, since Mr. Medvid's departure, has held, I believe, two hearings which have answered to some degree, and I think in some cases to a large degree, some of those questions.

But I would observe that so far we have heard mostly from those who would defend the administration or themselves, for that matter. We have heard from the border patrol agents that they think they did everything right, that they do not think Mr. Medvid really wanted asylum. We heard from the physicians who examined him, who said he was in good shape. But we have not heard from independent medical experts their opinion on whether Medvid was in fact in good shape or could have been in good shape knowing that he had been heavily drugged.

We have not heard from the administration why they chose to ignore the subpoena, and so on.

My point is that 4 months after the episode we still have a great many questions unanswered. We still are in need of a top-to-bottom investigation. It is my view, and evidently the view of 63 Senators including the majority leader, that existing committees, because of their many responsibilities and, in some cases, staff which are inadequate, considering the burden of responsibilities and the pending agenda, simply cannot provide this kind of top-to-bottom investigation which is needed in a case like this.

So that is my point of view.

The Senator from Wyoming has a somewhat different point of view. We have butted heads and locked horns on this now for many weeks. I have grown to respect him even more, although I have sometimes wondered under my breath about his obstinance. I will leave it at that for the moment.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. SIMPSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Mr. President, Senator HUMPHREY and I came to this body in the same year. I remember we both appeared at a campaign gathering together when we were in the general election campaign. I came to know him then. I have come to have a high regard for him, I can assure you. It is a friendship that I enjoy. His wife Patty is a good and fine friend.

He speaks of the obstinance of the Senator from Wyoming. I always say it takes one to know one, I will say in exchange! That is what makes him an effective Senator. I have seen him take on issues and doggedly pursue them until he wins the day. This may be one of those. At least his day will not be won in the subcommittee which I chair, where I am doing everything I possibly can to examine into the Medvid incident.

It is almost a thing with an eternal life, I guess.

Medvid was here. He jumped or fell off a ship. He was taken back by the shipping agent with no one from the Federal Government present. He was later taken into a nonthreatening situation. He was examined by a psychiatrist and a doctor of the United States in the presence of Soviet officials. It was almost as if our Government was cheering for him to ask for asylum. They waited, they asked every single question known to man to ask Miroslav Medvid whether he wanted to stay in the United States of America. They asked him with two different interpreters, they asked him also with a State Department official, who was a superb witness at one of our hearings, and who spoke fluent Russian, as did Mr. Medvid, who was a Ukrainian but spoke fluent Russian and Ukrainian. They asked him time and time again if he wanted asylum.

When we deal with asylum in this country—we had about 65,000 petitions when I was dealing with this matter a few years ago you must recall that all you have to do to ask for asylum in the United States is just say the word or even just grunt. When we pick up people on the shores of the United States and ask them in any language, "Are you seeking asylum? Do you want to be here? Will you be hurt if you return to your country? Will you be slain?" And if they say, "Yes." That is enough. That starts the procedure.

Medvid was asked dozens of times whether he wanted asylum. As I say, one of our Government officials testified that we were almost cheering him to "Just say something," so we could then take him into the United States.

Mr. President, that is what happened in the Medvid case. Errors were made by the INS and discipline was dished out by the INS. The two men who were involved in the original interrogation, having some difficulty with the interpreter and understanding of the interpreter, were both heavily disciplined. If you say you are looking for people on the other side of the issue, how about a couple of witnesses who were disciplined by their own Government? You would think they would probably want to say something harsh. The thing they did say was that they knew the Medvid they saw was the Medvid they saw the first time and they knew he never asked for asylum.

That is what we developed, Mr. President. We have had three public hearings, and two closed sessions which were confidential. I personally sent the most capable and effective chief counsel and staff director, Mr. R.W. Day, to New Orleans. He conducted an intensive staff investigation. Indeed, I have made it a point to advise and to invite participation. I have asked Senator HUMPHREY and any other persons who have signed the letter—and I think we want to keep in context the letter, which has been circulating around for some time now. It essentially is just saying we want to look into asylum procedures in the United States, and I say that is great and I will, and we are.

It says that it is an unfortunate thing that happened with Mr. Medvid, and it could not be more clear that was the case. I believe it even goes on to talk about freedom and this country of freedom and humanitarianism and these things. And I believe in all of these things.

The majority leader is the one who deserves the accolades here. He has put this before us once more, which is appropriate. I am going to vote against it, but I admire the majority leader because, again, the Senator from New Hampshire is an insistent fellow and he was going to see this come up again.

If it had been in its original form, we would have had a much richer debate than we are having here. This measure

now provides that this goes on to the Helsinki Commission. That is fine. I hope the Senate can find the $200,000 to go with it from our contingency funds. I understand that those have been pretty well tagged in the times of Gramm-Rudman-Hollings.

I want to share with you two things. I have not heard it brought up in today's debate. We are now told that perhaps there was a "substitute Medvid." That makes good copy—and you may remember that yesterday I talked about how often things in here flow along on a kind of tide of emotion and fear and guilt and racism. I said that yesterday. Now, when America tunes into this Chamber, it will find that that is how we often do our business in here—some amalgam, some blend of emotion, fear, guilt, or racism. That is the way it is.

Then thoughtful Republicans and Democrats have to come along and, as I say, police up after that and try to get the work done.

Mr. President, I said two things. I do not think there is a question in any thoughtful person's mind that they probably took Medvid back on that ship and said, "Look, Buster, you want to get something clear: Get the wax out of your ears and tell them you don't want to stay in the United States. Either you do that or we are going to do something bad to your mother and father in the Ukraine."

Does anybody believe that did not happen? I bet it did happen. I would bet a buck that it happened. I bet more than that it happened. But Medvid had a choice. He could have come in and said, "I want asylum in the United States," and then knew he would probably never see his mother and father again. He knew—and he is over there now, going to school apparently, according to TASS, and he is inviting us to come over there and visit with him. He is inviting Members of Congress to come over and chat with his mother and father and himself. I would be interested to know anyone who would do that and I even think a bit of it myself.

But the indication may be that he was told just exactly that: "Either you get out there and say you don't want to get into this country or something bad is going to happen."

The testimony showed that he mentioned "mama and papa" several times to the psychiatrist. Indeed, he did. And why not? Those who share the hardest-possible-line view of the Soviet Union would have to believe that indeed did happen.

Then the second one is the substitute Medvid. If you were really going to substitute a Medvid, why would you not get a guy who would get up and say, "I want to go back to the motherland; this country is trash. I want to get back on that ship and I want to go to the Soviet Union, and I am Myroslav Medvid, and let's start the ship."

Why would they substitute some stumblebum who could not say anything, according to what the testimony is? He could not say he wanted asylum. They asked him. He quietly responded, "No, no." That is what really happened.

If you are going to substitute a Medvid, then get a Medvid who is a good old hardliner who is going to get in a private visit with United States officials and say, "Don't you touch me and you put me back on that boat and I want to go to the Soviet Union."

That is what a substitute Medvid would have done. If this were a substitute, he was the worst possible person to pick. We have an absolute chain of eyewitness identification of this man. No one has challenged that yet. Link by link: "Is this the man you saw first?" "Is this the man you saw second?" "Is this the man you saw third?"

"Yes, it is." Without question. Without any question.

Mr. President, a lot of questions remain. I am sure we will find them. As to the denial of the subpoena, I have a couple more hearings to go. I would like to get the shipping agent in there and ask him what he did see on that ship when nobody else was present.

He was alleged to have beaten his head on the rocks, yet he was examined by eyewitnesses or by physicians who said there were just maybe some rough marks on his arms where they had jerked him around, and of course, the injury to his left arm.

I guess the thing that I have to work through is where is the real reason—there is always a reason for something around here. We sometimes spend more time trying to find the real reason. If we are looking for the sinister final link, which I guess is a phone call from George Schultz, the Secretary of State, to the INS, which would say, "Put this man back on the ship and get him out of here so we don't mess up the Summit Conference," I am willing to ask George Schultz to come and testify. Knowing that remarkable and most capable man—who is anathema to some in so many of these movements—he could come and testify to that effect. That link I do not think you are ever going to find, because no one else has even ever indicated that it happened.

Then we have a theory of secret agreements with the U.S.S.R. on grain shipments and on cultural exchange to guarantee the return of Russian defectors—always and every time, without their being able to ask for asylum.

We have gone all through that. I had a strange comment when this thing first occurred. I said, "Have you ever run this thing on the flip side? We have hundreds of U.S. seamen in Soviet waters. Are you saying that they could be taken off a ship with some kind of legal proceedings from the Politburo and then not be able to have an American present while they are being interrogated?"

I do not think that one would sell very well. That is the flip side. They say that he should not have been in the presence of any Soviet officials when he was being examined. Well, flip that around and try that on hundreds and hundreds of U.S. citizens in Soviet waters who could be lifted from a craft with some kind of legal document, subpoena or whatever, and then taken into a separate locale without any American presence and then told, "We know you want to stay in the Soviet Union and tell us that right now." An interesting point, I think.

Finally, there has been an unfortunate occurrence, and it is painful. Some have made an issue of alleged insensitivity to the Ukrainian ethnic group. That is very unfortunate. I do not know where that ever came to pass. It certainly did not spring from me. I have had some rather harsh, nasty letters from the Ukrainian community that somehow we are doing a terrible thing or something is occurring that should not be. That is unfortunate. In the testimony of that ethnic community it was obvious that there is a deep feeling about the Russification of the Ukrainians.

I try to be sensitive to that, but I do not think the average American knows that there is a distinct difference—and yet is is very real—between the Ukranian and the Russian. To put some ethnic twist on that I think is very unfortunate, and they made it somewhat of an issue, a deeply emotional issue at that.

I have the deepest respect, admiration and regard for the Ukranian community. They have been abolished—eliminated in many cases by the Russians. That is why they had an interpreter who spoke both Ukranian and Russian for this man, on the second go-round. Medvid chose to speak in Russian. The ship captain was Ukranian. Those are some distorted things that go with the emotion and the feelings on this issue. But it is typical of everything you do when you get to one like this.

The American people do not even understand the difference between a refugee, an asylum seeker, an economic migrant, an extended voluntary departee or immigrant. So how do you get them to make a distinction like this one cited?

I have been there. People talk about refugees and immigrants in the same breath—and the difference between them is worlds. One is here to work and earn and the other is here out of flight, fleeing persecution or having a well-founded fear of persecution,

based on race, religion, national origin, and the other conditions.

I can only say to you that here you can release this into the Helsinki Commission and spend the $200,000. I am not going to support that. I go against that. I deeply admire the majority leader for bringing it to your attention. I will not go against his position on bringing it up. I think it is important. I am pleased that, if it does pass, at least we will just go right ahead in the Subcommittee on Immigration and Refugee Policy and do our work, which we are doing.

In fact, I had two closed hearings especially for those who seem to be so destructive of the INS and what it was doing. At one point they did not even feel that they could attend. I am ready to do some more of those. I am ready to subpoena anybody that somebody wants to trot up for a subpoena. We are going to talk with the shipping agent.

But somewhere along the line, as I have said before in this place, the ball game has 9 innings. If everything has 22 innings, then we are going to be here a long time. That is why we often spend such a long time here. Sometimes there must be finality in something. Medvid is gone. The INS made a mistake. People were disciplined. Procedures have been put into place to try to avoid it. People will jump ship all the time. And guess what? None of them want to get back on the ship. Isn't that an interesting thing? Why do you jump ship? You get off the ship because you want off the ship. And when you go to them and say, "Do you want to go back on the ship?" They say, "No," without exception. We pick up people from the Soviet bloc and Eastern bloc countries. We pick them up from all over the world every day. We have only had one Medvid incident in that process. Some are processed in, some are rejected, some are given asylum, some are not, and it goes on every day in the United States of America.

This man is gone. There is nothing to do about that except you can go visit him, according to Tass, pay a call on him. He is there live, pictured with his family the other day.

It does not matter if there were two Medvids or 15 Medvids. They are all gone. The issue is an error was made. People paid for their error. The Secretary of State was not involved to tell anyone to end the operation so we would not ruin the summit. That is a strained interpretation.

We are preparing a report on the Medvid incident from the subcommittee, the staff investigation, and the subcommittee hearings. As I say, we have had three separate open hearings, and two closed. The subcommittee members have been marvelously helpful. The subcommittee consists of Senators KENNEDY, SIMON, DENTON, and GRASSLEY. We do our work and have been doing it I think quite well for many years. So I stand ready to investigate any new material, anything at all. Bring it in, trot it up. Any legitimate issue relating to Medvid, bring it in, roll it out. We will have a shot at it. If you want to subpoena somebody, let us subpoena somebody. We will look at that and any appropriate witnesses or documents if there are any further facts to be ascertained. I pledge to do that.

I thank the Chair.

Mr. DOLE addressed the chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. Mr. President, I wonder if it is possible to get a time agreement on this amendment.

Mr. FORD. I say to the majority leader I am perfectly willing and tried earlier, but the distinguished Senator from New Hampshire thought we ought to discuss it some. I am willing to do whatever is amenable.

Mr. DOLE. How much time does the Senator from Illinois require?

Mr. DIXON. I do not think the Senator from Illinois would require a great deal of time. I am here to be entirely supportive of my friend from New Hampshire and whatever he would indicate is an appropriate amount of time for him would be satisfactory.

But I might say to my friend from New Hampshire that my talks with my distinguished friend from Kentucky have not been fruitful, and I expect that there will be a rollcall and recorded vote. Given that, I expect that we are going to have to convince our colleagues of the merit of our cause, the Senator might want to take that into account when he indicates to the distinguished majority leader how much time he requires.

Mr. HUMPHREY. If the majority leader will yield, I advise my colleague from Illinois that I have already spoken, I do not expect to have to say anything further. So it is really a matter of how much time the Senator from Illinois wants.

Mr. DIXON. I think that 10 minutes or so would be adequate for the Senator from Illinois to express his warm support for what his friend from New Hampshire is trying to do.

Mr. DOLE. Mr. President, I understand that the Senator from Kentucky will not require a great deal of time and we are checking with the distinguished minority leader to see if we can reach a time agreement.

I support the amendment. I have cosponsored the amendment, and I understand the outstanding work that has been done in the subcommittee. However, as I have explained to my colleague and friend from Wyoming, when I am presented with a problem, I try to find a solution. And I think the so-called Helsinki Commission does provide a forum. It does not take away anything from the subcommittee, but it does provide a forum.

I hope we can dispose of this matter. We have been an hour on this amendment, or almost an hour, and there is one additional amendment.

Mr. FORD. Maybe two.

Mr. DOLE. I think the Senator from California may not offer his amendment so it would be one by the Senator from Alaska. We still have to do reconciliation this afternoon.

Mr. FORD. Mr President, will the distinguished majority leader yield for a point?

Mr. DOLE. I yield.

Mr. FORD. I have a problem with the solution proposed by the majority leader.

This may involve the illegal use of Senate funds; 2 U.S.C. 68-2 restricts the use of contingency funds of the Senate to those expenses which are intimately and directly connected with the routine legislative business of the Senate.

I believe that the amendment strays from that statute by making the Senate contingency funds available for operations outside the Senate.

I reluctantly say to my distinguished leader that this would be a bad and possibly illegal precedent. I am not saying it is, and I am not a lawyer. But my advice is that this certainly strays from the statutes. Of course, whatever the Senate wants to do, it is up to the Senate. But I want to warn my colleagues that we could be bumping up against something costing $200,000, and under Gramm-Rudman we are trying to cut back.

Mr. DOLE. Mr. President, I only indicate that the amendment was drafted, as I understand, by Senate counsel, and I hope they would not draft legislation that would be in violation of another section of law.

I do not quarrel with the point of the Senator from Kentucky. I think it is a good point, and the RECORD should reflect that.

In my view, this is an important amendment to many people on this floor, and it is an important amendment to many people across this country. I have spoken to many of them, in Chicago and Detroit and other places.

Debating this from the standpoint of dollars, I hope we can dispose of the amendment in the next 15 or 20 minutes.

Mr. DIXON. Mr. President, I say to the majority leader that my remarks will be very brief. I think that in 7 or 8 minutes I can clarify my position in this matter; and if it accommodates the Senator from New Hampshire and everyone else, I will be willing to vote as soon as possible.

I should like to express the very strong feelings of the Ukrainian people in Cook County and elsewhere

around my State who feel very strongly about this.

Mr. FORD. I know this is not quite what the majority leader wanted, but would he enter into a unanimous-consent agreement that we vote no later than 3:30 and that the time between now and 3:30 be equally divided?

Mr. DOLE. That is fine.

Mr. DIXON. That is satisfactory.

The PRESIDING OFFICER. Is there objection?

Mr. HUMPHREY. Mr. President, reserving the right to object, and I shall not object, we could save about 20 minutes by having a voice vote.

Mr. FORD. I say to my distinguished friend that if the amendment is going to be defeated by a voice vote, I will be glad to do that. Otherwise, I will ask for a rollcall vote. The point is about spending $200,000, the possibility of an illegal expenditure, or having the Committee on the Judiciary, which has the full authority to investigate this matter, continue to do the job.

We passed Gramm-Rudman, of which the Senator from New Hampshire was a cosponsor, I suspect, and now we are trying to spend $200,000 more, when we already have a function of the Senate in place.

Has the unanimous-consent request been propounded?

The PRESIDING OFFICER. Is there objection?

Mr. HUMPHREY. I want to respond quickly to the point about spending the money. This would require a brief program.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. Mr. President, could I alter the request and say that the unanimous-consent agreement is that we vote by 3:20, not later than 3:20?

Mr. DOLE. That is fine.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. And the time be equally divided, so that it will be 15 minutes on each side.

Mr. DIXON. Mr. President, I do not expect to take the entire time allotted to our side.

I had occasion some months ago to be in the city of Chicago—I should correct that to say outside the city of Chicago—near O'Hare Airport, with my friend from New Hampshire, at which time we met with a large Ukrainian group from my State concerning this question.

I can assure my colleagues in the Senate, wherever they might be, if they are listening to the discussion here on the floor on their squawk boxes, that there is an immense amount of concern in the Ukrainian community in the country about what happened in the Myroslav Medvid case.

I say to my distinguished friend from Wyoming, for whom all of us have the greatest personal regard, that I mean it as no reflection on the good work he does in the Senate or whatever may be done in the hearings before that subcommittee, that there is an impression out there in the country among people who are vitally concerned about this issue that we are not obtaining a full airing of the Myroslav Medvid case; and those people who come to this country from other shores have the right to know the true facts about this.

There truly is a belief in the country, among a great many people, that a different person was involved on one of the occasions and that there are at least two people who represented themselves to be Mr. Medvid.

Again I am forced to say what I said before, when we talked about this question on the floor of the Senate. To suggest that a man jumps into the Mississippi River twice and slashes his wrists when he wants to go back to the Iron Curtain, I think that stretches the imagination of most people that I know pretty far.

I can see no reason why we ought not get to the bottom of the facts in this case and reveal the whole truth to the satisfaction of the country as a whole. I do not care what forum it takes.

I do not recall the exact number that my distinguished friend from New Hampshire had on that original resolution, but I think it was over 60 Members of this body who wanted to know all the facts in this case. I stand to be corrected, and hope my colleague will correct me if I am in error about this, but I believe that the 60-some Members of this body were evenly divided between members of the majority and minority who were anxious to have the truth in this matter.

I am sure that my distinguished friend from Wyoming and others who have looked into it are doing a conscientious job in respect to this, but it simply is not being elevated to the prominence it would receive if we had a separate look at it by some duly-constituted authority such as now is suggested in this most recent amendment. I believe you will find that there will be more confidence in the country as a whole if it is done that way.

In conclusion, I want to remind everybody in the Senate that we are a great Nation, made up of a lot of people who came here from other countries. A good many of them have come to our shores and enjoy the great dreams this Nation makes available to all our people who come from countries where they did not have those dreams. Many have relatives and friends still in those countries. They are concerned about sanctuary and asylum for their loved ones and friends and relatives and others who might want to come to this country. They are concerned about the integrity of our system and about whether our laws work well and whether the services that are supposed to protect citizens in these places perform adequately.

There are newspaper and other media accounts that that did not work well in the Medvid case. We should learn our lesson from that. We should find out what occurred in that case and should try to do better in the future.

Without taking any more time of the Senate, I hope we give this a separate airing. I say that if we do not take this opportunity to do it right now, regrettably there will be a vast number of people in this country—many of whom came to our shores convinced of the demonstrated integrity of our democratic institutions—who will feel that this matter was swept under the table and that we have not given an adequate investigation of the circumstances of this case.

So I urge my colleagues in the Senate, and particularly on this side, to support my friend from New Hampshire.

Mr. FORD. Mr. President, this is an emotional issue, and I understand the emotion.

I understand my distinguished colleague from Illinois. This is a haven. This country has opened its arms forever. We are all made up of people from someplace else.

We are now seeing a revival of American spirit as it relates to refurbishing the lady in the harbor in New York. I know the young folks in my community are collecting nickels and dimes to refurbish the Statute of Liberty.

I think that we get down to several questions that are involved here.

Where is the money coming from? It is coming out of the contingency fund. There is no money in the contingency fund. We will have to go to the Appropriations Committee. We will have to appropriate the money. We just stuck them for $3.5 million to put TV and radio in the Senate. And now we want to go back for more.

I hear the cries in this Chamber, until it bother them a little, let us cut back on everything; let us start reducing; let us get a balanced budget.

What is the procedure of the Senate? The procedure of the Senate is that we already have a committee to investigate. We already have done some investigation. We have already held hearings both private, closed hearings, and public hearings. And we are going to have some more. But that is not satisfactory.

We have to basically break that statute, one, and two, basically break the contingency fund.

Now, I am not a lawyer. My dad told me a long time ago, "Get yourself a good lawyer and stay with him."

My good lawyers say without going to court they think that we are on the verge of breaking the statute.

Supplementing the Helsinki Commission funding—that is what this amendment does.

This amendment is highly unusual in that it uses the contingency fund of the Senate of the United States to supplement the operation of a panel whose appropriations are funded outside the legislative branch.

We have a question here now of more than just investigation of Mr. Medvid.

Do we follow the law or do we, because we are a deliberative body, the greatest deliberative body in the world, by 51 votes or a majority vote, eliminate the statutes? That is the question you have to decide in your own mind.

There are Members who are not members of the legislative branch and there are members of the executive branch. I do not hear the executive branch down here wanting this money because their members are on the Helsinki Commission.

I go back and repeat what I said earlier, that 2 U.S.C. 68-2 restricts the use of the contingency fund. It restricts the use of the contingency fund of the Senate to those expenses which are "intimately and directly connected with the routine legislative business of the Senate."

So, Mr. President, I believe this amendment strays and strays widely from the statutes by making the Senate contingency fund available for the operations of an intergovernmental panel.

Beyond that, if it is not breaking the law, or bending the statutes, this would establish a very bad and possibly illegal precedent. Think about it just a little bit on that basis.

Sure, there are emotions. Sure, there are questions.

And if the distinguished Senator from New Hampshire would like to offer an amendment to take the $200,000 from one of his committees, that is another proposition. He might want to amend his amendment to say he is going to take the money from one of the Senate standing committees. Take it from the Judiciary Committee. Have them just eliminate their subcommittee that now has jurisdiction. Send that money to the Judiciary Committee. But we do not have the money in the contingency fund to support this amendment.

The money comes from a line item in the budget—I am sure the distinguished Senators are aware of that—entitled "resolution and reorganization reserve." It is in the legislative appropriations account. It is under miscellaneous items, if you want to get down into details. This would be the source of the funding that is being asked for under this amendment.

And if you want to know the facts of it, the reserve that you are asking money to be dispensed from has already been overobligated. So, you are going to have to go back to the Appropriations Committee; the Appropriations Committee is going to have to recommend that we appropriate some more money.

So when we have already overobligated the funding and we are trying to cut back, and we have a committee and a subcommittee to handle it, why do we need another $200,000?

Mr. President, some difficulty will arise and reprogramming will have to be done by the Appropriations Committee and that will even make it more difficult for the Senate to live under Gramm-Rudman-Hollings.

I am talking about the reasons for this amendment. I do not question the integrity or desires of any of my colleagues. But it comes to a point where we have to, I think, live within our means. We simply do not have the money, simply do not have the money, and we have already overobligated this committee for the funding and now we are going to overobligate it more than $200,000.

This just says take it. When will the supplemental come? When will the distinguished Senators from New Hampshire and Illinois come with their supplemental to give more money to the Appropriations Committee so they can fund the operations of the Senate?

The Rules Committee cut almost $5 million out of the committee budgets and they have survived with that cut. They have survived with that cut and we have held it at zero growth for 5 years now and we used an innovative procedure to not cut the committee's expenses, their budget, any more than necessary.

In fact, we cut the committees' budgets less than we cut in our offices, and we are responsible to our constituents.

You know, there is something funny going on here, and let me just give you an idea where the Helsinki Commission is funded. I wonder if the distinguished Senator from New Hampshire knows where the Helsinki Commission is funded, from what part of the budget those funds are derived. The Department of Transportation. And it is overseen by the GAO. I am informed that that is in error. It is in the Commerce, Justice, State, Judiciary appropriations bill. It is funding for an independent agency, the Helsinki Commission.

Now, we are going to take the contingency funds of the U.S. Senate and bend the statutes and say we are going to fund it even more.

Mr. President, I implore my colleagues. Let us look at the real issue here. We do not have the money, one; two, we have a Judiciary Committee; and, three, they have a subcommittee that handles this particular item. Because some do not believe it was handled right, they want another comission to handle it. They want more money to spend.

I think it is time we say no to the expenditure of these funds, and begin to tell the people who are finally listening to us for a change that we are not going to vote for these additional moneys.

If you want the Helsinki Commission to look at it, that is one thing. But paying them to do it is another. I say to my distinguished friends that at some point I am going to get a rollcall vote on this, and we will find out how many people want to spend money, and how many people think we already have a system that is adequate enough to oversee the functions of the Senate.

I yield the floor, Mr. President.

Mr. DOLE. Mr. President, the purpose of this amendment is to add $200,000 to the funding of the Commission on Security and Cooperation in Europe—the Helsinki Commission—for the purpose of looking into the United States' treatment of specific asylum requests. I believe that the amendment properly utilizes an existing forum—the Helsinki Commission—for resolution of some questions that pertain to this country's handling of asylum requests.

Specifically the Commission is authorized to examine the singular case of Miroslav Medvid to determine whether asylum procedures were followed. But more broadly, the Commission will examine other instances in which nationals of the Soviet Union or a Soviet-bloc country were denied asylum in violation of a United States statute.

The amendment requires that the Commission shall submit its recommendations not later than 1 year after its establishment.

Many of my colleagues share some serious concerns over the Medvid case that have led us to question the very laws that govern asylum requests. It is my hope that this study might put these concerns to rest.

IN SUPPORT OF THE SPECIAL SENATE PANEL ON POLITICAL ASYLUM

● Mr. RIEGLE. Mr. President, as one of the original cosponsors of Senate Resolution 267, I rise in strong support of this important resolution to establish a special Senate panel to investigate the Medvid case and to review our overall political asylum procedures.

The question at issue here is a very basic one: Will our Government, in a consistent and fair way, continue its historic tradition of offering protection in the United States to those fleeing political oppression.

I believe we must, and I believe the American people support this view.

A critically, important part of the effort to guarantee the preservation of asylum protections will be the investigation conducted by the special panel into two important matters.

First will be its review of the case of the Ukrainian sailor, Miroslav Medvid. I believe the sensitivities of the Ukrainian community over the handling of the Medvid case are very legitimate, and are ones which I share. It is my hope that the findings of the panel will give us a better understanding of the apparently contradictory actions he took in first jumping ship, and later, agreeing to return to the Soviet Union.

Beyond this, I believe it is critically important that we review all of our existing asylum procedures to ensure that every consideration is given to the requests of those seeking political asylum in the United States. That will be the second task of the special panel.

Mr. President, in preparation for its centennial celebration this year, the Statue of Liberty is undergoing an extensive physical restoration. As we enhance the beauty of this impressive symbol of liberty and justice, we must also ensure that our Nation lives up to the Liberty's promise of hope to those seeking political freedom.

The special panel's investigation will make an important contribution toward that effort, and I congratulate the Senate on allowing the panel to begin its work by approving this important legislation.●

Mr. HUMPHREY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. HUMPHREY. Mr. President, will the Senator from Virginia yield time? We are on a time agreement, are we not?

Mr. WARNER. I will yield such time as the distinguished Senator——

Mr. SIMPSON. Mr. President, what is the situation with regard to time?

The PRESIDING OFFICER. The Senator from Kentucky has 1 minute remaining, and the Senator from Virginia has 6 minutes remaining.

Mr. WARNER. Mr. President, I will be guided by my colleague from Wyoming. I had to go to a committee hearing for a moment. He was more or less manager at the time.

Mr. SIMPSON. Mr. President, I understand 1 minute remains for Senator FORD.

I yield to the Senator.

Mr. HUMPHREY. I might well clarify who is managing the time on behalf of the proponents of the amendment. Is it the Senator from Virginia?

Mr. WARNER. The time agreement was made in the absence of the Senator from Virginia who had to go to a committee meeting. I will have to defer to my distinguished colleague from Wyoming who represented to me that he would manage the bill in my absence.

Mr. HUMPHREY. I understand.

The PRESIDING OFFICER. The Senator from New Hampshire as the mover has control of the time.

Mr. HUMPHREY. Very well, I thank the Chair for that clarification

Mr. President, I do not see any need to extend the debate any great amount. I would simply reiterate for the benefit of my colleagues and their staffs who may be listening that this is a compromise approach worked out with the majority leader.

The language was drafted with the assistance and approval of legislative counsel. We believe it to be consistent with the law.

The Helsinki Commission, which body this investigation would go to, is an official agency of the Congress.

I believe this is a good approach, Mr. President. I believe this will enable us to provide dedicated resources is a way that again would otherwise be done for a top-to-bottom investigation of this matter, which is now 4 months old.

Mr. President, I ask unanimous consent that the majority leader, Senator DOLE be added as an original cosponsor of Senate Resolution 267.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Just a point of clarification. That is the original legislation which has been at the desk for some 4 months—not the amendment which is now pending although the majority leader is likewise a cosponsor of the amendment now pending.

Inasmuch as it has been 4 months since this matter was last on the floor, Mr. President, perhaps it would be—on second thought, I will not do that. I was considering reading a list of cosponsors. I guess that is redundant at this late juncture.

Let me ask unanimous consent that the list of the cosponsors of Senate Resolution 267, the original legislation on this point, which has not been modified in the form of the amendment before the Senate, namely, that the cosponsors of the original legislation be made a part of the record at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COSPONSORS TO SENATE RESOLUTION 267

*After name means not original cosponsor.

REPUBLICANS (35)

Abdnor, Andrews, Armstrong, Boschwitz, Chafee*, D'Amato, Denton, Dole, Domenici*, East, Garn, Gorton*, Grassley, Hatch, Hawkins, Hecht, Heinz, and Helms.

Humphrey, Kassebaum, Kasten*, Mattingly, McClure, Murkowski, Nickles, Pressler, Quayle*, Rudman, Specter, Stevens, Symms, Trible*, Wallop, Warner, and Wilson.*

DEMOCRATS (29)

Baucus, Boren, Bradley, Bumpers, Burdick, DeConcini, Dixon, Dodd*, Eagleton, Exon, Ford, Glenn, Gore, Harkin, and Heflin.

Johnston*, Kerry, Lautenberg, Long, Melcher, Mitchell, Moynihan, Proxmire, Pryor, Riegle, Rockefeller, Sarbanes, Simon, and Zorinsky.

Mr. HUMPHREY. Mr. President, does the Senator from Illinois wish to speak?

Mr. DIXON. If my colleague has concluded, I would like to make one more brief remark.

Mr. HUMPHREY. Let us reserve 1 minute. I yield all remaining time except 1 minute to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DIXON. Mr. President, may I simply say this: No one in this Chamber has warmer personal regards for the distinguished senior Senator from Kentucky than this Member. But to argue the merits of Gramm-Rudman on an issue as minuscule against all we do here, the issue whether we ought to make $200,000 out of a $1 trillion budget available to look into the question of whether people who come to our shores may be protected in their interest in living in a freedom-loving Nation rather than being returned to Iron Curtain countries I think is a remarkable argument: specious in character, and largely irrelevant to the subject matter at hand.

I cannot imagine any subject matter more important and more dear to the hearts of America than the question of whether people who come to these shores can be protected by our laws, and entitled to the integrity of our system from the standpoint of remaining here if that is their real desire.

And the whole question here is did Medvid have that protection? Did we mess up? Did we do the right thing here, or do we in our system fail to protect the rights of individuals who were entitled to the protection of our laws, and want to remain in this country? I think this is a very small investment to look into that question. I hope my colleagues will support the resolution of my friend from New Hampshire.

The PRESIDING OFFICER. Who yields time?

Mr. FORD. Mr. President, I yield the balance of my time to the distinguished Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. SIMPSON. Mr. President, "specious"? Wait until my mother hears that! [Laughter.]

Then, I say to my friend from Kentucky that my father was a lawyer and I too practiced law. And my father always said that "If anybody goes to jail, be sure its your client." [Laughter.]

I have tried to live that way. Let me say this to the Senator:

I hear totally what the Senator from Illinois is saying. But let it be absolutely clear that this country spends hundreds of millins of dollars on refugees, asylees and even people who are here illegally—millions and hundreds of millions.

So you know, I hope we can keep the Statue of Liberty still glowing there in the harbor. It does not say on it to send us everybody you have got legally or illegally. That is not what it says. But that is not this issue. You have a man that had every possible opportunity to ask for asylum, and he did not do so. I wish he had. So does the State Department. So does the INS. They could have tortured him, I guess, to say he did. But he did not, because he wanted to go home, and he is home. That is the way that is.

The PRESIDING OFFICER. The time yielded to the Senator from Wyoming has expired.

Mr. SIMPSON. I ask unanimous consent for 1 additional minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Let me say the Senator from New Hampshire has asked for an independent investigation. That is what he is receiving through the Subcommittee on Immigration and Refugee Policy. If we put it in the Helsinki Commission, we are not getting it independently because we have members of the executive branch on that commission. I think that is important to consider. Old witnesses will be presented. There are no new witnesses. You have a new commission. You examine the same witnesses. There are no new people unless you go to Russia and hold it there. I guess we could do that. Any witness you have before the subcommittee is your witness in the Helsinki Commission.

Mr. HUMPHREY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. HUMPHREY. Mr. President, I would make these final points: That 2 days ago the Senate wisely in my opinion made $3.3 million available from the contingency fund for a very short-range experiment in televising the Senate. The amount we are asking for here for this important investigation is one-seventeenth of that, approximately—one-seventeenth.

Again, I make the point that it will not result in new expenditures but rather require, as the TV in the Senate matter requires, a reprogramming—not new appropriations, but rather a reprogramming, and slight, tiny, miniscule reordering of our priorities.

Mr. President, if the manager on the other side is prepared to yield back his time, if he has any, I am likewise prepared to do the same.

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WARNER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SPECTER). Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from New Hampshire.

The amendment (No. 1670) was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DIXON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WARNER. Mr. President, the matter pending before the Senate is open to further amendment. The leadership is interested in having this matter resolved in as short a time as possible so that we can turn to other matters on the calendar. It is the hope of the Senator from Kentucky and myself that Senators who desire to bring forth amendments will please do so as quickly as possible.

Mr. President, I see no Member of the Senate seeking recognition. Therefore, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. Mr. President, I see the distinguished majority leader is on the floor. He is eager—maybe more so than I am but not much more—that we go ahead with this piece of legislation. We are waiting for one amendment that this Senator, for one, will oppose. I hope we shall be through by 4 o'clock or even before that. I encourage any of those Senators listening—I understand we have one or possibly two more amendments. I would like to get rid of them as soon as possible and will help the majority leader as much as I can.

Mr. DOLE. I thank the distinguished Senator from Kentucky. I would like to finish this by 4 o'clock or not later than 4:15 or 4:30.

We have submitted a copy of the reconciliation proposal to the distinguished minority leader. I must say we have not yet had agreement from the White House but we will negotiate with them. If we could get a time agreement on reconciliation and dispose of that, it may not take too long. We may have something on OCS, which I do not understand, but it is important to a number of Members on each side. I hope we can work out something like that, because it is very important to the Senator from Kentucky, the Senator from Virginia—any tobacco State Senators. The tobacco tax expires tomorrow at midnight. If we can expedite this, I shall try to do the reconciliation package next.

Mr. FORD. Mr. President, I should think it would be very important to the administration, too, because the tax on cigarettes expires at midnight tomorrow and the administration has used that tax in the budget submission for fiscal 1987.

Mr. DOLE. The Senator is correct.

Mr. FORD. So we are all kind of caught up in the need to move that on. I hope that any agreement that could be reached on reconciliation would also be in agreement with the House measure. They are very fidgety, as I understand it, about receiving anything back from us. Now this ball has started bouncing. A lot of people have a great deal of interest in certain items in this measure beyond those of the tobacco States. I hope he can get something.

Does the majority leader indicate that what he has is acceptable to the House?

Mr. DOLE. Mr. President, I would not be in a position to say that. I am led to believe—again I am not an expert in this area—the so-called AG for the OCS provision might be acceptable to a number of Members in the House from both political parties. That is the big ticket item.

There are a number of items I am not sure we will get agreement on. One is with relation to an AFDC amendment and one to the DRG's in Medicare. They are not major, but they are important to certain Members in the House. I am not certain how that is going to play.

It is my belief that the big stumbling block has been the OCS Program and that may have been resolved.

Mr. FORD. Mr. President, I appreciate the majority leader's interest. I am going to help him any way that I can to see that they get through. There are other items in there that I am interested in—public broadcasting. We can talk about all these little items that become extremely important when we put them together.

Mr. DOLE. Mr. President, I am advised the Senator from Alaska has left his office. I hope it is not in Anchorage.

Mr. FORD. Mr. President, I agree with the distinguished majority leader; I hope it is his office here and not the one in Anchorage.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1671

(Purpose: To defray extraordinary or unexpected committee expenses)

Mr. STEVENS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] proposes an amendment numbered 1671.

Mr. STEVENS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of section 2, add the following paragraph:

(e) Not more than $1,500,000 of the aggregate unexpended balance of the funds authorized by the Omnibus Committee Funding Resolution of 1985 is hereby transferred to a special reserve and made available for use from March 1, 1986, through February 28, 1987. The Committee on Rules and Administration is authorized to adopt regulations to govern use of the special reserve and may, notwithstanding any other provision of this resolution, make funds from the special reserve available, by administrative action, to the committee described in paragraph (a) to defray extraordinary or unexpected expenses.

Mr. STEVENS. Mr. President, the funding resolution that is before the Senate was the result of a motion that I made in the Rules Committee dealing with the whole question of the allocation of funds to the individual committees. My motion, to which the committee agreed, gave each committee the same funding level in 1986 that it had in 1985 less the fiscal year 1986 Gramm-Rudman-Hollings sequestration.

The second portion of my proposal at that time was that there be a mechanism established to make available to specific committees funds needed to meet extraordinary or unexpected problems. For instance, this year there were requests from the Finance Committee and the Armed Services Committee for specific funding to meet unique needs. It was not possible to complete the discussion of that proposal at that time, and this amendment is a modification of that approach.

The effect of this amendment would be to make available to the Rules Committee as part of this funding resolution $1.5 million from the unexpended balance of the funds authorized by the previous resolution as a special reserve for use by the Rules Committee to meet the needs of individual committees.

The current approach, Mr. President, requires a committee that needs additional funds to pursue those funds in a complicated and lengthy supplemental funding authorization process that culminates in consideration of a supplemental resolution by the full Senate. For instance, let me point out that in 1980, the Judiciary Committee received $197,000 and the Indian Affairs Committee, $105,060. In 1981, Judiciary asked for additional funds and so did Intelligence. They were both given funds in November. In 1982 there were no supplementals. In 1983, Indian Affairs asked for money. It was finally approved in November. And Indian Affairs again in 1985 asked for additional funds and they were finally approved in December.

Now, my proposition is that the requests for funds that are before the Rules Committee now should not require us to go through the whole funding resolution procedure again.

My objections to the current procedure are two. One, we have those requests before us now, and we should act on them. Second, we should establish a procedure whereby small amounts of money for extraordinary and unexpected expenses of committees may be funded by the Rules Committee from prior year unexpended funds.

Now, let me address the unexpended funds issue, Mr. President. We have had substantial unexpended balances in the past, and the Senate now faces a substantial unexpended balance from 1985. The unexpended balance in 1984 was more than $4 million. The unexpended balance anticipated for 1985 by the staff is $4,203,055.

We now have the problem of dealing, particularly in this second session, with the tax bill and with the strategic defense initiative. The Finance Committee has the tax problem, and Armed Services has the SDI problem. They both asked for funds, and I think it is appropriate to make them available now as part of this resolution.

My amendment would make available to the committee $1.5 million of the aggregate unexpended balance of funds authorized by the 1985 funding resolution. The Rules Committee would be authorized to make these available for extraordinary or unexpected expenses incurred by other Senate committees. My amendment would authorize the Rules Committee to adopt special regulations governing the use of this special reserve.

Mr. President, I hope that if this approach is tried for 1 year and proven successful, it would become a procedure that the Rules Committee would see fit to follow for the future. But I point out to my friends who are the managers of the bill for the committee that this is a 1-year provision only. It does not become a permanent rule of the Senate. I hope they would be willing to agree to adopt this approach because of the special circumstances this year and to try it and see if it is a workable arrangement that we might carry forward in subsequent years.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. If I might propound a question to the proponent of the amendment just for clarification only in the intent of the amendment. And I am reading the last sentence: "The Committee on Rules and Administration is authorized to adopt regulations to govern use of the special reserve and may, notwithstanding any other provision of this resolution, make funds from the special reserve available, by administrative action, to the committees described in paragraph (a) to defray extraordinary or unexpected expenses."

I read that to authorize the committee to provide the funds even though a committee petitioning for added funds has not expended the funds. In other words, I am dealing with the tense of the words here in the future. The committee petitioning for relief does not have to show as a matter of fact that they have already expended the funds before they can get reimbursement.

Mr. STEVENS. The Senator is correct. As a matter of fact, that is precisely what I want to avoid. I am confident that Armed Services and Finance are going to have to incur these extraordinary expenses in the near term anyway, and I do not see any reason why they should have to go out and spend the money and then come to the Rules Committee and try to get additional money and have a hiatus develop in their operations.

My amendment would provide that if any committee presented to the Rules Committee a request for additional funds based upon extraordinary or unexpected circumstances—and I think that both Finance and Armed Services are in the first category—they can get the funds without going through the process of having to get a resolution reported to the Senate and get the time allocated to take up the resolution and face the possible riders that might come on it.

Mr. WARNER. The question of the Senator from Virginia was just in the nature of a technical point. The Senator from Virginia agrees certainly with the observations of the Senator from Alaska with respect to the Armed Services Committee and the Finance Committee, the urgency of the need for the funds to be expended in the future. So we would now be—assuming the Senator adopts the pending amendment—authorizing the addition-

al funds to be expended in the future, and that would be the format to be followed henceforth under this particular amendment.

Mr. STEVENS. I appreciate the Senator's question and the spirit in which it has been asked. I would call attention to my good friend that according to the staff chart. I have, the unexpended balance that is anticipated for the 1985 account is $4,203,055.

I am asking that $1.5 million of that be set up as a special reserve to meet extraordinary demands on the committees of the Senate, particularly the Finance and Armed Services Committees. I think there may be one other committee that will be hit with an extraordinary demand before the end of the year.

Incidentally, if this $1.5 million is not used, it would lapse, just like the other money in this measure.

Mr. WARNER. I ask the distinguished Senator another question: He indicated that it would be for 1 year. Is there a particular purpose? Is this an experiment for a year, a trial?

Mr. STEVENS. In order to make it part of the permanent arrangement, we would have to file an amendment to the Rules of the Senate. I would prefer to see if we can try it this way, and if it works, we can do it as a committee procedure.

Mr. WARNER. So the authority under this particular amendment would lapse without further action by the Senate at the end of the stipulated period?

Mr. STEVENS. I say to the Senator from Virginia that that is my understanding, that my amendment allocates the unexpended 1985 money for use during the 1986 committee funding period, which expires on February 28 of next year.

Mr. WARNER. But, as a matter of fact, the funds themselves would be withdrawn as of September 30.

Mr. STEVENS. They are fiscal year 1986 funds, and they would have to be allocated by the Rules Committee for use prior to the end of the current fiscal year, as I understand it.

Mr. WARNER. So, in effect, the amendment would cease to be operative.

Mr. STEVENS. I think that is so, because we would be through with our work by that time, anyway.

I urge that the Rules Committee have the funds available so that in the near future it can respond to requests from the two committees that have already made application for additional funds.

Mr. WARNER. In conclusion, the authority sought under this amendment would expire February 28, 1987, in practical effect, since the funds would no longer be available after September 30.

Mr. STEVENS. I am informed that if the funds are allocated prior to that date, they may be expended by the committees throughout the period of the committee authorization year.

Mr. WARNER. Beyond September 30, 1986?

Mr. STEVENS. That is my understanding. They are blended, in any event, with the funds available for use during that period.

Mr. WARNER. A commingling of funds.

I thank the Senator from Alaska.

Mr. FORD. Mr. President, this is an unusual request by the distinguished Senator from Alaska. I do not like to be placed in the posture of opposing it. But we just went through almost a fiasco here a few moments ago, when we had a large argument over a sense-of-the-Senate resolution that everybody thought was sending $200,000 to the Helsinki Commission on the Medved problem; and in that resolution it said that all the expenditures—all—had to be approved by the Rules Committee.

I am not sure whether we can do it. I do not doubt the advice and counsel of the Senator from Alaska that any moneys we put in there from this year could be carried over after September 30. I am not really sure.

Let us look at where we were. The Rules Committee, of which the distinguished Senator from Alaska is a member, was performing its function. We were on the verge of allocating money to the Finance Committee and allocating money to the Armed Services Committee, almost within the amount they asked, within the budgetary allotment. We saved pretty good money. Now we want to take the money we saved and put it in the pot, and the committee is to have the right to dispense it. That is well and good, I guess; but we are saying to the chairmen of almost every committee, and the majority leader and the minority leader, "If your committee wants some money, we will get it. We have to vote on it." But I think the Senator is putting a burden on himself and on the committee as a whole that we should not do.

We had almost finished that day, when a motion was made that we not give anybody any more than they had last year, and that amendment was carried.

Mr. STEVENS. No, that was not the motion. The motion that carried was that we allocate all committees the same amount in 1986 as in 1985, which meant you gave no committee more or less.

Mr. FORD. Subject to the Gramm-Rudman reduction, and we amended that by taking part of it from the surplus and part of it from the 7 months forward.

Mr. STEVENS. The Senator is correct, but that was not my motion. My motion was that all committees receive the same amount in 1985 that they received in 1986 less the Gramm-Rudman-Hollings sequestration.

Mr. FORD. All we did then, we were subject to the 4.3-percent cut. I was not going to pinpoint it as the amendment of the Senator from Alaska. But that 4.3 was to be removed.

Mr. STEVENS. My amendment was to hold each committee authorization at the same level as last year, with each committee's budget being reduced in accordance with the Rules Committee's decision on Gramm-Rudman-Hollings.

Mr. FORD. That was the amendment of the Senator from Alaska.

Mr. STEVENS. Yes.

Mr. FORD. And that superseded the committee's labor for most of the morning, to try to allocate new funding or additional funding to the Armed Services Committee and to the Finance Committee.

Mr. STEVENS. In fairness, the Senator must remember that the second part of my motion could not be acted upon by the committee. I was requested to bring the second part to the floor, and that is why I am here.

Mr. FORD. Mr. President, we are here now to say that we saved approximately $2.5 million last year by the committees themselves—money we allocated to them a year ago that they did not spend. We have committees that have a 5-year average of unexpended money of almost $400,000 per committee. Yet, we are unwilling to say, within that framework, "Let's allocate the money." That is exactly what we were trying to do.

Now we will be saying to the Rules Committee: "Here's a million and a half dollars. Boys, you can give it to any committee that wants it or needs it." They will want it, but they will come in and express their need.

It is going to be difficult for us to turn them down, because there are four or five chairmen of committees, there are four or five ranking members on the Rules Committee, and we find ourselves in an emotional box. I have listened to it day after day: "I want to take care of him. I have myself been in such a position that I have to help him, or I need to do this."

I am getting a little bit worried about the use of this procedure. We are going to have a surplus from the committees in fiscal 1986–87. There is no question about it—unless the chairmen will go out and hurry up and spend a lot of money they have not been spending.

We kept them at the same level they were last year, less 2 percent. We cut the committees less than you got cut in your office. You got 4.3, and the committees only got 2 percent. The committees are better off under Gramm-Rudman than the Senators are in their offices for their clerk hire and their office expenses.

Now we want to add a million and a half. Why do we not take it away from some of the committees that have not spent the money over the years, have a 5-year average of almost $400,000 a year, instead of putting $1.5 million in the pot?

So, I know what the Senator is trying to do. But we have had seven requests for supplemental help for committees in the last 6 years. That is all we have had, seven requests for supplementals. Not a one of them has been turned down, not a staff member has been fired, not a staff member gone unpaid, not a bill gone unpaid, and every supplemental has been approved. We have only had seven in the last 6 years.

I do not see the need of having a slush fund for committees. I just do not see it.

I am sure that I will probably get outvoted on this. It is the way things work, but I am just convinced that this is a perk that can be abused.

I am part of that decisionmaking process. I will have to make a judgment. I promise you that I would prefer to make a judgment on the money that is allocated for all committees rather than take the money that is saved and give it to committees that need it. If we would make the switch and allocate the money among the committees as we see their need, that is much better than having $1.5 million to spend.

I might add to my distinguished friend that those seven requests over the 6-year period only totaled $700,000. Now we are putting $1.5 million in a slush fund and we only know two committees that may need any money, only two committees asked for some money, and several committees came in with $200,000 or $300,000 surplus. So we only know two committees.

I would much prefer that the distinguished Senator said we are going to give Armed Services x number of dollars, going to give the Finance Committee x number of dollars; we are going to cut some others a little bit and let the Senate vote on it and see if we cannot stay within the dollar amount and let the $1.5 million go back to the general fund and try to help some of the other operations of the Federal Government.

I yield the floor.

Mr. STEVENS. Mr. President, I appreciate my good friend from Kentucky and the statement he has made.

I think we have to keep in mind the whole history here in terms of the committees we are dealing with. Finance has not been a difficult committee for Rules to deal with. As I understand the situation in 1984, they missed their estimate by $5,535. They are not people who make mistakes in terms of their estimates. They have not overspent. They tell us this year that because of the tax bill they need more money.

The Senator from Kentucky would take that money from other committees when those committees are trying to determine what is going to be the future in the post-Gramm-Rudman-Hollings era.

The impact of my amendment is to make available, without the delay of a second resolution, the funds that are necessary to meet the needs of Finance and Armed Services. Again, I point out I wanted to discuss this proposal in committee. Time expired, unfortunately, and we were unable to consider it, and I was asked to bring it to the floor.

I think the committee which voted 8 to 2 on my first motion would have voted 10 to zero or maybe 9 to 1 anyway on my second motion. I respect the fact that my friend from Kentucky might have been the one.

I think that Armed Services and Finance have special needs now. They have stayed fairly well within their budgets, and they have done fairly well in anticipating their needs. In this instance, they have correctly anticipated their needs.

Because we have this extraordinary unexpended balance, I suggest to the Senate that $1.5 million be put into a special reserve. Then, we can see what happens this year as far as the funding needs of the committees are concerned.

This is not new money. It is not something in addition to the budget. It is not a slush fund. It is the savings that were made by this body in the first session of this Congress. We are saying that funds not spent in the first session may well be needed in order to complete the work of the Senate in the second sesssion.

I can think of nothing more important than the two subjects we are concerned with, the tax bill and the strategic defense initiative. Both of them are very enormous projects for Finance and Armed Serivces to consider in this 1 year, which as we all know is a short year. It is an election year. The committees will have to complete their work before the time that history shows a second resolution could be approved.

The special reserve procedure, I think, makes eminent sense.

I urge my friend to agree to it, even though he is reluctant to do so.

But very frankly, I have had no Member of the Senate ask me about this amendment's merit. On the contrary, a considerable number of Members have asked me why did I not follow up in committee and take care of the two committees that had the problem? And I told them of the action of the committee. If my good friend from Kentucky will recall, time just ran out on us that morning, forcing us to come to the floor.

Mr. FORD. Mr. President, will the Senator yield for a question?

Mr. STEVENS. Yes.

Mr. FORD. Am I correct that the Armed Services Committee asked for an additional $139,450 and the Finance Committee asked for an additional $470,000, making a total of $609,450?

Mr. STEVENS. Yes, that is correct.

Mr. FORD. Why do you need $1.5 million?

I know savings around here are important. And just saving to spend it is another thing.

Mr. STEVENS. I say to my friend, the Senator from Alaska does not spend the money; it takes the Rules Committee approval to allocate money to a committee and then the action of the committee to spend it.

Mr. FORD. The Senator explained a while ago, the vote probably will be 9 to 1 and we already know it is going to be expended. Why do you not just make an amendment and take care of these two committees and take the burden off of the committee when the committee chairmen start coming after you or the ranking members start coming after you for some additional money. If you need additional money, you have the supplemental appropriations route to go.

We had seven of them in 6 years and none of them have been turned down, none of the committees have any problem and the whole dollars the last 6 years has only been $700,000. This year we are asking for $609,450.

Mr. STEVENS. Is the Senator asking me a question? I will be glad to respond.

Mr. FORD. Yes.

Mr. STEVENS. I want to establish a procedure, as I indicated, that would make the funds available through action of the Rules Committee from unexpended balances from prior years without having to act on a supplemental, which involves transferring new funds to committees in order to meet their needs.

I do not anticipate a lame-duck session, Mr. President, and I certainly do not hope that because of the lack of availability of funds committees may decide to drag their proceedings out in the postelection session in order to secure approval of a supplemental funding resolution. I have lived through a couple of postelection sessions. A shiver goes up and down my back every time I think of the fact I may live through another one. I do not like postelection sessions.

I believe these funds ought to be made available now. I also would call attention of my friend that there are things going around here this year that make this a very unique session. This is the first time we lived through this new budget procedure. This is the first time that we have tried to deal

with the deadlines of Gramm-Rudman-Hollings.

I can anticipate that there may well be some requests for funds to meet extraordinary expenses incurred by committees other than Finance and Armed Services. Funding such requests under my amendment would not add money to the funding base of the committee requesting the funds. I did not say amend the Finance Committee base by x dollars or amend the Armed Services Committee base by x dollars.

Under this amendment, the Rules Committee can make available to committees for extraordinary or unanticipated expenses sums which the Rules Committee feels are necesssary to carry out the duties of the committees for this year.

The problem around here is every time we add new money to a committee's allowance, it becomes part of the committee's funding base for the next year's funding request process.

Now, money made available by my amendment does not become that. My amendment does not make structural additions to a committee's funding base. Therefore, it is an opportunity to save money by not building in an allocation to any committee on a permanent basis.

Mr. FORD. Does the Senator think the Finance Committee with $470,000 more this year will not need the same amount next year? Does the Senator think the 100 and some-odd thousand dollars the Armed Services Committee is asking for this year they will not want to keep next year? That will be a built-in.

Mr. STEVENS. No. It is not.

Mr. FORD. It is because what they spend is what the Rules Committee gave them, and they will expect the same amount next year. We will sit there, will not cut the committee, and they will get the same amount that year as they did before.

Mr. STEVENS. I want to beg my friend's pardon. That is precisely the reason for presenting it this way. It does not become structural so far as this Senator is concerned. The request of these two committees next year will have to be based on the Rules Committee's resolution. That is the one that is before us. This funding resolution specifies what those two committees can spend in the ordinary course of events.

Funds made available under my amendment for extraordinary or unanticipated expenses are special allocations for special circumstances. But I intend to see to it, if the Rules Committee will support my position, that those special allocations do not become structural. They will not be part of the permanent year-to-year base of the committees. Finance and Armed Services have made the case to us—by the way—that their requests are for extraordinary expenses for this year only.

Mr. FORD. We tried to work it out within the committee structure, and they had over $2 million in a slush fund. They only took $1.5 million of it. We could have taken care of that, given them every dime they wanted, and have $2 million left. Now we want to put the $1.5 million in the slush fund, and spend it.

Mr. STEVENS. Mr. President, I have got to take offense to the reference to a slush fund. We are not talking about a slush fund but a legitimate allocation of the taxpayers' money to attempt to carry out the work of the Congress.

I tell you this year we have a request facing Armed Services for $4.8 billion for SDI. We have the Finance Committee trying to deal with the tax bill within a limited timeframe. Both of those are extraordinary situations for those committees.

In my opinion, these extraordinary situations warrant the allocation of funds on a special basis to them with the caveat that the funds are for special projects and that those projects expire with this Congress. They will not be funded in the next year. Under those conditions, I think we are saving money. This amendment is not a slush fund.

The record will show I presented two proposals at the Rules Committee markup of Senate Resolution 353: one to fund the committees at the same level that they enjoyed in 1985 less the Gramm-Rudman-Hollings sequestration allocated in accordance with the previous decision of the Committee, and another to establish a mechanism to take care of these two extraordinary requests from Finance and Armed Services and other such requests that might be received in this extraordinary year.

I think that is a valid concept.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER (Mr. EVANS). The Senator from Virginia.

Mr. WARNER. If I can look at this thing sort of in a calm manner here for a moment, I think I would advise my colleagues in the Senate first to separate out their decision on this amendment from the factual situations that presently relate to Armed Services, and the Finance Committee. In my judgment the Senate is prepared to address the special situation of both of those committees, and hopefully allocate the necessary funds as requested by the chairman, and ranking minority of both committees.

So whether it be done by virtue of this amendment or by another procedure, in my judgment it is essential that those issues by those two committees be addressed and hopefully addressed in the manner that will meet the needs, special needs, of those two committees.

So, therefore, I think we turn our attention to the amendment as it stands, and look at it as a precedent we are about to establish if it is adopted by the Senate. I, therefore, put two questions to my distinguished friend and colleague from Alaska.

The first question, as I read this amendment, the amendment makes funds from the special reserve available—I stress, and draw his attention to the word "available"—by administrative action. This does not appear to permit the transfer of the funds to the petitioning committee which has a special need for funding authorization. In other words, the funds would not be merged or blended as was represented by the Senator from Alaska in his initial presentation amendment, and therefore reserves for all practical purposes would no longer be available after September 30.

Mr. STEVENS. Again, I do not quite understand, Mr. President, the Senator's question in the sense that I made the prior comment about blending.

Mr. WARNER. It is a purely technical observation. I want to make certain.

Mr. STEVENS. In handling the funds I have handled for the various committees and subcommittees the money is allocated, and drawn down on the basis of the allocation by the Senators that are charged with that duty. In this instance, my comment was the basic funds are allocated by the resolution for each committee. The supplemental funds that are authorized from this reserve would be allocated by the Rules Committee to the committee, and would be available in the same manner as if they were allocated by the original resolution with the exception that they are not added to the base in my judgment.

As far as the question of their being available after October 21 is concerned, again I call my friend's attention to the fact that the two problems of the committees involved are immediate. The funds will be spent by them immediately upon the allocation by the Rules Committee, and they have so informed us. One is to hire people to deal with the tax question, the other to hire people to deal with the SDI research. Both projects must be completed, I believe, within the next few months.

So the money will be expended. If it is not expended, then it is, as well as all other funds, part of the carryover balance, and that is the end of it.

Mr. WARNER. I say to my distinguished colleague from Alaska I understand that point. I merely am drawing his attention to a technical matter that has been brought to my attention by the financial clerk of the Senate. In other words, the Senate has to authorize the use of funds. This amendment simply allows the Rules Committee to

make them available. And somehow there could be a technical problem. I would just urge the Senator from Alaska to take a few moments to hear the views.

Mr. STEVENS. I suggest the absence of a quorum, Mr. President.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I send a modification of my amendment to the desk.

The PRESIDING OFFICER. The amendment is so modified.

The amendment (No. 1671), as modified, is as follows:

At the end of section 2, add the following paragraph:

(e) Not more than $1,500,000 of the aggregate unexpended balance of the funds authorized by S. Res. 85, agreed to February 28, 1985, the Omnibus Committee Funding Resolution of 1985) is hereby transferred to a special reserve and made available for use from March 1, 1986, through September 30, 1986. The Committee on Rules and Administration is authorized to adopt regulations to govern use of the special reserve and may, notwithstanding any other provision of this resolution transfer funds from the special reserve by administrative action, to the committees described in paragraph (a) to defray extraordinary or unexpected expenses.

Mr. STEVENS. Mr. President, if I may explain this, during the interim we have had staff confer with the financial clerk of the Senate. The first modification to my amendment is a technical one that refers to the 1984 resolution by number, and the date it was agreed to, February 20, 1985. The second modification changes the February 28, 1987, date to September 30, 1986, to eliminate any question about the availability of the money from this special reserve after September 30, 1986.

The last modification changes the phrase "make available" to "transfer" so that the Committee on Rules will transfer the funds from the special reserve to the committees to defray extraordinary or unexpected expenses.

It is the intent of the amendment that the committees to which unexpended 1985 funds are transferred would maintain, as will be requested by the financial clerk, a separate record of the use of these special funds, and would not merge them with their 1986 funds. All the questions that were raised by the Senator from Virginia are thus avoided.

This Senator happens to believe it makes no difference if the funds are merged, but the financial clerk wished to have them separate in order that they may be accounted for as part of the funds made available pursuant to the funding resolution of 1985 and this amendment.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Mr. President, I say this with all respect to my distinguished friend from Alaska, this draft is worse than the first one. Let me say why.

It now says that the "special reserve" money will only be available until September 30, 1986. I believe all will agree it is unlikely that any committee will run short of funds before September 30. They will not be out of money. That is just a few months.

So what will happen then?

The committees will come to the Rules Committee before they are short, before they have a problem, and they will say, "Hey, we will run out of money in December, or we are going to run out of money in January. So we want you to give us some money now before September 30."

Then after the money is given to them, they find out they do not need it. Sure, it will be turned back, but they are running to the Rules Committee to get them to give them some money before September 30. In all deference to my distinguished friend from Alaska, I will not call it a slush fund anymore. I will just call it the special reserve fund.

The problem is that we have no way of knowing what committees will, in fact, need money beforehand. We could give a committee money in September and find out later on they never need it.

I have found in my short time in this body that no one ever asks for what they think they can get by on.

The only increase that was requested before the Rules Committee was by two committees, as I recall. That total sum was $609,450. Now we have a special reserve fund for $1.5 million that is going to run out on September 30.

One reason I say that this amendment is worse than the first one is it dispenses the money administratively.

Well, what are the rules, administratively? You only need five people in the Rules Committee to transact administrative business. A majority of 5 is 3. That means now instead of having the full committee or the full Senate making a decision, we are going to boil it down to where three people on the Rules Committee will make a decision whether a committee needs money or not.

Let us think about that a little bit.

We have a surplus where committees did not spend their money. Several are habitually turning money back. They like to turn money back. They like to appear as having saved money. It is year in and year out. It is the same amount. Yet they come back and ask for more so they can turn back money.

So what do we have? We have a special reserve fund that expires on September 30. No committee can make a solid judgment on what they will actually need, I think. It is like Yogi Bera said, it is hard to predict because it is in the future.

So here we are saying we want to dispense this money administratively.

Mr. WARNER. Will the Senator yield for a question?

Mr. FORD. Yes.

Mr. WARNER. In fairness to our distinguished colleague from Alaska, when you say three, that is accurate, but all members of the committee would have had notice of the action to be taken. Therefore, by virtue of their notice, they confer upon any members who show up the right to act.

Mr. FORD. If you get a proxy, you can exercise their proxy. But they have to have the actual bodies there and a proxy cannot count in the rules of the Rules Committee.

Mr. WARNER. But I am suggesting that this fund would not be manipulated by three Senators without all Senators being fully aware of the pending decision to be made.

Mr. FORD. Let me ask my friend from Virginia, how often do we have a quorum in the Rules Committee? How many times have we had to cancel meetings because of no quorum? How many times do we say, "We will talk about this, we have an administrative group here, but we do not have enough Senators here to report it out."

Mr. WARNER. I say to my friend that same situation confronts other committees in the Senate. Senators have a number of commitments occurring simultaneously. But I wish to remove any suspicion that three Senators can simply sit back and manipulate these funds. In fact, the whole committee would be aware. Other members could express, through proxy or otherwise, their sentiments.

Mr. STEVENS. Will the Senator yield to me?

Mr. FORD. I will be glad to yield for a question. Is that it?

Mr. STEVENS. The question is: Why should action by three members be considered something out of order?

Mr. FORD. It is not out of order.

Mr. STEVENS. When we get a reprogramming request for millions of dollars in the Appropriations Committee, two Senators sign off on it, the chairman of the subcommittee and the ranking member. I would be perfectly willing to have that happen in the Rules Committee, but members of the committee have indicated they would rather have it acted on by the committee in an administrative meeting.

Mr. FORD. I do not know about members. But this member does not want to take that responsibility for making a judgment and saying no to the chairman of a committee. You have to take into consideration what

we are facing is all but one on the majority side are chairmen of committees or major subcommittees, and on our side most of them are ranking. So you are looking at committees who have the chairman and the ranking member. It is very hard for them to ever come because they are holding hearings; they have their committees. We are lucky to get an administrative quorum there. So even though they have been notified, it is difficult for them to come.

Let me make one other point. The Senator talked about armed services having a lot to do with star wars or SDI. Well, the Energy Committee has about $12 billion as it relates to research and development for SDI. The Energy Committee did not say they would like to have it, but they decided they would like to get by. The chairman of the Energy Committee said they could handle that part of it without additional funds. So the research and development as it relates to SDI in the Energy Committee is almost $12 billion.

Mr. WARNER. I have to take issue with my distinguished colleague from Kentucky. I am chairman of the subcommittee of Armed Services that deals with SDI. The part that the Energy Committee is dealing with is the warheads and the laboratories. As yet, that has not become an integral part in any great proportion as the Senator represents.

Mr. FORD. There is almost $12 billion in that particular section that the Energy Committee oversees, and a portion of the research and development in that particular section has everything to do or most of the research being done as it relates to SDI.

Mr. WARNER. Mr. President, I just take friendly issue with my friend. It is extraneous to the matter here. I think both sides have presented their case and we ought to get on and decide whether to have a record vote.

Mr. FORD. This is the same way I did on the last one. I rolled over on that one to be a good boy, to let $200,000 be invested on something that has a very critical question as to its legality. The resolution was a sense of the Senate. It did not have any binding authority upon this body at all. We sat here and talked about it for 2½ hours. Then the second section of that confirms money to be spent on something that is not binding. Then it says that the Rules Committee has to approve every dime. Whoever wrote that resolution was not doing it properly.

I think we ought to compliment the distinguished Senator from Virginia because he got the technical problem involved in this amendment worked out. It took us 1½ hours.

If we want to spend this money, go beyond the rules, and have this special reserve fund, that is fine.

This is one I am going to ask for a rollcall on. I regret that I have to do it, but if the Senate wants to do it, it wants to set it up under these circumstances, let them roll over me. But roll over me they will.

I do not believe we have enough here to ask for a rollcall vote, I say to the Chair. Do we have enough Senators present to request a rollcall?

The PRESIDING OFFICER. A quorum is always presumed to be present.

Mr. WARNER. Mr. President, we can gather sufficient Senators under the rules of comity of the Senate. We will get them here momentarily.

Mr. FORD. Mr. President, I just asked the Chair if we had sufficient Senators here for me to ask for a rollcall vote. He said the Senate is always presumed to have a quorum.

Mr. WARNER. Is that request being made?

Mr. FORD. I make that request, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. STEVENS. Mr. President, before we have the vote, I want to make a statement while we have two of the Rules Committee members here.

I suggested two proposals in the Rules Committee. One was that each committee continue to receive the allowance it had received in 1985 less the amount of the fiscal year 1986 Gramm-Rudman-Hollings sequestration. The second suggestion I made was that there be a special fund from which the committee would allocate funds for extraordinary requests such as had been presented by the Finance Committee and by the Armed Services Committee. This amendment of mine would establish such a special fund and authorize the Committee on Rules to transfer from a special reserve, funds derived from the large unexpended balance accumulated in 1985.

Those funds would be made available in this Congress. The first session did not have the same expenses that this session is facing, and that development is primarily related to the change in our total budget considerations. We now have to study in an extraordinarily short period of time SDI, the tax bill, and other issues. This amendment will make money available to those committees that have those extraordinary expenses—as judged by the Rules Committee.

Again, I state it is our intention that the request of the financial clerk be honored. That is that the committees that receive these funds would maintain a separate account for the purpose of accountability to ensure that the funds are not being blended into the funds that could be expended after September 30, 1986.

I consider this to be the most unique year that I have served in the Senate because of the total change in our approach to the budget, our turn to a new process that will bring about sequestrations. We must make available the assistance needed by these committees to review these extraordinary requests that we are receiving. Particularly, I think, the Finance Committee's need for money is well established.

So, Mr. President, I hope that the Senate will adopt this amendment. I call attention to the fact that the motion I presented in the Rules Committee was adopted 8 to 2, to make available to each committee the same amount of money that it had in 1985 minus the Gramm-Rudman-Hollings sequestrations that was allocated by the Rules Committee. Given those circumstances, the question now before the Senate, in my judgment, is whether the Finance Committee and the Armed Services Committee will get this money now when they needs it so they can present their work to the Senate promptly? Or shall we wait, as in six out of the seven times in the past when committees have asked for supplemental funding, until they expend their other funds and then have them come in and make their justification and then vote on it in September or December? Six out of the seven were voted on in November or December.

In my judgment, Mr. President, the needs are there now. They are extraordinary, and the committees should not have to take the risk that they might not get the funds needed through a supplementary resolution adopted much later in the year by the Senate.

I believe my amendment establishes a good procedure. It makes funds available to the Rules Committee to meet extraordinary demands in an extraordinary year in the history of the Senate.

Mr. FORD. Mr. President, the distinguished Senator from Virginia has left the floor—no, he is back. Let me answer my good friend from Alaska for a moment.

We have the opportunity now, right this minute, Mr. President, under the procedures of the Senate, to take care of the request, if we wish, of the Armed Services Committee and the Finance Committee. We do not have to have a special amendment, we do not have to have a special reserve fund to be set up. That procedure is already here.

The money the distinguished Senator from Alaska wants to put in the special reserve fund is what the committees did not spend last year, and we have a 5-year history of how much money is being turned back by every committee.

Now, if you listen to the distinguished Senator from Alaska, he says that this gives us a way to give the money that was saved last year to the two committees that requested an increase in funding. Well, it is just a fact, when you listen to that statement, that the fund is being set up and set up only—only—for those two committees. That is all.

We can do it right now; they do not have to make a request; the Rules Committee will not be put on the spot; we do not have to worry about taking the money we saved last year and spending it this year by setting up a special fund—I promised the distinguished Senator I would not call it a slush fund any more; I would call it a special reserve fund as he is calling it.

But that is what is happening. We have the rules. We want to change it. We want to set up a reserve fund out of the money that we saved; and we are going to have money turned back next year; so why not go ahead and take care of it so we can immediately give this money to the Armed Services and the Finance Committees? We have not walked out in the Rules Committee, we were performing our job. I do not see why we have to come to the Senate floor and have it undone.

What is unusual about problems? What is unusual about being different? What is unusual about this body, about things being set up and it is going to be a strange year? Well, they are all strange.

Mr. STEVENS. Mr. President, I am amused by my good friend from Kentucky. Anyone from Kentucky ought to understand a special reserve. I really think if he thinks about that, he will understand that term.

Beyond that, let me tell the Senate, sure, these funding needs before us could be taken care of the way some people in the Rules Committee wanted. I opposed that. Those individuals wanted to reduce the 1986 funding of other committees in order to meet the extraordinary needs of the Finance Committee and the Armed Services Committee.

Those committees have already been reduced by Gramm-Rudman-Hollings. In my judgment, they should not take another reduction in order to meet the extraordinary and unexpected needs of Finance and Armed Services.

My motion in the Rules Committee that every committee receive the same allocation that it received under 1985 less the Gramm-Rudman-Hollings sequestration thwarted the effort to reduce the fiscal year 1986 funding of certain committees. If my amendment fails, the funding of the other committees will have to be reduced in order to meet the needs of the Finance Committee and Armed Services Committee. I do not think that ought to be done.

All I say is let us use that money for what it was intended to do, to carry out the work of this Congress.

Mr. WARNER. Mr. President, before we move to the vote, the distinguished Senator from Kentucky was challenging me on my figures on the SDI. I am prepared to respond.

Mr. FORD. I want the Senator to respond. See if I am right. The research and development is $2.16 billion for weapons research and $4.8 billion as it relates to defense production support.

Mr. WARNER. The figure I have is that the Department of Energy, which is administering a certain account for the Department of Defense, which account goes through our Committee on Energy, is a total of $8 billion, of which only $536 million is related to research and development on SDI.

Mr. FORD. The Energy Committee's budget reflects research and development in that particular area when we passed it out, $2.6 billion for the weapons research and defense production support of $4.8 billion.

The Senator's total is larger than mine, but we are pretty close.

Mr. WARNER. We have a friendly debate. Let us call it a draw and move on to the vote.

Mr. DECONCINI. Will the Senator from Kentucky yield for a question?

Mr. FORD. Yes.

Mr. DECONCINI. I might not have understood the Senator from Alaska, but my understanding is that what is before us here is for 1987, the same amount of funds for each committee as they received in 1986 less the Gramm-Rudman amount.

Mr. FORD. No.

Mr. DECONCINI. Is that correct?

Mr. FORD. It is only 2.3 percent less.

Mr. DECONCINI. That is right.

Mr. FORD. It is about half. We took that half out of the money that the Senator is now trying to put into the special reserve fund.

Mr. DECONCINI. Right. So there is no addition even for the Armed Services and Finance Committees?

Mr. FORD. That is correct.

Mr. DECONCINI. So if I understood the Senator from Alaska, he said that if his motion goes down, all these other committees are going to suffer; they will have to put up money for the Armed Services and Finance Committees; that is not true?

Mr. FORD. That is not true.

Mr. DECONCINI. That is not true.

Mr. FORD. Only if we vote it.

Mr. DECONCINI. That would take another action by the Rules Committee and another action by this body if we elected to do that?

Mr. FORD. It could be done in the Senate tonight if an amendment is made.

Mr. DECONCINI. If another amendment is made to transfer more moneys from the other committees and take it out of the others.

Mr. FORD. Let me ask the Senator, was he ever notified of any kind of amendment such as this to be presented to the Rules Committee prior to the vote on the committee budgets?

Mr. DECONCINI. No, I was not. As a matter of fact, I was there when the Senator from Alaska came in. I was prepared, as the Senator from Virginia knows, to enter into some compromise there, though I really did not think that anybody should get an increase. The Senator from Virginia made an outstanding plea there. I think it was the Senator from Tennessee who made another plea for either Armed Services or Finance. I was ready to give some and we were working out that compromise when the Senator from Alaska came in with his motion to make it all the same, less whatever the percentage of Gramm-Rudman was. I decided the Senator from Alaska was just overwhelming in his convictions there, and I know my friend from Virginia was very disappointed that he ended up getting nothing. But I do not remember——

Mr. FORD. He still has nothing.

Mr. DECONCINI [continuing]. Ever hearing about a motion or suggestion until then that this proposal would be brought up at the Rules Committee.

Mr. FORD. Mr. President, I have no further statement. I think we ought to go on with the vote. The yeas and nays have already been called for. I do not have any time to yield back, but I have no further debate.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Arizona [Mr. GOLDWATER] and the Senator from Maryland [Mr. MATHIAS] are absent on official business.

Mr. CRANSTON. I announce that the Senator from Colorado [Mr. HART] and the Senator from Hawaii [Mr. INOUYE] are necessarily absent.

The PRESIDING OFFICER (Mr. HECHT). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 27, nays 69, as follows:

[Rollcall Vote No. 36 Leg.]

YEAS—27

Andrews	Gore	Pressler
Boschwitz	Gorton	Quayle
Cochran	Hatch	Roth
Danforth	Laxalt	Sasser
Denton	McClure	Simpson
Dole	McConnell	Stevens
Durenberger	Murkowski	Thurmond
East	Nunn	Wallop
Evans	Packwood	Warner

NAYS—69

Abdnor	Bentsen	Boren
Armstrong	Biden	Bradley
Baucus	Bingaman	Bumpers

Burdick	Hawkins	Metzenbaum
Byrd	Hecht	Mitchell
Chafee	Heflin	Moynihan
Chiles	Heinz	Nickles
Cohen	Helms	Pell
Cranston	Hollings	Proxmire
D'Amato	Humphrey	Pryor
DeConcini	Johnston	Riegle
Dixon	Kassebaum	Rockefeller
Dodd	Kasten	Rudman
Domenici	Kennedy	Sarbanes
Eagleton	Kerry	Simon
Exon	Lautenberg	Specter
Ford	Leahy	Stafford
Garn	Levin	Stennis
Glenn	Long	Symms
Gramm	Lugar	Trible
Grassley	Matsunaga	Weicker
Harkin	Mattingly	Wilson
Hatfield	Melcher	Zorinsky

NOT VOTING—4

Goldwater	Inouye
Hart	Mathias

So the amendment (No. 1671) was rejected.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, unless it is desired by the leadership to address the Senate, I wish to send an amendment to the desk.

AMENDMENT NO. 1672

(Purpose: To provide additional funding for the Committee on Armed Services and the Committee on Finance)

Mr. WARNER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Virginia [Mr. WARNER] proposes an amendment numbered 1672.

Mr. FORD. Mr. President, I make a point of order that the Senate is not in order. I want my distinguished colleague to be heard because I think we are getting ready to settle something here that we had a great debate on this afternoon.

The PRESIDING OFFICER. The Senate will be in order. Senators will please take their seats and all conversations will cease.

The Senator from Virginia.

Mr. WARNER. I thank the President.

Mr. President, first, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of section 2, add the following paragraph:

(e) $335,000 of the aggregate unexpended balance of the funds authorized by the Omnibus Committee Funding Resolution of 1985 is hereby transferred to a special reserve and made available for use from March 1, 1986, through September 30, 1986. Of this amount, $100,000 is authorized for the use of the Committee on Armed Services, and $235,000 is authorized for the use of the Committee on Finance.

Mr. WARNER. Mr. President, the Rules Committee had taken up the petitions from the Committee on Armed Services and the Committee on Finance for additional financing this year.

I have my distinguished colleague here from Kentucky, and I think he will verify that it was the judgment of the members of the committee present that day that both of these committees merited an additional sum of money.

Just prior to the procedural matters raised by our distinguished colleague from Alaska, the committee was about to accept a settlement which was offered by the Senator from Tennessee [Mr. GORE] and the Senator from Arizona [Mr. DECONCINI], whereby the Committee on Armed Services received $100,000 and the Committee on Finance $235,000.

What happened thereafter is a matter of history, and we have now discussed that in the context of the amendment offered by the Senator from Alaska.

Therefore, I offer this amendment at this time for the purpose of effecting the judgment of the Rules Committee with respect to these two committees in the light of the failure of the Senate to adopt the amendment by the Senator from Alaska.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. WARNER. I yield.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. WARNER. Yes.

Mr. STEVENS. The effect of this is to make available money to the Armed Services Committee and the Finance Committee in addition to the amount that is made available for 1986. Is this new money rather than unexpended 1985 money?

Mr. WARNER. The amendment reads:

$335,000 of the aggregate unexpended balance of the funds authorized by the Omnibus Committee Funding Resolution of 1985 is hereby transferred to a special reserve and made available for use from March 1, 1986, through September 30, 1986. Of this amount, $100,000 is authorized for the use fo the Committee on Armed Services, and $235,000 is authorized for the use of the Committee on Finance.

Mr. STEVENS. Then may I ask this question? The Senator's amendment does what the amendment which the Senator from Alaska just offered does except that it is limited to Finance and Armed Services. It creates the special reserve. It carries over the unexpended funds from 1985 into 1986. Is that right?

Mr. WARNER. Technically, the Senator is correct. But it is not new money. It is drawn from the surplus of funds.

Mr. STEVENS. That was my proposal. This amendment says that the Senate is making the judgment for the Armed Services and Finance Committees but no similar amount will be available for any other committees. Is that right?

Mr. WARNER. Yes, that is the essence of it. That is right.

Mr. STEVENS. Any other committee will have to wait until, if history is right, November-December for action on any supplemental funding request they may make.

Mr. WARNER. Other committees would follow the procedure established by the Rules Committee now. I think it is the rule.

Mr. STEVENS. I appreciate that.

I think the Senator has a good suggestion in view of what has just happened. But I think the record should show that the motion which I offered in the Rules Committee gave the committees for 1986 what they received in 1985—not what they requested of the committee. There are still committees who have requests before our committee which were not met by my motion.

Mr. WARNER. Only two. That is what we are taking care of. I think all along the Senator from Alaska has been supportive of the principle reflected in this amendment.

Mr. STEVENS. I understand. But it does not create any special reserve for any other contingencies for any other committee this year?

Mr. WARNER. That is correct.

Mr. STEVENS. Very well.

Mr. WARNER. Mr. President, I know of no request to have a rollcall vote.

Mr. RIEGLE. Mr. President, will the Senator yield just briefly?

I wanted to try to get it straight. Did I understand the Senator to say that the special provision is going to apply to the Defense Committee, and which other committee?

Mr. WARNER. Finance.

Mr. RIEGLE. They are going to get extra funds over and above what they had, and in short that is the reason for that. Why is there a special arrangement made in the instance of those two committees?

Mr. WARNER. The Rules Committee listed two of the petitions of both committees. There were justifications in the interest of Armed Services predicated on the added responsibility in a large part of the defense budget, particularly some special duties imposed by the Senate as a whole on the Armed Services Committee with reference to SDI, and then in view of the tax bill the Finance Committee provided justification for these added funds.

Both of these amendments are below the totals asked for by the respective chairmen and ranking minority members.

Mr. RIEGLE. Can the Senator tell me the size of the personal increase in each case?

Mr. WARNER. I do not have a computer.

Mr. RIEGLE. Just roughly; I am sure the staff has it. Are we talking about a nominal increase of 5 percent, or are we talking about 20 or 30 percent?

Mr. WARNER. The Armed Services Committee is receiving under the pending bill before the Senate $2.97 million. This would represent $100,000 over and above that figure. And the Finance Committee is receiving $2.153 million, and this would be $235,000 on top of those figures.

Mr. RIEGLE. So those increases—and I see the staff is working on this. Can they tell me what the percentage increase is in both cases?

Mr. WARNER. A quick calculation would show between a 3- and 4-percent increase for Armed Services, and about a 9-percent increase for Finance.

Mr. RIEGLE. Nine percent for Finance.

Mr. SIMON. Will the Senator from Michigan yield for a moment?

Mr. RIEGLE. Yes. I yield.

Mr. SIMON. I simply point out that in the Rules Committee the Senator from Alaska made a motion that we freeze all committees as is, and that carried by an 8-to-2 margin.

My own feeling—and I have great respect for the job that these two committees do, but I think all the committees, or many of them, come in and say they need more money for this, that, or the other thing.

My own feeling is that the motion by the Senator from Alaska in committee to freeze all committees where they are right now makes a great deal of sense.

I thank the Senator for yielding.

Mr. RIEGLE. I am inclined to think that way myself. I can appreciate the fact that there are some special defense-related issues at the moment, and especially the reauthorization which has worked its way. We have to keep track of it.

And the Finance Committee has some special obligations. But it seems to me that other committees as well have different——

Mr. FORD. Mr. President, may I make a point of order? The Senate is not in order.

Mr. STEVENS. Will the Senator yield?

Mr. RIEGLE. I will. Let me finish the sentence, then I would be happy to yield.

The PRESIDING OFFICER. The Senate is not in order. The Senator's point is well taken.

Mr. RIEGLE. I was just going to conclude by saying that I am sure other committees as well have special requirements right now that might justify some upward adjustment, and it seems to me if we are talking numbers, the quick calculations are right. It is 3 to 4 percent in the defense committee increase. Is that correct? And in the Finance Committee it is something like a 7- or 8-percent increase.

That starts to be the larger in my view in terms of the exceptional nature of it versus other committees. I am just wondering if the Senator can share with us—and then I want to yield to the Senator from Alaska, as I said I would. But I am not sure if we should be making much of an adjustment in one committee when we are not doing it for any of the rest.

Mr. WARNER. Mr. President, in reply to the distinguished Senator from Michigan, only two committee chairmen came before the Rules Committee and asked for the increased funding—Armed Services and Finance.

Presumably, those that did not come forward decided with their committees that they did not have a justification for additional funds.

Mr. RIEGLE. I do not think that is exactly right. I think the reason we saw restraint is we passed Gramm-Rudman-Hollings, I think we are cutting down on Members' staff allowances, and a lot of Members have had to lay people off. I think the feeling has been that we are in a belt-tightening period, and I think probably a lot of committees thought if there were going to be increases granted in some cases, that they might have been prepared to bring to the attention of the Rules Committee some of the special problems they were facing.

But I promised to yield to the Senator from Alaska. I want to do so.

Mr. WARNER. I yield the floor, Mr. President.

Mr. STEVENS. Mr. President, I wanted to ask my friend if he realized the basis for the decision in the Rules Committee with regard to all committees. We tried to accept the proposition that committee—and the Rules Committee did accept the proposition—funding should be frozen at 1985 levels subject to Gramm-Rudman-Hollings.

Two committees made strong presentations in support of funding for two special projects—SDI for Armed Services, and the tax bill for Finance.

Those projects warranted, in my opinion, the extra money. The Senate has just turned down my suggestion of setting up a special reserve for more than just the two committees.

This amendment will set it up for just the two committees. As a matter of fact, the funding problem can be resolved just as easily by adding the 1985 funds directly to the amount that is available to the two committees through March 1987.

I still believe in the special reserve concept. The House has run itself like this for a long time. But we have to have committees come before the Rules Committee and make a request for supplemental funding. By the time the Rules Committee gets around to it—six out of seven times—it has been November or December. Only one time did we take action in August.

We will have other requests this year. We will probably come back in the last part of this session, and act on the requests. Meanwhile, the issues for which the funds are needed will have gone by.

I urge Senators to support the concept of making money available now to the Finance Committee and the Armed Services Committee for the two extraordinary projects they have been assigned.

Mr. RIEGLE. Mr. President, still having the floor, I believe, I just say that I appreciate what the Senator from Alaska has said. It seems to me that it takes, in the case of the Finance Committee where they are in a tax bill—I mean that is the normal course of events. That is what the Finance Committee does—consider tax bills. I know this is a major tax rewrite. But am I to assume that when the Finance Committee gets done with that—and I hope it is going to be sometime this year—the special staffing needs then disappear?

In other words, it is just temporary. It is simply to get through passage and signing of the tax bill into law. Then they revert back to the old budget numbers, is that correct?

Mr. WARNER. I respond in the affirmative to the question of the Senator from Michigan.

Mr. RIEGLE. They go back to the previous level once the tax bill is signed into law?

Mr. WARNER. When their budget comes up next year in the committee.

Mr. RIEGLE. That is the point I am making. Presumably the Finance Committee will get it done sometime a little later on this year. What I am saying is if we are making a special allocation in their case to get the job done, then I think the minute the job is done, the special allocation ought to be rescinded. If you are making the argument on that basis, let us provide that need but no more than that. I think there are other committees around, frankly, who will need help.

I know in the Space Subcommittee of the Commerce Committee, we have a lot of work to do to figure out what the Space Program ought to look like. We just lost $3 billion.

I think if they are going to receive special consideration, we want to take a look at it. I simply want to make sure that when the extra money is provided, once the problem is passed, you shut back down to the previous levels.

Mr. WARNER. The Senator from Michigan is correct. It is a onetime funding.

Mr. RIEGLE. But it is still not clear how long that runs.

Mr. FORD. Mr. President, may I get involved a little bit with my colleague since this is on my side?

What we have done here is to reduce the request of the Finance Committee down to the level that we thought they could get by with. We have reduced the request of the Armed Services Committee down to the $100,000 level. That goes for the budget term. The budget term, as the Senator knows, runs from March 1 to February 28 of next year. So we have anticipated that would be all they would need.

These funds are not being taken out of any committee's present funding. This is taken out from the surplus that was left from last year.

What we are trying to do here is to keep a procedure where you, as ranking member or chairman of a committee next year, will have an opportunity to come in and make your case.

What you found in the other procedure was a special reserve fund that was administrative and it only takes five members of the Rules Committee to make a quorum and three of those would take care of any committee out there.

What we have done here is the same amendment that the Rules Committee was about to approve with the exception that this money instead of coming out of the present committee's funding, we are taking it out of the surplus that accrued from last year's budget.

Mr. RIEGLE. I understand that point. I guess you have helped throw some light on the point I was trying to make. That is if the tax bill is finished and signed into law by September 15 of this year, it seems to me the extra allocate ought to terminate at that point or shortly thereafter. It ought not run over into next year.

Mr. FORD. That is too much. That is 60 days.

Mr. RIEGLE. We have to have discipline.

Mr. FORD. The Senator can make his point but the only point I can make is that the Rules Committee was trying to make this one. If you want some money for another committee, you can go the regular route. We want you to have that opportunity. If you have money left over, that money will expire on February 28. The Rules Committee scrutinizes the records and expense and whatever is left goes back into the general fund and we save it.

We do not say on January 1 when a bill is completed there will not be some cleanup, there will not be some regulations to write, there will not be a lot of things that the Finance Committee, the Housing Committee, the SDI, or whatever, might need. Whatever is left over expires, it goes back into surplus in the general fund.

Mr. DOLE. Mr. President, if the Senator will yield, we still have the Commodity Credit Corporation, reconciliation, and hope to start the water resources bill tonight. I know these are great decisions but I would say with reference to the last point made, I am not certain if the Rules Committee has decided they need the money, but it is pretty hard to spread it out. I assume if I were chairman of the Finance Committee, I would need a lot of help right now. He might use up that $100,000 in the next 3 or 4 months and there would not be anything to turn back. But I am not the chairman of the Finance Committee.

I would hope we would accept these amendments and move on to the Commodity Credit matter. There will probably be a vote on the other sometime around 7:30.

Mr. BYRD. Mr. President. I wanted to ask the distinguished majority leader about rollcall votes this evening. I take it from what he said he does anticipate rollcalls.

Mr. DOLE. I do.

Mr. BYRD. Is there any window of opportunity for Senators who may have engagements elsewhere during the evening?

Mr. DOLE. I visited with a couple on the other side and they said that until about 7:30 they could make their contacts and be back.

Mr. BYRD. Between now and 7:30 there would be no rollcall votes?

Mr. DOLE. If there was a request we would not have the rollcall until 7:30.

Mr. BYRD. May I ask the distinguished majority leader what he anticipates for tomorrow?

Mr. DOLE. Well, I think the Commodity Credit matter can be resolved in an hour and the reconciliation may take a couple of hours. If we can do those two things, it would be my hope that on tomorrow we could lay down the water resources bill. I am advised by the manager that there might be enough work that would not require roll call votes that would take 3 or 4 hours tomorrow. There are a lot of discussions and there will be a lot of statements. We are trying to avoid any rollcalls, but I am not yet in a position to say that.

Mr. BYRD. I thank the distinguished majority leader.

One final question: In view of the items that he has indicated would probably be brought up this evening, together with rollcall votes thereon, what time does he think the Senate might be able to finish this evening?

Mr. DOLE. I would hope by 9:30. That may be optimistic.

Mr. BYRD. I thank the majority leader.

Mr. WARNER. Mr. President, before the leaders depart, so far as I know there is no request for a vote on the pending amendment nor on final passage of the resolution now before the Senate. So for purposes of this measure, I do not think there will be any rollcall.

Mr. LEVIN. Mr. President, I have a question on SDI. The Senate some months ago in the last authorization bill reached a compromise on staff concerned with sorting through the SDI issue. Is one of the reasons for this request for additional staff in order to help the staff meet that Senate requirement?

Mr. WARNER. Mr. President, the Senator is correct. I do not know specifically how the chairman wishes to allocate the $100,000, but a portion of it goes toward committee obligations under that request by the Senate as a whole.

Mr. LEVIN. I thank my friend and I hope it is accepted.

Mr. WARNER. Mr. President, if there is no further discussion on this I move adoption of the pending amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1672) was ageed to.

Mr. FORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WARNER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WARNER. Mr. President, if there are no further amendments, and I know of none, nor does my colleague from Kentucky, I suggest that we move to the vote on the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 353), as amended, was agreed to as follows:

S. RES. 353

Resolved, That this resolution may be cited as the "Omnibus Committee Funding Resolution of 1986."

AGGREGATE AUTHORIZATION

SEC. 2. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, and under the appropriate authorizing resolutions of the Senate, there is authorized in the aggregate $43,597,366, in accordance with the provisions of this resolution, for all Standing Committees of the Senate, the Special Committee on Aging, the Select Committee on Intelligence, and the Select Committee on Indian Affairs.

(b) Each committee referred to in subsection (a) shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1987.

(c) Any expenses of a committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required (1) for the disbursement of salaries of employees of the committees who are paid at an annual rate, or (2) for the payment of long-distance telephone calls.

(d) There are authorized such sums as may be necessary for agency contributions

related to the compensation of employees of the committees from March 1, 1986, through February 28, 1987, to be paid from the appropriations account for "Expenses of inquiries and investigations".

(e) $335,000 of the aggregate unexpended balance of the funds authorized by the Omnibus Committee Funding Resolution of 1985 is hereby transferred to a special reserve and made available for use from March 1, 1986, through September 30, 1986. of this amount, $100,000 is authorized for the use of the Committee on Armed Services, and $235,000 is authorized for the use of the Committee on Finance.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

SEC. 3. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Agriculture, Nutrition, and Forestry is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $1,263,379, of which amount (1) not to exceed $4,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $4,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON APPROPRIATIONS

SEC. 4. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraph 1 of rule XXVI of the Standing Rules of the Senate, the Committee on Appropriations is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $3,999,860, of which amount (1) not to exceed $135,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $8,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON ARMED SERVICES

SEC. 5. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Armed Services is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $2,097,190, of which amount (1) not to exceed $40,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $6,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

SEC. 6. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Banking, Housing, and Urban Affairs is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $1,613,364, of which amount (1) not to exceed $1,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $1,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON THE BUDGET

SEC. 7. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraph 1 of rule XXVI of the Standing Rules of the Senate, the Committee on the Budget is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the service of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $2,873,857, of which amount not to exceed $45,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

SEC. 8. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Commerce, Science, and Transportation is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $3,217,690, of which amount (1) not to exceed $15,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $8,960 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON ENERGY AND NATURAL RESOURCES

SEC. 9. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Energy and Natural Resources is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate and (2) to employ personnel.

(b) The expenses of the committee under this section shall not exceed $2,329,322, of which amount (1) not to exceed $35,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $7,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

SEC. 10. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Environment and Public Works is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the

Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $2,267,021, of which amount (1) not to exceed $8,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $2,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON FINANCE

SEC. 11. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Finance is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $2,153,790, of which amount (1) not to exceed $30,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $10,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON FOREIGN RELATIONS

SEC. 12. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Foreign Relations is authorized from March 1, 1986, through February 28, 1987, in its descretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $2,365,019, of which amount (1) not to exceed $6,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

COMMITTEE ON GOVERNMENTAL AFFAIRS

SEC. 13. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, and reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Governmental Affairs is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $4,313,488, of which amount (1) not to exceed $112,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $8,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

(c)(1) The committee, or any duly authorized subcommittee thereof, is authorized to study or investigate—

(A) the efficiency and economy of operations of all branches of the Government including the possible existence of fraud, misfeasance, malfeasance, collusion, mismanagement, incompetence, corruption, or unethical practices, waste, extravagance, conflicts of interest, and the improper expenditure of Government funds in transactions, contracts, and activities of the Government or of Government officials and employees and any and all such improper practices between Government personnel and corporations, individuals, companies, or persons affiliated therewith, doing business with the Government; and the compliance or noncompliance of such corporations, companies, or individuals or other entities with the rules, regulations, and laws governing the various governmental agencies and its relationships with the public;

(B) the extent to which criminal or other improper practices or activities are, or have been, engaged in the field of labor-management relations or in groups or organizations of employees or employers, to the detriment of interests of the public, employers, or employees, and to determine whether any changes are required in the laws of the United States in order to protect such interests against the occurrence of such practices or activities;

(C) organized criminal activity which may operate in or otherwise utilize the facilities of interstate or international commerce in furtherance of any transactions and the manner and extent to which, and the identity of the persons, firms, or corporations, or other entities by whom such utilization is being made, and further, to study and investigate the manner in which and the extent to which persons engaged in organized criminal activity have infiltrated lawful business enterprise, and to study the adequacy of Federal laws to prevent the operations of organized crime in interstate or international commerce; and to determine whether any changes are required in the laws of the United States in order to protect the public against such practices or activities;

(D) all other aspects of crime and lawlessness within the United States which have an impact upon or affect the national health, welfare, and safety; including but not limited to investment fraud schemes, commodity and security fraud, computer fraud, and the use of offshore banking and corporate facilities to carry out criminal objectives;

(E) the efficiency and economy of operations of all branches and functions of the Government with particular reference to—

(i) the effectiveness of present national security methods, staffing, and processes as tested against the requirements imposed by the rapidly mounting complexity of national security problems;

(ii) the capacity of present national security staffing, methods, and processes to make full use of the Nation's resources of knowledge, and talents;

(iii) the adequacy of present intergovernmental relationships between the United States and international organizations principally concerned with national security of which the United States is a member; and

(iv) legislative and other proposals to improve these methods, processes, and relationships;

(F) the efficiency, economy, and effectiveness of all agencies and departments of the Government involved in the control and management of energy shortages including, but not limited to, their performance with respect to—

(i) the collection and dissemination of accurate statistics on fuel demand and supply;

(ii) the implementation of effective energy conservation measures;

(iii) the pricing of energy in all forms;

(iv) coordination of energy programs with State and local government;

(v) control of exports of scarce fuels;

(vi) the management of tax, import, pricing, and other policies affecting energy supplies;

(vii) maintenance of the independent sector of the petroleum industry as a strong competitive force;

(viii) the allocation of fuels in short supply by public and private entities;

(ix) the management of energy supplies owned or controlled by the Government;

(x) relations with other oil producing and consuming countries.

(xi) the monitoring of compliance by governments, corporations, or individuals with the laws and regulations governing the allocation, conservation, or pricing of energy supplies; and

(xii) research into the discovery and development of alternative energy supplies; and

(G) the efficiency and economy of all branches and functions of Government with particular reference to the operations and management of Federal regulatory policies and programs:

Provided, That, in carrying out the duties herein set forth, the inquiries of this committee or any subcommittee thereof shall not be deemed limited to the records, functions, and operations of any particular branch of the Government; but may extend to the records and activities of any persons, corporation, or other entity.

(2) Nothing contained in this section shall affect or impair the exercise of any other standing committee of the Senate of any power, or the discharge by such committee of any duty, conferred or imposed upon it by the Standing Rules of the Senate or by the Legislative Reorganization Act of 1946, as amended.

(3) For the purpose of this section the committee, or any duly authorized subcommittee thereof, or its chairman, or any other member of the committee or subcommittee designated by the chairman, from March 1, 1986, through February 28, 1987, is

authorized, in its, his, or their discretion (A) to require by subpena or otherwise the attendance of witnesses and production of correspondence, books, papers, and documents, (B) to hold hearings, (C) to sit and act at any time or place during the sessions, recess, and adjournment periods of the Senate, (D) to administer oaths, and (E) to take testimony, either orally or by sworn statement, or, in the case of staff members of the Permanent Subcommittee on Investigations specifically authorized by the chairman, by deposition.

(4) All subpenas and related legal processes of the committee and its subcommittees authorized under S. Res. 85 of the Ninety-ninth Congress, first session, are authorized to continue.

COMMITTEE ON THE JUDICIARY

SEC. 14. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rules XXVI of the Standing Rules of the Senate, the Committee on the Judiciary is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $4,125,039, of which amount (1) not to exceed $36,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $1,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON LABOR AND HUMAN RESOURCES

SEC. 15. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Labor and Human Resources is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $4,326,021, of which amount not to exceed $56,600 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

COMMITTEE ON RULES AND ADMINISTRATION

SEC. 16. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Rules and Administration is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $1,194,353, of which amount (1) not to exceed $4,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $3,500 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON SMALL BUSINESS

SEC. 17. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Small Business is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $899,782.

COMMITTEE ON VETERANS' AFFAIRS

SEC. 18. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Veterans' Affairs is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $861,749.

SPECIAL COMMITTEE ON AGING

SEC. 19. (a) In carrying out the duties and functions imposed by section 104 of S. Res. 4, Ninety-fifth Congress, agreed to February 4, 1977, and in exercising the authority conferred on it by such section, the Special Committee on Aging is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $1,041,514, of which amount (1) not to exceed $35,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $1,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

SELECT COMMITTEE ON INTELLIGENCE

SEC. 20. (a) In carrying out its powers, duties, and functions under S. Res. 400, agreed to May 19, 1976, in accordance with its jurisdiction under section 3(a) of such resolution, including holding hearings, reporting such hearings, and making investigations as authorized by section 5 of such resolution, the Select Committee on Intelligence is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $1,864,131, of which amount not to exceed $5,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SELECT COMMITTEE ON INDIAN AFFAIRS

SEC. 21. (a) In carrying out its powers, duties, and functions imposed on it by section 105 of S. Res. 4, Ninety-fifth Congress, agreed to February 4 (legislative day, February 1), 1977, as amended, the Select Committee on Indian Affairs is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $790,797, of which amount not to exceed $15,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 22. Senate Resolution 84, as amended, agreed to February 28, 1985, is amended by—

(1) in section 2, strike out "$44,878,358" and insert in lieu thereof "43,964,352".

(2) in section 6(b) strike out "1,660,768" and insert in lieu thereof "$1,574,250".

(3) in section 8(b) strike out "$3,312,233" and insert in lieu thereof "$3,079,233".

(4) in section 9(b) strike out "$2,397,763" and insert in lieu thereof "$2,303,434".

(5) in section 10(b) strike out "$2,333,631" and insert in lieu thereof "$2,293,631".

(6) in section 12(b) strike out "$2,434,509" and insert in lieu thereof "$2,397,509".

(7) in section 13(b) strike out "$4,440,229" and insert in lieu thereof "$4,233,825".

(8) in section 14(b) strike out "$4,246,242" and insert in lieu thereof "$4,029,487".

INVESTIGATION BY THE COMMISSION ON SECURITY AND COOPERATION IN EUROPE

SEC. 23. (a) It is the sense of the Senate that the Commission on Security and Cooperation in Europe (hereafter in this section known as the "Commission") should—

(1) conduct an investigation to determine—

(A) whether any officer or employee of the United States violated any law of the United States or any State or local law, including any statute, regulation, ordinance, or procedure promulgated pursuant to law, in connection with the defection attempt of Miroslav Medvid;

(B) the instances in which an individual (other than the individual referred to in clause (A)), who was a national of the Soviet Union or a Soviet-bloc Eastern European country, requested political asylum in the United States and was returned to the authorities of his country in violation of any United States, State, or local law, including any statute, regulation, ordinance, or procedure promulgated pursuant to law; and

(C) whether the treatment accorded to individuals described in clauses (A) and (B) requires changes in the laws of the United States; and

(2) submit a report, not later than one year after the date of adoption of this resolution, to the House of Representatives and the Senate on the findings of such investigation, including any recommendations for changes in the laws of the United States.

(b) Salaries and expenses in connection with the implementation of this section shall be paid from the contingent fund of the Senate out of the Account for Miscellaneous Items, subject to the following terms and conditions:

(1) The aggregate amount of salaries and expenses payable under this section shall not exceed $200,000.

(2) Such salaries shall be payable only for not more than five individuals at any time—

(A) who shall be employees of the Senate and shall be under the policy direction of the Chairman and Cochairman of the Commission; and

(B) who shall be appointed to perform services in the conduct of activities under this section, on or after the date of adoption of this resolution, and who shall have their compensation fixed at an annual rate, by the Secretary of the Senate, upon the joint recommendation of the Chairman and Cochairman of the Commission.

(3) Payment of expenses shall be disbursed upon vouchers approved jointly by the Chairman and Cochairman of the Commission, and no voucher shall be required for the disbursement of a salary of an individual appointed under paragraph (2).

(4) For purposes of determining whether and to what extent any travel or other official expense incurred by the Commisson in carrying out any activitiy under this section is payable from the contingent fund of the Senate, such expense shall be treated as if it has been incurred by a standing committee of the Senate and as if the Commission and its staff were members and staff, respectively, of such a committee.

(5) Any expense under this section may be payable only if—

(A) the Committee on Rules and Administration of the Senate approves;

(B) such expense is of the type for which payment may be made if incurred by a standing committee of the Senate;

(C) such expense is not attributable to the detailing of employees; and

(D) the payment of such expense is otherwise in accordance with all laws, rules, and regulations governing expenses of standing committees of the Senate.

(6) Not more than $20,000 of the funds made available by this subsection shall be available for the procurement by the Secretary of the Senate, upon the joint recommendation of the Chairman and Cochairman of the Commission, of services, on a temporary basis, of individual consultants, or organizations thereof, with the prior consent of the Committee on Rules and Administration of the Senate. Such services may be procured by contract with the providers acting as independent contractors or, in the case of individuals, by employment at daily rates of compensation not in excess of the per diem equivalent of the highest gross rate of annual compensation which may be paid to employees of a standing committee of the Senate. Any such contract shall not be subject to the provisions of section 5 of title 41, United States Code, or any other provision of law requiring advertising.

(c) None of the funds may be obligated from the contingent fund of the Senate to carry out any provision of this section on or after a date 30 days after—

(1) the date on which the report described in subsection (a)(2) is submitted, or

(2) a date one year after the date of adoption of this resolution,

whichever comes first.

(d) For purposes of this section, the term "Soviet-bloc Eastern European country" includes Bulgaria, Czechoslovakia, the German Democratic Republic, Hungary, Poland, and Romania.

Mr. FORD. I move to reconsider the vote.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WARNER. Mr. President, I thank my friends, the majority and minority leaders. I particularly wish to thank my friend from Kentucky. He is a leader on this committee and he showed his strength today, although I did not agree with him on all matters.

Mr. FORD. Well, Mr. President, that is what makes this world go around. That is why we have a deliberative body.

I thank all staff and Members for their help and I appreciate the majority and minority leaders' pushing forward so we could get to reconciliation.

Mr. DOLE. Mr. President, let me thank the managers, both the Senators from Kentucky (Mr. FORD) and the Senator from Virginia (Mr. WARNER), for their efforts. I am pleased this matter is disposed of for another year—hopefully. I must say I think we have to be as careful with the taxpayers's money when we are dealing with our committee budgets as we are when considering every other aspect of the budget. I think both the distinguished Senator from Virginia (Mr. WARNER) and the distinguished Senator from Kentucky (Mr. FORD) demonstrated that care today. I appreciate their efforts.

I appreciate the efforts of other Senators who have been involved in the debate—Senator STEVENS and Senator HUMPHREY.

Mr. President, I am now prepared to proceed to the next matter, which will be the Commodity Credit Corporation.

THE SERGEANT AT ARMS OFFICE

Mr. METZENBAUM. Mr. President, will the majority leader yield for a question?

Mr. DOLE. I am happy to yield.

Mr. METZENBAUM. Mr. President, we just passed something that I understand allocates a million and half dollars extra.

Mr. DOLE. No, Mr. President, that amendment was defeated.

Mr. METZENBAUM. Mr. President, if the majority leader will yield further, I have no quarrel about the extra $100,000 or $200,000, but I have difficulty—what is bothering me is that the Sergeant at Arms recently fired 22 people, something in that order, because of a cutback in expenses without any special provision for them. Some of them, I am told, had seniority of 17 years, 19 years, 21 years. That $300,000 could have gone a long way toward providing for them.

It bothers me, as a human being, that we fire people. I do not know what provision was made for them, I do not know what notice was given. I wonder if the majority leader is in a position to tell us what are the facts with respect to that precipitate kind of firing, while we could find an extra $300,000 here today?

Mr. President, I do not mean to embarrass the majority leader. I guess he may not even have been involved in the matter, but it does concern me. I thought he might shed some light on it for me.

Mr. DOLE. Mr. President, I would be happy to provide that information for the record. I only know generally that, like everything else in the Federal Government, in the so-called mailing department, which handles the Senators' mail and other things, there were 440-some employees, about 4.5 per Senator. Many of us thought it was time we started reducing some of these overblown agencies in Government, including our own.

I would be glad to provide specific information for the record.

Mr. METZENBAUM. I would appreciate it, Mr. President, and I would like to know if the seniority of some of these people was taken into consideration. Some of them, I understand, worked for as long as 20 years. They are entitled to some kind of consideration.

Mr. DOLE. Mr. President, I asked the Sergeant at Arms to be certain that he can justify every case. I shall be glad to submit that information for the record.

Mr. METZENBAUM. I thank the Senator.

URGENT SUPPLEMENTAL APPROPRIATION FOR DEPARTMENT OF AGRICULTURE—CONFERENCE REPORT

Mr. DOLE. Mr. President, I submit a report of the committee of conference on House Joint Resolution 534 and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. HECHT). The report will be stated.

The Assistant Legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the joint resolution (H.J. Res. 534) making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes, having met, after full and free conference, have failed to agree.

Mr. COCHRAN. Mr. President, I move the adoption of the conference report.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, we have before us the conference report from the committee of conference on the urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30. Senators will remember that an earlier emergency supplemental appropriations bill was approved by the Senate. This is the second bill which is needed to provide additional funds for reimbursement for net realized losses of the Commodity Credit Corporation. This bill will provide $5 billion for those purposes.

These funds are urgently needed in order to resume the price and income support programs of the CCC. Those activities were, in effect, shut down last Wednesday because the $25 billion statutory limitation on CCC obligations to the Treasury had been reached. It is estimated that this appropriation will allow CCC to administer its activities and programs, which are required by law, through at least the end of this summer. The resolution, as originally passed by the House, inlcuded language which would have limited the flexibility to operate certain programs which were authorized in the farm bill that was approved by Congress and signed by the President last year.

One of these provisions was the Conservation Reserve, which is designed to retire up to 45 million acres of fragile and erodible land from production by helping farmers to plant a ground cover on that land, and paying a rental fee for 10 years for that retired land. This program is to be operated on a bid basis, and because it is a new program with no participation history, there is no way to estimate the costs of the program. Therefore, it was determined during consideration of the farm bill that there should be authority for the use of funds from the Commodity Credit Corporation for the first 2 years of the program. Subsequently, it would be financed by annual appropriations.

The Senate, when it took action on the bill, struck the House provision by adopting an amendment that was offered by the Senator from South Dakota [Mr. ABDNOR] in a meeting of the full Committee on Appropriations. The vote in committee, incidentally, was 14 to 2 to strike that language. It was the position taken in committee that the language added by the House would jeopardize farmer confidence in the Conservation Reserve, reduce participation, and undermine the intent of Congress regarding the operation of the program. The conferees agreed to the Senate position on that item. There was some language added, but the Senate position was sustained in the conference.

The House also included language when it passed its bill and sent it to the Senate that would make an appropriation necessary for the Federal Crop Insurance Corporation to borrow from the Commodity Credit Corporation.

Senators may remember that when the farm bill was passed, the Agriculture Committee included language which gave the Federal Crop Insurance Corporation authority to borrow from the Commodity Credit Corporation to pay claims to those insured by the Corporation if funds were not otherwise available. This, of course, was a provision in the farm bill that was thought at the time to be necessary and important so that the Federal Crop Insurance Corporation would not be in a position of defaulting on claims or other payments to commission agents or others including farmers, that it was required to make, simply because Congress might have been delayed in its consideration of a supplemental appropriations bill, as often occurs. The Corporation had run out of money four times in one year, and that was one of the reasons why the Agriculture Committee sought to make that change in the law.

So when the House sent this bill to the Senate, it added language that amended the farm bill, in effect, by taking away that borrowing authority.

Again, in the amendment offered by the Senator from South Dakota [Mr. ABDNOR] in the Committee on Appropriations, the Senate Committee on Appropriations rejected the House language. So this was a matter at issue in conference. I am happy to report again to the Senate that the Senate conferees were able to sustain in conference the position of the Senate on that item. So there is no provision in this conference report relating to the borrowing authority of the Federal Crop Insurance Corporation.

The House did, however, insist on language relating to the insured loan program of the Farmers Home Administration.

In conference, during the discussion on these items I have referred to—availability of CCC funds for the conservation reserve program and the borrowing authority of the Federal Crop Insurance Corporation—the House insisted that language be provided to clearly state the insistance of the conferees that funds previously appropriated for the insured loan program of the Farmers Home Administration be made available until expended for the balance of this fiscal year.

Initially, the Senate conferees rejected that, but the House conferees insisted. Finally, after negotiation of whether or not it would be acceptable to have language in the statement of the managers, which the Senate suggested to the House conferees, it was finally agreed that a provision would be included in the resolution providing that funds for the insured operating loan program of the Farmers Home Administration shall be available at the level previously appropriated in the Continuing Resolution, Public Law 99-190, except as that level may be reduced by the terms of the sequester order implemented on March 1, 1986. That sequester order, of course, was implemented under the terms and provisions of the Gramm-Rudman-Hollings measure.

This means, in effect, that it was the feeling of the conferees that approximately $2.6 billion will be available this year for operating loans administered by the Farmers Home Administration.

Let me say at this point, Mr. President, that Senators should be aware of the fact that, because of pressure on that loan account, the administration, on its own, has just announced in the last few days that it is making available an additional $700 million in addition to the approximately $1.7 billion that it previously indicated it would use for Farmers Home insured loans to help ease the credit crunch that is affecting so many farmers throughout

the country. An additional $50 million in guaranteed loan funds is also being made available through a transfer.

I am saying that to explain to Senators that the action taken by this conference in specifying its view as to how much should be made available and used by the administration in this program is only about $300 million more than the administration has already expressed a willingness to use and is already programming for its Farmers Home to use throughout the country.

That is the conference report as it is pending before the Senate. I hope it can be approved by the Senate and sent to the President, so that it can be signed and these funds made available to the Commodity Credit Corporation, so that its programs can be administered and farmers can proceed with some certainty in the knowledge that the loan programs and the income support structure will be there, and funding will be made available to operate the programs.

Mr. BURDICK. Mr. President, I rise in strong support of the conference report. The chairman of the Agriculture Appropriations Subcommittee has fully outlined the need for this funding, and I commend him for the work he has done in bringing the measure this far.

As I stated earlier when we consider this funding, the signup for the 1986 Farm Program has begun. Congress and the administration have promised the farmers that they can have 40 percent of their deficiency payments in advance in order to help them put in their crops. With the limited credit that is available to farmers this spring, many of them are counting on this money in order to put their crop in. Without it, they cannot farm.

So the farmers are at the mercy of Congress. We promise them something, but we don't deliver. That is why this measure has to be approved immediately.

I want to make it perfectly clear to my colleagues that this CCC funding is not, in any way, busting the budget. The farm bill that we passed last year dictates the amount of money we spend on our farm programs. We are simply reimbursing the CCC for the losses it incurs in the process. We are not increasing budget outlays or budget authority with this $5 billion.

Mr. President, regarding the provision which would have made the funding for the Federal Crop Insurance Corporation and the Conservation Reserve under the new farm bill subject to appropriations, I really question its usefulness. In my mind, these programs are intended to benefit the farmer. So the farmer should be the person we think of when dealing with and changing the programs.

It is unconscionable for the Government of the United States of America to make a promise in the form of a contract with our farmers and to renege on that contract. By making these programs subject to appropriations makes it very possible for the Government to do that. We have a lot of trouble around here getting appropriations passed in time to fund necessary programs. Last year we had continuing resolution after continuing resolution to fund vital programs for the beginning of fiscal year 1986. We see the Commodity Credit Corporation shut down because of lack of appropriations.

Mr. President, I question the validity of this approach. I am pleased that this provision was deleted by the Senate and agreed to in conference.

Mr. President, the conference report on the CCC supplemental appropriations reiterates that the amount of money to be used for direct operating loans through the Farmers Home Administration for 1986 will be the amount approved last year in the Appropriations Act.

We have a problem because there is a lower amount for these loans in the farm bill—lower by $1 billion. However, let the RECORD show that Congress passed the higher level of funding after it had approved the farm bill.

Because we knew that there would be another credit crisis this spring, we knew that we had to make adequate credit available for our farmers. And we were right. Several States have run out of direct operating loan funds. My State of North Dakota ran out of its first- and second-quarter funds on February 21—well over a month before the third-quarter funds were to be available. Then the third- and fourth-quarter funds were made available. This may come as a surprise to many of you, but those funds were exhausted on the same day that they were made available.

So my State has used up all of the money that has been made available for the entire year, and they are in the midst of the lending season. Spring planting has not even started.

In its wisdom, this administration has chosen to provide the lower level of funding provided in the farm bill, even though it has the authority to provide the higher level. Clearly, the intent of Congress was to provide the higher level since it approved the higher level more recently than it had approved the lower level. But this administration chose to ignore congressional intent, and instead followed the funding level in the farm bill. It justifies this action because the farm bill was signed after the appropriations bill. Well I submit that the reason for that was purely logistical and had nothing to do with the need of our farmers, the intent of Congress, or the goal of fairness.

So this conference report merely directs the administration to make the money available that was previously appropriated. The difference is $1 billion. It is not a new appropriation. It is desperately needed. And it is the only fair thing to do. It is fair because it is implicitly unfair to deny loans to farmers because of a lack of funding when other equally qualified farmers received the loans because they got their applications in first.

Mr. President, I urge my colleagues to approve this measure without further delay.

Mr. ANDREWS. Mr. President, when the distinguished chairman of our subcommittee, the Senator from Mississippi, brought this bill to the floor, he pointed out that it was the urgent supplemental. Mr. President, that is a terminology that we use for supplementals that have to be moved through in a rapid pace. But there is more than just terminology to this urgent supplemental. This is the funding for the farmers who are about to go into the field.

Mr. President, farmers have to operate according to the Lord's calendar. They cannot put their work off until some group of politicians decide they are going to get around to putting the money in the bank that should have been there in the first place.

Let us point out what this bill does. It puts $5 billion into CCC. That account is overdrawn, shall we say. You cannot overdraw it, but it is pushing to be overdrawn because there is no more money left.

When farmers come in to take a loan on their crops as they have been for the last 7 days, there has been no money there. The farmers cannot make loans under which they are entitled to by the law.

That is not right. That is not fair. It is a catch-22 situation.

So there is indeed and in fact, Mr. President, an urgent supplemental that needs to be addressed now. Quite frankly, it should have been addressed a week or 2 ago instead of running out and further jeopardizing the creditability of America's farmers.

The chairman also pointed out, Mr. President, that there is a supplemental, an addition or a statement within the bill that the appropriated level of Farmers Home funding should be looked at instead of the lower authorized level.

The appropriated level is a level again that is not going to open up some new program to the farmers. It is not going to qualify more for operating loans than are already qualified.

All it says, Mr. President, is that for those farmers who are now entitled to an operating loan, qualify, have the proper cash-flow, have their applications in and their applications approved, there is going to be money there so they can be funded so that they can put that crop in the ground.

Let me point out what happens if we do not do this on a timely basis: If you do not do it on a timely basis we throw more of a load on local banks that are unable to stretch their lending limits any further.

Let me point out another interesting thing, Mr. President, the unique characteristic of this fund. The $5 billion that is in the fund for normal CCC operation allows the farmers to take their advanced payments as they come up to sign for the farm program that this Congress has passed and if they are able, Mr. President, to pick up those advance payments there will be less demand on crop operating loans. There is a mention of a veto threat from the White House.

I wish, Mr. President, the President of the United States would look a little closer to what is going on in rural America. You know, not only do we have to work by the calendar, but there is a depression going on in rural America today. We are receiving less than 2 percent return on our investment.

Everyone is talking about the jeopardy farmers are in. One of the best ways to relieve the jeopardy is to make sure that funding is available for the farm bills we have already passed, imperfect though those bills might be.

Everyone is talking about the jeopardy farmers are in. One of the best ways to relieve the jeopardy is to make sure that funding is available for the farm bills we have already passed, imperfect though those bills might be.

So, Mr. President, tonight I would plead with my colleagues that we forget these mistaken statements about there is some technical glitch here and if we do not address it, it is going to cost us more money down the line. It will cost us more money down the line because it costs us more money in operating loans and other types of credit to America's farm families.

Let us not listen to that idea that somehow or another we can wait while we go through this process for yet another week, because that turns farmers away from their local ASCS offices.

This is a bill that makes sense. It is a bill that is in the best interest of the Nation. The President himself, and I think someone on his staff got through with the right message, then has already disbursed $700 million of the $1 billion that we add in this bill.

So why object to $1 billion when 2 days ago you have already done $700 million, recognizing that the need was there.

It would seem, Mr. President, that all of the facts indicate that we should move this bill as expeditiously as possible because, indeed and in fact, it is an urgent supplemental, one that makes sense, one that is needed by America's farmers, but even more important, let me close with a thought, Mr. President, it represents the fulfillment of a commitment already made by this Congress to those very same farmers, a commitment that they have been led to count on because all this money in this bill does is to make the bill that is now the law of the land operational. Without it, Congress has broken faith with America's farmers at one of the toughest economic times in the history of agriculture.

Mr. GRAMM. Mr. President, pursuant to section 904, I move to waive section 311 of the Budget Act for the purpose of the House amendment to the Senate amendment, reported in disagreement.

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. (Mr. DENTON). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRAMM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMM. Mr. President, I have moved the waiver of section 311 under section 904 to assure that the House amendment to the Senate amendment reported in disagreement, which is in violation of budget requirements under the Gramm-Rudman-Hollings bill, be voted on concerning the point of order that lies against it.

My concern, Mr. President, was that to simply raise the point of order under section 311 on the amendment and have the Chair rule in favor of that point of order, would set up a sequence of parliamentary maneuvers where someone might move to overturn the ruling of the Chair and thereby with 51 votes overrule the sustained point of order.

Waiving the point of order will require a three-fifths vote as provided for under the Balanced Budget Emergency Deficit Control Act.

Mr. President, the House amendment to the Senate amendment reported in disagreement provides for funds that are $919 million above the levels scored for the purposes of the budget and for the purposes of the Gramm-Rudman-Hollings bill. I, therefore, have moved to waive the point of order so that Members might vote on whether to sustain the Gramm-Rudman-Hollings bill.

I urge my colleagues to join me and vote no on this motion to waive.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, while some other procedure might have been used, the Senator from Texas has proposed to the Senate that Gramm-Rudman-Hollings be waived. I assume he has told the Senate that he does not favor his own motion, and that he did it for purposes of making sure that everyone knew that the amendment in disagreement which the House has asked our Appropriations Committee to bring before the Senate indeed violates the Budget Act of the U.S. Congress.

It does that because we are at a point in the budget cycle where this amendment, however worthy it is, adds about $900 million to the outlays for this year. And we are already in excess of the maximum allowed. It violates the Budget Act in that the total outlay ceiling for the year is already in violation, and so we add almost $1 billion there. And it is clearly subject to a point of order.

I urge that the Senator's motion be turned down. For us to waive will require 60 votes. In plain, simple language, if the Senate desires to vote 60 Senators in favor of this motion, they will be deciding on a piecemeal basis one bill at a time that the ceilings and mandates of the Gramm-Rudman-Hollings law which we just adopted are not applicable, and that we intend to violate it here tonight.

I do not think the Senate ought to do that. Frankly, I think we are taking a risk for the rest of the year, and in fact for the rest of 5 years if we waive it by 60 votes tonight. The risk is that there will be little or no enforcement left for those bills, resolutions or amendments which break the ceiling.

The ceiling is plenty high already. We will exceed the maximum by about $12 to $15 billion already by actions that preceded Gramm-Rudman-Hollings.

There are other reasons why we should not pass the $1 billion amendment pending. If we fail to go along with the motion that is pending we will have effectively killed that amendment or at least it will not have been sent back to the House with the concurrence of the U.S. Senate.

There are some other reasons. For those who are worried about the farmers, the President has said he will veto the bill with this $1 billion on it. So, clearly, the CCC urgency will be worse, not better, if we adopt a bill with an additional $1 billion because, just as certain as we have a problem now, it will be bigger because the President will veto it.

If that is not enough, perhaps some would just say, "Let us let it happen."

The other thing that has happened is that the President has transferred $750 million from the emergency fund for this same purpose. For the exact same purpose for which this $1 billion can be used, the $750 million can be used. He had an emergency fund which has already been counted in the budget totals and, consequently, his moving that over and making it available does not breach the budget tar-

gets as does the $1 billion that is before us.

So it seems to me on all scores a bad precedent for the future under Gramm-Rudman-Hollings and its enforceability. The President will veto it so things will be worse rather than better. If we can pass a clean $5 billion CCC funding without the $1 billion addition, there is already $750 million which the President in a release today acknowledged he had told the Secretary of Agriculture to use on his behalf, and he has such authority.

So I urge the Senate not to support the motion made by the distinguished Senator and author of Gramm-Rudman-Hollings, that we turn it down so that we can start down the road of enforcing its provisions. I yield the floor.

Mr. BRADLEY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I think Senators are entitled to understand that one of the problems that we faced as we tried to determine the intention of Congress with respect to the levels of funding available to the Farmers Home Administration was the fact that the farm bill conference report, which prescribed authorized levels of funding, was passed by the Congress on December 18, 1985. The continuing resolution, which was also approved by Congress, provided funding to carry out the authorized programs under that farm bill, and it was approved on the following day, December 19, 1985.

The levels of funding in the continuing resolution were higher for this insured loan program of the Farmers Home Administration by about $1 billion, than the authorized level as contained in the farm bill for fiscal year 1986.

The continuing resolution was signed by the President; the farm bill was signed by the President.

The question before the Senate tonight is: Which act controls? The appropriations bill or the farm bill, the authorizing bill, both of which passed the Congress and both signed by the President?

I think a very strong argument can and should be made that the act of Congress that was adopted last is the controlling act of the Congress, and that the level of funding recommended by the Appropriations Committee, approved by the Senate, approved by the House and signed by the President should be given preference.

If so, then the language in this conference report, which simply states that the conferees insist that the previously appropriated level of funding be made available to the Farmers Home Administration until expended for this fiscal year, violates neither the Budget Act nor Gramm-Rudman. It specifically provides that it is subject to Gramm-Rudman and the sequester order dated March 1, 1986.

I am suggesting here that what we are seeing is an effort by those who are identified with the Budget Committee—and I have every bit of respect one can possibly have for the distinguished chairman of that committee, and the distinguished Senator from Texas as well—an effort being made simply to usurp the prerogatives of the Appropriations Committee and push the Senate to agree by using this mechanism to refuse to waive the Budget Act.

I say whether we waive the Budget Act or not, the controlling level of funding available to the Farmers Home Administration for this fiscal year is the amount in the continuing resolution that was passed by the Congress and signed by the President.

I do not know but what this is an empty gesture, an expression that Gramm-Rudman has been passed and the provisions of it are effective, that they have the force and effect of law. OK, so what? The Senate can still approve this conference report and send it to the President for his signature.

If he decides to veto it, that is up to him. I do not think he will veto it. I do not think he should veto it because they reprogrammed, taking money from other programs to add at least $700 million already to the Farmers Home insured operating loan account and $50 million to the guaranteed operating loan account.

We are suggesting that the full amount appropriated under the continuing resolution be used, subject to the sequester order.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I wonder if the distinguished chairman of the Appropriations Subcommittee on Agriculture will yield for a couple of questions. I heard this on my office speaker, and I wanted to get here to be involved in this debate because this is a very important issue to the farmers all over this country, especially in my home State of Iowa.

I would like to ask the distinguished chairman—and he may have already answered this question, but I apologize if on the way over here I missed the answer—as I understand it, the continuing resolution that passed here in December contained $5.082 billion for the Farmers Home Administration direct and guaranteed operating and ownership loans. Is that correct?

Mr. COCHRAN. The Senator is correct. That is all of the loan accounts, both direct and guaranteed.

Mr. HARKIN. That was a continuing resolution? That was an appropriations measure?

Mr. COCHRAN. The Senator is correct.

Mr. HARKIN. And we passed it.

Mr. COCHRAN. That is correct.

Mr. HARKIN. Then, after that, Mr. President, a day after that, the farm bill was passed setting the ceiling——

Mr. COCHRAN. The day before the continuing resolution was adopted by Congress, the farm bill conference report was adopted.

Mr. HARKIN. The day before.

Mr. COCHRAN. The day before. December 18, the farm bill was agreed to, and December 19, the continuing resolution was approved.

Mr. HARKIN. I thank the distinguished chairman for correcting me on that. I was not reading my notes right. That is correct.

The farm bill was an authorization, and we passed an authorization of $4 billion, but we passed an appropriation of $5.082 billion the day after in the Senate.

Mr. COCHRAN. That is correct.

Mr. HARKIN. I understand a point of order—well, a motion to waive the point of order is now raised.

Mr. COCHRAN. It is actually a motion to waive the Budget Act.

Mr. HARKIN. That is correct.

Now, let me ask the distinguished chairman if, on December 19, the day the continuing resolution was passed, would that not have been subject to the same motion at that time under the Budget Act?

Mr. COCHRAN. I think the Senator is correct.

Mr. HARKIN. Well, I wonder, why was it not raised at that time? And why is it being raised now?

Mr. President, I submit that what is happening and what we may see happening right now is, again, a technicality. It is clear that the intention of this Chamber and of the other one was to fund this at the $5 billion level. That was appropriation, not authorization. And no point of order was raised against it here, on the Senate floor.

We have now this motion before us to waive the Budget Act, and I understand why it was done. I think the Senator from Texas clearly stated because it takes a three-fifths vote of the Senate to waive the Budget Act rather than just a mere majority if a point of order were raised.

Again, Mr. President, what we have is $1 billion being taken out of our farmers' pockets, $1 billion that is needed for direct and guaranteed operating and ownership loans.

Mr. President, last year, $5.4 billion was loaned under these programs, and the need this year is much greater than it was last year—much greater

than it was last year. And last year, we loaned out $5.4 billion.

I submit that we are caught here again in a technicality. Understandably, we shall have to vote on that. But I want all Senators to understand that this is a substantive vote, to take $1 billion away from farmers that the Senate voted for on December 19 and now we are being asked to take it away at a time when farmers have to get in their fields and plant a crop. This loan money is needed and needed desperately, and because of a technicality, we are going to take $1 billion away.

Mr. President, we heard a lot of talk on the Senate floor last week when this Senator was involved with the distinguished majority leader in a little controversy about technicalities and about holding up a bill for a few days because of a "technicality." This is not just holding up a bill, Mr. President, this is taking a billion dollars out of a program that we voted to appropriate money for here on December 19 of last year.

I think it ought to be clear to every farmer out there who needs this loan money, who is going to walk into his Farmers Home office, who may be qualified for the loan, needs it, and is turned down because the money will not be there. Or to that young farmer who, maybe, could buy some of this land at now depressed prices so he could start farming, engage in farming, and he cannot get an ownership loan because this money is taken away.

I want all of those farmers to know who is raising this point, who is raising this little technicality here that is going to take a billion dollars away from them.

I hope the Senate will not adhere to a mere technicality, but will understand that we voted with our eyes open to appropriate $5 billion on December 19 of last year and no point of order was raised by the Senator from Texas, who is now raising this little parliamentary maneuver to try to take $1 billion away from this program. I am hopeful, Mr. President, that when we proceed to a vote on this, as I suppose we will, that Senators will adhere to the vote they cast on December 19 on appropriating this money, $5 billion.

This could not come at a worse time, Mr. President. If I use strong language, it is because I just saw yesterday about a 55-year-old farmer over in the Russell Building, standing in front of about 50 fellow farm bureau members break down and cry because he just lost 120 acres and his son just had to be forced out of farming. Now we are being asked to cut $1 billion out of needed farm operating and ownership loans.

Mr. President, I am hopeful that the Senate will sustain the position taken by the distinguished chairman of the Committee on Agricultural Appropriations and the chairman of the full Appropriations Committee. They brought this measure to the floor last December 19 in a continuing resolution and we voted for it.

Mr. HELMS and Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina sought recognition first.

Mr. HELMS. Mr. President, I thank the Chair.

Before we get too immersed in dates, let me say it is true enough that the farm bill passed on December 18 of last year and it is true that the continuing resolution passed on December 19. But if we are going to rest the case on dates, I must point out that the President signed the continuing resolution into law on December 19 and he signed the farm bill into law on December 23. I happen to think that the dates are irrelevent to the immediate question.

I also happen to think that the distinguished chairman of the Committee on the Budget stated the case accurately. It may be that those who are tuned into the Senate's proceedings on radio are confused at this point.

The distinguished Senator from Texas [Mr. GRAMM] has offered a motion which he has stated very clearly that he will vote against and he has encouraged other Senators to do likewise. This is sometimes necessary to get the train moving around this place. It is a parliamentary move that I myself have used from time to time when a stalemate seemed to be in progress. But there is one thing that the American people need not be confused about in connection with this debate at this point. That is this: We are talking about a $913 million increase in the Federal deficit. Mr. President, I cannot support the level of appropriations for the Farmers Home Administration insured operating loan program contained in the supplemental.

Let me introduce just for the purposes of the RECORD so it will be clear, this bill is subject to a point of order under section 311(a) of the Budget Act, as amended by Gramm-Rudman-Hollings, because it in fact increases the deficit by $913 million and the waiver of such a point of order requires a supermajority of the Senate—that is to say, 60 votes. In order that Senators may consider the assistance available to farmers already under Farmers Home, perhaps it would be relevant to review the programs.

This year, there is a total of $2.2 billion available in Direct Farm Operating Loans Program. This includes the $700 million that the President has transferred into operating loans from the Emergency Disaster Program earlier this week—$700 million. In addition, there is $1.7 billion available for guaranteed farm operating loans.

Then, Mr. President, to complement the Guaranteed Loan Program, there is a total of $490 million over a period of 3 years for an Interest Rate Buydown Program, $120 million of which will be used this year. Under this program, borrowers can receive up to a 4-percent reduction in their interest rates, dropping them to levels actually lower than the rates under the Farmers Home Program in most cases.

Also, I think it is worthy of note that about $4 billion in advanced deficiency and diversion payments will be paid to farmers in April and May of this year.

This is more than a 50-percent increase over the $2.6 billion paid out last year. Obviously, this will decrease the amount of credit needed by farmers this spring.

Mr. President, all of us should be aware that too much credit on easy term over the years is the reason many of our farmers are in trouble today. The Agriculture Committee held hearings recently at which there was testimony by the General Accounting Office and the USDA that the Farmers Home Administration is doing everything within reason to assist viable farm borrowers to remain in business.

Now, the key word here, of course, is "viable." I do not know whether we are going to proceed down that slippery slope of trying to extend more and more loans to farmers whom we know have no chance of showing a positive cash flow. I think we need to examine how fair that is to the taxpayers.

As a matter of fact, we must ask just how fair is it to the farmer to give him hope when there is no hope, when the debt is such that there is no possibility of his surviving as a viable businessman.

There is no doubt from the information available that all Farmers Home borrowers who can show a positive cash flow, a positive cash flow, Mr. President, will be helped by this agency.

So the bottom line—and I say this as one who is just as concerned about the farmers of America as anybody else—the bottom line is that the Farmers Home Administration does not need additional funding to provide necessary credit to eligible borrowers.

Now, if we are going to say eligible or ineligible, it does not matter. And that is a pretty interesting development in terms of the intent of this Senate.

Mr. President, I have to say that I thorougly agree with the distinguished chairman of the Budget Committee, and I commend the Senator from Texas for proceeding with the motion

against which he will vote himself and I shall join him.

I thank the Chair and I yield the floor.

Mr. EXON addressed the chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, this is a tremendously interesting vote and a vote that I am surprised hit us this early on Gramm-Rudman. It was at this desk when Gramm-Rudman was before this body that this Senator was up and he warned, he warned specifically what was going to happen at sometime in the future.

Frankly, Mr. President, I did not expect it would come in this form or under these terms. As has been explained by the distinguished Republican chairman of the Appropriations Committee, not generally known as a farm State Senator, and by the able chairman of agriculture appropriations, the able Senator from Mississippi, the junior Senator from Mississippi, another Republican, you are making a stand on Gramm-Rudman at a time that you do not need to make a stand on Gramm-Rudman unless you want to go out of your way to further punish the heartland of America that is in a depression.

Play with the numbers all that you will. I do not believe that the likes of MARK HATFIELD, the Senator from Oregon, or THAD COCHRAN, the Senator from Mississippi, would be standing on the floor of the U.S. Senate telling us that this does not violate the appropriations process and therefore Gramm-Rudman is not in order. They have made that point and they have made it clearly. This is not an appropriation bill, per se. This is a conference report. They have not gone beyond what the continuing resolution provided when we enacted it on December 19.

Now, those who are going through clever parliamentary procedures, not only to make a point of order, which would be the normal thing to do, but asking for waiver of the Gramm-Rudman Budget Act, are simply trying to get 10 more votes that we would need to set this aside.

You can explain this any way you want, but the bottom line is it is an antifarm vote. And every scorecard of every major farm organization will so indicate. So everyone who supports the motion from the junior Senator from Texas will be scored, I am sure, as an antifarm vote—probably even by the Farm Bureau, which would not normally do such a thing, but I think they will now.

Mr. President, as one of the 22 or 23 Members of this body who voted against Gramm-Rudman, I knew things like this were going to come up, and I knew that it would force cuts in the national defense far above what I think is necessary. I made that point very clear at that time. It is all coming home to roost earlier than I had anticipated.

After this Senator was 1 of the 22 or 23 Senators who voted against Gramm-Rudman, the 3 Members of the House delegation from Nebraska held a press conference the next day or so fully covered by television reporters, and those 3 farm State Congress people who supported Gramm-Rudman on the floor of the House of Representatives could not keep it to themselves. They attacked this Senator and my colleague, Senator ZORINSKY, for opposing Gramm-Rudman because we were not fiscally responsible. They further made the commitment at that time, they being the three Members of the House delegation from the farm State of Nebraska, that we should not worry; that Gramm-Rudman would have no effect, Gramm-Rudman would have no effect on agriculture.

At least the three Representatives from Nebraska were misinforming their constituents, or at best they did not know what they were doing when they voted for Gramm-Rudman. And here it is coming home to roost in the U.S. Senate. It seems to me, Mr. President, that some explanations are in order. At least I admire the junior Senator from Texas for standing up firmly for what he believes. He is entitled to do that. I do not agree with the junior Senator from Texas, but I believe the junior Senator from Texas is trying to protect the bill of which he was one of the main inventors. It became Gramm-Rudman-Hollings. He is sincere in his belief. I think he is wrong, but I at least give him credit for being sincere in his belief. If he is sincere in his belief, I suppose the right thing for him to have done was to ask for a waiver rather than a point of order, which would have required only 51 votes to override.

I do hope that sometime, though, the junior Senator from Texas can sit down with three Members of the House who represent the agricultural State of Nebraska and explain to them how Gramm-Rudman was not going to "hurt," in their words, agriculture. It is here right now, and it is with us right now.

Those who voted for the continuing resolution—I think it clearly indicates that this is not a violation of Gramm-Rudman, as explained in previous debate—those who supported that continuing resolution and voted for Gramm-Rudman have to ask themselves the question, which vote was right and which vote was wrong, because there is no way both can be right.

To put it another way, this is the "altar call" if you will, for those who voted for the continuing resolution and for Gramm-Rudman.

Among other reasons, Mr. President, that have been previously stated by my able colleague, the junior Senator from Iowa—another prime farm State—another reason why this is vitally needed now is this: This argument goes to the heart of the problem that I hope my colleagues are listening to. There are not a lot of them here on the floor of the U.S. Senate. I know that many of them are listening in their offices. I hope they will understand what this vote is all about. It is all about whether or not we are going to keep the commitment we made when we passed the continuing resolution, which was signed into law by the President of the United States, December last.

Furthermore, Mr. President, I was interested to hear the chairman of the Agriculture Committee, the Republican chairman of the Agriculture Committee, who has never been acceptable to anything for agriculture except tobacco—a very effective representative of tobacco, but he is not an effective spokesman for agriculture, which I suggest that the chairman of the Agriculture Committee should be.

Once again I say that he has every right to his opinion, but he is wrong. Why is he wrong? The chairman of the Agriculture Committee said a few moments ago, on the floor of the U.S. Senate, that much of the problem in agriculture today is too much credit on easy terms, and that is why the farmers are in trouble.

Mr. President, I would not disagree that some banks, the Farm Credit System, the Farmers Home Administration, and others, undoubtedly made some loans at sometime in the past that should not have been made, and may have inadvertently caused the demise of some of the farmers who are in difficulty today. But if ever there was a time to be a little bit lenient, it is right now.

The Senator from Iowa told of a farmer standing before a farm meeting in Washington, DC this week. I believe it was in Washington, DC. Yesterday, in my office, two prominent, well-respected, not fly-by-night farmers were in my office as part of the National Corn Growers meeting. I am not going to reveal their names, and I am not going to reveal in detail the story they told me.

I was amazed what these two men told me about their difficulties in arranging financing right now. They told me about a situation of another prominent member of the Nebraska Corn Growers, who, as of now, is not able to get a loan to put his crops in the ground for this 1986 year.

Mr. President, the tendency around here, it seems to me, is to indicate that every farmer who is in trouble is a ne'er-do-well of some type, who does not know how to farm, and should not

be farming in the first place. Let us set the record straight on that. There may have been some of those farmers around before the Reagan administration, but they are all gone now, and they have been gone for 2 or 3 years.

We are now cutting into the core of the unrealistic farm programs that are not only causing a depression in rural America but also are making it difficult for a successful operator to meet the cash-flow that is necessary to get loans from the Farm Credit Administration, from the Farmers Home Administration, and from banks.

Here we are at a time when the Farmers Home Administration concedes that they are short of funds. Here we are considering not approving a modest recommendation that is not over the budget, as has been explained previously by the chairman of the Appropriations Committee and the junior Senator from Mississippi.

There is no other conclusion to be drawn: a profarm vote or an antifarm vote, and that should be clearly laid on the line.

In this particular case, Mr. President, someone or some group, not on this side of the aisle, has decided to make a case—the first important test of Gramm-Rudman—against the basic interests of the American farmer, at a time that could not possibly be worse. The vote we are going to cast on this measure is one that will be around a long, long, long time.

Mr. President, I also notice that there has been reference to the fact that the President—out of the goodness of his heart, I guess—released $750 million for additional, direct Farmers Home Administration loans. The President did that. I am delighted that he did.

About 3 weeks ago, this Senator was the first Member of the House of Representatives or the U.S. Senate to point out the fact that we did not have enough money to meet the needs of lenders and that we were way below the amount available, even compared with last year. So I salute the President for his "generosity," and I made the point that that was the right thing to do, but that is only a drop in the bucket.

Since others brought up this $750 million that was generally brought forth by the President of the United States, I thought it also should be said that this came about at a time, strangely enough, when the President was summoning down to the White House Members from farm States, to try to get them to go along with the $100 million donation to the Contras in Central America, wherever they are.

There have been newspaper stories, and there has been an awful lot on television, to indicate that maybe the President of the United States thought he could buy a few votes—of the 20 or 30 that he is supposedly short in the House of Representatives—for his 100 million dollars' worth of Contra aid by advancing some money to those farm State representatives, in attempting to buy their votes. I am not saying that is true, but the implication is clearly there.

Mr. President, I would hope we would have many Members of the Senate who want to stand up for the American farmer to come to the floor of the Senate and speak out. Whether they do or not when the vote is called, I would hope that my colleagues would have the courage whether they voted for Gramm-Rudman or not to recognize that is not the question here now.

As to those who invented the initial point of order that was expected to be raised and later the parliamentary technique of going to waiving the Gramm-Rudman proposal, which takes 60 votes, I would hope that when they vote for that they should understand that, despite the fact that the originators of this clever move are trying to use Gramm-Rudman to enforce something, that obviously is not necessary, as previously explained by those Senators who have previously referred to.

It is a clear case of someone or some group or somebody going clearly out of their way, Mr. President, clearly out of their way to punish the American food producer at a time when it is most inopportune.

There, Mr. President, I hope and I plead that the motion made by the junior Senator from Texas will be defeated when it comes to a vote.

Mr. President, I yield the floor.

Mr. HELMS. Mr. President, I am inclined not to respond to personal attacks, but my father once told me that the best way to determine whether a stick is crooked or not is to lay a straight one beside it.

I must point out that I supported the conference report on the farm bill. It contained 19 titles with a total cost of $52 billion over 3 years and $110 billion over 5 years. The farm commodities covered included programs for wheat, feed grains, cotton, rice, soybeans, sugar, honey, wool, peanuts and dairy.

The bill provides for projected deficiency and diversion payments for 1986 crops that will exceed $12 billion, compared to $6.8 billion for 1985 crops. There will be between $4 billion and $5 billion in payments to wheat producers for 1986 crops, compared to about $2 billion for the 1985 wheat crop. Likewise, there is expected to be $8 billion paid to corn farmers for 1986, compared to about $4 billion for 1985. All in all, there will be $24.6 billion in net outlays from the Commodity Credit Corporation in fiscal year 1986 for all crops.

Mr. President, I further point out that tobacco was not even included in the farm bill. Certainly any reasonable person would conclude from this that any interests go beyond one crop.

The PRESIDING OFFICER (Mr. Trible). The Senator from Oregon.

Mr. HATFIELD. Mr. President, I am very anxious to move to a vote. This is a terribly confusing issue that we are really facing with the author of Gramm-Rudman making a motion to waive something that he wants people now to vote against. He himself is going to vote against it, which is adding to the confusion. But the leadership of this supplemental, which includes the chairman of the Subcommittee on Agriculture, will probably vote that way or will not attempt to override the waiver. This will cause a lot of confusion, I am sure.

But I would like to just outline two points because if the scenario works out whereby the waiver is not voted that requires a three-fifths vote, we are still back with the basic instrument on the floor here, which is the supplemental as amended by the conference report.

I assume that at that point some will make a point of order against the bill, and I assume that that may then be challenged or the ruling of the Chair would sustain the point of order and then would be challenged with a call for the overrule of the Chair which then would put us at a 51-vote requirement to overrule the Chair and then adopt the report.

I am just saying this is a possible scenario. At that point the House would probably come back Tuesday and having agreed with the House we would send it down to the White House and the President would probably veto it with the amendment as the conference committee has reported it.

So you could say you know that everyone here involved in this particular issue will end winning if they want to look at it that way. The President won a point. The Gramm-Rudman supporters, the Budget Committee won a point. The Appropriations Committee or the farm group won a point.

But we really have not settled the issue. We will have to come back and regroup, probably, if that scenario works out that way. That is one point.

The second point is where the chairman of the Budget Committee, my dear and wonderful friend, Senator DOMENICI, commented that this was a violation of the Budget Act. It may be technical, but let us get that scenario also very clearly. When we passed, on December 19, the continuing resolution, which this figure now in its full form, the full vehicle that is now before us, did not violate, this level does not violate that continuing resolution. There was no point of order

made against that continuing resolution because we were within our 311. We were within our 311. We were legitimate. That was the day we were legitimate.

Then the bean counters go back to their little beans and start counting their beans out again and because there has been money spent in other areas of the budget, not necessarily in the agricultural area, they decide that we are not longer legitimate. We are now illegitimate. That process is called bastardizing.

And I just want to point out that I do not want the impression somehow the Appropriations Committee has come out here with a budget or with appropriations supplemental deliberately setting forth to violate the Budget Act. That just simply is not so.

We came out with this resolution, and we have written into this supplemental report language that it is within and it was to be within budget responsibilities that we adopted in that continuing resolution on December 19.

So there are a lot of technicalities here. There are a lot of impressions and there is a lot of confusion, I am sure. It took me at least 1 hour to get unconfused about one simple point of it. But I just want to point out to the floor that we are in that constant game of changing goalposts. We never know where the ball game is to be played from the appropriations point of view.

We have done our best to work with the Budget Committee, and we still work with the Budget Committee, and we will continue to do so to be within the parameters, to be within the Budget Act, to be within 311 allocations.

I think anyone who is on that committee knows it, including the chairman himself of the Budget Committee, but then to be postured as though we had somehow conspiratorily almost come out here to do something to deliberately violate or that was a head-on violation, I want to clear that up.

That supplemental is within the 311 allocation as was determined by the continuing resolution passed and signed into law by the President of the United States. It was passed here on this floor the day after the farm bill that set a lower level was passed on this floor. I know the President signed them into law at a different sequence. The lawyers can get up here and say it is the last bill that is signed into law, and they are correct.

But with all of that, let us just make sure the Appropriations Committee has not played a game here to try to deliberately violate ceilings or budget acts or law, or anything else.

We are trying to play the game, but we get the goalpost constantly moved on the field, and it is very difficult to keep up with the bean counters.

Mr. DOMENICI. Mr. President, I think the distinguished chairman of the Appropriations Committee has stated his position. I will agree wholeheartedly with him that we are trying desperately to work together, and I have no complaints. We are trying to do our job. They are trying to do theirs. I compliment him for the diligent effort that he and his entire committee has been undertaking, especially under the very difficult ceilings that we have.

But maybe I am chairman of the bean counters. I do not think so. I just like to tell you my version of the bean counting.

Clearly nobody is accusing anyone when the budgets are broken of doing anything intentionally to violate a Budget Act or to violate mandatory ceilings.

But the truth of the matter is that we had two laws passed. We had an appropriations bill that on this subject had $1 billion more in it than an authorizing bill which mandated $1 billion less.

We passed both laws and it happens that the consensus opinion of those who interpret have told us, and apparently the President's Council on Agriculture agrees, that the law that is governing at this moment is the authorizing bill wherein we authorized in a mandated manner $1 billion less for this program.

At a given point in time all kinds of bills and measures are passing through this Congress, including entitlements and others. By the time the year ended and all the other expenditures were put into the pot, not only had we violated the budget resolution ceiling a little bit, we had violated it by $20 billion, and that $20 billion was assuming the lower level mandated.

That amount which was authorized, which was $1 billion less, was then figured in the total, and a baseline was drawn for the expenditures of our Government. If you add to it, you break the budget. What you have is two conflicting laws, and the lowest one is ruled to be the effective one, and now we are going back to the higher one of $1 billion.

Some will call that bean counting. Some will call it whatever they like. But it is very forthright—no question about it, and no question that this U.S. Senate can do what it wishes. But it will have to vote to do that. It will have to vote first to waive the Budget Act.

If we do not want to do that—and I do not think we will—then, obviously, a point of order is going to be sustained. Why? Because we just got through voting saying we do not want to waive the Budget Act for this provision. So the point of order is going to be made.

If somebody wants to appeal from it, then we can turn right around and say we all voted that we did not want to waive the Budget Act but for some other reason we are going to overrule the Chair.

I hope we do not do either. I think it is inconsistent to do that. But it does seem to me that $1 billion here is just like any other billion dollars that somebody is going to bring down here. They may not have these subtle little differences, but we can bring one down here tomorrow, and somebody can say it is a great cause. And I am not saying the Appropriations Committee will bring it down here. Somebody can bring it in, introduce it, put it in as an amendment, say it is bean counting, it is just $1 billion, nobody's business and we ought not to worry about it.

On the other hand, that is the same kind of billion dollars in terms of exceeding the totals that we set for ourselves, and we have not even come close to it. That is what the issue is about.

It appears to me that the distinguished Senator from Texas did it just exactly right. We are going to get to vote, if somebody wants to appeal the ruling of the Chair after we have decided not to waive the Budget Act. But I think we ought to all go on record that we do not want to waive the Budget Act. Then we can search our conscience, about 20 minutes later when we decide that we may want to overrule the Chair.

I think that is the scenario for the evening. From my standpoint, I am willing to bring all the numbers down here that anyone wants but I think that is basically the issue.

Mr. RUDMAN and Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, the distinguished chairman of the Budget Committee is exactly right in outlining for Senators the scenario for the evening. For my part, I am going to urge Senators to vote with the distinguished Senator from Texas, Mr. GRAMM, against his own motion to waive the Budget Act.

This Senator is not attempting to suggest to the Senate tonight that we waive the Budget Act, not violate the Budget Act. What we are suggesting to the Senate is that there is before the Senate a conference report that, by its very language, says the funds made available for the Farmers Home Administration in operating loan account shall remain available until expended except as that level may be reduced by the terms of the sequester order implemented on March 1, 1986.

It is the clear statement of the conferees that Gramm-Rudman ought to apply to this conference report as it is going to apply throughout the appropriations process this year.

The point the Senate ought to understand is there is a disagreement about whether or not this conference report does in fact violate Gramm-Rudman.

Those of us who were in this conference worked very hard to keep it within the bounds of the Budget Act, the previously appropriated levels of funding for the programs that are involved in this conference report, and we were successful. But just because somebody downtown decides that an authorization bill takes precedence over an appropriations bill for the purpose of establishing a target under Gramm-Rudman does not mean we have to agree with them. That is the issue. The issue tonight is whether the Senate agrees with that. We are going to get to vote on it.

So I am suggesting you do not have to violate Gramm-Rudman to make the decision on that issue. That is going to be before the Senate. We can consider it carefully, and we can make our decision. I am going to make the decision that this conference report is consistent with Gramm-Rudman, it does not violate the Budget Act, and it calls for the appropriation of funds that are desperately needed throughout this country for not only the operation of the Commodity Credit Corporation but the Farmers Home insured loan account which is mentioned in the report.

So I hope Senators will vote not to waive the Budget Act. That is the next thing we will do—is have a vote on that issue. It takes three-fifths to waive it. We are going to have a record vote. The yeas and nays have been ordered.

I hope we can go ahead and dispose of that vote. Then I presume we ask that the amendment in disagreement be approved, that there will be a point of order made. If the point of order is sustained, which the Parliamentarian is going to have to recommend be sustained because the CBO decides whether the targeted levels under Gramm-Rudman has been breached by this or not, and CBO says yes because that is the decision that has been made, the question then will be whether the point of order on the ruling of the Chair should be overturned.

This Senator will ask the Senate to vote to overturn the ruling of the Chair, and we will have a vote on that. I hope now we can proceed to a vote on the motion of the distinguished Senator from Texas to waive the Budget Act.

I urge Senators to vote against that motion.

Mr. RUDMAN and Mr. STENNIS addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. RUDMAN. Thank you, Mr. President, I will be brief.

I do not rise to join in some of the technical issues that have been raised here. There is an old saying amongst trial lawyers, particularly appellate lawyers, that hard cases make bad law. This is a very unique case. It is a unique case because of an interpretation by a general counselor of an executive department. It is a very hard case because you have two bills which sequentially appear to be in the wrong order. And I am not going to get involved in that argument. But I want to make an observation that we ought not to lose as far as the operation of this law. I hope it is not lost however the vote comes out.

We are dealing with fiscal year 1986 funds. The sequester for fiscal year 1986 has already been made. There will be no other sequester. But in the future, if we attempt this procedure—and assuming the point of order is in fact not sustained—let me point out to everybody in the room what will happen because what happens on this one is quite different because of the sequence and the fact this is the first year of the law.

If in fact this was fiscal year 1986 funds, it broke the budget ceiling, and you did not have a sequential problem with how these bills were signed, then when the sequester came the fact that this billion dollars was added would then cause a greater cut in education, in environment, in the FAA, in the FBI, and everything else.

It is very important that people recognize that this vote, because of the uniqueness of the time at which it comes and the nature in which it comes, cannot be affected by that.

I must say, however, that as far as the waiver is concerned, I do not think, with all due respect to my friend from Mississippi, the chairman of the Appropriations Subcommittee, we ought to ignore what the CBO says, whether it happened intentionally or accidentally. CBO is the only basis that we can look at. They say this is $1 billion above what we have set as the sequestration levels.

I think we ought to sustain the waiver. We ought to refuse to grant it. We ought to certainly sustain what I anticipate will be the ruling of the Chair.

Mr. STENNIS addressed the Chair.

The PRESIDING OFFICER. The distinguished Senator from Mississippi.

Mr. STENNIS. Mr. President, I shall not take much time.

I do want to remind the Senate that there is some confusion about the law here as to which rule applies, and just what is the right meaning of the rule. There are a great many book-type questions, and technical questions like that. But let us remember that is not the real problem before a great segment of our American people tonight that is related to this law; that is, we are dealing with people, and we are dealing with their way of making a living.

We are dealing with their growing food to provide the actual body needs for many additional millions of people. Whoever might have slipped up about the law or when it went into effect, or anything else, is a incidental question, so far as need is concerned.

We have adopted a system of financing a great part of our farm production through Federal financing. That is a system that the people have gotten accustomed to, and now we have a condition where that cannot be carried out. But time and nature do not wait to make it possible to make up for errors that have been made.

We have made errors, perhaps, in not supplying this essential way of growing American food for people to eat and other farm products.

I think we are compelled to look at it from the factual side, and remember that we are dealing with people, with human beings. We are not dealing with cattle. We are not dealing with animals. We are not dealing with encyclopedias of law, dictionaries, or anything of that kind. But we have a problem here which must be met and which must be met soon, the planting season will be over very soon.

The season for putting seed into the ground has already almost run out in some areas and is running out fast in all areas.

So we have to take a practical look at this problem and do something that will go into effect immediately, even if it is just for a very short time, to get by this demand of nature and the demand of people for their food and other products which go from this production.

I hope we will take that practical side. I have nothing against the new law, the Gramm-Rudman Act. I voted for it. I want to see it and any other act succeed. But the practical side, as I have previously related, means that now we have no choice but to make the practical decision of moving this bill along.

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Mr. President, it seems to me that our subcommittee chairman has made a very clear statement that, in the opinion of the Appropriations Committee, we have not violated Gramm-Rudman in terms of the ceiling in this supplemental. We reject that argument.

It seems to me that the best way to get to the crux of this matter is, I would like to suggest the possibility to the author of the motion, the coauthor of the Gramm-Rudman-Hollings bill, that we possibly consider a voice vote and subscribe to his position of

voting no, eliminating the whole question of the waiver. I want to say I will urge everybody to vote no on it so that we can get that issue out of the way. That is really almost peripheral to the real issue before us, the supplemental to maintain the CCC Program.

At that point, our options are still open. We can either move to strike the amendment, we can move a point of order, or we can do any number of things at that point. But to clear the deck, to get down to the real issue here, we ought to get rid of this particular motion.

Mr. DOLE. Did you want a voice vote?

Mr. HATFIELD. I would say we could have a voice vote. If the yeas and nays have been ordered, they would have to be withdrawn. I would urge that we voice vote the motion and not waive the Gramm-Rudman.

Mr. HARKIN. If the distinguished Senator will yield, on the way to the floor, I encountered the individual who asked for the yeas and nays and he said that he wanted that vote on this. I feel we ought to be bound by that right now. I do not want to counter the distinguished chairman of the Appropriations Committee, for whom I have the greatest respect and he knows that. Senator BRADLEY is not here right now but I did speak with him as I got off the subway and he did want the yeas on this.

I do not want to speak for him, I just raise the point.

Mr. HATFIELD. Mr. President, I would like to make a parliamentary inquiry. Can we do a standing vote or a show of hands? Have we alternatives to a rollcall in making this determination?

The PRESIDING OFFICER. A division vote could determine that.

Mr. EXON. Will the Senator yield?

Mr. HATFIELD. Mr. President, I withdraw the suggestion, even though I think it might be the easiest way out. I now understand there are other complications. I would urge at this time if we go to a rollcall vote, which it seems we may be headed to, I would urge on the body a no vote on the motion made by the Senator from Texas to waive Gramm-Rudman. Once again, we in the Appropriations Committee do not believe this violates Gramm-Rudman to begin with. Therefore, we reject the argument on this issue. So I would hope that those who are supporting this bill as it is now constituted would vote no as well. Then we get to the point of the bill itself, to delete the bill, to pass the bill, or to raise a point of order. We have all of our options.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, can we not expedite things once in a while in the Senate? I have heard from that side of the aisle that the motion that was made to waive was made without considering the full impact of that. Those of us on this side who want to get this approved see no particular reason to have a rollcall vote where everybody goes out and votes no.

It would seem to me that we could vitiate the order for the yeas and nays and have a voice vote, which as near as I can tell would be no. By vitiating the order for the yeas and nays that could be accomplished. Why can we not do that?

Mr. DOLE. Will the Senator yield?

Mr. EXON. Yes.

Mr. DOLE. I thought it was a great idea but the Parliamentarian tells me it is hard to tell whether three-fifths voted no. This is like a cloture vote.

Mr. EXON. The Parliamentarian is not in charge of the operations of the U.S. Senate, as far as I know. It seems to me that if we ask for vitiating the order for the yeas and nays and had a voice vote, as near as I know everybody on the floor right now is going to be silent one way or the other and maybe the Chair would be able to make a determination in that event. What is wrong with that?

Mr. DOLE. One of the Members on that side has requested the yeas and nays. That is another problem. We would be finished almost with the vote now had we started.

Mr. EXON. But if the Member who made the motion is not here to protect his interest, I think we can request it. Mr. President, I move that we vitiate the order for the yeas and nays on the motion before us.

The PRESIDING OFFICER. Such a motion is not in order.

Mr. BENTSEN. Will the Senator yield?

Mr. EXON. Yes.

Mr. BENTSEN. Would not the objective be accomplished by division? A division vote would establish the 60 percent, would it not?

The PRESIDING OFFICER. The requirement is absolutely 60 votes, not 60 percent of the voting Senators.

Mr. EXON. Mr. President, I ask once again unanimous consent that the order for the yeas and nays be vitiated. Then we would be in a position, as I understand it, where the junior Senator from Texas could withdraw his motion.

Mr. COCHRAN. Reserving the right to object.

Mr. DOMENICI. Objection.

The PRESIDING OFFICER. Objection is heard.

The question is on agreeing to the motion. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Nevada [Mr. LAXALT] is necessarily absent.

I also announce that the Senator from Arizona [Mr. GOLDWATER] and the Senator from Maryland [Mr. MATHIAS] are absent on official business.

Mr. CRANSTON. I announce that the Senator from Colorado [Mr. HART], the Senator from Hawaii [Mr. INOUYE], the Senator from Georgia [Mr. NUNN], and the Senator from Maryland [Mr. SARBANES] are necessarily absent.

The result was announced—yeas 1, nays 92, as follows:

[Rollcall Vote No. 37 Leg.]

YEAS—1

Durenberger		

NAYS—92

Abdnor	Garn	Metzenbaum
Andrews	Glenn	Mitchell
Armstrong	Gore	Moynihan
Baucus	Gorton	Murkowski
Bentsen	Gramm	Nickles
Biden	Grassley	Packwood
Bingaman	Harkin	Pell
Boren	Hatch	Pressler
Boschwitz	Hatfield	Proxmire
Bradley	Hawkins	Pryor
Bumpers	Hecht	Quayle
Burdick	Heflin	Riegle
Byrd	Heinz	Rockefeller
Chafee	Helms	Roth
Chiles	Hollings	Rudman
Cochran	Humphrey	Sasser
Cohen	Johnston	Simon
Cranston	Kassebaum	Simpson
D'Amato	Kasten	Specter
Danforth	Kennedy	Stafford
DeConcini	Kerry	Stennis
Denton	Lautenberg	Stevens
Dixon	Leahy	Symms
Dodd	Levin	Thurmond
Dole	Long	Trible
Domenici	Lugar	Wallop
Eagleton	Matsunaga	Warner
East	Mattingly	Weicker
Evans	McClure	Wilson
Exon	McConnell	Zorinsky
Ford	Melcher	

NOT VOTING—7

Goldwater	Laxalt	Sarbanes
Hart	Mathias	
Inouye	Nunn	

So the motion was rejected.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the motion was rejected.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senate will be in order.

Mr. DOLE. Mr. President, as I understand it, there will now be a point of order made and there will be an appeal from the ruling of the Chair.

I think we have pretty much had the debate, and I hope we will be able to dispose of these matters rather quickly.

It is still my hope to bring up reconciliation this evening. I do not think we will hit the water bill this evening, and we may not finish reconciliation, but we will at least start it.

The PRESIDING OFFICER. The Chair advises the majority leader that the question is on agreeing to the conference report. It must be disposed of first.

The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. COCHRAN. Mr. President, for the purpose of further consideration of the matter before the Senate, there is an item in disagreement which we need to move.

I move to concur in the amendment of the House to Senate amendment No. 1.

Mr. GRAMM. Mr. President, I raise a point of order under section 311, as amended by the Balanced Budget and Emergency Deficit Control Act, that the amendment of the House to the amendment of the Senate will exceed the appropriate level of budget authority and outlays set forth in the concurrent resolution on the budget for fiscal year 1986 and, therefore, is not in order.

The PRESIDING OFFICER. The point of order is well taken.

Mr. COCHRAN. Mr. President, I appeal from the ruling of the Chair.

Mr. President, this appeal from the ruling of the Chair is made for the purpose of giving the Senate an opportunity to express its opinion and its decision as to the assertions by the chairman of the Budget Committee that this conference report and this specific amendment violate the provisions of the Budget Act.

Under the terms of the Budget Act, CBO has the authority to make certain scoring findings and to advise the Senate as to whether or not a spending target under the Budget Act has been or will be breached by the passage of an appropriations bill or some other action by the body.

I am suggesting to the Senate that the terms of this conference report clearly indicate the intention of conferees that the funding levels be subject to the Gramm-Rudman Act and that any funding that is available can be reduced by the terms of the sequester order implemented on March 1, 1986; and that is specifically stated in not only the conference report itself but also the statement of managers for emphasis.

The language we are considering in the amendment was urged by the House conferees to be included in the conference report, and it relates to the funding levels of the Farmers Home Direct Loan Program, providing operating money to farmers who cannot find credit elsewhere to plant a crop during this planting season.

To give the Senate some information about the status of funds in that account, the administration announced just a few days ago that it was making available an additional $750 million for the Farmers Home Administration to lend to farmers under that program. The reason why the additional funds were needed—in addition to those previously allocated—was that the current funding was being exhausted. The Appropriations Committee expected that that would occur when we were considering the continuing resolution last December, and it provided an additional amount, about $1 billion over and above the authorized level that had been provided in the farm bill for that loan program; and it was approved by the Senate, it was approved by the conference committee that worked on that appropriations bill, and it was signed by the President.

This conference report simply says that for that operating loan account, the funds made available by the appropriations bill that was passed back in December 1985 should remain available to the agency until expended and subject to the reductions that may be required under the sequester order of March 1, 1986.

CBO is now suggesting—and the General Counsel's Office of the Department of Agriculture—that that continuing appropriations bill is not effective to appropriate those funds; that the authorized level contained in the farm bill was the authorized level of funding; that for scorekeeping under the Budget Act, that was the targeted level of expenditure for that program; and that if any funds are spent over and above that authorized level, then it is a violation of the Budget Act and it is not authorized.

This action by the conferees is simply to reiterate the findings that were made in December when the continuing resolution was passed, that about $2.7 billion would be needed to operate that loan account and to provide funds for eligible farmers who qualified for loans under that program.

I hope the Senate will vote to overturn the ruling of the Chair and thereby express the decision of the Senate that the funds made available by this previously approved appropriations bill should remain available to this agency until expended, subject to the sequester order under Gramm-Rudman. That is the issue. It is not whether you agree with Gramm-Rudman or do not. We just voted not to waive the provisions of Gramm-Rudman. This Senator voted not to waive the provisions of Gramm-Rudman.

I am convinced that this conference report is consistent with Gramm-Rudman. It is consistent with the Budget Act. It is also consistent with the previously approved appropriations bill that provided the funds that we simply refer to as still being available to that agency.

I hope the Senate will support the committee that is managing this bill on the floor. These funds are desperately needed by farmers throughout the country. The $5 billion provided in the conference report for the Commodity Credit Corporation is urgently needed now.

If we overturn the ruling of the Chair, approve this conference report, and send it to the President, we have a chance to make those funds available now. If we do not, if we vote the other way, then this will continue to be an issue that is not resolved between the Senate and the other body. It will cause further delay and impose hardship throughout the country in the agricultural community.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I think we are down now to the first real vote on Gramm-Rudman.

Let me begin by saying that I wish we had a test case before us that did not involve a popular program. I wish we had tried to enforce the budget and budget powers under Gramm-Rudman on an unpopular program that had no constituency. It simply happened that it occurred on a program that spends more money in my State than any other State in the Union. Agriculture is popular. You can look at the budget level and see that agriculture is in trouble.

The issue here is the Gramm-Rudman-Hollings commitment to set out a process and make that process work. That is the issue. There is no other issue. This is not a popular test case, but it is a clear-cut test case.

First of all, in the Budget Act itself and Gramm-Rudman-Hollings, there is no doubt about who is and who is not the scorekeeper.

This discussion about measuring things one way and the Congressional Budget Office measuring now another way, is the same discussion that produced the $205 billion deficit.

We committed ourselves to one accountant and that accountant is the Congressional Budget Office, and there is no question about that. There is no ambiguity on that point. There is no vagueness in the Budget Act that existed before Gramm-Rudman-Hollings, and there is certainly no vagueness in the Budget Act that now exists after Gramm-Rudman-Hollings.

Second, while there are differences between authorizations and appropriations bills, these differences are irrelevant to this debate. The 311 point of order says nothing about agriculture, even though agriculture exceeds the concurrent budget resolution more than any other element in the budget. We are not over the 311 aggregate target because there is another offending program. We are over because agriculture exceeds appropriate levels more than any other area of the budget—but that is not the point.

The point is that the 311 target is set in the aggregate level of spending

and this add-on, as an amendment in disagreement out of conference from the House of Representatives, takes us over that target by $913 million. There are no if's, and's, but's, or gray area about that. This add-on amendment in disagreement violates the Budget Act, violates the 311 target and violates Gramm-Rudman-Hollings. There is no question about that fact.

Now, let me make a couple of additional points.

We are talking about helping farmers. We all know that if we violate Gramm-Rudman-Hollings and throw it out the window—on its first real test—the President is going to veto this bill since it is $1 billion over aggregate targets. We have already received letters to that effect.

Is that going to help the farmer? Is it going to help the farmer to play a political charade? If vetoed, the bill will go back to the House and in all likelihood, the House will vote to override the President's veto. It is not going to happen here. Then we are going to have to go back, repeat the whole process and spend 2 or 3 or 4 weeks to resolve this issue. Is that going to help the farmer? No.

In fact, if your objective is to get $5 billion to the farmer, then you want to vote to sustain this point of order under Gramm-Rudman-Hollings, strip off the offending $1 billion and then join me in voting for the passage of the conference report without the offending add-on.

Do not believe for a moment that you are going to help the farmer by voting to violate Gramm-Rudman-Hollings. The truth is you are going to hurt the farmer because you are going to delay the farmer getting $5 billion for 2 or 3 weeks while we fool around here and play politics.

Now, the key issue is a straightforward and simple issue.

You can debate about who you want to do the scorekeeping, but we have already agreed on that. The Congressional Budget Office is going to do the scorekeeping. We said it in the Budget Act; we said it in Gramm-Rudman-Hollings. You may not like it. We would all like to do our own scoring. I would score my own programs, and you would score your own programs. Then we would each use our own scoring methods and talk about other people shifting beans and changing the rules. But we have already agreed on the rules, and this add-on from the House, as an amendment is disagreement, violates those rules.

The vote we are about to take is not about agriculture. The farmer is not going to get this $1 billion because the President is going to veto this bill. What we are really going to do is to delay the farmers getting $5 billion for 2 or 3 weeks.

This vote is about overruling the Chair where the Chair has ruled under Gramm-Rudman-Hollings that this add-on House amendment in disagreement was in violation of 311 of the Budget Act.

We had some long and heated debates in adopting Gramm-Rudman-Hollings. If you voted for it, this is the opportunity to show that you were shooting with real bullets.

The issue is clear cut. Do we or don't we want to enforce a procedure we set out? When the first real test case comes along on such a popular issue as agriculture and helping farmers, and I have more farmers than any other Senator, do we want to say we are for balancing the budget except for now? Or do we want to stand up and be counted when it does involve a difficult issue that affects a popular constituency?

This is a vote on Gramm-Rudman-Hollings, and I urge my colleagues if they voted for Gramm-Rudman-Hollings to vote to sustain the Chair. If you voted against Gramm-Rudman-Hollings, but believe the Senate made a commitment and that we ought not to break that commitment and run when the first popular program comes over the dam, I urge you to vote to sustain the Chair. Mr. President, I yield the floor.

Mr. DOMENICI. Mr. President, I know it is late and we have had a lot of discussion and I will try my very best to be brief.

But I would like to make a couple of points. First, I hope everybody understood that there is a letter here from the President. This letter says that if we send the President the $5 billion CCC bill with an additional $1 billion, he will veto it. Yesterday he directed the Secretary to transfer funds out of the Emergency Disaster Loan Program into the Operating Loan Program to provide $750 million of the $1 billion we are arguing about.

It seems to me if you are worried about farmers, and I am, that the quickest way to help them is to take this amendment off, pass the $5 billion CCC and get the House to pass it. That way nothing gets vetoed, and farmers get the $750 million out of the emergency disaster fund.

Having said that, it would seem to me that it is what we should have done from the very beginning. We did not. We are here because the House forced this additional $1 billion on our conferees. It was not here when we passed it, it was not there when they passed it. They found out about it afterwards.

I assume if we waited another 3 or 4 weeks, maybe the House would find three or four more billion dollar add-ons after both Houses have passed a bill like they want to put on today.

So, just on the merits, we ought not do it but we will give a procedural way shortly not to do it, because clearly it is subject to a point of order.

I wish we were not here on this issue as far as the point of order, because I have the greatest respect for the Appropriations Committee, for the distinguished subcommittee chairman. But I want to tell you something: Do not think that this is PETE DOMENICI, chairman of the Budget Committee, that is telling you this is a billion dollars over and you just ought not agree with him, that you ought to exercise your collective privileges and say that is not the case.

We are not going to wish away the $1 billion. My friends, if there is not some degree of consistency in the evaluating of the complicated programs of this country, and what they cost, then I guarantee you that every committee that does not like the way they are charged for breaking the budget of the United States will be down here. They will be down here just like tonight, and they will say this is kind of complicated, there is a legal opinion here, and actually CBO just flat made a mistake and, you Senate, under a point of order you ought to decide how to charge the cost under a bill.

I will acknowledge that these are complicated, sometimes subtle rules, but there is not any question about this one. The lawyers have ruled, the CBO has taken their interpretation, and they have just said you are in excess of the budget. The limit for this program was by a mandate of a valid authorizing committee. The argument that the appropriation bill was the last act of Congress, and that the appropriators had appropriated more before and they now like to say let us give the $1 billion that the authorizers took away from us is not a valid argument.

I do not like to come down here and say CBO says that is another $1 billion. I wish I could wish it away. But you can bet that it is going to get worse. You might vote tonight and say this is for the farmers or it is just a close call. But I guarantee you any committee and any subcommittee that does not like the scoring, the amount that they are charged against a budget, are going to come down here and say it really is not real. They just do not know how to charge this stuff. They are just doing it wrong.

I tell you we had enough of that confusion and in this last Budget Act we cleared it up and we said it is going to be CBO. It is CBO, the Congressional Budget Office.

And CBO is who says this violates Gramm-Rudman-Hollings. I submit to you that the best way to help the farmers is to take this amendment off this bill, give them the $5 billion that they need for the CCC. The President has already given them $750 million for operating loans.

So everyone will understand, we are going to have a procedural vote here.

The Senator from New Mexico is going to move to table. I am going to move to table the pending motion to override the Chair and so you are going to have an opportunity to vote on the tabling motion. You will not have to worry about whether you voted for anybody or against anybody. You can just say, "It was just not the right thing to do. We ought not be overruling the Chair on this kind of thing, so we all voted to table it." And you can tell everybody out there that that was the procedure. You can also tell them that you are more apt to get them their money if you do not put this billion dollars on it than if you do. That ought to be enough to satisfy everyone.

I yield the floor.

Mr. MELCHER. Mr. President, I hope nobody is confused by these figures. The $991 million that was mentioned by the Senator from Texas, Senator GRAMM, and the billion dollars that was just mentioned by my good friend from New Mexico, the chairman of the Budget Committee, of which $1 billion, $750 million from somewhere, we assume it is out of the same billion dollars, was declared by the President to be available for Farmers Home Administration immediately.

I do not want any of us to be confused by these figures. What I would like the Senate to think about is a real issue and that is the issue of need. A few moments ago, the senior Senator from Mississippi made a very poignant point. He said we are not talking about animals, we are not talking about inanimate things, we are talking about the very lives of people. And I think that is what the Senate was thinking about on December 19 of last year when it made the money available through the appropriations process.

Now, making the money available to the Farmers Home Administration does not mean that it will be expended unless there is a need. That is what the Senate decided in December of last year, that there was a need. And we were correct. There is a need.

But the Farmers Home Administration must have applications from people who are credit worthy—credit worthy. If the money does not look like it can be repaid, then, unfortunately, those people not being credit worthy will not get the loan.

If they are credit worthy and get the loan, we have got almost a 90- to 95-percent chance of every last dollar of it, with interest, being repaid. And at the rate of interest they charge under the law, there is a profit to the Government. There is a profit to the Government.

There is only one impediment to doing the right thing here to try to meet part of the need so that the Government can put out some money at low risk and make a profit off of the interest repaid. And that single impediment is the determination by the Senate again this evening to say that, yes, there is a need and the money that was appropriated last December will be there and remain available if that need is to be met and the applicants are found to be credit worthy.

The conditions are tight enough. For, indeed, that need for people to retain their chance for a livelihood on their land is truly a cause that we should not turn our backs on but should again reaffirm that to this limited extent we will allow the applications to be made to the Farmers Home Administration and, if they are credit worthy, to get the help that can be provided by the loan.

The PRESIDING OFFICER. Is there further debate?

Mr. EXON. Mr. President, I think we have had the debate. Just let me see if I can try and straighten out any misunderstanding on what the situation is right now. I am not going to try and explain this to the people of America listening on radio. I think that if anyone is listening they must be thoroughly confused by what is going on here.

First, we had the main introducer of Gramm-Rudman make a motion on the floor of the U.S. Senate to waive the Gramm-Rudman amendment. Now, anybody that might be listening must have thought that is awful strange. They must have thought it was awfully strange also when the main introducer of the Gramm-Rudman amendment then voted no on his own motion to waive the Gramm-Rudman amendment which he supports.

Then we had a totally meaningless vote, where there were 92 votes one way and I the other, against the motion of the junior Senator from Texas. And I wonder if that did not confuse people.

Then, after that was disposed of, after this Senator tried in vain to have a voice vote to accommodate that meaningless gesture, we had the point of order that was made on the motion by the Senator from Mississippi to proceed in an orderly fashion to provide the money. Then there was a point of order raised by the junior Senator from Texas on that, which was his right.

Now, it has been further complicated by the Budget Committee chairman. To give somebody a technical out if they do not want to vote against the farmers, they can vote to table, which he is about to do, as I understand it.

I hope, though, after the tabling motion is made that the Senator from Mississippi, the manager of the bill would rise to explain what the vote should be if you are supporting the farmers and supporting the Appropriations Committee, both for the advice of the Senators and the confused public at large that might be tuned into these shenanigans across the United States.

Mr. DOMENICI. Mr. President, I was going to move to table, but I am not in a hurry if someone wishes to speak.

Mr. HARKIN. Mr. President, I want to associate myself with the comments of the distinguished Senator from Mississippi and also the distinguished Senator from Montana.

I want to point out to the Senators in the Chamber and anyone else that is listening that the junior Senator from Texas and the distinguished chairman of the Budget Committee could not be more wrong. This is not the first test of Gramm-Rudman. How short our memories are. And I would be glad to yield to the chairman of the Budget Committee for an answer to this question.

But is it not true that the farm bill itself that we passed last December was subject to Gramm-Rudman because it was $2½ billion over budget for fiscal year 1986? I am informed by the Budget Committee that is true. I would like to ask either the chairman of the Budget Committee or perhaps the distinguished junior Senator from Texas why a point of order was not raised at that time against the farm bill? It was $2½ billion over the budget.

I want to refresh your memory. The Senator from Ohio, Senator METZENBAUM, stood here that evening and talked about raising a point of order about it.

This Senator took the floor, said that I thought I might raise a point of order because I was not in favor of the farm bill, and I said I would not. I would not raise a point of order. A lot of people were very scared that I was going to raise a point of order that the farm bill was $2.5 billion over, and I said I was not going to do it. I will now quote for you from page S17925 of the December 18, 1985, CONGRESSIONAL RECORD a question posed by the distinguished Senator from Ohio [Mr. METZENBAUM]:

> I pose a parliamentary inquiry without raising the point, but as a parliamentary inquiry, I ask of the Chair whether or not this bill violates section 311 of the Budget Act as amended by Gramm-Rudman and therefore, if raised, would be subject to a point of order.
>
> The PRESIDING OFFICER. The Senator is correct.

Again, I would like to ask why? Where was the chairman of the Budget Committee? Where was the junior Senator from Texas at that time to raise a point of order against the farm bill itself which at that time he did indeed say it was subject to a point of order under section 311.

I would be glad to yield for an answer only, but I do not see that anyone wants to answer that question.

Mr. DOMENICI. It was not subject to a point of order, or I would have raised it. That is the answer.

Mr. HARKIN. Again, I would encourage the chairman to check the RECORD. We checked with the Parliamentarian, and it was subject to a point of order under Gramm-Rudman. A lot of people were very concerned that the Senator from Ohio, Senator METZENBAUM, might raise that, and he decided not to. I spoke on the floor at length about the possibility of raising that point of order.

Mr. EXON. Will the Senator yield for a question?

Mr. HARKIN. I will yield for a question only without losing my right to the floor.

Mr. EXON. If I remember correctly, it was the same evening that this Senator from Nebraska went to the Senator from Iowa, and the Senator from Iowa told me that he was considering making the motion that he just outlined in great detail. Is it not true that at that time the Senator from Nebraska appealed to my friend from Iowa with whom I worked very closely in support of legislation beneficial to him not to do that because if he did, we would end up very likely at that time reducing the amount of money in the Farm Program rather than to get more as the two of us thought was in order? Is that correct?

Mr. HARKIN. My friend from Nebraska is absolutely right. I might add he was not the only one that appealed to me not to raise the point of order that night. I had a lot of people asking me, "Please do not raise the point of order because of the amount of cuts that would come in agriculture."

But as sure as this Senator is standing here tonight, the RECORD is clear. The farm bill was subject to Gramm-Rudman. It was subject to a point of order, and no point of order was raised at that time. No one can deny that.

They say this is the first real test. That was the first real test. But now why do I point this out in detail? I point it out because the farm bill goes to a lot of farmers. It goes to the rich as well as the poor, and to the big as well as the small. What we are talking about here goes to those farmers least able to get the credit that they need. This goes to the small farmer. This goes to the poor farmer.

If I have ever seen a class-conscious attempt in this body, this is it. This goes right at those small farmers that need this kind of help at this time. The rich farmers will be getting their payments. They do not need this. They do not go to Farmers Home for loans anyway. The big farmers are not going to Farmers Home. Farmers Home is a lender of last resort. It is those small farmers that need this kind of credit, and the senior Senator from Mississippi is absolutely right. These are people's lives we are talking about. They are not bad farmers. They may not necessarily even be going out of business. But they may be some of our smaller farmers who just need this help at this time. That is where this $900 million goes.

Mr. NICKLES. Will the Senator yield?

Mr. HARKIN. I am delighted to yield to the Senator for a question only without losing my right to the floor.

Mr. NICKLES. The Senator made a comment, and said that the farmers were receiving their deficiency payments. My understanding is farmers are not going to receive their deficiency payments if we do not pass this bill. That concerns me. I wanted to make sure we are on the same wave length.

Mr. HARKIN. I am getting to that.

Mr. NICKLES. One final question: The Senator is talking about money going to FmHA, and talking about $900 million. The President today on this $750 million—that went to FmHA. So are we not talking really about a difference of $150 million?

Mr. HARKIN. No, the $750 million, to respond to my friend from Oklahoma, was a shift from the Guaranteed Loan Program. Under the provision of the law, up to 25 percent of the unused portion of the Emergency Loan Program can be shifted over into the Operating Loan Program.

So this was not any new money or additional money. It was money unused in one account just being shifted over. That is all that happened. I am not saying it was not needed, and that it is not going to be of use and benefit.

I want to compliment the President for doing that. I am glad he did that. It is going to help. There is no doubt about that.

The point is we have here, talking about almost $1 billion—$1 billion that is going to go to people, as the Senator from Montana said, who have to be credit worthy. They have to be credit worthy which means they have to have the collateral and the means to repay it.

These are operating loans and some ownership loans. But these are loans that are needed right now by the smaller farmer. Perhaps I would not want to say the poor farmers, but those that are not as big, and are not as rich as some of the others.

The Senator from Oklahoma is right. It is necessary to get this bill through, the $5 billion in CCC, because we do have to get the advanced deficiency payments to these farmers so they can buy the seed, fertilizer, repair the machinery, and buy the fuel they need to get the crops in the ground.

I understand that the House of Representatives is out, and will not be back until next Tuesday. So nothing is going to happen on this thing today or tomorrow anyway. We are going to have to wait for the House to act. It is clear that the House supports the addition of this money. I should not say the addition. That is the wrong choice of words. The House supports the action taken by the Appropriations Committee, and in the continuing resolution. There is no problem there.

If we keep this provision in there, it will go to the House—and I would yield to the distinguished chairman of the Appropriations Subcommittee to maybe clarify this point. But am I not correct that if we keep this provision in, if we support the Senator's motion in appealing the ruling of the Chair, the House will support that action?

Mr. COCHRAN. If the Senator will yield, the House has already voted in favor of this language, and has approved the conference report. If the Senate votes tonight to overrule the Chair, the measure goes directly to the President. So funding can be made available, if the President signs this bill immediately, to the Farmers Home Administration and to the Commodity Credit Corporation.

Mr. HARKIN. I thank my distinguished chairman for clarifying that point.

I hope the Senator from Oklahoma caught that. If you want to get the $5 billion in CCC and deficiency payments out, support this motion of the Senator from Mississippi to appeal the ruling of the Chair. That means it will go to the President immediately, he can sign it tomorrow, that is the end of it, and we will get the deficiency payments out there. If we take the route advocated by the chairman of the Budget Committee or the junior Senator from Texas, we will be involved in this mess for the next 2 or 3 weeks.

So if you want to get the $5 billion out to the farmers, support the motion of the Senator from Mississippi to appeal the ruling of the Chair.

Once more, Mr. President, I want to make this point as clearly, as positively, as I can. This is not the first test. The first test was the farm bill. It was $2.5 billion over budget.

No one raised a point of order at that time.

Now, when we are at the last minute, when we need the $5 billion in the CCC revolving fund so that we can get the advance deficiency payments out, when we have already appropriated the money, slightly over $5 billion, now a point of order is being raised.

Again, I do not want to question anyone's motives. I would not do that. But I want Senators to know that the money we are talking about here goes to the poorer farmers, the smaller farmers, those who really depend upon this so that they, too, can plant a

crop this year; so that they, too, can make a living.

The farm bill goes to the big farmers, to the rich farmers. I do not have a problem with that. That is why I did not raise a point of order.

But for crying out loud, let us not put a pitchfork in the back of the farmers out there who really need this money at this time.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. A pitchfork in the back of the farmers? Come on. I have heard all kinds of nonsense here.

We are about to get off the wagon and go back to drinking that old deficit barleycorn. It has all been going on for 4 years, and I think the President described it best, Mr. President. He said last fall how the Speaker—we were over there, Senator DOMENICI and several others on a Wednesday morning meeting about the budget and the deficit—and the President said, "You know, your Speaker came over last evening and we had a little toddy and we went out underneath the oak tree. The Speaker turned to me and said, 'Mr. President, I will take your defense if you will take my Social Security.'"

The President said, "Fine, and we won't pay for it."

Old TIP says, "That suits me. I am against those taxes, too."

So we have been on a binge for the last 4 years on that deficit barleycorn. We have been increasing entitlements, increasing defense, and, decreasing revenues. We have been buying the vote with the fruits of the next generation. And when we went home last fall, we were embarrassed to face our own people. The President was talking about tax reform being a priority; and media were headlining arms control. But the people said, "You ought to be ashamed of yourselves. You better get back up there and start paying the bills."

We know as politicians what we wanted. We already passed the budget, like the Senator from Iowa said. We were ready to go to the football games, to go home for Thanksgiving dinner.

But we decided after facing the people after 4 years of this drunk, this binge on old deficit barleycorn, that we would go on the wagon and we would cut out the charade. We would swear off and start doing our job of fiscal responsibility.

There are those around here who never did swear off.

They say a man convinced against his will is of the same opinion still.

The Senator from Iowa said he never did quit drinking. He is not the first to say. There are others. They opposed Gramm-Rudman-Hollings.

I am not a bit surprised the Senator from Mississippi has come back from the House with this little act. They get it both ways. They put the money in and they know the President is going to veto it so they can say, "Well, look, we were helping the poor little farmers from having the pitchfork in their back, and now the President has vetoed it. We tried to help."

I am a little surprised that the erudite Senator from Mississippi went along with that.

But this is the real test. The Members should know the hand work being done to fashion a discipline.

In all candor, the Senator from New Mexico, chairman of our Budget Committee, has gotten together with the chairman of the House Budget Committee, and they have agreed on a discipline. They have agreed on Congressional Budget Office figures.

This Senate and this House have agreed on the discipline of Gramm-Rudman-Hollings. Anyone could have introduced a resolution against the cuts. There was not a single resolution. We saved $12 billion last month and we are now working—Senator CHILES, Senator DOMENICI, and many of us—on a bipartisan budget to fashion a discipline to stay on the wagon.

To those who come around with this nonsensical talk of pitchforking the poor farmer in the back, the poor little farmer and the rich farmer talk, the truth of it is we are going to provide the best for the farmers.

Senator, you know that and I know that.

And you can do it within the rules of Gramm-Rudman-Hollings. But this is not the way to do it. What you are saying if you vote to overrule the Chair is that every appropriations subcommittee chairman has to say, "Forget about the bloomin' thing. COCHRAN got away with adding a billion, why can you not go along and add a billion?"

The discipline breaks and we go back to drinking old deficit barleycorn again. That is the issue. There is no question about it.

I know some never did agree to it.

The Senator from Montana is right. He can prove a need. Any fellow who wants to go back to drink, he will quickly prove that need to himself. He can easily convince himself.

But I would hope that Members see it as a clear-cut call—of the Congressional Budget Office, a clear call under the statute of Gramm-Rudman-Hollings—a clear call, not a marginal call in this case. It is beyond the amount. It was not in the House, it was not in the Senate. It is included in a divided report at the last minute and brought with the very, very persuasive plea about putting the pitchfork in the small farmer.

The way the Senator from Iowa described that I can see the small farmer wriggling now with the fork in his back.

I want to help that farmer and take the fork out of the back because that is how he got down—because of the deficit spending. If there is one element of the economy that has impacted the farmer adversely it is the overvalued dollar caused by this deficit binge. The poor American farmer with the deficit fork in his back has not been able to sell anything overseas. All because of this deficit barleycorn.

You and I have been on the wagon. Now you want to get off the wagon tonight. Some never did quit drinking. Last December, you never did join us. The rest of us did join. We do not want to get off the wagon. Tonight is not the time to break ranks and go back to drinking again.

Mr. HARKIN. Will the Senator yield for a question?

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. BOSCHWITZ. Mr. President, may I say briefly that not only will this year's deficiency payments not be paid but the last half of last year's deficiency payments will not be paid if this is vetoed. I would question my friend from Iowa as to what farmers can or cannot apply to the FmHA, can or cannot apply for what is being proffered by the Senator from Mississippi. I would say that 98 percent of the farmers can apply and get loans from the FmHA, or at least qualify.

So this is not just the money for the small farmer because that is just not the case.

I strongly support agriculture, Mr. President, and I strongly support helping farmers with credit problems. So I have introduced legislation to do that. I have been joined by many of my colleagues. Indeed, my colleague from the State of Iowa has joined me.

We buy down interest in that bill so we pay 2 percent rather than making the entire loan which is 100 cents on the dollar. That is the way to make the budget balance.

Voting against this appeal is not against farmers. Farmers do not want the Senate to bust the budget any more than anybody else does.

The Chair just ruled that this amendment violates Gramm-Rudman-Hollings. It does exactly that. This is a bill to do that.

That is the wrong way to help the farmers, in my judgment. We can help them in the future by providing an offset so that this appropriation would not become necessary.

I urge my colleagues to vote against overturning the Chair's ruling that this amendment violates Gramm-Rudman-Hollings. We can in the near future provide credit to help the farmers without busting the budget.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I hope all Senators who discussed this have enjoyed the evening. It was a difficult kind of discussion but I think we made some sense of it. I think we all know what we are voting on.

In a moment, I will move to table the appeal. That means that if you support me the appeal will be tabled, it is gone. That means that the amendment will be out of order and we will be on with passing the CCC bill. We will have rid ourselves of this particular problem.

Mr. President, I move to table the appeal and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Nevada [Mr. LAXALT] is necessarily absent.

I also announce that the Senator from Arizona [Mr. GOLDWATER], the Senator from Maryland [Mr. MATHIAS], are absent on official business.

Mr. CRANSTON: I announce that the Senator from Colorado [Mr. HART], the Senator from Hawaii [Mr. INOUYE], the Senator from Georgia [Mr. NUNN], are necessarily absent.

The PRESIDING OFFICER (Mr. PRESSLER). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 61, nays 33—as follows:

[Rollcall Vote No. 38 Leg.]

YEAS—61

Armstrong	Gramm	Murkowski
Bentsen	Hatch	Packwood
Bingaman	Hawkins	Pell
Boschwitz	Hecht	Proxmire
Bradley	Heinz	Quayle
Byrd	Helms	Rockefeller
Chafee	Hollings	Roth
Chiles	Humphrey	Rudman
Cohen	Kassebaum	Simon
Cranston	Kasten	Simpson
D'Amato	Kerry	Specter
Danforth	Lautenberg	Stafford
DeConcini	Leahy	Symms
Dixon	Levin	Thurmond
Dodd	Long	Trible
Dole	Lugar	Wallop
Domenici	Mattingly	Warner
East	McClure	Weicker
Evans	McConnell	Wilson
Garn	Metzenbaum	
Gorton	Moynihan	

NAYS—33

Abdnor	Exon	Melcher
Andrews	Ford	Mitchell
Baucus	Glenn	Nickles
Biden	Gore	Pressler
Boren	Grassley	Pryor
Bumpers	Harkin	Riegle
Burdick	Hatfield	Sarbanes
Cochran	Heflin	Sasser
Denton	Johnston	Stennis
Durenberger	Kennedy	Stevens
Eagleton	Matsunaga	Zorinsky

NOT VOTING—6

Goldwater	Inouye	Mathias
Hart	Laxalt	Nunn

So the motion to table was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. COCHRAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. COCHRAN. Mr. President, I ask unanimous consent that it be in order for the Senate to consider the message from the House on H.J. Res. 534 for the purpose of offering an amendment to the House amendment to Senate amendment No. 1, to strike the language in the House amendment which creates a point of order under section 311 of the Budget Act, and that no other amendment be in order.

Mr. EXON. Mr. President, reserving the right to object, let me ask the Senator from Mississippi this question: If the motion he has just made is accepted, would that in effect send this measure back to the House of Representatives stripped of the amendment in controversy here?

Mr. COCHRAN. Let me respond by saying that if this unanimous-consent request is agreed to, it would be the intention of the Senator from Mississippi to send to the desk an amendment that states simply, "Strike the last paragraph of the House amendment to Senate amendment No. 1."

If that amendment is agreed to, the offending language in the conference report that was subject to the point of order is stricken, and the conference report, absent that language, would go back to the House.

Mr. EXON. Mr. President, under the circumstances, since I think the Senate perhaps might better reflect a little on its vote tonight, since the House of Representatives is not in session and will not be back in session until Tuesday, we might best wait until Tuesday to act on this matter in the U.S. Senate, and therefore I object.

The PRESIDING OFFICER. Objection is heard.

Mr. GRASSLEY. Mr. President, I believe it is important that this bill passes the Senate as submitted by the conference committee.

My farmers in Iowa are hurting. Everyday my phones are ringing off the wall with farmers who need financial help. This bill gives some money to help these farmers.

This bill merely says that the amount which has already been appropriated which means passed by the Congress and signed by the President, be used for this Farmers Home Administration Program.

I know that some Senators are concerned about the President vetoing this bill. I strongly encourage the President not to do that. But I cannot change my mind on an issue this important just because I am concerned about something that the President might do.

There are farmers out there today who need a Farmers Home Administration operating loan. They have applied. They do qualify. And may have even been accepted. But they will not get a loan because the FmHA is going to run out of money. Some other farmer who just so happens to have gotten in the program sooner will get his loan. Not because he is a better farmer or a smarter farmer but because he was first.

We talk in this body about $1 billion as if it is no big deal to take that away from our farmers. Let me tell you that $1 billion is a lot of money to my farmers.

Many act as if farmers who don't have credit are at fault for their own problems. They forget about all our long-term Government policies which have punished our farmers by taking away their markets.

They forget about the fact that we passed a farm bill that has badly hurt our farmers' cash-flow and profitability. That same farm bill cut these FmHA loan programs. I voted against that farm bill and would like to see this part of that bill corrected just as we have corrected other parts of that bill in the last few weeks.

We in this body have a responsibility for the shortage of credit. Both lenders and farmers have been unable to figure out cash-flows because they have not known what the program was going to be. In fact, they still don't know. We need to act responsibly and help these farmers by giving them the money we have already appropriated. Through the continuing resolution last December.

Mrs. HAWKINS. Mr. President, I did not support Gramm-Rudman because the March 1 date did not allow selectivity. This is a vote in favor of budgetary restraint. It is selective.

However, it is not a vote against the farmers. Right now, farmers need this CCC supplemental. It allows for regular commodity loans that maintain the price support system. It is essential that this supplemental pass and not be vetoed as a budget buster. That threat is imminent.

The question is not whether or not we want to help farmers. The question is, is there enough money available under the farm bill and with the President's transfer of $700 million to meet the spring credit needs of American farmers?

Right now, FmHA has $2.2 billion for direct operating loans; $1.7 billion available for guaranteed loans. The only place where me may, and I repeat may, have a shortfall is in the Emergency Disaster Loan Program. But we

do not know how much we will need for emergency loans. And this body needs to be prepared to meet that problem when it arises.

But this is high politics for the national radio audience. Right now, $4 billion is available to meet the credit needs. What do you think the American public thinks of all this?

This is a nonissue as far as farmers are concerned; it is a budget issue that concerns everyone.

Mr. DOLE. Mr. President, a parliamentary inquiry. What is the status of the conference report?

The PRESIDING OFFICER. The conference report was agreed to. The House message is no longer before the Senate.

The matter before the Senate is now the balanced budget amendment.

Mr. DOLE. Pardon?

The PRESIDING OFFICER. The matter before the Senate is the balanced budget amendment.

SCHEDULE

Mr. DOLE. Mr. President, let me announce to my colleagues that there will be no more votes tonight. There will be votes tomorrow.

What we intend to do now is lay down the reconciliation message from the House, and there will be a Senate amendment. We hope to be on reconciliation by 10 a.m. tomorrow. I have been alerting Members all week to expect votes on Thursday and Friday, and tomorrow is Friday.

We have a recess coming up in 10 days—about a 10-day recess. The reconciliation measure is important to many Senators on both sides of the aisle, so far as the farm program, the OCS programs, and other programs that will be impacted are concerned unless there is some agreement.

I believe there is a possibility that with the amendment to be offered by the Senator from New Mexico [Mr. DOMENICI], we may have fairly quick agreement on reconciliation, unless there are a number of amendments this Senator is not aware of. I know of two amendments. I have heard that the Senator from Louisiana and the Senator from Pennsylvania may each have an amendment.

Mr. MOYNIHAN. And the Senator from New York.

Mr. DOLE. And the Senator from Ohio.

Mr. BURDICK. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. BURDICK. What is the majority leader's plan regarding the water bill?

Mr. DOLE. The water bill will follow reconciliation. If we can dispose of the reconciliation bill in the morning—and I hope we can do so by 1 o'clock—we will lay down the water resources bill for opening statements and take care of amendments that do not require votes, but have no votes on the water bill tomorrow.

Mr. METZENBAUM. Mr. President, will the Senator yield for a question?

Mr. DOLE. I yield.

Mr. METZENBAUM. It is my understanding that an agreement has been reached with respect to a unanimous-consent matter pertaining to the constitutional amendment. I wonder if the majority leader would get that behind us.

Mr. DOLE. We intend to do that.

Let me indicate that there may not be any votes. Maybe everything will be handled by a voice vote. But I believe that on reconciliation there are at least four amendments indicated for tomorrow, a couple from each side, and probably a couple will require roll-call votes. I hope that is not the case.

I do not want to mislead my colleagues. We will be on that measure at 10 o'clock, and we will try to take up amendments as expeditiously as we can and complete action on reconciliation by 1:30 tomorrow afternoon.

So there will be no further votes tonight.

Mr. President, I have asked the distinguished majority whip to wrap up the proceedings, and he will make that request.

PLIGHT OF THE SOVIET JEWS

Mr. EXON. Mr. President, I rise today to speak out on behalf of a people who are not able to speak out for themselves, the Jews in the Soviet Union. They are prisoners of a system that is totally alien to Americans and all people who respect human life and dignity. Unwelcome within the Soviet state, Jews also experience great difficulty in emigrating. The situation is intolerable from a humanitarian perspective; it is intolerable from a diplomatic perspective, and it must change for the better.

The Soviet system is not known for compassion or respect for individual rights and freedoms. This is what sets our two nations apart. The arms race and competition for status in the international community are only symptoms of a problem and not the reason for United States-Soviet tensions. What is at the root of these tensions is a differing perspective on the importance and value of the individual. To us, nothing is placed above individual rights and freedoms; in the Soviet Union nothing seems to be of lower priority. The mistreatment of the Soviet Jews is a sad testimony to this and it is inexcusable. It is a problem of a strictly humanitarian nature above any politics. Continual Soviet statements that the plight of the Soviet Jews is an "internal matter" for the Soviet elite to handle have no standing in this body and this great Nation. No free people can stand by idly while others remain in chains.

About 1,000 miles from Moscow is the little village of Ilyinka, a community of about 130 religious Jewish families who live and work on a collective farm. The Ilyinka Jews have held fast to the traditions of their religion and life on a farm. What should be an ideal, peaceful and prosperous rural life is instead a hellish nightmare for its people. In those few situations in which emigration to Israel was permitted by the Soviet authorities, relatives of those that were allowed to leave have been continually harassed. In all ways possible, the Soviet officials have made it clear they have no sympathy for the desires of these harmless people. Indeed, the Soviet officials have done everything possible to isolate Ilyinka from the rest of the world. Who can these peaceful people count on if not us?

The Soviet Union desperately seeks to be a great power and leader in the world. Yet it refuses to act responsibly and in a humanitarian manner when it imposes such hardships on a minority people who pose no challenge to the state. Despite being a party to the Helsinki accords of 1975, the Soviets continue to defy the international community by making Jewish emigration virtually impossible. Is this the behavior of a respectable state? I submit not. It is, however, another tragic example of the contradiction of Soviet goals and realities.

As long as the Soviets continue to persecute the Jews in that nation, United States-Soviet ties will remain strained. Until the harassment of Soviet Jews ends and emigration is again made realistically possible, the United States should speak loudly and at every opportunity to denounce the Soviet policy. Furthermore, the United States cannot ignore the mistreatment of Soviet Jews when it considers matters of trade and technological assistance with the Soviet Union. Appeals on a humanitarian basis appear to have little impact upon the Soviet leadership. Perhaps a denial of items and technology of special interest to the Soviet leadership would be more influential. At the very least, we should ensure that our policies do not reward the Soviets for their intransigence on this issue.

Mr. President, I call upon the Soviet leaders to end their oppression of Soviet Jews. As the Soviets seek to modernize their society under their new leader, Premier Gorbachev, I urge them to remember that a modern, respectable nation values all its people and respects their desires. Ending the plight of the Soviet Jews would be a meaningful sign that the Soviet Union is serious in improving its ties with and respectability among the interna-

tional community. And it would be the humanitarian thing to do.

PROPORTIONATE RESPONSES TO SOVIET SALT VIOLATIONS

Mr. McCLURE. Mr. President, on June 10, 1985, President Reagan issued a factsheet on building an interim framework for true mutual restraint regarding U.S. unilateral compliance with the SALT II Treaty. I would like to recapitulate some of the most important highlights of this Presidential statement.

First, President Reagan stated that he had "serious reservations about the inequities of the SALT I agreement and the serious flaws of the SALT II agreement." I strongly agree with President Reagan's critique of SALT I and II, which he repeatedly termed "fatally flawed" in 1980.

Second, President Reagan states:

The pattern of Soviet violations increasingly affects our national security and raises uncertainty about the forces the United States will require in the future. * * * Soviet preparations for a prohibited territorial ABM defense * * * would have profound implications for the vital East-West balance.

I also strongly agree with President Reagan's assessment of the risks to American national security resulting from the Soviet SALT violations. The Soviets are, in fact, building a nationwide, territorial ABM defense, according to General Abrahamson.

Third, President Reagan stated:

* * * Soviet violations have continued and expanded as the Soviets have continued to build their strategic forces. Consequently, the Soviet Union has not been, and is not now, exercising the equal restraint upon which our interim restraint policy has been conditioned.

I strongly agree with President Reagan's assessment of the expanding pattern of Soviet SALT breakout violations.

Fourth, President Reagan stated:

* * * We cannot impose upon ourselves a double standard that amounts to unilateral treaty compliance and, in effect, unilateral disarmament. As a minimum, in the case of irreversible Soviet violations, we must make appropriate and proportionate response that deny the military benefits of these violations to the Soviet Union.

Again, I strongly agree with President Reagan that the United States must not engage in unilateral compliance and unilateral disarmament, and that the United States must make appropriate and proportionate responses. Indeed, I authored the proportionate response language in the fiscal year 1986 defense authorization bill that the President was referring to.

Fifth, the President pledged:

* * * the United States will develop and, as needed, implement appropriate and proportionate responses to Soviet noncompliance as necessary to ensure the security of the United States and its allies.* * *

Again, I strongly agree with President Reagan on the necessity of enacting proportionate responses.

Sixth, since June 10, 1985, President Reagan has gone the extra mile in terms of giving the Soviets the chance to reverse their SALT violations. Instead, the Soviets have expanded the pattern of their SALT breakout violations. The President's December 23, 1985, report to Congress on Soviet SALT violations contained seven newly confirmed violations. Just recently there are reports confirming Soviet deployment of a nationwide, territorial ABM system, in complete violation of the ABM Treaty. So the extra mile since June 10, 1985, has not seen any improvement in Soviet noncompliance. Indeed, the Soviets are thumbing their noses at us as their violations expand at an accelerating pace.

Seventh, President Reagan stated:

The Department of Defense will conduct a comprehensive assessment aimed at identifying specific actions which the United States could take to accelerate or augment as necessary the U.S. strategic modernization program in proportionate response to * * * those Soviet violations of existing arms agreements which the Soviets fail to correct. * * * The results of this review will be provided for the President's consideration by November 15, 1985.

I strongly commend the President for ordering this Defense Department assessment.

I therefore ask unanimous consent that the following memorandum for the President, dated November 15, 1985, by Defense Secretary Weinberger, entitled "Responding to Soviet Violations Policy (RSVP) Study," be printed in the RECORD. The executive branch has invoked executive privilege regarding release to Congress of this unclassified document, and refuses to share it with Congress. But I strongly believe that in order to support the President's policy of proportionate responses, we must have this document available to the Congress. Indeed, excerpts from this document have already appeared in the New York Times and the Washington Post and other newspapers.

Mr. President, I ask unanimous consent to have printed in the RECORD these various documents to which I have made reference.

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

THE SECRETARY OF DEFENSE,
Washington, DC.

Memorandum for the President.

Subject: Responding to Soviet Violations Policy (RSVP) Study.

This memorandum responds to the several issues on which you requested comment in National Security Decision Directive 173. It is an executive summary to which is attached the full report. As I mentioned in my cover letter to you of today. I will be glad to discuss with you some specific things we might do to respond to these violations. The most important thing we can do is press for full funding for SDI in the Congress. The report is an analysis of the pattern and significance of Soviet violations, the prospects for reversing them in Geneva, and some lessons of the past and for the future.

First, if I might be permitted, a preliminary word about history, Soviet violations, and what they mean to us. The full report makes clear that the Soviet Union has been violating with impunity its principal arms control agreements with the United States. From the beginning, many felt that the Soviets used the arms control process to obscure their planned offensive buildup, weaving into the fabric of the SALT I and ABM Treaty the loopholes and ambiguities that they would later rely on to becloud or extenuate their violations. That pattern of Soviet behavior continues to this day.

LESSONS

The lessons that I believe emerge from our analysis are as follows:

First, our original assumptions that the Soviets would not violate agreements, because the political repercussions would not be worth any possible gain, have been proved false. The Soviets have, in many cases, violated treaty provisions for small, even marginal gains. The deployment of several dozen SS-16 missiles at a test facility is a case in point. So is the insignificant number by which the Soviets have exceeded the SALT II ceiling on strategic nuclear delivery vehicles and the protracted delays in dismantling systems as required by the Treaty.

Second, there will always be very strong pressure to ignore violations rather than abandon treaties—or even to respond proportionally, and the Soviet know this.

Third, a failure to respond immediately to small infractions often encourages larger ones.

Fourth, verification is not a substitute for compliance. It is vital to know what the Soviets are doing and to be able to judge when violations take place. But verification does not guarantee compliance. Some of the most troubling violations are also the most easily verified. The Krasnoyarak radar and the SS-25 are examples of violations that the Soviets must have known we would detect.

Fifth, the Standing Consultative Commission, the body assigned to deal with violations, has failed to gain Soviet compliance and will continue to do so. Indeed, it has, I think, generally discouraged more effective measures to gain Soviet compliance by pushing compliance issues into the recesses of a languid, confidential and ineffective forum.

Sixth, as we attempt to negotiate deep reductions in offensive forces the advantages to be gained by cheating will become proportionally greater.

Seventh, it is essential to recognize that the Soviets will exploit loopholes and ambiguities and that their presence in even carefully drafted agreements is unavoidable. This is because the Soviets resist precision and we have a history of acquiescing when they do so.

Eighth, it is easier to fall into a double standard of compliance than to avoid it. Without fear of contradiction at home the Soviets are able to deny violations. We are not. As a democracy we are rightly unwilling (and unable) surreptitiously to violate agreements. Even the decision to make a response proportional to Soviet violations requires great political courage, particularly if

violations are not challenged early. Indeed, you are the first President to decide to do so and you can expect considerable controversy over any specific proportional response that you choose to make.

Ninth, violations can only be deterred by responding to them in ways that are more costly to the Soviets than the gains they expect to achieve through cheating. Establishing that we will respond, that we will impose costs at least equal to the benefits of Soviet violations, has been made more difficult by years of indifference and Congressional preoccupation with defense cuts. None of this is to say we should not try urgently and patiently to get the arms reductions agreements you and others want. It is to say there are many problems ahead.

SOVIET VIOLATIONS IN PERSPECTIVE

Following is a more detailed summary of the report itself, which, while long, is so because it traces the history of our arms negotiations relationships with the Soviets, and it does provide, I believe, useful background for any new set of negotiations. I hope you will not consider it too negative, or too lacking in hope. I have great hopes myself, based on my certain knowledge of how much you want agreements that will reduce arms.

Your Veteran's Day address at Arlington was a most eloquent statement of why we must continue to try to secure agreements for real and deep reductions that preserve our ability to maintain deterrence at much lower levels, and leave us free to pursue your better way to peace—the SDI—and, above all, agreements that are truly verifiable.

This is a noble quest and you are rightfully pursuing it with my total support. But it is essential, I believe, that we all be aware of how many pitfalls there are, based on the history of Soviet past behavior. We have called attention to their behavior, trying (with only moderate success) to stimulate interest and understanding on the part of Congress, the American people, and the allies, and urging (with no success) the Soviet government to cease and desist.

In our current negotiations with the Soviets, we have worked to devise positions that take account of the verification and compliance problems we have faced in connection with existing treaties. But these steps, however sensible, cannot impose a substantial cost on the Soviet Union for its violations; even more important, they have not negated the special military advantages the Soviets have created for themselves through their violations.

A failure on the part of the United States to respond strongly to the Soviet Union's policy of treaty violation would damage our interests in various significant ways. It would signal the kind of uncertainty and political weakness that invites adversaries to put one further to the test, and it could be taken as recantation of our findings of violation, thereby undermining our credibility. A more tangible ill effect would be the consolidation of the military gains the violations have afforded the Soviet Union in fields such as offensive strategic weaponry, strategic defense, and biological warfare.

Moreover, a less than forceful response to the violations would undermine any serious diplomatic endeavor to improve the U.S.-USSR relationship, in the arms control and other arenas.

It may appear paradoxical that the key to improve U.S.-Soviet relations is a vigorous response by us to Soviet treaty violations. But it is no more so than the observation that the key to domestic peace is a police force ready to exert itself to preserve the law.

THE PAST AS PRELUDE

History has repeatedly demonstrated that violations of international obligations feed on themselves; the violator tests and judges the reaction to each violation before moving on to the next. This was certainly the experience of the Allied Powers in the period between the wars as Hitler probed to its abject limit the unwillingness of France and Britain to respond to a widening pattern of German treaty violations.

Thus was massive German rearmament permitted to take place, on the land, at sea and in the air, in violation of legally binding treaties. From small German violations great battleships grew.

The failure of the democracies in the 1930s had little to do with the verification of illegal Nazi rearmament. The transformations of Boy Scout troops and police precinct units into Wehrmacht divisions, or the conversion of flying clubs into Luftwaffe squadrons, were not deceptions put over on an unsuspecting allied intelligence establishment. They were, on the contrary, clever devices to give those bent on appeasing the Nazis a pretext for inaction.

To those, like Churchill, who saw the consequences of acquiescing in German rearmament, the evidence was clear enough. But for those who were not prepared to act because action required sacrifice and large defense expenditures, always unpopular in democracies there was ample scope for inconclusive debate over the interpretation of law and intelligence.

And so there is today failure to object or respond to violations will invite further violations, many of which are already foreshadowed by national intelligence estimates.

THE PATTERN OF SOVIET VIOLATIONS AND U.S. RESPONSES

The failure of the Johnson,[1] Nixon, Ford and Carter Administrations to respond seriously to the many Soviet violations that took place during their tenures led to the situation you confronted when, in 1984, you became the first President in five Administrations to find the Soviets in violation of a number of important provisions of several arms control agreements, many of which had gone on for years before you called attention to them.

The Unites States might not be faced with the Krasnoyarsk radar today if, more than a decade ago, we had effectively protested the construction, also illegal under the ABM Treaty, of a Soviet radar at Kamchatka. Although the two violations are quite different in nature (Kamchatka was not nearly so serious militarily), it is likely that the ease with which the U.S. Government acquiesed in the Kamchatka violation in 1975 emboldened the Soviets to approve the Krasnoyarsk project probably in 1977 or 1978.

In concluding and implementing treaties with friends and allies we assume good faith. Our friends and allies rarely craft loopholes, ambiguities, or definitional imprecision as devices to distort the plain intent of the parties and recapture concessions apparently made by them during the negotiating process. Disputes, when they do arise, are generally settled by negotiation in which the original intent of the parties is a crucial factor in the resolution.

In dealing with the Soviets, however, our experience has been quite different. In SALT I and II and the ABM Treaty, the Soviets insisted on formulations calculated to excuse subsequent actions of precisely the sort the agreements were understood to curtail. And since the agreements were signed, the Soviets have made prodigious use of the loopholes and ambiguities they argued for.

None of this is to say that it will never be possible to get a good arms reduction agreement with the Soviets that is in our interest. Indeed, I think you are in a better position to do this than any previous American President because we are strong and the Soviets know you are perfectly able and willing to work for good agreements and not be pressured into bad ones.

EXPLOITING LOOPHOLES AND AMBIGUITIES

The most important example of Soviet exploitation of loopholes, drawn from SALT I, has to do with the deployment of the SS-19, a large, MIRVed Soviet ICBM. Central to the SALT I agreement was a prohibition on the conversion of launchers for light missiles into launchers for heavy missiles. The Soviets successfully resisted U.S. efforts to nail down the definition of the terms "light" and "heavy," claiming that the distinction was "obvious to everyone." Because there then existed one missile, the SS-9, vastly larger than any other deployed on either side, the Soviets encouraged the view that since both sides understood the SS-9 to be "heavy" and the several small missiles then deployed to be "light," there would be no problem of distinguishing the two types during the period of the Interim Agreement.

While this issue was under discussion the Soviets delayed (in order to conceal it from the U.S.) the flight test and silo construction program of a new ICBM. Once the agreement was signed, the Soviets launched the first test flights of the SS-19, which turned out to have three times the destructive potential (throw-weight) of either side's largest "light" missile. It was as if one party to an agreement limiting the sides to specified numbers of feathers and bricks secretly piled up stones and then argued that because stones are not bricks they must be counted as feathers. We now know that the aura of good faith with which the Soviets enveloped the American negotiators was intended to allay the sort of skepticism that might have led us to insist on precise definitions of such terms as "light" and "heavy."

In building a loophole large enough for the SS-19, the Soviets calculated that the U.S. would eventually acquiesce in a fait accompli. They could not have anticipated how scant a protest we would make or how readily the Nixon Administration would plead the Soviet case in order to contain the complaints of Senators who had been told in hearings that the United States would regard as "heavy" any missile larger than the "light" missiles deployed when the agreement was signed.

Looking back on the deployment of the SS-19 in 1975, it would be hard to fault the Soviets for concluding that the United States would accept without effective pro-

[1] During the Johnson Administration the Soviets began the practice of conducting underground nuclear tests in a manner that frequently caused venting of radioactive material into the atmosphere in violation of the Limited Test Ban Treaty. American protests, some 32 of which have been lodged with the Soviets since 1965, became a secret ritual scorned by the Soviets. The most recent such Soviet violation of the LTBT took place on October 27, 1984. Twenty years passed from the time of the first unequivocal evidence of Soviet venting before you, in February 1985, publicly disclosed these chronic violations.

test any Soviet action that could be excused, however disingenuously, by invoking a convenient loophole or ambiguity. And if one can call a rock a feather and get away with it, why not say an early warning radar with a substantial ABM potential is a radar for space tracking and build it at Krasnoyarsk? Such has been the evolution of Soviet noncompliance.[2]

VIOLATIONS THAT EXPLOIT U.S. INTELLIGENCE LIMITATIONS

In 1985, the Soviet Union commenced deployment of the mobile SS-25 and thereby violated a provision of the SALT II Treaty limiting each side to the deployment of only one new type of ICBM.[3] Despite massive encryption of data during the SS-25 flight test program, we have convincing evidence the Soviet claim that the SS-25 is a permitted modernization of an older ICBM (SS-13) is false. The SS-25 is a new type of ICBM in every respect, including measurable characteristics by which the Treaty defines new types. Particularly troubling is the technical argument by which the Soviets sought to justify the SS-25 since it is likely to be applied to additional new types of ICBMs identified by U.S. intelligence but not yet flight tested. For this reason, a failure to respond effectively to this violation will almost certainly invite additional violations in the future.

In 1979, proponents of the SALT II Treaty stressed the importance of the new-type limit on modernization. They argued that, with the Treaty, the Soviets would be limited to one new type of ICBM while, without a Treaty, several were expected. A third possibility—that the Soviets would sign the Treaty, violate it and wind up with several new types nonetheless—never figured in the ratification debate, although there was a good deal of discussion about whether the new-type limitation was verifiable.

The evolution of the one-new-type limitation in the SALT II negotiations is instructive. The United States proposed banning all types of ICBMs. The Soviets insisted that one be permitted and that provision be made for the modification of older types. We conceded both points. There followed a lengthy negotiation aimed at defining the sort of modification that would be allowed for older types of ICBMs.

The constraints finally agreed to under Soviet pressure were narrowly defined. All along, our intent for the one-new-type limit and the associated rules covering allowable modification was to restrict severely the Soviet freedom to bring out a new missile in the guise of modifying an old one. In the end, the Soviets twisted the Treaty's intent and then violated it so as to permit the development of at least two new types. What had begun as a cul de sac ended up a superhighway leading to the development of a whole generation of new and substantially more capable intercontinental ballistic missiles.

VIOLATIONS EXACERBATING U.S. INTELLIGENCE LIMITATIONS

We think U.S. efforts to obtain a Soviet pledge to refrain from the encryption of test data telemetry almost certainly alerted Moscow to the importance of telemetry as a source of intelligence about Soviet military programs. The Soviets seldom denied us missile test data before we proposed that they undertake not to do so; agreement on prohibiting encryption necessary for verification purposes, however, was followed immediately by extensive Soviet encryption.

Newly aware of our requirement for test data, the Soviets set about denying it to us. And they have never looked back: encryption, in addition to other concealment and deception measures, has spread like a range fire ever since. In some cases, it is now nearly total. And the Treaty provisions restricting encryption, which SALT II proponents highlighted as a guarantee that the U.S. would have unencumbered access to information necessary for verification and intelligence, are now chronically violated.

During the SALT II ratification debate, the Senate was particularly forceful in asserting the importance it attached to Soviet compliance with the limitations on telemetry encryption. The report of the Senate Foreign Relations Committee on the Treaty included the following statement:

"Any practice with regard to the transmission of telemetric information during the testing of strategic arms limited by the Treaty, including but not limited to the failure to transmit relevant telemetric information, which results in impeding of verification by United States national technical means of any provision of the Treaty, will be raised by the United States in the Standing Consultative Commission and if the issue is not resolved to the satisfaction of the United States, the United States reserves the right to exercise all other available remedies, including, but not limited to, the right to withdraw from the Treaty."

The Administration and Congress alike understood that a violation of the encryption provision would have profound consequences for U.S. intelligence and could undermine the many Treaty provisions whose verification depended on access to Soviet test data. Here again we are faced with a violation which, unless reversed, is certain to diminish still further our ability to monitor Soviet activities and to verify their compliance with Treaty obligations.

KRASNOYARSK AND TERRITORIAL DEFENSE

Of the many violations of the USSR's arms control obligations, the most serious includes, but is not limited to, the large Soviet phased-array radar under construction near Krasnoyarsk. For associated with that radar is a variety of other violations, some of the spirit or intent, others of the letter, of the complex constraints in the ABM Treaty aimed at preventing the deployment of a territorial defense involving a nation-wide anti-ballistic missile system.

While the evidence is not conclusive there is good reason to be alarmed at the combination of Soviet development of readily-transportable radars, significant upgrading of the Moscow ABM system, the testing of air-defense components in an ABM mode, the development (and testing) of air-defense missiles capable of intercepting ballistic missile warheads and the completion of a network of large phased-array radars of which the radar at Krasnoyarsk is a part. Taken together, these activities, some reaching back into the early and mid-1970s, could indicate the beginning of Soviet territorial defense against ballistic missiles.

The central restriction of the ABM Treaty is the limit it places on the deployment of large phased-array radars. Because they typically take five-to-seven years to build and are the pacing element in an integrated defense system, these highly visible large radars were severely constrained in the 1972 Treaty. Once deployed, these radars form the essential infrastructure to which interceptors and smaller radars might be added, expanding incrementally the capacity of the system as a whole to detect, track and intercept U.S. or allied warheads launched in retaliation against Soviet targets.

That the Soviets are today poised for such a development is a consequence of a pattern of violations, many of which must have been planned during and in the period immediately following the ABM Treaty negotiations. It is likely that the Soviets will continue further to refine the air defense components and transportable radars' necessary to make full use of the large phased-array radar base that is now nearing completion—a base that greatly exceeds that planned by the United States for deployment of the Safeguard ABM system abandoned in the aftermath of the ABM Treaty.

THE STANDING CONSULTATIVE COMMISSION

SALT I and II and the ABM Treaty all provided for a Standing Consultative Commission (SCC) for the drafting of technical implementing agreements and the resolution of compliance issues. It consists of representatives of the U.S. and Soviet Union who negotiate on the occasion of their meetings. Its deliberations are secret.

Contrary to the claims often made for it, the SCC has failed to resolve any significant compliance issue in the approximately 1,500 days that it has been in sesssion over the last 13 years. A less productive forum for the resolution of disputes would be difficult to find.

Far from resolving disputes over compliance, the SCC has become a diplomatic carpet under which Soviet violations have been continuously swept, an Orwellian memory-hole into which our concerns have been dumped like yesterday's trash. Unwilling to face up to a mounting record of Soviet violations, successive administrations have consigned our concerns to the SCC where they have been "discussed," often for years on end, with wholly unsatisfactory results.

Violations raised by the U.S. in the SCC were dealt with in slow motion while they continued and until they had run their course, at which time they were declared to have been resolved. A good case in point is the Soviet program for testing air defense components in an "ABM mode" in violation of the ABM Treaty. Well over 100 suspicious tests were conducted over twelve years while the SCC painted an attenuated arabesque that served to obscure their continuation. When their tests were completed the Soviets announced, and the United States gratefully received, the news that they would cease. Even this dismal result proved ephemeral; after a brief interval, the Soviets resumed the prohibited tests—and back we went to the SCC.

Our Administration has been the first to acknowledge the ineffectiveness of the SCC, and the first one willing to report publicly Soviet violations.

There are those who believe that the inadequacies of the SCC can be overcome by a redoubled effort. I believe this misses the essential point about the SCC. If the Soviets comply with agreements, the issue of violations will not arise in the SCC or anywhere else. If they wish to violate them, they will not be deterred by semi-annual meetings of the SCC. The SCC is merely a forum for discussion, a date and place and list of atten-

[2] A new CIA report confirms that the Krasnoyarsk radar is not suited for the purposes claimed for it by the Soviet but is indeed an early warning radar.

[3] The Soviets had earlier formally notified us that the SS-X-24 was to be their one permitted new type of ICBM.

dees. While, in theory, it could be used to dispel misunderstandings, misunderstanding is not the source of Soviet behavior; rather, Soviet behavior is motivated by a desire to gain advantage and the SCC is powerless to affect it.

A constituency has developed around the SCC composed, as is the SCC itself, of Soviets and Americans who believe that violations of agreements must not be permitted to become prominent features of the arms control dialogue. Only a clear declaration from the President that the SCC has failed offers any prospect that we will find the will and opportunity to make the appropriate responses that will create incentives for Soviet compliance and disincentives to Soviet violations.

SIGNIFICANCE OF THE PATTERN OF VIOLATIONS

The current and future Soviet violations pose real risks to our security and to the process of arms control itself.

The Krasnoyarsk radar together with other indications suggesting a possible future territorial defense could have a profound impact on our strategic deterrent forces. Even a probable territorial defense would require us to increase the number of our offensive forces and their ability to penetrate Soviet defenses to assure that our operational plans could be executed. The deployment in significant numbers of the SS-25 (which is now well underway) will erode deterrence by allowing the Soviets to contemplate a first-strike using their fixed ICBMs, while retaining intact a reserve force of mobile systems resiliant to counterattack. On-going encryption of flight-test telemetry will continue to rob us of valuable intelligence and diminish further our ability to verify Soviet compliance with arms control agreements. Other Soviet concealment practices will have a similar effect.

These few examples are illustrative. For each of the violations that you have reported to the Congress there are associated risks to our security. When violations of the spirit of past agreements are added to the list—the deployment of the SS-19, the conversion of ballistic missile launching submarines to cruise missile launching submarines, and the like—the cumulative impact on our security is deeply troubling.

We believe modernized strategic and conventional forces and vigorous SDI research present the strongest message to the Soviets in response to their treaty violations. Such US forces and research also provide the best hedge against future Soviet threats. There are a number of military programs which have been cancelled or reduced due to budget constraints. These reductions could have a significant effect on our deterrent capability. Thus, our priority response should be to implement fully these programs. I will be prepared to discuss our options for proportionate responses upon your return from Geneva.

I think it is still possible to obtain, by patent negotiation with the Soviets, verifiable agreements that make sharp reductions, down to parity, in the nuclear arsenals. Both powers' strategic defense remains, however, as the greatest single long-range hope of mankind.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the PRESIDING OFFICER laid before the Senate messages from the President of the United States submitting a treaty which was referred to the appropriate committees.

MESSAGES FROM THE HOUSE

ENROLLED BILL SIGNED

At 11:31 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

S. 1396. An act to settle unresolved claims relating to certain allotted Indian lands on the White Earth Indian Reservation, to remove clouds from the titles to certain lands, and for other purposes.

The enrolled bill was subsequently signed by the President pro tempore [Mr. THURMOND].

At 1:51 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House recedes from its disagreement to the amendment of the Senate to the joint resolution (H.J. Res. 534) making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and agrees thereto, with an amendment, in which it requests the concurrence of the Senate.

The message also announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 563. Joint resolution to provide for the temporary extension of certain programs relating to housing and community development, and for other purposes.

The message further announced that pursuant to section 204 of Public Law 98-459, the Speaker appoints as members of the Federal Council on the Aging the following persons from private life: Ms. Tessa Macaulay of Miami, FL, and Mrs. Josephine K. Oblinger of Springfield, IL.

The message also announced that pursuant to the provisions of section 276a-1 of title 22 of the United States Code, the Speaker appoints as members of the delegation to attend the conference of the Interparliamentary Union, to be held in Mexico City, Mexico, on April 7 through April 12, 1986, the following Members on the part of the House: Mr. PEPPER, chairman, Mr. HAMILTON, vice chairman, Mr. UDALL, Mr. DE LA GARZA, Mr. STOKES, Mr. BEDELL, Mr. HAMMERSCHMIDT, Mr. VANDER JAGT, and Mr. HYDE.

At 3:49 p.m. a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 1524. An act to prevent the denial of employment opportunities by prohibiting the use of lie detectors by employers involved in or affecting interstate commerce.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated.

H.R. 1524. An act to prevent the denial of employment opportunities by prohibiting the use of lie detectors by employers involved in or affecting interstate commerce; to the Committee on Labor and Human Resources.

MEASURE HELD AT THE DESK

The following bill was ordered held at the desk by unanimous consent pending further disposition.

H.J. Res. 563. Joint resolution to provide for the temporary extension of certain programs relating to housing and community development, and for other purposes.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, March 13, 1986, she had presented to the President of the United States the following enrolled bill:

S. 1396. An act to settle unresolved claims relating to certain allotted Indian lands on the White Earth Indian Reservation, to remove clouds from the titles to certain lands, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary, without amendment:

S. 412. A bill to clarify the circumstances under which territorial provisions in licenses to distribute and sell trademarked malt beverage products are lawful under the antitrust laws (Rept. No. 99-259).

By Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs:

Special Report on the Tax Reform Act of 1985 (Rept. No. 99-260).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation:

Daniel Oliver, of Connecticut, to be a Federal Trade Commissioner for the unexpired term of seven years from September 26, 1981;

Andrew John Strenio, of Maryland, to be a Federal Trade Commissioner for the unexpired term of seven years from September 26, 1981;

Paul H. Lamboley, of Nevada, to be a Member of the Interstate Commerce Commission for a term expiring December 31, 1989;

J.J. Simmons III, of Oklahoma, to be a Member of the Interstate Commerce Com-

mission for a term expiring December 31, 1990;

Janet Hale, of Massachusetts, to be an Assistant Secretary of Transportation;

Alfred C. Sikes, of Missouri, to be Assistant Secretary of Commerce for Communications and Information;

The following officers of the United States Coast Guard for appointment to the grade of rear admiral: Edward Nelson, Jr., Clyde E. Robbins, Theodore J. Wojnar, Arnold M. Danielsen; and Howard B. Thorsen.

(The following nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to appear and testify before any duly constituted committee of the Senate.)

Mr. DANFORTH. For the Committee on Commerce, Science, and Transportation, I also report favorably two lists of Coast Guard nominations which appeared in full in the RECORD of February 17, 1986, and, to save the expense of reprinting them on the Executive Calendar, ask that they lie on the Secretary's desk for the information of Senators:

Philip D. Winn, of Colorado, to be a Member of the Board of Directors of the National Institute of Building Sciences for a term expiring September 7, 1986;

Frank B. Sollars, of Ohio, to be a Member of the Board of Directors of the National Consumer Cooperative Bank for a term of three years;

John A. Bohn, Jr., of Virginia, to be President of the Export-Import Bank of the United States for a term of four years; and

Richard H. Francis, of Virginia, to be President of the Solar Energy and Energy Conservation Bank.

(The above nominations were reported from the Committee on Banking, Housing, and Urban Affairs with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BYRD:

S. 2188. A bill to provide for the development of additional electric generation and industrial energy capacity; to the Committee on Energy and Natural Resources.

By Mr. STAFFORD (by request):

S. 2189. A bill to authorize appropriations for certain highways in accordance with title 23, United States Code, and for other purposes; to the Committee on Finance.

By Mr. SARBANES:

S. 2190. A bill to provide that the full cost-of-living adjustment in benefits payable under certain Federal programs shall be made for 1987; to the Committee on Governmental Affairs.

By Mr. ROTH (for himself, Mr. COHEN, Mr. CHILES, Mr. LEVIN, and Mr. SIMON):

S. 2191. A bill to amend the Federal Aviation Act of 1958 so as to prohibit reprisals against certain officers, employees, or contractors of air carriers; to the Committee on Commerce, Science, and Transportation.

By Mr. HATFIELD:

S. 2192. A bill to reform and simplify the Federal individual income tax; to the Committee on Finance.

By Mr. BOREN:

S. 2193. A bill to change the basis for computation of emergency compensation whenever the Secretary of Agriculture adjusts the level of loans and purchases for the 1986 through 1990 crops of wheat under the Agricultural Act of 1949; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DANFORTH (for himself, Mr. DOLE, Mr. LEAHY, Mr. HEINZ, Mr. SIMON, Mr. KENNEDY, Mr. BRADLEY, Mr. CHAFEE, Mr. EAGLETON, Mrs. KASSEBAUM, Mr. ANDREWS, Mr. CRANSTON, Mr. GORE, Mr. LUGAR, Mr. MATSUNAGA, Mr. NUNN, Mr. RIEGLE, Mr. ROCKEFELLER, Mr. SARBANES, Mr. THURMOND, Mr. WARNER, Mr. ZORINSKY, Mr. COCHRAN, Mr. INOUYE, Mr. PELL, Mr. MOYNIHAN, Mr. KERRY, Mr. COHEN, and Mr. HATCH):

S.J. Res. 296. A joint resolution to designate October 16, 1986, as "World Food Day"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. HUMPHREY:

S. Res. 366. A resolution expressing the sense of the Senate that the deduction for State and local taxes be repealed; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BYRD:

S. 2188. A bill to provide for the development of additional electric generation and industrial energy capacity; to the Committee on Energy and Natural Resources.

(The remarks of Mr. BYRD and the text of the legislation appear earlier in today's RECORD.)

By Mr. STAFFORD (by request):

S. 2189. A bill to authorize appropriations for certain highways in accordance with title 23, United States Code, and for other purposes; to the Committee on Finance.

SURFACE TRANSPORTATION REAUTHORIZATION ACT

● Mr. STAFFORD. Mr. President, today I am introducing by request a bill transmitted by the Secretary of Transportation entitled the "Surface Transportation Reauthorization Act of 1986." This bill provides authorizations for the Federal-aid Highway Program and the urban mass transit program for fiscal years 1987 through 1990 and extends the Highway Trust Fund through 1992. I am pleased to introduce this legislation by request in order to bring it before the Senate for our consideration.

Mr. President, I ask unanimous consent that the Secretary of Transportation's transmittal letter, the summary of major provisions, and the section-by-section analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF TRANSPORTATION,
Washington, DC, February 5, 1986.

Hon. GEORGE BUSH,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: I am submitting for your consideration a draft bill entitled the "Surface Transportation Reauthorization Act of 1986".

The purpose of this legislation is to redefine the role of Federal, state and local governments in carrying out surface transportation projects involving highway construction, highway safety and transit. This bill would provide a total of approximately $57 billion in authorizations for these programs over the four-year period from FY 1987 to FY 1990. All of this funding will come from user fees paid into the Highway Trust Fund.

The bill would provide more flexibility to states by combining the Federal-aid primary, the Interstate reconstruction (4R), and the Interstate construction programs into a single combined program authorized at $7.8 billion per year. The formula for this combined program would be based on the formulas of the programs being consolidated thus retaining the relative distribution of these funds for the various states, but the states would decide whether new construction or rehabilitation of existing major highways is the highest priority. We expect that high priority Interstate segments that are not yet built (especially gaps between major urbanized areas) will be built by the states under this combined program.

The bill would enhance local decision-making and increase state flexibility by creating a block grant for other highway programs and for the transit program. This streamlined program would be authorized at a level of $3.3 billion per year. Detailed Federal reviews will be replaced by assurances from the states, thus providing a simpler, more efficient mechanism for delivery of these funds. The bill would repeal the current operating assistance program for large urbanized areas, but would allow the states the discretion to fund an operating assistance program for rural and small urbanized areas using their block grant funds.

The bill contains a number of provisions designed to enhance competition and the role of the private sector in the provision of transit services. Studies show that major savings may be possible through such competition.

Substantial funding would continue to be made available for reconstruction of bridges on the primary system. Because of the continued need to improve safety on the nation's highways, the hazard elimination and highway-railroad grade crossings programs will be retained as separate programs. The bill also would strengthen the Department of Transportation's safety efforts by continuing our highway safety program while eliminating Federal earmarking of funds. It would increase the funding for the commercial motor vehicles safety program and permit states to use other apportioned funds for these purposes.

The Department believes user fee levels should not be increased and, therefore, the bill continues the current highway user fee tax levels. However, we have included provisions to end certain exemptions which we believe are not warranted. The amount made available annually to the states by this bill for highway construction, highway safety, and transit programs equals the amount projected to be paid annually into the Highway Trust Fund. The bill proposes this equality between receipts and payments to ensure that the legislation is "deficit neutral"; that is, it does not increase or decrease the annual deficit. While this results in a lower total program level than in past years, the spending levels are in response to the decision by the President and the Congress to take steps that are necessary to reduce the Federal deficit.

These features are described in greater detail in the first enclosure.

The bill that we are proposing at this time does not contain any revisions to the current program for disadvantaged business enterprises created by section 105(f) of the Surface Transportation Assistance Act of 1982. The issue is still under consideration and we intend to work closely with the Congress to address this provision during the development of the legislation.

The Office of Management and Budget advises that, from the standpoint of the Administration's program, there is no objection to the submittal of this legislative proposal to the Congress and that its enactment would be in accord with the program of the President.

Sincerely,

ELIZABETH HANFORD DOLE.

SUMMARY OF MAJOR PROVISIONS

TITLE I—FEDERAL-AID HIGHWAY PROGRAMS

This legislation restructures the highway program to continue the Federal emphasis on highway systems that warrant Federal attention while allowing state and local governments greater flexibility to meet highway needs. The bill would restructure the highway program into four major parts: (1) the Interstate/Primary program composed of the former separate Interstate construction, Interstate rehabilitation (4R), and primary programs (2) the bridge program (3) selected safety programs (including the hazard elimination and highway-railroad grade crossings programs), and (4) the block grant program composed of the former separate urban, secondary, and non-primary bridge program. The Interstate/Primary program and changes to other existing highway programs are discussed below. The block grant program is discussed in Title IV.

Interstate/Primary Program

In order to give the states increased flexibility to address critical national needs, the Interstate construction, Interstate-4R and primary programs are merged into a single program. The funds may be used at the discretion of the state for any projects currently permitted under these programs. At a time when requirements to reduce the Federal deficit make it necessary to reduce program levels, a combined program offers the states more flexibility to complete high-priority work. The new structure recognizes the need to balance the preservation of the existing major highway system with the need to build new highways. States will have the ability to accelerate completion of some Interstate segments since there will no longer be a disincentive to use primary system funds on Interstate construction. Under current law, spending primary system funds on completing the Interstate system would decrease future Interstate construction apportionments.

The combined program will approximate the current relative distribution of these funds among the states since the new program will incorporate the current Interstate 4R and primary formulas and distribute Interstate construction funds based on the cost to complete the remaining system. States will have an incentive to allocate funds to the Interstate system because the Federal share for Interstate projects will continue to be 90 percent while the Federal share for primary projects will continue to be 75 percent. The current provisions in 23 U.S.C. 119(b) will be retained to ensure that the states maintain their Interstate system properly.

Bridge program

With the initiation of the highway and transit block grant in Title IV, the Federal-interest bridge program will include only non-Interstate primary system bridges. Bridges on the Interstate system would be eligible under the Interstate/Primary program. The latest Departmental report on the bridge program shows that there continues to be a large backlog of primary system bridge needs. The new program will be authorized at $1.25 billion per year for FY 1987-1990 to address these needs. Since there is also a large backlog of high-cost bridges, the discretionary portion of the program is being increased from $200 million to $250 million per year.

Interstate substitution program

Under current law, substitute transit projects are funded from the General Fund and substituted highway projects are funded from the Highway Trust Fund. The bill proposes to eliminate the separate authorization for substitute transit projects and provide funding for both substitute highway and transit projects from the Highway Account of the Highway Trust Fund. The bill authorizes the combined substitute program at $500 million per year through FY 1990.

Highway beautification

The bill proposes to simplify the complex and often unworkable Highway Beautification Program. The changes proposed would give states greater flexibility in administering the program and focus Federal efforts on billbords in rural areas, where state land use controls are the weakest and esthetic protection is most important. Other changes we propose would sharply reduce the cost of the program while still providing states the opportunity to use Federal funds for payments of just compensation for billboard removal, to the extent required by state law.

Safety construction program

The highway-railroad grade crossing and hazard elimination programs are important to highway safety, and they should be maintained as separate categories. The recommended funding is $190 million per year and $175 million per year, respectively.

Motor carrier safety grants

The bill proposes to continue the motor carrier grant program to states at an annual level of $50 million. We also propose to fund this activity directly from the Highway Trust Fund by means of a set-aside from the Interstate/Primary funds before these funds are apportioned to the states. In addition, the bill would establish a mechanism so that states can use a portion of their Interstate/Primary apportionment to supplement these funds. This program provides planning and implementation funds to states to increase their efforts to improve the safe operation of trucks and buses.

Other flexibility provisions

The latest report on the conditions and performance of our Nation's highways continues to show that needs are much larger than can be addressed by the Federal-aid highway program alone. In view of this, changes are proposed to increase the flexibility and purchasing power of state funds by reducing Federal requirements.

As one example, we are recommending revisions to present toll road statutes. The toll road provisions would permit a state to use toll financing, in conjunction with Federal-aid highway funds, in the construction of new toll roads or the reconstruction of existing toll roads. States would have the option of continuing tolls on these roads after the construction costs had been recovered so long as any excess revenues are used for highway construction on public roads. States would not be permitted to place tolls on existing free roads that were constructed using Federal-aid highway funds.

Program consolidation

As part of the program restructuring, a number of existing categorical programs are eliminated. Unobligated balances for certain of these programs will be transferred to the new programs that replace them. In the case of the urban and secondary programs, the unobligated balances may be used for highway construction on any public road using procedures applicable to the primary system. Alternatively, a state may elect to use procedures of the block grant program for off-system projects to the extent deemed appropriate by the Secretary. In most other cases, any unobligated funds will lapse one year after enactment of the bill.

TITLE II—HIGHWAY SAFETY PROGRAMS

The bill would provide authorizations from the Highway Trust Fund for the Department's National Highway Traffic Safety Administration [NHTSA] for fiscal years 1987 through 1990 to carry out the agency's highway safety grant and research programs.

State and community highway safety grant program

The bill would authorize $110 million per year for NHTSA's section 402 State and Community Highway Safety Grant program, reflecting the Department's continued high priority on effective traffic safety programs administered at the state and local level.

Research and development programs

For NHTSA's section 403 research and development programs, the bill would authorize $31 million per year for FY 1987 through FY 1990.

Cost-benefit test

The bill also includes a provision to explicitly require the Department to determine whether the benefits to be derived from requiring splash and spray suppression devices, such as mudflaps, on trucks and buses are greater than the costs.

Other provisions

The bill also includes several technical amendments to these NHTSA programs, including periodic reviews of the effectiveness of section 402 programs and organizational improvements for the National Highway Safety Advisory Committee. Further discus-

sion of these provisions is included in the section-by-section analysis.

TITLE III—MASS TRANSIT PROGRAMS

The purpose of the changes to the mass transit program is to reduce Federal involvement in programs that do not serve nationwide needs, to reduce Federal requirements, to expand local flexibility and decisionmaking, and to enhance the role of private industry in the provision of transit services.

Revised delivery mechanism

Instead of the variety of financial assistance that is currently provided under Urban Mass Transportation Administration [UMTA] programs, this bill would create one basic program. Transit assistance would be provided to states and local governments under the block grant provisions of Title IV. The Block Grant would be funded from the Highway and Mass Transit Accounts of the Highway Trust Fund. Funds for areas with a population of 200,000 or more would be passed through directly to these areas. Funds for smaller areas would be administered by the states.

Operating assistance

At the request of the Administration, Congress has frozen or decreased the amount of assistance available to transit authorities to fund routine operating costs. This bill recognizes the differences between the need for Federal operating assistance in small urbanized (less than 200,000 population) and rural areas and the need in large areas. Many small and rural areas receive such a high percentage of their operating budget from the Federal government that the sudden cessation of Federal operating assistance might result in serious hardships for them. The bill proposes to allow block grant funds to be used for operating assistance in small urbanized and rural areas, subject to the current total limitation (or a reduced level if Congress later so provides). Operating assistance would be ended for large urbanized areas. This would result in an annual savings of more than $850 million from the General Fund.

To assist large urbanized areas in maintaining their transit equipment, the definition of capital assistance would be expanded to cover capital maintenance items.

Enhance private enterprise participation

Title III contains a number of changes to encourage the participation of private enterprise in the provision of mass transit service. First, section 302 would preclude the use of Federally-funded equipment and facilities in charter service. The planning requirements would be revised by section 304 so that the participation of private companies would be considered in decisions to provide transit service. Section 305 would require transit policy boards to include private operators, to the extent permitted by state law. Finally, section 306 would require recipients of transit funds to competitively bid a portion of their operations.

TITLE IV—BLOCK GRANT PROGRAM

An important objective of the bill is to give the states and localities increased flexibility in the use of their highway and transit funds which are used to satisfy local transportation needs. This title would replace the current FHWA urban system program, the FHWA secondary system program, the FHWA non-primary system portion of the bridge program, the UMTA discretionary grant program, and the UMTA formula program with a block grant program. Under this block grant program, a state would provide assurances that it will comply with applicable Federal requirements. Federal review and approval actions would not be required.

Structure

This program would have two components: an urban mobility component, under which funds could be used only in large urbanized areas for either highway or transit projects and a state component which can be used anywhere in the state for either highway or transit projects. A state may choose to use funds from the state component in rural and small urbanized areas for transit operating assistance. The amount used cannot exceed the amount made available in FY 1985 for operating assistance in these areas.

Distribution

The program would be authorized at a level of $3.3 billion per year which is equivalent to the sum of the FY 1986 program levels for the FHWA programs that are incorporated ($2.2 billion) plus $1.1 billion from the Mass Transit account. All of the funding would be derived from fees paid into the Highway Trust Fund.

Formula

The funds will be distributed to the Governor of each state by a formula that will approximate the total amount of funds each state received under the current FHWA programs plus an amount of UMTA funds that is based on the current section 9A and section 18 formulas. The funds would be fungible; that is, they could be spent on either highway or transit projects. To continue the consideration presently given to urbanized areas of 200,000 or more population, provisions are included to require that the portion of the FWHA and UMTA funds attributable to these urbanized areas be made available to these areas. The amounts of attributable funds are based on the current provisions of FHWA Urban System program and the UMTA section 9A formula. The FHWA funds that are not attributable to large urbanized areas could be spent anywhere in the state on eligible highway or transit projects. The Transit Account funds not passed through to the large urbanized areas would be apportioned to the states using the same percentages applicable to small urbanized areas and rural areas under existing law, 8.64 percent and 2.93 percent, respectively. These funds could be spent anywhere in the state for eligible transit or highway projects.

Program match

All highway and transit capital projects under the highway and transit block grant would have a maximum Federal share of 75 percent. Transit operating assistance for rural and small urban areas would have a maximum Federal share of 50 percent.

Program assurances

A number of assurances would apply to the use of funds under the highway and transit block grant. These assurances would require only a written statement from the Governor that the requirements are being met. Because the transit assurances would be based on provisions of the Urban Mass Transportation Act, and because the Administration proposes to make certain changes or additions to that Act, a number of the provisions of Title III would apply to the use of block grant funds for transit projects.

TITLE V—CHANGES TO TAX PROVISIONS

Highway revenue provision, extension of the user fees and the highway trust fund

In order to provide continued funding of the program, provisions are included to extend both the user fees and the Highway Trust Fund for four years.

Elimination of certain exemptions from user fees

The current exemptions for gasohol, methanol, and ethanol significantly reduce the revenue going into the Highway Trust Fund. In FY 1986, the loss amounts to approximately $445 million and, by FY 1990, the loss is expected to increase to approximately $600 million. Since vehicles using these exempt fuels do the same amount of damage to our highways as vehicles using nonexempt fuels, the Administration believes these exemptions are inappropriate and contrary to the user fee principle. Provisions to repeal these exemptions are contained in this bill and the President's tax simplication initiative.

Provisions to eliminate the current gasoline, diesel, and tire tax exemptions for public and private revenue bus operations are also included. These exemptions are estimated to reduce Highway Trust Fund revenues by approximately $113 million in FY 1986 with the reduction increasing to approximately $130 million by FY 1990. The goal of these changes is to charge the actual users of the highway systems for the damage that they cause and also to provide a "level playing field" between public and private bus companies.

SECTION-BY-SECTION ANALYSIS—SURFACE TRANSPORTATION REAUTHORIZATION ACT OF 1986

TITLE I: FEDERAL-AID HIGHWAY ACT OF 1986

Section 101—Short title

This section provides that Title I may be cited as the "Federal-Aid Highway Act of 1986".

Section 102—Authorizations

This section authorizes the appropriation of sums from the Highway Account of the Highway Trust Fund for the various Federal-aid programs through fiscal year 1990.

Paragraph (a)(1) provides authorizations for the Interstate-primary program for each fiscal years 1987 through 1990.

Paragraph (a)(2) provides authorizations for the Interstate substitution program of $500 million for each fiscal years 1987 through 1990.

Paragraph (a)(3) provides annual authorizations for the bridge replacement and rehabilitation program of $1.25 billion for fiscal years 1987 through 1990.

Paragraph (a)(4) provides each of the territories (the Virgin Islands, Guam, American Samoa, and the Northern Marianas) with an annual authorization under the Territorial Highway Program for fiscal years 1987 through 1990 of $5 million, $5 million, $1 million and $1 million, respectively.

Paragraph (a)(5) provides annual authorizations for each of the components of the Federal lands highways program for fiscal years 1987 through 1990 as follows: forest highways $75 million, public lands highways $25 million, Indian Reservation roads $75 million, and park roads and parkways $75 million.

Paragraph (a)(6) provides annual authorizations for highway related safety grants by FHWA for the fiscal years 1987 through 1990 of $10 million.

Paragraph (a)(7) provides annual authorizations for FHWA highway safety research and development for fiscal years 1987 through 1990 of $7.0 million.

Paragraph (a)(8) provides annual authorizations for rail-highway crossings for fiscal years 1987 through 1990 of $190 million.

Paragraph (a)(9) provides annual authorizations for hazard elimination for fiscal years 1987 through 1990 of $175 million.

Paragraph (a)(10) provides authorizations for fiscal years 1987 through 1990 for the 90-percent minimum apportionment of not to exceed $250 million per fiscal year.

Subsection (b) sets aside $50 million per fiscal year from the Federal-aid Interstate-primary program authorization for the motor carrier safety assistance program for each fiscal years 1987 through 1990. Funds set aside by this subsection shall not be used to match Federal training funds. Funds apportioned for the Federal-aid Interstate-primary program may be obligated for the motor carrier safety assistance program.

Subsection (c) provides an authorization out of the Highway Account of the Highway Trust Fund to administer the Bureau of Motor Carrier Safety.

Section 103—Income from rights-of-way

This section provides that the net income a State receives from the use, lease, or sale of right-of-way airspace acquired as a result of a project under title 23 shall be used for projects under chapter 1 of title 23. This section would be effective October 1, 1986.

Section 104—Federal-aid systems

This section amends section 103 of title 23 to establish the primary system, consisting of rural arterial routes and their extensions, and the 43,000 miles Interstate System as the systems of national significance. The prohibition of designation of additions to the Interstate System, except under 23 U.S.C. 139, is continued.

The Federal-aid secondary and urban systems are not part of this system of national significance and financing for projects which were previously on these systems will come from the highway and transit block grant established as Chapter 5, title 23 by this Act.

Section 103(b)(1) establishes the Interstate System mileage as a combination of the system mileage authorized by current law in paragraphs (1), (2), and (3) in section 103(e) of title 23. The Interstate System mileage is also retained as part of the Federal-Aid Primary System and, as is provided in current law, the Secretary is prohibited from designating any new Interstate System mileage except under section 139 of title 23.

Section 103(b)(2) replaces section 103(e)(4) of title 23, contains the provisions of the Interstate withdrawal-substitution program, and continues the funding of substitution projects (highway or transit) with funds made available by Interstate System withdrawals approved before October 1, 1986.

The revision continues the administration of substitute highway and substitute transit programs by FHWA and UMTA respectively with all substitution funds authorized from the Highway Account of the Highway Trust Fund.

Since the revision is being made effective October 1, 1986, all current provisions concerning eligibility for withdrawal and the request and approval of withdrawals have been eliminated. The revision eliminates the September 30, 1983, deadline for approval of substitute projects and clarifies the roles of responsible local officials and the Governor in the selection and submission of substitute projects.

The requirement of a substitution cost estimate has been eliminated and replaced by an apportionment formula and by allocation in section 105 of this Act. The period of availability is extended for apportioned and allocated funds to 2 years in section 112 of this Act.

The types of projects eligible for funding remain the same as in current law with the added flexibility that substitute funds may be used for substitute highway construction projects on any public road (definition in section 101 of title 23) and for transportation planning and research under 23 U.S.C. 134 and 23 U.S.C. 307. The Federal share on substitute projects is retained at 85 percent and is shown in section 113 of this Act.

Current law (section 103(e) (5), (6), (7), (8), and (9) of title 23) permits the Secretary to waive the repayment of Federal funds expended on withdrawn Interstate segments under various circumstances.

Section 103(c) replaces the current law with a provision that requires, in the case of an Interstate or primary system action, the repayment of Federal funds expended on construction items, materials, and rights-of-way if such items, materials, and rights-of-way are not applied to a transportation project within 10 years.

The provision retains the rights of previous owners and provides that repaid funds shall be credited to the State's unobligated balance of Federal funds for use on other projects.

The provision replacing the repayment provisions for Interstate withdrawals allows waiver of the repayment of Federal funds only in those instances where the State proposes a transportation reuse and extends the provision to similar situations where system actions are taken on the Federal-aid primary system. This provision will narrow the situations on Interstate projects where waiver is permitted and apply the same policy to system actions on the Federal-aid primary system.

The provisions would apply to actions where an entire segment of the Federal-aid system is terminated or changed. This provision is not intended to cover certain kinds of property disposition such as excess right-of-way resulting from changes to project plans, deletions of open-to-traffic segments, individual project phases which do not advance to the next phase within the time limits of the Federal-aid project agreement or items purchased but found unnecessary to completion of an individual project all of which will continue to be handled under the policy and regulations of the FHWA.

Section 105—Apportionment and allocation

This section replaces the existing section 104 in title 23, consolidating provisions relating to the distribution of authority among the States and eliminates archaic references which no longer apply to the Federal-aid program. (Unless otherwise noted the references below are to 23 U.S.C. 104, as amended.)

Subsection (a) essentially incorporates the current administrative takedown.

Subsection (b) provides a process for distributing Federal planning assistance funds to States and urbanized areas. Federal assistance for planning activities in areas with a population of 200,000 or more will continue to be made available as currently provided in section 104(f) of title 23. For the urbanized areas with populations between 50,000 and 200,000, the funds will be made available to the State for use by or for the benefit of these areas. These amendments are being made in concert with those in section 121 of this bill which amends 23 U.S.C. 134.

This subsection requires designation of a metropolitan planning organization (MPO) only for those urbanized areas with population of 200,000 or more. Urbanized areas with populations between 50,000 and 200,000 would continue to be required to meet the objective of 23 U.S.C. 134, but would not be required to follow federally prescribed planning requirements contained therein.

Nothing in these amendments is intended to preclude State and local officials from continuing their planning process or an MPO, or both, in urbanized areas with populations between 50,000 and 200,000 if they so desire. These amendments also retain the current apportionment formula; each State's funds are determined by the ratio its urbanized area population bears to the total urbanized area population of the Nation.

Subsection (c) provides for a deduction in fiscal years 1987 through 1991 (net of administration and metropolitan planning) from the Federal-aid Interstate-primary, bridge replacement and rehabilitation, Interstate substitution, the railway-highway crossings and the hazard elimination programs to carry out the purposes of the Strategic Highway Research Program created by section 120 of this bill as 23 U.S.C. 133. A deduction from the Highway and Transit Block Grant for SHRP is also provided in title 4 of this Act.

Paragraph (d)(1) prescribes the apportionments of Federal-aid categories.

Paragraph (A) provides a formula for the new Interstate-primary program which apportions $1.635 billion based on an administratively adjusted 1985 Interstate Cost Estimate and then combines the existing Interstate-4R formula (55 percent on Interstate lane miles and 45 percent on Interstate vehicle miles traveled) with the existing primary formula. The amount necessary to provide the minimum amounts for the primary portion of the formula will be taken off the top of the authorization before apportionment in lieu of continuing the present authorization of "such sums as may be necessary".

Paragraph (B) changes the apportionment of the bridge replacement and rehabilitation authorizations by (1) increasing the set-aside for discretionary bridges from $200 million annually to $250 million annually for fiscal years 1987 through 1990, and (2) modifying the formula to apportion funds on the basis of cost estimates for only primary system bridges (excluding the Interstate). The current 10-percent maximum and one-quarter percent minimum for an individual State's share of total apportionment is maintained.

Paragraph (C) provides for the apportionment of 75 percent of the Interstate substitution authorization based on the relative share of unfunded withdrawal value. Both transit and highway substitutes would be funded from the Highway Trust Fund authorization.

Paragraphs (D) and (E) provide for apportionment of railway-highway crossings and hazard elimination authorizations as in current law.

Paragraph (d)(2) provides for the allocation of bridge discretionary and Interstate substitution discretionary funds. The criteria for bridge discretionary funds remain essentially unchanged from current law. Only high-cost primary system bridges are to be

considered. Bridge discretionary funds will be allocated under the provisions of 23 CFR 650, Subpart D, as provided in section 161 of the Surface Transportation Assistance Act of 1982. (A conforming amendment has been incorporated to make eligible for further discretionary funding high-cost nonprimary system bridges that have already received partial funding under the previous bridge replacement and rehabilitation program.) Twenty-five percent of Interstate substitution program funds will be allocated at the discretion of the Secretary.

Subsection (e) provides for a minimum apportionment (previously known as minimum allocation). The provision is established permanently with funds to be made available the first day of each fiscal year. The minimum apportionment may not exceed $250 million per fiscal year. The calculation is to be based on a comparison of (1) a State's percentage share of that year's apportionments including apportionments from the Highway and Transit Block Grant but excluding the minimum apportionment from the Highway Account of the Highway Trust Fund, and (2) the percentage share of the estimated tax payments to the Highway Account of the Highway Trust Fund attributable to highway users in that State in the latest fiscal year for which data is available. Paragraph (e)(2) provides that the minimum apportionment will be eligible for highway construction on any public road as defined in 23 U.S.C. 101. Applicable program requirements and Federal share correspond to the system on which used. The provisions of Chapter 1 applicable to primary system projects apply to off-system projects except that highway and transit block grant procedures under Chapter 5 of title 23 may be used to the extent determined appropriate by the Secretary. A minimum State match of 25 percent reimbursed according to Federal-aid procedures is provided for off-system projects.

Subsection (f) provides for 90-day advance notice of apportionments, when possible, as well as certification of apportionments on October 1 of each fiscal year.

Subsection (g) retains the right to transfer funds between the bridge replacement, hazard elimination, and railroad-highway crossings apportionments.

Section 106—Advance acquisition of rights-of-way

This section provides for interest on advances made for the purchase of rights-of-way, except purchases for Interstate construction projects.

Section 107—Agreements relating to use of rights-of-way

This section amends 23 U.S.C. 111 to enable deliveries on Interstate right-of-way of duty free store merchandise to motor vehicle occupants at U.S. border crossings. The provision is limited to facilitating U.S. Customs Service supervision of exports and the exception to provisions prohibiting commercial establishments on Interstate right-of-way applies only when such deliveries will not impair the full use and safety of the highways.

Section 108—Letting of contracts

This section amends 23 U.S.C. 112(b) to permit the Secretary to waive competitive bidding on a construction contract where an emergency situation exists.

Section 109—Construction

This section makes conforming and technical amendments to 23 U.S.C. 114 and provides for inspection of Federal-aid projects as prescribed by the Secretary. Previous provisions required a final inspection on every Federal-aid project.

Section 110—Maintenance

This section combines the provisions of sections 109(m) and 119(b) of title 23, United States Code, and places them in section 116 of title 23. Provisions that require a reduction of a State's Interstate apportionments by 10 percent for failure to maintain the Interstate System adequately are changed to permit a reduction of not more than 10 percent of a State's Interstate-primary apportionment at the discretion of the Secretary.

Section 111—Eligibility

This section makes payments of State or local taxes which are levied on materials to be incorporated into a Federal-aid highway project or which are based upon the value of a Federal-aid highway construction contract ineligible for Federal-aid reimbursement.

This section also excludes participation in any costs caused by State Davis-Bacon rates that are higher than the Federal Davis-Bacon rates. This Department already has such authority. The Davis-Bacon amendments are proposed to expressly and clearly state existing authority.

Section 112—Availability

This section consolidates provisions concerning availability in section 118 of title 23. The following identifies changes from current law. References are to 23 U.S.C. 118, as amended.

Paragraph (b)(1) provides 4-year availability for the Interstate-primary program, with any unobligated funds lapsing at the end of the period.

Paragraph (b)(2) clarifies the availability of bridge replacement and rehabilitation funds. Apportioned funds remain available for obligation in a State for 4 years with unobligated funds reallocated as bridge discretionary funds. Bridge discretionary funds remain available for obligation in a State during the year of allocation with unused authority available to the Secretary for further reallocation.

Paragraph (b)(3) clarifies Interstate substitution availability, making both apportioned and allocated funds available for obligation in a State for two years. Unobligated funds shall be reapportioned or reallocated.

Paragraph (b)(4) establishes an availability period for minimum apportionment funds. The funds remain available for obligation for 4 years with any unobligated funds lapsing at the end of the period.

Paragraph (b)(5) continues the current 3 year availability period for highway emergency relief funds.

Section 113—Federal share payable

This section revises section 120 of title 23, United States Code, by consolidating Federal share provisions corresponding to program changes and removing archaic provisions. The significant changes follow. (Unless otherwise noted, the references that follow pertain to 23 U.S.C. 120, as amended.) In each instance, permissive language is used to specify a maximum Federal share rather than a fixed percentage. The objective is to permit States to request a Federal matching share less than the maximum amount shown in title 23 and to permit adjustment in the matching ratio not to exceed the maximum specified rate.

Subsection (a) provides for a Federal share for Interstate-primary funds used on the primary system (other than the Interstate) and for bridge replacement and rehabilitation funds of not to exceed 75 percent of the cost of construction. These percentages may be increased under the sliding scale provisions of current law. Previously, the Federal share for bridge projects was contained in 23 U.S.C. 144 and fixed at 80 percent.

Subsection (b) provides that Interstate projects will have a Federal share of not to exceed 90 percent. Routes designated as Interstate under section 139(a) and 139(b) of title 23 prior to March 9, 1984, and under 23 U.S.C. 139(c) will be able to be improved at a 90-percent Federal share. These percentages may be increased in certain circumstances under current law.

Subsection (c) provides a maximum Federal share of 85 percent for Interstate substitution projects. The increased share of 100 percent for traffic control signalization substitution projects has been deleted.

Subsection (e) limits the Federal share for emergency relief (ER) projects to the normal rate for a project on a system. The Federal share may be increased based on sliding scale rates. ER Federal lands highway projects may be 100 percent regardless of their location on a Federal-aid system.

Subsection (i) retains a maximum Federal share of 90 percent for the safety construction categories. The special increased shares of up to 100 percent for projects financed from system funds for traffic control signalization, pavement marking, and commuter carpooling and vanpooling have been eliminated. Rail-highway crossing projects financed with system funds will continue to be eligible for 100-percent funding.

Subsection (k) reiterates the intent of a maximum Federal share as described above.

Section 114—Relocation of utility facilities

This section amends section 123(a) of title 23, United States Code, to clarify that Federal-aid highway funds may participate in utility relocation payments legally made by a State not only for utility relocations necessitated by the actual construction of a highway project but also for safety improvements under a State's safety improvement program.

This section also eliminates the requirement in existing section 123(a) that limits Federal reimbursement to only those utility relocation payments made by a State with its own funds. This would establish consistency with the overall Federal-aid program by allowing the State to obtain all or portions of its pro-rata share of the costs for the utility work from other parties, such as the utilities or political subdivisions, if it so desires.

Section 115—Emergency relief

This section amends section 125 of title 23, United States Code, to remove archaic provisions and to transfer authorization provisions and availability provisions to more appropriate settings. The territories are made eligible for emergency relief with a $5 million cap on obligations in the territories during any one fiscal year.

Section 116—Vehicle weight limitations—Interstate System

This section amends 23 U.S.C. 127(a) to provide for the withholding of Federal-aid Interstate-primary program funds, in lieu of withholding Interstate construction funds, for violations of 23 U.S.C. 127. The change is needed as Interstate construction funds will be unavailable to withhold. The current penalty provision in section 127(a) is revised to provide that any withheld funds do not

lapse if they are subsequently released and obligated within the normal 4 year availability period.

Section 117—Toll roads, bridges, tunnels and ferries

This section modifies 23 U.S.C. 129 to permit the construction of "new toll highways." At present, section 129 applies only to bridges and tunnels. The new highway must be on a new location and may be converted to a toll facility at any time prior to its completion and opening to traffic. The conversion of such a new highway to a toll facility would be allowed even if Federal funds had previously participated in earlier phases of project development. Existing free highways previously constructed with Federal-aid highway funds may not be converted to toll roads. Revenues from tolls would be used for maintenance, operation, debt service, and necessary 4R before diversion to highway construction on any public road. Tolls may be kept on in perpetuity if the State agrees to apply any excess revenues beyond the funds needed for maintenance, operation, debt service, and necessary resurfacing, reconstruction, rehabilitation, and restoration for highway construction projects on any public road. After execution of an agreement under section 129 concerning a new toll highway, the highway will be eligible to use available Federal funds for 4R work. Alternatively, the State may execute an agreement to free the toll road when final payment is made on outstanding bonds.

This section also provides eligibility for Federal fundng of 4R activities on existing toll highways, bridges, and tunnels subject to the conditions outlined in the preceding paragraph.

This section also contains provisions concerning the use of Federal-aid funds to construct approaches to Interstate and Federal-aid primary toll facilities and concerning ferryboats.

Section 118—Railway-highway crossings

This section amends section 130 of title 23, United States Code, to add the provisions of section 203 of the Highway Safety Act of 1973 to title 23, United States Code. References that follow are to 23 U.S.C. 130, as amended.

Subsection (a) provides that Federal-aid Interstate-primary program funds apportioned under section 104 of title 23 may be used to pay for the entire cost of construction of projects for the elimination of hazards at railway-highway crossings (including relocation of a portion of a railway if determined to be less costly than other alternate methods) except as provided in section 120 of title 23.

Subsection (d) requires that States conduct and systematically maintain a survey of all railway-highway crossings and establish and implement projects for their separation, relocation, or protection. At a minimum, adequate signing would be provided for all crossings.

Subsection (e) provides that funds authorized to be appropriated to carry out this section may be used for projects to eliminate the hazards at railway-highway crossings on any public road and are to be available for obligation in the same manner as Federal-aid Interstate-primary program funds. At least half of the funds authorized and expended for this section are to be used for the installation of protective devices at railway-highway crossings.

The amendments also retain provisions of 23 U.S.C. 130 pertaining to railroads share of project cost. An unused provision of 23 U.S.C. 130 concerning the local matching share is deleted and a report to the Congress is deleted.

Section 119—Highway Beautification

This section amends 23 U.S.C. 131 as follows:

Section 131(a). This subsection retains the purposes of existing subsection 131(a) that outdoor advertising, signs, displays and devices be controlled in order to protect the public investment in highways, promote safety and recreational value of public travel and to preserve natural beauty.

Section 131(b). This subsection continues the requirement for the States and Federal agencies to effectively control both the erection and maintenance of signs but reduces the scope of the outdoor advertising program in existing subsection 131(b) from the entire Interstate and primary highway systems to only the rural areas of the primary and Interstate systems. The term, "rural areas", is defined in 23 U.S.C. § 101 as "all areas of the State not included in urban areas." The term, "urban areas", is also defined in § 101 to include at a minimum both urbanized areas (areas with a population of 50,000 or more) and urban places having a population of 5,000 or more as designated by the Bureau of the Census. This change generally means that, except where Bonus controls continue to apply, areas with a population of 5,000 or more will be excluded from Federal control requirements. The 10 percent penalty provision in existing 131(b) has been amended as set forth in 131(j). The Secretary is given broad discretion to obtain compliance with any provision of section 131.

Subsection 131(c)(1) continues to allow directional and official signs that conform to standards issued by the Secretary. The phrase "and notices" has been deleted to eliminate confusion. "Notices" have never been different than "signs, displays or devices."

Subsection 131(c)(2) retains for sale or lease signs allowed under the prior law.

New subsection 131(c)(3) continues to allow on-premise signs, including electronic signs. The agency practice of limiting on-premise signs to the proximate area of the activity advertised regardless of any larger ownership interest in the property on which the activity is located has been included in the statute to curb abuses under the existing law.

Subsection 131(c)(4) retains landmark signs allowed under the prior law.

Subsection 131(c)(5) adds an actual use requirement for signs within zoned or unzoned commercial and industrial (C&I) areas and eliminates the existing size, lighting, and spacing restrictions. It requires States to develop statewide actual use criteria prior to allowing signs in such areas.

Subsection 131(c)(6) adds a new exempt category to provide for tourist-oriented directional signs at specific areas approved by the State or Federal agency. The State or Federal agency must control these signs with a permit process after providing for the removal of nonconforming signs equal in number to the number of signs for which it seeks permits under this subsection.

Section 131(d). This subsection continues to allow the voluntary logo program within the highway rights-of-way along both the Interstate and primary systems that is allowed by subsection 131(f) of the existing law. A provision has been added to make it clear that Federal agencies as well as States may erect logo signs.

Section 131(e). This subsection continues to allow the establishment of traveler information centers within safety rest areas along the Interstate and primary systems that is allowd by subsection 131(l) of the existing law. A provision has been added to make it clear that Federal agencies as well as States may establish information centers.

Section 131(f). This subsection requires the removal of lawfully erected and maintained nonconforming signs from the rural Interstate system within 5 calendar years from the enactment of the Federal law or the date the signs become nonconforming, whichever is later. This provision sets a 5-year maximum time limit on the period that States or Federal agencies may allow a sign to remain in place after the time it becomes nonconforming. The 5-year provision is not a grandfather provision that requires States or Federal agencies to allow nonconforming signs to stay in place.

This subsection recognizes that there will be signs that are nonconforming on the date the Federal law is enacted and others that will become nonconforming later, for example, as a result of zoning changes or the enactment of stricter State or local laws. Signs that do not conform to the Federal law on the date of its enactment, must be removed within 5 years of its enactment. Signs that only become nonconforming with the Federal or State laws after the enactment of this section must be removed within 5 years of the date they became nonconforming.

Removal is only required along the rural Interstate System, whereas the States and Federal agencies are required by new subsection 131(b) to control erection and maintenance of signs on both the rural Interstate and primary systems.

Removal may be effected by whatever means is available under State law, including amortization. The Federal requirement in existing subsection 131(g) that States pay just compensation has been eliminated; however, for States that choose to continue to pay just compensation, Federal participation in such cost is authorized in subsection 131(h). The just compensation requirement is existing subsection 131(g) has been eliminated along with the provision in 131(h) that signs may not be removed unless the Federal share is available.

The payment of cash compensation is made optional. Where State law requires the payment of cash compensation, new section 131(k) allows States to elect to use their Interstate-primary program funds to pay compensation.

The 5-year period that nonconforming signs may be allowed to remain is only available so long as the sign maintains its nonconforming status. Signs that lose their nonconforming status and become illegal, must be removed immediately by the States. A nonconforming sign could lose its nonconforming status and become illegal under States law for a variety of reasons, such as enlargement of failure to keep permits or leases current.

Section 131(g). This subsection retains the provision in existing subsection 131(k) which permits States to impose stricter controls than required by Federal law. A provision has been added to make clear that Federal agencies may also impose stricter controls on lands within their jurisdiction.

Section 131(h). This subsection amends existing subsection 131(h) to clarify the responsibility for control of outdoor advertising in accordance with this section on Federal lands and reservations, including Indian lands and reservations. The control respon-

sibility shall be with the Federal agency having jurisdiction over such lands or reservations. It requires the respective Federal agencies to promulgate procedures implementing this section within one year of the date of enactment of this subsection. Federal-aid highway funds will not be available for control or acquisition on such lands.

Section 131(i). This subsection continues the bonus controls on the Interstate System in existing section 131(j) for those States that are in the bonus program, but it would eliminate future bonus payments. In addition, it requires any State that fails to comply with the bonus agreement to return all payments received under the program.

Section 131(j) amends existing 131(b) to make the Secretary's enforcement authority broader and more flexible. The 10 percent penalty provision in 131(b) is replaced by discretion to withhold approvals under any section of title 23, United States Code, or to take such action as may be necessary to obtain compliance with section 131. By using the term "may" instead of "shall", this subsection clarifies that the Secretary's enforcement authority is discretionary.

Section 131(k). This subsection provides that the States, with the approval of the Secretary, may use Interstate-primary program funds for costs the States incur for (1) physically removing illegal or nonconforming signs and (2) acquiring nonconforming signs. The Federal share shall be the same as for Interstate-primary program funds used for other purposes. This subsection authorizes Federal participation in the payment of cash compensation to sign owners or landowners for their property interests in nonconforming signs in instances where the States choose to pay cash compensation rather than use amortization to remove nonconforming signs. Federal funds may only participate in the costs incurred by the States to achieve compliance with the requirements of 23 U.S.C. section 131. Federal funds may not participate in State costs incurred for removals that result from stricter State laws or for costs incurred for the acquisition of illegal signs or signs which are legal under State laws that are not in compliance with this section.

This section also amends 23 U.S.C. 136 as follows:

Section 136(a). This section retains the purposes of existing subsection 136(a) but amends that section to reflect the reduction on the scope of the junkyard control program in new subsection 136(b) from the entire Federal-aid primary and Interstate systems to only the rural areas of those systems.

Section 136(b). This subsection continues the requirement that States and Federal agencies effectively control junkyards that are within one thousand feet of the nearest edge of the right-of-way and visible from the main traveled way, but reduces the scope of the junkyard control program in existing subsection 136(b) from the entire primary and Interstate highway systems to only the rural sections of the primary and Interstate systems. The 10 percent penalty provision in existing subsection 136(b) is amended as set forth in subsection 136(g). In lieu of the 10 percent penalty, the Secretary is given broad discretion to obtain compliance with any provision in section 136.

Section 136(c). This subsection contains the definitions of "effectively control", "junkyard", and "junk", formerly in existing subsections (c), (f), and (d), respectively, of section 136. Only the definition of "effective control" is changed. The term "effectively control" retains the requirement that the establishment of new junkyards or the expansion of existing is prohibited if they are not screened. Each State would be required to define "screened". Federal agency requirements will be developed pursuant to subsection 136(f). The new definition imposes an actual use requirement for junkyards within industral areas, whether zoned or unzoned, and requires the States to develop statewide criteria defining "industrial area" prior to allowing any junkyard to remain unscreened.

Section 136(d). This subsection requires the removal or screening of lawfully erected and maintained nonconforming junkyards from the rural Interstate System within 5 calendar years from the enactment of the Federal law or the date the junkyards become nonconforming, whichever is later. This subsection retains the existing 1,000 foot control zone. This subsection sets a 5-year maximum time limit on the period the States or Federal agencies may allow a junkyard to remain in place without screening after the time it becomes nonconforming. The 5-year provision is not a grandfather provision that requires States or Federal agencies to allow nonconforming junkyards to stay in place.

This subsection recognizes that there will be junkyards that are nonconforming on the date the Federal law is enacted and others that will become nonconforming later, for example, as a result of zoning changes or the enactment of stricter State or local laws. Junkyards that do not conform to the Federal law on the date of its enactment, must be removed or screened within 5 years of its enactment. Junkyards that only become nonconforming with the Federal or State laws after the enactment of this section must be removed or screened with in 5 years of the date they became nonconforming.

Removal or screening is only required along the rural Interstate System, whereas the States and Federal agencies are required by new subsection 131(b) to control establishment and maintenance of junkyards on both the rural Interstate and primary systems. Removal or screening is not prohibited on the primary system.

Removal or screening may be effected by whatever means are available under State law, including amortization. The just compensation requirement in existing subsection 136(j) has been eliminated.

The payment of compensation is made optional. Where State law requires the payment of cash compensation, new section 131(h) allows States to elect to use their Interstate-primary program funds to pay compensation.

The 5-year period that nonconforming junkyards may be allowed to remain is only available so long as the junkyards maintains its nonconforming status. Junkyards that lost their nonconforming status and become illegal must be removed immediately by the States. A nonconforming junkyards could lose its nonconforming status and become illegal under State law for a variety of reasons, such as enlargement or failure to keep permits or leases.

Section 136(e). This subsection retains the provision in existing subsection 136(l) which allows States and Federal agencies to impose stricter controls than required by Federal law.

Section 136(f). This subsection amends existing subsection 136(k) to clarify the responsibility for control of junkyards on Federal lands and reservations, including Indian lands and reservations. The control responsibility shall be with the Federal agency having jurisdiction over such lands or reservations. It requires the respective Federal agencies to promulgate procedures implementing this section within 1 year of the date of enactment of this subsection. Federal-aid highway funds will not be available for screening or removal on such lands.

Section 136(g) amends existing 136(b) to make the Secretary's enforcement authority broader and more flexible. The 10 percent penalty provision in 136(b) is replaced by discretion to withhold approvals under any section of title 23, United States Code, or to take action as may be necessary to obtain compliance with section 136. By using the term "may" instead of "shall", this section clarifies that the Secretary's enforcement authority is discretionary.

Section 136(h). This subsection provides that the States may use Interstate-primary program funds for costs the States incur for screening or removing nonconforming junkyards. The Federal share shall be the same as for Interstate-primary program funds used for other purposes. Federal funds may only participate in the costs incurred by the States to achieve compliance with the requirements of 23 U.S.C. section 136. Federal funds may not participate in State costs incurred from screening or removals that result from stricter State laws or for costs incurred for screening or removing illegal junkyards.

Subsection (c) of this section authorizes payment of bonus claims that are submitted by States before October 1, 1986. No bonus payments are authorized for claims submitted after the effective date of this Act.

Subsection (d) of this section withdraws all authorizations and appropriations for all unexpended funds except those on which a State has acted in detrimental reliance. In many instances, States have "obligated" Federal funds by programming projects to be accomplished at some unspecified date in the future. This section would withdraw all outstanding authorizations and appropriations except in those instances in which the States, prior to enactment of the section, have expended State funds or have become contractually obligated to expend State funds for which they would have been entitled to Federal reimbursement prior to enactment of the section. This section eliminates, through rescission or expenditure, all general fund monies available for the program. All future funding for the program would come from the Highway Account of the Highway Trust Fund.

Subsection (e) of this section requires that the States be in compliance with 23 U.S.C. 131 and 136, as amended, no later than the end of the first regular legislative session in each State that convenes after the date of enactment of this section.

Section 120—Strategic Highway Research Program (SHRP)

This section adds a provision for SHRP to title 23, United States Code. The SHRP will be funded by deducting ¼ of 1 percent from funds authorized for the programs specified in subsections 104(c) and 501(a)(1) of title 23, United States Code. The Secretary will carry out the SHRP in cooperation with State highway departments and will set standards for the use of the funds to conduct research, development and technology transfer activities determined to be strategically important to the national highway transportation system. The Secretary may provide grants to and enter into compensa-

tion agreements with the American Association of State Highway Transportation Officials and/or the National Academy of Science to conduct appropriate portions of SHRP. Advance payments may be made under such agreements. No State matching share is required for the SHRP and the funds will remain available for 4 years.

Section 121—Transportation planning in certain urban areas

Section 134 of title 23, United States Code, provides that all levels of government—Federal, State and local—engage in a continuing, cooperative, and comprehensive (3C) process of planning transportation factilities in urban areas of more than 50,000 population.

This section would amend section 134 by raising the population threshold for urbanized areas that are required to have a 3C process from that of more than 50,000 to 200,000 or more. Urbanized areas with population between 50,000 and 200,000 would not be required to follow federally prescribed planning requirements.

Section 134 is further amended to delete certain factors from consideration in carrying out the 3C process and provides the Secretary with greater flexibility in ensuring that the provisions of this section are met.

These amendments are made in concert with those proposed in section 106, amending section 104(f) of title 23, United States Code. Nothing in these amendments is intended to preclude State and local officials from continuing their planning process or a metropolitan planning organization, or both, in urbanized areas with population between 50,000 and 200,000 if they so desire.

Sections (b)(1) and (c) from the existing section 134 are no longer needed and are eliminated.

Section 122—Skill training

This section makes technical amendments to 23 U.S.C. 140, reduces the skill training program in 23 U.S.C. 140(b) from $10,000,000 per fiscal year to $2,500,000 per fiscal year for the fiscal years 1987 and 1988 and repeals the skill training program effective October 1, 1988.

Section 123—Highway Bridge Replacement and Rehabilitation Program

The Highway Bridge Replacement and Rehabilitation Program remains essentially the same, except for restructuring to agree with the other provisions of this Act. The inventory of all highway bridges on public roads is required with a current inventory of all bridges to be maintained by the State. Section 144(d), which replaces section 144(h), adds a new criterion that will allow both tidal and nontidal navigable waterways to be exempt from the requirements for a Coast Guard Permit if the waterways are not used by small craft 26 feet or greater in length. In this context, "use" is meant to mean regular or seasonal use as compared with occasional use. The off-system bridge program is deleted to become a part of the highway and transit block grant. The requirement for an annual bridge report to the Congress is repealed.

Section 124—Federal-Aid Interstate-Primary Program

This section amends section 146 of title 23 to establish the Federal-Aid Interstate-Primary Program. The Interstate-primary program will stress bringing all elements of the primary system to acceptable standards of operation and safety. The program will consist of both new construction and 4R work on the primary system and the Interstate System (including additions thereto under section 139). As such, the Interstate-primary program will include traditional primary program projects, Interstate construction projects, and Interstate resurfacing, restoration, rehabilitation and reconstruction projects.

The designated Interstate System in all the States will command priority attention in maintaining its high level of serviceability. At the same time, there is sufficient flexibility to allow States to concentrate on neglected primary routes and other primary routes which have developed into significant interstate traffic carriers.

Section 125—Federal Lands Highways Program

Subsection (a) amends 23 U.S.C. 202(a) to provide a formula for the allocation of forest highways funds.

Subsection (b) amends 23 U.S.C. 203 to clarify the point of obligation and to strike outdated references to forest development roads and trails and public lands development roads and trails.

Subsection (c) amends 23 U.S.C. 204(a) to include planning, research, design and construction as eligible activities under the Federal lands highways program.

Subsection (d) gives the Secretary of Transportation added authority over park roads and parkways and Indian reservation roads.

Section 126—Territorial Highway Program

This section amends subsection (c) of section 215 of title 23 to return the Territorial Highway Program to its status prior to passage of the 1982 STAA except that (1) territorial highway funds will continue to come from the Highway Account of the Highway Trust Fund rather than the general fund and (2) the program will remain a contract authority program rather than revert to a budget authority program.

Subsection (f) of section 215 is amended to clarify that the provisions of Chapter 1 of title 23 which are applicable to Interstate-primary program funds and the primary system are applicable to the Territorial Highway Program. It also authorizes a Federal-aid system in each territory similar to the primary system established by the provisions of the 1982 STAA and provides that the Secretary may determine the applicability of the provisions of Chapter 1.

Section 127—Research and planning

This section amends section 307(c) of title 23, United States Code. Subsection 307(c)(1), as amended, requires that not less than 1½ percent of the sums apportioned each fiscal year to any State for the Federal-aid Interstate-primary program and the bridge replacement and rehabilitation program are to be used for highway planning and research activities. The list of activities specifically eligible to be funded under section 307(c) has been expanded to include technology transfer activities. The optional one-half percent planning funds takedown provided by former subsection 307(c)(3) of title 23, United States Code, has been eliminated.

Section 128—National Highway Institute

This section modifies 23 U.S.C. 321 to direct the Secretary to provide training at no cost to States and local governments for subject areas which are a Federal program responsibility and to allow the States to use Federal-aid funds to pay 75 percent of the cost of education and training purchased from any source including the National Highway Institute.

Section 129—Donations

This section permits the State matching share to be credited by the value of cash or land donations under some circumstances. This section also provides a mechanism to allow States to accept gifts of land at early project stages. The section provides procedural safeguards to insure that early donations do not prejudice the full assessment of alternatives required by such laws as the National Environmental Policy Act of 1969, as amended.

Section 130—Prohibition against disclosure and admission as evidence of State reports and surveys

This section would amend title 23, United States Code, to provide that no report, survey, schedule, list, or data compiled for the purpose of complying with any requirement of sections 130, 144, 152, and 402 of title 23, United States Code, or for developing any highway safety improvement project which may be implemented with Federal-aid highway funds shall be required to be made available under section 552 of title 5, United States Code (Freedom of Information Act), or admitted into evidence or used in any action for damages arising from matters mentioned or addressed in such documents.

Section 131—Regulation of tolls

This section amends various Federal statutes to eliminate the authority of the Federal Highway Administrator to regulate the rate of tolls on bridges by determining the reasonableness of those tolls. States and toll authorities would be given greater flexibility in operating toll facilities. This Federal oversight of the reasonableness of tolls has proven to be administratively burdensome, legally unproductive, and has interjected the Federal Government in the role of a mediator in disputes which could more appropriately be settled at the State and local level.

Section 132—Interstate System withdrawals

This section provides for the repeal of section 107(e) of the Federal-Aid Highway Act of 1978 which provided the September 30, 1986 deadline for commencing construction on all Interstate segments and on all substitute projects if sufficient Federal funds are available. The deadline has been met on all Interstate segments and elimination of the deadline will permit the more orderly development of substitute projects.

The section is effective on date of enactment and, therefore, a provision allowing withdrawal of routes which were under injunction at the time of the 1978 STAA until September 30, 1986, has been provided consistent with the intent of current law.

Section 133—Buy America

This section repeals the Buy American provision applicable to Department of Transportation programs.

Section 134—Contract authority

This section provides contract authority for the Motor Carrier Safety Grants program and permits the Secretary to make grants for periods of over one fiscal year.

Section 135—Interim amendments

Subsection (a) provides that unobligated Interstate construction balances (apportioned or allocated) shall remain available until October 1, 1990, for Interstate construction projects. Unallocated Interstate discretionary funds are to be distributed using current procedures.

Subsection (b) makes the unobligated balances previously apportioned to a State under subsections 104(b)(1) (primary system program) and 104(b)(5)(B) (Interstate-4R program) of title 23, United States Code, as they existed prior to enactment of this legislation available for obligation for projects under section 146 (Federal-aid Interstate-primary program) of title 23, United States Code, as amended by this bill.

Subsection (c) provides that unobligated balances under the Federal-aid secondary and urban programs shall be used for highway construction projects on any public road.

Subsection (d) provides that unobligated balances previously apportioned to a State for bridge replacement and rehabilitation will be available for obligation under section 144 of title 23, United States Code.

Subsection (e) provides that off-system bridges, including bridges previously on the urban or secondary systems that were partially funded before October 1, 1986, under the discretionary bridge replacement and rehabilitation provisions of title 23 will be eligible for discretionary funds under section 104(d)(2)(B) of title 23, United States Code.

Subsection (f) permits the Secretary, upon request of a State, to void an agreement entered into prior to October 1, 1986, pursuant to section 129 of title 23, United States Code, or section 105 of the Federal-Aid Highway Act of 1978 if the State enters into a new agreement pursuant to section 129 of title 23, as amended by this bill.

Subsection (g) makes the unobligated balances of funds apportioned to the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands under the provisions of section 108 of the Highway Improvement Act of 1982 available for obligation under the provisions of section 215 of title 23, United States Code.

Subsection (h) makes the unobligated balances of funds apportioned to a State under section 203 of the Highway Safety Act of 1973 available for projects under section 130 of title 23, United States Code.

Subsection (i) provides for the continued availability of unobligated emergency relief funds.

Section 136—Technical and conforming amendments

Paragraph (a)(1) makes conforming amendments by amending the tables of Sections for chapters 1, 2, 3, and 4 to conform to the changes made by this bill.

Paragraph (a)(2) strikes references to the urban and secondary systems and other dated and unnecessary language. It also clarifies the definition of "park road" in section 101(a) of title 23, United States Code.

Paragraph (a)(3) amends section 105 of title 23, United States Code, to conform to changes made to other sections of title 23, United States Code, by this bill.

Paragraph (a)(4) amends section 106 of title 23 United States Code, by increasing the maximum allowable amount for construction engineering from 10 to 15 percent and making conforming amendments.

Paragraph (a)(5) revises paragraph 107(a)(2) of title 23, United States Code, to make a conforming amendment.

Paragraph (a)(6) repeals subsection 109 (c) and (m) of title 23, United States Code, and makes conforming amendments. Subsection 109(c) is unnecessary since the secondary system is being eliminated. The requirements of 109(m) are being incorporated into section 116 of title 23. Section 109 is relettered to conform to the change made by this bill.

Paragraph (a)(7) repeals subsection 112(e) of title 23, United States Code. Subsection 112(e) pertains to the secondary system which is being eliminated by this bill.

Paragraph (a)(8) makes conforming amendments (eliminates reference to the secondary and urban systems) to section 113 of title 23, United States Code, and corrects an incorrect reference to title 40 of the United States Code.

Paragraph (a)(9) makes conforming amendments to section 115 of title 23, United States Code. All apportionments and allocations of funds for programs on which advance construction is permitted are now made under section 104 of title 23.

Paragraph (a)(10) makes conforming amendments to section 116 of title 23, United States Code by eliminating the reference to the secondary system.

Paragraphs (a)(11) and (12) make conforming amendments by repealing sections 117 (Certificate Acceptance) and 119 (Interstate System resurfacing) of title 23, United States Code. Certification Acceptance is being repealed as the Federal-aid highway program will be limited to programs of major Federal interest. It is appropriate for FHWA to be involved at all stages. The Interstate construction, Interstate 4R and primary programs are being merged to give the States greater flexibility. The combined program is covered in section 146 of title 23.

Paragraph (a)(13) makes an amendment to section 121 of title 23, United States Code, by raising the limitation for construction engineering from 10 percent to 15 percent.

Paragraph (a)(14) amends section 122 of title 23, United States Code, to include repayment of bonds used for Interstate substitute projects.

Paragraph (a)(15) makes a conforming amendment to subsection 124(b) of title 23, United States Code. Reference to the Interstate withdrawal substitution provisions is eliminated since the deadline for such actions will have passed by the effective date of the bill.

Paragraphs (a)(16), (18), and (19) repeal sections 126 (Diversion), 135 (Traffic operations improvement programs), and 137 (Fringe and Corridor Parking facilities) of title 23, United States Code. Section 126 contains outdated language that is no longer meaningful since current State funding for highway programs far exceeds the level of revenues for State user taxes on June 18, 1934. Special funding for the TOPICS program has not been provided for a number of years. TOPICS type improvements are eligible for regular Federal-aid funds under the definition of construction in section 101 of title 23. Fringe and Corridor parking facilities no longer warrant special emphasis; they continue to be eligible for Interstate-primary program funds under the definition of construction in section 101 of title 23.

Paragraphs (a) (17), (20), and (21) make clarifying and conforming amendments to sections 128, 139, and 141 of title 23, United States Code.

Paragraph (a)(22) makes conforming amendments to section 142 of title 23, United States Code.

Paragraphs (a)(23) through (a)(27) repeal sections 143 (Economic Growth Center Development Highways), 147 (Priority Primary Routes), 148 (Development of a National Scenic and Recreational Highway), 150 (Allocation of Urban System Funds), and 151 (Pavement Marking Demonstration Program) of title 23, United States Code. The programs under sections 143, 147, 148, and 151 no longer warrant special emphasis. The construction activities for these programs will continue to be eligible for Federal-aid funds under the definition of construction in section 101 of title 23. Section 151 is no longer needed since the urban system program is being eliminated. The guaranteed "pass-through" provision for urbanized areas over 200,000 population is incorporated into the highway and transit block grant. Any unobligated funds authorized for section 143 are rescinded. Unobligated balances of authorizations for section 147 shall remain available until October 1, 1987.

Paragraph (a)(28) makes conforming amendments to section 152 of title 23, United States Code.

Paragraph (a)(29) repeals subsection 154(c) of title 23, United States Code, which contains outdated language and makes conforming amendments to subsection 154(f) of title 23, United States Code.

Paragraphs (a) (30), (31), and (32) repeal sections 155 (Access highways to public recreation areas on certain lakes), 156 (Highways crossing Federal Projects), and 157 (Minimum Allocation) of title 23, United States Code. The programs under sections 155 and 156 no longer warrant special emphasis. The construction activities for these programs continue to be eligible for Federal-aid funds under the definition of construction in section 101 of title 23. Revised Minimum Allocation provisions are included in subsection 104(e) of title 23. Unobligated balances of authorizations for sections 155 and 156 shall remain available until October 1, 1987.

Paragraph (a)(33) makes conforming amendments to section 158 of title 23, United States Code.

Paragraph (a)(34) repeals section 201 (Authorizations) of title 23, United States Code which contains outdated language.

Paragraphs (a) (35) and (36) make conforming amendments to sections 204 and 210 of title 23, United States Code.

Paragraph (a)(37) repeals section 211 (Timber Access Road Hearings) of title 23, United States Code.

Paragraph (a)(38) repeals section 213 (Rama Road) of title 23, United States Code, and provides for the disposition of unobligated balances of authorizations for that section. This program has been inactive for a long time.

Paragraphs (a)(39) and (40) make conforming amendments to sections 215 (Territorial highway program) and 217 (Bicycle transportation and pedestrian walkway) of title 23, United States Code, and changes the Federal share payable for projects under section 217 from 100 percent Federal share to 75 percent Federal share. Bicycle transportation and pedestrian walkway projects no longer warrant special emphasis.

Paragraphs (a)(41) and (42) repeal sections 219 (Safer off-system roads) and 301 (Freedom from tolls) of title 23, United States Code. The safer off-system roads program is not a program of major Federal interest. The activities funded under this program will be eligible under the highway and transit block grant. Unobligated balances of authorizations for section 219 shall remain available until October 1, 1987. The substance of section 301 has been incorporated into section 129 of title 23.

Paragraphs (a)(43), (44) and (45) make conforming amendments to sections 302, 311, and 315 of title 23, United States Code.

Paragraph (a)(46) repeals section 322 (Demonstration Project-rail crossings) of title 23, United States Code. Unobligated balances of authorizations for section 322 shall remain available until October 1, 1987.

Paragraphs (a)(47), (48), and (49) make conforming amendments to sections 401, 402, and 406 of title 23, United States Code.

Paragraph (b)(1) repeals outstanding Interstate construction authorizations in section 108(b) of the Federal-Aid Highway Act of 1956. The Interstate construction program is included in the Federal-aid Interstate-primary program in this Act.

Paragraph (b)(2) repeals section 163 of the Federal-Aid Highway Act of 1973 and provides that unobligated appropriations for that section shall remain available until expended.

Paragraph (b)(3) repeals section 203 of the Highway Safety Act of 1973. The major provisions of section 203 are codified in section 130 of title 23.

Paragraph (b)(4) repeals sections 118 and 119 of the Federal-Aid Highway Amendments of 1974 and provides that unobligated balances of authorizations for the sections shall remain available until October 1, 1987.

Paragraphs (b)(5), (6), (7), and (8) repeal section 146(c) of the Federal-Aid Highway Act of 1976, sections 105 and 141 of the Federal-Aid Highway Act of 1978, section 215 of the Highway Safety Act of 1978, and sections 105(d), 121(b) and 146 of the Highway Improvement Act of 1982. These sections contain provisions that are outdated, related to programs that no longer warrant special emphasis, not in conformance with the provisions of this bill, or are contrary to the objective of giving the States greater flexibility in the use of their funds. Unobligated balances of funds authorized or appropriated to carry out section 141 of the Federal-Aid Highway Act of 1978 are rescinded effective October 1, 1987.

Section 137—Union Station

This section will permit full realization of the United States' goals in a public works project of unique importance. In 1981, Congress enacted the "Union Station Redevelopment Act of 1981," to undertake the renewal and preservation of an important historic and architectural landmark at the north end of the Capitol grounds, Union Station. The 1981 Act has been effective to date in returning Union Station to its role as a safe, efficient, and useful commercial transportation terminal, with maximum reliance on the private sector and minimum requirement for Federal assistance.

Congress contemplated that the renewal of Union Station would require exercise of the United States' right to buy out the lease that had been signed in the 1970's with Union Station's owners. Indeed, a new section 113(b) added by the 1981 Act to the underlying Visitors Center legislation authorized purchase of Union Station by the DOT. The recent Development Agreement entered into by DOT contains a potential 99-year lease term that will require purchase to make the project commercially feasible.

Assuming purchase of Union Station occurs as a needed step in guiding Union Station preservation and development under the 1981 Act, further statutory authority is then needed to complete privatization of this project. Once the goals of an architecturally appropriate and commercially viable revitalization are achieved, it would be incongruous to retain a governmental ownership role in the Union Station complex. Federal ownership of commercial activities, ranging from retail sales to parking, is wholly unnecessary and contrary to the goals of the 1981 Act. Accordingly, this section would amend the 1981 Act to complete privatization.

Two assurances are needed to complete privatization. First, as a commercial matter, the selected developer has received a first-right-of-refusal so that an opportunity exists for ownership to be lodged in the party with the most significant interest in appropriate development. At the same time, a sale at full market value must be directed to assure that the United States is properly compensated for its interest, and that other bidders are not deprived of an opportunity to purchase in a deal favoring the developer. Second, it is imperative that the original goals of the 1981 Act, most importantly the historic preservation of the facility in a manner consistent with the Capitol grounds, be achieved and then that conveyance to the new owners of the property, located as it is at the north end of the historic Capitol grounds, be subject to appropriate protections of the public interest.

Section 138—Bridge construction

This section provides an amendment to eliminate the need for special legislation to amend prior acts of Congress in connection with the construction, reconstruction, maintenance, or operation of bridges authorized prior to August 2, 1946.

Section 139—Effective date

This section specifies that unless otherwise provided, the effective date of the Federal-Aid Highway Act of 1986 is October 1, 1986.

TITLE II: HIGHWAY SAFETY ACT OF 1986

Short title

This section provides that Title II may be cited as the "Highway Safety Act of 1986".

Section 202—Authorizations

This section contains two subsections. Subsection 1 would authorize appropriations of $110,000,000, out of the Highway Account of the Highway Trust Fund, for each of the fiscal years ending September 30, 1987 through September 30, 1990, for the National Traffic Safety Administration to carry out section 402 State and Community Highway Safety Grant Programs under title 23, United States Code. This level of funding reflects the expiration of the special grants for computerized traffic recordkeeping systems and shows the Department's continued emphasis on effective highway safety programs. Since this provision does not continue the prior practice of earmarking 402 funds for various purposes, the States will have additional flexibility to use these funds to address their specific highway safety problem areas. This flexibility in the use of 402 funds will also enable the States to respond effectively to changes in the highway safety environment. At the same time, the Department will continue to monitor and advise the States with respect to their highway safety programs under this section through the annual approval process for section 402 State plans provided by section 402(b).

Subsection 2 would authorize appropriations of $31,000,000 per fiscal year for each of the fiscal years 1987 through 1990 out of the Highway Account of the Highway Trust Fund, for the National Highway Traffic Safety Administration to carry out the section 403 highway safety research and development activities under title 23, United States Code.

Section 203—Highway safety programs

This section contains four subsections. Subsection (a) would amend section 402 of title 23, United States Code, to replace the words "standards" and "standard" wherever they appear in the section with the words "guidelines" and "guideline," respectively. The purpose of this amendment is to conform the language of section 402 to the program as currently implemented, pursuant to the 1982 determinations of program effectiveness under section 402(j). As a result of the section 402(j) determinations, the existing 18 highway safety program standards have been maintained as non-binding guidelines for use by the States in their section 402 programs.

Subsection (b) of this section would strike out the last sentence of section 402(a) of title 23, United States Code, which authorizes the Secretary to amend or waive highway safety program standards on a temporary basis. This authority is unnecessary in view of the existing implementation of the section 402 program and its elimination is consistent with the amendment of section 402(a).

Subsection (c) of this section would strike out subparagraph (D) of section 402(b)(1) of title 23, United States Code, which prohibits the Secretary from approving a State's section 402 highway safety program if it does not provide for comprehensive driver training programs. The Department believes this restriction is no longer appropriate. A five-year study on driver education, conducted for the Department in DeKalb County, Georgia, evaluated the effect of driver education on 18,000 volunteer high school students. This study, which was released on August 7, 1984, found no evidence to support the assumption that significant highway safety benefits results from high school driver education courses. Accordingly, the Department no longer believes there is sufficient justification to support the statutory requirement that the Secretary must disapprove a State highway safety program plan when it does not provide for comprehensive driver training programs. The elimination of this restriction on the program approval process does not in any way affect a State's determination to continue such programs.

Subsection (d) of this section would amend section 402(j) of title 23, United States Code, to provide for a periodic review of the effectiveness of the various programs eligible for funding under section 402 in reducing accidents, injuries, and fatalities. Use of these funds would be limited to the programs found most effective. Such a periodic review of the highway safety programs is the best method to ensure the continued relevance of the section 402 program to changing circumstances and traffic safety needs, and to ensure that Federal funds continue to be used in as cost-effective a manner as possible. The first such review scheduled under this provision would begin on September 1, 1987, exactly five years after the initiation of the original section 402(j) review required by section 1107(d) of the Omnibus Budget Reconciliation Act of 1981 (P.L. 97-34).

Section 204—National highway safety advisory committee

This section would amend section 404 of title 23, United States Code, to provide various administrative, membership and organizational improvements in the operation of the National Highway Safety Advisory Committee. The existing responsibilities of

the Committee would not be affected by this amendment.

The improvements provided by this section include: (1) reducing the membership from 35 to 25 to enhance the ability of the Committee to operate; (2) making the Secretary instead of the President responsible for membership appointments; (3) creating additional professional requirements for membership; and (4) eliminating the existing provision which gives the members compensation over and above payment for travel expenses.

Section 205—Splash and spray suppression devices

This section would amend section 2314(b) of title 49, United States Code, to incorporate certain criteria as preconditions to the issuance of a standard on splash and spray suppression devices. Since the enactment of the provision directing the Secretary to issue standards requiring the installation of splash and spray suppression devices on truck tractors, semitrailers and trailers (Sec. 414, Pub. L. 97-424), the Department has been attempting to develop a standard that would reduce the number of crashes resulting from drivers being blinded by splash and spray. A number of devices have been evaluated, some of which are capable of reducing splash and spray to a degree. However, it is the Department's belief that a standard should be issued only if it meets certain criteria. First, it should require devices that are capable of enhancing visibility to such a degree as to reduce crashes. Second, these devices should be practicable, both technologically and economically. Finally, the safety benefits should exceed the costs of installing and maintaining these devices.

TITLE III—THE MASS TRANSPORTATION CAPITAL ASSISTANCE AND REFORM ACT OF 1986

Section 301—Short title

This section provides that the title may be cited as the "Mass Transportation Capital Assistance Reform Act of 1986."

In order to reduce Federal involvement in programs that do not serve nationwide needs, to reduce Federal requirements, to expand local flexibility and decisionmaking and to increase competition and the role of private industry in the provision of transit services, the Administration is proposing a major change in the structure of the transit program. The Administration proposes to replace the current formula and discretionary transit programs for urbanized and rural areas with the highway and transit block grant program in Title IV of this bill. Under this program, funds could be used for either highway or transit projects, and this will encourage local decisionmaking by providing the States and localities with increased flexibility in the use of these funds. In particular, this flexibility will allow urbanized areas to better meet urban mobility needs. Moreover, provision for assurances necessary to meet the major Federal requirements will streamline the process.

The Administration believes that the private sector can play an increasingly important role in planning, financing, and providing transit services. Studies show that operation cost savings of 20 to 60 percent can be realized through competitively developed services. Accordingly, the bill includes provisions to implement a major policy initiative increasing the role of the private sector. These provisions include prohibiting use of federally-assisted equipment and facilities in charter service, ensuring private operator involvement in the transit planning process, requiring private transit operator representation on transit policy boards and requiring recipients to competitively bid (with both public and private operators eligible) a portion of their operations.

The block grant program in Title IV of the Mass Transit Account would be funded from certain highway programs as well as from the Mass Transit Account. The Mass Transit Account would have an annual authorization level of $1.22 billion through fiscal year 1990. As explained further below, certain amounts would be taken "off the top" of that annual authorization for the section 6 research program, sections 10, 11(a), and 20, the section 8 planning program, the section 16(b)(2) elderly and handicapped program, and for administrative expenses.

The remaining Mass Transit Account funds would be available to the States, with 88.43 percent of those funds passed through to unbanized areas with a population of 200,000 or more on the basis of the existing section 9A formula. This is the same percentage such areas get under the existing section 9 formula program. Officials of such areas would determine the appropriate use of those funds in accordance with the section 8 planning process. A certain amount of funds from the Highway Trust Fund also would be passed through to the States.

The Mass Transit Account and the Highway Trust Fund Program funds that would be passed through to each of the large urbanized areas would be fundible, that is, could be spent on either transit or highway projects within those areas. The Administration believes that urban mobility issues should be addressed at the local level, and that local officials in large urbanized areas should determine whether to make highway or transit investments based on local transportation needs rather than on the source of Federal funds.

The Transit Account funds not passed through to the large urbanized areas would be apportioned to the States using the same percentages applicable to small urbanized and rural areas under existing law—8.4 percent and 2.93, respectively. These funds would be apportioned on the basis of existing statutory formulas but could be spent anywhere in the State for eligible transit or highway projects. Similarly, the Highway Trust Funds not passed through to the large areas would be allocated to the States on the basis of existing formulas and would be eligible for highway or transit projects anywhere in a State. Thus, funds not attributable to large urbanized areas would be used for projects based on decisions made at the State level.

All highway and transit capital projects under the highway and transit block grant program would have a Federal share of 75 percent. Transit operating assistance projects in rural and small urban areas would have a maximum Federal share of 50 percent.

A number of assurances apply to the use of transit or highway funds under the highway and transit block grant program. These assurances require only a written statement that the requirements are being followed. Because the transit assurances are based on provisions of the UMT Act, and because the Administration proposes to make certain changes or additions to that Act, a number of the provisions discussed below, where noted, apply to the use of funds for transit projects under the highway and transit block grant program as well as to the use of any remaining carryover funds (in most cases) under the existing transit programs.

Section 302—Charter and school bus services

Section 3(f) of the Urban Mass Transportation Act of 1964, as amended ("the Act") currently provides that a recipient of Federal financial assistance for bus-related activities may not engage in charter bus service outside the urban area within which it provides regularly scheduled mass transportation services, except as provided in the recipient's agreement with the Secretary of Transportation. The agreement is meant to assure that the Federal financial assistance will not enable the recipient to foreclose private operators from the intercity charter bus industry where such private operators are willing and able to provide such service. The Administration supports the congressional directive to restrict federally subsidized public transit entities from entering markets that may be adequately served by the private sector, but believes that the existing section 3(f) does not provide adequate tools.

A statutory change in the burden of proof is needed to make clear, and more permanent, the Administration's commitment to expand the role of the private sector. This section would amend section 3(f) of the Act to provide that the State must provide written assurance that Federal operating assistance and federally-assisted facilities and equipment will not be used in charter bus operations. The Administration believes Federal funds should be used for public transportation but should not be used to compete unfairly with private business and thus cause the loss of private sector jobs.

This change would apply not only to projects funded under the UMT Act, but also to funds used for transit projects under the highway and transit block grant program in Title IV of this bill.

This section also amends section 3(g) of the UMT Act to provide that instead of the applicant entering into an agreement with the Secretary concerning school bus service, the State must provide written assurance that recipients will comply with the school bus requirements.

Section 303—Planning

Section 8 of the UMT Act provides that State and local levels of government engage in a continuing, cooperative, and comprehensive (3C) process of planning transportation facilities in urban areas of more than 50,000 in population and utilizing metropolitan planning organizations.

In light of the proposed highway and transit block grant program in Title IV of this bill, which would greatly streamline the funding delivery process and lessen red-tape requirements, this section would amend section 8 by raising the population threshold for urbanized areas that are required to have a 3C planning process from more than 50,000 to 200,000 or more. Urbanized areas with a population between 50,000 and 200,000 would not be required to follow federally prescribed planning requirements, although they could continue their planning process if they choose.

A new long-term financial plan would be required in urbanized areas over 200,000. This plan would estimate total costs and currently available revenues for needed regional transportation improvements and should provide a good basis for local officials to provide a better balance between costs and revenue sources in developing plans for transportation projects.

Section 304—Private enterprise

For private operators to achieve the maximum level of participation in the provision of mass transportation services, they must have an opportunity to participate at the earliest phase of the local planning process.

These amendments to section 8 are designed to maximize private enterprise input into service planning and decisionmaking. These amendments would apply to funds spent on transit projects under the proposed highway and transit block grant program in Title IV of this bill.

Section 305—Amendments to section 9

This section would amend section 9 and would apply to transit funds under the highway and transit block grant program in Title IV of this bill, as well as to the remaining carryover funds under the section 9 program. This section would amend section 9 to require a transit operator to have private mass transportation company representation on its policy board, to the extent feasible under State or local law.

"Associated capital maintenance items" would be redefined to include equipment, tires (including leasing of tires), materials, and supplies. This definition is drawn from section 15 and does not include fuel. This expanded eligibility would assist transit agencies in maintaining their capital equipment, without involving the Federal Government in subsidizing locally determined costs. Thus, it should meet the concerns of those who argued that capital maintenance would suffer if operating assistance were eliminated, while still preventing the use of Federal funds to subsidize labor costs and other costs that are determined locally.

Another activity that would be made eligible for funding would be public/private venture projects under section 3(a)(1)(D) of the Act. No funds could be used for the construction of commercial revenue producing facilities or those portions of public facilities not related to mass transit. This would increase local flexibility and enhance the potential for private sector participation in the development of mass transit projects. The Administration intends that proceeds from private investment in activities under this section would remain in the urbanized area where they are made to finance otherwise eligible transit activities, rather than being returned to UMTA. However, local areas would be encouraged to use local funds for these purposes before they used funds under this Act for the purposes of section 3(a)(1)(D). If a project funded under section 3 or 9 generates income because of air rights, the net income would have to be used for eligible transit projects.

Section 306—Competitively developed mass transportation services

This section would require competitively developed transit services under the proposed block grant program. Solid evidence from research reveals that operating savings from these services could range from 30 to 60 percent, thus saving hundreds of millions of dollars. There is no doubt that this infusion of competition into a monopolistic system will be very productive and beneficial. Subsection (a) would provide that in each of fiscal years 1987, 1988, 1989, and 1990, an amount of competitively developed mass transportation service or operations equivalent to a fixed percentage of the total operating cost of transit service in an urbanized or non-urbanized area in that particular fiscal year shall be available in each urbanized or non-urbanized area receiving any Federal transit assistance under the proposed block grant program. Competition for providing such services shall be open to any public or private mass transportation companies. The percentages would be five percent in fiscal year 1987, ten percent in fiscal year 1988, fifteen percent in fiscal year 1989.

Subsection (e)(1) requires that the local body that has actual responsibility for service decisions—whether that body is the MPO, transit planning board, transit operator, or some other local entity—institute procedures that will give effective, direct notice to local private sector providers in the event new or substantially restructured services are being considered. This amendment is intended to guarantee an opportunity for private providers to participate in service decisionmaking before the public hearing stage (at which time final decisions are usually presented and public input effectively is limited to support of, or opposition to, the final plan).

Subsection (e)(2) requires that public operators consider using private operators to provide federally-subsidized service.

Subsection (e)(3) requires that procedures be implemented to assure that all the costs of both public and private operators will be considered in determining which operator is best qualified to furnish any new services being contemplated. If, for example, the public operator would use federally financed capital equipment to provide a service, the actual costs of such equipment must be included in making service cost calculations.

Subsection (f) would allow the Secretary to promulgate the regulations necessary to implement section 8(e).

Subsection (b) would define "competitively developed mass transportation services" as services provided pursuant to a competitive review process open to any public or private mass transportation entity willing and able to provide such services. Such services would include, for example, actual operating service as well as maintenance.

Subsection (c) would require the State to provide written assurance that procedures have been established to seek proposals from public and private mass transit entities and to identify routes to be competitively bid. These procedures would also describe how a particular mass transit service will be chosen for this competitive process. The assurances would be subject to the waiver provision.

Subsection (d) would permit the State to waive the requirements of this section in a non-urbanized area if the State finds that the area has not received, or is unlikely to receive, any responsive proposals.

This section would also authorize the Secretary to promulgate regulations to implement this section.

Section 307—Reporting system

The Department has been constrained by single audit laws and practices from requiring independent verification of the data submitted for purposes of determining the correct apportionment factors for the formula program. The veracity of this date is necessary to make certain that each area gets only the sums to which it is entitled under the formula. By providing the Secretary with authority to require independent review of such data, its accuracy should be enhanced.

Section 308—Amendments to section 21 authorizations

This bill would make several significant changes to the authorizations for the Urban Mass Transportation Administration program. It would not authorize any appropriation of general funds for the section 9 and 18 formula programs, nor would it make available any funding for the Discretionary Grants Program (sections 3, 4(i), 8, and 16(b)). Rather, the Administration proposes to make Mass Transit Account funds available for the new block grant program in Title IV of this bill as well as for the research, training and human resources program, section 8 planning, administrative expenses, and section 16(b)(2) capital activities. Mass Transit Account funds could also be used for operating assistance in non-urbanized areas and, subject to the limitations of section 9(k)(2) of the UMT Act, in urbanized areas with a population of less than 200,000. No new funding would be available for operating assistance for large urbanized areas; however, carryover funds would be subject to original limitations. The Mass Transit Account authorizations are set forth in Title IV.

As originally authorized, the Discretionary Grants program derived its funding from the Mass Transit Account of the Highway Trust Fund. The Administration proposes to allocate the resource of the Federal motor fuels tax more fairly on the basis of the block grant program in Title IV. Projects eligible under sections 3 and 4(i) would still be eligible for funding under this new combined formula program. As noted below, both section 8 activities and elderly and handicapped projects would be directly funded from the Mass Transit Account.

Subsection (c) would make funding available from the Mass Transit Account to carry out the planning activities authorized by section 8 and the capital projects authorized by section 16(b)(2) of the Act. The Administration proposes to set aside funding for these programs to assure that a minimum level of funding will be available for planning activities and projects for the elderly and handicapped. These funds will no longer be made available by grants. Instead, they will be apportioned administratively and distributed in a manner determined by the Secretary. Accordingly, subsection (c)(1) would provide that up to 2.5 percent of the Mass Transit Account authorizations be available for planning activities authorized by section 8, and subsection (c)(2) would provide that up to $35 million would be available for the purposes of capital expenditure under section 16(b)(2).

Furthermore, subsection (c)(3) would make funding available from the Mass Transit Account to carry out the research, training and human resources functions (section 6, 10, 11(a), and 20 of the Act), as well as administrative expenses. Subsection (c)(3) would provide a combined authorization for sections 6, 10, 11(a) and 20 of up to $19.5 million for each of fiscal years 1987, 1988, 1989, and 1990. This reduction is commensurate with the overall reduction in other mass transit assistance programs. It would provide such sums as may be necessary for those fiscal years to carry out section 12(a) of the Act. This authorization would provide funding sufficient to meet expected staffing levels for those fiscal years. Staffing levels would be reduced consistent with the overall reduction in the UMTA program.

TITLE IV: HIGHWAY AND TRANSIT BLOCK GRANT ACT OF 1986

Section 401—Short Title

This section provides that Title IV may be cited as the Highway and Transit Block Grant Act of 1986.

Section 402—Highway and transit block grant

This section adds a new chapter (Chapter 5) to title 23, United States Code. This new chapter contains the provisions of the highway and transit block grant established by this Act. References that follow are to Chapter 5.

Section 501 specifies the apportionment procedures. Prior to apportionment of the funds authorized for fiscal years 1987 through 1991, the Secretary is required to deduct ¼ of 1 percent of Highway Account funds for the purposes of carrying out the SHRP under section 133 of title 23, United States Code.

Thirty-five percent of the Highway Account funds are apportioned to the States on the basis of the present urban system apportionment formula with no State receiving less than ½ of 1 percent of this 35 percent. Thirty percent of the highway funds are apportioned to the States on the basis of the current secondary system formula with no State (except the District of Columbia) receiving less than ½ of 1 percent of this 30 percent. The last 35 percent of the Highway Account funds is apportioned to the States on the basis of nonprimary system bridge needs as determined from the inventories required under section 144 of title 23, United States Code. No State is to receive more than 10 percent or less than one-quarter percent of this 35 percent.

Subsection 501(a)(2) would provide that funds for certain activities authorized under the Urban Mass Transportation Act are to be deducted from the Mass Transit Account funds, as authorized by proposed section 21(c) of the Urban Mass Transportation Act, before the Mass Transit Account funds are apportioned for purposes of this chapter. Proposed section 21(c) would authorize the following deductions each fiscal year: 2.5 percent of authorized Mass Transit Account funds for planning activities (section 8 of the Urban Mass Transit Act); up to $35,000,000 for capital expenditures under section 16(b)(2) of the Urban Mass Transportation Act; up to $19,500,000 for activities under sections 6, 10, 11(a), and 20 of the Urban Mass Transportation Act; and such sums as are necessary for administrative expenses. The subsection would also provide that the funds authorized under section 21(c)(1) (planning) and 21(c)(2) (elderly and handicapped) would be apportioned under an administrative formula and paid out in a manner determined by the Secretary.

Subsection 501(b)(1) provides the formulas for apportioning funds from the Highway Account of the Highway Trust Fund.

Subsection 501(b)(2) would provide that the funds in the Mass Transit Account, after funds are deducted pursuant to subsection (a)(2), are to be apportioned using the formulas in section 9A and 18 of the Urban Mass Transportation Act of 1964, as amended. Accordingly, 88.43 percent of the Mass Transit Account funds would be apportioned using the formula in section 9A(b). Of the remaining funds, 8.64 percent would be apportioned using the formula in section 9A(c) and 2.93 percent would be apportioned using the formula in section 18(a).

As noted below, all of the funds would be paid to the State, but the funds attributable to areas of 200,000 or more in population would have to be spent in those areas, unless transferred under section 503. Apportionment of funds under this section will be an obligation of the Federal Government for their payment under section 502. Apportionment is to be made 25 percent on October 1 and 75 percent on January 1 of each fiscal year to allow for sequestration, if any, under Gramm-Rudman.

Section 502 provides the method of payment to the States of funds apportioned under section 501(b). Fifteen percent of each State's apportionments for a fiscal year will be released during the fiscal year of apportionment. Subsequently, 40 percent will be released during the next year, 20 percent the next year and 25 percent the next fiscal year. If the State is not eligible to receive its total payment in a given year, the bill would allow adjustments to be made in later years so that a State could receive its funds. Implementing regulations will be developed by the Department of Transportation in consultation with the Treasury Department to insure that the payment mechanism will be at least as advantageous to the States as the current mechanism.

Section 503(a) describes how Highway Account funds which are apportioned to a State based on that State's urbanized areas having a population of 200,000 or more are to be allocated to the State's urbanized areas of 200,000 population or more. This section provides that local officials decide how funds apportioned under this section are to be spent. However, projects must have been developed in accordance with the planning process required pursuant to section 134.

Subsection 503(b) would provide that the funds apportioned to a State that are attributable to urbanized areas of 200,000 or more in population would have to be allocated to the urbanized area to which they are attributable. The funds so allocated would have to be made available for expenditure in those areas for projects selected by the metropolitan planning organization officials in accordance with the section 8 planning process. The funds may be transferred from the allocation of one urbanized area of 200,000 or more in population to another, or to the State for use in any urban area in the State, provided that the metropolitan planning organization in the area transferring the funds approves the transfer.

Subsection (a) of section 504 provides that payment of funds from the Highway Account and Mass Transit Account of the Highway Trust Fund under this chapter, may be expended for highway construction projects on any public road, for activities as provided in sections 134 and 307(c) of the title 23 and for mass transportation capital projects eligible under section 9(j) of the Urban Mass Transportation Act of 1964, as amended. Only costs incurred after the effective date of this Act would be eligible. Any transit capital project previously eligible for funding under section 3, under Interstate substitution, and under Federal-aid urban system programs would continue to be eligible under the highway and transit block grant. This flexibility will allow the Governor and large urbanized areas to make choices concerning urban mobility without being constrained by the source of Federal funds. In addition, such funds may be expended in urbanized areas with a population of less than 200,000 and in rural areas for mass transportation operating assistance in accordance with subsection (b).

The Administration continues to believe that the payment of operating costs is a local responsibility, since fares, service levels, labor costs, and other factors that determine such costs are locally decided. However, it recognizes that smaller urbanized areas and rural areas are perceived to be more dependent on operating assistance than are larger areas. Much of the opposition to the elimination of operating assistance has centered on the importance of operating assistance to small and medium sized urbanized areas and rural areas. The Administration believes that continuing operating assistance for these areas should meet the concerns expressed about the total elimination of operating assistance.

Thus, subsection (b) of section 504 would make operating assistance an eligible expense in urbanized areas with a population of less than 200,000 and in nonurbanized areas. It would limit the amount available to the Governor for urbanized areas to the total amount that would have been attributable on an annual basis to all urbanized areas under 200,000 under section 9(k)(2) of the Urban Mass Transportation Act of 1964, as amended, or under any more restrictive limitation Congress might impose. Section 9(k)(2) contains a specific provision concerning urbanized areas that became urbanized areas for the first time under the 1980 census. For purposes of eligibility of operating expenses under the highway and transit block grant, the reference in section 9(k)(2) to apportionments under section 9 is intended to mean fiscal year 1985 apportionments under section 9. The local match for such operating assistance would also have to be from sources other than operating revenues or than Federal funds.

Section 505 provides that the Federal share cannot exceed 75 percent of highway construction projects and transportation planning projects and cannot exceed 75 percent of the net project cost of mass transit capital projects. For mass transit operating assistance projects, the Federal share cannot exceed 50 percent.

Section 506 requires each State to provide annual written assurance that the State government will:

1. make funds available to urbanized areas for use on eligible projects as required by section 503;

2. expend payments received under Chapter 5 in accordance with the requirements of Chapter 5;

3. appropriate and expend the funds received in accordance with the laws and procedures that apply to the expenditure of its own funds;

4. provide an opportunity for the public to comment on the proposed use of these funds;

5. comply with the requirements of section 507 (nondiscrimination);

6. provide the Secretary and Comptroller General, upon reasonable request, access to and the right to inspect records and construction sites to review compliance and operations under Chapter 5;

7. consult with local governments on major policy decisions and program choices when highway and transit block grant funds are to be used for off-system projects or any projects in urbanized areas;

8. comply with the requirements of "The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970" and the "Single Audit Act of 1984;"

9. pay wages on construction work under this chapter under the Davis-Bacon Act as if such work were work performed on regular UMTA of FHWA construction projects; and

10. each State will comply with the National Environmental Policy Act (NEPA) and other Federal environmental laws and Executive Orders as specified in regulations issued by the Secretary. To the maximum extent possible existing regulations will be used. Under regulations, recipients will assume the Secretary's responsibilities under such laws and orders. The Council on Environmental Quality will be consulted on issuing any regulations. The State must certify that it will carry out the responsibilities of the Secretary. The certifying officer must consent to assume the responsibility of the appropriated Federal officials under NEPA and other laws and must consent to the jurisdiction of the Federal courts. The Secretary's approval of a certification will satisfy the Secretary's responsibilities under NEPA and other laws.

For transit projects, the State must make additional assurances to those required by subsection (a). Subsection (b) requires the State to assure that the State Government will comply with the following sections of the Urban Mass Transportation Act of 1964, as amended: 3(f) (charter bus), 3(g) (school bus), 8(e) (private sector participation), 9(e)(3)(A) (legal, technical, and financial capacity to carry out the program of projects), 9(e)(3)(B) (continuing control over the use of facilities and equipment, and 9B (competitive services). In addition, the State must assure that for transit projects in all urbanized areas, it will meet the requirements of section 9(e)(3)(I) (private sector representation on transit policy boards), and section 15 (reporting and accounts and records systems). Finally, the State must assure that for transit projects in urbanized areas with population of 200,000 or more, it will meet the other planning process requirements of section 8. Approval by the Secretary of Transportation shall not be required for any of the activities covered by the assurances made under this subsection.

Section 507 provides that the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975, on the basis of handicap under section 504 of the Rehabilitation Act of 1973, on the basis of sex under title IX of the Education Amendments of 1972, or on the basis of race, color, or national origin under title VI of the Civil Rights Act of 1964 apply to programs and activities that receive Federal financial assistance under Chapter 5, No person on the basis of sex is to be excluded from participation in, be denied benefits of or be subject to discrimination under, any program or activity that receives Federal financial assistance under Chapter 5. However, this does not prohibit any conduct or activities permitted under title IX of the Education Amendments Act of 1972.

Section 508 provides for withholding payments under Chapter 5 if the Secretary finds that a State or local government has failed to comply substantially with any provision of Chapter 5. Payments are to be withheld until appropriate corrective action is taken.

Section 509 provides that only the laws specified in sections 506 and 507 apply to funds expended under Chapter 5, that the definitions in section 101(a) of title 23, United States Code, and in section 12(c) of the Urban Mass Transportation Act of 1964, as amended, apply to Chapter 5, and that the remainder of Chapters 1 through 4 of title 23, United States Code, do not apply to Chapter 5 unless specifically provided by Chapter 5. Requirements that applied to categorical grants under the Urban Mass Transportation Act, such as the labor protection requirements of section 13(c), would not apply to the highway and transit block grant.

Section 403—Technical amendments

This section provides necessary technical amendments.

Section 404—Authorizations

This section authorizes $2.2 billion per fiscal year out of the Highway Account and $1.22 billion per fiscal year out of the Mass Transit Account for each of the fiscal years 1987 through 1990 to carry out the highway and transit block grant.

TITLE V: SURFACE TRANSPORTATION REVENUE ACT OF 1986

Short title

This section provides that Title V may be cited as the Surface Transportation Revenue Act of 1986.

Section 502—Amendment of 1954 code

This section provides that references in Title V to a section or other provision are references to the Internal Revenue Code of 1954.

Section 503—4-Year extension of taxes which are transferred into the highway trust fund

This section provides a 4-year extension of the taxes which are transferred into the Highway Trust Fund and also provides a 4-year extension of certain exemptions not being terminated by other sections of Title V.

Section 504—4-Year extension of the highway trust fund

This section provides a 4-year extension of the Highway Trust Fund and makes conforming amendments to the Land and Water Conservation Fund Act.

Section 505—Gasohol, methanol, and ethanol exemptions

This section eliminates the exemptions from the motor fuel tax for gasohol, methanol, and ethanol effective December 31, 1986.

Section 506—Bus exemptions

The purpose of these amendments is to charge public and private buses for the use of the Nation's highways. Currently, buses owned by public transit authorities pay no taxes into the Highway Trust Fund. Gasoline buses owned by private transit companies pay no taxes if they are providing service open to the general public. Diesel buses owned by private companies pay either none of the 15 cents Federal diesel tax or just 3 cents, depending on the kind of service they provide. However, all of these vehicles depend on a good highway system to provide service and directly benefit from highway improvements financed by the Highway Trust Fund.

This amendment would also correct the inequity that currently exists between public transit authorities and private bus companies when they compete for service contracts. Since the public transit authorities pay no fuel taxes, they are able to undercut the costs of the private companies. This amendment would "level the playing field" between these two entities.

Subsection (a) would limit the current exemption that exists for diesel fuel purchased by State and local governments so that it would not apply to transit use. The amendment would not affect other vehicles owned by state or local governments (such as trucks) and would not affect diesel fuel taxes when no compensation is received (such as school service provided by a governmental entity itself without direct charge).

Subsection (b) would limit the current exemption that exists for gasoline purchased by State and local governments so that it would not apply to transit use. The amendment would not affect other vehicles owned by State or local governments (such as trucks) and would not affect gasoline fuel taxes when no compensation is received (such as school service provided by a governmental entity itself without direct charge). The current tire tax exemption for private transit buses would be repealed. School buses would keep the tire tax exemption.

Subsection (c) would revise the gasoline tax refund provisions of section 6421 to repeal refunds for all types of private transit buses. The refund provisions for school buses would not be revised since these vehicles are usually used in very localized services.

Subsection (d) would revise the diesel tax refund provisions of section 6427 to repeal refunds for all types of private transit buses. The refund provisions for school buses would not be revised since these vehicles are usually used in very localized services.

Section 507—Highway and transit block grant

This section provides that amounts in the Highway Account and the Mass Transit Account of the Highway Trust Fund are available for making payments in accordance with Chapter 5 of title 23, United States Code.

Section 508—Technical amendments

This section makes clarifying amendments to section 9503 of title 26, United States Code, corrects an error in section 911(d)(1)(A) of the Deficit Reduction Act of 1984 which inadvertently increased the amounts which are transferred into the Mass Transit Account of the Highway Trust Fund at the expense of the Highway Account, and repeals provisions that should have been repealed in the Deficit Reduction Act of 1984.

Subsection (d) is intended to give the same treatment, of the time available after obligations occur to make outlays, to contract authority as to appropriations of budget authority. Appropriations of budget authority, even when available for only one year, become available until expended after obligation. The time limit on availability of appropriations applies only to the time for obligation.

AUTHORIZATIONS—FISCAL YEARS 1987–90

[In millions of dollars]

Program	Fiscal year—			
	1987	1988	1989	1990
TITLE I				
Interstate/primary (includes I–4R)	7,843	7,843	7,843	7,843
Interstate substitutes	500	500	500	500
Minimum apportionment	250	250	250	250
Bridge replacement and rehabilitation	1,250	1,250	1,250	1,250
Hazard elimination	175	175	175	175
Railway-highway crossing	190	190	190	190
Emergency relief	100	100	100	100
Federal Lands Highways Program:				
Forest highways	75	75	75	75
Public highways	25	25	25	25
Indian reservation roads	75	75	75	75
Park roads and parkways	75	75	75	75
Territorial Highway Program	12	12	12	12
Motor carrier safety grants [1]	(50)	(50)	(50)	(50)
Motor carrier safety operations [2]				
Total, title I	10,570	10,570	10,570	10,570

AUTHORIZATIONS—FISCAL YEARS 1987–90—Continued

[In millions of dollars]

Program	Fiscal year—			
	1987	1988	1989	1990
TITLE II				
State and community highway safety grants (402):				
NHTSA	110	110	110	110
FHWA [2]	10	10	10	10
Research and development (403):				
NHTSA	31	31	31	31
FHWA [2]	7	7	7	7
Total, title II	158	158	158	158
TITLE IV				
Block grant: [4]				
Highway portion	2,200	2,200	2,200	2,200
Transit portion	1,220	1,220	1,220	1,220
Total, title IV	3,420	3,420	3,420	3,420
Total, all authorizations	14,148	14,148	14,148	14,148

[1] Administered as a set-aside from interstate/primary program.
[2] Such sums as may be necessary.
[3] Authorizations for the FHWA portion are included under title I.
[4] Each year, ¼ of 1 percent would be set aside from the highway portion for the Strategic Highway Research Program. In fiscal year 1987, set-asides from the UMTA portion include $26,800,000 for administration, $30,500,000 for planning, and up to $35,000,000 for elderly and handicapped. From fiscal year 1988 through fiscal year 1990, $22,000,000 would be set aside from the transit portion for administration, up to $19,500,000 for research, $30,500,000 for planning, and up to $35,000,000 for elderly and handicapped.●

By Mr. SARBANES:

S. 2190. A bill to provide that the full cost-of-living adjustment in benefits payable under certain Federal programs shall be made for 1987; to the Committee on Governmental Affairs.

COST-OF-LIVING ADJUSTMENTS UNDER CERTAIN FEDERAL PROGRAMS

● Mr. SARBANES. Mr. President, today I am introducing legislation which would guarantee the fiscal year 1987 COLA for all Federal retirees, protect them from the President's proposed budget COLA cuts, and essentially repeal the fiscal year 1987 COLA suspension required under Gramm-Rudman-Hollings. As you know, language in Public Law 99-177, the Balanced Budget and Emergency Deficit Control Act of 1985, Gramm-Rudman-Hollings, suspended a scheduled 3.1 percent cost-of-living allowance for Federal annuitants for fiscal year 1986 and will suspend all future COLA's for fiscal years 1987-91. I voted against Gramm-Rudman-Hollings each time it was considered by the full Senate and I specifically opposed the provision which suspends COLA's for Federal retirees because it struck me as being particularly unfair. Because it is still uncertain whether reinstatement of the 3.1 percent fiscal year 1986 COLA will occur, I feel compelled to guarantee a cost-of-living adjustment for Federal retirees for fiscal year 1987 and I invite my colleagues to join with me in this effort.

The Members of this body rejected almost all of the President's fiscal year 1984, fiscal year 1985 proposals which, like Gramm-Rudman-Hollings, would have had a substantial impact on the income and benefits of Federal employees and annuitants, and I applaud my colleagues because you were correct in doing so. Subsequently, during the first session of the 99th Congress, this same body enacted a far-reaching budget proposal, one which will impose severe hardships on Federal employees and retirees for many years to come. At risk here is the possibility of Gramm-Rudman-Hollings placing the Federal Government in an adversarial role with current and former Federal employees. Mr. President, I am introducing this legislation because I am quite concerned about the viability of the civil service as a career under a Gramm-Rudman-Hollings environment. I strongly believe that if the income and benefits of our dedicated public servants continue to be threatened, our whole system of governing may be jeopardized.●

By Mr. ROTH (for himself, Mr. COHEN, Mr. CHILES, Mr. LEVIN, and Mr. SIMON):

S. 2191. A bill to amend the Federal Aviation Act of 1958 so as to prohibit reprisals against certain officers, employees, or contractors of air carriers; to the Committee on Commerce, Science, and Transportation.

ENCOURAGING AIR CARRIER EMPLOYEES TO REPORT POTENTIAL CARRIER SAFETY VIOLATIONS

● Mr. ROTH. Mr. President, on behalf of Senators COHEN, CHILES, LEVIN, SIMON, and myself, I am today introducing an amendment to the Federal Aviation Act of 1958 which would encourage the Nation's airline employees to report actual or potential safety violations without fear of reprisals by their employees.

Mr. President, the American public is growing increasingly concerned, and rightly so, over the state of airline safety in this country. Despite an overall downward trend in fatal accidents over the past three decades, U.S. air safety took a beating in 1985. Last year was one of the deadliest years in the history of U.S. commercial aviation in terms of number of fatal accidents—seven—and total loss of life—528 fatalities.

Terrible air crashes in which hundreds of people die are shocking and disturbing; and there is also cause for concern in the recent increase in near-collisions and other so-called incidents which, but for the skill of flight crews and controllers—and sometimes thanks to just plain good luck—could have turned into equally terrible tragedies. While the direct causes of these crashes and near-crashes are many and varied, there is growing evidence that cost-cutting, overscheduling, and crowded conditions at airports may be eroding safety margins and posing a growing threat to the flying public.

Many entities and individuals share the responsibility for insuring the continued safety of air travel in the United States. Obviously, the Federal Aviation Administration, which is charged with establishing and enforcing safety standards for the industry, has a critically important role. So does the National Transportation Safety Board, an independent Federal agency which investigates accidents and makes recommendations for improvements in equipment and procedures. A current investigation by the Senate Permanent Subcommittee on Investigations has raised a number of troubling questions about the adequacy of the response of the agencies to potentially hazardous conditions. It is essential that we determine what actions are needed to insure that the FAA adequately regulates the safety of the U.S. airline industry and protects the interests of the traveling public.

But the Federal Government cannot do this job all by itself. The FAA cannot be everywhere, all the time, constantly looking over the shoulder of every U.S. carrier, large and small. The carriers themselves—the airline owners, the flight crews, the maintenance personnel and the ground crews—along with aircraft manufacturers, industry groups, trade unions and others, have an equally important duty to make safety the paramount every time an airliner taxis down the runway. Like any other business, airlines operate to make money, and in recent years Congress has gone a long way toward freeing this industry from excessive regulations and restrictions and allowing competition to flourish—to the benefit of both the industry and the American consumer. But economic deregulation does not relieve the Government of its responsiblity to ensure the safety of the traveling public—in fact, deregulation requires even more emphasis on safety than before—and it certainly does not give the industry free rein to pursue profits at the expense of safety.

The legislation I am introducing today is aimed at reinforcing the overriding importance of safety in commercial airline operations. This amendment to the Federal Aviation Act of 1958 would provide protection against adverse employment actions for whistleblowers who report safety-related violations of the Federal Aviation Act on Government regulations to the FAA, NTSB, or Congress. The amendment would create a private right of action for employees who are fired or harassed by their airline for reporting such violations. Under present law, an employee who is fired for reporting safety violations, even if the report leads to the correction of a dangerous condition and possibly saved lives, has no recourse, especially in States with "employment-at-will" laws. The inquiry by the Permanent Subcommittee on Investigations has revealed a number of instances in which airline personnel, such as pilots and mechanics, were the only people in a position to know about potential

safety hazards, yet were reluctant to report those conditions because of fear of reprisals by their employers. This amendment would help ensure that such fears do not stand in the way of disclosing and correcting safety hazards before they result in tragedy.

Mr. President, airline travel, on a passenger-mile basis, is still the safest way to get from here to there. This is as it should be. The American people should have a first-class ticket when it comes to air safety, and this legislation can help to provide that ticket by making it clear to all concerned that safety is the highest priority in air travel. I urge my colleagues to act quickly to enact this amendment in order to help guarantee that the "friendly skies" remain friendly—and safe—for the traveling public.●

● Mr. LEVIN. Mr. President, I am pleased to be an original cosponsor of Senator ROTH's bill to provide protection for pilots and other airline personnel who report safety violations on airlines. This bill gives air carrier employees the right to go to district court if they are the victims of reprisal for having reported air safety violations.

This legislation is being offered in response to growing concern in Congress and the Nation about the safety of air travel. Hearings held recently by the Permanent Subcommittee on Investigations, on which I serve, included some alarming testimony that airline employees are reluctant to report aircraft safety problems and that the Federal Aviation Administration's inspection and enforcement activities may be seriously lax.

My own conclusion during these hearings was that corners are being cut on safety. I find this to be an intolerable situation. We must be willing to provide the necessary commitment for a strong, effective regulatory agency which will keep our skies safe.

Everyone who has flown a plane recently cannot help but feel an extra twinge of apprehension as the plane taxis down the runway. Last year was the second-worst year ever for air safety on large U.S. commercial carriers; 526 people were killed.

And the figures could easily have been far worse. There are an astounding and frightening number of near-misses, or near-hits as they should perhaps be called. Pilot-reported near collisions have dramatically increased. They increased by 93 percent from 395 in 1981 to 763 in 1985, according to the National Journal which reportedly got its figures from the FAA.

An example of one of the near misses occurred just last week at Detroit Metro Airport. On March 6, on the third page of the Detroit Free Press, it was reported that a DC-10 with about 70 people on board narrowly missed a smaller plane by about 500 feet; 500 feet was all that kept this near-miss from being a direct hit; 500 feet was the only difference between one more page-3 story on a close call and a page-1 headline of a tragic collision involving 70 people. The article reported that:

> The pilot of the small jet * * * said the planes came within about 500 feet of each other partly because air traffic monitoring equipment could not tell tower controllers quickly enough how close together the planes were.

To avoid the DC-10, the pilot of the small jet said he had to increase his rate of descent from the normal 1,000 to 1,500 feet per minute to about 4,000 feet per minute.

As the statistics I cited earlier show, this hair-raising incident at Detroit Metro is not unusual. My primary reason for concern is that such incidents appear to be all too common.

This bill I am cosponsoring would encourage airline employees to come forward and let responsible Government bodies know of safety problems within their airlines. Pilots testifying at the hearings in the Permanent Subcommittee on Investigations indicated that fear of reprisal and loss of job security are significant reasons for pilots not bringing problems to the attention to the FAA, even when such disclosures are made anonymously. Pilots and airline crews are in the best position to know of any aircraft problems. Congress has a responsibility to take action to ensure that these people feel safe in coming forward with problems which might be prevented and thus save lives.

At the same time it is important to remember that this bill will address only one aspect of what appears to be a number of reasons for the serious safety problems plaguing domestic aviation. We cannot stop here. Congress must continue to keep a close eye on the Federal Aviation Administration. We must make sure the FAA has the funding and personnel necessary to inspect airlines and correct any problems that are found. We must make sure the FAA carries out its inspection and enforcement duties stringently, and if it errs, it must err on the side of safety. This may necessarily involve taking a hard look at the relationship between the FAA and the airline industry. Is this relationship too cozy? Should there be stricter limits on when and how FAA employees can leave the FAA to go work for airlines?

Congress must consider all these questions, if we are to reduce the number of incidents like the recent near-miss at Detroit Metro. This bill I am supporting today will be a good start in this direction.●

By Mr. HATFIELD:

S. 2192. A bill to reform and simplify the Federal individual income tax; to the Committee on Finance.

SIMPLIFORM TAX ACT

● Mr. HATFIELD. Mr. President, For the fourth time in 5 years, Congress is attempting to amend the Internal Revenue Code. This almost annual tinkering with the Tax Code typically results in a bill which fails to accomplish what I believe are the two most important goals of tax reform; namely, simplicity and equity. The current tax reform effort is no exception and, I fear, will produce a bill which further complicates our hopelessly confused tax system.

Consequently Mr. President, I am reintroducing my simpliform tax proposal. Since 1972, I have advocated the repeal of all deductions and credits, substituting instead six low marginal tax rates for all individual taxpayers. In addition to lowering marginal tax rates, simpliform provides for five simple and equitable tax credits for the following: personal exemption, charitable contributions, mortgage interest, State and local taxes, and medical expenses.

The cost to the Treasury for the total amount of personal and corporate tax breaks currently in the Tax Code, termed "tax expenditures," has increased from $36 billion in 1967 to $427.5 billion in 1985. Because of the tendency to expand the size and scope of available tax breaks each time Congress amends the Tax Code, less than half of personal income is currently subjected to income taxation.

In the last 32 years, we have come to view the Tax Code not as a means to efficiently raise the amount of money needed to operate the Government, but rather as an instrument of social intervention, as a method of fine tuning the economy and as a vehicle to subsidize favorite causes and industries. In light of the evolution of the Tax Code, and of the track record of Congress in making the Code simpler and more fair, one wonders whether there is hope of any meaningful reform.

In 1981, we enacted a mammoth $750 billion tax cut that essentially reflected an unrestrained bidding war between the President and the Democratic leadership in the House. Less than 1 year later, we were trying to recapture a portion of those revenues in a $100 billion tax bill that enraged financial institutions, savers, waiters, waitresses, and a host of other affected individuals. Motivated by the desire to reduce the deficit, Congress again amended the Tax Code in 1984. Our current tax reform effort, whatever goals it accomplishes, will undoubtedly not be the last. This repeated revision of the Code underscores a fundamental problem with current tax policy: it is constructed in a piecemeal and inconsistent manner.

The future gives no indication that this trend will change. The existence

of large budget deficits and the cloud of Gramm-Rudman will increase the need to study ways to increase revenues and broaden the tax base.

Our Tax Code is the motor which, in part, helps run the Federal Government and our economy. Yet like an auto mechanic who can't seem to make the right adjustments, Congress has been unable to make the necessary changes to the Tax Code to ensure simplicity and equity, thereby increasing compliance. The time for additional tinkering is over, we need a new engine. In answer to this need, I again submit my simpliform proposal, and ask unanimous consent that the text of this bill be printed in the RECORD.

Mr. President, in further explanation of the general provisions of the Simpliform Tax Act, I ask unanimous consent that an article appearing in the January 30, 1984, edition of Tax Notes, entitled "Tax Reform: Time to Fulfill the Promise," be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2192

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF 1954 CODE.

(a) SHORT TITLE.—This Act may be cited as the "Simpliform Tax Act".

(b) AMENDMENT OF 1954 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section, chapter, or other provision of the Internal Revenue Code of 1954.

SEC. 2. RATE OF TAX IMPOSED ON INCOME OF INDIVIDUALS.

Part I of subchapter A of chapter 1 (relating to tax on individuals) is amended to read as follows:

"PART I—TAX ON INDIVIDUALS

"Sec. 1. Tax imposed.
"Sec. 2. Community property laws not to apply.
"Sec. 3. Cross references relating to tax on individuals.

"SECTION 1. TAX IMPOSED.

"(a) IN GENERAL.—There is hereby imposed on the taxable income of every individual a tax determined in accordance with the following table:

"If the taxable income is:	The rate of tax is:
Not over $5,000	6%.
Over $5,000 but not over $10,000.	$300, plus 12% of the excess over $5,000.
Over $10,000 but not over $30,000.	$900, plus 17% of the excess over $10,000.
Over $30,000 but not over $40,000.	$4,300, plus 25% of the excess over $30,000.
Over $40,000 but not over $50,000.	$6,800, plus 28% of the excess over $40,000.
Over $50,000	$9,600, plus 30% of the excess over $50,000.

"(b) NONRESIDENT ALIENS.—In the case of a nonresident alien individual, the tax imposed by subsection (a) shall apply only as provided by section 871(b) or section 877.

"(c) ADJUSTMENTS IN TAX TABLES SO THAT INFLATION WILL NOT RESULT IN TAX INCREASES.—

"(1) IN GENERAL.—Not later than December 15 of 1987 and each subsequent calendar year, the Secretary shall prescribe a table which shall apply in lieu of the table contained in subsection (b) with respect to taxable years beginning in the succeeding calendar year.

"(2) METHOD OF PRESCRIBING TABLES.—The table which under paragraph (1) is to apply in lieu of the table contained in subsection (b) with respect to taxable years beginning in any calendar year shall be prescribed—

"(A) by increasing the minimum and maximum dollar amounts for each rate bracket for which a tax is imposed under such table by the cost-of-living adjustment for such calendar year,

"(B) by not changing the rate applicable to any rate bracket as adjusted under subparagraph (A), and

"(C) by adjusting the amounts setting forth the tax to the extent necessary to reflect the adjustments in the rate brackets.

If any increase determined under subparagraph (A) is not a multiple of $10, such increase shall be rounded to the nearest multiple of $10 (or if such increase is a multiple of $5, such increase shall be increased to the next highest multiple of $10).

"(3) COST-OF-LIVING ADJUSTMENT.—For purposes of paragraph (2), the cost-of-living adjustment for any calendar year is the percentage (if any) by which—

"(A) the Consumer Price Index for the preceding calendar year, exceeds

"(B) the Consumer Price Index for the calendar year 1986.

"(4) CONSUMER PRICE INDEX FOR ANY CALENDAR YEAR.—For purposes of paragraph (3), the Consumer Price Index for any calendar year is the average of the Consumer Price Index as of the close of the 12-month period ending on September 30 of such calendar year.

"(5) CONSUMER PRICE INDEX.—For purposes of paragraph (4), the term 'Consumer Price Index' means the last Consumer Price Index for all-urban consumers published by the Department of Labor.

"SEC. 2. COMMUNITY PROPERTY LAWS NOT TO APPLY.

"For purposes of this subtitle, the income of a married individual shall be determined without regard to the property laws of any State under which any part of the income of a married individual is treated as the income of his spouse.

"SEC. 3. CROSS REFERENCES RELATING TO TAX ON INDIVIDUALS.

"(1) For rates of tax on nonresident aliens with respect to income not connected with United States businesses, see section 871(a).

"(2) For computation of tax where taxpayer restores substantial amount held under claim of right, see section 1311.".

SEC. 3. TAXABLE INCOME.

Section 63 (relating to taxable income) is amended to read as follows:

"SEC. 63. TAXABLE INCOME DEFINED.

"(a) IN GENERAL.—For purposes of this subtitle, the term 'taxable income' means—

"(1) in the case of an individual, adjusted gross income reduced by the itemized deductions of the taxpayer for the taxable year, and

"(2) in the case of a corporation, gross income reduced by the deductions allowed the taxpayer by this chapter for the taxable year.

"(b) ITEMIZED DEDUCTIONS.—

"(1) IN GENERAL.—For purposes of this subtitle, the term 'itemized deductions' means the deductions allowed the taxpayer by this chapter for the taxable year other than the deductions taken into account in determining adjusted gross income.

"(2) ELECTION TO ITEMIZE.—

"(A) IN GENERAL.—Unless an individual makes an election under this subsection for the taxable year, no itemized deduction shall be allowed for the taxable year. For purposes of this subtitle, the determination of whether a deduction is allowable under this chapter shall be made without regard to the preceding sentence.

"(B) TIME AND MANNER OF ELECTION.—Any election under this subsection shall be made on the taxpayer's return, and the Secretary shall prescribe the manner of signifying such election on the return.

"(C) CHANGE OF TREATMENT.—Under regulations prescribed by the Secretary, a change of treatment with respect to the itemized deductions for any taxable year may be made after the filing of the return for such year. If the spouse of the taxpayer filed a separate return for any taxable year corresponding to the taxable year of the taxpayer, the change shall not be allowed unless, in accordance with such regulations—

"(i) the spouse makes a change of treatment with respect to the itemized deductions, for the taxable year covered in such separate return, consistent with the change of treatment sought by the taxpayer, and

"(ii) the taxpayer and his spouse consent (within such period as may be agreed on with the Secretary) in writing to the assessment of any deficiency, to the extent attributable to such change of treatment, even though at the time of the filing of such consent the assessment of such deficiency would otherwise be prevented by the operation of any law or rule of law.

This paragraph shall not apply if the tax liability of the taxpayer's spouse, for the taxable year corresponding to the taxable year of the taxpayer, has been compromised under section 7122.

"(D) MARITAL STATUS.—For purposes of this paragraph marital status shall be determined under section 143.".

SEC. 4. PERSONAL EXEMPTION CREDIT.

Subpart C of part IV of subchapter A of chapter 1 (relating to refundable credits) is amended by redesignating section 35 as section 36 and by inserting after section 34 the following new section:

"SEC. 35. PERSONAL EXEMPTION.

"(a) TAXPAYER.—In the case of an individual electing the application of this subsection, there shall be allowed the taxpayer as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of—

"(1) $250, plus

"(2) the product of—

"(A) $250, multiplied by

"(B) the cost-of-living adjustment for such taxable year.

"(b) ADDITIONAL CREDIT FOR SPOUSE.—In the case of a taxpayer whose spouse does not elect the application of subsection (a) for the taxable year of the spouse ending with or within the taxable year of the taxpayer, there shall be allowed the taxpayer as an additional credit against the tax imposed by this chapter for the taxable year of the taxpayer the sum described in subsection (a).

"(c) ADDITIONAL CREDIT FOR DEPENDENTS.—There shall be allowed the taxpayer as an additional credit against the tax imposed by this chapter for the taxable year the product of—

"(1) the number of qualified dependents of the taxpayer for the taxable year, multiplied by

"(2) the sum of—

"(A) $250, plus

"(B) the product of—

"(i) $250, multiplied by

"(ii) the cost-of-living adjustment for the taxable year.

"(d) DEFINITIONS; SPECIAL RULES.—For purposes of this section—

"(1) COST-OF-LIVING ADJUSTMENT.—The term 'cost-of-living adjustment' has the meaning given to such term by section 1(c)(3).

"(2) QUALIFIED DEPENDENT.—The term 'qualified dependent' means a dependent of the taxpayer—

"(A) whose gross income for the calendar year in which the taxable year of the taxpayer begins is less than $1,000, or

"(B) who is a child of the taxpayer that has not attained the age of 19 at the close of the calendar year in which the taxable year of the taxpayer begins.

"(3) CHILD.—The term 'child' means an individual who is a son, stepson, daughter, or stepdaughter of the taxpayer (within the meaning of section 152 as in effect on the day before the date of enactment of the Simpliform Tax Act).

"(4) DEPENDENT.—The term 'dependent' has the meaning given to such term by section 152 (as in effect on the day before the date of enactment of the Simpliform Tax Act).

"(5) SPECIAL RULES.—Rules similar to the rules under subsections (b), (c), (d), and (e) of section 152 shall apply in determining the credit allowable under this section.".

SEC. 5. REPEALS.

(a) IN GENERAL.—The following provisions of chapter 1 (relating to normal taxes and surtaxes) are hereby repealed:

(1) All sections in subpart A of part IV of subchapter A of chapter 1 (relating to nonrefundable personal credits), except section 26.

(2) Section 55 (relating to alternative minimum tax for taxpayers other than corporations).

(3) All sections in part III of subchapter B (relating to items specifically excluded from gross income), except—

(A) section 101 (relating to certain death benefits),

(B) section 102 (relating to gifts and inheritances),

(C) section 104 (relating to compensation for injuries or sickness),

(D) section 105 (relating to amounts received under accident and health plans),

(E) section 109 (relating to improvements by lessee on lessor's property),

(F) section 110 (relating to income taxes paid by lessee corporation),

(G) section 115 (relating to income of States, municipalities, etc.),

(H) section 118 (relating to contributions to the capital of a corporation),

(I) section 122 (relating to certain reduced uniformed services retirement pay),

(J) section 123 (relating to amounts received under insurance contracts for certain living expenses), and

(K) section 130 (relating to cross references to other Acts).

(4) Part V of subchapter B (relating to deductions for personal exemptions).

(5) All sections in part VII of subchapter B (relating to additional itemized deductions for individuals) except—

(A) section 211 (relating to allowance of deductions),

(B) section 212 (relating to expenses for production of income),

(C) section 215 (relating to alimony, etc., payments), and

(D) section 223 (relating to cross references).

(6) Subsection (e) of section 305 (relating to dividend reinvestment in stock of public utilities).

(7) Section 911 (relating to earned income from sources without the United States).

(8) Section 1202 (relating to deduction for capital gains).

(9) Part I of subchapter Q (relating to income averaging).

(b) OTHER PROVISIONS OF LAW.—All provisions of law (other than the provisions of subtitle A of the Internal Revenue Code of 1954, as amended by this Act), and all administrative regulations or rulings which exempt or exclude items of income of individuals from the tax imposed by such subtitle A, shall have no force or effect for taxable years beginning after the date of the enactment of this Act.

SEC. 6. DISALLOWANCE OF CERTAIN CREDITS AND DEDUCTIONS TO TAXPAYERS OTHER THAN SECTION 11 CORPORATIONS.

(a) DISALLOWANCE OF CREDITS.—Part IV of subchapter A of chapter 1 (relating to credits) is amended by inserting after subpart F the following new subpart:

"Subpart G—Denial of Certain Credits

"Sec. 53. Denial of certain credits to taxpayers other than section 11 corporations.

"SEC. 53. DENIAL OF CERTAIN CREDITS TO TAXPAYERS OTHER THAN SECTION 11 CORPORATIONS.

"No credit shall be allowed under subpart B or D to a taxpayer other than a C corporation.".

(b) DISALLOWANCE OF DEDUCTIONS.—Section 261 (relating to general rule for disallowance of deductions) is amended—

(A) by striking out "In" and inserting in lieu thereof "(a) IN GENERAL.—In", and

(B) by adding at the end thereof the following new subsection:

"(b) TAXPAYERS OTHER THAN SECTION 11 CORPORATIONS.—The following sections shall apply only in the case of a section 11 corporation:

"(1) section 163 (relating to interest),

"(2) section 164 (relating to taxes),

"(3) section 166 (relating to bad debts),

"(4) section 167 (relating to depreciation),

"(5) section 168 (relating to accelerated cost recovery system),

"(6) section 169 (relating to amortization of pollution control facilities),

"(7) section 170 (relating to charitable, etc., contributions and gifts),

"(8) section 171 (relating to amortizable bond premium),

"(9) section 172 (relating to net operating loss deduction),

"(10) section 173 (relating to circulation expenditures),

"(11) section 174 (relating to research and experimental expenditures),

"(12) section 175 (relating to soil and water conservation expenditures),

"(13) section 177 (relating to trademark and trade name expenditures),

"(14) section 178 (relating to depreciation or amortization of improvements made by lessee on lessor's property),

"(15) section 179 (relating to election to expense certain depreciable business assets),

"(16) section 180 (relating to expenditures by farmers for fertilizer, etc.),

"(17) section 181 (relating to expenditures by farmers for clearing land),

"(18) section 184 (relating to amortization of certain railroad rolling stock),

"(19) section 185 (relating to amortization of railroad grading and tunnel bores),

"(20) section 186 (relating to recoveries of damages for antitrust violations, etc.),

"(21) section 188 (relating to amortization of certain expenditures for child care facilities),

"(22) section 190 (relating to expenditures to remove architectural and transportation barriers to the handicapped and elderly),

"(23) section 192 (relating to contributions to black lung benefit trust),

"(24) section 193 (relating to tertiary injectants),

"(25) section 194 (relating to contributions to employer liability trusts),

"(26) section 194 (relating to amortization of reforestation expenses),

"(27) section 195 (relating to start-up expenditures), and

"(28) section 196 (relating to deduction for certain unused business credits).".

SEC. 7. ITEMS SPECIFICALLY INCLUDED IN GROSS INCOME.

(a) SOCIAL SECURITY AND TIER 1 RAILROAD RETIREMENT BENEFITS.—Subsection (c) of section 86 (relating to social security and tier 1 railroad retirement benefits) is amended to read as follows:

"(c) BASE AMOUNT.—For purposes of this section, the term 'base amount' means the sum of—

"(1) $12,000, plus

"(2) the product of—

"(A) $12,000 multiplied by

"(B) the cost-of-living adjustment for the taxable year (within the meaning of section 1(c)(3)).".

(b) PRIZES AND AWARDS.—Section 74 (relating to prizes and awards) is amended to read as follows:

"SEC. 74. PRIZES AND AWARDS.

"Gross income includes amounts received as prizes and awards, including amounts received as scholarships and fellowship grants.".

(c) PUBLIC ASSISTANCE.—

(1) IN GENERAL.—Subsection (a) of section 61 (defining gross income) is amended—

(A) by striking out "and" at the end of paragraph (14),

(B) by striking out the period at the end of paragraph (15) and inserting in lieu thereof "; and", and

(C) by adding at the end thereof the following new paragraph:

"(16) general welfare or public assistance payments made in cash.".

(d) RAILROAD RETIREMENT BENEFITS OTHER THAN TIER 1.—Part II of subchapter B of chapter 1 (relating to items specifically included in gross income) is amended by adding at the end thereof the following new section:

"SEC. 89. QUALIFIED RAILROAD RETIREMENT BENEFITS.

"(a) IN GENERAL.—Gross income shall include 40 percent of qualified railroad retirement benefits received by the taxpayer during the taxable year.

"(b) QUALIFIED RAILROAD RETIREMENT BENEFITS.—For purposes of this section, the term 'qualified railroad retirement benefit' means any benefit paid under the Railroad Retirement Act of 1974 other than a tier 1 railroad retirement benefit (within the meaning of section 86(d)(4)).".

(e) UNEMPLOYMENT COMPENSATION.—

(1) IN GENERAL.—Subsection (a) of section 85 (relating to unemployment compensation) is amended to read as follows:

"(a) IN GENERAL.—Gross income includes any unemployment compensation received by the taxpayer during the taxable year.".

(2) CONFORMING AMENDMENT.—Section 85 is amended by striking out subsection (b) and redesignating subsection (c) as subsection (b).

(f) INCREASE IN CASH SURRENDER VALUE OF LIFE INSURANCE POLICIES.—Part II of subchapter B of chapter 1 (relating to items specifically included in gross income) is amended by adding at the end thereof the following new section:

"SEC. 90. INCOME ATTRIBUTABLE TO LIFE INSURANCE, ANNUITY, OR ENDOWMENT CONTRACTS.

"(a) IN GENERAL.—There shall be included in the gross income of the owner of any annuity, life insurance, or endowment contract for the taxable year an amount equal to the excess of—

"(1) the sum of—

"(A) the cash surrender value of such contract at the close of the policy year ending with or within such taxable year, plus

"(B) withdrawals from the contract during such policy year, plus

"(C) any policyholder dividends paid during such policy year, over

"(2) the sum of—

"(A) the amount of premiums paid during such policy year under such contract, plus

"(B) the cash surrender value of such contract at the close of the policy year preceding such policy year.

"(b) COORDINATION WITH SECTION 72.—For purposes of section 72, any amount included in gross income under this section with respect to any annuity, life insurance, or endowment contract shall be treated as consideration paid for such contract.

"(c) REGULATIONS.—The Secretary shall prescribe such regulations as are necessary for the application of this section.".

(g) GROUP-TERM LIFE INSURANCE PURCHASED FOR EMPLOYEES.—

(1) IN GENERAL.—Subsection (a) of section 79 (relating to group-term life insurance purchased for employees) is amended to read as follows:

"(a) IN GENERAL.—There shall be included in the gross income of an employee for the taxable year an amount equal to the cost of group-term life insurance on his life provided for part or all of such year under a policy (or policies) carried directly or indirectly by his employer (or employers); but only to the extent that such cost exceeds the amount, if any, paid by the employee toward the purchase of such insurance.".

(2) EXCEPTIONS.—Subsection (b) of section 79 (relating to exceptions) is amended by striking out paragraph (1) and redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

SEC. 8. LIMITATION ON THE EXCLUSION OF VETERANS' BENEFITS.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 (relating to items specifically excluded from gross income) is amended by redesignating section 134 as section 135 and by inserting after section 133 the following new section:

"SEC. 134. CERTAIN VETERANS' BENEFITS.

"(a) IN GENERAL.—Gross income does not include—

"(1) benefits (other than cash) paid under any law administered by the Veterans' Administration, or

"(2) disability or death benefits paid under chapter 11 of title 38, United States Code, or any similar law administered by the Veterans' Administration.

"(b) RETIREMENT PAY IN LIEU OF BENEFITS.—In the case of a person who—

"(1) has been determined to be eligible to receive pension or compensation under laws administered by the Veterans' Administration but for the receipt by such person of pay pursuant to any provision of law providing retired pay to members or former members of the Armed Forces (within the meaning of section 101(10) of title 38, United States Code) or commissioned officers of the National Oceanic and Atmospheric Administration or of the Public Health Service, and

"(2) files a waiver of such retired pay in accordance with section 3105 of such title in the amount of such pension or compensation before the end of the one-year period beginning on the date such person is notified by the Veterans' Administration of such person's eligibility for such pension or compensation,

gross income does not include such retired pay to the extent such retired pay does not exceed the amount of pension or compensation excludible from gross income under subsection (a) which would have been paid to such person but for the receipt by such person of such retired or retirement pay.".

(b) CONFORMING AMENDMENTS.—Section 3101 of title 38, United States Code, is amended—

(1) by striking out "shall be exempt from taxation, shall be exempt from the claim of creditors," in the first sentence of subsection (a) and inserting in lieu thereof "shall be exempt from the claims of creditors",

(2) by striking out the second sentence of subsection (a), and

(3) by striking out subsection (d).

SEC. 9. DENIAL OF DEDUCTION FOR ENTERTAINMENT AND RELATED EXPENSES.

(a) ENTERTAINMENT, AMUSEMENT, OR RECREATION EXPENSES.—Section 274(a) (relating to entertainment, amusement, or recreation expenses) is amended to read as follows:

"(a) ENTERTAINMENT, AMUSEMENT, OR RECREATION.—

"(1) IN GENERAL.—No deduction otherwise allowable under this chapter shall be allowed for any item with respect to an activity which is of a type generally considered to constitute entertainment, amusement, or recreation, or with respect to a facility used in connection with such activity.

"(2) SOCIAL CLUBS.—For purposes of this subsection dues or fees to any social, athletic, or sporting club or organization shall be treated as an item with respect to a facility used in connection with an entertainment, amusement, or recreation activity.".

(b) BUSINESS MEALS.—Section 274(e) (relating to specific exceptions to application of subsection (a)) is amended by striking out paragraph (1) (relating to business meals).

SEC. 10. CERTAIN NEW CREDITS AGAINST TAX ALLOWED INDIVIDUALS.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 (relating to nonrefundable personal credits) is amended by inserting before section 26 the following new sections:

"SEC. 22. CREDIT FOR MEDICAL EXPENSES.

"(a) IN GENERAL.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 20 percent of the qualified medical expenses of the taxpayer for the taxable year.

"(b) QUALIFIED MEDICAL EXPENSES.—For purposes of this section, the term 'qualified medical expenses' means the excess, if any, of—

"(1) the aggregate amount of expenses—

"(A) which are paid by the taxpayer during the taxable year for the medical care of the taxpayer or of the spouse or dependent of the taxpayer, and

"(B) for which the taxpayer is not compensated by insurance or otherwise, over

"(2) 10 percent of the adjusted gross income of the taxpayer for the taxable year.

"(c) OTHER DEFINITIONS; SPECIAL RULES.—For purposes of this section—

"(1) DEFINITIONS.—The terms 'medical care', 'physician', and 'prescribed drug' have the respective meaning given to such terms by section 213(d) (as in effect on the day before the date of enactment of the Simpliform Tax Act).

"(2) DEPENDENT.—The term 'dependent' has the meaning given to such term by section 152 (as in effect on the day before the date of enactment of the Simpliform Tax Act).

"(3) SPECIAL RULES.—Rules similar to the rules under section 213(c) and paragraphs (4), (5), and (6) of section 213(d) (as in effect on the day before the date of enactment of the Simpliform Tax Act) shall apply in determining the amount of the credit allowable under this section.

"SEC. 23. INTEREST PAID WITH RESPECT TO A PRINCIPAL RESIDENCE.

"(a) INDEBTEDNESS INCURRED BY TAXPAYER.—

"(1) IN GENERAL.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 15 percent of the excess of—

"(A) the aggregate qualified interest paid by the taxpayer during the taxable year, over

"(B) 1 percent of the adjusted gross income of the taxpayer for the taxable year.

"(2) QUALIFIED INTEREST.—For purposes of this subsection, the term 'qualified interest' means interest paid or accrued on indebtedness incurred by taxpayer in the acquisition, construction, alteration, rehabilitation, or maintenance of property used by the taxpayer as a dwelling unit (within the meaning of section 280A(f)(1)).

"(b) INDEBTEDNESS OF COOPERATIVE HOUSING CORPORATION.—

"(1) IN GENERAL.—In the case of a tenant-stockholder, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 15 percent of the amounts which—

"(A) are paid or accrued to a cooperative housing corporation during the taxable year,

"(B) represent such tenant-stockholder's proportionate share of the interest allowable as a deduction to the corporation under section 163 which is paid or incurred by the corporation on its indebtedness contracted—

"(i) in the acquisition, construction, alteration, rehabilitation, or maintenance of the houses or apartment building, or

"(ii) in the acquisition of the land on which the houses (or apartment building) are situated, and

"(C) were not taken into account in determining the amount of any credit or deduction allowed the taxpayer under any provision of this chapter other than this subsection.

"(2) DEFINITIONS AND SPECIAL RULES.—The meaning given to any term by section 216(b) (as in effect on the day before the date of enactment of the Simpliform Tax Act), and rules similar to the rules provided by such section, shall apply in determining the amount of credit allowable under this subsection.

"(c) DOLLAR LIMITATION.—The aggregate amount allowed a taxpayer under this section for any taxable year shall not exceed $1,000.

"SEC. 24. CHARITABLE CONTRIBUTIONS OF INDIVIDUALS.

"(a) IN GENERAL.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 20 percent of the excess of—

"(1) the aggregate amount of charitable contributions made by the taxpayer during the taxable year, over

"(2) 1 percent of the adjusted gross income of the taxpayer for such taxable year.

"(b) CHARITABLE CONTRIBUTIONS.—For purposes of this section, the term 'charitable contributions' has the meaning given to such term by section 170(c).

"(c) SPECIAL RULES.—Rules similar to the rules provided under subsections (a)(3), (e), (f), and (g) of section 170 shall apply in determining the amount of the credit allowable under this section.

"SEC. 25. LOCAL TAXES.

"(a) IN GENERAL.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 15 percent of the excess of—

"(1) the aggregate amount of qualified taxes paid by the taxpayer during the taxable year to a political subdivision of a State or to the District of Columbia, over

"(2) 1 percent of the adjusted gross income of the taxpayer for the taxable year.

"(b) QUALIFIED TAXES.—For purposes of this section, the term 'qualified taxes' means any tax with respect to which a deduction would be allowable under section 165 if the taxpayer were a section 11 corporation.

"(c) DOLLAR LIMITATION.—The aggregate amount allowed a taxpayer under this section for any taxable year shall not exceed $1,000.

"(d) DEFINITIONS AND SPECIAL RULES.—The meaning given to any term by section 165, and rules similar to the rules provided by such section, shall apply in determining the amount of the credit allowable under this section.".

(b) EXCESS EARNED INCOME CREDIT ALLOWED SPOUSE.—Subsection (d) of section 32 (relating to earned income) is amended to read as follows:

"(d) EXCESS CREDIT ALLOWABLE TO SPOUSE.—Any portion of the amount of the credit determined under subsection (a) which a married individual is not allowed for any taxable year by reason of the limitation provided in subsection (b) shall be allowed as a credit under this section to the spouse of such individual for the taxable year of the spouse beginning in the calendar year in which such taxable year begins to the extent the aggregate amount allowed the spouse under this section for such taxable year of the spouse does not exceed the limitation imposed by subsection (b) with respect to the spouse.".

SEC. 11. INDEXATION OF BASIS IN PROPERTY.

(a) IN GENERAL.—Section 1001 (relating to determination of gain or loss) is amended—

(1) by striking out "adjusted basis provided in section 1011" in subsection (a) and inserting in lieu thereof "indexed basis",

(2) by striking out "adjusted basis provided in such section" and inserting in lieu thereof "indexed basis", and

(3) by redesignating subsection (f) as subsection (h) and inserting after subsection (e) the following new subsections:

"(f) INDEXED BASIS.—For purposes of this section—

"(1) IN GENERAL.—The indexed basis of the taxpayer in any property is the product of—

"(A) the adjusted basis of the taxpayer in such property (within the meaning of section 1011), multiplied by

"(B) the applicable inflation ratio for such property.

"(2) APPLICABLE INFLATION RATIO.—The applicable inflation ratio for any property is the percentage determined by dividing—

"(A) the Consumer Price Index for the calendar year in which the sale or exchange takes place, by

"(B) the Consumer Price Index for the calendar year in which the holding period of the property began.

The applicable inflation ratio shall not be taken into account unless it is greater than 1. The applicable inflation ratio for any property shall be rounded to the nearest one-tenth of 1 percent.

"(3) CONSUMER PRICE INDEX.—The term 'Consumer Price Index' has the meaning given to such term by section 1(c).

"(g) TREATMENT OF PROPERTY.—For purposes of determining the gain from the sale or other disposition of property, the following shall be treated as separate property:

"(A) any substantial improvement to such property,

"(B) in the case of a transaction in which gain or loss is recognized only in part, that portion of the asset to which the recognized gain or loss is property attributable, and

"(C) any other portion of an asset to the extent that separate treatment of such portion is appropriate to carry out the purposes of this section.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to disposition of property made after December 31, 1986.

SEC. 12. WITHHOLDING.

Section 3402 (relating to income tax collected at source) is amended by—

(1) striking out subsections (b), (c), (f), (i), and (m), and

(2) amending subsection (a) to read as follows:

"(a) REQUIREMENT OF WITHHOLDING.—Every employer making payment of wages shall deduct and withhold upon such wages (except as otherwise provided in this section) a tax determined in accordance with tables prescribed by the Secretary.".

SEC. 13. SECTION 11 CORPORATION DEFINED.

Subsection (a) of section 7701 (relating to definitions) is amended by adding at the end thereof the following new paragraph:

"(38) SECTION 11 CORPORATION.—The term 'section 11 corporation' means any corporation other than—

"(A) an S corporation (within the meaning of section 1361(a)), and

"(B) a personal holding company (within the meaning of section 542).".

SEC. 14. MARRIED INDIVIDUALS.

(a) ELIMINATION OF JOINT RETURNS.—Section 6013 (relating to joint returns of income tax) is hereby repealed.

(b) ALLOCATION OF INCOME BETWEEN MARRIED INDIVIDUALS.—Part IV of subchapter B of chapter 1 (relating to determination of marital status) is amended—

(1) by striking out the heading and inserting in lieu thereof "PART IV—MARRIED INDIVIDUALS", and

(2) by adding at the end thereof the following new section:

"SEC. 144. ALLOCATION OF INCOME BETWEEN MARRIED INDIVIDUALS.

"(a) IN GENERAL.—For purposes of this chapter—

"(1) all earned income of a married individual shall be allocated to such individual, and

"(2) all income of a married individual which is not earned income shall be allocated equally between such individual and the spouse of such individual.

"(b) EARNED INCOME.—For purposes of this section, the term 'earned income' has the meaning given to such term by section 32(c)(2).

"(c) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the provisions of this section.".

SEC. 15. TECHNICAL AND CONFORMING CHANGES.

The Secretary of the Treasury or his delegate shall, as soon as practicable but in any event not later than 90 days after the date of enactment of this Act, submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a draft of all technical and conforming changes in the Internal Revenue Code of 1954 which are necessary to reflect throughout such Code the changes in the substantive provisions of law made by this Act.

SEC. 16. STUDY OF CORPORATE INCOME TAX.

(a) STUDY.—The Secretary of the Treasury or his delegate shall conduct a study of amendments to the Internal Revenue Code of 1954 which would—

(1) lower the rate of tax imposed on corporate income,

(2) eliminate corporate tax preferences, and

(3) structure the corporate income tax so that it is similar to the individual income tax (as amended by this Act).

(b) REPORT.—The Secretary of the Treasury shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a final report on the study conducted under subsection (a) by no later than 1 year after the date of enactment of this Act. Such report shall include—

(1) recommendations of the Secretary of the Treasury with respect to the amendments described in subsection (a), and

(2) proposed legislation necessary to effect such amendments.

SEC. 17. EFFECTIVE DATE.

Except as otherwise provided, the amendments and repeals made by this Act shall apply to taxable years beginning after December 31, 1986.

TAX REFORM: IT'S TIME TO FULFILL THE PROMISE

(By Senator Mark O. Hatfield)*

(Sen. Mark O. Hatfield, R-Ore., is chair of the Senate Appropriations Committee. In this article, he recommends adoption of his "Simpliform" proposal for fundamental reform of the income tax system. Under Simpliform, the tax base would be broadened by replacing the many deductions, credits, and exemptions in current law with, simply, five credits. In addition, tax rates would be lowered.

(Hatfield begins by outlining the major problems with the current Internal Revenue Code and the principal objectives of tax reform. He argues, for example, that the

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Footnotes at end of article.

current system discourages saving, and he notes that the complexity of the system makes it costly to administer. Tax reform, he says, should strive for simplicity, economic neutrality, and fairness. The senator goes on to describe his Simpliform proposal, which he believes would eliminate many of the problems in the current system.

(An appendix to the article contains a detailed analysis of the proposal by the Joint Committee on Taxation and contains revenue estimates and comparisons with current law.)

When Congress considered the Economic Recovery Tax Act of 1981 (ERTA), proponents assumed that the 1984 federal budget would be in balance and that surplus revenues would be used to index tax rates. Yet, the most recent Administration budget projections forecast a $185 billion revenue shortfall for fiscal year 1984. In addition, the Congressional Budget Office budget projections show deficits through 1986 on the order of $200 billion annually, if Congress takes no action to enforce its budget reconciliation instructions.[1]

Such a development would bring the amount of publicly held federal debt to approximately $2.4 trillion—roughly equivalent to one half the total Gross National Product projected for 1988.[2] Even with significant economic growth, annual budget deficits will approach six percent of GNP. To place this projection in perspective, the 1968 "guns and butter" budget of President Johnson had a $25 billion deficit (three percent of GNP) which seemed a staggering figure at that time.[3]

Moreover, CBO projections earlier this year show that between 1981 and 1988 (two years estimated to have comparable unemployment rates), the deficit will rise by 3.6 percentage points of GNP, which translates into a structural deficit of about $170 billion.[4] Of striking interest is the fact that the net revenue effect of ERTA and TEFRA (the Tax Equity and Fiscal Responsibility Act of 1982) may account for up to 74 percent of the deficit projected for 1988, if Congress makes no changes in present policies and laws.[5]

1. CONGRESSIONAL BUDGET SENTIMENTS AND OUTLOOK

Unpleasant realities and considerable frustration have emerged as hallmarks of congressional efforts to formulate the 1984 budget. Coupled with intolerably high deficits proposed by the Administration for fiscal years 1984 through 1988 is the continuing erosion of the revenue base, which, if unchecked, will further exacerbate efforts to narrow deficits in the out-years.

Congress has been wrenched to and fro on the issue of increasing taxes. In the Senate, the battle over the budget resolution supported by the President and the resolution proposed by the so-called "Gang of Five" centered largely on revenue policy.[6] Because of the magnitude of the projected revenue shortfall, spending restraint alone, even if combined with a sustained and robust economic recovery, will not adequately reduce the mushrooming deficits that have caused increasing concern in the financial markets. Even the Administration acknowledged the need to raise additional revenues to reduce future federal deficits, when it proposed the standby tax package that called for tax increases of $46 billion in 1966 and $51 billion in 1988.

A. Tax increases vs. no tax increases

Currently, congressional sentiment on the revenue side of the budgetary equation tends to fall into two broad camps. One group opposes any tax increase, arguing that the economy will advance more vigorously and speedily than CBO projections; that CBO estimates are too pessimistic; and that tax increases will impede economic recovery.

The second group contends that some multi-year revenue increases or slow-down in future tax cuts, representing a component of a broader deficit reduction package that includes spending cuts, are essential. The primary focus for reducing the deficit, however, should be in the out-years. Delaying efforts to reduce the structural deficit may cause uncertainty about the future of the economy, thereby keeping interest rates unacceptably high, and may make lenders reluctant to enter into longer-term commitments.

Seemingly more heterogeneous in its membership than the first group, the second camp is comprised of a variety of factions with differing tax policy preferences. One of these factions views the current tax system as largely unfair to the poor and middle income taxpayer. This relatively liberal contingent sees the tax code gaping with loopholes that disproportionately benefit upper income individuals and corporations. Accordingly, these legislators seek to eliminate numerous corporate tax preferences and to curtail benefits enacted in ERTA, such as through proposals to cap the third year of the tax cut, or to freeze the scheduled phase-in of estate tax reductions.

A second faction among those who recognize the necessity of future revenue increases focuses on enhanced compliance and selective measures to broaden the scope of the income tax, so that basic tax rates would not have to be raised. The driving force behind this faction has been the Senate Finance Committee.

A third faction seeks to curtail or eliminate a host of tax expenditures in order to broaden the tax base and thereby reduce marginal tax rates. These legislators are satisfied neither with the net effects of ERTA and TEFRA nor with piecemeal efforts to close loopholes and strengthen compliance. Accordingly, this third faction seeks nothing short of comprehensive restructuring of the tax code.

B. Lessons of ERTA and TEFRA

While there is a growing consensus in Congress that ERTA was excessive and unaffordable, particularly in light of current and projected deficits, there is also agreement that ERTA properly sought to encourage savings and investment by lowering punitively high marginal tax rates. TEFRA, on the other hand, reflected the need to raise revenue, in part to offset the effects of ERTA, by limiting several tax preferences and by increasing tax compliance.

Both acts attempted to achieve appropriate objectives by adjusting the rate structure, in the case of the former, and by partially broadening the tax base, in the case of the latter. Yet, the changes of ERTA and TEFRA underscore a fundamental problem with current tax policy: that it is constructed in a piecemeal, inconsistent, and vacillatory manner.

C. Time for fundamental tax reform

Even though deep divisions remain in Congress over the appropriate direction for tax reform, the next 18 months offer a historic opportunity to meld many of these groups into a broad coalition that seeks fundamental reform of the federal tax code.

A changing political and economic climate provides mounting impetus for, at a minimum, more serious consideration of substantial revisions in the individual and corporate income tax which could promote greater simplicity, economic efficiency, and equity.

Advocates of "fundamental tax reform" have been active since the enactment of ERTA.[7] Hearings before the Senate Finance Committee and the Joint Economic Committee on flat-rate tax proposals indicate that there is increasing support for, and political interest in, overhauling the federal income tax. The Administration has contributed to that interest with its recent calls for studies on simplifying the tax system. Moreover, with the completion of the Treasury Department's econometric tax model, more detailed and meaningful analyses of congressional tax proposals have become feasible.

Political interest in "reforming" the entire tax code or various components of it may intensify as the presidential campaign shifts into high gear. Particularly within the Democratic race, the early themes of promoting economic growth by encouraging savings and investment, and of enhancing U.S. competitiveness in international markets may translate into additional proposals for restructuring specific tax provisions.

More important, though, current budgetary realities will direct attention to tax reform. The intolerably high deficits projected for the next four years, combined with a trend toward a declining revenue base will provide a prominent backdrop for major tax revisions after the 1984 elections.

While few would disagree with the proposition that the tax code is in need of reform, the scope and character of such proposals is the contentious issue. Accordingly, this article will outline some of the major frustrations and problems with the tax code. Next, it will outline appropriate objectives of tax reform. Finally, it will present my proposal to reform the individual income tax which includes a provision for its eventual integration with the corporate income tax.

2. FRUSTRATION WITH THE CURRENT TAX SYSTEM

By April 15, 1983, over 95 million individual income tax returns were filed with the Internal Revenue Service. When enacted in 1913, the federal income tax affected less than one-half of one percent of all wage earners in the country, most of whom paid one percent or less of their income for taxes. Today the tax code profoundly affects a significantly broader scope of our country's economic activties, with increasingly adverse economic consequences.

The individual income tax, leaking with loopholes that promote inefficiency, inequity, and enormous complexity, is on the verge of losing its most admirable feature—the willingness of millions of Americans to comply. In addition to the thousands of letters that I receive annually which call for reform of the federal income tax, a litany of studies also documents the growing public dissatisfaction with the income tax. For example, a recent General Accounting Office report concluded that the tax protest movement alone poses a serious threat to our nation's voluntary tax system.[8] Moreover, the Advisory Commission on Intergovermental Relations reports that 36 percent of the public feels that the federal income tax is the most unfair tax (compared to state income, state sales, and local property taxes).[9]

In recent years over 40 percent of taxpayers have employed professional assistance to

prepare their returns at a cost of over $1 billion.[10] Because of the complexity of federal tax policies, the federal government spent over 485 million hours attempting to satisfy reporting and recordkeeping requirements.[11]

In addition, the backload of court cases considering tax disputes is staggering. For fiscal 1981, the U.S. Tax Court started with over 34,000 cases and received over 29,500 new cases. It solved over 18,000 cases, but concluded the year with 45,000 cases pending. Similarly, District Courts and Courts of Claims were unable to gain ground in resolving existing tax cases.[12] As recently as June 13 of 1983, the Senate Finance Committee found that the backlog of cases is estimated at 50,000, 16,000 of which involve tax shelters.[13]

The source of this complexity is the attempt by Congress and the Executive to achieve a myriad of social objectives with the income tax. Whether it is the promotion of housing, jobs, energy conservation, or incentives to save and invest for various purposes, the perennial legislative response is to add another deduction or credit to the tax form.

The federal government has forgotten the principal function of the tax system: to raise revenue in the most efficient, equitable, and least complex manner. The current practice of narrowing the scope of income that is subject to taxation—via additional tax expenditures—requires unnecessarily high tax rates to yield the revenue that is required to support federal obligations.

3. EFFECTS OF CURRENT TAX POLICY

A. Encourages borrowing, discourages savings, retards capital formation

The structure of current tax policy provides a plethora of incentives for accumulating debt as opposed to encouraging savings. Not surprisingly, the U.S., which is unique in permitting the unlimited deductibility of interest, has the lowest national savings rate among highly developed countries. A prinicpal reason for this disparity is the fact that an unusually large percentage of the U.S. population consumes and borrows more than they save every year.[14] It does not result because Americans tend to save less than people in other countries.

As a result of the tax bias toward borrowing and the inflationary spiral of the recent past, Americans have been caught up in a debtor mentality—borrowing excessively today, writing off interest payments, and counting on inflation to devalue the real burden of debt over time. Our entire economy is caught in a vicious cycle of debt with over $900 billion in gross interest payments made each year.[15] Interest payments have risen more than twice as fast as GNP. Indeed, the deductibility of interest on consumer credit and mortgage interest alone represented a $30 billion loss in revenue in 1983.[16]

The tax code penalizes equity financing because returns to shareholders face double taxation: first by federal and state governments, which tax earnings at the corporate rate; and then as dividends and investments are distributed to shareholders. A generation of business managers has been taught to leverage corporate return on assets by borrowing rather than raising internally the needed cash for investment.

After the federal government soaked up 73 percent of available net private savings in 1983, and highly leveraged businesses and individuals borrowed to keep afloat, precious little remained for productive new enterprises that hold the key to providing the jobs America so desperately needs.[17] In sum, the combination of budget deficits and federal tax policy has produced massive borrowing, crippling interest rates, and a scarcity of investment capital.

B. Reduces economic growth

The catalogue of tax preferences continually added to the tax code reduces economic efficiency in a number of ways. In addition to providing disincentives for savings and other investments, current tax expenditures direct resources toward tax-preferred activities from other activities with higher pretax returns, thereby reducing potential GNP. As the tax code drifts from a more steady course of tax neutrality, countless violations to the broad objective of economic efficiency result.

A glaring illustration of tax-induced activity that offers virtually no return to the economy in general, or to the federal government, is the increasingly popular leasing scheme by which tax-exempt institutions sell their assets to private investors who agree to lease them back to the seller. Unless corrective action is taken, this loophole will cost the federal government $14 billion in lost revenue by 1988.[18]

Moreover, as tax preferences grow, tax rates necessary to generate adequate federal revenue must rise. As a result, many individuals and corporations will funnel more of their resources into unproductive tax shelters, which represent a waste of both badly needed government revenue and private funds. In addition, higher marginal tax rates reduce incentives for additional work and investment.

C. Induces tax evasion

Higher marginal tax rates induce taxpayers to seek legal and illegal means to reduce their tax burden. Indeed, the fast pace of the "underground economy" in recent years is in part a response to higher taxes, particularly as middle income earners are pushed by inflation into higher tax brackets. In effect, inflation has produced increasingly higher effective tax rates while real incomes have not correspondingly increased.

Tax officials comment with great frequency that tax avoidance is blurring into tax evasion—exaggerated deductions, unreported income, and unfiled returns all have increased faster than personal income. Lowering tax rates will not eradicate the underground economy, but such a move may reduce the incentive for new people to join the underground labor force, which will soon hide an estimated $100 billion in legally earned income from the I.R.S.[19]

4. TAX EXPENDITURES AND EQUITY CONSIDERATIONS

As mentioned, a fundamental issue in the tax reform debate concerns the alarming decline of the tax base. The increasing number of special tax incentives and exclusions, coupled with their frequent expansion, reduces the tax base and results in unnecessarily high tax rates.

The amount of income excluded from adjusted gross income has increased steadily since 1947.[20] Because of our tendency to expand the size and scope of available tax breaks, less than half of personal income is currently subject to income taxation. Indeed, a study by the Congressional Research Service concluded that the dollar magnitude of tax expenditures is so large that if the tax expenditure system were dismantled, average tax rates could be cut by approximately one third.[21] A CBO study documents the sharp growth of tax preferences, observing that in 1967, the first year for which a tax expenditure budget was compiled, 50 items represented a total revenue loss of $36.6 billion—equivalent to 4.4 percent of GNP. By fiscal year 1983, the report estimated that tax expenditures will have increased to $273 billion compared to estimated revenues of $633 billion, amounting to over eight percent of GNP.[22]

In essence, tax expenditures are similar to government payments, because the same objective could be accomplished by direct outlays. Because tax expenditures represent revenue losses and contribute to federal deficits as do direct spending programs, they should be reviewed annually as part of the congressional budget process. Unlike the process by which outlays are categorized in the budget resolution into broad budget functions and then periodically reviewed by the authorizing committees, no comparable procedures exists for tax expenditures. Currently, tax expenditures are grouped together with aggregate revenues and assigned solely to the tax-writing committees. As a result, tax expenditures operate much like entitlement programs in that both function on automatic pilot, with built-in increases that largely escape annual congressional scrutiny.

The presumed efficacy of tax preferences and the propensity to expand benefits underlie the growth of tax loopholes. A recent example of the growth of tax expenditures was ERTA, which added 11 new expenditures, expanded 21 existing ones, and reduced only two items. This act directly increased tax expenditures by $25.4 billion in the current fiscal year and $57.3 billion in fiscal 1985, while only partially reducing other tax expenditures.[23]

A number of tax experts have observed that if tax expenditures were broken down in amounts paid to various income groups, the results would show that the largest payments flow to wealthy individuals. Tax expenditures, the product of a shotgun approach to tax equity, increasingly undermine the intended progressivity of the individual income tax. Indeed, figures provided by the Treasury Department and the Joint Committee on Taxation reveal that the top 4.4 percent of taxpayers in 1981—those making $50,000 or more—received a wholly disproportionate share of the benefits of 13 out of 33 tax expenditures studied. Moreover, these findings show individuals making $100,000 or more—less than one percent of all taxpayers—received 13 percent of the benefits of these tax expenditures.[24] The study by the Treasury Department also noted that some major tax preferences are highly regressive, such as the exclusion of interest on state and local bonds, with 94.1 percent of the benefits going to the most affluent taxpayers.[25]

While controlling the amount and types of tax expenditures has received greater attention in recent years, the federal government has failed to establish an adequate set of criteria for the review of these tax subsidies. When evaluating each special tax provision, legislators should ask three broad questions: First, does the tax provision still serve a valid public end? Second, do the benefits resulting from the provision exceed its costs? Third, how does the provision compare with alternative means of achieving the same public objective?[26] In far too many instances, current tax expenditures would not pass this test. In some cases, individuals would undertake the subsidized activity even in the absence of the tax subsidy. For the vast majority of cases, direct subsi-

dies would be more cost-effective than hidden tax subsidies.

5. OBJECTIVES OF TAX REFORM

A. Simplicity

Simplicity implies that distinctions in the tax code should be kept to a minimum, so that ordinary taxpayers can prepare their returns without professional assistance. In general, repealing deductions, credits, and exclusions would simplify the tax filing process. Of course, not all base broadening measures would simplify the tax system. Taxing social security benefits, for instance, might require many low-income elderly individuals who do not currently file to complete tax forms, thereby increasing government paperwork. Simplicity also enhances tax equity by enabling individuals with less education to calculate their tax liabilities as readily as those with greater knowledge and expertise.[27]

B. Efficiency

An efficient tax system is neutral, so that personal and business decisions are based on their perceived value, apart from tax considerations. Rather than viewing the tax code as a necessary evil which efficiently raises revenue, policy makers have used the tax code as an instrument of social intervention, as a method to finetune the economy, and as a highly politicized game of subsidizing favorite causes and industries.

C. Equity

An equitable tax system recognizes that to those who have been given the most, there is a corresponding greater responsibility in bearing the burdens of self-government. But equity also means that we should avoid striving to "soak the rich" and instead, treat income from all sources in the same manner.

Unfortunately, inequity abounds in current tax policy. In addition to receiving proportionately fewer of the benefits of current tax expenditures, the median income family faces disproportionately higher marginal tax increases because of inflation than do the wealthy.[28] Marginal federal tax rates for the median income family of four persons was 22 percent in 1975, 24 percent in 1981, and is projected to rise to 32 percent by 1985, an increase of 34 perent in 10 years.[29]

6. SIMPLIFORM: A NEW PROPOSAL

Since 1972, I have advocated reforming the individual income tax and have introduced several versions of The Simpliform Tax Act. This proposal, which is based on the principles of efficiency, simplicity, and equity, serves as a model for eliminating the plethora of tax expenditures in order to lower significantly marginal tax rates. Accordingly, I have reintroduced my Simpliform proposal, S. 2158.

A. Analytical framework

Under Simpliform, essentially all income would be treated in the same manner. For example, the broader income base would include an array of previously excluded items such as unemployment compensation, contributions by employers to accident and health plans, interest from municipal and mortgage revenue bonds, and 50 percent of social security income for individuals with taxable income over $12,000—in order to reduce significantly tax rates for all taxpayers. By eliminating the litany of current tax expenditures, this proposal virtually eliminates the distinction between adjusted gross income and taxable income. By focusing on simplifying the tax code and reducing marginal tax rates. Simpliform effectively addresses many of the shortcomings and structural defects of current tax policy which were delineated earlier.

Because Simpliform does not use tax simplification as an excuse to raise taxes or to shift the tax burden to low- and middle-income taxpayers, this proposal is constructed upon two basic criteria. First, Simpliform raises the same level of revenue as present federal income and social security tax laws. Second, Simpliform is distributionally neutral in that it maintains the current distribution of the tax burden across broadly defined income classes.

B. Summary of Simpliform

By broadening the tax base, Simpliform offers progressive rates varying from six percent for taxable incomes less than $5,000 to a maximum of 30 percent for taxable incomes over $50,000. Thus, Simpliform reduces the top rate by 40 percent from its current high of 50 percent. Moreover, Simpliform reduces average tax by over 25 perent. The following presents the individuals income tax rate schedule under Simpliform:

Taxable income	The tax is
0 to $5,000	0 plus 6 percent of excess over 0.
$5,000 to $10,000	$300 plus 12 percent of excess over $5,000.
$10,000 to $30,000	$900 plus 17 percent of excess over $10,000.
$30,000 to $40,000	$4,300 plus 25 percent of excess over $30,000.
$40,000 to $50,000	$6,800 plus 28 percent of excess over $40,000.
Over $50,000	$9,600 plus 30 percent of excess over $50,000.

In addition to lowering marginal tax rates. Simpliform provides five simple and equitable tax credits, which enhance distributional neutrality, tax equity, and the overall attractiveness of the proposal. First, Simpliform provides a $250 nonrefundable personal exemption credit for each taxpayer, spouse, and each dependent. (The definition of dependent follows current law except that it does not include students over the age of 19.) According to the analysis of this proposal prepared by the Joint Committee on Taxation (reproduced as an appendix to this article), converting current exemptions to a $250 tax credit would provide taxpayers with income under $30,000 with a 20 percent average increase in tax benefits compared to current law.

Second, Simpliform provides a 20 percent nonrefundable credit for charitable contributions for that portion in excess over one percent of adjusted gross income. The economic justification for maintaining a tax subsidy for charitable contributions, as opposed to direct federal outlays, as Martin Feldstein and other scholars discern, is that a tax preference can encourage greater contributions at a lower cost to federal revenues than direct government spending. Before the charitable deduction was expanded to include nonitemizers in 1981, the National Committee for Responsible Philanthropy endorsed the concept of a tax credit for charitable contributions.[30] Shifting to a tax credit would encourage taxpayers with incomes of less than $40,000, many of whom realize few tax benefits under current law, to make larger contributions. Simpliform replaces the complexity of the above-the-line charitable deduction simplicity and greater tax equity.

Third, Simpliform provides a 15 percent nonrefundable credit for home mortgage interest for that portion exceeding one percent of adjusted gross income. The credit would be limited to $1,000 per taxpayer. As a report by the Congressional Budget Office observes, converting the mortgage interest deduction to a tax credit would extend the present tax subsidy to virtually all homeowners with mortgages.[31] Currently, 60 percent of homeowners do not use the mortgage interest deduction.

Moreover, converting the deduction into a tax credit would, in general, equalize the rate of subsidy provided to homeowners with mortgage payments. For example, if two taxpayers have a home mortgage with an interest rate of 14 percent, and one is in the 50 percent tax bracket while the other is in the 20 percent bracket, our current tax system reduces the interest rate to seven percent for the former and 11 percent for the latter. In contrast, a 15 percent tax credit would provide a 15 percent reduction for both taxpayers. As an added benefit, this tax credit would also concentrate more tax savings on low and moderate-income families.[32] Under current tax law, the Joint Committee on Taxation estimates that by 1985, three-quarters of the benefits of the mortgage interest deduction will go to taxpayers with incomes over $30,000.[33] With Simpliform, taxpayers with annual income under $30,000 would enjoy 45 percent of the benefits of the mortgage interest tax credit, and would receive a slightly larger subsidy than under current law.

Fourth, Simpliform provides a 15 percent nonrefundable credit for taxes paid for that portion exceeding one percent of adjusted gross income. The credit would be limited to $1,000 per taxpayer. Like the mortgage interest tax credit and personal exemption credit, a credit for state and local taxes paid will largely equalize the tax benefit of this expenditure across all income brackets. In contrast, 80 percent of the benefits of the current deduction for state and local taxes goes to those earning over $30,000 and 50 percent goes to those earning in excess of $50,000 annually.[34] Maintaining some protection for taxes paid ensures, for the most part, that a tax on a tax will not be paid.

Fifth, Simpliform provides a 20 percent nonrefundable credit for medical expenses exceeding 10 percent of adjusted gross income. This provision serves as another means to insure tax equity, for excessive medical expenses severely impinge upon the "ability to pay" principle that is a fundamental tenet of our tax system. As the analysis by the Joint Committee on Taxation shows, the medical care credit would, on average, be more generous than current law for 98 percent of all taxpayers.[35]

Sixth, Simpliform repeals the option of filing joint tax returns and thereby virtually eliminates the "marriage penalty." In the words of one commentator, "our current method of defining units of taxation is capricious in its determination of the relative tax liabilities of people who differ only in their formal marital status."[36] In taxing the first dollar of compensation to the secondary earner in a marriage at the other spouse's top tax rate, we severely penalize the couple who tries to get ahead by working longer and harder. As a result, we reward rather substantially those who by preference, or otherwise, avoid marriage.

Although this proposal taxes the individual as a unit instead of the couple, the bill allocates unearned income such as rents, interest, or investment income equally between the two spouses. By treating this income as property of an equal partnership, we prevent the tax planning opportunities of shifting passive income to the lower-earning spouse. Thus, the bill strikes an intermediate position between the flexibility of

income shifting and allocating all unearned income to the spouse with the larger salary.

Finally, making the individual the unit of taxation encompasses two other advantages.

It responds to the growing emergence of women in the workforce as an equal partner in a marriage, as an unmarried head of a household, or as a single worker.

It is economically efficient and removes a substantial disincentive for second earners in a marriage to enter the workforce. In the conclusion of one study, we could achieve the same amount of tax revenue with a 30 percent increase in economic output by adopting the individual as the unit of taxation.[37]

Seventh, indexing of the rate brackets and personal exemptions, which was adopted in ERTA, would be retained but implemented in 1986. The special capital gains deduction would be repealed, but the cost basis of capital assets would be indexed to account for inflation beginning after 1984. In doing so, gains in property assets would be taxed on their actual as opposed to their inflated gain.

Finally, Simpliform does not immediately reform our corporate tax system. Instead, it requires the Treasury Department to study our business income tax structure and submit legislation to the Congress which would simplify the existing system by eliminating tax preferences and lowering tax rates.

7. ADVANTAGES OF SIMPLIFORM

If enacted, Simpliform would revolutionize and, in my view, energize our tax system with lower rates, greater equity, and increased economic efficiency. Briefly, it has the advantage of:

Drastically reducing high marginal tax rates that punish saving and investment at the expense of more leisure and consumption.

Continuing the reduction in top tax rates that once ranged from 23 percent to 94 percent and today range from 11 percent to 50 percent, we automatically reduce the built-in incentive to avoid taxable wages and accept fringe benefits instead. (In 1951, fringe benefits accounted for 19 percent of payroll expenses, but by 1980 they consumed 37 percent of an employer's payroll.)[38]

Meeting head-on the explosion of tax expenditures that eroded the efficiency and fairness of our tax system.

Retaining a limited tax incentive for five basic provisions—personal exemptions, charitable contributions, mortgage interest deductions, medical expenses, and state and local taxes paid.

Making these five tax incentives equitable and equally valuable to taxpayers across all income levels.

Simplifying our tax system by eliminating a host of special exclusions and deductions, as well as dozens of special forms that confuse and frustrate millions of taxpayers.

Restoring confidence in the fairness and simplicity of our tax code; thereby breathing new life into our "voluntary" or self-reporting system of taxation.

Reducing the tax code's bias towards borrowing, thereby taking the pressure off the Federal Reserve System to rely exclusively on punitive interest rates to quench the fires of inflation.

Broadening the tax base and treating income from a variety of sources in a more equal fashion.

Eliminating the marriage penalty and recognizing the important contribution of women to our economic welfare.

Retaining indexing of rate brackets, personal exemptions, credits, and capital assets to ensure that inflation does not undermine the incentive to work, save, and invest.

8. CONCLUSION

With a projection of annual $200 billion deficits that by 1986 will be overwhelmingly due to the 1981 tax cut, it is time we begin to lay the foundation for a fundamental change in tax policy. After the dust clears from the 1984 election, we in the Congress and in the Executive Branch should seize the opportunity to radically change the erosion of a tax system that is sapping our economic strength, penalizing thrift, encouraging excessive debt, and forcing redoubled efforts to exact a pound of flesh from errant taxpayers who fail to comply with its obscure provisions. To the skeptic, tax reform is a product with no market. But from my visits and correspondence with constituents, I believe there is a vast untapped reservoir of support for a complete restructuring of our tax system. Because of its virtues of simplicity, fairness, and increased economic efficiencies, Simpliform should be a serious contender in the tax policy debates that are sure to come.

APPENDIX

SIMPLIFORM PROPOSAL FOR INCOME TAX REFORM

I. INTRODUCTION

The Simpliform proposal would alter the individual income tax system by broadening the tax base and taxing at lower rates. The base would be broadened by: 1) repealing most deductions, credits, and exemptions, and 2) including many items which currently are excluded from adjusted gross income. One result of these measures is to eliminate the present-law distinction between adjusted gross income and taxable income. There would also be provisions made to extend the relevant base-broadening aspects of the proposal to the base for social security taxes.

The proposed tax structure would be progressive with the rates varying from a low of six percent for taxable incomes less than $5,000 to a high of 30 percent for taxable income over $50,000. It would also permit five new tax credits. These would be for: 1) the taxpayer, spouse and dependents; 2) charitable contributions; 3) home mortgage interest; 4) taxes paid; and 5) medical expenses.

Under the proposal, the rate brackets and the exemption amount would be indexed for tax years after 1985. In addition, the basis for capital gains would be indexed.

The joint filing status would be repealed so that every individual would file a separate tax return regardless of marital status. Rules allocating income and credits for married couples would also be stipulated.

The Simpliform tax system would be effective beginning in calender year 1985.

II. BASE-BROADENING MEASURES

A. Repealed exemptions

The current system of deductions from adjusted gross income for individual exemptions would be repealed. The exemption for the taxpayer, spouse, and dependents would be replaced by tax credits. These are discussed subsequently. The repealed exemptions under the proposal would be:

1. The personal exemptions for the taxpayer and his spouse (Sec. 151(b)).
2. The dependency exemption (Sec. 151(e)).
3. The aged exemption (Sec. 151(c)).
4. The blindness exemption (Sec. 151(d)).

B. Repealed credits

The Simpliform proposal would repeal four existing credits. The repealed credits would be:

1. The credit for the elderly and disabled (Sec. 37).
2. The political contributions (Sec. 41).
3. The credit for expenses for household and dependent care services necessary for gainful employment (Sec. 44(a)).
4. The residential energy credit (Sec. 44(c)).

The remaining credits under the present tax system, including the earned income credit would be retained.

C. Repealed deductions

The deductions for charitable contributions, home mortgage interest, taxes paid, and medical expenses would be replaced with an alternative system of tax credits. These are discussed shortly. Under the Simpliform proposal, the repealed deductions would be:

1. Interest (Sec. 163) except when pertaining to business or investment expenses.
2. Taxes (Sec. 164) except when pertaining to businesses.
3. Casualty and theft losses (Sec. 165(h)).
4. Charitable, etc., contributions and gifts (Sec. 170).
5. Medical, dental, etc., expenses (Sec. 213).
6. Moving expenses (Sec. 217).
7. Retirement savings (Sec. 219).
8. Deduction for two-earner married couples (Sec. 221).
9. Adoption expenses (Sec. 222).

D. Repealed exclusions from gross income

The items currently excluded from income which would be included under the Simpliform proposal would be:

1. All premiums on group-term life insurance (Sec. 79).
2. Excluded unemployment compensation (Sec. 85).
3. Certain death benefits (Sec. 101(a)).
4. Interest on certain governmental obligations (Sec. 103).
5. Interest on mortgage subsidy bonds (Sec. 103(a)).
6. Contributions by employers to accident and health plans (Sec. 106).
7. Rental value of parsonages (Sec. 107).
8. Income from discharge of indebtedness (Sec. 108).
9. Recovery of bad debts, prior taxes, and delinquency amounts (Sec. 111).
10. Certain combat pay of members of Armed Forces (Sec. 112).
11. Mustering-out payments for members of Armed Forces (Sec. 113).
12. Sports programs conducted for American National Red Cross (Sec. 114).
13. Partial exclusion of dividends received by individuals (Sec. 116).
14. Scholarships and fellowship grants (Sec. 117).
15. Meals or lodging furnished for the convenience of the employer (Sec. 119).
16. Amounts received under qualified group legal services plans (Sec. 120).
17. One-time exclusion of gain from sale of principal residence by individual who has attained age 55 (Sec. 121).
18. Qualified transportation provided by employer (Sec. 124).
19. Cafeteria plans (Sec. 125).
20. Certain cost sharing payments (Sec. 126).
21. Educational assistance programs (Sec. 127).
22. Partial exclusion of interest (Sec. 128).

23. Dependent care assistance programs (Sec. 129).

24. Disallow the deduction for entertainment and related expenses (Sec. 274).

25. Reinvestment of dividends of stock of public utilities (Sec. 305(e)).

26. Repeal the foreign earned income exclusion (Sec. 911).

27. Repeal the deduction for capital gains (Sec. 1202).

28. Treat tier-two retirement income in the same manner as the present-law treatment of private pension income.

29. Include 50 percent of OASDI and tier-one railroad retirement benefits in taxable income for individuals with incomes over $12,000 in taxable income.

30. Veterans pensions and benefits other than disability.

31. Public assistance benefits.

E. Miscellaneous provisions

1. Repeal of Minimum Tax (Sec. 55).

2. Repeal of income averaging (Sec. 1304).

3. Repeal the joint filing status (Sec. 6013).

4. Index the basis for capital gains for inflation occurring after 1984.

5. Index the exemption credit and rate brackets beginning after tax year 1985.

6. Rules for allocating tax items among spouses would be specified. These rules are described below.

III. INDIVIDUAL INCOME TAX STRUCTURE

A. Tax rates

The tax structure would be progressive under the Simpliform proposal, but the marginal tax rates across income classes would be reduced from the present tax system. The zero bracket amount would be eliminated, and all taxpayers would file separately.

The Simpliform individual income tax rate schedule would be:

Taxable income	The tax is:
0 to $5,000	0 plus 6 percent of excess over 0.
$5,000 to $10,000	$300 plus 12 percent of excess over $5,000.
$10,000 to $30,000	$900 plus 17 percent of excess over $10,000.
$30,000 to $40,000	$4,300 plus 25 percent of excess over $30,000.
$40,000 to $50,000	$6,800 plus 28 percent of excess over $40,000.
Over $50,000	$9,600 plus 30 percent of excess over $50,000.

B. Tax credits

There would be five new tax credits permitted under the Simpliform proposal. These would be:

1. A $250 nonrefundable personal exemption credit for each taxpayer and for each dependent. (The definition of dependent follows current law except that it does not include students over the age of 19.)

2. A 20 percent nonrefundable credit for charitable contributions for that portion in excess of 1 percent of adjusted gross income.

3. A 15 percent nonrefundable credit for home mortgage interest for that portion exceeding 1 percent of adjusted gross income. The credit would be limited to $1,000 per taxpayer.

4. A 15 percent nonrefundable credit for taxes paid for that portion exceeding 1 percent of adjusted gross income. The credit would be limited to $1,000 per taxpayer. The base amount of taxes paid under the credit would be the same as those state and local taxes currently deductible under present law.

5. A 20 percent nonrefundable credit for medical expenses for that portion exceeding 10 percent of adjusted gross income.

C. Allocation of tax items for married couples

Since the joint filing status would be repealed under the proposal a problem emerges with respect to the allocation of income and credit items for married couples.

Under present law a married couple filing a joint return reports their income, deductions, and tax credits as a unit, however under the proposal, each spouse would now be required to determine his share of each tax item. This determination could prove quite arbitrary, particularly for the allocation of income and tax credits. As a result, the proposal stipulates an unambiguous method of allocating certain items for married couples.

In general, wages and salaries would be allocated to the spouse that earned the income while unearned income would be split equally betwen the two spouses. In addition, a special rule would apply to tax credits that would allow any unused tax credits of one spouse to be used to offset the tax liability of the other spouse.

IV. BUSINESS TAXATION

The Simpliform proposal would not change the present system of business taxation. However, the Simpliform proposal requires the Secretary of the Treasury to conduct a study on the business income tax structure with the aim of lowering the rate of tax imposed upon corporate income. In addition, it would attempt to simplify the existing system by: 1) eliminating business tax preferences, and 2) structuring the corporate income tax in a similar fashion to that proposed for individuals. Finally, the Secretary of the Treasury would be required to submit proposed legislation toward these ends.

V. EFFECTIVE DATE

The effective date for implementation of Simpliform would be for calendar year 1985.

VI. ESTIMATED DISTRIBUTIONAL AND REVENUE EFFECTS

A comparison across broad income classes of the percentage distribution of tax liability under present law and under the proposal provides some general indications of the distributional effects of the proposed tax system.

The following table displays such a compensation [40] using expanded income classes and 1981 income levels.

	Percentage distribution of 1985 tax liability under	
	Present law	Simpliform
Expanded income class:		
Under $10,000	5.9	5.9
$10,000 to $20,000	17.7	17.7
$20,000 to $30,000	23.6	23.7
$30,000 to $40,000	18.8	18.7
$40,000 to $50,000	10.7	10.6
$50,000 to $75,000	9.5	9.7
$75,000 to $100,000	3.8	3.9
$100,000 to $200,000	5.4	5.3
Over $200,000	4.6	4.5
Total	100.0	100.0

Tax liability in this tabulation includes both the federal income tax and social security taxes. It is clear that this one measure indicates substantial distributional neutrality.

We estimate that the proposal also generates approximately the same aggregate tax liability as is forecast for present law in calendar year 1985, although a larger share of these revenues are in the form of payroll tax contributions compared with present law.

VII. IMPACT OF THE NEW TAX CREDITS

Under the Simpliform proposal the exemptions for taxpayers and their dependents, and certain itemized deductions, are converted to tax credits.

The following tables display the distributional and the tax expenditure effects of these converted items both under present law and under Simpliform. These effects are measured using 1981 income levels.

FOOTNOTES

*The author acknowledges the research assistance of Randy Sterns and Bruce Davis of his staff.

[1] Congressional Budget Office, "The Economic and Budget Outlook: An Update" (August 1983), p. 103, table 29.

[2] *Tax Notes*, May 2, 1983, p. 451. (Note: this figure may be lower because of recent changes in economic assumptions.)

[3] Ibid., p. 451.

[4] Congressional Budget Office, "Reducing The Deficit: Spending and Revenue Options" (February 1983), p. 7.

[5] *Tax Notes*, May 2, 1983, p. 451. (Note: this figure may be lower because of recent changes in economic assumptions.)

[6] Over a period of months, Republican Senators Chafee, Hatfield, Mathias, Stafford and Weicker met to hammer out a 1984 budget alternative that would sharply reduce deficits by reducing defense spending and slowing down the revenue losses of the 1981 tax cut. Their efforts in supporting Senator Gorton's alternative budget amendment eventually led to Congress adopting a three year revenue target of $73 billion.

[7] Bills introduced in Congress to reduce marginal tax rates and broaden the tax base or to study this approach include: Senators Bradley (S. 1421), DeConcini (S. 557), and Quayle (S. 1040); Representatives Crane (H.R. 542), Dreier (H.R. 1770), Gephardt (H.R. 3271), Hance (H.R. 2564), Hansen (H.R. 170), Panetta (H.R. 2520), and Paul (H.R. 1664 and H.R. 2137). Hearings were held in the Senate Finance Committee on September 28 and September 30, 1982 and in the Joint Economic Committee on July 27, August 13 and August 19, 1982 on flat rate tax proposals.

[8] Report cited in Robert Lee, "What To Do About Federal Income Taxes," *American Opinion*, April 1982, p. 40.

[9] Advisory Commission on Intergovernmental Relations, "Changing Public Attitude on Governments and Taxes: 1982." (GPO 1982), p. 4.

[10] Congressional Budget Office, "Revising The Individual Income Tax" (July 1983), p. 2.

[11] Figures derived from Table 6 of Information Collection Budget, Fiscal Year 1982, Office of Management and Budget.

[12] Figures provided by phone to my office by the Congressional Research Service.

[13] Senate Finance Committee hearings: Nomination of Stephen J. Swift, Judge of U.S. Tax Court, June 13, 1983 (unpublished), p. 7 (committee transcript).

[14] Juster, Thomas F., Director, Institute for Social Research, "Saving, Economic Growth, and Economic Policy," *Economic Outlook* (Summer 1981).

[15] Baldwin, William "Do You Sincerely . . .," *Forbes*, March 29, 1982, p. 99.

[16] Congressional Budget Office, "Tax Expenditures: Budget Control Options and Five-Year Budget Projections for Fiscal Years 1983-1987" (November 1982), table A-1.

[17] *The Wall Street Journal*, January 3, 1983, p. 1.

[18] *Business Week*, "Too Much Creative Financing," July 18, 1983, p. 204.

[19] *Business Week*, "The Underground Economy's Hidden Force," April 5, 1982, pp. 64-70.

[20] Steuerle, Eugene, and Michael Hartzmark, "Individual Income Taxation, 1947-79," *National Tax Journal*, v. 34, June 1981, p. 157.

[21] Noto, Nonna A., "Tax Expenditures: The Link Between Economic Intent and the Distribution of Benefits Among High, Middle, and Low Income Groups," Congressional Research Service, May 22, 1980, p. 48.

[22] Congressional Budget Office, "Tax Expenditures" (November 1982), p. xiv.

[23] Ibid., p. 5.

[24] Ibid., figures derived from tables E-1, E-2, and E-4.

[25] Ibid. (Study presented in above tables.)

[26] This framework is presented by George F. Break and Joseph A. Pechman, in *Federal Tax Reform: The Imposible Dream?* (The Brookings Institution, 1975), p. 12.

[27] Ibid., p. 9.

[28] McIntyre, Robert S., and Dean C. Tipps. "Inequity & Decline: How The Reagan Tax Policies Are Affecting the American Taxpayer and the Economy" (Center on Budget and Policy Priorities), 1983, p. 10.

[29] Remarks of David A. Stockman before the Senate Appropriations Committee, January 27, 1981, p. 9.

[30] *National Journal*, "Proposals For the Charitable Deduction Making the Tax Code More Equitable," July 8, 1979, p. 1108-09.

[31] Congressional Budget Office, "The Tax Treatment of Homeownership: Issues And Options," September 1981, pp. 54-57.

[32] Ibid., p. 56.

[33] Joint Committee on Taxation Memorandum on Simpliform, September 19, 1983.

[34] Ibid.

[35] Ibid.

[36] Harvey Brazer, "Income Tax Treatment of the Family," *The Economics of Taxation*, edited by Henry J. Aaron and Michael J. Boskin, p. 224.

[37] Harvey S. Rosen, "A Methodology for Evaluating Tax Reform Proposals," *Econometrica*, vol. 44 (May 1976), p. 113.

[38] Congressional Budget Office, "Revising The Individual Income Tax" (July, 1983) p. 35.

[39] Due to data limitations certain provisions have not been included in this comparison. These omitted provisions include the deferrral and one-time exclusion on the gain from the sale of a residence, the foreign earned income exclusion, certain death benefits, meals or lodging furnished for the convenience of the employer; the deduction for entertainment and related expenses, as well as a number of provisions with smaller revenue effects.

DISTRIBUTIONAL, COMPARISON OF TAX EXPENDITURES FOR TAXES PAID UNDER 1985 PRESENT LAW AND UNDER THE PROPOSAL BY EXPANDED INCOME CLASS AT 1981 INCOME LEVELS

	1985 present law			1985 proposed law		
	Returns	Amount	Average	Returns	Amount	Average
Expanded income class:						
Less than $10,000	2,188,000	$105,000,000	$48,000,000	11,609,000	$714,000,000	$61,000,000
$10,000 to $20,000	5,544,000	823,000,000	148,000,000	22,158,000	2,772,000,000	125,000,000
$20,000 to $30,000	8,894,000	2,574,000,000	289,000,000	16,644,000	3,413,000,000	205,000,000
$30,000 to $40,000	6,740,000	3,661,000,000	543,000,000	8,914,000	2,767,000,000	310,000,000
$40,000 to $50,000	3,464,000	2,983,000,000	861,000,000	3,977,000	1,646,000,000	414,000,000
$50,000 to $75,000	2,423,000	3,515,000,000	1,451,000,000	2,659,000	1,501,000,000	565,000,000
$75,000 to $100,000	648,000	1,607,000,000	2,481,000,000	707,000	566,000,000	802,000,000
$100,000 to $200,000	529,000	2,224,000,000	4,125,000,000	582,000	609,000,000	1,048,000,000
Over $200,000	126,000	1,560,000,000	12,352,000,000	137,000	193,000,000	1,409,000,000
Total	30,566,000	19,052,000,000	623,000,000	67,387,000	14,182,000,000	210,000,000

DISTRIBUTIONAL COMPARISON OF TAX EXPENDITURES FOR HOME MORTGAGE INTEREST UNDER 1985 PRESENT LAW AND UNDER THE PROPOSAL, BY EXPANDED INCOME CLASS AT 1981 INCOME LEVELS

	1985 present law			1985 proposed law		
	Returns	Amount	Average	Returns	Amount	Average
Expanded income class:						
Less than $10,000	2,004,000	$149,000	$74,000,000	2,337,000	$330,000,000	$141,000,000
$10,000 to $20,000	4,456,000	1,023,000,000	229,000,000	6,499,000	1,388,000,000	214,000,000
$20,000 to $30,000	7,038,000	3,244,000,000	461,000,000	8,604,000	2,736,000,000	318,000,000
$30,000 to $40,000	5,533,000	4,009,000,000	725,000,000	5,835,000	2,387,000,000	409,000,000
$40,000 to $50,000	2,891,000	2,702,000,000	935,000,000	2,746,000	1,260,000,000	459,000,000
$50,000 to $75,000	1,919,000	2,802,000,000	1,460,000,000	1,793,000	1,044,000,000	582,000,000
$75,000 to $100,000	470,000	1,023,000,000	2,176,000,000	413,000	313,000,000	758,000,000
$100,000 to $200,000	369,000	981,000,000	2,657,000,000	304,000	250,000,000	822,000,000
Over $200,000	81,000	276,000,000	3,418,000,000	54,000	49,000,000	916,000,000
Total	24,762,000	16,208,000,000	655,000,000	28,586,000	9,756,000,000	341,000,000

DISTRIBUTIONAL COMPARISON OF TAX EXPENDITURES FOR MEDICAL EXPENSES UNDER 1985 PRESENT LAW AND UNDER THE PROPOSAL, BY EXPANDED INCOME CLASS AT 1985 INCOME LEVELS

	1985 present law			1985 proposed law		
	Returns	Amount	Average	Returns	Amount	Average
Expanded income class:						
Less than $10,000	477,000	$55,000,000	$116,000,000	221,000	$42,000,000	$189,000,000
10,000 to $20,000	1,867,000	258,000,000	138,000,000	786,000	162,000,000	206,000,000
$20,000 to $30,000	1,923,000	305,000,000	158,000,000	405,000	116,000,000	287,000,000
$30,000 to $40,000	994,000	209,000,000	210,000,000	134,000	57,000,000	429,000,000
$40,000 to $50,000	402,000	161,000,000	401,000,000	56,000	50,000,000	883,000,000
$50,000 to $75,000	212,000	176,000,000	829,000,000	45,000	47,000,000	1,039,000,000
$75,000 to $100,000	48,000	86,000,000	1,810,000,000	11,000	29,000,000	2,683,000,000
$100,000 to $200,000	21,000	80,000,000	3,785,000,000	6,000	24,000,000	3,791,000,000
Over $200,000	4,000	80,000,000	18,401,000,000	2,000	24,000,000	9,925,000,000
Total	5,947,000	1,410,000,000	237,000,000	1,667,000	551,000,000	330,000,000

By Mr. BOREN:

S. 2193. A bill to change the basis for computation of emergency compensation whenever the Secretary of Agriculture adjusts the level of loans and purchases for the 1986 through 1990 crops of wheat under the Agricultural Act of 1949; to the Committee on Agriculture, Nutrition, and Forestry.

ADJUSTMENTS OF BASIS OF DETERMINATION OF WHEAT DEFICIENCY PAYMENTS

● Mr. BOREN. Mr. President, today I am introducing a bill which will modify the basis for determination of a portion of wheat deficiency payments.

The Food Security Act of 1985 included a provision which requires a portion of the deficiency payment to be determined on the basis of the reduced loan rate or the average price received by farmers during the marketing year. In the past, the entire deficiency was based on the loan rate or the average price during the first 5 months of the marketing year. Under previous law, producers could get their entire deficiency payment 5 months after the beginning of the marketing year. For wheat, that meant producers received their deficiency payments in November. Under the farm bill enacted in December, producers can get a portion of their deficiency payment in November, but must wait until June or July of the next year to receive the balance.

The 1985 farm bill provides for two deficiency payments, in essence. The regular deficiency payment is based on the difference between the target price and the statutory loan rate or the average market price during the first 5 months of the marketing year,

whichever is higher. The Secretary has the authority under the law to reduce the loan rate by up to 20 percent. If the Secretary uses this authority, which he has for the 1986 wheat crop, the producer is then entitled to another deficiency payment. This payment is based on the difference between the statutory loan rate and the new loan rate or the average market price during the entire marketing year.

The 1986 program for wheat provides for a target price of $4.38 per bushel. The statutory loan rate is $3.00, providing for a maximum deficiency payment of $1.38. The Secretary did use his authority to drop the loan rate to $2.40 thereby providing for a second deficiency payment with a maximum rate of 60 cents. It is this deficiency payment which is determined by using the market price for the entire marketing year. As the law stands now, farmers must wait until June or July of 1987 to receive this second payment on a crop that is harvested, in Oklahoma, in May 1986. For wheat, the marketing year ends in May the year after the crop is harvested. When this provision was included, obviously little thought was given as to the effect this would have on producers' income and their ability to pay their operating loans.

American farmers are having a very difficult time generating enough cash to meet their current expenses right now. If they cannot get all of their deficiency payment until the summer of 1987, many will be unable to raise enough cash to put in the 1987 crop. Farmers need to receive their payments in a prompt manner; they cannot afford to wait an entire year to be paid for their crop. Creditors will be hesitant to provide a farmer money for the 1987 crop if the farmer cannot pay off his loan for the 1986 crop.

Mr. President, this problem is very serious. There could be many producers forced out of business simply because of the provision contained in the 1985 act. We need to correct this provision now before the sign-up period for the 1986 Wheat Program is completed.

The bill I am introducing today will correct this problem by requiring that all deficiency payments be determined on the basis of the average market price received during the first 5 months of the marketing year instead of the entire marketing year.

I urge my colleagues to support this legislation.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2193

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Agricultural Act of 1949 is amended in section 107D(c)(1)(E)—

(1) by striking out the clause "(i)" designation; and

(2) by striking ouf the clause (ii).●

By Mr. DANFORTH (for himself, Mr. DOLE, Mr. LEAHY, Mr. HEINZ, Mr. SIMON, Mr. KENNEDY, Mr. BRADLEY, Mr. CHAFEE, Mr. EAGLETON, Mrs. KASSEBAUM, Mr. ANDREWS, Mr. CRANSTON, Mr. GORE, Mr. LUGAR, Mr. MATSUNAGA, Mr. NUNN, Mr. RIEGLE, Mr. ROCKEFELLER, Mr. SARBANES, Mr. THURMOND, Mr. WARNER, Mr. ZORINSKY, Mr. COCHRAN, Mr. INOUYE, Mr. PELL, Mr. MOYNIHAN, Mr. KERRY, Mr. COHEN, and Mr. HATCH):

S.J. Res. 296. Joint resolution to designate October 16, 1986, as "World Food Day"; to the Committee on the Judiciary.

WORLD FOOD DAY

● Mr. DANFORTH. Mr. President, I am pleased to introduce a joint resolution designating October 16, 1986, as World Food Day. The commemoration of this day will encourage thousands of Americans to consider how the Nation can further expand its role in the fight against world hunger.

Since Congress first recognized World Food Day in 1981, media coverage of catastrophic famine in Africa has brought the tragedies of starvation, chronic hunger, and malnutrition into millions of American households. The people of this country have been profoundly moved, and they have responded with genuine concern and characteristic generosity.

Now, many African nations are blessed with improved harvests and renewed optimism—a sense that the worst may, at last, be over. It is a time for hope, and even a time to take pride in our Nation's contribution to assistance efforts. But it is no time for complacency.

Millions of Africans still face starvation, and more than 500 million people worldwide suffer from hunger and chronic malnutrition. More than half of those afflicted by hunger are small children. Each day, more than 40,000 children die of malnutrition-related causes; in Africa, 1 in 3 children dies of hunger or related disease before reaching school age. Many of those who survive go through life with serious mental or physical disabilities.

We must not let hunger recede from the camera's glare into the shadows of neglect. We must not forget that, whatever we have done, there is much more to do. That is why World Food Day is particularly important this year.

The search for solutions to hunger and malnutrition will require continued public interest and education. But above all, it will demand individual commitment. World Food Day encourages each of these, and provides a focal point for sustained efforts throughout the year.

We will not eradicate hunger until we come to grips with the underlying causes of food shortages. Hunger is not simply a product of climatic disaster, and responding to such tragedies will not be enough to win this battle. Hunger is the product of overpopulation, of failed economic policies, of burgeoning debt, and of environmental degradation. Excessive reliance on food relief merely prolongs dependency by discouraging local farmers from producing. The effort to alleviate world hunger and malnutrition will not be successful until it addresses these basic problems.

World Food Day also provides an opportunity to reflect on hunger and food production at home, and to renew our commitment in these areas. It is unconscionable that in a nation blessed with unparalleled natural and technological resources, in a nation that warehouses mountains of surplus agricultural commodities, men, women, and children should suffer from chronic hunger and malnutrition. We have the ability to lessen this suffering within our own Nation; we lack only the will. That, also, is why World Food Day is so important.

Our domestic agricultural crisis will add particular poignancy to this year's observance of World Food Day. American farmers have provided the foundation upon which this Nation grew and prospered. Now they face low commodity prices, stagnant markets, high debt loads, and falling land values. Many farmers see their livelihood—a vocation inseparable from our future as well as our heritage—endangered. World Food Day will provide an opportunity to examine what must be done to restore a fair economic return and a bright future to those who nurture the seeds of life.

World hunger can be overcome. Governments must do their best to assist the needy while pursuing long-term solutions to difficult problems. But, ultimately, it will be individuals who together transform dreams of nourishment and self-sufficiency into reality. That is the vision of World Food Day, and the hope of mankind.●

ADDITIONAL COSPONSORS

S. 827

At the request of Mrs. HAWKINS, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 827, a bill to amend the Public Health Service Act to provide for the compensation of children and others who have sustained vaccine-related injuries, and for other purposes.

S. 1209

At the request of Mr. CHILES, the name of the Senator from Illinois [Mr.

DIXON] was added as a cosponsor of S. 1209, a bill to establish the National Commission to Prevent Infant Mortality.

S. 1888

At the request of Mr. BUMPERS, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 1888, a bill to provide for a program of cleanup and maintenance on Federal public lands, national parks, recreation areas, and for other purposes.

S. 1914

At the request of Mr. GORTON, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of S. 1914, a bill to amend the Stevenson-Wydler Technology Innovation Act of 1980 to permit cooperative agreements between industry and laboratories owned and operated by the Federal Government, and for other purposes.

S. 2029

At the request of Mr. CHILES, the name of the Senator from Florida [Mrs. HAWKINS] was added as a cosponsor of S. 2029, a bill to establish the Big Cypress National Preserve Addition in the State of Florida, and for other purposes.

S. 2032

At the request of Mr. TRIBLE, the name of the Senator from Georgia [Mr. MATTINGLY] was added as a cosponsor of S. 2032, a bill to amend the Nuclear Waste Policy Act of 1982 to prohibit the development of a repository in proximity to a monitored retrievable storage facility.

S. 2050

At the request of Mr. METZENBAUM, the names of the Senator from Pennsylvania [Mr. HEINZ] and the Senator from Massachusetts [Mr. KENNEDY] were added as cosponsors of S. 2050, a bill to notify workers who are at risk of occupational disease in order to establish a system for identifying and preventing illness and death of such workers, and for other purposes.

S. 2079

At the request of Mr. NICKLES, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 2079, a bill to amend the Legislative Reorganization Act of 1946 to reduce the compensation of Members of Congress for any fiscal year in which outlays for nondefense programs are required to be reduced under an order issued by the President for such fiscal year pursuant to section 252 of the Balanced Budget and Emergency Deficit Act of 1985 by the uniform percentage by which outlays for such programs are required to be reduced under such order.

S. 2115

At the request of Mr. THURMOND, the name of the Senator from Florida [Mrs. HAWKINS] was added as a cosponsor of S. 2115, a bill to recognize the organization known as the 82nd Airborne Division Association, Inc.

SENATE JOINT RESOLUTION 256

At the request of Mr. TRIBLE, the name of the Senator from New Mexico [Mr. DOMENICI] was added as a cosponsor of Senate Joint Resoulution 256, a joint resolution designating August 2, 1986, as "National Neighborhood Crime Watch Day."

SENATE JOINT RESOLUTION 267

At the request of Mr. HEINZ, the names of the Senator from Virginia [Mr. WARNER] and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of Senate Joint Resolution 267, a joint resolution designating the week of May 26, 1986, through June 1, 1986, as "Older Americans Melanoma/Skin Cancer Detection and Prevention Week."

SENATE JOINT RESOLUTION 281

At the request of Mr. NUNN, the names of the Senator from Mississippi [Mr. COCHRAN], the Senator from Illinois [Mr. DIXON], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Georgia [Mr. MATTINGLY], and the Senator from Arkansas [Mr. PRYOR] were added as cosponsors of Senate Joint Resolution 281, a joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "Senior Center Week."

SENATE JOINT RESOLUTION 282

At the request of Mr. MOYNIHAN, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of Senate Joint Resolution 282, a joint resolution to express the disapproval of the Congress with respect to the proposed rescission of budget authority for the general revenue sharing program.

SENATE JOINT RESOLUTION 289

At the request of Mr. ROTH, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of Senate Joint Resolution 289, a joint resolution to designate 1988 as the "Year of New Sweden" and to recognize the New Sweden '88 American Committee.

SENATE JOINT RESOLUTION 293

At the request of Mrs. HAWKINS, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of Senate Joint Resolution 293, a joint resolution to designate the month of May 1986 as "National Child Safety Month."

SENATE CONCURRENT RESOLUTION 115

At the request of Mr. TRIBLE, the name of the Senator from Kansas [Mrs. KASSEBAUM] was withdrawn as a cosponsor of Senate Concurrent Resolution 115, a concurrent resolution expressing the opposition of the United States to the forcible resettlement and systematic oppression of the Ethiopian people.

SENATE CONCURRENT RESOLUTION 116

At the request of Mr. KASTEN, the name of the Senator from Kansas [Mr. DOLE] was added as a cosponsor of Senate Concurrent Resolution 116, a concurrent resolution concerning the ongoing famine in Ethiopia and the Ethiopian Government's resettlement policy.

SENATE RESOLUTION 267

At the request of Mr. HUMPHREY, the name of the Senator from Kansas [Mr. DOLE] was added as a cosponsor of Senate Resolution 267, a resolution establishing a special panel on asylum.

SENATE RESOLUTION 303

At the request of Mr. HEINZ, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of Senate Resolution 303, a resolution to express the sense of the Senate with respect to proposals currently before the Congress to tax certain employer-paid benefits and other life-support benefits.

SENATE RESOLUTION 332

At the request of Mr. ARMSTRONG, the names of the Senator from New Jersey [Mr. BRADLEY], the Senator from Tennessee [Mr. GORE], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Michigan [Mr. RIEGLE], the Senator from Hawaii [Mr. INOUYE], and the Senator from West Virginia [Mr. ROCKEFELLER] were added as cosponsors of Senate Resolution 332, a resolution to honor the *Challenger* space shuttle astronauts.

AMENDMENT NO. 1652

At the request of Mr. THURMOND, the name of the Senator from Alabama [Mr. DENTON] was added as a cosponsor of Amendment No. 1652 proposed to Senate Joint Resolution 225, an original joint resolution proposing an amendment to the Constitution relating to a Federal balanced budget.

SENATE RESOLUTION 366—EXPRESSING THE SENSE OF THE SENATE WITH RESPECT TO THE DEDUCTION FOR STATE AND LOCAL TAXES

Mr. HUMPHREY submitted the following resolution; which was referred to the Committee on Finance:

S. RES. 366

Whereas the Federal deduction for State and local taxes must be eliminated in order to achieve significantly lower tax rates for all Americans;

Whereas most Americans do not benefit from the deduction for State and local taxes;

Whereas 80 percent of the benefits of the deduction for State and local taxes are enjoyed by the top 20 percent of all taxpayers;

Whereas the other 80 percent of all taxpayers pay for this limited benefit for the 20 percent through higher tax rates; and

Whereas the deduction for State and local taxes amounts to an unfair subsidy for the high-tax States at the expense of the low-tax States: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) elimination of the Federal deduction for State and local taxes is essential in order to achieve true tax reform;

(2) low-tax States should not be forced to subsidize high-tax States; and

(3) the Federal deduction for State and local taxes should be repealed in order to reduce marginal tax rates for all Americans.

● Mr. HUMPHREY. Mr. President, today I send to the desk a resolution to express the sense of the Senate on an issue which is of extreme importance to the overall issue of tax reform: The deductibility of State and local taxes. This resolution, Mr. President, declares that it is the sense of the Senate that the deduction for State and local taxes should be eliminated in order to lower marginal tax rates for all Americans.

Mr. President, there are many reasons why deductibility should be repealed. However, it all boils down to one simple concept: Fairness. Not only is this a deduction for the rich at the expense of the poor, it is a deduction for high-tax States at the expense of low-tax States. While 80 percent of the benefits for this deduction go to the top 20 percent of all taxpayers, the lopsidedness becomes even more evident when it is noted that half of the benefits go to the top 5 percent. That's 5 percent, Mr. President. And we all pay for this through higher rates. This is fair? I must say that I do not think so, Mr. President.

Mr. President, the deduction for State and local taxes currently costs the Treasury upwards of $30 billion per year. The repeal of this deduction was one of the cornerstones of President Reagan's tax reform proposal last year. When the Ways and Means Committee began consideration of the matter, it decided to retain full deductibility. Upon making this decision, the committee found that its bill would lose revenue. This shortfall had to be corrected, so what did the committee do? It raised the rates for everyone by lowering the thresholds for the higher marginal rates. This action raised the rates over what President Reagan had proposed by 10 to 20 percent for all Americans. Once again, we all would be forced to pay for this unfair deduction through higher rates.

Mr. President, we are constantly hearing the argument that repealing deductibility would lead to double taxation. This "tax-on-a-tax" argument seems to me to be rather inconsistent. In the present tax system in our Nation, taxes on taxes are accepted at all levels of government. State and local governments do not exempt Federal excise taxes on several goods to avoid taxes on taxes. As far as personal income taxes are concerned, a majority of States do not allow a deduction for Federal income taxes. Furthermore, dividends also face double taxation at the corporate and the individual levels. Cries of taxes on taxes, then, are quite clearly inconsistent, especially when one considers the fact that most of these cries are coming from government jurisdictions that impose their own double taxation.

The other primary argument made by opponents of repealing deductibility outline a rather unlikely scenario. If deductibility were to be eliminated, the scenario goes, there would be incredible pressure put on State governments to then cut their taxes. Now that State and local taxes would no longer be deductible, individuals would feel the effect of high State taxes. While they can reduce their Federal tax liability by the full amount of their tax payments to State and local governments, the high-tax policies of many States will go unnoticed. This new pressure to cut State taxes will then force States to sharply curtail State and local services.

Mr. President, this argument ignores one very important fact. The majority of States currently follow the Federal definition of income for tax purposes. As the Federal tax base is broadened through the closing of loopholes, the base for State taxes is broadened as well. The effect of this will be to increase State revenues since the same tax rates would apply to a broader base of income. State officials would then face a politician's dream: The opportunity to reduce tax rates without having to cut back on services at all. In this light, it becomes quite clear that repealing deductibility will not impact State governments in a manner in which opponents of repeal have claimed.

Mr. President, I could go on at greater length, but I think the point has been made. The arguments against repealing deductibility do not really stand up on their own. The arguments in favor of repeal, however, do. The House demonstrated in December what happens to tax rates if the decision is made to retain deductibility. This unfair deduction which benefits mostly those with high incomes and forces low-tax States to subsidize high-tax States must be eliminated if we are to achieve true tax reform.

I am encouraged with the news coming out of the Finance Committee which demonstrates that the committee is at least examining the possibility of changing this deduction at this point. However, Mr. President, nothing short of full repeal will suffice. We must put an end to the unfair practice of forcing low- and middle-income individuals to pay for the benefit of the rich and forcing low-tax States to pay for the free-spending practices of the high-tax States. This step is essential in any attempt to truly reform the U.S. Tax Code.

Mr. President, I urge my colleagues to join me in this effort. After years of constant changes in the Tax Code, we now have an opportunity to achieve true tax reform. Let us not allow this opportunity to pass us by.●

AMENDMENTS SUBMITTED

BALANCED BUDGET CONSTITUTIONAL AMENDMENT HATCH (AND OTHERS) AMENDMENT NO. 1668

Mr. HATCH (for himself, Mr. THURMOND, Mr. DECONCINI, Mr. SIMON, Mr. ARMSTRONG, Mr. BOREN, Mr. GRAMM and Mr. WILSON) proposed an amendment, which was subsequently modified, to amendment No. 1652 proposed by Mr. THURMOND (and others) to the joint resolution (S.J. Res. 225) proposing an amendment to the Constitution relating to a Federal balanced budget; as follows:

On page 1, line 12, insert after "receipts," the following: "The public debt of the United States shall not be increased to fund any excess of outlays over receipts for any fiscal year, unless three-fifths of the whole number of both houses of Congress shall provide, by law, for such an increases.".

OMNIBUS COMMITTEE FUNDING RESOLUTION

WARNER AMENDMENT NO. 1669

Mr. WARNER proposed an amendment to the resolution (S. Res. 353) authorizing expenditures by committees of the Senate; as follows:

In section 2(c) after the word "required" insert "(1)", At the end of section 2(c) strike the period and insert the following: ", or (2) for the payment of long-distance telephone calls."

HUMPHREY (AND OTHERS) AMENDMENT NO. 1670

Mr. HUMPHREY (for himself, Mr. DIXON, and Mr. DOLE) proposed an amendment to the resolution (S. Res. 353), supra; as follows:

On page 24, after line 16, add the following new section:

INVESTIGATION BY THE COMMISSION ON SECURITY AND COOPERATION IN EUROPE

SEC. 23. (a) It is the sense of the Senate that the Commission on Security and Cooperation in Europe (hereafter in this section know as the "Commission") should—

(1) conduct an investigation to determine—

(A) whether any officer or employee of the United States violated any law of the United States or any State or local law, including any statute, regulation, ordinance, or procedure promulgated pursuant to law, in connection with the defection attempt of Miroslav Medvid;

(B) the instances in which an individual (other than the individual referred to in clause (A)), who was a national of the Soviet Union or a Soviet-bloc Eastern European country, requested political asylum in the United States and was returned to the au-

thorities of his country in violation of any United States, State, or local law, including any statute, regulation, ordinance, or procedure promulgated pursuant to law; and

(C) whether the treatment accorded to individuals described in clauses (A) and (B) requires changes in the laws of the United States; and

(2) submit a report, not later than one year after the date of adoption of this resolution, to the House of Representatives and the Senate on the findings of such investigation, including any recommendations for changes in the laws of the United States.

(b) Salaries and expenses in connection with the implementation of this section shall be paid from the contingent fund of the Senate out of the Account for Miscellaneous Items, subject to the following terms and conditions:

(1) The aggregate amount of salaries and expenses payable under this section shall not exceed $200,000.

(2) Such salaries shall be payable only for not more than five individuals at any time—

(A) who shall be employees of the Senate and shall be under the policy direction of the Chairman and Cochairman of the Commission; and

(B) who shall be appointed to perform services in the conduct of activities under this section, on or after the date of adoption of this resolution, and who shall have their compensation fixed at an annual rate, by the Secretary of the Senate, upon the joint recommendation of the Chairman and Cochairman of the Commission.

(3) Payment of expenses shall be disbursed upon vouchers approved jointly by the Chairman and Cochairman of the Commission, and no voucher shall be required for the disbursement of a salary of an individual appointed under paragraph (2).

(4) For purposes of determining whether and to what extent any travel or other official expense incurred by the Commission in carrying out any activity under this section is payable from the contingent fund of the Senate, such expense shall be treated as if it has been incurred by a standing committee of the Senate and as if the Commission and its staff were members and staff, respectively, of such a committee.

(5) Any expense under this section may be payable

(A) the Committee on Rules and Administration of the Senate approves;

(B) such expense is of the type for which payment may be made if incurred by standing committee of the Senate:

(C) such expense is not attributable to the detailing of employees; and

(D) the payment of such expense is otherwise in accordance with all laws, rules, and regulations governing expenses of standing committees of the Senate.

(6) Not more than $20,000 of the funds made available by this subsection shall be available for the procurement by the Secretary of the Senate, upon the joint recommendation of the chairman and cochairman of the Commission, of services, on a temporary basis, of individual consultants, or organizations thereof, with the prior consent of the Committee on Rules and Administration of the Senate. Such services may be procured by contract with the providers acting as independent contractors or, in the case of individuals, by employment at daily rates of compensation not in excess of the per diem equivalent of the highest gross rate of annual compensation which may be paid to employees of a standing committee of the Senate and any such contract shall not be subject to the provisions of section 5 of title 41, United States Code, or any other provision of law requiring advertising.

(c) None of the funds may be obligated from the contingent fund of the Senate to carry out any provision of this section on or after a date 30 days after—

(1) the date on which the report described in subsection (a)(2) is submitted, or

(2) a date one year after the date of adoption of this resolution.

whichever comes first.

(d) For purposes of this section, the term "Soviet-bloc Eastern European country" includes Bulgaria, Czechoslovakia, the German Democratic Republic, Hungary, Poland, and Romania.

STEVENS AMENDMENT NO. 1671

Mr. STEVENS proposed an amendment which was subsequently modified to the resolution (S. Res. 353), supra; as follows

At the end of section 2, add the following paragraph:

(e) Not more than $1,500,000 of the aggregate unexpended balance of the funds authorized by S. Res. 85, agreed to February 28, 1985, the Omnibus Committee Funding Resolution of 1985) is hereby transferred to a special reserve and made available for use from March 1, 1986, throught September 30, 1986. The Committee on Rules and Administration is authorized to adopt regulations to govern use of the special reserve and may, notwithstanding any other provision of this resolution, transfer funds from the special reserve, by administrative action, to the committees described in paragraph (a) to defray extraordinary or unexpected expenses.

WARNER AMENDMENT NO. 1672

Mr. WARNER proposed an amendment to the resolution (S. Res. 353), supra; as follows:

At the end of section 2, add the following paragraph:

(e) $335,000 of the aggregate unexpended balance of the funds authorized by the Omnibus Committee Funding Resolution of 1985 is hereby transferred to a special reserve and made available for use from March 1, 1986, through September 30, 1986. Of this amount, $100,000 is authorized for the use of the Committee on Armed Services, and $235,000 is authorized for the use of the Committee on Finance.

DEFICIT REDUCTION AND PROGRAM IMPROVEMENT

DOMENICI (AND OTHERS) AMENDMENT NO. 1673

Mr. SIMPSON (for Mr. DOMENICI, for himself, Mr. MCCLURE, and Mr. PACKWOOD) proposed an amendment to the amendment of the House to the amendment of the Senate to the amendment of the House to the amendment of the Senate to the bill (H.R. 3128) to make changes in spending and revenue provisions for purposes of deficit reduction and program improvement, consistent with the budget process; as follows:

In section 4016, insert "or seasonal suspension" after "adjustment in frequency"; and insert "adjustment or" after "service unless such".

In subparagraph (F)(ii) of paragraph (10) of section 204(b) of the Magnuson Fishery Conservation and Management Act, as proposed to be amended by section 6021, strike out "from such nations".

In title VI, strike out subtitle D and redesignate subtitles E, F, G, H, I, and J as subtitles D, E, F, G, H, and I, respectively.

In subsection (b)(2)(B) of section 315 of the Coastal Zone Management Act, as proposed to be amended by section 6044, strike out "environmental" and insert "environment".

In section 3A of the National Ocean Pollution Planning Act of 1978, as proposed to be added by section 6072(2)—

(1) amend subparagraph (B) of subsection (a)(2) to read as follows:

"'(B) be headed by a director who shall—

"'(i) be appointed by the Administrator,

"'(ii) serve as the Chair of the Board, and

"'(iii) be the spokesperson for the program;";

(2) insert a quotation mark and a period after the period at the end of subparagraph (D) of subsection (b)(2); and

(3) strike out paragraph (3) of subsection (b).

In section 6085—

(1) insert "and duties" after "functions" in the long title of the Act of August 6, 1947 cited in such section; and

(2) strike out "'or subdivision thereof'" and insert "'or subdivision thereof,'" in paragraph (2).

In title VIII, strike out the heading for subtitle A.

In section 8001, strike out "subtitle" and insert in lieu thereof "title".

In section 8(g) of the Outer Continental Shelf Lands Act, as proposed to be amended by section 8003, strike out paragraph (2) and insert in lieu thereof the following:

"(2) Notwithstanding any other provision of this Act, the Secretary shall deposit into a separate account in the Treasury of the United States all bonuses, rents, and royalties, and other revenues (derived from any bidding system authorized under subsection (a)(1)), excluding Federal income and windfall profits taxes, and derived from any lease issued after September 18, 1978 of any Federal tract which lies wholly (or in the case of Alaska, partially until seven years from the date of settlement of any boundary dispute that is the subject of an agreement under section 7 of this Act entered into prior to January 1, 1986 or until April 15, 1993 with respect to any other tract) within three nautical miles of the seaward boundary of any coastal State, or (except as provided above for Alaska) in the case where a Federal tract lies partially within three nautical miles of the seaward boundary, a percentage of bonuses, rents, royalties, and other revenues (derived from any bidding system authorized under subsection (a)(1)), excluding Federal income and windfall profits taxes, and derived from any lease issued after September 18, 1978 of such tract equal to the percentage of surface acreage for the tract that lies within such three nautical miles. Except as provided in paragraph (5) of this subsection, not later than the last business day of the month following the month in which those revenues are deposited in the Treasury, the Secretary shall transmit to such coastal State 27 percent of those revenues, together with all accrued interest thereon. The re-

maining balance of such revenues shall be transmitted simultaneously to the miscellaneous receipts account of the Treasury of the United States.

In section 8(g)(5) of the Outer Continental Shelf Lands Act, as proposed to be amended by section 8003, strike out subparagraph (A) and insert in lieu thereof the following:

"(5)(A) When there is a boundary dispute between the United States and a State which is subject to an agreement under section 7 of this Act, the Secretary shall credit to the account established pursuant to such agreement all bonuses, rents, and royalties, and other revenues (derived from any bidding system authorized under subsection (a)(1)), excluding Federal income and windfall profits taxes, and derived from any lease issued after September 18, 1978 of any Federal tract which lies wholly or partially within three nautical miles of the seaward boundary asserted by the State, if that money has not otherwise been deposited in such account. Proceeds of such account shall be distributed as follows:

"Upon the settlement of any boundary dispute which is subject to a section 7 agreement between the United States and a State, the Secretary shall pay to such State all monies due such State from amounts deposited in the escrow account. If there is insufficient money deposited in the escrow account, the Secretary shall transmit, from any revenues derived from any lease of Federal lands under this Act, the remaining balance due such State in accordance with the formula set forth in section 8004(b)(1)(B) of the Outer Continental Shelf Lands Act Amendments of 1985.".

Strike out section 8004 and insert in lieu thereof the following:

SEC. 8004. DISTRIBUTION OF SECTION 8(g) ACCOUNT.

(a) Prior to April 15, 1986, the Secretary shall distribute to the designated coastal States the sum of—

(1) the amounts due and payable to each State under paragraph (2) of section 8(g) of the Outer Continental Shelf Lands Act, as amended by this title, for the period between October 1, 1985, and the date of such distribution, and

(2) the amounts due each such State under subsection (b)(1)(A) of this section for the period prior to October 1, 1985.

(b)(1) As a fair and equitable disposition of all revenues (including interest thereon) derived from any lease of Federal lands wholly or partially within 3 miles of the seaward boundary of a coastal State prior to October 1, 1985, the Secretary shall distribute:

(A) from the funds which were deposited in the separate account in the Treasury of the United States under section 8(g)(4) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(g)(4)) which was in effect prior to the date of enactment of section 8003 of this title the following sums:

	Millions
Louisiana	$572
Texas	382
California	338
Alabama	66
Alaska	51
Mississippi	14
Florida	0.03

as well as 27 percent of the royalties, derived from any lease of Federal lands, which have been deposited through September 30, 1985, in the separate account described in this paragraph and interest thereon accrued through September 30, 1985 and shall transmit any remaining amounts to the miscellaneous receipts account of the Treasury of the United States; and

(B) From revenues derived from any lease of Federal lands under the Outer Continental Shelf Lands Act, as amended, prior to April 15 of each of the fifteen fiscal years following the fiscal year in which this title is enacted, 3 percent of the following sums in each of the five fiscal years following the date of enactment of this Act, 7 percent of such sums in each of the next five fiscal years, and 10 percent of such sums in each of the following five fiscal years:

	Million
Louisiana	$84
Texas	134
California	289
Alabama	7
Alaska	134
Mississippi	2

(2) The acceptance of any payment by a State under this section shall satisfy and release any and all claims of such State against the United States arising under, or related to, section 8(g) of the Outer Continental Shelf Lands Act, as it was in effect prior to the date of enactment of this Act and shall vest in such State the right to receive payments as set forth in this section.

Strike out section 8006.

Strike out subtitles B and C of title VIII.

In subtitle A of title IX, strike out sections 9203, 9212, 9302, 9311, and 9312, and conform the table of contents of title IX accordingly.

In section 9101—

(1) in subsection (a), strike out "FEBRUARY 28" and "February 28" and insert in lieu thereof "APRIL 30" and "April 30", respectively;

(2) in subsections (b), (e)(1)(B), (e)(2)(B), (e)(2)(C), and (e)(3)(C), strike out "1 percent" and insert in lieu thereof "1/2 percent";

(3) in subsection (d), strike out "December 19, 1985" and insert in lieu thereof "March 15, 1986";

(4) in subsection (e)(1)(A), strike out "March" and insert in lieu thereof "May";

(5) in subsection (e)(2)(B), strike out "5 months" and "7 months" and insert in lieu thereof "7 months" and "5 months", respectively; and

(6) in subsection (e)(3)(B), strike out "7/12" and insert in lieu thereof "5/24".

In section 9102(d)—

(1) strike out "5 months" in paragraph (2)(B)(i) and insert in lieu thereof "7 months",

(2) strike out "7 months" in paragraph (2)(B)(ii) and insert in lieu thereof "5 months",

(3) strike out "March" in paragraph (3) and insert in lieu thereof "May", and

(4) add at the end thereof the following:

(4) EXCEPTION.—

(A) Notwithstanding any other provision of this subsection, the amendments made by this section shall not apply to payments with respect to the operating costs of inpatient hospital services (as defined in section 1886(a)(4) of the Social Security Act) of a subsection (d) hospital (as defined in section 1886(d)(1)(B) of such Act) located in the State of Oregon.

(B) Notwithstanding any other provision of law, for a cost reporting period beginning during fiscal year 1986 of a subsection (d) hospital to which the amendments made by this section do not apply, for purposes of section 1886(d)(1)(A) of the Social Security Act—

(i) during the first 7 months of the period the "target percentage" is 50 percent and the "DRG percentage" is 50 percent, and

(ii) during the remaining 5 months of the period the "target percentage" is 25 percent and the "DRG percentage" is 75 percent.

(C) Notwithstanding any other provision of law, for purposes of section 1886(d)(1)(D) of such Act, the applicable combined adjusted DRG prospective payment rate for a subsection (d) hospital to which the amendments made by this section do not apply is, for discharges occurring on or after October 1, 1985, and before May 1, 1986, a combined rate consisting of 25 percent of the national adjusted DRG prospective payment rate and 75 percent of the regional adjusted DRG prospective payment rate of such discharges.

In section 9103, in subsections (a) and (b)(2), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9104, in subsections (a) and (c)(1), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9105, in subsections (a) and (e) strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9123(b), strike out "Janaury" and insert in lieu thereof "April".

In section 9124(b)(1), strike out "April" and insert in lieu thereof "July".

In section 9128, strike out "will go" and insert in lieu thereof "went".

In section 9201(d), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 1886(h)(4)(E) of the Social Security Act, which is proposed to be added by section 9202(a)—

(1) strike out "before July 1, 1986" in clause (i)(I),

(2) strike out "the individual is unable to take that examination because" in clause (i)(II), and

(3) insert "or a previous examination of the Educational Commission for Foreign Medical Graduates" in clause (ii)(II) after "FMGEMS examination".

In section 9211(e), strike out "February" and "April" and insert in lieu thereof "May" and "July", respectively, each place each appears.

In section 9301—

(1) subsection (a), strike out "January 31" and "January 31" and insert in lieu thereof "April 30" and "April 30", respectively;

(2) in subsection (b), strike out "11-month", "February", "January 31", "4-month", and "January 1986" and insert in lieu thereof "8-month", "May," "April 30", "7-month," and "April 1986", respectively, each place each appears; and

(3) in subsection (c)(5), strike out "July" and insert in lieu thereof "October".

In section 9303—

(1) in subsection (b)(2), strike out "April", "1987" and "December 31, 1986" and insert in lieu thereof "July", "1988", and "December 31, 1987", respectively, and

(2) In subsection (b)(5)(A), strike out "April" and insert in lieu thereof "July".

In section 9304—

(1) strike out "11-month" and "February" and insert in lieu thereof "8-month" and "May", respectively;

(2) in paragraph (1) in the matter before subparagraph (A), insert "at any time" after "in the case of any physician who"; and

(3) in paragraph (1)(B), strike out "is not a participating physician" and all that follows through "September 30, 1985, or" and insert in lieu thereof "was not a participating physician (as defined in section

1842(h)(1) of the Social Security Act) on September 30, 1985, and who is not such a physician".

In section 9307(c)—

(1) in paragraph (1), strike out "subsection (1)" and insert in lieu thereof "subsection (k)";

(2) in paragraph (2), strike out "after subsection (k), added by section 146(a) of this title," and insert in lieu thereof "at the end"; and

(3) in the subsection added by paragraph (2), strike out "(l)(1)" and insert in lieu thereof "(k)(1)".

In subtitle B of title IX, strike out sections 9504, 9513, and 9521, and conform the table of contents of title IX accordingly.

In section 9501(d)(1), strike out "April" and insert in lieu thereof "July".

In section 9505(b)(1)—

(1) strike out "sections 9501 and 9504" and insert in lieu thereof "section 9501", and

(2) strike out "(VI)" and "(VII)" and insert in lieu thereof "(V)" and "(VI)", respectively.

In section 9506(a), in proposed subsection (k)(2) of section 1902 of the Social Security Act, insert "(other than by will)" after "established".

In section 9511(b), strike out "January" and insert in lieu thereof "April".

In section 9517(c), amend paragraph (2) to read as follows:

"(2)(A) Except as provided in subparagraph (B), the amendments made by paragraph (1) shall apply to expenditures incurred for health insuring organizations which first become operational on or after January 1, 1986.

"(B) In the case of a health insuring organization—

"(i) which first becomes operational on or after January 1, 1986, but

"(ii) for which the Secretary of Health and Human Services has waived, under section 1915(b) of the Social Security Act and before such date, certain requirements of section 1902 of such Act.

clauses (ii) and (vi) of section 1903(m)(2)(A) of such Act shall not apply during the period for which such waiver is effective."

In section 9522, insert "(or submitted during 1986 by)" after "granted to".

In section 9523—

(1) in subsection (a), strike out "Continued" and "continue" and insert in lieu thereof "Renewed" and "renew", respectively, and

(2) in subsection (b)—

(A) strike out "continued" and insert in lieu thereof "renewed",

(B) strike out "the date of the enactment of this Act" and insert in lieu thereof "December 31, 1985".

In section 9526, at the end of subsection (a) of proposed section 1920 of the Social Security Act, add the following:

"(F) Section 310(b)(1) of Public Law 96-272 (relating to continuing medicaid eligibility for certain recipients of Veterans' Administration pensions).

In subtitle C of title XII, strike out section 12302.

In section 12301—

(1) in subsection (b)—

(A) strike out "or 1903(u)" in paragraph (1), and

(B) strike out "title IV-A and XIX" and insert in lieu thereof "title IV-A" each place it appears; and

(2) after subsection (d), strike out "and 1982.".

In section 12304(a)(3), immediately before the semicolon at the end of the proposed new subparagraph (C), insert the following: "; but the State shall not be subject to any financial penalty in the administration or enforcement of this subparagraph as a result of any monitoring, quality control, or auditing requirements".

Part 1 of subtitle A of title XIII of the bill is amended to read as follows:

PART 1—TRADE ADJUSTMENT ASSISTANCE

SEC. 13001. SHORT TITLE.

This part may be cited as the "Trade Adjustment Assistance Reform and Extension Act of 1986".

SEC. 13002. ELIGIBILITY OF WORKERS AND FIRMS FOR TRADE ADJUSTMENT ASSISTANCE.

(a) WORKERS.—Sections 221(a) and 222 of the Trade Act of 1974 (19 U.S.C. 2271(a); 2272) are each amended by inserting "(including workers in any agricultural firm or subdivision of an agricultural firm)" after "group of workers".

(b) FIRMS.—

(1) Subsections (a) and (c) of section 231 of the Trade Act of 1974 (19 U.S.C. 2341) are each amended by inserting "(including any agricultural firm)" after "a firm".

(2) Paragraph (2) of section 251(c) of the Trade Act of 1974 (19 U.S.C. 2341(c)(2)) is amended to read as follows:

"(2) that—

"(A) sales or production, or both, of the firm have decreased absolutely, or

"(B) sales or production, or both, of an article that accounted for not less than 25 percent of the total production or sales of the firm during the 12-month period preceding the most recent 12-month period for which data are available have decreased absolutely, and".

SEC. 13003. CASH ASSISTANCE FOR WORKERS.

(a) PARTICIPATION IN JOB SEARCH PROGRAM REQUIRED.—

(1) Subsection (a) of section 231 of the Trade Act of 1974 (19 U.S.C. 2291 (a)) is amended by adding at the end thereof the following new paragraph:

"(5) Such worker, unless the Secretary has determined that no acceptable job search program is reasonably available—

"(A) is enrolled in a job search program approved Secretary under section 237 (c), or

"(B) has, after the date on which the worker became totally separated, or partially separated, from the adversely affected employment, completed a job search program approved by the Secretary under section 237 (c).".

(2) Section 231 of the Trade Act of 1974 (19 U.S.C. 2291) is amended by adding at the end thereof the following new subsection:

"(c) If the Secretary determines that—

"(1) the adversely affected worker—

"(A) has failed to begin participation in the job search program the enrollment in which meets the requirement of subsection (a)(5), or

"(B) has ceased to participate in such job search program before completing such job search program, and

"(2) there is no justifiable cause for such failure or cessation.

no trade readjustment allowance may be paid to the adversely affected worker under this part on or after the date of such determination until the adversely affected worker begins or resumes participation in a job search program approved under section 237(c).".

(3) Subsection (a) of section 239 of the Trade Act of 1974 (19 U.S.C. 2311(a)) is amended—

(A) by striking out "training," in clause (2) and inserting in lieu thereof "training and job search programs,"; and

(B) by striking out "and (3)" and inserting in lieu thereof "(3) will make determinations and approvals regarding job search programs under sections 231(c) and 237(c), and (4)".

(b) QUALIFYING WEEKS OF EMPLOYMENT.—The last sentence of section 231(a)(2) of the Trade Act of 1974 (19 U.S.C. 2291(a)(2)) is amended by striking out all that follows after subparagraph (C) and inserting in lieu thereof "shall be treated as a week of employment at wages of $30 or more, but not more than 7 weeks, in case of weeks described in paragraph (A) or (C), or both, may be treated as weeks of employment under this sentence.".

(c) WEEKLY AMOUNTS OF READJUSTMENT ALLOWANCES.—Section 232 of the Trade Act of 1974 (19 U.S.C. 2292) is amended—

(1) by striking out "under any Federal law," in subsection (c) and inserting in lieu thereof "under any Federal law other than this Act",

(2) by striking out "under section 236(c)" in subsection (c) and inserting in lieu thereof "under section 231(c) of 236(c)", and

(3) by striking out "If the training allowance" in subsection (c) and inserting in lieu thereof "If such training allowance".

(d) LIMITATIONS.—

(1) Paragraph (2) of section 233(a) of the Trade Act of 1974 (19 U.S.C. 2293(a)(2)) is amended by striking out "52-week period" and inserting in lieu thereof "104-week period".

(2) Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended by adding at the end thereof the following new subsection:

"(e) No trade readjustment allowance shall be paid to a worker under this part for any week during which the worker is receiving on-the-job training.".

SEC. 13004. JOB TRAINING FOR WORKERS.

(a) IN GENERAL.—Section 236 of the Trade Act of 1974 (19 U.S.C. 2296) is amended—

(1) by striking out "for a worker" in subsection (a)(1)(A) and inserting in lieu thereof "for an adversely affected worker",

(2) by striking out "may approve" in the first sentence of subsection (a)(1) and inserting in lieu thereof "shall (to the extent appropriated funds are available) approve",

(3) by striking out "under paragraph (1)" in subsection (a)(2) and inserting in lieu thereof "under subsection (a)",

(4) by striking out "this subsection" in subsection (a)(3) and inserting in lieu thereof "this section",

(5) by redesignating paragraphs (2) and (3) of subsection (a) as subsections (e) and (f), respectively,

(6) by inserting at the end of subsection (a) the following new paragraphs:

"(2) For purposes of applying paragraph (a)(C), a reasonable expectation of employment does not require that employment opportunities for a worker be available, or offered, immediately upon the completion of training approved under this paragraph (1).

"(3)(A) If the costs of training an adversely affected worker are paid by the Secretary under paragraph (1), no other payment for such costs may be made under any other provision of Federal law.

"(B) No payment may be made under paragraph (1) of the costs of training an adversely affected worker if such costs—

"(i) have already been paid under any other provision of Federal law, or

"(ii) are reimbursable under any other provision of Federal law and a portion of such costs have already been paid under such other provision of Federal law.

"(C) The provisions of this paragraph shall not apply to, or take into account, any funds provided under any other provision of Federal law which are used for any purpose other than the direct payment of the costs incurred in training a particular adversely affected worker, even if such use has the effect of indirectly paying or reducing any portion of the costs involved in training the adversely affected worker.

"(4) The training programs that may be approved under paragraph (1) include, but are not limited to—

"(A) on-the-job training,

"(B) any training program provided by a State pursuant to section 303 of the Job Training Partnership Act,

"(C) any training program approved by a private industry council established under section 102 of such Act, and

"(D) any other training program approved by the Secretary.", and

(7) by inserting after subsection (c) the following new subsection:

"(d) Notwithstanding any provision of subsection (a)(1), the Secretary may pay the costs of on-the-job training of an adversely affected worker under subsection (a)(1) only if—

"(1) no currently employed worker is displaced by such adversely affected worker (including partial displacement such as a reduction in the hours of nonovertime work, wages, or employment benefits),

"(2) such training does not impair existing contracts for services or collective bargaining agreements,

"(3) in the case of training which would be inconsistent with the terms of a collective bargaining agreement, the written concurrence of the labor organization concerned has been obtained,

"(4) no other individual is on layoff from the same, or any substantially equivalent, job for which such adversely affected worker is being trained,

"(5) the employer has not terminated the employment of any regular employee or otherwise reduced the workforce of the employer with the intention of filling the vacancy so created by hiring such adversely affected worker,

"(6) the job for which such adversely affected worker is being trained is not being created in a promotional line that will infringe in any way upon the promotional opportunities of currently employed individuals,

"(7) such training is not for the same occupation from which the worker was separated and with respect to which such worker's group was certified pursuant to section 222,

"(8) the employer certifies to the Secretary that the employer will continue to employ such worker for at least 26 weeks after completion of such training if the worker desires to continue such employment and the employer does not have due cause to terminate such employment,

"(9) the employer has not received payment under subsection (a)(1) with respect to any other on-the-job training provided by such employer which failed to meet the requirements of paragraphs (1), (2), (3), (4), (5), and (6), and

"(10) the employer has not taken, at any time, any action which violated the terms of any certification described in paragraph (8) made by such employer with respect to any other on-the-job training provided by such employer for which the Secretary has made a payment under subsection (a)(1).".

(b) ON-THE-JOB TRAINING DEFINED.—Section 247 of the Trade Act of 1974 (19 U.S.C. 2319) is amended by adding at the end thereof the following new paragraph:

"(16) The term 'on-the-job training' means training provided by an employer to an individual who is employed by the employer.".

(c) AGREEMENTS WITH THE STATES.—Section 239 of the Trade Act of 1974 (19 U.S.C. 2311) is amended—

(1) by amending subsection (a)(2) by inserting "but in accordance with subsection (f)," after "where appropriate,"; and

(2) by adding at the end thereof the following new subsections:

"(e) Agreements entered into under this section may be made with one or more State or local agencies including—

"(1) the employment service agency of such State,

"(2) any State agency carrying out title III of the Job Training Partnership Act, or

"(3) any other State or local agency administering job training or related programs.

"(f) Each cooperating State agency shall, in carrying out subsection (a)(2)—

"(1) advise each adversely affected worker to apply for training under section 236(a) at the time the worker makes application for trade readjustment allowances (but failure of the worker to do so may not be treated as cause for denial of those allowances), and

"(2) within 60 days after application for training is made by the worker, interview the adversely affected worker regarding suitable training opportunities available to the worker under section 236 and review such opportunities with the worker.".

SEC. 13005. JOB SEARCH ALLOWANCES.

(a) IN GENERAL.—Section 237 of the Trade Act of 1974 (19 U.S.C. 2297) is amended by adding at the end thereof the following new subsection:

"(c) The Secretary shall reimburse any adversely affected worker for necessary expenses incurred by such worker in participating in a job search program approved by the Secretary.".

(b) DEFINITIONS.—Section 247 of the Trade Act of 1974 (19 U.S.C. 2319), as amended by section 13004(b) of this Act, is further amended by adding at the end thereof the following new paragraph:

"(17)(A) The term 'job search program' means a job search workshop or job finding club.

"(B) The term 'job search workshop' means a short (1 to 3 days) seminar designed to provide participants with knowledge that will enable the participants to find jobs. Subjects are not limited to, but should include, labor market information, resume writing, interviewing techniques, and techniques for finding job openings.

"(C) The term 'job finding club' means a job search workshop which includes a period (1 to 2 weeks) of structured, supervised activity in which participants attempt to obtain jobs.".

SEC. 13006. ADJUSTMENT ASSISTANCE FOR FIRMS.

(a) TECHNICAL ASSISTANCE.—

(1) Paragraph (1) of section 252(b) of the Trade Act of 1974 (19 U.S.C. 2342(b)(1)) is amended to read as follows:

"(1) Adjustment assistance under this chapter consists of technical assistance. The Secretary shall approve a firm's application for adjustment assistance only if the Secretary determines that the firm's adjustment proposal—

"(A) is reasonably calculated to materially contribute to the economic adjustment of the firm,

"(B) gives adequate consideration to the interests of the workers of such firm, and

"(C) demonstrates that the firm will make all reasonable efforts to use its own resources for economic development.".

(2) Section 252 of the Trade Act of 1974 (19 U.S.C. 2342) is amended by striking out subsection (c) and redesignating subsection (d) as subsection (c).

(3) Paragraph (2) of section 253(b) of the Trade Act of 1974 (19 U.S.C. 2343(b)(2)) is amended by striking out "such cost" and inserting in lieu thereof "such cost for assistance described in paragraph (2) or (3) of subsection (a)".

(b) NO NEW LOANS OR GUARANTEES.—Section 254 of the Trade Act of 1974 (19 U.S.C. 2344) is amended by adding at the end thereof the following new subsection:

"(d) Notwithstanding any other provision of this chapter, no direct loans or guarantees of loans may be made under this chapter after the date of enactment of the Trade Adjustment Assistance Reform and Extension Act of 1986.".

SEC. 13007. EXTENSION AND TERMINATION OF TRADE ADJUSTMENT ASSISTANCE.

(a) IN GENERAL.—Section 285 of the Trade Act of 1974 (19 U.S.C. 2271, preceding note) is amended—

(1) by striking out the first sentence thereof and inserting in lieu thereof "(a)",

(2) by striking out the section heading and inserting in lieu thereof "SEC. 285. TERMINATION.", and

(3) by adding at the end thereof the following new subsection:

"(b) No assistance, allowances, or other payments may be provided under chapter 2, and no technical assistance may be provided under chapter 3, after September 30, 1991.".

(b) CONFORMING AMENDMENT.—The table of contents of the Trade Act of 1974 is amended by striking out the item relating to section 285 and inserting in lieu thereof the following:

"SEC. 285. Termination.".

SEC. 13008. AUTHORIZATION OF APPROPRIATIONS.

(a) WORKERS.—Section 245 of the Trade Act of 1974 (19 U.S.C. 2317) is amended by striking out "1982 through 1985" and inserting in lieu thereof "1986, 1987, 1988, 1989, 1990, and 1991".

(b) FIRMS.—Subsection (b) of section 256 of the Trade Act of 1974 (19 U.S.C. 2346(b)) is amended—

(1) by inserting "for fiscal years 1986, 1987, 1988, 1989, 1990, and 1991" after "to the Secretary",

(2) by striking out "from time to time", and

(3) by striking out the last sentence thereof.

SEC. 13009. EFFECTIVE DATES; APPLICATION OF GRAMM-RUDMAN.

(a) IN GENERAL.—Except as provided in subsections (b) and (c), the amendments made by this part shall take effect on the date of the enactment of this Act.

(b) JOB SEARCH PROGRAM REQUIREMENTS.—The amendments made by section 13003(a) apply with respect to workers covered by petitions filed under section 221 of the Trade Act of 1974 on or after the date of the enactment of this Act.

(c) EXTENSION AND AUTHORIZATION.—Chapters 2 and 3 of title II of the Trade Act of 1974 (19 U.S.C. 2271, et seq.) shall be ap-

plied as if the amendments made by sections 13007 and 13008 had taken effect on December 18, 1985.

(d) APPLICATION OF GRAMM-RUDMAN.—Trade readjustment allowances payable under part I of chapter 2 of title II of the Trade Act of 1974 for the period from March 1, 1986, and until October 1, 1986, shall be reduced by a percentage equal to the non-defense sequester percentage applied in the Sequestration Report (submitted under the Balanced Budget and Emergency Deficit Control Act of 1985 and dated January 21, 1986) of the Comptroller General of the United States for fiscal year 1986.

In section 13031(e)(2)—

(1) strike out "section 236(c)" and insert in lieu thereof "section 236", and

(2) strike out "58b(c)" and insert in lieu thereof "58b".

Strike out subtitle B of title XIII and redesignate the following subtitles accordingly.

In section 13201—

(1) strike out "Subsection (c)" and insert in lieu thereof "(a) Subsection (c)", and

(2) add at the end thereof the following new subsection:

(b) For purposes of all Federal and State laws, the amendment made by subsection (a) shall be treated as having taken effect on March 14, 1986.

Strike out subsection (d) of section 13202 and insert in lieu thereof the following:

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to smokeless tobacco removed after June 30, 1986.

(2) TRANSITIONAL RULE.—Any person who—

(A) on the date of the enactment of this Act, is engaged in business as a manufacturer of smokeless tobacco, and

(B) before July 1, 1986, submits an application under subchapter B of chapter 52 of the Internal Revenue Code of 1954 to engage in such business, may, notwithstanding such subschapter B, continue to engage in such business pending final action on such application. Pending such final action, all provisions of chapter 52 of such Code shall apply to such applicant in the same manner and to the same extent as if such applicant were a holder of a permit to manufacture smokeless tobacco under such chapter 52.

Strike out subsection (c) of section 13203 and insert the following:

(c) EXISTING REDUCTION IN RATES FOR PERIOD AFTER TEMPORARY INCREASE RETAINED.—So much of subsection (e) of section 4121 (relating to temporary increase in amount of tax) as precedes paragraph (2) is amended to read as follows:

"(e) REDUCTION IN AMOUNT OF TAX.—

"(1) IN GENERAL.—Effective with respect to sales after the temporary increase termination date, subsection (b) shall be applied—

"(A) by substituting '$.50' for '$1.10',

"(B) by substituting '$.25' for '$.55', and

"(C) by substituting '2 percent' for '4.4 percent'."

In section 13203(d), strike out "December 31, 1985" and insert in lieu thereof "March 31, 1986".

In section 13205(a)(1), strike out "of the Internal Revenue Code of 1954".

In subsection (a)(2) of section 13205, strike out "of such Code" each place it appears.

In section 13205, strike out "December 31, 1985" and "January 1, 1986" and insert in lieu thereof "March 31, 1986" and "April 1, 1986", respectively, each place either appears.

At the end of paragraph (2) of section 1303(d) of the Internal Revenue Code of 1954 (as proposed to be added by section 13206(a)), insert the following:

In applying subparagraph (B), amounts which constitute earned income (within the meaning of section 911(d)(2)) and are community income under community property laws applicable to such income shall be taken into account as if such amounts did not constitute community income.

In section 13207(c), strike out "September 12, 1985" and insert in lieu thereof "September 12, 1984".

In subparagraph (A) of section 531(g)(1) of the Tax Reform Act of 1984 (as proposed to be added by section 13207(d)), strike out "performed" and insert in lieu thereof "performs".

In paragraph (2) of section 531(g) of the Tax Reform Act of 1984 (as proposed to be added by section 13207(d)), strike out subparagraph (B) and insert in lieu thereof the following:

"(B) if—

"(i) such organization is described in section 501(c)(6) of the Internal Revenue Code of 1954 and the membership of such organization is limited to entities engaged in the transportation by air of individuals or property for compensation or hire, or

"(ii) such organization is a corporation all the stock of which is owned entirely by entities referred to in clause (i), and".

In clause (vi) of section 57(a)(9)(E) of the Internal Revenue Code of 1954 (as proposed to be added by section 13208(a)), strike out "The" and insert in lieu thereof "For purposes of this subparagraph, the".

In clause (vii) of such section 57(a)(9)(E), strike out "The" and insert in lieu thereof "For purposes of this subparagraph, the".

In section 14001(a)(2), strike out "amounts".

In section 14001(a)(4), strike out "March 1, 1986" and insert in lieu thereof "June 2, 1986".

In section 15202, strike out subsection (b) and redesignate subsection (c) as subsection (b).

In section 19001(a), strike out "and Compensation Rate Amendments of 1985" and insert in lieu thereof "Amendments of 1986".

In section 19011—

(1) strike out "April 1, 1986" in the last sentence of subsection (e)(2) and insert in lieu thereof "July 1, 1986"; and

(2) in subsection (f)—

(A) strike out "April 1, 1986" each place it appears and insert in lieu thereof "July 1, 1986";

(B) strike out "March 31, 1986" both places it appears in paragraph (2)(A) and insert in lieu thereof "June 30, 1986"; and

(C) strike out "April and May 1986" in paragraph (2)(B) and insert in lieu thereof "July and August 1986".

Strike out subtitle B of title XIX (and redesignate subtitle C as subtitle B).

In section 19031(b)(2), strike out "April 1, 1986" and insert in lieu thereof "July 1, 1986".

In section 19032—

(1) strike out "February 1, 1986" in subsection (a) and insert in lieu thereof "May 1, 1986"; and

(2) strike out "November 1, 1986, and November 1, 1987," in subsection (f) and insert in lieu thereof "February 1, 1987, and February 1, 1988,".

NOTICES OF HEARINGS

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. HELMS. Mr. President, I wish to announce that the Committee on Agriculture, Nutrition, and Forestry has scheduled a markup on S. 2045, a bill to amend the Commodity Exchange Act to reauthorize appropriations to carry out such act, and for other purposes.

The markup is to be held on Tuesday, March 25, 1986, at 9:30 a.m. in room 328-A Russell Senate Office Building.

Please contact the committee staff at 224-2035 if further information is needed.

SUBCOMMITTEE ON PUBLIC LANDS, RESERVED WATER, AND RESOURCES CONSERVATION

Mr. WALLOP. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of hearings before the Senate Subcommittee on Public Lands, Reserved Water and Resource Conservation on Monday, March 31, 1986, in Kotzebue, AK, and Wednesday, April 2, 1986, in Bethel, AK, on S. 2065, to amend the Alaska Native Claims Act to provide Alaska Natives with certain options for the continued ownership of lands and corporate shares pursuant to the Act and for other purposes.

The hearing on Monday, March 31, 1986, will be held from 12:30 p.m. to 5 p.m. at the Kotzebue Senior Citizens Center in Kotzebue, AK. The hearing on Wednesday, April 2, 1986, will be held from 9:00 a.m. to 5 p.m. at the VFW Club in Bethel, AK.

Witnesses are asked to limit their oral testimony to 3 to 5 minutes. Witnesses will be placed in panels. Those wishing to testify should sign up in advance of the hearing no later than close of business on Thursday, March 27, 1986. Witnesses are requested to bring five copies of their testimony with them to the hearing.

Those wishing to testify should contact one of the offices of Senator Murkowski at the following addresses: 701 C Street, Box 1, Anchorage, AK 99513, 907-271-3735; 101 12th Avenue, Box 7, Fairbanks, AK 99701, 907-456-0233; or Box 1647, Federal Building, Juneau, AK 99802, 907-586-7400.

AUTHORITY FOR COMMITTEES TO MEET

SELECT COMMITTEE ON INTELLIGENCE

Mr. DOLE. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, March 13, 1986, in closed executive session in order to conduct a hearing on the fiscal year 1987 intelligence authorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, March 13, 1986, in order to conduct a hearing on S. 1763, S. 2058, and S. 2076, and also to act on four nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON DEFENSE ACQUISITION POLICY

Mr. DOLE. Mr. President, I ask unanimous consent that the Subcommittee on Defense Acquisition Policy, of the Committee on Armed Services, be authorized to meet during the session of the Senate on Thursday, March 13, 1986, in order to receive testimony on S. 2082, the Defense Acquisition Enterprize And Initiative Act of 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INVESTIGATION

Mr. DOLE. Mr. President, I ask unanimous consent that the Subcommittee on Investigations, of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Thursday, March 13, 1986, in order to conduct a hearing on airline safety in the United States.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

TOBACCO AND THE DEPARTMENT OF DEFENSE HEALTH PROMOTION DIRECTIVE

● Mr. BINGAMAN. Mr. President, on Tuesday, the Secretary of Defense released a health promotion directive which is a disappointment to those of us who are concerned about the health of military service members and their families. By omitting from this directive positive and substantive provisions which would have discounted the Department of Defense subsidies for tobacco products sold on military installations, the Secretary missed a significant opportunity to improve the quality of life of those who serve in the Armed Forces.

This directive guarantees that the Department of Defense will continue to subsidize disease and premature death among its personnel and their families. Additional service members and their families will suffer from lung cancer, heart disease, and other smoking-related maladies as a result of this directive. These individuals will seek medical care for their diseases in military hospitals and in VA medical centers. Taxpayers will foot the bill for this care.

Everyone lost on Tuesday, Mr. President, with the exception of the tobacco industry. It is the taxpayer and the service members and their families who are the biggest losers. The former will pay more in taxes for the health care of smokers; the latter will suffer needlessly from preventable diseases.

This directive could have been and should have been more effective. On February 5, Senators CHAFEE, BOREN, LUGAR, PROXMIRE, HATFIELD, KENNEDY, and HEINZ joined me in writing to Secretary Weinberger urging him to stop the subsidy of tobacco products on military installations. The Secretary has chosen not to do so.

Instead, the Secretary's directive calls for aggressive educational programs regarding smoking and its danger. I support such programs and I am pleased that they are included in the directive. But this is quite simply not enough. Judging from press reports, as well as from his own comments in a memorandum to the service Secretaries outlining the directive, I am convinced that Secretary Weinberger understands and even agrees with those of us in the Senate who wrote him. The overwhelming evidence regarding the ill-effects of smoking on the military community has not escaped his notice. I believe that he would have liked to have included an end to the military tobacco subsidy in his directive. However, the supporters of the tobacco industry, both in Congress and in the administration, are many and vocal. They have persuaded the Secretary to put off any increase in tobacco prices in commissaries and exchanges to the indefinite future, after "a reasonable trial of the intense antismoking campaign." Once again we see good public policy sacrificed in order to satisfy the demands of special interest politics.

Tuesday's announcement further highlights the schizophrenic approach of the Federal Government with regard to tobacco. The Secretary notes these "undesirable inconsistencies" in his memorandum to the service Secretaries. With this directive, we will continue to encourage military personnel to smoke by keeping cigarette prices far below the prevailing local rate, even though we will be spending taxpayer's dollars to warn the same personnel of the dangers inherent in the use of tobacco. This is nothing short of absurd, Mr. President.

This is not, however, the last word on this matter. What the Secretary has failed to do administratively can still be done legislatively. I intend to offer an amendment to the 1987 Defense Authorization Act to require that prices of tobacco products in commissaries and exchanges be raised to the prevailing local rate. The additional revenues raised by higher tobacco prices will be returned to the morale and welfare fund in the case of exchanges and to improved operations in the case of commissaries. In that way, we will provide a real benefit to the majority of the military community who do not smoke by discontinuing subsidies to the minority who do.●

DEDUCTIBILITY OF STATE AND LOCAL TAXES

● Mr. HUMPHREY. Mr. President, I have recently called to the attention of my colleagues a recent series of articles in the Washington Times by nationally syndicated economics columnist Warren Brookes concerning the deductibility of State and local taxes. Today, I would commend to my colleagues an article which appeared in the December 1984/January 1985 issue of "People & Taxes," a newsletter published by Ralph Nader's group, Public Citizen. The support for the elimination of this unfair deduction demonstrated by Public Citizen in this article, I believe, helps to show that people of varying political views agree on at least one aspect of tax reform: Repealing the deduction for State and local taxes must be eliminated in order to achieve true tax reform.

In this article, the deduction receives the award for being the "Loophole of the Month." The article points out the important fact that, while looked at in isolation, repeal could cause some problems, when overall tax reform is taken into consideration, most taxpayers, even those in high-tax States, would be better off. The House tax bill demonstrates clearly that such is not the case if this deduction is retained. Many Americans would face higher tax rates under the House bill for the simple reason that the House pushes taxpayers into higher tax brackets at lower threshold levels. Why did the House lower the income thresholds? Because additional revenue was needed to pay for retaining deductibility.

The article goes on to point out a fact that has not received much attention. Opponents of repeal claim that States will be pressured to reduce taxes since they will no longer be deductible. This would then lead to a reduction in essential services. However, this entire argument ignores one important fact, a fact of which the States are well aware: the overwhelming majority of States piggy-back on the Federal personal income tax by using Federal law to determine individuals State tax liabilities. Even more States utilize the Federal measurement rules for corporate income tax purposes. When the Federal tax base is broadened, the States' tax bases are also broadened. Without the accompanying reduction in rates, States will see their revenue coffers overflowing with money. This would then provide the States with the politically appeal-

ing prospect of reducing taxes without adversely affecting revenues. Mr. President, I cannot understand why this fact has not received more attention. Even more to the point, I cannot understand why opponents of repeal are using this argument at all. It is clearly a misstatement of the fact which I take this opportunity to bring to the attention of my colleagues.

Mr. President, the arguments raised by the Public Citizen article further demonstrate the fairness issue involved in deductibility. I would urge my colleagues to strongly consider the points made by public citizen as the Senate continues consideration of the tax reform issue.

Mr. President, I ask that the article referred to above appear in the RECORD.

The article is as follows:

[From the Public Citizen, December 1984/January 1985]

FROSTBELT LIBERALS AMBUSH TAX REFORM

(By Matthew Cooper)

The first principle of constitutional government, Daniel Patrick Moynihan (D-NY) recently observed with indignation, is to avoid assessing taxes. So much for "life, liberty, and the pursuit of happiness," which most Americans probably regard as the fundamentals of government.

Moynihan, regarded as a learned historian and one of his party's leading intellectuals, is simply engaging in the ancient political alchemy of trying to turn pork barreling into something more noble. There has been a lot of that going around since the Treasury Department issued its tax reform plan in November.

Every interest group has its gripe. The gripe for Moynihan and many other Democrats is the Treasury plan's proposal to eliminate the current federal tax deduction for individuals' payments of state and local property, income and sales taxes. A group of liberal politicians, who might otherwise be expected to offer strong support for a Treasury proposal that reduces taxes an average of 8.5 percent on all taxpayers, has ripped Treasury's plan largely because it would kill a single tax break used by fewer than one-third of all taxpayers.

About half of the tax benefits from the federal deduction for state and local taxes go to households earning more than $50,000. Out of every tax dollar saved by individuals using the present deduction, about 82 cents end up in the pocket of persons earings above $30,000. Despite those statistics, Moynihan and seveal other Democrats who represent high-tax Frostbelt states say they will continue to spurn Treasury's package until and unless Treasury agrees to preserve the deduction for state and local taxes.

The federal tax deduction for levies paid to state and local governments does not qualify as a blatant squandering of the public trust. It's not on a par with, say, the writeoff that permits attorneys to deduct their bar conferences on cruise ships,

Moynihan, New York Gov. Mario Cuomo, and other spokesmen for states with high tax rates argue that repeal of the federal deduction would mean a large tax hike for the average taxpayer, falling disproportionately on residents in New York, Massachusetts, Delaware, Maryland, Wisconsin, California and other states with high taxes on income and property. Several lawmakers, therefore, have complained about a regional unfairness in Treasury's plan. Furthermore, it is perceived as a double tax on the same income, rubbing salt in the wound of state taxpayers and lending defenders of the deduction their most attractive argument. "Monies paid to a state or a local government don't constitute income available for (federal) taxes," Moynihan explained. "It's already disappeared. It's not income."

Moynihan's scholarly vexation at double taxation will be news to taxpayers whose income has always been taxed twice—for social security and for income taxes. Businesses have also long complained that corporate income taxes amount to double taxation on the same dollar—once at the corporate level and later at the shareholders' level.

Estimates vary, but the 44 percent of New Yorkers who use the federal deduction for state and local taxes save an average of nearly $900 off their federal tax bill. That compares to a tax savings for itemizers in Massachusetts of about $650, and a tax break of only $230 for Floridians, whose state tax burden ranks among the lowest in the nation.

Defenders of the present deduction fear that if the deduction is repealed, citizens in high-tax states will feel the full weight of heavy state and local taxes. New York state politicians, for example, fret that tax-slashing and budget-cutting movements would foment in every hamlet from Buffalo to the Bronx. Beseiged state lawmakers, so the scenario goes, will be forced to cut taxes, axe services, and curtail programs aiding the poor.

Since New Yorkers use the deduction more than residents of other states do, New York politicians have emerged as the most outspoken critics of this portion of the Treasury proposal. Cuomo charged that it would "pulverzie the middle class." Moynihan was quoted as saying, "Goddamn it, they're trying to wreck our state." Calling the plan, "ruinous," Moynihan vowed, "I'm on the Senate Finance Committee to see it doesn't happen."

In the House of Representatives, liberal Rep. David Obey (D-Wisc.), only hours after Treasury announced its comprehensive reform proposal, warned his House colleagues that "your state and mine . . . will get the shaft." Obey's state ranks fifth in the country in usage of the federal deduction for state and local taxes.

WEIGHING THE GOODIES

Some of these nightmares might occur if the Treasury eliminated deductions piecemeal. But if implemented in its entirety, the complete package of tax reform offered by Treasury Secretary Donald Regan would leave most taxpayers better off—even those in high-tax states.

Even though residents of New York state are more likely to itemize their deductions than persons in other states, about six out of ten New Yorkers do not itemize and therefore never use the deduction for state and local taxes. Even many itemizers who would use the state-local deduction would fare well when the Treasury plan is viewed in its entirety.

According to Treasury statistics, a New York family with a median income of $35,160 pays total federal taxes of $3,205 under present law, compared with $3,182 under Regan's plan—a savings of $23 per year even though state and local taxes could no longer be deducted. In other words, for many families, the tax increase caused by termination of the state-local tax deduction would be outweighed by other tax reductions in the Treasury's plan: doubling tax exemptions to $2,000 for each family member, expanding the standard deduction for non-itemizers, increasing the write-offs for individual retirement accounts, lowering marginal tax rates, and other goodies. Mr. and Ms. Albany would enjoy their share of federal tax cutting.

State treasuries may find the least to whine about. A tax reform that gives many citizens an overall tax cut is hardly the impetus for a state-level tax revolt. States, in fact, could reap a politician's dream—the opportunity to cut taxes if Treasury's plan becomes law.

At present, 34 state tax systems "piggyback" on the federal personal income tax by using federal law to determine individuals' state tax liabilities. Many of the 46 states with corporate income taxes rely on income measurement rules of the federal corporate tax. When Treasury broadens the tax base, states automatically broaden theirs.

Gov. Cuomo, when quizzed about why he would oppose this potential windfall to New York's state coffers, replied, "Well, we don't want them (additional taxes). That's the whole point. It would chase people out of the state." If Cuomo disdains additional state revenue, however, he has one enviable choice: cut taxes. That's not a bad predicament for any politician.

TAX BREAK AS SUBSIDY

Treasury officials have attempted to turn the Frostbelt liberals' own fairness argument against them by emphasizing that the current deduction amounts to a larger subsidy for taxpayers in high-tax states than in low-tax states. Moynihan bridled at Treasury's use of the word "subsidy." "There is something to be resisted in the notion that what the federal government doesn't tax, it has given you," he told the New York Times. Moynihan admitted, however, that he vilified oil companies' write-offs as "subsidies" because, he said, "we don't have any oil wells in New York."

Texans, whose state has grown rich on oil revenues, have little need for federal deductions for state and local taxes. New Yorkers, whose state raises revenue from sales, property and income taxes, have little need for federal write-offs for oil drilling.

And there lies the basis for a selfless compromise, if Frostbelt liberals really want to support Treasury's tax reform package. But if they don't, there lurks the basis for an unholy alliance.●

FREEDOM OF INFORMATION DAY

● Mr. GORE. Mr. President, I would like to join Sigma Delta Chi, the Society of Professional Journalists, in commemorating March 16, 1986, as Freedom of Information Day.

As a former journalist myself, I know just how vital the exchange of information must be in a democratic society. Of all the rights we cherish in America, the right to know is among the most important.

Now is the time to reflect on the foundations of our freedom, from the first amendment to the Freedom of Information Act, and to renew our resolve to protect them from future assaults. We must always remember that

democracy, like so many special creatures, cannot survive in captivity, but only in the open.

It seems particularly appropriate to mark this occasion on March 16, the birthday of James Madison, who perhaps did more for American freedom than anyone else in our history. As the Father of the Constitution and the principal author of the first amendment, Madison had the foresight to design a free society that could keep itself free. He understood—and in 40 years of public service, helped to prove—that democracy was mankind's greatest and most powerful invention.

We owe it to our forefathers and our children to keep fighting for the freedoms that make democracy work.●

INNA AND NAUM MEIMAN: A LOOK AT THEIR LIVES

● Mr. SIMON. Mr. President, although many of my colleagues have participated in the Congressional Call to Conscience to draw attention to the plight of Soviet Jewry, only a few of us have had the opportunity to actually meet the Soviet Jews who fill our hearts and minds with concern. Because of this, I want to acquaint my colleagues with the lifestyle of two friends of mine, Inna and Naum Meiman.

The Meimans were married, both for the second time, in 1981. Naum is a physicist. Inna is an English tutor in her midfifties. Naum has a daughter in Colorado who emigrated some years ago.

I visited their apartment in Moscow on the fifth floor. The building does not have an elevator which makes life very difficult for 72-year-old Naum and for Inna who is critically ill with cancer. Naum has lived there for over 30 years.

As visitors come into the apartment, Naum makes a fuss, giving house slippers and making sure that you have a comfortable place to sit. Like any hospitable couple, Naum and Inna bring out some sort of sweet and the inevitable Russian tea.

Visiting with Naum and Inna is like going to any friend's house—with one major exception. As foreigners, you and I can leave. The Meimans, and others like them, live each day in hope. Without our voices, my colleagues, their hopes may fade. We cannot allow ourselves to grow silent.

I urge the Soviet authorities to allow Inna and Naum Meiman to emigrate.●

UNITED STATES POLICY ON CHILEAN HUMAN RIGHTS

● Mr. DURENBERGER. Mr. President, I rise today to express my support for the Reagan administration's efforts to call attention to the current human rights situation in Chile.

As a member of the board of International Friends of the Chilean Human Rights Commission, I have seen detailed evidence of the Pinochet government's poor performance in the area of human rights. The Department of State's 1985 report on Chile's human rights practices further underlines the concern of our Government:

Reliable and documented reports of torture and mistreatment of those detained by the authorities continue to be received by human rights organizations, and there was an increase in charges by human rights groups and government opponents of temporary kidnappings, beatings, and torture by persons frequently reported to be agents of the security forces. There continued to be a high level of far left terrorism, to which was attributed the murders of military and police officers and civilians, as well as the bombing of installations identified with the Chilean government or the United States, such as Mormon churches, U.S.-owned companies, and binational centers.

Yesterday, Assistant Secretary of State Richard Schifter introduced a draft resolution on Chile at the annual session of the United Nations Human Rights Commission in Geneva. This resolution firmly places the United States among such democratic states as Venezuela, Costa Rica, West Germany, and Britain in collective opposition to the human rights performance of the Chilean Government. While I am pleased that Chile's Government was concerned enough about its international reputation that it permitted full access to the U.N.'s Special Rapporteur on Chile, Professor Fernando Volio of Costa Rica, I am disturbed that President Pinochet's response has been to attack his domestic critics in the democratic parties and to criticize foreign interference in Chile's affairs.

Professor Volio's report on Chile expresses the special Rapporteur's concern about the incidence of torture and physical abuse against political opponents of the government and human rights activists. More specifically, this U.N. report states that:

Such violations as well-founded reports of torture and abuses by security forces, the climate of insecurity for those involved in church and human rights work, the prohibition preventing several thousand Chilean exiles from returning to their country, and the suppression of fundamental political rights and freedoms through the maintenance of exceptional executive powers during the prolonged period in which States of Exception to constitutional rights have been in effect.

It is my hope that the Chilean Government would respond in a positive and constructive way to the recommendations suggested in Professor Volio's report. Such human rights violations are a blot on Chile's past reputation as a stronghold of democracy in the Americas. It is my understanding that Ambassador Schifter has now moved to table the American resolution on Chile, so that it might be acted upon expeditiously. I further understand that another, more strident resolution has been subsequently offered by Mexico, Yugoslavia, and Algeria. These governments should give full consideration to the importance of having the U.N. Human Rights Commission speak with one voice on this humanitarian issue. Knowing these facts, there should be no misunderstanding of where the United States stands on human rights in Chile and what the most constructive approach to encouraging a transition to democracy in Chile ought to be.

Mr. President, I ask unanimous consent that an article from today's New York Times on Chile as well as the text of the United States draft resolution on Chile be printed in the RECORD.

[From the New York Times, Mar. 13, 1986]

UNITED STATES, IN REVERSAL, FAULTS CHILEANS OVER RIGHTS ISSUE

(By Bernard Gwertzman)

WASHINGTON, March 12.—The United States, in a reversal of policy, today expressed concern over the human rights situation in Chile. It called on other countries to support a United Nations resolution condemning the Chilean rights record.

State Department officials said the United States had been quietly pressing for months in favor of changes under the military government of President Augusto Pinochet, which has been in power in Chile since 1973.

But they said that the efforts had been frustrated and that the United States has therefore decided not only to publicize its unhappiness in a public statement but also to denounce Chile in a resolution of the United Nations Human Rights Commission in Geneva.

U.S. FEARS LEFTIST INROADS

The criticism of Chile follows American support for the ouster of Jean-Claude Duvalier in Haiti and of Ferdinand E. Marcos in the Philippines, both of whom has also been accused of rights violations by Washington.

The United States says it fears the failure of General Pinochet to create room for a non-Communist opposition will make a sham of the political transition he has promised and enhance support for Communists.

A Constitution that took effect in Chile in March 1981 provides for continued direct rule by the military junta until 1989, when presidential elections are to mark the beginning of a phased return to full civilian rule by 1997.

The draft resolution introduced by the United States in the United Nations rights commission marked the first time that it had taken the lead in criticizing Chile before that body. In past years, the Reagan Administration had either voted against or abstained on anti-Chilean resolutions.

Richard Schifter, the Assistant Secretary of State for Human Rights and Humanitarian Affairs, said at a news conference in Geneva today that the United States had made public its criticism because Chile had not responded to quiet diplomacy.

Charles E. Redman, a State Department spokesman, said the United States had also decided to introduce its own resolution because it has been dissatisfied with resolutions offered in the past by Cuba and others.

"We believe the resolution we introduced in Geneva presents the human rights situation in Chile in an objective way and hope that other countries will join us in supporting this text," Mr. Redman said.

The resolution, although commending Chile for admitting a United Nations human rights observer last year, noted the allegations made by the observer and expressed concern "at the persistence of serious violations of human rights in Chile."

The draft resolution said the Human Rights Commission "notes with particular dismay the ineffectiveness of government and judicial authorities in preventing the recurrence of abuses by security forces, and expresses special concern over the failure of the Government of Chile to insure the thorough investigation and persecution of the many recent cases of kidnapping and torture."

American officials said the criticism had apparently caused concern in Chile. United Press International reported that General Pinochet met today with his Cabinet to discuss the American condemnation of Chile's rights record.

CHILEAN BISHOPS ISSUE AN APPEAL

SANTIAGO, Chile, March 12 (Reuters).—The Roman Catholic bishops today urged the Government to listen to its opponents and said that punitive laws and disproportionate repression were illegitimate.

In a statement issued by the Permanent Committee of the Episcopal Conference, the bishops also spoke out against the use of violence and said a visit by Pope John Paul II next year was not meant to support either the Government or the opposition. Leftists have urged the Pope not to come.

The bishops' statement came a day after the Government marked the fifth anniversary of the 1981 Constitution with an uncompromising speech by Interior Minister Ricardo Garcia and a wave of bombings by leftist guerrillas.

The bombings caused blackouts in Concepción and in some parts of Valparaíso, Viña del Mar and Santiago, the police said.

UNHRC 1986 DRAFT RESOLUTION

The Commission on Human Rights, aware of its responsibility to promote and encourage respect for human rights and fundamental freedoms and resolved to remain vigilant with regard to violations of human rights wherever they occur.

Noting the obligation of the government of Chile to respect and protect human rights in accordance with the international instruments to which Chile is a party, an obligation which is not different from that of any other government which is a party to international human rights instruments.

Recalling its successive resolutions on the situation of human rights in Chile and in particular its resolution 11 (XXXV) of 6 March 1979, by which it appointed a special rapporteur on the situation of those rights, and its resolution of 1985/47 of 14 March 1985, in which it agreed most recently to extend the mandate of the special rapporteur for one more year, and in view of the serious human rights violations in Chile to give high priority to the study of this issue.

Recalling also the concern expressed by the general assembly on the situation of human rights in Chile in its resolutions 3219 (XXIX) of 6 November 1974, 3448 (XXX) of 9 December 1975, 31/124 of 16 December 1976, 32/118 of 16 December 1977, 33/175 of 20 December 1978, 34/179 of 17 December 1979, 35/188 of 15 December 1980, 36/157 of 16 December 1981, 37/183 of 17 December 1982, 38/102 of 16 December 1983, 39/121 of 14 December 1984 and in particular, general assembly resolution 40/145 of 13 December 1985 in which the assembly invited the commission on human rights to take the most appropriate steps for the effective restoration of human rights and fundamental freedoms in that country, including the extension of the mandate of the special rapporteur for one more year.

Having examined the special rapporteur's report:

1. Commends the special rapporteur for his report on the situation of human rights in Chile, prepared in accordance with resolution 1985/47, and the efforts made by the special rapporteur during his stay in Chile.

2. Recognizes as a positive development the fact that the government of Chile permitted the special rapporteur to enter the country and provided the cooperation and freedom of access to persons of all social, political and economic interests necessary for his investigation.

3. Expresses its concern, nevertheless, at the persistence of serious violations of human rights in Chile, as described in the report of the special rapporteur, which refers to such violations as well-founded reports of disappearances and of torture and abuses by security forces, the climate of insecurity for those involved in church and human rights work, the prohibition preventing several thousand Chilean exiles from returning to their country, and the suppression of fundamental political rights and freedoms through the maintenance of exceptional executive powers during the prolonged period in which states of exception to constitutional rights have been in effect.

4. Notes with particular dismay the ineffectiveness of government and judicial authorities in preventing the recurrence of abuses by security forces, and expresses special concern over the failure of the government of Chile to ensure the thorough investigation and prosecution of the many recent unsolved cases of kidnapping and torture.

5. Expresses its conviction that a legal and political structure, based on the consent of the governed, emerging from a civilized and constructive national dialogue between the concerned parties, representative of the will of the people, and respecting the full exercise of civil and political rights, including those of trade unions, is essential to the full observance of human rights in Chile, as in any other nation.

6. Once again appeals to the Government of Chile to restore and respect human rights in harmony with provisions of the universal declaration of human rights and in accordance with obligations it has assumed under various international instruments, and to re-establish democratic institutions and the principle of legality essential to the effective enjoyment and exercise of human rights and fundamental freedoms.

7. Strongly recommends the government of Chile take at least the following steps, in conformity with the information and recommendations of the report of the special rapporteur, and adopt the measures necessary and conducive thereto:

A. Immediately put an end to all forms of physical and psychological torture by the security and police forces and, in order to accomplish that result, reiterate and make public the order of July 30, 1985 by Ministers of Defense and Interior which calls for an end to these abuses;

B. Proceed vigorously through judicial and administrative action to investigate all reports of torture, killings, kidnappings, or other human rights violations by the security forces, take appropriate action against all persons found guilty of such violations, and effect such reorganization of the same security forces as may be necessary to end persistent problems of human rights;

C. Establish a permanent system to monitor the conduct of the security and police forces, including the National Center of Investigations;

D. Cooperate fully and effectively with investigations of recent unsolved assaults against persons engaged in human rights activities and take vigorous steps to protect such persons against future assaults;

E. Proceed vigorously to end the activities of groups and bands, whether private or connected with security forces, which have been reported to be responsible for kidnappings, interrogations, intimidation and beatings of ordinary citizens, and punish those responsible, especially the leaders of these groups;

F. Cooperate fully and effectively with investigations ordered in judicial proceedings on criminal cases or complaints in the civilian and military tribunals, and reform the legal system to guarantee the maximum effectiveness of judicial remedies, particularly amparo and habeas corpus;

G. Punish persons found to have been guilty of terrorist acts, under due process of law, without using the problem of terrorism as a justification for any abuse of authority against persons engaged in non-violent opposition;

H. Maintain law and order without resort to excessive use of force by security and police authorities which can cause injury or death to innocent bystanders or other persons not engaged in violent acts;

I. Amend the law authorizing the declaration of a state of exception so as to limit the time and circumstances under which such state of exception may be in effect and bring the law into conformity with constitutional guarantees of human rights;

J. End the practice of ordering internal banishment without recourse to the judicial system;

K. Allow the return of all Chilean citizens now living abroad who wish to return.

8. Requests that the government of Chile continue and increase its cooperation with the special rapporteur and fully implement his recommendations, and invites the government to submit any comments it may have to the commission on human rights at its forty-third session.

9. Decides to extend the mandate of the special rapporteur for one year and to request him to report on the situation on human rights in Chile to the General Assembly at its forty-first session and the Commission on Human Rights at its forty-third session.

10. Recommends to the Economic and Social council that it make appropriate arrangements to ensure that the necessary financial resources and sufficient staff are provided to implement this resolution.●

RELATIONS BETWEEN THE CENTRAL INTELLIGENCE AGENCY AND AMERICAN ACADEMICS

● Mr. DURENBERGER. Mr. President, one of the great tragedies of the 1960's and 1970's was the withdrawal, by American academics, of cooperation with the analytic arms of U.S. intelli-

gence. This country produces some of the finest research and writing on foreign countries and foreign policy that the world has ever seen. American academics, with their fine training and years of experience, frequently develop expertise on particular countries that no intelligence organization can match, despite its access to secret sources.

U.S. intelligence agencies want and need the help of academic experts. They need the "reality check" that an outside expert can provide by critiquing their analyses. They need the fresh ideas that an outsider can inject into the intelligence process. Often, because of personnel turnover, they need the basic guidance that a seasoned expert can provide to get a new analyst off to a good start.

Intelligence is a vital part of the policy process. Academics should be proud to help make the policy process more rational by ensuring that it is based upon the best possible information and analysis.

American academics, in turn, need some things from U.S. intelligence agencies. They need the freedom to state their views without censorship—except as required to delete sensitive intelligence sources and methods or other classified information. They need enough insulation from the operational side of U.S. intelligence that their cooperation with analysts will not lessen their ability to conduct research in foreign countries. And they need the right and encouragement to be forthright with their employers and the public regarding any financial support received from U.S. agencies.

The recent case of Nadav Safran, a truly distinguished professor at Harvard University who was faulted for not disclosing CIA support for an academic conference, illustrates very well both our need for academics to help U.S. intelligence and the need to guard against accidental harm to those academics and to free academic enquiry everywhere. Professor Safran exemplifies the type of insightful scholar who can really make a difference by applying his rigorous analytic approach to problems of U.S. intelligence. His resignation as director of Harvard's Center for Middle Eastern Studies is a good example of the harm that can come from keeping the service to his country so secret that it offends scholarly canons or university rules.

The CIA has learned from this case; they are both changing their rules regarding contracts with academics and reaching out to the academic community to exchange views on this issue. Recently, the CIA's Deputy Director for Intelligence, Robert M. Gates, presented the CIA's latest position in a thoughtful address at Harvard's John F. Kennedy School of Government. His discussion may not be the last word, but it is well worth reading. Both the CIA and the Select Committee on Intelligence would be most interested in hearing the reactions of American scholars, for we are serious when we say that America needs their contributions to the intelligence and policy processes.

Mr. President, I ask that the text of Mr. Gate's address on "CIA and the University" be printed in the RECORD.

The address follows:

CIA AND THE UNIVERSITY

I welcome this opportunity to come to Harvard and speak about the relationship between the Central Intelligence Agency, especially its analytical/research arm, and the academic community. Recent events here have again sparked broad discussion of both the propriety and wisdom of university scholars cooperating in any way with American intelligence. On December 3rd of last year the Boston Globe stated "The scholar who works for a government intelligence agency ceases to be an independent spirit, a true scholar." These are strong words. In my view they are absolutely wrong. Nonetheless, there are real concerns that should be addressed.

My remarks tonight center on two simple propositions:

First, preserving the liberty of this nation is fundamental to and prerequisite for the preservation of academic freedom; the university community cannot prosper and protect freedom of inquiry oblivious to the fortunes of the nation.

Second, in defending the nation and our liberties, the Federal Government needs to have recourse to the best minds in the country, including those in the academic community. Tensions inevitably accompany the relationship between defense, intelligence and academe, but mutual need and benefit require reconciliation or elimination of such tensions.

THE HISTORY OF CIA-UNIVERSITY RELATIONS

In discussing the relationship between the academic community and American intelligence, and specifically the research and analysis side of intelligence, it is important to go back to antecedents which, coincidentally, have important links to Harvard. In the summer of 1941, William J. Donovan persuaded President Roosevelt of the need to organize a coordinated foreign intelligence service to inform the government about fast moving world events. He proposed that the service "draw on the universities for experts with long foreign experience and specialized knowledge of the history, languages and general conditions of various countries." President Roosevelt agreed and created the Office of the Coordinator of Information, later renamed the Office of Special Services, under Donovan's leadership. The prominent Harvard historian, William L. Langer, was recruited as the Director of Research and he in turn, recruited some of the finest scholars in America for the OSS, many of them from Harvard, Yale, and Columbia Universities.

When CIA was established by the National Security Act of 1947, this pattern was repeated. Langer returned to establish the Board of National Estimates. Robert Amory of the Harvard Law School faculty was named CIA's Deputy Director for Intelligence in 1952, and served in that capacity for nearly ten years. Other academicians who joined included: Historians such as Ludwell Montague, Sherman Kent, Joseph Strayer and DeForrest Van Slyck; economist Max Millikan, who organized the economic intelligence effort; economist Richard Bissell, who later headed the clandestine service; and even Willian Sloane Coffin who left the Union Theological Seminary to join CIA for the duration of the Korean War before becoming Chaplain at Yale. He is quoted as recalling that he joined the Agency because "Stalin made Hitler look like a Boy Scout." It was a common reason for academicians to join the Agency in the early years.

Relations between the scholarly community and CIA were cordial throughout the 1950s. The cold war at its height and faculty or students rarely questioned the nation's need for the Agency and its activities. Some of the most noted university professors of the time served on a regular basis as unpaid consultants, helping CIA to form its estimates of probable trends in world politics.

These halcyon days were soon to change. There was some criticism on campuses over CIA's involvement in the Bay of Pigs expedition in 1961. But the real deterioration in relations between CIA and the academe paralleled the wrenching divisions in the country over the Vietnam War, despite continuing academic cooperation with the Directorate of Intelligence. The decline in CIA-academia ties accelerated with the February 1967 disclosure in Ramparts magazine that CIA had been funding the foreign activities of the National Student Association for a number of years.

Sensational allegations of wrongdoing by CIA became more frequent in the media in the early 1970s, culminating the establishment of the Rockefeller Commission and subsequently both the Church Committee in the Senate and the Pike Committee in the House of Representatives.

Even the Church Committee, however, so critical of other intelligence activities, recognized that CIA "must have unfettered access to the best advice and judgment our universities can produce." The Committee recommended that academic advice and judgment of academics he openly sought. The Committee concluded that the principal responsibility for setting the terms of the relationship between CIA and academe should rest with college administrators and other academic officials. "The Committee believes that it is the responsibility of . . . the American academic community to set the professional and ethical standards of its members."

This paralleled considerable debate within academic ranks and numerous articles about the relationship between the universities and CIA. In response to a letter from the President of the American Association of University Professors, then CIA Director George Bush replied that the Agency sought "only the voluntary and willing cooperation of individuals who can help the foreign policy processes of the United States." The Director stated that where relationships are confidential they are usually so at the request of the scholars, rather than the Agency, and he refused to isolate the Agency from "the good counsel of the best scholars in our country."

Adopting this approach, Director Stansfield Turner engaged in a long and eventually unsuccessful effort to reach agreement with President Bok of Harvard on relations between this university and the Agency. (Ironically, at this time, another Harvard professor, Robert Bowie, was my predecessor as head of the analytical element of the Agency.) Some academic institutions adopted guidelines similar to the restrictive regu-

lations established at Harvard; in most cases less severe guidelines were proposed. In a great majority of schools where the issue arose, however, the faculty and administration rejected any guidelines, usually on the grounds that existing regulations or practices were adequate to protect both the institution and individuals.

The Agency's relations with the academic would have improved in recent years for a variety of reasons, including developments abroad and recognition in the academic community that CIA, together with the Departments of State and Defense, has been an important and useful supporter of area and regional studies and foreign language studies in the United States. The agencies of the American intelligence community as well as the Department of State have long been a primary source of employment for specialists in these areas. The academic community also consulted closely with senior officials of the intelligence community in their successful campaign to win support for a Congressional-approved endowment of Soviet studies. Intelligence agencies informally strongly supported this endeavor.

In some areas of research, such as on the Soviet Union, our cooperation for nearly 40 years has remained both close and constant. This also has been the case often in the fields of economics and physical sciences. On the other hand, there have been much more pronounced ups and downs in our relationships with political scientists and allied social sciences, particularly among those with expertise in the Third World.

WHY CIA NEEDS ACADEME

There is, however, one constant in the history of this relationship and in its future as well: our need for your help, and the opportunity you have to contribute to a better informed policymaking process by cooperating with us. Let me describe how and why.

In just the last dozen years, we have been confronted with a large number of new issues and developments and also have had to pay attention to problems too long neglected. The oil embargo of 1973, the subsequent skyrocketing of oil prices and now their plunge; the related dramatic changes in the international economic system, the growth of debt in Third World countries and now repayment problems; revolutions in Iran, Ethiopia, and Nicaragua; the final passage of European colonialism from Africa; new Soviet beachheads and surrogates in the Third World; changing patterns in international trade; and the growth of technology transfer, international narcotics networks and terrorism all have demonstrated vividly that our national security is greatly affected by developments and events in addition to the number and capabilities of Soviet strategic weapons.

Accordingly, the subjects we deal with today are staggering in their diversity. They include problems such as the implications of the enormous indebtedness of key Third World countries; problems of political, economic and social instability and how to forecast them; human rights; narcotics; the illicit arms market; the implications of immigration flows in various regions of the world; population trends and their political and security implications; the global food supply; water resources; energy; technology transfer; terrorism; proliferation of chemical/biological and nuclear weapons; changing commodity markets and their implications for Third World countries; and others too numerous to recount.

But nearly all of these problems have something in common: while CIA has experts in virtually all subjects of concern, there is a vast reservoir of expertise, experience, and insight in the community of university scholars that can help us, and through us, the American government, better understand these problems and their implications for us and for international stability.

With this diversity of issues and problems in mind, the Directorate of Intelligence several years ago initiated an intensified effort to reach out to the academic community, think tanks of every stripe, and the business community for information, analysis and advice.

Senior managers in charge of each of our substantive areas were directed to undertake an expanded program of sponsorship of conferences on substantive issues of concern to us and to encourage participation of our analysts in such conferences sponsored by the private sector. Since 1982, CIA has sponsored more than 300 conferences, nearly all of them involving considerable participation by the academic community and touching on many of the issues I noted. In addition, we have recorded more than 1,500 instances of our analysts attending conferences sponsored by the private sector—and doing so as openly acknowledged CIA employees.

We have increasingly turned to the academic community to test our assessments in ways consistent with protecting intelligence sources and methods. We have helped scholars get security clearances so that they could examine the actual drafts of our studies. A growing percentage of our work is reviewed by specialists outside the government—in the academic community and various think tanks, and by retired senior military officers, independent specialists, and others.

We have established panels of security cleared specialists from business and the academic community to meet with us regularly not only to help improve specific research papers but to help develop new research methods, review performance, and help us test new approaches and hypotheses.

Our analysts are required to refresh their own substantive credentials and expand their horizons by obtaining outside training at least every two years. This requirement can be met through taking university courses, participating in business or other outside sponsored seminars and conferences, attending military training courses, and so forth.

Our involvement with the academic community takes several forms:

Consulting: This is the most prevalent. It can be formal, under a contractual arrangement in which the individual is paid a set government rate, or it can be informal and unpaid—an exchange of views between interested specialists. We are particularly interested in ideas that challenge conventional wisdom or orthodoxy. We know what we think, but we need to know what others think also.

Sponsorship of conferences: We generally organize our own, but occasionally we contract with others to organize a conference for us. And, of course, our analysts attend conferences sponsored by business, academic and professional organizations, think tanks, and universities.

Research: In some areas, scholars in universities have the experience and expertise to carry out basic research for us, for example, on demographic and economic subjects. The recent controversy at Harvard and the media have focused on this area of cooperation. In fact, it presently is a very minor element in our overall relationship with the academic community. It is hardly a program, as recently alleged, of "covert fees and fellowships" with which we can "buy scholastic priorities."

Scholars in Residence: We have had a scholars-in-residence program for a number of years under which individuals from the academic world can spend a year or two working with us, with full security clearances, on topics of interest to them and us.

Information: Finally, we are interested in talking with scholars who are willing to share with us their impressions after traveling to places of interest or participating in events of interest abroad.

A principal factor in our pursuit of contact with scholars is our perception that quality analysis on the incredible range of issues with which we must cope requires not only dogged research but also imagination, creativity, and insight. Large organizations, and particularly government bureaucracies, are not famous for their encouragement of these characteristics—although there is surprisingly more than you might think. Similarly, to rely solely on information funneled through government channels inevitably would constrict the range of views and information needed. We are looking for people to challenge our views, to argue with us, to criticize our assessments constructively, to make us think and defend and to go back to the drawing board when we have missed something important. In short, we don't want scholars to tell us what they think we want to hear. That would make our entire effort pointless.

Finally, this relationship is not necessarily a one-way street. Just as we are conscious of our need for the injection of ideas and information from outside government channels, I believe you should concede that there is at least the possibility that you might learn something from discussions with us.

YOUR CONCERNS

Let me now address some of the major concerns that have been raised by scholars, deans, and institutions about dealing with us. I would note that certain of these concerns reach well beyond just CIA and involve the entire question of relations between outside sources of funds and the university community.

1. Doesn't research or analysis under CIA auspices of events abroad inevitably compromise academic freedom and the honesty of academic research?

First of all, when we contract for research, we insist on honest work. We do not permit our analysts to cook the books and we would never consult or contract with a scholar a second time who did that. Our research and analysis must stand up to close scrutiny, not only by other intelligence agencies, but by other elements of the executive branch, the oversight committees of the Congress, the Congress as a whole, the President's Foreign Intelligence Advisory Board, and a variety of other panels and organizations that have access to our information. While we acknowledge we can be and have been wrong in the past, our very existence depends on our reputation for integrity and for reliable and objective assessments. Any research we use should have the same qualities.

Second, it seems to me that academic freedom depends on a scholar not being beholden to any outside influence or rigid ideologi-

cal conceptions but only to the pursuit of truth. The scholar should be free to search where he or she wishes and should not be constrained by any improper influences, including the preferences of colleagues or prevailing cultural winds. Actually, improper influence potentially can be exerted on a scholar in a number of ways: funding from contracts and consultantships with business, foundations and foreign governments—or even the threat of withholding tenure. American academics have long consulted with officials of foreign governments of all stripes. In light of this, singling out a US government agency as a particular threat to honest inquiry represents a double standard if not outright hypocrisy. If a university requires public exposure of any relationship with CIA, then surely logic and equity require a similar practice for relationships with foreign governments and, in fact, all other outside relationships. And, indeed, if our funding should be openly acknowledged, should not all outside funding, of whatever source, be openly acknowledged? You are rightly proud of your ability to do objective research. CIA does not threaten it.

Third, I agree with the proposition that it is the responsibility of the university itself to establish and monitor the rules governing all these relationships. It is both foolish and irresponsible to do so by isolating the scholar from any outside contact under the guise of protecting academic freedom.

2. Won't publicly acknowledged contacts with CIA hinder a scholar's access and freedom of inquiry overseas? I acknowledge this might be a problem for some individuals. Indeed, in some places around the world, all Americans are suspected of working for CIA. However, many who have worked with us for years have not had any difficulty.

3. Can't a colleague's contacts even with CIA analysts compromise an entire department? I have been asked before about the danger of one scholar's association with us involving his or her faculty colleagues through some sort of guilt by association. I would simply offer two observations. First, the university community is a remarkably diverse one and I am sure that in many departments there are scholars who are involved in some sort of activity with which their colleagues disagree or which they do not support. So again, this problem is not limited just to CIA. Some form of reporting to the university on such relationships that could be kept confidential would seem to me an appropriate way to minimize this problem. My second observation, however, is that at some point some courage is called for. The freedom of those who do wish to consult with us can be infringed upon by the fears of their colleagues. We do not believe that working with your government to help bring about better informed policy is shameful; indeed, it should be a source of pride and satisfaction. Contributing to a better understanding of some of the most difficult and occasionally dangerous problems of the world, in my view, is responsive to the scholar's highest calling.

4. Isn't prepublication review tantamount to CIA censorship of independent ideas, opinions and judgments? No. Our review is only to ensure that no classified information is included in a book or article and that the text does not reveal intelligence sources and methods. We have no interest in altering the substance or conclusions of writings we review and take great care to avoid asking for such changes. And the fact is: we don't. Where a consultant has no access to classified information, there is no prepublication review.

5. What about the view that CIA engages in covert action as well as collection and analysis and a variety of "immoral" acts and therefore association with any part of CIA is unacceptable? Activities at CIA are carried out within the law with the approval of appropriate authorities, and with the oversight of the Congress. They are activities mandated by the decisions of elected officials in both the Executive and Legislative branches. As we have seen recently Congress can and does deny funds for legal intelligence activities with which they disagree, thereby terminating such activities.

The Central Intelligence Agency is a foreign policy instrument of the elected representatives of the American people, just like the military, USIA or the Department of State. If you find some element of the government's foreign policy or activity inconsistent with your professional judgment, I would encourage you first to do all you can to test the validity of your position. You also can decline to have any association with us at all. But in the latter case, the decision whether to associate with us should be left to the individual. One individual's freedom of association should not be denied because of another's personal point of view. A university steps on precarious ground and itself endangers academic freedom if it starts making arbitrary rules about which organizations a scholar may participate in or talk with—and, I would add, especially if one of those organizations is a branch of our society's own democratically chosen government.

OUR RULES

Before I close, let me review the rules and policies of the analytical arm of CIA for dealing with the university community. We continually review our regulations and policies in the light of new opportunities, new problems and new issues. For example, well before the recent controversy here at Harvard, we revised our contract language with respect to prepublication review, narrowing that review—which again, is simply to avoid the compromise of classified information—to the specific subject area in which a scholar had access to classified information. For example, if a scholar consults with us about nuclear proliferation and has access to classified information, writings on unrelated subjects need not be submitted.

We have again looked at our rules and policies as a result of the controversy here at Harvard, and this too has produced some modifications. For example, the Directorate of Intelligence now explicitly tells any organization or individual organizing a conference on our behalf that the participants in the conference should be informed in advance of our sponsoring role. Quite frankly, because we organize the overwhelming majority of our conferences ourselves, this problem had not arisen before.

Let me review three key policies of particular interest to the university community:

First, while the Directorate of Intelligence presently has no contracts for classified research at any academic institution, we can and will let contracts for classified research where university rules permit, where appropriate facilities and circumstances allow, and when a genuine need exists.

Second, when we contract for unclassified research, we spell out explicitly for the scholar the conditions governing use of that research. In some cases, the research will be done strictly for us, and we will be the only recipient. In other cases once we have received the research and assured ourselves that the terms of the contract have been carried out, we will acquiesce in a scholar's request to publish a book or article drawing on that research. We do not commission or contract for books or articles. We are realistic about pressures on scholars to publish, however, and, in order to attract some of the best people to work with us, we try to accommodate their desire to draw on unclassified research they have done for us for publication for their own purposes. And, finally, there are cases where we allow research done for us later to be published under the scholar's name without any prepublication review on our part.

But in any of these circumstances, our review is simply to ensure that the work we contracted to be done has been done, meets appropriate standards of quality and does not contain classified information. Taxpayers justifiably would be displeased if we were not to ensure that we had received true value for their money.

Third, we also have looked again at the question of whether our funding of research that is subsequently used in a publication by a scholar should be openly acknowledged. There are several good reasons that argue against such an approach, including the possibility of difficulty with a foreign government by virtue of acknowledged CIA interest in its internal affairs; the possibility that acknowledged CIA interest in a specific subject—such as the financial stability of a particular country—could affect the situation itself; and, finally, concern that readers might assume the scholar's conclusions were, in fact, CIA's

As a result of the controversy here at Harvard and expressions of concern about this policy, we reexamined this issue with considerable care. In the first place, there are certain circumstances under which disclosure of our funding of research may be required, and we of course comply. Beyond this, we have decided that our interest in obtaining the cooperation of this country's scholars and allaying the misunderstandings and suspicions that have grown out of our earlier approach warrants at least some change in our policy. Accordingly, CIA will henceforth permit acknowledgement of our funding of research that is later independently published by a scholar unless (1) the scholar requests privacy or (2) we determine that formal, public association of CIA with a specific topic or subject would prove damaging to the United States. Any acknowledgement of CIA funding would be accompanied by a statement to the effect that the views expressed are those of the author and do not necessarily reflect the views of CIA or of the US government. I assume, of course, that universities also will press hard for public disclosure of other sources of funding for research.

Fourth, we expect any scholar or individual who consults or works with us to abide fully by the rules of his or her home institution in terms of reporting the relationship with us. But, in our view, it is, in the first instance, the responsibility of the institution to set such rules and to enforce them, and the responsibility of the scholar to comply.

CONCLUSIONS

The world is increasingly complex. The challenges to the security and well being of the American people are increasingly diverse and subtle. Director Casey and I, and others in the Executive Branch and our Congressional oversight committees believe that contacts with universities and others in the private sector are imperative if we are

properly and effectively to carry out our mission of informing, improving understanding, and warning the government about developments around the world—the same mission identified by General Donovan and President Roosevelt. Our ability to carry out our mission, as in the days of Langer and Donovan, depends on voluntary cooperation between those of us who carry this responsibility in intelligence, and those in the university, business, retired military, and others who can help us understand these challenges better and forecast them more accurately. Our country is the ultimate beneficiary.

Consultation and cooperation with CIA on the problems this nation faces abroad do not threaten academic freedom. However, I believe that freedom of inquiry is limited, a desire to render public service sometimes tragically thwarted, and our nation disadvantaged, by those who would deny a scholar's willingness to work with the American intelligence service in assessing the world around us.

The government cannot coerce any scholar to cooperate or work with the Department of Defense, Department of State, or CIA. By the same token, no scholar should be prevented by acedemic institutions or colleagues from doing so. And none should have to worry that his or her reputation will suffer because of a public-spirited, patriotic willingness to help us better understand and forecast developments abroad affecting our national well-being and the forces that threaten our freedom.

BUILT FOR THE PEOPLE: FIFTY YEARS OF TVA ARCHITECTURE

● Mr. GORE. Mr. President, last night I had the opportunity to attend the opening of an exhibit at the National Building Museum entitled "Built for the People: Fifty Years of TVA Architecture." I recommend the splendid exhibit to my colleagues.

As one who grew up in TVA country, I am especially pleased to see the legacy of TVA gain national recognition. It is a fitting tribute to commemorate TVA in the National Building Museum, for the Tennessee Valley Authority has served a region but inspired an entire nation. We are glad for the opportunity to share our pride in TVA's remarkable accomplishments.

We don't think too much about public architecture any more. In fact, we often take it for granted. Rarely do we recognize its place in history and in our hearts. But we owe it to our parents, ourselves, and future generations to look back at what TVA has built.

The Tennessee Valley Authority arrived at a critical time in our history—at time when the American people were looking for symbols to boost them out of despair. For millions, TVA was that symbol. The day they turned on the lights was the day that folks put the darkness of the depression behind them.

Those who designed the TVA system understood America's need for symbolic architecture. Like so much of the New Deal, from the CCC to the WPA, its creations showed us the potential of public and private cooperation. They endure as a testament to progressive ideals and to progress.

I commend the efforts of the National Endowment for the Arts, the National Building Museum, and TVA itself for helping to make the exhibit possible. Washington and its many visitors are fortunate to get a glimpse of our Nation's finest public works.

The Tennessee Valley Authority was indeed "built for the people." As the program that brought power to the people, it has always stood for something still larger than its greatest dams. Mr. President, look around the exhibit, and you will see monuments not just to what man can do, but to what people can do for one another.●

BALANCED BUDGET CONSTITUTIONAL AMENDMENT—UNANIMOUS-CONSENT AGREEMENT

Mr. SIMPSON. Mr. President, after conferring with the minority leader, I ask unanimous consent that the joint resolution be advanced to third reading immediately following the disposition of amendment No. 1652, as amended.

I ask unanimous consent that the vote occur on adoption of Senate Joint Resolution 225, at 6 p.m., on Tuesday, March 25, and that paragraph 4 of rule XII, be waived.

I also ask unanimous consent that a colloquy be placed in the RECORD to be prepared by Senators HATCH, THURMOND, DECONCINI, SIMON, METZENBAUM, MELCHER, and HEFLIN, no later than Friday, March 21, that would discuss the definitions of several items, and that in the event the Senators named above cannot agree on a colloquy, the Senator from Alabama [Mr. HEFLIN] be recognized at 2 p.m., on Tuesday, March 25, to offer a technical amendment on behalf of himself and Senator MELCHER, which would add to the joint resolution a definition section, and that the Heflin amendment be limited to 2 hours, to be equally divided in the usual form.

I further ask unanimous consent that no amendments be in order to the Heflin amendment, and that the agreement be in the usual form.

Further, I ask unanimous consent that following disposition of the Heflin amendment, if offered, or at 2 p.m., on Tuesday, March 25, if the Heflin amendment is not offered, the Senate begin the debate on Senate Joint Resolution 225, to be equally divided and controlled by the majority and minority leaders, or their designees.

Mr. BYRD. Mr. President, reserving the right to object, I discussed this matter in my conference today as I had assured the distinguished majority leader and the distinguished President pro tempore that I would. I found no objections and in the follow-up on the cloakroom lines I found no objections.

So I am happy to say I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, I request the yeas and nays on the joint resolution.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. SIMPSON. Mr. President, I also inform all Senators that any Senator interested in the colloquy, please contact the Senators' offices as just itemized. The colloquy will be prepared beginning Wednesday, March 19, 1986. Therefore, any suggestions that any Senator may have must be in prior to Wednesday.

DEFICIT DEDUCTION AND PROGRAM IMPROVEMENT

Mr. SIMPSON. Mr. President, after conferring with the minority leader, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 3128, the reconciliation bill.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House recede from its disagreement to the amendment of the Senate to the amendment of the House to the amendment of the Senate to the bill (H.R. 3128) entitled "An Act to make changes in spending and revenue provisions for purposes of deficit reduction and program improvement, consistent with the budget process", and concur therein with the following amendment:

In section 4016, insert "or seasonal suspension" after "adjustment in frequency"; and insert "adjustment or" after "service unless such".

In subparagraph (F)(ii) of paragraph (10) of section 204(b) of the Magnuson Fishery Conservation and Management Act, as proposed to be amended by section 6021, strike out "from such nations".

In subsection (b)(2)(B) of section 315 of the Coastal Zone Management Act, as proposed to be amended by section 6044, strike out "environmental" and insert "environment".

In section 3A of the National Ocean Pollution Planning Act of 1978, as proposed to be added by section 6072(2)—

(1) amend subparagraph (B) of subsection (a)(2) to read as follows:

" '(B) be headed by a director who shall—

" '(i) be appointed by the Administrator,

" '(ii) serve as the Chair of the Board, and

" '(iii) be the spokesperson for the program;' ";

(2) insert a quotation mark and a period after the period at the end of subparagraph (D) of subsection (b)(2); and

(3) strike out paragraph (3) of subsection (b).

In section 6085—

(1) insert "and duties" after "functions" in the long title of the Act of August 6, 1947 cited in such section; and

(2) strike out "'or subdivision thereof'" and insert "'or subdivision thereof,'" in paragraph (2).

In section 8003, amend the first sentence of the proposed section 8(g)(2) of the Outer Continental Shelf Lands Act to read as follows: "Notwithstanding any other provision of this Act, the Secretary shall deposit into a separate account in the Treasury of the United States all bonuses, rents, and royalties, and other revenues (derived from any bidding system authorized under subsection (a)(1)), excluding Federal income and windfall profits taxes, derived from any lease issued after September 18, 1978, of any Federal tract which lies wholly or partially within three nautical miles of the seaward boundary of any coastal State.".

In section 8004(a), strike out "January 1, 1986" and insert in lieu thereof "April 15, 1986".

In section 8006(a), insert "issued after September 18, 1978" after "any Federal leases".

In section 8006(a)(1), insert "issued after September 18, 1978" after "derived from any lease".

Amend section 8201 by striking out the close quote and period at the end and inserting in lieu thereof the following new paragraph:

"(4)(A) Notwithstanding the provisions of this subsection, a lessee may petition the Secretary for a waiver of the requirements of this subsection.

"(B) The Secretary shall assign an Administrative Law Judge to conduct a hearing on the record on the petition and make a finding for the Secretary.

"(C) The Administrative Law Judge shall recommend to the Secretary that the Secretary grant such waiver if the Administrative Law Judge finds that the lessee's exploration or development and production plan cannot be carried out solely because of the additional costs that would be incurred as a result of the requirements of this subsection.

"(D) If the Secretary receives the recommendation from the Administrative Law Judge provided in paragraph (C), the Secretary may grant the waiver if the Secretary concurs with the finding of the Administrative Law Judge.".

In subtitle A of title IX, strike out sections 9203, 9212, 9302, 9311, and 9312, and conform the table of contents of title IX accordingly.

In section 9101—

(1) in subsection (a), strike out "FEBRUARY 28" and "February 28" and insert in lieu thereof "APRIL 30" and "April 30", respectively;

(2) in subsections (b), (e)(1)(B), (e)(2)(B), (e)(2)(C), and (e)(3)(C), strike out "1 percent" and insert in lieu thereof "½ percent";

(3) in subsection (d), strike out "December 19, 1985" and insert in lieu thereof "March 15, 1986";

(4) in subsection (e)(1)(A), strike out "March" and insert in lieu thereof "May";

(5) in subsection (e)(2)(B), strike out "5 months" and "7 months" and insert in lieu thereof "7 months" and "5 months", respectively; and

(6) in subsection (e)(3)(B), strike out "$^{9}/_{12}$" and insert in lieu thereof "$^{9}/_{14}$".

In section 9102—

(1) in subsection (d)(2)(B), strike out "5 months" and "7 months" and insert in lieu thereof "7 months" and "5 months", respectively, and

(2) in subsection (d)(3), strike out "March" and insert in lieu thereof "May".

In section 9103, in subsections (a) and (b)(2), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9104, in subsections (a) and (c)(1), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9105, in subsections (a) and (e) strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9123(b), strike out "January" and insert in lieu thereof "April".

In section 9124(b)(1), strike out "April" and insert in lieu thereof "July".

In section 9128, strike out "will go" and insert in lieu thereof "went".

In section 9201(d), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9211(e), strike out "February" and "April" and insert in lieu thereof "May" and "July", respectively, each place each appears.

In section 9301—

(1) in subsection (a), strike out "JANUARY 31" and "January 31" and insert in lieu thereof "APRIL 30" and "April 30", respectively;

(2) in subsection (b), strike out "11-month", "February", "January 31", "4-month", and "January 1986" and insert in lieu thereof "8-month", "May", "April 30", "7-month", and "April 1986", respectively, each place each appears; and

(3) in subsection (c)(5), strike out "July" and insert in lieu thereof "October".

In section 9303—

(1) in subsection (b)(2), strike out "April", "1987" and "December 31, 1986" and insert in lieu thereof "July", "1988", and "December 31, 1987", respectively, and

(2) in subsection (b)(5)(A), strike out "April" and insert in lieu thereof "July".

In section 9304(b)—

(1) strike out "11-month" and "February" and insert in lieu thereof "8-month" and "May", respectively;

(2) in paragraph (1) in the matter before subparagraph (A), insert "at any time" after "in the case of any physician who"; and

(3) in paragraph (1)(B), strike out "is not a participating physician" and all that follows through "September 30, 1985, or" and insert in lieu thereof "was not a participating physician (as defined in section 1842(h)(1) of the Social Security Act) on September 30, 1985, and who is not such a physician".

In section 9307(c)—

(1) in paragraph (1), strike out "subsection (1)" and insert in lieu thereof "subsection (k)";

(2) in paragraph (2), strike out "after subsection (k), added by section 146(a) of this title," and insert in lieu thereof "at the end"; and

(3) in the subsection added by paragraph (2), strike out "(l)(1)" and insert in lieu thereof "(k)(1)".

In subtitle B of title IX, strike out sections 9504, 9513, and 9521, and conform the table of contents of title IX accordingly.

In section 9501(d)(1), strike out "April" and insert in lieu thereof "July".

In section 9505(b)(1)—

(1) strike out "sections 9501 and 9504" and insert in lieu thereof "section 9501", and

(2) strike out "(VI)" and "(VII)" and insert in lieu thereof "(V)" and "(VI)", respectively.

In section 9506(a), in proposed subsection (k)(2) of section 1902 of the Social Security Act, insert "(other than by will)" after "established".

In section 9511(b), strike out "January" and insert in lieu thereof "April".

In section 9517(c), amend paragraph (2) to read as follows:

"(2)(A) Except as provided in subparagraph (B), the amendments made by paragraph (1) shall apply to expenditures incurred for health insuring organizations which first become operational on or after January 1, 1986.

"(B) In the case of a health insuring organization—

"(i) which first becomes operational on or after January 1, 1986, but

"(ii) for which the Secretary of Health and Human Services has waived, under section 1915(b) of the Social Security Act and before such date, certain requirements of section 1902 of such Act,

clauses (ii) and (vi) of section 1903(m)(2)(A) of such Act shall not apply during the period for which such waiver is effective.".

In section 9522, insert "(or submitted during 1986 by)" after "granted to".

In section 9523—

(1) in subsection (a), strike out "CONTINUED" and "continue" and insert in lieu thereof "RENEWED" and "renew", respectively, and

(2) in subsection (b)—

(A) strike out "continued" and insert in lieu thereof "renewed",

(B) strike out "the date of the enactment of this Act" and insert in lieu thereof "December 31, 1985".

In section 9526, at the end of subsection (a) of proposed section 1920 of the Social Security Act, add the following:

"(F) Section 310(b)(1) of Public Law 96-272 (relating to continuing medicaid eligibility for certain recipients of Veterans' Administration pensions).".

In section 12301—

(1) in subsection (b)—

(A) strike out "or 1903(u)" in paragraph (1), and

(B) strike out "titles IV-A and XIX" and insert in lieu thereof "title IV-A" each place it appears; and

(2) after subsection (d), strike out "and 1982.".

In section 12304(a)(3), immediately before the semicolon at the end of the proposed new subparagraph (C), insert the following: ", but the State shall not be subject to any financial penalty in the administration or enforcement of this subparagraph as a result of any monitoring, quality control, or auditing requirements".

Part 1 of subtitle A of title XIII of the bill is amended to read as follows:

"PART 1—TRADE ADJUSTMENT ASSISTANCE

"SEC. 13001. SHORT TITLE.

"This part may be cited as the 'Trade Adjustment Assistance Reform and Extension Act of 1986'.

"SEC. 13002. ELIGIBILITY OF WORKERS AND FIRMS FOR TRADE ADJUSTMENT ASSISTANCE.

"(a) WORKERS.—Sections 221(a) and 222 of the Trade Act of 1974 (19 U.S.C. 2271(a); 2272) are each amended by inserting '(including workers in any agricultural firm or subdivision of an agricultural firm)' after 'group of workers'.

"(b) FIRMS.—

"(1) Subsections (a) and (c) of section 251 of the Trade Act of 1974 (19 U.S.C. 2341) are each amended by inserting '(including any agricultural firm)' after 'a firm'.

"(2) Paragraph (2) of section 251(c) of the Trade Act of 1974 (19 U.S.C. 2341(c)(2)) is amended to read as follows:

" '(2) that—

" '(A) sales or production, or both, of the firm have decreased absolutely, or

" '(B) sales or production, or both, of an article that accounted for not less than 25 percent of the total production or sales of the firm during the 12-month period preceding the most recent 12-month period for which data are available have decreased absolutely, and'.

"SEC. 13003. CASH ASSISTANCE FOR WORKERS.

"(a) PARTICIPATION IN JOB SEARCH PROGRAM REQUIRED.—

"(1) Subsection (a) of section 231 of the Trade Act of 1974 (19 U.S.C. 2291(a)) is amended by adding at the end thereof the following new paragraph:

" '(5) Such worker, unless the Secretary has determined that no acceptable job search program is reasonably available—

" '(A) is enrolled in a job search program approved by the Secretary under section 237(c), or

" '(B) has, after the date on which the worker became totally separated, or partially separated, from the adversely affected employment, completed a job search program approved by the Secretary under section 237(c).'.

"(2) Section 231 of the Trade Act of 1974 (19 U.S.C. 2291) is amended by adding at the end thereof the following new subsection:

" '(c) If the Secretary determines that—

" '(1) the adversely affected worker—

" '(A) has failed to begin participation in the job search program the enrollment in which meets the requirement of subsection (a)(5), or

" '(B) has ceased to participate in such job search program before completing such job search program, and

" '(2) there is no justifiable cause for such failure or cessation,

no trade readjustment allowance may be paid to the adversely affected worker under this part on or after the date of such determination until the adversely affected worker begins or resumes participation in a job search program approved under section 237(c).'.

"(3) Subsection (a) of section 239 of the Trade Act of 1974 (19 U.S.C. 2311(a)) is amended—

"(A) by striking out 'training,' in clause (2) and inserting in lieu thereof 'training and job search programs,'; and

"(B) by striking out 'and (3)' and inserting in lieu thereof '(3) will make determinations and approvals regarding job search programs under sections 231(c) and 237(c), and (4)'.

"(b) QUALIFYING WEEKS OF EMPLOYMENT.—The last sentence of section 231(a)(2) of the Trade Act of 1974 (19 U.S.C. 2291(a)(2)) is amended by striking out all that follows after subparagraph (C) and inserting in lieu thereof 'shall be treated as a week of employment at wages of $30 or more, but not more than 7 weeks, in case of weeks described in paragraph (A) or (C), or both, may be treated as weeks of employment under this sentence.'.

"(c) WEEKLY AMOUNTS OF READJUSTMENT ALLOWANCES.—Section 232 of the Trade Act of 1974 (19 U.S.C. 2292) is amended—

"(1) by striking out 'under any Federal law,' in subsection (c) and inserting in lieu thereof 'under any Federal law other than this Act',

"(2) by striking out 'under section 236(c)' in subsection (c) and inserting in lieu thereof 'under section 231(c) or 236(c)', and

"(3) by striking out 'If the training allowance' in subsection (c) and inserting in lieu thereof 'If such training allowance'.

"(d) LIMITATIONS.—

"(1) Paragraph (2) of section 233(a) of the Trade Act of 1974 (19 U.S.C. 2293(a)(2)) is amended by striking out '52-week period' and inserting in lieu thereof '104-week period'.

"(2) Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended by adding at the end thereof the following new subsection:

" '(e) No trade readjustment allowance shall be paid to a worker under this part for any week during which the worker is receiving on-the-job training.'.

"SEC. 13004. JOB TRAINING FOR WORKERS.

"(a) IN GENERAL.—Section 236 of the Trade Act of 1974 (19 U.S.C. 2296) is amended—

"(1) by striking out 'for a worker' in subsection (a)(1)(A) and inserting in lieu thereof 'for an adversely affected worker',

"(2) by striking out 'may approve' in the first sentence of subsection (a)(1) and inserting in lieu thereof 'shall (to the extent appropriated funds are available) approve',

"(3) by striking out 'under paragraph (1)' in subsection (a)(2) and inserting in lieu thereof 'under subsection (a)',

"(4) by striking out 'this subsection' in subsection (a)(3) and inserting in lieu thereof 'this section',

"(5) by redesignating paragraphs (2) and (3) of subsection (a) as subsections (e) and (f), respectively,

"(6) by inserting at the end of subsection (a) the following new paragraphs:

" '(2) For purposes of applying paragraph (1)(C), a reasonable expectation of employment does not require that employment opportunities for a worker be available, or offered, immediately upon the completion of training approved under this paragraph (1).

" '(3)(A) If the costs of training an adversely affected worker are paid by the Secretary under paragraph (1), no other payment for such costs may be made under any other provision of Federal law.

" '(B) No payment may be made under paragraph (1) of the costs of training an adversely affected worker if such costs—

" '(i) have already been paid under any other provision of Federal law, or

" '(ii) are reimbursable under any other provision of Federal law and a portion of such costs have already been paid under such other provision of Federal law.

" '(C) The provisions of this paragraph shall not apply to, or take into account, any funds provided under any other provision of Federal law which are used for any purpose other than the direct payment of the costs incurred in training a particular adversely affected worker, even if such use has the effect of indirectly paying or reducing any portion of the costs involved in training the adversely affected worker.

" '(4) The training programs that may be approved under paragraph (1) include, but are not limited to—

" '(A) on-the-job training,

" '(B) any training program provided by a State pursuant to section 303 of the Job Training Partnership Act,

" '(C) any training program approved by a private industry council established under section 102 of such Act, and

" '(D) any other training program approved by the Secretary.', and

"(7) by inserting after subsection (c) the following new subsection:

" '(d) Notwithstanding any provision of subsection (a)(1), the Secretary may pay the costs of on-the-job training of an adversely affected worker under subsection (a)(1) only if—

" '(1) no currently employed worker is displaced by such adversely affected worker (including partial displacement such as a reduction in the hours of nonovertime work, wages, or employment benefits),

" '(2) such training does not impair existing contracts for services or collective bargaining agreements,

" '(3) in the case of training which would be inconsistent with the terms of a collective bargaining agreement, the written concurrence of the labor organization has been obtained,

" '(4) no other individual is on layoff from the same, or any substantially equivalent, job for which such adversely affected worker is being trained,

" '(5) the employer has not terminated the employment of any regular employee or otherwise reduced the workforce of the employer with the intention of filling the vacancy so created by hiring such adversely affected worker,

" '(6) the job for which such adversely affected worker is being trained is not being created in a promotional line that will infringe in any way upon the promotional opportunities of currently employed individuals,

" '(7) such training is not for the same occupation from which the worker was separated and with respect to which such worker's group was certified pursuant to section 222,

" '(8) the employer certifies to the Secretary that the employer will continue to employ such worker for at least 26 weeks after completion of such training if the worker desires to continue such employment and the employer does not have due cause to terminate such employment,

" '(9) the employer has not received payment under subsection (a)(1) with respect to any other on-the-job training provided by such employer which failed to meet the requirements of paragraphs (1), (2), (3), (4), (5), and (6), and

" '(10) the employer has not taken, at any time, any action which violated the terms of any certification described in paragraph (8) made by such employer with respect to any other on-the-job training provided by such employer for which the Secretary has made a payment under subsection (a)(1).'.

"(b) ON-THE-JOB TRAINING DEFINED.—Section 247 of the Trade Act of 1974 (19 U.S.C. 2319) is amended by adding at the end thereof the following new paragraph:

" '(16) The term "on-the-job training" means training provided by an employer to an individual who is employed by the employer.'.

"(c) AGREEMENTS WITH THE STATES.—Section 239 of the Trade Act of 1974 (19 U.S.C. 2311) is amended—

"(1) by amending subsection (a)(2) by inserting 'but in accordance with subsection (f),' after 'where appropriate,'; and

"(2) by adding at the end thereof the following new subsections:

" '(e) Agreements entered into under this section may be made with one or more State or local agencies including—

" '(1) the employment service agency of such State,

" '(2) any State agency carrying out title III of the Job Training Partnership Act, or

" '(3) any other State or local agency administering job training or related programs.

" '(f) Each cooperating State agency shall, in carrying out subsection (a)(2)—

"'(1) advise each adversely affected worker to apply for training under section 236(a) at the time the worker makes application for trade readjustment allowances (but failure of the worker to do so may not be treated as cause for denial of those allowances), and

"'(2) within 60 days after application for training is made by the worker, interview the adversely affected worker regarding suitable training opportunities available to the worker under section 236 and review such opportunities with the worker.'.

"SEC. 13005. JOB SEARCH ALLOWANCES.

"(a) IN GENERAL.—Section 237 of the Trade Act of 1974 (19 U.S.C. 2297) is amended by adding at the end thereof the following new subsection:

"'(c) The Secretary shall reimburse any adversely affected worker for necessary expenses incurred by such worker in participating in a job search program approved by the Secretary.'.

"(b) DEFINITIONS.—Section 247 of the Trade Act of 1974 (19 U.S.C. 2319), as amended by section 13004(b) of this Act, is further amended by adding at the end thereof the following new paragraph:

"'(17)(A) The term "job search program" means a job search workshop or job finding club.

"'(B) The term "job search workshop" means a short (1 to 3 days) seminar designed to provide participants with knowledge that will enable the participants to find jobs. Subjects are not limited to, but should include, labor market information, résumé writing, interviewing techniques, and techniques for finding job openings.

"'(C) The term "job finding club" means a job search workshop which includes a period (1 to 2 weeks) of structured, supervised activity in which participants attempt to obtain jobs.'.

"SEC. 13006. ADJUSTMENT ASSISTANCE FOR FIRMS.

"(a) TECHNICAL ASSISTANCE.—

"(1) Paragraph (1) of section 252(b) of the Trade Act of 1974 (19 U.S.C. 2342(b)(1)) is amended to read as follows:

"'(1) Adjustment assistance under this chapter consists of technical assistance. The Secretary shall approve a firm's application for adjustment assistance only if the Secretary determines that the firm's adjustment proposal—

"'(A) is reasonably calculated to materially contribute to the economic adjustment of the firm,

"'(B) gives adequate consideration to the interests of the workers of such firm, and

"'(C) demonstrates that the firm will make all reasonable efforts to use its own resources for economic development.'.

"(2) Section 252 of the Trade Act of 1974 (19 U.S.C. 2342) is amended by striking out subsection (c) and redesignating subsection (d) as subsection (c).

"(3) Paragraph (2) of section 253(b) of the Trade Act of 1974 (19 U.S.C. 2343(b)(2)) is amended by striking out 'such cost' and inserting in lieu thereof 'such cost for assistance described in paragraph (2) or (3) of subsection (a)'.

"(b) NO NEW LOANS OR GUARANTEES.—Section 254 of the Trade Act of 1974 (19 U.S.C. 2344) is amended by adding at the end thereof the following new subsection:

"'(d) Notwithstanding any other provision of this chapter, no direct loans or guarantees of loans may be made under this chapter after the date of enactment of the Trade Adjustment Assistance Reform and Extension Act of 1986.'.

"SEC. 13007. EXTENSION AND TERMINATION OF TRADE ADJUSTMENT ASSISTANCE.

"(a) IN GENERAL.—Section 285 of the Trade Act of 1974 (19 U.S.C. 2271, preceding note) is amended—

"(1) by striking out the first sentence thereof and inserting in lieu thereof '(a)',

"(2) by striking out the section heading and inserting in lieu thereof 'SEC. 285, TERMINATION.', and

"(3) by adding at the end thereof the following new subsection:

"'(b) No assistance, allowances, or other payments may be provided under chapter 2, and no technical assistance may be provided under chapter 3, after September 30, 1991.'.

"(b) CONFORMING AMENDMENT.—The table of contents of the Trade Act of 1974 is amended by striking out the item relating to section 285 and inserting in lieu thereof the following:

"'Sec. 285. Termination.'.

"SEC. 13008. AUTHORIZATION OF APPROPRIATIONS.

"(a) WORKERS.—Section 245 of the Trade Act of 1974 (19 U.S.C. 2317) is amended by striking out '1982 through 1985' and inserting in lieu thereof '1986, 1987, 1988, 1989, 1990, and 1991'.

"(b) FIRMS.—Subsection (b) of section 256 of the Trade Act of 1974 (19 U.S.C. 2346(b)) is amended—

"(1) by inserting 'for fiscal years 1986, 1987, 1988, 1989, 1990, and 1991' after 'to the Secretary',

"(2) by striking out 'from time to time', and

"(3) by striking out the last sentence thereof.

"SEC. 13009. EFFECTIVE DATES; APPLICATION OF GRAMM-RUDMAN.

"(a) IN GENERAL.—Except as provided in subsections (b) and (c), the amendments made by this part shall take effect on the date of the enactment of this Act.

"(b) JOB SEARCH PROGRAM REQUIREMENTS.—The amendments made by section 13003(a) apply with respect to workers covered by petitions filed under section 221 of the Trade Act of 1974 on or after the date of the enactment of this Act.

"(c) EXTENSION AND AUTHORIZATION.—Chapters 2 and 3 of title II of the Trade Act of 1974 (19 U.S.C. 2271, et seq.) shall be applied as if the amendments made by sections 13007 and 13008 had taken effect on December 18, 1985.

"(d) APPLICATION OF GRAMM-RUDMAN.—Trade readjustment allowances payable under part I of chapter 2 of title II of the Trade Act of 1974 for the period from March 1, 1986, and until October 1, 1986, shall be reduced by a percentage equal to the non-defense sequester percentage applied in the Sequestration Report (submitted under the Balanced Budget and Emergency Deficit Control Act of 1985 and dated January 21, 1986) of the Comptroller General of the United States for fiscal year 1986.".

Strike out subtitle B of title XIII and redesignate the following subtitles accordingly.

Strike out subsection (d) of section 13202 and insert in lieu thereof the following:

"(c) EFFECTIVE DATE.—

"(1) IN GENERAL.—The amendments made by this section shall apply to smokeless tobacco removed after June 30, 1986.

"(2) TRANSITIONAL RULE.—Any person who—

"(A) on the date of the enactment of this Act, is engaged in business as a manufacturer of smokeless tobacco, and

"(B) before July 1, 1986, submits an application under subchapter B of chapter 52 of the Internal Revenue Code of 1954 to engage in such business,

may, notwithstanding such subchapter B, continue to engage in such business pending final action on such application. Pending such final action, all provisions of chapter 52 of such Code shall apply to such applicant in the same manner and to the same extent as if such applicant were a holder of a permit to manufacture smokeless tobacco under such chapter 52.".

Strike out subsection (c) of section 13203 and insert the following:

"(c) EXISTING REDUCTION IN RATES FOR PERIOD AFTER TEMPORARY INCREASE RETAINED.—So much of subsection (e) of section 4121 (relating to temporary increase in amount of tax) as precedes paragraph (2) is amended to read as follows:

"'(e) REDUCTION IN AMOUNT OF TAX.—

"'(1) IN GENERAL.—Effective with respect to sales after the temporary increase termination date, subsection (b) shall be applied—

"'(A) by substituting "$.50" for "$1.10",

"'(B) by substituting "$.25" for "$.55", and

"'(C) by substituting "2 percent" for "4.4 percent".'.

In section 13203(d), strike out "December 31, 1985" and insert in lieu thereof "March 31, 1986".

In section 13205(a)(1), strike out "of the Internal Revenue Code of 1954".

In subsection (a)(2) of section 13205, strike out "of such Code" each place it appears.

In section 13205, strike out "December 31, 1985" and "January 1, 1986" and insert in lieu thereof "March 31, 1986" and "April 1, 1986", respectively, each place either appears.

At the end of paragraph (2) of section 1303(d) of the Internal Revenue Code of 1954 (as proposed to be added by section 13206(a)), insert the following: "In applying subparagraph (B), amounts which constitute earned income (within the meaning of section 911(d)(2)) and are community income under community property laws applicable to such income shall be taken into account as if such amounts did not constitute community income.".

In section 13207(c), strike out "September 12, 1985" and insert in lieu thereof "September 12, 1984".

In subparagraph (A) of section 531(g)(1) of the Tax Reform Act of 1984 (as proposed to be added by section 13207(d)), strike out "performed" and insert in lieu thereof "performs".

In paragraph (2) of section 531(g) of the Tax Reform Act of 1984 (as proposed to be added by section 13207(d)), strike out subparagraph (B) and insert in lieu thereof the following:

"(B) if—

"(i) such organization is described in section 501(c)(6) of the Internal Revenue Code of 1954 and the membership of such organization is limited to entities engaged in the transportation by air of individuals or property for compensation or hire, or

"(ii) such organization is a corporation all the stock of which is owned entirely by entities referred to in clause (i), and".

In clause (vi) of section 57(a)(9)(E) of the Internal Revenue Code of 1954 (as proposed to be added by section 13208(a)), strike out "The" and insert in lieu thereof "For purposes of this subparagraph, the".

In clause (vii) of such section 57(a)(9)(E), strike out "The" and insert in lieu thereof "For purposes of this subparagraph, the".

In section 14001(a)(2), strike out "amounts".

In section 19001(a), strike out "and Compensation Rate Amendments of 1985" and insert in lieu thereof "Amendments of 1986".

In section 19011—

(1) strike out "April 1, 1986" in the last sentence of subsection (e)(2) and insert in lieu thereof "July 1, 1986"; and

(2) in subsection (f)—

(A) strike out "April 1, 1986" each place it appears and insert in lieu thereof "July 1, 1986";

(B) strike out "March 31, 1986" both places it appears in paragraph (2)(A) and insert in lieu thereof "June 30, 1986"; and

(C) strike out "April and May 1986" in paragraph (2)(B) and insert in lieu thereof "July and August 1986".

Strike out subtitle B of title XIX (and redesignate subtitle C as subtitle B).

In section 19031(b)(2), strike out "April 1, 1986" and insert in lieu thereof "July 1, 1986".

In section 19032—

(1) strike out "February 1, 1986" in subsection (a) and insert in lieu thereof "May 1, 1986"; and

(2) strike out "November 1, 1986, and November 1, 1987," in subsection (f) and insert in lieu thereof "February 1, 1987, and February 1, 1988,".

AMENDMENT NO. 1673

Mr. SIMPSON. Mr. President, I move that the Senate concur in the House amendment with a further amendment, which I send to the desk on behalf of Senators DOMENICI, PACKWOOD, and MCCLURE.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wyoming [Mr. SIMPSON], on behalf of Mr. DOMENICI, Mr. PACKWOOD, and Mr. MCCLURE, proposes an amendment numbered 1673.

Mr. SIMPSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

In section 4016, insert "or seasonal suspension" after "adjustment in frequency"; and insert "adjustment or" after "service unless such."

In subparagraph (F)(ii) of paragraph (10) of section 204(b) of the Magnuson Fishery Conservation and Management Act, as proposed to be amended by section 6021, strike out "from such nations."

In title VI, strike out subtitle D and redesignate subtitles E, F, G, H, I, and J as subtitles D, E, F, G, H, and I, respectively.

In subsection (b)(2)(B) of section 315 of the Coastal Zone Management Act, as proposed to be amended by section 6044, strike out "environmental" and insert "environment."

In section 3A of the National Ocean Pollution Planning Act of 1978, as proposed to be added by section 6072(2)—

(1) amend subparagraph (B) of subsection (a)(2) to read as follows:

"'(B) be headed by a director who shall—

'(i) be appointed by the Administrator,

'(ii) serve as the Chair of the Board, and

'(iii) be the spokesperson for the program;";

(2) insert a quotation mark and a period after the period at the end of subparagraph (D) of subsection (b)(2); and

(3) strike out paragraph (3) of subsection (b).

In section 6085—

(1) Insert "and duties" after "functions" in the long title of the Act of August 6, 1947 cited in such section; and

(2) strike out "'or subdivision thereof'" and insert "'or subdivision thereof,'" in paragraph (2).

In title VIII, strike out the heading for subtitle A.

In section 8001, strike out "subtitle" and insert in lieu thereof "title".

In section 8(g) of the Outer Continental Shell Lands Act, as proposed to be amended by section 8003, strike out paragraph (2) and insert in lieu thereof the following:

"(2) Notwithstanding any other provision of this Act, the Secretary shall deposit into a separate account in the Treasury of the United States all bonuses, rents, and royalties, and other revenues (derived from any bidding system authorized under subsection (a)(1)), excluding Federal income and windfall profits taxes, and derived from any lease issued after September 18, 1978 of any Federal tract which lies wholly (or, in the case of Alaska, partially until seven years from the date of settlement of any boundary dispute that is the subject of an agreement under section 7 of this Act entered into prior to January 1, 1986 or until April 15, 1993 with respect to any other tract) within three nautical miles of the seaward boundary of any coastal State, or, (except as provided above for Alaska) in the case where a Federal tract lies partially within three nautical miles of the seaward boundary, as percentage of bonuses, rents, royalties, and other revenues (derived from any bidding system authorized under subsection (a)(1)), excluding Federal income and windfall profits taxes, and derived from any lease issued after September 18, 1978 of such tract equal to the percentage of surface acreage of the tract that lies within such three nautical miles. Except as provided in paragraph (5) of this subsection, not later than the last business day of the month following the month in which those revenues are deposited in the Treasury, the Secretary shall transmit to such coastal State 27 percent of those revenues, together with all accrued interest thereon. The remaining balance of such revenues shall be transmitted simultaneously to the miscellaneous receipts account of the Treasury of the United States.

In section 8(g)(5) of the Outer Continental Shelf Lands Act, as proposed to be amended by section 8003, strike out subparagraph (A) and insert in lieu thereof the following:

"(5)(A) When there is a boundary dispute between the United States and a State which is subject to an agreement under section 7 of this Act, the Secretary shall credit to the account established pursuant to such agreement all bonuses, rents, and royalties, and other revenues (derived from any bidding system authorized under subsection (a)(1)), excluding Federal income and windfall profits taxes, and derived from any lease issued after September 18, 1978 of any Federal tract which lies wholly or partially within three nautical miles of the seaward boundary asserted by the State, if that money has not otherwise been deposited in such account. Proceeds of such account shall be distributed as follows:

"Upon the settlement of any boundary dispute which is subject to a section 7 agreement between the United States and a State, the Secretary shall pay to such State all monies due such State from amounts deposited in the escrow account. If there is insufficient money deposited in the escrow account, the Secretary shall transmit, from any revenues derived from any lease of Federal lands under this Act, the remaining balance due such State in accordance with the formula set forth in section 8004(b)(1)(B) of the Outer Continental Shelf Lands Act Amendments of 1985.".

Strike out section 8004 and insert in lieu thereof the following:

SEC. 8004. DISTRIBUTION OF SECTION 8(g) ACCOUNT.

(a) Prior to April 15, 1986, the Secretary shall distribute to the designated coastal States the sum of—

(1) the amounts due and payable to each State under paragraph (2) of section 8(g) of the Outer Continental Shelf Lands Act, as amended by this title, for the period between October 1, 1985, and the date of such distribution, and

(2) the amounts due each such State under subsection (b)(1)(A) of this section for the period prior to October 1, 1985.

(b)(1) As a fair and equitable disposition of all revenues (including interest thereon) derived from any lease of Federal lands wholly or partially within 3 miles of the seaward boundary of a coastal State prior to October 1, 1985, the Secretary shall distribute:

(A) from the funds which were deposited in the separate account in the Treasury of the United Stats under section 8(g)(4) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(g)(4)) which was in effect prior to the date of enactment of section 8003 of this title the following sums:

	Million
Louisiana	$572
Texas	382
California	338
Alabama	66
Alaska	51
Mississippi	14
Florida	0.03

as well as 27 percent of the royalties, derived from any lease of Federal lands, which have been deposited through September 30, 1985, in the separate account described in this paragraph and interest thereon accrued through September 30, 1985 and shall transmit any remaining amounts to the miscellaneous receipts account of the Treasury of the United States; and

(B) from revenues derived from any lease of Federal lands under the Outer Continental Shelf Lands Act, as amended, prior to April 15 of each of the fifteen fiscal years following the fiscal year in which this title is enacted, 3 percent of the following sums in each of the five fiscal years following the date of enactment of this Act, 7 percent of such sums in each of the next five fiscal years, and 10 percent of such sums in each of the following five fiscal years:

	Million
Lousiana	$84
Texas	134
California	289
Alabama	7
Alaska	134
Mississippi	2

(2) The acceptance of any payment by a State under this section shall satisfy and release any and all claims of such State against the United States arising under, or related to, section 8(g) of the Outer Continental Shelf Lands Act, as it was in effect prior to the date of enactment of this act and shall vest in such State the right to receive payments as set forth in this section.

Strike out section 8006.

Strike out subtitles B and C of title VIII.

In subtitle A of title IX, strike out sections 9203, 9212, 9302, 9311, and 9312, and conform the table of contents of title IX accordingly.

In section 9101—

(1) in subsection (a), strike out "FEBRUARY 28" and "February 28" and insert in lieu thereof "APRIL 30" and "April 30", respectively;

(2) in subsections (b), (e)(1)(B), (e)(2)(B), (e)(2)(C), and (e)(3)(C), strike out "1 percent" and insert in lieu thereof "½ percent";

(3) in subsection (d), strike out "December 19, 1985" and insert in lieu thereof "March 15, 1986";

(4) in subsection (e)(1)(A), strike out "March" and insert in lieu thereof "May";

(5) in subsection (e)(2(B), strike out "5 months" and "7 months" and insert in lieu thereof "7 months" and "5 months", respectively; and

(6) in subsection (e)(3)(B), strike out "$\frac{7}{12}$" and insert in lieu thereof "$\frac{5}{24}$".

In section 9102(d)—

(1) strike out "5 months" in paragraph (2)(B)(i) and insert in lieu thereof "7 months",

(2) strike out "7 months" in paragraph (2)(B)(ii) and insert in lieu thereof "5 months",

(3) strike out "March" in paragraph (3) and insert in lieu thereof "May", and

(4) add at the end thereof the following:

(4) Exception.—

(A) Notwithstanding any other provision of this subsection, the amendments made by this section shall not apply to payments with respect to the operating costs of inpatient hospital services (as defined in section 1886(a)(4) of the Social Security Act) of a subsection (d) hospital (as defined in section 1886(d)(1)(B) of such Act) located in the State of Oregon.

(B) Notwithstanding any other provision of law, for a cost reporting period beginning during fiscal year 1985 of a subsection (d) hospital to which the amendments made by this section do not apply, for purposes of section 1886(d)(1)(A) of the Social Security Act—

(i) during the first 7 months of the period the "target percentage" is 50 percent and the "DRG percentage" is 50 percent, and

(ii) during the remaining 5 months of the period the "target percentage" is 25 percent and the "DRG percentage" is 75 percent.

(C) Notwithstanding any other provision of law, for purposes of section 1886(d)(1)(D) of such Act, the applicable combined adjusted DRG prospective payment rate for a subsection (d) hospital to which the amendments made by this section do not apply is, for discharges occurring on or after October 1, 1985, and before May 1, 1986, a combined rate consisting of 25 percent of the national adjusted DRG prospective payment rate and 75 percent of the regional adjusted DRG prospective payment rate for such discharges.

In section 9103, in subsections (a) and (b)(2), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9104, in subsections (a) and (c)(1), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9105, in subsections (a) and (e) strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9123(b), strike out "January" and insert in lieu thereof "April".

In section 9124(b)(1), strike out "April" and insert in lieu thereof "July".

In section 9128, strike out "will go" and insert in lieu thereof "went".

In section 9201(d), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 1886(h)(4)(E) of the Social Security Act, which is proposed to be added by section 9202(a)—

(1) strike out "before July 1, 1986" in clause (i)(I),

(2) strike out "the individual is unable to take that examination because" in clause (i)(II), and

(3) insert "or a previous examination of the Educational Commission for Foreign Medical Graduates" in clause (ii)(II) after "FMGEMS examination".

In section 9211(e), strike out "February" and "April" and insert in lieu thereof "May" and "July", respectively, each place each appears.

In section 9301—

(1) in subsection (a), strike out "JANUARY 31" and "January 31" and insert in lieu thereof "APRIL 30" and "April 30", respectively;

(2) in subsection (b), strike out "11-month", "February", "January 31", "4-month", and "January 1986" and insert in lieu thereof "8-month", "May", "April 30", "7-month", and "April 1986", respectively, each place each appears; and

(3) in subsection (c)(5), strike out "July" and insert in lieu thereof "October".

In section 9303—

(1) in subsection (b)(2), strike out "April", "1987" and "December 31, 1986" and insert in lieu thereof "July", "1988", and "December 31, 1987", respectively, and

(2) In subsection (b)(5)(A), strike out "April" and insert in lieu thereof "July".

In section 9304(b)—

(1) strike out "11-month" and "February" and insert in lieu therof "8-month" and "May", respectively:

(2) in paragraph (1) in that matter before subparagraph (A), insert "at any time" after "in the case of any physician who"; and

(3) in paragraph (1)(B), strike out "is not a participating physician" and all that follows through "September 30, 1985, or" and insert in lieu thereof "was not a participating physician (as defined in section 1842(h)(1) of the Social Security Act) on September 30, 1985, and who is not such a physician".

In section 9307(c)—

(1) in paragraph (1), strike out "subsection (l)" and insert in lieu thereof "subsection (k)";

(2) in paragraph (2), strike out "after subsection (k), added by section 146(a) of this title," and insert in lieu thereof "at the end"; and

(3) in the subsection added by paragraph (2), strike out "(l)(1)" and insert in lieu thereof "(k)(1)".

In subtitle B of title IX, strike out sections 9504, 9513, and 9521, and conform the table of contents of title IX accordingly.

In section 9501(d)(1), strike out "April" and insert in lieu thereof "July".

In section 9505(b)(1)—

(1) strike out "sections 9501 and 9504" and insert in lieu thereof "section 9501", and

(2) strike out "(VI)" and "(VII)" and insert in lieu thereof "(V)" and "(VI)", respectively.

In section 9506(a), in proposed subsection (k)(2) of section 1902 of the Social Security Act, insert "(other than by will)" after "established".

In section 9511(b), strike out "January" and insert in lieu thereof "April".

In section 9517(c), amend paragraph (2) to read as follows:

(2)(A) Except as provided in subparagraph (B), the amendments made by paragraph (1) shall apply to expenditures incurred for health insuring organizations which first become operational on or after January 1, 1986.

(B) In the case of a health insuring organization—

(i) which first becomes operational on or after January 1, 1986, but

(ii) for which the Secretary of Health and Human Services has waived, under section 1915(b) of the Social Security Act and before such date, certain requirements of section 1902 of such Act,

clauses (ii) and (vi) of section 1903(m)(2)(A) of such Act shall not apply during the period for which such waiver is effective.

In section 9522, insert "(or submitted during 1986 by)" after "granted to".

In section 9523—

(1) in subsection (a), strike out "CONTINUED" and "continue" and insert in lieu thereof "RENEWED" and "renew", respectively, and

(2) in subsection (b)—

(A) strike out "continued" and insert in lieu thereof "renewed",

(B) strike out "the date of the enactment of this Act" and insert in lieu thereof "December 31, 1985".

In section 9526, at the end of subsection (a) of proposed section 1920 of the Social Security Act, add the following:

"(F) Section 310(b)(1) of Public Law 96-272 (relating to continuing medicaid eligibility for certain recipients of Veterans' Administration pensions).

In subtitle C of title XII, strike out section 12302.

In section 12301—

(1) in subsection (b)—

(A) strike out "or 1903(u)" in paragraph (1), and

(B) strike out "titles IV-A and XIX" and insert in lieu thereof "title IV-A" each place it appears; and

(2) after subsection (d), strike out "and 1982.".

In section 12304(a)(3), immediately before the semicolon at the end of the proposed new subparagraph (C), insert the following: "; but the State shall not be subject to any financial penalty in the administration or enforcement of this subparagraph as a result of any monitoring, quality control, or auditing requirements".

Part 1 of subtitle A of title XIII of the bill is amended to read as follows:

PART 1—TRADE ADJUSTMENT ASSISTANCE

SEC. 13001. SHORT TITLE.

This part may be cited as the "Trade Adjustment Assistance Reform and Extension Act of 1986".

SEC. 13002. ELIGIBILITY OF WORKERS AND FIRMS FOR TRADE ADJUSTMENT ASSISTANCE.

(a) WORKERS.—Sections 221(a) and 222 of the Trade Act of 1974 (19 U.S.C. 2271(a); 2272) are each amended by inserting "(including workers in any agricultural firm or

subdivision of an agricultural firm)" after "group of workers".

(b) FIRMS.—

(1) Subsections (a) and (c) of section 251 of the Trade Act of 1974 (19 U.S.C. 2341) are each amended by inserting "(including any agricultural firm)" after "a firm".

(2) Paragraph (2) of section 251(c) of the Trade Act of 1974 (19 U.S.C. 2341(c)(2)) is amended to read as follows:

"(2) that—

"(A) sales or production, or both, of the firm have decreased absolutely, or

"(B) sales or production, or both, of an article that accounted for not less than 25 percent of the total production or sales of the firm during the 12-month period preceding the most recent 12-month period for which data are available have decreased absolutely, and".

SEC. 13003. CASH ASSISTANCE FOR WORKERS.

(a) PARTICIPATION IN JOB SEARCH PROGRAM REQUIRED.—

(1) Subsection (a) of section 231 of the Trade Act of 1974 (19 U.S.C. 2291(a)) is amended by adding at the end thereof the following new paragraph:

"(5) Such worker, unless the Secretary has determined that no acceptable job search program is reasonably available—

"(A) is enrolled in a job search program approved by the Secretary under section 237(c), or

"(B) has, after the date on which the worker became totally separated, or partially separated, from the adversely affected employment, completed a job search program approved by the Secretary under section 237(c).".

(2) Section 231 of the Trade Act of 1974 (19 U.S.C. 2291) is amended by adding at the end thereof the following new subsection:

"(c) If the Secretary determines that—

"(1) the adversely affected worker—

"(A) has failed to begin participation in the job search program the enrollment in which meets the requirement of subsection (a)(5), or

"(B) has ceased to participate in such job search program before completing such job search program, and

"(2) there is no justifiable cause for such failure or cessation,

no trade readjustment allowance may be paid to the adversely affected worker under this part on or after the date of such determination until the adversely affected worker begins or resumes participation in a job search program approved under section 237(c).".

(3) subsection (a) of section 239 of the Trade Act of 1974 (19 U.S.C. 2311(a)) is amended—

(A) by striking out "training," in clause (2) and inserting in lieu thereof "training and job search programs,"; and

(B) by striking out "and (3)" and inserting in lieu thereof "(3) will make determinations and approvals regarding job search programs under sections 231(c) and 237(c), and (4)".

(b) QUALIFYING WEEKS OF EMPLOYMENT.—The last sentence of section 231(a)(2) of the Trade Act of 1974 (19 U.S.C. 2291(a)(2)) is amended by striking out all that follows after subparagraph (C) and inserting in lieu thereof "shall be treated as a week of employment at wages of $30 or more, but not more than 7 weeks, in case of weeks described in paragraph (A) or (C), or both, may be treated as weeks of employment under this sentence.".

(c) WEEKLY AMOUNTS OF READJUSTMENT ALLOWANCES.—Section 232 of the Trade Act of 1974 (19 U.S.C. 2292) is amended—

(1) by striking out "under any Federal law," in subsection (c) and inserting in lieu thereof "under any Federal law other than this Act",

(2) by striking out "under section 236(c)" in subsection (c) and inserting in lieu thereof "under section 231(c) or 236(c)", and

(3) by striking out "If the training allowance" in subsection (c) and inserting in lieu thereof "If such training allowance".

(d) LIMITATIONS.—

(1) Paragraph (2) of section 233(a) of the Trade Act of 1974 (19 U.S.C. 2293(a)(2)) is amended by striking out "52-week period" and inserting in lieu thereof "104-week period".

(2) Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended by adding at the end thereof the following new subsection:

(e) No trade readjustment allowance shall be paid to a worker under this part for any week during which the worker is receiving on-the-job training.".

SEC. 13004. JOB TRAINING FOR WORKERS.

(a) IN GENERAL.—Section 236 of the Trade Act of 1974 (19 U.S.C.2296) is amended—

(1) by striking out "for a worker" in subsection (a)(1)(A) and inserting in lieu thereof "for an adversely affected worker",

(2) by striking out "may approve" in the first sentence of subsection (a)(1) and inserting in lieu thereof "shall (to the extent appropriated funds are available) approve",

(3) by striking out "under paragraph (1)" in subsection (a)(2) and inserting in lieu thereof "under subsection (a)",

(4) by striking out "this subsection" in subsection (a)(3) and inserting in lieu thereof "this section",

(5) by redesignating paragraphs (2) and (3) of subsection (a) as subsections (e) and (f), respectively,

(6) by inserting at the end of subsection (a) the following new paragraphs:

"(2) For purposes of applying paragraph (1)(C), a reasonable expectation of employment does not require that employment opportunities for a worker be available, or offered, immediately upon the completion of training approved under this paragraph (1).

"(3)(A) If the costs of training an adversely affected worker are paid by the Secretary under paragraph (1), no other payment for such costs may be made under any other provision of Federal law.

(B) No payment may be made under paragraph (1) of the costs of training an adversely affected worker if such costs—

"(i) have already been paid under any other provision of Federal law, or

"(ii) are reimbursable under any other provision of Federal law and a portion of such costs have already been paid under such other provision of Federal law.

"(C) The provisions of this paragraph shall not apply to, or take into account, any funds provided under any other provision of Federal law which are used for any purpose other than the direct payment of the costs incurred in training a particular adversely affected worker, even if such use has the effect of indirectly paying or reducing any portion of the costs involved in training the adversely affected worker.

"(4) The training programs that may be approved under paragraph (1) include, but are not limited to—

"(A) on-the-job training,

"(B) any training program provided by a State pursuant to section 303 of the Job Training Partnership Act,

"(C) any training program approved by a private industry council established under section 102 of such Act, and

"(D) any other training program approved by the Secretary.", and

(7) by inserting after subsection (c) the following new subsection:

"(d) Notwithstanding any provision of subsection (a)(1), the Secretary may pay the costs of on-the-job training of an adversely affected worker under subsection (a)(1) only if—

"(1) no currently employed worker is displaced by such adversely affected worker (including partial displacement such as a reduction in the hours of nonovertime work, wages, or employment benefits),

"(2) such training does not impair existing contracts for services or collective bargaining agreements,

"(3) in the case of training which would be inconsistent with the terms of a collective bargaining agreement, the written concurrence of the labor organization concerned has been obtained,

"(4) no other individual is on layoff from the same, or any substantially equivalent, job for which such adversely affected worker is being trained,

"(5) the employer has not terminated the employment of any regular employee or otherwise reduced the workforce of the employer with the intention of filling the vacancy so created by hiring such adversely affected worker,

"(6) the job for which such adversely affected worker is being trained is not being created in a promotional line that will infringe in any way upon the promotional opportunities of currently employed individuals,

"(7) such training is not for the same occupation from which the worker was separated and with respect to which such worker's group was certified pursuant to section 222,

"(8) the employer certifies to the Secretary that the employer will continue to employ such worker for at least 26 weeks after completion of such training if the worker desires to continue such employment and the employer does not have due cause to terminate such employment,

"(9) the employer has not received payment under subsection (a)(1) with respect to any other on-the-job training provided by such employer which failed to meet the requirements of paragraphs (1), (2), (3), (4), (5), and (6), and

"(10) the employer has not taken, at any time, any action which violated the terms of any certification described in paragraph (8) made by such employer with respect to any other on-the-job training provided by such employer for which the Secretary has made a payment under subsection (a)(1).".

(b) ON-THE-JOB TRAINING DEFINED.—Section 247 of the Trade Act of 1974 (19 U.S.C. 2319) is amended by adding at the end thereof the following new paragraph:

"(16) The term on-the-job training means training provided by an employer to an individual who is employed by the employer.".

(c) AGREEMENTS WITH THE STATES.—Section 239 of the Trade Act of 1974 (19 U.S.C. 2311) is amended—

(1) by amending subsection (a)(2) by inserting "but in accordance with subsection (f)," after "where appropriate,"; and

(2) by adding at the end thereof the following new subsections:

"(e) Agreements entered into under this section may be made with one or more State or local agencies including—

"(1) the employment service agency of such State,

"(2) any State agency carrying out title III of the Job Training Partnership Act, or

"(3) any other State or local agency administering job training or related programs.

"(f) Each cooperating State agency shall, in carrying out subsection (a)(2)—

"(1) advise each adversely affected worker to apply for training under section 236(a) at the time the worker makes application for trade readjustment allowances (but failure of the worker to do so may not be treated as cause for denial of those allowances), and

"(2) within 60 days after application for training is made by the worker, interview the adversely affected worker regarding suitable training opportunities available to the worker under section 236 and review such opportunities with the worker.".

SEC. 13005. JOB SEARCH ALLOWANCES.

(a) IN GENERAL.—Section 237 of the Trade Act of 1974 (19 U.S.C. 2297) is amended by adding at the end thereof the following new subsection:

"(c) The Secretary shall reimburse any adversely affected worker for necessary expenses incurred by such worker in participating in a job search program approved by the Secretary.".

(b) DEFINITIONS.—Section 247 of the Trade Act of 1974 (19 U.S.C. 2319), as amended by section 13004(b) of this Act, is further amended by adding at the end thereof the following new paragraph:

"(17)(A) The term 'job search program' means a job search workshop or job finding club.

"(B) The term 'job search workshop' means a short (1 to 3 days) seminar designed to provide participants with knowledge that will enable the participants to find jobs. Subjects are not limited to, but should include, labor market information, resume writing, interviewing techniques, and techniques for finding job openings.

"(C) The term 'job finding club' means a job search workshop which includes a period (1 to 2 weeks) of structured, supervised activity in which participants attempt to obtain jobs.".

SEC. 13006. ADJUSTMENT ASSISTANCE FOR FIRMS.

(a) TECHNICAL ASSISTANCE.—

(1) Paragraph (1) of section 252(b) of the Trade Act of 1974 (19 U.S.C. 2342(b)(1)) is amended to read as follows:

"(1) Adjustment assistance under this chapter consists of technical assistance. The Secretary shall approve a firm's application for adjustment assistance only if the Secretary determines that the firm's adjustment proposal—

"(A) is reasonably calculated to materially contribute to the economic adjustment of the firm,

"(B) gives adequate consideration to the interests of the workers of such firm, and

"(C) demonstrates that the firm will make all reasonable efforts to use its own resources for economic development.".

(2) Section 252 of the Trade Act of 1974 (19 U.S.C. 2342) is amended by striking out subsection (c) and redesignating subsection (d) as subsection (c).

(3) Paragraph (2) of section 253(b) of the Trade Act of 1974 (19 U.S.C. 2343(b)(2)) is amended by striking out "such cost" and inserting in lieu thereof "such cost for assistance described in paragraph (2) or (3) of subsection (a)".

(b) NO NEW LOANS OR GUARANTEES.—Section 254 of the Trade Act of 1974 (19 U.S.C. 2344) is amended by adding at the end thereof the following new subsection:

"(d) Notwithstanding any other provision of this chapter, no direct loans or guarantees of loans may be made under this chapter after the date of enactment of the Trade Adjustment Assistance Reform and Extension Act of 1986.".

SEC. 13007. EXTENSION AND TERMINATION OF TRADE ADJUSTMENT ASSISTANCE.

(a) IN GENERAL.—Section 285 of the Trade Act of 1974 (19 U.S.C. 2271, preceding note) is amended—

(1) by striking out the first sentence thereof and inserting in lieu thereof "(a)",

(2) by striking out the section heading and inserting in lieu thereof "SEC. 285. TERMINATION.", and

(3) by adding at the end thereof the following new subsection:

"(b) No assistance, allowances, or other payments may be provided under chapter 2, and no technical assistance may be provided under chapter 3, after September 30, 1991.".

(b) CONFORMING AMENDMENT.—The table of contents of the Trade Act of 1974 is amended by striking out the item relating to section 285 and inserting in lieu thereof the following:

"Sec. 285. Termination.".

SEC. 13008. AUTHORIZATION OF APPROPRIATIONS.

(a) WORKERS.—Section 245 of the Trade Act of 1974 (19 U.S.C. 2317) is amended by striking out "1982 through 1985" and inserting in lieu thereof "1986, 1987, 1988, 1989, 1990, and 1991".

(b) FIRMS.—Subsection (b) of section 256 of the Trade Act of 1974 (19 U.S.C. 2346(b)) is amended—

(1) by inserting "for fiscal years 1986, 1987, 1988, 1989, 1990, and 1991" after "to the Secretary",

(2) by striking out "from time to time", and

(3) by striking out the last sentence thereof.

SEC. 13009. EFFECTIVE DATES; APPLICATION OF GRAMM-RUDMAN.

(a) IN GENERAL.—Except as provided in subsections (b) and (c), the amendments made by this part shall take effect on the date of the enactment of this Act.

(b) JOB SEARCH PROGRAM REQUIREMENTS.—The amendments made by section 13003(a) apply with respect to workers covered by petitions filed under section 221 of the Trade Act of 1974 on or after the date of the enactment of this Act.

(c) EXTENSION AND AUTHORIZATION.—Chapters 2 and 3 of title II of the Trade Act of 1974 (19 U.S.C. 2271, et seq.) shall be applied as if the amendments made by sections 13007 and 13008 had taken effect on December 18, 1985.

(d) APPLICATION OF GRAMM-RUDMAN.—Trade readjustment allowances payable under part I of chapter 2 of title II of the Trade Act of 1974 for the period from March 1, 1986, and until October 1, 1986, shall be reduced by a percentage equal to the non-defense sequester percentage applied in the Sequestration Report (submitted under the Balanced Budget and Emergency Deficit Control Act of 1985 and dated January 21, 1986) of the Comptroller General of the United States for fiscal year 1986.

In section 13031(e)(2)—

(1) strike out "section 236(c)" and insert in lieu thereof "section 236", and

(2) strike out "58b(c)" and insert in lieu thereof "58b".

Strike out subtitle B of title XIII and redesignate the following subtitles accordingly.

In section 13201—

(1) strike out "Subsection (c)" and insert in lieu thereof "(a) Subsection (c)", and

(2) add at the end thereof the following new subsection:

(b) For purposes of all Federal and State laws, the amendment made by subsection (a) shall be treated as having taken effect on March 14, 1986.

Strike out subsection (d) of section 13202 and insert in lieu thereof the following:

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to smokeless tobacco removed after June 30, 1986.

(2) TRANSITIONAL RULE.—Any person who.—

(A) on the date of the enactment of this Act, is engaged in business as a manufacturer of smokeless tobacco, and

(B) before July 1, 1986, submits an application under subchapter B of chapter 52 of the Internal Revenue Code of 1954 to engage in such business.

may, notwithstanding such subchapter B, continue to engage in such business pending final action on such application. Pending such final action, all provisions of chapter 52 of such Code shall apply to such applicant in the same manner and to the same extent as if such applicant were a holder of a permit to manufacture smokeless tobacco under such chapter 52.

Strike out subsection (c) of section 13203 and insert the following:

(c) EXISTING REDUCTION IN RATES FOR PERIOD AFTER TEMPORARY INCREASE RETAINED.—So much of subsection (e) of section 4121 (relating to temporary increase in amount of tax) as precedes paragraph (2) is amended to read as follows:

"(e) REDUCTION IN AMOUNT OF TAX.—

"(1) IN GENERAL.—Effective with respect to sales after the temporary increase termination date, subsection

(b) shall be applied—

"(A) by substituting '$.50' for '$1.10',

"(B) by substituting '$.25' for '$.55', and

"(C) by substituting '2 percent' for '4.4 percent'."

In section 13203(d), strike out "December 31, 1985" and insert in lieu thereof "March 31, 1986".

In section 13205(a)(1), strike out "of the Internal Revenue Code of 1954".

In subsection (a)(2) of section 13205, strike out "of such Code" each place it appears.

In section 13205, strike out "December 31, 1985" and "January 1, 1986" and insert in lieu thereof "March 31, 1986" and "April 1, 1986", respectively, each place either appears.

At the end of paragraph (2) of section 1303(d) of the Internal Revenue Code of 1954 (as proposed to be added by section 13206(a)), insert the following:

In applying subparagraph (B), amounts which constitute earned income (within the meaning of section 911(d)(2)) and are community income under community property laws applicable to such income shall be taken into account as if such amounts did not constitute community income.

In section 13207(c), strike out "September 12, 1985" and insert in lieu thereof "September 12, 1984".

In subparagraph (A) of section 531(g)(1) of the Tax Reform Act of 1984 (as proposed to be added by section 13207(d)), strike out "performed" and insert in lieu thereof "performs".

In paragraph (2) of section 531(g) of the Tax Reform Act of 1984 (as proposed to be added by section 13207(d)), strike out "subparagraph (B) and insert in lieu thereof the following:

"(B) if—

"(i) such organization is described in section 501(c)(6) of the Internal Revenue Code of 1954 and the membership of such organization is limited to entities engaged in the transportation by air of individuals or property for compensation or hire, or

"(ii) such organization is a corporation all the stock of which is owned entirely by entities referred to in clause (i), and".

In clause (vi) of section 57(a)(9)(E) of the International Revenue Code of 1954 (as proposed to be added by section 13208(a)), strike out "The" and insert in lieu thereof "For purposes of this subparagraph, the".

In clause (vii) of such section 57(a)(9)(E), strike out "The" and insert in lieu thereof "For purposes of this subparagraph, the".

In section 14001(a)(2), strike out "amounts".

In section 14001(a)(4), strike out "March 1, 1986" and insert in lieu thereof "June 2, 1986".

In section 15202, strike out subsection (b) and redesignate subsection (c) as subsection (b).

In section 19001(a), strike out "and Compensation Rate Amendments of 1985" and insert in lieu thereof "Amendments of 1986".

In section 19011—

(1) strike out "April 1, 1986" in the last sentence of subsection (e)(2) and insert in lieu thereof "July 1, 1986"; and

(2) in subsection (f)—

(A) strike out "April 1, 1986" each place it appears and insert in lieu thereof "July 1, 1986";

(B) strike out "March 31, 1986" both places in appears in paragraph (2)(A) and insert in lieu thereof "June 30, 1986"; and

(C) strike out "April and May 1986" in paragraph (2)(B) and insert in lieu thereof "July and August 1986".

Strike out subtitle B of title XIX (and redesignate subtitle C as subtitle B).

In section 19031(B)(2), strike out "April 1, 1086" and insert in lieu thereof "July 1, 1986".

In section 19032—

(1) strike out "February 1, 1986" in subsection (a) and insert in lieu thereof "May 1, 1986"; and

(2) strike out "November 1, 1986, and November 1, 1987," in subsection (f) and insert in lieu thereof "February 1, 1987, and February 1, 1988,".

EXTENDING MORNING BUSINESS UNTIL 10:30 P.M.

Mr. SIMPSON. Mr. President, I ask unanimous consent that morning business be extended until 10:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO HOLD HOUSE JOINT RESOLUTION 563 AT THE DESK

Mr. SIMPSON. Mr. President, after conferring with the minority leader, I ask unanimous consent that House Joint Resolution 563, dealing with housing extension, be held at the desk pending further disposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

OLDER AMERICANS ACT AMENDMENTS OF 1986—CONFERENCE REPORT

Mr. SIMPSON. Mr. President, I submit a report of the committee of conference on H.R. 2453 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2453) to amend the Older Americans Act of 1965 to increase the amounts authorized to be appropriated for fiscal years 1985, 1986, and 1987 for commodity distribution, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of March 10, 1986.)

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

REMOVAL OF INJUNCTION OF SECRECY

Mr. SIMPSON. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from a Tax Convention with Tunisia—Treaty Document No. 99-13—which was transmitted to the Senate today by the President of the United States.

I further ask that the treaty be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without, objection, it is so ordered.

The message of the President is as follows:

To the Senate of the United States:

I transmit herewith, for Senate advice and consent to ratification, the Convention between the Government of the United States of America and the Government of the Tunisian Republic for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (referred to hereafter as "the Convention"), together with a related exchange of notes, signed at Washington on June 17, 1985. I also transmit the report of the Department of State on the Convention.

The Convention is the first income tax treaty to be negotiated between the United States and Tunisia. It is based on model income tax treaties developed by the Department of the Treasury, the Organization for Economic Cooperation and Development, and the United Nations. It deviates in some respects from the models to reflect Tunisia's status as a developing country and an importer of capital.

The Convention provides rules with respect to the taxation of various types of income, such as business profits, personal service income, and investment income. It also contains standard provisions guaranteeing a foreign tax credit, ensuring nondiscriminatory tax treatment, and providing for exchanges of information and administrative cooperation to avoid double taxation and prevent tax evasion.

I recommend that the Senate give early and favorable consideration to the Convention, together with the related exchange of notes, and give its advice and consent to ratification.

RONALD REAGAN.

THE WHITE HOUSE, *March 13, 1986.*

ORDERS FOR FRIDAY

RECESS UNTIL 9:30 A.M.

Mr. SIMPSON. Mr. President, after conferring with the minority leader, I ask unanimous consent that once the Senate completes its business today, it stand in recess until the hour of 9:30 a.m. on Friday, March 14, 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. SIMPSON. Mr. President, following the recognition of the two leaders under the standing order, I ask unanimous consent that the following Senators be recognized for special orders for not to exceed 5 minutes each: Senator HAWKINS, Senator PROXMIRE, and Senator BAUCUS.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. SIMPSON. Mr. President, following the special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business for not to extend beyond the hour of 10 a.m. with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. SIMPSON. At the conclusion of routine morning business, the Senate will resume consideration of the House message to accompany H.R. 3128, budget reconciliation.

The Senate could also be asked to turn to any of the following items:

S. 1567, water resources bill; Fitzwater nomination to be U.S. district judge; or, any other Legislative or Executive Calendar items cleared for action.

As the majority leader has indicated, rollcall votes can be expected throughout Friday's session.

Mr. President, does the Democratic leader have any further business?

Mr. BYRD. I have a question.

Does the distinguished assistant Republican leader foresee rollcall votes into the midafternoon, or early afternoon, or late afternoon tomorrow?

Mr. SIMPSON. Mr. President, the foreseeing capabilities of the assistant majority leader are cloudy at this point in the evening. But I can say that I believe that late afternoon votes will not be the prospect. I would think perhaps 3 in the afternoon, or around that time, but I cannot assure my colleague of that.

Mr. BYRD. Mr. President, I thank the distinguished assistant Republican leader.

Mr. SIMPSON. Mr. President, I think, obviously, the minority leader knows that it does depend a bit on the progress that we make. I hope we can make progress. We have that important measure to take care of with regard to the water resources bill, and reconciliation.

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. SIMPSON. Mr. President, there being no further business to come before the Senate, I move in accordance with the previous order that the Senate stand in recess until the hour of 9:30 a.m. on Friday, March 14, 1986.

The motion was agreed to; and, at 10:23 p.m., the Senate recessed until tomorow, Friday, March 14, 1986, at 9:30 a.m.

EXTENSIONS OF REMARKS

CURRENT AGRICULTURAL ENVIRONMENT

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. BEREUTER. Mr. Speaker, this Member has never doubted the sagacity of people in my home county, Seward County, NE, but three outstanding editorials or articles on the current agricultural environment in recent editions of the Seward County Independent are particularly incisive and compelling. I commend these statements to my colleagues.

The first, a guest editorial in the issue of February 22, 1986, is written by Mr. Albert Ebers, a retired Seward farmer who is still active in numerous community activities and as a farm credit adviser. It is altogether appropriate that Mr. Ebers, the former master of the Nebraska Grange, begins his editorial quoting Ben Franklin, for he parallels that great patriot in ingenuity, wisdom, conscientious concern for his fellow Americans, and his dedication to the public interest.

COPING WITH LESS

Our famous American patriot, the wise Ben Franklin, said it long ago, "There are two ways of being happy. We must either diminish our wants or augment our means—either may do—the result is the same, and it is for each man to decide for himself as to that which happens to be easier."

Every meeting I attend, every news article I read, whether it deals with national, state or local affairs, groans over how and what can we do with less money, lower wages and less income.

Every time, the thinking dwells upon which services will be cut, which school or department will be closed, which jobs will be terminated, etc. This is one way of coping with less money.

Of course, this method results in unemployment, curtailed or no services for people in need, a slack in growth and development.

We all would like a constant increase in salary, wages and income to help satisfy our insatiable wants, and as long as the money is available, well and good.

Can we live happily and still perform services when money is diminished?

Consider Ben Franklin's quote above. There is another way. Think first of industry and business. If salaries, wages and fringe benefits would be lowered a little, prices of the product they sell could be decreased. Now many more people could buy the product, and more people would get jobs to satisfy the demand. Or, if consumers somehow could get more money, they could buy more of the products for sale. This plan was tried by our government in the 1930s. It was foiled by the greed of industry and business. They raised the prices.

Human services is the growing segment in our economy. If people performing these services would take a little less salary, services for the people would not have to be curtailed.

Many grain family farmers have taken a 50 percent cut in income during the past several years, but they don't think of not planting or seeding a crop, because they live from the income produced of the harvested crop. That's why they ask for government help when curtailing acres in crops in hopes that, if many farmers cut acres planted, there will be a reduction in supply and influence the price. It's a characteristic of family farming that more and more people outside of agriculture do not understand.

Where the family farmer was wise enough not to incur too many debts during the inflationary period of the 1970s and where he used good management, he is still making a living, even if his income is much less. And those family farmers are happy, doing what they love, growing food for livestock and people.

When the mechanic restores the auto for the longing owner, when the teacher helps the developing student, when the doctor, dentist, drugist and hospital reproduce good health, when the shoeman and clothier take pride n a sell-dressed public, when government workers see the good people receive from their labors, when people look less for the dollar sign and more for the value of their labor for the benefit of people, rewards for living and happiness emerge.

One brilliant and very distinguished Nebraskan who fits the idea humbly presented is John G. Neihardt. He wasn't much of a figure financially. On his 90th birthday celebration in the rotunda of our State Capital, he said this: "When I was a youngster, I became indebted to the world for the privilege of living in it. I became deeper in debt to the world all the time, and if there are any more turnouts like this one tonight, I think I will end up in joyous bankruptcy. The heart in me tonight is like a singing bird."

Yes, we can live happily with with Gramm-Rudman, if we dwell less on salary and income and more on the values of our labors and benefit our fellowman.

The second item from the March 5, 1986, edition, one of the first in what will hopefully be a very long series of columns by Mr. Dennis Richters from Utica, NE this Member's hometown, follows other such columns written over many months under a pseudonym. Dennis Richters, a high school classmate, lifelong friend and best man at this Member's wedding, was born into a farming family and has agriculture permanently in his blood no matter what course his life may take. His pragmaticism, deeply held views and thoughtful attitude are well demonstrated in the following column:

FIGHT FOR THE BEST SYSTEM IN THE WORLD

Newspapers, politicians, economists and a lot of other people say they are hearing way too much gloom and doom about the farm problem.

And a lot of them * * * say the doom and gloom aren't necessary because a certain percent of farmers leave the farm all the time, so it's no problem. Somebody should explain * * * that these aren't just numbers they're talking about. They're talking about human beings and about communities.

Some of us being forced off our farms will miss, and be missed by, our friends and our communities. I would also remind * * * that there is a world of difference between leaving the farm of your own volition when you can sell out at a profit and being forced out of your home and losing your land.

Farmers are used to combating nature, the droughts and the blizzards and the insects. We knew we had to deal with nature when we decided to farm. Farmers have been so successful at dealing with nature's whims that we have priced ourselves out of a reasonable profit.

The gloom and doom is not a result of nature's calamities. We accept that risk. It is a result of the knowledge that most of the farm failures are caused unnecessarily by people, not by nature or by change. The doom and gloom comes from the realization that political cowardice and Federal Reserve Board actions have created most of the problems. Some of these people say this will lead to a cure within the next decade. That's like telling somebody that you will dig them up from the grave five years from now and administer an antidote for whatever caused their death. Thanks for nothing.

I heard one of our * * * candidates for Governor give a typically simplistic political statement on why agriculture is in trouble. She said it was the fault of an ineffective farm program for decades and too liberal lending policies by our Farm Credit groups. That's garbage.

The new farm bill is called the Food Security Act. People who say our farm programs have failed miserably never take note of the fact that you can walk down row after row of aisles at supermarkets and see the best, freshest, cheapest food in the world. The food never runs out, and it costs less, comparatively, then at any other place on earth, so the farm program is NOT an utter failure.

The farm programs definitely need to be improved, but they have not all been failures.

As for the Farm Credit System's liberal lending practices, the loans they made were not all bad loans when they made them. And they would not have turned out to be bad loans if they would have been made to any other business that had the ability to pass on the rapidly increasing interest costs to its customers.

Unlike other businesses, farmers cannot simply raise their prices to compensate for higher costs of production. It took a certain period of years to infuse the extra amount of capital into agriculture, and it will take a certain period of years to squeeze the excess capital out. A lot of people going broke now and a number of small banks going down does not mean we will end up with better, more able producers in the industry to better serve the nation and consumers.

The doom and gloom will pass and must pass. Perhaps mother nature will cut down our production or the world's production because we aren't able to cut down by ourselves. Perhaps governments and world lead-

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

ers will decide it is more important to feed their populations than it is to buy arms to destroy people.

One of the best ways to alleviate the doom and gloom is for us to get angry.

Human, community and societal losses are occurring today which are not necessary or fair. Man's decisions are the cause of many of our troubles, and correcting these decisions or changing the people who make the decisions can solve most of these troubles.

There's a saying. "What goes around comes around." "People who use this saying today to justify what is happening to farmers are wrong. They are saying that what has happened before is okay, and it just has to happen again.

* * * Using the same logic would have implied that the plaque during Europe's Dark Ages was okay, and we should let it happen again. The same logic would have said we shouldn't have developed the Salk vaccine, just let the polio come back whenever it wants to.

During the Depression a lot of people lost the money they had deposited when the banks went broke. We simply decided that was not acceptable and established the Federal Deposit Insurance Corporation to make sure it wouldn't happen again. The FDIC system is an interference with free enterprise, and the system is not free. But we made the correct decision that it was not necessary to go by the old axiom of "What goes around comes around," and we improved the situation.

The gloom and doom will leave when we decide we do not have to sit passively by and accept an unfair system or a bunch of screwups running the system. We have the best and cheapest food production system in the world. Instead of being apologetic about it, we should feel good about being part of it and fight for it.

The remaining item, also from the March 5, 1986, edition, is an editorial which also offers reflections on the "gloom and doom" comments that prompted Mr. Richters' column. It was written by Charlyne Berens, the female half of a dynamic husband-wife team that publishes the Seward County Independent. That paper, recently moving to a biweekly status, has become a truly outstanding newspaper in the Plains States. Its dedication to community affairs, excellence in agricultural coverage, and general concern for the improvement of the human condition are reflected in the following editorial.

UNCHANGING CHANGE

It's been said that perhaps the best thing that could happen to agriculture today is to close all the coffee shops. Bad news is contagious. Hearing a person's five-minute recitation of woe can negatively influence the listener's attitude toward a subject for the rest of the day. Add a few of those recitations together, and a listener can feel depressed indefinitely.

Maybe, after reading the special agriculture section in today's paper, you'll feel the second best thing that could happen to agriculture is to stop printing stories about its problems.

Realistically, the situation is not all rosy. Farmers are, generally, working harder to make less. Some are staying even, some are looking for outside work to enable them to stay on the farm and others are giving up farming entirely. "Farm life" as we think of it is definitely changing.

Is this a new phenomenon? Are we in danger of losing a classic way of life which we have come to value here in the Midwest?

A few weeks ago I came across a passage in Alistair Cooke's *America* which put the current problem in another perspective. Writing about the settling of the plains, Cooke points out that only a few decades elasped between the time when the first pioneers put up sod houses and put the plow to the prairie and the time when each little town boasted its collection of frame houses, complete with wallpaper and parlor organs and meetings of the cultural society.

And what did people think of these changes? Many of them lamented the loss of the self-sufficient family farm. They began immediately to mourn a way of life they saw disappearing.

Now I don't mean to put down those who worry about much the same thing today. However, as we come to our own accommodations with the change around us, we will be better off if we remember one basic thing: nothing ever stays the same. Change is one of the few constants in life. We cannot turn back the clock to some time or way that we recall as "better."

The best we can do is to try to manage the change which affects us, to do all we can to turn it to our advantage and to the benefit of our community.

I know, I know. That's easier said than done. I'm not suggesting that I have all the answers—nor do I know anyone else who does. But as we all live through times that are less than pure fun, we must search for ways to direct the change around us rather than just let it sweep us along. That would give us something real to mourn, and it would be our own demise.

So rather than either wallowing in our troubles or trying to pretend that they do not exist, we need to find a middle ground where we can face the situation and do what we can to turn it to good. Nobody said living in Nebraska in 1986 would be easy. But I doubt that living in Nebraska in 1886 was exactly a snap, either.

We're still here, alive and kicking. We'll make it.

DONALD CALVIN NEY BECOMES EAGLE SCOUT

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. YATRON. Mr. Speaker, it is my honor to bring to the attention of my colleagues the outstanding achievement of Mr. Donald Calvin Ney, a member of Boy Scouts in Gordon, PA, and the son of Gerald and Marie Ney.

Donald is a fine young man who recently passed his Eagle Scout Board of Review for advancement to the rank of Eagle Scout. This is indeed a most important achievement and I am very glad to commend and congratulate him before all of you here today. A Court of Honor will be held on March 22, 1986, to honor Mr. Donald Ney for attaining the rank of Eagle Scout.

This honor is not easily achieved and is awarded only to those few who have excelled in many dimensions of citizenship. It is testimony to Donald's character, integrity, intelligence, perseverance, dedication and loyalty to Scouting and our Nation.

I am very happy for Donald and I know he must be extremely proud of his noteworthy achievement. It is young people such as Donald who renew our confidence in the next generation to carry the mantle of leadership in building a better America. I know that all of my colleagues will join me in congratulating Donald and in wishing him the very best in his future endeavors. Undoubtedly, Donald Calvin Ney will serve as an inspiration to other young Americans.

DEPENDENCE ON JAPANESE COMPUTER CHIPS

HON. RICHARD STALLINGS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. STALLINGS. Mr. Speaker, a headline on the front page of the March 11, 1986, Washington Post read: "U.S. Dependence on Japan for Parts Worries Pentagon." According to the article, the part which causes the Pentagon concern is the backbone of all our technologically advanced defenses—the computer chip. If we ask what has forced America to depend on a foreign country for its most important programs, we need only to look at the next day's paper to find our answer. A headline in that edition says "Japan Found Dumping Chips, Semiconductors Sold Below Production Cost, Commerce Rules."

Several investigations of Japanese trade practices led to the same conclusion. The Japanese have used unfair trade practices to control the development of high technology.

The Washington Post article of March 11 gives a clear account of some of the dangers of depending on foreign sources for high tech components. Therefore, I would like to place it in the RECORD and recommend for my colleagues' attention.

U.S. DEPENDENCE ON JAPAN FOR PARTS WORRIES PENTAGON

(By Michael Schrage)

America's most sophisticated weapons are rapidly becoming dependent on components imported from Japan—a development that has touched off debate inside the Pentagon over what, if anything, should be done about it.

Defense industry sources are particularly concerned about the Strategic Defense Initiative—or "Star Wars"—system, where Japanese high-technology companies now outstrip U.S. defense contractors in several key technologies vital to the development of such a system.

While U.S. companies are able to do most of the SDI systems design work, the cheapest and most reliable hardware—ranging from lasers to new materials—is produced by the Japanese. For example, the Japanese have become the world's dominant supplier of computer memory chips—a key element in many electronics-based weapons systems.

"It's a matter of fact that the Japanese have taken the technical lead in many of these key technologies . . .," said Hewlett-Packard Co.'s materials research laboratory director, Robert Burmeister, who serves on a National Academy of Science panel on electronic components.

"Japan today has the technology base to be a major supplier to the SDI," said Rich-

ard Reynolds, director of the defense sciences office at the Defense Advanced Research Projects Agency, who added that the Pentagon now can buy advanced technology from Japan not yet available from U.S. suppliers.

"In some cases," he said, "you either buy from Japan or you don't get it."

This has raised serious policy concerns over whether the Pentagon should dramatically shore up this nation's high-tech manufacturing base—potentially a very expensive undertaking—or whether it simply should buy the best technology at the best price from a close ally.

Three high-level commissions are examining the military's growing reliance on overseas electronics: a newly formed Defense Sciences Board Task Force on Semiconductor Dependency; a panel of the Pentagon's joint logistics commanders; and a National Academy of Science Electronics Components Committee, which is expected to release a report next month asserting that "there is a very large and increasing dependence on Japanese components."

"There's no doubt that—because of cost and quality considerations—many defense groups are already buying from Japan," said Harvey Nathanson, a Westinghouse research director who leads an industry group pushing for increased defense funding for electronics materials research. "The question has got to be, is that good for us in the long term? A lot of the technologists are more concerned about the Japanese ascendancy. The 'equipment at the best price' procurement types aren't worried."

Largely through its strength in commercial electronics, Japan has rapidly become a strategic supplier of defense technologies to the Pentagon. Pentagon expenditures for defense electronics approach $56.5 billion a year, according to the Electronics Industries Association.

The Nakasone government in Japan has been encouraging the transfer of the country's advanced electronics to the U.S. military, and top Pentagon officials have welcomed increased participation by the Japanese.

"The change in the electronics has been the most striking and significant in the past few years," said Jacques S. Gansler, a deputy assistant secretary of Defense for material acquisition during the Ford administration and now a defense industry consultant.

Currently, there are no good estimates on what percentage of defense electronics components are produced overseas. However, House Armed Services subcommittee staff feels that roughly 80 percent of the military's silicon chips are manufactured in Asia.

Meaningful estimates of Japanese content of U.S. defense electronics are further complicated because U.S. contractors do not always have to disclose where the components for their electronics systems were originally made.

"There's no question that what the [Pentagon] needs to do is recognize the 'dual economy' that exists in the defense industry," asserted Gansler, who serves on the National Academy of Science panel. "We have large prime contractors providing systems, and we don't pay attention to the lower tier [of contractors] on which these systems are dependent. So we have this awkward system where the lower tiers are disappearing and going offshore; their significance isn't recognized.

"While we focus so much of our resources on the prime-contractor level, the real advances [in technology] often come from these parts and components."

In addition to volume supply, Japanese companies recently have begun to provide "critical" components for such weapons systems as missiles and electronic-warfare devices, according to Pentagon and industry officials.

Exacerbating that situation is the fact that, in some areas, Japanese companies have become the sole providers of high-quality, low-cost key electronics materials after winning price wars with American companies.

After Monsanto Co. dropped out of the market three years ago, for example, the United States no longer has a domestic supplier of "float-zone" silicon—a special kind of silicon used in fabricating high-power electronic switching devices that would be indispensable for space-based weaponry. Japanese companies are the key U.S. defense suppliers.

Japan's dominance in the computer memory-chip market means that "we are captive of the Japanese in this commodity," said former assistant Defense Secretary Robert Cooper, "but that's no worse than saying our Navy is captive to the supply of foreign oil."

Japanese companies also enjoy significant cost, quality and technical advantages in the production of gallium arsenide computer chips—chips capable of processing data far faster than conventional silicon chips. The Defense Department has publicly identified gallium arsenide as a critical technology for the SDI. Japan provides the bulk of the Pentagon's gallium arsenide, according to defense electronics sources.

According to former Defense undersecretary of engineering Richard DeLauer, Japan also leads the United States in computer-chip packaging and fiber-optic technology.

Consequently, key U.S. electronics defense suppliers are pushing the Pentagon to invest more heavily in domestic suppliers and to reexamine procurement policies. They argue that the United States already is being hurt technologically by its dependence on Japanese high-technology materials.

"Even now, the Japanese are preselecting the quality of the silicon they ship," said Westinghouse's Nathanson, "In some Westinghouse plants, we're finding it difficult to get the [more advanced] silicon wafers [for power device production]. They themselves are now using higher-order material than they're willing to ship us."

However, Nathanson concedes, and several defense industry sources confirm, that prime U.S. defense contractors are becoming more reliant on Japanese companies to do the actual production work for systems components because of potentially superior manufacturing and price performance.

"This trend toward 'teaming up' with the Japanese is going to continue," asserts former Defense undersecretary William J. Perry.

That poses potentially awkward procurement situations for the SDI because leading advocates such as Assistant Secretary of Defense Richard N. Perle and SDI program director Gen. James Abrahamson have assured that the program will seek low-cost suppliers.

"We're trying to get the best technology at the lowest cost," said Perle, who added that he expects Japan to participate in the SDI.

However, most technology experts agree that, if the Pentagon is serious about obtaining the best high technologies at the most reasonable cost, most of the component production will be done offshore by Japanese high-technology concerns—unless there are specific policies designed to minimize foreign involvement.

ETHIOPIA'S MISERIES

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. BEREUTER. Mr. Speaker, I wish to commend to the attention of my colleagues who have not already seen it the following editorial from the Washington Post on Tuesday, March 11, 1986. It responds to an article discussing Ethiopia's resettlement policies that appeared in the previous day's edition of the Post. The editorial accurately points to the dilemma the Western donor nations face, in continuing to provide relief for people in distress even though such relief is a form of assistance to the Government that exacerbates that distress. The article also calls upon the West to air this terrible policy dilemma, even though such international discussion will be resented by the Ethiopian Government.

Congress too has a role in this public debate. Congresswoman MARGE ROUKEMA, Congressman COOPER EVANS and this Member have introduced a resolution, House Concurrent Resolution 285, concerning this volatile matter. The resolution calls upon the Ethiopian Government to refrain from using donor resources for resettlement purposes, calls upon that Government to suspend its resettlement program for the duration of the famine, and calls upon the international donor community to join in petitioning the Ethiopian Government to end coercive resettlement activities. There are 94 Members of Congress who have added their names as cosponsors, and additional congressional support will serve to further underscore the deep concerns of the United States regarding inhumane resettlement policies.

Following is the Washington Post editorial.

ETHIOPIA'S CRUELTIES

Just when you think you have mentally catalogued the full range of Marxist Ethiopia's abuses of its hapless citizens, a report comes along to remind you of the poverty of the bourgeois imagination. Post reporter Blaine Harden's account of a young Ethiopian mother, lured by a false promise of free food into abandoning her home in the drought-stricken northern highlands, is the latest evidence.

The government of Mengistu Haile Mariam says it is relocating citizens for their own good. But the international relief agencies believe the government is deliberately using a massive relocation scheme to depopulate rebel-dominated northern areas and assert political control. It is, in short, attempting to dry up the "sea" in which the insurgent "fish" swim. It is doing so, it seems, with the active collaboration of its Soviet patrons, themselves no strangers to dealing brutally with peasant unrest.

Caught in the maw are people like the woman interviewed by reporter Harden. Virtually every form of privation that could

befall a human—decimation of the family and destruction of a way of life—had befallen her by the time she reached the succor of a refugee camp across the border in Sudan.

No one reading of her ordeal will have difficulty understanding why the Ethiopian government is despised by so many people forced to live under it. For Westerners, however, the situation has long posed a special dilemma. Should the West provide relief for people in distress, even though the providing of relief is a form of assistance to the government that causes and aggravates the distress? The broad response of the international relief community, including that considerable part of it financed by the United States government, has been to attempt to help starving and needy people, but at the same time to try to press the Ethiopian government into less anti-humanitarian ways.

The resettlement question is tricky. The government uses resettlement for its own political purposes. There is doubtless an humane and rational justification for some amount of resettlement—though there can be little or none for the even more massive official effort to herd peasants into villages where they can be kept under tighter control.

Relief agencies cannot solve these conundrums. But they and the Western publics that support them can at least air the dilemma. The Ethiopian government deeply resents this sort of intervention, but it has no standing to protest as long as it generates human suffering on such a massive scale. One can hope that the Ethiopian people are able to distinguish those who cause its misery from those who attempt to lighten it.

PENNSYLVANIA KNIGHTS OF COLUMBUS DAY

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. YATRON. Mr. Speaker, March 23, 1986 has been designated Pennsylvania Knights of Columbus Day. Councils throughout Pennsylvania will be celebrating on that day with a variety of special events. In Berks County, the Light of Christ Council, No. 8726, is planning a membership mass and open house at St. Ignatius Parish in Sinking Spring, PA.

This year's program will emphasize the "Grow With Us" theme as well as continuing efforts to exemplify the order's principles of charity, unity, fraternity and patriotism. It is indeed an honor to bring to the attention of my colleagues this important observance and the outstanding contributions of the Knights of Columbus and, in particular, the fine work of the Light of Christ Council, No. 8726, of Sinking Spring.

I want to wish the entire council family a most successful celebration on the 23d and continued success in the future. The Knights of Columbus exemplify the type of community spirit that is so important to our way of life. They have brightened the lives of so many people and it is indeed fitting that we pay tribute to the Light of Christ Council, No. 8726. I know that my colleagues will join me in honoring them for their important good works and deeds. We wish them continued success and good fortune.

IN THE ENDLESS TUNNEL OF HISTORY

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. COURTER. Mr. Speaker, William V. Shannon of the Boston Globe has written a tough critical analysis of the differences between authoritarian regimes like those of Duvalier and Marcos, where control of life is not complete and revolt is possible, and those of the Marxist-Leninists, where control of life is absolute and every hint of restlessness is forcibly quieted.

Published in the Home News of New Brunswick, NJ, the article is well worth the attention of my colleagues, and I ask that it be reprinted here in the RECORD. As Mr. Shannon states, every oppressed people looks to the end of the tunnel, and in the empire in the East the tunnel is without end.

REPRESSION, CORRUPTION THAT CAN'T BE BEATEN

One can imagine the headlines: "Gorbachev flees to Finland . . . Rebel government takes over in Moscow . . . Joyous crowds surge through Kremlin . . . Sakharov, other dissidents freed."

If they were ever printed, those headlines would report events that would truly change the world. We can all rejoice for the people of the Philippines and Haiti that their dictators are gone, but the return of freedom to those countries does little to shift the outlook for most of mankind. Only a revolution in the Soviet Union could lift the shadow of nuclear war from the world.

The government of the Soviet Union remains the world's most fearsome and despicable tyranny. By Soviet standards, Ferdinand E. Marcos, who imprisoned 600 political prisoners in the Philippines, seems almost benevolent. Mikhail S. Gorbachev's secret police crack the whip over 4 million prisoners in the "gulag," the Soviet network of forced-labor camps. They hold tens of thousands of others in prison or in the nightmare world of psychiatric "hospitals."

Marcos and Jean-Claude Duvalier and their families are rightly stigmatized for their corruption. They were mere pests compared with the Soviet ruling class, which has been battening off the workers and farmers of the country for three generations.

Ordinary Soviet citizens stand in line for three or four hours to buy a kilo of potatoes or a new pair of shoes—which may or may not fit. The members of the Soviet elite shop at special stores, which only they may enter and where luxury goods imported from the West are readily available. They have servants, large apartments, country houses and other perks.

Like a vast toad, the Communist Party of the Soviet Union squats at the top of the nation's society, skimming the profits, censoring what can be heard and read, terrorizing those who dare to protest and bullying everyone below them. Wealth that should be invested in automobiles, decent housing and vacations for ordinary citizens is diverted to an enormous war machine designed to overawe neighboring countries and spread this sinister tyranny whenever opportunity appears.

Why has there never been a revolt? Why do the diverse and immensely gifted people who populate the Soviet Union submit like sullen beasts of burden to this relentless exploitation?

The Russian people are victims of their history. They were one to three centuries behind the countries of Western Europe in breaking away from feudalism. Their ancestors were held as serfs until 1861. They then had less than 60 years to find their economic and political footing and gain self-confidence as independent human beings before the Bolshevik coup in 1917 plunged them into a new tyranny, more efficient and more comprehensive than anything the Romanov czars had ever attempted.

In the name of communism and the "withering away of the state," V.I. Lenin and Josef Stalin systematically destroyed all centers of independent power in the society. Private property was abolished. The Russian Orthodox Church, which, unlike the Catholic Church in the West, always lacked a tradition of standing up to the government, lost all vestiges of autonomy and became a puppet of the secret police. Universities, trade unions, newspapers and ethnic organizations were likewise deformed into servicle instruments of the Soviet state.

In both Haiti and the Philippines, businessmen and progressive priests encouraged the people to resist the dictatorship. In Moscow, there is no Cardinal Sin, there are no businessmen. The totalitarian state has devoured every institution and left the people stripped and defenseless, without leaders and without hope.

Milan Kundera, the Czech novelist, has written: "When it comes to the misfortunes of nations, we must not forget the dimension of time. In a fascist dictatorial state, everyone knows that it will end one day. Everyone looks to the end of the tunnel. In the empire to the East, the tunnel is without end, at least from the point of view of a human life. This is why I don't like it when people compare Poland with, say, Chile. Yes, the torture and the suffering are the same, but the tunnels are of very different lengths. And this changes everything."

Russians and the Eastern Europeans who share their fate know that the revolution that would transform their lives—and ours—is an impossible project.

If they are Jews, they can dream of a visa to Israel. Other Russians have no escape, except into vodka.

HOW NOT TO STOP DRUG USE

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mrs. SCHROEDER. Mr. Speaker, the editorial board of the Rocky Mountain News, a Denver-based newspaper, has joined the chorus of opposition to the recommendation of the President's Commission on Organized Crime that all Federal employees be subjected to drug testing. The editorial column follows:

[From the Rocky Mountain News, March 7, 1986]

HOW NOT TO STOP DRUG USE

The average federal civil servant is a 41-year-old male holding down a white-collar job and earning less than $30,000. Does his personal profile also include illegal drug use?

That's not a frivolous question in light of a presidential commission's recommendation that all federal workers be forced to undergo drug tests. In fairness, the commission didn't stop there. It urged that federal contractors be required to test their employees, too—that in fact all employers, public or private, periodically test their workers.

If you used drugs, in short, it would be almost impossible to get a job in America if the commission had its way.

Frankly, we hope it doesn't.

Not that we approve of illegal drug use. Of course not. But the elimination of drugs hardly justifies any and all tactics, no matter how intrusive to personal freedom, demoralizing to workers or destructive of their dignity.

Rep. Pat Schroeder summed up the proposal quite well in a letter to President Reagan: "The recommendation . . . is an embarrassment to all who are concerned about an efficient and effective federal workforce. It reflects a basic ignorance of government management, civil liberties and drug testing technology."

There are, of course, professions where it is of urgent interest whether or not people take drugs: airline pilots, bus drivers and intelligence operatives, to name a few. And professional athletes, who function as role models for so many young people, also have a special social responsibility to meet.

For most professions, though, the impact of drugs is largely personal. Traditionally an employer's concern does not extend to the behavior of a worker who after hours breaks the law in this fashion and endangers his own health. It has been a matter for the individual and his family, and perhaps ultimately the police or a counselor.

Of course, the situation is entirely different when employees take drugs while on the job. The same is true if their work habits slide because of off-duty drug use, or absenteeism climbs and behavior becomes erratic or odd. In each case, an employer has every right to investigate the reasons.

But in the absence of disturbing or suspicious behavior, workers should expect to be treated as law-abiding citizens, not probable felons. Their private lives should remain their own business.

A presumption of innocense isn't just a legalistic fancy accorded to criminal suspects. All of us deserve its protection.

THE AMRAAM HASN'T BEEN TESTED ENOUGH

HON. DENNY SMITH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. DENNY SMITH. Mr. Speaker, the Secretary of Defense, by act of Congress, certified on February 28, 1986, that the AMRAAM [advanced medium range air-to-air missile] will have an average cost of $305,000 per missile and will meet its performance specifications.

Secretary Weinberger's own test director, Jack Krings, told the Secretary in a memorandum, dated December 17 that there was not enough test information to certify the AMRAAM'S performance. Despite this, Secretary Weinberger certified the performance of the AMRAAM.

Congress cannot sit idly by and allow the taxpayers money to be squandered on a weapon system that hasn't been thoroughly tested. I've included for my colleagues' information my latest correspondences on this matter.

HOUSE OF REPRESENTATIVES,
Washington, DC, March 10, 1986.

Hon. LES ASPIN,
Cannon House Office Building,
Washington, DC.

DEAR LES: It's no secret to you that I have been a vociferous supporter of a rigorous "fly before buy" approach to weapons procurement since coming to Congress. In my opinion, the demonstrated lack of serious Congressional and DoD attention focused on realistic operational testing of proposed weapons systems is a mistake we will be forced to revisit time and time again as our young fighting men die needlessly in battle because of untested weapons.

In that light, I have been thoroughly pleased to see the House Armed Services Committee take the lead in excercising a tough oversight role concerning the proposed AMRAAM missile. As you are well aware, Secretary Weinberger recently addressed your Committee's concerns for the AMRAAM program by certifying that the missile would cost an average of $305,000 and perform in accordance with its development specifications. While I certainly count myself among those supportive of the Air Force's goal of increasing its air-to-air capability, I remain skeptical, to say the least, of any claims, assertions, or certifications as to the cost and performance of a weapon that has experienced such huge cost growth and deep technical trouble in the past.

Memorandums, like the one attached, from the DoD Director of Operational Test and Evaluation, only heighten my concern. According to the General Accounting Office (GAO) report on the subject, the prognosis concerning missile performance since the DOT&E 17 December memo has only gotten worse. The report states:

"A fifth air launch test scheduled for December 1985 was postponed until mid January 1986, because ground tests revealed a power problem with the transmitting tube's coil. The missile was returned to Hughes for further testing, evaluation, and component replacement.

"The mid January test was further delayed when a replacement missile was found to have a hardware problem. This missile was returned to Hughes' Canoga Park facility for repair.

"At the end of January another flight test was attempted. The missile self aborted because of internal power problems. This missile was also returned to the contractor for further analysis."

My concern is not that an advanced medium range air-to-air missile cannot be built. It is obviously within the realm of current technology to produce such a weapon. However, I am very wary when a program originally slated for approximately 90 tests by March 1st, 1986 falls so far behind schedule that only four tests can be conducted. To certify the AMRAAM will perform in accordance with all its development specifications after only these four firings, none operational, stretches the limits of ones imagination. In addition, how the final cost of a weapon so early in its test phase could be certified down to the dollar is beyond me, particularly given our horrendous track record with air-to-air missile cost growth in the past.

It is ironical, to put it mildly, that the Secretary's certification of AMRAAM cost and performance arrived on Capitol Hill on the same day the Packard Commission Report was released. Current acquisition policy for AMRAAM is divorced from the common sense policy concerning extensive operational testing during advanced and full-scale development set forth in the Packard Commission Report.

I strongly urge your Committee to (a) ask for a thorough GAO investigation of the adequacy of the factual basis for Secretary Weinberger's certification, and (b) to withhold all funds for production of the AMRAAM until the report of this thorough investigation has been completed. Our fighting men, and the taxpayers, deserve no less.

Best regards,

DENNY SMITH,
Member of Congress.

OFFICE OF THE SECRETARY OF DEFENSE,
Washington DC, December 17, 1985.

AMRAAM SPR

I. SUMMARY

There is a low probability of adequate test results being available for an operational capability forecast before March certification.

II. BASIS

1. Test information gathering rate suggests very limited useful data will be available for March certification.

2. Progress in testing is hampered by missile hardware availability, software development and limited test assets.

3. The key test asset, the ACE 2 POD fits the F16, has AMRAAM size/type hardware and necessary software for three (Stage 3) missile shots. It is 5-6 months late and has not been successfully flown. We are still three missile test flights away from the level of data planned at certification time.

4. Three test firings have been accomplished to date: unplanned test problems requiring repeated tests precluded accomplishment of all scheduled events. This and continued normal test problems will typically accumulate re-test events. This compounds schedule slipping.

5. Testers are successfully controlling tests insuring tests requirements are achievable before expending valuable limited tests assets.

6. There is little realistic potential for acceleration and schedule recovery.

III. SUGGESTIONS

1. A realistic schedule showing "expected" not "possible" test progress is needed to properly prepare for the March certification.

2. HAC/USAF program and test management has been suspect in the past. Little progress through additional manpower/funding increase is possible. Remember AMRAAM is only 5% of Hughes Business.

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THE SECRETARY OF DEFENSE,
Washington, DC, February 28, 1986.

Hon. DENNY SMITH,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN SMITH: I appreciate your concern for the Advanced Medium Range Air-to-Air (AMRAAM) Program, a weapon critical to the defense of both the

United States and our NATO Allies. I will address the concerns you raised in your February 24, 1986 letter and explain why I believe they do not preclude proceeding with the program as it is currently structured.

It is not meaningful to take the FY 1986 procurement budget of $209.0 million and divide it by the second source contractor's 15 qualification missiles to arrive at a $13.9 million unit cost. The FY 1986 missile procurement budget that you refer to as the baseline for the start of production is, in fact, a preproduction effort preparatory to the FY 1987 Lot I Low Rate Initial Production (LRIP). It consists of the continuation of the AMRAAM producibility program, the second source qualification effort, and advance buy funds for the FY 1987 production start. (A more producible missile and the early competition allowed by the early qualification effort are essential to a more affordable missile.) There are no missiles being produced in FY 1986 for operational units. The second source contractor will produce 15 test configured missiles to verify his ability to produce. The costs reflected in the FY 1986 budget are primarily one-time costs necessary to begin the production effort. While these costs are applicable to the average unit cost for the entire missile buy, they do not constitute the baseline for current-year unit costs.

In regard to your concern for our ability to meet the average unit costs reflected in the production cost cap, I am confident that it is possible based on the production learning curves we expect. They are based on actual experience drawn from the production of existing air-to-air missiles. In addition, we have received not-to-exceed prices from the chief executive officers that validate our production cost estimates. Of course, these estimates are based on the assumption that Congress will approve the funds in the amounts and on the schedules requested.

On the topic of operational testing of AMRAAM prior to production decisions, we have a well thought out test plan. This plan provides the necessary data to support the phased production decisions ensuring that AMRAAM will meet our combat requirements. The 90 launches planned coupled with simulation and captive flight test data will provide evaluation of a large variety of operational scenarios. Our program is a combined development test and evaluation/initial operational test and evaluation (DT&E/IOT&E) program that allows the firings in the operational scenarios to build on the results of the development testing. There is a complete sharing of data between the developing and operational testing communities. This approach allows us to obtain sufficient data by the April 1987 LRIP decision and a complete data set necessary to support the planned rate production decision in FY 1989. This test plan is being reviewed by the Director of Operational Test and Evaluation, and he will assure that it is entirely adequate to provide the necessary operational data for the production decisions.

Our operational testing does not end with the DT&E/IOT&E effort. We will begin a follow-on test and evaluation (FOT&E) with the delivery of the LRIP missiles. We appreciate your offer for additional test assets; however, based on the overall testing we have planned, we believe that the current quantities are adequate.

Again, I would like to thank you for your interest in the AMRAAM program. I offer you the services of the Air Force staff to discuss the details of our program with you or your staff.

Sincerely,

———— ————,

Director of Operational Requirements DCS/Research, Development and Acquisition.

DEPARTMENT OF THE AIR FORCE,
Washington, DC, February 28, 1986.

Hon. DENNY SMITH,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN SMITH: In response to your letter of 27 January 1986 concerning AMRAAM, I believe our program is consistent with your thinking. Although it contains about half the launches you mentioned, the testing program is well thought out and has been reviewed time and time again to ensure it will provide sufficient information with which to make each production decision.

The AMRAAM Development Program is two-phased. The test program is designed to provide a complete system evaluation and is specifically structured to obtain weapon system assessments consistent with the two phases. Testing planned before the April 1987 DSARC IIIA is sufficient to support the low rate initial production decision. Subsequent testing will focus on completing the entire complement of missile tests. A full set of data will be available at the completion of the development program to support the DSARC IIIB decision for full rate production. To allow for a smooth transition from development to production, the program contains a minimum of concurrency between testing and production.

A combined development and operational test and evaluation structure was established for the AMRAAM program to eliminate redundant testing and provide the most efficient use of resources. It is a completely integrated test plan. Missile firings in operational scenarios will build from the foundation provided by developmental tests and provide the final basis for system effectiveness evaluation. Data from all 90 launches will contribute to our operational evaluation. Live firings will be supplemented by simulation and captive flight test data to expand the variety of operational scenarios including some not feasible with live fire testing.

I believe there has been some lack of appreciation as to the extent and value of nondestructive testing. Hardware-in-the-loop simulation explores, evaluates, and validates launch envelopes and system effectiveness (Pk) in all engagement conditions. Reliability test articles (from the Test, Analyze, and Fix and Captive Carry Reliability Programs) test, evaluate, and validate missile system reliability/durability in storage, captive carriage, and free flight. The AMRAAM Captive Equipment (ACE), which I mentioned in my 15 Nov 85 letter, provides us excellent information on missile acquisition and guidance. Numerous profiles or repetitions can be run during a flight sortie with ACE and far more efficiently and cost-effectively than actually launching a tactical missile.

The current combined development and operational test program is a valid approach, contains the necessary number of live test launches, and will thoroughly explore the many different missile parameters.

Base on the above [your offer for additional test articles is appreciated, but I believe the current program is sufficient to support the decision process appropriately.]

Sincerely,

JOHN M. LOH, Maj. Gen. USAF,

PULASKI DAY IN ILLINOIS

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. LIPINSKI. Mr. Speaker, I want to take this opportunity to thank the Governor of Illinois, James R. Thompson, for making the first Monday in March an Illinois holiday in celebration of Count Casimir Pulaski, Polish hero of the American Revolutionary War. Creating this special day not only recalls the brave contributions Pulaski made to the cause of American independence, but also underscores the commitment to liberty and independence of the Polish people. Unfortunately, today, Poland does not enjoy those inalienable rights of man that the famous count fought and died so gallantly for in this land. It is hoped that commemorations in honor of men like Casimir Pulaski will serve to remind all Americans of the plight of the Polish nation.

I would like to have included as part of my statement an article from the March 1 edition of the polish National Alliance newspaper, Zgoda, that tells of the holiday:

PULASKI DAY IN ILLINOIS, MARCH 3, 1986

As a result of the lasting efforts of the PAC (Polish-American Congress) and PNA (Polish National Alliance) leaders, the Governor of Illinois, James R. Thompson signed on August 22, 1985 legislation which introduced the first Monday in March as a holiday in celebration of Casimir Pulaski, a hero of the American Revolutionary War. For the first time, Pulaski Day will be celebrated in Illinois this year on Monday, March 3 on the eve of the 239th anniversary of his birth.

"His courageous actions during our struggle for independence represent the foundation of patriotism and loyalty upon which this country was constructed. With that history and with the fact that Chicago is home of the largest number of Poles outside of Poland, it's only appropriate that we honor him with this holiday"—said Governor Thompson during the ceremony of signing this legislation in the PNA Home Office.

Born on March 4, 1747 in Winiary, near Warka in Poland, Casimir Pulaski became first a hero of the resistance movement (called Konfederacja Barska) in Poland, where he fought against the Russian forces in the years 1768–1772, then a hero of the American Revolution. He came to America in 1777, and joined the revolutionary forces. Called the "Father of the American Cavalry", Pulaski became famous because of his bold actions that saved Washington's army at Brandywine and Warren Tavern. His Legion marched in 1779 into South Carolina and lifted the impending seige of Charleston. In the defense of Savannah Pulaski was mortally wounded; he died at the age of 32, on October 11, 1779.

The fascinating history of this brave Polish cavalry officer has been presented in many American publications, just to mention "Polish Past in America" by Mieczyslaw Haiman (Chicago 1974).

VOTING RECORD

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. UDALL. Mr. Speaker, it has become my practice from time to time to list my votes in the CONGRESSIONAL RECORD. I strongly believe that the people of the Second Congressional District of Arizona have a right to know where I stand on the issues decided by this body, and I have found that printing my record here is the best way to provide that information.

This is not an all inclusive list. I have omitted noncontroversial votes such as quorum calls, motions to resolve into the Committee of the Whole House, and motions to approve the Journal of the previous day.

The descriptions are necessarily somewhat short, and I am sure that some of my constituents will have additional questions about the issues described here. So I invite them to write me for more specifics.

The votes are described as follows:

KEY

1. Rollcall Number;
2. Number of the bill or resolution;
3. Title of the bill or resolution;
4. A description of the vote;
5. The outcome of the vote;
6. The vote total;
7. My vote, in the form Y=yes, N=no, and NV=not voting;
8. The vote totals of the Arizona delegation (yes-no-not voting);
9. The date.

201. S 1160. Department of Defense Authorization, Fiscal 1986. Aspin, D-Wis., motion to allow conferees on the bill to meet in closed session to discuss secret information. Motion agreed to 412-2: Y(5-0-0), July 11, 1985.

202. HR 1555. Foreign Assistance Authorization, Fiscal 1986. Siljander, R-Mich., amendment to prohibit non-food economic aid to Mozambique until the president certified to Congress that the number of foreign military advisors and troops in that country did not exceed 55. Adopted 247-177: N(4-1-0), July 11, 1985.

203. HR 1555. Foreign Assistance Authorization, Fiscal 1986. Siljander, R-Mich., amendment to authorize issuance of insurance by the Overseas Private Investment Corp. for business ventures jointly owned by U.S. citizens and non-white South Africans. Rejected 88-337: N(2-3-0), July 11, 1985.

204. HR 1555. Foreign Assistance Authorization, Fiscal 1986. Hall, D-Ohio, amendment to state that Congress may defer future military aid to the Philippines if significant progress is not achieved in various political, economic and military reforms there, or if U.S. aid is used to violate the human rights of the Filipino people. Adopted 254-169: Y(1-4-0), July 11, 1985.

205. HR 99. American Conservative Corps. Passage of the bill to authorize such sums as Congress considers necessary in fiscal 1986-88 to establish an American Conservation Corps to put unemployed youths to work on conservation projects. Passed 193-191: Y(1-4-0), July 11, 1985.

207. HR 2959. Energy and Water Appropriations, Fiscal 1986. Derrick, D-S.C., motion to order the previous question (thus ending debate and the possibility of amendment) on the rule (H Res 221) to waive points of order against the bill based on the absence of authorizations for certain programs therein. The rule also waived points of order for failure to comply with provisions of the 1974 Congressional Budget Act (PL 93-344) with respect to the bill to appropriate $15,273,085,000 for energy and water development during fiscal 1986. The same waiver applied to the fiscal 1986 appropriations for Commerce, Justice, State and the Judiciary (HR 2965) and the legislative branch (HR 2942). Motion agreed to 415-6: Y(5-0-0-), July 16, 1985.

208. HR 2959. Energy and Water Appropriations, Fiscal 1986. Adoption of the rule (H Res 221) to waive points of order against the bill based on the absense of authorizations for certain programs therein. The rule also waived points of order for failure to comply with provisions of the 1974 Congressional Budget Act (PL 93-344) with respect to the bill to appropriate $15,273,085,000 for energy and water development during fiscal 1986. This budget waiver also applied to the fiscal 1986 appropriations bills for Commerce, Justice, State and the Judiciary (HR 29659) and the legislative branch (HR 2942). Adopted 239-181: Y(3-2-0), July 16, 1985.

209. HR 2959. Energy and Water Appropriations, Fiscal 1986. Weaver, D-Ore., amendment to delete $4 million in funds for road building associated with the Elk Creek Dam, Ore. Rejected 142-282: Y(2-3-0), July 16, 1985. (The bill, to appropriate $15,273,085,000 for energy and water development during fiscal 1986, was subsequently passed by voice vote.)

210. HR 2965. Commerce, Justice, State and the Judiciary Appropriations, Fiscal 1986. Adoption of the rule (H Res 225) to waive points of order against the appropriations bill for the Commerce, Justice and State departments, the federal judiciary and related agencies, based on the absense of authorizations for certain programs therein. Adopted 234-188: Y(2-3-0), July 17, 1985.

211. HR 2965. Commerce, Justice, State and the Judiciary Appropriations, Fiscal 1986. Walker, R-Pa., amendment to delete $206 million for the Economic Development Administration. Rejected en bloc 98-315: N(3-2-0), July 17, 1985. A "nay" was a vote supporting the President's position.

212. HR 2965. Commerce, Justice, State and the Judiciary Appropriations, Fiscal 1986. Yates, D-Ill., amendment to delete from the Justice Department budget $500,000 that would be used for attorneys' fees for non-Indian litigants in New Mexico water rights cases. Adopted 244-177: Y(3-2-0), July 17, 1985. (The money was later added to the appropriation for the Legal Services Corporation.)

213. HR 2965. Commerce, Justice, State and the Judiciary Appropriations, Fiscal 1986. Rudd, R-Ariz., amendment to delete $20 million from the U.S. contribution to international organizations. Adopted 302-116: Y(5-0-0), July 17, 1985.

214. HR 2965. Commerce, Justice, State and the Judiciary Appropriations, Fiscal 1986. Hiler, R-Ind., amendment to cut $95 million from the Business Loan and Investment Fund of the Small Business Administration. Adopted 257-158: N(4-1-0), July 17, 1985.

215. HR 2965. Commerce, Justice, State and the Judiciary Appropriations, Fiscal 1986. Frenzel, R-Minn., amendment to trim all discretionary funding in the bill by four percent (about $350 million). Rejected 149-266: N(2-3-0), July 17, 1985.

216. HR 2965. Commerce, Justice, State and the Judiciary Appropriations, Fiscal 1986. Smith, D-Iowa, motion that the Committee of the Whole rise and report the bill back to the House. Motion rejected 183-232: Y(3-2-0), July 17, 1985. (This procedural move is used to limit the types of amendments that can be offered to a bill once the House, rather than the Committee of the Whole, is in session. The effect of the vote was to allow consideration of the DeWine, R-Ohio amendment to bar the Legal Services Corporation from using funds for any abortion-related litigation. The DeWine amendment was subsequently passed by voice vote, and the House then agreed to rise from the Committee of the Whole.)

217. HR 2965. Commerce, Justice, State and the Judiciary Appropriations, Fiscal 1986. Smith, D-Iowa, motion that the Committee of the Whole rise and report the bill back to the House. Motion agreed to 227-185: Y(2-2-1), July 17, 1985.

218. HR 2965. Commerce, Justice, State and the Judiciary Appropriations, Fiscal 1986. Passage of the bill to provide $11,922,021 for the Commerce, Justice and State departments, the federal judiciary and related agencies. Passed 273-136: Y(1-3-1), July 17, 1985.

219. HR 2965. Legislative Branch Appropriations, Fiscal 1986. Miller, R-Ohio, amendment to cut $10 million from the amount appropriated for official congressional mail, to limit members' use of the frank. Rejected 204-217: N(4-1-0), July 18, 1985.

220. HR 2942. Legislative Branch Appropriations, Fiscal 1986. Brown, R-Colo., amendment to eliminate a $106,000 increase in funds for the House office buildings for five new automatic-elevator operator positions. Rejected 191-221: N(4-1-0), July 18, 1985.

221. HR 2942. Legislative Branch Appropriations, Fiscal 1986. Wylie, R-Ohio, amendment to cut $103,000 from the Library of Congress' program for Braille reproductions of magazines for the blind. Adopted 216-193: N(2-3-0), July 18, 1985. (Wylie said the aim was to eliminate funding for Braille editions of Playboy magazine.)

222. HR 2942. Legislative Branch Appropriations, Fiscal 1986. Cobey, R-N.C., amendment to cut all funding in the bill by 2.7 percent. Rejected 193-211: N(3-2-0), July 18, 1985.

223. HR 2942. Legislative Branch Appropriations, Fiscal 1986. Passage of the bill to provide $1,294,470 in fiscal 1986 for operations of the House of Representatives and legislative branch agencies. Passed 263-136: Y(2-3-0), July 18, 1985.

224. HR 8. Clean Water Act Amendments. Stangeland, R-Minn., amendment to authorize the Environmental Protection Agency, in a five-year demonstration project, to allow up to 40 localities to operate their own programs for "pre-treatment" of industrial wastes, provided the programs achieve results at least as good as those required under national pre-treatment standards. Rejected 167-257: N(3-2-0), July 23, 1985.

225. HR 8. Clean Water Act Amendments. Pursell, R-Mich., amendment to freeze fiscal 1986 spending under the bill, which would reauthorize and strengthen the Clean Water Act, at the fiscal 1985 appropriations level of $2,606,726,000, and to limit increases in fiscal 1987-90 appropriations levels to adjustments for inflation. Rejected 207-219: N(4-1-0), July 23, 1985.

226. HR 8. Clean Water Act Amendments. Passage of the bill to reauthorize and

amend the Clean Water Act, authorizing $12,000,000,000 in federal grants and another $9,000,000,000 in fiscal 1986-94 in revolving loan funds. Passed 340-83: Y(3-2-0), July 23, 1985.

227. H Res 231. Special Budget Procedures. Adoption of the resolution to provide that the House-passed first budget resolution for fiscal 1986 (H Con Res 152, S Con Res 32) would be considered to be adopted by Congress for purposes of the 1974 Congressional Budget Act as it applied to the House. The resolution provided that it would no longer be in effect if Congress were to adopt a first budget resolution. The resolution also specified allocation of new budget and entitlement authority to each House committee, in conformance with the House-passed budget resolution. Adopted 242-184: Y(1-4-0), July 24, 1985. (The effect of the vote was to order House committees to change statutes under their jurisdiction to meet reconciliation requirements in the House-passed budget resolution, and to grant a blanket waiver of points of order to allow floor consideration of fiscal 1986 appropriations bills and authorization bills creating new spending authority.)

228. HR 3011. Interior Department Appropriations, Fiscal 1986. Adoption of the rule (H Res 227) to waive certain points of order against the bill to provide $8,261,119,000 in fiscal 1986 appropriations for programs in the Department of the Interior and related agencies. Rejected 179-251: Y(2-3-0), July 24, 1985.

229. HR 3038. Housing and Urban Development Department/Independent Agencies Appropriations, fiscal 1986. Adoption of the rule (H Res 233) to waive certain points of order against the bill to provide $57,807,513,781 in fiscal 1986 appropriations for programs of the Department of Housing and Urban Development, Veteran's Administration, Environmental Protection Agency and other independent agencies. Adopted 266-159: Y(1-4-0), July 24, 1985.

230. HR 3037. Agriculture Appropriations, fiscal 1986. Passage of the bill to provide $36,398,686,000 in fiscal 1986 appropriations for programs in the Department of Agriculture and related agencies. Passed 354-71: Y(4-1-0), July 24, 1985.

231. HR 10. National Development Investment Act. Adoption of the rule (H Res 223) to waive certain points of order against and to provide for House floor consideration of the bill to authorize $530 million annually in fiscal 1986-88 for activities of the Economic Development Administration; $723 million for fiscal 1986-90 for non-highway programs of the Appalachian Regional Commission; and $2 billion for fiscal 1986-92 for highway programs of the Appalachian Regional Commission. Adopted 406-12: Y(4-1-0), July 24, 1985.

232. HR 3038. Housing and Urban Development Department/Independent Agencies Appropriations, fiscal 1986. Bartlett, R-Texas, amendment to eliminate the $500 million reserve included in the bill for new housing programs. Adopted 236-172: N(3-1-1), July 25, 1985.

233. HR 3038. Housing and Urban Development Department/Independent Agencies Appropriations, fiscal 1986. Bartlett, R-Texas, amendment to reduce the number of new units of public housing from 10,000 to 5,000, reducing the appropriation for new public housing from $1.98 billion to $990 million. Adopted 213-204: N(3-1-1), July 25, 1985.

234. HR 3038. Housing and Urban Development Department/Independent Agencies Appropriations, fiscal 1986. Bartlett, R-Texas, amendment to reduce the appropriation for assisted housing by 2.5 percent, or $231 million. Rejected 203-213: N(3-1-1), July 25, 1985.

235. HR 3038. Housing and Urban Development Department/Independent Agencies Appropriations, fiscal 1986. Henry, R-Mich., amendments to reduce the appropriation for the National Aeronautics and Space Administration from $7.67 billion to $7.51 billion, and for the National Science Foundation from $1.52 billion to $1.5 billion, the same levels as in fiscal 1985. Rejected en bloc 112-300: N(2-2-1), July 25, 1985.

236. HR 3038. Housing and Urban Development Department/Independent Agencies Appropriations, fiscal 1986. Passage of the bill to provide $56,317,513,781 in fiscal 1986 for the Department of Housing and Urban Development and several independent agencies. Passed 340-73: Y(3-1-1), July 25, 1985.

237 HJ Res 187. Compact of Free Association. Passage of the joint resolution to bestow limited autonomy on the Marshall Islands and the Federated States of Micronesia in the Pacific Ocean. The compact, estimated to cost the United States $2.39 billion over the next 15 years, gives the islands the status of sovereign nations freely associated with the United States for defense and economic support. Passed 360-12: Y(4-0-1), July 25, 1985.

239. HR 3036. Treasury, Postal Service and General Government Appropriations, fiscal 1986. Adoption of the rule (H Res 236) to waive certain points of order against the bill to appropriate funds for the Treasury Department, Postal Service and other programs for fiscal 1986. Adopted 242-135: Y(1-3-1), July 26, 1985.

240. HR 3036. Treasury, Postal Service and General Government Appropriations, fiscal 1986. Nelson, D-Fla., substitute for the Jacobs, D-Ind., amendment, to delete $219,400 from the section of the bill providing expenses for former presidents. Adopted 199-162: Y(4-0-1), July 26, 1985. (The Jacobs amendment would have deleted all non-pension funds for former presidents. The Jacobs amendment, as amended by the Nelson substitute, subsequently was adopted.)

241. HR 3036. Treasury, Postal Service and General Government Appropriations, fiscal 1986. Jacobs, D-Ind., amendment as amended by the Nelson, D-Fla., substitute to reduce expense funds for former presidents. Adopted 219-130: NV(2-0-3), July 26, 1985.

242. S J Res 180. Helsinki Accords Anniversary. Passage of the joint resolution to reaffirm Congress' support for the Helsinki human rights principles, and to request that the president direct the State Department to convey U.S. concerns for human rights to the Soviet Union and its allies. Passed 414-0: Y(5-0-0), July 30, 1985. (The resolution commemorates the 10th anniversary of the August 1, 1975 signing of the Helsinki Final Act.)

243. HR 3036. Treasury, Postal Service and General Government Appropriations, Fiscal 1986. Coleman, D-Texas, amendment to the Frenzel, R- Minn., amendment, to exempt the U.S. Customs Service, Internal Revenue Service, Postal Service and several law enforcement agencies from a 2.65 percent spending cut. Adopted 288-133: Y(2-3-0), July 30, 1985. (The Frenzel amendment would have reduced appropriations for all discretionary programs in the bill by 2.65 percent. The Frenzel amendment, as amended by the Coleman amendment, was subsequently adopted by voice vote.)

244. HR 3036. Treasury, Postal Service and General Government Appropriations, Fiscal 1986. Roybal, D-Calif., motion that the Committee of the Whole rise and report the bill back to the House. Motion agreed to 238-186: Y(1-4-0), July 30, 1985. (The effect of the vote was to prevent consideration of amendments limiting spending on the appropriations bill, in this case the Cobey, R-N.C., amendment to require the Federal Election Commission to enforce a U.S. Supreme Court ruling prohibiting the use of compulsory union dues for political activities. Such amendments are in order only following a defeated motion to rise and report.)

245. HR 3036. Treasury, Postal Service, and General Government Appropriations, Fiscal 1986. Passage of the bill to provide $13,227,868,125 for the Treasury Department, U.S. Postal Service, Executive Office of the President and other independent agencies. Passed 249-172: Y(2-3-0), July 30, 1985. (The president had requested $12,060,171,000 in new budget authority.)

246. HR 3067. District of Columbia Appropriations, Fiscal 1986. Dixon D-Calif., motion that the Committee of the Whole rise and report the bill back to the House. Rejected 172-244; Y(1-4-0), July 30, 1985. (The effect of the vote was to allow consideration of amendments limiting spending on the appropriations bill, in this case the Smith, R-N.J., amendment. Such amendments are in order only following a defeated motion to rise and report.)

247. HR 3067. District of Columbia Appropriations, Fiscal 1986. Smith R-N.J., amendment to bar the use of any funds in the bill to pay for abortions. Adopted 221-199: N(4-1-0), July 30, 1985.

248. HR 3067. District of Columbia Appropriations, Fiscal 1986. Passage of the bill to provide $532,170,000 in federal funds and $2,689,077,000 in District funds in fiscal 1986. Passed 242-173: Y(2-3-0), July 30, 1985.

249. S 960. Foreign Assistance Authorization. Adoption of the conference report on the bill to authorize $12,774,281,000 in each of the fiscal years 1986 and 1987 for foreign aid programs. Adopted 262-161: Y(4-1-0), July 31, 1985.

250. H Con Res 179. Adjournment Resolution. Adoption of the concurrent resolution to provide for the adjournment of the House from August 1 or 2 to September 4th, 1985, and for the adjournment of the Senate from August 1 or 2 to September 4th or 9th, 1985. Adopted 230-192: Y(3-2-0), July 31, 1985.

NEW HORIZONS FOR AMERICAN YOUTH

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. LAFALCE. Mr. Speaker, recently I received word that a constituent of mine, Brian J. Gottstein, a senior at Lockport Senior High School in Lockport, NY, was the winner of the Veterans of Foreign Wars Voice of Democracy Scholarship Program in New York State.

Because Brian's message is one of hope, I thought it fitting to insert it in the RECORD as illustrative of the kind of leadership statement that we can expect from our young men and women. Needless to say, I am very proud of Brian.

NEW HORIZONS FOR AMERICA'S YOUTH

Today's youth have many opportunities to get ahead and achieve their goals more than any other generation has ever had. Each generation has more advantages given to them than the previous one, but, unfortunately, many of us don't realize this until the opportunities have passed us by. New and better opportunities means newer and better horizons for the future.

The opportunities that are given to one throughout one's life are almost limitless. Although we do not all have the same opportunities, we do share many major ones. Free public education, for example, is something given to everyone—and it's so important because it's the basic foundation for our future careers and social interaction with others. After high school, you can go on to learn skilled trades, go to college to get more academic training, or join the armed forces to serve your country and continue your education. Even if you can't afford college, often times you can use your mind and talents to win scholarships and grants to help pay for it.

There are so many different fields of employment that if you try hard enough, you can be almost anything you want to be and because there is incentive to work harder, the rewards and promotions are fantastic. Even when the moments look darkest, there is always someone or something behind you, pushing you and helping you to go on. Setbacks will hit you throughout life; you can't let them turn you into a failure. A failure is not a person who doesn't succeed the first, second, or third time, but rather he is one who doesn't even try or quits after only a few setbacks.

One of the greatest opportunities, freedom, the basic principle on which our country is founded, has allowed us to aim for and achieve our goals. We are given certain rights which are protected under the law, and we are striving for equality and gaining more of a voice in our own affairs. We are given the opportunity to voice our own opinions about ourselves, others, and our country.

Our new horizons look toward a more optimistic and better tomorrow. We know that we can change things in the world and make it a better place for all to live in. In this country we have the freedom and opportunity to make a difference that can change our lives and the lives of others if we work together. Various academic, sports, civic, social, and religious organizations allow us to do this and also to learn about each other and grow within ourselves; helping us to mature physically, mentally, emotionally and spiritually.

The list of opportunities given to each individual is so great that no one could ever remember all the ones given to them—large or small. Our opportunities give us an incentive to achieve and try harder, and with greater achievements come even more opportunities and broader horizons for America's youth of today and the youth of the future.

AID TO THE CONTRAS

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. LAGOMARSINO. Mr. Speaker, today, I made a 1-minute speech calling to the attention of my colleagues the editorial in the March 24 edition of the New Republic. The editorial makes the case for supporting the President's request for aid to the democratic resistance in Nicaragua.

The editorial examines the various arguments put forth by critics of aid to the Contras and convincingly rebuts each excuse. One of those arguments is that "the Contras will draw the United States into war." But as the New Republic states:

Nothing is more likely to force American military intervention than the consolidation of an aggressive, highly militarized, pro-Soviet regime in the area. The contras want to do their own fighting. Cut them off, and the only body in the hemisphere able to restrain the Sandinistas will be the U.S. Army.

I urge my colleagues to read this thoughtful and thought-provoking commentary.

THE CASE FOR THE CONTRAS

The upcoming vote in Congress on military aid to the Nicaraguan *contras* is one of the most important foreign policy votes of the decade. The future of Central America hinges on its outcome.

The position of the *contras* is precarious. They certainly have people: anywhere from 14,000 to 20,000, depending on whom you believe. That represents about twice the number of guerrillas in El Salvador, a country with about twice the population of Nicaragua. And about three times the number of Sandinista troops at the time of the overthrow of Somoza.

They also have people on the home front. Not even the most anti-*contra*-aid congressman denies that the Sandinistas have become extremely unpopular. Among those strongly opposed to Sandinista rule is the Church, the most popular institution in Nicaraguan society. The pope's divisions are not the only disaffected. These now include ordinary people deprived of the necessities of life in a wrecked economy; the business and middle classes, which have been denied the promises of freedom; and many intellectuals, some in exile, who don't relish life as functionaries of the state. The *contras*, a peasant army, themselves represent the deep resentment in the countryside at Sandinista offenses to tradition and religion. Add to that the general uprising of the Miskitos against Sandinista colonialism, and you have a vast popular opposition. These are the people whose hopes would be betrayed by the liquidation of the armed resistance and the consolidation of Sandinista rule, which will be the inevitable result of an American denial of military aid to the *contras*.

But if they are so many, why haven't they already won? For the same reason Solidarity, ten million strong, lost in Poland. Under Leninist regimes, Philippine-style "people power" does not do terribly well. Nor do vastly out-gunned, out-trained guerrilla armies do well against Cuban-Soviet-style military machines.

The Soviets have poured something on the order of $500 million in arms into Nicaragua in the last five years. Since 1984 the U.S. has been prevented from sending the *contras* a penny's worth of arms. The recent delivery of helicopter gunships to the Sandinistas, reportedly piloted in combat by Cubans, has been decisive. It has made it extremely difficult for the *contras* to move and to resupply. In the absence of antiaircraft weaponry, they are quite defenseless.

As a result, *contra* advances and successes in the past several years are being reversed. In the last six months, particularly since the introduction of the MI-24 gunships, all but between 3,000 and 6,000 *contras* have been driven from Nicaragua. The rest are in Honduran camps waiting for arms. In civil wars numbers alone can't determine the outcome, particularly if one's side is barely armed.

And also barely trained. Again out of congressional scrupulousness, the U.S. military has been prohibited from training and professionalizing the *contra* forces, as it has done in El Salvador with a resulting marked improvement in the country's human rights record. It is somewhat paradoxical to argue that we shouldn't be training the *contras* because they are so undisciplined when one of the major reasons this peasant army remains undisciplined is that the U.S. military is prohibited from training it.

Thus the upcoming vote will be critical. Without military aid, the *contras* will fight and bleed perhaps for some time longer, but without hope. First to wither will be the armed resistance, overcome by vastly superior Soviet-supplied firepower. Then, just as certainly, the unarmed resistance, demoralized and abandoned, will follow, leaving the Sandinistas in total, permanent control of Nicaragua.

What's so bad about that? What, after all, does the resistance hope to achieve? Sandinista defense minister Humberto Ortega explained it well when, in 1981, he denounced former Sandinista junta member Alfonso Robelo as an enemy of the revolution. "The democracy that Robelo asks," charged Ortega, "is . . . that they [the bourgeoisie, presumably] have the army, the power, and that we Sandinistas be what the left is in Costa Rica, a sector, an organization that is free to move about, that publishes its newspaper." In other words, Robelo wants, for Nicaragua, Costa Rican style democracy, where all political tendencies, including the left, are free to compete for (rotating) power. For Humberto Ortega, such a program amounts to political criminality. It is what made the Sandinistas push Robelo out of the junta, crush his party, and drive him to exile and resistance. Robelo is now one of the three leaders of the *contras* political leadership, the United Nicaraguan Opposition, known as UNO.

What is at stake in this civil war is any hope for a democratic Nicaragua. The end of the *contras* means the end of that hope. And a ban on military aid will likely mean, sooner or later, the end of the *contras*.

One would think that House Democrats, who for years have been urging, pushing, encouraging, threatening, and finally celebrating the return of democracy in the Philippines, would be equally eager to see democracy returned to Nicaragua. But they are not. Why? They put up a case that we find, for an issue of this gravity, stunningly weak.

By what right does the U.S. try to bring democracy to a place where it enforced dictatorship for so long? This is the "because of our tainted history we have no moral standing" argument. It is mystifying. The United

States stood by the dictatorship in Haiti for a least three decades. Does that mean that we should therefore have ruled ourselves morally ineligible to assist in the transition to democracy? The United States ruled the Philippines as a colony for nearly five decades, then stood by a dictator for the last two. Does that mean that the United States should have disqualified itself from aiding the restoration of democracy?

Certainly the U.S. has a very blemished history in Nicaragua. It is equally certain that our aims now are different than they were 60, even 20, years ago. As in Guatemala and El Salvador, as in the Philippines and Haiti and other places where our history is stained, in Nicaragua the relevant question is American intentions today, not Teddy Roosevelt's at the time of the building of the Panama Canal.

We have no right to try to impose democracy on another country. After the Philippines and Haiti, and the general self-congratulatory jubilation of liberals and conservatives alike over two triumphs of American diplomacy, this argument stands exposed as a camouflage. Those who advocate dramatic American intervention in pro-American dictatorships should not be suddenly stricken with scrupulousness about the sanctity of sovereignty when intervention is proposed in states ruled by pro-Soviet Leninists.

But one situation involves peaceful change; the other, war. If in Nicaragua transition to democracy were possible without war, we too would oppose any fighting. But that option does not exist. Does anyone believe that the Sandinistas will ever peacefully transfer power or permit a free allocation of power by election?

The contras can't win. This argument is invariably heard from those who vote again and again to cut off aid to the *contras*. Yes, unarmed they can't win. Maybe House Democrats expect Nicaraguan democrats to win by lying down in front of Sandinista tanks, Philippine style.

Can the *contras* win the way the North Vietnamese won in South Vietnam? No, but they can win in the way the Sandinistas won in Managua. They could win not by rolling over the Sandinista army, but by controlling the countryside, which would in turn help undermine what little urban support the Sandinistas have. A Leninist regime with a conscript army on the defensive, losing the countryside and undermined in the city, would ultimately find its situation untenable.

The contras are not democrats but Somocistas. It is true that some top commanders are ex-Guardia. But even the most conservative (and powerful) of the three political leaders, Adolofo Calero, was a longtime opponent of Somoza and jailed for his efforts. The other UNO leader, Arturo Cruz, an impeccable democrat, says the *contras* represent "the revolt of Nicaraguans against oppression by other Nicaraguans." One doesn't raise an army of 15,000 peasants with promises of restoring a universally despised dictatorship.

We should try diplomacy, not force. The United States should be working out with the Sandinistas some kind of diplomatic arrangement under the umbrella of Contadora. This imagined solution to Sandinista regional power and ambitions is a parchment barrier: the Sandinistas are given free rein within their borders, and in return, they promise not to trespass on anyone else's. Certainly we can expect the Sandinistas to adhere initially to such a nonaggression or revolution-with-frontiers agreement. Time enough for the *contras* to wither away and be repatriated in Miami. At which point the Sandinistas will be secure in the knowledge that no future opponents are ever going to risk their lives in a second insurgency, having seen the first one sold out. With a free hand, does anyone imagine that they will adhere to their agreements any more than, say, the Vietnamese adhered to theirs? We have experience with Sandinista parchment. In 1979 they pledged to the Organization of American States to establish an open, democratic, and pluralistic society.

It takes willful blindness to imagine that some kind of paper agreement with the Sandinistas that allows them to consolidate their power will ensure stability in Central America. In fact, the opposite is almost certainly the case. A highly militarized, highly disciplined country with by far the largest army in Central America, with ideological ambitions stretching far beyond its borders, and supported by Cuba and the Soviet Union, is bound to be a source of constant instability in a region of weak and fledgling democracies.

The neighboring countries seem to want a Contadora solution. What does one expect from, say, Costa Rica, a country with no army facing a 50,000-man military across its border? It sees a starved insurgency, an isolationist U.S. Congress, and a rising military power in Managua. Does one expect Costa Rica publicly to come out in support of overthrowing its neighbor, given the odds now that its neighbor will be in power permanently? Of course such countries will make muted public statements. But as many of the leaders of these weak democracies told the Kissinger Commission and others since, they are desperate to see the United States get rid of the Sandinistas for them.

What is the government of Colombia, one of the original Contadora countries, to say? It publicly denies but privately knows that an assault on its Palace of Justice and the massacre of its Supreme Court was carried out by M-19 guerrillas with weapons of Nicaraguan origin. It knows that Sandinista *comandante* Tomas Borges attended a mass, complete with an M-19 flag draped over the altar, for the guerrillas killed in that raid. The reach of the Sandinistas is impressive. Latin American governments, many of which face left-wing insurgencies, are hardly likely to make themselves more of a target by public calls for the Yankees to save them from communists.

The contra policy is driving the Sandinistas into the hands of the Soviets. It is hard for Americans to believe that some people act out of ideological conviction. Look, therefore, at what the Sandinistas did long before there was a Reagan, long before there were *contras*. In one year the Carter administration gave them in aid the equivalent to half of what Somoza received in 16 years, and during that time they systematically eliminated their democratic allies and aligned themselves with the Soviets.

On June 23, 1981, Humberto Ortega said to the Sandinista army and militia officers: "We are saying that Marxism-Leninism is the scientific doctrine that guides our revolution, the instrument of analysis of our Vanguard for understanding [the revolution's] historic process and for carrying out the revolution. . . ." He then asserted that the FSLN had made the pact with the moderate opposition only for the purposes of getting rid of Somoza, holding off U.S. intervention, and keeping the economy in place.

It is remarkable that for House Democrats Sandinista ideological commitment requires constant theatrical demonstration. It took Daniel Ortega's flight to Moscow a few days after a *contra* vote last year to dramatize Managua's connection with Moscow. You can be sure that this time Ortega's handlers will take away his American Express card until after the vote. Don't expect to see him visiting New York for eye wear or Moscow for hardware until the coast is clear.

The Cubans and Soviets will match our escalation. This is the counsel of pure defeatism. It cedes to the Soviets the power to set the level of violence and superpower commitment on the North American continent. It is, in effect, to say that the Soviet will to annex Nicaragua exceeds that of the United States to prevent it from happening. The prophecy is, of course, self-fulfilling.

The contras will draw the United States into war. Probably the root argument, certainly the one on which Tip O'Neill hangs his hat. Its origin is the fear of another Vietnam and the isolationists hope that if we only will stay out of this fight no harm will come to us.

But nothing is more likely to face American military intervention than the consolidation of an aggressive, highly militarized, pro-Soviet regime in the area. The *contras* want to do their own fighting. Cut them off, and the only body in the hemisphere able to restrain the Sandinstas will be the U.S. Army. Of course, American military involvement can never be ruled out. But destroying the only indigenous armed opposition to the Nicaraguans hardly seems the way to prevent it.

And what will be more likely to bring about American military involvement? Even Democrats argue that the United States has a vital interest in preventing the establishment of a Soviet base in Nicaragua. Even Democrats would call for American military action in that situation. Walter Mondale, for example, suggested a quarantine. When tried in October 1962, that idea brought us closer to World War III than any other moment in postwar history. A democratic Nicaragua is the only guarantee that the threat will not materialize.

The consolidation of the Sandinistas will lead to a second Cuba on the mainland, or more precisely, to an enlarged first Cuba. As Robelo recalls, during his days in the ruling junta no important decision was ever made without the assent of the Cuban invariably present at the meeting. Even those who think it sentimental for the United States to concern itself with the state of pluralism and democracy in other countries must recognize what a strategic defeat the establishment of a Soviet satellite in Central America would constitute for the United States.

We do not have any illusions about the tragedy that is civil war and the suffering it causes. Guerrilla war is of necessity nasty, brutish, and long. And this peasant army, ill-trained and ill-equipped, is hardly a perfect model for insurgency. But our choice is this model—which could be vastly improved in combat effectiveness and discipline if given sufficient American aid and training—or none.

We believe that preventing the establishment of a Leninist dictatorship in Nicaragua is a goal worthy of American support, and that those willing to fight for this cause are deserving of American assistance. A decision to support one side in a civil war is not one to be taken lightly. We come to it in the full realization that, whatever tragedy it brings, the liquidation of the democratic side of

Nicaraguan civil war will bring infinitely more tragedy to Nicaragua, to Central America, and ultimately to the rest of the hemisphere.

STANDARDS ARE NEEDED TO ENSURE SAFE ASBESTOS CLEANUP

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. FLORIO. Mr. Speaker, asbestos is a known human carcinogen which can cause cancer, mesothelioma, and asbestosis when airborne fibers of the mineral are inhaled. Over 100,000 workers have died because they were exposed to asbestos while installing insulation years ago. But, the public health problem caused by asbestos is by no means ended. It is estimated that 15 million children attend school in the more than 30,000 buildings that are contaminated by friable asbestos.

Parents, school officials and teachers are alarmed by this deadly situation and are unsure of ways to resolve it. Sadly, the Federal Government provides few answers. The result has been policymaking in the dark where, according to an Environmental Protection Agency [EPA] estimate, 75 percent of all school asbestos cleanup work has been done improperly. Improper abatement work is worse than no cleanup work at all because more hazardous fibers are released into the air than if the asbestos had not been touched.

A recent article in the Wall Street Journal by Jonathan Dahl, details the sorry state of asbestos abatement. Without Federal regulations guiding cleanup work, this difficult, dangerous business is often left to "rip and skip" firms, as one EPA official has called these disreputable contractors, who intentially skip safety precautions or use slipshod measures.

A deadly cycle is starting over again. This time, the eventual victims are the workers ripping out asbestos, as well as the people living and working in buildings that are supposedly clean. Federal and State agencies cited more than 13,000 asbestos abatement violations last year, including one on the grounds of Vice President Bush's home, according to the Journal article.

We must act now to end this deadly problem. Senator STAFFORD and I recently introduced legislation, the Asbestos Hazard Emergency Response Act of 1986, that would force contractors who do school work to be fully trained and accredited. Rip and skip firms will be forced into compliance or prevented from doing any more work. The legislation also establishes a roadmap showing school officials how to properly inspect for hazardous asbestos and how they should clean it up once it is found.

Following the establishment of standards, schools will be required to inspect where they have not done so already and prepare and implement cleanup plans for any hazardous asbestos found in buildings.

The time has come to end this national problem. I commend to my colleagues this excellent article from the Wall Street Journal detailing the sorry state of asbestos cleanup activities throughout the United States.

[From the Wall Street Journal, Mar. 5, 1986]

RIPPING OUT ASBESTOS ENDANGERS MORE LIVES AS LAWS ARE IGNORED

(By Jonathan Dahl)

The Environmental Protection Agency doesn't have to look far to find people getting exposed to cancer-causing asbestos. Right across the street from its Philadelphia office, the agency caught construction workers ripping out asbestos insulation and heaving it into outdoor dumpsters.

"We could see all this asbestos dust blow by us," says an EPA spokesman. "It made us wonder how the stuff was being removed elsewhere."

The EPA isn't wondering anymore. Since that incident in 1984, shoddy asbestos removals have been alarmingly common in buildings across the country. As a result, one of the nation's greatest occupational tragedies is being repeated. More than 100,000 workers have died because they inhaled asbestos particles while installing insulation years ago. Now, despite publicity about those deaths, the deadly cycle is starting over again. This time, the eventual victims are the workers ripping out asbestos.

"It was bad enough when this happened and we didn't know the risks," says Dr. Irving Selikoff, an occupational-health expert at the Mount Sinai Medical Center in New York. "But now that we know, my God, we shouldn't let this be happening again."

A NATIONAL PROBLEM

Federal and state agencies cited more than 1,300 asbestos violations last year, and a government survey shows that at least 25% of removals are fouled up. Violations have occurred in schools, in apartments and even on Ellis Island in New York and on the grounds of the vice president's residence in Washington. They happen when asbestos cleanup is the main job and when it isn't. Most buildings constructed before 1970 have asbestos, and a health threat exists—even to passers-by—every time one is renovated or demolished. "It is a national problem," says Terrell Hunt, the EPA's highest-ranking criminal lawyer.

Some contractors don't know that they are tearing out asbestos. Others intentionally skip precautions or use slipshod methods. One contractor was sued for hiring dozens of homeless people off the street to remove asbestos from a San Antonio, Texas, hotel. And while the EPA recently beefed up its efforts to deter hazardous removals, experts say the laws pertaining to asbestos still are weak and poorly enforced. Because of the laws' inadequacies, even workers who follow guidelines might still die from asbestos poisoning.

"There are just no standards in the business. Some people do it right, but I've seen some abuses that would make your hair stand on end," says David Kimbrell, a former president of the National Association of Asbestos Abatement Contractors, a trade group based in Washington.

ASBESTOS EVERYWHERE

Ironically, some of the removal jobs aren't even necessary. Asbestos is lethal; it ranks only behind cigarettes as the leading cause of cancer. And while most of its uses are banned today, it is everywhere. Some 30 million tons of the fibrous mineral was mixed into plaster to insulate walls, pipes and ceilings during the past hundred years. But asbestos needs to come out only when it is old and crumbling. That is when the mineral's tiny particles, which cause lung cancer and other respiratory diseases, are released into the air.

Removing insulation without disturbing particles is tricky. The federal government doesn't require that asbestos come out, but it has issued reams of complicated cleanup rules. Insulation is supposed to be sprayed with water and stashed in airtight containers. Special air-circulating machines are recommended. And workers must don face masks and gear that looks like space suits. "There's almost a science to doing it correctly," says Edward Swoszowski, an indoor-air-quality consultant in Norwalk, Conn.

But many removals have been less than scientific. In the building across from the EPA's Philadelphia office, workers were gathering up asbestos debris with brooms and doing the job "the way you'd clean up your garage," says Ben Mykijewycz, an agency inspector. Eventually, the Justice Department sued the building's owner, Liberty Square Associates Ltd., for allegedly violating air-pollution laws. The owner paid a $50,000 fine last March to settle the suit, but made no admission of wrongdoing. A Justice Department suit is pending against the contractor.

COVERED WITH DUST

In another case, the EPA says it found eight teen-agers early last year yanking out asbestos with their bare hands in an abandoned school that was being converted into a condominium in Salem, Mass. The Justice Department has filed a suit against the developer, Granite Development Co. Company officials say they didn't realize that asbestos was in the school. Neither did the youths employed to remove it. "They were covered with white dust," recalls EPA inspector Bridget McGuiness. "They started asking me, 'Is this bad?' "

Nobody knows how many bad jobs are occurring, but the Occupational Safety and Health Administration found violations in 219 of 806 removal jobs that it inspected last year. The EPA estimates that it learns of only half of the asbestos removals; the agency is supposed to be notified of every instance. "If they're not notifying the EPA, they're probably not doing the job right," says Patrick R. Tyson, the acting assistant secretary of OSHA. "I'm afraid a lot of people aren't handling it properly."

Most of those people won't feel any ill effects from asbestos exposure for a long time. As deadly as they are, asbestos diseases take five to 40 years to develop. And it isn't known how much exposure is harmful. OSHA estimates that 1.4 million construction workers risk becoming asbestos victims of the future, as do thousands of carpenters, electricians and others who work with insulation. Even passers-by may face a health threat. "Try to walk by [a construction site] without breathing the dust," says Charles Elkins, an acting assistant administrator of the EPA. "If it's asbestos, you're in trouble."

Some victims of asbestos removals are already getting sick. For 15 years, Dennis Burke wondered whether the insulation he was ripping out at construction jobs contained asbestos. "But if you complained, you'd get fired," he says. Now, Mr. Burke, 38 years old, has asbestosis, an incurable lung disease that causes shortness of breath. And he is still a construction worker; he can't find any other job.

Other victims could well be members of families already stricken by asbestos disease. Daniel O'Toole thought it was bad enough to have asbestosis; the 63-year-old former iron worker from Fort Howard, Md., was forced to retire early, and he can't take long walks. But last April, his son Patrick discovered he had swept up asbestos at a steel mill—the same mill in which Daniel O'Toole worked 18 years ago. "It's incredible, but my son was probably exposed to the same pipes I put in," Mr. O'Toole says.

Contractors complain that unless a building's owner hires them specifically to remove asbestos, they often don't realize that they are working with it. Asbestos insulation, which sometimes looks like plaster of Paris, isn't always recognizable.

But some people have a hard time claiming ignorance. In late 1984, the EPA says, inspectors went out three times to warn Maurice Fabiani, a developer, about shoddy asbestos removals at a powerhouse in Oakville, Conn. All they got was a lecture: "He told us we were being nitpicky," says Andrew Lauterback, a special assistant U.S. attorney. Mr. Fabiani, for his part, apparently wasn't too picky about where he left asbestos. The EPA says it found a pile of it in an open dump behind some houses. Inspectors had to shoo away children playing on it.

The matter was serious enough to draw the first prison sentence ever in an asbestos case. Through his attorney, Mr. Fabiani contends he shouldn't be blamed for a contractor's work. But he nevertheless pleaded guilty to violating air-pollution laws, paid a $25,000 fine and, in January, served 30 days in prison. The contractor, Peter J. Vileisis, pleaded guilty, was fined $25,000 and received a one-year suspended sentence.

Some contractors ignore precautions because they don't think asbestos is harmful, particularly since inhaling the fibers doesn't cause immediate injury. Other contractors cut corners to increase profits. Certainly, the work is lucrative: Three contractors may get more than $1 million to take out asbestos from a three-story school building in Atlanta. "There's a whole bunch of hustlers out there trying to make a quick buck who will end up killing themselves and others," says U.S. Rep. James Florio, a New Jersey Democrat interested in the safe handling of asbestos.

A fast buck is what 166 workers allege motivated the contractor that renovated the St. Anthony Hotel in San Antonio in 1983. In a lawsuit, the workers assert that the contractor hired them off the street without telling them that asbestos was being removed. Most say they wore bandannas over their mouths, or nothing at all, to protect themselves from the dust. "Now, every time I get a cold in my chest, I think uh-oh, this is it," says Daniel Cady, 29, who was one of the workers. He had been recruited for the job while hitchhiking through Texas.

The contractor, Planned Management International Inc., denies exposing the workers to asbestos. But OSHA fined the company $1,500 for not posting warnings or giving workers respirators. And this month the company, the construction manager and the hotel's owner settled the lawsuit. They won't discuss the terms, but the workers' attorney says his clients are receiving a total of $1.66 million.

EPA officials say that bad practices persist because neither the federal government nor 39 states require asbestos removers to be trained or licensed. New York, one of the few states with training provisions, requires contractors only to watch a 40-minute filmstrip that regulators concede is inadequate. "A barber has to go to school, but someone can remove a hazardous substance and have no experience and no training," says Wolfgang Brandner, the EPA's regional asbestos coordinator in Kansas City, Kan.

What's more, asbestos regulations are flawed. OSHA figures that even if its standards were followed to the letter, 64 of every 1,000 workers who remove asbestos would still eventually die from overexposure. That is because the current exposure standard is two asbestos fibers per cubic centimeter of air—about four times the exposure the agency currently thinks is safe. OSHA is trying to change the standard, but "people think they're protected by these laws when they're not," says James Fite, the president of the White Lung Association, a nonprofit group in Baltimore that represents asbestos victims.

But the most frequently cited problem with asbestos laws is the way they are enforced. The EPA and OSHA inspect just a fraction of asbestos-removal jobs; many contractors have never had a job inspected. And both federal agencies routinely let violators off with small fines or none at all. OSHA's Dallas-area office, for example, hasn't levied a fine in any of its 12 asbestos cases in the past three years.

But officials in the Dallas office say they are shorthanded—the office doesn't have anyone assigned just to asbestos cases. They also say some contractors conceal violations by working at night or on weekends. But the result is that repeat violators are common. And legitimate contractors say unscrupulous competitors have a free rein. "It's basically a voluntary-compliance system," concludes Neil Wilson, the president of National Environmental Engineering Inc., an asbestos-removal company in Michigan City, Ind.

In response to such criticism, the EPA recently vowed to vigorously enforce asbestos laws. The Justice Department, as part of that effort, last month filed 11 publicized lawsuits alleging serious asbestos violations against the state of Florida, Conrail and the school system of Ankeny, Iowa, among others. And at least 10 states are considering bills that would regulate asbestos removers.

But such steps come far too late for thousands of workers who recently may have been exposed to asbestos—a known carcinogen for at least a decade. As Patrick O'Toole, the construction worker in Maryland, puts it, "My father was done wrong, and now I'm done wrong. When will it stop?"

END SOCIAL SECURITY'S INTRUSION INTO RELIGIOUS MINISTRIES

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. CRANE. Mr. Speaker, today I am introducing legislation to correct a problem created by the 1983 Social Security Amendments which resulted in the Federal Government's intrusion into the ability of religious organizations to carry out their ministries. What my legislation will do is allow employees of religious organizations to opt out of the Social Security system, and thus prevent the Social Security system from overburdening religious organizations with the FICA tax.

From the very beginning of the Social Security system until the 1983 amendments, religious organizations and their employees were exempted from the system. Prior to the 1983 amendments, Congress realized that failure to grant such an exemption would jeopardize religious freedom. A 1946 report of the House Ways and Means Committee declared that these groups were exempted from taxation because their representatives—

feared endangering their freedom from taxation and the separation of church and state; they feared extension of government influence on religious . . . policies.

However, the Social Security Amendments of 1983 brought the employees of all nonprofit—501(c)(3)—organizations—including church employees—into the system. After passage of these amendments, a public outcry arose because Congress had considered all categories of nonprofit groups together and had failed to address the special first amendment concerns raised by mandatory coverage of religious groups. In the Deficit Reduction Act of 1984 [DEFRA], Congress attempted to correct the problem by allowing religious organizations, but not their employees, to elect out of the system. Unfortunately, this modification did not solve the problem because the employees of the religious organizations which chose to opt out of the system are treated as self-employed, and thus liable for the full share of the 14.3 percent FICA tax.

This provision hits especially hard on the employees of many church schools. Since many State school employees are currently exempted from FICA taxes, the FICA tax burden on church school employees makes it more difficult for churches to pay salaries competitive with public schools. In addition, the present law interferes with the strongly held religious conviction of some churches that they should provide for their own retirement. Thus, for those religious schools which uphold this higher conviction, there is a double burden because they must pay salaries to their employees which reflect the heavy 14.3 percent FICA tax.

The Supreme Court has held that the church school is an "integral part of the religious mission" of the church in *Lemon* v. *Kurtzman* 408 U.S. 602 (1971). My legislation will allow religious organizations to shed the economic burden imposed by the Federal Government in the form of Social Security taxes.

An excellent example of how the FICA tax intrudes upon the ability of a church to carry out its religious ministry is the case of the Bethel Baptist Church in Sellersville, PA. According to the pastor of this church, the Reverend Richard A. Harris, the church operates a preschool day care program and a school in furtherance of its religious mission. The members of Reverend Harris' faith believe that every activity involved in its ministry, including such vocations as secretary, maintenance

worker, teacher, etc., is a religious ministry and is not secular or commercial in nature. The functions performed by employees of the church in its ministries are religious functions governed and controlled by religious principles. Reverend Harris correctly points out that the church's employees are indispensable to the carrying on of the church's ministry.

The members of Reverend Richard's faith believe that Scripture requires that Christians provide for their own financial security. Since many of Bethel Baptist's employees further the religious ministry of the church through its school, the employment relationship between the church and its employees constitutes an obligation by the church to provide the wages and benefits of its employees/ministers. Thus, the church pays its employees'/ministers' wages and has instituted a program of benefits for its employees to provide for their financial security, which includes a pension plan funded solely by church funds.

By mandating that church employees must participate in the Social Security Program, Congress has caused the Federal Government to preempt the scriptural belief of members of this church and provide for the financial security of church employees/ministers. In addition, mandatory coverage—and thus taxation—by the Social Security Program results in an extraction and diversion by the Federal Government of the church's funds which are meant for solely religious purposes.

What Bethel Baptist Church believes is its scriptural duty to provide for the financial security of its employees is certainly a religious purpose. However, the Government imposed FICA tax causes diversion of these funds. If the church does not increase its employees' wages to cover the FICA tax, the church's employees' net income would be diminished substantially, thus hindering or eliminating the pursuit of their religious vocation in the church's ministries. If the church increases its employees' wages commensurate with the self-employment tax imposed upon them, the availability of the church's ministries, such as the Christian school it operates, would be endangered and would result in the increase in tuition or an increase in the tithe to the church or even a reduction of employee staff in the church ministries.

Mandatory coverage of employees of religious organizations would thus cause certain churches to violate what they believe is their scriptural mandate not to participate in, or collaborate in, any effort of Government to assume or preempt a church's responsibility of providing for the financial security of its followers. I ask my colleagues to recognize that at the heart of this issue lies the constitutional command that the Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof. The legislation which I am introducing today will unburden churches from the intrusion of the Federal Government in the form of mandatory coverage by the Social Security System. The legislation will allow churches to opt out of the system if it interferes with its religious beliefs. I urge my colleagues to support this piece of legislation.

STATEMENT IN SUPPORT OF CREATIVE RIGHTS FOR MUSICIANS AND PRODUCERS

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. GEPHARDT. Mr. Speaker, I rise today to ask my colleagues to join me in opposing H.R. 3521, a bill which would have a severe impact on creators of music and on the vast audience which enjoys their works.

The bill would constrict the free market in music by eliminating three of the four options now available for acquiring performing rights and mandating only one way of doing business through "source licensing." This method shifts the responsibility for acquiring performing rights from those who perform the music—the local television broadcasters—to those who record but do not perform the music—the television program producers. The result would be a denial to composers of one of the fundamental protections in copyright law—the guarantee of continuing payment for continuing use of a creative work.

The change envisioned by H.R. 3521 would cause a sharp loss of income to composers, who would be forced to accept a single "buy-out" payment for their product, before its true value in the marketplace is known.

Under today's system, broadcasters use a "blanket license" to acquire performance rights to music. This license, purchased for a modest fee, grants them access to the entire repertories of artists' performing rights societies. Over the years, the fee paid by the extremely profitable television broadcast industry has actually declined to 1.15 percent of net revenues from a level of 2.5 percent of net revenues in 1949. Nor is the fee arbitrarily set on a "take or leave it" basis by composers—it is agreed upon in negotiations between the performing rights societies and the broadcasters.

It is interesting to note that the broadcasters have always had available to them "source licensing," the licensing method they now seek to mandate under H.R. 3521. No one is preventing them from negotiating source licenses with program producers. It was determined in the recent Buffalo Broadcasting case, however, that no local station had ever made a serious attempt to obtain a source license by offering to pay for it.

The reason for the overwhelming appeal of the blanket license, whose validity has been repeatedly upheld by the courts, is that it is inexpensive and efficient to administer. Nevertheless, broadcasters have, under current law, the freedom to choose source licensing, blanket licensing, or two other licensing methods to obtain performance rights to music. H.R. 3521 would end this free market at the expense of professional composers, who on average earn only $5,000 to $7,500 a year from their works, of which less than one-third is derived from the licensing of TV performance rights.

Music enriches all our lives and constitutes an important industry in our Nation. Along with other creative endeavors, it can only flourish within a framework that ensures just compensation for new works while providing a simple, workable system for users of the product. The current system has efficiently met these requirements over many years and, in my view, does not need to be fixed.

A BILL TO SUSPEND THE DUTY ON TERFENADONE

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. GRADISON. Mr. Speaker, today I am introducing a bill to suspend for a 3-year period the duty on the chemical terfenadone.

Merrell Dow Pharmaceuticals, Inc., located in my district, imports the patented chemical terfenadone for use in the production of terfenadine, which is the active ingredient in the prescription drug Seldane. Merrell Dow, a wholly owned subsidiary of the Dow Chemical Co., owns the patent and is the only U.S. importer of the chemical. The current duty rate on terfenadone is 13.5 percent, which, unless this legislation is enacted, will cost Dow over $3.5 million during the 3-year period of 1987–89.

Seldane is the first and only nonsedating antihistamine approved in the United States. While Seldane was approved for use by approximately two dozen countries between 1981 and 1985, it was not approved in the United States until early 1985. During the gap between foreign and domestic approval, Seldane could not be made in the United States and exported to those countries which had approved the drug because of restrictions in U.S. drug export law. Thus, for the period of 1981 through early 1985, Merrell Dow was forced to expand and to utilize its foreign manufacturing facilities to meet the demand for Seldane abroad.

After FDA approval, Merrell Dow increased its U.S. production of Seldane by importing the chemical intermediate, terfenadone, and processing it into terfenadine in the United States. The suspension of the duty would reduce the cost of importing terfenadone. This, in turn, would allow increased utilization of existing domestic manufacturing facilities and would provide new jobs at Merrell Dow in Cincinnati.

Suspension of the duty on terfenadone would also lead to increased exports of Seldane, thereby helping improve our international trade position. Over the 3-year period of 1987 through 1989, Merrell Dow intends to export approximately one-third of the terfenadine which is manufactured from the imported terfenadone.

I urge my colleagues to support this important legislation. It will increase jobs at home while increasing U.S. exports.

THE LATE FLORIDA STATE SENATOR JOE CARLUCCI

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. BENNETT. Mr. Speaker, I enclose material in connection with these remarks relative to the late State Senator Joe Carlucci. His untimely, unexpected death brought north Florida and all of Florida to the conclusion that we have been living with a hero in our midst whom we have not fully appreciated in the obvious ways we should have, and we all very deeply mourn his death. He was greatly beloved by everyone although he was primarily a leader because of his courageous willingness to take on difficult subjects and difficult problems and to solve them sometimes in difficult ways. This is not at all characteristic of most politicans.

He set a great standard for us all in Florida and, I think, through the Nation as a whole. The standard is that we should do the very best we can with what our conscience tells us we should be doing and go about this with courage and determination regardless of the outcome to ourselves.

That is the lesson that Senator Joe Carlucci leaves for us. He also leaves for us a great well of human kindness and love and appreciation which he showed to everyone about him. There is no way in which we can make up to him for the burdens he carried because of his courage; but perhaps if we all pride ourselves into being more like him, this country will be a greater country. He left us a tremendous heritage and his life here on Earth is going to live long past his death. It will live in the hearts of millions of people who have been helped by him personally and because of the purity and excellence of his public service.

Herewith is an article from the Florida Times-Union honoring Senator Carlucci:

FRIENDS BID FAREWELL TO CARLUCCI

SENATOR REMEMBERED AS MAVERICK, FRIEND

(By Terry Wallace)

Beneath a canopy of camellia trees blooming under a springlike sun, family and friends bade farewell to state Sen. Joe Carlucci yesterday and laid him to rest.

The simple graveside ritual in Oaklawn Cemetery followed a funeral that drew about 1,600 friends, the powerful and the not-so-powerful, to the Southside Assembly of God.

Among those attending were the bulk of the Florida Senate, the Duval Legislative Delegation and Jacksonville city officials, as well as many of Carlucci's Senate District 8 constituents.

Roses covered the solid mahogany casket bearing the body of the late senator and former city councilman who was praised by state Sen. Dempsey Barron and former television newsman Ernie Mastroianni.

Carlucci, 57, died Saturday of a heart attack while on a hunting trip near Camilla, Ga.

Barron, the senior member and former president of the Florida Senate, was part of that hunting party and was with Carlucci, when he died.

The Panama City Democrat said he often bragged to Carlucci that he was superior to Carlucci as a quail hunter, a point that Carlucci disputed. Saturday morning, however, Carlucci and his hunting partner bagged more quail than Barron and his partner.

Barron said he expected Carlucci to gloat. But when Carlucci came in, he did not boast.

Nevertheless, "there was not enough soap in Georgia to wipe the smile off his face," Barron said. "As it turned out, it was wonderful that it happened like it did."

Carlucci was stricken during lunch after the hunt and could not be revived.

"Was he difficult? He could be," Barron said. "Was he stubborn? Yes. Was he tough? Incredibly. Was he a maverick? He was. Was he a true friend? Almost to a fault. Was he a tender, caring person? To the point of tears.

"All of us who truly knew Joe will not only mourn his death, we will also celebrate the life that passed our way," Barron said.

Mastroianni developed a friendship with Carlucci during his years as a local television journalist and worked in Carlucci's 1982 reelection campaign.

He praised the late senator as "an individualist with a code of honor few people could aspire to, and even fewer could even understand . . . a code of honor that says that all people deserve the best from their elected officials: a code of honor that says all people, regardless of their station in life, deserve to be treated like human beings. Most importantly, he lived that code."

Mastroianni said Carlucci was "much more content sitting at home carving a duck than with the trappings of power," and recalled what became an annual tradition Carlucci carried on with Mastroianni's two sons.

"Each Christmas Eve, there was a phone call. It was Santa Claus. Santa Claus knew their names, knew what they wanted for Christmas. The message was always the same: Be good boys, obey your parents, have a merry Christmas and I'll talk to you next year. And he did."

When Mastroianni told his eldest son, now 23, of Carlucci's death, the son said, " 'Pop, Santa Claus can't be dead.' Well, of course he's not. Santa Claus doesn't die." And neither does the memory of someone like Joe Carlucci. We'll remember him as a warm and wonderful, considerate human being.

While Carlucci was being eulogized in Jacksonville, other state officials were honoring him in Tallahassee.

Rep. Tom Brown, delivering a eulogy to 150 legislators and staff members in the House chambers, said other legislators may have disagreed with Carlucci at times, but they never doubted his concern.

"We can each think of those times we enjoyed together with him," said Brown, D-Daytona Beach. "Those times we were on the same side of an issue with him and those times we fought like dogs."

House Speaker James Harold Thompson, D-Quincy, recalled Carlucci's consideration for some working people Thompson introduced to him on a hunting trip.

Thompson said he had heard that the way to measure a person's character is by the way he treats people who are in no position to help him.

"I'd have to say that based on that standard, he would measure very high," Thompson said.

Gov. Bob Graham has scheduled Democratic and Republican primaries for March 4 to fill Carlucci's seat. A runoff, if needed, will follow on March 18. The special election will be April 1. Qualifying for the race will occur between noon Feb. 19 and noon Feb. 25, said Dorothy Glisson, director of the State Division of Elections.

Mr. Ed Ball's commentary on WKTZ radio, Jones College Station, speaking of Senator Carlucci said:

Senator Mattox Hair has filed a bill that would name a new State building after Senator Joe Carlucci, who died a short time ago. The building is the old police headquarters and will house the new State Regional Crime Laboratory. Nothing could be more appropriate to honor this man who made such a tremendous contribution to the people of Jacksonville. Senator Hair said it well when he said Senator Joe Carlucci was a champion of justice, integrity, and ethics and lived by the code of honor that all people deserve the best from their elected officials. You may not have always agreed with him, because he was controversial. But he was as honest as the day is long and he had an understanding of the needs of law enforcement that is sadly missing in the legislature. He is really going to be missed.

They plan to name the building the Joseph A. Carlucci Crime Laboratory, but we have a feeling he wouldn't want to be so formal. Nobody ever called him Joseph. He was plain old Joe Carlucci. He left a hole in this community that can't be filled.

JOB TRAINING PROGRAMS

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. VENTO. Mr. Speaker, I am extremely concerned with the shortsightedness of this administration's budget proposals. In his State of the Union Address in early February, the President pledged to "create a ladder of opportunity to full employment so all Americans can climb toward economic power and justice on their own." But the President's fiscal year 1987 budget offers no additional help for the many families that cannot provide adequate income to meet their needs. Presidential proposals include a 43-percent reduction in Job Corps, a 33-percent reduction in summer youth employment and complete elimination of the WIN Program.

I was recently visited by a number of individuals who work with the job training programs in Minnesota—and the numbers that they passed along to me are astounding. Under the Presidential budget proposals, in Minnesota the job service staff will be reduced by 30 people and the number of locations will be reduced by 10. Each staff person's activities result in 332 people being placed in a job—when this number is multiplied by 30—this results in 9,960 fewer job placements in Minnesota.

Additionally—specialized services such as vocational counseling, job development for individuals, and itinerant service to small communities will be eliminated. Special placement efforts for AFDC, general assistance and unemployment insurance recipients will be severely reduced or eliminated. The elimination of the WIN Program is particularly distressing.

The last program year shows the following accomplishments in Minnesota: 17,566 AFDC recipients registered, 5,183 AFDC/WIN enrollees placed in employment, and $20,557,000 in annualized reduced welfare grants which demonstrated a return of $3.47 for each $1 spent in Minnesota.

Mr. Speaker, these proposals simply save money on paper in order to meet the Gramm-Rudman deficit reduction cutbacks—but obviously in the long run—cost big money. The 9,960 individuals in Minnesota will not be paying taxes and very likely will be collecting some type of Federal or State transfer payments. A report was recently released by Manpower Demonstration Corp. in which it was stated that the individuals participating in job training programs cost the Government less money than did welfare mothers not participating in jobs programs.

Both Gramm-Rudman and the President's fiscal year 1987 budget proposal would drastically cut the job training programs that are necessary in providing individuals with the necessary tools to pull themselves out of poverty. The President loves to page through the want ads and talk of the numerous lisitings of job openings—yet his proposals take away the very programs that aid individuals in obtaining these jobs.

Ironically President Reagan has committed his administration to a study of the welfare system, but in the Reagan proposed budget it is proposed that we destroy the programs which help welfare clients into the world of work and into the mainstream of our society.

GI BILL IMPORTANT TO STRONG NATIONAL DEFENSE

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. MONTGOMERY. Mr. Speaker, the President has continued to insist that we maintain a strong national defense posture and that the Congress support his initiatives in that regard. I have supported his efforts, Mr. Speaker, but I must say it is getting more difficult to do so with each day that passes.

Many Members on both sides of the aisle are beginning to wonder how serious the administration is about strengthening our military services when it is planning to send a draft bill to the Congress to repeal the new GI bill. At recent hearings before our committee, spokesmen for every branch of the service and the Department of Defense provided data to show the effectiveness of the new education program. Although it is too early to draw any definitive conclusions from the new program, preliminary data shows that 70 percent of new recruits coming into the Army are signing up for the new program and about 50 percent are signing up in the other branches of service.

The impact on the Reserves and National Guard is even more encouraging. Participation is very high, longer enlistment periods are on the rise, and retention is substantially better. More than 18,500 members of the Reserves are already enrolled in school as a result of the program that became effective July 1, 1985.

Mr. Speaker, I don't know whether it is the Office of Management and Budget, the Secretary of Defense, or the President himself who has decided that we should repeal the new GI bill. I do know the decision is seriously flawed. The facts do not support the administration's position and the credibility of the administration continues to erode as a result of this decision.

If I were advising the President, I would urge him to get the message to the Director of OMB or to the Secretary of Defense that the House is not going to terminate the new GI bill and that the administration would be better served by dropping its plan to submit any such proposal to the Congress.

VICTIM'S RIGHTS

HON. THOMAS F. HARTNETT

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. HARTNETT. Mr. Speaker, I would like to offer my condolences to the families of Mr. Gary Melke and Mr. Christopher Zerr, two Domino's Pizza employees who were robbed and shot in Hanahan, SC, last December. Mr. Zerr died instantly from a shot in the head. Amazingly enough, Mr. Melke climbed into his truck and drove until he temporarily lost consciousness and wrecked the truck. Upon regaining consciousness, Mr. Melke walked and crawled the rest of the way to the Hanahan Police Station where he identified Mitchell Sims as the assailant. Mr. Melke died of his wounds 5 days later. By going to the police first, when he could have gone to the hospital, Mr. Melke displayed an act of civic responsibility that should not go without public appreciation. Mr. Melke's family should certainly be proud of his courage and bravery.

Currently, Mr. Sims is awaiting trial in the State of California for another murder. Although the trial process in South Carolina would take substantially less time, California Governor Deukmejian has denied an extradition request from the Governor of South Carolina. As a result, the agony being suffered by the families of Mr. Zerr and Mr. Melke is being prolonged unnecessarily.

Mr. Speaker, my purpose in bringing this matter to the attention of my colleagues is to emphasize the need for certain changes in the manner in which victims of crime are treated. Currently, efforts are being made by the U.S. Department of Justice's Office of Justice Programs to improve the treatment of crime victims by ensuring a speedy and more efficient trial for the benefit of the victims as well as the accused. Hopefully, with the growing awareness of the general social cost of crime and victimization, as well as from specific well-publicized instances of victimization, the issue of victim's rights will receive deserved attention.

GOOD ADVICE FROM BOB BARRY

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. FRENZEL. Mr. Speaker, I invite all Members' attention to a statement by our distinguished ex-colleague, Bob Barry.

Bob is justifiably concerned about a provision in the House-passed tax bill. It would provide that appreciated value, over the donor's base, of assets contributed to charitable, educational, religious and medical institutions, is subject to a newly increased 25-percent minimum tax.

Bob Barry has given the Congress good advice. His statement follows:

DARTMOUTH IS A SMALL COLLEGE AND YET THERE ARE THOSE WHO LOVE HER

Those were the words of Daniel Webster before the United States Senate in the famous Dartmouth College Case that resulted in the preservation of independent Colleges.

This independence is in dire jeopardy over the long term in the event that the tax bill in it's present state is enacted. Approximately 40% of all major gifts to colleges and universities are from appreciated properties for which the donors get unqualified deductions.

Not so with the proposed tax bill as appreciation will be considered a preference item in most instances in computing the alternative minimum tax—which tax has been raised to 25% in the house bill.

Computers were not available when endowments were accumulated, so no one knows how many donors would have been subjected to the minimum alternative tax on the appreciated value of their gifts.

However, we do know that if the house passed bill becomes law, over 40% of all major contributions could be taxed to the donor at the 25% rate. Who could or would give appreciated property to his college or university if he created a substantial tax liability in so doing?

Not many, it appears, and the day of increasing college endowments for their future growth will gradually become a thing of the past. This would pave the way for the federal government to have ultimate control over academic financing as the government will have the only cash pool large enough to supply the substantial funds the colleges and universities need to keep pace with growth requirements and/or refurbishments to say nothing of faculty salaries.

WHAT FUTURE LEADERS SAY AGAINST PRESIDENT'S BUDGET

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. EDWARDS of California. Mr. Speaker, today we will vote on President Reagan's fiscal year 1987 budget, a hopelessly flawed document. Its proposed savings fall dramatically short of the targets mandated by Gramm-Rudman-Hollings. And who are the victims of the budget cuts the President pro-

poses? The elderly, the disabled, schoolchildren, the unemployed, and the homeless—in short, those most in need of a helping hand.

The students of American government at Broadway High School in my district have prepared their own analysis of the impact of the President's budget upon them, their future and the future of their fellow Americans. These wise young people know that the quality of their lives will not be determined by the number of missiles in our military arsenal, but by the opportunities our society can provide for them through education, job training, housing assistance, and health care.

I urge my colleagues to listen to what these future leaders have to say and vote against the President's budget.

BROADWAY HIGH SCHOOL,
San Jose, CA.

President RONALD REAGAN,
The White House,
Washington, DC.

DEAR PRESIDENT REAGAN: The reason we, the students at Broadway High School in San Jose California are writing to you is to tell you how much we disagree with "1987 Budget Blueprint". We, the students, and the leaders of tomorrow feel it is our duty to write to you so you know how we feel about your proposed budget. We would appreciate very much your personal response to our questions and concerns.

First of all, your drastic cut back in education, $3,000,000,000, denies everyone who is not rich a chance at the education they deserve. The way we see it, our society is going to stagnate if we only offer opportunities to the already privileged. Without a good education, chances are we won't have the opportunity to get a good job and instead of becoming the leaders of tomorrow we will become the uneducated and jobless of tomorrow. If you continue to cut funding in education, technology and society as a whole will not advance to your highest expectations.

If financial aid to education is cut back some of us who are single parents are wondering how we can get an education to improve our chances to get a better paying job. The youth of today will not lead this country tomorrow without a decent education. This means more than just a high school diploma.

Your plan for a "Teacher in Space" unfortunately had the most tragic results anyone could ever imagine. You and your advisors knew, long before Christa McAuliffe was even chosen, that a drastic and devasting cut in the education budget was in the planning stages. To many of us it appears that you were hoping to take our minds off the reality with the "Teacher in Space" program.

We, too were devastated by this awful happening and offer our sympathy to the friends, relatives, co-workers and students of the seven pioneers; and to you, too, Mr. Reagan. But, we see ourselves as "reaching for the stars . . .", in our own way.

Why are you taking other programs from the poor or middle class and giving more to welfare for the rich? Why are you forcing the poor and elderly to pay more for medical treatment since they are the ones who need care the most?

Why cut back funds that are so vital for medical research when a disease like AIDS is sweeping the nation and world? How would you feel if your daughter contracted AIDS from a life saving blood transfusion?

Our nation's youths are so worried about Nuclear holocaust that they are in need of counseling. Because of your proposal to cut back on financial aid for college students many of us who want to be psychologists and counselors may not be able to afford the necessary education.

Another program we just heard was being cut is the "Foster Grandparent" program. We must tell you how much this program is doing for students in the schools as well as the "grandparents" themselves. The "grandparents" at our school provide the love and warmth that many of us need so much. In return our "grandparents" know they are loved and needed. You can't put a price on that, you know.

It seems that too much, $311,800,000,000, is being proposed for the defense budget and not enough on what people need the most: opportunities to improve their lives through education, health care, housing, jobs.

We, the students of Broadway High School await your response eagerly. Thank you for your time in reading and responding to us.

Sincerely,
STUDENTS OF AMERICAN GOVERNMENT,
Broadway High School.

ANNUAL NEWARK UNICO AWARDS BREAKFAST

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. RODINO. Mr. Speaker, on March 9 the Newark Chapter of UNICO held its annual Newark UNICO Awards Breakfast in West Orange, NJ.

Each year, the chapter honors outstanding individuals of Italian heritage who have shown excellence in community, civic or athletic activities. This year's honorees are Mr. Paul Alongi, Mr. Joseph Cucuzza, Mr. David Toma, Hon. Rosemary Giambarelli and Mr. Joseph Purcell.

Mr. Alongi, an attorney, was honored for his many years of community service, his contributions to UNICO National and his voluntary work with mentally retarded persons. Mr. Cucuzza, an entrepreneur, was honored for his work with young athletes. Judge Gambardella, the youngest and first woman Federal Bankruptcy Court judge in New Jersey, was honored for her contributions in the field of bankruptcy law. Mr. Toma, a former Newark detective, was honored for his efforts to educate today's youth about the dangers of drug and alcohol abuse. Mr. Purcell, an athlete and scholar at Union High School, was honored as a recipient of the Brian Piccolo Award for his outstanding scholastic and athletic achievements.

Mr. Enzo Priolo, Mr. Donald Cocuzza, Mr. Charles Chirichiello, Mr. Vito Malgiere, Mr. John LaQuaglia and Mr. Mario Genova served as awards chairmen.

My hearty congratulations to this year's award winners and my warmest regards to my friends at UNICO.

NATIONAL JEWISH COALITION ON SDI AND ISRAEL

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. COURTER. Mr. Speaker, according to the following article from the National Jewish Coalition Bulletin, Israel is on the verge of becoming officially involved in the strategic defense initiative [SDI] program. In my opinion, we could not wish for a more eager and valuable partner in this vital enterprise.

The overall program would benefit from the infusion of Israeli high technology, and the antitactical ballistic missile (ATBM) capabilities of the program could, in turn, be utilized in defending Israel against Soviet SS-21 short-range ballistic missiles deployed in Syria. In short, Israeli involvement in the SDI program holds the promise of an ideal "two-way street" arrangement for both the United States and her Middle Eastern ally.

SDI: IMPLICATIONS FOR ISRAEL'S DEFENSE

In March of 1983, President Reagan formally announced a pioneering defensive strategy predicated on the notion that it is better to save lives than avenge them. The President's plan, the Strategic Defensive Initiative (SDI), was designed to replace the doctrine of Mutually Assured Destruction, a dangerously obsolete doctrine of holding civilian population centers hostage to nuclear attack.

In Israel, a nation faced with the ultimate challenge of ensuring self-survival, the U.S. invitation to participate in SDI was met with great interest. After preliminary discussions, Israeli Defense Minister Yitzhak Rabin formally responded to the American invitation agreeing "in principle" to participate in the initial research and development phases of the SDI program.

The strategic economic and political implications of Israeli involvement in SDI are significant. The most immediate benefit to Israel will be the development of missile interception technologies. The invitation sent to the allies specifically states that the program will "examine technologies with potential against shorter-range ballistic missiles."

The use of surface-to-surface missiles against major cities in the Iran-Iraq war has alerted the Israeli defense establishment to the urgent need for such technologies. Syria, Israeli's foremost adversary, has already deployed highly accurate and lethal SS-21 missiles capable of reaching Israeli population centers, air bases, storage depots and other vital facilities. General Daniel O. Graham, founder and director of High Frontier, the organization from which many of the concepts for SDI arose, has noted these implications for Israeli defense planning. Obtaining defenses against the SS-21s, he said, "would enable Israel actually to defend itself . . . rather than simply deter attack by threat of retaliation."

While the threat of retaliation has served Israel well in the past, this option may no longer be effective in light of the changing realities of modern warfare and the increasingly fanatical character of Israel's enemies. Such threats are unlikely to deter enemies whose scant regard for human life is reflected in suicide bombings in Lebanon and the use of poison gas in the Gulf War. To guard

against the growing ballistic missile threat, Israel must move beyond deterrence to develop a defense against missile attacks.

In a recent paper presented in testimony before the Senate Armed Services Committee, W. Seth Carus, a military analyst for the American-Israel Public Affairs Committee (AIPAC), called attention to Israel's growing vulnerability to missile attack. Carus pointed out that by 1990 Arab armies will possess large numbers of surface-to-surface missiles armed with sophisticated warheads. As the Arab inventory of SS-21 missiles grows, he noted, a missile attack on vital Israeli installations would leave the country dangerously vulnerable. existing technologies alone, he added, would be insufficient to defend against such attacks, even if Israel knew of them in advance.

Dr. Robert O'Neil, director of the London-based International Institute for Strategic Studies, has also pointed out the inherent benefits of Israeli participation in SDI. O'Neil believes that Israel's involvement will allow her to remain abreast of the technologies central to a tactical missile defense.

Avram Schweitzer, a journalist with Israel's respected newspaper, Ha'Aretz, perhaps best describes the benefits of SDI interception technologies: "To be in on this kind of technology . . . could mean the purchase of peace for Israel, or more realistically, the imposition, by non-agressive means, of a permanent state of non-belligerence along its borders."

Besides the utilization of missile interception technologies, Israel will also benefit in other ways from participation in SDI. Israel's industrial future will be greatly enhanced by being at the forefront of the SDI technological revolution. The program will provide jobs and revenue for the Israeli defense industry, as well as research funds for the country's scientific community. Spinoffs could provide similar boosts for the country's high-technology and consumer industries.

America will also benefit from Israeli involvement. Israel's high state of technological and scientific capability can be utilized in SDI research. The Israel Defense Forces demonstrated an unforeseen mastery over command, control, and communications (C3) by downing over 80 Syrian jet fighters with no losses during the recent Lebanon conflict. Their expertise in battle-tested technologies would immensely enhance development of weapon systems. In addition, the Israelis are known for their rapid turn around times from research and development to making weaponry operational. Israeli involvement can act as a catalyst, accelerating the pace of the entire SDI program.

Israel's acceptance of President Reagan's invitation to participate in SDI should yield invaluable dividends particularly in the critical area of development of ballistic missile interception technologies. Unable to match the quantitative advantage in weaponry of her numerous adversaries Israel's involvement in SDI should enable her to maintain a qualitative edge necessary for survival.

Israel can only be part of this strategic, technological, economic and political revolution if SDI is funded and promoted by Congress. With the help of Israel's friends in America, SDI may prove to be the most important project ever undertaken by the two allies.

MAUREEN ELIZABETH MAHONEY, TENNESSEE WINNER, VOICE OF DEMOCRACY

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. JONES of Tennessee. Mr. Speaker, I would like to include in today's CONGRESSIONAL RECORD the text of the winning "Voice of Democracy" composition for the State of Tennessee written by my constituent, Miss Maureen Elizabeth Mahoney who attends the Henry County High School in Paris, TN.

As you know, the Veterans of Foreign Wars sponsor this excellent contest each year. Scholarships are awarded to the winners of the contest. I commend the VFW for this program which offers financial benefits to students who may not otherwise be able to afford a college education.

I am delighted that this year's Tennessee winner is from the Eighth Congressional District. I am proud of Miss Mahoney and I commend her for her patriotism and foresight which brought her to write her theme, "New Horizons for America's Youth." Her message is one that all of us should need.

NEW HORIZONS FOR AMERICA'S YOUTH

"I want to be a doctor," states one young girl proudly. "Well I want to be a scientist," says a chubby little lad. "My mommy is a policewoman and I want to be just like her," inserts another eager child. The elementary teacher grins to herself with pride and begins her story about a little boy who had a dream to be a leader of his people. Martin Luther King, Jr., initiated remarkable reforms in our society, and it all started as a youth's idealistic dream for the future.

America has become a country mindful of the future. Our youth are lucky enough to live in a society that not only allows them opportunities to dream, but also allows opportunities to fulfill those dreams.

Samantha Smith, the child who dreamed of peace between nations, brought hope to all of us. Samantha tragically, did not live to see her dreams come true, but she did inspire others to work at reaching her goal. Children across the country wrote articles for local papers and set letters to Congress expressing ideas similar to those voiced by Samantha.

Granted, talking is a far cry from acting, but it's a start. When our youth find things such as world peace on which to focus their dreams, think of the progress they can make toward that goal by the time they are adults! If we can prevent the youth of today from abandoning the hopes and dreams they have for our country now, then they will achieve the things that most adults have been afraid to attempt.

Remember the story of the three bricklayers who were asked what they were doing? One said he was laying bricks. The second responded that he was building a wall; and the third answered, "I'm helping to erect a great cathedral". How do we perceive our goals. Do we see only bricks? Do we see only a wall? Or do we see the great Cathedral?

Our society has been built by big dreamers. Take for example John Glenn. How many little boys and girls do you know that never dream of flying to the moon? Thirty years ago the mere thought of such a thing would have been laughed off as ludicrous. But thanks to individuals like John Glenn who weren't afraid to dream, we now think nothing of sending people into space.

Other technological advancements of the past few years have dramatically broadened the horizons for our youth. Today many youngsters are taught their lessons on computers, putting a whole new world literally at their fingertips. The computer age has only just begun, and puts within reach of today's youth incredible possibilities that until now have been only fantasy.

Another exciting horizon looming before the youth of today is the acceptance of women into the work force. Our society has become much more open-minded about the roles of women. "Woman", defined as wife and mother has been replaced by the definition of woman as a person. Now any child, male or female, can set any goal imaginable, and see it realized. Many of this generations' young girls will as mature women occupy important leadership roles like that of Supreme Court Justice Sandra Day O' Connor or Governor Martha Layne Collins. Any young person in America could someday affect our country's destiny.

The adults of today have a distorted picture of America's youth. But for all the bad headlines, there are thousands of youngsters who are devoted to improving the world in which we live. From children like Samantha Smith, who didn't wait for adulthood to put her plans into action, to every child in the first grade who dreams of becoming a doctor, a scientist, or a policewoman, the future is a bright one. Those bricks with which our youth build tomorrow will not erect mere walls, but will form a better America.

FOUR RECIPIENTS WIN OVER-60 HEALTH CLINIC'S 1985 AWARDS

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. DELLUMS. Mr. Speaker, I would like to call to the attention of my colleagues the following resolutions in honor of four of my fine constituents. These resolutions were adopetd by the over-60 Health Clinic and presented at their awards ceremony in recognition of outstanding services to older Americans and dedication to community services. I am indeed proud of Dr. Carroll Estes, Dr. Philip Lee, Eugenia Hickman, and Charlotte Knight.

The resolutions follow:

RESOLUTION FOR DR. CARROLL ESTES, PH.D., CO-RECIPIENT OF THE OVER-60 HEALTH CLINIC'S 1985 AWARD FOR "OUTSTANDING SERVICES TO OLDER AMERICANS"

Whereas Carroll Estes, Ph.D., is an internationally recognized scholar, researcher and administrator, in the field of sociology, particularly in the area of aging, the author of many insightful books and articles that have broken new paths, and

Whereas she has developed the Institute for Health and Aging (formerly the Aging Health Policy Center) at the University of California in San Francisco, bringing together a formidable array of research teaching staff whose work has been of major significance in impacting policy in federal and state arenas,

And whereas, and most important of all to those of us working to meet needs at the

community level, her commitment to these activities has been informed by compassion and respect for the populations whom she and her associates have studied, so that the quality of their lives may be enhanced in old age—having encouraged grass-root elders to empower themselves.

Therefore be it resolved that the Board of directors and staff of the Over-60 Health Clinic hereby pay tribute to her leadership as one of the truly outstanding gerontologists of our time.

RESOLUTION FOR DR. PHILIP R. LEE, M.D., CO-RECIPIENT OF THE OVER-60 HEALTH CLINIC'S 1985 AWARD FOR "OUTSTANDING SERVICES TO OLDER AMERICANS"

Whereas Philip R. Lee, M.D., scion of a family famous in California medical circles, has made many extraordinary accomplishments to his credit, and

Whereas Dr. Lee, a former Assistant Secretary of Health in the United States Department of Health, Education, and Welfare is Director of the Institute for Health Policy Studies at the University of California, San Francisco, conducts research and has authored a wide range of articles on health policy issues, including long term care for the elderly,

And whereas he has in his work exhibited a clear commitment to the importance of using knowledge to uplift human conditions, be it in academia or in public service, giving freely of his time to those seeking his advice and help in building community services.

Therefore be it resolved that the Board of Directors and Staff of the Over-60 Health Clinic hereby pay tribute to his leadership in health care policy administration. His influence will long be felt by peers and students, and the public who have and who will benefit from his endeavors.

RESOLUTION FOR EUGENIA HICKMAN, RECIPIENT OF THE OVER-60 HEALTH CLINIC'S 1985 AWARD FOR DEDICATED COMMUNITY SERVICES

Whereas Eugenia Hickman specialized for 30 years in the field of Social Welfare, served as a staff assistant to a prominent Berkeley City Councilperson, and

Whereas she was a delegate to the White House Conference on Aging, and served as member of the State Commission on Aging and Chairperson of the Berkeley and the Alameda County Commissions on Aging, and appointed to the Consumer Advisory Commission to the State for longterm planning for the aged,

And whereas her resolved commitment to the health and well-being of seniors in Alameda County and her work as a member of the Gray Panthers' Health Committee resulted in the founding and development of the Over-60 Health Clinic, assuring the seniors of this community access to a health care program designed with their particular health, social and economic needs in mind.

Therefore be it resolved that the Board of Directors and the Staff of the Over-60 Health Clinic hereby pay tribute to her longtime commitment and dedicated service to the Clinic and the Community in which she lives.

RESOLUTION FOR CHARLOTTE KNIGHT, RECIPIENT OF THE OVER-60 HEALTH CLINIC'S 1985 AWARD FOR DEDICATED COMMUNITY SERVICES

Whereas Charlotte Knight, a retired public servant, holding lifetime teaching credentials in both elementary and secondary education, and a member of the Retired Teacher's Association, played a vital role in the development of the Over-60 Health Clinic, Inc. and,

Whereas she has been a longterm member of the Grey Panthers, volunteering the majority of her time to the Grey Panthers' Health Committee,

And whereas Charlotte has patiently given of her time and expertise as a committed volunteer and an elected board member, serving as chairperson of both the Membership Committee and the Personnel Committee for the Over-60 Health Clinic, and has thereby enhanced the development of the Over-60 Clinic, and insured the availability of health care programs for the elderly in the City of Berkeley.

Therefore be it resolved that the Board of Directors and the Staff of the Over-60 Health Clinic hereby pay tribute to her dedicated service to the Clinic and Community in which she lives.

MILK OF KINDNESS IN A LIQUOR STORE

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. CLAY. Mr. Speaker, I would like to take this opportunity to share with my colleagues in Congress the following report, "Milk of Kindness in a Liquor Store." It is about Mr. Jimmy Mantia, one of St. Louis' most outstanding small businessmen.

Having lived more than 20 years in the same neighborhood as Jimmy Mantia's legendary liquor store, I can attest to his unselfish dedication to his community, and the veracity of the newspaper article. In our fast paced world of ever rising expectations, the loyalties which Jimmy Mantia inspired are a rare commodity.

Jimmy Mantia has had an exceptional career. He is a personal friend of me and my family and in behalf of our community I salute him for his devoted service.

[From the St. Louis (MO) Post-Dispatch, Mar. 10, 1986]

MILK OF KINDNESS IN A LIQUOR STORE

(By Bill McClellan)

It's hard to think of a liquor store as a social service agency. Especially a liquor store in a poor, inner-city neighborhood, a liquor store that specializes in the half-pint trade.

That's the kind of liquor store Jimmy Mantia has run for the last 40 years.

His place is at 20th Street and Dr. Martin Luther King Boulevard. In geographical terms, that is not far from the revitalized downtown district, but in a different sense, it's light years away. The neighborhood has a bombed-out, Third World look to it.

The vacant lot across the street from the liquor store serves as an unofficial park. People congregate in the lot and sit in worn-out easy chairs. In cold weather, there's almost always a bonfire.

There's a four-way stop at 20th and King, and if you got a nickel every time a driver glanced at the people in the vacant lot and then swiftly checked to make sure his door was locked, you would soon have enough money to buy a half pint of your own.

You could join the group around the bonfire. If you did, this is what you'd hear:

"That Jimmy, that's a pretty good man. He helps a lot of people. It's gonna be hard around here without him."

The speaker is Lee Williams. He's 28, and he, too, spends a lot of time in the vacant lot.

"That place ought to be a monument. Jimmy does an awful lot for people. We watch out for him."

Williams knows what he's talking about when he says the people watch out for Jimmy Mantia. The liquor store has been in business for more than 40 years, and it has never been robbed. Never. When Jimmy would leave at night with the day's take, nobody ever bothered him. Not once.

Maybe that's because the liquor store has been as much a social service agency as a liquor store.

Jimmy went into the business right after World War II when he got out of the Marine Corps. He served in the South Pacific. He came home and went to work for a brother who had a liquor store. Eventually, Jimmy and another brother opened their own.

Jimmy and his brother did a lot more than sell booze. They cashed checks without requiring identification.

The liquor store served as a bank for the neighborhood. Often, Jimmy would cash somebody's welfare check or Social Security check, and the person wouldn't feel safe walking around with a lot of cash, so Jimmy would keep the money in his store. When it came time to pay a bill, the person would come in and Jimmy would give him or her a cashier's check for the amount of the bill. If the people were a little short, Jimmy would give them a loan.

Not all of the people in the neighborhood are literate, and sometimes there would be a problem with one of the official social service agencies. The agency would send the person a letter, and that letter would be brought to the liquor store.

Jimmy would read it, and often would help solve the problem.

Jimmy and his wife, Alice, had no children of their own, so maybe a psychologist would say that they simply adopted the neighborhood. For whatever reason—and it had to go well beyond making a buck—Jimmy practically lived at the liquor store. The store was open from 6 a.m. to midnight six days a week, and, almost always, Jimmy was there.

He retired four years ago, after his second bypass surgery for a heart ailment, and his nephew Bart took over. But Jimmy still came in a lot.

The liquor store is shutting down now. Its closing has been inevitable for the last few years. It's in the Franklin Industrial Park expansion area, which means that the city intends to redevelop the area.

But the city has not been hard-nosed about the whole thing. This is not a case of some mean-spirited city inspector forcing a small business to shut down.

"The city has been cooperative," says Alice.

That's more than can be said about Jimmy's health. He's seriously ill, and that's the reason the liquor store is shutting down.

"It's a sad time," says Dorothy Acoli, a frequent visitor at the vacant lot across the street from the liquor store. "We're gonna miss that store. That Jimmy, he's good people."

REAPING MORE FEDERAL TAX REVENUES

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. DONNELLY. Mr. Speaker, Massachusetts and a growing number of other States have demonstrated it is possible to raise revenues substantially without raising taxes. Last May, my Massachusetts colleagues SILVIO CONTE and BARNEY FRANK joined me in introducing H.R. 2530, a tax amnesty and enforcement program modeled directly on the successful Massachusetts program.

Several days ago, Representative GEPHARDT and I introduced H.R. 4253, a refined version of that program.

I would like to share with my colleagues an editorial aired recently by WCVB-TV in Boston. It presents a very cogent case for such an amnesty and enforcement program on the Federal level. Before anyone jumps to the conclusion that a tax amnesty would be somehow unfair to the honest taxpayer or that it would undermine confidence in our voluntary tax system, I would urge them to read this brief editorial and to study the history of amnesty and enforcement programs like the one in Massachusetts.

[Editorial From WCVB-TV, Channel 5, Boston, MA]

REAPING MORE FEDERAL TAX REVENUES

(By Marjorie Arons-Barron, Editorial Director)

Nobody likes to be a patsy. But every year, people like you and me pay our taxes, while others get away without paying what they owe. That's not fair, and that's why the IRS should crack down on tax evaders, as Massachusetts has done.

The timing couldn't be better. We have a $200 billion federal deficit. But every year, the Internal Revenue Service writes off half that amount in taxes it never collects. It could easily recoup some $25 billion just by taking some of the steps which have worked well here and in 17 other states.

In Massachusetts, revenue collections are up 27 percent since 1983. That's when we tightened enforcement through our Revenue Enhancement and Protection program, or REAP. We've brought in over $560 million, just because we're collecting taxes already owed.

Amnesty for tax evaders is the best known part of REAP, and it's what makes federal officials wary of the program. Amnesty alone makes no sense. But, in Massachusetts, amnesty was a one-time-only last chance . . . before the Revenue Department cracked down. And crack down it did—with private collection agencies, more audits, and property seizures.

That's what the IRS should do. If you agree, write Treasury Secretary James Baker. Tell him the IRS needs a program like REAP . . . because no law-abiding taxpayer should wind up feeling like a patsy.

"THE NATION" CELEBRATES 120TH ANNIVERSARY

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. MORRISON of Connecticut. Mr. Speaker, March 18 marks the 120th anniversary of The Nation, the oldest continuously published weekly in America. I would like to extend my congratulations to all those who have been a part of this renowned periodical. Its credo establishes it as an independent journal of critical thought on events of the day, a periodical whose purpose, in its own words, is to "bring to the discussion of political and social questions a really critical spirit and to wage war upon the vices of violence, exaggeration, and misrepresentation by which so much of the political writing of the day is marred."

The Nation has a long and distinguished history. Founded in 1866 by well-known abolitionists, it soon began attracting writers whose names now stand at the forefront of American literature. Authors such as Henry James, Henry Wadsworth Longfellow, Emily Dickenson, Jon Dos Passos, Upton Sinclair, James Agee, Willa Cather, James Baldwin, Kurt Vonnegut, Frances FitzGerald, and many others have contributed to The Nation's commentary on changing political and literary trends in the United States over the years.

The Nation is highly respected and its influence is widespread. The many awards it has received over the years attest to its prominence in the field of journalism.

I know that my colleagues join me and thousands of others in extending congratulations to this magazine that has had such a major role in the political and cultural life of our country. The Nation has admirably chronicled events in the United States for the past 120 years and I wish it continued success for many years to come.

IMMIGRATION REFORM

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. RODINO. Mr. Speaker, on March 1 I was privileged to speak at the Second Annual Fund-raising Dinner of the Portuguese American Congress in Newark.

The dinner was chaired by Mr. Fred Perry, Jr., a member of PAC's board of directors, and Ms. M. Ceu Cirne, a board vice president, served as emcee. The PAC is governed by a 50-member board of directors headed by police Lieutenant Armando B. Fontoura.

The Portuguese American Congress was founded in September 1984 to create a sense of civic pride within the Portuguese-American community in New Jersey. To this end, the Congress has sponsored activities to assist new immigrants in their transition to American life.

In March 1985, the PAC sponsored a naturalization drive to help Portuguese residents of New Jersey become American citizens and register to vote. The effort involved the work of many dedicated volunteers who assisted the new immigrants in filling out the extensive paperwork required of new citizens. The PAC has also worked with the Congress of Portuguese American Educators and the Newark Board of Education to provide English lessons to the new Americans.

The 3,000-member PAC has also sponsored education forums for parents and toxic waste cleanup drives.

Last December, I was proud to be the keynote speaker at the naturalization ceremony for 1,127 new Portuguese Americans. As a result of immigration reforms I worked to enact in 1965, we now have more Portuguese coming into our country than any other ethnic group. I am happy to welcome our newest citizens who have brought to our Nation the rich gifts of a beautiful culture, tradition, and heritage.

The Statue of Liberty beckons all to come to our shores. Unfortunately, as I discovered during my early years in Congress, our doors have not always been open. At that time, our immigration laws found some ethnic groups more worthy than others for eligibility for entry and citizenship. Fortunately, this injustice was corrected with legislation I authored, the Immigration Reform Act, which abolishes immigration quotas and ensures fairness.

INTERNATIONAL FAMILY PLANNING ASSISTANCE

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. TORRICELLI. Mr. Speaker, I have the privilege of serving on the Public Policy Advisory Committee on the Population Institute, a Washington based organization dedicated to bringing the Earth's resources into balance with the population. The advisory committee is composed of 22 Members of Congress and 18 other distinguished Americans who have dedicated themselves to the issue of global overpopulation.

Our annual meeting to assess current policy and to formulate legislative goals was recently concluded. The result of our 2-day meeting is an overview of the significance of U.S. family planning assistance to developing nations and the specific goals we think should be undertaken by the Congress and the administration to further the most effective assistance programs possible.

Overpopulation and reproductive health are vital issues which deserve our attention despite budget constraints. The cost effectiveness of family planning deserves special attention during a time when we are trying to save dollars and get the most for our money. I submit these documents for my colleagues' review.

MAINTENANCE AND EXPANSION OF FAMILY PLANNING PROGRAMS—PUBLIC POLICY ADVISORY COMMITTEE

PROGRAM SIGNIFICANCE

Over the past three decades, the United States has led the world in supporting programs providing couples in developing coun-

tries with the knowledge and means to choose the spacing and number of their children. On balance, these programs have been successful. In some countries birth rates have fallen dramatically; in others it appears that they are now beginning to do so.

During the first two of those decades, assistance provided to family planning programs was often attacked by the political left, particularly the Marxists, and by ultra nationalists in the Third World. They argued that family planning was being imposed on the developing world by the Western industrial nations in order to limit the power of the new countries. They also argued that population growth would not be a problem for properly structured (e.g., centralized) economies.

In the past decade such criticism from the left has declined markedly. All large developing countries are now attempting to implement their own form of family planning services. All of the 146 countries that participated in the 1984 U.S. International Conference on Population held in Mexico City agreed that all couples and individuals should be able "to exercise their basic human right to decide freely, responsibly and without coercion, the number and spacing of their children and to have the information, education and means to do so."

Ironically, while the criticism from the left has diminished, in the past few years there has been a strong effort by certain right wing factions and religious extremists to impede international efforts to continue supporting family planning programs. Their rhetoric is strongly parallel to the former leftist arguments. In particular, U.S. government assistance for family planning programs has been attacked on the grounds that such programs are culturally imposed on Third World couples and countries, and that proper economic policies alone (e.g., market oriented) would alleviate rapid population growth.

Such arguments were wrong when put forward by the left and by Third World ultra nationalists, and they are still wrong when advanced by the right and by religious extremists today.

The Population Institute Public Policy Advisory Committee urges the Population Institute and other institutions and individuals that are committed to the promotion of human life, human rights, and economic welfare to continue to make clear to the public and political leaders the importance of maintaining and expanding family planning programs in concert with other development efforts.

These programs protect and enhance:

HUMAN LIFE

A child born at least two years after a sibling is twice as likely to live through infancy as one born after a shorter interval.

Appropriate child spacing and timing greatly reduces maternal mortality. Complications related to childbirth are the leading cause of death for women of childbearing age in the developing world.

The risks associated with any form of medically accepted birth control are far less than those associated with childbirth itself.

Effective family planning programs greatly reduce the incidence of abortions, both legal and illegal.

HUMAN RIGHTS

Surveys indicate that most couples in the developing world wish to control their fertility. Most women wish to have a completed family size smaller than the current average for their society. Those who would reduce family planning opportunities are attempting to impose their views on couples in developing countries.

If countries are not helped now to deal with their population problems through voluntary programs of family planning which respect human rights, there is a danger that in the future they will turn to draconian measures to cope with their population problems.

ECONOMIC WELFARE

At the individual level, most couples who seek to limit their family size are motivated to do so in order to provide improved food, clothing, shelter, and education for the children they already have.

At the national level, high rates of demographic growth can make it difficult if not impossible to achieve sustained economic growth. Foreign assistance programs should promote both family planning and sensible economic policies.

While there are multiple reasons for the disastrous famine in Subsaharan Africa, there is no question that there and elsewhere rapid population growth makes it difficult for societies to provide land, capital investment, education and other human services needed to prevent starvation and malnutrition.

The international community can take great pride in the strides already made to help couples gain control of their fertility. But much remains to be done. Over 400 million couples who desire to control the spacing and number of their children currently do not have the knowledge or means to do so. Population growth rates have actually increased in the past decade in a number of countries in Subsaharan Africa. Even in countries where overall population growth rates are declining, there are large population groups, particularly in the rural areas and urban slums, for whom family planning services may be virtually unavailable.

Inability to control fertility is not just a problem for individual couples. Rapid population growth within countries can result in severe environmental damage, excessive migration to urban centers which are already unable to provide services and jobs to their current populations, and political unrest. These pressures can also affect neighboring and even distant countries. Environmental degradation can affect whole regions, as has been evident in Subsaharan Africa. Refugee flows and illegal migration can strain the economies and social services of destination countries. Political unrest can spill over into neighboring nations.

Delay in providing resources to help deal with population growth will only compound the problems to be faced in the future. In countries with high population growth rates, nearly half the population has still not entered the childbearing age, and hence even if a society moves toward reduced family sizes, population will continue to increase for at least a generation.

It is this inexorable momentum of population growth which requires that family planning support be continued—even in the face of strong budgetary problems and of misinformed criticism by a vocal minority. It is more important than ever that those in the United States who are concerned about human life, dignity, and welfare demand that adequate resources continue to be made available for international voluntary family planning activities.

Based on the foregoing, the Committee recommends the following:

GOALS FOR THE LEGISLATIVE AND EXECUTIVE BRANCHES

We, the members of the Population Institute Public Policy Advisory Committee, urge that in 1986 the Institute pursue the following objectives:

1. *Funding levels:* There are currently 400 million couples in the developing world who desire to plan the size of their families and the spacing of their children, but lack the means to do so. Current legislation authorizes expenditures of $290 million for international family planning programs in FY 87. We believe the full amount should be appropriated. Congress is under extreme pressure to reduce the budget deficit. But delay in providing support for family planning in the short run means increased infant and maternal death and reliance on abortions. In the long run, it means far more resources will be needed to cope with the attendant problems related to high population growth rates, ranging from hunger to political instability. Family planning simply cannot wait.*

2. *United Nations Fund for Population Activities (UNFPA):* The UNFPA currently assists population related activities in over 140 countries. It has been extraordinarily cooperative with specific U.S. concerns, and has voluntarily opened its records to U.S. government agencies. U.S. government audits have substantiated that U.S. funds provided to UNFPA have only been used for programs which meet with U.S. approval. Therefore, the U.S. should return to its longstanding policy of channeling 16 percent of its international family planning funding through UNFPA.

3. *Non-governmental Organizations (NGO's):* NGO's represent the best spirit of this country in their ability to harness the private energies of individuals for the common good—an approach which has been highly lauded by the current Administration. In the family planning field such NGO's provide cost effective, humane and flexible services. The U.S. government should continue to support their efforts. It should not attempt to dictate what these organizations do with funds not provided by the U.S. government, as long as the use of such funds is consistent with U.S. law and that of host countries. AID should not apply one set of standards to the overseas activities of U.S. and foreign NGO's and a different set of standards to programs administered in the U.S. by NGO's or overseas by foreign governments. In particular, the Congress should mandate the restoration of funding for the International Planned Parenthood Federation, which is the largest NGO in the family planning field, providing assistance to associations in 101 countries.

4. CONTRACEPTIVE OPTIONS: In 1981 the Foreign Assistance Act was amended to insure that information and services relating to natural family planning (NFP) were included among the methods offered to couples through U.S. assisted programs. We supported this change. Some advocates of NFP are now arguing that they should be allowed to establish programs in which no

*Representative Matthew F. McHugh (D-NY) added this comment to the statement of goals:

"While a funding level of $290 million is fully justified, the current funding level is only $239.4 million. Given the compelling need to reduce the Federal budget deficit, it is highly unlikely that Congress will be able to increase funding for international family planning programs to a level of $290 million in fiscal year 1987. This is regrettable in my judgment."

other method of family planning should be included, or even mentioned, to couples seeking family planning services. This is unacceptable. We applaud the DeConcini amendment requiring that FY 86 funds be made available only to programs guaranteeing a wide range of choices in family planning methods, and urge that the provision should be continued in FY 87. We also support H.R. 3654, which would statutorily change the Foreign Assistance Act along the lines of the DeConcini amendment.

5. *Biomedical Research:* Privately sponsored research into new contraceptive technologies has delcined in the United States because of the high costs of testing new pharmaceuticals, liability exposure, and acceptance in the U.S. of currently available family planning methods. To help the international family planning efforts, the U.S. should increase funding of biomedical research. This will result in a wider range of simple, safe, and effective contraceptive methods to meet the particular medical and cultural conditions existing around the world.

6. *Human Rights:* In designing and administering its population programs, the U.S. Government should be guided by the principle, agreed to by all governments participating in the 1984 International Conference on Population held in Mexico City, that all couples and individuals should be able to ". . . exercise their basic human rights to decide freely, responsibly and without coercion, the number and spacing of their children and to have the information, education and means to do so." The Foreign Assistance Act should be amended accordingly.

THE BUFFALO PHILHARMONIC IS ACCLAIMED BY THE NEW YORK TIMES

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. LAFALCE. Mr. Speaker, today I place into the RECORD a copy of a New York Times account of the performance of the Buffalo Philharmonic Orchestra and its conductor Semyon Bychkov at New York's Carnegie Hall on Sunday, February 23, 1986.

This latest acclamation is further proof of the national and international reputation of the Buffalo Philharmonic Orchestra, which I am pleased to share with my colleagues.

The article follows.

MUSIC: BYCHKOV CONDUCTS BUFFALO PHILHARMONIC

(By Tim Page)

Once in a very long time, the critic is privileged to attend a musical event tinged with greatness. The Buffalo Philharmonic Orchestra's Sunday night concert at Carnegie Hall was one of those occasions, thanks in large part on the contribution of the orchestra's conductor, Semyon Bychkov.

Mr. Bychkov is not unknown to New York audiences; while director of the Mannes College of Music Orchestra, he led a startlingly professional American premiere performance of Tchaikovsky's opera "Iolanta" some years ago. But he has now begun to enter into his full maturity, and Sunday night's performance left little doubt that Mr. Bychkov may well rank highly among the podium masters of his generation.

The orchestra itself is a good one. Along with the St. Louis, Milwaukee, Pittsburgh and Los Angeles orchestras, among others. It is one of those ensembles that is perennially excluded from our arbitrary and outdated list of "big five" American orchestras. These groups play with distinction and, indeed, sometimes surpass their more celebrated competitors. The Buffalo sound is full, rich and well blended; the playing disciplined but never mechanical, with only an occasional muddy passage or tentative attack. There is a strength to the Buffalo Philharmonic's playing, a muscularity that seems to be endemic to cold cities; elegance is forsworn in favor of a warm bear hug.

But it was Mr. Bychkov's conducting that made the evening so rewarding. Little can be said of his manner with Smetana's overture to "The Bartered Bride"—It was clear, propulsive and straightforward, as the music demands. He proved a deft accompanist to Lynn Harrell in the Saint-Saëns Callo Concerto No. 1, a gracious example of Gallic note spinning. Mr. Harrell played with style and patrician bearing.

However, it was in Shostavkovich's Symphony No. 5 that Mr. Bychkov made his lasting impression. A vast musical panorama, in which virtually every mood is mirrored by its opposite—its tragic mien leavened by irony, its moment of genuine exaltation hampered by the silent presence of political terror—it requires an epic musical understanding to do it justice.

And Mr. Bychkov possesses this vision. From the first notes of the symphony he seemd fully in control. The great Largo was built as a haunted modern nocturne, while the Allegro non troppo, with its ambiguous subtext, rattled and blared to an enthralling finale. In the wrong hands, this work can seem vulgar and abvious; on Sunday night, it impressed as one of the only Soviet works from the gore-scarred 1930's that may endure.

When the work was over, conductor and orchestra received a well-deserved standing ovation. Mr. Bychkov has recorded the Schostakovich Fifth with the Berlin Philharmonic for release on disk later this year; this listener can hardly wait.

FORGING A NATIONAL RETIREMENT INCOME PROGRAM

HON. ROD CHANDLER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. CHANDLER. Mr. Speaker, America has developed a private, voluntary employee benefits system which has become a model for other nations throughout the world. Millions of working men and women are covered by a wide range of retirement savings programs. Unfortunately, however, in the rush to restructure the Tax Code, deliberate and careful consideration of the Nation's retirement and savings policy goals is being overlooked. This carefully structured retirement system is being seriously jeopardized by a failure to take a long view in the development of a national retirement income policy.

Last fall I was pleased to join with Congressman BILL CLAY and Senators JOHN HEINZ and JOHN CHAFEE in introducing the Retirement Income Policy Act, H.R. 3594. Hearings on this measure were conducted by the House Labor-Management Relations Subcommittee just 2 weeks ago. This is a measure which, in fact, does take a long view of retirement policy and moves the debate out of a revenue-driven tax reform initiative.

Recently, Stuart J. Brahs, executive director of the Association of Private Pension and Welfare Plans [APPWP], delivered a speech on the need to take policy initiatives to encourage and strengthen the private, voluntary benefits system. As Mr. Brahs has noted,

Through a creative and comprehensive approach to policy objectives, RIPA [the Retirement Income Policy Act] moves policymaking for retirement security of the Nation's workers out of the annual tax tinkering and into a thoughtful, long view effort.

Mr. Brahs' remarks include some very timely and useful data on employee benefits and the impact of the House tax bill developed by the Employee Benefit Research Institute [EBRI]. I believe these remarks and the data are a useful contribution to the public debate on the taxation of employee benefits. I am pleased to insert them in the RECORD and commend them to my colleagues' attention.

REMARKS OF STUART J. BRAHS, ASSOCIATION OF PRIVATE PENSION AND WELFARE PLANS TO ELECTRONIC INDUSTRIES ASSOCIATION, MARCH 5, 1986

BACKGROUND

For much of the 20th century—and certainly since the Second World War—American employers and workers, in both the public and private sectors, have increasingly placed a high value on employee benefits—both retirement savings and welfare benefits. For over four decades the federal government has encouraged the growth of various employee benefits through tax incentives. As a result, the United States has the world's leading private, voluntary, employer-sponsored benefits system.

Today, of the more than 80 million nonagricultural workers in America, over 47 million—some 59 percent—are covered by retirement plans, including more than 37 percent of employees earning less than $10,000, more than 57 percent of those earning between $10 and $15,000, and almost 72 percent of those earning between $15 and $20,000.

Looking at the statistics for group health coverage, the data is even more impressive. Of the more than 15 million employees earning between $5,000 and $10,000, over half are covered by group health arrangements on their current jobs. Of the almost 18 million workers earning between $10,000 and $15,000, more than two-thirds are covered. For workers in higher wage brackets, coverage ranges from more than 80 percent to virtually full coverage.

However, pension and other retirement plans and welfare—or so-called "fringe"—benefits are under very serious assault by ill-considered and misguided public policy initiatives. In just the past five years, for example, legislation such as ERTA, TEFRA, DEFRA, REA and the recent House-passed tax bill (H.R. 3838) have generated massive, hurried, disruptive changes. Consider, for example, that since 1981 there have been 3,302 changes to the Internal Revenue Code. H.R. 3838 will precipitate 4,051 additional changes. As a consequence of the four tax reform measures affecting retirement plans adopted since 1982, each of the 600,000 plans for small businesses in this country has spent an average of $2,500 per

plan for legal and accounting costs to cope with these revisions. That is over $1.5 billion!

Two general effects have resulted from this incessant tinkering—

Employers cannot make long-range plans for pension programs which are, in fact, long-range programs and,

There has been a steady reduction in incentives for employers to adopt and maintain pension plans. This is a very myopic view by the Congress as we are now in an era when the federal government simply does not have the revenue to pick up the retirement income needs of rank and file workers to replace private pension plans.

RETIREMENT INCOME POLICY ACT

For years the private sector has urged that Congress not to make national retirement policy within the context of tax legislation, as you lose sight very quickly of overall policy objectives. In a very tentative way the Congress has responded—S. 1784 and H.R. 3594, the Retirement Income Policy Act—RIPA—introduced last October by Senators John Heinz and John Chafee and Representatives Bill Clay and Rod Chandler. This measure was fashioned after almost a year of intensive work with representatives of the private sector. While there is considerable room for improvement, there is nothing wrong with its basic thrust. Through a creative and comprehensive approach to policy objectives, RIPA moves policymaking for retirement security of the nation's workers out of the annual tax tinkering and into a thoughtful, long view effort.

While employee benefits may be taxed to produce additional revenues, the cost is going to be far greater than policymakers in Washington can appreciate. Employers today provide more than $100 billion in health insurnace coverage to workers at an estimated revenue loss of around $30 billion. While tax incentives for employer-provided health insurance were not touched in the House bill, attempts may be made in the Senate Finance Committee to do so. Consider if you will that, absent the employer programs, taxpayers will have to foot the bill for the entire $30 billion. Further, the need for employee welfare or fringe benefits will not magically disappear, even though the level of availability for them would be reduced by certain poorly-considered tax policies. Seventy-three percent of America's corporate CEOs believe that if employers cut back on benefits, the government will be pressured—especially by the aging baby boom—to increase social security and add other welfare benefits.

Furthermore, prefunded benefit programs are an extraordinarily important source of capital in this country. Pension funds provided more than $1 billion in investment capital in 1984—more than one-third of the capital committed for new business and new jobs. Consider further the fact that in 1984 the assets held by pension funds exceeded $1 trillion, of which some $400 billion were held in equities. If current trends continue, according to Senator William Cohen of Maine, the assets of private pension funds will reach $2.4 trillion—and some others have projected over $4 trillion—by the end of the century and pension plan ownership of common stock in publicly-traded corporations may exceed 50 percent by the year 2000.

INDIVIDUAL RETIREMENT ACCOUNTS[1]

Current law enables an individual to exclude IRA contributions from taxable income up to the lesser of earned income or $2,000 each year. Married couples filing a joint return are entitled to deduct $2,250 if one spouse has earned income of at least $2,250 and the other spouse has no compensation in that year.

The House bill would modify the spousal IRA deduction, providing that the total IRA deduction could be up to $2,250 as long as the total earned income of the couple is at least $2,250. For example, under current law a spouse whose only earned income for a year is $50 from jury duty is entitled to an IRA deduction of only $50, not the $250 spousal IRA. Under the House bill, the spouse can receive $50 from jury duty without reducing the $250 spousal IRA.

The House bill would also modify the early IRA withdrawal penalty. Under current law, amounts withdrawn from an IRA before the beneficiary dies, becomes disabled or attains age 59½ are subject to an additional 10 percent tax. The House bill would increase the tax penalty on early withdrawals to 15 percent. However, the House bill waives the tax for any distribution that is part of a scheduled series of level payments under an annuity for the life of the IRA owner (or the joint lives of the owner and owner's beneficiary).

The House bill would also integrate the elective deferrals to 401(k) plans and 403(b) plans with IRA contributions. Currently, contributions to 401(k) and 403(b) plan contributions are independent of IRA contributions. The House bill would reduce an individual's IRA deduction by one dollar for each dollar contributed to a 401(k) or 403(b) plan. The reduction only applies to an individual's elective contribution, not to any employer's matching contribution. For example, if an individual contributes $1,500 to a 401(k) plan, the IRA deduction limit would become $500. Contributions of more than $2,000 to a 401(k) or 403(b) plan would preclude the use of an IRA.

CASH OR DEFERRED ARRANGEMENTS (401(k) PLANS) AND TAX-SHELTERED ANNUITIES (403(b) PLANS)[2]

Tax-favored saving through 401(k) plans is particularly attractive. Under current law employees of an employer who has established a qualified cash or deferred arrangement (CODA) under IRC section 401(k) may make pretax contributions—in lieu of salary—to the plan. Contributions are often matched by the employer. All monies in the plan and the earnings thereon are tax-deferred until withdrawal.

Employers match employee deferrals in more than 80 percent of 401(k) plans recently surveyed and provide full and immediate vesting of contributions in 46 percent of the plans. Graded vesting is also common (34 percent of plans surveyed), the most typical schedule providing full vesting in 5 years. Eighty-nine percent of 401(k) plans surveyed allow hardship withdrawals from employee contributions; 56 percent of the plans allow similar withdrawals from the vested employer contributions.

Whereas the president proposed the repeal of 401(k) plans, the House bill would reduce the limit on elective deferrals, tie employee contributions to IRA contributions, tighten nondiscrimination rules and impose a penalty on early withdrawals. The same rules would apply to 403(b) plans.

Under current law, total contributions on behalf of an individual to all define contribution plans, including 403(b) and 401(k) plans, are limited to the lesser of $30,000 or 25 percent of compensation. Aggregate contributions include any pretax contribution, any employer contribution, and a portion of the participant's aftertax contribution (if any). A further limit, called an exclusion allowance, applies to amounts contributed to 403(b) plans.

THE CASE FOR 401(k)S

The Administration's back and fourth attitude toward 401(k) plans and, more recently, the House's action to seriously undermine these popular and valuable retirement savings programs—are a good example of why the tax reform process is the worst possible arena for determining something as important and as far-reaching as national retirement income policy.

Unlike Individual Retirement Accounts, 401(k)s offer employees the prearranged discipline of regular savings managed and professionally invested by their employer who, surveys show, match employee's contributions in 80 percent of the plans. While some preretirement withdrawals for specially defined hardship cases are permitted in many plans, actual utilization is very infrequent and no abuse of this plan feature has been demonstrated. More importantly, this very feature attracts participation by younger workers, who are typically the least likely to save, because they know they can access these funds in an emergency.

Contrary to what some may have you believe, 401(k)s are not a "scam" for highly-compensated executives. There is a very workable and effective discrimination test to assure that 401(k)s do not favor higher-paid employees. Companies responding to a 1985 APPWP survey reported that nearly 60 percent of their workers in the lower two-thirds income group were participating in the company's 401(k) plan. Further, almost 70 percent of all employees represented by the companies with 401(k) plans responding to the APPWP survey—more than 3.3 billion workers—were eligible to participate.

As many as 19 million Americans are now eligible to participate in 401(k)s. Data indicate that between 60–63 percent of eligible employees do participate, for an estimated 10 to 15 million active participants nationwide. Participation rates for workers earning between $10,000–$25,000 are double the IRA participation rates for workers in the same income group. At every income level, a higher percentage of those eligible participate in 401(k) plans instead of IRAs. While 401(k)s are subject to strict nondiscrimination rules, IRA usage, not subject to such rules, is skewed toward upper-income individuals.

CODAs are engendering a revolution in worker savings behavior. 401(k)s play a major role in adapting retirement income options to the needs of a rapidly changing workforce. While we have made great strides in expanding pension coverage, some nagging problems still exist—particularly for workers in small businesses with fewer than 100 employees and for highly mobile workers.

401(k)s are contributing greatly to expanding pension coverage for these employees. One reason for the rapid growth of 401(k)s has been the ease of implementation and adoption by small companies and nonprofit organizations who never before could

[1] Employee Benefit Research Institute "Issue Brief," No. 50, January 1986, pp. 3–4.

provide an effective retirement income plan. Once vested, workers participating in a 401(k) can roll over their "account" into a qualified plan such as an IRA. Recent data also indicate that for the overwhelming majority of 401(k) plans, full vesting is either immediate or occurs within 5 years, making CODAs especially attractive to younger, more mobile workers, such as working mothers and those in high tech and other volatile service occupations.

The Retirement Income Policy Act offers another alternative in the development of a national retirement income policy—and most significantly that it is out of the context of tax reform. Much work must be done to improve upon this measure but, in our view, it provides a framework for the reasonable consideration of pension policy for the remainder of this decade.

The hallmarks of our review of RIPA has been that employer-sponsored plans depend upon the voluntary action of employers. As the tax incentives are decreased, and the revised rules are made more restrictive and complex, interest in establishing and maintaining plans diminishes. In addition, an important policy goal is the protection of core benefits such as retirement, health and life insurance. Finally, Congress needs to preserve flexibility both in terms of addressing employees needs and the employer's ability to provide varying arrangements. We doubt the Congress can better assess what kind of plan an employer should maintain or what level of benefits should be provided. Younger employees saving for retirement need to know that despite their intention to have their funds available at retirement, in the event of unforeseen financial emergency prior to retirement, the funds so set aside may be utilized without confiscatory penalty.

BENEFITS COALITION

We have forged a broad-based, nationwide coalition to protect and preserve our system of employer-provided, health and income security benefits. The Electronic Industries Association and many of its individual members are active in this coalition. Recent legislative assaults on benefits in the Congress have taught us too well that employers and employees, as well as other advocates of employee benefits, need to be energized and catalyzed to act on this critical public policy issue.

We must let lawmakers hear about these critical issues—about the security private pension and employee benefits programs provide for American workers and the disastrous consequences if they are taxed. We have urged that they look beyond simplistic calculations about how much tax revenue is theoretically lost in a given year, and address the broad public policy aspects of the issue.

CONCLUSION

In the coming debate on tax reform, the business community will be keenly divided on many key issues. But there is one issue where they are uniquely united: not taxing employee benefits. And as the statements of Lane Kirkland make clear, labor and management also see eye to eye on much of this issue.

Tax reform and simplification should fix what's broke: paralytic complexity in the tax code, unintended and wasteful investments in tax shelters, egregious inequities. Reform must not become a fundamental and reckless abandonment of a benefits system that has become a model for the world.

Although we support efforts to bring federal budget deficits under control, raising the needed revenue by taxing employee benefits is simply the wrong approach. Whatever the arguments for tax reform or simplification, they fail to make either economic or social sense when they lead to taxing employee benefit plans and thereby discourage their availability or erode their value.

For decades we have consciously bolstered the three-legged stool of private pension, private savings, and social security to enable today's workers to enjoy an unprecedented degree of financial security. Those who wish to tamper with a good—not perfect system—threaten to kick a leg out from under that carefully crafted stool.

CANADIAN SOFTWOOD LUMBER IMPORT PROBLEM

HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. DICKINSON. Mr. Speaker, over the past 6 years, our lumber industry has closed over 250 lumber mills, causing an estimated loss of 38,000 jobs. Between 1978 and 1982, the consumption and production of softwood lumber by American firms fell by nearly one-third. During the same period, imports of Canadian softwood lumber in the United States rose from 28 to 32 percent of our domestic market. In 1975, Canadian imports accounted for only 19 percent of U.S. softwood lumber consumption.

The State of Alabama, which has a large timber industry, has also been hard hit by this influx of Canadian softwood lumber products. Between 1978 and 1984, 29 operating lumber mills have been lost. In 1978, 107 lumber mills existed, while only 78 of these mills existed in 1984. Canadian imports are the cause of at least half of these closings, nationwide.

In an effort to help illustrate the gravity of the situation, I, along with 59 of my colleagues, have sent a bipartisan letter to Secretary of State Shultz urging him to stress the issue of unfair Canadian timber subsidies and the injury that these imports have caused the U.S. softwood lumber industry, during the trade negotiations between the United States and Canada later this month.

To further accentuate my strong feelings on the seriousness of this problem, I have cosponsored legislation introduced by Congressman SAM GIBBONS, which will allow the United States to place tariffs on Canadian softwood lumber imports. Obviously, this course of action is a method of last resort, but something must be done to resolve the inequities that exist between the United States and Canadian softwood lumber industries as they compete in the American market.

SPORTS BANQUET AND AWARDS CEREMONY

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. RODINO. Mr. Speaker, on March 13 the Newark Board of Education held its Sports Banquet and Awards Ceremony to honor outstanding students, athletes, coaches, and special guests. The banquet was held in the Terrace Ballroom, Symphony Hall in Newark.

Mr. Eugene Campbell, executive superintendent of schools, explained this special event:

Our athletic teams have established many records by their performances past and present and have brought pride to the hearts of the total Newark community. In view of their achievements, the Newark Board of Education is pleased to honor our outstanding students, athletes, coaches and special guests.

The special guests honored at the banquet were: Mr. Darryl Dawkins of the New Jersey Nets, Mr. Tim Bassett of the New Jersey Nets, Mr. Hasson Arbubaker, formerly of the Minnesota Vikings, Mr. Willie Marsh, formerly of the Philadelphia Eagles, Mr. Andre Tippett, of the New England Patriots, and Mr. Mike Charles, of the Miami Dolphins.

Greeting remarks were delivered by Mr. Charles A. Bell, president of the Newark Board of Education. The master of ceremonies was Mr. Renard A. Rossi, supervisor of Physical Education. The invocation was delivered by Rev. Oliver Brown, member of the board of education. Other speakers were Mr. Campbell and Dr. Gene A. Foti, deputy executive superintendent for academics. Mr. Tom Strahler, area manager, Pepsi Cola Bottling Co., presented the awards.

Also honored as "Newark City Champions" were: Vailsburg High School (football and soccer), Malcolm X. Shabazz High School (indoor track and girls basketball), Barringer High School (boys basketball) and East Side High School (cross-country).

INTRODUCTION OF THE PANAMA CANAL AUTHORIZATION BILL

HON. MIKE LOWRY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. LOWRY of Washington. Mr. Speaker, I am pleased to introduce today the Panama Canal Authorization Act, fiscal year 1987.

The Panama Canal Act of 1979 requires the U.S. Congress to authorize any appropriations to the Panama Canal Commission [PCC] and any expenditures of funds by the PCC. The funds of the PCC are comprised of tolls and fees collected from the users of the canal.

The bill I have introduced today authorizes an appropriation of $437,250,000 to the Panama Canal Commission for the operation and maintenance of the canal—section 2. Out of this sum, no more than $27,480,000 is au-

thorized to be expended for capital outlays—section 3. This authorized appropriation is limited to the tolls and fees collected from the users of the canal, and is at no cost to the U.S. taxpayer.

This bill also specifically authorizes in section 4 an appropriation of such amounts as may be necessary for increases in salary, pay, retirement, employee benefits, 4(a) treaty payments to Panama, and increased fuel costs.

Section 5 of the legislation amends section 1303 of the Merchant Marine Act of 1936 to annually authorize six additional citizens of the Republic of Panama to receive instructions at the U.S. Merchant Marine Academy. These Panamanian students at the Merchant Marine Academy would be funded by the Republic of Panama and their training would help to ensure a smooth and orderly transition as we move toward the year 2000, when the Republic of Panama assumes complete control of the operation and maintenance of the canal.

Currently there are only about 25 citizens of the Republic of Panama who have been trained or are currently in the Panama Canal pilot training programs, and these additional students at the Merchant Marine Academy would accelerate the entry of Panamanians into the pilot work force. This acceleration is increasingly important to our Nation's maritime interests as we move toward the year 2000, and more toward the role of user, rather than operator, of the Panama Canal.

Finally, section 6 of the bill amends the Panama Canal Act of 1979 (22 U.S.C. 3751) by disallowing a reduction of appropriations under the Balanced Budget and Emergency Deficit Control Act of 1985 when the implementation of such an order would result in a payment of moneys to the Republic of Panama under 4(c) of article XIII of the Panama Canal Treaty of 1977.

Article XIII 4(c) of the treaty states that any revenues over expenditues of up to $10 million annually and cumulatively shall go to the Republic of Panama. Since the treaty has been implemented in 1979, the PCC has only paid a total of approximately $6 million in profits to the Republic of Panama.

Gramm-Rudman budget cuts in 1986 would reduce the PCC budget by $18.3 million. Since revenues from tolls will be collected but not expended under Gramm-Rudman, the $18.3 million in unspent toll moneys will go to the Republic of Panama as required by article XIII, paragraph 4(c).

The purported purpose of Gramm-Rudman is to reduce the United States budget deficit, but the application of the Gramm-Rudman law to the PCC will only result in a payment to Panama. The result would be seriously damaging to the operation and maintenance of the canal, with no impact whatsoever on reducing the U.S. budget deficit.

Mr. Speaker, I hope to soon markup this bill in committee and return to the floor to urge its passage. Thank you.

PERSONAL EXPLANATION

HON. W. HENSON MOORE

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. MOORE. Mr. Speaker, I was unable to be present for the vote taken earlier today on the previous question on the rule to accompany House Concurrent Resolution 296 and the vote on the rule itself as I was at a meeting at the White House with the President at the time these votes were taken. Had I been present, I would have voted against the previous question so a new rule could be offered that would observe regular procedures and compel a budget to be produced by our Budget Committee to be compared alongside the President's budget. Our Budget Committee has the duty and obligation to look at the component parts of the President's budget, take it apart, make changes and put a consensus budget together. What is going on today totally ignores this legislative due process. This is a political exercise.

As the previous question was approved, I would have voted against the defective rule for the same reasons.

I remind my colleagues it is not an easy task to write a budget having a deficit ceiling of $144 billion. But it is a responsibility we must accept for it is ours to perform in the House Budget Committee and then here on the House floor. There are changes I would make to the President's budget and will offer in the Budget Committee as a member of the Budget Committee. The President's budget is not good enough, is not a consensus reflecting the work of the Budget Committee, and there is no opportunity to amend it, I am voting against House Concurrent Resolution 296 today.

Improvement is supposed to be the duty of the Budget Committee. Today's activity is a poor excuse for nothing having happened so far on our Budget Committee. We should have been well along the way making changes we see fit to the President's budget on an issue-by-issue basis. Too much time has already been lost. If this body is going to live up to its responsibility, now is the time to get started instead of politicial posturing and criticizing the President's budget without providing an alternative.

F. DOUGLAS JOHNSON, MARYLAND VETERAN OF THE YEAR

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. BARNES. Mr. Speaker, I would like to call my colleagues' attention to the accomplishments of F. Douglas Johnson who, on March 27, 1986, will be recognized as the "1986 Maryland Veteran of the Year" by the Joint Veterans Committee of Maryland.

Doug Johnson has an outstanding record of achievement in the volunteer community, particularly on behalf of children and youth. The many organizations to which he has lent his time and efforts include: United Cerebral Palsy; Maryland School for the Blind; Baltimore County Youth Commission; Towson Independence Day Parade Committee; Youth for Christ; Boys Village of Maryland; Baltimore County Police Department-Youth Division; Parkville Recreation Council; Maryland Special Olympics; Baltimore County Police Athletic League; Maryland Society for Crippled Children and Adults; Medical Eye Bank of Maryland; Montrose School; Rosewood State Hospital; Juvenile Service Administration; Maryland Cystic Fibrosis Foundation; and Task Force on Disruptive Students (Tabco).

F. Douglas Johnson is a veteran who cares about his fellow citizens and who does something about it.

THE NEED FOR A STEEL INDUSTRY PROGRAM TO "LEAPFROG" THE COMPETITION

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. WALGREN. Mr. Speaker, today my colleague and fellow-Pennsylvanian, Congressman DON RITTER, and I are introducing a bill to bring focus to a Federal research program to improve technology in the American steel industry. This bill attempts to carry out what has become known as the "Keyworth Initiative," named for President Reagan's former Science Advisor Dr. George Keyworth. The Keyworth Initiative was developed as a cost-shared effort with industry, using the Department of Energy's national laboratories to develop "leapfrog" technology in steelmaking, that is, processes that "leapfrog" what our foreign competitors are now using.

Dr. Keyworth introduced his proposal in this way:

> We have done a poor job of harnessing our strength. We have to work together toward a common purpose, that of improving our industrial competitiveness abroad. We need a strong, new partnership among government, universities, and industry.

The American steel industry has suffered for many reasons in the last decade, and there is enough blame to go around. But today, the steel industry has lost its technological advantage, a foundation which was key in the two decades following World War II. By virtually allowing the demise of steel research and development, we have forfeited much of our industry while our foreign competitors have surged ahead in productivity and quality.

Study after study has emphasized that modernization is critical. President Reagan's own temporary Steel Advisory Committee found that "modernization and increased productivity are essential to the survival of the American steel industry."

WHY A STRONG STEEL INDUSTRY?

A continuous and adequate supply of steel is the foundation of our economy and our national security. Many industries, like automobiles, depend on steel; many communities have steel at their core. A recent National Academy of Sciences study observed that there are four times as many indirect jobs in

industries dependent on steel as there are direct jobs in the steel industry. In terms of national defense, almost every item of military hardware contains steel in some form, and "there are no other materials that can provide the required properties at an acceptable cost," says NAS. Furthermore, industries that are vital to military equipment, transport, and support depend on steel. "There is no debate on the issue of whether we should maintain a steel industry capable of providing for a strong national defense," noted the Academy.

PROVISIONS OF THE STEEL R&D BILL

The purpose of the bill reads as follows:

to eliminate the current technological disadvantages facing the American steel industry; to increase the ability of the American steel industry to compete effectively with steelmakers abroad; and to increase the industry's energy efficiency, by establishing a Government-industry-university program of scientific research and development which applies the expertise of the Government-owned laboratories of the Department of Energy and the expertise of the National Bureau of Standards, universities, and others to the development of the advanced technologies which are necessary to deal with the major problems facing the American steel industry.

The bill requires:

The Secretary to develop a plan as part of the Department of Energy's industrial energy conservation programs, in consultation with the NBS, industry and university representatives;

Priority to be given to four areas: (1) the reduction of domestic raw materials to liquid steel; (2) the production of near-net shape solids from liquid steel; (3) the development of universal grades of steel; and (4) the application of automatic processing technology;

The Federal share of the cost to be 70 percent, with the remaining coming from non-Federal sources. Proprietary rights of the industry would be protected.

The Department to submit an annual report to the President and the Congress.

Appropriations for the Department of Energy at $10,000,000 for fiscal year 1987, $12,000,000 for fiscal year 1988, and $15,000,000 for 1989, 1990, and 1991. For the National Bureau of Standards, $3,000,000 for fiscal years 1987, 1988, 1989, 1990, and 1991.

WHY THE KEYWORTH INITIATIVE IS THE RIGHT APPROACH

A joint Government-industry-university approach is necessary because it involves the segments of our society with a stake in solving the problem. Neither Government nor industry can do it alone. Industry representatives have testified that while they have the expertise, individual companies do not have the money to do it alone. A collaborative effort combining the talents of Government, industry, and the universities will get the "best bang for the buck." The national laboratories with their expertise in fields like metallurgy and large-scale engineering are ideally suited as partners for this research.

TO OUTCOMPETE THE COMPETITION

In the integrated steel industry in the last 15 years, there has been what the National Academy of Sciences calls a "global shift" of technological leadership from the United States to Japan. It is painfully evidenced in record high imports that are literally wrecking steel communities and destroying steel jobs in communities like my own in Pittsburgh. Japan, with generous government assistance and with the largest ferrous metals R&D Program in the world, has constructed and operated the most efficient steel mills in existence. In response to public discussion about the Keyworth Initiative, I am told that the Japanese have spent $65 million on steel R&D in the last 2 years. The total number of U.S. industry steel researchers is less than that of one Japanese company.

Many American plants are old. Only two plants have been built in the United States since 1950; Japan has ironically, had to replace their entire industry since World War II. Only about 10 percent of U.S. output of steel is produced in plants less than 32 years old, in sharp contrast to Japan, West Germany, France, and the United Kingdom. Almost all Japanese steel is produced in relatively new plants; over half for the other countries.

According to NAS, newer plants enable the Japanese to use the latest technology, materials assembly, materials flow, and process control techniques. Japan has a significantly higher percentage of continuous casting than the United States. The average yield when processing raw steel into finished steel, is about 12 to 16 percent greater in Japan than in the United States.

Obsolete equipment and processes are not the sole reason for the industry's problems by any means; nor is any one technology the total salvation. However, in the words of NAS, "There are radical technologies that could significantly improve the competitive position of the domestic industry if commercial scale development is realized."

There are those who will question how we can spend money on this at this critical time in our Federal budget. There are several answers. Seven and one-half million dollars was approved by Congress for fiscal year 1986 with strong bipartisan support and signed into law last year to get the Keyworth Initiative started. Second, President Reagan has requested a $1 billion increase, a 14 percent increase in DOE's nuclear weapons budget—but a 58 percent cut in other DOE energy conservation programs. In my view, the budget for nuclear weapons can be restrained without harming our national security and priorities should be shifted to help save our basic industries. The money is there; it's a question of priorities. Government support for research in private industry is not new. Seventy-two percent of aerospace R&D is Government supported and we are world leaders in this field. Money does "talk."

Our bill lays out a 5-year plan for steel technology R&D that I hope will lift us out of inaction and head us back into world competition. If we continue to wait for this problem to solve itself, we will have a long wait as the industry goes down the tubes. The longer we neglect, the more intense government involvement will have to be. The Keyworth Initiative is supported by industry and by labor. I urge my colleagues to join in supporting this program to regain international leadership in steel manufacturing technology.

SALUTE TO CARLOS PEREZ

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. RICHARDSON. Mr. Speaker, I would like to rise to salute an American who has realized the potential for success that is embodied in our Nation. He was recognized by President Reagan in a recent State of the Union Message.

Carlos Perez, a Cuban refugee from the Castro regime, came to the United States with only $27 in his pocket. With no understanding of the language or the American way of life, Carlos Perez started out without any money but with a million dollars worth of spirit and commitment. Perez's desire to succeed took him through many failures but today he is the president of Banana Services, the first Hispanic-owned company that has managed to succeed in the highly competitive banana business. He is an American success story, one which deserves to be recognized by the U.S. Congress.

I ask that these articles be inserted in the CONGRESSIONAL RECORD as a tribute to Carlos Perez, a man who made success out of a dream.

[From the Miami Herald, Feb. 6, 1984]

HE TOOK ON THE TOP BANANAS AND MADE IT BIG

(By Andres Oppenheimer)

Carlos Perez says he got the news when he was about to board a plane at Miami International Airport.

"I had called my office just to see what was new and my secretary told me to call the White House," he recalls. "When I did, an official informed me that President Reagan was going to mention my name as an example of private entrepreneurship in his State of the Union speech that night."

Perez, a staunch conservative and Republican activist, said he could hardly keep his calm as he boarded the plane minutes later.

"If the Boeing 707 usually flies at 25,000 feet above the ground, I was flying at 50,000 feet," he recalls.

In his speech that night, Reagan told the story of the Cuban emigre who arrived in the United States with $27 in his pocket and built a multimillion-dollar company. Perez is one of the "heroes for the '80s" and an example of "small-business people with big ideas," the president said.

LAND OF OPPORTUNITY

"This is the land of opportunity," Perez said last week at the offices of his Banana Services Inc. fruit-import firm in Coral Gables. "Only here could a small firm like ours get a share of a market that has always been the property of big monopolies."

The 51-year-old executive, who earns more than $200,000 a year, said Banana Services Inc. is the first Hispanic-owned company that has managed to find a niche in the highly competitive banana business, traditionally dominated by three large multinational companies—Castle and Cooke, United Brands and Del Monte.

Perez was no newcomer to the banana business when he started his import businesses in Miami 20 years ago.

His family had owned the largest fruit export business in Cuba before the 1958

Communist revolution. The family business, headed by Perez' uncle, Manuel Perez Galan, employed more than 7,000 in peak season.

Perez said when he arrived in Miami he already had a Ph.D. in education and considerable working experience in the food import-export business.

But he said this does not invalidate Reagan's portrayal of him as a poor man who beat the odds.

"If I hadn't worked 18 to 20 hours a day for many years. I would have never gotten to where I am," he said. "Besides, I believe that the opportunity is there for whoever wants to take it, regardless of his or her background."

SUPPLY PROBLEM

Perez said he started his present company in 1980 after working several years for Turbana Banana, a Colombian growers-owned firm.

"It wasn't easy to form an independent company," he said. "The biggest problem was to get the supply: The big companies virtually control the industry in the producing countries, and they don't want anybody else to get into their territory."

Castle and Cooke, United Brands and Del Monte Banana Company import about 85 per cent of all bananas into the United States.

But Samuel Gordon, president of Del Monte Banana Co., said Perez' allegations about the big banana companies are "not true at all."

"He's crying wolf," Gordon said. "We ourselves started out as a small company, and nobody stopped us from growing to what we are today. For him to complain about the competition is like a person who starts making cars to say he has trouble competing with General Motors."

Perez said in 1982 he made 22 trips to Costa Rica, Honduras, Panama and other Central and South American countries in search of banana suppliers. He went home with banana-import contracts with two Costa Rican companies.

But when Perez had two ships from Africa pick up the load in Costa Rica, the Costa Rican producers told him the deal was off.

"They told me that their government had just passed a new law, and that the contract we had signed could not be carried out in accordance to the new regulations," he said.

Perez said he is sure that someone, whom he refused to identify, "applied tremendous pressure" on the Costa Rican producers and government officials to invalidate the deal.

He said he has filed an anti-trust complaint with the Justice Department, where the issue is to be resolved.

SUPPLIERS FOUND

Despite these troubles, Perez finally found suppliers willing to sell to him as well as to the large corporations, and Banana Services Inc. quickly boosted its annual sales.

In 1982, the company reported $800,000 in sales. In 1983, sales soared to $20 million, and in 1984 they are expected to reach $30 million.

Even with its rapidly growing sales, Banana Services ranks ninth among the U.S. banana-importing firms and accounts for about 3 per cent of the banana market.

"The secret of our success is that we are small and much more flexible than our big competitors," Perez said.

"Suppose a client in Louisiana has a problem with a banana cargo we sent him," he said. "If he calls us, we would probably solve it immediately, while it may take him three days to go through the bureaucracy of one of our competitors."

PLANTAIN SALES

On the other hand, he said, Banana Services Inc. owes much of its success to its plantain sales to Hispanic markets in New York and Florida. Banana Services Inc. controls 30 per cent of the U.S. plantain market.

"Plantains work like a hook for Cubans," Perez said.

"When local supermarkets told me a few years ago that they wanted to increase their sales of black beans, I told them to move them from the grocery to the produce department, right next to the plantains," he said. "It worked: Sales of black beans soon tripled."

Besides running his banana-import firm, Perez devotes part of his time to serve as an adviser to the Small Business Administration, a U.S. government agency.

He also heads the Florida chapter of Viva '84, a Hispanic drive to raise funds for the Republican National Committee.

Some of his few non-business activities are jogging and playing baseball in the "Pineapple League," a 13-year-old group founded by Cuban-American amateur players that meets every Sunday at Dade's Tamiami park.

"It's the only Cuban-American organization that has been able to remain united for so many years," he jokes.

Does he have any other hobby?

"Yes," says his wife, Helen. "Spending hours on the phone . . . talking business."

[From Reader's Digest, September 1984]

CARLOS PEREZ—"HERO FOR THE '80s"

(By David Reed)

In President Reagan's State of the Union message to Congress last January, he applauded the "spirit of enterprise" shown by one Carlos Perez who, the President said, had arrived here, a refugee from Cuba, virtually penniless, and gone on to prove that America is still a land of opportunity.

Soon after, my sister telephoned. "Is that our Carlos?" she asked. I called his home in Miami. "Yes, it's true," said Carlos' wife, Helen. "This phone has been ringing off the hook."

Helen, also a Cuban-American, was a friend of an aunt of mine, who lived in Miami. I first met Carlos at Aunt Marvel's home in the spring of 1960. A muscular man with a shock of black hair and a perpetual ear-to-ear grin, Carlos had just arrived in the United States. Fidel Castro had come to power the previous year and Carlos, like so many of his countrymen, fled to the United States rathern than live under communism.

Carlos, 28 at the time, spoke no English. When asked how he liked the United States, his face lighted up and, with great enthusiasm, he exclaimed: "No comprendo" ("I don't understand"). When asked about his plans for the future, Carlos beamed: "No comprendo." When someone said, "See you later," Carlos' face almost split apart from the smile: "No comprendo."

Carlos had just $27 in his pockets. Aunt Marvel found him a room in the house of a neighbor lady, who agreed to wait awhile for the rent.

Back in Cuba, Carlos had been a powerhouse beisbol pitcher and was chosen for the 1953 Caribbean World Amateur Series in Caracas, Venezuela. Cuba won, and Carlos attracted American attention. Offered a minor-league contract, he decided instead to go into his family's wholesale-produce business. After getting his university degree, he pounded the streets of Havana, selling to grocery stores. He saved almost as much as he earned and eventually, with four trucks for hauling produce to Havana from the provinces, Carlos became a successful businessman.

The revolution changed all that. When Fidel Castro took over Cuba in 1959, the government confiscated Carlos' business and trucks.

Once in the United States, Carlos wanted to start anew as a businessman, but he hadn't a clue how to go about it. He was a foreigner, he knew no English and he did not understand gringo ways. Nonetheless, he was determined to find out if America was, as it has often been called, a land of opportunity, a country that had grown to greatness because it had permitted immigrants from all over the world to contribute to the fullest with their talents and energies.

Working with relatives still in Cuba, Carlos tried to set up a business importing tropical fruits. As luck would have it, anti-Castro longshoremen in Miami and West Palm Beach refused to unload a shipment of pineapples, calling them "communist" fruit. As a forlorn Carlos stood on the dock, the ship sailed away to dump them at sea.

Carlos married Helen in 1960, and the newlyweds lived in a small house in a lower-income area of Miami, sharing the cramped space with her mother and Helen's two daughters from an earlier marriage. Sometimes it was only his wife's job as a receptionist that kept food on the table. She also knew English and helped Carlos in his struggles to learn the language.

Gringos were baffling. Once, while driving with Helen, Carlos' jalopy stalled. A police car pulled up behind, and Carlos was certain they were in trouble; in most Latin countries, people fear the police. But the officer, they found, had stopped simply to help.

The Perezes were particularly stunned by the assassination of President Kennedy in 1963. "The American Army will take over now," Carlos told Helen. That's what would have happened in most places in Latin America. The fact that the system remained unshaken made an abiding impression on them.

In 1965 Carlos rented 30 acres of land in Homestead, south of Miami, and planted it with sweet potatoes, a Cuban favorite. The potatoes did not fare well. One day a county agricultural inspector appeared in the field. Carlos wondered how big a bribe the man would demand—what one would automatically expect to happen in many Latin countries. But to his utter surprise, the inspector said, "I hear you're having trouble. Let me see your fertilizers. I'll take a sample to the lab for tests."

Despite the early setbacks, Carlos kept plugging away at the wholesale-produce business. One day he called on a large supermarket chain in Miami without much hope that he could break into that lucrative market. But the produce buyer greeted him cordially, listened to his sales pitch, and then said, "Come back next week and we'll see if we need anything." Carlos returned the following week, made the same pitch, got the same answer. This went on for six months until, to his surprise, the buyer gave him a order, the first of many. Carlos realized then that the buyer had been testing him to make sure he was serious and tenacious enough to fulfill his part of the bargain.

Carlos started working for a banana-importing company and, in 1970, traveled to a region that was, to him, as distant and strange as the moon: the Midwest. It was the dead of winter and Carlos, who had spent his entire life in tropical Cuba and Miami, flew to Chicago in a borrowed overcoat. With his heavily accented English, he thought he would get short shrift from buyers. But in Chicago, Milwaukee, Sheboygan, Des Moines and Omaha—everywhere—he was staggered by the response. People invited him to dinner and took him sightseeing. He came home with $10,000 in orders.

Business was flourishing, and Carlos began flying to Central and South America several times a year to make deals with produce growers. Diplomatically but persistently, he got them to upgrade the quality of their crops. Once he even persuaded a group of Colombian growers to pave the roads leading from their plantations to the port to reduce bruising of the fruit.

In 1970, before an American flag, Carlos swore allegiance to the United States in a ceremony in Miami, becoming an American citizen. Later, he obtained two prized possessions: an American passport and a voter's card.

Soon after, on a business trip to Medellin, Colombia, Carlos helped form a baseball team to play a Colombian team. His team won, and the next day a local newspaper ran a headline, "Gringo Baseball Team Beats Colombians." "I am very proud to be called a gringo. I really am an American now," Carlos told Helen when he returned home.

In 1982 Carlos set up his own business, chartering two large freighters to bring bananas from Colombia to the States. In 1983 he grossed $22 million, and expects to gross between $35 million and $40 million this year, with sales as far afield as Winnipeg. His success attracted the attention of officials at the Small Business Administration (SBA) in Washington, who appointed him a member of the agency's National Advisory Council and chairman of its committee on minority business.

Carlos recalls how as a youth in Cuba he had imagined that America was run by Big Business. As he learned, small businesses such as his own play an indispensable role in the American economy and, ultimately, in the success of U.S. democratic institutions. Of the 14 million businesses in this country, 98 percent are small ventures that create nearly two-thirds of all private, nonagricultural jobs and generate 38 percent of the country's gross national product.

Now 52, Carlos continues to play beisbol every Sunday in Miami. He and other Cuban-Americans have formed what they call the Pineapple League, with six teams. In deference to their advancing years and expanding waistlines, they have slowed the game down. But just as in the old days in Havana, there are feverish cries of "Arriba, Carlos!" ("Way to go, Carlos!") and, on rare occasions, "A las duchas, Carlos!" ("To the showers, Carlos!").

On the afternoon of last January 25, Carlos, his hair flecked with gray, on his way to Washington for a meeting of the SBA advisory council, was paged at the Miami airport by his office. He was told to be sure to listen to the President's State of the Union message. That evening Carlos watched as President Reagan hailed a "spirit of enterprise" in the Union shown by "sunrise industries of high-technology and by small-business people with big ideas"—among them Carlos Perez, "a Cuban refugee who turned $27 and a dream into a successful importing business in Coral Gables, Florida." People such as Carlos, the President said, are "heroes for the '80s." Tears streamed down Carlos' face as he thought of all the years since his arrival in America, of the Cuba that might have been, of the America that had received him so generously and of the gringo President who had just honored him.

When the press asked him what he thought of it all, Carlos had just one answer: "America is the greatest country in the world," he said. "Absolutely the greatest."

BIOGRAPHY—CARLOS M. PEREZ

Carlos Perez, 53, is a native of Artemisa, Pinar del Rio, Cuba. He is married to the former Helen Aulet of Havana, and they have two daughters, Alicia and Elena.

Mr. Perez completed his preuniversity studies in Artemisa and then went on to the University of Havana, where he distinguished himself as an athlete-scholar. During his period at the University, Mr. Perez was selected as an All-Star player and participated in the National Amateur Baseball Series (1952). He was selected to be a member of Cuba's National Baseball Team in the World Amateur Baseball Series held in Venezuela in 1953.

After earning his Ph.D. in Education, Mr. Perez was engaged as a salesman by Compania Empacadora Majagua, an exporter of canned tropical fruits. Two years later, in 1957, he became its Vice President. In 1957, also, the 25-year-old Carlos Perez founded a transport company, Compania Transporte Majagua, and served as its president.

The career of Carlos Perez, like that of many others in his homeland, was abruptly interrupted with the onslaught of Fidel Castro's revolution in 1959, when Cuba's new communist government undertook a program of nationalization of all business, including that of Mr. Perez.

In October 1960, Carlos Perez came to the United States to escape the ever increasing threats against him and his family. With only $27, he began a new life in this, his adopted country. During his first two years in Miami, he accepted any work he could get to support his family. Then, in 1962, he joined West Indies Food and Packing Co., and served in the capacity of Vice President. Once back in his field of expertise—tropical commodities—Mr. Perez's career again grew quickly.

In 1966, he was asked to join another tropical fruit company, Frutera del Caribe, as its Vice President and General Manager. During the next two years, Mr. Perez developed new agricultural programs in various Central American countries. Most notable was a massive prototype pineapple plantation in Nicaragua. Because this plantation was established in Puerto Cabezas, in a region inhabited by the Misquito Indians, Carlos Perez became well acquainted with that tribe.

In 1969, owing to his reputation for creativity and success in the marketing of tropical fruits, Mr. Perez was offered the vice presidency of Turbana Banana Corp., a Colombian company. In his first year with Turbana, Mr. Perez increased its sales to $3,000,000. During the next ten years, under his direction, sales mounted tenfold. By the time he left Turbana in 1981, annual sales had soared to $31,000,000.

Not only did Turbana Banana enjoy an extraordinary increase in sales under Mr. Perez's direction, but it also became the largest importer of plantains in the United States, from 200 boxes a week to a weekly volume of 30,000 boxes. Also during Mr. Perez's tenure, Turbana was twice the recipient of the National Economic Development Association NEDA) award for excellence in its field.

In 1982, Mr. Perez established his own company, Banana Services, Inc., specializing in importation, marketing, and shipping of tropical fruit. In this venture, he was joined by a number of long-term employees who had worked with him at Turbana. In its first sales year (1983), Banana Services achieved sales of $20,000,000, and expects to double its sales for the current year to a volume of approximately $40,000,000. Banana Services' client base stretches from Florida to Canada and from the East Coast of the U.S. to the Midwest.

While Carlos Perez has always been deeply dedicated to his family and his business, he also takes time to pursue his lifelong interests—sports and politics. In 1977, he took a United States baseball team to Medellin, Colombia for an international competition, which was recognized by both U.S. and Colombian officials as the most outstanding sports event between both countries ever held in that city.

Since 1970, Mr. Perez has supported local baseball as vice president of a businessmen's league. In 1976, he became founder and remains a director of the Olympic City of the Americas, a nonprofit organization with the sole purpose of promoting sports activities between the United States and Latin-American countries.

In the area of politics, Carlos Perez has been an active Republican since he joined the party in 1970. With the election of President Reagan in 1980, Mr. Perez was named to the National Small Business Advisory Council. In 1981, he was elected Chairman of the National Minority Committee of the Small Business Administration National Council. Most recently, in November of 1983, Mr. Perez was appointed Chairman of VIVA '84 for the State of Florida.

VIVA '84 was a national fund-raising program developed by the Republican National Committee (RBC). Florida VIVA '84 was the designated official Hispanic organization authorized to solicit funds from Hispanics on behalf of the Republican Party during the election year of 1984.

Also important among VIVA '84's activities were voter registration and political education among Hispanics to increase their knowledge of candidates and issues and thereby enable them to participate constructively in this country's political process. Florida VIVA '84, under Mr. Perez's direction, made political history by registering more than 25,000 voters in South Florida between May and October of 1984. Another record was achieved in South Florida during the same year, when over 90 percent of its Hispanic voters supported Ronald Reagan, due largely to the efforts of Florida VIVA '84.

In October 1984, President Reagan named Carlos Perez a member of the United States delegation to Algeria for that nation's celebration of its Thirtieth Anniversary Commemoration of Independence.

After the discontinuance, in February 1985, of Florida VIVA '84 as a committee of the Republican Party of Florida, Carlos Perez founded a new organization, Con-

cerned Citizens for Democracy, Inc., and serves as its President and Chairman of the Board.

Briefly stated, CCFDI's central goal is the preservation and strengthening of democracy in the entire Western Hemisphere.

Toward its final goal, CCFDI seeks to assist in the furtherance of President Reagan's political philosophy and implementation of his administration's policies.

One of this group's earliest projects was the organization of a three-day trip, in March 1985, to Washington, D.C., with over 125 participants representing a cross section of society from Central and South America, South Florida, and other parts of the United States. In Washington, the Concerned Citizens group held discussions with members of the United States Senate and House of Representatives in the effort to gain their support of the Freedom Fighters and their cause in Nicaragua.

CCFDI is now planning additional projects for the immediate purposes of helping to fund humanitarian aid to the Nicaraguan cause for freedom, and of alerting as many citizens of our hemisphere as possible to the steady encroachment of communist totalitarianism, worldwide.

In addition to his national posts, Mr. Perez continues to hold a number of honorary positions in local Republican circles. He is also an active member of Miami's American Club, Big Five Club, and Latin-American Kiwanis Club, and served as President of the latter organization during 1977-78.

CHARLIE HALLECK

HON. JAMES T. BROYHILL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. BROYHILL. Mr. Speaker, I read with deep regret of the passing of my good friend, Charlie Halleck. Charlie and I first met back in the early 1950's. When I came to Congress in 1963, Charlie was a great help to me as a freshman Congressman. In fact, he was most helpful in my election to Congress in 1962.

During his time of leadership of the House Republicans, the Party went through some success as well as setbacks. Throughout all of these changing times, Charlie was always the same and fought hard for Republican principles.

I will never forget the courtesies he paid to me as a freshman Congressman. As one example, he invited me to give the keynote speech at the annual Republican Lincoln Day Dinner in his hometown of Rensselaer, IN. I will always remember the great hospitality of the fine people of Rensselaer. I talked to Charlie on the telephone awhile back. Though his health did not permit active participation in the political affairs of his State and Nation, in spirit he was still in there fighting the good fight in behalf of the Republican Party.

We Republicans need more Charlie Hallecks!

THE NEED FOR A UNIFORM PRODUCT LIABILITY CODE

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. ROTH. Mr. Speaker, I will shortly be introducing legislation which would establish four reforms in our current product liability system. They are fair and they are simple. My legislation will not further complicate the already beleaguered court system. It will, however, send a clear message to the courts that this madness must end.

My bill will set a negligence standard, and only a negligence standard, for defective design and failure to warn cases. On the issue of punitive damages, the plaintiff would have to establish the defendant's recklessness by "clear and convincing" evidence. It would further sort out the rules for allocating damages between tort and workers' compensation systems. This would end the overlap that presently exists. Finally the bill would release nonmanufacturers—retailers and wholesalers—from liability, except in special circumstances where no compensation could be received from the manufacturer.

I urge my colleagues to support these reforms and I commend to their review the third in a series of articles from the Washington Post by Kathy Sawyer on "The Liability Crisis."

[From the Washington Post, Feb. 25, 1986]

THE LIABILITY CRISIS—HOW A GOOD TOWN BECAME A BAD RISK

(By Kathy Sawyer)

Welcome to Schaghticoke, N.Y., a chaste Grandma Moses landscape of snow-blown birches, farms, rivers, little commerce, orderly neighbors and no police force.

As recently as four years ago, this township (pop. 7,090) was courted ardently by a pack of insurance companies that expected to profit from her virtue. She'd never been sued. Her virtue remains intact, yet one morning last spring, town supervisor Mark Zaretzki was stunned to read in the Knickerbocker News that good little Schaghticoke's insurance was going to be canceled.

In the words of Mae West, goodness had nothing to do with it.

Schaghticoke had collided with the world of insurance underwriting, where a distinct, and hotly disputed, version of reality prevails. In this world, a computer had digested statistics about distant, scattered events and then decreed that this hamlet in New York's Upper Hudson region suddenly—without making any mistakes, causing any harm or costing anybody money—had become a minefield of dangers: a bad risk.

Her insurer, Utica Mutual, headquartered about 100 miles to the west of Schaghticoke near Utica, N.Y., announced last April that, by next August, it will have withdrawn from all municipal liability coverage. The decision applies to 229 townships and villages in New York state and 83 in 13 other states. Utica's president says he knew it would create "chaos."

The "chaos" is not limited to towns and villages. Truckers, baby doctors, chimney sweeps, liquor dealers, bartenders, child care centers, churches, abortion clinics, schools, ski lift operators, bus companies, pest exterminators, trade associations, Girl Scouts and governments around the country are canceling activities, raising prices or taxes, or going out of business—all because of the difficulty of getting insurance to protect them in case of lawsuits.

Some who have never filed a claim now face rate hikes of 1,000 percent or more. Others can't get insurance coverage and are either doing without it or scrambling for some sort of self-insurance or pooling arrangement.

"We went into a panic," town supervisor Zaretzki recalled. Paying a whopping premium increase for the one, possibly temporary, new insurer they could find has already cost Schaghticoke taxpayers most of a planned tax cut. Their schools, fire and rescue services are also experiencing massive insurance rate hikes. And Zaretzki and the town board still face the possibility that they might have to join the growing ranks of the naked cities with no insurance.

In the nearby state capitol at Albany, soon after he got the news, Zaretzki angrily confronted one of Utica's top executives, who was trying to explain his company's action at a hearing of the legislature.

"I wouldn't repeat some of the language I used," Zaretzki said. "But I was outraged . . . . I asked him how they could cut off such a good town, one that they made money on . . . . The gentleman was unable to explain in any rational way."

APPORTIONING SOCIAL COSTS

Trial lawyers and other critics charge that the liability crisis that has hit Schaghticoke and the rest of the country is a consipiracy to gouge the public, an illusion cooked up by the wizards of odds in the insurance industry to stampede legislators into changing laws to its benefit. The industry responds with charges of greed by fee-hungry trial lawyers.

But at bottom, the debate is about how best to apportion, or broker, the social costs of misfortune.

Although insurance companies vary widely in size and situation, the reasons offered by the executives at Utica to explain their rejection of municipal liability reflect broader concerns in the industry. By way of another attempt to answer the outraged Zaretzkis of the world, the company's top executives retraced for The Washington Post the process they say led to their controversial decision.

Utica Mutual is part of the Utica National Insurance Group, a middle-sized company, founded in 1914, which provides a mix of commercial and personal insurance and related services. Major policies are set by no more than a handful of senior executives.

They have much in common with town supervisor Zaretzki. Like him, they are educated, middle class, active community affairs. Jack B. Riffle, the company's chairman of the board, president and chief executive officer, is on the Boy Scouts of America's National Executive Board, has earned the Silver Beaver and Silver Antelope Awards for his leadership.

Zaretzki lives with his wife and son in a rambling, 150-year-old farmhouse that used to be a stagecoach stop. He commutes to his full-time job in Albany but figures he spends a minimum of 20 hours a week on his $7,300 per year supervisor's job.

In their computer printouts, Utica officals said, Schaghticoke and every other town and village, regardless of their histories, presented equal possibilities of death, paraplegia, discrimination, official brutality and other eventualities. What concerns them

most, they said, is that in the new legal scheme of things, one of these occurrences can deliver any town into the clutches of a volatile creature known as a jury—whether or not the town has been negligent or wrong in some way.

The civil justice system "was designed primarily to hold wrongdoers responsible for wrongdoing, not to compensate victims," said Utica's Riffle. "Now we're using the court system to redistribute wealth."

The decision that panicked Schaghticoke was born in a climate of distress for the property and casualty side of the industry (as distinct from the other major segment—life and health). Every year since 1979, industry analysts say, it has lost its shirt selling insurance, and 1985 was its worst ever.

The losses also spooked the companies (most are foreign-owned) that insure the insurance companies. These so-called reinsurers, such as Lloyd's of London, had joined the orgy of bargain-rate competition and took a worse shellacking than the primary insurance companies.

Where the industry was doing well was not in providing insurance, but in its investments of the tens of billions of dollars in premiums it collected from policyholders.

More than six years of high interest rates produced very high yields on those investments. Company executives guessed (wrongly, as it turned out) that they could lower their premiums drastically, the better to compete, and make up the difference when they invested the premiums.

In short, an insurance price war occurred, driven by the high yields on investments.

"If one overestimates his investment, he will underprice his product. We all did that," said Utica's Riffle.

For a time, Schaghticoke was a beneficiary of that competition.

UTICA WAS LOW BIDDER

Town supervisor Zaretzki, who is a specialist in budget and administration for the speaker of the state assembly, had appealed to the heavily Republican citizenry with promises of fiscal conservatism to become, in 1982, the first Democrat elected to the office in 40 years.

He thought his Republican predecessors had been paying too much for insurance, so he put it out for bid. Utica was the low bidder, at $10,010 a year, or less than half what the town had been paying, Zaretzki won praise in the local press for this coup.

For Utica, the momentum of competition still outweighed the emerging negatives associated with municipal liability coverage.

In Riffle's words, "It was kind of a little market niche we'd established for ourselves." A number of Utica executives, including the chief underwriter, were reluctant to abandon it. This produced what Riffle called "a very heated debate at the top levels of this company."

Utica was hearing the reports circulating in the industry about rising court judgments and settlements against municipalities. And like most property-casualty insurers, Utica was seeing the actuarial, or statistical, information on national insurance trends—collected, analyzed and circulated by a nonprofit organization called the Insurance Services Office (ISO), which helps insurers decide how much to charge.

One recent judgment in particular had a shattering impact on insurers. A $15.5 million court judgment against Jackson Township, N.J., required its insurer, Hartford Accident and Indemnity, to pay damages for years of contamination of town wells by chemicals from a landfill. Hartford's policy had specifically excluded pollution coverage, except for "sudden and accidental" incidents. But the court interpreted those terms as applicable to slow years of seepage. (A portion of the verdict was reversed on appeal, leaving a $7.4 million award standing.)

Among other things, the case illustrated to insurers their inability to protect themselves even with the most painstaking contractual language against the whims of court interpretations, many said.

As for Utica's policyholders, officials said the problems came into view a little at a time, on pieces of paper called "serious claims forms," which are circulated to all the top executives.

In November 1983, for instance, there was a report on a single-car accident on a rural road in the town of New Windsor, 100 miles south of Schaghticoke.

"Remarks: Town employes repaved a town road covering repaved section with gravel. Accident occurred on repaved section at intersection with county road. Plaintiff (18) allegedly lost control because of gravel, resulting in one-car accident. Quadriplegia resulted . . . He was in top 10 percent of high school class and member of honor society. Makes a good appearance and attends college . . . Settled before trial for $950,000. Our share $650,000, county share $300,000."

That was one of two single-car accidents on the same stretch of road in less than two years. The other involved a motorcycle rider who lost the use of his legs. The allegations were the same.

The New Windsor cases cost Utica more than $1 million.

"Those two cases brought our undivided attention to municipal liability," said Joseph L. Kronen, senior vice president for claims.

Utica executives said they began to notice a change in the overall pattern of such claims, in their "complexion and success" and in their numbers.

Said Riffle, a tall, personable man, "It seems to me that every time there is a serious auto accident in the state, particularly when the 'at fault' driver has low limits [on his insurance coverage], the government responsible for maintaining the street, road or highway gets sued: for too much salt, or not enough salt; for too few signs, or too many signs; for signs too high, or signs too low. Or something."

The increasing uncertainty of an outcome in court, said Riffle, often leads the company to settle, rather than fight and risk a much higher cost at a jury's hands.

In 1980, Utica policyholders nationwide (in all types of insurance, not just municipal) were attracting 196 new lawsuits a month, officials said. Last year, as of October, 278 new suits a month on average were being filed.

Two years ago, the Utica executive vice president for underwriting, who had championed municipal coverage, retired. His successor, Wallace Watkins, recalled that he promptly asked for a breakout on how Utica was doing with that line of coverage. After several months, officials said they found that in municipal coverage, for at least two years, Utica had been paying out two dollars for every premium dollar it took in.

It was at this point, said Richard J. Beidleman, a vice president for underwriting, that he changed his mind and joined those who wanted to stop insuring towns.

Underwriters such as Watkins and Beidleman are the oddsmakers of the insurance business. They "select" which risks to bet on, or cover, and they make recommendations about how much the bet is worth. They operate on a basic principle of insurance: the law of averages, or as their boss Riffle prefers to call it, the law of large numbers. "The law of large numbers is what distinguishes insurance from gambling," said Beidleman. Without it, Riffle said, "Take your money to the track."

Simply put, the law states that events occur with predictable regularity, and the more times an event happens, the more closely the results will approach the predicted outcome.

OPERATING LOSS REPORTED

Officials at Utica and elsewhere state flatly that they are a for-profit business, not a quasi-social service bureau. In its 1984 annual report, Utica reported a net operating loss of more than $13 million. Its net worth was nearly $103 million, but that fell short of the ratio of $1 for every $3 in premiums sold that is widely accepted as a safe standard for a reserve fund to pay off possible claims.

There came a time, late in 1984 by some estimates, when the industry collectively began to slap itself out of its binge and try to return to first principles. Their investments were, and are, still making money, but no longer enough to overcome massive losses on the insurance underwriting side, analysts say. Some industry officials say their critics are right when they charge that premiums are being raised more than necessary just to cover claims. Insurers are also building back their depleted reserves and working capital.

At Utica, Riffle recalled, there came a day when his underwriting, marketing, claims and other senior executives recommended the drastic measure of withdrawing—gradually, they emphasize—from an entire market. "They came to me and said, 'Well, there could be some political fallout.' I said, 'Do what you gotta do. . . .'"

But he added, "Give me a choice between chaos and insolvency and I'll take a little chaos. And it (our decision) is creating chaos. We've got a lot of people mad at us."

The state superintendent of insurance, whose office regulates Utica and other New York-based companies, and some state legislators are among those made at Utica and other insurers.

"We didnt like it, but it was the company's right to do it," said Kevin Foley, a spokesman for the state insurance superintendent's office.

Dick Lownes, an independent insurance agent in Schaghticoke who had followed in his father's footsteps in selling policies, including Utica's, to area towns and villages is another who is upset.

"Schaghticoke had next to nothing as far as claims experience. Fender bumps, a stone that fell off a truck and busted a windshield. That kind of thing. And they've bent over backwards on their town dump. It's the only one in the county that meets state guidelines," Lownes said.

Across the street from Lownes, the Hoosick Valley Central School District elementary and high schools that serve the area, formerly insured by Utica under a separate policy, are facing a 400 percent increase in premiums for one-fifth the amount of coverage, according to Superintendent Joe Colistra. The volunteer fire and rescue squads are also facing large increases and have asked the township of Schaghticoke for extra financial help.

One recent snow-covered day in Schaghticoke (an Indian name meaning "warriors of the mingling waters"), Zaretzki inventoried the situation, at the home of town bookkeeper Nancy Harder, who keeps the city records in her son's bedroom under a Hulk Hogan poster.

GETTING LESS FOR MORE

After Utica withdrew, the only new insurance policy the town could get increased the premium by 400 percent, to $48,000 a year, for one-third the amount of coverage.

The total town budget for 1986 is $800,000, of which $246,000 comes from local taxes (the lowest in the county) and the rest from state and other sources. Its citizens were looking forward to a 35 percent tax cut, Zaretzki said. Instead, the cut was only 10 percent.

Meanwhile, he said, "We're trying to govern defensively." The 15-square-mile township, whose roads follow paths used by horse-drawn carriages and Indian hunters centuries ago, has increased spending by $16,000 for road repairs and maintenance, with another $300 spent on a device to measure the distance of signs for intersections. "A road gets fixed or it gets closed."

The closing of one road has cut off irate property owner Gwendolyn Fox from her farm, she complains. But the township can't afford the $3 million it would cost for repairs and "the board has decided our possible liability exposure is so high we can't take chances."

As for the new insurance policy, it can be canceled on 30 days notice, Zaretzki said. "We don't know what the situation will be next year . . . We could literally be talking about a 300 percent increase in taxes if we had to cover a major court award."

THE TAIWAN INDEPENDENCE MOVEMENT: JUST ANOTHER GROUP OF TERRORISTS

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. SOLOMON. Mr. Speaker, I would like to share with my colleagues an important study that has just been prepared by the U.S. Committee on Asia/Pacific Peace and Stability. This study provides ample documentary and historical evidence that the so-called Taiwan Independence Movement is in reality a terrorist organization working in collusion with the People's Republic of China toward the overthrow of the Government of the Republic of China on Taiwan.

At this point in the RECORD, I would like to insert the foreword written for this important study. Written by Col. Charles R. Eisenhart, this foreword summarizes the contents of the study. I would be happy to provide any Member with a copy of this complete study and other information about the Taiwan Independence Movement and its involvement in international terrorism.

FOREWORD

The rising tide of vicious and horrifying terrorism in our world today should engender in the mind of every person an increased abhorrence of the mindless atrocities committed by those inhuman killers who appear to have lost any sense of justice or conscience. We all live in constant danger from those monstrous terrorists. Steps to counter this violence are urgently needed in spite of all the difficulties of identifying and punishing the perpetrators. There is no aim or program which can justify terrorism. Secretary Shultz, speaking last month in Belgrade, said bluntly that such an act "is not justified by any cause. . ." In May of 1981 the Department of Justice of the State of California issued a document deal with "International Terrorism." Its first example was the "Taiwanese Extremists. . . (often referred to as the Taiwan Independence Movement). . ." The document listed five bombings by this group, one of which resulted in a fatality. Other atrocities have been committed by this same group since then.

Drs. Gregor and Chang last year described the make-up of this gang which is aimed at the destruction of the government of the Republic of China on Taiwan. The publication which follows gives documentary proof that the Taiwan Independence Movement is simply another terrorist organization. It has no moral justification and should elicit no tolerance.

Faced with the facts of the astonishing success of the current Taiwan government which has brought tremendous advances in the welfare of its populace, the TIM has been able to recruit only very few. In desperation, TIM has turned to terrorism—both in Taiwan and in other parts of the world including the U.S.A. Their own documents quoted by Gregor and Chang herein show their dedication to mindless atrocities. While their efforts to gain any sizeable group of adherents and are not likely to do so in the future, terrorism is never susceptible to rational—or even humane—considerations. Not only the government on Taiwan but rational people throughout the world must be alert to their threat to lives and property from this vicious group. It is also crystal clear in these documents that TIM aims at the imposition of a Marxists-Communists regime on the prospering people of Taiwan, with a consequent reduction in American peace and security.

US—Capps supports peace and stability in the Asia-Pacific area. With terrorism knowing no boundaries—either geographical or moral—the Taiwan Independence Movement, incontrovertably a terrorist organization, poses a threat to all people throughout our world. This publication should be read and digested by everyone who values life and freedom.

HAMDEN—200 YEARS PROUD

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. MORRISON of Connecticut. Mr. Speaker, 1986 marks the bicentennial of the founding of the town of Hamden in Connecticut's Third Congressional District. In honor of this occasion, the town will hold a bicentennial ball on March 15, kicking off a 7-month-long birthday celebration. The theme of this celebration will be Hamden's rich history and promising future.

Incorporated on May 11, 1786 after a friendly secession from neighboring New Haven, Hamden has earned itself a distinguished history. As a resident of Hamden, I take special pride in recognizing the many important contributions and accomplishments of my community.

From the town's beginning, the citizens of Hamden have shown a constant dedication to the principles of freedom. Hamden residents have fought bravely to defend the United States and have distinguished themselves in every conflict from the time of the Revolution. It was a Hamdenite, Captain Oberlin, who led the famous rescue in World War I of the lost American detachment in Belleau Wood.

Hamden is also known for its contributions to the Industrial Revolution. It has even been said that the Revolution began in the town of Hamden—Eli Whitney used his Hamden gun factory to pioneer the concept of interchangeable mechanical parts which became the foundation of modern industrial technology. Since that time, several other significant industrial advances have occurred in Hamden. The process of vulcanization was first used commercially in Hamden by its inventor Charles Goodyear. In 1880, Eli Whitney's nephew, E.W. Blake, developed the stone crusher which vastly improved road paving methods; Whalley Avenue was the first street to benefit from the invention.

The citizens of Hamden are fortunate to have as the chairman of the bicentennial, Lucien DiMeo, former mayor, accomplished local historian and honored citizen of Hamden. The generous support of Donald Calcagnini, president of the American National Bank, has also helped to make this celebration a reality.

Mr. Speaker, the theme of the bicentennial ball is "Two Hundred Years Proud" and I am very proud to represent Hamden. The dedication of time and energy by many Hamden citizens has played an important role in furthering the town's celebration of its rich heritage and exciting future. I know that my colleagues join me in wishing the people of Hamden well as they celebrate a joyous 200th birthday.

HEALTH CARE CHALLENGES

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. COLEMAN of Texas. Mr. Speaker, I rise to commend Michael Hudson of the Children's Defense Fund in Texas and Maria Kain of the March of Dimes for the maternal and child health leadership conferences they have sponsored throughout the State of Texas. Through their efforts, they have brought together health-care providers and all levels of government to provide a better understanding of how to address the unique health care needs that exist along the southern border region. More specifically, they have focused their efforts on promoting better health for those who are the most vulnerable—mothers and children.

There is a deepening crisis in health care access and delivery along the United States-Mexico border. There is no region in the country that experiences the multiplicity of adverse factors that create unique health-care problems and inaccessibility to health-care delivery that afflicts this region. In my district alone, over 163,000 people, a majority of them

women and children, living in medically underserved areas. Our region's unique international and geographic location creates additional health care challenges that most other parts of the nation do not experience.

With the demand on our local resources increasing every year while revenues are diminishing due to dramatic Federal funding cutbacks, local and Federal efforts to confront these problems have been crippled. Yet, in spite of these obstacles, the Children's Defense Fund and the March of Dimes have coordinated a public education effort and training projects that includes utilizing the limited funds available to provide health care services to the poor more efficiently and cost effectively without compromising the quality of that care.

Their dedication and commitment has generated the building of a state-wide network of informed advocates who are working together to improve the health-care status of mothers and their children.

TRIBUTE TO HENRY J. FRIENDLY

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. GREEN. Mr. Speaker, I rise to pay tribute to Henry J. Friendly, a U.S. Court of Appeals judge in New York for 27 years and also a resident of my district, who died recently. Judge Friendly had a national reputation for crafting scholarly, well-written legal opinions, and he has also been called one of the greatest Federal judges in the history of the Federal bench. His practical, well-written opinions are still cited today.

I had the privilege of working under Judge Friendly in the late 1950's when he was a senior partner and I was an associate of the Cleary, Gottlieb, Friendly & Hamilton law firm.

Mr. Speaker, I ask that my colleagues in the House join me in honoring Judge Friendly for his many years of dedicated public service. He will be greatly missed.

BASKETBALL CHAMPIONSHIP GAME

HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. DARDEN. Mr. Speaker, the class AAAA Georgia State high school basketball championship game this year was an all-Cobb County final, bringing together the outstanding teams of Wills High School and Sprayberry High School. I would like to call to the attention of my colleagues the achievements of these two groups of outstanding young men from the Seventh District of Georgia.

To borrow a line from the Marietta Daily Journal's description of the thrilling encounter on March 8: It is too bad the game could not end in a tie.

The Wills Tigers stormed back from a 64 to 56 deficit in the final 2 minutes to take a 68 to 66 victory over the Sprayberry Yellow Jackets. Wills guard Dale McCullough—the smallest player on the court—scored the winning basket with only 3 seconds left on the clock.

Wills finished the season with a 29 to 3 record, while Sprayberry won 27 and lost 5.

And, although Wills took the State AAAA title, Sprayberry can be proud of its designation as "Team of the Year" by the Cobb Tip Off Club, and the naming of coach Ken Clouse as coach of the year by that same organization.

Mr. Speaker, I hope my colleagues will join me in congratulating Wills Tigers Coach Charlie Neal and his players; Dale McCullough, Jackie Joyner, Bo McQueen, Keith Chandler, Scott Morgan, Todd Penland, Brian Oliver, Mark Palmer, Tim Mitchell, Scott Bailey, Mike Creech, Terrel Thomas, and Luther Smith.

I ask my colleagues to also join me in commending Sprayberry Coach Ken Clouse and his players; Cecil Blount, Rai Faircloth, Jeff Wallsinger, James Robinson, Terry Kemp, Spence Travis, Steve Grant, Mike Ellis, Brad Hine, David Bullard, Tod Miller, Mark Fitch, Mark Lucas, and Rob Cothran

H.R. 864

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. TRAFICANT. Mr. Speaker, today I rise to speak in support of H.R. 864 and to submit a resolution passed by the Ohio Legislature on this subject.

As a cosponsor of H.R. 864, I believe we must do all we can to improve veterans' benefits for former prisoners of war. My Ohio colleague, Representative DOUG APPLEGATE should be highly commended for introducing this legislation.

Specifically, this bill would broaden the benefits available to former POW's suffering from diseases or other disorders as a result of their wartime imprisonment. These individuals have made great sacrifices for their country and should never be forgotten. This legislation addresses some of their specific needs and provides them with relief.

Mr. Michael Medzie, a leading proponent of this legislation from my congressional district has recently shared with me a copy of a resolution passed by the Ohio General Assembly endorsing this legislation. At this point, I would like to submit the text of this resolution for the RECORD. The resolution is as follows:

Whereas, title 38 of the United States Code provides specific benefits for our nation's former prisoners of war, who suffered greatly from dietary deficiencies, forced labor, and other inhumane treatment by enemies of the United States; and

Whereas, a recent evaluation of Veterans Administration statistical data, however, reveals that current laws are lamentably inadequate with respect to longtime health problems of former POWs; and

Whereas, House Resolution 864, now pending in the 99th Congress, was introduced to further amend Title 38, thereby broadening the benefits available to former POWs suffering from long-lasting illnesses, disorders, or conditions resulting from their wartime incarceration; and

Whereas, Our country's POWs must never be neglected or forgotten; they are valiant Americans, one and all, who sacrificed on our behalf and in defense of our freedom: Now, therefore, be it

Resolved, That we, the members of the 116th General Assembly of Ohio in adopting this Resolution, express our belief that Congress should broaden benefits for former prisoners of war by adopting House Resolution 864; and be it further

Resolved, That the Legislative Clerk of the House of Representatives transmit duly authenticated copies of this Resolution to the Speaker of the United States House of Representatives, the President of the United States Senate, and each member of Ohio's Congressional delegation.

I urge my colleagues to give their support to H.R. 864.

VOTE ON PRESIDENT'S BUDGET

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Ms. MIKULSKI. Mr. Speaker, I rise today to voice my strong opposition to the President's proposed budget for fiscal year 1987.

Today, I voted against this budget. I did so, because I think it's a bad deal for taxpayers and a bad deal for Maryland.

I've talked to mayors about this budget, I've talked to students, I've talked to senior citizens, and I've talked to commuters. I got the same message from each and every group: "Vote 'No' on the President's budget."

I've been told by everybody from the Mayor of Baltimore to the county commissioners from Somerset County that the worst thing this budget does is eliminate all revenue-sharing funds—about $22 million for Baltimore alone. That means this budget cuts out funds communities need to help pay for police and fire protection, as well as other needed community services.

Second, this budget cuts out all funding for the Small Business Administration—a Federal Program that works with the private sector in generating new economic growth and new jobs.

For senior citizens, this budget is a real blow. It hurts our Medicare and Medicaid Programs by squeezing services and increasing premiums. Under Medicare alone, the monthly premium would go up from $15.50 a month to $36 a month, in a 5-year period. That's an increase of over 100 percent, and that's unacceptable.

For Medicare patients, the President's budget would allow fewer dollars, thereby reducing the amount of Medicaid available for nursing home care.

Finally, for commuters in our State, this budget is a real "flat tire." It drastically reduces the amount of money spent on our highways and subways. Under this budget, the green Metro line will go unfinished, and our already overcrowded highways will not just be clogged; they'll be gridlocked.

People in Maryland need a chance to get to work—on roads that work. Government has a responsibility to keep our trains running and

keep our highways in good repair. This budget does neither.

Mr. Speaker, I agree that we must balance our budget. We must reduce Federal spending. I know that the Democratic party is working on a budget of our own. I hope that budget will allow us to meet our social responsibility and our fiscal responsibility.

I want us to generate new revenues responsibility. Government shouldn't be involved in—like Conrail. And, I'm working to do that.

I want us to collect what we're due—that means bringing in unpaid taxes.

I think we should eliminate unneeded and unhelpful programs. Getting rid of all the Government's paid advisory boards is a good place to start.

The people I represent work hard for their money. As the ad says, "they work an honest day and they want an honest deal."

They don't mind paying their fair share of the cost of Government, but they want a dollar's worth of services for a dollar's worth of taxes.

They want public investments that generate private-sector jobs. They want their Government to be in touch with them and to be responsive to their needs.

This budget is not in touch; it is not responsive to the needs of our people; and, that's why I voted against it.

PERSONAL EXPLANATION

HON. LARRY E. CRAIG

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. CRAIG. Mr. Speaker, today I voted against House Joint Resolution 534, the $5 billion supplemental for the Commodity Credit Corporation [CCC], for a very important reason.

Although I support CCC supplemental appropriations, I could not support a $919 million appropriation that the Appropriations Subcommittee threw into the bill for the Farmers Home Administration [FmHA] only hours after the President had authorized transfer of moneys through the FmHA for farm operating loans.

This action by the Appropriations Subcommittee is in direct violation of the House Agriculture Committee's budget and is a grave distortion of the legislative process. This action destroys the integrity of the proper committee's and their authority over their respective subcommittee areas.

GEORGIA O'KEEFFE

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. DOWNEY of New York. Mr. Speaker, last week we lost one of America's greatest artists. Georgia O'Keeffe, who died at the age of 98 in Santa Fe, NM, has been called one of the most intensely spiritual painters of her age. She developed a personal, refined style, inherently favoring abstract subject matter, yet capturing even the smallest detail of her beloved Southwest in magnificent splendor.

From the start, O'Keeffe's integrity, attention to detail, and contempt for shifting art world styles were apparent. What is most unique about her art is its mutilation of scale—with much meaning and color, she was able to make the smallest detail evoke the infinite. Her work reflected the glory of the Southwest, often depicting dry bones, desert flowers, and breathtaking landscapes. "That was my country," she explained. "Terrible winds and a wonderful emptiness."

Many of her paintings are dramatic, sharp-focused enlargements of botanical details. These images glorifying life and energy are among her most optimistic and successful. Other paintings reflect America's folk architecture, where she found tranquility and stability, so sharply contrasted with the distraught urban environment she found so disturbing.

The exhibit, "Art in New Mexico, 1900–1945: Paths to Taos and Santa Fe," currently on view at the Smithsonian Institution's National Museum of American Art, contains a number of Georgia O'Keeffe's works and is a fitting tribute to this outstanding American artist.

The paintings she left inspire quiet meditation, a sense of timelessness and peace. The legacy of Georgia O'Keeffe has become a true American contribution to civilization's greatest artistic creations.

THE FORGOTTEN AMERICANS: OUR HOSTAGES IN LEBANON

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. OBEY. Mr. Speaker, 2 years ago next Tuesday, on March 18, 1984, William Buckley was seized by kidnapers in Lebanon. Since that time, 5 other Americans have been abducted in Lebanon who are still being held.

When 62 Americans at the American Embassy in Iran were taken hostage more than 6 years ago, the Nation and the U.S. Government didn't once forget during their 1 year and 2 months of captivity the fact that our fellow citizens were being held under terrible circumstances.

I frankly do not understand why there is not a similar concern expressed nationally about today's forgotten hostages who have been languishing for so long somewhere in Lebanon.

We must not forget these 6 new American hostages: William Buckley, Lawrence Jenco, Peter Kilburn, Terry Anderson, David Jacobsen, and Thomas Sutherland.

We need to do everything we can to remind the American public and the international community of this outrageous deprivation of liberty of innocent people and our Government must do a much better job than it has so far to obtain their release.

These 6 Americans deserve to be free.

H.R. 4350, THE OMNIBUS WILD AND SCENIC RIVER BILL

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. GEJDENSON. Mr. Speaker, I am pleased to rise in support of H.R. 4350, the omnibus wild and scenic river bill. The bill makes some extremely important additions to the Federal Wild and Scenic River System and I applaud National Parks Subcommittee Chairman BRUCE VENTO for his fine work on this bill. I am proud to be an original cosponsor of H.R. 4350.

Of particular interest to me is the provision of the bill which authorizes a wild and scenic study of the West Branch of the Farmington River in Connecticut. The Farmington River is a rare resource in our crowded State. It is a beautiful river which provides thousands of people with recreational opportunities. I strongly support the inclusion of a wild and scenic study of the Farmington in H.R. 4350. A wild and scenic study is an important step toward protecting the Farmington from degradation in the future.

I congratulate Congresswoman JOHNSON and Congresswoman KENNELLY for the crucial roles they have played in the passage of this legislation. Congresswoman JOHNSON introduced H.R. 2191, the original legislation to authorize a wild and scenic study of the Farmington. She has been a strong and enthusiastic advocate of H.R. 2191 and her efforts on behalf of the Farmington River are to be commended.

Congresswoman KENNELLY is also to be commended for the contribution she has made to Farmington wild and scenic legislation. Many of her constituents were concerned that a wild and scenic study of the Farmington could lead to a shortage of water in the Hartford area if the area experienced a severe drought. Because of her efforts improvements have been made in the legislation which ensure that the drinking water needs of her constituents will be met if a severe water shortage ever occurs.

Again, I want to congratulate everyone who has worked on H.R. 4350. Their efforts will lead to the preservation of some of the most beautiful rivers in America.

OIL IMPORT FEE IS UNWISE

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. DANNEMEYER. Mr. Speaker, the possibility of an oil import fee has been receiving considerable attention in recent weeks. The Energy and Commerce Subcommittees on Fossil and Synthetic Fuels, and Energy Conservation and Power, held a joint hearing on March 13, 1986, to examine the energy implications of an oil import fee.

While the domestic oil and gas industry is understandably strained at present because of

the sudden drop in oil prices, I am convinced that upon a full reflection of the many facets of this issue that the House will conclude that an oil import fee is most unwise.

Mr. Speaker, I ask permission to insert my opening statement from the hearing at this point in the RECORD:

JOINT ENERGY SUBCOMMITTEE HEARING ON OIL IMPORT FEES

Just a few years ago, crude oil prices were at $34 per barrel. Certain people in this room were predicting that President Reagan's decontrol of oil, in January 1981, would jack up the price of Texas oil to $50 per barrel by the spring of 1981. Oil was supposed to be $75 to $100 per barrel by now, with retail prices for gasoline, home heating oil, and other petroleum products going up with the price of crude.

What happened? The laws of supply and demand worked. In response to higher prices, the amount of energy consumed per unit of gross national product has fallen by one-third since 1973. Meanwhile, oil production from non-OPEC, non-Communist sources climbed from 17.4 million barrels a day in 1973 to 26.2 million barrels a day last August. OPEC production, by contrast, shrank from 31.3 million barrels a day in 1973 to 15.7 million barrels a day last August.

Last fall, Saudi Arabia threw in the towel at trying to reduce production enough to prop up prices. It boosted its production from 2 million barrels per day to almost 5 million barrels per day in January. Largely as a result of this surge in production, oil prices have fallen nearly 60 percent since late November.

Lower oil prices are good news for consumers and the economy because they mean lower inflation and more economic growth. At least one econometric forecasting firm projects that a $5 drop in oil prices, an amount that appears conservative now, will boost the gross national product by one-half of one percent and produce an inflation rate almost a full percentage point less than would otherwise occur. This frees up resources for investment in other domestic enterprises.

Those advocating a $5 per barrel import fee attempt to paint it as a painless way to raise revenue. However, such a fee would not only raise imported oil prices by $5 per barrel, it would also permit domestic oil prices and all domestic energy prices to rise to this artificially higher level. The higher inflation rate generated by these price increases would boost spending for Government entitlement programs and raise interest rates. In addition, every 1 percentage point reduction in economic growth reduces Federal revenues by $15.6 billion per year, according to the President's Council of Economic Advisers.

Aside from those hungry for more Federal revenue, advocates of an import fee include those who fear that lower oil prices will push energy consumption to dangerous levels while shutting in much domestic production. Hence, they see an oil import fee as a necessary energy policy measure.

This argument also falls upon closer scrutiny. There might be a modest increase in consumption from lower prices as consumers switch from other fuels to oil, but it is very unlikely that the major gains over the past decade in energy efficiency will be lost. Consumers are not going to rip out their home insulation or the better windows and other energy-saving measures they have taken over many years. The same holds true for industry and small business. The automobile, which accounts for about 40 percent of our oil consumption, is a case in point. While consumers are shifting toward larger cars, the Ford Crown Victoria, a full size 1985 model, at 21 miles per gallon is at the low end of fuel economy ratings today. However, this is the same mileage rate as the 1975 Ford Pinto, which at the time was Ford's most fuel efficient car.

The common thread running through all the arguments for oil import fees, is that oil prices are too low. Clearly, the sudden drop in prices has placed great stress on the domestic energy industry, but the fact of the matter is, the same benevolent bureaucracy that can raise oil prices to artificially higher levels can also hold the price artificially low, as it did in the 1970's with price and allocation controls.

Rather than recreating this bureaucracy, the better course of action is to ride out this turn of events and reap the aggregate benefits for the economy. Although it appears that lower prices are here to stay, no one can predict just what those prices will be or how long they will be with us. We should take advantage of OPEC's blunders and do those things that will enhance the domestic energy industry's ability to survive and prosper without penalizing the rest of the economy. We should: (1) decontrol all natural gas; (2) repeal demand constraints such as the fuel use act; and (3) allow responsible oil and gas development both offshore and onshore.

Thank you Mr. Chairman.

THE SINATRAS RECEIVE HUMANITARIAN AWARD

HON. ALFRED A. (AL) McCANDLESS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. McCANDLESS. Mr. Speaker, on March 27, 1986, Frank and Barbara Sinatra will jointly receive the 1985 Coachella Valley Humanitarian Award during a ceremony in Rancho Mirage, CA. The Sinatras are residents there, and I have the honor of representing the community in the Congress.

That the Sinatras were the unanimous choice of the nine-member Humanitarian Award Board is no surprise, since both Barbara and Frank have long been involved in helping people in the Coachella Valley and beyond.

The charitable organizations which have benefited from the Sinatras' time and generosity are almost too numerous to list, and knowing their penchant for privacy, I would venture to guess that many who have been helped by them are anonymous. Since I also reside in the Coachella Valley, however, I do know that the Sinatras' concern for the sick and underprivileged has been evidenced at the Red Cross, the Desert Hospital in Palm Springs, at the Memorial Sloan-Kettering Cancer Center, and at the Multiple Sclerosis Society. Two years ago, Barbara Sinatra was named Woman of the Year by Childhelp, USA; next year, her Barbara Sinatra Children's Center at the Eisenhower Medical Center will open; and she is currently vice president of the World Mercy Fund. She has also found the time to chair the Barbara Sinatra Celebrity Art Auction, which benefits children who have suffered from sexual abuse.

Children in need are obviously a special concern for both Sinatras. Frank received the Medal of Honor for Science and Art from the Austrian Government, after he gave a concert to benefit handicapped children, and he has long been a supporter of the New York Police Athletic Organization, which sponsors many youth programs.

Recently, Frank received the Presidential Medal of Freedom, our Nation's highest civilian award.

There is an old adage that goes something like, "When you want something done right, ask the most busy person you know to do it." A lot of people have asked this remarkable couple for help, but more often, they have volunteered before the request was even made. The Coachella Valley is an even better place to live because of the efforts of Barbara and Frank Sinatra, both of whom have lived in the valley for almost three decades. In fact, when Frank came out of retirement some years ago, valley residents were bemused by the phrase, "Ol' Blue Eyes Is Back." We knew, and were glad, that he and Barbara had never left!

NUCLEAR REGULATORY REFORM

HON. JOHN McCAIN

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. McCAIN. Mr. Speaker, I am pleased to rise today to recognize the licensing of the Perry 1 plant in the State of Ohio. For the first time in history, our Nation's fleet of commercial nuclear plants numbers 100 strong. Nuclear power's contribution, considered in isolation, is truly impressive, but I think its real importance can be found in the role it plays in our Nation's overall energy strategy.

We survived a decade of economic shock following the oil embargo of 1973 by aggressively developing alternatives to foreign oil. To accomplish this, we wisely looked to our most abundant native resources—coal and uranium. The Nation's utilities were able to reduce their use of oil by 60 percent, for the most part, by increasing their use of nuclear power by about 300 percent.

We have won a temporary victory over OPEC, but we are in danger of being lulled into complacency. We have stopped ordering nuclear plants to meet future electricity needs, not because they are unnecessary, but, in large part, because we have lost control of the process we created to license and regulate them.

I believe it is vitally important that Congress act now on licensing reform and plant design standardization legislation so that we may regain control of this process. While we have some breathing room, we should press ahead with our efforts to renew the future of this energy option. As the Nation's 100th nuclear powerplant begins operation, we should remember our national goal of permanently reducing our dependence on foreign oil and the importance of nuclear power in achieving this goal.

HONORING IRISH WOMAN AND MAN OF THE YEAR OF THE ANCIENT ORDER OF HIBERIANS

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. TRAFICANT. Mr. Speaker, for over 100 years, the Ancient Order of Hiberians has represented the interest of the Irish here in this country. A.O.H. has been, and continues to be, an outspoken force for peace in Northern Ireland.

I am honored to inform the Members of the Congress that on Monday, St. Patrick's Day, Mary Rita McNicholas Carney and Charles V. Byrne have been given the distinct honor of being elected Irish Woman and Irish Man for 1986.

Mary Rita McNicholas Carney is our Irish Woman of the Year. She is the daughter of Ruth Loftus and John V. McNicholas, Jr. After attending St. Ann's School and Church, Mary Rita graduated from Ursuline High School and attended Mt. Mercy College and Youngstown State University. Her profession in education started as a third grade teacher at her parish school. Presently, she is employed by the Boardman Local District as an extended-day kindergarten teacher at West Boulevard School. In addition to her school responsibilities, Mary Rita serves as Secretary/Treasurer to the family business, Carney-McNicholas, Inc., agents for United Van Lines.

As a successful businesswoman, Mary Rita was appointed by Governor Richard Celeste to serve as State chairperson for the Ohio Job Training Partnership Coordinating Council serving from February 1984, to June 1985. In her spare time, Mary Rita's community activities include serving on YWCA Board of Trustees, vice president of the League of Women Voters, the Irish Heritage Society, AOH Auxiliary, and most recently she served as cochair with her husband, Tom, for the Hug-A-Thon, a fundraising project to aid the Battered Person's Crisis Center.

Mary Rita and her husband, Tom, have three children; T.J., Greg, and Molly. They have four grandchildren; John, Ben, Tim, and Caitlin that will keep the Irish heritage, culture, and tradition alive for future generations.

Our Irish Man of the Year for 1986, Charles V. Byrne is celebrating his golden anniversary as a hiberian. Since joining the Ancient Order of Hiberians in 1936, he has held every office in the division, served as county president, State chairman of Catholic Action and State treasurer. He is currently serving as treasurer for division No. 6.

His is a life member of the Ancient Order of Hiberians. Charles represented his division as delegate to seven State conventions and three national conventions, as well as a member of the Irish National Caucus. As a past Grand Knight of the Knights of Columbus Council No. 274, Charles is currently serving as treasurer and serves as chairman of the 1985 charities campaign. In addition his community service includes 5 years as chairman of the Measure-Up-Campaign, a program that helps the retarded citizens.

Charles received his education at St. Edwards Elementary School, Hayes Jr. High, and Rayen High School. He is a life long member of St. Edward's Parish where he serves diligently as an usher.

Charles and his lovely wife, the former Sarah Rovan, have been blessed with a daughter, Mrs. Patricia Tortora and a son, Charles, Jr. They have one granddaughter, Kathryn. After 45 years of service from the General Fireproofing Co. where he was a member of union No. 1617, he retired.

Clearly, these two individuals, Mary Rita McNicholas Carney and Charles V. Byrne are the finest examples of Irish-Americans, and I am proud to have them represent our community as the Irish Woman and Irish Man of 1986. Thank you.

EXTENSION PROGRAMS—WHERE WE NEED INCREASES, NOT CUTS

HON. JIM ROSS LIGHTFOOT

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. LIGHTFOOT. Mr. Speaker, as I've said a number of times since coming to Congress, agriculture has been going through difficult trials over the past several years, and those in rural America need our support now more than ever.

In earlier statements objecting to the administration's misplaced budget priorities, I've expressed my view that we cannot pull the rug out from under farmers, particularly in this time of crisis.

Since the administration's fiscal year 1987 budget proposal was announced, I've heard from many of my constituents about proposed cuts in USDA's extension programs.

Now, I've long pushed for an across-the-board freeze or cut in Federal spending as the fairest way to deal with our budget deficits. So when someone suggests that extension programs can bear a cut of over 50 percent in funding, you can understand my dismay. Extension programs, even in good times, have provided the backbone of support for rural communities—in times of crisis these programs become all the more indispensible.

I have no choice but to call upon my colleagues to enlist their support for maintaining extension services in this time of need. Hopefully, you will all share my commitment to these invaluable programs.

PERSONAL EXPLANATION

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. MORRISON of Connecticut. Mr. Speaker, I was unavoidably absent due to a long-standing commitment in my district for the vote on House Concurrent Resolution 296, the President's budget proposal for fiscal year 1987.

Had I been present, I would have voted "no."

CHALLENGES BEFORE THE PEOPLE OF HAITI

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. FAUNTROY. Mr. Speaker, I recently received a letter from Ms. Mireille Merove-Pierre, president, board of directors of the Haitian-American Chamber of Commerce enclosing a resolution passed by that organization.

The letter asked me to share the resolution with my colleagues. It is with enthusiasm that I bring to the attention of this body an eloquent statement by the Haitian-American Chamber of Commerce and Industry on the challenge before the Haitian people and all of us who wish them well:

RESOLUTION OF THE HAITIAN-AMERICAN CHAMBER OF COMMERCE AND INDUSTRY

We believe that it is important for U.S. lawmakers to be aware of the significance of recent developments in Haiti to America's long-term interests in the Caribbean. The Duvalier overthrow is no longer front page news, and we realize that events outside Haiti—South Africa, the Philippines, El Salvador, Nicaragua, the Middle East—are competing for attention. Washington must not overlook the fact, however, that the difficult and delicate phase of rebuilding Haiti's economy, and political system, is just beginning. It is essential that positive efforts made by Haiti's transition government receive adequate and timely U.S. support. Current economic and political costs are low compared to what will be needed later if a good job is not done now. We hope you will share our message with the Black Caucus and the entire Congress.

UKRAINE FAMINE COMMISSION—APPOINTMENT OF MEMBERS

HON. DAN MICA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. MICA. Mr. Speaker, in accordance with provisions of Public Laws 98-473 and 99-180, establishing and governing the Commission on the Ukraine Famine, the following public members are hereby appointed:

Mr. Bohdan Fedorak, 24215 Hill, Warren, MI.

Dr. Myron Kuropas, 170 Ilehamwood Drive, De Kalb, IL.

Mr. Daniel Marchishin, 518 Church Street, Bound Brook, NJ.

Dr. Lubow Margolina-Hansen, 2912 38th Street, Washington, DC.

Mrs. Ulana Mazurkevich, 642 Chelten Hills Drive, Philadelphia, PA.

Dr. Oleh Weres, 6455 Irwin Court, Oakland, CA.

FULL EMPLOYMENT

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 13, 1986

Mr. CONYERS. Mr. Speaker, on May 1, the National Committee for Full Employment and a Shorter Work Week will be holding its first annual conference.

I have long been convinced that the question of jobs and unemployment is our Nation's most pressing domestic problem. And for an equally long period of time I have been convinced that finding ways to meet that problem is the biggest challenge facing our Nation, and, in the first place, the Congress of the United States.

This conference is one of the best examples of how trade unionists around the country are organizing to deal with unemployment and the need to create jobs. To the extent that labor unions participate in the conference—and to the extent that the Congress listens to them—to that extent will we have taken a step toward providing meaningful jobs at a livable wage for all who want them.

My study of history, to say nothing of the failure of Reaganomics, has led me to the conclusion that these jobs will not be created without action by the Congress to reduce the workweek. That is why I have—and have every year since 1977—introduced legislation to amend the Fair Labor Standards Act to reduce the workweek.

My bill, H.R. 2933, provides for a statutory reduction in the workweek to 30 hours, bans compulsory overtime, and increases the penalty for overtime hours. Were its provision fully in effect today, at least 7 million workers who are presently unemployed would have jobs.

I look forward to meeting many of my friends in the labor movement in Chicago on May 1, in an indepth discussion and examination of this issue, and I urge all my friends to participate.

At this point, I would like to introduce into the CONGRESSIONAL RECORD, a statement by the distinguished Senator from Wisconsin, the Honorable WILLIAM PROXMIRE, regarding the shorter work week which was contained in the report of the Joint Economic Committee January 1986 Economic Report of the President.

Senator PROXMIRE states:

Considering a shorter workweek. There has been no change in wage and hour legislation with respect to the 8-hour day and the 5-day week for more than 50 years. Meanwhile, there has been a vast increase in productivity. It has been estimated that a statutory change in overtime from time-and-a-half to double-time would create at last 1 million additional jobs at no cost to the taxpayer and only modest cost to employers.

A statutory reduction in weekly hours to 35 from the present 40 before overtime pay is triggered would create between 5 million and 7 million jobs. Any improvement in wage and hour legislation would at least temporarily cost some workers a modest reduction in compensation. Some would lose overtime to newly hired employees.

Most employers could not be expected to increase hourly pay sufficiently to make up for the shorter number of hours worked. The reduction in weekly hours before overtime is triggered would also tend to increase cost and prices somewhat.

It would be, however, a humane and practical way of increasing the number of jobs substantially and reducing unemployment without government expenditures. In effect, it would enact a national policy of sharing jobs.

This country followed this policy successfully for some 40 years, from the end of the 19th century until the middle 1930's. With unemployment on a long-term rising trend for the past 30 years, it may be time to resume a modest application of higher overtime payments and shorter statutory work weeks, to reduce unemployment.

A happy side effect of this policy would be an increase in leisure time for America's 110 million working people.

SENATE—*Friday, March 14, 1986*

(Legislative day of Monday, March 10, 1986)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

"We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights * * * to secure these rights governments are instituted among men deriving their just powers from the consent of the governed."—Declaration of Independence.

God of Creation, we thank You for our political system, its uniqueness in history, and the prosperous, powerful Republic which is its product. We thank You for the fundamental principle that sovereignty belongs to the people and that government receives its powers from them. Help us to realize, Lord, that if the people fail to understand this—if they ignore or neglect their sovereignty, the system inevitably will break down. Awaken us to the peril of the Republic if people abdicate their sovereignty and quicken the people to their indispensable responsibility. We pray in His name who is the source of all power. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each. I will reserve any time I do not use.

That is to be followed by special orders in favor of Senators HAWKINS, PROXMIRE, and BAUCUS.

There will then be a period for the transaction of routine morning business, not to extend beyond the hour of 10 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

Following routine morning business, the Senate will resume consideration of the House message to accompany H.R. 3128, reconciliation. Pending is amendment No. 1673.

It would be my hope, and I know a number of Members have conflicts starting early this afternoon, that we could be on this measure right at 10 o'clock. If there are amendments, the amendments should be offered. There will be a limit of 30 minutes on each amendment. I believe that is correct. So we can move rather quickly. I understand there may be three, four, or five amendments, or maybe more. I am not certain.

If we can act on reconciliation and dispose of that, then it would be my hope that, if we can get an agreement, we can take up the Fitzwater nomination, after going into executive session, file cloture, get unanimous consent on the cloture motion, and dispose of that matter.

Then, before we leave today, lay down the water resources bill.

On Monday, it would seem to me if we can accomplish this much today, I would be in a pretty good position to indicate to Members, if we are able to lay down the water resources bill today or the first thing on Monday, that it is my view that there are probably enough matters to be taken care of in the water resources bill, amendments that can be accepted, opening statements and other areas of discussion, where we could probably avoid any rollcall votes on Monday. But it will depend on how much we accomplish today. I will try to make an announcement as early as I can so that Senators who have conflicts on Monday can be advised.

SERGEANT AT ARMS OFFICE

Mr. DOLE. Mr. President, responding to the concerns expressed by the distinguished Senator from Ohio [Mr. METZENBAUM] regarding terminations within the Office of the Sergeant at Arms I submit the following information which I have obtained from the Office of the Sergeant at Arms, for the RECORD.

In June 1985 when the Sergeant at Arms' tenure began, he communicated to each of his department heads his targeted direction toward efficiency and effectiveness, stressing the overriding need to maintain or increase services within increasingly limited resources. He also began at that time to take a hard look at the overall organization to identify both functions and positions which could be viewed as duplicative or nonessential, recognizing from the outset that it might come down to a choice between management staff or production personnel. Indeed, a recent study in one area of his operations revealed that while the industry norm for supervisory personnel is 1:17, the Sergeant at Arms ratio is approximately 1:3. Clearly, management levels needed to be examined and assessed for cost effectiveness.

Several options were considered within the overall need for reapplication of limited resources. This whole process evolved over an 8-month period and has involved attrition, abolition, or consolidation of positions as well as replacement of personnel. The decision regarding replacement of higher level supervisory personnel in the Service Department and Computer Center had as its basis the determination and realization that: First, the number of administrative positions was disproportionately large to the needs of the department; and, second, the management team was not responding as the Sergeant at Arms had hoped to the new way of conducting business. These were difficult decisions but necessary for improving the efficiency of the Senate as an institution. These combined efforts to date have resulted in an anticipated full year reduction of 69 positions and an approximate $1.8 million from the pending fiscal year 1987 budget estimate. Similar personnel reductions were made in the Service Department in 1981 due to budgetary restrictions.

It is true that some of the affected individuals had several years of seniority, however, the restructuring was conducted on a very objective, businesslike planning basis, without regard to personal considerations. This obviously called for the establishment of priorities geared toward production demands and legitimacy of functions.

It is never easy to have to inform employees that their services are no longer required, especially when terminations are based on the legitimacy of their function. Certainly there is a human side to every employee, from the nightshift custodian in the Capitol to members of my immediate staff; and, I would venture to say that each and every employee has a very real personal life and a need to be employed. For this reason, there was a conscious effort to avoid bringing personal considerations into the decision-making process.

Special provision was made for each individual terminated. Everyone affected was provided with at least 10 days administrative leave over and above their unused vacation time to facilitate relocation efforts. The Ser-

geant at Arms' Director of Human Resources made a concerted effort to meet personally with everyone affected to discuss letters of recommendation, Ramspect Act opportunities and general résumé preparation and job search assistance.

It is a common occurrence in the professional workplace to reorganize an organization to effect efficiencies and increase cost effectiveness, especially when mandated by limited resources. I would venture to say that in the coming months cutbacks will become commonplace throughout the Federal Government as we strive for a balanced budget.

The narrow timeframe for departures was established in the interest of preserving morale and avoiding even greater disruption and anxiety than was already bound to occur. There was also every intention of being as fair and reasonable as possible. The affected employees were notified of their terminations in mid-February. To date each remains on the payroll; they will remain in payroll status until they have used their entire 1986 leave entitlement plus an additional 10 days of administrative leave—for most this equates to 6 weeks on the payroll after notice of termination. Options for further monetary considerations to these individuals could not be effected due to limited budgetary resources. The Directors and Deputy Directors of the Service Department and Computer Center will remain on the Sergeant at Arms payroll until the first day of May—a 10-week consideration.

While I regret very much the personal sacrifices which have resulted from this reorganization, we have an interesting tendency around here to point our finger in the other direction whenever the subject of waste and inefficiency is mentioned.

We like to talk about waste and mismanagement in the Federal Government never once admitting that our very own base of operations could stand a little scrutiny. The Sergeant at Arms Office examined its organization and correctly consolidated some of its subdivisions into one. The time had come to eliminate inefficiency resulting from the duplication of functions. And to a large degree this has been accomplished. The Office has pooled its resources where necessary. It has transferred employees in some cases to areas that require more manpower and eliminated positions in areas where functions overlapped. These decisions have not been easy ones. They never are. They are difficult ones that evoke sympathy for those whose jobs have been eliminated. Waste is an easy topic to talk about in the abstract, particularly when it's the other branch of Government's problem. But I would suggest to my colleagues that this branch of Government must shed itself of the luxuries which we can no longer afford.

RECOGNITION OF THE ACTING MINORITY LEADER

The PRESIDING OFFICER (Mr. MATTINGLY). The distinguished acting Democratic leader is recognized.

POSSIBLE RESULTS OF GRAMM-RUDMAN-HOLLINGS

Mr. CRANSTON. Mr. President, a vote on the balanced budget amendment has been put off until March 25. But the issue will be the same then that it has been all along: Should we be tampering with our Constitution when we can achieve what we all want better and faster by making the legislative process work? We do not need to play around with the Constitution to eliminate the deficit and get the budget in balance. All we need is a good sense of national priorities and the will to back those priorities with our votes.

The distinguished chairman of the Appropriations Committee, Senator MARK HATFIELD, a Republican, who, like me, is against the proposed amendment, said the other day:

> If you like Gramm-Rudman, you ought to love the constitutional amendment. One may be a can of worms, but the other is a barrel of snakes.

Well, I do not like Gramm-Rudman. It is a can of worms. I voted against it. But now that it is law, I am determined to do my part to try to make it work. As any young fisherman can tell you, even a can of worms can be put to good use. But unless you work in a carnival sideshow, why would you want a barrel of snakes? I certainly do not, and I do not think the American people do either.

I opposed Gramm-Rudman for three reasons:

One, I believed it to be unconstitutional. One court has now so ruled, and I suspect the Supreme Court will sustain that ruling.

Two, it can lead to a transfer of authority, a very serious transfer of power, from the Congress to the President.

While I am serving in this body of the U.S. Senate, I am not about to go along with transfers of power that could diminish the role of Congress and lead to an imperial Presidency.

Three, I voted against Gramm-Rudman most importantly because it can lead to across-the-board cuts in virtually all programs without any sense of priorities, programs particularly helpful to very poor people having in good part been exempted, but programs that affect the welfare of all Americans having not been exempted.

Let me give a few examples of the sort of cuts that we could see coming and will come if the Gramm-Rudman automatic cuts actually occur.

One, we have had a year of air disasters with rising fatalities, and yet Gramm-Rudman can lead to a 25-percent cut in air controllers and air safety inspectors. The inevitable result: More dangerous skies, more air crashes, more fatalities, more claims against the United States, new costs.

Two, we have a serious problem at our borders. The worst aspect is drugs coming across our border, hard drugs that lead to violence and death in our cities and corruption of many, many young Americans. Gramm-Rudman could mean as much as a 25-percent cut in the border patrol, in Customs agents, in the Coast Guard, in the Drug Enforcement Agency, in the FBI, in the Department of Justice.

The inevitable result: More hard drugs across the border in California, in Florida, and elsewhere in our country, and more severe problems of crime, mayhem, bloodshed, muggings, and deaths in our streets.

Three, we have had an 18-percent cut in education in the past 5 years. Gramm-Rudman could lead this year to another 25-percent cut and to deeper cuts in ensuing years. This would be absolute folly, ending our effort to invest in the quality and in the capacities of young Americans, making it far more difficult for us to compete with other countries in world trade and in world security matters.

Finally, among many other, I think, terrible examples of what Gramm-Rudman could bring, it could lead to across-the-board cuts in national defense, with no sense of priorities, that could decimate our conventional readiness forces, make us more reliant upon nuclear weapons, lead to a situation where a President might be compelled to turn to nuclear weapons at a time of crisis, leading to the ultimate horror of a nuclear catastrophe.

We must avoid all of this, Mr. President. The way is to make Gramm-Rudman work, now it is law, so that we can work out a budget agreed upon by the President and the Congress to avoid the automatic trigger that would lead to that sort of ridiculous, unwise, and dangerous cuts in some domestic and foreign programs. What we need to do is agree on that budget. I, for one, will do all I can to work with the President, with Members of Congress, the House and Senate Republicans and Democrats alike, to agree upon a budget that will avoid the worst aspects of Gramm-Rudman.

EXPRESSION OF CONCERN ABOUT CHANGES IN RECONCILIATION

Mr. CRANSTON. Mr. President, on the reconciliation matter, I want to serve notice that Senator PETE

WILSON, my Republican colleague, and I have some grave concerns about some very unfair aspects of the proposed Republican leadership substitute on reconciliation. We shall be bringing that matter to the attention of the Senate shortly and will offer an amendment to cope with one of the very serious problems that result from changes negotiated privately between Senate Republican staff and White House staff.

The very complex language of this proposal, unseen by any committee of the Senate or by CBO, will take hundreds of millions of dollars from my State if it ever becomes law. It ought to be defeated.

And Senator WILSON and I will attempt to restore language previously passed by both Houses, which will give all coastal States a more effective voice in the negotiations with the Department of the Interior over coastal oil and gas development.

RESERVATION OF THE MINORITY LEADER'S TIME

Mr. CRANSTON. Mr. President, I reserve whatever time is left to the minority leader.

RECOGNITION OF SENATOR HAWKINS

The PRESIDING OFFICER. Under the previous order, the Senator from Florida [Mrs. HAWKINS] is recognized for not to exceed 5 minutes.

Mrs. HAWKINS. Mr. President, I thank the Chair.

BURMA—A BRIGHT SPOT ON THE DRUG ERADICATION SCENE

Mrs. HAWKINS. Mr. President, there are not a great number of bright spots in the realm of international narcotics trafficking and efforts to bring it under control. But one place where the outlook is encouraging is Burma. The Burmese have recently begun aerial spraying of poppy fields, something the United States has advocated for some time. We provided three aircraft to Burma for use in aerial spraying, and trained nine Burmese pilots in agricultural spraying techniques. In addition, we trained a number of Burmese policemen in special drug control courses at the Federal Law Enforcement Training Center in Glynco, GA. They will function as team managers to train and lead their fellow policemen in drug eradication efforts. These actions are encouraging, in that the Burmese are officially seeking outside help in trying to curb opium production and committing their own resources to acheive this goal.

One should note that while Burma is one of the world's largest producers of illicit opium, the central government does not have effective control of the primary growing areas. The Burma Communist Party controls the largest growing area, with increasing numbers of refineries in Communist-controlled territory.

Poppy growing is a key ingredient of the economy in insurgent-dominated territory, and the insurgents use the profits from opium smuggling to finance their revolutionary activities. The Burmese Government is firmly committed to wiping out illicit narcotics production and destroying the organizations involved. Their reasoning is simple: the drug trade feeds the insurgency and provides the wherewithal for buying its weapons.

The Burmese strategy includes the annual "Hellflower" campaign, in which police, army, and civilians move into an opium-growing area to eradicate the crops manually. Simultaneously, a military operation is launched against the heroin refineries. The results thus far have been outstanding. Of the estimated 75,000 hectares planted in 1985-86, 15,000 hectares have been eradicated manually and by aerial spraying. Large seizures of opium, heroin morphine base, and chemicals associated with drug production have been made in recent months. The destruction of one-fifth of the crop is just short of spectacular. This success did not come without sacrifice. More than 100 Burmese were killed every month in the war against drug trafficking and drug-financed insurgents.

Carrying the battle further, Burma has tightened its drug control laws, providing stiff penalties and legal sanctions for every aspect of narcotics production, processing, and cultivation. Prison terms of 5 to 10 years and fines of $1,300—and that is big money in Burma—are meted out to defendants convicted of cultivation, manufacture, possession, and transportation of narcotics, or unauthorized transfer of prescription drugs. For processing, there can be a term of 10 years to life and a $6,600 fine. For the import or export of drugs or materials relating to drugs, one can draw a term of 10 years to life imprisonment, or the death penalty. For accepting bribes, there can be a 3- to 5-year jail sentence and for using narcotics, 3 to 5 years.

Burma conducts a continuous, intensive program of drug information in schools and through posters, radio, and television. The prevention theme is stressed in schools in the form of lectures, exhibitions, and competitions. The harmfulness of narcotics is regularly emphasized at mass rallies and political indoctrination sessions. Burmese Government agencies also use newspapers, pamphlets, and magazines to warn of the dangers from drug abuse.

Burma's Ministry of Health has sharply stepped up both the number and quality of treatment and detoxification centers. Under the new antidrug laws, addicts are required to register. After registration, treatment and rehabilitation are compulsory. Failure to register and seek treatment is dealt with harshly, with prison terms up to 3 years.

The effort has paid off. The addiction rate has stabilized in Burma, in contrast to the United States and other nations where the addiction rate is growing by leaps and bounds. Burma has shown that it has the will, the resolve, and the determination to fight drugs. We in America congratulate Burma's leaders and the Burmese people on their success, and say keep up the good work.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 5 minutes.

Mr. PROXMIRE. I thank the Chair.

HOW WE ARE BUYING OFF NATO ALLIES' OBJECTIONS TO STAR WARS

Mr. PROXMIRE. Mr. President, future historians looking back on the 1980's will be impressed by the remarkably skillful way the Reagan administration has sold "star wars" over the emphatic objections of so much expert opinion in the United States. If it continues, star wars will become the most costly military program in the history of the world by far. Yet the administration has persuaded Congress to plunge ahead with it at the very time the country staggers under the load of the biggest deficits in the Nation's history. The biggest political issue of the day in America is the skyrocketing national debt and the endless succession of huge deficits. Yet the President was able to persuade Congress to double star wars research spending in 1986. And he is well on his way to persuading Congress to shove it ahead by another huge 100 percent in 1987.

Even this amazing performance pales by comparison with the remarkable way the President has stilled the objection of the Nation's military allies. The European NATO countries depend heavily on the U.S. military forces as the superpower heart of defense against the Soviets. These nations have every reason to fear that if star wars does succeed in providing a protective shield for the United States it would leave Western Europe exposed to attack from a vastly superior Soviet conventional and nuclear force. Star wars could not possibly defend

Europe and the Europeans know it. Star wars represents a diversion of America's military strength from the NATO defense. It is strictly a loser for the Europeans. Here's why: if star wars fails which it very likely will the dominant NATO leader—the United States—will have squandered its economic and technological resources to no avail. If star wars succeeds—it is very unlikely but it is possible, a future U.S. President might decide the United States should hunker down behind its nuclear defense and let Europe go rather than incinerate the world by pressing the nuclear button or take the terrible loss of American lives in a major conventional or nuclear war in Europe.

So the Europeans have every reason to oppose star wars, and oppose it vigorously. Why don't they? Answer—they have literally been bought off—and I mean bought off—with money. Secretary Weinberger has done a masterful selling job.

How does he do it? Answer: Billions of dollars does it. The Defense Minister of the United Kingdom has signed an agreement with the United States that would provide the United Kingdom with a substantial share of star wars research contracts. The agreement is reported to be for about $1½ billion. Where will the $1½ billion come from? It comes from Uncle Sam—from taxpayers in Georgia, taxpayers in Wisconsin, taxpayers all over America. It will cost the British nothing. The French and West Germans are not far behind. A year ago, there was considerable criticism from our European allies. But money talks and billions of dollars can talk very eloquently indeed.

Now comes Japan. For obvious reasons, Japan is the most antinuclear nation in the world. The Japanese of course recognize the dubious prospects of star wars. Like the Europeans, they, too, rely on the supermilitary power of the United States for their security. The Japanese spend less than 1 percent of their GNP on their military defense. An America in the future retiring behind its star war defenses would leave Japan militarily naked. But like the Europeans, the Japanese are lured by the star wars billions. It is a tough siren call to resist. The Japanese can, over the years, receive billions of dollars of research money by winning those star wars contracts and at no cost at all. It is almost like being handed a free-winning multi-billion-dollar lottery ticket.

On February 9, Clyde Haberman reported from Tokyo for the New York Times that the Japanese had not finally decided whether to take this free ticket for billions of American dollars. Two observations in this Haberman story are especially interesting. Defense analysts told Haberman that the Japanese might follow: "one possible model, the West German approach announced last December, which would withhold active Government involvement but allow private companies and institutes to join the research." This is the same technique the strategic defense initiative office is pursuing with prestigious institutions like the Massachusetts Institute of Technology. MIT does not endorse star wars. In fact, the president of MIT has made a major point of saying he does not endorse star wars. But MIT researchers have gone on the big bucks star wars payroll.

It is obvious what Japanese and West German business and MIT researchers get out of this. They get money and lots of it. But what does the Defense Department get out of bringing Japanese researchers in on star wars? The second Haberman observation reveals this. He wrote in the February 10 New York Times the following:

> Despite Japan's technological pre-eminence, United States officials suggest that they regard any participation by Tokyo as bearing greater political significance than scientific.

Ah, here is the real point. The exact reason the Defense Department offers a lush star wars contract to the Japanese is because it wants to silence any political objection by Japan to star wars.

A year or so ago vigorous objection to star wars by our allies constituted a potent argument against the project. Star wars still constitutes an eventually divisive force in the NATO alliance as well as an appalling waste of NATO's military resources. But allied objections have faded. Why? The reason is blunt and simple. It is also shocking. The allies are being bought off.

THE MYTH OF THE DAY

Mr. PROXMIRE. Mr. President, the myth of the day is that "the data clearly show that the deficit is a spending problem, not a revenue problem." This quote is taken from an administration position paper, explaining why they oppose a tax increase to reduce the deficit.

Their position has surface appeal and is quite simple, like most myths. It is based on data which demonstrate that Federal revenues—as a percentage of gross national product [GNP]—have remained around 18 percent over the past 20 years. Spending, however, has increased from 18 to 24 percent of GNP.

Given this data, why do I say the administration is clinging to a myth? To explode this myth, look behind the revenue numbers.

Revenues which can be used for general Government purposes, including defense, have dramatically declined. In 1967, these revenues came to 14.7 percent of the GNP. Two decades later, they had dropped to 12.1 percent. If this percentage decline is put into dollars, it means that the Federal Government is raising about $125 billion less for general Government than it did 20 years ago.

What happened to the rest of Federal revenues? That money is raised by a payroll tax and goes to pay for Social Security and Medicare for the most part. The administration favors this arrangement as do an overwhelming majority of Congress. This revenue will not be used for general Government purposes.

This shift of revenues is especially noticeable if you look at the corporate income tax. In 1967, corporations paid taxes which came to about 4.3 percent of GNP. Two decades later, this figure had dropped to a miniscule 1.7 percent. The corporate income tax has nearly disappeared as a source of general revenue.

This shift was disguised during the 1970's when defense spending was declining as a percentage of GNP. But the administration is now spending much more on defense and the revenue base will no longer support this spending. These data demonstrate that the deficit is both a spending and a revenue problem, notwithstanding administration mythmaking.

VARIATIONS IN MEDICAL PRACTICE PATTERNS MAY COST BIG BUCKS

Mr. PROXMIRE. Mr. President, on March 5 the Wall Street Journal carried a perceptive article on a phenomenon known as medical practice pattern variations. That phrase is shorthand for differences in the way the sick are treated because of geographic location. For instance, as the article points out, in one part of Maine 20 percent of the women over age 74 have had a hysterectomy while in another part of the State the figure leaps to 70 percent. An even more striking example is the finding by researchers that the rate for a type of hemorrhoid treatment is 26 times as high as in one State as in another.

Now why should this concern my colleagues? We should all be concerned, in my estimation, because these statistics indicate that we are spending precious Federal dollars under the Medicare and Medicaid Programs for unnecessary medical treatments and surgical procedures. Dr. John Wennberg, a physician at Dartmouth Medical School, who is a leading researcher into medical practice pattern variations, has estimated that Medicare costs could easily be reduced by 40 percent if the comparatively low cost of Madison, WI, to take an example, were the U.S. norm. Dr. Wennberg was the principle witness before the

Labor-HHS-Education Appropriation Subcommittee in late 1984 at a hearing I chaired on the practice pattern variation issue.

The Journal article goes on to say that some doctors fear policymaking bodies will cite these kinds of studies as a rationale for reducing the frequency of certain procedures and thus denying care to those who need it. This is a legitimate concern because in most cases we just do not have a good explanation for these variations. That is exactly why I have introduced a bill to invest a very modest amount of money in the study of medical procedures that show a particularly high variation in their pattern of use. I firmly believe that we will find on closer examination that these procedures are being unnecessarily performed in many instances. In any event, these studies will give the medical profession the information it requires to eliminate unneeded surgical and medical procedures and, as a result, not only save dollars but also nullify the risk to life that is a small but inevitable part of any significant operation.

Mr. President, I ask unanimous consent that the Wall Street Journal article be reprinted in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RESEARCH MYSTERY: USE OF SURGERY, HOSPITALS VARIES GREATLY BY REGION

(By Joe Davidson)

How a given American is treated for a given ailment may depend on where he or she lives.

The chance of being admitted to a hospital because of gastroenteritis, a digestive system disorder, for example, is nearly twice as great in Stockton, Calif., as in Palo Alto, Calif., only 75 miles away, says John Wennberg, a physician at Dartmouth Medical School in New Hampshire.

Equally mysterious, Boston residents are half as likely to have their tonsils removed as people in Springfield, Mass., just 95 miles away, Dr. Wennberg says. And in one part of Maine, 20% of the women over 74 have had a hysterectomy; in another part of the state the figure soars to 70%.

Nobody knows why such variations occur, but Dr. Wennberg and others think they indicate that too much hospitalization and surgery may be occurring in some localities. And Democratic Sen. William Proxmire of Wisconsin has introduced legislation that would fund studies of the variations, with the goal of saving health-care dollars.

BAFFLED DOCTORS

But, at least for now, many doctors are baffled by the findings. And some fear that politicians and reimbursement officials will seize on data that nobody understands to rationalize budget cuts for Medicare and other health-insurance programs.

Researchers from the University of California, Los Angeles, and from Rand Corp., a California think tank, recently reported significant geographic differences in the use of medical and surgical services by Medicare patients. The researchers warned, however, in an article in the New England Journal of Medicine:

"We do not know whether physicians in high-use areas performed too many procedures, whether physicians in low-use areas performed too few, or whether neither or both of these explanations are accurate."

The researchers demonstrated that the variations that Dr. Wennberg had found between small contiguous areas also exist, at least for Medicare patients, between entire states or large portions of states that are far apart. The researchers compared the rates at which patients in certain parts of the U.S. received one type of hemorrhoid treatment, for example. In one state (which the researchers won't name), the rate was 26 times as high as in another.

SOME SPECULATION

Most community doctors readily concede that they can't fully explain the use-of-services findings, but they take stabs at it. Springfield, Mass., has a comparatively high tonsillectomy rate, according to Dr. Wennberg. "Maybe there are more sore throats here," speculates Bernard Gottlib, an ear, nose and throat specialist in that city. Others suggest that local styles of medical practice are a factor.

A doctor's style of practice is determined largely by the way he is trained and by local medical standards, says John Dawson, a Seattle surgeon and a trustee of the American Medical Association. If doctors stray too far from the prevailing methods of practice, Dr. Dawson suggests, perhaps they won't be viewed as competent.

Medical experts agree that wide variations in medical and surgical practices aren't due to such geographic differences as climate and terrain. Nor are the variations linked significantly to age, race, income or other demographic factors.

The experts debate whether the figures indicate as excess of hospital use and surgery in some areas. According to Dr. Wennberg, what really matters is the number of hospital beds and surgeons in a given area. He says more beds lead to more medical admissions, and more surgeons lead to more operations. The result, he says, can be unnecessarily high hospital costs in some areas.

SAVINGS SEEN

For example, a Wennberg report says hospital payments by Medicare "could easily be reduced by 40%" if the comparatively low costs of Madison, Wis.; Iowa City; New Haven, Conn., and Rochester, N.Y., were the U.S. norm. In Boston in 1982, Medicare costs would have been cut by one-third if per-capita hospital spending had been the same as in New Haven, Dr. Wennberg says.

Some health authorities see at least one way to cut the use of medical and surgical procedures in problem areas—through more requiring of second opinions before insurers agree to pay for operations.

In states where second opinions are mandatory in Medicaid programs for the poor, significant savings are already occurring, says Richard Kusserow, the inspector general of the U.S. Department of Health and Human Services. In Michigan, the number of operations has fallen 35%, for a $3.7 million savings annually, he says, while in Wisconsin $22 is being saved for every dollar spent on the second-opinion program. Mandatory second opinions could save Medicare and Medicaid $250 million a year, he estimates.

But Dr. Wennberg says that second opinions may not reduce the overuse of health care much in a given region if the second opinion is rendered—as it usually is—by a physician who is from the same region and shares the same practice patterns.

STANDARDS URGED

To help physicians shape opinions, Dr. Wennberg urges the profession to "define what the best clinical judgment is" regarding various treatments for which no standard now exists. Doctors disagree little about when hernia operations, for example, are indicated, so there is little geographic variance in hernia-operation rates. Broad agreement on more operations would result in better medicine and more consistency from place to place, he says, thus cutting hospital use and health-cost inflation.

If the medical profession doesn't define the "best practice" for each procedure, he says, reimbursement officials will eventually decide that "least is always best," he adds.

A "least-is-best" decision would be shortsighted, many doctors believe, especially if it were based on the geographic data collected so far. Mark Chassin, a Rand researcher who was an author of the medical-journal article, says the state of the research literature on the geographic variations is still "rather primitive." He adds: "We just don't know if high use means inappropriate use, some of the time, all of the time or none of the time."

Dr. Chassin, moreover, worries that policy-making bodies will cite the studies as grounds for reducing the frequency of certain procedures. That could deny care to somebody truly in need of it, he fears. Says Dr. Chassin: "Assuming that high use means inappropriate overuse is wrong and dangerous."

Mr. President, I suggest the absence of a quorum. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BAUCUS. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR BAUCUS

The PRESIDING OFFICER. Under the previous order, the Senator from Montana is recognized for not to exceed 5 minutes.

CANADIAN BEEF SUBSIDIES

Mr. BAUCUS. Mr. President, next week President Reagan will hold a summit here in Washington with Prime Minister Mulroney of Canada.

In anticipation of that summit, I think it is worth raising an issue between our two countries that has previously been ignored—Canadian beef subsidies.

Mr. President, Canadian beef has been flooding the United States market. Last year Canadian beef exports increased to nearly 188 million pounds—about 21 million pounds more than during 1984.

Imports this year are reaching record levels.

Ranchers in Montana and other cattle-producing States simply cannot sell their cattle.

Canadian cattle is selling for $10 to $11 less than United States cattle.

That may not sound like much, but it makes a huge difference to cattle buyers who sell on thin margins.

That price difference is causing a crisis in Montana and other cattle-producing States.

And a large share of this crisis is due to Canadian subsidies.

Mr. President, before January 1 of this year, Canadian beef production was subsidized, but only at the Provincial level, by the Provinces in Canada.

Starting this year, however, the Federal Government instituted a new subsidy program.

The new Federal program essentially is a price support program—if producers are unable to sell cattle above a certain price, Canadian producers are given a deficiency payment.

That program is likely to increase the wave of Canadian imports that are flooding the United States market.

The reason is simple. Participation by the Provinces in the program is voluntary. That has meant that Provinces that do not have generous subsidy programs have signed up. Provinces with more generous programs have not signed up.

The result is that the average level of subsidy is increasing.

Even if all Provinces signed up, it is very likely that the new program will increase the subsidies given to Canadian producers because the Provinces will then be free to spend the saved funds on other farm subsidy programs.

Mr. President, this escalation of Canadian subsidies takes on particular importance as we approach the Reagan-Mulroney summit.

Prime Minister Mulroney has asked the United States to begin negotiations toward a free trade agreement.

The United States approaches those negotiations with guarded optimism. A free trade agreement holds great potential.

But Canada sends the wrong signal to the United States when it asks for free trade negotiations while simultaneously raising the level of subsidies to its beef producers.

The federalization of Canadian beef subsidy may make it easier for Canada to negotiate a reduction in the subsidy amounts.

It may be easier for Canada to negotiate a reduction in one Federal program than numerous provincial programs.

But any free trade negotiations must result in a severe reduction, if not an elimination, of Canadian beef subsidies.

I pledge today to make elimination of Canadian beef subsidies a top U.S. priority in any free trade negotiations.

Mr. President, there is an old song that goes, "With me, it's all or nothing. Is it all or nothing with you?"

Today we should ask Canada that same question. When it comes to free trade, "Is it all or nothing with you?"

If the Canadians want free trade in some areas, their beef trade must also be free.

We should not settle for less.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. MCCONNELL). Under the previous order, there will now be a period for the transaction of routine morning business, not to extend beyond 10 a.m., with statements therein limited to 5 minutes each.

GAO REPORT ON THE SAFETY OF MILITARY AIR CHARTERS

Mr. BYRD. Mr. President, the New York Times of March 13, 1986, carried an article on a new report by the General Accounting Office regarding violations of Federal Aviation Administration regulations by two charter airlines involved in the transport of American military personnel. According to the Times story, GAO found that South Pacific Island Airways carried 6,400 American military personnel from the west coast to Hawaii, American Samoa, and Guam in a 6-month period in 1984 after FAA inspectors had recommended that operations be suspended.

The other airline involved, Air Resorts, carried 2,500 military passengers in a single month in 1984 after the airline had grounded the rest of its fleet in response to complaints from FAA inspectors.

Mr. President, according to the Times article, the GAO report discloses that beginning in 1983, FAA inspectors had repeatedly found deficiencies in maintenance and engine reliability in South Pacific Island Airway's fleet of planes. Then, in May 1984, the FAA inspectors urged that the airline be suspended immediately in the face of a large list of serious infractions of FAA regulations. Incredibly, South Pacific was allowed to continue operations.

In July 1984, a South Pacific aircraft crashed, killing one person. An inquiry into the crash concluded that the cause was a break in a rusty elevator cable.

The Times article also includes a GAO finding that a South Pacific plane originating in Anchorage, AK, strayed from its flightpath on a flight over the polar route. The aircraft headed toward Soviet airspace, and was only 50 miles from the Soviet Union when it was warned off by Norwegian aircraft and ground control personnel. The pilot of the South Pacific aircraft, GAO reports, had violated operating rules.

The other company, Air Resorts, has flown Navy personnel from the mainland of the United States to naval facilities in the Channel Islands. According to the GAO:

> After a series of deficiencies were found in 1984, Air Resorts grounded most of its planes but asked to continue flying military charters with four planes it said were safe. Subsequent inspections, however, found defects in three of the planes.

Mr. President, in the wake of the tragic crash of an Arrow Air DC-8 aircraft in Newfoundland on December 12, in which 248 soldiers of the 101st Airborne Division lost their lives, these revelations by the GAO are particularly distressing. They underscore the concern that many of us share about the safety of air transportation services being provided to our military personnel. It should go without saying that the Federal Government should do everything in its power to ensure that American military personnel are provided safe, reliable air transportation. In light of the lastest GAO report, it would appear that there is much work to be done by the FAA and the Department of Defense in this area.

I share the grave concerns of many of my colleagues about the problem of aviation safety and what may be a deterioration in the margin of safety in the Nation's aviation safety system. For several weeks, I have been studying legislation that is needed to restore that margin of safety.

I understand that the Permanent Subcommittee on Investigations of the Committee on Government Affairs has been holding hearings on the issue of airline safety. I would like to suggest that this is one area which the committee might wish to give a high priority in its investigation. Indeed, I have sent a letter to Senator ROTH, the chairman of the subcommittee, and Senator NUNN, the ranking member, asking them to schedule hearings on this issue.

Mr. President, I ask unanimous consent that the article from the New York Times and the text of the letter I sent to Senator ROTH and Senator NUNN be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Mar. 13, 1986]

2 CHARTER AIRLINES ASSAILED BY G.A.O.

(By Richard Halloran)

WASHINGTON, March 12.—The General Accounting Office, the Congressional auditing agency, has drafted a report asserting that two charter airlines flew military flights in violation of the Federal Aviation Administration's safety regulations.

The airlines are South Pacific Island Airways, based in Honolulu, and Air Resorts, based in Carlsbad, Calif. On Dec. 12 a DC-8 operated by another charter airline, Arrow

Air, crashed at Gander airport in Newfoundland, killing 248 soldiers of the 101st Airborne Division returning from peacekeeping duties in Egypt to their home base at Fort Campbell, Ky. Eight crew members were also killed in the crash.

In one case a South Pacific plane carrying 200 Fijian troops headed for a peacekeeping mission in Lebanon few over an Arctic route without proper crew training and navigational procedures and was headed toward the Soviet Union before being turned away at the last minute.

The staff of Representative Charles E. Bennett, a Florida Democrat who is a senior member of the House Armed Services Committee, found the G.A.O. report in the course of an inquiry into charter airlines that transport military personnel.

FOCUS ON CHARTER AIRLINES

The report had been requested by Representative Norman Y. Mineta, a California Democrat who is chairman of the Aviation Subcommittee of the House Public Works and Transportation Committee, as part of the subcommittee's oversight of the F.A.A.

A member of Mr. Bennett's staff said the Congressman planned to release the report Thursday to point up what he contended was a lack of safety in charter airlines. The staff aide said Mr. Bennett would cite the report as evidence that the aviation agency and the Defense Department had failed to make sure that aircraft transporting military personnel were safe.

After the crash at Gander, Mr. Bennett introduced a bill that would require Defense Department examiners to check military planes before they were flown on military charters; that is now done now by the aviation agency.

The G.A.O. report said South Pacific Island Airways carried 6,400 American military personnel from the West Coast to Hawaii, American Samoa and Guam in a six-month period in 1984 after F.A.A. inspectors had recommended that operations be suspended. Similarly, the report said Air Resorts carried 2,500 military passengers in a single month in 1984 after the airline had grounded the rest of its fleet in response to complaints from F.A.A. inspectors.

According to the report, South Pacific had four Boeing 707's and four propeller-driven de Havilland Otters that it flew on charter and commuter flights. Beginning in 1983, F.A.A. inspectors repeatedly found deficiences in maintenance and engine reliability, the report said.

In May 1984, the inspectors urged that the airline "be suspended immediately in the face of a large list of serious infractions of F.A.A. regulations," the report said. The airline asked that the suspension be stayed until executives could meet with officials of the aviation agency.

In July, a South Pacific plane crashed in Samoa, killing one person. The G.A.O. report said an inquiry found that "the accident was caused by a break in a rusty elevator cable."

Ten days later, the airline flew the first of four flights over the polar route carrying Fijian soliders to the United Nations Interim Force in Lebanon. The report says the crew violated operating rules, navigational procedures and training regulations.

A second flight from Fiji to Lebanon, with stops in Anchorage and Amsterdam, was made in August 1984, and a third in September. The aviation agency ordered the airline grounded for 30 days, but South Pacific appealed the order and continued to fly.

PLANE NEARED SOVIET AIRSPACE

On the September flight, the South Pacific plane strayed from its flight path and headed toward Soviet airspace. It was only 50 miles from the Soviet Union when it was warned off by Norwegian jet fighters and ground controllers. The pilot had again violated operating rules, the report said.

After a court fight in October 1984, South Pacific was suspended. Since then, it has been allowed to fly only two of the de Havillands from Samoa and Guam.

Air Resorts, the California company, has flown 14 Convairs and two DC-3 propeller-driven aircraft, some of them on charter flights taking Navy personnel from the mainland to naval facilities in the Channel Islands.

After a series of deficiencies were found in 1984, Air Resorts grounded most of its planes but asked to continue flying military charters with four planes it said were safe. Subsequent inspections, however, found defects in three of the planes.

In December, an Air Resorts plane carrying 34 members of the East Tennessee State University basketball team and a crew of five had an engine fire that caused an emergency landing in Jasper, Ala. Four people were injured, one of them critically. The plane was destroyed.

Air Resorts was subsequently suspended for 13 days. According to the report, a yearlong investigation showed that it had been operating aircraft in an unsafe condition. A $30,000 fine was recommended, the report said, but the case is still open.

(Text of Letter)

The New York Times (of March 13, 1986) carried a disturbing story about a new report by the General Accounting Office on the abysmal safety records of two charter airlines that have provided transportation for American military personnel. The two airlines, South Pacific Island Airways and Air Resorts, apparently were involved in numerous infractions of FAA regulations, yet were allowed to continue to provide air transportation for American military personnel in 1984.

According to the GAO report, South Pacific Island Airways provided transportation for 6,400 military personnel from the West Coast to Hawaii, American Samoa, and Guam during a six-month period in 1984, after FAA inspectors had recommended that South Pacific operations be suspended.

Air Resorts, the other charter included in the GAO report, flew Navy personnel from the U.S. mainland to Naval facilities in the Channel Islands. According to GAO, "after a series of deficiencies were found in 1984, Air Resorts grounded most of its planes but asked to continue flying military charters with four planes it said were safe. Subsequent inspections, however, found defects in three of the planes."

I commend you for the hearings which the Permanent Subcommittee on Investigations has been holding on the issue of air safety. Those hearings will play an important role in efforts to ensure that the nation's air safety system has the proper margin of safety. Ensuring the safety of charter airlines which are transporting American military personnel should be a significant part of such efforts. Therefore, in light of the recent GAO report, I urge you to hold a hearing which focuses on the safety of military charters, and what the FAA and the Department of Defense are doing to ensure that the nation does not witness another tragedy such as the Arrow Air crash of December 12, 1985.

Sincerely yours,

ROBERT C. BYRD.

Mr. BYRD. Mr. President, I yield the floor.

HOSTAGES IN LEBANON

Mr. SIMON. Mr. President, Sunday will mark 1 year that Terry Anderson has been a hostage in Lebanon. It will be 2 years for William Buckley, and much too long for Father Jenco, Peter Kilburn, David Jacobsen, Thomas Sutherland, and Alec Collett.

Their families are going to be in Washington tomorrow and over the weekend. It is a good time for us to remember that the hostages are there.

I urge the administration to keep this matter on the front burner. I urge my colleagues who may have any contact with other governments and who feel that in any way they can be of assistance to the hostages or their families to try to be of help.

This is an area in which no one knows what the right answers are or how we get there. But if we keep on pressing, we keep hope alive for these people, and we do what we should be doing as public officials and American citizens.

VISIT BY DR. SHOICHIRO TOYODA

Mr. McCONNELL. Mr. President, in Scott County, KY, there is great activity—activity initiated by an announcement made last December by Toyota Motor Corp. that it would construct an $800 million manufacturing facility in Scott County.

When production starts in mid-1988, this facility will produce some 200,000 cars per year and employ 3,000 Kentuckians.

Last December, Mr. President, Kentucky officially welcomed Toyota Motor Corp. to our Commonwealth. Today I have had the pleasure of once again welcoming to the Nation's Capital the president of Toyota, Dr. Shoichiro Toyoda. He is accompanied by a number of senior Toyota executives and I urge my colleagues to join me in extending a warm welcome on behalf of the U.S. Senate.

A 1947 graduate of Nagoyo University, Dr. Toyoda later went on to receive his doctorate in engineering from Tohoku University. He wrote his doctoral thesis on fuel injection systems.

As a Toyota executive, he has been primarily involved with automotive technology, quality control, and factory management. He was promoted to the position of managing director in 1961 and to senior managing director in 1967. He became executive vice president in 1972, and in 1981 assumed the presidency of Toyota Motor Sales Co., Ltd. After the merger of Toyota

Motor and Toyota Motor Sales in July 1982, he became president of the new Toyota Motor Corp.

In 1980, he received the Deming Prize for quality, and in 1984 he received the prestigious Medal with Blue Ribbon for outstanding public service through business.

Mr. President, on the day the Toyota Motor Corp. announced its decision to come to Kentucky, Dr. Toyoda said this:

This announcement is really just the beginning of what we must do. At Toyota, we must now not only go about the details of actually building and opening our plant; we must also make good on all the responsibilities of the partnership we so strongly desire. We know the people of the United States, and most assuredly the people of Kentucky, will do their part.

Since first coming to the United States in 1957 until now, we have been touched and rewarded by Americans reaching out to us. Today, we begin the newest phase of our relationship, in Kentucky, by reaching out to you.

Mr. President, I think after listening to that statement it is easy to understand why I am proud to remind my colleagues that the Toyota Motor Corp. now calls Kentucky home.

Mr. MOYNIHAN. Mr. President, on behalf of the Members on this side of the aisle, I know, I want to join our distinguished Senator from Kentucky in welcoming our Japanese friends, and I know they have chosen wisely in Kentucky. I know there is scarcely a State representative in this body who will not welcome them, also, perhaps not as eloquently as Senator McCONNELL has just done.

Mr. PACKWOOD. Mr. President, if my friend from New York will yield, let me add my compliment to Toyota, also. I did not realize the company's representatives were going to be here today.

I say to my good friend from Kentucky that the port of Portland, OR, is a port of entry serving 27 States for Toyota.

Much as I wish you good luck, I do not want you to manufacture so many in Kentucky that they cease shipping them in through our port.

Mr. McCONNELL. Well said.

A MEMORIAL TRIBUTE TO THE "CHALLENGER" ASTRONAUTS

Mr. CRANSTON. Mr. President, we were all deeply saddened by the explosion of the space shuttle *Challenger* in January. The seven members of the *Challenger* crew who lost their lives will long be remembered for their courage in testing the limits of human experience and their dedication to science and to education.

On behalf of the people of California, the poet laureate of our State, Charles B. Garrigus, wrote a memorial tribute to those brave American men and women who perished in the shuttle malfunction. The poem was read to both houses of the California Legislature on January 30; I would like to share it with my colleagues here in the U.S. Senate now:

IN MEMORIAM: THE SHUTTLE ASTRONAUTS

Now, once again, the diverse people of this country share, in knowledge, faith, and feeling, the unity of national grief.

A glad, courageous crew of astronauts, examples of our noblest citizenry, have sacrificed their inspirational lives.

How happily they bade farewell to earth; So eager to contribute what each could to widen our frontier in outer space.

How fearlessly they took that fatal risk which always separates the selfish goal from that for which the hero strives.

They were husbands, wives, fathers, mothers, friends, neighbors to all the households of this fortunate place.

Surely what they symbolize in mankind's never ending quest to know has laid them on the altar of God's grace.

They might have known those festive feelings of fulfillment which can only come to those who reach achievement's heights.

They might have spent declining years with rich respect from peers and loving hours with families and friends;

But never shall they tread again the ordinary paths of life, nor know the many pains and sorrows that befall the common lot.

They shall not feel anxiety nor worry and frustrations that advancing years unto the aging hero sends.

But all they were and all they are for what they tried and failed, gives us a trust to which we must be true.

Beyond the pales of death they clearly say: "Hold fast the course! Redeem our sacrifice with faith, hard work, and courage, and make successful what we tried to do."

Search not for their depleted dust nor seek to make a tomb for any of their mortal parts.

Their varied lives from henceforth rest in history's sacred shrine.

Their meanings live forever in a grateful nation's hearts.

DEATH OF SIR HUW WHELDON

Mr. MOYNIHAN. Mr. President, I rise to the sad task of informing the Senate that Sir Huw Wheldon, the former chairman of the British Broadcasting Corporation, the BBC, has died.

Sir Huw did not invent television, but he transformed it through his great perception that television was a writer's medium. Exactly as the theater is. The whole world is literally in his debt.

I would recount here only one brief tale of our friendship. It happens Sir Huw was a guest at my farm in Pindars Corners on that mid-July day in 1969 when Neil Armstrong and Buzz Aldrin landed on the Moon.

Liz and I had borrowed a 10-inch black-and-white television set for the occasion. Our television reception is miserable up at the farm, and to us it looked as if our astronauts had landed in a lunar blizzard.

But Sir Huw minded not at all. No American could have been more excited than was he.

Mr. President, television has lost one of its creative geniuses. His friends are in grief, and our hearts go out to Jay and the children.

THE FITZWATER NOMINATION

Mr. KENNEDY. Mr. President, late yesterday, I received a letter from Texas Attorney General Jim Mattox on the signs posted at minority polling places by Sidney Fitzwater during the 1982 statewide general election in Texas.

In a hearing on February 5 before the Senate Judiciary Committee, Mr. Fitzwater claimed that the signs he posted in minority polling places in Dallas County—signs which were obviously designed to intimidate minority voters—were consistent with Texas law.

In light of this claim, I asked Attorney General Mattox for his opinion of Texas law. In his reply, dated March 13, Attorney General Mattox concludes:

I personally observed the signs at my polling place in East Dallas in 1982 and viewed them with alarm. There is no doubt in my mind that the signs were placed there to intimidate minority voters.

The contents of the sign appear to be so far beyond the scope of authentic Texas law that the good faith of any attorney who might have participated in their placement would be subject to inquiry.

The full text of the letter is set out below:

MARCH 13, 1986.

Hon. EDWARD M. KENNEDY,
U.S. Senate, Washington, DC.

DEAR SENATOR KENNEDY: You have asked whether the contents of certain signs placed at predominantly minority polling places within Dallas County for the 1982 general election were consistent with Texas law. Apparently, Judge Sidney Fitzwater participated in the placement of signs at the pollings places within view of the voters which contained, among other matters, the following statements:

"You can be imprisoned . . .

1. If you offer, accept or agree to offer or accept money or anything else of value to vote or not vote.

2. If you influence or try to influence a voter how to vote . . .

4. If you let a person vote more than once . . ."

The first statement, by extending the purported prohibition to "anything of value" is not only at variance with the contents of the former Section 36.02, Texas Penal Code; it exceeds the scope of the conduct actually prohibited. The phase "pecuniary benefit" was carefully defined by Article 36.01, Texas Penal Code (as existed in 1982), and was not so broad as to include anything of value."

The second admonition is far broader than the terms of the former Article 15.24, Texas Election Code, which merely prohibits influencing a voter while "in the room where an election . . . is being held . . ."

The fourth admonition, by being taken out of its proper context, also is incorrect. Since the signs were obviously to be visible to voters at a polling place, they implied that the voters might be responsible for the conduct of the election workers. The admonition also is beyond the scope of Article 15.42, Texas Election Code, for the reason that the statute only prohibits the affirmative conduct of aiding, advising or procuring certain illegal voting.

I have been advised that in 1982, then Secretary of State David Dean was requested to approve the placement of the signs. He refused to approve the placement and instructed Dallas County officials that the signs should not be posted. He expressed concerns about potential intimidation of Dallas County voters.

I personally observed the signs at my polling place in East Dallas in 1982 and viewed them with alarm. There is no doubt in my mind that the signs were placed there to intimidate minority voters.

The contents of the sign appear to be so far beyond the scope of authentic Texas law that the good faith of any attorney who might have participated in their placement would be subject to inquiry.

Sincerely,

JIM MATTOX,
Attorney General.

JUDICIAL NOMINATIONS

Mr. BYRD. Mr. President, several days ago, the junior Senator from Illinois [Mr. SIMON] performed an exceptional service when he addressed the Senate on the subject of the Senate's role in connection with judicial appointments. From his position as the Democratic member of the Judiciary Committee who has the responsibility for conducting the initial screening of all judicial nominations, Senator SIMON has a unique perspective on this subject. His views and his comments and his judgment are of enormous benefit to us all as we strive faithfully to fulfill our advice and consent responsibilities under the U.S. Constitution.

I commend to my colleagues the thoughtful and incisive remarks of our colleague from Illinois on this subject which appear at pages 4129-4132 of the CONGRESSIONAL RECORD of March 10.

I was astonished to discover one set of statistics which were included in Senator SIMON's presentation. First, by way of background, most of us are probably aware of the role which is played by the American Bar Association in connection with judicial appointments. For 34 years, the ABA's standing committee on the Federal judiciary has been consulted by every President with respect to almost every judicial appointment. For even longer—for 38 years—the Senate Judiciary Committee has sought that ABA committee's opinion with respect to every single judicial nomination.

The ABA's committee provides ratings to the Senate on all judicial nominees . . . ratings of "exceptionally well qualified," "well qualified," "qualified," and "not qualified." Since January 1985, one-half of all the individuals who were nominated for judgeships on U.S. Courts of Appeals received only the minimum passing grade of qualified, and of these, about three-fourths were found by a minority of the ABA's committee to be not qualified at all.

Just what are these ratings supposed to relate to? First of all, the ABA's standing committee on the Federal judiciary acknowledges that they do not "investigate the prospective nominee's political or ideological philosophy except to the extent that extreme views on such matters might bear upon judicial temperament or integrity." Rather, the committee's evaluation of nominees "is directed primarily to professional qualifications—competence, integrity, and judicial temperament."

I think that the fact that one-half of the Reagan nominations to courts of appeals over the past year received only qualified ratings by the ABA's committee, and that about three-fourths of those nominees were found by a minority of the ABA's committee to be not qualified at all, constitute disturbing statistics. These are individuals who are being entrusted with lifetime responsibilities to hear and resolve some of the most significant and pressing issues facing our Nation. They interpret our laws, they breathe life into our Constitution. Every day they deal with the lives and the liberties of vast numbers of our citizens. They affect our business, social and family activities, our homes and our pocketbooks, our property and our children. Surely the men and women who preside over these matters must be of the very highest quality that may be found. And we in the Senate have the constitutional responsibility to pass on these nominees' qualifications.

Mr. President, the exercise of our responsibility to advise and consent to these nominations is only effective if it is informed. My colleagues are aware that I have expressed concern about this subject before. I have authored proposed legislation requiring that the Senate get all the same FBI information that the White House gets with respect to nominees. And I have held up the entire Executive Calendar when I saw the administration trying to short circuit our advice and consent responsibilities by making nonurgent recess appointments during a relatively brief intrasession adjournment.

I mention these actions on my part only to point out that it is my feeling that the framers of the Constitution intended for us to take our advice and consent function very seriously.

But today, I would like to focus not on those issues, although they still rank extremely high in importance. Today, I would like to address just the subject of the ABA's ratings, in view of the statistics I have described.

I would like to first read into the record a sample of the kind of rating letter we receive from the ABA. This particular letter is the one we received with respect to Sidney Fitzwater, who has been nominated by the President to be a U.S. district judge for the Northern District of Texas. It is addressed to Senator THURMOND, chairman of the Judiciary Committee, and reads as follows:

Thank you for affording this committee an opportunity to express an opinion pertaining to the nomination of Sidney A. Fitzwater for appointment as judge of the United States District Court for the Northern District of Texas.

A majority of our committee is of the opinion that Judge Fitzwater is "qualified" for this appointment. The minority found him to be not qualified.

The letter is signed by Robert B. Fiske, Jr., as chairman of the ABA's standing committee on the Federal judiciary.

Now, I do not mean to suggest that it is not helpful to know that a majority of the ABA committee found Mr. Fitzwater to be qualified and a minority found him to be not qualified. But none of us has any way of knowing why the ratings came out the way they did. It seems to me it would have been extremely helpful to know, if it were the case, that a minority of the ABA committee found Mr. Fitzwater not qualified because he was too young, or he had too little trial experience, or he lacks patience, or he has a quick temper—or whatever the reason or reasons may be. I think we should have that kind of information to assist us in the discharge of our responsibilities.

I intend to take this subject up with ABA officials, urging them to give us a little bit more help. We need their assistance. After all, the ABA's process includes contacting the lawyers who are best acquainted with the nominee's character and temperament, his integrity and his competence. We are not seeking the identities of the individuals who are contacted by the ABA. We respect the confidentiality of those who commented on a particular nominee's qualifications. But I do believe that if we are to continue the process of seeking and receiving ABA ratings, we must take steps to make those ratings more meaningful. I trust the ABA will understand our effort.

I know that the Senator from Illinois has tried without success to raise this and some related questions with the ABA's committee in the past. I just want to lend my support to his effort and to assure him that as far as the Democratic leader is concerned, he is right on target.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

CONSOLIDATED OMNIBUS BUDGET RECONCILIATION ACT

The PRESIDING OFFICER. The clerk will report the pending business.

The assistant legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate to the amendment of the House to the amendment of the Senate to the bill (H.R. 3128) entitled "An Act to make changes in spending and revenue provisions for purposes of deficit reduction and program improvement, consistent with the budget process", and concur therein with an amendment:

The Senate resumed consideration of the House message.

Mr. DOMENICI. Mr. President, when the 1st session of the 99th Congress adjourned last December we left unfinished a major piece of deficit reduction legislation. We return to that legislation today and, I hope, we will complete action on it quickly.

I do not wish to expend a great deal of time reviewing the history of this legislation, which is commonly referred to as the 1985 reconciliation bill, but I think it would be helpful to all of us, and to those who might be listening for the first time, to quickly trace this legislation's torturous journey to the Senate floor today.

The first concurrent resolution on the budget for fiscal year 1986, adopted last August 1, agreed on a blueprint to lower deficits over the following 3 years by $276.2 billion. Of this total deficit reduction, $75.5 billion was to be achieved through the reconciliation procedure authorized in the Budget Act. The budget resolution included instructions to 11 Senate and 14 House committees requiring them to recommend changes in laws in their jurisdiction which would reduce Federal outlays by $67.1 billion over the next 3 years. In addition to outlay reductions, the Senate Finance and House Ways and Means Committees were instructed to recommend revenue increases totaling $8.4 billion over the same time period.

All reconciled committees were instructed to report their recommended legislative changes to their respective Budget Committees. The Budget Committees of both Chambers combined these recommended legislative changes into a single bill and reported their respective bills to their Houses for full consideration.

The Senate first took up its reconciliation bill on October 15, 1985, and passed it about 1 month later on November 14, 1985. A massive House-Senate conference with over 31 subconferences and nearly 300 Senate and House Members was convened on December 6 to work out differences between the House and Senate passed bills. A conference report was filed on December 19, passed the Senate, but was quickly rejected by the House and amended by them to strike legislation in the conference report concerning the Superfund Cleanup Program. And, after a couple more back and forths, on December 20 the Senate rejected a motion to recede to the House and a new conference was ordered.

A number of my colleagues concluded that night last December that the reconciliation bill would never come before this Chamber again. I disagreed then and am happy to be back here today bringing a completion to this legislation.

Let me also make it clear that while the original bill when it was brought before the Senate was estimated to save over $73 billion over the following 3 years, the estimates of the bill now before us have been substantially reduced. One should not despair, however, because of this $73 billion in the original savings estimate, nearly $49 billion was achieved through other measures such as the final farm bill, various appropriation and separate authorizing bills.

So the bill now before us, as amended today, is estimated to reduce the deficit by about $25 billion over the next 3 years.

Many Members have made great concessions to put together this final offer. Senator ROTH has agreed to drop the TAA tariff and program expansion provisions and Senator PACKWOOD has agreed to drop Superfund taxes and a number of Medicare expansion provisions. This offer, if adopted by the House without further amendment, would be acceptable to the administration—that is a major concession.

But, we should not focus exclusively on the modifications to the conference report. We should reflect on the bulk of the bill where we, the House, and the President agree, such as: Banking Committee reforms for rural housing programs; Armed Services reform of the military health system; Agriculture reform of the Tobacco Price Support Program; Commerce Committee reforms for Amtrak, FCC, and public broadcasting; Labor and Human Resources reforms of ERISA and increases in private pension insurance premiums, and reforms of the GSL Program; and Veterans Committee reforms of the VA health care system.

These are just a few of the many tough decisions that were made and agreements reached. We need this package to reduce the deficit and renew public confidence in the Government's ability to control spending. We are building a three-legged stool this year—the March 1 sequester order was the first leg, this reconciliation package is the second leg, and the fiscal year 1987 budget resolution and reconciliation is the third leg. However, unless we build all three legs on that stool, I am afraid many of us may be unseated. The projected fiscal year 1987 deficit is $183 billion, the target is $144 billion—and that is a big gap to fill.

Quite frankly, I need this package to do my job as chairman of the Budget Committee. I need $5.9 billion in savings in fiscal year 1987 to help put together a budget resolution that hits the Gramm-Rudman-Hollings deficit target.

Senators had to cast some very difficult votes last year to produce this reconciliation package. It would not be fair to make them go through the same set of votes just to get the same savings this year in the fiscal year 1987 budget.

I am delighted after weeks and hundreds of hours of negotiation that we bring the fiscal year 1986 budget deliberations to a conclusion.

Mr. President, I ask unanimous consent to print in the RECORD a table showing the current savings from the Senate amended reconciliation bill.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

RECONCILIATION SAVINGS FROM CBO'S FINAL BASELINE FOR HOUSE BILL AS AMENDED BY THE SENATE, FISCAL YEAR 1986–89

[In millions of dollars]

	Fiscal year—				Total 1986–89
	1986	1987	1988	1989	
Reconciliation totals:					
Reductions in outlays	−5,976	−6,816	−7,453	−8,056	−28,301
Increase in revenues	765	2,503	2,790	2,895	8,953
Reduction in deficit	−6,741	−9,319	−10,243	−10,951	−37,254
Reduction excluding GRS	−6,741	−5,947	−5,668	−6,376	−24,732
Subconference No. 1—Agriculture:					
Export sales of dairy products	(1)	(1)	(1)	(1)	(1)
Agricultural credit	(1)	(1)	(1)	(1)	(1)
Subconference No. 2—Tobacco tax earmarking: Cigarette tax earmarking	(2)	(2)	(2)	(2)	(2)
Subconference No. 3—Tobacco support program: Tobacco program improvements	−5	−70	−230	−290	−595
Subconference No. 4—3d-party reimbursement		−16	−73	−123	−212
Subconference No. 5—Champus/Champva: Medicare reimbursement for Champus patients					
Subconference No. 6—Banking and housing:					
Rural housing loans		−298	−815	−278	−1,391
Public housing operating subsidies					
Section 108 loan guarantees	−15	−56	−94	−106	−271
Public housing debt forgiveness					
Total, spending reduction	−15	−354	−909	−384	−1,662

RECONCILIATION SAVINGS FROM CBO'S FINAL BASELINE FOR HOUSE BILL AS AMENDED BY THE SENATE, FISCAL YEAR 1986–89—Continued

[In millions of dollars]

	Fiscal year—				Total 1986–89
	1986	1987	1988	1989	
Subconference No. 7—					
Railroads and USTTA:					
Amtrak					
Local rail service assistance					
Total, spending reduction					
Subconference No. 8—					
FCC and CPB:					
CPB and FCC authorizations					
Federal Communications Commission [FCC]	0	−15	−36	−35	−51
Total, spending reduction	0	−15	−36	−35	−86
Subconference No. 9—					
Water/transportation programs:					
Ship construction differential subsidies					
NOAA fees	−7	−19	−23	−24	−73
NOAA authorizations					
Boat safety	−6	−5	−3	−1	−15
Coastal block grants					
Total, spending reduction	−13	−24	−26	−25	−88
Subconference No. 10—					
Pipeline programs:					
Pipeline user fees	−9	−9	−9	−10	−37
Subconference No. 11—					
Energy programs:					
Strategic petroleum reserve	55				55
Synfuels					
Shared-energy savings					
Biomass loan guarantees					
Total, spending reduction	55				55
Subconference No. 12—					
Uranium enrichment and FERC: Uranium enrichment			−21	−36	−57
Subconference No. 13—					
Outer Continental Shelf [OCS]	−4,946	−140	2,664	1,270	−1,152
Subconference No. 14—					
Highway programs:					
Federal-aid highways	30	500	150	150	830
Subconference No. 15—					
NRC fees	0	−81	−87	−98	−266
Subconference No. 16—					
Medicare pt. A and extended coverage:					
Spending reductions:					
Medicare pt. A	−9	−690	−1,015	−1,205	−2,919
Medicare pt. A (offsetting receipt)	1	5	5	5	16
Revenue changes:					
Extend medicare coverage for State and local workers (revenue increases)	22	178	321	460	981
Subconference No. 17—					
Medicare pt. B	−430	−842	−1,390	−1,350	−4,012
Subconference No. 18—					
Medicaid and MCH	36	55	55	65	211
Subconference No. 19—					
Private health insurance: Extend private health insurance coverage	(2)	(2)	(2)	(2)	(2)
Subconference No. 20—					
PBGC and ERISA:					
Pension Benefit Guarantee Corporation [PBGC]	−155	−217	−236	−138	−746
ERISA					
Total, spending reduction	−155	−217	−236	−138	−746

RECONCILIATION SAVINGS FROM CBO'S FINAL BASELINE FOR HOUSE BILL AS AMENDED BY THE SENATE, FISCAL YEAR 1986–89—Continued

[In millions of dollars]

	Fiscal year—				Total 1986–89
	1986	1987	1988	1989	
Subconference No. 21—					
Income security, trade, and other:					
Spending reductions:					
AFDC and SSI	1	3	1	1	6
Foster care and adoption assistance	1	78	48	3	130
Social security	2	4	4	4	14
Unemployment compensation	−1	−1	−1	−2	−5
Trade adjustment assistance	80	109	113	117	419
Custom fees	−25	−220	−230	−240	−715
Additional customs personnel					
Additional IRS personnel					
ITC authorization					
TAA authorization					
Total, spending reduction	58	−27	−65	137	103
Revenue increases:					
Increase Customs collections					
Increase IRS collections					
Total, revenue increases					
Subconference No. 22—					
Revenues:					
Tobacco excise tax	762	1,697	1,701	1,716	5,876
Superfund excise tax					
Limit income averaging	133	541	589	637	1900
Research and development tax allocation moratorium	−191	−96			−287
Railroad unemployment insurance tax		101	98	4	203
Tax railroad retirement benefits like Social Security	28	58	63	66	215
Coal excise tax	15	35	37	38	125
Alternate minimum tax for insolvents	−3	−9	−16	−23	−51
Trade adjustment assistance import tax					
Gulf coast waste disposal authority to issue IDB's	−1	−2	−3	−3	−9
Totala, revenue increases	743	2,325	2,469	2,435	7,972
Subconference No. 23—					
General revenue sharing		−3,372	−4,575	−4,575	−12,522
Subconference No. 24—					
Federal pay and benefits:					
Civilian agency pay					
2,087-hr workyear					
Postal Service programs					
FEHBP rebate		−292			−292
FEHBP cap					
Total, spending reduction		−292			−292
Subconference No. 25—					
Administrative savings:					
Motor vehicle fleet reductions					

RECONCILIATION SAVINGS FROM CBO'S FINAL BASELINE FOR HOUSE BILL AS AMENDED BY THE SENATE, FISCAL YEAR 1986–89—Continued

[In millions of dollars]

	Fiscal year—				Total 1986–89
	1986	1987	1988	1989	
Subconference No. 27—					
Education and labor programs:					
Walsh-Healey overtime provision					
Guaranteed student loans	−300	−170	−265	−192	−927
Total, spending reduction	−300	−170	−265	−192	−927
Subconference No. 29—					
SBA programs:					
SBA business programs	−98	−354	−365	−96	−913
SBA disaster program	−128	−356	−563	−627	−1,674
Total, spending reduction	−226	−710	−928	−723	−2,587
Subconference No. 30—					
Veterans' programs:					
Health care reforms	−48	−347	−462	−499	−1,356
Reduced compensation COLA					
Studies					
Total, spending reduction	−48	−347	−462	−499	−1,356
Comparison of House and Senate reconciliation savings: [3]					
House savings	−6,610	−6,008	−5,389	−6,362	−24,369
Senate savings	−6,741	−5,947	−5,668	−6,376	−24,732
Difference	−131	61	−279	−14	−363

[1] Savings in farm bill.
[2] Budget neutral provision.
[3] Savings estimated by CBO. Savings exclude GRS.

Note.—All estimates were prepared by CBO. Savings are measured against their final (postsequester) February baseline. Fiscal year 1986 estimates assume a Mar. 1, 1986, effective date unless otherwise stated in the legislation. Only direct spending is counted (authorizations are not).

Mr. DOMENICI. I yield the floor.

Mr. CHILES. Mr. President, of course I am pleased we are about to act on the reconciliation bill.

While we cannot take much pride in the length of time it has taken to reach this point, I think we have at least shown a new level of perseverance in the fight to cut the deficit.

Our work in passing this bill will make a reduction of at least $5 billion in the deficit. It shows that Gramm-Rudman-Hollings has had an impact on our awareness of the problem we face. But more than that it demonstrates that the deficit will only become smaller if we stick to the job.

What we do today and what we must do in the weeks ahead shows clearly that no matter how optimistic the economic projections might be, there is just no substitute for doing the sometimes painful things necessary to get the deficit down to size.

The Budget Committee is in the process of marking up a budget resolution. It is not easy work. But it is essential work. The deficit does not exactly seem to occupy the headlines right now. But it is certainly in the bloodstream of the economy. It is not

in remission. It is just as much a threat now as it has ever been.

So I hope passage of reconciliation will serve not only to cut the deficit, but also serve to remind us that there is still much work to be done.

Passing the bill completes our work on the 1986 budget and helps us on our way to the 1987 budget.

I note for the Members that to meet the Gramm-Rudman-Hollings deficit targets and to get on track to a balanced budget, we are going to have to reduce the deficit by $40 billion for the year 1987, and we are going to have to reduce it by at least $170 billion over the next 3 years.

Mr. CHAFEE. Mr. President, the Consolidated Omnibus Budget Reconciliation Act before us represents a great deal of hard work and careful discussion. The proposal will save the Federal Government $18 billion over the next 3 years. This Reconciliation Act is the crowning element of the deficit reduction effort begun here 1 year ago.

Reconciliation represents the budget process at its best. It links the efforts of each of the authorizing committees in carefully achieving savings in the programs under their jurisdiction. It represents our opportunity to set priorities in the budget process.

While it is imperative for us to meet the Gramm-Rudman-Hollings deficit reduction targets, I believe it is equally imperative for us to avoid triggering the across-the-board reductions which will occur if we fail. Such indiscriminate cuts would fall on nearly every activity, whether wasteful or worthwhile. That outcome would be disastrous for many important and effective programs. We must continue to do everything possible to protect programs that invest in people.

The passage of this bill will yield savings that apply not only to this fiscal year but also to fiscal years 1987 and 1988. These long-term savings will make it easier for Congress to reach the deficit reduction targets set forth in the Gramm-Rudman-Hollings balanced budget law.

Mr. President, I do not agree with all of the provisions in the package before us today; however, I believe it is the best we can do at this point.

The reconciliation package before us today contains a number of important provisions which will make reforms in programs under the jurisdiction of the Finance Committee. I would like to take a moment to outline some of these changes for my colleagues.

BLACK LUNG

I am particularly concerned about the provision in the Consolidated Omnibus Reconciliation Act which makes changes in the funding of the Black Lung Program. This act will increase the excise tax imposed on domestically mined coal and dedicate those additional revenues to the black lung disability trust fund. In addition, the act will provide a one-time, 5-year forgiveness of the current interest payments of the debt incurred by the trust fund as a result of its unlimited authorization to borrow from general revenues.

Mr. President, these changes were made without the slightest review of the benefit structure and eligibility requirements. By continuing to increase the funding of the trust fund and waiving the interest payments on the debt of the trust fund, we effectively removed any incentive to tighten up on the eligibility requirements and the benefit structure of the program. This is simply bad policy.

At a time when we can barely retain adequate funding for critical programs like Child Nutrition, School Lunch, Head Start, Education for the Handicapped, Health Care for the Poor and the Elderly, Job Training, and Basic Education, this is deeply troubling. Where are our priorities?

We have tightened up on spending problems—indeed the package is before us for that very purpose—how did this program escape?

I do not intend to oppose the entire Reconciliation Act because of this proposal; however, I do want to register my deep concern about our priorities with my colleagues.

MEDICARE

Mr. President, the next program I'd like to discuss is the Medicare Program. The package includes many changes in the Medicare Program. Most of them are reasonable changes. Some, however, I believe may come back to haunt us.

Very few changes were made which will have a direct economic impact on beneficiaries of the Medicare Program. Most of the savings were due to freezes or other restrictions placed on the providers of health care services—such as hospitals and physicians.

I am concerned that if we continue down this path, we will have a health care program in which there are many beneficiaries needing health care services, but few professionals available to deliver those services.

This package cuts the increase in payments to hospitals to one-half of 1 percent. In addition it substantially reduces—by close to 50 percent—the amount of reimbursement for indirect education costs to hospitals. I will be watching the effect of these combined reductions carefully to determine whether hospitals are capable of absorbing them.

We also continued a freeze on physician payments, with the exception of a 1-percent increase to what are known as "participating physicians"—those who have agreed to accept assignment for 100 percent of their Medicare patients. I know that there is grave concern among the physicians in my State about the freeze especially because of incredible increases in malpractice premiums during the past year.

It is becoming harder and harder to offer quality health care and at the same time substantially reduce reimbursement to those who provide that health care. This is just the beginning of the problems we will encounter in the coming years.

I predict that this body will soon be spending more and more of its time debating health care issues. The problems are just beginning to surface and they are complex and troubling. There simply are no easy answers.

This year, next year, and the year after that, when the time comes to produce budget savings, we are going to be faced with some very difficult problems—a growing elderly population which is living longer, increasingly limited long-term care services for that population, and rebellion among health care providers who cannot continue to absorb the loss resulting from our actions to freeze or reduce reimbursement.

So, Mr. President, while I am satisfied generally with our recommendations in this package, I am also worried about the future. I believe these problems can be resolved, but only if all of us work together with a common goal in mind—quality health care at a reasonable price. It sounds simple, but those of us who are familiar with the problems know that it will not be easy to achieve this goal.

MEDICAID

Mr. President, the changes in the Medicaid Program in this package are much more encouraging. For several years now, I have been working to reform this program. Specifically, I have been working to change the program to allow Medicaid funds to be used for community-based, long-term care services to our citizens with mental retardation and developmental disabilities.

In the long run, I believe this system is in need of a major overhaul. The current system is biased toward the use of institutional facilities—we should be working harder to keep handicapped citizens in the community and helping them to achieve their potential as productive members of their communities.

True Medicaid reform, such as what I have proposed in my legislation, S. 873—the Community and Family Living Amendments of 1985—may take years to accomplish. In the meantime, there are several interim reforms that can be made. Some of these reforms are included in the package before us today and I would like to briefly outline them for my colleagues.

LIFE SAFETY CODE

Earlier this year, I received complaints about the application of an outdated life safety code by the Department of Health and Human Serv-

ices from parents and residential providers across the country. Consequently, in the legislation before us there is a provision to require the Secretary of HHS to accept the 1985 life safety code as an acceptable standard for fire safety. This code, while still striving for fire safety, offers greater flexibility in the use of resources within a residence to promote such safety. As a result of this action the Secretary of HHS has already acted to accept the new code.

PUBLICATION OF ICF/MR REGULATIONS

People concerned about intermediate care facilities for the mentally retarded [ICF/MR] have been waiting for 2 years to see new regulations for these facilities. In the reconciliation package, we have included a provision to require the Secretary to publish for comment the current draft of the new ICF regulations within 60 days of passage. These regulations have been more than 2 years in the making, and their publication is long overdue. As a result of this provision the Secretary of HHS has already published the new regulations for public comment. With this provision, I hope we can move on to a new era of planning based on these new regulations.

MEDICAID WAIVER—DENIALS AND RENEWALS

Since 1981, HHS has offered home and community based care waivers to allow Medicaid moneys to be spent in specific non-Medicaid facilities. This program, called the Medicaid Waiver Program, has allowed many severely handicapped persons to live in the community rather than in institutions. This Waiver Program has also been used to develop better in-home support for elderly individuals so that they do not have to enter a nursing home until it is necessary.

However, the process of applying for and receiving a waiver has been so unpredictable, that it discourages many States from attempting to use the Waiver Program. In an effort to build greater permanence and predictability into the Waiver Program, I fought for the inclusion of two related provisions: First, a provision that calls for a moratorium on all denials of waiver renewal requests from States, and second, a provision that requires the Secretary to renew those waiver requests it approves for additional 5-year periods rather than the current 3-year periods.

ICF/MR PLANS OF CORRECTION

In recent years, many States have been confronted with the need to renovate old institutions for the developmentally disabled while at the same time trying to develop community based alternatives for those individuals. In many States, this choice between institutions and the community based services has presented a financial hardship. It has forced many States to renovate buildings that they had intended to close.

One of the provisions included in reconciliation would alleviate this problem—in very limited situations. This provision would allow an institution with a building or wing that is out of compliance to submit a plan of correction that incorporates depopulation of the building or wing over a 3-year period. Among a variety of other limitations, this would be allowed only in situations where the violations are nonlife threatening, and only with the approval of the Secretary.

I do not believe that this option will be used in many situations. The intent here is simply to allow those States which have had successful experiences with community based services the option of expanding on that success. There are many States which simply would not ask for this option, and if they did ask would be denied because they do not have a positive history of community based services and to some extent deinstitutionalization.

Some people are concerned about this provision because they think that States are given too much power. This is not so. The State must request to implement this provision, but the Secretary of HHS must approve the request.

Some are also concerned that this provision will allow States to dump people out of institutions without providing appropriate services and programs. I would never introduce such a provision. As it is framed there are a wide variety of requirements and limitations on the use of this provision. For those individuals who are affected, there are numerous safeguards and requirements which must be met throughout the operation of the plan.

There are many other provisions dealing with the Medicaid Program in this package. Those outlined above are simply the highlights. All in all, I believe that these provisions represent a substantial step forward in the attempt to provide a reasonable and rational method of providing long-term care services to both the physically and mentally disabled and the elderly.

Mr. ROTH. Mr. President, the negotiation of this budget reconciliation legislation both within the Congress and between the Congress and the administration has been a difficult, and at times, trying process.

This unprecedented ping pong game between the two bodies has eroded whatever confidence we had with the voters that we can cut spending and lower the deficit. On top of that, somewhere through the passage of time, with reestimates and other factors, 78 percent of the 3-year savings of this bill have evaporated. Once estimated to lower spending by $80 billion by 1988, this conference report now provides only $18 billion.

Clearly, it's time to complete this work and move on to other tasks. That means compromise. I am pleased to say that the Senate and the House have agreed on compromise language on trade adjustment assistance that we believe will be acceptable to the administration.

Despite the record high trade deficit, the administration has refused to support trade adjustment assistance, the program that helps workers who lose their jobs to imports. The President's fiscal year 1987 budget proposal again calls for the elimination of the program.

The Congress knows full well that at no time in our history has the need been greater to help those hurt by trade. That is why the support for my full proposal to extend and reform trade adjustment assistance that was incorporated in this budget reconciliation legislation has met with such overwhelming support among Members in both Houses and on both sides of the aisle.

In short, the administration has sought to wipe out the program and I have fought to extend and reform it. My proposal, which was reported unanimously by the Finance Committee, passed by the Senate and accepted by the House, would have extended the current program for 6 years and enacted three key reforms: Future funding through a new small import fee, a new requirement that workers be enrolled in training to receive cash benefits and a new benefit, up to $4,000 for each worker, paid directly or through a job training voucher, to pay for the required training.

In this compromise, I have agreed to drop my major reform proposals in order to save the Trade Adjustment Assistance Program, to begin to change the program into a real adjustment program and to enact a number of more minor improvements.

I believe that the administration will accept this compromise.

This compromise would accomplish several things:

First, the TAA Program would be saved and extended for 6 years;

Second, it would assure that workers who lose their jobs due to imports will continue to be eligible for cash benefits, the so-called trade readjustment allowance [TRA];

Third, it restores the cash benefits to workers who were cut off on December 19;

Fourth, it begins to turn the program into a real adjustment program by providing for participation of workers in job search programs and, in general, linking the receipt of cash benefits to participation in a job search program and by encouraging training under the TAA Program by requiring the approval of training by State agencies and by making clear that the full breadth of training possibilities from basic skills education to on-the-job

training can be funded under the TAA Program;

Fifth, it assures that workers applying for TAA in any State in the country will get counseling on job search and training opportunities;

Sixth, it will continue technical assistance to firms to help firms become more competitive. During this period in which the administration has been dismantling the firms program, I have received many, many letters from firms testifying to the usefulness of the technical assistance;

And finally, the compromise clarifies the application of the TAA Program to workers in agricultural firms.

Enactment of these changes clearly would be a victory.

At the same time, I must say that I am greatly disappointed that this final version of the omnibus budget reconciliation bill does not contain the major reforms to the program I have been pressing.

The crux of the issue was the proposal for the negotiation of an import fee to pay for the program.

I continue to find the administration's position on this fee to be inconsistent. An import fee by another name could be a user fee, and that's exactly what the administration called for in last year's budget proposal, and again in the fiscal year 1987 budget proposal—new customs users fees on all imports, dutiable and nondutiable. I might add that at the time the administration proposed these across-the-board import fees, it sent a document to the Finance Committee indicating that administrative costs for implementing the fees would be minimal—$130,000.

The import fee I am proposing would be a small cost for trading nations to pay to keep trade open and expanding. The imposition of such a fee is not without precedent, Hong Kong, the freest of free-trade nations, uses a small fee to help finance trade promotion. The fee I am proposing would be so small, that like Hong Kong's fee, it would not affect the volume of trade.

A trade policy that calls for growing trade among nations while ignoring the need to help workers adjust to import competition, will not succeed. The strong bipartisan support in Congress for strengthening trade adjustment assistance repeatedly shows that we in the trenches of the trade debate understand this basic point. It is time for the administration to join in this constructive effort by the Congress instead of fighting it.

I continue to believe that the major reforms of TAA are critical to establishing an effective adjustment program for workers who lose their jobs to trade. Retraining is increasingly important and it will cost money. The import fee is the most reasonable method of funding. I will continue to press for these reforms. In the meanwhile, I take some satisfaction in the fact that we may at least save the basic program with a few improvements.

Let me say that I greatly appreciate all the support I have received from other Members of Congress for this effort to retain and strengthen trade adjustment assistance. It is often said these days that there is no longer bipartisanship on trade policy in this country. This is certainly not true so far as trade adjustment assistance is concerned.

In particular, I am grateful to Senator MOYNIHAN, the chief cosponsor of the full extension and reform proposal, for his diligent efforts and that of his staff and to my colleagues on the Finance Committee, on both sides of the aisle, who have supported and followed developments on this legislation closely.

As the trade debate proceeds this year, I expect we will have other opportunities to continue our efforts to establish an effective Trade Adjustment Assistance Program.

Finally, I want to call attention to section 13009(d) of the bill relating to the impact of Gramm-Rudman on payments of trade adjustment assistance allowances [TRA] when the bill is implemented. This provision would limit the impact of Gramm-Rudman to weeks of unemployment beginning March 1, 1986, and not for weeks for which individuals were eligible but have not been paid. In no circumstances would the application of Gramm-Rudman cuts apply to benefits for weeks prior to March 1.

THE PROVISION MANDATING STATE COVERAGE OF UNEMPLOYED PARENTS UNDER AID TO FAMILIES WITH DEPENDENT CHILDREN

Mr. WALLOP. Mr. President, I rise in support of the latest version of the Senate amendments to last year's budget reconciliation legislation. We are in an interesting parliamentary situation at this juncture in the reconciliation debate. Normally, our rules do not allow amendments beyond the second degree. However, with this package of amendments, we will be amending the package in the fourth degree.

We are doing this because the current position by the House of Representatives on reconciliation is unacceptable—both to the Senate and the White House. There are many parts to this package which I do not like, but I have voted for the bill. We have to deal with the deficit, and the budget savings in this legislation is crucial to balancing the budget by 1991.

The bill is a net savings. But, the House has loaded the package with a number of costly and inappropriate items. If we could delete some, the budget savings would increase. I am particularly upset about the requirement that the States would be mandated to offer AFDC to families with an unemployed parent. We are not only increasing welfare costs to the Federal Government, but to the States, which are required to match this AFDC payment.

This provision is objectionable for three reasons. First, it is not a reduction in the Federal budget, but an increased cost. This provision will increase the Federal deficit by $175 million the first year it is effective. The second objection is the cost to the States resulting from this amendment. A rough estimate is that the States would have additional costs of $140 million in the first year.

The last objection is the Federal mandate that the States must provide this welfare benefit; 26 States do not provide this auxiliary welfare benefit. I would ask unanimous consent that a list of these States appear at the end of my statement. It is these States that would bear the $140 million cost of this program. In my State of Wyoming, the legislature's budget session is coming to a close. Because of the fall in oil prices and the disappearance of the uranium industry, my State is in a severe recession.

The State budget cuts back spending across the board. Wyoming is acting in a responsible fashion to live within its means. This is a far cry from what has been happening here in Washington. But, now the U.S. House of Representatives is forcing a budget busting program on Wyoming. This is ludicrous. This is part of the agenda of the social welfare activists to federalize welfare. The next step will be to mandate welfare benefit levels by the Federal Government. This is a State right, but the activists want the Feds to call the shots. We have to stop this backdoor approach to federalizing welfare right now, and I therefore strongly support the elimination of the AFDC-UP provision from the reconciliation bill.

The following is a list of States that don't have the AFDC-UP Program:

Alabama, Alaska, Arizona, Arkansas, Colorado, Florida, Georgia, Idaho, Indiana, Kentucky, Louisana, Mississippi, Nevada, New Hampshire, New Mexico, North Carolina, North Dakota, Oklahoma, Oregon, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Wyoming, Virgin Islands, and Puerto Rico.

HOSPICE CARE

Mr. ROTH. Mr. President, I am very pleased that this 1986 Budget Act contains a provision which I introduced to expand the Medicaid Program to cover hospice care as an optional service to be offered by the States to those patients dependent upon Medicaid for their health care needs. In addition, this legislation makes hospice care under Medicare permanent, as well as increasing the rate of reimbursement. As you may recall, hospice care under Medicare was originally passed as a 3-year demonstration.

This legislation is important for many reasons. Hospice care saves the Medicare Program money, and now it can save the Medicaid Program money too. Preliminary results of the national demonstration project conducted by the Health Care Financing Administration document convincingly that hospice is a cost-effective alternative to the ever-growing cost of multiple hospital stays the terminally ill must cope with to be eligible for Medicare coverage. Moreover, the Congressional Budget Office estimates that providing reimbursment for hospice care will save Medicare alone over $100 million during the first 3 years. Savings can only increase as the hospice benefit becomes more accessible.

I believe hospice care should be as widely available as possible. In Delaware, our once small hospice program was expanded to provide statewide coverage. This expansion was in part due to the commitment of Congress toward this compassionate form of care. Many people have confirmed my belief that hospice is a sensitive and preferable alternative to lengthy and repeated hospital stays. Patients can spend important time at home with their loved ones. Families can participate in the program of care. Hospice care alleviates pain and suffering. It provides an atmosphere of concern and comfort, instead of the antiseptic and mechanical atmosphere of a hospital. I commend my colleagues for recognizing that the time has come to bring hospice under the Medicaid plan, to offer this humanitarian service to the low-income as well as older patients.

TRADE ADJUSTMENT ASSISTANCE

Mr. MITCHELL. Mr. President, I am pleased that the Senate is now considering the Budget Reconciliation Act. This measure includes reauthorization of Trade Adjustment Assistance, a program that is very important to Maine.

Because Congress failed to conclude action on last year's budget reconciliation measure, reauthorization of this program was not enacted. Authority for benefit payments have been issued since last year.

In Maine alone, 450 dislocated workers, people who have lost their jobs because of import competition, have received no benefits—no income—since December 20. Those of them who are now in training programs have stayed in training, in the hope that this Congress will act promptly to restore those benefits this year.

If Congress fails to act, these people will be forced to drop out of training, to seek alternative work if other jobs are available. Some of them will be forced to apply for public assistance. All of them have already suffered severe financial loss and the personal turmoil that is involved with job loss.

They are all dislocated workers whose problems are the direct result of conscious policy choices made by this administration in the area of trade.

Our trade imbalance imposes an unfair and crushing burden on those industries and workers whose products are targeted by foreign competition.

Although the long-range answer to their problem will require a dramatic change in the operation of our Nation's trade policy and improved investment and competitiveness on the part of every manufacturing sector, the immediate short-term problem must be addressed.

That short-term problem is very serious for the thousands of workers who have seen long-established shoe manufacturing plants closed with no hope of their reopening. It is serious for textile workers who have seen their intensive efforts to modernize overtaken by the combined effects of an overvalued dollar and foreign Government subsidies to their overseas competitors.

The problems facing these manufacturers and workers are not of their own making. They are problems which have a variety of causes, including conscious Government policy choices. The policy of this administration, to favor imports as a way of restraining domestic inflation, has kept some prices lower for all at great personal cost to a few.

The Trade Adjustment Assistance Program is a small effort on the part of Government to redress the unfairness with which trade deficits affect different parts of the country. The program provides direct income help for those with no other income source; it creates the conditions that allow some to seek training for a new job field.

The Trade Adjustment Assistance Program is not the only answer to the changing makeup of our manufacturing sector. It is not a sufficient answer. But at the present moment, it is the only program in place which has the capacity to provide some level of assistance to those most directly and most drastically affected by our trade deficit.

Trade adjustment assistance can never take the place of an improved and aggressive U.S. trade policy. It cannot take the place of an improved international monetary policy to moderate wild imbalances in international currency rates.

But so long as governments insist on manipulating their export industries for competitive advantage, some form of trade adjustment aid will be necessary.

SECTION 19 OF OCS LANDS ACT

Mrs. HAWKINS. Mr. President, I strongly support this amendment. It is crucial to the State of Florida. This amendment would restore the compromise language worked out last December which is contained in the House reconciliation bill providing for State-Federal consultation in leasing Outer Continental Shelf lands.

Section 19 of the Outer Continental Shelf Lands Act requires the Secretary of the Interior to strike a balance between the national interest and the well-being of citizens of the affected State. In determining the national interest, the Secretary must equally weigh the need for energy development and the need to protect other resources and uses of the coastal zone such as the marine environment. If the Secretary determines that the recommendations put forth by a State are not reasonable, a detailed explanation of that determination would be required.

Even as we consider the need to take the individual interests of States into account, the Department of the Interior is considering opening up for reevaluation some very delicate offshore tracts for potential leasing as part of its 5-year leasing plan. These same tracts have been off limits to leasing in the past due to their delicate and unique makeup.

In the State of Florida, the sensitive coastal habitat and esturaries, tropical waters, and white beaches demand extra special care. Simply allowing offshore areas to be leased for national energy and economic development purposes overlooks the economic and environmental needs of an individual State. Florida's unique coastal resources could not withstand an oil spill. Its tourist industry would suffer a harsh blow.

In sum, Mr. President, I believe that the State-Federal language is absolutely vital and I urge my colleagues to support this amendment.

STATEMENT OF MANAGERS—NCR USER FEES

Mr. SIMPSON. Mr. President, I should like to make one brief clarifying remark about the provision contained in this bill regarding assessment of user fees by the Nuclear Regulatory Commission. Due to an oversight in the preparation of the conference report on this legislation late in the last session, the statement of managers explaining the legislative intent of this particular provision was inadvertently omitted from the conference report. Because of that oversight, Mr. President, I ask unanimous consent that a copy of the legislative history, entitled "Statement of Managers Re NRC Fees," be printed in the RECORD at this point, for the purpose of guiding the NRC in its implementation of this provision.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF MANAGERS RE NRC FEES

The House Budget Reconciliation legislation directs the Nuclear Regulatory Com-

mission to collect user fees and charges that, when added to other amounts collected by the Commission, total one-half of its budget. Under the Independent Offices Appropriation Act of 1952 (31 U.S.C. Sec. 9701), the Commission currently assesses fees which are expected to total $60 million in FY 1986. The House provision adds additional authority, which is expected to result in more than $150 million per year in additional revenues, assuming the current level of NRC expenditures. Discretion is left to the NRC to establish the details of the charges in the rulemaking. However, under the House provision, the Commission must consider the costs of regulating various classes of licensees. The Senate Reconciliation legislation contained no such provision.

The conferees agreed to require the NRC to assess and collect annual charges from its licensees in an amount that, when added to other amounts collected by the Commission, shall not exceed 33 percent of the Commission's budget for each fiscal year. Assuming the current level of NRC expenditures, this is expected to result in the collection of additional fees in an amount up to approximately $80 million per year for each fiscal year. The charges assessed pursuant to this authority shall be reasonably related to the regulatory service provided by the Commission, and fairly reflect the cost to the Commission of providing such service. This is intended by the conferees to establish a standard separate and distinct from the Commission's existing authority under the Independent Offices Appropriation Act of 1952 in order to permit the Commission to more fully recover the costs associated with regulating various categories of Commission licensees. This authority is not intended, however, to authorize the Commission to recover any costs that are not reasonably related to the regulatory service provided by the Commission, nor is it intended to authorize the Commission to recover any costs beyond those that, in the judgment of the Commission, fairly reflect the cost to the Commission of providing a regulatory service.

The Commission may assess and collect annual charges from its licensees only after the expiration of 45 calendar days, as calculated in accordance with this provision, following receipt by the Congress of a report by the Commission regarding its authority to collect annual charges prior to the enactment of this provision, including the authority provided pursuant to the Independent Offices Appropriation Act of 1952. This report must be completed by the Commission and submitted to the Congress within 90 days after the enactment of this Act. In addition, the Commission must promulgate rules, after notice and opportunity for public comment, establishing the amount of the charges to be assessed pursuant to this authority, before any such charges may be assessed. It is the intention of the conferees that, because certain Commission licensees, such as universities, hospitals, research and medical institutions, and uranium producers have limited ability to pass through the costs of these charges to the ultimate consumer, the Commission should take this factor into account in determining whether to modify the Commission's current fee schedule for such licensees.

Mr. DOMENICI. Mr. President, this was indeed an oversight in the last session, and the statement inserted in the RECORD accurately reflects the agreement of the conferees on the meaning and scope of this particular provision.

Mr. CHILES. I, too, concur in that statement, Mr. President.

Mr. SIMPSON. I thank my colleagues for that additional explanation.

Mr. DOLE. Mr. President, when we adjourned the last session of Congress in December, we left behind us an important piece of unfinished business—billions of dollars in savings in the budget reconciliation bill.

Since that time Senators, staff, and representatives from the administration have met in dozens of meetings in an effort to salvage the deficit reductions in this measure. And today, we have finally reached agreement on a 3-year $26 billion package that addresses both the concerns of the administration and the Senate. I am pleased to say that the administration has assured me, that if this bill is sent to the White House the President will sign it.

The Senate package differs from the last House offer in four areas—the OCS provisions were revised; one Medicare provision was modified, as was an expansion of the AFDC Program; and we deleted the cap provision for Federal employee health benefits.

Gone from the original package are the add ons, the expansions of programs that would have transformed reconciliation from a savings measure into a spending one. The excise tax to support the Trade Adjustment Assistance Program has been eliminated. And like the House, we have dropped the Superfund provisions.

These changes will not fully satisfy everyone. But we cannot relent in our effort to cut the deficit. And this package contains some fundamental reforms in spending programs—reforms that will continue to save the Federal Government money for years to come. Even today, $26 billion—$19 billion in outlay reductions and $6 billion in revenue increases—is nothing to be scoffed at.

Mr. President, there is some urgency in approving this bill now. On March 15 the cigarette tax will expire. This provision involves considerable revenue for the Federal Government. So I hope we can act favorably and quickly.

Many Members have put a great deal of time and effort into this package. Senator DOMENICI, Senator MCCLURE, Senator PACKWOOD, Senator ROTH, Senator HELMS, and others.

I am hopeful that the House will accept our offer. It is a reasonable compromise, one that deserves its serious consideration, and as I said earlier, one the administration has indicated it finds acceptable.

Mr. President, I urge that the Senate accept this compromise and send it to the House.

Mr. NICKLES. Mr. President, today the Senate takes final action, I hope, on the reconciliation measure. Title IX of the bill is a package of amendments to ERISA title IV designed to shore up the single-employer plan termination insurance provisions. As of today this Government backed program is approximately $1.4 billion in the red—due in large part to a handful of recent distress terminations of plans by plan sponsors in or near bankruptcy. The changes made by these amendments are designed to minimize the Pension Benefit Guaranty Corporation's exposure to these type of terminations for those terminations approved by PBGC after January 1, 1986.

In addition to these ERISA changes, the leadership intends to put through a concurrent resolution with a series of technical amendments that are required due to the passage of time since the last effort to pass the conference report in December 1985.

The members of an American Bar Association task force considering ERISA title IV issues have expressed concern that companies may take actions to impel involuntary termination of a plan by the PBGC and thereby limit the liability to plan participants and the PBGC. I expect that the Corporation will block this and other abuses of the new termination rules under title IV by using its authority under section 4047 to negate pending or completed plan terminations and restore plans to their pretermination status. Specifically, the Corporation may negate terminations under section 4041(c) or section 4042 whenever the Corporation determines that a principal purpose of an act, failure to act or transaction undertaken by the contributing sponsor—or any member of its controlled group—was to enable such person to satisfy any of the distress criteria in section 4041(c)(2)(B) or to compel the Corporation to institute termination proceedings under section 4042, thereby decreasing the liability to the PBGC or avoiding the obligation to provide all benefit commitments under the plan.

Mr. JOHNSTON. Mr. President, I have an amendment which I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The Chair informs the Senator from Louisiana that until all time has expired or been yielded back, further amendments are not in order.

Mr. CHILES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I yield as much time to the distin-

guished Senator from Idaho as we have on the amendment.

Mr. McCLURE. Mr. President, I take this time only to make a very brief explanation of what we tried to do and what is embodied in the amendment with respect to several OCS issues. And the one that has been highlighted has been the 8(g) issue, the question of the distribution of the proceeds of the money accrued from oil operations in the so-called 8(g) zone. I will not take much time to explain that in detail, but I would be pleased to answer questions, if indeed there are questions, in that regard.

But we have sought to keep faith with the position that was taken in the Energy Committee and again on the floor of the Senate in supporting the actions brought to our attention, primarily from the Senator from Louisiana, BENNETT JOHNSTON, the distinguished and very helpful ranking member of that committee.

There are three other issues that were involved. One was the buy American provision; the second, the section 19, which deals with the State process and involvement in OCS deliberations and decisions; and the third, onshore revenue sharing of Outer Continental Shelf revenues, a block grant to the States affected.

I made the judgment, in the various discussions we had with OMB, that there were tradeoffs between each of those provisions, all of which had opposition from the administration. And the best way to address them was to dispose of the 8(g) issue for once and for all and do that in the way that kept faith with the coastal States that are involved and with the position we have taken in the past and to drop the other three provisions. That is what is done in this proposal before us at this time.

To do otherwise would have automatically increased the pressure on the distribution of funds in the 8(g) zone. And I still believe that provision was correct. I think we have been able to, by doing this, give to the people in the 8(g) States the most favorable, most generous, and in my judgment, the most proper distribution of those funds that was possible to get by agreement from the administration, and to leave those other three issues for another time and another place. Because to leave them in here and attempt to resolve them in this particular bill would have inevitably resulted in a reduction in the amount of money that would have been otherwise available for distribution out of the 8(g) zone.

Mr. JOHNSTON. Will the Senator yield?

Mr. McCLURE. I am happy to yield to the Senator from Louisiana.

Mr. JOHNSTON. I thank the distinguished Senator.

Is the President of the United States committed to this formula now contained in this amendment on 8(g)?

Mr. McCLURE. I think the best way I can answer that is that we have negotiated on the several OCS questions and the President has stated, I believe to Congressman HENSON MOORE yesterday at a meeting at the White House, that indeed this formula is acceptable to him in the context of this bill. I know that the Senator would like me to be able to say—and I wish I could say—that this, standing free and clear, would be acceptable to the administration. I think it should be. I believe it will be. But I hope we can resolve it in the context of this bill. I am assured that, indeed, if this bill is sent to the President with no changes in the overall bill, the President will sign it.

Mr. JOHNSTON. But the President is committed to sign the bill as is, if given to him without changes?

Mr. McCLURE. Yes.

Mr. JOHNSTON. What is the Senator's understanding about if this whole thing goes down? Of course, that is my great concern, because I have been told by the House and by contacts in the House that, if this comes back in its present form, they will not accept it and they will send us back the same bill which they gave us before. I hope that is not so. You know, there is a lot of puffery and threats that Presidents make in terms of vetoes, that OMB Directors make in terms of what they will advise about vetoes, and about what the staff members say that their principals are going to do on the House side. But if that happens and this whole thing falls apart, you do not know what the attitude of the administration will be?

Mr. McCLURE. After being involved in negotiations with OMB for the last 2 or 3 weeks, hour upon hour of negotiations, of which this is only a part, the best I can say is that there is every indication, if there is any change in the legislation that has been presented by the chairman of the Budget Committee, that the likelihood is that the President would be advised by OMB to veto the legislation.

Now I know our friends on the other side of the Capitol resent us passing something to them on a take-it-or-leave-it basis. But this thing has been bouncing back and forth across the rotunda often enough that I really do fear—and I am sincere when I say this—I really do fear if there is any change at all, and certainly if there is substantial change, it is likely to unravel and we will end up with no bill at all.

Mr. JOHNSTON. I understand. My question really had to do with that no-bill-at-all contingency and what we might expect if this whole thing does become unraveled, as I fear it will. Do we simply start out with this bill as the new offer on which we will take further erosion and further heat by OMB and by the administration, because that has been the consistent history throughout this bill.

Mr. McCLURE. I think the Senator's fears are well founded. I just hope we never get to that point so we will never have to find out.

I really do believe that we are at the point on this bill—and certainly I will leave it to the distinguished Senator from New Mexico and our leader, the Senator from Kansas, to make any further or different statements—but from my own perspective, having dealt with only the OCS issues in this bill, I think what we have is a fragile and tenuous compromise with the administration on the several issues that are involved and they are prepared to accept it if we do not change it. But that is very fragile, very tenuous, very hard fought for, and very hard to achieve. And I cannot say that I know if even one word is changed that the administration would back away from the agreement, but I say that I have a substantial fear and I think the fear is well founded.

Mr. JOHNSTON. I thank the Senator for his answer.

Mr. DOMENICI. Mr. President, I heard the last exchange between the distinguished Senator from Louisiana and the distinguished Senator from Idaho. Let me say to my friend from Idaho that I have the communication here from the White House. I would be glad to tell the Senator from Louisiana precisely where the administration is by just reading a very short statement that they submitted to me today.

The bill now being considered by the Senate reflects negotiations between congressional leaders and administration officials. In it present form, the Senate bill is acceptable. However, if there are any changes which upset this delicately crafted compromise, the President's senior advisers would recommend disapproval.

The PRESIDING OFFICER. The time of the Senator from New Mexico has expired.

Who yields time?

Mr. JOHNSTON. Mr. President, this whole 8(g) matter is rather a tragic comedy. It is tragic in that the State of Louisiana for one is hurting very badly in terms of its economy. At last count we had 12.2-percent unemployment, and that is rapidly rising. There is real despair in Louisiana as the oil and gas industry has contracted, and is virtually shutting down, shutting up, and moving off. The agricultural industry is in very terrible shape as it is in other States. Tourism is down, as well as the port of New Orleans. We are in very bad shape.

So when we talk about $100 million, or $200 million for Louisiana, it is absolutely vital. So there are elements of tragedy in this whole thing. Through-

out this whole consistent fight for the 8(g) funds, the administration has consistently opposed Louisiana, at each and every step of the way.

Mr. President, we now have a so-called compromise. It represents significantly less than that which this Senate passed. Indeed, three committees in the House of Representatives, Merchant Marine and Fisheries, Interior Committee, later the Rules Committee, later the full House, later in the Senate the Senate Energy and Natural Resources Committee, and the full Senate passed legislation which was billions of dollars more according to Secretary Hodel than this compromise. Indeed, according to Secretary Hodel, the legislation which passed each of those bodies, and indeed passed the conference committee, for Louisiana represented $4 billion to $6 billion, and on pre-1978 leases which were part of the settlement it represented an additional $2.3 billion to $3 billion.

Mr. President, I ask unanimous consent that Secretary Hodel's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE INTERIOR,
Washington, DC, December 10, 1985.

Hon. J. BENNETT JOHNSTON,
Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR SENATOR JOHNSTON: As a Conferee on the provisions of the Budget Reconciliation bills relating to the Outer Continental Shelf (OCS), you should be aware of the Administration's position with respect to various provisions that are subject to this Conference. I have enclosed a description of the differing OCS-related provisions in the House and Senate bills and the Administration's position on each. I am most concerned about the "Miller Amendment," which amends section 19 of the OCS Lands Act, undercuts the delicate balance between State and Federal interests and creates, in effect, a possible State veto of this important national program. Enclosed for your consideration is a copy of my September 20, 1985, letter to the Chairman of the Senate Energy and Natural Resources Committee discussing in detail the many serious problems inherent in this provision.

I also call to your attention the reconciliation provisions entitled the "Ocean and Coastal Resources Management and Development Block Grant Act," better known as OCS revenue sharing. The Administration strongly opposes these provisions. In light of over $8 billion in OCS revenues that would be obligated under other provisions of this legislation, these revenue sharing provisions are particularly unjustified. They provide OCS revenues to States unaffected by OCS leasing, and they earmark these revnues for activities for which the Administration has sought to reduce or eliminate Federal funding.

Finally, I again reiterate the Administration's objections to the windfall created by the 8(g) provisions of the Budget Reconciliation bills. Ironically, when Congress enacted section 8(g) in 1978, the cost of the distribution was thought to be so insignificant that the Congressional Budget Office did not even include it in its cost estimate. However, the reconciliation provisions that require that 27 percent of 8(g) royalties be distributed to the States could cost between $4–6 billion over the Administration-supported settlement. Moreover, the State of Louisiana's claim that this legislation requires the sharing of revenues from leases issued prior to 1978, as well as after 1978, a sharing not required under current law, would add an additional $2.3 to $3 billion to that estimate. Thus, the total cost of the 8(g) provisions could reach $8.4 to $11.1 billion. I therefore ask that, in addition to the other issues raised herein, you give careful consideration to the 8(g) provisions in the course of this Conference.

Sincerely,

DONALD PAUL HODEL.

Mr. JOHNSTON. Frankly, Mr. President, I never believed those figures and told my colleagues here on the floor I thought they were grossly inflated, and intentionally inflated for the purpose of trying to beat our legislation. It is true, however, Mr. President, that the bill as passed by the House and Senate in the conference committee did contain probably more than $1 billion more than the present settlement.

Mr. President, after we had passed the bill, after it has gone to conference committee, after we came back here on the floor, and in that abortive last day in December when the conference committee report was we though killed—at least it was sent back to the conference committee. Then when we came back after that last abortive day, Mr. President, we again had discussions about trying to put back together the reconciliation bill. Attempts to negotiate with OMB were unavailing. Calls were not returned from OMB.

Mr. President, this is that same OMB that professes to want to be bipartisan. Oh, they want the cooperation of Democratic Senators. Oh, they protest around the country that Democrats will not join in and be part of compromises, whether it is aid to the Contras, whether it is bipartisan budget reform, or whatever it is. But try to get a call through to OMB, Mr. President, and they will not return the call.

A member of the Budget Committee cannot get a call returned. So finally, we had Director Miller before the Appropriations Committee on January 19, and tried to discern what was the position of the administration on this 8(g) matter. I remonstrated, and my dear friend, the Senator from New Mexico, also on my behalf said we have been trying to find out what is the position of the administration. So, finally, he said, and I am quoting Mr. Miller now from the transcript:

Mr. MILLER. Basically, on 8(g), the components are this: The so-called Buy America program, while it has a nice ring to it, is going to cost enormous amounts.

Senator JOHNSTON. That is not part.

Mr. MILLER. We are against that. We are also against the States going back and taking pre-1978 money. We are also against the provision of the 8(g)-type provision connected with 8(g) that would strap the Secretary's hands and the discretion he has with respect to offshore leasing.

If we can reach an agreement, if you will accept those provisions, I think we can have an 8(g) settlement without very much trouble at all.

So at long last, Mr. President, we found out what the position of the administration was. Take out pre-1978 leases and we had a deal.

Mr. President, I ask unanimous consent that a transcript of the fiscal year 1987 budget overview hearings from Wednesday, February 19, 1986, on the Committee on Appropriations, pages 38, 39, and 40 be printed in the RECORD in full.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BUDGET OVERVIEW HEARINGS—FEBRUARY 19, 1986, U.S. SENATE, COMMITTEE ON APPROPRIATIONS, WASHINGTON, DC

The Committee met at 1:42 p.m., in room SD–192, Dirksen Senate Office Building, Hon. Mark O. Hatfield (chairman of the committee) presiding.

Present: Senators Hatfield, Weicker, McClure, Garn, Andrews, Abdnor, Kasten, D'Amato, Mattingly, Rudman, Specter, Domenici, Stennis, Chiles, Johnston, Burdick, Leahy, DeConcini, Bumpers, Lautenberg, and Harkin.

Chairman HATFIELD. The meeting will please come to order. This afternoon, we will begin the first of two overview hearings of the President's budget request for Fiscal Year 1987. This afternoon, we will hear from the Honorable William Miller, the Director of the Office of Management and Budget. One week from today, we will hear from Rudy Penner, the Director of the Congressional Budget Office, and he will present his annual analysis of the President's budget.

I believe this is your first appearance before this Committee, Mr. Miller, and we welcome you.

Mr. MILLER. Thank you.

* * * * *

Senator DOMENICI. Would the Senator yield for a clarification?

Senator JOHNSTON. Yes. Yes.

Senator DOMENICI. Mr. Miller, the Senator from Louisiana talks about the offshore leasing programs settlement, the so-called 8(g). Who do we settle with? Who do we talk with? He is the chief negotiator over here. Did somebody talk to him about a settlement?

Mr. MILLER. Yes, we have. We have had some discussions.

Senator JOHNSTON. I talked to your man over a month ago, and then said, "You know, here's my position. I would love to talk about it" and nobody has been there to talk to.

Mr. MILLER. We have indicated, Senator, very clearly, I think, our concerns over the 8(g) settlement. When we talked about——

Senator JOHNSTON. The concern is, you just don't want us to have it.

Mr. MILLER. No, we have agreed to certain amounts of monies.

Senator JOHNSTON. Not with me.

Mr. MILLER. Senator, I have sent up letter after letter after letter indicating what the Administration's position on 8(g) is. We have talked briefly. Secretary Hodel, I un-

derstand, has talked with you, Randy Davis has talked with your people.

Senator JOHNSTON. I talked to Randy Davis; I talked to Secretary Hodel. My opinion——

Mr. MILLER. I hope we can reach some kind of accommodation, but we are simply not going to allow a raid on the federal treasury in the nature of 8(g).

Senator JOHNSTON. What is your position? You say you have stated time and again what that position is. What is it? I mean, your budget says 4 percent.

Mr. MILLER. Basically, on 8(g), the components are this: The so-called Buy America program, while it has a nice ring to it, is going to cost enormous amounts.

Senator JOHNSTON. That is not part.

Mr. MILLER. We are against that. We are also against the states going back and taking pre-1978 money. We are also against the provision of the 8(g)-type provision connected with 8(g) that would strap the Secretary's hands and the discretion he has with respect to offshore leasing.

If we can reach an agreement, if you will accept those provisions, I think we can have an 8(g) settlement without very much trouble at all.

Senator JOHNSTON. The problem is not with me on those elements, but most of those are not in the 8(g). The Buy American, those other things are not in 8(g).

My time is up. Thank you.

Mr. JOHNSTON. Mr. President, there we were. We thought we had an offer stated by the highest official on budget matters in the whole administration.

So my colleagues in the House then went back to the drawing boards to send us an 8(g) piece of legislation precisely and exactly, and to the comma and period what the Director of OMB had said; that is, take out pre-1978 leases. That is what the House amendment did, Mr. President, as it came over here.

We thought there would be no difficulty in getting that which the Secretary had suggested, and we thought we had agreed to. But then, Mr. President, comes the comedy part of this whole little scenario. The administration sensed then that we were going to have an agreement on terms stated by the OMB but, oh, My Lord, it is going to go to the credit of Congressman JOHN BREAUX in the House of Representatives. And maybe even Senator JOHNSTON will get a little bit of the credit. Oh, we cannot have that, Mr. President. Oh, no. So we went through this elaborate new little dance.

What they did, Mr. President, is restructure the deal, move some of the terms around, reduce the amount, and then appear magically over at the White House, cameras whirring, and saying because of the intercession of Congressman HENSON MOORE we now have a deal which would otherwise was going to fall apart. I think that is somewhat humorous, Mr. President, first because it involves a lesser amount of money than the OMB Director said he was willing to accept, and second, and more difficult, because it might be setting the scene—I hope it is not—for the whole thing to fall apart.

My indication from the House, as I just indicated to the distinguished Senator from Idaho, is that the House is not going to accept this. They are not going to do that with my advice. My advice is let us go ahead, forget the politics, blow off a little steam here on the floor, and let us get this approved. My State is hurting. But if it falls apart, Mr. President, it is not going to be my fault. And it is not going to be the fault of my colleagues in the House. It is going to be because, against my advice, this matter was put together in a way that we are advised the House will not take. Of course, you have to measure the risk on the one hand of sending the White House a bill which they say they will veto as opposed to sending the House a bill which they say they will not take.

Faced with those two alternatives, Mr. President, my advice is send the President the bill, and see if he will veto it. The reason I think that, first of all, I think that was huffing and puffing on the part of the administration. This bill saves, I am advised, about $17 or $18 billion over 3 years. Those are real savings. Those are not phony savings. Those are savings worked out over a period of months in the reconciliation process with a lot of bloodshed, and political bloodshed on both sides of this Capitol in making cuts in programs.

Mr. President, I do not think the President could afford to veto such a bill, especially could he not veto such a bill when his own OMB Director has come in and said that is what the administration wanted. How could the administration have vetoed on that account? They could not do it.

I do not think they could veto on account of section 19 because that section has been compromised as well as the Buy American compromise.

On buy America, all the administration has to do to avoid the buy America is to say that the drilling of the offshore well would not be feasible and you invoke the buy America. They can invoke that kind of certificate any day of the week right now.

Indeed, with buy America it is not feasible, given today's oil prices, to drill such a well.

So, Mr. President, my advice would be, faced with one of the two choices, either sending an unacceptable bill to the House or sending a bill to the President, I say send the bill to the President. If he does veto, you can try to override. In any event, you have a new reconciliation bill coming through next year to which this could be attached. In the meantime, the 8(g) money is in escrow and nobody gets their hands on it.

Mr. President, the advice was to put this deal together. It is considerably less than what Mr. Miller, the OMB Director, stated. It is $63 million less than immediate payment. It is $400 million less in future royalties. There is a provision which purports to give us another $84 million, which we are due.

But—and listen to this—on the $84 million which we are due, we get 3 percent of it for each of the next 5 years. That does not even keep up with inflation. We get 7 percent of it for 5 years thereafter, and 10 percent a year for 5 years thereafter.

If you put that through your computers, as we have done—we have a mathematician-physicist on the staff—he tells us it is worth about 50 cents on the dollar for that $84 million. That is for Louisiana's share, and the same thing is true for other States.

So what we have, Mr. President, is a much smaller pie with a much greater chance, in my view, of that pie getting killed and, if the pie gets killed, no commitment from the administration that they would give us the deal in another context.

As the Senator from Idaho candidly said, what we may do is end up with this as a new starting point for the next negotiations.

I am sorry to say, Mr. President, that negotiating with this administration has not been a very happy, productive kind of negotiation because you either cannot get through or, once you get through and make a deal, they will not stick to it.

Mr. President, I hope the House will accept this. I am urging my friends in the House to do it because we need the money so badly.

I would say finally, Mr. President, that I am sorry that this thing has sort of slid downhill into what I regretfully say is personal relations and politics, which I think has been unworthy of our delegation and unworthy of some of the longstanding relationships we have in this body. When you cannot get information between colleagues, when there is political advantage taken with risks to the State, I would say that it is regrettable.

I will say that in my own State there are projects outside of the district of Senate candidates where Senate candidates will go to those districts and take credit for the projects, down in New Orleans, up in Monroe. Mr. President, we have never had that in my State, and we should not have it.

I say it now not to have to repeat those kinds of things.

Mr. President, I will soon be the senior Senator in this body from my State, and I hope we are going to have the kind of relationship, whoever is elected, that we do not take petty partisan advantage, go over and take credit for somebody else's project. I am afraid it is reaching somewhat epidemic proportions, Mr. President.

Mr. President, last week I told this body about a resolution that I and the distinguished Senator from Vermont had sent around to all Senators with a "Dear Colleague" letter. Three days later, before we had a chance to get the "Dear Colleague" letter back, we found the resolution introduced by someone else.

I stated a little poem at that time. I will read it now because I know everybody is interested in hearing a recount of that poem. It was entitled "Ode to Johnston-Leahy." It says:

A rose by another name may smell as sweet,
But our bill without our names would not be as neat.
We mailed our Dear Colleague on June 29th,
And were surprised on the 30th to find ours last in line.
But we will stand not on ceremony though our pride might be battered,
Imitation, after all, should make us feel flattered.
S. Res. 312 we'll join and offer praise aplenty,
For it is exactly the same as S. Res. 320.
Together the Budget Committee we all can now pester,
For bipartisan defeat of this year's sequester.

That was last week or a week ago, Mr. President. This week, with a new deal, a new 8(g) deal, which I strongly identified with on this side of the aisle, on this side of the Capitol, should I say, because I ate with it, I slept with it, I nursed it, I talked to every single Senator in this body about 8(g), then suddenly it is wafted off and talked about at the White House and somebody else has their name on it. It is a replay of a couple of weeks ago.

But it shall not escape the bard's poem. So I have a new poem, Mr. President, to read about 8(g). This is entitled "Owed to 8(g)."

Owed is spelled o-w-e-d. The poem goes like this.

OWED TO 8(g)

If my colleagues will listen, I want them to hear
How the slippery "8-g" deal finally went queer.
In Louisiana the Reagan campaigns were both big hits
The voters chose him over Grits and then Fritz.
The Administration's gratitude it soon did reveal:
They consistently opposed Louisiana's 8-g deal.
The Congress said Louisiana's share was a billion plus
While the President's men said less than half that's a must.
Later Jim Miller said before the Appropriations Committee
Drop pre-78 leases and a deal we'd see.
"OK", we said, that compromise seems fair.
But give Johnston and Breaux credit?—He wouldn't dare.
So back to the drawing board Miller did go,
But this time with only Moore and Republicans in tow.
He said "Cut back the amount, restructure the deal.
Make it look different and the credit we'll steal."
Off to the White House they eagerly did go—
For a picture with the Great Communicator the press to show.
Yes, we need the money, so "yes" we'll scream
Though we're disappointed at how stingly they seem.
We'll be getting the check now 'most any day
But don't expect us "Thank you" to say
'Cause we feel like the victim of some slick pickpocket
We might have done better on the Federal court docket.
There's a moral to this game of political chess:
With Breaux you get more, but with Moore you get less.

Mr. President, I yield the floor.

The PRESIDING OFFICER. All time on the amendment has expired.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, as I understand, there is no time remaining on the amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. DOMENICI. Is there any time on the resolution itself?

The PRESIDING OFFICER. We are now considering an amendment between the Houses. There is no bill, per se, before the Senate.

Mr. JOHNSTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSTON. Is it now appropriate to offer the amendment which I mentioned earlier?

The PRESIDING OFFICER. It is now appropriate to offer that amendment.

AMENDMENT NO. 1674

Mr. JOHNSTON. Mr. President, I previously sent that amendment to the desk. I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] proposes an amendment numbered 1674 to amendment numbered 1673.

Mr. JOHNSTON. I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the amendment add the following:

"Notwithstanding any other provision of this Act, the amounts due and payable to the State of Louisiana prior to October 1, 1986, under Subtitle A of Title VIII (Outer Continental Shelf and Related Programs) of this Act shall remain in their separate accounts in the Treasury of the United States and continue to accrue interest until October 1, 1986, at which time the Secretary shall immediately distribute such sums with accrued interest to the State of Louisiana."

Mr. JOHNSTON. Mr. President, all this amendment does is delay the receipt of the moneys due only to the State of Louisiana until October 1. In the meantime, they are to accumulate interest as the fund is now doing. The reason for the delay until October 1 is that the Louisiana Legislature has passed a constitutional amendment by joint resolution which provides an elaborate framework for dedicating this money from 8(g) to education. On September 27, there will be a Statewide election to approve whether or not that framework for dedication of this money to education shall be approved by the people.

I believe that the people of the State ought to have the right to vote on that before the money is spent for other purposes. That is exactly what this amendment does. It does not affect any other State at all, it does not cost any money other than the money that would be drawn by interest on the account in the meantime. It does not increase or decrease the amount used in the State of Louisiana.

Mr. WILSON addressed the Chair.

Mr. DOMENICI. Mr. President, I yield—we have 30 minutes on amendments. I have half the time.

Mr. WILSON. Mr. President, actually, I was going to ask a question of the Senator from Louisiana.

The PRESIDING OFFICER. Does the Senator from Louisiana yield?

Mr. JOHNSTON. Yes, Mr. President, I yield.

Mr. WILSON. I thank the Chair.

My question to my friend from Louisiana is, does his amendment have the effect of securing not only for Louisiana but for all of the coastal States those rights to share with the Federal Government those revenues based upon the provisions that were contained in the House version?

Mr. JOHNSTON. No. Mr. President, I tell my friend from California that the amendment presently pending simply says that that share of revenues which would come to Louisiana under the amendment as introduced by the distinguished Senator from Idaho—Louisiana's share is simply delayed until October 1. That is all the instant amendment does, it simply delays that share until October 1. It does not affect California in any way.

If the Senator has a question about what the compromise amendment does, the underlying amendment, I would be happy to reply to that. But the amendment I just offered simply delays Louisiana's share.

Mr. WILSON. I thank my friend from Louisiana. I thank the Chair.

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum and

ask unanimous consent that the time not be charged to the amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, will the Senator from Florida yield me 2 minutes?

The PRESIDING OFFICER. The Senator from Louisiana controls the time.

AMENDMENT NO. 1674, AS MODIFIED

Mr. JOHNSTON. Mr. President, I send a modification of my amendment to the desk.

The PRESIDING OFFICER. The amendment will be so modified.

The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] proposes an amendment numbered 1674 as modified.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the Bill add the following: "Notwithstanding any other provision of this Act, the amounts due and payable to the State of Louisiana prior to October 1, 1986, under Subtitle A of Title VIII (Outer Continental Shelf and Related Programs) of this Act shall remain in their separate accounts in the Treasury of the United States and continue to accrue interest until October 1, 1986 except that the $572 million set forth in section 8004(b)(1)(A) shall only accrue interest from April 15, 1986 to October 1, 1986, at which time the Secretary shall immediately distribute such sums with accrued interest to the State of Louisiana."

Mr. JOHNSTON. Mr. President, this amendment simply makes clear that the interest shall accrue from April 15, 1986, and thus to make it revenue neutral.

I also wanted to make clear, Mr. President, that it is not the intent of this amendment to give any window for litigation but rather it is expected that so far as I know the State will accept this as a settlement, but in any event the court is not going to proceed with a trial of the case during this period prior to October 1 because this will be considered to be a final settlement in Louisiana when and if it is approved, and I hope it will be approved.

Mr. McCLURE. Mr. President, will the Senator respond to a question?

Mr. JOHNSTON. Yes.

Mr. McCLURE. I think the Senator has already responded to the question I was going to ask. In the form that the distribution is in of acceptance by the States does that acceptance of the money release the claims and settle the litigation? Since there will be a delay in the disbursement of the funds in the case of the State of Louisiana, there is no way in which that triggers prior to the acceptance of money under the current status of the proposed legislation.

Is there any likelihood or possibility that it could be arranged with the State of Louisiana in order to set this at rest that the State execute a release before they get the money in effect to settle the question whether or not there is litigation? Is that something worth pursuing with the State of Louisiana?

Mr. JOHNSTON. I say to my friend from Idaho that I would not think it would be necessary because I think the Governor of our State has already endorsed the settlement. The judge is not going to proceed with the trial. So I really do not think that is necessary. But it certainly could be pursued. My guess is that the Governor would sign such a release if offered to him.

Mr. McCLURE. I understand and I appreciate the comment of the Senator from Louisiana, because there is some concern that this period not be used. There is no way in which the Senator from Louisiana and I can make guarantee what the State government of Louisiana would do, although the Senator from Louisiana is certainly in a better position to express an opinion than I would be as to what they would be likely to do.

Mr. JOHNSTON. I might say to the Senator from Idaho I have not talked to Judge Mintz. Having not talked to him, I can absolutely guarantee he is not going to proceed with this trial in the face of an impending payment on October 1.

Mr. McCLURE. I thank the Senator from Louisiana.

I think the colloquy here on the floor should very clearly indicate that we intend that this does not create that window of opportunity that the Senator from Louisiana has described. It is simply a question that deals with the other question with respect to the use of the proceeds once Louisiana gets the money.

I thank the Senator for his response.

Mr. JOHNSTON. I thank the Senator.

Mr. President, I yield back the remainder of my time.

Mr. DOMENICI. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back.

The question is on agreeing to the amendment, as modified, of the Senator from Louisiana.

The amendment (No. 1674), as modified, was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CRANSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, I have a question for the distinguished Senator from Idaho, the chairman of the Energy Committee.

My understanding is that section 7201 of this legislation—shared energy savings—would allow a Federal agency, without further congressional action, to enter into a contract for energy savings that might result in permanent improvements to Federal lands or property. The agency may provide in the contract that it owns the improvements after they are made or has the option to purchase them at the end of the term of the contract. These improvements on Federal property might range from additional insulation in a building to installation of new energy efficient boilers. Is that correct?

Mr. McCLURE. Mr. President, if the Senator will yield, yes, that is my understanding.

Mr. JOHNSTON. I thank the Senator.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WILSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1675

Mr. WILSON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from California [Mr. WILSON] proposes an amendment numbered 1675.

On page 3F, on the third line, strike the "s" on the end of the word "subtitles" and strike "B and".

Mr. DOMENICI. Mr. President, will the distinguished Senator yield?

Mr. WILSON. I yield.

Mr. DOMENICI. Mr. President, the time I have in opposition will be handled by the distinguished Senator

from Idaho, the chairman of the Energy Committee.

The PRESIDING OFFICER. The Senator has the right to make that designation.

The Senator from California.

Mr. WILSON. Thank you, Mr. President.

Mr. President, I offer this amendment on behalf of myself and my colleague, Senator CRANSTON.

We do so not only for ourselves or for our State of California, but, as I will indicate in these brief remarks, on behalf of all coastal States concerned with having an adequate voice in the planning of the development of their own coastal zones.

Mr. President, I am proposing an amendment that effectively adds back to the leadership amendment the changes to section 19 of the Outer Continental Shelf Lands Act of 1978 that were adopted by the House and subsequently stricken by the leadership in the proposal that is before us now.

These changes to section 19 of the Outer Continental Shelf Lands Act, changes which were substantively agreed to by the reconciliation conference committee last December, are changes that relate directly to the rights of affected coastal States to have their voices heard by the Secretary of the Interior in the planning of OCS oil and gas leases.

Section 19 is the provision of the Outer Continental Shelf Lands Act that requires the Secretary to coordinate and consult with affected States and local governments.

It requires the Secretary to accept the recommendations of the Governor of the affected State with regard to a proposed lease sale, provided that those recommendations strike a reasonable balance between the national interests and the well being of the citizens of the affected State.

The Secretary is required by existing law to make a determination of the national interest but he is required to do so within the context of a very loosely defined standard that requires that his determination be made "in a balanced manner."

Unfortunately, some Secretaries may not within that broad standard give adequate consideration to the legitimate interest of the States.

The Secretary's interpretation of what constitutes national interest may very well, and has in certain instances, allowed him to unjustly override the stated concerns of the affected Governors and State governments in a number of different lease sales.

Let me cite just a few examples:

Lease sale 53 off California in 1981 was one in which the Governor recommended deletion of 32 out of the 115 tracts that were proposed for sale by the Secretary. The Secretary rejected these recommendations in toto. When California then challenged the Secretary's decision, the court held that the Secretary had met "the bare technical requirements of the statute but quite clearly violated the spirit of the act."

The very next year, in 1982, the Governor recommended that 16 full tracts and 18 partial tracts, out of a total of 164 proposed by the Secretary to be offered for sale, be deleted from the sale and that additional stipulations be added for the other tracts. While the Secretary agreed to delete eight tracts, all other recommendations were rejected. When California again sued, the court granted a preliminary injunction based in part on its finding that the State had raised a serious question as to whether the Secretary had given the Governor's recommendations full and fair consideration.

It is my understanding that New Jersey, in an August 1982 lease sale; Florida, in two lease sales in 1983; Louisiana, in an April 1984 lease sale; Texas, in a July 1984 lease sale; and Massachusetts, in a September 1984 lease sale, all encountered similar problems in securing the cooperation of the Secretary.

Mr. President, these examples make clear that it has become evident over the last several years that the hand of the State needs to be strengthened in the planning of these OCS land sales. The legitimate interests of State government have not been adequately listened to nor heeded, and the result has been an injustice directly in contravention of Congress' stated intent in requiring the consultation that, in fact, the Outer Continental Shelf Lands Act seeks as protection for State interests.

The amendment that Senator CRANSTON and I are proposing would change the standard for the Secretary in making his determination of national interest. The language that we are proposing expands on the existing requirement in law that the Secretary make his detemination of national interest in a balanced manner by requiring that the Secretary "equally weigh the need for exploration, development, and production of oil and gas with the need to protect other resources and uses of the coastal zone and the marine environment."

This new standard would make clear that the Secretary cannot, as has occurred in the past, cavalierly dismiss or discount the concerns of Governors of coastal States on the basis of heretofore vague definitions of national interest, and the Secretary must, as he should, give equal weight to consideration of State interests in their own coastal zone.

This amendment also requires that the Secretary provide written explanations, that he document the support for his position, and that he allow the decision to be reviewed according to the Administrative Procedure Act. The standard of review under the Administrative Procedure Act slightly expands on the existing standard in the OCSLA of arbitrary and capricious conduct by adding the words that the Secretary, in making his decision, shall not engage in "an abuse of discretion" or in any other way ignore the requirements of the law that regard the decision that he is charged with making under the Outer Continental Shelf Lands Act.

Mr. President, these changes to section 19 of the act that I have described here are important changes. They are necessary in order that affected coastal States can have the voice and the protection required, if they are to receive anything that is real protection rather than lip service in the planning of the Outer Continental Shelf lease sales off their State shores.

With minor modifications, this was the language agreed to by the reconciliation conference committee last December. It was again adopted by the other body in its most recent consideration of this issue.

So, Mr. President, if we are to do more than give lip service to the legitimate requirements of State governments, including their economic interests in planning on-shore industries, then we have got to secure the changes that we are offering here today.

Mr. President, let me make clear what is at stake here is not safeguarding the landscape. It is not protecting the view. This is not an effort bent upon indulging a certain esthetic elitism, as critics of coastal protection sometimes term it.

Local government officials have come to the senior Senator and to myself. They have said:

> We need protection of our employment base. If we are going to put people to work in a steadily expanding area, an area that is beset by unrelenting population explosion, it does not help us if we find that, where we are threatened with violation of clean air standards, we cannot gain permits for new jobs because of the fact that we will suffer an impairment, a further impairment, in air quality because of what results from the rigs offshore.

The balancing that is necessary, Mr. President, for jobs, for the economic welfare of coastal States, requires that such considerations be taken into account, not merely stated by a Governor to be ignored by the Secretary of the Interior.

And that, Mr. President, is what is at stake here. It is not simply an academic exercise about States' rights, although I think that States' rights in this instance call out for protection, but it was precisely for the reason—although they might not have foreseen Outer Continental Shelf development—that the Founding Fathers in placing States' rights protections in

the Constitution specifically sought to do so. If they could not precisely foresee the technology that would pose this threat today, they could at least understand that the federation that they were seeking to achieve for greater elective strength must not be one that threatens the rights of individual States when those State rights are in fact legitimate. They are legitimate. They do require protection. They do not receive adequate protection either under existing law and certainly would not under the leadership proposal.

For that reason, Mr. President, I ask not only the representatives of coastal States who will be directly affected by this matter, but all who believe that States should have adequate protection against whatever good intentions the Federal Government seeks to foist upon them, to support this amendment.

I thank the Chair.

Mr. CRANSTON. Mr. President, I am delighted to join with my friend and colleague from California, Senator WILSON, in this effort to bring some fairness and common sense to the legislation that is now pending. The Republican leadership proposal, crafted in private, partisan meetings between select Senate and White House staff, is disastrous for our State of California and clearly unacceptable to the House—and so is likely to kill the bill if adopted.

The "savings" claimed for the proposal are phony. They depend, for example, on an assumed oil price that is at least 50 percent higher than reality. They assume $24 per barrel will be the price for oil. The price is now somewhere below $15 and dropping.

The proposal is merely an attempt, in reality, to shelter the President from accountability for the consequences of his threatened veto of this bill by sending it back to die in the House instead of requiring a veto, a power this President has often sought but has not been given by the Constitution or the Congress.

It would strip from the bill language specifically approved by both Houses which has no budgetary impact at all but which would give all coastal States and local governments a more effective voice in decisions about developing their coastlines.

My colleague, Senator WILSON, made the very eloquent statement about States rights, and about the need, where it can be done, to give local citizens and local officials a voice in their own affairs. Our approach would do that.

I urge all our colleagues to join this effort to restore some balance to the coastal process and to save the reconciliation bill.

I am delighted to be the original cosponsor of the amendment offered by my colleague and friend from California, Senator PETE WILSON. The Wilson-Cranston amendment would restore to the reconciliation bill language which represents a House-passed modification of language previously adopted by the House which withstood challenge in the Senate when we were debating this issue on its merits when it first arose.

The House modification was an attempt to compromise with administration concerns. The purpose of the amendment we are now offering is to attempt to restore some effectiveness to the voice of coastal States and local governments in their negotiations with the Secretary of Interior regarding oil and gas lease, and along the Outer Continental Shelf of a State's coastline.

The PRESIDING OFFICER. All the time of the proponents have expired.

Mr. CRANSTON. I would like some additional time if that is possible.

Mr. McCLURE addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. I ask unanimous consent to yield 3 minutes from the opposition to the Senator from California.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE SECTION 19 ISSUE

Mr. CRANSTON. Mr. President, section 19 was added to the OCS Lands Act in 1978 as a part of a major overhaul of that statute. In amending the OCSLA, Congress was attempting to further several goals, one of which was to increase the role of the States in OCS decisionmaking. Indeed, the legislative history clearly indicates that the States were to play a leading role in these matters.

Section 19 was intended to be one of the primary tools to accomplish this goal. It provides that Governors, and local governments through Governors, could submit recommendations on OCS lease sales and on development and production plans. Interior was required to accept these recommendations if Interior determined that they struck a reasonable balance between the national interest and the well-being of the citizens of affected States. For purposes of section 19, a determination of national interest was based on the desirability of the recovery of oil and gas in a balanced manner and on the findings, policies and purposes of the OCSLA. The basic thrust of section 19 appears to have been that reasonable recommendations from Governors be accepted.

While section 19 appears to vest considerable authority in Governors of affected States, Interior has implemented it in a fashion which limits the impacts of a Governor's recommendation. For example, for lease sale 53 California's Governor submitted a recommendation that 31 tracts be deleted from the sale. Even though Interior's own documents revealed that these tracts contained only 8 percent of the oil in the sale areas, Interior rejected the recommendation. The courts upheld Interior even though they believed it was violating the spirit of the statute. In other cases, such as lease sale 82, Georges Bank, Interior has rejected recommendations that a limited number of tracts be deleted not because of any balancing analysis but simply because industry had expressed an interest in the tracts.

Frequently, Interior will solicit views from States, local governments, the oil industry and public interest groups. However, the solicitation of views is a very different process from consulting with Governors and accepting reasonable recommendations from Governors. Generally, Interior acts as though it may accept or reject at will the views it receives, and frequently, recommendations will be rejected without any modification of the lease sale decision.

The effect of this approach has been twofold. First, it has generated a considerable amount of litigation. Since 1981, California, Massachusetts, Louisiana, and Texas have challenged Interior's rejection of section 19 recommendations in litigation.

Second, because of the arbitrary and capricious standard now found in section 19(d), the courts have only a limited ability to compel Interior to accept a Governor's recommendation. In the litigation over lease sale 53, the Federal district court judge stated that Interior had violated the spirit of the act, but the standard of review required great deference to Interior and thus precluded a ruling in favor of the State. *California* v. *Watt* (C.D.Cal. 1981) 520 F.Supp. 1359, 1385-1386. The Court of Appeals for the Ninth Circuit upheld the district court ruling that Interior need only give "some consideration to the relevant factors. * * *" *California* v. *Watt* (9th Cir. 1982) 683 F.2d 1253, 1269. Interior can meet the standard of giving some consideration to relevant factors and still accept or reject recommendations as it wishes.

States have only prevailed in challenges to section 19 determinations in those situations where Interior has made a procedural mistake such as preparing its analysis supporting the decision after the decision was made, lease sale 68—*California* v. *Watt* (C.D.Cal. 1982) 17 .E.R.C. 1711, or failing to do the balancing required in section 19, lease sale 82—*Commonwealth of Massachusetts* v. *Clark* (D. Mass. 1984) 594 F.Supp. 1373.

The amendment that Senator WILSON and I offer will restore a reasonable weight to the recommendation of a State's Governor, without precluding a contrary Federal decision in the national interest if the facts so justify. It will cost no additional funds, and may end up saving money, by restoring balance to the lease sale proc-

ess and thereby avoiding otherwise inevitable and costly litigation.

I urge its restoration to the reconciliation bill.

I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. McCLURE addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Mr. President, I am a little puzzled to know how best to proceed in opposition to the adoption of this amendment because the Senators who offered the amendment in good faith talked about two things which are almost irrelevant to the current discussion. The Senators are concerned about the process that is followed with respect to the Outer Continental Shelf decision making.

I think all of us are concerned about that question. The Senators are concerned about the substance contained in the problems, and the impacts that may occur close to communities in their State of California. I think all of us are aware of those concerns, and wish to respond in a prudent way to it.

The Senators ignore something which I believe is reality; that is, if they pursue and are successful in pursuing this course, the bill is dead. It may well be that the distinguished senior Senator from California would rather that decision rest with the White House, and would like to force a veto of the bill rather than accept the responsibility here.

I can understand that might be his desire. But it does not serve this body well, and the rest of the interests that are of concern about provisions of this legislation.

As I said in my opening remarks earlier with respect to the 8(g) and Outer Continental Shelf issues, we made a reasoned, careful calculation as to what it would cost us in other ways to leave this provision in the bill, and still overcome the administration's objections to the bill.

It was my conclusion that we would be better off to strike this provision, and gain more acceptance of other provisions than to do it the other way around, for two reasons: One is the Senator's own State of California has much at risk, and much at stake with respect to the distribution of Outer Continental Shelf revenues—the 8(g) issue.

I want to remind the Senators from California that while they like the idea of raising this issue, and trying to position themselves correctly in a political sense for their votes in California, on this issue they put at hazard—no, I will make it more strongly than that, they almost guarantee—that the State of California will not receive $338 million from the 8(g) fund immediately, and an additional $289 million over the next 15 years as provided in a bill which the administration has said they will sign if it is not tampered with.

I understand the Senators from California would like to have that money, and this provision. But they are not going to get more now in this bill no matter how much they might like it. It simply is not going to happen.

So you can make your statement on Outer Continental Shelf processes, but if you do make that statement, and are successful, you automatically lose the money for your State.

Yes, you can come back and address the question of the revenues at a later date in another piece of legislation. I suggest you reverse that. Drop the issue of the Outer Continental Shelf processes in section 19, take the decision that is most favorable to your State with respect to the 8(g) revenues, get that done, then come back, and look at the Outer Continental Shelf processes.

Second, there are an awful lot of things being done now in consultation with State governments.

There are six separate opportunities under existing law for any interest, including the State interest, by any person pursuing State interests, the Governor or anyone else, in the process that is now in the statute. It is not the process that is at fault. It is that it is not yielding the results that some people desire with respect to Outer Continental Shelf operations.

The process is working. The result does not please them. So they seek to alter the process in order to try to achieve a different result. How would this work?

It would work by creating endless additional litigation. The courts have not finished the litigation under the existing statute. Then it would change the statute and we would start all over again. That achieves the result that some people want, to have nothing happen.

At some point, somewhere in this process, we have to make decisions. The endless paralysis of the decision-making process serves no one well except the attorneys who get paid in that process. This should not be that, although some people might suggest that that is the purpose.

Finally, there are other things going on at the present time with respect to the consultation with the appropriate Governors. In the continuing resolution that passed last year that is now the law, there is a negotiating team that was created. That negotiating team is made up of members of the California delegation. Both the Senators from California from time to time participate in those meetings. They are named as participants. They are certainly fully welcome to be there at any time to participate in all of those discussions about how we resolve the OCS question.

Those meetings continue and they have not yet been ended. There will be other such meetings before that negotiating team comes to a conclusion, if indeed it is capable of coming to a conclusion.

The Secretary of the Department of the Interior participates, or his designees participate, in every one of those meetings.

We are hopeful that before those meetings are over there will have been a negotiated settlement of the issue rather than continued litigation and continued political confrontation on the issue.

Mr. CRANSTON. Will the Senator yield?

Mr. McCLURE. I will yield shortly.

Finally, Mr. President, the Secretary of the Interior, Mr. Hodel, I think is making a sincere effort to meet the objections and the concerns of the people of California and the coastal States, the Government and the several governments within California on this matter dealing with Outer Continental Shelf operations.

If you will look at the recent recommendations made by the Governors to the Secretary of the Interior on the OCS Program, I believe it is correct—I would stand corrected if it is not—that the Secretary has accepted every one of the suggestions made by the several Governors involved in these operations.

Whether or not this is going to be continued in a pattern that will satisfy everyone, I cannot tell you. I can guess that there will still be some who, looking at their objective of stopping all operations, will not be satisfied with that result and they will seek some new start of negotiations and new start of litigation.

I would hope that we reject this amendment. I must strenuously urge this amendment be rejected because the process of working out these problems is ongoing. The process of working out OCS operations is continuing. It has not stopped. It is not static. It is not dead. It is still being developed. The appropriate legislative committees—and I chair one such committee—are continuing to look at this problem but we have not yet had any legislative proposal submitted for deliberations, and no hearings on proposed legislation. This was thrown into this bill at the last minute in the House of Representatives to express a political concern in the State of California that is disruptive to Federal land management.

I am sympathetic, because my State of Idaho has two-thirds of our surface area owned and controlled by the Federal Government directly. We would love to have a State veto over Federal actions on those lands. The adminis-

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tration stalwartly resists the notion that the taxpayers of this country should be hostage to the parochial interests of an individual State. So far, those of us who come from public land States have not been able to inject the States into direct control of the operations on the lands within the boundaries of our State.

If we cannot do that, how can we justify giving control to the States or increased control to the States of those lands which lie not just outside but several miles outside the States affected by operations on the Outer Continental Shelf.

Finally, Mr. President, the botton line is and must be that we are advised that if this provision is reinstated the bill is dead.

Mr. CRANSTON. Will the Senator yield on that point?

Mr. McCLURE. I am happy to yield.

Mr. CRANSTON. My information is that the bill is dead if this language proposed by the majority is adopted or stays in the bill because the House will reject it.

Mr. McCLURE. I understand that, and I have been told that the House feels very strongly about this provision. I understand that they do. I would hope that the better part of wisdom would prevail in the House as well as here. You see, I have never given up on the House of Representatives. I still think they are capable of rational judgments. In this instance, I think that the benefits that come to the coastal States in the solution of the 8(g) funding question, the distribution of those funds, leaving to future legislation the questions of Outer Continental Shelf management, is the prudent way for them to react.

As I said earlier, I had to make a judgment in these negotiations: Was it more important to retain this provision or give up on the money in 8(g)? I think there was a direct tradeoff. I elected to settle the 8(g) question once and for all and revisit these questions at a later time.

The legislative committee is certainly capable of doing that. Certainly the House and Senate are capable of doing that.

But if it comes down to a question of whether or not the administration will veto over this or whether the House will kill over this I will guarantee you I know what the administration will do over this provision, if they are telling me accurately. We still have an opportunity to persuade the House to postpone the discussion of the issue.

Mr. WILSON. Mr. President, I ask unanimous consent that an additional 5 minutes be permitted.

The PRESIDING OFFICER. Is there objection?

Mr. McCLURE. Reserving the right to object, and I shall not object, is that 5 minutes equally divided?

Mr. WILSON. Yes.

Mr. McCLURE. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILSON. First, let me ask this: The Senator has just stated that the bottom line here is adoption of this amendment he feels will cause the loss of all the other advantages of the reconciliation bill. Is that Senator aware that the Republican chairman of the Finance Committee, the distinguished Senator from Oregon, Senator PACKWOOD, is joining with Senator CRANSTON and me in seeking this amendment? Does he think he would do so if, in fact, he thought it jeopardized the success of the leadership package and the acceptance by the President and the House of this reconciliation package?

Mr. McCLURE. Will the Senator yield?

Mr. WILSON. I yield.

Mr. McCLURE. I do not think that changes the situation at all. I do not know what his judgment might be. But I know what my conferences have been with the administration.

Mr. WILSON. Is the Senator from Idaho also aware that as recently as a few weeks ago the Governor of California, a Republican Governor, one who is on record as favoring a balanced budget, who is clearly not one of those who is seeking flat prohibitions on all Outer Continental Shelf developments, that that same Governor has used language that made headlines in referring to a breach of faith by the Secretary of the Interior?

Mr. McCLURE. I do not know what the Governor of California has said or even what the background of those comments may be, but there has been no breach of faith by the Secretary of Interior of which this Senator is aware. I have followed carefully what he has done over the last year. I have been in every one of the meetings of the negotiating team that has tried to negotiate a solution to this question; that is, trying to negotiate a solution to the OCS question. The Secretary has been there, or his designees have been there, at every meeting, participating fully, listening carefully. I can assure the Senator from California that indeed, it is my belief—and I think it is a fact—that the Secretary of the Interior is trying in good faith to work out the problems that are identified.

Mr. WILSON. Mr. President, I think the Senator might have a better idea had he been present last summer through a series of protracted discussions that did lead to what some of us felt was an agreement.

The point, Mr. President, is very simple: that is simply the most recent example of inadequate attention by a Secretary of the Interior, one you might happen to think to be a perfectly decent human being, but one who is not required, clearly, by existing law to give adequate weight even to consideration of the very balanced views of a Governor of my State who is by no means an opponent of offshore development.

The PRESIDING OFFICER. The time has expired.

Mr. McCLURE. Mr. President, let me yield 1 minute to the senior Senator from California on my time.

Mr. CRANSTON. Mr. President, I would simply like to state that the issue of what is best for the coastal States can best be judged by the attitudes of those who represent the coastal States. It seems clear that the House of Representatives will not accept, this measure if it goes over in its present form. I would like to see it amended so it can be adopted.

This is something like a $17 million savings implicit in this measure if we can get it enacted, and I wonder if the President would choose to veto a bill that would cost that much in money at a time when we need such savings. I would like to see the President given the opportunity to make that decision.

Mr. McCLURE. Mr. President, the President has already indicated what that decision would be. I can understand the standpoint of some that they would rather the President would veto this than have it die in Congress. I persist in the belief that it is good for the country to get this bill passed in a form which the President has said he will sign. I therefore shall continue, and urge my colleagues to continue, to reject the provision.

I yield the remainder of my time to the Senator from New Mexico.

Mr. CRANSTON. Madam President, I ask unanimous consent that the Senator from Massachusetts [Mr. KERRY] be added as a cosponsor to this amendment.

The PRESIDING OFFICER (Mrs. KASSEBAUM). Without objection, it is so ordered.

Mr. PACKWOOD. I am pleased to support the amendment of my colleagues, Mr. CRANSTON and Mr. WILSON, which will strengthen the States' consultative role in offshore leasing and development decisions.

Section 19 of the Outer Continental Shelf Lands Act was designed to give the States a leading role in OCS decisions. However, the section currently gives the Secretary of the Interior too much discretion to discount the recommendations of the States. This disregard of States' interests and unwillingness to conclude effective negotiations has increased pressure for congressionally imposed leasing moratoria and has inspired extensive litigation. Since 1982, 12 coastal States have brought challenges to the current leasing program.

Senator CRANSTON's and Senator WILSON's amendment would rectify this situation by compelling the Secre-

tary to give greater weight to reasonable State recommendations. The amendment would insure that the Secretary of the Interior fully account for marine and coastal environmental values when weighing whether to accept or reject a Governor's recommendations. In addition, the Secretary would be required to supply the Governor with a detailed response as to why he rejected any recommendations.

This amendment adds no new steps or delays to the leasing process. Further, the national interest would continue to be fully protected under the new language, since the responsibility would lie with the Secretary to accept or reject the Governors' recommendations.

This amendment reinforces the original intent of Congress that Governors of States affected by Outer Continental Shelf oil and gas development have a leading role in lease-sale decisions. I urge my colleagues to support it.

The PRESIDING OFFICER. All time on the amendment has expired.

Mr. DOMENICI. Madam President, has the 2½ minutes the Senator from Ohio had expired?

The PRESIDING OFFICER. Yes, it has.

Mr. DOMENICI. Madam President, I move to lay the pending amendment on the table. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Pennsylvania [Mr. SPECTER] and the Senator from Virginia [Mr. TRIBLE] are necessarily absent.

I also announce that the Senator from Arizona [Mr. GOLDWATER] and the Senator from Maryland [Mr. MATHIAS] are absent on official business.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from Arizona [Mr. DECONCINI], the Senator from Missouri [Mr. EAGLETON], the Senator from Iowa [Mr. HARKIN], the Senator from Colorado [Mr. HART], the Senator from Hawaii [Mr. INOUYE], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Georgia [Mr. NUNN] are necessarily absent.

I further announce that, if present and voting, the Senator from Delaware [Mr. BIDEN] would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 53, nays 35—as follows:

[Rollcall Vote No. 39 Leg.]

YEAS—53

Abdnor	Exon	McClure
Andrews	Ford	McConnell
Armstrong	Garn	Murkowski
Bentsen	Glenn	Nickles
Bingaman	Gorton	Pressler
Boren	Gramm	Pryor
Boschwitz	Grassley	Quayle
Bumpers	Hatfield	Rockefeller
Burdick	Hecht	Rudman
Byrd	Heflin	Simpson
Chafee	Helms	Stennis
Cochran	Humphrey	Stevens
Danforth	Johnston	Symms
Denton	Kassebaum	Thurmond
Dixon	Kasten	Wallop
Dole	Long	Warner
Domenici	Lugar	Zorinsky
East	Mattingly	

NAYS—35

Baucus	Heinz	Packwood
Bradley	Hollings	Pell
Chiles	Kerry	Proxmire
Cohen	Lautenberg	Riegle
Cranston	Laxalt	Roth
D'Amato	Leahy	Sarbanes
Dodd	Levin	Sasser
Durenberger	Matsunaga	Simon
Evans	Melcher	Stafford
Gore	Metzenbaum	Weicker
Hatch	Mitchell	Wilson
Hawkins	Moynihan	

NOT VOTING—12

Biden	Harkin	Mathias
DeConcini	Hart	Nunn
Eagleton	Inouye	Specter
Goldwater	Kennedy	Trible

So the motion to lay on the table was agreed to.

Mr. DOMENICI. Madam President, I move to reconsider the vote by which the motion was agreed to.

Mr. McCLURE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. Madam President, a parliamentary inquiry.

The PRESIDING OFFICER. Will the Senator from New Mexico suspend until the Senate is in order?

The Senator from New Mexico.

Mr. DOMENICI. A parliamentary inquiry, Madam President. If there are no further amendments, what would be the subject matter before the Senate?

The PRESIDING OFFICER. The time has expired on the motion to concur in the amendment. So the vote would be on the amendment.

Mr. DOMENICI. I have no desire to ask for the yeas and nays on the Dole-Domenici-McClure-Packwood amendment. Does somebody desire a rollcall vote?

Mr. BOREN. Madam President, I rise to call the Senate's attention to an issue of great importance to senior citizens all across our Nation.

During consideration of the budget reconciliation bill last year, I offered an amendment dealing with Medicaid eligibility for those people in need of nursing home care. During conference, however, my amendment was removed, along with other Medicare/Medicaid provisions. I would like to briefly review for the Senate the circumstances which led to my offering this amendment.

The Department of Health and Human Services, through administrative action, has issued one of the most unreasonable, unworkable and unfair regulations this Senator has encountered in a long time. That regulation, if left standing, will jeopardize the eligibility of thousands of senior citizens across this Nation for nursing home care under the Medicaid Program.

When a Medicaid applicant or recipient who owns his own home is admitted to a nursing home, the value of the residence is disregarded in determining whether he is eligible for Medicaid, provided he intends to eventually return home. However, when it is established that the individual will not be returning home, the value of the residence becomes a resource that can increase his resources beyond the permitted level.

In the past, Federal policy has given such an individual a reasonable amount of time, usually 90 days, to dispose of the property as long as he is making a "bona fide effort to sell." Proceeds from the eventual sale of the house are then used to finance the individual's nursing home care until he has reduced his resources to the allowable level and can again be eligible to receive Medicaid payments.

This policy has provided a reasonable period to determine whether it is realistic to expect a return home. It avoids requiring a patient to give up his home while there is still a chance he may be able to return to it. Once it is determined a return is not feasible, the individual has been given enough time to sell his property at market value, rather than being forced to dispose of it quickly, below market value.

Under this new HHS regulations, however, all this will now be changed. These regulations state that when it is determined a person will not be returning home, the home immediately becomes a resource. A memorandum dated June 3, 1985, from the Health Care Financing Administration to all Regional Administrators states the policy quite clearly:

> Medicaid eligibility can no longer be extended to individuals who have excess revenues and who are making a bona fide effort to sell. Medicaid eligibility based on 'bona fide effort to sell' does not exist. Individuals who have excess resources are ineligible for Medicaid.

Imagine the dilemma senior citizens all across this Nation will find themselves in as a result of this new ruling. Given the prospect of being declared ineligible for Medicaid coverage and forced to leave the nursing home, patients may, in desperation, be left with no choice but to dump their homes at greatly reduced prices, just in order to maintain Medicaid eligibility. In many parts of this Nation, certainly in my own State of Oklahoma, the housing

market has come to a virtual standstill as a result of the collapse of oil prices, the depression in the agricultural industry, and other factors. Under such circumstances it will be virtually impossible for senior citizens in my State to immediately dispose of their property, even at below-market value.

If there was ever a need for the Senate to act in blocking ridiculous Federal regulations, this is surely it. This is not just an Oklahoma problem, or one that is limited to a particular region of the country. Senior citizens in every State will be affected if these regulations are left intact.

Madam President, my intention was to again offer my amendment to the reconciliation bill we are now considering. In discussions with the chairman of the Finance Committee and the majority leader, however, I understand the delicate nature of the agreement that has been reached with the House and the administration regarding this bill. It has been suggested that I withhold offering my amendment to the reconciliation bill, and consider offering it to another appropriate legislative vehicle in the near future. In addition, I hope the distinguished majority leader and the chairman will join me in urging the administration to defer taking action under this regulation until we in Congress have had a chance to act. I would welcome any comments the majority leader and the chairman might have as to their own feelings on this important matter.

Mr. DOLE. Madam President, I thank the distinguished Senator from Oklahoma for bringing this matter to our attention. Elderly citizens in Kansas, like those in Oklahoma, have faced similar problems.

On December 20, 1985, the Senator from Kansas sent a letter to the Secretary of HHS, which addressed this same issue. I ask unanimous consent that a copy of this letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, December 20, 1985.

Hon. OTIS BOWEN, M.D.,
Secretary of Health and Human Services, Hubert H. Humphrey Building, Washington, DC.

DEAR SECRETARY BOWEN: The Deficit Reduction Act of 1984 (DEFRA) established a moratorium period during which the Secretary of Health and Human Services was directed not to take any compliance, disallowance penalty or other regulatory action against a State because a State in determining eligibility for noncash Medicaid recipients is using an income or resource standard or methodology that is less restrictive than the applicable cash assistance standard or methodology. The moratorium is to run from the date of enactment until 18 months after submission of a required report.

Since the passage of this provision, problems have arisen with the Administration's interpretation of the moratorium. In addition, more recently, a related problem—the issue of the "bona fide" effort of sale—has come to our attention.

As a result, this year's Omnibus Reconciliation Bill of 1985 contains a provision which was added by the Senate Finance Committee, which clarifies the moratorium on your sanction activities. In addition, the provision restores for the duration of the moratorium the previous medicaid policy governing the period when homeownership by an institutionalized individual is permitted and the period of time given for the sale of a home.

Unfortunately, final action was not taken on the Conference report containing this provision prior to our Sine Die Adjournment in December. As a result, the States continue to be in a difficult positioin vis-a-vis their current rules.

In the absence of final Congressional action, I would be interested in learning how the Department might suggest that we resolve this difficult issue. It is clear that a rational policy would provide a reasonable period of time to determine whether it is realistic to expect a patient to return home, and once that determination is made, a recipient should be given enough time to sell their property at its reasonable market value rather than being forced to dispose of it at an unreasonable reduced market rate.

I recognize the need to avoid allowing individuals to qualify for Medicaid inappropriately but believe a reasonable accommodation can be reached here.

I look forward to your response.

Sincerely yours,

BOB DOLE,
Majority Leader.

Mr. DOLE. Madam President, like my distinguished colleague from Oklahoma, I hope that we can find some reasonable solution to this problem. It is certainly my intention to work with him in doing so.

Mr. PACKWOOD. Madam President, I agree that it is not good public policy to force elderly Americans to sell their homes for a fraction of their value in order to qualify for Medicaid. However, we must take great care in revising Medicaid eligibility rules for we run the risk of either, first, denying Medicaid coverage to needy elderly persons on the one hand, or second, granting Medicaid coverage to those not truly needing such coverage.

Although I do not agree with OMB's $1 billion estimate of the cost of such a change, I recognize that we need to address this problem. I will be happy to work with Senators and join in urging the administration to delay its enforcement of the regulation until we can address the problem.

The PRESIDING OFFICER. The question is on agreeing to the motion to concur in the amendment.

Mr. DOMENICI. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOMENICI. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the motion to concur in the amendment.

Mr. METZENBAUM. Is this on the amendment?

Mr. DOMENICI. On the amendment.

Mr. METZENBAUM. Not on the total package?

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McCLURE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Madam President, I would like to ask the distinguished chairman of the Energy Committee a question. If a State declines its 8(g) payment and continues to litigate this issue and eventually loses would it be able to claim the money alloated to it under this amendment?

Mr. McCLURE. No. If a State does not take its payment by April 15, the offer expires and a State forfeits any future claim to that money and will receive only the money, if any, awarded to it from the litigation.

Mr. METZENBAUM. I thank the Senator.

Mr. MURKOWSKI. Madam President, it is my understanding that my colleague from Idaho, the distinguished Chairman of the Energy and Natural Resources Committee, was integrally involved in the discussions with the administration and the Office of Management and Budget which lead to the new OCS 8(g) provisions of this bill. Is that correct?

Mr. McCLURE. That is correct.

Mr. MURKOWSKI. As such, you are in a good position to reflect upon the intent and meaning of this language, are you not?

Mr. McCLURE. That is correct.

Mr. MURKOWSKI. In that regard, I have two provisions of this bill that I would like my colleague from Idaho to comment on. The first of those provisions appears in the proposed section 8(g)(2) of the Outer Continental Shelf Lands Act. Would my colleague please explain the intent and meaning of the language included in the second set of parantheses which begins: "(or, in the case of Alaska, * * *)"?

Mr. McCLURE. I would be happy to indicate the intent of that language. Quite simply it means that there is a period of 7 years in which the pro-rationing according to surface acreage provisions do not apply to leases in Alaska. For leases which do not involve a OCSLA section 7 dispute, that 7-year period begins to run on April 15, 1986, and expires on April 15, 1993.

For leases which involve a section 7 dispute and for which an escrow agreement has been entered into pursuant to section 7, the 7-year period begins to run on the date that such dispute is settled or otherwise resolved. The effect of this is that, during the 7-year period, Alaska will receive 27 percent of all revenues derived from the entire area covered by any lease which falls wholly or partially within the 8(g) zone. After the 7-year period revenues will be prorated according to surface acreage. The rationale for this provision is that the other coastal States have experienced the benefit of 7 years of no pro-rationing since 1978. Alaska has not. This provision brings Alaska equal with those other States.

Mr. MURKOWSKI. I thank my colleague for that explanation. The second provision upon which I have a question is that portion of the proposed section 8(g)(5)(A) which describes the manner in which moneys held under a section 7 escrow agreement are to be distributed. It is my understanding that, upon settlement or final resolution of the boundary dispute, all moneys held in escrow are to be distributed pursuant to the formula set forth in the proposed section 8(g)(2) regardless of the terms of any agreement entered into previously by the parties.

Mr. McCLURE. That understanding is correct. When the section 7 boundary dispute is settled, the State will be entitled to 27 percent of all revenues generated by any lease lying wholly or partially within the 8(g) zone as that zone has been defined by the agreement of judgment resolving the boundary dispute.

Mr. MURKOWSKI. I thank my colleague from Idaho. I have one last question. Is it not true that the OCS 8(g) provisions in this bill merely provide an option to the coastal States? In other words, a State may elect to forego receipt of moneys under this bill and continue to litigate the issue.

Mr. McCLURE. That is absolutely true. There is nothing in this bill which requires a State to accept these terms if it believes it can achieve a more favorable result through litigation.

Mr. MURKOWSKI. Madam President, with those understandings, I can support this bill. We now have a budget reconciliation package which is acceptable to the President. It is a package that achieves a good amount of budgetary savings. And it is something that deserves the support of this body. I wish to again thank my good friend from Idaho. His dedication and effort to this issue have been extraordinary. He is to be commended.

Mr. McCLURE. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Madam President, the Republican leadership amendment does not improve the reconciliation bill.

The PRESIDING OFFICER. The Senator from California will have to ask unanimous consent for any further debate.

Mr. CRANSTON. Madam President, I ask unanimous consent that I may proceed instead of having a quorum call going on and speak to this measure. I shall be brief.

Mr. DOMENICI. Madam President, reserving the right to object, could the Senator from California tell us how long he will be?

Mr. CRANSTON. About 4 minutes.

Mr. DOMENICI. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Madam President, the Republican leadership amendment does not improve the reconciliation bill.

Rather, it would make a reasonably balanced and attractive reconciliation package into legislation that I cannot support, and that I hope others will not support.

I oppose its deletion of the amendment to section 19 of the OCS Lands Act. This deletion denies the Governors of all coastal States the right even to consult effectively with the Secretary of the Interior with regard to prospective Federal oil and gas leasing along a States coastline, suggests that the administration has proceeded in bad faith with negotiations involving the California coast, and insures a continuation of State-Federal warfare along that coast unless Congress constructively intervenes.

I oppose the one-sided modification in section 8(g), which, without even reading the fine print, will deny my State its fair share of future royalties from oil and gas development in the 8(g) zone.

I oppose the unfair deletion of the coastal revenue sharing provisions. And I oppose the deletion of the provision extending for 1 year the transition to national diagnosis-related group rates for Medicare payments to hospitals.

The Republican leadership wants the Senate to believe that if this amendment is added, the President will sign this bill.

Otherwise, OMB says, the President will veto it. I think that we ought to make the President's day.

I think we ought to send to the White House the version of this bill that has already passed the House, which includes these provisions to which the Senate has previously agreed. That will conclude responsible congressional action.

If the President then chooses to veto the bill, that is his right. And the President can make his decision on whether to veto the bill in full knowledge of the consequences of his action. And in the full view of the American people. Will he reject the $17 billion savings the reconciliation package will provide? I do not think so.

This so-called leadership amendment was crafted in very private negotiations between certain Republican Senate staff members and the staff of the Office of Management and Budget. And we have the word of one of the Senate negotiators that dealing with OMB on this matter was like talking with people from "another planet."

No committee of the Senate has had an opportunity to consider this amendment. I have had only a brief chance to glance at some of the very complex provisions that directly affect my State. And on one provision alone, the so-called 8(g) amendment, which changes language that was specifically approved by both Houses of Congress, my State could lose, by OMB's estimate, some $600 million. What we have here is an example of the line-item veto at work.

I am told that OMB's estimates of future oil royalties are based on an oil price of $24 a barrel. Current world oil prices are below $15 a barrel, and falling. No one has had an opportunity to get a reading on the effects of this amendment from CBO or from our State officials. All we know is that at the moment OMB's assumption about oil prices is off by a factor of 50 percent, distorting all other numbers in this package. The apparent reason for this erroneous assumption is that it bloats the savings OMB is claiming by a considerable amount.

Just yesterday, the junior Senator from Texas [Mr. GRAMM] told us that using these kinds of estimates was how we got to a $200 billion deficit and that budget discipline depends upon relying exclusively on CBO estimates. And today the Republican leadership asks us to adopt an amendment that CBO has not even seen, that involves billions of dollars, and that uses off-base price assumptions purporting to provide savings no one will ever see.

No Senator who wants to see the reconciliation bill adopted should support this amendment. The terms of the understanding with the White House, and the majority leader can correct me if I am wrong, are that the President will sign the bill only if no change is made in this understanding by either the House or the Senate. But all the information I have from the

House leadership is that the House will not accept this amendment.

Thus, passing this amendment with its phony savings assumptions merely sends the bill back to the House to die.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOMENICI. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Madam President, a moment ago we permitted the distinguished minority whip to speak for a few moments. I ask unanimous consent that Senator GRAMM from Texas be permitted to speak for 2 minutes at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMM. Madam President, I rise in support of the reconciliation process and of the Dole substitute. In 1981 we were able to use reconciliation for the first time in a meaningful way to reform the budget, to gain control of spending, and to set into place a program that has put 10.5 million Americans to work in permanent, productive, tax-paying jobs for the future. And the miracle process that made that budget process was a process that we now know as reconciliation.

The problem in voting on individual spending bills is that everybody who wants something from the Government is looking over the Congressman's right shoulder, sending letters back home and telling people whether he cares about the old, the poor, the sick, the tired, the bicycle rider, and the list goes on and on. Very seldom is the taxpayer looking over the left shoulder.

But what we were able to do in 1981 was put together a reconciliation package that was big enough, in terms of savings, and important enough, in terms of public policy, that we got Main Street America involved in the budget debate for the first time and, as a result, we made a substantial change in the policy of the Federal Government and the direction of the country.

I support the Dole substitute and will vote for it in the vote for final passage, because I think it is important that we preserve the reconciliation process. But I think it is important that we recognize that the reconciliation bill before us today is a far cry from reconciliation bills of the past that had some real meaning.

Unfortunately, the reconciliation process has been used to bring forward a lot of programs that would never be able, on a freestanding basis, to pass both Houses of Congress and be accepted by the President. We have add-ons in this bill, a bill aimed at saving money, that add billions of dollars to Federal spending, ranging from interest forbearance on black lung, to trade adjustment assistance, to AFDC, to Medicare, to the highway fund—all good and laudable goals, all costing money.

I intend to support the Dole substitute and vote for it. But if the House does not accept the Dole substitute and comes back with a bill with add-ons, I intend to not only try to knock those add-ons off with an amendment but also to go back and knock off the add-ons that we have accepted in the spirit of compromise and that the President has accepted in being willing to sign reconciliation into law and preserve this process.

So I am hopeful that the Dole substitute will be accepted and I will vote for it on final passage.

I yield the floor.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Madam President in any bill, we do not get everything we want.

The PRESIDING OFFICER. It will take unanimous consent, I say to the Senator from Rhode Island, for any debate.

Mr. CHAFEE. Madam President, I ask unanimous consent that I may speak for 2 minutes.

The PRESIDING OFFICER. Hearing no objection, it is so ordered.

Mr. CHAFEE. Madam President, in any measure, of course, there is a sense of compromise. This does not have everything that every one of us wants in it, but I think the important part is we are on the verge of getting reconciliation, which yields great savings not only in this year but, more importantly, in the out years.

So, for that reason I am supporting the reconciliation measure and doing everything I can to forestall amendments that might result in its possible veto by the President.

Madam President, I do believe that this is a good measure. It is not everything that every one of us wants, but it is a major step ahead and it is reconciliation, something we have been trying to get for a long time for this fiscal year.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CHILES. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Madam President, I ask unanimous consent that I may be permitted to speak for 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Madam President, as I understand the situation, I say to Senators, we are ready to adopt the measure that is before us. The majority leader asked me to tell Senators that, immediately after the adoption of it, we will proceed to the water resources bill, which will not only be laid down, but the majority leader hopes that we might indeed complete that bill today. There are not many amendments that anybody knows about. It is a very long-awaited bill and, consequently, he has informed me to tell the Senate there may be votes on the water resources bill which will be called up immediately after disposition of the measure that is before us.

The PRESIDING OFFICER. The measure before us is on the question of the motion to concur with an amendment.

The motion was agreed to.

Mr. DOMENICI. Madam President, I move to reconsider the vote by which the motion was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STAFFORD. Mr. President, I ask unanimous consent that further proceedings under the call of the quorum may be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

INDEFINITE POSTPONEMENT OF S. RES. 207

Mr. STAFFORD. Mr. President, I ask unanimous consent that Calendar Order No. 304, Senate Resolution 207, budget waiver for S. 1567, be indefinitely postponed.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

WATER RESOURCES DEVELOPMENT ACT

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Senate now turn to Calendar No. 495, S. 1567, the water resources bill.

The PRESIDING OFFICER. Is there objection? Without objection, it so ordered. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1567) to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, and for other purposes.

The Senate proceeded to consider the bill which had been reported to

the Committee on Finance, with an amendment:

On page 128, strike line 6, through and including line 18 on page 137, and insert the following:

TITLE VIII—REVENUE PROVISIONS

SEC. 801. SHORT TITLE.

This title may be cited as the "Harbor Maintenance Revenue Act of 1985".

SEC. 802. IMPOSITION OF HARBOR MAINTENANCE CHARGE.

(a) GENERAL RULE.—Chapter 36 of the Internal Revenue Code of 1954 (relating to certain other excise taxes) is amended by inserting after the chapter heading the following new subchapter:

"SUBCHAPTER A—HARBOR MAINTENANCE CHARGE

"Sec. 4461. Imposition of charge.
"Sec. 4462. Definitions and special rules.

"SEC. 4461. IMPOSITION OF CHARGE.

"(a) GENERAL RULE.—There is hereby imposed a charge on—

"(1) any port use, or

"(2) any port maintenance use.

"(b) AMOUNT OF CHARGE.—The amount of the charge imposed by subsection (a) on—

"(1) any port use shall be an amount equal to 0.04 percent of the value of the commercial cargo involved, and

"(2) any port maintenance use shall be an amount equal to $0.005 multiplied by the number of net registered tons of the commercial vessel involved.

"(c) LIABILITY AND TIME OF IMPOSITION OF CHARGE.—

"(1) LIABILITY.—

"(A) PORT USE CHARGE.—The charge imposed by subsection (a)(1) on a port use shall be paid by—

"(i) in the case of cargo entering the United States, the importer,

"(ii) in the case of cargo to be exported from the United States, the exporter, or

"(iii) in any other case, the shipper.

"(B) PORT MAINTENANCE USE CHARGE. The charge imposed by subsection (a)(2) on a port maintenance use shall be paid by the vessel owner.

"(2) TIME OF IMPOSITION.—

"(A) PORT USE CHARGE.—The charge imposed by subsection (a)(1) on a port use described in section 4462(a)(1)(A) shall be imposed—

"(i) in the case of cargo to be exported from the United States, at the time of loading, and

"(ii) in any other case, at the time of unloading.

"(B) OTHER CHARGES.—Any charge imposed by this subchapter not described in subparagraph (A) shall be imposed at the time prescribed by the Secretary in regulations.

"SEC. 4462. DEFINITIONS AND SPECIAL RULES.

"(a) DEFINITIONS.—For purposes of this subchapter—

"(1) PORT USE.—The term 'port use' means—

"(A) the loading or unloading of commercial cargo on or from a commercial vessel at a port, or

"(B) the use of any Great Lakes navigation improvement, including any use described in subparagraph (A).

"(2) PORT MAINTENANCE USE.—The term 'port maintenance use' means the use of any port or Great Lakes navigation improvement for—

"(A) the purpose of bunkering, refitting, or repair of a commercial vessel,

"(B) the convenience of a commercial vessel, or

"(C) any similar purpose in connection with a commercial vessel.

"(3) PORT.—

"(A) IN GENERAL.—The term 'port' means any channel or harbor (or component thereof) in the United States, which—

"(i) is not an inland waterway or Great Lakes navigation improvement, and

"(ii) is open to public navigation.

"(B) EXCEPTION FOR CERTAIN FACILITIES.—The term 'port' does not include any channel or harbor with respect to which no Federal funds have been used since 1977 for construction, maintenance, or operation, or which was deauthorized by Federal law before 1985.

"(C) SPECIAL RULE FOR COLUMBIA RIVER.—The term 'port' shall include the channels of the Columbia River in the States of Oregon and Washington only up to the downstreams side of Bonneville lock and dam.

"(4) GREAT LAKES NAVIGATION IMPROVEMENT.—

"(A) IN GENERAL.—The term 'Great Lakes navigation improvement' means any lock, channel, harbor, or navigational facility located in the Great Lakes of the United States or their connecting waterways.

"(B) CONNECTING WATERWAYS.—The connecting waterways of the Great Lakes of the United States include, but are not limited to, the Detroit River, the Saint Clair River, Lake Saint Clair, and the Saint Marys River.

"(C) SAINT LAWRENCE SEAWAY.—The term 'Great Lakes navigation improvement' shall not include the Saint Lawrence Seaway (or any component thereof).

"(5) COMMERCIAL CARGO.—

"(A) IN GENERAL.—The term 'commercial cargo' means any cargo transported on a commercial vessel, including passengers transported for compensation or hire.

"(B) CERTAIN ITEMS NOT INCLUDED.—The term 'commercial cargo' does not include—

"(i) bunker fuel, ship's stores, sea stores, or the legitimate equipment necessary to the operation of a vessel, or

"(ii) fish or other aquatic animal life caught on a United States vessel and not previously landed on shore.

"(6) COMMERCIAL VESSEL.—

"(A) IN GENERAL.—The term 'commercial vessel' means any vessel used—

"(i) in transporting cargo by water for compensation or hire, or

"(ii) in transporting cargo by water in the business of the owner, lessee, or operator of the vessel.

"(B) EXCLUSION OF FERRIES.—

"(i) IN GENERAL.—The term 'commercial vessel' does not include any ferry engaged primarily in the ferrying of passengers (including their vehicles) between points within the United States, or between the United States and contiguous countries.

"(ii) FERRY.—The term 'ferry' means any vessel which arrives in the United States on a regular schedule at intervals of at least once each day.

"(7) VALUE.—

"(A) IN GENERAL.—The term 'value' means, except as provided in regulations, the value of any commercial cargo as determined by standard commercial documentation.

"(B) TRANSPORTATION OF PASSENGERS.—In the case of the transportation of passengers for hire, the term 'value' means the actual charge paid for such service or the prevailing charge for comparable service if no actual charge is paid.

"(b) SPECIAL RULE FOR HAWAII AND POSSESSIONS.—

"(1) IN GENERAL.—No charge shall be imposed under section 4461(a)(1) with respect to—

"(A) cargo loaded on a vessel in a port in the United States mainland for transportation to Hawaii or any possession of the United States for ultimate use or consumption in Hawaii or any possession of the United States,

"(B) cargo loaded on a vessel in Hawaii or any possession of the United States for transportation to the United States mainland for ultimate use or consumption in the United States mainland, or

"(C) the unloading of cargo described in subparagraph (A) or (B) in Hawaii or any possession of the United States, or in the United States mainland, respectively.

"(2) UNITED STATES MAINLAND.—For purposes of this subsection, the term 'United States mainland' means the continental United States and Alaska.

"(c) COORDINATION OF CHARGES WHERE TRANSPORTATION SUBJECT TO TAX IMPOSED BY SECTION 14042.—No charge shall be imposed under this subchapter with respect to the loading or unloading of any cargo on or from a vessel if any fuel of such vessel has been (or will be) subject to the tax imposed by section 4042 (relating to tax on fuel used in commercial transportation on inland waterways).

"(d) EXEMPTION FOR UNITED STATES.—No charge shall be imposed under this subchapter on the United States or any agency or instrumentality thereof.

"(e) EXTENSION OF PROVISIONS OF LAW APPLICABLE TO CUSTOMS DUTY.—

"(1) IN GENERAL.—Except to the extent otherwise provided in regulations, all administrative and enforcement provisions of customs laws and regulations shall apply in respect of the charge imposed by this subchapter (and in respect of persons liable therefor) as if such charge were a customs duty. For purposes of the preceding sentence, any penalty expressed in terms of a relationship to the amount of the duty shall be treated as not less than the amount which bears a similar relationship to the value of the cargo.

"(2) JURISDICTION OF COURTS AND AGENCIES.—For purposes of determining the jurisdiction of any court of the United States or any agency of the United States, the charge imposed by this subchapter shall be treated as if such charge were a customs duty.

"(3) ADMINISTRATIVE PROVISIONS APPLICABLE TO TAX LAW NOT TO APPLY.—The charge imposed by this subchapter shall not be treated as a tax for purposes of subtitle F of this title or any other provision of law relating to the administration and enforcement of internal revenue taxes.

"(f) LIMITS OF NUMBERS OF CHARGES.—For purposes of this subchapter—

"(1) only 1 charge shall be imposed under section 4461(a)(1) with respect to—

"(A) the transportation of the same cargo on the same vessel, and

"(B) the loading and unloading of identical cargo at 1 port, and

"(2) the charge imposed by section 4461(a)(2) shall not be imposed more than 3 times in any calendar year upon any vessel.

"(g) REGULATIONS.—The Secretary may prescribe such additional regulations as may be necessary to carry out the purposes of this subchapter including, but not limited to—

"(1) regulations providing for the manner and method of payment and collection of any charge,

"(2) regulations providing for the posting of bonds to secure payment of any charge,

"(3) regulations exempting any transaction or class of transactions from the charge imposed by this subchapter where the collection of such charge is not administratively practical, and

"(4) regulations providing for the remittance or mitigation of penalties and the settlement or compromise of claims.".

(b) CLERICAL AMENDMENT.—The table of subchapters for chapter 36 of the Internal Revenue Code of 1954 is amended by inserting the following before the item relating to subchapter D:

"Subchapter A. Harbor maintenance charge.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on April 1, 1986.

SEC. 803. CREATION OF HARBOR MAINTENANCE TRUST FUND.

(A) IN GENERAL.—Subchapter A of chapter 98 of the Internal Revenue Code of 1954 (relating to establishment of trust funds) is amended by adding after section 9504 the following new section:

"SEC. 9505. HARBOR MAINTENANCE TRUST FUND.

"(a) CREATION OF TRUST FUND.—There is hereby established in the Treasury of the United States a trust fund to be known as the 'Harbor Maintenance Trust Fund', consisting of such amounts as may be—

"(1) appropriated to the Harbor Maintenance Trust Fund as provided in this section,

"(2) transferred to the Harbor Maintenance Trust Fund by the Saint Lawrence Seaway Development Corporation pursuant to section 13(a) of the Act of May 13, 1954, or

"(3) credited to the Harbor Maintenance Trust Fund as provided in section 9602(b).

"(b) TRANSFER TO HARBOR MAINTENANCE TRUST FUND OF AMOUNTS EQUIVALENT TO CERTAIN CHARGES.—There are hereby appropriated to the Harbor Maintenance Trust Fund amounts equivalent to the charges received in the Treasury under section 4461 (relating to harbor maintenance charge).

"(c) EXPENDITURES FROM HARBOR MAINTENANCE TRUST FUND.—Amounts in the Harbor Maintenance Trust Fund shall be available, as provided by appropriation Acts, for making expenditures for—

"(1) payments described in section 607 of the Water Resources Development Act of 1985 (as in effect on the date of enactment of this section), and

"(2) payments of rebates of tolls or charges pursuant to section 13(b) of the Act of May 13, 1954 (as in effect on the date of enactment of this section).".

(b) CLERICAL AMENDMENT.—The table of sections for subchapter A of chapter 98 of the Internal Revenue Code of 1954 is amended by adding after the item relating to section 9504 the following new item:

"Sec. 9505. Harbor Maintenance Trust Fund.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on April 1, 1986.

SEC. 804. INLAND WATERWAYS TAX.

(a) IN GENERAL.—Subsection (b) of section 4042 of the Internal Revenue Code of 1954 (relating to tax on fuel used in commercial transportation on inland waterways) is amended to read as follows:

"(b) AMOUNT OF TAX.—The tax imposed by subsection (a) shall be determined from the following table:

"(1) USES BEFORE 1988.—

"If the use occurs— | The tax per gallon is—

After September 30, 1983, and before October 1, 1985 | .8 cents

After September 30, 1985, and before January 1, 1988 | .10 cents.

"(1) USES AFTER 1987.—

"If the use occurs during calendar year— | The tax per gallon is—

1988 | 11 cents
1989 | 12 cents
1990 | 13 cents
1991 | 14 cents
1992 | 15 cents
1993 | 16 cents
1994 | 17 cents
1995 | 18 cents
1996 | 19 cents
1997 and thereafter | 20 cents.".

(b) FUEL USE ON TENNESSEE-TOMBIGBEE WATERWAY SUBJECT TO INLAND WATERWAY TAX.—Section 206 of the Inland Waterways Revenue Act of 1978 is amended by adding at the end thereof the following:

"(27) Tennessee-Tombigbee Waterway: From its confluence with the Tennessee River to the Warrior River at Demopolis, Alabama.".

(c) EFFECTIVE DATE.—The amendment made by subsection (b) shall take effect on April 1, 1986.

SEC. 805. INLAND WATERWAYS TRUST FUND.

(a) IN GENERAL.—Subchapter A of chapter 98 of the Internal Revenue Code of 1954 (relating to establishment of trust funds) is amended by adding at the end thereof the following new section:

"SEC. 9506. INLAND WATERWAYS TRUST FUND.

"(a) CREATION OF TRUST FUND.—There is hereby established in the Treasury of the United States a trust fund to be known as the 'Inland Waterways Trust Fund', consisting of such amounts as may be appropriated or credited to such Trust Fund as provided in this section or section 9602(b).

"(b) TRANSFER TO TRUST FUND OF AMOUNTS EQUIVALENT TO CERTAIN TAXES.—There are hereby appropriated to the Inland Waterways Trust Fund amounts equivalent to the taxes received in the Treasury under section 4042 (relating to tax on fuel used in commercial transportation on inland waterways).

"(c) EXPENDITURES FROM TRUST FUND.—Amounts in the Inland Waterways Trust Fund shall be available, as provided by appropriation Acts and subject to the provisions of section 501 of the Water Resources Development Act of 1985 (as in effect on the date of enactment of this section), to the Secretary of the Army to be expended for construction, rehabilitation, modification, and post-authorization planning of navigation lock and dam projects (or any component thereof) on the inland and intracoastal waterways of the United States which are authorized in sections 502 and 504(e) of such Act (as in effect on the date of enactment of this section).".

(b) CONFORMING AMENDMENTS.—Sections 203 and 204 of the Inland Waterways Revenue Act of 1978 (relating to Inland Waterways Trust Fund) are hereby repealed.

(c) CLERICAL AMENDMENT.—The table of sections for subchapter A of chapter 98 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new item:

"Sec. 9506. Inland Waterways Trust Fund."

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on April 1, 1986.

(2) INLAND WATERWAYS TRUST FUND TREATED AS CONTINUATION OF OLD TRUST FUND.—The Inland Waterways Trust Fund established by the amendments made by this section shall be treated for all purposes of law as a continuation of the Inland Waterways Trust Fund established by section 203 of the Inland Waterways Revenue Act of 1978. Any reference in any law to the Inland Waterways Trust Fund established by such section 203 shall be deemed to include (wherever appropriate) a reference to the Inland Waterways Trust Fund established by this section.

SEC. 805. SAINT LAWRENCE SEAWAY EXPENDITURES AND REBATES OF TOLLS.

(a) IN GENERAL.—The Act of May 13, 1954 is amended—

(1) by striking out "and" at the end of paragraph (11) of section 4(a),

(2) by striking out the period at the end of paragraph (12) of section 4(a) and inserting in lieu thereof "; and",

(3) by adding at the end of section 4(a) the following new paragraph:

"(13) shall accept such amounts as may be transferred to the Corporation under section 9505(c)(1) of the Internal Revenue Code of 1954, except that such amounts shall be available only for the purpose of operating and maintaining those works which the Corporation is obligated to operate and maintain under subsection (a) of section 3 of this Act.", and

(4) by adding at the end thereof the following new section:

"REBATE OF CHARGES OR TOLLS

"SEC. 13. (a) The Corporation shall transfer to the Harbor Maintenance Trust Fund, at such times and under such terms and conditions as the Secretary of the Treasury may prescribe, all revenues derived from the collection of charges or tolls established under section 12 of this Act.

"(b)(1) The Corporation shall certify to the Secretary of the Treasury, in such form and at such times as the Secretary of the Treasury shall prescribe, the identity of any person who pays a charge or toll to the Corporation pursuant to section 12 of this Act with respect to a commercial vessel (as defined in section 4462(a)(6) of the Internal Revenue Code of 1954)

"(2) Within 30 days of the receipt of a certification described in paragraph (1), the Secretary of the Treasury shall rebate, out of the Harbor Maintenance Trust Fund, to the person described in paragraph (1) the amount of the charge or toll paid pursuant to section 12 of this Act.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on April 1, 1986.

SEC. 806. REPORT ON REDUCTION OR ELIMINATION OF TOLLS ON THE GREAT LAKES AND THE SAINT LAWRENCE SEAWAY.

Not later than 2 years after the date of enactment of this Act, the Secretary of State, in consultation with the Secretary of Transportation, shall initiate discussions with the Government of Canada with the objective of reducing or eliminating all tolls on the international Great Lakes and the Saint Lawrence Seaway, and the Secretary of Transportation shall report to the Congress on the progress of such discussions and on the economic effects upon waterborne commerce in the United States of any proposed reduction or elimination in tolls.

SEC. 807. STUDY OF CARGO DIVERSION.

The Secretary of the Treasury, in consultation with the United States Customs Service and other appropriate Federal agencies, shall conduct a study to determine the impact of the port use charge imposed under section 4461(a)(1) of the Internal Revenue Code of 1954 on potential diversions of cargo to Canada and Mexico from United States ports. The report of the study shall be submitted to the Ways and Means Committee of the House of Representatives and the Committee on Finance of the United States Senate not later than 1 year from the date of the enactment of this Act.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Water Resources Development Act of 1985".

TITLE I

Notwithstanding any other provision of law, the Secretary of the Army (hereinafter in this Act referred to as the "Secretary"), shall, from funds appropriated, obligate no sums in excess of the sums specified in this title for the combined purpose of the "Construction, General" account and the "Flood Control, Mississippi River and Tributaries" account:

(1) For the fiscal year ending September 30, 1986, the sum of $1,300,000,000.

(2) For the fiscal year ending September 30, 1987, the sum of $1,300,000,000.

(3) For the fiscal year ending September 30, 1988, the sum of $1,300,000,000.

(4) For the fiscal year ending September 30, 1989, the sum of $1,300,000,000.

(5) For the fiscal year ending September 30, 1990, the sum of $1,300,000,000.

Nothing contained herein limits or otherwise amends authority conferred under section 10 of the River and Harbor Act of September 22, 1922 (42 Stat. 1043; 33 U.S.C. 621). Any amounts obligated against funds furnished or reimbursed by Federal or non-Federal interests shall not be counted against the limitation on obligations provided for in this Act.

TITLE II—GENERAL PROVISIONS

SEC. 201. (a) Prior to initiating construction of any water resources project authorized prior to this Act, in this Act, or subsequent to the Act, which is under the jurisdiction of the Secretary and which can be anticipated to provide flood control benefits, more than 10 per centum of which are produced by an increase in anticipated land values to a land owner, the Secretary shall enter into an agreement with each such owner that provides that such owner will repay to the Secretary, for deposit in the Treasury, either prior to construction or when such benefits are realized, 50 per centum of that portion of the project's costs allocated to the owner's benefits.

(b) For any study initiated by the Secretary subsequent to the enactment of this Act, the Secretary shall, if appropriate, include information in such study report on the likelihood that the requirements of subsection (a) of this section are applicable.

SEC. 202. Any report describing a project having recreation benefits that is submitted subsequent to the enactment of this Act to the Committee on Environment and Public Works of the Senate or the Committee on Public Works and Transportation of the House of Representatives by the Secretary, or by the Secretary of Agriculture under authority of Public Law 83-566, as amended, shall describe the usage of other, similar public recreational facilities within the general area of the project, and the anticipated impact of the proposed project on the usage of such existing recreational facilities.

SEC. 203. (a) Any project, or separable element thereof, that is under the responsibility of the Secretary, and for which construction has not commenced within ten years following the date of the authorization of such project, shall no longer be authorized after such ten-year period unless the Secretary, after consultation with the affected State or States, notifies the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives that continued authorization of such project, or separable element thereof, remains needed and justified.

(b) Any project, or separable element thereof, qualifying for deauthorization under the terms of this section upon enactment of this Act or which will qualify within one year of enactment of this Act, shall not be deauthorized until such one year period has elapsed.

SEC. 204. Any study authorized by any resolution of a committee or Act of Congress to be undertaken by the Secretary is automatically rescinded and is no longer authorized if no funds are appropriated for such study within five full fiscal years following its approval.

SEC. 205. The second sentence of the definition of "works of improvement", contained in section 2 of Public Law 83-566, as amended, is further amended by adding after $250,000" the following: "but not more than $10,000,000, for any projects submitted to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives after January 1, 1986: *Provided,* That any such project with an anticipated Federal cost exceeding $10,000,000 must be authorized by Act of Congress.".

SEC. 206. Section 2 of Public Law 83-566, as amended, is further amended by deleting the period and inserting a colon at the conclusion of the proviso, and adding the following: *"And provided further,* That each such project submitted to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives must contain benefits directly related to agriculture that account for at least 20 per centum of the total benefits of the project.".

SEC. 207. The Secretary of Agriculture, acting through the Administrator of the Soil Conservation Service, shall study and report to the appropriate committees of the Senate and the House of Representatives by April 1, 1987, on the feasibility, the desirability, and the public interest involved in requiring that full public access be provided to any or all water impoundments that have recreation-related potential and that were authorized pursuant to Public Law 83-566, as amended.

SEC. 208. Subsection (a) of section 134 of Public Law 94-587 is amended to read as follows:

"(a) The Secretary of the Army, as expeditiously as possible, shall institute a procedure enabling the engineer officer in charge of each district under the direction of the Chief of Engineers to certify, at the request of non-Federal interests, that particular local improvements for flood control can reasonably be expected to be compatible with a specific, potential project then under study or other form of consideration. Such certification shall be interpreted to assure interests that they may go forward to construct such compatible improvements at non-Federal expense with the understanding that such improvements can be reasonably expected to be included within the scope of the Federal project, if later authorized, both for the purposes of analyzing the cost and benefits of the project and assessing the local participation in the noncash contribution toward such project. In no event shall this section be utilized to overturn agreements made prior to the enactment of the Water Resources Development Act of 1985.".

SEC. 209. (a) The Secretary shall undertake a program of research for the control of river ice, and to assist communities in breaking up such ice, which otherwise is likely to cause or aggravate flood damage or severe streambank erosion.

(b) The Secretary is further authorized to provide technical assistance to local units of government to implement local plans to control or break up river ice. As part of such authority, the Secretary shall acquire necessary ice-control or ice-breaking equipment, which shall be loaned to local units of government together with operating assistance, where appropriate.

(c) For the purposes of subsections (a) and (b) of this section, the sum of $5,000,000 is authorized to be appropriated to the Secretary in each of the fiscal years ending September 30, 1986, through September 30, 1990, such sums to remain available until expended.

(d) To implement further the purposes of this section, the Secretary, in consultation and cooperation with local officials, is authorized and directed to undertake a demonstration program for the control of river ice at Hardwick, Vermont. The work authorized by this subsection shall be designed to minimize the danger of flooding due to ice problems in the vicinity of such community. In the design, construction, and location of ice-control structures for this project, full consideration will be given to the recreational, scenic, and environmental values of the reach of river affected by the project, in order to minimize project impacts on these values. Full opportunity shall be given to interested environmental and recreational organizations to participate in such planning. For the purposes of this subsection, the sum of $900,000 is authorized to be appropriated to the Secretary for the fiscal year ending September 30, 1986, or thereafter, such sum to remain available until expended.

(e) No later than March 1, 1988, the Secretary shall report to the Congress on activities under this section.

SEC. 210. (a) The Secretary shall, upon the request of local public officials, survey the potential and methods for rehabilitating former industrial sites, millraces, and similar types of facilities already constructed for use as hydroelectric facilities. The Secretary shall, upon request, provide technical assistance to local public agencies, including electric cooperatives, in designing projects to rehabilitate sites that have been surveyed, or are qualified for such survey, under this section.

(b) There is authorized to be appropriated to the Secretary, to implement this section, the sum of $5,000,000 for each of the fiscal years ending September 30, 1986, through September 30, 1990, such sums to remain available until expended.

SEC. 211. (a) Section 221(b) of the Flood Control Act of 1970 (Public Law 91-611) is

amended by deleting the period at the end thereof, inserting a colon, and adding the following: *"Provided,* That where the non-Federal interest is the State itself, or a body politic of the State which derives its powers from the State constitution, or a governmental entity created by the State legislature, the agreement may reflect that it does not obligate future legislative appropriations or other funds for such performance and payment when obligating future appropriations or other funds would be inconsistent with State constitutional limitations.".

(b) The Secretary, in consultation with the Secretary of the Treasury, shall promulgate by rule provisions governing penalties and interest for any payments by non-Federal interests required pursuant to section 221(b) of the Flood Control Act of 1970 that may fall delinquent.

(c) The Secretary is authorized to determine that no funds appropriated to the Corps of Engineers for operation and maintenance, including operation and maintenance of the project for flood control, Mississippi River and Tributaries, are to be used for the particular benefit of projects within the jurisdiction of any non-Federal interest when such non-Federal interest is in arrears for more than twenty-four months in the payment of charges due under an agreement entered into with the United States pursuant to section 221(b) of the Flood Control Act of 1970 (Public Law 91-611).

SEC. 212. Notwithstanding any other provision of law, construction or modification of any project, or separable element thereof, authorized in this Act and under the responsibility of the Secretary shall not commence until the project has been studied by the Chief of Engineers and reported favorably thereon.

SEC. 213. Subject to the provisions and requirements of titles V, VI, and VII of this Act, the sums to be obligated for any project authorized by this Act shall not exceed the sum listed in this Act for the specific project, as of the month and year listed for such project (or, if no date is listed, the cost shall be considered to be as of the date of the enactment of this Act), plus such amounts, if any, as may be justified solely by reason of increases in construction costs, as determined by engineering cost indices applicable to the type of construction involved, and by reason of increases in land costs.

SEC. 214. The Secretary shall not require, under section 4 of the Flood Control Act of December 22, 1944 (58 Stat. 889), and the Federal Water Project Recreation Act, non-Federal interests to assume operation and maintenance of any recreational facility operated by the Secretary at any water resources project as a condition for the construction of new recreational facilities at such project or any other water resources project.

SEC. 215. (a) The Secretary may enter into a contract providing for the payment or recovery of an appropriate share of the costs of a project under his responsibility with a Federal Project Repayment District or other political subdivision of a State prior to the construction, operation, improvement, or financing of such project. The Federal Project Repayment District shall include lands and improvements which receive identifiable benefits from the construction or operation of such project. Such districts shall be established in accordance with State law, shall have specific boundaries which may be changed from time to time based upon further evaluations of benefits, and shall include the power to collect a portion of the transfer price from any transaction involving the sale, transfer, or change in beneficial ownership of lands and improvements within the district boundaries.

(b) Cost recovery pursuant to the provisions of this section shall be deemed to meet cost recovery requirements of other provisions of Federal law if the economic study required by subsection (c) of this section demonstrates that income to the Federal Government equals or exceeds that required over the term of repayment required by that cost recovery provision.

(c) Prior to execution of an agreement pursuant to subsection (a) of this section, the Secretary shall require and approve a study from the State or political subdivision demonstrating that the revenues to be derived from a contract under this section, or an agreement with a Federal Project Repayment District, will be sufficient to equal or exceed the cost recovery requirements over the term of repayment required by Federal law.

SEC. 216. Section 202 of the Flood Control Act of 1968 (Public Law 90-483) shall apply to all projects authorized by this Act.

SEC. 217. Section 111 of the River and Harbor Act of 1968 (82 Stat. 735, 33 U.S.C. 426i) is amended to read as follows:

"The Secretary of the Army is authorized, at his discretion, to investigate, study, plan, and implement structural and nonstructural measures for the prevention or mitigation of shore damages attributable to Federal navigation works: *Provided,* That a non-Federal public body agrees to operate and maintain such measures, and, in the case of interests in real property acquired in conjunction with nonstructural measures, to operate and maintain the property for public purposes in accordance with regulations prescribed by the Secretary. The costs of implementing measures under this section shall be cost-shared in the same proportion as the cost-sharing provisions applicable to the project causing the shore damage. No project shall be initiated without specific authorization by Congress if the Federal first cost exceeds $1,000,000.".

SEC. 218. (a) Notwithstanding any other provision of law, the Secretary shall not initiate the construction of any water resources project, or separable element thereof, if such project has been modified to increase any of the following project parameters by more than 25 per centum:

(1) acreage of land acquisition;

(2) linear miles of stream channel inundated;

(3) width or depth of any navigation channel;

(4) displacement of dwelling units;

(5) hydroelectric generating capacity; or

(6) linear miles of stream channelization.

(b) Not later than one hundred and eighty days after a water resource project is proposed by the Secretary to be modified in excess of the limitation described in subsection (a) of this section, the Secretary shall prepare and transmit to Congress a report identifying such project and describing the extent of the proposed modification, together with his recommendations thereon, accompanied by the views of other appropriate Federal and non-Federal agencies.

SEC. 219. (a) The Congress finds that—

(1) the Ogallala aquifer lies beneath, and provides needed water supplies to, the six States of the High Plains Region: Colorado, Kansas, Nebraska, New Mexico, Oklahoma, and Texas;

(2) the High Plains region has become an important source of agricultural commodities and livestock for domestic and international markets, providing 15 per centum of the Nation's supply of wheat, corn, feed grains, sorghum, and cotton, plus 38 per centum of the value of livestock raised in the United States; and

(3) annual precipitation in the High Plains region ranges from fifteen to twenty-two inches, providing inadequate supplies of surface water and recharging of the Ogallala aquifer needed to sustain the agricultural productivity and economic vitality of the High Plains region.

(b) It is, therefore, the purpose of this section to establish a comprehensive research and development program to assist those portions of the High Plains region dependent on water from the Ogallala aquifer to—

(1) plan for the development of an adequate supply of water in the region;

(2) develop and provide information and technical assistance concerning water-conservation management practices to agricultural producers in the region;

(3) examine alternatives for the development of an adequate supply of water for the region; and

(4) develop water-conservation management practices which are efficient for agricultural producers in the region.

(c) The Water Resources Research Act (Public Law 98-242) is amended by adding at the end thereof the following new title:

"TITLE III—OGALLALA AQUIFER RESEARCH AND DEVELOPMENT

"SEC. 301. (a) There is hereby established the High Plains Study Council composed of—

"(1) the Governor of each State of the High Plains region (defined for the purposes of this title as the States of Colorado, Kansas, Nebraska, New Mexico, Oklahoma, and Texas, and referred to herein-after in this title as the 'High Plains region'), or a designee of the Governor;

"(2) a representative of the Department of Agriculture; and

"(3) a representative of the Secretary.

"(b) The Council established pursuant to this section shall—

"(1) review research work being performed by each State committee established under section 302 of this Act; and

"(2) coordinate such research efforts to avoid duplication of research and to assist in the development of research plans within each State of the High Plains region that will benefit the research needs of the entire region.

"SEC. 302. (a) The Secretary shall establish within each State of the High Plains region an Ogallala aquifer technical advisory committee (hereinafter in this title referred to as the 'State committee'). Each State committee shall be composed of no more than seven members, including—

"(1) a representative of the United States Department of Agriculture;

"(2) a representative of the Secretary; and

"(3) at the appointment of the Governor of the State, five representatives from agencies of that State having jurisdiction over water resources, the agricultural community, the State Water Research Institute (as designated under this Act), and others with a special interest or expertise in water resources.

"(b) The State committee established pursuant to subsection (a) of this section shall—

"(1) review existing State laws and institutions concerning water management and, where appropriate, recommend changes to

improve State or local management capabilities and more efficiently use the waters of such State, if such a review is not already being undertaken by the State;

"(2) establish, in coordination with other State committees, State priorities for research and demonstration projects involving water resources; and

"(3) provide public information, education, extension, and technical assistance on the need for water conservation and information on proven and cost-effective water management.

"(c) Each State committee established pursuant to this section shall elect a chairman, and shall meet at least once every three months at the call of the chairman, unless the chairman determines, after consultation with a majority of the members of the committee, that such a meeting is not necessary to achieve the purposes of this section.

"SEC. 303. The Secretary shall annually allocate among the States of the High Plains region funds authorized to be appropriated for this section for research in—

"(1) water-use efficiency;

"(2) cultural methods;

"(3) irrigation technologies;

"(4) water-efficient crops; and

"(5) water and soil conservation.

Funds distributed under this section shall be allocated to each State committee for use by institution of higher education within each State. To qualify for funds under this section an institution of higher education shall submit a proposal to the State committee describing the costs, methods, and goals of the proposed research. Proposals shall be selected by the State committee on the basis of merit.

"SEC. 304. The Secretary shall annually divide funds authorized to be appropriated under this section among the States of the High Plains region for research into—

"(1) precipitation management;

"(2) weather modification;

"(3) aquifer recharge opportunities;

"(4) saline water uses;

"(5) desalinization technologies;

"(6) salt tolerant crops; and

"(7) ground water recovery.

Funds distributed under this section shall be allocated by the Secretary to the State committee for distribution to institutions of higher education within such State. To qualify for a grant under this section, an institution of higher education shall submit a research proposal to the State committee describing the costs, methods, and goals of the proposed research. Proposals shall be selected by the State committee on the basis of merit.

"SEC. 305. The Secretary shall annually allocate among the States of the High Plains region funds authorized to be appropriated under this section for grants to farmers for demonstration projects for—

"(1) water-efficient irrigation technologies and practices;

"(2) soil and water conservation management systems; and

"(3) the growing and marketing of more water-efficient crops.

Grants under this section shall be made by each State committee in amounts not to exceed 85 per centum of the cost of each demonstration project. To qualify for a grant under this section, a farmer shall submit a proposal to the State committee describing the costs, methods, and goals of the proposed project. Proposals shall be selected by the State committee on the basis of merit. Each State committee shall monitor each demonstration project to assure proper implementation and make the results of the project available to other State committees.

"SEC. 306. The Secretary, acting through the United States Geological Survey and in cooperation with the States of the High Plains region, is authorized and directed to monitor the levels of the Ogallala aquifer, and report annually to Congress.

"SEC. 307. Not later than one year after the date of enactment of this title, and at intervals of one year thereafter, the Secretary shall prepare and transmit to the Congress a report on activities undertaken under this title.

"SEC. 308. (a) For each of the fiscal years ending September 30, 1986, through September 30, 1990, the following sums are authorized to be appropriated to the Secretary to implement the following sections of this title, and such sums shall remain available until expended:

"(1) $500,000 for the purposes of section 302;

"(2) $3,000,000 for the purposes of section 303;

"(3) $1,500,000 for the purposes of section 304;

"(4) $4,000,000 for the purposes of section 305; and

"(5) $500,000 for the purposes of section 306.

"(b) Funds made available under this title for distribution to the States of the High Plains region shall be distributed equally among the States.".

SEC. 220. Whenever the Secretary transmits a report to Congress recommending implementation of a water resources development project and the Secretary determines that proceeding with advance engineering and design pending authorization of the project is in the public interest, the Secretary may initiate advance engineering and design of the project.

SEC. 221. (a) The Congress finds that increasing scientific evidence indicates the level of the oceans will rise significantly over the next seventy-five years.

(b) The Secretary, in cooperation with the National Oceanic and Atmospheric Administration, the Federal Emergency Management Agency, and other appropriate Federal, State, and local agencies and the private sector, is authorized to conduct a study of shoreline protection and beach erosion control policy and related projects of the Secretary, in view of the prospect for long-term increases in the levels of the ocean. Such study shall include, but is not limited to—

(1) an assessment of the probability and the extent of coastal flooding and erosion;

(2) an appraisal of various strategies for managing relocation, disinvestment, and reinvestment in coastal communities exposed to coastal flooding and erosion;

(3) a summary of the legal and institutional impact of rising sea level on riparian lands; and,

(4) recommendations for new or additional criteria for Federal participation in shoreline protection projects.

(c) Within three years after the date of enactment of this Act, the Secretary shall transmit the study prepared pursuant to subsection (b) of this section, together with supporting documentation and the recommendations of the Secretary, to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives.

(d) For the purposes of this section, there is authorized to be appropriated to the Secretary for the fiscal year ending September 30, 1986, or thereafter, the sum of $3,000,000, such sum to remain available until expended.

SEC. 222. During the design of each water resources project which has a cost in excess of $10,000,000 and which was authorized prior to, in, or subsequent to this Act and undertaken by the Secretary, on which construction has not been initiated as of the date of enactment of this Act, the Secretary shall require a review of the cost effectiveness of such design. The review shall employ cost control techniques which will ensure that such project is designed in the most cost-effective way for the life of the project.

SEC. 223. (a) In the case of any water resources preauthorization study undertaken by the Secretary, the Secretary shall prepare a feasibility report. Such feasibility report shall describe, for each alternative analyzed, the national economic development benefits and costs, the environmental quality impacts, and other impacts of concern to Federal, State, local, and international entities, including appropriate levels of non-Federal financing and the ability of non-Federal interests to contribute such levels. The feasibility report shall also include the views of other Federal agencies and non-Federal agencies with regard to the recommended plan. This subsection shall not apply to any study with respect to which a report has been submitted to Congress before the date of enactment of this Act, or for a study related to any project authorized in this Act.

(b) Before initiating any feasibility study under subsection a) of this section, if such study had not been initiated prior to enactment of this Act, the Secretary shall first perform, at Federal expense, a reconnaissance of the water resources problem in order to identify potential solutions to such problem in sufficient detail to enable the Secretary to determine whether or not planning to develop a project should proceed to the preparation of a feasibility report. Such reconnaissance shall include a preliminary analysis of the Federal interest, costs, benefits, environmental impacts of such project, and an estimate of the costs of preparing the feasibility report. The duration of a reconnaissance shall normally be no more than twelve months, but in all cases is to be limited to eighteen months.

(c)(1) The Secretary shall not initiate any feasibility study after the date of enactment of this Act until appropriate non-Federal interests agree, by contract, to contribute 50 per centum of the cost for such study during the period of such study. Not more than one-half of such non-Federal contribution may be made by the provision of services, materials, supplies, or other inkind services necessary to prepare the feasibility report.

(2) This subsection shall not apply to any water resources study primarily designed for the purposes of navigational improvements in the nature of dams, locks, and channels on the Nation's system of inland waterways.

SEC. 224. (a)(1) In the case of any water resources project authorized to be constructed by the Secretary in this Act, or authorized to be constructed by the Secretary prior or subsequent to the date of enactment of this Act, construction of which has not commenced as of the date of enactment of this Act, and which necessitates the mitigation of fish and wildlife losses, including the acquisition of lands or interests in lands to mitigate losses to fish and wildlife, as a

result of such project, such mitigation, including acquisition of the lands or interests (A) shall be undertaken or acquired before any construction of the project (other than such acquisition) commences, or (B) shall be undertaken or acquired concurrently with lands and interests in lands for project purposes (other than mitigation of fish and wildlife losses), whichever the Secretary determines is appropriate.

(2) For the purposes of this subsection, any project on which more than 50 per centum of the land needed for the project, exclusive of mitigation lands, has been acquired shall be deemed to have commenced construction under this subsection.

(b)(1) After consultation with appropriate Federal and non-Federal agencies, the Secretary is authorized to mitigate damages to fish and wildlife resulting from any water resources project under his jurisdiction, whether completed, under construction, or to be constructed, to the extent that such mitigation features cost no more than $7,500,000 per project. Such mitigation may include the acquisition of lands, or interests therein: *Provided*, That acquisition under this paragraph shall not be by condemnation in the case of projects completed as of the date of enactment of this Act or on which at least 10 per centum of the physical construction on the project has been completed as of the date of enactment of this Act: *Provided further*, That acquisition of water, or interests therein, under this paragraph, shall not be by condemnation. The Secretary, shall, under the terms of this paragraph, obligate no more than $30,000,000 in any fiscal year.

(2) Whenever after his review the Secretary determines that such mitigation features under this subsection are anticipated to cost more than $7,500,000 per project or costs less than $7,500,000 per project and are likely to require condemnation under a proviso in paragraph (1) of this subsection, the Secretary shall transmit to Congress a report on such proposed modification, together with his recommendations.

(c) Costs incurred to mitigate damages to fish and wildlife under the terms of this section shall be allocated among authorized project purposes in accordance with applicable cost allocation procedures, and shall be subject to cost sharing or reimbursement to the same extent as such other project costs are shared or reimbursed: *Provided*, That when such costs are covered by contracts entered into prior to the date of enactment of this Act, such costs shall not be recovered without the consent of the non-Federal interests or until such contracts are complied with or renegotiated.

(d) After the date of enactment of this Act, the Secretary shall not submit any proposal for the authorization of any water resources project to the Congress unless such report contains (1) a recommendation with a specific plan to mitigate fish and wildlife losses created by such project, or (2) a determination by the Secretary that such project will have negligible adverse impact on fish and wildlife. In carrying out this subsection, the Secretary shall consult with appropriate Federal and non-Federal agencies.

(e) In those cases when the Secretary, as part of any report to Congress, recommends activities to enhance fish and wildlife resources, the costs of such enhancement shall be a Federal cost when such enhancement provides benefits that are determined to be national, including benefits to species that are identified by the National Marine Fisheries Service as of national economic importance, species that are subject to treaties or international convention to which the United States is a party, anadromous fish, or when such enhancement is designed to benefit species that have been listed as threatened or endangered by the Secretary of the Interior under the terms of the Endangered Species Act, as amended (16 U.S.C. 1531, et seq.). When benefits of enhancement do not qualify under the preceding sentence, 25 per centum of such enhancement costs shall be provided by non-Federal interests under a schedule of reimbursement determined by the Secretary, except that when benefits are limited to a single State, such non-Federal interests shall provide 33⅓ per centum of such costs.

(f) The provisions of subsections (a), (b), and (d) shall be deemed to supplement the responsibility and authority of the Secretary pursuant to the Fish and Wildlife Coordination Act, and nothing herein is intended to affect that Act.

SEC. 225. (a) The Secretary is authorized to plan, design, and construct streambank erosion control projects not specifically authorized by Congress when, in the opinion of the Secretary, such work is economically justified and environmentally acceptable. Prior to construction of any projects for this purpose, non-Federal interests shall agree to provide, without cost to the United States, all lands, easements, and rights-of-way necessary for construction and subsequent operation of the project; hold and save the United States free from damages due to construction, operation, and maintenance of the project, except damages due to the fault or negligence of the United States or its contractors; and operate and maintain the project upon completion.

(b) For the purposes of this section, the sum of $15,000,000 is authorized to be appropriated to the Secretary for each of the fiscal years beginning with the fiscal year ending September 30, 1986, through the fiscal year ending September 30, 1990. Not more than $2,000,000 shall be allotted for the construction of a project under this section at any single locality and such amount shall be sufficient to complete Federal participation in the project.

SEC. 226. (a) The Congress finds that it is necessary and cost effective to encourage as many bidders as possible for contracts to be let by the Secretary, and it is therefore the policy of Congress to direct the Secretary to prepare any proposal for the construction of a civil works project in a manner that assures, to the greatest extent reasonable, that no potential bidder shall be precluded from competing fairly for such contract because of the size of such bidder.

(b) The Secretary is further directed not to require that contractors on civil works construction projects under his direction be required to perform recordkeeping that is, by law or regulations, the responsibility of the Secretary.

SEC. 227. (a) Section 15 of the River and Harbor Act of 1899 (30 Stat. 1152; 33 U.S.C. 409) is amended as follows:

(1) by deleting the words "voluntarily or carelessly";

(2) by deleting the words "accidentially or otherwise,"; and

(3) by inserting the words ", lessee, or operator" immediately after the word "owner" in each place it appears.

(b) Sections 19 and 20 of the River and Harbor Act of 1899 (30 Stat. 1154; 33 U.S.C. 414 and 415) are amended by inserting "(a)" in front of the first word of each section and adding the following new subsection at the end of each section:

"(b) The owner, lessee, or operator of such vessel, boat, watercraft, raft, or other obstruction as described in this section shall be jointly and severally liable to the United States for the cost of removal or destruction and disposal as described which exceeds the costs recovered under subsection (a). Any amount recovered from the owner, lessee, or operator of such vessel pursuant to this subsection to recover costs in excess of the proceeds from the sale or disposition of said vessel shall be deposited in the general fund of the Treasury of the United States.".

SEC. 228. Section 3036(d) of title 10, United States Code, is amended by deleting the words "and may provide" and inserting in lieu thereof the following: "and, on a reimbursable basis, to a State or political subdivision thereof. Services provided to a State or political subdivision thereof shall be undertaken only on condition that—

"(1) the work to be undertaken on behalf of non-Federal interests involves Federal assistance; and

"(2) the department or agency providing Federal assistance for the work does not object to the provision of services by the Chief of Engineers. The Chief of Engineers may provide".

SEC. 229. Section 14 of the Act of March 3, 1899 (30 Stat. 1152; 33 U.S.C. 408) is amended by inserting a colon in place of the period at the end of the section and inserting thereafter: "*Provided further*, That the Secretary may, on the recommendation of the Chief of Engineers, grant permission for the alteration or permanent occupation or use of any of the aforementioned public works when in the judgment of the Secretary such occupation or use will not be injurious to the public interest and will not impair the usefulness of such work.".

SEC. 230. (a) In the event of a declaration of war, the Secretary, without regard to any other provision of law, may (1) terminate or defer the construction, operation, maintenance, or repair of any Department of the Army civil works project that he deems not essential to the national defense, and (2) apply the resources of the Department of the Army's civil works program, including funds, personnel, and equipment, to construct or assist in the construction, operation, maintenance, and repair of authorized civil works, military construction, and civil defense projects that are essential to the national defense.

(b) The Secretary shall immediately notify the appropriate committees of Congress of any actions taken pursuant to the authorities provided by this section, and shall cease to exercise such authorities not later than one hundred and eighty calendar days after the termination of the state of war.

SEC. 231. Section 111 of the Act of September 22, 1922 (42 Stat. 1043; 33 U.S.C. 555), is amended by (1) inserting "no more than $50,000" in lieu of "$100"; and, (2) inserting a new sentence at the end thereof as follows: "In addition, the Secretary may assess a civil penalty of up to $25,000, per violation, against any person or entity that fails to provide timely, accurate statements required to be submitted pursuant to this section by the Secretary.".

SEC. 232. (a) The California Debris Commission is hereby abolished and the Act of March 1, 1893, ch. 193, (27 Stat. 507; 33 U.S.C. 661-685), as amended is hereby repealed.

(b) All of the remaining authorities, powers, functions, and duties of the Califor-

nia Debris Commission shall be transferred to the Secretary.

(c)(1) The assets, liabilities, contracts, property, and records of the California Debris Commission, the unexpended balance of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, or available to the Commission, and any funds to be made available pursuant to section 202 of the Budget and Accounting Procedures Act of 1950 (31 U.S.C. 581c) in connection with the functions transferred by this Act, shall be transferred to the Secretary.

(2) Unexpended funds transferred pursuant to this subsection shall be used only for the purposes for which the funds were originally authorized and appropriated or as provided by contract.

(3) The Secretary is hereby authorized to retain all real property interests presently under the jurisdiction of the California Debris Commission and to take such actions as are necessary to consolidate holdings and perfect title.

SEC. 233. (a) In addition to previous authorizations, there is authorized to be appropriated for the prosecution of the comprehensive plan of development of each river basin or project, that is referred to below by name and date of basic authorization, such sums as are necessary for the Secretary to complete the comprehensive plan of development.

Basin	Act of Congress
Alabama-Coosa River Basin	March 2, 1945
Arkansas River Basin	June 28, 1938
Arkansas-Red River Basin	November 7, 1966
Baltimore Harbor	December 31, 1970
Blue River Basin	December 31, 1970
Brazos River Basin	September 3, 1954
Central and Southern Florida	June 30, 1948
Columbia River Basin	May 17, 1950
Connecticut River Basin	June 22, 1936
Cottonwood Creek, California	December 31, 1970
Gulf Intracoastal Waterway, St Marks, Tampa	August 13, 1968
Mississippi River and Tributaries	May 15, 1928
Missouri River Basin	June 28, 1938
North Branch Susquehanna River Basin	July 3, 1958
Ohio River Basin	June 22, 1936
Ouachita River Basin	May 17, 1950
Red Run Drain and Lower Clinton River	December 31, 1970
Red River Waterway	August 13, 1968
Sabine River Basin	December 31, 1970
Sacramento River Basin	December 22, 1944
San Joaquin River Basin	December 22, 1944
Santa Ana River Basin	June 22, 1936
South Platte River Basin	May 17, 1950
Tampa Harbor	December 31, 1970
Trinity River Basin	October 27, 1965
Upper Mississippi River Basin	June 28, 1938
Wabash River Basin	August 13, 1968
White River Basin	June 28, 1938

(b) The sums authorized by this section include those necessary for the Secretary to complete local flood protection in the Columbia River Basin, as authorized by section 204 of the Flood Control Act of 1950 (64 Stat. 178).

SEC. 234. If any provision of this Act or the application thereof to any person or circumstance is held invalid, neither the remainder of this Act nor the application of such provision to other persons or circumstances shall be affected thereby.

SEC. 235. Notwithstanding any provision of law, the Administrator of the General Services Administration, pursuant to the provisions of sections 202 and 203(j) of the Federal Property and Administrative Services Act of 1949, as amended, may dispose of any Corps of Engineers vessel used for dredging that is declared to be in excess of Federal needs by the Secretary, together with related equipment owned by the United States and under the control of the Chief of Engineers, through sale or lease to a foreign government as part of a Corps of Engineers technical assistance program, or to a Federal or State maritime academy for training purposes, or to a non-Federal public body for scientific, educational, or cultural purposes, or through sale solely for scrap to foreign or domestic interests. Any such vessel shall not be disposed of under this section or any other provision of law for use within the United States for the purpose of engaging in dredging activities. Amounts collected from the sale or lease of any such vessel or equipment shall be deposited into the revolving fund authorized by section 101 of the Civil Functions Appropriations Act, 1954 (67 Stat. 199; 33 U.S.C. 576), to be available, as provided in appropriations Acts, for the operation and maintenance of vessels under the control of the Corps of Engineers.

SEC. 236. The Secretary shall not require any payment for waters withdrawn by a State, or its political subdivisions, or by a nonprofit entity, for municipal or industrial uses within the State of withdrawal from any Missouri River mainstem reservoir that is under the Secretary's control if the existence of the reservoir involved will not enhance the dependability of the withdrawal under conditions of one hundred year, seven day low flow in the Missouri River.

SEC. 237. Unless otherwise specified, the costs of any project or program authorized in this Act and not assigned to the purposes of commercial navigation shall be subject, as appropriate, to the cost sharing and financing provisions of titles V, VI, or VII of this Act.

TITLE III—PROJECT PROVISIONS

SEC. 301. (a) The Secretary is authorized and directed to take such action as may be necessary at a cost of $4,118,000, and substantially in accordance with the study directed by the Mobile district engineer and dated July 20, 1981, to correct erosion problems along the banks of the Warrior River in order to protect Mound State Park, near Moundville, Alabama.

(b) The Secretary is authorized to preserve and protect the Fort Toulouse National Historic Landmark and Taskigi Indian Mound in the county of Elmore, Alabama, by instituting bank stabilization measures, in accordance with alternative B contained in the Mobile district engineer's design supplement report entitled "Jones Bluff Reservoir, Alabama River, Alabama, Fort Toulouse, Design Report, National Historic Landmark", dated July 1975, at a cost of $15,400,000 (October 1982).

(c) The Secretary in order to protect the cultural, economic, environmental, and historical resources of Tangier Island, Virginia, located in Chesapeake Bay, is authorized and directed to design and construct a structure approximately eight thousand two hundred feet in length on the western shore of Tangier Island, adequate to protect such island from further erosion at a cost of $5,400,000.

(d) Prior to any construction under this section, non-Federal interests shall provide without cost to the United States all necessary lands, easements, rights-of-way, and relocations, agree to operate and maintain the structures after construction, and hold and save the United States free from damages due to the construction works.

(e) Notwithstanding the provisions of this section, the Secretary shall give priority in the allocation of funds for design and construction of projects for the purposes of erosion control to projects authorized prior to the enactment of this Act.

SEC. 302. The project for hurricane-flood protection and beach erosion control along the Delaware Coast from Cape Henlopen to Fenwick Island at the Delaware-Maryland State Line, authorized by section 203 of the Flood Control Act of 1968 (Public Law 90-483), is hereby modified by deleting hurricane-flood protection and authorizing the construction of sand bypass facilities and stone revetment erosion control measures at Indian River Inlet, Delaware, as described in the reevaluation report of the Philadelphia district engineer, dated January 1984, at a Federal cost for such additional facilities of $4,000,000 (October 1983): *Provided*, That project costs shall be allocated under the terms of section 111 of Public Law 90-483, if that is determined by the Secretary to be appropriate.

SEC. 303. (a) The Secretary is authorized to construct, at Federal expense, a set of emergency gates in the conduit of the Abiquiu Dam, New Mexico, to increase safety and enhance flood and sediment control: *Provided*, That such feature, which was eliminated during original construction due to cost constraints, shall be considered as completing the original design concept for the project.

(b) For purposes of this section, the sum of $2,500,000 is authorized to be appropriated to the Secretary for the fiscal year ending September 30, 1986, or thereafter, such sums to remain available until expended.

SEC. 304. The Secretary shall promptly transfer to the responsibility of the Corps of Engineers district engineer in Albuquerque, New Mexico, those portions of the State of New Mexico that, as of the date of enactment of this Act, are under the responsibility of the district engineers in Sacramento, California, and Los Angeles, California.

SEC. 305. The Waterbury, Vermont, project in the Winooski River Basin, authorized for modification in section 10 of the 1944 Flood Control Act, approved as Public Law 78-534 of December 22, 1944, is hereby further modified to provide that restoration to the concrete work on such dam shall be undertaken by the Secretary. Nothing in this section shall be construed as altering the conditions established in the Federal Power Commission license numbered 2090, issued on September 16, 1954.

SEC. 306. The city waterway navigation channel project, Tacoma Harbor, Washington, authorized by the first section of the River and Harbor Act of June 13, 1902 (32 Stat. 347), is hereby modified to direct the Secretary to redefine the boundaries of such project in accordance with the recommendations contained in the report of the Chief of Engineers dated May 3, 1983.

SEC. 307. Section 56 of Public Law 93-251 is amended to read as follows: "The project for Libby Dam (Lake Koocanusa), Montana, authorized by the Flood Control Act approved May 17, 1950 (64 Stat. 170), is hereby modified to provide that the Secretary of the Army, is authorized to pay the drainage districts and owners of leveed and unleveed tracts, in Kootenai Flats, Boundary County, Idaho, for modification to facilities, including gravity drains, structures, pumps, and additional pumping operational costs made necessary by, and crop and other damages resulting from, the duration of higher flows or water fluctuations during drawdown and power generation operations at Libby Dam, and shall pay landowners in Kootenai Flats for erosion of their property which has occurred since commencement of the draw-

down and power generation operations at Libby Dam and as a result of those operations without regard to historic patterns of erosion, maintenance of existing levees, erosion that might otherwise have occurred without the construction of the dam; or any special and direct benefits to the lands within the project area as a result of the construction of Libby Dam, and shall control erosion caused by the duration of higher flows of water fluctuation during the drawdown and power generation operations at Libby Dam, except that the total of all such erosion payments shall not exceed $1,500,000.".

SEC. 308. The second paragraph under the center heading "BRAZOS RIVER BASIN" in section 10 of the Flood Control Act of 1946 (60 Stat. 641) is amended by inserting "or water supply" after "irrigation".

SEC. 309. The Pick-Sloan Missouri Basin Program shall be prosecuted, as authorized and in accordance with applicable laws including the requirements for economic feasibility, to its ultimate development on an equitable basis as rapidly as may be practicable, within the limits of available funds and the cost recovery and repayment principles established by Senate Report Numbered 470 and House of Representatives Report Numbered 282, Eighty-ninth Congress, first session.

SEC. 310. The project for Jackson Hole Snake River local protection and levees, Wyoming, authorized by the River and Harbors Act of 1950 (Public Law 81-516), is hereby modified to provide that the operation and maintenance of the project, and additions and modifications thereto constructed by non-Federal sponsors, shall be the responsibility of the Secretary: *Provided*, That non-Federal sponsors shall pay the initial $35,000 in cash or materials of any such cost expended in any one year, together with inflation as of the date of enactment of this Act.

SEC. 311. The project for flood protection for the Rio Grande Floodway, Truth or Consequences Unit, New Mexico, authorized by the Flood Control Acts of 1948 and 1950, is hereby modified to provide that the Secretary is authorized to construct a flood control dam on Cuchillo Negro Creek, a tributary of the Rio Grande, in lieu of the authorized floodway.

SEC. 312. (a)(1) The Congress finds that the irrigation ditch systems in New Mexico, known as the Acequia systems, date from the eighteenth century, and that these early engineering works have significance in the settlement and development of the western portion of the United States.

(2) The Congress, therefore, declares that the restoration and preservation of the Acequia systems has cultural and historic values, as well as economic values, to the region.

(b) The Secretary is authorized and directed to undertake, without regard to economic analysis, such measures as are necessary to protect and restore the river diversion structures and associated canals attendant to the operations of the community ditch and Acequia systems in New Mexico that are declared to be a political subdivision of the State of New Mexico: *Provided*, That the State of New Mexico, or other non-Federal sponsors, shall pay 25 per centum of the cost of any work undertaken under this section.

(c) For the fiscal year ending September 30, 1986, and thereafter, the sum of $40,000,000 is authorized to be appropriated to the Secretary for the purposes of subsection (b) of this section, such sums to remain available until expended.

(d) The Secretary is further authorized and directed to consider the historic Acequia systems (community ditches) of the Southwestern United States as public entities, if these systems are chartered by the respective State laws as political subdivisions of that State. This public entity status will allow the officials of these Acequia systems to enter into agreements and serve as local sponsors of water-related projects of the Secretary.

SEC. 313. (a) The Secretary is authorized to implement a program of research in order to demonstrate the cropland irrigation and conservation techniques described in the report issued by the New England division engineer, dated May 1980, for the Saint John River Basin, Maine.

(b) For the purposes of this section, there is authorized to be appropriated to the Secretary the sums of $1,825,000 in the fiscal year ending September 30, 1986, $820,000 in the fiscal year ending September 30, 1987, and $785,000 for the fiscal year ending September 30, 1988, such sums to remain available until expended.

SEC. 314. (a) Bank protection activities conducted under the Rio Grande Bank protection project pursuant to the Act of April 25, 1945 (59 Stat. 89), may be undertaken in Starr County, Texas, notwithstanding any provision of such Act establishing the counties in which such bank protection activities may be undertaken.

(b) Any bank protection activity undertaken in Starr County, Texas, pursuant to subsection (a) of this section shall be—

(1) in accordance with such specifications as may be prepared for such purpose by the International Boundary and Water Commission, United States and Mexico; and

(2) except as provided in subsection (a) of this section, subject to the terms and conditions generally applicable to activities conducted under the Rio Grande Bank protection project.

SEC. 315. (a) The Secretary, upon completion of any necessary recordation of the survey and/or plat of each townsite specified under this section, is authorized to—

(1) sell those lands and improvements in each townsite which are suitable for residential, commercial, or industrial use, all in accordance with the provisions of subsection (b) of this section;

(2) transfer, without cost, municipal facilities to the appropriate local government entity or entities; and

(3) transfer, without cost, all school buildings, facilities, related equipment, and land used for educational purposes to the appropriate school district.

(b)(1) All property authorized to be sold, at fair market value, under this section shall be offered for sale in accordance with the following:

(A) First preference shall be given to residents of improved residential properties within a townsite or to an operator of a commercial concession within a townsite for a period of thirty days to purchase the property in which they so reside or operate.

(B) In lieu thereof, said resident or operator shall have the preference, denoted as the second preference, to purchase another available improved residential or commercial lot, or an unimproved residential or commercial lot, in the same townsite for a period of thirty days which may, in the discretion of the Secretary, run concurrently with that in (A) above.

(C) Thereafter, for a period of thirty days, a preference, denoted the third preference, to purchase an available residential lot, improved or unimproved, shall be given, without difference or distinction, to project-connected employees who are eligible to be tenants of Federal housing in a townsite, to any public employees who work in a townsite, and to retired employees or their surviving spouses who, during their years of employment, lived in one of the townsites.

(D) Subsequent thereto, for an additional thirty-day period, a preference, denoted the fourth preference, to purchase improved residential property in a townsite shall be given to any person, corporation or agency agreeing to lease said property to a person or persons who has elected not to exercise a preference to purchase property under (A) or (B) above.

(E) After all preference rights have expired, the remaining property which, in the judgment of the Secretary, is suitable for development, shall be offered for sale to the public.

(F) The Secretary is further authorized to transfer, without cost, to a local government entity or entities any property not purchased under the preference rights set forth in subparagraphs (A) through (E) of this paragraph and any other remaining property within the townsite boundaries.

(2) The purchase of property pursuant to the first, second, or third preference right under subsection (b)(1) of this section shall render the purchaser and his/her spouse ineligible to purchase any other property under such preferences.

(c) When financing for purchasers of residential property under subsections (b)(1)(A) through (b)(1)(E) cannot reasonably be obtained from other sources, the Secretary may accept, in partial payment of the purchase price of the residential property, notes secured by mortgages on the property, subject to such terms and conditions as he determines appropriate: *Provided*, That the interest rate charged to the purchasers will not be more favorable than that then being charged by the Farmers Home Administration for its Single Family Rural Housing Loan Program. The Secretary may sell such notes and transfer, assign, or convey the mortgages securing such notes on terms that he deems appropriate.

(d) The Secretary is further authorized to provide temporary financial assistance to the appropriate local government entity or entities for the townsites specified in this section for a period of five years, in amounts equal to the following percentages of the entity's budget for operating expenses:

First year—100 per centum;
Second year—80 per centum;
Third year—60 per centum;
Fourth year—40 per centum; and
Fifth year—20 per centum.

(e) The Secretary is hereby authorized to perform those acts necessary to delegate authority, to prescribe such rules and regulations, and to establish such terms and conditions as he may deem appropriate for the purpose of carrying out the provisions and objectives of this section.

(f)(1) For the purposes of this section "townsite" means—

(A) the area referred to as Riverdale, North Dakota, containing eight hundred and ninety-two acres, more or less, as depicted on drawing numbered MGR160-2E1, dated November 10, 1981, on file in the office of the district engineer, United States Army Engineer District, Omaha, Nebraska; and

(B) the area referred to as Pickstown, South Dakota, containing three hundred

and ninety-three acres, more or less, as depicted on drawing numbered MR315-2E1, dated November 3, 1981, on file in the office of the district engineer, United States Army Engineer District, Omaha, Nebraska.

(2) For the purposes of this section, the terms—

(A) "local government entity" shall mean any public or quasi-public organization, including an incorporated municipality, that in the judgment of the Secretary would be able to provide any or all of those public facilities or services essential to the operation of the townsite; and

(B) "municipal facilities" shall include fire and police protection systems, waste treatment plants, water treatment and distribution facilities, parks, streets and roads, cemeteries, power distribution systems, municipal government buildings, and other property suitable for use for local municipal purposes, together with underlying lands, easements, and rights-of-way, as well as equipment, materials, and supplies therefor.

SEC. 316. (a)(1) To improve water quality and fulfill the goals of the Clean Lakes Program established in section 314 of the Clean Water Act, the Secretary is authorized to initiate a demonstration program to remove excess silt from Lake Herman, Lake County, South Dakota.

(2) For the purpose of this subsection, there is authorized to be appropriated to the Secretary for the fiscal year ending September 30, 1986, or thereafter, the sum of $5,000,000, such sum to remain available until expended.

(b) The Secretary is authorized and directed to undertake a demonstration project for the removal of silt and aquatic growth, in Lake Worth, Tarrant County, Texas, to construct silt traps and to provide other devices or equipment to prevent and abate the further deposit of sediment in Lake Worth, and to use the dredged material in the reclamation of despoiled land, and other actions necessary to the success of the demonstration, at a cost of $1,750,000 (October 1983).

(c) The Secretary is authorized and directed to conduct mitigation activities recommended in the 1982 Environmental Protection Agency diagnostic feasibility study for Gorton's Pond in Warwick, Rhode Island. Activities will include the installation of retention basins, the dredging of inlets and outlets in recommended areas and the disposal of dredge material, and weed harvesting and nutrient inactivation. For purposes of this subsection, there is authorized to be appropriated to the Secretary for the fiscal year ending September 30, 1986, or thereafter, the sum of $730,000, such sum to remain available until expended.

SEC. 317. (a) The Secretary, after consultation with the National Oceanic and Atmospheric Administration, the National Marine Fisheries Service, the United States Fish and Wildlife Service, and other appropriate governmental agencies, and the National Research Council of the National Academy of Sciences, is authorized and directed to undertake studies to identify the impacts on the United States of potential Canadian tidal power development in the Bay of Fundy, and submit such studies to the appropriate committees of the Congress.

(b) The Secretary shall conduct the studies authorized in subsection (a) of this section in two phases:

(1) Studies to be completed not later than October 1, 1986, to (A) identify effects of any such projects on tidal ranges and resulting impacts to beaches and estuarine areas, and (B) identify further studies which would be needed to meet the requirements of paragraph (2) of this subsection; and

(2) Studies to be completed not later than October 1, 1989, to (A) determine further environmental, social, economic, and institutional impacts of such tidal power development, and (B) determine what measures could be taken in Canada and the United States to offset or minimize any adverse impacts of such development on the United States.

(c) In the fiscal year ending September 30, 1986, or in any fiscal year thereafter, there is authorized to be appropriated to the Secretary the sum of $1,100,000 for the purposes of subsection (b)(1) of this section, and the sum of $8,900,000 for the purposes of subsection (b)(2) of this section, such sums to remain available until expended.

SEC. 318. (a)(1) Downstream recreation on the Gauley River is declared to be an additional project purpose of the Summerville Lake project, West Virginia, under the direction of the Secretary. Releases at times and levels (minimum two thousand four hundred cubic feet per second) suitable for such recreation shall commence on the first weekend after Labor Day of each year and continue during each weekend thereafter (and during such weekday periods as the Secretary finds appropriate) for approximately five weeks.

(2) Releases shall also be made at other times during the year as appropriate: *Provided*, That such releases are not injurious to other purposes of the Summerville Lake project. The Secretary shall schedule such releases as early as practical and provide adequate advance public notice of such whitewater release.

(b) The Secretary may temporarily suspend (for such period as may be necessary) or modify any release required under subsection (a)(1) of this section or scheduled under subsection (a)(2) of this section when necessary for purposes of flood control or any other project purpose, or for reasons of public health and safety.

SEC. 319. The three flood water control structures on the Johns Creek tributary and the program of land treatment for erosion and sediment control in the Nonconnah Creek Basin, Tennessee, are authorized to be constructed in accordance with the recommendations contained in the joint report of the district engineer and the State conservationist contained in Senate Document 95-96, at a total cost of $24,065,300 (June 1984).

SEC. 320. The Secretary is authorized to participate with appropriate non-Federal sponsors in a project to demonstrate, on an expedited basis, the feasibility of non-Federal cost sharing for rural flood protection under the provisions of sections 212 and 215 and title VII of this Act and section 134 of Public Law 94-587, as amended. Such project shall consist of channel restoration and improvements on the James River in South Dakota, and may include consideration of offstream storage, small impoundments on tributaries, and other features identified by the Secretary to alleviate flood damage and to regulate flows on such river, at a total cost not to exceed $20,000,000: *Provided*, That the Secretary shall report to Congress no later than September 30, 1988, on the extent to which additional features may be required to alleviate flood damage and regulate flows on such river.

SEC. 321. The last sentence under the center heading "ARKANSAS-RED RIVER BASIN" in section 201 of the Flood Control Act of 1970 (84 Stat. 1825) is amended to read as follows: "Construction shall be initiated in the Red River Basin in accordance with the recommendations regarding general design memorandum numbered 25 by the director of civil works on behalf of the Chief of Engineers, dated August 8, 1977. Based on such recommendations, the Chief of Engineers shall issue a Report no later than December 31, 1985: *Provided*, That for the purposes of this Act, general design memorandum numbered 25 shall be considered the Report of the Chief of Engineers if no such Report has been issued by December 31, 1985. Cost sharing for construction initiated under this section shall be the same as the cost sharing for area VIII of this project.".

SEC. 322. The project on Milk River for local flood protection at Havre, Montana, authorized by section 10 of the Flood Control Act approved December 22, 1944 (58 Stat. 897), is hereby modified to authorize the Secretary to reconstruct or replace, whichever he determines necessary and appropriate, the water supply intake weir of the city of Havre, Montana, at a cost of $1,400,000.

SEC. 323. The Secretary is authorized and directed to improve public access to, and lessen a health and safety hazard, at Pearson-Skubitz Big Hill Lake, Kansas, by upgrading existing roads to the extent feasible acquiring additional rights-of-way, and constructing new roads as required, at a cost of $3,000,000.

SEC. 324. That portion of the Hudson River in the New York Bay lying within the area described in Senate Report 98-340 for section 326 is hereby declared to be not a navigable water of the United States within the meaning of the Constitution and the laws of the United States, except for the purposes of the Federal Water Pollution Control Act.

SEC. 325. (a) The portion of the flood control project for the Illinois River and tributaries, Illinois, Wisconsin, and Indiana, authorized by section 203 of the Flood Control Act of 1962 (76 Stat. 1189), which is to be located on the Sangamon River, Illinois, about one mile upstream from Decatur, Illinois, and which is known as the William L. Springer Lake project is not authorized after the date of enactment of this Act.

(b) Notwithstanding section 203 of the Federal Property and Administrative Services Act of 1949 and any other provision of law, before any lands acquired by the United States for the William L. Springer Lake project referred to in subsection (a) of this section are sold or otherwise disposed of or used for any purpose other than to carry out such project, such lands shall first be made available for purchase by the city of Decatur, Illinois, at the price at which such lands were acquired by the United States: *Provided*, That such lands remain in public ownership for use for public purposes, and that if any of such lands are not so owned or used, then such lands shall revest in the United States.

SEC. 326. Section 108(k) of Public Law 93-251, as amended, is amended further by striking the figure "$103,522,000" and inserting in lieu thereof "$156,122,000".

SEC. 327. For purposes of the Act entitled "An Act to provide for the alteration of certain bridges over navigable waters of the United States, for the apportionment of the cost of such alterations between the United States and the owners of such bridges, and for other purposes", approved June 21, 1940 (33 U.S.C. 551 et seq.), the Port of Houston Authority bridge over Greens Bayou approximately two and eight-tenths miles up-

stream of the confluence of Greens Bayou, Texas, and the Houston Ship Channel is hereby declared to be a lawful bridge for all purposes of such Act. The Secretary of Transportation is authorized to reimburse the bridge owner for work done prior to the date of enactment of this section which work, under the Act of June 21, 1940 (33 U.S.C. 511 et seq.), would be the responsibility of the United States if performed after the date of enactment of this section: *Provided,* That any reimbursement under this section shall not exceed $450,000.

SEC. 328. (a) The Secretary is authorized to undertake the following reconnaissance studies in the State of Utah in order to determine if improvements for the purposes of flood control and related purposes are economically and environmentally justified, then report on such studies to Congress:

(1) the Provo River, from the mouth of Provo Canyon to Utah Lake;

(2) the existing levees along Utah Lake from the Provo River south along Interstate Highway 15;

(3) Interstate Highway 15, adjacent to Utah Lake;

(4) Rock, Little Rock, and Slate Canyons in the city of Provo;

(5) the Bear River, its tributaries and outlets;

(6) the Weber River, its tributaries and outlets; and

(7) the Sevier River, its tributaries and outlets.

(b) For the purposes of this section, the sum of $1,600,000 is authorized to be appropriated to the Secretary for the fiscal year ending September 30, 1986, or thereafter, such sums to remain available until expended.

SEC. 329. Section 110(f) of the River and Harbor Act of 1958 (72 Stat. 303), as amended, is amended further by striking the figure "$6,528,000" and substituting the figure "$13,195,000".

SEC. 330. (a) The comprehensive plan for the control of floodwaters in the Connecticut River Basin, Vermont, New Hampshire, Massachusetts, and Connecticut, authorized by section 5 of the Flood Control Act of 1936 (49 Stat. 1570, 1572), as amended, is amended further to authorize and direct the Secretary to design, construct, operate, and maintain facilities at Townshend Dam, West River, Vermont, to enable upstream migrant adult Atlantic salmon to bypass that dam and Ball Mountain Dam, Vermont, and to provide at both Townshend and Ball Mountain Dams facilities as necessary for the downstream passage of juvenile Atlantic salmon.

(b) Prior to construction of the work authorized by this section, non-Federal interests shall agree to hold and save the United States harmless for any damages incurred in the construction and operation of such fish-passage facilities, and provide all lands, easements, rights-of-way, and relocations as may be reasonably necessary for the construction and operation of the fish-passage facilities.

(c) There is authorized to be appropriated to the Secretary in the fiscal year ending September 30, 1986, or thereafter, the sum of $1,000,000 for the construction of facilities authorized by this section, such sums to remain available until expended.

SEC. 331. (a) The Secretary is authorized, and upon the request of any appropriate State or local authority in the Washington metropolitan area in Maryland, to permit the delivery of water from the District of Columbia water system at the Dalecarlia filtration plant, or at any other point on such water system, to any such appropriate State or local authority. All of the expenses of installing a connection or connections and appurtenances thereto, and any subsequent changes therein, as may be necessary to make such delivery of water, shall be paid by the requesting entity, which shall also pay those charges for the use of such water as may be determined from time to time, in advance, by the Secretary. Payments shall be made at such time and under such regulations as the Secretary may prescribe. The Secretary may revoke at any time any permit for the use of water which may have been granted.

(b) The Secretary is authorized to purchase water from any appropriate State or local authority in the Washington metropolitan area in Maryland which has completed a connection with the District of Columbia water system. The Secretary is authorized to pay charges as may be agreed upon, for the use of such water by the Secretary.

SEC. 332. Section 44 of the Water Resources Development Act of 1974 (Public Law 93-251, 88 Stat. 12) is amended by striking subsection (b)(2) and inserting in lieu thereof the following:

"(2) The lands conveyed pursuant to this section, including the Olson 2d addition, shall be used by the Mountrail County Park Commission, Mountrail County, North Dakota, solely for public park and recreational purposes: *Provided,* That the park commission may designate a portion of the lands conveyed for leasing of cabin sites. The Mountrail County Park Commission shall reimburse the Federal Government for lands so used at the fair market value for such property. If any lands used for public purposes are ever used for any other purpose, title thereto shall revert to, and become the property of, the United States which shall have the right of immediate entry thereof. The Secretary of the Army is authorized to execute and file an amended deed to reflect the provisions of this Act.".

SEC. 333. The authorization for the Lake Brownwood modification project, Pecan Bayou, Texas, contained in the Flood Control Act of 1968 (Public Law 90-483), is hereby terminated.

SEC. 334. For purposes of this Act, work authorized by section 111 of Public Law 97-88 (95 Stat. 1138) shall be considered as a nonseparable element of the flood control project for Minot, North Dakota, authorized under section 201 of the Flood Control Act of 1965.

SEC. 335. (a)(1) For the multiple purposes of preserving, enhancing, interpreting, and managing the water and related land resources of an area containing unique cultural, fish and wildlife, scenic and recreational values and for the benefit and enjoyment of present and future generations and the development of healthful outdoor recreation, there is hereby established the Cross Florida National Conservation Area (hereinafter in this section referred to as the "Conservation Area").

(2) The Conservation Area shall consist of all lands and interests in lands held by the Secretary for the barge canal project referred to in subsection (b) of this section, all lands and interests in lands held by the State of Florida or the Canal Authority of such State for such project, and all lands and interests in lands held by such State or such Canal Authority and acquired pursuant to section 104 of the River and Harbor Act of 1960.

(3) Subject to the provisions of subsection (c) of this section, the State of Florida shall retain jurisdiction and responsibility over water resources planning, development, and control of the surface and ground waters pertaining to the Conservation Area, except to the extent that any uses of such water resources would be inconsistent with the purposes of this section.

(b) In order to further the purposes set forth in subsection (a)(1) of this section, the portion of the high-level lock barge canal from the Saint Johns River across Florida to the Gulf of Mexico, authorized by the Act of July 23, 1942 (56 Stat. 703), which is located between the Eureka Dam and the Inglis Dam (exclusive of such dams), is not authorized after the date this subsection becomes effective, and shall not be authorized without a further Act of Congress enacted after the date this subsection becomes effective.

(c) Those portions of the barge canal project referred to in subsection (a) of this section, which are located between the Gulf of Mexico and the Inglis Dam and between the Atlantic Ocean and the Eureka Dam shall be operated and maintained by the Secretary for the purposes of navigation, recreation, fish and wildlife enhancement, and for the benefit of the economy of the region.

(d)(1) Not later than one year after the date of the enactment of this Act, the Secretary, in consultation with the United States Forest Service, the United States Fish and Wildlife Service, and the State of Florida, shall develop, transmit to Congress, and begin implementation of a comprehensive management plan with respect to lands (including water areas) located in the Conservation Area.

(2) Such plan shall, at a minimum, provide for—

(A) enhancement of the environment;

(B) conservation and development of natural resources;

(C) conservation and preservation of fish and wildlife;

(D) scenic and recreational values;

(E) a procedure for the prompt consideration of applications for easements across Conservation Area lands, when such easements are requested by local or State governmental jurisdictions for a public purpose; and

(F) preservation and enhancement of water resources and water quality, including ground water.

(3) Such plan shall establish, among the Secretary, the Forest Service, the Fish and Wildlife Service, and the State of Florida, responsibility for its implementation.

(4) The Secretary shall transmit recommendations for protecting and enhancing the values of the Conservation Area to Congress, together with such plan.

(5) Until transmittal of such plan to Congress, the Secretary shall operate, maintain, and manage the lands and facilities held by the Secretary for the barge canal project referred to in subsection (b), other than those lands described in subsection (c).

(6) The Secretary shall consult and cooperate with other department and agencies of the United States and the State of Florida in the development of measures and programs to protect and enhance water resources and water quality with the Conservation Area.

(e) The Secretary shall operate the Rodman Dam, authorized by the Act of July 23, 1942 (56 Stat. 703), in a manner which will assure the continuation of the reservoir known as Lake Ocklawaha. The Secretary shall not operate the Eureka Lock and Dam

in a manner which would create a reservoir on lands not flooded on January 1, 1984.

(f)(1) The Secretary shall acquire all lands and interests in lands held on the date of the enactment of this Act by the Canal Authority of the State of Florida for the barge canal project referred to in subsection (b). For acquisition of such lands and interests in lands, the Secretary shall pay the purchase price paid by the Canal Authority, plus interests compounded annually at the average rate at which the Canal Authority borrowed funds for project purposes over the total period of financial commitment by the Canal Authority. In addition, the Secretary shall reimburse the Canal Authority for the purchase price paid by the Canal Authority for any lands and interests in lands for such project, which lands and interests were transferred to the Secretary before the date of the enactment of this Act. The Secretary shall operate, maintain, and manage the lands and facilities acquired under this subsection.

(2) From amounts received under paragraph (1) of this subsection, the Canal Authority shall make payments to the counties of Duval, Clay, Putnam, Marion, Levy, and Citrus. Such payments shall, in the aggregate, be equal to $32,000,000. The amount of payment under this paragraph to each such county shall be determined by multiplying such aggregate amount by the amount of ad valorem taxes paid to the Cross Florida Canal Navigation District by such county and dividing such product by the amount of such taxes paid by all such counties.

(g) Subsection (b) shall not become effective until—

(1) the State of Florida enacts a law which assures that, on and after the date on which construction of the portion of the barge canal project referred to in subsection (b) is no longer authorized, all lands and interests in lands held by the State of Florida or the Canal Authority of such State and acquired pursuant to section 104 of the River and Harbor Act of 1960 will continue to be held by such State or Canal Authority, as the case may be, to carry out the objectives of this section;

(2) the State of Florida enacts a law which assures that, on and after such date, the State of Florida will never transfer to any person (except the Federal Government) any lands owned by such State and contained within the expanded boundary of the Ocala National Forest as proposed and shown on the map dated July 1978, on file with the Chief of the Forest Service, Department of Agriculture, Washington, District of Columbia; and

(3) the State of Florida enacts a law which assures that, on and before such date, the interests in the lands described in paragraph (1) held by the State of Florida is sufficient to carry out the purposes of this section.

SEC. 336. In order to alleviate a navigational hazard in the Seekonk River in Providence, Rhode Island, the Secretary is authorized to demolish and remove the center span of the India Point Railroad Bridge. For the purpose of this section, there is authorized to be appropriated to the Secretary for the fiscal year ending September 30, 1986, or thereafter, the sum of $500,000, such sum to remain available until expended. Revenue derived from the sale of scrap from this structure shall be deposited to the general fund of the Treasury.

TITLE IV—DAM SAFETY

SEC. 401. (a) Section 1 of Public Law 92-367 (86 Stat. 506) is amended by replacing the final period with a comma and inserting the following after the comma: "unless such barrier, due to its location or other physical characteristics, is likely to pose a significant threat to human life or property in the event of its failure.".

(b) Public Law 92-367 is further amended by inserting after section 6 the following sections:

"SEC. 7. There is authorized to be appropriated to the Secretary of the Army (hereafter in this Act referred to as the 'Secretary'), $13,000,000 for each of the fiscal years ending September 30, 1986, through September 30, 1990. Sums appropriated under this section shall be distributed annually among those States on the following basis: One-third equally among those States that have established dam safety programs approved under the terms of section 8 of this Act, and two-thirds in proportion to the number of dams located in each State that has an established dam safety program under the terms of section 8 of this Act to the number of dams in all States with such approved programs. In no event shall funds distributed to any State under this section exceed 50 per centum of the reasonable cost of implementing an approved dam safety program in such State.

"SEC. 8. (a) In order to encourage the establishment and maintenance of effective programs intended to assure dam safety to protect human life and property, the Secretary shall provide assistance under the terms of section 7 of this Act to any State that establishes and maintains a dam safety program which is approved under this section. In evaluating a State's dam safety program, under the terms of subsections (b) and (c) of this section, the Secretary shall determine that such program includes the following:

"(1) a procedure, whereby, prior to any construction the plans for any dam will be reviewed to provide reasonable assurance of the safety and integrity of such dam over its intended life;

"(2) a procedure to determine, during and following construction and prior to operation of each dam built in the State, that such dam has been constructed and will be operated in a safe and reasonable manner;

"(3) a procedure to inspect every dam within such State at least once every five years, except that such inspections shall be required at least every three years for any dam the failure of which is likely to result in the loss of human life;

"(4) a procedure for more detailed and frequent safety inspections, when warranted;

"(5) the State has or can be expected to have authority to require those changes or modifications in a dam, or its operation, necessary to assure the dam's safety;

"(6) the State has or can be expected to develop a system of emergency procedures that would be utilized in the event a dam fails or for which failure is imminent together with an identification for those dams where failure could be reasonably expected to endanger human life, of the maximum area that could be inundated in the event of the failure of such dam, as well as identification of those necessary public facilities that would be affected by such inundation;

"(7) the State has or can be expected to have the authority to assure that any repairs or other changes needed to maintain the integrity of any dam will be undertaken by the dam's owner, or other responsible party; and

"(8) the State has or can be expected to have authority and necessary emergency funds to make immediate repairs or other changes to, or removal of, a dam in order to protect human life and property, and if the owner does not take action, to take appropriate action as expeditiously as possible.

"(b) Any program which is submitted to the Secretary under the authority of this section shall be deemed approved one hundred and twenty days following its receipt by the Secretary unless the Secretary determines that such program fails to reasonably meet the requirements of subsection (a) of this section. If the Secretary determines such a program cannot be approved, he shall immediately notify such State in writing, together with his reasons and those changes needed to enable such plan to be approved.

"(c) Utilizing the expertise of the Board established under section 9 of this Act, the Secretary shall review periodically the implementation and effectiveness of approved State dam safety programs. In the event the Board finds that a State program under this Act has proven inadequate to reasonably protect human life and property, and the Secretary agrees, the Secretary shall revoke approval of such State program and withhold assistance under the terms of section 7 of this Act until such State program has been reapproved.

"SEC. 9. (a) There is authorized to be established a National Dam Safety Review Board (hereinafter in this Act referred to as the 'Board'), which shall be responsible for reviewing and monitoring State implementation of this Act. The Board is authorized to utilize the expertise of other agencies of the United States and to enter into contracts for necessary studies to carry out the requirements for this section.

"(b) The Board shall consist of seven members selected for their expertise in dam safety, to represent the Department of the Army, the Department of the Interior, the Tennessee Valley Authority, the Federal Emergency Management Agency, and the Department of Agriculture, plus two members, selected by the President, from employees or officials of States having an approved program under section 8 of this Act.

"SEC. 10. The head of any agency of the United States that owns or operates a dam, or proposes to construct a dam in any State, shall, when requested by such State, consult fully with such State on the design and safety of such dam and allow officials of such State to participate with officials of such agency in all safety inspections of such dam.

"SEC. 11. The Secretary shall, at the request of any State that has or intends to develop a dam safety program under section 8 of this Act, provide training for State dam safety inspectors. There is authorized to be appropriated to carry out this section $500,000 during each of the fiscal years ending September 30, 1986, through September 30, 1990.

"SEC. 12. The Secretary, in cooperation with the National Bureau of Standards, shall undertake a program of research in order to develop improved techniques and equipment for rapid and effective dam inspection, together with devices for the continued monitoring of dams for safety purposes. The Secretary shall provide for State participation in such research and periodically advise all States and the Congress of the results of such research. There is authorized to be appropriated to carry out this section $1,000,000 for each of the fiscal years ending September 30, 1986, through September 30, 1990.

"SEC. 13. The Secretary is authorized to maintain and periodically publish updated information on the inventory of dams authorized in section 5 of this Act. For the purpose of carrying out this section, there is authorized to be appropriated to the Secretary $500,000 for each of the fiscal years ending September 30, 1986, through September 30, 1990.".

"SEC. 14. No funds authorized in this Act shall be used to construct or repair any Federal or non-Federal dam."

SEC. 402. Any report that is submitted to the Committee on Environment and Public Works of the Senate or the Committee on Public Works and Transportation of the House of Representatives by the Secretary, or the Secretary of Agriculture acting under Public Law 83-566, as amended, which proposes construction of a water impoundment facility, shall include information on the consequences of failure and geologic or design factors which could contribute to the possible failure of such facility.

SEC. 403. This title shall be known as the "Dam Safety Act of 1985".

TITLE V—INLAND NAVIGATION

SEC. 501. (a) One-half of the cost of construction of the navigation lock and dam projects authorized in sections 502 and 504(e)(1) of this title, shall be paid only from amounts appropriated out of the general fund of the Treasury. One-half of such cost shall be paid only from amounts appropriated out of the Inland Waterways Trust Fund established pursuant to section 203 of Public Law 95-502.

SEC. 502. The following works of improvement to the inland waterways of the United States are hereby adopted and authorized to be prosecuted by the Secretary in accordance with the plans and subject to the conditions recommended in the respective reports hereinafter designated: *Provided,* That the figures listed in this title shall be subject to the limitations provided under sections 212, 213, and 218 of this Act:

(1) Oliver lock replacement, Black Warrior-Tombigbee Rivers, Alabama: Report of the Chief of Engineers, dated September 26, 1984, at a total cost of $147,211,000 (October 1984);

(2) Gallipolis locks and dam replacement, Ohio River, Ohio and West Virginia: Report of the Chief of Engineers dated April 8, 1982, at a total cost of $256,000,000 (October 1984);

(3) Bonneville lock and dam, Oregon and Washington-Columbia River and Tributaries Interim Report: Reports of the Chief of Engineers dated March 14, 1980, and February 10, 1981, at a total cost of $191,020,000 (October 1984);

(4) Lock and dam 7 replacement, Monongahela River, Pennsylvania: Report of the Chief of Engineers, dated September 24, 1984, at a total cost of $95,100,000 (October, 1984); and

(5) Lock and dam 8 replacement, Monongahela River, Pennsylvania: Report of the Chief of Engineers, dated September 24, 1984, at a total cost of $68,000,000 (October, 1984).

SEC. 503. (a) The Secretary is authorized to reimburse the State of New York for 50 per centum of the cost of operating, maintaining, and rehabilitating the New York State Barge Canal: *Provided,* That control and operation of such canal shall continue to reside with the State of New York: *And provided further,* That the Federal contribution to the costs of rehabilitating the New York State Barge Canal shall be limited in any fiscal year to $5,000,000, or 50 per centum of the expenditures in that fiscal year, whichever is the lesser.

(b) For the purposes of this section, the New York State Barge Canal is defined to be—

(1) the Erie Canal, which connects the Hudson River at Waterford with the Niagara River at Tonawanda;

(2) the Oswego Canal, which connects the Erie Canal at Three Rivers with Lake Ontario at Oswego;

(3) the Champlain Canal, which connects the easterly end of the Erie Canal at Waterford with Lake Champlain at Whitehall; and

(4) the Cayuga and Seneca Canals, which connect the Erie Canal at a point near Montezuma with Cayuga and Seneca Lakes and through Cayuga Lake and Ithaca and through Seneca Lake with Montour Falls.

SEC. 504. (a) To ensure the coordinated development and enhancement of the Upper Mississippi River System, the Congress declares that the purpose of this section is to recognize such System as a nationally significant ecosystem and a nationally significant commercial navigation system. The Congress further recognizes that such System provides a diversity of opportunities and experiences. Such System shall be administered and regulated in recognition of its several purposes.

(b) For purposes of this section—

(1) the term "Master Plan" means the Comprehensive Master Plan for the Management of the Upper Mississippi River System, dated January 1, 1982, prepared by the Upper Mississippi River Basin Commission and submitted to the Congress pursuant to the Act entitled "An Act to amend the Internal Revenue Code of 1954 to provide that income from the conducting of certain bingo games by certain tax-exempt organizations will not be subject to tax, and for other purposes", approved October 21, 1978 (92 Stat. 1693; Public Law 95-502), hereafter in this section referred to as the "Act of October 21, 1978"; and

(2) the terms "Upper Mississippi River System" and "System" mean those river reaches having commercial navigation channels on the following rivers: the Mississippi River main stem north of Cairo, Illinois; the Minnesota River, Minnesota; the Black River, Wisconsin; the Saint Croix River, Minnesota and Wisconsin; the Illinois River and Waterway, Illinois; and the Kaskaskia River, Illinois.

(c)(1) The Congress hereby approves the Master Plan as a guide for future water policy on the Upper Mississippi River System. Such approval shall not constitute authorization of any recommendation contained in the Master Plan.

(2) Section 101 of the Act of October 21, 1978, is amended by striking out the last two sentences of subsection (b) and the last sentence of subsection (j).

(d)(1) The Congress hereby gives its consent to the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin, or any two or more of such States, to enter into agreements, not in conflict with any law of the United States, for cooperative effort and mutual assistance in the comprehensive planning for the use, protection, growth, and development of the Upper Mississippi River System, and to establish such agencies, joint or otherwise, as they may deem desirable for making effective such agreements.

(2) Each officer or employee of the United States responsible for management of any part of the System is authorized in accordance with such officer's or employee's legal authority to assist and participate, when requested by any agency established under paragraph (1) of this subsection, in programs or deliberations of such agency.

(e) Notwithstanding the provisions of Section 212 of this Act, but subject to the provisions of section 213 and 218 of this Act, the Secretary is authorized to provide for the engineering, design, and construction, at a total cost of $220,000,000 (October 1984), of a second lock at locks and dam 26, Mississippi River, Alton, Illinois and Missouri. Such second lock, shall be one hundred and ten feet by six hundred feet and shall be constructed at or in the vicinity of the location of the replacement lock authorized by section 102 of Public Law 95-502.

(f)(1) The Secretary, acting in consultation with the Secretary of Transportation and the States in the System, shall monitor traffic movements on the System for the purpose of verifying lock capacity, updating traffic projections, and refining the economic evaluations so as to verify the need for future capacity expansion of the System as well as the future need for river rehabilitation and environmental enhancement.

(2) There are authorized to be appropriated to the Secretary for the first fiscal year beginning after the date of enactment of this Act, and for each of nine fiscal years following thereafter, such sums as may be necessary to carry out paragraph (1) of this subsection.

(g)(1) The Secretary of the Interior, in concert with any appropriate State agency, is authorized to undertake with respect to the Upper Mississippi River System, substantially in accordance with the recommendations of the master plan—

(A) a habitat rehabilitation and enhancement program to plan, construct, and evaluate projects to protect, enhance, or rehabilitate acquatic and terrestrial habitats lost or threatened as a result of man-induced activities or natural factors;

(B) the implementation of a long-term resource monitoring program; and

(C) the implementation of a computerized inventory and analysis system.

(2) For the purposes of carrying out subparagraph (g)(1)(A) of this subsection, there are authorized to be appropriated to the Secretary of the Interior not to exceed $8,200,000 for the fiscal year beginning after the date of enactment of this Act, not to exceed $12,400,000 for the second fiscal year beginning after the date of enactment of this Act, and not to exceed $13,000,000 for each of the succeeding eight fiscal years.

(3) For purposes of carrying out subparagraph (g)(1)(B) of this subsection, there are authorized to be appropriated to the Secretary of the Interior not to exceed $7,680,000 for the first fiscal year beginning after the date of enactment of this Act and not to exceed $5,080,000 for each of the succeeding nine fiscal years.

(4) For the purposes of carrying out subparagraph (g)(1)(C) of this subsection, there are authorized to be appropriated to the Secretary of the Interior—

(A) not to exceed $40,000 for the first fiscal year beginning after the date of enactment of this Act;

(B) not to exceed $280,000 for the second fiscal year beginning after the date of enactment of this Act;

(C) not to exceed $1,220,000 for the third fiscal year beginning after the date of enactment of this Act; and

(D) not to exceed $775,000 for each of the succeeding seven fiscal years.

(h)(1) The Secretary of the Interior, in consultation with the Secretary and working through an agency, if any, established by the States for management of the System under subsection (d) of this section, is authorized to implement a program of recreational projects for the System and to conduct an assessment of the economic benefits generated by recreational activities in the System.

(2) For purposes of carrying out the program of recreational projects authorized in paragraph (1) of this subsection, there are authorized to be appropriated to the Secretary of the Interior not to exceed $500,000 for each of the first ten fiscal years beginning after the date of enactment of this Act, and, for purposes of carrying out the assessment of the economic benefits of recreational activities as authorized in paragraph (1) of this subsection, there are authorized to be appropriated to the Secretary of the Interior not to exceed $300,000 for the first and second fiscal years and $150,000 for the third fiscal year beginning after the computerized inventory and analysis system implemented pursuant to subsection (g)(1)(C) of this section is fully functional.

(i) None of the funds appropriated pursuant to the authorization contained in subsections (g) and (h) of this section shall be considered to be attributable to commercial navigation.

(j) This section may be cited as the "Upper Mississippi River System Management Act of 1985".

TITLE VI—HARBOR CONSTRUCTION

SEC. 601. (a) Following the date of enactment of this Act, the Secretary shall not initiate studies on any proposed commercial channel or harbors project or plan until an appropriate non-Federal sponsor has contracted with the Secretary to pay 50 per centum of the cost of such study in accordance with the provisions of this Act.

(b)(1) A non-Federal sponsor may on its own undertake such a study and submit it to the Secretary. To assist non-Federal sponsors, the Secretary shall, as soon as practicable, promulgate guidelines for studies of commercial channels or harbors to provide sufficient information for the formulation of studies.

(2)(A) The Secretary shall review all such studies submitted by non-Federal sponsors under paragraph (b)(1) of this subsection for the purpose of determining whether or not such studies were carried out in accordance with the guidelines promulgated under such paragraph and developed in compliance with Federal laws and regulations applicable to Federal navigation projects.

(B) Not later than one hundred and eighty days after receiving any study under the terms of paragraph (b)(1) of this subsection, the Secretary shall transmit to the Congress in writing the results of such study and any recommendations the Secretary may have concerning the possible authorization of the project described in such study.

(3) The costs of any study under this subsection shall be a non-Federal responsibility, except that whenever such a study results in the construction of a project by the Secretary, 50 per centum of the cost of such study shall be credited toward the non-Federal sponsor's cost-sharing requirement for construction under the terms of section 602(b) of this title.

SEC. 602. (a) For the purposes of cooperative financial development of projects for commercial channel or harbor construction initiated after January 1, 1985, the Secretary shall initiate no such construction project unless an appropriate non-Federal sponsor agrees to construct at its own expense all project facilities other than those for general navigation and by contract to provide during the period of the construction of such project, or separable element thereof, the following percentages of the construction cost for general navigation facilities of the project, or separable element thereof, assigned to commercial navigation based on the depths below mean low water listed herein:

(1) no deeper than twenty feet: 10 per centum;

(2) deeper than twenty feet but less than, or equal to, forty-five feet: 25 per centum; and

(3) deeper than forty-five feet: 50 per centum.

(b)(1) In addition to the sums required to be paid during the period of construction under the terms of subsection (a) of this section, each non-Federal sponsor shall contract with the Secretary to repay to the United States, over a period not to exceed thirty years following completion of the project or element, 10 per centum of the total cost of construction of general navigation facilities for the project assigned to commercial navigation, with interest at a rate determined by the Secretary of the Treasury. In determining such rate of interest, the Secretary of the Treasury shall consider the average market yields during the year preceding such calculation on outstanding marketable obligations of the United States with remaining periods of maturity comparable to the reimbursement period, during the month preceding the fiscal year in which funds are first disbursed, plus a premium of one-eighth of one percentage point for transaction costs: *Provided*, That the Secretary of the Treasury shall recalculate the rate of interest every five years. Funds paid under this paragraph shall be deposited in the general fund of the Treasury.

(2) Under the terms of this subsection, the Secretary may permit a non-Federal sponsor to include toward sums to be reimbursed all or part of the value of any lands, easements, rights-of-way, and dredged material disposal areas and relocations contributed or expended by the non-Federal public sponsor as a part of such project.

(c) For purposes of this section, a project shall be deemed to have commenced construction if, as of December 31, 1984, the non-Federal sponsor entered into a written contract with the Secretary to provide local cooperation required pursuant to the project authorization, including, where applicable, an agreement under section 221 of Public Law 91-611, as amended.

(d) Prior to initiation of construction pursuant to this section, the Secretary and the non-Federal sponsor shall enter into a cooperative agreement according to procedures set forth in the Federal Grant and Cooperative Agreement Act of 1977 (41 U.S.C. 501). The non-Federal sponsor shall agree to—

(1) provide to the Federal Government lands, easements, and rights-of-way, and to provide dredged material disposal areas and perform the necessary relocations required for construction, operation, and maintenance of such project;

(2) hold and save the United States free from damages due to the construction or operation and maintenance of such project except for damages due to the fault or negligence of the United States or its contractors;

(3) provide to the Federal Government the non-Federal share of all other costs of construction of such projects; and

(4) on projects constructed by the Secretary to depths greater than forty-five feet below mean low water following enactment of this Act, be responsible for 50 per centum of the incremental maintenance below forty-five feet below mean low water.

SEC. 603. (a) Nothing in this title shall be construed to prohibit or otherwise interfere with the Secretary or other Federal authority to operate, maintain, or improve any harbor for purposes of Coast Guard navigation requirements, Department of the Navy navigation requirements, or requirements for vessels carrying military personnel and material.

(b) Whenever the Secretary undertakes improvements to a harbor, the Secretary may reduce proportionally the percentage share required by the non-Federal sponsor relating to the portion of traffic that provides direct benefits to such national defense requirements of the United States.

SEC. 604. (a) In addition, to projects undertaken pursuant to section 602 of this title, any non-Federal sponsor is authorized to undertake navigational improvements in commercial channels or harbors of the United States, subject to obtaining any permits required pursuant to Federal and State laws in advance of the actual construction of such improvements.

(b) When requested by an appropriate non-Federal sponsor the Secretary is authorized to undertake all necessary studies and engineering for any construction to be undertaken under the terms of subsection (a) of this section, and assist in obtaining all necessary permits: *Provided*, That the non-Federal sponsor contracts with the Secretary to furnish the United States funds for such studies and engineering during the period that they are conducted.

(c) The Secretary is authorized to complete and transmit to the appropriate non-Federal sponsor any study for improvements to commercial channels or harbors of the United States which were initiated prior to the date of enactment of this Act, or, upon the request of such non-Federal sponsor, to terminate such study and transmit such partially completed study to the non-Federal sponsor. Studies under this subsection shall be completed without regard to the requirements of subsection (b) of this section.

(d) On any activity undertaken pursuant to subsection (a) of this section, the non-Federal sponsor shall provide 50 per centum of the costs expended on any relocation and alteration of existing pipelines, cables, and related facilities (but not to include any cost for upgrading or improvements to such pipelines, cables, and related facilities necessary for the construction of harbors), and the owner of such existing pipeline, cables, and related facility shall provide 50 per centum.

(e) Subject to the enactment of appropriation Acts, the Secretary is authorized to reimburse any non-Federal sponsor an amount equal to the estimate of Federal share, without interest, of the cost of any commercial channel or harbor improvement, or separable element thereof, constructed under the terms of this section if, subsequent to authorization of the project and prior to initiation of construction of the project or separable element thereof, the Secretary approves the plans of construction of such project by such non-Federal sponsor and if such non-Federal sponsor

enters into an agreement to pay the non-Federal share, if any, of the cost of operation and maintenance of such project. The Secretary shall regularly monitor and audit any project for a commercial channel or harbor constructed under this subsection by a non-Federal sponsor in order to ensure that such construction is in compliance with the plans approved by the Secretary, and that costs are reasonable. In reviewing such plans, the Secretary shall consider budgetary and programmatic priorities, potential impacts on the cost of dredging projects nationwide, and other factors that the Secretary deems appropriate.

(f) Whenever a non-Federal sponsor constructs improvements to any harbors, the Secretary shall be responsible for maintenance to forty-five feet below mean low water, and 50 per centum of the costs of incremental maintenance below forty-five feet below mean low water: *Provided*, That the Secretary certifies that the project is constructed in accordance with appropriate engineering and design standards.

SEC. 605. (a) The Secretary, upon receipt from an appropriate non-Federal sponsor of a written notice of intent to construct improvements in the commercial channels or harbors, shall initiate procedures to establish a schedule of compliance for the purpose of joint processing of all Federal permits required prior to initiation of such construction activities.

(b)(1) Within fifteen days of the receipt of correspondence under the terms of subsection (a) of this section, the Secretary shall publish such notice in the Federal Register. The Secretary shall also notify in writing all State and local agencies that may be required to issue permits for construction of such improvements and related activities that such construction is proposed. The Secretary shall solicit the cooperation of such agencies and request that they also become parties to a memorandum of agreement (hereinafter in this Act referred to as the "agreement"). If within thirty days following publication of notice in the Federal Register any such agency advises the Secretary in writing of its willingness to become a signatory to the agreement, the Secretary shall include such agency in the agreement.

(2) Within ninety days of the Secretary's receipt of the correspondence described in subsection (a) of this section, the Secretary of the Interior, the Secretary of Commerce, the Administrator of the Environmental Protection Agency, and any State or local agencies which have notified the Secretary in writing shall enter into the agreement with the Secretary to establish a schedule of compliance with the necessary Federal permits required for undertaking such improvements. The schedule of compliance shall not exceed two years from the date of the agreement.

(c)(1) The agreement shall, to the extent possible, consolidate hearing and comment periods, procedures for data collection and report preparation, and the environmental review and permitting process with data collection and analysis associated with the feasibility study conducted by the non-Federal sponsor. The agreement will also detail the non-Federal sponsor's responsibilities with respect to data development, and information necessary to process each permit, including a schedule of dates when such information and data will be provided to the appropriate Federal, State, or local agency.

(2) Such agreement shall also include a scheduled date by which the Secretary, taking into consideration the views of all of the affected Federal agencies, shall determine whether there is a reasonable likelihood the necessary permit or permits will not be issued, in which case the Secretary shall so notify the appropriate non-Federal sponsor. The Secretary may revise the agreement only once to extend the schedule of compliance for a period not to exceed one hundred and twenty days for the purpose of allowing the non-Federal sponsor to revise the original application to meet the objectives of the Federal agencies.

(d) Six months prior to the final day of the schedule the Secretary shall provide to Congress a written progress report. The report shall be transmitted to the Committee on Environment and Public Works of the United States Senate and the Committee on Public Works and Transportation of the United States House of Representatives. The report will summarize all work completed in accordance with the agreement and shall include a detailed work plan which shall assure completion of all remaining work in accordance with the agreement.

(e) Not later than the final day of the compliance schedule, the Secretary shall notify the non-Federal sponsor as to whether the permit or permits are issued.

(f) Not later than March 1, 1987, the Secretary shall prepare and trasmit to the Congress a report describing the amount of time required to issue Federal environmental permits related to construction of improvements to commercial channels or harbors. The Secretary shall include in such report recommendations for reducing the amount of time required to issue such permits, including any proposed changes in existing law.

SEC. 606. (a) Notwithstanding any other provision of law, any appropriate non-Federal sponsor, upon enactment of this Act and in accordance with the provisions of this section, is authorized to recover its obligations for construction under the terms of section 602 or 604 of this title, together with its costs for incremental maintenance work undertaken pursuant to section 602(d)(4) or 604(f) of this title, and associated administrative expenditures, by the collection of fees for use of such projects by vessels in commercial waterway transportation. Such fees shall be established after a public hearing held pursuant to applicable law or procedure, shall reflect to a reasonable degree the benefits provided by the project to a particular class or type of vessel, and shall be used only for the purposes of paying for the non-Federal share of the cost of construction and any incremental maintenance work under the terms of section 602(d)(4) or 604(f) of this title.

(b) Fees authorized by this section shall not be imposed on—

(1) vessels not engaged in commercial activity which are owned by, or under bareboat charter or time charter to, or for any purpose under the control or custody of the United States, or any of its officers, agents, employees, or of any corporation wholly owned by the United States;

(2) vessels not engaged in commercial activity that are owned by, or under bareboat charter or time charter to, any other nation, or any of its officers, agents, employees, or of any corporation wholly owned by such other nation;

(3) vessels used by a State, or political subdivision thereof, transporting persons or property in the business of the State or political subdivision and not engaged in commercial service;

(4) vessels engaged in dredging activities or in intraport movements; and

(5) vessels with design drafts of fourteen feet or less when utilizing projects within the terms of sections 602(a) (2) and (3) of this title.

SEC. 607. (a) There are authorized to be appropriated out of the Harbor Maintenance Trust Fund, established pursuant to part B of title VIII of this Act, for each fiscal year such sums as may be necessary to pay—

(1) 100 per centum of the eligible operations and maintenance costs of those portions of the Saint Lawrence Seaway operated and maintained by the Saint Lawrence Seaway Development Corporation for such fiscal year; and

(2) not more than 40 per centum of the eligible operations and maintenance costs assigned to commercial navigation of—

(A) all commercial channels and harbors within the United States; and

(B) all Great Lakes navigation improvements operated or maintained by the Secretary.

(b) There are authorized to be appropriated out of the General Fund of the Treasury of the United States for each fiscal year such sums as may be necessary to pay the balance of all eligible operations and maintenance costs not provided by payments from the Harbor Maintenance Trust Fund, as provided in this section.

SEC. 608. For the purposes of this Act, the terms—

(1) "commercial channel or harbor" shall mean any channel or harbor, or element thereof, which channel or element is not considered an inland waterway and which is open to public navigation, and which is capable of being utilized in the transportation of commercial cargo in domestic or foreign waterborne commerce by means of commercial vessels; or any channel or harbor, or element thereof, to the depths and widths the construction of which was initiated by non-Federal sponsors after July 1, 1970, and prior to January 1, 1981; or any channel or harbor, or element, to the depths and widths that may be constructed under the terms of sections 602 or 604 of this title: *Provided*, That such term does not mean local access or berthing channels or channels or harbors constructed or maintained by non-public interests: *And provided further*, That such term shall be considered for the Columbia River, Oregon and Washington, to include the channels only up to the downstream side of Bonneville lock and dam, Oregon and Washington;

(2) the term "non-Federal sponsor" means, with respect to a commercial channel or harbor improvement project, a non-Federal public body which has entered into a written agreement with the Secretary to provide the non-Federal share of operation and maintenance costs or construction costs for the project has the meaning such term has under section 221 of Public Law 91-611, as amended;

(3)(A) except as provided in subparagraph (B), the term "eligible operations and maintenance" shall mean all operations, maintenance, repair and rehabilitation, including maintenance dredging reasonably necessary to maintain the nominal depth and width of any commercial channel or harbor, including any commercial channels or harbors located within the Great Lakes;

(B) as applied to the Saint Lawrence Seaway and any Great Lakes navigation improvement, the term "eligible operations and maintenance" shall include all operations, maintenance, repair and rehabilitation, including maintenance dredging, rea-

sonably necessary to keep such Seaway or navigation improvements operated or maintained by the Saint Lawrence Seaway Development Corporation or the United States in operation and reasonable state of repair;

(C) for purposes of subparagraphs (A) and (B), the term "eligible operations and maintenance" does not include providing any lands, easements, rights-of-way or dredged material disposal areas, or performing relocations required for project operations and maintenance;

(4) the term "Great Lakes navigation improvement" shall mean any lock, channel, harbor, or navigational facility located in the Great Lakes of the United States or their connecting waterways, including, but not limited to the Detroit River, Saint Clair River, Lake Saint Clair, and the Saint Marys River, but shall not include the Saint Lawrence Seaway;

(5) the term "nominal depth" shall mean, in relation to the stated depth for any navigation improvement project, such depth, including any greater depths which must be maintained for any channel or harbor or element(s) thereof included within such project in order to ensure the safe passage at mean low tide of any vessel requiring the stated depth: *Provided,* That with respect to operations and maintainance of channels authorized prior to the date of enactment of this Act, the term "nominal depth" shall include such anchorages necessary to ensure safe passage of vessels utilizing such channels; and

(6) the term "United States" shall mean all areas included within the territorial boundaries of the United States, including the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands of the United States, the Commonwealth of the Northern Marianas, the Trust Territory of the Pacific Islands, and any other territory of possession over which the United States exercises jurisdiction.

SEC. 609. Subject to the provisions of sections 212, 213, 218, and 602 of this Act, the following works for improvement of commercial harbors are hereby adopted and authorized to be prosecuted by the Secretary in accordance with the plans and subject to the conditions recommended in the respective reports hereinafter designated:

(1) Mobile Harbor, Alabama: Report of the Chief of Engineers dated November 18, 1981, at a total cost of $468,933,000 (October 1984);

(2) Kodiak Harbor, Alaska: Report of the Chief of Engineers dated September 7, 1976, at a total cost of $14,641,000 (October 1984);

(3) Saint Paul Island Harbor, Alaska: Report of the Chief of Engineers dated August 10, 1983, at a total cost of $24,756,000 (October 1984);

(4) Oakland Outer Harbor, California: Report of the Chief of Engineers dated January 7, 1980, at a total cost of $42,400,000 (October 1984);

(5) Richmond Harbor, California: Report of the Chief of Engineers dated August 8, 1982, at a total cost of $43,800,000 (October 1984);

(6) Sacramento River, deepwater Ship Channel, California: Report of the Chief of Engineers dated November 20, 1981, at a total cost of $125,300,000 (October 1984);

(7) New Haven Harbor, Connecticut: Report of the Chief of Engineers dated July 26, 1982, at a total cost of $25,900,000 (October 1984);

(8) Jacksonville Harbor, Mill Cove, Florida: Report of the Chief of Engineers dated February 12, 1982, at a total cost of $6,575,000 (October 1984);

(9) Manatee Harbor, Florida: Report of the Chief of Engineers dated May 12, 1980, at a total cost of $16,115,000 (October 1984);

(10) Tampa Harbor, East Bay Channel, Florida: Report of the Chief of Engineers dated January 25, 1979, to assume maintenance;

(11) Savannah Harbor, widening, Georgia: Report of the Chief of Engineers dated December 19, 1978, at a total cost of $19,175,000 (October 1984);

(12) Hilo Harbor, Hawaii: Report of the Chief of Engineers dated December 4, 1984, at a total cost of $4,390,000 (October 1984);

(13) Mississippi River Ship Channel, Gulf to Baton Rouge, Louisiana: Report of the Chief of Engineers dated April 9, 1983, at a total cost of $456,000,000 (October 1984);

(14) Grand Haven Harbor, Michigan: Report of the Chief of Engineers dated October 9, 1979, at a total cost of $17,200,000 (October 1984);

(15) Monroe Harbor, Michigan: Report of the Chief of Engineers dated November 25, 1981, at a total cost of $139,400,000 (October 1984);

(16) Duluth-Superior Harbor, Minnesota and Wisconsin: Report of the Chief of Engineers dated August 16, 1984, at a total cost of $12,200,000 (October 1984);

(17) Gulfport Harbor, Mississippi: Report of the Chief of Engineers dated January 16, 1978, except that the Chief of Engineers is authorized to construct the project in the most cost effective and environmentally sound manner at a total cost not to exceed $78,968,000 (October 1984);

(18) Wilmington Harbor, Northeast Cape Fear River, North Carolina: Report of the Chief of Engineers dated September 16, 1980, at a total cost of $9,718,000 (October 1984);

(19) Portsmouth Harbor and the Piscataqua River Basin, Maine and New Hampshire: Report of the Chief of Engineers dated February 25, 1984, at a total cost of $21,700,000 (October 1984);

(20) Barnegat Inlet, New Jersey, phase I GDM: Report of the Chief of Engineers dated January 20, 1983, as modified by the Supplemental Chief of Engineers Report dated May 21, 1984, at a total cost of $36,435,000 (October 1984);

(21) Gowanus Creek, Channel, New York: Report of the Chief of Engineers dated September 14, 1982, at a total cost of $3,440,000 (October 1984);

(22) Kill Van Kull and Newark Bay Channels, New York and New Jersey: Report of the Chief of Engineers dated December 14, 1981, at a total cost of $248,100,000 (October 1984);

(23) Lorain Harbor, Ohio: Report of the Chief of Engineers dated February 5, 1985, at a total cost of $5,500,000 (October 1984);

(24) San Juan Harbor, Puerto Rico, phase I GDM: Report of the Chief of Engineers dated December 23, 1982, at a total cost of $86,334,000 (October 1984);

(25) Charleston Harbor, South Carolina: Report of the Chief of Engineers dated August 27, 1981, at a total cost of $84,032,000 (October 1984);

(26) Wando River, Charleston Harbor, South Carolina: Report of the Chief of Engineers dated May 1, 1985, at a total cost of $3,561,000 (October 1984);

(27) Brazos Island Harbor, Texas, Brownsville Channel: Report of the Chief of Engineers dated December 20, 1979, at a total cost of $31,417,000 (October 1984);

(28) Hampton Roads and vicinity, Virginia (drift removal): Report of the Chief of Engineers dated October 19, 1983, at a total cost of $6,870,000 (October 1984);

(29) Norfolk Harbor and Channels, Virginia: Report of the Chief of Engineers dated November 20, 1981, at a total cost of $538,000,000 (October 1984);

(30) Crown Bay Channel-Saint Thomas Harbor, Virgin Islands: Report of the Chief of Engineers dated April 9, 1982, at a total cost of $8,124,000 (October 1984);

(31) Blair and Sitcum Waterways, Tacoma Harbor, Washington: Report of the Chief of Engineers dated February 8, 1977, at a total cost of $35,816,000 (October 1984); and

(32) Grays Harbor, Washington: Report of the Chief of Engineers, dated May 5, 1985, at a total cost of $93,187,000 (October 1984).

TITLE VII—COST SHARING AND PROJECTS

SEC. 701. (a) Excluding projects for inland waterway locks and dams and commercial navigation projects in the commercial channels and harbors of the United States, the construction of Corps of Engineers water or related land resources projects (including small projects not specifically authorized by Congress), or separable elements thereof, on which physical construction has not been initiated prior to June 30, 1985, shall be initiated only after non-Federal interests have entered into binding agreements with the Secretary, agreeing to pay 100 per centum of operation, maintenance, and rehabilitation costs, and agreeing to share in the assigned joint and separable costs of construction as follows:

(1) urban and rural flood protection and rural drainage: not less than 35 per centum, including a cash payment amounting to at least 5 per centum of project construction costs, to be made during the construction period; except—

(A) for a project covered by section 3 of the Flood Control Act of 1936, as amended, for which the value of lands, easements, rights-of-way, and relocations required by that Act is greater than 20 per centum of total project construction costs, the required non-Federal contribution shall be the value of such items plus 5 per centum of total project construction costs, to be paid by the non-Federal sponsor in cash during the construction period;

(B) for a project covered by section 3 of the Flood Control Act of 1936, as amended, for which the value of lands, easements, rights-of-way, and relocations required by that Act is less than or equal to 20 per centum of total project construction costs, the Secretary shall consider a non-Federal contribution of 25 per centum, including payment by the non-Federal sponsor of not less than 5 per centum in cash, made during the construction period, to constitute fulfillment of this paragraph;

(C) for a project covered by section 3 of the Flood Control Act of 1936, as amended, for which the value of lands, easements, rights-of-way, and relocations required by that Act is less than 20 per centum of total project construction costs, the non-Federal sponsor or sponsors may elect to make a cash payment of 5 per centum of total project construction costs during the construction period, in addition to providing lands, easements, rights-of-way, and relocations, and to repay in accordance with the terms of this title the additional amount necessary to equal a total non-Federal contribution of 35 per centum; and

(D) for a project that includes urban and rural flood damage reduction benefits provided by the acquisition of land for non-

structural flood control, no cash contribution shall be required from the non-Federal sponsor to the extent benefits are provided by such nonstructural measures;

(2) hydroelectric power: 100 per centum, except that costs of constructing such projects shall be recovered in accordance with existing law;

(3) municipal and industrial water: 100 per centum;

(4) agricultural water supply: 35 per centum;

(5) recreation, including recreational navigation: 50 per centum;

(6) hurricane and storm damage reduction: 35 per centum; and

(7) aquatic plant control: 50 per centum.

(b) The agreement required pursuant to subsection (a) of this section shall be in accordance with the requirements of section 221 of the Flood Control Act of 1970 (84 Stat. 1818) and shall provide for the rights and duties of the United States and the non-Federal sponsor with respect to the construction, operation, and maintenance of the project, including, but not limited to, provisions specifying that, in the event the project sponsor fails to provide the required non-Federal share of costs for such work, the Secretary—

(1) shall terminate or suspend work on the project unless the Secretary determines that continuation of the work is in the interest of the United States or is necessary in order to satisfy agreements with non-Federal sponsors in connection with the project; and

(2) may terminate or adjust the rights and privileges of the non-Federal sponsor to project outputs under the terms of the agreement.

(c) Costs of constructing projects or measures for beach erosion control, water quality enhancement, and fish and wildlife mitigation shall be assigned to appropriate project purposes listed in subsection (a) and shall be shared in the same percent as the purposes to which the costs are assigned: *Provided,* That all costs assigned to benefits to privately owned shores or to prevention of losses of non-Federal land shall be borne by non-Federal interests.

(d) Except as otherwise provided in this title, the Secretary may permit the full non-Federal contribution to be made, without interest, during construction of the project, or, with interest, over a period of not more than thirty years from the date of project completion. Repayment contracts shall provide for recalculation of the interest rate at five-year intervals.

(e) Any repayment by any non-Federal sponsor under this title shall include the rate of interest determined by the Secretary of the Treasury, taking into consideration the average market yields on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the reimbursement period, during the month preceding the fiscal year in which funds for the construction of the project are first disbursed (or in the case of recalculation the fiscal year in which the recalculation is made), plus a premium of one-eighth of one percentage point for transaction costs: *Provided,* That such rates for hydroelectric power shall be in accordance with existing law.

(f) At the request of any non-Federal private or public sponsor the Secretary may permit such non-Federal sponsor to delay the initial payment of any non-Federal contribution under this title for up to one year after the date when construction is begun on the project for which such contribution is to be made.

(g) At the request of any non-Federal sponsor, the Secretary shall consider the cost of work undertaken in accordance with section 134(a) of Public Law 94-587, as amended, by a non-Federal sponsor to be in satisfaction or partial satisfaction of the requirements of subsection (a) of this section if—

(1) the work undertaken has been previously approved in accordance with procedures established by the Secretary; and

(2) the credit sought is only for non-Federal funds expended for such work.

(h) Any cost-sharing agreement under the terms of this title for flood control, rural drainage, or agricultural water supply shall be subject to the ability of a non-Federal sponsor to pay. The ability of any non-Federal sponsor to pay shall be determined by the Secretary in accordance with procedures established by the Secretary.

SEC. 702. Subject to the provisions of sections 212, 213, 218, and 701 of this Act, the following works of improvement of rivers and harbors and other waterways for flood control and other purposes are hereby adopted and authorized to be prosecuted by the Secretary in accordance with the plans and subject to the conditions recommended in the respective reports hereinafter designated:

(a) FLOOD CONTROL.—

(1) Village Creek, Jefferson County, Alabama: Report of the Chief of Engineers dated December 23, 1982, at a total cost of $28,100,000 (October 1984);

(2) Threemile Creek, Mobile, Alabama: Report of the Chief of Engineers dated April 20, 1984, at a total cost of $19,070,000 (October 1984);

(3) Eight Mile Creek, Paragould, Arkansas: Report of the Chief of Engineers dated August 10, 1979, at a total cost of $14,950,000 (October 1984);

(4) Fourche Bayou Basin, Little Rock, Arkansas: Report of the Chief of Engineers dated September 4, 1981, at a total cost of $32,400,000 (October 1984);

(5) Helena and vicinity, Arkansas: Report of the Chief of Engineers dated June 23, 1983, at a total cost of $13,700,000 (October 1984);

(6) West Memphis and Vicinity, Arkansas: Report of the Chief of Engineers dated September 7, 1984, at a total cost of $20,600,000 (October 1984);

(7) Little Colorado River at Holbrook, Arizona: Report of the Chief of Engineers dated December 23, 1981, at a total cost of $11,700,000 (October 1984);

(8) Cache Creek Basin, California: Report of the Chief of Engineers dated April 27, 1981, at a total cost of $30,700,000 (October 1984): *Provided,* That the Secretary acts in coordination with the State of California to assure that such project poses no danger to any component of its State park system;

(9) Redbank and Fancher Creeks, California: Report of the Chief of Engineers dated May 7, 1981, at a total cost of $84,100,000 (October 1984);

(10) Santa Ana River mainstem, including Santiago Creek, California: Report of the Chief of Engineers dated January 15, 1982, at a total cost of $1,211,000,000 (October 1983): *Provided,* That construction is restricted to the following elements of the project: Improvements at Prado Dam which limit the reservoir taking line to no greater than an elevation of five hundred and sixty-six feet; Santa Ana River Channel improvements in Orange County; improvements along Santiago Creek; improvements of the Oak Street drain; and improvement of the Mill Creek levees; features for mitigation of project effects and preservation of endangered species, and recreation features identified in the Chief of Engineers' report for these project elements;

(11) Fountain Creek, Pueblo, Colorado, phase I GDM: Report of the Chief of Engineers dated December 23, 1981, at a total cost of $8,400,000 (October 1984);

(12) Metropolitan Denver and South Platte River and tributaries, Colorado, Wyoming, and Nebraska: Report of the Chief of Engineers dated December 23, 1981, at a total cost of $10,563,000 (October 1984);

(13) Oates Creek, Georgia: Report of the Chief of Engineers dated December 23, 1981, at a total cost of $13,500,000 (October 1984);

(14) Agana River, Guam: Report of the Chief of Engineers dated March 14, 1977, at a total cost of $9,530,000 (October 1984);

(15) Alenaio Stream, Hawaii: Report of the Chief of Engineers dated August 15, 1983, at a total cost of $7,860,000 (October 1984);

(16) Big Wood River and tributaries, Idaho, interim report—Little Wood River, vicinity of Gooding and Shoshone, Idaho: Report of the Chief of Engineers dated November 2, 1977, at a total cost of $4,420,000 (October 1984);

(17) North Branch of Chicago River, Illinois: Report of the Chief of Engineers dated October 29, 1984, at a total cost of $14,390,000 (October 1984);

(18) Rock River at Rockford and vicinity, Illinois, Loves Park interim: Report of the Chief of Engineers dated September 15, 1980, at a total cost of $27,720,000 (October 1984);

(19) South Quincy Drainage and Levee District, Illinois: Report of the Chief of Engineers dated January 24, 1984, at a total cost of $11,688,000 (October 1984);

(20) The project for flood control, Little Calumet River, Indiana: In accordance with plan 3A contained in the Report of the Chief of Engineers dated July 2, 1984, provided that all of the features of the plan 3A as recommended by and described in the report of the District Engineer are included, at a total cost of $83,460,000 (October 1984);

(21) Des Moines River Basin, Iowa and Minnesota: Report of the Chief of Engineers dated July 22, 1977, at a total cost of $15,340,000 (October 1984);

(22) Mississippi River, Coon Rapids Dam to Ohio River Green Bay Levee and Drainage District No. 2, Iowa: Report of the Chief of Engineers dated Octo- ber 21, 1981, at a total cost of $6,770,000 (October 1984);

(23) Interim report on Perry Creek, Iowa: Report of the Chief of Engineers dated February 4, 1982, at a total cost of $44,200,000 (October 1984);

(24) Halstead, Kansas: Report of the Chief of Engineers dated May 8, 1979, at a total cost of $7,100,000 (October 1984);

(25) Upper Little Arkansas River Watershed, Kansas: Report of the Chief of Engineers dated December 15, 1983, at a total cost of $12,200,000 (October 1984);

(26) Atchafalaya Basin Floodway system, Louisiana: Report of the Chief of Engineers dated Febru- ary 28, 1983, at a total cost of $245,398,000 (October 1984);

(27) Bushley Bayou, Louisiana, phase I GDM: Reports of the Chief of Engineers dated April 30, 1980, and August 12, 1982, at a total cost of $44,700,000 (October 1984);

(28) Louisiana State penitentiary levee, Mississippi River: Report of the Chief of

Engineers dated December 10, 1982, at a total cost of $22,646,000 (October 1984);

(29) Quincy Coastal Streams, Massachusetts, Town Brook interim: Report of the Chief of Engineers dated December 14, 1981, at a total cost of $26,500,000 (October 1984);

(30) Roughans Point, Revere Massachusetts: Report of the Chief of Engineers dated May 4, 1985, at a total cost of $8,200,000 (October 1984);

(31) Mississippi River at St. Paul, Minnesota: Report of the Chief of Engineers dated June 16, 1983, at a total cost of $8,454,000 (October 1984);

(32) Redwood River at Marshall, Minnesota: Report of the Chief of Engineers dated November 16, 1981, at a total cost of $4,280,000 (October 1984);

(33) Root River Basin, Minnesota: Report of the Chief of Engineers dated May 13, 1977, at a total cost of $8,195,000 (October 1984);

(34) South Fork Zumbro River Watershed at Rochester, Minnesota: Report of the Chief of Engineers dated February 23, 1979, at a total cost of $60,470,000 (October 1984);

(35) Horn Lake Creek and tributaries, Including Cow Pen Creek, Tennessee and Mississippi: Report of the Chief of Engineers dated January 4, 1983, at a total cost of $3,400,000 (October 1984);

(36) Sowashee Creek, Mississippi: Report of the Chief of Engineers dated February 25, 1985, at a total cost of $17,500,000 (October 1984);

(37) Brush Creek and tributaries, Missouri and Kansas: Report of the Chief of Engineers dated January 3, 1983, at a total cost of $15,770,000 (October 1984);

(38) Maline Creek, Missouri: Report of the Chief of Engineers dated November 2, 1982, at a total cost of $61,900,000 (October 1984);

(39) Saint Johns Bayou and New Madrid Floodway, Missouri phase I GDM: Report of the Chief of Engineers dated January 4, 1983, at a total cost of $108,900,000 (October 1984);

(40) Cape Girardeau, Missouri: Report of the Chief of Engineers dated December 8, 1984, at a total cost of $24,600,000 (October 1984);

(41) Robinson's branch of the Rahway River at Clark, Scotch Plains, and Rahway, New Jersey: Report of the Chief of Engineers dated October 10, 1975, at a total cost of $25,907,000 (October 1984);

(42) Rahway River and Van Winkles Brook at Springfield, New Jersey: Report of the Chief of Engineers dated October 24, 1975, at a total cost of $17,500,000 (October 1984);

(43) Green Brook Subbasin, Raritan River Basin, New Jersey: Report of the Chief of Engineers dated September 4, 1981, at a total cost of $101,832,000 (October 1984);

(44) Ramapo and Mahwah Rivers, New Jersey and New York: Report of the Chief of Engineers dated November 27, 1984, at a total cost of $6,200,000 (October 1984);

(45) Middle Rio Grande flood protection, Bernalillo to Belen, New Mexico: Report of the Chief of Engineers dated June 23, 1981, at a total cost of $43,900,000 (October 1984): *Provided*, That the Secretary is authorized also to increase flood protection through the dredging of the bed of the Rio Grande in the vicinity of Albuquerque, New Mexico, to an elevation lower than existed on the date of enactment of this Act;

(46) Puerco River and tributaries, Gallup, New Mexico: Report of the Chief of Engineers dated September 4, 1981, at a total cost of $4,160,000 (October 1984);

(47) Cazenovia Creek Watershed, New York: Report of the Chief of Engineers dated September 8, 1977, at a total cost of $3,025,000 (October 1984);

(48) Mamaroneck and Sheldrake Rivers Basin and Byram River Basin, New York and Connecticut: Report of the Chief of Engineers dated April 4, 1979, at a total cost of $63,070,000 (October 1984);

(49) Tonawanda Creek Watershed, New York: Report of the Chief of Engineers dated July 2, 1984, at a total cost of $32,000,000 (October 1984);

(50) Sugar Creek Basin, North Carolina and South Carolina: Report of the Chief of Engineers dated February 1, 1985, at a total cost of $29,100,000 (October 1984);

(51) Park River, at Grafton, North Dakota: Report of the Chief of Engineers dated April 17, 1984, at a total cost of $18,790,000 (October 1984);

(52) Sheyenne River, North Dakota: Report of the Chief of Engineers dated August 22, 1984, at a total cost of $55,400,000 (October 1984): Provided that such project shall include a dam and reservoir of approximately thirty-five thousand acre-feet of storage for the purpose of flood protection on the Maple River; and provided further that modification of the Baldhill Dam for dam safety considerations shall not preclude the implementation of those project features not dependent on such safety modifications;

(53) Hocking River at Logan and Nelsonville, Ohio: Report of the Chief of Engineers dated June 23, 1978, at a total cost of $7,760,000 for Logan and $8,020,000 for Nelsonville (October 1984);

(54) Miami River, Fairfield, Ohio: Report of the Chief of Engineers dated June 23, 1980, at a total cost of $14,360,000 (October 1984);

(55) Miami River, Little Miami River, interim report numbered 2, West Carrollton, Holes Creek, Ohio: Report of the Chief of Engineers dated December 23, 1981, at a total cost of $8,910,000 (October 1984);

(56) Muskingum River Basin, Ohio (Mansfield): Report of the Chief of Engineers dated February 3, 1978, at a total cost of $4,256,000 (October 1984);

(57) Scioto River at North Chillicothe, Ohio: Report of the Chief of Engineers dated September 4, 1981, at a total cost of $10,740,000 (October 1984);

(58) Fry Creeks, Oklahoma: Report of the Chief of Engineers dated September 7, 1983, at a total cost of $13,000,000 (October 1984);

(59) Mingo Creek, Tulsa, Oklahoma: Report of the Chief of Engineers dated November 16, 1981, at a total cost of $133,000,000 (October 1984);

(60) Parker Lake, Muddy Boggy Creek, Oklahoma: Report of the Chief of Engineers dated May 30, 1980, at a total cost of $43,000,000 (October 1984);

(61) Harrisburg, Pennsylvania, phase I GDM: Report of the Chief of Engineers dated May 16, 1979, at a total cost of $132,900,000 (October 1984);

(62) Lock Haven, Pennsylvania, phase I GDM: Report of the Chief of Engineers dated December 14, 1981, at a total cost of $79,225,000 (October 1984);

(63) Saw Mill Run, Pittsburgh, Pennsylvania: Report of the Chief of Engineers dated January 30, 1978, at a total cost of $7,853,000 (October 1984);

(64) Wyoming Valley, Pennsylvania, phase I GDM: Report of the Chief of Engineers dated October 19, 1983, at a total cost of $234,700,000 (October 1984);

(65) Big River Reservoir, Rhode Island: Report of the Chief of Engineers dated March 9, 1983, at a total cost of $84,700,000 (October 1984);

(66) Nonconnah Creek, Tennessee and Mississippi: Report of the Chief of Engineers dated December 23, 1982, at a total cost of $25,900,000 (October 1984);

(67) Buffalo Bayou and tributaries, Texas: Report of the Chief of Engineers dated June 13, 1978, at a total cost of $90,670,000 (October 1984);

(68) Boggy Creek, Austin, Texas: Report of the Chief of Engineers dated January 19, 1981, at a total cost of $21,300,000 (October 1984);

(69) Lake Wichita, Holliday Creek, Texas: Report of the Chief of Engineers dated July 9, 1979, at a total cost of $27,300,000 (October 1984);

(70) Lower Rio Grande, Texas: The project for flood control, Lower Rio Grande Basin, Texas: Report of the Board of Engineers for Rivers and Harbors, dated April 29, 1983, at a total cost of $195,304,000 (October 1984);

(71) Sims Bayou, Texas: Report of the Chief of Engineers, dated April 17, 1984, at a total cost of $123,979,000 (October 1984);

(72) James River Basin, Richmond, Virginia, phase I GDM: Report of the Chief of Engineers dated November 16, 1981, at a total cost of $101,200,000 (October 1984);

(73) Chehalis River at South Aberdeen and Cosmopolis, Washington: Report of the Chief of Engineers dated February 8, 1977, at a total cost of $21,940,000 (October 1984);

(74) Yakima Union Gap, Washington: Report of the Chief of Engineers dated May 7, 1980, at a total cost of $8,789,000 (October 1984);

(75) Centralia, Chehalis River and tributaries, Washington: Report of the Chief of Engineers dated June 20, 1984, at a total cost of $19,500,000 (October 1984);

(76) Mount Saint Helens Sediment Control, Washington: Report of the Chief of Engineers dated April 3, 1985, at a total cost of $214,100,000 (October 1984): *Provided*, That the Secretary shall construct, operate, and maintain a sediment retention structure near the confluence of the Toutle and Green Rivers, Washington, with such design features and associated down-stream actions as are necessary, including justified measures to mitigate adverse environmental impact associated with the project; and

(77) Wisconsin River at Portage, Wisconsin: Report of the Chief of Engineers dated May 20, 1985, at a total cost of $6,300,000 (October 1984).

(b) HYDROPOWER DEVELOPMENT.—

(1) Scammon Bay, Alaska (hydropower): Report of the Chief of Engineers dated August 9, 1983, at a total cost of $1,600,000 (October 1984);

(2) South Central Railbelt Area, Alaska, hydroelectric power, Valdez and Copper River Basin: Report of the Chief of Engineers dated October 29, 1982, at a total cost of $44,000,000 (October 1984);

(3) Murray Lock and Dam, hydropower, Arkansas: Report of the Chief of Engineers dated December 23, 1981, at a total cost of $98,600,000 (October 1984);

(4) Arkansas River and tributaries, Arkansas and Oklahoma, hydropower, locks and dams numbered 13 and 9 and Toad Suck Ferry lock and dam (numbered 8): Report of the Chief of Engineers dated September 1, 1983, at a total cost of $285,700,000 (October 1984);

(5) Metropolitan Atlanta area water resources management study, Georgia: Report of the Chief of Engineers dated June 1,

1982, at a total cost of $26,445,000 (October 1984);

(6) W.D. Mayo lock and dam 14, hydropower, Oklahoma: Report of the Chief of Engineers dated December 23, 1981, at a total cost of $119,300,000 (October 1984);

(7) Fort Gibson Lake, Powerhouse Extension, Oklahoma: Report of the Chief of Engineers dated August 16, 1984, at a total cost of $24,100,000 (October 1984);

(8) Blue River Lake, hydroelectric power, Willamette River Basin, Oregon: Report of the Chief of Engineers dated August 9, 1983, at a total cost of $30,101,000 (October 1984);

(9) McNary lock and dam second powerhouse, Columbia River, Oregon and Washington, phase I GDM: Report of the Chief of Engineers dated June 24, 1981, at a total cost of $649,000,000 (October 1984); and

(10) Gregory County hydroelectric pumped storage facility, stages I and II, South Dakota: Report of the Chief of Engineers dated April 26, 1983, together with such additional associated multipurpose water supply and irrigation features as are generally described in the final feasibility report of the District Engineer, at a total cost of $1,380,000,000, not to exceed $100,000,000 of which may be used to construct such associated water supply and irrigation features: *Provided*, That the additional associated multipurpose water supply and irrigation features shall be undertaken concurrently by the Secretary of the Interior in accordance with the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof and supplemental thereto), as a unit of the Pick-Sloan Missouri River Basin Program: *Provided further*, That the Secretary of the Interior is authorized to undertake a feasibility study of the additional associated multipurpose water supply and irrigation features of the Gregory County hydroelectric pumped storage facility and that construction of the Gregory County hydroelectric pumped storage facility and such additional associated multipurpose water supply and irrigation features shall not be undertaken until the Secretary of the Interior has completed the feasibility report on such additional features and submitted such report to the Congress along with his certification that, in his judgment, the benefits of such features will exceed the costs and that such additional features are physically and financially feasible, and the Congress has authorized the appropriation of funds for the construction thereof.

(c)(1) SHORELINE PROTECTION.—

(A) Charlotte County, Florida: Report of the Chief of Engineers dated April 2, 1982, at a total cost of $2,255,000 (October 1984);

(B) Indian River County, Florida: Report of the Chief of Engineers dated December 21, 1981, at a total cost of $4,934,000 (October 1984);

(C) Panama City Beaches, Florida: Report of the Chief of Engineers dated July 8, 1977, at a total cost of $41,731,000 (October 1984);

(D) Saint Johns County, Florida: Report of the Chief of Engineers dated February 26, 1980, at a total cost of $9,679,000 (October 1984);

(E) Dade County, North of Haulover Beach Park, Florida: Report of the Chief of Engineers dated December 27, 1983, at a total cost of $15,605,000 (October 1984);

(F) Monroe County, Florida: Report of the Chief of Engineers dated April 27, 1984, at a total cost of $3,142,000 (October 1984);

(G) Jekyll Island, Georgia: Report of the Chief of Engineers dated March 3, 1976, at a total cost of $10,450,000 (October 1984);

(H) Casino Beach, Illinois Shoreline, Illinois: Report of the Chief of Engineers dated September 26, 1984, at a total cost of $5,370,000 (October 1984);

(I) Indiana Shoreline Erosion, Indiana: Report of the Chief of Engineers dated November 18, 1983, at a total cost of $7,920,000 (October 1984);

(J) Atlantic Coast of Maryland and Assateague Island, Virginia: Report of the Chief of Engineers dated September 29, 1981, at a total cost of $35,200,000 (October 1984);

(K) Cape May Point, New Jersey: Report of the Chief of Engineers, for beach erosion control and storm protection, dated September 30, 1975, at a total cost of $6,600,000 (October 1984), subject to the completion of Phase I Advanced Engineering and Design;

(L) Atlantic Coast of New York City from Rockaway Inlet to Norton Point, New York: Report of the Chief of Engineers dated August 18, 1976, at a total cost of $7,910,000 (October 1984);

(M) Wrightsville Beach, North Carolina: Report of the Chief of Engineers dated December 19, 1983, to extend the period of Federal participation in the periodic nourishment of the existing project;

(N) The project for shoreline protection for the southeast shore of Maumee Bay, Lake Erie, Ohio, from Cedar Point National Wildlife Refuge to West Bay Shore Road, Oregon, Ohio: Report of the Chief of Engineers, dated July 9, 1984, at a total cost of $15,800,000 October 1984: *Provided*, That the Secretary is further authorized to contract with the State of Ohio on the items of local cooperation for such project, which are to be assumed by the State, notwithstanding that the State may elect to make its performance of any obligation contingent upon the State legislature making the necessary appropriations and funds being allocated for the same or subject to the availability of funds on the part of the State;

(O) Presque Isle Peninsula, Erie, Pennsylvania: Report of the Chief of Engineers dated October 2, 1981, at a total cost of $28,100,000 (October 1984);

(P) Folly Beach, South Carolina: Report of the Chief of Engineers dated March 17, 1981, at a total cost of $3,335,000 (October 1984);

(Q) Willoughby Spit and vicinity, Norfolk, Virginia: Report of the Chief of Engineers dated April 17, 1984, at a total cost of $4,230,000 (October 1984); and

(R) Virginia Beach, Virginia: Report of the Chief of Engineers dated May 22, 1985, at a total cost of $36,500,000 (October 1984).

(2) Construction of the projects authorized in this subsection shall be subject to determinations of the Secretary, after consultation with the Secretary of the Interior, that the construction will be in compliance with the Coastal Barrier Resources Act (Public Law 97-348).

(d) MITIGATION.—

(1) Fish and Wildlife Program for the Sacramento River Bank Protection project, California, first phase: Report of the Chief of Engineers dated September 1, 1981, at a total cost of $1,415,000 (October 1984);

(2) Richard B. Russell Dam and Lake, Savannah River, Georgia and South Carolina, Fish and Wildlife mitigation report: Report of the Chief of Engineers dated May 11, 1982, at a total cost of $20,160,000 (October 1984);

(3) Davenport, Iowa local protection project, fish and wildlife mitigation plan: Report of the Chief of Engineers dated July 9, 1979, at a total cost of $497,000 (October 1984);

(4) Missouri River, fish and wildlife mitigation; Iowa, Nebraska, Kansas, and Missouri: Report of the Chief of Engineers dated April 24, 1984, at a total cost of $50,500,000 (October 1984);

(5) West Kentucky tributaries projects, fish and wildlife mitigation plan, Obion Creek, Kentucky: Report of the Chief of Engineers dated September 16, 1980, at a total cost of $4,900,000 (October 1984);

(6) Red River Waterway Fish and Wildlife Mitigation Plan, Louisiana: Report of the Chief of Engineers dated December 28, 1984, at a total cost of $11,200,000 (October 1984);

(7) Yazoo Backwater project, Mississippi, fish and wildlife mitigation report: Report of the Chief of Engineers dated July 12, 1984, at a total cost of $4,993,000 (October 1984);

(8) Downstream Measures at Harry S. Truman Dam and Reservoir, Missouri: Report of the Chief of Engineers dated December 21, 1981, at a total cost of $2,100,000 (October 1984);

(9) Smithville Lake, Little Platte River, Missouri plan for replacement of the Trimble Wildlife Area: Report of the Chief of Engineers dated September 22, 1977, at a total cost of $7,870,000 (October 1984);

(10) Cape May Inlet to Lower Township, New Jersey, phase I GDM: Report of the Chief of Engineers dated December 23, 1981, including construction of measures at Lower Township to mitigate for the erosion attributed to the existing navigation project generally in accordance with mitigation features for Lower Township of Plan B of the Phase I General Design Memorandum, titled: "Cape May Inlet to Lower Township, New Jersey," dated August 1980, at a total cost of $17,300,000 (October 1984); and

(11) Cooper Lake and Channels project, Texas, Report on Fish and Wildlife Mitigation: Report of the Chief of Engineers dated May 21, 1982, at a total cost of $14,743,000 (October 1984).

(e) INLAND AND RECREATIONAL HARBORS.—

(1) Helena Harbor, Phillips County, Arkansas: Report of the Chief of Engineers dated October 17, 1980, at a total cost of $56,403,000 (October 1984);

(2) White River Navigation to Batesville, Arkansas: Report to the Chief of Engineers dated December 23, 1981, at a total cost of $27,000,000 (October 1984);

(3) Lake Pontchartrain, North Shore, Louisiana: Report of the Chief of Engineers dated February 14, 1979, at a total cost of $1,264,000 (October 1984);

(4) Greenville Harbor, Mississippi: Reports of the Chief of Engineers dated November 15, 1977, and February 22, 1982, at a total cost of $42,600,000 (October 1984);

(5) Vicksburg Harbor, Mississippi: Report of the Chief of Engineers dated August 13, 1979, at a total cost of $77,700,000 (October 1984);

(6) Saint Louis Harbor, Missouri and Illinois: Report of the Chief of Engineers dated April 30, 1984, at a total cost of $30,340,000 (October 1984);

(7) Olcott Harbor, New York: Report of the Chief of Engineers dated June 11, 1980, at a total cost of $12,445,000 (October 1984);

(8) Memphis Harbor, Memphis, Tennessee: Report of the Chief of Engineers dated February 25, 1981, at a total cost of $106,105,000 (October 1984);

(9) Disposition of Kentucky River, Kentucky, Locks and Dams 5 through 14: Report of the Chief of Engineers dated July 2, 1984, for disposition purposes without any construction cost; and

(10) Atlantic Intracoastal Waterway Bridges, North Carolina: Report of the Chief of Engineers dated October 1, 1975, at a total cost of $8,800,000 (October 1984).

(f) BANK STABILIZATION.—

(1) Bethel, Alaska: Report of the Chief of Engineers dated July 30, 1983, at a total cost of $16,110,000 (October 1984).

(g) DEMONSTRATION.—

(1) Cabin Creek, West Virginia, Demonstration Reclamation project: Report of the Chief of Engineers dated March 1, 1979, at a total cost of $43,000,000 (October 1984); and

(2) Lava flow control, Island of Hawaii, Hawaii: Report of the Chief of Engineers dated July 21, 1981, at a total cost of $5,470,000 (October 1984).

TITLE VIII—REVENUE PROVISIONS

SEC. 801. SHORT TITLE.

This title may be cited as the "Harbor Maintenance Revenue Act of 1985".

SEC. 802. IMPOSITION OF HARBOR MAINTENANCE CHARGE.

(a) GENERAL RULE.—Chapter 36 of the Internal Revenue Code of 1954 (relating to certain other excise taxes) is amended by inserting after the chapter heading the following new subchapter:

"SUBCHAPTER A—HARBOR MAINTENANCE CHARGE

"Sec. 4461. Imposition of charge.

"Sec. 4462. Definitions and special rules.

"SEC. 4461. IMPOSITION OF CHARGE.

"(a) GENERAL RULE.—There is hereby imposed a charge on—

"(1) any port use, or

"(2) any port maintenance use.

"(b) AMOUNT OF CHARGE.—The amount of the charge imposed by subsection (a) on—

"(1) any port use shall be an amount equal to 0.04 percent of the value of the commercial cargo involved, and

"(2) any port maintenance use shall be an amount equal to $0.005 multiplied by the number of net registered tons of the commercial vessel involved.

"(c) LIABILITY AND TIME OF IMPOSITION OF CHARGE.—

"(1) LIABILITY.—

"(A) PORT USE CHARGE.—The charge imposed by subsection (a)(1) on a port use shall be paid by—

"(i) in the case of cargo entering the United States, the importer,

"(ii) in the case of cargo to be exported from the United States, the exporter, or

"(iii) in any other case, the shipper.

"(B) PORT MAINTENANCE USE CHARGE.—The charge imposed by subsection (a)(2) on a port maintenance use shall be paid by the vessel owner.

"(2) TIME OF IMPOSITION.—

"(A) PORT USE CHARGE.—The charge imposed by subsection (a)(1) on a port use described in section 4462(a)(1)(A) shall be imposed—

"(i) in the case of cargo to be exported from the United States, at the time of loading, and

"(ii) in any other case, at the time of unloading.

"(B) OTHER CHARGES.—Any charge imposed by this subchapter not described in subparagraph (A) shall be imposed at the time prescribed by the Secretary in regulations.

"SEC. 4462. DEFINITIONS AND SPECIAL RULES.

"(a) DEFINITIONS.—For purposes of this subchapter—

"(1) PORT USE.—The term 'port use' means—

"(A) the loading or unloading of commercial cargo on or from a commercial vessel at a port, or

"(B) the use of any Great Lakes navigation improvement, including any use described in subparagraph (A).

"(2) PORT MAINTENANCE USE.—The term 'port maintenance use' means the use of any port or Great Lakes navigation improvement for—

"(A) the purpose of bunkering, refitting, or repair of a commercial vessel,

"(B) the convenience of a commercial vessel, or

"(C) any similar purpose in connection with a commercial vessel.

"(3) PORT.—

"(A) IN GENERAL.—The term 'port' means any channel or harbor (or component thereof) in the United States, which—

"(i) is not an inland waterway or Great Lakes navigation improvement, and

"(ii) is open to public navigation.

"(B) EXCEPTION FOR CERTAIN FACILITIES.—The term 'port' does not include any channel or harbor with respect to which no Federal funds have been used since 1977 for construction, maintenance, or operation, or which was deauthorized by Federal law before 1985.

"(C) SPECIAL RULE FOR COLUMBIA RIVER.—The term 'port' shall include the channels of the Columbia River in the States of Oregon and Washington only up to the downstream side of Bonneville lock and dam.

"(4) GREAT LAKES NAVIGATION IMPROVEMENT.—

"(A) IN GENERAL.—The term 'Great Lakes navigation improvement' means any lock, channel, harbor, or navigational facility located in the Great Lakes of the United States or their connecting waterways.

"(B) CONNECTING WATERWAYS.—The connecting waterways of the Great Lakes of the United States include, but are not limited to, the Detroit River, the Saint Clair River, Lake Saint Clair, and the Saint Marys River.

"(C) SAINT LAWRENCE SEAWAY.—The term 'Great Lakes navigation improvement' shall not include the Saint Lawrence Seaway (or any component thereof).

"(5) COMMERCIAL CARGO.—

"(A) IN GENERAL.—The term 'commercial cargo' means any cargo transported on a commercial vessel, including passengers transported for compensation or hire.

"(B) CERTAIN ITEMS NOT INCLUDED.—The term 'commercial cargo' does not include—

"(i) bunker fuel, ship's stores, sea stores, or the legitimate equipment necessary to the operation of a vessel, or

"(ii) fish or other aquatic animal life caught on a United States vessel and not previously landed on shore.

"(6) COMMERCIAL VESSEL.—

"(A) IN GENERAL.—The term 'commercial vessel' means any vessel used—

"(i) in transporting cargo by water for compensation or hire, or

"(ii) in transporting cargo by water in the business of the owner, lessee, or operator of the vessel.

"(B) EXCLUSION OF FERRIES.—

"(i) IN GENERAL.—The term 'commercial vessel' does not include any ferry engaged primarily in the ferrying of passengers (including their vehicles) between points within the United States, or between the United States and contiguous countries.

"(ii) FERRY.—The term 'ferry' means any vessel which arrives in the United States on a regular schedule at intervals of at least once each day.

"(7) VALUE.—

"(A) IN GENERAL.—The term 'value' means, except as provided in regulations, the value of any commercial cargo as determined by standard commercial documentation.

"(B) TRANSPORTATION OF PASSENGERS.—In the case of the transportation of passengers for hire, the term 'value' means the actual charge paid for such service or the prevailing charge for comparable service if no actual charge is paid.

"(b) SPECIAL RULE FOR HAWAII AND POSSESSIONS.—

"(1) IN GENERAL.—No charge shall be imposed under section 4461(a)(1) with respect to—

"(A) cargo loaded on a vessel in a port in the United States mainland for transportation to Hawaii or any possession of the United States for ultimate use or consumption in Hawaii or any possession of the United States,

"(B) cargo loaded on a vessel in Hawaii or any possession of the United States for transportation to the United States mainland for ultimate use or consumption in the United States mainland, or

"(C) the unloading of cargo described in subparagraph (A) or (B) in Hawaii or any possession of the United States, or in the United States mainland, respectively.

"(2) UNITED STATES MAINLAND.—For purposes of this subsection, the term 'United States mainland' means the continental United States and Alaska.

"(c) COORDINATION OF CHARGES WHERE TRANSPORTATION SUBJECT TO TAX IMPOSED BY SECTION 4042.—No charge shall be imposed under this subchapter with respect to the loading or unloading of any cargo on or from a vessel if any fuel of such vessel has been (or will be) subject to the tax imposed by section 4042 (relating to tax on fuel used in commercial transportation on inland waterways).

"(d) EXEMPTION FOR UNITED STATES.—No charge shall be imposed under this subchapter on the United States or any agency or instrumentality thereof.

"(e) EXTENSION OF PROVISIONS OF LAW APPLICABLE TO CUSTOMS DUTY.—

"(1) IN GENERAL.—Except to the extent otherwise provided in regulations, all administrative and enforcement provisions of customs laws and regulations shall apply in respect of the charge imposed by this subchapter (and in respect of persons liable therefor) as if such charge were a customs duty. For purposes of the preceding sentence, any penalty expressed in terms of a relationship to the amount of the duty shall be treated as not less than the amount which bears a similar relationship to the value of the cargo.

"(2) JURISDICTION OF COURTS AND AGENCIES.—For purposes of determining the jurisdiction of any court of the United States or any agency of the United States, the charge imposed by this subchapter shall be treated as if such charge were a customs duty.

"(3) ADMINISTRATIVE PROVISIONS APPLICABLE TO TAX LAW NOT TO APPLY.—The charge imposed by this subchapter shall not be treated as a tax for purposes of subtitle F of this title or any other provision of law relating to the administration and enforcement of internal revenue taxes.

"(f) LIMITS ON NUMBERS OF CHARGES.—For purposes of this subchapter—

"(1) only 1 charge shall be imposed under section 4461(a)(1) with respect to—

"(A) the transportation of the same cargo on the same vessel, and

"(B) the loading and unloading of identical cargo at 1 port, and

"(2) the charge imposed by section 4461(a)(2) shall not be imposed more than 3 times in any calendar year upon any vessel.

"(g) REGULATIONS.—The Secretary may prescribe such additional regulations as may be necessary to carry out the purposes of this subchapter including, but not limited to—

"(1) regulations providing for the manner and method of payment and collection of any charge,

"(2) regulations providing for the posting of bonds to secure payment of any charge,

"(3) regulations exempting any transaction or class of transactions from the charge imposed by this subchapter where the collection of such charge is not administratively practical, and

"(4) regulations providing for the remittance or mitigation of penalties and the settlement or compromise of claims.".

(b) CLERICAL AMENDMENT.—The table of subchapters for chapter 36 of the Internal Revenue Code of 1954 is amended by inserting the following before the item relating to subchapter D:

"SUBCHAPTER A. Harbor maintenance charge.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on April 1, 1986.

SEC. 803. CREATION OF HARBOR MAINTENANCE TRUST FUND.

(a) IN GENERAL.—Subchapter A of chapter 98 of the Internal Revenue Code of 1954 (relating to establishment of trust funds) is amended by adding after section 9504 the following new section:

"SEC. 9505. HARBOR MAINTENANCE TRUST FUND.

"(a) CREATION OF TRUST FUND.—There is hereby established in the Treasury of the United States a trust fund to be known as the 'Harbor Maintenance Trust Fund', consisting of such amounts as may be—

"(1) appropriated to the Harbor Maintenance Trust Fund as provided in this section,

"(2) transferred to the Harbor Maintenance Trust Fund by the Saint Lawrence Seaway Development Corporation pursuant to section 13(a) of the Act of May 13, 1954, or

"(3) credited to the Harbor Maintenance Trust Fund as provided in section 9602(b).

"(b) TRANSFER TO HARBOR MAINTENANCE TRUST FUND OF AMOUNTS EQUIVALENT TO CERTAIN CHARGES.—There are hereby appropriated to the Harbor Maintenance Trust Fund amounts equivalent to the charges received in the Treasury under section 4461 (relating to harbor maintenance charge).

"(c) EXPENDITURES FROM HARBOR MAINTENANCE TRUST FUND.—Amounts in the Harbor Maintenance Trust Fund shall be available, as provided by appropriation Acts, for making expenditures for—

"(1) payments described in section 607 of the Water Resources Development Act of 1985 (as in effect on the date of enactment of this section), and

"(2) payments of rebates of tolls or charges pursuant to section 13(b) of the Act of May 13, 1954 (as in effect on the date of enactment of this section).".

(b) CLERICAL AMENDMENT.—The table of sections for subchapter A of chapter 98 of the Internal Revenue Code of 1954 is amended by adding after the item relating to section 9504 the following new item:

"Sec. 9505. Harbor Maintenance Trust Fund.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on April 1, 1986.

SEC. 804. INLAND WATERWAYS TAX.

(a) IN GENERAL.—Subsection (b) of section 4042 of the Internal Revenue Code of 1954 (relating to tax on fuel used in commercial transportation on inland waterways) is amended to read as follows:

"(b) AMOUNT OF TAX.—The tax imposed by subsection (a) shall be determined from the following table:

"(1) USES BEFORE 1988.—

"If the use occurs—	The tax per gallon is—
After September 30, 1983, and before October 1, 1985	8 cents
After September 30, 1985, and before January 1, 1988	10 cents.

"(2) USES AFTER 1987.—

"If the use occurs during calendar year—	The tax per gallon is—
1988	11 cents
1989	12 cents
1990	13 cents
1991	14 cents
1992	15 cents
1993	16 cents
1994	17 cents
1995	18 cents
1996	19 cents
1997 and thereafter	20 cents.".

(b) FUEL USE ON TENNESSEE-TOMBIGBEE WATERWAY SUBJECT TO INLAND WATERWAY TAX.—Section 206 of the Inland Waterways Revenue Act of 1978 is amended by adding at the end thereof the following:

"(27) Tennessee-Tombigbee Waterway: From its confluence with the Tennessee River to the Warrior River at Demopolis, Alabama.".

(c) EFFECTIVE DATE.—The amendment made by subsection (b) shall take effect on April 1, 1986.

SEC. 805. INLAND WATERWAYS TRUST FUND.

(a) IN GENERAL.—Subchapter A of chapter 98 of the Internal Revenue Code of 1954 (relating to establishment of trust funds) is amended by adding at the end thereof the following new section:

"SEC. 9506. INLAND WATERWAYS TRUST FUND.

"(a) CREATION OF TRUST FUND.—There is hereby established in the Treasury of the United States a trust fund to be known as the 'Inland Waterways Trust Fund', consisting of such amounts as may be appropriated or credited to such Trust Fund as provided in this section or section 9602(b).

"(b) TRANSFER TO TRUST FUND OF AMOUNTS EQUIVALENT TO CERTAIN TAXES.—There are hereby appropriated to the Inland Waterways Trust Fund amounts equivalent to the taxes received in the Treasury under section 4042 (relating to tax on fuel used in commercial transportation on inland waterways).

"(c) EXPENDITURES FROM TRUST FUND.—Amounts in the Inland Waterways Trust Fund shall be available, as provided by appropriation Acts and subject to the provisions of section 501 of the Water Resources Development Act of 1985 (as in effect on the date of enactment of this section), to the Secretary of the Army to be expended for construction, rehabilitation, modification, and post-authorization planning of navigation lock and dam projects (or any component thereof) on the inland and intracoastal waterways of the United States which are authorized in sections 502 and 504(e) of such Act (as in effect on the date of enactment of this section).".

(b) CONFORMING AMENDMENTS.—Sections 203 and 204 of the Inland Waterways Revenue Act of 1978 (relating to Inland Waterways Trust Fund) are hereby repealed.

(c) CLERICAL AMENDMENT.—The table of sections for subchapter A of chapter 98 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new item:

"Sec. 9506. Inland Waterways Trust Fund.".

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on April 1, 1986.

(2) Inland waterways trust fund treated as continuation of old trust fund.—The Inland Waterways Trust Fund established by the amendments made by this section shall be treated for all purposes of law as a continuation of the Inland Waterways Trust Fund established by section 203 of the Inland Waterways Revenue Act of 1978. Any reference in any law to the Inland Waterways Trust Fund established by such section 203 shall be deemed to include (wherever appropriate) a reference to the Inland Waterways Trust Fund established by this section.

SEC. 805. SAINT LAWRENCE SEAWAY EXPENDITURES AND REBATES OF TOLLS.

(a) IN GENERAL.—The Act of May 13, 1954 is amended—

(1) by striking out "and" at the end of paragraph (11) of section 4(a),

(2) by striking out the period at the end of paragraph (12) of section 4(a) and inserting in lieu thereof "; and",

(3) by adding at the end of section 4(a) the following new paragraph:

"(13) shall accept such amounts as may be transferred to the Corporation under section 9505(c)(1) of the Internal Revenue Code of 1954, except that such amounts shall be available only for the purpose of operating and maintaining those works which the Corporation is obligated to operate and maintain under subsection (a) of section 3 of this Act.", and

(4) by adding at the end thereof the following new section:

"REBATE OF CHARGES OR TOLLS

"SEC. 13. (a) The Corporation shall transfer to the Harbor Maintenance Trust Fund, at such times and under such terms and conditions as the Secretary of the Treasury may prescribe, all revenues derived from the collection of charges or tolls established under section 12 of this Act.

"(b)(1) The Corporation shall certify to the Secretary of the Treasury, in such form and at such times as the Secretary of the Treasury shall prescribe, the identity of any person who pays a charge or toll to the Corporation pursuant to section 12 of this Act with respect to a commercial vessel (as defined in section 4462(a)(6) of the Internal Revenue Code of 1954).

"(2) Within 30 days of the receipt of a certification described in paragraph (1), the Secretary of the Treasury shall rebate, out of the Harbor Maintenance Trust Fund, to the person described in paragraph (1) the amount of the charge or toll paid pursuant to section 12 of this Act.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on April 1, 1986.

SEC. 806. REPORT ON REDUCTION OR ELIMINATION OF TOLLS ON THE GREAT LAKES AND THE SAINT LAWRENCE SEAWAY.

Not later than 2 years after the date of enactment of this Act, the Secretary of State, in consultation with the Secretary of Transportation, shall initiate discussions with the Government of Canada with the objective of reducing or eliminating all tolls on the international Great Lakes and the Saint Lawrence Seaway, and the Secretary of Transportation shall report to the Congress on the progress of such discussions and on the economic effects upon waterborne commerce in the United States of any proposed reduction or elimination in tolls.

SEC. 807. STUDY OF CARGO DIVERSION.

The Secretary of the Treasury, in consultation with the United States Customs Service and other appropriate Federal agencies, shall conduct a study to determine the impact of the port use charge imposed under section 4461(a)(1) of the Internal Revenue Code of 1954 on potential diversions of cargo to Canada and Mexico from United States ports. The report of the study shall be submitted to the Ways and Means Committee of the House of Representatives and the Committee on Finance of the United States Senate not later than 1 year from the date of the enactment of this Act.

Mr. STAFFORD. Mr. President, I now yield to the manager of the bill for our side of the aisle, Senator ABDNOR.

Mr. ABDNOR. Mr. President, I am pleased to present to my Senate colleagues S. 1567, the Water Resources Development Act of 1986. This legislation is the product of 6 years of work by the Environment and Public Works Committee.

I thank my colleagues on the committee for their continued support in seeking to resolve the controversies which have hounded the Corps of Engineers program for the last decade.

Mr. MOYNIHAN. Mr. President, may we have order. The chairman of our subcommittee is introducing the first water bill to appear on this floor in a decade. I think he should be heard.

Mr. ABDNOR. I thank my colleague.

The committee chairman, Senator STAFFORD, and the ranking minority member of the committee, Senator BENTSEN, have lent continuous support and encouragement to the Subcommittee on Water Resources in its effort to produce an omnibus water bill which reforms and redirects the civil works construction program of the Corps of Engineers.

I must also express a very special thanks to my colleague, Senator MOYNIHAN, the ranking minority member of the Subcommittee on Water Resources. Without his continual help and guidance and also having to give from time to time, this bill would never have come about. I thank him sincerely for the great contribution he has made to this legislation.

His commitment to wise water resource development and his constant involvement in the many facets of this legislation have made it possible for me to present to the Senate a fair and balanced water resources development act.

I am sure that the aspects of this bill which my colleagues have heard the most about are the user fee and cost sharing provisions.

Let us not get these two things confused Mr. President.

The term "user fees" refers to charges assessed for making use of Federal navigation facilities. The provisions of S. 1567 which relate to such charges are found in title VIII. I will not now address them since the Finance Committee managers will be discussing these provisions in detail.

Cost sharing refers to the percentage of total project construction costs which are to be provided by non-Federal interests. Cost sharing may be required during the period of actual construction, repayed over time, or some combination of payments over time and during construction.

I do not think that there is anyone who still believes corps projects can be built in the future without increasing the non-Federal cost sharing.

If there is, they have not been paying much attention to the decade long debate which has kept omnibus water legislation from passing in Congress.

Let us face it: This debate has been a debate over how much cost sharing is appropriate, not a debate over the necessity of establishing a new cost sharing policy.

We just cannot build these projects in the future without having a larger financial commitment from project sponsors.

On the other hand, local sponsors cannot be expected to put up additional costs without having a greater say in the entire process of developing a project. Nor can they be expected to put up additional costs if they simply do not have the ability to do so.

Under S. 1567 the limits and scope of feasibility studies for all types of corps projects will be determined in a process of continuing consultation and collaboration between the Corps of Engineers and the non-Federal sponsors of project development.

In the future, the desires of local interests as to the type of project to be implemented, the size of the project, the area to be included, and many other factors will have to be negotiated and jointly determined, instead of being mandated and imposed by the corps.

The cost sharing provisions of this legislation for project construction are neither burdensome nor disruptive. They are the minimum necessary to provide for a market test of project viability.

Very briefly, this bill requires a 25–35 percent local share for flood control projects that includes the cost of lands and a 5-percent contribution in cash during construction. This would be subject to an ability to pay determination made by the Secretary of the Army.

Let me reiterate that statement. The projects authorized in this legislation would subject to the ability-to-pay determination made by the Secretary of the Army.

For port projects less than 20 feet deep, it requires 10 percent of the project costs to be paid during construction, and 10 percent to be paid back over time.

For port projects between 20 and 45 feet deep, it requires 25 percent of the project costs to be paid during construction, and 10 percent to be paid back over time.

For port projects deepened below 45 feet, 50 percent of the project cost is required to be paid during construction, and 10 percent is to be paid back over time.

And while it is technically not cost sharing, this bill requires that 50 percent of the costs of the inland waterway locks and dam projects in the bill are to be paid for from the inland waterway trust fund.

Mr. President I ask unanimous consent that a table which gives more detail on the cost sharing provisions of the legislation be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TITLE VI

Project purpose	Present non-Federal share		New non-Federal share	
	Cost-share	Financing options	Cost-share	Financing options
Commercial navigation—				
less than 20 feet	0 percent; lands, easements, etc., and dredge disposal costs.	No repayment.	10 percent cash during construction, plus all lands, easements, etc., and dredge disposal costs, plus 10 percent repayed over time.	30 year maximum repayment at Federal borrowing rate, plus ⅛ percent for transaction costs.
20 to 45 feet	0 percent; lands, easements, etc., and dredge disposal costs.	No repayment.	25 percent cash during construction, plus all lands, easements, etc., and dredge disposal costs, plus 10 percent repayed over time.	30 year maximum repayment at Federal borrowing rate, plus ⅛ percent for transaction costs.

TITLE VI—CONTINUED

Project purpose	Present non-Federal share		New non-Federal share	
	Cost-share	Financing options	Cost-share	Financing options
deeper than 45 feet	0 percent; lands, easements, etc., and dredge disposal costs.	No repayment.	50 percent cash during construction, plus all lands, easements, etc., and dredge disposal costs, plus 10 percent repayed over time.	30 year maximum repayment at Federal borrowing rate, plus ⅛ percent for transaction costs.

TITLE VII

Project purpose	Present non-Federal share		New non-Federal share	
	Cost-share	Financing options	Cost-share	Financing options
Urban and rural flood protection	For a dam 0 percent; if other structural solution lands, easements, rights-of-way; if nonstructural 20 percent; rebates if lands, easements, etc., exceed 50 percent	No repayment	5 percent cash during construction, plus all lands, easements, etc. Where this total is less than 25 percent either an additional cash contribution can be made during construction to equal 25 percent or an additional contribution can be made over time to equal 35 percent. An ability to pay determination is made; 5 percent cash waived if nonstructural	30 year maximum repayment at Federal borrowing rate, plus ⅛ percent for transaction costs.
Hydroelectric power	100 percent	Repayment in accord with multiple statutes	No change in existing law	
Municipal and industrial water supply	100 percent	50 year maximum repayment with interest set at a nonmaket rate: option of 10 year interest free development period	100 percent	30 year maximum repayment at Federal borrowing rate, plus ⅛ percent for transaction costs.
Agricultural water supply	50 percent (lands, easements, etc., included)	During construction	35 percent (lands, easements, etc., included). An abililty to pay determination is made	30 year maximum repayment at Federal borrowing rate, plus ⅛ percent for transaction costs.
Recreation, including recreational navigation	50 percent (lands, easements, etc., included)	During construction, or 50 year maximum repayment, with interest set at a nonmarket rate	50 percent (lands, easements, included)	30 year maximum repayment at Federal borrowing rate, plus ⅛ percent for transaction costs.
Hurricane and storm reduction	30 percent (lands, easements, etc., included)	During construction	35 percent (lands, easements, etc., included)	30 year maximum repayment at Federal borrowing rate, plus ⅛ percent for transaction costs.
Aquatic plant control	30 percent (lands, easements, etc., included)	During construction (usually 1 year)	50 percent (lands, easements, etc., included)	30 year maximum repayment at Federal borrowing rate, plus ⅛ percent for transaction costs.

Further explanation: The new standardized repayment time period is flexible. In cases where the non-Federal share is not paid during the construction period, repayment is to be in a maximum of 30 years. It is anticipated that any payment which may be required for aquatic plant control or hurricane and storm damage reduction, will be made in the same general time frame as in the past.

Mr. ABDNOR. Mr. President, these cost sharing provisions are the heart of this legislation, and the committee has struggled with the problem of how much for over 6 years. We have heard from literally hundreds of witnesses in 26 hearings held around the country. I believe that the cost sharing which this bill requires is the minimum amount on which all the interested and affected parties, including the administration, can agree. Therefore, as I have indicated with my colleagues on the Environment and Public Works Committee, we will strenuously oppose any watering down of these provisions here today. We cannot expect the President to sign a water bill which falls below his minimum requirements for cost sharing.

Mr. President a second interest of my colleagues concerns the costs of this legislation.

Nothing in this legislation is required to proceed to construction. What we are doing today is authorizing projects that the Congress may choose to provide funds for in the future.

Furthermore, we are establishing obligation ceilings on the level of construction activity which the corps may program over the next 5 years. These ceilings are in agreement with current projections of the Congressional Budget Office.

Through this mechanism, we have insured that there is not going to be a huge jump in the corps budget as a result of enacting this bill, and I think that the administration's support for this legislature is based in large part on the fact that we have taken the necessary precautions to insure that this is the case.

This bill provides for the authorization of $11 billion in new construction projects for the Corps of Engineers: 181 major projects are authorized. And every single one of them has completed planning by the Corps of Engineers.

If a project has favorably completed corps planning, it is in the bill. If a project is still in the pipeline then it is not in the bill, and I don't believe it should be. Until the corps plan is completely reviewed the precise costs are not finalized, the environmental impacts are not defined and accounted for, and the engineering may not even be complete. In addition, it is not until the final corps plan is being reviewed by the Chief of Engineers that affected local, State, and Federal agencies are given an opportunity to review the proposed plan of development, and comment formally on its specifics.

This is the most conservative, consistently applied, and objective criteria ever employed in the selection of corps projects for inclusion in an Omnibus water bill. It is another reason the administration supports this legislation.

At some point though, enough is enough, Mr. President, and I believe we are at that point with this bill right now. If the corps stopped all current construction activity and programmed funds only for the 179 projects included in this bill, the current level of construction could be carried out for at least 12 years.

The most serious threat to this legislation is that we turn it into a Christmas tree and authorize every project in the corps planning pipeline, no matter how premature.

The President is going to approve a water development bill that is sensible and reasonable when it comes to project authorizations. He is not going to sign a Christmas tree, and we all know it, and I cannot emphasize that enough.

So, as my colleagues are aware, the Enivronment and Public Works leadership will oppose the addition of any new project or program authorization to this bill.

Mr. President, to take advantage of the great economic opportunities this Nation's water resources offer to us requires a new partnership between Federal and non-Federal interests. While this new partnership extends beyond cost sharing, there can be no doubt that new cost sharing policies are at its heart.

Without a new agreement such as the one which we have worked out in S. 1567, the Nation will not be able to benefit from the wise and prudent development of its water resources.

We have already spent a decade on the debate of these issues. Either we possess the wisdom to move forward with this new partnership, or in many cases we will miss the opportunites for the economic, environmentally sound

growth which the projects in this bill provide.

This bill represents an important investment in this Nation's future, and I urge my colleagues to support its passage in the Senate.

Mr. President, I would like now to describe in some detail the eight titles of S. 1739 as reported by the Committee on Environment and Public Works. I urge my colleagues to study the committee's report on this bill for a more complete explanation of many of these provisions. For the convenience of my colleagues, I will indicate which of the bill's provisions as reported by the Committee on Environment and Public Works are modified or deleted by the committee leadership's amendment which was reproduced in the CONGRESSIONAL RECORD of March 11, 1986, on page S2432. A detailed explanation of that amendment can be found along with the amendment itself.

Title I limits the amount of money which can be obligated on an annual basis by the Corps of Engineers for all water resources construction. Under this title, Corps of Engineers construction obligations would be limited to $1.3 billion annually for each of the fiscal years 1986-90. This limitation on expenditures reflects the Congressional Budget Office estimates of spending for corps construction work and the Mississippi River and Tributaries project. This title is fundamental to shaping the impact S. 1567 will have on the Corps of Engineers construction program and on the Federal budget.

Even though the primary purpose of S. 1567 is to revitalize and reform the water resources program of the Corps of Engineers, we should not do this at the expense of an increased Federal deficit. So, while S. 1567 authorizes over $10 billion in new construction projects, the title I cap on annual construction obligations prevents adverse budgetary consequences. The cap on construction costs exempts the outyears of multiyear construction contracts and any amounts obligated by the Corps against reimbursement expected by other Federal agencies or local project sponsors for work they have performed.

The committee leadership amendment sets back by 1 year, each of the dates in title I.

Title II contains a number of provisions which are crafted to encourage more efficient operation, management, and development in programs of the Corps of Engineers and in certain aspects of Soil Conservation Service Programs.

Under section 201, if any particular landowner is expected to receive more than 10 percent of the flood control benefits of a corps project, that landowner is required to pay 50 percent of the costs allocated to providing that benefit. This section will prevent any individual's receiving windfall flood control benefits at the expense of the Federal Government or non-Federal project sponsors. This section is clarified by the committee leadership's amendment.

Section 202 requires that reports on projects of the Soil Conservation Service and the Army Corps of Engineers with recreation benefits must contain information on similar recreation facilities in the project area and the impact of the proposed project on the usage of those facilities.

It should be noted that this section, as well as section 205, 206, and 207 involve the work of the Soil Conservation Service. These sections involve only those projects under the jurisdiction of the Senate Committee on Environment and Public Works and the House Committee on Public Works and Transportation. Projects submitted to the Agriculture Committees of the Congress are not affected by these sections.

Section 203 initiates a new deauthorization procedure for Corps of Engineers water resources projects. The Corps of Engineers estimates that there is presently a $36.2 billion backlog of corps projects. More of these projects are seriously outdated or are presently infeasible. The existing deauthorization procedure developed by the Corps of Engineers has proven to be a cumbersome and ineffective method for eliminating this enormous backlog. Section 203 would require that any corps project on which construction had not begun within 10 years of its authorization, be automatically deauthorized. Exceptions are made for those projects still considered viable and justified by the Chief of Engineers in consultation with the affected State or States. This section is clarified by the committee leadership amendment.

Section 204 rescinds authority for the Corps of Engineers to conduct a project survey if no funds have been spent on that survey within 5 years of its congressional authorization. As with authorized corps construction projects, there is also a large backlog—estimated to be $366 million—of corps water project surveys which were authorized years ago and for one reason or another are unneeded or outdated. Should the need to address a water resources problem remain strong, either Public Works Committee can pass a resolution authorizing the corps to study the problem and consider solutions.

Section 205 requires that all SCS small watersheds projects submitted to the Senate and House Public Works Committees after January 1, 1986, and having a Federal cost greater than $10 million, must be authorized by an act of Congress. Presently, these projects, regardless of cost, are authorized by resolutions of the Senate and House Public Works Committees. Projects with a Federal cost exceeding $10 million are too large to be authorized solely by committee resolution; they deserve the consideration of the full Congress. Requiring such an act of Congress will help to focus congressional attention on this important program and its larger projects.

Section 206 requires that any Soil Conservation Service small watersheds project submitted to the Senate and House Public Works Committee must have at least 20 percent of its benefits directly related to agriculture.

A major intent of Public Law 83-566 was to provide benefits to agriculture and agriculture-related purposes. In a significant number of projects reviewed by the Committee on Environment and Public Works, agriculture benefits have been low. At the same time, the SCS has become involved in a few predominantly urban projects which would seem more appropriately to fall within the province of the Corps of Engineers, rather than a primarily agricultural/rural program such as the Public Law 566 program.

In light of the importance of agriculture to the viability of the Nation and its economy, and in light of the vast unmet needs to this sector of our society, the Public Law 566 Small Watershed Program should retain its primary purpose. The intent of this section is therefore two-fold: First, to insure that agriculture remains an important element of those Public Law 566 projects the committee reviews, and second, to discourage the use of this program for primarily urban projects.

Section 207 would require the Soil Conservation Service to study the desirability, feasibility, and policy implications of requiring that full public access be provided to any or all water impoundments that have recreation potential and were constructed under the Small Watersheds Program—Public Law 83-566. The Soil Conservation Service is required to report to Congress by April 1987 on the results of this study.

Section 208 authorizes the Secretary to certify that locally constructed improvements for flood control would be compatible with a Federal project under study, so that local interests may proceed with such work with the understanding that the local improvements will be considered a part of the Federal project for purposes of benefit/cost analysis and subsequent cost-sharing.

This authority was originally granted by the Water Resources Development Act of 1976. It works as follows: If the local sponsors of a potential Corps flood control project involving, for example, channel and levee work, wish to go ahead and build the levees

at their own expense, they may, under this provision, request that the corps' district engineer certify that this levee would be a part of a potential project and is compatible with it. If certification is received, local sponsors are guaranteed that their expense in building the levee will be counted toward their required share of the whole project's expenses—subject to the cost-sharing provisions of this act—and will remain part of the project for the purpose of the calculation of the benefit-cost ratio.

Section 209 authorizes the corps to undertake a 5-year program of research and assistance for the control of river ice in northern communities which frequently suffer flooding as a result of the buildup of ice dams during the winter and early spring; $5 million for each of 5 years is authorized for this purpose. This section also authorizes an ice control demonstration project for Hardwick, VT, at a cost of $900,000. The Secretary is required to report to Congress on activities undertaken pursuant to this section by March 1, 1988.

Section 210 authorizes the Secretary on the request of local interests, to provide technical assistance on the design and construction of projects to tap the hydroelectric potential of former small scale hydroelectric facilities and other industrial sites. A total of $5 million for each of 5 years is authorized for this assistance. Recent studies have shown that significant electric generating potential exists at these sites. Local interests would of course be responsible for the full cost of construction of any project resulting from collaboration with the corps under this section.

Subsection (a) of section 211 amends section 221(b), the 1970 Flood Control Act, to allow a State or a body politic of the State—such as a city, county, levee district—to enter into long term, legally enforceable, and binding contracts to pay for its share of a corps water resources project without obligating future State legislative appropriations or other funds in a manner that would be inconsistent with the State's constitutional limitations.

Without this change in the 1970 Flood Control Act, many States and sub-State entities would be unable to enter into payback agreements with the Secretary. This is particularly important given the increased local cost-sharing that is required by this bill.

Subsection (b) of section 211 requires the Secretary, in consultation with the Secretary of the Treasury, to promulgate rules governing interest and penalties for delinquent payments required by cost-sharing agreements with the Secretary. This provision is meant to help insure that non-Federal project sponsors live up to their part of the agreement on a corps water project.

Subsection (c) allows the Secretary the discretion to stop funds from being obligated for operation and maintenance of a project if non-Federal sponsors are more than 24 months overdue in their payments to the United States which are required by a cost-sharing agreement.

This section is clarified by the committee leadership amendment.

Section 212 assures that all projects authorized by this bill have the approval of the Chief of Engineers before construction can begin on them. The project planning process of the Corps of Engineers is elaborate and thorough. Once a project has made it up through the several layers of the process and has received the approval of the Chief of Engineers, it has been thoroughly studied, has a final environmental impact statement, and has received the comments of the public and other Federal and State agencies. Almost all of the projects authorized by this legislation have already completed this process and have received the approval of the Chief of Engineers. The committee leadership amendment clarifies this section.

Sections 213 and 218 work together to insure that the projects actually built pursuant to this act closely coincide with the proposals examined and authorized by Congress. In the past, numerous problems and controversies have resulted from significant changes being made to corps project subsequent to their authorization. Section 213 limits the sums which can be appropriated for any corps project in this bill to those costs listed in the bill, plus any incremental increase justified solely by increases in construction or land costs. This language is clarified by the committee leadership amendment. Section 218 prohibits the corps from constructing any project that has been authorized by Congress on which, subsequent to that authorization, any of the following project elements or parameters is increased by more than 25 percent: Acreage of land acquisition, linear miles of stream channel inundated, housing units displaced, width or depth of navigation channel, hydroelectric generating capacity, or linear miles of stream channelization. If any of these parameters are exceeded, the project must be reauthorized by a subsequent act of Congress. It is intended that some flexibility and judicious determinations be exercised by the Chief of Engineers in interpreting this section. This section is also clarified by the committee leadership amendment.

Section 215 will allow the sponsors of a project to create a repayment district which can recover project costs from local project beneficiaries. For example, it is commonly known that land values increases in an area after the installation of a flood control project. A repayment district created under this section could, for example, levy a tax on this increase in land value to help recover the local share of the project cost. In drafting the cost sharing reforms of S. 1567, the committee has tried its utmost to give a maximum degree of flexibility to local interests in meeting their share of project costs. Section 215 is one way we have sought to do this. It is modified by the committee leadership amendment.

Section 216 insures that all Missouri River projects authorized by this bill conform to the so-called "O'Mahoney-Milliken" provision of the Flood Control Act of 1944. This provision guarantees that consumptive users of Missouri River water, such as irrigators, industries, and municipalities, may continue to use the river's water during times of low flow without fear of legal recourse by navigators, even though during times of irrigation withdrawals, the river level may be reduced below minimum levels needed for navigation.

Section 217 amends section 111 of the 1968 River and Harbor Act to allow the Secretary to implement nonstructural measures to mitigate shore damage attributable to corps navigation projects. Section 111 of the 1968 act presently authorizes the Secretary to investigate, study, and construct projects for the prevention and mitigation of shore damages caused by Federal navigation works, but the Federal Government bears the full cost of installing, operating, and maintaining these small projects.

In many instances, nonstructural measures could accomplish the goals of section 111 at less cost to the Federal Government and in a more environmentally acceptable manner than construction of a share protection project.

Under this section, the Secretary could on a discretionary basis, acquire shoreline property for such mitigation. A non-Federal project sponsor must agree to share the initial cost in the same proportion as the project causing the shore damage, and then operate and maintain the property for a public purpose.

Section 218 was discussed previously along with section 213.

Section 219 creates a program of research and demonstration programs necessary to help meet the growing water deficit in the area overlying the Ogallala Aquifer. An increasing body of evidence indicates that the Ogallala Aquifer, the largest and perhaps most important body of groundwater in the United States, is becoming seriously depleted. This vast underground reserve of water not only plays a critical role in the economics of the six high plains States which lie on top of it—Colorado, Kansas, Nebraska, New Mexico, Oklahoma, and Texas—but it is also an important national resource.

Its depletion is a dangerous trend which must be reversed. This section establishes a technical advisory committee in each of the six high plains States overlying the Ogallala Aquifer. The advisory committees are charged with reviewing existing State laws and institutions as they relate to water use efficiency and management, establishing State priorities for research and development, education and providing technical assistance to the public, and reviewing research grant applications.

To oversee and coordinate the activities of the advisory committees in each State, the section creates a high plains study council composed of the six Sate Governors and representatives of the Departments of Interior and Agriculture. A total of $11 million is authorized for each of 5 years by this section and is divided as follows: $500,000 for operation of the advisory committees; $5 million for research into efficient water use techniques; $1.5 million for research into innovative water supply technologies and techniques; and $4 million for demonstration projects.

Each of these sums is to be divided equally among the six States. In addition, $500,000 is authorized annually to the U.S. Geological Survey to monitor the condition of the Ogallala Aquifer.

Section 220 allows preconstruction advance engineering and design on projects for which the Secretary has also submitted final feasibility reports. If a report recommends implementation of the project, and if the Secretary determines that continuation of project planning is in the public interest, the corps may initiate advance engineering and design of the project.

Advanced engineering and design of a project was, in the past, undertaken only subsequent to congressional authorization for project construction. However, since 1981, appropriations acts have allowed funding of detailed studies, plans, and specifications without further authorization. This has permitted the corps to continue engineering and design on projects where a final report has not yet been submitted to Congress and in some instances has increased the efficiency of the corps planning process.

Section 221 authorizes the Corps of Engineers to undertake a study of the implications for shoreline erosion control of a possible future rise in the sea level. Increasing evidence seems to indicate that global temperatures will gradually increase with a resultant rise in sea levels as the polar ice caps melt. Such a future scenario would have important and in some cases devastating consequences for coastal areas. Since the Federal Government and others presently spend tens of millions of dollars yearly to protect property from coastal erosion, it is only prudent to examine this problem and study strategies to cope with any eventual rise in sea level; $3 million is authorized for this study, the results of which are to be transmitted to Congress with supporting documentation and recommendations in 3 years.

Section 222 requires that corps projects costing over $10 million undergo an engineering review to insure that each project and its individual components are designed in the most cost-effective way possible. In the past it has appeared that certain project designs implemented by the Corps of Engineers have not been the most cost-effective. General Accounting Office studies show there exists substantial opportunity for lowering the cost of water resources projects. Engineering reviews as required by this section can typically lower the cost of large construction projects by as much as 3 to 10 percent without compromising the quality of the end-product.

Section 223 establishes a two-stage water resources study process for the Corps of Engineers: An initial reconnaissance study at full Federal expense, and if warranted, a full feasibility study that would be performed on a 50/50 cost share basis with local project interests. Since requesting that the Corps of Engineers study a water resources problem costs a community nothing, such requests are frequently made. The corps then, on approval by resolution of either of the Public Works Committees of the Congress, undertakes a feasibility study of the problem at full Federal cost. The wasteful nature of this procedure is evidenced by the fact that only 30 percent of all project studies ever produce a positive recommendation by the Chief of Engineers; the remainder are terminated at some point because they are found to be unwarranted.

The two-stage planning process required by this section is quite similar to the two-stage process which the corps has recently implemented on its own. This process will help insure that a water resources problem is serious enough and the local interests committed enough that study for a possible Federal project is warranted. In addition to screening out unjustified studies, this local cost sharing requirement will result in more significant local sponsor participation in the study outcome and project design.

Section 224 reforms and streamlines existing Corps of Engineers authority and policy with respect to fish and wildlife mitigation for water resources projects. First, this section requires that necessary mitigation be undertaken prior to or concurrent with project construction. Second, the Corps of Engineers is authorized—not mandated—to provide mitigation costing less than $7.5 million for any project, constructed or unconstructed, without any further congressional authorization. Annual obligations for this work is limited to $30 million. Third, this section requires that mitigation costs be allocated among project purposes and that they be subject to the applicable cost-sharing and reimbursement for those purposes. Fourth, future proposals for water resources projects are required to have a recommendation for a specific plan of mitigation or a determination that the project will have negligible adverse effects on fish and wildlife: This will help insure that mitigation work is fully integrated into project design. And last, this section requires that fish and wildlife enhancement measures are 100 percent Federal cost when their benefits are national, such as instances involving endangered species or species of national economic importance, or 33⅓ percent, when benefits are confined to one State, or 25 percent if the benefits are regional. The committee leadership amendment modifies this section.

Section 225 provides the Corps of Engineers with a new small project authority to plan and construct streambank erosion control projects costing less than $2 million if such work is economically justified and environmentally acceptable. The authorization for this section is $15 million for each of the fiscal years 1986–90. Although streambank erosion is a natural process in most instances, it causes severe problems in many areas of the country. The Streambank Erosion Demonstration Program authorized by the 1974 Water Resources Development Act proved that in many instances there exists cost-effective techniques to control this erosion.

Section 226 is designed to cut water project construction costs by requiring more competition. It expresses the sense of the Senate that the Secretary, before offering an invitation to bid on a project should, to the extent it is reasonable and efficient, split that project—and hence its separate contracts—into small enough packages so that many engineering and construction firms can compete for the work, not just a few of the largest firms.

In addition, the Secretary, under this section, is forbidden to require construction contractors on water resources projects to perform any record keeping that is, by law, the Secretary's responsibility. This section is changed by the committee leadership amendment.

Section 227 involves vessels that have sunk or otherwise been wrecked. Under present law, corps costs for removal can be offset only by the salvage value of the wreck. In the case of abandoned vessels, this is usually far less than the cost of removal.

The section amends the River and Harbor Act of 1899 and provides that any owner or operator of a sunken or wrecked vessel must reimburse the United States for expenses covering its salvage. Any money received from

such reimbursement, or from the sale or disposition of any such wreck, shall be deposited in the general fund of the Treasury.

Section 228 allows the corps to provide a wider range of services, including construction services, to non-Federal public agencies on a reimbursable basis.

Although the corps presently has the authority to provide a variety of technical, planning, design, and construction services, on a reimbursable basis, to other Federal agencies, it lacks authority to provide anything more than "specialized and technical services" to requesting States or other non-Federal entities. This existing authority is interpreted to preclude actual construction assistance to non-Federal entities, even on a reimbursable basis.

Section 229 is eliminated by the committee leadership amendment.

Section 230 augments the ability of the Secretary to utilize the resources of the corps in the event of war. The civil works resources of the corps constitute valuable reserve capability that could be used to meet mobilization needs in times of extreme national need. Under this section, the Secretary may draw upon those civil works resources if required during war.

Subsection (a) authorizes the Secretary to free civil works resources, including funds, personnel, and equipment, from projects not essential to the national defense and to apply those resources to authorized civil works, military construction, and civil defense projects critical to the national defense.

This authority would be available only in a very limited situation; in time of war declared by Congress. This section does not provide authority to construct any project not otherwise authorized by law.

Subsection (b) requires the Secretary to notify the appropriate congressional committees immediately upon exercising the authorities provided by subsection (a). In addition, this subsection specifies that those authorities shall cease no later than 180 days after the termination of the state of war.

This section is modified by the committee leadership amendment.

Section 231 amends a 1922 law, increasing to $50,000 from $100, the criminal penalty for failure to provide statements relative to vessels, passengers, freight, and tonnage required by the Secretary. Such information is used to compile statistics on the waterborne commerce of the United States, which are published annually. This section allows the Secretary to assess a civil penalty of up to $25,000 per violation for failure to provide information required by that act. The committee leadership amendment clarifies this section.

Section 232 abolishes the California Debris Commission, together with its authority to regulate hydraulic mining. The commission's remaining navigation and flood control responsibilities would be transferred to the corps, together with the commission's assets and liabilities.

Originally, the commission's primary role was to control the vast amounts of soil and debris which were being released into California rivers and streams by miners using the hydraulic method of gold recovery. Between 1853 and 1909, hydraulic mines poured over 1.5 billion cubic yards of debris into California water, interfering with navigation and frequently caused flooding. The commission was authorized to regulate hydraulic mining, but hydraulic mining has since become uneconomic. The industry no longer exists, making regulation unnecessary.

Under this section, the corps would be authorized to retain all real property interests presently under the commission's jurisdiction and to take such actions as are necessary to consolidate holdings and perfect title. These real property interests are needed for the continued operation of existing commission projects.

Should hydraulic mining or related activities again become feasible, these activities would be regulated adequately under the permit requirements of sections 10 and 13 of the Rivers and Harbors Act of 1899 and section 402 and 404 of the Federal Water Pollution Control Act Amendments of 1972.

Section 233 authorizes additional appropriations necessary to complete all construction of comprehensive river basin plans for flood control, navigation, and other purposes in each of 28 river basins now subject to limits on the amount of funds that can be appropriated.

This section eliminates the need for periodic consideration by the President and Congress of river basin monetary authorization legislation. It is not intended to diminish congressional oversight for the civil works program. It promotes efficiency in the exercise of that oversight function.

The river basin monetary limits no longer serve a useful role of assuring oversight. Since the passage of the Congressional Budget and Impoundment Control Act of 1974, the authorization committee of both Houses of Congress have developed procedures to provide for annual review of the entire civil works budget. These annual reviews of the overall program reduce the need for the periodic reviews involved in the river basin monetary authorization limits.

Section 234 provides that should any section or subsection of this act be held invalid in the courts, that determination does not affect the validity or legality of any other provision in this act.

Section 235 authorizes the corps to dispose of obsolete hopper dredges and spare parts using existing Federal surplus property procedures. The dredges may be disposed of by sale or lease to foreign governments, to a Federal or State maritime academy for training purposes, to a non-Federal public agency for scientific, educational, or cultural purposes, or by sale for scrap, or by sale or lease to non-Federal public bodies in the United States. No disposal can be made in the United States if the vessel will be used in any way for commercial dredging. Funds shall go to a revolving fund for corps vessel maintenance.

The corps has in floating storage 12 hopper dredges, which were retired in accordance with Public Law 95-269. These dredges are obsolete, and, since little attempt was made to preserve them when they were laid up, they have deteriorated badly. Rehabilitation costs may exceed their present value.

A number of public bodies, including one in Texas, have stated an interest in obtaining one of these dredges for use as a maritime museum or restaurant. Such a use for vessels, in light of the current storage cost to the Federal Government of over $100,000 annually, would prove wise. This section is modified by the committee leadership amendment.

Section 236 is deleted by the committee leadership amendment.

Section 237 assures that the cost of every project, project increment, and program authorized in this act will, unless specified otherwise, be subject to the appropriate cost sharing and financing provisions of titles 5, 6, and 7 of this act.

The primary intent of this section is to insure sponsors of that project modification or programs in titles 2 and 3 pay a share of project or program costs consistent with the new cost sharing policies set forth in the act. However, this section is also meant to assure that increments of projects, and work providing benefits for a multiple purpose project, shall be cost-shared in an appropriate manner.

Title III of S. 1739 authorizes a variety of specific water resources development work as well as changes in existing projects under the direction of the Army Corps of Engineers. Section 237 of this act assures that projects in this title will be cost shared in accord with the new cost sharing provisions in this bill.

Section 301 augments the new small project authority for streambank erosion created by section 225 of this bill. It does so by authorizing bank stabilization efforts at three specific locations of particularly severe erosion: Moundville and Fort Toulouse, AL; and Tangier Island, VA.

Under this section, non-Federal sponsors must agree to provide lands, easements, and right-of-way, and to agree to operate and maintain any work undertaken under this section.

At Moundville, AL, the Secretary is directed to correct serious sloughing and erosion of the left bank of the Black Warrior River. This erosion endangers the structures and cultural resources of the Mound State Park. Correction involves the construction of a dike, and other activities, at a cost of $4,118,000.

The Fort Toulouse National Historic Landmark is located on the Coosa River at its confluence with the Tallapoosa River in Elmore County, AL. The corps is directed to make a 6,900-foot cutoff in the river, isolating the unstable slope and to stabilize the bank upstream and downstream of the fort. The cost is $15,400,000.

On Tangier Island in Chesapeake Bay, VA erosion is so rapid on the western shore that the island's airport, a critical link with the mainland, could become unusable within 10 years. Eventually, the island's 800 residents may have to be evacuated. To correct this, the corps is directed to build a 8,200-foot-long riprap seawall, at a cost of $5,400,000.

Erosion problems, of course, exist at many locations across the Nation. Corrective work at various locations has been authorized prior to this act, and awaits funding. This section states that erosion control projects authorized prior to this law will receive priority consideration in funding.

Section 302 is a modification of the existing Delaware coast beach protection project. It does the following:

It eliminates hurricane protection as a purpose of the already authorized project, reducing its cost (the State no longer supports this portion of the project); and it authorizes construction of a permanent sand-bypass facility on the south side of the Indian River Inlet jetties.

The Federal Government already spends about $1,000,000 every 2 or 3 years for beach replenishment under current authority. Under this section, the State and Federal Governments will share the $383,000 annual cost to operate the new sand-bypass facility, which will pump sand from the south side of the inlet to the north side.

This section also directs the corps to construct erosion protection facilities at the Inlet to protect a road, a sewage treatment facility, and other public facilities.

Section 303 authorizes the corps to install a set of emergency gates at the conduit of Abiquiu Dam in New Mexico, at a cost of $2,500,000. The elimination of this safety feature as a cost saving measure during construction of the dam has resulted in inefficient and expensive routine maintenance operations at the dam.

Section 304 places those areas of New Mexico which are now under the responsibility of the corps district engineers in Sacramento, CA, and Los Angeles, CA, under the responsibility of the district engineer in Albuquerque, NM. The existing division of responsibility for corps planning and assistance for New Mexico has resulted in water resources concerns of the western portion of the State being inadequately addressed. This section would remedy this situation by putting these responsibilities under the jurisdiction of a district engineer closer to the problems that need to be addressed.

Section 305 directs the Corps of Engineers to undertake safety-related repairs at Waterbury Dam in Vermont. Abnormal leakage at this federally constructed and owned dam has required that the water behind it be drained. This section makes it clear that needed safety-related work on the dam is a Federal responsibility.

Section 306 eliminates the navigational servitude over portions of the City Waterway in Tacoma, WA, and thus will allow several small boat marinas in the waterway to continue to lease space without the need for certain bonding requirements. Federal control over those portions of the waterway will be ended, thereby eliminating any cloud over the title.

Section 307 is eliminated by the committee leadership amendment.

Section 308 authorizes the use of unneeded irrigation water from the corps' Belton Lake on the Brazos River in Texas for water supply in addition to the other authorized project purposes. This alteration of the existing authority will not interfere with any other present or anticipated use of water from the lake.

Section 309 makes no change in law, but it is intended to underscore and reaffirm the intent of Congress to see that the Pick-Sloan plan is carried out to fulfill the promises made to the upper basin States.

The Pick-Sloan Missouri Basin Program was authorized by section 9 of the Flood Control Act of 1944 as a coordinated, comprehensive plan for flood control, hydroelectric power generation, irrigation, and navigation developments.

Individual unconstructed, or partially constructed, units of the Pick-Sloan plan have, from time to time, been revised with congressional approval to reflect changing conditions or more complete data. However, Congress has adhered steadfastly to the concept that the unconstructed units of Pick-Sloan remain authorized as elements of the plan.

The flood control and navigation benefits of Pick-Sloan have accrued to the lower Missouri River basin. The six massive mainstrean storage reservoirs, which provide those downstream benefits, and located in the upper basin States of Montana, North Dakota, and South Dakota.

To obtain the 75 million acre-feet of storage provided by the six upper basin dams, more than 1,500,000 acres—including over 500,000 acres in each of the States of North Dakota, South Dakota, and Montana—have been permanently inundated. Much of that land was prime agricultural land.

The upper basin reservoirs have been in place and providing flood control and navigation benefits for many years. Development of Pick-Sloan irrigation, with its consequent benefits to the Upper Missouri Basin States, has lagged.

Section 310 modifies the authorization of the Jackson Hole-Snake River project in Wyoming to increase Federal responsibility for maintenance in light of the fact that deficient project design has resulted in high maintenance costs to local project sponsors. This section makes operation and maintenance of the project the responsibility of the Corps of Engineers, provided that non-Federal interests contribute the initial $35,000 of these costs each year. The average annual maintenance cost since 1976 at Jackson Hole-Snake River has been $39,800.

Section 311 modifies the flood control project at Truth or Consequences, NM. Truth or Consequences experienced significant flooding in 1972, and again n 1976. Another flood poses a serious danger of loss of life. The project, as authorized in 1948, consisted of a series of levees along the Rio Grande. Because of urban development in the area since 1948, that project is no longer feasible. As a result, the corps has reformulated the project and determined that the best alternative is the construction of a flood control dam on Cuchillo Negro Creek. This section authorizes this change.

Section 312 authorizes the corps to restore historic community irrigation ditches called acequias in New Mexico. The State of New Mexico, or other non-Federal interest, is required to pay 20 percent of the cost of any work undertaken by this section. In order to further clarify the Federal role, this section. In order to further clarify the Federal role, this section declares that acequia systems are political subdivisions of the State, allowing them to serve as local sponsors of water-related projects of the corps. This subsection overturns legal opinion of the corps' general counsel in 1976 that ruled that corps authority, under section 14 of the 1946 Flood Control Act, failed to apply to the repair or rehabilitation of these community ditches. This section authorizes $40 million beginning in fiscal year 1986 for this restoration work.

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Section 313 authorizes the corps to implement a program of research and demonstration on sound farming practices as described in the report issued by the New England division engineer in May, 1980, for the St. John River Basin. The St. John River Basin in Aroostook County, ME, covers nearly one-quarter of the State, and produces 85 percent of the truck crops, principally potatoes, grown in New England. Aroostook County is 1 of 16 counties across the Nation judged to have the most severe erosion problems and most in need of immediate conservation work. Because of shallow soils, erosion losses in this area of 3 tons or more per-acre risks long-term damage to farming operations. Approximately 60 percent of Aroostook County cropland loses in excess of 3 tons of soil per acre per year.

Section 314 would make Starr County, TX, eligible for bank protection under the water resources act of April 25, 1945. In the fall of 1932, severe flooding of the Rio Grande created extensive damage throughout the lower Rio Grande Valley. As a result, Congress designated the U.S. section of the International Boundary and Water Commission as the agency to reconstruct and maintain flood control works in Cameron and Hidalgo Counties in Texas. To meet the need to protect the Federal levees against erosion by the river, Congress authorized the Rio Grande Bank Protection Project in 1945. It was limited to Cameron and Hidalgo Counties. Construction of Falcon and Amistad dams upstream on the Rio Grande has further controlled flooding and erosion. However, Starr County, which lies to the north of Hidalgo County and is just south of Falcon Dam, must still contend with serious bank erosion. This provision would provide equity between Starr County and Hidalgo and Cameron Counties.

Section 315 is deleted by the committee leadership's amendment.

Section 316 directs the Corps of Engineers to carry out demonstration projects for removal of excess silt from Lake Herman in South Dakota at a cost of $5 million; and from Gorton's Pond in Rhode Island at a cost of $730,000. Under the section 314 Clean Lakes Program of the Clean Water Act, the Environmental Protection Agency has provided grants to control sediment flowing into Lake Herman, and Gorton's Pond. Nevertheless, both of these sites continue to suffer siltation problems. This section also authorizes a demonstration project for the removal of silt and aquatic growth in Lake Worth, Tarrant County, TX. Lake Worth is part of an overall flood control system serving the Fort Worth area. Certain features of the Lake are maintained at Federal expense. The lake is the primary water supply and provides flood control protection for Carswell Air Force Base, the Dallas-Fort Worth Airport, and Tarrant County. This demonstration effort will cost $1,750,000.

Section 317 authorizes $10,000,000 to be spent by the corps on a two phase study of the possible effects in the United States of constructing tidal power projects in the Bay of Fundy, Canada. In phase one, $1,100,000 is authorized through October 1, 1986. If based on the results of this phase, the corps recommends further studies, then $8,900,000 is to be available for additional studies through October 1,1989.

At a hearing held by the committee last Congress, concerns were raised that potential tidal power development in the Bay of Fundy, Canada, could have adverse effects on the New England coast, from the Gulf of Maine to Boston Harbor, and on fisheries along the Atlantic Coast. Some studies suggest that the Minas Basin project, which is being actively considered for construction in Nova Scotia, would change the tidal fluctuation in Portland, ME, by nearly a foot. Witnesses testified that this could have serious implications for U.S. coastal environment, increasing storm damage to coastal roads and buildings, and alter fisheries and shellfish production.

In carrying out the study, the corps is directed to conduct studies under this section in consultation with appropriate governmental agencies, as well as the National Academy of Sciences. To facilitate this consultation, the corps is expected to establish an advisory committee composed of representatives from appropriate governmental agencies, academic institutions, and the private sector.

Section 318 authorizes a modification of the project purposes for Summersville Lake on the Gauley River, WV. The change in purpose would add whitewater rafting as a project element, allowing the coordination of releases from the reservoir during autumn draw-downs from the lake. Because whitewater rafting is an important use of the Gauley River, the corps is directed to work with local interests to establish a schedule of releases in order to maximize whitewater rafting benefits.

Section 319 authorizes a modification of the project purposes for the Soil Conservation Service portion of a joint corps-SCS project in the Noncannah Creek Basin in the vicinity of Memphis, TN. The corps portion of this project is authorized in title VII of this bill. The SCS measures will include erosion reduction work on 35,000 acres, plus construction of three dams on the Johns Creek tributary of the Noncannah Creek. The SCS portion of the project has a Federal cost set at $16,600,000 as of June 1981.

Section 320 authorizes the corps of engineers to participate with State and local authorities to correct obstructions in the James River in South Dakota. Sand bars, debris, and silt have significantly reduced the channel capacity resulting in more frequent and severe floods. The Federal cost to correct these problems is estimated to be $20,000,000. In addition to this work, the corps is instructed to consider the feasibility and desirability of other flood control and streamflow improvement features, then report to Congress on the need for additional authority to construct such features.

Section 321 authorizes additional work to control salt intrusion on the Red River in Oklahoma and Texas. Approximately $51,000,000 worth of work under this project in the Red River is under construction, building a brine lake where heavily saline waters are evaporated. This section authorizes the remaining phase I work in the Red River, which is estimated to cost another $126,000,000. This section continues the agreement dividing the costs of chloride control on the Red River. The States pay the costs to clean up the manmade chloride contamination, while the Federal Government pays the costs to clean up the naturally occurring chloride. Because the portion of chloride control authorized by this section addresses naturally occurring chloride contamination, it is a Federal cost.

Section 322 authorizes the Corps of Engineers to construct a new water diversion weir on the Milk River in Havre, MT. Prior to the time when the corps completed a flood control project at Havre, in 1957, the city obtained its water from the river at a diversion weir. The flood control project diverted the river around the original weir. A new weir was constructed at Federal expense. This weir has never operated properly and the city of Havre had to pay for its repair many times, most recently in the spring of 1982. A preliminary evaluation of water supply alternatives for the city completed by the corps' Omaha District Office indicated construction of a new weir would be the best long-term solution for providing a water supply source for the city. The estimated cost of the new weir is $1,400,000.

Section 323 authorizes $1,800,000 for the construction of a paved road to the Pearson-Skubitz Big Hill Reservoir in the State of Kansas. Since water was impounded at the reservoir in March 1981, it has become a popular recreation site. The roads leading to the reservoir, however, are unpaved, and fail to accommodate the traffic demands. This section authorizes the construction of a safe and paved access road to the reservoir to facilitate the heavy recreational use of this reservoir.

Section 324 declares 126 acres of filled land in the Hudson River in

Jersey City, to be non-navigable, thereby ending Federal navigational servitude and control over this land. Jersey City wishes to use this land, with surrounding lands as part of an urban redevelopment plan. This declaration of nonnavigability will allow title insurance to be made available for the land, currently owned by the city of Jersey City. It is understood that these lands are expected to remain in public ownership, thus any benefits from the increase of land values as a result of this declaration will accrue to a public agency. In addition, this provision assures that the area declared nonnavigable in this section is still subject to all the requirements of the Clean Water Act. This section is corrected by the committee leadership amendment.

Section 325 deauthorizes the William L. Springer Lake project, located near Decatur, IL. This project was authorized in 1962, and has a present cost estimated at $245,000,000.

This section also provides the city of Decatur with the first right to buy back the lands that were acquired for the project. Those lands shall be offered to the city at a price at which they were sold to the Federal Government, provided that the lands remain in public ownership to be used for public purposes. The city of Decatur is expected to construct a sewage treatment facility at the site.

Section 326 amends the monetary authorization limit for the Big South Fork National River and recreation area in Tennessee and Kentucky from $103,552,000 to $156,122,000.

When the corps completes work with the money now authorized, the national recreation area will be able to accommodate only an estimated 30 percent of its potential visitors. Hence, this national recreation area will fall far short of meeting the objectives for which it was authorized.

This additional $52.6 million in authorization will increase visitor use to half of its original potential. It will provide for construction of Bear Creek Road, recreation areas, and ranger stations.

Section 327 declares Greens Bayou Bridge in Texas to be a lawful bridge for all purposes of the Truman-Hobbs Act. Under this act, Federal funds are provided for moving or raising such bridges if they are determined to be hazardous to navigation. The Greens Bayou Bridge was determined to be such a hazard and subsequently the Port of Houston raised the bridge at a cost of $948,087. This section would reimburse the Port of Houston for a portion of that cost. The reimbursement is limited to no more than $450,000.

Section 328 authorizes the Corps of Engineers to conduct a number of studies to determine specific ways and means for lessening the danger and potential impact of flooding in the State of Utah. Last Congress many of us were shocked and saddened as we read press reports of how the citizens and public and private property were threatened by severe flooding in Utah. Given the uncertain nature of flood control protection in many areas of Utah, studies of the problem are certainly warranted. A total of $1,600,000 is authorized for these studies.

Section 329 would increase by $6,667,000 the amount of Federal funds available for rehabilitation of the Illinois-Mississippi Canal. By a series of agreements between the State of Illinois and the Federal Government, the canal was turned over to the State in 1970, for use as a park.

As part of the transfer, Public Law 85-500 specified rehabilitation work to be completed by the corps. The work was started in the 1960's and continued until 1974 when it was suspended due to a law suit. A total of $6,528,000 has been spent on the rehabilitation work.

The Illinois Department of Conservation has recently completed a master plan for the park which includes rehabilitation work consistent with work authorized to be done by the Federal Government. At current price levels it is estimated that a total authorization of $13,195,000 would be required to complete the rehabilitation work by the corps.

Section 330 directs the Secretary to construct and operate a facility enabling Atlantic Salmon to bypass two Corps of Engineers dams in Vermont during migrations from and to their spawning grounds.

In recent years, Atlantic Salmon have been returned to the Connecticut River for the first time since the 18th century. The revival of this important fishery has occurred because fish ladders and other bypass systems have been constructed at dams on the river's main stem. These systems permit salmon to move from fresh water to the sea and back.

The reaches of the West River above Ball Mountain and Townshend Dams offer excellent potential spawning grounds for salmon. But the dams bar access. Federal and State fisheries experts have concluded that the optimum solution involves construction of a fish trap below Townshend Dam. The salmon would then be placed into tanks, and transported by truck to release points above the dams. Modifications at the dams will also be needed to permit passage of juvenile salmon swimming down to the sea.

This section authorizes both aspects of fish passage facilities as well as the operation of the system once it is in place. For the purposes of cost sharing, this section will be controlled by provisions of section 224(e) of this act involving mitigation costs related to anadromous fish species.

Section 331 would permit the sale of water from the Washington Aqueduct directly to authorities in the State of Maryland in a manner similar to the presently authorized sale of water to Virginia communities. It would also permit the Washington Aqueduct to purchase water from Maryland authorities when necessary to meet emergency conditions.

These authorities would allow the construction of a major new interconnection between the two largest water utilities in the Washington area, the Washington Aqueduct Division and the Washington Suburban Sanitary Commission [WSSC].

This type of interconnection has been recommended in several studies in order to provide for mutual assistance between Washington area utilities in times of water shortage. The WSSC would finance construction of all pipelines and pumping stations required.

In addition, this section would authorize the Secretary to revoke a water sales agreement at any time. The Secretary could use this authority to protect the aqueduct's current customers during an amergency.

This section would also permit the Washington Aqueduct to purchase water from Maryland water systems that are interconnected with it. This would help to ensure that sufficient water is available for aqueduct customers during emergency situations.

Section 332 is eliminated by the committee leadership's amendment.

Section 333 deauthorizes the Lake Brownwood modification project at Pecan Bayou, TX. This project, which was authorized by the Flood Control Act of 1968, would make safety-related modifications to a non-Federal dam. Such projects have traditionally been viewed as a non-Federal responsibility.

Section 334, which addresses the Lake Darling modification project in North Dakota, is substantially changed by the committee leadership's amendment.

The provisions of section 335 are meant to resolve longstanding problems with regard to a proposed deauthorization of the uncompleted Cross-Florida Barge Canal.

The Cross-Florida Barge Canal was authorized by Congress in 1942 to promote a safer flow of military goods between the Atlantic Intercoastal Waterway and the Gulf of Mexico.

Construction of the canal was begun in 1964, but was halted by a presidential directive in 1971 for environmental reasons. A 1977 restudy by the corps concluded that further investment in the project was not warranted because of projected severe environmental effects.

This section leaves authorized the components of the barge canal projects which have already been com-

pleted, and it deauthorizes the portion of the canal not constructed. The Corps of Engineers will continue to manage and operate the existing structures of the project.

In addition, this section establishes the Cross-Florida National Conservation Area and calls for the development of a comprehensive management plan for the conservation area with 1 year from the date of enactment of this act. This plan is to be developed by the Secretary, in consultation with the U.S. Forest Service, the U.S. Fish and Wildlife Service, and the State of Florida.

Deauthorization of the uncompleted components of the barge canal shall not become effective until the State of Florida enacts laws to insure that lands and interests under subsection (b) will continue to be held by the State or Canal Authority to carry out the objectives of the section, assure that the State will never transfer any lands of the Ocala National Forest to anyone other than the Federal Government, and assure that the interests in lands held by the State are sufficient to carry out the purposes of this section. This section is modified by the committee leadership amendment.

Section 336 authorizes the Secretary to dismantle and remove the center span of the India Point Railroad Bridge located in Providence, RI. The removal of this structure will alleviate a hazard to navigation now existing in the Seekonk River. The total Federal cost on this work will not exceed $500,000, and those revenues derived from the sale of scrap from the structure will be returned to the Treasury.

Title IV contains provisions which are designed to assist and encourge programs to increase the safety of non-Federal dams. This title amends the National Dam Inspection Act (Public Law 92-376) to encourage and assist State dam safety programs, establish a Federal Dam Safety Review Board, and authorize a program of research into innovative dam safety inspection techniques.

Section 401(A) requires that dams having certain safety-related characteristics, and those exceeding the minimum size requirements set forth in Public Law 92-367; be included in the National Inventory of Dams and come under the effect on the amendments in this title.

Section 401(B) comprises the bulk of title IV and amends the National Dam Inspection Act by adding eight new sections to that law. A new section 7 which authorizes the Corps of Engineers to administer a 5-year, $13 million a year, grant program to encourage adequate State dam safety programs. The grants are to be allocated on a matching basis to States that have or develop dam safety programs meeting the requirements of the new section 8, created in this title. One-third of this money is to be equally divided among those States and two-thirds is to be distributed according to the number of dams on the National Inventory in those States.

A new section 8 which establishes criteria that a State's dam safety program must meet to be eligible for funding under the preceding section.

To determine if a State is eligible for funds, under section 7, this section requires that the Secretary establish that a State has adequate procedures to review dam construction plans, to assure the safe construction and operation of dams, and to perform dam inspection. The State must also have authority to require modifications necessary to assure the safety of any non-Federal dam, emergency plans and procedures with respect to dams, assure that necessary safety repairs will be undertaken by the party responsible for a dam, and also must have emergency funds available to take immediate measures to protect human life and property in dam-related emergency situations.

The Secretary is also required to review, with the assistance of the National Dam Safety Review Board created in the new section 9, the implementation and effectiveness of approved State dam safety programs. The corps shall revoke a State's funding under section 7 if that State's program is shown to be inadequate. Funds may only be renewed when the State's program has been reapproved.

A new section 9 establishes a seven-member Federal Dam Safety Review Board consisting of one representative each from the Corps of Engineers, the Bureau of Reclamation, the Tennessee Valley Authority, the Soil Conservation Service, and the Federal Emergency Management Agency. In addition, two Presidentially appointed members who are not employees of the Federal Government are to be members, with two of these to represent States having dam safety programs approved under section 8.

Because of the importance of dam safety, a need exists for a central authority to provide ovesight, coordination, and information exchanged on dam safety. The Board established here is required to review State implementation of dam safety programs approved pursuant to this act.

A new section 10 requires that any Federal agency that owns, operates, or plans to construct a dam consult with the appropriate State or States on the design and safety of the dam and allow State officials to participate in any safety inspections of that dam.

While this section confers no actual decisionmaking role on the States regarding Federal dam construction or design, the Federal agencies should give full consideration to the views of the State on the safety-related features of a Federal dam.

A new section 11 authorizes the Chief of Engineers to provide training for dam safety inspectors of States either having or developing a dam safety program approved under section 8. A serious problem for many States in establishing and maintaining effective dam safety programs is a lack of adequately trained personnel. The Corps of Engineers possesses a great deal of expertise in all aspects of dam safety and previously conducted training sessions for State personnel pursuant to expired authority in Public Law 92-367. For this purpose, $500,000 is authorized for each of the fiscal years 1986-90.

A new section 12 authorizes $1 million annually for 5 years for the Secretary, in cooperation with the National Bureau of Standards, to undertake research and development on improved techniques and equipment for dam safety inspections and monitoring. Present methods for dam inspection and monitoring have remained unchanged for many years. Improvement in these and the development of new techniques hold out the hope of increased public safety and greatly decreased costs of evaluating the safety of dams.

A new section 13 authorizes $500,000 for each of fiscal years 1986-89, for the Corps of Engineers to maintain the National Inventory of Dams. The Inventory of Dams catalogs the location, size, owner, condition, and other information on over 67,000 dams that could present a hazard in the event of their failure. Authorization for the upkeep of this important information tool currently has expired and should be renewed.

The new section 14 states clearly that funds authorized by this title are to be used only for operating and supporting dam safety programs, not for the construction, reconstruction, or repair of any dam, whether non-Federal or Federal. The purpose of this title is to provide incentives and aid to the States in developing and operating their own dam safety programs—not to assist the States in repairing or reconstructing any structure.

Section 402 requires that any water resources study report submitted to the Senate Committee on Environment and Public Works and House Committee on Public Works and Transportation by the Corps of Engineers and the Soil Conservation Service that proposes the construction of a dam must include information on the consequences of its failure and factors which might contribute to that failure.

The risk associated with properly designed, constructed, and maintained dams is minimal, but the science of predicting the probability of any particular dam's failure is undeveloped. Since the consequences of a dam's fail-

ure, however unlikely or unpredictable, could be catastrophic, it is reasonable to expect that such information be included in project reports.

Section 403 designated title IV as the Dam Safety Act of 1985.

This title is modified by the committee leadership amendment.

Title V authorizes several new inland waterway improvement projects and programs and establishes a policy for the use of the existing Inland Waterways Trust Fund.

Section 501 provides that one-half of the construction costs for the six navigation lock and dam projects authorized in this title will be financed from money in the Inland Waterways Trust Fund. The other half of the costs are to come from general revenues.

Moneys in the trust fund began to accumulate in 1980, when the Federal Government began to collect a barge fuel tax which was established under Public Law 95-502. In fiscal year 1986, there will be $196 million in the trust fund and that amount will increase by $100-150 million in each of the succeeding years under existing law.

Section 503 authorizes five inland navigation lock and dam projects at a total cost of $757.2 million. These five projects are as follows:

First. Oliver lock replacement, Black Warrior-Tombigee River, AL, at a total cost of $147,211,000;

Second. Gallipolis Locks and Dam replacement, Ohio and West Virginia, at a total cost of $256 million;

Third. Bonneville navigation lock, Washington and Oregon, at a total cost of $191,020,000;

Fourth. Lock and dam 7 replacement, Pennsylvania, at a total cost of $95,100,000;

Fifth. Lock and dam 8 replacement, Pennsylania, at a total cost of $68 million.

Section 503 authorizes the Secretary to reimburse the State of New York for 50 percent of its costs in operating, maintaining, and rehabilitating the New York State Barge Canal. Control and operation of the canal will remain the responsibility of the State of New York.

The system was constructed originally during the 19th century, then reconstructed to its present configuration in 1918, with 46 locks over 512 miles of waterways. In 1981, the annual cost of operating and maintaining the Barge Canal was $21 million. The Federal contribution toward rehabilitation is limited to 50 percent of spending that year, or $5 million, whichever is less.

Section 504 authorizes certain provisions of the Upper Mississippi River master plan, which was developed by the Upper Mississippi River Basin Commission pursuant to Public Law 95-502. The commission's 3-year study sought to answer several questions posed in Public Law 52-502:

The impacts on the Upper Mississippi River system of the expansion of commercial navigation on fish and wildlife, water quality, recreation, potential wilderness areas, national transportation policy, and shippers dependent on rail service;

The carrying capacity of the Upper Mississippi River system;

The economic need for a second lock at Locks and Dam 26, as well as ways to mitigate any damage that might be caused by a second lock;

The costs and benefits of disposal of dredged material outside the floodplain; and

The possibility of a computer information system to analyze alternatives.

Section 504 authorizes a master plan for the Upper Mississippi River, including constructions of a second lock at locks and dam 26 on the Mississippi River, and an assortment of environment mitigation and enhancement activities to be carried out by the Secretary of the Interior.

Specifically, subsection (d) provides the consent of Congress to the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin, or any combination of those States, to enter into agreements for cooperative planning on the Upper Mississippi.

Subsection (e) authorizes construction of a second chamber at locks and dam 26 on the Mississippi River at Alton, IL at a total cost of $220 million. This lock chamber will be 600 feet long and 110 feet wide, and will be added to the 1,200-foot lock now under construction.

Subsection (f) directs the Secretary, in consultation with the Department of Transportation and the States, to monitor traffic on the Upper Mississippi River System to verify the need for future expansion, if any. Such sume as may be necessary to carry out this function are authorized for a period of 10 years.

Subsection (g) authorizes the Secretary of the Interior, working with the appropriate State agencies, to undertake the following programs:

A wildlife habitat rehabilitation and enhancement program. This effort would involve the planning and construction of projects for aquatic and terrestrial habitat that has been lost or threatened as a result of human activities or natural factors. During the first fiscal year after enactment, $8,200,000 is authorized to Interior, $12,400,000 during the second fiscal year, then $13 million for each of the next 8 fiscal years;

The implementation of a long-term resource monitoring program, at a cost of $7,680,000 in the initial fiscal year, then $5,080,000 yearly for the next 9 fiscal years; and

The development of a computerized inventory and analysis system, at a cost of $40,000 in the initial fiscal year, $280,000 in the second fiscal year, $1,200,000 in the third fiscal year, and $775,000 in each of the next 7 fiscal years.

In consultation with the Secretary of the Army, the Department of the Interior shall also implement a program of recreational projects at a cost of $500,000 yearly. Beginning after the computerized inventory is available (probably in fiscal year 1987), the Secretary of the Interior is provided $300,000 in each of the next 2 fiscal years, then $150,000 in the following fiscal year to assess the economic benefits of those recreational projects.

Consistent with the objective of section 224 of this act, the habitat rehabilitation and enhancement program for the Upper Mississippi River System must be implemented prior to, or concurrent with, the engineering, design, and construction of the second lock at locks and dam 26.

With the exception of the funds for construction of the second chamber, none of the programs authorized in this section are considered to be commercial components of the inland navigation system.

Section 504 is cited as the "Upper Mississippi River System Management Act of 1985."

This section is clarified by the committee leadership amendment.

Title VI authorizes many important new harbor construction projects and makes sorely needed and profound changes in the relationship between the Federal Government and non-Federal sponsors with respect to the planning and construction of harbor projects.

Section 601 requires that non-Federal sponsors pay 50 percent of the cost of the surveying, planning, designing, and engineering costs of any commercial harbor constructed by the Secretary. This is in line with section 223 of this bill.

However, to expedite feasibility studies, this section also allows non-Federal sponsors to undertake such studies at their own expense, then submit them to the Secretary for review. The Secretary is directed to evaluate any study made by a non-Federal sponsor, then submit it to Congress with the Secretary's recommendations. The study must be submitted within 180 days.

This section also requires the costs of studies performed by non-Federal sponsors (as opposed to those performed by the Secretary) to be borne fully by the non-Federal sponsor. If, however, the study results in the construction of the non-Federal sponsor's recommended project, 50 percent of the cost of that study will be credited toward the non-Federal share of the project's construction cost.

This provision is designed to reduce the delay associated with the current authorization and appropriation pro-

cess in completing studies of harbor projects. In some instances these studies have taken a decade to complete. This provision allows the sponsors of harbor improvements wishing to move forward to do so. These studies will likely be completed much faster than studies requiring Federal funds, providing for earlier consideration by Congress. Non-Federal sponsors could then proceed with development on their own, consistent with provisions of this title. This section is modified by the committee leadership amendment.

Section 602 is the heart of one of the major reforms contained in this legislation: It requires, for the first time in our Nation's history, non-Federal project sponsors to share significantly in the costs of harbor improvement projects.

This section states that no construction on a new harbor improvement project shall go forward until the appropriate non-Federal sponsor agrees to pay the following percentages of the project's costs, in cash, during the period of construction:

For construction of an improvement 20 feet deep or less: 10 percent.

For construction of an improvement 20 to 45 feet deep: 25 percent.

For construction of an improvement deeper than 45 feet: 50 percent.

In all cases, an additional 10 percent shall be repaid, with interest, over a period of up to 30 years following project completion. The rate of interest is to be set by the Secretary of the Treasury.

This section also provides that the Secretary may count against all or part of the 10 percent repayment amount the local contribution for lands, easements, rights-of-way, dredged spoil disposal sites and relocations. In no case are these costs to count against the cash payment during construction, and in no case would the amount waived exceed 10 percent of project costs.

The cash contribution required by this section to be contributed during the construction period is to be paid in annual installments in proportion to the Federal spending on the project, or under other arrangements satisfactory to the Secretary.

In cases where the construction of a project overlaps depths with different cost-sharing requirements, the project sponsor is required to contribute proportionately. In other words, if an existing harbor, with a depth of 42 feet, is to be deepened to 50 feet, the non-Federal share of the first cost would be a cash contribution of 25 percent of the cost of deepening the harbor to 45 feet and a cash contribution of 50 percent of the incremental cost of the additional deepening to 50 feet. The port would, of course, be responsible for the additional 10 percent repayment over time based on the total project cost.

Harbor improvement projects may proceed to construction in useful increments, subject to the provisions of this Act. The non-Federal sponsors of a 42-foot harbor wishing ultimately to deepen the port to 50 feet may first wish to increase the depth to 45 feet, then wait until some future time to deepen further. Alternatively, a port with two channels, one for incoming vessels and one for outgoing vessels, may conclude that its immediate needs require deepening only the outgoing channel. Incremental construction options such as these are permissible under this section.

Under the provisions of section 602, harbor projects are considered to have commenced construction if the non-Federal sponsor of the project has entered into a written contract with the Secretary to provide local cooperation requirements including, where applicable, an agreement under section 221 of Public Law 91-611 as amended, as of December 31, 1984.

This section also provides that in the future non-Federal sponsors of harbor projects shall enter into an agreement with the Secretary to:

Provide to the Federal Government lands, easements and rights-of-way, and dredged material disposal areas; hold and save the United States free from damages; provide to the Federal Government the non-Federal share of project construction costs as defined in this title; and be responsible for 50 percent of the incremental cost of maintaining the project below 45 feet below mean low water.

It should be noted that different portions of the same river system will fall within title 5 and title 6. For example, the Mississippi System as far south as Baton Rouge, LA, is considered a component of the inland system; below Baton Rouge it would fall under the provisions of title VI. That portion of the Columbia River upstream of Bonneville Lock and Dam (including the actual lock and dam) falls under title 5, while the navigational work downstream from Bonneville Dam comes under this title.

This section is modified by the Committee Leadership amendment.

Section 603 establishes policy of the construction and maintenance of defense-related harbors. The Corps, or other defense agencies, such as the Navy or Coast Guard, may construct harbor improvement projects and continue to maintain those projects, if they are needed to facilitate the movement of Navy and other Government-owned defense vessels. This includes ships of the Coast Guard, as well as ships carrying military personnel and material.

This section does not authorize the Federal Government to deepen a harbor project simply because that harbor may transmit movements of commodities that have a strategic importance, such as oil.

This section will be used infrequently and it provides no new authorities to defense agencies. It simply clarifies existing authorities.

This section also authorizes the Secretary to reduce proportionately the non-Federal share of the cost of a construction harbor, if that project provides benefits directly related to Navy or other defense shipping. Such an arrangement would have to be made prior to the initiation of construction of the project by the non-Federal sponsor. For example, the project for Portsmouth, NH, would provide some direct defense-related benefits as a result of fuel shipped to an Air Force base located there.

Section 604 authorizes non-Federal sponsors to undertake navigation improvements in harbors subject to obtaining the necessary Federal and State permission in advance of construction.

At the request of non-Federal sponsors planning to undertake harbor improvements, the Secretary is authorized to undertake the necessary funds for these studies as they are being conducted.

The Secretary is further authorized to complete and transmit to appropriate sponsors any harbor study initiated prior to the date of enactment of this act, or, at the request of such sponsors, to terminate any such study and transmit the partially completed study to the non-Federal sponsor. Any study requiring completion shall be done at Federal expense, subject to appropriation acts.

Where pipelines, cable, and related facilities must be relocated because non-Federal sponsors are constructing a harbor improvement under this section, such relocation or alteration cost shall be shared 50-50 between the non-Federal project sponsor and pipeline or cable owner. The full costs of upgrading or improving any such pipeline or cable shall be borne by the pipeline or cable owner. The costs of relocations for a Federal project remain the responsibility of the pipeline or cable owners.

Under subsection (e), the Secretary may reimburse non-Federal sponsors, subject to appropriation acts, for the Federal share, without interest, of the total costs of any commercial channel or harbor improvement, or separable element of such project is conducted by the non-Federal sponsor in a manner approved by the Secretary. This can be done only if the project was authorized previously for Federal construction, and if the non-Federal sponsor agrees to pay the non-Federal share, if any, of the operation and maintenance costs of the project.

The Secretary must consider such factors as budget and program priorities, and the potential impact on dredging costs in his review of non-Federal project plans under this subsection.

Subsection (f) clarifies the Federal responsibility for operation and maintenance costs when harbor construction is undertaken by non-Federal sponsors under this section. For projects constructed to a nominal depth of 45 feet or less, the Secretary is responsible for maintenance costs. For projects constructed to a nominal depth greater than 45 feet, the Secretary would also be responsible for 50 percent of the incremental maintenance below 45 feet. In all cases, the Secretary must certify that the project is constructed in accordance with appropriate engineering and design standards for a project to be eligible for Federal maintenance funds.

These provisions, and those of section 605, which I will describe in a moment, are intended to provide a wide degree of flexibility for future harbor improvement projects. The sponsors of such projects would be in a position to study and construct such improvements themselves, to pay the Secretary for necessary studies which they may not be able to do themselves and then construct the project, or even construct an authorized project on their own with the potential, but not a guarantee, for reimbursement of the Federal share of such project as if the Federal Government had done the project construction.

This flexibility is necessary because the level of Federal funding for such projects is unlikely to increase dramatically in the near future. If needed harbor improvements are to be made, in many cases they can go forward only if non-Federal sponsors assume the leadership in development of the project. It only makes sense to allow non-Federal sponsors of harbor improvements to proceed on their own if they choose to do so.

This section is modified by the Committee Leadership amendment.

Section 605 creates a fast-track permitting process for non-Federal construction of harbor improvement projects. It consolidates into a 2-year period the processing of all permits that may be required prior to construction of any harbor improvement.

The purpose of this section is to give a non-Federal sponsor a date certain by which to expect decisions on all Federal permits necessary for harbor improvements. To the extent possible, State and local authorities will be included in the joint review process. The section defines the responsibilities of both the Federal agencies and the permit applicant, designates the Corps of Engineers as the lead agency, and provides for progress reports to Congress in an effort to avoid delays in meeting the schedule of compliance.

First, this section requires the Secretary of the Army to initiate procedures to establish a schedule of compliance for the necessary Federal permits. The Secretary will commence such activities upon receipt of notice from a non-Federal sponsor that it intends to construct new harbor and related facilities.

Second, within 15 days of receipt of this notification, the Secretary must publish a notice in the Federal Register and notify all affected State and local agencies of the intent to initiate the Federal permit process, requesting their cooperation in the consolidated review of the permit application.

If, within 30 days of that notification, the non-Federal agencies notify the Secretary of their willingness to participate in the consolidated permitting process, they will be included in the review agreement. Within 90 days, the Secretary must enter into an agreement with affected Federal agencies and any State or local agencies seeking to be parties to the agreement. This agreement will be for the purpose of establishing a schedule for all necessary permits.

Third, a consolidated review process is defined. To the extent possible, the agreement outlined above must consolidate hearing and comment periods, and data collection, and report preparation procedures. The agreement must also define the responsibilities of the non-Federal interest with respect to data development and information necessary to process each permit.

The agreement will include a set date by which the applicant and the Congress will be informed whether there is a reasonable likelihood that the permits will be granted. The schedule can be extended for 120 days to revise the original application to meet the objections of the Federal agencies. This is the only point at which the schedule may be modified.

Fourth, 6 months prior to the final day of the schedule, the Secretary shall submit a progress report to Congress summarizing all work completed to date and detailing the schedule for completing all remaining work. Such notice is intended to signal any potential problems in meeting the compliance schedule and provide adequate time to resolve these problems to assure that the schedule is met.

Fifth, the Secretary of the Army must notify the non-Federal sponsor no later than the final day of the compliance schedule as to whether the permit or permits are issued.

Additionally, this section requires the Secretary to submit a report to Congress by March 1, 1987, describing the time required to issue Federal permits related to harbor improvements, and make recommendations for reducing the time necessary to issue such permits.

This section is clarified by the committee leadership amendment.

Section 606 authorizes the non-Federal sponsor of a harbor construction project to collect fees in order to recover the cost of its share of a project's costs, plus 50 percent of the incremental maintenance costs of maintaining harbors below 45 feet, if appropriate.

The section provides non-Federal sponsors with a means to recover its obligations for construction work, including associated administrative expenses, through the imposition and collection of fees for the use of such projects by vessels in commercial waterway transportation. The precise nature of such fees, the fee structure and schedule, and the frequency with which such fees should be collected is left entirely to the discretion of the appropriate non-Federal sponsors, pursuant to the terms of this section and State law.

Mr. President, it must be stressed that nothing in this section requires a user fee. The whole cost, or partial cost, of providing the non-Federal share of project costs, may be carried as a general expense of local government, if non-Federal sponsors so decide. These non-Federal fees are necessary to provide many non-Federal sponsors the flexibility to share in the cost of navigation improvements to harbors.

The provision recognizes that a link should exist between the imposition of a local user fee on vessels and cargoes and the benefits to those specific vessels and cargoes resulting from the improvement or maintenance of a project.

Several exemptions from the fees authorized by this section are provided: No fees shall be imposed on vessels owned and operated by the United States, any U.S. political subdivision, or any vessel owned or operated by any other nation when the vessel is not engaged in commercial transportation. No fees will be imposed on vessels engaged in dredging activities or those involved strictly in an intraport movement, or a vessel with design draft of 14 feet or less, if the harbor improvement for which the fee would be assessed goes deeper than 20 feet.

Section 607 authorizes the appropriation of funds from the Harbor Maintenance Trust Fund, established in part B of title 8 of this act, to pay for 100 percent of the annual eligible operation and maintenance costs of the elements of the St. Lawrence Seaway operated and maintained by the St. Lawrence Seaway Development Corp., and up to 40 percent of the annual operation and maintenance costs assigned to commercial navigation of all channels and harbors of the

United States and all Great Lakes navigation improvements operated or maintained by the Secretary of the Army.

In addition, this section authorizes appropriations from the general fund of the Treasury such sums as are needed in each fiscal year to cover the balance of operation and maintenance costs not provided by payments from the Harbor Maintenance Trust Fund.

This section is also clarified by the committee leadership amendment.

Section 608 provides several definitions for this act and I ask that they be reproduced at this point in the RECORD:

The term "commercial channel or harbor" means any channel or harbor, or element thereof, which is not considered an inland waterway, is open to public navigation, and is capable of being used by commercial vessels in the transportation of domestic or foreign waterborne commerce, or to the depths and widths of the construction which was initiated by non-Federal sponsors after July 1, 1970, and prior to January 1, 1981, or to the depths and widths that may be constructed under the terms of sections 602, and 604, of this title. This term does not mean local access or berthing channels or channels or harbors constructed or maintained by nonpublic interests. For the Columbia River, Oregon and Washington, this term includes the channels only up to the downstream side of Bonneville lock and dam.

The term "non-Federal sponsor" means, with respect to a channel or harbor improvement project, a non-Federal public body which has entered into a written agreement with the Secretary to provide the non-Federal share of operation and maintenance costs, or construction costs, for the projects and which has the meaning such term has under section 211 of Public Law 91-611, as amended.

The term "eligible operations and maintenance" means all operations, maintenance, repair, and rehabilitation, including maintenance and dredging reasonably necessary to maintain the nominal depth and width of any commercial channel or harbors located within the Great Lakes, except when applied to the St. Lawrence Seaway and any Great Lakes navigation improvement, the term includes all operations, maintenance, repair, and rehabilitation, including maintenance dredging, reasonably necessary to keep such seaway or navigation improvements operated or maintained by the St. Lawrence Seaway Development Corp. or the United States in operation and reasonable state of repair.

This term does not include providing any lands, easements, rights-of-way or dredged material disposal areas, or performing relocations required for project operations and maintenance.

The term "Great Lakes navigation improvement" means any lock, channel, harbor or navigational facility in the Great Lakes of the United States or their connecting waterways, but shall not include the St. Lawrence Seaway;

The term "nominal depth" means, in relation to the stated depth for any navigation improvement project, such depth, including any greater depths which must be maintained for any channel or harbor or element(s) thereof included within such project in order to ensure the safe passage at mean low tide of any vessel requiring the stated depth. With respect to operations and maintenance of channels authorized prior to the date of enactment of this act, the term "nominal depth" includes such anchorages necessary to ensure safe passage of vessels utilizing such channels.

The term "United States" means the States of the United States, the District of Columbia, and the territories or possessions over which the United States excercises jurisdiction.

These definitions are classified by the committee leadership amendment.

Section 609 authorizes for construction 32 harbor projects having a total cost—both Federal and non-Federal—of $2.7 billion as follows:

(1) Mobile Harbor, Alabama, at a total project cost of $468,933,000;

(2) Kodiak Harbor, Alaska, at a total project cost of $14,641,000;

(3) St. Paul Island Harbor, Alaska, at a total project cost of $24,756,000;

(4) Oakland Outer Harbor, California, at a total project cost of $42,400,000;

(5) Richmond Harbor, California, at a total project cost of $43,800,000;

(6) Sacramento River, Deepwater Ship Channel, California, at a total project cost of $125,300,000;

(7) New Haven Harbor, Connecticut, at a total project cost of $25,900,000;

(8) Jacksonville Harbor, Mill Cove, Florida, at a total project cost of $6,575,000;

(9) Manatee Harbor, Flordia, at a total project cost of $16,115,000;

(10) Tampa Harbor, East Bay Channel, Florida, at a total project cost: Not applicable since only maintenance is assumed.

(11) Savannah Harbor, Widening, Georgia, at a total project cost of $19,175,000;

(12) Hilo Harbor, Hawaii, at a total project cost of $4,390,000;

(13) Mississippi River Ship Channel, Gulf to Baton Rouge, Louisiana, at a total project cost of $456,000,000;

(14) Grand Haven Harbor, Michigan, at a total project cost of $17,200,000;

(15) Monroe Harbor, Michigian, at a total project cost of $139,400,000;

(16) Duluth-Superior Harbor, Minnesota and Wisconsin, at a total project cost of $12,200,000;

(17) Gulfport Harbor, Mississippi, at a total project cost of $78,968,000;

(18) Wilmington Harbor, Northeast Cape Fear River, North Carolina, at a total project cost of $9,718,000;

(19) Portsmouth Harbor and Piscataqua River, New Hampshire and Maine, at a total project cost of $21,700,000;

(20) Barnegat Inlet, New Jersey, Phase I GDM, at a total project cost of $36,435,000;

(21) Gowanus Creek, Channel New York, at a total project cost of $3,440,000;

(22) Kill Van Kull and Newark Bay Channels, New York, at a total project cost of $248,100,000;

(23) Lorain Harbor, Ohio, at a total project cost of $5,500,000;

(24) San Juan Harbor, Puerto Rico, at a total project cost of $86,334,000;

(25) Charleston Harbor, South Carolina, at a total project cost of $84,032,000;

(26) Wando River, Charleston Harbor, South Carolina, at a total project cost of $3,561,000;

(27) Brazos Island Harbor, Texas, at a total project cost of $31,417,000;

(28) Hampton Roads and Vicinity, Virginia (Drift Removal) at a total project cost of $6,870,000;

(29) Norfolk Harbor, Virginia, at a total project cost of $538,000,000;

(30) Crown Bay Channel—Saint Thomas Harbor, Virgin Islands, at a total project cost of $8,124,000;

(31) Blair and Sitcum Waterways, Tacoma Harbor, Washington, at a total project cost of $35,816,000;

(32) Grays Harbor, Washington, at a total project cost of $93,187,000.

Title VII establishes cost-sharing policies for the water resources development program authorities of the Secretary, other than commercial navigation. Commercial navigation cost sharing is addressed in titles 5, 6, and 8.

In addition, this title authorizes for construction 77 flood control projects, 10 hydroelectric projects, 18 shoreline erosion control projects, 11 mitigation projects, 10 inland and recreational harbor projects, 1 bank stabilization project, and 2 demonstration projects.

The total cost for these projects—both the Federal and the non-Federal shares—is $7.4 billion.

Section 701 establishes new cost-sharing policy, setting the share of total project costs that the non-Federal project sponsors must agree to contribute in order to secure construction of the project by the Secretary.

This section delineates the percentage of costs for each project purpose that non-Federal interests are required ultimately to provide—the cost-share—and how that non-Federal share is to be financed.

Any water resources project, or separable element of a project, that was not under construction by June 30, 1985, is subject to the new cost-sharing policy outlined in this title. These projects or elements will be initiated only after non-Federal project sponsors agree to pay all of the operation and maintenance costs of the project, plus agree to share construction costs as described here.

Projects currently operated and maintained by the Corps of Engineers at Federal expense will continue to remain a Federal responsibility.

The cost-sharing requirements of this title, by project purpose, are as follows:

Urban and rural flood prevention: 25 to 35 percent.

Hydroelectric power: 100 percent.

Municipal and industrial water supply: 35 percent.

Agricultural water supply: 35 percent.

Recreation, including recreational navigation: 50 percent.

Hurricane and storm damage reduction: 35 percent.

Aquatic plant control: 50 percent.

Three principles govern the basic cost sharing approved by the committee:

First. Local sponsors will be responsible for all necessary lands, ease-

ments, rights-of-way, and relocations for project development.

Second. A minimum cash contribution of 5 percent of total costs will be required during construction of all structural flood control projects.

Third. The repayment of any cost sharing subsequent to project construction for all types of noncommercial navigation work will be standardized.

LANDS

Sponsors of all types of projects under this title must agree to contribute all necessary lands, easements, rights-of-way, and relocations necessary for project development regardless of their percentage of total project costs.

REPAYMENT

When the contribution of lands, easements, rights-of-way and relocations is less than the required percentage of total project costs, non-Federal sponsors may contribute the difference during project construction, or repay the difference over a period not to exceed 30 years, with interest. In cases of repayment, the rate of interest is to be set by the Secretary of the Treasury giving consideration to the average market yield during the preceding year on outstanding marketable obligations of the United States, plus a premium of one-eighth percent for transaction costs. The Secretary of the Treasury is to recalculate the applicable interest rate every 5 years.

Initial payment toward the non-Federal cost share may be delayed for 1 year at the request of the project sponsor. Work undertaken by a non-Federal sponsor shall be considered to satisfy cost-sharing requirements when such work has been approved in advance according to procedures set by the Secretary under section 134(a) of Public Law 94-587, as amended by this bill. Credit may only be given for non-Federal cash spent on such work.

FLOOD CONTROL

Cost sharing and financing of flood control projects constitute the most complex provisions in this title. As these provisions are designed to offer flexibility to non-Federal sponsors, they require detailed explanation.

As with other types of projects under this title, the basic requirements for every flood control project will include contribution of all lands, easements, rights-of-way, and relocation costs by non-Federal sponsors. This will be the case whether dam, levee, or channel is constructed.

In addition, 5 percent of total costs must be contributed in cash during project construction toward the basic non-Federal share of 35 percent on a flood control project. The 35 percent non-Federal share for a flood control project can be reduced to 25 percent when the entire non-Federal contribution—lands and at least 5 percent in cash—is made during the construction period.

The cash contribution made during project construction must be in proportion to annual Federal expenditures or be made under other arrangements acceptable to the Secretary. Three examples illustrate the new policy:

Case A—Total project cost is $100 million, with lands, etc., representing $20 million of this total. Local interests are required to contribute 5 percent cash ($5 million) during construction. Under the provisions of this title, this overall contribution of $25 million represents the total non-Federal cost-share required. This illustrates Section 701(a)(1)(B) of this Act (25 percent of all costs contributed during construction.)

Case B—Total project cost is $100 million, with lands, etc., involving $60 million of this total. (This is for illustrative purposes. Normally lands, etc., are a much smaller percentage of project costs.) Local interests, of course, are required to contribute 5 percent cash ($5 million) during construction. Under the provisions of this title, this overall contribution of $65 million represents the total non-Federal cost-share required. No rebates are provided. No post-construction payment is required. This illustrates Section 701(a)(1)(A) of this Act.

Case C—Total project cost is $100 million and lands, etc., are $10 million of this total. Local interests are required to contribute 5 percent cash ($5 million) during construction. Thus, the initial contribution equals 15 percent of the project's costs, giving the non-Federal sponsor two options. The sponsor can contribute the additional $10 million during construction, raising its total share to 25 percent, or it can repay an additional $20 million, with interest, over 30 years, beginning when the project is completed, raising its cost-share to 35 percent. This illustrates Section 701(a)(1)(C) of this Act, and is the most common situation.

The new policy provides local sponsors with a maximum amount of flexibility to meet the new requirements.

Subsection 701(a)(1)(D) provides that where flood control benefits are provided through the purchase of land solely for nonstructural solutions, the requirement for 5 percent cash during construction is waived proportionally.

Subsection 701(h) requires that any cost-sharing agreement for flood protection, rural drainage, or agricultural water supply under this title be consistent with the ability of the non-Federal sponsor to pay. This determination is to be made by the Secretary under procedures established by the Secretary.

To the extent that non-Federal sponsors have the financial ability to contribute to the costs of water resource project construction, required by this section, they will be required to do so. In this way the efficiency of the Federal development program will be strengthened and scarce Federal budget resources provided to assure maximum flexibility.

Beneficial projects should not, however, be rejected simply because non-Federal interests lack the resources to finance a share of development costs. Since cost-sharing provisions of this title should not prove burdensome, ability-to-pay determinations reducing the non-Federal share are quite unlikely.

OTHER PROJECT PURPOSES

Beach erosion control measures are activities which provide other types of project benefits. For public beaches, the cost sharing on erosion control will be the percentage required for the benefits which result from controlling the erosion. For example, if the control measures are directed at recreation needs, cost sharing will be 50 percent. In the case of storm damage reduction, the non-Federal cost sharing will be 35 percent. The cost-sharing required for erosion control measures at private beaches, whatever benefits are provided, will be 100 percent non-Federal.

This section reaffirms long-established policies governing the marketing of hydroelectric power developed at Federal projects. There is to be no change in the existing policy of contracting, marketing, repayment, or any other aspect of hydroelectric power developed at Federal projects.

I ask unanimous consent that a table which summarizes the provisions of this section in comparison with current cost sharing policy be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TITLE VII

Project purpose	Present non-Federal share		New non-Federal share	
	Cost-share	Financing options	Cost-share	Financing options
Urban and rural flood protection	For a dam 0 percent; if other structural solution lands, easements, rights-of-way; if nonstructural 20 percent; rebates if lands, easements, etc., exceed 50 percent.	No repayment.	5 percent cash during construction, plus all lands, easements, etc. Where this total is less than 25 percent either an additional cash contribution can be made during construction to equal 25 percent or an additional contribution can be made over time to equal 35 percent. An ability to pay determination is made; 5 percent cash waived if nonstructural.	30 year maximum repayment at Federal borrowing rate, plus ⅛ percent for transaction costs.
Hydroelectric power	100 percent.	Repayment in accord with multiple statutes	No change in existing law.	
Municipal and industrial water supply	100 percent.	50 year maximum repayment with interest set at a nonmaket rate: option of 10 year interest free development period.	100 percent.	30 year maximum repayment at Federal borrowing rate, plus ⅛ percent for transaction costs.
Agricultural water supply	50 percent (lands, easements, etc., included).	During construction.	35 percent (lands, easements, etc., included). An abilility to pay deterimnation is made.	30 year maximum repayment at Federal borrowing rate, plus ⅛ percent for transaction costs.
Recreation, including recreational navigaton	50 percent (lands, easements, etc., included).	During construction, or 50 year maximum repayment, with interest set at a nonmarket rate.	50 percent (lands, easements, included).	30 year maximum repayment at Federal borrowing rate, plus ⅛ percent for transaction costs.
Hurricane and storm reduction	30 percent (lands, easements, etc., included).	During construction.	35 percent (lands, easements, etc., included).	30 year maximum repayment at Federal borrowing rate, plus ⅛ percent for transaction costs.
Aquatic plant control	30 percent lands, easements, etc., included).	During construction (usually 1 year).	50 percent (lands, easements, etc., included).	30 year maximum repayment at Federal borrowing rate, plus ⅛ percent for transaction costs.

Further explanation: The new standardized repayment time period is flexible. In cases where the non-Federal share is not paid during the construction period, repayment is to be in a maximum of 30 years. It is anticipated that any payment which may be required for aquatic plant control or hurricane and storm damage reduction, will be made in the same general time frame as in the past.

Mr. ABDNOR. Mr. President, section 701 is also modified by the committee leadership amendment.

Section 702 authorizes construction of the following flood control, hydropower, beach erosion, mitigation, inland and recreational harbor, bank stabilization, and demonstration projects:

FLOOD CONTROL

(1) Village Creek, Jefferson County, Alabama, at a total project cost of $28,100,000;

(2) Threemile Creek, Mobile, Alabama, at a total project cost of $19,070,000;

(3) Eight Mile Creek, Paragould, Arkansas, at a total project cost of $14,950,000;

(4) Fourche Bayou Basin, Arkansas, at a total project cost of $32,400,000;

(5) Helena, Arkansas, at a total project cost of $13,700,000;

(6) West Memphis and vicinity, Arkansas, at a total project cost of $20,600,000;

(7) Little Colorado River at Holbrook, Arizona, at a total project cost of $11,700,000;

(8) Cache Creek Basin, California, at a total project cost of $30,700,000;

(9) Redbank and Fancher Creeks, California, at a total project cost of $84,100,000;

(10) Santa Ana River Mainstream, including Santiago Creek, California, at total project cost of $1,211,000,000;

(11) Fountain Creek, Pueblo, Colorado, at a total project cost of $8,400,000;

(12) Metropolitan Denver and South Platte River and tributaries, Colorado, at a total project cost of $10,563,000;

(13) Oates Creek, Georgia, at a total project cost of $13,500,000;

(14) Agana River, Guam, at a total project cost of $9,530,000;

(15) Alenaio Stream, Hawaii, at a total project cost of $7,860,000;

(16) Big Wood River and tributaries, Idaho, at a total project cost of $4,420,000;

(17) North Branch Chicago River, Illinois, at a total project cost of $14,390,000;

(18) Rock River at Rockford and vicinity, Illinois, at a total project cost of $27,720,000;

(19) South Quincy Drainage and Levee District, Illinois, at a total project cost of $11,688,000;

(20) Little Calument River, Indiana, at a total project cost of $83,460,000;

(21) Des Moines River Basin, Iowa, at a total project cost of $15,340,000;

(22) Green Bay Levee and Drainage District No. 3, Iowa, at a total project cost of $6,770,000;

(23) Perry Creek, Iowa, at a total project cost of $44,200,000;

(24) Halstead, Kansas, at a total project cost of $7,100,000;

(25) Upper Little Arkansas River Watershed, Kansas, at a total project cost of $12,200,000;

(26) Atchafalaya Basin Floodway, Louisiana, at a total project cost of $245,398,000;

(27) Bushley Bayou, Louisiana, at a total project cost of $44,700,000;

(28) Louisiana State Penitentiary Levee, Louisiana, at a total project cost of $22,646,000;

(29) Quincy Coastal Streams, Massachusetts, at a total project cost of $26,500,000;

(30) Roughans Point, Revere, Massachusetts, at a total project cost of $8,200,000;

(31) St. Paul, Minnesota, at a total project cost of $8,454,000;

(32) Redwood River at Marshall, Minnesota, at a total project cost of $4,280,000;

(33) Root River Basin, Minnesota, at a total project cost of $8,195,000;

(34) South Fork Zumbro River, Minnesota, at a total project cost of $60,470,000;

(35) Horn Lake and tributaries Tennessee and Mississippi, at a total project cost of $3,400,000;

(36) Sowashee Creek, Mississippi, at a total project cost of $17,500,000;

(37) Brush Creek and tributaries, Kansas and Missouri, at a total project cost of $15,770,000;

(38) Maline Creek, Missouri, at a total project cost of $61,900,000;

(39) St. Johns Bayou and New Madrid Floodway, Missouri, at a total project cost of $108,900,000;

(40) Cape Girardeau, Missouri, at a total project cost of $24,600,000;

(41) Robinson's Branch, Rahway River, New Jersey, at a total project cost of $24,907,000;

(42) Rahway River and Van Winkles Brook, New Jersey, at a total project cost of $17,500,000;

(43) Green Brook Subbasin, Raritan River Basin, New Jersey, at a total project cost of $101,832,000;

(44) Ramapo and Mahwah Rivers, New Jersey and New York, at a total project cost of $6,200,000;

(45) Middle Rio Grande Flood Protection, New Mexico, at a total project cost of $43,900,000;

(46) Puerco River and tributaries, New Mexico, at a total project cost of $4,160,000;

(47) Cazenovia Creek Watershed, New York, at a total project cost of $3,025,000;

(48) Mamoroneck and Sheldrake Rivers Basin and Byram River Basin, New York and Connecticut, at a total project cost of $63,070,000;

(49) Tonawanda Creek Watershed, New York, at a total project cost of $32,000,000;

(50) Sugar Creek Basin, North Carolina and South Carolina, at a total project cost of $29,100,000;

(51) Park River, At Grafton, North Dakota, at a total project cost of $18,790,000;

(52) Sheyenne River, North Dakota, at a total project cost of $55,400,000;

(53) Hocking River, at Logan and Nelsonville, Ohio, at a total project cost of Logan, $7,760,000; Nelsonville, $8,020,000;

(54) Miami River, Fairfield, Ohio, at a total project cost of $14,360,000;

(55) Miami River, Little Miami River, Ohio, at a total project cost of $8,910,000;

(56) Muskingum River Basin, Ohio, at a total project cost of $4,256,000;

(57) Scioto River at North Chillicothe, Ohio, at a total project cost of $10,740,000;

(58) Frys Creek, Oklahoma, at a total project cost of $13,000,000;

(59) Mingo Creek Oklahoma, at a total project cost of $133,000,000;

(60) Parker Lake, Muddy Boggy Creek, Oklahoma, at a total project cost of $43,000,000;

(61) Harrisburg, Pennsylvania, at a total project cost of $132,900,000;

(62) Lock Haven, Pennsylvania, at a total project cost of $79,225,000;

(63) Saw Mill Run, Pittsburgh, Pennsylvania, at a total project cost of $7,853,000;

(64) Wyoming Valley, Pennsylvania, at a total project cost of $234,700,000;

(65) Big River Reservior, Rhode Island, at a total project cost of $84,700,000;

(66) Nonconnah Creek, Tennessee, at a total project cost of $25,900,000;

(67) Buffalo Bayou and tributaries, Texas, at a total project cost of $90,670,000;

(68) Boggy Creek, Colorado River and tributaries, Texas, at a total project cost of $21,300,000;

(69) Lake Wichita, Holliday Creek, Texas, at a total project cost of $27,300,000;

(70) Lower Rio Grande Basin, Texas, at a total project cost of $195,304,000;

(71) Sims Bayou, Texas, at a total project cost of $123,979,000;

(72) James River Basin, Virginia, at a total project cost of $101,200,000;

(73) Chehalis River, Washington, at a total project cost of $21,940,000;

(74) Yakima Union Cap, Washington, at a total project cost of $8,789,000;

(75) Centralia, Chehalis River and tributaries, Washington, at a total project cost of $19,500,000;

(76) Mount Saint Helens sediment control, Washington, at a total project cost of $214,100,000;

(77) Wisconsin River at Portage, Wisconsin, at a total project cost of $6,300,000;

HYDROELECTRIC POWER

(1) SCAMMON BAY, ALASKA, AT A TOTAL PROJECT COST OF $1,600,000;

(2) South Central Rainbelt Area, Alaska, at a total project cost of $44,000,000;

(3) Murray Lock and Dam, Arkansas, at a total project cost of $98,600,000;

(4) Arkansas River and tributaries, Arkansas and Oklahoma, at a total project cost of $285,700,000;

(5) Metropolitan Atlantic Area Water Resources Management Study, at a total project cost of $26,445,000;

(6) W.D. Mayo Lock and Dam 14, at a total project cost of $119,300,000;

(7) Fort Gibson Lake, Powerhouse Extension, Oklahoma, at a total project cost of $24,100,000;

(8) Blue River Lake, Oregon, at a total project cost of $30,101,000;

(9) McNary Lock and Dam Second Powerhouse, Oregon and Washington, at a total project cost of $649,000,000;

(10) Gregory County Hydroelectric Pumped Storage Facility, Stages I and II, South Dakota, at a total project cost of $1,380,000,000;

BEACH EROSION

(A) Charlotte County, Florida, at a total project cost of $2,225,000;

(B) Indian River County, Florida, at a total project cost of $4,934,000;

(C) Panama City Beaches, Florida, at a total project cost of $41,731,000;

(D) St. Johns County, Florida, at a total project cost of $9,679,000;

(E) Dade County, North of Haulover Beach Park, Florida, at a total project cost of $15,605,000;

(F) Monroe County, Florida, at a total project cost of $3,142,000;

(G) Jekyll Island, Georgia, at a total project cost of $10,450,000;

(H) Casino Beach, Illinois Shoreline, Illinois, at a total project cost of $5,370,000;

(I) Indiana Shoreline Erosion, Indiana, at a total project cost of $7,920,000;

(J) Atlantic Coast of Maryland and Assateague Island, Virigina, at a total project cost of $35,200,000;

(K) Cape May Point, New Jersey, at a total project cost of $6,600,000;

(L) Atlantic Coast of New York City from Rockaway Inlet to Norton Point, New York, at a total project cost of $7,910,000;

(M) Wrightsville Beach, North Carolina, at a total project cost of: Extends Federal participation in the perodic shoreline nourishment of the existing project at an estimated annual total cost of $717,000 and a Federal cost of $334,000;

(N) Maumee Bay State Park, Ohio, at a total project cost of $15,800,000;

(O) Presque Isle Peninsula, Erie, Pennsylvania, at a total project cost of $28,100,000;

(P) Folly Beach, South Carolina, at a total project cost of $3,335,000;

(Q) Willoughy Spit and Vicinity, Norfolk, Virginia, at a total project cost of $4,230,000;

(R) Virginia Beach, Virginia, at a total project cost of $36,500,000;

MITIGATION

(1) Fish and Wildlife Program for Sacramento River Bank Protection Project, California, First Phase, at a total project cost of $1,415,000;

(2) Richard B. Russell Dam and Lake, Savannah River, Georgia and South Carolina, at a total project cost of $20,160,000;

(3) Davenport, Iowa, at a total project cost of $497,000;

(4) Missouri River, Fish and Wildlife Mitigation; Iowa, Nebraska, Kansas, and Missouri, at a total project cost of $50,500,000;

(5) West Kentucky tributaries project, Obion Creek, Kentucky, at a total project cost of $4,900,000;

(6) Red River Waterway Fish and Wildlife Mitigation Plan, Louisiana, at a total project cost of $11,200,000;

(7) Yazoo Backwater Project, Mississippi—Fish and Wildlife Mitigation Report, at a total project cost of $4,993,000;

(8) Downstream Measures at Harry S. Truman Dam and Reservoir, Missouri, at a total project cost of $2,100,000;

(9) Plan for replacement of the Trimble Wildlife Area, Missouri, at a total project cost of $7,870,000;

(10) Cape May Inlet to Lower Township, New Jersey, at a total project cost of $17,300,000;

(11) Cooper Lake and Channels, Texas, at a total project cost of $14,743,000;

INLAND AND RECREATIONAL HARBORS

(1) Helena Harbor, Arkansas, at a total project cost of $56,403,000;

(2) White River Navigation to Batesville, Arkansas, at a total project cost of $27,000,000;

(3) Lake Pontchartrain, North Shore, Louisiana, at a total project cost of $1,264,000;

(4) Greenville Harbor, Mississippi, at a total project cost of $42,600,000;

(5) Vicksburg Harbor, Mississippi, at a total project cost of $77,700,000;

(6) Saint Louis Harbor, Missouri and Illinois, at a total project cost of $30,340,000;

(7) Olcott Harbor, New York, at a total project cost of $12,445,000;

(8) Memphis Harbor, Tennessee, at a total project cost of $106,105,000;

(9) Disposition of Kentucky River, Kentucky, Locks and Dams 5 through 15, at a total project cost: Disposal of the subject locks and dams will eliminate all Federal maintenance costs which are currently $2,000,000 a year.

(10) Atlantic Intercoastal Waterway—Replacement of Federal Highway Bridges in North Carolina, at a total project cost of $8,800,000;

BANK STABILIZATION

(1) Bethel, Alaska, at a total project cost of $16,110,000;

DEMONSTRATION

(1) Cabin Creek, West Virginia, at a total project cost of $43,000,000;

(2) Lava Flow Control, Island of Hawaii, at a total project cost of $5,470,000;

The committee leadership amendment makes certain additions and deletions to the projects authorized in title VII.

Title VIII, which addresses user fees for ports and inland waterways, has been significantly modified by the Committee on Finance. Since the Finance Committee amendments to his title will supersede title VIII as it was reported by the Committee on Environment and Public Works, no explanation will be given here of this title.

Mr. MOYNIHAN. Mr. President, before this bill is over, I am going to require a measure of extended debate on this floor to express my appreciation to JIM ABDNOR for what he has done in bringing us the first water bill in one decade.

Mr. President, I am delighted to join my subcommittee chairman, Senator ABDNOR, and my Environment and Public Works Committee colleagues, Senators STAFFORD and BENTSEN in offering S. 1567, the Water Resources Development Act of 1986. I also want to recognize the efforts of Senator PACKWOOD, chairman of the Finance Committee, in expediting his committee's review of the revenue portions of S. 1567.

As former chairman of the Water Resources Subcommittee, and now as its ranking minority member, I have labored along with Senator ABDNOR for many years to introduce rational economic criteria and equitable cost sharing into the Federal water planning process. Many times I have stood on this floor in the early morning hours at the end of a legislative session, and pleaded for a national policy that would end the squandering of our irreplaceable water resources.

The Water Resources Development Act of 1986 presents us with the best opportunity we have had in a decade to address the important public works needs of our Nation. We must dredge our ports; replace old, inadequate locks; protect communities from flooding; and ensure the safety of our dams.

I hope that my colleagues will keep in mind the spirit of bipartisan cooperation that has thus far guided this bill to the floor, and that they will refrain from offering amendments which weaken its integrity.

The projects in this bill were not hastily picked out of thin air, nor were they selected merely to please individual committee members. Each has survived an extensive process of economic and environmental review conducted by the Army Corps of Engineers.

First, the district office of the Corps of Engineers conducts a reconnaissance survey to determine whether a project is needed and, if so, to explore alternative plans. The next step is to prepare a full feasibility report, including a recommended plan, an environmental impact statement, and a de-

termination of the economic benefits and costs of the plan. Based on the results of these studies, the district engineer makes a recommendation on whether to proceed with the project.

But that is hardly the end of the process. The district engineer's recommendation must then be reviewed by the division commander, the Board of Engineers for Rivers and Harbors, the Chief of Engineers, and the Assistant Secretary of the Army for Civil Works. Finally, if the project is deemed to be in the national interest, we in the Environment and Public Works Committee receive a recommendation to authorize the project.

So, it is my hope that my colleagues will respect this process and refrain from offering amendments for projects which do not have a final Chief of Engineers report and environmental impact statement, or which are new cost additions to the bill, or which do not comport with the cost sharing provisions of S. 1567. Only in this manner can we pass a bill that addresses the needs of all regions of the Nation in a fiscally responsible manner.

Before I address specific features of the bill, I must digress a bit to examine the historical reasons for our current deadlock in water policy, a deadlock which I believe this bill will break.

In 1791 in his "Report on Manufacturers," Alexander Hamilton enthusiastically advocated a role for the Federal Government in public works:

> The symptoms of attention to the improvement of inland Navigation, which have lately appeared in some quarters, must fill with pleasure every breast warmed with a true Zeal for the prosperity of the Country. These examples, it is to be hoped, will stimulate the exertions of the Government and the Citizens of every state. There can certainly be no object, more worthy of the cares of the local administrations; and it were to be wished, that there was no doubt of the power of the national Government to lend its direct aid, on a comprehensive plan. This is one of those improvements, which could be prosecuted with more efficacy by the whole, than by any part or parts of the Union.

Despite Hamilton's zeal for Federal navigation improvements, the congressional debate over their constitutionality continued for decades. Chief Justice Marshall's 1824 ruling in Gibbons versus Odgen confirmed the plenary power of the Congress over commerce and navigation. By the 1860's the Federal Government had embarked on the building of an inland waterway system.

PUTTING THE GOVERNMENT IN THE WATER BUSINESS

In 1902 the Congress, led by President Theodore Roosevelt, enacted the 1902 Reclamation Act. The act put the Federal Government into the business of irrigation, as well as water supply, hydroelectric power, and flood control. With this the Federal Government began the development of the West.

The Federal Flood Control Act of 1936 established the then novel tool of benefit/cost analysis for water resources projects. The Federal water program today is the collection of the projects undertaken by the Army Corps of Engineers, the Bureau of Reclamation, the Tennessee Valley Authority, and the Soil Conservation Service.

A PROCESS GONE AWRY

Unlike earlier times, there is today a consensus that the Nation's system of ports, inland waterways, multipurpose reservoirs, and hurricane protection projects have contributed greatly to the wealth of the Nation, and that it is proper for the Federal Government to finance at least part of their costs. At the same time, there is a recognition that something has gone terribly awry in the water planning process, particularly in recent years.

As members of the Senate Water Resources Subcommittee we have seen the complexity and inefficiency of the water planning process develop into virtual paralysis. Republican and Democratic administrations debated the causes and proposed reforms to no avail. It has been 10 years since passage of the last Omnibus Water Development Act, during which time only three new Corps of Engineers projects have been undertaken. The construction program of the corps is a mere 25 percent of what it was 15 years ago, and still declining. Today, the corps spends more on maintenance than on construction, even though its maintenance funds have not increased in real dollars over the same period. By law the corps is permitted to contract to perform work outside the United States, and its expertise is in demand. Ironically, the Corps of Engineers did more work in Saudi Arabia last year than in America.

According to the General Accounting Office, a corps flood control project takes an average of 26 years to complete, from the time that Congress initiates a feasibility study to the time that construction is actually finished. Over half of this time is attributable to the congressional authorization and appropriations process. Part of it also results from the corps' past insensitivity to the environmental impacts of its projects which stimulates local opposition and litigation. However, since the enactment of the National Environmental Policy Act [NEPA] in 1970 and implementation of programs like the section 404 permit process which requires cooperation by the corps with the EPA and the Department of the Interior, the corps has made significant progress in this area.

The cost of the stalemate in water policy has been onerous for the Nation. Our ports remain unimproved and inadequate for modern commerce at a time when we must address our trade imbalance. Our inland waterways require lock replacements to relieve critical bottlenecks that hinder the orderly shipment of goods. Hydropower projects, remarkably clean energy sources, need to be built in areas suited to their development. As the devastating floods in the West have recently reminded us, dams and levees need repair and upgrading.

HALTING BUSINESS AS USUAL

The time is long past to halt the "business as usual" way of funding water projects. The old free-booting days—when whoever was chairman of the subcommittee got two dams; the ranking minority member got one, everybody else on the committee got a promise; and nobody else got any—must yield to sound technical review, environmental impact analysis, and the budget deficit.

As managers, of earlier incarnations of water bills, we have fought again and again against piecemeal appropriations and last-minute project additions which make a mockery out of the congressional authorization and corps' planning process.

S. 1567, THE WATER RESOURCES DEVELOPMENT ACT OF 1986

Now we have the best opportunity in 10 years to pass a bill that radically reforms the water project process. S. 1567, the Water Resources Development Act of 1986, provides a chance to establish a sound new direction for water policy development in the 21st century. This bill, over 6 years in formulating, has bipartisan support. Nevertheless we must ensure that its sweeping reforms are not weakened by amendment on the Senate floor. Moreover, we in the Senate will have the challenge in conference of reconciling our bill with the House bill, H.R. 6, which contains more than $10 billion worth of additional authorizations.

The fundamental principle of the Water Development Act of 1986 is establishment of a working partnership among the Federal Government, the Corps of Engineers, and local interests benefiting from projects. The bill initiates a system of cost sharing as well as national and local user fees, guaranteeing that non-Federal interests will have a share in planning, financing, and maintaining water projects.

COST SHARING AND USER FEES

Under S. 1567 the non-Federal interests will have to contribute up to 60 percent of the costs of large ports; 50 percent for inland navigation locks; and 5-percent cash for flood control projects. A new ad valorem cargo fee paid by shippers will recover 40 percent of port operation and maintenance costs, and a doubling of the barge fuel tax by 1997 to 20 cents a gallon will generate about $120 million annually to finance half the costs of inland waterway projects.

PROJECT STUDIES

As important a reform as financing projects is the new method of financing project studies in S. 1567. Under current law, if requested by local sponsors, the corps has been obliged to undertake feasibility studies at full Federal expense. Since no local contribution was required, these studies often wasted corps' resources on impractical projects. Only 30 percent of all project studies have produced recommendations to build.

Under the new approach, the corps will provide at Federal expense an initial reconnaissance study to be completed in 12 to 18 months. If warranted, the next step is a full feasibility study to be cost shared 50-50 by the Federal Government and local sponsors. The bill also provides "value engineering reviews" to increase the efficiency of corps plans and increased opportunities for competitive bidding. This will ensure that only those projects supported by local interests will proceed, and then only on a practical scale and at a prudent cost.

LOCAL DESIGN AND CONSTRUCTION OPTIONS

A related improvement will give local port officials more flexibility. They will be able to design their own projects and finance them jointly with the Federal Government; to receive design services from the corps and complete construction on their own; or to design and construct from start to finish jointly with the Federal Government. This will allow private interests to build projects more economically wherever feasible.

AUTOMATIC DEAUTHORIZATIONS

The unwieldly water planning process has left the Federal Government with a pool of authorized, but unobligated corps construction work of close to $36 billion. Under the old system, this amount plus the new amount authorized by the Water Development Act of 1986, about $48 billion, would have been theoretically available to be appropriated during any fiscal year. S. 1567 remedies this by automatically deauthorizing any projects which have not received funding for 10 years. Estimates are that projects eligible for this deauthorization total about $26 billion.

And as a further check on unnecessary spending, S. 1567 sets a limit of $1.3 billion in the annual obligation ceiling on construction activities on the corps.

In the past, projects authorized and added to over the years grew and grew, escaping comprehensive review by Congress or agencies independent of the corps. An example is the Tennessee Tombigbee Waterway, a 234-mile long system of rivers, dams, locks, and canals that was debated for decades, finally costing over $2 billion. I led the floor fight to deauthorize this project

In 1981, because I believed that the economics did not justify Tenn-Tom. Unfortunately, we lost that fight 48 to 46.

A recent study shows that the Tenn-Tom traffic is only 6 percent of the tonnage predicted by the corps 10 years ago. Moreover, due to the untoward environmental consequences of Tenn-Tom, the Corps of Engineers will perform $60 million of mitigation work to offset the waterway's impact. S. 1567 will prevent Tenn-Toms in the future by requiring the corps to return to Congress for review and reauthorization if costs increase significantly, or if physical alterations are made to the original plan.

MITIGATION OF DAMAGES TO FISH AND WILDLIFE

Another longstanding problem which S. 1567 addresses is adequate protection for and mitigation of damage to wildlife and fish habitat from corps' projects. To assure balanced development, the bill builds mitigation measures into every step of the construction process, in consultation with the appropriate Federal and non-Federal wildlife agencies.

NEW INITIATIVES

A select number of new initiatives are included in S. 1567 to address urgent needs. These include a dam safety and repair program, a national coastal erosion program to respond to climatic changes, and research on protection of one of the most vital of our Nation's aquifer's the Ogallala. The bill also provides authority for the first time for the corps to extend its services to States and non-Federal agencies on a reimbursable basis.

The bill also authorizes 181 new water projects, all of which have received the most thorough, objective economic and environmental reviews in history. No project has been included in S. 1567 which has not completed the entire corps planning process, withstood its NEPA analysis, and received a favorable recommendation by the Chief of Engineers.

The number of water projects in S. 1567 is not trivial, but one must bear in mind that it has been 10 years since such authorizing legislation has passed. Half of the new projects in the bill are for flood control measures in local communities, a need too vividly illustrated by the recent floods in the West.

THE ALTERNATIVE

The Water Resources Development Act of 1986 is a reform bill which will chart a new course for responsible water development into the next century. The alternative to S. 1567 is to abandon the Federal role in planning and management of these projects, and thus to accept the inevitable deterioration of our country's water infrastructure. This bill has been over 10 years in the making. The time has come to resolve this debate.

Mr. President, I wish to make three points:

The chairman and I have pointed out that there are 181 water projects in this bill.

I have served on this committee for nearly 10 years, part of them as chairman of the subcommittee. In those 10 years the Corps of Engineers has commenced three water projects—only three. Mr. President, an institutional gridlock has arisen that has made us institutionally not capable of attending to the fundamental public works enterprises of this country. It was the early commitment of the Federal Government to infrastructure development that led to the creation of the first comprehensive transportation system which in turn transformed agricultural practices in this country.

Mr. President, here is the situation we find ourselves in presently. Last year the U.S. Corps of Engineers carried out more construction in Saudi Arabia than it did in the United States. If that is a condition my colleagues believe reflects our Nation's proper priorities, my colleagues have the power to defeat this bill. It is not difficult to stop such a bill. This bill has been defeated year after year. There was a minor bill passed 10 years ago, and it has been 16 years since a major bill passed.

We have reached the regrettable point in this country where it takes 26 years from start to finish on a typical flood control project by the Corps of Engineers. Yet, the Corps is building projects the world over. We respect the Corps right to perform reimbursed services outside the United States. But when we reach a point that the Corps of Engineers carries out more construction in Saudi Arabia than in the United States of America, it is time for a water bill for this country.

We have one. It will be the Senate's choice, whether it is enacted.

Mr. President, I see that the distinguished Senator from Tennessee has risen, and I believe he has an amendment.

Mr. GORE. Mr. President, I send an amendment to the desk.

Mr. STAFFORD. Mr. President, I wonder if the Senator will yield a minute. We have not finished opening statements on the bill yet.

Mr. GORE. I yield.

Mr. STAFFORD. If the Senator will withhold until we can complete the opening statements we would appreciate it, unless there is some very pressing reason.

The PRESIDING OFFICER. I remind colleagues that the committee amendment is still pending, and it is not appropriate for other amendments to be introduced at this time.

Mr. GORE. Mr. President, I withdraw my amendment at this time and will introduce my amendment at a later time.

I apologize to the chairman of the full committee.

Under some time pressure, I thought we had worked out an agreement to do this quickly and early on. I will wait and do it at a later time.

Mr. President, I yield the floor.

Mr. STAFFORD. Mr. President, I urge the Senate pass S. 1567, the omnibus Water Resources Development Act.

Mr. President, today's debate offers the Senate the opportunity to enact the first major water resources development law in a decade.

Because of this long delay, the bill the committee brings to the floor is necessarily expensive. But it contains many new policies designed to make the program more efficient.

This bill contains projects that have been in the pipeline of the U.S. Army Corps of Engineers for many years. In fact, the total cost of this bill, with the amendment offered by the committee leadership, will be $12 billion.

If we had brought this bill forward under the old system of cost sharing, almost all of that $12 billion would have been borne by the Federal taxpayers.

But this bill is different. It has been drafted recognizing the new realities of the deficit and national priorities. The Federal up-front cost of this bill is estimated to be $9 billion, while non-Federal sponsors and beneficiaries will contribute some $3 billion toward the initial project costs.

This bill contains a number of additional initiatives and reforms that will make the Federal water resources program more responsive to the needs of our nation.

These reforms are critical to the adoption of this bill.

I support these reforms.

The administration supports these reforms.

And, I must stress for my colleagues, we will not obtain a new water resources law without these reforms.

For the benefit of my colleagues, Mr. President, I will outline the path that brought us to this point.

The real issue in water resources development, it seems to this Senator, is not whether there should be a Federal program, but how to pay for that program.

Three times in the past decade, Congress sought to develop omnibus water resources legislation.

Three times we failed.

Each of these failures foundered on the shoals of how to allocate project costs between Federal taxpayers and project beneficiaries.

In an effort to move this issue off dead center, President Reagan more than 2 years ago wrote on this subject to our colleague, the distinguished Senator from Nevada [Mr. LAXALT]. In that letter, the President said, in part:

> Project beneficiaries, not necessarily governmental entities, should ultimately bear a substantial part of the cost of all project development.

To carry out that policy, the administration submitted a major water resources initiative in the 98th Congress. It submitted two major bills in this Congress: S. 534 and S. 967.

Each bill altered the manner in which many Federal water resources projects are financed, while offering the opportunity to accelerate dramatically the development of priority work.

In transmitting these bills to Congress, the Assistant Secretary of the Army, Civil Works, Robert K. Dawson, offered these observations:

> Virtually every study of Federal water resources development projects undertaken in the last 10 years, including studies by the General Accounting Office and the Congressional Budget Office, has concluded that the traditional Federal subsidy for water projects is no longer justified. Since the administration of Franklin Delano Roosevelt, the executive branch has been recommending increases in user charges or revisions in costs sharing for Federal water projects. . . .

Strong leadership from the White House was countered with strong opposition from various water interests.

In an effort to unravel these difficulties, the leaders of several Senate committees met last summer with officials of the White House. We met on several occasions. Eventually, we worked out an agreement.

The agreement from last summer is the heart of S. 1567.

It contains three key components:

One, new, up-front cost sharing for flood control and harbor construction projects.

Two, a new ad valorem harbor maintenance tax, and an increase in the existing barge fuel tax.

Three, no major new programs or projects lacking adequate study by the Chief of Engineers.

If we are to obtain a bill the President will sign, I am convinced we must send him legislation that holds to the cost sharing principles in this bill, as well as to its $12 billion cost.

We must be realistic with ourselves, as we are realistic with the American people.

It is realistic to say that there will be no major increase in Federal spending on water resources development in the coming years. Any major increases in spending must come from non-Federal sources: Beneficiaries, users, and shippers.

Without that participation, development is certain to continue to dwindle.

The current level of Federal spending in Corps of Engineers construction is around $1 billion a year.

If we are able to hold spending at that figure—$1 billion-a-year—this bill alone will carry us to the year 1995.

By contrast, the far more expensive House bill would carry us well into the 21st century.

And this assumes we will spend not a dime of Federal money on ongoing work, that we will not chew into the backlog of authorized corps work, which now exceeds $35 billion.

It is important that we hold to what is realistic, to what can be achieved. That is what this bill is all about.

Before discussing to the major cost sharing components in this bill, I would like to describe some other provisions of importance.

For example, S. 1567 places new, realistic controls over the work of the U.S. Army Corps of Engineers.

The program of the corps is not a program at all, as we usually authorize on Capitol Hill. Instead, it consists of a vast universe of authorized projects, a universe this bill expands by $12 billion. All of those projects can, theoretically, go forward at once.

To improve program management, we have included the following controls:

Title I sets annual dollar limitations on obligations for the construction program of the Corps of Engineers for each of the next several years. This limitation is designed to assure that the new authorizations cannot get out of hand, and that this bill will, in no way, be a budget-buster.

Section 212 requires that each project authorized in this bill must be reviewed favorably by the Chief of Engineers before it can be implemented.

Section 213 sets a limit on any dollar increases on a project. Thus, a $200 million project can no longer balloon into a $2 billion project, without restudy and reapproval in the Congress. We expect cost estimates to be valid the first time, or the project will have to be reauthorized.

Section 218, recommended by the distinguished Senator from New Hampshire [Mr. HUMPHREY], prevents any project going forward if certain program parameters are increased by more than 25 percent. If such an increase occurs, the project would have to be reauthorized.

Section 223, long recommended by Senator CHAFEE, requires cost sharing on feasibility studies, to see if local beneficiaries are serious about the project. Under our language, the Federal Government will pay the full cost of the reconnaissance study, with the Federal Government and the non-Federal Government sharing the costs on the second stage, the feasibility study.

Beginning in fiscal year 1984, the Secretary of the Army has adopted the concept of sharing the cost of feasibility studies, and has signed agreements with a number of sponsors obligating the sponsor to pay half the study costs. There are 54 studies in the

1987 President's Budget that carry this 50-50 cost sharing.

Section 237 requires that all new projects carry cost sharing, unless specified to the contrary. This is an important provision to assure greater uniformity within the corps program.

Mr. President, each of these constraints is merited. Each is needed. Each will make the Corps of Engineers program more responsive to the Congress and the American people.

This bill also contains several items of particular interest to this Senator and to the people of Vermont.

In the northern regions of the country, many communities suffer from flooding as a result of the build up of ice dams during the winter and early spring. Ice piles up to impede streamflow, causing flooding and, in many cases, severe bank erosion.

Many communities are unable to prevent or remove these ice dams, which produce extensive damages.

By spending a relatively small sum on river ice control research, including loaning equipment and providing operator assistance and other technical aid, the corps should be able to prevent many millions of dollars in flood damages annually.

Section 209 establishes a 5-year program of research and assistance to local communities for the control of river ice. A total of $5 million is authorized for each of those years.

This section also authorizes $900,000 for a small demonstration project for innovative techniques on river ice control at Hardwick, VT. The bill directs the corps to work with the town of Hardwick to develop the most effective ice control plan. As part of this authority, the corps will undertake research and monitoring, as well as the development of ice retention devices, plus the clearing and grading of lands to reduce the ice flooding danger.

I anticipate that useful designs for ice-retention structures will come from the Hardwick demonstration project. I should be noted that the reach of river affected by the Hardwick project is used extensively by whitewater canoeists, and is largely unspoiled. This section assures coordination between the corps and officials of the town of Hardwick, who have worked so hard and so effectively to meet the needs of the Hardwick area.

Section 210 authorizes the Corps of Engineers to provide engineering and technical assistance to local communities for rebuilding or improving former small-scale hydroelectric facilities and other industrial sites that have hydroelectric potential. A total of $5 million for each of 5 years is authorized.

On request of a local government or an electric cooperative, the corps will provide technical assistance on the design and construction of a project to utilize an existing site for power generation. Project construction would be carried out at non-Federal cost.

The corps has estimated that there are between 30,000 and 40,000 sites throughout the United States that, by virtue of their design and location, offer viable opportunities to generate hydroelectric power. Local communities and the Nation would profit and become more energy independent by utilizing the energy potential of these facilities.

Section 305 directs the corps to renovate the concrete work on Waterbury Dam in Vermont. This safety work, together with any needed for seismic purposes, will assure the continued usefulness of that federally constructed dam.

Section 330 directs the corps to establish a system to permit salmon to bypass two corps dams in Vermont, allowing the salmon to reach their spawning grounds.

Mr. President, I also wish to bring to the attention of my colleagues several smaller, but important, policy initiatives that are embodied within the bill.

For example, section 221 authorizes a study of a potential rise in the level of the ocean.

From all the climatic information available, it appears as if the ocean will rise significantly during the next century, as the greenhouse effect continues to melt the ice cap. Section 211 authorizes the corps to examine its current programs and authorities to determine what can be done to prepare for that eventuality.

Section 224 establishes a responsible approach on fish and wildlife mitigation, defining policy regarding mitigation at water projects constructed by the Corps of Engineers.

Non-Federal interests often are reluctant to support fish and wildlife mitigation efforts, once a project is in place. To assure balanced development, this section establishes several basic goals:

First, in cases of projects authorized by this act, as well as other authorized projects not yet under construction, necessary mitigation will have to be undertaken prior to project construction, or concurrent with that construction. The corps shall determine which alternative is appropriate.

Second, the Secretary is permitted, without further congressional authorization, to mitigate damage to fish and wildlife for any project under his jurisdiction, up to an annual limit of $30 million.

When dealing with older, completed projects, this section is permissive. The corps is not expected to alter the design features of a completed project under its authority unless it has been ordered to do so by the courts.

Next, mitigation costs are to be allocated among the project purposes and will be subject to the applicable cost sharing and reimbursement for those purposes. For example, if a project has 60 percent flood control benefits and 40 percent water supply benefits, 60 percent of the mitigation costs would be allocated to flood control and 40 percent to water supply, with cost-sharing or repayment based on those purposes.

Next, future proposals for water resources projects submitted to Congress for authorization must include a recommendation for a specific plan of mitigation, or a finding that the project will have a negligible adverse impact on fish and wildlife.

Mr. President, I also wish to comment on section 326. This section involves the Big South Fork National Recreation Area in Kentucky and Tennessee. This project was the inspiration of two of our most beloved and respected former colleagues, Senator Howard Baker and Senator John Sherman Cooper. The sum now authorized for the Big South Fork is $103,552,000, with corps scheduled to complete that expenditure in the fall of 1987.

When this level of authorization is used up, the recreation area will be able to accommodate only an estimated 30 percent of its potential visitors. Section 326 will provide funds for inflation, plus an additional increment of the project, an increment that will increase greatly the visitor use of the area.

I am particularly pleased the committee leadership amendment includes language that will bring the Water Supply Act into line with S. 1567. The changes follow closely on the language in S. 968, legislation I was honored to introduce last April.

We have also included in that amendment a revised version of the Upper Mississippi River Master Plan. It is important to note that I believe the two components of section 504—the second look at Alton as well as the vital environmental work—go forward in lock step. That is the intent, if not the requirement of this new section.

Mr. President, I have saved the most controversial items for the last. The guts of this bill, the guts of the controversy that led to this bill, is cost sharing, particularly cost sharing on navigation projects.

Titles 5 and 8 affect inland navigation. I believe these titles are responsible and responsive to the needs of the waterway users.

Current law imposes a 10-cents-per-gallon fuel tax on operators along 40 percent of our waterways. That tax, will bring in about $50 million this year, around 10 percent of the Federal spending on the commercial components of the inland waterways.

Several years ago, a corps study indicated that between now and early in the next century, "70 locks are candidates for major renovation or replace-

ment. Forty-four of those locks are probable sources of significant congestion and delay."

To help resolve this challenge, the Congressional Budget Office has urged the Congress to correct water project inefficiencies by "adjusting Federal user fees both to produce a reliable measure of national needs and to correct present misalignment among users."

The CBO went on to say:

To the extent that users of services are willing to repay the government for investments made in their behalf, revenues become available to support those projects. But to the extent that higher fees prompt users to reduce demand, investment needs decline. When high fees cause reductions in demand, investments can be tailored accordingly.

One expert on public works investment, Pat Choat, offered the following comments on user charges:

A major portion of the nation's public works financing can be met by more creative and extensive application of user fees. User fees are politically effective since users of public works services pay while non-users do not. They are also economically effective since they can raise substantial quantities of funds.

User fees have many other advantages as well. By reducing pressures on general revenue sources, for example, fee-for-service charges diminish the political competition for funds. User fees also establish a more direct relationship between prices and consumption and real costs. The General Accounting Office, in a series of analyses of federal aid for urban water distribution systems, found that both management and financing were better where fee-for-service financing existed. In these communities, actions had been taken to improve conservation, reduce leakage and control other non-revenue-producing water uses, such as meter under-registration. User charges can be tailored and applied to virtually every type of public facility. Moreover, special income adjustments for the poor can make user fee financing equitable to all.

What S. 1567 does is to allocate the existing fuel tax, paid into the Inland Waterway Trust Fund, toward half the cost of the new inland waterway projects authorized in this bill; the remaining half of the cost would come from general revenues.

To keep up with inflation, the bill increases the fuel tax a penny a gallon, until the fuel tax reaches 20 cents a gallon in 1997.

While it is not determined in this bill, I would assume future project authorizations will be financed from the Inland Waterways Trust Fund. And I would urge my colleagues never to use a surplus in the fund as an excuse to reduce the fuel tax. If we even hope to cut into that need of 70 new locks in less than two decades, we must find sources of revenue beyond the general taxpayer.

Mr. President, I ask consent that a table prepared by the Corps of Engineers showing the growth pattern of the Inland Waterways Trust Fund, assuming passage of S. 1567, be printed at the conclusion of my statement. At some point in the future, we will obviously have to confront the question of utilizing the fund for more projects.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit 1.)

Mr. STAFFORD. Mr. President, let me turn now to the issue of ports and harbors. On these projects, taxpayer spending is now high, recovery from beneficiaries nil.

Traditionally, Federal expenditures have been spread broadly, but thinly, among the Nation's ports. Rather than target the Federal investment, funds and work have been distributed widely among many ports along four coasts: 48 ports now have authorized depths of 40 feet or more. When one port obtains a deeper channel, many others have sought and received the same.

While valuable in the past, this approach now thwarts the Nation's ability to develop the few deep harbors we need to handle the larger, more cost-effective superships. Most studies set the cost of a typical 55-foot harbor at close to half a billion dollars. The Federal Government will not finance work, in any timely manner, on any of the 34 ports that were identified by the Federal Coal Export Task Force as potential sites of major coal export harbors.

If the Federal Government continues to fund fully new development, a number of 55-foot ports might exist by the early years of the 21st century. However, the necessary three or four 55-foot ports are unlikely to be developed in this century.

To obtain early development of a few superports, a politically neutral force—the marketplace—must become a major factor in site selection of financing. A system of local financing, where a port authority or local government goes to the bond market and potential users to test the economic viability of the project, provides this neutral force.

This approach will break the cycle of inaction. It will achieve harbor dredging projects in a more timely and economical fashion.

Unless a Federal policy can be developed that recognizes and encourages local initiative, the slow and fruitless pace of development seems certain to continue.

Even with the present, depressed transportation costs for moving coal from the east coast to Europe, savings will be substantial.

Shipping rates on a 60,000-ton collier from Norfolk to Northern Europe now run about $5.50 a ton. The price from Gulf of Mexico ports to Northern Europe runs a bit over $7 a ton. Shipping the coal on a 90,000-ton ship that could use a 50-foot channel would save about 20 percent—a bit over $1 from Norfolk; about $1.50 from New Orleans.

Those savings can be doubled with a 140,000-ton collier, drawing 55 feet.

What does that mean? It means savings in shipping costs from Norfolk of close to $100 million per year, more than enough to amortize bonds under this bill, while leaving millions of dollars annually for shipper profits and to lessen the price of American coal on world markets.

And if business and rates pick up, as appears likely, the relative savings will be far greater.

Shifting some of the cost of new port projects to the private sector will require shippers to pay somewhat higher port fees. But in return, they will obtain early action on projects providing a net economic gain to those very same shippers.

As reported by the committee, title 6 sets a three-tier system for non-Federal cost sharing on new harbor construction projects: 10 percent on projects to 20 feet; 25 percent on projects between 20 and 45 feet; and 50 percent on the few superport projects, those deeper than 45 feet.

If the non-Federal interests are unwilling to make such an investment, there would appear to be no true need for the projects, no matter who finances it.

In a related issue, title 8 contains a new harbor maintenance tax set at 4 cents per $100 of value of the cargo moving through our ports.

This tax will raise about 40 percent of the cost of annual harbor maintenance work, helping to offset this drain on the Treasury.

Mr. President, I would now like to discuss the merits of title 7, which involves nonnavigation cost sharing.

Title 7 spells out precisely new rules for cost sharing on projects, or separable elements of projects not yet under construction.

The key item in title 7 is flood control cost sharing, where we have set the basic standard at 25 percent of the project's cost, or, if it is higher, the requirement in existing law that local interests contribute lands, easements, and rights-of-way of the project, plus the new requirement for 5 percent cash.

This standard is reasonable and realistic.

But, it is important to note that the committee bill is flexible on cost sharing. One of the most significant items is section 701(h). Subsection (h) allows the corps to modify cost sharing on the basis of a community's ability to pay.

The corps will need to look carefully at the requirements for local cost sharing, particularly as they affect very small communities. Many of those communities have limited resources to call upon toward contruc-

tion of a flood control project. For example, the citizens of Richford, VT, may require special consideration for a project the corps plans to build to control ice flooding.

Finally, Mr. President, I would like to explain for the benefit of my colleagues some of the facts regarding the various dates in Public Law 99-88, and the relationship of those dates to S. 1567.

My colleagues will recall that Public Law 99-88, the Supplemental Appropriations Act of 1985, contained appropriations to start construction on a number of water resources projects, some of which had not been authorized.

Under this law, no project for which a new-start appropriation was made can be initiated until May 15, 1986, unless an omnibus bill, such as S. 1567, passes Congress and becomes law before that date.

Specifically, the law says that all projects "shall be subject to subsequent enactment of legislation specifying the requirements of local cooperation for water resources development projects under the jurisdiction of the Department of the Army and where appropriate, to enactment of needed authorizing legislation; except that this sentence shall not apply after May 15, 1986."

Following May 15, 1986, even if there is no omnibus law, projects may go forward, but only if cost-sharing agreements have been reached, in line with the cost sharing spelled out in our reported version of S. 1567.

If no individual agreement on a particular project is signed by June 30, 1986, the appropriation for that project will lapse. The law states "that the funds appropriated herein shall lapse on June 30, 1986, if the agreement required herein for that project has not been executed."

The agreement language states that no funds may be expended except "under terms and conditions acceptable to the Secretary of the Army (or under terms and conditions provided for in subsequent legislation when enacted into law) as shall be set forth in binding agreement with non-Federal entities desiring to participate in project construction."

Before closing, Mr. President, I wish to particularly single out four members of our Committee on Environment and Public Works who have devoted great effort over the years to the development of this important bill.

Our subcommittee chairman, Mr. ABDNOR, of course, has been most diligent in developing this bill. His unstinting work and innovative ideas have been essential to the bill before the Senate. He deserves the warm and full praise of each and every member of the Senate. He deserves the applause of the Nation.

The Senator from New York [Mr. MOYNIHAN] has been a pillar of strength. He has worked tirelessly with others to develop a balanced bill. His thoughtful ideas have been essential in the reasoned development of good legislation.

The ranking member of our committee, Mr. BENTSEN of Texas, has also served along and with distinction in developing this legislation.

And the Senator from New Mexico [Mr. DOMENICI] deserves special attention. He spent a number of years as ranking Republican on the Water Resources Subcommittee. During that time he developed many of the concepts and provisions that remain embodied in this bill. We are in his debt.

Mr. President, in summary, this is a good bill. It deserves our support.

I urge passage by the Senate.

EXHIBIT 1

INLAND WATERWAYS TRUST FUND

As of December 31, 1985, there was $212 million available in the Trust Fund. The estimated balance in the Fund at the start of Fiscal Year 1987 is $254 million. The income, expenditures, and financial status of the Fund for each of the next 15 years is shown below. The estimated outlays are based on only the six projects authorized in S. 1567: Oliver L&D, Bonneville L&D, Gallipolis L&D, Grays Landing L&D 7, Point Marion L&D 8, and L&D 26 2nd Lock. It is likely that additional projects would be authorized to be funded from the Trust Fund during the 15 year period. Income is a combination of receipts based on the new next tax rates contained in S. 1567 and interest on investments based on current estimates of interest rates through fiscal year 1990 and the fiscal year 1990 rate of 5.5 percent from fiscal year 1991 through fiscal year 2001. The estimated annual growth rate of commercial transportation on inland waterways is 2.2 percent for the 15 year period.

Fiscal year	Income	Expenditures	Balance end of period
1987	76	27	303
1988	80	51	332
1989	83	100	315
1990	87	134	268
1991	92	125	235
1992	101	34	302
1993	112	45	369
1994	124	43	450
1995	137	27	560
1996	153	10	703
1997	170	3	870
1998	182	0	1,052
1999	195	0	1,247
2000	209	0	1,456
2001	224	0	1,680

Mr. STAFFORD. Mr. President, in recent weeks, I have received a number of letters regarding the administration's views on S. 1567. Because of the important role the administration has played in the development of this bill, I ask that the full text of these letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE ARMY,
Washington, DC, September 17, 1985.

Hon. ROBERT T. STAFFORD,
Chairman, Committee on Environment and Public Works, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: This is in response to your recent letter requesting by views on various requests and suggestions for amendments to S. 1567 received by the Committee. I am also providing views on an additional item forwarded for comment by Mr. Harold Brayman of the Committee staff.

My views on each of the items are as follows:

CADY MARSH DITCH (LITTLE CALUMET RIVER), INDIANA

The feasibility report on the Little Calumet River Basin, Indiana, which also addresses the flooding problems in the Cady Marsh Ditch watershed, is currently under review at the Office of the Chief of Engineers. As you know, this office does not support authorization of any proposed project until the feasibility report has been reviewed and endorsed by this office and the Office of Management and Budget.

In regard to the specific issue involving Cady Marsh Ditch, this office has not had the opportunity to review the project report, and, therefore, we are not in a position to comment whether or not an exception to our long-standing policy establishing minimum flood discharge criterion is warranted in this case. It should be mentioned, however, that the discharge criterion, which was established to provide a uniform standard to differentiate between local drainage problems and flood problems eligible for Federal assistance, was adopted after lengthy and careful deliberation.

LONG CREEK CANAL, VIRGINIA

The City of Virginia Beach is seeking reimbursement for work undertaken by the City in 1977 to correct a scouring problem in the vicinity of Virginia Route 615 bridge caused by the Federal navigation project at Long Creek Canal.

Following completion of the existing Federal navigation project in 1966, erosion and deepening of the canal channel below project depth occurred in the vicinity of the bridge. Subsequently, the City of Virginia Beach advised the Corps of Engineers of the problem, and eventually, after requesting Federal assistance and before Corps investigations could be completed, was found by jury trial to be responsible for correction of the problem. The City then initiated remedial construction work at its own expense. Corps studies under Section 111 of the River and Harbor Act of 1968 were terminated after work was started by the City. However, investigations had progressed to the point they were able to determine that the erosion problem was caused by the navigation project and Congressional interests were so notified. Because the actions of the City were appropriate, reasonable and, apparently, effective, we would have no objection to a provision authorizing reimbursement. We would recommend, however, that any such provision provide for a determination that the work has been acceptably completed, that reimbursement be limited to necessary and actual costs, and that acceptance of funds by the City forecloses future claims.

SANTA ANA RIVER (PRADO DAM), CALIFORNIA

We have no objection to further review of the feasibility of including conservation storage at the Prado Dam and Reservoir

project although storage for this purpose has previously been found to be infeasible.

OUACHITA-BLACK RIVER NAVIGATION (ROAD DAMAGES), ARKANSAS

Union County cites that two county roads handled 95 percent of the equipment and materials for the construction of the Calion and Felsenthal Locks and Dams (part of the Ouachita and Black Rivers Nine-Foot Navigation project) resulting in extensive road damage and requiring repair estimated to cost $700,000. The County wants the Federal Government to repair these roads.

Besides the fact that Union County furnished the Corps assurances in 1962 that the County would hold and save harmless the United States Government from damages resulting from Ouachita-Black River Navigation project, our policy on such issues is that it is the local jurisdiction's responsibility to ensure that contractor's vehicles are not overloaded.

PHILLIPS COUNTY (HELENA HARBOR), ARKANSAS

Although the proposed project at Helena Harbor, Arkansas, is currently included in Title VII of S. 1567, we continue to oppose Federal implementation of this project. By letter dated July 6, 1984, this office informed Congress that creation of flood-free landfill through the use of material dredged from an adjacent channel was feasible, but that this development was most appropriate for implementation by local interests in response to market conditions. Their costs should be recoverable through the sale or lease of the landfill. Therefore, no further planning or development activities by the Corps are warranted at this time.

JACKSONVILLE HARBOR (MILL COVE), FLORIDA

S. 1567 would authorize the Mill Cove project in accordance with the report of the Chief of Engineers. The Chief recommended modification of the existing Federal project for Jacksonville Harbor to provide for flow and circulation improvements and small-boat navigation improvements for Mill Cove at full Federal cost.

Based on subsequent review of the report by this office and the Office of Management and Budget, this office advised Congress by letter dated June 1, 1984, that the flow and circulation component of the project should be authorized for construction, as a Federally-funded activity, but that the small-boat navigation improvement should not be authorized since that feature is not a necessary component for mitigation of the shoaling. Provided the authorizing language in the bill is revised to reflect the preceding, this office has no objections to authorizing the flow and circulation improvements at full Federal cost.

Sincerely,

ROBERT K. DAWSON,
Acting Assistant Secretary of the Army (Civil Works).

DEPARTMENT OF THE ARMY,
OFFICE OF THE ASSISTANT SECRETARY
Washington, DC, November 1, 1985.

Hon. ROBERT T. STAFFORD,
Chairman, Committee on Environment and Public Works, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The purpose of this letter is to advise you of the Administration's remaining major concerns with S. 1567, the "Water Resources Development Act of 1985", and to request your consideration and assistance in including a number of technical amendments (copy attached) as part of any amendments offered by the Committee during Senate floor action on the bill. We believe these amendments are of a limiting or clarifying nature that are critical to sound implementation of S. 1567, if enacted.

As you know, the Administration fully supports the basic cost sharing and navigation user fee provisions of the bill. We also appreciate the Committee's efforts to limit the number and size of programs and projects which the Administration opposes, as well as the Committee's adoption of the Section 237 provision which would subject many of the programs and projects in Titles II and III to the cost sharing and financing provisions of the bill.

Nevertheless, the bill still contains a number of programs and projects which we believe do not warrant Federal assistance or involvement, particularly at this time of large Federal deficits. Without reiterating our specific objections in detail to the individual provisions which we have previously provided in testimony, letters, and staff discussions, our major concerns, besides the New York State Barge Canal provisions in Title V, are with the programs proposed for authorization in Title II and with the various projects and project modifications proposed for authorization in Title III.

In addition to recommending deletion of provisions of the bill which the Administration continues to oppose, we also recommend that a number of provisions be modified either to improve their implementability or for the purpose of clarification. These technical amendments together with the purpose of each amendment are attached for your consideration.

I would also like to mention three other concerns which we have not raised previously but which we believe the Committee needs to address. The first involves Section 215, the Federal Project Repayment District provision. This provision would attempt to provide project sponsors greater flexibility to satisfy the cost sharing provisions of the bill by permitting the sponsors to establish repayment districts which would repay the Federal Government by imposing charges or fees on property transfers. This provision must be modified to include other ways for the districts to generate revenues or it will be impossible to guarantee repayment to the Federal Government over the reimbursement period.

The second concern is with the grandfathering portion of the study cost sharing provision, Section 223. Reading this section in conjunction with the Committee report could lead one to the conclusion that cost sharing would not be required for the feasibility phase of any study if any part of the study was initiated prior to enactment of this legislation. We adopted the concept of feasibility study cost sharing beginning with our Fiscal Year 1984 budget and to date have signed agreements with 17 study sponsors obligating them to pay 50 percent of any remaining costs after this requirement is activated. We are concerned that section 223 could be interpreted as previously noted and thus jeopardize our proposed cost sharing on these existing and other pending agreements. In order to ensure cost sharing on studies where cost sharing agreements have already been proposed or signed, we suggest that a colloquy during Senate floor consideration and the Conference Report on the bill clarify that this section is not intended to preclude cost sharing for studies: (1) where study cost sharing agreements have already been signed, and (2) for which reconnaissance reports were initiated in Fiscal Year 1984 or later. We do not propose to require study cost sharing where Congress has made specific exemptions.

The third concern is with the Cross-Florida Barge Canal provision, Section 335. Our primary concern is that this provision would place full financial responsibility on the Federal Government for the resolution of this long-standing problem. The State of Florida, the principal beneficiary of this recreational and environmental enhancement provision, would not be required to contribute any share of the costs either to purchase lands for the establishment of the conservation area or for the continued operation and maintenance of the completed components of the barge canal.

I also request your assistance in including a provision to repeal Section 210 of the Flood Control Act of 1968 as part of any amendments offered by the Committee. The Corps can currently collect recreation user fees only from users of highly developed facilities, primarily overnight camp grounds, requiring continuous presence of personnel for maintenance and supervision of facilities. In 1984, the Corps collected $10.5 million in user fees, which was approximately eight percent of the cost to provide recreational services. Our water resources development bill, which you introduced as S. 534 on February 28th of this year, contained a provision to repeal Section 210 of the Flood Control Act of 1968. Section 210 contains a specific restriction to the collection of recreation user fees at Corps lakes and reservoirs. Enactment of this proposal, with the subsequent enactment of additional legislation amending the Land and Water Conservation Fund Act of 1965, as amended, would permit the collection of fees from most users of Corps recreation areas; and, thereby, permit us to continue to provide high quality recreation opportunities at this time of restricted budgets.

Mr. Chairman, I believe that we are very close to developing legislation that the Administration can endorse and support without reservation. Enactment of such legislation will allow the Nation's water program to move forward once again. If we can provide additional information or otherwise be of assistance, please let us know.

Best regards,

ROBERT K. DAWSON,
Acting Assistant Secretary of the Army (Civil Works).

TECHNICAL AMENDMENTS TO S.1567

Purpose: To eliminate any legal or jurisdictional difficulties between this bill and the pending FY 86 energy and water development bill, strike the first obligation limit for the fiscal year ending on September 30, 1986, in Title I, and renumber the obligation limits for the succeding fiscal years appropriately.

Purpose: To preclude one landowner from holding up a project and to remove uncertainty as to timing of payment, amend Section 201(a) to read:

"SEC. 201. (a) Prior to the initiation of construction of any water resources project authorized prior to this Act, in this Act, or subsequent to this Act, which is under the jurisdiction of the Secretary and which can be anticipated to provide flood control benefits, more than 10 per centum of which can be attributed to an increase in anticipated land values to a land owner, the non-Federal sponsor shall agree to pay, for deposit into the Treasury during the period of construction, 50 per centum of that portion of the project's costs allocated to such land

owner's benefit. Such payment is in addition to any other requirements on the non-Federal sponsor for the sharing of project costs."

Purpose: To clarify that Section 221 agreements may be executed for separable increments of the project that may be constructed when the agreement is obtained and to ensure that the interest rate on delinquent Section 221 payments is in conformance with Treasury policy, amend Section 211—

a. By redesignating subsections (a) through (c) as subsections (b) through (d), respectively, and inserting a new subsection (a) as follows:

"SEC. 211. (a) Section 221(a) of the Flood Control Act of 1970 (Public Law 91-611) is amended by inserting the words ', or an acceptable separable element thereof' immediately after 'water resources project' and the words 'or the appropriate element of the project, as the case may be' immediately after 'for the project'.";

b. By redesignating the unredesignated Section 211(b) as subsection 211(b)(1) and adding the following as subsection 211(b)(2):

"(b)(2) The interest rate to be charged on any such delinquent payment shall be at a rate, to be determined by the Secretary of the Treasury, equal to 150 per centum of the average bond equivalent rate of the 13-week Treasury bills auctioned immediately prior to the date on which such payment became delinquent, or auctioned immediately prior to the beginning of each additional 3-month period if the period of delinquency exceeds 3 months."

Purpose: To recognize that there are several legitimate changes which will result in cost increases that are not related to Congress' concerns with cost overruns, amend Section 213 to read:

"SEC. 213. Subject to the provisions and requirements of Titles V, VI, and VII of this Act, the sums to be obligated for any project authorized by this Act shall not exceed the sum listed in this Act for the specific project, as of the month and year listed for such project (or, if no date is listed, the cost shall be considered to be as of the date of enactment of this Act), plus such amounts, if any, as may be justified solely by reason of increases in construction costs, as determined by engineering cost indices applicable to the type of construction involved; by reason of increases in land costs; and by cost increases resulting from modifications due to engineering, economic, and environmental considerations which the Chief of Engineers determines are advisable and which do not increase by more than 25 per centum any of the project parameters set out in Section 218 of this Act."

Purpose: To exempt studies dealing with improvements to the connecting waterways of the Great Lakes from study cost sharing for the same reasons that navigational studies of the inland waterway system are exempt, amend Section 223(c)(2) to read:

"(2) This subsection shall not apply to any water resources study dealing primarily with navigational improvements in the nature of—

(A) a dam, lock, or channel on the Nation's system of inland waterways; or

(B) a lock, channel, or other navigational feature located on the Detroit River, Saint Clair River, Lake Saint Clair, Saint Marys River, Straits of Mackinac, or Grays Reef Passage."

Purpose: To clarify that the provision designed to foster competition in water project construction does not undermine the small business or disadvantaged business set-aside programs nor does it prohibit recordkeeping by contractors when they are best equipped to do so, amend Section 226 by:

a. Adding at the end of Section 226(a) the following sentence: "Nothing in this section affects the Small Business Act of 1958, Public Law No. 85-699, as amended." and,

b. Revising Section 226(b) to read as follows: "It is further the policy of the Congress that to the maximum extent practicable, the Secretary shall not require contractors on civil works construction projects to perform recordkeeping that is, by law or regulations, the responsibility of the Secretary."

Purpose: To clarify that study cost sharing for commercial channel or harbor studies or commercial inland harbor studies is the same as the study cost sharing provided in Section 223, amend Section 601(a) to read:

"SEC. 601. (a) Following the date of enactment of this Act, feasibility studies of any proposed commercial channel or harbor or commercial inland harbor project plan shall be initiated by the Secretary only in accordance with the provisions of Section 223 of this Act."

Purpose: To ensure that separable unconstructed elements of otherwise constructed commercial channel or harbor projects and commercial inland harbors projects are subject to the cost sharing requirements and to clarify that bridge alteration costs apportioned in accordance with the principles of 33 U.S.C. 516 (Truman-Hobbs Act) and assigned to commercial navigation projects are subject to cost sharing, amend Section 602(a) to read:

"SEC. 602. (a) For the purposes of cooperative financial development of projects, or separable elements thereof, for any commercial channel or harbor or commercial inland harbor construction, the Secretary shall initiate no such construction project unless an appropriate non-Federal sponsor agrees to construct at its own expense all project facilities other than those for general navigation and by contract to provide during the period of construction of such project, or separable element thereof, the following percentages of the construction cost for general navigation facilities of the project, or separable element thereof, (including the cost of any necessary bridge alterations apportioned in accordance with the principles of 33 U.S.C. 516) assigned to commercial navigation based on the depths below mean low water listed herein:"

Purpose: To clarify the interest rate calculation for reimbursement of harbor construction, amend Section 602(b)(1) to read:

"(b)(1) In addition to the sums required to be paid during the period of construction under the terms of subsection (a) of this section, each non-Federal sponsor shall contract with the Secretary to repay to the United States, over a period not to exceed thirty years following completion of the project, or separable element thereof, 10 per centum of the total cost of construction of general navigation facilities for the project assigned to commercial navigation, with interest at a rate determined by the Secretary of the Treasury. In determining such rate of interest, the Secretary of the Treasury shall consider the average market yields on outstanding marketable obligations of the United States with remaining periods of maturity comparable to the reimbursement period during the month preceding the fiscal year in which costs are incurred, plus a premium of one-eighth of one percentage point for transaction costs: Provided, That the Secretary of the Treasury shall recalculate the rate of interest every five years. Funds paid under this paragraph shall be deposited into the general fund of the Treasury."

Purpose: To ensure that reimbursement of the Federal share to a non-Federal sponsor undertaking construction of a project previously authorized for Federal construction is limited to projects which remains economically justified and environmentally acceptable and to clarify that reimbursement would be made only if the Secretary certifies that the work was performed in accordance with the approved plans, amend Section 604(e)—

a. By striking the word "section" and inserting in lieu thereof the word "subsection";

b. By inserting immediately before the word "approves" the following: "determines that the project, or separable element thereof, is economically justified and environmentally acceptable and";

c. By shifting the last sentence in the subsection to immediately before the sentence that reads "The Secretary shall regularly . . ."; and

d. By inserting at the end of the subsection a new sentence as follows: "No reimbursement shall be made unless and until the Secretary has certified that the work for which reimbursement is requested has been performed in accordance with the approved plans."

Purpose: To limit the scope of Section 604(f) to Federally authorized projects—

a. Insert the designation "(1)" at the beginning of Section 604(e);

b. Add a new Section 604(e)(2) which reads:

"(2) Whenever a non-Federal sponsor constructs improvements to any harbor in accordance with the terms of Subsection 604(e)(1), the Secretary shall be responsible for maintenance to forty-five feet below mean low water and for 50 per centum of the costs of incremental maintenance deeper than forty-five feet below mean low water.";

c. Delete Section 604(f); and

d. In Section 606(a), change the two references to section 604(f) to section 604(e)(2).

Purpose: To correct a typographical error, in the last sentence of Section 605(c)(2), change the word "objectives" to "objections".

Purpose: To clarify that all commercial navigation projects are exempt from the cost sharing requirements of Title VII, delete the first sentence of Section 701(a) and insert in lieu thereof:

"SEC. 701. (a) Excluding all commercial navigation projects, the construction of Corps of Engineers water or related land resources projects (including small projects not specifically authorized by Congress), or separable elements thereof as determined by the Secretary, on which physical construction has not been initiated, shall be initiated only after non-Federal interests have entered into binding agreements with the Secretary, agreeing to pay 100 per centum of the operation, maintenance, and rehabilitation costs, and agreeing to share in the assigned joint and separable costs of construction as follows:"

Purpose: To ensure that non-Federal interests are required to provide lands, easements, rights-of-way, and relocations for local flood protection projects and to ensure that nonstructural land acquisition flood control measures are retained as viable flood control measures, amend Section 701(a)(1) to read:

"(1) urban and rural flood protection and rural drainage control: not less than 35 per centum, including a cash payment amounting to at least 5 per centum of the assigned costs to be made during the construction period; except—

"(A) for local flood protection projects, the non-Federal sponsor shall agree to: provide all lands, easements, and rights-of-way required for the project; perform all necessary relocations required for the project; and, hold and save the United States free from damages due to the construction, operation, or maintenance of the project except where such damages are due to the fault or negligence of the United States or its contractors. Where the value of the required lands, easements, rights-of-way, and relocations is—

"(i) greater than 20 per centum of the assigned costs, the required non-Federal contribution shall be the provision of the required lands, easements, rights-of-way, and relocations, plus 5 per centum of the assigned costs to be paid in cash during the construction period;

"(ii) less than or equal to 20 per centum of the assigned costs, the Secretary shall consider a non-Federal contribution of 25 per centum, which includes payment by the non-Federal sponsor of not less than 5 per centum in cash of the assigned cost in addition to provision of the required lands, easements, rights-of-way, and relocations, if made during the construction period, to constitute fulfillment of this paragraph; and

"(iii) less than or equal to 20 per centum of the assigned costs, the non-Federal sponsor may elect to make a cash payment of 5 per centum of the assigned costs during the construction period, in addition to the provision of required lands, easements, rights-of-way, and relocations, and to repay in accordance with the terms of this title the additional amount necessary to equal a total non-Federal contribution of 35 per centum.

"(B) for relocation or evacuation nonstructural flood control measures involving the acquisition of land, the value of such lands and other costs associated with development of the intended benefits therefrom shall be excluded from the computation of the cash contribution required from the non-Federal sponsor and the non-Federal sponsor's contribution for such nonstructural measures shall be—

"(i) 25 per centum of the costs assigned to such measures if paid during the construction period, or

"(ii) 35 per centum of the costs assigned to such measures if repaid in accordance with the terms of this title."

Purpose: To subject any delay in the initial payment by the non-Federal sponsor to interest charges, amend Section 701(f) to read:

"(f) At the request of any non-Federal sponsor the Secretary may permit such non-Federal sponsor to delay the initial payment of any non-Federal contribution under this title for up to one year after the date when construction is begun on the project for which such contribution is to be made. Any such delay in initial payment shall be subject to interest charges at a rate determined by the Secretary of the Treasury taking into consideration the average market yields on outstanding marketable obligations of the United States with remaining periods of maturity comparable to the period of delay, during the month preceding the fiscal year in which costs are incurred."

Purpose: To clarify that cost sharing of nonstructural flood control measures is subject to the cost sharing provisions of Section 701, redesignate "Section 702" as "Section 703" and insert a new section as follows:

"SEC. 702. Section 73(b) of the Water Resources Development Act of 1974 (Pub. L. 93-251) is hereby repealed."

DEPARTMENT OF THE ARMY,
OFFICE OF THE ASSISTANT SECRETARY,
Washington, DC, November 20, 1985.

Hon. ROBERT T. STAFFORD,
Chairman, Committee on Environment and Public Works, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: This is in further response to your recent letter requesting answers to four questions. The attached table contains data which answer your first two questions concerning the four superport projects.

In response to your third question, Public Law 97-140 prohibits the Corps from removing any houseboat, floating cabin, marina, or lawfully installed dock or cabin and appurtenant structures from any Corps lake project before December 31, 1989, if the property is maintained in usable condition and does not threaten life or property. If the property is sold, a permit holder cannot transfer the permit to a new owner. The new owner must apply for a lakeshore management permit and, if the privately owned facility meets the permit criteria, permits generally are issued to the new owner. A permit holder never has been able to transfer use of a lakeshore management permit.

In order to provide further information of the lakeshore management program, I have taken the liberty of attaching to this letter a copy of current Corps regulations on that program.

In answer to your last question, we cannot support the acquisition of 67,000 acres of land for mitigation of wildlife losses resulting from construction and operation of the Tennessee-Tombigbee Waterway. I should note that my office is reviewing a report of the Chief of Engineers which recommends the acquisition of 46,800 acres of separable mitigation land and more intensive management of an additional 92,600 acres of land to fully mitigate for the wildlife losses associated with the project. The Chief qualified this recommendation and indicated the Corps will pursue with the U.S. Forest Service the potential for more intensive wildlife management of some or all of the more than 400,000 acres of nearby National Forest lands as a means of reducing the extent of separable land acquisition.

If you require additional information on these or other matters, please do not hesitate to contact me.

Best regards,

ROBERT K. DAWSON,
Acting Assistant Secretary of the Army (Civil Works).

SUPPORT PROJECTS

[Dollars in thousands]

Project	Estimated total cost	First cost		Non-Federal cost/year [4]	No traffic growth		Projected traffic growth	
		Federal	Non-Federal [3]		Annual commerce (thousand tons)	Non-Federal cost per ton	Average annual commerce (thousand tons)	Non-Federal cost per ton
Norfolk Harbor and Channels, VA	[1] $539,000	$202,525	$336,475	$39,536	47,021	$0.84	81,163	$0.49
Baltimore Harbor and Channels, MD and VA	[2] 356,800	168,100	188,700	22,172	25,293	0.88	62,215	0.36
Mobile Harbor, AL	[1] 468,933	247,492	221,441	26,019	14,393	1.81	24,649	1.06
Mississippi River Ship Channel, Gulf of Baton Rouge, LA	[1] 456,000	172,100	283,900	33,358	166,880	0.02	189,425	0.18

[1] October 1984 prices. [2] October 1984 prices.
[3] Assumes all payments made without interest during construction. [4] Annual payment for 20-year bonds at 10 percent.

DEPARTMENT OF THE ARMY,
OFFICE OF THE CHIEF OF ENGINEERS,
Washington, DC, December 13, 1974.
Regulation No. 1130-2-406.[1]

[1] This regulation supersedes ER 1130-2-333 dated 24 Feb. 69.

PROJECT OPERATION, LAKESHORE MANAGEMENT AT CIVIL WORKS PROJECTS

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Appendix A—Guidance for Granting Permits for Private Floating Recreation Facilities.

Appendix B—Application for Lakeshore Use Permit

Appendix C—Lakeshore Use Permit Conditions

Appendix D—Permit (Sample)

1. Purpose. The purpose of this regulation is to provide policy and guidance on the protection of desirable environmental characteristics of Civil Works lake projects and restoration of shorelines where degradation has occurred through private exclusive use.

2. Applicability. This regulation is applicable to all field operating agencies with Civil Works responsibilities. This regulation is not applicable to lake project lands when such application would result in an impingement upon existing Indian rights.

3. References.

a. Section 4, 1944 Flood Control Act, as amended, P.L. 87-874.

b. The Act of 31 August 1951 (31 USC 483a).

c. The National Environmental Policy Act of 1969, P.L. 91-190.

d. The Federal Water Pollution Control Act of 1972 (FWPCA).

e. Title 36, Chapter III, Part 327, Code of Federal Regulations, "Rules and Regulations Governing Public Use of Water Resource Development Projects Administered by the Chief of Engineers."

f. Executive Order 11752.

g. 33 CFR 209.120, "Permits for Work in Navigable Waters or Ocean Waters."

4. Policy.

a. It is the policy of the Chief of Engineers to manage and protect the shorelines of all lakes under its jurisdiction to properly establish and maintain acceptable fish and wildlife habitat, aesthetic quality and natural environmental conditions and to promote the safe and healthful use of these shorelines for recreational purposes by all of the American people. Ready access to and exit from these shorelines of the general public shall be provided in accordance with reference 3a. For projects where Corps real estate interest is limited to easement title only, management action will be appropriate to assure the safety of the public who use the lake waters. It is the objective of the Corps to manage private exclusive use of public property to the degree necessary to gain maximum benefits to the general public. Such action will consider all forms of benefits such as: recreation, aesthetics and fish and wildlife.

b. It is the policy of the Chief of Engineers that private exclusive use will not be permitted on new lakes or on lakes where no private facilities or uses exist as of the date of this regulation. Such use will be permitted only to honor any past commitments which have been made.

c. A Lakeshore Management Plan, as described below, will be prepared for each Corps lake project where private recreation facilities exist as of the date of this regulation. Discretion will be used in preparation of those plans to provide for protection of public lands and private investments and honor any past commitments which might have been made. For projects where two or more agencies have jurisdiction, the plan will be cooperatively prepared with the Corps assuming the role of coordinator. Public participation will be encouraged to the fullest extent in preparation and implementation of the Lakeshore Management Plans. A Lakeshore Management Plan will not be required for new lakes or at completed projects where no private facilities exist as of the date of this regulation. However, a statement of policy will be furnished by the District Engineer to the Division Engineer to present the lake project management condition.

d. Boat owners will be encouraged to moor their boats at commercial marinas, utilize dry storage facilities off project lands or trailer their boats to public launching ramps which are provided by the Corps at no charge.

e. When private floating boat moorage facilities are desired, community mooring facilities will be encouraged in an effort to reduce the proliferation of individual facilities. It is the policy to issue only one permit for a community boat mooring facility with one person designated as the permittee and responsible for all moorage spaces of the facility. If, for extenuating circumstances, this approach is not feasible the District Engineer is authorized to grant individual permits for individual moorage sections of the community moorage facility. The latter method is strongly discouraged.

5. Lakeshore Management Plan.

a. General. The policies outlined in paragraph 4 will be implemented by preparation of Lakeshore Management Plans as described below.

b. Preparation. For each project having limited development areas a Lakeshore Management Plan will be prepared as Appendix F to the Master Plan. Lakeshore Management Plans will be prepared as soon as practicable and, like the other Appendixes to the Master Plan, will be working, management tools. Upon announcement of initiation of each specific Lakeshore Management Plan the District Engineer will declare a moratorium on accepting applications for permits until the plan is completed. Consideration should be given to preparing Lakeshore Management Plans during the period of least recreation activity and maximum effort will be devoted to early completion of the Lakeshore Management Plan, once the effort has begun. The objectives are to be able to inform individuals of decisions regarding lakeshore management at an early date and not create an undue hardship on private industries dependent upon private recreation facilities. Approval of this Appendix rests with the Division Engineer.

After approval, two copies of the Lakeshore Management Plan will be forwarded to HQDA (DAEN-CWO-R) WASH DC 20314.

c. Scope and Format. The Plan will consist of an area allocation map, related rules and regulations, a time-phase definitive objective plan for managing the lakeshore, descriptions of recreational waste management systems and sanitary facilities, and other information pertinent to the effective management of the lakeshore. Activities on land areas which affect the lakeshore, as well as activities on the water areas will be addressed in the Lakeshore Management Plan.

d. Lakeshore Allocation. As part of the Lakeshore Management Plan, the entire lakeshore of the project will be allocated within the allocation classification below and depicted on a map. In addition to the allocation classification described below, District Engineers are authorized to add specific constraints and identify areas having unique characteristics not identified herein.

(1) Limited Development Areas. Limited development areas are those areas where private exclusive use privileges and facilities may be permitted consistent with Appendix A and paragraph 8 of this section. When vegetation modification on these lands is accomplished by chemical means the program will be consistent with the current Federal regulations as to herbicide registration and application rates.

(2) Public Recreation Areas. On shorelines within or proximate to designated or developed recreation areas, private floating recreation facilities are not permitted. The extent of the term, proximate, will depend on the terrain, road system and similar factors. Commercial concessionaire facilities are permitted in these areas. An adequate buffer area within this allocation type will be established to protect the concession operation from invasion by private exclusive use facilities. Modification of land form or vegetative characteristics is not permitted by individuals in these areas.

(3) Protected Lakeshore Areas. Protected lakeshore areas are designated primarily to protect aesthetic, environmental, fish and wildlife values in accordance with the policies of the National Environmental Policy Act of 1969 (P.L. 91-190). Lakeshores may also be designated in this category for physical protection reasons, such as heavy siltation, rapid dewatering or exposure to high winds and currents. Land access and boating are permitted along these lakeshores, provided aesthetic, environmental and natural resource values are not damaged or destroyed, but no private floating recreation facilities may be moored in these areas. Modification of land form or vegetative communities by individuals in Protected Lakeshore Areas will be permitted only after due consideration of the effects of such action on environmental and physical characteristics of the area.

(4) Prohibited Access Areas. These lakeshore areas are allocated for protection of ecosystems or the physical safety of the recreation visitors; for example, unique fish spawning beds, certain hazardous locations, and areas located near dams or spillways. Mooring of private floating recreation facilities and modification of land form and vegetative communities are not permitted in these areas.

e. Public Participation. District Engineers will insure that the public participates to the maximum practicable extent in the formulation and preparation of Lakeshore Management Plans and any subsequent major revisions. When master plan updates and preparation of the Lakeshore Management Plans are concurrent, the public meetings should be combined and consider all aspects, inlcuding the lakeshore allocation classifications. Maximum use will be made of news releases, public notices, congressional liaison and public meetings to encourage full public particiaption. Special care will be taken to advise local citizen organizations, conservation organizations, Federal, State and local natural resource management agencies and other concerned bodies as well as adjacent landowners during the formulation of Lakeshore Management Plans. Published notices shall be required on several successive weeks prior to public meetings to assure maximum public participation. Ample time shall be permitted for review and comment by concerned organizations and individuals. Public notices shall be issued by the District Engineer allowing a minimum of 30 days for receipt of public comment in regard to the proposed Lakeshore Management Plan or any major revision thereto.

6. Instruments for Private Exclusive Use. Criteria used to determine the type of instrument to be used for private exclusive use facilities or developments are as follows:

a. Lakeshore Use Permit. Lakeshore Use Permits are issued and enforced in accordance with provisions of Section 327.19, Chapter III, Title 36, Code of Federal Regulations, for private floating recreation facilities. Lakeshore Use Permits are issued for floating structures of any kind in waters of resource projects whether or not such waters are deemed navigable and where such waters are under the primary jurisdiction of the Secretary of the Army and under the management of a Corps of Engineers Resource Manager. On waters deemed non-navigable, Lakeshore Use Permits will be issued for non-floating structures when such waters are under management of a Corps Resource Manager. Lakeshore Use Permits are issued for vegetative modification activities on the land which do not involve in any way a disruption to or a change in land form. Situation which require a Real Estate instrument are covered in 6c, below.

b. Department of the Army Permits. Activities such as dredging, construction of fixed structures, including fills and combination fixed-floating structures and the discharge of dredged or fill material in navigation waters will be permitted under conditions specified in permits issued under authority of Section 10, River and Harbor Act of 3 March 1899 (33 USC 403) and Section 404 of the Federal Water Pollution, Control Act (33 USC 1344) in accordance with reference 3g. Lakeshore Use Permits, paragraph a above, will not be used under these circumstances.

c. Real Estate Instruments. All commercial development activities and all activities by individuals which are not covered above and involve grade, cuts, fills, other changes in land form or appropriate land-based support facilities required for private floating facilities will be covered by a lease, license or other legal grant issued by the Real Estate Directorate.

7. Transfer of Permits. All Lakeshore Use Permits are non-transferable. Upon sale or other transfer of the permitted facility or the death of the permittee the permit is null and void. The voided permit site if located in a Limited Development Area may become available for permit application by all members of the public for issuance in an impartial manner if consistent with the Lakeshore Management Plan.

8. Existing Facilities Now Under Permit. The schedule for implementation of the Lakeshore Management Plan shall be developed in full consideration of existing permitted exclusive use facilities, their residual value and the prior Corps commitment implicit in the issuance of the permits. Except under unusual circumstances, such facilities should in general remain under permit until replacement is required, or until death of the permittee, or until sale or cessation of use of the facility by him. In the instance of multi-slip, multi-owner permits for private floating facilities and corporation-owned private floating facilities, the structure must be located in areas specifically allocated in the Lakeshore Management Plan. When existing floating facilities of this type are located in areas not approved for limited development under the lakeshore management plan, a grandfather rights provison will apply. Such provision will extend for the period of time that the facility will pass annual inspections without major repair by the permittee(s). At that time the floating facility will be removed or repaired and relocated to an approved location by the owner under a new permit.

9. Density of Development. The Density of private floating recreation facilities will be established by the District Engineer for all portions of Limited Development Use Areas in the Lakeshore Management Plan. The densities will be consistent with ecological and aesthetic characteristics. In all cases, the density of development specified in the Lakeshore Management Plan will not be more than 50% of that shoreline allocated as Limited Development Areas. In those cases where current density of development exceeds the density level established in the Lakeshore Management Plan, the density will be reduced gradually to the prescribed level by employing such guidelines necessary to protect the integrity of the shoreline environment.

10. Administration Charge. In accordance with the provisions of references 3a and 3b, a charge will be made for Lakeshore Use Permits to help defray expenses associated with issuance and administration of the permits. As permits become eligible for renewal after 1 July 1976 a charge of $10 for each new permit and a $5 annual fee for inspection of floating facilities will be made. There will be no annual inspection fee for permits for vegetative modification on lakeshore areas. In all cases the total administration charge will be collected initially at the time of permit issuance rather than on a piecemeal annual basis.

11. Compliance. Lakeshore Management Plans will be prepared for all applicable Corps of Engineers lakes at which private exclusive recreation uses exist. The plan should be submitted within three years after the date of this regulation.

For the chief of engineers:

RUSSELL J. LAMP,
Colonel, Corps of Engineers, Executive.

APPENDIX A—GUIDELINES FOR GRANTING PERMITS FOR PRIVATE FLOATING RECREATION FACILITIES

1. GENERAL

a. Decisions regarding the granting of permits for private floating recreation facilities must be made in considered relationship to the operating objectives and physical characteristics of each project. In every case, however, the foremost objective is to secure maximum storage of boats and related equipment at commercial concession areas. Through direction of the boat-owning public to such areas, the Corps strives to minimize the number of shoreline developments which could prove aesthetically distracting, unreasonably injurious to the environment or limit use of Federal property by the general public.

b. Revocable permits for private exclusive use facilities either individually or community-owned, will be granted in Limited Development Areas when the sites are removed from commercial marine services and the granting of such permits will not despoil the shoreline nor inhibit the public use or enjoyment thereof. District Engineers will insure that private floating recreation facilities will be located in areas that do not presently enjoy reasonable access to commercial marine services and that, insofar as practicable, the installation and use of such facilities will not be in conflict with the preservation of the natural characteristics of the lake or shoreline. Resource Managers will continuously monitor the number and nature of permits with a view towards timely establishment of additional commercial storage areas in lieu of permitting dispersed private facilities. Administrative charges will be made for Lakeshore Use Permits in accordance with paragraph (j) of this regulation.

c. Revocable permits will be granted for ski jumps, floats, boat moorage facilities, all types of duck blinds, and other private floating recreation facilities, where such facilities will not inhibit the public use or enjoyment of the project waters or shoreline. At projects where ice fishing houses or duck blinds are regulated by State program, a Corps permit will not be required. Permits will not be granted for private floating recreation facilities at or proximate to existing or potential public recreation areas.

d. Private floating recreation facilities will be permitted only in areas of the lakeshore which have been allocated as Limited Development Areas in the Lakeshore Management Plan. The density of development in such areas will not exceed 50% of areas allocated to such use.

e. Community boat mooring facilities will be encouraged where practicable in an effort to reduce the proliferation of individual facilities.

2. APPLICATIONS FOR LAKESHORE USE PERMITS

a. Applications for any private waterfront recreation facilities made to District Engineers or their designated Resource Managers will be reviewed with full consideration of the policies set forth in the previous paragraph, referenced regulations, and the Lakeshore Management Plan. Applicants for a permit shall, prior to the start of construction, submit for approval plans and specifications of the facility proposed, including; engineering details, structural design, anchorage method, construction materials, the type, size, location and ownership of the facility, the expected duration of the use and an indication of willingness to abide by the Rules and Regulations and the conditions of the permit. Specifications and plans which have been certified by a licensed Engineer will be approved. Permit applications shall also identify and locate land-based support facilities which may require a Real Estate instrument.

b. Permits will be issued by the District Engineer or his authorized representative in accordance with ENG Form 4264-R, Appendix B, for periods of 1 to 5 years, but are revocable by the District Engineer whenever he determines that the public interest requires such revocation or that the permittee has failed to comply with conditions of the permit or of this regulation. Permits for duck blinds and ice fishing houses will be issued for one year only. Specified acts permits will continue to be issued by the District Engineer as necessary, for short terms, to provide for corrective measures such as tree removal and erosion control.

c. Effective on the receipt of this regulation, the following will guide the issuance of this type of permit:

(1) The use of boat mooring facilities will be limited to the mooring of boats and the storage of gear essential to the operation of the watercraft.

(2) The installation of sleeping accommodations, cooking facilities, hearing facilities, toilet and shower facilities, refrigeration, television and other items conducive to human habitation in private recreation facilities is prohibited. Private floating recreation facilities shall not be used for human habitation.

(3) No private floating facility will exceed the minimum size required to moor the

owner's boat or boats plus the minimum size required for an inclosed locker for the storage of oars, life preservers and other items essential to the operation of the watercraft.

(4) All private floating recreation facilities will be constructed in accordance with plans and specfications approved by the District Engineer, his authorized representative, or as certified by a licensed Engineer.

(5) The size of all structures will be kept to a minimum to limit encroachment of the water surface.

(6) The procedures set forth in this regulation regarding the issuance of permits for individual facilities shall also apply to the issuance of permits for non-commercial community piers.

(7) Where facilities are anchored to the shore, they shall be securely anchored by means of moorings which do not obstruct the free use of the shoreline or unduly damage vegetation.

(8) Boat mooring buoys and flotation units of floating facilities shall be constructed of material which will not become waterlogged or sink when punctured.

(9) The color and marking of all boat mooring buoys will conform to the Uniform State Waterway Marking System, and the top of the buoy will be no less then eighteen inches above the waterline.

(10) All private floating recreation facilities will be placed so as not to interfere with navigation.

(11) Permits for private boat piers or boathouses and mooring facilities will be issued only when the owner files a permanent address and telephone number with the Resource Manager at which he may be reached in case of emergency when he is not on site.

(12) The District Engineer or his authorized representative is authorized to place special conditions in the permit deemed necessary. It may be desirable in some locations to establish a minimum surveillance interval to be observed by the facility owner or his representative.

3. REMOVAL OF FACILITIES

The facilities of permittees which are not removed when specified in the permit or when requested after revocation of the permit will be treated as unauthorized structures pursuant to Title 36, Chapter III, Part 327.20, of the Code of Federal Regulations.

4. POSTING OF PERMIT NUMBER

Each District will procure 5" x 8" printed permit tags for posting on the floating facilities. The permit tags will be fabricated of either light metal or paper. Where display permits are printed on paper, they will be placed in plastic to make them weatherproof after the permit number and the expiration date have been affixed thereon. The original of the completed application—permit is to be in the possession of the permittee. The duplicate of this form will be retained in the Resource Manager's office. The permit numbers will be consecutive for each project beginning with number 0001. The District Engineer is authorized to include letters in the permit for further identification as an aid to the project management. The permittee will be required to display the printed tag so that it can be visually checked with ease.

APPENDIX B

APPLICATION FOR LAKESHORE USE PERMIT

(ER 1130-2-406)

Print or type the information requested below. Submit two completed and signed copies of this application with two complete sets of plans and specifications to the Resource Manager.

Lake:
Name of Applicant:
Street:
Date of Application:
Telephone Area Code and Number:
City and State:
Type of Facility:
Boathouse (w/roof):
Boat Pier (open):
Boat Mooring Buoy:
Ski Jump:
Duckblind:
Float:
Other (specify):
Land Use (specify):

Brief description of location of facility, permit number(s) of boat or boats to be docked if this application is for a boat mooring facility or development if this application is for land use:

For illustration purposes only (Local reproduction authorized—blank masters available from local FMO)

The following party will be readily available on short-notice call and responsible for providing any needed surveillance of the structure in my absence.

Name:
Street:
Telephone Area Code and Number:
City and State:

I understand and agree to the conditions of the permit for lakeshore use. Two complete sets of the plans and specifications, including site location and layout plan, for the proposed structure and anchorage system are inclosed.

Date:
Signature of Applicant:

PERMIT

Permit No.
Date issued:
Permit Expires (date):

This permit to construct and or maintain and use a floating recreation facility or development as shown on the attached plans subject to the rules and regulations of the Corps of Engineers on waters under the control of the U.S. Army, Corps of Engineers is hereby granted by delegation of the Secretary of the Army under authority conferred on him by the act of Congress approved 31 August 1951 (U.S.C. 140). The permittee shall adhere to the conditions for lakeshore use.

Date:
Signature of Resource Manager:

APPENDIX C.—CONDITIONS OF PERMIT FOR LAKESHORE USE

1. This permit is granted solely for the purpose described by the permittee on the opposite side of this form.

2. The permittee agrees to and does hereby release and agree to save and hold the Govenment harmless from any and all causes of action, suits at law or equity, or claims or demands or from any liability of any nature whatsoever for or on account of any damages to persons or property, including the permitted facility, growing out of the ownership, construction, operation or maintenance by the permittee of the permitted facilities.

3. The ownership, construction, operation or maintenance of the permitted facility is subject ot the Government's navigation servitude.

4. No attempt shall be made by the permittee to forbid the full and free use by the public of all navigable waters at or adjacent to the permitted facility or to unreasonably interfere with navigation in connection with the ownership, construction, operation or maintenance of the permitted facility.

5. The permittee agrees that if subsequent operations by the Government require an alteration in the location of the permitted facility or if in the opinion of the district Engineer the permitteed facility shall cause unreasonable obstruction to navigation or that the public interest so requires the permittee shall be required, upon written notice from the District Engineer to remove, alter, or relocate the permitted facility, without expense to the Government.

6. The Government shall in no case be liable for any damage or injury to the permitted facility which may be caused by or result from subseqeunt operations undertaken by the Government for the improvement of navigation or for other lawful purposes, and no claims or right to compensation shall accrue from any such damage.

7. The ownership, construction, operation and maintenance of the permitted facility is subject to all applicable Federal, State and local laws and regulations.

8. This permit does not convey any property rights either in real estate or material; and does not authorize any injury to private property or invasion of private rights or any infringement of Federal, State or local laws or regulations nor does it obviate the necessity of obtaining State or local assent required by law for the construction, operation or maintenance of the permitted facility.

9. The permittee shall comply promptly with any lawful regulations or instructions of any Federal, State or local agency of the Government.

10. The permittee agrees that he will complete the facility construction action within one year of the permit issuance date. The permit shall become null and void if the construction action is not completed within that period. Further, he agrees that he will operate and maintain the permitted facility in a manner so as to minimize any adverse impact on fish and wildlife habitat, natural environmental values and in a manner so as to minimize the degradation of water quality.

11. As such time that the permittee ceases to operate and maintain the permitted facility, upon expiration of this permit, or upon revocation of this permit, the permittee shall remove the permitted facility within 30 days, at his expense, and restore the waterway and lands to its former condition. If the permittee fails to remove and so restore to the satisfaction of the District Engineer, the District Engineer may do so by contract or otherwise and recover the cost thereof from the permittee.

12. No pier or boathouse is to be used for human habitation. Household furnishings are not permitted on boat piers or boathouses.

13. No houseboat, cabin cruiser or other vessel shall be used for human habitation at a fixed or permanent mooring point.

14. No charge may be made for use by others of the permitted facility nor commercial activity be engaged in thereon.

15. The size of all structures shall be kept to a minumum to limit encroachment on the water surface.

16. Boat mooring buoys and flotation units of floating facilities shall be constructed of materials which will not become waterlogged or sink when punctured.

17. Floating structures are subject to periodic inspection by the Corps rangers. If an inspection reveals conditions which make

the facility unsafe in any way or conditions which deviate from the approved plans, such conditions will be corrected immediately by the owner upon receipt of notification. No deviation or changes from approved plans will be permitted without prior written approval of the Resource Manager.

18. Floating facilities shall be securely anchored to the shore in accordance with the approved plans by means of moorings which do not obstruct the free use of the lakeshore.

19. That the display permit tag provided shall be posted on the floating facility or on the land areas covered by the permit so that it can be visually checked with ease in accordance with instructions of the Resource Manager.

20. No vegetation other than that prescribed in the permit may be damaged, destroyed or removed.

21. No change in land form such as grading, excavation or filling may be done.

22. No vegetation planting of any kind may be done, other that that specifically prescribed in the permit.

23. This permit is non-transferable. Upon the sale or other transfer of the permitted facility or the death of the permittee, this permit is null and void.

24. By 30 days written notice, mailed to the permittee by registered or certified letter the District Engineer may revoke this permit whenever he determines that the public interest necessitates such revocation or when he determines that the permittee has failed to comply with the conditions of this permit. The revocation notice shall specify the reasons for such action. If within the 30 day period, the permittee, in writing requests a hearing, the District Engineer shall grant such hearing at the earliest opportunity. In no event shall the hearing date exceed 60 days from the date of the hearing request. At the conclusion of such hearing, the District Engineer shall render a final decision in writing and mail such decision to the permittee by registered or certified letter. The permittee may, within 5 days of receipt of the decision of the District Engineer appeal such decision to the Division Engineer. The decision of the Division Engineer shall be rendered as expeditiously as possible and shall be sent to the permittee by registered or certified letter. The permittee may, within 5 days of receipt of the decision of the Division Engineer appeal such decision in writing to the Chief of Engineers. The decision of the Chief of Engineers shall be final from which no further appeal may be taken.

25. Notwithstanding condition 24 above if, in the opinion of the District Engineer, emergency circumstances dictate otherwise the District Engineer may summarily revoke this permit.

APPENDIX D.—PERMIT 01234, EXPIRES 30 Nov. 1974

(This permit is non-transferable and may be revoked at any time.)

U.S. ARMY CORPS OF ENGINEERS

DEPARTMENT OF THE ARMY,
OFFICE OF THE ASSISTANT SECRETARY,
Washington, DC, 13 Dec. 1985.

Hon. ROBERT T. STAFFORD,
Chairman, Committee on Environment and Public Works, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: We want to take this opportunity to comment again on the water resources omnibus legislation for the Army Civil Works Program (S. 1567) now pending before the Senate.

Mr. Chairman, your continued leadership in this area is essential if Congress is to pass responsible, reform-minded legislation that the President will sign.

The Administration supports S. 1567 as reported by your Committee on August 1 and to be reported shortly by Senate Finance Committee. While the bill in our view still contains some troublesome provisions (including authorization of new programs and exemptions from harbor user fees) that we have previously discussed with both Committees, S. 1567 is basically consistent with the June agreement on water project funding between the Administration, you, and other Senate Republican leaders. It represents our best (and perhaps last) chance to implement needed water resource projects in a fiscally sound manner.

We urge you and your colleagues to take up floor consideration of S. 1567 as soon as possible, and to resist effort on the floor and during conference to add programs, projects, and special interest provisions. Such add-ones will almost certainly doom S. 1567 and our mutual efforts to achieve water resource policy reform in the foreseeable future.

Earlier this year, Congress and the President took an important first step in revitalizing the Nation's water resources development program by enacting the 1985 Supplemental Appropriations Bill (Public Law 99-88). The Act includes start-up funding for a number of water projects. Pursuant to the June agreement, expenditure of those funds for construction, however, is contingent upon (1) enactment of specified navigation user fees, and (2) individual project cost sharing acceptable to the Secretary of the Army. During deliberation of the bill, it was widely anticipated that new navigation user fee cost sharing legislation applicable to these projects and others would soon follow. The Senate's consideration and passage of S. 1567 is the next and most important step and will determine whether water policy reform will be successful and allow implementation of the water projects funded in Public Law 99-88.

The June agreement broke the long-standing impasse over user fees, cost sharing, and the appropriate Federal role in water resources development, and made possible enactment of Public Law 99-88, with its cost sharing provisions. To your credit, the agreement is now reflected in S. 1567. Its provisions, we reiterate, are generally acceptable. However, we must emphasize that any substantial departures would negate the agreement and jeopardize the chances for enactment of a bill acceptable to the President.

The House passed its companion omnibus bill (H.R. 6) on November 13 and it is now on the Senate calendar. While the bill does contain some favorable reforms and takes a step in the right direction regarding user fees and cost sharing, efforts to eliminate or modify objectionable provisions were not successful. If H.R. 6 were enacted in its present form, the President's advisors would recommend that the bill be disapproved. In addition to being inconsistent with terms agreed to by the Administration, H.R. 6 has a number of major shortcomings that render it unacceptable:

Scope.—The bill contains scores of projects, project modifications, studies, and general provisions that (1) are of questionable merit to other than a few special interests, (2) are unnecessary and undesirable components of a national program, (3) represent Federal assumption of traditional non-Federal responsibility, or (4) have not been reviewed to determine their advisability.

New Programs.—The bill contains several major objectionable new programs that either supplant traditional state and local responsibilities or represent unnecessary and ill-advised policy changes, most notably (1) a potentially +$100 billion subsidized Federal loan program for municipal water treatment and distribution systems, (2) a Federal program for the repair of non-Federal dams (again, potential exposure of billions of dollars), (3) $1 billion in annual Federal guarantees for non-Federal financial obligations associated with harbor construction, and (4) a new unnecessary bureaucracy called the, "National Board on Water Resources Policy."

Special Treatment.—The bill contains numerous provisions allowing special treatment of certain projects and regions with respect to exemptions from cost sharing requirements or from normal project evaluation criteria. Such provisions reflect the influence of special interest groups, result in less funding being available to solve other urgent water problems, and do not allow equitable consideration of all projects.

Revenues.—The bill fails to implement an increase in the inland waterway fuel tax, which is necessary to ensure implementation of projects on the inland waterway system (including the inland projects in Public Law 99-88). Furthermore, the ad valorem fee provisions applicable to ports are flawed in that they (1) do not apply to usage of Great Lakes navigation improvements, (2) do not apparently apply to Hawaii and U.S. possession ports or to cargo that has been or will be transported by vessels that pay the inland waterway fuel tax, and (3) contain a Saint Lawrence Seaway tool/ad valorem fee approach that is probably not workable.

Deficit Impact.—The bill would add over $8 billion to the national debt between 1987 and 1991 above levels currently projected (+2 billion over the compromise 1986 Congressional Budget Resolution for 1987-1988). Its ultimate cost would be well over $20 billion. Its claims of "savings" are empty, since savings from deauthorized projects that would never be built anyway are not real savings. This is too high a price to pay at a time when Congress and the President are striving to reduce budgetary deficits through the Gramm-Rudman-Hollings legislation. Our conclusion is simply that H.R. 6 is too much business as usual.

Mr. Chairman, you, members of your Committee, and your staff have been most understanding of the Administration's views on what is needed to modernize our water resources program in light of the current deficits and other competing demands on available funds. We are confident that S. 1567 can serve as the cornerstone of Federal water policy for years to come. As you approach floor consideration and conference deliberations, we urge that you and other responsible members strive to limit further amendments to the bill. Significantly broadening the bill's scope, adding major new programs, favoring certain projects over others, or weakening revenue provisions can only lead to its ultimate failure.

We look forward to further dialogue with you on this important subject and will assist in any way we can. The Office of Management and Budget advises there is no objection to the presentation of this report from

the standpoint of the Administration's program.

Best regards,

ROBERT K. DAWSON,
Assistant Secretary of the Army (Civil Works).

DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY,
Washington, DC, January 23, 1986.

Hon. ROBERT T. STAFFORD,
Chairman, Committee on Environment and Public Works, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: This is in further response to your letter of December 18, 1985, concerning the Senate and House water resources development bills, S. 1567 and H.R. 6.

The questions you raised are answered in the enclosure. It includes the information you requested concerning the Tennessee-Tombigbee Waterway.

I welcome this opportunity to provide you with data. As you continue to prepare for floor action, please do not hesitate to contact me if I can be of further service.

Best regards,

ROBERT K. DAWSON,
Assistant Secretary of the Army (Civil Works).

QUESTIONS REGARDING THE SENATE AND HOUSE BILLS

Question 1. Since Section 2 of H.R. 6 declares that the figures in H.R. 6 represent the "maximum amount authorized to pay for the Federal share of the cost of the project," and since many projects are included in H.R. 6 at what appear to be the total project cost, please provide us with your analysis and interpretation on whether the House dollar figures could in any way override Title VI of Title VII cost sharing.

Answer. Section 2 is designed to ensure against cost overruns. H.R. 6 generally contains estimates of the Federal share of the construction cost of projects, assuming the bill is enacted in its present form with respect to cost sharing. For example, the estimates for projects in Section 301(a) were developed considerating Section 302 and the estimates for projects in Title V are based on traditional cost sharing unless otherwise noted in a specific provision. If the estimate in the bill is in error or the cost sharing requirements change, it is unlikely that the estimate would override the applicable cost sharing provisions.

Question 2. Please provide us with first-year and out-year total cost estimates for each project authorized in H.R. 6 that does not have approval from the Chief of Engineers. Please provide a similar estimate for all new programs authorized in H.R. 6.

Answer. The attached date contains project and program cost estimates. Project deauthorizations or items with little or no first cost, such as instructions concerning project implementation or Federal maintenance of channels constructed by non-Federal interests, are not included. Most of the costs were obtained from either the bill or the accompanying report and, in some cases, should be considered as estimates only.

Question 3. Please provide an estimate of the average percentage that lands, easements, and rights-of-way compose of the port improvement projects in each bill. Which port improvement projects in H.R. 6 have lands, etc., costs in excess of 5 percent of project costs?

Answer. The average percentages that lands, easements, and rights-of-way, including dredged material disposal areas, compose of the port improvement projects in H.R. 6 and S. 1567 are 8 and 10 percent, respectively. These costs exceed 5 percent of the project cost for the following projects in H.R. 6:

Wilmington Harbor, Northeast Cape Fear River, NC; Manatee Harbor, FL; Savannah Harbor, GA; Monroe Harbor, MI; Grand Haven Harbor; MI; Lorain Harbor, OH; Duluth-Superior, MN & WI; Oakland Inner Harbor, CA; Oakland Outer Harbor, CA; Blair and Sitcum Waterways, Tacoma Harbor, WA; Sacramento Deep Water Ship Channel, CA; East, West and Duwamish Waterways, WA.

Question 4. I would appreciate your calculations on the expected traffic through the Tennessee-Tombigbee Waterway during calendar 1985, together with the projected first full year of usage at the time the Corps made its calculations of its most recent benefit-cost analysis? What is the anticipated 1986 level of traffic?

Answer. Between January 17, 1985, when the waterway was opened to through traffic and November 3, 1985, the actual tonnage moved was 1,501,331 tons. At the time of the last traffic survey and economic analyses in 1976, the projected first full year's total traffic was 28,071,000 tons, of which nearly ⅔ was anticipated to be coal. However, development of this level of traffic has not occurred due to many factors, including completion of the waterway ahead of schedule, and the uncertainty of completion caused by the litigation and efforts to halt funding. More significant has been the delayed development of the American coal export market as projected in the late 1970's and early 1980's. In 1985 a contract study was performed to provide a more recent estimate of traffic that could move on this waterway with a savings in transportation costs during the early years of project operation. This study developed an annual projection of 14.5 million tons, nearly ½ of which was coal. A specific projection for calendar year 1986 has not been developed, but the year should show some growth over 1985.

PROVISIONS–PROJECTS–PROGRAMS NOT APPROVED BY CORPS

[Dollars in thousands; October 84 price levels]

S. 1567 section	Project-provision-program	H.R. 6 section	Cost				
			Total	Federal	Non-Federal	First-year	Total out-year
209	Ice Control Program	1114	$17,000	$15,000	$2,000	$3,000	$12,000
210	Hydro potential study	604	15,000	15,000		2,000	13,000
301	Fort Toulouse (Coosa River)	514	32,000	29,000	3,000	3,000	26,000
301	Mound State Park (Black Warrror)	514	4,148	4,118	30	1,000	3,148
301	Tangier Island	401	3,800	3,500	300	500	3,800
303	Abiquiu Dam	1199	2,500	2,500		300	2,200
308	Brazos River Basin	724					
310	Jackson Hole	753	300/yr	265/yr	35/yr	265	265/yr
312	Acequia (historic ditches)	1199	50,000	40,000	10,000	1,000	39,000
313	St. John River Basin	1175	3,430	3,430		300	3,130
314	Rio Grande bank protection	727	700	700		50	650
316	Gorton's Pond	1199	NA	730	NA	90	640
316	Lake Worth demo project	537	NA	1,750	NA	200	1,550
318	Gauley River (Summersville Lake)	1121	NA	NA	NA	NA	NA
321	Ark-Red chloride control	1168	121,000	121,000		10,000	111,000
322	Milk River	745	1,500	1,400	100	200	1,200
323	Big Hill Lake	1166	4,780	4,780		600	4,180
326	Big South Fork	1194	53,100	53,100		9,000	44,100
327	Green's Bayou Bridge (Port Auth Br)	1401	700	700		700	
329	Illinois-Mississippi Canal (Hennepin)	1128	6,667	6,667		6,667	
335	Cross Florida Natnl Cons area	1199	32,000	32,000		32,000	
401	Dam safety (inspect and inventory)	1109	36,000/yr	30,000/yr	6,000/yr + full reimb	10,000	30,000/yr
503	New York State barge canal	1135	>21,000/yr	>10,500/yr	>10,500/yr	>10,500/yr	>10,500/yr
	Texas City channel	101	181,000	118,000	63,000	18,000	100,000
	New York Harbor-Ambrose	101	324,000	162,000	162,000	22,000	140,000
	Los Angeles—Long Beach	101	460,000	230,000	230,000	30,000	200,000
	Arthur Kill	102	49,400	31,900	17,500	5,000	26,900
	Fresh Kills	102	26,000	NA	NA	NA	NA
	New York Harbor—Claremont	102	45,700	32,300	13,400	8,000	24,300
	Lake Charles	102	200,000	143,,000	57,000	23,000	120,000
	Morro Bay Harbor grant	114	NA	NA	NA	NA	NA
	Winfield L/D	201	134,000	134,000		7,000	127,000
	Island Creek	301	86,000	64,000	22,000	8,000	78,000
	Ste. Genevieve	301	33,600	25,100	8,500	3,000	22,100
	Little Cal, Cady Marsh	301	6,500	4,500	2,000	1,000	3,500
	Gold Gulch	301	7,500	6,000	1,500	500	7,000
	Southeast Louisiana streams	301	7,500	6,000	1,500	500	7,000
	Southeast Louisiana streams	301	25,000	25,000		2,000	23,000

PROVISIONS–PROJECTS–PROGRAMS NOT APPROVED BY CORPS—Continued

[Dollars in thousands; October 84 price levels]

S. 1567 section	Project-provision-program	H.R. 6 section	Cost				
			Total	Federal	Non-Federal	First-year	Total out-year
	Pearl River Basin (St. Tammany Par)	301	25,000	25,000		2,000	23,000
	Noyes flood control measures	301	200	200		50	150
	Calleguas Creek	301	50,000	40,000	10,000	4,000	36,000
	Coyote Creek and Guadaloupe River	301	NA	NA	NA	NA	NA
	Monroe and West Monroe	301	40,000	40,000		3,000	37,000
	Passaic River Basin (Lower Saddle)	301	36,500	25,700	10,800	2,700	23,000
	Passaic River Basin (Oakland)	301	6,400	4,800	1,600	800	4,000
	Passaic River Basin (Upper Rockaway)	301	31,000	25,000	6,000	3,000	22,000
	Passaic River Basin (Nakoma Brook)	301	16,000	12,000	4,000	1,000	11,000
	Mission Zanja Creek (Redlands)	301	17,500	13,200	4,300	2,000	11,200
	Meredosia	301	110	80	30	20	60
	Salt and Eel Rivers	301	1,100	800	300	200	600
	Rio Puerto Nuevo	301	25,000	25,000		2,000	2,300
	Malhauer and Harney Lakes	301	20,000	15,000	5,000	1,000	14,000
	Louisville	301	1,600	1,200	400	100	1,100
	Poplar Brook (Deal)	301	3,000	2,300	700	300	2,000
	Pearl River (Shoccoe-Carthage)	301	108,000	81,000	27,000	6,000	75,000
	Pine Brook (Manalapan Tnshp)	305	1,900	1,400	500	100	1,300
	Las Vegas Valley	306	107,000	80,000	27,000	2,000	78,000
	Brockton-Avon Reservior	307	16,600	12,500	4,100	800	15,800
	Pinellas County	401	28,200	14,300	13,900	1,400	12,900
	Illinois Beach St. Park	401	11,900	8,300	3,600	600	7,700
	Coconut Point, Tutuila Island	401	3,000	1,500	1,500	200	1,300
	New Jersey Shore Projects	402	15,000	12,500	2,500	2,000	10,500
	Neponset River	501	3,000	1,500	1,500	200	1,300
	Merrimack River	501	8,000	4,000	4,000	400	3,600
	Rudee Inlet	501	1,270	1,040	230	200	840
	Port Canaveral	501	276	126	150	50	76
	Trinity River Mit.	501	9,840	9,460	380	800	8,660
	Sweetwater Mit.	501	3,480	3,480		400	3,080
	Albert Lea Lake	502	4,270	4,270		200	4,070
	Des Moines River	503	8,000	8,000		1,000	7,000
	Hereford—Del Bay (Cape May Point	504	53,800	40,000	13,800	3,000	37,000
	Lake George (Hobart)	506	5,200	5,200		200	5,000
	Ohio River streambank program	507	27,800	25,000	2,800	1,000	24,000
	Chesapeake Bay shoreline erosion	508	10,000	5,000	5,000	500	4,500
	Buffalo small boat harbor	510	10,000	9,000	1,000	900	8,100
	Red Lake River	511	350	300	50	50	250
	Greenwood Lake and Belcher Creek	513	10,000	10,000		500	9,500
	Week's Bay, Vermilion Bay, SW Pass	516	3,500	3,000	500	1,000	2,000
	La Conner	517	1,300	1,177	123	100	1,077
	Sauk Lake	519	2,000	2,000		500	1,500
	Muck Levee-Salt Creek	520	12	12		12	
	Passaic river bank stabiliz demo	521	10,000	10,000		800	9,200
	Rillito River	522	35,000	30,000	5,000	2,000	28,000
	Agat small boat harbor	523	NA	NA	NA	550	
	Little River (highway 41 bridge)	524	550	500	50	50	450
	Swan Creek Harbor	525	NA	NA	NA	NA	NA
	Caney Creek	526	1,500	1,250	250	100	1,150
	Deal Lake	527	8,900	8,000	900	400	7,600
	Wabash River (Grayville)	529	2,500	2,200	300	200	2,000
	Platte River	530	32,000	25,000	7,000	1,000	24,000
	Wheeling Creek	531	8,000	7,000	1,000	700	6,300
	Five Mile Creek	534	8,500	7,100	1,400	1,000	6,100
	Ohio River Bridges (3 sites)	535	91,000	70,000	21,000	3,000	67,000
	Tolay Lake	536	NA	150,000	NA	4,000	146,000
	Kanawha streambank erosion project	538	500	440	60	100	340
	Fox River channel	539	NA	NA	NA	NA	NA
	Hamlet City Lake	541	330	300	30	30	270
	Port Ontario	542	NA	NA	NA	NA	NA
	Sky Harbor Airport	543	NA	250	NA	50	200
	Hardin	601	N/A	N/A	N/A	N/A	N/A
	Kinnickinnic River	601	N/A	N/A	N/A	N/A	N/A
	Milton	602	2,500	2,500		50	2,450
	Guam, Samoa, TTPI/CNMI studies	603	8,000	8,000		1,000	7,000
	F&W conservation program	605	11,000	10,000	1,000	1,500	8,500
	Flood control program	606	5,000	5,000		250	4,750
	Shoreline erosion (Lake Superior)	608	2,130	2,130		500	1,630
	Boat dock lighting	609	N/A	N/A	N/A	N/A	N/A
	Infrastructure studies	610	N/A	N/A	N/A	N/A	N/A
	Reservoir cost sharing study	612	N/A	N/A	N/A	N/A	N/A
	Passaic River-Newwark Bay-dioxin	613	N/A	N/A	N/A	N/A	N/A
	Saginaw Bay	616	N/A	N/A	N/A	N/A	N/A
	Rancho Palos Verdes	617	N/A	N/A	N/A	N/A	N/A
	Sunset Harbor	618	820	820		80	740
	Lake Pontchartrain (sediment)	619	2,000	2,000		100	1,900
	Jamaica Bay—Reynolds channel	620	N/A	N/A	N/A	N/A	N/A
	Land acquisition study	621	N/A	N/A	N/A	N/A	N/A
	Black Warrior erosion	623	N/A	N/A	N/A	N/A	N/A
	Stormwater runoff-watershed	624	N/A	N/A	N/A	N/A	N/A
	Boundary and fencing practices	625	N/A	N/A	N/A	N/A	N/A
	Proj evaluation criteria (low income)	626	NA	NA	NA	NA	NA
	Potomac River Hydrilla	627	NA	NA	NA	NA	NA
	Water supply study	628	NA	NA	NA	NA	NA
	Chesapeake Bay drought mgmt	629	NA	NA	NA	NA	NA
	Guayanilla River Basin	630	NA	NA	NA	NA	NA
	James River	631	NA	NA	NA	NA	NA
	Hydropower potential	632	NA	NA	NA	NA	NA
	Lynnhaven inlet	701	1,660	1,660		100	1,560
	Ohio River Basin (Massilon)	703	2,100	2,100		100	2,000
	Lake Pontchartrain (hurr/flood prot)	705	4,000	3,500	500	300	3,200
	Yaquina Bay	707	2,400	2,200	200	200	2,000
	Sacramento River	709	29,000	25,000	4,000	2,500	22,500
	Santa Cruz Harbor	712	36,000	29,000	7,000	5,000	24,000
	Mouth of Colorado River (Matagorda)	713	425	425		425	
	Niobrara	714	1,600	1,600		100	1,500
	Alabama-Coosa River	715	NA	NA	NA	NA	NA
	LaFarge Dam	716	4,600	4,000	600	500	3,500
	East Saint Louis and vicinity	717	1,400	1,130	270	130	1,000
	Winona	718	630	630		630	
	L&D 26 (Miss River) road	720	NA	NA	NA	NA	NA
	Anacostia River	728	5,000	4,400	600	400	4,000

PROVISIONS–PROJECTS–PROGRAMS NOT APPROVED BY CORPS—Continued

[Dollars in thousands; October 84 price levels]

S. 1567 section	Project-provision-program	H.R. 6 section	Cost				
			Total	Federal	Non-Federal	First-year	Total out-year
	Yazoo River (Shepardstown Bridge)	729	3,600	3,600		600	3,000
	Corte Madera Creek	730	NA	NA		NA	NA
	Teche-Vermilion Basin	731	1,200	1,200		200	1,000
	Granger Dam	732	4,400	3,800	600	300	3,500
	Lewisville Lake	733	3,500	3,200	300	200	3,000
	Dardanelle L&D	734	2,000	1,800	200	100	1,700
	Susquehanna River (Sunbury)	735	75	75		75	
	Hudson River (NY City-Waterford)	736	150	150		150	
	San Lorenzo	737	3,500	3,500		500	3,000
	Sacramento River	738	10,400	10,400		1,400	9,000
	New Melones Dam	739	15,000	15,000		2,000	13,000
	Trilby Wash detention basin	740	7,500	7,500		3,000	4,500
	Apalachicola-Chattahoochee-Flint	743	NA	NA	NA	NA	NA
	Racine Harbor	744	21,000	3,000	18,000	3,000	
	Snake River (Lower Granite L&D)	746	7,870	7,870		800	7,070
	Curwensville Lake	747	300	300		300	
	Waterloo	748	1,700	1,700		400	1,300
	Buffalo ship canal	752	18,000	18,000		2,000	16,000
	Newport Bay Harbor	754	3,300	2,500	800	500	2,000
	Beaver Lake	756	5,000	5,000		500	4,500
	Miss River (industrial canal lock)	757	94,500	94,500		2,000	92,500
	Saginaw River	758	350	350		50	300
	Turtle Creek	763	N/A	N/A	N/A	N/A	N/A
	Dunkirk Harbor	764	2,700	2,300	400	300	2,000
	Houston ship channel (Bayport)	765	N/A	N/A	N/A	N/A	N/A
	Honolulu Harbor (Kalihi)	766	N/A	N/A	N/A	N/A	N/A
	Bayou Lafourche (dredging)	767	N/A	N/A	N/A	N/A	N/A
	Endicott-Johnson City-Vestal	769	950	700	250	100	600
	Sardis Lake access road	770	10,000	10,000		1,500	8,500
	Sandy Hook-Barnegat Inlet	772	N/A	N/A	N/A	N/A	N/A
	Taylorsville Lake	773	700	650	50	50	600
	Lower Snake F&W compensation	774	18,000	18,000		2,000	16,000
	Tampa Harbor (Port Sutton)	776	850	850		850	
	Coralville Reservoir	777	1,600	1,400	200	400	1,000
	Salem River	779	N/A	N/A	N/A	N/A	N/A
	Cold Spring Inlet	780	N/A	N/A	N/A	N/A	N/A
	Fort Peck	781	N/A	N/A	N/A	N/A	N/A
	Fishtrap Lake	782	N/A	N/A	N/A	N/A	N/A
	Sabine-Neches WW	783	N/A	N/A	N/A	N/A	N/A
	Clark Hill Reservoir	784	NA	NA	NA	NA	NA
	Red Rock Dam	785	42,000	42,000		2,000	40,000
	Cape Charles Harbor	786					
	East Chester Creek	787	NA	500	NA	500	
	Savannah Harbor debris	788	NA	NA	NA	NA	NA
	Water supply loan program	812	NA	NA	NA	80,000	800,000/yr
	Water supply study (CE projects)	853	NA	NA	NA	NA	NA
	Lake Arcadia to Edmund	854	24,000	19,000	5,000	1,000	18,000
	Parker Lake	855	110,000	88,000	22,000	3,000	85,000
	Caesar Creek	856	76,000	66,000	10,000	2,000	64,000
	Water supply studies (Non-Fed facil)	857	NA	NA	NA	NA	NA
	Environmental protection and mitigation fund	1104	35,000	35,000		4,000	31,000
	Water resource needs study	1105	NA	NA	NA	NA	NA
	Sam Rayburn senior citizens campground	1106	1,200	600	600	50	550
	Meramec River	1107	100,000	100,000		4,000	96,000
	Drift and debris removal	1110	NA	NA	NA	NA	NA
	Technical Assistance (channel proj)	1113	NA	NA	NA	NA	NA
	Water Law Compilation	1115	NA	NA	NA	NA	NA
	Great Lakes navigation board	1122	NA	NA	NA	NA	NA
	Environmental review-demo program	1134	28,000	25,000	3,000	3,000	22,000
	Whitewater river flood warning sys	1136	300	300		30	270
	Hawaiian Gardens	1141	8,500	8,500		8,500	
	Continuation of planning and engr	1149	N/A	N/A	N/A	N/A	N/A
	Elk Creek Lake (Rogue River)	1150	N/A	N/A	N/A	N/A	N/A
	Corps capability study	1152	N/A	N/A	N/A	N/A	N/A
	Hydropower report	1153	N/A	N/A	N/A	N/A	N/A
	Niagara frontier transportation auth	1159	8,500	7,000	1,500	700	6,300
	Beaver River (Bridgewater)	1160	1,400	700	700	100	600
	Tucson demonstration project	1162	2,800	2,500	300	200	2,300
	Central & So. Fl (Everglades)	1163	12,000	10,000	2,000	1,500	8,500
	Elm Creek	1164	600	500	100	40	460
	Lake Michigan diversions	1171	N/A	N/A	N/A	N/A	N/A
	Berkeley pier	1174	1,100	1,050	50	1,050	
	Atu'u Ma'oputasi	1176	1,400	1,200	200	100	1,100
	Utulei Fagatogo	1177	400	350	50	30	320
	Great Lakes diversions (study)	1183	4,500	4,500		400	4,100
	Buffalo River pollution	1185	N/A	N/A	N/A	N/A	N/A
	Passaic River land acquisition	1188	50,000	50,000		3,000	47,000
	Sault Ste Marie second lock	1191	240,000	240,000		10,000	230,000
	Satilla River (Noyes/Bull Whirl)	1193	550	500	50	50	450
	Missouri River (Thurmon-Hamburg)	1196	900	800	100	180	620
	LMV wetland enhancement	1199	N/A	N/A	N/A	N/A	N/A
	Marsh Creek Bridge	1199	50	47	3	10	37
	W.D. Mayo Hydropower	1199	119,000	119,000	0	9,000	110,000
	Sunset Beach Harbor	1199	N/A	N/A	N/A	N/A	N/A
	Miami River Sediment	1199	N/A	N/A	N/A	N/A	N/A
	Eisenhower and Snell Locks	1199	42,600	42,600	0	4,000	38,600
	Ellicott Creek	1199	1,100	1,100	0	50	1,150
	Rainy River Basin	1199	400	400	0	100	300
	National board on water resources policy	1221	15,000	15,000	0	1,000	3,000/yr
	State water planning and management	1241	200,000	100,000	100,000	10,000	20,000/yr

N/A—Not available.

DEPARTMENT OF THE ARMY,
OFFICE OF THE ASSISTANT SECRETARY,
Washington, DC, January 31, 1986.

Hon. ROBERT T. STAFFORD,
Chairman, Committee on Environment and Public Works, U.S. Senate, Washington, DC.

DEAR CHAIRMAN STAFFORD: I want to express my appreciation for your leadership in securing very significant progress on S. 1567, the Water Resources Development Act, and to encourage your further leadership in obtaining prompt consideration by the entire Senate.

Now that the Finance Committee has reported the bill, I am encouraged that it can be brought up and acted on in the very near future. Attached for your information are copies of letters I have sent to Senators Dole and Byrd commending progress thus far on the bill and seeking their assistance in bringing the bill up for consideration.

As you know, this is a critical piece of legislation for the Army Civil Works program and for the Nation as a whole. I encourage your continued support and responsible actions regarding the bill's scope and cost sharing and revenue provisions. I am attaching for your reference a copy of my letter to you on December 13, 1985, going into more detail on this Administration's position on the bill and on H.R. 6.

Again, thank you for your consideration. It is imperative, in my opinion, that we obtain prompt action on this legislation if we are to take advantage of the excellent opportunity you and your colleagues have created for a strong but budgetarily realistic water resources development program.

High regards,

ROBERT K. DAWSON,
Assistant Secretary of the Army (Civil Works).

DEPARTMENT OF THE ARMY,
OFFICE OF THE ASSISTANT SECRETARY,
Washington, DC.

Hon. ROBERT J. DOLE,
Majority Leader, U.S. Senate, Washington, DC.

DEAR SENATOR DOLE: I am taking this opportunity to write to you concerning S. 1567, the Water Resources Development Act, which we urge be brought to the Senate floor in the very near future. This bill represents the culmination of months of work on the part of the responsible Senate committees and the Administration to forge a new and realistic charter for Federal water development. This charter will assure continued Federal water development in spite of continuing fiscal austerity necessary to eliminate projected budget deficits.

As you will recall, the Administration reached a compromise regarding new project cost sharing with the Senate Majority leadership last June. I am aware that you played a leading role in reaching this compromise. The Committee on Environment and Public Works and the Finance Committee have been generally consistent with the terms of that agreement in acting upon S. 1567. Consequently, S. 1567 as currently drafted is close enough to the agreed upon outcome that, if it were passed today, it could be recommended for signing by the President. The Administration remains firm in its commitment to sound water project development as demonstrated by its position in the 1985 New Starts Supplemental Appropriation Bill and subsequent funding actions.

The significance of new cost sharing formulas for Federal water development goes far beyond the Army's Civil Works program. These new funding formulas can be prototypes for reform of other Federal programs. With increases in non-Federal financial participation in Federal project development, limited Federal funds can be spread over a larger number of projects so that critical infrastructure demands can be met in spite of the need to reduce progressively Federal spending over the next several years to achieve a balanced budget.

It is essential that the Senate act upon S. 1567 early in this session so that the bill can be kept as unencumbered as possible. Unwarranted additions of projects and programs which are unrealistic in light of the need to reduce Federal spending and the weakening of the new project cost sharing and navigation user fee requirements must be avoided if we are to have a bill that will be signed by the President. Accordingly, I urge your support for prompt consideration of S. 1567 by the full Senate and that you make every effort to avoid adoption of amendments which would erode the positive features of the bill.

We have in my judgment a historic opportunity to reform the water resources development program in America to reflect the budgetary realities in the foreseeable future, but I believe action early in this session is vital if we are to seize the opportunity before us.

High regards,

ROBERT K. DAWSON,
Assistant Secretary of the Army (Civil Works).

DEPARTMENT OF THE ARMY,
OFFICE OF THE ASSISTANT SECRETARY,
Washington, DC, December 13, 1985.

Hon. ROBERT T. STAFFORD,
Chairman, Committee on Environment and Public Works, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: We want to take this opportunity to comment again on the water resources omnibus legislation for the Army Civil Works Program (S. 1567) now pending before the Senate.

Mr. Chairman, your continued leadership in this area is essential if Congress is to pass responsible reform-minded legislation that the President will sign.

The Administration supports S. 1567 as reported by your Committee on August 1 and to be reported shortly by Senate Finance Committee. While the bill in our view still contains some troublesome provisions (including authorization of new programs and exemptions from harbor user fees) that we have previously discussed with both Committees, S. 1567 is basically consistent with the June agreement on water project funding between the Administration, you, and other Senate Republican leaders. It represents our best (and perhaps last) chance to implement needed water resource projects in a fiscally sound manner.

We urge you and your colleagues to take up floor consideration of S. 1567 as soon as possible, and to resist effort on the floor and during conference to add programs, projects, and special interest provisions. Such add-ons will almost certainly doom S. 1567 and our mutual efforts to achieve water resource policy reform in the foreseeable future.

Earlier this year, Congress and the President took an important step in revitalizing the Nation's water resources development program by enacting the 1985 Supplemental Appropriations Bill (Public Law 99-88). The Act includes start-up funding for a number of water projects. Pursuant to the June agreement, expenditure of those funds for construction, however, is contingent upon (1) enactment of specified navigation user fees, and (2) individual project cost sharing acceptable to the Secretary of the Army. During deliberation of the bill, it was widely anticipated that new navigation user fee cost sharing legislation applicable to these projects and others would soon follow. The Senate's consideration and passage of S. 1567 is the next and most important step and will determine whether water policy reform will be successful and allow implementation of the water projects funded in Public Law 99-88.

The June agreement broke the long-standing impasse over user fees, cost sharing, and the appropriate Federal role in water resources development, and made possible enactment of Public Law 99-88, with its cost sharing provisions. To your credit, the agreement is now reflected in S. 1567. Its provisions, we reiterate, are generally acceptable. However, we must emphasize that any substantial departures would negate the agreement and jeopardize the chances for enactment of a bill acceptable to the President.

The House passed its companion omnibus bill (H.R. 6) on November 13 and it is now on the Senate calendar. While the bill does contain some favorable reforms and takes a step in the right direction regarding user fees and cost sharing, efforts to eliminate or modify objectionable provisions were not successful. If H.R. 6 were enacted in its present form, the President's advisors would recommend that the bill be disapproved. In addition to being inconsistent with terms agreed to by the Administration, H.R. 6 has a number of major shortcomings that render it unacceptable:

Scope.—The bill contains scores of projects, project modifications, studies, and general provisions that (1) are of questionable merit to other than a few special interests, (2) are unnecessary and undesirable components of a national program, (3) represent Federal assumption of traditional non-Federal responsibility, or (4) have not been reviewed to determine their advisability.

New Programs.—The bill contains several major objectionable new programs that either supplant traditional state and local responsibilities or represent unnecessary and ill-advised policy changes, most notably (1) a potentially +$100 billion subsidized Federal loan program for municipal water treatment and distribution systems, (2) a Federal program for the repair of non-Federal dams (again, potential exposure of billions of dollars), (3) $1 billion in annual Federal guarantees for non-Federal financial obligations associated with harbor construction, and (4) a new unnecessary bureaucracy called the, "National Board on Water Resources Policy."

Special Treatment.—The bill contains numerous provisions allowing special treatment of certain projects and regions with respect to exemptions from cost sharing requirements or from normal project evaluation criteria. Such provisions reflect the influence of special interest groups, result in less funding being available to solve other urgent water problems, and do not allow equitable consideration of all projects.

Revenues.—The bill fails to implement an increase in the inland waterway fuel tax, which is necessary to ensure implementation of projects on the inland waterway system (including the inland projects in

Public Law 99-88). Furthermore, the ad valorem fee provisions applicable to ports are flawed in that they (1) do not apply to usage of Great Lakes navigation improvements, (2) do not apparently apply to Hawaiian and U.S. possession ports or to cargo that has been or will be transported by vessels that pay the inland waterway fuel tax, and (3) contain a Saint Lawrence Seaway tool/ad valorem fee approach that is probably not workable.

Deficit Impact.—The bill would add over $8 billion to the national debt between 1987 and 1991 above levels currently projected (+2 billion over the compromise 1986 Congressional Budget Resolution for 1987-1988). Its ultimate cost would be well over $20 billion. Its claims of "savings" are empty, since savings from deauthorized projects that would never be built anyway are not real savings. This is too high a price to pay at a time when Congress and the President are striving to reduce budgetary deficits through the Gramm-Rudman-Hollings legislation. Our conclusion is simply that H.R. 6 is too much business as usual.

Mr. Chairman, you, members of your Committee, and your staff have been most understanding of the Administration's views on what is needed to modernize our water resources program in light of the current deficits and other competing demands on available cornerstone of Federal water policy for years to come. As you approach floor consideration and conference deliberations, we urge that you and other responsible members strive to limit further amendments to the bill. Significantly broadening the bill's scope, adding major weakening revenue provisions can only lead to its ultimate failure.

We look forward to further dialogue with you on this important subject and will assist in any way we can. The Office of Management and Budget advises there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

ROBERT K. DAWSON,
Assistant Secretary of the Army
(Civil Works).

DEPARTMENT OF THE ARMY,
OFFICE OF THE ASSISTANT SECRETARY,
Washington, DC, February 11, 1986.

Hon. ROBERT T. STAFFORD,
Chairman, Committee on Environment and Public Works, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: This letter is to inform you of an action we have taken to ensure the Fiscal Year 1986 Civil Works Continuing Authorities Program is executed in accordance with the terms in the President's Fiscal Year 1986 Budget and with the guidance from the Congress in the Fiscal Year 1986 Energy and Water Development Appropriation Act.

As you will recall, consistency of cost sharing among programs and equity among sponsors or comparable works has been an underlying tenet of the Administration's program for water resources development. We are in the process of implementing binding agreements with local sponsors to undertake construction of the projects funded by the Fiscal Year 1985 Supplemental Appropriations Act in accordance with the cost sharing provisions agreed to by the Administration and the Senate Majority Leadership. These cost sharing provisions were essentially reflected in S. 1567. We believe that all new construction activity in the Civil Works program—Continuing Authorities Program projects as well as specifically authorized projects—should be implemented under these same cost sharing provisions.

We are, of course, aware that S. 1567 would explicitly require that continuing authority projects be subject to the same cost sharing provisions as specifically authorized projects. We also have noted that, unlike in previous years, there was no report language accompanying the Fiscal Year 1986 Energy and Water Development Appropriation Act indicating that Congress did not wish us to seek higher levels of cost sharing for construction. As we move forward with construction of the specifically authorized projects funded by the Fiscal Year 1985 Supplemental Appropriations Act, we should treat other new construction efforts equitably.

Accordingly, I have directed the Corps of Engineers to apply the construction cost sharing provisions agreed to by the Administration and the Senate majority leadership to any project under the Continuing Authorities Program on which a construction contract is awarded after May 15, 1986. Should the Congress enact a Water Resources Development Act prior to May 15th, the cost sharing provision of any such act would, of course, apply.

Sincerely,

ROBERT K. DAWSON,
Assistant Secretary of the Army
(Civil Works).

[Sent to various Senators]

FEBRUARY 20, 1986.

Hon. ——
U.S. Senate,
Washington, DC.

DEAR SENATOR ——: The purpose of this letter is to discuss S. 1567, the Water Resources Development Act, and to specifically address its effect on flood control features of the Mississippi River and Tributaries (MR&T) project. We are encouraged that the bill has been reported by the Committee on Environment and Public Works and the Committee on Finance and that floor consideration appears likely in the very near future. The minimal impacts on the MR&T project set out below are more than offset by the opportunity to break the decade-long drought for a water project authorization bill.

The new cost sharing provisions of S. 1567 would apply to authorized but unstarted separable elements of the MR&T project, as well as MR&T elements that would be authorized by the bill and future authorizations. We agree that all regions of the nation should be treated equitably and that any new project cost sharing requirements should be applied uniformly by extending those requirements to the as-yet unstarted separable elements of all projects, including the MR&T project.

Over the past several weeks there have been discussions on the impacts of S. 1567 on elements of the MR&T project related to flood control. Therefore, I believe it would be helpful to provide an estimate of those impacts. We recognize and S. 1567 recognizes that there are special considerations to be given the MR&T project, and we believe the bill strikes the proper balance between the uniqueness of MR&T and the need to get a signable bill that grasps the present budgetary realities.

First, let me address the impacts of S. 1567 on previously authorized elements. Table 1 lists the authorized project elements related to flood control under the MR&T. That portion of the project which is not yet constructed is referred to as "balance to complete" and is represented by the sum of the last two columns. Of the approximately $5.1 billion balance to complete, $4.4 billion is either included in the President's budget for Fiscal Year 1987 or is likely to be included in future budgets. The $4.4 billion is comprised of all non-separable elements of the MR&T project as well as all separable elements under construction. Only authorized separable elements of the MR&T project on which construction has not been initiated, such as the principal features of the Yazoo Backwater Pumping Plant, are included in the "unscheduled balance to complete" column. Therefore, about $725 million, or just over 14% of the total balance to complete of the presently authorized flood control elements of the MR&T project would be subject to new cost sharing. I should point out that a large proportion of this amount may not have a real likelihood of being built in the years ahead because of lack of economic justification under current standards, environmental problems, loss of local support, and so on. In summary, almost 86% of the balance of construction would be exempt from additional cost sharing, an even larger percentage when you consider just the work likely to be implemented in the foreseeable future. Work exempted from new cost sharing requirements includes construction on the Mississippi River levees, Mississippi River channel improvement, the Upper Yazoo project, main stem Yazoo River work, and flood control work in the Atchafalaya Basin.

Now let me move to MR&T flood control elements that are presently contained in S. 1567. Table 2 lists eight MR&T flood control projects and two mitigation plans for MR&T flood control projects along with the estimated Federal and non-Federal shares in accordance with S. 1567 and traditional policies. The total cost of these ten features is $265 million. The non-Federal share for the projects would increase from $52 million to $105 million under S. 1567 or from 20% to 40% of total cost.

In conclusion, we believe that all flood control projects across the nation must be treated evenly and should pay according to the same cost sharing principles if we can expect to get a bill enacted into law which will enable the Army Civil Works program to continue to serve the Nation's needs. We urge your support in resisting amendments to S. 1567 that would give preferential cost sharing treatment to any project, thereby seriously weakening the bill's chances for ultimate success.

The Office of Management and Budget advises there is no objection to the presentation of this letter from the standpoint of the Administration's program. I hope this information has been helpful to you and look forward to working together to obtain a workable bill that can be enacted into law. If I may be of further assistance, please let me know.

Sincerely,

ROBERT K. DAWSON,
Assistant Secretary of the Army
(Civil Works).

TABLE 1.—FC, MR&T PROJECTS AUTHORIZED FOR CONSTRUCTION

Project	Total estimated Fed. cost (Oct. 1, 85)	Amount allocated to date (Sept. 30, 85)	Scheduled balance to complete	Unscheduled balance to complete
Mississippi River Levees	1,229,000,000	541,442,000	687,558,000	0
Channel Improvement	3,010,000,000	1,442,521,000	1,567,479,000	0
Section 6 Levees	3,745,000	3,745,000	0	0
Mud Lake Pumping Station	4,470,000	457,000	0	4,013,000
Old River	301,300,000	246,866,000	54,434,000	0
St. Francis Basin	361,000,000	239,763,000	121,237,000	0
Lower White River	54,800,000	13,331,000	0	41,469,000
Augusta-Clarendon	(4,601,000)	(1,780,000)	(0)	(2,821,000)
Big Creek and Tribs	(37,998,000)	(365,000)	(0)	(37,633,000)
Clarendon Levee	(1,576,000)	(561,000)	(0)	(1,015,000)
White River Backwater	(10,625,000)	(10,625,000)	(0)	(0)
Reelfoot Lake-Lake No. 9, TN-KY:	10,400,000	8,365,000	0	2,035,000
Reelfoot Lake (Completed)	(440,000)	(440,000)	(0)	(0)
Reelfoot Lake-Lake No. 9	(9,960,000)	(7,925,000)	(0)	(2,035,000)
Cache River Basin	157,000,000	8,335,000	0	148,665,000
L'Anguille River Basin	26,400,000	1,555,000	1,345,000	23,500,000
West Tennessee Tribs	104,000,000	32,441,000	71,559,000	0
Grand Prairie-Bayou Meto	130,900,000	0	0	130,900,000
Flood Control	(38,500,000)	(0)	(0)	(38,500,000)
Water Supply	(92,400,000)	(0)	(0)	(92,400,000)
Lower Arkansas	35,000,000	22,726,000	0	12,274,000
South Bank	(21,000,000)	(15,676,000)	(0)	(5,324,000)
North Bank	(14,000,000)	(7,050,000)	(0)	(6,950,000)
Tensas Basin	471,000,000	223,019,000	160,518,000	87,463,000
Boeuf and Tensas Rivers	(154,400,000)	(39,536,000)	(151,450,000)	(63,414,000)
Tensas River	66,400,000	2,123,000	863,000	63,414,000
Lake Chicot Pumping Plant	(92,300,000)	87,745,000	3,682,000)	(873,000)
Recreation	3,808,000	2,563,000	372,000	873,000
Red River Backwater	(169,900,000)	(50,616,000)	(96,108,000)	(23,176,000)
Below Red River	24,500,000	714,000	610,000	23,176,000
Tensas-Cocodrie Pumping Plant	(54,400,000)	(45,122,000)	(9,278,000)	(0)
Tensas National Wildlife Refuge	40,000,000	40,000,000	0	0
Yazoo Basin	1,320,240,000	416,067,000	795,892,000	108,281,000
Arkabutla Lake	(18,207,000)	(18,207,000)	(0)	(0)
Enid Lake	(23,575,000)	(23,593,000)	(−18,000)	(0)
Grenada Lake	(50,500,000)	(46,879,000)	(18,000)	(3,603,000)
Sardis Lake	(28,097,000)	(28,097,000)	(0)	(0)
Greenwood	(12,100,000)	(11,630,000)	(470,000)	(0)
Upper Yazoo Projects	(361,958,000)	(46,355,000)	(315,603,000)	(0)
Main Stem	(169,000,000)	(27,407,000)	(141,593,000)	(0)
Tributaries	(242,000,000)	(83,195,000)	(158,805,000)	(0)
All Work Except Ascalmore-Tippo and Opossum Bayous	204,100,000	60,513,000	143,587,000	0
Ascalmore-Tippo and Opossum Bayous	37,900,000	22,682,000	15,218,000	0
Big Sunflower River, Etc	(108,000,000)	(34,199,000)	(73,801,000)	(0)
Yazoo Backwater	(264,240,000)	(62,865,000)	(96,697,000)	(104,678,000)
Pumping Plant	100,000,000	4,730,000	4,950,000	90,320,000
Rocky Bayou	18,240,000	2,773,000	1,109,000	14,358,000
Streambank Erosion Control Evaluation and Demonstration	(14,767,000)	(14,767,000)	(0)	(0)
Demonstration Erosion Control	(13,700,000)	(5,399,000)	(8,301,000)	(0)
Will M. Whittington Auxiliary Channel	(11,573,000)	(10,951,000)	(622,000)	(0)
Belzoni	(317,000)	(317,000)	(0)	(0)
Yazoo City	(2,206,000)	(2,206,000)	(0)	(0)
West Kentucky Tributaries	23,800,000	1,169,000	450,000	22,181,000
Harris Fork Creek	21,500,000	870,000	0	20,630,000
Lower Red River-South Bank Levees	28,700,000	18,495,000	0	10,205,000
Bayou Cocodrie and Tribs	26,500,000	4,774,000	425,000	21,301,000
Atchafalaya Basin	1,433,000,000	503,512,000	929,488,000	0
Mississippi Delta Region	35,700,000	1,655,000	0	34,045,000
Teche-Vermilion Basin	35,700,000	34,928,000	772,000	0
Eastern Rapides-South Central Avoyelles	62,300,000	1,217,000	3,183,000	57,900,000
Sardis Dam (Dam Safety Assurance)	9,000,000	100,000	8,900,000	0
Completed Work	165,432,000	165,432,000	0	0
Total	9,100,887,000	3,972,785,000	4,403,240,000	724,862,000

TABLE 2.—MRC FLOOD CONTROL & MITIGATION REPORTS CONTAINED IN S. 1567 (COST SHARING SUMMARY)

[October 1984 prices; in thousands of dollars]

Project name	Propose	Total	Traditional				S. 1567			
			Appropriation reqs.		Ultimate		Appropriation reqs.		Ultimate	
			Non-Fed	Federal	Non-Fed	Federal	Non-Fed	Federal	Non-Fed	Federal
Bushley Bayou, Red River, LA (PH I)	FDP	44,700	0	44,700	0	44,700	12,662	32,038	12,662	32,038
Eight Mile Creek, Paragould, AR	FDP	14,950	0	14,950	50	14,900	10,700	4,251	10,750	4,201
Helena and Vicinity, AR	FDP	13,700	1,800	11,900	1,800	11,900	3,425	10,275	3,425	10,275
Horn Lake Creek, TN and MS	FDP	3,400	1,160	2,240	1,201	2,200	1,326	2,074	1,366	2,034
Louisiana State Penitentiary Levee, Miss River, LA	FDP	22,646	1,159	21,487	1,159	21,487	5,662	16,985	5,662	16,985
Nonconnah Creek, TN and MS	FDP	25,900	7,073	18,828	7,600	18,301	8,227	17,673	8,754	17,146
St. Johns Bayou and New Madred Floodway, MO	FDP	108,900	40,071	68,829	40,100	68,800	45,513	63,387	45,542	63,358
West Memphis and Vicinity, AR	FDP	20,600	0	20,600	0	20,600	15,047	5,553	15,047	5,553
Obion Creek (West KY Tribs), KY	MIT	4,900	926	3,974	926	3,974	1,225	3,675	1,225	3,675
Yazoo River Mitigation, MS	MIT	4,993	0	4,993	0	4,993	1,248	3,745	1,248	3,745
Total		264,689	52,189	212,501	52,835	211,854	105,034	159,655	105,680	159,009

DEPARTMENT OF THE ARMY,
OFFICE OF THE ASSISTANT SECRETARY,
Washington, DC, February 24, 1986.

Hon. ROBERT T. STAFFORD,
Chairman, Committee on Environment and Public Works, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: You have received our statement of Administration policy dated January 22, 1986, on S. 1457—Water Resources Development Act of 1985.

One of the "several other issues" alluded to in our last paragraph that should be identified now is our strong opposition to the inclusion of projects which have not received full, adequate review by long-standing procedures for determining whether a project is a comparatively good one.

We note that the Senate has generally included in S. 1567, as reported, those projects which have been reviewed by the Chief of Engineers. You will recall that the June 1985 agreement reached between the Administration and the leadership of the Senate included the right of the Administration to oppose projects in S. 1567 at that time or subsequently, which it deems to be

undesirable. We would prefer inclusion of only those projects which have completed the full Executive Branch review with favorable recommendations for authorization. By our count, about forty percent of the 180 or so projects in S. 1567, as reported, have not completed this full Executive Branch review.

The addition now of other projects to S. 1567 which have since been reviewed by the Chief of Engineers (but have not completed the full review process) will certainly weaken Administration support for the bill. The addition of projects with no Chief's report would be a very serious breach of last summer's agreement.

The Office of Management and Budget advises there is no objection to the presentation of this letter from the standpoint of the Administration's program. A similar letter has been addressed to Senator James Abdnor, Chairman, Subcommittee on Water Resources, Senator LLOYD BENTSEN, and Senator DANIEL PATRICK MOYNIHAN.

High regards.

ROBERT K. DAWSON,
Assistant Secretary of the Army
(Civil Works).

DEPARTMENT OF THE ARMY,
OFFICE OF THE ASSISTANT SECRETARY,
Washington, DC, February 25, 1986.

Hon. ROBERT T. STAFFORD,
Chairman, Committee on Environment and Public Works, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: I request that you consider the enclosed proposed amendments to S. 1567 during Senate floor action on this bill. These proposals, if enacted, would improve the operations and functions of the Corps of Engineers. The Office of Management and Budget advises that these proposals are in accord with the President's program.

We understand that you are considering inclusion as Committee amendments provisions allowing interim use of water supply storage for irrigation and repealing Section 210 of Public Law 90-483, which prohibits the Corps from collecting entrance fees at water resources projects. We have previously proposed these two items and continue to support their inclusion in S. 1567.

There may be several additional items submitted for your consideration as Committee amendments to S. 1567 if time allows.

High regards,

ROBERT K. DAWSON,
Assistant Secretary of the Army
(Civil Works).

Amendment —— would authorize the Corps of Engineers to pay the Federal share of the settlement amount resulting from the final contractor claim for the Four Mile Run, Virginia, project notwithstanding the Federal cost limitation set out in Section 84(c) of the Water Resources Development Act of 1974, Public Law 93-251.

Section 84(c) of the Water Resources Development Act of 1974 provides that the amount authorized to be appropriated for construction of the Four Mile Run, Virginia, project, is "not to exceed $29,981,000, plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuation in the cost of construction as indicated by engineering cost indexes applicable to the type of construction involved." Through fiscal year 1982, when funds were last appropriated for this project, annual price level adjustments through completion of project construction had resulted in a Federal project cost of $51,780,000. This amount has been fully obligated and expended.

Recently, the last contractor claim was settled. Following the decision of the Engineer Board of Contract Appeals on the merits of the contractor's claim, the issue of quantum was settled by the parties in the amount of $692,500, which included interest amounting to $279,245 through December 31, 1985. Of this amount, the Federal share is $584,071, with the City of Alexandria, as the non-Federal sponsor for the portion of the work involved, responsible for $108,429. The City has already provided its portion of the settlement amount.

The amendment would authorize the Corps to pay the Federal share of the settlement amount, notwithstanding the Federal cost limitation.

(Amendment ——). Add the following new section and number accordingly:

"SEC. . The Secretary of the Army, acting through the Chief of Engineers, is authorized to pay the Federal share of the settlement amount and any associated interest resulting from the decision of the Engineer Board of Contract Appeals in ENG BCA Docket Number 4650 (June 28, 1985), notwithstanding the Federal cost limitation set out in Section 84(c) of the Water Resources Development Act of 1974, Public Law 93-251."

Amendment —— would allow the Chief of Engineers to modify channel dimensions in critical areas to allow vessels to turn and maneuver with ease and safety. Such modifications would be limited to minimal widening and would not change the authorized project depth.

While the Corps of Engineers has solved the problem of designing navigation channels on straight reaches of waterway, it is only through actual operation of the project that it is possible to determine with precision, the exact dimensions required for the safe passage of vessels at the entrances, bends, sidings, and turning places. Section 5 of the River and Harbor Act of March 4, 1915, provides for these types of adjustments while the project is in the planning, design, and construction stages but makes no provision for modification after construction is completed. Presently, the only means available to modify the project is through the lengthy process of obtaining enabling legislation on an individual project basis.

(Amendment ——). Add the following new section and number accordingly:

"SEC. . Section of the Act of March 4, 1915 (38 Stat. 1049; 33 U.S.C. 562), is amended by inserting the words 'and after the project becomes operational' after the word 'Acts' and before the comma."

Amendment —— would establish cost sharing for certain dam safety work by the Corps of Engineers consistent with cost sharing required for similar work by the Bureau of Reclamation.

(Amendment——) Add the following new section and number according:

"SEC. . (a) After the date of enactment of this Act, costs incurred in the modification by the Corps of Engineers of dams and related facilities constructed or operated by the Corps of Engineers, the cause of which results from new hydrologic or seismic data or changes in state-of-the-art design or construction criteria deemed necessary for safety purposes, shall be recovered in accordance with the provisions in this subsection.

"'(1) Fifteen percent of the modification costs shall be assigned to project purposes in accordance with the cost allocation in effect for the project at the time the work is initiated. Non-Federal interests shall share the costs assigned to each purpose in accord with the cost sharing in effect at the time of initial project construction: Provided that the Secretary of the Interior shall recover costs assigned to irrigation in accordance with repayment provisions of Public Law 98-404.

"'(2) Repayment under this subsection, with the exception of costs assigned to irrigation, may be made, with interest, over a period of not more than thirty years from the date of completion of the work. The interest rate used shall be determined by the Secretary of the Treasury, taking into consideration average market yields on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the applicable reimbursable period during the month preceding the fiscal year in which the costs are incurred, plus a premium of one-eighth of one percentage point for transaction costs. To the extent that more than one interest rate is determined pursuant to the preceding sentence, the Secretary of the Treasury shall establish an interest rate at the weighted average of the rates so determined.

"'(b) Nothing in this section affects the authority of the Corps of Engineers to perform work pursuant to Public Law 84-99, as amended (33 U.S.C. 701n) or cost sharing for such work."

Amendment —— would correct oversights in the provisions of Public Law 99-88 that authorize the transfer of townsites at Riverdale, North Dakota; Pickstown, South Dakota; and Fort Peck, Montana, to local municipal entities.

The Fiscal Year 1985 Supplemental Appropriations Act, Public Law 99-88, directs the Secretary of the Army to transfer, without consideration or warranty, certain described lands (including improvments on such lands) to municipal corporations serving the inhabitants of townsites designated as Riverdale, North Dakota; Pickstown, South Dakota; and Fort Peck, Montana, as soon as possible after incorporation of each respective townsite. Apparently through oversight, the descriptions set out in Public Law 99-88 did not include existing support facilities, i.e., sanitary landfills, sewage lagoons, water treatment plants, water reservoirs, and distribution lines to and from these facilities. Although these facilities are located outside the described townsite areas, they are necessary for the continued viability of the townsites.

In addition, Public Law 99-88 provides that no limitations or restrictions (other than those which arise from rights described elsewhere in the section) shall apply to use or disposition of any land (including any improvements on such land) transferred to the municipal entities. This provision would preclude the United States from including standard preservation covenants in those deeds transferring National Register of Historic Places properties. Without inclusion of such covenants, the Federal Government would be required to undertake expensive mitigation to comply with the terms of the National Historic Preservation Act.

The amendment to Public Law 99-88 would expand the descriptions of land being transferred to include necessary support facilities, and it would allow the Federal Gov-

ernment to include reasonable preservation covenants, where appropriate.

(Amendment) Add the following new section and number accordingly:

"SEC. . The section pertaining to Transfer of Federal Townsites, the Supplemental Appropriation Act, 1985, Title I, Chapter IV (Public Law 99-88; 99 Stat. 293) is amended as follows:

'(a) Subsection (a)(1)(A) is amended by—

'(1) inserting "(i)" immediately after the letter "(A)", and

'(2) adding the following new subsections (ii) and (iii) at the end of the subsection.

"(ii) The land utilized as a sanitary landfill by Riverdale, North Dakota, consisting of approximately 96 acres.

"(iii) The peripheral utility improvements at Riverdale, North Dakota, developed for, or being utilized as, sewage lagoons; the sewer pipeline extending from the townsite boundary to said lagoons; any outfall facilities or control structures in conjunction therewith; the water pipeline extending from the exterior boundaries of the power plant to the townsite; and appropriate easements of right-of-way for the access to, and operation and maintenance of said improvements."

'(b) Subsection (a)(1)(B) is amended by—

'(1) inserting "(i)" immediately after the letter "(B)", and

'(2) adding the following new subsections (ii) and (iii):

"(ii) The land utilized as a sanitary landfill by Pickstown, South Dakota, consisting of approximately 23 acres.

"(iii) The peripheral utility improvements at Pickstown, South Dakota, developed for, or being utilized as, sewage lagoons; water treatment plant; water intake structure; the sewer pipeline extending from the townsite boundary to the sewer lagoons; any outfall facilities or control structures in conjunction therewith; the water pipeline extending from the water intake to the water treatment plant and to the townsite boundary; and appropriate easements of right-of-way for access to, and operation and maintenance of, said improvements."

'(c) Subsection (a)(1)(C) is amended by—

'(1) inserting "(i)" immediately after the letter "(C)", and

'(2) adding the following new subsection (ii):

"(ii) The peripheral utility improvements at Fort Peck, Montana developed and being utilized as a water storage reservoir; the water pipelines extending from the exterior boundaries of the power plant to the townsite boundary; the water pipeline extending from the townsite boundary to the water reservoir; and appropriate easements of right-of-way to the municipal corporation for access to, and operation and maintenance of, said improvements."

'(d) Subsection (c) is amended by adding at the end thereof, "Nothing in this provision prohibits the Secretary from placing reasonable covenants in those deeds transferring improvements having significant historical, cultural, or social value."

OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, February 27, 1986.

Hon. ROBERT STAFFORD,
Chairman, Committee on Environment and Public Works, U.S. Senate, Washington, DC.

DEAR BOB: This letter is to again express our appreciation for the important role that you have played in helping to negotiate the Senate leadership/Administration agreement on project cost sharing and commercial navigation user fees for Army Corps of Engineers water resources development. This agreement, largely reflected in S. 1567, represents the culmination of years of hard work and promises to fundamentally reform the manner in which Corps water projects are financed. The fact that S. 1567 is now ready for floor consideration is due in large measure to the full cooperation of all involved in the agreement.

I know that we can count on your continued support and leadership when S. 1567 comes up for consideration in the near future. Amendments that would increase Federal expenditures or reduce revenues from the levels in S. 1567, as reported, would be counter-productive when we are all striving to achieve the deficit reduction targets of the Gramm-Rudman-Hollings Act. I urge that you strongly oppose such measures. We all look forward to a water bill that is acceptable to the President, so that the projects either funded by the Fiscal Year 1985 Supplemental Appropriations Act or proposed for funding in the 1987 Budget can move to implementation along with enhanced cost sharing and increased user fees.

Thank you very much for your support and leadership.

Sincerely yours,

JAMES C. MILLER III,
Director.

DEPARTMENT OF THE ARMY,
Washington, DC, March 3, 1986.

Hon. ROBERT T. STAFFORD,
Chairman, Committee on Environment and Public Works, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: I know you are aware of my commitment to follow up on the June 1985 water project cost sharing compromise between the Senate leadership and the Administration. This compromise is reflected in S. 1567, the Water Resources Development Act, which, if it were passed today, could be recommended for signing by the President.

The Administration remains firm in its support of sound water project development as represented by S. 1567 in its present form. It is essential that the Senate act upon S. 1567 early in this session so that the bill can be kept as unencumbered as possible. Unwarranted additions of projects and programs which are unrealistic in light of the need to reduce Federal spending and the weakening of the new project cost sharing and navigation user fee requirements must be avoided if we are to have a bill that will be signed by the President.

This bill represents the culmination of months of work on the part of the responsible Senate committees and the Administration to forge a new and realistic charter for Federal water development. It is imperative that we obtain prompt action on this legislation if we are to take advantage of the excellent opportunity you and your colleagues have created for a strong but budgetarily realistic water resources development program.

Sincerely,

ROBERT K. DAWSON,
Assistant Secretary of the Army (Civil Works).

Mr. PACKWOOD. Mr. President, I had initially a 30-minute opening statement, but because of the camaraderie that exists among the various factions involved in this bill and the harmony and the compatible conclusions that have been reached, I will make my statement in 3 minutes.

One year ago, certainly 2 years ago, I would have said that this bill would have been impossible. There were fights between Atlantic coast ports, Gulf coast ports, and Pacific coast ports; fights between coastal ports, upriver ports, big ports, and little ports. There was a fight with the administration as to whether or not local water projects should pay any portion of their costs.

Through the extraordinary leadership of the Senator from South Dakota, Senator ABDNOR, and Senator MOYNIHAN, Senator STAFFORD, Senator BENTSEN, and others, all of those various interests have been harmonized successfully. And if there is any one person whose name has not been mentioned today, as a principal architect of this bill, it has been David Stockman, former budget director, who fought long and hard, and forced Congress to reach a conclusion by the very fact that he represented the administration was going to veto any water projects until some accommodation was reached on sharing the cost and user fees.

So I am delighted to have been a small part of this compromise, and it is a good compromise. It is good for this country, and it is good for those who will use the ports, and the inland waterways. It is a happy occasion when we can produce a bill like this on which everyone can agree, and from which everyone benefits.

I thank the Chair.

Mr. BENTSEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. BENTSEN. Mr. President, as ranking minority member of the Committee on Environment and Public Works, I am pleased to support S. 1567, the Water Resources Development Act of 1986.

I would like to add my comments to those of the distinguished chairman of the committee, Senator STAFFORD, who has done so much in bringing about an accommodation of the many competing interests in the bill. Also I want to compliment my good friend, Senator ABDNOR, for what he has been able to do in that regard, and the distinguished Senator from New York, Senator MOYNIHAN, in trying to reconcile some of the differences between big ports and small ports.

It has been a decade since enactment of the last substantive water resources measure. We have heard 10 years of dialog on proposals to change existing procedures for financing the construction and maintenance of water resources projects.

We have seen successive administrations come to the Congress advocating a more equitable sharing of water project costs among beneficiaries.

Every year in the past decade we have heard representatives of the barge industry, which has suffered a serious economic decline during the past several years, predict even more serious consequences to their economic well-being should higher fuel taxes be imposed on them. Port representatives have voiced their concern over the effect of possible taxes or fees on cargos and international commerce. Environmental groups urging greater non-Federal participation in project costs have added volume to the chorus. These have been legitimate concerns. This bill represents a carefully developed effort to address these serious issues.

Over the years, the Subcommittee on Water Resources has conducted innumerable hearings on issues related to water policy. The subcommittee and the full Committee on Environment and Public Works have devoted a great deal of time to the consideration of appropriate changes in existing water policies.

Senator ABDNOR, Senator MOYNIHAN, and the distinguished chairman of the full committee, Senator STAFFORD, have dedicated untold hours in trying to resolve those issues. The staff has done an extraordinary amount of work in trying to bring this effort to culmination. I am most appreciative of the efforts that they have accomplished in that regard.

The bill before us, S. 1567, contains far-reaching changes in the way we approach the planning, funding, and implementation of water projects. It reflects a decade of work by the Committee on Environment and Public Works. The bill also includes authorization of nearly 200 projects in 42 States, projects which will be implemented under the new policies. I intend to discuss some of the various policy changes in this legislation in more detail, as well as some of the projects in the State of Texas. I would like to state at this time, however, that I am proud to have taken an active role in the development of this legislation. It will provide a needed impetus to this Nation's water development program.

Mr. President, the water resources cost sharing policy changes embodied in titles 5, 6, 7, and 8 of this legislation are the most important aspects of this bill. Without these changes I think it correct to state that there would be no bill. These cost sharing reforms address all types of Corps of Engineers projects, covering their development from initial study to long-term repayment long after project completion.

I will not describe the cost sharing changes for all the various types of projects. But I do want to discuss the new policy as it affects commercial ports and harbors, which are so important to the economy of coastal States such as Texas.

Because of the importance of harbor development to maritime commerce, this activity has been a responsibility of the Army Corps of Engineers since the early days of this Republic. Virtually all of our large commercial ports, as well as smaller fishing harbors and harbors of refuge for small commercial and recreational craft, have been developed by the Federal Government through the Corps of Engineers. Over the years, changes in marine transport technology have resulted in the need for deeper and deeper harbors. While the legislation before us continues the Federal commitment to our harbor development, it also establishes a clear policy for non-Federal involvement in the construction of future facilities and the maintenance of existing and future facilities.

Title 6 sets cost sharing requirements for cash contributions during construction of three categories of harbors: ports shallower than 20 feet; 10 percent non-Federal; harbors between 20 and 45 feet in depth: 25 percent non-Federal; and harbors deeper than 45 feet: 50 percent non-Federal.

In addition, every new harbor construction project, no matter what its depth, must pay another 10 percent of the project cost over time, once the project is completed.

This new policy will enable the marketplace to determine which harbors should be expanded and deepened. Harbors for which financing can be obtained will be constructed expeditiously, and harbors which cannot obtain financing will probably never be built.

Thirty-two harbor projects are authorized in title 6, including the Brazos Island project, located at the southernmost tip of Texas. The total estimated cost of this important deep draft navigation project is $31.4 million. Under the new cost sharing formula in S. 1567, non-Federal sponsors will be contributing $11.3 million during construction and an additional $2.5 million payback over the life of the project.

Another navigation project vital to Texas is the $182 million Texas City channel enlargement and extension plan. The report on this project was signed by the Chief of Engineers only 2 days ago, making it eligible for inclusion in this legislation.

It is clear that the non-Federal sector should also play a role in the maintenance of harbors as well as in their construction. Title 8 of this legislation, therefore, imposes a uniform, nationwide harbor maintenance charge. This charge is in the form of an ad valorem tax, set at 4 cents per $100 value of cargo processed in U.S. harbors. This will raise an estimated $140 million annually, to be placed in a harbor maintenance trust fund which will be used to finance up to 40 percent of the costs of future harbor maintenance dredging.

Title 7 establishes new cost sharing policy for categories of water resources projects not associated with inland navigation or with harbors. It also authorizes a large number of new projects, several of which are crucial to the State of Texas. These include five flood control projects: Buffalo Bayou and tributaries, Boggy Creek, Lake Wichita at Holiday Creek, Lower Rio Grande, and Sims Bayou. I am particularly pleased to note the inclusion of the Lower Rio Grande project, which will provide much needed flood protection to the area of Texas in which I was born and raised. I have worked for the authorization of the Lower Rio Grande project since I first came to the Senate.

Title 7 also includes an important fish and wildlife mitigation plan for Cooper Lake, which will be located in the Red River Basin in north Texas.

Mr. President, this is a good bill. It is a fiscally responsible bill. While its Federal price tag of nearly $12 billion may appear high, it must be remembered that this is the first omnibus water resources legislation to be acted on by both Houses since 1976. Every project recommended for construction in this bill has gone through the Corps of Engineers review process, from the District Engineer in the field up through the Chief of Engineers in Washington.

I would like to compliment the other Members of the Environment and Public Works Committee who devoted many hours to this bill over the years, particularly full committee chairman BOB STAFFORD and the chairman and ranking minority member of the Water Resources Subcommittee, JIM ABDNOR and DANIEL PATRICK MOYNIHAN.

In closing, it has appeared to some during the past decade that the era of water projects was over, that the Corps of Engineers should perhaps be redirected to other areas of activity. I do not agree. Water resources projects will always be essential to the State of Texas and to the rest of the Nation as well. With this legislation we will begin an era of joint development of these projects—a new partnership between project sponsors and the Federal Government which will ensure the implementation of those projects which are truly needed and in fact economically viable. I urge the Senate to adopt this important legislation.

Mr. ABDNOR addressed the Chair.

The PRESIDING OFFICER (Mr. PRESSLER). The Senator from South Dakota.

Mr. THURMOND. Mr. President, I rise today to voice my support of S. 1567, the Water Resources Development Act of 1985. Passage of this legislation is essential.

71-059 O-87-19 (Pt. 4)

Mr. President, while Congress authorized some new Army Corps of Engineers water projects in 1976, it has not approved a major omnibus authorization bill comparable to S. 1567 since 1970. As a result, the Federal water resources development program has suffered a serious decline in recent years. Construction spending by the U.S. Army Corps of Engineers has dropped 78 percent in the past 20 years. America cannot continue to allow our important infrastructure to deteriorate.

Mr. President, I will briefly explain the dire consequences a decline in water resource development poses for the country.

First, America must remain competitive in international trade. The National Academy of Sciences recently found that the status quo of U.S. ports is unacceptable given "the nature of future oceanborne transportation and the future mix of commodities that the Nation will export and import." The Academy released its findings in October 1985. The report entitled "Dredging Coastal Ports, an Assessment of the Issues," was the work of the Committee on National Dredging Issues of the Academy's Marine Board.

Identified in the report are the indispensable economic contributions of the Nation's port facilities. Nearly 20 percent of all goods produced in the United States are exported each year; 70 percent of the goods produced in the United States are competing directly in the world and domestic marketplace with foreign-made goods.

Mr. President, S. 1567 authorizes the deepening of many American harbors, including the Port of Charleston in my home State of South Carolina. The deepening of these harbors will allow American ports to accommodate larger ships, capable of carrying larger cargoes, and thereby reduce the cost per unit of American cargo.

Mr. President, the deepening of American ports cannot be overemphasized. There are 76 ports with depths exceeding 55 feet worldwide. Only two are found in the United States, and none on the Atlantic coast. The efforts of other nations to build larger and deeper port facilities underscores their expectation of the need to handle ever greater volumes of seaborne trade, carried in ships of unprecedented size.

Western Europe boasts 15 ports capable of handling fully-laden vessels exceeding 150,000 deadweight tons. South Africa alone has four deepwater ports. Japan, since World War II the world's fastest growing exporter, has 11 deepwater North Pacific ports. Clearly, any major industrial nation without benefit of deepwater ports is at a great disadvantage in the competitive world of international trade.

Mr. President, this legislation is also needed to maintain America's naval strength. America must never allow its access to the international sealanes be jeopardized. We must be able to project our naval strength worldwide. We carry the responsibilities of a world power. The harbor improvements authorized in this bill will contribute to our ability to project our strength. For instance, Charleston, SC, is the homeport of over 73 naval ships. The harbor improvements authorized in this bill will increase the ability of this port to service these ships, and thus enable them to better meet their defense responsibilities.

Mr. President, I urge that this much needed legislation be promptly approved by the Senate.

Mr. SPECTER. Mr. President, I strongly support S. 1567, the Water Resources Development Act. My distinguished colleague, the Senator from South Dakota, and the members of his committee, together with the other committees who have had jurisdiction over portions of this important bill, have labored long and hard to develop a workable water resources development plan.

It has been 10 years since the last water resource bill was passed. During this period, the volume of commerce passing over our inland waterway system and through our ports has increased dramatically. The continuing population increase has stretched our limited water supplies and made thousands of people more vulnerable to the ravages of flood waters. Unfortunately, our investment in water-related infrastructure has not kept pace with these developments.

The current bill authorizes a number of water projects important to Pennsylvania: three lock and dam replacements, four flood control projects, and one shoreline erosion control project. In total, this bill authorizes approximately $900 million for water projects which are sorely needed by my State.

To fix what is perhaps the worst inland navigation problem in the Nation, this bill authorized $256 million for the replacement of the Gallipolis locks, which were completed in 1937.

This project will complete a series of 1,200 feet by 110 feet locks from a point near Pittsburgh to Smithland locks and dam. The bottleneck resulting from the smaller Gallipolis locks greatly slows traffic along the entire Ohio River navigation system. In addition, the accident rate at Gallipolis is nearly six times that of other locks on the Ohio, further contributing to traffic delays. The economic benefits from this project have been estimated at $98 million yearly by the Corps of Engineers, benefits that will clearly help the industries most using the river navigation system, the coal and steel industries. Approximately 50 percent of the traffic moving through the Gallipolis locks is coal and coke for steel production. This reduction in transportation costs will help make American coal and steel more competitive on world markets and help save American jobs in these depressed industries.

Locks and dams 7 and 8 along the Monongahela River were completed 61 years ago. Having served well beyond their useful economic life, I am extremely gratified that this bill authorizes the replacement of lock and dam 7 and new lock construction and dam rehabilitation on No. 8. This bill authorizes $95.1 million for the replacement of lock and dam 7 and $68 million for replacement and rehabilitation at lock and dam 8.

The current locks, like those at Gallipolis, are far smaller than the locks both up river and down river, creating bottlenecks and costly traffic delays. This project will nearly double the size of the current locks and significantly reduce delays. In addition to lock size problems, these facilities are literally crumbling with age. The concrete used in these facilities is deteriorating, with subsurface damage extending as deep as 5 feet on lock 8 walls. If these replacement projects had not been authorized, these locks would not have lasted much longer.

Ninety percent of the bulk cargo passing down river and 70 percent of the cargo moving up river through these locks is coal. As at the Gallipolis lock and dam, the replacement of locks and dams 7 and 8 will reduce the costs of coal shipment and will help to preserve Pennsylvania jobs in the coal and steel industries.

Since the 97th Congress, I have annually introduced legislation to authorize an erosion control project for Presque Isle Park. The Presque Isle Peninsula beach erosion control project at Erie, PA, will provide for construction of a system of 38 to 58 breakwaters offshore along the lakeward length of the peninsula and the addition of sand fill along the shoreline to provide a recreational beach berm.

The Presque Isle beaches have been repeatedly destroyed by storm waters from Lake Erie. Last year, late winter storms washed away Beaches 6 and 8, damaged the berm along the bicycle trail and East Fisher Avenue, left sand and debris on park roads and beaches, and damaged docks at the marina. With the highest attendance of any State park, this construction project will save what would otherwise be lost—the swimming, fishing, boating, picnicking, bicycling, hiking, and nature study activities which draws millions to visit this fragile park. The total authorization for this project is $28.1 million.

The cities of Wilkes-Barre, Harrisburg, Lock Haven, and a number of communities along the river have been repeatedly devastated by a series of floods since the 1972 tropical storm

Agnes up to the latest storm, Hurricane Gloria, which only last September struck the area. This bill would authorize approximately $483 million for Pennsylvania flood control and shoreline erosion projects.

Since the 97th Congress, I have annually introduced legislation to authorize a flood control project for Harrisburg. Flooding from Paxton Creek in the industrial section of Harrisburg has repeatedly plagued the city. During tropical storm Agnes alone, the Harrisburg area suffered damages approaching $55 million. To remedy the city's flooding problem, this bill will authorize construction along the South Harrisburg-Paxton Creek area of a 3,800-foot floodwall, 8,500 feet of improved Earth channel and 12,800 feet of concrete channel on Paxton Creek. The authorization for this project is $132.9 million.

Since the 97th Congress, I have annually introduced legislation to authorize a flood control project for Lock Haven. The Lock Haven flood control project is urgently needed, since nearly the entire city is flood-prone from the Susquehanna River and Bald Eagle Creek. In the last 131 years, the city has been flooded 20 times. The 1972 tropical storm Agnes inflicted the worst damage, flooding the entire business district and most of the city's residential areas and adjoining townships. This bill would authorize a flood control system consisting of 23,500 feet of levees, 6,500 feet of floodwalls, 4 ponding areas, 4 pumping stations, highways and railroad closure structures and the removal and relocation of 139 structures. This bill authorizes $79.225 million for the Lock Haven project; a project which cannot be completed too soon.

Since the 97th Congress, I have annually introduced legislation to authorize a flood control project for the Wyoming Valley. During the 1972 tropical storm Agnes, the Wyoming Valley suffered flood damages estimated at $730 million from waters 4 to 5 feet above the existing levee system. In an area such as Wilkes-Barre that is a heavily developed urban area, the current levee is insufficient to protect residents from the ravages of such storms as Agnes. The project authorized in this bill would protect the Wyoming Valley from storms of Agnes intensity by raising 74,000 feet of existing levee by 5 to 7 feet, raising 7,000 feet of existing floodwall by 5 to 7 feet, providing new closure and drainage structures, constructing a new pumping station, and by building 6,000 feet of new levees and 14,000 feet of new floodwalls at five Wyoming Valley communities; Wilkes-Barre/Hanover Township; Swoyerville/Forty-Fort; Exeter/West Pittston; Kingston/Edwardsville; and Plymoth.

The resulting induced flooding caused by raising the current levee system will be mitigated in eight nearby communities. The communities of Sunbury, Danville, Brookside, Miners Mill, and Duryea will be protected by raising levees or floodwalls. At Plainsville and Port Blanchard, protection will be achieved by a combination of flood-proofing, relocation, and a ring-levee floodwall system. At Bloomsbury, the mitigation action will result in the removal of an abandoned Conrail bridge. This bill authorizes $234.7 million for this project.

The Saw Mill Run area in the western section of Pittsburgh was badly flooded in July 1980. This bill will provide protection against floods with an average 50-year recurrence interval. Annual flood damage will be reduced by approximately 92 percent. This project will consist of deepening and realigning about 5,600 feet of the Saw Mill Run channel. This project is authorized for approximately $8 million.

This bill does not authorize a number of projects which are very important to Pennsylvania. Each of us can list the projects not authorized by this bill and that list would be long—very long. The list would be long enough to ensure that we go another year without a water resources bill.

We know this bill is not perfect, and that in the time allowed, not every policy issue before us could be definitively answered. We recognize that issues remain to be discussed with the Members of the other body, as we prepare for conference on this critical legislation. There are at least two provisions in this bill that concern me—port user fees and cost-sharing provisions for reallocations of storage at existing reservoirs.

Mr. President, I would like to express my grave concern regarding the port user fee provisions of S. 1567. The bill establishes a 0.04 percent user fee on the value of cargo loaded and unloaded at the ports to be used to defray operations and maintenance [O&M] costs for our Nation's harbors.

While we recognize the need to reduce the Federal budget deficit through spending reductions and substitute revenue sources, we fear that the threat of ever-increasing user fee rates may seriously jeopardize the stability of port traffic and hence the economic growth of the region.

The ports of the Delaware River generate $1 billion in business and $50 million in tax revenues annually. The ports support more than 120,000 jobs and have a substantial impact on the city of Philadelphia, as well as the entire region. Philadelphia is one of the largest North Atlantic coast ports, and is a major transport center both for domestic and international goods.

The Delaware River, which empties into the Port of Philadelphia, creates unique operations and maintenace conditions in the port. The 120-mile-long river contains unusually large amounts of silt which are deposited in the port and require extensive dredging. Consequently, the Port of Philadelphia consumes approximately 10 percent of the entire national budget allocated for dredging by the Corps of Engineers.

The cost of this operation has traditionally been borne by the Federal Government. Two hundred years ago, our Founding Fathers recognized the national importance of the uninterrupted operation of our ports, and assumed the responsibility for maintenance at the national level. It is essential that the Federal Government maintain not only its responsibility to provide adequate dredging, but also its administrative role through the collection of port fees by the Customs Service, as recommended by the committee.

The bill before us imposes a uniform ad valorem tax to help defray Federal O&M costs. I have long been opposed to any user fees for the operation and maintenance of our Nation's harbors. Nevertheless, I also recognize that the fee recommended in this bill is far less damaging than the 100-percent port-specific user fee heretofore proposed. Before we vote on this measure, I feel it is critical to establish on the record, the intent of this Senator to vigorously oppose any future attempt to increase the burdens imposed upon our ports. The Finance Committee could not have been more clear in its report, which indicated that the committee:

> Does not intend to reconsider either the nature of the port user charges * * * or the rate of such charges * * *. Further, the committee believes that the rates established in the committee amendment are at the appropriate level currently and for the foreseeable future.

I believe that it is essential that if we are forced to accept an O&M user fee that the rate embodied in S. 1567 be maintained for the foreseeable future to protect our waterborne system of commerce, a key part of the economic vitality of our Nation and our national defense postures. It is critical to the smooth operation of all of our ports that these fees be established on a firm and predictable basis and not be subject to tinkering by the administration. Should there be requests to increase or change the uniform nature of these rates in the near future, I will strenuously oppose any such changes, as I am certain that my colleagues who also represent the Delaware River valley region will do.

There is one policy issue—important to my State and a number of other jurisdictions across the Nation—which is covered by provisions in H.R. 6, but which we did not have an opportunity to address in S. 1567. I would like to note that issue here, and urge our colleagues in their deliberations with Representatives from the other body,

to consider the following problem carefully in the conference.

That issue, Mr. President, involves cost-sharing arrangements for reallocations of storage in existing reservoir projects.

As we move ahead with water development in this Nation, it is imperative that we target our investments carefully, attempting to utilize fully existing projects and facilities to fulfill the multiple purposes of the National Water Program at the least possible cost.

As noted by the Interstate Conference on Water Problems and documented by the Corps of Engineers, a significant amount of underused or unused storage is available under Federal management in existing multipurpose reservoirs throughout the Nation. Faced with a growing national need for new or expanded water supply sources—in both the East and West—substantial national economic and environmental benefits can be acquired by allowing the reallocation of such water storage for other purposes and by encouraging State and local governments to acquire such storage for water supply use. Reallocation of underutilized water storage allows more efficient use of the storage already available, while allowing the Federal Government for the first time to recover a portion of its original construction costs and to offset a substantial portion of its future operations and maintenance expense.

We note, however, that a policy recently adopted by the executive agencies—without congressional review or approval—is being used in an attempt to charge State and local governments prices for water storage reallocation that are far in excess of the Federal Government's original construction costs, including interest on the portion of storage to be reallocated. Adherence to this congressionally unapproved policy has put some agencies in the position of trying to make a profit on public investments—while unfortunately discouraging the cost-effective use of valuable water resources at the State and local level.

The Water Supply Act of 1958, as amended, prescribes the price that State or local interests must pay to acquire water supply storage in new or existing reservoirs. Those pricing provisions, and the legislative history accompanying them, are very specific. They apply by their terms and intent to the sale of storage originally allocated or reallocated to water supply in existing Federal reservoir projects. In essence, those provisions require the non-Federal sponsors to repay a proportionate share of the original construction cost incurred by the Federal Government, plus the accrued interest on that investment at the interest rate applicable to Federal borrowings at the time of construction. The Water Supply Act is designed to allow full real cost recovery, to make the Federal Government whole. Mr. President, as I read it, nothing in the bill before us changes any of those provisions or intentions.

In the last several years, however, the Secretary of the Army has attempted to change the legislated terms and intent of the Water Supply Act. Acting on his own, the Secretary has fostered a policy of requiring State and local purchasers of storage to pay—not the real construction cost of the storage—but what the storage would cost if built today.

The corps' policy, Mr. President, is akin to the Federal Government attempting to sell used Chevrolets at the cost of new Cadillacs. As documented by the corps' own figures, this unsanctioned and irrational policy in many cases results in charging State and local taxpayers more than 10 times the real cost of the project storage—costs which those same taxpayers have already paid for once through their Federal taxes.

This problem is addressed by specific provisions incorporated in H.R. 6 by the other body. In section 628 of the House bill, Mr. President, Congress should instruct the Secretary of the Army to study the arrangements for reallocation of storage in existing water projects, including the appropriate cost-sharing and financing arrangements for such storage reallocations. Pending that study, the House bill would require the Secretary to follow the spirit and intent of the 1958 Water Supply Act, limiting cost-sharing requirements to 100 percent of the real costs of the reallocated storage, with no profit or loss by the Federal Government.

Because this issue arose after Senate hearings and most committee action on S. 1567 had already been completed, we did not have time in this body to develop similar provisions to address this issue. We recognize that the language of the House bill may not be perfect, and some negotiation may be in order to refine such provisions. For example, the House bill may not be entirely clear in recognizing that non-Federal interests will continue to pay for any new construction—such as the relocation of recreation facilities or outlet work improvements—required to effect storage reallocations. Similarly, some clarification may be needed for cost-sharing in special cases where the reallocations may adversely impact the vested rights of other users of the same reservoir, requiring some form of compensation or credit. However, we understand that refined language has already been drafted that would resolve these issues. We firmly believe that there is a workable basis for a policy that would truly benefit both the Federal Government and non-Federal interests. The guideposts of that policy are, we believe, the following:

First, the Federal Government should encourage cost-effective reallocations of unused or underused reservoir storage in existing projects.

Second, cost-sharing arrangements for such reallocations should be "revenue neutral" or "positive," for the Federal Government, but should not attempt to extract a Federal profit at the expense of our own taxpayers.

Third, the basic cost-sharing for such reallocations should be based on recovery of a proportionate share of the original construction costs, plus interest in the rates prevailing at the time of construction. Any additional costs for new construction or project modification as required to effect storage reallocations should be borne by the non-Federal sponsors according to the arrangements set forth for new projects in S. 1567.

We would urge our colleagues, the conferees from the Senate, to discuss these provisions in earnest with Representative from the other body, and to report back mutually acceptable language that addresses this important policy question.

Mr. President, the Senate water resources bill does not contain a project which is extremely important to Pennsylvania; the Schuylkill River Basin flood control project at Pottstown, PA. The Schuylkill River Basin is subject to flooding even from a summer thunderstorm. Manatawny Creek is also subject to flooding from Schuylkill River backwaters, as well as from the runoff from smaller localized storms in the Manatawny Creek watershed. Since 1757, the Pottstown area has been flooded by the Schuylkill river 45 times. Tropical storm Agnes caused flood damages to the Pottstown area of approximately $25 million in 1972 dollars.

The Pottstown flood control project would deepen the channel and remove obstructions in the channel, thereby, reducing the likelihood of flooding by providing for the uninterrupted flow of the river. With a total cost of just under $6 million, it is imperative that this project be authorized in this bill.

I strongly urge that the conferees consider the inclusion of this project when they convene.

Mr. MITCHELL. Mr. President, it has been many years since Congress enacted comprehensive water resources development legislation. This measure, the Water Resources Development Act of 1986 has many provisions which I support and which are important to me and other members of the committee.

I am particularly pleased that the measure includes a number of amendments which I introduced on behalf of Maine.

The bill would provide the following:

First, $3.43 million is authorized for a project to demonstrate sound farming practices in the St. John River Basin. An irrigation system would provide a constant source of water to crops resulting in increased yields and improved quality of produce.

Second, $10 million is authorized to study the effects of potential tidal power projects in the Bay of Fundy. Such projects could increase the tidal fluctuation along the Maine coast resulting in increased storm damage and altered fisheries and shellfish production.

Third, fresh fish would be exempt from the advalorem tax on cargo entering U.S. ports. In addition, cargo entering ports which do not receive Federal operations funding would be exempt from the tax.

Title VII of the bill pertains to non-Federal cost sharing for operation and maintenance of federally authorized ports. This provision is intended to recover up to 40 percent of the nationwide costs for port maintenance. The tax would equal 4 cents for every $100 worth of cargo being transported.

As originally proposed, the tax, or user fee, would have been imposed on cargo entering all ports, regardless of whether such ports are federally authorized and eligible for Federal maintenance money. Even small fishing villages in Maine and other States would have been included.

I am very pleased that the bill would now apply the tax only to federally authorized ports which have received Federal funds since 1977. Thus, such ports such as Eastport, which have been deauthorized, and ports such as Searsport, which have never received Federal funds, would not be subject to the tax. These restrictions greatly enhance the fairness of the proposal.

Again, I am pleased that this measure is receiving long awaited consideration by the Senate. It is an important bill which addresses the water development needs of many States, including Maine, and I urge its adoption.

Mr. CHAFEE. Mr. President, I urge my colleagues to support the committee's amendment to S. 1567. I particularly want to stress the measures in that package that ensure adequate mitigation of wetland losses to water resource development projects. What's at stake here is the continued existence of our bottomland hardwood forests. These wetlands are one of this Nation's most productive and endangered ecosystems.

About 80 percent of the bottomland hardwoods in the lower Mississippi River Valley have been destroyed, or 19 million acres of the original 24 million acres. Over half this destruction has been in Louisiana, with large amounts also in Arkansas, and Mississippi. Federal flood control projects and small watershed projects have accelerated conversion of these wetlands to cropland. An estimated 2 percent of the remaining bottomland hardwood forests are lost each year.

If we allow this destruction to continue unabated, we will virtually eliminate for all time one of our most valuable ecosystems. We are on the verge of extirpating from this continent not just a single species, but an entire, unique assemblage of plants and animals.

Our bottomland hardwood forests occupy the broad flood plains that flank many of the major rivers in the Southeastern United States. The largest single area of bottomland hardwoods occurs in the lower Mississippi River Valley. The bottomland hardwood forests in this region are among the Nation's most important wetlands. They are prime overwintering grounds for many North American ducks, including nearly all of our 4 million wood ducks and 2.5 million of the 3-million mallard ducks in the Mississippi flyway. Numerous fish and shellfish depend on the flooded hardwoods for spawning and nursery grounds. Bottomland hardwoods also play a vital role in reducing flooding problems by temporarily storing large quantities of water and by slowing the speed of flooding waters. In the process, these wetlands remove chemicals from the water such as fertilizers and trap soil eroding from nearby farmland.

The committee's amendment would require the Corps of Engineers to mitigate losses of bottomland hardwoods from water resource development projects in-kind. What that means is that the destruction or degradation of bottomland hardwoods must be offset by the protection or management of other bottomland hardwoods. It does not mean that we offset destruction of this endangered ecosystem with protection or management of other less valuable and less scarce ecosystems.

We simply cannot afford to allow the destruction of 100,000 acres per year or more of bottomland hardwoods without adequate mitigation. The Council on Environmental Quality has stated that:

> The bottomland hardwoods in the Southeast are of such importance as wildlife habitats, and becoming so scarce, that the principle of full, in-kind replacement should override other considerations.

One particularly egregious example of the inadequacy of the corps' present mitigation policy is the Tennessee-Tombigbee Waterway. This project alone has caused the net loss of 34,000 acres of bottomland hardwoods in Mississippi and Alabama. The corps' mitigation plan failed to provide for replacement of these losses by protecting or managing other bottomland hardwood areas, as recommended by the U.S. Fish and Wildlife Service. The corps' report on the Tenn-Tom project even provided an option to mitigate losses with intensive wildlife management of national forest lands, which are intended to be managed on a multiple-use basis. In a review of this interagency disagreement, the Council on Environmental Quality strongly recommended full replacement of the 34,000 acres lost, through a combination of management and acquisition of bottomland hardwood forests.

The committee's amendment would require mitigation of the loss of forested wetlands due to the Tenn-Tom project consistent with the Council's recommendations for in-kind replacement of bottomland hardwoods. The future of our waterfowl, of our fisheries and shellfisheries, and of our waters requires that we do no less.

Mr. SARBANES. Mr. President, I rise in support of S. 1567, the Water Resources Development Act of 1985, which provides for a national water resources policy and vitally needed port development. This bill will ensure that we can move forward on the long-delayed development and improvement of our Nation's deep water harbors, including the Port of Baltimore.

The development and improvement of our Nation's water resources infrastructure are a matter of great importance not only for our domestic economy but also for our international economic and foreign policy, and, I might add, national security considerations. Our ports and harbors are a vital part of our Nation's transportation system and indeed our economic well-being. They generate revenue, jobs, commerce, and investment. They are an essential element of our international trading system.

It is clear, however, that our ports lag behind other major maritime nations of the world. While it has been nearly a decade since comprehensive water resources development legislation was last enacted in this country, our major trading partners Japan, Australia, and many European countries have moved aggressively to develop a deep port capacity, which can accommodate modern, deep draft cargo ships. Major dredging and improvements of the Nation's ports are essential to facilitate exports and trade, particularly of energy resources and agricultural products. If this Nation is to meet the challenge of world trade and competition today and in the future, these investments must be made in our ports and harbors.

The State of Maryland has one of the great ports of the world and one of our most important economic resources—the Port of Baltimore. An estimated 79,000 jobs are related to the port and its operation. Fully one-tenth of the gross State product is related to the port. The port also generates more than $300 million in State and local taxes each year.

Dredging of the main harbor channel from its current depth of 42 feet to a new depth of 50 feet is critical if the port is to remain competitive and expand its import and export of bulk products by accommodating today's larger, deep draft cargo ships. Baltimore is, of course, a major coal and grain exporting port. These bulk cargoes and manufacturered goods are exported through the port due to its proximity to the midwestern agricultural and manufacturing areas. Unfortunately, however, many of the larger bulk cargo carrying ships cannot fully load in Baltimore, because of the relative shallowness of the channel depth. Dredging the main channel would dramatically increase the efficiency of operations of many of these ships and will allow the port to move greater quantities of bulk cargo at lower costs.

We, in Maryland, have waited long and patiently for improvements to the Baltimore channel. It has been more than 15 years since the Congress authorized deepening of the channel from 42 to 50 feet. If not for long regulatory and legal delays, and more recently, the delays imposed by the legislative battle over cost sharing, this project would have been 100-percent federally financed.

I continue to believe that the responsibility for deepening harbors and channels should rest with the Federal Government through the Corps of Engineers—a responsibility which dates back over 160 years, to 1824, with the congressional enactment of the first rivers and harbors bill so strongly advocated by the distinguished Congressman from Kentucky, Henry Clay. As Clay emphasized:

> There are some improvements emphatically national, which neither the policy, the power not the interest of any State would induce it to accomplish, and which could only be effected by the application of the resources of the Nation.

It is regrettable that the Reagan administration has sought to abandon this settled policy. Nevertheless, we now have a basic cost-sharing formula, insisted upon by the administration. Although the formula requires a higher degree of non-Federal cost sharing, it basically preserves the central role played by the Federal Government in the maintenance and improvement of our deep-draft commercial ports, and I support this bill as a means to end the impasse which has delayed sorely needed improvements to all our ports and to the Port of Baltimore in particular, for so long.

I would like to take this opportunity to comment on an element in the House water resources legislation regarding the Baltimore Harbor dredging project which was not fully addressed in the Senate bill—reimbursement to the State for its expeditures in constructing and operating the Hart-Miller dredged spoil disposal site.

In order to comply with the original 1970 authorization of the Baltimore channel project, Governor Hughes and the Maryland General Assembly committed extensive resources to develop a major dredge material disposal site at Hart-Miller Islands. This site has been completed at cost of $53 million—entirely a State expenditure. Maryland understood that this expenditure would be fully reimbursed by the Federal Government in keeping with the authorization and the 100-percent Federal financing policy at that time. Indeed, the Hampton Roads, VA, Wilmington, DE, and Philadelphia, PA, dredge disposal sites were all built entirely at Federal expense.

To achieve equity with these other ports and to keep the commitment made by the Federal Government when the Baltimore channel project was first authorized, the State of Maryland should be given full credit for funds already spent in the development and operation of the Hart-Miller disposal area. I would urge the Senate conferees on the water resources legislation to agree to the House provisions on this matter and give Maryland full Federal reimbursement for the Hart-Miller site.

I would also urge my colleagues to join me in supporting this legislation so that we can get on with the important task of maintaining and improving the competitive positions of our ports.

Mr. TRIBLE. Mr. President, during the 9 years I have represented Virginia in Congress, I have testified time and time again on various flood control and navigation projects of critical importance to Virginia cities and localities. It is regrettable that no major public works bill has been enacted since 1976. I know that every Member here is aware that this legislation will finally allow States and localities to proceed with the water resources improvement projects essential to the econmic growth and job creation, but more importantly, these projects will save countless lives through flood control and hurricane protection.

Authorization of the numerous projects in the bill is long overdue. The $538 million Port of Hampton Roads dredging project, in particular, is of great economic importance to both Virginia and the Nation as a whole.

The failure to devise a system for financing port development has resulted in the United States falling seriously behind our trading allies in providing the type of bulk, deep draft facilities so necessary to international trade. Improved bulk facilities mean lower transportation costs, a more competitive posture for U.S. exports, a more favorable balance of trade, and U.S. jobs. If we had embarked on an aggressive national port development program 5 years ago, we would have a much brighter trade picture today.

An equally important reason for the deepening and improving of our Nation's ports is their vital role in our commitment to a modern Navy. The timely deployment of ships and troops and the maintenance of adequate logistical support can only be assured by modern, well-maintained harbors.

In addition to the Port of Hampton Roads Project, S. 1567 includes authorization for Richmond's $101.2 million James River basin flood control project, the $4.23 million Willoughby spit shoreline protection project, $6.87 million Hampton Roads debris removal project, $35.2 million Assateague Island shoreline protection project, and $36.5 million for the Virginia Beach shoreline protection project.

The tragic flooding that occurred this past fall in the James River basin is graphic evidence of the need for action. It was a tragic event and the James River basin flood control project will help to ensure that this tragedy will not occur again.

I would like to speak on another project authorized in S. 1567, the $5.4 million Tangier Island seawall project.

It is one of the greatest personal importance. I have worked on it since my days as a freshman Congressman from the First District of Virginia.

Tangier Island is, quite simply, sinking. What is at stake here is the preservation of a distinct way of life. Approximately 900 people inhabit the island's 7 square miles. The residents of Tangier are descendants of the original settlers who arrived in 1686. Like their ancestors, today's islanders rely on the Chesapeake Bay and its rich fish and shellfish resources for their livelihoods. There are few places in America where the traditions of any earlier era are so well preserved.

However, the continuing erosion of the western shore threatens the very existence of Tangier Island and its people. Erosion is progressing at such a rapid rate—25–30 feet per year—that within the coming decade, the airport—a critical link to the outside world—will become inoperable and a major portion of the island will be lost.

The erosion problem has been investigated on two occasions in the late 1970's by task forces composed of representatives from the Army Corps of Engineers, Virginia Institute of Marine Science, Virginia Division of Aeronautics, Virginia Water Control Board, Virginia Department of Highways, Virginia Department of House and Community Development, Virginia Marine Resources Commission, department of intergovernmental affairs, and the town of Tangier. After looking at an array of alternative solutions, both task forces recommended

construction of a seawall on Tangier's western shoreline.

Mr. President, obviously all these projects are incredibily important to Virginia. They will save lives, help to defend our Nation, and foster economic growth and job creation. I congratulate my colleagues for their achievement in bringing this bill before the Senate.

Mr. WARNER. Mr. President, I rise in support of S. 1567, the Water Resources Development Act of 1985. I want to pay special tribute to Senator ABDNOR, the distinguished Senator from South Dakota who is chairman of the Water Resources Subcommittee, for his tireless work on this issue. I also want to commend the able chairman of the Senate Environment and Public Works Committee, Mr. STAFFORD, the ranking member of the full committee, Mr. BENTSEN, and the ranking member of the subcommittee, Mr. MOYNIHAN, for their leadership. Mr. PACKWOOD, the chairman of the Senate Finance Committee, also deserves our appreciation for his able work on this issue.

This is a long-awaited day for the senior Senator from Virginia, Mr. President. At long last, this is the day the Senate debates an omnibus water resources bill which hopefully, will eventually be signed into law.

Since being elected to the Senate, passage on water resources legislation has been of the highest priority to me. I have introduced legislation and worked in coalition with my colleagues who shared my commitment.

Two weeks ago I met with Virginia's new Governor, Gerald Baliles, the leadership of the Virginia General Assembly, and our congressional delegation about a wide range of issues. High on the list of Virginia State priorities is passage of this omnibus water resources bill. Governor Baliles is the third Governor of Virginia—preceded by Gov. John Dalton and Gov. Charles Robb—with whom I have worked on this legislation. I am grateful for the persistence and cooperation of these three Governors in shaping this legislation and fulfilling the non-Federal commitment which is such a crucial part of this proposal.

Each of these Governors of Virginia has been ably staffed by the executive director of the Virginia port authority, Robert Bray and the general counsel, Stan Payne. These two outstanding Virginia public servants have been available on a minutes notice to analyze new proposals and provide the valuable insights they have gained through operating one of America's largest ports.

I also want to acknowledge the dedication and assistance of the Hampton Roads Maritime Association particularly, T. Parker Host, Jack Mace, and Dick Counselman. They have provided valuable knowledge about how the legislative proposals would impact the private industry who are the lifeblood of the port system.

The legislation before us today is supported by the Hampton Roads Maritime Association and the Commonwealth of Virginia.

It was a particular privilege for me, Mr. President, to work with a highly distinguished group of my colleagues in 1983 to draft omnibus water legislation. Our coalition which drafted S. 865 included, in addition to myself, Mr. HATFIELD, Mr. BYRD, Mr. THURMOND, and Mr. MATTINGLY. We were convinced then, and we remain convinced now, that the cost-sharing structure in our bill was equitable and appropriate both for our national port system and for the Nation's taxpayers. It is gratifying to us that the legislation before the Senate today incorporates many of the major provisions of the legislation which we introduced 3 years ago this month.

The Federal interest in a modern harbor system is twofold: To promote America's trade potential and economic strength, as well as to meet our defense commitments.

The United States must be prepared to meet the world demand for its goods by developing a more competitive port transportation system.

Likewise, the constitutional obligation to provide for the Nation's defense demands that the Federal Government continue its strong role in supplying both our allies' and our own energy needs.

The Federal role is further highlighted by our country's commitment to the construction of a 600-ship Navy to bolster our Nation's defenses.

The quick and efficient deployment and servicing of troops and equipment must be assured by modern, well-maintained harbors.

Our national port system annually transports in excess of $318 billion in waterborne foreign commerce and generates $7 billion in customs revenues.

A strong port system which increases our capacity to export reduces our balance of trade deficit and makes a positive contribution to employment in every State in the Nation.

We have to look back a few years to understand why this proposal is so significant to Appalachian States. The short answer is jobs—jobs to produce and move coal.

In 1981, over 170 coal ships waited at anchor at Hampton Roads, VA, to load American coal. Every day that they idly "swung on the hook"—as those of us who have been to sea refer to that problem—enormous sums of money wasted away. Other coal ports experienced similar backlogs.

This problem demanded solution or jobs would be lost in the coalfields, as indeed they have been lost, and the United States would lose not only present but long-term economic advantages. Our competitors moved to fill the gap, and they are still moving. Fortunately, this legislation, I hope, will now enter the United States in that race as a strong competitor.

In 1985, 628 colliers loaded coal in Hampton Roads. Of those, 284 or 45 percent could have sailed deeper than the authorized channel depth. These ships that could have sailed deeper averaged 52.5 feet of maximum draft; 35 percent actually did sail deeper than the authorized channel depth by waiting to sail at high tide. Additionally, 188 ships or 29 percent of all coal ships calling at the port in 1985 could have loaded fully with construction of the proposed 50 foot outbound channel. If all the ships calling at Hampton Roads had sailed fully loaded, over 3 million more tons of coal could have been shipped through Hampton Roads in 1985.

While coal demand is lower today, the vision of those waiting colliers should never leave our minds. The world is constantly searching for a stable, long-term source of reasonably priced energy. The United States in 1981 was not ready to meet that demand.

The next time that demand arises, it is hoped that this legislation will have been adopted and we will be prepared.

Most energy-dependent nations, aware of the enormous volumes of coal they will need to convert from OPEC oil, have or plan to deepen their harbors to accommodate super coal colliers. When super colliers can sail fully loaded, there is substantial transportation savings.

South Africa, Canada, and Australia, our chief competitors in the world coal trade, are ahead in the race and deepening their channels and portside facilities. Our energy trading partners have made it very clear that, unless the United States expeditiously builds deepdraft channels, they will look elsewhere for their long-term needs.

What would this mean to the United States? A drastic loss to America's balance of payments but, more importantly, the loss of thousands of jobs in the coalfields and supporting industries.

Unemployment in the coalfields of Virginia has reached the intolerable level of 30 percent. We must put American miners back to work by improving our harbors and capturing more of the world trade. And we must do it now.

S. 1567 authorizes the deepening of the Port of Hampton Roads to 55 feet at an estimated cost of $538 million at a benefit cost rate of 3.6 to 1. The bill allows the project to be built in operable segments. The Virginia Port Authority is close to signing a contract with the Corps of Engineers to construct a 50-foot outbound channel at a cost of $47.6 million to be cost shared

by the Federal Government and the State. The Virginia General Assembly has appropriated the funds to pay the State share.

Mr. President, I also wish to commend Chairman STAFFORD and Subcommittee Chairman ABDNOR for their willingness to include vitally important flood control and beach erosion abatement projects in Virginia.

Since I have had the privilege of serving in the U.S. Senate, I have sought to provide critically needed protection from beach erosion for Tangier Island in the Chesapeake Bay. This tiny island is home for 800 residents who have been watching this historic island erode away yearly.

Shoreline on the western side of the island eroded about 42 feet since January 1985, bringing waters dangerously close to Tangier's $3.5 million sewage treatment plant, and leaving less than 20 feet of protection for the airport runway. The airport is the island's only connection to mainland Virginia in the wintertime.

The provision of S. 1567 establishes new small project authority for streambank erosion directing the Corps of Engineers to build an 8,200 foot riprap seawall around the western shoreline to control this erosion and protect their airport and sewage treatment plant.

The city of Richmond along the James River suffered $82 million in flood damages in 1969 and 1972. This destruction occurred at a time when the city was renovating its downtown area and trying to attract new business development to its inner-city. The proposed floodwall for the downtown area consists of constructing floodwalls and levees on both sides of the river.

Again in November 1985, the city suffered $47 million in damages due to flooding. The U.S. Army Corps of Engineers estimates that $41 million of the damages could have been prevented if the floodwall was in place. Such a project is critical to economic stability, growth and sustained employment opportunities for Richmond.

The Virginia Beach erosion and hurricane protection plan has received a favorable environmental statement and chief of engineers' report. This plan provides for raising the existing seawall, continuing beach nourishment and enhancing the dune line of the 6-mile area of shoreline between Rudee Inlet and 89th Street, the major tourist area of the beach.

The added protection not only provides increased safety for area residents, but also reduces the threat of destruction to residential, public and commercial property behind the existing seawall which is now estimated to be worth more than $370 million.

The Hampton Roads drift removal project expands the area currently authorized for debris removal based on the recommendations of the board of engineers for rivers and harbors. This project is necessary to remove floating debris and unused piers that contribute to the debris to ensure the safe navigation through the harbors of Norfolk and Newport News and all of Hampton Roads.

A project of smaller scope is the shoreline erosion control project for the Willoughby Spit—Ocean View area of the city of Norfolk. The plan provides for restoration of 7.3 miles of shoreline between Willoughby Spit and Little Creek Channel which is necessary for beach erosion control and hurricane protection. The location and orientation of this shoreline make it susceptible to storm damage and erosion, which not only creates property damage, but also endangers health and safety.

I also wish to thank Chairman Stafford for agreeing to include the Roanoke River upper basin project in the committee-amendment package. This area of Virginia was especially hard hit by the November, 1985 flooding, and because of the favorable chief's report, I wrote the chairman requesting the inclusion of this project during floor consideration of S. 1567. Particularly, the channelization of the river will provide protection for the city's sewage treatment plant and the Roanoke Memorial Hospital. I thank the chairman for his favorable response to my request, and associate myself with my Virginia colleague's remarks on the merits of this project.

Mr. President, I urge my colleagues to support S. 1567.

Mr. BURDICK. Mr. President, I would like to personally thank Senators STAFFORD, BENTSEN, ABDNOR, and MOYNIHAN for including technical amendment 25 as part of the floor managers package for consideration on the Senate floor.

Amendment 25 includes authorization for the United States to contribute $41.1 million toward the construction of two reservoir structures in Saskatchewan. The proposed Rafferty and Alameda Dams, together, would provide protection from over a 100-year-frequency flood on the Souris Basin, significantly greater than the 25-year protection which could be obtained by the authorized Lake Darling project.

Under the amendment, Rafferty, and Alameda will be considered project features of the modified Lake Darling project. I would like to insert for the RECORD a letter I received from the Army Corps of Engineers in support of the modified project.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE ARMY,
OFFICE OF THE ASSISTANT SECRETARY,
Washington, DC, November 27, 1985.

Hon. QUENTIN N. BURDICK,
U.S. Senate, WAshington, DC.

DEAR SENATOR BURDICK: I am responding to your letter of October 25, 1985, concerning substitution of flood control storage in two proposed reservoirs in Canada for the authorized flood control storage in Lake Darling, North Dakota. As noted during our October 1, 1985, meeting with you, Premier Grant Devine, and others, we believe such a substitution could be beneficial for interests in Canada and in this country.

I am very pleased to report that the Corps of Engineers, using preliminary data available from their ongoing study and from Canadian sources, has determined that up to 400,000 acre feet of flood control storage could be used at the Rafferty and Alameda sites in conjunction with modified operation of the Canadian Boundary Dam and the existing Lake Darling to provide 100 year protection for Minot. Storage in the Canadian project would eliminate the requirement for raising Lake Darling, but a new outlet at Lake Darling Dam and levees and other downstream measures would still be required to accommodate flood releases.

Subject to enactment of authorizing legislation, appropriation of funds and procedural approval by the Department of State, we are prepared to move forward with Saskatchewan in the construction of the Rafferty and Alameda reservoir projects. Based on our current estimates we would be willing to contribute $41.1 million during construction of the two projects. This amount includes up front compensation for the U.S. share of operation and maintenance of these reservoir facilities and the additional operation expense of Boundary Dam by the Province over the useful physical lives of the projects.

Should Saskatchewan elect to pursue only the Rafferty project, we would be willing to contribute $26.7 million which includes an allowance for maintenance of Rafferty and the additional operation costs of Boundary Dam. The amounts we are willing to contribute to the Canadian projects are based on an allocation of the cost for including flood control storage with the water supply projects at these sites, and are limited to costs which will result in the same net benefits we would receive from raising Lake Darling plus associated work.

Any agreement between the United States and Canada to execute these proposals would have to provide for a detailed reservoir operation plan to ensure maximum possible flood damage reduction within the U.S. and to ensure the minimum possible adverse effects on the migratory waterfowl refuges managed by the United States Fish and Wildlife Service. I would not anticipate any unusual problems in coordinating such an agreement with the Fish and Wildlife Service and the Province to achieve a mutually beneficial operating plan.

With regard to the draft legislation you furnished with your letter, it is our understanding that you have agreed to modify this language to provide for deauthorization of Burlington Dam if the Canadian projects go forward, and for application of the flood control cost sharing described in Title VII of S. 1567 for that portion of the cost which exceeds the cost of raising Lake Darling four feet and associated work. We believe this modification is essential to obtain full Administration support.

The Office of Management and Budget has advised that there would be no objection to participation with Canada as proposed in this letter. However, no commitment can be made at this time as to when any estimate of appropriations would be submitted for construction of the project, if authorized by the Congress, since this would be governed by the President's budgetary objectives as determined by the then prevailing fiscal situation.

I am looking forward to Premier Devine's response regarding these proposals and stand ready to provide any further assistance or clarifications as may be desired.

Sincerely,

ROBERT K. DAWSON,
Acting Assistant Secretary of the Army (Civil Works).

Mr. BURDICK. Mr. President, the Office of Management and Budget has approved the project and established along with the corps a Federal project cost of $69.1 million. This cost includes the United States contribution to the Canadian structures, downstream local protection and floodproofing measures and related dam safety features. The total project cost does not include the Velva levee feature because it has proceeded under separate local cooperation signed November 20, 1985, and is in the final stage of construction. The local cost share agreement on this project is unique because it is a combination of an existing project and new construction. For the RECORD I would like to insert the following tables which the corps and OMB used in establishing the Federal project cost.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE 1.—SOURIS RIVER BASIN ALTERNATIVE FLOOD CONTROL PROJECT, DERIVATION OF NON-FEDERAL CONTRIBUTION PURSUANT TO PROPOSED LEGISLATION

[October 1985 dollars]

	Millions
1. Cost of flood control features for 4-foot raise of Lake Darling [1]	$45.9
2. Cost for alternative proposal	63.4
Contribution to Saskatchewan [2]	(41.1)
Modification of Existing Lake Darling and related downstream measures [3]	(22.3)
3. Excess of alternative cost over 4-foot raise (2–1)	17.5
4. Non-Federal share of alternative, based on proposed legislation	10.2
Traditional share of 45.9 [1]	(4.1)
35 percent of excess (3)	(6.1)

[1] See Table 2, Column 1
[2] For both the proposed Rafferty and Alameda projects
[3] See Table 2, Column 2

(Note.—$6.1 drops to $4.4 million if local sponsor can pay upfront under the 25 percent provision in S. 1567, so the combined local cost would be $8.5 million.)

TABLE 2.—LAKE DARLING ALTERNATIVE MODIFICATIONS, COST OF PROJECT FEATURES WITH 5,000 CFS OPERATING PLAN

Project feature	Project costs ($1,000)	
	+4LD	MELD
FEDERAL		
Project Features: Lake Darling Dam	[1] 13,600	[2] 2,500
Operating Plan Components:		
Upper Souris NWR—Downstream	2,455	2,455
Upper Souris NWR—Upstream	1,840	0
J. Clark Salyer NWR	[3] 1,290	1,290

TABLE 2.—LAKE DARLING ALTERNATIVE MODIFICATIONS, COST OF PROJECT FEATURES WITH 5,000 CFS OPERATING PLAN—Continued

Project feature	Project costs ($1,000)	
	+4LD	MELD
Manitoba compensation	204	204
Hydrometeorological instruments	156	156
Burlington to Minot measures	3,396	3,396
Sawyer measures	319	319
Rural downstream measures	4,500	4,500
Gassman Coulee	260	0
Reservoir lands	320	0
Reservoir relocations	4,422	0
Reservoir levees	1,537	0
Buildings and grounds	12	0
Engineering and design	4,135	1,800
Supervision and administration	3,305	1,545
Total Federal	41,751	18,165
NON-FEDERAL		
Operating plan components:		
Burlington to Minot measures	1,366	1,366
Sawyer measures	141	141
Rural measures	2,593	2,593
Total non-Federal	4,100	4,100
Total project cost	45,851	22,265

[1] Does not include dam safety costs.
[2] Replacement of low-flow outlet structure.
[3] Does not include dam safety and betterments costs.

TABLE 3.—LAKE DARLING 4-FOOT RAISE AND RELATED MEASURES, EXPLANATION OF COST ESTIMATES

[October 1985 dollar]

	Millions
Lake Darling 4-foot raise and related downstream flood control measures not started	$45,900,000
Related measures under construction or committed: [1]	
Dam Safety Assurance Measures	6,680,000
(Lake Darling)	(4,180,000)
(Downstream Refuge Dams)	(2,500,000)
Fish and Wildlife measures (Refuge betterments) [2]	520,000
Velva Levee Project, under construction	5,530,000
Miscellaneous features	70,000
Engineering and design	1,505,000
Supervision and administration	275,000
Subtotal	60,480,000
Inflation through construction [3]	3,600,000
Total	64,080,000

[1] These measures are common to all alternatives.
[2] Reimbursable by USFWS.
[3] Comparison of alternatives has been made without consideration of price escalation.

Mr. BURDICK. Mr. President, the Federal Fish and Wildlife Services has determined that the Canadian structures and related dam safety measures at the two existing wildlife refuges (100,000) acres would not interfere with its overall objectives of utilizing the 1939 Lake Darling Dam for both conservation of water and flood control. I would like to place in the RECORD a letter from Fish and Wildlife Services which outlines the Agency's position.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE INTERIOR,
FISH AND WILDLIFE SERVICE,
Washington, DC, November 15, 1985.

Hon. QUENTIN N. BURDICK,
U.S. Senate, Washington, DC.

DEAR SENATOR BURDICK: Thank you for the meeting on November 7, 1985, with your staff and Corps of Engineers' (Corps) representatives regarding proposed changes to the Lake Darling project. The Fish and Wildlife Service has been involved for many years in devising an effective strategy for modification to the Lake Darling dam. These strategies have been premised on flood protection to Minot, North Dakota, and as a source of water for the Upper Souris and the J. Clark Salyer National Wildlife Refuges (NWR).

The Service understands the necessity for prompt action on the proposal for reliance on two Canadian dams for the purpose of flood control in lieu of changes to the Lake Darling dam. The Service is required to comment on the impacts to fish and wildlife on such projects pursuant to the Fish and Wildlife Coordination Act. We would like to ensure the Service's continued advisory role with the Corps on this project.

During the meeting, the following points were discussed. The Corps explained that the flood operation for the Souris River would include the use of Lake Darling, and the mitigation provided by downstream improvements from Lake Darling would be the same as for the originally proposed four foot raise in the Lake Darling dam. The operating plan remains to be developed and some changes in the flood release schedule may be required by the combined operation of the Canadian dams and Lake Darling. The Service expressed its desire to be involved in the development of the operating plan.

Mention was made of the fact that Lake Darling has been operated both for flood control and conservation purposes despite the fact that the dam was authorized to conserve water for use on the two refuges. As the waters of the Souris River are developed and used in the Canadian dams, the priority for operation of Lake Darling will be dictated by its authorized water conservation purposes. From the viewpoint of the Service, it will probably be possible to have a combined operation of the Canadian dams and Lake Darling that will satisy both conservation and flood control objectives. The discussion also concerned the safety aspects of the Lake Darling dam. It was indicated that many flood control and water conservation aspects of improvement to the dam are intertwined and should go foward together. One example is the construction of a new outlet structure at Lake Darling, a Corps responsibility, and the rehabilitation of the spillway which is a Service responsibility. Other examples exist which will require delineation of responsibilities between the Corps and the Service.

In summary, the Service expressed the following concerns regarding the new proposal: (1) water quality and quantity functional criteria should be met for the Upper Souris and the J. Clark Salyer NWR's, (2) adequate mitigation should be provided for both direct and indirect environmental impacts in any subsequent planning and operating activities for the proposal; and (3) an appropriate agreement should be reached concerning cost-sharing between the Service and the Corps associated with upgrades to the Lake Darling dam.

It is our understanding that Mr. Robert K. Dawson, Acting Assistant Secretary for Civil Works, will be forwarding you a letter which mentions these points. Since your October 31, 1985 letter indicated that this proposal is under serious review, we would appreciate your consideration of these points in any subsequent action taken on this proposal.

Sincerely,

RONALD E. LAMBERTSON,
Acting Deputy Director.

Mr. BURDICK. Mr. President, Saskatchewan Premier Devine announced on February 12 of this year that he intends to proceed with the planned construction of both Rafferty and Alameda reservior structures. The State Department has been requested by the corps to open diplomatic relations with Canada to negotiating an agreement, the corps will proceed with the Lake Darling project as authorized in 1982. However, I am very optimistic that the necessary details can be worked out, so Canada can proceed with its July 1987 construction start on Rafferty.

Mr. SARBANES. Mr. President, I am pleased that the Committee on Environment and Public Works has incorporated the Ocean City and Assateague Island beach erosion control and hurricane protection project into S. 1567, the Water Resources Development Act of 1985. Specifically, the bill authorizes $35,200,000 to be cost shared with the State of Maryland and the town of Ocean City for widening and raising the beach and constructing a dune line and sheet pile bulkhead for 100-year storm protection.

The damage caused to Ocean City beaches and public and private property by Hurricane Gloria last October underscores the need to provide more protection for the area from hurricanes and major storms. Hurricane Gloria swept away over 4 feet of protective beachfront, and caused $15 million in damages to public properties, hotels, residences, and businesses. The hurricane, in addition to erosion of the beach which has averaged over 2 feet per year at Ocean City and over 30 feet per year on the northern portion of Assateague Island, has left the area increasingly vulnerable to destruction from the sea. A recent Environmental Protection Agency study projects that in the next 40 years, a rising sea level could double the rate of shore erosion. Unless swift action is taken to restore the beach, Maryland's principal beach resort area could be heavily damaged by future storms due to the lack of a natural sand buffer from the ocean. The authorization contained in the Water Resources bill will ensure that this project can get underway shortly.

It should be emphasized that this authorization for construction of the Ocean City beach erosion control and hurricane protection project is the result of a detailed study by the Army Corps of Engineers completed in February 1981. After careful deliberation, the corps rejected an alternative "groin" plan and in cooperation with the State of Maryland and the town of Ocean City recommended the plan that is authorized in this bill. The corps has concluded that the recommended plan is economically justifiable and environmentally acceptable.

I want to take this opportunity to commend the chairman, ranking minority member, committee and staff of the Environment and Public Works Committee for their efforts on this legislation and urge my colleagues to join me in supporting this measure.

THREE AFFILIATED TRIBES

Mr. BURDICK. Technical amendment 27 provides that as condition for transfer of the Four Bears Complex to the tribes, the Secretary of the Interior shall transfer to the U.S. tribal lands of equal value that are needed by the Corps of Engineers for operation of the Garrison Dam and Reservoir Project, North Dakota. The corps and the tribal government have identified the "equal value" lands as 82 tracts comprising 433.06 acres The legal descriptions and maps depicting the location of the 82 parcels were furnished by the corps. The additional land would place all property lying below 1854 ms.s.1. [mean sea level], except for nine tracts held in trust for individual Indians, under corps jurisdiction.

The Four Bears Complex, comprising two parcels of land—totaling 152 acres—is located on a peninsula at Lake Sakakawea. The main facility on the complex is a hotel the tribes financed through a loan from the Economic Development Administration [EDA]. This debt is in the process of being waived by EDA pending completion of an audit and fulfillment of other conditions agreed upon by the tribes. However, to protect property interests held by the Federal Government until the waiver process is completed subsection (e) was inserted.

Mr. ABDNOR. The amendment transfers land already leased to the tribes for management and development of the Four Bears Complex. Because the current market value of the 433 acres in the 82 tracts is very low, the corps has determined it would accept the transfer as "equal value" and will not require additional acreage in the future from the tribes under this provision of law.

Mr. MOYNIHAN. This legislation would allow Indians continued use of adjacent land for grazing purposes and, the right to water their livestock at the edge of the reservoir pool which is normally 1850 m.s.l. However, the Federal Government does not assume liability for any damages suffered by livestock or persons due to fluctuations in the reservoir pool. The corps does not envision a management problem because pool level changes are announced and increases occur at the rate of 2 inches per day.

Mr. ANDREWS. I am pleased that the corps and floor managers have agreed to accept this amendment. The Federal Government acquired 152,679 acres held by tribal members for the Garrison Reservoir project. As a result, the vast majority of tribal members were forced to relocate around the boundary of Lake Sakakawea, thus destroying their major cultural and community centers. Return of this land is important because of its proximity to the tribal government headquarters and symbolic significance of redressing the inequities created by the Federal project.

As chairman of the Senate Select Committee on Indian Affairs, I would like to note that subsection (c) describes the land transfer to the corps as one necessary "for the maintenance and operation of the Garrison Dam and Reservoir project." By so describing this land, the amendment makes it clear that the mineral rights therein are retained by the tribes, pursuant to title II of Public Law 98-602. The 98th Congress restored tribal ownership of mineral interests in the lands acquired by the corps for Garrison.

Mr. BURDICK. I would like to insert for the RECORD a letter written on behalf of the tribes which accepts the corps offer.

The letter follows:

HOBBS, STRAUS, DEAN & WILDER,
Washington, DC, January 22, 1986.

Re Four Bear Transfer Legislation.
Hon. QUENTIN N. BURDICK,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR BURDICK: This is in response to your letter dated December 27, 1985 to Ms. Alyce Spotted Bear, Chairperson of the Three Affiliated Tribes of the Fort Berthold Reservation, concerning your efforts to have the so-called Four Bears complex transferred in trust to the Tribe. At the Tribe's instruction, we are responding to your letter.

First, on behalf of the Tribe, we express our sincere appreciation to you and your staff for the efforts you have made to transfer the 152 acres that comprise the Four Bears complex from Corps of Engineers jurisdiction to the Secretary of the Interior to hold in trust for the Tribe.

Your December 27 letter enclosed a revised amendment to S. 1567 by which the transfer would be accomplished and requested the Tribe's position on this proposal. Suggested by the Corps of Engineers, this revised proposal calls for the Tribe to exchange certain existing reservation lands that are of "equal value" for the 152-acre Four Bears complex.

The Corps of Engineers, in the December 11, 1985 memorandum from William P. Thompson, Jr., Chief of the Civil Works Branch, identified 91 small parcels of land comprising 521.90 acres scattered around the Reservation which they deem to be of "equal value" to the 152-acre Four Bears complex. The Tribe, in consultation with the real estate services personnel at the Fort Berthold Agency of the Bureau of Indian Affairs, examined the legal descriptions of these 91 parcels and found that nine of the parcels are not owned by the Tribe. Those parcels, comprising 88.84 acres are:

Tract 1, Parcel 5, 7.89 acres.
Tract 1, Parcel 6, 2.50 acres.
Tract 1, Parcel 8, 3.90 acres.
Tract 1, Parcel 14, 0.92 acres.
Tract 1, Parcel 48, 10.88 acres.
Tract 1, Parcel 49, 8.26 acres.

Tract 1, Parcel 54, 50.76 acres.
Tract 1, Parcel 82, 1.89 acres.
Tract 1, Parcel 83, 1.84 acres.

Because the Tribe does not own these parcels, it, of course, has no authority to agree to a transfer of them to the Corps. Thus, they must be removed from the list of "equal value" lands slated for exchange.

The Tribe owns the remaining 82 parcels identified by the Corps, and will support the proposed amendment to S. 1567 insofar as it calls for the exchange of these lands for the Four Bears complex. Ths support is offered in view of your assurance that you will establish legislative history (either through a committee report entry or through a Senate floor colloquy) which demonstrates that the Corps of Engineers considers the 82 identified parcels owned by the Tribe to be full consideration for the transfer and will not, in the future, request any further consideration for the transfer.

We note with appreciation that you have agreed to the Tribe's request to add bill language which states that the Tribe retains the right to use the land to be transferred to the Corps of Engineers for grazing and agricultural purposes when these lands are not subject to flooding.

Please let us know if you have any questions about the Tribe's position on this amendment to S. 1567. We hope that the measure can be acted upon rapidly in this session of the 99th Congress.

Again, thank you for your efforts on behalf of the Three Affiliated Tribes.

Sincerely yours,

CHARLES A. HOBBS.

Mr. BURDICK. Subsequent to sending this letter, the tribes raised an additional point on subsection (d) which requires clarification. The corps would receive a flowage easement to 1,860 m.s.l. when the parcels requested in consideration are to be taken at 1,854 m.s.l. The corps requests an additional 6 feet for soil erosion, water saturation, and sloughing purposes. The difference between the two mean sea levels is approximately 20 to 30 feet around the perimeter of the peninsula.

The flowage easement can be defined a deed restriction requiring the Secretary of the Interior to check with the corps prior to approving property improvements. Consultation is required to prevent construction of facilities susceptible to damage caused by erosion and sloughing of banks due to reservoir operations. It does not apply to construction of a pier or marina because such structures are designed to meet reservoir operations.

The corps does not anticipate a need to adjust the alignment beyond 1,860 m.s.l. If more land is required, the corps must notify the tribes and justify the need based on project operations.

Public Law 98-602, mentioned previously by Senator ANDREWS, provides in section 206, a mechanism for the corps and Interior to enter into agreements for the transfer of any additional lands necessary for the operation of Garrison. Because the additional land that may be eventually acquired under (d)(2) is small, the committee felt it would be administratively burdensome for the corps to acquire the property under section 206. Any additional funds which would have resulted from section 206 is more than offset by the grazing rights conferred under this amendment.

Are the floor managers in agreement with the points raised in this discussion on the content of the amendment?

Mr. ABDNOR. The points raised are in agreeement with the intent of the amendment.

Mr. MOYNIHAN. I concur with that assessment.

Mr. ABDNOR. Mr. President, let me say that there are many people who are in part responsible for bringing this legislation to the floor, and one of those who has worked hardest to achieve this is the Senator from Oregon, Senator PACKWOOD. Title 8 of this bill could never have been developed without his able leadership in the Finance Committee.

We certainly want to thank Senator PACKWOOD because this title was one of the most difficult problems that had to be overcome before we could come before the Senate with this legislation.

Mr. President, I send to the desk an amendment on behalf of Senators STAFFORD, BENTSEN, MOYNIHAN, and myself.

The PRESIDING OFFICER. The Chair reminds the Senator that the committee amendment is pending. It must be laid aside by unanimous consent.

Mr. PACKWOOD. Mr. President, I am prepared. We are on the Finance Committee amendment. Only amendments to it are in order.

I ask unanimous consent that the Finance Committee amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1676

(Purpose: To make technical and clarifying amendments to the bill, to authorize certain projects recently approved by the Chief of Engineers, and for other purposes)

Mr. ABDNOR. Mr. President, I send to the desk an amendment on behalf of Senators STAFFORD, BENTSEN, MOYNIHAN, and myself, for the purpose of making technical and other clarifications to S. 1567, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Dakota [Mr. ABDNOR], for himself and Senators STAFFORD, BENTSEN, and MOYNIHAN proposes an amendment numbered 1676.

Mr. ABDNOR. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is printed later in the RECORD under amendments submitted.

Mr. ABDNOR. This amendment is in almost every respects identical to the committee leadership amendment, which was printed on pages 4327 through 4334 of the March 11, 1986, CONGRESSIONAL RECORD.

The only changes are several typographical errors, as well as five minor clarifications. Briefly, these changes are as follows:

The first change involves a new section at the end of title 3 of the bill involving Hempstead Harbor, NY. A large number of derelict vessels along the western shoreline of Hempstead Harbor have fallen into disrepair and have deteriorated. Drift from these vessels and the movement of derelict vessels by storms pose a potential hazard to vessels using this harbor and the adjacent areas of the Port of New York.

Every year a large number of commercial, public, and recreational vessels collide with drift, damaging to propellers, shafts, and hulls. Drift-cluttered recreational shores menaces swimmers and spreads marine border infestations. The sources of drift deface the waterfront, prevent optimum use of property, and depress property values.

This addition authorizes Federal participation in the collection and removal of drift and debris as well as its sources, derelict vessels, from Hempstead Harbor, together with a $2 million increase in the existing program to provide the Federal share. None of this work will go forward, however, until local interests agree to bear one-third of the cost of the work, and provide the other necessary items of local cooperation required for the project.

This provision is not a new project, it is simply an extension of an existing program.

Next, Mr. President, we have added a provision to the redrafted Upper Mississippi River master plan language. This was simply a clarification that spending on the environmental work will not be considered a commercial navigation expense. It was included in S. 1567 as reported from the committee, but was inadvertently omitted from the leadership amendment.

Third, we have added a new project to title 7 for the Pearl River Basin in Mississippi. This authorization will be valid only if the Chief of Engineers approves the project on March 17, 1986; that is next Monday. The Corps of Engineers has given us every indication that the Chief will sign this report on Monday. The committee leadership has included this project at the request of our distinguished colleague

from Mississippi [Mr. STENNIS]. This is the only project in this category and does not violate our commitment to a requirement for a Chief's report.

The following provides some specifics on the Pearl River Basin, MS, project:

Location: Upper Pearl River Basin, including Jackson, MS.

Purpose: Flood control.

Problem: Average annual flood damages are calculated at $8,370,000 for the Greater Jackson, MS, area. Recurrences of the 1979 flood of record would flood 3,500 homes and 1,400 businesses, and cause $640 million damages.

Recommended plan: A dry dam on the Pearl River 40 miles upstream of Jackson would regulate flows up to the 1979 flood level, discharging flows through an ungrated spillway. About 39,000 acres would be acquired for the dry reservoir.

Environmental impact statement: The final environmental impact statement was filed with the Environmental Protection Agency on February 14, 1986.

Total project cost: $80,100,000 (October 1985).

Benefit/cost ratio: 1.05-1, at a discount rate of 8⅜ percent.

Fourth, language is added that deletes the authorization for the lava flow control project in Hawaii. We have made this change at the request of our distinguished colleague from Hawaii [Mr. INOUYE].

The Federal Emergency Management Agency already has authority to do this in emergency situations. This project would, therefore, be a duplication of funding and responsibilities. The State, the corps, and the County of Hawaii have requested the deletion because of possible liability implications.

Finally, Mr. President, a clarification to the disposal of the federally owned townsites in North Dakota, South Dakota, and Montana is provided.

This clarification provides that at the request of the towns, power from the Western Area Power Administration can be made available for a period of 3 years to run the large federally constructed municipal buildings.

As originally conceived, the agreement for the local takeover of these towns provided for a transition period. However, this period was not provided in the language which was passed in the supplemental. Therefore, this clarification will help ease the burden which these towns will assume by taking over these large buildings.

Mr. President, with these changes, I believe this to be a noncontroversial amendment, and I move that the Senate adopt it.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, the chairman's statement is, of course, correct. It is the belief of the subcommittee and, I believe, of the full committee, that these are amendments which are acceptable to us and wholly consonant with the purposes and spirit of the bill. We have limited our approval to projects that have gone through the Corps of Engineers' full planning process.

If I may, Mr. President, I would like to emphasize the approach which the committee has taken with this bill. This approach does not arise from any desire to restrict the amount of water projects in this country, but, rather, to make them legitimate, so that they will actually be constructed. We do not choose to offer projects which have not been authorized, have not been engineered, or have not been costed out. Such an approach would continue the stalemate we have had over the last 10 years, during which the corps started only three new projects.

We have added 14 projects in this committee amendment.

For Members who will read the RECORD on Monday, this being Friday afternoon with some Senators absent I want my colleagues to note that the committee has willingly added to this bill those projects which have gone through the corps approval process in the interval between our committee action and bringing the bill to the floor. We are not trying to keep water projects from being built in this country; we are trying to get them to begin once again after 10 years in which we have had three water projects commenced in this country.

So, Mr. President, on this side of the aisle we wholly approve these amendments. They are noncontroversial and they are very much in the spirit of the bill. I would move their adoption.

Mr. ABDNOR. If the Senator will yield for a moment, I just want to say again this shows how knowledgeable the Senator from New York is on water projects. He has spent a great deal of time studying them. Everything he has said is true, and I thank him for his statement, which expresses, I believe, the views of the committee as a whole.

Mr. MOYNIHAN. Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1676) was agreed to.

Mr. ABDNOR. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MOYNIHAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the Finance Committee amendment be temporarily set aside so that I may offer an amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 1677

(Purpose: To protect the water of the Great Lakes)

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM] proposes an amendment numbered 1677.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 65, between lines 5 and 6 insert the following:

"SEC. 337. (a) The Congress finds and declares that—

(1) the Great Lakes are a most important natural resource to the eight Great Lakes States and two Canadian provinces, providing water supply for domestic and industrial use, clean energy through hydropower production, an efficient transportation mode for moving products into and out of the Great Lakes region, and recreational uses for millions of United States and Canadian citizens;

(2) the Great Lakes need to be carefully managed and protected to meet current and future needs within the Great Lakes Basin;

(3) any new diversions of Great Lakes water for use outside of the Great Lakes Basin will have significant economic and environmental impacts, adversely affecting the use of this resource by the Great Lakes States and Canadian provinces; and

(4) four of the Great Lakes are international waters and are defined as boundary waters in the Boundary Waters Treaty of 1909 between the United States and Canada, and as such any new diversion of Great Lakes water in the United States would affect the relations of the Government of the United States with the Government of Canada.

(b) It is therefore declared to be the purpose and policy of the Congress in this section—

(1) to take immediate action to protect the limited quantity of water available from the Great Lakes system for use within the Great Lakes Basin and in accordance with the Boundary Waters Treaty of 1909;

(2) to prohibit any diversion of Great Lakes water by any State, Federal agency, or private entity for use outside of the Great Lakes Basin unless such diversion is approved by the Governor of each of the Great Lakes States; and

(3) to prohibit any Federal agency from undertaking any studies that would involve the transfer of Great Lakes water for any purpose for use outside of the Great Lakes Basin.

(c) As used in this section, the term 'Great Lakes States' means each of the States of Illinois, Indiana, Michigan, Minnesota, Ohio, Pennsylvania, New York and Wisconsin.

(d) No water shall be diverted from any portion of the Great Lakes within the United States, or from any tributary within the United States of any of the Great Lakes, for use outside of a Great Lakes Basin unless such diversion is approved by the Governor of each of the Great Lakes States.

(e) No Federal agency may undertake any study, or expend any Federal funds to contract for any study, of the feasibility of diverting water from any portion of the Great Lakes within the United States, or from any tributary within the United States of any of the Great Lakes, for use outside of the Great Lakes Basin, unless such study or expenditure is approved by the Governor of each of the Great Lakes States. The prohibition of the preceding sentence shall not apply to any study or data collection effect performed by the Secretary or other Federal agency under the direction of the International Joint Commission in accordance with the Boundary Waters Treaty of 1909."

Mr. METZENBAUM. Mr. President, this amendment would prohibit new diversions of Great Lakes water except as approved by all the Great Lakes States.

In addition, the amendment would prohibit the use of Federal funds to study the feasibility of diverting Great Lakes water unless approved by the Great Lakes States.

The Great Lakes constitute the largest body of fresh water in the world. To the eight States and the two Canadian Provinces which surround them, the lakes provide an indispensable source of water for individual and industrial use.

The lakes also serve as a major transportation artery. They are a prime source of hydropower and an unparalleled environmental and recreation resource.

There is no question that massive diversions of water from the lakes would wreak economic and environmental havoc on the States and Provinces of the region. Important public water supplies, that are already being depleted by growing consumption, would be dangerously reduced. Losses would occur in hydropower production. Fish and wildlife would be adversely affected by a loss of wetlands. Moreover, the Great Lakes shipping industry would suffer severe economic losses if forced to use smaller ships because of lower lake levels.

This amendment is the product of the concern expressed by Great Lakes officials. In June 1982, officials from each of the eight Great Lakes States and the Provinces of Quebec and Ontario unanimously approved a resolution opposing any diversions of Great Lakes water without regional consent.

Regional cooperation and regional consent is the intent of this amendment. It does not prohibit water diversions. It simply establishes that the jurisdiction over this precious resource remains with the States which hold the water.

I believe it is an important amendment. The Great Lakes are part of the public trust, to be protected and used wisely. I urge my colleagues to support the amendment.

Mr. President, I understand this amendment has been cleared on both sides of the aisle. I believe the managers of the bill will indicate their acceptance.

Mr. ABDNOR. Mr. President, the amendment is acceptable on this side.

Mr. MOYNIHAN. Mr. President, it is a wholly worthy amendment. It is consistent with a provision on the House side. It protects the diversions of waters out of the Great Lakes Basin. I think this is a matter of equity for the region. My State is very much a part of that region. I thank the Senator from Ohio for offering the amendment. It is acceptable on this side.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1677) was agreed to.

Mr. METZENBAUM. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MOYNIHAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HECHT. Mr. President, I ask unanimous consent that the Finance Committee amendment be temporarily laid aside so that I may offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1678

(Purpose: Proposed Changes to Section 226)

Mr. HECHT. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Nevada [Mr. HECHT] proposes an amendment numbered 1678.

Mr. HECHT. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 29, after SEC. 226(a), add the following new subsection (b), and renumber the subsequent subsection accordingly.

(b) The Secretary shall procure by contract not less than 40 percent of architectural and engineering services required for the design and construction of water resource projects undertaken by the Secretary.

Mr. HECHT. Mr. President, I wish to commend the Committee on Environment and Public Works for its leadership in bringing S. 1567, the Water Resources Development Act of 1986, to the floor of the Senate after a lot of hard work.

This bill has been several years in the making, and the new cost-sharing requirements and harbor and waterway user charges contained in the bill are a responsible way to balance the need to reduce the Federal deficit with the need to improve the Nation's port facilities, generate renewable hydroelectric energy resources, and protect our communities from flooding.

I would now like to offer a brief and simple amendment which I believe will enhance the committee's impressive work on this bill. The thrust of this amendment is to make sure that at least a reasonable portion of the architectural and engineering work this bill makes necessary, by authorizing about 170 water projects, ends up being contracted out to the private sector.

Mr. President, no one in this body has more respect than I do for the professionalism and capabilities of the Army Corps of Engineers. I simply ask my colleagues to remember that the private sector also has remarkable capabilities in the engineering field, and to guarantee the private sector at least a small piece of the water resources pie.

My amendment simply says that the Secretary of the Army shall contract with the private sector for at least 40 percent of the architectural and engineering planning, design, mapping, and surveying work associated with the construction of the water projects authorized by the bill.

There are a number of excellent reasons for supporting this amendment:

The bill authorizes $11.1 billion in new projects. Certainly all this new work will require the Corps of Engineers to increase its activities in a number of ways, including increased staffing. Since the private sector is capable of performing much of this work, it makes sense to create some jobs in the private sector, and not just to increase the Government's payroll.

The private sector's competitive nature should allow the taxpayers to save money by having work contracted out, compared to the cost of Government doing the job itself. My amendment should, therefore, help us to reduce the deficit, by getting the most for the taxpayers' money.

The amendment is consistent with the administration's drive to take commercial and industrial activity that is currently being done inside Government and turn that work over to the private sector, where it can often be done more efficiently and at less expense.

This amendment does not affect work the Corps of Engineers performs for the military. It will therefore not reduce our defense engineering capability in any way. In fact, it may improve our Nation's engineering readiness by encouraging a group of private firms that are familiar with corps contracting procedures, design standards, and specifications. This would enable

the private sector to respond all the faster in case of a national or regional emergency of some sort.

My amendment is modest in approach in that it directs the corps to contract out only a minimum of 40 percent of its architectural and engineering services. Under this amendment the remaining 60 percent could stay inside the Corps of Engineers, if the Secretary of the Army thought that appropriate.

I believe my amendment will be good for the economy, help reduce the deficit and control the size of Government, and be positive for national defense and emergency preparedness.

I urge the Senate to act favorably on this amendment.

Mr. ABDNOR. Mr. President, I understand the Senator from Nevada's amendment. I think the Senator knows that a provision similar to this was included in the House-passed bill. I give him assurance that we will take this under advisement when we go to conference, but because this proposal is controversial, and because section 226 of this very bill, requires a GAO study on a broad range of contracting issues, I hope that he would consider withdrawing his amendment.

Mr. HECHT. Mr. President, I ask unanimous consent that Senators LAXALT and SYMMS be listed as original cosponsors of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HECHT. Mr. President, I thank the Senator from South Dakota for his consideration and respectfully withdraw the amendment.

The amendment (No. 1678) was withdrawn.

Mr. ABDNOR. I thank the Senator for his cooperation, and for the reason I stated, I thank the Senator from Nevada for withdrawing it.

Mr. ABDNOR. Mr. President, I ask unanimous consent that the Finance Committee amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1679

(Purpose: To make technical corrections by updating certain dates in the bill)

Mr. ABDNOR. Mr. President, I send to the desk a technical amendment.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from South Dakota [Mr. ABDNOR] proposes an amendment numbered 1670.

On page 2, line 4, delete "1985" and insert "1986".

On page 2, line 14, delete "1986" and insert "1987".

On page 2, line 16, delete "1987" and insert "1988".

On page 2, line 18, delete "1988" and insert "1989".

On page 2, line 20, delete "1989" and insert "1990".

On page 2, line 25, delete "1990" and insert "1991".

On page 7, line 18, delete "1986" and "1990" and insert "1987" and "1991" respectively.

On page 8, line 10, delete "1986" and insert "1987"; and on page 8 line 12 delete "1988" and insert "1989".

On page 8, line 25, delete "1986" and insert "1987"; and on page 9 line 1 delete "1990" and insert "1991".

On page 20, line 8, delete "1986" and "1990" and insert "1987" and "1990" respectively.

On page 28, line 13, delete "1986" and insert "1987"; and on page 28 line 14 delete "1990" and insert "1991".

On page 38, line 1, delete "1986" and insert "1987".

On page 41, line 22, delete "1986" and insert "1987".

On page 42, line 16, delete "1986" and insert "1987"; and on page 42 line 17 delete "1987" and insert "1988"; and on page 42, line 18, delete "1988" and insert "1989".

On page 48, line 13, delete "1986" and insert "1987".

On page 49, line 7, delete "1986" and insert "1987".

On page 49, line 22, delete "1986" and insert "1988".

On page 50, line 4, delete "1989", and insert "1990".

On page 50, line 10, delete "1986" and insert "1987".

On page 52, line 8, delete "1988" and insert "1989".

On page 52, lines 19 and 23, delete "1985" and insert "1986".

On page 56, line 6, delete "1986" and insert "1987".

On page 57, line 6, delete "1986" and insert "1987".

On page 65, line 1, delete "1986" and insert "1987".

On page 65, line 18, delete "1986" and "1989", and insert "1987" and "1991" respectively.

On page 70, line 1, delete "1986" and insert "1987"; and on page 70, line 2, delete "1990" and insert "1991".

On page 70, line 12, delete "1986" and insert "1987"; and on page 70, line 13, delete "1990" and insert "1991".

On page 89, line 4, delete "March 1, 1987" and insert "December 31, 1987".

Mr. ABDNOR. Mr. President, I am sending to the desk a corrected version of the technical amendment to S. 1567 which was printed on page 4326 of the March 11, 1986, CONGRESSIONAL RECORD. This new version is necessary to correct erroneous references to certain lines of page 2 of S. 1567. This simple technical correction is the only difference from the text of the amendment as it was printed in the CONGRESSIONAL RECORD.

Because S. 1567 was reported from the Committee on Environment and Public Works during the last fiscal year, many of the dates in the bill need to be changed. The sole purpose of this amendment is to make those changes.

Mr. President, I believe this amendment to be completely noncontroversial, and I move its adoption.

Mr. MOYNIHAN. Mr. President, as the Senator from South Dakota states, this is a technical correction which is both necessary and entirely agreeable to the committee.

Mr. ABDNOR. I thank the Senator. I move the adoption of the amendment.

The PRESIDING OFFICER (Mr. COCHRAN). Is there any further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1679) was agreed to.

Mr. MOYNIHAN. I move to reconsider the vote.

Mr. ABDNOR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

● Mr. MATHIAS. Mr. President, last summer, during a meeting in the Capitol in which I participated, the Senate Republican leadership and the administration came to terms on a cost-sharing formula for water projects. This historic meeting, in my view, was a turning point in our efforts to obtain funds for the long-delayed Baltimore dredging project. Against the backdrop of the Federal deficit, I believe this formula—reflected in the bill before us today—is a fair and equitable solution to the problem.

I commend both the Senate Environment and Public Works Committee and the Senate Appropriations Committee for arriving at a consensus on a difficult and contentious situation. However, I am concerned about one aspect of the bill which gives Maryland the short end of the stick. Under the provisions of the bill, States that have heretofore invested money in land disposal sites can only apply a portion of the costs to the local share of the channel-deepening projects. Using this formula, Maryland, which has far and away the most expensive locally funded spoil disposal site in the Nation, would be short changed. The State would receive, at most, a $24 million credit for its investment of $54 million in Maryland taxpayers money for the acquisition, construction, and development of the Hart-Miller spoil disposal site.

When the Baltimore channel-deepening project was initially authorized 16 years ago, the law required Maryland to pay for its dredge disposal site. The theory behind this policy was that the Federal Government had to absorb the entire cost of the channel deepening project. So, at the time, making Maryland pay for disposal made sense. Since then, Maryland has forked out $54 million for the development of the Hart-Miller disposal site and additionally will have to spend another $5 million for the receipt of the dredge materials when the channel is deepened.

Now the rules of the game have changed. The States are being called upon to bear a major part of the financial burden for dredging projects.

By the same token, the Federal Government should be obligated to pick up most of the tab for spoil disposal sites. That is already happening in many cases. The Federal Government has paid for a number of Army Corps of Engineers dredge disposal sites nearly as large and as expensive as Hart-Miller. Maryland should be treated the same way.

Maryland has been a leader in the effort to dig deeper channels for our ports. As Congress has been grappling with reforms in the water development program, Maryland was one of the first States to step forward and endorse the concept of cost-sharing. It was one of the first States to put money on the table for a spoil disposal site and to set aside funding for its own dredging project. In fact, Maryland has been so eager to move forward with the project that last year, it pared down the cost by one-third—from $330 million to $220 million. Its efforts should be rewarded, not penalized. The House of Representatives has recognized Maryland's unique case by giving Maryland full credit for Hart-Miller. I urge the Senate to support the House version when the conferees meet.

● Mr. STAFFORD. Mr. President, I appreciate the remarks of my colleague from Maryland. As Senator MATHIAS has pointed out, the provisions in the bill dealing with this issue reflect the agreement reached last summer on the overall funding issue for deep draft ports. However, he has made a persuasive case on behalf of providing greater credit to Maryland for its spoil disposal site and I shall weigh his views carefully when the Senate and House meet in conference.

● Mr. SARBANES. Mr. President, I would like to associate myself with the remarks of my colleague, the Senator from Maryland, and to underscore some of the points that he has raised. This is a matter of fairness and equity.

In order to comply with the original 1970 authorization of the Baltimore channel project, Governor Hughes and the Maryland General Assembly committed extensive resources to develop a major dredge material disposal site at Hart-Miller Islands. This site has been completed at a cost of over $53 million—entirely a State expenditure. Maryland understood that this expenditure would be fully reimbursed by the Federal Government in keeping with the authorization and the 100 percent Federal financing policy at that time. Indeed, the Hampton Roads, VA, Wilmington, DE, and Philadelphia, PA, dredge disposal sites were all built entirely at Federal expenses.

To achieve equity with these other ports and to keep the commitment made by the Federal Government when the Baltimore channel project was first authorized, the State of Maryland should be given full credit for funds already spent in the development and operations of the Hart-Miller disposal area. I would urge the Senate conferees on the water resources legislation to agree to the House provisions on this matter and give Maryland full Federal reimbursement for the Hart-Miller site.

● Mr. STAFFORD. Mr. President, I thank my colleague from Maryland for his remarks and shall certainly give this matter careful consideration in conference committee.●

● Mr. MATHIAS. Mr. President, with thanks to the leadership of Senators STAFFORD and ABDNOR, we have before us today a water resources development bill that is responsive to the needs of the public. I support this legislation.

Almost 10 years have passed since Congress last enacted a comprehensive water bill. Critical projects needed to maintain our Nation's ports and protect communities from the ravages of floods have been held up. The delay has been caused for the most part by a dispute over how costs are to be shared between the Federal taxpayer and the local beneficiary. The growing Federal deficit cries out for reforms in this area. The bill before us today addresses that problem.

This bill is a major triumph for Members of Congress who have worked tirelessly over the years to craft a compromise to a complex problem. It is good news for our Nation's infrastructure, for the health of our economy, for our balance of trade and it sends an important signal to our allies overseas that the United States is serious about expanding its coal trade. Most importantly, in my State, it is good news for the long delayed Baltimore channel-deepening project.

My experience with the delays in the Baltimore project in many ways captures the frustrations many of my colleagues have also felt during this long period.

Sixteen years and four Presidents ago, as a freshman Senator, I undertook the challenge of moving Baltimore's 50-foot dredging project off dead center. In 1970, I actively supported a bill—the Rivers and Harbors Act of 1970—which authorized this project. At that time, the project had already been in the works for over a decade. Little did I know then that the issue would still be kicking around today—on the eve of my departure from the Senate. Most projects I have worked on have come and gone. Few have been around as long as this one.

During the 10 years following its authorization, the project encountered legal and regulatory barriers. But we managed to overcome them, and in 1980 the project was ready to begin. Then, we faced another hurdle. We had to find a way to finance it. Under the law, the project was entitled to 100-percent Federal funding. But the rules of the game had changed, and the administration and Congress were exploring new methods to fund channel-deepening projects. The growing deficit required the States to share some of the costs.

The problem was that the concept was relatively new, and no funding formula existed. We spent the better part of the last 5 years working with the administration and the Congress to come up with a reasonable funding formula. Last summer, the Senate Republican leadership and OMB worked out a cost-sharing formula for water projects. New life was breathed into the Baltimore project.

The bill before us, by setting in concrete the cost-sharing formula so carefully crafted last summer, gives us hope that the Baltimore project, first proposed by the Army Corps of Engineers in 1958, will soon become a reality.

The Senate Appropriations Committee has already included start-up money in the 1985 Supplemental Appropriations bill for water projects such as Baltimore's. And the administration has given the green light by including funds in the 1987 budget for this purpose. Maryland has said it is ready to put its share of the cost of the project on the table. And the House of Representatives passed its omnibus water bill last year.

Passage of the Senate omnibus water bill will provide one of the final missing ingredients in this effort. I urge my colleagues to vote in favor of this legislation.●

Mr. CRANSTON. Mr. President, I am pleased to support S. 1567, the Water Resources Development Act, reported by the Environment and Public Works and Finance Committees. This bill includes authorizations for vitally important California projects which have been favorably reviewed by the Corps of Engineers—Cache Creek flood control, Redbank and Fancher Creeks flood control, Santa Ana River flood control, Oakland Outer Harbor improvements, Richmond Harbor improvements, and Sacramento River deepwater ship channel.

The legislation also represents a major reform in the way these corps projects are funded—by requiring non-Federal interests to provide upfront financing and a greater share of the costs of project construction, operation, and maintenance than in the past. These cost sharing and user fee provisions should make projects more cost effective and efficient while providing for the Nation's vital water infrastructure. They have my support.

I am particularly pleased S. 1567 includes authorization of flood control improvements on the Santa Ana River. The area below the existing Prado Dam on the Santa Ana River

faces the most serious flood threat in the Western United States. It needs priority attention. While the corps project is an expensive one, the local sponsors are prepared to meet the cost-sharing requirements embodied in this bill and provide the required up-front financing. The committee bill resolves the controversy over the proposed Mentone Dam feature of the project, by authorizing an alternative if approved by the Chief of Engineers. Also the Orange County Water Agency believes there is an excellent opportunity for water conservation in connection with the project. I thank the Committee for including language as I requested to investigate the feasibility of including water supply and conservation storage at Prado Dam. This provision will add no cost to the bill as the local water agency has agreed to pay the cost of the water conservation studies.

I'm also pleased S. 1567 addresses the critical need for additional flood protection for the Fresno metropolitan area by authorizing the Redbank and Fancher Creeks project. I've long been an advocate of this corps flood control project and sponsored separate legislation in both the 96th and 97th Congresses to authorize its construction. As with the Santa Ana River project, the local sponsor is prepared to meet the cost-sharing requirements for the Redbank and Fancher Creeks project. I am aware of the concerns that property owners in Fresno County have about the Big Dry Creek portion of the project. They have questioned the need for enlargement of the existing dam on Big Dry Creek and expressed concern about adverse impacts on nearby citrus orchards. I asked the corps to look into these matters and have been assured that the corps will not overbuild the project. I intend to continue to follow the project to be sure this is the case.

Re the Oakland Outer Harbor project contained in S. 1567, the construction requires that certain modifications be made to ensure the safety of the Bay Area Rapid Transit [BART] subway tube. The tube could be damaged by the actual dredging and construction of the Outer Harbor project and by subsequent navigation after completion of the project. The corps general design memorandum estimates that $4.9 million in modifications must be undertaken. I note that the House bill provides that the safety modifications imposed on BART because of the Oakland project be undertaken at Federal expense. The language will ensure that contruction of this important project not be delayed as a result of a dispute between BART and the port over who is responsible for the work on the BART tube. I urge the managers of the bill to give careful consideration to the need for this language when the bill goes to conference with the House.

While I support the Senate committee's decision to include only projects which have been approved by the Chief of Engineers, there are projects included in the companion House measure which do not meet this criteria but are critical to California's well-being. I'd like to bring several of them to the attention of the floor managers in the event there is some modification of the Senate position in conference.

First, H.R. 6 addresses the critical need to dredge and expand the Los Angeles-Long Beach harbors. This port complex now has wharfside depths to accommodate world class vessels, but lacks adequate entry channels. The project authorized in the House bill represents phase 1 of a comprehensive master plan for the two ports, known as the 2020 plan. Although a Chief of Engineers report has not yet been issued on the project, its importance to California is clear. It will generate 800,000 new jobs a year, $4 billion increase in annual customs receipts, and $7.7 billion in annual tax revenues. While the Federal authorization is $230 million, the two ports will contribute at least $600 million and are ready to spend $230 million to start phase 1 of the project this year.

The House bill also contains a provision modifying the authorized San Lorenzo River flood control project in Santa Cruz County, CA. The project was constructed by the corps following the 1957 floods and was intended to provide 100-year flood protection. It involved construction of river levees and dredging of the river to approximately 7 feet below sea level. The corps estimated at that time that only a minimal amount of annual dredging would be required to maintain the new riverbed. Unfortunately, nature did not cooperate and the riverbed quickly refilled to its original level. The corps is now restudying the project and information indicates that the flood control system must be modified to provide adequate flood protection. Both the city of Santa Cruz and the corps agree that the existing river levee system will not work even if the riverbed were redredged to 7 feet below sea level. The House bill authorizes $3.5 million for the needed project modifications.

The city of Redondo Beach, CA, is also in need of additional flood protection. Last month storm waves again swept unabated over the 14-foot breakwater in Redondo Beach causing $300,000 in damages to both public and private property. In the last 24 years, the existing breakwater has been inadequate on seven occasions. I know that King Harbor, Redondo Beach, is frequently referred to as a major regional recreational facility. But it also is a commercial complex of significance to the local economy. Businesses associated with the harbor employ over 2,000 people and generate $67.5 million in gross receipts annually. They rely upon the existing corps breakwater for protection and their long-term continuation is dependent upon improvements to the breakwater. Over the past 3 years, the corps has been studying the need to raise the breakwater to 22 feet. The House bill includes language to authorize the corps to raise the breakwater to a height of 22 feet.

H.R. 6 also includes authorization for the Sonoma County wastewater reclamation project. Residents of Sonoma County, CA, face a wastewater storage crisis. Last year due to several factors including inadequate wastewater holding capacity, over 750 gallons sewage effluent were discharged into the Russian River potentially threatening the health of area residents who rely on the river for their water supply. The language in the House bill would allow the corps to develop the most cost-effective and environmentally sound approach to addressing the country's long-term wastewater storage needs. Given the seriousness of the situation, I hope that the floor managers will help provide appropriate assistance on this matter.

Finally, although it is not included in the bill, I want to comment on the need for a corps study of the flood problem in Imperial County, CA. I've written to the chairman of the committee about this situation and much appreciate the fact that he is pursuing the matter with the corps. With the chairman's assurance that he will help through the adoption of a committee resolution to authorize the corps to undertake the Imperial County flood control study, I will not offer an amendment to this bill to authorize the study.

Mr. STAFFORD. I thank the senior Senator from California for his support of S. 1567 and for his comments. I shall keep his concerns in mind when we go to conference and see if we can help there. Also I am aware of the Senator's interest in an Imperial County flood control study and have asked the Corps of Engineers to comment on the request. I appreciate the Senator's not offering an amendment to this bill and assure him that I shall help through a committee resolution.

Mr. STENNIS. Mr. President, I do not have an amendment. If someone else has an amendment he wishes to present now, I shall be glad to yield. I want to express a few words of appreciation to these gentleman who have worked 9 years to my certain knowledge and have finally been able to bring us this bill.

Mr. President, I especially want to thank them and I feel I can speak in a

measure for every Member of this body for the long years and years of patience and hard work, with problem after problem for their consideration, carrying the added load of work required to work out a method of local contribution and they extended their efforts and problems over into the Finance Committee. They are certain to be included in these words of appreciation and thanks.

This is the first major subcommittee that I had the privilege of serving on when coming to the Senate. I got an early chance to find out more about our country, more particularly to see the development process that has been going for almost 150 years. So it was filling out and filling up and strengthening our great Nation here in a fiscal way and all that goes with it.

This is hard work that these Members have done. They have carried on and been repulsed by developments and votes against them and all the problems that go with financing; as I said, we owe them a debt of gratitude.

I want to call the chairman by name, the Senator from Vermont [Mr. STAFFORD]. I remember the day he got here as a member and how he immediately went to work. He has been at it ever since.

We also thank Senator BENTSEN of Texas, the ranking minority member, for his resourcefulness and his untiring patience; the Senator from New York [Mr. MOYNIHAN] who is carrying a big part of the load here.

I remember talking especially to our fine friend from South Dakota [Mr. ABDNOR], the chairman now of this subcommittee, this active, intelligent, and important subcommittee and the diligence with which they worked.

They had to go through all the processes of our changeover to the system under the Budget Committee, and all the ups and downs that we went through with that. We are indebted to them, the people throughout the Nation, and their home States and every State, and will appreciate what they have done.

I do not know of anything or any group I have been associated with that I feel better about than the fine work these gentlemen have done in such a special way.

My colleague from Mississippi [Mr. COCHRAN] is in the chair at this moment. We talked about these matters many time and I am going to talk with him about each of us making a statement of appreciation here together.

The effort that has gone into preparing these projects should not be lost. Again I strongly urge that a water authorization bill be given national priority and signed into law.

In the decade that has passed since enactment of the last water authorization bill, an enormous toll in flood damage, human misery, and loss of economic growth has been exacted from the people and the economy. I don't say this to lay blame on anyone. The difficulty in reaching this point of agreement cannot be overstated. It is more in the vein of giving credit to those who have worked to bring this legislation to this point that I urge my colleagues to act and restore order and discipline to the water development and flood control responsibilities of this Government.

I am aware of the policy differences which have held this legislation back. Those differences still exist, but we must resolve these differences and make progress toward doing work that has been delayed too long.

I don't fully agree with the cost sharing provisions of this legislation. I am deeply concerned about whether or not we are placing too great of a burden on the towns and counties in my State and other States that are plagued with flooding problems.

As I understand this legislation, in flood control projects, local sponsors must raise the money to pay the full costs of all lands, easements, rights of way, and relocations regardless of the percentage this contribution is of the total project costs plus at least 5 percent of the total project costs for a cash payment to the Federal Government. And, should the costs of the lands, easements, rights of way, and relocations be less than 20 percent to the total project costs, local authorities have to come up with the cash difference to pay the Federal Government during the period of construction. If the local people cannot raise that much cash to pay during the construction period, they can elect to take up to 30 years to pay with interest. However, if the long-term payment plan is elected, they must pay a minimum of 35 percent, in cash and lands. Easements, rights of way, and relocations.

Mr. President, if my understanding is correct on this matter of cost sharing for flood control projects, I believe this new policy may be placing more of a tax burden on local authorities than they could practically bear. I say this because many areas are having an extremely difficult time in meeting obligations toward schools, roads, and other public needs. For all practical purposes, this new policy means that needed flood control projects will not be constructed; and, the economic problems of many areas will only worsen because of periodic flooding. Considering the great cost of flooding in human misery and property damage; the great costs in terms of emergency assistance programs; I urge my colleagues to consider adjustments in this policy which will make flood control projects less burdensome.

I am willing to move forward in the spirit of compromise to determine the will of this body. However, it is my hope that we can arrive at practical and fair polices for the Federal Government in this important area of water resources mangement. I hope that we can arrive at a cost-sharing policy that can be applied to projects of the Corps of Engineers, the Bureau of Reclamation, the Soil Conservation Service, and other water agencies, like the Tennessee Valley Authority. The burden of water resource management should be fairly shared by our citizens, in all areas of the country. Either here on this floor or in conference every effort should be made to make these new cost-sharing policies fair and equitable and above all practical in terms of costs so that progress continues to be made in this important area of Federal responsibility.

I know how he feels about it.

I do mention here one other thing, the burden that is carried by the coal contributions. I do not object to that to some degree, but I do point with some care and caution to the places where that is going to put a burden on the people who may not be able to meet it or to pay it. Let us carry that forward as a continuing problem and perhaps make modifications of it.

So without taking further time of the body and with special appreciation to those who have worked on it, staff members, members of the Corps of Engineers, and others who have put this over, I say again a great warm thank you very much. With that sentiment, I yield the floor.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER (Mr. PRESSLER). The Senator from New York.

Mr. MOYNIHAN. Mr. President, there is not a Member of this body who is more loved and respected and honored than the senior Senator from Mississippi. As one of those who has been involved with this measure, I express my appreciation to him. I agree fully with the remark he made when he was a member of the Water Resources Subcommittee years ago. He said that one gains a special sense of admiration for the Nation from overseeing the magnificent transportation, and water systems of the country. The Senator from Mississippi has contributed to the planning and amelioration of these transportation and water systems for almost 2 centuries.

It was in the case of Gibbon against Ogden in 1824, which involved the operation of a steamboat on the Hudson River, a river which is shared by New Jersey on one shore and New York on the other, that Justice Marshall gave the meaning to the commerce clause of the Constitution and that gave Congress plenary power over navigable rivers and harbors, as they were called. That was the beginning of the great canal systems and the Corps of

Engineers, which, I might note, was first located in Brooklyn, NY—West Point being an engineering college.

The corps began clearing the snags on the Ohio and Mississippi Rivers, and by 1850, the United States had more tonnage on its inland waterways than the entire British merchant fleet. It was water transportation that developed this country until the railroads came along. It is this commerce that has enabled that development, and we are here to say, "Why have we stopped doing it just when we learned how to do it so well?"

So we thank the Senator.

Mr. ABDNOR. Mr. President, before we leave this subject, I would just like to say that I will never forget what a thrill it was for me to first meet the Senator I used to read about so much. Having the opportunity to work with him personally has been a real honor and a real pleasure. I can tell you, Mr. President, in the 5-plus years that I have had the pleasure of serving as chairman of this subcommittee I almost felt as if Senator STENNIS has been one of its members. He is always concerned about the progress we were making. The great concern he has for water development in this Nation is not only a great benefit to his State of Mississippi but it is a benefit to the whole country. I for one have always appreciated his thoughts, advice, and counsel as we have gone along.

Mr. BENTSEN. Mr. President, I thank the distinguished Senator from Mississippi for his comments about the Senator from Texas. Senator STENNIS is one of the great patriots of this country. He is an American first and a Mississippian second. There is no one more diligent in pursuing the best interests of his State. He is premier at it. We are all impressed and love the Senator from Mississippi. We are delighted to have been able to work out the problems with this project on Pearl River.

AMENDMENT NO. 1680

(Purpose: To deauthorize the Dickey-Lincoln School project, Saint John River, Maine)

Mr. COHEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Maine.

Mr. COHEN. Mr. President, I ask unanimous consent that the pending amendment be temporarily laid aside.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. COHEN. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The Clerk will report the amendment.

The bill clerk read as follows:

The Senator from Maine [Mr. COHEN] proposes an amendment numbered 1680:

On page 65, between lines 5 and 6, insert the following new section.

SEC. 337. The Dickey-Lincoln School project, Saint John River, Maine, as authorized by section 204 of the Flood Control Act of 1965, is hereby deauthorized.

Mr. COHEN. Mr. President, the amendment I am offering would very clearly terminate the authorization for the Dickey-Lincoln hydroelectric project on the St. John River in northern Maine. If it is retained and approved in the final version of the legislation, it is going to bring to a close a public debate which began over 20 years ago during the Presidency of John F. Kennedy.

I think every Member who is sitting on this floor today has heard the words Dickey-Lincoln mentioned probably more than they would care to recall. It has been said that Dickey-Lincoln debate has generated more heated argument and less electricity than any other water project ever debated on the floors of both the House and Senate.

But I have no intention of occupying the Senate's valuable time in giving a long history of the sorry story about Dickey-Lincoln. What I would like to do is offer a little bit of perspective as to what occurred with this particular water project.

It was remarkably informative for the people of Maine. Everyone had an opportunity to partake in a full and, I believe, fair debate and all viewpoints were ably represented. We learned a great deal from this process.

My involvement during the past 13 years on this one water project has left me with a number of related and important impressions. I would like to share just a few of them this afternoon.

First, even though the debate has been protracted and often trying, on balance it has been very useful for us. To a considerable extent Dickey-Lincoln actually served as a catalyst for a much-needed examination of the entire energy policy within the State of Maine, not to mention the Nation itself. It did not settle the question of what is best for the State of Maine, but to this day I think it continues to contribute in very important ways to the ongoing debate. We in Maine also come to better understand how very difficult it is to reach a public consensus when required to balance competing energy and economic and environmental considerations and the inevitable subjective judgments involved in this effort. This has been a very valuable and enduring lesson as we went about trying to plan our own State's energy future.

During the course of the debate on Dickey-Lincoln, we have been reminded over the years that the energy and budget realities of the sixties, the decade that gave birth to the dream of Dickey-Lincoln, bear little resemblance to those of today. As such, we are no longer able to sustain or validate many of the underlying assumptions that served to justify the Dickey-Lincoln project when it initially was conceived and authorized.

Much of the same rationale holds true for hundreds of other federally sponsored and supported water resource projects.

There have been some other valuable lessons. We have learned, for example, that a series of landmark environmental laws enacted after Dickey-Lincoln was authorized in 1965 have served us well as evaluative tools of public policy and, perhaps more than any other single factor, they helped focus the Dickey-Lincoln debate and illuminate the available options, measure the costs and benefits of the project and importantly, I think, provided an accessible public forum for everyone to be heard on this question. I think these significant benefits have to be acknowledged and applauded, and I want to take just a few minutes to do that this afternoon.

On a less positive note, I have also come to appreciate all too often why it is that our Federal water resources development program has ground to a halt and why passage of the reforms embodied in S. 1567 are so important. Like a lot of my colleagues, I have learned that too often when Congress debates a federally sponsored public works project, there is an irreversible lure of generous Federal subsidies, cheap power, or expanded employment opportunities, and that triumphs over economic reason, valid environmental concerns and, at times, simple common sense. Once you have momentum that starts to build for a project, no matter how valid the reasons for opposing it, those reasons often seem to fall on deaf ears. Fortunately, I would say in this case Dickey-Lincoln appears to be a notable exception to the general rule.

Mr. President, our Nation's water resources development program has produced a great many benefits over the years, and I would point with a similar amount of pride to the senior Senator from Mississippi as being a leader in producing many of these benefits.

At other times, the Nation's taxpayers have not fared so well as scarce budget resources have been misspent on projects of dubious merit.

Allow me to state what I believe has been obvious for some time: We must rethink and reform past practices in the water resources development program or risk further policy gridlock in this critically important area. Without the needed reforms that will be put in place by enactment of S. 1567, our Nation will continue to suffer from an absence of a responsible, cost-effective and farsighted water resources policy. Past practices are neither acceptable nor affordable. The times have

changed and so must our Nation's water resources policies.

As we close the book on Dickey-Lincoln, there remains the pivotal question of what the future holds for the St. John River. Will private developers move in once Dickey-Lincoln is deauthorized, in effect frustrating the wishes of those who remain steadfastly opposed to any dam on the river? Should Congress take steps to forever protect the river from any hydroelectric development? Is there an energy development option for the St. John that makes sense and that a clear majority of Maine citizens can comfortably and responsibly support? Will energy and economic developments that we cannot now foresee or predict argue persuasively for development on the St. John River at some point in the future?

In pondering these questions, we return, I suspect, to the point I made earlier about the exceedingly difficult tradeoffs involved in most development versus preservation decisions. And while there are no guarantees that matters will be easier next time we are asked to make a choice about the fate of the St. John River, I do believe that the Dickey-Lincoln experience has better prepared us for this eventuality. Therein may lie the most valuable of all of Dickey-Lincoln's legacies.

I urge adoption of the amendment and passage of the reforms incorporated in S. 1567.

Mr. MITCHELL. Mr. President, in 1981 Congress directed the Army Corps of Engineers to study the economic and financial feasibility of constructing a hydroelectric project at the Lincoln School Dam site on the St. John River. The corps completed its study in April 1984.

Under the standards by which the corps conducts its analyses, economic feasibility is determined by weighing the proposed project's anticipated benefits against its anticipated costs over a 100-year period. These benefits and costs include, but are not limited to, those derived from the power to be generated by the project.

Financial feasibility, by contrast, is determined through a repayment analysis. In order for a project to be financially feasible, the Government's total investment for the generation and distribution of power must be recovered, plus interest at 9½ percent, within 50 years; the repayment must come from the sale of power generated by the project. As can be seen, the scope of evaluation in determining financial feasibility is more limited—both in the subject to be considered and in the period of time involved—than it is with economic feasibility.

In its report the corps concluded that the proposed Lincoln School project is economically feasible as a source of electricity that would intermittently displace the operation of existing oil-fired generators, though the availability of hydropower from Quebec reduces this feasibility substantially. But the corps also concluded that the project is not financially feasible.

The corps' report raises two questions for me: The first is whether, in view of the corps' conclusion that the project is not financially feasible, I should continue to support its construction.

The answer to that question must be no. Especially at this time of large Federal budget deficits, when restraint in Federal spending is necessary, I cannot in good conscience support further spending on a project which is not financially feasible under existing Federal standards.

When the Lincoln School study was initiated, I said that further action on my part with respect to hydropower development of the St. John would depend on the conclusions of the Corps of Engineers. When I said that I was fully aware that construction of Lincoln School Dam might depend on whether or not the power generated could be marketed at rates sufficient to recover the investment and operating costs in compliance with Federal law and regulations.

The corps has determined that Lincoln School's power can not be marketed at a price sufficient to recover the project's costs, plus interest, within the required 50-year period. I will respect that determination.

The corps' report raises a second and related question: If further Federal expenditures to advance the project are unwarranted, how and when should the project be deauthorized?

Federal law contains a procedure for deauthorizing such projects, since a finding that a project is not economically or financially feasible is not uncommon. Under that procedure the Secretary of the Army is required to submit to Congress each year a list of inactive water projects which the Secretary determines should be deauthorized; prior to going on the Secretary's list a project must have gone 8 years without receiving any congressional appropriations. A project on the Secretary's list is automatically deauthorized in 90 calendar days of continuous session of Congress unless the appropriate House or Senate committees adopt a resolution stating that a project shall continue to be an authorized project.

I am familiar with this procedure because I serve on the Senate Environment and Public Works Committee. This procedure has been used by that committee to deauthorize 476 projects since the statute was enacted, including 60 projects since 1980, when I became a Member of the Senate.

The authors of the statute creating this procedure recognized that: First feasibility studies are only as good as the economic assumptions on which they are based, and second deauthorization should not occur until the Congress is certain that there is no longer justification to reexamine those assumptions and the conclusions which result from them.

In other words, when Congress passed the statute, it sought to preclude deauthorizations based upon snapshot evaluations, which reflect important economic facts—like the price of oil—only at a specific point in time. In lieu of such snapshots Congress established an 8 year holding period during which economic trends should be discerned. If such trends confirm the snapshot, the inactive project is routinely deauthorized. If there are important changes in those trends during the 8-year period, a further review may be in order.

The price of oil is an important factor in this and similar evaluations. Its volatility in recent years is strong evidence in support of the congressional deauthorization process. Over the past 17 years, that price has fluctuated from a low of $3 per barrel to a high of $37. While we hope that the current price of $15 will remain stable, or even decline, we obviously cannot rule out the possibility of an increase. Further turmoil in the Persian Gulf, resulting from the continuing war between Iran and Iraq or from internal conflict in Saudia Arabia or any of the Gulf oil states, is a daily possibility. Were that to occur, the price of oil could again skyrocket overnight.

Utilization of the existing procedure for deauthorizing Lincoln School is wise for another reason. During the 8-year holding period the St. John River would be protected from private development.

The St. John is a public asset. It belongs to all the people. While a hydroelectric generation facility should not be constructed by the Government as long as such construction is not feasible under Federal standards for publicly funded projects, as soon as the project is deauthorized it will be possible for a private developer to seek a license to reserve a portion of the river for an alternative development scheme.

It would be ironic if, after nearly 20 years of public effort, a private organization, using information obtained by the Government and paid for by the taxpayers, is granted the right to develop the St. John. Such private development is possible because under the Public utilities Regulatory Policy Act of 1978 electricity generated by a private hydropower project must be purchased by utility companies at a price equal to the most expensive equivalent amount of electricity otherwise available to the utility. The purpose of the act is obviously to encourage nonuti-

lity alternative energy development and to discourage the use of expensive imported oil by utilities.

In addition, the Federal Power Act gives the power of eminent domain to licensed private developers of hydro projects. The effect, in the case of the St. John River, may be a private power project instead of a Federal project.

Those who are pressing for immediate deauthorization of the project say they do so to protect the St. John River from development. But they may well contribute to precisely the opposite result.

In view of the corps' report, there is likely to be little support currently for the Lincoln School project in the New England congressional delegation. And of course the other three members of the Maine delegation are committed to its immediate deauthorization.

For the reasons I have given, I believe that to be an unnecessary and unwise course of action. If private developers move on the St. John, those who now talk of protecting it will regret immediate deauthorization.

Had the corps' report been favorable and I therefore were able to justify continued support for construction of the project itself, I would be prepared to commit myself to that effort. But the report is not favorable; I cannot in good conscience continue my support for construction of the project; and I do not believe that the question of how and when deauthorization occurs is so important as to justify a prolonged and divisive fight within our delegation. Therefore, should the other members of the delegation persist in seeking immediate deauthorization, I will not oppose it.

I have discussed this matter with Governor Brennan and in the event of immediate deauthorization have asked him to join with me in considering all options available under State and Federal law to protect the St. John River.

I make one final point with regard to the Dickey-Lincoln project. Opponents of the project have raised the potential of adverse environmental risks. Yet, other sources of energy result in far more serious environmental consequences.

The only currently feasible alternatives to hydroelectric power are oil, coal, and nuclear power. Each have associated monetary and environmental costs.

Dickey-Lincoln would provide power without consuming a barrel of imported oil, without spewing pollutants into our air, and without creating radioactive wastes.

Dickey-Lincoln would not increase our dependence on high-cost imported fuel. It would not contribute to acid rain. It would not result in the gouging and tunneling of mines in scenic hillsides throughout our Nation. It would not contribute to the now all-too-real possibility of storing radioactive wastes near our own neighborhoods.

The citizens of Maine are acutely aware of the awesome burden of disposing of high-level nuclear waste because Maine is one of the States under consideration as a host for the second, or crystalline rock repository called for under the Nuclear Waste Policy Act of 1982.

The country's operating commercial reactors generate about 2,000 metric tons of uranium [MTU] annually. According to the DOE, through 1984, spend fuel assembles containing more than 10,000 MTU had been removed from reactors and placed in adjacent deep water storage pools. The inventory of commercial spent fuel is expected to reach 50,000 MTU by the year 2000.

Defense high-level waste, which includes material that results from the reprocessing of specially designed and irradiated fuel to obtain nuclear weapons, occupies a volume almost seven times more than the accumulated volume of commercial spent fuel.

For 30 years, this country ignored the problem of nuclear waste disposal. But ignoring the problem cannot make the waste disappear. Tons of spent fuel still exist in pools at every commercial reactor. Hundreds of thousands of cubic meters of defense waste remain at three DOE facilities across the country. The processing, transportation and disposal of high-level nuclear waste will remain a costly and dangerous legacy of nuclear power generation for the next 10,000 years.

Our Government is still struggling to shape a national energy policy which is consistent with the needs of our people and our economy, and with environmental values. I understand and share these concerns with the people of Maine.

Our State is energy dependent and environmentally vulnerable. We face crucial decisions which will affect Maine for decades. As we make those decisions we must do so by reviewing all alternatives and their associated risks. In that context, hydropower becomes an attractive choice.

Mr. ABDNOR. Mr. President, I thank my colleague from Maine for his comments on the water bill. Everything he has said has much merit.

With regard to his amendment, I understand that there has been a long controversy in his home State, and it is his desire to see that the project be deauthorized and taken off the books. I certainly have no objection.

Mr. MOYNIHAN. Mr. President, we thank our colleague from Maine for his remarks. We are aware that this has long been a controversy in the State of Maine. If it is the desire of the Senators from Maine to see this project deauthorized, then we on this side of the aisle certainly have no objections, and Senator MITCHELL has said exactly so.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1680) was agreed to.

Mr. LONG. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ABDNOR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BURDICK. Mr. President, in 1970, Congress authorized the Kindred Lake Reservoir Project to control recurrent flooding along the Sheyenne River which also impacts the adjacent Red River of the North, Wild Rice River, and Maple River. the Kindred Lake project proved unacceptable, and the corps now recommends the Sheyenne River Flood Control project as an alternative. The corps' recommended plan consists of three major components for Federal implementation: First 13.1 miles of levee and 4.0 mile diversion channel from Horace to West Fargo; second, 7.6 miles of flood diversion channel from Horace to West Fargo; and third, a 5-foot raise of the Baldhill Dam flood control pool.

The current benefit-cost ratio is 7.6 to 1 at 8⅝ percent. The total Federal cost for these three components is estimated at $41 million, with the non-Federal costs at $21.7 million.

Mr. ANDREWS. It is my understanding that the local sponsor will be required to provide lands, easements, and right-of-way, presently estimated at $10.6 million, modify or relocate buildings, utilities, roads, and other facilities, except railroad bridges, where necessary in the construction of the project, presently estimated at $9.04 million. In addition, S. 1567 also requires a 5-percent cash contribution of $2.05 million. The total non-Federal share is $21.7 million.

According to the fiscal year 1987 corps budget justification, the current Federal cost estimate of $19.3 million is a decrease of $6.9 million over the lastest estimate—$26.2 million—presented to Congress. This change includes a decrease of $7.35 million based on the Administration's and S. 1567 current Federal and non-Federal cost-sharing policy, partially offset by an increase due to higher price levels, $450,000.

Mr. BURDICK. According to the corps, the General Design Memorandum is scheduled for completion in October, 1986. Preconstruction planning is scheduled to be completed in September, 1987.

Unfortunately, Sheyenne Valley residents suffered $104 million in flood damages during 1975 and 1979. As a result, the Ransom County Water Management District constructed a

local project called Dead Colt with $600,000 attributable in flood benefits to reduce recurrent damage.

Both Senator Andrews and myself are concerned about the high cost of the non-Federal share for these three components. It is our understanding that the House bill contains a provision capping local traditional costs at 30 percent with the 5-percent cash contribution requirement. If this provision would be enacted into law, the non-Federal sponsor would save several million dollars. Have the floor managers reviewed this provision or other methods of reducing local costs?

Mr. STAFFORD. As chairman, I share your concern about the inability of a local sponsor to afford necessary flood control projects. I would like to point out that under S. 1567, the corps can determine an economic hardship case and administratively reduce the local sponsor's share. In addition, the corps can take local completed improvements into consideration in the future.

Mr. BURDICK. Even though it would be in North Dakota's interest for us to offer the House provision as a floor amendment, we will refrain from offering the amendment. We recognize that an understanding exists between the Senate leadership and the Reagan White House on major policy issues. However, we would appreciate it very much if the Senate conferees would consider the House provision, and for the corps to administratively consider a lower cost share on Sheyenne.

Mr. STAFFORD. I can assure the Senator that the conferees will review all of the House provisions. I appreciate the courtesy of the two Senators from North Dakota on not offering a floor amendment. Clearly, the conferees would like to keep all points open for negotiations with the House. I would like to add, however, that on the basis of the information shared with me, the corps will be able to consider administratively whether a lower non-Federal cost share might be appropriate for the Sheyenne River project.

AMENDMENT NO. 1681

(Purpose: To amend section 606(a) to clarify the ability of non-Federal interests to issue bonds to retire debt incurred in participation in a project)

Mr. LONG. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Louisiana [Mr. LONG] proposes an amendment numbered 1681:

On page 90, line 2, at the end of line 2, substitute a comma for the period and add: "or for the purpose of retiring debt of the non-Federal sponsor to the extent incurred for such purpose, including payment of principal and interest on obligations issued by the non-Federal sponsor for such purpose to the extent issued for such purpose."

The PRESIDING OFFICER. Will the Senator withhold? The Finance Committee amendment is pending, and it needs to be set aside.

Mr. PACKWOOD. Is this an amendment to the Finance Committee section?

Mr. LONG. Yes.

Mr. PACKWOOD. That is what I thought.

Mr. LONG. Mr. President, this is a clarifying amendment.

Under the amendment as proposed, any appropriate non-Federal sponsor such as a port authority is authorized to impose user fees to recover its costs, provided that such fees are established at the public hearing, and provided such fees reflect, to a reasonable degree, the benefits provided by the project to a particular class or type of vessel.

The act provides that such fees may only be used for the purpose of paying the non-Federal share of the construction costs plus any incremental maintenance work.

The concern of some of the port authorities—and particularly the Port of New Orleans—is that it might not be clear under the act that this would permit them to retire the bonds they have issued to pay for their share of a project.

This amendment simply clarifies that the non-Federal share of a project's costs includes the costs of retiring the debt of a non-Federal sponsor incurred to pay for such costs. Thus, in the common case in which a port authority issues tax-exempt bonds to pay for such authorized expenses, this amendment clarifies the intent of the act that such fees may be used to retire such bonds—to the extent such bonds are used for such authorized expenses—including both principal and interest. This is the intention of the legislation. This amendment simply clarifies that intent in the statutory language.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the Finance Committee amendment be temporarily set aside,

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, this is not an amendment to the Finance Committee section, as I read it. I have no objection to it. I think it is appropriate to the bill. I do not know if the manager of this section has any comment on it or not.

Mr. STAFFORD. Mr. President, I believe this is an amendment to a part of the bill that is in the jurisdiction of the Committee on Environment and Public Works. Speaking for myself, I have examined the amendment, and it is acceptable to us.

Mr. MOYNIHAN. Mr. President, there is no objection on this side of the aisle.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1681) was agreed to.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

AMENDMENT NO. 1682

Mr. BOREN. Mr. President, I have an amendment which I wish to send to the desk, which I think has already been discussed by all the managers of the bill. It has to do with the hydroelectric generating facilities to the W.D. Mayo Lock and Dam to be constructed by the Cherokee Nation.

Mr. President, I ask unanimous consent that the pending amendment be set aside in order to consider the amendment I send to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be stated.

The bill clerk read as follows:

The Senator from Oklahoma [Mr. BOREN], for himself and Mr. NICKLES, proposes an amendment numbered 1682.

Mr. BOREN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Amendment). On page 65, after line 5, insert the following and number appropriately:

"Sec. . (a) Notwithstanding any other provision of law, the Cherokee Nation of Oklahoma is authorized to design and construct hydroelectric generating facilities at the W.D. Mayo Lock and Dam on the Arkansas River in Oklahoma, as described in the report of the Chief of Engineers dated December 23, 1981: *Provided*, That, the agreement described in subsection (d) of this section is executed by all parties described in subsection (b) of this section.

"(b) Conditioned upon the parties agreeing to mutually acceptable terms and conditions, the Secretary and the Secretary of Energy, acting through the Southwestern Power Administration, may enter into a binding agreement with the Cherokee Nation of Oklahoma under which the Cherokee Nation of Oklahoma agrees—

"(1) to design and initiate construction of the generating facilities referred to in subsection (a) of this section within three years after the date of such agreement,

"(2) to reimburse the Secretary for his costs in—

"(A) approving such design and inspecting such construction, and

"(B) providing any assistance authorized under subsection (c)(2) of this section, and

"(3) to release and indemnify the United States from any claims, causes of action, or liabilities which may arise from such design or construction.

Such agreement shall also specify:

"(1) the procedures and requirements for approval and acceptance of such design and construction are set forth,

"(2) the rights, responsibilities, and liabilities of each party to the agreement are set forth, and

"(3) the amount of the payments under subsection (f) of this section, and the procedures under which such payments are to be made, are set forth.

"(c)(1) No Federal funds may be expended for the design construction of the generating facilities referred to in subsection (a) of this section prior to the date on which such facilities are accepted by the Secretary under subsection (d) of this section.

"(2) Notwithstanding any other provision of law, the Secretary is authorized to provide, on a reimbursable basis, any assistance requested by the Cherokee Nation of Oklahoma in connection with the design or construction of the generating facilities referred to in subsection (a) of this section.

"(d) Notwithstanding any other provision of law, upon completion of the construction of the generating facilities referred to in subsection (a) of this section, and final approval of such facilities by the Secretary—

"(1) the Cherokee Nation of Oklahoma shall transfer title to such facilities to the United States, and

"(2) the Secretary shall—

"(A) accept the transfer of title to such generating facilities on behalf of the United States, and

"(B) operate and maintain such facilities.

"(e) Pursuant to any agreement under subsection (b) of this section, the Southwestern Power Administration shall market the excess power produced by the generating facilities referred to in subsection (a) of this section in accordance with section 5 of the Act of December 22, 1944 (58 Stat. 890; 16 U.S.C. 825s).

"(f) Notwithstanding any other provision of law, the Secretary of Energy, acting through the Southwestern Power Administration, is authorized to pay to the Cherokee Nation of Oklahoma, in accordance with the terms of the agreement entered into under subsection (b) of this section, out of the revenues from the sale of power produced by the generating facilities of the interconnected systems of reservoirs operated by the Secretary and marketed by the Southwestern Power Administration—

"(1) all costs incurred by the Cherokee Nation of Oklahoma in the design and construction of the generating facilities referred to in subsection (a) of this section, including the capital investment in such facilities and interest on such capital investment, and

"(2) for a period not to exceed 50 years, a reasonable annual royalty for the design and construction of the generating facilities referred to in subsection (a) of this section.

"(g) Notwithstanding any other provision of law, the Secretary of Energy, acting through the Southwestern Power Administration, is authorized—

"(1) to construct such transmission facilities as necessary to market the power produced at the generating facilities referred to in subsection (a) of this section with funds contributed by non-Federal sources, and

"(2) to repay those funds, including interest and any administative expenses, directly from the revenues from the sale of power produced by the generating facilities of the interconnected systems of reservoirs operated by the Secretary and marketed by the Southwestern Power Administration.

"(h) There are authorized to be appropriated to the Secretary for the fiscal year in which title to the generating facilities is transferred and accepted under subsection (d) of this section, and for each succeeding fiscal year, such sums as may be necessary to operate and maintain such facilities."

(Amendment). On page 119, strike lines 5 through 8, and renumber following paragraphs appropriately.

Mr. BOREN. Mr. President, this amendment would authorize the Cherokee Nation to design and construct the addition of hydroelectric grenerating facilities to the W.D. Mayo lock and dam near Sallisaw, OK. Currently, in S. 1567 the Corps of Engineers are authorized to construct this facility. With this amendment the financing, engineering design, and actual construction of the addition will be accomplished by the Cherokee Nation of Oklahoma.

I might mention that this will result in a saving to the taxpayers in the range of $15 million to $30 million, depending on the final cost of the project.

The design and construction will be approved and inspected by the U.S. Army Corps of Engineers. At the completion of construction, the Corps of Engineeers will own, operate, and maintain the facilities.

Under this legislation, the Southwestern Power Administration will market the power produced at the facilities in accordance with section 5 of the 1944 Flood Control Act. The Southwestern Power Administration will be authorized to repay the Cherokee Nation the costs incurred for design and construction only after completion of the facilities and revenues can be realized from the sale of power.

The Cherokee Nation is striving to broaden their business base in a depressed geographical area and in what can only be described as a depressed regional economy. For these reasons the development of hydroelectric power on the Arkansas River makes sense as a tribal development.

The Nation is prepared to bring 100 percent of the financing to the table to facilitate developing these facilities at the Mayo lock and dam. It is their intent to keep within the administration's water project financing and cost-sharing policies.

Given the existing situation on the Arkansas River, with the corps' ownership and operation of all the locks, dams, and hydroelectric generation facilities within a reasonable distance up and down the river from W.D. Mayo, it appears that the public interest would best be served by the corps' operation of the hydroelectric facility at the Mayo site. This would result in the most efficient management and operation of this water resource, as well as maximum compatibility with the existing system. Also, utilizing the existing infrastructure would negate the need to hire and train additional personnel, or construct new powerlines.

As has been stated, it is the Cherokee Nation's intent to provide the financing and development of the project in return for a reasonable royalty. This project will provide, in the near term, much needed jobs in northeastern Oklahoma. Most importantly though, the income stream from this project will enhance the possibility of tribal independence from Federal subsidy programs. I applaud the efforts of the Cherokee Nation to expand their capabilities and I ask my colleagues to join with me in support of their efforts.

Mr. NICKLES. Mr. President, on October 1 of last year I joined with my Oklahoma colleague, Senator DAVID BOREN, in introducing legislation which would authorize the Cherokee Nation to finance, design, and construct hydroelectric generating facilities at W.D. Mayo Lock and Dam No. 14 near Sallisaw, OK. Today, after making necessary modifications, we are offering that legislation as an amendment to the measure before us today, S. 1567, the Water Resources Development Act of 1985.

This plant will add needed low-cost power to the Southwest Federal Power System in the shortest possible timeframe. This system would be constructed through financing provided by the Cherokee Nation in cooperative with the U.S. Army Corps of Engineers, who would own, operate, and maintain the facility.

The marketing of the power would be performed by the Southwest Power Administration, in accordance with section 5 of the 1944 Flood Control Act. The Southwest Power Administration would be authorized to reimburse the Cherokee Nation for the project costs along with a reasonable annual royalty.

This approach to the operational and marketing aspects of the project in cooperation with the existing Federal infrastructure, could result in an estimated taxpayer savings of between $15 and $30 million.

This project is indicative of the efforts on the part of the Cherokee Nation to attain self-sufficiency. This amendment we offer today is highly worthy of the Senate's support. I urge my colleagues support.

Mr. ABDNOR. I thank the Senator for this amendment. I think he should be commended for his work on behalf of the Cherokee Nation of Oklahoma.

The amendment allows the Cherokee Nation to develop the site and turn it over to the Federal Government for operation. Some of the revenue that would accrue from the sale of the power would be used to pay the Cherokee Nation back for the cost of construction.

I think it offers a reasonable alternative to Federal development of hydropower at the Mayo lock and dam.

We have looked this over carefully before we ever came on the floor. We think it is a good amendment, and this side certainly will agree to its inclusion.

Mr. MOYNIHAN. Mr. President, we find this a wholly acceptable amendment and congratulate the Senator from Oklahoma for bringing it forward. There is no cost involved.

Mr. BOREN. I thank my colleagues on both sides of the aisle for their kind remarks.

I move adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1682) was agreed to.

Mr. BOREN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ABDNOR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DANFORTH. Mr. President, I ask unanimous consent that the pending amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1683

(Purpose: To establish the jurisdiction of United States district courts over the imposition, computation, or collection of certain fees by non-Federal sponsors)

Mr. DANFORTH. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will read the amendment.

The bill clerk read as follows:

The Senator from Missouri [Mr. DANFORTH] proposes an amendment numbered 1683.

Mr. DANFORTH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 90, after line 24, add the following:

(c) The United States district court for the district in which is located a non-Federal sponsor that imposes fees subject to this section shall have original and exclusive jurisdiction over any matter arising out of, or concerning, the imposition, computation, or collection of such fees by a non-Federal sponsor under this section and, upon petition of the Attorney General or any party subject to such fees imposed by the non-Federal sponsor—

(1) may grant appropriate injunctive relief to restrain any act by that non-Federal sponsor that violates the conditions in this section;

(2) shall order that refunds be paid to the extent it is found that fees were collected in violation of this section; and

(3) may grant such other relief or remedy as may be appropriate.

Before the start of construction of a project subject to section 602 or 604, the non-Federal sponsor shall notify the Secretary that it consents to the jurisdiction of the district court as set forth in this subsection.

Mr. DANFORTH. Mr. President, the amendment that was just sent to the desk is a simple and I hope noncontroversial amendment.

Section 606 of the legislation before us provides non-Federal sponsors of commercial channel or harbor construction with the authority to recover their costs by the collection of user fees on commercial vessels using such projects.

Such fees by the terms of the legislation "shall reflect to a reasonable degree the benefits provided by the project to a particular class or type of vessel."

The amendment I have proposed would do two things:

It would establish the jurisdiction of the U.S. district courts over the imposition, computation, or collection of such fees, and it would permit the courts to order refunds of any fees that are unlawfully collected.

In such cases through the use of the legal doctrine of sovereign immunity, States have refused to refund tax payments even after the tax at issue has been declared unconstitutional, limiting taxpayers to prospective relief.

Where a State is a non-Federal sponsor of a harbor construction project, Congress should not sanction the State's retaining dredging fees which are found after full judicial review to have been unlawfully collected.

Yet unless a technical amendment such as this is adopted, such an unintended result could occur.

Similar language is contained in subsection 109(c) of H.R. 6, and I believe this provision is acceptable to the managers.

Mr. PACKWOOD. Mr. President, my good friend from Missouri was very kind to withhold this amendment during the committee because it was offered and we had not had a chance to look at it. I asked him to withhold it until we got on the floor. He did.

We had a chance to look at it. The amendment is a good amendment and acceptable.

Mr. LONG. Mr. President, while I support the amendment, I also hope that an effort will be made to resolve and address in conference a concern that has been raised by public port authorities and bond counsel about the amendment.

For nearly 200 years, the Federal Government has funded the development and maintenance of channel navigation projects deemed necessary to meet the Nation's trade and security requirements. S. 1567 would change the policy through the establishment of an historic and unprecedented cost-share regime for new Corps of Engineers construction projects. The new policy would shift part of the project funding burden onto the non-Federal sponsor. For Federal navigation projects, the bill would require the local non-Federal sponsor to commit, during the period of construction, 10 percent of total project costs for projects 20 feet deep or less, 25 percent for projects deeper than 20 feet to 45 feet, or 50 percent for projects deeper than 45 feet. In addition, the non-Federal sponsor would be required to pay 10 percent of the total project costs over a period not to exceed 30 years.

The authority granted by section 606 to assess local channel fees is intended to provide a mechanism by which local project sponsors are able to finance their new cost-share requirements. In fact, considering the current austerity in State fiscal programs which will likely limit or eliminate State funding or financing options, and the historical fact that public ports are not profit centers with significant retained earnings to cover up-front project costs, the authority provided in section 606 will likely prove to be a critical factor enabling most ports to meet their cost-share obligations under this legislation. The mechanism utilized by public port authorities (or other non-Federal sponsors) will be to issue revenue bonds which will be retired by the revenue generated by the local channel fees.

The amendment proposed by the Senator from Missouri would provide some assurance to users of the channels that they would have the right to contest the legality of the channel fee and to be awarded appropriate remedies including refunds. The public port industry does not contest the appropriateness of the concern that led to this amendment or the reasonableness of the amendment itself.

The amendment does, however, bring into focus some important procedural questions that are of concern to the public port industry. These questions revolve around the potential for litigation brought by users of the channel challenging the legality of the local user fees under the standards established by this legislation. S. 1567 does not prescribe any Federal statute of limitations on the rights of affected parties to sue.

Public port authorities are concerned that the discretionary authority granted them under section 606 could be frustrated by the uncertain prospects of lengthy legal challenges to that authority unless there is a Federal statute of limitations. There is precedent. For example, the time available for appeal of rulings by Federal and State regulatory agencies are limited. Without such a limiting period, no guarantees can be made that local fees will cover debt obligations issued to finance the local share.

According to bond counsel consulted at a number of public port authorities, revenue bonds could not be issued until the relevant statute of limitations on suits challenging the legality of the channel fees had expired. Such uncertain and lengthy delays could, in turn, delay or jeopardize the ability of the public port authority to issue revenue bonds and, consequently, postpone the initiation of the project or cause the project to be withdrawn entirely.

Mr. President, port authorities and bond counsel have informed me that their only interest is in providing some reasonable limitation on challenges to a port's comprehensive user-fee scheme in order to facilitate the issuance of bonds for authorized port development. It is not their intent to foreclose the right of individual vessel operators or owners to challenge the way in which a comprehensive user-fee schedule is applied as to a specific user.

I believe that this is a serious, if somewhat technical, problem that should be addressed in conference. It is my understanding that the affected industry groups have and continue to be engaged in a cooperative effort to achieve a mutually satisfactory resolution of this issue. I would encourage those groups to continue their efforts, and provide the results of their efforts to the appropriate Members of Congress and their staff.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1683) was agreed to.

Mr. DANFORTH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MOYNIHAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the pending amendment be set aside.

Mr. PACKWOOD. Just a moment.

I suggest the absence of a quorum for just a second.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, I ask unanimous consent to temporarily lay aside the Finance Committee amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1684

(Purpose: To authorize construction of a flood control project at Clifton, Arizona)

Mr. BENTSEN. Mr. President, I have an amendment which I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Texas [Mr. BENTSEN], for Mr. DECONCINI, proposes an amendment numbered 1684.

Mr. BENTSEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 65, between lines 5 and 6, insert the following new section, and number accordingly:

"SEC. —. (a) Secretary of the Army, acting through the Chief of Engineers, shall—

(1) construct under section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s) a project for flood control on the San Francisco River at Clifton, Arizona, for the purpose of protecting residential and commercial properties on the east side of the river downstream of the State Highway 666 Bridge, for an estimated total cost of $3,500,000: *Provided,* That such work shall be considered to complete all studies and proposals of the Secretary for such area."

Mr. BENTSEN. Mr. President, I submit this amendment on behalf of Senator DECONCINI of Arizona, it is an amendment that has been discussed with the managers.

Mr. President, I understand that this amendment has been discussed with the managers of the bill for the majority and for the minority, and they have no objections to it.

The amendment directs the Corps of Engineers to scale down the study at Clifton, AZ, to enable the corps to do a small levee project that is within its existing authority for small projects.

Mr. MOYNIHAN. Mr. President, may I confirm what the distinguished Senator from Texas has said. This is basically an effort to see whether a smaller project would not achieve the purposes of a presently authorized larger project.

It is a coherent proposal and fully acceptable on this side of the aisle.

The PRESIDING OFFICER. Is there objection to the amendment?

Mr. ABDNOR. No.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1684) was agreed to.

Mr. BENTSEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ABDNOR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the pending amendment be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1685

(Purpose: To require that benefits to Indian tribes be considered for purposes of cost-benefit analysis of certain projects)

Mr. BENTSEN. Mr. President, on behalf of the Senator from Arizona, Senator DECONCINI, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Texas [Mr. BENTSEN], for Mr. DECONCINI, proposes an amendment numbered 1685.

Mr. BENTSEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 65, between lines 5 and 6, insert the following and number accordingly:

SEC. 337. For purposes of future studies undertaken pursuant to Section 223 of this Act, the Secretary is authorized to consider benefits which may accrue to Indian tribes as a result of a project resulting from such a study."

Mr. DECONCINI. I thank the chairman, ranking minority, and their staffs for all of their understanding and assistance in helping to provide a solution to the damaging flood potential in Clifton, AZ. The amendment which I have sponsored will authorize the Secretary of the Army to undertake flood control work in the southern portion of Clifton through the construction of a 2,500-foot levee. The Corps of Engineers has been studying flood control solutions for this community since it was hit by one of the severest floods in its history on October 1, 1983. At that time, floodflows reached depths of more than 9 feet and left behind piles of debris up to 6 feet high. Emergency costs and damages totaled nearly $20 million. Because of a shortage of emergency housing, people were living in seriously overcrowded conditions, up to 40 per house, even a month later. Coupled with the flood was a long and bitter labor dispute between Phelps Dodge Corp. and the steelworkers union. Hundreds lost their jobs and the community was torn apart if not literally, then economically and psychologically.

Since that time, Mr. President, residents of this small community of 4,000 have patiently waited for relief and help from the Federal Government. The Army Corps of Engineers, through the Los Angeles district, has laboriously studied flood control solutions. We have come to the conclusion that the majority of the flood control for this town can be provided by the construction of a 2,500-foot levee. While relocation is still necessary, recognizing budgetary constraints, we are willing to forego the nonstructural ele-

ments of the project calling for relocation at this time. If the levee is built, it will give the town protection from a 100-year flood. It will ease the minds of Clifton residents who worry that a potential flood could occur this spring if Mother Nature brings another heavy rainfall. It will not allow those individuals, living in a floodprone area, to relocate to safer harbors. For that reason, I hesitate to offer this amendment. But because of the compelling need to install immediate flood control measures, I have become persuaded that this is the best solution for now.

Mr. President, the amendment I am proposing today specifically authorizes the Corps of Engineers to proceed on the construction of a levee as the flood control solution for the Clifton, AZ area. It can be accomplished under the small project authority of section 205. For this reason, it will add no budgetary authority to the bill.

Again, I thank Chairman STAFFORD, Chairman ABDNOR, and ranking minority members for their help on this amendment. I also want to thank Hal Brayman for patiently working with my staff on this issue.

Mr. President, I urge my colleagues to support his amendment.

Mr. BENTSEN. Mr. President, this is another amendment by the Senator from Arizona that I understand has been discussed with the managers for the majority and with the managers for the minority.

The amendment is to evaluate Indian needs for water projects in future water studies.

I consider it an appropriate amendment that meets the standards of this piece of legislation. I ask that it be considered favorably at this time.

Mr. MOYNIHAN. Mr. President, this is a wholly commendable proposal by the Senator from Arizona. It directs the Corps of Engineers to evaluate Indian needs, which has not always sufficiently been the case, and it is very much the view of this committee, of which the Senator from Texas is a ranking minority member, that the corps should so do.

The measure is fully acceptable on this side.

Mr. ABDNOR. Mr. President, we have had the amendment under review, and we think it is an excellent amendment and have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1685) was agreed to.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BENTSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the pending amendment be laid aside temporarily.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1686

(Purpose: To amend TITLE V to provide that the replacement cost of the navigation lock connecting the Mississippi River Gulf Outlet and the Mississippi River authorized by PL 84-455 be allocated between deep draft and shallow draft (inland water) navigation)

Mr. BENTSEN. Mr. President, I have an amendment on behalf of Senator JOHNSTON of Louisiana, which I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Texas [Mr. BENTSEN] for Mr. JOHNSTON proposes an amendment numbered 1686.

Mr. BENTSEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

A new section 505 to be added to TITLE V—INLAND NAVIGATION to read as follows:

"SEC. 505. The navigation lock authorized by the River and Harbor Act of 1956, PL 84-455, provides for replacement of the navigation lock connecting the Mississippi River Gulf Outlet with the Mississippi River. Inasmuch as this new lock will provide substantial benefits to shallow draft navigation (inland waterway), the costs should be allocated between deep draft and shallow draft navigation, and the Secretary is authorized to utilize the Inland Waterways Trust Fund to pay for one-half of the costs allocated to shallow draft navigation with the remaining half of such allocated costs to be paid only from amounts appropriated out of the general fund of the Treasury."

On page 150, line 22, after "502" delete "and" and insert a comma after 504(e) and add "and 505".

Mr. JOHNSTON. Mr. President, this amendment would amend title V of this legislation to provide that the replacement cost of the navigation lock connecting the Mississippi River gulf outlet and the Mississippi River authorized by Public Law 84-455 be allocated between deep draft and shallow draft navigation.

The existing industrial canal lock passes barge traffic between the Mississippi River and the Gulf Intracoastal Waterway at New Orleans and is a vital link in the National Intercoastal Water System. This lock also represents the only cross route between the Mississippi River and the Mississippi River gulf outlet, New Orleans' ultimate ship channel to the Gulf of Mexico. The existing lock, in operation since 1923, is antiquated and dimensionally inadequate for both shallow draft and deep draft navigation as a result of continually increasing barge traffic and larger oceangoing vessels now in service.

Even though the lock is a ship/barge lock, recent statistics indicate that approximately 98 percent of the tonnage passing through the lock is conveyed via barge. Further, it is most important to recognize that 80 percent of the traffic using the lock neither originates nor terminates in the State of Louisiana. This is truly America's lock—as one recent chief of the U.S. Army Corps of Engineers stated, it is the second most important lock in our Nation's vital inland waterway system. With the completion of the replacement lock, we could expect 75 percent of the forecasted traffic to be barge and 25 percent to be oceangoing vessels in foreign commerce trade.

This amendment allows cost sharing in relationship to the allocation of costs as to shallow-draft or deep-draft benefits.

The American waterway operators [AWO], who represent the barge and towboat owners industry, are not opposed to this amendment.

The National Wildlife Federation supports this amendment.

Mr. ABDNOR. Mr. President, this amendment is perfectly agreeable to this side.

Mr. MOYNIHAN. Mr. President, the amendment is one that is wholly agreeable to this side.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1686) was agreed to.

Mr. ABDNOR. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, what are the plans of the distinguished majority leader for the rest of the day?

Mr. DOLE. If the distinguished minority leader will yield, it is my hope that we can continue on this bill. There are a number of Senators who have amendments, as I understand it; I know Senator GORTON, Senator STEVENS, and Senator KASTEN on this side.

I have not been on the floor. I do not know how many amendments there are. It is my understanding that the managers are making progress and we would like to go as far as we can.

Mr. STAFFORD. If the leader will yield, I have one more amendment that I believe is noncontroversial that I would offer for Senator ARMSTRONG.

Mr. DOLE. Mr. President, I am not a part of the process here, except I just came to the floor. I checked with the manager on this side and he thought they were making good progress and felt it would be good to continue until they reached a point that they could

not do any more. If they come to that, then I assume we will have to set it aside.

Mr. BENTSEN. Mr. Leader, if you are looking for other amendments, I will be offering one more amendment for Senator JOHNSTON that I understand is noncontroversial.

Mr. MOYNIHAN. And we also have a number of noncontroversial amendments.

Mr. DOLE. It seems to me that if the managers reviewed the amendments and are willing to accept the amendments, that is progress and we ought to continue, if we can.

Mr. BYRD. Mr. President, a good many Members have probably left for the weekend. I guess that some of them were under the impression that there would not be much done on this bill this afternoon and there would not be much done on it Monday, as far as any rollcall votes were concerned.

I believe that we may have about reached a point where we will not be able to go any further today. I do not want to stand in the way of the distinguished Senator from Texas from offering his amendment or the distinguished chairman of the committee. But I have to say that, for a number of reasons, which are pretty well known here on the floor, I do not think we ought to plan on going much further today.

Mr. PACKWOOD. Mr. President, may I ask the distinguished minority leader a question? Would he object to the acceptance of a few amendments from the Finance Committee section agreed to on both sides? We are ready to offer them. They are relatively short.

Mr. BYRD. Would the Senator say that again, please?

Mr. PACKWOOD. There are two amendments, one from the Senator from Washington, Mr. GORTON, and one from the Senator from Alaska, Mr. STEVENS, on the Finance Committee section of the bill that had been agreed upon. I would like to be able to have them accepted this afternoon to get them out of the way.

Mr. BYRD. Well, I certainly will not stand in the way of those two amendments. I would suggest that we not do any rollcall votes, because, as I say, some Senators have already gone on the strength of the understanding that there would be no more rollcall votes.

So that would be one by Mr. BENTSEN and two from——

Mr. PACKWOOD. From Senators GORTON and STEVENS.

Mr. BYRD. And one by the distinguished chairman.

Mr. MOYNIHAN. And Senator SYMMS has an amendment.

Mr. KASTEN. If the minority leader will yield, I, too, have an amendment. It would not require a rollcall vote. It would simply involve a colloquy worked out by both the majority and the minority.

Mr. BYRD. Mr. President, may I ask the distinguished majority leader if we could agree that those amendments would be all for the day?

Mr. ABDNOR. If the leader will yield, I have four other colloquys I would like to put into the RECORD.

Mr. BYRD. I have no objection to that. I am not trying to create trouble, but I want to have some discussions, perhaps outside the Chamber. So I would relent on those that have been indicated and I hope that indicates that I am a reasonable man.

Mr. DOLE. It seems to me that anybody who is in town who stayed here to offer their amendment ought to have that opportunity. We certainly will have a rollcall, because I believe that I did indicate that probably after 3 o'clock there would not be any more rollcalls. I would not want to penalize anyone. If we got to that point, obviously, we would need to put the vote over.

I understand also that is another concern of the Senator from West Virginia, and I am trying to cooperate in that area, too.

But I hope Senators who have stayed here all day are not going to be precluded now from offering their amendments if they are going to be accepted. If there are going to be rollcalls, obviously, we would have to put them off until a later time. I hope we can accommodate some of the concerns the Senator from West Virginia has.

Mr. BYRD. Mr. President, I appreciate that. I hope that the distinguished majority leader will do whatever he can to accommodate those concerns, and I believe he will.

I have no objection to the amendments that have been indicated here. I hope that once we reach the end of those amendments, however, that someone would put in a quorum and send for me.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the pending amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1687

(Purpose: To amend S. 1567, to add a new provision increasing the single project ceilings for certain of the Secretary's continuing authorities without increasing the overall program ceilings)

Mr. BENTSEN. Mr. President, on behalf of Senator JOHNSTON, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Texas [Mr. BENTSEN], on behalf of Mr. JOHNSTON, proposes an amendment numbered 1687.

Mr. BENTSEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment reads as follows:

On page 35, after line 16, add the following:

"SEC. 238. (a) Section 208 of the Flood Control Act of 1954 (68 Stat. 1266; 33 U.S.C. 701g) as amended, is hereby amended by striking out "$250,000" and inserting in lieu thereof $500,000".

(b) Section 14 of the Act of July 24, 1946 (60 stat. 653; 33 U.S.C. 701r), as amended, is hereby amended by striking out "$250,000" and inserting in lieu thereof "$500,000".

(c) Section 205 of the Flood Control Act of 1948 (62 Stat. 1182; 33 U.S.C. 701s), as amended, is amended by striking out "$4,000,000" and inserting in lieu thereof "$4,500,000".

(d) Subsection 107(b) of the River and Harbor Act of 1960 (74 Stat. 486; 33 U.S.C. 577), as amended, is amended by striking out "$2,000,000" and inserting in lieu thereof "$3,500,000".

(e) Section 3 of the Act approved August 13, 1946 (60 Stat. 1056; 33 U.S.C. 426g), as amended, is amended by striking out "$1,000,000" and inserting in lieu thereof "$2,000,000."

Mr. JOHNSTON. Mr. President, I have an amendment to S. 1567, which I believe has been cleared by the leadership of the Environment and Public Works Committee, which I would like to offer at this time.

This amendment is to increase the project cost ceilings for certain continuing authorities of the Corps of Engineers. This amendment would not increase the existing ceilings on the overall program nationwide, which would remain unchanged. It raises the single project cost of several continuing authorities which have remained unchanged for a considerable time. This proposal is justified by normal cost increases and other effects since the Congress last authorized increased cost limitations. This same proposal was contained in S. 534, the administration's proposed Water Resources Development Act, introduced by the committee chairman, Senator STAFFORD, on February 27, 1985. Furthermore, the applicability of the National Environmental Policy Act and other environmental statutes are not affected by this amendment.

Mr. BENTSEN. Mr. President, this amendment has been discussed with the managers of the bill and I understand it is acceptable to them.

Mr. ABDNOR. Mr. President, the amendment is most acceptable to this side of the aisle.

Mr. MOYNIHAN. Mr. President, the measure is acceptable on this side of the aisle, as well.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1687) was agreed to.

Mr. ABDNOR. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MOYNIHAN. I move to lay the motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

Mr. BYRD. Mr. President, will the distinguished Senator yield to me?

Mr. STAFFORD. I do not have the floor, but, if I am recognized as chairman of the committee, I will.

The PRESIDING OFFICER. The Democratic leader is recognized.

Mr. BYRD. Mr. President, I must say for the record that a good many Members on my side of the aisle have gone and they went under the understanding or at least the impression that the distinguished majority leader had said this morning that this measure would—I may be misstating the majority leader, because I do not have the statement in front of me—but there seemed to be an indication that this measure would not even be called up today and it would be on Monday.

Now, those Members have amendments, I would assume, some of them. I can tell you right now that some of the Members on my side are very upset because this bill has already got to the floor.

I was just told—I did not hear the majority leader, what he said this morning, but I want to state for the record that if that was the understanding, if that was what was said, then I hope that we will not go any further today or that we certainly make it clear that those Members will have an opportunity to offer their amendments on Monday or Tuesday, or whenever.

I am told that it is all right with respect to those amendments that rollcalls will not occur on. Thus far, that has not happened.

The distinguished majority leader has said that there would not be any rollcalls, and we would proceed with amendments that could be acted upon by voice vote. Thus far, that is what has happened.

Mr. DOLE. Will the minority leader yield?

Mr. BYRD. I yield to the distinguished majority leader.

Mr. DOLE. Let me also indicate, again, I have not been an active player but, as I understand it, the Senator from New Mexico, Senator DECONCINI, had a couple of amendments that have been resolved. I think it has been evenhanded on both sides. There has been no effort to do otherwise. I do not want to preclude anyone, if someone did leave with that impression.

But I must say I tried to make it clear as early as Monday or Tuesday that we would be here Friday, and then I was advised earlier that the distinguished manager on the Democratic side, Senator MOYNIHAN, had a commitment on Monday that precluded very much action on this bill.

So it is our hope that as long as we can proceed with amendments that do not require rollcalls, we would accommodate as many on either side as we could. I think the manager has been remarkably successful in working out nearly every case.

Mr. MOYNIHAN. We are not having any problems.

Mr. BYRD. Very well.

I am glad we clarified this for the record.

Mr. KASTEN addressed the Chair.

Mr. MOYNIHAN. Mr. President, may we have order?

Mr. KASTEN. Mr. President, have I been recognized?

Mr. STAFFORD. Mr. President, as chairman of the committee, I was seeking recognition.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. STAFFORD. Mr. President, I ask unanimous consent to lay aside the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1688

(Purpose: To modify a project for flood control on the Platte River, Colorado)

Mr. STAFFORD. Mr. President, I send an amendment to the desk, on behalf of Senator ARMSTRONG of Colorado, which is unprinted and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Vermont [Mr. STAFFORD], for Mr. ARMSTRONG, proposes an amendment numbered 1688.

Mr. STAFFORD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 65, between lines 5 and 6, insert the following:

SEC. 337. Section 88(c) of the Water Resources Development Act of 1874 is amended by—

(1) inserting after "encroachments" the following: "(other than the Mineral Avenue/Ken Caryl Road extension and associated transmission lines)"; and

(2) inserting "significantly" after "areas which would".

Mr. STAFFORD. Mr. President, I am offering this amendment on behalf of Senator ARMSTRONG. I believe it has been considered by the managers of the bill.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Vermont.

Mr. STAFFORD. I believe this amendment has been considered by the managers on both sides of the aisle.

This amendment allows the city of Littleton to extend Mineral Avenue/Ken Caryl Road between South Santa Fe Drive and Platte Canyon Road. This roadway would provide the only continuous east-west street across Denver metropolitan area south of Hampden Avenue and relieve serious congested traffic problems currently existing on Bowler Avenue. The roadway will cross a 640-acre floodplain park that Littleton purchased with the aid of Federal funds primarily from the U.S. Army Corps of Engineers. It has broadbase support of local government jurisdictions in Colorado and it does not require the expenditure of any State or Federal moneys. It will be constructed with local funds.

It has been approved by the Corps of Engineers, and the city of Littleton as the necessary amendment.

I trust that the managers of the bill will adopt it.

Mr. MOYNIHAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the pending amendment may be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KASTEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KASTEN. I thank the Chair.

Mr. President, I ask unanimous consent that the Finance Committee amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1689

(Purpose: To modify the project for Racine Harbor, Wisconsin)

Mr. KASTEN. Mr. President, I send an amendment to the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Wisconsin [Mr. KASTEN] proposes an amendment numbered 1689.

Mr. KASTEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 65, between lines 5 and 6, insert the following new section:

SEC. 337. The project for Racine Harbor, Wisconsin, authorized by section 2 of the

Act entitled "An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved March 2, 1945 (59 Stat. 19), is hereby modified as described in Racine County Federal permit application number 85-196-02. The Secretary of the Army, acting through the Chief of Engineers, is authorized to dredge the modified harbor area at an estimated cost of $3,000,000, if all appropriate non-Federal interests agree to operate, maintain, repair, rehabilitate, and replace the modified project, including the breakwaters previously constructed by the Federal Government.

Mr. KASTEN. Mr. President, this amendment is targeted at improving economic conditions in the city of Racine.

The city of Racine is located on the shores of Lake Michigan and like many other Midwestern cities is experiencing high unemployment and a declining economic base. Efforts to revitalize Racine are centered around the development of a harbor marina complex.

Unemployment in this distressed city stands at 8.3 percent and economic growth has been at a standstill for the past several years. In addition, many residents and businesses in Racine are employed by the American Motors Co. AMC operations in southeastern Wisconsin are antiquated and the company is considering relocating their automobile plant to another State. This move would displace approximately 7,000 to 16,000 individuals and devastate southeastern Wisconsin.

The harbor project represents progress and hope for Racine. City and county officials and private industry have pledged resources and personnel in order to make this idea a reality. The State of Wisconsin has also approved funding for this undertaking.

The Racine Harbor, once an active commercial port, now lies dormant. Past efforts to revitalize the area have been unsuccessful.

Mr. President, the city of Racine and Racine County are very close to making this project a reality. Approximately 400 new permanent jobs and thousands of construction jobs for the area are at stake. Additionally, the downtown area will experience revitalization and utilize an area of the city that has unlimited potential.

The amendment I am proposing today is designed to help the city improve the conditions of their harbor. Recent studies indicate that the harbor is in need of dredging in order to make the channel area viable for recreational boaters.

The dredging of the harbor is an essential element to the overall construction of this project. Approximately 400 boat slips are planned and many spinoff projects are anticipated. The harbor area has not been dredged for several years and lacks the appropriate depth to sustain any type of recreational activity planned. Without dredging, the future of the project remains in doubt.

Under my amendment, the U.S. Army Corps of Engineers would dredge the harbor and then relinquish any responsibility for the waterway to the city and county. This arrangement would be a wise, long-term investment and it would set the Racine area on the road to economic prosperity.

Mr. President, my request for $3 million to dredge the Racine harbor would be a one-time Federal investment with great potential for far greater economic returns. I urge my colleagues to join me in support of this cost-effective measure and to make the Racine project a reality.

The PRESIDING OFFICE. Is there objection to the amendment?

Mr. MOYNIHAN. Mr. President, very reluctantly, I would have to oppose consideration of amendment at this time. It is a matter that I think needs to be reviewed over the next several days before we resume consideration of the bill Tuesday. If I can ask the distinguished Senator from Wisconsin if he would have the goodness to let us lay this aside rather than objecting to it, as I do not want——

Mr. KASTEN. If the Senator from New York will yield, I believe I have tried to work with the staff of the committee.

Mr. MOYNIHAN. I will defer to my chairman.

Mr. ABDNOR. I thank the Senators from Wisconsin and New York.

We did have an arrangement worked out. I was talking here when I should have been listening. I apologize. I want to say that I appreciate the tireless efforts of the Senator from Wisconsin to make the Racine Harbor project a possibility. I know because we have visited for quite some time. I certainly realize what he is trying to do, and how important the project is to the economy of the Racine area. It goes without saying that I can understand the Senator's interest in facilitating that revitalization.

While I support the Senator's goal, the Senator from New York knows that I would oppose this amendment because it violates the terms of the agreement we reached with the administration on new water projects. Specifically, we are obliged to reject any new water projects prior to approval by the Chief of the Army Corps of Engineers. I am sorry.

Mr. MOYHIHAN. Mr. President, may I say that this was exactly my understanding. And I very much admire the work of the Senator from Wisconsin.

I do not doubt in the least that it will work its way through the Corps process. The purposes are very harmonious with the general development of harbors these days. But as we are laying down a standard in this bill about projects that have not gone through that process, I, of course, support my chairman in this regard.

Mr. KASTEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KASTEN. Mr. President, I can appreciate the restraints which the chairman and ranking member express here. But I want to reemphasize, if I can, the importance of getting this project approved and getting this project underway.

Mr. ABDNOR. Let me again say to the Senator from Wisconsin that he is doing a yeoman job of trying to correct this problem. We wish we could be more cooperative through the regular authorizing channels. But perhaps we can work out something whereby the local interests could proceed with the project on their own terms without the assistance of the Federal Government.

Mr. KASTEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KASTEN. Is the Senator suggesting we deauthorize the Federal project?

Mr. ABDNOR. Yes. If that would allow local officials to move forward with the dredging of the harbor canal, and get the project off the ground.

Mr. KASTEN. Mr. President, with all due respect to the Senator from South Dakota, I have one goal and that is to get the project going one way or the other. If we cannot get the dredging money authorized here and now, I would like to make sure that we have some kind of flexibility to move the project along.

While I prefer the Racine harbor project authorization agreed to by the House in H.R. 6, I think it is important that the Senate bill provide some kind of recognition of the Racine project. If the deauthorization is the only alternative that we have for this project in the Senate today, I will withdraw my original amendment and submit instead a deauthorization amendment. But I respectfully ask the Senator from South Dakota and the Senator from New York to give favorable consideration to the House authorization of the Racine project in the conference.

Mr. ABDNOR. Mr. President, I want to say to the Senator from Wisconsin, speaking for myself, that I will certainly review the Racine project carefully during the conference, and I thank the Senator for his cooperation in this matter.

Mr. MOYNIHAN. Mr. President, I am not so sure I understand the proposal before us. I could not at this point agree to a deauthorization without consulting with the senior Senator from Wisconsin [Mr. PROXMIRE].

Mr. KASTEN. If the Senator will yield, I would say to the Senator from New York that this is a project on

which we have coordinated. It is a project that the State delegation has been working toward.

Mr. President, I ask unanimous consent that my original amendment be withdrawn.

The PRESIDING OFFICER. The Senator has a right to withdraw his amendment.

AMENDMENT NO. 1690

Mr. KASTEN. Mr. President, I send a substitute amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the Finance Committee amendment will be temporarily set aside.

The clerk will report.

The legislative clerk read as follows:

The Senator from Wisconsin [Mr. KASTEN] proposes an amendment numbered 1690.

Mr. KASTEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 65, between lines 5 and 6, insert the following new section:

SEC. 337. The project for improvements at Racine Harbor, Wisconsin, authorized by section 2 of the Act entitled "An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved March 2, 1907 (59 Stat. 19), as amended, is hereby deauthorized.

The Secretary shall transfer without consideration to Racine County, Wisconsin, title to any facilities constructed by the United States (as part of the project described above).

Mr. KASTEN. Mr. President, the amendment I am now proposing would simply deauthorize the Federal dredging project at Racine Harbor. In effect, this would relinquish any future responsibility of the Federal Government for this project, including future maintenance responsibilities and it would enable local interests to pursue the dredging of the harbor. I urge adoption of this amendment and ask for its immediate consideration.

Mr. MOYNIHAN. Mr. President, with great respect to my friend from Wisconsin, I would have to say that we do not know the views of the senior Senator, his colleagues and friend. Absent that, and, as the minority leader said, so many Senators being absent, certainly we will be back on this measure on Tuesday and I wonder if the distinguished Senator from Wisconsin would be willing to lay the amendment aside and call it up again.

If I could ask the Chair, an amendment laid aside can be called up at any time prior to the completion of action?

The PRESIDING OFFICER. Amendments that are laid aside return automatically in the order in which they are laid aside.

Mr. MOYNIHAN. I thank the Chair. That is my understanding.

So, depending on whether there is another such amendment this afternoon, the amendment of the Senator from Wisconsin will be first or second on Tuesday.

Mr. KASTEN. Mr. President, it is my understanding that this amendment would be acceptable to the senior Senator from Wisconsin, but until we can verify that for the Senator from New York, I ask unanimous consent that my amendment be laid aside.

The PRESIDING OFFICER. Is there objection? Without objection it is laid aside.

Mr. MOYNIHAN. I thank the Senator for his courtesy and consideration of his colleagues.

Mr. PRYOR addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

LITTLE ROCK PORT PROBLEM

Mr. PRYOR. Mr. President, during the past several weeks the city of Little Rock has been experiencing, what I would term, a serious breach of faith with the Federal Government through the actions taken by the Army Corps of Engineers. Last November the voters of Little Rock adopted a local tax to support a portion of the local sponsor share of a $7 million slack water harbor development project on the Arkansas River. This development was spearheaded by the work of the Little Rock District of the Army Corps of Engineers under the continuing authority of section 107 of the Rivers and Harbors Act of 1960.

Mr. President, as you know, this authority allows the corps to spend up to $2 million on small harbor projects. In the case of Little Rock the local sponsor was and is committed to spend $5 million on a project that will greatly enhance the utilization of the McClellan-Kerr navigation system. This is exactly the kind of Federal-local partnership in economic development that President Reagan has spoken so eloquently of so often.

Unfortunately, after all of the close coordination that took place between the Little Rock District of the Corps of Engineers and officials of the city of Little Rock in developing the project, the Army has now advised us that the policy on section 107 and other harbor developments changed in 1984, and was expressed in a series of letters regarding harbor projects in Memphis, TN; Greenville, MS; and Helena, AR.

Mr. President, I can only say I am sorry that the Secretary of the Army did not advise its southwest division and its Little Rock district of this change. We could have avoided a lot of heartbreak. We could have avoided putting the Federal Government into this untenable position.

This project is most definitely a transportation project of national interest and concern. We have spent over $1 billion developing the McClellan-Kerr Navigation system on the Arkansas River for the sole purpose of enhancing and attracting the development of commercial navigation industries. If this port does not contribute to that effort in a direct and forthright manner, I simply do not know of any such section 107 project that does. Is it the Secretary's intention to eliminate the 107 program without asking for congressional approval? If that is his desire, I recommend that he submit draft legislation to the Senate Environment and Public Works Committee.

Mr. President, this port in Little Rock is not the only development in my State that has been directly affected by this turn of events with the policy. We also have another section 107 project on the Mississippi River in Desha County, AR, at a location known as Yellow Bend. Local sponsors have already spent our $100,000 pursuing a 107 harbor project, for which the Vicksburg District Engineer has provided a project report to his superiors recommending funding. He, also, apparently did not know of the Secretary's change of policy. We must help the Secretary to do whatever is necessary to ensure that the full faith and credit of the Federal Government is protected.

Mr. President, I hope that the chairman of this committee will help us get the proper guidance to the Army by specifically looking into this situation and providing appropriate directives to the Army.

Mr. President, at this time I yield to my distinguished senior colleague from Arkansas, Senator BUMPERS.

Mr. BUMPERS. Mr. President, first I want to thank the distinguished floor manager from North Dakota for his cooperation in trying to get a sensible colloquy into the RECORD on a subject of vital economic importance to the State of Arkansas and vital importance to the enhancement of the Arkansas River, commonly known as the McClellan-Kerr navigation system.

I will be very brief, but I want to say that this problem concerns section 107 funds for small continuing navigation projects. There is money in the account. It is not a question of whether or not the Federal Government has the money.

In 1979, the city of Little Rock, in its effort to build a slack water harbor which it desperately needed, asked the people of Little Rock to pass a bond issue, or vote a tax on themselves to finance a bond issue, and it was defeated by a count of 70 percent against, 30 percent for.

Subsequently, the Little Rock Port Authority went to the Corps of Engi-

neers and told them they were trying to build a $7 million slack water harbor on the Arkansas River.

The corps went through the reconnaissance report and the detailed project phase at Federal expense, and assured the city of Little Rock that this was a good project.

Subsequently, in June 1985, the city of Little Rock held an election, and asked the people of Little Rock to tax themselves so that we could pay $5 million as our share of a $7 million project. In other words, the city of Little Rock and the Little Rock Port Authority would be paying 70 percent of the cost of this.

It was narrowly defeated.

So they came back in November 1985 and held another election on the same grounds, again advising the people of Little Rock that there was $2 million in section 107 corps funds to tail this out. Not one time was one word ever raised by the Little Rock Corps of Engineers, the Dallas District Corps, or the Secretary's office in Washington. In fact, approval had been recommended by the Little Rock Corps and by the Dallas district office.

Then in December, after the people of Little Rock voted for this tax on themselves to finish this project, all of a sudden the Corps of Engineers says, "We have a policy on section 107 funds whereby if this project is more for the economic development of the city of Little Rock than it is for the enhancement of navigation on the Arkansas River, it does not qualify."

We said, "When was that policy ever implemented?"

They said in 1984.

We said, "This has been a more closely guarded secret than the CIA could have ever kept."

Nobody ever heard of such a policy and the corps, frankly, and I commend Secretary Dawson for his candor, said, "We admittedly botched up in this policy change. Nobody ever knew about it."

Here we have been proceeding for 2½ years, pleading with the people of Little Rock to vote in support of this project and finally they do it. After it is done, on the representations that there is available $2 million in section 107 funds, the corps suddenly comes up with what an internal memo in the corps office from General Hatch to Secretary Dawson has called an "evolving policy." That same memo says that even under the "evolving policy," 95 percent of the cost of this will be beneficial for the enhancement of navigation.

So, by their own studies and their own internal memos, this project fulfills their policy requirements in spades. Certainly, the President ought to take a personal hand in this because he is hot for cost sharing, and we are putting up 70 percent of the cost. What else could he possibly ask for? What else could the Government as for?

Mr. President, I ask unanimous consent that a position paper by the city of Little Rock documenting the enhancement of navigation on the river be printed in the RECORD.

There being no objection, the position paper was ordered to be printed in the RECORD, as follows:

LITTLE ROCK PORT AUTHORITY POSITION PAPER ON FEDERAL INVOLVEMENT IN LITTLE ROCK PORT SLACK WATER HARBOR PROJECT

BACKGROUND

The Little Rock Port Authority was established by Municipal Ordinance in 1959. It was the intent of the city government to establish a port which would make maximum use of the Federally developed McClellan/Kerr Navigation System. The Port Authority retained Tippetts-Abbett-McCarthy-Stratton (TAMS) in 1960 to determine the best location for a port facility and to develop the preliminary design for the port terminal and support facilities. The project was funded entirely by Little Rock City bonds authorized by the voters in 1964.

Ten years of infrastructure development and port operation indicated a need for additional waterfront facilities. In 1974 the Port Authority purchased the site of the proposed slack water harbor project. In 1978 Tippetts-Abbett-McCarthy-Stratton was commissioned to conduct a comprehensive, indepth analysis of the Port Authority's operations and facilities and to evaluate the need for a slack water harbor. This study by TAMS was objective, considered the need for the project on a sound economic basis, and compared three alternative designs.

The results of the TAMS study indicated to the Port Authority that the slack water harbor was needed; was economically justified and that the harbor facilities would be a very strong attraction for industry for the Little Rock area and that the harbor would substantially increase usage of the McClellan/Kerr System.

MUST HAVE FEDERAL FUNDS TO BUILD PROJECT

The Port Authority undertook an analysis of methods to finance construction of a slack water harbor based on TAMS recommended design. It was clearly apparent from the analysis that revenue supported debt funding was not feasible for the Port Authority. The rate at which revenues could be predicted to develop was not adequate to meet even the most lenient debt service requirement. The Port Authority, therefore, elected to seek public financing aid through the existing General Obligation Bond Authority of the State of Arkansas and the City of Little Rock. The City held an election in November, 1979 to raise approximately 7.9 million dollars to provide all funds necessary to construct the first phase of the slack water harbor project. The voters of Little Rock defeated the proposition by a count of 70% against, 30% for. Based on these results it was clear that it was not politically feasible to fund the project solely with local tax supported bonds.

The only alternative available to the Port Authority was to seek Federal aid in developing a slack water harbor project. This was done in a 1982 request to the Corps of Engineers for a project under the authority of Section 107 of the Harbors and Rivers Act of 1960 as amended.

The Corps 107 project proceeded through the Reconnaissance Report phase into the Detailed Project phase. Liaison with the Little Rock District office indicated positive findings and encouraged the Port Authority during late 1984, when the Little Rock District was funded for the preparation of the Detailed Project Report, to develop a source for approximately 2.5 million dollars to provide local share of the project cost. Through market research the Port Authority determined that an election held under new state laws (1984) would succeed if Federal matching dollars were available for the project.

An election held in June, 1985 narrowly failed due to apathy and very vocal opposition from a group seeking to impose certain hiring practices on port users as a condition for their support.

After the City adopted a city wide "first source" policy, a follow-up election was held in November, 1985. The result of this third election was positive, and the means for the local share of the project's money needs was assured.

The key element to the election was the availability of 2.0 million in Federal funds. This project cannot be funded with revenue supported debt capital due to cash flow limitations, and it is politically dependent on Federal support for local tax supported funding.

IMPACT ON NATIONAL ECONOMY AND FEDERAL TRANSPORTATION INTERESTS

In their 1978 study, TAMS developed a list of 57 industry types suited to the proposed slack water harbor. (Attached.)

A review of Port Authority records indicates that at least 36 of the companies who had visited the Port as industrial development prospects in the past were of the types named by TAMS and were likely candidates to use the slack water harbor facility. They are listed below.

	Sic code
Ershigs (Fiber glass tanks)	3079
Unknown (Petro Chemical)	2999
S.I. Lesaffre (France-Yeast Processing)	2082
AIDC prospect (unknown-chemical processing)	2899
Thompson Hayward (Chemical Company)	2899
Riverside Recycling (paper)	2621
O'Neal Steel (Steel Service Center)	3317
Unknown (Alcohol processing)	2899
Unknown (Machinery Manufacturing)	35
Weyerhaeuser (Wood Products Distribution)	26
Unknown (Fantus-heavy metal mfg.)	34
Unknown (Chemical processing)	2899
Poverex West Inc. (Concrete/Gypsum)	3273
Morgan Manufacturing Co. (Mining Equipment)	3532
Unknown (Fantus-Pharmaceutical)	2899
Bitucote (Bituminous products)	2999
Unknown (Chemical plant)	2899
William Powell Co. (Valves)	3494
William Strickland (Anonymous, Mfg. Distribution)	35
Tubular Steel Corp. (Product Distribution)	3498
Bruce Groff (Metal Fabrication)	3444
A.T. Kearney (Consultant-Steel Processing)	34
Anonymous (Ship Building)	3731
Wolverine Metals Corp. (Tubing)	3498
Grove Manufacturing Co. (Heavy Equipment)	35
B.C. Equipment Sales Co. (Pipe)	3498
Unknown (Gil Helmken-Fabrication-Dist.)	34
Wheatland Tube (Tubing)	3498

	Sic code
Unknown (Rubber Manufacturing)	2822
Unknown (Michael Mullis, Consultant, Steel Fabrication)	34
Western Tube & Conduit (Tubing)	3498
Jack Lemm (Chemical)	2899
Gary Hodges (Ethynol Manufacturing)	2899
Ed Volke (Anonymous-Mfg. Distribution)	35
Matsushita (Refrigeration Equipment)	35
Ameri-Steel (Mini Steel Mill)	3317

Interviews with representatives of these companies or their consultants strongly indicate that the existence of a slack water harbor would have been a key factor in their site selection.

These companies represent new ventures or expansions and not relocations of existing facilities. In many cases foreign investment is involved, and in all instances operations of these firms involves distribution of goods and products to a large geographic region or the entire Nation.

OMEGA TUBE EXAMPLE

Omega Tube and Conduit Company opened its facilities at the Port of Little Rock in 1985. They manufacture various types of electrical conduit and industrial tubing from sheet steel. This company is a well capitalized subsidiary of Sumitomo Corporation (Japan). It has operated West Coast facilities for a number of years. New centrally located facilities were needed to serve the market east of the Rockies. From their Little Rock location on the river they are able to receive coiled steel from domestic mills, process it into product, and distribute it to a market covering all of the United States east of the Rocky Mountains. The economic impact is clearly national in scope both from the standpoint of steel feedstock and from distribution of finished product. The local economy benefits from taxes and payroll. The Omega scenario depends on a number of factors, but the one factor that is essential is the availability of water transportation which allows the landed cost of feedstock steel to be competitive.

FEDERAL TRANSPORTATION INTEREST

Construction of a slack water harbor at the Port of Little Rock will serve the Federal transportation interest in a number of ways. The slack water harbor will cause increased use of the navigation system. Increased use will positively impact the National economy as shown above. For this use to develop, however, other elements must be in place. The Port of Little Rock is a locus of intersection of four modes of transportation and as such is unique. All national rail and interstate highway facilities are in place at the Port, and commercial air access is available at Adams Field located adjacent to the Port's Industrial Park. It is because these intermodal facilities are already in place that the slack water harbor will truly serve the Nation.

Federal transportation interests are served through the preservation of critical industries; such as, the drawing, molding, and rolling of aluminum. Reynolds Aluminum will continue operations in South Central Arkansas because they can economically ship aluminum ingots from Canada via water to the Little Rock Port. These facilities depend on the continuation of commercial navigation of the McClellan/Kerr System and that continuation can only be assured by ongoing port development.

The Federal transportation interest is directly served by a new annual movement of 135,000 tons of military jet fuel from Houston through the Little Rock Port Terminal to the Little Rock Air Base in Jacksonville, Arkansas. This material is owned by the Federal Government and must remain free from contamination during transportation and storage. Barge transportation is safe and economical and minimizes handling, thereby, reducing potential for contamination. This move came about as a result of the loss of pipeline availability, which had previously facilitated the transportation of this essential commodity. It is important, from the National perspective, to have a well developed river system as an alternate transportation mode for this and other military and National Defense needs.

The continuing operation of the McClellan/Kerr Navigation System and of the inland waterways as a whole depends on expanding commerical use. That commercial use can only be maximized from the National perspective if harbor development is continued. Port development projects such as the slack water harbor at Little Rock are critical to the survival of the waterways system and should be supported by both Federal and Local investment.

THE HARBOR AND RIVER SAFETY

The 1982 catastrophe at Dam #2 serves as warning to all interests of the river system that breaches of safety can result in major and catastrophic losses. Nineteen eighty five was a year when high flow conditions were experienced for 122 days. During such conditions, navigation operations on the river are extremely strained. Marker buoys are lost, dikes are submerged and constitute navigation hazards. Navigation practices must be flawless and mooring facilities must be of the highest quality. But even with all controllable factors in the best possible condition, the possibility of human error and minor defects can constitute a threat to the irreplaceable lock and dam structures on the system. Although it would be difficult to justify a harbor for the purpose of refuge only, it is important to note that the slack water harbor at Little Rock will serve that purpose in addition to the other benefits attendant to it. The harbor at Little Rock is located only 2½ miles above the David D. Terry Dam. It is ample in size to provide refuge for large numbers of barges and towboats. In emergencies this facility could house in excess of 100 vessels.

HARBOR IMPACT ON EXPORTS

Arkansas is an exporting state and needs growing, safe, harbor facilities to facilitate the movement of goods to seaports for export. Future increases in petroleum prices, which are likely to follow this present period of declining prices, or critical shortages of petroleum will intensify the State's need for adequate water transportation facilities. This critical need is clearly of National scope and should be considered as part of the justification for Federal support for this project. It is important to our Nation to take all measures possible to improve our export position.

CURRENT PORT USE AND CAPACITY

At present Little Rock Port is in a growth mode. Since the cessation of bauxite shipments in 1980, the Port has sought to broaden its base of customers and commodities handled. The 300,000 tons of bauxite had constituted a very large portion of the annual tonnages. Since 1980, tonnages have begun to build back. Tonnage history for the years 1981 through 1985 are as follows:

Year:	Tonnage
1981	118,534
1982	124,104
1983	129,152
1984	174,945
1985	218,142

Tonnages for 1986 are presently forecasted to be 417,000. Although tonnages indicate the use of the Port, they do not tell the whole story. Tonnages for 1986 are comprised of a broad variety of commodity movements and are two-way movements with inbound roughly equal to outbound. Both factors indicate stability and an excellent prospect for continued growth. A breakdown of 1986 projected tonnages is shown below by commodity and the number of customers being served for each commodity.

	Number of customers	Tonnage
Commodity:		
Iron and steel	10	70,000
Aluminum ingot	1	120,000
Clay (raw)	1	40,000
Liquids (cottonseed oil, molasses)	2	16,000
Paper (newsprint, woodpulp)	2	30,000
Ores (bauxite, ferro silicon)	2	14,000
Rock	2	15,000
Alumina	1	60,000
Soybeans	1	15,000
Rice (bulk)	1	20,000
Fertilizer	3	17,000
Total	26	417,000

The practical capacity of the exisitng general purpose cargo facility, which is located on the main body of the river, is in the range of 300,000 to 400,000 tons annually depending upon product mix. This limit is imposed by apron capacity and storage capacity, both of which are constrained by infrastructure development and land configuration. In any event, present port usage indicates a need for expansion. A slack water harbor as proposed will provide expansion in close proximity but not within the restrictive confines of present port facilities.

In addition to commodities handled over the general cargo wharf, the Port Authority has separate handling facilities to serve the transfer of commodities moveable through pipeline. Projections for 1986 are that 135,000 tons of military jet fuel will move inbound through the Port. Also, new facilities under construction for the storage of portland cement will begin receiving waterborne cement in March at a minimum annual rate of 40,000 tons.

The Port Authority and its stevedore are presently negotiating for other movements through the Port, which can result in new commodities starting to move in 1986. These movements comprise potential additional annual tonnages of 390,000.

If Port expansion is not begun at this time, restrictions imposed by existing facilities will have a negative impact on river usage. Attendant National transportation savings and economic benefits could be permanently lost.

IMPACT OF SLACK WATER HARBOR ON RIVER USE AND USER FEES

The slack water harbor development at this time will increase total tonnages through the Port. As tonnages increase, the interest of the towing industry is peaked and more towing operators are attracted to the McClellan/Kerr System. This is extremely healthy because it inevitably results in more favorable rates. At a time when our National economy is adjusting to a general deregulation of the transportation system, favorable rates are important. Favorable transportation rates to this Port are likely

to attract additional investment which will result in more river usage which in turn will favorably impact rates and so on. Increased usage of the river system favorably impacts the national economy through the mechanisms illustrated above, and it also serves the National interest from the standpoint of National Defense. The development of a stable alternate transportation mode is of great importance to our National safety and security. Development of additional facilities here at Little Rock will contribute significantly to the development and growth of the McClellan/Kerr System.

A direct result of additional river tonnage will be seen in the growth of user fee revenue. User fee rates will double as a result of current Federal Legislation. These, in the form of added fuel tax, are burdensome to the towing industry, and they pose a significant threat to continued development of McClellan/Kerr System. The increase of tonnage, however, will have a tendency to offset this negative effect. In any event, growth of river use with the attendant user fees will certainly serve the Federal interest by their resultant contribution to the National Coffers.

MC CLELLAN/KERR SYSTEM PURPOSE

From its inception the McClellan/Kerr Navigation System has been recognized as an integral part of National economy and our Federal transportation system. Construction of this system was necessary but insufficient for the realization of its potential benefits to our country. Without Port development, the McClellan/Kerr System would be nothing more than an interesting engineering accomplishment brought about at great expense to the Nation. It is not only in the Federal interest but it is a Federal obligation to develop the system to its ultimate potential.

All of the funding for construction of the Verdigris entrance channel and turning basin for the Tulsa Port of Catoosa was Federal. The slack water harbor at Pine Bluff was completely built with Federal Funds, and maintenance dredging is done by the Corps on a continuing basis. These were a congressional expression of intent to continue to develop the Nation's inland waterway potential.

The construction of a slack water harbor at the Little Rock Port is certainly part of the ongoing need to maximize the potential created by the McClellan/Kerr System.

APPENDIX A.—*Industry types suited to Little Rock Port Industrial Park*

Title:	*Sic code*
Flour and other grain mill products	2041
Rice milling	2044
Prepared feeds, nec	2048
Soybean oil mills	2075
Malt beverages	2082
Pulp mills	2611
Paper mills, except building paper	2621
Paperboard mills	2631
Paper coating and glazing	2641
Converted paper products, nec	2649
Corrugated and solid fiber boxes	2653
Newspapers	2711
Industrial gases	2813
Plastics materials and resins	2821
Synthetic rubber	2822
Organic fibers, noncellulosic	2824
Soap and other detergents	2841
Cyclic crudes and intermediates	2865
Industrial organic chemicals, nec	2869
Nitrogenous fertilizers	2873
Phosphatic fertilizers	2874
Fertilizers, mixing only	2875
Agricultural chemicals, nec	2879
Adhesives and sealants	2891
Chemical preparations, nec	2899
Petroleum and coal products, nec	2999
Miscellaneous plastics products	3079
Glasscontainers	3221
Cement, hydraulic	3241
Ready-mixed concrete	3273
Cut stone and stone products	3281
Abrasive products	3291
Steel wire and related products	3315
Steel pipe and tubes	3317
Secondary nonferrous metals	3341
Aluminum sheet, plate, and foil	3353
Nonferrous rolling and drawing, nec	3356
Nonferrous wire drawing and insulating	3357
Brass, bronze, and copper foundries	3362
Fabricated plate work (boiler shops)	3443
Sheet metal work	3444
Prefabricated metal buildings	3448
Iron and steel forgings	3462
Plating and polishing	3471
Metal coating and allied services	3479
Valves and pipe fittings	3494
Fabricated pipe and fittings	3498
Construction machinery	3531
Mining machinery	3532
Oil field machinery	3533
Hoists, cranes, and monorails	3536
Special industry machinery, nec	3559
Blowers and fans	3564
Motors and generators	3621
Household refrigerators and freezers	3632
Ship building and repairing	3731
Boat building and repairing	3732

Mr. ABDNOR. Mr. President, I just want to say it has been a pleasure working with the two Senators from Arkansas on this problem. I can assure my colleagues from Arkansas that during future oversight hearings, the Subcommittee on Water Resources will look into difficulties that may be arising with the administration on the section 107 small harbors construction authorizations.

Specifically, we will examine the proposed port projects at Little Rock and Yellow Bend to determine whether any pledges, implied or otherwise, of the Federal Government have been abrogated. I believe that if local interests have been led to make investments and/or if a vote on the tax issues pursuant to understandings which were generated on the basis of good faith communications from Army personnel and persons of authority, we should ensure that the commitments of our Government are upheld.

I pledge to my colleagues that the subcommittee will pursue this issue.

Mr. MOYNIHAN. Mr. President, I want very much to associate myself with the statement of the chairman and say that either of the Senators from Arkansas would be most welcome to testify before the committee or to join in hearings, as they choose, because they clearly have reason to bring this to the attention of the Senate and the committee.

Mr. BUMPERS. I thank both of the distinguished floor managers very much for their cooperation, Mr. President.

I yield the floor.

Mr. STEVENS. I ask unanimous consent that the Finance Committee amendment be set aside.

The PRESIDING OFFICER. Is there objection?

Mr. PACKWOOD. Mr. President, I believe this is an amendment to the Finance Committee portion.

Mr. STEVENS. It is.

AMENDMENT NO. 1691

(Purpose: To exempt Alaska from the Harbor Maintenance Charge except with regard to crude oil)

Mr. STEVENS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for himself and Mr. MURKOWSKI, proposes an amendment numbered 1691.

On page 143, line 15, strike out "HAWAII AND" and insert in lieu thereof "ALASKA, HAWAII, AND";

On page 143, line 21, strike out "Hawaii or" and insert in lieu thereof "Alaska, Hawaii, or";

On page 143, line 22, strike out "Hawaii or" and insert in lieu thereof "Alaska, Hawaii, or";

On page 143, line 24, strike out "Hawaii or" and insert in lieu thereof "Alaska, Hawaii, or";

On page 144, strike out "Hawaii or" and insert in lieu thereof "Alaska, Hawaii, or".

On page 144, strike out lines 8 through 10, and insert in lieu thereof the following:

"(2) CARGO DOES NOT INCLUDE CRUDE OIL WITH RESPECT TO ALASKA.—For purposes of this subsection, the term 'cargo' does not include crude oil with respect to Alaska.

"(3) UNITED STATES MAINLAND.—For purposes of this subsection, the term 'United States mainland' means the continental United States.

Mr. STEVENS. Mr. President, the amendment which Senator MURKOWSKI and I have proposed does nothing more than give our home State of Alaska equity. It will correct what I feel is an oversight in the bill. Alaska's size, widely dispersed population, and geographic location combine to put fairly unique demands on our transportation system. The bill before us fails to recognize that these factors combine to make the State and its people highly dependent on waterborne commerce.

This bill contains a provision which would impose a user fee on cargo passing through federally funded ports. For most of the country ports and waterways are just a part of the transportation network.

With half the coastline of our Nation, Alaska, one-fifth the size of the United States has only 12,441 miles of road. Surface transportation in Alaska is almost exclusively waterborne. For much of Alaska waterborne shipping is the only way to get materi-

als to the communities where they will be used. These communities are almost entirely dependent on waterborne commerce for their basic supplies. Goods are brought into the State, and then distributed from central points. The same cargo may be carried by several different ships or barges between the time it comes into the State and when it arrives at its final destination.

The port user fee would be imposed on cargo coming into Alaska, and then could be charged again on the same cargo as it moved between ports in the State. There is a provision intended to prevent multiple charges of the fee on the same cargo. However, the protection which it provides would not apply to these shipments.

This is a situation unique to Alaska. There has been no recognition in the drafting of this provision of the special demands of commerce in Alaska. Many of my colleagues have heard me speak of the unique character of Alaska before. Undoubtedly, some have raised a questioning eyebrow when the special needs of my State are mentioned. Few, however, who have visited the State could have any doubts about the need—occasionally—to treat Alaska differently from the rest of the country. In fact, I encourage my colleagues to come and visit Alaska.

They should see with their own eyes both its beauty and the rigors of life in the State. Today, however, the request is not for unique treatment; it is to be treated the same as those parts of this country which are similarly situated. The problem with intrastate shipments which I already have discussed is only part of a larger inequity in the application of this user fee to Alaska.

Included in the harbor maintenance charge created by this bill is an exemption for cargo carried to and from Hawaii and the U.S. possessions. The Finance Committee report language states that this exemption is provided in recognition of "the high dependence of these islands' economies on waterborne commerce." There is a careful distinction made between cargo passing through these ports, as either imports or exports, and goods intended to be used on the islands, or the products of these islands being shipped to the mainland United States.

Implicit in this exemption is the recognition that an island can't take advantage of this Nation's infrastructure or road and rail transportation. Conrail and Amtrak are not about to open service to Hawaii or Guam. They are entirely dependent on waterborne commerce, supplemented by air service. A port user fee is thus bound to have an effect on the economy of an island.

As I have already discussed, Alaska has the same dependence on waterborne commerce. There is no rail link to Alaska. It has been pointed out to me that Alaska does have a road connecting it to the rest of the Nation. That is true. Road access through Canada—the Alcan did play an important part in the development of the State. Today, however, less than 5 percent of Alaska's commerce is carried over the Alcan. There is a reason for this. It costs up to five times more to carry cargo to and from Alaska by truck than by ship.

Even if overland transportation was economically feasible it would not matter to vast portions of Alaska. That is because the majority of Alaskan communities have no road link to the rest of the State. Juneau is the only State capital, other than Honolulu, which cannot be reached by road or by rail. In Western Alaska many coastal communities receive all of their supplies by barge. There is a race each year between the barges carrying the winter's supplies and the winter ice pack. These Alaskans have no choice but to rely upon waterborne transportation for almost all of their commerce.

There should be no doubt that, when it comes to water-borne commerce, Alaska deserves to receive the same treatment as Hawaii and the U.S. possessions. And yet, under the provisions of the bill which is before us, the people of Alaska would be forced to bear an increase in shipping costs which the islands have been spared. Consumers in most States will never notice an increase in costs due to the harbor maintenance charge. But, because of the many factors which isolate places like Alaska and Hawaii, making them almost entirely dependent on waterborne commerce, this kind of fee has an impact on every aspect of the economy.

For most of the country, waterborne commerce consists of bulk shipments of what are basically homogeneous goods. When alternative carriers are available waterborne shipments will be most economical when made in bulk. Thus the business of most American ports is primarily bulk shipments of exports and imports, raw materials and manufactured goods. By the time goods are brought to the consumer's market the cost of waterborne transportation represents no more than a fraction of total price—if it was required at all.

Consumer goods in Alaska start off costing more than they do in the lower 48 because of the extra distance they must be carried. Transportation costs end up a larger fraction of total costs in Alaska. And, as I have already pointed out, most of these goods will be brought from the lower 48 to Alaska by water.

When a store in Alaska receives a shipment of food stuffs or hardware it arrives in a container truck. Containerized cargo is a great innovation in transportation. Cargo is loaded into these containers which may be placed on a wheeled trailer and trucked to a railhead, lifted off their wheels and placed on flatcars, brought by train to a port, hoisted up again and stacked along with several hundred others in a container ship, and then carried to another port. It is a great system—very efficient and very versatile. However, it means that the cargo which arrives in Washington by truck or by rail arrives in Alaska by water.

Therefore, the same goods on the market in Washington, or in most other parts of this country, get an extra charge placed on them when they are sent to Alaska—on top of the cost of transportation. When these goods are then moved between the ports of Alaska they could be charged an additional port user fee. These charges add up—and Alaska is the only State that would have to bear the costs of port user fees on almost everything brought into or taken out of the State.

When the Finance Committee was marking up this provision they recognized that the islands—Hawaii and the U.S. possessions—would be subject to exactly the same kind of extra charge on their commerce. These islands were given an exemption because of their dependence on waterborne commerce. The people of Alaska deserve the same exemption.

The amendment which Senator MURKOWSKI and I propose provides a limited exemption to the harbor maintenance charge for goods passing between Alaska and the rest of this country. We recognize that the fee being established will be used for a very important purpose. The users of federally funded ports should be expected to pay for a portion of the operation and maintenance costs of those ports.

With this in mind we have tailored this exemption to minimize the effect on revenues while guaranteeing the people of Alaska are treated fairly. This is accomplished by exempting shipments to and from the State other than unrefined petroleum. Incidentally, much of the oil shipments do not leave from federally funded ports—Valdez and Prudhoe are not Federal ports.

According to the Joint Tax Committee, Alaska would contribute about $7 million annually through the port user fee. Approximately $5 million of this represents fees on shipments of crude oil. Therefore the impact of the exemption which we have proposed on the harbor maintenance trust fund is only a $2 million reduction in annual receipts. In return for this reduction we achieve fairness for the people of Alaska.

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Alaska will still contribute its share to the trust fund. I understand that total revenues are projected at $170 million a year. I believe that less than 500,000 people should not be asked to contribute any more to this nationwide trust fund.

This is an issue of simple fairness. We cannot recognize the unique needs of commerce with the islands and yet ignore the other State which is similarly situated. Waterborne shipments are an essential part of life in my home State. It is as much a part of Alaska's commerce as it is Hawaii's or any other place which is geographically isolated. I have no choice but to ask that we be treated equally.

Mr. President, as I said, this amendment deals with the problem of the user fee for the harbor maintenance trust fund that is in the bill. The bill does exempt Hawaii and U.S. possessions, because of their dependence on water commerce, from the provisions of the bill. Only 5 percent of the shipments that are surface shipments to and from Alaska are overland. The remainder, 95 percent, is waterborne commerce.

In terms of my State, because of the fact that it has one-half of the coastline of the United States and has no road system that connects the various residential areas of our State, a great portion of our shipments are intrastate shipments of supplies that have been brought to our States in Jones Act vessels, paying the highest transportation rates paid by any Americans. The impact of this fee on our State would be to add another burden to our consumers.

The amendment that we offer excludes from the exemption crude oil shipments because those shipments are, in fact, in interstate commerce and deal with a different concept. I urge the managers of the bill to recognize the equity of exempting the Alaska consumer shipments from this harbor maintenance charge.

Incidentally, Mr. President, I point out that we have very few federally funded ports in Alaska. The bulk of them were federally funded as a result of the great earthquake and tidal wave that hit my State. Prior to that, they had been intact and locally financed.

This port maintenance charge, if it went into effect without our amendment, would have about a $2 million impact on our State. Yet, under this provision, despite the fact that we have half the coastline of the United States and such a great dependence upon waterborne commerce, we would receive a very small amount, $1,150,000 annually. That compares to some $5-plus million that will be generated from the shipment of oil from and within my State. The oil shipments are not exempted by our amendment.

Mr. President, I do believe that the amendment has merit and I urge my colleagues to accept the amendment in the interest of fairness to the largest State in the Union with the longest coastine of any State.

Mr. PACKWOOD. Mr. President, the amendment of the Senator from Alaska having excluded oil from the exemption, would be perfectly acceptable to the Finance Committee.

Mr. MOYNIHAN. Mr. President, on behalf of Senator LONG, who is necessarily absent momentarily, I say this is acceptable to this side as well.

May I add an observation from personal experience? I have traveled with the corps to oversee projects in Alaska. The Senator from Alaska describes the situation exactly. There are no intrastate roads that could carry normal modes of transportation. There is some truck and rail transportation—but not much.

They transport goods within Alaska by seagoing ships in the most difficult weather known. I remember a day in Nome, AK, where we looked at that very small, almost fragile harbor, from which half the entire north country lives. If the corps is listening, I would like to ask them to get on with improving that harbor in Nome. It looks like it is about to blow away with the very next gust of wind they get up there.

As I said, Mr. President, we accept this amendment and I thank my colleague for offering it.

Mr. STEVENS. I thank the Senator from New York and the chairman of the Finance Committee for their understanding.

● Mr. MURKOWSKI. Mr. President, I am pleased that the Senate adopted the amendment I cosponsored with the senior Senator from Alaska, TED STEVENS, to the Water Resources Development Act of 1985.

This amendment excludes Alaska cargo other than crude oil from the ad valorem tax. The reason for this amendment is the same as stated by the Senate Finance Committee when it gave a similar exemption for Hawaii. In its report the committee stated that the port use charge generally should not apply to the loading or subsequent unloading of cargo to Hawaii or to U.S. possessions for shipment to the U.S. mainland, and vice versa. This exemption is because of the high dependence of Hawaii's economy on waterborne traffic. Alaska is just as dependent on waterborne traffic.

As far as transportation is concerned, Alaska is an island. Over 95 percent of all truck cargo to Alaska is shipped on marine transport. There are no railroads connecting Alaska to the rest of the contiguous 48 States. In fact, the cost of shipping goods to Alaska exceeds the cost of shipping goods to Hawaii.

Under this amendment, Alaska will still pay for its share of revenues for water resource development. In fact, the Joint Committee on Taxation estimates that Alaska will contribute annually about $5 million.

This amendment primarily exempts Alaskans from paying user fees on domestic consumer goods. Americans generally do not pay user fees for these types of goods because many of their domestic consumer goods are transported overland by trucks.

The amendment will also resolve another unitended problem in the bill. In Alaska, it would be an administrative nightmare to try to enforce the user fee. As I have mentioned, goods are transported to Alaska by ship or barge; most of the goods are sent in small quantities—whether personal belongings or goods used by small businesses. In either case, the shippers of these goods will not understand this complicated tax. In most cases, the 0.04-percent tax would raise less money than the cost of collecting it.

Alaska has the largest coastline in the country. Most of our communities are located along Alaska's coastline. Most of these towns are not connected by roads. They are separated by fjords, mountains, and enormous expanses of land. Cargo must be transported to these communities by boat and plane.

It would be wrong to add to the economic burden of these communities. This amendment is intended to guarantee that the transportation costs to those communities are not increased.

Mr. President, I thank the chairman of the subcommittee, Senator ABDNOR, the ranking member of the subcommittee, Senator MOYNIHAN, and Senator PACKWOOD, for their favorable consideration of this important amendment.

And, I thank my colleagues for having adopted the amendment.

Mr. MOYNIHAN. Mr. President, I move the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No 1691) was agreed to.

Mr. STEVENS. I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1692

Mr. GORTON. Mr. President, I have an amendment at the desk to the Finance Committee portion of the bill, and I ask that it be immediately considered.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Washington [Mr. GORTON] for himself and Mr. EVANS, Mr. BRADLEY, and Mr. LAUTENBERG, proposes an amendment numbered 1692.

On page 144, after line 18, insert the following:

"(d) NONAPPLICABILITY OF CHARGES TO CERTAIN CARGO.—

"(1) IN GENERAL.—Subject to paragraph (2), the charge imposed pursuant to Section 4461(a)(1) shall not apply to bonded commercial cargo entering the United States for transportation and direct exportation to a foreign country.

"(2) IMPOSITION OF CHARGES.—Paragraph (1) shall not apply—

"(A) after the date on which the Secretary determines that the Government of Canada had imposed a substantially equivalent fee or charge on commercial vessels or commercial cargo utilizing Canadian ports: *Provided*, That subject to subparagraph (B), paragraph (1) shall apply after the date on which the Secretary determines that such fee or charge has been discontinued by the Government of Canada.

"(B) with respect to a particular United States port (or to any transaction or class of transactions at any such port) to the extent that the study made pursuant to section 807(a) of the Water Resources Development Act of 1985 (or a review thereof pursuant to section 807(b) of such Act) finds that—

"(i) the imposition of such charge at such port (or to any transaction or class or transactions at such port) is not likely to divert a significant amount of cargo from such port to a port in a country contiguous to the United States, or that any such diversion is not likely to result in significant economic loss to such port; or

"(ii) the nonapplicability of such charge at such port (or to any transaction or class of transactions at such port) is likely to result in significant economic loss to any other United States port.".

On page 144, line 19, delete "(d)" and insert in lieu thereof "(e)".

On page 144, line 22, delete "(e)" and insert in lieu thereof "(f)".

On page 145, line 20, delete "(f)" and insert in lieu thereof "(g)".

On page 146, line 6, delete "(g)" and insert in lieu thereof "(h)".

On page 154, beginning on line 2, delete all through "agencies" on line 4 and insert in lieu thereof:

"(a) INITIAL STUDY.—The Secretary of the Treasury, in consultation with United States ports, the Secretary of the Army, the Secretary of Transportation, and other appropriate Federal agencies".

On page 154, strike line 7 and insert in lieu thereof "cargo from particular United States ports to any port in a country contiguous to the United States. The".

On page 154, after line 11, insert the following:

"(b) REVIEW.—The Secretary of the Treasury may, at any time, review and revise the findings of the study conducted pursuant to subsection (a) with respect to any United States port (or to any transaction or class of transactions at such port).

"(c) IMPLEMENTATION OF FINDINGS.—For purposes of section 4462(d)(2)(B) of title 26, United States Code, the findings of the study or review conducted pursuant to subsections (a) and (b) of this section shall be effective 60 days after notification to the ports concerned.".

Mr. GORTON. Mr. President, I offer this amendment for myself and my distinguished colleague from Washington [Mr. EVANS] for the two distinguished Senators from New Jersey. It has been approved by the chairman of the Finance Committee, my distinguished friend from Oregon [Mr. PACKWOOD], as well as by the Secretary of the Treasury and the Secretary of the Army. The amendment seeks to prevent the diversion of cargo from U.S. ports as a result of the imposition of the port user fees.

This amendment would exempt bonded cargo exported from or transported to foreign countries through U.S. ports unless and until a study conducted by the Secretary of the Treasury finds that imposition of the port user fee would not result in a significant amount of cargo diversion, or unless the cargo that is diverted would not cause a significant economic loss to the port.

The exemption may also be terminated if the study finds that another U.S. port suffers economically because of the exemption at a particular U.S. port. The exemption would also be terminated if Canada imposes a substantially equivalent fee.

In this time of intense international competition, it is vital for the Government to be sensitive to the impact that its policies have on our ports, our carriers, and our businesses. This amendment is a fair and equitable means to ensure that our ports retain their ability to compete with ports of foreign countries.

Mr. President, would the distinguished chairman of the Finance Committee be willing to clarify one point regarding private sector participation in the study called for in section 807 of the Water Resources Development Act of 1985?

Mr. PACKWOOD. I would be glad to answer any question from my colleague from the State of Washington.

Mr. GORTON. Section 807 requires the Secretary of the Treasury to conduct a study to determine the impact of the port use charge on the potential diversion of cargo from U.S. ports. The Secretary is required to consult with the U.S. ports, the Secretaries of the Army and Transportation and other relevant agencies in carrying out this study.

I am sure my colleague from Oregon would agree that U.S. ports, and also the carriers who serve those ports, possess information that will be of value to the Secretary in preparing this report. I believe it is essential that all pertinent information be evaluated and that all viewpoints be considered in the Secretary's report. Does the distinguished chairman agree that in order to accomplish this goal, the Secretary must actively seek input from affected ports and carriers as well as the designated agencies.

Mr. PACKWOOD. I agree with my colleague from Washington.

Mr. GORTON. I thank the chairman. I appreciate his clarification of this matter and his assistance in working out this amendment to resolve the diversion problem.

Mr. PACKWOOD. Mr. President, the amendment of the distinguished Senator from Washington is acceptable. We have reviewed it, we have debated it. He has very generously pointed out it originally had additional scope. We accept it.

Mr. MOYNIHAN. Mr. President, I think it is acceptable, speaking on behalf of Senator LONG, who is necessarily absent.

I sponsored the amendment by the Committee on Finance which calls for the Secretary of the Treasury to study the impact of an ad valorem cargo tax on the displacement of tonnage from the two ports we are concerned with.

I think that the Senator from Washington has creatively provided for the use of this study. I think this resolves what might have been a difficulty. I congratulate all for their flexibility and ingenuity.

Mr. GORTON. I thank both of my distinguished colleagues for their help.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1692) was agreed to.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PACKWOOD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DANFORTH. Mr. President, the legislation before us today culminates a struggle over national water policy that has raged for more than a decade. It is not the bill I would have written if it were up to me alone to write, but it is a carefully crafted compromise that strikes a reasonable balance between those who would greatly diminish the Federal role in constructing water projects and those who see a continuing need for a major Federal presence in this area. For that accomplishment, I especially commend the distinguished Senator from South Dakota [Mr. ABDNOR], who has shown extraordinary dedication to this task.

The centerpiece of the compromise was the agreement reached last June between the administration and a group of interested Republican Senators about the imposition of user fees to finance water project construction. I was privileged to be a part of that group, and I devoted particular attention to the impact of such cost sharing on the inland waterway industry. That industry has suffered a series of devastating economic blows in recent years and remains in a severely depressed condition, with barge capacity greatly in excess of demand. For this reason, I was gravely concerned by proposals to increase the financial burden on an industry that just 5 years ago had begun

to pay waterway fuel tax for precisely the same reason. Nonetheless, there is a clear and pressing need to get on with important improvements to the Nation's waterways—particularly, construction of a second chamber at locks and dam 26 on the Mississippi River—and I reluctantly agreed to gradual increases in the waterway fuel tax, beginning on January 1, 1988, as part of the overall compromise that will allow this legislation to go forward.

As difficult as the fuel tax increase may be for shippers and carriers to absorb, at least it is a known quantity against which they can plan and manage their operations. They can make investment decisions, plan equipment acquisitions and plant expansions, and negotiate long-term transportation contracts with a clear knowledge of what tax they should calculate into their operating costs during the coming years.

This tax increase in set forth in section 804 of the bill, as reported by the Finance Committee. A point left unstated in the bill or committee report, however, is the agreement reached among the principals on the effect of this compromise on future water policy decisions. Simply stated, all parties agreed that this compromise forecloses further increases in the fuel tax for the duration of the period covered in the bill—for example., through 1997. In this context I would like to recall for my colleagues an assurance provided to me by Mr. David Stockman when he was Director of the Office of Management and Budget. Mr. Stockman wrote:

With the adoption of this compromise the Administration will consider that the user fee principle has been affirmed and we will not seek additional inland waterways user fees during the years ahead.

Mr. President, I ask unanimous consent that the entire text of Mr. Stockman's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,

Washington, DC, June 20, 1985.

Hon. JOHN DANFORTH.
U.S. Senate, Washington, DC.

DEAR JACK: Thank you for the opportunity to comment on the proposed compromise concerning inland navigation user fees. As I understand the proposal, the existing fuel tax used to fund the Inland Waterways Trust Fund would be increased by 10¢ a gallon over ten years, beginning on January 1, 1988. It is my further understanding that the precise form of this increase will be left to the discretion of the jurisdictional committees providing that the amount of revenue which is raised from the inland waterway industry is equivalent to that which would be generated if the tax were imposed in equal installaments over those ten years.

Although the Administration has supported more comprehensive inland waterway user fee legislation in the past, we believe this is a sound and workable compromise which we will endorse and support.

With the adoption of this compromise the Administration will consider that the user fee principle has been affirmend and we will not seek additional inland waterways user fees during the years ahead.

Sincerely,

DAVID A. STOCKMAN.

Mr. DANFORTH. Mr. President, when this agreement was struck last June, I sought similar assurance from the various principals—the majority leader and the Senators from Vermont [Mr. STAFFORD], South Dakota [Mr. ABDNOR], Oregon [Mr. HATFIELD and Mr. PACKWOOD], and New Mexico [Mr. DOMENICI]—that if we enact this legislation, they do not intend to support additional fees or taxes on the inland system during the 10-year period involved. My colleagues were most gracious in providing those assurances. Since that colloquy is part of the CONGRESSIONAL RECORD of June 21, 1985, I see no need to reproduce it here. Nonetheless, it represents a critical element in my willingness to go forward with this legislation.

Mr. President, in addition to the second chamber at locks and dam 26, there are a number of projects of interest to Missouri in this legislation. Flood control projects are authorized for Brush Creek in Kansas City, Maline Creek in St. Louis, as well as Cape Girardeau and the St. Johns Bayou-New Madrid Floodway area in southeast Missouri. The Brush Creek project is particularly urgent. In September 1977 Brush Creek flooding killed 12 persons and caused millions of dollars in damages. The city of Kansas City feels so strongly about the need for this project that it is financing on its own a larger scope of work than the Corps of Engineers itself would undertake. The result is that $10 million in Federal dollars will build a $36 million project.

Other projects of interest to Missouri include much-needed improvements to St. Louis Harbor and completion of the Trimble Wildlife Area replacement near Kansas City. The later was originally approved for $7,870,000 in funding but has been reduced to $1,569,000 to reflect the fact that the Missouri Deparment of Conservation was forced to proceed with an alternative replacement plan, using funds previously provided by the corps, when it became apparent that Congress would not act in time to avoid a December 1985 deadline for replacement. This project is needed to offset the destruction of Trimble Wildlife Area, a nationally significant breeding area for the Canada goose, by the construction of Smithville Lake.

Mr. President, I am glad to lend my support to this legislation, which will enable these needed projects to go forward after many years of delay, and I again commend the Senator from South Dakota for his diligence in moving this bill to the floor.

Mr. President, S. 1567 differs from H.R. 6, its counterpart legislation in the other body, in many ways, but I would like to take this opportunity to discuss with the managers three particular items of interest to Missouri that are contained in H.R. 6 but not in S. 1567, for their consideration in conference.

Section 1107 of H.R. 6 authorizes $100 million for unspecified flood control projects, to be undertaken at full Federal expense, along the Meramec River and its tributaries. Several years ago, I was succcessful in including in Public Law 97-128 the deauthorization of the Meramec Park Lake project. As part of that legislation, Congress authorized $20 million for flood control measures along the Meramec, excluding construction of dams or reservoirs. Since that time the corps has been unable to identify projects that are "economically and engineeringly feasible"—as the legislation requires—amounting to $20 million. The language in H.R. 6, however, would provide an additional authorization of $100 million and extend its reach to the Meramec's tributaries, with no prohibition on dams or reservoirs on the tributaries. In my judgment, this is a blank check that Congress should not sign, and I ask the distinguished Senator from South Dakota for his support in this regard.

Mr. ABDNOR. Mr. President, the Senator from Missouri has made a strong argument on this matter, and we will oppose inclusion of the House language in conference.

Mr. DANFORTH. Mr. President, on another point, section 720 of H.R. 6 modifies the project for replacement of locks and dam 26 to provide for the repair of the Red School House County Road in St. Charles County, MO. This road has been used for access to the construction site of the replacement locks and dam and as a result has suffered extensive damage that was not anticipated at the time of the project's design. It seems reasonable that repair of the road at least to minimum county standards, at an estimated cost of $150,000, should be an obligation of the corps.

Mr. ABDNOR. Mr. President, the Senator from Missouri brings a matter to my attention that I have not had a chance to consider. However, he can be sure that we will give this proposal careful attention in conference.

Mr. DANFORTH. Mr. President, I thank the distinguished manager. Finally, I would like to discuss authorization of a flood control project for Ste. Genevieve, MO. This project, included in section 301 of H.R. 6, earned the following unusual legislative language in that bill:

Congress finds that, in view of the historic preservation benefits resulting from the project, the overall benefits of the project exceed the costs of the project.

Mr. President, this is a unique project. By conventional reckoning it achieves a benefit-to-cost ratio of only 0.16, where a figure of 1 represents break-even. However, this result says more about the calculation process than it does about the merits of the project. Ste. Genevieve predates St. Louis as a center for commerce and industry for early French settlers along the Mississippi River. It contains about 25 percent of the existing French colonial buildings in North America and the only collection of such buildings on the continent. Ste. Genevieve has been designated as a national historic landmark, a distinction that is conferred only on those historic resources that have transcendent value to the Nation as a whole and whose integrity is not compromised. In 1966 the most historic section of the community, comprising 79 buildings and dating from the late 1700's, was placed on the National Register of Historic Places, and as many as 450 buildings ultimately may be so honored.

The initial recommendation of the corps, made at the district level, was opposed to a Federal flood control project. In commenting on that recommendation, the National Trust for Historic Preservation wrote as follows:

We understand the regulatory constraints the corps faced in considering the intangible aspects of preservation which do not lead themselves to quantification and lie outside the scope of the standard cost-benefit analysis required in evaluating Corps projects. We believe this method of analysis is deficient and cannot accurately reflect the true value of historic resources nor the public benefits that accrue through their preservation * * *.

The cost-benefit analysis of the corps relies on the assumption that the replacement of historic mid-18th century buildings with non-historic structures erected in the 20th century can create the same value. The assumption is incorrect.

The district engineer's recommendation was reversed by the division engineer, who noted expressions of support from "State, local, national, and international interests" including the Consulat General de France, the Office of the Secretary of the Interior, and the Advisory Council on Historic Preservation in addition to the National Trust. He determined that "the historic value of this unique community warrants an exception to corps policy."

The Board of Engineers for Rivers and Harbors concurred with the following comments:

The Board concludes that the city of Ste. Genevieve is a significant historic resource having national importance. Repeated flooding is having an adverse impact on this historic resource which is resulting in its deterioration and is inhibiting restoration and preservation efforts by governmental agencies and private groups and individuals. Flood protection will assist greatly in the preservation and restoration of structures as examples of historic development for future generations. The Board believes that preservation of the historic structures in Ste. Genevieve is of sufficient importance in this case to waive the requirement of economic justification for proposed projects, and warrants an exception to the criteria in the Water Resources Council's Economic and Environmental Principles and Guidelines for Water and Related Land Resources Implementation Studies which require maximization of net economic benefits.

Mr. President, I have decided not to offer an amendment to include Ste. Genevieve in S. 1567 because the managers have chosen—wisely, in my opinion—to oppose any projects for which a recommendation from the Chief of Engineers has not yet been submitted to Congress. As much as I am convinced of the merits of this project, I do not want to create a breach in that policy through which less meritorious projects may flow. However, I earnestly urge the managers of this bill to give this project their most serious consideration when they go to conference with the other body.

Mr. ABDNOR. Mr. President, the Senator from Missouri has made a persuasive case of the merits of this project. I appreciate his decision not to offer an amendment to the bill before us, and I give him my assurance that we will review this matter in conference with the other body.

Mr. DANFORTH. I thank the Senator.

ROWLESBURG DAM

Mr. HEINZ. Mr. President, I rise today for the purpose of clarifying, with the distinguished chairman of the subcommittee, the committee's disposition toward the Rowlesburg Dam flood control project. Located on the Cheat River in West Virginia near the Pennsylvania border, the Rowlesburg Dam was originally studied by the Corps of Engineers in 1972, but was never constructed. The potential importance of this dam for flood control in Pennsylvania was underscored during investigation of the extensive and devastating flood damages in the Monongahela River Valley this past winter.

I took a tour last November of those flood-ravaged areas in the Mon Valley, and made several inquiries of the Corps of Engineers with regard to actions that might have been taken to prevent such extensive damage. In response to these inquiries, the Corps of Engineers provided me with information which indicated that had the Rowlesburg Dam been in operation during this flooding, it would have prevented $77 million of the $85 million in total damages in Pennsylvania. Based on this analysis, I requested that the Corps of Engineers reclassify the project to active status. In December, the corps reclassified the project as active, thus enabling the corps to proceed with preparation of feasibility studies necessary to determine whether or not construction of the dam should take place.

The purpose of my inquiry today is that in H.R. 6, the House version of the Water Resources Development Act, the Rowlesburg Dam project is listed for deauthorization. No such reference appears in S. 1567.

Given the damages that the Corps of Engineers believes the dam would have prevented during last winter's disastrous flooding on the Mon, it would seem to me that this project should not be deauthorized. It would be far more appropriate to see the corps go forward with completing any studies necessary to update the project, and to have a decision to begin construction of the project on the basis of these studies. I respectfully ask the subcommittee chairman, will he give his assurance that he will make every effort during the House-Senate conference on the bill to see that this project is not deauthorized?

Mr. SPECTER. I believe that the Rowlesburg Dam project is of major importance to flood control in the Monongahela Valley in West Virginia and Pennsylvania. I learned first-hand about the significant damage prevention that the Rowlesburg Dam would have provided had it been built prior to last Novembers' flooding on the Mon at a hearing I held in Charleroi, in December. At this hearing, Col. Richard Rothblum, Commander of the Corps of Engineers for the Pittsburgh District, testified that if the Rowlesburg Dam had been in place, it would have prevented flood damages of $77 million along the Cheat and Monongahela Rivers, not to mention the hardship and suffering that might have been avoided had the dam been in place.

I am pleased to report that through the efforts of Senator HEINZ and myself, some action on this dam has taken place since the hearing I held. Most notably, following the hearing and a letter I have written, the corps has placed the project on the active list. While this reclassification provides the corps with the authority to undertake studies necessary to update the project, H.R. 6, the House-passed Water Resources Development Act, lists the Rowlesburg Dam for deauthorization. Such action has been proposed by the House because of the inactive status of the dam prior to last November's flooding. For this reason, I join Senator HEINZ in requesting that the subcommittee chairman work in conference to strike the provision deauthorizing the dam, in order to allow the corps to proceed on this very important project. I would also like to express my hope that the corps would

undertake any studies necessary to update this project as expeditiously as possible. In addition, I will request that Colonel Rothblum's testimony before my December 31 hearing in Charleroi be placed in the RECORD at the conclusion of this colloquy.

Mr. ABNOR. I thank the Senators from Pennsylvania for bringing this important matter to the attention of the Senate, and assure them that I will make every effort in the House-Senate conference on the Water Resources Development Act to ensure that the Rowlesburg Dam will not be deauthorized. In addition, I would like to express my support for the suggestion made by the Senators from Pennsylvania that the corps should undertake any studies necessary to update the project as expeditiously as possible.

Mr. BYRD. Mr. President, I would just like to confirm my understanding of the intent of the Senators from Pennsylvania with respect to the Rowlesburg Dam which is being discussed here. Is it correct that the Senators from Pennsylvania wish, at the present time, to have the U.S. Army Corps of Engineers study further the feasibility of constructing a dam on the Cheat River near Rowlesburg, WV, in terms of economic, environmental, land use, flood protection, and other issues? And is my understanding also correct that the Congress is not at this time making a specific recommendation with regard to eventual construction of the dam, and that such a recommendation, to build or not to build, would be made by the corps' study?

Mr. HEINZ. The Democratic leader is correct. Senator SPECTER and I are asking only that the Rowlesburg Dam project not be deauthorized, that any necessary studies be completed for this project, and that the corps use the findings of these studies to make a recommendation with regard to construction of the dam.

Mr. ROCKEFELLER. Mr. President, I wish to associate myself with the remarks of the Senators from Pennsylvania and my distinguished colleague from West Virginia with regard to the Rowlesburg Dam. This is a matter that I have been concerned with for a long time, both in my present position and formerly as Governor of West Virginia. I join my colleagues in this effort to see that this important project is not deauthorized and that the Corps of Engineers engage in a feasibility study of this dam, and any alternative flood control projects it deems appropriate.

Mr. BENTSEN. Mr. President, S. 1567, The Water Resources Development Act of 1986, as amended by the committee leadership of the Environment and Public Works Committee, provides that, in regard to Federal harbor projects constructed deeper than 45 feet in depth, pipeline owners and local project sponsors shall share, 50-50, necessary relocation or alteration costs. Nothing is said in the bill regarding responsibility for costs of relocation or alteration of pipelines on Federal harbor projects which are not constructed deeper than 45 feet in depth. However, I note that in the committee report, 99-126, for the Water Resources Development Act of 1985, S. 1567, there is language to the effect that the cost of relocation of pipeline, cable and related facilities for all Federal harbor projects remain the responsibility of the pipeline or cable owners. No distinction is made in the report language between Federal harbor projects deeper than 45 feet and those not 45 feet in depth.

I am concerned that the committee report language might lead to some confusion regarding the intent of the water resource legislation. It is my understanding that the legislation requires 50-50 cost sharing for pipeline relocation on all non-Federal harbor projects and on all harbor projects, Federal and non-Federal, deeper than 45 feet in depth. Further, that on Federal harbor projects less than 45 feet deep, no change is being made to existing law. Therefore, for Federal harbor projects less than 45 feet deep, pipeline and cable relocation costs will not be the responsibility of the Federal Government. Responsibility for costs associated with relocation or alteration of pipeline or cable for Federal projects less than 45 feet deep will remain unchanged by this bill and will continue to be subject to prevailing State and local law and practices. Have I stated the meaning of the legislation in the way that it was intended to be applied?

Mr. ABDNOR. I can assure my colleague from Texas [Mr. BENTSEN] that his description accurately explains the intent of this legislation. The sentence to which the Senator refers in the committee report is inaccurate to the extent that it does not recognize the distinction between Federal project depths of greater than or less than 45 feet. It is the intention of this legislation as amended by the Environment and Public Works Committee that for Federal projects less than 45 feet deep the Federal Government will bear no responsibility for the cost of pipeline and cable relocation or alteration and that such costs shall remain unchanged by this bill and will continue to be subject to prevailing State and local law or practices.

Mr. BENTSEN. I thank my colleague for that clarification.

WANDO RIVER PROJECT

Mr. HOLLINGS. Mr. President, I should like to discuss a point with Senator ABDNOR regarding the Wando River Channel project in the Charleston Harbor, SC. I understand that S. 1567 provides for the deepening of the Wando River Channel and for widening the turning basin to a minimum of 1,400 feet by 1,400 feet. I ask the Senator if my understanding is correct.

Mr. ABDNOR. Mr. President, the Senator from South Carolina is quite correct. The bill provides for both the deepening of the channel and the widening of the turning basin to the minimum dimensions the Senator has specified.

WEST KENTUCKY TRIBUTARIES PROJECT

Mr. FORD. Mr. President, the West Kentucky Tributaries project, commonly known as the Obion Creek project, has long been the focus of great controversy in the western part of the Commonwealth of Kentucky. The project was authorized by the Flood Control Act of 1965 and funds were appropriated by Congress in 1971 to initiate construction. However, no construction has been accomplished primarily due to intense disagreement over environmental matters.

The presently approved plan includes 41.7 miles of channel improvement and 8.2 miles of continuous embankment of excavated material to be placed along the planned diversion channel below the valley mouth of Obion Creek. Due to the potential adverse environmental impacts resulting from project construction, a fish and wildlife study was conducted which resulted in a recommendation to acquire 6,000 acres of land for the mitigation of project related fish and wildlife losses.

The local project sponsor, the Obion Creek Watershed Conservancy District, had not anticipated an offset requirement of this size and, to put it mildly, was stunned by the ruling. After years of negotiation with Federal representatives, on April 6, 1984, the conservancy district formally withdrew its support for the Obion Creek project as requiring the acquisition of mitigation lands. It further requested that the Corps of Engineers limit the project to clearing and snagging of the existing channel in lieu of the planned channel enlargement and diversions.

The Corps of Engineers' report which recommended the mitigation lands acquisition was returned to the Memphis district on July 20, 1984, from higher authority for reconsideration of the basic project as requested by the conservancy district. The reformulation studies required to evaluate the requested clearing and snagging alternative will be initiated as soon as funds become available. It is anticipated that the reevaluation will be initiated during fiscal year 1986 and will require approximately 14 months to complete.

We appreciate the corps' cooperation and willingness to work with our constituents, but the money for mitigation remains in the bill before us

today and is a source of grave concern to our constituents.

Mr. McCONNELL. As we have stated, Mr. President, the local conservancy board will not sponsor the Obion Creek project if mitigation funds are required. They have asked, and the corps has agreed, that the project be reformulated and scaled down to require only snagging and clearing. The reduced scope plan will not and must not require mitigation.

The problem arises in the fact that the House and Senate versions of the water resources bill include mitigation language. It is my understanding that the Environment and Public Works Committee believes this language is necessary to make the original authorization whole. While one would assume that the mitigation requirement would not be triggered if the project is scaled down to the proposed clearing and snagging design, we believe that additional language is necessary to assure that mitigation lands will not be mandated notwithstanding the reformulation of the project. Specifically, the committee has agreed to add the following language on page 125, line 2 of the bill:

: *Provided,* That the mitigation requirements shall be adjusted to reflect any decrease in the scope of the basic flood control project as authorized in the Flood Control Act of 1965 (Public Law 89-298)

It is our understanding that the language, as amended, will not mandate mitigation lands upon the implementation of a reduced scope plan for clearing and snagging. Is that the judgment of the committee leadership?

Mr. ABDNOR. Yes, that is the understanding of the committee leadership. Mr. President, the Senators from Kentucky are to be commended for their efforts on behalf of their State. Both Senator McCONNELL and Senator FORD have shown great foresight and leadership in crafting language to clarify the West Kentucky Tributaries fish and wildlife mitigation plan.

Mr. McCONNELL. I greatly appreciate the help of the committee, and particularly the assistance of the subcommittee chairman, in resolving this issue of growing concern to the people of western Kentucky.

SOUTH FORK ZUMBRO AND LOWER RIO GRANDE PROJECTS

Mr. DURENBERGER. Mr. President, I wish to discuss with the floor managers of this bill the implementation of the South Fork Zumbro River project, which is authorized in section 703(a) of S. 1567.

This is a much needed project designed to provide flood control benefits for the city of Rochester, MN. Part of it, the part authorized in this bill, will be implemented by the Army Corps of Engineers at a total cost of $60,470,000. The remaining features are to be constructed by the Soil Conservation Service under its small watershed project authority (Public Law 566) at a total cost of $11,481,900. The SCS portion of the project has been authorized since 1982.

Construction of this project is ready to begin. In anticipation of the Zumbro authorization in this bill, the administration has included $1.4 million in the corps budget for fiscal year 1987 to begin work. The SCS portion of the project is also ready to be implemented. Local sponsors have acquired all the lands necessary at a cost of $1.2 million. The city of Rochester has been collecting a local sales tax since 1983 to fund its share of the project. The SCS has completed plans and specifications; bids for the first structure have been received.

Unfortunately, proposed administration budget cuts could have a severe impact on the SCS portion of this important project. The administration has proposed a recision of fiscal year 1986 funds and has recommended no funding at all for the Public Law 566 program in fiscal year 1987. This would mean that an essential element of the Zumbro project would not be implemented.

Along with many other Members of Congress, I intend to work to ensure that this recision will not be approved by Congress and that the small watershed program of the Soil Conservation Service will be continued. But if we fail, I want the other members of the Environment and Public Works Committee to know that I intend to offer legislation transferring construction of the SCS portion of this project to the Corps of Engineers. It would be my hope that the committee would be willing to act expeditiously on such legislation so that this project, so important to the city of Rochester, could be implemented as expeditiously as possible.

Mr. ABDNOR. I assure my distinguished colleague from Minnesota that as chairman of the Water Resources Subcommittee, I would be ready and willing to address such legislation as quickly as possible, knowing the merits of this particular situation.

Mr. MOYNIHAN. I share the view of my friend, Senator ABDNOR, I would support such legislation.

Mr. BENTSEN. Mr. President, I have listened to this exchange with a great deal of interest. In addition to the Zumbro project in Minnesota, section 703(a) of the legislation before us contains authorization for a flood control project in the Lower Rio Grande Valley in Texas.

The Lower Rio Grande project is similar to the Zumbro project in that the Corps of Engineers is to implement one part and the Soil Conservation Service the other two parts. S. 1567 authorizes the corps to construct and improve channels and provide bank protection along the Arroyo Colorado at an estimated total cost of $195.3 million. Phases II and III would consist of measures providing flood prevention and agricultural benefits in subwatershed areas of the Lower Rio Grande as well as an accelerated land treatment program for agricultural lands. These phases would be implemented by the SCS under the same small watershed program as the Zumbro plan.

I share Senator DURENBERGER's concern that the proposed zeroing out of the small watershed program would have a disastrous effect on the Rio Grande project as well as the Zumbro project. As I said in my floor statement, I have worked to secure flood protection for the lower Rio Grande Valley since I came to the Congress. I was born and brought up in that area. Should the Public Law 566 program be terminated, I, too, will be offering legislation authorizing the Corps of Engineers to implement the Lower Rio Grande project in its entirety. I ask the distinguished flood managers of this bill, as well as my good friend Committee Chairman BOB STAFFORD, if the committee would be prepared to expedite approval of such legislation.

Mr. STAFFORD. I am well aware of the efforts of the ranking member of the Environment and Public Works Committee to secure authorization of the Lower Rio Grande project. I would support the legislation he has just described.

Mr. ABDNOR. The arguments of both my colleagues are very convincing. I would support the legislation as well.

Mr. MOYNIHAN. I join the chairmen of the full committee and the Water Resources Subcommittee in supporting the legislation proposed by my colleagues from Minnesota and Texas.

ROANOKE FLOOD CONTROL AMENDMENT

Mr. TRIBLE. Mr. President, last fall floods relentlessly pounded Virginia's Roanoke Valley. As reports continued to come out of the area, a terrible picture developed. "A wild wall of water" paralyzed much of the area taking many lives and requiring the evacuation of thousands.

Damage caused by the flooding has had a tremendous economic impact on the community. In Roanoke City alone, 5,500 homes had significant damage. One hundred and seventy-eight businesses were affected, 10 of which were a total loss. The sewage treatment plant was entirely under water with damages to the facility exceeding $1 million, and 54 public buildings were damaged.

The sad part is that the tragedy might well have been avoided. Since 1970 the U.S. Corps of Engineers have been studying the recurring flood problems of the Roanoke River and tributaries. On August 2, 1985, the

Chief of Engineers issued a report recommending flood control measures for Roanoke City. The corps' plan includes the following changes:

First, 10 miles of channel construction along the river to contain runoff;

Second, installation of a flood warning system;

Third, replacement of low bridges; and

Fourth, floodproofing Roanoke Memorial Hospital and the Roanoke sewage treatment plant.

It is essential that we act now. The bill I introduced last fall with the approved report of the Army Corps of Engineers, directs the corps to begin work on the project.

Mr. President, I thank the chairman for excepting my legislation and including it in the amendment package. We in Congress can avert such catastrophes in the future and I hope the water resource bill will be approved promptly.

Mr. SYMMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. Mr. President, I have an amendment I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HEINZ. Mr. President, I would like to ask a question of the chairman of the Committee on Finance with regard to the administration of the ad valorem fee imposed by title VIII of S. 1567 as reported by the committee. The committee affirmed that responsibility for remitting this charge and the ultimate responsibility for payment rests with the cargo interest, not with the vessel owner or operator.

In examining the record on this issue as considered in H.R. 6, the water resources development legislation approved by the House of Representatives in November, the report of the Committee on Merchant Marine and Fisheries states (H. Rept. 99-251, part 4, p. 27):

> Regardless of the potential difficulty in administration, the Committee reiterates that the cargo, being the beneficiary of the familities provided by the port, is for purposes of this act the user responsible for paying the fees required for ongoing operation and maintenance. The Committee intends that no burden, financial or administrative, fall on vessel owners or operators.

In order that the record on S. 1567 be clear and free from ambiguity, I would like to ask a question of the chairman: Is it the intent that cargo interests alone bear the responsibility for payment and administration of the ad valorem port use charge in title VIII?

Mr. PACKWOOD. The Senator is correct. The financial and administrative burdens of payment and collection are not to be imposed upon vessel owners or operators with respect to the ad valorem port use charge authorized by section 802 of title VIII. The cargo interest—the importer, exporter, or shipper—is the responsible party.

Mr. HEINZ. I thank the chairman for clarifying this important matter.

Mr. WARNER. Mr. President, I ask unanimous consent that the pending amendment be set aside.

Mr. BYRD. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. BYRD. Mr. President, it is my understanding that Mr. SYMMS had an amendment which he has sent to the desk. He has asked that the reading of the amendment be dispensed with. He has not had an opportunity for the Chair to put that question.

I understand that Mr. EXON has an amendment.

The PRESIDING OFFICER. The amendment of Mr. SYMMS has not yet been reported.

Mr. SYMMS. Mr. President, I send the amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

Mr. BYRD. Will the Chair withhold? Are there any more amendments?

Mr. KASTEN. Mr. President, will the minority leader yield? In response to the minority leader, we have an amendment about which I spoke to him before. We are verifying the approval of the senior Senator from Wisconsin. It has been temporarily set aside. When it is cleared, I hope we might be able to go forward with it sometime this afternoon.

Mr. BYRD. I do not want to impose on the time of the Senate. I have no objection to going ahead with the amendments of Mr. SYMMS, Mr. KASTEN, Mr. WARNER, and Mr. EXON. Then I would hope that Senators would understand that the managers have indicated that they would like to leave pretty soon. So I hope we can stop for the day on this measure at that point.

Mr. EXON and Mr. SYMMS addressed the Chair.

AMENDMENT NO. 1693

(Purpose: Directing that certain activities be taken to protect Salmon, Idaho, against flooding as a result of ice dams)

The PRESIDING OFFICER. The clerk will report the amendment of the Senator from Idaho.

The legislative clerk read as follows:

> The Senator from Idaho [Mr. SYMMS] proposed an amendment numbered 1693.

Mr. SYMMS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> On page 8, following line 11, insert the following, and reletter the subsequent subsection accordingly:
>
> "(e)(1) The Secretary is directed to complete an experimental program placing screens in the Salmon River in the vicinity of Salmon, Idaho, to trap frazzle ice, and thus eliminate flooding caused by ice dams in the river. Within one year of the enactment of this Act, the Secretary shall report to the Congress of the feasibility of such experiment, including consideration of any adverse environmental or social effects that could result from such experiment. If, in the Secretary's judgment, such experiment is not feasible or acceptable, the Secretary is authorized to consult with local public interests to develop a plan that is workable and practical, then submit such plan to Congress.
>
> "(2) For the purposes of this subsection, there is authorized to be appropriated to the Secretary the sum of $1,000,000 for the fiscal year ending September 30, 1987, or thereafter, such sum to remain available until expended."

Mr. SYMMS. Mr. President, first, I want to compliment the distinguished Senator from South Dakota and the distinguished Senator from New York for their fine work to bring this bill to the floor.

I have been in Congress since 1973. We had one very small water bill in 1976 that passed Congress, and I note that this is the first major move forward for this Nation to recognize the significance and importance of our water supply to the country.

I wish to compliment these two Senators for their leadership. Senator ABDNOR, I know, has worked tirelessly on this, and I appreciate it.

The PRESIDING OFFICER. The Chair must inform the Senator that the Finance Committee amendment is pending.

Mr. SYMMS. Mr. President, I ask unanimous consent that the Finance Committee amendment be temporarily laid aside and that the Symms amendment be in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMMS. Mr. President, this amendment is very important to the people of the Salmon, ID, community. It recognizes the basic obligation the Government has to its citizens to protect lives and property. Periodically, during cold winters, ice forms in a slack water reach of the Salmon River about 26 miles below the city of Salmon. When conditions are right the ice formation builds up, forming a partial ice dam, the river rises above this dam and floods the town. Conditions have been right too often. The records show 12 major floods since 1885.

Severe flooding occurred in 1974, 1982, and 1984. The Corps of Engineers and the Forest Service have tried to solve the problem at least since 1948. In 1956 the corps did some minor channelization and recommended constructions of a 2,000-foot long channel to speed the flow out of the Deadwater area. This was never done. In 1979 the Forest Service constructed a diversion ditch upstream on a side stream that flows into the Salmon River below the Deadwater area. This diversion was designed to minimize sediment flow into the river. This sediment, partially the result of early mining, settles along and in the river further restricting the river flow below the Deadwater reach and may be a principal cause of the flooding.

Mr. President, the logical, simple way to cure this problem is to lower the stream gradient, increasing the stream velocity and minimizing ice formation. Unfortunately, the stretch of the Salmon in question was made a wild and scenic river when the Central Idaho Wilderness was created in 1980. Any disturbance of the stream channel seems to be precluded, regardless of the cost in human misery and financial loss.

The Corps of Engineers has been searching diligently for a workable solution. I commend them for their efforts. However, they haven't found the key yet. Their latest review in 1984 identified four alternative solutions. They are:

First, changing the channel of the river;

Second, permanent evacuation of part of the community;

Third, constructions of a series of levees thru the town; and

Fourth, no action.

Of these alternatives, the channel alteration is apparently illegal—and it doesn't seem possible to amend the law. The other three options are not acceptable to the community.

Two additional solutions have been suggested by private parties. In both cases these are entities with significant engineering expertise. These two solutions, one a series of spur dikes and the other a bypass tunnel to be used to speed up the flow at critical times—were ruled impractical by the corps.

During the winter of 1985-86 the corps' Cold Region Research and Engineering Laboratory experimented in the Salmon area with placing movable screens in the river to form a partial ice barrier to minimize frazzle or drift ice migrating down to the Deadwater and adding to the buildup and eventual flooding.

This is the project my amendment addresses. At this moment, it seems to offer the best hope for relief for the people of Salmon. Please note that it provides for the Congress to develop a practical, workable solution, assessing environmental and social impacts.

Mr. President, this is a Federal problem because it could be readily corrected if it were not for Federal law. At least 80 percent of the area of Lemhi County is Federal land. The economy of the area is dependent on timber, mining, ranching, and tourism. All of these activities have been negatively impacted by Government policies in the past few years. If it were not for the Federal law, local people tell me they would be willing to channel the river at no cost to the Nation.

If something is not done, sooner or later the flooding will be a life and death issue. I have seen movies of elderly people carried out of their homes on Christmas Eve through ice-choked water 3 feet deep. I have seen the damage the floods cause. This amendment is a totally justified expenditure of funds already authorized in this bill, and I urge its adoption.

Mr. President, it is my understanding that this amendment has been approved by the majority and the minority.

Mr. ABDNOR. Mr. President, I thank my good friend from Idaho for his amendment.

The flooding caused by ice on Dump Creek at Salmon, ID, is a serious problem. Ordinarily, a problem such as this one would not be difficult to address under an existing Corps of Engineers small project authority. However, the fact that Dump Creek has been designated as a wild and scenic river precludes any sort of solution which might change the river's character.

The suggested amendment would instruct the Corps of Engineers to address the ice flooding problem at Salmon under section 209 of this bill. This section creates a small river ice control authority for the Corps of Engineers. Since the Federal designation of wild and scenic river prevents this problem from being addressed in the usual manner, it seems reasonable that the corps should try to address the problem at Salmon under this new authority in section 209.

Furthermore, the amendment will not increase the cost of the bill, and I therefore support its adoption for all of these reasons.

Mr. MOYNIHAN. Mr. President, I thank the Senator for his kind words with respect to the Senator from New York.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1693) was agreed to.

Mr. ABDNOR. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STAFFORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1694

(Purpose: To provide for the establishment of a demonstration program in the State of Nebraska to prevent and control streambank erosion)

Mr. EXON. Mr. President, I ask unanimous consent that the pending amendment be laid aside for the consideration of an amendment by myself and Mr. ZORINSKY, which I send to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be stated.

The legislative clerk read as follows:

The Senator from Nebraska [Mr. EXON], for himself and Mr. ZORINSKY, proposes an amendment numbered 1694.

Mr. EXON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 65, between lines 5 and 6, insert the following:

SEC. 337. (a) The Secretary of the Army (hereafter in this section referred to as the "Secretary"), acting through the Chief of Engineers, is authorized and directed to establish and conduct at multiple sites within the State of Nebraska for a period beginning on the date of enactment of this section and ending five years after such date a demonstration program consisting of projects for streambank erosion prevention and flood control.

(b) Demonstration projects carried out under this section shall include projects for the construction, operation, and maintenance of flood damage reduction measures, including bank protection and stabilization works, embankments, clearing, snagging, dredging, and all other appropriate flood control measures.

(c) For each demonstration project under this section, the Secretary shall evaluate the environmental impacts of such project with respect to both riverine and adjacent land use values, with the view of enhancing wildlife and wildlife habitat as a major purpose coequal with all other purposes and objectives, and with the view of minimizing environmental losses.

(d) Demonstration projects authorized by this section shall be undertaken to reflect a variety of geographical and environmental conditions, including naturally occurring erosion problems and erosion caused or incurred by man-made structures or activities. At a minimum, demonstration projects shall be conducted at sites on—

(1) that reach of the Platte River between Hershey, Nebraska, and the boundary between Lincoln and Dawson Counties, Nebraska;

(2) that reach of the Platte River from the boundary between Colfax and Dodge Counties, Nebraska, to its confluence with the Missouri River;

(3) that reach of the Elkhorn River from the boundary between Antelope and Madison Counties, Nebraska, to its confluence with the Platte River; and

(4) other locations deemed appropriate by the Secretary in consultation with the State of Nebraska, if sufficient funds are available.

(e) The Secretary shall condition the construction, operation, and maintenance of

any project under this section upon the availability to the United States of such land and interests in land as he deems necessary to carry out such project and to protect and enhance the river in accordance with the purposes of this section.

(f) The Secretary shall establish a Nebraska Advisory Group consisting of representatives of the State of Nebraska and political subdivisions thereof, affected Federal agencies, and such private organizations as the Secretary deems desirable. Projects under this section shall be carried out in coordination and consultation with such Advisory Group.

(g)(1) Except as provided in paragraph (2), projects carried out under this section shall be at full Federal expense.

(2) Prior to construction of any project under this section, non-Federal interests shall agree that they will—

(A) provide without cost to the United States lands, easements, and rights-of-way necessary for construction, operation, and maintenance of such project;

(B) hold and save the United States free from damages due to construction, operation, and maintenance of such project (other than damages due to the fault or negligence of the United States or its contractors; and

(C) operate and maintain the projects upon completion.

(h) There are authorized to be appropriated for fiscal years beginning after September 30, 1986, $25,000,000 to carry out the provisions of this section.

(i) Beginning twelve months after the date of enactment of this section, and at intervals of twelve months thereafter, but not later than five years after such date, the Secretary shall prepare and transmit to the Congress a report describing the progress achieved in carrying out the demonstration program established pursuant to this section.

(j) The Congress finds that demonstration projects established pursuant to this section are economically feasible. Such projects shall emphasize the development of low-cost erosion and flood control measures.

Mr. EXON. Mr. President, the amendment which Senator ZORINSKY and I are offering provides for a 5-year program demonstrating low-cost, environmentally sound streambank protection projects in the State of Nebraska. The amendment authorizes up to $25 million over 5 years for this important program. Streambank erosion losses have been astronomical over the last several years and Federal assistance is desperately needed to mitigate future losses of farms and other valuable land.

Recently, nearly 72 million tons of precious topsoil was lost to erosion in only 1 year alone. The soil conservation service estimated that the cost of this erosion in Nebraska was in the $360 million range.

This amendment, Mr. President, would establish a program of bank stabilization and flood control projects in Nebraska which would have basinwide applicability. A limited program similar to what I am proposing here was established on the Water Resources Act of 1974 under the so-called section 32 authority. This important program expired at the close of 1982.

With soil erosion losses escalating on rivers which drain into the Missouri River, further demonstration and development of such a program is vital. As I noted, this program would directly preserve tons of valuable farmland, and indirectly reduce the costs of damage to other structures in need of cleaning or repair as a result of erosion.

The State of Nebraska has expended over $3 million in State funds for one bank protection project alone and is considering numerous other projects. Nebraska's taxpayer's are making a significant contribution to the flood control efforts in the face of diminishing Federal support.

My amendment, simply authorizes the Corps of Engineers to develop a program demonstrating low-cost erosion and flood control designed to mitigate further soil losses. Local sponsors of the projects would be required to bear the full cost of operation and maintenance upon completion of the 5-year demonstration. Prior to building the projects, local sponsors are required to provide, without cost to the corps, all lands, easements, and rights-of-way needed for the demonstration. This contribution by the locals can amount to anywhere between 10 and 20 percent of the project costs.

A form of this legislation has already been approved by the House of Representatives. Unlike the House-passed bill, this measure authorizes a comprehensive statewide program. The House-passed bill restricts the demonstration projects to three specific sites. This amendment includes these sites initially, but requires the corps to include other areas identified by the State. This amendment makes it clear that it is a streambank stabilization program. As such it is just like the national section 32 program, and the Federal Government will fully fund the projects. Operation and maintenance costs become the responsibility of the non-Federal sponsors of each demonstration project at the end of the 5-year demonstration period.

A most important aspect of this legislation is the establishment of a Nebraska Streambank Erosion Advisory Board. It is vital that the Corps of Engineers coordinate and consult with this panel of State and local officials in determining priority needs of the State. This advisory panel is important because these State and local officials know the water needs of the State. Washington cannot tell the State what its water needs are in this area.

This amendment is vitally important to Nebraska. I realize, however, that the Government and Public Works Committee is operating under the same fiscal constraints felt by the rest of the U.S. Senate. The House of Representatives has seen fit to authorize this important program. However, the language used in the House version requires improvement in several areas. This version incorporates changes suggested by the State of Nebraska. In the interest of keeping S. 1567 moving along, we would be willing to withdraw this amendment if we could be assured by the managers of the bill that they will give every consideration in conference to the overall program in the House-passed bill and to the changes contemplated in our amendment.

Mr. STAFFORD. Mr. President, I hope the very able Senator will withdraw the amendment that he has offered today. The bill that is pending before us here in the Senate already contains a streambank erosion provision which was offered by the distinguished Senators from North and South Dakota, Senator BURDICK and Senator ABDNOR.

It would be our belief in the committee that the Senator's concern, which I can understand because we have erosion problems even in Vermont, needs to be considered in the national program and obviously when we go to conference with the House, we will consider the proposal in the House bill as well as our own.

Mr. EXON. I thank my friend from Vermont.

The PRESIDING OFFICER (Mr. DANFORTH). The Senator from Nebraska is recognized.

Mr. ZORINSKY. Mr. President, my colleague from Nebraska, Mr. EXON and I are offering an amendment to S. 1567 to address major flooding problems that have existed in our State for some time now. The amendment is part and parcel of the substance of a bill we offered on February 28 of last year, S. 539. That bill seeks to establish a series of demonstration projects providing flood control and streambank erosion control structures. In recent years, large spring snowmelt flows originating on the eastern slopes of the Rockies have caused substantial damage along the Nebraska streams overburdened by the seasonal surges in flow volume. The purpose of our bill, S. 539, was to set up a program within the Army Corps of Engineers. In concert with State and local authorities, to deal with the perennial problem with low-cost streambank stabilization projects throughout the State. The program would allow the implementation of a wide range of measures to reduce flooding and the intense erosion that occurs as a result.

The program we envisoned would take into account environmental impacts caused by erosion control measures. The impact of normally occuring erosion, and impact on wildlife. The program would be carried out over a period of 5 years at a cost of $25 million, at full Federal cost. Again, the emphasis would be on low-cost flood

control and bank stabilization efforts so as to demonstrate efficient protection of erosion-prone streambanks.

Unfortunately, S. 539 has not been placed on the Senate calendar for consideration on the floor. The conditions that make many rivers in Nebraska subject to extensive erosion damage still exist, so we are offering the substance of S. 539 as an amendment to S. 1567 at this time. S. 1567 contains no language addressing the flooding problems Senator EXON and I are concerned with.

I would note that the House of Representatives has addressed these issues in H.R. 6, which passed the House on November 13 of last year. The language in section 530 of that bill uses much of the same language that is in our amendment, but there are differences. For example, our amendment would provide for a statewide program rather than a localized one, and we do not provide for recreational facilities to be a part of the program, in addition to other variances in terms. However, I view the house language as a very positive step toward resolving the difficult and pervasive problems of streambank erosion in Nebraska.

Of course, I would prefer to pursue our amendment on the Senate floor to include our language in S. 1567, for I feel that our amendment provides the most comprehensive solution to Nebraska flooding. However, I know that the managers of the bill would prefer that we not bring the matter to a vote at this time, and that they are prepared to give this matter appropriate consideration when it is revisited in consultation with the House in coming weeks. Given these circumstances, and knowing that the issue of a streambank erosion control program will remain an active issue, I agree to withdraw our amendment.

Mr. MOYNIHAN. Mr. President, I wish to thank the two distinguished Senators from Nebraska, for their consideration of the constraints under which the committee is operating with respect to substantive amendments. I say to them that the House provisions on the Nebraska Stream Bank Erosion Program will be given every consideration with the changes suggested by the Senators from Nebraska when we got to conference.

We thank them both for their consideration and proposal which commend themselves to this Senate I am sure.

Mr. ABDNOR. Mr. President, I am a member of the subcommittee. I wish to say I am well aware of what erosion does. We certainly have enough of it up my way and it goes on in North Dakota.

I worked with people in Nebraska, and this is something that I agreed with.

Mr. EXON. Mr. President, I thank our friends from Vermont, New York, and South Dakota for their understanding of this matter. It is extremely important.

We hope that the bill will be passed under the funding mechanism suggested by the House bill but, if that happens and we hope and expect that it will, there is general consensus that the language submitted here should be inserted therein.

We thank all for their cooperation and understanding.

Mr. EXON. Under those circumstances I withdraw the amendment.

The PRESIDING OFFICER. The Senator has a right to withdraw the amendment and it is withdrawn.

The Senator from Virginia is recognized.

Mr. WARNER. Mr. President, first, I ask unanimous consent that the pending amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. Mr. President, I express my appreciation to the majority leader and minority leader for making the procedural avenue by which I can offer this amendment.

Mr. President, I also thank at this time the entire Committee on Environment and Public Works under the able leadership of Chairman STAFFORD and the ranking minority member, Mr. BENTSEN of Texas.

Throughout my 7 years in the Senate I have had a great many dealings with this committee, and I think few people realize how hard they work. This is a historic threshold on which we are now resting. I am so hopeful that this pending matter can go forth and reflect a great measure of credit well deserved by this committee.

AMENDMENT NO. 1695

(Purpose: To modify the Lynnhaven Inlet, Virginia, project)

Mr. WARNER. At this time, Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Virginia [Mr. WARNER] proposes an amendment numbered 1695.

Mr. WARNER. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Insert on page 65, after line 5, the following and number appropriately:

"SEC. . The navigation project for Lynnhaven Inlet, Bay and connecting waters, Virginia, authorized by section 101 of the River and Harbor Act of 1962 (76 Stat. 1173, 1174) is hereby modified to provide that the United States shall pay for the remedial work to Long Creek Canal which the City of Virginia Beach, Virginia, was required to carry out as a result of such navigation project, at a cost not to exceed $1,660,000".

Mr. WARNER. Mr. President, I rise today to offer an amendment to S. 1567, the Omnibus Water Resources Development Act, which I hope will be accepted by the bill's managers on both sides of the aisle.

The purpose of my amendment, which my colleague Senator TRIBLE is cosponsoring, is to authorize the Secretary of the Army to reimburse the city of Virginia Beach, VA $1.66 million for remedial work done on the Long Creek Canal project.

The city was required to carry out the work as a result of a Federal navigation project performed by the U.S. Army Corps of Engineers in 1965.

The Corps of Engineers acknowledges its responsibility in creating the need for this remedial work, but insists they cannot perform the work without authorizing legislation. This injustice was brought to my attention soon after being elected to the Senate, and I have introduced legislation and worked to reimburse the city since that time.

In a letter to Chairman STAFFORD of September 17, 1985, Assistant Secretary of the Army for Civil Works Robert Dawson, indicated that

following completion of the existing Federal navigation project in 1966, erosion and deepening of the canal channel below project depth occurred in the vicinity of the bridge . . . . . Because the actions of the City were appropriate, reasonable, and apparently, effective, we would have no objection to a provision authorizing reimbursement.

Mr. President, I ask unanimous consent that the complete comments of Secretary Dawson concerning the reimbursement of the remedial work on Long Creek Canal be printed in full in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. WARNER. Mr. President, I am pleased that the managers of this critically important legislation have agreed to this amendment, and I thank them for their timely consideration of this problem.

I thank particularly the Senator from South Dakota and the Senator from New York for this and many other courtesies extended to this Senator.

EXHIBIT 1

DEPARTMENT OF THE ARMY,
OFFICE OF THE ASSISTANT SECRETARY,
Washington, DC, September 17, 1985.

Hon. ROBERT T. STAFFORD,
Chairman, Committee on Environment and Public Works, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: This is in response to your recent letter requesting my views on various requests and suggestions for amendments to S. 1567 received by the Committee. I am also providing views on an additional item forwarded for comment by Mr. Harold Brayman of the Committee staff.

My views on each of the items are as follows:

CADY MARSH DITCH (LITTLE CALUMET RIVER), INDIANA

The feasibility report on the Little Calumet River Basin, Indiana, which also addresses the flooding problems in the Cady Marsh Ditch watershed, is currently under review at the Office of the Chief of Engineers. As you know, this office does not support authorization of any proposed project until the feasibility report has been reviewed and endorsed by this office and the Office of Management and Budget.

In regard to the specific issue involving Cady Marsh Ditch, this office has not had the opportunity to review the project report, and, therefore, we are not in a position to comment whether or not an exception to our long-standing policy establishing minimum flood discharge criterion is warranted in this case. It should be mentioned, however, that the discharge criterion, which was established to provide a uniform standard to differentiate between local drainage problems and flood problems eligible for Federal assistance, was adopted after lengthy and careful deliberation.

LONG CREEK CANAL, VIRGINIA

The City of Virginia Beach is seeking reimbursement for work undertaken by the City in 1977 to correct a scouring problem in the vicinity of Virginia Route 615 Bridge caused by the Federal navigation project at Long Creek Canal.

Following completion of the existing Federal navigation project in 1966, erosion and deepening of the canal channel below project depth occurred in the vicinity of the bridge. Subsequently, the City of Virginia Beach advised the Corps of Engineers of the problem, and eventually, after requesting Federal assistance and before corps investigations could be completed, was found by jury trial to be responsible for correction of the problem. The City then initiated remedial construction work at its own expense. Corps studies under Section 111 of the River and Harbor Act of 1968 were terminated after work was started by the City. However, investigations had progressed to the point they were able to determine that the erosion problem was caused by the navigation project and Congressional interests were so notified. Because the actions of the city were appropriate, reasonable and, apparently, effective, we would have no objection to a provision authorizing reimbursement. We would recommend, however, that any such provision provide for a determination that the work has been acceptably completed, that reimbursement be limited to necessary and actual costs, and that acceptance of funds by the city forecloses future claims.

SANTA ANA RIVER (PRADO DAM), CALIFORNIA

We have no objection to review further the feasibility of including conservation storage at the Prado Dam and Reservoir project although storage for this purpose has previously been found to be infeasible.

OUACHITA-BLACK RIVER NAVIGATION (ROAD DAMAGES), ARKANSAS

Union County cites that two county roads handled 95 percent of the equipment and materials for the construction of the Calion and Felsenthal Locks and Dams (part of the Ouachita and Black Rivers Nine-Foot Navigation project) resulting in extensive road damage and requiring repair estimated to cost $700,000. The County wants the Federal Government to repair these roads.

Besides the fact that Union County furnished the corps assurances in 1962 that the County would hold and save harmless the United States Government from damages resulting from Ouachita-Black River Navigation project, our policy on such issues is that it is the local jurisdiction's responsibility to ensure that contractor's vehicles are not overloaded.

PHILLIPS COUNTY (HELENA HARBOR), ARKANSAS

Although the proposed project at Helena Harbor, Arkansas, is currently included in Title VII of S. 1567, we continue to oppose Federal implementation of this project. By letter dated July 6, 1984, this office informed Congress that creation of flood-free landfill through the use of material dredged from an adjacent channel was feasible, but that this development was most appropriate for implementation by local interests in response to market conditions. Their costs should be recoverable through the sale or lease of the landfill. Therefore, no further planning or development activities by the corps are warranted at this time.

JACKSONVILLE HARBOR (MILL COVE), FLORIDA

S. 1567 would authorize the Mill Cove project in accordance with the report of the Chief of Engineers. The Chief recommended modification of the existing Federal project for Jacksonville Harbor to provide for flow and circulation improvements and small-boat navigation improvements for Mill Cove at full Federal costs.

Based on subsequent review of the report by this office and the Office of Management and Budget, this office advised Congress by letter dated June 1, 1984, that the flow and circulation component of the project should be authorized for construction, as a Federally-funded activity, but that the small-boat navigation improvement should not be authorized since that feature is not a necessary component for mitigation of the shoaling. Provided the authorizing language in the bill is revised to reflect the preceding, this office has no objections to authorizing the flow and circulation improvements at full Federal cost.

Sincerely,

ROBERT K. DAWSON,
Acting Assistant Secretary of the Army (Civil Works).

Mr. TRIBLE. Mr. President, I would like to join my colleague from Virginia and commend him for introducing this amendment.

Since 1977, the city of Virginia Beach has been seeking reimbursement for work undertaken by the city. This work was done to correct a scouring problem in the vicinity of Virginia Route 615 bridge caused by the Federal navigation project at Long Creek Canal.

The erosion caused by the Federal navigation project was reported to the corps by the city of Virginia Beach, and the city asked for assistance. Before corps investigations could be completed, the city was forced to begin remedial construction work at a cost of $1.66 million.

The corps has approved that the city should be reimbursed because their actions were "appropriate, reasonable, and effective."

Mr. President, I hope that my colleagues will see that this amendment passes so that the city of Virginia Beach is finally reimbursed for their appropriate actions.

Mr. ABDNOR. Mr. President, it is always a pleasure to work with the Senator from Virginia.

I am familiar with the amendment, and according to the Corps of Engineers the federally constructed Long Creek Canal project was responsible for the need to provide protective measure for the bridge on Virginia Route 615. In fact, it is my understanding that the Corps of Engineers was studying how to protect this bridge at full Federal cost when the city of Virginia Beach undertook those repairs on their own.

Furthermore, the Corps of Engineers has informed us that the work performed by the city was appropriate and effective. I, therefore, believe it is appropriate that the city of Virginia Beach be reimbursed for the work they performed to mitigate damages caused by the Federal navigation channel.

I support the amendment of my friend from Virginia.

Mr. WARNER. I thank the Senator.

Mr. MOYNIHAN. Mr. President, the facts as set forth by the distinguished Senator from Virginia are precisely those which we in the committee understand to be the case, as the chairman has just said.

The corps has acknowledged this was work made necessary by its previous actions in which it was about to undertake and would have had to have done. The city did it, and the work was done in a timely fashion which reduced the long-term costs, and it should be reimbursed. No one in the Federal authority doubts that, and we are happy to accept the amendment on this side.

Mr. WARNER. I thank the Senator from New York.

Mr. MOYNIHAN. I thank the Senator from Virginia for his courteous remarks and agree with him.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1695) was agreed to.

Mr. WARNER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ABDNOR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1690

Mr. KASTEN. Mr. President, first of all, I ask unanimous consent that the Finance Committee amendment be laid aside for the purpose of considering the Kasten amendment No. 1690 which had been temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KASTEN. Mr. President, this amendment would simply deauthorize the Federal dredging project at Racine Harbor. It would release the responsi-

bility of the Federal Government to dredge the harbor and enable local interests to undertake the project on their own. As I said earlier, I would prefer that the Senate adopt the House authorization of the project. But given the limitations we have on the Senate bill, I want to make sure that we at least give local officials, the ability to start the dredging. This project is critical to economic revitalization of the Racine area, and I intend to see that it gets off the ground. I urge my colleagues to support this amendment.

I would also like to thank the Senator from South Dakota, the distinguished manager of the bill, for his offer to give very serious consideration to the House authorization of the Racine project during conference. I will continue to work with him on this matter and look forward to his continued support on this matter.

Mr. President, I have had an opportunity to review this amendment with the senior Senator from Wisconsin, [Mr. PROXMIRE] and he supports this amendment. I would like to add his name as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, with the expeditious and felicitous outcome of this matter that, obviously, in the judgment of the two Senators from Wisconsin, this is heading for—and it is almost the invarying practice of the committee to yield to such a joint judgment—there is no objection on this side.

Mr. ABDNOR. I certainly wish to commend the Senator from Wisconsin. This demonstrates once again his concern and interest in his State and cities and what ends he goes through to make sure it is expedited as quickly as possible. I am pleased we were able to run down the senior Senator from Wisconsin on a late Friday afternoon. I congratulate the Senator from Wisconsin on the job he has done.

Mr. KASTEN. Mr. President, I thank, first of all, the chairman of the committee, and also the Senator from New York, for their cooperation. I ask that we now consider the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1690) was agreed to.

Mr. KASTEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ABDNOR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MATSUNAGA. Mr. President, I rise in support of the pending legislation, S. 1567, the Harbor Maintenance Revenue Act of 1985. I especially urge the adoption of the Finance Committee amendments, which among other provisions relate to the tax treatment of Hawaii and the insular possessions of the United States.

Mr. President, the underlying legislation imposes a .04 percent ad valorem charge on cargo loaded onto, or unloaded from, commercial vessels in waterports of the United States. The Finance Committee considered at length and in depth the unique circumstances pertaining to Hawaii and the insular possessions of the United States, which are almost competely dependent on waterborne commerce. Under an amendment approved by the Finance Committee, the proposed port use charge would not apply to either the loading or subsequent unloading of cargo that is loaded in Hawaii or in any U.S. possession and shipped to the U.S. mainland or Alaska for ultimate use or consumption in the U.S. mainland or Alaska. Similarly, the port use charge would not apply to either the loading or subsequent unloading of cargo that is loaded at any port in the U.S. mainland or Alaska for transportation to Hawaii or a U.S. possession for ultimate use or consumption in Hawaii or a U.S. possession, however, the exemption would not apply to the loading or unloading in Hawaii or in the U.S. possessions of cargo shipped to or from a foreign country.

Mr. President, in my view these provisions which were drafted with the understanding cooperation and able assistance of the distinguished chairman of the Finance Committee, Mr. PACKWOOD, are an adequate and appropriate response to the concerns which I raised last September during the Finance Committee hearing on the pending legislation.

Mr. President, I wish to take this opportunity to thank Senator PACKWOOD, along with the ranking Democrat of the Finance Committee, Senator LONG, without whose assistance the economies of Hawaii and the U.S. possessions would have been subjected to undue burden. Mr. President, in urging the adoption of the Finance Committee amendments and the Harbor Maintenance Revenue Act of 1985, as amended, I wish to add my congratulations and commendations to those extended by my colleagues to the chairman and ranking member of the subcommittee for their successful effort in reporting the bill to the floor.

Mr. MOYNIHAN. Mr. President, as frequently is the case with the Senator from Hawaii, but perhaps less so with the Members generally of the Senate, he has been too modest in his account of this amendment, which is an important one. The case for Hawaii and the insular possessions of the United States was made before the Finance Committee by the Senator from Hawaii. I am a member of that committee and sit along side of him in that body. It was made with clarity and with conviction and with equity—and it was accepted, as is so frequently the case with matters he brings forward.

This would be an inadequate bill without this provision. It would be a flawed bill, without it. He may be assured that we will not come back from conference without it.

Mr. MATSUNAGA. I thank the Senator from New York [Mr. MOYNIHAN] for his kind comments. I wish to thank him not only as the ranking member of the subcommittee, but as a member of the Finance Committee, who plays a major part in devising the Finance Committee amendments. I thank the Senator.

COST SHARING

Mr. BUMPERS. Mr. President, I would like to ask the Senator from New York and the Senator from South Dakota just a couple of questions based on my concern about some of the cost-sharing arrangements provided for in this bill.

Let me say first, I have absolutely no objection to the mandate for more cost sharing by the local entities. But I want to say that in my State, for example, there are a few projects there that cannot possibly meet the cost-sharing requirements. Some of these desperately needed projects have been carefully planned and are finally about ready to go to construction, but these cost-sharing provisions obviously will shoot them down.

Of course, I have been told repeatedly that any amendments to change the cost sharing in the Senate bill would cause the bill to either be vetoed if an amended version were to be passed, or that there was even a possibility the bill would be pulled down if the cost-sharing arrangements were changed.

But there have to be exceptions to every rule. And obviously there are many places in this country that, maybe not now, but in the future, are going to be desperate for flood control, navigation projects, and so on, and the national interest would be best served by providing for flood control and navigation in those instances. But, at the same time, the local entities would find it absolutely economically impossible to come up with their cost-sharing arrangement.

Is there any provision in here so that where the national good or the national interest would be so overwhelming, and where the local cost sharing simply could not be met, there would be an exception made which would allow those projects to be developed?

Mr. STAFFORD. Will the able Senator yield?

Mr. BUMPERS. I am happy to yield. I am sorry, I referred to the Senator from South Dakota. I thought he was still on the floor. It is the Senator from Vermont.

Mr. STAFFORD. The Senator from Vermont is pinch hitting for him because he had to leave.

I might invite the Senator's attention to page 105 of the bill before the Senate. I will read the short paragraph that might apply to the Senator's question.

Mr. BUMPERS. What line is that?

Mr. STAFFORD. It starts on line 8, I say to the able Senator.

> Any cost-sharing agreement under the terms of this title for flood control, rural drainage, or agricultural water supply shall be subject to the ability of a non-Federal sponsor to pay. The ability of any non-Federal sponsor to pay shall be determined by the Secretary in accordance with procedures established by the Secretary.

Other than that, I would have to say to my friend that it was a very long, difficult, and laborious process that we went through, as members of the committee, with the administration representatives in working out the bill which we were able to bring to the floor of the Senate.

It would be the opinion of the Senator from Vermont, reluctantly, that any change in the cost-sharing formulas that are in the bill would almost surely invite the veto of the bill at the White House.

Mr. MOYNIHAN. Mr. President, as an extension to the comments of our distinguished chairman, the Senator from Vermont, let me quote to the Senator from Arkansas a passage from the report language, which simply says:

> Beneficial projects should not, however, be rejected simply because non-Federal interests lack the resources to finance the share of the developing costs.

We understand the situation. Allow me to clarify our purpose. We do not have any flood control projects in America today. We do not have any major water programs in development. I am referring to projects on the Ohio, like the Gallipolis Locks and Dam, and to major projects on the Monongahela and the Mississippi.

In the last 10 years—and I have been 9½ years on this subcommittee and was chairman of it—the Corps of Engineers has commenced three projects—three. There are 181 in this bill.

The reason we have not accomplished our objective results from a conjunction of forces. First of all, these projects—dams in the early days, or this century—were sort of free goods. And the committee chairman got two, the ranking member got one, and then every other year other members of the committee got one. Like any free goods, they were abused.

First of all, the best projects are used up after a while, and then less effective and useful projects come in. Dams are not of necessity a good idea, as the Egyptians found out and as many American communities have discovered, too.

That gave rise to objections on cost grounds, and environmental considerations. And then there came a time when other parts of the country said these projects are too much associated with the Ohio, Mississippi, and Missouri Basins, and not with the Bureau of Reclamation, which by definition includes only Western States.

Additionally, we had problems such as the Senator from Vermont described. We need coal ports. The Senator from West Virginia I know cares about coal ports. We have spent 5 or 6 years working on this matter of deep water, 55-foot ports for export of coal. There are three major coal exporters in the world: Australia, South Africa, and the United States. Europe and Japan—major importers—have built 60-foot harbors for super colliers. Australia and South Africa have done the same.

Surprisingly enough, I discovered that we built one in Seward, Alaska. This Alaskan port is being used by super colliers designed to go back and forth from Japan under 30-year contracts. Under the system we had in place—here I am going to revise an estimate of the Senator from Vermont, and I have given long and serious attention to this—I think by the year 2020 we would have had 15 60-foot ports. But that would be too late. That is 35 years from now. What we need is three in the 1980's, and maybe one in the 1990's. We have gotten one in Alaska now. We can only build projects of this magnitude if we have projects that meet market tests.

If we want nothing, nothing is what we are getting now. If we want nothing we should plod along as in past years. We found we can get nothing very readily. For example, take the case of Lock and Dam 26. There was no problem not to get that done. We need to expand it, obviously. The cost of expanding it in 10 years will be twice what we can do today with time-discounted money. So we have put in cost sharing along with a market test to determine if these projects should go forward.

As I noted earlier in this debate, last year, in 1985, the Corps of Engineers did more construction work in Saudi Arabia than it did in the United States.

So we put in the cost-sharing provision, but with respect to flood control. There are very few big harbors that cannot afford to pay the cost-sharing on port projects. If they cannot pay, then they can do without a 60-foot harbor. But floods can rush down the tiny hollows in my part of New York State, which is part of Appalachia and geographically part of the Appalachian Regional Commission. This is where I live, and have lived for a quarter of a century. We know what the floods are like in those hollows. They can hit and devastate communities just like they can in Vermont. The Senator does not have quite the rivers we have. But still that can happen, and devastate communities which are small, and could not possibly themselves take care of the cost sharing that is provided under the basic schedule.

That is why the Secretary of the Army is authorized to renegotiate or to waive such provisions. We do not do it as a formality, as a gesture toward a need. We do it as a recognition of need. It says that beneficial projects should not be rejected simply because non-Federal interests lack the resources to finance the share of the development costs.

I cannot say more. As a matter of fact, I will not say more. But I hope the Senator has heard me, and I hope it helps to clarify this provision.

Mr. BUMPERS. The Senator's description of how this came to be is edifying and I appreciate it very much.

One thing that has troubled me greatly about this provision is the criteria which the corps will use in determining which projects are going to receive priority consideration. I know they are going to have criteria that at least is ostensibly going to be fair. But I come from a State that is not wealthy by any standard except in human resources and natural resources.

My fear is that we will have many projects that are of equal need and importance. Those projects where the local sponsor has been able to come up with the highest percentage of cost sharing are going to receive priority over others which are equally needed. Those projects would be just as critical to the people involved, but if they are relatively poor and cannot come up with their share, they will have no recourse.

Is there anything in the bill or in the committee report that addresses that, other than just the fact that the corps will make the determination?

Mr. MOYNIHAN. The actual statutory language is fairly strong.

> Any cost-sharing agreement under the terms of this title for flood control, rural drainage, or agricultural water supply shall be subject to the ability of a non-Federal sponsor to pay.

I would take that to be strong language.

Mr. BUMPERS. The next sentence is what troubles me. It says:

> The ability of any non-Federal sponsor to pay shall be determined by the Secretary in accordance with procedures established by the Secretary.

Will the committee oversee, and put its final approval on those procedures?

Mr. MOYNIHAN. Surely.

Mr. STAFFORD. If the Senator is inquiring are we going to have oversight over this program in the future, very obviously the committee will. We

expect it to be fairly administered by whoever may be the Secretary.

Mr. BUMPERS. I understand. If the Senate version of this bill stands—and there are parts of it I hope will not—I hope the House will prevail in some instances, but in this particular case, if this portion of the bill stands, the Secretary is going to have a mandate to establish procedures.

My question is, Will the committee put its stamp of approval on those procedures before they are finalized, or will they simply exercise their oversight responsibility once they are finalized and put into practice, and will the committee determine whether they are working out well or not?

Mr. STAFFORD. It would be my judgment that we would be exercising oversight responsibilities as far as the Secretary's rules and regulations and procedures might be concerned.

Mr. BUMPERS. I thank the Senator. I hope that the Secretary will stay in close communication at least with the chairman and ranking member of the committee in the drafting of these procedures to make sure that the basic fairness problem that I have addressed here is fairly addressed in those procedures.

I thank the Senators for their time.

Mr. MOYNIHAN. Can I say that I agree with the Senator, my chairman, that of course we will exercise oversight. But I would like to put this Senate on notice this afternoon that I have been on this committee for almost 10 years now and there has been no water bill. There have been virtually no flood control projects. They are not easily approved. We have shown that.

Mr. President, I thank the Chair and I yield the floor.

Mr. LUGAR. Mr. President, I would like to commend the distinguished Senator from South Dakota for the many years of hard work and diligent attention which he has given to this legislation. At my request and that of Senator QUAYLE, S. 1567 includes two key projects in Indiana, the Little Calumet River Basin project and the Indiana shoreline erosion project. The Little Calumet River Basin project will bring important flood control, recreational, and economic benefits to the Calumet region at a very favorable benefit-to-cost ratio of 2.5 to 1. The Indiana shoreline erosion project will help to preserve the Indiana Dunes National Lakeshore from the erosive effects of a Federal structure. It would also help to mitigate erosion in the town of Beverly Shores, IN. I also appreciate the Senator's consideration of the Cady Marsh Ditch project in Griffith, IN, and I regret that the committee found that this project would not meet its criteria for inclusion in the bill.

I would like to take this occasion to indicate my strong support for the Lake George project in the House-passed bill. The city of Hobart is centered around Lake George. This lake has deteriorated because of sediment brought to it from sources outside Lake George. The demonstration project would provide for the removal of silt, aquatic growth, and other material in Lake George and in that part of Deep River upstream of the lake through Lake Station. It would also provide remedial measures to prevent future problems. I would urge the managers of the bill to support this project in conference with the House.

Mr. ABDNOR. I recognize the importance of this project and I can assure the Senator that it will be reviewed in conference with the House.

Mr. STAFFORD. Mr. President, I suggest the absence of a quorum.

Mr. BUMPERS. Will the Senator withhold?

Mr. STAFFORD. Yes.

Mr. BUMPERS. We are still on this bill.

Mr. STAFFORD. Will the Senator put in a quorum call to see if the leaders have some further thought about the rest of the afternoon?

Mr. BUMPERS. Mr. President, I was wondering if we might go into morning business at any time prior to adjournment?

Mr. STAFFORD. I am unable to respond. The majority leader is expected shortly.

Mr. BYRD. Mr. President, I am sure the Senate will go into morning business to accommodate the distinguished Senator from Arkansas.

Mr. STAFFORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, I ask unanimous consent that I may be permitted to proceed for 10 minutes as though in morning business.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

HEPTACHLOR AFFECTING THE DAIRY INDUSTRY

Mr. BUMPERS. Mr. President, I want to make the Senate aware of a situation that has just developed principally in Arkansas but also in Missouri, Kansas, Tennessee, Texas, Oklahoma and, I believe, Mississippi. I am referring to a devastating situation, namely, the contamination of milk supplies with heptachlor, a chemical that was banned by the Environmental Protection Administration in 1983. I might say, Mr. President, that if EPA had not only banned heptachlor as a carcinogen in 1983, but had destroyed all the inventoried remaining stocks of that chemical, I would not be on my feet right now. But, unhappily when EPA banned heptachlor, they also ruled that existing inventories could continue to be used.

Heptachlor has been used since that time on feedgrains to prevent mildew, mold, and so on.

Valley Feeds is an ethanol plant in Van Buren, AR, just across the river from Fort Smith. This ethanol plant, of course, produces ethanol, mostly from corn and some milo. It was just discovered, about 3 to 4 weeks ago, that Valley Feeds has been buying grain from a brokerage firm—I am not sure exactly where that grain came from—and processing it into ethanol and selling the mash that resulted. This is a corn mash, a feedgrain mash that is the residue from the ethanol processing procedure. They have been feeding that mash to dairy farms all over these States, but principally in Arkansas.

Once it was discovered that one dairy farmer had heptachlor in his milk at a level of 60 to 80 times above permissible levels, then the Arkansas State Health Department, and presumably the Federal health authorities, began to test every dairy herd that they suspected had received any of the feed from this mill.

Now, 3 weeks later, the plot thickens and the damage increases.

In my State alone, out of 1,350 dairy farmers, 90 herds have been quarantined. I am not sure how many herds have been quarantined in Missouri, Kansas, Texas, Oklahoma, and Mississippi. Several.

But in any event, to give you some idea of the damage, 2 days ago we had 68 dairy herds quarantined and it is now up to considerably more than that. The Department of Agriculture made a temporary finding that involved about 5,900 producing dairy cows, and 900 breed heifers. The figure now probably involves over 15,000 dairy cows.

There is also the possibility that this feed has gone into at least some beef cattle herds, some hogs, and at least one flock of sheep.

The dairies, and I am talking about the commercial dairies in the affected States, have been pulling milk off the shelves as fast as they could if they suspected it of being contaminated. Most health authorities say that the danger to the public is not serious.

The same thing happened in Hawaii in 1983, and under a cattle indemnity program, the U.S. Government paid the dairy farmers of Hawaii for their lost production of milk until the heptachlor could be washed out of the cattle.

Heptachlor deposits itself in fatty tissue and to get rid of it takes anywhere from 6 months to 2 years.

Unfortunately, Mr. President, the Cattle Indemnity Program has $94,000 in it. So there is no money at the discretion of the Secretary to start paying these farmers immediately for lost production.

I met with about 30 dairy farmers last Saturday in north Arkansas. I have never seen a more frustrated, desperate group of men in my life. They cannot sell the milk and they cannot sell their cattle. Yet there is no money coming from this program to them. They have to keep milking the cattle and they have to keep feeding them and, yet, there is no income coming in to them.

Mr. President, this is a disaster of great magnitude. My guess is that we are talking about damages that will well exceed $10 million.

One of the interesting things about this is there is no really good way to dispose of the milk. One of the problems these farmers have is they have to keep milking these cows morning and night and they have to dispose of the milk. They are scared to death that if they dispose of it on top of the ground, it will pollute their underground water and their wells. There is just no good solution to this yet.

I say to all of my colleagues, Secretary Lyng has been very courteous and kind to me. I have talked to him on the phone and in person a number of times. He has today appointed Mike Masterson, his special assistant, to head up a task force to go and do an economic damage assessment and report back to him on what action the Department or Congress, or all of us, should take.

That task force will start out in Fayetteville, Arkansas, which is the center of most of the Arkansas problem. It is going to start out there on Tuesday morning and possibly Tuesday afternoon, go to Missouri; then, on Tuesday and Wednesday, go on over to Kansas and, hopefully, report back to the Secretary next weekend as to the extent of the damage, the amount and what we should do about it.

If this were a flood or a tornado or Mount St. Helens exploding and you say it on the evening news, everybody in this body would be saying, "Let us get some relief to those people immediately." But simply because all you see is farmers pouring out milk, that does not look very serious unless you happen to be one of those farmers pouring the milk out.

So, Mr. President, this has been going on now for 3 weeks. We are hoping that all these dairy herds will be tested by this weekend. But, you know, Mr. President, this feed may not have just been fed through the valley feed mills in Van Buren where they make ethanol. There is a possibility that this feed also went to other commercial feeders in the country who also sold it either to beef cattle herds or dairy herds.

Let me tell my colleagues one of the problems involved in this. You can test the milk of a dairy cow and you can determine whether or not that cow is contaminated. Indeed, they do not even test these dairy cows because it costs about $125 a cow to test them. What they do is test the milk. If the milk is above permissible levels for safety and health, they quarantine the whole herd.

In beef cattle, you cannot test the milk because there is nothing to test. You have to test each individual cow or steer or whatever, at $125 each. So you can see, just the testing of beef cattle is prohibitively expensive.

My point, Mr. President, is that I want to put the Senate on notice that we have one of the greatest tragedies and disasters in my State we have ever had. So far as the appearance of the problem is concerned, it does not look like a tornado or a flood or any of those other things we consider to be disasters, but it is just as much a disaster as any of those things. We have a law on the books, and we have asked the Secretary—the whole congressional delegation from my State is involved, and we are hoping delegations from all the affected States will join us—to reprogram money from some disaster or contingency fund if at all possible into this cattle indemnity fund so we start paying these farmers now. He says he does not know of any such fund.

He did say the Commodity Credit Corporation charter is very broad and that there is a possibility that that could be used as a source of funds to start paying these farmers now. If it is not, it will require a supplemental appropriation.

That presents a problem for all of us, because any appropriation, particularly one for $10 million, would be subject to a point of order under Gramm-Rudman and would require 60 votes. I am hoping that the Secretary will be able to find a solution or make a very strong recommendation to us very soon, because otherwise, we shall have effectively allowed all of these dairy farmers to go down the tube through no fault of their own.

Incidentally, Mr. President, the Government inspectors apparently visited this plant back in January and found aflatoxin and told them. The interesting thing about it is feed grain which has been treated with heptachlor has also been sprayed with some kind of color—pink or red—to say that this grain has been treated with heptachlor. It seems to me that there is a possibility that Government inspectors who visited that plant in January may have seen something that said unequivocally to them that the stockpiles of grain they were using to make ethanol was clearly contaminated. They could have simply asked "Are you selling any of the byproduct of this that goes into dairy herds or beef cattle or hogs or sheep or anything else that can get into the food chain?" But apparently, the question was not raised.

All I am saying is that our caring, generous, magnanimous Government ought to move and move quickly on this.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONGRESSIONAL REPORTS ELIMINATION ACT

Mr. STAFFORD. Mr. President, if it is agreeable to the minority leader and he is able to consent to it, I am prepared to go ahead with Calendar No. 454, S. 992, and an amendment to be offered on behalf of Senator COHEN.

Mr. BYRD. Mr. President, there is no objection on this side.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Senate turn to consideration of Calendar 454, S. 992.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 992) to discontinue or amend certain requirements for agency reports to Congress.

The Senate proceeded to consider the bill which had been reported from the Committee on Governmental Affairs, with an amendment to strike out all after the enacting clause, and insert the following:

That this Act may be cited as the "Congressional Reports Elimination Act of 1985".

TITLE I—ELIMINATIONS

REPORTS BY MORE THAN ONE AGENCY

SEC. 101. (a) Section 218(a) of the Biomass Energy and Alcohol Fuels Act of 1980 (42 U.S.C. 8818(a)) is repealed.

(b) Section 3104 of title 5, United States Code, is amended by—

(1) striking out subsection (b);

(2) redesignating paragraphs (1), (2), and (3) of subsection (a) as subsections (a), (b), and (c), respectively; and

(3) striking out "paragraph (1) of this subsection" each place it appears in subsections (b) and (c) (as redesignated by paragraph (2) of this subsection) and inserting in lieu thereof "subsection (a) of this section".

(c) Section 26(e)(2) of the Toxic Substances Control Act (15 U.S.C. 2625(e)(2)) is amended to read as follows:

"(2) The Administrator and the Secretary shall—

"(A) define the term 'known financial interests' for purposes of paragraph (1), and

"(B) establish the methods by which the requirement to file written statements specified in paragraph (1) will be monitored and enforced, including appropriate provisions for review by the Administrator and the Secretary of such statements.".

(d) Section 1114(b) of title 31, United States Code, is repealed.

(e) Section 1113(e)(3) of title 31, United States Code, is repealed.

(f) Section 311(c) of title 37, United States Code, is repealed.

(g) Section 203(o) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(o)) is amended by striking out ", and the head of each executive agency disposing of real property under subsection (k) of this section," in the first sentence.

REPORTS BY THE EXECUTIVE OFFICE OF THE PRESIDENT

SEC. 102. (a) Section 1105(a)(12) of title 31, United States Code, is repealed.

(b) Section 3524(b) of title 31, United States Code, is repealed.

REPORTS BY THE DEPARTMENT OF AGRICULTURE

SEC. 103. (a) Section 7(b) of the Soil and Water Resources Conservation Act of 1977 (16 U.S.C. 2006(b)) is repealed.

(b) Section 17(j) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(j)) is repealed.

REPORTS BY THE DEPARTMENT OF COMMERCE

SEC. 104. (a) Section 6(b) of the Federal Water Pollution Control Act Amendments of 1972 (33 U.S.C. 1251 note) is repealed.

(b) Section 259 of the Revised Statutes (15 U.S.C. 183) is repealed.

(c)(1) Section 201 of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1441) is amended by striking out "and shall report from time to time, not less frequently than annually, his findings (including an evaluation of the short-term ecological effects and the social and economic factors involved) to the Congress".

(2) Section 202(c) of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1442(c)) is amended by inserting "and section 201" after "this section" in the first sentence.

(d) Section 5(e) of the Fair Packaging and Labeling Act (15 U.S.C. 1454(e)) is repealed.

(e) Section 2(d)(2) of the Act of August 11, 1939 (commonly referred to as the Saltonstall-Kennedy Act) (15 U.S.C. 713c-3(d)(2)) is repealed.

(f) Section 3 of Public Law 96-339 (16 U.S.C. 971i) is repealed.

(g) Section 5 of the Central, Western, and South Pacific Fisheries Development Act (16 U.S.C. 758e-2) is repealed.

REPORTS BY THE DEPARTMENT OF DEFENSE

SEC. 105. (a) Section 2672a of title 10, United States Code, is amended by striking out the last sentence.

(b)(1) Section 2662 of title 10, United States Code, is repealed.

(2) The table of sections for chapter 159 of such title is amended by striking out the item relating to section 2662.

(c) Section 221 of the Flood Control Act of 1970 (42 U.S.C. 1962d-5b) is amended by striking out subsection (d) and by redesignating subsection (e) as subsection (d).

(d) Section 2675 of title 10, United States Code, is amended by striking out the subsection designation "(a)" and by striking out subsection (b).

REPORTS BY THE DEPARTMENT OF EDUCATION

SEC. 106. (a) Section 117(d) of the Higher Education Act of 1965 (20 U.S.C. 1017(d)) is repealed.

(b) Section 553(c) of the Higher Education Act of 1965 (20 U.S.C. 1119(c-2)(c)) is repealed.

(c) Section 605(b) of the Higher Education Act of 1965 (20 U.S.C. 1125(b)) is repealed.

(d) Section 403(a)(2) of the Department of Education Organization Act (20 U.S.C. 3463(a)(2)) is repealed.

(e) Section 441(e)(3) of the Carl D. Perkins Vocational Education Act of 1984 (Public Law 98-524) is amended by striking out the last sentence.

REPORTS BY THE DEPARTMENT OF ENERGY

SEC. 107. (a) Section 7(b)(7) of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5906(b)(7)) is amended by—

(1) striking out subparagraph (A); and

(2) striking out "(B)" before "No".

(b) Title II of Public Law 96-126 is amended by striking out the last paragraph under the heading "Department of Energy-Alternative Fuels Production" (42 U.S.C. 5915 note).

(c) The Powerplant and Industrial Fuel Use Act of 1978 is amended by—

(1) striking out section 801 (42 U.S.C. 8481); and

(2) striking the item relating to section 801 in the table of contents.

(d) Section 11 of the Wind Energy Systems Act of 1980 (42 U.S.C. 9210) is amended by—

(1) striking out paragraph (5);

(2) inserting "and" after the semicolon at the end of paragraph (4); and

(3) redesignating paragraph (6) as paragraph (5).

(e) The Public Utility Regulatory Policies Act of 1978 is amended by—

(1) striking out section 116 (16 U.S.C. 2626);

(2) striking out section 309 (15 U.S.C. 3209); and

(3) striking out the items relating to sections 116 and 309 in the table of contents.

(f) Section 218(b) of the Biomass Energy and Alcohol Fuels Act of 1980 (42 U.S.C. 8818(b)) is repealed.

(g) Section 8 of the Nuclear Safety Research, Development, and Demonstration Act of 1980 (42 U.S.C. 9707) is amended by striking out subsections (b) and (c) and by striking out "(a)" before "The Secretary".

REPORTS BY THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

SEC. 108. (a) Section 27(c) of the Toxic Substances Control Act (15 U.S.C. 2626(c)) is repealed.

(b) Section 308(a) of the Public Health Service Act (42 U.S.C. 242m(a)) is amended—

(1) by striking out paragraph (1);

(2) by striking out "or (2)" in paragraph (3); and

(3) by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

(c) Section 317(h) of the Public Health Service Act (42 U.S.C. 247b(h)) is repealed.

(d) Section 336A of the Public Health Service Act (42 U.S.C. 254i) is repealed.

(e) Section 338A(i) of the Public Health Service Act (42 U.S.C. 254l(i)) is repealed.

(f) Section 357 of the Public Health Service Act (42 U.S.C. 263e) is repealed.

(g) Section 360D of the Public Health Service Act (42 U.S.C. 263l) is repealed.

(h)(1) Section 2111 of the Public Health Service Act (42 U.S.C. 300aa-10) is repealed.

(2) The first sentence of section 383(b) of such Act (42 U.S.C. 277(b)) is amended by striking out ", and the Secretary shall include in his annual report to the Congress a statement covering the recommendations made by the Board and the disposition thereof".

(i) Section 771(b)(2)(C) of the Public Health Service Act (42 U.S.C. 295f-1(b)(2)(C)) is amended by striking out "and to the Committee on Interstate and Foreign Commerce of the House of Representatives and to the Committee on Labor and Public Welfare of the Senate" in the last sentence.

(j) Section 1009 of the Public Health Service Act (42 U.S.C. 300a-6a) is repealed.

(k) Section 1122 of the Public Health Service Act (42 U.S.C. 300c-12) is amended to read as follows:

"SUDDEN INFANT DEATH SYNDROME RESEARCH

"SEC. 1122. From the sums appropriated to the National Institute of Child Health and Human Development under section 441, the Secretary shall assure that there are applied to research which relates specifically to sudden infant death syndrome, and to research which relates generally to sudden infant death syndrome, including high-risk pregnancy and high-risk infancy research which directly relates to sudden infant death syndrome, such amounts each year as will be adequate, given the leads and findings then available from such research, in order to make maximum feasible progress toward identification of infants at risk of sudden infant death syndrome and prevention of sudden death syndrome.".

(l) Section 1315 of the Public Health Service Act (42 U.S.C. 300e-14) is repealed.

(m) Section 1318(e) of the Public Health Service Act (42 U.S.C. 300e-17(e)) is repealed.

(n) Section 1705 of the Public Health Service Act (42 U.S.C. 300u-4) is repealed.

(o) Section 1881(c)(6) of the Social Security Act (42 U.S.C. 1395rr(c)(6)) is amended by striking out the last sentence.

(p)(1) Title IV of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (42 U.S.C. 3509) is repealed.

(2) The table of contents for such Act is amended by striking out the items relating to section 1200 and title IV.

(q) Section 315 of the Runaway Homeless Youth Act (42 U.S.C. 5715) is repealed.

(r) Section 640(d) of the Head Start Act (42 U.S.C. 9835) is amended by striking out the second sentence.

REPORTS BY THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SEC. 109. (a) Section 904 of the Housing and Community Development Act of 1977 (42 U.S.C. 3540) is repealed.

(b) Section 311 of the Energy Conservation Standards for New Buildings Act of 1976 (42 U.S.C. 6840) is repealed.

(c) Section 505(f) of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-4(f)) is repealed.

(d) Section 506(c) of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-5(c)) is repealed.

REPORTS BY THE DEPARTMENT OF THE INTERIOR

SEC. 110. (a) Section 522(b) of the Energy Policy and Conservation Act (42 U.S.C. 6392(b)) is amended to read as follows:

"(b) The Secretary and the Secretary of the Interior shall each act, within 90 days after the date of enactment of this Act, in accordance with section 553 of title 5, United States Code—

"(1) to define the term 'known financial interest' for purposes of subsection (a); and

"(2) to establish the methods by which the requirement to file written statements specified in subsection (a) will be monitored and

enforced, including appropriate provisions for the filing by such officers and employees of such statements and the review by the Secretary or the Secretary of the Interior, as the case may be, of such statements.".

(b) Section 8(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)) is amended by striking out paragraphs (8) and (9).

(c) Section 2 of Public Law 87-283 (25 U.S.C. 165) is repealed.

(d) Public Law 87-279 (25 U.S.C. 15) is amended by striking out the last sentence.

(e) Section 31(e) of the Act of February 25, 1920 (41 Stat. 450, chapter 85; 30 U.S.C. 188(e)) is amended by striking out the second sentence.

REPORTS BY THE DEPARTMENT OF JUSTICE

SEC. 111. Section 2101(d) of title 18, United States Code, is amended by striking out the semicolon and all that follows and inserting in lieu thereof a period.

REPORTS BY THE DEPARTMENT OF LABOR

SEC. 112. Section 4(e) of the Fair Labor Standards Act of 1938 (29 U.S.C. 204(e)) is repealed.

REPORTS BY THE DEPARTMENT OF TRANSPORTATION

SEC. 113. (a) Section 13 of the Merchant Ship Sales Act of 1946 (50 U.S.C. App. 1746) is repealed.

(b) Section 163 of the Federal-Aid Highway Act of 1973 (23 U.S.C. 130 note) is amended by—

(1) striking out subsection (o); and

(2) redesignating subsections (p) and (q) as subsections (o) and (p), respectively.

(c) Section 203(e) of the Highway Safety Act of 1973 (23 U.S.C. 130 note) is amended by striking out the third, fourth, and fifth sentences.

(d) Section 152(g) of title 23, United States Code, is amended by striking out the third, fourth, and fifth sentences.

(e) Section 308(a) of title 49, United States Code, is repealed.

REPORTS BY THE DEPARTMENT OF THE TREASURY

SEC. 114. (a) Section 331 of title 31, United States Code, is amended by striking out subsection (b).

(b) Section 1302(c)(2) of the Panama Canal Act of 1979 (22 U.S.C. 3712(c)(2)) is amended by striking the last sentence.

(c)(1) Section 1121(b) of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3421(b)) is repealed.

(2) Section 1121 of such Act is further amended by striking out "(a)" before "In April".

REPORTS BY THE CONSUMER PRODUCT SAFETY COMMISSION

SEC. 115. Section 35(e) of the Consumer Product Safety Act (15 U.S.C. 2082) is repealed.

REPORTS BY THE ENVIRONMENTAL PROTECTION AGENCY

SEC. 116. (a) Section 33(a)(7) of the Solid Waste Disposal Act Amendments of 1980 (42 U.S.C. 6981 note) is repealed.

(b) Section 2001(b)(3) of the Solid Waste Disposal Act (42 U.S.C. 6911(b)(3)) is repealed.

(c) Section 7007(c) of the Solid Waste Disposal Act (42 U.S.C. 6977(c)) is repealed.

(d) Section 127 of the Clean Air Act Amendments of 1977 is amended by—

(1) striking out subsection (b) (42 U.S.C. 7479 note);

(2) striking out subsection (d) (42 U.S.C. 7470 note); and

(3) redesignating subsection (c) as subsection (b).

(e) Section 102(d) of the Federal Water Pollution Control Act (33 U.S.C. 1252(d)) is repealed.

(f) Section 104(n) of the Federal Water Pollution Control Act (33 U.S.C. 1254(n)) is amended by striking out paragraph (3) and by redesignating paragraph (4) as paragraph (3).

(g) Section 516(a) of the Federal Water Pollution Control Act (33 U.S.C. 1375(a)) is repealed.

(h) Section 9 of the Used Oil Recycling Act of 1980 (42 U.S.C. 6932 note) is repealed.

(i)(1) Section 1442(a)(3)(A) of the Public Health Service Act (42 U.S.C. 300j-l(a)(3)(A)) is repealed.

(2) Section 1442(a)(3)(B) of the Public Health Service Act (42 U.S.C. 300j-l(a)(3)(B)) is repealed.

(3) Section 1442 of the Public Health Service Act (42 U.S.C. 300j-l(c)) is amended by striking out subsection (c) and by redesignating subsections (d), (e), and (f) as subsections (c), (d), and (e), respectively.

(j) Section 1412(e)(2) of the Public Health Service Act (42 U.S.C. 300g-l(e)(2)) is repealed.

(k) Section 1450(h) of the Public Health Service Act (42 U.S.C. 300j-9(h)) is repealed.

(l) Section 210 of the Federal Water Pollution Control Act (33 U.S.C. 1290) is repealed.

REPORTS BY THE FEDERAL COMMUNICATIONS COMMISSION

SEC. 117. Section 5(g) of the Communications Act of 1934 (47 U.S.C. 155(g)) is repealed.

REPORTS BY THE FEDERAL LABOR RELATIONS AUTHORITY

SEC. 118. Section 7104(e) of title 5, United States Code, is repealed.

REPORTS BY THE GENERAL SERVICES ADMINISTRATION

SEC. 119. Section 10 of Public Law 94-519 (40 U.S.C. 493) is amended to read as follows:

"SEC. 10. Not later than thirty months after the effective date of this Act, and biennially thereafter, the Comptroller General of the United States shall transmit to the Congress a report which covers the two-year period from such date and contains: (1) a full and independent evaluation of the operation of this Act, (2) the extent to which the objectives of this Act have been fulfilled, (3) how the needs served by prior Federal personal property distribution programs have been met, (4) an assessment of the degree to which the distribution of surplus property has met the relative needs of the various public agencies and other eligible institutions, and (5) such recommendations as the Comptroller General determines to be necessary or desirable.".

REPORTS BY THE INTERSTATE COMMERCE COMMISSION

SEC. 120. Section 10732(b) of title 49, United States Code, is amended by striking out the second and third sentences.

REPORTS BY THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

SEC. 121. Section 21(f) of the Small Business Act (15 U.S.C. 648(f)) is repealed.

REPORTS BY THE NATIONAL SCIENCE FOUNDATION

SEC. 122. Section 8 of the National Science Foundation Authorization Act, 1977 (42 U.S.C. 1883) is amended by—

(1) inserting "and" after the semicolon at the end of paragraph (3);

(2) striking out the semicolon and "and" at the end of paragraph (4) and inserting in lieu thereof a period; and

(3) striking out paragraph (5).

REPORTS BY THE NUCLEAR REGULATORY COMMISSION

SEC. 123. Section 201(h) of the Energy Reorganization Act of 1974 (42 U.S.C. 5841(h)) is repealed.

REPORTS BY THE OFFICE OF PERSONNEL MANAGEMENT

SEC. 124. (a) Section 5114 of title 5, United States Code, is repealed.

(b) The table of sections for chapter 51 of such title is amended by striking out the item relating to section 5114.

REPORTS BY THE SMALL BUSINESS ADMINISTRATION

SEC. 125. Section 10 of the Small Business Act (15 U.S.C. 639) is amended by striking out subsection (g).

TITLE II—MODIFICATIONS

REPORTS BY MORE THAN ONE AGENCY

SEC. 201. (a) The first sentence of section 2(d) of Public Law 96-135 (25 U.S.C. 472a(d)) is amended by—

(1) striking out "report following the close of each fiscal year" and inserting in lieu thereof "biennial report"; and

(2) striking out "which they took in such fiscal year" and inserting in lieu thereof "which they have taken".

(b) Section 2(e)(2) of Public Law 96-135 (25 U.S.C. 472a(e)(2)) is amended by—

(1) striking out "following the close of each fiscal year";

(2) striking out "which they took in such fiscal year" and inserting in lieu thereof "which they have taken"; and

(3) inserting "biennial" before "report".

(c) Section 26 of the Occupational Safety and Health Act of 1970 (29 U.S.C. 675) is amended by striking out "Within one hundred and twenty days following the convening of each regular session of each Congress, the Secretary and the Secretary of Health, Education, and Welfare shall each" and inserting in lieu thereof "The Secretary and the Secretary of Health and Human Services shall each biennially".

(d) The first paragraph of section 11 of Public Law 92-195 (16 U.S.C. 1340) is amended to read as follows:

"The Secretary of Agriculture shall include in each report required under sections 528 and 529 of the Revised Statutes, and the Secretary of the Interior shall include in the annual report of the Department of the Interior, a joint statement of such Secretaries on the administration of this Act, including a summary of enforcement and/or other actions taken thereunder, costs, and such recommendations for legislative or other actions as such Secretaries may deem appropriate.".

REPORTS BY THE EXECUTIVE OFFICE OF THE PRESIDENT

SEC. 202. Section 9503(a) of title 31, United States Code, is amended by—

(1) striking out "annual report" in paragraph (1) and inserting in lieu thereof "report shall be submitted every five years, and"; and

(2) inserting "fifth" before "plan year involved" in paragraph (1)(B).

REPORTS BY THE DEPARTMENT OF AGRICULTURE

SEC. 203. The last sentence of the paragraph under the heading "GENERAL SALES MANAGER—(ALLOTMENT FROM THE COMMODITY CREDIT CORPORATION) in title IV of Public Law 97-370 (15 U.S.C. 713a-10; 96 Stat. 1808) is amended by striking out "quarterly" and inserting in lieu thereof "annual".

REPORTS BY THE DEPARTMENT OF COMMERCE

SEC. 204. (a) Section 7(a) of the Marine Resources and Engineering Development Act of

1966 (33 U.S.C. 1106(a)) is amended by striking "in January of each year" and inserting in lieu thereof "biennially in January".

(b) Section 16 of the Act of June 18, 1934 (48 Stat. 1002, chapter 590; 19 U.S.C. 81p) is amended by—

(1) striking out "containing a full statement of all the operations, receipts, and expenditures, and such other information as the Board may require" in subsection (b) and inserting in lieu thereof "on zone operations"; and

(2) striking out subsection (c) and inserting in lieu thereof the following:

"(c) The Board shall make a report to Congress annually containing a summary of zone operations.".

(c) Section 5(d)(9) of the National Climate Program Act (15 U.S.C. 2904(d)(9)) is amended by striking out "that shall be revised and extended biennially" and inserting in lieu thereof "that shall be reviewed every year and revised as appropriate".

(d) Section 202(c) of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1442(c)) is amended to read as follows:

"(c) In March of every other year, the Secretary of Commerce shall report to the Congress on the results of activities undertaken pursuant to this section during the previous two fiscal years.".

REPORTS BY THE DEPARTMENT OF EDUCATION

SEC. 205. (a)(1) Section 12(c) of the Act of September 23, 1950 (Public Law 815, Eighty-first Congress; 20 U.S.C. 642(c)) is amended by striking out "annual report" and inserting in lieu thereof "biennial report".

(2) Section 401(c) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress; 20 U.S.C. 242(c)) is amended by striking out "annual report" and inserting in lieu thereof "biennial report".

(b) Section 618(f)(2)(E) of the Education of the Handicapped Act (20 U.S.C. 1418(f)(2)(E)) is amended to read as follows:

"(E) an analysis and evaluation of the effectiveness of procedures undertaken by State educational agencies, local educational agencies, and intermediate educational units to ensure that handicapped children and youth receive special education and related services in the least restrictive environment commensurate with their needs and to improve programs of instruction for handicapped children and youth in day or residential facilities;".

(c) Section 653(c) of the Education of the Handicapped Act (20 U.S.C. 1453(c)) is amended by striking out "The Secretary shall make an annual" and inserting in lieu thereof "Every three years, the Secretary shall make a".

REPORTS BY THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

SEC. 206. (a) Section 5(h) of the International Health Research Act of 1960 (22 U.S.C. 2103(h)) is amended by striking out "to the Congress at the beginning of each regular session" and inserting in lieu thereof "biennially to the Congress".

(b) Section 22(f) of the Occupational Safety and Health Act of 1970 (29 U.S.C. 671(f)) is amended by striking out "an annual" and inserting in lieu thereof "a biennial".

(c) Section 301(b)(4) of the Public Health Service Act (42 U.S.C. 241(b)(4)) is amended by—

(1) striking out "an annual" in the matter preceding subparagraph (A) and inserting in lieu thereof "a biennial"; and

(2) striking out "year" in subparagraph (D) and inserting in lieu thereof "previous two-year period".

(d) Section 404(a)(9) of the Public Health Service Act (42 U.S.C. 285(a)(9)) is amended by striking out ", not later than November 30 of each year,".

(e) Section 434(e) of the Public Health Service Act (42 U.S.C. 289c-1(e)) is amended by—

(1) striking out ", as soon as practicable, but not later than sixty days, after the end of each fiscal year," in the first sentence;

(2) striking out "an annual" in the first sentence and inserting in lieu thereof "a biennial"; and

(3) striking out "annual" in the second sentence and inserting in lieu thereof "biennial".

(f) Section 435(b) of the Public Health Service Act (42 U.S.C. 289c-2(b)) is amended by—

(1) striking out "an annual" and inserting in lieu thereof "a biennial"; and

(2) striking out "(on or before November 30 of each year)".

(g) Section 439(e) of the Public Health Service Act (42 U.S.C. 289c-6(e)) is amended by—

(1) striking out "an annual" and inserting in lieu thereof "a biennial"; and

(2) striking out "on or before November 30 of each year".

(h)(1) Section 308(a) of the Age Discrimination Act of 1975 (42 U.S.C. 6106a(a)) is amended by—

(A) striking out "Not later than December 31 of each year (beginning in 1979), the head of each Federal department or agency shall submit to the Secretary of Health and Human Services a report" and inserting in lieu thereof "Not later than December 31 of each year after calendar year 1984 in which the Secretary of Health and Human Services requires a report under this section, the head of each Federal department or agency shall submit to the Secretary of Health and Human Services such report, which shall";

(B) striking out "describing" in clause (1) and inserting in lieu thereof "describe"; and

(C) striking out "containing" in clause (2) and inserting in lieu thereof "contain".

(2) Section 308(b) of such Act (42 U.S.C. 6106a(b)) is amended by striking out "Not later than March 31 of each year (beginning in 1980), the Secretary of Health and Human Services" and inserting in lieu thereof "Not later than March 31 of each year following a year in which the Secretary of Health and Human Services requires reports under subsection (a), the Secretary".

REPORTS BY THE DEPARTMENT OF JUSTICE

SEC. 207. (a) Section 207(c) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 488(c)) is amended by—

(1) striking out "aggregate amount of the original acquisition cost of such property to the Government and all capital expenditures made by the Government with respect thereto is less than $1,000,000" and inserting in lieu thereof "estimated appraised fair market value of such property is less than $3,000,000" in paragraph (1); and

(2) striking out "acquisition cost" and inserting in lieu thereof "estimated appraised fair market value" in paragraph (2).

(b) Section 252(i) of the Energy Policy and Conservation Act (42 U.S.C. 6272(i)) is amended—

(1) by striking out "each"; and

(2) by striking out "6 months," and inserting in lieu thereof "other year, on an alternating basis,".

REPORTS BY THE DEPARTMENT OF TRANSPORTATION

SEC. 208. (a) Section 107 of the Federal Aviation Act of 1958 (49 U.S.C. 1307) is amended by—

(1) striking out "each January 31 thereafter" in subsection (b) and inserting in lieu thereof "each June 30 thereafter"; and

(2) striking out "each January 31 thereafter" in subsection (c) and inserting in lieu thereof "each June 30 thereafter".

(b) Section 315(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1356(a)) is amended by striking out "semiannual reports" in the last sentence and inserting in lieu thereof "annual reports".

REPORTS BY THE DEPARTMENT OF THE TREASURY

SEC. 209. (a) Section 201(f) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1821(f)) is amended by—

(1) striking out "Secretary of the Treasury, in cooperation with the"; and

(2) striking out the comma after "the Secretary of State".

(b) Section 6103(p)(5) of the Internal Revenue Code of 1954 is amended by striking out "quarter" and inserting in lieu thereof "year".

REPORTS BY THE GENERAL SERVICES ADMINISTRATION

SEC. 210. (a) Section 7(a) of Public Law 90-480 (commonly referred to as the Architectural Barriers Act of 1968) (42 U.S.C. 4157(a)) is amended by—

(1) striking out "during the first week of January of each year" and inserting in lieu thereof "by January 1, 1986, and biennially thereafter,";

(2) striking out "preceding fiscal year" and inserting in lieu thereof "two preceding fiscal years"; and

(3) striking out "such year" and inserting in lieu thereof "such years".

(b) Section 203(j)(4)(E) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(j)(4)(E)) is amended by striking out "$3,000" and inserting in lieu thereof "$5,000".

REPORTS BY THE UNITED STATES MERIT SYSTEMS PROTECTION BOARD

SEC. 211. Section 7701(i)(2) of title 5, United States Code, is amended by striking out "calendar" and inserting in lieu thereof "fiscal".

AMENDMENT NO. 1697

(Purpose: To provide for the continuation of certain agency reports)

Mr. STAFFORD. Mr. President, I send an amendment to the desk in behalf of Senator COHEN and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk read as follows:

The Senator from Vermont [Mr. STAFFORD] for Mr. COHEN, proposes an amendment numbered 1697.

Mr. STAFFORD. Mr. President, I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 48, strike out lines 24 and 25.

On page 49, line 1, strike out "(b)" and insert in lieu thereof "Sec. 108. (a)".

On page 49, line 7, strike out "(c)" and insert in lieu thereof "(b)".

On page 49, line 9, strike out "(d)" and insert in lieu thereof "(c)".

On page 49, line 11, strike out "(e)" and insert in lieu thereof "(d)".

On page 49, line 13, strike out "(f)" and insert in lieu thereof "(e)".
On page 49, line 15, strike out "(g)" and insert in lieu thereof "(f)".
On page 49, line 17, strike out "(h)" and insert in lieu thereof "(g)".
On page 49, line 24, strike out "(i)" and insert in lieu thereof "(h)".
On page 50, line 5, strike out "(j)" and insert in lieu thereof "(i)".
On page 50, line 7, strike out "(k)" and insert in lieu thereof "(j)".
On page 50, line 23, strike out "(l)" and insert in lieu thereof "(k)".
On page 50, line 25, strike out "(m)" and insert in lieu thereof "(l)".
On page 51, strike out lines 1 and 2 and insert in lieu thereof the following:
(m) Section 1705 of the Public Health Service Act (42 U.S.C. 300u-4) is amended—
(1) by striking out subsection (b); and
(2) by striking out "(a)" before "The".
On page 51, line 3, strike out "(o)" and insert in lieu thereof "(n)".
On page 51, line 6, strike out "(p)" and insert in lieu thereof "(o)".
On page 51, line 11, strike out "(q)" and insert in lieu thereof "(p)".
On page 51, line 13, strike out "(r)" and insert in lieu thereof "(q)".
On page 58, beginning with line 22, strike out through line 4 on page 59.
On page 59, line 5, strike out "(d)" and insert in lieu thereof "(c)".

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1697) was agreed to.

Mr. STAFFORD. I move to reconsider the vote by which the amendment was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Are there further amendments? If there be no further amendments to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

Mr. STAFFORD. I move to reconsider the vote by which the committee substitute as amended was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE CONGRESSIONAL REPORTS ELIMINATION ACT OF 1985

● Mr. COHEN. Mr. President, I am pleased that the Senate is considering S. 992, the Congressional Reports Elimination Act of 1985. The purpose of this legislation is to eliminate or modify statutory reporting requirements which no longer serve their original purpose or for which the information is available to Congress from other sources.

At the present time, there are 3,300 congressionally mandated reporting requirements. By statute, these reports are made to Congress at specified intervals by various executive departments and agencies at a cost of approximately $240 million a year. Periodically, the Office of Management and Budget [OMB] reviews these requirements to determine whether or not they are still necessary. Repeal or modification of the statutory reporting requirement is recommended if:

A report no longer serves its original purpose;

No congressional use is evident;

The information is available to Congress from other sources; or

The cost and time involved in preparing the report outweigh the benefit of the report to the public.

This year, the OMB recommended the repeal of 190 reporting requirements and the modification of 50 others. At the request of the administration, I introduced S. 992, the Congressional Reports Elimination Act of 1985, with Senator ROTH, Senator CHILES, and Senator LEVIN as cosponsors.

Mr. President, we were well aware that not everyone in the Senate would agree with the OMB's assessment of which reports are necessary and which are not. Therefore, the Governmental Affairs Subcommittee on Oversight of Government Management distributed copies of the bill to each of the affected committee chairman and ranking minority members, highlighting the reports under each committee's jurisdiction and soliciting their comments. If a chairman or a ranking minority member indicated to the subcommittee that a report was still necessary, the provision deleting the report was stricken from the bill, thus allowing the report to continue. The affected committees agreed with the repeal of 97 reporting requirements and the modification of 30 others. The committees' views are incorporated in the bill, as reported by the Committee on Governmental Affairs, that the Senate is considering today.

This bill, modeled after the Congressional Reports Elimination Act of 1982, attempts to improve the efficiency of agency operations by eliminating or modifying those recurring reports to Congress which are no longer necessary. This legislative proposal should be viewed not only as one directed at reducing the burdens placed on Federal agencies by the proliferation of reports, but also as an attempt to streamline the information that flows from these agencies to the Congress.

Provisions of this bill affect 127 reports by elimination or modification for an estimated savings of $5 million for the Government each year. I believe that the bill carefully balances the need for fiscal restraint with the need of Congress for timely information on Government programs; therefore, I urge my colleagues to lend their support to this legislation.●

Mr. STAFFORD. Mr. President, I move that S. 992 be advanced to third reading.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 992

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Congressional Reports Elimination Act of 1985".

TITLE I—ELIMINATIONS

REPORTS BY MORE THAN ONE AGENCY

SEC. 101. (a) Section 218(a) of the Biomass Energy and Alcohol Fuels Act of 1980 (42 U.S.C. 8818(a)) is repealed.

(b) Section 3104 of title 5, United States Code, is amended by—

(1) striking out subsection (b);

(2) redesignating paragraphs (1), (2), and (3) of subsection (a) as subsections (a), (b), and (c), respectively; and

(3) striking out "paragraph (1) of this subsection" each place it appears in subsections (b) and (c) (as redesignated by paragraph (2) of this subsection) and inserting in lieu thereof "subsection (a) of this section".

(c) Section 26(e)(2) of the Toxic Substances Control Act (15 U.S.C. 2625(e)(2)) is amended to read as follows:

"(2) The Administrator and the Secretary shall—

"(A) define the term 'known financial interests' for purposes of paragraph (1), and

"(B) establish the methods by which the requirement to file written statements specified in paragraph (1) will be monitored and enforced, including appropriate provisions for review by the Administrator and the Secretary of such statements.".

(d) Section 1114(b) of title 31, United States Code, is repealed.

(e) Section 1113(e)(3) of title 31, United States Code, is repealed.

(f) Section 311(c) of title 37, United States Code, is repealed.

(g) Section 203(o) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(o)) is amended by striking out ", and the head of each executive agency disposing of real property under subsection (k) of this section," in the first sentence.

REPORTS BY THE EXECUTIVE OFFICE OF THE PRESIDENT

SEC. 102. (a) Section 1105(a)(12) of title 31, United States Code, is repealed.

(b) Section 3524(b) of title 31, United States Code, is repealed.

REPORTS BY THE DEPARTMENT OF AGRICULTURE

SEC. 103. (a) Section 7(b) of the Soil and Water Resources Conservation Act of 1977 (16 U.S.C. 2006(b)) is repealed.

(b) Section 17(j) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(j)) is repealed.

REPORTS BY THE DEPARTMENT OF COMMERCE

SEC. 104. (a) Section 6(b) of the Federal Water Pollution Control Act Amendments of 1972 (33 U.S.C. 1251 note) is repealed.

(b) Section 259 of the Revised Statutes (15 U.S.C. 183) is repealed.

(c)(1) Section 201 of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1441) is amended by striking out "and shall report from time to time, not less frequently than annually, his findings (in-

cluding an evaluation of the short-term ecological effects and the social and economic factors involved) to the Congress".

(2) Section 202(c) of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1442(c)) is amended by inserting "and section 201" after "this section" in the first sentence.

(d) Section 5(e) of the Fair Packaging and Labeling Act (15 U.S.C. 1454(e)) is repealed.

(e) Section 2(d)(2) of the Act of August 11, 1939 (commonly referred to as the Saltonstall-Kennedy Act) (15 U.S.C. 713c-3(d)(2)) is repealed.

(f) Section 3 of Public Law 96-339 (16 U.S.C. 971i) is repealed.

(g) Section 5 of the Central, Western, and South Pacific Fisheries Development Act (16 U.S.C. 758e-2) is repealed.

REPORTS BY THE DEPARTMENT OF DEFENSE

SEC. 105. (a) Section 2672a of title 10, United States Code, is amended by striking out the last sentence.

(b)(1) Section 2662 of title 10, United States Code, is repealed.

(2) The table of sections for chapter 159 of such title is amended by striking out the item relating to section 2662.

(c) Section 221 of the Flood Control Act of 1970 (42 U.S.C. 1962d-5b) is amended by striking out subsection (d) and by redesignating subsection (e) as subsection (d).

(d) Section 2675 of title 10, United States Code, is amended by striking out the subsection designation "(a)" and by striking out subsection (b).

REPORTS BY THE DEPARTMENT OF EDUCATION

SEC. 106. (a) Section 117(d) of the Higher Education Act of 1965 (20 U.S.C. 1017(d)) is repealed.

(b) Section 553(c) of the Higher Education Act of 1965 (20 U.S.C. 1119(c-2)(c)) is repealed.

(c) Section 605(b) of the Higher Education Act of 1965 (20 U.S.C. 1125(b)) is repealed.

(d) Section 403(a)(2) of the Department of Education Organization Act (20 U.S.C. 3463(a)(2)) is repealed.

(e) Section 441(e)(3) of the Carl D. Perkins Vocational Education Act of 1984 (Public Law 98-524) is amended by striking out the last sentence.

REPORTS BY THE DEPARTMENT OF ENERGY

SEC. 107. (a) Section 7(b)(7) of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5906(b)(7)) is amended by—

(1) striking out subparagraph (A); and

(2) striking out "(B)" before "No".

(b) Title II of Public Law 96-126 is amended by striking out the last paragraph under the heading "Department of Energy-Alternative Fuels Production" (42 U.S.C. 5915 note).

(c) The Powerplant and Industrial Fuel Use Act of 1978 is amended by—

(1) striking out section 801 (42 U.S.C. 8481); and

(2) striking the item relating to section 801 in the table of contents.

(d) Section 11 of the Wind Energy Systems Act of 1980 (42 U.S.C. 9210) is amended by—

(1) striking out paragraph (5);

(2) inserting "and" after the semicolon at the end of paragraph (4); and

(3) redesignating paragraph (6) as paragraph (5).

(e) The Public Utility Regulatory Policies Act of 1978 is amended by—

(1) striking out section 116 (16 U.S.C. 2626);

(2) striking out section 309 (15 U.S.C. 3209); and

(3) striking out the items relating to sections 116 and 309 in the table of contents.

(f) Section 218(b) of the Biomass Energy and Alcohol Fuels Act of 1980 (42 U.S.C. 8818(b)) is repealed.

(g) Section 8 of the Nuclear Safety Research, Development, and Demonstration Act of 1980 (42 U.S.C. 9707) is amended by striking out subsections (b) and (c) and by striking out "(a)" before "The Secretary".

REPORTS BY THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

SEC. 108. (a) Section 308(a) of the Public Health Service Act (42 U.S.C. 242m(a)) is amended—

(1) by striking out paragraph (1);

(2) by striking out "or (2)" in paragraph (3); and

(3) by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

(b) Section 317(h) of the Public Health Service Act (42 U.S.C. 247b(h)) is repealed.

(c) Section 336A of the Public Health Service Act (42 U.S.C. 254i) is repealed.

(d) Section 338A(i) of the Public Health Service Act (42 U.S.C. 254l(i)) is repealed.

(e) Section 357 of the Public Health Service Act (42 U.S.C. 263e) is repealed.

(f) Section 360D of the Public Health Service Act (42 U.S.C. 263l) is repealed.

(g)(1) Section 2111 of the Public Health Service Act (42 U.S.C. 300aa-10) is repealed.

(2) The first sentence of section 383(b) of such Act (42 U.S.C. 277(b)) is amended by striking out ", and the Secretary shall include in his annual report to the Congress a statement covering the recommendations made by the Board and the disposition thereof".

(h) Section 771(b)(2)(C) of the Public Health Service Act (42 U.S.C. 295f-1(b)(2)(C)) is amended by striking out "and to the Committee on Interstate and Foreign Commerce of the House of Representatives and to the Committee on Labor and Public Welfare of the Senate" in the last sentence.

(i) Section 1009 of the Public Health Service Act (42 U.S.C. 300a-6a) is repealed.

(j) Section 1122 of the Public Health Service Act (42 U.S.C. 300c-12) is amended to read as follows:

"SUDDEN INFANT DEATH SYNDROME RESEARCH

"SEC. 1122. From the sums appropriated to the National Institute of Child Health and Human Development under section 441, the Secretary shall assure that there are applied to research which relates specifically to sudden infant death syndrome, and to research which relates generally to sudden infant death syndrome, including high-risk pregnancy and high-risk infancy research which directly relates to sudden infant death syndrome, such amounts each year as will be adequate, given the leads and findings then available from such research, in order to make maximum feasible progress toward identification of infants at risk of sudden infant death syndrome and prevention of sudden death syndrome.".

(k) Section 1315 of the Public Health Service Act (42 U.S.C. 300e-14) is repealed.

(l) Section 1318(e) of the Public Health Service Act (42 U.S.C. 300e-17(e)) is repealed.

(m) Section 1705 of the Public Health Service Act (42 U.S.C. 300u-4) is amended—

(1) by striking out subsection (b); and

(2) by striking out "(a)" before "The".

(n) Section 1881(c)(6) of the Social Security Act (42 U.S.C. 1395rr(c)(6)) is amended by striking out the last sentence.

(o)(1) Title IV of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (42 U.S.C. 3509) is repealed.

(2) The table of contents for such Act is amended by striking out the items relating to section 1200 and title IV.

(p) Section 315 of the Runaway Homeless Youth Act (42 U.S.C. 5715) is repealed.

(q) Section 640(d) of the Head Start Act (42 U.S.C. 9835) is amended by striking out the second sentence.

REPORTS BY THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SEC. 109. (a) Section 904 of the Housing and Community Development Act of 1977 (42 U.S.C. 3540) is repealed.

(b) Section 311 of the Energy Conservation Standards for New Buildings Act of 1976 (42 U.S.C. 6840) is repealed.

(c) Section 505(f) of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-4(f)) is repealed.

(d) Section 506(c) of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-5(c)) is repealed.

REPORTS BY THE DEPARTMENT OF THE INTERIOR

SEC. 110. (a) Section 522(b) of the Energy Policy and Conservation Act (42 U.S.C. 6392(b)) is amended to read as follows:

"(b) The Secretary and the Secretary of the Interior shall each act, within 90 days after the date of enactment of this Act, in accordance with section 553 of title 5, United States Code—

"(1) to define the term 'known financial interest' for purposes of subsection (a); and

"(2) to establish the methods by which the requirement to file written statements specified in subsection (a) will be monitored and enforced, including appropriate provisions for the filing by such officers and employees of such statements and the review by the Secretary or the Secretary of the Interior, as the case may be, of such statements.".

(b) Section 8(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)) is amended by striking out paragraphs (8) and (9).

(c) Section 2 of Public Law 87-283 (25 U.S.C. 165) is repealed.

(d) Public Law 87-279 (25 U.S.C. 15) is amended by striking out the last sentence.

(e) Section 31(e) of the Act of February 25, 1920 (41 Stat. 450, chapter 85; 30 U.S.C. 188(e)) is amended by striking out the second sentence.

REPORTS BY THE DEPARTMENT OF JUSTICE

SEC. 111. Section 2101(d) of title 18, United States Code, is amended by striking out the semicolon and all that follows and inserting in lieu thereof a period.

REPORTS BY THE DEPARTMENT OF LABOR

SEC. 112. Section 4(e) of the Fair Labor Standards Act of 1938 (29 U.S.C. 204(e)) is repealed.

REPORTS BY THE DEPARTMENT OF TRANSPORTATION

SEC. 113. (a) Section 13 of the Merchant Ship Sales Act of 1946 (50 U.S.C. App. 1746) is repealed.

(b) Section 163 of the Federal-Aid Highway Act of 1973 (23 U.S.C. 130 note) is amended by—

(1) striking out subsection (o); and

(2) redesignating subsections (p) and (q) as subsections (o) and (p), respectively.

(c) Section 203(e) of the Highway Safety Act of 1973 (23 U.S.C. 130 note) is amended by striking out the third, fourth, and fifth sentences.

(d) Section 152(g) of title 23, United States Code, is amended by striking out the third, fourth, and fifth sentences.

(e) Section 308(a) of title 49, United States Code, is repealed.

REPORTS BY THE DEPARTMENT OF THE TREASURY

SEC. 114. (a) Section 331 of title 31, United States Code, is amended by striking out subsection (b).

(b) Section 1302(c)(2) of the Panama Canal Act of 1979 (22 U.S.C. 3712(c)(2)) is amended by striking the last sentence.

(c)(1) Section 1121(b) of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3421(b)) is repealed.

(2) Section 1121 of such Act is further amended by striking out "(a)" before "In April".

REPORTS BY THE CONSUMER PRODUCT SAFETY COMMISSION

SEC. 115. Section 35(e) of the Consumer Product Safety Act (15 U.S.C. 2082) is repealed.

REPORTS BY THE ENVIRONMENTAL PROTECTION AGENCY

SEC. 116. (a) Section 33(a)(7) of the Solid Waste Disposal Act Amendments of 1980 (42 U.S.C. 6981 note) is repealed.

(b) Section 2001(b)(3) of the Solid Waste Disposal Act (42 U.S.C. 6911(b)(3)) is repealed.

(c) Section 7007(c) of the Solid Waste Disposal Act (42 U.S.C. 6977(c)) is repealed.

(d) Section 127 of the Clean Air Act Amendments of 1977 is amended by—

(1) striking out subsection (b) (42 U.S.C. 7479 note);

(2) striking out subsection (d) (42 U.S.C. 7470 note); and

(3) redesignating subsection (c) as subsection (b).

(e) Section 102(d) of the Federal Water Pollution Control Act (33 U.S.C. 1252(d)) is repealed.

(f) Section 104(n) of the Federal Water Pollution Control Act (33 U.S.C. 1254(n)) is amended by striking out paragraph (3) and by redesignating paragraph (4) as paragraph (3).

(g) Section 516(a) of the Federal Water Pollution Control Act (33 U.S.C. 1375(a)) is repealed.

(h) Section 9 of the Used Oil Recycling Act of 1980 (42 U.S.C. 6932 note) is repealed.

(i)(1) Section 1442(a)(3)(A) of the Public Health Service Act (42 U.S.C. 300j-l(a)(3)(A)) is repealed.

(2) Section 1442(a)(3)(B) of the Public Health Service Act (42 U.S.C. 300j-l(a)(3)(B)) is repealed.

(3) Section 1442 of the Public Health Service Act (42 U.S.C. 300j-l(c)) is amended by striking out subsection (c) and by redesignating subsections (d), (e), and (f) as subsections (c), (d), and (e), respectively.

(j) Section 1412(e)(2) of the Public Health Service Act (42 U.S.C. 300g-l(e)(2)) is repealed.

(k) Section 1450(h) of the Public Health Service Act (42 U.S.C. 300j-9(h)) is repealed.

(l) Section 210 of the Federal Water Pollution Control Act (33 U.S.C. 1290) is repealed.

REPORTS BY THE FEDERAL COMMUNICATIONS COMMISSION

SEC. 117. Section 5(g) of the Communications Act of 1934 (47 U.S.C. 155(g)) is repealed.

REPORTS BY THE FEDERAL LABOR RELATIONS AUTHORITY

SEC. 118. Section 7104(e) of title 5, United States Code, is repealed.

REPORTS BY THE GENERAL SERVICES ADMINISTRATION

SEC. 119. Section 10 of Public Law 94-519 (40 U.S.C. 493) is amended to read as follows:

"SEC. 10. Not later than thirty months after the effective date of this Act, and biennially thereafter, the Comptroller General of the United States shall transmit to the Congress a report which covers the two-year period from such date and contains: (1) a full and independent evaluation of the operation of this Act, (2) the extent to which the objectives of this Act have been fulfilled, (3) how the needs served by prior Federal personal property distribution programs have been met, (4) an assessment of the degree to which the distribution of surplus property has met the relative needs of the various public agencies and other eligible institutions, and (5) such recommendations as the Comptroller General determines to be necessary or desirable.".

REPORTS BY THE INTERSTATE COMMERCE COMMISSION

SEC. 120. Section 10732(b) of title 49, United States Code, is amended by striking out the second and third sentences.

REPORTS BY THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

SEC. 121. Section 21(f) of the Small Business Act (15 U.S.C. 648(f)) is repealed.

REPORTS BY THE NATIONAL SCIENCE FOUNDATION

SEC. 122. Section 8 of the National Science Foundation Authorization Act, 1977 (42 U.S.C. 1883) is amended by—

(1) inserting "and" after the semicolon at the end of paragraph (3);

(2) striking out the semicolon and "and" at the end of paragraph (4) and inserting in lieu thereof a period; and

(3) striking out paragraph (5).

REPORTS BY THE NUCLEAR REGULATORY COMMISSION

SEC. 123. Section 201(h) of the Energy Reorganization Act of 1974 (42 U.S.C. 5841(h)) is repealed.

REPORTS BY THE OFFICE OF PERSONNEL MANAGEMENT

SEC. 124. (a) Section 5114 of title 5, United States Code, is repealed.

(b) The table of sections for chapter 51 of such title is amended by striking out the item relating to section 5114.

REPORTS BY THE SMALL BUSINESS ADMINISTRATION

SEC. 125. Section 10 of the Small Business Act (15 U.S.C. 639) is amended by striking out subsection (g).

TITLE II—MODIFICATIONS

REPORTS BY MORE THAN ONE AGENCY

SEC. 201. (a) The first sentence of section 2(d) of Public Law 96-135 (25 U.S.C. 472a(d)) is amended by—

(1) striking out "report following the close of each fiscal year" and inserting in lieu thereof "biennial report"; and

(2) striking out "which they took in such fiscal year" and inserting in lieu thereof "which they have taken".

(b) Section 2(e)(2) of Public Law 96-135 (25 U.S.C. 472a(e)(2)) is amended by—

(1) striking out "following the close of each fiscal year";

(2) striking out "which they took in such fiscal year" and inserting in lieu thereof "which they have taken"; and

(3) inserting "biennial" before "report".

(c) The first paragraph of section 11 of Public Law 92-195 (16 U.S.C. 1340) is amended to read as follows:

"The Secretary of Agriculture shall include in each report required under sections 528 and 529 of the Revised Statutes, and the Secretary of the Interior shall include in the annual report of the Department of the Interior, a joint statement of such Secretaries on the administration of this Act, including a summary of enforcement and/or other actions taken thereunder, costs, and such recommendations for legislative or other actions as such Secretaries may deem appropriate.".

REPORTS BY THE EXECUTIVE OFFICE OF THE PRESIDENT

SEC. 202. Section 9503(a) of title 31, United States Code, is amended by—

(1) striking out "annual report" in paragraph (1) and inserting in lieu thereof "report shall be submitted every five years, and"; and

(2) inserting "fifth" before "plan year involved" in paragraph (1)(B).

REPORTS BY THE DEPARTMENT OF AGRICULTURE

SEC. 203. The last sentence of the paragraph under the heading "GENERAL SALES MANAGER—(ALLOTMENT FROM THE COMMODITY CREDIT CORPORATION) in title IV of Public Law 97-370 (15 U.S.C. 713a-10; 96 Stat. 1808) is amended by striking out "quarterly" and inserting in lieu thereof "annual".

REPORTS BY THE DEPARTMENT OF COMMERCE

SEC. 204. (a) Section 7(a) of the Marine Resources and Engineering Development Act of 1966 (33 U.S.C. 1106(a)) is amended by striking "in January of each year" and inserting in lieu thereof "biennially in January".

(b) Section 16 of the Act of June 18, 1934 (48 Stat. 1002, chapter 590; 19 U.S.C. 81p) is amended by—

(1) striking out "containing a full statement of all the operations, receipts, and expenditures, and such other information as the Board may require" in subsection (b) and inserting in lieu thereof "on zone operations"; and

(2) striking out subsection (c) and inserting in lieu thereof the following:

"(c) The Board shall make a report to Congress annually containing a summary of zone operations.".

(c) Section 5(d)(9) of the National Climate Program Act (15 U.S.C. 2904(d)(9)) is amended by striking out "that shall be revised and extended biennially" and inserting in lieu thereof "that shall be reviewed every year and revised as appropriate".

(d) Section 202(c) of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1442(c)) is amended to read as follows:

"(c) In March of every other year, the Secretary of Commerce shall report to the Congress on the results of activities undertaken pursuant to this section during the previous two fiscal years.".

REPORTS BY THE DEPARTMENT OF EDUCATION

SEC. 205. (a)(1) Section 12(c) of the Act of September 23, 1950 (Public Law 815, Eighty-first Congress; 20 U.S.C. 642(c)) is amended by striking out "annual report" and inserting in lieu thereof "biennial report".

(2) Section 401(c) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress; 20 U.S.C. 242(c)) is amended by striking out "annual report" and inserting in lieu thereof "biennial report".

(b) Section 618(f)(2)(E) of the Education of the Handicapped Act (20 U.S.C. 1418(f)(2)(E)) is amended to read as follows:

"(E) an analysis and evaluation of the effectiveness of procedures undertaken by State educational agencies, local educational agencies, and intermediate educational units to ensure that handicapped children and youth receive special education and related services in the least restrictive environment commensurate with their needs and to improve programs of instruction for handicapped children and youth in day or residential facilities;".

(c) Section 653(c) of the Education of the Handicapped Act (20 U.S.C. 1453(c)) is amended by striking out "The Secretary shall make an annual" and inserting in lieu thereof "Every three years, the Secretary shall make a".

REPORTS BY THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

SEC. 206. (a) Section 5(h) of the International Health Research Act of 1960 (22 U.S.C. 2103(h)) is amended by striking out "to the Congress at the beginning of each regular session" and inserting in lieu thereof "biennially to the Congress".

(b) Section 22(f) of the Occupational Safety and Health Act of 1970 (29 U.S.C. 671(f)) is amended by striking out "an annual" and inserting in lieu thereof "a biennial".

(c) Section 301(b)(4) of the Public Health Service Act (42 U.S.C. 241(b)(4)) is amended by—

(1) striking out "an annual" in the matter preceding subparagraph (A) and inserting in lieu thereof "a biennial"; and

(2) striking out "year" in subparagraph (D) and inserting in lieu thereof "previous two-year period".

(d) Section 404(a)(9) of the Public Health Service Act (42 U.S.C. 285(a)(9)) is amended by striking out ", not later than November 30 of each year,".

(e) Section 434(e) of the Public Health Service Act (42 U.S.C. 289c-1(e)) is amended by—

(1) striking out ", as soon as practicable, but not later than sixty days, after the end of each fiscal year," in the first sentence;

(2) striking out "an annual" in the first sentence and inserting in lieu thereof "a biennial"; and

(3) striking out "annual" in the second sentence and inserting in lieu thereof "biennial".

(f) Section 435(b) of the Public Health Service Act (42 U.S.C. 289c-2(b)) is amended by—

(1) striking out "an annual" and inserting in lieu thereof "a biennial"; and

(2) striking out "(on or before November 30 of each year)".

(g) Section 439(e) of the Public Health Service Act (42 U.S.C. 289c-6(e)) is amended by—

(1) striking out "an annual" and inserting in lieu thereof "a biennial"; and

(2) striking out "on or before November 30 of each year".

(h)(1) Section 308(a) of the Age Discrimination Act of 1975 (42 U.S.C. 6106a(a)) is amended by—

(A) striking out "Not later than December 31 of each year (beginning in 1979), the head of each Federal department or agency shall submit to the Secretary of Health and Human Services a report" and inserting in lieu thereof "Not later than December 31 of each year after calendar year 1984 in which the Secretary of Health and Human Services requires a report under this section, the head of each Federal department or agency shall submit to the Secretary of Health and Human Services such report, which shall";

(B) striking out "describing" in clause (1) and inserting in lieu thereof "describe"; and

(C) striking out "containing" in clause (2) and inserting in lieu thereof "contain".

(2) Section 308(b) of such Act (42 U.S.C. 6106a(b)) is amended by striking out "Not later than March 31 of each year (beginning in 1980), the Secretary of Health and Human Services" and inserting in lieu thereof "Not later than March 31 of each year following a year in which the Secretary of Health and Human Services requires reports under subsection (a), the Secretary".

REPORTS BY THE DEPARTMENT OF JUSTICE

SEC. 207. (a) Section 207(c) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 488(c)) is amended by—

(1) striking out "aggregate amount of the original acquisition cost of such property to the Government and all capital expenditures made by the Government with respect thereto is less than $1,000,000" and inserting in lieu thereof "estimated appraised fair market value of such property is less than $3,000,000" in paragraph (1); and

(2) striking out "acquisition cost" and inserting in lieu thereof "estimated appraised fair market value" in paragraph (2).

(b) Section 252(i) of the Energy Policy and Conservation Act (42 U.S.C. 6272(i)) is amended—

(1) by striking out "each"; and

(2) by striking out "6 months," and inserting in lieu thereof "other year, on an alternating basis,".

REPORTS BY THE DEPARTMENT OF TRANSPORTATION

SEC. 208. (a) Section 107 of the Federal Aviation Act of 1958 (49 U.S.C. 1307) is amended by—

(1) striking out "each January 31 thereafter" in subsection (b) and inserting in lieu thereof "each June 30 thereafter"; and

(2) striking out "each January 31 thereafter" in subsection (c) and inserting in lieu thereof "each June 30 thereafter".

(b) Section 315(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1356(a)) is amended by striking out "semiannual reports" in the last sentence and inserting in lieu thereof "annual reports".

REPORTS BY THE DEPARTMENT OF THE TREASURY

SEC. 209. (a) Section 201(f) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1821(f)) is amended by—

(1) striking out "Secretary of the Treasury, in cooperation with the"; and

(2) striking out the comma after "the Secretary of State".

(b) Section 6103(p)(5) of the Internal Revenue Code of 1954 is amended by striking out "quarter" and inserting in lieu thereof "year".

REPORTS BY THE GENERAL SERVICES ADMINISTRATION

SEC. 210. (a) Section 7(a) of Public Law 90-480 (commonly referred to as the Architectural Barriers Act of 1968) (42 U.S.C. 4157(a)) is amended by—

(1) striking out "during the first week of January of each year" and inserting in lieu thereof "by January 1, 1986, and biennially thereafter,";

(2) striking out "preceding fiscal year" and inserting in lieu thereof "two preceding fiscal years"; and

(3) striking out "such year" and inserting in lieu thereof "such years".

(b) Section 203(j)(4)(E) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(j)(4)(E)) is amended by striking out "$3,000" and inserting in lieu thereof "$5,000".

REPORTS BY THE UNITED STATES MERIT SYSTEMS PROTECTION BOARD

SEC. 211. Section 7701(i)(2) of title 5, United States Code, is amended by striking out "calendar" and inserting in lieu thereof "fiscal".

Mr. STAFFORD. I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE CALENDAR

Mr. STAFFORD. Mr. President, I now inquire of the minority leader if he is in a position to pass any of the following calendar items. I shall name them, and then if there is some that are objectionable, that can be stated.

Calendar No. 553, S. 98; Calendar No. 534——

Mr. BYRD. Mr. President, will the distinguished Senator allow me to interrupt? I believe he means Calendar 533?

Mr. STAFFORD. The Senator is correct. I did mean 533, S. 98; Calendar 534, S. 129; Calendar 535, S. 197; Calendar 536, S. 257; Calendar 537, S. 290; Calendar 538, S. 331; Calendar 539, S. 332; Calendar 540, S. 343; Calendar 541, S. 345; Calendar 542, S. 381; Calendar 543, S. 462; Calendar 544, S. 832; and Calendar 545, S. 1046.

Mr. BYRD. Mr. President, all of the calendar items identified by the distinguished Senator have been cleared on this side, and I am perfectly agreeable to moving forward en bloc if the distinguished Senator so wishes.

Mr. STAFFORD. Mr. President, in that event, I ask unanimous consent that the calendar items just identified be considered en bloc and passed en bloc and that all committee-reported amendments be considered agreed to en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

RELIEF OF CIRILO RAAGAS COSTA AND WILMA RAAGAS COSTA

The bill (S. 98) for the relief of Cirilo Raagas Costa and Wilma Raagas Costa, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 98

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Cirilo Raagas Costa shall be held and considered to be a child, and Wilma Raagas Costa shall be held and considered to be a child, within the meaning of

section 101(b)(1)(E) of such Act upon approval of petitions filed on their behalf by Richard G. Costa and Evangeline M. Costa, citizens of the United States, pursuant to section 204 of such Act. No natural parent, brother, or sister of Cirilo Raagas Costa or Wilma Raagas Costa shall, by virtue of such relationship, be accorded any right, privilege, or status under such Act.

RELIEF OF THERESE NYUWIR POUPELE KPODA

The Senate proceeded to consider the bill (S. 129) for the relief of Therese Nyuwir Poupele Kpoda, which had been reported from the Committee on the Judiciary, with an amendment:

On page 1, line 4, strike "Therese Nyuwir Poupele Kpoda", and insert "Therese Nyuwirpoulele Kpoda"

So as to make the bill read:

S. 29

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Therese Nyuwirpoupele Kpoda shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by the proper number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas which are made available to natives of the country of the alien's birth under section 203(a) of the Immigration and Nationality Act or, if applicable, the total number of immigrant visas which are made available to natives of the country of the alien's birth under section 202(e) of such Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read "A bill for the relief of Therese Nyuwirpoupele Kpoda".

RELIEF OF ELGA BOUILLIANT-LINET

The bill (S. 197) for the relief of Elga Bouilliant-Linet, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 197

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Elga Bouilliant-Linet shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residences of such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under section 203(a) of the Immigration and Nationality Act, or, if applicable, from the total number of immigrant visas and entries which are made available to natives under section 202(e) of such Act.

RELIEF OF RANKOVIC FAMILY

The Senate proceeded to consider the bill (S. 257) for the relief of William Vojislav Rankovic, Stanislava Rankovic, husband and wife; and William Rankovic, Jr., and Natalie Rankovic, their children, which had been reported from the Committee on the Judiciary, with an amendment to strike out all after the enacting clause, and insert the following:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italics.)

S. 257

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of section 212(a)(14) of the Immigration and Nationality Act, for the purposes of such Act, William Vojislav Rankovic, Stanislava Rankovic, husband and wife; and William Rankovic, Junior, and Natalie Rankovic, their children, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa **[**fee.**]** *fees.* Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by the required number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the aliens' births under **[**paragraph (1) through (8) of**]** section 203(a) of the Immigration and Nationality Act or, if applicable, the total number of immigrant visas and conditional entries which are made available to natives of the country of the aliens' births under section 202 of the Act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RELIEF OF CATHERINE AND ROBERT FOSSEZ

The bill (S. 290) for the relief of Catherine and Robert Fossez, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 290

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Catherine and Robert Fossez shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fees. Upon the granting of permanent residence to such aliens, as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by the proper number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas which are made available to natives of the countries of the aliens' birth under section 203(a) of the Immigration and Nationality Act, or if applicable, the total number of immigrant visas which are made available to natives of the countries of the aliens' birth under section 202(e) of such Act.

SEC. 2. No financial or other consideration shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with the enactment of this Act, any contract to the contrary notwithstanding. Violation of the provisions of this section is a misdemeanor punishable by a fine of $1,000.

RELIEF OF PANIVONG NORINDR AND PANISOUK NORINDR

The bill (S. 331) for the relief of Panivong Norindr and Panisouk Norindr, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 331

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Panivong Norindr and Panisouk Norindr shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by the proper number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the aliens' birth under section 203(a) of the Immigration and Nationality Act or, if applicable, the total number of immigrant visas and conditional entries which are made available to natives of the country of the aliens' birth under section 202(e) of such Act.

RELIEF OF RAMZI SALLOMY AND MARIE SALLOMY

The bill (S. 332) for the relief of Ramzi Sallomy and Marie Sallomy was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 332

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Ramzi Sallomy and Marie Sallomy shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by the proper number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and

conditional entries which are made available to natives of the country of the aliens' birth under section 203(a) of the Immigration and Nationality Act or, if applicable, the total number of immigrant visas and conditional entries which are made available to natives of the country of the aliens' birth under section 202(e) of such Act.

RELIEF OF HYONG CHA KIM KAY

The Senate proceeded to consider the bill (S. 343) for the relief of Hyong Cha Kim Kay, which had been reported from the Committee on the Judiciary, with an amendment to strike out all after the enacting clause, and insert the following with an amendment:

On page 1, line 56, after "States", insert "for permanent residence".

So as to make the bill read:

S. 343

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of section 212(a)(23) of the Immigration and Nationality Act, Hyong Cha Kim Kay may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that Act.

SEC. 2. This exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the date of the enactment of this Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RELIEF OF NABIL YALDO

The Senate proceeded to consider the bill (S. 345) for the relief of Nabil Yaldo, which had been reported from the Committee on the Judiciary, with an amendment to strike out all after the enacting clause, and insert the following:

That, in the administration of the Immigration and Nationality Act, the provisions of section 204(c) of that Act shall be inapplicable in the case of Nabil Yaldo.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RELIEF OF MISHLEEN EARLE

The bill (S. 381) for the relief of Mishleen Earle, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 381

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Mishleen Earle shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fees. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by the proper number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas which are made available to natives of the country of the alien's birth under section 203(a) of the Immigration and Nationality Act or, if applicable, the total number of immigrant visas which are made available to natives of the country of the alien's birth under section 202(e) of such Act.

RELIEF OF BARBARA CRISP, SEAN ANTHONY CRISP, AND ANDREA LEECH

The bill (S. 462) for the relief of Barbara Crisp, Sean Anthony Crisp, and Andrea Leech, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 462

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Barbara Crisp, Sean Anthony Crisp, and Andrea Leech shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by the proper number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas which are made available to natives of the country of the aliens' birth under section 203(a) of the Immigration and Nationality Act or, if applicable, the total number of immigrant visas which are made available to natives of the country of the aliens' birth under section 202 of such Act.

RELIEF OF BASSAM S. BELMANY

The bill (S. 832) for the relief of Bassam S. Belmany was considered, order to be engrossed for a third reading, read the third time, and passed; as follows:

S. 832

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding section 212(a)(14) of the Immigration and Nationality Act, for purposes of such Act, Bassam S. Belmany shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by the proper number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas which are made available to natives of the country of the alien's birth under section 203(a) of the Immigration and Nationality Act or, if applicable, the total number of immigrant visas which are made available to natives of the country of the alien's birth under section 202(e) of such Act.

RELIEF OF KOK DJEN SU AND GRACE SU

The bill (S. 1046) for the relief of Kok Djen Su and Grace Su, husband and wife, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1046

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding section 212(a)(14) of the Immigration and Nationality Act, for purposes of such Act, Kok Djen Su and Grace Su, husband and wife, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fees. Upon the granting of permanent residence to these aliens as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by the proper number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas which are made available to natives of the country of the aliens' birth under section 203(a) of the Immigration and Nationality Act, if applicable, the total number of immigrant visas which are made available to natives of the country of the aliens' birth under section 202(e) of such Act.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the items were agreed to en bloc.

Mr. BYRD. Mr. President, I move to lay the motion to reconsider on the table.

The motion to lay on the table was agreed to.

EXECUTIVE SESSION

Mr. STAFFORD. Mr. President, I now ask the distinguished minority leader if we might turn to some executive calendar nominations.

I will specify the nominations. I ask unanimous consent that the Senate go into executive session to consider the following nominations on the Executive Calendar:

Calendar No. 683, Raymond J. Dearie; Calendar No. 684, Con. G. Cholakis; Calendar No. 693, Andrew John Strenio; Calendar No. 694, Paul H. Lamboley; Calendar No. 695, J.J. Simmons, III; Calendar No. 696, Janet Hale; Calendar No. 697, Alfred C. Sikes; Calendar No. 698, Under the Coast Guard; and Calendar No. 699, Philip D. Winn and all nominations placed on the Secretary's desk with the exception of the Foreign Service nomination of Edwin G. Corr.

If the minority leader is agreeable, I move the Senate handle these in executive session.

Mr. BYRD. Mr. President, as I understand it, the distinguished Sena-

tor's list does not include the senior foreign service nomination of Edwin G. Corr. Am I correct?

Mr. STAFFORD. That is correct.

Mr. BYRD. That has been cleared on this side, but as I understand the distinguished Senator is not including that in the list of nominees to be agreed upon. I have cleared these nominations on this side and, as far as we are concerned, we can move forward en bloc again.

Mr. STAFFORD. In that event, I ask unanimous consent the nominations just identified be considered en bloc and confirmed en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominees considered and confirmed en bloc are as follows:

THE JUDICIARY

Raymond J. Dearie, of New York, to be U.S. District Judge for the Eastern District of New York.

Con. G. Cholakis of New York, to be U.S. District Judge for the Northern District of New York.

FEDERAL TRADE COMMISSION

Andrew John Strenio, Jr., of Maryland, to be a Federal Trade Commissioner for the unexpired term of 7 years from September 26, 1982.

INTERSTATE COMMERCE COMMISSION

Paul H. Lamboley, of Nevada, to be a member of the Interstate Commerce Commission for a term expiring December 31, 1989.

J.J. Simmons III, of Oklahoma, to be a member of the Interstate Commerce Commission for a term expiring December 31, 1990.

DEPARTMENT OF TRANSPORTATION

Janet Hale, of Massachusetts, to be an Assistant Secretary of Transportation.

DEPARTMENT OF COMMERCE

Alfred C. Sikes, of Missouri, to be Assistant Secretary of Commerce for Communications and Information.

COAST GUARD

The following officers of the U.S. Coast Guard for appointment to the grade of rear admiral: Edward Nelson, Jr.; Clyde E. Robbins; Theodore J. Wojnar; Arnold M. Danielsen; Howard B. Thorsen.

NATIONAL INSTITUTE OF BUILDING SCIENCES

Philip D. Winn, of Colorado, to be a member of the Board of Directors of the National Institute of Building Sciences for a term expiring September 7, 1986.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE COAST GUARD

Coast Guard nominations beginning Mark A. Revett, and ending Douglas W. Elston, which nominations were received by the Senate on February 11, 1986, and appeared in the Congressional Record of February 18, 1986.

Coast Guard nominations beginning Robert G. Cozzolino, and ending Kenneth J. Reynolds, which nominations were received by the Senate on February 12, 1986, and appeared in the Congressional Record of February 18, 1986.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the nominees were considered and approved en bloc.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NOMINATION OF ALFRED C. SIKES

Mr. DANFORTH. Mr. President, it is with great enthusiasm that I recommend Al Sikes to serve as Assistant Secretary of Commerce for Communications and Information at the Department of Commerce. I have known Al Sikes, and known him very well, for over 18 years. He is a person who has demonstrated leadership ability, and demonstrated ability in public service. Al Sikes will be an asset to the administration, as he performs his role as the principal executive branch adviser to the President on domestic and international telecommunications policy.

When I first knew Al Sikes, he was the president of the Missouri Jaycees. When I was first elected as attorney general of Missouri and took office in January 1969, Al Sikes was one of four people who went into that office with me as an assistant attorney general.

In 1970, when I made the mistake of challenging Stuart Symington for the U.S. Senate, Al Sikes was the manager of my campaign. He returned after that campaign to the attorney general's office. In 1973 he joined the Governor's administration in our State as a member of the Governor's cabinet, and as director of the State department of consumer affairs, somewhat analogous to our FTC.

He left public service in the mid-1970's and went into the radio business in Springfield, MO, where he had lived before he moved to Jefferson City.

I know Al Sikes very well. I have been in his home, he has been in my home. We have gone fishing together, which is a great test of character. I baptized one of his children. And I can, without qualification, vouch for his character, his integrity, and his ability.

NOMINATION OF J.J. SIMMONS

Mr. BOREN. I enthusiastically support the nomination of J.J. Simmons III, of my home State of Oklahoma for another term on the Interstate Commerce Commission. Mr. Simmons, who first served on the Commission in 1982 and 1983, is now serving as Vice Chairman. His appointment to the Commission was interrupted in 1983 when President Reagan nominated him as Under Secretary of the Interior, a position he filled for 2 years. He returned to the ICC in 1984 to fill the remainder of the term expiring December 31, 1985. He has now been nominated for another term on the Commission and I urge his confirmation.

He has previously served as Administrator of the Oil Import Administration, and as Deputy Director of the Office of Oil and Gas of the Department of the Interior. In addition to his Government service, he has served in the private sector and rose to the position of vice president of the Amerada Hess Corp.

The friendship between Jake Simmons' family and mine spans three generations. His late father was an outstanding Oklahoman. He was State president of the NAACP for a quarter of a century. Both Jake and his father were pioneer leaders for civil rights in our State. His brother, Don, is a respected business leader in our State and served on my judicial nominating commission while I was Governor.

By ability, temperament and personal character, I believe that J.J. Simmons III, is well qualified to continue to serve on the ICC. His service there merits another term. He has a deep and sincere desire to render public service to his country. We are very fortunate to have a person like J.J. Simmons demonstrate the willingness to make the personal sacrifices necessary to serve in this way.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Senate resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the PRESIDING OFFICER laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

FREEDOM, REGIONAL SECURITY, AND GLOBAL PEACE MESSAGE FROM THE PRESIDENT—PM 120

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States; which was referred to the Committee on Foreign Relations:

To the Congress of the United States:

FREEDOM, REGIONAL SECURITY, AND GLOBAL PEACE

I. AMERICA'S STAKE IN REGIONAL SECURITY

For more than two generations the United States has pursued a global foreign policy. Both the causes and consequences of World War II made clear to all Americans that our participation in world affairs, for the rest of the century and beyond, would have to go beyond just the protection of our national territory against direct invasion. We had learned the painful lessons of the 1930's, that there could be no safety in isolation from the rest of the world. Our Nation has responsibilities and security interests beyond our borders—in the rest of this hemisphere, in Europe, in the Pacific, in the Middle East and in other regions—that require strong, confident, and consistent American leadership.

In the past several weeks, we have met these responsibilities—in difficult circumstances—in Haiti and in the Philippines. We have made important proposals for peace in Central America and southern Africa. There and elsewhere, we have acted in the belief that our peaceful and prosperous future can best be assured in a world in which other peoples too can determine their own destiny, free of coercion or tyranny from either at home or abroad.

The prospects for such a future—to which America has contributed in innumerable ways—seem brighter than they have been in many years. Yet we cannot ignore the obstacles that stand in its path. We cannot meet our responsibilities and protect our interests without an active diplomacy backed by American economic and military power. We should not expect to solve problems that are insoluble, but we must not be half-hearted when there is a prospect of success. Wishful thinking and stop-and-go commitments will not protect America's interests.

Our foreign policy in the postwar era has sought to enhance our Nation's security by pursuit of four fundamental goals:

—We have sought to defend and advance the cause of democracy, freedom, and human rights throughout the world.

—We have sought to promote prosperity and social progress through a free, open, and expanding market-oriented global economy.

—We have worked diplomatically to help resolve dangerous regional conflicts.

—We have worked to reduce and eventually eliminate the danger of nuclear war.

Sustained by a strong bipartisan consensus, these basic principles have weathered contentious domestic debates through eight administrations, both Democratic and Republican. They have survived the great and rapid changes of an ever-evolving world.

There are good reasons for this continuity. These broad goals are linked together, and they in turn match both our ideals and our interests. No other policy could command the broad support of the American people.

A foreign policy that ignored the fate of millions around the world who seek freedom would be a betrayal of our national heritage. Our own freedom, and that of our allies, could never be secure in a world where freedom was threatened everywhere else. Our stake in the global economy gives us a stake in the well-being of others.

A foreign policy that overlooked the dangers posed by international conflicts, that did not work to bring them to a peaceful resolution, would be irresponsible—especially in an age of nuclear weapons. These conflicts, and the tensions that they generate, are in fact a major spur to the continued build-up of nuclear arsenals. For this reason, my Administration has made plain that continuing Soviet adventurism in the developing world is inimical to global security and an obstacle to fundamental improvement of Soviet-American relations.

Our stake in resolving regional conflicts can be simply stated: greater freedom for others means greater peace and security for ourselves. These goals threaten no one, but none of them can be achieved without a strong, active, and engaged America.

II. REGIONAL SECURITY IN THE 80'S

Our efforts to promote freedom, prosperity, and security must take account of the diversity of regional conflicts and of the conditions in which they arise. Most of the world's turbulence has indigenous causes, and not every regional conflict should be viewed as part of the East-West conflict. And we should be alert to historic changes in the international environment, for these create both new problems and new opportunities. Three such realities must define American policies in the 80's.

Soviet Exploitation of Regional Conflicts. The first involves the nature of the threat we face. The fact is, in the 1970's the challenge to regional security became—to a greater degree than before—the challenge of Soviet expansionism. Around the world we saw a new thrust by our adversaries to spread Communist dictatorships and to put our own security (and that of friends and allies) at risk. The Soviet Union—and clients like Cuba, Vietnam, and Libya—supplied enormous quantities of money, arms, and training in efforts to destabilize and overthrow vulnerable governments on nearly every continent. By the 1970's the long-proclaimed Soviet doctrine of "wars of national liberation" was for the first time backed by a global capability to project military power. The Soviets appeared to conclude that the global "correlation of forces" was shifting inexorably in their favor.

The world now knows the results, above all the staggering human toll. Murderous policies in Vietnam and Cambodia produced victims on a scale unknown since the genocides of Hitler and Stalin. In Afghanistan, the Soviet invasion led to the terrified flight of millions from their homes. In Ethiopia, we have witnessed death by famine and more recently by forced resettlement; and in South Yemen this year, factional killing that consumed thousands of lives in a span of a few days.

These have been only the most horrifying consequences. Other outgrowths of Soviet policies have been the colonial presence of tens of thousands of Cuban troops in Africa; the activities of terrorists trained in facilities in the Soviet bloc; and the effort to use Communist Nicaragua as a base from which to extinguish democracy in El Salvador and beyond.

These are not isolated events. They make up the disturbing pattern of Soviet conduct in the past fifteen years. The problems it creates are no less acute because the Soviet Union has had its share of disagreements with some of its clients, or because many of these involvements have proved very costly. That the Soviet leadership persists in such policies despite the growing burden they impose only testifies to the strength of Soviet commitment. Unless we build barriers to Soviet ambitions, and create incentives for Soviet restraint, Soviet policies will remain a source of danger—and the most important obstacle to the future spread of freedom.

In my meetings and other communications with Soviet General Secretary Gorbachev, and in my address before the UN General Assembly last October, I have made clear the importance the United States attaches to the resolution of regional conflicts that threaten world peace and the yearning of millions for freedom and independence—whether in Afghanistan or in southern Africa.

For the United States, these conflicts cannot be regarded as peripheral to other issues on the global agenda. They raise fundamental issues and are a fundamental part of the overall U.S.-Soviet relationship. Their resolution would represent a crucial step toward the kind of world that all Americans seek and have been seeking for over forty years.

Joining Others' Strength to Ours. The second reality that shapes America's approach to regional security is the need to join our own strength to the efforts of others in working toward our common goals.

Throughout the postwar period, our country has played an enormous role

in helping other nations, in many parts of the world, to protect their freedom. Through NATO we committed ourselves to the defense of Europe against Soviet attack. Through the Marshall Plan we helped Western Euorpe to rebuild its economy and strengthen democratic institutions. We sent American troops to Korea to repel a Communist invasion. America was an ardent champion of decolonization. We provided security assistance to help friends and allies around the world defend themselves. We extended our hand to those governments that sought to free themselves from dependence on the Soviet Union; success in such efforts—whether by Yugoslavia, Egypt, China or others—has contributed significantly to international security.

Despite our economic and military strength and our leading political role, the pursuit of American goals has always required cooperation with like-minded partners. The problems we face today, however, make cooperation with others even more important. This is in part a result of the limits on our own resources, of the steady growth in the power of our adversaries, and of the American people's understandable reluctance to shoulder alone burdens that are properly shared with others. But most important, we want to cooperate with others because of the nature of our goals. Stable regional solutions depend over the long term on what those most directly affected can contribute. If interference by outsiders can be ended, regional security is best protected by the free and independent countries of each region.

The Democratic Revolution. If American policy can succeed only in cooperation with others, then the third critical development of the past decade offers special hope: it is the democratic revolution, a trend that has significantly increased the ranks of those around the world who share America's commitment to national independence and popular rule.

The democracies that survived or emerged from the ruins of the Second World War—Western Europe, Japan, and a handful of others—have now been joined by many others across the globe. Here in the Western Hemisphere, the 1980's have been a decade of transition to democracy. Today, over 90 percent of the population of Latin America and the Caribbean live under governments that are democratic—in contrast to only one-third a decade ago. In less than 6 years, popularly elected democrats have replaced dictators in Argentina, Bolivia, El Salvador, Guatemala, Honduras, Peru, Brazil, Uruguay, and Grenada.

In other parts of the world, we see friends and allies moving in the same direction. Earlier in this decade, the people of Turkey fought back a violent assault on democracy from both left and right. Similarly, since the fall of Vietnam, the non-Communist nations of Southeast Asia have rallied together; with prosperous economies, and effective, increasingly democratic national governments, they play an increasingly important role on the world stage.

These trends are far from accidental. Ours is a time of enormous social and technological change everywhere, and one country after another is discovering that only free peoples can make the most of this change. Countries that want progress without pluralism, without freedom, are finding that it cannot be done.

In this global revolution, there can be no doubt where America stands. The American people believe in human rights and oppose tyranny in whatever form, whether of the left or the right. We use our influence to encourage democratic change, in careful ways that respect other countries' traditions and political realities as well as the security threats that many of them face from external or internal forces of totalitarianism.

The people of the Philippines are now revitalizing their democratic traditions. The people of Haiti have their first chance in three decades to direct their own affairs. Advocates of peaceful political change in South Africa are seeking an alternative to violence as well as to apartheid. All these efforts evoke the deepest American sympathy. American support will be ready, in these countries and elsewhere, to help democracy succeed.

But the democratic revolution does not stop here. There is another, newer phenomenon as well. In recent years, Soviet ambitions in the developing world have run head-on into a new form of resistance. Peoples on every continent are insisting on their right to national independence and their right to choose their government free of coercion. The Soviets overreached in the 1970's, at a time when America weakened itself by its internal divisions. In the 1980's the Soviets and their clients are finding it difficult to consolidate these gains—in part because of the revival of American and Western self-confidence, but mainly because of the courageous forces of indigenous resistance. Growing resistance movements now challenge Communist regimes installed or maintained by the military power of the Soviet Union and its colonial agents—in Afghanistan, Angola, Cambodia, Ethiopia, and Nicaragua.

We did not create this historical phenomenon, but we must not fail to respond to it.

In Afghanistan, Moscow's invasion to preserve the puppet government it installed has met stiff and growing resistance by Afghans who are fighting and dying for their country's independence. Democratic forces in Cambodia, once all but annihilated by the Khmer Rouge, are now waging a similar battle against occupation and a puppet regime imposed by Communist Vietnam.

In Angola, Jonas Savimbi and his UNITA forces have waged an armed struggle against the Soviet- and Cuban-backed Marxist regime, and in recent years UNITA has steadily expanded the territory under its control.

In Nicaragua, the democratic resistance forces fighting against another Soviet- and Cuban-backed regime have been holding their own—despite their lack of significant outside help, and despite the massive influx of the most sophisticated Soviet weaponry and thousands of Soviet, Cuban, and Soviet-bloc advisers.

The failure of these Soviet client regimes to consolidate themselves only confirms the moral and political bankruptcy of the Leninist model. No one can be surprised by this. But it also reflects the dangerous and destabilizing international impact that even unpopular Leninist regimes can have. None of these struggles is a purely internal one. As I told the United Nations General Assembly last year, the assault of such regimes on their own people inevitably becomes a menace to their neighbors. Hence the threats to Pakistan and Thailand by the powerful occupying armies in Afghanistan and Cambodia. Hence the insecurity of El Salvador, Costa Rica, and Honduras in the face of the Nicaraguan military build-up.

Soviet-style dictatorships, in short, are an almost unique threat to peace, both before and after they consolidate their rule. *Before,* because the war they wage against their own people does not always stay within their own borders. And *after,* because the elimination of opposition at home frees their hand for subversion abroad. Cuba's foreign adventures of the past decade are a warning to the neighbors of Communist regimes everywhere.

The drive for national freedom and popular rule takes different forms in different countries, for each nation is the authentic product of a unique history and culture. In one case, a people's resistance may spring from deep religious belief; in another, from the bonds of ethnic or tribal solidarity; in yet another, from the grievances of colonial rule, or from the failure of an alien ideology to contribute to national progress. Our traditions and the traditions of those whom we help can hardly be identical. And their programs will not always match our own experience and preferences. This is to be expected. The real question is: can our policy—of active American support—increase the likelihood of democratic outcomes? I believe it can.

III. THE TOOLS OF AMERICAN POLICY.

These three realities of the 80's—the new thrust of Soviet interventionism, the need for free nations to join together, the democratic revolution—are inseparable. Soviet power and policy cannot be checked without the active commitment of the United States. And we cannot achieve lasting results without giving support to—and receiving support from—those whose goals coincide with ours.

These realities call for new ways of thinking about how to cope with the challenge of Soviet power. Since Harry Truman's day, through administrations of both parties, American policy toward the Soviet Union has consistently set itself the goal of containing Soviet expansionism. Today that goal is more relevant and more important than ever. But how do we achieve it in today's new conditions?

First of all, we must face up to the arrogant Soviet pretension known as the Brezhnev Doctrine: the claim that Soviet gains are irreversible; that once a Soviet client begins to oppress its people and threaten its neighbors it must be allowed to oppress and threaten them forever. This claim has no moral or political validity whatsoever. Regimes that cannot live in peace with either their own people or their neighbors forfeit their legitimacy in world affairs.

Second, we must take full account of the striking trend that I have mentioned: the growing ranks of those who share our interests and values. In 1945 so much of the burden of defending freedom rested on our shoulders alone. In the 1970's some Americans were pessimistic about whether our values of democracy and freedom were relevant to the new developing nations. Now we know the answer. The growing appeal to democracy, the desire of *all* nations for true independence, are the hopeful basis for a new world of peace and security into the next century. A world of diversity, a world in which other nations choose their own course freely, is fully consistent with our values—because we know free peoples never choose tyranny.

To promote these goals, America has a range of foreign policy tools. Our involvement should always be prudent and realistic, but we should remember that our tools work best when joined together in a coherent strategy consistently applied. Diplomacy unsupported by power is mere talk. Power that is not guided by our political purposes can create nothing of permanent value.

The two tools of U.S. policy without which few American interests will be secure are our own military strength and the vitality of our economy. The defense forces of the United States are crucial to maintaining the stable environment in which diplomacy can be effective, in which our friends and allies can be confident of our protection, and in which our adversaries can be deterred. And our economic dynamism not only provides the resources essential to sustain our policies, but conveys a deeper message that is being better understood all the time, even by our adversaries: free, pluralist societies *work*.

The failure to maintain our military capabilities and our economic strength in the 1970's was as important as any other single factor in encouraging Soviet expansionism. By reviving both of them in the 1980's we deny our adversaries opportunities and deter aggression. We make it easier for other countries to launch sustained economic growth, to build popular institutions, and to contribute on their own to the cause of peace.

Security Assistance and Arms Transfers. When Soviet policy succeeds in establishing a regional foothold—whether through invasion as in Afghanistan or Cambodia, or sponsorship of local Leninists as in Nicaragua—our first priority must be to bolster the security of friends most directly threatened. This has been the reason for increasing our security assistance for Pakistan, Thailand, and the friendly democratic states of Central America. U.S. aid to Pakistan has been indispensable in demonstrating that we will not permit the Soviet Union to gain hegemony over all within reach of its growing power. By raising and sustaining aid to El Salvador after the Communist guerrillas' failed "final offensive" of 1981, we showed that controversy here at home could not stop us from backing a friendly and democratic government under threat.

Similarly, by providing needed equipment to friends in the Middle East—whether to democratic Israel, or to longstanding friends in the Arab world who face clear and present radical threats—we contribute to stability and peace in a vital region of the world.

By supporting the efforts of others to strengthen their own defense, we frequently do as much for our own security as through our own defense budget. Security assistance to others is a security bargain for us. We must, however, remember that states hostile to us seek the same sort of bargains at our expense. For this reason, we must be sure that the resources we commit are adequate to the job. In the first half of this decade, Libyan and Iranian aid to Communist Nicaragua, for example, totaled more than three times as much as U.S. aid to the democratic opposition. Soviet assistance to Vietnam, at nearly $2 billion annually, far outstrips U.S. support for any country save those that signed the Camp David peace accords. Soviet support for Cuba is larger still.

Economic Assistance. In speaking of Central America in 1982, I said that "economic disaster [had] provided a fresh opening to the enemies of freedom, national independence, and peaceful development." We cannot indulge the hope that economic responses alone are enough to prevent this political exploitation, but an effective American policy must address both the short-term and long-term dimensions of economic distress. In the short term our goal is stabilization; in the long term, sustained growth and progress by encouraging market-oriented reform.

In Central America, for example, the dollar value of our economic aid has consistently been three, four, or five times as much as our security assistance. In 1985 the former totaled $975 million, the latter, only $227 million.

Over the long term, America's most effective contribution to self-sustaining growth is not through direct aid but through helping these economies to earn their own way. The vigorous expansion of our own economy has already spurred growth throughout the Western Hemisphere, as well as elsewhere. But this healthy expansion of the global economy—which benefits us as well as others—depends crucially on maintaining a fair and open trading system. Protectionism is both dangerous and expensive. Its costs include not only the waste of resources and higher prices in our own economy, but also the blow to poorer nations around the world that are struggling for democracy but vulnerable to anti-democratic subversion.

Diplomatic Initiatives. Some have argued that the regional wars in which the Soviet Union is embroiled provide an opportunity to "bleed" the Soviets. This is not our policy. We consider these wars dangerous to U.S.-Soviet relations and tragic for the suffering peoples directly involved.

For those reasons, military solutions are not the goal of American policy. International peace and security require both sides in these struggles to be prepared to lay down their arms and negotiate political solutions. The forms of such negotiations may vary, but in all of these conflicts political efforts (and the improvement of internal political conditions) are essential to ending the violence, promoting freedom and national self-determination, and bringing real hope for regional security.

With these goals in mind, in my address to the UN General Assembly last fall, I put forward a plan for beginning to resolve a series of regional conflicts in which Leninist regimes have made war against their own peoples. My initiative was meant to complement diplomatic efforts already underway. To all of these efforts the United States has given the strongest possible sup-

port. We have done so despite the fact that the Soviet Union and its clients have usually resisted negotiations, or have approached the table primarily for tactical purposes. We intend, in fact, to redouble our effort through a series of bilateral discussions with the Soviets.

In Afghanistan, we strongly support the diplomatic efforts conducted under UN auspices. We see no clear sign that the Soviet Union has faced up to the necessity of withdrawing its troops, which remains the central issue of the negotiations. But we will persist.

In southern Africa, the recent announcement by the South African government of a date for the creation of an independent Namibia provides a new test of its own and of the Angolan regime's interest in a settlement that truly begins to reduce the threats to security in this region.

In Central America, President Duarte of El Salvador has offered a bold initiative that would produce three sets of simultaneous peace talks—his own with Salvador's Communist guerrillas; U.S.-Nicaragua bilateral discussions; and an internal dialogue between the Communist regime in Nicaragua and the democratic opposition—if the Sandinistas will agree to the latter. My new envoy for Central America, Ambassador Philip Habib, will pursue the Duarte initiative as his first responsibility.

In Cambodia, we support ASEAN—the Association of Southeast Asian Nations—in its intensive diplomatic efforts to promote Cambodia self-determination and an end to Vietnam's brutal occupation.

Support for Freedom Fighters. In all these regions, the Soviet Union and its clients would of course prefer victory to compromise. That is why in Afghanistan, in Southeast Asisa, in southern Africa, and in Central America, diplomatic hopes depend on whether the Soviets see that victory is excluded. In each case, resistance forces fighting against Communist tyranny deserve our support.

The form and extent of support we provide must be carefully weighed in each case. Because a popularly supported insurgency enjoys some natural military advantages, our help need not always be massive to make a difference. But it must be more than simply symbolic: our help should give freedom fighters the chance to rally the people to their side. As John Kennedy observed of another nation striving to protect its freedom, it is ultimately their struggle; winning inevitably depends more on them than on any outsiders. America cannot fight everyone's battle for freedom. But we must not deny others the chance to fight their battle themselves.

In some instances, American interests will be served best if we can keep the details of our help—in particular, how it is provided—out of view. The Soviets will bring enormous pressure to bear to stop outside help to resistance forces; while we can well withstand the pressure, small friends and allies may be much more vulnerable. That is why publicity for such details sometimes only exposes those whom we are trying to help, or those who are helping us, to greater danger. When this is the case, a President must be able to work with the Congress to extend needed support without publicity. Those who make it hard to extend support in this way when necessary are taking from our hands an important tool to protect American interests. Other governments that find they cannot work with us on a confidential basis will often be forced not to work with us at all. To hobble ourselves in this way makes it harder to shape events while problems are still manageable. It means we are certain to face starker choices down the road.

Nowhere is this clearer than in Central America. The Nicaraguan Communists have actively sought to subvert their neighbors since the very moment they took power. There can be no regional peace in Central America—or wherever Soviet client regimes have taken power—so long as such aggressive policies face no resistance. Support for resistance forces shows those who threaten the peace that they have no military option, and that negotiations represent the only realistic course.

Communist rulers do not voluntarily or in a single step relinquish control and open their nations to popular rule. But there is no historical basis for thinking that Leninist regimes are the only ones that can indefinitely ignore armed insurgencies and the disintegration of their own political base. The conditions that a growing insurgency can create—high military desertion rates, general strikes, economic shortages, infrastructural breakdowns, to name just a few—can in turn create policy fissures even within a leadership that has had no change of heart.

This is the opportunity that the freedom fighters of the 80's hope to seize, but it will not exist forever, either in Central America or elsewhere. When the mechanisms of repression are fully in place and consolidated, the task of countering such a regime's policies—both internal and external—becomes incomparably harder. That is why the Nicaraguan regime is so bent on extinguishing the vestiges of pluralism in Nicaraguan society. It is why our own decisions can no longer be deferred.

IV. REGIONAL SECURITY AND U.S.-SOVIET RELATIONS

My administration has insisted that the issue of regional security must have a prominent place on the agenda of U.S-Soviet relations.

We have heard it said, however, that while talking about these issues is a good idea, the United States should not be involved in other ways. Some people see risks of confrontation with the Soviet Union; others, no chance that the Soviets would ever reduce their commitment to their clients.

I challenge both of these views.

A policy whose only goal was to pour fuel on existing fires would obviously be irresponsible but America's approach is completely different. Our policy is designed to keep regional conflicts from spreading, and thereby to reduce the risk of superpower confrontations. Our aim is not to increase the dangers to which regional states friendly to us are exposed, but to reduce them. We do so by making clear to the Soviet Union and its clients that we will stand behind our friends. Talk alone will not accomplish this. That is why our security assistance package for Pakistan—and for Thailand and Zaire—is so important, and why we have increased our help to democratic states of Central America. We have made clear that there would be no gain from widening these conflicts. We have done so without embroiling American forces in struggles that others are ready to fight on their own.

Our goal, in short—indeed our necessity—is to convince the Soviet Union that the policies on which it embarked in the 70's cannot work. We cannot be completely sure how the Soviet leadership calculates the benefits of relationships with clients. No one should underestimate the tenacity of such a powerful and resilient opponent.

Yet there are reasons to think that the present time is especially propitious for raising doubts on the Soviet side about the wisdom of its client ties. The same facts about the democratic revolution that we can see are visible in Moscow. The harmful impact that Moscow's conduct in the developing world had on Western readings of its intentions in the last decade is also well known. There is no time in which Soviet policy reviews and reassessments are more likely than in a succession period, especially when many problems have been accumulating for some time. General Secretary Gorbachev himself made this point last year when he asked American interviewers whether it wasn't clear that the Soviet Union required international calm to deal with its internal problems.

Our answer to this question can be very simple. We desire calm, too, and—even more to the point—so do the nations now embroiled in conflict with regimes enjoying massive Soviet support. Let the Soviet Union begin to contribute to the peaceful resolution of these conflicts.

V. CONCLUSION

I have often said that the tide of the future is a freedom tide. If so, it is also a peace tide, for the surest guarantee we have of peace is national freedom and democratic government.

In the long struggle to reach these goals, we are at a crossroads. A great deal hangs on America's staying power and steadfast commitment.

If America stays committed, we are more likely to have diplomatic solutions than military ones.

If America stays committed, we are more likely to have democratic outcomes than totalitarian ones.

If American stays committed, we will find that those who share our goals can do their part, and ease burdens that we might otherwise bear alone.

If America stays committed, we can solve problems while they are still manageable and avoid harder choices later.

And if America stays committed, we are more likely to convince the Soviet Union that its competition with us must be peaceful.

The American people remain committed to a world of peace and freedom. They want an effective foreign policy, which shapes events in accordance with our ideals and does not just react, passively and timidly, to the actions of others. Backing away from this challenge will not bring peace. It will only mean that others who are hostile to everything we believe in will have a freer hand to work their will in the world.

Important choices now rest with the Congress: Whether to undercut the President at a moment when regional negotiations are underway and U.S.-Soviet diplomacy is entering a new phase; to betray those struggling against tyranny in different regions of the world, including our own neighborhood; or to join in a bipartisan national endeavor to strengthen both freedom and peace.

I have no doubt which course the American people want.

RONALD REAGAN.

THE WHITE HOUSE, *March 14, 1986.*

MESSAGES FROM THE HOUSE

At 3:30 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following joint resolutions, without amendment:

S.J. Res. 205. Joint resolution to designate March 21, 1986, as "National Energy Education Day"; and

S.J. Res. 254. Joint resolution to designate the year of 1987 as the "National Year of Thankgiving."

The message also announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 545. Joint resolution recognizing Bobby Fisher as the Official World Chess Champion.

The message further announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 281. A concurrent resolution recognizing the achievements of the Ireland Fund and its founder Dr. Anthony J.F. O'Brien.

MEASURES REFERRED

The following joint resolution was read the first and second times by unanimous consent, and referred as indicated:

H.J. Res. 545. Joint resolution recognizing Bobby Fisher as the Official World Chess Champion; to the Committee on the Judiciary.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 281. A concurrent resolution recognizing the achievements of the Ireland Fund and its founder Dr. Anthony J.F. O'Brien; to the Committee on the Judiciary.

MEASURE PLACED ON THE CALENDAR

The Committee on Foreign Relations was discharged from the further consideration of the following joint resolution; which was placed on the calendar:

S.J. Res. 283. Joint resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2686. A communication from the Deputy Assistant Secretary of Defense (Military Manpower and Personnel Policy), transmitting, pursuant to law, a report on special pay for duty subject to hostile fire or imminent danger for calendar year 1985; to the Committee on Armed Services.

EC-2687. A communication from the Deputy Assistant Secretary of Defense (Military Manpower and Personnel Policy), transmitting, pursuant to law, the annual report concerning officer responsibility pay for calendar year 1985; to the Committee on Armed Services.

EC-2688. A communication from the Secretary of the Interior, transmitting a draft of proposed legislation to amend the Land and Water Conservation Fund Act of 1965, as amended, to permit the use of park entrance, admission, and recreation use fees for the operation of the National Park System, and for other purposes; to the Committee on Energy and Natural Resources.

EC-2689. A communication from the Secretary of Agriculture and the Secretary of the Interior, transmitting jointly, pursuant to law, the grazing fee review and evaluation report and the experimental stewardship report; to the Committee on Energy and Natural Resources.

EC-2690. A communication from the Chairman of the Federal Communications Commission, transmitting, pursuant to law, the annual report of the Commission under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2691. A communication from the Attorney General of the United States, transmitting, pursuant to law, the annual report on activities concerning enforcement of the Controlled Substances Registrant Protection Act covering the period from date of enactment to the end of fiscal year 1985; to the Committee on the Judiciary.

EC-2692. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on the President's third special message for fiscal year 1986; pursuant to the order of January 30, 1986, referred jointly to the Committee on the Budget, the Committee on Appropriations, the Committee on Banking, Housing, and Urban Affairs, the Committee on Commerce, Science, and Transportation, the Committee on Energy and Natural Resources, and the Committee on Foreign Relations.

EC-2693. A communication from the General Counsel of the Department of Energy, transmitting a draft of proposed legislation to authorize appropriations for the Department of Energy for national security programs for fiscal year 1987 and fiscal year 1988, and for other purposes; to the Committee on Armed Services.

EC-2694. A communication from the general counsel of the Department of Defense, transmitting a draft of proposed legislation to authorize appropriations for fiscal year 1987 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; to the Committee on Armed Services.

EC-2695. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to amend title II of the Marine Protection, Research, and Sanctuaries Act of 1972, as amended, to authorize appropriations for fiscal years 1987 and 1988; to the Committee on Commerce, Science, and Transportation.

EC-2696. A communication from the Associate Director of the Resources, Community and Economic Development Division. General Accounting Office transmitting pursuant to law, a report entitled "Synthetic Fuels-Status of the Great Plains Coal Gasification Project"; to the Committee on Energy and Natural Resources.

EC-2697. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the National Ocean Pollution Planning Act of 1978, as amended, to authorize appropriations to carry out the provisions of the act for fiscal years 1987 and 1988; to the Committee on Environment and Public Works.

EC-2698. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on the increases in the level of assets a recipient of supplemental security income benefits can own and still remain eligible; to the Committee on Finance.

EC-2699. A communication from the Administrator of General Services, transmitting, pursuant to law, the annual report of the General Accounting Office on competi-

tion advocacy for fiscal year 1986; to the Committee on Governmental Affairs.

EC-2700. A communication from the Assistant Secretary of Commerce (Administration) transmitting, pursuant to law, the annual report of the Department under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2701. A communication from the Director of the Equal Employment Opportunity Commission, transmitting, pursuant to law, the annual report of the Commission under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2702. A communication from the Acting Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to increase the rates of compensation for disabled veterans and the rates of dependency and indemnity compensation for surviving spouses and children of veterans, and for other purposes; to the Committee on Veterans' Affairs.

EC-2703. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a cumulative report on budget rescissions and deferrals dated March 1, 1986; pursuant to the order of Janury 30, 1975, referred jointly to the Committee on the Budget and the Committee on Appropriations.

EC-2704. A communication from the Secretary of Education, transmitting, pursuant to law, the eighth annual report on the progress being made toward the provisions of a free appropriate public education to all handicapped children; to the Committee on Labor and Human Resources.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. LAXALT (for himself and Mr. HECHT):

S. 2194. A bill to authorize the conveyance of 40 acres in Nevada to the Catholic Diocese of Reno/Las Vegas; to the Committee on Energy and Natural Resources.

By Mr. GORTON:

S. 2195. A bill to amend the Internal Revenue Code of 1954 to provide tax-exempt status for organizations which assist in introducing into public use technology developed by operating research organizations; to the Committee on Finance.

By Mr. QUAYLE:

S. 2196. A bill to amend title 10, United States Code, to improve procedures for the acquisition of spare and repair parts, and for other purposes; to the Committee on Armed Services.

By Mr. ROTH (for himself and Mr. STEVENS):

S. 2197. A bill to amend title 5, United States Code, to establish an optional early retirement program for Federal Government employees, and for other purposes; to the Committee on Governmental Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GORTON:

S. 2195. A bill to amend the Internal Revenue Code of 1954 to provide tax-exempt status for organizations which assist in introducing into public use technology developed by operating research organizations; to the Committee on Finance.

TAX-EXEMPT STATUS FOR CERTAIN ORGANIZATIONS INTRODUCING FOR PUBLIC USE TECHNOLOGY DEVELOPED BY OPERATING RESEARCH ORGANIZATIONS

● Mr. GORTON. Mr. President, today I am introducing legislation that will clarify the tax status of nonprofit organizations that assist in taking technology out of our Nation's laboratories and transferring it to industry and commerce. Clarifying the tax status of those organizations will encourage and stimulate the transfer of technology so that the economy and the public will have the benefit to be derived from new products.

The need for practical transfer of research results to the marketplace appears to be greater than ever. The President's Commission on Industrial Competitiveness has warned that the United States is losing its ability to compete in world markets. The Commission's 1985 report notes that the United States has lost world market share in 7 out of 10 high-technology sectors.

Although foreign trade barriers have contributed to this decline, the Commission stated that a basic problem is the failure of American high-technology companies to translate new technology consistently into competitive products. The Commission also noted that the United States has failed to provide its own technologies to manufacturing. Robotics, automation, and statistical quality control were all first developed in the United States, but in recent years they have been more effectively applied in other countries.

The Subcommittee on Science, Technology, and Space held hearings on technology transfer last year. During the course of those hearings, we learned of the development of new institutions aimed at bringing technology out of the laboratory. Cooperative service organizations represent one such promising new institution. These privately funded nonprofit organizations form a necessary link in the process of effectively bringing technology out of our Nation's laboratories by identifying and commercializing new technology. They license new technologies, help form startup companies, and assist in establishing research and development partnerships.

A recent Tax Court decision, however, threatens to cut-off this innovative mechanism for promoting technology transfer. The bill I am introducing today takes a step toward improving our Nation's ability to transfer technology by clarifying the status of privately funded nonprofit organizations. This clarification will promote the development of cooperative organizations and help ensure that our Nation remains on the cutting edge of technological change. I urge my colleagues to support this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2195

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TAX-EXEMPT STATUS FOR ORGANIZATIONS INTRODUCING INTO PUBLIC USE TECHNOLOGY DEVELOPED BY OPERATING RESEARCH ORGANIZATIONS.

(a) IN GENERAL.—Section 501 of the Internal Revenue Code of 1954 (relating to exemption from tax on corporations, certain trusts, etc.) is amended—

(1) by redesignating subsection (m) as subsection (n), and

(2) by inserting after subsection (l) the following new subsection:

"(m) ORGANIZATIONS INTRODUCING INTO PUBLIC USE TECHNOLOGY DEVELOPED BY OPERATING RESEARCH ORGANIZATIONS.—For purposes of this title, an organization shall be treated as an organization organized and operated exclusively for charitable purposes if such organization—

"(1) is organized and operated exclusively—

"(A) to provide for (directly or by arranging for and supervising the performance by independent contractors)—

"(i) reviewing technology disclosures from operating research organizations,

"(ii) obtaining protection for such technology through patents, copyrights, or other means, and

"(iii) licensing, sale, or other exploitation of such technology,

"(B) to distribute the income therefrom, after payment of expenses and other amounts agreed upon with originating research organizations, to such research organizations, and

"(C) to make research grants to such research organizations,

"(2) regularly provides the services and research grants described in paragraph (1) exclusively to 1 or more operating research organizations each of which—

"(A) is an organization described in subsection (c)(3) or the income of which is excluded from taxation under section 115, and

"(B) is an organization—

"(i) described in clause (ii), (iii), (iv), or (v) of section 170(b)(1)(A), or

"(ii) described in clause (viii) of section 170(b)(1)(A), whose primary activity is the conduct of research,

except that research grants may be made to such operating research organizations through an organization described in paragraph (3), and

"(3) is controlled by 1 or more organizations, each of which—

"(A) is an organization described in subsection (c)(3) or the income of which is excluded from taxation under section 115, and

"(B) may be a recipient of the services or research grants described in paragraph (1).

For the purposes of this title, any organization which, by reason of the preceding sentence, is an organization described in subsection (c)(3) and exempt from taxation under subsection (a), shall be treated as an

organization described in section 170(b)(1)(A)(ii).".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1985.●

By Mr. QUAYLE:

S. 2196. A bill to amend title 10, United States Code, to improve procedures for the acquisition of spare and repair parts, and for other purposes; to the Committee on Armed Services.

DEFENSE ACQUISITION IMPROVEMENTS ACT

● Mr. QUAYLE. Mr. President, I am today introducing the Defense Acquisition Improvements Act of 1986 to address some of the issues raised during hearings by the Defense Acquisition Policy Subcommittee last fall. The subcommittee held four oversight hearings on the implementation of the 1984 defense procurement legislation, including the Competition in Contracting Act, the Defense Procurement Reform Act, and the Small Business and Federal Procurement Competition Enhancement Act, all of which were enacted in 1984.

Because of the fundamental changes that were put in place with the 1984 defense acquisition legislation, many people in the defense community have expressed grave concerns about the impact of some of the changes on the acquisition process. By exercising its oversight role, our subcommittee provided a public forum for airing of specific concerns. We also solicited specific proposals for modifications to existing defense acquisition statutes from all the witnesses.

We conducted four hearings beginning on October 17 and continuing through November 13, during which we heard from Dr. James Wade, Assistant Secretary of Defense for Acquisition and Logistics, the joint logistics commanders, and representatives from industry and outside associations. We have spent the last several months carefully reviewing the comments and recommendations.

Mr. President, in our attempts to promote greater efficiency in defense acquisition we have placed the highest priority on responsible reform. All the legislation that was passed through the Armed Services Committee addressing improvement of the acquisition process has had the benefit of careful review and deliberation. Nonetheless, there are inevitable problems when newly enacted legislation is applied to such a complex area as the defense acquisition process. With an undertaking as critical to national security as the procurement and support of military equipment, it is incumbent on us to review continually the implementation of legislation changing the process and to make prudent changes in the law if necessary.

Frankly, we have not seen fit to proceed with most of the suggested changes at this time. In many cases, the laws have simply not been in effect long enough to provide clear evidence that a given problem really exists. In other cases, there simply is no clear cut path to legislate corrections to some of the serious trends which many of our witnesses presented to us. Finally, many of the specific proposals appear to be addressed more effectively through administrative action within the Department of Defense, than through a change in the law.

Nonetheless, we are still reviewing the many issues brought to the subcommittee's attention. I intend to work with the Department of Defense to help ensure that the implementation of new legislation reflects the intent of Congress. When it becomes clear that a change in the law is desirable, I will propose such changes.

The Defense Acquisition Improvements Act of 1986 is a preliminary step in this direction. This legislation includes three changes to existing law that clearly need to be considered at this time. Two of the sections modify the provisions in the Defense Procurement Reform Act of 1984 and the other repeals a provision in the Department of Defense Authorization Act of fiscal 1986.

The first section of the legislation clarifies what I believe was the intent of Congress with respect to commercial pricing certification of spare or repair parts sold to the Government. This provision was intended to ensure the Government would pay no more than the lowest commercially available price for spare or repair parts that are available to commercial buyers. Under the current law, contractors are required to certify that the price being charged to the Government for an item of supply is no more than the lowest commercial price or a justification for the difference must be provided. In the attempts to formulate the final implementing regulations of this requirement, questions have arisen concerning the definition of "items of supply" and the term "lowest commercial price."

The new language I am proposing would clarify that this requirement is intended to apply to spare and repair parts and that the term "lowest commercial price" refers to the lowest, most recent price paid by a commercial customer in the general public. A further change has been added which clarifies that the commercial pricing certification requirement applies only where contracts are awarded using other than competitive procedures.

The second provision in my bill clarifies section 1245 of the Defense Procurement Reform Act of 1984. This section requires the Secretary of Defense to prescribe by regulations the manner in which the Department of Defense negotiates prices for supplies procured through noncompetitive contract awards. The specific target of this provision was the outrageous overhead being charged by contractors for items such as hammers, which the contractor did not manufacture and to which the contractor added little or no value before passing them along to the Government.

The regulations required by section 1245 are to specify the incurred overhead a contractor may appropriately allocate to supplies and to require a contractor to identify supplies not manufactured by him and to which he has not contributed significant value.

The changes in this section exempt two classes of contractors from this requirement. The first are the actual manufacturers of the item being sold to the Government and the second are so-called regular dealers who are defined as those individuals who, according to the Federal acquisition regulation:

> Own, operate, or maintain a store, warehouse or other establishment in which the materials, supplies, articles, or equipment of the general character described by the specifications and required under the contract are bought, kept in stock, and sold to the public in the usual course of business.

The first group was not intended to be covered in the regulations. In the case of the second, the free market has already worked to control the price and the additional accounting burden is superfluous.

The final section of my legislation is a repeal of section 917 of the Defense Procurement Improvement Act of 1985 dealing with cost and price management requirements. It is my understanding that this provision was intended to require contractors to record categories of proposed and negotiated cost and pricing data in several categories and relate them to some form of industrial work measurement technique.

It is unclear what benefits would accrue by requiring contractors to record information in this form and make it available to the Department of Defense. The Department of Defense is currently developing a plan that will require the use of tailored industrial work measurement standards in production contracts. Until we are in a better position to gauge the effectiveness of this DOD policy, we should remove the cost and burden of the parallel section 917 accounting requirements from the law.●

By Mr. ROTH (for himself and Mr. STEVENS):

S. 2197. A bill to amend title 5, United States Code, to establish an optional early retirement program for Federal Government employees, and for other purposes; to the Committee on Governmental Affairs.

FEDERAL EMPLOYEES' OPTIONAL EARLY RETIREMENT ACT

● Mr. ROTH. Mr. President, today I rise, together with Senator STEVENS,

chairman of the Subcommittee on Civil Service, to introduce a bill that gives over 400,000 Federal civilian employees the opportunity to voluntarily retire in 1986, thus saving the taxpayers several hundred million dollars.

This bill will enable many Federal employees to retire immediately if they desire. A number of older Federal employees, although they now lack the age and service needed to retire under current law, are ready, willing and able to retire as soon as they get a reasonable opportunity. Some of these older employees are able to take attractive jobs outside the Government, while others are financially able to live on the pensions they have earned to date, perhaps by coordinating their retirement with their spouse's retirement. These people no longer have to wait.

At the same time, this bill offers new opportunities to younger Federal employees—especially women and members of minority groups—who may be concerned about the shortage of career opportunities in the Government. By providing older workers with the opportunity to retire, younger employees may now look forward to brighter and more secure Federal careers.

Given the current period of budgetary uncertainty, the early retirement option provides a positive way to reduce the Federal payroll. It is no secret that during the next few years Federal outlays must be reduced sharply. Private companies that need to cut costs commonly open up an early retirement window, to give their employees a temporary option to retire. That is exactly what this bill does. Retirement benefits are costly, but keeping too many employees on the payroll can be far more costly. That cost is reflected in two ways. People who wish to, but cannot retire, are less apt to be enthusiastic about their work. Younger workers who would like more responsibility, but are unable to move upward may leave, consequently depriving the Federal Government of talented young employees.

Preliminary cost studies indicate that this bill will save taxpayers millions of dollars each year. If this bill were enacted soon, savings could begin in July of this year, and grow through attrition.

Employees may qualify for retirement under any of the following four standards:

Any age with 25 years of service.

Age 50 with 20 years of service.

Age 55 with 15 years of service.

Age 57 with 5 years of service.

Specifically, the new option covers any employees who expect to reach the regular retirement age during the next 5 years and any employees who would qualify for special "early out" under current law. The legislation also covers employees of the executive and legislative branches and the U.S. Postal Service.

Excluded from coverage are Members of Congress, employees of the judicial branch, and physicians and nurses. Nonsupervisory law enforcement agents, air traffic controllers, and firefighters, who currently have their own special early retirement rules, are also excluded from the early retirement plan.

Under the early retirement provisions, employee benefits are allocated according to two categories. Those employees who retire at age 55 or over get full benefits. Employees who retire below age 55 take a benefit reduction of 2 percent for each year they retire before age 55.

The retirement window will be in effect from July 1, 1986 to December 31, 1986. During this window period, certain restrictions on new hiring will be in effect. No agency may hire a replacement for a worker who retires during the 6-month window period until October 1, 1991, but agencies may shift employees within the agency to the open positions. Agencies wishing to hire from the outside or from other Federal agencies could do so only by agreement from OPM. The legislation also allows OPM to waive hiring restrictions for essential employees and those whose services are financed through user fees.

The special authority which we expect the Office of Personnel Management to use in making exceptions to the rehiring freeze will enable the Government to perform essential services in an orderly way.

The early retirement option will accomplish several purposes. It will reduce civilian payrolls on a voluntary basis, and accommodate employees who are ready to retire but fall short of current age and service requirements. It will provide job security and career opportunities for women, minorities, and younger workers. And, it will save taxpayers millions of dollars and aid in reducing Federal spending.

Mr. President, while this optional early retirement window is brand-new for the Government, it follows a trail blazed over the past decade by many of America's leading employers. In times of financial stress, this bill provides an efficient, yet compassionate way of reducing costs.

I welcome the comments of my colleagues, administration officials, employee groups and others with an interest in this idea, and I intend to call upon them to express their views in hearings on this legislation.

Mr. President, this legislation has a great deal to offer, both to Federal employees and the the Government. I hope that it will be given timely consideration by the Senate.●

ADDITIONAL COSPONSORS

S. 1756

At the request of Mr. SIMON, the names of the Senator from Tennessee [Mr. SASSER] and the Senator from Illinois [Mr. DIXON] were added as cosponsors of S. 1756, a bill to authorize the President to present to Sargent Shriver, on behalf of the Congress, a specially struck medal.

S. 1853

At the request of Mr. HATCH, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 1853, a bill to amend the Court Interpreters Act of 1978.

S. 2115

At the request of Mr. THURMOND, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of S. 2115, a bill to recognize the organization known as the 82d Airborne Division Association, Inc.

S. 2129

At the request of Mr. KASTEN, the name of the Senator from Connecticut [Mr. WEICKER] was added as a cosponsor of S. 2129, a bill to facilitate the ability of organizations to establish risk retention groups, to facilitate the ability of such organizations to purchase liability insurance on a group basis, and for other purposes.

SENATE JOINT RESOLUTION 256

At the request of Mr. TRIBLE, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of Senate Joint Resolution 256, a bill designating August 12, 1986, as "National Neighborhood Crime Watch Day."

SENATE JOINT RESOLUTION 263

At the request of Mr. BOSCHWITZ, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of Senate Joint Resolution 263, a joint resolution to designate the week of September 7-13, 1986, as "National Independent Retail Grocer Week."

SENATE JOINT RESOLUTION 287

At the request of Mr. BOREN, the name of the Senator from North Dakota [Mr. ANDREWS] was added as a cosponsor of Senate Joint Resolution 287, a joint resolution designating September 29, 1986, as "National Teachers Day."

SENATE JOINT RESOLUTION 289

At the request of Mr. ROTH, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of Senate Joint Resolution 289, a joint resolution to designate 1988 as the "Year of New Sweden" and to recognize the New Sweden 1988 American Committee.

SENATE CONCURRENT RESOLUTION 115

At the request of Mr. TRIBLE, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor

of Senate Concurrent Resolution 115, a concurrent resolution expressing the opposition of the United States to the forcible resettlement and systematic oppression of the Ethiopian people.

AMENDMENTS SUBMITTED

DEFICIT REDUCTION AND PROGRAM IMPROVEMENT

JOHNSTON AMENDMENT NO. 1674

Mr. JOHNSTON proposed an amendment, which was subsequently modified, to amendment No. 1673 (proposed by Mr. DOMENICI and others) to the amendment of the House to the amendment of the Senate to the amendment of the House to the amendment of the Senate to the bill (H.R. 3128) to make changes in spending and revenue provisions for purposes of deficit reduction and program improvement, consistent with the budget process; as follows:

At the appropriate place in the Bill add the following:

"Notwithstanding any other provision of this Act, the amounts due and payable to the State of Louisiana prior to October 1, 1986, under Subtitle A of Title VIII (Outer Continental Shelf and Related Programs) of this Act shall remain in their separate accounts in the Treasury of the United States and continue to accrue interest until October 1, 1986 except that the $572 million set forth in section 8004(b)(1((A) shall only receive interest from April 15, 1986 to October 1, 1986 at which time the Secretary shall immediately distribute such sums with accrued interest to the State of Louisiana."

WILSON (AND CRANSTON) AMENDMENT NO. 1675

Mr. WILSON (for himself, Mr. CRANSTON and Mr. KERRY) proposed an amendment to amendment No. 1673 proposed by Mr. DOMENICI (and others) to the amendment of the House to the amendment of the Senate to the amendment of the House to the amendment of the Senate to the bill (H.R. 3128), supra; as follows:

On page 3F, on the third line, strike the "s" on the end of the word "subtitles" and strike "B and".

WATER RESOURCES DEVELOPMENT ACT

ABDNOR (AND OTHERS) AMENDMENT NO. 1676

Mr. ABDNOR (for himself, Mr. STAFFORD, Mr. BENTSEN, and Mr. MOYNIHAN) proposed an amendment to the bill (S. 1567) to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, and for other purposes; as follows:

(Amendment 1) On page 3, strike lines 5 through 16, and insert in lieu thereof the following:

"SEC. 201. (a) Prior to the initiation of construction of any water resources project authorized prior to this Act, in this Act, or subsequent to this Act, which is under the jurisdiction of the Secretary and which can be anticipated to provide flood control benefits, more than 10 per centum of which can be attributed to an increase in anticipated land values to a land owner, the non-federal sponsor shall agree to pay, for deposit into the Treasury, during the period of construction, 50 per centum of that portion of the project's costs allocated to such land owner's benefit. Such payment is in addition to any other requirements on the non-Federal sponsor for the sharing of project costs."

(Amendment 2) Beginning on page 9, line 3, section 211 is amended by redesignating subsections "(a)" through "(c)" as subsections "(b)" through "(d)", respectively, and, on page 9, line 3, after "Sec. 211.", inserting a new subsection as follows:

"(a) Section 221(a) of the Flood Control Act of 1970 (Public Law 91-611) is amended by inserting the words ', or an acceptable separable element thereof' immediately after 'water resources project' and the words 'or the appropriate element of the project, as the case may be' immediately after 'for the project'."

On page 9, line 14, before "The" insert "(1)" and, after line 18, insert the following:

"(2) The interest rate to be charged on any such delinquent payment shall be at a rate, to be determined by the Secretary of the Treasury, equal to 150 per centum of the average bond equivalent rate of the 13-week Treasury bills auctioned immediately prior to the date on which such payment became delinquent, or auctioned immediately prior to the beginning of each additional 3-month period if the period of delinquency exceeds 3 months."

(Amendment 3) On page 10, after the figure "212." on line 4, insert "(a)". On page 10, after line 9, insert the following:

"(b) No work on any project, or portion thereof, authorized by this Act shall be initiated by the Secretary unless development of the project complies with the terms of the National Environmental Policy Act (42 U.S.C. 4341), as amended."

(Amendment 4) On page 10, beginning on line 10, delete all through line 19 and insert in lieu thereof the following:

"SEC. 213. Subject to the provisions and requirements of Titles V, VI, and VII of this Act, the sums to be obligated for any project authorized by this Act shall not exceed the sum listed in this Act for the specific project, as of the month and year listed for such project (or, if no date is listed, the cost shall be considered to be as of the date of enactment of this Act), plus such amounts, if any, as may be justified solely by reason of increases in construction costs, as determined by engineering cost indices applicable to the type of construction involved, and by reason of increases in land costs; plus no more than 10 per centum of the base figure if attributable solely to cost increases resulting from modifications due to engineering, economic, and environmental considerations which the Secretary determines are advisable and which do not violate any of the parameters established in Section 218 of this Act."

(Amendment 5) On page 11, strike lines 18 to 24, then on line 1 of page 12, delete "(c)" and insert in lieu thereof "(b)".

(Amendment 6) On page 13, delete line 11 and insert in lieu thereof: "(2) capacity;" and on page 13, delete all of line 13, and renumber subsequent parameters accordingly.

(Amendment 7) On page 24, line 24, delete the period and insert in lieu thereof the following: ": *Provided*, That any physical construction required for the purposes of mitigation may be undertaken concurrently with the physical construction of such project."

(Amendment 8) On page 25, line 10, change the second comma to a period and delete all that follows through the period on line 12. On page 25, beginning on line 24 through line 1 on page 26, delete "are anticipated to cost more than $7,500,000 per project or costs less than $7,500,000 per project and".

(Amendment 9) On page 26, line 5, after the word "Costs", insert the following: "of implementation and operation, maintenance, and rehabilitation".

(Amendment 10) On page 26, line 21, after the word "wildlife.", insert the following: "Specific mitigation plans shall ensure that impacts to bottomland hardwood forests are mitigated in-kind, to the extent possible."

(Amendment 11) On page 27, line 11, before the word "when", strike the period and insert in lieu thereof the following: ", or when such activities are located on lands managed as a national wildlife refuge."

(Amendment 12) On page 27, line 17, after the word "costs.", insert the following: "Operation, maintenance, and rehabilitation costs shall be shared in accordance with the cost sharing applicable to implementation."

(Amendment 13) On page 27, after line 21, insert the following:

"(g) The project for the Mouth of the Colorado River, Texas, authorized pursuant to section 101 of the River and Harbor Act of 1968 (82 Stat. 732), is hereby modified to provide that the diversion features of the authorized project, to divert Colorado River flows into Matagorda Bay, shall be constructed in accordance with the cost sharing described in subsection (e) of this section for activities providing enhancement benefits to species identified as having national economic importance by the National Marine Fisheries Service, with operation and maintenance cost sharing at the same percentage as construction cost sharing. The Secretary is directed to construct the remaining navigation features and diversion features concurrently."

(Amendment 14) On page 28, beginning on line 18, delete all through line 4 on page 29 and insert in lieu thereof:

"SEC. 226. In the interest of efficient and cost effective operations by the Secretary, the Comptroller General of the United States shall conduct a study of the Secretary's contracting procedures for civil works projects. Such study shall examine whether potential bidders or offerors, regardless of their size, are allowed to compete fairly in the interest of lowering cost on contracts for construction. Within two years of the date of enactment of this Act, the Comptroller General shall report his findings to Congress together with an assessment of whether contract procedures are applied uniformly among the various field offices under the Secretary's jurisdiction. The report shall also provide recommendations on improving contracting procedures, including (1) how the Secretary can prepare proposals for construction that assure, to the greatest extent reasonable, that no potential bidder or offeror is precluded from competing fairly for contracts, (2) whether

recordkeeping requirements imposed by the Secretary on contractors are appropriate in the interest of competition, and (3) the extent to which the private sector can be used more efficiently by the Secretary in contracting for construction, architecture, engineering, surveying, and mapping."

(Amendment 15) On page 30, strike lines 16 through 25, and renumber subsequent sections accordingly.

(Amendment 16) On page 31, strike lines 1 through 16, and insert in lieu thereof the following:

"SEC. 230(a). In the event of a declaration of war or a declaration by the President of a national emergency in accordance with the National Emergencies Act (90 Stat. 1255; 50 U.S.C. 1601) that requires or may require use of the armed forces, the Secretary, without regard to any other provision of law, may (1) terminate or defer the construction, operation, maintenance or repair of any Department of the Army civil works project that he deems not essential to the national defense, and (2) apply the resources of the Department of the Army's civil works program, including funds, personnel, and equipment, to construct or assist in the construction, operation, maintenance, and repair of authorized civil works, military construction, and civil defense projects that are essential to the national defense.

"(b) The Secretary shall immediately notify the appropriate committees of Congress of any actions taken pursuant to the authorities provided by this section, and cease to exercise such authorities not later than one hundred eighty calendar days after the termination of the state of war or national emergency, whichever occurs later."

(Amendment 17) On page 31, line 19, delete "$50,000" and insert in lieu thereof "$5,000", and on line 22, delete "$25,000" and insert in lieu thereof "$2,500".

(Amendment 18) On page 34, after the word "activities" on line 22, delete the period and insert in lieu thereof ": *Provided*, That the General Services Administration shall make one such dredge available to the State of Utah, and that such dredge may be utilized by such State for purposes of dredging within the State of Utah: *and provided further*, That if such dredge is used for dredging outside the State of Utah, ownership of the dredge shall revert to the United States."

(Amendment 19) On page 35, strike lines 4 through 11 and renumber subsequent sections accordingly.

(Amendment 20) On page 35, after line 16, insert and number appropriately the following:

"SEC. . Section 8 of Public Law 78-534, approved December 22, 1944 (58 Stat. 891; 43 U.S.C. 390), is hereby amended by adding the following at the end thereof: 'In the case of any reservoir project constructed and operated by the Corps of Engineers, the Secretary of the Army is authorized to contract with water districts, irrigation districts, conservancy districts, and any other such entities, with individuals, and with appropriate state agencies, at such prices and on such terms and for such periods as he may deem reasonable, for the interim use for irrigation purposes of storage provided in the project for municipal and industrial water supply purposes until such storage is required for municipal and industrial water supply. No contracts for the interim use of such storage shall be entered into which would significantly affect then-existing uses of such storages.'

"SEC. . Section 5 of the Act of March 4, 1915 (38 Stat. 1049; 33 U.S.C. 562), is amended by inserting the words 'and after the project becomes operational' after the word 'Acts' and before the comma.

"SEC. . (a) Section 301(b) of the Water Supply Act of 1958 (72 Stat. 319), as amended (43 U.S.C. 390b.(b)), is amended further as follows:

"(1) In the third proviso, after the word "demands" appears the first time delete the remainder of that proviso.

"(2) Strike the fourth proviso and insert in lieu thereof: *'And provided further*, That the Secretary of the Army may permit the full non-Federal contribution to be made, without interest, during construction of the project, or, with interest, over a period of not more than thirty years from the date of project completion. Repayment contracts shall provide for recalculation of the interest rate at five-year intervals.'.

"(3) After the first sentence insert the following: 'All annual operation, maintenance, and replacement costs for municipal and industrial water supply storage under the provisions of this section shall be reimbursed from State or local interests on an annual basis.'.

"(4) Strike the second sentence and insert in lieu thereof: 'Any repayment by a State or local interest shall be at a rate to be determined by the Secretary of the Treasury, taking into consideration the average market yields on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the reimbursement period, during the month preceding the fiscal year in which costs for the construction of the project are first incurred (or, in the case of recalculation, the fiscal year in which the recalculation is made), plus a premium of one-eighth of one percentage point for transaction costs.'.

"(b) Nothing in this section shall be deemed to amend or require amendment of any valid contract entered into pursuant to the Water Supply Act of 1958 and approved by the Secretary of the Army or the Secretary of the Interior prior to the date of enactment of this Act.

"SEC. . In the case of any water resources project which is authorized to be constructed by the Secretary before, on, or after the date of enactment of this Act, construction of which was not commenced prior to the date of enactment of this Act, and which involves the acquisition of lands or interests in lands for recreation purposes, such lands or interests shall be acquired concurrent with the acquisition of lands and interests in lands for other project purposes.

"SEC. . Upon the request of the governor of a State, or the appropriate official of local government, the Secretary is authorized to provide designs, plans, and specifications, and such other technical assistance as he deems advisable, to such State or local government for its use in carrying out projects for renovating navigable streams and tributaries thereof by means of predominantly nonstructural methods judged by the Secretary to be cost-effective, for the purpose of improved drainage, water quality, and habitat diversity: *Provided*, That non-Federal interests contribute half the cost of the designs or other assistance."

(Amendment 21) On page 39, beginning with line 1, delete all through line 24.

(Amendment 22) Beginning on page 43, line 12, delete all through line 5 on page 48, and insert in lieu thereof the following:

"SEC. 315. The section pertaining to Transfer of Federal Townsites, the Supplemental Appropriation Act, 1985, Title I, Chapter IV (Public Law 99-88; 99 Stat. 293) is amended as follows:

"(a) Subsection (a)(1)(A) is amended by—

"(1) inserting '(i)' immediately after the letter '(A)', and

"(2) adding the following new subsections (ii) and (iii) at the end of the subsection:

"(ii) The land utilized as a sanitary landfill by Riverdale, North Dakota, consisting of approxiately 96 acres.

"(iii) The peripheral utility improvements at Riverdale, North Dakota, developed for, or being utilized as, sewage lagoons; the sewer pipeline extending from the townsite boundary to said lagoons; any outfall facilities or control structures in conjunction therewith; the water pipeline extending from the exterior boundaries of the power plant to the townsite; and appropriate easements of right-of-way of the access to, and operation and maintenance of said improvements."

"(b) Subsection (a)(1)(B) is amended by—

"(1) inserting '(i)' immediately after the letter '(B)', and

"(2) adding the following new subsections (ii) and (iii):

"(ii) The land utilized as a sanitary landfill by Pickstown, South Dakota, consisting of approximately 23 acres.

"(iii) The peripheral utility improvements at Pickstown, South Dakota, developed for, or being utilized as, sewage lagoons; water treatment plant; water intake structure; the sewer pipeline extending from the townsite boundary to the sewer lagoons; any outfall facilities or control structures in conjunction therewith; the water pipeline extending from the water intake to the water treatment plant and to the townsite boundary; and appropriate easements of right-of-way for access to, and operation and maintenance of, said improvements."

"(c) Subsection (a)(1)(C) is amended by—

"(1) inserting '(i)' immediately after the letter '(C)', and

"(2) adding the following new subsection (ii):

"(ii) The peripheral utility improvements at Fort Peck, Montana, developed and being utilized as a water storage reservoir; the water pipelines extending from the exterior boundaries of the power plant to the townsite boundary; the water pipeline extending from the townsite boundary to the water reservoir; and appropriate easements of right-of-way to the municipal corporation for access to, and operation and maintenance of, said improvements.

"(d) Subsection (c) is amended by adding at the end thereof: 'Nothing in this provision prohibits the Secretary from placing reasonable covenants in those deeds transferring improvements having significant historical, cultural, or social value in Fort Peck, Montana.'

"(e) The Administrator of the Western Area Power Administration is authorized to allocate power from the Pick-Sloan Missouri Basin Program (P-SMBP) to the municipal corporations of Riverdale, North Dakota, Pickstown, South Dakota, and Fort Peck, Montana, or to such other preference entity as the Administrator may designate to provide electrical serivce to said municipal corporations. Such allocations shall be in the amount required to meet the annual loads established prior to the date of enactment of this Act, and under terms and conditions for marketing firm power from the P-SMBP: Except, That upon request of a municipal corporation specified in this subsection, the Secretary shall continue to operate

municipal or community owned facilities for a period not to exceed three years from the date of incorporation of such municipal corporation."

(Amendment 23) On page 53, on lines 15 and 16, delete "Senate Report 98-340 for section 326" and insert in lieu thereof the following: "the Congressional Record as of the date of the submission of this amendment."

(Amendment 24) On page 58, beginning with line 7, delete all through line 24, and renumber subsequent sections accordingly.

(Amendment 25) On page 59, delete lines 5 through 9 and insert in lieu thereof the following:

"SEC. 334. (a)(1) On behalf of the United States, the Secretary, in consultation with the Secretary of State, is authorized to cooperate with governments in Canada to study and to construct reservoir projects for storage in the Souris River Basin in Canada to provide flood control benefits in the United States.

"(2) The Secretary is authorized further to participate in financing the storage referred to in paragraph (1) of this subsection to a maximum contribution of $26,700,000, in the event that only one reservoir, known as the Rafferty project, is constructed in Canada, or to a maximum of $41,100,000, in the event two reservoirs, known as the Rafferty and Alameda projects, are constructed in Canada. The amount of any such contribution shall be determined by an allocation of costs, based on the proportionate use of these projects for flood control in the United States and water supply in Canada.

"(b) Upon completion of the structure or structures in Canada, as agreed upon between the United States and governments in Canada, the construction of Burlington Dam, North Dakota, as authorized by Public Law 91-611, and modifications at Lake Darling, North Dakota, to raise the level of the dam structure, as authorized by section 111 of Public Law 97-88 (95 Stat. 1138), shall no longer be authorized. Should the Secretary determine that an agreement between the United States and governments in Canada cannot be consummated, he shall proceed with the work authorized by section 111 of Public Law 97-88, including raising the dam structure and including storage capacity for flood control purposes, with such work to be considered a nonseparable element of the flood control project for Minot, North Dakota, authorized under section 201 of the Flood Control Act of 1965.

"(c) The Secretary is authorized further to make such modifications as necessary to the existing Lake Darling, exclusive of the modifications authorized by Section 111 of Public Law 97-88, for the purpose of effective operation of the project for flood control, with such work to be considered to be nonseparable element of the flood control project for Minot, North Dakota, authorized under section 201 of the Flood Control Act of 1965, and to operate and maintain the project with such modifications in a manner compatible with the migratory waterfowl refuge purpose of the project.

"(d) The non-Federal share of the cost of contributions to governments in Canada, as authorized by this section, shall be in accordance with Title VII of this Act for the amount over $23,600,000. The total federal cost of work authorized by this section and by section 111 of Public Law 97-88, as modified herein, and including related dam safety measures, is $69,100,000 (October 1985): *Provided*, That this cost is subject to Section 213 of this Act."

(Amendment 26) On page 59, beginning on line 10, strike all through line 20 on page 64, and insert in lieu thereof the following:

"SEC. 335. (a)(1) For the multiple purposes of preserving, enhancing, interpreting, and managing the water and related land resources of an area containing unique cultural, fish and wildlife, scenic, and recreational values and for the benefit and enjoyment of present and future generations and the development of outdoor recreation, there is hereby established the Cross Florida National Conservation Area (hereinafter in this section referred to as the "Conservation Area").

"(2) The Conservation Area shall consist of all lands and interests in lands held by the Secretary within that portion of the high-level lock barge canal project from the Saint Johns River across the State of Florida to the Gulf of Mexico, authorized by the Act of July 23, 1942 (56 Stat. 703) (which shall in this section be referred to as the "barge canal project") that is located between the Eureka Lock and Dam and the Inglis Lock (exclusive of such structures), plus all lands and interests in lands held by the Canal Authority of the State of Florida between such structures.

"(b) Those portions of the barge canal project located between the Gulf of Mexico and the Inglis project structure and located between the Atlantic Ocean and the Eureka Lock and Dam, inclusive, shall be operated and maintained by the Secretary for the purposes of navigation, recreation, and fish and wildlife enhancement.

"(c) In order to further the purposes set forth in paragraph (a)(1) of this section, that portion of such barge canal project located between the Eureka Lock and Dam and the Inglis Lock (exclusive of such structures) is not authorized for the purposes described in 56 Stat. 703 after the date this subsection becomes effective.

"(d) The State of Florida shall retain jurisdiction and responsibility over water resources planning, development, and control of the surface and ground waters pertaining to lands cited in subsections (b) and (c) of this section, except to the extent that any uses of such water resources would be inconsistent with the purposes of this section.

"(e)(1) Not later than one year after the date of the enactment of this Act, the Secretary, in consultation with the United States Forest Service, the United States Fish and Wildlife Service, and the State of Florida, shall develop and transmit to Congress a comprehensive management plan for lands (including water areas) located within the Conservation Area.

"(2) Such plan shall, at a minimum, provide for—

"(A) enhancement of the environment;

"(B) conservation and development of natural resources;

"(C) conservation and preservation of fish and wildlife;

"(D) preservation of scenic and enhancing recreational values;

"(E) a procedure for the prompt consideration of applications for easements across Conservation Area lands, when such easements are requested by local or State governmental jurisdictions or by a regulated public utility for a public purpose; and

"(F) preservation and enhancement of water resources and water quality, including ground water.

"(3) Such plan shall establish, among the Secretary, the Forest Service, the Fish and Wildlife Service, and the State of Florida, the responsibilities for implementation of such plan.

"(4) Until transmittal of such plan to Congress, the Secretary shall operate, maintain, and manage the lands and facilities held by the Secretary under the terms of subsection (c).

"(5) Upon submission of such plan to Congress, the Secretary and other agencies, pursuant to the agreement under paragraph (3) of this subsection, are authorized to implement such plan.

"(f) The Secretary shall operate the Rodman Dam, authorized by the Act of July 23, 1942 (56 Stat. 7030), in a manner which will assure the continuation of the reservoir known as Lake Ocklawaha. The Secretary shall not operate the Eureka Lock and Dam in a manner which would create a reservoir on lands not flooded on January 1, 1984.

"(g)(1) As soon as possible, the Secretary shall acquire, for the sum of $32,000,000, all lands and interests in lands held on the date of the enactment of this Act by the Canal Authority of the State of Florida for the purposes of the barge canal project. In the event the sums available to the Secretary in any fiscal year are insufficient to purchase all such lands and interests, the State of Florida shall transfer to the Secretary that percentage of the total number of acres to be transferred that is proportionate to the sums received by the State compared with $32,000,000.

"(2) From amounts received under paragraph (1) of this subsection, the Canal Authority shall as soon as possible make payments to the Florida counties of Duval, Clay, Putnam, Marion, Levy, and Citrus. Such payments shall, in the aggregate, be equal to $32,000,000. The amount of payment under this paragraph to each such county shall be determined by multiplying such aggregate amount by the amount of ad valorem taxes paid to the Cross Florida Canal Navigation District by such county and dividing such product by the amount of such taxes paid by all such counties.

"(h) Subsection (c) shall become effective—

"(1) ninety days after the Governor of Florida has certified to the Secretary that the State has met the conditions set out in subsection (i) of this section: *Provided*, That the Secretary does not determine within such period that the State has failed to comply; or

"(2) on the date of the final order in a declaratory judgment action, brought by the State of Florida in a Federal District Court within Florida, finding that the State has met the conditions.

"(i) Subsection (c) shall not become effective until the State of Florida enacts a law or laws which assures that—

"(1) On and after the date on which construction of the portion of the barge canal project referred to in subsection (c) is no longer authorized, all lands and interests in lands held for the project by the State of Florida or the Canal Authority of such state, including those acquired pursuant to the River and Harbor Act of 1960 (Public Law 86-645), and including any state lands contained in the area proposed to be added to the Ocala National Forest by the boundary change shown on the map dated July 1978, on file with the Chief of the Forest Service, Department of Agriculture, Washington, District of Columbia, will continue to be owned by such state or canal authority pending transfer to the Secretary, for consideration, as provided in this section; and

"(2) The State of Florida has fee simple title to lands acquired from the Federal government pursuant to Public Law 86-645, and

will transfer such title to the Secretary, for consideration, as provided in this section."

(Amendment 27) On page 65, after line 5, insert the following and number accordingly:

"SEC. . That portion of the project for navigation, Tampa Harbor and Hillsborough Bay, Florida, authorized by the Act of August 8, 1917, which portion consists of the turning basin at the junction of Garrison Channel, Seddon Channel, and Hillsborough River, is deauthorized upon enactment of this Act.

"SEC. . Bloomington Lake located on the North Branch of the Potomac River near Bloomington, Maryland, and Keyser, West Virginia, is named and designated as the 'Jennings Randolph Lake'. Any reference in a law, map, regulation, document, record, or other paper of the United States to such lake shall be held to be reference to the 'Jennings Randolph Lake'.

"SEC. . Calion Lock and Dam located on the Ouachita River near Calion, Arkansas, is named and designated as the 'H.K. Thatcher Lock and Dam'. Any reference in a law, map, regulation, document, record, or other paper of the United States to such lock and dam shall be held to be a reference to the 'H.K. Thatcher Lock and Dam'.

"SEC. . The project for Denison Dam (Lake Texoma), Red River, Texas and Oklahoma, authorized by the Flood Control Act approved June 28, 1938 (52 Stat. 1219), as amended, is hereby modified to provide that the Secretary is authorized to reallocate from hydropower storage to water supply storage, in increments as needed, up to an additional 150,000 acre-feet for municipal, industrial, and agricultural water users in the State of Texas and up to 150,000 acre-feet for municipal, industrial, and agricultural water users in the State of Oklahoma. For that portion of the water storage reserved for users in the State of Oklahoma, the Secretary may contract, in increments as needed, with qualified individuals, entities, or water utility systems for use within the Red River Basin; except that for any portion of that water to be utilized outside the Red River Basin, the Secretary shall contract with the RedArk Development Authority. For that portion of the water storage reserved for users in the State of Texas, the Secretary shall contract, in increments as needed, for 50,000 acre-feet with the Greater Texoma Utility Authority and 100,000 acre-feet with other qualified individuals, entities, or water utility systems. Nothing in the preceding sentence shall supersede any requirement of State law with respect to the use of any water subject to a contract. All contracts entered into by the Secretary under this section shall be under terms in accordance with section 301(b) of the Water Supply Act of 1958 (Public Law 85-500), as amended. No payment shall be required from and no interest shall be charged to users in the States of Oklahoma or Texas for the reallocation authorized by this section until such time as the water supply storage reserved under such reallocation is actually first used. Any contract entered into for the use of the water received under this section shall require the contracting entity to begin principal and interest payments on that portion of the water allocated under the contract at the time the entity begins the use of such water. Until such time, storage for which reallocation is authorized in this section may be used for hydropower production. With respect to any water supply contract entered into by the Secretary under this section after June 1, 1985, the Secretary shall determine (1) the amount of hydropower lost, if any, as a result of the implementation of such contract, and (2) the replacement cost of the hydropower lost (where replacement cost is defined as the cost to purchaser power from existing alternative sources). If hydropower is lost as a result of the implementation of such contract, the Secretary shall provide credits to the Southwestern Power Administration of amounts equal to such replacement costs. Such credits shall be against sums required to be paid by the Southwestern Power Administration for costs of the project allocated to hydropower. In each such case the Southwestern Power Administration shall reimburse each preference customer for an amount equal to the customer's actual replacement cost for hydropower lost as a result of the implementation of such contract, less the cost such customer would have had to pay to the Southwestern Power Administration for such hydropower. The Secretary may not increase payments of water users under a water supply contract under this section on account of the credits and reimbursement required to be provided under this section. Nothing in this section shall be construed as amending or altering in any way the Red River Compact. In consideration of benefits in connection with such reallocation and usage of municipal, industrial, and agricultural water, all benefits that can be assigned to the Red River chloride control project, Texas and Oklahoma, or the Red River and tributaries multipurpose study, Oklahoma, Texas Arkansas, and Louisiana, and any individual projects arising from such study, shall be reserved for such projects. Nothing in this section shall affect water rights under the laws of the States of Texas and Oklahoma.

"SEC. . (a) The existing irrigation projects known as the Hilltop Irrigation District, Brule County, South Dakota, and the Gray Goose Irrigation District, Hughes County, South Dakota, are authorized as units of the Pick-Sloan Missouri Basin Program. As so authorized, the Hilltop Unit and the Gray Goose Unit shall be integrated physically and financially with the other Federal works constructed under the comprehensive plan approved by section 9 of the Flood Control Act of December 22, 1944 (58 Stat. 887, 891), as amended and supplemented, and subject to Federal reclamation law (Act of June 17, 1902, 32 Stat. 388 and Acts amendatory thereof and supplemental thereto).

"(b) Pick-Sloan Missouri Basin Program power shall be made available as soon as practicable for the Hilltop Unit and the Gray Goose Unit on the same basis as for other units of the Pick-Sloan Missouri Basin Program. The suballocated costs of the Pick-Sloan Missouri Basin Program assigned to the Hilltop Unit and the Gray Goose Unit shall be reimbursed by the water users as determined by the Secretary of the Interior in accordance with Federal reclamation law (Act of June 17, 1902, 32 Stat. 388 and Acts amendatory thereof and supplemental thereto).

"SEC. . (a) Except as otherwise provided in this section, all rights, title, and interests of the United States in the lands described in subsection (b), including all improvements thereon, are hereby declared to be held in trust by the United States for the benefit and use of the Three Affiliated Tribes of the Fort Berthold Reservation and to be part of the Fort Berthold Reservation.

"(b) The lands held in trust under subsection (a) are—

"(1) approximately 136.44 acres lying above elevation 1850 feet (mean sea level) and the probable ultimate erosion line (other than those portions which lie north of North Dakota State Highway 23) in the following sections of Township 152 North, Range 93 West of the Fifth Principal Meridian, McKenzie County, North Dakota:

"Section 15: south half of the southwest quarter,

"Section 21: northeast quarter and northwest quarter of the southeast quarter, and

"Section 22: north of the half northwest quarter; and

"(2) approximately 16.40 acres lying above elevation 1850 feet (mean sea level) situated in the west half southwest quarter, Section 15, Township 152 North, Range 93 West of the Fifth Principal Meridian, McKenzie County, North Dakota, and more particularly described as follows:

"Commencing at the quarter corner common to Sections 15 and 16; thence East along the quarter line a distance of 1,320.0 feet to the true point of beginning; thence North 45 degrees 0 minutes East a distance of 891.0 feet; thence South 0 degrees 3 minutes East a distance of 1,518.0 feet; thence to a point on a line which bears South 0 degrees 3 minutes East from the point of beginning; thence North 0 degrees 3 minutes West to the point of beginning.

"(c) In consideration for the transfer in trust described above, the Secretary of Interior shall transfer to the United States lands of equal value held in trust for the Three Affiliated Tribes of the Fort Berthold Reservation which are required for the maintenance and operation of the Garrison Dam and Reservoir Project: *Provided*, That the Tribes shall retain the right to use such lands for grazing purposes when such lands are not subject to flooding. The United States shall not be responsible for damages to property or injuries to persons which may arise from, or be incident to, the use of said lands.

"(d) The United States hereby retains a flowage and sloughing easement for the purpose of flood control and related Garrison Dam and Reservoir project purposes over that portion of the lands described in subsection (b) that lie below the greater elevation of—

"(1) 1860 feet (mean sea level), or

"(2) any alignment the Secretary determines to be necessary for such project operations.

"(e) All the rights, title, and interests of the Economic Development Administration, U.S. Department of Commerce (EDA), as evidenced by three EDA projects designated as 05-01-00676 (closed on October 8, 1971, as 06-1-00676), 05-01-00677 (closed on June 30, 1971, as 06-1-00677), and 05-02-00675 (closed on October 8, 1971, as 06-2-00675) shall remain in full force and effect for the full terms thereof, including any and all extensions and shall not be subordinated in any manner whatsoever to any other interests.

"SEC. . (a) The project for navigation for Honolulu Harbor, Hawaii, authorized by section 101 of the River and Harbor Act of 1954, is modified to authorize and direct the Secretary to maintain a 23-foot project depth in the Kalihi Channel portion of such project.

"(b) The consent of Congress is hereby given to the State of Hawaii to construct, operate, and maintain a fixed-span bridge in and over the water of the Kalihi Channel, Honolulu Harbor, Hawaii.

"SEC. . The Secretary is authorized to pay the Federal share of the settlement amount, and any associated interest, resulting from the decision of the Engineer Board of Contract Appeals in ENG BCA Docket Number 4650 (June 28, 1985), notwithstanding the Federal cost limitation set out in Section 84(c) of the Water Resources Development Act of 1974 (Public Law 93-251).

"SEC. . The project for navigation, New York Harbor-Collection and Removal of Drift, New York and New Jersey, authorized by section 91 of the Water Resources Development Act of 1974, as amended, is amended further by deleting the period following the phrase "Office, Chief of Engineers" and the following sentence, and inserting in lieu thereof the following: ": Except, That the project area is expanded to include the western shore of Hempstead Harbor, New York, and the Secretary of the Army is authorized and directed to remove derelict vessels from the western shore of Hempstead Harbor. There is authorized to be appropriated to the Secretary of the Army not to exceed $30,725,000 for the purposes of this section."

(Amendment 28) On page 71, after line 5, insert the following new section, and renumber subsequent section accordingly:

"SEC. 403. (a) After the date of enactment of this Act, costs incurred in the modification by the Secretary of dams and related facilities constructed or operated by the Secretary, the cause of which results from new hydrologic or seismic data or changes in state-of-the-art design or construction criteria deemed necessary for safety purposes, shall be recovered in accordance with the provisions in this subsection.

"(1) Fifteen percent of the modification costs shall be assigned to project purposes in accordance with the cost allocation in effect for the project at the time the work is initiated. Non-Federal interests shall share the costs assigned to each purpose in accord with the cost sharing in effect at the time of initial project construction: *Provided*, That the Secretary of the Interior shall recover costs assigned to irrigation in accordance with repayment provisions of Public Law 98-404.

"(2) Repayment under this subsection, with the exception of costs assigned to irrigation, may be made, with interest, over a period of not more than 30 years from the date of completion of the work. The interest rate used shall be determined by the Secretary of the Treasury, taking into consideration average market yields on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the applicable reimbursable period during the month preceding the fiscal year in which the costs are incurred, plus a premium of one-eighth of one percentage point for transaction costs. To the extent that more than one interest rate is determined pursuant to the preceding sentence, the Secretary of the Treasury shall establish an interest rate at the weighted average of the rates so determined.

"(b) Nothing in this section affects the authority of the Secretary to perform work pursuant to Public Law 84-99, as amended (33 U.S.C. 701n) or cost sharing for such work."

(Amendment 29) On page 71, line 9, delete "(a)".

(Amendment 30) Beginning on page 73, line 20, strike all through line 10 on page 79 and insert in lieu thereof the following:

"SEC. 504. (a)(1) This section may be cited as the 'Upper Mississippi River Management Act of 1986'.

"(2) To ensure the coordinated development and enhancement of the Upper Mississippi River system, it is hereby declared to be the intent of Congress to recognize that system as a nationally significant ecosystem and a nationally significant commerical navigation system. Congress further recognizes that the system provides a diversity of opportunities and experiences.

"The system shall be administered and regulated in recognition of its several purposes.

"(b) For purposes of this section—

"(1) the terms "Upper Mississippi River system" and "system" mean those river reaches having commercial navigation channels on the Mississippi River main stem north of Cairo, Illinois; the Minnesota River, Minnesota; Black River, Wisconsin; Saint Croix River, Minnesota and Wisconsin; Illinois River and Waterway, Illinois; and Kaskaskia River, Illinois:

"(2) the term "Master Plan" means the comprehensive master plan for the management of the Upper Mississippi River system dated January 1, 1982, prepared by the Upper Mississippi River Basin Commission and submitted to Congress pursuant to Public Law 95-502;

"(3) the term "GREAT I, GREAT II, and GRRM studies" means the studies entitled "GREAT Environmental Action Team—GREAT I—A Study of the Upper Mississippi River," dated September 1980, "GREAT River Environmental Action Team—GREAT II—A Study of the Upper Mississippi River," dated December 1980, and "GREAT River Resource Management Study," dated September 1982; and

"(4) term "Upper Mississippi River Basin Association" means an association of the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin, formed for the purposes of cooperative efforts and united assistance in the comprehensive planning for the use, protection, growth, and development of the Upper Mississippi River System.

"(c)(1) Congress hereby approves the Master Plan as a guide for future water policy on the Upper Mississippi River system. Such approval shall not constitute authorization of any recommendation contained in the Master Plan.

"(2) Section 101 of Public Law 95-502 is amended by striking the last two sentences of subsection (b), striking subsection (i) in its entirety, striking the final sentence of subsection (j), and renumbering subsection "(j)" as subsection "(i)".

"(d)(1) The Secretary is authorized to enter into cooperative agreements with the Upper Mississippi River Basin Association (hereinafter referred to as the "Association") established under paragraph (1) of this subsection to promote and facilitate active State government participation in river system management, development, and protection.

"(2) For the purpose of insuring the coordinated planning and implementation of programs authorized in subsection (f) and paragraph (i)(2) of this section, the Secretary shall enter into an interagency agreement with the Secretary of the Interior to provide for the direct participation of, and transfer funding to, the Fish and Wildlife Service and any other agency or bureau of the Department of the Interior for the planning, design, implementation, and evaluation of such programs.

"(3) Any changes in the master plan recommended by the Secretary shall be submitted to the Association for comment. The Association may make comments with respect to such recommendations or initiate other recommended changes as the Association deems appropriate and shall transmit such comments or recommended changes to the Secretary. The Secretary shall transmit his recommendations, together with the comments and recommended changes of the Association to Congress for approval within 90 days of the receipt of such comments or recommended changes.

"(e) The Secretary is authorized to provide for the engineering, design, and construction of a second lock at locks and dam 26, Mississippi River, Alton, Illinois and Missouri, at a total cost of $220,000,000 (October 1984). Such second lock shall be one hundred and ten feet by six hundred feet and shall be constructed at or in the vicinity of the location of the replacement lock authorized by section 102 of Public Law 95-502.

"(f)(1) The Secretary, in concert with the Secretary of the Interior and the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin, is authorized to undertake, as identified in the master plan, a program for—

"(A) the planning, construction, and evaluation of measures for fish and wildlife habitat rehabilitation and enhancement;

"(B) the implementation of a long term resource monitoring program; and

"(C) the implementation of a computerized inventory and analysis system.

"(2) Each program referred to in paragraph (1) of this subsection shall be carried out for 10 years. Within 10 years from the date of enactment of this Act, the Secretary, in consultation with the Secretary of the Interior and the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin, shall conduct an evaluation of the programs and submit a report on the results of such evaluation to Congress. Such evaluation shall analyze each such program's effectiveness, strengths, and weaknesses, and contain recommendations for the modification and continuance or termination of such programs.

"(3)(A) For purposes of carrying out paragraph (1)(A) of this subsection, there is authorized to be appropriated to the Secretary the sum of $8,200,000 for the first fiscal year beginning after the date of enactment of this Act, the sum of $12,400,000 for the second fiscal year beginning after the date of enactment of this Act, and the sum of $13,000,000 for each of the next eight fiscal years.

"(B) for purposes of carrying out paragraph (1)(B) of this subsection, there is authorized to be appropriated to the Secretary the sum of $7,680,000 for the first fiscal year beginning after the date of enactment of this Act, and the sum of $5,080,000 for each of the next nine fiscal years.

"(C) For purposes of carrying out paragraph (1)(C) of this subsection, there is authorized to be appropriated to the Secretary the sum of $40,000 for the first fiscal year beginning after the date of enactment of this Act, the sum of $280,000 for the second fiscal year beginning after the date of enactment of this Act, the sum of $1,220,000 for the third fiscal year beginning after the date of enactment of this Act, and the sum of $775,000 for each of the next seven fiscal years.

"(4)(A) notwithstanding the provisions of subsection (a)(2) of this section, the costs of each project carried out pursuant to paragraph (1)(A) of this subsection shall be allocated between the Secretary and the appropriate non-Federal sponsor in accordance with the provisions of Section 224 of this Act.

"(B) Notwithstanding the provisions of subsection (a)(2) of this section, the cost of implementing the activities authorized by paragraphs (1)(B) and (1)(C) of this subsection shall be allocated in accordance with the provisions of Section 224 of this Act, as if such activity was required to mitigate losses to fish and wildlife.

"(g)(1)(A) The Secretary, in consultation with any agency established under subsection (d)(1) of this section, is authorized to implement a program of recreational projects for the system substantially in accordance with the recommendations of the GREAT I, GREAT II, and GRRM studies and the master plan reports. The cost of each such project shall be allocated between the Secretary and the appropriate non-Federal sponsor in accordance with Section 701 of this Act.

"(B) The Secretary, in consultation with any agency established under subsection (d)(1) of this section, shall at Federal expense conduct an assessment of the economic benefits generated by recreation activities in the system.

"(2)(A) For purposes of carrying out the program of recreational projects authorized in paragraph (1)(A) of this subsection, there is authorized to be appropriated to the Secretary the sum of $500,000 for each of the 10 fiscal years beginning after the date of enactment of this Act.

"(B) For purposes of carrying out the assessment of economic benefits of recreational activities authorized in paragraph (1)(B) of this subsection, there is authorized to be appropriated to the Secretary the sum of $300,000 for the first fiscal year beginning after the date of enactment of this Act, the sum of $300,000 for the second fiscal year beginning after the date of enactment of this Act, and the sum of $150,000 for the third fiscal year beginning after the computerized inventory and analysis system implemented pursuant to phrase (f)(1)(C) of this section is fully functional.

"(h) The Secretary shall, in his budget request, identify those measures developed by the Secretary, in consultation with the Secretary of Transportation and any agency established under subsection (d)(1) of this section, to be undertaken to increase the capacity of specific locks throughout the system by employing nonstructural measures and making structural improvements.

"(i)(1) The Secretary, in consultation with any agency established under subsection (d)(1) of this section, shall monitor traffic movements on the system for the purpose of verifying lock capacity, updating traffic projections, and refining the economic evaluation so as to verify the need, if any, for future capacity expansion of the system.

"(2) The Secretary, in concert with the Secretary of the Interior and the States of Illinois, Iowa, Minnesota, Missouri and Wisconsin, shall determine the need for river rehabilitation and environmental protection based on the condition of the environment, project developments, and projected environmental impacts from implementing any proposals resulting from recommendations made under subsection (h) and paragraph (1) of this subsection.

"(j) None of the funds appropriated pursuant to the authorization contained in subsections (f) and (g) of this section shall be considered to be attributable to commercial navigation.

"(k) This section shall not be subject to the provisions of section 212 of this Act."

(Amendment 31) Beginning on page 79, line 12, strike all through line 17 and insert in lieu thereof the following:

"SEC. 601. (a) Following the data of enactment of this Act, feasibility studies of any proposed commercial channel or harbor project or plan undertaken by the Secretary shall be initiated only in accordance with the provisions of Section 223 of this Act."

(Amendment 32) On page 80, beginning with line 18, delete all through line 4 on page 81, and insert in lieu thereof the following:

"SEC. 602. (a) For the purposes of cooperative financial development of projects, or separable elements thereof, for any commercial channel or harbor construction, the Secretary shall initiate no such construction project unless an appropriate non-Federal sponsor agrees to construct at its own expense all project facilities other than those for general navigation and by contract to provide during the period of construction of such project, or separable element thereof, the following percentages of the construction cost for general navigation facilities of the project, or separable element thereof, assigned to commercial navigation based on the depths below mean low water listed herein:"

(Amendment 33) On page 81, beginning with line 9, delete all through page 82, line 2, and insert in lieu thereof the following:

"(b)(1) In addition to the sums required to be paid during the period of construction under the terms of subsection (a) of this section, each non-Federal sponsor shall contract with the Secretary to repay to the United States, over a period not to exceed thirty years following completion of the project, or separable element thereof, 10 per centum of the total of construction of general navigation facilities for the project assigned to commercial navigation, with interest at a rate determined by the Secretary of the Treasury. In determining such rate of interest, the Secretary of the Treasury shall consider the average market yields on outstanding marketable obligations of the United States with remaining periods of maturity comparable to the Reimbursement period during the month preceding the fiscal year in which costs are incurred, plus a premium of one-eighth of one percentage point for transaction costs: *Provided*, That the Secretary of the Treasury shall recalculate the rate of interest every five years. Funds paid under this paragraph shall be deposited into the general fund of the Treasury."

(Amendment 34) On page 82, line 19, beginning with the word "the" strike all through the period on line 20 and insert in lieu thereof the following: "Section 221 of the Flood Control Act of 1970 (Public Law 91-611), as amended."

(Amendment 35) On page 83, after line 15, insert the following:

"(e) Notwithstanding the provisions of Section 212 of this Act, the project for navigation at the Houston Ship Channel (Greens Bayou), Texas, authorized pursuant to section 301 of the River and Harbor Act of 1965 (79 Stat. 1091), the project for navigation at the Houston Ship Channel (Barbour Terminal Channel), Texas, authorized pursuant to section 107 of the River and Harbor Act of 1960 (74 Stat. 486), and the project for navigation at the Houston Ship Channel (Bayport Ship Channel), Texas, authorized by section 101 of the River and Harbor Act of 1958 (72 Stat. 298), are modified to authorize and direct the Secretary to assume responsibility for maintenance to forty-foot project depths, as constructed by non-Federal interests prior to enactment of this Act.

"(f) For the purpose of demonstrating the potential advantages and efficiencies of non-Federal management of projects, the Secretary may approve as many as two proposals pursuant to which the non-Federal interests will undertake part or all of the project as the agent of the Secretary by utilizing its own personnel or by procuring outside services, so long as the cost of doing so will not exceed the cost of the Secretary undertaking the project."

(Amendment 36) On page 84, lines 8 and 9, insert the following after "such improvements.": "The responsibilities authorized under subsection (f) of this section shall not apply to such improvements unless the Secretary determines, prior to construction, that the improvements, or separable elements thereof, are economically justified, environmentally acceptable, and consistent with the purposes of this title."

(Amendment 37) On page 85, line 2, after the word "section.", add the following: "Any non-Federal sponsor which has requested and received from the Secretary pursuant to this subsection, or subsection (b) of this section, the completed study and engineering for an improvement to a commercial channel or harbor, or separable element thereof, for the purpose of constructing such improvement and for which improvement a Final Environmental Impact Statement has been filed, shall be authorized to carry out the terms of the plan for such improvement. Any plan of improvement proposed to be implemented in accordance with this provision shall be deemed to satisfy the requirements for obtaining the appropriate permits required under the Secretary's authority and such permits shall be granted subject to the non-Federal sponsor's acceptance of the terms and conditions of such permits: *Provided*, That the Secretary determines that applicable regulatory criteria and procedures have been satisfied. The Secretary shall monitor any project for which permits are granted under this subsection in order to ensure that such project is constructed (and, in those cases where such activities will not be the responsibility of the Secretary, operated and maintained) in accordance with the terms and conditions of such permits."

(Amendment 38) On page 85, line 4, following the word "section" delete the comma and insert in lieu thereof the following: "or section 602(a)(3) of this Act,"

(Amendment 39) On page 85, line 16, strike the word "section" and insert in lieu thereof the word "subsection".

On page 85, line 22, delete the period, insert a colon and the following: *"Provided*, That prior to such approval the Secretary does not find that the project, or separable element thereof, is no longer economically justified or environmentally acceptable."

On page 85, beginning on line 22 with the words "The Secretary", strike all through line 12 on page 86, and insert in lieu thereof the following:

"In reviewing such plans, the Secretary shall consider budgetary and programmatic priorities, potential impacts on the cost of dredging projects nationwide, and other factors that the Secretary deems appropriate. The Secretary shall regularly monitor and audit any project for a commercial channel or harbor constructed under this subsection by a non-Federal sponsor in order to ensure that such construction is in compliance with the plans approved by the Secretary, and that costs are reasonable. No reimbursement shall be made unless and until the Secretary has certified that the work for

which reimbursement is requested has been performed in accordance with the approved plans.

"(f) Whenever a non-Federal sponsor constructs improvements to any commercial channel or harbor, the Secretary shall be responsible for maintenance to forty-five feet below mean low water, and 50 per centum of the costs of incremental maintenance below forty-five feet below mean low water: *Provided*, That the Secretary certifies that the project is constructed in accordance with the appropriate engineering and design standards: *And provided further*, That the Secretary does not find that the project, or separable element thereof, is no longer economically justified or environmentally acceptable."

(Amendment 40) On page 87, delete lines 17 and 18, and insert in lieu thereof the following: "The schedule of compliance shall not exceed two years from the date of the agreement except that a time period in excess of two years may be included if necessary to meet the requirements of the National Environmental Policy Act (Public Law 91-190), as amended."

(Amendment 41) On page 88, lines 14 and 15, strike the word "objectives" and insert in lieu thereof "objections".

(Amendment 42) On page 91, line 3, delete "Part B" and insert in lieu thereof "Section 803"

(Amendment 43) On page 91, line 12, beginning with "navigation of", delete all through line 16, and insert in lieu thereof the following: "navigation of all commercial channels or harbors within the United States."

(Amendment 44) On page 91, beginning line 24, delete all through line 18 on page 92, and insert in lieu thereof the following:

"(1) 'commercial channel or harbor' shall mean any channel or harbor (inland, coastal, or Great Lakes), or element thereof, capable of being utilized in the transportation of commercial cargo in domestic or foreign waterborne commerce by commercial vessels: *Provided*, That such term shall not include: (A) any navigational improvement designed to provide channel depths of 14 feet or less, other than a harbor (which is used principally for the accommodation of commercial vessels and the receipt and shipment of waterborne cargoes), on any inland or intracoastal waterway as described in Section 206 of the Inland Waterways Revenue Act of 1978 (33 U.S.C. 1804), as amended, (B) the Saint Lawrence Seaway, (C) local access or berthing channels, or (D) channels or harbors constructed or maintained by non-public interests: *And provided further*, That such term shall be considered for the Columbia River, Oregon and Washington, to include the channels only up to the downstream side of Bonneville lock and dam, Oregon and Washington;"

On page 93, on lines 10 and 11, delete "and any Great Lakes navigation improvement".

On page 93, line 17, delete "or the United States".

On page 94, delete lines 1 through 7 and renumber subsequent paragraphs appropriately.

(Amendment 45) On page 95, line 12, strike "$468,933,000" and insert in lieu thereof "$388,000,000".

(Amendment 46) On page 96, beginning with line 8, delete all language through line 10, and insert said language following line 10 on page 124, and renumber appropriately.

(Amendment 47) On page 99, line 22, delete "and", and on page 99, line 25, delete the period, insert a semi-colon, and the following:

"(33) Oakland Inner Harbor, California: Report of the Chief of Engineers dated January 21, 1986, at a total cost of $28,000,000 (October 1985);

"(34) Palm Beach Harbor, Florida: Report of the Chief of Engineers dated December 10, 1985, to assume maintenance;

"(35) Pascagoula Harbor, Mississippi: Report of the Chief of Engineers dated February 14, 1986, at a total cost of $59,112,000 (October 1985);

"(36) Cleveland Harbor, Ohio: Report of the Chief of Engineers dated August 27, 1985, at a total cost of $4,308,000 (October 1984);

"(37) Galveston Bay Area, Texas City Channel, Texas: Report of the Chief of Engineers dated March 11, 1986, at a total cost of $182,013,000 (October 1985); and

"(38) East, West, and Duwamish Waterways Navigation Improvement Study, Seattle Harbor, Washington: Report of the Chief of Engineers dated May 31, 1985, at a total cost of $57,400,000 (October 1984)."

(Amendment 48) On page 100, strike lines 2 through line 11 on page 102, and insert in lieu thereof the following:

"SEC. 701. (a) Excluding all commercial navigation projects, the construction of Corps of Engineers water or related land resources projects (including small projects not specifically authorized by Congress), or separable elements thereof as determined by the Secretary, on which physical construction has not been initiated prior to May 15, 1986, or the date of enactment of this Act, whichever first occurs, shall be initiated only after non-Federal interests have entered into binding agreements with the Secretary, agreeing to pay 100 per centum of the operation, maintenance, and rehabilitation costs, and agreeing to share in the assigned joint and separable costs of construction as follows:

"(1) urban and rural flood protection and rural drainage control: not less than 35 per centum, including a cash payment amounting to at least 5 per centum of the assigned costs to be made during the construction period; except—

"(A) for local flood protection projects, the non-Federal sponsor shall agree to: provide all lands, easements, and rights-of-way required for the project; perform all necessary relocations required for the project; and, hold and save the United States free from damages due to the construction, operation, or maintenance of the project except where such damages are due to the fault or negligence of the United States or its contractors. Where the value of the required lands, easements, rights-of-way, and relocations is—

"(i) greater than 20 per centum of the assigned costs, the required non-Federal contribution shall be the provision of the required lands, easements, rights-of-way, and relocations, plus 5 per centum of the assigned costs to be paid in cash during the construction period;

"(ii) less than or equal to 20 per centum of the assigned costs, the Secretary shall consider a non-Federal contribution of 25 per centum, which includes payment by the non-Federal sponsor of not less than 5 per centum in cash of the assigned cost in addition to provision of the required lands, easements, rights-of-way, and relocations, if made during the construction period, to constitute fulfillment of this paragraph; and

"(iii) less than or equal to 20 per centum of the assigned costs, the non-Federal sponsor may elect to make a cash payment of 5 per centum of the assigned costs during the construction period, in addition to the provision of required lands, easements, rights-of-way, and relocations, and to repay in accordance with the terms of this title the additional amount necessary to equal a total non-Federal contribution of 35 per centum.

"(B) For major reservoir projects providing flood control, the non-Federal sponsor's contribution shall be—

"(i) 25 per centum of the costs assigned to flood protection if paid during the construction period, including no less then 5 per centum in cash, or

"(ii) 35 per centum of the costs assigned to flood protection, including a cash payment of at least 5 per centum paid during the construction period, if repaid in accordance with the terms of this title.

"(C) For relocation or evacuation nonstructural flood control measures involving the acquisition of land, the value of such lands and other costs associated with development of the intended benefits therefrom shall be excluded from the computation of the 5 per centum cash contribution required from the non-Federal sponsor and the non-Federal sponsor's contribution for such nonstructural measures shall be—

"(i) 25 per centum of the costs assigned to such measures if paid during the construction period, or

"(ii) 35 per centum of the costs assigned to such measures if repaid in accordance with the terms of this title.

"(2) hydroelectric power: 100 per centum, except that the marketing of such power and the recovery of costs of constructing, operating, maintaining, and rehabilitating such projects shall be in accordance with existing law;"

(Amendment 49) On page 103, after line 19, insert the following, then reletter subsequent subsections appropriately:

"(d) Costs of constructing projects or measures for the prevention or mitigation of erosion of shoaling damages attributable to Federal navigation works shall be shared in the same proportion as the cost sharing provisions applicable to the project causing such damage: *Provided*, That a non-Federal public body agrees to operate and maintain such measures."

(Amendment 50) On page 104, line 9, delete the word "funds" and insert in lieu thereof "costs". On page 104, line 10, delete the word "disbursed" and insert in lieu thereof "incurred".

(Amendment 51) Beginning on page 104, line 15, strike all through line 20 and insert in lieu thereof the following:

"(f) At the request of any non-Federal sponsor the Secretary may permit such non-Federal sponsor to delay the initial payment of any non-Federal contribution under this title for up to one year after the date when construction is begun on the project for which such contribution is to be made. Any such delay in initial payment shall be subject to interest charges for up to six months at the rate determined by the Secretary of the Treasury taking into consideration the average market yields on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the period of delay, during the month preceding the fiscal year in which costs are incurred."

(Amendment 52) On page 105, redesignate "SEC. 702." as "SEC. 703.", and insert on page 105, after line 13, the following new section:

"SEC. 702. Section 73(b) of the Water Resources Development Act of 1974 (Public Law 93-251) is hereby repealed."

(Amendment 53) On page 107, delete lines 4 through 18, and insert in lieu thereof the following, numbering appropriately:

"( ) Santa Ana River mainstem, including Santiago Creek, California: Report of the Chief of Engineers dated January 15, 1982, at a total cost of $1,087,600,000 (October 1985): *Provided* further, That in lieu of the Mentone Dam feature of the project and subject to the provisions of sections 212, 213, and 701 of this Act, the Secretary is authorized to plan, design, and construct a flood control storage dam on the upper Santa Ana River, if such modification is approved by the Chief of Engineers: *Provided further,* That the Secretary shall not proceed on any alternative to the Mentone Dam until the Secretary determines such alternative is within all parameters in section 218 of this Act, and so reports to Congress: *And provided further,* That if a non-Federal sponsor agrees to pay at least 50 per centum of the cost of such investigation, the Secretary is authorized to investigate the feasibility of including water supply and conservation storage at Prado Dam.".

(Amendment 54) On page 110, line 6, delete the semicolon and insert in lieu thereof the following: ": *Provided,* That fish and wildlife enhancement benefits provided by this project shall be considered to be national for the purposes of section 224 of this Act;".

(Amendment 55) On page 115, delete lines 1 through 3, and renumber appropriately.

(Amendment 56) On page 116, beginning on line 22, strike all through "1983," on line 23, and insert in lieu thereof the following: "of the Chief of Engineers, dated February 13, 1986,".

(Amendment 57) On page 117, delete lines 19 through line 3 on page 118, and renumber appropriately.

(Amendment 58) On page 118, line 6, delete the period and insert a semicolon and the following:

"(78) O'Hare System, Chicagoland Underflow, Illinois: Report of the Chief of Engineers dated June 3, 1985, at a total cost of $8,502,000 (October 1984);

"(79) Arkansas City, Kansas: Report of the Chief of Engineers dated September 9, 1985, at a total cost of $14,270,000 (October 1984);

"(80) Pearl River Basin, Mississippi: Report of the Chief of Engineers dated March 17, 1986, at a total cost of $80,100,000 (October 1985): *Provided,* That if the Chief of Engineers fails to sign such report on such date, this paragraph shall be void.

"(81) Lower Saddle River, New Jersey: Report of the Chief of Engineers dated Jannary 28, 1986, at a total cost of $36,850,000 (October 1985);

"(82) Molly Ann's Brook, New Jersey: Report of the Chief of Engineers dated December 31, 1985, at a total cost of $21,860,000 (October 1985);

"(83) Ramapo River at Oakland, New Jersey: Report of the Chief of Engineers dated January 28, 1986, at a total cost of $6,610,000 (October 1985); and

"(84) Roanoke River Upper Basin, Virginia: Report of the Chief of Engineers dated August 5, 1985, at a total cost of $21,000,000 (October 1984).".

(Amendment 59) On page 118, delete lines 15 through 24 and renumber subsequent paragraphs appropriately.

(Amendment 60) On page 121, after line 22, insert the following and reletter following paragraphs appropriately:

"(G) Sarasota County, Florida: Report of the Chief of Engineers dated February 28, 1986, at a total cost of $12,536,000 (October 1985);".

(Amendment 61) On page 125, line 2, after "(October 1984)", insert the following: ": *Provided,* That the mitigation requirements shall be adjusted to reflect any decrease in the scope of the basic flood control project as authorized in the Flood Control Act of 1965 (Public Law 89-298)".

(Amendment 62) On page 125, delete lines 15 through 18 and insert in lieu thereof the following:

"(9) Smithville Lake, Little Platte River, Missouri, plan for replacement of the Trimble Wildlife Area: Report of the Chief of Engineers dated September 22, 1977, at a total cost of $1,569,000 (October 1985): Except, that the Secretary shall participate with the State of Missouri in the development of wildlife management measures and facilities on State lands rather than the acquisition of lands and the development of Jackass Bend;".

(Amendment 63) On page 126, line 3, delete "and".

On page 126, on line 7, delete the period, and insert the following: "; and

"(12) Tennessee-Tombigbee Waterway Wildlife Mitigation, Alabama and Mississippi: Report of the Chief of Engineers dated August 31, 1985: Except, That the 34,000 acres of bottomland hardwoods lost as a result of the construction of the navigation project shall be replaced in-kind at a total cost of $60,200,000 (October 1985).".

(Amendment 64) On page 126, line 15, delete the semicolon and insert in lieu thereof the following: ": *Provided,* That the Secretary shall deposit no spoil from such project onto lands of the White River National Wildlife Refuge without the approval of the Secretary of the Interior and without mitigating fully the adverse impacts of such spoil;".

(Amendment 65) On page 128, strike lines 2 through 5 and insert in lieu thereof the following: "(October 1984).".

Renumber all sections appropriately.

METZENBAUM AMENDMENT NO. 1677

Mr. METZENBAUM proposed an amendment to the bill (S. 1567), supra; as follows:

On page 65, between lines 5 and 6 insert the following:

"SEC. 337. (a) The Congress finds and declares that—

"(1) the Great Lakes are a most important natural resource to the eight Great Lakes States and two Canadian provinces, providing water supply for domestic and industrial use, clean energy through hydropower production, an efficient transportation mode for moving products into and out of the Great Lakes region, and recreational uses for millions of United States and Canadian citizens;

"(2) the Great Lakes need to be carefully managed and protected to meet current and future needs within the Great Lakes Basin;

"(3) any new diversions of Great Lakes water for use outside of the Great Lakes Basin will have significant economic and environmental impacts, adversely affecting the use of this resource by the Great Lakes States and Canadian provinces; and

"(4) four of the Great Lakes are international waters and are defined as boundary waters in the Boundary Waters Treaty of 1909 between the United States and Canada, and as such any new diversion of Great Lakes water in the United States would affect the relations of the Government of the United States with the Government of Canada.

"(b) It is therefore declared to be the purpose and policy of the Congress in this section—

"(1) to take immediate action to protect the limited quantity of water available from the Great Lakes system for use within the Great Lakes Basin and in accordance with the Boundary Waters Treaty of 1909;

"(2) to prohibit any diversion of Great Lakes water by any State, Federal agency, or private entity for use outside of the Great Lakes Basin unless such diversion is approved by the Governor of each of the Great Lakes States; and

"(3) to prohibit any Federal agency from undertaking any studies that would involve the transfer of Great Lakes water for any purpose for use outside of the Great Lakes Basin.

"(c) As used in this section, the term 'Great Lakes State' means each of the States of Illinois, Indiana, Michigan, Minnesota, Ohio, Pennsylvania, New York and Wisconsin.

"(d) No water shall be diverted from any portion of the Great Lakes within the United States, or from any tributary within the United States of any of the Great Lakes, for use outside of a Great Lakes Basin unless such diversion is approved by the Governor of each of the Great Lakes States.

"(e) No Federal agency may undertake any study, or expend any Federal funds to contract for any study, of the feasibility of diverting water from any portion of the Great Lakes within the United States, or from any tributary within the United States of any of the Great Lakes, for use outside of the Great Lakes Basin, unless such study or expenditure is approved by the Governor of each of the Great Lakes States. The prohibition of the preceding sentence shall not apply to any study or data collection effort performed by the Secretary or other Federal agency under the direction of the International Joint Commission in accordance with the Boundary Waters Treaty of 1909.".

HECHT (AND OTHERS) AMENDMENT NO. 1678

Mr. HECHT (for himself, Mr. LAXALT, Mr. SYMMS, and Mr. NICKLES) proposed an amendment to the bill (S. 1567), supra; as follows:

On page 29, after Sec. 226(a), add the following new subsection (b), and renumber the subsequent accordingly:

"(b) The Secretary shall procure by contract not less than 40 percent of architectural and engineering services required for the design and construction of water resource projects undertaken by the Secretary."

ABDNOR AMENDMENT NO. 1679

Mr. ABDNOR proposed an amendment to the bill (S. 1567), supra; as follows:

On Page 2, line 4, delete "1985" and insert "1986".

On Page 2, line 14, delete "1986" and insert "1987".

On Page 2, line 16, delete "1987" and insert "1988".

On Page 2, line 18, delete "1988" and insert "1989".
On Page 2, line 20, delete "1989" and insert "1990".
On Page 2, line 25, delete "1990" and insert "1991".
On Page 7, line 18, delete "1986" and "1990" and insert "1987" and "1991" respectively.
On Page 8, line 10 delete "1986" and insert "1987" and on page 8 line 12 delete "1988" and insert "1989".
On Page 8, line 25, delete "1986" and insert "1987"; and on page 9, line 1, delete "1990" and insert "1991".
On Page 20, line 8, delete "1986" and "1990" and insert "1987" and "1990" respectively.
On Page 28, line 13, delete "1986" and insert "1987; and on page 28, line 14, delete "1990" and insert "1991".
On Page 38, line 1, delete "1986" and insert "1987".
On Page 41, line 22, delete "1986" and insert "1987".
On Page 42, line 16, delete "1986" and insert "1987"; on page 42, line 17, delete "1987" and insert "1988"; and on page 42, line 18, delete "1988" and insert "1989".
On Page 48, line 23, delete "1986" and insert "1987".
On page 49, line 7, delete "1986" and insert "1987".
On page 49, line 22, delete "1986", and insert "1988".
On page 50, line 4, delete "1989", and insert "1990".
On page 50, line 10, delete "1986" and insert "1987".
On page 52, line 8, delete "1988" and insert "1989".
On page 52, lines 19 and 23, delete "1985" and insert "1986".
On page 56, line 6, delete "1986" and insert "1987".
On page 57, line 6, delete "1986" and insert "1987".
On page 65, line 1, delete "1986" and insert "1987".
On page 65, line 18, delete "1986" and "1989", and insert "1987" and "1991" respectively.
On page 70, line 1, delete "1986" and insert "1987"; and on page 70, line 2, delete "1990" and insert "1991".
On page 70, line 12, delete "1986" and insert "1987"; and on page 70, line 13, delete "1990" and insert "1991".
On page 89, line 4, delete "March 1, 1987" and insert "December 31, 1987".

COHEN AMENDMENT NO. 1680

Mr. COHEN proposed an amendment to the bill S. 1567, supra; as follows:

On page 65, between lines 5 and 6, insert the following new section:

SEC. 337. The Dickey-Lincoln School project, Saint John River, Maine, as authorized by section 204 of the Flood Control Act of 1965, is hereby deauthorized.

LONG AMENDMENT NO. 1681

Mr. LONG proposed an amendment to the bill (S. 1567), supra; as follows:

On page 90, line 2, at the end of line 2, substitute a comma for the period and add: "or for the purpose of retiring debt of the non-Federal sponsor to the extent incurred for such purpose, including payment of principal and interest on obligations issued by the non-Federal sponsor for such purpose to the extent issued for such purpose."

BOREN (AND NICKLES) AMENDMENT NO. 1682

Mr. BOREN (for himself and Mr. NICKLES) proposed an amendment to the bill (S. 1567), supra; as follows:

On page 65, after line 5, insert the following and number appropriately:

"SEC. . (a) Notwithstanding any other provision of law, the Cherokee Nation of Oklahoma is authorized to design and construct hydroelectric generating facilities at the W.D. Mayo Lock and Dam on the Arkansas River in Oklahoma, as described in the report of the Chief of Engineers dated December 23, 1981: *Provided* That, the agreement described in subsection (d) of this section is executed by all parties described in subsection (b) of this section.

"(b) Conditioned upon the parties agreeing to mutually acceptable terms and conditions, the Secretary and the Secretary of Energy, acting through the Southwestern Power Administration, may enter into a binding agreement with the Cherokee Nation of Oklahoma under which the Cherokee Nation of Oklahoma agrees—

"(1) to design and initiate construction of the generating facilities referred to in subsection (a) of this section within three years after the date of such agreement,

"(2) to reimburse the Secretary for his costs in—

"(A) approving such design and inspecting such construction, and

"(B) providing any assistance authorized under subsection (c)(2) of this section, and

"(3) to release and indemnify the United States from any claims, causes of action, or liabilities which may arise from such design or construction.

Such agreement shall also specify:

"(1) the procedures and requirements for approval and acceptance of such design and construction are set forth,

"(2) the rights, responsibilities, and liabilities of each party to the agreement are set forth, and

"(3) the amount of the payments under subsection (f) of this section, and the procedures under which such payments are to be made, are set forth.

"(c)(1) No Federal funds may be expended for the design construction of the generating facilities referred to in subsection (a) of this section prior to the date on which such facilities are accepted by the Secretary under subsection (d) of this section.

"(2) Notwithstanding any other provision of law, the Secretary is authorized to provide, on a reimbursable basis, any assistance requested by the Cherokee Nation of Oklahoma in connection with the design or construction of the generating facilities referred to in subsection (a) of this section.

"(d) Notwithstanding any other provision of law, upon completion of the construction of the generating facilities referred to in subsection (a) of this section, and final approval of such facilities by the Secretary—

"(1) the Cherokee Nation of Oklahoma shall transfer title to such facilities to the United States, and

"(2) the Secretary shall—

"(A) accept the transfer of title to such generating facilities on behalf of the United States, and

"(B) operate and maintain such facilities.

"(e) Pursuant to any agreement under subsection (b) of this section, the Southwestern Power Administration shall market the excess power produced by the generating facilities referred to in subsection (a) of this section in accordance with section 5 of the Act of December 22, 1944 (58 Stat. 890; 16 U.S.C. 825s).

"(f) Notwithstanding any other provision of law, the Secretary of Energy, acting through the Southwestern Power Administration, is authorized to pay to the Cherokee Nation of Oklahoma, in accordance with the terms of the agreement entered into under subsection (b) of this section, out of the revenues from the sale of power produced by the generating facilities of the interconnected systems of reservoirs operated by the Secretary and marketed by the Southwestern Power Administration—

"(1) all costs incurred by the Cherokee Nation of Oklahoma in the design and construction of the generating facilities referred to in subsection (a) of this section, including the capital investment in such facilities and interest on such capital investment, and

"(2) for a period not to exceed 50 years, a reasonable annual royalty for the design and construction of the generating facilities referred to in subsection (a) of this section.

"(g) Notwithstanding any other provision of law, the Secretary of Energy, acting through the Southwestern Power Administration, is authorized—

"(1) to construct such transmission facilities as necessary to market the power produced at the generating facilities referred to in subsection (a) of this section with funds contributed by non-Federal sources, and

"(2) to repay those funds, including interest and any administrative expenses, directly from the revenues from the sale of power produced by the generating facilities of the interconnected systems of reservoirs operated by the Secretary and marketed by the Southwestern Power Administration.

"(h) There are authorized to be appropriated to the Secretary for the fiscal year in which title to the generating facilities is transferred and accepted under subsection (d) of this section, and for each succeeding fiscal year, such sums as may be necessary to operate and maintain such facilities.".

(Amendment). On page 119, strike lines 5 through 8, and renumber following paragraphs appropriately.

DANFORTH AMENDMENT NO. 1683

Mr. DANFORTH proposed an amendment to the bill (S. 1567), supra; as follows:

On page 90, after line 24, add the following:

(c) The United States district court for the district in which is located a non-Federal sponsor that imposes fees subject to this section shall have original and exclusive jurisdiction over any matter arising out of, or concerning, the imposition, computation, or collection of such fees by a non-Federal sponsor under this section and, upon petition of the Attorney General or any party subject to such fees imposed by the non-Federal sponsor—

(1) may grant appropriate injunctive relief to restrain any act by that non-Federal sponsor that violates the conditions in this section;

(2) shall order that refunds be paid to the extent it is found that fees were collected in violator of this section; and

(3) may grant such other relief or remedy as may be appropriate.

Before the start of construction of a project subject to section 602 or 604, the non-Federal sponsor shall notify the Secretary that it consents to the jurisdiction of the district court as set forth in this subjection.

DECONCINI AMENDMENT NOS. 1684 AND 1685

Mr. BENTSEN (for Mr. DECONCINI) proposed two amendments to the bill (S. 1567), supra; as follows:

AMENDMENT No. 1684

On page 65, between lines 5 and 6, insert the following new section, and number accordingly:

"SEC. . (a) The Secretary of the Army, acting through the Chief of Engineers, shall—

"(1) construct under section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s) a project for flood control on the San Francisco River at Clifton, Arizona, for the purpose of protecting residential and commercial properties on the east side of the river downstream of the State Highway 666 Bridge, for an estimated total cost of $3,500,000: *Provided*, That such work shall be considered to complete all studies and proposals of the Secretary for such area.".

AMENDMENT No. 1685

On page 65, between lines 5 and 6, insert the following and number accordingly:

"SEC. . For purposes of future studies undertaken pursuant to Section 223 of this Act, the Secretary is authorized to consider benefits which may accrue to Indian tribes as a result of a project resulting from such a study.".

JOHNSTON AMENDMENT NOS. 1686 AND 1687

Mr. BENTSEN (for Mr. JOHNSTON) proposed two amendments to the bill (S. 1567), supra; as follows:

AMENDMENT No. 1686

A new section 505 to be added to TITLE V—INLAND NAVIGATION to read as follows:

SEC. 505. The navigation lock authorized by the River and Harbor Act of 1956, Public Law 84-455, provides for replacement of the navigation lock connecting the Mississippi River Gulf Outlet with the Mississippi River. Inasmuch as this new lock will provide substantial benefits to shallow draft navigation (inland waterway), the costs should be allocated between deep draft and shallow draft navigation, and the Secretary is authorized to utilize the Inland Waterways Trust Fund to pay for one-half of the costs allocated to shallow draft navigation with the remaining half of such allocated costs to be paid only from amounts appropriated out of the general fund of the Treasury.

On page 150, line 22, after "502" delete "and" and insert a comma after 504(e) and add "and 505".

AMENDMENT No. 1687

On page 35, after line 16, add the following:

SEC. 238. (a) Section 208 of the Flood Control Act of 1954 (68 Stat. 1266; 33 U.S.C. 701g) as amended, is hereby amended by striking out "$250,000" and inserting in lieu thereof $500,000".

(b) Section 14 of the Act of July 24, 1946 (60 Stat. 653; 33 U.S.C. 701r), as amended, is hereby amended by striking out "$250,000" and inserting in lieu thereof "$500,000".

(c) Section 205 of the Flood Control Act of 1948 (62 Stat. 1182; 33 U.S.C. 701s), as amended, is amended by striking out "$4,000,000" and inserting in lieu thereof "$4,500,000".

(d) Subsection 107(b) of the River and Harbor Act of 1960 (74 Stat. 486; 33 U.S.C. 577), as amended, is amended by striking out "$2,000,000" and inserting in lieu thereof "$3,500,000".

(e) Section 3 of the Act approved August 13, 1946 (60 Stat. 1056; 33 U.S.C. 426g), as amended, is amended by striking out "$1,000,000" and inserting in lieu thereof "$2,000,000".

ARMSTRONG AMENDMENT NO. 1688

Mr. STAFFORD (for Mr. ARMSTRONG) proposed an amendment to the bill (S. 1567), supra; as follows:

On page 65, between lines 5 and 6, insert the following:

SEC. 337. Section 88(c) of the Water Resources Development Act of 1974 is amended by—

(1) inserting after "encroachments" the following: "(other than the Mineral Avenue/Ken Caryl Road extension and associated transmission lines)"; and

(2) inserting "significantly" after "areas which would".

KASTEN AMENDMENT NO. 1689

Mr. KASTEN proposed an amendment to the bill (S. 1567), supra; as follows:

On page 65, between lines 5 and 6, insert the following new section:

SEC. 337. The project for Racine Harbor, Wisconsin, authorized by section 2 of the Act entitled "An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved March 2, 1945 (59 Stat. 19), is hereby modified as described in Racine County Federal permit application number 85-196-02. The Secretary of the Army, acting through the Chief of Engineers, is authorized to dredge the modified harbor area at an estimated cost of $3,000,000, if all appropriate non-Federal interests agree to operate, maintain, repair, rehabilitate, and replace the modified project, including the breakwaters previously constructed by the Federal Government.

KASTEN (AND PROXMIRE) AMENDMENT NO. 1690

Mr. KASTEN (for himself and Mr. PROXMIRE) proposed an amendment to the bill (S. 1567), supra; as follows:

On page 65, between lines 5 and 6, insert the following new section:

SEC. 337. The project for improvements at Racine Harbor, Wisconsin, authorized by section 2 of the Act entitled "An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved March 2, 1907 (59 Stat. 19), as amended, is hereby deauthorized. The Secretary shall transfer without consideration to Racine County, Wisconsin, title to any facilities constructed by the United States (as part of the project described above).

STEVENS (AND MURKOWSKI) AMENDMENT NO. 1691

Mr. STEVENS (for himself and Mr. MURKOWSKI) proposed an amendment to the bill (S. 1567), supra; as follows:

On page 143, line 15, strike out "HAWAII AND" and insert in lieu thereof "ALASKA, HAWAII, AND";

On page 143, line 21, strike out "Hawaii or" and insert in lieu thereof "Alaska, Hawaii, or";

On page 143, line 22, strike out "Hawaii or" and insert in lieu thereof "Alaska, Hawaii, or";

On page 143, line 24, strike out "Hawaii or" and insert in lieu thereof "Alaska, Hawaii, or";

On page 144, line 5, strike out "Hawaii or" and insert in lieu thereof "Alaska, Hawaii, or";

On page 144, strike out lines 8 through 10, and insert in lieu thereof the following:

"(2) CARGO DOES NOT INCLUDE CRUDE OIL WITH RESPECT TO ALASKA.—For purposes of this subsection, the term 'cargo' does not include crude oil with respect to Alaska.

"(3) UNITED STATES MAINLAND.—For purposes of this subsection, the term 'United States mainland' means the continental United States.

GORTON (AND OTHERS) AMENDMENT NO. 1692

Mr. GORTON (for himself, Mr. EVANS, Mr. BRADLEY, and Mr. LAUTENBERG) proposed an amendment to the bill (S. 1567), supra; as follows:

On page 144, after line 18, insert the following:

"(d) NONAPPLICABILITY OF CHARGES TO CERTAIN CARGO.—

"(1) IN GENERAL.—Subject to paragraph (2), the charge imposed pursuant to Section 4461(a)(1), shall not apply to bonded commercial cargo entering the United States for transportation and direct exportation to a foreign country.

"(2) IMPOSITION OF CHARGES.—Paragraph (1) shall not apply—

"(A) after the date on which the Secretary determines that the Government of Canada has imposed a substantially equivalent fee or charge on commercial vessels or commercial cargo utilizing Canadian ports: *Provided*, That subject to subparagrph (B), paragrph (1) shall apply after the date on which the Secretary determines that such fee or charge has been discontinued by the Government of Canada.

"(B) with respect to a particular United States port (or to any transaction or class of transactions at any such port) to the extent that the study made pursuant to section 807(a) of the Water Resources Development Act of 1985 (or a review thereof pursuant to section 807(b) of such Act) finds that—

"(i) the imposition of such charge at such port (or to any transaction or class of transactions at such port) is not likely to divert a significant amount of cargo from such port to a port in a country contiguous to the United States, or that any such diversion is not likely to result in significant economic loss to such port; or

"(ii) the nonapplicability of such charge at such port (or to any transaction or class of transactions at such port) is likely to result in significant economic loss to any other United States port.".

On page 144, line 19, delete "(d)" and insert in lieu thereof "(e)".

On page 144, line 22, delete "(e)" and insert in lieu thereof "(f)".

On page 145, line 20, delete "(f)" and insert in lieu thereof "(g)".

On page 146, line 6, delete "(g)" and insert in lieu thereof "(h)".

On page 154, beginning on line 2, delete all through "agencies" on line 4 and insert in lieu thereof:

"(a) INITIAL STUDY.—The Secretary of the Treasury, in consultation with United States ports, the Secretary of the Army, the Secretary of Transportation, and other appropriate Federal agencies".

On page 154, strike line 7 and insert in lieu thereof "cargo from particular United States ports to any port in a country contiguous to the United States. The".

On page 154, after line 11, insert the following:

"(b) REVIEW.—The Secretary of the Treasury may, at any time, review and revise the findings of the study conducted pursuant to subsection (a) with respect to any United States port (or to any transaction or class of transactions at such port).

"(c) IMPLEMENTATION OF FINDINGS.—For purposes of section 4462(d)(2)(B) of title 26, United States Code, the findings of the study or review conducted pursuant to subsections (a) and (b) of this section shall be effective 60 days after notification to the ports concerned.".

SYMMS AMENDMENT NO. 1693

Mr. SYMMS proposed an amendment to the bill (S. 1567), supra; as follows:

On page 8, following line 11, insert the following, and reletter the subsequent subsection accordingly:

"(e)(1) The Secretary is directed to complete an experimental program placing screens in the Salmon River in the vicinity of Salmon, Idaho, to trap frazzle ice, and thus to eliminate flooding caused by ice dams in the river. Within one year of the enactment of this Act, the Secretary shall report to the Congress of the feasability of such experiment, including consideration of any adverse environmental or social effects that could result from such experiment. If, in the Secretary's judgment, such experiment is not feasible or acceptable, the Secretary is authorized to consult with local public interests to develop a plan that is workable and practical, then submit such plan to Congress.

"(2) For the purposes of this subsection, there is authorized to appropriated to the Secretary the sum of $1,000,000 for the fiscal year ending September 30, 1987, or thereafter, such sum to remain available until expended."

EXON (AND ZORINSKY) AMENDMENT NO. 1694

Mr. EXON (for himself and Mr. ZORINSKY) proposed an amendment to the bill (S. 1567), supra; as follows:

On page 65, between lines 5 and 6, insert the following:

SEC. 337. (a) The Secretary of the Army (hereafter in this section referred to as the "Secretary"), acting through the Chief of Engineers, is authorized and directed to establish and conduct at multiple sites within the State of Nebraska for a period beginning on the date of enactment of this section and ending five years after such date a demonstration program consisting of projects for streambank erosion prevention and flood control.

(b) Demonstration projects carried out under this section shall include projects for the construction, operation, and maintenance of flood damage reduction measures, including bank protection and stabilization works, embankments, clearing, snagging, dredging, and all other appropriate flood control measures.

(c) For each demonstration project under this section, the Secretary shall evaluate the environmental impacts of such project with respect to both riverine and adjacent land use values, with the view of enhancing wildlife and wildlife habitat as a major purpose coequal with all other purposes and objectives, and with the view of minimizing environmental losses.

(d) Demonstration projects authorized by this section shall be undertaken to reflect a variety of geographical and environmental conditions, including naturally occurring erosion problems and erosion caused or incurred by man-made structures or activities. At a minimum, demonstration projects shall be conducted at sites on—

(1) that reach of the Platte River between Hershey, Nebraska, and the boundary between Lincoln and Dawson Counties, Nebraska;

(2) that reach of the Platte River from the boundary between Colfax and Dodge Counties, Nebraska, to its confluence with the Missouri River;

(3) that reach of the Elkhorn River from the boundary between Antelope and Madison Counties, Nebraska, to its confluence with the Platte River; and

(4) other locations deemed appropriate by the Secretary in consultation with the State of Nebraska, if sufficient funds are available.

(e) The Secretary shall condition the construction, operation, and maintenance of any project under this section upon the availability to the United States of such land and interests in land as he deems necessary to carry out such project and to protect and enhance the river in accordance with the purposes of this section.

(f) The Secretary shall establish a Nebraska Advisory Group consisting of representatives of the State of Nebraska and political subdivisions thereof, affected Federal agencies, and such private organizations as the Secretary deems desirable. Projects under this section shall be carried out in coordination and consultation with such Advisory Group.

(g)(1) Except as provided in paragraph (2), projects carried out under this section shall be at full Federal expense.

(2) Prior to construction of any project under this section, non-Federal interests shall agree that they will—

(A) provide without cost to the United States lands, easements, and rights-of-way necessary for construction, operation, and maintenance of such project;

(B) hold and save the United States free from damages due to construction, operation, and maintenance of such project (other than damages due to the fault or negligence of the United States or its contractors; and

(C) operate and maintain the projects upon completion.

(h) There are authorized to be appropriated for fiscal years beginning after September 30, 1986, $25,000,000 to carry out the provisions of this section.

(i) Beginning twelve months after the date of enactment of this section, and at intervals of twelve months thereafter, but not later than five years after such date, the Secretary shall prepare and transmit to the Congress a report describing the progress achieved in carrying out the demonstration program established pursuant to this section.

(j) The Congress finds that demonstration projects established pursuant to this section are economically feasible. Such projects shall emphasize the development of low-cost erosion and flood control measures.

WARNER (AND TRIBLE) AMENDMENT NO. 1695

Mr. WARNER (for himself and Mr. TRIBLE) proposed an amendment to the bill (S. 1567), supra; as follows:

Insert on page 65, after line 5, the following and number appropriately:

"SEC. . The navigation project for Lynnhaven Inlet, Bay and connecting waters, Virginia, authorized by section 101 of the River and Harbor Act of 1962 (76 Stat. 1173, 1174) is hereby modified to provide that the United States shall pay for the remedial work to Long Creek Canal which the City of Virginia Beach, Virginia, was required to carry out as a result of such navigation project, at a cost not to exceed $1,660,000".

GORE AMENDMENT NO. 1696

(Ordered to lie on the table.)

Mr. GORE submitted an amendment intended to be proposed by him to the bill (S. 1567), supra; as follows:

On page 22, after line 9, insert the following new section:

(1) the President shall take all appropriate actions, in cooperation with any international organization which the President determines to be appropriate, to establish a long-term study, beginning with a 1-year cooperative international research program, with respect to the greenhouse effect with the purposes of—

(A) increasing the worldwide dissemination of information with respect to the causes of the greenhouse effect and methods to alleviate or avoid the effect;

(B) coordinating the research efforts of the participating nations with respect to the greenhouse effect;

(C) fostering cooperation among nations to develop more extensive research efforts with respect to the greenhouse effect;

(D) preparing a report on the accomplishments of the program;

(E) identifying the potential alternative policies necessary to avoid a buildup of greenhouse gases beyond levels which could have catastrophic results; and

(F) developing a long-term plan for future research efforts with respect to the greenhouse effect;

(2) any such program established by the President shall be started during or before the calendar year 1991, which year shall be known as the "International Year of the Greenhouse Effect"; and

(3) the participation of the United States in any such program established by the President shall be planned and coordinated on behalf of the United States by the Chairman of the National Academy of Sciences the Secretary of the Army, the Secretary of Energy and other appropriate Federal and State agencies and the private sector.

AGENCY REPORTS TO CONGRESS

COHEN AMENDMENT NO. 1697

Mr. STAFFORD (for Mr. COHEN) proposed an amendment to the bill (S. 992) to discontinue or amend certain requirements for agency reports to Congress; as follows:

On page 48, strike out lines 24 and 25.

On page 49, line 1, strike out "(b)" and insert in lieu thereof "Sec. 108. (a)".

On page 49, line 7, strike out "(c)" and insert in lieu thereof "(b)".

On page 49, line 9, strike out "(d)" and insert in lieu thereof "(c)".

On page 49, line 11, strike out "(e)" and insert in lieu thereof "(d)".

On page 49, line 13, strike out "(f)" and insert in lieu thereof "(e)".

On page 49, line 15, strike out "(g)" and insert in lieu thereof "(f)".

On page 49, line 17, strike out "(h)" and insert in lieu thereof "(g)".

On page 49, line 24, strike out "(i)" and insert in lieu thereof "(h)".

On page 50, line 5, strike out "(j)" and insert in lieu thereof "(i)".

On page 50, line 7, strike out "(k)" and insert in lieu thereof "(j)".

On page 50, line 23, strike out "(l)" and insert in lieu thereof "(k)".

On page 50, line 25, strike out "(m)" and insert in lieu thereof "(l)".

On page 51, strike out lines 1 and 2 and insert in lieu thereof the following:

(m) Section 1705 and the Public Health Service Act (42 U.S.C. 300u-4) is amended—

(1) by striking out subsection (b); and

(2) by striking out "(a)" before "The".

On page 51, line 3, strike out "(o)" and insert in lieu thereof "(n)".

On page 51, line 6, strike out "(p)" and insert in lieu thereof "(o)".

On page 51, line 11, strike out "(q)" and insert in lieu thereof "(p)".

On page 51, line 13, strike out "(r)" and insert in lieu thereof "(q)".

On page 58, beginning with line 22, strike out through line 4 on page 59.

On page 59, line 5, strike out "(d)" and insert in lieu thereof "(c)".

NOTICES OF HEARINGS

SUBCOMMITTEE ON GOVERNMENT PROCUREMENT

Mr. WEICKER. Mr. President, I would like to announce that the Subcommittee on Government Procurement of the Committee on Small Business will hold a field hearing on small business participation in the Federal procurement process. Specifically, the field hearing will focus on the results of the various competition advocacy and spare parts breakout programs being undertaken as a result of the "Competition in Contracting Act of 1984," Public Law 98-369, the "Small Business and Federal Procurement Competition Enhancement Act of 1984," Public Law 98-577, and the agency initiatives, and the extent to which these programs have created additional competitive contracting opportunities for small business.

Further, the committee will seek testimony concerning various programs, provided by governmental and nongovernmental sources, assisting small business to effectively pursue these expanded numbers of competitive contracting opportunities. In addition to small business Government contractors, the committee will receive testimony from representatives of the Department of the Air Force, the Department of Transportation [FAA], the Florida and Oklahoma Small Business Development Centers, and the Indiana Commerce Center.

The field hearing will be held on Saturday, March 22, 1986, commencing at 10:30 a.m. at the Officers Club, Tinker Air Force Base, Oklahoma City, OK. Further information concerning this field hearing can be obtained from the committee's procurement policy counsel, William B. Montalto, at 224-5175.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. HELMS. Mr. President, I wish to announce that the Committee on Agriculture, Nutrition, and Forestry has scheduled a markup on S. 2045, a bill to amend the Commodity Exchange Act to reauthorize appropriations to carry out such act, and for other purposes.

The markup is to be held on Tuesday, March 25, 1986, at 9:30 a.m. in room 328-A Russell Senate Office Building.

Please contact the committee staff at 224-2035 if further information is needed.

SUBCOMMITTEE ON PUBLIC LANDS, RESERVED WATER AND RESOURCE CONSERVATION

Mr. WALLOP. Mr. President, I would like to announce for the information of the Senate and the public that the Subcommittee on Public Lands, Reserve Water and Resource Conservation of the Committee on Energy and Natural Resources has added an additional measure on which the subcommittee will receive testimony at its hearing scheduled for Friday, April, 11, 1986, at 9:30 a.m., in room SD-366 of the Senate Dirksen Office Building, Washington, DC.

The additional measure is H.R. 3556, to provide for the exchange of land for the Cape Henry Memorial site in Fort Story, VA. As previously announced, the subcommittee also will receive testimony on S. 977, S. 1374, S. 1413 and H.R. 2067 and S. 1542.

For further information regarding this hearing, please contact Patty Kennedy of the subcommittee staff at (202) 224-613.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. ANDREWS. Mr. President, I would like to announce for the information of the public that the Select Committee on Indian Affairs will hold a hearing on S. 1452, a bill to settle Indian land claims in the town of Gay Head, MA, and for other purposes on April 9, 1986, commencing at 2 p.m., in room 538 of the Dirksen Senate Office Building.

Those wishing additional information should contact Peter S. Taylor or Michael Mahsetky of the committee at 224-2251.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON STRATEGIC THEATER AND NUCLEAR FORCES

Mr. DOLE. Mr. President, I ask unanimous consent that the Subcommittee on Strategic Theater and Nuclear Forces, of the Committee on Armed Services, be authorized to meet during the session of the Senate on Friday, March 14, 1986, in open/closed session on the ICBM modernization for fiscal year 1987.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Friday, March 14, to held an oversight hearing on the domestic and international petroleum situation.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

FUNDING FOR COMMUNITY SERVICES BLOCK GRANT

● Mr. SARBANES. Mr. President, once again the administration is attempting to eliminate funding for the Community Services Block Grant [CSBG], a primary resource for the Nation's poor. CSBG funds are vital in allowing Community Action Agencies [CAA's] to perform support services for low income Americans. The flexibility and accessibility of community action agencies enable low income families facing emergencies to seek counseling services, day care, fuel assistance, and surplus commodity foods. CSBG funds are in fact the leverage for generating new resources and for coordinating assistance to the poor so that resources are used efficiently and without duplication. For as long as I can remember, it has been our Nation's policy, and I believe an obligation, to provide certain programs for low income Americans.

The administration has slashed CSBG funding 35 percent from 1981 levels. Mr. President, the program has already taken its share of cuts and should be retained so that lower income Americans will no longer bear a disproportionate share of the burden of deficit reductions.

On March 10, 1986, the Baltimore Sun published an article on the editorial page entitled "The 20-Year War on Poverty" which underscores the damage that eliminating CSBG funds would have on low income families. The editorial raises serious concerns which, I am certain, are shared by thousands of low income Americans nationwide who depend on the services of community action agencies to keep their families healthy and selfsufficient. Knowing that my colleagues share my concern about the future of this program, I wanted to bring this editorial to the attention of the entire Senate.

The editorial follows:

[From the Baltimore Sun, Mar. 10, 1986]

THE 20-YEAR WAR ON POVERTY

Maryland's 13 local Community Action Agencies are scratching to retain many of the special services they have provided for 20 years. Federal grants already have been reduced 4.3 percent under the initial phase of Gramm-Rudman-Hollings. President Reagan also wants Congress to cut block grants, but his case has yet to be made. If it is supported, the state could lose its $4.4 million allocation that goes to local agencies. The cut-backs could be very damaging.

The Human Resources Development Agency of Baltimore County is one of the state's largest providers of CAA services, helping 12,000 persons annually. They are mostly impoverished men, women, children and seniors who need jobs, housing, counseling, day-care, fuel assistance, food and other assistance that help keep families healthy and self-sufficient.

Community Action Agencies were created in 1964 under the Economic Opportunity Act that initiated President Lyndon Johnson's War on Poverty. The agencies sought to help the unemployed and afflicted by funneling federal money directly to people. Some localities—Baltimore City and Montgomery County in Maryland—established and ran their own CAA organizations. Others such as Baltimore County relied on independent paid staff and volunteers.

Because of financial constraints, some agencies already have decided to furlough paid workers for short periods. Unless money is found, there could be more furloughs. Last week, Baltimore County's CAA group began a $70,000 fund-raising campaign to help supplement its $2.7 million annual budget. Others in Western Maryland, the Eastern Shore and other parts of Central Maryland also rely on private donations.

This year, the Maryland Association of Community Action Agencies is urging Gov. Harry R. Hughes to include in his supplemental budget money to make up for federal cuts. A Senate committee has reduced Mr. Hughes's initial budget request by $40 million, and some of that money can be recycled into other programs. However, at least $15 million is expected to be set aside to supplement the $35 million earmarked by the governor for a "rainy day" fund.

It is in everyone's interests to preserve reasonable levels of aid for those in need. Further cut-backs in CAA funding will only shift the care of its clients onto the shoulders of government agencies, or leave them to do without. Government leaders must choose whether to support CAA networks with small stipends—in local subdivisions as well as at the state level—or turn their backs and let people do without these services.

ATTITUDES TOWARD CAMPAIGN FINANCING

● Mr. STEVENS. Mr. President, a survey by Civic Service, Inc., of St. Louis, MO, and Washington, DC, commissioned by the American Medical Political Action Committee, brings out the true public feeling and attitude toward campaign financing. Mr. President, I ask to have printed in the RECORD the data compiled in the 1986 survey by Civic Service, Inc.

The material follows:

ATTITUDES TOWARD CAMPAIGN FINANCING—1986

(The tenth in a series of annual CSI studies)

Public attitudes toward federal funding of presidential and congressional campaigns have remained relatively stable over the past ten years. The data contained in a 1986 nationwide public opinion survey indicates continued opposition to extending public financing to congressional campaigns.

A majority of respondents favor a change in the current system of total public financing of the fall general election campaigns for President.

The 1986 poll was the tenth annual survey of attitudes toward campaign financing conducted since 1977. The current data included 1,568 voting age Americans interviewed in a random telephone survey.

CONGRESSIONAL CAMPAIGNS

For a decade, Americans have indicated their opposition to public funding of congressional campaigns. This feeling was endorsed in the 1986 data. A benchmark question has been asked since 1977: "It has been proposed in Congress that the federal government provide public financing for congressional campaigns for the U.S. House of Representatives and Senate. Would you approve or disapprove of the proposal to use public funds, federal money, to pay the costs of congressional campaigns and how strongly do you feel?"

Strongly approve, 7.4 percent.
Approve, 13.7 percent.
Disapprove, 28.6 percent.
Strongly disapprove, 42.0 percent.
No opinion, 8.3 percent.

The data indicates that virtually every sub-group within the populace opposes the use of federal funds for congressional elections. For example, Democratic respondents registered 68.7 percent opposition; Republicans, 72.0 percent; and independents, 69.4 percent.

Among occupational groupings, white collar respondents registered 20.1 percent approval versus 73.0 percent disapproval; blue collar, 19.2 percent versus 72.6 percent; professional, 25.0 percent versus 65.6 percent; students, 14.9 percent verus 71.6 percent; and farmers, 18.9 percent versus 70.3 percent.

Union members included 69.3 percent opposition to public funding of congressional campaigns with 21.3 percent approving. White respondents indicated 77.0 percent opposition; Black, 74.3 percent opposition; and Hispanic, 73.1 percent opposition.

Male voters voiced 69.7 percent opposition and female, 71.6 percent. The strongest opposition was found in the West North Central states; the East South Central and Mountain areas.

A 10-YEAR DATA CURVE ON THE BENCHMARK QUESTION

1977—Approve, 32.5 percent; disapprove, 63.4 percent.
1978—Approve, 21.5 percent; disapprove, 67.1 percent.
1979—Approve, 21.8 percent; disapprove, 67.9 percent.
1980—Approve, 23.1 percent; disapprove, 68.2 percent.
1981—Approve, 21.0 percent; disapprove, 67.8 percent.
1982—Approve, 25.4 percent; disapprove, 65.2 percent.
1983—Approve, 24.5 percent; disapprove, 65.0 percent.
1984—Approve, 23.6 percent; disapprove, 64.8 percent.
1985—Approve, 26.6 percent; disapprove, 65.0 percent.
1986—Approve, 21.1 percent; disapprove, 70.6 percent.

PRESIDENTIAL CAMPAIGNS

The public favors a change in the system of financing the fall presidential election which currently is funded totally with public money. Again, a standard question on the use of such funds has been asked since 1981. In 1986, the following benchmark registered 22.4 percent approval and 73.1 percent disapproval, with 4.5 percent indicating no opinion.

"The 1984 campaign for President was financed or paid for as follows: The primary campaigns were financed in part by tax dollars through public financing and in part by private contributions . . . a matching system. The fall general election campaigns were totally financed by public funds. Do you approve or disapprove of the use of public funds, federal money, to pay the total cost of the fall, general election campaigns for President, such as was done for Reagon and Mondale? How strongly do you feel?"

As with congressional campaigns, opposition cut across virtually all sub-groups in the population. For example, Republicans expressed 72.2 percent opposition, Democrats, 74.3 percent; and independents, 71.3 percent.

CHANGING THE PRESENT SYSTEM—ALLOWING MATCHING FUNDS

A majority of respondents favor some kind of change in the present system. Over one/third support allowing matching contributions similar to the process now used to finance presidential primary campaigns.

"There has been a lot of talk after the presidential campaign about changing the way general election or fall campaigns are financed. Which of the following do you favor?

Abolish public financing and return to a system of private contributions to pay the cost of general election presidential campaigns—39.2 percent approve.

Allow a matching system for the fall general campaign like the presidential primary campaigns are financed, where there is a combination of private contributions from individuals and committees and public funds—36.1 percent approve.

Maintain the present system of financing the fall presidential campaign totally with public funds—17.0 percent approve.

No opinion—7.8 percent.

STATE LEVEL CAMPAIGNS

Respondents also do not favor using public funds for state level races. "Would you approve or disapprove of the proposal to use public funds, state money, to pay the

costs of major statewide offices like the governor's race, state senatorial and legislative campaigns?"

Approve, 19.0 percent.
Disapprove, 76.8 percent.
No opinion, 4.2 percent.

SUPPORT FOR THE DOLLAR CHECK-OFF

The provision to allow citizens to check off $1.00 from their federal income tax for use in the presidential campaign has widespread citizen support:

Approve, 69.9 percent.
Disapprove, 26.4 percent.
No opinion, 3.7 percent.

CAMPAIGN REFORMS

There is support for changes in the manner of congressional campaigns.

A strong majority favor abolishing paid television commercials and providing a limited amount of free time to candidates—65.2 percent approve.

Of those polled, 76 percent favor limiting TV advertising to a candidate or spokesperson, instead of broadcasting production or movie-like spots.

Giving challengers the use of the congressional frank for a district wide mailing is supported by 49.9 percent of the sample, with 43.0 percent opposing.

NATURE OF THE SAMPLE

The nationwide survey was conducted during the period of January 25, 1986 through February 2, 1986. The sample was selected by a computer generated random set of telephone numbers throughout the United States and limited to voting age citizens. Consultants for the project included Seymour M. Lipset, Ph.D., Professor of Sociology and Political Science, Stanford University; Dan Nimmo, Ph.D., Professor of Communications, University of Oklahoma; and Mike Mansfield, Ph.D., Associate Professor of Political Science, Baylor University.

The survey comprised 1,568 completed interviews with voting-age Americans and relfects general socio-economic characteristics of the American populace. The data provides a tolerated error margin of 3 percent at the 95th confidence level.

THE URGENT NEEDS OF INNA AND NAUM MEIMAN

● Mr. SIMON. Mr. President, today marks the completion of the first week of daily statements concerning two friends of mine in the Soviet Union, Inna and Naum Meiman. I intend to continue this daily reminder until Inna and Naum receive permission to emigrate and obtain desperately needed medical treatment for Inna in the West.

Inna, at 53, has had four operations to remove cancerous tumors at the top of her spine. A member of my staff visited with Inna and Naum in January and saw Inna's fifth tumor. The Soviet doctors refuse to operate again because they fear they could damage the spine. New technologies have been developed in the West, but the Soviets will not allow Inna and Naum the chance to fight. Inna's situation is critical. The Soviets, by refusing to allow Inna and Naum to leave, are slowly and painfully torturing a kind, good woman and her husband whose only "crime" is their desire to live in the West.

I urge the Soviet authorities to allow Naum and Inna Meiman to emigrate.●

THE CALL TO CONSCIENCE

● Mr. GRASSLEY. Mr. President, today I am honored to participate in the call to conscience sponsored by the Union of Councils for Soviet Jews.

Two and one-half years ago I, along with my colleagues, Senator DENNIS DECONCINI, and Congressmen PORTER and LANTOS in the House, and with the sponsorship of the Union of Councils, formed an organization called the International Parliamentary Group for Human Rights in the Soviet Union [IPG]. The purpose of this group is to provide a form where the Western parliaments can speak with one voice regarding Soviet human rights abuses, thereby increasing our ability and effectiveness in demonstrating to the free world, Soviet violation of the Helsinki accords.

The IPG has grown to a membership of over 700 MP's in 15 countries. Continued pressure by these parliamentarians, not only on the Soviet Government itself, but on their own governments, will ensure that this issue will not fall through the cracks.

As an illustration of the interest in this issue that is being shown by other countries, I would like to have the following statement by State Minister Lutz Stavenhagen, Federal Republic of Germany, printed in the RECORD for the benefit of my colleagues.

The statement follows:

THE SITUATION OF JEWS IN THE SOVIET UNION

(Statement in the German Bundestag (Parliament) by State Minister Lutz Stavenhagen, Foreign Office of the Federal Republic of Germany (30 January 1986).

The situation of Jews in the Soviet Union is of concern to all of us. At stake here are human rights which have an important role in contemporary international relations.

The fate of Soviet Jews is of special meaning to us, because it is so similar to the fate of ethnic Germans in the Soviet Union to whom we direct special efforts. What I have in mind here are families divided, in some cases for decades now. What I have in mind here is the agonizing of many Jews over being discriminated against in terms of maintaining linguistic and cultural roots, and over increased pressure for assimilation.

It is against this background, and out of solidarity with the Jewish people, that the Federal Government has repeatedly intervened on behalf of Soviet Jews in its dealings with the Soviet leaders. I am referring, for instance, to the talks between Foreign Ministers Genscher and Shevardnadze during the foreign ministers' meeting in Helsinki for the 10th anniversary of the CSCE Final Act; I am also referring here to interventions of the delegation of the Federal Republic of Germany during the recent CSCE experts' meeting on human rights in Ottawa.

The Soviet Union likes to point out how much has been done for Soviet Jews: that they have an autonomous Jewish region of their own around Birobidzhan (East Siberia) which is a true homeland for Soviet Jewry with Yiddish publications and a Yiddish theater. Soviet officials will also remind us that Yiddish is a recognized national language.

However, the facts are that during the latest census a mere 14 percent of Jews gave Yiddish as their native language, and that less than 1 percent of the approximately 1.8 million Soviet Jews live in Birobidzhan, but 98 percent of them in the European part of the Soviet Union. Which underscores the vast gap between reality and official claims: language and culture are being officially promoted above all in a region that has almost no Jewish population.

The Soviet Union boasts an excellent level of research in Hebraistics, and righteously so. However, it is also a fact that teaching modern Hebrew is prohibited and that Jews engaging in this are subject to prosecution. It is in this context that Soviets frequently refer to "zionist elements". But the fact of the matter is that a new self-perception, especially among Jews of the younger generation, is developing here which represents a countermove to the strong pressure of assimilation. And let us not forget that anti-zionist campaigns are paving the way for anti-semitism.

General Secretary Gorbachev, in a televised interview on the eve of his Paris visit in October 1985, stated that Soviet Jews are overrepresented in arts and scientific research, given their 16th place among the Soviet nationalities. Yet many Jews don't see a future for their professional and artistic development and cannot cope with the problems arising from their nationality in the Soviet Union. This is the reason for the massive desire of Soviet Jews to emigrate. Figures speak out loud and clear. And this, too, is very similar to the problems of Germans in the USSR. It is no mere chance that emigration of both Germans and Jews under the family reunification scheme is threatened by a complete standstill. The Soviet explanation of natural causes for decreasing figures can claim little credibility in view of the great number of applications for emigration on record.

It is rather the political factor that plays a decisive role. The Soviets are wrong in maintaining that discussion of these issues is tantamount to interference in Soviet domestic matters. A reference to provisions of the CSCE Final Act, which also bears a Soviet signature, cannot be dismissed as interference in internal matters.

The Soviet Union, in outlining its foreign policy, places peace above everything else. It should be aware that peace is more than just the prevention of war and that respect for human rights is a significant contribution towards peace.

The Soviet leadership should also be aware that their credibility is being put to the test, that open-mindedness and generosity vis-a-vis minorities such as the Jews and Germans are part of the commitment that arises from the Soviet signature under the CSCE Final Act.

I therefore appeal to General Secretary Gorbachev to make sure that his words about the fundamental significance of guaranteeing human rights are matched by deeds.●

LOVE THWARTED BY RUSSIA

● Mr. SIMON. Mr. President, I applaud Secretary Gen. Mikhail Gorba-

chev for his promising statement to the Soviet Union's Party Congress on reuniting families. Nearly 2 dozen American citizens wait anxiously for the Soviet Government's decision on the fate of their spouses who are Soviet citizens. Their simple request is that they be allowed to live with their loved ones and enjoy what most Americans take for granted. The story of the divided spouses is a happy one for eight couples who were reunited following the Geneva summit. I have recounted both the happy and the sad stories and my hope for more reunited families in a column I write for newspapers in my home State. I ask unanimous consent that it be printed in the RECORD.

The column follows:

[Weekly Column by U.S. Senator PAUL SIMON of Illinois]

FROM RUSSIA, THWARTED LOVE

It starts like an ordinary story. Edith and Michael fell in love and got married.

From then on it is anything but an ordinary story. Edith Luthi is an American who was studying in the Soviet Union. Michael Iossel is a Soviet citizen. After they were married the Soviet government would not let Michael go to the United States.

Their first child was born with Michael 4,000 miles away from Edith. I met Edith and their little son Gregory when we appeared together on the "Today Show." I saw Gregory, then 3 years old, when his father had not yet seen him.

Over the last year many of my colleagues in Congress have joined me to help bring together U.S. citizens married to Soviet citizens—people like Edith Luthi and her husband Michael.

Thanks to the fact there was a summit meeting, Secretary General Mikhail Gorbachev let it be known that eight of these would be permitted to emigrate to the United States. One was Edith's husband.

I am grateful for that.

But what about the others?

Simon Levin of Deerfield, Ill., married Tamara Tretyakova. They now have a 7-year-old son in Moscow whom Simon Levin has never seen. He shows pictures of his son like any proud father, but why can't the Soviet government let him hug his son? When I was in Moscow I visited with his wife and son, a happy, active young man who has never seen his father.

Fran Pergericht of Chicago married Roman Kuperman of the Soviet Union. On February 24, they marked their fourth wedding anniversary—and four years of living apart. In a few days they will have their first child, separated by thousands of miles and a needlessly uncertain future. (On March 10, 1986, Fran gave birth to a daughter.

As contacts between our people grow, as they should, inevitably there will be more marriages. Our governments should not stand in the way of marriages and of people then living together.

There are many things governments can do, but they cannot prevent people from falling in love.

Soviet law is clear in permitting married couples to select their place of residence. And the Soviet government signed the Helsinki Accord. The governments that signed that document agreed to "examine favorably and on the basis of humanitarian considerations requests for exit or entry permits from persons who have decided to marry a citizen from another participating state."

Is it asking too much to ask the Soviet government to live up to its own laws and the international agreements it signed?

I have been one of those who believes that the United States and the Soviet Union should improve their relationship, and sometimes this nation has not been as helpful as it might be. But the Soviets' needless standing in the way of couples who wish to be together is something no American can understand—and my guess is that very few Soviet citizens understand it either.

Professor Woodford McClellan of the University of Virginia has been joined by his wife Irina after a separation of 11 years. Eleven long years! Why?

It causes needless human misery and is not good public relations for the Soviet government.

I hope that soon President Reagan and Secretary Gorbachev can agree on an arms control limitation.

But in the meantime we ought to be able to agree that people who fall in love and get married can live in the country of their choice.

I'm grateful that the Soviet Union has permitted eight of its citizens to live with their spouses. But I wait impatiently for word on the rest, and for a more humane, sensible policy on the part of the Soviet government.●

U.S. TRADE POLICY

● Mr. BOSCHWITZ. Mr. President, recently an article appeared in the Washington Times by Clayton Yeutter, our new U.S. Trade Representative. This article on the U.S. response to the foreign trade deficit mirrors my feelings on the subject. In his article, "The Four Pillars of U.S. Trade Policy," Mr. Yeutter conveys an excellent understanding of the trade problem and the actions which we must take to overcome the trade deficit and restore our competitive position in world markets.

I agree with Mr. Yeutter's views that hard work and a proper sense of direction will be very important virtues when solving the problem of our large foreign trade deficit. As we consider our options on trade, Mr. Yeutter suggests that we resist the temptation to simply reach short-term political solutions by enacting unwise, protectionist legislation. That kind of response only produces long-term detrimental effects to the economy.

The most important action which can be taken by this body is to work out a budget that will further decrease the Federal deficit and, in turn, lower the value of the dollar in foreign markets. Returning the dollar to appropriate levels and addressing restrictions to foreign markets will go a long way toward our becoming a net exporting nation once again.

Clearly new trade agreements must be negotiated. I share Mr. Yeutter's view that the General Agreement on Tariffs and Trade [GATT] should be updated. We must also make sure that the fee trade agreements we have established with our importers are reciprocated back to American business by these nations.

Mr. President, I urge my colleagues to read this timely and informative article and I ask that it be printed in the RECORD.

The article follows:

THE FOUR PILLARS OF U.S. TRADE POLICY

(By Clayton Yeutter)

With the U.S. trade deficit in the $150 billion range, there is no denying that international trade is an important issue. But it would be a vital issue for the United States even if there were a trade surplus. We cannot maintain our current standard of living or pass on that standard of living to our children and grandchildren unless we as a nation do a good job on international trade.

Our trade difficulties did not happen overnight. They have been building over a period of years. But political pressure to do something about imports seemed to peak this year when members of Congress returned from summer recess. Their increased concern resulted in a swirl of activity around some 300 protectionist trade bills in Congress.

Obviously it was imperative for the administration to respond to this legislative threat. President Reagan did, by taking a number of steps which countered protectionism in a vigorous and comprehensive way. I call those steps the four pillars of the administration's trade policy:

1. THE FREE TRADE GYROSCOPE

The first pillar relates to basic trade principles, i.e., the necessity of keeping our gyroscopes spinning properly. When dealing with a problem as sensitive and emotion-packed as trade, one must work hard to retain a proper sense of direction. It is imperative to resist the temptation of short-term political or economic benefits which in the long run would be detrimental to the country.

One of President Reagan's great qualities is that he knows where he is headed in the policy arena and why. His gyroscope has a firm and consistent spin, reflecting his very strong belief in free and open trade. For the past 40 years, this country and the world have been served well by such a trading system, and it makes no sense at all to abandon it. The president fully understands that.

But this trade pillar in not enough. We live in an imperfect world, and we must often deal with that world as it is, rather than as we would like it to be.

2. THE FAIR TRADE PILLAR

A dose of reality leads us to the fair trade pillar. The administration must demonstrate to the American people that we are doing our best to ensure that there is a "level playing field" on which American business can plan.

A decade ago we had a weak dollar, exports were booming, and we opened up agricultural markets overseas. The United States had a big trade surplus, so the tendency was to turn the other cheek when our trading partners did not play by the rules. But Americans are not so tolerant on this subject anymore.

Through the years there have been many cases in which U.S. firms and industries have been exposed to unfair trade practices.

The adverse economic impact of those practices has recently been exacerbated by a strong dollar. In response to that economic trauma, it was imperative that the administration address the fair trade issue quickly and decisively. It was important for the American public to know that President Reagan is not only a free trader, but also a fair trader. That was done in two important ways.

First, the president instructed me as his U.S. trade representative to launch several unfair trade practice cases under Section 301 of the Trade Act. Under that provision of the law if the offending nation does not remove the inequity within a specified period, the president is empowered to retaliate. The administration has initiated six such cases thus far, some of which have already been settled. All indications are that Section 301 will prove to be a very valuable trade policy tool.

The administration also established a special fund to counteract certain grant programs that some of our competitors have been offering in order to make their exports more attractive. We strongly believe that export sales should be made on the basis of price, quality, service, etc., rather than on the basis of subsidized credit or grant programs financed by national treasuries.

These two initiatives vividly demonstrate that the administration will respond aggressively to the unfair trade practices of other nations.

3. UPDATING THE GENERAL AGREEMENT ON TARIFFS AND TRADE [GATT]

Our third pillar has a long-run orientation. It relates to the need for a truly effective international organization to provide the "rules of the road" for international trade. The GATT has been in existence nearly 40 years, and has served the world well. Trade volumes have risen dramatically over the past four decades, and our own standard of living is one of the major beneficiaries. But the GATT now is creaking a bit, and we need to get it ready for the next four decades. If we fail, the entire world will be the loser.

In addition to the obvious need to improve exising GATT codes and rules, we also need to bring new areas of trading activity under its jurisdiction. That means developing new rules for areas such as services—banking, insurance, transportation, telecommunications, data processing, etc.—which now constitute well over half our gross national product. Both developed and developing countries are also in need of a new framework for handling investment issues. Without such a framework, investors in the developed countries will continue to be reluctant to share capital and technology with the less-developed nations, and the latter will continue to have extreme difficulties in servicing their debts.

The GATT also needs new rules on intellectual property—trademarks, copyrights, and patents. Firms cannot afford to spend hundreds of millions of dollars on research and development if the product of those efforts is unprotected internationally. The same applies to creative endeavors such as movies, books, and computer software. An immense amount of international piracy exists today in all these areas, and it is important that such nefarious activity be countered by the GATT.

One final challenge for the GATT is to improve its dispute-settlement mechanism. One of the great frustrations of business firms throughout the world lies with their inability to obtain a decisive, expeditious resolution of trade problems. They can take their troubles to the GATT through their respective governments, but there is little comfort in that if a nebulous response emerges five years later. That challenge needs to be faced in the next GATT round.

4. LETTING THE AIR OUT OF THE INFLATED DOLLAR

The fourth pillar of trade policy relates to the impact of an inordinately strong dollar on our U.S. trade balance. This year's trade deficit will likely approach $150 billion, and that is simply unsustainable.

Therefore, it is imperative that we get a handle on this problem and reverse the trends. Actions are already under way to do so, the first major move coming from Secretary of the Treasury James Baker's meeting with the G-5 finance ministers and central bankers in New York about three months ago.

From the U.S. standpoint, we believe the answer to the "dollar problem" is to reduce our federal budget deficit gradually but definitively, which should make it possible for our Federal Reserve to follow a monetary policy that will result in lower interest rates and a decline in the value of the dollar. We are also encouraging generation of additional economic growth in Western Europe and in Japan's domestic economy, coupled with a series of actions that will permit the less-developed countries to become active importers again.

If all this happens in the relatively near future, we should begin to see an improvement in our trade picture in 1986, and the rest of the 1980s should look much more favorable than it does today.

SUMMARY

The heart of our trade policy now lies in these four pillars: the overall objective of moving the world to a more free and open trading system, the intent to respond aggressively to the unfair trading practices of other nations, the need to modernize and improve the GATT and, most important, the recognition of the great importance that fiscal and monetary policies play in determining trade flows here and abroad.

If we and other nations can make the right moves in these four areas over the next few years, we'll be able to avoid shooting ourselves in the foot with protectionism, and we can look forward to a more interrelated but efficient international trading system that will serve future generations.●

COMMEMORATING MADISON'S BIRTHDAY AND FREEDOM OF INFORMATION DAY

● Mr. SPECTER. Mr. President, today I join my colleagues in recognizing the 235th anniversary of James Madison's birthday and in supporting House Joint Resolution 371, recently adopted by the Senate designating this day as National Freedom of Information Day.

As father of the Bill of Rights, James Madison is responsible for many of the constitutional freedoms Americans treasure so dearly. In particular, freedom of speech and a free press, which are at the heart of Freedom of Information Day, are to be protected vigorously and exercised fully by all citizens.

Our Nation cannot afford to take these constitutional rights for granted. Freedom of speech and a free press remain the foundation for our democratic society. They contribute to our political stability and economic prosperity. And freedom of information is essential if these constitutionally mandated freedoms are to have any real meaning.

Recent events in other parts of the world underscore the importance of the constitutional guarantees of free speech and a free press, supported by a free access to information. Citizens around the world who struggle against unjust regimes to obtain the most basic rights emulate our Nation. The struggle in South Africa, the triumphs in Haiti and the Philippines, and the release of Soviet dissident Anatoly Shcharansky, are events which do not occur in a vacuum. Rather, these events are connected, part of a tide which will carry away other regimes which seek to curtail the rights of their citizens.

Nearing the 210th anniversary of our country's birth, this Nation remains a beacon to many around the world who wish to embrace the constitutional freedoms Madison articulated. For more than two centuries, Americans have given their lives in defense of these constitutional rights which we so highly value.

Therefore, it is my hope that by proclaiming this day Freedom of Information Day, we as a nation will reaffirm the constitutional freedoms of speech and press, which James Madison set forth in the Bill of Rights. It is also my hope that on this day and each following year, we as a nation will renew our commitment to all the freedoms set forth in the Bill of Rights, which are guaranteed not to some persons but to all. In doing so, we honor James Madison.●

DEPAUW UNIVERSITY AND THE GUILD FAMILY

● Mr. QUAYLE. Mr. President, as an alumnus of DePauw University, it is my pleasure to introduce to the Senate a family from my home State of Indiana, the Guild family. For the Guilds, attending DePauw University has become an integral part of family tradition.

DePauw University, a small liberal arts university in Greencastle, Indiana, has long excelled in the promotion of quality education at all levels and for all students. It exemplifies the American education system at its best. The Guild family's ongoing attendance and support of this university attests to this. The Guild family has for many generations pursued their education in a variety of fields at the same university, DePauw University. Currently, Sarah Elizabeth Guild is the 60th member of the Guild family to attend this university.

I commend the Guild family for their dedication and commitment to higher education. Such a family merits recognition if only for the steadfast family values they nurture and the sound upbringing that is so apparent—albeit the continued support of my alma mater, DePauw University.

I ask to have printed in the RECORD an article that appeared Friday, February 21, 1986, in the Indianapolis Star, detailing this unusual family.

The article follows:

ALL IN THE FAMILY, DEPAUW UNIVERSITY HAS ATTRACTED 60 MEMBERS OF THE GUILD FAMILY

(By Rebecca Overton)

GREENCASTLE, IND.—If you ask Sarah Guild if any of her relatives went to DePauw, her reply may shock you.

"People are just flabbergasted most of the time," the 19-year-old sophomore said.

Sarah is the 60th member of the Guild family to attend the small liberal arts university which nestles here near the heart of Putnam County. For the Guilds, going to DePauw has become a family affair.

Sarah doesn't advertise the fact that so many of her relatives sport DePauw diplomas. She's proud of the tradition but doesn't brag about it. It doesn't pop up in conversation all the time, she said.

Still, it inevitably crops up when classmates talk about friends or relatives who studied at the university founded in 1837. Often they discover their paths crossed those of a Guild.

Her family may hold the record for the most members attending DePauw, say school spokesmen. No doubt DePauw's reputation as a "family school" has been enhanced by the Guilds.

Many families continue to send sons and daughters to the peaceful campus dotted with solid, old brick buildings. But few go back as far and wide as the Guild family.

Sarah's earliest recollection of the university goes back to when she was 4 years old. She and her sister and two brothers were all wearing DePauw sweatshirts, she remembers.

DePauw pennants decorated some of the bedrooms at their house in Plymouth, where her parents still live, and school paperweights and alumni magazines always could be seen.

Her family's love affair with the school goes back to the 1880s. Thomas M. and Daniel H. Guild were the first in her family to be educated there. The brothers graduated in 1885 and 1892, respectively, then became Methodist ministers in Indiana, following in the footsteps of their father, George, a Methodist circuit rider.

Since Depauw was founded by the Methodist Church (originally the school was called Indiana Asbury University), its alliance with the religion-oriented Guilds was a natural. The university still is affiliated with the church today.

One of Thomas and Daniel's brothers, James R. Guild, had eight children, six of whom were DePauw graduates. They included Sarah's great-aunt, Florence C. Guild, who was professor emeritus of English and taught there for 14 years.

Three out of four of Sarah's grandparents attended the university. Her grandfather, Merrill D. Guild, served on the school's Board of Trustees, a position now held by Dr. J. Kent Guild, Sarah's father. Her mother, Judith, also was graduated from DePauw, as well as Sarah's brothers, Steven and John, and her sister, Anne Guild Adams.

Her brothers and sister are Indianapolis residents.

The list of relatives who went to the Greencastle school goes on and on. Some, like Florence Guild, always knew DePauw would be their alma mater.

"As a little girl, I never thought of anything else," said Miss Guild, who lives in Indianapolis.

Still, Sarah says she never felt pressured to go there. For a while, she considered attending Northwestern University. But after so many trips to Greencastle to visit her brothers and sister, she wanted to share their experiences.

"Some people might wonder if I was forced to come here," explained the biology major. "It was my own decision."

"It doesn't bother me to be a Guild. But I'm an individual."

The campus is full of family memories, of course. As a freshman, Sarah lived in Rector Hall, like some of here relatives before her. Today she resides in the Kappa Kappa Gamma Sorority house, as her mother did, too.

A dance studio in the Lilly Physical Education and Recreation Center bears the name of Mildred Reed Guild, another relative. Occasionally, on the first day of a class, a professor will recognize Sarah's name.

The memories continue. "Every once in awhile, I realize my grandmother was walking down this hall. I get a big kick out of it," Sarah said.

She expecially enjoyed swapping stories about campus life with her grandmother, Lily Kent Guild. Mrs. Guild, a chemistry major, shared Sarah's interests in science.

Sarah is the last Guild at DePauw right now. Would she like her children to go there?

She hesitated for a minute.

"I wouldn't pressure them, but I'd really like them to consider it. I'd definitely mention it a time or two!" she laughed.●

DOD INFLATION DIVIDEND

● Mr. D'AMATO. Mr. President, I rise today to comment on a report recently issued by the General Accounting Office. This report, "Potential for excess Funds in DOD—March 1986 Update," brings up to date a study I requested which was issued by GAO in September of last year. This update reveals that the estimated inflation dividend for fiscal year 1986 will be an incredible $7.5 billion. During fiscal years 1982 through 1986 the total inflation windfall is $39.5 billion.

Mr. President, I find this situation outrageous. As one of the strongest supporters of our defense modernization, it is difficult for me to reconcile the administration's request for an 8-percent increase in defense spending for fiscal year 1987 with an inflation dividend of $7.5 billion for the military this year.

On December 10 of last year, I introduced legislation, S. 1921, which would eliminate the special multiplier used for major weapon systems. Since 1983, the first year of use for the special multiplier, it is estimated that $14.17 billion was allocated for major weapon systems over normal inflation allowances. This is a $5 billion increase over previous estimates. It is obvious that the 130-percent inflation multiplier is unnecessary. As a member of the Senate Defense appropriations panel, I was instrumental in reducing this inflation factor by more than 50 percent for fiscal year 1986. I am pleased to report that the 130-percent special multiplier is not included in the President's fiscal year 1987 budget request. Unfortunately, this is not good enough. The administration is not precluded from using the multiplier in future fiscal years. It is important, therefore, that S. 1921 be signed into law.

The special inflation factor for major weapons systems, however, is the lesser part of the inflation dividend problem. GAO estimates that the Defense Department budgeted $25.31 billion more than necessary for inflation in fiscal years 1982 through 1986. During the highly inflationary 1970's, the Department of Defense understandably needed supplemental appropriations to make up for depreciating defense purchasing power. For the most part, Congress acquiesced. Now, however, the Department is reaping inflation windfalls, and the lion's share of the money cannot be accounted for. Even though DOD has an elaborate planning, programming, and budgeting system, the accounting system which tracks the actual use of funds is not directly linked to the budgetary process. In short, the budgeting system is arcane.

The fault is not all the Pentagon's. Congress, which much authorize and appropriate money for defense, seems to be losing control over where this money goes: It is imperative for Congress to strengthen its oversight abilities.

Mr. President, Congress will be anguishing over difficult budget decisions in the near future. Indeed, the Gramm-Rudman-Hollings budget legislation already has made sharp cuts. There could be major reductions in defense spending under the Gramm-Rudman-Hollings bill; proper accounting by the Defense Department of these inflation dividends will better ensure that essential defense programs will not be emasculated or eliminated.

I strongly urge the Defense Department to review its budget closely, identify the significant savings from inflation, and apply them to our Nation's deficit-reduction efforts. The Soviet Union is not impressed by a defense budget that grows a certain percentage each year, they are impressed only by how wisely we spend our defense dollars. By identifying inflation savings, rooting out waste and fraud, applying procurement reforms, and

other actions, it is very possible for the United States to have little or no growth in the defense budget, yet still spend significantly more on defense.●

NATIONAL NEIGHBORHOOD CRIME WATCH DAY

● Mr. DOMENICI. Mr. President, in 1984, 26 percent of this Nation's households were touched by a crime of violence or theft. A home that is touched by crime is one that has experienced a burglary, auto theft, household larceny, or one in which a member of the household was raped, robbed, or a victim of personal larceny.

There has been a series of particularly violent crimes in New Mexico lately. A young woman was abducted from the driveway of her fiance's home. She was subsequently raped and murdered. In another incident a judge was tied up in his own home at 2 o'clock in the afternoon and his home was ransacked. Also, within the last 2 months two police officers were killed while on routine patrol. These are examples of crimes that bring into focus our vulnerability to random attacks. This fear causes so many people to isolate themselves, both during the day and night, from others around them. In essence, the criminal element has caused us to erect walls of fear which imprison the human spirit.

What are we to do to protect ourselves against these violent crimes? We could become paranoid and isolate ourselves, or we could arm ourselves. But doing so would only destroy our quality of life. What we can do is supply the police with the necessary equipment and manpower. But that is not enough. We, as neighbors, must look out for one another. By doing so, we can defeat those criminal elements who would prey on us.

That is why I join 18 of my colleagues in cosponsoring Senate Joint Resolution 256 today. This measure will designate August 12, 1986, as "National Neighborhood Crime Watch Day." The purpose of this commemoration is to commend our Nation's neighborhood crime watch groups and to encourage other citizens to take an active role in protecting their neighborhoods from crime. "National Neighborhood Crime Watch Day" will correspond to a "national night out," during which citizens will be encouraged to spend the time from 8 to 9 p.m. with their neighbors in front of their homes. This is a symbolic gesture signifying neighborhood participation and support for this worthwhile and proven program.

Mr. President, Senate Joint Resolution 256 will recognize the contributions of local crime watch programs in the fight against neighborhood crime. "National Neighborhood Crime Watch Day" will help these local crime watch programs get the support they need. The best form of crime prevention is people looking out for people and on August 12, 1986, we will encourage and support this idea. I invite all Americans to join us in this effort.●

MAINTAINING DEDUCTIBLE EXPENSES IN ADOPTION

● Mr. HUMPHREY. Mr. President, we are all aware that the Finance Committee will soon start marking up the Senate tax reform bill. I, and 12 Senate colleagues who share my interest in adoption, want to ensure that in the noisy battle to preserve tax deductions, the message of advocates for the current adoption expenses tax deduction be heard. We have sent to each member of the Finance Committee a letter urging them to give careful consideration to preserving this deduction.

The costs associated with this deduction are de minimis. Although we have no hard data on how many taxpayers claim this deduction or what it costs, experts estimate that it falls in the $5 to $10 million range, maybe lower. In a recent estimate of Federal tax expenditures for fiscal years 1986-90 prepared by the staff of the Joint Committee on Taxation, the deduction for adoption expenses merits only a footnote indicating costs less than $50 million annually. In tax reform terms, a negligible amount.

But loss of this deduction would not be negligible to those who are entitled to claim it. Who are these taxpayers? They are the individuals and couples who give a permanent home to children in foster care who need it most—children who are beyond the infant stage, who suffer from some disability, who have siblings and want to stay together, or those who belong to a minority group.

They are people who are willing to take on large responsibilities in order to build a family and bring joy to a child who needs a home. Those who adopt children with a disability requiring medical treatment take on extraordinary financial responsibilities. Under these circumstances, the current deduction, limited to $1,500, is indispensable.

I would like to insert into the RECORD a copy of our letter to the Finance Committee. I hope that my colleagues will read this letter and join the fight to preserve the tax deduction for adoption expenses.

Mr. President, I ask that the letter be printed in the RECORD.

The letter follows:

U.S. SENATE,
Washington, DC, February 28, 1986.

DEAR COLLEAGUE: As members of the Senate who are dedicated to the promotion of adoption, we urge you to give careful consideration to the tax deduction for adoption expenses when the Finance Committee takes up the Tax Reform Act.

Current law provides an itemized deduction for up to $1,500 of expenses incurred by an individual in the legal adoption of a child with special needs. Deductible expenses include reasonable and necessary adoption fees, court costs, and attorney fees. The criteria in the Adoption Assistance Program authorized under Title IV-E of the Social Security Act are used to define "a child with special needs." Generally, these are older children, those in sibling groups, children who are mentally, physically or emotionally handicapped, or children who belong to minority groups.

The current deduction was authorized under the Reconciliation Act in 1981, when Congress recognized the need to remove the barriers to adoption of the large numbers of children in foster care in this country. The limited deduction was intended to encourage, and reduce the financial burdens in connection with, the adoption of children who have special needs.

Because of limitations in available data, we don't know exactly how many adoptive parents have utilized the adoption expenses deduction. But we do know the number of special needs adoptions has risen in recent years, and the number of children in foster care has dropped. Undoubtedly many factors have contributed to this progress in special needs adoptions, but clearly the tax deduction reduces one important barrier to adoption, the cost.

Some members of the Senate believe we should extend this tax deduction to apply to all adoptions, and Senator Hatch has introduced the Fairness for Adopting Families Act (S. 856). S. 856 would allow a deduction for the reasonable and necessary adoption fees for infant, special needs, or foreign child adoptions. This bill would also exclude from an employee's income adoption expenses paid by an employer, and treat an employer's contribution to an adoption expense plan as an ordinary and necessary business expense. The latter provision related to the growing number of companies which are beginning to recognize the importance of helping their employees meet the costs of adoption.

The House tax reform bill repeals the itemized deduction for adoption expenses, and substitutes Federal matching funds to States to pay for "nonrecurring adoption expenses" related to the adoption of a special needs child. According to the Committee Report, the funds to the States are estimated to increase budget outlays by amounts comparable to the amounts of increased budget receipts resulting from repeal of the deduction. But the costs associated with this deduction are negligible, and we are concerned that repeal of the deduction may be seen as a step backward in the recognition of adoption as an important way to build families.

We are all painfully aware that the American family is in trouble, and that many children are growing up in foster care without the feeling of security and stability that only a permanent family can provide. We believe that any change in the tax code should contribute to the strengthening of the American family, and the commitment of the Federal government to this nation's children.

Some of us are members of the Congressional Coalition On Adoption. Some are cosponsors of the Fairness to Adopting Families Act. All of us want to ensure that the tax deduction for adoption expenses receives a thorough review by the Finance Committee. We urge you to take a fresh

look at this issue when the tax reform bill comes before you, and would be happy to provide you with any further background information on our position on this issue. If you have any questions, please call Emily Cooke at 224-2841.

Sincerely yours,

Paul Simon, James A. McClure, Albert Gore, Jr., Gordon J. Humphrey, Sam Nunn, Patrick J. Leahy, Don Nickles, Mack Mattingly, Strom Thurmond, Jesse Helms, Jeremiah Denton, Paula Hawkins, Orrin G. Hatch.●

AID TO THE CONTRAS

● Mr. BAUCUS. Mr. President, next week the Senate will once again be faced with the difficult decision of whether to provide more aid to the Contras in Nicaragua.

This time, President Reagan has asked for $100 million—$70 million in military aid and $30 million in economic, humanitarian aid.

I would like to make my position very clear on this upcoming vote.

I will oppose the President's request for $100 million in aid.

It's true that the Sandinista government is not the ideal government. It's clear that the Sandinistas are dedicated Marxists who are stifling opposition at home, limiting human and political rights and wrecking havoc on the country's economy.

But funding the Contras is the wrong way to bring about change.

Increasing military aid to the Contras will only foment war and more bloodshed in Nicaragua.

In fact, the aid we've provided the Contras over the past 2 years has done little to improve the situation for the people of Nicaragua.

The solution to the Nicaraguan conflict is not more military or economic aid.

The only effective solution is through negotiation. I have always and will continue to support regional negotiations. We should continue to pressure the Government of Nicaragua to negotiate with the rebels and to cooperate with the Contadora process.

Frankly, I do not think the administration has really made a strong effort to pursue a negotiated settlement.

President Reagan's decision to send Philip Habib to the region is a step in the right direction. I only hope that Mr. Habib's message to the President of El Salvador and other Central American leaders is that the United States want to work through the Contadora process.

Mr. President, everyone agrees that something must be done to alleviate the tensions in Nicaragua. But the President's proposal is the wrong solution.●

DECISIVE LEADERSHIP BY JOHNSON & JOHNSON

● Mr. LAUTENBERG. Mr. President, the recent concern raised by contamination of some Tylenol capsules has challenged Johnson & Johnson for the second time in nearly 4 years. For some incomprehensible reason, J&J has been singled out for this bizarre and senseless form of domestic terrorism. The leadership of Johnson & Johnson, in both cases, has been quick to recognize that public confidence in Tylenol and in the company would be best served by decisive action. Each time, James E. Burke, chairman of the board, has provided resolute and speedy leadership, meeting his responsibility to the company and the public.

As a major step in assuring that the public can believe in the safety of over-the-counter medications, Johnson & Johnson has decided to stop producing such products in capsules. It took this step unilaterally. The company is confident that the public will accept Tylenol in caplets as a satisfactory replacement. This bold step is typical of J&J's leadership. It saw what needed to be done to protect and reassure the public, and was willing to accept the lost opportunity. Undoubtedly, J&J will lose some business, but that was not the primary consideration—the trustworthiness of their products was. And the public will respond well because it respects the J&J name and business skills.

As I have learned through my dealing with Mr. Burke and the other executives in the firm, Johnson & Johnson is a company dedicated to serving the public need above all. I have a great deal of confidence that it will come through this difficult episode with flying colors. And I especially want to salute the leadership of Chairman Burke. He is an outstanding example of corporate citizenship, so representative of our State.

I ask to have printed in the RECORD an article about James Burke that appeared in the New York Times.

The article follows:

[From the New York Times, Feb. 19, 1986]

SOLID CORPORATE CITIZEN: JAMES EDWARD BURKE

(By Steven Prokesch)

In the days since Diane Elsroth died after taking cyanide-laced Extra-Strength Tylenol, James E. Burke, chairman of Johnson & Johnson, once again has had to deal with a public crisis. In doing so in a forthright way and with his decision to stop selling Tylenol in capsule form, Mr. Burke is receiving praise from analysts, marketing experts and from consumers themselves.

"I give him high marks for the way he has handled the situation thus far," said Stephen Greyser, a marketing professor at the Harvard Business School.

Although the crisis is far from over, Mr. Burke is coming across both as a solid corporate citizen and an irrepressible corporate marketer, attributes that helped his rise to the top of the 100-year-old health-care company. And while most analysts predicted the demise of Tylenol and trouble for Johnson & Johnson's image after a wave of similar poisonings occurred in the Chicago area in 1982, they are much more optimistic this time.

Many predict that Tylenol will hold on to its leading share of the over-the-counter, pain-reliever market. And some believe that Johnson & Johnson could turn the crisis to its competitive advantage by capitalizing on consumer worries about the safety of capsules to push its Tylenol caplets, a coated, elongated tablet that is supposedly easier to swallow than normal tablets.

Such talk is a tribute to the decisive leadership that Mr. Burke has exhibited during the crisis. He has left little doubt about who is calling the shots at the company.

Rather than delegating the responsibility of corporate spokesman to a division president or public relations officer, Mr. Burke has assumed that task himself.

The 60-year-old executive made his boldest move to date on Monday, when he announced that Johnson & Johnson would no longer sell Tylenol capsules over the counter and would recall all such capsules on the market. The decision will be a costly one: $100 million to $150 million after taxes, the company estimates.

"SETS HIGH STANDARDS"

Associates of Mr. Burke say that his expressed concerns about public safety are sincerely held. "He sets high standards for his company, for his people and for himself," said Robert S. Hatfield, the former chairman of the Continental Group and a Johnson & Johnson's director.

Company insiders say that corporate ethics have almost been an obsession for Mr. Burke. In a speech to an advertising trade group two years ago, Mr. Burke tried to convince his audience that companies with written codes of ethics, such as Johnson & Johnson, outperform other companies in both profitability and stock prices.

In the nine years since Mr. Burke became Johnson & Johnson's chief executive, the company's profits have nearly tripled, to $613.7 million in 1985. And its sales have soared from $2.52 billion to $6.42 billion. Last year, he earned about $900,000 in salary and bonuses, a company spokesman said.

But despite this record and his handling of the Tylenol poisonings, Mr. Burke's tenure as chief executive has not been unblemished. He has come under persistent attack from Wall Street for attempting to move a company that made its mark in pharmaceutical and consumer products into sophisticated medical equipment.

STRICT STANDARDS CITED

The eldest son of an insurance salesman, James Edward Burke was born on Feb. 28, 1925, in Rutland, Vt. "Our father had strict ethical standards, and our mother was very creative," one of Mr. Burke's two sisters, Phyllis Davis, said in a recent magazine interview. Mrs. Davis is the top sales executive at Avon Products and a brother, Daniel Burke, is president of Capital Cities/ABC. Another sister, Sidney Burke Carroll, is a New York lawyer.

After commanding a landing craft tank in the Pacific during World War II, Mr. Burke completed his college education and graduated from Holy Cross College in 1947.

He then attended the Harvard Business School and after working for three years as a brand manager at the Procter & Gamble Company, Mr. Burke joined Johnson & Johnson in 1953. His first job was as a product director in the division now known as Johnson & Johnson Products, the unit that

sells the company's original first aid products to consumers.

Rising through the marketing ranks, Mr. Burke became the unit's president in 1966. In 1971 he landed his first job at the corporate level: vice chairman of the company's executive committee. And in November 1976 he was elected to the top job.

Mr. Burke is married. He has two grown children from a previous marriage.●

DESIGNATING JULY 4, 1986, AS "NATIONAL IMMIGRANTS DAY"

● Mr. D'AMATO. Mr. President, I am very pleased to be one of the first cosponsors of Senate Joint Resolution 290, designating "July 4, 1986 as National Immigrants Day." I commend my colleague and very good friend, Senator DECONCINI, for introducing this resolution.

It is especially fitting that we should designate "July 4 this year as National Immigrants Day." If this resolution is enacted, as it should be, we will pay special tribute to those the Statue of Liberty has welcomed on the very day the restored statue is unveiled.

The Statue of Liberty has been the eloquent symbol of freedom, hope, and opportunity for millions of immigrants for a century. True to that message, the United States continues to accept more legal immigrants and refugees for permanent resettlement than any other nation. Legal permanent admission to the United States reached 510,000 in 1984. There were 60,000 refugee admissions that same year.

I cosponsor this resolution as the grandson of immigrants, and as one who recognizes that, if this country is to continue to welcome immigrants, we must bring immigration under control.

Proclaiming National Immigrants Day will make clear to all that, even as we grapple with the very difficult problem of illegal immigration, and assert our sovereign right to control our borders, we are proud to remain a nation of opportunity and refuge. I urge my colleagues to cosponsor and support Senate Joint Resolution 290.

Thank you, Mr. President.●

NAMING OF ALAN R. KEMPER A NATIONAL OUTSTANDING YOUNG FARMER FOR 1986

● Mr. QUAYLE. Mr. President, I am very pleased and proud to announce to the Senate that on February 15 the U.S. Jaycees named Alan R. Kemper one of four outstanding young farmers for 1986. I want to take this opportunity to praise Alan for his many contributions to Indiana agriculture and this country, and congratulate him on this latest recognition of his outstanding leadership in agriculture.

I am especially pleased to bring this matter to the attention of my colleagues because Alan serves on my agricultural team, along with Harry Armstrong of Springville, IN, as one of two successful Indiana farmers who represent me on matters of concern to agriculture.

Alan, 33, and his wife, Janet, make their home in Lafayette, IN, where, with Alan's father, Floyd, they own and operate a 1,544-acre farming operation. They have two children, Crystal and Brian.

Alan Kemper represents the future of U.S. agriculture. He is a progressive farmer who utilizes state-of-the-art technologies on his fully computerized farming operation, while finding time to raise his family, contribute to his community and country, serve as a leader in several organizations, and travel the State of Indiana to represent my views.

Alan currently serves as president of the Indiana Corn Growers, representing the interests of the growers of our State's major agricultural commodity. Before being named president, Alan also served as the association's vice president and secretary. Alan is active in the National Corn Growers Association as well, where he currently serves as a national director and vice president for field services.

The breadth of Alan's experience and participation in agriculture are simply remarkable. In addition to the Corn Growers, Alan is a leader in the Indiana Farm Bureau, where he has served on his county board of directors, with his wife, Janet, on the State young farmer committee, the State farm bureau energy committee, and developed the Tippecanoe County Young Farmers and served as its president. For his many activities and contributions to the farm bureau, Alan and his wife were twice named in the top five couples for the State Outstanding Young Farmer Awards and won the District 3 Outstanding Young Farmer Couple in 1980.

Alan's work for agriculture has not been confined to the continental United States. In order to more fully understand the international factors affecting agriculture, Alan has traveled abroad on several occasions. Some of his travels include trips to China, Russia, and Finland as a part of the Dwight D. Eisenhower Goodwill People to People International Tour. In 1985, Alan traveled to Mexico with the first class of the Indiana Agriculture Leadership Program, sponsored by the Indiana Institute of Agriculture, Food, and Nutrition.

With all of the many activities taking Alan away from home, one might assume that his ability to remain involved in his local community would be diminished. But that is certainly not the case. Alan remains an active member of the Stockwell United Methodist Church where he has served on various committees and boards, and did mission work in Texas and Missouri.

Alan's local involvements include his work as a 4-H leader, past member of the Tippecanoe County Fair Board, current president of the Tippecanoe County Grain Producers, and a member of the American Legion.

Mr. President, I could go on indefinitely. Alan Kemper and his lovely family are model citizens and a credit to their community, to Indiana agriculture and to this country.

I am very pleased to congratulate Alan on being named one of four outstanding young farmers for 1986 and want to take this opportunity to personally thank him for his service to me and to all of us. Our farmers face tremendous difficulties today, and will continue to face challenges in the future. But with men like Alan Kemper at its helm, I am confident that agriculture will meet those challenges and succeed.

Mr. President, I ask that a copy of the news release made available by the U.S. Jaycees be printed in the RECORD.

The material follows:

INDIANA FARMER HONORED BY THE UNITED STATES JAYCEES

JACKSON, MS.—Alan Ray Kemper, 33, of Lafayette, Indiana, has been chosen as one the four National Outstanding Young Farmers for 1986.

His selection was announced Saturday night (2/15/86) at The United States Jaycees 30th National Outstanding Young Farmer Award Congress (NOYF) in Jackson, Mississippi. The program is sponsored by Deere and Company, maker of John Deere equipment and implements.

Kemper and his father are partners in a 1,544-acre farming operation near Lafayette, Indiana. Since joining his father in 1971, Kemper has increased his contribution to the operation as his father became semi-retired.

Prior to 1971, Kemper's grain bin system had a capacity of 16,000 bushels with all drying done "in bin". The system has been expanded to 67,000 bushels with "in bin" and batch drying.

One of the innovations Kemper introduced to his farm was a two-auger grain pit with individual auger controls which he built himself. This enables the grain to be moved straight to the leg, or through a grain cleaner.

In recent years, Kemper remodeled his farm office and added a computer. He has written several farm management programs for his computers. Kemper also designed and installed a communication package for his farm. Recently he designed a 12-row, 17-inch planter for soybeans that is now being built. His farm records show agronomy data, such as individual field fertility, herbicides and yields. This information allows him to plan future planting schedules and to make accurate cash flow projections. Additionally, personnel records help him match people with jobs.

He worked through farm organizations to promote his productions and to speak with bankers and businessmen about agriculture in America. He has traveled to China and the Soviet Union representing Indiana agriculture.

Kemper's farmstead is a well-planned and structured site that has been visited by na-

tional farm groups and several international trade delegations.

He and his wife, Janet, have two children, Crystal and Brian.

The National Outstanding Young Farmer Awards Congress is the culmination of a year-long search for the nation's top young farmers. Nominees at the local, state and national level are judged on the basis of their progress in agriculture, the extent of their soil and water conservation practices and their contributions to the well-being of their community, state and nation.

The U.S. Jaycees adopted the NOYF program in 1954. Since that time, hundreds of farmers have been honored across America.

Deere and Company, of Moline, Illinois, has been the sponsor of the NOYF program for the past ten years.●

APPOINTMENTS BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, pursuant to Public Law 99-83, appoints Levi Goldberger, of New York, and Julius Berman, of New York, to the Commission for the Preservation of America's Heritage Abroad.

The Chair, on behalf of the President pro tempore and upon the recommendation of the minority leader, pursuant to Public Law 93-29, as amended by Public Law 98-459, appoints Jon B. Hunter, of West Virginia, to the Federal Council on the Aging.

Mr. BYRD. Mr. President, I thank the Chair, and I thank the distinguished President pro tempore.

Mr. STAFFORD. Mr. President, if no one wishes to speak, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. WILSON). Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination of Sidney A. Fitzwater to be United States District Judge.

Mr. BYRD. Mr. President, reserving the right to object, I have no objection.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nomination will be stated.

THE JUDICIARY

The legislative clerk read the nomination of Sidney A. Fitzwater, of Texas, to be U.S. District Judge for the Northern District of Texas.

CLOTURE MOTION

Mr. DOLE. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the question of advising and consenting to the nomination of Sidney A. Fitzwater, of Texas, to be United States District Judge for the Northern District of Texas.

Bob Dole, Strom Thurmond, Phil Gramm, Daniel J. Evans, Thad Cochran, Paul Simon, Bill Armstrong, Orrin G. Hatch, Mitch McConnell, James A. McClure, John Heinz, Dan Quayle, Slade Gorton, Chuck Grassley, Pete Domenici, and Ted Stevens.

Mr. DOLE. Mr. President, I ask unanimous consent, notwithstanding the provisions of rule XXII, that the cloture vote occur at 3 p.m. on Tuesday, March 18, 1986, and that the mandatory quorum call under rule XXII be waived.

Mr. BYRD. Mr. President, reserving the right to object, do I have an understanding with the distinguished majority leader that there will be 1 hour of debate between the hour of 2 and 3 p.m.?

Mr. DOLE. Yes. In fact, I can add that to the unanimous-consent request that when the Senate reconvenes at 2 p.m., I ask the Senate to go into executive session to debate the Fitzwater nomination for 1 hour to be equally divided between the distinguished Senator from Massachusetts, Senator KENNEDY, and the distinguished Senator from South Carolina, Senator THURMOND.

Mr. BYRD. Mr. President, I thank the distinguished majority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate resume legislative session.

The PRESIDING OFFICER. Is there objection to returning to legislative session? Without objection, it is so ordered.

UNANIMOUS-CONSENT REQUEST

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate convenes on Monday, March 17, 1986, the reading of the Journal be dispensed with, no resolutions come over under the rule, the call of the calendar be dispensed with, and morning business be deemed to have expired.

Mr. President, let me withdraw the unanimous-consent request.

ORDERS FOR TUESDAY, MARCH 18, 1986

RECESS UNTIL 10 A.M.

Mr. DOLE. Mr. President, I ask unanimous consent, that immediately following convening on Monday, the Senate automatically stand in recess until 10 a.m. on Tuesday, March 18. No business will be transacted during Monday's session of the Senate.

RECOGNITION OF CERTAIN SENATORS

I further ask unanimous consent that, following the two leaders under the standing order on Tuesday, the following Senators be recognized for special orders not to exceed 5 minutes each: Senators NICKLES, PROXMIRE, KENNEDY, and CRANSTON.

ROUTINE MORNING BUSINESS

I also ask unanimous consent that, following the special orders, there be a period for the transaction of routine morning business not to extend beyond the hour of 10:30 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

Mr. BYRD. Mr. President, reserving the right to object.

Mr. DOLE. Mr. President, I further ask unanimous consent that when the Senate convenes on Tuesday, March 18, 1986, the reading of the Journal be dispensed with, no resolutions come over under the rule, and the call of the calendar be dispensed with; and, provided further, that the morning hour be deemed to have expired.

Mr. BYRD. Mr. President, I have no objection to that, but did the distinguished majority leader ask that when the Senate completes its business today that it will recess over to Monday and that immediately following the pro forma session on Monday we will adjourn to Tuesday?

Mr. DOLE. Recess until 12 noon on Monday.

Mr. BYRD. On Monday and adjourn over until Tuesday?

Mr. DOLE. That is correct.

Mr. BYRD. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS BETWEEN 12 NOON AND 2 P.M. ON TUESDAY, MARCH 18, 1986

Mr. DOLE. I ask unanimous consent that the Senate stand in recess between the hours of 12 noon and 2 p.m. on Tuesday in order for the weekly party caucuses to meet.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, following morning business, the Senate could be asked to turn to the CCC supplemental appropriations bill. I might say we would like to get that early Tuesday so we can get it over to the House so we do not further inconvenience farmers

who need to go to the ASCS office and sign up for various programs.

By a previous unanimous consent, at 3 p.m. a cloture vote will occur on the nomination of Sidney A. Fitzwater to be U.S. district judge. If cloture is invoked, the Senate will remain on the nomination until disposed of.

I also hope on Tuesday we can return to the water resources bill. I am not certain just what state we may be in. According to the managers on each side, they have made considerable progress. I thank my colleagues for being here with their amendments, and I thank the managers for the progress made.

So we would have the possibility of, in addition to the cloture vote, dealing with the commodity credit supplemental appropriation bill, the water resources bill, and then for the remainder of the week it would appear at this point that sometime next week we must deal with the Contra aid.

I have been advised by the chairman of the Budget Committee that he is still hopeful that he may have a budget resolution on the floor sometime late next week. We probably would be on that until we recess for the Easter recess on Thursday, March 27.

Mr. BYRD. Mr. President, in view of the fact that the order has been entered to adjourn from Monday over to Tuesday, what will be the unfinished business at that time? Will it be Senate Joint Resolution 225 or will it be the water resources bill?

Mr. DOLE. The water resources bill, S. 1567, will be the unfinished business.

Mr. BYRD. That will displace Senate Joint Resolution 225 out of the unfinished business?

Mr. DOLE. That is correct.

Mr. BYRD. I thank the Chair.

RECESS UNTIL MONDAY, MARCH 17, 1986

Mr. DOLE. Mr. President, I now move the Senate stand in recess until 12 noon, Monday, March 17, 1986, for a pro forma session only.

The motion was agreed to; and, at 5:27 p.m., the Senate recessed until Monday, March 17, 1986, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate March 14, 1986:

Department of Labor

George R. Salem, of Virginia, to be solicitor for the Department of Labor, vice Francis X. Lilly, resigned.

In the Army

The following-named officers for appointment in the Regular Army of the United States, in their active duty grades, under the provisions of title 10, United States Code, sections 531, 532, 533:

Judge Advocate General's Corps

To be major

Melvin Abercrombie, xxx-xx-xxxx
Murray B. Baxter, xxx-xx-xxxx
Byron J. Braun, xxx-xx-xxxx
Robert J. Dautrich, Jr., xxx-xx-xxxx
Dominick J. DeLorio, xxx-xx-xxxx
Harry L. Dorsey, xxx-xx-xxxx
Connie S. Faulkner, xxx-xx-xxxx
Eric T. Franzen, xxx-xx-xxxx
Carl D. Goins, Jr., xxx-xx-xxxx
Stephen K. Hill, xxx-xx-xxxx
Russell D. Johnson, xxx-xx-xxxx
John A. Krump, xxx-xx-xxxx
Karen A. MacIntyre, xxx-xx-xxxx
James M. Miller, xxx-xx-xxxx
Richard A. Miller, xxx-xx-xxxx
Arthur L. Passar, xxx-xx-xxxx
Steven M. Post, xxx-xx-xxxx
Stuart H. Simms, xxx-xx-xxxx
Robert L. Swann, xxx-xx-xxxx

To be captain

Peter J. Comodeca, xxx-xx-xxxx
Lawrence M. Cuculic, xxx-xx-xxxx
Benjamin P. Dean, xxx-xx-xxxx
William L. Deneke, xxx-xx-xxxx
Thomas F. Douglas, xxx-xx-xxxx
Thomas A. Duncan, xxx-xx-xxxx
James P. Gerstenlauer, xxx-xx-xxxx
James J. Gildea, xxx-xx-xxxx
David L. Hayden, xxx-xx-xxxx
Lawrence D. Kerr, xxx-xx-xxxx
Paul F. Koch, xxx-xx-xxxx
Charles R. Marvin, Jr., xxx-xx-xxxx
Kurt S. Meckstroth, xxx-xx-xxxx
Kenneth F. Miller, xxx-xx-xxxx
Marjorie R. Mitchell, xxx-xx-xxxx
John B. McDaniel, xxx-xx-xxxx
Allan R. Pearson, xxx-xx-xxxx
Daniel A. Perkowski, xxx-xx-xxxx
James P. Pottorff, Jr., xxx-xx-xxxx
Karl R. Rabago, xxx-xx-xxxx
Keith L. Sellen, xxx-xx-xxxx
Michael R. Snipes, xxx-xx-xxxx
Margaret O. Steinbeck, xxx-xx-xxxx
Jeffrey A. Stonerock, xxx-xx-xxxx
Douglas B. Tesdahl, xxx-xx-xxxx

In the Marine Corps

The following-named Naval Reserve Officers Training Corps Graduates for permanent appointment to the grade of second lieutenant in the U.S. Marine Corps, pursuant to title 10, United States Code, sections 531 and 2107:

Michael T. Barry, xxx-...
Todd C. Hyson, xxx-...
Luke Marsden, xxx-...
Mitchell G. Minnaert, xxx-...
Paul C. Schreck, Jr., xxx-...

CONFIRMATIONS

Executive nominations confirmed by the Senate March 14, 1986:

Federal Trade Commission

Andrew John Strenio, Jr., of Maryland, to be a Federal Trade Commissioner for the unexpired term of 7 years from September 26, 1982.

Interstate Commerce Commission

Paul H. Lamboley, of Nevada, to be a member of the Interstate Commerce Commission for a term expiring December 31, 1989.

J.J. Simmons III, of Oklahoma, to be a member of the Interstate Commerce Commission for a term expiring December 31, 1990.

Department of Transportation

Janet Hale, of Massachusetts, to be an Assistant Secretary of Transportation.

Department of Commerce

Alfred C. Sikes, of Missouri, to be Assistant Secretary of Commerce for Communications and Information.

In the Coast Guard

The following officers of the U.S. Coast Guard for appointment to the grade of rear admiral:

Edward Nelson, Jr.
Clyde E. Robbins
Theodore J. Wojnar
Arnold M. Danielsen
Howard B. Thorsen

National Institute of Building Sciences

Philip D. Winn, of Colorado, to be a member of the Board of Directors of the National Institute of Building Sciences for a term expiring September 7, 1986.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

The Judiciary

Raymond J. Dearie, of New York, to be U.S. district judge for the Eastern District of New York.

Con. G. Cholakis, of New York, to be U.S. district judge for the Northern District of New York.

In the Coast Guard

Coast Guard nominations beginning Mark A. Revett, and ending Douglas W. Elston, which nominations were received by the Senate and appeared in the Congressional Record on February 18, 1986.

Coast Guard nominations beginning Robert G. Cozzolino, and ending Kenneth J. Reynolds, which nominations were received by the Senate and appeared in the Congressional Record on February 18, 1986.

SENATE—*Monday, March 17, 1986*

(Legislative day of Monday, March 10, 1986)

The Senate met at 12 noon on the expiration of the recess, and was called to order by Hon. STEVEN D. SYMMS, a Senator from the State of Idaho.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. THURMOND].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 17, 1986.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable STEVEN D. SYMMS, a Senator from the State of Idaho, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. SYMMS thereupon assumed the chair as Acting President pro tempore.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

The ACTING PRESIDENT pro tempore. The Senate stands adjourned until 10 a.m. tomorrow.

Thereupon, at 12 o'clock and 27 seconds p.m., the Senate adjourned until Tuesday, March 18, 1986, at 10 a.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

HOUSE OF REPRESENTATIVES—*Monday, March 17, 1986*

The House met at 12 o'clock noon.

The SPEAKER. Today the Speaker has the very pleasant task of introducing the guest Chaplain, who is a dear friend. He is the Reverend J. Donald Monan, S.J., President, Boston College, Boston, MA.

The Reverend J. Donald Monan, S.J., President, Boston College, Boston, MA, offered the following prayer:

God our Father, on this St. Patrick's Day we ask Your blessing on the Members of this august body.

On March 17, 1776, British General Howe evacuated Boston Harbor. Continental forces the night before had assembled canons with their barrels pointed menacingly at the harbor. During that night before March 17, the password of the Continental troops was the words "Saint Patrick."

As Patrick was invoked in the patriotic struggle from which our Nation was born, his own history, first as a youth held captive by the pagan Irish and later the apostle that brought them the gift of faith, makes him the unexcelled saint of reconciliation.

In this solemn Chamber it is through Patrick, then, as the saint of reconciliation, that we seek God's blessing that in the troubled regions of our world—in once shining Lebanon, and in southern Africa, in our beloved Philippines, and in the green hills and cobbled streets of all Ireland—there at last, and soon, be reconciliation and peace and forgiveness and mutual respect and the love that befits one family under our common Father.

And mindful that on this St. Patrick's evening, we celebrate in mirth and music and friendship sincere, the 50 illustrious years of public service of our distinguished Speaker, we thank You for him; and we ask Your continuous blessing upon him and upon this revered body that he loves so dearly. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

CEAD MILLE FAILTE, FATHER MONAN

(Mr. BOLAND asked and was given permission to address the House for 1 minute.)

Mr. BOLAND. Mr. Speaker, I can think of no better way for the House of Representatives to begin its session on St. Patrick's Day than with a prayer offered by a priest of Irish heritage.

Today, we are honored to have with us someone who fits that description and much more. J. Donald Monan, S.J., is both a respected member of the clergy and, as president of Boston College, one of this Nation's preeminent educators. Father Monan's academic background and field of expertise is in metaphysics. Given the votes that will occur in this House in a few days, perhaps it was providential that a person with that intellectual specialty would provide the words to begin our week.

Father Monan came to Washington today to take part in the observance of the 50th year of public service of a famous graduate of Boston College, our Speaker, THOMAS P. O'NEILL, JR. I know I am not betraying any confidences when I mention that Father Monan's stewardship of BC since 1972, has been a particular source of pride to the Speaker and all those who love that distinguished university. And what's more, we were proud, even before the Doug Flutie to Gerard Phelan touchdown pass in Miami in 1984.

Under Father Monan's leadership, BC has prospered both academically and physically. The university's student body has increased steadily and, at better than 14,000, it stands today as the Nation's largest Catholic college. With a distinguished and dedicated faculty, and a physical plant which Father Monan has modernized to assure that it can meet the needs of both teachers and students, Boston College stands ready to meet the challenge of educating the new generation of America's leaders.

Mr. Speaker, I join you in welcoming Father Monan to the House this morning. We are honored by his presence, and by his words.

FATHER J. DONALD MONAN

(Mr. CONTE asked and was given permission to address the House for 1 minute.)

Mr. CONTE. Mr. Speaker, today's prayer was offered by one of this country's most distinguished university administrators.

Father J. Donald Monan has been president of Boston College since 1972, and throughout his administration, Boston College has enhanced its status as a national university while maintaining the Jesuit tradition of higher education.

When Father Monan came to Boston College a few short years ago, the university was at a critical turning point with serious financial problems and an uncertain future.

Under his leadership, Boston College regained financial stability, expanded the physical plant, including the addition of a multimillion-dollar library and established nationally recognized academic programs in arts and sciences, management, education, and nursing.

Father Monan's service also extended beyond Boston College. He has served in leadership positions in national education organizations, including a term as president of the National Association of Independent Colleges and Universities; and during the racial difficulties experienced by the Boston Public School System, Father Monan served as chairman of a group of college presidents helping the community through this difficult period. For me, Father Monan is more than a great administrator, he is a good friend and an invaluable resource. As an alumnus of Boston College and Boston College Law School, it's a distinct honor to have Father Monan with us today—especially on St. Patrick's Day.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2453) "An act to amend the Older Americans Act of 1965 to increase the amounts authorized to be appropriated for fiscal years 1985, 1986, and 1987 for commodity distribution, and for other purposes."

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 98. An act for the relief of Cirilo Raagas Costa and Wilma Raagas Costa;

S. 129. An act for the relief of Therese Nyuwirpoupele Kpoda;

S. 197. An act for the relief of Elga Bouilliant-Linet;

S. 257. An act for the relief of William Vojislav Rankovic, Stanislava Rankovic, husband and wife; and William Rankovic, Junior, and Natalie Rankovic, their children;

S. 331. An act for the relief of Panivong Norindr and Panisouk Norindr;

S. 343. An act for the relief of Hyong Cha Kim Kay;

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

S. 345. An act for relief of Nabil Yaldo;
S. 381. An act for relief of Mishleen Earle;
S. 462. An act for relief of Barbara Crisp, Sean Anthony Crisp, and Andrea Leech;
S. 832. An act for relief of Bassam S. Belmany; and
S. 1046. An act for relief of Kok Djen Su and Grace Su, husband and wife.

The message also announced that pursuant to Public Law 93-29, as amended by Public Law 98-459, the President pro tempore appoints Jon B. Hunter, of West Virginia, from private life, to the Federal Council on Aging.

The message also announced that pursuant to Public Law 99-83, the President pro tempore appoints Levi Goldberger, of New York, from private life, and Julius Berman, of New York, from private life, to the Commission for the Preservation of America's Heritage Abroad.

PRESSURE NEEDED TO CHANGE SANDINISTA POLICIES

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, last year, the House defeated aid to the Contras, and the next day Daniel Ortega went to Moscow. This year, we're debating aid to the Contras, and another Sandinista comandante—Bayardo Arce—goes to Moscow—before the vote. Ortega went to Havana. I guess they're confident the vote will go the way they want.

According to reports by the Sandinista newspaper Barricada, Arce was in Moscow to address the Soviet Union's 27th Communist Party Congress on March 3. Arce was reported to be the first foreign speaker to address the congress. In his address, Arce affirmed "Nicaragua's position that it would never accept negotiations that meant wavering before North American interference."

Arce is the same Sandinista comandante who said the Nicaragua 1984 elections "are a nuisance" and Nicaraguans would not have had elections if it had not been for "the war situation imposed . . . by the United States." So, it is clear pressure is needed to get the Sandinistas to change their policies. That's why the President's request for aid to the democratic resistance is so important: To force the Sandinistas to negotiate.

U.S. SUPPORT FOR FREEDOM IN THIS HEMISPHERE

(Mr. WORTLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WORTLEY. Mr. Speaker, on Thursday of this week, the House of Representatives will take a very important vote whose impact on the future of this hemisphere could be far-reaching.

The vote will be a test of our resolve to stand firm against communism, against terrorism, and against drug trafficking. The Sandinista leaders are hard core Marxist-Leninists. This is clear from their own statements as well as from their actions. However, the threat their regime poses to their neighbors and to the United States is not limited to the revolutionary expansionism that they advocate. They are also providing a base for all of the worst terrorists in this world and are actively involved in drug trafficking.

Muammar Qadhafi, whose regime has been one of the most active in supporting, supplying, and training terrorists, has sent $400 million in assistance to the Sandinistas. Forty Libyan advisors are also sharing their expertise on "interrogation techniques" with the Sandinista police, and there are at least another 40 Libyan advisors in Managua and in war-zone army training camps.

The Sandinistas are also great friends with the Palestine Liberation Organization. The PLO representative in Managua has the rank of ambassador and the PLO office has been accorded the rank of an embassy. There are some 70 Palestinians assigned to the PLO "Embassy."

The Sandinistas justify their involvement in the drug trade because it is destined for the youth of the United States. They also use the proceeds to fund terrorist operations, such as the M-19 attack on the Palace of Justice in Colombia, which resulted in 120 deaths.

To help meet these threats from Nicaragua, the President is asking to transfer $100 million from funds already appropriated for the Department of Defense. This is a reasonable and responsible proposal for dealing with a very real threat to our national security and our young people. I strongly urge my colleagues to approve the President's request.

NATIONAL PRODUCT LIABILITY LAW

(Mr. ROTH asked and was given permission to address the House for 1 minute.)

Mr. ROTH. Mr. Speaker, the product liability problem has reached crisis proportions in our country. The courts are clogged with cases. Insurance has become outrageously expensive. Businesses are shutting their doors. Soon we will find that some of the necessary products and services are no longer available at any price.

I would like to just cite a recent example from my home State of Wisconsin. A small sporting goods accessory manufacturer in Wisconsin experienced a 900-percent jump from just less than $17,000 to over $150,000 in just 1 year. And this is with the coverage being cut in half, from $5.5 million to $2.5 million.

This is a company that has been in business for over 20 years and employs some 34 people. Small business just cannot afford cost increases like that.

I am sure that each one of the Members in this Chamber has similar experiences. Today I am introducing moderate and restrained legislation to establish a national product liability law and to reform our tort system. It is not complicated. It is a very simple, straightforward bill. Instead of being complicated, I think it is a good commonsense approach that gets us back to basics.

The drag that the crisis is having on our economy will become particularly troublesome in the weeks and months ahead. So I am asking the rest of the Members in this Congress to join me in this historic legislation.

NICARAGUA

(Mr. DELAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DELAY. Mr. Speaker, I went to Nicaragua this weekend for the opportunity to sit down with the Sandinistas to discuss our concerns about freedom in the region.

Like many Members of Congress, I knew how I was going to vote and after the vote I, as most Members, would forget about Nicaragua and return to my own legislative agenda.

But now having been to Managua, even for a brief tour, having been lied to by a Communist leader, having talked to incredibly courageous journalists, clergymen, businessmen, and labor leaders, who risk their lives every day, and having been begged by a grandfather who has had everything he owns confiscated at gunpoint—this grandfather begged, "For the sake of my grandchildren, please, please support freedom and democracy for Nicaragua"—Mr. Speaker, I promise those Nicaraguans that I am now committed—even after the vote—to fight with everything I have in time and resources to bring freedom and democracy to Nicaragua.

AID FOR THE CONTRAS

(Mr. LIVINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LIVINGSTON. Mr. Speaker, this week the House of Representatives will take a historic vote on the President's request for $100 million in aid for the forces of freedom fighting the Communist regime in Nicaragua. I know that we've all been lobbied by the professional peace and human

rights groups which take short trips to Nicaragua and then come back as experts to tell us why we should not help the Contras. But, let's take a moment to listen to what the average man—the guy in the street—is saying.

Last week, I received a letter from a man which seemed to reflect the thoughts of my constituents and I would like to share some of it with you now.

"Dear Representative," he writes, "please vote yes for President Reagan's request for 100 million in aid for the Contras. * * *" It's unbelievable that we can give Cambodia $5 million, * * * thousands of miles away, but not one dime to help the Contras who are fighting communism right in our own back yard * * * where is our commitment to helping our friends and allies fight communism? The longer we wait to help the Contras the greater the risk that our boys will be sent somewhere to fight. * * * please, give them the tools to do the job now; we really have only two choices: we can pay now or pay dearly later."

Mr. Speaker, the President said that if fighting for freedom is the definition of being a Contra, then he's a Contra too. Let's all be Contras on Thursday and vote for aiding the freedom fighters.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore (Mr. GRAY of Illinois) laid before the House the following communication from the Clerk of the House of Representatives:

MARCH 14, 1986.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5, Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House at 9:30 a.m. on Friday, March 4, 1986 and said to contain a message from the President entitled "Freedom, Regional Security, and Global Peace."

With kind regards, I am,
Sincerely,

BENJAMIN J. GUTHRIE,
Clerk, House of Representatives.

FREEDOM, REGIONAL SECURITY, AND GLOBAL PEACE—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-182)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs and ordered to be printed:

(For message, see proceedings of the Senate of Friday, March 14, 1986, at page 5016.)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will remind all persons in the gallery that they are here as guests of the House and that any manifestation of approval or disapproval of proceedings is in violation of the rules of the House.

PROVIDING EXPENSES OF INVESTIGATIONS AND STUDIES BY COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

Mr. GAYDOS. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the resolution (H. Res. 401) providing amounts from the contingent fund of the House for further expenses of investigations and studies by the Committee on Standards of Official Conduct in the 2d session of the 99th Congress, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 401

Resolved, That for further expenses of investigations and studies by the Committee on Standards of Official Conduct, for the period beginning at noon on January 3, 1986, and ending on September 30, 1986, there shall be paid out of the contingent fund of the House not more than $350,000.

SEC. 2. Any of the amount specified in the first section may be used for expenses for procurement of consultant services under section 202(i) of the Legislative Reorganization Act of 1946.

SEC. 3. Payments under this resolution shall be made on vouchers authorized by the Committee on Standards of Official Conduct, signed by the Chairman of that Committee, and approved by the Committee on House Administration.

SEC. 4. Amounts made available under this resolution shall be expended in accordance with regulations prescribed by the Committee on House Administration.

Mr. FRENZEL (during the reading). Mr. Speaker, I ask unanimous consent that the resolution be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

Mr. FRENZEL. Mr. Speaker, reserving the right to object, I yield to the gentleman from Pennsylvania [Mr. GAYDOS], the distinguished chairman of the subcommittee, to explain the resolution.

Mr. GAYDOS. Mr. Speaker, this resolution provides an additional amount of $350,000 to the Committee on Standards of Official Conduct for the further expenses of investigations and studies for the period beginning at noon on January 3, 1986, and ending on September 30, 1986. The total amount provided to that committee for this period by this resolution and House resolution 368, the omnibus primary expense resolution will be $450,422.

The chairman of the Committee on Standards of Official Conduct, the Honorable JULIAN DIXON, has requested approval of these additional funds which will be used primarily to assist the committee in discharging its responsibilities in pending matters. A significant portion of these funds will be used to enable that committee to use outside legal assistance and other appropriate experts in such matters. Chairman DIXON has indicated that if these additional funds are not provided to his committee, then the committee will be unable to discharge the investigative and other responsibilities assigned to it by the House rules and statutory law effectively and on a timely basis.

Chairman DIXON appeared before the Accounts Subcommittee to present and justify his request. After extensive questioning and discussion, the subcommittee agreed to approve the request for additional funds and to expedite the consideration of this matter in the House. Accordingly, this resolution is brought before the House, today, by this unanimous-consent request procedure. It is important that the committee's work not be delayed and interrupted.

It should be noted that during the past 5½ years, the Subcommittee on Accounts has generally not approved requests for supplemental funds. However, it has made an exception to this general position with regard to requests from the Committee on Standards of Official Conduct. The subcommittee believes that it is imperative for the House to have the necessary resources to police itself and accordingly, that the Committee on Standards of Official Conduct be given sufficient funds to discharge the important responsibilities assigned to it by the House rules and statutory law in an effective manner and on a timely basis.

□ 1225

Mr. Speaker, I wish to conclude by saying that this has been given a thorough study. I want the House to know that the questioning has consumed time before the committee, substantial time, and in the committee's opinion, Mr. DIXON has responded adequately to all the inquiries and some of the matter obviously is in accord with the understanding of past practices. It is somewhat confidential, and the discussion there was limited.

Mr. FRENZEL. Mr. Speaker, further reserving the right to object, I would like to concur in the statement of the distinguished chairman of the subcommittee from Pennsylvania. I think his

leadership was exemplary in moving this matter forward promptly.

As he has suggested, our subcommittee gives great importance to the work of the Committee on Standards of Official Conduct. We believe that this request can be accommodated under the appropriation in effect for the current fiscal year, and we hope that the chairman and his committee will be able to conclude their work.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GAYDOS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, the Chair announces he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Tuesday, March 18, 1986.

EDWIN B. FORSYTHE POST OFFICE BUILDING

Mr. FORD of Michigan. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3242) to designate the U.S. Post Office Building in Moorestown, NJ, as the Edwin B. Forsythe Post Office Building.

The Clerk read as follows:

H.R. 3242

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION.

(a) IN GENERAL.—The United States Post Office Building, at East Second Street and Chester Avenue in Moorestown, New Jersey, shall be known and designated as the "Edwin B. Forsythe Post Office Building".

(b) REFERENCES.—Any reference in any law, regulation, map, document, record, or other paper of the United States to such building shall be considered to be a reference to the "Edwin B. Forsythe Post Office Building".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Michigan [Mr. FORD] will be recognized for 20 minutes and the gentleman from California [Mr. PASHAYAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Michigan [Mr. FORD].

Mr. FORD of Michigan. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3242 would rename the U.S. Postal Service Building located at East Second Street and Chester Avenue in Moorestown, NJ, as the Edwin B. Forsythe Post Office Building.

The Honorable Edwin B. Forsythe of New Jersey served with distinction in the House of Representatives from 1971 until his untimely death on March 29, 1984. His contributions to the work of the Committee on Merchant Marine and Fisheries—as ranking minority member—and the Committee on Education and Labor are well known to all House Members who served with him.

Noted for his interest and expertise in shaping environmental policy, Mr. Forsythe included among his legislative accomplishments the National Environmental Protection Act, the Nongame Fish and Wildlife Act, and the Marine Mammal Protection Act.

Before coming to the House, Mr. Forsythe served the people of New Jersey in numerous public offices at the State level, holding leadership positions in the New Jersey State Senate and serving as Acting Governor in 1968.

As one who had the privilege of serving in this House with Ed Forsythe for 13 years, I can attest not only to the high quality of his legislative abilities, but also to the high standards of selflessness and integrity by which he governed both his public life and his personal life.

Naming the Moorestown Post Office in Ed Forsythe's honor will serve as a permanent memorial to his life of public service and as a reminder of the high standards which he, by example, set for us all.

I urge passage of H.R. 3242.

Mr. PASHAYAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I join with the remarks of the distinguished chairman of the committee. Ed Forsythe was a man who was always willing to listen. He had sound judgment, and conducted himself with the highest integrity.

Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey [Mr. SAXTON].

Mr. SAXTON. Mr. Speaker, I want to thank the chairman of the Committee on the Post Office and Civil Service for bringing this legislation to the floor. I also want to express my appreciation to the ranking minority member, and other members of the committee.

It is, of course, with some sorrow, and yet a great deal of pride, that I stand in this Chamber today seeking adoption of H.R. 3242. I, like many here, had the privilege of knowing and working with the late Congressman Edwin B. Forsythe.

I have the privilege of not just filling the seat he once held, but of urging passage of this bill, which would name the post office building in Ed's hometown, in his honor.

Ed's illustrious career and his work as a Member of the House came to an end on March 29, 1984, when he succumbed to a battle with lung cancer. His health problems had been somewhat protracted; but they never interfered with his ability to serve his southern New Jersey constituents.

Ed Forsythe was very much an independent thinker. But his easygoing manner, his willingness to listen and, of course, his trademarks of bowtie and crewcut, won him many friends and admirers both in Washington and in New Jersey.

Ed stated his opinion but he did not force or oversell his ideas. He knew that the message was more important than the volume of the message.

Within the Committee on Merchant Marine and Fisheries, where he rose to ranking minority member, Ed left his mark as a devout environmentalist.

He was a sponsor of the National Environmental Protection Act; the Nongame Fish and Wildlife Act; the Alaskan Lands Act; the Marine Mammal Protection Act; and helped formulate the Fisheries Conservation and Management Act.

In 1976, he was primary sponsor of legislation to create the 200-mile fishing zone.

Ed Forsythe had also introduced successful legislation to designate the period of July 1984 to June 1985 as "Year of the Ocean." Unfortunately, he did not live to see this commemoration materialize. Yet the year-long roundtables aimed at expanding our public knowledge and awareness of the ocean's resources were named after him.

If ever there was a formula for one to follow to become a Member of this respected body, certainly Ed Forsythe followed it.

He started as a small businessman, and in 1948 began his public career as secretary of the Moorestown, NJ, Board of Adjustment. He was elected to the local governing township committee and became mayor of Moorestown in 1957.

This led him eventually to the New Jersey State Senate, where he served for 6 years. He then came to Congress in 1970, elected to complete the unex-

pired term of William Cahill. Ed was serving his seventh successive term when struck down by cancer.

The bottom line, I think, is that Ed Forsythe was a rather humble individual who wanted to serve the public good. He certainly attained that goal, and we are all the better for it.

I would close my remarks simply by saying that the naming of the Moorestown Post Office Building in Ed Forsythe's honor is a worthy and most fitting tribute.

It is one which not only the people of Moorestown will appreciate, but one which will please everyone in New Jersey who benefited from Ed Forsythe's dedication to the environment.

As tradition and rules of respect would have it, whenever we refer to one another in this Chamber, the word "gentleman" or "gentlewoman" is used first. I end my remarks simply by saying that Ed Forsythe was, in every sense of the word, a gentleman both within and outside Congress.

Mr. Speaker, I urge passage of this legislation.

Mr. FORD of Michigan. Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey [Mr. HUGHES].

Mr. HUGHES. Mr. Speaker, I rise in support of H.R. 3242 and urge my colleagues to approve this bill. As you know, the legislation would honor Ed Forsythe by designating the U.S. Post Office Building in Moorestown, NJ, as the "Edwin B. Forsythe Post Office Building."

As you know, Ed Forsythe spent his lifetime serving the people of New Jersey, spending much of his political career before coming to Congress in public service in Moorestown. Ed became active in local government in 1948, and served with the Moorestown Board of Adjustment, the Township Committee, and as mayor of Moorestown from 1957 to 1962.

Most of us remember Ed by his work on the Merchant Marine and Fisheries Committee and his tremendous commitment to the conservation of the environment. He understood the need to protect wildlife and was instrumental in formulating and enacting legislation designed to protect the Nation's natural resources. I was pleased when the Brigantine and Barnegat Refuges were dedicated in his honor last year and was proud to participate in the dedication ceremony.

Ed Forsythe was a man of great conviction and unparalleled commitment. He never hesitated to do what was right, no matter how popular or expedient a different position would have been. He was also a man who never forgot the people back home who elected him. Through his broad experience, Ed brought to Washington a sense of what was important to the people of South Jersey.

As I noted during the dedication of the Edwin B. Forsythe National Wildlife Refuge, Ed Forsythe represented the very best that this Nation has to offer, serving quietly but tirelessly and effectively for the people of his district. His untimely death took from us a great legislator and a fine individual.

I know that Ed will always be remembered as one of New Jersey's finest. I also know that the people he represented will be proud to have the Federal post office building named in his honor. Although Ed Forsythe is greatly missed, all of us have been enriched by having served with him in Congress.

I can think of no greater tribute to our former colleague who dedicated his life to serving others in public service than the recognition which this legislation would give him in the town he loved and served so well.

Mr. PASHAYAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. Mr. Speaker, as I recall Ed Forsythe, and I served all of this time with him with the exception of a month of special session in 1970, Ed was the kind of person who did want his name on anything except a good legislative bill.

I do, however, think that this honor is wholly appropriate and I know that everybody who works in that post office that will bear his name is going to think of running that place well and in the best interests of the Republic.

Mr. PASHAYAN. Mr. Speaker, I thank the gentleman for his very apt remarks.

Mr. FLORIO. Mr. Speaker, I rise in support of H.R. 3242, a bill to designate the U.S. Post Office Building in Moorestown, NJ, as the "Edwin B. Forsythe Post Office Building." As a cosponsor of this legislation, I would like to express my pleasure in having the opportunity to pay tribute to our late colleague from the 13th District of New Jersey, Congressman Edwin B. Forsythe, who passed away in 1984, leaving a strong record of fine representation for the residents of the thirteenth district.

As a Representative of a south Jersey district, I was proud to have worked with Mr. Forsythe, in addressing the concerns of our constituents. Elected to the 91st Congress in November 1970, Edwin Forsythe served in this body until his death in 1984. When he first came to Congress, Edwin Forsythe brought with him a history of public service having served the State of New Jersey in a number of capacities. He first became active in municipal government in 1948 as secretary of the Moorestown Board of Adjustment and continued on to become mayor of Moorestown and a member of the New Jersey State Senate. In the State senate, he served as assistant minority leader, minority leader, president, president pro tempore, and acting Governor of New Jersey in 1968.

As a Member of Congress, he was active in conservation and coastal issues through his membership on the Committee on Merchant Marine and Fisheries. He exemplified an interest in the future of our country as a member of the Committee on Science and Technology and demonstrated dedication and perseverance.

I would like to express my support for calling attention to Mr. Forsythe's achievements by associating his name with a U.S. Post Office Building in his hometown. I would also like to thank Mr. Forsythe's successor, Representative JIM SAXTON, for his initiative in introducing this legislation and working for its passage and urge my colleagues to join in paying tribute to Mr. Forsythe in this way.

Mrs. ROUKEMA. Mr. Speaker, I rise today in support of H.R. 3242 to name the post office in Moorestown, NJ, after our good friend and colleague, the late Edwin B. Forsythe.

As we all know, Ed's dedication to the betterment of New Jersey began in 1948 when he began his public life as the secretary of the Moorestown Board of Adjustment. He was elected to the township committee and later became mayor of Moorestown. Ed also served in the State senate from 1964–70 until his election to Congress.

Ed represented the best that this Nation has to offer. He served quietly but tirelessly and effectively for the people of his district. There was not an ounce of pomposity or pretention in Ed Forsythe. He was a warm, down to earth man, very much at home with the people of his Pine Barrens district.

Long before I met Ed Forsythe his reputation was well-known to me. As a freshman legislator in 1980 I was given many bits of advice. Among the best was that which I received from those individuals who had known Ed in the New Jersey State Senate. It was simple, "when you get to Washington you will find it necessary to know whose word you can trust and whose advice is sound and not self-serving. Ed Forsythe is one whose word is good. You can trust him."

That proved to be one of the best political and professional counsels a freshman legislator could have received.

There is no simple way to replace Ed Forsythe. His breadth of experience and willingness to serve so completely were indeed rare. Ed was a man of high principle. When he spoke, this Congress listened. His voice is now quiet, but he will long be remembered. The naming of the Moorestown Post Office is a fitting tribute to a fine man, trusted friend, and selfless public servant.

Mr. HOWARD. Mr. Speaker, I am pleased to express my support once again for this measure to name the post office in Moorestown, NJ, as the Edwin B. Forsythe Post Office Building. It is an honor that this truly distinguished former colleague well deserves.

However, I must also express my disappointment that this measure was not enacted into law during the 98th Congress. The House acted on this bill within 1 week of Ed Forsythe's passing in 1984 but the other body took no action for the remainder of the legislative session. I see no reason why this worthwhile bill should not be passed immediately and I urge the other body to act on it this

year. It is time that this tribute, however small, was paid to our former colleague.

For the 14 years that Ed Forsythe served in Congress, we represented adjacent districts. We both represented seashore districts and we had concerns about many of the same issues. With his position on the Committee on Merchant Marine and Fisheries and mine on the Committee on Public Works and Transportation, we were able to work closely together.

Ed Forsythe was no flamboyant showman but he was truly a gentleman. In his distinctively quiet way, he effectively represented the interests of his constituents in New Jersey. He was able to leave a significant imprint on much of the environmental legislation especially bills dealing with wildlife, during his time in Congress.

He played a significant role in establishing the 200-mile fishing limit, and he worked long and hard on such legislation as the Endangered Species Act, the National Environmental Protection Act, and the Marine Mammal Protection Act. At the time he died, Ed Forsythe was involved in several important initiatives, including the fish and wildlife conservation fund and the effort to phase out ocean dumping of sewage sludge.

Ed was an extremely principled Member of Congress. He was a member of the other party and we had conflicting views on many subjects. However, there is no question that he always voted his conscience. Ed was no rubberstamp for any party or any point of view and his voting record demonstrates that fact.

Even before he arrived in Congress in 1970, Ed had a long and distinguished career in local government dating back to 1948, when he served as secretary to the Moorestown Board of Adjustment. Following that, he was elected to the Moorestown Township Committee. He served as mayor for 5 years and later served as chairman of the township planning board.

Ed served 7 years in the State senate, serving as minority leader and as senate president before being elected to Congress.

Under these circumstances, it is certainly appropriate that we name the post office in Ed Forsythe's hometown after him. It is a small tribute to a gentleman of distinction that we take this action today. Ed Forsythe deserves to be remembered for his contribution to Congress, for his service to his constituents, and for being a truly fine human being.

Mr. JONES of North Carolina. Mr. Speaker, nearly 2 years ago this House lost Ed Forsythe. He was a good friend, a respected colleague, and an effective Representative for his district and New Jersey.

As the ranking minority member of the Subcommittee on Fisheries and Wildlife Conservation and the Environment, and later of the full Merchant Marine and Fisheries Committee, Ed was a strong and dedicated advocate for the preservation of America's natural resources. His hand shaped many of the major resource protection laws on our books, including the Fishery Conservation and Management Act, the Endangered Species Act, and the Marine Mammal Protection Act.

But Ed's deepest commitment was to the people of his district, people he served since 1948 when he became secretary of the Moorestown, NJ, Board of Adjustment. Elected to the Moorestown Township Committee in 1953, Ed's public service career stretched through terms as mayor, chairman of the Township Planning Board, the New Jersey State Senate, and ultimately, the U.S. House of Representatives.

Legislation we consider today, H.R. 3242, will authorize the naming of the Moorestown, NJ, post office after Ed. The Edwin B. Forsythe Post Office Building will be a fitting tribute to a man who served the people of Moorestown so honorably for so many years, and I urge the bill's unanimous approval.

Mr. PASHAYAN. Mr. Speaker, I have no further requests for time and yield back the balance of my time.

Mr. FORD of Michigan. Mr. Speaker, I have no further requests for time and yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. FORD] that the House suspend the rules and pass the bill, H.R. 3242.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FORD of Michigan. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

JUANITA CRAFT POST OFFICE OF SOUTH DALLAS

Mr. FORD of Michigan. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3331) to designate the U.S. Post Office Building located at 2120 South Ervay in Dallas, TX, as the "Juanita Craft Post Office of South Dallas."

The Clerk read as follows:

H.R. 3331

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States Post Office Building located at 2120 South Ervay, Dallas, Texas, shall be designated and hereafter known as the "Juanita Craft Post Office of South Dallas". Any reference in any law, map, regulation, document, record, or other paper of the United States to that building shall be deemed to be a reference to the "Juanita Craft Post Office of South Dallas".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Michigan [Mr. FORD] will be recognized for 20 minutes and the gentleman from California [Mr. PASHAYAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Michigan [Mr. FORD].

Mr. FORD of Michigan. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3331 would rename the U.S. Post Office Building located at 2120 South Ervay in Dallas, TX, as the "Juanita Craft Post Office of South Dallas."

A Dallas civic leader and a nationally renowned champion of civil rights, the late Juanita Craft served the people of her city, her State, and her Nation for six decades.

Born in rural Texas in 1902, Mrs. Craft moved to Dallas in 1925 and quickly became a leader in the NAACP's fight to win voting rights for blacks. In 1927, she filed the lawsuit which, after a lengthy struggle, resulted in winning for blacks the right to vote in Texas primaries. In 1944, she became the first black woman to vote in a Dallas county primary election.

Mrs. Craft was elected to the NAACP national board in 1941, and by 1968 she had organized some 180 local NAACP chapters. In 1975, Mrs. Craft became the first black woman elected to the Dallas City Council, where she served until 1979.

After 60 years of service to Dallas, to Texas, and to the Nation, Juanita Craft died on August 6, 1985, at the age of 83.

Naming this post office in her honor will provide a lasting reminder of the life and the times of a truly remarkable woman.

I urge passage of H.R. 3331.

Mr. PASHAYAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. BARTLETT].

Mr. BARTLETT. Mr. Speaker, it is with some amount of emotion that I rise to speak in favor of the legislation today and to speak of an institution in Dallas and in Texas and, indeed, all the South and the United States, an institution named Juanita Craft.

On a personal level, Mrs. Craft was a friend of mine and an inspiration to me since I have been involved in politics.

On a public level, Mrs. Craft was a person who combined the courage and conviction of her views with a pleasant personality and with a personal warmth that I have found unequaled.

There are not many people who devote their lives to issues and who care about issues passionately. Mrs. Juanita Craft cared about issues passionately and devoted her life to public issues, but Juanita Craft also cared about the people behind those issues, and Mrs. Craft cared about those issues as they affected people.

She was a particular inspiration to young people all her life. She had no children of her own and so she considered all children to be her children.

Well into her seventies she continued to be the sponsor of the young branch of the NAACP. She would lead the NAACP youth branch on trips throughout the country, including trips to Washington, DC.

When I asked her why she would spend her summers on these bus trips throughout the country, she would say, "Because there would be no one else who would do it, and if I don't serve as the sponsor, it won't get done."

When you visited Mrs. Craft in her home, you would see neighborhood children throughout her home, constantly coming in and out. My own son was born while I served on the city council with Mrs. Craft, and there was not a week that went by at that council meeting at which Mrs. Craft did not inquire about my son and say something about him and sometimes send a little gift.

She was quoted one time as saying, "I have no natural children, so I have adopted all the world."

Juanita Craft was a person who set out early in life to make a difference. In 1944, as it was noted, she became the first black woman to vote. That was the result of a lawsuit that she had filed in 1927. I just think today of the courage that it took to file that lawsuit, to pursue it, and to never give up. Then in 1944, she walked into that courthouse knowing of the attempted humiliation that she faced, but she carried through with a certain charm and grace and smile that people remember to this day.

I served on the city council with Mrs. Craft from 1977 to 1981. I can tell you that she represented her constituents like no one I have ever met. She represented her constituents because she listened to her constituents, and she understood the issues that she faced as those issues affected her constituents as human beings.

Juanita Craft debated and felt and worked on the issues of the budget and zoning and police protection and city planning, but she understood those issues as they affected people in their day-to-day lives; whether in their jobs or the noise or sense of security of their neighborhoods.

Mrs. Craft, as I said, was a pleasant person, but I want to tell you, there was no nonsense about Juanita Craft. Perhaps her harshest criticism was directed at those, and I witnessed it several times, who having been given the right to vote did not vote.

I want to tell you that there are people in Dallas, Texas, who today never miss an election because they missed one once, and Juanita Craft called them on the telephone or stopped them on the street and asked them where they were on election day.

She could take on the biggest and best and win.

Very rarely did I see a flash of temper, but when you saw the Craft temper, you knew that you had stepped over the line.

I recall a zoning case one time and it was with one of the leading zoning attorneys in Dallas who had carefully constructed a package that was sure to receive approval, but Mrs. Craft saw some injustice in it. It involved land that completely surrounded a church in Dallas. The church's parking lot had been taken in part by the developer and in part by a city thoroughfare. The church could not last without parking. So the zoning lawyer had persuaded the church leaders to support a zoning case which otherwise they would have not supported.

The church came and presented its views and Mrs. Craft asked the church if they had been blackmailed into signing this support, whereupon the zoning lawyer jumped up and said, "Mrs. Craft, you don't understand. It is a contract and it is in the contract that they will support the zoning if we will support their parking lot and that is perfectly legal."

And Juanita Craft, her eyes flashing, said to the attorney, "Counselor, I know what a contract is and I know what blackmail is. I didn't say it wasn't legal, but I did say it was blackmail," and she sent the two parties back to negotiate a proposal that was both good zoning and a good neighbor policy: to share some parking space so that the church could continue.

I never saw any bitterness in Juanita Craft. She led the fight during the civil rights sit-ins in the 1960's to integrate a downtown movie theater, the Majestic Theater. She led that fight and won, and it was integrated.

Fifteen years later on the city council, it was Juanita Craft who led the fight for the historical restoration of that same theater so future generations could enjoy that theater.

She used to tell me that the words that she lived by were the words that her mother told her just before her mother died in 1918. She said, "I'm suffering for somebody else."

□ 1250

Perhaps that is the legacy of Juanita Craft, a person who was willing to make a difference, to make a commitment all of her life, to suffer when she needed to suffer, and to sacrifice for someone else.

Thousands of Texans have stories about Juanita Craft. I miss Juanita Craft, but in a sense she will always be with me, as she will always be with everyone that she ever affected.

Future generations will walk into the Juanita Craft Post Office in Dallas, TX, and perhaps some of them will look up at the sign and say to someone else standing nearby, "Who was Juanita Craft?" I think that there will always be someone there to answer that Juanita Craft was a person who cared and who cared enough to make a difference.

Mr. PASHAYAN. Mr. Speaker, I thank the gentleman for his very moving tribute. It sounds to me like it is somebody that I should like to have known.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. FROST. Mr. Speaker, I want to take just a moment to speak in support of this measure. I knew Juanita Craft and considered her my friend. It is entirely appropriate that the U.S. Post Office Building in south Dallas be named in her honor.

Mrs. Craft was a leader in the struggle for civil rights from the time she moved to Dallas, TX, in 1925 until her death last August. For 60 years, with hard work and commitment to purpose, she fought to win the right of blacks to vote and fully participate in the Democratic process.

In 1927, Mrs. Craft, as a leader of the NAACP, filed the lawsuit that resulted in blacks winning the right to vote in the Texas Democratic Party. And, in 1944, she became the first black woman to vote in a Dallas county primary election.

Throughout her life, Mrs. Craft worked to organize and promote local NAACP chapters. At least 180 of these chapters were organized with her direction.

Even in her late seventies Mrs. Craft provided leadership and guidance to the city of Dallas. In 1975 she became the first black woman ever elected to the Dallas City Council. She served with honor and unique ability.

Mrs. Craft served as an inspiration for an entire generation in Dallas County and throughout the State of Texas. I am very proud to have known her. She continues to inspire me, and I urge in the strongest terms that my colleagues support the measure before us.

Mr. FORD of Michigan. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. FORD] that the House suspend the rules and pass the bill, H.R. 3331.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FORD of Michigan. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3331, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

A CONSTITUTIONAL AMENDMENT TO BALANCE THE BUDGET

(Mr. SEIBERLING asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, like just about every other Member of the Congress, I am convinced that the Federal deficit must be substantially reduced, if not eliminated entirely. But is a balanced budget constitutional amendment the best, or even a workable, approach to cutting the deficit? In an article in the March 7 Washington Post, Roy L. Ash, former OMB Director under Presidents Nixon and Ford, lays out a compelling case that a constitutional amendment to balance the Federal budget is an even worse solution to our deficit mess than Gramm-Rudman.

He points out that the amendment would "create operating turmoil by its requirement that actual annual outlays not exceed annual receipts * * *. A likely scenario would be to find 4 months from year's end, that $20 billion of expenditures must be eliminated during the remaining portion of the year * * *. Who would have the authority to decide what to cut? The President? Congress couldn't act in time for effective implementation." This is a formula for permanently Gramm-Rudmanizing Federal programs.

Mr. Ash notes that "The budget's role in balancing the economy is more important than balancing Federal bookkeeping. Were the amendment operative, economic decline in any year, which automatically reduces revenues and generates higher unemployment and other outlays, would force offsetting and Herculean cuts in other programs, further exacerbating the decline. Conversely, strong economic growth in other years would invite undue Federal stimulus. In either case, fiscal management would add to and exaggerate both the growth and slow periods of the economy."

It is way past time for the Congress and the President to work together to find a rational and fair approach to curbing the deficit. But, as Mr. Ash concludes, "The antidote for a severe headache is not a lobotomy."

The full text of Mr. Ash's column follows:

[From The Washington Post, Mar. 7, 1986]

WORSE THAN GRAMM-RUDMAN

(By Roy L. Ash)

The Gramm-Rudman "bad idea whose time has come" pales beside the specter of the proposed constitutional amendment to balance the federal budget. The amendment's goal of forcing fiscal discipline is no less noble than the Gramm-Rudman objective. Yet the amendment would do just the opposite of what is intended and result in fiscal chaos. Why?

A constitutional amendment can be negated readily, and undoubtedly would be, by resort to the many bookkeeping subterfuges available. Proponents of the amendment say that our lawmakers are too principled to do this. Yet, 48 states operate under constitutional requirements to balance their budgets. And, upon imposition of such restrictions, they invented ways to remove more than half their aggregate debt from their budgets.

Putting aside the use of bookkeeping artifice, the amendment, if applied, would create operating turmoil by its requirement that actual annual outlays not exceed actual receipts. Every year, the flow of outlays and receipts varies from estimates at the beginning of the year by many billions of dollars for unavoidable, yet acceptable, reasons.

At the end of the year, under the amendment, there must be no deficit. A likely scenario would be to find, four months from year's end, that $20 billion of expenditures must be eliminated during the remaining portion of the year. That's an annual rate of $60 billion.

Who would have the authority to decide what to cut? The president? Congress couldn't act in time for effective implementation. Even if Congress could reach the necessary consensus in a month, and the president would agree, the annual rate of required outlay reductions would then be not $60 billion but $80 billion. Such decisions would have to be made and immediately acted upon.

The consequences to the economy from the annual budget balancing act would be counterproductive. Not only would the short-term flip-flops wreak havoc but the longer-term stabilizing function of fiscal policy would be sacrificed.

The budget's role in balancing the economy is more important than balancing federal bookkeeping. Were the amendment operative, economic decline in any year, which automatically reduces revenues and generates higher unemployment and other outlays, would force offsetting and Herculean cuts in other programs, further exacerbating the decline.

Conversely, strong economic growth in other years would invite undue federal stimulus. In either case, fiscal management would add to and exaggerate both the growth and slow periods of the economy.

Our defense capability has the most to lose under the proposed amendment. Because it is by far the largest "discretionary" program in the budget, it would suffer the greatest disruptions from expenditure rate changes. And because so much defense spending is for long lead-time weapons purchases, the brunt of the disruption would fall on our readiness capability—manpower, operations and maintenance.

Furthermore, the provision in the proposed amendment waiving its effect if war is declared is too blunt an instrument to deal with real defense needs. It is much more desirable to manage defense policy so as to avoid the declaration of war. That usually involves the buildup of forces to deter others and, if absolutely necessary, to prepare for war. It is ironic that the proposed amendment would require a 60 percent vote to override budget balance so as to avoid war, yet only a 50 percent vote is required to declare war.

Finally, the Constitution is not a trivial document. Violations of it are not inconsequential. Any citizen could bring suit in the courts challenging federal taxing, spending and even bookkeeping actions, asserting his own ideas of how the books should be kept and fiscal policy implemented.

The Gramm-Rudman legal actions so far should give us pause before adopting the even more embracing constitutional amendment. Do we want the courts to make taxing, spending and bookkeeping decisions?

Deficits of the size we've been incurring are unacceptable. But it's not enough just to deplore them in colorful language and then, with an unsupported leap of logic, assert that the only response is a constitutional amendment.

The antidote for a severe headache is not a lobotomy. Almost none of the congressional hearing time spent over recent years has been given to discussion either of alternative responses to the need or of the very practical problems such an amendment would have.

Now that the bill is on the floor, let's seriously discuss the workability of the idea before we enshrine in the Constitution the primacy of bookkeeping, and probably bad bookkeeping at that, over all other national goals, priorities and values.

□ 1210

GOOD NEWS AND BAD NEWS IN CENTRAL AMERICA

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHEUER. Mr. Speaker, I agree with many of the things the President said last night in his speech, but overall I associate my views with those so eloquently advanced by Senator SASSER of Tennessee. However, I have some good news and some bad news to report.

The good news is that it is highly unlikely that we will see the bloodshed and war in Central America escalate to the point where it will threaten our national security.

The bad news is that the President's warning about millions of desperate Latin peoples fleeing north into the cities of the Southern United States has already come true.

Mr. Speaker, the specter the President so vividly described of a tidal wave of humanity crossing our southern border by the millions is not a prophesy—it is a reality. More often than not, the illegal aliens bursting across our border are not fleeing political repression. They are attempting to escape the tragic poverty, the poor health care, the lack of education, and the general economic chaos that plagues much of Latin America. Their desperate efforts to enter the United States are in major part a result of rampant population growth in Latin America. Unless that population growth is reduced, every other development program is doomed to failure.

Mr. Speaker, the current state of our sieve-like border is an open invitation to the millions of people seeking a better life. To use the words of Senator ALAN SIMPSON of Wyoming, one of

Congress' foremost experts on immigration, our borders are "out of control."

In January, I toured Border Patrol installations along the Southwest border with other members of the Select Committee on Narcotics Abuse and Control. During visits to border facilities in El Paso, Nogales, and San Diego, Federal officials charged with border security told us time after time that 2 million or more illegals now are surging across our border yearly to join the estimated 6 to 12 million illegal aliens who are here already. Only last week, Immigration and Naturalization Service Commissioner Alan Nelson said the United States is "seeing the greatest surge of people in history across our border."

Mr. Speaker, the President must realize the fact we must take action now or it will be too late.

President Reagan indicated last week that he supports efforts to push an immigration bill through Congress this session. I hope that he will put the full power of his office behind such an effort.

There are several things we can do now:

First, reduce the "push" factors—we can help Latin America reduce the poverty and the rampant population growth rate that is dooming the citizens of Central America and Mexico to the economic chaos and desperate privation that is forcing them north in search of a better life. These push factors will continue to intensify as the income gap between our people and the people of all Latin American and Caribbean nations inexorably grows.

Consider that the population explosion in the region now requires the economies of Latin American and Caribbean nations to create more than 2 million new jobs in every remaining year of this century just to maintain their current low levels of employment and underemployment. That is a tall order when one realizes that the American economy—which is four times larger—has never created more than 2 million jobs annually, even during the halcyon years of economic growth in the 1970's. In Mexico alone, 800,000 new people are added to the labor force each year, but only 250,000 or so jobs are created.

Second, we must harden up the borders. In El Paso, I watched masses of illegals wade across the Rio Grande in the early predawn morning hours. In California, I watched thousands of illegals sneak through the underbrush at night.

As it now stands, anyone with a strong desire can enter the United States virtually without hindrance—the sheer numbers overwhelm our dedicated and hard-working Border Patrol. We don't need a Berlin Wall, but we must use the latest in sensor technology and increase manpower to establish a relatively secure border.

Finally, we must reduce the "pull" factor—the magnet of job opportunity—the promise that draws illegals across our border.

The best way to reduce that pull pressure is to impose stiff employer sanctions against firms knowingly employing illegal aliens.

I have an amendment I plan to offer to the immigration bill that would implement the goals I have outlined.

My amendment, which was included in Senator SIMPSON's immigration bill, would require our Nation to take appropriate steps to secure our border before an amnesty program would be implemented.

The amendment would establish a Presidential Commission which would study the Justice Department's Alien Interdiction Program, focus on the trade in fraudulent documents that permit illegals to show residency in the United States, and investigate the flourishing alien smuggling networks.

Amnesty for illegals already residing here would be delayed until the Commission ruled that our borders were substantially secure.

This concept of triggered amnesty—a proposal I have sponsored for the last 5 years—would insure that an even greater explosion of illegals would not attempt to enter the United States to seek relief under amnesty in addition to the several million illegals a year who are surging across our borders.

It is a gross injustice to let illegal aliens crash our borders while legitimate would-be immigrants, who play by the rules, must wait for years to enter this country and receive legal status.

If necessary, let us expand legal immigration to relieve some of the pressures on our border and border security. But we must control illegal immigration.

Mr. Speaking, I hope the President heeds my words—the invasion is not coming; it is here and worsening by the day.

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, it is obvious, after President Reagan's television address last night, that what I feared and what I stated with great foreboding 5 years is very much true and reaffirmed.

The President is obviously lusting after that false bitch goddess of war. He has embarked on a war course from the beginning with respect to Central America.

I have introduced in two Congresses in a row resolutions setting forth in detail how the President has been in violation of the War Powers Limitation Act of 1974. However, the Congress has not seen fit, in either the President's actions taken south of border, or in the case of the dispatching of the Marines to Beirut and other acts besides the dispatching of the Marines, that were obviously in violation of the plain, written, and intended meaning of the War Powers Limitation Act of 1974.

The Congress has not seen fit to summon forth the President. My resolution simply amounts to this: It says: Mr. President, the Congress had not declared. The Constitution, only the Congress can do that. So you stop making war unless you come before the Congress, render an accounting and seek justification for your acts of war.

The President, obviously, has been skillful enough to avoid such a happening or occurrence. An introduction on my part of a resolution does not necessarily mean that President Reagan is even going to wink an eye about it. The fact of the matter is, though, that the President's course which he has set inexorably, irreversibly, in very much the style of a set mind, dogmatic mind, first not sure in announcing his intentions to the American people and the world thereby, whether or not it is based on purely ideological reasoning, that is, the elimination of communism or thwarting of communism or the fighting off of communism, or whether it is based on a real, national security interest basis.

However, what I do not think the individual Members of the Congress, or at least the majority thereof, or the American people realize is what the President actually has done and what laws he has invoked and under what circumstances already.

For example, last year he announced an embargo against Nicaragua. In order to do so, he had to invoke a power that had been delegated to Presidents many, many Congresses ago by the Congress. The President, on his own, could not do that unless he had some delegation of authority or unless he, as Commander in Chief, could describe and accurately picture a direct and immediate threat to the well-being and the basic security of this Nation.

The President has done neither. Even though he invoked that and declared that there was a state of emergency with respect to the regime in Nicaragua and the country of Nicaragua, that this emergency was now an immediate and that it was a direct threat to the security interests of the Nation, he then invoked the economic or the commercial or trading embargo.

Now the Congress is being asked by the President this time out and out for $100 million. The President could care less about $100 million. He does not have to do it. He has shown that when the Congress mandated the cutting off of funds to the CIA in Central America. The President did not hesitate to double the ante, triple the ante, as far as the CIA was concerned, in September 1984. Of course, this had to have the consent if not the direct order of the Commander in Chief. The Department of Defense transferred into the hands of the CIA an undetermined number of war planes which it declared overnight a surplus. Meanwhile, we have the Secretary of Defense saying there is no such thing as a surplus; that he has got to have, without $1 cut, an exponential increase in the budget for the Department of Defense, including acquisition of war craft.

I think the Congress at least should, under its bounden duty, before it even consents to discuss his request for $100 million, ask the President very definite and substantial and basic questions.

One: What has happened to the $40-million-plus which he flummoxed the Congress into approving last year under the guise that it would be nonlethal, whatever that may be, or humanitarian aid to the so-called rebels or Contras that are illegally and worrying very much the sovereignty of Honduras. As a matter of fact, in plain truth the Honduran people fear the Contras more than they do the Nicaraguans, but we are imposing our will on that hapless nation.

We have not hesitated for 1 minute to invade it, take it over, and occupy it as we are now. This did not come on any invitation or expressed offer of invitation on the part of the Honduran people at all. As a matter of fact, every single report coming from any kind of source, whether American or Foreign, indicates the great malaise of feeling that the Honduran people feel by our presence in such a heavy military way.

There is no question in my mind that the President's speech last night reaffirms his inflexible, inexorable course of action that he decided from the very outset, except at the time, that is, January 20, 1981, after assuming power, he delegated to the then-Secretary of State, Gen. Alexander Haig, to announce the unilateral military interventionist policy.

Not once has Mr. Reagan or any of his Secretaries of State attempted in any way whatsoever to progress on a collective basis to make use of the proffered help of some of the main and leading countries in Central and South America, and includng Mexico, right immediately south of our border.

□ 1300

As a matter of fact, the persistent course of action President Reagan has taken through his Secretary of State and other officials is to undermine, suborn, any kind of effectiveness on the part of these nations.

One group has been known as the Contadora group. The other group has not even really been mentioned in the American press, nor has our Secretary of State or President made any allusion to it, even though he has preempted any attempt to try to find a peaceful, nonunilateral interventionists solution, but rather a diplomatic or a collective settlement through our moral suasive power of leadership with the nations that comprise the Organization of American States, not one time. Rather, from the beginning, General Haig announced that we would draw the line on the smallest country in the whole Western World, El Salvador.

What is happening in El Salvador? We just had over the weekend a trip on the part of some of my colleagues who went down and visited with the so-called Sandinista leaders. Actually they are the duly elected leaders of the Nicaraguan people. There is no one in or out of the United States that can successfully prove that the elections of November 1984, were not free, open elections. In fact, far more freer than the ones that we paid for, organized and subsidized in El Salvador not once, but twice. So let us make comparisons when our colleagues over the weekend went down and these were expressed opponents, inveterate opponents, inflexible opponents of the Nicaraguan regime, well known to the Nicaraguan leaders who, after all are not dopes. You have some of the most cultured, and most educated people you will find anywhere in the world heading the Nicaraguan Government, either in the leading or right under leading positions, so let us make no mistake about the nature of what the President calls the enemy. Let us not commit the error of continuing to ignore what is really happening south of the border.

If we think $100 million is what the President really wants, then we reveal great ignorance and our absolute stupidity and naivete as to the nature and the person of President Ronald Reagan. The truth of the matter is that what the President wants, whether it is $1, or $100 or $10, is the imprimatur of approval of this Congress for his course of action, which I have predicted from the outset is catastrophic, is counterproductive to the long-term interests of our country, our children, grandchildren, and great-great-grandchildren.

What I am saying is that the President could care less about the money, as he did when we cut off the help for the CIA. He found ways through increasing 750 percent of his discretionary Executive budget, ways and means to continue the flow of money to the Contras, to the CIA, for activities that do not do our country any good. It certainly has not. We do not have world opinion in our favor. There is not a country in the Western Hemisphere, including Canada, that goes along with President Reagan's administration's course of action. I will not call it or dignify it by calling it a policy because policy there is not. When these Congressmen, my colleagues, visited Nicaragua, they had no armed guards telling them where to go, or where not to go, who to talk to and who not to talk to. That is more than you can obtain if you go to El Salvador. In El Salvador, even though we are imposing Napoleon Duarte, he is our man, you do not have freedom of speech, freedom of press, freedom to organize. So what are we yelling and ranting and raving about the Nicaraguan regime which has been told by President Reagan, drop dead, or I will kill you. That has been President Reagan's alternative: Drop dead or I will kill you.

The CIA, who for at least 4 years, perhaps more, but I know of 4 years up until now has been attempting to assassinate the Nicaraguan leaders, it has mined and blown up port facilities and harbors of Nicaragua, those are acts of war. But while the President talks war as he did last night, he tells the world that he recognizes that regime as legitimate, because he does not recall our American Ambassador to Managua. The American Ambassador in Managua has presented his credentials to the regime that President Reagan says he recognizes as the legitimate regime. Yet to the world, he now says that it is a regime that must be toppled, no matter what the means are.

We have failed to do it through the nefarious practices of destabilization, the murder of their leaders, attempted murder of their leaders which has failed miserably. It is because actually President Reagan is not using any tactics that are new to our Chief Executives.

□ 1445

When Chief Executives have been thwarted, even Woodrow Wilson, particularly Teddy Roosevelt; even before them, the Presidents who were Presidents at the turn of the century when we went and took the Philippines. And who were the guerrillas of that day? Emilio Aguinaldo. And we had our heroes; a man by the name of Frederick Funston, who later became General Funston, and who died in a skirmish when he was with Black Jack Pershing, trying to catch Pancho Villa in northern Mexico.

He first came to the attention of Teddy in the Cuban affair—the war against Spain; and he was what we would call today an intelligence agent. So he was so successful in Cuba that he went to the Philippines and there soon won over by being able to lead a band and actually capture Emilio Aguinaldo.

We must not forget that the same tactics were used by the Presidents when the Congress would not go along: In 1916 and 1917, President Woodrow Wilson was doing his best to also incite a war psychosis. We had headlines, scaring about a potential German-Mexican plot against the United States. The Zimmerman telegram. We had the formation of a private group under a man by the name of Briggs, who came out of Chicago, and he had what was known then as the American Investigation Co., a concern; the AIC.

It finally had the approval, because the President was rejected by the Congress in forming a secret service or a Federal investigatory body which the Congress feared at the time.

So Woodrow Wilson found ways to get around it and so did some of his subordinates; and we had for a while these men who capitalized on the blazing headlines, exacerbating feeling, anticipating. What actually came about was the declaration of war in 1917, but we have had the same thing in Nicaragua. Fourteen times we have invaded the sovereign nation of Nicaragua, between the last century and this century. This century alone we have invaded them seven times.

So what have we got in the areas where we say we do prevail? We have Gen. Napoleon Duarte in El Salvador; $4 billion and 5 years later, the war rages on in El Salvador. We have trained, equipped and formed and given Salvador an entire army, with all her materiel.

The President last night could not show one scintilla of evidence that any of the arms being used by the so-called Salvadoran rebels either came from Cuba, Russia, Bulgaria, or any other place or much less, from Nicaragua. If he had, you would have seen it in living color; but he cannot and he will not, and it is impossible to unless we resort to the same kind of exacerbation of war psychosis that I think we will be facing from here on out. I would not be surprised if we had a startling headline or two that somebody found a Mig and a half or a part of a Mig somewhere in Nicaragua, and the hue and the cry.

Or that, now that we have over 10,000 soldiers right now in Honduras, that something will not happen along the border, for we have pressed our soldiers very close to the Nicaraguan border. And again you will have the hue and the cry.

I was here when the Gulf of Tonkin resolution was presented, and I know how easily that can come about. Let us look at El Salvador, because this is where we still are no further, after $4 billion—not $100 million—$4 billion where we say we have control.

First the average wage per day of the highest paid worker, who happens to be a so-called union worker, is 37 cents an hour. On February the 21st last, there was a gigantic, over 50,000 workers protesting who? Jose Napoleon Duarte's regime, for his intransigence in trying to address these horrible situations of workers.

The cost of living has increased 300 percent since the advent of American influence; 5 million inhabitants in all is all that Salvador has had; 1½ million have left. Of that number, no less than 600,000 are in the United States now.

The President talks about the coming flood, the spectre he raises. It is here. He just has not been informed. I hardly expect him to worry about a Salvadoran worker earning 37 cents an hour, since he is the first union-busting President we have had in our history. A man that, as I have said repeatedly, could care less about a family getting $70 less a month in food stamps, because he has no mental conception of what that means: $70 is piddling.

How could that mean anything to anybody? A man who wears $5,000 boots, with a wife who wears $28,000 gowns—why, what has Imelda Marcos got on Nancy? Nothing. Maybe she has more dresses, but I doubt seriously the total price tag is any less.

So what is our policy? Well, Duarte and the United States keeps pressing for a military solution. But where are the church leaders? Where are the labor leaders? Where are the students? I will tell you where they are, in El Salvador; they are all demanding that Duarte negotiate; that he find a peaceful solution.

One archbishop before who was urging the same thing was murdered. He was murdered by the agents who were cheek by jowl with our CIA. Let us not make any mistake about that. I have said that before, for 3 years, that Archbishop Romero was shot and killed when his voice was raising the same plea that the present ecclesiastical authorities in El Salvador, the labor leaders, the student leaders are urging.

But not us. We insist on a military solution; so we have introduced the tactics of Vietnam: pacification hamlets. We have uprooted entire little communities, all in the name of what? Thrashing out the so-called rebels in the mountain areas. We have sent our Huey, sophisticated, nightwatching, attack helicopters to shoot down huddled masses of old women, peasants, old men, children—it is our guns, it is our ships that are doing that. They are not the Russian ships. They are not the Russian bayonets—they are ours. All made in America. Some on them still stamped "For U.S. Army Use Only." This is the reality of El Salvador.

If we have not gotten any closer to a solution after 5 years, $4 billion on the military bases, what makes us think we are going to ever have any kind of a near solution in Nicaragua?

Much larger, the revolutionaries much more unified. We have forced a unity in which naturally the devil himself would be welcome; whether he is a Marxist-Leninist, a capitalist or a vegetarian or a beefeater. They will take him because they have been facing the brutal onslaught of our whole Government apparatus against them.

I say that we in the Congress have a special obligation at this time, to deny the President his request until he comes before us and gives us an accounting of what he has done with the moneys already given to him for the same purpose by the Congress. That is the least I believe we can do.

I think also that it is a travesty on the people we attempt to represent that the President would dare tell us that he has $100 million he wants to give a motley crew of rapists, murders, attackers of innocent peasants, school teachers—12-year-old girls, all of this documented. He calls those freedom fighters.

He says he wants to identify with them and be one of them. So be it, Mr. President. Go on ahead and be. But as for me, if it be treason, make the most of it. I think that is a rotten comportment for anybody speaking in the name of this great country, the United States, which is basically humanitarian.

I will say to you, Mr. President, if you had an opportunity to afford the American people an equal time to tell them the exact truth and all of the issues involved, you would see as one the American people rising in the vast majority, to protest the continuation of your catastrophic course of action.

□ 1320

Let us look in your own backyard, Mr. President. You are saying you have $100 million for them down there, this motley group, I repeat, of assassins, cutthroats, no question about it, who even if they conquered and overcame, would never rule Nicaragua.

You would have to send our troops and our boys and they would face for an eternity constant guerrilla warfare. Remember the origin of the word guerrilla and guerrilla warfare came from the Spanish-speaking, not from anybody else.

Let me tell you, Mr. President, that whole area, not just Nicaragua, that entire region will go up in flames and it is not good because it is a rotten way to address the problem.

The problem is susceptible of a far more intelligent resolution. All we have to do is just keep faith with the basic things that our country stands for which I do not think President Reagan stands for. If that be treason, make the most of it, I say.

Mr. President, you say you have $100 million for them but you do not have $60 million for the homeless in the United States.

As I speak today, for the first time since the Depression over 7½ percent of America's homeowners are being foreclosed on, Mr. President. Charity begins at home, Mr. President. Come before us and therefore the American people and give us an accounting and then maybe we will consider giving you something.

Mr. Speaker, I yield back the balance of my time.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4151, DIPLOMATIC SECURITY ACT

Mr. BONIOR of Michigan, from the Committee on Rules, submitted a privileged report (Rept. 99-496) on the resolution (H. Res. 402) providing for consideration of the bill (H.R. 4151) to provide for the security of U.S. diplomatic personnel, facilities, and operations and for other purposes, which was referred to the House Calendar and ordered to be printed.

INSPECTOR GENERAL AUDIT DEMANDS ACTION FROM CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 30 minutes.

Mrs. BENTLEY. Mr. Speaker, last Tuesday, there was a Washington Post front page story on the growing dependence of the United States military on Japanese parts and technology. There is absolutely no excuse for this. The revelations in this article are enough to worry—and to infuriate—me.

The week before, I spoke on the House floor questioning whether the Japanese should be invited to participate in the strategic defense initiative program. Tuesday's article claims that we are unable to do SDI without the Japanese. They—and not we—have the cutting edge of technology necessary to succeed with SDI.

Why? The United States has historically enjoyed an 18-month leadtime in technology breakthroughs. No more! We gave it away!!!

And how does the recipient of our generosity treat us?

What would you expect from a country whose economy we totally rebuilt at the expense of our taxpayers?

What would you expect from our benevolent ally?

I would hope there would be reciprocity and fairness.

But do the Japanese treat our companies fairly? The Post quoted Harvey Nathanson from Westinghouse as saying:

> Even now the Japanese are preselecting the quality of the silicon they ship. In some Westinghouse plants we're finding it difficult to get the more advanced silicon wafers for power device production. They themselves are now using higher order material than they're willing to ship us.

The newspaper article goes on in greater detail of how current SDI research is dependent on gallium-arsenide computer chips, which is produced to a large extent for the Pentagon by the Japanese.

What is going on?

From the middle of 1984 to the middle of 1985, the Pentagon spent over 90 million R&D dollars in foreign countries. Why are we spending so much overseas for R&D? If the United States isn't capable of making specialized components—such as gallium-arsenide computer chips—why aren't American taxpayer R&D dollars spent here—in this country—to develop the capability?

And Americans have the right to ask these questions, especially when Assistant Secretary of Defense Richard Perle is quoted as saying in the same Washington Post article that SDI contracts will go to the lowest bidder. If we have allowed the Japanese a lead in the critical area in computer chips, the attitude expressed by Mr. Perle virtually guarantees the Japanese will be more than a mere participant in SDI.

What are we doing to ourselves? Why is our technology going overseas? Today's technologies are tomorrow's jobs. Why was this $90 million not spent in the United States?

These R&D dollars are future jobs that are being exported.

What controls do we have on the use of this technology that is being developed overseas? Are we going to insure that the American taxpayer is going to derive the benefit of the technology that his taxpayer dollars paid for? When an American company bids a contract, its technology becomes the property of the U.S. Government.

What happens to this technology? As it is the property of the Government, it can be used as the Government sees fit. And the Government has seen fit to transfer an incredible amount of this technology to our allies.

And what have our allies done with this technology? They have used it to beat our brains out.

Last Monday, there was a radio report concerning how much of our military technology has been shipped overseas. The reference could have been picked up from the inspector general's audit report on the sale of DoD-owned technology and royalty fee recoupments for foreign military sales customers. This audit report sheds light on the practices of our allies with the technology paid for by American taxpayers.

The audit report is a self-contained indictment of current technology transfer policy. And, I quote:

> Transfers of Government owned technical data were made to foreign military sales customers without determining whether a bona fide need existed, and complete technical data packages were needlessly transferred for maintenance and production evaluation purposes. Adequate control had not been established to verify royalty fee earnings and to prevent the unauthorized transfer of U.S.-designed material to third countries. Approval procedures for the transfers of technical data packages were generally inadequate, and the Defense Assistance Agency was aware the technical data packages were not needed to maintain and operate U.S.-designed equipment . . .
>
> Transfers of technical data packages have enabled foreign governments to manufacture U.S.-designed equipment, eroded the DoD production base and U.S.-balance of trade. In addition, DoD was not collecting earned royalties. * * *.
>
> When technical data packages are transferred for operation and maintenance of equipment only, the Letter of Offer and Acceptance specifically cites this fact within a contract clause. This clause also states that the U.S. government makes no prior commitment or authorization for the foreign country to manufacture the defense equipment described in the data package. Furthermore, the clause specifies that any such manufacturing requires separate U.S. Government approval * * *.
>
> 44 of the 55 data package transfers for operation and maintenance purposes included in our audit were U.S. Army cases. In all instances, the foreign countries requesting these packages stated that the data were required to maintain previously supplied U.S. military equipment. However, in discussions with U.S. Army project management personnel, the consensus of opinion was that a technical data package was not required to maintain their system . . . Army personnel stated that a technical data package was basically required for production purposed only * * *.
>
> Within activities of the U.S. Army Materiel Command we found that foreign countries were using maintenance technical data packages to produce U.S. military equipment. Among these countries, the Republic of Korea was identified. The Korean Defense Procurement Agency's military supply catalog, along with brochures from Korean commercial concerns, advertised an array of military equipment produced by the Korean Defense Industries . . . Furthermore, Koreans used U.S. Army's model designations in their advertising literature * * *.
>
> Materiel * * * now being advertised by the Koreans for third country sales included

M48 and M60 Tank Conversion Kits, M151 ¼-Ton Utility Trucks, M51 5-Ton Dump Trucks, M815 5-Ton Cargo Carriers, Night Vision Sights, Night Vision Goggles, Tactical Radios, and Field Telephones * * *.

Although regulations state that technical data packages will not normally be provided for study purposes * * * entire technical data packages were being transferred for study purposes * * *.

The data transferred to enable a country to evaluate the feasibility of production could be used to establish a production capability * * *.

Within the Navy * * * we found correspondence from a contractor stating that foreign countries were marketing U.S.-designed 20mm ammunition. Specifically named were Belgium, Israel, Malaysia, Singapore, South Korea, and Taiwan * * *.

In addition to the Navy * * * we found that 45% of all foreign requests for U.S. Army technical data packages involved ammunition items * * *. Items represented in the packages, as well as those transferred for maintenance and study purposes, were active in the U.S. munitions program: either available in on-hand stocks, currently being used, or approved for future production. Therefore, any significant offshore production resulting from the transfer of these data packages would undermine our production base.

In conclusion, the release of full technical data packages on U.S. systems, equipment, and munition items for maintenance and study purposes is an unnecessary disclosure of technology. This activity also undermines the concept of a fair return for the technology transfer because the documentation is sold for the cost of reproduction only. Even when the packages are transferred for production, however, there has been no way of ensuring the accuracy of reported reproduction, third country sales, or further release of technical data. Furthermore, several countries have clearly demonstrated tendencies to circumvent the technology transfer clauses and provisions of U.S. export laws * * * As a result, these transfers have enabled foreign arms infrastructures to manufacture U.S.-designed products, helped erode our domestic military mobilization base, and adversely effected the balance of trade.

Mr. Speaker, today's technologies are tomorrow's jobs. Tomorrow's jobs are the assets of the American people. And, we, the Congress, are charged with protecting their assets.

With Gramm-Rudman, can we, the Congress, afford to export jobs—to export the tax base of this country to our allies? Are our allies going to pay our bills—our taxes?

Tuesday's article carries the effect of our policies, and, the audit contains some of the causes.

We must not just blame DOD. There is plenty of blame to go around.

We, the Congress, passed the 1979 Trade Adjustment Act. It is this statute that DOD cites as a mandate from us for their actions.

Within such statements by DOD of following Congress' wishes is the answer: The 1979 TAA is merely a statute passed by the Congress. We, and we alone, hold the power to undo the harm being done to our economy under the guise of frendship—alliance.

President Washington's Farewell Address contained great words of wisdom concerning alliance unchecked for extended periods of time. Perhaps, 40 years is long enough. It is time now for us, this Congress, to reexamine the facts.

And what are these facts?

First, from 1979, 11.5 million U.S. workers have lost jobs due to plant closings or relocation, abolition of a position or a shift, or slack work.

Second, 2.3 million manufacturing jobs have been lost to foreign competition in the last 3 years.

We, the Congress, must pay attention to what is in this audit report and in the Washington Post article. We must do what is necessary to safeguard the technologies—and the future jobs they represent.

□ 1335

NICARAGUAN AID

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Dakota [Mr. DORGAN] is recognized for 60 minutes.

Mr. DORGAN of North Dakota. Mr. Speaker, yesterday there was an article that I wanted to call the attention of the House to. It was written by David Broder, entitled "Buchanan's Scorn." I would like to read part of that article as a prelude to discussing the upcoming vote on Contra aid in Central America.

The article, at least in part, goes like this: "Patrick J. Buchanan, the White House Communications Director, and I have one thing in common: neither of us has been to Nicaragua," writes David Broder.

"We also have one difference: While I am prepared to concede that people with greater knowledge of Central America can and do have honest doubts and disagreements about the best U.S. policy toward that nation, Buchanan has only scorn for those who dissent from his secondhand wisdom."

Buchanan says, "The real enemy is the national Democratic Party"; which, Buchanan said, already has become "with Moscow, coguarantor of the Brezhnev doctrine in Central America * * * [and] with the vote on Contra aid * * * will reveal whether it stands with Ronald Reagan and the resistance—or Daniel Ortega and the communists."

"When the author of these fiery words came to lunch with a group of journalists," David Broder writes, "He was not in the least defensive about lecturing Members of Congress who have reached a different conclusion from their travels to Nicaragua and meetings with Contras and Sandinistas. 'I get information from all agencies of government,' he said. 'I have as much or more than the President,' " talking about information, Mr. Buchanan says.

"Not wishing to challenge such an authority directly, one of the reporters asked why the leaders of major Latin American countries with borders closer to Nicaragua than ours seemed less enthusiastic about an attempted military 'solution' to the problem.

"The foreign ministers of eight Latin American nations came to Washington in February and met with Secretary of State George Shultz 'to urge that the administration push for aid to Nicaraguan rebels be replaced with a push for a regional peace treaty in Central America.' " Again, this is still reading from David Broder's column. "One Latin diplomat, according to my colleague, Joanne Omang, said their plea met 'a stone wall' of resistance."

"How could the United States hope to make a success of a policy that did not command their support," Buchanan was asked.

"His reply was that 'privately' some of them were more supportive of U.S. policy than their domestic politics allowed them to be in public."

The article, which shows the bankruptcy of Buchanan's views, follows:

BUCHANAN'S SCORN

(By David S. Broder)

Patrick J. Buchanan, the White House communications director, and I have one thing in common: neither of us has ever been in Nicaragua. We also have one difference: while I am prepared to concede that people with greater knowledge of Central America can and do have honest doubts and disagreements about the best U.S. policy toward that nation, Buchanan has only scorn for those who dissent from his secondhand wisdom.

Buchanan is both the architect and the cutting-edge advocate of the hard-line, hard-sell White House push for $100 million of military aid and supplies for the contras fighting the Sandinista government forces in Nicaragua. The aid package is scheduled for a vote in the House later this week.

Earlier this month, he laid into the opponents of military aid with a zest that showed he has lost nothing off his spitball since he was coining phrases for Spiro T. Agnew in the early 1970s. Those who resist the push for an American-financed civil war in Central America are, in Buchanan's choice phrases, "the liberated nuns and Marxist Maryknolls, the journalistic camp followers and tenured professors anxious to wow the coeds with how they picked coffee beans for the revolution."

But the real enemy is "the national Democratic Party" which, Buchanan said, already has become "with Moscow, co-guarantor of the Brezhnev doctrine in Central America . . . [and] with the vote on Contra aid . . . will reveal whether it stands with Ronald Reagan and the resistance—or Daniel Ortega and the communists."

When the author of these fiery words came to lunch with a group of journalists the other day, he was not in the least defensive about lecturing members of Congress who have reached a different conclusion from their travels to Nicaragua and meetings with contras and Sandinistas. "I get information from all the agencies of govern-

ment," he said. "I have as much or more than the president. . . ."

Not wishing to challenge such an authority directly, one of the reporters asked why the leaders of major Latin American countries, with borders closer to Nicaragua than ours, seemed less enthusiastic about an attempted military "solution" to the problem.

The foreign ministers of eight Latin American nations came to Washington in February and met with Secretary of State George Shultz "to urge that the administration's push for aid to Nicaraguan rebels be replaced with a push for a regional peace treaty in Central America," as The Post reported. One Latin diplomat, according to my colleague, Joanne Omang, said their plea met "a stone wall" of resistance.

How could the United States hope to make a success of a policy that did not command their support, Buchanan was asked.

His reply was that "privately" some of them were more supportive of U.S. policy than their domestic politics allowed them to be in public. That sounded interesting, so we asked more questions: Which countries were more supportive in private? President Reagan might whisper that answer to leaders of Congress, he replied, but it would be "totally inappropriate" for him to give it to us.

Was he saying that they supported military aid? No, he couldn't say that. Well, what had they said privately? That, he was not in a position to answer. "All I can tell you is that leaders of our government say they've been told some things in private that are different."

This level of argument would be laughable were it not employed by the official spokesman for an administration that is calling critics of its policy dupes of the communists. When the coyness and the calumny are combined, they become contemptible.

I do not profess to know which of the several bad options available offers the best chance of changing or deflecting the Sandinista government, which is by all available evidence hardening its internal police-state practices and increasing its external mischief-making. Last year, Reagan imposed economic sanctions on Nicaragua and sent the contras nonlethal aid. That doesn't seem to have worked.

Now he is saying that $100 million in guns and ammunition and other supplies for an outnumbered set of soldiers with a record of committing atrocities of their own will turn things around. That's possible, but implausible. You have to be a real optimist to believe that an American-financed and American-equipped military force, operating without the public support of the major Latin American countries, can somehow establish itself as the legitimate government of a country such as Nicaragua, where the United States once landed Marines to protect its commercial interests and where we propped up the brutal dictator the leaders of the current government overthrew.

Henry Cisneros, the mayor of San Antonio who was appointed by Reagan to the Kissinger commission on Central American policy, said Hispanics here and in the lands to the south "know the history too well of the role we have played in the region . . . to be stampeded" by the arguments of the administration.

But what does Cisneros know? He's been to Nicaragua. He's a Democrat. Pat Buchanan suffers no such disabilities. Let's let him decide.

Mr. DORGAN of North Dakota. Mr. Speaker, the column written by Mr. Broder, I think, is revealing and describes the level of debate and the difficulties we have trying to reach a solution as how we should protect America's vital interests in Central America.

Let me say at the outset that I for one believe that everyone in the House of Representatives of the Democratic side and the Republican side take a position on Contra aid in a manner that they think will best represent this country's interest. I do not think anyone is disloyal. I do not think anyone wants anything other than what is best for America. And the positions that we advance are positions that we really believe will enhance this country's interest.

Having said that, I obviously have great disagreement with Patrick Buchanan, who would suggest that those of us who do not support the President's $100 million aid package to the Contras are somehow Communist dupes, as he is characterizing us these days.

All of us want to further our interests, that is, the interests of the United States, in this region. Many of us also would like to help the people of Central America who are living in desperate poverty.

We are talking about foreign aid. I know that it is $100 million to Contras. That is the way it is framed. But what it really is is foreign aid. Some people are for foreign aid, no matter how it is characterized. Other people are against any kind of foreign aid. I happen to believe that the right kind of foreign aid represents a very important element of this country's foreign policy. But even more important than that, it represents an important obligation we have to people around the world who need help. The sub-Saharan region of Africa comes to mind. Central America comes to mind, and many areas of this world where people are desperately hungry, sick, illiterate, need educational assistance, need medical help and need something to eat. We have the ability to offer that and to be of help to regions of the world.

But when we talk about foreign aid, and this week talk about $100 million of foreign aid, and we characterize part of it as military and part of it as economic and part as humanitarian, I think we ought to do it in the framework of having a reference point in foreign aid that we have not had for previous discussions.

We have not ever had, I guess, an operation that allowed us to look inside the belly of a dictatorship to find out what happened to our foreign aid, as we have had today with the regime of Mr. Marcos, who is now living in Hawaii, and who left us all of his records so that we can determine what happened to the money that went from the taxpayers of Dubuque, IA and Fargo, ND, to ostensibly help the Philippines.

We have some instructions and some lessons to draw from that, it seems to me, in the discussion this week about foreign aid. The past 20 years, the Marcos era of the Philippines, saw about $3.8 billion moved from us to them. Now, seemingly, $3.8 billion would have been moved from the American taxpayer to the Philippines for several purposes: To further our interests, to shore up the economy of the Philippines, to strengthen our security interests in the region; and probably, not the least part of which, was to try to provide a better life for the Philippine people.

It is instructive to look at what has happened to that $3.8 billion, of which $800 million was military aid including $400 million in military assistance programs grants; others labeled economic or security aid, which is really military.

Did this buy us democracy? Did it buy us stability? Did it buy us secure bases in the Philippines?

Not necessarily. It bought us 3,000 pair of designer shoes, 150 furs for the tropics. I can understand furs, I suppose, in the places where I come from in North Dakota, but furs in the Philippines? It bought us Swiss bank accounts. It bought us gems, stocks and bonds and gold bullion.

□ 1345

Now, where I come from they raised wheat and corn and barley, and we produce milk, and I have always felt that foreign aid that really works is foreign aid that a dictator cannot put in a Swiss bank someplace or convert into diamond bracelets or stocks or bonds. Would not Ferdinand Marcos have looked sort of silly leaving Clark Airbase in the Philippines with 65 planeloads of corn or barley following behind? He would not have done that because had our foreign aid to the Philippines been aid that really helped the Philippines, helped the people to eat well, that dictator would not have been able to misuse that money and convert it for his own purposes, to his own wealth.

Well, let us learn the lessons that that ought to tell us about how we construct our foreign aid. And that is what we are talking about this week with respect to Central America: How do we construct a foreign aid package that helps us and helps the people in the region of Central America?

How do we try to export the values of our democracy to Nicaragua, El Salvador, Honduras, Costa Rica and other parts of Central America?

Many of us in this body have been to Central America, some for 1 day, apparently, I see by the weekend news; others of us, for a longer period of time. That does not make us experts. But you develop some observations from having gone to Central America.

I have been to the Contra soldier camps in the hills between Nicaragua and Honduras. I have been to most of the countries of that region. One of the observations I have had is: First, I do not like the Sandinistas. I think they are a boorish group of people who are heavyhanded, whose regime I would not like to live under, who censor the press, who restrict civil liberties. Second, we have a region of the world that is very, very poor, very hungry, very sick and, in some countries, very illiterate, which most desperately needs help other than guns and things that explode. And third, and most important, we have a region of the world that would very much like to develop its own ability to control its destiny through regional peace processes, through the development of cooperation advanced by Mexico, Venezuela, Panama, Colombia, and other countries.

If you go to Costa Rica, if you go to Honduras, if you go to the countries that are either developing new democracies or living with successful democracies that have been there for some while, you understand the difference between that and Nicaragua.

But what I do not understand is why we have to craft a policy in the White House that grossly overestimates a threat in Nicaragua. In fact, the overestimation is very similar to the President's estimation of where Nicaragua is. Do you remember, he said, "Nicaragua is a 2-day drive from Harlingen, TX"? It is 2,028 miles. I have been on some of those roads in the mountains and the jungles. If it is a 2-day drive, that gross distortion of that distance is equivalent to the gross distortion the President makes in assessing the military threat of Nicaragua.

Now, if you give me just 1 more minute, I will be glad to yield to the gentleman from Louisiana.

Let me say this: I do not want another Cuba in this hemisphere. If the Soviets were to decide, and the Nicaraguans were to decide to accept, to move MIG fighters into Nicaragua, I would support a blockade, I would support getting those airstrips wiped off the face of the map. But it seems to me if you grossly distort the threat posed by the Nicaraguan regime, with the distortions that I have seen—and we can talk about that a little bit—then you are going to develop a response to that threat that is inappropriate and unworkable.

If the threat is as the President and Mr. Buchanan describe it, the $100 million approach or the $100 million proposal is absolutely irresponsible. They ought to gas up the tanks, gas up the trucks, get the airplanes revved up and go down and solve the problem that they think threatens this hemisphere, if the threat approaches that magnitude.

If it is not the threat, then let us describe what threat exists to this hemisphere in real terms and do what we can in several areas: First, support the Contadora process, the regional peace treaty effort that has been evolving down there, and attempt to help them develop a peace treaty that ensures the sovereign borders of all nations concerned; and second, engage in genuine direct negotiations with the Nicaraguan Government.

Those two steps I think are very important as an alternative to an approach that I fear would some day be sending American troops to Nicaragua, at least under the scheme that we are talking about today.

So, in summary, before I have a discussion with the gentleman from Louisiana [Mr. LIVINGSTON], I believe that we have a problem down there. I do not like the Sandinistas, but I believe that $100 million to the Contras is a completely inappropriate way for us to address the problem.

Interestingly enough, in Nicaragua, Castro does have about 7,000 or 8,000 people, depending on what numbers you believe, but 900 and some of them are physicians, nearly a couple thousand of them are teachers, admittedly teaching the wrong things—2 hand grenades plus 2 hand grenades equal 4 hand grenades. In that region of the world, where the Cubans do have a presence, the Bulgarians, East Germans and so on, it seems to me that what we ought to do is craft an approach that represents the best of what we have to offer to solve the problem in Central America rather than to send more machineguns to Contra soldiers up in the hills who cannot win and who, at least according to some information I have seen, may not even spend that money properly. And that is also the lesson we ought to learn from the Philippine example where our taxpayers' money was squandered for the Marcos' private gain and for no evident American advantage.

I would be happy to yield to the gentleman from Louisiana [Mr. LIVINGSTON].

Mr. LIVINGSTON. Mr. Speaker, I thank the gentleman for yielding, and I want to congratulate him on eloquently presenting his case and that of the opposition to President Reagan's program. He has concisely phrased the case. I happen to agree with many of the facts that he has put forth, but I very strenuously disagree with his conclusions.

I think, first of all, the gentleman has repeatedly said that, "Where I come from in North Dakota things are treated one way or another, we look at foreign aid, we understand the plight of the farmers, perhaps we ought to be spending less on foreign aid."

The gentleman's point, though, is that we should not be spending our money, at least according to many people, on people abroad when we could be spending it at home.

I would submit, frankly, that seems to me to be a regional perception from a lot of people in the gentleman's part of the country, be it South or North Dakota and other parts of the northern regions of the United States or the far Northwest or even the Northeast; for if you live down in Louisiana and, as the crow flies—perhaps not as you drive, but as the crow flies—only about 1,000 miles to 1,100 from Managua, the capital of Nicaragua, and you receive the input of all of this mass emigration that is already starting to flee to the United States from Central American countries, for whatever reasons, for poverty, for political oppression, or what have you, as you see the economic onslaught that is brought about and imposed upon the citizens of the Southern reaches of the United States because of this massive immigration, you begin to understand perhaps there are other problems that are simply more imminent to us than they are perhaps to you and folks where you come from.

Nicaragua is in Central America. Whether you can drive to the United States in 2 days or 4 days is irrelevant. The fact is you can drive to the United States from Nicaragua. You can walk there if you have got enough time. And we have what is in its fledgling stages, if you will—and, hopefully, it will not get any worse—the beginnings of a Marxist dictatorship in Nicaragua.

The Soviet Union is spending close to half a billion dollars a year on such things as books to educate the people, in terms of the People's Rebellion, the People's Revolution, and such things as guns, bullets, helicopters, Hind helicopters, armored helicopters, tanks and all the paraphernalia of war, far in excess of anything that Mr. Somoza, who was the dictator before the Sandinistas took over, ever even conceived of.

The army of the Nicaraguan Government is now roughly 120,000 people in terms of 60,000 regulars and 60,000 reserves. It is a tremendous army, and it poses a real threat not immediately to us in the United States but very definitely to its neighbors, among which are Costa Rica, which has no army, Honduras, which has an insignificant army in comparison, and El Salvador, Guatemala and the rest of the Central American regions.

I have other points, but I will yield back to the gentleman from North Dakota.

Mr. DORGAN of North Dakota. Let me just say that Honduras is an armed camp, of course, as you know. If you have been to Honduras, the U.S. Army is all over Honduras. But the point you made about the Nicaraguan army is one that we ought to talk about.

I was outside Managua, Nicaragua, 30 or 40 miles, or so, and was at a farm cooperative. I had been up in the hills to visit the Contra soldiers the day before.

And, incidentally, a lot of those are very dedicated, very young men and some young women who are fighting because they feel the Sandinistas have oppressed them and, of course, there are some of the former Somicista national guardsmen who are leading them. This is the feared national guard that tortured——

Mr. LIVINGSTON. If the gentleman will yield, there are some Somicistas, not very many, but there are also ex-Sandinistas who have left because they are outraged at the reneging of all of the promises of pluralism and opportunity the Sandinistas have not delivered on.

Mr. DORGAN of North Dakota. That is true, except that the Somicistas, by and large, are in positions of leadership in the military, in the Contra military structure.

But what I wanted to say is that I went to a farm cooperative. As I drove into this area, there was a young fellow, maybe 16- or 18-years-old, sitting on a fence post, and he has got a gun. I was talking to him, and I asked why he was sitting there with a gun. Well, it was because it was his day to sit there with a gun, security. And it turns out there are probably 25 people in this farm cooperative, 25 male adults, and all 25 of these adults are part of that Nicaraguan army that is poised to threaten the hemisphere. And I asked this young fellow with this gun, which was about a 30-year-old European weapon, rusty and not very well kept, "How much ammunition do you have?"

"Oh, not very much ammunition."

"Well, do you fire, do you do target practice, or something? Do you get trained?"

"Oh, yes, we have got people from the revolution who come out here every second Saturday, or so."

"What do you do? Do you shoot? Do you target practice?

"Mostly we just talk about the revolution because we do not have enough ammunition."

Well, they had about, I believe, six or seven weapons among the 25 people, very little ammunition, very old weapons, almost no training, and that represents 25 members of this heavy-handed Nicaraguan elite storm trooper group that is going to threaten the hemisphere.

The only point I want to make to you is this: Our Ambassadors in that region of the world believe that nonsense. They were telling me that there was a 130,000-man army poised to threaten the hemisphere. And I said, "If you believe that, you ought not sleep ever again." But the reason they sleep—and our Ambassador who lives in Managua sleeps every night, I assume—is because they do not believe that. That is not the case. The Sandinistas do have a big army. I do not disagree with that. But they do not have 120,000 or 130,000 well-trained people under arms to threaten this hemisphere.

Now, if you have evidence to the contrary, I would be happy to hear it.

Mr. LIVINGSTON. If the gentleman has counted every man in the army, I submit he is probably right. But I suspect that he probably has not.

By the way, that anecdote was great. I think even President Reagan would be proud of such an anecdote.

Mr. DORGAN of North Dakota. Except he has not been to Nicaragua.

Mr. LIVINGSTON. But that anecdote cannot possibly be representative of the full truth of what is happening in Nicaragua. I do not think that anecdote applies to the troops that cross the river and into the Honduras area to hunt down patrols. I do not think that that anecdote pertains to the people who actually started a border conflict on the Costa Rican side of the Nicaraguan-Costa Rican border. I do not think that it applies, frankly, to the people who fly the helicopters supplied by the Soviets, mainly because those people who fly those helicopters probably are not Nicaraguan citizens, anyway. They are probably Cubans. The Cubans happen to number around 6,000 advisors, civilian advisors, and about 2,000 military advisors in the country.

Mr. DORGAN of North Dakota. That is correct.

Mr. LIVINGSTON. Lord knows how many Libyans and PLO and North Koreans and Soviets you have in there. But there are quite a few. And the gentleman pointed out that, well, Honduras is an armed camp. I dare say that there are probably not even remotely more than 2,000 U.S. armed officials in Honduras, yet they are drastically outnumbered by the Eastern bloc representatives in Nicaragua.

The point is, why does Nicaragua need all of those soldiers? Why do they need an army that practically matches all of the army of all of Central America? Is it because of the great threat posed by the United States? And if that is so, why did we give them $120 million to get off the ground 6 years ago, anyway?

Mr. DORGAN of North Dakota. Let me reclaim my time to try to answer that. When you talk about the patrols that are going out, crossing borders, and so on, that is a different issue than the issue of whether there are 120,000 or 130,000 troops under arms in Nicaragua that are poised to threaten this hemisphere.

□ 1400

That is all I am talking about at this point.

Let me admit to you that there are atrocities going on on both sides down in Central America, and inasmuch as I am not very enthusiastic, that is a euphemism, inasmuch as I do not like the Sandinista government, I am not standing here to suggest to you that there are not atrocities going on on behalf of the Sandinistas; there are. I have talked to people; I have talked to Archbishop Bravo and others who have described them to me in detail.

I have also talked to families and I have talked to people on the streets and towns who have been attacked by the Contras. There are atrocities on both sides.

The only point I wanted to make with you today is that I am sure that you and others will stand up in defense of spending $100 million, which is an interesting juxtaposition because you have a conservative record and probably more conservative than mine in this House, and you are the one that wants to spend and I am the one that does not.

In the defense of spending $100 million, the supposition is made that it is necessary because the Nicaraguans have a 120,000- or 130,000-man army ready to march. I am saying to you that that is not the case. I do not think there is any credible evidence that can suggest that kind of army exists, and that it exports revolution, and that it threatens the hemisphere.

Now, that is not saying that the Nicaraguans do not have a large army; they do. One of the reasons they do is precisely because of what is going on here.

For the last 5 years, we have been talking about trying to kick the Sandinistas out, and instead of negotiating we keep sending guns up to the hills and mining Nicaragua's harbors; and I am saying that at least in part what the Sandinistas have done is respond to that.

Mr. LIVINGSTON. If the gentleman will yield further, first of all, we are not sending them any aid. First there was the Boland amendment of a couple of years ago which kept us from giving them anything, and then last year we gave a half-hearted attempt at giving them some economic assistance; humanitarian assistance I think it was called, which really did not do much for them at all. We have not given them any money or supplies from the United States other than that meager package in well over 2 years.

The gentleman keeps saying that it is foreign aid. I would submit to the gentleman that it really is not foreign aid. First of all, this money is not an added appropriation. The President has not asked us for extra money. This is a reprogramming of money coming from the Defense budget. Not the for-

eign aid budget, as the gentleman has suggested.

The Defense budget. That is because this whole issue is perceived not as a foreign aid package, and the gentleman was eloquent with his attack on the Marcos situation, and he is right. It is unjustifiable to see that any human being could be that greedy and amass that kind of a fortune, particularly if it is money that we are trying to use to help people over there in the Philippines.

This is not a Philippine situation. This is a Marxist puppet state which has been set up by the Soviets and the Cubans and the Eastern bloc which the gentleman has admitted, and which is antagonizing and actually trying to erode the constitutional framework of its democratic neighbors. Once it succeeds, if we were to allow it to succeed, and entrench itself and fully gather unto itself all of the powers so that it totally dominates the people within Nicaragua, and ultimately its neighbors, it would indeed pose a threat to us.

Now, I realize with the anecdote of the little fellow sitting on the stoop with his gun that does not look like a threat to us. But the gentleman and all of his colleagues, the same folks who 5 years ago tried to keep us from helping El Salvador, 6 years ago, turn into a democracy, and if we had followed their advice, it would have become a Communist state just like Nicaragua is rapidly becoming. Some of the gentleman's people who are supporting his position on this issue were also some of the same people who attacked President Reagan after he authorized the invasion into Grenada. All these folks say that we should stay out of Nicaragua now because we might be sending our boys to Central America someday.

I cannot say any more plainly that that is just plain hogwash. What we are trying to avoid, and I have three sons; one 19, one 16, and one 13. What we are trying to do is to make sure that those kids continue to live long and healthy and lasting lives without going to Central America and fighting. If the gentleman's position actually wins in the House of Representatives and the U.S. Congress thumbs their nose and rejects the President, in this request, in this request for foreign policy, what it means is that they are enhancing the possibility that my sons might ultimately have to go fight and die in the jungles of Central America because the Marxist threat is growing.

Mr. DORGAN of North Dakota. Let me reclaim my time and ask you a couple of questions, because I understand what you are saying, and I understand you feel very strongly about your position.

If you were right, why is your position not supported by most of the neighbors in Central America. Let me describe what the neighbors are saying because I think it is important, and they are saying it publicly. I know Pat Buchanan says, "Well, we know that is what they say publicly, but they take a little different position privately."

Who takes a different position privately? We cannot say. Why can you not say it? Because that is private. That sort of stuff.

The fact is the neighboring countries in Central America do not agree with your assessment of A, the threat, and B, they do not agree with the President's remedy to deal with the problems of Nicaragua.

No. 1, the neighboring countries have stated, I think, that they fear this $100 million, this approach, leads down the road to direct U.S. involvement. As you know, that has happened a good many times in that region of the world.

No. 2, they believe that the Contra soldiers are not going to win and that they cannot win. I think the gentleman will admit, you say we have not given them that much aid, the fact is, we created them through the CIA. You understand that and I understand that.

No. 3, the neighbors in that region are not all that convinced that the Contras are democratic. What are the ideals of the Contras? It is not very clear to neighboring countries who have a great stake in this.

No. 4, the neighboring countries believe very strongly and they have said it, 8 or 10 of them have said it repeatedly, what this country needs to do if it really wants to address the problems in that region is to enter into negotiations with Nicaragua. I feel very strongly about that as well.

If I felt the threat existed that you describe, and if I felt that $100 million would really address that threat in a realistic way, I would be standing on the floor of the House saying I agree; let us give them $100 million.

Let me make two points on that. First, I believe your assessment of the threat is tragically distorted. Second, the remedy, the $100 million, is a completely improper remedy to get where we want to get to. What we want in Central America, I believe, is to have a Central America that has some stability. We do not want someone violating other countries' borders; I understand that. We are violating borders at the moment. Nicaragua, I assume, violated borders.

Mr. LIVINGSTON. Where are we violating borders?

Mr. DORGAN of North Dakota. Well, do you not agree that, for example, in Costa Rica, the pearl of democracy in that region of the hemisphere, that the penetration from Costa Rica into Nicaragua by another group of Contra soldiers, another group of dissidents continues to go on with the Americans and the Ambassador and others just winking? Because if we move guns into Nicaragua, you can wink at it. But if Nicaragua moves guns out, you scream international terrorism.

I think there is a double standard with respect to how that all works. All I am saying is this: I believe that what we ought to do at the moment is to enter into a very constructive and active role with respect to the Contadora process, No. 1, and, No. 2, enter into direct negotiations with the Sandinistas. If there is credible evidence that the Sandinistas are providing for the running of guns across the borders to destabilize El Salvador and threaten Costa Rica, threatening Honduras, with the backdrop of failure in the negotiations or failure of Contadora, then I think we ought to come back to the floor of this House and have a credible discussion about the existence of that threat, and then respond to the threat in a way that will solve the problem.

Until I am proven otherwise, I just do no believe in gross distortions of what the threat is, and then the delivery of a remedy that is completely inappropriate to it.

Mr. LIVINGSTON. If the gentleman will yield further, and I appreciate him granting me this opportunity to respond; he has been most gracious.

I think the gentleman misinterprets the the whole purpose of this issue. Obviously, if our sole function in life at this point in our history was to overthrow the Sandinista government, period, then there may be some degree of legitimacy in some of the gentleman's claims.

Mr. DORGAN of North Dakota. Is our objective not to overthrow the Sandinista government?

Mr. LIVINGSTON. No, as a matter of fact, it is not. If the Sandinistas——

Mr. DORGAN of North Dakota. Well, then you better inform the President.

Mr. LIVINGSTON. If the gentleman would let me complete my thought.

□ 1410

If the Sandinistas would live up to the promises that they made to the OAS, the Organization of American States, in 1979 when they seized power from Mr. Somoza, we would not even be here today. They have reneged on all of their promises of freedom and democracy for their people. Those are the promises upon which they founded their government and which they have seized and maintained power and control.

Unfortunately, as recently as October of last year they just totally removed all vestiges of civil liberty and they have a police state. To this very day if you speak out against the Sandinista government even on a street corner, you can get thrown in jail. If

you go to church, to the wrong church, you might even get thrown in the jail. There are just no civil liberties at all in Nicaragua today.

Now, the gentleman has said, well, then, the Contras cannot win anyway. Even if it is not our purpose to overthrow the government, we have got the Contras in there. We put them in there and they are not doing a good job and they cannot win, so maybe we should get out.

They are not doing a good job, because we did put them in there and we have not given them the backup support that we should have been giving them over the last 2 years, and if we did give it to them and if we do give them this $100 million package and if they get the support they should be given, no, they are not going to overthrow the government. You cannot have both sides of the argument. That is not what they were intended to do in the first place.

The purpose of being there is to put military pressure on the Sandinista government so they cannot concentrate on their terrorist camps and their airstrips which can handle any Soviet aircraft, and their harbors, which can handle any Soviet ships, so that they will concentrate on internal turmoil and all of a sudden get pressures from without, all those Contadora nations and those neighboring countries might put more pressure on them, so that so much pressure can be brought on them that they will all of a sudden relax their Marxist totalitarian control over their own people and their neighbors and begin to follow through with those promises they made in 1979.

It is to get them to give dialog. The gentleman says that we have not negotiated with them. We have been negotiating with them for 7 years. Sometimes they say we walked out, and sometimes we say they walked out. Most of the time they walked out.

We have not gotten them to negotiate with the Contras. Now, who are the Contras? Well, the gentleman says some ex-Somoza guys. I tell the gentleman, the Contras are people who want freedom and pluralism and democracy for their own country.

The Contras and the people who are working with them who are not part of the Contras cannot get the Sandinista government to acknowledge their existence, cannot get them to deliver on those promises of freedom, and until they do, the only alternative for us is not to talk to a closed door that is slammed in our face, but to support the Contras to get them to the bargaining table.

Mr. DORGAN of North Dakota. When was the last time we had bilateral negotiations with the Sandinistas or the Nicaraguan Government?

Mr. LIVINGSTON. We have had ongoing negotiations with them that go on to this day. What we are pushing for today is a verifiable treaty in which they will live up to the promises, not only that they made to the OAS, but also to the Contadora principles, the 21 principles which include stopping or ceasing to be aggressors against their neighbors, which include a cease-fire across borders, and includes relaxing internal controls on their own people.

Mr. DORGAN of North Dakota. But as I understand part of the Contadora hangup, the process would require, at least one of the treaties that was proposed would require the removal of all foreign military presence in the region. We were not too keen about that. We have got some heavy investments and relatively permanent bases in Honduras, so we were not very keen about signing a peace treaty that would require us to remove ourselves from the region.

Mr. LIVINGSTON. If the gentleman will yield further on that very point, the thing that hung up that particular agreement was verifiability. We could get out, we could pull everybody out that we were supporting and there was no guarantee that they were going to kick out the Cubans, the Libyans, the Soviets or any of the folks who were supporting them. If they had given us a viability option, there might have been an agreement then.

Mr. DORGAN of North Dakota. Well, my problem is, I am more confused than when I started because I thought that the President and Patrick Buchanan felt that this Government was a cancer on the landscape of Central America and must be removed, and that the way to remove it was to fund with another $100 million the Contra soldiers who would ultimately take that task and be successful.

The gentleman is saying that that is not the goal at all. The goal really is to spend $100 million on the Contra soldiers and have them keep the Sandinistas busy enough internally so that they cannot export terrorism and that they will then relax their grip on censorship and civil liberties and so on.

I would submit this to the gentleman, that at least some of the description of why the press censorship and civil liberties have been restricted substantially is partly because of the Contra soldiers. I assume that any country that is under attack begins to tighten up inside. I do not like that at all, but that is pretty much what has happened in Nicaragua.

I guess my response to the gentleman's suggestion that Contra aid is not designed to overthrow the Sandinista government is that that is going to be real disappointing news to Patrick Buchanan.

Mr. LIVINGSTON. I think the gentleman is not properly rephrasing either Patrick Buchanan's nor the President's nor my position.

There are those of us who are supporting Contra aid who believe that the Sandinista government will never relax. I happen to believe that. I do not think that they are going to relax their attitude of totalitarian entrenchment in the country because they are a Marxist state and history tells us that with the sole exception of Granada there has never been a Marxist state which has gone to democracy.

Mr. DORGAN of North Dakota. Let me just ask the gentleman one question about that, because I am curious about Marxist states.

No. 1, would the gentleman advocate the overthrow of the Nicaraguan Government? And if so, is it just in this hemisphere, or would the gentleman also advocate the overthrow of the People's Republic of China, which is Communist?

Mr. LIVINGTON. Well, the People's Republic of China is not a thousand miles from our doorstep. I think there is a difference there. Cuba is 90 miles, but it is an island. It is a self-contained island and you cannot walk back and forth there. You can walk from Managua.

Mr. DORGAN of North Dakota. Well, if I might reclaim my time, the difference I think is that the People's Republic of China has expressed certain friendships with us, so we are not concerned whether their people live under a democracy, because that is an admitted Communist state. In fact, we are so enthused about the People's Republic of China that the most conservative President of this century sends an emissary to China to say, "We would like to exchange nuclear power plant technology with you good friends of ours."

Then we come to the floor of the House and we have people say that the reason this, that or the other thing is bad, is because it is Marxist.

Now, what I have been trying to understand is, is it because it is Marxist and close, or is it just because it is Marxist? Because if everything Marxist is bad or if that always portends a threat to freedom, and it might, and I would like to hear the gentleman's answer, then we need not only to become concerned about Nicaragua, but we need to be concerned about a number of other regions in the world.

Mr. LIVINGSTON. Oh, I think indeed we are concerned about a number of other regions in the world; but yes, it is because it is Marxist and close.

The problem is that we cannot change the whole world overnight, but doggone it, if we do not take the steps that are available to us to change the things and the conditions that are existing in Central America on our doorstep and only a few miles from our

southern borders, then we are going to be creating a very, very serious security threat, not only for our neighbors, but for us.

Red China can be Red China and will be Red China for a long time to come. We cannot change that. We cannot change Soviet Russia. If they want to live in a Marxist system under their own misbegotten form of totalitarianism, then they will just have to survive. We cannot change that either, but we can change Nicaragua and the peaceful way to do it, the most peaceful way to do it, the way to avoid the embargoes that the gentleman said he wanted to utilize with American troops or the plane raids or the air raids or all the other types of invasions that the gentleman talked about when he first started talking, is to fund the Contras and let them do it for themselves. They are Nicaraguans. It is their problem. They are prepared to fight. They are prepared to risk their lives and possibly die in the name of freedom.

I think if we are not prepared to give them a little wherewithal right now, then we are indeed risking that our own boys will be doing it latter.

Mr. DORGAN of North Dakota. If the gentleman had talked to folks who have been attacked by the Contra soldiers, if the gentleman has read closely the list of atrocities committed on both sides, including the Contra soldiers, the gentleman would not be so quick to describe it as a peaceful approach.

Now, let met just tell the gentleman that my analysis of all the people that I have met in that region and refugee camps, about the Guatemala border and refugee camps on the Nicaraguan border, the people, the compasinos out in the area all around that region, those folks are hungry. They need education. They are sick. They need help desperately, and when the gentleman says we need to change things down there, I say amen. Let us change them. Let us change them the right way.

The only reason I do not support the gentleman's notion of sending $100 million, $70 million of which will be guns, is that will not change them. I guarantee it will not change them and I do not intend to support something that is going to fail.

What I would like to do very much is to support something that is in the interest of those human beings who live there, who are living in desperate poverty, and at least in some instances the majority live in this desperate poverty with a very few people living in great plenty. It is the kind of opulence you never see in your lifetime that a few people enjoy, while most of those people are desperately poor. That is why there are revolutions.

In fact, Frank Church just before he died wrote an Op-Ed piece that appeared here in town. Frank Church I think was one of the strong thinkers on foreign policy. There are people on both sides of the aisle who I think have devoted a lot of their time to analyzing foreign policy, and I like what Frank Church had to say about revolutions.

He said, "As long as countries exist where there is going to be squalid poverty for the many and opulent wealth for the few, there will be revolutions. The question is not whether there will be revolutions. There will."

The question is when on Earth will this country learn to deal with revolutions in an appropriate way? Almost every time I would guess that a country casts off a dictator, as Nicaragua did with Somoza, a dictator largely bought and financed by us and protected by us, almost every time that happens it seems to me inexorable that that country is going to move farther left than we are comfortable with. So when it moves farther left than we are comfortable with in the short term as a response to years and years of dictatorship and oppression, then we tend to over-respond the other way.

All I am saying to the gentleman from Louisiana is that I want this Congress to take action to deal with Central America, but I want the action to be the right kind of action that actually succeeds for this country. I do not want to send any more money down there that is wasted. I do not want to send it in the context of what is a peaceful solution, when in fact it is sending more guns to a region that is already filled with too many guns on both sides.

Mr. LIVINGSTON. Will the gentleman yield?

Mr. DORGAN of North Dakota. I am happy to yield.

Mr. LIVINGSTON. Why is it that the gentleman and so many like him support the revolution against the Shah of Iran, support the revolution against Somoza, support the peaceful revolution against a man like Marcos, all of whom were bad people and who left their countries in poverty and squalor, which the gentleman decries and which I equally decry, why is it that they can support those revolutions but they cannot conceive that there also can be an equally deep-seated heartfelt need for a revolution against the Marxist state? That is what concerns me.

This incident that has arisen in the last 3 or 4 years in Nicaragua is likewise a revolution.

What does the word Contra mean? It is counter-revolutionary. This is a revolution against a revolution gone sour.

The revolution, the junta, the totalitarian small greedy group of people who have got their boot on the people of Nicaragua and who rule that country today are every much and more so the despots as was Marcos, the Shah and Somoza, only they are much more prevalent in their use of power. They are controlling the schools. They are controlling the press. They are controlling the churches. They are controlling not just the body, the physical being of the people under their dominion, but their souls. They are trying to uproot them from religion, trying to control their minds.

Somoza and the Shah and Marcos never did that and that is a far greater sin.

Why cannot we have a revolution against them?

Mr. DORGAN of North Dakota. Well, the juxtaposition that the gentleman has used is appropriate, but I think is not properly placed.

The gentleman, for example, and the President and others, have been on this floor consistently asking for more money for Marcos in the 5 years that I have been here and I have always said no. I do not want to send any more money to Marcos.

Mr. LIVINGSTON. Or El Salvador.

Mr. DORGAN of North Dakota. The fact is that I think I have been pretty consistent on that.

The question is not what has happened in the past. I mean, I have disagreed with sending money to Marcos for the last 5 years. In fact, I was down here on the floor on the military assistance grants last year trying to freeze them. In this period of austerity, everybody wants austerity, and this year alone the President says a 33-percent increase in the MAP grants, military armaments to the Marcoses of the world.

Now, how much is going to be shoes and furs of that 33-percent increase?

□ 1425

I have been down here last year and the year before on all of those things, so I have been pretty consistent opposing it for Marcos and I oppose it for the Contras. But again, I get back to the central point: What will work? Why is it that Patrick Buchanan, President Reagan and you are in a position to know what will work? You have been to Central America, probably. Patrick Buchanan has not. I do not know that Ronald Reagan has.

Why is it that you know what will work, but the neighbors in Central America believe your approach to be wrong?

Mr. LIVINGSTON. Simply because we have a track record. We made it work in El Salvador. We have a democracy in El Salvador, and we want the same thing for Nicaragua.

Mr. DORGAN of North Dakota. But why do the neighbors believe it will not work, if you think it is such a good program?

Mr. LIVINGSTON. I am glad the gentleman reraised that. He raised that earlier.

There has been a Gallup poll in the last 6 months in Costa Rica, Honduras, El Salvador, and Guatemala, and the results of that Gallup poll showed that the vast majority, well over 60 percent of all the people questioned in the poll and representing their countries, believe that, yes, the United States is interventionist but the United States is far preferable than the interventionist policies of the Soviet Union and the Cubans and the type of government that they have put together in Nicaragua.

They are afraid of the Government in Nicaragua. The gentleman asks why does the leader of Costa Rica just recently make the statement that, well, they are not so bad; we would be better off putting all that money in food and clothes for poor people. The fact of the matter is that that guy, the leader of Costa Rica, the leader of Honduras, even President Duarte in El Salvador, are right under the gun, and if they come out too publicly against a very well armed, very capable Marxist state that has the full, open backing of the Soviet Union, without any benefit of debate like the gentleman and I are engaging in today, if they come out and make hard statements, they could find a terrorist squad in their back yard the very next day. They could be assassinated.

It is very hard for them to make tough decisions and tough statements against that group because they cannot stand up to them. They do not have the wherewithal and they are not confident that the United States will back them up.

Mr. DORGAN of North Dakota. So the gentleman is saying that they privately support you but publicly——

Mr. LIVINGSTON. You can get different statements from those fellows if you talk to them in private than if you talk to them in public.

Mr. DORGAN of North Dakota. Let me say with great respect that I do not believe that. I think it is pretty clear where the neighbors are on this Central American policy of ours. I think the neighbors—and I think the gentleman gives less credit than is due the newly elected President of Costa Rica. I think the new President of Costa Rica will turn out to be a very strong democratic leader in this hemisphere, and he, I believe from what I have read and what I have heard, genuinely believes that this policy of sending another $100 million to arm the Contras in the hills is a wrongheaded policy that is destined not to work.

He said it very clearly. He said, "If you have $100 million to send around, why don't you send it down here in the form of aid that helps human beings who are living in misery?"

The gentleman might say, "Well, he does not have the courage to speak out publicly because of threats."

Mr. LIVINGSTON. He does not have an army.

Mr. DORGAN of North Dakota. He does not have an army, so does that mean that what the leader of Costa Rica says is not believable? It seems to me the gentleman gives him less credit than is due. I think he is going to turn out to be an important leader in the hemisphere.

All I say is that it is not just what the leader of Costa Rica has said. All of the governments—ignoring the foreign-policy-by-Gallup-poll inference here—in the hemisphere who know, who live with the conditions of the region, the economic conditions, the military conditions, the threat of that region, I think generally speaking have made known to this administration, publicly and privately, that they think our approach to Central America is not going to solve the problems that exist in Central America.

I think, as one Member of Congress, that we ought to pay some attention to those neighbors and do what we can when we formulate our policy in concert with what they think can work in Central America.

The gentleman mentioned, without using the word "isolationism," which I appreciated, that some people in my part of the country tend not to want to do anything. I serve on the Select Committee on Hunger, and I have been very active in the response to hunger in the sub-Saharan region of Africa. I am internationalist when it comes to using what we have in such great abundance to help people around this world, and believe in that very strongly.

But I did mention on the floor last week that the President, when he talks about Central America ignores the Central America, I know, Kansas, Iowa, Nebraska, and North Dakota, where farmers are going broke because we do not have price supports that are decent enough to keep them in business. Yet, the President says, "There is another Central America and no price is too high, no burden is too heavy to carry. I want to send more and more money down there."

I was just simply making the point not that we should not be involved, because I believe that we have an interest in Central America and need to pursue our interest in that region; I just believe that we ought not to waste the taxpayers' money. We ought to pursue it in a way that works.

Mr. LIVINGSTON. The gentleman has eloquently presented his case. I would submit that the difference between the expenditure of $100 million in Iowa and the expenditure of $100 million in Nicaragua for the counterrevolutionaries, the freedom fighters, is the difference between freedom and life, and simply going into bankruptcy.

I do not think that the issues are comparable, and I am concerned about it. The gentleman has, again, expressed his point of view eloquently, and for his sake and for the sake of all of us in the United States and all of those poor people, oppressed, in Central America, I hope he is right. I sincerely hope he is right. I hope that if we do not give aid to the freedom fighters that he is absolutely right and the problems will be resolved between us and the Government of Nicaragua without any bloodshed, without any imprisonment or torture or executions. I hope he is right and that all the poor people will be fed.

But do you know what? I do not think he is, and that frightens me, not just for the gentleman and for me, but for all of our children.

Mr. DORGAN of North Dakota. Let me say to the gentleman that I think the gentleman expresses very well his point of view and the point of view of many people who are pushing us very hard, including President Reagan, to support his $100 million aid package. If I believed that was the solution, I would not spend a lot of time worrying about it; I would just vote for it. But because I believe so deeply it is destined to failure and destined to waste the taxpayers' money, I do not intend to support it and do not hesitate to oppose it.

I guess in the final analysis, my sense is that if we send more money to promote more killing in that region, and that is what will happen, I think we are doing a great disservice to the region and a great disservice to ourselves. I think that generations of Americans to come, who live not just in Louisiana but also North Dakota, and who want to see a stable neighborhood down in the Southern part of this hemisphere, I think will be well served by a country that, through its foreign policy initiatives, puts military intrusion as a last resort rather than as a first resort.

That does not mean that we ought not at some point prepared to say to the Sandinistas, "Here is the line, and if you cross it you are in bit trouble with us and we intend to prevent the introduction of this, that or the other thing." There are those kinds of lines that we need to draw in Central America. But I took the floor today only because I am concerned about the rhetoric, and I would hope the gentleman from Louisiana finds as much concern in the statements by Mr. Buchanan as I do.

It is absolutely absurd to suggest that anyone who sits in any one of these chairs is a Communist dupe. I think the language used by the White House's Mr. Buchanan is very ill advised. I understand there is a reason

for it, there is a strategy involved in it, and Mr. Buchanan himself is very prone to use that kind of approach to confrontation, but it obstructs, in my judgment, constructive and useful debate about what our rational and reasonable policies ought to be toward that region of the world.

So, Mr. Speaker, I would conclude by thanking the gentleman from Louisiana for participating, and saying once again that I hope the American people, and I hope all Members of Congress, will listen to the discussion about what the threat is and how we ought to respond to it and attempt, through that process, to develop a carefully constructed foreign policy that this country uses to further our interests in Central America, and most especially uses to make life better for people who live in that region who are living in desperate poverty.

It is very difficult for me or anyone here to describe the conditions that exist in the rural reaches of Honduras or Nicaragua or Guatemala. The people who live there live in such incredibly desperate poverty it is impossible for me to describe it to you. Amidst all that poverty, I guess Archbishop Romero, just before he was assassinated, made a plea, and I think it is a plea we ought to remember from time to time. He said, "For God's sake, do not send any more guns down here to kill people with. There are too many guns here already. Send help that helps people."

I am absolutely convinced that what the Soviets cannot do, a game they cannot win, is something that we can do and we can prevail at, and that is sending the kind of help we have in such great abundance and great surplus to people who have such a desperate need for it. I hope that in the coming year the lessons of the Philippines, and the designer shoes and the furs and the gold bullion, and so on, the lessons will not be lost on us; that when we construct foreign aid package, let us construct a package that is not a package of guns as a first resort but only as a last resort. Instead, let us mold a package of aid that helps people eat day to day, helps people to learn to read, helps people get health care for their sick children and sich parents.

If we develop aid packages of that nature, we could help strengthen all of Central America against real threats, and I think have a Central America with neighbors that we can work with and be proud of in the decades ahead.

□ 1435

CIVIL RIGHTS IN NICARAGUA

The SPEAKER pro tempore (Mr. ROWLAND of Georgia). Under a previous order of the House, the gentleman from Louisiana [Mr. LIVINGSTON] is recognized for 60 minutes.

Mr. LIVINGSTON. Mr. Speaker, I just want to congratulate the preceding gentleman on his statement. He expressed his case with great sincerity, and I regret that there has been any question of the sincerity of those who hold his opinion. I happen to believe that they are wrong, and I believe it with all my heart, but that does not demean their right to express their own point of view. I congratulate the gentleman on taking out this special order and giving me time. I appreciate him giving me time to respond to him.

Mr. Speaker, I want to speak on the same subject, perhaps not as eloquently or as extemporaneously, for I think that this is, indeed, a very serious matter not only for the U.S. Congress to confront this week, but as a matter as well that will be imposing a threat upon not just Americans as people in the United States, but as people on the North American Continent for many years to come.

The country of Nicaragua is under the leadership of a totalitarian dictatorship, in my opinion, the likes of which has never been seen before in North America or on any of its shores, in any of its countries. It does indeed pose a threat to its neighbors, which we are one.

Some months back, almost a year back, a young missionary from Utah, a Mormon missionary by the name of Wesley Smith, went to Nicaragua after several trips and concocted a report on his experiences which reflected the violations of civil rights in Nicaragua. Now he has come up with a new report. The last report I put in the CONGRESSIONAL RECORD some many months ago when he first brought it back with him. This new report is just on one aspect of the violations of civil rights in Nicaragua. It deals with the holding of political prisoners, and frankly there are a lot of them in that country. It is a report that is really hot off the press. It is by this young Mormon missionary who has come back from there only recently. The date of the report is March 13, 1986, just last week. It is a lengthy report again dealing with the various aspects of the prison system and the political imprisonment of people in Nicaragua. It is imprisonment of Nicaraguan citizens.

I would like to read the introduction, and then the conclusion, because I am not sure that I will get to the conclusion today. But they will pretty well describe the content of the whole report, and to the extent that I can, I would like to discuss the content as well.

The report begins in the introduction demonstrating that—

Information for this report was gathered over a 2-year period involving six trips to Nicaragua, Honduras, and Costa Rica. A report on the Sandinista political prison system was necessary because there has been a severe lack of information published on the situation of political prisoners inside Nicaragua.

I am glad also to point out that when he came back with his first report about living conditions in Nicaragua, I pointed out to him at the time that frankly there had not been much written about what was going on in the prisons. So he kind of took it upon himself to find out.

He says:

Since the revolution in 1979 the Sandinista Government has transformed the prison system into a vast network of political prisons. According to accounts from ex-prisoners, ex-Sandinistas, Nicaraguan defense lawyers, and relief agencies there are approximately 11,000 to 13,000 political prisoners being held within the prison network operated by the Sandinista regime.

There are four major prison systems functioning inside Nicaragua. They differ in administration, but all four systems are ultimately controlled by the General Directorate of State Security and are involved in the detention and imprisonment of Nicaraguans for their political beliefs. These systems are:

1. National Penitentiary System;
2. Prison System of the State Secret Police;
3. Clandestine Prison System of State Secret Police; and
4. Labor Camps of the State Secret Police.

In addition, the Sandinista military has a network of command posts which have been used as prisons when other regional State Security prisons have been filled to capacity. We received numerous accounts of prisoners being detained for months at a time in the Central Command Post in Ocotal as well as that of Nueva Guinea.

The majority of the information in this report was compiled from personal accounts of Nicaraguans who were imprisoned by the Sandinista government. Since each prisoner saw only a small fraction of the total prison system it was difficult to compile an accurate picture of the Nicaraguan system solely from their experiences.

Let me point out we are speaking about Nicaragua. To many people, that may be an enormous country somewhere in the South. I noted earlier it is only about 1,000 to 1,100 miles to the South as the crow flies from my hometown of New Orleans, LA. Moreover, it is a small nation of only 3 million people. That is three-quarters of the size of the population in Louisiana. I think geographically it is probably about half the size of Louisiana.

However, by using independent accounts from ex-Sandinistas who worked for the Ministry of Interior, stories could be corroborated, and consequently a clear picture of the system could be produced. Accounts from prisoners on the inside are corroborated by Nicaraguans who knew the prison system from the outside, including human rights leaders, Red Cross workers and other relief groups. Although these people had limited access to the realities of the prison system they were useful in providing background information on prison locations and sizes.

Exact figures on numbers of prisoners are impossible to obtain because within the Penitentiary System visitors are seldom allowed access, prisoners are moved constant-

ly from prison to prison, and prisoners are isolated from observing the whole prison network where they are being detained. In addition, no one is allowed to visit the prisons of the Sandinista State Security forces D.G.S.E. The clandestine prisons known as "secured houses" are run by the State Secret Police and are only known from the inside.

I would simply add that this is a report about the prison system, the likes of which has never appeared in the press because the press, while they are given limited access throughout Nicaragua, are never given access to the prisons. They simply do not go there. They do not write about it. Out of sight, out of mind. We do not know what the conditions are like because if a reporter is assigned by a major chain, or a magazine, or a TV station to go to Nicaragua, he wants to get a story. He wants to write something big, and if he writes about the prison system, he gets thrown out of the country, and he does not write any more, and he may lose his job. So he is not going to write about the prison system.

Wesley Smith, a Mormon missionary, did write about the prison system, and this is his conclusion:

Since 1979 the Sandinista Government has used the prison system as a means to intimidate, control and subjugate those Nicaraguans who do not ideologically support them. In the State Security prisons Nicaraguans are tortured into accusing themselves or other prisoners. Such accusations serve as evidence in Sandinista run tribunals. In such tribunals Nicaraguans are condemned to long prison terms without due process of law.

With the exception of Cuba, Nicaragua has the largest population of political prisoners in Latin America and far surpasses Latin American countries in the number of prisoners relative to its population.

The gentleman who preceded me right here at this podium a little while ago said this is not that bad a government. They are not bad compared to Marcos, and not bad perhaps compared to the Shah and to Somoza. Irrespective of the fact that their army in numbers may be 10 to 20 times what Somoza's ever was, certainly 10 times what Somoza's was, let us talk about just the prison system that has grown up in Nicaragua over the last few years and which supports right now to this very day 9 new magnificantly constructed prisons to house Nicaraguan citizens, 9 brand new prisons in a state of 3 million people.

□ 1445

These are brand new prisons. That does not count all of the other prisons that had already existed and have existed over the last few years.

He begins: The Prison System:

There are three types of prison systems functioning within Nicaragua. Although they are administered by different organizations the final decisions on prisoner treatment and processes are performed by the General Department of State Security [DGSE].

Political prisoners inside Nicaragua are under the jurisdiction of one of the following systems: the National Penitentiary System, the DGSE Prisons, the Open and Closed Farm Systems, and the Clandestine Prison System. All prisoners in Nicaragua fall under the jurisdiction of the Ministry of Interior directed by Sandinista Commander Tomas Borge.

NATIONAL PENITENTIARY SYSTEM

The National Penitentiary System houses approximately 8,000 prisoners. These Nicaraguans have been jailed for crimes such as stealing, using drugs, and murder. The National Penitentiary System also holds prisoners accused and convicted of "attempts against the government".

However, accounts which we have received contradict the assumption made by the Sandinista Government. The Penitentiary System is used by the Department of State Security to detain, and house political prisoners. In fact, from accounts by prisoners and ex-Sandinistas who worked within the prison system, close to 75 percent of all prisoners in the National Penitentiary System in Nicaragua fall under the category of political prisoners. This does not include those held in prisons maintained by the State Security Forces. Political prisoners of the National Penitentiary System do not appear on the prison rolls as "political" for two major reasons:

1. According to the Sandinista Government no political prisoners are being held. Daniel Ortega has stated that the only Nicaraguans who have been jailed for political reasons are the ex-Somoza guardsmen. The Sandinistas say those guardsmen were jailed for crimes they committed against the people while in power. Those Nicaraguans charged with "counterrevolutionary" activities are accused of crimes against the state, and according to the Sandinista government no longer fall under the title of prisoners of conscience.

2. Hundreds of Nicaraguans have been accused by the State Security of committing common crimes, such as using drugs, when in reality they were imprisoned for not supporting the policies of the Sandinistas. They are judged by regular judges and are given long sentences for supposed criminal acts.

Approximately 70 percent of the prisoners found within the National Penitentiary System are political prisoners branded as common criminals. Within this system common criminals are mixed in with the political prisoners to demoralize them.

The National Penitentiary System comprises seven regions and three special zones as follows:

They are listed in here, but I will not go into detail.

There were numerous other prisons and labor camps which were mentioned by ex-prisoners, but which I could not gather sufficient information to adequately describe them.

OPEN AND CLOSED FARMS

These farms are run by the National Penitentiary System. East of Managua there are six such farms which house approximately 450 prisoners. Two of them are open farms which are frequently visited by the press. The other four are closed farms where treatment of prisoners is more severe.

D.G.S.E. PRISONS

Prisons of the General Directorate of State Security are not visited by anyone except members of the Ministry of Interior. Compared to the National Penitentiary System the treatment received in the D.G.S.E. prisons is more severe and brutal. Visits by family members are seldom permitted.

The construction of State Security prisons is patterned after the Maximum Security prison in Managua called "El Chipote". The prisons have subterranean cells where very little air and no light enters. Prisoners are kept in isolation in those cells for extended periods of time. Since these prisoners almost never come in contact with the outside world they have suffered extreme abuses relative to those inmates of the National Penitentiary System.

The following is a list of the known State Security Prisons, their location, region of control, and an estimated number of prisoners. This list does not include the clandestine prisons also known as "security houses".

Then there is a whole list of those prisons and numbers of prisoners, numbering almost 2,000.

CLANDESTINE PRISONS

Throughout Nicaragua D.G.S.E. has clandestine prisons known as "security houses". These are ranches and houses which were confiscated by the State Security Forces and which now are used as prisons. Prisoners are taken to these locations for interrogation and holding. Prisoners are seldom able to locate these prisons because they are taken there with sacks over their heads. We documented one account of a person who had an opportunity to locate the house where he had been detained and tortured. The house is located on the road leading out of Managua to Leon. It has a three car garage and once belonged to a Somoza supporter. It was confiscated by the Sandinista Government after the 1979 revolution.

The person who gave the following account cannot be described because he still lives inside the country. He was a prisoner in 1984.

"I was taken from prison in El Chipote one night to a house. At first I did not know where it was because bags were put over our heads while driving in the jeep. They lined us up in the back of the yard right next to the swimming pool. Our hands were tied behind our backs and they would walk by and push us into the pool one by one. They would let us start drowning and then they would pull us out of the water and make us confess of our "counterrevolutionary" activities as we gasped for breath. On one occasion when they pulled me out of the pool my blind came off and I noticed the road which passed by the house. It is a big house located right outside of Managua on the road which leads to Leon."

Carlos Garcia was arrested in May of 1980 and spent 1,640 days in prison. He had been accused of being an agent for the CIA and of plotting to overthrow the Sandinista government. He was taken to State Security clandestine houses in Managua on several occasions. He remembered noticing another man who they had in one of the houses where he was. The man was naked and had been placed inside a refrigerator.

The chapter entitled, "Indiscriminate Imprisonment":

The Sandinista military along with State Security Forces have indiscriminately imprisoned political opponents of the Sandinista government since the beginning months of 1980. Since the Sandinista government suspended all civil rights in Octo-

ber 1985 there have been mass arrests in the cities of Esteli, Matagalpa, Juigalpa, and Nueva Segovia.

Nicaraguan civilians are accused of various types of activities considered dangerous to the security of the nation. People who have been randomly imprisoned come from all areas of Nicaraguan society. They are mostly peasant farmers, but hundreds of religious leaders, political opposition leaders, labor unionists, and street vendors have been imprisoned as well under the accusation of participating or conspiring to participate in "counterrevolutionary activities".

Josefa Larquin Lacayo fled with her family from a town near the Bocay River in Nicaragua on May 30, 1983 after her two sons were imprisoned by the Sandinista regime. Her story illustrates the general policy of unwarranted imprisonment by the Sandinista military and State Security Forces.

□ 1455

She says:

"My two sons, Isais Dormo Jarquin and Neomicio Dormo Jarquin, were going to work on a farm and they were captured and imprisoned. They were heading for a ranch called Santa Teresa where they were going to work and when they were captured they were taken to the prison in Jinotega. They were imprisoned only because they wanted to work for somebody instead of the government cooperatives. They spent one night in Jinotega and the next day they were carried off to Matagalpa. The torture they received there was tremendous. They were there only 28 days, but when they released them you could tell they had had nothing to eat because they were so skinny. My son Neomicio had an inflammed stomach, and only a few days after he was released he died. Two months later we left Nicaragua."

REVOLUTIONARY SUPPORT

Unwarranted imprisonment has been used as a mechanism to control and intimidate Nicaraguans who do not openly support the Sandinista regime. Massive arrests have been conducted in the rural areas of the country since October of 1985. However, indiscriminate detentions and arrests are commonplace in cities such as Managua a well.

A common practice by the State Security Police is to distribute citations to political and religious leaders. The person receiving the citation is required to present himself at the maximum security prison known as El Chipote or Las Casa #50. Since 80 percent of all those cited are detained the Sandinistas are able to create a high level of intimidation among the opposition.

On March 5, 1985 two men who I had contacted had received citations to appear the next day at La Casa #50. Since that time one has been released and we have received no information on the other. (See Appendix for two examples of citations.)

Denise Correa is from Yali, Department of Jinotega. He was arrested on two different occasions for not attending Sandinista Defense Committee meetings.

"Every time I was taken prisoner they told me it was because I hadn't attended the meetings and so I must be a Contra. The Sandinistas would have these meetings in the local communities and if one didn't attend his name was taken down. Since our family never attended we were on their bad list and were accused of being Contras."

Denise was arrested twice. The first arrest took place on March 16, 1982. He was then imprisoned for 26 days.

"Six Sandinistas arrived at our farm and arrested me and my two brothers. We were taken to the Central Command prision in Ocotal where we stayed two days. From there they sent us to the State Security Prison in Esteli known as 'La Barranca'. During the first night I was interrogated three times.

"They tried to force me to say I collaborated with the counterrevolution. If you did you were given 30 years [imprisonment]. They constantly threatened to execute us. They gave us one small scoop of beans mixed with rice and we got that twice a day. The cell we were in was all concrete without any window. The cell was about ten feet by three feet. I shared the cell with three others. The toilet was a hole in the ground and we had it in the same cell so that the others prisoners were present when I used the bathroom. They released us, but threatened us not to tell anyone about our treatment. That is why I'm not using my real name."

The second arrest occurred on November 5, 1982. Denise spent five months in Ocotal. He was then transferred to La Chacara on April 6, 1983, where he spent nine months.

"They had me in the Command prison in Ocotal for five months. During that time there were about 160 of us in prison. After five months they sent us to the prison La Chacara in Esteli. In La Chacara there were about the same amount of prisoners as in Ocotal. We lived in large galleries and there were three of them. I'm not sure how many were in the other galleries, but there were about 160 in ours and they were all classified as CR [counterrevolutionaries] by the Sandinistas. I was with another friend of mine names Jesus Vanegas, but the rest were from other parts of the country."

MILITARY DRAFT

Youth who are captured by the State Secret Police or the Sandinista Military are imprisoned for not serving in the People's Militias or the Regular Army. Many youth are not only imprisoned for their religious, or political opposition to the military draft, but also are accused as counterrevolutionaries merely because they do not wish to fight the rebel groups known as Contras. Those few who do go before a judge are given long sentences, while the rest are threatened with 10 to 20 years imprisonment.

RELIGIOUS PERSECUTION

In October and November of 1985 massive arrests took place throughout Nicaragua in which the State Security Forces rounded up religious leaders and interrogated them. However, from accounts it appears that a policy of imprisoning people because of their religious beliefs has existed since 1980. Especially in the rural areas religious leaders and members receive brutal treatment as prisoners of conscience.

Celestino Navarro Cisneros, 19, is from a town called United Nations in Nueva Guinea, Department of Zelaya. He was imprisoned on January 11, 1985 for his religious beliefs.

"We were farmers but the government had decreed that one must serve in what they call Patriotic Military Service. Since I am with the Assembly of God I was not willing to arm myself so they grabbed me on January 11 of last year [1985] and I was in jail for 29 days. When we were in the middle of a celebration, listerning to the word of God, and they took me from the meeting. The next day they sent me to the main military post in Nueva Guinea. I and one other Assembly of God member, Rafael Vargas, were taken to the command center with five other boys. The other five decided to go with the Sandinistas instead of being jailed. They told us two that in the prison they would make us change our minds about not joining the military service. We were not kept in the common prison, but rather they had us in the State Security cells as if we were Contras. They kept telling us that one of these days we would wake up dead. They then took us to a military base for training and after we gained their confidence we found a way of escaping and passed over to this side (Costa Rica)."

Ovett Majia Reyes lived in the rural southern area of Nicaragua known as El Castillo. He witnessed the imprisonment of his 25 year old friend Marcos Casco in February of 1985.

"My friend and I were Evangelic members and for that reason we did not want to take up arms • • •"

• • • These cells are heremetically sealed and have no light. We have received accounts that many of them have tubes coming down from the ceiling where the prisoner must breath to get sufficient oxygen.

Alvaro Quintero Cerna, a religious leader, was imprisoned for 17 days in October of 1985 for religious reasons. To insure his safety no more personal information on him can be released. He is still in Nicaragua. The following is his account:

"They took me to El Chipote and put me into a cubicle for what must have been one hour. You could hardly breathe in the cell and it was pitch black. They then took me out and interrogated me. I was placed into a larger cell later on. During the days I sweated it was so hot and in the night the cells got real cold. During the night I could hear the screams and cries of women coming from the other cells."

In case somebody is just beginning to listen to us, we are talking about the prison system in Nicaragua today.

This is a system that has grown up under the Sandinista Government over the last 7 years since they have been in power and since they have been continuously supplied and resupplied by the Soviet empire, the Soviet Government, the Cubans.

□ 1505

They use this prison system to suppress, not their neighbors in Central America, but their own people. And the estimate by this account, written by a Mormon missionary by the name of Wesley Smith, is that some 11,000 or 13,000 prisoners are political prisoners, and are there for political reasons only in this present prison system. He is describing the torture sysem of the La Chiquita type of imprisonment.

Such torture has been used repeatedly on prisoners to break their resistance to the interrogators. In the more rural areas, physical torture is used to force prisoners to confess.

Carmen del Socorro Peters Vargas is from a small town on the outskirts of Managua. She was raped by seven State Security officials while in the Maximum Security prison in Managua called "El Chipote". Although she had previously placed her accusation before the Nicaraguan Permanent Commission on Human Rights, CPDH, we were able

to obtain additional information by interviewing her.

The following is her account, and rather than read the whole thing, because this particular one is a little raw, I think I am going to just briefly go over it.

She does give an accounting of being hit in the ribs and in the stomach as she is placed in prison for "counterrevolutionary" activities. They forced her to take pills. They injected her with drugs. She was in a conscious and semiconscious state from time to time.

Carmen was threatened with losing her life if she told anyone of her experience and so her first accusation to the CPDH on March 23, 1984 omitted many details of her torture. The second report included the incident of the rape but omitted several personal details which occurred during the rape.

Alvaro Baldizon was an internal investigator in the State Secret Police who received personal orders from Tomas Borge. He told us of the Vargas case which he had personally investigated. Baldizon mentioned specific details of the rape and treatment of Carmen which he had received from those involved in her torture.

Since he was sent personally by Tomas Borge to investigate the incident, the State Security officials felt confident in telling the truth to him. He told of specific incidents which had never been revealed to the Nicaraguan Permanent Commission on Human Rights, CPDH, by Carmen, but which came out in the course of our interviews with her. She specifically remembered Baldizon arriving at her home to interview her and ask her questions. Their stories corroborated one another.

Nicolas Aguilar Ortega, 20, is from La Fonseca, Department of South Zelaya, Nueva Guinea. He left Nicaragua on November 4, 1985. On July 16, 1982 he was arrested and tortured in a State Security prison in Nueva Guinea known as El Cascal.

His account is:

The CDS made the accusation that we were Contras so we were taken from the farm we had and imprisoned. They first took an uncle of mine. They kept him from eating and drinking and beat him. His name is Jacobo Aguilar. I fled from the farm in La Fonseca but they captured me in Nueva Guinea. They took me to the prison called El Cascal.

While there I was forced to stand up in a small cell. There was a tank of salt water above my cell and water was dropped on my head. There were about 90 people in the cell during that time. They gave us nothing to eat and when the family would bring us meat they waited until the maggots started eating it, then they would give it to us. We had to eat it anyway or we would starve. The first 8 days they gave me nothing to eat. There were no bathrooms, not even holes in the floor so we had to use the floor of the prison. The only light in the cells was what they brought in artificially.

I am not trying to shock this audience. I am trying to tell the Members of the House of Representatives what the prison conditions are like in Nicaragua today, what the conditions are that Nicaraguan citizens who have been accused of political crimes—not regular crimes, but political crimes—have to face day in and day out. This is the benevolent Sandinista Government, which is armed and supplied by the Soviet Union to the tune of almost half a billion dollars last year. And this has particular bearing on this debate that we are engaging in over the next few days until we have the vote on Thursday.

PRISON CONDITIONS

The prison conditions inside Nicaragua for the political prisoner endanger his physical health and mental well-being. Accounts of Nicaraguans who were imprisoned explain that the Sandinista government has intentionally instituted policies to deny basic necessities to the prisoner which would insure his physical and emotional well-being while in prison.

The intolerable prison conditions stem from two main sources: the physical makeup of the prisons and the treatment the prisoners receive at the hands of the Sandinista government. The following list describes some of the most common abuses taking place inside the system today.

This, by the way, again a report from a Mormon missionary, a report dated only March 13, 1986:

DARK CELLS

Prisoners have been detained for long periods of time in cells which have little or no light. Often these cells are underground.

OVERCROWDING

Cells in the prison called La Modelo housed one person during the Somoza regime. Those same cells now house anywhere from 4 to 7 political prisoners. In prisons such as the Zona Franca, from 30 to 80 prisoners are kept in one large cell.

Within the cell they must sleep in a sitting position or leaning against the walls because of the lack of space given them.

UNSANITARY CONDITIONS

During solitary confinement prisoners are placed in small cells which have only a hole for a toilet. Many prisoners describe the odor of these cells as unbearable because of the fumes which enter the cells through the sewage holes. In addition, it is very common for the sewage to back up and spill into the cell itself, creating severe health problems for the prisoners inside. Prisoners are given neither toilet paper, nor soap, and in many prisons are made to wear the same unwashed clothes for months at a time.

WITHHOLDING FOOD

An average meal for a political prisoner consists of one scoop of rice and beans twice a day. In addition certain basic foods such as fruit and vegetables are denied the prisoners even when they are available. The few who are permitted to visit family members in prison are prohibited from bringing fruit or salt—something which the prisoners never receive. Prisoners describe how bicarbonate is put in the beans and rice so that prisoners appear full and healthy, when in reality they are starving to death.

I think that is absolutely significant, and I am going to read it again.

Prisoners describe how bicarbonate is put in the beans and rice so that prisoners appear full and healthy, when in reality they are starving to death.

Celestino Navarro is from the town called United Nations in the Department of Zelaya. He was imprisoned in Nueva Guinea in January of 1985. We received many accounts of prisons in that area which corroborate his story.

"I spent ten days in the Command Post in Nueva Guinea. They interrogated us for hours at a time and then they returned us to our cell. In these cells there was no light and I was always soaking wet. There was a hole in the cell which we used for a toilet. They had some old sacks and that is what we slept in."

Jose Rivera, 32 years old, left Nicaragua in December of 1984. He was imprisoned in La Modelo and describes his treatment there. Although he was accused of being a Somoza Guardsman no evidence was ever presented against him.

"The treatment one receives in La Modelo is very severe. They don't let you sleep. When you are lying down in the middle of the night they throw water on you and take you out for interrogations. I and other prisoners believe they have killed many prisoners because they are taken out for interrogations and they never return. They had never judged me for any crime because they said there were too many prisoners to judge immediately. I was in jail for two years and never saw a judge."

□ 1515

In terms of international image:

Although the prison system in Nicaragua is closed to the public and the international press, there are instances when the media and relief organizations are given access to certain aspects of the prison system. Unfortunately, the prisons they visit and the situations they encounter does not represent what the vast majority of the political prisoners experience in Nicaragua.

The Open Farm system between Managua and Tipitapa is a good example of the manner in which the Sandinista Government has misled the international press in describing the conditions of the prisoners.

Mr. DELAY. Mr. Speaker, will the gentleman yield?

Mr. LIVINGSTON. I yield to the gentleman from Texas.

Mr. DELAY. Does the gentleman realize that Tipitapa is the Somoza prison that has been tripled in size by the Sandinista government?

Mr. LIVINGSTON. I did not know that.

Mr. DELAY. Somoza had one generally known prison, Tipitapa, and another little private secret police one, 2 in all of Nicaragua, where the Sandinistas have 9 state security prisons and 11 government prisons and a jail in every city in Nicaragua.

Mr. LIVINGSTON. In a nation of 3 million people.

Mr. DELAY. That is 20 prisons in a nation the size of the Houston-Galveston area metroplex.

Mr. LIVINGSTON. The gentleman is absolutely correct. I know he was in Nicaragua just this weekend, and I know he has seen some of which we talk about.

This is a report from a Mormon missionary who has done a series of reports of his visits and investigative reporting in Nicaragua, and he confirms what the gentleman is saying.

I was just talking about Tipitapa and describing the open farm system. Now, we have gone into the atrocities of the closed farm system, but for the international press the open farm system, of which there is one in Tipitapa, is a good example of the manner in which the Sandinista government has mislead the international press in describing the conditions of the prisoners.

There are two Open Farms where the prisoners are allowed to move about freely and are allowed visitors on a regular basis. They are usually prisoners who are finishing up their sentencing and have a good record with the Sandinistas.

However, the prisoners from these open farms say they are repeatedly threatened. They are told that if they attempt to escape their families will be taken, imprisoned and punished, for their crimes. In effect, they say their families are kept hostage while they serve out their sentences. In addition the CPDH has noted that for the total prison population very small numbers of prisoners are actually in these farms.

"No international relief agency or media are allowed to visit the prisons of the State Security. Those reporters given access to prisons belonging to the National Penitentiary System are permitted only limited access to prisoners and prison facilities. For example during interviews with prisoners reporters are in the presence of prison authorities and most prisoners are selected by the jailers themselves."

The point of the writer is that, simply, the international media does not get to see the truly horrendous condition in the worst prisons, which are many.

Mr. DELAY. Mr. Speaker, will the gentleman yield?

Mr. LIVINGSTON. I yield to the gentleman from Texas.

Mr. DELAY. I would just like to say we met in our trip to Managua with the Permanent Human Rights Commission. The people on this commission live in Managua. They are not funded by any government. They receive private funds, and they confirm the gentleman's report about these two open farm systems.

One thing this report does not say, though, is that those inmates on the open farm prisons got to those prisons by being informants, good behavior, doing the things that the Sandinistas require them in the other prisons. They get there by doing those kinds of things. And then when groups are brought to these prisons, they usually have real nice things like singalongs and family picnics, and it looks like, probably, one of the model Federal prisons here in the United States.

Mr. LIVINGSTON. What the gentleman is saying, in essence, is that people on the open farms are those who have been conditioned to do and say exactly what the Sandinistas want them to do and say, otherwise they go to the much worse and much more severe prisons.

Here is an example of another person:

Eugenio Membreno is one of the Executive Directors of the independent labor union Nicaraguan Central Workers Union, CTN. He was imprisoned on three separate occasions and was made to appear before the international media.

This is his report:

"We always knew when the journalists would arrive because we started receiving good attention. They permitted us to wash our clothes and those who had none were given some. On certain occasions they put bicarbonate in our food so our stomachs appeared full. You could never speak to a journalist even if you trusted him because the guards were always in their presence. Whenever the journalists did ask questions we of course said nothing. Others felt pressured to say the food was good and so they did.

"On one occasion when I was in the prison in Chinandega the prison officials brought us some brand new athletic outfits. We were told that we were going to play volleyball and we of course accepted because nobody wanted to be kept in those prisons. They took us out in the courtyard and had us play in our brand new uniforms. Then on the other side of the fence we see a delegation approaching. They looked like a group of North American tourists but there were some cameramen with them as well. They filmed and took pictures of us and then left.

"They probably left with the impression that we were being treated as students and that this was a country club, but they obviously didn't see the reality of our situation. After they left the prison officials took our uniforms and threw us back in the prison. Whenever the Red Cross arrived they would take out all the really old and really young people so that the Red Cross could not see them. There were two young guys named Jose Tomas Hernandez and a boy who used to sell newspapers for La Prensa (he later identified him as Geronimo Aguilar). They were taken out when the Red Cross arrived. Jose was sent to La Zona Franca and is still there to this day. The other boy was given five years."

Geronimo Madariaga Aguilar was imprisoned in 1982 for selling newspapers for the opposition newspaper La Prensa. He was imprisoned at age 17 and spent 3 years in jail. After his release in 1985 he fled to Honduras where we obtained an interview with him. He described how he had been prohibited from visiting the Red Cross because of his age and visitors were told they had been taken to receive medical attention. They would then be brought back to the prison after the delegation left.

Denis Correa remembers several incidents of journalists visiting while he was imprisoned in La Chacara in Esteli. He spent 9 months in this prison and said the picture the journalists received of La Chacara was quite different from what actually went on inside.

So the gentleman is absolutely right. It is a perfect example of exactly what he was saying.

I yield to the gentleman.

Mr. DELAY. I thank the gentleman for yielding.

I really thank the gentleman for having this special order, and I must apologize to him for not being able to come over for the previous two special orders, as I was really tied up in my office trying to convince some Members who are in between.

If the gentleman would give me just a couple of minutes, I would like to refute some of the outrageous remarks made in two previous special orders and by the gentleman who replied to the President last night.

Mr. LIVINGSTON. I would be happy to yield to the gentleman.

I think what I am going to do, I have at least another 10 pages of this report to put into the RECORD, and rather than revise and extend, because then it becomes a problem as to whether or not it actually gets in, I am going to discontinue my dialog and yield to the gentleman because I think it is so terribly important that this matter be thoroughly discussed.

I am going to come back tomorrow and read in the rest of this report. It is just very, very critical that we truly understand the nature of the Government in Managua, Nicaragua, the type of people who oppress their own folks by just putting thousands of them into the prison system. It is just incredible. This is a very apt discussion and description of that prison system.

If the gentleman will bear with me, I will yield him the balance of my time, which I understand is about 11 minutes. I will read the conclusion, which is very brief, the conclusion of this report which is done by a former Mormon missionary, Wesley Smith, from Utah, who has gone down to Nicaragua several times to discuss conditions down there.

The conclusion is, simply, that since 1979 the Sandinista government has used the prison system as a means to intimidate, control and subjugate those Nicaraguans who do not ideologically support them.

In the state security prisons, Nicaraguans are tortured into accusing themselves or other prisoners. Such accusations serve as evidence in Sandinista-run tribunals. In such tribunals, Nicaraguans are condemned to long prison terms without due process of law. With the exception of Cuba, Nicaragua has the largest population, the largest population of political prisoners in Latin America, and far surpasses Latin American countries in the number of prisons relative to its very meager population of only 3 million.

I would be delighted to yield to the gentleman.

Mr. DELAY. I thank the gentleman for yielding, and I am sorry to interrupt like this, but I think it is vitally important to use this special order. I should have taken my own special order, and I would be glad to, if the gentleman from Texas and the gentle-

man from North Dakota care to get back over here. I will ask unanimous consent for my own time to debate this issue. But there were some things mentioned, especially by the gentleman from Texas [Mr. GONZALEZ]. First, let me say that the Senator from Tennessee last night, who answered the President's address, on three different occasions that I can recall, put out blatant misinformation, and I will only use one that the gentleman from Louisiana has already proven, just by one report, and there are many, many other reports.

The Senator from Tennessee said the Contras create more atrocities than the Sandinistas.

That is an incredible statement. We all know that the Contras do not systematically have a policy of the abuses that the gentleman just pointed out, or many of the other lack of freedoms. I will get to the freedoms. The gentleman from Texas made the incredible statement that El Salvador has no freedoms. He said, and I quote, "There is no freedom of the press in San Salvador."

Let me just give a quick illustration. This I have before me I brought from Managua just Friday. These are the censored articles from La Prensa newspaper in Managua. It just happens to have one article in here that——

Mr. LIVINGSTON. That is a Nicaraguan newspaper, and those are the articles that were not permitted to go into the newspaper.

Mr. DELAY. These were not permitted.

Mr. LIVINGSTON. Censorship does go on in Nicaragua with rampant style and, actually, there are lots of papers in El Salvador.

Mr. DELAY. In fact, if you look at the back, there are government documents listing those that are censored, and it is signed by the Minister of the Interior, and one of these articles, by the way, is a story about a mother and her children being killed in their home when they were praying and being taught by eight catechists—these are young ladies from the age of 16 to 19—and the eight catechists were raped by 20 soldiers of the Sandinista army. And when they were asked—and I cannot name the person because he still lives there and is in danger—when this person asked the Minister of Interior if these people were—this happened, by the way, on the 28th of February, this year, last month—if these people were caught and punished, the Minister of Interior said, "Oh, yes, they have been punished."

"Tell us how they have been punished."

"It only suffices you to know that they have been punished."

These are censored articles in the newspaper Managua.

Let me just point out a couple ads that I took from the San Salvador daily newspaper. This is a full-page ad by the Communist Party that are the guerrillas, the FDR, that are the guerrilla insurgents trying to overthrow Duarte in El Salvador. They are buying full-page ads in San Salvador's paper. There is one, and this is another. I will be glad to submit them for the RECORD.

We also heard from the gentleman from Texas. It is absolutely incredible that he would want to recall the Ambassador from Managua when there are still people in Managua that we talked to that we would not be able to talk to if we did not have a mission in Managua. These people are grasping and holding on to freedom, as much as they have, which is almost nil, by being able to talk to our Embassy in Managua.

If you pull out that Ambassador in Managua you just put these people in prison and sign their death warrants.

The gentleman from Texas also said that there are no freedoms of assembly in El Salvador.

Well, it just so happened that he named a protest of last week.

I must also say that we spent an hour and a half with President Duarte Saturday morning, and there was a protest of a group formed by the left and the far right, far political right and far political left, in San Salvador, protesting the austere measures that Duarte has had to take—by the way, El Salvador is the only Latin American country that has a net increase in their GNP for this last year—but he said, "there are 50,000 protesters in the street." There was less then 10,000. Our Embassy, which has a gentleman in the Embassy who worked in the Eastern bloc countries and is very good at counting crowds, he estimated 7,000. Another independent newspaper said there were 8,000. Duarte himself said there were 10,000. But while we were talking to the President of El Salvador, President Duarte, while we were meeting with him, an independent rally was going on, a note was passed to the President, and he smiled, and he said, "There are 60,000 in the streets supporting my policies and supporting democracy."

And then an hour and a half later another note was passed to him, and he beamed, and he said, "People are coming from everywhere. There is now estimated to be over 100,000 people in the streets, filling the streets, cannot even get to the square, supporting democracy and freedom in El Salvador."

□ 1530

Mr. LIVINGSTON. If I could reclaim my time just a second to inject the fact that they are enjoying democracy in El Salvador because we in the United States had the foresight to support democracy against the Communist movement; the Communist insurgency which was rapidly trying to take control of the country in 1980. Because we stood strong and because we funded the freedom-seeking people, both the liberals and the conservatives, but the freedom-seeking people; not the radical left or the radical right, the freedom-seeking people in El Salvador, they enjoy democracy in that country today.

All we are trying to do is do the same thing in Nicaragua, and yet the same people who opposed this in El Salvador 5 years ago are opposing us with Nicaragua today.

Mr. DELAY. The gentleman is absolutely correct. You look at the contrast that the gentleman so eloquently pointed out, look at the contrast. The leftists that the gentleman from Texas was talking about and the rightists of last week, the protest of last week, protested. There were no arrests, there was nobody thrown in prison, there was nobody shot, and if that same protest had gone on in downtown Managua, as sometimes happens through other groups like the Catholic church, they are imprisoned, their leaders are imprisoned and shot, they are harassed. The church itself cannot even hold a mass without being harassed. The Pope came to Managua and was harassed holding a mass. Not just holding a protest; holding a mass.

Mr. LIVINGSTON. Cardinal Bravo down there cannot hold a public mass; cannot hold a mass on the radio.

Mr. DELAY. He can only do it inside his church.

Mr. LIVINGSTON. That is right; he can do it inside his church but not on the street. It cannot be broadcast on the radio nor can any portion of the mass be printed in the paper, and there is no Catholic paper because the government has disbanded it.

Mr. DELAY. As the gentleman knows, there is no Catholic radio; the government shut it down.

Mr. LIVINGSTON. In Nicaragua?

Mr. DELAY. In Nicaragua.

They also took away the newsletter of the Catholic church. It is incredible what they have done to persecute. They are harassing the laymen in the Catholic church to not support the church. It is incredible what they are doing as far as religious freedom is concerned.

To say that all the freedoms are in Managua, Nicaragua, and there are no freedoms in San Salvador, is the most incredible thing I have ever heard on the floor of this House.

Mr. LIVINGSTON. The gentleman is absolutely right. The comparison between El Salvador and Nicaragua today is such that it favors supporting the freedom fighters in Nicaragua.

To reject President Reagan's policies in Nicaragua today is to say that everything that he has accomplished in freezing El Salvador from the Commu-

nist movement in the past is all for naught.

It is to say that what he did in transforming Grenada from a Communist government to now a free government is all for naught. It is to say that his foreign policy objectives which accomplish now the transition of power to a free society in the Philippines is all for naught.

It is just incredible to me that the same people over and over and over again are the ones to rise up and decry President Reagan, and he has had a wonderful line of successes throughout his administration.

I would hope that we could get majority support of his policies.

Mr. DELAY. Let me quickly say, and I thank you for holding this special order, let me just quickly say the gentleman from North Dakota asked the gentleman from Louisiana: "How do you know you are right?" You are sitting here; how do you know you are right?

Well, I ask the gentleman from North Dakota: What if he is wrong? If we are wrong, no big deal; things will go on just like they are. If we are right, we have brought freedom and democracy and stability to the region.

If he is wrong, we have aided the cause of communism and the spread of communism and a government that is already there taking away every freedom to the individual that is already doing that, and that will spread to the region, believe me, if he is wrong. If he is right, then so be it. But I would much rather be wrong than him, the gentleman from North Dakota, be wrong.

Mr. LIVINGSTON. The gentleman has eloquently stated the point. We can afford to be wrong; he cannot. If he is wrong, and he prevails in this House and we do not give aid to the freedom fighters, then in fact we have trouble.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. BONIOR of Michigan) to revise and extend his remarks and include extraneous material:)

Mr. MATSUI, for 60 minutes, March 19.

(The following Member (at the request of Mrs. BENTLEY to revise and extend his remarks and include extraneous material:)

Mr. BEREUTER, for 60 minutes, March 21.

(The following Members (at the request of Mrs. BENTLEY) to revise and extend their remarks and include extraneous material:)

Mrs. BENTLEY, for 30 minutes, today.

Mr. LIVINGSTON, for 60 minutes, today.

Mr. DREIER of California, for 60 minutes, March 18.

Mr. DORNAN of California, for 60 minutes, March 18.

Mr. WALKER, for 60 minutes, March 18.

Mrs. BENTLEY, for 30 minutes, March 18.

Mrs. BENTLEY, for 60 minutes, March 19.

Mrs. BENTLEY, for 60 minutes, March 20.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. PEASE, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. FRANK, for 60 minutes, March 19.

Mr. DOWNEY of New York, for 60 minutes, March 19.

Mr. COLEMAN of Texas, for 60 minutes, March 25.

Mr. COLEMAN of Texas, for 60 minutes, April 9.

Mr. COLEMAN of Texas, for 60 minutes, April 10.

Mr. COLEMAN of Texas, for 60 minutes, April 15.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mrs. BENTLEY) and to include extraneous matter:)

Mr. MCDADE.

Mr. ROTH.

Mr. MYERS of Indiana.

Mr. BROOMFIELD.

Mr. COURTER.

Mr. DORNAN of California.

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous matter:)

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mr. BROWN of California in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. JONES of Tennessee in 10 instances.

Mr. BONER of Tennessee in five instances.

Mr. YATRON.

Mr. REID.

Mr. FAUNTROY.

Mr. HALL of Ohio.

Mr. STOKES in three instances.

Mr. KILDEE in two instances.

Mr. FASCELL.

Mr. DYMALLY.

Mr. ECKART of Ohio.

Mr. LEATH of Texas.

Mr. EDWARDS of California.

Ms. OAKAR.

Mr. MARKEY.

Mr. EVANS of Illinois.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 98. An act for the relief of Cirilo Raagas Costa and Wilma Raagas Costa; to the Committee on the Judiciary.

S. 129. An act for the relief of Therese Nyuwirpoupele Kpoda; to the Committee on the Judiciary.

S. 197. An act for the relief of Elga Bouilliant-Linet; to the Committee on the Judiciary.

S. 257. An act for the relief of William Vojislav Rankovic, Stanislava Rankovic, husband and wife; and William Rankovic J., and Natalie Rankovic, their children; to the Committee on the Judiciary.

S. 331. An act for the relief of Panivong Norindr and Panisouk Norindr; to the Committee on the Judiciary.

S. 343. An act for the relief of Hyong Cha Kim Kay; to the Committee on the Judiciary.

S. 345. An act for the relief of Nabil Yaldo; to the Committee on the Judiciary.

S. 381. An act for the relief of Mishleen Earle; to the Committee on the Judiciary.

S. 462. An act for the relief of Barbara Crisp, Sean Anthony Crisp, and Andrea Leech; to the Committee on the Judiciary.

S. 832. An act for the relief of Bassam S. Belmany; to the Committee on the Judiciary.

S. 1046. An act for the relief of Kok Djen Su and Grace Su, husband and wife; to the Committee on the Judiciary.

SENATE ENROLLED JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to enrolled joint resolutions of the Senate of the following titles:

S.J. Res. 205. Joint resolution to designate March 21, 1986, as "National Energy Education Day"; and

S.J. Res. 254. Joint resolution to designate the year of 1987 as the "National Year of Thanksgiving."

ADJOURNMENT

Mr. LIVINGSTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 35 minutes p.m.) the House adjourned until Tuesday, March 17, 1986, at 12 o'clock noon.

CONTRACTUAL ACTIONS, CALENDAR YEAR 1985, TO FACILITATE NATIONAL DEFENSE

The Clerk of the House of Representatives submits the following report for printing in the CONGRESSIONAL RECORD pursuant to section 4(b) of Public Law 85-804:

THE SECRETARY OF TRANSPORTATION,
Washington, DC, March 13, 1986.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives, Washington, DC.

DEAR MR. SPEAKER: In accordance with the notification requirements of 50 U.S.C. Section 1434 (Public Law 85-804, August 28,

1958, as amended by Public Law 93-155, November 16, 1973) as implemented by Executive Order Number 10789, November 14, 1958, I am pleased to report that there were no Federal Railroad Administration contractors or subcontractors indemnified during 1985.

Sincerely,

ELIZABETH HANFORD DOLE.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3014. A letter from the Assistant Secretary of the Army (Installations and Logistics), transmitting notification of the proposed decision to convert to contractor performance the dining facilities functions at Fort Benning, GA, pursuant to 10 U.S.C. 2304 nt.; to the Committee on Armed Services.

3015. A letter from the Secretary of the Air Force, transmitting notification that the space defense and operations [Asat] and T-46A programs have exceeded their baseline unit costs by more than 25 percent, pursuant to 10 U.S.C. 139(b)(3)(A); to the Committee on Armed Services.

3016. A letter from the Secretary of the Army, transmitting notification that the Pershing II program has exceeded the fiscal year 1986 current procurement unit cost baseline by more than 25 percent, pursuant to 10 U.S.C. 139(b)(3)(A); to the Committee on Armed Services.

3017. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 6-139, "Closing of a Public Alley in Square 140, S.O. 85-48, Act of 1986," and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

3018. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 6-140, "Income and Franchise Tax Technical Conformity Act of 1986," and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

3019. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 6-141, "Closing of Public Alleys in Square 369, S.O. 84-294, Act of 1986," and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

3020. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 6-142, "Free Clinic Assistance Program Temporary Act of 1986," pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

3021. A letter from the Secretary of Health and Human Services, transmitting a report on the Department's efforts to bring about coordination of goals, objectives, and activities of agencies and organizations which have responsibilities for programs related to child abuse and neglect during 1983 and 1984, pursuant to 42 U.S.C. 5101(b)(7); to the Committee on Education and Labor.

3022. A letter from the Secretary of Transportation, transmitting notification that there were no Federal Railroad Administration contractors or subcontractors indemnified during 1985, pursuant to 50 U.S.C. 1434; to the Committee on Energy and Commerce.

3023. A letter from the Secretary of Transportation, transmitting the fiscal year 1985 report on the railroad rehabilitation and improvement fund, pursuant to 45 U.S.C. 835; to the Committee on Energy and Commerce.

3024. A letter from the Administrator, Agency for International Development, transmitting the fiscal year 1985 report on U.S. strategy to protect and conserve biological diversity in developing countries, pursuant to FAA, section 119(d) (97 Stat. 1045); to the Committee on Foreign Affairs.

3025. A letter from the Acting Administrator, Veterans' Administration, transmitting the VA's Freedom of Information Act report for the year ending December 31, 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3026. A letter from the Administrator, General Services Administration, transmitting GSA's competition advocacy report for fiscal year 1985, pursuant to 41 U.S.C. 419; to the Committee on Government Operations.

3027. A letter from the Director, U.S. Information Agency, transmitting the fiscal year 1985 competition advocacy report, pursuant to 41 U.S.C. 419; to the Committee on Government Operations.

3028. A letter from the Secretary of Education, transmitting the Department's calendar year 1985 report on administration of the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3029. A letter from the Secretary of Energy, transmitting a consolidated financial statement on a payout basis for all projects of the Federal Columbia River power system and for all other projects on the extent to which their costs are to be repaid from the system's revenues, pursuant to Public Law 89-448, section 3(a) (80 Stat. 201); Public Law 95-91, section 302 (91 Stat. 578); to the Committee on Interior and Insular Affairs.

3030. A letter from the Assistant Secretary of the Interior for Indian Affairs, transmitting a proposed plan for the use and distribution of the Taos Pueblo judgment funds in Docket 357 before the U.S. Claims Court, pursuant to 25 U.S.C. 1402(a), 1404; to the Committee on Interior and Insular Affairs.

3031. A letter from the Attorney General, Chairman, National Drug Enforcement Policy Board, Department of Justice, transmitting a report on illegal drug law enforcement policy and plans, pursuant to 21 U.S.C. 1204; to the Committee on the Judiciary.

3032. A letter from the Secretary of Transportation, transmitting the first annual report on the Department's administration of the Commercial Space Launch Act, pursuant to 49 U.S.C. app. 2621(a); to the Committee on Science and Technology.

3033. A letter from the Acting Administrator, Veterans' Administration, transmitting a draft of proposed legislation to amend title 38, United States Code, to conform veterans' eligibility for the nonservice-connected plot allowance to veterans' eligibility for the nonservice-connected burial allowance, to authorize a headstone or market allowance in certain cases of prepaid furneral arrangements, and for other purposes; to the Committee on Veterans' Affairs.

3034. A letter from the Acting Administrator, Veterans' Administration, transmitting a draft of proposed legislation to amend title 38, United States Code, to authorize Veterans' Administration police officers to enforce State and local traffic laws on Veterans' Administration property; to the Committee on Veterans' Affairs.

3035. A letter from the Secretary of Health and Human Services, transmitting a report on the capital-related costs of hospitals that can be included within prospective payment amounts computed under Medicare, pursuant to 42 U.S.C. 1395ww nt. (Public Law 98-21, section 603(a)(1)); to the Committee on Ways and Means.

3036. A letter from the Chairman, Prospective Payment Assessment Commission, transmitting a report entitled, "Medicare Prospective Payment and the American Health Care System," as requested by the House Committee on Appropriations (H. Rept. No. 911, 98th Congress, 2d session); jointly, to the Committee on Appropriations and Ways and Means.

3037. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to amend the Low-Income Home Energy Assistance Act of 1981 to extend the authorization of appropriations for 3 years, remove certain burdensome and unnecessary Federal administrative requirements on State programs, and for other purposes; jointly, to the Committees on Energy and Commerce and Education and Labor.

3038. A letter from the Acting Executive Director, U.S. Holocaust Memorial Council, transmitting a draft of proposed legislation to authorize appropriations to carry out the programs of the U.S. Holocaust Memorial Council; jointly, to the Committees on House Administration, Interior and Insular Affairs, and Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Pursuant to the order of the House on Mar. 13, 1986, the following report was filed on Mar. 14, 1986]

Mr. HUGHES: Committee on the Judiciary. H.R. 4332. A bill to amend chapter 44 (relating to firearms) of title 18, United States Code, and for other purposes; with amendment (Rept. 99-495). Referred to the Committee of the Whole House on the State of the Union.

[Submitted Mar. 17, 1986]

Mr. BURTON of California: Committee on Rules. House Resolution 402. Resolution providing for the consideration of H.R. 4151, a bill to provide for the security of U.S. diplomatic personnel, facilities, and operations, and for other purposes (Rept. 99-496). Referred to the House Calendar.

SUBSEQUENT ACTION ON A REPORTED BILL SEQUENTIALLY REFERRED

Under clause 5 of Rule X, the following action was taken by the Speaker:

[Submitted Mar. 15, 1986]

The Committee on Post Office and Civil Service discharged from further consideration of H.R. 2554; H.R. 2554 referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clasue 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FASCELL:

H.R. 4418. A bill to provide enhanced diplomatic security and combat international terrorism, and for other purposes; jointly, to the Committees on Foreign Affairs, Post Office and Civil Service, Merchant Marine and Fisheries, and Armed Services.

By Mr. ARCHER:

H.R. 4419. A bill to amend the Social Security Act to improve review procedures (particularly those involved in the disability determination process) under the OASDI, SSI, and medicare programs by making such procedures more cost effective and by providing greater equity and efficiency for claimants and beneficiaries; to the Committee on Ways and Means.

By Mr. ASPIN:

H.R. 4420. A bill to amend title 10, United States Code, to revise the retirement system for new members of the uniformed services, and for other purposes; to the Committee on Armed Services.

By Mr. KILDEE (for himself, Mr. TAUKE, Mr. HAWKINS, Mr. JEFFORDS, Mr. PERKINS, and Mr. OWENS):

H.R. 4421. A bill to authorize appropriations for fiscal years 1987, 1988, 1989, and 1990 to carry out the Head Start, Follow Through, dependent care, community services block grant, and community food and nutrition programs, and for other purposes; to the Committee on Education and Labor.

By Mr. KILDEE (for himself, Mr. TAUKE, Mr. HAWKINS, Mr. JEFFORDS, Mr. SHARP, Mr. MARKEY, Mr. PERKINS, and Mr. OWENS):

H.R. 4422. A bill to amend the Low-Income Home Energy Assistance Act of 1981 to authorize appropriations for fiscal years 1987, 1988, and 1989 and to clarify the treatment under other laws, of home energy assistance payments and allowances provided under such act; jointly, to the Committees on Education and Labor and Energy and Commerce.

By Mr. LEWIS of Florida (for himself, Mr. IRELAND, Mr. SHAW, Mr. FUQUA, Mr. NELSON of Florida, Mr. BENNETT, Mr. BILIRAKIS, Mr. MACK, Mr. GIBBONS, Mr. PEPPER, Mr. MCCOLLUM, Mr. YOUNG of Florida, Mr. MICA, Mr. SMITH of Florida, Mr. CHAPPELL, and Mr. HUTTO):

H.R. 4423. A bill to amend the Foreign Assistance Act of 1961 to prohibit the Overseas Private Investment Corporation from supporting financially the export of citrus crops; to the Committee on Foreign Affairs.

By Mr. MICA:

H.R. 4424. A bill to require the Administrator of the Federal Aviation Administration to review minimum standards governing aircraft safety and revise such standards as necessary to ensure aviation safety, to increase civil penalties for violations of aviation safety regulations, and to state the sense of Congress that all aircraft in the domestic fleet should be reinspected and recertified; to the Committee on Public Works and Transportation.

By Mr. ROTH:

H.R. 4425. A bill to regulate interstate commerce by providing for uniform treatment of selected product liability problems, and for other purposes; jointly, to the Committees on the Judiciary and Energy and Commerce.

By Mr. SHARP (for himself and Mr. DANNEMEYER):

H.R. 4426. A bill authorizing natural gas and hazardous liquid pipeline safety programs for fiscal year 1987, and for other purposes; jointly, to the Committees on Energy and Commerce and Public Works and Transportation.

By Mr. WORTLEY:

H.R. 4427. A bill to amend the Federal Hazardous Substances Act to authorize the regulation of children's toys which contain hazardous substances; to the Committee on Energy and Commerce.

By Mr. NEAL:

H. Con. Res. 299. Concurrent resolution to express the sense of the Congress that the provisions of H.R. 3838 or of any similar tax reform legislation should not take effect before the date of the enactment of such legislation; to the Committee on Ways and Means.

By Mr. DIXON:

H. Res. 401. Resolution providing amounts from the contingent fund of the House for further expenses of investigations and studies by the Committee on Standards of Official Conduct in the second session of the 99th Congress; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

312. By the SPEAKER: Memorial of the House of Representatives of the State of Arizona, relative to the McClure-Volkmer bill; to the Committee on the Judiciary.

313. Also memorial of the Legislature of the State of South Dakota, relative to enacting the "Main Street Fair Competition Act"; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 97: Mr. BADHAM, Mr. SLAUGHTER, Mr. RINALDO, Mr. ARCHER, Mr. NIELSON of Utah, and Mr. PACKARD.

H.R. 471: Mr. EDWARDS of Oklahoma, Mr. BADHAM, and Mr. APPLEGATE.

H.R. 512: Mr. GEJDENSON.

H.R. 997: Mr. WEAVER, Mr. ACKERMAN, Mr. BATES, Mr. HOYER, and Mr. LEVIN of Michigan.

H.R. 1059: Mr. HENDON, Mr. WHITLEY, and Mr. BROYHILL.

H.R. 1345: Mr. SLAUGHTER, Mr. STENHOLM, Mr. RINALDO, Mr. SHAW, Mr. LEWIS of Florida, Mr. ARCHER, Mr. COURTER, Mr. NIELSON of Utah, and Mr. PACKARD.

H.R. 1613: Mr. STAGGERS.

H.R. 2116: Mr. PACKARD.

H.R. 2504: Mr. SKELTON.

H.R. 3000: Mr. NEAL.

H.R. 3247: Mr. BUSTAMANTE, Mr. HEFTEL of Hawaii, Mr. BEREUTER, Mr. CLINGER, Mr. MOODY, Mr. BEVILL, Mr. BROWN of California, Mr. MILLER of California, Mr. REID, Mr. RANGEL, Mr. MARTINEZ, Mr. VENTO, and Mr. DORGAN of North Dakota.

H.R. 3297: Mr. FRANK.

H.R. 3736: Mr. MILLER of Ohio.

H.R. 3894: Mr. VANDER JAGT, Mr. WOLF, Mr. HAYES, Mr. PANETTA, Mr. KASTENMEIER, Mr. MCDADE, Mr. NEAL, Mr. WHEAT, Mr. LOWERY of California, Mr. LANTOS, Mr. MILLER of Washington, Mr. ATKINS, Mr. BEDELL, Mr. MARKEY, Mr. BROWN of California, Mr. MICA, Mr. MACKAY, and Mr. BIAGGI.

H.R. 3898: Mr. TOWNS, Mr. VOLKMER, Mrs. LLOYD, Mr. SYNAR, Mr. GEJDENSON, Mr. MINETA, Mr. BORSKI, Mr. WOLPE, Mr. GUARINI, Mr. DIOGUARDI, Ms. KAPTUR, and Mr. OBERSTAR.

H.R. 3968: Mr. NATCHER and Mr. TAUZIN.

H.R. 4057: Mr. HUGHES, Mr. BILIRAKIS, Mr. DOWDY of Mississippi, Mr. PARRIS, Mr. DICKS, Mr. ENGLISH, Mr. HORTON, Mr. BROWN of California, Mr. LOTT, Mr. STUDDS, and Mr. WILSON.

H.R. 4076: Mr. DORNAN of California, Mr. HILER, Mr. RUDD, Mr. COURTER, Mr. HUNTER, Mr. DREIER of California, and Mr. BARTON of Texas.

H.R. 4086: Mr. MATSUI, Mr. MARTINEZ, Mr. TOWNS, Mr. JACOBS, Mr. RICHARDSON, Mr. HEFTEL of Hawaii, Mr. SEIBERLING, Mr. YATRON, Mr. BRYANT, and Mr. GRAY of Pennsylvania.

H.R. 4093: Mr. GRAY of Illinois and Mr. FASCELL.

H.R. 4204: Mr. MURPHY.

H.R. 4211: Mr. SKELTON, Mr. MONSON, Mr. FROST, Mr. PORTER, Mr. MCGRATH, Mr. WHITTAKER, Mr. BROWN of California, Mr. WILSON, Mr. LIGHTFOOT, Mr. ENGLISH, Mr. LUNDINE, Mr. NIELSON of Utah, Mr. CROCKETT, Mrs. BENTLEY, and Mr. KOLBE.

H.R. 4267: Mr. HAYES, Mr. TOWNS, and Mr. RANGEL.

H.R. 4273: Mr. ACKERMAN, Mr. FOWLER, Mr. MORRISON of Connecticut, Mr. OWENS, Mr. ROE, and Mr. STARK.

H.R. 4391: Mr. HOWARD.

H.J. Res. 433: Mr. IRELAND, Mr. CHAPPELL, Mr. KASICH, Mr. COURTER, Mr. BEDELL, Mr. KINDNESS, Mr. MARKEY Mr. GUARINI, Mr. MOAKLEY, Mr. COBLE, Mrs. LONG, Mr. STAGGERS, Mrs. BOGGS, Mr. COELHO, Mr. DIXON, Mr. FOLEY, Mr. ROBERT F. SMITH, Mr. DYMALLY, Mr. LUNGREN, Mr. WAXMAN, Mr. SKEEN, Mr. BILIRAKIS, Mr. LEWIS of California, Mr. LIVINGSTON, Mr. ROBERTS, Mr. RODINO, Mr. NEAL, Mr. WHEAT, Mr. MACKAY, Mr. AKAKA, Mr. MACK, Mr. NICHOLS, Mr. NELSON of Florida, Mr. HORTON, Mr. HYDE, Mr. MCCOLLUM, Mrs. JOHNSON, Mr. DICKINSON, Mr. SPENCE, Mrs. BURTON of California, Mr. RUSSO, Mr. TORRICELLI, Mr. MCCAIN, Mr. ROWLAND of Georgia, Mr. HOYER, Mr. WOLPE, Mr. GALLO, Mr. TAYLOR, Mr. MOLINARI, Mr. WHITTAKER, Mr. TRAXLER, Mr. RICHARDSON, Mr. BROWN of Colorado, and Mr. SCHAEFER.

H.J. Res. 519: Mr. BARNARD, Mr. O'BRIEN, Mr. WOLF, Mr. FEIGHAN, Mr. WORTLEY, Mr. DYMALLY, Mr. LAGOMARSINO, Mr. SWEENEY, Mr. YOUNG of Missouri, Mr. CROCKETT, Mr. TOWNS, Mr. SMITH of Florida, Mr. HENRY, Mr. LIPINSKI, Mr. BONIOR of Michigan, Mrs. BENTLEY, Mr. DEWINE, Mr. EVANS of Iowa, Mr. SCHEUER, Mr. SOLARZ, Mr. BOLAND, Mr. YOUNG of Florida, Mr. MATSUI, Mr. MORRISON of Connecticut, Mr. LEVIN of Michigan, Mr. FAZIO, Mr. BROWN of Colorado, Mr. SABO, Mr. DENNY SMITH, Mr. STRATTON, Mr. NICHOLS, Mr. WALKER, Mr. THOMAS of Georgia, Mr. NOWAK, Mr. SNYDER, Mr. KASTENMEIER, Mr. ST GERMAIN, Mr. CONTE, Mr. MOAKLEY, Mr. TRAXLER, Mr. FRANKLIN, Mr. FASCELL, Mr. CLAY, Mr. LUNDINE, Mr. HEFNER, Mr. LEWIS of California, Mr. MOORE, Mr. MACKAY, Mr. MCCLOSKEY, Mr. NIELSON of Utah, Mr. LAFALCE, Mr. DAVIS, Mr. GINGRICH, Mr. BROOKS, Mr. MONTGOMERY, Mr. CONYERS, Mr. ROTH, Mr. MARTIN of New York, Mr. MOLLOHAN, Mr. GEJDENSON, Mr. JONES of North Carolina, Mr. CALLAHAN, Mr. KOSTMAYER, Mr. HILER, Mr. COBLE, Mr. HUGHES, Mr. FUSTER, Mr. MARTINEZ, Mr.

GUNDERSON, Mr. SOLOMON, Mr. GALLO, Mr. HAMMERSCHMIDT, Mr. MAZZOLI, Mr. STENHOLM, Mr. FOGLIETTA, Mr. TALLON, Mr. VENTO, Mr. NATCHER, Mr. DOWDY of Mississippi, Mr. TRAFICANT, Mr. FRANK, Mr. EVANS of Illinois, Mr. BLILEY, Ms. OAKAR, Mrs. HOLT, Mr. STARK, Mr. BOUCHER, Mr. BARNES, Mr. BROYHILL, Mr. YOUNG of Alaska, Ms. KAPTUR, Mr. COURTER, Mr. KOLTER, Mr. LOWRY of Washington, Mr. RAHALL, Mr. ROWLAND of Georgia, Mr. THOMAS of California, Mr. DE LUGO, Mr. DAUB, Mr. HORTON, Mrs. MEYERS of Kansas, Mr. DONNELLY, Mr. STALLINGS, Mr. DANNEMEYER, Mr. PICKLE, Mr. RANGEL, Mrs. JOHNSON, Mr. GREEN, Mr. QUILLEN, Mr. BADHAM, Mr. DELLUMS, Mr. LUNGREN, Mr. LOEFFLER, Mr. EDGAR, Mr. CHAPMAN, Mr. BENNETT, Mr. MILLER of Washington, Mr. HALL of Ohio, Mr. TAUZIN, and Mr. BURTON of Indiana.

H.J. Res. 548: Mr. BEDELL, Mr. DAUB, Mr. FOGLIETTA, Mr. HARTNETT, Mrs. HOLT, Mr. FISH, Mr. STUMP, Mr. HORTON, Mr. DANNEMEYER, Mr. DANIEL, Mr. JONES of North Carolina, Mr. SMITH of Florida, Mr. CONTE, Mr. MONTGOMERY, Mr. FLIPPO, Mr. HALL of Ohio, Mr. WAXMAN, Mr. FRENZEL, Mr. ANNUNZIO, Mr. KEMP, Mr. HATCHER, Mr. HEFNER, Mr. CROCKETT, Mr. DIXON, Mr. VENTO, and Mr. MINETA.

H. Con. Res. 236: Mr. MORRISON of Connecticut, Mr. OWENS, Mr. BRYANT, Mr. LEVINE of California, Mr. REID, Mr. BROWN of California, Mr. WILSON, Mr. HAYES, Mr. GUARINI, Mr. WALGREN, Mr. DYSON, and Mr. ROE.

H. Con. Res. 285: Mr. HORTON, Mr. RIDGE, Mr. KOSTMAYER, Mr. HAWKINS, Mr. LEACH of Iowa, Mr. BARNES, Mr. WHITEHURST, Mr. FAUNTROY, Mr. MARTINEZ, Mr. TRAXLER, Mr. ROE, Mr. LIPINSKI, Mr. PORTER, Mr. EVANS of Illinois, Mr. SCHAEFER, Mr. PANETTA, Mrs. BENTLEY, Mr. CARNEY, Mr. BERMAN, and Mr. BATES.

H. Con. Res. 292: Mr. HORTON, Mr. BROYHILL, Mr. HAYES, Mr. LANTOS, Mrs. BYRON, Mrs. MARTIN of Illinois, Mr. PASHAYAN, Mr. YATRON, Mr. LAGOMARSINO, Mr. REGULA, Mr. DE LUGO, Mr. LAFALCE, Mr. RANGEL, Mr. MCGRATH, Mr. MARTINEZ, Mr. THOMAS of Georgia, Mr. FROST, Mr. DAUB, Mr. TRAXLER, Mr. HUGHES, Mr. ROE, Mr. FAUNTROY, Mr. LELAND, and Mr. WORTLEY.

H. Res. 347: Mrs. MEYERS of Kansas, Mr. KASICH, Mr. ROBERT F. SMITH, Mr. HANSEN, Mrs. MARTIN of Illinois, Mr. YOUNG of Florida, Mr. WOLF, Mr. WHITEHURST, Mrs. VUCANOVICH, Mr. FRANKLIN, Mr. BATES, Mr. STRANG, Mr. MCGRATH, Mrs. LLOYD, Mr. BADHAM, and Mr. WORTLEY.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 4151

By Mr. McCAIN:

(To the text of H.R. 4418.)

—In section 5569(d) of title 5 of the United States Code (as proposed to be enacted by section 802(a) of the amendment), strike out paragraph (2) and insert in lieu thereof the following:

"(2)(A) A payment under this subsection shall be in the amount of $20 (as adjusted under subparagraph (B)) for each day for which such individual was held as a captive.

"(B) The amount referred to in subparagraph (A) shall be adjusted by the President as of January 1, 1987, and at intervals of one year thereafter to reflect changes in the consumer price index (prepared by the Bureau of Labor Statistics, Department of Labor) for the period beginning on the date of the enactment of this section and ending on the day before the date of the adjustment."

—In section 5569(d)(2) of title 5 of the United States Code (as proposed to be enacted by section 802(a) of the amendment)—

(1) strike out "captive—" and all that follows through "(B) shall" and insert in lieu thereof "captive shall";

(2) strike out "(i)" and "(ii)" and insert in lieu thereof "(A)" and "(B)", respectively; and

(3) reset the margins of subparagraphs (A) and (B), as so redesignated, on a 2-em indention.

By Mr. WALKER:

—In section 806—

(1) in the section heading, strike out "EFFECTIVE DATE OF ENTITLEMENTS" and insert in lieu thereof

"SPECIAL BUDGET ACT RULES FOR ENTITLEMENTS"; AND

(2) Strike out the period at the end of the section and insert in lieu thereof the following: ", and shall be effective for any fiscal year only to the extent or in the amounts provided in appropriation Acts.".

In the table of contents in section 2, amend the item relating to section 806 to read as follows:

Sec. 806. Special Budget Act rules for entitlements.

EXTENSIONS OF REMARKS

THE DAILY RECORD ON NICARAGUA

HON. JIM COURTER
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. COURTER. Mr. Speaker, I submit for the RECORD an editorial from the March 6, 1986, issue of the Daily Record of Morristown, NJ. The Record offers a compelling case for assistance to the democratic resistance that is struggling against totalitarian repression in Nicaragua. I fully agree with the editors' statement that our Nation, having shown its willingness to help people free themselves of the Marcos and Duvalier dictatorships, should assist our neighbors in Nicaragua who are fighting a far greater tyranny. I commend this essay to the attention of my colleagues.

SUPPORT THE REBELS

Having played a pivotal role in ending the Marcos and Duvalier dictatorships, the Reagan Administration has aimed its democratic revolutionary gaze toward Nicaragua. President Reagan has asked Congress for $100 million dollars in aid to the rebels fighting the Sandinista dictatorship in Nicaragua. Most of that aid—$700 million—has been designated for military assistance.

But many of the same congressmen who cheered Marcos' departure are assailing Reagan's policy of fighting a far more brutal and repressive dictatorship. They see the rebels as comprised of former officers and troops of Somoza's National Guard and other reactionaries but fail to notice or refuse to mention that the bulk of the rebel forces is made up of anti-Somoza businessmen and politicians, former Sandanista fighters, and Indian leaders. So while this poorly equipped rebel force fights against the second most militarized regime in Latin America, strongman Daniel Ortega squashes human rights and free expression, conducts a war of relocation and extermination against the Miskito Indians on the Atlantic Coast, threatens to export his totalitarian system to democracies like Costa Rica, acts with increasing hostility toward the Catholic Church, and sanctions murderous reprisals against low- and mid-level opposition activists, peasants deemed sympathetic to the rebels, and captured prisoners.

The policy of reprisals was confirmed recently by a Sandinista defector trained in police methods in Moscow. He estimates that Sandinista authorities have kidnapped, tortured or summarily executed two thousand Nicaraguans since assuming power in 1979.

And more indications of widespread dissatisfaction with the Ortega gang beg for attention. The number of people illegally leaving the country has dramatically increased. Resistance by young Nicaraguans to draft roundups is endemic. Reports of graft and corruption by Sandinista officials in the midst of austerity measures—Ortega himself spent $3500 on sunglasses for himself and his family when he visited New York last year—have provoked more unauthorized strikes, notwithstanding the blather from Commandante Bayardo Arce that "Nicaraguan workers now have class consciousness, because they do not expect salary increases . . . Payment for overtime has been replaced by the revolutionary concept of voluntary work and other necessary sacrifices for the defense of the revolution."

We are baffled that opponents of aid to the rebels can ignore not only this evidence, but remarks, made by peasants in the countryside and workers in the cities to foreign journalists, that they support the rebels and despise the current regime.

To be sure, the rebels are not without taint. The presence of Somazistas is their greatest obstacle toward harnassing more international support. Therefore, to assume a more compelling mantle of legitimacy, the rebels ought to purge their ranks of former National Guardsmen and any other leaders who wish to return to the discredited days of feudalism.

Reagan and his officials are partly to blame for failing to ignite a spark of support for his policy in Nicaragua. Officials have expressed doubts that the rebels can actually topple the Sandinistas, while Reagan has promulgated the goal of forcing the regime to negotiate a sharing of power with the opposition.

But this regime run on Leninist principles has already demonstrated that it will never negotiate with its opposition and will never share power. No communist dictatorship has ever been so generous in the past. So, if Reagan is interested in promoting democracy in Nicaragua, his objective should dovetail with that of the rebels: to win.

Having established his credentials as a friend of democracy, Reagan need not equivocate about his support for the rebels in Nicaragua. And if Congress has the same compassion for victims of oppression as it showed in the Philippines, then it should approve the president's request for aid to the foes of tyranny in Nicaragua.

GOALS AREN'T QUOTAS

HON. CLAUDINE SCHNEIDER
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mrs. SCHNEIDER. Mr. Speaker, I would like to bring to the attention of my colleagues an opinion piece on affirmative action which recently appeared in the Washington Post. As president of Harvard University, Derek Bok has extensive experience with Federal affirmative action requirements and can attest firsthand to their effectiveness. President Bok makes a strong argument for continued vigilance by the Federal Government in promoting economic opportunity. I commend this article to those skeptical of our present policies as well as supporters of Executive Order 11246:

GOALS AREN'T QUOTAS: BUT THEY DO HELP ACHIEVE MORE BALANCED EMPLOYMENT

In recent weeks, we have heard much talk of the debate within the Reagan administration over the efforts of Attorney General Edwin Meese to jettison the use of goals and timetables under affirmative action programs. Meese asserts that goals often turn into quotas and hence discriminate unfairly against better qualified whites. His opponents counter that goals are not quotas, only voluntary targets that help employers focus their efforts on improving their record in hiring women and minorities.

Thus far, Meese's opponents have the better of the argument. While the Justice Department has offered little evidence that goals are actually quotas in disguise, civil rights advocates have pointed to studies showing that employers who fail to meet their goals have not been penalized by the government. At the same time, supporters cite Labor Department reports heralding the success of affirmative action by showing that companies subject to its mandates have increased their employment of minorities and women more rapidly than firms not covered by the program.

Although the debate has produced some useful statistics, there is more to the problem than the arguments offered by either side.

As president of a large affirmative action employer, I feel sure that without goals and timetables we would never have been as aware of our deficiencies or had as much motivation to overcome them. As a veteran of repeated reviews under four administrations, I have never seen federal officials treat our goals as quotas even when my university failed to meet its targets. The most substantial pressure to hire more minorities and women has come not from the government but from private sources both inside and outside the university. If federal officials have erred, it has been through bureaucratic overkill that has forced my colleagues to spend too much time preparing reports and statistics and too little time trying to identify promising candidates who we might hire.

But goals have a subtle effect on employment decisions that civil rights advocates do not acknowledge. Many judgments about whom to hire or promote are hard to make objectively. We are simply not that skilled in evaluating people and predicting their performance. Of course, some candidates are obviously better than others, but it is often unclear which of several candidates is the very best. Under a quota, an employer may be forced to hire even from among the applicants who are plainly less qualified. With a goal, one need not go that far. Yet, if minority or female applicants exist with qualifications reasonably comparable to the best alternative candidates, conscientious employers are likely to choose them in an effort to meet their targets.

Is this practice unfair? On balance, no. Minorities and women as a group benefit at the expense of white males as a group if they consistently get the nod in close cases. Nevertheless, this is not the reverse discrimination that the attorney general deplores. Any unfairness that exists is much less clear-cut and more diffuse than it is when a firm hires minorities or women whom it knows to be less qualified than white male candidates it passes over. Moreover, any unfairness against white males as a group is

likely to be more than offset by the unfair advantages they receive through habits of discrimination and oversight that persist to the detriment of women and minorities in many firms and sectors of the economy.

Even if we can justify the mild advantages conferred by goals, some critics still argue that affirmative action stigmatizes those it purports to aid and undermines their self-respect by suggesting that they cannot succeed without government help. This is a view advanced with particular force by my colleague Glenn Loury, who speaks with daunting credibility as a black who grew up on the South Side of Chicago.

One cannot deny the risk of stigma any more than one can ignore the subtle preferences implict in the use of goals. Yet despite Loury's concern, a recent Harris poll reports that 86 percent of blacks oppose administration efforts to weaken affirmative action. And well they might. Black unemployment is still more than twice that of whites. Jobless rates exceed 40 percent for black teenagers. Over one quarter of all black men between the ages of 20 and 24 have dropped out of the economy entirely. This situation is above all a tragedy for blacks and other minorities who must endure the deprivations of living without work. But it is also a problem for all of us that takes its daily toll through added crime, welfare payments, unemployment compensation and urban decay.

Faced with existing unemployment rates and the persistence of discrimination in parts of the economy, one cannot brush aside the Labor Department's findings that firms subject to affirmative action have increased their minority employees more rapidly than firms outside the government's program. Granted, it would be better to find a way of attacking the problem of economic inequality that did not involve even the faintest sort of preference or the slightest threat of stigma.

In time, we may reach that happy state through better programs of housing, early education and training as well as greater self-help efforts within minority communities. Yet, we do not see enough progress of this kind today. Community-based programs are often underfunded, and federal programs have been cut and seem destined to be cut again.

Meanwhile, poverty rates for minorities have risen in the 1980s, and full-time female employees still earn only 63 percent as much as males. In these circumstances, until alternative programs are funded and working well, I, for one, will continue to set goals gladly, buoyed by the realization that they may at least make some contribution to diminishing an enormous problem for us all.

THE MYTH OF THE MILITARY WOMAN

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. EDWARDS of California. Mr. Speaker, despite the realities, myths continue to abound about the roles of women who serve our country in the military. It would serve all of us if these myths would be put to rest once and for all.

Susan Scheer, research associate at the Women's Equity Action League, wrote an excellent article that should help to do this. The article appeared recently in the Vietnam Veterans of America monthly newspaper; and, I want to share it with you and our colleagues. The text follows:

THE MYTH OF THE MILITARY WOMAN

(By Susan Scheer)

In a recent article published by the Heritage Foundation, Jean Yarbrough, a political science professor at Loyola University in Chicago, advocates that women in the military be limited only to service in administrative and non-combat duties. She expresses concern that the distinction between combat and non-combat roles has blurred. She feels the role of women in the military has expanded too far.

The thousands of individuals who served in Vietnam would probably agree with Yarbrough's impression that the difference between combat and non-combat roles is often nuclear—especially in time of war. But, Yarbrough ignores the reality of the changing nature of modern warfare. She also ignores the outstanding performance record of military women and women veterans.

She simplistically concludes that women don't belong in combat or combat-support roles.

In an age of long-range missiles and highly technological warfare, casualties will not be restricted to the front line. The services' defense plans suggest that battle lines will be fluid, with the potential of extending over great distances. Those who serve in rear areas, in medical and supply units, will be in just as much danger as those on the so-called line.

The exclusion of women from "combat positions" will *not* protect servicewomen from injury or death. Restrictions originally designed to "protect" women only serve to limit their career possibilities. They stop the advance of many women midway through their careers. These restrictive policies shift back and forth according to the manpower needs at a particular time. Behind every restriction lies an exception, exceptions that allow enough flexibility to ensure that women will be available for service if necessary.

Today there are more than 200,000 women in the military—ten percent of the military's active force. However, women are still looked on as temporary substitutes for men. Despite repeated studies designed to establish the limit of a woman's capabilities, no such limitations have ever been demonstrated.

Dr. Lawrence Korb, assistant secretary of defense for Force Management and Personnel, responded to Yarbrough's article by stating: "They [women] are fulfilling their responsibilities with the same competence displayed by military men."

Women who have chosen to devote their professional lives in service to their country *deserve* to know that this nation is committed to affording them the opportunity to advance according to their abilities. There are thousands of military women ready to move into top-ranking positions that serve as stepping stones to policy positions in the Department of Defense. They should not be held back by laws and policies based on outdated warfare scenarios and outdated social myths.

Women continue to pay an enormous price as a result of these myths.

PROBLEMS IN CENTRAL AMERICA

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. RICHARDSON. Mr. Speaker, as we move into the House debate on aid to the Contras, I would like to bring to the attention of my colleagues a document which proposes an interesting new approach to the problems in Central America. The faculty for human rights in Central America at the University of New Mexico has been closely following events in and around Nicaragua. They have been most helpful to me as I have thought about U.S. policy in Central America, and I believe that their most recent proposal—the Extended Humanitarian Aid Act—which I am submitting here for the RECORD, is worthy of our consideration. I highly recommend it to my colleagues who are thinking about the United States role in Nicaragua, and possible actions that we in Congress can take to resolve the complex problems there.

The material follows:

THE EXTENDED HUMANITARIAN AID ACT

Whereas, the Congress of the United States voted for humanitarian aid in 1985 in the hope of advancing the cause of peace in Central America.

Whereas, the greatest expression of humanitarianism in Central America would be the establishment of permanent peace in the region.

Whereas, once peace is established other forms of humanitarian aid become more viable, such as food, medical and educational aid.

Whereas, the Contadora Group after three years of intensive work has produced the Contadora Act which, if implemented, will bring peace to Central America.

Whereas, the Contadora Act has now established the mechanisms for inspection and verification of the agreement as well as its instruments.

Whereas, the Contadora Act includes a section on social and economic aid to the region as well as political democratization.

Whereas, the United States fully supports the objectives already agreed upon in the Contadora process as a basis for a solution of the conflict in Central America.[1]

Whereas, Secretary of State, George Shultz has stated that the objective of United States policy are entirely consistent with the broader agreed objectives of the Contadora Act.[2]

Whereas, the Contadora Group has produced a draft treaty in which all Central American countries have agreed on matters of objectives and implementation.[3]

[1] Statement by Secretary of State George Shultz, to the International Court of Justice, August 1984.

[2] White House report on Nicaragua, November 19, 1985, p. 2.

[3] The Contadora Group produced a first draft treaty on September 7, 1984. A major revision was introduced by the Tegucigalpa Group on October 20, 1984. A new revised draft was produced in September, 1985.

Whereas, the Contadora Group has gained the support of the Lima Support Group,[4] the Organization of American States,[5] the European Economic Community,[6] as well as the newly elected presidents of Guatemala and Honduras.

Whereas, the Contadora Group on December 6, 1985 urged all the countries with ties or interests in the region to provide their most decisive support to the process of peace while abstaining from political, economic and military actions that could frustrate the objectives of the Contadora Act.[7]

Whereas, the Contadora process has gained momentum in recent weeks, including the forthcoming May meeting in Guatemala.

Be it resolved that:

The United States Congress continue its concern for humanitarian aid to the people of Central America;

The United States Congress support humanitarian aid that will contribute, first of all, to the establishment of permanent peace in the region;

The United States Congress recognize the Contadora Act as the best avenue to achieve peace in the region;

The United States Congress join our allies in supporting Contadora;

The United States Congress appropriate funds for humanitarian aid to Central America to be directed through the Contadora Group;

The United States Congress appropriate funds to be used by Contadora to implement the military, social, economic and political agreements of the Contadora Act;

The United States Congress urge the Contadora Group to seek the participation of the European Economic Community, as well as the Contadora Group Countries, the Lima Group Countries and the Organization of American States member countries, to establish a Contadora Act fund that will be utilized for the purposes stated above;

The United States Congress require the Contadora Group to make a quarterly report on how the funds have been used.

The United States Congress require that all of the funds allocated be used in accordance with the guidelines established by the Contadora Group and the provisions of the Geneva Conventions on humanitarian aid.

HOPE FOR REFORM IN NORTHERN IRELAND

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. McDADE. Mr. Speaker, as we celebrate St. Patrick's Day, I want to bring to the attention of my colleagues an outstanding article on Northern Ireland from today's edition of the Washington Times. The author of the article is John Hume, a prominent member of Parliament from Northern Ireland and a representative on the European Parliament.

I know Mr. Hume personally and regard him as a strong voice of reason for addressing the problems which plague this troubled region. Mr. Hume points out the tragic impact of the violent political strife on the people of Northern Ireland and he outlines the hope for reform, reconciliation and reunification which could end the bloodshed.

Last week the House aided the peace process by passing an economic support package for the agreement on Northern Ireland reached in November by the British and Irish Prime Ministers. I know that my colleagues will be encouraged by Mr. Hume's favorable remarks on the agreement. The article follows:

NORTHERN IRELAND TRYING TO END THE TROUBLES

Today American citizens loyal to their Constitution will celebrate their Irish heritage. No one will see any contradiction in the fact that he can enjoy and express his particular culture and identity without having those values govern his political system or his society. Irish-Americans and non-Irish-Americans alike will celebrate the heritage and culture of the Irish.

Unfortunately, in Ireland such tolerance and political maturity are not as viable, many believing that the integrity of their tradition and their identity can be protected only by dominating the institutions of society and state. Respect for each other's traditions and identity is not noticeable in Ireland. It is the absence of the consensus and respect represented by St. Patrick's Day in America that is the tragedy in Ireland today.

The story of Northern Ireland is a story of conflict—not a religious conflict, even though the two communities who live there draw much of their character and their coherence from their religious traditions. It is rather a conflict between the aspirations of ordinary men and women—600,000 Nationalists, 900,000 Unionists—trapped by a tragic error of history which obliged them nonetheless to live and compete side by side in one corner of Ireland.

These two communities in Northern Ireland, Catholic and Protestant, Nationalist and Unionist, behave like threatened minorities. A just and durable solution can be found only by removing their respective fears.

The American civil rights movement in the 1960s gave birth to the civil rights movement in Northern Ireland. The world in the '60s responded with sympathy to our nonviolent movement for civil rights in Northern Ireland. My party, the Social Democratic and Labor Party, was born out of the civil rights movement.

The structures of democracy in the United States were resilient enough to encompass the challenge of civil rights. In the unstable political environment of Northern Ireland, our struggle was perceived as a threat to the very survival of the society itself and was resisted by the institutions of the state.

Though the Unionist majority dominates the institutions of the state, it has not found security as a people. This insecurity has led the Unionists to oppose change.

Through pressure on the British government, including the presence of sympathetic opinion in America and the world at large, we were able to make, through non-violent methods, major progress on a number of fronts—one-man, one-vote; fair allocation of public housing; and an end to job discrimination.

Regrettably, these reforms were not generously and openly offered by the majority party, but had to be imposed by the British government.

Against this background of discord and impatience, the results achieved by peaceful political methods and the philosophy of non-violence was rejected by a minority in my own community. This minority followed the old law of an eye for an eye. In its pursuit of violence, it has demeaned the cause we hold dear, and lost us many good allies around the world. Sustained by its violence, this terrorist group is beset by the illusion that it can, one day, impose its will on Ireland as a whole.

This violence, together with the Unionist intransigence, and the long continued inadequacies of British policies in tackling the underlying political problem, has left us a bitter harvest. The human losses and economic costs have been enormous. The most tragic losses are the deaths of more than 2,400 men, women, and children. These deaths, in an area with a population of 1.5 million, are equivalent in proportionate terms to the killing of approximately 350,000 in the United States. In addition, almost 25,000 have been injured or maimed.

Thousands are suffering from psychological stress because of the fear and tension generated by murder, bombing, intimidation, and the impact of security countermeasures. The lives of tens of thousands have been deeply affected. The effect on society has been shattering. There is hardly a family that has not been touched to some degree by death, injury, or intimidation.

Terrorist violence, while it can never be condoned or accepted, too often springs from the alienation produced by intransigence or neglect, by the failure to tackle political problems through the political process, and by the failure to accommodate adequately the identity and aspirations of communities and peoples.

When a society produces alienation in the individual, when it cannot provide for the equality and the differences of its citizens, that society must be reshaped and transformed through new institutions which accommodate diversity and promote reconciliation.

The majority Unionist's approach in Northern Ireland seeks the exclusive exercise of political power in Northern Ireland for themselves. But, accommodation of differences is the only basis for peace and stability in our divided society.

An alternative is that of the Provisional Irish Republican Army, and Sinn Fein, its political wing.

The military wing bombs factories and the political wing shouts about unemployment. The military wing shoots a teacher in a classroom, the political wing lectures us about education. The military wing carries out attacks on hospitals, the political wing talks about protecting the Health Service. The political wing complains about a $6 million cut in the budget of the housing executive in Northern Ireland, and its military wing blows up $2 million worth of public housing.

The real strategy and objectives are clear. Have the military wing create as much discontent and deprivation as possible. Then have your political wing feed off the people's discontent.

[4] The Lima Group was formed on July 1985 by the newly elected democratic governments in Argentina, Brazil, Peru and Uruguay.

[5] The Organization of American States has adopted several resolutions supporting Contadora. Statements by Joao Clemente Baena Soares, Secretary General of the O.A.S., UPI cable, December 14, 1985.

[6] In November 1985 the EEC signed an agreement of cooperation in Luxembourg in a meeting with the Contadora Group and Central American states. The Agreement calls for economic and social assistance.

[7] Declaration of the Contadora Group, Cartagena (Colombia), December 6, 1985, 19 pages.

I abhor these various approaches. They offer no hope for the future. My vision has been to substitute for the denomination of Catholic, Protestant, and dissenter the common name of Irishman. My strategy encompasses *reform, reconciliation,* and *reunification* along a path of steady progress, narrowing the gap between the reality and the dream, using the political means of dialogue, persuasion, negotiation, accommodation, compromise.

Violence can never heal the deep wounds that divide a people. Only a healing process can in time end the division in Ireland.

The first necessary step is the creation of total equality of treatment of all the citizens of Northern Ireland, Nationalists and Unionists alike, from basic civil rights to full expression of their identity.

The second element is the breaking down of barriers between the different sections of our people. It is a task that involves everyone. This will lead to the only Irish unity that really matters, the only unity that all pre-partition leaders spoke of, a unity that respects diversity and legitimizes differences. There can be no solution to our problem that seeks to destroy or to crush either the Protestant or the Catholic heritage in Ireland. Those who claim that their role and objective in politics is to preserve, protect, and develop the Protestant tradition in Ireland surely have more interest in a process such as this. Mutual respect is a process and objective that no one need fear.

The New Ireland Forum, a deliberative body of elected representatives from the four major constitutional Nationalist parties, both North and South, representing more than 90 percent of the Nationalist population of Ireland, set out the principles and structures on the basis that the constitutional Nationalist dream of a new Ireland could be achieved. In May 1984, an agreed report which attracted widespread acclaim and support, including that of President Reagan and the U.S. Congress, was adopted as policy by the Irish government and taken as the basis for a process of negotiations with the British government. After 18 months of arduous negotiations, the Irish Taoiseach [prime minister], Garret FitzGerald, and British Prime Minister Margaret Thatcher signed a formal international agreement, on Nov. 15, 1985, at Hillsborough in Northern Ireland.

The agreement is a major achievement in democratic, non-violent politics. It is a significant step forward on the road to lasting peace and stability. No one amongst us feels it is the final solution. In the agreement, The British government accepts that the Irish government will put forward views and proposals on matters relating to Northern Ireland. The agreement establishes a joint secretariat in Belfast which exercises responsibility for a variety of political, security, legal, economic, social, and cultural matters.

These provisions go beyond a consultative role but fall short of an executive role for the Irish government. Nothing has been taken away from the rights of Unionists. Northern Ireland continues to be governed by the British government. The agreement *adds* a dimension without detriment to the identity of Unionists. It gives institutional recognition to the Irish identity of those of the Nationalist tradition. It enables Nationalists to participate fully in the affairs of Northern Ireland without prejudice to their aspirations to Irish unity.

The agreement has secured the support of substantial majorities of the population in Britain and in the Republic of Ireland. It has been greeted with satisfaction by a majority of Nationalists in Northern Ireland. Internationally, there has been unprecedented support, again including support from President Reagan, from both houses of Congress, and from such U.S. groups working to educate people on peaceful constitutional political change as the Committee for a New Ireland.

But there has been a strong negative and hostile reaction among Unionists in Northern Ireland. The Unionist political parties have embarked on a determined effort to set the agreement at nought, if necessary, by making Northern Ireland ungovernable. One may regard this opposition from a community used to having power in its own hands, as understandable, even as inevitable: it is certainly not justifiable or justified. The agreement takes nothing away from the legitimate rights or concrete interests of Unionists, nor does it diminish in any way their political, cultural, or spiritual heritage.

Particular opposition has been expressed to the Irish government's having a role in regard to the affairs and administration of Northern Ireland. But this attitude ignores the identity and aspirations of the people I represent, who constitute about 40 percent of the area's population. The second major feature of the agreement recognizes, in a binding international instrument, that Irish unity would only come about with the agreement of a majority of the people of Northern Ireland; and that the present wish of a majority there is for no change in that status. In this article the two governments also declare that, if, in the future, a majority of the people of Northern Ireland clearly wish for, and formally consent to, the establishment of a united Ireland, they will introduce and support in their respective parliaments legislation to give effect to that wish. Thus the article of the agreement devoted to the status of Northern Ireland recognizes the identity and aspirations of both traditions there. It also makes clear that Britain has no interest of her own, strategic or otherwise, in remaining in Ireland and that Irish unity is a matter for those Irish people who want it. This removes any justification whatsoever for the use of violence. You cannot unite people at the point of a gun.

The priority now is to stand firm in upholding and implementing the agreement. The Unionists will have to be brought to see that, this time, they cannot defy the will of the British Parliament, to which they profess loyalty, as they did successfully in 1912 and 1974. They must be brought to realize that they cannot have matters all their own way. In this way they can be liberated from the prison into which they have locked themselves.

We must begin the process of breaking down the barriers between us, barriers of prejudice and distrust which are at the heart of the conflict that has disfigured Ireland for centuries. We have a choice. We can live together or live apart. We have lived apart for too long and have seen the bitter consequences. Or we can live together, with all the painful readjustments this will require. It is the only road to peace and stability. Whatever happens, we will be sharing the same piece of earth for a long, long time.

We know that when we are dealing with human conflict, whether in a divided community, a divided country, or a divided globe, that it is the building of mutual trust and not mutual fear that will solve the problem of conflict.

ELISA ESTRADA

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. DYMALLY. Mr. Speaker, recently I had opportunity to offer the eulogy for Elisa Estrada, wife of my field representative Thomas Estrada. I wish the eulogy included in the CONGRESSIONAL RECORD.

As we gather to mourn the passing of someone whom we love, let us reflect on the joy she brought to our hearts while she was with us.

We are all consoled by the rich qualities which follow her as the good Lord receives her.

Elisa Estrada was a loving mother, a faithful wife and a sincere friend to all of us.

To those of us who knew her, she brought a sense of tenderness, a profound touch of thoughtfulness, and a quiet quality that made her an exceptional person.

My family and staff remember her as a very caring person—one who was always willing to help others.

A polite and kind woman, she inspired us with her warmth and her love for her family.

Her tolerance and humility touched our lives in a way that forced us to think about our family, friends and ourselves.

In weeping her passing we shed tears of joy because we know deep in our hearts she was a genuinely good and kind person.

She leaves with us fond memories. Her passing should inspire us to possess those qualities which made her so strong.

We will miss her; however those emotions will be emotions for someone who loved us and whom we loved so dearly.

For her contributions to all of us—family and friends—God will bless and protect her. May she rest in peace.

ATLANTIC CITY ELECTRIC COMPANY CELEBRATES 100 YEARS OF SERVICE

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. HUGHES. Mr. Speaker, I rise to pay tribute to the Atlantic City Electric Co. as it celebrates 100 years of service to its customers and the south Jersey region.

On April 23, 1886, the predecessor of Atlantic City Electric Company, The Electric Light Co. of Atlantic City, was first formed with two generators from Thomas Edison's new company to provide electric lighting to 50 customers in Atlantic City. At about the same time, the Bridgeton Electric Light Co. was also organized.

In 1907 the company merged with Atlantic Electric Light and Power Co., New Jersey Hot Water Heating Co., and the Atlantic City Suburban Electric Co. into Atlantic City Electric Co. They installed larger generators and modernized their distribution system. As they produced more electricity for less money, a lot of the smaller generating companies in the surrounding area were merged into their system.

In 1927, the Atlantic City Electric Co. and the Electric Co. of New Jersey (including the predecessor Bridgeton Electric Light Co.) united the eastern and western area of southern New Jersey into almost 2,700 square miles of safe and reliable electric energy service.

On May 1, 1930, the company opened the Deepwater generating station, Salem County and began, with the DuPont Chambers Works, one of the oldest continually operated commercial applications of cogeneration in the United States.

Beginning in 1945, American Gas and Electric Co., now American Electric Power Co., divested itself of the Atlantic City Electric Co. In 1949, Atlantic City Electric Co. struck out on its own under its first independent president, Bayard L. England. The company worked to overcome the common belief that Atlantic Electric served just a thin strip of sandy resortland. For the first time, the diversity of southern New Jersey—including its agricultural community, its glass and chemical manufacturing, its food processing, as well as its fine resorts—became widely known.

In January 1950, the company reached another milestone when the name, "Atlantic City Electric Co." went up on the New York Stock Exchange's "Big Board". It was the first time that any stock bearing the name "Atlantic City" had appeared on any exchange.

In 1962, the B.L. England generating station, Cape May County, began producing electrical energy for the company and its south Jersey customers.

Atlantic City Electric Co., beginning with a handful of employees 100 years ago, today employs over 2,000 persons across the southern New Jersey region. Over the years, the company has provided community service to such important events in southern New Jersey as the 1929 Atlantic City Diamond Jubilee, the stationing of troops during World War II at the Pomona and Rio Grande Air Bases, the building of the Delaware Memorial Bridge, and supplying a large additional amount of electric power necessary for the 1967 Summit Conference at Hollybush between Soviet Premier Kosygin and U.S. President Lyndon B. Johnson.

Throughout the company's history, important information on the safe and proper use of electricity has been provided by company employees. The company has provided outstanding leadership in energy conservation programs throughout the State of New Jersey. In a time of national emergency, Atlantic City Electric Co. was one of the first electric utilities in the Nation during the 1973 oil embargo to reconvert its generating stations to coal. On November 5, 1981 Electric Light and Power Magazine named Atlantic City Electric Co. as the outstanding electric utility of the year.

In 1980 Atlantic Electric adopted a strategy called the New Direction to meet customer needs in the future. Because a new generating station costs much more to build and to run than any of their existing facilities, the company has encouraged its customers to conserve electricity especially during peak demand periods so that electric usage would be available to sell to new south Jersey customers. This energy efficiency can satisfy current customers and stimulate economic growth by making room for other customers without the need for expensive new facilities which will result in higher electric rates for southern New Jersey customers.

During this centennial year, Atlantic Electric deserves to be specially recognized for its 100 years of service to the people, communities, and organizations of southern New Jersey.

MARCH: YURIY SHUKHEVYCH MONTH

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. BROOMFIELD. Mr. Speaker, I am proud to inform my colleagues in the Congress that March has been declared Yuriy Shukhevych Month. The national executive board of the Ukrainian Student Association of Mykola Michnowsky [TUSM] and the Ukrainian-American community at large recently honored Mr. Shukhevych in this manner. I want to commend those organizations for their action and praise them for their excellent work in telling the story of Mr. Shukhevych to America and the world.

There are many tragic stories about human rights violations in the Soviet Union. As we all know, the Ukraine, a once free and independent country, was forcibly absorbed into the Soviet empire. The sufferings of Ukrainians who have attempted to preserve their national identity and battle for their liberties are well known.

The case of Mr. Shukhevych is a particularly memorable and sad one. From the age of 15 until now, he has been serving a continuous sentence in Soviet concentration camps. His only so-called crime is the fact that his father, Roman Shukhevych, was the commander-in-chief of the Ukrainian Insurgent Army [UPA] which fought bravely on two fronts against Hitler's Nazi Germany and Stalin's Russia during World War II. Roman Shukhevych, known as Taras Chuprynka, continued the Ukrainian revolution for national liberation into the 1950's.

Mr. Yuriy Shukhevych, now 56 years old, is still in a concentration camp because he failed to renounce his father and the Ukrainian liberation struggle. Although blind and in poor health, Yuriy is serving his exile in a hard labor camp in the Tomsk region of Siberia. He works 12 hours of manual labor every day under difficult conditions.

Why does the Government of the Soviet Union punish a man who has done nothing wrong? Why is the Kremlin brutalizing a man who has done nothing wrong? Why is the Kremlin going to such trouble to deny basic liberties to an innocent human being?

I am undertaking an effort to work with Soviet authorities to obtain an exit visa from the Soviet Union for this long-suffering man. I am confident that Soviets officials will understand why Yuriy and his family want to leave the U.S.S.R.

Let us hope that March, the beginning of spring, will bring a change in attitude on the part of Soviet authorities. It is time to let Mr. Yuriy Shukhevych go and have the freedom which he justly deserves.

JASON WILLIAM REED, NEVADA STATE WINNER, VOICE OF DEMOCRACY

HON. HARRY REID

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. REID. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its ladies auxiliary conduct the Voice of Democracy scriptwriting contest. This year more than 250,000 secondary school students participated in the contest competing for the six national scholarships which are awarded as top prizes. The contest theme this year was "New Horizons for America's Youth."

Mr. Jason William Reed was the Nevada State winner of the award this year. He is an 18-year-old senior at Bonanza High School and is active in student government, where he has held many positions including student body president. Jason plans to go to college and major in dramatic arts and political science.

Jason is a proud example of the extraordinary young leaders in our country and in Nevada. I wish him the best in his future endeavors. The following is a reprint of this fine young man's winning speech.

NEW HORIZONS FOR AMERICA'S YOUTH

1985/86 VFW Voice of Democracy Scholarship Program Nevada Winner: Jason Reed, Las Vegas, NV

It was 1787 when our supreme Constitution was established; the young men who gathered at the convention to create this historic document included some of the most notable names in American history. The roster read much like a modern day fourth of July oration; a patriotic hymn. It was a meeting of wise, young men: Charles Pickney was twenty-nine; Alexander Hamilton, thirty; Rufus Kings, thirty-two; and Jonathon Dayton, a mere twenty-six years old. Fifty-five young American men, some who had signed the Declaration of Independence, some who had fought in the Revolutionary War; all gathered together to create an outline for American law and order. American youth has begun to contribute to, and participate in, the development of our priceless nation.

Just like those young men of 1787, our modern day youth in America play an indispensable role in the development of our American values. Each morning we Americans can experience not only the radiance of the rising sun, but also the creation of youthful ideas. Just as our dependable, omnipotent sun climbs over the horizon, so do new generations of youth ascend towards new opportunities.

As humans, we can all be considered representatives of youth; for people of all ages can continue to grow intellectually and to develop more maturity with each new learning experience. As Americans, you and I have been granted by our past generations not only the opportunity to exist, but also the supreme gift of and benefits from freedom and liberty.

History has proven that progress is most swift when people are free to worship, create, and build. The dream of achieving human progress through freedom remains the most revolutionary idea in the world. This idea is the heritage that Americans

bestow on each new generation, thus enabling new horizons of opportunity to arise and develop.

How appropriate that President Reagan declared 1985 as International Youth Year! It was a time to reflect on our cherished freedom, to exchange ideas with other young people around the world, to enhance the observance of human rights, and to promote world peace, in his youth year proclamation, our President stated, 'Ameria's youth are the proudest ambassadors of goodwill and our national values.'

As American youth, we have the freedom to use our enthusiasm, creativity, and idealism in our everyday endeavors. Our horizons are seemingly limitless due to the heroic efforts of our American forefathers. Thanks to their courage, patriotism, and dedication to American ideals, each new generation is entitled to a variety of freedoms.

Our American system of government has been built with knowledge accumulated from centuries of experience, traditions, thoughts, and deeds. Teachers and a multitude of various youth organizations have also played an invaluable role in fostering and strengthening the traditions and morals of each new generation. Throughout the years our priceless freedoms have continued to multiply, creating numerous liberties for future generations.

William Bennett, Secretary of Education for the United States stated, that the uprising of our country's youth can be contributed to the display of their outstanding character with traditional American values, an appreciation of our political and economic freedoms, and a dedication to patrirotic pricipals.

For some two hundred years our country has thrived on the ideals of our youth. Each successive generation has made its contribution to strengthening our scintillating sum of democracy. The glowing sphere of inspiration has created so many new opportunities for the future; your future, my future, our future.

As an American youth, I, too, am entitled to the many freedoms and liberties my country has to offer. I have the freedom to receive an outstanding education, specializing in any area which I choose and I can set and achieve my personal goals including where to live, which career I wish to pursue and whom I will marry. These dreams have become realities due to the dedication, responsibility, and commitments of past generations of Americans.

Our young forefathers created a remarkable document when they wrote the Constitution of the United States. Not only did they establish an outline for American law and order; they also forged a legacy of history which would constantly provide new horizons for our American youth.

NATIONAL ASSOCIATION OF STATE DIRECTORS OF VETERANS AFFAIRS CONTINUES VITAL WORK

HON. MARVIN LEATH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. LEATH of Texas. Mr. Speaker, the National Association of State Directors of Veterans Affairs has, for 40 years, successfully dedicated itself to the timely and compassionate delivery of benefits and services to our veterans and their families.

Comprised of directors from 48 States, the District of Columbia, American Samoa, the Virgin Islands, and Guam, the association is a vital network through which we can better administer those programs developed in gratitude by a nation proud and protective of its defenders.

The association recently held a luncheon for the purpose of honoring Senator DENNIS DECONCINI of Arizona as its man of the year with the following words:

In recognition of his commitment to excellence in the U.S. Senate, an Army veteran himself, he is a courageous advocate on behalf of America's veterans, which has made him one of this country's most widely respected legislators.

During the luncheon, some very fitting remarks regarding the association and its work, as well as the status of veterans' benefits, were delivered by John S. Staum, Commander-in-Chief of the Veterans of Foreign Wars. I would like to share with my colleagues these very appropriate and thought-provoking comments:

Thank you Leo [Leo Anderson, Washington, DC, liaison officer of NASDVA], for your warm introduction, and to all the members of the National Association of State Director of Veterans Affairs thank you for asking me to be with you today.

Richard [Richard L. Countryman, president of NASDVA], I want to congratulate you on your leadership of this vital veterans organization. The serious work that is being done by your members and State service officers often goes unheralded by the American public, but believe me, as I have traveled throughout the country I have seen firsthand that your work is deeply appreciated by people who often do not have the ability to thank you personally.

As most of you know, I am here in Washington this week to attend the VFW's annual Washington conference. Along with almost 2,000 other VFW members we are here discussing a wide range of subjects: From the always dominant veterans affairs issues, to national security and foreign affairs. After our conference concludes on Tuesday evening, we are conducting a department service officers meeting that will terminate on Saturday.

I know that our service officers are going to profit from this meeting and ultimately assist each of you in better serving the needs of veterans in your home States.

I wish that I could spend the few minutes that I have remaining here with you discussing more pleasant subjects than what I am going to say, but I can't. The crisis confronting veterans programs makes that impossible this year.

The continuing attacks on and piecemeal reductions in veterans programs is a matter of serious concern to everyone in this room. It's not simply a matter of minor belt tightening. People's lives, health, and dignity are at stake, and the VFW is concerned—just as your association is.

Here's how I see our responsibility. Our responsibility is for those veterans for whom we are advocates, the veterans who must rely on the VA for their health and financial survival: The 1.2 million inpatients; the 20 million outpatients; the service connected veterans that need and are entitled to VA care; the non-service-connected medically indigent veteran for whom a Medicare copayment and deductibles could mean a substantial reduction in their quality of life; the increasing number of older veterans who must rely on the VFW for quality health care with dignity; and yes, for the over 37,000 veterans that are being turned away each month. Those 37,000 who are turned away make me question: Where did they go? What ever happened to them? Does anyone care? Does anyone know?

I am not speaking of 28 million veterans, I am speaking of the 4½ million veterans that the VA says are presently using the VA medical system, the service-connected and non-service-connected permanently and totally disabled who are potentially eligible, the increasing number of aging veterans who will depend more and more on the VA. These are the men and women for whom continuation of VA programs is essential.

By your presence here today, I know that you are also concerned, and I ask your assistance, at either the State or national level, whenever and wherever you can provide it.

I am telling our membership that the VFW, and all veterans, must stand together and let our voices be heard in unison to keep the very life of VA programs from being snuffed out. Our opponents are powerful entities such as the Heritage Foundation, the Congressional Budget Office, the administration, and the recommendations of the Grace Commission. Their solutions sound plausible, but they are not reasonable.

I ask for your help, and I thank you for inviting me.

A POEM FOR THE McAULIFFE FAMILY

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. STOKES. Mr. Speaker, on February 10, 1986, in recognition of Black History Week, I visited the Moreland Hills School in Pepper Pike, OH. I was very impressed by the elementary students in attendance there. They were bright, enthusiastic, and posed many excellent questions that demonstrated their knowledge of the world around them.

Mr. Speaker, I was especially impressed by a poem written by Bill Janke, aged 9, who is a student at Moreland Hills. The poem displays a great deal of talent, compassion, and understanding that is rarely found in a child of such tender years. I would like to share this poem with my colleagues in the House.

BRAVE

(A Poem for the McAuliffe Family)

Brave, brave
So very brave she was
To go up in the sky;
Up, up until it turned so black.
Very sad to see her go
So sad and very bad.
But look on the bright side
Her spirit will never leave you.
Brave, brave
So brave she was, so brave.

NATIONAL DRIVER REGISTER

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. DORGAN of North Dakota. Mr. Speaker, one of two Americans will be the victim of an alcohol-related crash. That's a startling statistic. In 1982 Congress was startled enough to take action. On October 25, 1982, H.R. 6170, a bill to establish a "National Driver Register," became a law. The register was to be a valuable tool for law enforcement officials in their battle against one of the most deadly criminals—the drunk driver.

Under a two-part phasein, the register was designed to assist State driver licensing officials in exchanging information regarding the motor vehicle driving records of individuals.

So that all States could participate as soon as possible, part one of the project would use existing telephone lines to relay the necessary data. In just 24 hours, participating State driver licensing officials could learn the driving history of an individual who may be licensed in more than one State.

Part two of the project would involve four States in a pilot program using state-of-the-art electronic technology to enable State driver officials to obtain information from the National Register instantly.

Unfortunately, 3½ years after the law's enactment, little progress has been made. Only 11 States—Alabama, Idaho, Illinois, Mississippi, New York, Washington, Wyoming, Arkansas, Arizona, Virginia, and North Dakota—are participating in part one of the project. The statute dictates that the pilot program begin within 2 years of its enactment. Officials at the Department of Transportation inform me that next month the four States will be chosen and the pilot project will not begin for an additional 16 months later. Thus, it will be almost 5 years before the National Driver Register fulfills its mandate.

The statute also requires the Secretary of Transportation to appoint a 15-member advisory committee to meet at least once a year and to publish an annual report of the National Driver Register's progress. Obviously the progress has been minimal and the committee knows it—they have only published one annual report. It covers May 1984 through May 1985 and was published in September of 1985.

The statistics are startling. Congress passed a law to assist States with the vital task of reducing the risk of alcohol-related accidents. I am astounded that this administration has not followed through with its obligation to implement a law with such important consequences.

Today I am sending a letter to the Secretary of Transportation and to the chairman of the advisory committee asking that they respond to me regarding the delays in the implementation of the National Driver Register.

THE PRODUCT LIABILITY UNIFORM STANDARDS ACT

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. ROTH. Mr. Speaker, today I am introducing legislation, the Product Liability Uniform Standards Act [PLUS], to establish a national product liability law and reform our current tort system. These reforms are urgently needed to stabilize a system that has been exemplified in recent years by runaway costs and has become a definite drag on the economy.

U.S. Supreme Court Justice Oliver Wendell Holmes wrote, "The tendency of the law must always be to narrow the field of uncertainty." That tendency has not been very apparent lately. Without certainty and predictability, plaintiffs sue, defendants don't know how to protect themselves and insurance companies can't reasonably assess risks and price.

Blame has been allotted all around—on lawyers, insurance companies, judges and juries who award large damages, and a litigation-happy American public. There have been a number of complicated solutions offered. My bill gets back to the basics and follows Justice Holmes' advice, that is, it narrows the field of uncertainty.

I see five crises in the field of product liability. My legislation addresses each one of those problems in a simple, clear-cut fashion. This bill is designed to meet the needs of the great majority of industries facing product liability standards, but it does not get bogged down on specific definitions that could tie up courts for years in interpretation. It does, however, send a clear message to the courts of this country that this current madness must end.

The first crisis is that of incomprehensible standards. Currently the law regarding product liability is unmanageably open ended which makes it unfathomable to courts.

The solution is to make negligence the sole test for all defective design and failure to warn product liability cases. It is only logical that the burden of proof should be with the plaintiff. In this way we can narrow the expansion of the law of the last few years.

The second crisis that needs addressing is the rising amount of punitive damage awards. "Punies" have become the real surprise element in product liability cases. Just when a defendant thinks he has paid all the costs involved with the case, he is hit with an additional cost because he did not pay up fast enough.

To bring stability, predictability and fairness to punitive damages, we need clearly articulated standards that set forth the kind of aggravated conduct for which courts will impose punitive damages. Thus, in my legislation plaintiffs would have to prove by "clear and convincing evidence" that the defendant was in violation. This is a standard higher than the current "preponderance of evidence." Hence, punitives can be awarded where truly deserved, but the judge is given a mechanism to reject punitive damages when the plaintiff fails to clearly demonstrate egregious fault.

The third crisis is the conflict between the tort and workers' compensation systems. Currently, when an employee is injured in the workplace, the employer has a lien against the plaintiff's ultimate tort recovery from the product manufacturer. This is true even if the employer is primarily responsible for the injury.

My solution is to subtract the worker's compensation recovery from the tort recovery and abolish the employer's present lien ability. The proposed solution would permit the plaintiff to retain the very same benefits he now enjoys and, at the same time, shift part of the cost from the manufacturer to the employer where it rightly belongs.

The fourth crisis involves innocent defendants being dragged into suits unnecessarily. At present, product liability suits involve suing the whole chain—retailer/wholesaler/manufacturer. The retailers and wholesalers ride along as defendants in cases in which they bear no ultimate liability. The manufacturer is held responsible in almost all cases.

To cut down on this unnecessary litigation I propose to release nonmanufacturers for the case unless: The plaintiff cannot assert jurisdiction over the manufacturer; there exists a "reasonable likelihood" that the plaintiff will not be able to collect judgment from the manufacturer; the nonmanufacturer is charged with primary negligence. The idea is to unburden our present court system.

The final crisis is one of ignorance. The fairness and economic efficiency of our tort system depends upon appropriate damage awards, yet we have no useful damage award data on which to evaluate the efficacy of our legal rules.

Consequently, I propose a comprehensive study of the actual facts concerning damages in products liability litigation. In this way, if there is a future need for capping amounts, we will have the statistics which will be necessary to make a sensible analysis.

We need product liability reform now. The current system has grown expensive and unpredictable. The cost of insurance has become outrageous and sometimes coverage is completely unavailable. If we don't bring common sense back into the system, society will pay the consequences.

To meet court and insurance costs, all products will become more expensive. And how will we muddle through—by allowing our standard of living to go down a bit, by becoming less competitive in the international marketplace, by allowing a number of small companies to go out of business. What is even more frightening is that soon there may be some necessary products and services that are no longer available at any price.

This legislation does not attempt to rewrite 200 years of tort law. It is designed to not further complicate the system or interfere with the rights of States unduly. It will not confuse judges or juries. My PLUS plan fairly addresses both the concerns of injured parties and the rights of manufacturers. I urge my colleagues to give this moderate and restrained proposal speedy consideration.

The text of the bill follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Product Liability Uniform Standards Act".

SEC. 2. DEFINITIONS.

As used in this Act—

(1) the term "claimant" means any person who brings a product liability action, and if such action is brought through or on behalf of an estate, the term includes the claimant's decedent, or if such an action is brought through or on behalf of a minor, the term includes the claimant's parent or guardian;

(2) the term "clear and convincing evidence" is that measure or degree of proof that will produce in the mind of the trier of fact a firm belief or conviction as to the truth of the allegations sought to be established; the level of proof required to satisfy this standard is more than that required under preponderance of the evidence, but less than that required for proof beyond a reasonable doubt;

(3) the term "commerce" means trade, traffic, commerce, or transportation (A) between a place in a State and any place outside of that State; or (B) which affects trade, commerce, or transportation described in clause (A);

(4) the term "manufacturer" means (A) any person who is engaged in a business to design or formulate and to produce, create, make, or construct any product (or component part of a product); (B) a product seller with respect to all aspects of a product (or component part of a product) which are created or affected when, before placing the product in the stream of commerce, the product seller designs or formulates and produces, creates, makes or constructs an aspect of a product (or component part of a product) made by another; or (C) any product seller not described in clause (B) which holds itself out as a manufacturer to the user of the product,

(5) the term "person" means any individual corporation, company, association, firm, partnership, society, joint stock company, or any other entity (including any governmental entity);

(6) the term "preponderance of the evidence" is that measure or degree of proof which, by the weight, credit, and value of the aggregate evidence on either side, establishes that it is more probable than not that a fact occurred or did not occur;

(7) the term "product" means any object, substance, mixture or raw material in a gaseous, liquid or solid state which is capable of delivering itself, or as an assembled whole in a mixed or combined state or as a component part or ingredient, which is produced for introduction into trade or commerce, which has intrinsic economic value, and which is intended for sale or lease to persons for commercial or personal use;

(8) the term "product seller" means a person who, in the course of a business conducted for that purpose, sells, distributes, leases, installs, prepares, blends, packages, labels, markets, repairs, maintains, or otherwise is involved in placing a product in the stream of commerce;

(9) the term "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States, or any political subdivision thereof.

SEC. 3. PREEMPTION OF OTHER LAWS.

(a) IN GENERAL.—(1) This Act supersedes any State law regarding recovery for any loss or damage caused by a product to the extent that this Act establishes a rule of law applicable to any civil action brought against a manufacturer or product seller for loss or damage caused by a product.

(2) This Act shall not be construed to waive or affect any defense of sovereign immunity asserted by any State under any provision of law.

(3) Nothing in this Act shall be construed to supersede any Federal law, except the Federal Employees Compensation Act.

(4) Nothing in this Act shall be construed to waive or affect any defense of sovereign immunity asserted by the United States.

(5) Nothing in this Act shall be construed to affect the applicability of any provision of the Foreign Sovereign Immunities Act of 1976 (28 U.S.C. 1602 et seq.)

(b) ENVIRONMENTAL LAWS.—(1) Nothing in this Act shall be construed to supersede—

(A) any environmental protection law that authorizes a State or a person to institute an action for civil damages, civil penalties, injunctions, restitution, cost recovery, punitive damages, or any other form of relief resulting from contamination or pollution of the environment, or the threat of such contamination or pollution, caused by any product defined by State or Federal law as a toxic substance or waste, hazardous substance or material, hazardous waste or other contaminant or pollutant;

(B) a right arising under the common law of a State to bring an action to abate a nuisance or otherwise protect against contamination or pollution of the environment, or the threat of such contamination or pollution, caused by any product; or

(C) any law relating to a civil action for loss or damage, cleanup costs, civil penalties or injunctive relief, if the loss or damage for which a remedy is sought was caused by the release into the environment, or the threat of release into the environment, of a toxic substance or waste, hazardous substance or material, hazardous waste or other contaminant or pollutant.

(2) As used in this subsection—

(A) the term "contaminant or pollutant" includes (i) anything defined or designated as a contaminant or pollutant under any Federal or State law, and (ii) any element, substance, compound, mixture, or organism which, after release into the environment and upon exposure, ingestion, inhalation, impact, attachment, or assimilation into any organism either directly from the environment or indirectly by ingestion through food chains, will or may reasonably be anticipated to cause death, disease, injury, behavioral abnormalities, cancer, genetic mutation, physiological malfunctions (including malfunctions in reproduction), or physical deformations, in such organisms or their offspring;

(B) the term "environment" has the meaning given to such term in section 101(8) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(8));

(C) the term "Hazardous waste" has the meaning given to such term in section 101(29) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(14));

(D) the term "hazardous waste" has the meaning given to such term in section 101(29) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(29));

(E) the term "law" means any law or authority, whether statutory or common; and

(F) the term "release" has the meaning given to such term in section 101(22) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(22)), and, in addition, the term includes any depositing or placing into the environment.

SEC. 4. LIABILITY.

In any product liability action in which the claimant alleges that the product is defective because of improper design, failure to warn, or failure to provide adequate instructions, the manufacturer or product seller shall be liable to the claimant only if the claimant establishes by a preponderance of the evidence that the manufacturer or the product seller was negligent, in that the conduct which brought about the defective condition of the product resulted from the failure to act as a reasonable manufacturer or product seller under the same or similar circumstances. The standard of care set forth herein shall govern whether the action is based on (1) strict liability or absolute liability; (2) breach of implied warranty of fitness for particular purpose. Nothing set forth herein shall prevent a claimant from bringing a cause of action for express warranty or any intentional tort.

SEC. 5. RESPONSIBILITY OF PRODUCT SELLERS.

A product seller shall be treated as the manufacturer of a product and shall be liable for harm to the claimant caused by a product as if it were the manufacturer of the product if—

(1) the manufacturer is not subject to service of process under the laws of the State in which the action is brought; or

(2) the court determines that there is a reasonable likelihood that the claimant would be unable to enforce a judgment against the manufacturer.

SEC. 6. EFFECT OF WORKER'S COMPENSATION BENEFITS.

(a) IN GENERAL.—In the case of any product liability claim brought by or on behalf of an injured person entitled to compensation under any State or Federal worker compensation law, damages shall be reduced by the amount paid as worker compensation benefits for the same injury plus the present value of all future worker compensation benefits payable for the same injury under the worker compensation law.

(b) SUBROGATION, CONTRIBUTION, IMPLIED INDEMNITY.—Unless the manufacturer or product seller has expressly agreed to indemnify or hold an employer harmless for harm to an employee caused by a product, neither the employer nor the worker's compensation insurance carrier of the employer shall have a right of subrogation, contribution, or implied indemnity against the manufacture or product seller or a lien against the claimant's recovery from the manufacturer or product seller, if the harm arose from the sale of a defective product by the manufacturer or product seller.

(c) THIRD-PARTY TORTFEASOR.—In any product liability action in which damages are sought for harm for which the person injured is or would have been entitled to receive compensation under any State or Federal worker's compensation law, no third-party tortfeasor may maintain any action for implied indemnity or contribution against the employer or any coemployee of the person who was injured.

SEC. 7. PUNITIVE DAMAGES.

(a) IN GENERAL.—Punitive damages may be awarded to the claimant if the claimant proves by clear and convincing evidence that the harm suffered was the result of the product manufacturer's or seller's reckless disregard for the safety of product users,

consumers, or others who might be harmed by the product.

(b) TRIER OF FACT.—The trier of fact shall determine whether punitive damages should be awarded, and the amount of those damages, if any. In making this determination, the trier of fact shall consider—

(1) the likelihood at the relevant time that serious harm would arise from the product manufacturer's or seller's misconduct,

(2) the degree of the product manufacturer's or seller's awareness of that likelihood,

(3) the profitability of the misconduct to the product manufacturer or seller,

(4) the duration of the misconduct and any concealment of it by the product manufacturer or seller,

(5) the attitude and conduct of the product manufacturer or seller upon discovery of the misconduct and whether the conduct has been terminated,

(6) the financial condition of the product manufacturer or seller,

(7) the total effect of other punishment imposed or likely to be imposed upon the product manufacturer or seller as a result of the misconduct, including punitive damage awards to persons similarly situated to the claimant and the severity of criminal penalties to which the product seller has been or may be subjected, and

(8) whether the harm suffered by the claimant was also the result of the claimant's own reckless disregard for personal safety.

SEC. 8. PRODUCT LIABILITY REVIEW PANEL.

(a) PANEL.—The Judicial Conference of the United States shall establish a Product Liability Damages Review Panel (hereinafter in this section referred to as the "Panel") to conduct the studies required by this section. The Panel shall consist of three individuals selected on the basis of their expertise regarding civil actions and recovery for loss or damage caused by a product.

(b) STUDY.—The Panel shall conduct an empirical study of damages in relation to the product liability litigation system. As part of this study the Panel shall evaluate—

(1) the nature and adequacy of damages in providing recovery for any loss or damage caused by a product,

(2) the relationship between economic loss and pain and suffering damages,

(3) whether damage awards differ among product categories and location of litigation,

(4) whether damage awards for economic loss, pain and suffering, and punitive damages differ depending on claimants' economic status, sex, race, or ethnic origin,

(5) the financial impact on industry and consumers of punitive damage awards,

(6) the impact of attorney's fees on the product liability system, and

(7) all such other relationships between damages and the operation of the product liability system that the Panel shall see fit to investigate. The results of the study shall be submitted to the Congress within 2 years after the date of enactment of this Act.

(c) COMPENSATION.—A member of the Panel who is not an officer or employee of the Federal Government shall be entitled to receive compensation at a rate of basic pay in effect for grade GS-18 of the General Schedule pursuant to section 5332 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the actual performance of the duties of the Panel.

(e) AUTHORIZATION.—There are authorized to be appropriated for the purposes of this section such sums as may be necessary in fiscal year 1985. Such sums shall remain available until expended.

SEC. 9. REVIEWABILITY.

It is the intent of the Congress that, in other than exceptional cases, the Supreme Court of the United States shall not review issues relating solely to the sufficiency of the evidence in cases arising under this Act which have been finally decided by the highest court of any State.

INTRODUCING LOW-INCOME HOME ENERGY ASSISTANCE REAUTHORIZATION

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. KILDEE. Mr. Speaker, I am pleased to be introducing today, along with Mr. TAUKE, the ranking minority member of the Human Resources Subcommittee, Mr. SHARP, chairman of the Energy and Commerce Subcommittee on Fossil Fuels, and Mr. MARKEY, chairman of the Energy and Commerce Subcommittee on Energy Conservation and Power, legislation to reauthorize the Low-Income Home Energy Assistance Program [LIHEAP] for 3 additional years.

The Congress has long been concerned with the impact of high energy costs on the poor and those living on fixed incomes. LIHEAP, as we now know it, grew out of a number of previous programs developed to help low-income families deal with rising energy costs. Many of these earlier programs were administered by the then Community Services Administration under the auspices of the Economic Opportunity Act. LIHEAP, administered by the Department of Health and Human Services, is currently authorized under title XXVI of the Omnibus Reconciliation Act.

Coping with high energy prices continues to be a problem facing many low-income individuals and families. Testimony presented before a joint hearing of the Human Resources, Fossil Fuels, and Energy Conservation and Power Subcommittees indicated that while many are being helped, the need for assistance far exceeds the program's ability to provide it. Based on a telephone survey done in January, the administration estimates that LIHEAP will serve about 7.3 million people in fiscal 1986. That represents about 31 percent of the total eligible population of 23.4 million across the country. Even when one takes into consideration the fact that many States set their eligibility criteria lower than the Federal standard, only 50 percent of the eligible population is being served.

LIHEAP has long enjoyed strong bipartisan support. I welcome my colleagues' support for this legislation.

The bill follows:

H.R. 4422

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORIZATION OF APPROPRIATIONS.

Section 2602(b) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621(b)) is amended—

(1) by striking out "2,140,000,000 for the fiscal year 1985, and", and

(2) by inserting before the period at the end thereof "and such sums as may be necessary for each of the fiscal years 1987, 1988, and 1989".

SEC. 2. CONSISTENT TREATMENT OF ENERGY ASSISTANCE PAYMENTS.

Section 2605(f) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8624(f)) is amended—

(1) by striking out "provided to" and inserting in lieu thereof "provided directly to, or indirectly for the benefit of,", and

(2) by adding at the end thereof the following:

"For purposes of determining any excess shelter expense deduction under section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e))—

"(1) the full amount of such payments or allowances shall be deemed to be expended by such household for heating or cooling expenses, without regard to whether such payments or allowance are provided directly to, or indirectly for the benefit of, such household; and

"(2) no distinction may be made among households on the basis of whether such payments or allowances are provided directly to, or indirectly for the benefit of, any of such households.".

SEC. 3. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect on October 1, 1986, or on the date of the enactment of this Act, whichever is later.

IN SUPPORT OF REAUTHORIZING THE LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. MARKEY. Mr. Speaker, I am proud to join as an original cosponsor of legislation to reauthorize the Low-Income Home Energy Assistance Program. The bill would authorize such sums as are necessary for the next 3 fiscal years. In addition, it would make clear that funds made available to poor families for energy assistance should not be counted for purposes of determining food stamp benefits. In this way we ensure that poor families are not put in the untenable position of having to choose whether to heat or eat when applying for Federal assistance.

The LIHEAP Program is a critical part of the Nation's tattered safety net for poor households. However, this net is small and the threads are very thin. The fact is that most families eligible for this program never receive any help. There are three primary reasons for this unfortunate situation.

First, funding has never been sufficient to serve the 22 million eligible households. Current appropriations are only about $2 billion. Yet, if everyone eligible were to receive the average amount provided by each State today, this would require a Federal appropriation of nearly $5 billion.

Second, it is very difficult to reach eligible households who have not already identified themselves through AFDC or SSI. Yet this is fundamental to running a fair program. The

working poor and the nonwelfare elderly constitute the majority of eligible households. They need energy assistance as much, if not more, than those receiving welfare. Many administrators have tended to take the easy route by simply sending assistance to people whose names and addresses are already in their computers. But in this case, administrative simplicity can exclude the majority of the intended beneficiaries of LIHEAP.

Third, even those who get assistance actually receive, on average, only enough to cover about 45 percent of their heating bills, not to mention the rest of their home energy costs. These families find themselves, in effect, drowning in a raging river, but when the Federal Government arrives to help these drowning families, it doesn't pull anyone ashore. It doesn't even throw them a lifering. It throws them half a lifering, and expects these families to find the other half out there in the rapids.

In 1984, Congress reauthorized this program for 3 years. For fiscal year 1986, we authorized $2.275 billion, but appropriated only $2.1 billion. This was subsequently reduced by the fiscal year 1986 Gramm-Rudman cuts to $2 billion. Nevertheless, those of us who have fought for this program are proud that these levels have been maintained over the vigorous opposition of the administration. The President tried to cut this program by 24 percent in 1982, by 31 percent in 1983, by 34 percent in 1984, and by 10 percent in 1985.

Then, for fiscal year 1986, the President tried to shift 38 percent of the funding—$800 million—from regular appropriations to trust funds held in escrow for consumers who were the victims of oil overcharge violations. This source is very unreliable, since there is no requirement that any oil overcharge funds be spent on LIHEAP.

Given this history, I am pleasantly surprised at the administration's request for fiscal year 1987. For the first time since the President took office, he has asked for a cut. Taking inflation into account, the request of $2.1 billion will probably keep the program frozen for fiscal year 1987.

I look forward to working with my colleagues in reaffirming our commitment to this program at the earliest opportunity.

SALUTE TO THE HAMBURG JAYCEES

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. YATRON. Mr. Speaker, May 5, 1986 marks the 35th anniversary of the chartering of the Jaycees Chapter in Hamburg, PA. In conjunction with this important occasion, the Hamburg Jaycees will be holding their 34th annual president's ball. At the ball, outstanding Jaycees of the past year are honored and officers for the coming year are installed. It has come to be one of the top social events for the Jaycees.

I can think of no better occasion to honor the Hamburg Jaycees. They have provided Berks County and the surrounding area with 34 years of selfless, dedicated community service. They are best known for their sponsorship of Hamburg's king frost parade. The parade is held each year at the end of October and has become a popular attraction throughout Pennsylvania. Also, through their community services, the Jaycees have brightened the lives of countless citizens in our area.

I want to congratulate the Hamburg Jaycees on their 35th anniversary and I wish them a most successful celebration on May 10. I know that my colleagues will join me in honoring them for their 35 years of dedicated community service and in wishing them continued success in the future.

TRIBUTE TO OLOF PALME

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. FASCELL. Mr. Speaker, on Saturday the funeral of Swedish Prime Minister Olof Palme took place. Once again the world was reminded of the vulnerability of government leaders to an assassin's bullet. Mr. Speaker, the assassination was a tragic and pointless act of violence.

Mr. Palme was a man of peace. He sought to bridge the gap between rich and poor nations and promote economic development through his work on the Brandt Commission. He served as a United Nations emissary in an effort to resolve the Iran-Iraq war. He also headed an international commission that sought to advance the process of reducing nuclear weapons stockpiles through a number of concrete proposals.

While Mr. Palme often took positions in disagreement with United States policy, his criticisms of the Soviet invasions of Czechoslovakia and Afghanistan and his handling of Soviet submarine intrusions in violation of Sweden's sovereignty made him a consistent defender of the Swedish tradition of neutrality. Whatever disagreements we may have had on certain issues, United States-Swedish relations remained successful and mutually beneficial.

I wish to express my sympathy to the family of Mr. Palme in their great personal loss and to the Swedish nation in the loss of their national leader. I am confident that United States relations with Sweden will continue on the productive course that Mr. Palme helped to establish.

THE CUYAHOGA COUNTY BAR ASSOCIATION 40TH ANNUAL PUBLIC SERVANTS MERIT AWARD RECIPIENTS

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. STOKES. Mr. Speaker, on Wednesday, February 26, 1986, the Cuyahoga County Bar Association hosted its 40th Annual Public Servants Merit Award luncheon to salute the exceptional work of five county court system employees.

I take this opportunity to commend the Cuyahoga County Bar Association and congratulate the five public service award recipients.

Mr. Speaker, each of the honorees has accumulated an average of 30 years of service within the Cuyahoga County court system. The honorees are: Mr. Alfred Fietko, chief deputy court administrator, court of appeals, eighth district; Mr. Francis J. Hogan, casework supervisor, probation department, juvenile court; Mr. Andrew Ladika, bailiff, deputy clerk to presiding Judge Francis J. Talty, probate court; Mr. Thomas F. O'Toole, intake supervisor, probation department, Cleveland Municipal Court; and Mr. James E. Paul, project coordinator, county clerk's office.

At this time, I would like to share the accomplishments of the honorees with my colleagues.

Mr. Alfred Fietko began his career with the court system in 1960 as a personal bailiff to Judge Thomas Parrino. He currently serves as chief deputy court administrator in the court of appeals where he directs and supervises the administrative staff of the court, directs and assigns all of the court's hearings, panels and proceedings, prepares all statistical data required by the court, and serves as liaison between the public, the bar, and the bench.

An Army Air Force veteran, Mr. Fietko is a graduate of Kent State University and has also studied court management at Cleveland College.

The second honoree, Mr. Speaker, is Francis J. Hogan, who serves as a casework supervisor with the juvenile court's probation department. Mr Hogan supervises probation officers, presents cases in court when necessary, and counsels both parents and juveniles.

Mr. Hogan holds a master's degree from Western Reserve University and in 1967–68 was recipient of an award from the Ohio League of Civil Service Commissions in recognition of meritorious public personal service as president of that organization.

Mr. Speaker, the third honoree, Mr. Andrew Ladika, has spent 25 years in public service and is currently bailiff and deputy clerk to Judge Francis J. Talty of the probate court where he is in charge of the jury and witnesses, keeping order in the court and assisting the court administrator. He began his career in 1960 as a civil bench process server.

Mr. Thomas F. O'Toole, the fourth honoree, has dedicated his entire 30 year career to public service. A graduate of John Carroll University, he began his career in 1955 as a caseworker in the probation department of the Cleveland Municipal Court and rose to the position of supervisor. As intake supervisor, Mr. O'Toole oversees the performance of six probation officers who perform pre- and post-sentence investigations.

Mr. Speaker, Mr. James E. Paul is the fifth honoree this year. He began his affiliation with the court system in 1955 as a title cashier for the clerk of courts. Currently, he serves as project coordinator in the automobile title department of the clerk of courts and is responsible for the leases for all five auto title locations as well as answering subpoenas for the title section.

Mr. Speaker, I am extremely honored to join in the salute to these dedicated public servants. Mr. Fietko, Mr. Hogan, Mr. Ladika, Mr. O'Toole, and Mr. Paul have served the city of Cleveland in exemplary fashion, and serve as a fine example of the Cleveland court system. I join with the Cuyahoga County Bar Association, its president, Mr. Joseph G. Schneider and the merit awards committee chairman, Mr. Franklin A. Polk in paying tribute to the 1986 Public Servants Merit Award recipients.

H.R. 4332—FEDERAL FIREARMS LAW REFORM ACT OF 1986

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. RODINO. Mr. Speaker, I wish to inform the Members of the House that I will request the Rules Committee to grant a rule on H.R. 4332—Federal Firearms Law Reform Act of 1986—which was unanimously (35 to 0) voted out of the Committee on the Judiciary.

I intend to request a rule which provides for 2 hours of general debate, making in order germane amendments to the bill which have been printed in advance in the RECORD.

Any Member wishing to have an amendment made in order should make sure that it is printed in the CONGRESSIONAL RECORD in advance.

LEGISLATION TO PROHIBIT OPIC FROM SUPPORTING FINANCIALLY EXPORT OF CITRUS CROPS

HON. TOM LEWIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. LEWIS of Florida. Mr. Speaker, the Overseas Private Investment Corporation [OPIC] announced its intention to change its policy regarding assistance to U.S. sponsored investments in projects involving citrus. Accordingly, OPIC will now consider insuring and financing projects which result in the exportation of frozen concentrated orange juice [FCOJ] to the United States.

If implemented, this decision will have a devastating effect on citrus growers across this country.

Strong opposition has already been heard throughout the domestic citrus industry regarding OPIC's decision. Their concerns are understood when one considers the ever-increasing supply of FCOJ from abroad, the dramatic drop over the past year in the pound solid price for oranges received by growers, the damage incurred to my State of Florida's citrus trees due to three severe freezes, and the problems surrounding the industry's battle with citrus canker.

At a time when a domestic industry is sorely in need of the deserved assistance from its own Government, OPIC's decision serves only to put the squeeze on the U.S. citrus industry.

In order to reverse this industry-threatening decision, myself, Congressman IRELAND, and other Members of the Florida delegation have introduced legislation prohibiting OPIC from supporting financially the export of citrus crops.

We encourage all our colleagues who sympathize and understand how damaging this decision could be to our domestic citrus industry to join with us on this important legislation.

MR. DANIEL YOHALEM, IN DEFENSE OF CHILDREN

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. FAUNTROY. Mr. Speaker, Daniel Yohalem—a leader in the national and local District of Columbia movement for the past 12 years on behalf of poor, handicapped, and minority children—has recently left the Children's Defense Fund, where he served as program director.

The Children's Defense Fund, the District of Columbia's and America's citizens under 21 have indeed lost a compassionate and caring champion, who over the past dozen years has been instrumental in many court breakthroughs on behalf of handicapped and disadvantaged children. He has litigated civil rights, education and deinstitutionalization cases in a variety of States, including DC, Mississippi, Louisiana, and New York. He has been at the vanguard of congressional and administrative advocacy to improve Federal enforcement of health, welfare, and education programs for children.

Originally from Mount Vernon, NY, he received his BA from Yale University in 1970 and his law degree with honors from Columbia University Law School in 1973.

Mr. Yohalem joined CDF in 1973 as a staff attorney and was responsible for the bulk of the fund's special education and deinstitutionalization cases on behalf of the Nation's poor and minority children.

In 1979, he became the Children's Defense fund's legal director. In this capacity he worked on the full range of the fund advocacy of issues including education, child health, foster care, child care and income support. In addition to his years as a litigator, he has worked on Federal regulatory and enforcement matters, testified before Congress on numerous occasions, organized parent and advocacy group efforts for Federal policy reform, coauthored handbooks on Federal special education laws and on policy activity for nonprofit organizations, and written about the role of litigation as part of multistrategy law reform.

Mr. Yohalem became program director of Children's Defense Fund in 1981. In this capacity he was responsible for planning, coordination and managing CDF's programmatic agenda for the District of Columbia and the Nation.

He left CDF in December to write, explore and spend more time with his family. Yet he remains committed to the plight and problems of America's youth, and we shall expect to hear much more from him in the future.

Upon his departure, the newsletter of the Children's Defense Fund dedicated its monthly newsletter to Daniel Yohalem, which I commend to all my colleagues:

DEDICATION

This issue of our newsletter would not be complete without a few words about and to our departing Program Director, Daniel Yohalem.

Dean of the CDF official family, Dan has become an institution within the institution. This man of conflicting character facets has given generously and steadfastly over the years of his skills, energy and time to help build CDF into the organization that it is today. His caring and attention in charting a safe path through sometimes murky waters has been a testament to his commitment—even in the face of impossible time constraints, harassed and irascible co-workers, conflicting considerations, and the loneliness of doing what he knew was right—to the principles for which CDF stands.

Dan leaves CDF at a crucial time while the organization is at a fork in the road of its internal development. It somehow seems contradictory that he who knows so much about CDF is leaving at this time, but there really would never be a 'right' time for Dan to leave CDF.

But whatever the effect of Dan's departure from the organization, the fact is that it is an imminent reality. And on that basis we must now look to making his departure as guiltless as possible—he has more than paid his dues—and let him know how much his efforts have been appreciated. We have all benefitted from this (lately greater) patience, good will, relative pragmatism, and intellect. We expect to continue to benefit from the onobstrusive, more obvious, and indelible marks he will leave with us when he goes.

We accept your departure serenely, Dan, because it is what you seem to wish. But we give back to you the good will and support that you have shown us over the years. So we bid you good luck in your future undertakings and know that we will be hearing about them from you, for you will keep in touch. And we wish to do one other thing to show the great esteem in which you are held. We dedicate this issue of our newsletter to you, Dan.

From all your friends at CDF.

POLISH HOLOCAUST

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. LIPINSKI. Mr. Speaker, I wish to bring to the attention of my colleagues the plight of Polish Gentiles under Nazi rule during the Second World War. World attention has focused, and rightfully so, on the mass extermination of the Jews during the War, but very little heed has been paid to another group that suffered extensively at the hands of the Nazis—non-Jewish Poles. It is for this reason that I would like to include in the RECORD a book review published in the March 1 edition of the Polish National Alliance newspaper, Zgoda that deals with this tragic and nearly forgotten chapter in Nazi atrocity:

A FORGOTTEN HOLOCAUST: POLISH HOLOCAUST

(By Wojciech Wierzewski)

"The world has rightly been made aware of the fate of millions of European Jews

under the Nazis' "final solution", but it is much less aware of what Richard C. Lukas calls "the forgotten holocaust", whose victims included three million non-Jewish Poles. As this landmark study shows, the German treatment of Polish Gentiles was scarcely less barbaric than their treatment of Polish Jews, and a brotherhood of suffering existing under the German oppression that must not be forgotten."

This introduction by the editor of the newest book by professor Richard C. Lukas, a respected authority on Polish history in the U.S. describes very accurately the importance of "The Forgotten Holocaust, the Poles Under German Occupation, 1939-1944", recently published by the University Press of Kentucky. Indeed, this study gives us, finally, "one of those missing parts making a critical aspect of the history of the twentieth century more understandable."

The author confesses in the afterword that the additional motivation for his work was not only "a lack of understanding of the Holocaust in its broadest terms", but a dangerous and not justified tendency in the recent years to identify the horror and cruel experience of the Nazi terror in Europe only with the extermination of the Jews. He uses several examples showing how contemporary mass media (including American TV and movies) had reinforced the negative and even false image of the Poles during W.W. II. Just to mention a few are Gerald Green's "Holocaust", William Styron's "Sophie's Choice", Herman Wouk's "Winds of War", "The Wall" and recently—"Shoah."

All those pictures, strongly appealing to the imagination of the millions of the viewers, perpetuated constant distoration of the Poles and their history despite existing documents and the historical truth of that period. Unfortunately, because of the limited number of scholarly publications in English on this subject, and again, a common tendency to overshadow the Polish Holocaust by the Jewish, the better understanding of complexity and paradoxes of Polish-Jewish relations was not possible.

"The Forgotten Holocaust" describes in detail the terms of the German occupation in Poland, which started on Sept. 1, 1939 with a total war against the nation, mass street executions and systematical extermination of the intelligentsia, the core of the society. At the same time Richard C. Lukas presents broad and restless Polish efforts to organize the military resistance and the Home Army, to encourage the people in their determination to survive, and to demonstrate to the enemy that their rule is temporary. In the most exciting chapters the book presents all the activity of the Polish underground organizations and the government in exile—to help the Polish Jews and apprise the world by using the obtained evidence of the Holocaust. All those documents and facts prove that the Polish wartime experiences were special and deserve full respect.

The author shows how consequent and consistent was the strategy of the Poles from the beginning of W.W. II. No collaboration with the Nazis, strong commitment for fighting the occupants, very well organized underground uniting most of the nation. Such structure was unique in all German-occupied Europe. This explains not only the spirit of the Poles, but also the substantial military achievements (which contributed to the final victory of the allies, like the solution of V-1 and V-2 problems, breaking the secret of Enigma, partisan movement and sabotage). The book ends with a powerful description of the tragic Warsaw Uprising in August 1944, a dramatic example of the extent of determination of the Poles to fight and liberate themselves.

The Poles have paid a high price for their heroic behavior: 6 million perished on the battlefields, in prisons and in the concentration camps. More than half of them were non-Jews. Those impressive facts recalled by Prof. R.C. Lukas brings us today a clearer vision about the meaning of W.W. II on the Polish territory. Without hiding numerous controversies and complex subjects this book demonstrates how difficult and hard was that time for the inhabitant of Poland. At the same time the book confirms the image most of the Poles involved in struggle—both inside their country and on the side of the Allies—maintained. As a nation and as a society the Poles revealed a unique moral virtue in the moment of the harshest historical trial, during the Nazi occupation, and that image should be finally recognized and accepted by the western world after 41 years from the end of W.W. II.

THE 67TH ANNIVERSARY OF THE AMERICAN LEGION

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. ANNUNZIO. Mr. Speaker, on March 15, the members of the American Legion celebrated their 67th anniversary of the founding of their fine organization, committed to the service and care of our Nation's veterans. Today, after 67 years of service, the American Legion and its 3 million veterans, with the motto of "For God and Country," remains one of our country's leading patriotic organizations.

The American Legion has maintained the high standards it set for itself on March 15, 1919, when the delegates from the First American Expeditionary Force met in Paris, France, and reaffirmed that their responsibility to each other and to their country's citizens did not end with the signing of the armistice agreement. Their commitment to these standards was embodied in the preamble to the constitution of the Legion, which states:

For God and country we associate ourselves together for the following purposes: to uphold and defend the Constitution of the United States of America; to maintain law and order, to foster and perpetuate a one hundred percent Americanism; to preserve the memories and incidents of our associations in the great wars; to inculcate a sense of individual obligation to the community, State and Nation; to combat the autocracy of both the classes and the masses; to make right the master of might; to promote peace and good will on earth; to safeguard and transmit to posterity the principles of justice, freedom and democracy; to consecrate and sanctify our comradeship by our devotion to mutual helpfulness.

Today, members of the American Legion in about 16,000 local posts continue in their concern for the welfare of their fellow veterans and their dependents. This dedication of the Legion to the adjustment of veterans to civilian life, to restoring the veteran's health and usefulness to society, to maintaining his dignity, and to assuring the welfare of the veteran's widow and children, is most commendable.

Throughout the last 67 years, the Legion also has tirelessly worked to promote child welfare, national security, and patriotism. American Legion posts have contributed mightily to the strength and greatness of America—building community houses, playgrounds, swimming pools, and parks throughout the United States. Each year, posts have sponsored thousands of baseball and other athletic teams and Boy Scout Troops. In addition, in order to promote the study of the U.S. Constitution and the bill of rights, the American Legion holds an annual national high school oratory contest, offering a cash scholarship to the finalists.

Mr. Speaker, I am glad to join with the members of the American Legion in celebrating the 67th anniversary of their proud traditions of service to our veterans and this country, and I commend the Legionnaires in the 11th Congressional District of Illinois which I am honored to represent, and American Legionnaires all over this Nation, for their dedication to the ideals of our American heritage. I extend to all members of the Legion my best wishes for success as they continue to build on their splendid record of excellence and achievement in service to America.

FOR A NATIONAL PARENTAL LEAVE POLICY

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. STOKES. Mr. Speaker, last week, our distinguished colleague from Missouri, the Chairman of the Subcommittee on Labor-Management Relations, introduced the Parental and Medical Leave Act of 1986. This vital and timely legislation sets out to address the real needs of young families struggling to cope in today's hard-pressed economy. There is a growing need to reduce the economic strain on family life and H.R. 4300 goes a long way toward providing for the basic needs of our children. Later this month, the Subcommittee on Labor-Management Relations will conduct hearings on this most important legislation. As we prepare to address this subject I recommend the following editorial "For a National Parental Leave Policy" St. Louis Post-Dispatch, March 8, 1986—to my colleagues.

FOR A NATIONAL PARENTAL LEAVE POLICY

Reps. William L. Clay of St. Louis and Patricia Schroeder of Colorado have introduced a much-needed bill that would allow men and women up to 18 weeks of unpaid, job-protected leave to care for a newborn, newly adopted or seriously ill child. Now that there are more and more two-paycheck families, the proposed Parental and Medical Leave Act of 1986 woud ensure that working parents have time to care for their children without risking their jobs. As Mr. Clay puts it, working parents now face the "near impossible choice of being with their child or keeping their job."

Nearly half of all mothers of infants under 1 year of age work outside the home,

up from 24 percent in 1970. More than 80 percent of working women are in their child-bearing years, and 93 percent of them are likely to become pregnant during their work years.

Ms. Schroeder notes the disturbing fact that the U.S. is the only industrialized nation with no guaranteed parental leave. "The Superwoman has collapsed, collapsed of exhaustion," she says. "The work force has changed. It's time the work place changed."

In 1978, Congress passed the Pregnancy Discimination Act, which requires employers to treat pregnancy the same as other temporary medical disabilities. But the law does not deal with the question of job protection. Donna Lenhoff, associate director of the Women's Legal Defense Fund in Washington, notes that although 88 percent of large companies surveyed in a recent study allow unpaid maternity leave, only 72 percent of them formally guarantee the workers' jobs.

More changes are ultimately needed in the work place to help working parents and to encourage strong families: flexible work schedules, job sharing and child care, to name a few. But the bill is a positive first step. It deserve strong support.

HAIL TO THE CLEVELAND STATE VIKINGS

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Ms. OAKAR. Mr. Speaker, there was dancing on Euclid Avenue last Friday and again yesterday to celebrate the stunning victories of the Cleveland State Vikings in the east region of the NCAA basketball tournament in Syracuse. Applying a pressure defense and a lightning-quick offense, the Vikings established themselves as the Cinderella team of the tournament by beating highly ranked Indiana University 83–79 in the first round. Just to prove that Friday's victory was not a fluke, the Cleveland State team stayed with the careful attack of St. Joseph's for 30 minutes, before breaking the game open with its pressure defense, a deep bench and balanced scoring. Ten Vikings contributed to the scoring attack. The leading scorer for the Green and White of Cleveland State was Ken (Mouse) McFadden with 23 points. Final score was Cleveland State 75, St. Joseph's 69.

Coach Kevin Mackey of Cleveland State is to be congratulated along with all the Vikings—the players, of course, but also the student body that supported the team, along with the alumni and all of the Viking fans throughout the country. Cleveland State was a little-known team—"Off-Broadway," as Coach Mackey put it—that has brought its act to the big time and prevailed. As one of the NCAA tournament's "Sweet Sixteen," the Vikings travel to East Rutherford, NJ, Friday to face another outstanding team, the Midshipmen of Navy. I wish both teams the best of luck.

Today, though, I join all of the other Cleveland State basketball fans in saluting an outstanding team and fine group of young athletes. We appreciate the thrills you've given us so far and we look forward to the rest of the tournament.

NEW GI BILL IMPORTANT TO STRONG NATIONAL DEFENSE

HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. EVANS of Illinois. Mr. Speaker, an Office of Management and Budget document, major policy initiatives for fiscal year 1987, contains a table which lists "ineffective, duplicative, or unnecessary programs." I am astonished that the new GI bill, which went into effect July 1, 1985, is included on this list. This OMB document also notes that the President's budget proposes to end this education program on October 1, 1986.

I am often amazed at recommendations made by this administration, but this one really puzzles me. I don't know where OMB and the President get their information, but the statistics I've seen indicate the new GI bill is effective, unique, and absolutely necessary to a strong national defense. I think most of us agree that we cannot maintain national security unless bright, capable people in our military services are manning the sophisticated weapons systems in place today. In view of this, why does the President want to kill a program that is responsible for a 17-percent increase in Army enlistments of high quality young men? Why does the President want to kill a program the Air Force says is already producing a steady flow of high quality young accesions who are vitally needed to sustain the high-technological environment in the Air Force? Why does the President want to kill a program whose termination will result in a potential annual loss of 10,600 high school graduates and 4,200 high quality enlistees in the Army Reserve? As I said, this proposal really puzzles me.

Editorials across the country agree with me that the President's recommendation to terminate the new GI bill is shortsighted, ill-conceived and will actually harm the services' recruitment and retention efforts. I want to share with you a condensed sampling of editorial comments that have appeared in newspapers regarding this Reagan proposal. Let's be sure and remember these comments when the President sends his recommendation to the Congress.

"The Reagan administration reportedly plans to seek repeal of the new GI college-tuition-aid bill enacted last year to attract a better caliber of recruits into the armed forces."

"Instead of scuttling a program that works, the administration would be better advised to scrap some of those high-cost weapons systems that don't."

"The GI Bill gives up to $10,000 tuition benefits to qualified recruits who enlist for three years and contribute $1,200 from their paychecks."

"Pentagon officials recently testified that the GI Bill has been responsible for a 17 percent increase in the number of high-quality recruits."

"Estimated cost—$70 million for the first three years is about the same as for 44 Bradley Fighting vehicles, which critics claim would be rolling death traps on the battlefield."

THE PRESIDENT'S MISPLACED PRIORITIES

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. FRANK. Mr. Speaker, while the President continues to insist on defense spending increases in the tens of billions, and urges us to appropriate additional hundreds of millions to fight fruitless wars by proxy in Angola and Nicaragua, the plight of decent Americans who find themselves homeless worsens. And the President continues to resist any of our efforts to alleviate this desperate situation.

As two articles printed in the New York Times review of the week in the news on Sunday, March 16 made clear, the problem of the homeless is not simply a problem of people with individual emotional difficulties that made it difficult for them to cope with the pressures or urban life. Of course, it should be noted that administration officials, claiming that these sort of people form the bulk of the homeless, are equally opposed to doing anything constructive to help them. But there are increasing numbers of homeless people who are lower income people who are simply being priced out of the housing market by the speeding increase in housing prices that is occurring in so many parts of the country. And this administration's response is to wage relentless was on every Federal program which seeks to increase the housing supply. Dishonestly, administration officials point to the amount of spending that has been taking place in recent years as an indication of their support for housing. But that represents money that had been voted in previous years, and in many cases it represents money which this administration tried to get Congress to rescind.

The Director of the Office of Management and Budget says on behalf of the President the problem of the homeless is not really any of the Federal Government's business. That incredibly callous attitude simply cannot be allowed to stand as the policy of the U.S. Government. As these articles made clear, the administration's antihousing policies are exacerbating one of the cruelest social dilemmas of our time: people, individuals, and families, with literally no place to live. For a small fraction of the money the President would squander on foreign adventures, we can take steps to alleviate these problems. I hope that we will.

[From the New York Times, Mar. 16, 1986]

WHY SO MANY ARE PRICED OUT OF THE MARKET

(By John Herbers)

Property has long been an important ingredient in the stability of the nation's democratic system, and home ownership long a cornerstone of the American Dream, leading households to work harder, providing savings through equity and inspiring faith in free enterprise. But the opportunity to own a home, once available to the majority of families, has moved beyond the reach of many—particularly of young people seeking to buy homes for the first time, whose real incomes would have allowed them to do so in past generations. As Anthony Downs, a real estate authority, put it in a Brookings

Institution study last year, "The percentage of all potential first-time homebuyers who can actually afford to purchase homes at today's high nominal interest rates and home prices is much lower than it was in the 1950's, 1960's and even the 1970's." Despite recent declines, interest rates, and home costs, remain historically high.

[From the New York Times, Mar. 16, 1986]

THE NEW HOMELESSNESS HAS ITS ROOTS IN ECONOMICS

(By Peter Kerr)

This winter, operators of emergency shelters across the country have been coming to a common conclusion: The homeless are no longer the lone drifters and former mental patients who were the vast preponderance of that population just a few years ago. In dozens of cities, including New York, Washington DC, and Los Angeles, and even in rural communities, emergency programs for the homeless are being flooded by functioning adults and families with children.

The reason for the change, social scientists say, is that the same economic forces that make it impossible for middle-class people to buy their first homes prevent some of the poor—those who have been evicted, burned out or priced out—from finding any housing at all.

The story of Dennis and Suzanne Powell and their five daughters, who lived on his modest carpenter's income in a three-family house in Glendale, Queens, is typical. Three years ago, when accidental damage to their building forced them to move, they discovered they could no longer find a large apartment at anything close to the $270 monthly rent they had been paying. For months they slept in their automobile.

"No one wanted to rent a family with five kids in our price range," said Mrs. Powell. "But soon we went condo—we got a van." To avoid having their children placed in foster care, she said, the family agreed to move into one-and-one-half rooms in a crowded welfare hotel, the Martinique Hotel, at Broadway and 43d Street in Manhattan, which houses more than 400 homeless families. Today, they say, they've all but given up on finding a real home.

THE TRICKLE-DOWN EFFECT

The Powells are no longer unusual, experts say. "The new homeless are what we would think of as normal men and women and children," said Frederic Robinson, and associate professor of urban studies at the University of the District of Columbia who has investigated the homeless population of Washington. "If a young middle-class couple can't afford a home," Mr. Robinson added, "imagine what is happening to people at the lower end of the spectrum."

According to Kim Hopper, a Revson fellow at Columbia University who has conducted several studies of the homeless while working at the Community Services Society of New York, nationally half a million low-income units have disappeared annually through building conversions, arson, abandonment, inflation and demolition in recent years. Moreover, rents are taking a higher proportion of tenants' salaries.

In the 1950's and 1960's, the median American renter paid 20 percent of his income for housing; the figure grew to 27 percent in 1980: Seven million low-income renters were paying more than 50 percent for housing by the early 1980's Mr. Hopper said. Among the poorest households, those with incomes below $3,000, half were paying more than 72 percent for rent, leaving them an average of $71 a month for all other needs. Even the places where people used to go when they could not afford apartments—single-room-occupancy hotels or rooming houses—have been converted and demolished at a rapid rate.

THE FEDERAL ROLE

Increasingly, said Anne Christensen of Jersey City, a board member of the National Coalition for the Homeless, families supported by breadwinners with low-paying jobs or those on welfare find no housing in their price range because public assistance levels and salaries have not kept pace with skyrocketing rents in newly gentrified or redeveloped urban areas. When emergency shelter is unavailable or parents fear that their children may be moved from shelters to foster homes, shelter operators say, homeless families sometimes take to sleeping in abandoned buildings, cars or even outdoors.

Critics of the Reagan Administration blame Washington for what they say is a withdrawal of Federal support for low-income and moderate-income housing. Chester Hartman, a fellow at the Institute for Policy Studies in Washington, D.C., agrues that without increased Federal money for housing the problem will grow.

Such talk brings a sharp retort from the Administration, which argues that it has not wavered in its commitment to low-income housing June Koch, a Deputy Assistant Secretary of Housing and Urban Development, said the number of Federally financed housing units created annually had grown from 3.1 million to 4.2 million since 1981.

Dr. Koch placed the blame elsewhere. In New York, she said, the destruction of housing stock can be traced to rent control and other policies discouraging private development, James C. Miller 3d, director of the Office of Management and Budget, summarized for a Congressional committee last month the Administration's view of the situation. "We believe," Mr. Miller said, "the homeless are not a Federal responsibility but a state and local responsibility."

INTRODUCING REAUTHORIZATION OF HEAD START, FOLLOW THROUGH, COMMUNITY SERVICE BLOCK GRANT, COMMUNITY FOOD AND NUTRITION PROGRAM, AND STATE GRANTS FOR DEPENDENT CARE PROGRAMS

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. KILDEE. Mr. Speaker, I am introducing today, along with my colleague Mr. TAUKE, the ranking minority member of the Subcommittee on Human Resources, legislation which would extend several essential human services programs under the subcommittee's jurisdiction. These programs are Head Start, Follow Through, the Community Services Block Grant, the Community Food and Nutrition Program, and the State grants for dependent care programs.

Head Start provides comprehensive services to meet the educational, social, nutrition, and health needs of preschool-aged children from low-income families. More than 9½ million children have enjoyed the benefits of this program since its creation in 1965, and Head Start's parental participation requirement has served to strengthen whole families. Head Start has demonstrated that it is a cost-effective investment for society, as its services can help prevent the need for other expenditures in such areas as remedial education or welfare later on. Reauthorizing a strong Head Start bill will reaffirm the Congress' commitment to one of our Nation's highest priorities—the education and care of our children.

Follow Through focuses on the continuing developmental needs of children who were previously enrolled in Head Start or similar quality preschool programs as they enter kindergarten through the primary grades. Follow Through is a modest, cost-effective program that has a broad impact: 58 local school districts are served directly and approximately 700 additional communities are served through its unique dissemination efforts. Maintaining Federal support for Follow Through will enable this model program to continue to help disadvantaged children make the critical transition from preschool to the public schools.

The Community Service Block Grant [CSBG] has as its mandate funding "a range of services and activities having a measurable and potentially major impact on the causes of poverty." The services and programs carried out by Community Action Agencies under its auspices are designed with the specific intent of moving poor from dependent situations to self-sufficiency. In testimony presented before the Subcommittee on Human Resources, numerous witnesses indicated the success of CSBG in achieving its goals and the General Accounting Office also found that CSBG was not duplicative of existing services. It is the unique ability of Community Action Agencies to apply comprehensive solutions to the problems of poverty, enabling these agencies to respond to the needs of low-income people and to help them get work and be self-supporting contributors to our society.

The bill also extends two small but important programs authorized for the first time in the 1984 Human Services Reauthorization Act (P.L. 98-558). The Community Food and Nutrition Program assists in the coordination of community-based, local, and statewide efforts to meet the nutritional needs of low-income people. The grants for child care information and referral systems and school-based "latchkey" children's programs provide an important incentive to encourage States and local communities to address the increasing needs for such services.

I am pleased to introduce legislation to extend these worthwhile programs and I welcome my colleagues' support for the bill.

UNIFICATION IN NICARAGUA

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. DORNAN of California. Mr. Speaker, I rise today to voice my support for the unification of the democratic resistance forces fighting in Nicaragua. Most of us are aware that

various factions are trying to reclaim the stolen revolution of 1979. However, in order to affect national reconciliation in Nicaragua it will be necessary to unify the following opposition groups: Opposing Block of the South [BOS], the Opposing Nicaraguan Unity [UNO], the Nicaraguan Democratic Coordinator [CDN], and Nicaragua's various ethnic groups.

Most of my colleagues recognize that the United States must pursue a two-track policy in Nicaragua in which military pressure is used to encourage the Communist government in Managua to negotiate in good faith. When and if a national reconciliation does occur, the cooperation fostered while fighting the Sandinistas will ensure that negotiations include all legitimate members of the resistance.

Commander in chief of the southern forces, Eden Pastora, has issued various proposals for unification which I endorse. For this reason, I include in my remarks, Mr. Speaker, an open letter to all members of Congress from Commander Pastora's spokesman, Leonel Teller, which articulates his hopes for unification. Mr. Teller represented Nicaragua at the 1980 Olympic Games in Moscow and also fought alongside the Sandinistas until their commitment to communism became clear. I believe that his statements represent the views of millions of Nicaraguans who hope to see neither totalitarianism nor a return to the past.

ALIANZA REVOLUCIONARIA DEMOCRATICA,
Washington, DC, March 10, 1986.

To the Nicaraguan people and free countries of the world,

By direction of our Commander in Chief, Comandante Eden Pastora, I am writing on behalf not only of the Democratic Revolutionary Alliance (ARDE), but on behalf of the thousands of Nicaraguans that today suffer under the oppressive regime of the nine "Comandantes."

We fight the Communists in Nicaragua not because we love to fight, but because we love our freedom more than our own lives. With or without the help of the free countries of the world, we will continue to fight until we either reach freedom for our people or die.

The Nicaraguan revolution and its promises of liberty and democracy have been betrayed by the FSLN's military elite. It was deviated towards a totalitarian and repressive political model. The nine "comandantes" of the Communist revolution handed our homeland, Nicaragua, over to the expansionist interests of Soviet imperialism and its international surrogates.

Today, in order to find an effective solution we welcome ongoing efforts to create commissions of the Opposing Bloc of the South (BOS), the Opposing Nicaraguan Unity (UNO), the Nicaraguan Democratic Coordinator (CDN), and Nicaragua's ethnic groups to get together to find definitive solutions for the achievement of liberty and justice in our country. The outcome of these meetings should be expressed in a National Democratic Project reflecting political-military unity of purpose that would force the nine "Comandantes" to accept the return to original promises of the revolution or face the anger of the now betrayed Nicaraguan people.

With neither totalitarianism nor return to the past.

LEONAL E. TELLER,
Assistant to the Commander in Chief, Democratic Revolutionary Alliance.

THE 75TH ANNIVERSARY OF THE DEDICATION AND NAMING OF ROOSEVELT DAM

HON. JOHN T. MYERS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. MYERS of Indiana. Mr. Speaker, this month marks the 75th anniversary of the dedication and naming of Roosevelt Dam, in Arizona. Roosevelt Dam was the first such structure constructed under the National Reclamation Act to conserve precious water for multiple uses.

On this special occasion, Congressman ELDON RUDD, in whose district the massive cement and stone structure remains as a dam for Roosevelt Reservoir, gave the keynote address. His important statement provides an historical account of the labor and foresight which led great men like President Theodore Roosevelt to inspire the most important single event ever to take place in the Southwest United States. Mr. RUDD's statement follows:

We are gathered here in commemoration of the 75th anniversary of the dedication of the dam named Roosevelt.

The construction of that structure was, and is, the most important single event ever to take place in the southwest United States. This is the first such structure constructed under the National Reclamation Act to impound and conserve surface water for agricultural, municipal and industrial use.

This was the beginning in a series of reclamation projects which has contributed more wealth to this nation than all of California's gold, Colorado's silver, or Arizona's copper.

The present industrial, commercial and residential development in Central Arizona was created by this project. All future growth is dependent upon an adequate supply of water.

As you look on that massive structure, which stretches more than a thousand feet across this box canyon at the confluence of the Salt River and Tonto Creek, you may know that it is one hundred eighty-four feet thick at the base, tapering to sixteen at the top.

You may know the top of that dam is two hundred eighty-four feet above its foundations in bedrock.

You may know it impounds one million three hundred eighty-one thousand five hundred acre feet of water.

You may know that dam was constructed of three hundred fifty thousand cubic yards of native stone, cut from the mountainside, put in place and held together with three hundred fifty thousand barrels of cement.

You may know it took five years to complete.

That the construction site was sixty-five miles from the nearest railroad.

That before construction could commence, a road had to be built through the tortuous canyons of Salt River—a road which cost more than half a million dollars.

That every bit of machinery, every ton of supplies, had to be hauled over that road in great high-wheeled freight wagons, drawn by teams of twenty mules driven with a single jerk line.

All of these impressive statistics are recorded in the history of the Salt River Water Users' Association.

My friends, in a very real and meaningful sense that dam is built of dreams and vision, sacrifice and dedication.

We are forever indebted to those men and women who, when confronted with disaster, threatened by the vagaries of nature, joined together to create a dependable water supply for Central Arizona.

Every citizen living and enjoying the benefits of this accomplishment is indebted to the pioneers. Every new citizen who will come here in the next hundred years will be indebted.

Most of the folk enjoying the swimming pools and the golf courses, the libraries, the common schools, and the universities in Central Arizona take for granted there will be an adequate supply of water. It was not always so.

In the beginning, those venturesome pioneers, led by Captain Jack Swilling, dug a single ditch to divert water from the flowing Salt River to their farms. Diversion was accomplished by crude rock and brush dams, extending from the shore out into the current.

Over the next three decades, from 1867 to 1897, other men dug other ditches, until there were seventeen canals serving almost one hundred thousand acres of farm land. Cities were planned and built: Mesa, Tempe, Phoenix, Glendale. A new county, Maricopa, was created. Then, in 1897, drought struck the area. There were no winter snows in the mountains, no rains. The Salt River literally dried up. Almost half the Valley's population moved on. Those who would not quit dug in their heels, united against the common peril.

Obviously, what was needed was a storage reservoir, where the excess waters which flowed through the Valley in wet years could be retained, conserved, and delivered on demand.

The Maricopa Board of Trade dispatched three men to survey the upper reaches of the Salt River and select a suitable location for the construction of a dam and the creation of a reservoir. These men were Billy Breakenridge, a pioneer peace officer who had served as a marshal in the turbulent times at Tombstone, young John R. Norton, who was superintendent of the Arizona Canal Company; and newspaperman and publisher, Colonel James H. McClintock.

The location, just below the confluence of the Salt River and Tonto Creek, was their unanimous choice. Here, the combined river waters passed through a box canyon. If the canyon could be closed by a dam, there was ample area upstream on both the Tonto and the Salt to serve as a reservoir.

But territories were forbidden by federal law from going into debt. Where could the needed funds be found? Numerous schemes were examined and abandoned, but no one gave up hope.

In the Congress of the United States, Henry Clay Hansbrough, the Senator from North Dakota, and Francis Newlands, the representative from Nevada, drafted legislation to permit the federal government to assist in the financing of reclamation projects.

B.A. Norton of Glendale and George H. Fowler, an evangelist for reclamation projects and the founder of the National

Reclamation Association, joined with Hansbrough and Newlands.

The original language of that legislation provided federal funds could be advanced for the development of public lands in the West with money collected from the sale of public lands.

The land in Central Arizona was no longer in public ownership. It had been homesteaded by the settlers. George Maxwell persuaded the drafters to put a comma after "public," in that first draft, then insert two words, "and private."

Theodore Roosevelt, who was elected vice president in 1900 and became president when William McKinley was assassinated in Buffalo, New York on September 6, 1901, had emotional ties to Arizona. He supported the legislation.

The National Reclamation Act was passed by the Congress of the United States on June 17, 1902, and signed into law. But the problems of the people of Central Arizona were not solved by the mere passage of that act.

Before they could receive the promised federal assistance, the government required the formation of a single legal entity to represent all of the Valley's potential water users. It was also necessary for every land owner to agree to mortgage his land to the federal government for repayment of any funds advanced. There were, believe me, complications.

The owners of first and superior water rights, those who had commenced diversion in 1867 and 1868 and 1870, said the scheme would be most beneficial to the Johnny-Come-Latelies who had arrived in the '80s and early '90s. The water rights established by the various canal companies had to be surrendered. But somehow the job was done.

The Salt River Valley Water Users' Association was formed. Former governor and judge Joseph H. Kibbey wrote the articles of incorporation and B.A. Fowler was named the first president.

I mentioned the names of Breakenridge, Norton and McClintock, and I have acknowledged the contributions made by George Maxwell and B.A. Fowler. Now let me tell you about Vernon Clark.

Clark, a young man from Kentucky, was not a farmer. He was in the harness business. But he recognized that salvation was at hand and he was not about to let it slip through his fingers.

Kibbey, a gregarious man, dillied and dallied and postponed completion of the articles. Clark went to his office, camped out in the front room and told Kibbey he would stay there until the articles were completed. When they were, he left. He spent hours in his buggy visiting his farmer customers, helping them with their chores, and then persuading them to sign the mortgage agreement.

Prior to filing the articles of incorporation written by Kibbey, the owners of one hundred and fifty thousand acres of land had signed a willingness to accept the proposal, but the holdouts were an obstacle. By July 17, 1903 two hundred thousand acres had been irrevocably pledged to the construction of the Tonto Basin dam. The tentative organization of the Water Users' became permanent and John P. Orme was elected first president.

The recital of this magnificent accomplishment and the significance of today's celebration would not be complete without mentioning those who came after the founders. C.C. Craigen, who as general manager of the project inspired the construction of three additional storage reservoirs on the Salt River, creating Apache Lake, Mormon Flat Lake, and Saguaro Lake. After C.C. Craigen, came those who were instrumental in development of two storage reservoirs, Bartlett and Horseshoe on the Verde River, and those who contributed to the subsequent development and utilization of water resources in Central Arizona.

In the early 1940s and in the late 1940s, this area experienced another disastrous drought. We reached a point where all the reserviors were empty, no more water could be delivered, and then, as Lynn B. Orme had predicted (he was the president of the association), it rained.

At that time, the cities secured all their water from wells. But that drought inspired action. The association agreed to permit incorporated cities to pay the assessments levied against city lots and to take the water belonging to that land into a closed pipe system for delivery as municipal and industrial water.

Today, seventy percent of the M and I water consumed in Central Arizona is supplied by the Salt River Valley Water Users' Association.

The information I have supplied to you today is readily available. Unfortunately, it is ignored by most of the beneficiaries of this development. The public understanding of our water supply system is limited to the Central Arizona Project, which will bring water from the Colorado River into the Central Valley, and in a few years, on down to Tucson.

We should constantly remind our friends that waters from the Colorado River will not be sufficient to meet anticipated future demands, and water is the one natural resource upon which our future depends.

Let us here and now acknowledge with reverent gratitude our indebetedness to those pioneers of the past.

Let us resolve to do what we can to acquaint those who presently live in Central Arizona with what went on before they came here and of the need for the conservation of all available supplies and continued development.

I am confident we will find the necessary mechanism to pay for and import surplus Colorado River water and dedicate that water to recharging the aquifers in Central Arizona.

I am persuaded that some day we will build a dam at the confluence of the Salt and Verde and capture those flood waters which now flow down the river to Painted Rock Dam—more than six million acre feet in the last seven years.

But to accomplish these objectives it will be necessary to make every citizen—every lawyer, every accountant, every banker, every businessman, every school teacher, every school child, every employer, every employee—aware of the truth of the importance of water to life.

My grandfather was a pioneer doctor-lawyer in Apache County. He came to the territory in 1867. I was born in Arizona. I love this land and its people. I urge you to remember the pioneers of the past, keeping in mind that a people who forget the past have no future.

Let us find renewed inspiration in the knowledge of what they did and resolve to devote our energies and our resources to the future development and protection of the limited supply of water available to us.

I thank you and I thank the Salt River Valley Water Users' Association, now identified by its new name, the Salt River Project, for permitting me to participate in this celebration of the most significant single event ever to take place in my native state.

AIRCRAFT NOISE IN NATIONAL PARKS

HON. CECIL (CEC) HEFTEL

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. HEFTEL of Hawaii. Mr. Speaker, for many of our citizens, our national parks are a refuge from the noise and clamor of everyday life. These areas have been set-aside because each possesses some rare quality that is worthy of preservation in a near-pristine state. This allows millions of visitors to enjoy the unmatched natural wonders of our Nation. Unregulated aircraft overflights, however, are creating significant conflicts between different users of our national parks.

Today, my distinguished colleagues from California [Mr. COELHO and Mr. LEHMAN], and I are introducing legislation establishing a study to explore the significant problem of aircraft noise in our national parks, and lay the foundation for meaningful flight operating rules. The study would be conducted in at least 10 national parks, and would provide information on the hazards to climbers and hikers that aircraft noise may cause, disruption of visitor enjoyment, and other negative effects on the natural, historical, and cultural resources for which our parklands were set-aside. Five national parks, including Hawaii Volcanoes National Park, are specified for study because of the numerous complaints received from visitors, and the high potential for conflicts in these locations.

In Hawaii, we are blessed with two spectacular parks: Hawaii Volcanoes National Park and Haleakala National Park. Both serve a variety of users, but most often, visitors seek the unique wilderness experience each offers. Sunrise at Haleakala Crater is world famous for its tranquility and breathtaking beauty. Hawaii Volcanoes National Park offers the best views of an active volcano available anywhere. Many individuals enjoy challenging hikes to witness these sights. The serenity of these settings is an essential part of the national park experience, and the natural sounds that visitors encounter are as worthy of preservation as any scenic overlook.

Each year, I receive complaints from constituents or visitors to Hawaii who have been disturbed by noisy and intrusive flight operations over Hawaii Volcanoes or Haleakala National Parks. They are dismayed to learn that there are no regulations governing aircraft operations over noise-sensitive areas such as national parks. Currently, a non-binding pilot's advisory, FAA AC 91-36C, recommends that pilots make every effort to fly at least 2,000 feet above national parks. Too often, this directive is ignored over parks, including those in Hawaii.

This study, to be conducted by the Interior Department with the cooperation of the FAA, will enable Congress to determine whether commercial, civil, military, sightseeing, or all of

these aircraft are responsible for the majority of the problems. We will also learn which of our national parks suffer the most serious adverse effects of aircraft noise. It is time for the Federal Government to confront this problem squarely, and obtain reliable data on its extent. The FAA, the National Park Service and the Fish and Wildlife Service entered into an agreement in 1984 to train Park personnel to collect data on aircraft noise and minimum advisory altitude violations as part of a cooperative program to reduce aircraft noise. Judging from the consistent level of complaints since the program was adopted in 1984, and FAA's persistent refusal to address the problem, further action is necessary. Congress should back this less-than-effective interagency agreement with the study we propose today, to bolster the case for more rigorous regulations. I urge your support for this measure, and thank you for your consideration.

WHY THE BIG DEBATE?

HON. JOHN PAUL HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. HAMMERSCHMIDT. Mr. Speaker, I would like to submit for the attention of my colleagues, an editorial that appeared today in the Washington Post. The subject, which has dominated the editorial pages for the past few weeks, concerns President Reagan's $100 million request for assistance to the Nicaraguan opposition.

The writer, Mr. Speaker, is a well-qualified scholar and professor of foreign affairs and our country's former Ambassador to the United Nations, the Honorable Jeane Kirkpatrick. As the debate continues, I urge my colleagues to take the time and read one of the most poignant and knowledgeable editorials on this issue, which is appropriately entitled, "Why the Big Debate?"

The article follows:

[From the Washington Post, Mar. 17, 1986]

WHY THE BIG DEBATE?

(By Jeane Kirkpatrick)

Debate over aid to Nicaragua's contras is bitter and intense. One wonders why, of the $15-plus billion in economic and military assistance that the United States provides annually to diverse governments in Africa, Asia, the Middle East and Latin America, this particular $100 million is so hotly contested.

Such opponents as Arizona's Democratic Gov. Bruce Babbitt say it is because "Nicaraguan rebels are not democrats," but that is demonstrably wrong. The contra leadership is drawn almost wholly from men who actively opposed Somoza, fought to overthrow him and sought to bring democracy to Nicaragua. Can it be that Babbit—who bothered to write an op-ed piece that opposed aid to the contras and was published in The New York Times on March 12—has not bothered to inform himself about the background and beliefs of top Nicaraguan resistance leaders Adolfo Calero, Alfonso Robelo and Arturo Cruz?

Then, again, Babbit says the contras have fought a "notably dirty little war." But that is also not true. War is violent and terrible. But the contras have a record of working hard to avoid harming civilians. They have done nothing that compares with the systematic brutality the Sandinista government visits on dissenters and opponents. Is it possible that Babbitt has not read the 1985 report of the Nicaraguan Commission on Human Rights, which documents the shocking denial of rights and spread of terror in Nicaragua?

Babbitt tells us to "begin from the premise that the contras are not going to win." And he argues strenuously against giving them the arms necessary to defend themselves against Soviet armored helicopters, missiles and heavy weapons. Babbitt asserts that U.S. aid to the contras helps the Sandinista government justify its repression. Apparently he does not know that the repression of Nicaraguans preceded the contras. Repression caused the contras, not the contras repression.

Babbitt asserts that the contras' struggle has a negative impact on Nicaragua's neighbors, all of whom now enjoy democratic governments. Apparently Babbitt is unaware that large majorities of neighboring populations regard the Sandinista government as a threat to stability in their own countries.

A poll conducted this winter by the highly reliable Consultoria Interdisciplinaria in Desarrollo reveals that 92 percent of Costa Ricans, 89 percent of Hondurans and 63 percent of El Salvadorans regard Nicaragua as a military threat to their respective countries. Unlike Babbitt, a majority of Costa Ricans, El Salvadorans and Hondurans want the United States to provide military assistance to the contras, according to the same poll.

Like many other opponents of U.S. aid, Babbitt believes the United States should negotiate a settlement with Nicaragua and agree to "sever our bonds with the contras provided the Sandinistas agree to expel Russians and Cubans, reduce their armed forces and forswear the support of Marxist rebels among their neighbors." He does not explain why the Sandinistas should agree to make such concessions when he and so many other congressional Democrats are willing to forswear unilaterally U.S. aid. In fact, Babbitt's "deal" has already been rejected by the Sandinistas, who rely on public relations firms and the Democrats to block aid for Nicaragua's freedom fighters.

But why should the Democrats be so reluctant to help freedom fighters so close to our borders?

They—at least many of them—understand that Nicaragua's rulers have established a harshly repressive, Marxist-Leninist dictatorship. They understand that there has been a massive flow of Soviet and Soviet-bloc arms and material—totaling approximately $500 million to $700 million. They understand that Nicaragua has actively provided weapons and other support to guerrillas in El Salvador, Guatemala, Colombia and elsewhere, and participates in the drug and terror network that wreaks havoc in the hemisphere. They understand that neither the U.S. government, nor the countries of Central America, nor the Contadora group has been able to persuade the Marxist commandantes who govern Nicaragua to cease the militarization. Sovietization and totalitarianization of Nicaragua.

The Democrats in Congress know that the Sandinistas already lend their country as a base for Soviet intelligence gathering and other military activities. What the Democrats in Congress apparently do not understand is that the Sandinistas use prolonged negotiations to further consolidate their power over the economy, church, schools, press, military—and all other aspects of Nicaraguan society.

Nicaragua's exiled democratic political parties and other democratic groups, including trade union councils, have formed a single umbrella organization called the Coordinacion Opositora Nicaraguense. CON recently addressed a letter to the foreign ministers of the Contadora countries in which they pointed out that by prolonging negotiations the Sandinistas give themselves time for definitive consolidation of power. "This is very important. Every day that they acquire at the expense of your good intentions is a day that our country loses in its just struggle to achieve its independence and liberty."

Unilateral disarmament of the contras in the face of the Sandinistas' Soviet arms can eventually stop the war in Nicaragua. But it cannot stop the terror that advances day by day.

VOLUNTARY ORGANIZATIONS ADDRESS THE ISSUE OF CONTRA AID

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. HALL of Ohio. Mr. Speaker, I wish to place in the RECORD the text of a letter from the executives of some American voluntary agencies on the issue of U.S. assistance to the Contras. It was sent last week to Members of the House and Senate.

At this point we are all caught up in an increasingly emotional and politicized debate about U.S. assistance to the Contras. Letters from Members of the administration and "Dear Colleagues" to each other are circulating. A House delegation made a brief visit to Central America last week. The President made an impassioned appeal on national television last night and the administration is lobbying intensively for its aid request. The media are tracking the issues closely and our constituents are expressing their views.

Amidst this whirlwind, however, we are giving very little attention to the effects which aid to the Contras would have on the people in Nicaragua and neighboring countries. The letter we have received reminds us that the aid we are being asked to approve will affect people in the region, which is after all its purpose. The writers, based on their first-hand experience as humanitarian agencies active throughout the area, view the effects as negative.

What is being called humanitarian aid, they believe, is not really humanitarian and, like the military aid itself, will "continue to create needless suffering among the poor in the region." At the same time, they support the provision of bona fide humanitarian assistance and urge U.S. policy to press for diplomatic solutions.

I commend these views to my colleagues and express the hope that we will be mindful of them as we proceed to vote. Should the administration's request be turned down, I

would urge that any new proposals for assistance to the region take their concerns into account.

Mr. Speaker, I ask that the letter from private agency executives be reprinted in the RECORD at this point.

LETTER FROM EXECUTIVES OF PRIVATE AND VOLUNTARY ORGANIZATIONS CONCERNING AID TO THE NICARAGUAN CONTRAS

MARCH 13, 1986.

DEAR MEMBER OF CONGRESS: As you prepare to vote on assistance to the Nicaraguan Contras, we ask that you consider the views of organizations such as ours with long involvement in providing humanitarian assistance and with some familiarity with the human suffering caused by current U.S. policy toward Nicaragua.

We recommend that you vote against providing $30 million in so-called humanitarian assistance to the Contras. Such aid distorts the concept of humanitarian aid as understood internationally and in the United States. It does not meet the customary tests: that humanitarian aid be made available solely on the basis of human need, not for political purposes; that it be offered impartially to all sides in a conflict; and that it go solely to civilians and non-combatants. Mislabelling the $30 million imperils the integrity of *bona fide* humanitarian aid and of agencies like our own that seek to provide it. It also risks the future of people whose life depends on it.

The $30 million is, of course, part of a larger $100 million request that includes $70 million for outright military aid. The pursuit of a military solution to the current conflict between the U.S. and Nicaragian governments is likely, we believe, to continue to create needless suffering among the poor in the region with whom we and our colleague agencies work. We urge Congress to insist on U.S. actions that are regional and diplomatic in character. Such actions would be in keeping with the counsel of U.S. allies in Central and South America and in Europe who have all opposed military aid to the Contras. We particularly lament the pressure brought by the Administration against governments that have opposed such aid, most recently the holding up of an AID development loan payment to Costa Rica.

We therefore urge your rejection of the Administration's $100 million request, both its so-called humanitarian assistance and military aid elements. While some are considering a "compromise" that, in one way or another, would approve the former while rejecting the latter, what would be compromised, we believe, would be the integrity of humanitarian aid itself.

Given the reality of human need in the Nicaraguan/Honduran border area, we urge that the U.S. provide humanitarian assistance to refugees and displaced persons wherever they are, through international organizations such as the International Committee of the Red Cross and the United Nations High Commissioner for Refugees. Because the U.S. is a party to the conflict, we would urge against the provision of humanitarian aid through bilateral channels.

Thank you for giving consideration to our views.

Sincerely,

Norman E. Barth, Executive Director, Lutheran World Relief; Asia A. Bennett, Executive Secretary, American Friends Service Committee; J. Richard Butler, Executive Director, Church World Service; John Hammock, Executive Director, Oxfam America; Alden R. Hickman, Executive Director, Heifer Project International, Inc.; Sister Sheila McGinnis, Superior, Sector North America, Medical Mission Sisters; Richard S. Scobie, Ph.D., Executive Director Unitarian Universalist Service Committee; Reg Toews, Associate Executive Secretary, Mennonite Central Committee.

For further information, please contact Jim Matlack, American Friends Service Committee, 1822 R St. NW, Washington, DC 20009 (483-3341) or Larry Minear, Church World Service/Lutheran World Relief, 122 C St. NW, Washington, DC 20001 (783-7501).

OHIO'S LINCOLN

HON. DENNIS E. ECKART

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 17, 1986

Mr. ECKART of Ohio. Mr. Speaker, today I would like to salute the man regarded as Ohio's Lincoln, former Senator Frank J. Lausche.

Mr. Lausche, who recently turned 90, is of Slovenian descent and very proud of his heritage. Mr. Lausche fought to come to America and then, through integrity, intelligence, and compassion, rose to fight for opportunities for many Americans as a Senator from Ohio.

A book has recently been published about Mr. Lausche's eventful life. Written by Prof. Edward Gobetz, the book is titled "Ohio's Lincoln."

Our friends in other countries who are not as fortunate as we, who are not free, we remember. And our friends in America who have struggled to make this country great—and above all free—we must never forget. We must, therefore, never forget Frank J. Lausche.

I am submitting for the RECORD an article from the Slovenian newspaper "Ameriska Domovina" about the book and about this great man.

REAGAN SALUTES LAUSCHE BOOK

(By Madeline Debevec)

One of the most treasured historic documents which are published in Prof. Edward Gobetz's newest book, "Ohio's Lincoln, Frank J. Lausche," is the following letter contributed by President Ronald Reagan:

"You are aware, I am sure that it has become customary to call you the Lincoln of Ohio. Anybody who gives the matter a moment's thought will understand why: people readily see how much you resemble Lincoln in homespun good sense and rugged honesty. You are alike, too, in a love for this nation and a willingness to work with all who love it dearly regardless of political persuasion. Few political figures in our history can boast a brighter record of fidelity to principle than Frank Lausche. In my book that makes you a statesman, and a great servant of our country."

What a magnificent recognition to Senator Lausche, the son of Slovenian immigrant parents, from our Nation's highest elected official, U.S. President Reagan!

The American Home will report more details on this unique and most valuable book later. For today, here are a few highlights:

Ohio's Lincoln is an attractive richly illustrated and scrupulously documented hardcover book of 366 pages. It consists of five parts. In Part 1, the Most Rev. Bishop Edward Pevec contributed a beautiful introduction, entitled, "Senator Lausche, do you know why I like you?" Part 2, "Frank J. Lausche: Life History of Ohio's Lincoln," authored by Dr. Gobetz, presents carefully documented highlights on Mr. Lausche's life and career, based on a large number of published sources, as well as on personal interviews. Part 3, under the title, "What Manner of Man?", consists of 19 Festschrift articles, authored by prominent scholars (including three university presidents), editors (including Plain Dealer editor, Thomas Vail, and American Home publisher, James V. Debevec), former House Speaker Carl Albert, and other American and Slovenian authors, in addition to "Glimpses of Lausche's Personality and Character, compiled by book editor Gobetz from carefully selected excerpts from the press, ranging from American Home and numerous American newspapers to such nationwide sources as Saturday Evening Post, Newsweek, and Time magazine. The internationally prominent Greek American sociologist and poet, Dr. Panos B. Bardis, also contributed two of his famous poems, one of which was read at a conference banquet in Geneva, Switzerland, at the request of some of the world's greatest scholars, including several Nobel Prize winners.

The culmination of the book is Part 4, entitled, "Lausche Speaks," which contains the gems of Lausche's speeches and articles, including an article on his late wife, Jane, which he wrote especially for this volume. From beautiful statements on his Slovenian heritage to prophetic words on frugality and economic stewardship and profound expressions of his religious, moral and political wisdom—here is Lausche whom thousands will undoubtedly admire for his wisdom and whom even critics will respect for his courage and sincerity.

Finally, Part 5 presents numerous historically precious testimonials, messages and tributes in honor of Senator Lausche, now 90 years young. These messages, many of them written and others generously contributed by Prof. Cyril Zebot, Mr. John Lokar, and others, show in what great respect Senator Lausche is held by many of America's most prominent personalities—political, religious, civic and ethnic leaders, and guests from other countries, ranging from Archbishop and Metropolitan of Slovenia, Dr. Aloysius Šustar, Cleveland's Bishop Anthony Pilla, President of National Conference of Catholic Bishops, Most Rev. James Malone, to Bob Hope, numerous senators, congressmen, and governors (including Ohio Governor Celeste), and, crowning it all, the wonderful messages from Pope John Paul II and U.S. President Ronald Reagan.

"This was a very hectic, yet also a very worthwhile project," said book editor Gobetz. We are happy that the first copy of the book—in silver print form—was completed in time for the good Senator's birthday. We hope the book and the testimonials will bring him much pleasure for the rest of his life. And there is a special bonus for all Slovenians here: many prominent Americans who would never read a book on Slovenian history or culture will undoubtedly read this book, since they know and admire Senator Lausche. Everyone will learn something new and very valuable not only about Senator Lausche, but also about the Slovenians and their heritage—including some wonder-

ful statements written by Mr. Lausche himself."

Available by December 20th, this unique, comprehensive, richly illustrated 366-page hardcover book costs only $12 per copy (or about half or less than the cost for comparable books published by American publishers), plus $1.50 for postage and mailer. Orders are now accepted by: Slovenian Research Center, 29227 Eddy Road, Willoughby Hills, OH 44092.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, March 18, 1986, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MARCH 19

9:00 a.m.
Armed Services
To hold closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the Department of Defense, focusing on Air Force tactical programs
SR-222

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Human Development Services, Office of Community Services, Departmental Management (salaries and expenses), and Policy Research, all of the Department of Health and Human Services.
SD-116

*Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State.
S-126, Capitol

Finance
Business meeting, to mark up H.R. 3838, proposed Tax Reform Act of 1986.
SD-215

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

Select on Intelligence
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Defense programs, focusing on force management and personnel.
SD-192

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Veterans Administration.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Transportation Safety Board, Department of Transportation, and the Architectural and Transportation Barriers Compliance Board.
SD-138

Armed Services
Sea Power and Force Projection Subcommittee
To hold closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the Department of Defense, focusing on Navy anti-submarine warfare capabilities.
SR-232A

Energy and Natural Resources
Business meeting, to resume consideration of S. 1225, to compensate the public for injuries or damages suffered in the event of an accident involving nuclear activities undertaken by the Nuclear Regulatory Commission licensees or Department of Energy contractors, and the nomination of Jed Dean Christensen, of Virginia, to be Director of the Office of Surface Mining Reclamation and Enforcement, Department of the Interior.
SD-366

Judiciary
To resume hearings on the nomination of Jefferson B. Sessions, III, of Alabama, to be U.S. District Judge for the Southern District of Alabama.
SD-226

1:30 p.m.
Armed Services
Preparedness Subcommittee
To hold open and closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the Department of Defense, focusing on operations and maintenance requirements.
SR-222

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Export-Import Bank.
S-126, Capitol

Appropriations
Military Construction Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1987 for military construction programs of the Department of Defense, focusing on Army military construction.
SD-116

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the General Services Administration, National Archives and Records Service, Executive Office of the President, and National Park Service, Department of the Interior (regarding White House and Vice President residence).
SD-124

Armed Services
Defense Acquisition Policy Subcommittee
To resume hearings on S. 2082, to improve the management of major defense acquisition programs, to establish a Defense Acquisition Service, and to limit employment contacts between senior officials of the Department of Defense and defense contractors, and S. 2151, to establish within the Office of the Secretary of Defense an Office of Defense Acquisition for the centralized procurement of all property and services for the Department of Defense, and to provide for an Under Secretary of Defense for Acquisition.
SD-342

Foreign Relations
To hold hearings on matters relating to tropical deforestation and biological diversity.
SD-419

MARCH 20

9:30 a.m.
Armed Services
Manpower and Personnel Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1987 for the Department of Defense, focusing on manpower and personnel programs.
SR-222

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1987 for NASA.
SR-253

Energy and Natural Resources
To hold oversight hearings on the implications of fees on imported oil
SD-366

Finance
Business meeting, to mark up H.R. 3838, proposed Tax Reform Act of 1986.
SD-215

Labor and Human Resources
Handicapped Subcommittee
To hold hearings on proposed legislation authorizing funds for rehabilitation programs.
SD-430

10:00 a.m.
Appropriations
Military Construction Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1987 for military construction programs of the Department of Defense, focusing on Navy and Marine Corps military construction.
S-126, Capitol

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Secret Service, Bureau of Alcohol, Tobacco and Firearms, and the Federal Law Enforcement Training Center, all of the Department of the Treasury.
SD-124

Armed Services
Sea Power and Force Projection Subcommittee
To hold open and closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the Department of Defense, focusing on the C-17 airlifter.
SR-232A

Environment and Public Works
To hold hearings on S. 1813, authorizing funds through fiscal year 1989 for the Atlantic Striped Bass Conservatibn Act, and to revise certain provisions of the Act concerning the regulated fishing for Atlantic striped bass carried on by northeastern U.S. coastal States.
SD-406

Judiciary
Business meeting, to consider pending calendar business.
SD-226

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on proposed legislation authorizing funds for the Community Services Block Grant programs.
SD-562

1:00 p.m.
Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on S. 2129, proposed Risk Retention Amendments of 1986.
SR-232A

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the United States Geological Survey, Department of the Interior.
SD-138

Appropriations
Military Construction Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1987 for military construction programs of the Department of Defense, focusing on Air Force military construction.
S-126, Capitol

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs, focusing on the Power Marketing Administrations.
SD-192

Armed Services
Strategic and Theater Nuclear Forces Subcommittee
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the Department of Defense, focusing on the Strategic Air Command's strategic force assessment.
SR-222

Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on S. 1885, to establish a Military Auxiliary Revolving Fund within the Treasury of the United States for the construction in private U.S. shipyards of merchant vessels capable of serving as naval and military auxiliaries in time of war or national emergency.
SR-253

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold oversight hearings on government nonproliferation activities for 1985.
SD-342

Select on Indian Affairs
To hold hearings on S. 2095, authorizing funds through fiscal year 1990 for the tribally controlled community colleges and the Navajo Community College.
SR-428A

4:00 p.m.
*Select on Intelligence
Closed briefing on counter-intelligence matters.
SH-219

MARCH 21

9:00 a.m.
Armed Services
Strategic and Theater Nuclear Forces Subcommittee
To continue open and closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the Department of Defense, focusing on Navy reactor and nuclear programs.
SR-222

Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on S. 1992 and S. 1993, bills to preserve the rights of certain parties with an interest in certain vessels or fishing facilities, or with an interest in aircrafts, aircrafts parts, or vessels.
SR-253

9:30 a.m.
Finance
Business meeting, to markup H.R. 3838, proposed Tax Reform Act of 1986.
SD-215

Judiciary
To hold hearings on S. 2162, to promote and improve efficient and effective enforcement of the antitrust laws.
SD-226

MARCH 24

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on the nominations of Joseph T. Nall, of North Carolina, and James E. Burnett, Jr., of Arkansas, each to be a Member of the National Transportation Safety Board.
SR-253

10:30 a.m.
Commerce, Science, and Transportation
To hold hearings on the nomination of Robert Ortner, of New Jersey, to be Under Secretary of Commerce for Economic Affairs.
SR-253

2:00 p.m.
Armed Services
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the Department of Defense, focusing on Army tactical programs.
SR-222

MARCH 25

9:30 a.m.
Agriculture, Nutrition, and Forestry
Business meeting, to markup S. 2045, authorizing funds through fiscal year 1992 for the Commodity Futures Trading Commission.
SR-328A

Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.
SR-253

Energy and Natural Resources
To resume oversight hearings on the domestic and international petroleum situation and the implications of fees on imported oil.
SD-366

Labor and Human Resources
Handicapped Subcommittee
To resume hearings on proposed legislation authorizing funds for rehabilitation programs.
SD-430

Veterans' Affairs
Closed meeting to discuss reported sightings of live military personnel missing in action in Southeast Asia.
SH-219

10:00 a.m.
Environment and Public Works
Environmental Pollution Subcommittee
Nuclear Regulation Subcommittee
To hold joint hearings on the regulation of mixed chemical and radioactive waste disposal under the Atomic Energy Act and the Resource Conservation and Recovery Act.
SD-406

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Forest Service, Department of Agriculture.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs, focusing on atomic energy defense activities.
SD-116

MARCH 26

9:00 a.m.
Armed Services
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the Department of Defense, focusing on Navy tactical programs.
SR-222

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Trade Commission, and the U.S. Commission on Civil Rights.
S-146, Capitol

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for the National Science Foundation.
SD-430

Small Business
To hold hearings on S. 2147, to extend the authorization for non-profit organizations operated in the interest of handicapped and blind individuals to receive procurement contracts under the Small Business Act.
SR-428A

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Interstate Commerce Commission and the Office of the Secretary of Transportation.
SD-138

Foreign Relations
To hold oversight hearings on aid to Ireland and the U.S. Foreign Assistance Program.
SD-419

10:15 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Arms Control and Disarmament Agency.
S-146, Capitol

2:00 p.m.
Appropriations
Defense Subcommittee
HUD-Independent Agencies Subcommittee
To hold joint hearings to discuss the National Aeronautics and Space Administration's alternatives to sending satellites into space.
SD-192

MARCH 27

9:30 a.m.
Rules and Administration
To resume hearings on S. 59, S. 1787, S. 1806, and S. 1891, and related measures to amend the Federal campaign finance laws.
SR-301

10:00 a.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Customs Service, Department of the Treasury.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Holocaust Memorial, and the Bureau of Mines, Department of the Interior.
SD-138

APRIL 8

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy conservation programs.
SD-138

APRIL 9

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of the Secretary of Education, Departmental Management (salaries and expenses), Office for Civil Rights, and Office of Inspector General, all of the Department of Education.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Attorney General, Department of Justice.
S-146

Labor and Human Resources
To hold hearings on pending nominations.
SD-430

10:00 a.m.
Appropriations
Defense Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1987 for the strategic defense initiative.
S-407, Capitol

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Railroad Administration, Department of Transportation, and the National Railroad Passenger Corporation (Amtrak).
SD-138

2:00 p.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Personnel Management, and the Federal Elections Commission.
SD-124

APRIL 10

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including elementary and secondary education, education block grants, and impact aid.
SD-116

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for the National Bureau of Standards, Department of Commerce.
SR-253

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the strategic defense initiative.
SD-192

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Management and Budget.
S-126, Capitol

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Inspector General, Agency for International Development, Peace Corps, Inter-American Foundation, and the African Development Foundation.
S-126, Capitol

*Veterans' Affairs
To hold hearings to review Veterans' Administration policies relating to the construction of major medical facilities.
SR-418

APRIL 11

9:30 a.m.
Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold hearings on S. 977, to establish the Hennepin Canal National Heritage Corridor in Illinois, S. 1374, to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island, S. 1413 and H.R. 2067, bills to validate conveyances of certain lands in California that form part of the right-of-way granted by the United States to the Central Pacific Railway Company, and S. 1542, to designate the Nez Perce Trail in Oregon and Montana, as a component of the National Trails System.
SD-366

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the strategic defense initiative.
SD-192

APRIL 14

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

APRIL 15

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including education for the handicapped, rehabilitation services and handicapped research, and special institutions (including Howard University).
SD-116

Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings on safety issues relating to an aging commercial airline fleet.
SD-628

*Commerce, Science, and Transportation
*Science, Technology, and space subcommittee
To hold hearings on proposed legislation authorizing funds for National Oceanic and Atmospheric Administration, focusing on funds for satelite and atmospheric programs.
SR-253

10:00 a.m.
Appropriations
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

2:00
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Agency for International development.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Endowment for the Arts and National Endowment for the Humanities.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

APRIL 16

9:00 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative priorities of AMVETS, Vietnam Veterans of America, World War I Veterans, Jewish War Veterans of the U.S.A., and Atomic Veterans.
SD-106

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including student financial assistance, guaranteed student loans, higher and continuing education, higher education facilities loans and insurance, college housing loans, and educational research and training.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Oceanic and Atmospheric Administration, Department of Commerce, and the Marine Mammal Commission.
S-146, Capitol

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
To hold hearings on Acquired Immune Deficiency Syndrome.
SD-430

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Aeronautics and Space Administration.
SD-124

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Coast Guard, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of the Treasury, Postal Service, and general government programs.
SD-124

APRIL 17

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies. Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including bilingual education, vocational and adult education, education statistics, libraries, and the National Institute of Education.
SD-116

10:00 a.m.
* Commerce, Science, and Transportation
To hold hearings with the National Ocean Policy Study on S. 2138 and H.R. 2935, bills to establish a National Marketing Council to enable the United States fishing industry to establish a coordinated program of research, education, and promotion to expand markets for fisheries products.
SR-253

Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on S. 1319, to relieve the Washoe County Water Conservation District, Nevada, of certain Federal repayment obligations, and S. 1772, to convey certain real property to the Pershing County Water Conservation District.
SD-366

Select on Indian Affairs
To hold hearings on S. 2118, to provide for the distribution of funds appropriated to pay a judgment awarded to the Sisseton and Wahpeton Tribes of Sioux Indians in Indian Claims Commission dockets numbered 142 and 359.
SD-485

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for foreign assistance programs.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Fish and Wildlife Service, Department of the Interior.
SD-192

APRIL 18

9:30 a.m.
Commerce, Science, and Transportation
Business, Trade, and Tourism Subcommittee
To hold hearings on proposed legislation authorizing funds for the U.S. Travel and Tourism Administration.
SR-253

APRIL 22

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Soldiers' and Airmen's Home, Prospective Payment Commission, Railroad Retirement Board, National Labor Relations Board, National Mediation Board, Occupational Safety and Health Review Commission, Federal Mediation and Conciliation Service, and the United States Institute of Peace.
SD-116

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, focusing on inter-

national narcotics control, migration and refugee assistance, and anti-terrorism programs.

S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Navajo-Hopi Indian Relocation Commission, and the Office of Surface Mining, Reclamation and Enforcement, Department of the Interior.

SD-192

APRIL 23

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for ACTION (domestic programs), Corporation for public Broadcasting, National Council on the Handicapped, Mine Safety and Health Review Commission, National Commission on Libraries and Information Science, and National Center for the Study of Afro-American History and Culture.

SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Bureau of Investigation and Drug Enforcement Administration, Department of Justice, and the Equal Employment Opportunity Commission.

S-146, Capitol

Labor and Human Resources
To hold hearings on S. 1815, to prohibit any employer from using any lie detector test or examination in the work place, either for pre-employment testing or testing in the course of employment.

SD-430

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Navy aircraft procurement programs.

SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the United States Railway Association and Conrail.

SD-138

APRIL 24

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.

SD-116

Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 1018, to clarify the meaning of the term "guard" for the purpose of permitting certain labor organizations to be certified by the National Labor Relations Board as representatives of employees other than plant guards.

SD-430

10:00 a.m.
Appropriations
Defense Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1987 for intelligence programs.

S-407, Capitol

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, focusing on voluntary contributions to international organizations programs, and for the Office of the U.S. Representative to the United Nations.

SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Energy Information Administration and the Economic Regulatory Administration, Department of Energy.

SD-192

APRIL 29

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.

SD-116

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for certain defense programs.

SD-192

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Housing and Urban Development and certain independent agencies.

SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Bureau of Indian Affairs, Department of the Interior.

SD-192

APRIL 30

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of U.S. Trade Representative, and the Federal Communications Commission.

S-146, Capitol

Labor and Human Resources
To hold oversight hearings on the human resources impact of reentry of women into the labor force.

SD-430

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Housing and Urban Development and certain independent agencies.

SD-124

MAY 1

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.

SD-116

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for certain defense programs.

SD-192

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for territorial affairs, Department of the Interior.

SD-192

MAY 6

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.

SD-116

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Air Force aircraft procurement programs.

SD-192

MAY 7

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Supreme Court of the United States, U.S. District Courts/Courts of Appeals, and the Commission on the Bicentennial of the U.S. Constitution.

S-146, Capitol

Labor and Human Resources
To hold oversight hearings on medical malpractice.

SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Urban Mass Transportation Administration, Department of Transportation, and the Washington Metropolitan Area Transit Authority.
SD-138

MAY 8

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for strategic systems.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Aviation Administration, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Smithsonian Institution.
SD-192

MAY 13

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

MAY 14

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Legal Services Corporation, and the Securities and Exchange Commission.
SD-146, Capitol

Labor and Human Resources
To hold hearings to review barriers to health care.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Transportation and certain related agencies.
SD-138

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on S. 525, to provide for the transfer to the Secretary of Health and Human Services the authority of the Secretary of Energy to conduct epidemiological studies of radiation effects.
SD-342

MAY 15

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for fossil energy and clean coal technology.
SD-192

MAY 20

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Indian Health Service, Department of Health and Human Services.
SD-192

MAY 21

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Information Agency, and the National Endowment for Democracy.
S-146, Capitol

Labor and Human Resources
To resume oversight hearings on medical malpractice.
SD-430

MAY 29

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of the Secretary and Office of the Solicitor, Department of the Interior.
SD-192

JUNE 3

10:00 a.m.
Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on statistical policy for an aging America.
SD-342

JUNE 4

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Commerce, Justice, and State, the Judiciary, and certain related agencies.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings to review the imposition of user fees in FDA approval procedures for new drugs.
SD-430

JUNE 11

9:30 a.m.
Labor and Human Resources
To hold hearings on pending nominations to the National Advisory Council on Women's Educational Programs.
SD-430

JUNE 17

9:30 a.m.
Labor and Human Resources
To hold hearings on food safety issues.
SD-430

JUNE 18

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

JUNE 25

9:30 a.m.
Labor and Human Resources
To hold hearings on the administration of the Mine Safety and Health Review Commission.
SD-430

JULY 16

9:30 a.m.
Labor and Human Resources
To hold hearings on the establishment of generic drug procedures and patent term restoration for animal drugs.
SD-430

JULY 30

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

AUGUST 13

9:30 a.m.
Labor and Human Resources
To hold hearings to review the private sector initiatives in human services.
SD-430

SEPTEMBER 10

9:30 a.m.
Labor and Human Resources
To hold hearings to review the human resources impact on drug research and space technology.
SD-430

SEPTEMBER 16

9:30 a.m.
Labor and Human Resources
To hold hearings on pending nominations.
SD-430

SEPTEMBER 24

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

CANCELLATIONS

MARCH 18

10:00 a.m.
Judiciary
Constitution Subcommittee
To resume hearings on S. 436, relating to civil actions for the deprivation of rights, to limit the applicability of that statute to laws relating to equal rights, and to provide a special defense to the liability of political subdivisions of States.
SD-226

MARCH 19

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

SENATE—*Tuesday March 18, 1986*

The Senate met at 10 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

God of truth, infinite in wisdom, knowledge and understanding, we earnestly invoke Your presence in the Senate. The prophet Isaiah reminds us that "* * * the nations are as a drop of a bucket, and are counted as the small dust of the balance. * * *" to You. (Isaiah 40:15) Paul the apostle wrote: "* * * there is no power but of God: the powers that be are ordained of God." (Romans 13:1) The past, the present and the future are known to You; the end of history as plain as the beginning. You know the destiny of every nation and the hearts and minds of their leadership. Our knowledge is fallible at its best and our motives are not always clear, even to ourselves. In these critical hours, great God, infuse the Senators and their advisors with wisdom from above. Guide them through the complicated, sometimes confusing and conflicting claims to the light of truth and justice. In the name of Him who is the light of the world. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each. Then we have special orders in favor of Senators NICKLES, PROXMIRE, KENNEDY, and CRANSTON for not to exceed 5 minutes each.

Following the special orders, there will be a period for the transaction of routine morning business, not to extend beyond the hour of 10:30 a.m., with Senators permitted to speak therein for not more then 5 minutes each.

At 10:30 a.m., the Senate can be expected to turn to House Joint Resolution 534, the CCC supplemental appropriations, or S. 1567, the water resources bill.

Mr. President, I think we will be on the water resources bill later on this afternoon. There are negotiations going on and we may be better served by not bringing that bill up at this point.

From noon until 2 o'clock, we are in our regular Tuesday recess so that both Democrats and Republicans can have their policy luncheons. At 2 o'clock, the Senate will go into executive session to consider the nomination of Sidney Fitzwater to be a U.S. district judge. By previous unanimous consent, at 3 p.m., a cloture vote will occur on the nomination. If cloture is invoked, it will be the intention of the majority leader to stay on the nomination until disposed of. It is hoped that by midafternoon, we will be able to return to S. 1567 and complete action on the water resources bill during today's session. We know we will have a rollcall vote at 3 o'clock, so at least there will be one rollcall vote, and there may be others.

If we complete action on S. 1567, and on the CCC supplemental appropriations bill, it may be that tomorrow we can begin the regional airport bill.

I will be meeting with the President this afternoon to hopefully determine when he would like the Contra aid matter brought before the Senate. That could come starting on Friday or it could come starting on Monday.

Mr. President, we also hope to finish the budget resolution, which we hope to take up on next Tuesday. Then the Easter recess will begin on the close of business, Thursday, March 27th.

So, Mr. President, we do have a number of items that we would like to dispose of before the Easter recess. At the same time, I think we have made good progress and I thank my colleagues on both sides for their cooperation.

Today will not be a late day. I would guess we will go out at 6 o'clock or a little after. Wednesday and Thursday could be later nights. Hopefully, we can alert Members tomorrow afternoon as to what may be expected on Friday.

Mr. President, I reserve the remainder of my time.

NOTICE

Effective on April 8, 1986, the Government Printing Office will produce a daily edition of the Congressional Record in microfiche format. Subscriptions to the daily edition may be ordered to include all the issues of the publication since the first issue of the second session of this Congress.

Current subscribers interested in changing their subscription to the microfiche format may do so before April 8, and they will receive back issues of the Congressional Record to the beginning of the session so that they will have a complete file. New subscribers to the Congressional Record in microfiche format may obtain a subscription by contacting the Superintendent of Documents, Government Printing Office, Washington, DC, 20402 (tel: 202-783-3238). The cost for a year's subscription of the microfiche edition of the daily Congressional Record is $118. The cost of the paper edition remains $218 per year. The microfiche materials will be mailed by first class postage no later than 48 hours after the publication date of the Congressional Record. The micrographic conversion will be a 24× reduction.

Members, congressional officers, and staff now receiving the paper edition of the Congressional Record may elect to change their subscriptions to the microfiche edition at any time by contacting the Congressional Printing Management Division at the GPO on 275-3377.

By order of the Joint Committee on Printing.

CHARLES McC. MATHIAS, JR., *Chairman.*

RECOGNITION OF THE MINORITY LEADER

The PRESIDENT pro tempore. The able Democratic leader is recognized.

Mr. BYRD. Mr. President, I thank the Chair.

AIR SAFETY

Mr. BYRD. Mr. President, over the weekend the Washington Post published an excellent article by Post reporter Douglas Feaver, entitled "Air Safety and Deregulation's Price." The Post report provides a balanced perspective on an issue about which I share the concerns of many of my colleagues: That is, whether the deregulation of the airline industry in 1978 has contributed to a progressive erosion of aviation safety.

The answer, writes Mr. Feaver, "Is equivocal, involving such issues as a shortage of inspectors, the greatly increased FAA workload due to a new Government attitude that lets anyone try to become an airline, and Federal safety standards that have not been changed since the Airline Deregulation Act of 1978." This is not a conclusion in which I took any comfort.

The point of the Post story is that under deregulation the airline industry has experience rapid growth, and this growth has put enormous pressures on FAA resources, particularly in the area of FAA inspectors. Moreover, in the highly competitive environment established by airline deregulation, there are economic pressures on commerical air carriers to cut costs.

One has reason to believe and to fear that there is probably considerable cost cutting in the area of aircraft maintenance.

According to the Post story, the number of U.S. airlines has grown from 179 in 1979, the first year of deregulation, to 499 by the end of 1983, an increase of over 170 percent. In contrast, FAA had 645 inspectors in 1979, and 569 in 1983. However, as a result of growing congressional concerns about aviation safety, that number had increased to 674 at the end of last year.

To provide some perspective on what those numbers mean, the Post story focuses on the south Florida flight standards district office, the busiest safety surveillance office in the Nation. This office is responsible for providing surveillance of 145 repair stations, Eastern Airlines, a large part of Pan American World Airways, Arrow Air, now bankrupt, and 62 other airlines or small operators whose aircraft are available for hire.

In addition, the job of the south Florida office includes certifying the airworthiness of airlines seeking to provide service. In 1985, the south Florida office certified as airworthy 39 new, mostly small, airlines and 12 repair stations. The certification of each of those 39 new airlines requires the approval of training programs, maintenance manuals, and management qualifications and equipment.

To do this enormous job, the south Florida office has an authorized strength of 186 people. However, the Post story notes, there are only 93 people in place at the office, and 15 of those are clerical. In other words, Mr. President, that agency is working with only 50 percent of the personnel it should have. If this is accurate, I find it difficult to understand why the FAA allows such a situation to continue. Indeed, I would be concerned that this is more the rule than an exception.

The mismatch between FAA resources and the magnitude of its responsibilities underscores an important issue: To what extent does the airline industry regulate itself in terms of maintaining the safety of its operations? In light of the FAA's recent proposal to impose a record $9.5 million in penalties on Eastern Airlines, it appears that the answer is becoming clear.

Indeed, Mr. President, it appears a strong Federal presence is necessary to serve as a check on the airline industry in matters of safety. It should be the job of the Federal Government to see to it that airlines do not cut corners where the safety of their operations could be diminished.

In all fairness, I should point out that the FAA has done a better job recently. It has become more aggressive in enforcing safety regulations. In addition, as the post story points out, part of the perception of decreased safety can be attributed to the big headlines and penalties which result from more aggressive FAA enforcement. However, the Post story also suggests that there are substantive areas of concern. For example, Mr. James Burnett, Chairman of the National Transportation Safety Board, points out that there has been no attempt consistently to study the minimum Federal regulations to see if changes are needed. In the intensely competitive environment of the aviation industry today, perhaps it is time for FAA to give a higher priority to the examination of FAA minimum Federal safety regulations.

Mr. President, the Post story raises many important issues, and I hope that the Senate will be scrutinizing these issues closely in the months ahead. Indeed, these questions should be a major focus of inquiry. I think it would be appropriate for the Congress to examine the issue of air safety and the impact of deregulation 7 years after the Airline Deregulation of 1978. Accordingly, I have written Senator KASSEBAUM, the chairman of the Aviation Subcommittee on the Commerce Committee, and to Senator EXON, the ranking member, asking them to hold hearings to examine the impact of deregulation on air safety.

Mr. President, I ask unanimous consent that the Post story I referred to in my remarks as well as the two letters and other newspaper articles be printed in the RECORD.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Mar. 16, 1986]

AIR SAFETY AND DEREGULATION'S PRICE

(By Douglas B. Feaver)

MIAMI.—William J. Everett, a Federal Aviation Administration safety inspector, is personally responsible for guaranteeing the flying public that maintenance is up to snuff at 18 small airlines, three big-name passenger airlines, two cargo airlines and 24 aviation repair shops.

He has two assistants who do most of that work now because he is filling in for his supervisor. Two FAA big wheels are watching when a reporter asks, "Can you do all that work?"

"Yes sir," he says.

Everett's job is obviously enormous, beyond the ability of any three-man team, despite his words of assurance. His situation is brought on by the new realities of the aviation business, realities also illustrated by last week's announcement that the FAA has proposed a $9.5 million civil penalty against Eastern Air Lines for maintenance violations.

The question is whether airline deregulation in 1978 has resulted, seven years later, in a reduction in safety.

The answer is equivocal, involving such issues as a shortage of inspectors, the greatly increased FAA workload due to a new government attitude that lets anyone try to become an airline, and federal safety standards that have not been changed since the Airline Deregulation Act of 1978.

U.S. aviation industry officials and the FAA say they think that, in part, they are taking the heat for a problem that is not theirs. Despite the startling accidents of last year—more than 2,000 dead world-wide—the crashes involving the biggest loss of life, Japan Air Lines and Air India, had nothing to do with the FAA.

However, there were five major crashes involving U.S. airlines: Eastern in Bolivia, Galaxy in Reno, Nev., Delta in Dallas, Midwest express in Milwaukee and Arrow in Gander, Newfoundland. The big-plane death toll, 526, was second only to the 655 fatalities in 1977, the year of the monstrous runway collision at Tenerfile, in the Canary Islands. The fact that accident rates and fatality rates moved only fractions last year provides small comfort.

The FAA inspection staff has always been short-handed and has always relied largely on voluntary compliance enforced with occasional spot checks. Former Braniff pilot John Nance, author of a new book on safety, "Blind Trust," calls it "an honor system."

A respected aviation safety specialist who does consulting work for many airlines and asked not to be identified said, "We have seen that the industry cannot be relied upon to regulate itself in safety. I'm not arguing you can't make a safer system under deregulation, but if you're going to do that, you have to do something else to provide safety checks and balances.

"Airline management can't hide cost-cutting very easily in flight operations, because that's too easy to see. They can in maintenance. What kind of environmental attitudes are the new mechanics seeing?"

Despite the problems, some of the FAA's frequent critics agree that it is doing a better, more aggressive job now that it has in years. The proposed record penalty at Eastern follows stiff civil penalties at American, Western and Alaska airlines and shows that the agency is moving from its traditional buddy-buddy relationship with the industry, the critics say. A total of 63 airlines, all small, last year were grounded briefly or forever.

"We're very happy with the FAA response to the items we bring to their attention," said John O'Brien, chief safety engineer with the Air Line Pilots Association and a frequent FAA critic.

Rep. Norman Y. Mineta (D-Calif.) chairman of the House Public Works Aviation subcommittee, said, "I think the FAA is finally getting the message that the traveling public wants a tough enforcer, so I back what the FAA is doing . . . In terms of maintenance, you don't know what is happening, the only way you know is through the inspection service."

Mineta has been a nagging pain in the neck at the Transportation Department, urging more inspectors. The FAA inspector corps at major airlines hit its peak of 812 in 1971, during a flurry of accidents and years before deregulation. But five years after deregulation, in 1983, the number had dropped to 569. It climbed back to 674 by the end of last year as the concerns about surveillance of a deregulated industry began to suppress the Reagan administration's enthusiasm for FAA budget-cutting.

The potential effects of the Gramm-Rudman-Hollings budget balancing law are creating new concerns within the FAA, but Transportation Secretary Elizabeth Hanford Dole has promised to protect new inspector and air traffic controller positions, one way or another.

Safety has a price, and before 1978, it was easy for a comfortable, regulated airline to pay. It could ignore costs, because fare increases were always approved by the now-defunct Civil Aeronautics Board. Now, with airline management staffed more and more with business-school types instead of airline pioneers, cost pressure is on everybody, from the maintenance manager to the vice president for pilot training.

"Airlines certainly do operate on an honor system in that there is not an inspector on every flight," said FAA Administrator Donald D. Engen., "We do fly, and check and spot check." He noted the obvious, that an FAA inspector at every maintenance stand or flight crew training session would create an enormous bureaucracy and said, "We have got to see what this nation can afford."

The South Florida Flight Standards District Office, where FAA inspector Everett works, is responsible for 145 repair stations, Eastern Air Lines, a good chunk of Pan American World Airways, the now-bankrupt Arrow Air Inc., and 62 other airlines or for-hire small operators, mostly unheard of, many flying tired planes from Miami International Airport's famous so-called "Cockroach Corner."

It is, the FAA says, the busiest safety surveillance office in the country. It has an authorized strength of 186 federal employes. The number of people actually in place is exactly half, 93, and 15 of those are clerical.

Last year, those 93 people were supposed to watch all those airlines and maintenance shops. Additionally, they certified as airworthy 39 new—mostly small—airlines and 12 repair stations. Each new certificate requires approval of training programs, maintenance manuals, management qualifications and equipment, and requires an enormous amount of manpower.

"There is no question that to handle the existing workload takes away from surveillance," said William M. Berry Jr., manager of the FAA's Southern Region flight standards division in Atlanta, which oversees the Miami office.

FAA officials are privately angry at the parent Department of Transportation, which inherited the old CAB regulatory responsibility for determining whether a would-be airline is "fit, willing and able to serve." In the FAA view, the department rubber-stamps fitness applications without regard to whether there is any chance of success.

"We're getting a lot of people who know nothing about aviation." an FAA source said. "We're put under enormous pressure from the White House, from congressmen, to tell them what they need and get them started. A large number go bankrupt, and small operators are forever buying and selling airplanes. It puts an enormous burden on our people" because all those transactions have to be monitored.

The number of U.S. airlines in business, large and small, scheduled and charter, increased from 179 in 1979, the first year of deregulation, to 499 by the end of 1983. There has been some consolidation since then, particularly among small airlines, and the most recent figures are not available. But each change, each merger, puts another inspection requirement on the FAA.

The FAA tries to follow a squeaky-wheel philosophy, and its inspectors are inclined to spend more time watching an obscure, inexperienced, financially troubled three-plane operator than they do watching American or Eastern—until somebody or some dramatic incident rings the bell.

Top DOT officials, espousing the logical economic argument that a fitness test is nothing but an artificial barrier to competition, vigorously opposed legislation that gave it the CAB fitness responsibility. Now that the responsibility is theirs, "We're under enormous pressure to push the [airline] applications," a DOT source said.

Dole said the DOT fitness test is "basically the same as what the CAB did." Safety standards, she said, have not been diminished: "When you get to a situation where a carrier gets into economic difficulty, we're watching it like a hawk."

In the field, the FAA's Berry said, deregulation has had "two unanticipated impacts:"

No one thought that "so many people would try to go into business as airlines," straining the inspector corps.

"We didn't envision that airlines would be able to contract for maintenance and training" to the degree that they have. Many new airlines—People Express is the outstanding example—have built little of their own infrastructure. They farm out training and maintenance to other companies, sometimes other airlines, which means the FAA has to "try and find the airline," as former FAA Chief Langhorne M. Bond says.

Anthony J. Broderick, FAA associate administrator for aviation standards and the man whose troops are responsible for policing the industry, agrees that the FAA was surprised by the number of new airlines and the added requirements for surveillance at the old carriers, but said, "I think the shortcomings have been caught in time."

Dole proclaims safety as her first priority and has shaken up the FAA by ordering such things as a nationwide inspection of every airline, which she did in 1983.

That resulted in SWAT-team-like follow-up inspections at several airlines and a new procedure to circumvent the old familiarity problem: every major carrier is being checked by inspectors from offices other than the one that usually deals with the airline. A team is working now at Pan Am and another team will start soon at Delta.

Dole points out that she has authorized the hiring of 500 new air safety inspectors, and takes comfort in numbers. "The statistics show that in the seven years after deregulation as opposed to the five years before, it's better in terms of lower fatality rate, lower accident rate," she said. "We are more vigilant in enforcing regulations. We had $3 million last year in fines. We changed the inspection procedures, and I think they are paying off."

Half of that $3 million came from American, one of 1,218 individuals or companies paying civil penalties. A year earlier, such fines for violations involving safety and hazardous materials totaled $1.4 million paid by 1,602 individuals or companies.

Thus part of the perception of decreased safety can be attributed to more vigorous FAA enforcement that is resulting in big headlines and big penalties, a point airline executives make with some irritation.

The thread from which safety hangs is thin but complex, involving regulation, inspection and aggressiveness as well as high numbers. National Transportation Safety Board (NTSB) Chairman Jim Burnett says of the FAA, "I don't think they're going to be able to do it simply by adding people. It's a good idea to toughen up on enforcement policies."

Burnett is also concerned about the status of FAA regulations. "There has been no attempt to consistently study the minimum federal regulations to see what needs to be changed," he said.

Under federal law, the FAA establishes only "minimum" safety standards, but airlines are required to operate "to the highest possible degree of safety."

However, critics charge, the difference between minimum and highest degree has dwindled as entrepreneurial skills became more important in a tensely competitive industry. There is no question that consumers have enjoyed reduced fares, which have fed aviation's record growth, which in turn increased the complexity of regulating safety.

Hollis I. Harris, senior vice president of operations at Delta Air Lines, said, "I think we work extra hard to make sure that pressure to lower costs in no way becomes a part of our management decisions in any area that affects safety."

The FAA is in the early stages of rewriting regulations for major airlines, partly to clean up requirements from the propeller era, but also to tighten the screws, to raise the "minimum" floor.

But first, Broderick said, the FAA will revise inspector handbooks for maintenance and operations to eliminate regional differences in standards.

"We thought it was more important to redo the handbooks," Broderick said. "Once those are done, the people will work into the regulatory rewrite program."

A rewriting of the small-plane, commuter airline rules occurred in the late 1970s, after

a rash of accidents underlined an enormous gap in safety requirements for big and small planes. Since that was accomplished in 1979, there has been a steady decline in commuter accidents and 1985 was the safest year in commuter history.

Donald W. Madole, who once headed the aviation safety office in the CAB that became the NTSB, now makes a very good living as a plaintiff's attorney suing airlines, airplane manufacturers and the FAA after accidents.

Asked if deregulation has hurt safety, he said, "No question. If we didn't have the staffing and the personnel under regulation to assure that the regulations were complied with then, how can we do it with all of this going on?"

The plane crashes of 1985, as best as can be determined, happened because of pilot error (Bolivia and Reno), wind shear (Dallas), engine failure (Milwaukee) and weight miscalculation abetted by ice on the wings (Gander).

When, Madole asked, "are we going to have an accident with a new cause?"

[From The Washington Post, Mar. 14, 1986]

EASTERN AIRLINES FACING "SUBSTANTIAL" FAA FINE

The Federal Aviation Administration announced last night that it has proposed a "substantial civil penalty" against Eastern Airlines for "alleged maintenance-related violations" of federal regulations.

The FAA said the alleged violations include failure to comply with federal directives requiring mandatory inspections or repairs and failure to comply with maintenance procedures prescribed in manufacturers' manuals.

The agency is proposing $9.5 million in fines for 78,000 individual rules violations, according to a report in today's New York Times.

An FAA spokesman declined to confirm the size of the fine as reported by The Times. The Associated Press reported that the agency was still negotiating with the airline.

According to the FAA, the allegations of violations resulted from a special inspection and evaluation of Eastern conducted from Dec. 3 through Feb. 20.

An FAA official said the inspection stemmed from concern about reports that Eastern, the nation's third largest airline, was deferring maintenance on too many planes.

FAA officials said they could not provide details on the allegations or the proposed penalty until Eastern has been given an opportunity to comment, as required by law.

An Eastern spokesman said last night that "at this point it's not clear what we're dealing with or why."

In a statement, the FAA said agency officials had met with Eastern executives yesterday to discuss a plan that would lead to the airline's "full compliance" with regulations.

The Eastern spokesman said the airline is eager to deal openly with any "safety concerns of substance" that might be raised. The spokesman said, however, that the FAA has not provided enough documentation to enable the airline to respond effectively.

Last year American Airlines paid a $1.5 million civil penalty to settle issues resulting from an FAA inspection, though it denied any violations. Meanwhile yesterday, a former FAA official told a Senate panel the agency had ignored violations at Continental Airlines during a safety probe and had altered a report critical of the carrier, United Press International reported.

Harry Langdon, an inspector with the FAA's San Francisco office who quit last year, told a Senate aviation subcommittee hearing that a 1984 investigation disclosed serious shortcomings at Continental.

"Several discrepancies became evident fairly early in the inspection," he said. "The most flagrant discrepancy was the use by Continental of many check pilots [those who supervise other pilots] who had not had the required FAA training or, more importantly, had not gone through the proper FAA authorization procedures."

Langdon told the panel that the rapid appointment of new captains at Continental following a strike by its pilot union became a major concern to federal investigators.

Langdon said he had written a lengthy report on Continental, outlining his findings and recommendations, which he said were later "severely watered down." As a result of a subsequent probe, the FAA proposed a $300,000 fine against Continental, which the carrier is protesting. An airline spokesman said there were some factual discrepancies in the report, but they have been corrected.

[From the New York Times, Mar. 14, 1986]

F.A.A. SAID TO PLAN RECORD SAFETY FINE FOR EASTERN AIRLINES

(By Richard Witkin)

The Federal Aviation Administration has begun action to levy a record multimillion-dollar fine against Eastern Airlines for violating safety rules, agency officials say.

One of the most serious charges is that the airline conducted numerous flights with two Boeing 727 planes using a landing gear component that was supposed to have been removed from the fleet, industry sources said. A landing gear on one of the planes eventually collapsed in a landing, the sources said, but no one was injured.

The majority of the charges, however, have to do with the airline's reported failure to keep proper records on maintenance, including compliance with F.A.A. safety directives, the agency sources said.

In a letter sent to Eastern last week, the Federal agency said it was proposing to impose a total of $9.5 million in fines for 78,000 individual rules violations reported found in a two-month-long inspection of the Miami-based carrier, agency officials said.

Eastern was reported to have replied that some 60 percent of the charges were inaccurate.

Jerry Cosley, Eastern's senior vice president for communications, said yesterday: "In this type of detailed inspection, the carrier being inspected has the civil right to review the detailed findings. And we have not yet been afforded that opportunity. We think any speculation about the findings or any civil penalities to be very premature."

Discussions to reach agreement between the aviation agency and the airline on the verifiable facts of the inspection and the penalty to be paid could continue for another week or more. Proposed fines are often reduced substantially in such negotiations. If negotiators do not agree on a fine, Eastern can appeal to the National Transportation Safety Board and ultimately to the courts.

The largest fine the aviation agency has ever collected from an airline was a $1.5 million levy imposed on American Airlines last year. Under Government regulations, the agency may assess maximum civil penalties of $1,000 for each violation.

The total of a fine can mount rapidly because every flight a plane makes with an illegal structural or engine part, or with faulty maintenance records, is counted as a separate violation.

INSPECTION BEGAN LAST YEAR

The inspection of Eastern was undertaken late last year as part of an intensified F.A.A. program to monitor the operations of all the nation's airlines. The agency has been taking an increasingly aggressive stance on safety matters because of the disturbing run of fatal accidents last year and because of public concern that has been reflected in a series of Congressional hearings.

The inspections of airline operations, and parallel inspections of airline repairs and those done by independent repair concerns, have imposed a heavy burden on the aviation agency's inspection force.

The Department of Transportation, to which the aviation agency belongs, has pledged that the force of inspectors will be increased in the 1986 and 1987 fiscal years despite budget cuts that will affect most of the agency's other activities. Similarly exempt from the cuts, the department says, will be the air-traffic control force and security personnel.

An F.A.A. move to fine Eastern had been expected by airline safety specialists but what surprised them was the size of the proposed penalty. Whatever figure is eventually settled on, it was unlikely to have a significant effect on the process of completing the proposed purchase of the airline by the Texas Air Corporation, in a transaction of nearly $600 million that requires approval by stockholders.

In the past, industry officials have tended to play down the significance of wholesale findings that an airline had failed to keep proper records on aircraft maintenance and personnel training. But officials of the aviation agency insist that poor record-keeping goes to the heart of safety and a major effort is under way in the F.A.A. to computerize and standardize maintenance and other records.

Poor record-keeping figures prominently in the 24-page list of alleged rules violations sent to Eastern, agency officials said, although many were disputed by the airline. But the list also was said to include significant cases where the airline had failed to comply with specific aviation agency orders to make sure that certain outlawed aircraft parts were removed from Eastern planes.

U.S. SENATE,
OFFICE OF THE DEMOCRATIC LEADER,
Washington, DC.

Hon. NANCY KASSEBAUM,
Chairman, Aviation Subcommittee, Committee on Commerce, Science and Technology, U.S. Senate, Washington, DC.

DEAR SENATOR KASSEBAUM: The deregulation of the airline industry in 1978 played a major role in fostering a highly competitive environment within the industry which has raised growing concerns that the safety of airline operations is being compromised. It has been pointed out, for example, that the number of U.S. commercial airlines has increased from 179 in 1979 to 499 by the end of 1983. Price competition among some of the nation's major carriers has resulted in lower air fares for many consumers. However, in this highly competitive environment there may also be economic pressures to cut corners in areas which can have a detrimental effect on safety, such as aircraft maintenance.

The Washington Post recently carried a report entitled, "Air Safety and Deregulation's Price," which provided a very useful overview of some of the major issues pertaining to airline deregulation and its impact on air safety. The Post story indicated that it may be as yet unclear whether deregulation has resulted in a reduction of airline safety. Nonetheless, the story indicated that those who are concerned about the status of the nation's air safety system may have reason for concern. Indeed, the recent FAA proposal to impose a record $9.5 million in penalties on Eastern Airlines for violating 78,000 FAA maintenance regulations is itself cause for concern.

You have played a leading role in examining the condition of the nation's air safety system. The hearings you held late last year and early this year provided important preliminary information about the complex issues associated with the problem of airline safety. They also have provided a basis for further consideration of some of the more fundamental questions facing the Congress. One of these is the question of whether deregulation has had an adverse impact on the margin of safety this nation should enjoy in air transportation. This is of critical importance to the American public, and I urge you to schedule hearings to consider this topic.

I thank you for your consideration, and your leadership in this area.

Sincerely,

ROBERT C. BYRD.

U.S. SENATE,
OFFICE OF THE DEMOCRATIC LEADER,
Washington DC.

Hon. J. JAMES EXON,
Subcommittee on Aviation, Committee on Commerce, Science and Technology, U.S. Senate, Washington, DC.

DEAR SENATOR EXON: The deregulation of the airline industry in 1978 played a major role in fostering a highly competitive environment within the industry which has raised growing concerns that the safety of airline operations is being compromised. It has been pointed out, for example, that the number of U.S. commercial airlines has increased from 179 in 1979 to 499 by the end of 1983. Price competition among some of the nation's major carriers has resulted in lower air fares for many consumers. However, in this highly competitive environment there may also be economic pressures to cut corners in areas which can have a detrimental effect on safety, such as aircraft maintenance.

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I thank you for your consideration, and your leadership in this area.

Sincerely,

ROBERT C. BYRD.

Mr. BYRD. Mr. President, this is one Senator who regrets that he voted for airline deregulation. It has penalized States like West Virginia, where many of the airlines pulled out quickly following deregulation and the prices zoomed into the stratosphere—doubled, tripled and, in some instances, quadrupled. So we have poorer air service and much more costly air service than we in West Virginia had prior to deregulation. I admit my error; I confess my unwisdom, and I am truly sorry for having voted for deregulation.

I would welcome the opportunity to vote for reregulation because we people in the rural States are paying the bill for the competition over air fares. We are paying the bills in traveling from Washington to Charleston, WV, or to Clarksburg, or to Elkins. We are making up the losses that air carriers otherwise sustain in their cutthroat prices for tickets on long hauls.

Again, I am very sorry for having voted for deregulation. Again, I hope I shall have the opportunity to make amends and vote for reregulation.

I wish I could have two votes to give to my country but I only have one vote. I hope I shall have the opportunity to cast that one day; if that opportunity comes, I shall do it with a vengeance.

Mr. PROXMIRE. Mr. President, will the distinguished minority leader yield?

Mr. BYRD. Yes, I yield, Mr. President.

Mr. PROXMIRE. Mr. President, I want to congratulate my leader. It is not easy to say "I am wrong," and the leader very rarely has to do that, because he is right most of the time. I think it takes a great deal of character, particularly in politics, especially when you are the leader of a party, to stand up and say "I was wrong, I have changed my position." I congratulate him for doing it.

Mr. BYRD. Mr. President, I thank my friend and colleague, Mr. PROXMIRE. His words come as a balm to hurt wounds. Nevertheless, I am afraid I shall continue to suffer until I have the opportunity to cast that vote and, at last, ease my conscience.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER (Mr. GORTON). Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 5 minutes.

Mr. PROXMIRE. Mr. President, I thank the Chair.

THE REAL NUCLEAR THREAT: TERRORISTS WITH NUCLEAR WEAPONS

Mr. PROXMIRE. Mr. President, a few weeks ago the Carnegie Corp. announced the formation of an organization to study the prospects of terrorists using nuclear weapons. In the judgment of this Senator, this may be the most timely and significant contribution to peace this year. Both this country and the Soviet Union are pouring tens of billions of dollars every year into building our respective nuclear arsenals. Why? For one reason: Both superpowers are convinced that nuclear deterrence, the sure capability to respond with an absolutely ruinous retaliatory attack to any preemptive strike from the adversary constitutes the surest guarantee of security and safety today. Mutual assured destruction or MAD has its critics but it has kept the nuclear peace throughout the nuclear age.

The next step for the superpowers is to develop, gradually and carefully, a series of nuclear arms control agreement that can win the confidence on both sides that compliance is certain. This will take many years of patience and persistence. Meanwhile, the prospect of a calculated, deliberate nuclear superpower attack has diminished. The last serious threat of such a catastrophe occurred more than 23 years ago at the time of the Cuban missile crisis. Since then, the assured survival of sufficient nuclear weapons for both superpowers, even after an all out nuclear attack, has made the initiation of a superpower nuclear war increasingly less likely.

Does that mean we are home free? Does that mean that the prospect of a nuclear attack has been reduced to a very, very long shot? The answer is yes with respect to a superpower initiated strike. The answer is no from another quarter. Paul Levanthal, the executive vice chairman of the new Carnegie-funded group that is studying the dangers of nuclear attacks from terrorists has warned that the potential danger of such attacks is very serious, indeed. And it will get worse. Levanthal has projected the grim fact that if current processing rates continue, there will be four hundred tons of separated plutonium in private hands by the year 2000. That is right: in private hands—not Government—private hands.

How much is 400 tons of plutonium? Would it give terrorists a significant power? Would it? Just listen: 400 tons of plutonium is twice the amount now contained in Soviet and American nuclear weapons. I repeat: The amount of separated plutonium by the year 2000 will place in private hands—available for sale—twice the amount of separated plutonium now contained in Soviet and American nuclear weapons. Twice the amount, Mr. President.

Many Americans were aghast at the terrorism in the Italian airport a few months ago, where a number of innocent people, including a young girl and several other Americans, were shot to death. All of us recall the terrible terrorist bombing in Beirut that blew more than 200 young American marines to their death 2½ years ago. We know that terrorism is on the rise. But too few of us have put the growing potential availability of nuclear weapons together with the explosion of terrorism.

The prospect of that deadly combination of terrorists and nuclear weapons comes from at least two sources. First, this Government has recommended the reduction of financing security improvement projects at nuclear installations. That means we may not improve our ability to safeguard our nuclear weapons. At the same time, the Government has recommended exempting the production of nuclear warheads from budget cuts.

What does that mean? It means we will have more nuclear warheads. It also means we will have less protection of those warheads from theft. Is that dangerous? Yes, it is very dangerous. What are the odds that some of the fanatic groups of terrorists somewhere are at this very moment, as I speak on the floor of the Senate, scheming on ways to bribe their way into a nuclear installation to steal enough tactical warheads to blow up Washington or New York or a series of American cities. Of course, such a group might plot to blow up a series of Soviet cities. It does not take much imagination to see how either catastrophe could easily trigger world war III, the last war.

Even if both superpowers maintain rigorous and successful security, it may not be enough. Today, both France and England are well on their way to building a thousand-strategic-warhead arsenal in each country. And China may not be far behind. Other countries—India, Pakistan, Israel, and even South Africa—may have nuclear weapons now and are very likely to have nuclear weapons in a few years. Terrorists have many possible sources now. Those sources will increase in coming years.

That is not all. Stealing weapons from the arsenals of nuclear powers is only one source for terrorists. It is not even the most likely. The enormous potential for nuclear terrorism comes from the spread of separated plutonium, to which I referred earlier. That plutonium is truly the wild card. It is all that a terrorist group needs if it can secure, one way or another, the know-how of any of literally thousands of scientists located throughout the world who know how, precisely how, to build a nuclear weapon if they can just get the separated plutonium. In the great free market of the world, with a relatively small amount of cash, the zealous chief of any of a number of countries could buy the scientific know-how and the separated plutonium that would enable him to have the power to decapitate the Government of the United States or the Soviet Union or both, or he could blow up any city in the world, or he could trigger the supreme holocaust: an all-out superpower war. In fact, the terrorist would not even require state support. A cult or a gang without any government support could literally destroy the world.

The Carnegie Corp. deserves our profound thanks and attention for this study of how to prevent terrorists from using nuclear arms. Members of this body should study its findings and recommendations with very great care indeed.

DEFICIT DOWN TO $144 BILLION IN 1987? DON'T BET ON IT!

Mr. PROXMIRE. Mr. President, a strange and seductive theory is stalking this country. It tells us that the economy is booming. We are zooming into new high gross national product growth. Inflation will continue to moderate. Interest rates will continue to fall. It tells us that the Dow Jones index will soon surpass 2000 and then break into the 3000 territory, making innumerable multimillionaires in the process. There have been few if any bull markets like this one, since the 1920's shortly before the great Wall Street crash. That is the good news. It is also true. But there is also bad news.

In a strange and seductive twist even the bad news is somehow construed as good. Unemployment rose last month. It rose more sharply than it has in any month for the past 5 years. Was that bad? No. The optimists claim this is great news because it means that the Fed is likely to continue to ease the money supply and do its best to hold down interest rates.

Economic growth in the last three-quarters of 1985 struggled along at an anemic 2.1-percent rate. In the first 2 months of this year, it slowed and stumbled even more. That is good news, too, according to the rose-tinted-glasses set. To them, it means wages and inflation will stay down. The production rate fell last month. Hours of work diminished in recent weeks. Retail sales were off. And how about inventories? We produced less but inventories increased. Isn't that bad news? No. It is great news, say the optimists. Why is it good? Well, all this means lower interest rates and less inflation.

Of course, if you have lost your job or your business or your farm, it is a little tough. And it is a fact that more than 8 million people in this country are out of work. Business failures are increasing and more farmers have lost their farms in the past few months than in a long, long time. In Dane County, WI, we have one of the biggest milk producing counties in the country. The Madison Capital Times has just completed a survey of Dane County farms that shows that more than one-quarter of all Dane County farmers want to get out of farming now.

Neither this Senator nor anyone else knows what will happen to our utterly unpredictable economy over the next year or two. We do know, however, that many of us in the Congress are determined to do everything we can to reduce our mammoth deficit. We intend to cut the Federal deficit down to $144 billion in the fiscal year that will begin next October 1. Can we succeed? What are our chances of doing this? Over the weekend two distinguished panels of experts declared on national television that the Congress will achieve this end. One panel consisted of highly respected newsmen. The other included some of the most influential and competent Members of the Congress. This Senator earnestly hopes—in fact, prays—these prognosticators are right. I will do all I can to help the Congress achieve this purpose. So what are the chances we will succeed? In my judgment virtually nil.

Here is why: Five and one-half months of the fiscal year 1986 have already passed. We already have the final figures on the success we have had reducing the deficit under Gramm-Rudman in the first 4 months of this fiscal year, that is fiscal year 1986. How did we do? How much have we succeeded in reducing the deficit in 1986? The answer is that even including the Gramm-Rudman sequestering the Congressional Budget Office estimates that the deficit for 1986 will be $208 billion. If the Congress passes the reconciliation bill that would bring it down to about $200 billion. What does that require of the Congress and the economy to meet the deficit goal of $144 billion in 1987? It will require a cut—not of the pitiful $3 billion the Congress may achieve in the first Gramm-Rudman year, fiscal 1986, but a whopping $55 to $60 billion. We will have to do that in an economy that seems to be running out of steam already. We will have to do it in the fifth full year of recovery. And above all we will have to make that kind of

reduction while the economy is slowing because the deficit reduction takes $55 to $60 billion out of economic stimulus. How can an economy that can barely stumble along although it is stimulated by a deficit in excess of $200 billion in the fourth year of recovery be expected to pick up steam when it gets slugged with a deficit cut well in excess of $50 billion in the fifth year of recovery?

It is obvious that the recovery has been fueled since 1982 by year after year of the biggest, most expansive Federal deficits in the peacetime history of our country by any measure. And yet, in spite of the deficits, the economy is faltering. Now we are asked to believe that we can take away a massive dose of this stimulus and the economy will move right along—in fact, pick up speed. It is nice work if you can get it. But here is one Senator who believes those expert panels are all wrong. Either Congress will find a way to waive Gramm-Rudman or the economy will slip into a recession and kick in the automatic waiver. In either event, do not count on a deficit drop to $144 billion in 1987, and do not count on prosperity in 1987 either.

MYTH: THE UNITED STATES HAS A PEACE INSTITUTE

Mr. PROXMIRE. Mr. President, the myth of the day is that we have a U.S. Institute of Peace.

Oh sure, in 1984 Congress passed and the President signed into law legislation establishing the U.S. Peace Institute. This Institute was supposed to be devoted to peace research, education, and training.

But do we in fact have a viable peace institute that actually is devoted to peace research, education, and training?

Is the Institute being run by people who have dedicated their lives to peace work?

Have we recruited the best and the brightest from the American peace movement, people who would represent the strong yearning for world peace that exists in this country?

Not on your life, Mr. President.

It's no secret that the White House opposed the Institute of Peace.

When Congress finally approved the Institute as an amendment to the fiscal year 1985 Defense Department authorization bill and the President, in effect, was forced to accept it, the administration then dragged its feet on appointing the Board members for this organization.

When the Board was finally picked, who do you think the administration chose.

Well, the list reads like a who's who of hawks.

It includes Richard Perle from the Department of Defense and Kenneth Adelman from the Arms Control and Disarmament Agency, both of whom have made no secret of their disdain for reaching arms accords with the Soviet Union.

And it includes other luminaries from the Heritage Foundation and the Hoover Institutions, which are hardly hotbeds for peace activists.

Now, I am in no way questioning the integrity and intelligence of the people that have been appointed to the Peace Institute.

But you'll have to look long and hard to find a peace advocate of the caliber of a Coretta Scott King, or an Averill Harriman, or a George Kennan among this Board.

Plainly, Mr. President, this is the wrong group of people to run this important Institute. And for that reason, it's a myth to believe that this is really a peace institute.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. The Senate will now proceed in morning business.

The Senator from Kentucky is recognized.

THE LIABILITY INSURANCE CRISIS

Mr. McCONNELL. Mr. President, last year, Americans paid $9.1 billion in liability insurance premiums, a figure roughly equal to the 1985 budgets of NASA and the CIA combined.

That information is brought out in a cover story on the liability insurance crisis in the March 24 edition of Time magazine. The story is titled "Sorry, Your Policy is Canceled." It takes an indepth look at the crisis, exploring its cost to Americans, its origins and efforts being made to correct the problem on the State and Federal level. Also included are several brief horror stories arising from skyrocketing insurance costs.

The Time article reports that, "From 1977 to 1981, the number of civil lawsuits in State courts grew four times as fast as the population of the United States. And in the decade between 1974 and 1984, the number of product-liability suits in Federal courts expanded 680 percent. The first million-dollar verdict did not occur until 1962, but there were 401 in 1984, according to Jury Verdict Research Inc., a private group."

Elsewhere, the article points out that, "Juries sometimes find that a person's actual damages amounted to only a few thousand dollars, yet decide that the corporation at fault should also pay punitive damages in the millions." It also states, "Courts and legislatures have steadily expanded definitions of who can be sued, and on what grounds."

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SORRY, YOUR POLICY IS CANCELED

On the Hawaiian island of Molokai, pregnant women who want a doctor in attendance when they give birth fly to neighboring Oahu or Maui. The five Molokai doctors who once delivered babies have stopped doing so because malpractice insurance would cost them more than the total of any obstetrical fees they could hope to collect.

Will County, Ill., last week closed its forest preserves until it can get a new liability policy on them—if that can be done at all—and Blue Lake, Calif. (pop. 1,200), has shut its skating rink, parks and tennis court. Hundreds of other towns in California and in New York State are "going bare." That is, they simply cannot get liability insurance.

The Texas sesquicentennial cattle drive, part of the state's celebration of 150 years of independence from Mexico, bogged down this month after one day on the road because liability insurance covering the 49 longhorn steers that were involved was doubled and the organizers could not afford it. The drive resumed last Friday with only 28 steers, whose owners agreed to pay for the insurance themselves.

Century Cartage Co., a small truck line out of Atlanta, is still in business only because the Georgia Public Service Commission approved an "emergency" 5% rate increase for its customers. But that boost came nowhere near meeting the cost of liability-insurance premiums that doubled to $48,000 last year and then leaped to $114,000 at the start of 1986.

Outrageous? Yes. Ridiculous? In many cases. Unreasonable? Certainly. And yet the examples represent just a small sampling from a rising flood of problems growing out of what has become a new national crisis. Given the litigious nature of American society these days, just about any kind of business, profession or government agency is likely to become the target of a suit alleging malpractice or negligence resulting in personal injury. That makes liability insurance, the kind that pays off on such claims, just about as vital as oil in keeping the economy functioning. But in the past two years, liability insurance has become the kind of resource that oil was in the 1970s; prohibitively expensive, when it can be bought at all. The result is a pinch from which few can escape—not even liability specialists like J.B. Spence or Robert Rearden.

Spence, a Miami lawyer, is the kind of attorney insurers often blame for their troubles. He has won and earned a healthy slice of several multi-million-dollar awards for clients who suffered personal injuries. But if Spence should be sued for malpractice or negligence, as is happening to lawyers more and more, he would have to pay any court/ordered damages out of his own pocket.

"There is no market that will sell me liability insurance," says Spence. "I am going bare, and it is a frightening prospect.".

Rearden, president of Duncan Peek Inc., an Atlanta insurance brokerage, earns commissions selling policies at soaring premium rates. But when the time came to renew his own professional liability policy, his carrier wanted to jack up his $13,000 premium by 861%, to $125,000; Rearden had to scramble to find another company that would only triple his premium cost. "And that's me, and I'm in the insurance business!" wails Rearden. "That's what I mean when I say this crisis is affecting everybody."

And how. After years of eyepopping damage awards and shortsighted insurance-company practices, the U.S. is in danger of having its insurance canceled. The cost of this crisis, once generally hidden, is now hitting home. The $9.1 billion Americans paid last year in liability-insurance premiums was almost 60% higher than the figure as recently as 1983 and roughly equal to the combined 1985 budgets of the National Aeronautics and Space Administration and the Central Intelligence Agency. This year's total is sure to show another giant leap.

Every American pays: doctors and their patients, ski-slope operators and their patrons, municipal governments and their taxpayers, those who process cheese and those who eat pizza, those who take the bus and those who lease private jets, those who drill for oil and those who heat their homes.

Even more insidiously, the problem threatens the very character of American life, from the Great Peace March across the U.S. (which came apart last week in the Mojave Desert, partly because of a lack of liability coverage) to police patrols in New York's suburban Rockland County (suspended last week in the towns of Piermont and Sloatsburg; 13 officers have been told to sit at headquarters' desks while the towns look for a liability insurer to replace one that has gone into receivership). Factory owners seeking to expand, entrepreneurs seeking to launch new enterprises, young businessmen seeking to set up shop: all are running into an obstacle far harder to surmount than high taxes and interest rates in their pursuit of the American dream. Liability insurance has become their most crippling cost.

As a result, doctors have been marching on state capitols, some threatening to shut down their practices. Industry groups and insurance companies have launched loud lobbying and advertising campaigns. Bills have been introduced or passed in all 50 state legislatures to limit liability awards or regulate insurance practices or both. Congress has held public hearings. But federal and state lawmakers, who have been faced with cutting through a jungle of conflicting statistics, arcane accounting practices and tangled legal theory, have mostly come out baffled. Says South Dakota Republican Senator Larry Pressler: "We have not been able to get past the finger-pointing stage."

Consumer groups point to the insurance companies. When interest rates were high, they say, insurers wrote policies with little concern about how they would make good if claims went up and returns on their investments went down. Insurers point to the legal system. Juries, they say, have been handing out punitive damage awards that resemble lottery jackpots. Lawyers point to the negligence of Big Business. It can be redressed, they say, only if individuals have a right to present their cases to a jury. Businessmen point to changing attitudes. The individualistic notion of taking risks and accepting responsibility, they say, has been replaced by a sue-everyone-in-sight reaction to any accident. What makes the problem such a nightmare is that, to some extent, all of the finger pointers have a point.

What it finally boils down to is a matter of statistical logic and insurer psychology. If a few giant jury awards, actual or merely possible, can offset the premiums on an entire line of insurance, the companies feel they must raise premiums for everybody until there is some hope of making a profit. This means that premiums may bear no relationship to an individual policyholder's record, and buyers of many kinds of insurance are suddenly paying three or four times as much as they did a year or so earlier. Of all places, Hartford, Conn., known as the insurance capital of the world because so many carriers have their headquarters there, saw its own municipal liability coverage slashed to only $4 million, vs. $31 million in the 1984–85 fiscal year, despite a 20% rise in total premiums, to $1.8 million.

Some insurers are shying away from covering certain types of risks at any price. If there is no way of figuring what kind of damages a jury might award to the parents of a child molested at a day-care center, for example, then the companies will find it best to stop writing that kind of insurance at all. Says James Wood, a member of a firm of actuaries whose headquarters are in Atlanta: "If you are an insurer and have $100,000 in assets, do you want to risk those assets to keep day-care centers open? The answer is probably no, because you do not know what you have to charge when you do not know what the ultimate costs of providing coverage might be." Most insurers flatly refuse to write policies to protect companies aganist suits arising from injuries caused by environmental pollution. They say they have no way of gauging the risk. That complicates further the question of who will pay for cleaning up toxic-waste dumps.

The dubious distinction of paying the highest increase on record may belong to Specialty Systems, Inc., a Richmond, Ind., company that specializes in removing asbestos from buildings. Insurers are so terrified of anything having to do with asbestos that they canceled Specialty's policies three times between November 1984 and last April, though the nine-year-old company has never been sued. Because customers demand proof of insurance before they will give Specialty any business, the company wound up buying a $500,000 policy from the Great American Insurance Co. of Cincinnati, on which it will pay at least $460,000 in premiums, an increase of more than 4,900% over the $9,361 premium on its last full-year policy. Says Specialty President Frederick Treadway: "About half a million dollars paid to the insurance company for virtually nothing."

The situation is studded with an endless variety of similar horror stories (see boxes). Among the most prominent are those that involve municipal services. The city council of Blue Island, Ill. (pop. 22,000), last October voted down a 30% increase in property taxes thought necessary to pay rocketing liability-insurance premiums, and the town expects to self-insure for the 1986–87 fiscal year, taking a chance that a large judgment might force taxes up anyway. Five counties in Missouri closed their jails for several weeks last fall, sending some prisoners elsewhere for incarceration and releasing minor offenders outright. The jails reopened after the counties' sheriffs set up a self-insurance pool, which was financed by tax money.

Among professionals, malpractice insurance problems have plagued lawyers, engineers, members of corporate boards and even clergymen. A growing number of clerics are buying, or having their churches buy, policies to protect them against suits like the one brought by a California couple who attributed the suicide of their 24-year-old son largely to inept counseling by his pastors. (That particular suit, filed in 1980, was dismissed for a second time last year; the case is still being appealed.) Suits against doctors, particularly specialists such as obstetricians and neurosurgeons, have been more successful and have led to some of the highest insurance premiums. A typical annual premium for an obstetrician in Los Angeles is about $45,000, and for a neurosurgeon in Long Island, N.Y., about $83,000.

Product-liability insurance presents a major problem for the makers of everything from toys to antitoxins. Pertussis vaccine for children ran short a year ago because Connaught Laboratories suspended production for a nine-month period during which it could not find insurance at an acceptable price. Now Lederle Laboratories, the only other maker of the vaccine, is talking of halting output in July if a threatened cutoff of its liability insurance materializes. Beech Aircraft figures the cost of liability premiums at a stunning $80,000 on each plane it sells. Says William Mellon, director of corporate communications: "The owner-pilot market has all but dried up, and one cause is the cost of product liability. It has driven the price of a new airplane out of the reach of the average person who wants to buy one." Some commercial fishing boats that once sailed out of Pacific Northwestern ports have been put into dry dock because owners could not afford liability-insurance premiums that commonly have doubled in the past year or so.

Rising premiums are forcing up prices on a variety of services too. Ski-lift tickets are jumping by $2 or $3 at many resorts. Through last year Kennestone Hospital in Marietta, GA., insured itself for the first $1 million of any claims that might be made and paid a premium of $70,000 for additional coverage up to a maximum of $10 million. Now the premium has quintupled to $350,000, and on top of that the hospital has had to come up with another $1 million for its self-insurance trust fund, because the deductible was raised to $2 million. Says Executive Director Bernard Brown: "If you come to our hospital, you pay the price. It is being passed through."

Day-care centers, which have become an essential part of American life in an era of two-career families, are a striking example of how the insurance crunch may soon affect the lives of many unwary citizens. Operators fume that allegations of child abuse at a handful of centers have spooked insurers into indiscriminately canceling liability policies or demanding giant premiums. Mission Insurance Group, the chief provider of coverage for day-care centers, abruptly pulled out of the business last year. The handful of insurers that will still write day-care policies insist either on specifically excluding claims for damages arising from sexual abuse or setting up rules for strict supervision, such as unannounced visits by special investigators. Says Suzanne Grace, associate director of the Georgia Day Care Association: "The insurers are telling us, 'We don't care what your record is.' This business has the perceived risk of killing an insurance company."

There is one area of general agreement about what has caused the insurance crisis: plain old-fashioned greed. Ah, but whose greed?

Insurers and some of their customers blame aggressive lawyers, inventive judges and soft-hearted juries for twisting legal concepts of negligence into novel shapes to justify excessive damage awards to people who claim personal injury (a tort in legal parlance). Avaricious lawyers, they argue, seek outrageously high damages for clients who have flimsy cases, so that the lawyers can reap huge contingency fees (if the case fails the plaintiff's attorney earns nothing, but if it succeeds he commonly takes one-third and, on occasion, as much as 50% of the award). Says Edward Levy, general manager of the Association of California Insurance Companies: "Lawyers are out to make a buck, and they seem to have little concern for the overall societal effects of what they are doing."

Plaintiffs' attorneys are every bit as willing to point the finger. Insurance companies, they charge, are using deceptive tales of excessive damage awards to justify the exorbitant premiums that they charge the public. Says Browne Greene, president-elect of the California Trial Lawyers Association: "Their greed takes us back to the robber barons of the 19th century." Many consumer organizations add that insurers are seeking unjustified premium hikes to cover up their own bad management and poor judgment of risks.

Americans have always been a litigious people. But there does seem to be a rise in the number and size of liability suits facing every type of company, from soccer-ball makers to cigarette manufacturers. From 1977 to 1981, the number of civil lawsuits in state courts grew four times as fast as the population of the U.S. And in the decade between 1974 and 1984, the number of product-liability suits in federal courts expanded 680%. The first million-dollar verdict did not occur until 1962, but there were 401 in 1984, according to Jury Verdict Research Inc., a private group. The average verdict in product-liability cases now tops $1 million; preliminary figures for 1985 indicate that the average verdict in medical malpractice cases also exceeded $1 million for the first time. These giant awards, insurers say, exert an influence out of proportion to their numbers. They set a target for plaintiffs and their attorneys to shoot for, and move defendants to offer high out-of-court settlements rather than take a chance on what a jury might do.

The Association of Trial Lawyers of America counters by arguing that the Jury Verdict Research figures on averages are distorted by a relatively small number of huge verdicts. In addition, they say, the figures count only the initial outcomes of trials that the plaintiffs won. If defendant victories, out-of-court settlements and verdicts reduced on appeal were factored in, say the lawyers, even the average level of awards would be much lower. ATLA asserts that more than two-thirds of the million-dollar awards compensate victims or relatives for genuinely serious injuries, such as death or permanent paralysis, reflecting a laudable determination by juries to see that companies pay the price for misdeeds that once went unpunished.

In some cases, people are successfully pressing claims that seem patently silly. One example: a man who attempted suicide by jumping in front of a subway train sued the New York City Transit Authority, contending that the motorman of the subway that hit him had been negligently slow in bringing the train to a halt. He won $650,000 in an out-of-court settlement.

Yet much of the lore surrounding the subject has been exaggerated. ATLA analyzed several cases that insurers regularly trot out to prove that the system has got out of hand and found that the facts did not quite support the versions that have passed into insurance folklore and public print, although one or two, even after correction, still sound odd. Some examples:

According to one frequently cited tale, a body builder competing in a footrace with a refrigerator strapped to his back was injured when one of the straps came loose; he sued several defendants, including the strapmaker, and won $1 million. The facts, according to the lawyers' group: ten athletes competed in a televised stunt race, each with a 400-lb. refrigerator strapped to his back; each received a written contract guaranteeing that the equipment had been tested for safety. Franco Columbo, a world-champion body builder, did fall and suffered total knee displacement that required extensive surgery. At the trial, testimony showed that the equipment had never been tested on anyone of Columbo's size while running (he is 5 ft. 7 in., much smaller than anyone else in the race). In fact, the engineer for the fitness center that developed the contest said that he had warned the organizer, Trans World International, that the whole race was unsafe. Columbo did win slightly less than $1 million from Trans World, but the strapmaker was not sued because the strap never broke.

Another tale allegedly involves a fat man with a history of coronary disease who suffered a heart attack while trying to start a Sears lawn mower, sued Sears and the manufacter, contending that too much force was required to pull the rope, and won $1,750,000. The real story, the trial lawyers point out, is that a 32-year-old doctor, who had no history of heart trouble, fell victim to a heart attack after futilely yanking the lawn mower's starter cord 15 times. A Philadelphia jury found that the mower's exhaust valve failed to meet the manufacturer's own specifications, hindering start-up to the extent that the rope indeed had to be pulled with excessive force. The jury did award $1,750,000, but the case was subsequently settled for an undisclosed amount.

Another oft-used example is of two Maryland men who supposedly put a hotair balloon into a commercial laundry dryer. The machine exploded, injuring both men, who won $885,000 from the maker of the dryer. What actually happened is that the men took the balloon to a hospital that had laundry equipment designed for industrial purposes. The dryer vibrated violently and then exploded. Both men were injured; one required microsurgery to reattach his hand, which was almost severed. The dryer's maker had a patent on a device that would have stopped the dryer automatically if it began to vibrate excessively, but had declined to install the device on the dryer because of the cost. Oddly, in this case the actual award, $1,260,000, exceeded the figure usually quoted, but the lawyers point out that the common account of the case ignores the dryer manufacturer's failure to install the protective device.

In yet another celebrated case, a burglar supposedly fell through the skylight of a school, sued and was awarded $260,000, plus $1,500 a month. The full story, it seems, is that a 19-year-old man and three friends tried to take a floodlight off the roof of a California high school as a lark; he fell through the skylight and suffered loss of the use of all four limbs, plus severe brain damage. The skylight had been painted the same color as the roof and was indistinguishable at night; the school district knew that it was dangerous because someone else had been killed falling through a similar skylight at another school six months earlier, and had scheduled the skylight for repainting. It settled out of court for $260,000, plus $1,200 a month initially, to be increased by 3% each year. Still, it seems debatable whether someone should be so generously compensated for injuries, even that severe, sustained while committing a theft.

Yet whatever the merits of these and other specific cases, the insurance companies are correct in their basic contention: an evolution in liability law has led to higher jury awards and is at least partly responsible for the rise in insurance rates. One important change: the amounts assessed by juries to compensate for lost wages, medical payments and the like now make up a small part of many liability awards. Juries are increasingly likely to add on far larger amounts for noneconomic damages, that is, for such unquantifiable things as pain and suffering.

Equally significant is the growing size of punitive damages, which supposedly serve the same purpose as a don't-ever-do-anything-like-that-again fine of the defendant. Juries sometimes find that a person's actual damages amounted to only a few thousand dollars, yet decide that the corporation at fault should also pay punitive damages in the millions. In one startling case, now awaiting decision by the U.S. Supreme Court, an Alabama couple sued Aetna Life & Casualty Co., claiming that it had wrongfully refused to pay $1,650 of the wife's hospital bill. A jury awarded them punitive damages of $3.5 million, or 2,121 times the size of the disputed bill.

Courts and legislatures have steadily expanded definitions of who can be sued, and on what grounds. These days you usually can sue city hall, despite the doctrine of sovereign immunity, which holds that governments cannot be sued without their consent. State laws, and court interpretations of them, have granted that consent more and more.

Another legal concept being used ever more widely is that of strict liability, which makes possible an award of damages without any proof of negligence. Initially it was applied, for example, to businesses conducting abnormally dangerous activities. Now it has been expanded to product-liability cases: a plaintiff need not prove that the manufacturer of a product was negligent, only that the plaintiff was injured while using the product in the manner intended.

More states have also adopted looser standards of comparative negligence. Even if an accident was partly due to the plaintiff's own negligence, he can successfully sue someone else who also bears some of the blame. In California, for example, a woman who stumbled in a church parking lot on the way to a meeting sued the church, the group holding the meeting and the city, contending that the lot was not lit well enough. Although the defendants felt she was largely responsible, all three agreed to a settlement paying her $80,000.

Perhaps the thorniest concept, one that has become a growing factor in many cases, is called "joint and several liability." It allows a plaintiff to sue everyone who might

share in the responsibility for an accident, and if any one of the defendants is found to be partially at fault, that defendant may be forced to pay the entire judgment. Originally, it was applied to wrongdoers who had acted in concert, but now is more often invoked against defendants who acted independently. In practice, it increasingly means that awards fall most heavily on the defendant with "deep pockets," often the one carrying the most insurance. The doctrine is now in force in nearly all states.

One way to show how these concepts work—and the effects they can have on insurance coverage—is through a classic case settled last year that began with a child's fall and ended with most of Chicago's parks being stripped of certain kinds of playground equipment. It began in 1978 when two-year-old Frank Nelson fell through a wide space at the top of a slide in a city playground and struck his head on the pavement 11 ft. below. He suffered severe brain damage; the left side of his body is still paralyzed, and his speech and vision are impaired. Nelson's family sued the manufacturer of the slide, the contractor who installed it and the Chicago Park District. Lawyers contended that the district had been negligent in failing to warn against use of the slide by small children, in not providing proper supervision of the playground and not putting a softer surface under the slide.

Officials of the park district and its insurer, U.S. Fidelity and Guaranty Co. of Baltimore, still contend that the primary responsibility for the accident fell on Frank's mother; she allowed the boy to go on a slide he was too young to use, and should have been watching him more closely. But they never formally accused the mother of negligence in pretrial proceedings; such an argument would not have succeeded unless they also could have convinced a jury that the park district bore no blame whatever. In this case the park district was the defendant with the deep pockets—$50 million in liability insurance—and Fidelity was afraid that it would be hit with the largest share of any judgment. Paul Jacob, the insurer's Chicago branch manager, notes that in Illinois a defendant who is found to bear any part of the responsibility for an accident can be liable for all of a damage award. Says he: "Showing that any defendant is not 1% negligent is virtually impossible."

Unwilling to risk paying the damages a jury might award to a child who had been so severely injured, Fidelity offered a settlement. It proposed to put up $1.5 million to buy an annuity that will make payments each year to Frank Nelson for the rest of his life. The family accepted, and the case was closed without trial.

But that is not quite the end of the story. Fidelity at first canceled the park district's insurance, but eventually renewed for much less coverage at a greatly increased premium. "Park districts are a terrible risk for any carrier to have to assume," explains Jacob. Finally, the park district, gun-shy because several suits are still pending against it, began tearing down all jungle gyms and slides over 6½ ft. high and carting them out of the city's 513 playgrounds. "Accidents happen no matter what you do," says Park District Treasurer Jack Matthews. "In the past, when Johnny fell off the swings, the park superintendent took him to the hospital, and that was the end of it. Now the parks are inundated with suits."

Such cases show how complex and changing legal doctrines can increase the risks faced by insurance companies and make those risks more unpredictable. But, as consumer advocates point out, they do not explain the full story. The legal doctrines in question have been evolving for many years. The rise in the number of personal-injury lawsuits and the size of jury awards has also been gradual. But apart from medical malpractice insurance, which has been a headache for both doctors and insurers for at least a decade, it is only in the past two years that liability premiums have exploded and policies have been canceled wholesale.

What happened? Lawyers and consumer activists charge that insurers are paying the price—or, rather, trying to make the public pay the price—for their own mismanagement and bad judgment. Liability insurance has always been a notoriously cyclical industry. Says Robert Hunter, head of the National Insurance Consumer Organization: "At the top of the cycle you write [policies for] everybody, no matter how bad, and at the bottom you cancel everybody, no matter how good. It's a manic-depressive cycle."

Harsh words, but again containing some truth. In the best of times, property and casualty insurers, the kind that issue liability policies, rarely make much money on underwriting: the premiums collected have exceeded claims paid in only two of the past ten years. Most of their profits come from investing the premiums they collect. Five years ago, when the prime rate, keystone of the U.S. interest-rate structure, hit an incredible high of 21½%, such investments paid off very, very well.

Insurers grudgingly concede that they went all out to attract premium income that could be invested at those towering interest rates. They wrote liability policies that posed a high risk at premiums low enough to almost guarantee an underwriting loss; competitive rate-cutting slashed some premiums by 20% or more. But the insurers never got the bonanza they expected. Underwriting losses rose faster than investment income grew even when interest rates were at their peak.

Then the bottom fell out. Interest rates began tumbling in 1981; the prime is now at an eight-year low of 9%. Underwriting losses ballooned. Foreign reinsurers—Lloyd's of London is the biggest—that indemnify most American casualty companies against extraordinary losses, cut back sharply or ran away from the business entirely, leaving the American firms to shoulder the losses alone. Finally, in 1984 underwriting losses swallowed up investment income entirely and, according to industry statistics, property-casualty insurers suffered an overall pretax loss of $3.8 billion. It was the first red-ink figure in nine years. In 1985 the pretax loss increased to $5.5 billion. Some 40 liability insurers have become insolvent in the past two years.

Like the figures on jury verdicts, the insurers' profit-and-loss statistics are in sharp dispute. Consumer advocates insist that if adjustments are made for some quirks in insurance accounting (primarily involving the treatment of taxes, dividends and the rising paper value of investments), the industry made a net profit every year. The Insurance Information Institute, indeed, has acknowledged an industry profit after taxes of $1.7 billion last year, which it contends still amounts to a poor return.

The National Insurance Consumer Organization maintains that the true figure was $5 billion. Given that, the industry's critics argue, the premium increases now being posted go far beyond what is justified. Sneers Gerry Spence, a famed Wyoming trial lawyer (no relation to Miami's J.B. Spence): "What the insurance companies have done is to reverse the business so that the public at large insures the insurance companies." Consumerists often point to the judgment of Wall Street, hardly a Naderite stronghold. Stock traders bid up the price of property-casualty insurance shares an average of about 50% last year, in the apparent belief that the industry at minimum is on its way back to solid profitability.

Well, maybe. But that road to recovery threatens, at least for the moment, to cripple large segments of the U.S. economy and be extremely costly for every policyholder, taxpayer and consumer. Every day brings word of new repercussions: doctors raising their fees, playgrounds closing, swimming meets being called off, transit systems facing financial jolts, fraternities having their coverage canceled, oil-field service companies closing down. Amid all of the attendant finger pointing, a serious search is under way for some solutions.

Self-insurance is a strategy that many businesses, professional people and governments are exploring (or, more often, being forced into). But the experience of doctors indicates it is not much of a solution. In the mid-1970s, doctors organized a number of companies, promptly dubbed "bedpan mutuals," to write malpractice insurance at lower premiums. But several of the bedpan mutuals are said to be in financial trouble, and as a group they too are raising premiums rapidly. Going bare is an act of desperation: business executives and professionals who are operating without insurance almost unanimously voice deep worry that a single big lawsuit could wipe them out.

As might be expected, many are seeking new legislation as a solution. But what line should it take? One approach is called tort reform, which involves putting limits on damage awards in malpractice, negligence and personal-injury cases. Advocates insist that this will allow insurers to get enough of a handle on their potential risks to make writing liability policies a predictable exercise rather than a crapshoot. The leading ideas:

Put limits on pain-and-suffering awards and punitive damages. Republican Senator Mitch McConnel of Kentucky has introduced a congressional bill encouraging states to cap pain-and-suffering awards at $100,000 and to require that punitive damages be paid to a court, as outright fines are, rather than to a plaintiff and his or her attorney.

Establish stricter standards for proving who really bears how much of the blame for an accident or injury. Senator John Danforth, a Missouri Republican, is sponsoring a bill that would set uniform federal standards in product-liability cases to replace the present morass of 50 often conflicting state laws; it would require a plaintiff to prove negligence or fault by the manufacturer.

Either abolish the doctrine of joint and several liability or revise it along the lines of a proposition that Californians will put to a vote on June 3. The proposition would make a defendant's share of any pain-and-suffering award proportionate to the defendant's degree of blame; a defendant found to bear 25% say, of the responsibility for an accident or injury could be forced to pay no more than 25% of the damages. That would be more equitable, but requiring juries to assess proportionate shares of fault among several defendants would add to the com-

plexity of lawsuits and the time needed to settle them.

Limit contingency fees, so that lawyers would have less incentive to seek outsize damages for their clients. Several states are pondering variations on a California law that sets up a sliding scale in medical malpractice cases: an attorney can take up to 40% of the first $50,000 of a judgment, but that share dwindles by stages to only 10% of any amount over $200,000.

Institute some sort of punishment, perhaps a fine, for attorneys who file frivolous suits. At minimum, reformers often urge adoption of the European system, under which the loser of a lawsuit usually pays the winner's court costs.

This last idea has yet to gain much ground, but different combinations of the others are being advanced in several states. The National Conference of State Legislatures estimates that around 1,200 bills have been introduced since last December dealing with the insurance crisis in one way or another, and most contain some sort of tort reform. On the federal level, besides the McConnell and Danforth proposals, a Reagan Administration study group headed by Assistant Attorney General Richard Willard is expected to recommend a bill limiting pain-and-suffering awards and punitive damages; it would also establish tighter standards for gauging fault to govern suits in federal courts. (Uncle Sam has more than a bystander's interest: the U.S. was a defendant in more than 10,000 damage suits in fiscal 1985, and wound up paying $200 million to plaintiffs.)

Some 600 members of the National Association of Manufacturers descended on Washington last week to lobby for the Danforth bill, which besides setting national standards for product-liability suits would establish a new procedure for speedy out-of-court settlement of claims for economic damages. They first gathered at the Marriott Hotel to swap horror stories and pep talks. Under present legal rules, "You're afraid to try anything, put any new product on the market," cried Gust Headbloom, president of Michigan's Apex Broach & Machinery Co. Peter J. Nord, president of Schauer Manufacturing Corp. in Cincinnati, which makes battery-charging machines, drew loud applause by declaring, "There are going to be people who are dumb and stupid and screw up no matter what we do." Ohio Democratic Congressman Thomas Luken showed up to cheer on the manufacturers. Said he: "Probably no recent issue has snowballed so quickly."

After eating paper-bag lunches, the manufacturers boarded buses to Capitol Hill to buttonhole legislators from their home states. So many Michiganders packed into the office of Democratic Senator Carl Levin that several of the businessmen had to perch on upended attaché cases. Levin warned them that "the whole spirit of Congress is to get away from regulation," but promised to take a careful look at the Danforth bill. Plaintiffs' attorneys, needless to say, oppose all tort-reform plans. They commonly accuse insurers of creating a sense of crisis to enact laws that would deny just compensation to victims of malpractice or injury. More troubling, they insist that all the tort-reform ideas would undermine a fundamental principle of democracy: the idea that any citizen should have unrestricted access to the courts for redress of any grievances he might suffer. Robert Habush, president of the Association of Trial Lawyers, says of the tort-reform movement, "In my 25 years in law, this is as serious a threat to the civil justice system as I have ever seen. People have decided there is going to be a hanging, and it is just a question of what tree and what rope."

In all probability, that seriously overstates the case. Present and former trial lawyers populate state legislatures and Congress in numbers large enough to wield formidable blocking power. There is a question, too, of whether the courts would uphold any serious tort reforms that might be enacted. One omen: the Cook County, Ill., circuit court last year ruled that major parts of a newly enacted law stretching out damage awards in medical malpractice cases violated the Illinois constitution.

The alternative legislative approach to the insurance crisis is tighter regulation of insurance companies. At the federal level, trial lawyers and consumer advocates are pressing for repeal of the insurance industry's exemption from antitrust laws. That exemption allows insurers to share information and according to their opponents, engage in collusive premium-setting policies that would be illegal in any other industry. In state legislatures, many proposed bills would enlarge the authority of insurance commissioners to block arbitrary policy cancellations and gargantuan premium increases. The Florida department of insurance has written a proposed bill that would require insurers to disclose what discounts and surcharges they apply to premium rates. Without that information, says Insurance Commissioner Bill Gunter, "the rate itself is meaningless." He adds, "We think insurers need someone to look over their shoulder and keep them honest."

One mildly encouraging sign is that a growing number of legislators seem to recognize that, just as the crisis has no single cause, it cannot have any single solution. They are proposing various combinations of tighter insurance regulation and tort reform. A bill on the verge of enactment by the Minnesota legislature would set up "joint underwriting associations" to issue liability policies, written by the state, to customers who could not get commerical insurance; any losses would be picked up jointly by the state's insurers. But to limit those losses, the bill also would restrict punitive damages, among other tort reforms.

Some combination of measures seems needed, and fast. Anything that affects matters ranging from the pace of oil exploration to the availability of slides in Chicago playgrounds must be taken very seriously. The nation, once proud of its frontier individualism, has gradually adopted a no-risk mentality based on the belief that if anything bad happens, someone should be made to pay. But as damage awards lose any connection to actual damages and insurance companies flail around anxiously, that someone is turning out to be everyone.

—By George J. Church.

AMERICAN SECURITY AND NARCOTERRORISM

Mrs. HAWKINS. Mr. President, in his address to the Nation, Sunday, March 16, President Reagan called attention to the threat that Nicaragua poses to democracies in the Western Hemisphere. He appealed for substantial U.S. aid for the Contra freedom fighters against the Communist-led Sandinista regime. The President noted that the Sandinistas threaten Caribbean sealanes that carry "almost half our foreign trade, more than half of our imports of crude oil, and a significant portion of the military supplies we would have to send in the event of a crisis." The President also criticized internal repression, terrorism, and drug trafficking by the Sandinistas and showed a photograph of a high placed Nicaraguan military figure helping also an airplane with drugs bound for the United States. Once again we witness the link between terrorism and narcotics trafficking with narcodollars being used to promote terrorist acts in our backyard.

Testifying before the Senate Armed Services Committee on March 11, Gen. John R. Galvin, commander in chief of the Southern Command, observed that Cuba has trained over 15,000 Latin Americans in techniques to subvert their own governments. The net result, he said, is that the nature of insurgency has been transformed from a "home grown revolt for popular objectives to a well-coordinated international Marxism in the Caribbean region." The general stated that there is a considerable body of evidence "to conclude that these Cuban-trained guerrillas of today are well connected to the region's financially powerful illegal drug dealers."

General Galvin summed up his point this way:

> Drugs are a serious national security problem for Latin Americans and the U.S. The links between drug dealers and insurgent groups are becoming more apparent. The bond needs to be cut before this practice spreads throughout the hemisphere.

As part of the budget process, the State Department intends to submit a request for aid with the goal of creating more effective antiterrorist forces in several Latin American countries. I hope that the Congress will give this proposal serious consideration. The trends of increasing insurgency and increasing drug trafficking cannot be ignored. There are potentially disastrous implications for democracies in the western world.

The economies of most of our neighbors to the south are fragile. Most of the countries are heavily burdened with foreign debt. The people are poor and hard-working, for the most part. It is extremely important to them, and to us as Americans, that there be internal stability and improvement in their living standards. These goals are not possible with a drug traffic that attacks the fibers of societies, cripples productivity, undermines ethical and moral values, defeats educational goals, and squanders human resources. Neither is it possible with a drug traffic that feeds insurgencies and bankrolls terrorism whether large or small scale. Wherever there is narcotics trafficking, crime and corruption follow in the wake. The narcotics addict steals

or maims to support his expensive habit and the profits from drug trafficking are so immense and so tempting that law enforcement officials are drawn into the ominous web. Bribery—to look the other way—while drugs are zipping in and out is rampant. I can think of no other single thing in the realm of world commerce that is a greater corrupting influence than drugs.

I would like, Mr. President, to return to the subject of Nicaragua. As long as a Marxist-Leninist state exists in Central America, democracy and orderly economic development in the entire Caribbean Basin remain in jeopardy. The Contra forces offer the best hope of thwarting Communist plans to consolidate their hold on Nicaragua and extend their insidious philosophy elsewhere. With U.S. help, the Contras might succeed; without U.S. help they probably are doomed.

Colombia, Peru, and Ecuador have insurgencies financed in part by drug traffic. If these insurgencies are to be kept at a manageable level, their means of waging war and terrorism must be contained. This can best be done by vigorous programs of drug eradication and interdiction and international cooperation to deny troublemakers the tools to spread misery and jeopardize the freedom of others.

CONGRESSWOMAN LINDY BOGGS OF LOUISIANA, RECIPIENT OF THE VETERANS OF FOREIGN WARS CONGRESSIONAL AWARD

Mr. THURMOND. Mr. President, I would like to call the attention of my colleagues to Congresswoman LINDY BOGGS of Louisiana, who recently received the Veterans of Foreign Wars 23d annual Congressional Award on March 4, 1986.

This award, the highest honor given by the VFW, recognizes Members of Congress who demonstrate loyalty to the ideals upon which America was founded; conviction that our Nation should have a strong defense; and compassion for those men and women who have selflessly given themselves to the service of America. The recipient must have the respect of his or her colleagues and a dedication to sound government.

LINDY BOGGS is the first woman in Congress to receive this prestigious award, and I believe she is eminently deserving of the honor. Since she came to the House of Representatives in 1973, she has demonstrated untiring efforts on behalf of America's veterans. She is highly regarded in Congress as an advocate of both a strong defense and fair treatment of deserving veterans. As a member of the House Committee on Appropriations and the HUD-Independent Agencies Subcommittee, she has exercised diligence, compassion, and understanding in appropriating funds for the Veterans Administration budget.

I ask unanimous consent that her remarks from the March 4 award ceremony be entered into the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

"KEEPING THE COMMITMENT"

(Remarks of Hon. Lindy Boggs)

Thank you, Commander-in-Chief Staum, for your most gracious introduction, and my thanks also to Mr. Cooper T. Holt, Executive Director of the Veterans of Foreign Wars of the United States, and the membership of the National Awards and Citations Committee for bestowing upon me this great and distinguished honor.

We, in New Orleans, have been particularly privileged since this is the second time a Member of Congress from New Orleans has received this special recognition. A decade ago, the Hon. Edward Hébert received this award—a tribute to his devotion and dedication to our Nation's veterans and military personnel. It is a proud moment for me to share this tribute with a member who so totally devoted his time and concerns to those who have served our Nation with dignity and honor.

Throughout the more than 200-year history of the United States, nearly 38.3 million men and women have served in the Armed Forces during wartime—of these, over one million made the ultimate sacrifice and gave their lives in "the last full measure of devotion".

We owe these brave individuals an enormous debt of gratitude. Lincoln noted this most eloquently in his famous words:

"With malice toward none; with charity for all; with firmness in the right, as God gives us to see the right, let us trive on to finish the work we are in; to bind up the Nation's wounds; to care for him who shall have borne the battle, and for his widow, and his orphan."

Our Nation now has 28.2 million living veterans and 54 million survivors and dependents of veterans. These groups comprise 35 % of the U.S. population. These veterans served with courage and valor to preserve the rights, privileges and freedoms we enjoy as a Nation—and they paid the price in suffering and sacrifice. How can we, as a Nation, repay this great debt? We can repay by forming policies which reflect concern, caring, compassion and commitment to our veterans and their dependents by providing tangile benefits and services. We must remain fair and just as a Nation in staying true to our veterans and "Keeping the commitment".

Perhaps this year, more than any other year, we need a fresh reminder of this responsibility—this commitment. Under the pressure of rising Federal deficits, our veterans programs and medical care have become the target for budgetary cutbacks. The promises, the commitments, the pledges of a grateful Nation to its veterans are under attack.

This is a time of rationale and reality, but it must also be a time to preserve our basic commitments to our veterans. As a member of the House Appropriations Subcommittee which funds the Veterans Administration, I am only too aware of these problems.

The Veterans Administration is the third largest Federal Agency in terms of employment—it administers bgnefits to 82 million people—comprising veterans, their dependents, and survivors. In addition, the V.A. operates an exemplary health care system, which is a critical component of our entire Nation's health care research and delivery system.

I would be remiss if I did not stop a moment and comment on some of the magnificent benefits and accomplishments of this remarkable health care system.

For almost forty years, the V.A.'s Medical and Prosthetic Research Program has played a significant role in the V.A.'s efforts toward meeting the challenging health care needs of veterans. V.A. clinical and research investigators have contributed not only to the advancement of health care for V.A. patients, but to patients throughout the United States and the World. The medical and scientific community has paid tribute to the work of many V.A. investigators with hosts of honors and awards including two Nobel Prizes—Dr. Rosalyn S. Yalow at the Bronx V.A. Medical Center and Dr. Andrew V. Schally at my own New Orleans V.A. Medical Center.

The V.A. helped to develop the concept of the Cooperative Study, a multi-hospital study with a common protocol—a unique environment fostering research aimed at improving patient care. Implementation of these studies contributed to advances in the treatment of tuberculosis, chronic schizophrenia, depression and mania, hypertension, alcoholism, hepatitis-B and myocardial infarction. In addition, the V.A. pioneered the surgical transplantation of kidneys and livers, using chemical agents to suppress the rejection of transplanted organs. Other outstanding examples of V.A. research are the development of the concept of the CAT scan, and the amazing advances in prosthetics research and development—leading to the improved quality of life for impaired, disabled and handicapped veterans—including the use of robotics in spinal cord injury, and the unique "Seattle Foot"—which won the first Presidential Award for design excellence.

Historically, the Congress has seen fit, through the authorization and appropriations process, to protect funding for this unique medical care system, and to prevent any serious impact by the budget crunch. In fact, Congressional commitments have led, time after time, to a level of funding above that requested by the V.A. and various administrations. Despite the current budget crisis, I am confident that the Congressional commitment to maintaining a high quality of V.A. medical care will remain strong—but maintaining that high quality will be a continuing challenge. Budgetary restrictions are escalating, and the demands of the system are projected to increase—particularly in the area of geriatric care because of the increasing age of the overall veteran population. As I am sure you are well aware, it is estimated that by the year 1990, the aged veteran population will have tripled—a collision course of need with the aims of Gramm-Rudman.

Reflecting continuing support for our V.A. Programs, Chairman Boland and the other members of the HUD Subcommittee on which I serve plan to seek a "current services" level for the V.A. of $26.5 billion—approximately $664 million more than requested by the V.A. for F.Y. '87, and the House Committee on Veterans' Affairs is recommending to the Budget Committee $27.2 billion for function level 700—$699 million above the Presidential request. In passing along this request, the Committee noted that, in response to the desires of the

House, the Veterans Affairs Committee has enacted provisions in reconciliation bills realizing savings of more than $2 billion. The letter ends with the following, which sums up the feelings of all of us who are concerned about the welfare of our veterans:

"The Committee feels the cost of benefits and services to veterans is part of the cost of our national defense."

Defending America, our freedom and our national interests is the Federal government's most important responsibility. Throughout our history, the requirements for an effective and rational defense have changed from one generation to the next. Faced with new political developments around the world, we cannot afford static thinking about our Nation's security.

In recent years, however, consideration of our broad strategic aims has given way to a preoccupation with military spending. The political debate in Washington has centered less on defense than on the size of the defense budget. Instead of crafting a sound and effective security strategy, we seem to spend most of our time haggling over percentage increases in the defense budget. As Senator Goldwater put it, "The Department of Defense is preoccupied with chasing after resources. More time is spent preparing plans for the next budget than for the next war."

The key question we must answer today is not whether we are spending enough, but whether we are adding enough to our national strength.

We cannot spend our adversaries into submission. Instead, we must strengthen our defense at a measured pace, one that is politically and economically sustainable. Our goal must be a military that is more capable and not merely more costly. A strong national defense is comprised of three things: a capable military, a strong economy, and the confidence of the American people in their government.

Contributing greatly to this confidence is the V.F.W.'s Program for young people.

I am overwhelmed with the presence of the spirit of hope when I listen to these remarkable young people who are participants in the V.F.W.'s Voice of Democracy Scholarship Program. Without the concept and belief in the spirit of America residing in our young people, the greatness of our Nation would soon fade away. Eternal vigilance is the price of freedom—and this program focuses the attention of our finest young people on what it means to be free—and what it costs to maintain that freedom. We must never take our hard-won freedoms for granted—that would be an affront to every veteran who has placed his or her life on the line to protect that freedom. The V.F.W. and the Ladies Auxiliary are to be commended on the 39th year of the Voice of Democracy Scholarship Program and for the inclusion of a scholarship designation for post graduate studies in government as a part of the Congressional Award.

You have an excellent opportunity to foster initiatives in understanding and promoting our freedoms and our way of governance in programs that will receive more attention in the next eighteen months as we prepare to observe the two hundredth anniversary of our Constitution. My friend, Strom Thurmond, and I both serve as members of the Commission on the Bicentennial of the Constitution.

Our Constitution is probably the most remarkable, resilient document on individual rights and freedoms ever written by man. Chief Justice Warren Burger, the Commission's Chairman, recently said "The Constitution is what we did with our Independence."

What happened two centuries ago in Philadelphia is critically important to all of us. The Founders framed a government equal to the goals of the Revolution: a government whose just powers rest upon the consent of the governed. This represents the greatest leap forward for freedom in human history. Unfortunately, that story is largely taken for granted. As Santayana remarked: "Those who cannot remember the past are condemned to repeat it."

If, as a Nation, we were better aware of how the Founders built this constitutional democracy, better aware of the kinds of knowledge we need to safeguard it, the prospects for our future would be bright indeed. The sad reality is that many Americans know little about how our system of constitutional government came into being and operates today.

Americans—particularly young Americans, who are tomorrow's leaders—should be aware of the creation and heritage of the Constitution. Citizen awareness, not only of constitutional rights but also of constitutional responsibilities, is necessary for all of us to think about, prepare for, and protect in the future.

The opportunity that the approaching Bicentennial observance presents is unique. It represents our best chance to spawn a widespread renewal of commitment to the civic virtue that our founders exemplified.

The mandate of the Bicentennial Commission is to coordinate and stimulate a meaningful commemoration. In light of this mandate, the Commission, under the leadership of the Chief Justice, has developed an approach to stimulate, promote, and coordinate a myriad of activities through which all Americans will attain a greater awareness, knowledge, understanding and appreciation of the fundamental charter of our democracy.

While the Commission wishes to encourage a spirit of festivity, ceremony and celebration, we believe, first and foremost, that this commemoration should be an educational experience, a "cerebration" as well as a celebration, to use the words of the Chief Justice.

We have before us a tremendous opportunity to educate America's citizens about the value and the responsibilities of citizenship. As Thomas Jefferson once said, "If a nation expects to be ignorant and free, it expects what never was and never will be".

The Bicentennial also offers us a unique opportunity to convey to the world the nature of this system which has for so long been a beacon of light. The more widely our constitutional system is understood internationally, the more likely it will be that fires of the mind will be lighted in other people to help them strive to achieve a system of constitutional liberty in their own lands—something for which every human spirit yearns.

American veterans have long played an essential role in the development and preservation of our Constitution. Twenty-two of the thirty-nine signers of the Constitution were veterans of the Revolutionary War. Their experiences in that conflict made them deeply conscious of the need for a strong central government that would prevail against its enemies, yet one that would safeguard the individual liberties for which they fought. Their solution is enshrined in the Constitution.

Through the years, veterans have fought and died in defense of the Constitution. When each of you began your military service, you swore an oath to support and defend the Constitution. The language of that oath was established by the First Congress in September of 1789 and it has remained unchanged since.

So, I am confident that the Veterans of Foreign Wars and other veterans throughout the Country will take on a special participation in the Bicentennial of the Constitution that you and your comrades in arms fought to preserve and defend. Your role can be that of a teacher: continuing to help young people understand why you served your country—to preserve our freedom and our self-government. If the V.F.W. as a national organization, and each and every post across the country get involved in the Bicentennial, I know our efforts will be successful and you will have helped to shape our future and to maintain the promise of America. Thank you.

SOVIET HUMAN RIGHTS VIOLATIONS

Mr. BRADLEY. Mr. President, I stand today to speak out for those who are currently being denied the right to freely express their own views and beliefs.

Last weekend the Soviet Union recognized the accomplishments of women as they commemorated International Women's Day on March 8. Unfortunately, while the Soviets were praising the accomplishments of women, one very brave woman sat in prison when she committed no crime except her desire to emigrate from the Soviet Union and freely practice her religious beliefs.

I would like to bring to your attention Nadezhda Fradkova, who exemplifies the Soviet Union's abysmal human rights record. Nadezhda is a brilliantly talented and brave Soviet woman who has been subjected to repeated physical and psychiatric abuse and even imprisoned for her efforts to emigrate from the Soviet Union. Nadezhda's unfortunate situation, however, is just one example of the terrible injustice and hypocrisy of the Soviet Union. There are currently over 400,000 Soviet Jews who are awaiting permission to emigrate from the Soviet Union. Since 1979, there has been a drastic decline in the number of Soviet Jews who have been allowed to emigrate. Last year, only 1,140 Soviet Jews were allowed to emigrate. This is significantly less than the 51,320 who emigrated in 1979. Refuseniks and prisoners of conscience such as Nadezhda Fradkova, have been subjected to anti-Semitic sanctions including loss of jobs, denial of medical treatment, and restrictions on education.

Emigration is a right guaranteed by international law. The Soviet Union is a signator of the Universal Declaration on Human Rights, the International Convention on Civil and Political Rights, and the Helsinki agreements. We must insist that these

agreements be enforced. We must mobilize public opinion and focus international attention on the Soviet Union's flagrant violation of individual human rights. The Soviet Union must be persuaded to improve its emigration and human rights policies, particularly those concerning Soviet Jews. I urge my colleagues to join me today in support of Soviet Jews, such as Nadezhda Fradkova, who are seeking their rights to emigrate.

HAS OUR GOD FAILED US?

Mr. HELMS. Mr. President, I receive many suggestions that various speeches and other items be read into the CONGRESSIONAL RECORD, but knowing the per page cost, I seldom do it for what is called extraneous material.

However, I have just run across the text of a sermon of February 2, delivered by the senior minister of Broad Street United Methodist Church, Statesville, NC. When I finished it, I was concerned that this beautiful and inspiring message would lift the spirits of all who read it.

So, Mr. President, I decided to share it through the pages of the RECORD—and I suspect that all who read Dr. Robert T. Young's sermon will understand my decision. Therefore, I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HAS OUR GOD FAILED US?

(By Rev. Dr. Robert T. Young, senior minister, Broad Street United Methodist Church, Statesville, NC)

This has been, for all of us, a shocking, disturbing, heavy, painful, and traumatic week. Since Tuesday morning at 11:49:17, we have all asked, "Why? What happened? Could it have been avoided? Was it worth it?" Many, many questions have come to our hearts and minds and we have struggled, each of us, individually and all of us as a nation this week with the pain and the tragedy and the loss, the deaths of seven of our fellow human beings. In response to what happened on Tuesday morning, we have all kinds of outcries. Everything from the calm, studied, careful response from Mission Control saying, "Obviously a major malfunction," and then just a few moments later saying, "The vehicle has exploded." Everything from that calm, restrained comment to the President's wife's comment in which she cried out, "Oh, my God! No!" And our response, individually and collectively, have fallen all along the spectrum in between.

Congressman Bill Nelson, who was on the last successful *Challenger* space flight early in January, said, "When you see a tragedy like that, your mind tells you one thing, but your heart tells you something else."

Or, it's like the fifteen year old girl who babysat for the McAuliffes said, "I thought it was all really unfair. There had been so many other launches before they went up without any incident at all."

A science teacher in Yarmouth, Maine, reacted, "God, this is awful. This is the worst thing I have ever seen in my life."

The 1200 Concord, NH high school students were watching and cheering and celebrating. You saw them—party hats and blow-outs. The principal said, "We were rejoicing, exalting in the liftoff. Then all of a sudden, it stopped." One of the students sitting in the auditorium said, "This can't be real . . . we can't be watching this.

One of the most beautiful responses though was in Cheyenne, Wyoming, where Michael Pearson, who was one of the 100 final teachers in the competition for this spot on the Challenger, shared the tragedy with 450 high school students in the school auditorium and then went home. When he got home, he found a note from his students on his door, "Dear Mr. Pearson, We know how badly you feel. Please don't cry. If you feel you need to talk to someone, come to us."

President Reagan, my friends, in my opinion, this week was at his very finest. To the families, he said we all mourn the loss of "seven heroes,"—and "we mourn as a nation together . . . we cannot bear as you do the full impact of this tragedy. But we do feel the loss and we're thinking about you . . . Your loved ones were daring and brave and they had that special grace, that special spirit, that says, 'Give me a challenge and I'll meet it with joy.'" To the school children, he said, "I know it's hard to understand" and to all you young people and children here today, "but sometimes painful things like this happen. It's all part of exploration and discovery . . ."

Then on Friday in Houston at the Memorial Service there, President Reagan spoke to us and for us when he said, "Sometimes, when we reach for the stars, we fall short. But we must pick ourselves up again and press on despite the pain. Across America, we are reaching out, holding hands, finding comfort in one another." And then these beautiful words, "Perhaps we can find the strength to bear our sorrow and the courage to look for our hope. The seven were astronauts, and their dream lives on . . . through the pain, our hearts have been opened to a profound truth—the future is not free, the story of all human progress is one of a struggle against all human odds . . . our seven star voyagers . . . answered a call beyond duty, gave more than was expected or required, and gave it with little thought of reward."

We all had a hard time believing that it happened this week. I am sure all of us at one point or another as we watched the replay on television thought, "Well, it's just a movie" or "It's just a simulation." But I want to share with you this morning some truths I think this terrible, terrible tragedy brought to the forefront and laid before us all.

Truth one: It is good to live in a country where this kind of experience can be shared the way this one was, namely, openly and freely. For all of us to see our success and our failure, to see the "spark of divinity" in us and to see the fullness of our humanity, to see our limitless reaching and our bounded limitations. Today, in regard to this tragic moment in our history, I say to you I am proud to be an American. Surely, I know and you do, too, that there are many, many other causes for which we could use the 1.2 billion dollars that went up in smoke and exploded in that moment. We could feed the hungry and we could clothe the naked and we could make sick people well and we could provide shelter for millions of people. But right now, we simply want to respond as a people, as Americans, as human beings, to personal tragedy. And, I am proud of the beautiful, loving, sharing, caring ways our nation has reached out and touched and held one another's hands.

Truth two: It is good to live in a country where the church, where religion, where our Christian faith can be looked to for guidance and support and strength, and for hope for the future. We saw this in many services, many places all across the country. The Roman Catholic Services in Concord, NH, the Memorial Service at A. & T. State University in Greensboro, the Memorial Service in Houston, other prayer and memorial services all across the country, and the personal prayers that were made by school children, high school students, teachers, parents and neighbors, friends, mates, loved ones, and people like you and me. I am thankful that we can let our faith and the church come to our aid and comfort at a time like this.

Truth three: Life is precarious. Life is unpredictable. Life is precious and valuable. It is irreplaceable. I say to you, not in a maudlin or remorseful mood, but to say to you simply as a truth, that we have no promise of anything beyond this present moment. I'm reminded of that as I recall the way the late Vice-President Alben Barkley, who was vice-president under Harry Truman, died. Some of you will remember. He was speaking to a church group in Kentucky, his home state. He had just quoted a passage of Scripture which is beautiful, "I would rather be a doorkeeper in the House of my God than to dwell in the tents of wickedness . . ." and dropped dead. I'm reminded of how former U.N. Ambassador Adlai Stevenson died. Walking across the street in London, he died before he reached the other side. It was awful and awesome to me as I watched the first replay of this launch. I found myself sitting there knowing that it was going to explode in seventy-four seconds, thinking, second by second, they have only fifteen seconds more, twelve, ten . . . and the horror of it! Life is precarious. It is very fragile. All of us live only one heartbeat at a time. Life is, as the bumper sticker I saw on the back of a young woman's car, "Life is fragile. Handle with care."

Truth four: Life involves risk. The seven astronauts were daring. They risked. They risked everything and they knew that! They all knew that. I saw several of them interviewed and they all acknowledged without any hesitation, we know "that something could go wrong . . ." They were doing what they wanted to do. The risks were well-known and accepted and they faced them and they knew them. I believe, my friends, if we are going to live the abundant life that Christ wants us to live and Christ came to give us, there is risk involved. Life, if it is full, involves risks and daring and venture at some time or other for every one of us.

Truth five: Death is a reality for us—for all of us. Granted, none of us has ever seen death as vividly or dramatically or with the experience of total annihilation that we all experienced for these seven persons this week. This, indeed, is the most traumatic death our nation has experienced since the death of President Kennedy in 1963. Then, and now, we are reminded that death is not only universal, it is also very personal. It not only strikes at people whom we do not know and are distant from us, it also strikes at people very close and very real to us.

For those of us of the Christian faith, there is more. It's not like I heard a young male psychologist trying to explain and respond to some questions of some young chil-

dren on television one moment this week. One of the little boys asked him, "Where are the astronauts now?" A pretty significant question, huh? The psychologist's reponse was, "They are no more. They are gone." My friends, psychologically and spiritually, I felt like I could wring his neck! Either psychologically and spiritually there is much more that can be said. We know they won't come back from outer space. We know they won't land and be seen physically again. But, there is more than that. Their dreams will live on. The goals they had in life will live on. The teaching plans that Christa McAuliffe laid out will be taught and my bet is that they will be taught more effectively and have more of an impact now than they would have had she lived. They also will live again, one day, in the presence of Almighty God.

Truth six: We are called, I believe, to invest ourselves in something larger than ourselves, something worth living and dying for, something that will live on after we have died, something that makes the world a little bit better because we have lived. I remember one of the most powerful lines that Martin Luther King, Jr. ever uttered. He said, "The worst thing that can happen to a person is not to die. Dying is not the worst thing that can happen to anyone. The worst thing that can happen to anyone is not to believe in anything worth dying for." Or, it's like a young doctor, Bod Parkerson, who did his undergraduate work at Duke, his medical school work at Duke, his residency at Duke, and he is now on his way to Ghana to be a missionary there for three years. This young man could be making for the next three years, thousands and thousands of dollars in medical practice in this country. But he said, "I want to go and serve. I want to bring medical help to people who do not have any." Or, it's like Christa McAuliffe left us with her life, her words and her inspiration, when she said, "Go for it. Go ahead and push for something." We'll see those words on banners and posters for a long time to come. "Go for it. Go ahead and push for something." Invest your life in something that is greater than you.

That's why Jesus said, "What does it profit anyone if you gain the whole world and lose your life?" What he was really saying was, "Invest your life for something or someone or some cause that is greater than you." Find your soul in that experience and find the souls and the well-being of other persons around you.

Some truths that I think have become very clear this week.

But, I come now to the basic question of this sermon, "Has our God failed us this week?" I want to answer that in two ways: Yes. And no.

Has our God failed us? One answer, I believe, is "Yes." The god that we have made out of technology and space exploration and the advance of science has failed us. One writer to the Charlotte Observer this week noted. "The accident of this spaceship is a message from God as to the limit of technology." My friends, I want to tell you that is absolute bull! This accident which happened on Tuesday is no message from God about anything! God did not cause that accident. God did not will it to happen. God did not want it to happen and it was not God's will that it did happen. The Tower of Babel story was read this morning because I think that story is relevant. A lot of people think "Oh, we are doing too much. We shouldn't be doing this. We shouldn't be going into outer space." Well, they said that about the automobile, they said it about ships and boats and planes. But the Tower of Babel story tells us that God did not come down and scatter the people because he did not want them to build and build and build. He simply did not want them setting themselves or their handiwork up as their god. That was the cause of God's visitation.

Our god of technology has failed because it is human. It has failed before. It has failed now. It will fail again. Does this mean that God does not want us to explore, to venture, or to move out beyond where we are now in any way whatsoever? I do not think so. We are simply warned in God's word, over and over, not to make technology or science or any other human venture our god. There is one God and this God and God only will I serve. That's the message.

As science writer Robert Silverberg tells us, "Perfect is not possible with technology." We do try and try and we will try again. But, we are to make no gods of science and technology.

Has our God failed us? My friends, I want to tell you this morning all I can tell you and that is, I believe, "No, our God has not failed us." The God of creation, the God of stars and space and planets, of spaceships and astronauts and teachers and school children and heart-broken husbands and wives and children, the God of Jesus the Christ, the Christ of the cross, lives on, loves on, and conquers all. For you and for me. That's the word from Deuteronomy 33. "There is none like God . . . who rides through the heavens to your help, and in his majesty rides through the skies. The eternal God is your dwelling place, and underneath are the everlasting arms."

The final word I have for us this morning, my friends, is this. What happened this week means that someone has died for us—as a matter of fact, seven someones died for you and me—to make life a little better and a little more meaningful for us and for all to come. They died for us. But, what I really want to say, in the name of Christ this morning, is that someone else, namely, Jesus the Christ, died for them and also died for you and me. He, too, died a tragic, terrible death. He said, "I live and whoever lives and believes in me will never, ever die."

Jesus, in one place in the New Testament, tells us how precious and how valuable each of us is to God. "Even the hairs of your head are numbered . . . and not even a sparrow falls to the earth but God knows" and God cares. That is the Gospel and that is the word for you and me today. "His eye is on the sparrow and I know He watches me . . ."

"Underneath are the everlasting arms."

Our God has not failed—not failed our seven heroes—or you or me. God is with us. Now and forever. Amen.

THE EXPANDING PATTERN OF SOVIET SALT VIOLATIONS CONFIRMS BREAKOUT

Mr. HELMS. Mr. President, I ask unanimous consent that a recent U.S. Arms Control and Disarmament Agency "White Paper" be printed in the RECORD at this point, following which I will offer some comment.

The ACDA "White Paper" is entitled "Soviet Noncompliance," and it reveals an expanding pattern of Soviet violations of Strategic Arms Limitation Treaties.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SOVIET NONCOMPLIANCE

FOREWORD

Today, many people harbor a deep concern over the Soviet Union's cheating on the arms control commitments it has willfully undertaken. Soviet violations and probable violations—as elaborated in this report—endanger the future viability of the arms control process, since compliance cannot be unilateral. For one side (the United States) to adhere and for the other side (the Soviet Union) not to adhere does not constitute real arms control at all. Rather it constitutes a dangerous form of unilateral disarmament in the guise of bilateral arms control.

This state of affairs is not long sustainable. If arms control is to have meaning—if it is truly to contribute to national security and to global and regional stability—all parties must fully comply with the agreements they make. While we are scrupulously complying with all our obligations, we must also be forthright where the Soviets do not comply. To be serious about arms control is to be serious about compliance.

The United States Government has concluded [1] that the USSR has violated its legal obligation under or political commitment to: The SALT I ABM Treaty and Interim Agreement; the SALT II Treaty; the Geneva Protocal on Chemical Weapons as it reflects the rules of customary international law; the Biological and Toxin Weapons Convention; the Limited Test Ban Treaty; and the Helsinki Final Act.

In addition, the United States Government has concluded that it is likely that the USSR has violated the Threshold Test Ban Treaty. Furthermore, the United States Government is concerned about the Soviet Union's ABM and ABM-related actions which suggest that the USSR may be preparing an ABM defense of its national territory.

While we remain concerned about Soviet violations of Basket I of the Helsinki Final Act and the Limited Test Ban Treaty, there is no unambiguous evidence of new 1985 Soviet violations of these two treaties. With regard to the Biological and Toxin Weapons Convention, or the Geneva Protocol on Chemical Weapons, there also is no clear evidence of new 1985 Soviet lethal attacks that meets our strict standards of evidence. However, the Soviets clearly remain in violation of the Biological and Toxin Weapons Convention.

The apparent removal of SS-16 equipment from Plesetsk during 1985 changes the status of the SS-16 which had previously been judged to have been probably deployed at Plesetsk in probable violation of the Soviet Union's legal obligation and political commitment.

Nevertheless, the President's Report to the Congress on Soviet Noncompliance With Arms Control Agreements, December 23, 1985, states:

"The Soviet Union has thus far not provided explanations sufficient to alleviate

[1] The President's Report to the Congress on Soviet Non-compliance with Arms Control Agreements, January 23, 1984, The President's Unclassified Report to the Congress on Soviet Noncompliance with Arms Control Agreements, February 1, 1985, and The President's Unclassified Report to the Congress on Soviet Noncompliance with Arms Agreements, December 23, 1985.

our concerns on these issues, nor has the Soviet Union taken actions needed to correct existing violations. Instead, they have continued to assert that they are in complete compliance with their arms control obligations and commitments."

The U.S. Government has determined that the Soviets have violated their commitments in nine cases and probably violated them in others. The following is an abbreviated summary of the findings. Specific and precise findings on each issue, with explanations, are contained in the report text.

ISSUES AND FINDINGS

ABM Treaty

1. Krasnoyarsk Radar: Violation.
2. Mobility of ABM System Components: Potential violation.
3. Concurrent Testing of ABM and Air Defense Components: Probable violation.
4. ABM Capabilities of Modern SAM Systems: Evidence insufficient to assess/ambiguous.
5. Rapid Reload of ABM Launchers: Ambiguous/serious concern.
6. ABM Territorial Defense: May be preparing prohibited defense.

SALT II Treaty

1. SS-25 ICBM: Violation.
2. Strategic Nuclear Delivery Vehicle Limits: Violation.
3. SS-16 ICBM Deployment: Probable violation/indications of removal.
4. Backfire Bomber Intercontinental Operating Capability: Inconsistent with political commitment.
5. Backfire Bomber Production Rate: Ambiguous/slightly above 30 until 1984/decreased to slightly below 30 since then.
6. Encryption of Ballistic Missile Telemetry: Violation.
7. Concealment of the Association Between an ICBM and Its launcher: Violation.

SALT I Interim Agreement: Use of "Remaining Facilities" at Former SS-7 Sites: Violation.

Biological and Toxin Weapons Convention and 1925 Geneva Protocol: Chemical, Biological and Toxin Weapons: Violation.

Limited Test Ban Treaty: Underground Nuclear Test Venting: Violation.

Threshold Test Ban Treaty: Nuclear Testing and the 150 Kiloton Limit: Likely violation.

Helsinki Final Act: Notification of Military Exercises: Violation.

While these violations constitute a most disturbing pattern of Soviet behavior,[2] the Soviets have adhered to many if not most provisions of the treaties to which they are a Party. However, selective compliance is not enough. Parties to agreements are required to honor all obligations and commitments.

Many Soviet violations can still be remedied. We hope they are. Over the past several years, however, the Soviet Union has neither provided satisfactory explanations nor undertaken corrective actions which would bring them into full compliance with their solemn arms control obligations.

The United States will continue diplomatic efforts to have the Soviet Union correct these problems. We have vigorously pressed, and will continue to press, compliance issues with the Soviets. This is done in the Standing Consultative Commission, the Nuclear and Space Talks, and through other diplomatic channels.

We will continue to try to negotiate new agreements with the Soviet Union, even if they are violating existing ones, for several reasons:

First, we are continuing to press the Soviet Union for clarifications, explanations and corrective action, and have made clear that we will consider proportionate and appropriate action in response to Soviet noncompliance.

Second, the U.S. believes that equitable arms reduction agreements with provisions that are effectively verifiable will, if complied with, enhance stability and security. New arms control agreements, if soundly formulated and adhered to, can serve U.S. interests. We should not abandon efforts to achieve agreements that can increase U.S. and Allied security and reduce the risk of war, provided that such agreements are effective and verifiable.

Third, negotiating with the Soviets does not in any way condone or ignore past Soviet behavior. Continuing to negotiate can give us leverage and is another way to try to get the Soviets to abide by existing agreements.

Compliance is an issue of widespread concern throughout the U.S. Government, in the legislative as well as executive branches and among those of all political persuasions. It is a truly bipartisan issue. A group of leading Democratic Congressmen has, for example, written the Soviet leader of its concerns over Soviet violations.[3] They stated "that adherence to existing treaties is a necessity in order for future agreements to be possible."

Given the importance of the compliance issue and the technical nature of much of the material which has been written about it, the Arms Control and Disarmament Agency has prepared this unclassified report. It spells out the obligations and actions of the Soviet Union in its major arms control commitments, and where and how the U.S. Government has determined that the USSR is in violation. In some cases where concerns have been raised over Soviet adherence to specific provisions we studied the issue and have not found the Soviets in violation, as had been feared.

Of course, since this report is unclassified, much of the evidence presented in the extensive classified Presidential reports to the Congress cannot be presented here. We have tried to minimize the possible distortions and gaps in the evidence that result from the restrictions of classification and the need to protect the sources and methods of our verification capabilities. Moreover, the report makes clear that not all Soviet violations and probable violations are of equal severity, clarity, or impact. Indeed, while some of the individual violations have serious military significance others do not. Nonetheless, a continuing pattern of Soviet violations cannot help but have a long-term impact upon our national security.

In addition, any violation inherently carries serious implications for arms control. The integrity of the system and sanctity of a nation's commitments are critical. So we dare not ignore even small Soviet violations much less large ones. Regardless of their particular military significance, violations jeopardize the process and framework, particularly where there is a pattern of behavior. Failure to respond appropriately might lead the Soviets to think that they can violate their commitments with impunity.

Compliance is everybody's business. The universal importance of full compliance was recently recognized by the United Nations. On December 12, 1985, the General Assembly passed by a vote of 131-0 (with 16 abstentions) a resolution on arms control compliance which:

Urges all parties to arms limitation and disarmament agreements to comply with their provisions;

Calls upon those parties to consider the implications of noncompliance for international security and stability and for the prospects for further progress in the field of disarmament; and

Appeals to all U.N. members to support efforts to resolve noncompliance questions "with a view toward encouraging strict observance of the provisions subscribed to and maintaining or restoring the integrity of arms limitation or disarmament agreements."

It is in this light that we offer our report to the American people, and to foreign audiences as well, as a useful guide while we seek to make progress in resolving compliance issues and in moving ahead on arms control in the future.

KENNETH L. ADELMAN, *Director,*
U.S. Arms Control and Disarmament Agency.

ABM TREATY

The Treaty Between the U.S. and the USSR on the Limitation of Anti-Ballistic Missile Systems (ABM Treaty) entered into force in 1972. The Protocol to the ABM Treaty entered into force in 1976. The ABM Treaty is of unlimited duration and subject to review by the Parties at 5-year intervals.

The ABM Treaty and its Protocol ban deployment of ABM systems except that each Party is permitted to deploy one ABM system around the national capital area or, alternatively, at a single ICMB deployment area. However, the Treaty explicitly recognizes the existence of ABM test ranges for the development and testing of ABM systems or components for modernization and replacement.

1. THE KRASNOYARSK RADAR

Limitations on large phased-array radars are one of the core priorities of the ABM Treaty. Large phased-array radars constitute the most critical and the longest-lead time components needed for a prohibited territorial ABM system. The ABM Treaty permits the deployment of new large phased-array radars (LPARs) as:

a. ABM radars within the ABM deployment area;

b. ABM radars at one of the current or additionally agreed ABM test ranges;

c. radars for early warning of strategic ballistic missile attack provided that they are located along the periphery of the deploying Party's national territory and are oriented outward;

d. radars used for the purpose of tracking objects in outer space; and

e. radars used as national technical means (NTM) of verfication.

"Deploy" as used in Article VI of the ABM Treaty means to site or locate at a particular location. Initiation of the construction

[2] Soviet practices were also studied in a report to the President by the General Advisory Committee on Arms Control, an independent Presidential advisory committee. That study also concluded that the Soviets had violated many arms control obligations. (Report to the President by the General Advisory Committee on Arms Control, "A Quarter Century of Soviet Compliance Practices Under Arms Control Commitments: 1950-83 (Summary)," October 1984.)

[3] Letter by Cong. Aspin, Cong. Solarz, et al, to Mikhail Gorbachev, General Secretary, USSR, dated March 20, 1985.

of a prohibited radar would constitute a violation of the Treaty.

The United States has detected construction of a large phased-array radar in the interior of the USSR near Krasnoyarsk. It is not located within the permitted ABM deployment area, and it is not located at an agreed ABM test range. The radar is over 700 kilometers from the USSR's nearest border—the border with Mongolia. The Krasnoyarsk radar is not directed outward toward the Mongolian border but, rather, looks inward toward the Soviet Union's northeast border—4,600 kilometers away. It thus overlooks a large portion of the Soviet Union and from there toward Alaska and beyond. The radar is of a type previously characterized by the Soviet government as a radar for the early warning of missile attacks.

The Soviets claim that the Krasnoyarsk radar is for space tracking and NTM. The claim is not credible. To place that claim in perspective requires comparing the Krasnoyarsk radar's capabilities with the requirements for those missions and with existing Soviet capabilities.

There are two fundamental tasks a radar designed for tracking of space objects should perform: (1) early satellite detection; and (2) accurate satellite tracking.

If the role of the Krasnoyarsk radar were primarily satellite tracking, it should be appropriately designed and oriented to improve the accuracy of the existing system of Soviet satellite tracking radars. It is not so designed or oriented. Its contribution to tracking was analyzed for many different cases of possible U.S. and Soviet satellite launches and orbits. In no case that we have analyzed did the radar at Krasnoyarsk contribute significantly to the satellite tracking accuracy that was already available from existing Soviet radars. Indeed, in most cases it contributes very little or nothing to existing Soviet space tracking capabilities.

The Krasnoyarsk radar's orientation is far from that optimal for space tracking; it cannot be used to track current Soviet spacecraft during their initial ("insertion") portion of flight. Its most useful area of space coverage is already largely within the view of other more appropriately designed radars. In sum, it is not plausible that the Krasnoyarsk radar is for space tracking. In fact, we think the Soviets would certainly not build an expensive and ineffectively designed radar for this purpose to gain only a marginal increase in space-track capability.

To perform in an NTM role a radar should have the capability to monitor testing or deployment of U.S. systems limited by treaty. The capabilities, location and orientation of the Krasnoyarsk radar preclude this function.

The radar under construction near Krasnoyarsk in Siberia is disturbing for both political and military reasons. Politically, the radar demonstrates that the Soviets are capable of violating arms control obligations and commitments even when they are negotiating with the United States or when they know we will detect a violation. The 1972 ABM Treaty prohibits the Soviets from siting an ABM radar, or siting and orienting a ballistic missile detection and tracking radar, as the Krasnoyarsk radar is sited and oriented.

Militarily, the Krasnoyarsk radar violation goes to the heart of the ABM Treaty. Large phased-array radars (LPARs) like that under construction near Krasnoyarsk were recognized during the ABM Treaty negotiations as the critical long leadtime element of a nationwide ABM defense.

The Krasnoyarsk radar is well located for ballistic missile warning, attack assessment and ABM target acquisition and tracking. Its location provides better impact prediction data for much of the central USSR (for example, for ICBM sites) than locations along the northeastern coast. It could have major significance if it is part of a large scale future Soviet ABM deployment. This new radar closes the final gap in the combined HEN HOUSE and new large phased-array radar warning and tracking network. Together, this radar and the five others like it form an arc of coverage from the Kola Peninsula in the northwest, around Siberia, to the Caucasus in the Southwest. Its orientation and function indicate it is for ballistic missile detection and tracking—not space object tracking and NTM as claimed by the Soviets.

Finding

The U.S. Government judges that the new large phased-array radar under construction at Krasnoyarsk constitutes a violation of legal obligations under the Anti-Ballistic Missile Treaty of 1972 in that in its associated siting, orientation, and capability, it is prohibited by this Treaty. Continuing construction and the absence of credible alternative explanations have reinforced our assessment of its purposes. Despite U.S. requests, no corrective action has been taken. This and other ABM-related activities suggest that the USSR may be preparing an ABM defense of its national territory.

2. MOBILITY OF ABM SYSTEM COMPONENTS

The ABM Treaty explicitly prohibits the development, testing, or deployment of mobile land-based ABM systems or components, including ABM interceptor missiles, ABM launchers, and ABM radars. The Term "mobile" used in the Treaty describes components which can be readily transported from one place to another as well as components designed to be moved frequently during their service life, even if these components are not mobile in the sense of having wheels or being self-propelled. If readily transportable components were developed, it was feared that they could be used to deploy rapidly a nationwide-ABM system which is prohibited by the Treaty.

In evaluating whether an ABM component is "mobile" the ability of that component to be easily moved is more important than how many times a party has in fact moved it. Whether or not a component is mobile depends on how much time is necessary to relocate it and reestablish a fully operational capability. Judgments of the mobility of Soviet ABM components can be made without the component ever in fact being moved.

The testing or deployment of even a single mobile land-based ABM component would constitute a violation of the ABM Treaty.

The Soviet ABM program includes development and testing of interceptor missiles, the launchers for those missiles and associated radars. The Soviets have tested ABM components that are apparently designed so that they could be relocated in months rather than in terms of the years required to deploy fixed land-based systems.

The concern is that by using mobile components the Soviets could deploy a large number of ABM launchers by the early 1990s, if they make such a decision soon. Such developments could have significant adverse impacts on the military balance.

Finding

The U.S. Government judges that evidence of Soviet actions with respect to ABM component mobility is ambiguous, but that the USSR's development and testing of components of an ABM system, which apparently are designed to be deployable at sites requiring relatively limited site preparation, represents a potential violation of its legal obligation under the ABM Treaty. This and other ABM-related Soviet actions suggest that the USSR may be preparing an ABM defense of its national territory.

3. CONCURRENT TESTING OF ABM AND AIR DEFENSE COMPONENTS

Under the ABM Treaty, the United States and the Soviet Union agreed that they would not give missiles, launchers, or radars, that were developed for other purposes, e.g., for air defense, the capability to counter strategic ballistic missiles or their elements in flight trajectory nor to test them in an ABM mode.

Subsequent to the 1972 signing of the ABM Treaty, the U.S. obtained data indicating that the Soviet Union might be developing an ABM capability with non-ABM components by conducting tests involving the concurrent operation of non-ABM and ABM components. The U.S. then expressed its concern about these tests to the Soviet Union and the tests of that kind appeared to stop. However, after another relatively brief period, the U.S. again obtained data that raised concern. Following renewed detailed discussion with the Soviets, the United States and the Soviet Union agreed in the 1970s to prohibit concurrent testing of air defense components and ABM system components at the same test range. However, even after this agreement, concurrent operations appeared to resume.

Both the U.S. and the USSR understood that air defense radars, when operated for air defense purposes or to ensure the safety of the range or as instrumentation radars for permitted purposes, would not be in violation of a prohibition on concurrent testing.

The many occasions when Soviet ABM and SAM radars were operating at about the same time, as well as the fact that these activities have persisted over the past decade, are themselves a basis for concern. This concern is heightened by the unsatisfactory response of the Soviets to U.S. requests for explanations and corrective actions. For these activities not to be violations one must accept that on each and every occasion SAM radar operation was for defense or safety of the range or as instrumentation equipment for permitted purposes. We have strong circumstantial evidence of improper Soviet concurrent testing of SAM and ABM radars.

Finding

The U.S. Government judges that the evidence of Soviet actions with respect to concurrent operations is insufficient fully to assess compliance with Soviet obligations under the ABM Treaty. However, the Soviet Union has conducted tests that have involved air defense radars in ABM-related activities. The large number and consistency over time, of incidents of concurrent operation of ABM and SAM components, plus Soviet failure to accommodate fully U.S. concerns, indicate the USSR probably has violated the prohibition on testing SAM components in an ABM mode. In several cases this may be highly probable. This and other such Soviet activities suggest the USSR may be preparing an ABM defense of its national territory.

4. ABM CAPABILITIES OF MODERN SURFACE-TO-AIR MISSILE (SAM) SYSTEMS

The ABM Treaty sets forth two separate prohibitions on SAM systems—not to give such systems capabilities to counter strategic ballistic missiles and not to test such systems in an ABM mode.

When the ABM Treaty was negotiated, the potential ABM capability of air defense systems was a major concern. Clearly, the phrase "capabilities to counter" as used in the ABM Treaty was intended to have the ordinary meaning of "blocking" or "stopping" a reentry vehicle. In the context of the ABM Treaty giving a SAM system "capabilities to counter strategic ballistic missiles" meant giving them actual ABM capabilities.

Since virtually any air defense missile system has some level of ABM capability, the Treaty was not intended to preclude an incidental or insignificant ABM capability, but rather a meaningful or significant capability. Such a determination must ultimately be a factual determination taking into account the military significance of whatever ABM capability is present.

The U.S. believes that a SAM would be tested in an ABM mode if, for example, while guided by a radar, it was flight tested against a target vehicle which has a flight trajectory with characteristics of a strategic ballistic missile flight trajectory.

The key Soviet SAM system of concern is the SA-X-12, although concerns have existed about other Soviet air-defense systems. The SA-X-12 can engage tactical ballistic missiles in flight. Such a system with Anti-Tactical Ballistic Missile (ATBM) capabilities could have many of the features one would expect to see designed into an ABM system, possibly giving it capabilities to intercept some types of strategic ballistic missile RVs. The SA-X-12 system is also mobile, further increasing our concerns.

Finding

The U.S. Government judges that the evidence of Soviet actions with respect to SAM upgrade is insufficient to assess compliance with the Soviet Union's obligations under the ABM Treaty. However, this and other ABM-related activities suggest that the USSR may be preparing an ABM defense of its national territory.

5. RAPID RELOAD OF ABM LAUNCHERS

The ABM Treaty limits the number of deployed ABM interceptor launchers and deployed ABM missiles, but does not limit the number of interceptor missiles that both sides can build and stockpile. The capability of the 100 deployed ABM launchers permitted by the Treaty could therefore be increased by stocking more than one interceptor missile per launcher and providing each launcher with a reload capability. The Treaty prohibits the development, testing or deployment of "automatic or semi-automatic or other similar systems for rapid reload" of the permitted launchers.

The two categories of Soviet actions relevant here are discussed on the following page.

Reload and refire activity: Galosh

The test launchers for the Galosh ABM interceptor missiles, which are deployed around Moscow, are at the Sary Shagan Missile Test Range. Galosh interceptor missiles are loaded into above-ground launchers apparently using conventional equipment.

The Soviets demonstrated a reload and refire time for the Galosh of much less than a day.

Reload activity: A different ABM interceptor at Sary Shagan

The only known test launchers for the high acceleration interceptor missile, similar to the U.S. Sprint missile developed for the inactive Safeguard ABM system, are at Sary Shagan.

LIke the Galosh, the Soviets have demonstrated that a launcher for this missile can be reloaded in much less than a day.

Finding

The U.S. Government judges, on the basis of the evidence available, that the USSR's actions with respect to the rapid reload of ABM launchers constitute an ambiguous situation as concerns its legal obligations under the ABM Treaty not to develop systems for rapid reload. The Soviet Union's reload capabilities are a serious concern. These and other ABM-related Soviet activities suggest the USSR may be preparing an ABM defense of its national territory.

6. ABM TERRITORIAL DEFENSE

The ABM Treaty includes the obligation ". . . not to deploy ABM systems for a defense of the territory of its country and not to provide a base for such a defense . . ." The prohibition on the defense of "the territory of its country" means a ban on the ABM defense of the Party's national territory, which is the central purpose of the Treaty, as distinct from defending a specifically allowed region, such as Moscow. While the size of the territory that must be defended to constitute a territorial defense was not defined, this is considered to mean a defense of all or a large portion of the country.

The Soviet Union has conducted a number of ABM activities, or activities that can be characterized as ABM-related. The totally of these activities has created concerns within the U.S. about Soviet deployment of a territorial ABM defense. These include:

The construction of several large phased-array radars, including the radar at Krasnoyarsk, which might constitute deployment of the major long lead-time components of a nationwide-ABM defense;

The apparent testing and development of components required for an ABM system which could be deployed to a site in months rather than years;

The numerous incidents of concurrent operations of air defense components and ABM components that indicate the probable testing of air defense components in an ABM mode;

The development of a modern air defense system, the SA-X-12, which may have some ABM capabilities; and

The demonstration of an ability to reload ABM launchers and to refire the interceptor missile in a period of time shorter than previously noted.

Soviet construction of new large phased-array radars (LPARs), which could support an ABM system by providing detection and tracking, and the illegal appearance of one of these radars—at Krasnoyarsk deep in the interior of the Soviet Union—increases concern about the Soviet Union's capability for ABM "break-out." Such large phased-array radars could constitute the production and deployment of long lead-time components of a nationwide defense. These Soviet LPARs are far more powerful and capable than U.S. ballistic missile early warning LPARs.

The apparent testing and development of the components required for an ABM system which could be deployed to a site in months rather than years could also contribute to ABM "breakout." In addition, the probable testing of air defense components in an ABM mode and the potential ABM capability of a modern surface-to-air missile system raises further concerns that the Soviet Union may be preparing an ABM defense of its national territory. If Soviet air defense components were given ABM capabilities as a result of these activities, then such a development would provide another route for ABM "break-out." Soviet air defense components are rapidly deployable and their effectiveness could be enhanced by the inherent capabilities of LPARs.

Soviet deployment of an ABM territorial defense contrary to the ABM Treaty would have profound implications for Western security and the vital East-West strategic balance. A unilateral Soviet territorial ABM capability acquired in violation of the ABM Treaty could erode our deterrent and leave doubts about its credibility. Such capability might encourage the Soviets to take increased risks in crises, thus degrading crisis stability.

Finding

The U.S. Government judges that the aggregate of the Soviet Union's ABM and ABM-related actions (e.g., radar construction, concurrent testing, SAM upgrade, ABM rapid reload and ABM mobility) suggests that the USSR may be preparing an ABM defense of its national territories.

SALT II Treaty

The primary goal of the SALT II Agreement of 1979 was to replace the 1972 Interim Agreement with a long-term comprehensive treaty providing broad limits on strategic offensive weapons systems. The principal U.S. objectives were to provide for equal numbers of strategic nuclear delivery vehicles for the sides, to begin the process of reduction of these delivery vehicles, and to impose restraints on qualitative developments which could threaten future stability.

SALT II was signed in June 1979, but was withdrawn from Senate consideration following the Soviet invasion of Afghanistan and has not been ratified. In 1981, the United States made clear to the Soviet Union its intention not to ratify the SALT II Treaty. Prior to the formal clarification of the U.S. position in 1981, both nations were obligated under customary international law not to take actions which would defeat the object and purpose of the signed, but unratified, Treaty. Any such Soviet actions prior to 1981 are violations of legal obligations. Since 1981, the United States has observed a political commitment to refrain from actions that undercut the SALT II Treaty so long as the Soviet Union shows equal restraint. In 1982 the Soviets told us they would abide by the SALT II Treaty. Soviet actions inconsistent with this commitment are violations of their political commitment with respect to the SALT II Treaty.

Seven SALT II issues are included in this unclassified report: the testing and deployment of the SS-25 ICBM, strategic nuclear delivery vehicle limits, the deployment of the SS-16 ICBM, Backfire bomber intercontinental operating capability, Backfire bomber production rate, the encryption of telemetry, and the concealment of the association between an ICBM and its launcher.

1. SS-25 ICBM

In an attempt to constrain the modernization and proliferation of new, more capable types of ICBMs, the provisions of SALT II permit each side to "flight test and deploy"

just one new type of "light" ICBM. A new type is defined as one that differs from an existing type by more than 5 percent in length, largest diameter, launch-weight, throw-weight, or differs in number of stages or propellant type (i.e., liquid or solid).

In addition, it was agreed that no ICBM of an existing type with a post-boost vehicle and a single reentry vehicle (RV) would be flight-tested or deployed whose reentry vehicle is less than 50 percent of the throw-weight of that ICBM. This provision was designed to limit the capability to break out of Treaty limits rapidly by quickly converting missiles with a single RV to missiles with multiple independently-targeted reentry vehicles (MIRV).

The SALT II Treaty permits each Party to use various methods of transmitting telemetric information during testing, including encryption, but bans deliberate denial of telemetry, such as through encryption, whenever such denial impedes verification.

The SS-25, a clear and irreversible violation of the Soviet Union's SALT II commitment, also has important political and military implications. Testing and deployment of this missile violates a central provision of the SALT II Treaty, which was intended to limit the number of new ICBM's

The Soviets have declared the SS-X-24, a large MIRVed solid propellant ICBM approximately the size of the U.S. MX ICBM, to be their allowed one "new type" ICBM. The Soviets have, in addition, flight tested and started to deploy the SS-25 ICBM, a small, solid propellant three-stage ICBM approxmately the size of the U.S. Minuteman ICBM. At least 45 mobile SS-25 have now been deployed.

The Soviets have falsely asserted that the SS-25 is an allowed modification of the SS-13 ICBM. The SS-25 has the same number of stages (three) and the same propellant type (solid) as the SS-13. However, analysis indicates that the throw-weights of the SS-25 and SS-13 differ by considerably more than the 5 percent allowed for modernized missiles.

The analysis also showed that the weight of the SS-25 RV is definitely less than 50 percent of the missile's throw-weight.

The SS-25 is mobile and could be made more lethal by modifying it to carry more than a single warhead. Most worrisome is the technical argument by which the Soviets sought to justify the SS-25, for it might be applied to additional prohibited new types of ICBMs in the future.

FINDINGS

Second new type—testing and deployment

The U.S. Government judges based on convincing evidence about the SS-25, that the throw-weight of the Soviet SS-25 exceeds by more than 5 percent the throw-weight of the Soviet SS-13 ICBM and cannot therefore be considered a permitted modernization of the SS-13 as the Soviets claim. The SS-25 is a prohibited second "new type" of ICBM and its testing, in addition to the testing of the SS-X-24 ICBM, thereby is a violation of the Soviet Union's political commitment to observe the "new type" provision of the SALT II Treaty. The deployment of this missile during 1985 constitutes a further violation of the SALT II prohibition on a second "new type" of ICBM.

RV-to-throw-weight ratio

The U.S. Government concludes that if we were to accept the Soviet argument that the SS-25 is not a prohibited "new type" of ICBM, it would be a violation of their political commitment to observe the SALT II provision which prohibits the testing of such an existing ICBM with a single reentry vehicle whose weight is less than 50 percent of the throw-weight of the ICBM.

Encryption

The U.S. Government judges that telemetry encryption during tests of the SS-25 is illustrative of the deliberate impeding of verification of compliance in violation of the USSR's political commitment.

Despite U.S. requests for explanations and corrective actions with regard to the SS-25 ICBM-related activities, Soviet actions continue unchanged, and the Soviet Union has proceeded to deployment of this missile.

2. STRATEGIC NUCLEAR DELIVERY VEHICLE LIMITS

Upon entry into force of the SALT II Treaty each Party was to undertake to limit the number of strategic nuclear delivery vehicles (SNDVs)—ICBM launchers, SLBM launchers, heavy bombers, and air-to-surface ballistic missiles—to an aggregate number not to exceed 2,400. Thereafter the aggregate was to be further reduced to 2,250 SNDVs. At the time of the signing of the SALT II Treaty the Soviet Union and the United States agreed in a Memorandum of Understanding that as of November 1, 1978 the Soviet Union's aggregate number of SNDVs was 2,504.

Since the Treaty has never entered into force, the Soviets have never been under an obligation to reduce their SNDVs to 2,400 from the 2,504 listed in the Memorandum of Understanding that is a part of SALT II, nor have they ever been obligated to the later reduction to 2,250 also scheduled by the Treaty.

The Soviet commitment to abide by SALT II brought with it a new standard for judging what actions must be undertaken with respect to SALT II. Under this commitment, the Treaty must be adhered to except for certain time-limited or specified provisions.

The logic of the U.S. and the USSR's agreement to "abide by" SALT II assumes that some numerical ceiling on SNDVs exists, even though there was no explicit agreement between the U.S. and the USSR on the numerical value of such a ceiling. In order to compensate for the introduction of new SNDVs into its inventory, the Soviet Union could remove existing SNDVs by dismantling or destroying them. They could do so by utilizing the SALT I Interim Agreement Protocol for ICBM's. In the case of heavy bombers, the Soviets may use the agreed portions of the draft SALT II Protocol for Dismantling or Destruction as an ad hoc guide.

The question at issue is whether any increase in SNDVs above 2,504 is consistent with the Soviet Union's political commitment to abide by the SALT II Treaty.

At the time SALT II was signed (June 1979) the Soviet Union had 2,504 SNDVs. When the U.S. informed the Soviets in September 1981 that it would not seek to ratify SALT II, we believe the Soviets had about the number of SNDVs it had in June 1979. Thus their action during this period appears consistent with their obligation. At the time they agreed to "abide by" the Treaty in 1982, the Soviets had a few more SNDVs than in June 1979.

The Soviet Union increased the number of SALT-accountable strategic nuclear delivery vehicles (SNDVs) in its arsenal from the 2,504 that it had as of June 18, 1979, when SALT II was signed, to more than 2,520 by the fall of 1984.

By December 31, 1984, additional SNDVs had become SALT accountable. Also, during the last several months of 1984 the Soviet Union destroyed a number of launchers of the SS-11 ICBM. We believe these launchers were destroyed to compensate for the deployment of the SS-25 ICBM; the destruction did not compensate for the production of new Bear H bombers that originally placed the SNDV aggregate over 2,504.

During 1985, the Soviets continued to deploy SS-25's and destroy old SS-11 launchers. In addition, more new Bear H cruise missile-carrying bombers were deployed and some older heavy bombers were destroyed. The net effect of these Soviet actions was to maintain their SNDV count at a level above the 2,504 allowed. While the SNDV aggregate varied from near 2,504 to approximately 2,540 during the last year, on November 30, 1985 (the cutoff date for this report) the best U.S. estimate of Soviet SNDV's was approximately 2,520.

The Preamble and Article I of the SALT II Treaty make clear that the fundamental objective of the Treaty is to place limits on strategic offensive arms. Article III places such limits on SNDV's and, when the Soviet Union made its political commitment to abide by SALT II, it committed itself not to act inconsistently with the fundamental objective of the Treaty.

FINDING

The U.S. Government interprets the Soviet commitment to abide by SALT II as including the existence of a cap on SNDVs—at the level of 2,504 existing at the time SALT II was signed (June 1979). The Soviet Union has deployed SNDV's above the 2,504 cap in violation of its political commitment under SALT II. Such activity is indicative of a Soviet policy inconsistent with this political commitment.

3. SS-16 ICBM deployment

During the negotiation of the SALT II Treaty, there was concern that land-based launchers for ballistic missiles which were not considered strategic missiles and, therefore, were not limited by the Treaty, could be converted into launchers for the strategic missiles which were limited.

Between 1972 and 1976, the Soviet Union flight-tested the SS-16, a three-stage, solid-propellant, single-RV ICBM from the Plesetsk Missile Test Center in the USSR. The SS-16 missile is closely related to the SS-20, an intermediate range ballistic missile (IRBM). The U.S. was concerned that the SS-20, which was unconstrained by the SALT II Treaty, could be converted from an IRBM to an ICBM with a range of 5,500 KM or more. Distinguishing between SS-16 and SS-20 deployments would thus be very difficult. To preclude this situation from arising, the U.S. is negotiating the SALT II Treaty, obtained agreement from the Soviets not to produce, test, or deploy ICBMs of the SS-16 type. Further the Soviets agreed not to produce the SS-16's third stage, reentry vehicle or "other appropriate device" (post-boost vehicle) for targeting the missile's single reentry vehicle.

In assessing whether the SS-16 is deployed at Plesetsk, we have focused on the question of whether it can be established that the SS-16 ICBM has been maintained in a functioning state and thus could be made ready for launch in a short period of time. During the 1976-1978 time period, after SS-16 flight tests had been discontinued, modification and expansion of mobile missile facilities at sites historically associated with the SS-16 at Plesetsk were con-

ducted by the Soviet Union. Subsequent to this, we have observed activity at these sites suggesting SS-16 deployment. That activity was extensively analyzed. As a result of this analysis we conclude that the Soviets probably deployed SS-16 missiles at Plesetsk until 1985.

Soviet activity at Plesetsk during 1985 would seem to indicate that SS-16s present there were probably removed. In places previously associated with the SS-16, there is some evidence that equipment associated with a different ICBM has been introduced.

FINDING

While the evidence is somewhat ambiguous and we cannot reach a definitive conclusion, the U.S. Government found the activities at Plesetsk to be a probable violation of the USSR's legal obligation and political commitment under SALT II. Soviet activity in the past year seems to indicate the probable removal of SS-16 equipment and introduction of equipment associated with a different ICBM.

4. Backfire bomber intercontinental operating capability

At the signing of SALT II, the USSR gave the U.S. assurances about the Backfire bomber's intercontinental operating capability. The Soviet statement of June 16, 1979 read, in pertinent part, as follows: "The Soviet side informs the U.S. side that the Soviet "Tu-22M" airplane, called 'Backfire' in the USA, is a medium-range bomber, and that it does not intend to give this airplane the capability of operating at intercontinental distances. In this connection, the Soviet side states that it will not increase the radius of action of this airplane in such a way as to enable it to strike targets on the territory of the USA. Nor does it intend to give it such a capability in any other manner, including by inflight refueling. . . ."

This Soviet statement is an integral part of the SALT II agreement and the U.S. considers it to be incorporated in the Soviet Union's political commitment to abide by SALT II.

During the Senate ratification hearings (August 15, 1979) on the Treaty, it was stated that "Similarly, other changes in current Backfire practices such as deployment of a tanker force for the Backfire or regular use of Long-Range Aviation Arctic staging bases, would call into question the Soviet statement on giving the Backfire a capability against the United States."

Prior to the signing of SALT II, Soviet Backfire bombers deployed to Arctic bases a number of times. In recent years Soviet Backfire aircraft again deployed to military bases in the Arctic. They remained there for several days and later departed.

The U.S. view of the Soviet commitment not to give the Backfire an intercontinental capacity against the U.S. includes Soviet foregoing of the movement of Backfire bombers to Arctic staging bases within range of the U.S. when such staging could be construed as training for operational use of such bases. If so staged, such bombers, under certain conditions, could attack some areas in the U.S. even without aerial refueling.

FINDING

The U.S. Government judges that the temporary deployment of Backfire's to Arctic bases is cause for concern and continued careful monitoring. By such temporary deployment of Backfire's, the Soviet Union acted in a manner inconsistent with its political commitment in the June 1979 Backfire statement not to give Backfire the capability to strike targets on the territory of the United States.

5. Backfire production rate

The U.S. was willing to exempt the Backfire from SALT II restraints only if the USSR were to agree to place certain restrictions on the production, use and deployment of the Backfire bomber.

The Soviet Union, in a unilateral statement which is appended to the SALT II Treaty, specifically stated "that it will not increase the production rate of this airplane as compared to the present rate." Secretary Vance's June 21, 1979, "Letter of Submittal" to the Senate states further that "President Brezhnev confirmed that the Soviet Backfire production rate would not exceed 30 per year."

These Soviet statements are viewed as binding the Soviets not to increase the production rate of the Backfire compared to the production rate in 1979 and to be a part of the Soviet political commitment to abide by SALT II.

Our estimates of annual production are based on an examination of all data and consideration of the entire Backfire production run, not solely on the information available during any given year.

We believe the data indicate an essentially constant production rate at slightly more than 30 aircraft per year through the end of 1983. Since that time the annual Backfire production rate appears to have decreased to slightly less than 30 aircraft per year.

The compliance question with respect to Backfire production is then, primarily a question of fact, not obligation. Have the Soviets increased the production rate of the Backfire compared to the rate of time SALT II was signed, and have they produced more than 30 Backfire's per year since signing SALT II?

FINDING

The U.S. Government judges that the Soviet Union is obligated to produce no more than 30 Backfire bomber aircraft per year. There are ambiguities concerning the data. However, there is evidence that the Soviet Backfire production was constant at slightly more than 30 per year until 1984, and decreased since that time to slightly below 30 per year.

6. Encryption of ballistic missile telemetry

The SALT II Treaty prohibits deliberate concealment measures that impede verification of adherence to the treaty provisions by national technical means. While the Treaty permits each party to use various methods of transmitting telemetric information during testing, including encryption, the deliberate denial of telemetric information, whenever such denial impedes verification of compliance with the provisions of the Treaty, is specifically prohibited by the SALT II Treaty.

The Soviets have been heavily encrypting telemetry broadcasts during tests of strategic ballistic missiles, thereby impeding U.S. verification of compliance with the SALT II Treaty.

Since the SALT I agreement in 1972, Soviet encryption and concealment activities have become more extensive and disturbing. These activities, Soviet responses on these issues, and Soviet failure to take the corrective actions which the United States has repeatedly requested, are indicative of a Soviet attitude contrary to the fundamentals of sound arms control agreements. Soviet encryption and concealment activities present special obstacles to maintaining existing arms control agreements, undermine the political confidence necessary for concluding new treaties, and underscore the necessity that any new agreement be effectively verifiable. Soviet noncompliance, as documented in current and past Administration reports and exemplified by the encryption and concealment issues, has made verification and compliance pacing elements of arms control today.

FINDING

The U.S. Government concludes that Soviet encryption practices constitute a violation of a legal obligation under SALT II prior to 1981 and a violation of their political commitment since 1982. The nature and extent of such encryption of telemetry on new ballistic missiles, despite U.S. requests for corrective action, continues to be an example of deliberately impeding verification of compliance in violation of this Soviet political commitment.

7. Concealment of Missile/Launcher Association

Article XV of the SALT II Treaty prohibits "deliberate concealment measures which impede verification by national technical means of compliance with the provisions of this Treaty." This obligation is further clarified in a Common Understanding that states that Article XV applies to all provisions of the Treaty and "includes the obligation not to use deliberate concealment measures associated with testing, including those measures aimed at concealing the association between ICBMs and launchers during testing."

The commentary of Secretary of State Cyrus Vance on this provision of the SALT II Treaty provides, as examples of deliberate concealment measures, "camouflage, decoys, or encryption of telemetry . . ." The Vance analysis states:

Also the Common Understanding notes that the prohibition includes measures intended to conceal the association between ICBM's and their launchers during testing. For example, this would prohibit the kinds of covered facilities employed at a Soviet test range several years ago which impeded our ability to associate the SS-16 ICBM with its launcher.

In order to determine the relationship between ICBM's and their launchers, it is necessary to observe the ICBM or its canister, and its launcher, and to determine whether or not these are "associated" (e.g., whether the launcher can launch and has launched the missile). This is necessary because under the Treaty a launcher becomes accountable as a MIRVed or non-MIRVed launcher based upon the type of missile it has launched. Thus, there is a requirement under the Treaty to distinguish between MIRVed and non-MIRVed ICBM launchers. In order to count launchers it is necessary to identify them and differentiate them from launchers of missiles that are not limited by the Treaty—IRBM launchers, for example. This again creates a requirement that the launcher be observed during the testing period and that it be verified that that particular type of launcher actually launched a specific ballistic missile.

A statement by the Soviet Government that the SS-25 has a mobile launcher is not sufficient to relieve the Soviet Union of the obligation not to impede the verification of the relationship of an ICBM to its launcher. Soviet actions with respect to the SS-25 clearly have had that effect. They represent deliberate concealment activities, the object of which is to deny association of the missile

and its launcher by the denial of the observation of both.

FINDING

The U.S. Government judges Soviet activities related to the SS-25 to be a violation of the Soviet Union's political commitment to abide by the SALT II Treaty provision prohibiting concealment of the association between a missile and its launcher during testing.

SALT I INTERIM AGREEMENT

The SALT I Interim Agreement on the Limitation of Strategic Offensive Arms entered into force between the United States and the Soviet Union in 1972. Dismantling procedures implementing the Interim Agreement were concluded in 1974. The Interim Agreement were concluded in 1974. The Interim Agreement, by its own terms, was of limited duration and expired as a legally binding document in 1977. The applicability of the Interim Agreement to the actions of both Parties has, however, been extended through a series of mutual political commitments, including the President's May 31, 1982 statement, that the United States would refrain from actions which would undercut existing strategic arms agreements so long as the Soviet Union shows equal restraint. The President stated, in his June 10, 1985 message to Congress "that the United States will continue to refrain from undercutting existing strategic arms agreements to the extent that the Soviet Union exercises comparable restraint and provided that the Soviet Union actively pursues arms reduction agreements in the currently ongoing nuclear and space talks in Geneva." The Soviets have told us that they would abide by the SALT I Interim Agreement and SALT II. Any actions by the USSR inconsistent with this commitment are violations of its political commitment with respect to the Interim Agreement and its implementing procedures.

USE OF "REMAINING FACILITIES" AT FORMER SS-7 SITES

The SALT I Interim Agreement and its procedures prohibit the Parties from using for the storage, support, or launch of ICBM's certain facilities remaining at dismantled or destroyed ICBM sites (such as SS-7 ICBM sites). The prohibitions were devised to prevent the rapid reactivation of such sites.

The Soviets deactivated their SS-7 ICBM sites in the 1970s in compensation for new systems introduced. The launch facilities were destroyed in accordance with the prescribed procedures. However, a number of missile support facilities were left standing.

Thus, according to the SALT I Interim agreement and its procedures, there are two major criteria for determining whether the use of the structures remaining at the former SS-7 sites would be a violation. The particular structure must meet the definition of a facility whose use for storage, support or launch of ICBM's is prohibited.

The use of remaining facilities in violation of its political commitment to abide by the Interim Agreement would save the Soviet Union the cost of building additional facilities of the same or similar type to support the SS-25.

Construction activity during 1984 and 1985 at some of the former SS-7 sites gave cause for concern that the Soviet Union might incorporate remaining facilities into the operations area for the new SS-25 ICBM. Evidence obtained during 1985 at some of these sites involving deployment of the SS-25 indicates that remaining facilities are used to support deployment and operation of the new Soviet ICBM, the SS-25, which is itself also a violation of Soviet political commitments.

FINDING

The U.S. Government judges that Soviet use of former SS-7 ICBM facilities in support of the deployment and operation of the SS-25 mobile ICBM's is in violation of the SALT I Interim Agreement. Should the Soviets use "remaining facilities" in the future at other former SS-7 sites where the SS-25 is now in the process of being deployed, such use will also constitute Soviet violation of its political commitment under the SALT I interim Agreement.

BIOLOGICAL AND TOXIN WEAPONS CONVENTION AND 1925 GENEVA PROTOCOL

The 1972 Biological and Toxin Weapons Convention (the BWC) and the 1925 Generva Protocol are multilateral treaties to which both the United States and the Soviet Union are parties. Soviet actions not in accord with these treaties and customary international law relating to the 1925 Geneva Protocol are violations of legal obligations.

The Biological and Toxin Weapons Convention (BWC) (1972) requires each State party never to develop, produce, stockpile or otherwise acquire or retain (1) microbial or other biological agents or toxins of types and in quantities that have no justification for prophylactic, protective or other peaceful purposes; or (2) weapons, equipment or means of delivery designed to use such agents or toxins for hostile purposes or in armed conflict. It further obligate each Party not to transfer to any recipent, and not to assist, encourage or induce any State, group of States or international organizations to manufacture or otherwise acquire such agents, toxins, weapons, equipment or means of delivery.

The Geneva Protocol (1925) prohibits "the use in war of asphyxiating, poisonous or other gases, and of all analogous liquids, materials or devices. . . ." It also prohibits "the use of bacteriological methods of warfare."

The BWC contains no obligation to declare possession or destruction of prohibited agents and equipment but only to destroy or divert them to peaceful purposes within nine months of entry into force of the Convention. The Soviets never formally acknowledged possession or destruction of prohibited items. They have stated only that they are in compliance with the provisions of the BWC.

The U.S. has formally presented its case regarding Soviet involvement in provision and use of toxin weapons in two unclassified reports to the UN and to the public (Department of State Special Report 98 of March 1982, and Special Report 104 of November 1982). These reports presented a comprehensive summary of the information, evidence, and an analysis of results the U.S. had obtained on the use of toxins and other chemical warfare agents by the Soviets in Afghanistan and by the Lao and Vietnamese, under Soviet supervision in Laos and Kampuchea.

The evidence included refugee report and the identification of the toxin in victims' blood and in samples from attack sites but not in control samples from either people or areas not subjected to a toxic attack. There are also refugee accounts of Soviet technicians supervising the shipment, storage, filling, and loading onto aircraft of the toxin munitions in Southeast Asia. The first physical evidence of direct Soviet use of toxin weapons in Afghanistan resulted from analysis of a contaminated Soviet gas mask acquired from Afghanistan in 1981. In August 1983 the U.S. submitted to the UN further evidence of toxin use as revealed in chemical analysis of blood taken from victims of "yellow rain" attacks. The U.S. submission to the UN in February 1984 summarized preliminary findings for 1983 regarding the use of chemical and toxin agents in Asia.

The Soviets responded with a "scientific paper" presented to the UN, which has undertaken an investigation of the charges of use of lethal chemical and toxins in Southeast Asia and Afghanistan. The Soviets contended that *Fusaria* spores originated from natural contamination of the elephant grass in Vietnam caused by U.S. use of Agent Orange, and that these spores were carried by prevailing winds into Kampuchea and Laos, causing natural contamination of the environment and subsequent illness among alleged victims. This Soviet explanation is not plausible.

Explanations of the presence of toxins in Southeast Asia as natural contamination of pollen-laden bee feces or other naturally occurring phenomena are not supported by the accumulated intelligence data and scientific scrutiny. These alternative hypotheses do not, for example, take into account a large body of other evidence, including eyewitness reports of planes releasing clouds of agents and of artillery bombardment with agent-filled shells that produced trichothecene symptoms, and the findings of toxin in samples not containing pollen. Also, the occurrences of "yellow rain" have been limited to war zones; if natural occurrence theories were correct, other people throughout the region would be affected. No such phenomenon has been observed.

In addition to evidence concerning chemical and toxin weapon use, we have much evidence of the continuation of an aggressive biological weapons production and development program by the Soviet Union. The apparently accidental release of anthrax from a Soviet biological warfare facility in Sverdlovsk in 1979 probably resulting in the deaths of several hundred people is a reminder of the danger of this program. The Soviets have apparently also engaged in research on advanced genetically engineered biological agents.

During 1985, we have been unable to confirm any lethal chemical and toxin attacks in Kampuchea, Laos or Afghanistan according to our established standards of evidence (i.e., two or more corroborating reports from different sources). However, there were a number of reports, although diminished in number, of chemical attacks. These reported nonlethal agents have not yet been identified.

Chemical, biological and toxin weapons have major military implications. The effect of comparatively primitive chemical weapons was demonstrated as early as World War I, when there were 90,000 deaths and 1,000,000 casualties from chemical weapons.

The Soviet Union has a prohibited offensive biological warfare capability which we do not have and against which we have no defense. This capability may include advanced biological agents about which we have little knowledge. Evidence suggests that the Soviets are expanding their chemical and toxin warfare capabilities in a manner that has no parallel in NATO's retaliatory or defensive program.

FINDING

The U.S. government judges that ongoing Soviet activities confirm and strengthen the conclusion that the Soviet Union has maintained an offensive biological warfare program and capability in violation of its legal obligation under the Biological and Toxin Weapons Convention of 1972.

Allegations concerning the use of lethal chemicals or toxins in Kampuchea, Laos, or Afghanistan have subsided in 1985. However, prior to this time, the Soviet Union was involved in the production, transfer and use of trichothecene mycotoxins for hostile purposes in Laos, Kampuchea and Afghanisan in violation of its legal obligation under international law as codified in the Geneva Protocol of 1925 and the Biological and Toxin Weapons Convention of 1972.

LIMITED TEST BAN TREATY

The Treaty Banning Nuclear Weapon Tests in the Atmosphere, in Outer Space and Under Water (Limited Test Ban Treaty (LTBT)) is a multilateral treaty that entered into force for the United States and the Soviet Union in 1963. Soviet actions not in accord with this Treaty are violations of a legal obligation.

UNDERGROUND NUCLEAR TEST VENTING

The Limited Test Ban Treaty of 1963 (LTBT) prohibits nuclear weapons tests "or any other nuclear explosion" in the atmosphere, in outer space and under water. While not banning tests underground, the Treaty does prohibit nuclear explosions that cause "radioactive debris to be present outside the territorial limits of the State under whose jurisdiction or control" the explosions were conducted.

During hearings before the Senate Foreign Relations Committee prior to ratification of the Treaty, Dr. Seaborg, then Chairman of the U.S. Atomic Energy Commission (AEC), stated that "the Treaty would prohibit a test which resulted in a quantity of radioactive debris delivered outside of the country's territorial limits in amounts sufficient to establish that such contamination resulted from a recent test within that country."

Since late 1963, many Soviet underground nuclear tests have been detected by the U.S. On numerous occasions the U.S. collected, outside the territorial limits of the USSR, atmospheric samples of radioactive matter unambiguously associated with some of these Soviet nuclear tests.

Soviet test practices are apparently designed to minimize the cost of testing at the price of radioactive release into the atmosphere in many Soviet tests.

There is no unambiguous evidence of instances of venting associated with Soviet nuclear testing in 1985.

FINDING

The U.S. Government judges that the Soviet Union's underground nuclear test practices have resulted in the venting of radioactive matter on numerous occasions and caused radioactive matter to be present outside the Soviet Union's territorial limits in violation of its legal obligation to the Limited Test Ban Treaty. The Soviet Union has failed to take the precautions necessary to minimize the contamination of man's environment by radioactive substances despite U.S. demarches and request for corrective action.

THRESHOLD TEST BAN TREATY

NUCLEAR TESTING AND THE 150-KILOTON LIMIT

The Treaty on the Limitation of Underground Nuclear Weapon Tests, referred to as the Threshold Test Ban Treaty (TTBT) prohibits underground explosions with yields exceeding 150 kilotons (kt). The intent of the TTBT was to reduce significantly the explosive force of the new nuclear warheads and bombs that could otherwise be tested for weapon systems. The TTBT was signed in July 1974.

The TTBT is a treaty signed by the negotiating Parties but ratified by neither. However, neither Party has made its intentions clear not to become a Party. As such, both signatories are subject to the obligation to refrain from acts which would defeat the object and purpose of the TTBT. A single test which intentionally exceeded 150 kt could defeat the object and purpose of the TTBT. In 1976 the signatories each separately announced their intention to observe the TTBT limit.

Between 1976 and December 1985, the Soviets conducted about 190 underground nuclear explosions. The seismic data from each of these explosions has been carefully examined. The seismic data from the totality of explosions has been subjected to statistical analysis. Additional information relevant to the assessment of the Soviet nuclear test program has been analyzed. While there remains uncertainty with regard to the actual yields of Soviet nuclear devices tested, the estimated yield has exceeded 150 kt in a number of instances.

The TTBT states that compliance with it will be verified by national technical means. National technical means include but are not limited to seismometers. The Protocol to the Treaty requires, upon ratification by both Parties, an exchange of geological information on the designated nuclear test areas and explosion calibration information, including yields, for each of these areas. There are no provisions for verifying the accuracy of the data to be provided by each Party. The U.S. has repeatedly proposed discussions on verification improvements that might ultimately lead to effective verification but the Soviet Union has thus far rejected all such U.S. efforts.

Soviet testing at yields above the 150 kiloton limit would allow development of advanced nuclear weapons with proportionately higher yields than the yields of weapons that the U.S. could develop under the Treaty. Such higher-yield weapons would be suitable for Soviet counterforce weapons that are believed to be mounted on Soviet ICBMs.

FINDING

The U.S. Government judges that, while ambiguities in the pattern of Soviet testing and verification uncertainties continued in 1985, Soviet nuclear testing activities for a number of tests constitute a likely violation of legal obligations under the Threshold Test Ban Treaty of 1974, which banned underground nuclear tests with yields exceeding 150 kilotons. These Soviet actions continue despite U.S. requests for corrective measures.

HELSINKI FINAL ACT

The Final Act of the Conference on Security and Cooperation in Europe was signed in Helsinki in 1975. This document represents a political commitment and was signed by the United States and the Soviet Union, along with many other States. Soviet actions not in accord with that document are violations of their political commitment.

EXERCISE NOTIFICATION PROVISIONS OF THE HELSINKI FINAL ACT

The signatories to the Helsinki Final Act of 1975 are required by the Act's "Documents on Confidence-Building Measures (CBMs) and Certain Aspects of Security and Disarmament" to give prior notification to other participating States "of major military maneuvers exceeding a total of 25,000 troops, independently or combined with any possible air or naval components." The notification "will contain information of the designation, if any, the general purpose of and the States involved in the maneuver, the type or types and numerical strength of the forces engaged, the area and estimated time frame of its conduct. The participating States will also, if possible, provide additional relevant information, particularly that related to the components of the forces engaged and the period of involvement of these forces." The participating States will invite other participating States voluntarily and on a bilateral basis, to send observers to attend military maneuvers.

The Soviet Union's August 14 notification of the September 4–12, 1981 maneuver "ZAPAD–81" did not include the maneuver's designation, nor did it provide the types of forces engaged, and most importantly, it did not include the number of troops taking part. "ZAPAD–81" may have been the largest maneuver conducted by any signatory State, or group of signatory States, since the Final Act was adopted.

The United States asked the Soviet Union, through diplomatic channels, about its preparations for "ZAPAD–81" prior to the beginning of the maneuver. No further information was given by the Soviet Union until September 5, the second day of the maneuver, when the Soviet news agency TASS reported the name of the maneuver and the fact that approximately 100,000 troops were taking part.

The information in the notifications issued by eastern States has normally been limited to the bare minimum of information required by the Final Act. Little, if any, additional relevant information, relating to the components of the forces engaged and the period of engagement, has been provided. The eastern countries have invited observers to fewer than half of their major maneuvers and have frequently been unwilling to allow the observers adequate observation of the exercises.

FINDING

The U.S. Government judges that the Soviet Union in 1981 violated its political commitment to observe provisions of Basket I of the Helsinki Final Act by not providing notification of exercise "ZAPAD–81." While the USSR has generally taken an approach to the confidence-building measures of the Final Act which minimizes the information it provides, Soviet compliance with the exercise notification provisions was improved in 1983. In 1984, the USSR returned to a minimalist approach providing only the bare information required under the Final Act. The Soviet Union continued this approach during 1985.

Mr. HELMS. Mr. President, I also ask unanimous consent to have printed in the RECORD at the conclusion of my remarks an article in the Washington Post of March 10, 1986, by Rowland Evans and Robert Novak entitled "ABM: A New Soviet Violation."

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit No. 1.)

Mr. HELMS. Now, Mr. President, let me offer a few comments about these two documents.

First, Dr. Kenneth Adelman, Director of ACDA, states in his "Forward to Soviet Noncompliance":

The Soviets have adhered to many if not most provisions of the treaties to which they are a Party.

With all due respect to Kenneth Adelman, who is a friend of mine, and known well by most, if not all, of the Members of the Senate, I am bound to say to them that this assertion is not supported by a careful analysis of the provisions of all the arms control treaties to which the Soviets are a party, especially when the provisions which are actually operationally constraining are considered. I am working on a study which will demonstrate this situation in detail, and I will report to this body when it is completed. For example, the Soviets are violating most of the operationally constraining provisions of the SALT I ABM Treaty, and certainly the most important of the ABM Treaty's provisions. Likewise, the Soviets are violating the most significant provisions of the SALT II Treaty, and the SALT I interim agreement. I will supply the exact statistics in the forthcoming report to which I just alluded.

Second, the ACDA white paper reveals an expanding pattern of Soviet arms control treaty violations. This confirms Soviet SALT breakout. The original report of President Reagan to Congress on Soviet SALT violations, dated January 23, 1984, revealed only seven Soviet violations. There have been three more Presidential reports to Congress on Soviet SALT violations since January 23, 1984: October 10, 1984; February 1985; and December 23, 1985. Each of these reports added more Soviet SALT violations.

Mr. President, the ACDA white paper now lists 18 Soviet arms control treaty violations. A more complete listing of administration confirmed Soviet arms control violations would show 38 to 50 Soviet violations, depending upon the categories used. And previous official U.S. Government reports of 1955, 1959, 1962, and 1964 listed 150 Soviet violations of international security treaties. So there are a total of over 200 Soviet violations of international security treaties.

Third, the ACDA white paper disproves the Joint Chiefs of Staff fiscal year 1987 military posture statement on the number of SALT II-accountable Soviet strategic nuclear delivery vehicles. The Joint Chief of Staff as of January 1, 1986, listed 2,477 Soviet SNDV's as SALT II-accountable. The ACDA white paper shows dated February 1, 1986, that the "best U.S. estimate" of Soviet SNDV's, is about 2,520. Since the Soviets are only allowed 2,504 under SALT II, the Soviets are at least 16 SNDV's over the ceilings. In fact, they are reportedly 36 to 45 to 80 to 378 SNDV's over the SALT II ceiling, depending on which categories of weapons are counted.

Fourth, the reported Soviet removal of mobile SS-16 ICBM's from Plesetsk should offer us no comfort. It confirms that they were illegally deployed at this test range in the first place. And a new, different ICBM is now being deployed at Plesetsk in place of the mobile SS-16—reportedly the mobile SS-25 ICBM, which is covertly MIRV capable. Finally, while the mobile SS-16's from Plesetsk may have disappeared, they may be covertly deployed elsewhere, perhaps with the similar SS-20 mobile IRBM.

Fifth, the Evans and Novak column is deeply disturbing. These columnists, who were the first to reveal the Soviet Krasnoyarsk ABM radar violation, have now revealed an even more serious Soviet ABM Treaty violation—a nationwide, territorial ABM defense completely banned by the ABM Treaty. Moreover, the development of an ABM capability for the SAM 5, a development which has been underway for two decades, more than triples the number of Soviet ABM interceptors around Moscow, another ABM Treaty violation.

Mr. President, the Soviets now have the following series of Nationwide ABM System components in mass production: SAM-5 missiles and radars; SAM-10 missiles and radars; SAM-12 missiles and radars; and ABM-3 missiles and radars, according to recent testimony to the Senate Defense Appropriations Subcommittee by SDI Director General Abrahamson. All of these comprise a nationwide system of ABM missiles and radars, according to the Joint Chiefs of Staff. Moreover, this new evidence confirms the testimony of Defense Secretary Weinberger last October 31, 1985, to the Senate Foreign Relations Committee, when he said that the Soviets already had an illegal "nationwide, territorial ABM defense."

Indeed, two Soviet officials have actually admitted this in private to American citizens. It is not surprising that General Abrahamson agreed that the Soviet deployment of these elements constituted a nationwide ABM defense in his recent testimony. Finally, it should be noted that, President Reagan stated on June 10, 1985 that "Soviet preparations for a prohibited territorial ABM defense * * * would have profound implications for the * * * East-West balance."

In sum, the expanding pattern of Soviet SALT violations confirms that the Soviets continue the pattern of breaking out of all the SALT treaties. I first made this argument on the Senate floor on September 23, 1983, and the evidence continues to accumulate.

Mr. President, the time has come for the Senate to take this issue seriously.

(EXHIBIT No. 1)

[From the Washington Post, Mar. 10, 1986]

ABM: A NEW SOVIET VIOLATION

(By Rowland Evans and Robert Novak)

Top-secret intelligence that the Soviet Union has "calibrated" its air-defense radars with ABM radars, a flagrant treaty violation, is further souring the Reagan administration on the desirability of new nuclear treaties with Moscow.

Quite apart from private top-level skepticism about the efficacy of SALT agreements, alarm is growing that a Soviet territorial defense against strategic missile attack may be nearer realization than seemed possible only a year ago. Such a defense would violate the antiballistic missile (ABM) treaty of 1972. It could make the Soviet Union the paramount power, transforming superpower relations.

Ominous Soviet passage toward protection against possible American retaliation for a first-strike attack is killing what little zest the administration has had for new nuclear agreements. That presages a Geneva follow-on summit, tentatively set for this summer, that will produce nothing in the way of new arms treaties, leaving the United States free to pursue its own nuclear defenses—the futuristic SDI for the 21st century.

Arms control skeptics are angling for just such a non-result. This is not rejection of nuclear treaties to prevent a return of détente. Far from it. The mood is fear: no matter how skillfully U.S. negotiators attempt to close noncompliance escape hatches, ways to cheat will be found and exercised by Moscow.

The new evidence, acquired by the electronic miracles of U.S. satellites, appears to be definitive. A relatively old "Square Pair" radar for the SA-5 antiaircraft missile has been "calibrated" with a giant ABM-3 battle-management radar, the two having been moved next to each other in the vicinity of Moscow. The larger ABM radar appears designed to zero in on the incoming missile, then turn it over to SA-5, which fires its own missiles into the target.

This marriage between the two dissimilar radars, called "inter-netting," may well be the clinching evidence that the Soviets are preparing the SA-5 radar-interceptor for an active ABM role—forbidden by treaty. The significance goes far because the United States estimates there are no fewer than 2,500 SAM-5s in the Soviet Union. They are concentrated in four areas: the Moscow-Leningrad salient, the Caucasus, the Far East and the populated area of Siberia (near the Krasnoyarsk ABM radar, which the United States claims is a treaty violation). The 1972 treaty gave each side the right to defend its capital with a missile defense system—but only the capital.

SALT violations were routinely minimized by pre-Reagan administrations. Indeed, the arms control "process," which produced SALT and ABM treaties, made a comeback in the year leading up to the Geneva summit. But since the summit, the Soviet proposal to rid the world of all nuclear weapons has struck the Reagan White House as a propaganda trumpet, not a serious arms control proposal.

But the true measure of the administration's growing concern about any new treaty is not current negotiating problems in the

Geneva arms talks (recessed last week at a standstill). The real source of concern is that no new agreement would be worth any more than the depreciating value of existing treaties.

In his white paper of Soviet violations, made public this weekend after being held up by the State Department for five weeks, arms control director Kenneth Adelman said that continuing Soviet violations "cannot help but have an impact upon our long-term security" and "jeopardize the process" of arms control. Privately, Adelman has warned in the highest administration councils about the dangers of new agreements.

In Brussels this week, Defense Secretary Caspar Weinberger raises the alarm further. He will inform NATO defense ministers that "taken together, all of the ABM and ABM-related activities" suggest preparations by the Soviets "to deploy rapidly" a territorial ABM defense.

Those words, written before Weinberger and his men were aware of the new intelligence on those 2,500 SAM-5s, hint that without revolutionary upgrading in verification procedures, no new treaty is worth having.

THE RETURN OF HERBLOCK

Mr. MOYNIHAN. Mr. President, Washington is a happier place to live these days: Spring is in the air and Herblock is in the Washington Post again.

Herbert L. Block, the Post's inestimable cartoonist, was missing and missed these past 3 months. He took this time off to undergo—and recover from—quadruple heart bypass surgery. How fitting, then, that on March 13 last, in his first cartoon since going under the knife, he wielded a saber on mismanagement in the Pentagon.

By all accounts, Herblock is back in fine physical form. Readers of the Post's editorial page these recent days have no doubt he is back in fine satirical form.

Mr. President, a necessary touch of gaiety has returned to Washington. I am sure all my colleagues will join me in welcoming Herblock back to his rightful place. We wish him well, and hope that the only surgery associated with him henceforth is that which he performs on his subjects.

U.S.-U.N. CONTRIBUTION

Mr. MOYNIHAN. Mr. President, I rise today to note that, as our European allies pointed out in a recent letter to Secretary of State George Shultz, the pending cutbacks in U.S. contributions to the United Nations carry some serious risks.

These cutbacks could put the United States in violation of charter obligations. With the reductions mandated under Gramm-Rudman-Hollings and the Kassebaum amendment, the United States will cut its contributions to the United Nations by over $70 million this year, and fall well short of the contribution assessed by the United Nations.

Secretary Shultz states that these pending cutbacks provide a useful tool for winning budgetary and voting reforms in the United Nations and he is not wrong. He has called the current U.N. budget system "taxation without representation," because even though the United States contributes far more than the 78 poorest members of the United Nations, all members have an equal vote in determining how money is spent.

But weighting the power to vote according to size or ability to pay is not always appropriate. Under principles embodied in the Constitution of the United States, New York and Wyoming each have the same two votes in the Senate, even though New York has 47 times as great a population. In the U.N. General Assembly, voting is based on the established principle of sovereign equality between states.

Of course, the United States should continue pressing the United Nations to control its budget more effectively. However, by cutting back unilaterally on our contributions to that organization, and violating our obligations to it, our influence and ability to press for change would be jeopardized rather than enhanced. Our European allies recognize this danger.

Mr. President, I ask unanimous consent that the March 18, 1986, article concerning their letter to Secretary Shultz be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Mar. 18, 1986]

ALLIES IN U.N. PROTEST ON BUDGET

(By Elaine Sciolino)

United Nations, N.Y., March 17.—The Western Europeans have told the United States that it would violate its treaty obligations by reducing its share of the United Nations budget.

The complaint, presented Friday in a letter on behalf of the 12 members of the Common Market, was addressed to Secretary of State George P. Shultz after representatives of the European group—the Ambassadors of the Netherlands, Luxembourg and Britain—had been unable for three weeks to get an appointment to see him. A supplementary note expressed regret that Mr. Shultz had not met with them and contained a new request for a meeting.

The Netherlands holds the chairmanship of the Common Market. Luxembourg is the former chairman, and Britain will be the chairman next year.

In Washington, Charles E. Redman, a State Department spokesman, acknowledged that the letter had been received, and he said the State Department had offered the Europeans a meeting with John C. Whitehead, the Deputy Secretary of State.

The letter, made available by European delegates, said: "The 12 wish to express their concern that recently enacted U.S. legislation, in particular the Gramm-Rudman-Hollings Act and the Kassebaum amendment, is significantly affecting the Administration's ability to comply with its international treaty obligations."

The legislation "will result in the United States' not fully meeting its financial obligation to the United Nations," the letter said. Contributions are calculated according to each member country's gross national product.

The United States, whose share is $210 million, or 25 percent of the United Nations budget, has said that it will cut its share by $70 million this year.

The cuts are mandated under the Gramm-Rudman-Hollings law, which imposes overall budget cuts to reduce the deficit, and under the Kassebaum amendment, which requires a 20 percent reduction in the United States contribution to the United Nations if largest contributors do not get more control over budget matters by Oct. 1.

The European letter said the 12 nations, which pay 30 percent of the budget, would not increase their shares to compensate for the American cuts.

Mr. Shultz has called the United Nations budget system "taxation without representation" because the United States has the same vote in determining where the United Nations' money goes as do the 78 poorest members.

SENATOR JIM SASSER ON UNITED STATES POLICY TOWARD NICARAGUA

Mr. BYRD. Mr. President, this past Sunday evening, March 16, 1986, President Reagan addressed the Nation on the subject of United States policy toward Nicaragua. The distinguished senior Senator from Tennessee, Mr. SASSER, delivered the Democratic response to the President immediately thereafter. I believe Mr. SASSER delivered a reasoned, cogent, and very persuasive alternative to the program outlined by the President. I congratulate Mr. SASSER on his presentation and compliment him on his leadership on this very important issue for our Nation.

Mr. SASSER has developed, in close consultation with many Senators on both sides of the aisle, a balanced approach to a situation which has eluded adequate resolution over the duration of the Reagan Presidency. Mr. SASSER argued particularly well for a renewed attempt by the United States to vigorously pursue diplomatic means to obtain the changes we believe are necessary in the demeanor and conduct of the Sandinista regime, and the need to work more closely with our friends and allies in Central and South America and give a chance to the approach they believe is most workable—before we throw all our eggs into a military basket of questionable viability.

The American eagle holds both spears and olive branches, in equal balance. The Senator from Tennessee fleshes out a policy which, if implemented in good faith, would restore a sound balance in addressing the difficult and critical situation which now exists in Central America resulting from the character and activities of the Government of Nicaragua. As he stated in his remarks, "the United States should grasp the initiative,

seeking peace through negotiations before taking a fateful step which could lead to war in Central America."

Mr. SASSER has received well-deserved praise for his leadership on this issue—including a very complimentary profile in today's issue of the New York Times, a supportive editorial in yesterday's issue of the Baltimore Sun, and wide-ranging praise in newspapers across his home State of Tennessee—including the Tennessean, the Jackson Sun, the Chattanooga Times, and the Commercial Appeal of Memphis. I ask unanimous consent that the text of Mr. SASSER's articulate response ot the President be printed in its entirety at this point in the RECORD, and that copies of the newspaper accounts and editorials be reprinted in the RECORD following that.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEMOCRATIC RESPONSE OF SENATOR JIM SASSER TO PRESIDENT'S TELEVISION ADDRESS ON CENTRAL AMERICA, MARCH 16, 1986

Good evening, I'm Jim Sasser from Tennessee.

We in the Congress agree with the President about what our goals should be in Central America.

We agree that the Sandinista government has betrayed the promise of its own revolution, has suppressed the freedom of its own people, and has supported subversion against its neighbor El Salvador.

We agree that Nicaragua must never become a base for Soviet military adventurism in this hemisphere. Never.

We want the government of Nicaragua to restore political freedom to its own people and to let its neighbors develop in peace.

Our disagreement is with the means the President has used to achieve these goals. This disagreement is shared by a majority of Americans and a majority of the Congress.

Tonight, at a time of belt-tightening at home, when tens of thousands of family farms are failing and hundreds of thousands of young Americans are seeing their student loans being eliminated, the President seeks an additional $100 million to expand the undeclared war being fought in Nicaragua.

Our concern is that the President is seizing military options before he has exhausted the hope of a peaceful solution.

We believe the U.S. should grasp the initiative, seeking peace through negotiations before taking a fateful step which could lead to war in Central America.

The President calls the contras Freedom Fighters, and has even compared them to our own Founding Fathers. In fact, most contra military leaders fought against freedom as members of the Samoza regime's hated security force.

The President has spoken of Sandinista atrocities, and they certainly exist. But Sandinista atrocities, by all unbiased accounts, pale beside those of the contras, which, tragically, are being subsidized by your tax dollars.

So, let's face facts, neither side has clean hands in this war.

The Administration has already given the contras at least $100 million in the last 5 years. They can't even tell us how that money was spent. And, it has produced no military success. None. Now they seek $100 million more.

So the question must be asked: does the President's policy have any real chance of success?

To be sure, the contra army could become a thorn in the flesh of the Sandinistas. But almost nobody believes the contras can actually win a military victory.

If the President's goal is the military overthrow of the Sandinistas, then he should tell us so, because that goal simply cannot be achieved without direct U.S. military involvement in a long and costly and bloody war.

I've just recently returned from Central America. There I met with the democratically-elected leaders of Nicaragua's four neighbors—Guatemala, Honduras, Costa Rica, and El Salvador.

They all want the Sandinistas contained within their own borders, but they are concerned that the United States has not given Latin America's own Contradora peace process a fair chance to work.

The President has said that we have made every effort to negotiate. But the fact is, he broke off negotiations last year. The Sandinistas now claim a willingness to resume these talks.

So we say, let's put the Sandinistas to the test.

When I returned from Central America, I proposed that we withhold military aid to the contras, seek a ceasefire between them and the Sandinistas, and initiate a bold program to force Nicaragua to bargain in good faith.

My proposal recognized that if the Sandinistas refuse to negotiate, it may be necessary, as an absolute last resort, to fund—and certainly to reform—the contras. But let's try negotiations first.

Unhappily, the President rejected this proposal in favor of immediate military aid to the contras.

This is the heart of our difference with the President. He proposes a wider war in Nicaragua, now.

As the father of a 17 year old son, I say, Mr. President, let's not rush blindly into that quagmire. We've done that before.

We believe the hour calls for statesmanship, certainly not rash nor divisive rhetoric that needlessly politicizes what should be a sober, bipartisan national debate.

We should learn from history, and recent events have shown that when our nation is together, as in the Philippines, we succeed. When we are divided, as we were in Beruit, we fail. With tragic results.

The American people want a more enlightened policy in Central America, and our great nation deserves one.

Let us call upon our diplomatic skills, upon our patience, on our wisdom, and, most of all our democratic traditions, seeking to achieve a balanced, bipartisan policy in Central America, a course of action that has a realistic chance of success, and a policy that we, as Americans, don't have to be ashamed of.

Thank you, and God bless you.

[From the New York Times, Mar. 18, 1986]

EVOLUTION OF A STAND: MEMPHIS, MARINES, MANAGUA

(By Steven V. Roberts)

WASHINGTON.—When Senator Jim Sasser of Tennessee was selected to deliver the Democratic response to President Reagan's speech on Nicaragua Sunday night, even some of his own colleagues were surprised. In nine years in the Senate, Mr. Sasser has seldom played a major role on foreign policy issues or appeared on the television talk shows.

But Mr. Sasser's emergence on the Nicaragua issue signifies a developing consensus in Democratic ranks and a new willingness to compromise with the Administration, which wants $100 million to aid the rebels fighting the Nicaraguan regime.

Instead of selecting a strident critic of the Administration to speak for the Democrats, party leaders picked a moderate Southerner who has ties to all wings of the party, a behind-the-scenes operator with good political instincts who has prospered in a conservative state, and therefore a man trusted to guide the Democrats through a tough issue that bristles with political thorns.

Almost daily for the last week, Mr. Sasser met privately with a select group of Senate Democrats, listening to their views, gauging the political climate and trying to develop an alternative to the President's plan.

Their working document is a proposal advanced by Mr. Sasser that would allocate the $100 million requested by the Administration but put it in escrow for six months while the Administration tries to negotiate a peaceful settlement with the Sandinistas who rule Nicaragua. If Congress determined at the end of that period that the Sandinistas were not negotiating in good faith, the money would be released to the rebels.

A GENUINE COMPROMISE

Mr. Sasser, a lawyer, acknowledges that his proposal gets criticism from both those members of Congress who want to send the money right away and those who want to cut the rebels off completely. But his skill is finding what he calls the "mainstream" of party sentiment, and after dozens of conversations he says he is convinced that a "substantial core" of Congress "wants this type of moderate response.

"They see it as a way to really put the Sandinistas to the test," Mr. Sasser said today, "as a way of really exhausting the possibility of negotiations in the region. What I'm proposing is a genuine compromise."

Mr. Sasser's own evolution to his middle-ground position mirrors the change in Congress on the Nicaragua issue over the last few years. In 1983 Congress barred all aid to the rebels, known as contras, and the Tennessee Democrat voted for the ban.

A year later, the Senator made his first mark on the issue when he used his position as ranking Democrat on the Appropriations subcommittee that reviews military construction projects to inspect American installations in Honduras. Unlike many politicians, Mr. Sasser tends to listen more than he talks, and he came away convinced that the Defense Department was illegally siphoning off funds to pay for air strips and other fortifications that Congress would never approve directly.

The whole situation in Central America reminded Mr. Sasser, who served six years in the Marine Corps reserve, of how the United States got drawn into Vietnam. At 49 years of age, he belongs to the generation that fought in Southeast Asia and now has draft-age children of its own.

The scars from that war still cloud his view of Nicaragua, and in his speech Sunday night he spoke feelingly of his fears: "As the father of a 17-year-old son, I say, Mr. President, let's not rush blindly into that quagmire. We've done that before."

But like many members of Congress, Mr. Sasser has grown increasingly uncomfort-

able with the Sandinistas and their leader, Daniel Ortega Saavedra. His memory of Vietnam has been balanced against the memory of another American foreign policy disaster.

"You see Ortega on television, with his green uniform and red collar tabs, and it reminds you of what happened 25 years ago in Cuba," the Senator said. "You can see this weighing on many of my colleagues here."

Mr. Sasser, a native of Memphis won his Senate seat in 1976 by upsetting the incumbent, Bill Brock, who is now Secretary of Labor; he survived a re-election campaign in 1982 when he was a leading target of the Republican right wing. As these elections demonstrated, he has well-turned political antennae. And recently they have picked up the vibrations many of his fellow Democrats were sensing that a politician who appeared to support the Sandinistas could be courting political trouble.

This concern was particularly acute in Southern states like Tennessee, where the anti-Communist tradition is strong and voters worry that growing Sandinista influence in Central America could send a wave of political refugees northward.

"We didn't want to be viewed as giving aid and comfort to that government," he said.

So last month Mr. Sasser decided to do some more listening, and he made a three-day swing through four countries in Latin America. His aim, he said, was to hear from leaders in the region directly, without their comments being "filtered through the State Department or anyone else."

He came back convinced, he said that these leaders wanted the United States to "keep the pressure on the Sandinistas" to negotiate more seriously. So he forged his compromise proposal and set about trying to sell it to his colleagues and to the American public.

As Congress prepares to vote on the President's aid request in the days ahead, Mr. Sasser's political instincts will face their strongest test yet. But he has not been wrong very often. Just ask the Secretary of Labor the former Senator from Tennessee.

[From the Sun (Baltimore, MD), Mar. 17, 1986]

DEBATE OVER NICARAGUA

President Reagan's $100 million proposal to aid "Contra" forces fighting the Sandinista regime in Nicaragua is in trouble because it has lost the support of key Democratic moderates such as Senator Jim Sasser of Tennessee. It was Mr. Sasser of Tennessee, not the liberal Rep. Michael Barnes of Maryland, who delivered the official Democratic reply to last night's presidential address.

Mr. Sasser made it clear what while he agrees with Mr. Reagan that the Sandinista regime has betrayed the democratic revolution that brought it to power, he disagrees with the president over the means to be used in preventing Nicaragua from becoming a Soviet base in this hemisphere. Mr. Reagan's chosen instrument is the contra insurgency; Mr. Sasser would favor another attempt at a peaceful solution. The president described the contras as "freedom fighters" who had fought the Somoza dictatorship; Mr. Sasser's retort was that most of the contra military leaders had "fought against freedom as members of the Somoza regime's hated security force. . . ."

The Tennessee senator is sponsor of a proposal to put military aid to the contras in escrow for a few more months while one last attempt is made to force the Sandinistas to accept a democratic system and stop threatening their neighbors. Mr. Reagan wants military aid immediately but might not rule out a short delay for negotiations provided money is automatically released thereafter.

In our view, Congress should continue non-military aid to the contras provided it is made part of a much larger effort to help Nicaragua's democratic neighbors contain the Sandinista regime. If negotiations fail again, as we suspect they will, there should be sufficient military aid to the contras to make them a part—but only a part—of a U.S.-supported regional security operation.

Underlying this whole debate is the tortured memory of Vietnam. It affects both sides. The president contends that unless the contras are armed and trained to stop the Sandinistas from engineering a "communist takeover of Central America," U.S. strategic interests may have to be defended eventually by U.S. troops. Senator Sasser contends that current administration policy is leading to a Vietnam-like "quagmire."

What we believe is needed at this moment is neither an endorsement nor a repudiation of administration policy by the Congress. One would signal too much U.S. faith in a contra force that may fail; the other would undercut the administration's ability to pressure Nicaragua. The answer has to be bipartisan compromise.

[From the Tennessean, Mar. 18, 1986]

MR. REAGAN MAKES A CASE BUT STILL IS NOT PERSUASIVE

In his televised address on aid for the Nicaraguan rebels, President Reagan pulled virtually all the rhetoric stops he could think of that might persuade the Congress to approve $100 million for the "virtually defenseless" contra forces.

There was a litany of necessity: to deny the Soviet Union a beachhead in North America, the malignancy in Managua that might spread to become a mortal threat to the entire New World, and not to mention that the Sandinista regime is funneling drugs into the U.S.

It has become an issue of absolutes in Mr. Reagan's mind. The Sandinistas need to be supplanted because they have become Communists and therefore are an increasing threat to the hemisphere.

A good many people believe, and with reason, that the Sandinistas have betrayed the spirit of their own revolution and that they are Marxists who are increasingly guilty of oppression against their own people.

The stated objective of the Reagan administration is to force the Sandinistas to negotiate with the contra forces. But the real aim is to supplant the Managua regime with the contras which may not be that much of an improvement if it could be done.

Sen. Jim Sasser of Tennessee who made the Democratic response to Mr. Reagan, said the U.S. had provided the contras $100 million over the past five years and yet they were unable to achieve any military success. And Senator Sasser said that while the President calls the contras freedom fighters, many "fought against freedom" in defending the dictatorial regime of Anastasio Somoza.

The contras are divided, have argued among themselves and their ranks have been depleted. They hold no village, no province, no real area of Nicaragua from which to launch attacks. Their atrocities on civilians within Nicaragua are as bad as those forces they seek to supplant. Most military experts give them no chance of defeating a large and well-armed Nicaraguan army.

So the administration proposes then to hand these rebels $100 million more, but to what purpose? The military threat represented by the contras is really no option at all. Yet from the first the White House has, as Senator Sasser reminded, seized on military options before it has "exhausted the hope of a peaceful solution.

Publicly, at least, the Central American states have not come out four-square for the American policy. The administration says this is because they hesitate to do so and thereby irritate others. What others? Cuba? Nicaragua? Several nations have been involved in the Contadora process which is based on diplomatic assumptions, not military ones.

Mr. Sasser has urged, "Let us call upon our patience, on our wisdom and, most of all on our democratic traditions to achieve a balanced bipartisan policy in Central America, a course of action that has a realistic chance of success." It might not succeed, but it is at least as promising as a military policy using the contras as proxies in an effort they can't win on their own.

[From the Chattanooga Times, Mar. 18, 1986]

THE HOUSE AND THE CONTRAS

As the U.S. House of Representatives prepares for a vote, expected on Thursday, on President Reagan's request for $100 million in aid to the Nicaraguan contras, the administration is continuing its massive selling job to win support in what is likely to be a close vote. The president's staff is lobbying members of Congress feverishly, and friends and officials of the administration have jetted around the country—former U.N. Ambassador Jeane Kirkpatrick's speech to the Rotary Club here last week is an example—to argue for the aid Mr. Reagan has played a leading role, using radio addresses, luncheons for the press and other forms to reiterate his message that the aid is necessary. He capped it with a nationally telecast message Sunday evening.

Yet after all this, the White House concedes the vote will be close, it can't even count on the votes of all the Republican members of the House, and there is considerable division over the issue in the Senate.

Why is this? Do the House and Seante favor a Marxist state in Nicaragua that will export its doctrine throughout Central America? Of course they don't, despite the preposterous arguments of White House Communications Director Partick Buchanan.

One explanation for the administration's trouble selling its contra proposal, we suggest, is its failure so far to enunciate any clear policy goals in Nicaragua, much less Central America. The administration seems not to have learned that the White House cannot sustain any foreign policy unless the public understands and supports it—and communicates that support to its representatives in Congress.

The United States made its first delivery of military equipment to the contras more than four years ago. In the interim, Mr. Reagan and other members of his administration have delivered scores of speeches on Nicaragua, condemning the Sandinistas and praising the contras. Yet the public according to polls conducted by the White House and others, remains unconvinced of the dangers of the Managua government. More broadly, the public still has not been per-

suaded specifically of the administration's intentions.

Originally we were told that the reason to aid the contras was to disrupt the flow of arms from Nicaragua to leftist guerrillas in neighboring El Salvado. That goal has been largely achieved although there are recurring reports that the guerrillas are now capturing most of their weapons from the Salvadoran government, which we are supplying.

More recently, the administration has argued that we should support the contras as a way to pressure the Sandinistas into honoring the promises they made in taking over in 1979 in return for support by the Organization of American States. Managua has said it will negotiate with the United States and cooperate with the so-called Contadora process for regional settlement of problems, but it will not negotiate with the contras as Washington suggests.

Where does all this leave us today? Now we are being told that if aid to the contras is not approved, all of Central America—as well as the United States—will be at the mercy of the Sandinistas. The vote may be the United States' last opportunity to avoid another communist stronghold in Central America, Mrs. Kirpatrick said here last week, and if Congress doesn't approve the aid the United States will "pay a heavy price".

But that argument is only an explicit assurance that the $100 million in all the contras need to turn the situation around in Nicaragua. Given the relative military strength of the Sandinistas and the contras, the argument is impossible to accept. Sen. Nancy Landon Kassebaum, R-Kan., points out that the purpose of Mr. Reagan's request is to arm and equip approximately 10,000 contras. As impressive as that army might be, it's not likely to overwhelm the Sandinista army. That means (1) we would have to sustain the contras for years to come because (2) they have not generated widespread political support within Nicaragua, thus reducing their chances of overthrowing the Sandinista regime. One reason they haven't is that the contras, led largely by former members of the Somoza regime's National Guard, are every bit as brutal, it not more so, than the Sandinistas.

Mr. Reagan said Sunday the $100 million will "provide the assistance the freedom fighters need to deal with Russian tanks and gunships." Will Congress provide that aid, he asked, "or will they abandon the democratic resistance to its communist enemy?"

Sorry, but the issue can't be framed quite so simply. The disagreement here is not over the ends—whether the Sandinista regime should be restrained—but the means for doing it. We are not going to restrain the Sandinistas, and thereby reduce the Soviet influence in Nicaragua and Central America with a mere $100 million in military aid. If anything, the influence will increase. And what happens after the $100 million runs out? The temptation will be to counter it with American troops, the administration's protestations to the contrary notwithstanding.

The battle for the soul, and the future of Nicaragua is not going to be won in the halls of Congress but in Central America. And it is not going to be won militarily—not unless Mr. Reagan intends to commit U.S. troops to overthrowing the Sandinistas. Congress should not approve any money for military hardware until it and the public are persuaded that the President has exhausted all diplomatic possibilities for a regionally based political solution.

That was the thrust of the Democratic response, delivered by Sen. Jim Sasser, to Mr. Reagan's address Sunday evening. The Sasser address exemplified reasonable disagreement, which is sorely needed in the current debate. In that regard, it was not just a Democratic response; many Republicans in the House and Senate share the concern that the administration's unquestioning reliance on a military approach ignores the wiser political alternative. That solution must be two-fold: a peace agreement, proposed and signed by the United States, that is based on the aims of the Contadora group, and which contains verification and enforcement procedures.

Second, the agreement should be accompanied by more tangible assistance, such as the full $1.2 billion in economic assistance suggested in the five-year Jackson Plan in 1984. The aid allotted for the region in fiscal 1985 and 1986 was 20 percent below recommended amounts. It is foolish to raise hopes on the region for greater democracy and then refuse, through under-funding, to help produce a reasonable alternative to the status quo.

The administration argues that this is an issue to be faced as Americans, not as Republicans or Democrats. True enough. But its failure to outline a coherent policy toward Nicaragua is the reason the American public remains skeptical of the warnings—and why there is no guarantee Congress will approve the aid.

[From the Jackson Sun, Mar. 16, 1986]

SASSER PLAN IS A GOOD ONE

The U.S. can't win in Nicaragua no matter which side it takes.

The country can't support the empowered Sandinistas; they're nearly as ruthless as their predecessors. But the contras President Reagan is insisting upon supporting aren't much better either; they are part of the old, repressive government.

That's why Sen. James Sasser's proposal calling for new regulations makes sense. The U.S. won't lose much and might succeed in pushing for a settlement. Sasser's offer, in fact, is a welcome relief from some of the high-pitched rhetoric that the administration has been making lately.

Tennessee's senior senator wants to see any military aid put in escrow for six months. During that time the U.S. would enter into negotiations with the Sandinistas and require them to negotiate in turn with their opponents in Nicaragua. A ceasefire would be declared while the talks are going on. The U.S. wouldn't perform its military exercises in the area if the Sandinistas would agree to stop shipment of arms from the Soviet Union.

The aim is to strike a balance—get the Sandinistas to recognize their opposition and try to get a democratically based coalition government. The plan at least forestalls alarming administration hints of putting U.S. forces there to help out.

If the proposal doesn't work, take the military aid put in escrow and give it to the contras, Sasser is suggesting. The U.S. doesn't have to take sides until all other efforts are exhausted.

The senator's call for negotiation is just what many Central and South American countries, including Mexico, have been urging the U.S. to do as Nicaragua's neighbors, they have a stake in preserving peace and they should know how to help bring that about.

Sasser's plan could end up benefiting Nicaragua, but in the short term, it would at least end the terrible stalemates between Congress and the administration on the issue. Congress has learned to its dismay that President Daniel Ortega is no saint; he's loyal to the Soviets and Cuban. But few are blinded to the shortcomings of the contras.

A plan that recognizes the complexities of the situation deserves a chance to succeed.

[From the Commercial Appeal (Memphis, TN), Mar. 14, 1986]

A WAR AGAINST REALITY

The Reagan administration has toned down its rhetoric about Nicaragua in recent days but the latest push for military aid to the U.S.-backed rebels continues to challenge if not to defy reality.

Just last week President Reagan was saying that failure to give the rebels the aid he has requested would lead to the establishment of a Soviet-Cuban base in Nicaragua and to the spread of Communist revolution throughout Central America.

Then the appointment of Philip Habib as a special envoy to Central America raised the possibility that the administration would seek a compromise with Congress, which has shown stiff opposition to the military aid proposal.

Habib is a veteran foreign policy troubleshooter. His latest success was in helping to negotiate the departure of Ferdinand Marcos from the Philippines. Earlier he was involved in Middle East negotiations.

So it was logical to speculate that Habib's new assignment indicated an administration shift toward talks with Nicaragua's Sandinista government.

But a shift, if it exists, appears so far to be negligible.

Habib has repeated a fall-back administration position that negotiations with the Sandinistas can resume only if they agree to talk directly with the rebels.

That sounds reasonable except for one fact: The rebels can't agree to talk among themselves.

The rebel or contra forces are split—and deeply split—between two factions. The faction based in Costa Rica is headed by former members of the Sandinista junta, which overthrew the dictator Somoza. The other, based in Honduras, is led by former leaders of the Somoza regime. Efforts to bring the two factions together under a common command have failed. That is one reason, perhaps, for both the poor performance of the contras in the field and their lack of popular support within Nicaragua.

Whatever case can be made for the rebels, the continued leadership of former Somozan officers undermines contra credibility.

Why should the Sandinistas talk with the rebels? Guerrilla attacks have not been successful in weakening Sandinista control of the country. By all reports, in fact, the rebels are weakening. They seem to have no prospects of mounting a significant military threat.

The administration would argue, presumably, that the contras are just one element of pressure that is necessary to force the Sandinistas to negotiate.

But the administration is really saying that it wants the contras to share power so that the Sandinista government loses power. The goal is still what Reagan said it was before his rhetoric softened: To overthrow the Sandinistas.

Now, this may be a desirable goal in the best of all possible worlds. Realistic expectations, however, may have to be different. Is there another way for the United States to exert pressure toward an acceptable, if not perfect, solution? Is there a possible settlement that would allow the internal realities of Nicaraguan society to work out nonviolent political change without endangering neighboring countries?

Sen. Jim Sasser (D-Tenn.), for one, thinks there is. He has proposed that military aid to the contras be held up for six months while the United States pursues direct talks with the Sandinistas.

Sasser sets conditions for both sides. The Sandinistas would have to negotiate also with their internal opposition (not the contras), to abide by a ceasefire with the contras, to suspend arms shipments from Cuba and the Soviet Union and to stop aid to the Communist guerrillas in El Salvador. The United States would have to cease military exercises in Honduras, hold up military aid to the contras and guarantee that the contras would accept a ceasefire.

The objective of such negotiations might be to open up Nicaraguan society to the liberating influence of economic and political relations with its neighbors and with the United States, to eliminate outside (Soviet, Cuban, and American) military advisers and bases in Central America, and to prevent subversion from Nicaragua or anywhere else in the region.

Would the Sandinistas accept a settlement along those lines? The Nicaraguan government itself has indicated that they would. Such a settlement also would be supported by most Central American and South American nations.

There is a body of expert opinion in the United States and elsewhere, that Nicaragua would be far more responsive to normal relations with other countries than the Reagan administration thinks it would be.

This body of opinion agrees that the top Sandinista leaders are Marxist-Leninists who believe in dictatorial control, revolution, the elimination of opponents and minimum public freedom. But it also maintains that those leaders are not highly competent, that many lower-level officials in the government and the military are more interested in economic growth than ideology, that contra attacks and U.S. sanctions only create a siege environment that helps the Sandinistas maintain control and that a compromise between Nicaragua and the United States could lead to the very changes the United States would like to see.

These are possibilities that should be explored. And the Sasser proposals, or something similar, are the way to do it.

FORMER SENATOR JACOB JAVITS

Mr. KERRY. Mr. President, we were all deeply saddened to learn recently of the death of a former colleague—Senator Jacob Javits of New York.

Jacob Javits has been characterized as the Senator's Senator and as an individual who exemplified the best qualities of public service. These are well-deserved plaudits. Yet, from a personal standpoint, Jacob Javits' life of public service has special meaning for me, for there probably has not been a public figure in modern times who has made such an intellectual and substantive contribution to the issues of war and peace than Jacob Javits.

I remember 15 years ago when I appeared before the Senate Committee on Foreign Relations as the spokesman for Vietnam Veterans Against the War. I remember the frustration, the pain, the sense of helplessness and hopelessness on the part of those of us who served in Vietnam, whose pleas had gone unheeded for so long by two successive administrations. We turned to the only institution which was open to our pleas—the U.S. Congress. And we found a sympathetic and willing ally in Jacob Javits.

Senator Javits was very gracious in welcoming me to the committee hearing held that morning of April 22, 1971. He had already demonstrated his deep sense of concern by personally visiting our encampment on The Mall the day before.

While we made our plea for an immediate end to U.S. involvement in Vietnam, it took 4 more years for that reality to materialize. However, Jacob Javits was not idle in his determination that there should not be any more Vietnams. He undertook the key leadership role as the prime intellectual architect of one of the most important pieces of legislation ever to be enacted into law by our Government—the war powers resolution which was passed over Presidential veto 2 years after that hearing before the Foreign Relations Committee.

On October 26, 1985, I had the honor to be invited to participate in the Jacob Javits Collection Inaugural Conference on "Congress and United States Foreign Policy." The conference was held in Stony Brook, NY, and focused on the struggle between the executive and legislative branches of Government over the exercise of the warmaking powers of our Government.

Prior to that conference, the fall 1985 issue of Foreign Affairs carried his article evaluating the war powers resolution. In providing me a copy of that article, Senator Javits wrote me a personal letter stating:

> I hope very much that you will read the piece, as I believe it deals with one of the historic safeguards of our time, respecting restraint on the power of U.S. Presidents to put the country into war except with the consent of the Congress. I believe it is fair to say that the people who pay and suffer and die in war look to members of Congress to use this power of restraint with wisdom as well as patriotism.

Fifteen years earlier, in testimony on behalf of his war powers legislation before his own Foreign Relations Committee, Senator Javits had this to say:

> . . . We live in an age of undeclared war, which has meant Presidential war. Prolonged engagement in undeclared Presidential war has created a most dangerous imbalance in our constitutional system of checks and balances.

It is remarkable that to the very end Jacob Javits carried with him this concern for Presidential abuse of the warmaking powers of our Government. The fact that it continued to plague him that the war powers resolution mechanism remained an imperfect vehicle for resolving this perennial executive-legislative branch struggle is a tribute to his intellectual and personal integrity.

We all owe Jacob Javits a debt of gratitude for his lifetime commitment to playing a constructive and positive role on issues of war and peace. He will be greatly missed by Senate and country alike.

THE LATE SENATOR JACOB K. JAVITS

Mr. LUGAR. Mr. President, we still mourn the death of Jacob K. Javits. There have been few who have passed through these Halls who have deserved the title of Senator more than Jack Javits. He set a standard for service to the public and to this great democratic institution that the rest of us can only hope to match.

Jack Javits was one of the first people to congratulate me and offer advice when I became chairman of the Foreign Relations Committee. It was a post that he long desired and deserved. I always looked to Jack Javits for direction when I served under him on the committee, and when I became chairman after his departure from the Senate I continued to look to him for assistance.

Jack Javits remained a man of the Senate even in his final days. When I returned from New York last week to attend his funeral, I received a letter from Jack postmarked that same day. It was a letter written on February 28 congratulating me and the Senate for passing the Genocide Treaty. He wrote that the vote "vindicated both the understanding and justice of the American people."

More than that vote, the life of Senator Jacob K. Javits was not only a vindication but a celebration of that American understanding and justice.

FRIENDS OF IRELAND ST. PATRICK'S DAY STATEMENT, 1986

Mr. KENNEDY. Mr. President, for the 10th successive year, the Friends of Ireland in Congress have joined together in an annual St. Patrick's Day statement on Northern Ireland.

This year, there is special hope for progress; 1985 brought the most important new initiative for peace in many years. The British and Irish Governments joined together in signing an historic accord that laid the foundation for an end to the violence and conflict between the two traditions in Northern Ireland.

Our statement this year urges all those who seek peace in Northern Ireland to work for the successful implementation of the accord, so that lasting peace may finally come to Northern Ireland.

Mr. President, I urge my colleagues to give thoughtful consideration to our statement and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FRIENDS OF IRELAND ST. PATRICK'S DAY STATEMENT, MARCH 17, 1986

Irish Americans and indeed all Americans have a special reason to commemorate this St. Patrick's Day. After 17 years of strife and turmoil in Northern Ireland, there is real hope that a lasting and just peace may finally be achieved.

Over the past year we have witnessed substantial progress toward our long-standing hope to achieve reconciliation between the conflicting traditions of Northern Ireland and to establish democratic political structures which will accommodate both sides of the community.

As Friends of Ireland in the Congress, we endorsed the principles of the New Ireland Forum Report of 1984 for a negotiated settlement to the crisis in Northern Ireland. We commend all those whose courage and commitment to peace and reconciliation culminated in the signing of the historic Anglo-Irish Agreement last November at Hillsborough in Northern Ireland by Prime Minister Garret FitzGerald of Ireland and Prime Minister Margaret Thatcher of Great Britain.

We welcome this agreement as a long overdue step toward full recognition of the rights of both traditions in Northern Ireland and as a hopeful opportunity to end the violence and political and economic instability that has cost over 2,500 lives and wreaked havoc on the region's economy in the past two decades. The agreement rejects violence as a means of achieving political ends and commits both the Irish and British governments to an ongoing process to achieve peace and stability in Northern Ireland.

The Friends of Ireland welcome the inclusion in the accord of an unprecedented role for the Irish Government in the day to day affairs of Northern Ireland. We believe that this provision offers reasonable and needed reassurance to the minority Catholic community that its legitimate rights and interests, particularly in relation to the administration of justice, will be clearly recognized and fully protected.

The United States has a long and close relationship with both Britain and Ireland and can play an important role in helping these two friends achieve peace in Northern Ireland. We welcome President Reagan's support for the accord and his proposal for U.S. financial assistance to Northern Ireland, and we urge the Congress to act favorably and expeditiously on legislation to provide such assistance.

Finally, we renew our condemnation of those in Northern Ireland—and in the United States—who advocate, support, or engage in violence in any form or by any means.

On this St. Patrick's Day, we again express our commitment to the great goal of Irish unity, achieved by peaceful methods, and we pledge in the coming year to continue our efforts for peace and reconciliation, and for a new Ireland free from violence, intolerance, and discrimination. The events of 1985 laid a workable foundation for peace and a durable settlement of the conflict in Northern Ireland, and we urge all sides to build on that foundation in 1986.

UNITED STATES SENATE (37)

Edward M. Kennedy.
Daniel Patrick Moynihan.
Max Baucus.
Joseph R. Biden, Jr.
Jeff Bingaman.
Bill Bradley.
Dale Bumpers.
Alan Cranston.
Alfonse D'Amato.
Alan J. Dixon.
Christopher J. Dodd.
Pete Domenici.
David Durenberger.
Thomas F. Eagleton.
John Glenn.
Albert Gore.
Orrin G. Hatch.
Gary Hart.
John Heinz.
Ernest F. Hollings.
John F. Kerry.
Paul Laxalt.
Patrick J. Leahy.
Carl Levin.
Spark M. Matsunaga.
John Melcher.
Howard M. Metzenbaum.
George J. Mitchell.
Claiborne Pell.
William Proxmire.
Donald W. Riegle, Jr.
Paul S. Sarbanes.
Paul Simon.
Robert T. Stafford.
Ted Stevens.
Lowell P. Weicker.
Pete Wilson.

HOUSE OF REPRESENTATIVES (106)

Thomas P. O'Neill, Jr.
James C. Wright, Jr.
Thomas S. Foley.
Les Aspin.
Gary L. Ackerman.
Bill Alexander.
Frank Annunzio.
Chester Atkins.
Howard L. Berman.
Lindy Boggs.
Edward P. Boland.
David Bonior.
Don Bonker.
Frederick C. Boucher.
Sala Burton.
Thomas R. Carper.
Rod Chandler.
William L. Clay.
Tony Coelho.
Silvio O. Conte.
William J. Coyne.
Thomas A. Daschle.
Ron de Lugo.
Butler C. Derrick.
Norman D. Dicks.
Brian J. Donnelly.
Thomas J. Downey.
Bernard J. Dwyer.
Roy Dyson.
Joseph D. Early.
Don Edwards.
Lane Evans.
Dante Fascell.
Walter E. Fauntroy.
Edward F. Feighan.
Harold E. Ford.
William D. Ford.
Barney Frank.
Sam Gejdenson.
Ken Gray.
Bill Green.
Frank J. Guarini.
Charles A. Haynes.
Dennis M. Hertel.
Marjorie Holt.
Frank Horton.
Carroll Hubbard, Jr.
William J. Hughes.
Paul Kanjorski.
Marcy Kaptur.
Barbara B. Kennelly.
Gerald Kleczka.
Joe Kolter.
Peter H. Kostmayer.
John J. LaFalce.
Robert Lagomarsino.
Tom Lantos.
William Lehman.
Mel Levine.
Bill Lowery.
Stan Lundine.
Edward R. Madigan.
Thomas Manton.
Edward J. Markey.
Lynn Martin.
Matthew G. Martinez.
Robert T. Matsui.
Nicholas Mavroules.
Frank McCloskey.
Joseph M. McDade.
Raymond J. McGrath.
Matthew F. McHugh.
Stewart B. McKinney.
Jan Meyers.
John Miller.
Norm Mineta.
Parren J. Mitchell.
Joe Moakley.
Allan B. Mollohan.
Sid Morrison.
Robert J. Mrazek.
Austin J. Murphy.
Henry J. Nowak.
David Obey.
Nick Joe Rahall II.
Leon Panetta.
Thomas E. Petri.
William Richardson.
Peter W. Rodino, Jr.
Marty Russo.
Martin Sabo.
Patricia Schroeder.
Charles Schumer.
John F. Seiberling.
Stephen Solarz.
Neil Smith.
Gerry E. Studds.
Al Swift.
Robert G. Torricelli.
Bob Traxler.
Doug Walgren.
Henry A. Waxman.
Ted Weiss.
Patrick Williams.
Robert Wise.
George C. Wortley.

Mr. McCONNELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. DANFORTH). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

Mr. DOLE. Mr. President, I am advised that when we discussed the balanced budget constitutional amendment with the agreement to vote on March 25, we did not have third reading and we did not adopt the Thurmond amendment.

Therefore, I ask unanimous consent that we lay before the Senate, Senate Joint Resolution 225 and that we adopt the Thurmond amendment and have third reading.

Mr. BYRD. Mr. President, reserving the right to object, and I shall not object, that was the understanding of the unanimous-consent agreement entered into. That was the understanding of the principal players, if I may call them that, those who are counting on the colloquy, those who might offer the amendment that is mentioned in the agreement, and also Senators such as Senator METZENBAUM and others.

So I have no reservation and support the majority leader's request.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolution will be considered as being amended and read a third time.

Mr. DOLE. I thank the distinguished minority leader for calling this to my attention.

URGENT SUPPLEMENTAL APPROPRIATION FOR THE COMMODITY CREDIT CORPORATION

Mr. DOLE. Mr. President, also, if we can dispose of the CCC supplemental, I understand the Budget Committee is looking at the provisions suggested by the distinguished manager on this side, Senator COCHRAN. If there is an opportunity to do that even a bit after 12 noon, we could stay beyond 12 noon.

Mr. COCHRAN. Mr. President, if the majority leader will yield, I am delighted the majority leader has brought this subject up. It had been our hope that we could bring it to the floor at about 11 a.m. this morning. Because of hearings and requirements of other duties of Senators, it has taken a little while to review some suggested language that may be included in this appropriations bill that will permit it to be accepted by the House of Representatives and sent to the President so that this $5 billion could be made available immediately.

It is an important and urgent matter that needs the immediate attention of the Senate. Language is being reviewed at the present time by the staff and the chairman of the Budget Committee in hope that it can be approved.

We may be able to adopt that by unanimous consent, and that is the hope of the Senator from Mississippi. The Senator from Montana is here on the floor and is trying to help get this worked out. We appreciate his assistance and contribution to the effort.

Mr. DOLE. Mr. President, as I understand, there will be two amendments, one that the Senator from Mississippi would offer and one the Senator from Montana, Senator MELCHER, would offer and that they are now in the clearance process, but the Senator from Mississippi is awaiting word either on one or both amendments from the Budget Committee.

I hope that we can contact the Budget Committee to determine, hopefully, before noon, if we could proceed to act on this measure. It is important we do it today. I am not certain what ASC offices are doing without the money.

Mr. COCHRAN. Nothing, if the majority leader will yield.

Mr. DOLE. So it is very important to the American farmer that we act today and, if we could act even as late as 12:15 today, it would expedite the measure going to the House. So I will make an effort right now to find out what the Budget Committee would have in mind.

Mr. MELCHER. Will the majority leader yield?

Mr. DOLE. I am happy to yield.

Mr. MELCHER. The level of funding that is available that is not in question for the Farmers Home Administration for the purposes of operating loans for farmers is $1.7 billion. It is agreed, I think, by almost everybody that no point of order would lie against the correction within this particular measure that that money be utilized and loans be made.

In addition to that, there is something above $900 million that was appropriated last year that was subject to the point of order that was raised here in the Senate against the language that was in the measure. And because of that, the $900 million, I believe, should be looked at carefully, not for purposes of spending it, since that will be prohibited, but for purposes of defining what the need might be as we go through the balance of the fiscal year. And if those needs are closely monitored by the Secretary of Agriculture and the President, perhaps they would want to advise us and have Congress take whatever appropriate action is necessary to make those funds available.

Language that would do that has been sent over to the chairman of the Budget Committee and his staff, and as soon as we have word back from them, I suspect we would be ready to go.

Mr. DOLE. Mr. President, I thank the Senator from Montana. I am advised that the Budget Committee is now taking a look at the amendment of the Senator from Montana. They have no difficulty, as he indicated, with the other amendment. So we could either take that amendment and await the Budget Committee's approval of the second amendment or do both at the same time. I guess it will not take very long once we have an agreement.

Mr. COCHRAN. If the majority leader will yield, it would be my hope that we could get the matter before the Senate and get unanimous consent to agree to an amendment which we would substitute in place of the language that was ruled to be subject to a point of order last Thursday night. That would send the conference report back to the House. We are advised that the other body would agree with the language that this Senator would submit as an amendment to be inserted in place of the amendment in disagreement that was ruled subject to the point of order.

I understand the Senator from Montana has a suggestion for some additional language to be added. The Budget Committee, I am told, has no quarrel with the language that is in the amendment that would be submitted by this Senator, but the other language is still under review and we do not have a response from the Budget Committee as to whether it can approve or support this additional language.

I personally do not have any problem with it. But it did not have any problem with the language that was submitted to the Senate last Thursday, which was ruled to be subject to the point of order. So we will have to await the advice of the chairman of the Budget Committee as to whether or not an objection would be raised or a point of order suggested to the additional language that has been brought to our attention and suggested by the distinguished Senator from Montana.

So, to answer the majority leader, I wish to thank him for his efforts to try to get this matter before the Senate at this time and to even delay the scheduled noon recess for a few minutes if we can work this out. We still await the response from the chairman of the Budget Committee. I hope we can get this matter resolved within the next few minutes.

I thank the distinguished majority leader.

Mr. DOLE. Mr. President, I thank the distinguished Senator from Mississippi.

If there is no objection, while the distinguished minority leader is on the floor, I wonder if we might stand in recess, rather than at noon, at 12:15.

Mr. BYRD. Mr. President, I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS FROM 12:30 P.M. UNTIL 2 P.M.

Mr. DOLE. Mr. President, it is my understanding we are about ready to move on the CCC supplemental. Therefore, I ask that the recess begin at 12:30 p.m., rather than 12:15 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

URGENT SUPPLEMENTAL APPROPRIATIONS FOR THE COMMODITY CREDIT CORPORATION

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Senate turn to the consideration of the House message on House Joint Resolution 534, the CCC supplemental, and that this Senator be recognized to offer an amendment which would strike the last paragraph of the House amendment to Senate amendment No. 1.

Mr. BYRD. Mr. President, reserving the right to object, and I will not object, I simply want to state for the record that Senator EXON, who earlier had some problem with the measure, has cleared it for action at this time.

The PRESIDING OFFICER. Is there objection?

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. I also ask unanimous consent that an amendment I shall offer to the amendment of the Senator from Mississippi be in order.

Mr. COCHRAN. Mr. President, reserving the right to object to the Senator's request, let me simply state in explanation that it is my intention that the amendment which will be offered by the Senator from Mississippi under the unanimous-consent request as propounded would be the language deleting the last paragraph of the House amendment and inserting in lieu thereof the following: "It is agreed that at least $1.7 billion is available for the Insured Operating Loan Program of the Farmers Home Administration. Therefore, the Secretary shall proceed immediately to make loans to farmers and farm owners." And that added to the amendment at that point would be the language developed by the Senator from Montana so that each suggestion, both the suggestion of the Senator from Montana and the suggestion of the Senator from Mississippi, will be included as one amendment for the purpose of this exercise. With that understanding, I hope the Senator will withdraw his reservation to the unanimous-consent request.

Mr. MELCHER. Mr. President, I have no objection whatsoever.

Mr. COCHRAN. Mr. President, for the purpose of completing the record, I ask unanimous consent that the Cochran amendment be the only amendment in order.

The PRESIDING OFFICER. Is there objection?

Mr. COCHRAN. And I further ask unanimous consent that no point of order be in order with respect to the House amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MELCHER. Mr. President, I ask a parliamentary inquiry. I think we have established that in one amendment we will incorporate two amendments?

The PRESIDING OFFICER. That is correct. Is there objection to the unanimous consent request of the Senator from Mississippi?

Mr. BURDICK. No objection.

The PRESIDING OFFICER. Without objection, the unanimous consent request is agreed to.

The following message from the House of Representatives was laid before the Senate by the Presiding Officer.

Resolved, That the House recede from its disagreement to the amendment of the Senate to the resolution (H.J. Res. 534) entitled "Joint resolution making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes", and concur therein with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows: ": *Provided further,* That after fiscal year 1987, funds available to the Corporation may be used to carry out section 1241(a)(1) of the Food Security Act of 1985, only such extent or in such amounts as provided in advance in appropriations Acts. The signup agreement should not reduce total production below levels needed to meet domestic needs, maintain the supply line, and provide for an adequate supply for export by either the Commodity Credit Corporation or private corporations or individuals at competitive prices; since by law the proceeds from sales become available for use by the Commodity Credit Corporation, such sales should reduce future appropriations: *Provided further,* That the conservation reserve program shall not replace or reduce any existing conservation program.

"The level of funds previously appropriated for the insured operating loan program of the Farmers Home Administration, as provided in the Appropriations Act for fiscal year 1986 for Agriculture, Rural Development, and Related Agencies (H.R. 3037), as enacted by Public Law 99-190 on December 19, 1985, shall be available until expended except as that level may be reduced by the terms of the sequester order implemented on March 1, 1986."

Mr. COCHRAN. Mr. President, the Senator from Montana has assisted in developing this language which expresses the view of the Senate, and I think the House will certainly go along with this, that if the Secretary—I am reading from language the Senator from Montana has suggested, which is included in this amendment—determines that available funds for the Insured Operating Loan Program are exhausted and the President certifies that additional funds are essential to meet emergency credit needs of farmers and ranchers, then the Secretary should request additional funding previously appropriated for the program of the Farmers Home Administration—all of this, of course, subject to the sequester order of March 1, 1986.

I think this puts at rest, Mr. President, the concern that many of us had which was expressed in the conference report and in the amendment in disagreement that the Farmers Home Administration proceed as expeditiously as possible and with the funds that are available or can be made available under existing law to help meet the emergency credit needs of farmers. I think this clearly spells out that that is what we are trying to do by the inclusion of this language. We have received the support of the Budget Committee chairman. There is no violation of the Budget Act, we are told, by this language. We are confident that the House will be able to accept this.

Again, I express my appreciation to the Senator from Montana and also the distinguished Senator from North Dakota [Mr. BURDICK], the ranking minority member of the subcommittee, for their help and assistance in getting this matter before the Senate at this time.

Mr. BURDICK. Mr. President, we are in agreement on this side.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. Mr. President, it is clear that the Congress has appropriated slightly in excess of $2.6 billion for the Insured Operating Loan Program at the Farmers Home Administration. In addition to that money appropriated, the President by transferring some funds made available to Farmers Home Administration, added $700 million. At the same time it was made clear that all of the $2.6 billion which Congress had appropriated would not be expended as far as the administration was concerned.

I do not really understand this procedure of transferring some funds within the Department of Agriculture to the Farmers Home Administration; namely, the $700 million, while there are still unexpended funds already appropriated by Congress for the Farmers Home Administration Insured Operating Loan Program. Be that as it may, the need for operating loans is

there, and the concern that all of us who work on the authorizing committees, as well as the Appropriations Committees, share is that those needs be met and that there has been some delay at the Farmers Home Administration in putting out the loans and making certain that the applications of qualified borrowers, are processed and that the loans are made.

The purpose of this language, as I see it, on this particular measure before us dealing primarily with the Commodity Credit Corporation——

The PRESIDING OFFICER. Under the previous order the Senate is to stand in recess at 12:30, unless there is unanimous consent that it remain in session for another minute or two.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the recess be delayed for 5 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MELCHER. Mr. President, we feel that the need for these operating loans is there. The purpose of adding this language to the supplemental appropriation covering primarily the Commodity Credit Corporation is to make sure that, first of all, the $1.7 billion that is available and that has been appropriated by Congress at the level authorized in the farm bill passed last December will be utilized and made available now, without too much delay.

In addition, the amendment now before us to the conference report directs the Secretary of Agriculture to monitor the status of the Farmers Home Administration operating loan funds; and if it runs out of the $700 million that was transferred by administrative action for Farmers Home purposes and runs out of $1.7 billion that has been available through appropriation, as authorized by the farm bill last December—that if the need for those funds is going to be exceeded, to request of Congress to take whatever appropriate action is necessary to make available the $900 million that is also appropriated.

What I am saying is that this money has been appropriated; and if it is all going to be necessary for the Farmers Home Administration, let us make it all available. We are asking the Secretary to monitor it carefully during the remainder of the year, to see if that need arises.

AMENDMENT NO. 1698

Mr. COCHRAN. Mr. President, I send the amendment to the desk and ask that it be reported.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN] proposes an amendment numbered 1698.

Mr. COCHRAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Delete the last paragraph of the House amendment and insert in lieu thereof the following:

"It is agreed that at least $1,700,000,000 is available for the insured operating loan program of the Farmers Home Administration. Therefore, the Secretary shall proceed immediately to make loans to farmers and farm owners.

"In addition, if the Secretary of Agriculture determines that available funds for the insured operating loan program of the Farmer Home Administration are exhausted, and the President certifies that additional funds for such programs are essential to meet emergency credit needs of American farmers and ranchers, that the Secretary should request that the additional funding previously appropriated for the insured operating loan program of the Farmers Home Administration, as provided for in the Appropriations Act for fiscal year 1986 for Agriculture, Rural Development, and Related Agencies (H.R. 3037), as enacted by Public Law 99-190 on December 19, 1985, and as reduced pursuant to the sequester order of March 1, 1986 under Public Law 99-177, be made available by appropriate actions by Congress."

Mr. COCHRAN. Mr. President, I move that the Senate concur in the House amendment to Senate amendment No. 1 with the further amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. BURDICK. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

RECESS UNTIL 2 P.M.

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess.

Thereupon, at 12:33 p.m., the Senate recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. HATCH].

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

EXECUTIVE SESSION

The PRESIDING OFFICER. Under the previous order, the hour of 2 o'clock having arrived, the Senate will go into executive session, and resume the consideration of the nomination of Sidney A. Fitzwater, of Texas, to be U.S. district judge for the Northern District of Texas, on which there shall be 1 hour of debate with the time equally divided and controlled by the Senator from Massachusetts [Mr. KENNEDY] and the Senator from South Carolina [Mr. THURMOND.]

The nomination will be stated.

THE JUDICIARY

NOMINATION OF SIDNEY A. FITZWATER TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF TEXAS

The assistant legislative clerk read the nomination of Sidney A. Fitzwater, of Texas, to be U.S. district judge for the northern district of Texas.

The Senate resumed the consideration of the nomination.

The PRESIDING OFFICER (Mr. RUDMAN). Who yields time?

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, how much time remains now before the vote is recorded?

The PRESIDING OFFICER. There will be 26 minutes on each side.

Mr. KENNEDY. Who is the time assigned to, Mr. President?

The PRESIDING OFFICER. The time is under the control of the Senator from South Carolina, or his designee, and the Senator from Massachusetts, equally divided.

Mr. KENNEDY. Mr. President, I yield myself such time as I may use.

Mr. President, I oppose the nomination of Sidney Fitzwater to be a Federal district judge for the northern district of Texas because he has demonstrated that he utterly lacks respect for the fundamental right which is the cornerstone of our democracy—the right of vote.

In the 1982 elections in Texas, Fitzwater personally participated in a partisan scheme to disenfranchise minority voters in Dallas County. He posted threatening signs in minority precincts, warning: "You Can Be Imprisoned" and "Don't Risk It." His activities were found to be a violation of the Voting Rights Act by the U.S. Justice Department. Now, Fitzwater is seeking to be a Federal district judge for the very area where he was posting intimidating signs the night before election day in 1982. If confirmed, Fitzwater could be the judge who determines whether partisan political activity has abridged the voting rights of minority citizens in future elections in Dallas County and throughout the northern district of Texas.

It is important to consider Fitzwater's actions in 1982 in light of our sad history of voting rights violations. The Senate Judiciary Committee, in its report supporting the extension of the Voting Rights Act in May 1982 made the following findings:

Although we have come a long way since 1965, the nation's task in securing voting rights is not finished. Continued progress toward equal opportunity in the electoral process will be halted if we abandon the Act's crucial safeguards now.

The Committee is equally concerned about the risk of losing what progress has already been won. The gains are fragile. Without the preclearance of new laws, many of the advances of the past decade could be wiped out overnight with new schemes and devices.

Mr. President, the Republican ballot security program in which Fitzwater participated scarcely 6 months after the Senate Judiciary Committee issued its report on the Voting Rights Act is a disgraceful example of the schemes to undermine the gains won under the Voting Rights Act about which the committee was concerned.

Fitzwater has stated that he posted the signs as part of a Republican ballot security program aimed at reducing voting fraud. In response to complaints from Robert Greenberg, former Dallas County Democratic chairman and others, the U.S. Justice Department investigated the sign-posting incident. By letter dated July 26, 1983, from William Bradford Reynolds, Assistant Attorney General, Civil Rights Division, to Ms. Connie Drake, elections administrator, Dallas County, the Justice Department made the following findings and conclusions:

. . . Our investigation confirmed that signs warning voters of the possible repercussions of illegal voting were posted by Sheriff's deputies and other individuals at a number of precincts in the county. The information we have indicates that most of the signs were placed at precincts where black voters were assigned to vote. We are concerned that no nonracial justification has been offered for placing most of the signs at minority precincts. Of course, it is not improper to enforce state laws designed to prevent voter fraud, but we have received no information that such fraud was any more likely to occur in the black voting precincts than at white voting precincts.

It is our understanding that you have taken steps to ensure that the above problems do not occur in future elections. Your report following the 1982 general election . . . also proposed that all future election materials to be posted at polling places (such as voter fraud warnings) be distributed to the judges by the Elections Department as had been done before the November 2, 1982, general election. We have no information regarding whether these recommendations will be implemented.

I would appreciate your advising us within thirty days of the receipt of this letter as to the specific action which will be taken by the county to assure compliance with federal laws in future elections. . . .

Fitzwater's posting of intimidating signs in minority precincts makes him demonstrably unfit to be a guardian of the voting rights of minority citizens. The likely effect on minority voters of the signs posted by Fitzwater was described by Andrew Hernandez, deputy director, Southwest Voter Registration Education Project, during Fitzwater's confirmation hearing on February 5, 1986:

. . . I think it is important to look at this, and look at it seriously and put yourself in the place of a first-time voter. For the Mexican American community, that is what I want us to think of; not as an elderly voter, but a first-time voter.

You are coming in to vote for the first time; you have been persuaded to vote because you have been told that it is your right, that you have an interest. You come in to vote for the first time. You know, as has been suggested, Senator, that sometimes law enforcement officers are not considered your friends in the neighborhood.

And you go up and see a big sign that says you can be imprisoned. Now, I do not know what we think about voters, but I know that most ordinary voters who have never voted before who come out of a history of intimidation and harassment—if you read number, two, "If you influence or try to influence a voter how to vote," they are not going to sit there and think, well, that must be directed to the election judges or that must be directed to someone else. That is not what it says. It says you can be imprisoned if you influence or try to influence someone to vote.

Well, somebody may have just tried to influence someone to vote as they came in outside the 100-foot marker. They may have even tried to do that themselves as they were walking down the street and saw a neighbor.

So the voter would be left with the impression—I think anybody with any reasonable judgment on this question would agree with that—the voter would be left with the impression that if they had tried to influence someone to vote that there would be a chance they could be imprisoned.

Now, I think the implicit message is down at the bottom, "Don't Risk It." Now, you may not have broken the law or you may have broken the law, but the point is do not risk it, and do not risk it by voting; do not risk it by voting.

In his testimony before the Judiciary Committee on this nomination, Congressman MICKEY LELAND from Texas, the chairman of the Congressional Black Caucus, discussed the impact of Fitzwater's signs on elderly black voters:

. . . The people who would be intimidated the most are the older people who had been intimidated in their lifetimes when white people disallowed for them to participate at the polling place or disallowed for them to vote for whomever it is that they felt was necessary through various and sundry schemes.

This only represents a bringing back of that kind of intimidation and it scares those senior citizens in our community. Some are not as well educated as others. You know, they are frightened a lot easier than others.

But the one thing that they value very dearest to them, and particularly black senior citizens, is that right to vote because it took them so long to get it and they hold it as a very precious facility in our country.

But when these kinds of things happen and they are too afraid to participate, they become very, very upset and it hurts them very deeply.

Other judges in Dallas County recognized the impropriety of the signs and refused to post them. According to a report in the Dallas Morning News dated November 12, 1982, State Judge Ed Kinkeade was asked to post the signs used by Fitzwater but did not do so. "'I didn't even look at them,' he said. 'I just assumed it was another campaign thing.'" The same report states that Judge Kelly Loving was asked to post the signs but declined to do so after discussing them with a South Dallas election judge. Loving described his conversation with the election judge as follows: "'We sat down and talked about it for at least a half-hour. At the end of the conversation, he and I thought it was an affront to him that he wasn't running a tight ship. I was beginning to think it (the sign) was in poor taste. I took the other signs and threw them away,' Loving said."

I understand that State Judge McDowell advised that at the close of business on election eve, he took the signs and precinct lists, put them in the trunk of his car, and did not do anything about the signs that night. The next day, election day, McDowell began to have second thoughts about getting involved in posting the signs. He felt it was something a judge should not be doing.

Fitzwater and the junior Senator from Texas have consistently defended the signs Fitzwater posted as being consistent with Texas election law in 1982. In light of this claim, I asked Attorney General Mattox for his opinion of Texas law. His reply, dated March 13, reads as follows:

DEAR SENATOR KENNEDY: You have asked whether the contents of certain signs placed at predominantly minority polling places within Dallas County for the 1982 general election were consistent with Texas law. Apparently, Judge Sidney Fitzwater participated in the placement of signs at the polling places within view of the voters which contained, among other matters, the following statements:

You can be imprisoned—

1. If you offer, accept or agree to offer or accept money, or anything else of value to vote or not to vote.

2. If you influence or try to influence a voter how to vote . . .

4. If you let a person vote more than once . . .

The first statement, by extending the purported prohibition to "anything of value" is not only at variance with the contents of the former Section 36.02, Texas Penal Code; it exceeds the scope of the conduct actually prohibited. The phrase "pecuniary benefit" was carefully defined by Article 36.01, Texas Penal Code (as existed in 1982), and was not so broad as to include "anything of value."

The second admonition is far broader than the terms of the former Article 145.24, Texas Election Code, which merely prohibits influencing a voter while "in the room where an election . . . is being held . . ."

The fourth admonition, by being taken out of its proper context, also is incorrect. Since the signs were obviously to be visible to voters at a polling place, they implied that the voters might be responsible for the conduct of the election workers. The admonition also is beyond the scope of Article

15.42, Texas Election Code, for the reason that the statute only prohibits the affirmative conduct of aiding, advising or procuring certain illegal voting.

I have been advised that in 1982, then Secretary of State David Dean was requested to approve the placement of the signs. He refused to approve the placement and instructed Dallas County officials that the signs should not be posted. He expressed concerns about potential intimidation of Dallas County voters.

I personally observed the signs at my polling place in East Dallas in 1982 and viewed them with alarm. There is no doubt in my mind that the signs were placed there to intimidate minority voters.

The contents of the sign appear to be so far beyond the scope of authentic Texas law that the good faith of any attorney who might have participated in their placement would be subject to inquiry.

Sincerely,

JIM MATTOX,
Attorney General.

The sign posted by Fitzwater does not state Texas law. He has stated that he read the sign five times before he posted it anyway in only minority precincts.

Mr. President, I say that anyone who read that should have understood just from the reading of it that it did not comply with Texas law and violated the first amendment. And if they do not do it, they should not be on the bench. And if he did understand that it did violate Texas law, he ought to be impeached. I hope the Senate will vote against cloture.

I reserve the remainder of my time.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. I yield 6 minutes to the distinguished Senator from Texas.

Mr. GRAMM. Mr. President, I thank the Senator for yielding. I would like to first begin by addressing head on the issue about the sign and then I would like to talk a little bit about Sid Fitzwater. I first ask unanimous consent that Judge Fitzwater's response to the items in the sign, his citations of Texas law as they existed in 1982 be made a part of the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

RESPONSE

ITEM 1

In November, 1982, section 36.02(a) (1) of the Texas Penal Code, entitled "Bribery," provided, in pertinent part:

(a) A person commits an offense if he intentionally or knowingly offers, confers, or agrees to confer on another, or solicits, accepts, or agrees to accept from another:

(1) any pecuniary benefit as consideration for the recipient's decision, opinion, recommendation, *vote,* or other exercise of discretion as a public servant, party official, or *voter;*

(Emphasis added). The offense of bribery was a second degree felony, punishable by imprisonment for a term of 2-20 years.

ITEM 2

As the sign reads, and given where the signs were to be placed, this item, as well as item 4, appears to be directed at election officers who were operating the polling place. In November, 1982, article 15.24 of the Texas Election Code, entitled "Influencing voter," provided:

Any judge, clerk, or other person who may be in the room where an election, either primary, special or general, is being held, who there indicates by word or sign how he desires a citizen to vote or not to vote, shall be fined not less than two hundred nor more than five hundred dollars and be confined in jail not less than ten nor more than thirty days.

The period of imprisonment, 10-30 days, is set forth in the statute.

ITEM 3

In November, 1982, article 15.41 of the Texas Election Code, entitled "Illegal voting," provided:

If any person knowing himself not to be a qualified voter, shall at any election vote for or against any officer to be then chosen, or for or against any proposition to be determined by said election, he shall be guilty of a third degree felony.

Pursuant to article 5.02(a) of the Election Code, a qualified voter was a person who, among other things, "has complied with the registration requirements of this code." In November, 1982, a third degree felony was punishable by imprisonment for a term of 2-10 years.

ITEM 4

As indicated above, this item, like item 2, appears to be directed at election officers who were operating the polling place. In November, 1982, article 15.42 of the Texas Election Code, entitled "Instigating illegal voting," provided:

Whoever shall procure, aid, or advise another to give his vote at any election, knowing that person is not qualified to vote, or shall procure, *aid,* or advise *another to give his vote more than once* at such election, shall be guilty of a felony of the third degree.

(Emphasis added.) In November, 1982, a third degree felony was punishable by imprisonment for a term of 2-10 years.

ITEM 5

In November, 1982, article 15.48 of the Texas Election Code, entitled "Falsely personating another," provided:

Whoever attempts to falsely personate at an election another person, and vote or attempt to vote on the authority of a voter registration certificate not issued to him by the county's registrar of voters shall be confined in the penitentiary not less than three nor more than five years.

The period of imprisonment, 3-5 years, is set forth in the statute.

ITEM 6

In November, 1982, there were various provisions of the Texas Election Code and election-related provisions of the Texas Penal Code for which one who violated such a provision could be imprisoned.

SIDNEY ALLEN FITZWATER.

Dated: January 29, 1986.

Mr. GRAMM. Mr. President, let me make the following points. I have put in the RECORD for those who are interested in the facts the same outline that Sid Fitzwater used in his testimony before the committee to relate the content of the signs to the content of Texas election law in 1982.

In 1980, Mr. President, there was massive vote fraud in Dallas County and much of that vote fraud was concentrated in south Dallas County. A grand jury was set up, 11 indictments came forward, election judges were subsequently removed, and 6 people were found guilty of committing election fraud. Two of those people were workers for Jim Maddox, who at the time was running for reelection to Congress and is now the attorney general of the State of Texas.

As a result of concern that has lingered now for many years about vote fraud in Dallas County, on the heels of the 1980 election, the sheriff, as a partisan Republican in consultation with members of the judiciary and members of the sheriff's department, set up a Ballot Security Program. The signs referred to here were posted in precincts around Dallas County, some in north Dallas, which is a predominately white area of Dallas County; some in South Oak Cliff, a predominately black area. Questions were raised about the signs. The Dallas County Democratic chairman filed a lawsuit naming nine people in relation to the signs. Sid Fitzwater was among the nine but was dropped before the suit went to court. Ultimately, the suit was thrown out of Federal court. The district attorney of Dallas County, who is a partisan Democrat, in response to complaints about the sign, held an investigation and set up a grand jury. I quote from a letter, which I will submit for the RECORD, that was sent to the committee, to Senator STROM THURMOND, chairman of the Judiciary Committee, on January 29 of this year. This is from the DA's office and I remind you the DA of Dallas County is a Democrat:

I can tell you that the signs appeared not only in some south Dallas precincts but also in some north Dallas ones; and that there was no evidence that the signs were placed in the polling places specifically to intimidate or disenfranchise voters. This office concluded that there was no evidence of violation of the Texas Penal Code or the Federal Election Code.

I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DALLAS COUNTY,
DISTRICT ATTORNEY,
Dallas, TX, January 29, 1986.

Re investigation of the 1982 general election in Dallas County.

Senator STROM THURMOND,
Chairman, Senate Judiciary Committee, Washington, DC,
(Attention: Frank Klonoski).

DEAR MR. KLONOSKI: Pursuant to your telephone request of January 21, 1986, I am writing this letter to confirm the investigation of the 1982 General Election in Dallas County, conducted by this office and the Dallas County Grand Jury, specifically as regards the placing of warning signs in a number of Dallas County polling places. The placing of those signs was one (1) of eighteen (18) matters subject to a seven (7)

month investigation by this office, culminating in a lengthy review by the Grand Jury which ended on July 1, 1983; the Grand Jury declined to return indictments or take any action on any of the eighteen (18) matters.

This office decided to investigate the sign postings after receiving several complaints alleging that the signs, which warned voters that they could be imprisoned for violating the Texas Election Code (e.g., voting twice, electioneering, influencing other voters, etc.), were placed in South Dallas precincts specifically to intimidate and disenfranchise minority voters. While I cannot discuss the specifics of our investigation, I can tell you that the signs appeared not only in some South Dallas precincts, but also in some North Dallas ones; and that there was no evidence that the signs were placed in the polling places specifically to intimidate or disenfranchise voters. This office concluded that there was no violation of the Texas Penal Code or the Texas Election Code (which in fact neither permits nor prohibits such signs). And as I said before, the Grand Jury took no action on the matter.

I wish I could be more detailed in this letter, but State law prohibits the disclosure of all proceedings held before the Grand Jury, including the testimony and evidence presented to it. If you require anything further, please advise.

Sincerely,

THEODORE P. STEINKE, Jr.,
Assistant District Attorney.

Mr. GRAMM. Now, Mr. President, let me get back to Sid Fitzwater. Sid Fitzwater was an honor graduate as an undergraduate. He was a star law student. He was associate editor of the Baylor Law Review. He was a top affirmative speaker not only in Texas, but in the Southwest Conference. He was State champion in the moot court. He was a brilliant student, as will be attested by some of the quotes I will give you later. He become the youngest district judge in the history of Texas. In rating of our judges carried on by the Dallas Bar Association in Texas, members who practice before the court are asked to rate Federal, State, and county judges as to their qualities. In the last bar poll that was held, 97 percent of the respondents said that Sid Fitzwater was an outstanding judge. That was not only the highest rating in Dallas County but that is the highest overall rating to my knowledge that any judge has ever received on a bar poll.

There were four areas where judges were rated in that poll. "Is he hard working?" Ninety-eight percent said Sid Fitzwater is hard working. To my knowledge, that is the highest rating in that area ever received by a judge at any level in the history of Texas. "Is he impartial?" Ninety-seven percent said yes. "Does he correctly apply the law?" Ninety-five percent said yes. "Does he demonstrate proper judicial temperament and demeanor?" Ninety-seven percent says yes. To the best of my knowledge, those are the highest ratings ever received on each individual part of those polls.

Let me read you what the Honorable Jon Sparling, Court of Appeals of the Fifth Circuit, says about Sid Fitzwater:

I would give Judge Fitzwater the very highest marks for his ability as a judge.

Judge Abner V. McCall, president emeritus of Baylor University and former dean of the Baylor Law School, says:

His extraordinary record as a district judge warranted his appointment to the Federal bench. His character and conduct are excellent.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. GRAMM. I ask for 2 more minutes, Mr. President.

Mr. THURMOND. Mr. President, how much time have we left?

The PRESIDING OFFICER. Twenty minutes left to the side of the proponents.

Mr. THURMOND. Two more minutes.

Mr. GRAMM. I thank the Chair.

Charles Smith, president of the State Bar of Texas, says:

He is far more mature than his chronological age. He has the ability to combine his intelligence with great insight into the law * * * able to handle complicated matters.

Cullen Smith, former president of the State Bar of Texas and former member of the house of delegates of the ABA and chairman of the general practice session, says:

Uniquely qualified. An opportunity for the country to have a truly outstanding U.S. district judge.

I submit, Mr. President, that Sid Fitzwater is an outstanding jurist. He can be an outstanding Federal judge. He has keen intellect and he has the character to go with it. I do not understand how all of this opposition built up almost overnight. Perhaps it was the fact that Sid Fitzwater will be the youngest Federal judge. Perhaps it was the fact that several people in Texas, including myself, when the nomination came forward, said that with this man's keen intellect, ability and character perhaps he will some day be on the Supreme Court. Maybe it was the article written about his youth.

Mr. SIMON. Will my colleague yield?

Mr. GRAMM. I will be happy to yield.

Mr. SIMON. Let me just say I sat through the hearings on this particular nominee. I think the opposition grows out of a mistake. The Senator and I differ on whether it was a mistake, a mistake he made in posting the signs. I think the fundamental question is, Is there any indication of a pattern of racism on the part of this judge, because beyond any question outside of that he is outstanding.

The PRESIDING OFFICER. The Senator's time has expired.

There is 18 minutes remaining to the side of the proponents.

Mr. THURMOND. I yield the Senator 2 more minutes.

Mr. GRAMM. I am happy to yield.

Mr. SIMON. I come to the conclusion that there is no such pattern and that the real question is a question of judgment: Should he be denied a Federal judgeship because of this one mistake? My conclusion, after having sat in on the hearings—and I went in, frankly, expecting to vote against Judge Fitzwater—is that it would be a mistake on the basis of one mistake, posting three signs in one precinct, to deny this man a Federal judgeship.

I thank my colleague for yielding.

Mr. GRAMM. I thank the Senator from Illinois, and I want to thank him for the leadership he has taken on this issue and for the courage he has shown, and I greatly appreciate it. I will never forget it.

Mr. McCONNELL. Will the Senator yield?

Mr. GRAMM. I will be happy to yield to my colleague.

Mr. McCONNELL. I might say to my friend from Texas and to others that Senator SIMON and I, as the least senior members of the Judiciary Committee, other than our chairman, probably spend more time listening to nomination hearings than anyone. I sat through virtually all of the hearings, as did Senator SIMON, on Judge Fitzwater. I want to echo what the Senator from Illinois said. There is absolutely no evidence whatsoever of any racial prejudice on the part of Judge Fitzwater, and even if the posting of the one sign was a mistake, as my friend from Illinois believes it to be, the question arises, as he said, whether that is sufficient to deny this outstanding lawyer a seat on the Federal District Court of Texas. It obviously is not a mistake. I think it was not a mistake. Even if it were, it does not rise to the level of denying him a seat on the court. He is the most outstanding nominee for the Federal bench I have heard in my 15 months on the committee.

Lost in all this is the frustration that many feel in the difficulty of getting a fair election in some of the precincts of America.

The PRESIDING OFFICER. The time of the Senator from Texas has expired.

Mr. THURMOND. I yield 2 additional minutes.

Mr. GRAMM. I yield to the Senator from Kentucky.

Mr. McCONNELL. I am absolutely convinced, having listened to the testimony before our committee, that this project in 1982, whether or not it was ill-advised, was not for any evil purpose. It was designed to try to ensure a fair election.

For those of us who have tried to compete in the South as Republicans, I might say that in many areas of the South it is extremely difficult to get a fair election, and it has nothing whatsoever to do with race. It has to do with the absence of a two-party system. In those areas of the South and other parts of the country where there is an essential lack of a two-party system, the opportunity to engage in election day shenanigans is most available.

It is clear to me, from listening to the testimony, that what the effort was in 1982 in Texas was to try to do the best job possible in ensuring a fair election, that it was totally unrelated to the question of race.

I think it would be a great tragedy to deny this confirmation to this fine young lawyer and judge from Texas, who, as I said, I found the most outstanding nominee we have had before our committee, for district judge, in the 15 months I have been a member of the Judiciary Committee.

Mr. GRAMM. I thank the distinguished Senator.

I know there are a lot of pressures and a lot of groups writing letters, but a large number of those people do not know Sid Fitzwater and do not know his record.

I urge my colleagues to vote for cloture and, if we prevail on cloture, to vote to confirm the nomination of Sid Fitzwater. Look at his overall record, vote for cloture, and vote for the nomination of Sidney Fitzwater.

The PRESIDING OFFICER. The time of the Senator has expired.

Who yields time?

Mr. KENNEDY. Mr. President, I yield 5 minutes to the Senator from Maryland.

Mr. SARBANES. Mr. President, I rise in opposition to the nomination.

The question has been put in terms, it was just put that way a few moments ago by my distinguished colleague from Illinois, whether Mr. Fitzwater should be denied a Federal judgeship. I only observe that an individual is not entitled to a Federal judgeship. The question shall be, what is there in your record that raises you to the quality and to the level that you ought to go on the Federal bench for a lifetime appointment? It is in light of that question that the activities of Mr. Fitzwater should be viewed as the Senate considers this nomination.

Unfortunately, the committee, as I understand it, has neither given us a report nor has printed the hearings, which seems to me reason enough to vote against cloture; postpone the vote so that we could get from the committee the printed hearings and a report.

These are important nominations, and to bring them to the Senate in this manner, without the normal printed record behind the nominee, it seems to me, is to place us in the posture in which we cannot fully meet our responsibilities.

With respect to this sign that has been displayed here, the sign which the nominee posted in a Dallas block precinct, there has been a lot of argument as to whether the statements therein are accurate statements of Texas law. From where I am standing, and I am some 10 yards from that sign, I cannot read those statements printed in black which are supposed to reflect Texas law. However, I submit that the question of the sign is larger than whether it accurately reflects Texas law.

Suppose you had a huge sign that only said in huge red letters as this one does in part: "You can be imprisoned," "Don't risk it. Obey the law." That is all it said. So there is no question about whether you are stating the law accurately or not. A huge sign, huge, red letters: "You can be imprisoned. Don't risk it. Obey the law."

Then you run around posting those signs in minority precincts, in areas of the country where there has been a history of intimidation of the voters. You mean to tell me that is not intimidation of the voters? How much common sense does one need to know what the perception of that tactic would be.

This tactic was used in New Jersey in the 1981 election and reported in the Texas papers prior to this 1982 election. The same tactics were used in Maryland in 1984, including hiring security guards from private agencies to go to the polling places in minority areas and sort of move around—with large ballot protection buttons on and signs posted—all I submit, designed to intimidate the voters.

Other judges in this Dallas election, as I understand it—refused to post these signs, refused to do so. They recognized that the signs were improper and should not be put up. Fitzwater went back to his own precinct, as I understand it. No signs had been put up in his precinct which was not a minority precinct. He did not post the signs in his own precinct, even though there were not any signs on display there. Why did he not do that?

So I submit that anyone who does not appreciate the sensitivity of this issue—we are talking about the most basic right in our democracy, and that is the right to vote. This sign, in my judgment, represents a clear effort to intimidate voters.

Every jurisdiction has an election machinery to run honest elections. If you have a problem with the conduct of the election, that is where it ought to be taken, right to the people who are charged with running the election.

Even Brad Reynolds of the Department of Justice wrote a letter to the Texas election people about these signs, questioning them.

Fitzwater is 32 years old. He ought to prove himself over time to live down this activity, not ask us now to discount it, ignore it, barely 3 to 4 years after it occurred.

If confirmed, he is going to be ruling on voting rights cases on that Federal district bench. This is a lifetime appointment. No one is entitled to this appointment. You have to bring to it a record that proves you reflect the values and sensitivities essential to serving as a member of the Federal judiciary. I can think of no value more important than protecting and safeguarding the people's right to vote; and the use of this sign, in and of itself, should be grounds to reject this nomination.

The PRESIDING OFFICER. The time of the Senator has expired.

Who yields time?

Mr. KENNEDY. Mr. President, how much time remains on each side?

The PRESIDING OFFICER. The Senator from Massachusetts has 7½ minutes remaining. The Senator from South Carolina has 13 minutes and 50 seconds remaining.

Who yields time? If neither side yields time, the time will be charged equally.

Mr. KENNEDY. Mr. President, I would have thought that after that excellent presentation of my colleague and friend from Maryland, there would have been some response, particularly since those who support the nomination have twice as much time. We have a number of speakers. I yield the remaining time to the Senator from Ohio.

The PRESIDING OFFICER. Does the Senator from Massachusetts yield 7 minutes to the Senator from Ohio?

Mr. KENNEDY. Five minutes.

Mr. METZENBAUM. Mr. President, let us not kid ourselves about this vote today. The vote on Mr. Fitzwater is a vote having to do strictly with the issue of civil rights. It does not have anything to do with the question of Mr. Fitzwater's qualifications.

You would have come to the conclusion, having heard the distinguished Senator from Texas speak, that Mr. Fitzwater had a great rating with members of the bar in Texas.

That just is not so. The American Bar Association rated him: "A majority of our committee is of the opinion that Judge Fitzwater was qualified for this appointment." The minority found him to be not qualified.

But the fact is not one single member of the Bar Association committee found him to be well qualified, which is a rating available. Not one found him very well qualified. No. He just got a majority qualified and a minority not qualified.

Here is a young man 32 years of age who has the audacity to go into the minority wards and post this particu-

lar sign with big red letters "You can be imprisoned."

He knew what he was doing. Three other judges refused to do it. No, he insisted that he was going to go out and post those signs and intimidate the voters in this area.

I think the attorney general of Texas states it very well when he said, "There is no doubt in my mind that the signs were placed there to intimidate minority voters."

That is the sum and substance of it. It is not a difficult question to talk about. It is a very clearcut case and if Mr. Fitzwater had come before our committee and said, "I made a mistake; I shouldn't have done it," that would have been one thing. But, no, he did not do that when he came before the committee. He came before the committee, and when Senator BIDEN asked him "Why do you think you are getting all these questions? Do you think it is political," he said, "Yes, I think these questions are merely political."

Many of us on the committee and in this body have voted for people with whom we disagree. I have myself time and time again. It is not a question of political philosophy. It is a question of legal integrity. It is a question of whether or not a man who has the audacity to post a sign of this kind to intimidate voters belongs on the Federal bench with a lifetime appointment.

Mr. SARBANES. Mr. President, will the Senator yield for a question?

Mr. METZENBAUM. I yield.

Mr. SARBANES. When he went out and posted the signs, was he already a member of the judiciary?

Mr. METZENBAUM. He certainly was.

Mr. SARBANES. So there was a judge running around posting signs down in the precinct with huge red letters, "You can be imprisoned"; is that it?

Mr. METZENBAUM. The Senator is absolutely correct.

What kind of a man is this who wants to be a Federal judge for a lifetime appointment?

I say to my colleagues that I hear some of you are going to vote for cloture and then vote against him. We do not have to kid each other. If you vote for cloture and then vote against him, that is not the meaningful vote. The votes are here. Everybody who feels Mr. Fitzwater should not be confirmed should stand up and vote against cloture. The critical vote is the vote on cloture.

I say to my colleagues if you do not believe Mr. Fitzwater belongs on the bench and you are going to eventually vote against him, then the correct vote is to vote no on cloture.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Massachusetts has 3 minutes and 11 seconds and the Senator from South Carolina has 13 minutes and 50 seconds remaining.

Mr. KENNEDY. Since there are no further speakers on behalf of this nominee, I yield 1 minute to the Senator from Colorado.

Mr. HART. Mr. President, under our constitutional system, great deference ought to be given and should be given to the nominees of the President for the Federal bench. In this respect the Senator from Colorado is a constitutional conservative. That conservatism extends to those who might happen to share heavily the President's ideology.

We are not here today, those of us opposing this nomination, doing so because this man happens to be a conservative or even for that matter has reflected in his political or judicial life the ideological values of even an extreme element of conservatism.

The question is one of judgment.

The constitutional deference given the President in his appointees for the Cabinet and particularly for the Federal bench do not extend to the point where the Senate is to give its automatic ratification for the appointee who has poor judgment. That is exactly why we have a confirmation process.

This man by his actions as a member of the bench has not demonstrated the judicial quality of judgment which is the essence of the job that he is being put forward for.

Mr. President, as a general rule, I believe that in the matter of judicial appointments, a President should be allowed to exercise his best judgment. Naturally, from time to time, judges will reflect the ideology of those by whom they are appointed. In the absence of evidence that such nominees are otherwise unsuited for service, I generally believe that we should approve the President's choice.

The nomination of Sidney Fitzwater places this body in a different situation. There are times, Mr. President, when we are called on to carefully consider specific factors in a nominee's background to determine whether he possesses the prerequisites we deem vital to discharge the responsibilities of the Federal judiciary.

Mr. President, I oppose Mr. Fitzwater's nomination because I believe he has failed to exhibit the level of sensitivity and maturity of judgment we must insist upon in one who would be entrusted with a lifetime judicial appointment.

In 1982, while serving as a judge of the Texas State court, Mr. Fitzwater personally posted signs in minority polling places which served to intimidate and discourage prospective voters.

The language of these signs Mr. President, implied that a voter could be imprisoned for accepting transportation to the polls, or for attempting to influence a voter to support a specific candidate.

Mr. President, each of us sits in the U.S. Senate precisely because we were more successful than our opponents in influencing a majority of the electorate to support us. I suspect Mr. President, that a good number of us also worked to assure that citizens wishing to cast their ballots received transportation to the polls to do so.

Our constitutional duty is clear. We simply cannot elevate a person to the Federal bench who, neither independently delved into the accuracy of these signs, nor seemed concerned about their implications.

And what of Mr. Fitzwater's judgment Mr. President? What about those intangibles that contribute to the quality we call judicial temperament? Mr. Fitzwater testified that he read the sign at least five different times. Five times Mr. President, and not once did he conclude that posting such material was inappropriate behavior for a State court judge.

Mr. President, Judge Fitzwater's lack of judgment reflects poorly on his understanding of the first amendment and his understanding of the basic right of citizens to vote in a democracy. In light of the shameful reasons which necessitated Federal voting rights protections; given the long history of minority voter harassment; and given the gross misstatement of the law contained in the signs he posted, Judge Fitzwater has demonstrated that he is unfit for service on the Federal bench.

Mr. President, condemnation of Mr. Fitzwater's actions has come from all quarters and has been nonpartisan. Even the Justice Department, speaking through William Bradford Reynolds—a man not easily accused of voting rights activism—was "concerned that no nonracial justification" had been offered for placing most of the signs at minority precincts.

Mr. President, less than a month ago we celebrated a democratic revolution in the Phillippines. We gloried in televised images of average citizens protecting ballot boxes with their very lives. We understood the yearning of the Filippino people for the fair and unfettered exercise of the right to vote.

Mr. President, the people of the United States demand no less. We cannot afford to be an anemic democracy. Our judiciary must be composed of men and women who zealously cling to the idea of full enfranchisement.

There is no place in such a judiciary, Mr. President, for a judge who warns minority citizens that they can be im-

prisoned for participation in the political process.

I must oppose this nomination. I urge my colleagues to join me in voting against the confirmation of Sidney Fitzwater.

Mr. DOLE. it is my intention to vote for cloture and, if cloture is invoked and we proceed to a final vote, for the confirmation of Sidney Fitzwater to be U.S. judge for the district of north Texas.

Judge Fitzwater was born in Olney, MD, and received both his B.A. and J.D. degrees from Baylor University in Texas. He has several years experience in the practice of the law, having been associated with the firm of Vinson and Elkins in Houston from 1976–78, and a member of the firm of Rain, Harrell, Emery, and Doke in Dallas from 1978–82. In April of 1982, he was appointed to be a district judge in Dallas County, in which capacity he has served until the present time. In 1983, he received the highest overall performance rating of any Federal, State, or county judge in the Dallas metropolitan area.

Because this young man has solid credentials and a distinguished record as a county district judge, I have decided to support his nomination notwithstanding the fact that one very serious issue has arisen in connection with his nomination. That issue, of course, is his involvement in the posting of signs in minority precincts in Dallas County during the 1982 elections. These signs inaccurately represented Texas election law and could very well have had the effect of discouraging minorities from voting.

I believe Judge Fitzwater should have questioned the posting of the signs, but he was only 29 at the time and was himself in a position of vulnerability and inexperience. He had only been appointed district judge a few months before, was up for election himself, and was asked to post the signs by a senior judge in the county. Moreover, I accept his statements that he was told the signs were going to be posted throughout Dallas County and had no knowledge of the fact that they would appear mainly in minority areas. The Justice Department, of course, subsequently found that most of the signs were placed in predominantly minority precincts and that no nonracial explanation had been proffered by county elections officials for the incident.

Judge Fitzwater made an error in judgment. The question is whether this single incident justifies a vote against his confirmation, given his otherwise clean record and solid credentials. I don't believe it does. As Senator SIMON pointed out in speaking in favor of the nomination last week, during the hearings, Judge Fitzwater expressed appreciation and understanding of why there could be legitimate and serious concern about the incident and assured all Senators that if he had known all the facts, he would not have complied with instructions to post the signs. Judge Fitzwater's testimony also reflected sensitivity to the problem of racial discrimination and strong commitment to the principle of civil rights and equal opportunity.

As a consequence, I have decided to vote for the nominee, though I would not call my decision an easy one. Based on the overall record, however, I am convinced that Judge Fitzwater has the qualifications and temperament to be an outstanding judge who is committed to the fair and equal administration of justice for all our Nation's citizens.

Mr. BRADLEY. Mr. President, I rise in opposition to the nomination of Sidney Fitzwater to fill a vacancy in the U.S. District Court for the Northern District of Texas. The record of Mr. Fitzwater's confirmation hearing raises serious questions about his commitment to civil rights and his judgment that cannot go unchallenged.

In 1982 Mr. Fitzwater, a Republican judicial candidate and a sitting State judge, posted three signs outside polling precincts in south Dallas the day before elections. He said he believed that the signs would be posted throughout Dallas, not just in the predominately black south Dallas. He also said he believed that the signs had been approved by the Texas secretary of state. In fact, 90 percent of the signs posted were in predominately black neighborhoods, and the Texas secretary of state had not approved their content.

According to the record, Mr. Fitzwater knew that the sign posting was a purely partisan effort, and that all three of the signs which he posted were in minority neighborhoods. Mr. Fitzwater had read one of the signs five times and knew, or should have known, that the signs were misleading and misstated the law of Texas. He should have known that a voter cannot be imprisoned merely for influencing another person's vote, as the signs said.

He should have known that this warning could be directed at election officials only, not voters, and that it could intimidate persons and promote fear that one risked imprisonment by voting. As an attorney and as a judge, he should have known that the net effect of such fear would be that fewer properly registered voters would choose to vote. Yet even when Mr. Fitzwater went to vote the next day, and observed that his precinct did not have such signs posted, he was not moved to investigate the sign postings, nor even to question their propriety.

Mr. President, a Federal judge is a guardian of the law. To facilitate this great responsibility, the Constitution provides for the lifetime appointment of Federal judges. This lifetime appointment protects the judge from outside pressures, and increases the likelihood that he will weigh all evidence equally and act independently of special interests in favor of the general interest. Consequently, absent ethical misconduct or impeachment proceedings, the Senate's advice and consent function is the last time a nominated judge will be scrutinized for his fitness to sit. We should not take this responsibility lightly.

What, then, should be our threshold requirements for a nominee for a Federal judge position? First, the nominee should conduct himself or herself in a manner suitable to one in such a position. Canon 2 of the "Code of Judicial Conduct," which addresses the appropriate conduct of a judge, states:

A Judge Should Avoid Impropriety and the Appearance of Impropriety in All His Activities.

This canon recognizes that since a judge sits in judgment of others he or she should strive to live by the highest ethical standards to encourage respect for the court's decisions and the law in general. In contrast, Mr. Fitzwater's decision to post the signs not only did not avoid the appearance of impropriety, but also may have constituted an impropriety itself.

That all criminal charges have been dropped against Mr. Fitzwater is not grounds for his exoneration in the light that we must view his activity. A prudent judge would have made further inquiry into both the authorization to post the signs and their legal content. Several of Mr. Fitzwater's colleagues did take these steps. Mr. Fitzwater did not, and therefore failed to meet those ethical standards expected of a judge.

A second threshold requirement for a nominee is that he or she possess sound legal analytical skills and mature judgment. A judge must be the arbiter in disputes among persons and between a person and the state, and must be able to identify all sides of an issue and render a decision based on well-reasoned and mature judgment. It is my belief that Mr. Fitzwater's judgment in posting those signs was neither mature nor well-reasoned. Mr. Fitzwater's conduct demonstrated a profound insensitivity to a genuine problem, a problem that threatens the integrity of each and every election in this country.

Voter intimidation is not a problem of the past, but a national problem that I saw and fought back in 1981 during a gubernatorial campaign in New Jersey. A judge who mistakenly acts on the assumption that voter intimidation no longer exists is like a criminal defendant who claims ignorance of the law as a defense. Insensitivity to ethically improper conduct should not be accepted from a person nominated for a Federal judgeship.

Mr. HATCH. Mr. President, I rise in support of the nomination of Judge Sidney A. Fitzwater for the Federal District Court of the Northern District of Texas. Judge Fitzwater is truly an accomplished lawyer and an outstanding jurist. He is known for his intellectual ability, his analytical mind, and his clarity of expression.

Educated at Baylor University, he received his B.A. degree in 1975. Participating in Baylor's special 3-3 program, he entered law school in what ordinarily would have been his senior year and graduated from the Baylor University School of Law in 1976, already demonstrating that he was a remarkable young man.

He joined a prominent Dallas law firm in 1976, and then moved to a more prestigious firm in 1978, where he worked until his appointment to the Texas district court in 1982. He has served with distinction as a Texas State judge from that date forward until the present day.

Judge Fitzwater's nomination was widely acclaimed by his peers. That is a remarkable achievement for a man who is the youngest State district judge in the history of Texas. He has had a remarkable career ranging from State debate champion to law student to successful attorney and then to State district judge.

While Judge Fitzwater is young, let us older folks not hold it against him. His youth makes the ABA approval of his qualifications even more compelling.

During his nomination hearings, Judge Fitzwater certainly impressed this member of the Judiciary Committee with his intelligence and his legal reasoning.

Allegations have been made against Judge Fitzwater of either covert prejudice or lack of judicial maturity due to his approval of signs posted in low-income Dallas wards during the 1982 election. Judge Fitzwater has been completely absolved of any wrongdoing or even of misjudgment by competent legal authorities in Texas. In fact, in May 1983, the plantiffs agreed by consent to voluntarily drop the lawsuit brought against Judge Fitzwater and other officials in Texas. Shortly thereafter, the U.S. district court dismissed the entire lawsuit for lack of standing and lack of subject matter jurisdiction.

The signs in question were cleared by the Texas secretary of state and by the Dallas County sheriff. And Judge Fitzwater has testified that he thought the signs were being distributed throughout the county.

Theodore Steinke, the assistant district attorney in Dallas County has stated that the signs in question "appeared not only in some south Dallas precincts, but also in some north Dallas ones, and that there was no evidence that the signs were placed in the polling places specifically to intimidate or disenfranchise voters."

Allegations have been made that the signs were in violation of the law, however, the assistant district attorney concluded after a thorough study of this matter, that "there was no violation of the Texas Penal Code or the Texas Election Code which, in fact, neither permits nor prohibits such signs."

Allegations have also been made that the signs were designed to intimidate minority voters at the polling place. Judge Fitzwater has stated under oath that he thought two particular items on the signs were directed at election officers and under no circumstances was he attempting to intimidate voters.

The former prosecutor of Dallas County and several leading members of the bar from the Democratic Party have written to the Judiciary Committee attesting to Judge Fitzwater's probity, integrity, and juristic ability. He comes highly recommended by all who have come in contact with him.

In conclusion, Mr. President, I wish to emphasize that Judge Fitzwater is an unusual young man who has the support of his peers and his community for the important and demanding position of Federal district judge. He shows great promise of being an outstanding Federal jurist. It is my pleasure to join in support of this talented and able young man. I recommend approval without qualification and with enthusiasm.

The PRESIDING OFFICER. Who yields time?

If no one yields time the time runs equally.

Mr. KENNEDY. Mr. President, the distinguished ranking minority member of the Judiciary Committee, Senator BIDEN, is on his way over here. There is only 1 minute remaining. He would like to be able to address this issue.

I think all of us are aware that under the rules of procedure we can get a quorum call and eat up the time.

I would hope that perhaps those in support of the amendment would speak and then permit the ranking minority member to do so. Out of deference to his position, I would hope we can get that degree of accommodation. I am not trying to delay the vote.

Mr. THURMOND. How much time remains?

The PRESIDING OFFICER. The Senator from South Carolina has 14 minutes remaining and the Senator from Massachusetts has 1 minute remaining.

Mr. THURMOND. Out of courtesy to the distinguished Senator from Delaware, Senator BIDEN, I will stop and allow him to speak when he comes.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, this administration has appointed this man to be a judge on the Federal district court for the Northern District of Texas. His name is Sidney Fitzwater.

He was investigated by the FBI, he was investigated by the administration, and found to be competent and qualified and therefore they submitted his name to be appointed.

Mr. President, the Judiciary Committee has investigated him. We have thorough investigators on the committee. As chairman of that committee I do not want any judge, regardless of who he is, Republican, Democrat, Independent, or what not, to be appointed or confirmed unless he is a man of character and ability and who is fair in his dealings with his fellow man. Our investigators found this man qualified.

If you are against someone politically, who you do not agree should be a judge, you can find some reason to be against him. No better reason has been given here to turn this man down.

This man graduated from Baylor University in 1975 and Baylor Law School in 1976. He practiced in Houston and Dallas for 6 years. This very judge received the highest overall performance rating of any Federal, State, or county judge in Dallas County in 1983.

Is this a recommendation? How are they going to answer that? You Senators who oppose this man, how are you going to answer this? Get up and answer it. How are you going to answer this man, when the bar out there gave him the highest rating of any Federal, State, or county judge in Dallas County?

Now, Mr. President, he has served as a judge of the 298th judicial district in Dallas County from 1982 to the present. That is 4 years. If there is something wrong with this man, if he is biased, if he discriminates, certainly the people would have found it out. How was he selected? Was he appointed by someone? No. He was elected by the people. The people elected him. That is the reason that a judge has to get out when he runs before the people and operate as a politician to a certain extent to get elected.

Reference was made by the distinguished Senator from Ohio here that the ABA barely approved him. The ABA held him qualified. Why did not they give him a little better rating of well qualified? Because he was so young and did not have so much experience. He had had 9 years practicing law. The ABA requires 12 years to get the highest rating. Is not that a commendation to him, that this man who had not practiced but 9 years was found qualified by the American Bar

Association in spite of their guidelines that they required 12 years? They thought highly of him, so highly of this judge, that they approved him even though he had not practiced but 9 years when their guidelines required 12 years.

It is ridiculous to turn this man down. Do you want to destroy a man's reputation, a young man like this, who was voted the finest judge in Dallas County of all the judges Federal, State, and county, turn him down for what? Why would you turn him down?

Oh, the only thing up here is the fact he puts up a few signs. What do these signs say? The signs merely repeat the law of Texas on elections. Is there anything wrong with that? This sign he puts up is the law of Texas. It would be good to put in every place and precinct in these United States to let people see what the law is on elections.

Here is what the sign said: "If you offer or accept or agree to offer or accept money or anything else of value to vote or not to vote, you can be imprisoned." Why should they not know that? Maybe some people do not know that.

You can be imprisoned:

If you influence or try to influence a voter how to vote.

The distinguished Senator from Massachusetts says you have a right to influence people—but not at the polling precincts, not within so many feet of that voting box. That is the law of Texas.

If you vote without being registered.

Well, should they not know that? Some people do try to vote without being registered. They have been caught and punished for that. That is the law of Texas.

If you let a person vote more than once.

And some people in Texas have had a reputation, I understand, for voting more than once. Some very vital elections have been carried out this way.

Mr. METZENBAUM. Will the Senator from South Carolina yield?

Mr. THURMOND. I am not yielding until I am finished. You have had your time; I have mine now.

Mr. METZENBAUM. Would you yield about the question about the legality in Texas?

Mr. THURMOND. Mr. President, I am not yielding, I said.

Mr. METZENBAUM. OK.

Mr. THURMOND. Mr. President, "If you vote with someone else's registration."

Well, that is against the law. That is the law of Texas, is it not, I say to Senator GRAMM?

Mr. GRAMM. It certainly is.

Mr. THURMOND. "Violate Texas Election Code or Texas Penal Code."

That is all the sign says. That sign back there that they are trying to use to keep him from being a Federal judge merely quotes the law of Texas. And what is wrong with that? It is a good law. It prevents fraud in elections, instills honesty in elections. What honest man can object to that?

If you are against the man, of course, you can find some reason to be against him. You do not want Mr. Reagan to appoint him, that is the whole thing.

Mr. President, even a Democratic chairman out there in 1982, the Democratic chairman—and these are Democrats who are raising this question about it—listen to what he said:

I would like to advise the Committee on the Judiciary of the Senate of the United States of my complete, total support for President Reagan's nomination of the State district judge Sid Fitzwater to the Federal district bench of the Northern District of Texas, Dallas division.

Who is he? The Democratic chairman. He is an honest man and he gave his statement in an unbiased way here.

It has come to my attention that some people believe that Judge Fitzwater's political activities somehow detract from his ability and competence to be a Federal district judge.

Now, listen to this:

I believe I can speak to both because in 1982, I was chairman of the Democratic Party of Dallas County and since Judge Fitzwater's appointment and selection to the State district court, I have practiced in his court and tried lawsuits before him.

While I in no way agree with the tactics of the Republicans during the 1982 election, in my opinion Judge Fitzwater's connection with it was so infinitesimal that it certainly has no bearing and no relationship to his competence and his ability to be a Federal district judge.

"Although I am a partisan Democrat"—these are his words—"I would like to stand in front of the committee and urge you"—he came before our committee, came here in person and testified for this man, the Democratic Party chairman—"and urge you to support the President's nomination and confirm Judge Fitzwater to this extremely important judicial position."

Then he winds up his testimony by saying:

I think he deserves the appointment and warrants the confirmation by the U.S. Senate.

Mr. President, I do not believe the Democratic chairman would have come here and gotten on the witness stand in the U.S. Senate and made those kinds of statements if he felt that Mr. Fitzwater was a bigot or favored discrimination or was incompetent or not qualified to be a judge.

Mr. President, I want to say further that this matter was investigated in Texas when somebody raised a point about it. The Assistant District Attorney, Chief, Public Integrity Section, investigated it and here is what he found:

I am writing this letter to confirm the investigation of the 1982 general election in Dallas County, conducted by this office and the Dallas County grand jury, specifically as regards the placing of warning signs in a number of Dallas County polling places. The placing of those signs was one of 18 matters subject to a 7-month investigation by this office, culminating in a lengthy review by the grand jury which ended on July 1, 1983; the grand jury declined to return indictments or take any action on any of the 18 matters.

This office decided to investigate the sign postings after receiving several complaints alleging that the signs, which warned voters that they could be imprisoned for violating the Texas election code (e.g., voting twice, electioneering, influencing other voters, etc.) were placed in south Dallas precincts specifically to intimidate and disenfranchise minority voters. While I cannot discuss the specifics of our investigations, I can tell you that the signs appeared not only—

Listen to this now—

the signs appeared not only in south Dallas precincts, but also in some north Dallas ones;

This was investigated in Texas. Are some Senators going to come here and try to take this matter out of the hands of the investigators? Here is what he said, the head of the investigation in Dallas County. He says:

I can tell you that the signs appeared not only in some south Dallas precincts, but also in some north Dallas ones; and that there was no evidence that the signs were placed in the polling places specifically to intimidate or disenfranchise voters. This office concluded that there was no violation of the Texas penal code or the Texas election code (which in fact neither permits nor prohibits such signs). And as I said before, the grand jury took no action on the matter.

So you had the FBI investigate him, you had the Judiciary Committee investigators investigate him, you had the Public Integrity Section down in Texas investigate him, and they all have given him a clean record. Well, what else could you want?

Now, is this going to be just a matter of fighting a Reagan appointment or are you going to give him an honest, fair hearing, and an honest vote in the Senate?

I understand the distinguished Senator from Delaware is here now. I believe he has 1 minute left and I want to give him a chance to speak.

The PRESIDING OFFICER. The Chair would ask to suspend the running of the time for a moment. The Senator from Massachusetts has 58 seconds left. The Senator from South Carolina has 1 minute and 40 seconds left. I would like to inquire of the two managers, against whose time is the Senator from Delaware being charged?

Mr. KENNEDY. The Senator from Massachusetts.

The PRESIDING OFFICER. The Senator yields the remaining time of the Senator from Massachusetts to the Senator from Delaware.

Mr. BIDEN. Mr. President, I intend to vote against the nomination of Sidney Fitzwater to be a U.S. District Court judge and I urge my colleagues to do the same.

The major issue in contention here, is that during the 1982 elections Mr. Fitzwater, then a sitting State court judge and himself a candidate for election, posted signs which clearly could have had the effect of intimidating minority voters at balloting locations in minority precincts. Although I am of the opinion that Sidney Fitzwater is intelligent and has a record of professional competence as a State trial court judge in Texas, I believe his actions in this sensitive situation failed to demonstrate the independence of thought or judgment which are essential for a Federal court nominee.

Two fundamental questions have been raised concerning Mr. Fitzwater's temperament and judgment. First, is he sufficiently impartial and sensitive to the implications of posting those signs in minority precincts in light of the historic struggle of racial minorities against voter intimidation and harassment? Second, was Mr. Fitzwater's posting of signs in minority precincts an appropriate act for a sitting judge?

I attended Mr. Fitzwater's confirmation hearing and listened to and questioned him at length, as well as those witnesses who supported and opposed his confirmation. Based on the record of that hearing, I have concluded that Mr. Fitzwater did not appreciate, either in 1982 when he posted those signs, or today, the impact his actions might have had on minority voters.

It is also clear that the signs contained inaccurate, or at the very least, misleading statements of Texas law. The list of prohibited activities on the signs included accepting anything of value to vote or not to vote, and trying to influence a voter how to vote. It is, of course, common practice to provide rides to the polls or to encourage voter participation. And the suggestion, as stated in the text of the signs, that a voter cannot try to influence another voter is certainly a violation of one of the most fundamental principles of free and democratic elections.

Mr. Fitzwater's posting of such signs compromised the public perception that judges and courts are a forum for the fair, unbiased, and impartial adjudication of disputes. His actions stand in marked contrast to the judgment of several of his colleagues who refused to post the signs because it was not an appropriate thing for a judge to do.

Mr. Fitzwater testified that he had no hesitation in complying with a request made by an influential senior judge that he post the signs in three minority precincts. Although he acknowleged that he personally read the signs several times, he did not question the propriety of such activity at the time and he adhered to this position during his confirmation hearing before the Judiciary Committee. His testimony indicates that he felt he had been absolved of any independent responsibility for these actions by virtue of the fact that others had deemed the signs to be appropriate. He displayed little appreciation for the meaning which might be imputed to the signs or for the history of voting rights denials which might color a potential voter's reaction to the presence of such signs at a polling place.

Mr. President, a Federal district court judge holds a position of unique stature and trust in our society. These judges are called upon to be the initial arbiters of disputes over the most basic rights and liberties guaranteed by the Constitution. In the first instance, a district court judge establishes the ground rules for litigation of a case and makes many rulings which are never reviewed by the appellate courts. It is said by many that there is no power so great as that which resides within the courtroom of a Federal district court judge. It is for that reason that I believe judgment and temperament to be essential qualities in evaluating a nominee for that position.

In the case of Sidney Fitzwater, it is not his youth or inexperience which troubles me. It is, rather, his inability to demonstrate that he understands the implications of his actions, as they affected the right of minorities to cast their vote. Any nominee for a Federal judgeship must be cognizant of the history of voting rights violations which has marred our Nation's history. With voting rights disputes a major issue of Federal jurisdiction, he must demonstrate an understanding of the central importance of voting rights to our democratic system.

In dealing with matters of such consequence, Mr. Fitzwater failed to exercise the necessary judgment or temperament to qualify him to serve in the special and trusted position of a Federal court judge.

Mr. President, let me respond to the last statement made by the Senator from South Carolina. The question is, what violation? The violation that was committed here was a violation of good judgment, sound judgment, and judicial temperament; not whether or not the man is a criminal and committed a crime, but whether or not he should have had the good sense to avoid being involved in what is a scam.

I should point out to you that the Texas Legislature, following this incident, passed overwhelmingly a provision saying, "You can't do that any more." It is now Texas law.

The question becomes whether or not a man should be elevated to the Federal court who has shown the lack of good judgment that other members on the bench with whom he served concluded they should not participate in.

I can see the Chair is about to raise the gavel. My time must be up. I urge my colleagues to vote against Mr. Fitzwater and the cloture motion.

The PRESIDING OFFICER. The time has expired.

Mr. THURMOND. Mr. President, I yield 30 seconds to the able Senator from Kentucky.

Mr. McCONNELL. Mr. President, I thank the distinguished chairman of the Judiciary Committee.

Summing up, after listening to the debate for an hour, I think it is important to understand what is at issue here. Judge Sid Fitzwater placed signs in 1 precinct out of approximately 300 precincts in Dallas County—1 precinct out of approximately 300 precincts in Dallas County. Subsequently, a lawsuit was filed surrounding the posting of those signs. Judge Fitzwater was dismissed, and that is it.

There is simply nothing else to the opposition to this outstanding nominee. One precinct out of 300, a subsequent lawsuit, dismissal as against Judge Fitzwater and others, and that is it. That is the totality of the case against this nominee.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. THURMOND. Mr. President, I yield 30 seconds to the Senator.

Mr. McCONNELL. Mr. President, it would be an outrage for the Senate to fail to confirm this outstanding young man for the Federal bench based on this total lack of evidence of any impropriety.

I urge the Senate to confirm this nomination.

Mr. THURMOND. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Fifteen seconds remain to the Senator from South Carolina.

Mr. THURMOND. Mr. President, I want to say in closing that I hope the Senators will vote cloture, and give the Senate a chance to vote in this body so the majority can control this matter.

They cannot control it unless we get cloture. I hope they will vote cloture.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point responses to questions by Judge Fitzwater at his hearing on February 5, 1986.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

During his hearing on February 5, 1986, Judge Fitzwater responded to several questions concerning his involvement in the posting of warning signs at polling places. His responses to these questions were as follows:

1. Question: Judge Fitzwater, at your first hearing on November 22, 1985, I asked you to tell the committee your role in the posting of election material at various polling

places in the Dallas, Texas, area. The signs posted informed voters of the consequences of voter fraud. For the record, will you again tell the committee your involvement in that incident?

Judge Fitzwater responded:

"At the November 2, 1982, general election in Dallas County, I was a candidate for election to the 298th district court, having been appointed to that position earlier in the year.

"Two days prior to the election on Sunday, October 31, 1982, I received a telephone call from Justice Pat Guillot, a judge on the Dallas Court of appeals. I was not home at the time, but when I returned home I returned his telephone call.

"At that time, Justice Guillot asked me to participate in an effort to help reduce voter fraud. He told me that the effort would consist of the posting of signs in polling places warning the consequences of voter fraud.

"He represented to me that the effort would take place throughout Dallas County in its entirety; that the effort had been approved by the Texas secretary of state; that it had been approved by the Dallas County sheriff; and that there was a need for judicial candidates to participate because there were not enough volunteers to cover every precinct.

"He indicated to me that for those precincts for which they could not get volunteers, the sheriff of Dallas County would utilize his deputies and that there were not enough deputies to cover all of the precincts, so that judicial candidates were being asked to help out with the rest.

"Based on those representations, I agreed to participate. The next day, November 1, 1982, after completing a day of jury trial that was in its second week—at the conclusion of that day, delivered to my chambers were nine signs; a list of precincts, with three precincts designated; and a cover letter from Justice Guillot.

"The cover letter confirmed again that he had received the approval of the secretary of state and the Dallas County sheriff for this effort. The signs were to be posted, three at each precinct, and I was, as I said, given a list of the precincts.

"I had earlier in the day asked Judge Craig Enoch, a fellow state district judge, whether he had been asked to participate. Judge Enoch's name was mentioned to me in Justice Guillot's telephone call.

"The first time in the day, Judge Enoch indicated he had not been contacted, but at the end of the day he indicated he had been. He had made other arrangements to post his signs that he had been given, so he agreed to accompany me in the posting of my signs.

"The first polling place on my list was South Oak Cliff High School, which is located in south Dallas County. Judge Enoch accompanied me to that polling place that evening somewhere between the hours of 8:30 and 9:30 p.m. I posted three of the signs there at what I believed to be the main entrance to the high school.

I then drove to the other two polling places, but found that signs had already been posted there. I do not know by whom, and to this day do not know. Therefore, I did not post signs there.

"I then proceeded to the next location and found that signs had already been posted there, so I did not post additional signs. I dropped Judge Enoch off at his house and I returned to my house with six extra signs."

2. Question: Judge Fitzwater, as far as you were aware, the posting of these signs had been cleared by the Texas secretary of state and by the Dallas County sheriff. Now, was there any reason for you to believe otherwise, and if so, please explain?

Judge Fitzwater responded:

"No, Mr. Chairman, these was no reason for me to believe otherwise. As I previously testified, Justice Guillot represented to be orally that the effort was approved and, in addition, he set forth those representations in a letter that I mentioned that accompanied the signs and the precinct list. If I may, Mr. Chairman, I brought the letter with me. I would like to read that, if I may, at this time. It is not the letterhead of Pat Guillot.

"The letter reads as follows: 'Governor Clements' Ballot security chairman requested that all of his judicial appointments help out in the effort to keep voting fraud to a minimum. You are requested to post these posters in the polling places early tomorrow. Your precincts have been circled. 'I talked with David Dean and Sheriff Byrd Friday and cleared this with them. Remember, when you discourage voting fraud, you gain votes, too.' "And it is signed Pat Guillot."

3. Question: Judge Fitzwater, were you aware of any statutes or election codes that were violated by the posting of these signs?

Judge Fitzwater responded:

"None that I know of."

It should be noted that the judiciary committee confirmed this in a letter received from Theodore P. Steinke, assistant district attorney, chief, public integrity section, specialized crime division, Dallas County. Mr. Steinke's letter states in part:

"This office concluded there was no violation of the Texas penal code or the Texas election code which, in fact, neither permits nor prohibits such signs."

4. Question: Judge Fitzwater, there has also been an allegation that the placing of these signs was an attempt to intimidate minority voters at the polling place.

How do you respond to that allegation?

Judge Fitzwater's response was as follows:

"Mr. Chairman, I can state unequivocally that I had no personal intent nor was I attempting to intimidate minority voters."

5. Question: Judge Fitzwater, there has been an allegation that these signs incorrectly stated the law regarding voter fraud. Would you tell the committee what the signs states, and were they, in fact, derived from Texas law?

Judge Fitzwater responded:

"The sign started out as follows, in smaller black type: 'Do Not Remove This Sign by Order of the Sheriff of Dallas County.' Then in large, red type it said, 'You Can Be Imprisoned' and then under that in black type, in smaller type, 'Number one if you offer, accept or agree to offer or accept money or anything else of value to vote or not vote; two, if you influence or try to influence a voter how to vote; three, if you vote without being registered; four, if you let a person vote more than once; five, if you vote with someone else's registration; six, violate Texas Election Code or Texas Penal Code'."

"Then underneath that in larger, red type it again said, 'Don't Risk It, Obey the Law'."

"As to whether or not the particular items in the sign were derived from Texas law, in my research of the matter, which took place after the incident in question, I found the following.

"With respect to item number one, 'if you offer, accept or agree to offer or accept money or anything else of value to vote or not vote,' in November of 1982 section 3602(a)(1) of the Texas Penal Code, entitled 'bribery,' provided in pertinent part, 'a person commits an offense if he intentionally or knowingly offers, confers or agrees to confer on another or solicits, accepts or agrees to accept from another any pecuniary benefit as consideration for the recipient's decision, opinion, recommendation, vote, or other excercise of discretion as a public servant, party official or voter.' The offense of bribery was a second-degree felony punishable by imprisonment for a term of 2 to 20 years.

"The second item, 'if you influence or try to influence a voter how to vote'—I might make an observation with respect to this item and item number four. In my review of the sign, I believe that these particular items were directed to election officers as opposed to voters.

"I think that is true because of the way the sign reads, and also because of where the signs were to be placed.

"In November of 1982, article 15.24 of the Texas Election Code, entitled 'influencing voter,' provided, 'any judge, clerk, or other person who may be in the room where an election, either primary, special, or general, is being held who there indicates by word or sign how he desires a citizen to vote or not to vote shall be fined not less than $200 nor more than $500 and be confined in jail not less than 10 nor more than 30 days.' The period of imprisonment for that offense, as set forth in the statute, is 10 to 30 days.

"Number three, 'if you vote without being registered,' in November 1982, article 15.41 of the Texas Election Code, entitled 'illegal voting,' provided, 'if any person knowing himself not to be a qualified voter shall at any election vote for or against any officer to be then chosen or for or against any proposition to be determined by said election, he shall be guilty of a third-degree felony.'

"Pursuant to article 5.02(a) of the election code, a qualified voter was a person who, among other things, has complied with the registration requirements of this code. In November 1982, a third-degree felony was punishable by imprisonment for a term of two to ten years.

"Item number four, 'if you let a person vote more than once'—as I indicated previously, Mr. Chairman, it appears to me that this item, like item four, is directed to election officers.

"In November 1982, article 15.42 of the Texas Election Code, entitled 'instigating illegal voting,' provided, 'whoever shall procure, aid or advise another to give his vote at any election, knowing that the person is not qualified to vote, or shall procure, aid or advise another to give his vote more than once in such election shall be guilty of a felony of the third degree.'

"In November 1982, a third-degree felony was punishable by imprisonment for a term of two to ten years.

"Item number five, 'if you vote with someone else's registration,' in November 1982, article 15.48 of the Texas Election Code, entitled 'falsely personating another,' provided, 'whoever attempts to falsely personate in an election another person and vote or attempt to vote on the authority of a voter registration certificate not issued to him by the county's registrar of voters shall be confined in the penitentiary not less than three nor more than five years.' So the period of imprisonment, three to five years, is set forth in the statute.

"Finally, item number six, 'violate Texas Election Code or Texas Penal Code,' in November 1982, there were various provisions

of the Texas Election Code and election-related provisions of the Texas Penal Code for which one who violated the codes could be punished by imprisonment."

Mr. President, I believe Judge Fitzwater answered questions propounded to him by the judiciary committee in an honest and forthright manner. He is a man of integrity, ability, and courage. I urge my colleagues to vote in favor of Judge Fitzwater's nomination for the position of Federal district court judge.

Mr. KENNEDY. Mr. President, I ask for the yeas and nays.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the time for debate under the unanimous-consent agreement having expired, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the question of advising and consenting to the nomination of Sidney A. Fitzwater, of Texas, to be United States District Judge for the Northern District of Texas.

Bob Dole, Strom Thurmond, Phil Gramm, Daniel J. Evans, Thad Cochran, Paul Simon, Bill Armstrong, Orrin G. Hatch, Mitch McConnell, James A McClure, John Heinz, Dan Quayle, Slade Gorton, Chuck Grassley, Pete Domenici, and Ted Stevens.

VOTE

The PRESIDING OFFICER. By unanimous consent the quorum call has been waived.

The question is, Is it the sense of the Senate that debate on the nomination of Sidney A. Fitzwater of Texas, to be U.S. district judge for the northern district of Texas, shall be brought to a close? The yeas and nays are mandatory under the rule.

The clerk will call the roll.

Mr. SIMPSON. I announce that the Senator from Maryland [Mr. MATHIAS] is absent on official business.

Mr. CRANSTON. I announce that the Senator from Arkansas [Mr. BUMPERS] is necessarily absent.

I also announce that the Senator from Hawaii [Mr. INOUYE] is absent because of a death in the family.

The PRESIDING OFFICER (Mr. ARMSTRONG). Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted—yeas 64, nays 33, as follows:

[Rollcall Vote No. 40 EX.]

YEAS—64

Abdnor	Armstrong	Bentsen
Andrews	Baucus	Boren
Boschwitz	Hawkins	Pryor
Chafee	Hecht	Quayle
Cochran	Heinz	Roth
Cohen	Helms	Rudman
D'Amato	Hollings	Simon
Danforth	Humphrey	Simpson
DeConcini	Johnston	Specter
Denton	Kassebaum	Stafford
Dole	Kasten	Stennis
Domenici	Laxalt	Stevens
Durenberger	Long	Symms
East	Lugar	Thurmond
Evans	Mattingly	Trible
Garn	McClure	Wallop
Goldwater	McConnell	Warner
Gorton	Murkowski	Weicker
Gramm	Nickles	Wilson
Grassley	Packwood	Zorinsky
Hatch	Pell	
Hatfield	Pressler	

NAYS—33

Biden	Ford	Matsunaga
Bingaman	Glenn	Melcher
Bradley	Gore	Metzenbaum
Burdick	Harkin	Mitchell
Byrd	Hart	Moynihan
Chiles	Heflin	Nunn
Cranston	Kennedy	Proxmire
Dixon	Kerry	Riegle
Dodd	Lautenberg	Rockefeller
Eagleton	Leahy	Sarbanes
Exon	Levin	Sasser

NOT VOTING—3

Bumpers	Inouye	Mathias

The PRESIDING OFFICER. On this vote, the yeas are 64, the nays are 33. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

Mr. METZENBAUM. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second for the yeas and nays?

Mr. METZENBAUM. On the nomination.

The PRESIDING OFFICER. The Senator from Ohio seeks the yeas and nays on the nomination.

Mr. METZENBAUM. That is correct.

The PRESIDING OFFICER. Now, then, the question is on the yeas and nays. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Maryland.

Mr. SARBANES. Mr. President, I am seeking recognition to speak on the nomination.

The PRESIDING OFFICER. The Senator has been recognized to speak on the nomination, and the Senate will be in order.

Mr. SARBANES. I thank the Chair.

Mr. President, we had a very short debate time on the cloture motion. I would like to take a few minutes to discuss this nomination a little further. First of all, let me say it comes before us——

Mr. BYRD. Mr. President, may we have order.

Mr. STENNIS. Mr. President, may we have order so Senators can hear.

The PRESIDING OFFICER. If the Senator from Maryland will suspend, the Chair will seek order.

Mr. President, this nomination comes before us, first of all, without a report from the committee and without a printed hearing record. Far be it for me to intrude into the procedures of the Judiciary Committee, but it does seem to me that if we are going to have controversial nominations on the floor of the Senate—and this obviously is such a nomination, with a fairly close cloture vote, and I assume a fairly close vote to come on confirmation—we ought to have a report, or at a minimum that the hearings of the committee should be printed so that the Members of the Senate can have the opportunity to have the printed hearing record before them and be in a position to review it.

Now, as I understand it, a hearing was held on this nominee on November 22, 1985. And then another hearing was held on February 5 of this year. So it was clear after the first hearing, I take it, that it was not a nomination without some questions to it.

Given that this was the case, the Senate should have had the benefit, I would hope, of a report and a dissent but, if not, at least the hearings should have been printed and made available so Members could have had them and had an opportunity to review for ourselves the testimony that Mr. Fitzwater made before the committee, the questions that were put to him, and his responses.

The PRESIDING OFFICER. The Chair regrets to interrupt the Senator from Maryland, but the Senate is not in order. The Chair urgently requests Senators desiring to converse leave the Chamber, retire to the cloakroom so the Senator from Maryland can be heard. The Senator will not proceed until the Senate is in order.

The Senator may proceed.

Mr. SARBANES. Second, Mr. President, I was really prompted to take this time after the invoking of cloture by some of the comments that were made in the debate leading up to the cloture vote, and particularly by the very elaborate point that was made by the chairman of the committee pointing out that a grand jury had looked into Mr. Fitzwater's activities and had decided that there was not a sufficient basis to indict him criminally.

Well, I am happy to hear that, but it seems to me that if the standard now for being placed on the Federal bench is that you are not criminally indictable, we have reached a pretty low state.

So the second point I want to make, and the one that really moved me to take this time—I had not originally planned to speak again on this nominee because I spoke briefly before the

cloture vote—is the standard that at least some in this body are setting for lifetime appointments to the Federal bench. I hope that there is a standard higher than not being criminally indictable. I do not really think it contributes very much to the argument on behalf of the nominee to cite chapter and verse about investigations that were made into his activities which then resulted in no further criminal proceedings.

This is an instance in which the fact that he had engaged in activities which prompted such an investigation should raise questions about his qualifications to go on the Federal bench and to receive the confirmation of the U.S. Senate to a lifetime appointment.

Some, in fact, have raised the question should he be denied a Federal judgeship, as though in some way there is a claim or an entitlement to a Federal judgeship. It seems to me that those assertions need to be addressed and thought about by Members of this body.

It is my own view that once a nomination to the Federal bench is sent to us by the President, the role of the Senate is broader and deeper than it is with executive branch nominations, because we are talking about the third independent branch of the Government, and that the argument that a President uses with respect to the executive branch—namely, that these people are to serve him in the executive branch—is not present when you are considering a judgeship appointment. The nomination by the President represents the President's judgment and is entitled to consideration by the Senate. But the courts are the third independent branch of our Federal Government, and I think it requires the Senate to make a very independent judgment, particularly in light of the fact that once confirmed, these nominees will serve for life.

Mr. President, I discussed in the earlier debate the sign that Mr. Fitzwater was posting in Dallas in the 1982 election. Actually, as I think about it, this issue is one of the best arguments for bringing TV to the Senate. I wish we had television now, so that the people could actually see the sign we are talking about, because proponents of Mr. Fitzwater, in talking about the sign, spent a lot of time talking about the small, black print that cannot be read unless you are very close to the sign. I want to talk about the large, capital, red letters that can be read from anywhere in this Chamber and from its gallery: "You can be imprisoned. Don't risk it. Obey the law."

Well, someone says: "What's wrong with that? You ought to obey the law. Don't risk it. You can be imprisoned if you don't obey it."

Mr. Fitzwater is posting these signs in minority precincts in Dallas. He was a sitting member of the bench at the time, as I understand it, so you have a judge engaged in this kind of activity, running around precincts, posting these election signs. You are also doing it in a part of the country where there has been a past history of intimidation of voters, people fearful of exercising their franchise.

I submit that coming in with a sign, even if it had none of the black print, which you cannot read anyhow—you have to get right up to the sign to read the black print—if you just came in with the red letters, a huge sign, big, red letters, posted them in the precinct, my view of that is that it is a tactic of intimidation.

This was done in the context of such activity taking place in other parts of the country. It is not as though this were an isolated event. Intimidation took place in the 1981 gubernatorial election in New Jersey. That led, in effect, to a consent order being signed by the Republican committee with respect to that activity, which was engaged in the 1981 gubernatorial election. In 1984, in the State of Maryland, in certain precincts, private security guards in uniform came into the precinct, wearing big badges, "ballot security," posted signs. That is a tactic of intimidation.

There is an electoral board in every jurisdiction designed to run honest elections, and they ought to be held to that. I can think of nothing more sacred in our democracy than an honest election and protecting the right of people to vote. It is the fundamental basis upon which our democratic political system rests. It is essential to everything else—essential.

We are told that Mr. Fitzwater is a very bright person. He may in fact be a bright person.

Then a lot of accusations are made—why is everyone interested in this thing? I am frank to tell you that I had not focused on the Fitzwater nomination until I came on the floor and saw this sign and became apprised of the fact that he was involved in this tactic.

Three of his fellow judges on the bench, involved in that election, as I understand it, were asked to post signs and in the end refused to do it because they felt it was improper. They perceived that doing this undercut and undermined the integrity of the political process, and they were not about to lend themselves to it. Mr. Fitzwater went ahead and did it.

They say, "Well, he only did it in one place." He did it. He went back to his own precinct, not in a minority area, where there were no such signs, recognized that there were no such signs, by his own testimony, as I understand it, but did not post any signs there.

I submit that no Member of this body can look at that sign and not appreciate what was at work. You can read those red capital letters clearly from the opposite side of the room. I cannot refer to the gallery, or I would ask the people upstairs whether they can see it. Obviously, they can see it. You cannot see the black letters.

When the proponents of Mr. Fitzwater got up to talk, they spent all their time talking about those supposed statements of Texas law. Well, there has been some debate about whether they accurately state Texas law or do not accurately state Texas law. Someone said, "You can't try to influence the way someone votes." Of course, that is the heart of the democratic process. We are then told that what they meant is that you cannot do it within 50 feet of the polling place. It does not say that.

I do not want to be caught up in arguing about what the Texas law says. I want to talk about what anyone approaching the polling place would have seen, and that is the sign with the huge, red capital letters. Three of Fitzwater's colleagues had the good judgment, the sensitivity, the understanding, to sense, that this was not the right thing to do, and they refused to do it. He went ahead with it.

Mr. HART. Mr. President, will the Senator yield for a question?

Mr. SARBANES. I yield to the Senator from Colorado.

Mr. HART. The distinguished committee chairman, in his argument for this nomination, made much of the fact that this was just done in one precinct, as if it had been done in 10, 20, 30, or 40 precincts, that might have been enough not to put the nomination forward. Does the Senator from Maryland think there is an argument to be made here that the nominee put the sign up in one precinct only?

Mr. SARBANES. My own view is that the judgment that we are seeking to evaluate was reflected when Mr. Fitzwater went ahead and posted the sign.

Mr. HART. That he just put up one?

Mr. SARBANES. Yes, I do not think you can put these kinds of signs up. We are not only told on the one hand he is a very bright fellow, and I am in no position to argue that—I accept the assertion—we are told he was very bright, was the tops at his law school at Baylor, very smart, and everything. Then, on the other hand, he goes out and posts this sign.

Then we are supposed to say, well, in a sense maybe he did not really realize what he was doing.

When he came before the committee I did read an excerpted version of this, and I have to admit it may not be in full context. As I said earlier we do not have printed hearing records before us. He continued to defend this sign. I guess he thought, "I am now in this position: I either got to defend it and ride it out that way, or admit it was a

mistake and then see how people will react to that."

But he reflects no sensitivity to what the impact of the sign is. I invite everyone of my colleagues to take a careful look at that sign and to ask themselves what the impact of that would be on voters going to the polling place, particularly bearing in mind that you are talking about minority voters where there has been a historical problem at least of the right of access to the polling place.

Mr. HART. Mr. President, will the Senator yield for another question?

Mr. SARBANES. Yes.

Mr. HART. It was only recently, was it not—one should not probably draw too great a comparison here—that many people in this country celebrated what is now being called a democratic revolution in the Philippines, brought on not by Mr. Marcos' excess in centralizing political power, not just by Mrs. Marcos' excesses in spending Filipino taxpayers' dollars, but because an election was stolen, some extraordinary practices were used to steal an awful lot of votes and tilt the outcome of an election.

Obviously, that is not what is going on here, but it does go to, I think, the very central point, the very accurate remarks the Senator from Maryland made about the extreme importance of integrity in voting and the sanctity of the ballot box and the vote in democracy. Is that not really what the issue is here?

Mr. SARBANES. Yes, and the Senator is absolutely right and I think that is a fundamental issue in our political system.

I am not getting into what Mr. Fitzwater's general ideologies are. I frankly do not know. I think here we have really gone to the very core of the political system.

I have heard the arguments that have been made by the distinguished Senator from Texas who is in effect sponsoring him and he has made some strong arguments as a general proposition.

But is seems to me what is at issue here reaches to the most important element in our democracy. If we do not maintain the integrity of the political process and ensure and enhance people's right to vote, then it will all crumble.

The distinguished Senator from Colorado points out that was the issue in the Philippines. That is why it was so critical.

As I understand it, Mr. Fitzwater, was a sitting judge now and he was personally running around posting signs in these precincts. Now as I am told, he posted it in one precinct of his assigned precincts, and then apparently—and I will be happy to be corrected if this is not correct—drove by two other precincts which had been assigned to him. They had already been posted. So he did not post them there.

The U.S. Department of Justice, just to underscore the seriousness of this, was troubled by this practice and sent a letter to the Dallas County election administrator, stating: the information we have indicates that most of the signs were placed at precincts where black voters were assigned to vote. We are concerned that no nonracial justification has been offered for placing most of the signs at minority precincts." The Justice Department obtained assurances from the Dallas County election administrator that in the future all election judges will be told to post only materials that have been provided by the elections department and approved by the Secretary of State."

It was stated earlier in the debate that subsequent to this election the State of Texas passed a law prohibiting the posting of signs in this manner. So, subsequently the legislature, the officials of the State of Texas, felt that action had to be taken to preclude this from happening again.

I am not arguing this in terms of whether Mr. Fitzwater committed a criminal offense. I do not believe he committed a criminal offense, and that is what these grand jury investigations have concluded. But that does not then cross the threshold of going on the Federal bench.

Of the other judges who were involved, a number of them apparently refused to do it. One said he thought it was in poor taste. Another said he thought it was just a raw campaign effort. And a third apparently felt that it was not something that judges ought to do, it seems to me, a well placed sensitivity on his part.

Now, in the context in which all of this occurred, and I understand at least it is contained in the committee record, the activities the previous year in New Jersey which did in the end lead to a consent order were reported in the Texas press and I assume generally known there to people who were involved in the elections.

We are now shortly, I assume, going to be voting on whether the Senate should confirm Mr. Fitzwater for a lifetime appointment on the Federal bench.

It was asserted earlier by the chairman of the committee that not to do that was somehow unfair to him.

My own reaction to that is that he engaged in an activity which is of sufficient consequence that the Senate ought not to give him approval.

Mr. Fitzwater is young and if, in fact, he is as able and as committed as some have asserted, he will have, I assume, another opportunity at another time. But to send the message that you can go out and engage in this kind of activity as reflected in this sign, in other words, an intimidating approach to voters—as I understand it, 90 percent of the precincts posted with such signs were in the minority areas; at least that is what appears in the record—and then having done that, can still expect to go on the Federal bench for a lifetime appointment, that is not the standard that I think this body should be applying in this instance.

Therefore, I join with those who have been in opposition to this nomination. The ABA committee in reviewing gave him a qualified rating, a majority; a minority thought he was not qualified. And it seems to me that given this activity on his part and given really the lack of a positive record—this is not someone where it is being asserted he has done the following community betterment activities over a number of years.

What is being asserted is he is bright, he received a good rating for his performance on this Dallas bench, which I assume is the lower trial bench of the Texas system, but beyond that no one has asserted a range of civic and community activities on Mr. Fitzwater's behalf that would, in fact, say that this is a person who has been a strong and positive contributor to our community, who really has been concerned about a lot of issues, equal protection under the laws, access to legal services, a whole range of community betterment activities.

Given that it seems to me, Mr. President, the Senate should not give its confirmation to place this person on the Federal bench for life.

LEGISLATIVE SESSION

Mr. DOMENICI. Mr. President, I was standing here by the distinguished Senator from Maryland because I wanted to ask if he would accommodate me for a moment and let me ask if Senators on the floor would agree. The majority and minority leaders have agreed to this.

Steve Bell, as Senator BIDEN, the Senator from Delaware, knows, served very well on the Budget Committee for several years and will shortly be leaving the Senate and is having an event today. I was hopeful that a resolution commending him, signed by all members, Democratic and Republican, of the Budget Committee, and the majority leaders could be adopted this afternoon. Because of that, I am going to ask unanimous consent that we leave the executive calendar and return to legislative business for the sole purpose of the Senator from New Mexico introducing a resolution commending Steve Bell and the adoption of the resolution by the Senate, after which time we will return to executive session. I so request, Mr. President.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico? Hearing none, the Senate returns to legislative session.

COMMENDING STEPHEN E. BELL FOR HIS SERVICE TO THE COUNTRY AND THE SENATE

Mr. DOMENICI. Mr. President, I will shortly send a resolution to the desk and ask for its immediate consideration. It is very brief.

Whereas Stephen E. Bell has ably and faithfully served the United States Senate since 1974;

Whereas Stephen E. Bell has executed his duties as the Staff Director of the Senate Budget Committee with the utmost in perseverance and personal dedication; and

Whereas Stephen E. Bell has earned the respect of his colleagues and this institution: Now, therefore, be it

Resolved, That Stephen E. Bell is hereby commended for his tireless and exemplary service to his country and to the United States Senate.

Mr. President, I send the resolution to the desk and ask for its immediate consideration.

Mr. CHILES. Mr. President, I wonder if I might be made a cosponsor of the resolution.

The PRESIDING OFFICER. Without objection, the Senator from Florida will be added as a cosponsor. Without objection, the Senator from Colorado [Mr. ARMSTRONG] will be added as a cosponsor.

Mr. DOMENICI. Mr. President, might I inform the Senate that all members of the Budget Committee, from the majority and minority sides, are original cosponsors, and the distinguished majority leader.

The PRESIDING OFFICER. The clerk will report the resolution.

The legislative clerk read as follows:

A resolution (S. Res. 367) commending Stephen E. Bell for his service to the country and the Senate.

The resolution was introduced by Mr. DOMENICI (for himself), Mr. DOLE, Mr. CHILES, Mr. ANDREWS, Mr. ARMSTRONG, Mr. BOSCHWITZ, Mr. DANFORTH, Mr. EXON, Mr. GORTON, Mr. GRASSLEY, Mr. HART, Mr. HATCH, Mr. HOLLINGS, Mr. JOHNSTON, Mrs. KASSEBAUM, Mr. KASTEN, Mr. LAUTENBERG, Mr. METZENBAUM, Mr. MOYNIHAN, Mr. QUAYLE, Mr. RIEGLE, Mr. SASSER, Mr. SIMPSON, and Mr. SYMMS.

Mr. DOMENICI. Mr. President, today I present a resolution commending the service of Stephen E. Bell as staff director of the Senate Budget Committee. Steve is well known to the Senate as one of its most able and most dedicated professionals. I am certain that my colleagues and the Senate as a whole know that when I speak of Steve's contribution to the Budget Committee, to the legislative process, and to me personally, that I speak with great personal affection. Steve Bell joined my staff when I was a freshman Senator, became my closest personal adviser, and shared with me 13 eventful, chaotic, and successful years here in Washington.

Steve moves on to a different career and a different set of challenges as vice president at Salomon Bros. His talents, his vigor, and his wisdom will be sorely missed, both professionally and personally, by this Senator, the Budget Committee staff, his friends and colleagues on both the House and Senate staffs, and by the many Members of Congress who have worked with him.

Over the years, Steve has come to be identified with knowledge of the programs, politics, and mechanisms that make up the budget process. Whether a Budget Committee Senator, a reporter dedicated to the budget, an official in the executive branch, or a fellow staffer—all have come to Steve at one time or another to seek his opinion and advice.

This unswerving focus on preserving and developing the budget process for the United States has had a substantial impact on the Senate and the Nation. His 13 years of service have been marked by numerous achievements. He has directed the Budget Committee staff through six budget resolutions and three reconciliation bills. He provided much of the technical support for the major modifications made to the Gramm-Rudman-Hollings bill. And he leaves us this year very close to a resolution on the fiscal year 1987 budget, one which attracts bipartisan support and meets the targets set out in Gramm-Rudman-Hollings.

Steve's record with the Senate is one of which he can be proud. And, likewise, he is a man in whom I and many of my colleagues have taken pride. It will take both time and changes for his personality and intellect to be replaced on my staff and in the Senate, but this job will be made easier by one of Steve's many talents—the talent to attract and retain qualified, industrious, and creative staff. While I will miss Steve's energy and experience, I am confident that they will serve him well in his new endeavors and that new strengths will emerge in his former staff to fill the hole that he will leave.

The resolution that I am introducing commends Steve for some of the professional talents on which we have come to rely—diligence, perseverance, integrity, and loyalty to the Senate and the budget process.

But, I will most remember Steve's time here for his friendship and creativity, and for the enjoyment many of us took in working with him.

I am sure that Steve will excel in his new career at Salomon Bros., just as he excelled here. We will miss him, but we join in wishing him the luck and success that his service here deserve.

Mr. CHILES. Mr. President, I just want to join with my distinguished chairman and say that I have enjoyed very much the pleasure of working with Steve Bell for over 10 years now. I think he has been a great asset to the whole budget process. He certainly has been a diligent worker for the Congress and for the efforts that we made in this regard. I certainly wish him well.

Mr. DOLE. Mr. President, those of us who have worked closely with the Senate Budget Committee know what an enormous contribution and commitment Steve Bell has made to the congressional budget process.

Steve's dedication and hard work have been a key ingredient in the success of every major budget victory since 1981, when Republicans took control of the Senate. During last year's long and difficult negotiations to produce a budget resolution, we repeatedly relied on Steve's detailed knowledge of the budget.

And from what I understand, the same was true during the conference on the Gramm-Rudman-Hollings law. Someone, I think, suggested that the only way everyone could understand what was in the bill was to staple Steve to the conference report.

Steve did not have to undergo that torture, but he has had to put up with a lot. And I personally want to thank him for all the help he has provided over the years, and wish him well as he goes off to join Salomon Bros. and another budget wizard, David Stockman.

The PRESIDING OFFICER (Mr. GRAMM). Is there further debate?

Mr. ARMSTRONG. Mr. President, here in the Senate we are privileged to be served by people of immense talent and ability who come from all over the country because they care about the issues facing our country and they feel by serving on the staff of the U.S. Senate they can really make a contribution to making this country and world a better place.

But the cream of the crop, in my opinion, is Steve Bell. I have had the opportunity to work very closely with him in the last several years. I just want to join with what the Senator from New Mexico has said, not only in wishing him well but in complimenting him. The intellectual ability, the integrity with which he has served the Budget Committee in the Senate, the effectiveness he has had and the endless hours he has put in, honestly, Mr. President, are an inspiration to me and to a lot of other people who are Senators and staffers who have seen him in action.

So, Mr. President, I just want to join my friend from New Mexico in wishing him all success and thanking him for

his devoted and effective efforts on our behalf.

Mr. DOMENICI. Mr. President, as I indicated, I really do not want to take the time of the Senate at this point. I have stated my thoughts.

I will, when we have a more leisurely opportunity, perhaps in morning business, express some very detailed remarks and observations and my personal feelings with reference to Mr. Bell. He will be with us for a few more days until we complete the budget resolution, hopefully, in the committee and on the floor.

But since there is a rather significant event in his behalf, I was hopeful we could have passed the resolution this afternoon, and it seems like we will.

I thank Senators for their comments. If there is no further comments, I ask that the Senate adopt the resolution.

The PRESIDING OFFICER (Mr. ARMSTRONG). The question is on agreeing to the resolution.

The resolution (S. Res. 367) was agreed to.

The preamble was agreed to.

The resolution (S. Res. 367), with its preamble, reads as follows:

S. RES. 367

Whereas Stephen E. Bell has ably and faithfully served the United States Senate since 1974;

Whereas Stephen E. Bell has executed his duties as the Staff Director of the Senate Budget Committee with the utmost in perseverance and personal dedication; and

Whereas Stephen E. Bell has earned the respect of his colleagues and this institution: Now, therefore, be it

Resolved, That Stephen E. Bell is hereby commended for his tireless and exemplary service to his country and to the United States Senate.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXECUTIVE SESSION

THE JUDICIARY

The PRESIDING OFFICER. Under the previous order, the Senate will now resume executive business.

The Senate resumed consideration of the nomination of Sidney A. Fitzwater, of Texas, to be U.S. district judge for the Northern District of Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. GRAMM. Mr. President, for some reason we have decided to continue this debate. I thought it was our initial understanding that once we had the cloture vote that we would proceed to a vote. But since we are dragging this dead cat across the table again, I rise to make a few remarks because it seems to me the decision has been made to delay perhaps some other bill coming up this afternoon.

I want to review the basic fact again. In the last 2 weeks a great case has been made, based on very little evidence and very little fact. I want to refer to two people who I think are closer to this whole debate about this sign than anybody else: The Democratic county chairman, who was chairman when the sign was posted and when a lawsuit was filed, and the Democatic district attorney that conducted an investigation.

But before I do that, I just cannot fail to rise to debate in talking about the Philippines and this sign. I am afraid, Mr. President, that the problem in the Philippines wasn't that they were telling people to obey the law and vote. The problem was those who were counting were not obeying the law. It seems to me there is a lot of self-righteousness about putting up a sign saying, "Don't violate the law; don't participate in vote fraud."

But let me remind my colleagues that in the previous election in Dallas County, there had been rampant vote fraud. In fact, 11 indictments came down and six people were found guilty. In fact, two workers for the same individual who has written a pious letter to this body about this sign and about this debate, two of his workers were, in fact, convicted of vote fraud in an election that produced the concern about ballot security.

I am concerned about ballot security. I was elected to the Congress initially by less than 200 votes, so every vote counted in my election.

We had people plead guilty to voter fraud in Dallas County. And all of these so-called facts are cited, but I want to go back to two facts, and then I am through dragging this dead cat around.

No. 1, the district attorney of Dallas County is a Democrat. He responded to complaints that were filed about the sign. In a letter to the committee, summing up the investigation done by the Democratic district attorney in Dallas, he said:

I can tell you that the signs appeared not only in some South Dallas precincts, but also in some North Dallas ones; and that there was no evidence that the signs were placed in the polling places specifically to intimidate or disenfranchise voters. This office concluded that there was no violation of the Texas penal code or the Texas election code.

This is a Democratic officeholder, a district attorney who on the heels of the allegations undertook an investigation with a grand jury, and found that no law had been violated. The Democratic county chairman filed a lawsuit naming nine people in the posting of this sign. Fitzwater was named, but his name was dropped before it ever got to court. And then the whole case was thrown out of Federal court.

When a hearing was held on Sid Fitzwater, Robert M. Greenburg, who was Dallas County Democratic chairman when this whole controversy occurred, came to Washington at his own expense, and testified in favor of Sid Fitzwater. In fact, prior to that time he had written a letter, and the letter says, "I believe I can speak to both"—that is, the sign and to Sid Fitzwater—"because in 1982 I was chairman of the Democratic Party of Dallas County. And since Judge Fitzwater's appointment and selection to the State district court, I have practiced in his court and tried lawsuits before him. While I in no way agree with the tactics of the Republicans during the 1982 election, in my opinion Judge Fitzwater's connection with it was so infinitesimal that it certainly has no bearing and no relationship to his competence and his ability to be a Federal judge."

I might also say that it is my understanding that when Bob Greenburg appeared before the committee, he made it very clear that he was no supporter of mine, no supporter of the President, and supported virtually nothing that I had done or the President had done except appointing Sid Fitzwater. What is the relevant point here?

The relevant point here is this: There was a ballot security program in Dallas County following a period where there was rampant vote fraud and people were convicted of vote fraud. They put up some signs that says "You can be imprisoned. Don't disobey the law" or—and I know my colleague from Maryland said everybody can read it from across the Chamber but I guess my old eyes are wearing out—"Don't risk it, obey the law."

I am not here to vote whether Sid Fitzwater as a newly appointed judge, as a person who was running for election for the first time in his life, should have decided it was a good idea or a bad idea not to post the sign. It in fact is true that when Sid Fitzwater was asked before the committee if he had any second thoughts given all the points that were being raised, he said that he did in fact. So I am not debating the sign.

But the point I want to make is the district attorney of Dallas County who is a Democrat found nothing wrong with the sign or the posting of it, and the Dallas County Democratic chairman who abhorred the sign and filed a lawsuit supports Sid Fitzwater's nomination. Why is that? Why despite all the effort to make this a partisan debate is it really not a partisan debate? It is really not a partisan debate because we are talking about an extraordinary young man with ex-

traordinary ability. And the whole reason this has been controversial is not because of the sign, but I submit, Mr. President, because the candidate is so well qualified and because of his age.

He has been editorially endorsed by both major newspapers in Dallas County. He is strongly supported on a bipartisan basis back home and numerous people, from the deans of law schools to politicians who consider him a potential Supreme Court nominee some day.

That is what activated all these groups from the Americans for Democratic Action on down. They were activated because Sid is no dullard. This is a 32-year-old brilliant jurist who is going to be on the bench a long time, and who, I submit, someday we are going to be back here talking about moving him to the fifth circuit, and maybe someday beyond.

The debate here, and the concern here is about ability—about the ability to move up in the judicial system, and to represent a philosophy. It is a philosophy as old as the Nation. It is a philosophy of strict construction of the Constitution. It is a philosophy that believes the courts ought to interpret the law, and not make the law. It is a philosophy that believes that for too long we have been too concerned about criminals rights and not enough concerned about victim's rights.

I believe the case is so overwhelming for Sid Fitzwater that I am convinced that if each Member of this body went back and read the testimony, looked at his qualifications, and looked at his record—a record of excellence in everything he has done in his life—there would be no doubt whatsoever about this nomination.

It only saddens me that all of these changes, that all of the outside special interest groups have come out against this fine young man without really knowing him, without looking at his record, and without trying to measure the content of his character all in an effort to keep a 32-year-old brilliant jurist from going to the bench.

Was posting the sign right or wrong? As MITCH MCCONNELL from Kentucky said, if you are a Republican in the South, and you look at the potential for vote fraud in every election, when you have people as happened in Dallas County recently with an investigation that led to the dismissal of election judges, when you have people that have been dead for months who send in four absentee ballots, and when you have people vote from a vacant lot, then this does not seem like voter intimidation to you. It seems like trying to protect the sanctity of the ballot.

The point I want to end on is that this sign is not in isolation. I do not know what happened in New Jersey. I do not suppose Sid Fitzwater knows what happened in New Jersey. We try to tend to our business in Texas and leave New Jersey alone. They do not always reciprocate. But this sign was posted in the wake of rampant voter fraud in Dallas County where 11 indictments had come down and six people had been sentenced, including two workers in a campaign of a Member of the U.S. Congress. This is serious business.

So the idea that people might have been concerned about ballot security is easy to understand. In my perspective, it made sense. In fact, it had everything to do with trying to prevent what happened in the Philippines. The ballot is sacred. If somebody cheats and votes twice or votes under somebody else's name or people vote as living on a vacant lot, that lowers the value of everybody else's vote.

I guess the truth is that the truth is somewhere between the position of the Senator from Maryland and my position. but the point is this: Whether it was a mistake or not a mistake, you are looking at the posting of one sign in one precinct by an individual who has an outstanding record of achievement in everything he has done in his life. I am not going to read the statements made by judges on the current fifth circuit all the way down to deans of law schools. But I could not let this debate go on without coming back one more time and pointing out what a strong candidate this is.

Senator MCCONNELL from Kentucky, who has no relationship to Texas, and who had never met Sid Fitzwater until he came before the committee made an extraordinary statement. He said, "I have been on the committee for 15 months," and we have considered many jurists, many of them very senior people, but in his opinion as a lawyer and a former judge he said Sid Fitzwater was the strongest nominee to come before the committee in the 15 months that he has been here. That is a very strong recommendation.

It fits exactly with the ballot poll in Texas finding him the most highly rated judge, not just in the aggregate, but in each of the four areas of hardworking, impartial, correctly applying the law, and demonstrating proper judicial temperament and demeanor.

On each of those items to the best of my knowledge he was rated higher than any other State, Federal, or local judge in Texas.

That is not the end-all, but I am simply asking my colleagues to look at the big picture. Do not be stampeded by people who do not even know the judicial candidate, who have not looked at his extraordinary record, but who, because some judicial activist group called on them to, sent a letter on their letterhead and said they oppose Sid Fitzwater. I hope my colleagues will look deeper than that. I am sorry to prolong the debate. I yield the floor.

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER (Mr. EAST). The Senator from Maryland.

Mr. SARBANES. Mr. President, I think it is very important for this record to be as complete as possible.

First of all, I want to say to my distinguished colleague from Texas he can try to read into the opposition to this nomination anything he wants, but so far as this Senator is concerned, his interest in the confirmation of this nomination was really started from seeing the signs and then referring from that back to what occurred in his own State with respect to intimidation of voters, and what I knew had taken place in other States.

It is a shame in a way that this has happened. Why are we getting nominees with this kind of thing in their record, where you are then expected to overlook it or sanction it? Why can we not get nominees who do not have these kinds of problems, who can be bright and have the kind of policy views that the Senator referred to being nominated and not be in the position of, in effect, sanctioning this kind of activity?

Concerning the Democratic Party chairman to whom the Senator referred—and I am frank to tell you I do not think the issue is Democratic or Republican; I think the issue of conducting an honest election and protecting people's right to vote transcends the parties—the Senator quoted him before the committee. I am not privy to what may have brought this testimony on, but at the time when this happened the party chairman, Mr. Greenberg, to whom the Senator referred, said the signs were aimed at intimidating minority voters. This is in the Dallas paper of November 12, 1982.

Greenberg said, "The judges who posted the signs were bigots. To me, it is the worst scandal we have ever had in the courthouse."

In a sense, I think in some ways it is irrelevant, what the Democratic Party chairman said. I do not think it matters what the Democratic Party chairman said or what the Republican chairman said. We have to make a judgment on the use of this sign and whether it carried with it the prospect of intimidation and whether someone who engaged in that ought to go on to the Federal bench. I think that is the issue. I do not think people around the country ought to say to themselves, "Well, we can play these kinds of games and it really will not matter."

I have a very strong concern about the integrity of the ballot, but the way to safeguard the integrity of the ballot is to make sure you have an election system that guarantees it, not to have the respective candidates running around posting these signs in these

huge capital red letters which anyone looking at it perceives to be an intimidation of the voters. This sign posting is not the way to address the sanctity of the ballot.

Fitzwater engaged in this and was not found criminally liable. I concede that. I think the standard for going on the Federal bench is higher than that. It seems to me that what is reflected here is a fundamental lack of good judgment. For that reason, I very strongly oppose this nomination.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, it is not my intention to prolong this process. I have no intention of doing that. The only reason I am speaking now is that I was conducting a hearing on white collar crime at the time the debate took place earlier, and, through my own scheduling problems, I only had 58 seconds to state my case. I am going to take about 5 minutes now, if I may, to try to explain as simply and succinctly as I can why I think Mr. Fitzwater should not be made a Federal judge.

I attended the entire hearing on Mr. Fitzwater and I had an opportunity to question him at length. Although it sometimes appears very presumptuous that we Senators sit here and pass judgment on individuals and their motivation, unfortunately it is our constitutional responsibility. I do not feel real good about it, but nonetheless it is our responsibility.

Let me tell you what my impression of Mr. Fitzwater is and why I am going to vote against him.

I have not had the opportunity to hear my colleague from Maryland nor my colleague from Massachusetts, nor my colleague from Ohio, who have spoken against Mr. Fitzwater, so I will not characterize what their views are. It is my general impression that they have a little bit stronger feeling about Mr. Fitzwater's motivations and sensitivity, or lack thereof, than I do.

Nonetheless, I come down on the side of being against Mr. Fitzwater for the following reasons:

He is a very bright, articulate young man. Far be it from me, having arrived in the Senate at the age of 29, to be critical of anyone holding high public office because they are too young. In the appearance of Mr. Fitzwater, part of the reason why he was declared by a minority view as not qualified related to his age.

It did not relate to anything he had done. It did not relate to the fact that he lacked academic credentials. Simply stated, the ABA is not, in my view, on occasion, one of the most enlightened organizations, and anyone who is 30 or 31 years old is generally viewed by a portion of the ABA as not being qualified to do anything. It is a notion which, as I said, out of necessity I reject.

Having said that, there are reasons why Mr. Fitzwater should not sit on the bench, in my view.

The background here is not merely this sign, which I believe Mr. Fitzwater believed was not a proper thing to do. I believe Mr. Fitzwater thought that although this may technically be legal, that it was not such a hot idea. Mr. Fitzwater in his testimony said when he was asked whether or not he posted this sign, said he was given the assignment to post it in two specific places. He arrived at the first place. I believe I am quoting him but for absolute accuracy I will say paraphrasing him. He said he was relieved to find that there was already a sign posted there, thereby relieving him of the requirement to post the sign.

He went to the second polling place. There was no such sign and he posted the sign.

In the dialog I had with Mr. Fitzwater under oath, Mr. Fitzwater was asked by me whether or not he saw anything in this sign that would make him feel uneasy. He said, "Well, no," he did not really look at it very closely. We questioned him on technical points earlier about whether or not you can be imprisoned if you influence or try to influence a voter how to vote.

Obviously, depending on how one views that, that is either accurate or inaccurate. If you try to influence a person to vote on the way to the polling place or 50 feet from the polling place, that is not illegal. That is perfectly legal. As a matter of fact, in my State, candidates stand out on the curb and say, "I hope you will vote for me. It is the last clear shot."

My sister, Valerie, stands there with a sign that says "Biden" at every polling place she can get to and says "Don't forget my brother on election day. Don't forget that is today."

Well, that is not illegal. But Mr. Fitzwater, when we questioned him on that particular sentence, said he did not read the sign very clearly. He did not pay much attention to it. All he really paid attention to was he got a call from a senior judge in a partisan election saying, "By the way, it is important for you to get out there and post these signs." And I asked him how comfortable he felt about that. He said he was not very comfortable with it but he checked his mail and the Dallas County Sheriff and the secretary of state said, "It is an all right thing to do; there is nothing wrong with it." And then what he did, when asked, he checked with some of his colleagues on the bench and some of his colleagues said, "No, I am not going to go do that." There were several of his colleagues who were asked to do the same thing and they said, "No." They just did not think it was proper.

Well, you have to put this in context, in my view. Here you have a very bright, very articulate and understandably—I do not say this critically—a very ambitious young man. This fellow has enough intellectual capability that some day we could be standing on the floor of the Senate deciding whether or not he is a circuit court judge or Supreme Court Justice. I believe, looking at him and having been a young man once and having had some ambition, I can sense it like most of you can, this is a fellow who saw his career in front of him and here a senior Republican judge, who also is a political force in the county, says, "Fitzie, baby, go post these signs."

Now, he does not want to know much more than that. He went out in my view and found his rationale. He had two letters that he kept referring to constantly, two letters, one from the secretary of State, one from the county sheriff, the sheriff's department, saying it was all right to do that. I think what he engaged in is what we all do on occasion, a little bit of setting up the position of plausible deniability. He found his rationale. He knew that politically he should post the signs, but I believe, as one of our most famous colleagues in this body said, in his heart he knew he should not post that sign.

Now, why do I say that? I went through his testimony. He was a very good witness. I asked him some of the following questions. And do not forget, this is one of the brightest young, or brightest old for that matter, nominees this administration or any has sent up. And I mean this sincerely, an incredibly bright guy. I asked him, I said, "Let me ask you about the history of Texas. It is little bit like my State of Delaware, a past that we are not particularly proud of whereby it used to be very difficult for black folks, minorities, to vote." We were segregated by law in my State, in our constitution. And I said, "Are you aware of the long history of intimidation of voters?" Just trying to get a sense of what he was like, what he thought about these kinds of things, the degree of sensitivity he had about minority points of view. And he said no, he really had not paid much attention to that.

And I said, "Well, are you not aware that it was not too many decades ago you could not walk up to a polling place, a black man, and be able to vote?" And he said, well, yes, he was aware of that, but he had not paid a lot of attention to that.

I said, "Well, look, were you aware of the controversy, the nationwide controversy going on relating to a ballot security program, where up in New Jersey, a Northern State, a State never segregated by law, you had folks with black armbands standing in the

polling places with intimidating signs and physical appearance that was intimidating?"

He said, no, he had not heard any of that. He was not aware of any of that.

I thought, well, that is kind of funny. And, again, I believed him, I believed him that he was not aware of it, but I began to try to figure out, what is making this guy tick? As smart as he is, how can you look at that sign and not have a problem? And I asked him, I said, "Look, why do you think we are doing this? Why do you think I am asking you these questions?"

He looked me straight in the eye and he said, "Politics." Just simple politics.

I said, "Can't you at least try to reach out a little bit, try to understand how this might be, might be, viewed as intimidating by some people in our society?" And that is the first little bit of give I got the whole time. He said, "Well, I can kind of see that now, but I didn't think of it at the time."

I said, "OK, so far, so good," Now, quite frankly, I say to my friend from Maryland, at that point he had me. At that point I was going to come down on the side of a man who I have great respect for, Senator SIMON, clearly a man who has unquestionable credentials in the area of civil rights, a man who has been both judicious and thorough in the way he has looked at nominees and a man who has concluded to vote for Fitzwater. To be fair to Fitzwater, I was there figuring well, this guy just slipped. And then I asked him the following question. I said, "Mr. Fitzwater, when you found this out, that in fact it wasn't sanctioned by the county sheriff and it wasn't sanctioned by the secretary of State, and when you stopped and reflected that you probably wouldn't be in any trouble at all were it not for the fact the senior judge lied to you, what did you do?" He said, "What do you mean, Senator?" I said, "Well, what did you do? Did you pick up the phone and call that senior judge and say something like, 'Your Honor, if you were 20 years younger, I would take you down to the gym and pound the living something out of you,' or, 'Your Honor, I think it was unfortunate what you did to me,' 'Why did you lie to me?' or, 'I am angry,' or, 'I am upset'."

I can tell my colleagues now if one of you ever lied to me and got me in a spot like that, I would hope to see you in the gymnasium, and in fact if you were a more capable man than I physically, I would at least let you know what I thought of you.

Now, it seems to me a natural human emotion. Here a guy's whole career is about to go down the drain potentially because somebody lied to him. If he in fact truly believed there was no problem and the only reason he posted the sign was no the strength of the two letters—because, by the way, I asked him, I said, "Was there voter fraud down there?" He said, "No, I wasn't aware of it." I said, "Were you worried about it?" He said, "No." Brad Reynolds, one of the people who most of us would—well, I will not characterize Brad Reynolds, but he is not a man who marched a lot in Selma. Now, Brad Reynolds says, when we asked him, he saw no problem down there. Brad Reynolds did not have any reason to believe there was going to be fraud in that area, according to what he told us. This fellow did not either. So, Mr. President, I began to wonder about the sincerity of this young man.

And what I really, quite frankly, am most worried about is that if he were—and I am going to be completely blunt about it—if he were a man whose talents did not lend themselves to the prospect of moving even further on the Federal bench, then I would be less worried about him, quite frankly, and let me tell my friend from Maryland why. Because I think he traded in what he knew was right to do because of his ambition. Now, my worry, very bluntly, is what is he going to do on the court? What is he going to do on the court faced with some extremely difficult political decisions that may or may not relate to where he sits and how long he sits? He wants to be a Federal judge. He is there. But what court he sits on?

I believe this fellow has incredible talent. And I, quite frankly, do not believe that he did not at least have a queasy feeling in his stomach when asked to set up the signs. And let me be honest with you. I do not know what I would have done. I have been involved in the civil rights movement. I have been one of those guys who sat in and marched. I got my start as a lawyer in that field. And I want to tell you something. If when I was 29 years old the county chairman called me, the guy who determined, I say to my friend from Mississippi, whether or not I might be the nominee for the U.S. Senate and he told me to do something that I was a little uneasy about, I am not sure I would not go out and try to find justification for doing what was politically beneficial for me to do. I hope I would not but I think we have a lot of self-righteousness on this floor and I, for one, made a bunch of mistakes.

I do not know whether I would have the political courage to do what I am asking, prospectively, this nominee to have done, and that is to say no, it is wrong to put the sign up.

Strange as it sounds, I say to my colleagues that I think that the Federal bench is an even more sacred place than the U.S. Senate.

Either Mr. Fitzwater knew that he should not have done this and went ahead and did it because of his ambition, in which case I believe he should not be barred forever from being on the bench, but he should not be on the bench until he has matured a good deal more than he had at that point, or Mr. Fitzwater in fact truly does not understand why that would be offensive.

If Mr. Fitzwater looks at that sign and truly does not understand why that might worry some people, why that could not be read by reasonable, decent men and women as a veiled threat to their right to legally participate—if he does not understand that, I ask myself, how will he understand, as a Federal judge, when minorities are before him—whether they be Hispanic or black or any other minority—how will he understand the depths of their dilemma?

How will he understand the nuances of the civil rights laws that are designed to deal with the very imaginative inroads that my State and other States have made to provide the right of all America to participate in what is the most sacred responsibility and honor—to vote?

I say that this fellow is not a bad man. I say he is not a racist. I say he is an ambitious young man who is either too sensitive to the concerns and worries and the history and the background that underlie the fight for the right to vote in this country or a young man who concluded that it does not matter.

As I said at the outset, I do not like being a judge of another man's character, because I wonder how I would fare. I hope I would fare well, but I do not know how I would fare if I were a nominee for the Federal bench. It is my responsibility, as it is that of the rest of my colleagues, ultimately to make a judgment. My judgment is that the perception of minorities in his community is such that I doubt whether they will believe they will get a fair shake in a court that has Judge Fitzwater as the sitting judge.

I think that is a little unfair to Mr. Fitzwater. I think a little like the Democratic chairman who testified before our committee, the same man who said this is a most outrageous violation of the law, and so forth, and later came up and testified in behalf of Mr. Fitzwater. Basically, what he was saying to us was that this was outrageous, but he believed Mr. Fitzwater did not mean anything by it.

The county chairman that my friend from Texas refers to—accurately refers to—did in fact say that Fitzwater is an eminently fair and reasonable man. But he never once said that this was not outrageous. He said at election time it was outrageous. He said when the election was over it was outrageous. He said when Mr. Fitzwater was before us that this was outrageous.

What he said was that Mr. Fitzwater is not a bad guy; he is an honorable man. Let us assume that he is, and I

am prepared to assume that, for the sake of the debate. The fact that he does not recognize that that is outrageous does not make him a racist, does not make him a bad man, but means to this Senator that he is not sensitive enough to understand what is at stake, to be put on the Federal bench for life, "till do he part," by my vote.

So, although I acknowledge that it is a close call, were I in the position to do anything about it, I would say: "Mr Fitzwater, come back in 5 years. Show me that you understand. Demonstrate to me that you have some sense of indignation about what you were put through by those who told you it was legitimate to do what you did. Demonstrate that you have a deeper understanding of why minorities are concerned about that kind of sign."

Not just because they are Democrats. Not just because they want to take on President Reagan. But because there is a real, live, gut feeling: Fifty years or more of pain to get a chance to vote. Women and men, black and white, who can barely read, see this sign.

I think it is a question of judicial temperament. I think that Mr. Fitzwater at this time in his career and at this time in his life lacks the judicial temperament to be placed upon the Federal bench for the rest of his life, making judgments that affect a significant portion of this country's population.

Mr. President, some might suggest that since we had a vote of 66 to 33, this is a futile exercise. Well, I suggest to my colleagues that, on occasion, Federal judges, before they are put on the bench and after they are put on the bench, are affected by or sensitized to certain concerns as a consequence of what they have been exposed to. I have no illusion that my vote is going to produce enough votes to defeat Mr. Fitzwater's nomination. If he is put on the bench, as I fully expect to happen, I am not going to go home and not be able to sleep tonight. There are several people coming up about whom I will feel that way. But I will not go home and fail to go to sleep. I will decide what I think is my responsibility, and I will go home with the hope that Mr. Fitzwater will be made aware of what I and other Members have said here and take that into consideration as he grows in stature on the bench, because grow he must in order to be able to fulfill that high responsibility—not grow intellectually, but the maturation process he must go through is one to understand a little more the history of his State and the country and the nature of the fight and the deep concern of tens of millions of Americans about people like him who look at signs like that and say, "I don't see any problem."

I thank my colleagues for their consideration, and I thank my colleague from Texas for yielding the floor, to give me an opportunity to speak. I do not intend to speak any more on this matter.

The PRESIDING OFFICER. The question is on the adoption of the nomination.

The yeas and nays have been ordered.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Have the yeas and nays been ordered?

The PRESIDING OFFICER. Yes, the yeas and nays have been ordered.

The question is, will the Senate advise and consent to the nomination of Sidney A. Fitzwater, of Texas, to be U.S. district judge for the Northern District of Texas? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. DECONCINI. Mr. President, on this vote I have a pair with the Senator from Vermont [Mr. LEAHY]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." Therefore, I withhold my vote.

Mr. SIMPSON. I announce that the Senator from Idaho [Mr. MCCLURE] is necessarily absent.

I also announce that the Senator from Maryland [Mr. MATHIAS] is absent on official business.

Mr. CRANSTON. I announce that the Senator from Arkansas [Mr. BUMPERS], the Senator from Vermont [Mr. LEAHY] are necessarily absent.

I also announce that the Senator from Hawaii [Mr. INOUYE] is absent because of death in the family.

The PRESIDING OFFICER (Mr. CHAFEE). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 52, nays 42, as follows:

[Rollcall Vote No. 41 Ex.]

YEAS—52

Abdnor	Gramm	Pressler
Andrews	Grassley	Pryor
Armstrong	Hatch	Quayle
Boschwitz	Hatfield	Roth
Chafee	Hawkins	Rudman
Cochran	Hecht	Simon
Cohen	Helms	Simpson
D'Amato	Humphrey	Stafford
Danforth	Kassebaum	Stevens
Denton	Kasten	Symms
Dole	Laxalt	Thurmond
Domenici	Lugar	Trible
Durenberger	Mattingly	Wallop
East	McConnell	Warner
Evans	Murkowski	Weicker
Garn	Nickles	Wilson
Goldwater	Packwood	
Gorton	Pell	

NAYS—42

Baucus	Ford	Matsunaga
Bentsen	Glenn	Melcher
Biden	Gore	Metzenbaum
Bingaman	Harkin	Mitchell
Boren	Hart	Moynihan
Bradley	Heflin	Nunn
Burdick	Heinz	Proxmire
Byrd	Hollings	Riegle
Chiles	Johnston	Rockefeller
Cranston	Kennedy	Sarbanes
Dixon	Kerry	Sasser
Dodd	Lautenberg	Specter
Eagleton	Levin	Stennis
Exon	Long	Zorinsky

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

DeConcini, for.

NOT VOTING—5

Bumpers	Leahy	McClure
Inouye	Mathias	

So the nomination was confirmed.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, the majority leader is outlining the program. I would think Senators would be interested.

The PRESIDING OFFICER. Would the Senate please be in order? Will those Senators conversing please withhold further conversations?

The majority leader.

Mr. DOLE. Mr. President, I thank the Presiding Officer and I thank my colleagues.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, we will not be in much later this evening, but I would like to have an opportunity to meet briefly with the distinguished chairman of the Public Works Committee and the manager of the water bill, S. 1567, Senator ABDNOR, to see where we are in that process.

It is my understanding that we are fairly near completion with one area still under discussion.

I would like to complete action on that measure, if not tonight then at the earliest possible time. I need a little time to discuss that with the manager on this side.

In addition, I understand the House has returned the reconciliation bill. I

would like to insist on our amendments and return it to the House yet this evening. I hope we can work that out without a rollcall vote. It seems to me that is one course we could pursue.

Mr. President, if we could have a brief quorum call and have an opportunity to meet with the chairman, Senator STAFFORD, and Senator ABDNOR, I could consult with the distinguished minority leader and get his views on where we may go for the remainder of the evening.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BOSCHWITZ. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

VISIT TO THE SENATE BY MEMBERS OF THE STATE CONSULTATIVE COUNCIL TO THE SULTANATE OF OMAN

Mr. BOSCHWITZ. Mr. President, I have today as my guests from the Consultative Council to the Sultanate of Oman three members of the council. They are here visiting the United States for the purpose of getting a better understanding of our processes. Today they came to my office and I am honored to present them to the Senate at this time.

Oman, as you know, Mr. President, is the country at the southernmost part of the Saudi Arabian Peninsula. It is a good friend and ally of the United States.

RECESS UNTIL 5:26 P.M.

Mr. BOSCHWITZ. Mr. President, I ask unanimous consent that the Senate stand in recess for 5 minutes while I introduce the members of the Consultative Council of Oman to the Senate.

There being no objection, the Senate, at 5:21 p.m., recessed until 5:26 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. CHAFEE].

Mr. STAFFORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONSOLIDATED OMNIBUS BUDGET RECONCILIATION ACT

Mr. DOLE. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 3128.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House disagree to the amendment of the Senate to the amendment of the House to the amendment of the Senate to the amendment of the House to the amendment of the Senate to the bill (H.R. 3128) entitled "An Act to make changes in spending and revenue provisions for purposes of deficit reduction and program improvement, consistent with the budget process.".

Mr. DOLE. Mr. President, I move that the Senate insist on its amendment to the amendment of the House to the amendment of the Senate to the amendment of the House to the Senate amendment.

The PRESIDING OFFICER. Is there objection? The motion is agreed to.

Mr. DOLE. Mr. President, I am advised that there may be an opportunity to work out the minor differences with the House on reconciliation. We have been in contact with the Speaker's office. There are really not that many provisions that are in disagreement. Many people believe that we have almost worked out the so-called 8(g) or OCS provisions. There is some concern on a Medicare provision, one on AFDC, and one on Federal employee benefits. They are about the only three areas in disagreement and none of them are, in my view, major disagreements.

It would seem to me that it is necessary to send this back to the House, and that we are prepared to go to conference. We would rather not have that large gathering. Maybe it can be worked out with the representatives from both sides of the aisle in both the House and the Senate hopefully sometime tomorrow or Thursday.

I thank the distinguished minority leader for clearing this.

Mr. President, there will be no more votes this evening.

We will not be in session much longer.

AUTHORIZING UNITED STATES CONTRIBUTIONS TO THE INTERNATIONAL FUND

The PRESIDING OFFICER. The clerk will read H.R. 4329 a second time.

The legislative clerk read as follows:

A bill (H.R. 4329), to authorize United States contributions to the International Fund established pursuant to the November 15, 1985 agreement between the United Kingdom and Ireland.

Mr. BYRD. Mr. President, I object to any further proceedings under the bill.

The PRESIDING OFFICER. The bill will be placed on the calendar.

DREDGING THE CLEARWATER RIVER

Mr. SYMMS. Mr. President, I have a letter here that I wish to have printed in the RECORD today in case any questions come up. There has been a great deal of interest in this water bill in my State. It is my understanding that that has been temporarily laid aside. We hope to get it called up next week.

I have a letter from Robert K. Dawson, Assistant Secretary of the Army, Civil Works. There will be a discussion of this letter when we finally get back on the water bill next week. I think we have taken care of a problem which will save one amendment to the water bill next week.

I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE ARMY,
OFFICE OF THE ASSISTANT SECRETARY,
Washington, DC, March 17, 1986.

Hon. STEVEN D. SYMMS,
U.S. Senate,
Washington, DC.

DEAR SENATOR SYMMS: The purpose of this letter is to clarify the Department of the Army's position on dredging the Clearwater River in the vicinity of Lewiston, Idaho. In 1983, the Corps of Engineers, in response to concerns expressed by the Port of Lewiston, initiated studies under the authority of Section 107 of the 1960 river and Harbor Act to determine the feasibility of dredging the Clearwater River to depths adequate for safe navigation.

These efforts resulted in a Reconnaissance Report under Section 107, dated October 1985, which contained an analysis of several alternatives and a recommendation for further studies. The Detailed Project Report which would contain final plan recommendations is scheduled for completion in the near future.

However, additional information recently obtained by the Corps indicates that navigation on the Clearwater River at Lewiston is already authorized. Upon confirmation of this information, the Corps would discontinue its efforts under Section 107 and pursue the desired dredging as a part of its normal operation and maintenance program as budget priorities and funding permit.

If you have further questions regarding this matter, please do not hestiate to contact me.

Sincerely,

ROBERT K. DAWSON,
Assistant Secretary of the Army
(Civil Works).

EXECUTIVE SESSION

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the following nomination: Calendar Order No. 700, Frank B. Sollars.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. There is no objection on this side.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL CONSUMER COOPERATIVE BANK

The PRESIDING OFFICER. The clerk will report the nomination.

The legislative clerk read the nomination of Frank B. Sollars, of Ohio, to be a Member of the Board of Directors of the National Consumer Cooperative Bank.

Mr. COCHRAN. Mr. President, I ask that the nomination be confirmed.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to this nomination.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

LEGISLATIVE SESSION

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Senate resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

URGENT SUPPLEMENTAL APPROPRIATION FOR THE COMMODITY CREDIT CORPORATION

Mr. COCHRAN. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on House Joint Resolution 534.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House disagree to the amendment of the Senate to the amendment of the House to the amendment of the Senate to the resolution (H.J. Res. 534) entitled "Joint resolution making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes", and ask a further conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. COCHRAN. Mr. President, I move that the Senate insist on its amendment and agree to the further conference requested by the House, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer [Mr. CHAFEE] appointed Mr. COCHRAN, Mr. MCCLURE, Mr. ANDREWS, Mr. ABDNOR, Mr. KASTEN, Mr. MATTINGLY, Mr. SPECTER, Mr. HATFIELD, Mr. BURDICK, Mr. STENNIS, Mr. CHILES, Mr. SASSER, Mr. BUMPERS, and Mr. HARKIN conferees on the part of the Senate.

MESSAGES FROM THE PRESIDENT RECEIVED DURING THE ADJOURNMENT

Under the authority of the order of the Senate of January 3, 1986, the Secretary of the Senate, on March 17, 1986, during the adjournment of the Senate, received messages from the President of the United States, transmitting sundry nominations, which were referred to the appropriate committees.

(The nominations received on March 17, 1986 are printed at the end of the Senate proceedings.)

REPORT ON NATIONAL EMERGENCY WITH RESPECT TO SOUTH AFRICA—MESSAGE FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT—PM 121

Under the authority of the order of the Senate of January 3, 1986, the Secretary of the Senate, on March 17, 1986, during the adjournment of the Senate, received the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

On September 9, 1985, in Executive Order 12532 (50 Fed. Reg. 36861, Sept. 10, 1985), I declared a national emergency to deal with the threat posed by the policies and actions of the Government of South Africa to the foreign policy and economy of the United States.

Pursuant to that Order, I prohibited certain transactions, including the following: (1) the making or approval of bank loans to the South African Government, with certain narrow exceptions; (2) the export of computers and related goods and technology to certain government agencies and any apartheid enforcing entity of the South African Government; (3) nuclear exports to South Africa and related transactions, with certain narrow exceptions; (4) the import into the United States of arms, ammunition, or military vehicles produced in South Africa; and (5) the extension of export marketing support to U.S. firms employing at least twenty-five persons in South Africa which do not adhere to certain fair labor standards.

In addition, I directed (6) the Secretary of State and the United States Trade Representative to consult with other parties to the General Agreement on Tariffs and Trade with a view toward adopting a prohibition on the import of Krugerrands; (7) the Secretary of the Treasury to complete a study within 60 days regarding the feasibility of minting U.S. gold coins; (8) the Secretary of State to take the steps necessary to increase the amounts provided for scholarships in South Africa for those disadvantaged by the system of apartheid and to increase the amounts allocated for South Africa in the Human Rights Fund; and (9) the Secretary of State to establish an Advisory Committee to provide recommendations on measures to encourage peaceful change in South Africa.

The declaration of emergency was made pursuant to the authority vested in me as President by the Constitution and laws of the United States, including the International Emergency Economic Powers Act, 50 U.S.C. 1701 et seq., and the National Emergencies Act, 50 U.S.C. 1601 et seq. I submitted a report regarding the declaration to the Congress on September 9, 1985, pursuant to Section 204(b) of the International Emergency Economic Powers Act. Pursuant to Section 204(c) of that act, I am today reporting on the major actions taken in the exercise of the authorities contained in that act and Executive Order 12532. The following actions are listed in chronological order, and a copy of all implementing rules and regulations is enclosed.

On October 1, 1985, in Executive Order 12535, I prohibited the importation of the South African Krugerrands into the United States effective October 11, 1985 (50 Fed. Reg. 40325, Oct. 3, 1985). This Order implemented the course of action contemplated in Section 5(a) of Executive Order 12532.

On October 7, 1985, the Bureau of Alcohol, Tobacco and firearms of the Department of the Treasury issued regulations on the Importation of Articles on the United States Munitions Import List (50 Fed. Reg. 42157, Oct. 18, 1985). These regulations implemented the prohibition of certain arms imports contained in Section 1(d) of Executive Order 12532.

On October 9, 1985, the Office of Foreign Assets Control of the Department of the Treasury issued the South African Transactions Regulations (50 Fed. Reg. 41682, Oct. 15, 1985). These regulations implemented the ban on the importation of the Krugerrand.

On October 22, 1985, the Department of State published a notice in the *Federal Register* regarding the Establishment of the Advisory Commit-

tee on South Africa (50 Fed. Reg. 42817, Oct. 22, 1985). The Charter of the Advisory Committee has been filed with the Senate Foreign Relations Committee, the House Foreign Affairs Committee, and the Library of Congress. The Committee shall render a report to the Secretary of State within one year of its first meeting, which was held on January 29-30.

On November 4, 1985, the Department of State issued proposed regulations for public comment on South Africa and Fair Labor Standards (50 Fed. Reg. 46455, Nov. 8, 1985). The draft regulations were designed to implement the fair labor provisions stated in Section 2 of Executive Order 12532. Final regulations were issued by the Department of State on December 23, 1985 (50 Fed. Reg. 53308, Dec. 31, 1985).

On November 6, 1985, the Office of Foreign Assets Control of the Department of the Treasury issued the South African Transactions Regulations (50 Fed. Reg. 46726, Nov. 12, 1985). These regulations implemented the bank loan prohibition of Section 1(a) of Executive Order 12532.

On November 8, 1985, the Secretary of the Treasury submitted a report on the feasibility of minting U.S. gold coins. On December 17, 1985, I signed the Gold Bullion Coin Act of 1985 (Public Law 99-185), which requires the minting of such coins.

On November 14, 1985, the International Trade Administration of the Department of Commerce issued regulations on Export Controls on the Republic of South Africa (50 Fed. Reg. 47363, Nov. 18, 1985). These regulations implemented the computer export prohibition in Section 1(b) and the prohibition against licensing exports to nuclear production and utilization facilities in Section 1(c) of Executive Order 12532.

The policies and actions of the Government of South Africa continue to pose an unusual and extraordinary threat to the foreign policy and economy of the United States. I shall continue to exercise the powers at my disposal to apply the measures contained in Executive Order 12532 as long as these measures are appropriate, and will continue to report periodically to the Congress on significant developments pursuant to 50 U.S.C. 1703(c).

RONALD REAGAN.

THE WHITE HOUSE, *March 17, 1986.*

ANNUAL REPORT ON ALASKA'S NATURAL RESOURCES—MESSAGE FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT—PM 122

Under the authority of the order of the Senate of January 3, 1986, the Secretary of the Senate, on March 17, 1986, during the adjournment of the Senate, received the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Energy and Natural Resources.

To the Congress of the United States:

In accordance with Section 1011 of the Alaska National Interest Lands Conservation Act (P.L. 96-487; 16 U.S.C. 3151), I transmit herewith the fourth annual report on Alaska's mineral resources.

RONALD REAGAN.

THE WHITE HOUSE, *March 17, 1986.*

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE RECEIVED DURING ADJOURNMENT

ENROLLED JOINT RESOLUTIONS SIGNED

Under the authority of the order of the Senate of January 3, 1986, the Secretary of the Senate, on March 18, 1986, during the adjournment of the Senate, received a message from the House of Representatives announcing that the Speaker has signed the following enrolled joint resolutions:

S.J. Res. 205. Joint resolution to designate March 21, 1986, as "National Energy Education Day"; and

S.J. Res. 254. Joint resolution to designate the year of 1987 as the "National Year of Thanksgiving".

Under the authority of the order of the Senate of January 3, 1986, the enrolled joint resolutions were signed on March 18, 1986, during the adjournment of the Senate by the President pro tempore.

MESSAGES FROM THE HOUSE

At 2:50 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 3242. An act to designate the United States Post Office Building in Moorestown, New Jersey, as the "Edwin B. Forsythe Post Office Building"; and

H.R. 3331. An act to designate the United States Post Office Building located at 2120 South Ervay in Dallas, Texas, as the "Juanita Craft Post Office of South Dallas".

At 4:36 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House disagrees to the amendment of the Senate to the amendment of the House to the amendment of the Senate to the amendment of the House to the amendment of the Senate to the bill (H.R. 3128) to make changes in spending and revenue provisions for purposes of deficit reduction and program improvement, consistent with the budget process.

At 5:43 p.m., a message from the House of Representatives, delivered by Mr. Goetz, one of its reading clerks, announced that the House disagrees to the amendment of the Senate to the amendment of the House to the amendment of the Senate to the joint resolution (H.J. Res. 534) making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes; it asks a further conference with the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. WHITTEN, Mr. TRAXLER, Mr. MCHUGH, Mr. NATCHER, Mr. AKAKA, Mr. WATKINS, Mr. DURBIN, Mr. SMITH of Iowa, Mrs. SMITH of Nebraska, Mr. MYERS of Indiana, Mr. ROGERS, and Mr. SKEEN as managers of the conference on the part of the House.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 3242. An act to designate the United States Post Office Building in Moorestown, New Jersey, as the "Edwin B. Forsythe Post Office Building"; to the Committee on Governmental Affairs.

H.R. 3331. An act to designate the United States Post Office Building located at 2120 South Ervay in Dallas, Texas, as the "Juanita Craft Post Office of South Dallas"; to the Committee on Governmental Affairs.

MEASURE PLACED ON THE CALENDAR

The following bill was read the second time and placed on the calendar:

H.R. 4239. An act to authorize United States contributions to the International Fund established pursuant to the November 15, 1985 agreement between the United Kingdom and Ireland.

ENROLLED JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, March 18, 1986, she had presented to the President of the United States the following enrolled joint resolutions:

S.J. Res. 205. Joint resolution to designate March 21, 1986, as "National Energy Education Day"; and

S.J. Res. 254. Joint resolution to designate the year of 1987 as the "National Year of Thanksgiving".

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2705. A communication from the Director of the Office of Management and Budget, transmitting, pursuant to law, certification of the necessity for an apportionment of appropriations for the Board for International Broadcasting; to the Committee on Appropriations.

EC-2706. A communication from the Secretary of the Navy, transmitting, pursuant to law, notice that the JTIDS DTDMA program has exceeded unit cost baselines by more than 25 percent; to the Committee on Armed Services.

EC-2707. A communication from the Secretary of Transportation, transmitting, pursuant to law, a report entitled "Pipeline Safety Testing/Inspection Methods Study"; to the Committee on Commerce, Science, and Transportation.

EC-2708. A communication from the Secretary of Energy, transmitting, pursuant to law, a report on the biomass energy and alcohol fuels program for the fourth quarter of 1985; to the Committee on Energy and Natural Resources.

EC-2709. A communication from the Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed contract with El Dorado Irrigation District, CA; to the Committee on Energy and Natural Resources.

EC-2710. A communication from the Acting Administrator of Veterans' Affairs, transmitting, pursuant to law, the VA's Freedom of Information report for 1985; to the Committee on the Judiciary.

EC-2711. A communication from the Director of the USIA, transmitting, pursuant to law, the Agency's 1985 Freedom of Information report; to the Committee on the Judiciary.

EC-2712. A communication from the Secretary of the Foundation of the Federal Bar Association, transmitting, pursuant to law, its audit report for fiscal year 1985; to the Committee on the Judiciary.

EC-2713. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on Federal efforts encouraging communication, cooperation, and coordination among agencies and organizations working to combat child abuse in the United States; to the Committee on Labor and Human Resources.

EC-2714. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the 1984 annual report on the NHSC and the NHSCSP; to the Committee on Labor and Human Resources.

EC-2715. A communication from the Executive Secretary of the Office of the Secretary of Defense, transmitting, pursuant to law, the report on DOD procurement from small and other business firms; to the Committee on Small Business.

EC-2716. A communication from the Acting Administrator of the Veterans' Administration, transmitting a draft of proposed legislation to conform plot allowance eligibility to burial allowance eligibility; to the Committee on Veterans' Affairs.

EC-2717. A communication from the Assistant Secretary of the Army, transmitting, pursuant to law, a report on a decision to convert the dining facilities at Ft. Benning, GA, to performance under contract; to the Committee on Armed Services.

EC-2718. A communication from the Chairman of the Securities and Exchange Commission, transmitting a draft of proposed legislation to reduce from 10 to 2 days the time within which persons acquiring more than 5 percent of a company's shares must make a schedule 13D filing; to the Committee on Banking, Housing, and Urban Affairs.

EC-2719. A communication from the Chairman of the Federal Communications Commission, transmitting a package of proposed legislation to bring Government spending under control while maintaining responsibility to act in the public interest; to the Committee on Commerce, Science, and Transportation.

EC-2720. A communication from the Deputy Associate Director of the Minerals Management Service, transmitting, pursuant to law, a report on two refunds of excess oil and gas royalty payments; to the Committee on Energy and Natural Resources.

EC-2721. A communication from the Deputy Associate Director of the Minerals Management Service, transmitting, pursuant to law, a report on 23 refunds of excess oil and gas royalty payments; to the Committee on Energy and Natural Resources.

EC-2722. A communication from the Administrator of AID, transmitting, pursuant to law, the Annual Report on Progress in Conserving Biological Diversity in Developing Countries; to the Committee on Foreign Relations.

EC-2723. A communication from the Chairman of the D.C. Council, transmitting, pursuant to law, D.C. Act 6-139; to the Committee on Governmental Affairs.

EC-2724. A communication from the Chairman of the D.C. Council, transmitting, pursuant to law, D.C. Act 6-140; to the Committee on Governmental Affairs.

EC-2725. A communication from the Chairman of the D.C. Council, transmitting, pursuant to law, D.C. Act 6-142; to the Committee on Governmental Affairs.

EC-2726. A communication from the Chairman of the D.C. Council, transmitting, pursuant to law, D.C. Act 6-141; to the Committee on Governmental Affairs.

EC-2727. A communication from the Secretary of Transportation, transmitting, pursuant to law, the annual report on competition advocacy activities; to the Committee on Governmental Affairs.

EC-2728. A communication from the Director of the Office of Information Resources Management, Department of the Interior, transmitting, pursuant to law, a report on a revised Privacy Act system of records; to the Committee on Governmental Affairs.

EC-2729. A communication from the Acting Chairman of the National Historical Publications and Records Commission, transmitting, pursuant to law, the Commission's 1984 annual report; to the Committee on Governmental Affairs.

EC-2730. A communication from the Executive Director of the D.C. Retirement Board, transmitting, pursuant to law, a report on a summary plan description of a retirement program; to the Committee on Governmental Affairs.

EC-2731. A communication from the Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed plan for the use and distribution of the Taos Pueblo judgment funds; to the Select Committee on Indian Affairs.

EC-2732. A communication from the Secretary of Education, transmitting, pursuant to law, the annual report on Freedom of Information activities; to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-603. A concurrent resolution adopted by the Legislature of the State of South Carolina; to the Committee on Agriculture, Nutrition, and Forestry.

RESOLUTION

"Whereas, ending the starvation in Africa requires thirty million tons a year of cereal and animal and vegetable protein foods from outside the continent for three years; and

"Whereas, worldwide food supplies per capita are shrinking dangerously and annual world grain production has declined from eighteen bushels per capita to fifteen bushels per capita when every person needs the equivalent of twenty-four bushels per person per year for a healthy diet, including animal protein; and

"Whereas, the agricultural output potential of the developing sector nations is being destroyed through the International Monetary Fund system; and

"Whereas, a small number of world food cartels and private family trusts have consolidated monopoly control over international food, trade, and shipping facilities, domestic food processing, and farm supply companies, and this poses a threat to national and western security because agreements have been made to guarantee Soviet food stocks resulting in food scarcities in the west; and

"Whereas, the potential agricultural production of the globe is enormous if emergency measures are implemented immediately and provision is begun for applying a wave of advanced technologies to developing largescale infrastructure projects such as dams, irrigation systems, ports and to providing cheap, plentiful power. NOW, THEREFORE,

"Be it resolved by the House of Representatives, the Senate concurring:

"That the members of the General Assembly of South Carolina hereby memorialize the President and the Congress of the United States:

"1. To ensure emergency food production orders to guarantee resumed livestock development and spring planting, including government-to-government food commodity trade commitments to guarantee cost-of-production parity prices to farmers in all trading partner nations.

"2. To institute investigations and antitrust proceedings against the food, shipping, and chemical cartel companies starting with conflict-of-interest hearings on the role of former cartel executives who occupy positions within the United States Department of Agriculture;

"3. To conduct a national grain and food inventory to produce an accurate public record of national food stocks and total

western food supplies, and to set production objectives like the World War II mobilization; and

"4. To provide emergency food to Africa and all other points of need and to supply the logistics and infrastructural assistance needed to allow the most rapid economic development.

"Be it further resolved, That copies of this resolution be forwarded to the President of the United States, the United States Senate, the United States House of Representatives, and to each member of the South Carolina Congressional Delegation."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCLURE, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute, and an amendment to the title:

S.J. Res. 192. Joint resolution to authorize financial assistance for the Northern Mariana Islands, and for other purposes (Rept. No. 99-262).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. GOLDWATER, from the Committee on Armed Services:

Mr. GOLDWATER. Mr. President, from the Committee on Armed Services, I report favorably the attached listing of nominations.

Those identified with a single asterisk (*) are to be placed on the Executive Calendar. Those identified with a double asterisk (**) are to lie on the Secretary's desk for the information of any Senator since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of February 3, February 17, February 24, March 3, March 6, and March 10, 1986, at the end of the Senate proceedings.)

MARCH 18, 1986

*1. In the Marine Corps there are 6 promotions to the permanent grade of major general (list begins with John J. Dailey). (Ref. No. 884)

**2. In the Army National Guard there are 84 promotions in the Reserve of the Army to the grade of colonel and below (list begins with Ulon C. Argo). (Ref. No. 885)

**3. In the Navy Reserve there are 5 permanent appointments to the grade of second lieutenant in the Marine Corps (list begins with Stuart W. Bracken). (Ref. No. 886)

*4. In the Navy Reserve there are 10 permanent promotions to the grade of rear admiral (list begins with Richard Kenneth Maughlin). (Ref. No. 899)

**5. In the Air Force there is 1 promotion to the grade of major (Orr Y. Potebnya, Jr.) (Ref. No. 900)

**6. In the Air Force there is 1 appointment to the grade of captain (Kenneth G. Sandberg). (Ref. No. 901)

**7. In the Army there are 78 appointments to the grade of colonel and below (list begins with James I. Moody). (Ref. No. 914)

**8. In the Army there are 10 permanent promotions to the grade of colonel and below (list begins with Philip J. B. Stanley). (Ref. No. 915)

**9. In the Marine Corps there is 1 promotion to the grade of colonel (Charles F. Bolden, Jr.) (Ref. No. 916)

*10. Lt. Gen. Robert L. Wetzel, U.S. Army, to be placed on the retired list; and Maj. Gen. Colin L. Powell to be lieutenant general. (Ref. No. 931)

**11. In the Army Reserve there are 15 appointments to the grade of colonel and below (list begins with Robert C. Lim, Jr.) (Ref. No. 932)

**12. In the Navy there is 1 promotion to the grade of captain (Michael J. Smith). (Ref. No. 933)

**13. In the Navy there are 216 promotions to the grade of captain (list begins with John Rexis Aguilar). (Ref. No. 934)

**14. In the Navy there are 447 promotions to the grade of captain (list begins with Charles Erwin Aaker). (Ref. No. 935)

**15. In the Navy there are 1,040 appointments to permanent ensign (list begins with Robert Gilbert Acosta). (Ref. No. 936)

**16. In the Army there are 75 appointments to the grade of lieutenant colonel and below (list begins with Robert Allen). (Ref. No. 937)

**17. In the Marine Corps Reserve there are 206 transfers into the Marine Corps to the grade of major and below (list begins with Andrew S. Dudley, Jr.) (Ref. No. 938)

*18. Lt. Gen. Willard W. Scott, Jr., U.S. Army, to be placed on the retired list; and Maj. Gen. Dave R. Palmer, U.S. Army, to be lieutenant general. (Ref. No. 944)

*19. In the Navy there are 2 promotions to the permanent grade of rear admiral (list begins with Daniel Wayne McKinnon, Jr.) (Ref. No. 945)

*20. Brig. Gen. Charles S. Bishop, Jr., U.S. Marine Corps Reserve, to be major general. (Ref. No. 946)

*21. Col. Mitchell J. Waters, U.S. Marine Corps Reserve, to be brigadier general. (Ref. No. 947)

**22. In the Navy there is 1 promotion to the grade of captain on the retired list (Commander Edward White Rawlins). (Ref. No. 948)

Total, 2,216.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. TRIBLE:

S. 2198. A bill to provide that the full cost-of-living adjustment in benefits payable under certain Federal programs shall be made for 1987; to the Committee on Governmental Affairs.

By Mr. GOLDWATER (for himself and Mr. NUNN) (by request):

S. 2199. A bill to authorize appropriations for fiscal year 1987 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; to the Committee on Armed Services.

By Mr. MITCHELL (for himself, Mr. STAFFORD, Mr. CHAFEE, Mr. HART, Mr. MOYNIHAN, Mr. BAUCUS, Mr. LAUTENBERG, and Mr. LEAHY):

S. 2200. A bill to amend the Clean Air Act to better protect against interstate transport of pollutants, to control existing and new sources of acid deposition, and for other purposes; to the Committee on Environment and Public Works.

By Mr. BENTSEN:

S. 2201. A bill to amend the Nuclear Waste Policy Act to provide for increased State participation in selection of sites for characterization, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. LEAHY (for himself, Mr. DOLE, Mr. MATSUNAGA, Mr. DANFORTH, Mr. KENNEDY, Mr. QUAYLE, Mr. NUNN, Mr. CHAFEE, Mr. DODD, Mr. CRANSTON, Mr. KERRY, Mr. CHILES, Mr. SIMON, Mr. LEVIN, Mr. PELL, Mr. BURDICK, and Mr. RIEGLE):

S. 2202. A bill to award a special gold medal to the family of Harry Chapin; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. STAFFORD (for himself, Mr. MITCHELL, Mr. CHAFEE, Mr. DURENBERGER, Mr. HART, Mr. BAUCUS, Mr. MOYNIHAN, Mr. LAUTENBERG, Mr. KENNEDY, Mr. LEAHY, Mr. PELL, and Mr. DODD):

S. 2203. A bill to establish a program to reduce acid deposition and for other purposes; to the Committee on Environment and Public Works.

By Mr. McCLURE (by request):

S. 2204. A bill to amend the Land and Water Conservation Fund Act of 1965, as amended, to permit the use of park entrance, admission, and recreation use fees for the operation of the National Park System, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. NICKLES (for himself and Mr. BOREN):

S. 2205. A bill to eliminate certain restrictions on the use of natural gas and petroleum, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. NICKLES (for himself, Mr. GRAMM, Mr. SYMMS, Mr. McCLURE, Mr. BOREN, and Mr. HECHT):

S. 2206. A bill to amend the Internal Revenue Code of 1954 to repeal the windfall profit tax on crude oil; to the Committee on Finance.

By Mr. THURMOND (for himself, Mr. LAXALT, Mr. HEINZ, Mr. DENTON, Mr. SPECTER, Mr. ABDNOR, Mrs. HAWKINS, Mr. COCHRAN, Mr. BURDICK, Mr. ZORINSKY, Mr. HATCH, Mr. HEFLIN, Mr. KERRY, Mr. BOSCHWITZ, Mr. McCLURE, Mr. NUNN, Mr. PRYOR, Mr. WILSON, Mr. LEVIN, Mr. SASSER, Mr. MATSUNAGA, Mr. McCONNELL, Mr. DECONCINI, Mr. LAUTENBERG, Mr. BOREN, and Mr. EAST):

S.J. Res. 297. Joint resolution to designate the week of April 20, 1986, as "Crime Victims Week"; to the Committee on the Judiciary.

By Mr. QUAYLE (for himself, Mr. HATCH, Mr. DURENBERGER, Mr. GRASSLEY, Mrs. HAWKINS, Mr. DOMENICI, Mr. THURMOND, Mr. RIEGLE, Mr. SPECTER, Mr. ABDNOR, Mr. DOLE, Mr. SIMON, Mr. GOLDWATER, Mr. CHILES, Mr. INOUYE, Mr. KENNEDY, Mr. NUNN, Mr. BOSCHWITZ, Mr. KERRY, Mr. DODD, and Mr. CRANSTON):

S.J. Res. 298. A joint resolution to designate the week of October 5, 1986, through October 11, 1986, as "Mental Illness Awareness Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DOMENICI (for himself, Mr. DOLE, Mr. CHILES, Mr. ANDREWS, Mr. ARMSTRONG, Mr. BOSCHWITZ, Mr. DANFORTH, Mr. EXON, Mr. GORTON, Mr. GRASSLEY, Mr. HART, Mr. HATCH, Mr. HOLLINGS, Mr. JOHNSTON, Mrs. KASSEBAUM, Mr. LAUTENBERG, Mr. METZENBAUM, Mr. MOYNIHAN, Mr. QUAYLE, Mr. RIEGLE, Mr. SASSER, Mr. SIMPSON, Mr. SYMMS, and Mr. BINGAMAN):

S. Res. 367. A resolution commending Stephen E. Bell for his service to the country and the Senate; considered and agreed to.

By Mr. GORE:

S. Res. 368. A resolution to express the sense of the Senate that Federal funding to States for Cooperative Extension Service programs for fiscal year 1987 be restored to at least the level approved in the 1986 budget resolution, except for reductions required in such programs by the Balanced Budget and Emergency Deficit Control Act of 1985; to the Committee on Appropriations.

By Mr. DODD:

S. Con. Res. 118. A concurrent resolution to express the sense of the Congress that the President should endorse the findings of the special envoys that acid rain is a serious environmental problem and that comprehensive legislation should be enacted to reduce acidic air emissions; to the Committee on Environment and Public Works.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. TRIBLE:

S. 2198. A bill to provide that the full cost-of-living adjustment in benefits payable under certain Federal programs shall be made for 1987; to the Committee on Governmental Affairs,

COST-OF-LIVING ADJUSTMENTS IN CERTAIN FEDERAL PROGRAMS FOR 1987

Mr. TRIBLE. Mr. President, today I am introducing legislation which will mitigate the severe financial losses incurred by military, civilian, and other Federal retirees.

As my colleagues know, under the Gramm-Rudman-Hollings legislation special efforts were made to protect benefits for Social Security recipients and veterans. Cost-of-living adjustments [COLA's] were protected from budget cuts and individuals receiving benefits under these programs were recently provided with COLA's.

However, a significant group of retirees are not protected. COLA's for military, postal, civilian, and other Federal retirees are subject to reduction or elimination.

These retirees have already felt the effects of deficit reduction. COLA's which were scheduled for January 1986 have been eliminated. Individuals covered under these programs—most of whom are senior citizens—were among the first to experience the painful but necessary reality of deficit reduction.

I had hoped that Congress would be able to enact legislation meeting deficit reduction requirements while maintaining the 1986 COLA for all retirees. Regrettably, this did not occur.

The Congress has required military retirees, Federal retirees, Postal Service retirees, and others to go without the 1986 COLA in the name of deficit reduction. Now it is likely that these same people will be denied a 1987 COLA as well.

Such a situation would be unacceptable.

We must all support efforts to reduce the Federal deficit. These efforts, however, must be reasonable and fair.

Fairness dictates that all retirees be treated alike. Federal retirees should not be required to carry the full burden of deficit reduction. Moreover, Federal retirees already yielded the cost-of-living adjustment for 1986 and should not be required to surrender their 1987 COLA's, as well.

The legislation I am introducing today would ensure that military, civilian, postal, and other retirees are treated more fairly in the days ahead. This measure would provide these retirees with 1987 COLA's equal to the COLA provided under the Social Security Program. If Social Security recipients receive a COLA in 1987, other retirees—also senior citizens on fixed incomes—must be provided with the same income protection. Equity demands this.

Mr. President, I urge my colleagues to join with me to ensure fair treatment for all retirees.

I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for purposes of this Act, the term "cost-of-living adjustment" means any increase or change in the amount of a benefit or in standards relating to such benefit under any provision of Federal law which requires such increase or change as a result of any change in the Consumer Price Index (or any component thereof) or any other index which measures costs, prices, or wages.

SEC. 2. Benefits which are payable in calendar year 1987 under programs listed in section 257(1)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177; 99 Stat. 1092), including any cost-of-living adjustment in such benefits, shall not be subject to modification, suspension, or reduction in such calendar year pursuant to a Presidential order issued under such Act.

By Mr. GOLDWATER (for himself and Mr. NUNN) (by request):

S. 2199. A bill to authorize appropriations for fiscal year 1987 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; to the Committee on Armed Services.

DEPARTMENT OF DEFENSE AUTHORIZATION ACT

● Mr. GOLDWATER. Mr. President, by request, for myself and the senior Senator from Georgia [Mr. NUNN], I introduce, for appropriate reference, a bill to authorize appropriations for fiscal year 1987 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

I ask unanimous consent that a letter of transmittal requesting consideration of the legislation and explaining its purpose be printed in the RECORD immediately following the listing of the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2199

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Department of Defense Authorization Act, 1987".

TITLE I—PROCUREMENT

AUTHORIZATION OF APPROPRIATIONS, ARMY

SEC. 101. Funds are hereby authorized to be appropriated for fiscal year 1987 for procurement of aircraft, missiles, weapons, and tracked combat vehicles, and ammunition and for other procurement for the Army as follows:

For aircraft, $3,264,700,000.

For missiles, $2,438,200,000.

For weapons and tracked combat vehicles, $4,452,600,000.

For ammunition, $2,254,000,000.

For other procurement, $6,169,000,000.

AUTHORIZATION OF APPROPRIATIONS, NAVY AND MARINE CORPS

SEC. 102. (a) Funds are hereby authorized to be appropriated for fiscal year 1987 for procurement of aircraft, weapons (including missiles and torpedoes), shipbuilding and conversion, and other procurement for the Navy as follows:

For aircraft, $11,304,300,000.

For weapons (including missiles and torpedoes), $6,095,400,000.

For shipbuilding and conversion, $11,046,200,000.

For other procurement, $6,538,800,000.

(b) Funds are hereby authorized to be appropriated for fiscal year 1987 for procurement for the Marine Corps (including mis-

siles, tracked combat vehicles, and other weapons) in the amount of $1,565,000,000.

AUTHORIZATION OF APPROPRIATIONS, AIR FORCE

SEC. 103. Funds are hereby authorized to be appropriated for fiscal year 1987 for procurement of aircraft and missiles and for other procurement for the Air Force as follows:

For aircraft, $19,127,400,000.

For missiles, $8,982,400,000.

For other procurement, $10,900,300,000.

AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES

SEC. 104. Funds are hereby authorized to be appropriated for fiscal year 1987 for the Defense Agencies in the amount of $1,488,400,000.

AUTHORIZATION OF APPROPRIATIONS FOR CHEMICAL DEMILITARIZATION

SEC. 105. Funds are hereby authorized to be appropriated for fiscal year 1987 for the purposes of the destruction of lethal chemical weapons in accordance with section 1412 of the Department of Defense Authorization Act, 1986, in the amount of $120,100,000.

CERTAIN AUTHORITY PROVIDED THE SECRETARY OF DEFENSE IN CONNECTION WITH THE NATO AIRBORNE WARNING AND CONTROL SYSTEM (AWACS) PROGRAM

SEC. 106. Effective on October 1, 1986, section 103(a) of the Department of Defense Authorization Act, 1982 (Public Law 97-86; 95 Stat. 1100) is amended by striking out "fiscal year 1986" both places it appears and inserting in lieu thereof "fiscal year 1987".

TITLE II—RESEARCH, DEVELOPMENT, TEST AND EVALUATION

AUTHORIZATION OF APPROPRIATIONS

SEC. 201. (a) Funds are hereby authorized to be appropriated for fiscal year 1987 for the use of the Armed Forces for research, development, test, and evaluation, in amounts as follows:

For the Army, $5,550,300,000.

For the Navy (including the Marine Corps), $10,586,800,000.

For the Air Force, $17,275,400,000.

For the Defense Agencies, $8,517,400,000, of which $141,800,000 is authorized for the activities of the Deputy Under Secretary of Defense, Test and Evaluation and of which $11,300,000 is authorized for the Director, Operational Test and Evaluation.

(b) There are authorized to be appropriated for fiscal year 1987, in addition to the amounts authorized to be appropriated in subsection (a) such amounts as may be necessary for unbudgeted amounts for salary, pay, retirement, and other employee benefits authorized by law for civilian employees of the Department of Defense whose compensation is provided by funds authorized to be appropriated in subsection (a).

AUTHORIZATION OF APPROPRIATIONS FOR FOREIGN CURRENCY PURCHASES

SEC. 202. Funds are hereby authorized to be appropriated for fiscal year 1987 in the amount of $3,500,000 for the purchase of foreign currencies from the Treasury Department to pay expenses incurred in carrying out programs of the Department of Defense.

TITLE III—OPERATION AND MAINTENANCE

AUTHORIZATION OF APPROPRIATIONS

SEC. 301. (a) Funds are hereby authorized to be appropriated for fiscal year 1987 for the use of the Armed Forces of the United States and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance, in amounts as follows:

For the Army, $21,341,870,000.

For the Navy, $25,688,500,000.

For the Marine Corps, $1,864,100,000.

For the Air Force, $21,214,500,000.

For the Defense Agencies, $8,573,700,000.

For the Army Reserve, $793,100,000.

For the Naval Reserve, $975,900,000.

For the Marine Corps Reserve, $65,300,000.

For the Air Force Reserve, $975,600,000.

For the Army National Guard, $1,786,900,000.

For the Air National Guard, $1,932,700,000.

For the National Board for the Promotion of Rifle Practice, $930,000.

For the Defense Claims, $155,600,000.

For the Court of Military Appeals, $3,400,000.

For Environmental Restoration, Defense, $385,900,000.

(b) There are authorized to be appropriated for fiscal year 1987, in addition to the amounts authorized to be appropriated in subsection (a), such sums as may be necessary—

(1) for unbudgeted increases in fuel costs;

(2) for unbudgeted increases as the result of inflation in the cost of activities authorized by subsection (a); and

(3) for unbudgeted amounts for salary, pay, retirement, and other employee benefits authorized by law for civilian employees of the Department of Defense whose compensation is provided for by funds authorized to be appropriated in subsection (a).

AUTHORIZATION OF APPROPRIATIONS FOR WORKING CAPITAL FUNDS

SEC. 302. Funds are hereby authorized to be appropriated for fiscal year 1987 for the use of the Armed Forces of the United States and other activities and agencies of the Department of Defense for providing capital for working-capital funds, in amounts as follows:

For the Army Stock Fund, $296,700,000.

For the Navy Stock Fund, $478,500,000.

For the Marine Corps Stock Fund, $45,900,000.

For the Air Force Stock Fund, $239,400,000.

For the Defense Stock Fund, $136,800,000.

AUTHORIZATION OF APPROPRIATIONS FOR TENTH INTERNATIONAL PAN AMERICAN GAMES

SEC. 303. Funds are hereby authorized to be appropriated for fiscal year 1987 for assistance to the Tenth International Pan American Games in accordance with section 304 of the Department of Defense Authorization Act, 1986, in the amount of $15,000,000.

TITLE IV—ACTIVE FORCES

SEC. 401. The Armed Forces are authorized strengths for active duty personnel as of September 30, 1987, as follows:

(1) The Army, 780,900.

(2) The Navy, 592,700.

(3) The Marine Corps, 200,300.

(4) The Air Force, 607,200.

TITLE V—RESERVE FORCES

AUTHORIZATION OF END STRENGTHS FOR SELECTED RESERVE

SEC. 501. (a) For fiscal year 1987 the Selected Reserve of the reserve components of the Armed Forces shall be programmed to attain end strengths of not less than the following:

(1) The Army National Guard of the United States, 462,800.

(2) The Army Reserve, 327,600.

(3) The Naval Reserve, 155,700.

(4) The Marine Corps Reserve, 44,400.

(5) The Air National Guard of the United States, 115,200.

(6) The Air Force Reserve, 80,500.

(7) The Coast Guard Reserve, 13,000.

(b) The end strengths prescribed by subsection (a) for the Selected Reserve of any reserve component shall be proportionately reduced by (1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at the end of the fiscal year, and (2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at the end of the fiscal year.

AUTHORIZATION OF END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES

SEC. 502. (a) Within the end strengths prescribed in section 501, the reserve components of the Armed Forces are authorized, as of September 30, 1987, the following number of Reserves to be serving on full-time active-duty or full-time duty, in the case of members of the National Guard, for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 28,721.

(2) The Army Reserve, 13,657.

(3) The Naval Reserve, 23,197.

(4) The Marine Corps Reserve, 1,782.

(5) The Air National Guard of the United States, 8,356.

(6) The Air Force Reserve, 676.

(b) Upon a determination by the Secretary of Defense that such action is in the national interest, the end strengths prescribed by subsection (a) may be increased by a total of not more than the number equal to 2 percent of the total end strengths prescribed.

(c) Upon the exercise of the authority provided by sections 673 or 673b of title 10, United States Code, Reserves covered by this section may perform duty in connection with sections 673 or 673b and shall not be counted against the number of Reserves ordered to active duty under those sections. Appropriations available for the pay of Reserves covered by this section prior to the exercise of the authority provided by sections 673 or 673b shall continue to be available for the pay of Reserves covered by this section.

SEC. 503. The first sentence of section 138(b)(1) of title 10, United States Code, is amended by striking out "average".

INCREASE IN NUMBER OF CERTAIN PERSONNEL AUTHORIZED TO BE ON ACTIVE DUTY IN SUPPORT OF THE RESERVE COMPONENTS

SEC. 504. (a) The table in section 517(b) of title 10, United States Code, is amended to appear as follows:

"Grade	Army	Navy	Air Force	Marine Corps
E-9	554	165	140	13
E-8	2,199	381	438	74".

(b) The table in section 524(a) of such title is amended to appear as follows:

"Grade	Army	Navy	Air Force	Marine Corps
Major or lieutenant commander	3,340	900	584	115
Lieutenant colonel or commander	1,681	520	415	75
Colonel or Navy captain	439	188	207	25".

(b) The amendments made by subsections (a) and (b) shall take effect on October 1, 1986.

TITLE VI—CIVILIAN PERSONNEL

AUTHORIZATION OF END STRENGTH

SEC. 601. The provisions of section 138(c)(2) of title 10, United States Code, shall not apply with respect to fiscal year 1987 or with respect to the appropriation of funds for that year.

TITLE VII—MILITARY TRAINING STUDENT LOADS

AUTHORIZATION OF TRAINING STUDENT LOADS

SEC. 701. (a) For fiscal year 1987, the components of the Armed Forces are authorized average military training student loads as follows:

(1) The Army, 76,758.
(2) The Navy, 72,483.
(3) The Marine Corps, 19,433.
(4) The Air Force, 43,911.
(5) The Army National Guard of the United States, 18,262.
(6) The Army Reserve, 15,858.
(7) The Naval Reserve, 3,493.
(8) The Marine Corps Reserve, 3,944.
(9) The Air National Guard of the United States, 3,566.
(10) The Air Force Reseve, 2,127.

(b) The average military student loads for the Army the Navy, the Marine Corps, and the Air Force and the reserve components authorized in subsection (a) for fiscal year 1987 shall be adjusted consistent with the manpower strengths authorized in titles IV and V of this Act. Such adjustment shall be apportioned among the Army, the Navy, the Marine Corps, and the Air Force and the reserve components in such manner as the Secretary of Defense prescribe.

TITLE VIII—GENERAL PROVISIONS

SPECIAL DEFENSE ACQUISITION FUND

SEC. 801. Section 138(g) of title 10, United States Code is amended by striking out "$1,000,000,000 and inserting in lieu thereof "1,100,000,000".

REIMBURSEMENTS UNDER THE CIVILIAN HEALTH AND MEDICAL PROGRAM OF THE UNIFORMED SERVICES

SEC. 802. (a) Section 1079(a)(7) of title 10, United States Code, is amended by striking out "pays for at least 75 percent of" and inserting in lieu thereof "provides primary coverage for".

(b) The amendments made by subsection (a) shall be effective as of October 1, 1985.

INDUSTRIAL FUND CAPITALIZATION PROGRAM

SEC. 803. Section 2208(j) of title 10, United States Code is repealed.

GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE,
Washington. DC, March 7, 1986.

Hon. GEORGE BUSH,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: There is forwarded herewith legislation, "To authorize appropriations for fiscal year 1987 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes."

In accordance with the Congressional Budget Act of 1974, and section 1405 of the Department of Defense Authorization Act, 1986, we are also submitting herewith, as separate legislation, a similar request for authorization of appropriations for fiscal years 1988 and 1989.

These proposals are part of the Department of Defense legislative program for the 99th Congress and the Office of Management and Budget advises that enactment of these proposals would be in accord with the program of the President.

Title I provides procurement authorization for the Military Departments and for the Defense Agencies in amounts equal to the budget authority included in the President's budget for fiscal year 1987. It contains a provision that extends for fiscal year 1987 the authority to waive certain costs in connection with the NATO AWACS program.

Title II provides for the authorization of each of the research, development, test, and evaluation appropriations for the Military Departments and the Defense Agencies in amounts equal to the budget authority included in the President's budget for fiscal year 1987. The authorization includes a provision that authorizes the appropriation of funds to cover unbudgeted increases as a result of pay, increases for civilian personnel paid from the research, development, test, and evaluation appropriations. It also provides for the authorization of appropriations for the purchase of foreign currencies from the Treasury Department for Department of Defense programs.

Title III provides for authorization of the operation and maintenance appropriations of the Military Departments and the Defense Agencies in amounts equal to the budget authority included in the President's budget for fiscal year 1987. The authorization includes a provision that authorizes the appropriation of funds that are necessary to cover unbudgeted increases in fuel costs, unbudgeted civilian pay increases, and unbudgeted inflation in the cost of activities covered by Title III. Title III also includes the authorization of appropriations for the purpose of providing capital for working-capital funds of the Military Departments and the Defense Agencies in amounts equal to the budget authority included in the President's budget for fiscal year 1987. It also contains a provision authorizing the appropriation of funds for providing assistance to the 10th International Pan American Games in accordance with section 304 of the Department of Defense Authorization Act, 1986.

Title IV prescribes the end strengths for active duty personnel in each component of the Armed Forces as required by section 138(c)(1) of title 10, United States Code, in the numbers provided for by the budget authority and appropriations requested for these components for fiscal year 1987.

Title V provides for end strengths of the Selected Reserve of each reserve component of the Armed Forces in the numbers provided for by the budget authority and appropriations requested for the Department of Defense in the President's budget for fiscal year 1987. Title V also prescribes the end strengths for reserve component members of full-time active duty or full-time National Guard duty for the purpose of administering the reserve forces and provides for an increase in the number of certain enlisted and commissioned personnel who may be serving on active duty in support of the reserve components. Finally, Title V amends section 138(b)(1) of title 10, United States Code, by deleting the reference to authorization of the average strength of the Selected Reserve in accordance with the Department's request for authorization of Selected Reserve strength on the basis of an end strength.

Title VI provides that the provisions of section 138(c)(2) of title 10, United States Code, pertaining to the authorization of a civilian personnel end strength for the Department of Defense shall not be applicable with respect to fiscal year 1987.

Title VII provides for the average military training student loads as required by section 138(d)(1) of title 10, United States Code, in the numbers provided for this purpose in the President's budget for fiscal year 1987.

Title VII consists of three general provisions. Section 801 increases the size of the Special Defense Acquisition Fund by $100,000,000. Section 802 amends the provisions of section 1079(a)(7) of title 10, United States Code, which codified the recurring annual provision formerly in the Appropriation Act pertaining to medical care under the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS). The amendment, which would become effective as of October 1, 1985, deletes the provision relating to reimbursements when a person was covered by an insurance plan that provided at least 75 per cent coverage for the care received and substitutes a provision referring to an insurance plan providing primary coverage for the person's medical care. This will make the codified provision identical to the recurring provision which was amended in the Appropriation Act subsequent to the codification of section 1079(a)(7). Section 803 repeals section 2208(j) of title 10, United States Code, relating to the Industrial Fund Asset Capitalization Program.

Sincerely,

H. LAWRENCE GARRETT III.●

By Mr. BENTSEN:

S. 2201. A bill to amend the Nuclear Waste Policy Act to provide for increased State participation in selection of sites for characterization, and for other purposes; to the Committee on Energy and Natural Resources.

NUCLEAR WASTE STATE PARTICIPATION ACT

● Mr. BENTSEN. Mr. President, today I am introducing legislation to make two important and needed changes in the Nuclear Waste Policy Act under which our Nation will select, construct, and operate high-level nuclear waste repositories.

In 1982, with the passage of this act, the Senate recognized its responsibility to provide a legislative framework for development of repositories to accept high level nuclear wastes and hold them safely for 10,000 years.

This is clearly a national priority with wide support. Most of this waste is in the form of spent fuel rods that have been stored for nearly 30 years at powerplants across the country, and it is apparent that as the amount of this waste grows, the need for safe, protected repositories increases.

Because of the magnitude of this project, and because with it this Nation is confronted with new engi-

neering problems of immense scope, a great number of safeguards were written into the process. And because of the nature of these projects and the potential ramifications, Congress approved a provision under which any State may veto such a designation within its borders. A vote of two-thirds of both Houses of Congress could override that veto.

In including this provision, the act specifically recognizes the authority of a State to play a critical role in the decision making process. However, under current law this State veto could be used only after characterization by DOE and designation by the President.

Since 1982, and particularly during Environment and Public Works Committee hearings in Texas and in Washington this year, it has become apparent that options regarding the timing of such a State veto must be changed to avoid serious harm to the process and to affected localities.

Characterization is a detailed investigation of a site that will take several years and, according to DOE estimates, will cost up to $1 billion. To the people who live in the area under investigation, the process could be devastating. Once an area is under investigation as a possible site, it is highly likely that land values will decline pending a final decision. Deaf Smith County, TX, one of the most productive agricultural areas in the world, is one of the sites under consideration at this time. Land that is currently used to raise crops would be purchased or leased by DOE and taken out of production. There have been real concerns expressed that grain purchasers may go elsewhere for fear their customers will no longer prefer foods grown in the area.

During characterization, the DOE would bring in personnel and equipment to perform major construction, including digging shafts and excavating tons of salt in the process. There is a legitimate concern that the high winds of the Panhandle may spread salt over the surrounding farmlands.

Even if a site is not selected after characterization, the damage could continue, particularly to an area such as the Texas Panhandle. The area and its crops could be tainted even by being linked to a study of high-level wastes. The land could be disfigured by DOE's activities, and there would be no continued DOE involvement or personnel to maintain whatever short term economic boom which might have occurred. Thus the worst possible outcome for some areas, including the panhandle, may be site characterization. Yet only after characterization could the State attempt to veto the project.

We have already agreed that a State should have the option to veto. I am proposing to permit a State to exercise its veto before characterization. The timing of the veto would be at the discretion of the Governor.

This does not add any new hurdle to the project, and in fact it could save the Federal Government from characterization expenses of $1 billion. We would, of course, maintain the authority of Congress to override any State veto. This is a more orderly method, and it is fair to Federal and State governments, as it is to areas under consideration.

My second proposed change in the Nuclear Waste Policy Act involves the legislative timetable under which the DOE is mandated to do its studies and planning, and to get down to the business of storing radioactive waste.

I ask unanimous consent to include a table outlining major mandated due dates at this point in the RECORD:

There being no objection, the table was ordered to be printed in the RECORD, as follows:

MAJOR MANDATED DUE DATES NUCLEAR WASTE POLICY ACT OF 1982

Section	Activity	Due date			
		Required by act	Actual	Schedule	Delay (months)
112(a)	DOE issues general guidelines for the recommendation of sites for nuclear waste repositories.	July 7, 1983	Dec. 6, 1984		17
121(a)	EPA adopts standards for protection of the environment from off-site releases from repository.	Jan. 7, 1984	August 1985		19
303	DOE submits report to Congress	Jan. 7, 1984	Apr. 18, 1985		15
301(b)1	DOE provides draft Mission Plan	Apr. 7, 1984	May 2, 1984		1
301(b)3	DOE submits Plan to Congress	June 7, 1984	June 1985		12
112	DOE recommends to President three sites for first repository characterization	Jan. 1, 1985		April to May 1986	16
8(b)	President evaluates disposing of defense waste in a commercial repos	Jan. 7, 1985	Apr. 30, 1985		3
114(a)	President to submit recommendation for first repository site to Congress	Mar. 31, 1987		March 1991	48
114(a)	President to submit recommendations for second repository site	Mar. 31, 1990		March 1998	96
302(a)	DOE to begin receiving spent fuel	Jan. 31, 1998		Jan. 31, 1998	0

Mr. BENTSEN. Mr. President, as this table clearly shows, the DOE has consistently fallen behind, or is projected to miss, a large number of important dates under the act. In fact, to this point, DOE has thus far missed every single significant deadline and continues to announce further delays.

I am not overly critical of this because the subject matter demands great caution. As I said earlier, we are breaking new ground in locating these repositories, and we cannot take chances. However, these latest projections, covering the time period between this year and 1998, indicate that DOE plans to compress the intermediate steps in order to meet the 1998 deadline.

The last thing we should do at this point is to cut corners on licensing, characterization, and construction to meet an arbitrary deadline. The key to the success of a project of this magnitude is the credibility of DOE, and it is difficult to understand why DOE would risk its credibility by appearing to rush ahead at the most crucial point. There is simply no way to regain that lost time without further eroding public confidence in DOE's ability to make informed, objective decisions.

Therefore, I am proposing that DOE be given 10 additional years from the current 1998 deadline to begin receiving spent fuel. Stretching out these deadlines would permit more and better consideration at each stage of this important process, and more time for corrections and reevaluations.

The elimination of this compressed schedule is crucial in assuring the public that all possible real or perceived problems in the repository process have been worked out. Without the acceptance and support of the public, and without a clear demonstration of a safe, proper location and an unquestioned process, by DOE, I am doubtful that our storage plans for the future can be successful.

I ask unanimous consent to insert the bill at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2201

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Nuclear Waste State Participation Act of 1986".

SEC. 2. (a)(1) Section 112(b)(1)(A) of the Nuclear Waste Policy Act is amended by—

(A) striking "and" and inserting in lieu thereof a comma;

(B) inserting after "with" a comma and the phrase "and, in accordance with subparagraph (I), notification of,"; and

(C) striking "he" and inserting in lieu thereof "the Secretary".

(2) Section 112(b)(1)(B) of such Act is amended by striking "1985" and inserting in lieu thereof "1995".

(3) Section 112(b)(1)(C) of such Act is amended by striking "1989" and inserting in lieu thereof "1999".

(b) Section 112(b)(1) of such Act is amended by inserting after subparagraph (F) the following new subparagraph and redesignating succeeding subparagraphs accordingly:

"(G) Each nomination of a site under this subsection shall be accompanied by a general plan for site characterization activities to be conducted at such candidate site. Such plan shall include—

"(i) a description of such candidate site;

"(ii) a description of such site characterization activities, including the extent of planned excavations, plans for any onsite testing with radioactive or nonradioactive material, plans for any investigation activities that may affect the capability of such candidate site to isolate high-level radioactive waste and spent nuclear fuel, and plans to control any adverse, safety-related impacts from such site characterization activities;

"(iii) plans for the decontamination and decommissioning of such candidate site, and for the mitigation of any significant adverse environmental impacts caused by site characterization activities if it is determined unsuitable for application for a construction authorization for a repository;

"(iv) criteria to be used to determine the suitability of such candidate site for the location of a repository, developed pursuant to subsection (a); and

"(v) any other information required by the Commission.".

(c) Section 112(c) of such Act is amended to read as follows:

"(c) REVIEW OF RECOMMENDED CANDIDATE SITES. (1) The President shall review each candidate site recommendation made by the Secretary under subsection (b). The President, in the President's discretion, may either approve or disapprove such candidate site, and shall transmit any such decision to the Secretary and to either the Governor and legislature of the State in which such candidates site is located, or the governing body of the affected Indian tribe where such candidate site is located, as the case may be.

"(2)(A) Not later than January 1, 1995, the President shall submit to the Congress a recommendation of three approved candidate sites for characterization selected from the five sites nominated by the Secretary under subsection (b)(1)(A), that the President considers qualified for such characterization activities.

"(B) Not later than January 1, 1999, the President shall submit to the Congress a recommendation of three additional approved candidate sites for characterization selected from the five sites nominated by the Secretary under subsection (b)(1)(C) (and not nominated under subsection (b)(1)(A)), that the President considers qualified for such characterization activities.

"(3) The President may extend a deadline described in paragraph (2) by not more than 12 months if, no later than one year prior to the appropriate date specified in paragraph (2), the President—

"(A) determines that such extension is necessary; and

"(B) transmits to the Congress a report setting forth the reasons for such extension.

"(4) If approval of any such candidate site recommendation does not take effect as a result of a disapproval by the Governor or legislature of a State under section 116 or by the governing body of an affected Indian tribe under section 118, the President shall submit to the Congress, not later than one year after the disapproval of such recommendation, a recommendation of another candidate site for characterization.".

SEC. 3. Section 113(b)(1) of the Nuclear Waste Policy Act is amended by striking subparagraph (A) and redesignating succeeding subparagraphs accordingly.

SEC. 4. Section 115 of the Nuclear Waste Policy Act is amended—

(1) in the subsection heading, inserting "CHARACTERIZATION OR" before "SELECTION";

(2) in subsection (a), inserting after "For purposes of this section," the phrase "the term 'resolution of repository characterization approval' means a joint resolution of the Congress, the matter after the resolving clause of which is as follows: 'That there hereby is approved the characterization of the site at ———— for a repository, with respect to which a notice of disapproval was submitted by ———— on ————', and";

(3) in subsection (b), by inserting "(1)" after "PETITIONS.—" and by adding the following new paragraphs:

"(2) The designation of a site as suitable for characterization for a repository shall be effective at the end of the 60-day period beginning on the date that the President approves such site for characterization under section 112, unless the Governor and legislature of the State in which such site is located, or the governing body of an Indian tribe on whose reservation such site is located, as the case may be, has submitted to the Congress a notice of disapproval under section 116 or 118. If any such notice of disapproval has been submitted, the approval of such site for characterization shall not be effective except as provide under subsection (c).

"(3) A notice of disapproval under section 116 or 118 may be submitted to the Congress only once with respect to the designation of any particular site.".

(4) in subsection (c), by inserting "a candidate site for characterization or" before "a repository site designation" and by inserting "repository characterization approval or" before "repository siting approval";

(5) in subsection (d) (1), (2), and (5), by inserting "characterization or" after "repository" each place it occurs;

(6) in subsection (d) (3) and (4), by inserting "repository characterization or" before "siting approval" each place it occurs; and

(7) in subsection (e), by inserting "characterization or" after "repository" each place it occurs.

SEC. 5. Section 116 of the Nuclear Waste Policy Act is amended—

(1) in subsection (b), by inserting "CHARACTERIZATION OR" after "REPOSITORY";

(2) in subsection (b)(2), by inserting after "recommendation of" the phrase "a candidate site for characterization for a repository or of", and by inserting after "recommended" the phrase "candidate site or"; and

(3) in subsection (c)(4)(B), by inserting "characterization or" after "repository".

SEC. 6. Section 302(a)(5)(B) of the Nuclear Waste Policy Act is amended by striking "1998" where it appears and inserting in lieu thereof "2008".●

By Mr. LEAHY (for himself, Mr. DOLE, Mr. MATSUNAGA, Mr. DANFORTH, Mr. KENNEDY, Mr. QUAYLE, Mr. NUNN, Mr. CHAFEE, Mr. DODD, Mr. CRANSTON, Mr. KERRY, Mr. CHILES, Mr. SIMON, Mr. LEVIN, Mr. PELL, Mr. BURDICK, and Mr. RIEGLE):

S. 2202. A bill to award a special gold medal to the family of Harry Chapin; to the Committee on Banking, Housing, and Urban Affairs.

SPECIAL GOLD MEDAL TO THE FAMILY OF HARRY CHAPIN

Mr. LEAHY. Mr. President, Harry Chapin—close friend, singer, artist, and champion of the world's hungry—tragically left us over 4 years ago.

His vision for a world less hungry and unjust remains not only in his songs but through the fruits of his many philanthropic efforts. He was the moving force behind the creation of the President's Commission on World Hunger. He founded the Food Policy Center, created World Hunger Year and established Food Monitor magazine.

Harry Chapin's determination and commitment to get to the root causes of hunger is the reason why many of us—Republicans and Democrats—believe that an appropriate gold medal be awarded to Harry Chapin's family in commemoration of his selfless crusade. This medal, awarded posthumously, would signal bipartisan support for the struggle Harry waged.

He knew the enormity of his job. He knew that people all around the world would continue to suffer unless hunger became a matter of conscience to the millions of us who can make a difference. He was not deterred by the magnitude of the problem.

There is now an empty space where there was once his endless energy and contagious enthusiasm for ending world hunger.

Harry Chapin was an outstanding example of what a citizen should be, and those of us who worked closely with him over the years still miss him deeply. It is entirely appropriate to award his family a gold medal for his work to alleviate suffering. The world was made better by Harry Chapin. He must never be forgotten.

By Mr. STAFFORD (for himself, Mr. MITCHELL, Mr. CHAFEE, Mr. DURENBERGER, Mr. HART, Mr. BAUCUS, Mr. MOYNIHAN, Mr. LAUTENBERG, Mr. KENNEDY, Mr. LEAHY, Mr. PELL, and Mr. DODD):

S. 2203. A bill to establish a program to reduce acid deposition and for other purposes; to the Committee on Environment and Public Works.

NEW CLEAN AIR ACT

Mr. STAFFORD. Mr. President, today, I and several Members of the Senate are introducing a bill to establish an acid rain control program. This proposal marks, in my judgment, a turning point in the acid rain debate.

The Committee on Environment and Public Works has reported an acid rain control bill during each of the last two Congresses. Unfortunately, both died without being brought before the full Senate.

But this bill is different from earlier versions in several important respects.

First, it deals with a variety of air pollutants, not just one or two.

Second, it creates a program for the entire United States, not just a portion of it.

Third, it deals not just with electric powerplants, but with cars and trucks as well.

These are important differences, but they are not what causes me to say that we have reached a turning point in acid rain controls.

This is a sweeping and ambitious proposal; it is also expensive. The Office of Technology Assessment has estimated a maximum cost of $6 billion annually for the powerplant portions of the legislation.

Three years ago, the introduction of such a proposal would have been almost unthinkable. What makes today a turning point is not only that such a bill can be introduced, but that a considerable number of Senators take it seriously.

More importantly, scientists across the United States and throughout the world will say that this is the kind of bill which should be put before the Congress. Engineers will say that it is the kind of bill which can be implemented, not 5 years from now but today.

This is a bill which science tells us should be introduced and which technology tells can be implemented.

Additionally, politicans throughout the world are finally beginning to believe them.

For example, this bill's approach to cutting pollution from powerplants is based on what the West Germans have adopted. Its proposals for tough controls for oxides of nitrogen are based on what the Japanese have already done. And its suggestion that the tailpipe standards for our cars and trucks should be toughened is spurred in part by decisions in Switzerland, Austria, Sweden, and Canada to finally impose mobile source controls in their countries.

All of this is happening because the case against air pollution generally and acid rain in particular is becoming clearer and clearer everywhere in the world. Lakes and forests are dying, buildings are being destroyed, and human health is at risk.

Not all of these have necessarily happened in the United States. But just a few days ago the National Academy of Sciences said lakes had been killed in New York because of acid rain. And in North Carolina, red spruce in the mountains are dying and there is a clear correlation to air pollution.

It is not just a small band of environmental extremists who say this is a problem. Reputable scientists virtually everywhere are telling us the same thing, whether it's Canada, the United States, Germany, Switzerland, Austria, Poland, or a dozen other countries.

The United States took some action when it enacted the old Clean Air Act in 1970 and again in 1977. But that is not enough. Those were good laws for the times and they worked. But they're not good enough now.

Just a few days ago I received a letter confirming that in 1984, after years of declining, pollution levels of both sulphur dioxide and oxides of nitrogen had increased. The increases were about 900,000 tons and 650,000 tons respectively.

Many people are probably unaware of the fact that in less than 9 months up to 32 areas of the country will have failed to meet the deadlines for achieving ozone air pollution levels that are safe to breathe. Literally tens of millions of Americans will continue to be exposed to air which is a danger to their health.

We can be proud in the United States. Ours was the first country to recognize the danger which air pollution posed and to take aggressive action. But that was 17 years ago. Today, we are not the first to act, but the last. Only one other industrialized country in the world has failed to commit itself on acid rain. That is Great Britain. Short of that, the United States is isolated in the international community on this subject.

I do not believe this will continue. The Congress—not just one or two committees—will act and in my judgment act soon. It may be too late in this legislative year to expect final legislative action in 1986. But I will certainly shoot for that and, if we fail, start again early next year.

Let me just conclude by saying that we've turned a corner in this country on the subject of controlling acid rain. It is no longer just a question of whether, but when and how. My hope is that it will be this bill and this year.

Mr. DURENBERGER. Mr. President, we are here, once again, to introduce acid rain control legislation. I congratulate the distinguished chairman of our Environment Committee, Senator STAFFORD, on the outlines of this new bill. And I am sure that I speak for other members of the committee in thanking him for his continuing dedication and leadership in this endeavor. I am pleased to be an original cosponsor of this bill.

This legislation outlines a very different approach to solve the acid rain problem. Bills considered and reported by the Environment Committee in the past have focused almost exclusively on stationary sources of sulphur dioxide emissions. This bill would include significant controls on mobile sources, as well, with new standards for nitrogen oxide, hydrobarbon, carbon monoxide, and particulate emissions.

I believe that the inclusion of controls on mobile sources is an important step forward in the American debate on acid rain. This past summer, I had the opportunity to travel to several areas in Scandinavia and Western Europe where air pollution is clearly damaging lakes and forests. Today there is an environmental crisis in the Black Forest of West Germany, a crisis which is spreading to other parts of that nation and among its neighbors. it is clear to the scientists and government leaders of West Germany that the automobile is a big factor in the "Waldsterben—forest death" that has been evident over the past 4 or 5 years in that country.

Here in the United States we are beginning to see the signs of similar damage to our forests. At higher elevations in North Carolina and Vermont there are some areas where damage has reached levels similar to that which I saw in Europe. And recent reports indicate that growth rates in our commercial forests in the Southeast have slowed dramatically over the past 20 to 30 years.

We have done much more than the Europeans to control emissions from automobiles. They have no equivalent to our Clean Air Act with its mobile source standards. Their automobile fleet is not equipped with catalytic converters and still burns leaded gasoline. And they have no required fuel economy standards as we have in the United States. So our auto industry has already been asked to do much to combat air pollution. And let me say that the success of the Clean Air Act can be experienced. Air quality on the European Continent was noticeably worse than it is here in the United States.

Nevertheless, American automobiles are still a major source of air pollution and evidence is gathering that this pollution, particularly ozone and especially at higher elevations, may be responsible for serious damage to our forest resources. The bill that Senator STAFFORD is introducing today will certainly have the effect of focusing the legislative discussions on the role of mobile sources in the continuing air pollution problems of this, the American continent.

This bill is different from past acid rain control bills in another way, as well. In past legislation, the committee has adopted an explicit goal of reducing sulfur dioxide emissions by 10 million tons over 10 years and allocated those reductions among the 31 States east of the Mississippi River. The reductions ordered by the previous legislation would have been accomplished

by amending State implementation plans. Presumably the States would have ordered some electric utility powerplants to switch to low sulfur coal, to scrub their coal, or to install flue gas scrubbers to achieve the mandated reductions.

Under the legislation introduced today, the reductions would be achieved by the direct imposition of Federal emissions standards on stationary sources of sulfur dioxide and nitrogen oxide emissions. This is certainly a new approach to acid rain control legislation. It will make the program a 50-State program. And it will avoid the uncertainty and time delays that were implicit in the translation of a national goal for emissions reductions through State implementation plans and then into specific clean up orders. There are many advantages to this direct approach.

But making it a direct Federal emissions regulation covering the whole Nation still does not solve the problem that has prevented the Senate from dealing with acid rain in the past. The cost of the cleanup effort still falls disproportionately on a few States while the principal benefits of the program would be realized in other regions of the country. Whether we take the control approach reflected in this new bill, or return to the allocated reductions that have been advocated by Senator MITCHELL in the past, we will still need to address the problem of allocating the cost of controls across the Nation.

Mr. President, in the 98th Congress I introduced legislation that would pay for an acid rain control program by imposing an emissions tax on stationary sources and an excise tax on automobiles to raise $40 billion over a 10-year period. These tax revenues would have gone into a trust fund to be used by EPA to purchase sulfur dioxide emissions reductions at industrial facilities where the most reductions could be achieved for the least cost. It is my intention to introduce that legislation again this Congress as the Environment Committee prepares for hearings and markup on amendments to the Clean Air Act.

So, Mr. President, we begin anew the debate on acid rain here in the Senate. I wish to again commend Senator STAFFORD for bringing us this thoughtful and innovative legislation. By joining as cosponsors, I and other members of the committee make clear our continuing commitment to find a remedy for the acid rain problem which damages so many important environmental resources in large areas of our Nation.

Mr. CHAFEE. Mr. President, it should come as no surprise that those of us introducing this bill today are advocates of an acid rain control program. We have sponsored such legislation in the past and will continue to press the issue.

Recent reports that the President will endorse his special envoy's recommendation for action to curb acid rain is a welcomed sign. It is an acknowledgement by the President that the acid rain problem is a real problem and a serious one. Unfortunately, the President's plan will do little to solve the problem. It is little more than a plan for more studies. Acceptance of the special envoy's plan will not reduce the pressure to adopt concrete programs to curb the damage.

We know enough to act and must act to reduce pollution that causes acid rain. Since we first developed acid rain control legislation in 1979 and 1980, report after report has proven the case for imposition of controls.

A report released early last year concluded that four out of five of Rhode Island's cleanest waterways are either dying or being endangered by acid rain. At least two have acid levels high enough to kill fish.

A report released last week by the National Academy of Sciences concluded that a "causal relationship" does link sulfur emissions from the burning of fossil fuels with acid rain and increased levels of acid in lakes and streams.

The bill we are introducing today is based on scientific evidence that has been developed since 1979. This new information tells us not only that our original proposals were sound but that we were being too conservative.

This new bill is a departure from earlier proposals in several important respects.

First, this bill attempts to control a variety of air pollutants in a variety of ways. In the past, attention in both the Congress and the press has focused on one specific pollutant—sulfur dioxide. But the great research progress we've made in the past years has not only made the case against sulfur dioxide more convincing, but implicated other airborne chemicals as well. Therefore, this bill proposes reductions not only of sulfur dioxide, but also oxides of nitrogen, ozone, hydrocarbons, and carbon monoxide.

Second, the focus of this bill is not only on the damage which acid rain and other air pollution is doing to lakes and streams, but also on soils, forests, crops, building materials, and human health. There is little, if any, doubt that all of these are now at risk in the debate over what is conventionally referred to as "acid rain".

Third, because the bill attempts to deal with more pollutants and more damages, it also would cover the entire United States, not just a region. Previous bills have suggested that control efforts be limited to a certain number of States. But evidence now shows that our concerns should be continental, not regional.

Finally, the bill does not rely on any given technology or approach, nor does it suggest that the total pollution reductions should be a set amount. Previous bills have suggested a reduction of 8, 10, or even 12 million tons of sulfur dioxide emissions as a target. This bill suggests that instead of establishing a specific number, the Nation should commit itself to curbing pollution as much as possible through approaches which already exist. In that sense, this bill is a true "state of the art" proposal.

For example, the pollution produced by many American powerplants could be cut in half by either switching to clean American coal or installing devices already in operation in countries like Japan. Similarly, if all cars sold in the United States were as clean as 25 percent of the models now being built and sold—built and sold by United States companies, I might add, not just their Japanese or European competitors—acid-based and other air pollution would drop dramatically.

For 7 years, the Congress has been engaged in a debate called acid rain, with the common belief that the pollutants are new and so are the arguments. In fact, both the pollutants and the debates are echoes from the 1960's and the 1970's and even earlier.

What has changed since then is the level of scientific certainty. Acid rain not only can but has killed lakes and streams, as well as other damage. One scientific report after another has made this so clear that if the Congress were a court of law, the jury could have no difficulty returning a verdict of guilty.

It has become increasingly clear that more is at stake here than just lakes and streams. The Congress thought 16 years ago that the stakes were the trees, crops, and very lives of Americans, and on that basis we enacted the Clean Air Act. Today science has indicated that those judgments of 16 years ago were not only correct, but that the Congress did not go far enough. Much—much more—is now needed, and the acid rain debate has made this clear.

We have made great progress in the United States chiefly because of laws enacted in the 1970's to meet challenges which arose in the 1950's and 1960's. This is a new era and it demands new solutions.

That is what this bill suggests:

All powerplants should be as clean as those few which now utilize the fuels and technology of 1986.

All cars and trucks should be as clean as the few built with the computers and engines of 1986.

And all citizens should be protected from the pollution produced by these smokestacks and exhaust pipes.

Mr. BAUCUS. Mr. President, today I am joining Senator STAFFORD in intro-

ducing a new approach to the control of acid rain—a recognition of Western acid rain and a national approach to the problem.

Acidic deposition and ecological consequences first received widespread attention in Scandinavia in the late 1960's and early 1970's.

By the early- to mid-1970's, scientists found that precipitation falling on Eastern North America was acidic.

Acid-sensitive species such as trout declined or were eliminated in many lakes and streams in the Adirondacks and New England.

While there seemed to be a correlation between areas experiencing acid precipitation being located downwind of regions where anthropogenic emissions were high, neither the mechanism nor the extent of the problem was fully understood.

Congress became sufficiently concerned by the late 1970's to begin calling for a reduction in emissions from large sources of sulfur dioxide. Although the Environment and Public Works Committee has reported legislation in the past to address this problem, Congress has failed to act.

The approach in previous Congresses was confined largely to addressing emissions of sulfur dioxide. The problem was considered a regional problem. Its solution was directed solely at the Eastern United States.

While Congress has been unable to agree on a program to reduce emissions, research into the problem has continued.

The research demonstrated that action needs to be taken now.

NORTH AMERICAN PROBLEM

What was once thought to be a phenomenon occuring in a limited areas of the Eastern United States has been found to be threatening the entire country. A national and international solution involving all North America is needed.

High elevation Western areas may actually be more sensitive to acidic deposition than sites in Eastern North America and Europe.

The larger fraction of precipitation falling as snow in the mountains of the West means that high elevation areas are at increased risk when spring snow melt can send acid shock to fragile alpine ecosystems.

Many of these extremely sensitive areas in the West occur at high elevation sites. These sites are characterized by short growing seasons, shallow soils, and steep terrain. These factors combine to decrease the ability of the area to neutralize acidic precipitation. Once acid rain deposition occurs, rapid chemical changes could be manifest in the soils and surface waters of the area.

Compounding this problem is the much higher ratio of dry to wet acid deposition in the West. Thus, there is increased risk of underestimating the total stress being exerted on an ecosystem.

Particularly vulnerable areas are the Rocky Mountains, the Cascades, and the Sierra Nevadas.

In my own State of Montana, large areas of the western part of the State are threatened. These areas include two of the "Crown Jewels" of our National Park System: Glacier and Yellowstone National Parks.

REAL CONCERN—TRANSPORTED AIR POLLUTANTS

What was once considered a problem caused solely by uncontrolled emissions of sulfur dioxide has been found to be caused by a whole host of air pollutants.

In the past, little attention was given to emissions of nitrous oxides. After all, nitrogen is a plant nutrient and, therefore, was not thought to be a villain.

While nitrous oxide was briefly considered and then set aside, other pollutants such as ozone, hydrocarbons, and carbon monoxide were not even considered.

As we looked closer and gained a better understanding of the "dieback" of our forests both here in Eastern North America and in Europe, it became apparent that each of these pollutants is important to understand the scope and severity of the problem.

The goal can no longer be the narrow objective of reducing sulfur dioxide emissions. Rather, the real concern is transported air pollutants. We must move toward reduced emissions of all pollutants if we are to protect public health and the environment in this country.

Legislation being introduced today will place a useful life cn all SO2 sources. After that date, all SO2 sources must come into compliance with a new source performance standard equivalent. This step is needed to ensure that old outdated, high-emitting facilities are replaced.

Increased knowledge points its finger at not just sulfur dioxide emissions, but also nitrous oxide emissions. Steps must be taken to control both stationary and mobile sources of nitrous oxides. By January 1, 1995, best retrofit technology for nitrous oxide emission controls will be required for every major stationary source.

While the immediate concern with synfuels development has been laid aside due to the current world energy situation, we cannot ignore the possibility of massive synfuels development in the West later in this century. This legislation will clarify that mandatory nitrous oxide and sulfur dioxide new source performance standards will be required for these facilities.

While motor vehicles count directly for only one-sixth of the total acid deposition in the Eastern United States, they are responsible for substantially more emissions in the West. Transportation accounts for approximately half of all anthropogenic NOx emissions in the West.

Vehicular pollutants may also play an important catalytic and synergistic role in acidic deposition. Motor vehicles cause or contribute in a major way to ozone, hydrocarbons, total nitrogen, and other transported air pollutants. It is clear that increased control of motor vehicle emissions is essential if we are going to address the problem of transported air pollution, both nationwide and particularly in the West.

Legislation being introduced today will not go beyond what can be achieved today. What it will do is require that light duty vehicle standards be equivalent to the 1986 average certification level of the 25-percent cleanest vehicles. For the 1990 model year, light duty cars must achieve a NO_x standard of 0.25, a hydrocarbon standard of 0.16, a carbon monoxide standard of 1.3, and a particulate standard of 0.18. For light trucks, a nitrous oxide standard of 0.5, a hydrocarbon standard of 0.19, and a carbon monoxide standard of 3. Heavy duty gasoline engines for nonagricultural vehicles must meet a nitrous oxide standard of 5.1, a hydrocarbon standard of 0.48, and a carbon monoxide standard of 2.5. Heavy duty diesel engines must meet a nitrous oxide standard of 5.1, a hydrocarbon standard of 0.54, and a carbon monoxide standard of 1.7. All new vehicles must have a warranty of emission systems for 10 years or 100,000 miles. By January 1, 1988, a mandatory visible inspection system to ensure against tampering and misfueling must be in place in all 50 States. Diesel fuel sulfur content must be the same as the content in gasoline.

These new air emission standards will provide us with the tools necessary to address the problem of transported air pollutants.

But, these controls in the United States alone will not be enough to protect the West. Recently, a new smelter has begun testing 30 miles south of Arizona in Mexico. This smelter, known as the Nacozari smelter, is coming online with no emissions controls. It has already begun test operation. Over the next 18 months, this smelter will become the largest single source of sulfur dioxide emissions in North America. Its emissions can be expected to be felt from the southern border with Mexico all the way to our northern border with Canada.

It is clear that the problem of transported air pollutants cannot be looked at as an isolated national problem. It is a problem of international scope. While addition of emission controls in this country can reduce the problem, it can only truly succeed in meeting its goal if a North American Treaty is in place.

This legislation builds on legislation that I introduced during the first ses-

sion of this Congress calling on the President to negotiate a North American Treaty on Air Pollution. This treaty will ensure that future emissions emanating in Mexico or Canada will not adversely affect the West. Similarly, emissions emanating from this country should also not be allowed to adversely affect our neighbors. There is a need for greater coordination, cooperation, and the development of new mechanisms to address an international problem of this scope. If this approach is successful, it can be used as a model for addressing what is rapidly becoming a worldwide problem.

Together, more stringent air quality standards coupled with increased international cooperation will first, lead to the protection of our forests and crops; second, ensure that the Nation's natural environment will be maintained; third, substantially reduce air pollution causing deterioration of our Nation's buildings, bridges, and monuments; and fourth, provide for the protection of public health.

Mr. LAUTENBERG. Mr. President, I am pleased to join Senator STAFFORD and my colleagues on the Senate Environment and Public Works Committee in introducing this important acid rain control legislation. I am also joining Senator MITCHELL in introducing a series of amendments to S. 283, which he introduced last year, and I cosponsored with the members of the Environment Committee. The legislation that we introduced today differs significantly from legislation previously approved by the committee. It takes account of growing knowledge about the causes of the acid rain, the pollutants involved, and effective mitigation techniques.

The bill extends control requirements to sources emitting not only sulfur and nitrogen oxides, but also hydrocarbons and carbon monoxide. Hydrocarbons and carbon monoxide have been implicated in the chemical transformation of airborne acidic pollutants and in the degradation of forests, crops, and manmade materials. If we are to effectively halt the scourge of acid rain in this country and in Canada, we must address these pollutants as well.

Our legislation also extends acid rain controls to the entire United States. Since the initial introduction of acid rain control legislation in the Senate, evidence has grown of damage and potential harm from acid rain in the Western United States. Today, it would be irresponsible to craft legislation that only addressed pollution sources in the eastern half of the country.

The bill consists of three titles addressing controls on stationary sources, mobile sources, and miscellaneous requirements, including the negotiation of a North American Air Pollution Treaty.

Stationary sources—primarily powerplants—would be required to reduce their sulfur dioxide emissions to a level equivalent to what new plants are required to meet by age 35. Interim reductions are accomplished in a three-tiered fashion, limiting operating hours until plants meet a 1.5-pound-per-million Btu, 0.7-pound-per-million Btu, and ultimately a level equivalent to that required of new plants by age 35. Nitrogen oxide controls on stationary sources are achieved by requiring the installation of the best retrofit technology demonstrated by any member country of OECD by January 1, 1995.

Additional control of nitrogen oxides, hydrocarbons, carbon monoxide, and particulates is accomplished through the mobile source title of this legislation. By model year 1990, passenger cars and light duty trucks would be required to meet standards equivalent to the 1986 average certification level of the 25-percent cleanest vehicles. Vehicle pollution control statistics show that a very large number of today's vehicles exceed the levels required by law. This bill strives to adjust existing law to reflect what is already technologically feasible.

Mr. President, we introduce this legislation as a symbol of what can and should be done to control acid rain. It is a bill requiring stringent controls and one that will no doubt draw the attention of the regulated community. I look forward to working closely with my colleagues, the environmental community, and a broad spectrum of organizations and industries to see that this legislation moves expeditiously through the committee and is approved by the 99th Congress.

Mr. President, there could be no more appropriate time to introduce this legislation and send a strong message about the need for real emission controls. This week, the Prime Minister of Canada, Mr. Mulroney, will be meeting with President Reagan for the second Shamrock Summit. Acid rain is sure to be at the top of their agenda.

The legislation we introduce today sets forth a course of action to combat acid rain in this country and in Canada. If enacted, it would serve as a counterpart to the Canadian Acid Rain Program put in place in December of last year. It also calls upon the United States to join with Canada and Mexico to negotiate a tripartite agreement to reduce transboundary air pollution.

Unfortunately, it is not likely that the President will actively support an effective control program within our own borders. It is not likely that he will even agree to negotiate a North American Air Pollution Treaty. Instead, the dangerous game of smoke and mirrors between the leaders of our two countries will continue.

At last year's summit, the President and Mr. Mulroney appointed envoys to study acid rain and report back early this year in preparation for the second summit. While the findings of the envoys report put the administration on the record acknowledging the severity of the acid rain problem, it fell far short of an adequate recommendation.

Now is the time for action on a much larger scale. We do not need additional research to justify a control program. We know that acid rain damage is extensive and is spreading. We know that technology already exists in this country and in other industrialized countries to reduce acid rain. There is no time left for beating around the bush.

Canada has put in place a program to cut its pollution in half. Canada is joined by several European countries, including France and West Germany, in enacting programs to reduce a variety of pollutants, including sulfur dioxide emissions which would be reduced by 50 percent. The U.S.S.R. has joined the so-called 30-percent club—a group of approximately two dozen countries who have pledged to reduce pollution levels to combat acid rain—and agreed in a recent environmental summit with EPA Administrator Lee Thomas to work on solutions to the acid rain problem plaguing both our countries.

I urge my colleagues to cosponsor this important legislation on the eve of the second Shamrock Summit and send a strong message to the President that much more must be done to reduce transboundary air pollution.

By Mr. McCLURE (by request):

S. 2204. A bill to amend the Land and Water Conservation Fund Act of 1965, as amended, to permit the use of park entrance, admission, and recreation use fees for the operation of the National Park System, and for other purposes; to the Committee on Energy and Natural Resources.

NATIONAL PARK SYSTEM ENTRANCE FEE ACT

● Mr. McCLURE. Mr. President, I send to the desk legislation which was transmitted to the Senate by the Secretary of the Interior and referred to the Committee on Energy and Natural Resources. The legislation would modify the current provisions of law relating to ability of the National Park Service to charge entrance and use fees at various units of the National Park System.

This legislation is far better than the proposals which were under consideration by the administration in the past. I have stated that I am not opposed to reviewing the current limitations and that I think some increase could probably be accommodated. I am

very concerned, however, with the unfettered discretion which this draft proposes. I do not think that current budget concerns should be an excuse to subordinate proper management of the resources of the national parks to economics. I also want to ensure that park operations and maintenance are not held hostage to either increased visitation or a certain level of fees.

As I stated, this legislation is a marked improvement over previous proposals and the Secretary should be commended for those improvements. I ask unanimous consent that a copy of the transmittal letter, a section-by-section analyses and the legislation be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2204

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be referred to as the "National Park System Entrance Fee Act of 1986."

SEC. 2. Section 4(a) of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 460*l*-6a(a)), is further amended as follows:

(1) The first sentence is amended by changing the period to a comma and inserting thereafter the following: "except that any unit which provides significant outdoor recreation opportunities in an urban environment and to which access is publicly available at multiple locations may not be so designated."

(2) Paragraph (1) is amended by striking out "$10" and inserting in lieu thereof "$40" in the first sentence.

(3) Paragraph (1) is further amended by striking out "(1)" and inserting in lieu thereof "(1)(A)" and adding the following new subparagraph:

"(B) For admission into a specific designated unit of the National Park System, or into several specific units located in a particular geographic area, the Secretary of the Interior is authorized to make available an annual admission permit for a reasonable fee. The permit shall convey the privileges of, and shall be subject to the same terms and conditions as, the Golden Eagle Passport, except that it shall be valid only for admission into the specific unit or units of the National Park System indicated at the time of purchase.".

(4) Paragraph (4) is amended by striking out "without charge" and inserting in lieu thereof "for a fee of $10" in the second sentence, and by striking out "other" in the third sentence.

SEC. 3. Section 4 of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 460*l*-6a), is further amended as follows:

(1) Subsection (e) is amended by adding the following after the final period: "When authorized by the head of the collecting agency, volunteers may sell permits and collect fees authorized or established pursuant to this section, and funds appropriated or otherwise available to the collecting agency shall be available to cover the cost of any surety bond as may be required of any such volunteer in performing such authorized services under this subsection.".

(2) Subsection (f) is amended by striking out "(f) Except" and inserting in lieu thereof "(f)(1) Except as provided in paragraph (2) and except"; and by adding the following new paragraph:

"(2) Notwithstanding any other provision of law, for the period ending ten years from the effective date of this paragraph, 80 per centum of all receipts collected from fees or permits for admission or entrance to the National Park System, and 80 per centum of all fees collected under subsections (b) and (c) of this section with respect to the National Park System, shall be available until expended, without further appropriation, for expenditure as determined by the Secretary, for operation of the National Park System. During such period 20 per centum of all such receipts and fees with respect to the National Park System shall be deposited in the Treasury of the United States as miscellaneous receipts."

SEC. 4. Section 402 of the Act of October 12, 1979 (93 Stat. 664), is hereby repealed.

SECTION-BY-SECTION ANALYSIS

Section 1. Short title.

Section 2. Amends section 4(a) of the Land and Water Conservation Fund Act of 1965, which authorizes entrance or admission fees only to designated units of the National Park System and at National Recreation Areas administered by the Department of Agriculture, as follows:

(1) Exempts urban recreation areas to which access is publicly available at multiple locations from being designated as entrance fee units.

(2) Increases the price of the annual general admission permit, the "Golden Eagle Passport," from $10 to $40.

(3) Provides for an annual admission permit for a specific park or several specific parks in a particular geographic area. This annual permit would be similar to the Golden Eagle Passport, but limited to the specific park or parks indicated at the time of purchase.

(4) Provides for a one-time $10 charge for the Golden Age Passport, which is now free to citizens 62 years and older.

Section 3. Amends two additional subsections of section 4 of the Land and Water Conservation Fund Act of 1965, as follows:

(1) Amends subsection (e) to authorize volunteers to collect entry and user fees, and authorizes collecting agency to pay any surety bond.

(2) Makes available, without further appropriation, 80 percent of all entrance and user fees collected by the National Park Service for the next 10 years for expenditure as determined by the Secretary, for the operation of the National Park System.

The Secretary would have the discretion to establish amounts that would stay with the collecting park and the amounts that would be distributed among all areas, based on need. The funds would remain available until expended. The remaining 20 percent of all National Park System fees collected during the 10-year period would be deposited in the Treasury as miscellaneous receipts.

Section 4. Repeals 1979 provision that froze all National Park System entrance fees and prohibited the Secretary from charging for transportation systems at Denali National Park, AK.

SECRETARY OF THE INTERIOR,
Washington, DC, March 10, 1986.

Hon. GEORGE BUSH,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: Enclosed is a draft bill "To amend the Land and Water Conservation Fund Act of 1965, as amended, to permit the use of park entrance, admission, and recreation use fees for the operation of the National Park System, and for other purposes." Also enclosed is a brief section-by-section analysis of the bill.

We recommend that the bill be introduced and referred to the appropriate committee for consideration, and we recommend that it be enacted.

The fee initiative proposed by this bill represents one of the highest priorities for the National Park Service in the FY 1987 budget. This bill would provide a 10-year constant source of funds for the enhancement of operational activities in the National Park System, including interpretation, maintenance, research, and resource management and protection. Given the pressing need to reduce the Federal deficit, we propose to use the fees generated by the parks themselves to increase the level of funding for park operations.

Many of the 332,500,000 visitors to the parks in 1984 paid entrance, campground, and other user fees in the belief that their money was going to directly benefit the resources and services within the park. Under current law, however, entrance and user fees generated by the National Park Service are deposited into the Land and Water Conservation Fund where they are available for appropriation by Congress for grants to States for park acquisition and development and for Federal land acquisition. Under the enclosed bill, 80 percent of all fees collected in the parks would remain with the Secretary of the Interior for use by the National Park Service. Thus, the park visitor would know that 80 cents of every dollar charged for admission or camping and similar services would directly benefit the resources of the parks.

Park entrance fees have remained essentially at the same level for 14 years. In Fiscal Year 1985, more than $21 million was collected by the National Park Service in entrance and user fees under a system in which most entrance fees, including the Golden Eagle Passport, had not been changed since 1972. We believe that if park users can be sure their money will go directly to the park system, they will not object to reasonable increases in entrance fees or expanding the number of parks at which such fees are charged. Accordingly, the second major feature of the bill is a repeal of the 1979 statutory prohibition on increasing park entrance fees or establishing new fees.

We would like to emphasize that, under our proposal:

No entrance fee will be charged where such a fee is now specifically prohibited by law; the draft bill contains no park-specific repealers on entrance fees.

No entrance fee in excess of $10 per vehicle will be charged.

No entrance fee will be charged at urban recreation areas where access is publicly available at multiple locations.

No change will be made to existing policies regarding free or reduced entrance fees for bona fide educational groups.

The price of the Golden Eagle Passport will be increased from $10 to $40, and it will continue to be an annual unlimited vehicular admission permit to any unit of the Na-

tional Park System. In addition, the bill would authorize a one-time charge of $10 for the Golden Age Passport, which is now free to citizens 62 years of age and older. It would also authorize volunteers to collect fees and sell permits. For people who visit one park regularly, the bill would authorize that annual admission permits for specific parks or several specific parks in a geographic area be offered.

Under our proposal, we estimate that $52 million in additional revenues in FY 1987 would be generated from increased entrance fees. Combined with an estimated $22 million from current entrance and user fee collections, this would provide an estimated total of $74 million in revenues. Further, 80%, or $59 million, would be available for enhanced operations of our national parks and the remaining 20%, or $15 million, would be deposited into the general fund as a contribution to deficit reduction. We believe that the effect of this proposal will enable the National Park Service to provide levels of service that the American people want and expect in their national parks even in this time of fiscal austerity.

The Office of Management and Budget has advised that this legislative proposal is in accord with the program of the President.

Sincerely,

DONALD PAUL HODEL.●

By Mr. NICKLES (for himself and Mr. BOREN):

S. 2205. A bill to eliminate certain restrictions on the use of natural gas and petroleum, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. NICKLES (for himself, Mr. GRAMM, Mr. SYMMS, Mr. MCCLURE, Mr. BOREN, and Mr. HECHT):

S. 2206. A bill to amend the Internal Revenue Code of 1954 to repeal the windfall profit tax on crude oil; to the Committee on Finance.

REPEAL OF FUEL USE ACT AND WINDFALL PROFIT TAX

● Mr. NICKLES. Mr. President, I rise today to introduce two bills whose passage is long overdue: the repeal of both the Fuel Use Act and the windfall profit tax.

Our national energy policies of the past decade have hurt more than helped the American consumer and our domestic energy industry. The American energy industry has been the whipping boy of Congress for decades, mostly, I believe, because there has been great misunderstanding of what makes the industry operate.

For example, the windfall profit tax has taken more than $77 billion from the domestic energy industry since 1980. No other single industry in the United States has a windfall profit tax. This tax is a tremendous disincentive for domestic producers, but a strong encouragement for importers of foreign oil on which there is no equivalent tax. It has also acted to raise consumer oil prices, as well.

An equally punitive energy policy is the Fuel Use Act. Enacted in 1978 in reaction to nationwide fears of what appeared to be a natural gas shortage, the act has done nothing more than increase consumer energy costs and discourage our domestic gas production.

The real irony is that there has never been a shortage of natural gas. In fact, the shortage of the 1970's was caused by Government regulations which acted as a severe disincentive to producers.

Both laws desperately need to be repealed.

Repealing the windfall profit tax today would likely cost the Federal Government absolutely nothing. According to a Congressional Research Service analysis, when the price of oil per barrel drops below $19.40 for tier one, $22.60 for tier two, and $29 for tier three, the windfall profits tax is no longer collected. With few exceptions, the price of oil has been below these figures all year.

Repealing the windfall profits tax would, at minimum, send a positive signal to our domestic energy industry at a time when positive signals are few and far between. In the long run, repeal would help an industry that employs millions of Americans regain lost ground, and put domestic producers on even footing with foreign producers.

Repealing the Fuel Use Act would immediately bolster a depressed natural gas industry. We have gas in Oklahoma that we can't sell. Gas wells by the dozens are being shut down. The price of gas at the wellhead has dropped substantially in the last couple of years. Repealing the Fuel Use Act would not only help the industry but also provide consumers with the best energy buy in the world today.

As chairman of the Energy Regulation Subcommittee, I plan to hold hearings on April 10 to examine the prospects for repealing the Fuel Use Act. Repealing this act would be a strong first step to regaining a sound national energy policy.

As my colleagues know, our domestic energy industry needs every bit of help and encouragement the Federal Government can provide. And the quickest way this body could act to aid that industry is by repealing current laws which are nothing but an impediment for both consumers and producers.

Mr. President, I ask unanimous consent that the bills be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 2205

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE; TABLE OF CONTENTS

SECTION 1. SHORT TITLE.—This act may be cited as the "Fuel Use Act Repeal Bill of 1986".

SEC. 2.—TABLE OF CONTENTS.—

TITLE I—REPEAL OF CERTAIN RESTRICTIONS OF NATURAL GAS AND PETROLEUM USE

Sec. 101. Repeal of certain sections of the Powerplant and Industrial Fuel Use Act of 1978.

Sec. 102. Amendment of certain sections of the Powerplant and Industrial Fuel Use Act of 1978.

TITLE II—SEPARABILITY

Sec. 201. Separability.

TITLE I—REPEAL OF CERTAIN RESTRICTIONS ON THE USE OF NATURAL GAS AND PETROLEUM

SEC. 101. (a) The following sections of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8301 et seq.) are repealed—

(1) sections 103 (a)(16), (a)(18), (a)(19), and (a)(29) (42 U.S.C. 8302 (a)(16), (a)(18), (a)(19), and (a)(29));

(2) sections 201 and 202 (42 U.S.C. 8311 and 8312);

(3) section 302 (42 U.S.C. 8342);

(4) section 401 (42 U.S.C. 8371);

(5) section 402 (42 U.S.C. 8372); and

(6) section 405 (42 U.S.C. 8375).

(b) The table of contents of the Powerplant and Industrial Fuel Use Act of 1978 is amended by striking the items relating to the sections repealed by subsection (a) of this section.

SEC. 202. (a) Section 102 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8301) is amended by striking "and major fuel-burning installations" and "and new" wherever these phrases appear.

(b) Section 103 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8302) is amended—

(1) in subsection (a)(13)(B), by—

(A) striking clause (ii)(III);

(B) striking "; or" at the end of clause (ii)(II), and inserting a period in its place; and

(C) inserting "and" at the end of clause (ii)(I);

(2) in subsection (a)(15), by striking "or major fuel-burning installation" and "or new" wherever these phrases appear;

(3) in subsection (a)(20), by striking "or major fuel-burning installation";

(4) by redesignating subsections (a)(17), (a)(20), (a)(21), (a)(22), (a)(23), (a)(24), (a)(25), (a)(26), (a)(27), and (a)(28) as subsections (a)(16), (a)(17), (a)(18), (a)(19), (a)(20), (a)(21), (a)(22), (a)(23), (a)(24), and (a)(25);

(5) in subsection (b), by striking "or major fuel-burning installation" wherever this phrase appears;

(6) in subsection (b)(1)(D), by striking everything after "synthetic gas involved" and inserting in its place a period; and

(7) by striking subsection (b)(3), and redesignating subsection (b)(4) as subsection (b)(3).

(c) Section 104 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8303) is amended to read as follows:

"The provisions of the Act shall apply in all the States, Puerto Rico, and the territories and possessions of the United States, except Hawaii and Alaska.".

(d) Section 303 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8343) is amended—

(1) by striking "or installtion" and "or installations" wherever the phrases appear;

(2) by striking "or 302" wherever the phrase appears;

(3) by striking subsection (a)(3);

(4) by amending subsection (b)(1) to read as follows:

"(1) The Secretary may prohibit, by rule, the use of natural gas or petroleum under section 301(b) in existing electric powerplants.";

(5) in subsection (b)(3), by striking "or major fuel-burning installation"; and

(6) by amending the last sentence of subsection (b)(6) to read as follows: "Any such rules shall not apply in the case of any existing electric powerplant with respect to which a comparable prohibition was issued by order.".

(e) Section 403 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8373) is amended by striking—

(1) in subsection (a)(1), "major fuel-burning installation, or other unit" and the comma immediately preceding this phrase and "installation, or unit" and the comma immediately preceding this phrase;

(2) in subsection (a)(2), "installation, or other unit" and the comma immediately preceding that phrase, and "installation, or unit" and the comma immediately preceding that phrase;

(3) in subsection (a)(2), the last sentence; and

(4) subsection (a)(3).

(f) Section 404 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8374) is amended by striking—

(1) in subsection (c), "new or" in the phrase "applicable to any new or existing electric powerplant"; and

(2) subsection (g).

(g) Section 701 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8411) is amended by striking—

(1) in the last sentence of subsection (b), "or installation";

(2) subsection (c);

(3) in the title of subsection (d), "AND EXEMPTIONS";

(4) in the first sentence of subsection (d)(1), "or any petition for any order granting an exemption (or permit)";

(5) in subsection (d)(1)(P), "or in the consideration of such petition";

(6) in subsection (f), "or a petition for an exemption (or permit) under this Act (other than under section 402 or 404),"; and

(7) subsection (g).

(h) Section 702 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8412) is amended by striking—

(1) in the title of subsection (a), "OR EXEMPTION";

(2) in subsection (a), "or granting an exemption (or permit)";

(3) subsection (b), and redesignating subsection (c) as subsection (b);

(4) in the first sentence of subsection (b)(1) (as redesignated), "or by the denial of a petition for an order granting an exemption (or permit) referred to in subsection (b),";

(5) in the first sentence of subsection (b)(1) (as redesignated), "such rule, order, or denial is published under subsection (a) or (b)" and inserting in its place "such rule, or order is published under subsection (a)";

(6) in the first sentence of subsection (b)(2) (as redesignated), "the rule, order, or denial" and inserting in its place "the rule or order";

(7) in the second sentence of subsection (b)(2) (as redesignated), "(or denial thereof)"; and

(8) in subsection (b)(3) (as redesignated), "any such rule, order, or denial" and inserting in its place "any such rule or order".

(i) Section 711 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8421) is amended by striking in the first sentence of subsection (a), "or major fuel-burning installation".

(j) Section 721 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8431) is amended by striking subsection (c) and redesignating subsection (d) as subsection (c).

(k) Section 723 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8433) is amended by striking subsection (b) and redesignating subsections (c) and (d) as subsections (b) and (c).

(l) Section 731 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8441) is amended by striking—

(1) "or major fuel-burning installation" wherever the phrase appears; and

(2) "title II or" in subsections (a)(1) and (g)(3).

(m) Section 745 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8455) is amended by striking in the first sentence of subsection (a), "from new and existing electric powerplants and major fuel-burning installations" and inserting in its place "from existing electric powerplants".

(n) Section 761 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8471) is amended by striking—

(1) in subsection (a), "any existing or new electric powerplant or major fuel-burning installation" and inserting in its place "any existing electric powerplant"; and

(2) in subsection (b)—

(A) "new or" in the phrase "In the case of any new or existing facility"; and

(B) "except to the extent provided under section 212(b) or section 312(b)" and the comma immediately preceding that phrase.

TITLE II—SEPARABILITY

SEC. 201. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the applicability of any other provision to any other person or circumstance shall not be affected.

S. 2206

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 45 of the Internal Revenue Code of 1954 (relating to windfall profit tax on domestic crude oil) is hereby repealed.

(b) The repeal made by this Act shall apply with respect to taxable periods beginning after the date of enactment of this Act.●

● Mr. BOREN. Mr. President, I am glad to join with my colleague from Oklahoma to introduce legislation that has long been needed. It is time that we repeal the Powerplant and Industrial Fuel Use Act of 1978, more commonly known as the Fuel Use Act. Our proposed legislation will amend the Fuel Use Act to repeal end use restrictions on the use of natural gas and petroleum.

The common belief at the time the Fuel Use Act was originally passed was that we as a nation were running out of natural gas. In reality Mr. President, we have developed a natural gas surplus. This surplus when coupled with falling petroleum prices, eliminates any potential impact on consumers from the repeal of the Fuel Use Act.

Currently, the act still contains prohibitions on the use of natural gas by new baseload powerplants and industrial installations. Unfortunately, utilities and industrial users cannot make rational business plans involving the use of natural gas. There are utility power plants in my home State that are forced to burn coal, brought in from other States, while they stand in the shadows of shut-in gas wells. Who benefits from that kind of regulation? The producers do not benefit and consumers certainly don't benefit. In fact Mr. President, residential consumers stand to lose the most if we fail to use this opportunity to repeal the Fuel Use Act. Industrial users have a greater capacity to switch to other fuels than do residential consumers. Therefore, as the price of residual fuel oil falls, and becomes a cheaper source of energy in relation to natural gas, industrial user of natural gas will switch. Thus the demand for natural gas declines and the local natural gas distribution companies are forced to raise the rates for residential consumers.

The benefit to the public from the enactment of our bill will be lower prices to the consumer, more competition in the industry, and a cleaner environment from the use of natural gas.●

By Mr. THURMOND (for himself, Mr. LAXALT, Mr. HEINZ, Mr. DENTON, Mr. SPECTER, Mr. ABDNOR, Mrs. HAWKINS, Mr. COCHRAN, Mr. BURDICK, Mr. ZORINSKY, Mr. HATCH, Mr. HEFLIN, Mr. KERRY, Mr. BOSCHWITZ, Mr. MCCLURE, Mr. NUNN, Mr. PRYOR, Mr. WILSON, Mr. LEVIN, Mr. SASSER, Mr. MATSUNAGA, Mr. MCCONNELL, Mr. DECONCINI, Mr. LAUTENBERG, Mr. BOREN, and Mr. EAST):

S.J. Res. 297. Joint resolution to designate the week of April 20, 1986, as "Crime Victims Week"; to the Committee on the Judiciary.

CRIME VICTIMS WEEK

Mr. THURMOND. Mr. President, I am pleased to introduce today legislation which would designate the week of April 20, 1986, as "Crime Victims Week."

One of the fundamental obligations of government is to protect its citizens from the criminal element. Last year, more than 35 million Americans were victims of crime, almost 6 million of them were raped, robbed, beaten or murdered. Physical pain is not the only result of crime. Emotional pain and financial hardship disrupt the lives of the victims and place great strains upon their families. All too often our criminal justice system does

not provide these victims with compassionate support and, may even add to their plight.

Three years ago, the President's Task Force on Victims of Crime presented an agenda to correct these injustices. Much progress is being made to help the victims adjust, but much more needs to be done. Through the continued efforts of State and local governments, private organizations and concerned citizens, the trauma suffered by the innocent victims of crime will be eased.

I urge my colleagues to support this measure and to join in activities which will further the cause of crime victims.

By Mr. QUAYLE (for himself, Mr. HATCH, Mr. DURENBERGER, Mr. GRASSLEY, Mrs. HAWKINS, Mr. DOMENICI, Mr. THURMOND, Mr. RIEGLE, Mr. SPECTER, Mr. ABDNOR, Mr. DOLE, Mr. SIMON, Mr. GOLDWATER, Mr. CHILES, Mr. INOUYE, Mr. KENNEDY, Mr. NUNN, Mr. BOSCHWITZ, Mr. KERRY, Mr. DODD, and Mr. CRANSTON):

S.J. Res. 298. Joint resolution to designate the week of October 5, 1986, through October 11, 1986, as "Mental Illness Awareness Week"; to the Committee on the Judiciary.

MENTAL ILLNESS AWARENESS WEEK

● Mr. QUAYLE. Mr. President, on behalf of a number of my colleagues and myself, I am introducing a joint resolution to authorize the President to issue a proclamation designating the week of October 5-11, 1986, "Mental Illness Awareness Week."

The purpose of this resolution is to focus public attention on concerns surrounding and advances in treating mental illness. Mental illness is a problem of grave concern and consequence in our society, though it is commonly and unnecessarily feared and misunderstood. Currently, 31 to 41 million Americans suffer from clearly diagnosable mental disorders involving significant disability with respect to employment, attendance at school, or independent living. As many as 12 million children suffer from mental illness, which impairs vital developmental and maturational processes. The elderly are also particularly vulnerable to mental illness. More than 10 million Americans are disabled for long periods of time by schizophrenia, manic depressive disorder, and major depression. It is estimated that between 30 and 50 percent of the homeless suffer serious, chronic forms of mental illness. Drug, alcohol, and mental disorders affect almost 19 percent of American adults in any 6-month period. Although mental-disorder deaths are estimated to be 33,000, with suicide accounting for at least 29,000, the real number is thought to be at least three times higher. All told, mental illness costs our Nation $106,200 million annually in health care expenses and lost productivity.

Regrettably, fear and misunderstanding of mental illness still pervade the Nation. Often the mentally ill are portrayed as being morally weak, and not suffering from a condition accepted as a disease. Those afflicted, because of the dual nature of their predicament, their illness, and their shame often do not seek help. Gradually, families of mentally ill citizens and those persons themselves have begun to join self-help groups seeking to combat the unfair stigma of the diseases, to support greater national investment in research, and to advocate for an adequate continium of care from hospital to community.

Mental illness is an increasingly curable disability with excellent prospects for amelioration and recovery when properly recognized and treated. Recovery from psychiatric problems is not only possible, but probable. About two-thirds of all mentally ill patients show significant signs of recovery with their initial treatment. Much of the progress in the treatment can be attributed to research in recent decades. This research has led to a wide array of new and more effective modalities of treatment—pharmacological, behavioral, psychosocial—for some of the most incapacitating forms of mental illness—including schizophrenia, major effective disorders, phobias, and panic disorders.

Mental health treatment provides a very effective cost-containment tool because treatment can result in reduced utilization of more costly medical hospital, medical and surgical services. A study by the National Institute of Mental Health found that utilization of medical and surgical services dropped anywhere from 5 to 85 percent following psychiatric care.

This joint resolution is inspired and dedicated to such groups as the American Psychiatric Association [APA] whose members conduct research for the treatment of mental illness and treat those suffering from the disease. Medical speciality societies like the APA, which itself represents 29,000 psychiatrists nationwide, stand at the center of efforts to bring mental illness under control. The APA and its membership believe that only through the understanding of the causes of mental illness and the knowledge of available treatment and successful cures will the fear and misunderstanding of this disease diminish with people then seeking timely and appropriate care.

Mental illness is an increasingly treatable disease; it is worthy of our attention and concern. I urge support and passage of this important resolution.

I ask unanimous consent that Senate Joint Resolution 298 be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 298

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

Whereas mental illness is a problem of grave concern and consequence in American Society, though one widely but unnecessarily feared and misunderstood;

Whereas 31 to 41 million Americans annually suffer from clearly diagnosable mental disorders involving significant disability with respect to employment, attendance at school, or independent living;

Whereas more than 10 million Americans are disabled for long periods of time by schizophrenia, manic depressive disorder and major depression;

Whereas between 30 and 50 percent of the homeless suffer serious, chronic forms of mental illness;

Whereas alcohol, drug, and mental disorders affect almost 19 percent of American adults in any six-month period;

Whereas mental illness in at least 12 million children interferes with vital development and maturational processes;

Whereas mental disorder-related deaths are estimated to be 33,000, with suicide accounting for at least 29,000, although the real number is thought to be at least 3 times higher;

Whereas our growing population of the elderly is particularly vulnerable to mental illness;

Whereas mental disorders result in staggering costs to society, totalling an estimated $106,200,000,000 in direct treatment and support and indirect costs to society, including lost productivity;

Whereas mental illness is increasingly a treatable disability with excellent prospects for amelioration and recovery when properly recognized;

Whereas families of mentally ill citizens and those persons themselves have begun to join self-help groups seeking to combat the unfair stigma of the diseases, to support greater national investment in research, and to advocate for an adequate continuim of care from hospital to community;

Whereas in recent years there have been unprecedented major research deveopments bringing new methods and technology to the sophisticated and objective study of the functioning of the brain and its linkages to both normal and abnormal behavior;

Whereas research in recent decades has led to a wide array of new and more effective modalities of treatment (both somatic and psychosocial) for some of the most incapacitating forms of mental illness (including schizophrenia, major affective disorders, phobias, and phobic disorders);

Whereas appropriate treatment of mental illness has been demonstrated to be cost-effective in terms of restored productivity, reduced utilization of other health services, and lessened social dependence; and

Whereas recent and unparalleled growth in scientific knowledge about mental illness has generated the current emergence of a new threshold of opportunity for future research advances and fruitful application to specific clinical problems; Now, therefore, be it;

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning on October 5, 1986, is designed as "Mental Illness Awareness Week," and the

President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.●

● Mr. HATCH. Mr. President, I am pleased to join Senator QUAYLE in the introduction of "National Mental Health Awareness Week." I want to commend Senator QUAYLE for introducing this commemorative resolution which focuses public attention on the incidence, causes, and treatment of the mentally ill. Designation of this week for the fourth consecutive year exemplifies this commitment to continue a partnership between States, local communities, the private sector, and the Federal Government to care for those who are least able to care for themselves—the mentally ill.

Last year, the Senate Committee on Labor and Human Resources, which I chair, held a hearing on the "Barriers to Health Care for the Chronically Mentally Ill." The testimony presented at this hearing provided valuable insight into the needs of the chronically mentally ill.

For too long, many of the chronically mentally ill were inappropriately locked away in dismal institutions; forgotten, ignored, and mistreated. It has taken a long time for a more enlightened attitude to envolve within our national community. Today, we recognize that with appropriate care and support, many of our Nation's chronically mentally ill can be active, and they can be contributing members of society.

Historically, development of care for the chronically mentally ill has been dramatized by sharp contrasts. In the past two centuries, this kind of care has been provided primarily in large institutions. Yet our country has a long history of providing compassionate care at the local level. At the start of the 19th century, there was a movement to provide care for the chronically mentally ill in small centers organized around the family. At the turn of the century, the development of psychoanalysis led to the movement of providing care in small centers associated with universities. And finally, in the 1960's, the advent of modern psychiatric medications brought about a movement to deinstitutionalize the chronically mentally ill and to care for them in community health centers.

With each of these movements, there initially followed some impressive cure rates. Yet, in each case, time also brought with it overly centralized decisionmaking which slowed clinical progress. Finally, in 1981, Congress enacted the alcohol, drug abuse and mental health services block grant transferring outpatient services for the mentally ill to the States. This legislation, which I was pleased to sponsor gave priority to treatment for the chronically mentally ill. In addition, the bill cut out much of the Federal regulatory barbed wire which prevented community mental health centers from effectively treating the chronically mentally ill.

A GAO report in 1984 discovered that States were, in fact, becoming more able to treat more patients with chronic mental illness, further proving that States and localities are best able to identify and serve their own needs.

As illustration, I would cite my own home State of Utah, which is aggressively trying to provide support for the chronically mentally ill. With State, local, and Federal Government working together, Utah has been developing a statewide community mental health service delivery system available to 95 percent of those in need. The goal has been to provide appropriate care in the least restrictive environment, combined with the support of the family. This has enabled Utah to provide compassionate care for the chronically mentally ill.

The Federal Government does have a role to play in encouraging State, local community, and family efforts to help the chronically mentally ill. Thus far the Federal Government has centered around the continued search for methods to prevent and cure mental illness. Over the last 3 years, we have spent over one-half billion dollars for basic research on mental illness. From 1983 to 1985 there has been almost a 25-percent increase in this effort.

It is important to highlight efforts throughout the country concerning the partnerships developed in helping the mentally ill. Recognition of these efforts can be done daily, but a week-long commemoration helps us as a Nation to confront the problems of mental illness. I am proud to join Senator QUAYLE in this effort and I urge my colleagues to cosponsor this resolution entitled Mental Health Awareness Week.●

ADDITIONAL COSPONSORS

S. 558

At the request of Mr. MOYNIHAN, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 558, a bill to amend the Internal Revenue Code of 1954 to permanently exclude educational assistance programs from gross income, and for other purposes.

S. 951

At the request of Mr. GORTON, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 951, a bill to amend the Fair Debt Collection Practices Act to provide that any attorney who collects debts on behalf of a client shall be subject to the provisions of such act.

S. 1064

At the request of Mr. PELL, the names of the Senator from Oklahoma [Mr. NICKLES] and the Senator from Montana [Mr. BAUCUS] were added as cosponsors of S. 1064, a bill to provide for the continuation of the National Diffusion Network.

S. 1900

At the request of Mr. ROTH, the name of the Senator from Kansas [Mr. DOLE] was added as a cosponsor of S. 1900, a bill to amend the Foreign Agents Registration Act of 1938 by providing for the 5-year suspension of exemptions provided to an agent of a foreign principal convicted of espionage offenses.

S. 1901

At the request of Mr. ROTH, the name of the Senator from Kansas [Mr. DOLE] was added as a cosponsor of S. 1901, a bill to amend the Foreign Missions Act regarding the treatment of certain Communist countries, and for other purposes.

S. 1914

At the request of Mr. GORTON, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 1914, a bill to amend the Stevenson-Wydler Technology Innovation Act of 1980 to permit cooperative agreements between industry and laboratories owned and operated by the Federal Government, and for other purposes.

S. 1917

At the request of Mr. BRADLEY, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1917, a bill to amend the Foreign Assistance Act of 1961 to provide assistance to promote immunization and oral rehydration, and for other purposes.

S. 1946

At the request of Mr. WEICKER, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 1946, a bill to designate the west branch of the Farmington River as a study area for inclusion in the National Wild and Scenic Rivers System, and for other purposes.

S. 1950

At the request of Mr. BRADLEY, the name of the Senator from Utah [Mr. GARN] was added as a cosponsor of S. 1950, a bill to amend the Internal Revenue Code of 1954 to disallow deductions for advertising expenses for tobacco products.

S. 1952

At the request of Mr. GARN, the names of the Senator from California [Mr. WILSON], the Senator from Nevada [Mr. LAXALT], and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of S. 1952, a bill to provide for the striking of medals to commemorate the Young Astronaut Program.

S. 1959

At the request of Mr. CHAFEE, the name of the Senator from New York

[Mr. MOYNIHAN], was added as a cosponsor of S. 1959, a bill to clarify the tax treatment of certain mortgage related securities, to authorize the ownership of certain mortgage loans in multiple class arrangements, and for other purposes.

S. 1980

At the request of Mr. THURMOND, the names of the Senator from Kentucky [Mr. FORD] and the Senator from Florida [Mrs. HAWKINS] were added as cosponsors of S. 1980, a bill to amend title 17, United States Code, regarding the conveyance of audiovisual work, and for other purposes.

S. 2057

At the request of Mr. HATCH, the names of the Senator from Mississippi [Mr. COCHRAN], the Senator from Indiana [Mr. QUAYLE], the Senator from Wyoming [Mr. WALLOP], the Senator from Rhode Island [Mr. PELL], the Senator from Massachusetts [Mr. KERRY], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from South Carolina [Mr. THURMOND], and the Senator from Tennessee [Mr. GORE] were added as cosponsors of S. 2057, a bill to establish the President's Council on Health Promotion and Disease Prevention.

S. 2063

At the request of Mr. DODD, the names of the Senator from Wisconsin [Mr. KASTEN] and the Senator from Massachusetts [Mr. KERRY] were added as cosponsors of S. 2063, a bill to provide financial assistance to small businesses seeking relief under the antidumping and countervailing duty laws.

S. 2074

At the request of Mr. RIEGLE, the names of the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Missouri [Mr. EAGLETON], and the Senator from Minnesota [Mr. DURENBERGER] were added as cosponsors of S. 2074, a bill disapproving the proposed deferral of budget authority for community development block programs.

S. 2087

At the request of Mr. PROXMIRE, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 2087, a bill to amend part B of title XIX of the Public Health Service Act to specify the method of determining State allotments.

S. 2090

At the request of Mr. PRYOR, the names of the Senator from Washington [Mr. GORTON] and the Senator from Pennsylvania [Mr. HEINZ] were added as cosponsors of S. 2090, a bill to provide that the Internal Revenue Service may not before July 1, 1987, enforce its regulations relating to the tax treatment of the personal use of vehicles, and for other purposes.

S. 2108

At the request of Mr. D'AMATO, his name was added as a cosponsor of S. 2108, a bill to provide that Federal tax reform legislation shall not take effect before January 1, 1987.

At the request of Mr. KASTEN, the names of the Senator from Mississippi [Mr. COCHRAN], the Senator from South Carolina [Mr. HOLLINGS], and the Senator from Idaho [Mr. SYMMS] were added as a cosponsors of S. 2108, supra.

S. 2116

At the request of Mr. MELCHER, the name of the Senator from Montana [Mr. BAUCUS] was added as a cosponsor of S. 2116, a bill to require the Board of Governors of the Federal Reserve System to make credit available for agricultural purposes.

S. 2122

At the request of Mr. GLENN, the names of the Senator from West Virginia [Mr. ROCKEFELLER] and the Senator from Kansas [Mr. DOLE] were added as cosponsors of S. 2122, a bill to continue the current waiver of liability presumption for home health agencies and skilled nursing facilities under the Medicare Program in order to protect beneficiary access to home health and extended care services.

S. 2134

At the request of Mr. HEFLIN, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 2134, a bill to amend title 39, United States Code, to extend to certain officers and employees of the Postal Service the same procedural and appeal rights with respect to certain adverse personnel actions as are to Federal employees under title 5, United States Code.

S. 2144

At the request of Mr. NICKLES, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of S. 2144, a bill to amend the Farm Credit Act of 1971 to provide credit assistance to certain borrowers of loans by institutions of the Farm Credit System, and for other purposes.

S. 2156

At the request of Mr. MOYNIHAN, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of S. 2156, a bill to amend the Federal Deposit Insurance Act to prohibit the acquisition of insured banks by certain foreign nationals, and for other purposes.

S. 2188

At the request of Mr. BYRD, the names of the Senator from Kentucky [Mr. FORD], the Senator from Virginia [Mr. WARNER], and the Senator from West Virginia [Mr. ROCKEFELLER] were added as cosponsors of S. 2188, a bill to provide for the development of additional electric generation and industrial energy capacity.

SENATE JOINT RESOLUTION 112

At the request of Mr. D'AMATO, his name was added as a cosponsor of Senate Joint Resolution 112, joint resolution to authorize and request the President to call a White House Conference on Library and Information Services to be held not later than 1989, and for other purposes.

SENATE JOINT RESOLUTION 134

At the request of Mr. BIDEN, the names of the Senator from Hawaii [Mr. INOUYE], and the Senator from Nebraska [Mr. EXON] were added as cosponsors of Senate Joint Resolution 134, joint resolution to designate "National Safety in the Workplace Week."

SENATE JOINT RESOLUTION 143

At the request of Mr. GORE, the name of the Senator from Wisconsin [Mr. PROXMIRE] was added as a cosponsor of Senate Joint Resolution 143, joint resolution to authorize the Black Revolutionary War Patriots Foundation to establish a memorial in the District of Columbia at an appropriate site in Constitution Gardens.

SENATE JOINT RESOLUTION 151

At the request of Mr. MURKOWSKI, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of Senate Joint Resolution 151, joint resolution to designate the week of June 22 through June 28 in each year as "National Friendship Week."

SENATE JOINT RESOLUTION 178

At the request of Mr. D'AMATO, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of Senate Joint Resolution 178, joint resolution to "Hemochromatosis Awareness Week."

SENATE JOINT RESOLUTION 199

At the request of Mr. MURKOWSKI, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of Senate Joint Resolution 199, joint resolution to designate the month of November 1985, as "National Elks Veterans Remembrance Month."

SENATE JOINT RESOLUTION 241

At the request of Mr. DOLE, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of Senate Joint Resolution 241, joint resolution designating the week beginning on May 11, 1986, as "National Asthma and Allergy Awareness Week."

SENATE JOINT RESOLUTION 256

At the request of Mr. D'AMATO, his name was added as a cosponsor of Senate Joint Resolution 256, joint resolution bill designating August 12, 1986, as "National Neighborhood Crime Watch Day."

SENATE JOINT RESOLUTION 264

At the request of Mr. PRYOR, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of Senate Joint Resolution 264, joint resolution designating April

28, 1986 as "National Nursing Home Residents Day."

SENATE JOINT RESOLUTION 267

At the request of Mr. HEINZ, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of Senate Joint Resolution 267, joint resolution designating the week of May 26, 1986, through June 1, 1986, as "Older Americans Melanoma/Skin Cancer Detection and Prevention Week."

SENATE JOINT RESOLUTION 275

At the request of Mr. D'AMATO, the name of the Senator from Georgia [Mr. MATTINGLY] was added as a cosponsor of Senate Joint Resolution 275, joint resolution designating May 11 through May 17, 1986, as "Jewish Heritage Week."

SENATE JOINT RESOLUTION 281

At the request of Mr. NUNN, the names of the Senator from North Dakota [Mr. ANDREWS], the Senator from Massachusetts [Mr. KERRY], and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of Senate Joint Resolution 281, joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "Senior Center Week."

SENATE JOINT RESOLUTION 282

At the request of Mr. MOYNIHAN, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of Senate Joint Resolution 282, joint resolution to express the disapproval of the Congress with respect to the proposed rescission of budget authority for the general revenue sharing program.

At the request of Mr. D'AMATO, his name was added as a cosponsor of Senate Joint Resolution 282, supra.

SENATE JOINT RESOLUTION 289

At the request of Mr. ROTH, the names of the Senator from Michigan [Mr. RIEGLE] and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of Senate Joint Resolution 289, joint resolution to designate 1988 as the "Year of New Sweden" and to recognize the New Sweden '88 American Committee.

SENATE JOINT RESOLUTION 291

At the request of Mr. HUMPHREY, the name of the Senator from Nevada [Mr. LAXALT] was added as a cosponsor of Senate Joint Resolution 291, joint resolution proposing an amendment to the Constitution of the United States with respect to the right to life.

SENATE JOINT RESOLUTION 292

At the request of Mr. HUMPHREY, the name of the Senator from Nevada [Mr. LAXALT] was added as a cosponsor of Senate Joint Resolution 292, joint resolution proposing an amendment to the Constitution of the United States with respect to the right to life.

SENATE JOINT RESOLUTION 293

At the request of Mrs. HAWKINS, the names of the Senator from South Carolina [Mr. THURMOND] and the Senator from Indiana [Mr. LUGAR] were added as a cosponsor of Senate Joint Resolution 293, joint resolution to designate the month of May 1986, as "National Child Safety Month."

SENATE JOINT RESOLUTION 295

At the request of Mr. MATTINGLY, the names of the Senator from Georgia [Mr. NUNN], the Senator from Alabama [Mr. DENTON], and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of Senate Joint Resolution 295, joint resolution to authorize and request the President to designate May 11, 1986, to June 15, 1986, as "Family Reunion Month."

SENATE CONCURRENT RESOLUTION 115

At the request of Mr. TRIBLE, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of Senate Concurrent Resolution 115, concurrent resolution expressing the opposition of the United States to the forcible resettlement and systematic oppression of the Ethiopian people.

SENATE CONCURRENT RESOLUTION 116

At the request of Mr. KASTEN, the names of the Senator from Kansas [Mrs. KASSEBAUM], the Senator from New York [Mr. MOYNIHAN], and the Senator from North Dakota [Mr. ANDREWS] were added as cosponsors of Senate Concurrent Resolution 116, concurrent resolution concerning the ongoing famine in Ethiopia and the Ethiopian Government's resettlement policy.

SENATE RESOLUTION 105

At the request of Mr. MATTINGLY, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of Senate Resolution 105, resolution to designate March 21, 1986 as "Henry Ossian Flipper Day."

SENATE RESOLUTION 275

At the request of Mr. HUMPHREY, the name of the Senator from Nevada [Mr. LAXALT] was added as a cosponsor of Senate Resolution 275, a resolution to express the opposition of the United States to the "one-child" family planning policies of the Government of the People's Republic of China and to encourage the People's Republic of China to abandon such policies.

SENATE RESOLUTION 342

At the request of Mr. D'AMATO, the name of the Senator from Florida [Mr. CHILES] was added as a cosponsor of Senate Resolution 342, a resolution to provide for the designation of the month of May, 1986 as "Genetic Disorder Awareness Month."

SENATE CONCURRENT RESOLUTION 118—RELATING TO ACID RAIN LEGISLATION

Mr. DODD submitted the following concurrent resolution; which was referred to the Committee on Environment and Public Works:

S. CON. RES. 118

Whereas the deposition of acid compounds from the atmosphere is causing and contributing to widespread long-term ecosystem degradation in many parts of the United States;

Whereas the principal source of the acid compounds in the atmosphere is the combustion of fossil fuels;

Whereas current levels of emissions of air pollutants from existing sources as well as increased emissions from new sources threaten public health and welfare and the environment;

Whereas the long-range transport of sulfur dioxides and nitrogen oxides is a national and international problem and cannot be addressed adequately without Federal intervention;

Whereas reduction of the total atmospheric loading of pollutants such as sulfur dioxides and nitrogen oxides will mitigate the damage to affected ecosystems and enhance protection of public health and welfare and the environment;

Whereas more effective control of the interstate transport of air pollutants is needed in order to protect the health and welfare of the citizens of downwind States and the economic growth opportunities of downwind States;

Whereas control strategies and technology for precursors to acid deposition exist and are economically feasible;

Whereas both current and future generations of Americans will be adversely affected by delayed action and efforts to remedy the problem should commence now; and

Whereas the joint report of the special envoys on acid rain, commissioned by the President of the United States and the Prime Minister of Canada, includes statements of findings which are widely supported by the international scientific and research community: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That—

(1) the President of the United States should immediately endorse the findings of the special envoys that acid rain is a serious environmental problem in both the United States and Canada; and

(2) the Congress should enact comprehensive legislation which—

(A) expands the scale of research activities designed to develop new technologies for the reduction of acidic air emissions, and which reduces the costs, and improves the effectiveness of existing technologies; and

(B) achieves mandatory reductions in annual emissions of sulfur dioxides and nitrogen oxides through the establishment and enforcement of fixed emission reduction targets and timetables.

SENATE RESOLUTION 367—COMMENDING STEPHEN E. BELL FOR HIS SERVICE TO THE SENATE

Mr. DOMENICI (for himself, Mr. DOLE, Mr. CHILES, Mr. ANDREWS, Mr. ARMSTRONG, Mr. BOSCHWITZ, Mr. DANFORTH, Mr. EXON, Mr. GORTON, Mr. GRASSLEY, Mr. HART, Mr. HATCH, Mr. HOLLINGS, Mr. JOHNSTON, Mrs. KASSEBAUM, Mr. KASTEN, Mr. LAUTENBERG, Mr. METZENBAUM, Mr. MOYNIHAN, Mr. QUAYLE, Mr. RIEGLE, Mr. SASSER, Mr. SIMPSON, Mr. SYMMS, and Mr. BINGAMAN): submitted the following resolu-

tion; which was considered and agreed to:

S. RES. 367

Whereas Stephen E. Bell has ably and faithfully served the United States Senate since 1974;

Whereas Stephen E. Bell has executed his duties as the Staff Director of the Senate Budget Committee with the utmost in perseverance and personal dedication; and

Whereas Stephen E. Bell has earned the respect of his colleagues and this institution: Now, therefore, be it

Resolved, That Stephen E. Bell is hereby commended for his tireless and exemplary service to his country and to the United States Senate.

SENATE RESOLUTION 368—RELATIVE TO FUNDING TO STATES FOR THE COOPERATIVE EXTENSION SERVICE

Mr. GORE submitted the following resolution; which was referred to the Committee on Appropriations:

S. RES. 368

Whereas the President has proposed reductions of $188,000,000 in Federal funding to States for Cooperative Extension Service programs for fiscal year 1987;

Whereas it is recognized that the agriculture must bear a part of the deficit reduction burden imposed by the Balanced Budget and Emergency Deficit Control Act of 1985;

Whereas the proposed reduction of the President in Extension funding will adversely affect several agricultural activities, including national 4-H and youth programs (of which many projects are designed to promote the transfer of agricultural skills and techniques from one generation to the succeeding generation), home economics programs, natural resources programs, and community and rural development programs;

Whereas the President has proposed the elimination of several agriculture programs that would severely impact farm families throughout the United States, including the expanded food and nutrition program, urban gardening program, pest management program, farm safety program, pesticide impact program, financial management programs, and renewable resource programs;

Whereas farmers are the backbone of the economy of the United States and have already seriously suffered as a result of adverse economic conditions and misguided policies of the Federal Government;

Whereas extension programs are of enormous benefit to farmers, their families, and future farmers of the United States; and

Whereas a strong farm sector is of critical importance to the sustained economic performance of the United States: Now, therefore, be it

Resolved, That it is the sense of the Senate that Federal funding for Cooperative Extension Service Programs for the fiscal year 1987 should be restored to at least the level approved in the concurrent resolution on the budget for fiscal year 1986, except for reductions in such programs required by the Balanced Budget and Emergency Deficit Control Act of 1985.

AMENDMENTS SUBMITTED

URGENT SUPPLEMENTAL APPROPRIATION FOR THE DEPARTMENT OF AGRICULTURE

COCHRAN AMENDMENT NO. 1698

Mr. COCHRAN proposed an amendment to the amendment of the House to the amendment of the Senate to the joint resolution (H.J. Res. 534) making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes; as follows:

Delete the last paragraph of the House amendment and insert in lieu thereof the following:

"It is agreed that at least $1,700,000,000 is available for the insured operating loan program of the Farmers Home Administration. Therefore, the Secretary shall proceed immediately to make loans to farmers and farm owners.

"In addition, if the Secretary of Agriculture determines that available funds for the insured operating land program of the Farmer Home Administration are exhausted, and the President certifies that additional funds for such programs are essential to meet emergency credit needs of American farmers and ranchers, that the Secretary should request that the additional funding previously appropriated for the insured operating loan program of the Farmers Home Administration, as provided for in the Appropriations Act for fiscal year 1986 for Agriculture, Rural Development, and Related Agencies (H.R. 3037), as enacted by Public Law 99-190 on December 19, 1985, and as reduced pursuant to the requests order of March 1, 1986 under Public Law 99-177, be made available by appropriate actions by Congress."

ACID DEPOSITION CONTROL ACT

MITCHELL (AND OTHERS) AMENDMENT NO. 1699

(Ordered referred to the Committee on Environment and Public Works.)

Mr. MITCHELL (for himself, Mr. STAFFORD, Mr. CHAFEE, Mr. HART, Mr. MOYNIHAN, Mr. BAUCUS, Mr. LAUTENBERG, and Mr. LEAHY) submitted an amendment intended to be proposed by them to the bill (S. 203) to amend the Clean Air Act to better protect against interstate transport of pollutants, to control existing and new sources of acid deposition, and for other purposes; as follows:

On page 4, line 24, strike "in such region".

On page 4, line 25, strike "in such region".

On page 5, line 6, strike "in such region".

On page 11, after line 14, add the following:

"SEC. 4. Section 119 of the Clean Air Act is hereby repealed, and any primary nonferrous smelter order issued under such section shall terminate as of January 1, 1987.

"SEC. 5. (a) Section 202(b)(1)(B) of the Clean Air Act is amended by adding at the end thereof the following new sentence: 'The regulations under subsection (a) applicable to emissions of oxides of nitrogen from light-duty vehicles and engines manufactured during and after model year 1990 shall contain standards which provide that such emissions may not exceed 0.4 grams per vehicle mile.'.

"(b) Section 202(d)(1) of the Clean Air Act is amended by inserting after 'occurs' the following: 'except that with respect to any catalytic converter, for the purposes of section 207(a)(3), useful life shall be a period of use of ten years or of one hundred thousand miles, whichever first occurs'.

"(c) Section 206(b)(2)(A) of the Clean Air Act is amended by adding the following new clause:

'(iii) A certificate of conformity shall be suspended or revoked under clause (i) if less than 90 per cent of the new vehicles or engines tested in any sample or sampling period conform with the regulations with respect to which the certificate of conformity was issued.'.

"(d) After January 1, 1988, a vehicle emission control inspection and maintenance program required by section 172(b)(11)(B) of the Clean Air Act or, in areas where there is no such program operating, an inspection program required by applicable vehicle safety laws of a State, shall require emission testing or direct inspection of components of vehicle emissions control systems (including evidence of misfueling) and, where such components have been rendered inoperative, the replacement or repair of such components, for systems or components related to the control of emissions of oxides of nitrogen.

"SEC. 6. (a) Not later than January 1, 1987, the President shall institute negotiations with Canada and Mexico for the purpose of concluding a tripartite agreement—

"(1) to minimize projected and existing levels of air pollution;

"(2) to create an institutional framework to control sources of transboundary air pollution;

"(3) to establish a North American air quality monitoring network;

"(4) to encourage increased research and dissemination of information on air pollution control strategies; and

"(5) to develop uniform minimum levels of protection for public health and the environment.

"(b) The President shall undertake to enter into international agreements to apply uniform standards of performance for the control of the emissions of air pollutants. For this purpose the President shall negotiate multilateral treaties, conventions, resolutions, or other agreements, and formulate, present, or support proposals at the United Nations and other appropriate international forums.".

NOTICES OF HEARINGS

COMMITTEE ON SMALL BUSINESS

Mr. WEICKER. Mr. President, I would like to announce that the Senate Small Business Committee will hold a hearing on H.R. 2787, a bill to extend the Small Business Administration pilot program under section 8 of the Small Business Act on March 27, 1986. The hearing will commence at 9:30 a.m. in room 428A of the Russell Senate Office Building. For further in-

formation, please call Erline Patrick of the committee staff at 224-5175.

SUBCOMMITTEE ON ENTREPRENEURSHIP AND SPECIAL PROBLEMS FACING SMALL BUSINESS

Mr. President, I would like to announce that the Senate Small Business Committee's Subcommittee on Entrepreneurship and Special Problems Facing Small Business will hold a hearing on March 25, 1986, on the entrepreneurial spirit in America. The hearing will commence at 9:30 a.m. and will be held in room 428A of the Russell Senate Office Building. For further information, please call Skip Waddell of the committee staff at 224-5175, or Steve Loucks of Senator KASTEN's office at 224-4632.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Committee on Armed Services, be authorized to meet during the session of the Senate on Tuesday, March 18, 1986, in closed executive session in order to act on the supplemental authorization for fiscal year 1986, excess appropriations.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON MILITARY CONSTRUCTION

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Subcommittee on Military Construction of the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, March 18, to hold a hearing on S. 2132, the fiscal year 1987 military construction bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON STRATEGIC AND THEATER NUCLEAR FORCES

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Strategic Subcommittee of the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, March 18, in closed session, to hold a hearing on Soviet Strategic Force Developments.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PUBLIC LANDS, RESERVED WATER, AND RESOURCE CONSERVATION

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands, Reserved Water and Resource Conservation of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Tuesday, March 18, to hold an oversight hearing on memorials and monuments on Federal and District lands in the District of Columbia, including criteria for approval, jurisdiction, placement, design, funding, and maintenance.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, March 18, 1986, in order to conduct a hearing on the issue of white-collar crime.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

BUDGET SCOREKEEPING REPORT

● Mr. DOMENICI. Mr. President, I hereby submit to the Senate the budget scorekeeping report for this week, prepared by the Congressional Budget Office in response to section 5 of the first budget resolution for fiscal year 1986. This report also serves as the scorekeeping report for the purposes of section 311 of the Congressional Budget Act, as amended.

The report is as follows:

CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 17, 1986.

Hon. PETE V. DOMENICI,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of Congressional action on the budget for fiscal year 1986. The estimated totals of budget authority, outlays, and revenues are compared to the appropriate or recommended levels contained in the most recent budget resolution, S. Con. Res. 32. This report meets the requirements for Senate scorekeeping of Section 5 of S. Con. Res. 32 and is current through March 14, 1986. The report is submitted under Section 308(b) and in aid of Section 311 of the Congressional Budget Act, as amended.

No changes have occurred since my last report.

With best wishes,
Sincerely,

RUDOLPH G. PENNER,
Director.

FISCAL YEAR 1986 CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S. SENATE AS OF MARCH 14, 1986

[In billions of dollars]

	Budget authority	Outlays	Revenues	Debt subject to limit
Current level [1]	1,061.4	986.7	777.8	1,968.3
Budget resolution, S. Con. Res. 32	1,069.7	967.6	795.7	[2] 2,078.7
Current level is:				
Over resolution by		19.1		
Under resolution by	8.3		17.9	110.4

[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval. In addition, estimates are included of the direct spending effects for all entitlement or other programs requiring annual appropriations under current law even though the appropriations have not been made. The current level excludes the revenue and direct spending effects of legislation that is in earlier stages of completion, such as reported from a Senate Committee or passed by the Senate. Thus, savings from reconciliation action assumed in S. Con. Res. 32 will not be included until Congress sends the legislation to the President for his approval. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[2] The current statutory debt limit is $2,078.7 billion.

FISCAL YEAR 1986 SUPPORTING DETAIL FOR CBO WEEKLY SCOREKEEPING REPORT, U.S. SENATE, AS OF MARCH 14, 1986

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			777,832
Permanent appropriations and trust funds.	723,462	629,773	
Other appropriations	525,774	544,943	
Offsetting receipts	−188,561	−188,561	
Total enacted in previous sessions.	1,060,676	986,156	777,832
II. Enacted this session:			
Commodity Credit Corporation urgent supplemental appropriation, 1986 (P.L. 99-243).			
Federal Employees Benefits Improvement Act of 1986 (P.L. 99-251).		4	
VA home loan guarantee amendments (P.L. 99-255).		−51	
Total		−47	
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses.			
V. Entitlement authority and other mandatory items requiring further appropriation action:			
Veterans compensation	272	185	
Veterans readjustment benefits.	91	91	
Compact of free association	205	205	
Special benefits (Federal Employees).	14	14	
Family Social Services	100	75	
Guaranteed Student Loans	6		
Payment to the Civil Service Retirement.	(37)	(37)	
Total entitlements	688	570	
Total current level as of March 14, 1986.	1,061,364	986,678	777,832
1986 budget resolution (S. Con. Res. 32).	1,069,700	967,600	795,700
Amount remaining:			
Over budget resolution.		19,078	
Under budget resolution.	8,336		17,868

Note:—Numbers may not add due to rounding.

STAR WARS

● Mr. KERRY. Mr. President, it is generally acknowledged by reputable scientists that the President's star wars plan is a fantasy and a delusion which will not work in practice. The star wars system would depend on elaborate computer software and hardware, which could not be depended upon to work reliably if put to the test. For this reason, opposition to star wars is particularly strong among knowledgeable computer scientists who have studied the requirements of the star wars system.

Dr. Douglas Hofstadter, one of the most highly respected computer scientists in the United States, recently wrote an article in Newsweek magazine about the star wars fantasy. Dr. Hofstadter cogently lays out the reasons why star wars will not work, and why it is only a delusion in the minds of the President and his strategic planners. Dr. Hofstadter is the author of the Pulitzer prize-winning book, "Godel, Escher, Bach: An Eternal

Golden Braid," and the recent best-selling book "Metamagical Themas". I ask that Dr. Hofstadter's recent column on star wars be reprinted in the RECORD, and I commend it to the attention of my colleagues.

[From Newsweek, Mar. 3, 1986]

DREAMS OF A MAGICAL SHIELD

(By Douglas R. Hofstadter)

After World War I, France decided to erect an inviolable shield that would forestall invasion from its bellicose eastern neighbor, forevermore. This line of fortifications became known as the Maginot line, after War Minister André Maginot, who initiated its construction. Reinforced with thick concrete and underground rails, ultramodern in concept, Maginot's magical line was sadly outflanked when in 1940 Germany invaded France from Belgium. The Maginot line proved to be a bubble that popped.

I have two childhood memories that remind me of this magically inviolable shield. The first dates back to 1953, when schoolchildren were routinely told to "duck and cover" in case of enemy attack. I remember being terrified, when I went to bed, that Russian bombers were going to come and kill us all with atomic bombs. But I also knew that my father's work had something to do with atoms and atomic energy and that maybe it could save us all. I had often visited the Hansen Labs on the Stanford campus where my dad worked and I had seen the huge linear accelerator down which electrons were shot at nearly the speed of light. As an eight-year-old boy I was thrilled by thoughts of powerful particles whizzing down metallic tubes, scattering off of atomic nuclei, and I conceived of my own use for this accelerator: as a ray gun. I had probably heard that term somewhere but even if not, the idea of tilting this 300-foot monster on its end so it could fire into the air and knock down invading Russian bombers seemed perfectly logical to me one night as I trembled with fear in my bed. My father was out working, so I called my mother to ask her if my scheme would work, and I clearly remember her telling me that, yes, it would, it would indeed shield us all from the Russian bombers, and that I could go to sleep.

Waterborne fortress: I also remember my reactions some time later to an article I read in Science Digest; it described the world's largest warship, the aircraft carrier Forrestal. A waterborne fortress that sounded as if it could forestall any kind of invasion by anyone, the Forrestal, I thought, would provide an inviolable shield that no one could pierce, forevermore. When it finally was commissioned in October 1955, it wasn't hailed as the triumph I had expected, but by then, perhaps, I had caught on that no such magic moment was going to come.

Still, such hopes persist and often are reborn, even in the minds of adults. It appears that today we are collectively dreaming such a dream—about a much bigger Forrestal, a much bigger ray gun, namely President Reagan's Strategic Defense Initiative, which is also known as Star Wars.

The dream quality of this defense strategy first hit me when I read about a TV commercial in support of SDI. The commercial shows a crayon drawing of a house, trees and a family of stick figures with a domed shield above them. Suddenly a wave of incoming missiles appears, but miraculously they bounce off the "bubble" and are destroyed. The shield then turns into a beautiful rainbow and the stick figures start to smile. A little girl's voice is heard saying, "I asked my daddy what this Star Wars stuff is all about. He said that right now we can't protect ourselves from nuclear weapons and that's why the President wants to build a peace shield. It would stop missiles in outer space so they couldn't hit our house. Then nobody could win a war . . . and if nobody could win a war, there's no reason to start one. My daddy's smart."

Talk about fairy tales! As a matter of fact, many of our best scientists believe SDI to be a complete delusion. There are so many fantastically unlikely things one must believe, that SDI seems about as silly as my childish dream of perfect protection. We cannot possibly know what the other side has devised in order to penetrate our invincible shield. We cannot know what devices will be sent, from where, how they will be disguised or how our own shield might be vulnerable. Our side, by the way, is already hard at work on ways to destroy and penetrate an enemy "peace shield," suggesting, perhaps, that our strategists don't believe their own claim that peace shields will be invulnerable. If the enemy's peace shield is penetrable, why should ours not be?

Technological spiral: Some scientists working on SDI are even more circumspect. A Defense Department panel of computer experts recently recommended a reversal in the Pentagon's pattern "to acquire the weapons first," since the complex software needed to make the system work is "the paramount strategic defense problem." The fact is that the SDI effort consists of an almost unimaginable tangle of mutually interdependent projects. Under circumstances that no one can come close to anticipating, all of them must work perfectly together, without any way to test them realistically—and the decision to risk the fate of the entire human race will have to be made in seconds by computers with no common sense whatsoever.

When one tallies up the "pro" versus the "con" voices in the scientific community, one finds that the skeptics include practically all the major scientific figures of our day. In articles both technical and popular, they have demonstrated that the arms race is a technological spiral without end and that Star Wars is a mythical quest—and worse, a dangerous delusion.

Such views should not surprise anyone willing to look at the immense number of unpredictables and intangibles in our world. Sadly, reality is not like a child's dream. And an updated version of Maginot's defense—"a Maginot bubble" floating above our country—is simply a line that a frightened public, yearning for magic, is willing to swallow whole.●

INDUCTION OF SANFORD GREENBERG AS A FELLOW OF BRANDEIS UNIVERSITY

● Mr. HEINZ. Mr. President, on February 26, 1986, in the Dirksen Senate Auditorium, a good friend of many of us, Sanford D. Greenberg, became a fellow of Brandeis University.

It was a distinct privilege to share in hosting this extraordinary celebration to honor Louis Brandeis and Sandy Greenberg. We were joined by cohosts Representatives JACK KEMP and STEPHEN SOLARZ in a formal academic ceremony at which Supreme Court Justice William J. Brennan, Jr., delivered an inspiring address on Justice Louis Brandeis' legacy to the country. We were also graced with the unique musical talent of Art Garfunkel of Simon and Garfunkel, accompanied by composer Jimmy Webb. The outstanding performance of "Bridge Over Troubled Water" and "Old Friends" was particularly moving because of the deep friendship between Mr. Greenberg and Mr. Garfunkel, who were college roommates.

Brandeis University President, Evelyn Handler, in formally hooding Sandy, noted that as a Brandeis fellow he joins a group of distinguished leaders ranging from scholars John Kenneth Galbraith and Oscar Handlin to leaders in public service, including Senator METZENBAUM and Representative SOLARZ, Ambassodor Maxwell Rabb, former Senator Abraham Ribicoff and Judge Simon Rifkind, entertainment executives Norman Lear and Samuel Goldwyn, and industrialists Harry Helmsley, Alfred Taubman, and Henry Crown.

Sandy Greenberg, who was born in Buffalo, NY, received his B.A. degree—Phi Beta Kappa—from Columbia College, his M.A. and Ph.D. degrees in international relations from Harvard, and an M.B.A. degree from Columbia. A Woodrow Wilson fellow at Harvard and a Marshal scholar at Oxford University, Mr. Greenberg also attended Harvard Law School and taught international relations at both Harvard and Columbia. He is a director of the National Committee on U.S.-China Relations and a member of the Council on Foreign Relations.

● Mr. METZENBAUM. As a member of the White House science advisory staff under President Johnson, he served on a Presidential task force to study the technology gap between Western Europe and the United States and participated in the development of Government policy on biomedical research and information systems. Harper & Row later published his book, "The Presidential Advisory System," which discusses the techniques used by American Presidents to obtain policy advice on managing the Federal Government.

Cited by Senator PAUL SIMON in a recent Chicago magazine article as, "perhaps this Nation's most successful inventor-entrepreneur," Sandy Greenberg's business interests range from telecommunications and electronics to entertainment, real estate, and health care. He is the founder and chairman of the Compressed Speech Co. created to develop the electronic device he invented and patented which "compresses" and expands recorded speech. He is also the founder and a principal stockholder of the Educational Computer Corp.—N.Y.S.E.—which manufactures general purpose system simulators, and in addition, has served as a

director of the National Realty Committee and Tishman Realty & Construction Co., Inc.

Voted one of the "Ten Outstanding Young Men in America" by the U.S. Junior Chamber of Commerce in 1966, and "Man of the Year" in 1975 by the Young Presidents Organization, Sandy Greenberg was profiled in the book "Horatio Alger is Alive and Well and Living in America," by David Goodrich.

We believe that the accomplishments and contributions of people such as Louis Brandeis and Sandy Greenberg contain an inspiring message for all of us. It is, therefore, a privilege for us to insert into the RECORD excerpts of the remarks of Justice Brennan, Mr. Greenberg, and the other distinguished leaders who spoke at the induction ceremony.

The excerpts follow:

INDUCTION OF SANFORD GREENBERG AS A FELLOW OF BRANDEIS UNIVERSITY

REMARKS OF JUSTICE WILLIAM J. BRENNAN, JR.

It is a pleasure to participate with you in ths hooding ceremony and warmly to congratulate Sandy Greenberg upon his election for the honor of Fellow. Brandeis, a great University, is justly proud of its fealty to the inspiring ideals of Louis D. Brandeis—ideals that have so enriched our society and nation. And did you know that Louis Brandeis, too, like Sandy Greenberg, achieved greatness despite a serious eye ailment? The nation narrowly missed losing one of its greatest Justices when, after completing only his first year at the Harvard Law School, Louis Brandeis' eyes gave out, and his doctor advised him to abandon the law, his chosen career. He eventually led his class at graduation and legend has it that he achieved the highest grade average in the history of the school. But eye strain was his permanent companion throughout his brilliant career, as has too been so for Sandy.

Yes, for both Louis Brandeis and Sandy Greenberg, serious eye ailments were never allowed to be the slightest setback of extraordinarily distinguished careers. Although I never had the honor of meeting Louis Brandeis personally, I feel I know him well, because for now almost 30 years my chambers have been those assigned to Justice Brandeis when the Supreme Court Building was opened in 1935, and the desk in those chambers at which I wrote these remarks was also his.

What he accomplished was nothing less than to plant the constitutional seed from which much of the law protecting the rights of individual citizens was to grow. Patrician by birth, hugely successful as a corporation lawyer, why did he rush around the country arguing for laundry women and attacking institutions of power and wealth that many people were certain were America's greatest strength? It was what he saw all about him that stirred him first to anger and then to action. Hours were long, wages low, safety conditions appalling. He saw the poverty, experienced the stench, watched the bent bodies.

It was hardly surprising then that he made powerful enemies among the affluent establishment. For his was nothing less than a crusade against special interests and their exploitation of the poor and underprivileged.

The depth and intensity of the hatred of everything Louis Brandeis stood for surfaced quickly upon his nomination to the Supreme Court by President Wilson in January 1916. "Perhaps no nominee [to the Court], before or since, has been subjected to as searching an examination as he was, the target of such baseless charges and innuendoes."

It's probably true that some of the opposition reflects a degree of anti-Semitism, particularly since Justice Brandeis' unqualified devotion to and support of the Zionist cause was not always without controversy. But far more of the opposition was motivated by fear, indeed hate, of his ideas of what this America should mean for all citizens and not just for the privileged affluent. Those ideas had to do with providing freedom and equality of rights and opportunities, in a realistic and not formal sense, to all the people of this Nation: Justice, equal and practical, to the poor, to the members of minority groups, to the criminally accused to the displaced persons of the technological revolution, to alienated youth, to the urban masses, to the unrepresented consumers—to all, in short, who do not partake fully of the abundance of American life. Those ideas have not lost their force and desirability with the passing years. Who will deny that despite the great progress we have made in the decades since Justice Brandeis launched his crusade toward universal equality, freedom and prosperity, the goal is far from won and ugly inequities continue to mar the national promise. Much surely remains to be done.

Did his service on the Supreme Court reflect his commitment to his crusade? I expect we agree that that service justly earned Justice Brandeis his ranking as among the greatest of the 102 Justices who have served on the Court in our history.

Yes, because Louis D. Brandeis lived, ours is increasingly a society where the dignity and rights of every individual are equal before all authority. The outstanding careers of our honoree, Sandy Greenberg, in advanced scientific research and technology, business, government service, philanthropy and academia, is a measure of what one can accomplish when he won't let any setback, however formidable, defeat him.

REMARKS OF SENATOR JOHN HEINZ

Thank you, Senator Metzenbaum.

We are truly here tonight to honor two extraordinary individuals. The first, of course, is Justice Brandeis, who is here in the person of his extended family . . . all of you. The second, of course, is Sandy Greenberg who is here accompanied by his *real* family, his wife Sue, his mother Sarah, by his daughter Kathryn, his two sons Jimmy and Paul, who are seated right down here in front. Sue and Sarah we are delighted that you are here for this special occasion. And Shirley and Theresa are keeping an eye out right behind you.

Justice Brandeis—a public man—is an authentic American hero. Through his oratory, his writings and the force of his personality, he truly reshaped America.

Sandy Greenberg, on the contrary, is a private man. But those of us who have known Sandy for many years believe he, too, is an American hero.

Howard, Jack, Steve and I have shared many a long dinner with Sandy, his fabulous wife Sue and their three lovely children, Paul, Jimmy and Kathryn. We have come to recognize Sandy's unique blend of talents, the breadth of his interests and experience, the strength of his character and courage. And fortunately, there is no known antidote to his infectious sense of humor. To say that Sandy is an educated man is an understatement. He has a doctorate in international economics from Harvard, a master's in business and finance from Columbia, has studied at Oxford and taught at all three. His business interests range from telecommunications and electronics to entertainment, from health care to real estate. He has served his country on the White House staff under President Johnson and his community through countless efforts, both public and private.

I think in honoring Sandy, Brandeis University is recognizing a man Justice Brandeis himself would have liked and respected. Like the Justice, Sandy combines a powerful, educated mind with a zest for action. Like Brandeis, he challenges the status quo intellectually and then acts to change it. And, like Brandeis, he has shown surpassing courage in accomplishing great things despite handicaps which would have beaten most of us.

When Brandeis University was being created after World War II, Albert Einstein cautioned, "Brandeis is a name that cannot be merely adopted; it must be achieved." There is no question in my mind that Sandy Greenberg has achieved the right to be a Brandeis Fellow.

REMARKS OF SENATOR HOWARD METZENBAUM

Thank you. It's a happy occasion. Happy for all of us and particularly happy for our friend, Sandy Greenberg. We're here to honor Sandy who is a good friend of mine, a successful businessman, a concerned human being. We also are here to celebrate a great University. Brandeis is unique among American institutions of higher learning. Founded in 1948 under the sponsorship of the American Jewish community, it was the first and remains the only Jewish-sponsored, non-sectarian institution of higher learning in America. In the beginning, there were only two buildings. Today, a mere 38 years after its founding, Brandeis has grown to include 90 buildings. But more important than all of the construction and the edifices, it boasts one of the finest faculties in the country. I think one can look at Brandeis and recognize that a measure of its success and achievement is the fact that within 13 years after it was founded it was accepted into Phi Beta Kappa. Admitted to Phi Beta Kappa, in the shortest period of any institution in the previous 100 years. We're all proud of Brandeis and, understandably, this is a special day both for the institution as well as our honoree.

REMARKS OF REPRESENTATIVE JACK KEMP

Thank you.

Of all the people in this room, I am probably the happiest that Sandy Greenberg decided to stay in Washington after he finished his White House service in 1967. If he had moved back to Buffalo, as some unwisely counselled, he might be standing in my place tonight while I was coaching the Buffalo Bills.

Everywhere Sandy Greenberg has gone, he has been a little larger than life. I've found it quite a challenge to seek to succeed in two worlds; Sandy moves effortlessly from academia to business to government to philanthropy. He is a patriot, a good family man, a dear friend, and I am proud of him.

I want very briefly to say, as Justice Brennan reminded us, how blessed this nation is

that 70 years ago Justice Brandeis was confirmed by the U.S. Senate. How blessed we have been as a nation to have the great work of Brandeis University in our nation and in the world and how blessed we are by the friendship of Sandy Greenberg and his example. To be blessed by God puts an obligation on each and everyone of us to be a blessing to our neighbor. I think in the great tradition of the Jewish religion as well as Christian religion, it is obvious that to love our neighbor is an obligation.

Sandy, you are a manifestation of that love of neighbor and love of community, that so eloquently testified in the life of Justice Brandeis. I want to join your many friends, from the far left, to the center right, in telling you how proud we are of you and your accomplishments and how proud we are of that wonderful, dear Greenberg family.

Sandy, as your friend of more than two decades and on behalf of your beloved hometown, I offer my warmest congratulations on an honor well deserved. God bless you.

REMARKS OF SANFORD D. GREENBERG

Thank you, President Handler.

Louis Brandeis has been a hero of mine since childhood. It is, therefore, a special honor for me to become a Fellow of the great University that bears his name.

To all of you—to Brandeis University and its distinguished leaders; to these superb public servants Howard Metzenbaum, John Heinz, Jack Kemp and Stephen Solarz, whose dedication I respect and whose enduring friendships I treasure; to Art Garfunkel, as great a singer as you are, Arthur, you are even more precious and priceless as a friend; to my beloved wife Sue and to our wonderful children Paul, Jimmy and Kathryn; to my brother Joel and sisters Ruth and Brenda; to my dear mother Sarah, a woman of valor whose love, courage and determination have shaped our family—to all of you, I am profoundly grateful.

When I was growing up in Buffalo in the 1940s, Louis Brandeis was actually more than a hero. Here was an American Jew who had walked with Woodrow Wilson, Franklin Roosevelt and David Ben Gurion. For my friends and me, Louis Brandeis was our Horatio Alger.

In college, I learned more about Justice Brandeis. I admired his passion for economic justice, his defense of free speech, and his commitment to a Jewish homeland. Then, as many of you know, I lost most of my eyesight. As I struggled to cope with this disability, a dear friend who is here tonight, a fellow student—one of dozens who sat and read to me for hours on end—told me something about Justice Brandeis I had not known. As Justice Brennan has so eloquently and sensitively explained, Mr. Brandeis spent fifty years struggling to overcome his eye problem. Just as he was advised to give up the law, I was advised to return home to Buffalo to make screwdrivers in a sheltered workshop. For twenty-five years, I have kept a copy of the definitive Brandeis biography close at hand; his triumph has kept me going.

Over the past few months, Justice Brennan and I have spoken at length about Justice Brandeis. While I have been blessed with some remarkable teachers in my life, I have never had quite as extraordinary a tutorial as you have provided, Mr. Justice. I regret never having known Justice Brandeis. But if you will forgive the presumptuousness of one who this year enters the third decade of his official leave of absence from Harvard Law School, I believe Justice Brandeis is here tonight; he survives in the person, the intellect, the humanity and the courage of William J. Brennan.

No one accomplishes anything of significance in this world on his own. For me, as for Justice Brandeis, blindness serves to underscore this truth. I know I would not be standing here tonight but for my family and my friends. Above all, Sue, your love, your compassion, your patience and your strength have kept me in life and sustained me.

Without the love of other people, Justice Brandeis and I were condemned to live in dark worlds of our own. With their love—with your love—we share the light of hope and opportunity.

Thank you very much.●

TAX REFORM

● Mr. D'AMATO. Mr. President, I rise today to cosponsor a bill, S. 2108, introduced by my distinguished colleague from Wisconsin. The bill states that the effective date of any tax reform package enacted by this Congress should be no earlier than January 1, 1987. I commend the distinguished Senator for pursuing this important issue.

On October 25, I, along with my good friends, Senators HAWKINS and DODD, introduced Senate Concurrent Resolution 83, which stated that the effective date of any tax reform package should be no earlier than July 1, 1986. This resolution currently has 16 cosponsors.

Subsequently, the distinguished majority leader improved on my original proposal by calling for the effective date to be pushed forward by 6 more months to January 1, 1987. This resolution, Senate Resolution 447 passed by voice vote in December. I fully endorsed this effort. S. 2180 takes the idea one step further by creating binding legislation.

While I support the objective of tax reform, I believe it is imperative that no provisions of any tax reform package be retroactive. No one should be forced to enter a tax year with the uncertainty of retroactive tax reform hanging over their head.

After January 1, 1986, the current Federal Tax Code, in a sense, became irrelevant. Those individuals and corporations concerned with specific provisions of the Tax Code do not know whether to abide by current law or by proposed, but not yet enacted, tax reform legislation. Many economic transactions are being postponed until tax reform either is enacted or is laid aside. The issue of when tax reform will become effective already has created inefficiencies in the marketplace.

A good example of the disruption caused by the possibility of a retroactive effective date concerns the distortion occurring in the issuance of general obligation bonds. Many State and local governments that wanted to issue general obligation bonds after January 1, 1986, have been forced to postpone these issues. Even if a bond issue is completely appropriate under current law, the threat of changes in the Tax Code being enacted during 1986 with a retroactive effective date have squelched such deals.

Why? Because the House-passed tax plan would make many general obligation bonds taxable effective January 1, 1986. No investor will buy a tax-exempt bond that may become fully taxable on a later date.

The nonbinding resolutions, while they send a clear message, have failed to alleviate the concern. It is for this reason that I support S. 2108. Regards of what happens in the next several months with regard to tax reform, I believe the Congress must send a clear message to the business community that no tax reform legislation will become effective before January 1, 1987.

I urge my colleague to support passage of S. 2108.●

UNITED STATES AVIONICS SALE—WISHFUL THINKING ABOUT RED CHINA

● Mr. GOLDWATER. Mr. President, it is bad enough when the news media sees nothing but progress and light coming out of Red China and endows Deng Xiaoping with god-like qualities of leadership and wisdom, but now the administration seems to accept the same distorted view. For years the center of such thinking was in the State Department, but much to my surprise and disappointment, I now find that certain people in the Department of Defense seem to share the odd notion that Communist China can do no wrong and is a threat to no one.

Believe it or not, there are some persons in a conservative Republican administration who argue that a Communist dictatorship on the mainland of China is a force of "peace and stability" in the region. They presume this dictatorship will always be in place and can be depended on to act in the interests of the United States as a counterweight to the Soviet Union, without endangering other peoples. These officials are so confident of the good faith and reliability of the Chinese Communist hierarchy and political system that they propose the United States Government should directly arm and modernize the military forces of a Marxist-Leninist regime founded on a one-party dictatorship, slave labor camps, arbitrary arrest and detention, and denial of every human liberty we hold sacred.

According to current U.S. planning, such a regime is worthy of receiving weapons systems and enhanced military capabilities from the United States, and what is more, we are asked

to look forward to the growth of a long-term military relationship between our democratic Republic and an unproven Red bastion of free-world interests. This is not a policy. It is rolling dice.

FOUR MISSION AREAS

In a presentation made to the Heritage Foundation in January, an official in the Office of International Security Affairs at the DOD announced that four mission areas have been approved as the focal point of government-to-government sales of United States arms and military technology to mainland China. These include the areas of antitank, artillery, surface-ship, and antisubmarine warfare, and air defense.

The program began last September with formal notification to Congress of the sale of munitions and artillery plant equipment and technology amounting to $98 million. The next step is the planned sale of a $500 million avionics package to upgrade the indigenous F-8 jet fighter being developed by Red China.

Although the DOD and State Department contend that there will be no transfer of design or production technologies, the package does involve the integration of superior avionics components into the F-8 aircraft by a U.S. prime defense contractor. The package will include an airborne radar, navigation equipment, heads-up display targeting panels, a mission computer, an air data computer and a data bus. It will give the F-8 an all-weather capability now lacking.

WISHFUL THINKING

Mr. President, I am aware of the administration's arguments for the proposed sale and for the concept of developing a military relationship with Red China, and I strongly reject both notions. The position of those who would support the upgrading of mainland China's military capabilities, who would initiate a long-term military involvement between our two governments, and who would satisfy Peking's desire for a solid link between the United States aerospace industry and Communist Chinese military, is based on unsupported assumptions and not on fact or on anything but wishful thinking. This flawed mentality has guided United States' actions toward mainland China for too long. It is at the heart of what is wrong with American policies toward Peking and toward our old ally, the Republic of China on Taiwan.

Some American policymakers too easily persuade themselves to resolve every consideration in favor of deeper ties with Red China. Oblivious to the facts, these officials glibly assume that none of our friends in the Pacific Basin are concerned about the accelerated modernization of Communist China's military capabilities, that no harm is posed to the Republic of China on Taiwan, that Deng and his hand-picked successors will reign forever on the Chinese mainland, and, most incredibly of all, that in aiding the technological and weaponry development of a Communist military power, we can be assured she is and will remain a contribution to peace and stability in the area.

OUTDATED CONCEPT

A major flaw in the evolving military relationship with Red China is the total absence of any coherent, organized policy. The United States is embarking on a slippery slope and we do not know where it will take us. Whatever can be said about any single component of this process, our policymakers have not thought out the long-term consequences of the concept.

Our Government is acting on a piecemeal basis. What all these pieces mean after being assembled, and whether the concept behind our arms help is outdated, are unknown.

NOT A SOVIET COUNTERWEIGHT

For example, policymakers in the United States State and Defense Departments claim Red China can be made into a worthy counterweight for us against the Soviet Union. This ignores the insistence of Peking that it is not an "ally" of the United States and the argument is blind to the growing accommodation between the two Communist giants. The two countries have agreed to coordinate their planned economies and have signed a new trade agreement. Moreover, Premier Li Peng visited Moscow recently and assured Communist Party Secretary General Gorbachev that Peking "is not aligned with, nor does it establish strategic relations with other countries." So much for the supposed meshing of our strategic ends with those of Red China.

While I am doubtful of the strategic utility of upgrading Peking's military, I also find no comfort in the guidelines which supposedly will control these sales. Whatever performance parameters may be imposed, they will be ineffective so long as U.S. officials decide every hard question by assuming that everything will work out for the best. And whoever believed a Communist regime will keep its word?

DEFENSE OF TAIWAN

Proponents of the avionics sale assure us that an upgraded Red Chinese fighter will not at all threaten Taiwan's ability to defend its territory, including the Taiwan Straits. Our policy planners claim to know with complete certainty that the F-8 will not be stationed near Taiwan and will not hold any edge in performance over the F-5E now in the Republic of China inventory.

The fact that the F-5E does not possess an all weather and night capability, but the upgraded F-8 will, is glossed over, as is the fact that qualitative air superiority is essential to the defense of the Taiwan Straits. And, whether or not the F-8 is designed for "dogfight" maneuvers is irrelevant since most modern air combat is waged from great distances using missiles.

If the sale is so modest as not to reduce any technological edge held by the Republic of China, what purpose does it serve? The answer is given that it will enable Red China to protect its airspace against the Soviet Union, and thus keep Peking from being intimidated by the Soviets. The contradiction between the contention that the avionics sale is so minimal it raises no threat to Taiwan and yet is of such import as to give Red China better confidence to resist Soviet intimidation, is not even noticed. How one can have it both ways, I do not know.

The truth is that the avionics sale and other arms sales considered for Red China will have an insignificant effect on Soviet capabilities, but a major effect on Red China's position with respect to the Republic of China and other non-Communist nations in the Pacific Basin.

RED CHINA FEARED MORE

Arms sales proponents hear what they want to hear. When asked whether any non-Communist nation in the area has registered a serious concern about expanding the military capabilities of Communist China, we are informed that no nation has expressed "panic" about it. "Panic" and "concern" are different things.

According to reports I have received from Malaysia, Singapore, Indonesia, and other countries of the Far East, the truth is that Red China may be regarded as much or more of a threat in the region than the Soviet Union is. The question that needs to be answered is whether any of our non-Communist friends in the area have actually approved of our arms help to mainland China.

ARMS RACE IN THIRD WORLD

Surprisingly, one aspect of the United States-Communist China military relationship which has been ignored or overlooked by the advocates of this policy is the newly developed role of Peking as a leading world arms merchant. Mainland China is now the fifth largest exporter of arms in the world.

For example, Communist China has been all too eager to sell arms to African nations is the midst of their worst disasters and famines, when the money was needed for humanitarian ends. By selling Red China our weapons and technology at bargain rates, we are merely enhancing her capability to fuel the arms race by freeing her current inventory for sale in Third World and other impoverished nations.

UNCERTAIN PARTNER

Mr. President, my major objection to this particular arms sale and to the concept of a growing military relationship with Red China concerns its premise. The concept is founded on the notion that Red China supports peace and order in the far Pacific. Quite to the contrary, I see Red China as the oppressor of a billion Chinese people and as a Government with severe internal tensions and weaknesses and backwardness making her an unreliable and unpredictable partner for a military relationship. And where Red China is going to get the foreign currency and capital reserves to pay for these major defense purchases has not been explained.

The architects of this military relationship have failed to recognize that they cannot predict who or what elements will succeed Deng on the mainland, nor can we confidently predict the outcome of the economic reforms. Deng is not seen as the friend of the so-called People's Liberation Army. Like him, his heirs-apparent may not enjoy confortable relations with the PLA. The question should be asked, who will gain from American arms sales and technology transfers? Will it be a group of harmless economic reformers or exactly the opposite, a strong Communist military dictatorship?

How can the United States be confident that no new Marxist-Leninist experiment will collapse into disaster as the "cultural revolution" did? How can our policymakers be so sure that a modern revival of "war lordism" will not occur in any of the several military regions on the mainland? And, who can say that the takeover of Hong Kong will not become a bloody disaster fueling irrational elements in Peking and causing a change in the power structure?

In other words, Mr. President, I think there are too many people in this administration who look upon Red China with rosy glasses. There is too much unjustified confidence that her leaders and her policies will not change for the worse. Recent history proves otherwise.●

STATE AND LOCAL TAXES

● Mr. HUMPHREY. Mr. President, I have recently called to the attention of my colleagues several articles from various sources concerning the deductibility of State and local taxes. Today, I would commend to my colleagues still another article on the subject. This article, written by Mr. James F. Scheiner, secretary of revenue for the State of Pennsylvania, appeared in the fall 1985 issue of Intergovernmental Perspective, published by the Advisory Commission on Intergovernmental Relations. As we are all aware, this Comission is made up of governmental officials from both parties and all levels of government—Federal, State, county, and municipal.

In this article, entitled "Federal Deductibility of State and Local Taxes: Fact and Fiction," Secretary Scheiner makes an important point. It is unfortunate that State and local officials have demonstrated a negative reaction to the proposal to trade deductibility for lower tax rates. Secretary Scheiner goes on to debunk seven fictions surrounding the Federal deductibility issue. These seven fictions, Mr. President, are:

(1) The President's tax plan will take away Federal deductibility, thereby increasing taxes for most Americans; (2) Federal deductibility is a tax break that predominantly benefits the middle class; (3) Federal deductibility prevents "double taxation" of income, and "double taxation" is inherently wrong; (4) State and local governments will have to sharply curtail services were Federal deductibility lost; (5) Federal deductibility of State and local taxes is no different from disaster relief or any other Federal program in that some localities get more from the program than others; (6) State and local governments are bearing the brunt of Federal tax reform, with the deductibility of State and local taxes representing 11% of total tax expenditures, but about 75% of base-broadening under the Treasury proposals; and (7) Federal deductibility of State and local taxes has been a principle of fiscal federalism, unchanged since the 1913 Federal Income Tax Code.

Mr. President, these "seven fictions" form the base upon which opponents of repeal have built their arguments. Secretary Scheiner explains clearly and precisely just why they are indeed fictions. He demonstrates how deductibility helps the rich, not the middle class, and repeal would help everyone. I must say that this article is one of the clearest rebuttals of deductibility I have seen to this date.

Mr. President, the article by Secretary Scheiner contributes greatly to the current debate over deductibility. I would urge my colleagues to strongly consider the points made by him as the Senate continues consideration of the tax reform issue.

Mr. President, I ask that the article referred to above appear in the RECORD at this time.

The article follows:

FEDERAL DEDUCTIBILITY OF STATE AND LOCAL TAXES: FACT AND FICTION

(By James I. Scheiner)

Many state and local governments have had a knee-jerk, negative reaction to the proposal to trade federal deductibility of state and local taxes for lower federal rates and higher personal deductions. This is unfortunate, because the trade-in of federal deductibility would benefit the vast majority of taxpayers. Why, then, have many state and local officials taken a position contrary to the interests of their constituents? To answer this question, we must examine and debunk seven fictions surrounding the federal deductibility issue.

Fiction: The President's tax plan will take away federal deductibility, thereby increasing taxes for most Americans.

Fact: The President's tax plan will trade federal deductibility for lower tax rates and almost double the personal exemptions, thereby decreasing taxes for most Americans.

No itemizing taxpayer wants to lose any deduction. When phrased in this way, the federal deductibility issue is bound to be unpopular. But this phrasing misstates the President's tax proposal. What is being proposed is a $36 billion trade-in, swapping federal deductibility for lower marginal rates and almost double the personal exemptions. This is a good trade-in for three reasons.

First, if most American taxpayers put pen to paper, they'd find out that they'd pay less federal tax after the trade-in. While we have not seen a definitive study that isolates the distributional impacts of just the state and local trade-in, we know that 60% of taxpayers who do not itemize certainly benefit, because they get no direct benefit from deductibility. Of the 40% who do itemize, many, if not most, would pay less tax with lower marginal rates and almost double the personal exemption.

Second, the goal of lower marginal rates is extremely important to sound tax administration. The root cause of the alarming increase in federal tax no-compliance is high marginal rates. Reducing marginal rates will reduce the attractiveness of all tax shelters and will encourage voluntary compliance. Pennsylvania provides a case study of tax compliance under low marginal rates. Pennsylvania has a low, flat-rate personal income tax, dropping back to a 2.2% rate on January 1, 1986. Almost 80% of the tax's $2.7 billion annual yield is collected through employer withholding. The state's Revenue Department runs as extensive series of computer cross-matches to search for personal income tax non-filers and under-remitters. These cross-matches show a remarkable degree of compliance among Pennsylvania's five million taxpayers.

Third, the goal of almost doubling the personal exemption is strongly pro-family. The President's proposal begins with a $2,000 personal exemption for 1986, then indexes this exemption for inflation. This feature, plus an increased earned income credit, would insure that any family below the poverty threshold would not pay a federal income tax. Under current law, a family of four begins to pay the federal tax at $9,575 of income; the President's proposal would increase this tax-free income level to $12,798.[1]

No doubt, Americans would prefer lower marginal rates, a higher personal deduction, and the preservation of state and local tax deductibility too. Of the three features, however, most Americans, including government officials, would admit that federal deductibility is the least important.

Fiction: Federal deductibility is a tax break that predominantly benefits the middle class.

Fact: The richest 20% of U.S. taxpayers get 83% of the money from deductibility.

According to The President's Tax Proposals, more than 30 million families, or 33% of the U.S. total, made some use of state and local deductibility in 1983.[2] Testimony by Virginia Governor Charles Robb before a U.S. Senate committee sets the percentage now itemizing deductions for state and local taxes at 41%.[3]

Clearly, millions of families use state and local deductibility. But who get the lion's share of benefits? An Advisory Commission on Intergovernmental Relations' (ACIR) draft working paper, "Federal Income Tax

Deductibility of State and Local Taxes," sheds light on this subject.[4] Information provided to supplement a table in the study shows that the richest 20% of American taxpayers pay two-thirds of the federal taxes, but get five-sixths of the tax savings from state and local deductibility (see Table 1). Almost half the benefits of state and local deductibility go to just 5% of taxpayers. That leaves only one dollar out of every six in tax savings for the remaining 80% of taxpayers.

Federal deductibility of state and local taxes is highly regressive. With a tax impact estimated at $36 billion in 1985, federal deductibility may be the most regressive single feature of the federal tax code on an absolute-dollar basis.[5] If Congress enacted a $36 billion income transfer program, transferring five-sixths of the dollars to the richest 20% of U.S. taxpayers, there would be a tremendous outcry about the program's inequity. Yet, that is precisely what the tax expenditure of federal deductibility accomplishes.

Fiction: Federal deductibility prevents "double taxation" of income, and "double taxation" is inherently wrong.

Fact: The majority of states tax income paid for federal and local taxes, resulting in the same "double taxation" that is opposed at the federal level.

While imposing a "tax on a tax" sounds as if it is inherently wrong, it is in fact an accepted practice of state, local and federal governments. For example, state and local governments would have to exempt federal escise taxes on cigarettes, liquor and motor fuels sales taxes to eliminate "taxes on taxes." In the personal income tax area, 28 states—including the populous states of California, New York, Pennsylvania, Illinois and Ohio—apply a tax to personal income without deducting federal taxes paid (see Table 2). A state income tax deduction for local income taxes paid is more prevalent, with 22 states providing some type of deduction, although eight states (including California, New York, and Pennsylvania) do not. Why, then, must the federal government provide a deduction for state and local taxes paid particularly when many state governments do not reciprocate?

The majority of federal taxpayers do not itemize, and do not get any benefits from state and local tax deductiblity.[6] Attempting to preserve this deduction for a minority of taxpayers by using a double-taxation argument is clearly spurious, particularly from those government jurisdictions which impose their own double taxation.

Fiction: State and local governments will have to sharply curtail services were federal deductibility lost.

Fact: Most of the 30 state governments which are coupled to federally-defined income will raise more money at their same rates due to the base-broadening effect of the President's tax plan; most other state and local governments will face relatively minor adjustments under the President's tax plan.

TABLE 1.—PERCENT OF FEDERAL TAX SAVINGS FROM TAX DEDUCTIBILITY COMPARED TO INCOME TAX LIABILITY BY ADJUSTED GROSS INCOME (AGI) CLASS, 1982

Size of 1982 AGI ($1,000)	Percent of total taxpayers [1]	Percent of total tax liability	Percent of State/local deductibility savings
Under 5	18.8	0.23	0.03
5 to 10	17.9	2.32	.37
10 to 15	15.0	5.42	1.41
15 to 20	11.0	7.04	2.72
20 to 25	9.2	8.69	5.12
25 to 30	8.0	10.04	7.85
30 to 50	[2] 15.3	[3] 30.64	[4] 36.47
50 to 100	[2] 3.9	[3] 18.20	[4] 27.03
100 to 200	[2].6	[3] 7.82	[4] 9.75
200 to 500	[2].1	[3] 5.06	[4] 5.10
500 to 1,000	[2].02	[3] 1.88	[4] 1.73
1,000 plus	[2].01	[3] 2.66	[4] 2.41
Total	([5])	100.00	100.00

[1] ACIR computations.
[2] Twenty percent.
[3] Sixty-six percent.
[4] Eighty-three percent.
[5] Total of 99.83 percent due to rounding errors.

Source: ACIR calculations based on Office of Tax Analysis, Office of the Secretary of the Treasury, "Tabulations from the 1982 Statistics of Income File for the Fiscal Relations Study," December 12, 1984, table 3.

TABLE 2.—STATE INCOME TAX COMPARISON FEDERAL INCOME TAX AND SELECTIVE LOCAL TAX DEDUCTIBILITY

50 States and the District of Columbia	Personal income tax	Federal income tax deductible	Local income or occupation tax deductible [1]
Alabama	X	X	X
Alaska			NA
Arizona	X	X	X
Arkansas	X		([5])
California	X		
Colorado	X	X	
Connecticut	[2] X		([5])
Delaware	X	[3] X	X
District of Columbia	X		NA
Florida			NA
Georgia	X		([5])
Hawaii	X		
Idaho	X		X
Illinois	X		X
Indiana	X		X
Iowa	X	X	X
Kansas	X	[3] X	
Kentucky	X	[3] X	X
Louisiana	X	X	([5])
Maine	X		X
Maryland	X		
Massachusetts	X		X
Michigan	X		[6] X
Minnesota	X	X	([5])
Mississippi	X		X
Missouri	X	X	X
Montana	X	X	X
Nebraska	X		X
Nevada			NA
New Hampshire	[2] X		([5])
New Jersey	X		
New Mexico	X		X
New York	X		
North Carolina	X		([5])
North Dakota	X	[1] X	([5])
Ohio	X		X
Oklahoma	X	[4] X	X
Oregon	X	[3] X	X
Pennsylvania	X		
Rhode Island	X	[3] X	X
South Carolina	X		([5])
South Dakota			NA
Tennessee	[2] X		([5])
Texas			NA
Utah	X	X	([5])
Vermont	X		X
Virginia	X		([5])
Washington			NA
West Virginia	X		([5])
Wisconsin	X		X
Wyoming			NA
Total	44	16	22

[1] Only if State's long form is filed.
[2] The tax applies only to interest and dividend income.
[3] Deductions limited.
[4] A full deduction for accrued Federal income taxes is allowed with use of optional rate schedules.
[5] No local income or occupation taxes are imposed in addition to the State personal income tax.
[6] A partial credit is allowed for city income taxes paid.

Sources: Compiled by the Pennsylvania Department of Revenue from CCH State Tax Review, December 11, 1984. A phone survey of State tax administrators, November 19, 1985.

State and local governments are understandably wary about federal tax reform. Federal taxes are tied in a variety of ways to state and local taxes.

The Advisory Commission on Intergovernmental Relations is studying federal-state linkages, with deSeve Economics authoring "A Description of the Linkages Between the Federal and the States Personal Income Tax Codes" for ACIR.[7] Review of the April 1985 draft of this report indicates that the major problem facing many states under the President's tax plan will be how much to lower tax rates. Unless those states which are coupled to federally-defined income lower rates, they will be awash in extra tax money due to the base-broadening effects of the President's plan.

The predominant direct impact of the President's plan, therefore, is to generate substantially more money for many state governments, or provide them with an opportunity to lower tax rates. Beyond that, the fiscal effects on state and local governments are open to considerable conjecture. This is particularly true for federal deductibility of state and local taxes. The ACIR federal deductibility study has a section, appropriately entitled "Role of Fiscal Illusion," that discusses the tenuousness of taxpayer behavioral assumptions behind the fiscal impact analysis.[8] With acceptance of these tenuous assumptions, the study concludes:

"Our current best estimate is that eliminating tax deductions would mean that over the next five to ten years state and local governments would be pressed to cut spending, relative to what it would be otherwise, by about 2 to 3%. Because state and local spending has been growing by about 7% per year since 1980, the adjustment to the elimination of deductibility would come about through a reduction in the growth of state/local spending; elimination of tax deductibility would not cause an absolute drop in the level of state and local spending." [9]

Even this projection of a 2-3% lesser growth rate in state-local spending runs counter to empirical evidence. After the 1981 federal tax cut, the state-local tax deduction was worth less to the federal itemizer, but there is no evidence that this change has been a factor in any state or local government's spending since 1981. After the 1979 gasoline shortage, the Congress repealed federal deductibility of state gasoline taxes, amid cries that state legislatures would react by cutting taxes and, thereby, highway expenditures. In fact, the opposite occurred, with 44 states raising gasoline taxes subsequent to 1979, in response to the clear need for highway programs. In Pennsylvania, the loss of federal deductibility for gasoline taxes was never a factor—not even a miniscule factor—in gas tax debates.

Many state governments know that the President's tax plan will generate substantial new tax money at current rates, but this fact is a secret well-kept by public officials. Yet, the dubious proposition that loss of federal deductibility of state and local taxes will force a curtailment of government services has been trumpeted all across America by some of these same public officials.

Fiction: Federal deductibility of state and local taxes is no different from disaster

relief or any other federal program in that some localities and states get more from the program than others.

Fact: Federal deductibility is fundamentally different from other federal programs. Each state and local government, by raising its own taxes, has the power to increase federal tax expenditures without any control exercised by the Congress.

Every time a state or local government raises its own taxes, taxpayers from the rest of America end up paying a greater share of the federal tax burden. This is the perverse result of federal deductibility, that links hundreds of thousands of state and local tax decisions to the federal system.

Some public officials have used "merit-want" arguments to justify this tax linkage. H. Louis Stettler, III, the Maryland budget secretary, is quoted as follows: "There is a big difference between providing food to needy children and the three martini lunch; between providing transportation to public schools and 'business trips' to the Superbowl."[10] The notion that governments can spend money "better" than private industry flies in the face of conventional wisdom about comparative efficiency.

In Pennsylvania, the Thornburgh Administration has achieved substantial savings in government operating costs while improving public services. For example, since 1978 the state Revenue Department reduced its payroll by almost 30%, while quadrupling collections of delinquent taxes and providing faster, more accurate customer service. The Pennsylvania Transportation Department has 2,500 fewer employees than it did seven years ago, yet highway repairs and construction activities are at historic highs. Despite staff increases for priority areas such as environmental protection and prisons, the Thornburgh Administration has trimmed the overall state payroll by 12,000—about 12%. Pennsylvania now ranks last among the 50 states in the ratio of state employees per 100,000 population. The Thornburgh Administration has achieved an average of $200 million per year in cost reduction savings through initiatives in such areas as state cars, printing, postage, and office and process automation.

With these successes, Pennsylvania could make a claim to be at or near "efficiency frontiers" in all its operations. Yet, the Thornburgh Administration continues to identify and achieve additional efficiencies. Many state and local governments join Pennsylvania in candidly acknowledging that there is room for greater efficiency in government. Given this environment, why should taxpayers in one jurisdiction, via the federal tax code, help subsidize state and local government spending elsewhere?

Fiction: State and local governments are bearing the brunt of federal tax reform, with deductibility of state and local taxes representing 11% of total tax expenditures, but about 75% of base-broadening under the Treasury proposals.

Fact: State and local governments do not directly pay any federal income taxes and they get a relatively small indirect benefit from state and local tax deductibility.

The U.S. Treasury Department estimates that, if state and local tax deductibility were eliminated, state and local governments would react by cutting back expenditures by about $6 billion.[11] But the price that is paid for this indirect assistance to state and local governments, which amounts to just 1½% of total state-local expenditures, is a $36 billion tax loss to the federal government. Given these figures, it would appear that the benefits of state and local tax deductibility to governments pale beside the benefits to America's richest taxpayers.

As a revenue sharing program, state and local tax deductibility is highly inefficient. Yet, many state and local officials defend deductibility on just this basis, arguing against its trade-in for lower tax rates and higher exemptions.

State and local officials from high-tax jurisdictions have been particularly vocal, raising fears that affluent taxpayers will flee from high-tax to low-tax areas, and that tax wars will be spawned. These fears are being exaggerated. Taxes are not the dominant factor in where people and businesses choose to locate. If they were, high-tax jurisdictions would not be participating as fully as they are in the nation's economic recovery. Further, state government itself can compensate for the differential impacts of trading in state and local tax deductibility on the various localities within that state. Regarding the specter of tax wars, if they mean increased competition to more efficiently deliver high quality state and local government services, most taxpayers would say: "Bring them on."

Fiction: Federal deductibility of state and local taxes has been a principle of fiscal federalism, unchanged since the 1913 federal income tax code.

Fact: The Congress has eliminated a number of state and local tax deductions, and after 72 years, remaining deductions need reevaluation on their merits.

In 1943, the Congress eliminated the deductions for certain state and local excise taxes. Then, in 1964, the deduction ended for state and local taxes on tobacco, alcohol, and vehicle registration and operators license fees. Since gasoline tax deductions ended in 1979, sales, income and property taxes are the only deductions left.

Thus, federal deductibility of state, and local taxes is not an all-or-nothing proposition. The Internal Revenue Service administers the sales tax deduction through an imprecise table that bears little relationship to taxpayers' sales tax expenditures. While, in theory, federal deductibiliy of sales taxes could benefit less affluent families, in fact these very same families do not itemize deductions and, therefore, do not get a penny from this federal exemption.

If compromise is necessary on this issue, federal deductibility of state and local personal income and property taxes could be phased out over time or could be limited to the rate of the lowest tax bracket, as in the Bradley-Gephardt proposal. Treating state and local taxes like catastrophic losses, by allowing deductions above some minimum, is particularly unattractive alternative. There is no rational basis for comparing state and local taxes to unexpected medical bills or casualty losses. Allowing deductions for only those taxpayers in the nation's highest tax jurisdictions creates and incentive for certain state and local governments to spend more and economize less.

Unlike certain other tax exemptions recently legislated by the Congress, federal deductibility of state and local taxes makes no pretense of promoting capital investment or economic growth. As a $36 billion tax expenditure, that redistributes 83% of the money to the richest 20% of U.S. taxpayers, state and local tax deductibility should be "on the table" for tax reform. State and local officials have a responsibility to provide the Congress with facts—not fictions—to support the deliberations on this subject.

FOOTNOTES

[1] U.S. Government Printing Office, The President's Tax Proposals to the Congress for Fairness, Growth, and Simplicity, May 1985.

[2] Ibid., p. 67.

[3] "Statement of the Honorable Charles S. Robb, Governor of Virginia, before the Subcommittee on Intergovernmental Relations, Committee on Governmental Affairs, United States Senate, on State and Local Tax Deductibility," June 26, 1985, p. 5.

[4] ACIR draft working paper, "Federal Income Tax Deductibility of State and Local Taxes," Advisory Commission on Intergovernmental Relations, April 1985.

[5] ACIR, op. cit., p. 15.

[6] U.S. Government Printing Office, op. cit., p. 62.

[7] de Seve Economics, "A Description of the Linkages Between the Federal and the State's Personal Income Tax Codes," submitted to the Advisory Commission on Intergovernmental Relations, April 30, 1985 (draft).

[8] ACIR, op. cit., pp. 29-32.

[9] Ibid., p.i., Executive Summary.

[10] Chalmers, Jr., Douglas. A.S., "Tax Reform Divides States, State Government News, July 1985, p. 14.

[11] Rafuse, Dr. Robert, U.S. Treasury official, in a presentation at the National Tax Administrator-Tax Institute of America Conference, Denver, CO, October 14, 1985.●

COSPONSORSHIP OF SENATE JOINT RESOLUTION 282

● Mr. D'AMATO. Mr. President, I rise today to cosponsor a resolution, Senate Joint Resolution 282, introduced by my distinguished colleague from New York. Senate Joint Resolution 282 states that the Congress should not approve the proposed fourth quarter rescission of general revenue sharing for fiscal year 1986.

When general revenue sharing was enacted in 1972, the Federal Government shared 2.5 percent of its revenues with State and local governments. Fourteen years later, the Federal Government shares just half a percent of its revenues with local governments.

General revenue sharing is crucial to the efforts of localities, both big and small, to provide vital services to their citizens. It is used to repair bridges, hire teachers, and plow snow, it feeds the elderly and employs police officers and firefighters. Some 335 Indian tribes, 3,000 counties, 16,000 towns and villages, 19,000 cities, and 220 million Americans depend upon general revenue sharing to keep our communities safe and strong.

At a time when local governments are in need of fiscal assistance to provide many essential services, long since cut by Federal budget cuts, the Federal Government is looking to cut more. I believe it is time to protect the interest of the local governments.

I urge the passage of Senate Joint Resolution 282.●

MICHAEL A. VENTRESCA SCHOLARSHIP FUND

● Mr. KERRY. Mr. President, today I rise with both sadness and pride to honor the memory of my friend Michael Ventresca. It is with sadness that I tell my colleagues of the loss of

a warm, caring, committed human being. Yet it is with pride that I note the establishment of the Michael A. Ventresca Scholarship Fund.

Michael was taken from us on December 29, 1985, the victim of a senseless accident. At the time of his death, he was only 38. In that short time, he accomplished much and left a living legacy of young people whom he had ushered into public service. It is my hope that the scholarship in his name will continue the tradition of public service in his memory.

Michael cmbodied the well known Massachusetts zeal for government and politics. He was an idealist whose political conscience was forged in the cauldron of 1960's activism. He was a graduate of the University of Massachusetts-Boston, where he demonstrated his early leadership qualities as president of the Class of 1969. He was a graduate of Suffolk University Law School, where he was editor of the Suffolk Law Review. It was during this time that he first showed what would become a lasting commitment to values such as peace, justice, equality, compassion, and fairness. Michael spoke out for these values as he opposed the war in Vietnam, marched in the civil rights movement, sought to preserve our environment and led the effort to stop the death penalty in Massachusetts.

As the times and values changed, Michael stood true to his beliefs. Through his idealism and activism, he kept alive the progressive causes he originally championed. He knew when it was time to stand his ground on principle. And he was willing to lose on principle. He lost twice on ballot initiatives, He took them on knowing they would be uphill fights. To Michael, principles mattered more than odds.

Michael was at his best in political campaigns. He loved them and his enthusiasm was contagious. His enthusiasm was particularly quick to spread among young people. He had a special ability to motivate and inspire. Over the years, literally thousands of young people came under his charge and his spell. Michael seemed to take an interest in everybody no matter how great or small, significant or insignificant the person was. And he always made time for each one. His ear was always available to the many young campaign workers or protegees who sought advice, solace or help.

Michael was a kind, generous, and selfless person. For a man who fought so many battles, he achieved a rare distinction: he left no enemies. Perhaps that can best be attributed to his integrity.

Michael's integrity earned him the trust of friend and foe alike. As a lobbyist, he was a skilled and effective negotiator with an uncanny ability to bring people together. People trusted Michael to help them reach a compromise that would be fair to both sides.

His successes as a negotiator were many, but he never bragged of winning. He took his satisfaction from bringing opposing sides together and building a consensus. He was always positive, optimistic, conciliatory. He was never negative, pessimistic cr divisive. Michael had a knack for bringing out the best in people. He encouraged, prodded, and cajoled countless young people into reaching their full potential. He was mentor, example, and role model to the many young people he introduced to public service.

The creation of this scholarship ensures that Michael's values, idealism, and activism will be perpetuated. Through this scholarship, young people interested in public service will receive a college education that will help them prepare for a career in the field to which Michael brought so many recruits. Plans call for the creation of a permanent, 4-year scholarship at Michael's alma mater, the University of Massachusetts at Boston.

On March 24, Michael's friends will gather in Boston to remember him and to contribute to the Michael A. Ventresca Scholarship Fund. At this time, I would like to read the list of public officials who have joined me in serving as honorary chairmen of this event: Hon. THOMAS P. O'NEILL, JR., Speaker, U.S. House of Representatives; Hon. EDWARD M. KENNEDY, U.S. Senator; Hon. CHESTER ATKINS, Member of Congress; Hon. BARNEY FRANK, Member of Congress; Hon. JOSEPH MOAKLEY, Member of Congress; Hon. GERRY E. STUDDS, Member of Congress; His Excellence Michael S. Dukakis, Governor, Commonwealth of Massachusetts; Hon. Michael J. Connolly, secretary of state, Commonwealth of Massachusetts; Hon. Francis X. Bellotti, attorney general, Commonwealth of Massachusetts; Hon. William M. Bulger, president, Massachusetts Senate; Hon. Robert Q. Crane, treasurer, Commonwealth of Massachusetts; Hon. John J. Finnegan, auditor, Commonwealth of Massachusetts; Hon. Raymond L. Flynn, mayor, city of Boston; Hon. George Keverian, speaker, Massachusetts House of Representatives.

These names are a tribute to Michael. They speak of the gratitude and respect he earned through a career dedicated to public service and to the belief that government can do good things and improve people's lives.

But to focus on these names would miss the point. When Michael's friends gather in Boston on March 24, the purpose will be to continue a tradition of bringing young, unknown names into public service. Michael's friends will be helping to create a scholarship that will assist, educate and encourage young people, just as he did.

It is appropriate that this event will take place at the John F. Kennedy Library. It was President Kennedy who said, "One man can make a difference, every man must try." Michael Ventresca made a difference. With the creation of this scholarship, others will be given the chance to try.●

CONGRESSIONAL CALL TO CONSCIENCE FOR SOVIET JEWRY

● Mr. GARN. Mr. President, I commend my colleague from Maine, Senator MITCHELL, for leading the effort to aid those suffering from religious persecution. I am proud to be a part of this protest against oppression of individuals in the Soviet Union. It is my belief that efforts such as the Congressional Call to Conscience for Soviet Jewry, contributed to the gratifying release of Anatoly Shcharansky. Therefore, as 1986 continues, we must renew our determination to gain freedom for the many remaining refuseniks.

I am honored to be involved, once again, in the 1986 Congressional Call to Conscience for Soviet Jewry. Many of my colleagues are involved in this bipartisan struggle to gain awareness and recognition for those currently suffering in the Soviet Union. I, myself, have adopted Leonid and Ludmila Volvosky in support of their efforts to emigrate to Israel. The Student Coalition For Soviet Jewry, which arranged my adoption of the Volvosky family, reports that Leonid has been harassed and detained by Soviet officials several times, as a result of his desire to emigrate to Israel. Leonid was arrested again last June and all attempts of his family and friends to gain his release have been denied by Soviet officials. Hopefully, the Call to Conscience will focus attention on the plight of Soviet Jews, like the Volvosky family.

Patrick Henry wrote that "All men are equally entitled to the free exercise of religion, according to the dictates of conscience." The denial of one of the most basic human rights, freedom of religion, is an appalling tenet of Soviet dogma. Currently, Soviet officials are planning to bulldoze one of the Soviet Union's few remaining synagogues, the Ashkenazi Synagogue in Tbilisi. The closing of the synagogue will tragically affect the 20,000 Jews in the community, already under siege. Countless letters, speeches, and prayers have been offered in behalf of those persecuted in the Soviet Union. These people yearn for the freedom to practice religion as they please, the right to privacy and the right to emigrate—rights guaranteed to the people of the Soviet Union with the signing of the Helsinki accords of 1975.

The refusenik community consists not only of Jews, but of individuals

from many other religious communities that wish to be free. The United States has long attempted to defend the dignity of all individuals in the Soviet Union. Recent events indicate an improvement in the working relationship of our Government and the Soviet Union. Media coverage of the recent Geneva summit forced Gorbachev to deal openly with tough questions from the world media regarding the plight of Soviet Jews. A likely exchange of State visits between our national leaders could also force Gorbachev into the realization that his country can no longer deny religious freedom to the refusenik community and hope to pursue peaceful negotiations with the United States. There is certainly reason to hope, given the Soviet's recent courtship of Western media and their interest in reaching out to American businessmen for expanded trade between their nation and ours. The release of Anatoly Shcharansky provides more evidence that negotiations between our governments can be effective.

The refuseniks must know that the United States will continue to fight for their cause. Ours may be the only voice of freedom that they hear. It is vital for us, as citizens of a free nation, to offer support and assistance to the people of the Eastern bloc countries. The fight for the dignity of all people must never be forgotten. May the Congressional Call to Conscience be but one facet of our Nation's effort to keep the torch of freedom burning brightly in the hearts of those persecuted in the Soviet Union.●

COSPONSORSHIP OF A RESOLUTION AFFECTING STATE AND LOCAL GOVERNMENTS ABILITY TO RAISE REVENUE

● Mr. D'AMATO. Mr. President, I rise today as an original cosponsor of a resolution introduced by my friend from New Mexico, Senator DOMENICI, to put the Senate on record that major tax reform should not inhibit State and local government's ability to finance their infrastructure.

I commend my colleague for drafting this resolution to protect essential services provided by State and local governments. Financing for State and local governments is essential to ensure proper health and safety services, as well as basic support systems on which all economic activity depends.

It is wrong to hamper local governments through the inclusion of provisions in tax reform which will discourage investors from purchasing tax-exempt bonds; which will make it difficult to obtain tax-exempt financing by placing certain projects under limited volume caps; which will impose retroactive effective dates; or which will prevent local governments from using legitimate cash-management techniques.

In the end, it is the individual who suffers from the lack of proper facilities, and it is the individual who suffers from increased State and local taxes needed to finance these outmoded or unsafe facilities.

I believe it is necessary, therefore, for members of the Senate interested in protecting the infrastructure of State and local governments, as well as the individual constituent, to join together and send a message to those responsible for producing a tax reform bill: True reform does not deny local governments the ability to finance their activities properly.

I urge my colleagues to support and pass this resolution.●

NAUM AND INNA MEIMAN: AN INTERNATIONAL APPEAL FOR MEDICAL TREATMENT

● Mr. SIMON. Mr. President, Naum and Inna Meiman, two personal friends of mine, are caught in a political decision that threatens Inna's life. Naum and Inna are refuseniks—Soviet Jews who have applied to leave the Soviet Union. Since making their application, the Meimans have endured harassment and, in Naum's case, denial of employment in his field. Now, Inna is cancer-ridden and desperately needs medical treatment only available to her in the West.

The following letter appeared in the February issue of Physics Today. I ask that the text be inserted in the RECORD.

The letter follows:

REFUSENIK PHYSICISTS

I have recently received two open letters from Soviet "refusenik" physicists with the request that I share them with your readers. I present only excerpts. The first is from Naum Meiman and addressed to Mikhail S. Gorbachev, Secretary of the Communist Party, and the second one is from Armen G. Khachaturyan and addressed to A. Aleksandrov, president of Soviet Academy of Sciences. Both of these scientists believe that appeals from Western colleagues can help them greatly in their present situations. This is also the belief of other refusenik scientists and dissidents and I feel that in cases like these we have to take the wishes of the oppressed as our guide for action.

Meiman writes: A few words about myself: I am a professor of mathematics, 74 years old. Since 1975 I have been seeking permission to go to Israel. My only daughter left the Soviet Union in 1976. I am refused permission to go, on the pretext that I had done classified work. More than 30 years ago, at the dawn of the atomic age, before there were even any computers in the Soviet Union, I did certain classified calculations for long-dead Academician Landau in the Institute of Physical Problems of the Academy of Sciences. These calculations were a very auxiliary nature, and have long ago lost all sensitivity and significance. I transferred to work in another institute in 1955, and as officially certified, never had any further contact with sensitive work. When I applied to go to Israel in 1975, I was compelled to retire on pension.

Two years ago, a tumor appeared on the back of my wife's neck, close to the spinal column. This could be treated only with extremely sophisticated modern equipment and skill in using it. The Soviet Union still has neither the equipment nor the skill to use it. The only thing Soviet medicine could offer was surgery. Now for two years, my wife has had four risky, painful operations, the last one in the Oncological Center three months ago. So much muscle tissue has by now been removed that no further operation is feasible. My wife holds her head up with difficulty, and is in constant pain.

Immediately after the disastrous first operation, in October 1983, my wife received generous invitations to the treatment in oncological clinics in Sweden, France, the United States and Israel.

This inspired my wife and me to go to the national emigration chief, Colonel Kuznetsov, on 4 September and apply to him personally to let my wife go with her mother, brother, son and two grandchildren, leaving me behind. A week later, Colonel Kuznetsov informed me by phone that this was refused. On 18 September he told my wife that she could not leave with other members of her family because she had been married to me to long and her departure would constitute a security risk for the Soviet Union.

This malicious, paranoid nonsense is more than a fatal threat to my wife; it is in fact a danger for the whole world, even for the Soviet Union itself. It is absurd and dishonest in the extreme to claim that my departure would threaten the safety of the USSR. To claim that my sick wife's departure would be risky is simply dangerous madness. My wife worked only as an English teacher and we married in 1981, a full 26 years after I ceased all contact with classified work. It arouses a dangerous pyschological climate of mutual distrust, preventing achievement of vitally important compromises."

JOEL L. LEBOWITZ,
Rutgers University.
NEW BRUNSWICK, N.J.

Mr. President, I strongly urge the Soviet Government to allow Inna and Naum Meiman permission to emigrate.●

PROMOTING DEMOCRACY ABROAD: IN OUR BEST INTEREST

● Mr. QUAYLE. Mr. President, as we approach the upcoming floor debate over granting military aid to the Nicaraguan democratic resistance, we are forced to reconsider what should guide our foreign policy—our own democratic principles or some other principles that may seem more expedient in a given situation. Last Saturday, in an extraordinary speech by the chairman of the Foreign Relations Committee before the National Federation of Young Republicans, the answer given and supported with the strongest and soundest of reasoning was our democratic principles.

As the distinguished senior Senator from Indiana made clear in defense of

the President's policies both in the Philippines and Central America:

Supporting democracy may sound simplistic * * *. But it gives the ability to call election fraud for what it is, to call dictatorships for what they are, and to call authoritarian regimes for what they are.

Mr. President, I believe Members of both Houses could greatly profit from reading this speech, and I ask that its full text be entered at an appropriate place in the RECORD.

The text follows:

DEMOCRACY AND AMERICAN FOREIGN POLICY: A COROLLARY TO THE REAGAN DOCTRINE

(By Senator Richard G. Lugar)

Democracy is the strongest suit of American foreign policy. Promoting and protecting democracy is in the best interests of the United States. Democratic countries celebrate human rights, they enhance our security interests, and they are good trading partners.

Democracy is not easy. Too often in the past, the United States has naively called for democracy in developing and third world countries only to see elections fail. We have tried to prop up so-called democratic "white knights" only to see them turn into petty despots.

Democracy requires the development of institutions in a society that work against the consolidation of power, and open up a society to free political discourse. Political parties, labor unions, business associations, churches, a free press and citizens groups concerned about the sanctity of the ballot are all required.

American foreign policy should work to develop these democratic institutions in the world. We must defend and promote the process of democracy. That is what we did in the Philippines, and that is what we need to do in to encourage reform in Nicaragua, Angola, Chile, and South Africa. Each country is different and the politics of each have to be taken into account. But the goal of American foreign policy should be constant, and that is, democracy. Once we reach a consensus on that goal—as I believe we are doing in the United States—we can go about implementing that goal within the cultural and geopolitical circumstances of each country.

The Philippine experience shows the importance of the election process. Thousands of volunteer poll watchers risked their lives to defend the right to vote and to have a fair count in the Philippines. They set democratic participation and performance standards by which that election could be judged both by Filipinos and by the world. Ferdinand Marcos lost the election. When he tried to claim a fraudulent victory, he lost his legitimacy to rule.

The Philippine experience is instructive to the course of American foreign policy. My involvement in the Philippine election began in Central America. I was in Guatemala observing elections there on November 3, 1985, when Marcos announced "snap elections" on American television. The conventional wisdom of many in Washington was that the Guatemalan elections wouldn't lead that troubled country to much democracy. Various columnists and commentators observed that the military would still be in control regardless of who won. Much the same argument was later made in the Philippines: Marcos would win by hook or by crook, or call the whole thing off. But in Guatemala, and then in the Philippines, the worldly conventional wisdom was wrong.

There is a passion for democracy in the world. In Guatemala, I witnessed mountain Indians travel many miles to vote. No one made them. This was their privilege and nothing was going to stop them. Guatemala now has a democratically elected government. General Majia did step aside, and Guatemala is on the difficult road to economic recovery.

The situation was more complex in the Philippines. The generals in Guatemala asked for our help in setting up the election. We helped establish certain election procedures: transparent ballot boxes, identification ink, computerized registration rolls, watermarked ballot paper, and the tabulation process. It was not as easy in the Philippines. Marcos invited American election observers. He did so with bravado, suggesting that since no one would believe how big his mandate would be, he wanted all of us there just to see. Given the history of voter fraud and violence in the Philippines, I was reluctant to commit the Senate Foreign Relations Committee to observe the elections.

Nevertheless, I did not want to flatly reject Marco's call for American election observers. The Committee had already gone on record calling for economic and military reform in the Philippines. Without that reform, we believed the communist insurgency would grow. I contended that the best course for American election observers in the Philippines was to ally ourselves with the reform movement. The National Movement for Free Elections, or Namfrel, was such a movement. They were committed to a free and fair election. They were priests, nuns, students, housewives, Kiwanis and Rotary Club members, and in some places members of Republicans Abroad. Staff members of the Foreign Relations Committee had worked with Namfrel in the 1984 parliamentary elections in the Philippines, and in fact had begun preliminary discussions with them about the planned May 1986 municipal elections.

The Foreign Relations Committee held three hearings on the Philippines before the election. We sent a delegation of American election law experts—top lawyers for the Republican and Democratic Parties who sometimes see each other in court contesting Federal Election Law rules—to review the Philippine election procedures. A second group followed up on their report. These election law experts established a checklist for the Committee on what should be done to make the election as free and fair as possible. We questioned the will of the Marcos government to live up to these procedures, but were heartened by the excitement and the passion of the Philippine people for the election. Many members of Congress and the press dismissed the election as a fraud even before it happened. Some of these individuals are now quick to embarce the election success, however. The Philippine people were enthusiastic about their chance to make a democratic choice from the start.

Despite my concerns about fraud, I decided that the United States could not abandon these people who wanted to exercise their right to vote. The review of election procedures and the suggestions we made and Marcos followed, gave us a way to judge the election, For example, before I went to the Philippines, I told Marcos' acting foreign minister that a long delay in the quick count between Namfrel and the Commission on Elections would spell trouble with a capital "T" because it would show that someone was cooking the results. As it turned out, that's exactly what happened. Everybody knew what it meant, and Marcos lost his legitimacy.

The United States was able to help the Philippine people transfer power in a peaceful way because we had positioned ourselves as defenders of the democratic process and not as backers of one of the candidates.

When I visited polling and canvassing areas throughout the Philippines, I was swamped by people excited to have us there. They did not know much about me, but they knew I was an American observer committed to supporting the democratic process. The American press had the same experience. Filipinos didn't want us to leave. The American people, as it turned out, also wanted us to stay and speak out. The intense coverage of the election on American television and in the press had a strong impact on the American people. Upon my return to the United States from the Philippines, I went directly to Indiana after visiting with President Reagan. wherever I went in Indiana, at high schools, chambers of commerce, factories, and Republican Lincoln Day Dinners, there was execitement about the Philippine elections. In the heartland of American there was a strong commitment to promoting democracy abroad, and a strong feeling that our country had been successful in doing precisely that.

American policy succeeded in the Philippines because American policy supported democracy. The American people, more importantly than any policy, also supported democracy. When they saw democracy being stolen, President Reagan responded by advising Marcos that his claim of election victory lacked credibility. Marcos then left.

Now there is much discussion in Washington about whether the Philippine experience can be transfered to other parts of the world. The cultures and histories of each country are different and should affect our policies accordingly. But in a very simple yet powerful way, the Philippine experience points the way to new American foreign policy based on free and fair democratic elections. This is a corallary in some respects to both the Kirkpatrick and the Reagan Doctrines.

The Kirkpatrick Doctrine argues that there is a difference between authoritarian regimes led by anti-communist dictators and totalitarian regimes led by communist dictators. Ambassador Jeane Kirkpatrick argues that the United States should be tough on the communist dictators, and help the authoritarian rulers evolve toward democracy as we did in Guatemala. The Reagan Doctrine argues that the United States should actively back freedom fighters struggling against communist totalitarian regimes. The corallary to these two doctrines is that the United States should be busy promoting democracy in all of these dictatorships. I believe that there should be free and fair elections not only in the Philippines, but also in Chile, Angola, and Nicaragua.

Now there are some skeptics who argue that it's absurd to push for elections in communist dictatorships. "Everybody knows that Marxists don't hold free and fair elections," they snort. But why should we accept such constraints. It's apparent that people in Nicaragua and in Angola want democracy, that they want elections, and that they are fighting for their very lives to obtain them. They deserve not only our comfort, but also our aid.

Actively supporting democracy offers a consistency and an element of consensus that our foreign policy has lacked since Vietnam. Ronald Reagan has led this country past the Vietnam syndrome. We have a President who is not afraid to act, and an American people proud of our role in the world. However, we are still debating how we can both be effective and true to our beliefs as we deal with the many crises of the world.

One of my distinguished predecessors as Chairman of the Senate Foreign Relations Committee, J. William Fulbright, criticized the foreign policy that led this nation into the Vietnam War. He called it the Arrogance of Power. But after the fall of Vietnam, our foreign policy became the Abdication of Power. It was a policy full of moral outrage, but no action. The United States withdrew from the world. There are still many who follow this neo-isolationist policy.

This policy in fact is the cause of many of our problems in Nicaragua. President Carter stopped supporting the dictatorship of Somoza, but refused to actively assist and boost the moderate and pro-democratic forces who looked to the United States for help. The middle collapsed and the Marxist Sandinistas took over. Now we must find a way to rebuild that democratic alternative.

In South Africa, the neo-isolationists espouse a policy of moral outrage and disinvestment. It's a policy of cut and run. Instead, President Reagan with the support of Congress has constructed a policy that expresses our outrage of apartheid, but tries to use American influence to support democratic and nonracist alternatives.

So what should we do about Nicaragua? The Philippine experience points the way to a policy that supports the development of a democratic alternative and elections. If we can reach a consensus that this is our policy goal, then we should implement it in a determined, responsible, and patient way.

There is strong opposition to the Sandinistas. In recent months the Sandinistas have stepped up their campaign against human and political rights. Churches, labor unions, business groups and the press are all under attack. Nicaraguan Indians have been the victims of a campaign of genocide.

A group of the Contra leaders have formed the Unified Nicaraguan Opposition. They call for an end to human rights abuses, a return to democratic freedoms and elections. The United States should support UNO, and help it become responsible democratic front organization. Meanwhile, we should increase diplomatic pressure on the Sandinistas in conjunction with the other countries in the region. We need to pressure the Sandinistas both internally and externally to change their ways.

Predicting that diplomatic pressure alone will change the Sandinistas is a non-starter. The Sandinistas will drag their feet forever while they try to destroy the last vestiges of freedom in Nicaragua. Putting United States aid into an escrow account would delay meaningful negotiations.

What the United States should say to the Sandinistas is that we will give military aid to UNO until and unless the Sandinistas agree to implement a series of reforms. The United States can announce these at a Contadora meeting in May, or sooner for that matter.

These reforms should be:

1. Removal of Cuban and Soviet military advisors, and a pledge that they will not return.

2. Reductions of military forces.

3. An end to support of the El Salvadoran rebels and any other insurgencies.

4. A cease fire with the Contras.

5. Free and fair elections to a Nicaraguan constituent assembly to be monitored by a free press and regional observers, with free access for all candidates to all voters in all parts of the country.

If the Sandinistas implement these reforms, the United States would stop military aid shipments to UNO.

The President's request now before Congress gives him the discretion to implement this policy. Adding all kinds of strings and certifications will only hinder the effectiveness of the United States to act.

The President faces a tough vote in Congress. Regardless of the outcome, Nicaragua will not go away. The Sandinistas have no sympathy in Congress. There is a consensus on the Foreign Relations Committee to back UNO. I will continue to visit with my Committee and other Members of Congress, and with the President and Secretary of State to maintain a consensus approach as we work through the process of supporting a democratic alternative in Nicaragua. The policies I have outlined here point in the right direction.

Ronald Reagan has given this country new hope for the future. It is "Morning Again in America," but the problems we face around the world make our lives more like "High Noon." We have to face them with realism, but with our inherent American sense of idealism. Supporting democracy may sound simplistic. Emphasizing it may sound square and unsophisticated. But it gives us the ability to call election fraud for what it is, to call dictatorships for what they are, and to call authoritarian regimes for what they are. There is much to say for and to praise about the simple honesty of democracy, and that's what the United States should be doing in the world today.●

HONORING ST. PATRICK WITH A RENEWED COMMITMENT TO PEACE IN NORTHERN IRELAND

● Mr. RIEGLE. Mr. President, although the St. Patrick's Day celebration is a truly Irish one, its appeal extends to Americans of all backgrounds who delight in discovering that, each year on March 17 they, too, are "just a little bit Irish."

Americans of Irish descent have played a critically important role in the growth of our own Nation. Of those who signed the Declaration of Independence, nine were of Irish descent and thousands more supported that declaration by fighting for its defense. I addition, the rich Irish heritage in music and literature continues to bring enjoyment to all Americans.

As we join with the Irish-American community in the festivities to mark St. Patrick's day, we also join with them in their concern over the political turmoil which, after 17 years and 2,500 fatalities continues to tear their homeland apart.

In honoring the man who shared the Christian Gospel with the people of Ireland, we renew our calls for an end to injustice and oppression and for peace and unity in Ireland.

The signing of the Anglo-Irish agreement in November of last year represents the most recent effort to bring about an end to the unrest and discrimination in Northern Ireland. With this accord, the Republic of Ireland is given, for the first time, a voice in the affairs of Northern Ireland. Protection of the civil liberties and security of the Roman Catholic minority in Northern Ireland is another important aspect of the agreement.

As a member of the "Friends of Ireland" bipartisan congressional coalition, I endorse the call for the peaceful achievement of Irish unity, and encourage strong United States support to help ensure the survival of this important peace initiative.

Mr. President, I believe that the greatest tribute that could be paid to St. Patrick would be the ending of hostilities in the land which received his Christian teachings. On this St. Patrick's Day I encourage all parties to support current reconciliation efforts in a sincere effort to bring to life a just and lasting peace in Northern Ireland.●

BERKLEY BEDELL

● Mr. SIMMS. Mr. President, I note that our House colleague, Congressman BERKLEY BEDELL, will be retiring.

I was first elected to public office when I was 25—elected to the State legislature in Illinois. I am now 57, and in those 32 years, I do not know how many public officials I have worked with and dealt with.

Most of them are fine people.

But I can count on the fingers of one hand those who have really been outstanding, and one of those has been BERKLEY BEDELL.

He is not outstanding in the sense that you read about him each day in the newspapers or you point to massive changes in the law that have come about through his leadership.

But he is outstanding in being conscientious and sensitive, having compassion and common sense. He also has some vision of where this country must go.

His decency, his being a true gentleman in the finest sense of that word are qualities that have endeared him to his colleagues in the House and the Senate.

The people of his district in Iowa will suffer a severe loss, and all of us in this Nation share in that loss.

I hope they quickly find the cure for his health problems and that he can, in some special way, continue his contribution to this Nation and to our world.●

WHITE HOUSE CONFERENCE ON LIBRARY AND INFORMATION SERVICES

● Mr. D'AMATO. Mr. President, I rise today to join the distinguished Senator from Rhode Island and cosponsoring Senate Joint Resolution 112, authorizing and requesting the President to call a White House Conference on Library and Information Services to be held no later than 1989.

The first White House Conference, held in 1979, involved more than 100,000 people discussing the important issues that affect library and information services. As the United States increasingly becomes a mobile and informational society, an extreme demand has been placed on the sources and providers of information. The goal of the upcoming conference is to increase literacy, productivity, and an understanding of the democratic process through better utilization of our library system.

Libraries are the basic units for disseminating or otherwise making information available to the American citizenry. People of all ages use our libraries, and libraries can be found in most every community. Their importance cannot be overstated. Because of their unusual feature of being open to the public, it is extremely important that libraries have the most up-to-date resources and equipment. We must be able to meet the demand for information.

Mr. President, I urge my colleagues to consider this legislation seriously and to move quickly on its adoption.●

BOSTON MAYOR RAY FLYNN'S ST. PATRICK'S DAY MESSAGE

● Mr. KERRY. Mr. President, while St. Patrick's Day holds special meaning for those Americans of Irish descent, it is important for all our countrymen to reflect upon the meaning of this annual celebration.

For those of us who are fortunate to share an Irish ancestory, we take special pride in the contribution that Irish-Americans, from the time of the Revolutionary War to the present, have made to building a strong and vibrant nation.

Boston Mayor Ray Flynn, in his St. Patrick's Day Message, in my estimation, captured the essence of this two-centuries-old tradition in the United States.

As the mayor pointed out:

The celebration of the Feast of St. Patrick provides us with the opportunity to reflect on his essential message. As a man of peace and compassion, he was committed to bringing people together. His life is an example of selfless devotion to other human beings.

Mayor Flynn then chronicles the contributions of the Irish-American community to the teaching profession, politics, the arts, medicine, law, the clergy, and in such vital public services as police and fire departments.

Particularly noteworthy is the fact more Irish-Americans have been awarded the Medal of Honor than any other ethnic group in our country. Irish-Americans fought for our liberty and have been defending our liberties ever since the Revolutionary War. They are always on the front lines when America is most in need.

There is a special relationship between the United States and Ireland. It has been built upon decades of contributions that the Irish have made to the welfare and well-being of our country.

We owe a lot to the "Emerald Isle" and it is time that we return that debt of gratitude. And as the Mayor points out, for the first time in many years the United States Congress is showing an increased awareness of issues of concern to the Irish-American community from aid to Northern Ireland, to Irish immigration, to concerns that many of us have over the proposed United States-United Kingdom Extradition Treaty.

Mayor Flynn's concluding observation is particularly appropriate:

So on this Saint Patrick's Day, let us be proud of our heritage, and prouder still to be a vital part of America, the greatest country in the world.

I ask that Mayor Flynn's message be printed in the RECORD.

The material follows:

SAINT PATRICK'S DAY MESSAGE OF BOSTON MAYOR RAYMOND L. FLYNN

The celebration of Saint Patrick's Day has been a tradition in America for two centuries. The celebration of the Feast of Saint Patrick provides us with the opportunity to reflect on his essential message. As a man of peace and compassion, he was committed to bringing people together. His life is an example of selfless devotion to other human beings. In a Ireland of different tribes and traditions, he saw the Irish as one people under God.

Following Saint Patrick's example, the Irish in America have made great contributions of service to our nation. Their lives of service have been within the teaching profession, politics, the arts, medicine, law, the clergy, the religious life, or in such vital services as the police and fire departments of our cities. In addition, the Irish have made significant contributions in the labor movement and the business world.

Since the Revolutionary War, the Irish in America served our country in time of need. During the course of our two centuries, sons of Ireland have fought in every conflict in which our nation has been involved. Irish America proudly possesses the highest number of Medal of Honor recipients. That commitment to America's freedom is as strong as ever today.

Bearing in mind the contributions of service, along with the traditional importance attached by the Irish in America toward family life, Saint Patrick's Day should be seen as a celebration of the constructive efforts made by Irish Americans everyday of the year. Saint Patrick's Day help us to focus on the special relationship of the Irish in America. Irish Americans actively share in the wonderful diversity of peoples that in America. Today, as through the centuries, they join the many cultures of our society in making this country a land of opportunity where people can enjoy the benefits of liberty and raise their families.

We take pride in all the contributions that the Irish have made to life in these United States. We should also re-dedicate ourselves today to remembering Ireland.

The Irish American community in Boston, and in the United States as a whole, has reason to be gratified for the first time in many years that the U.S. Congress is showing an increased awareness on issues of concern to the Irish American community. The vital question of immigration reform is finally being addressed. Congressman Brian Donnelly must be applauded for his efforts to change this unfair policy.

The Thomas P. O'Neill Aid to Ireland and Northern Ireland Act of 1986 now includes the strong language necessary to guarantee that U.S. aid to Northern Ireland will be distributed in a manner promoting equal opportunity and non-discrimination in employment. This Act sends a message to Britain that we will be working with those attempting to correct the economic injustice that has been a central part of the problem in the Northern Ireland statelet since its inception 65 years ago.

The cycle of official violence, death and destruction in Northern Ireland will not end by increased security measures. To play a constructive role in finally establishing peace with justice for all of Ireland, it is important that the will of Congress is not beholden to maintaining the society of inequality the British policy has supported in Northern Ireland for too long. Helping to build a future for Ireland is in America's own national interest. As anywhere else, peace will come to Northern Ireland when justice prevails.

President John F. Kennedy, while visiting Ireland in June of 1963, expressed the sentiment, "While Ireland is not the land of my birth, it is a land for which I have very deep affections." His words should hold as much meaning for Irish Americans today, particularly in Boston, as they did 23 years ago.

As a young, vibrant, still-developing country, Ireland has given much to the United States. America can play a constructive role in building a new Ireland, an Ireland where all her children, of every tradition, will be cherished.

Over the years, Irish people have come to America in search of a better life. They encountered discrimination and overcame it. The obstacles placed in the path of earlier generations have been removed.

We are at our best remembering when one is diminished, so are we all. Irish America has not forgotten its struggle. Every Saint Patrick's Day we remember the long road traveled by our earlier generations and rejoice in the strong presence we have in America today.

So on this Saint Patrick's Day, let us be proud of our heritage, and prouder still to be a vital part of America, the greatest country in the world.●

NATIONAL NEIGHBORHOOD CRIME WATCH DAY

● Mr. D'AMATO. Mr. President, every law-abiding citizen in this country is concerned about the ever-increasing crime rate. This is a well-founded concern. We are aware of what is, and

should be, our response to this problem: We immediately turn to the criminal justice system for protection. But, with roughly 260 million Americans to be protected against crime, there simply are not enough law enforcement officials to be everywhere at once. In many cases, therefore, our response is to isolate ourselves in our homes and purchase a stronger door lock, a better burglar alarm, or even a gun.

Many concerned citizens in this country, however, have decided to change this situation. Many thousands have gathered together to take responsibility for themselves, their neighbors, and their communities. These are American citizens who, because of their justifiable concern for their own and their neighbor's safety, provide extra eyes and ears for local law enforcement officials.

These eyes and ears belong to neighborhood crime watch organizations working in communities across the country, such as, for example, civilian patrols. These are small groups, equipped with noisemakers and sometimes two-way radios, that walk or drive through neighborhood streets all hours of the day. If they see anything suspicious, they attempt to scare the offender and alert neighbors and passers-by. Then they report to the police. Other groups involve apartment dwellers who have formed tenant patrols to help prevent crime. The New York City Housing Authority has more than 13,000 volunteers patrolling in 700 of its buildings. And in Battle Creek, MI, police train senior citizens, housewives, and others as silent observers who anonymously have reported crimes and received cash awards for valuable information since 1970.

These organizations are important because protecting neighborhoods against burglaries and robberies is no longer a task that police forces can do alone. Nowhere is this more the case than in New York City, where neighborhood crime-prevention groups have more than doubled in the last 10 years. All it takes is a small group of individuals, each sharing one thing in common—an appreciation and concern for the community in which they live.

In 1980, 15 such individuals gathered together to form the 114th Civilian Patrol Inc., which operates out of the home of the 114th's president-chairman, James Pollock and his wife Barbara, in Astoria, NY. Now in its 6th year, its membership is 35 strong. These citizens actively participate in 17 to 21 patrols every month, covering in excess of 245 square blocks.

To date, these men and women have logged roughly 10,600 volunteer hours patrolling over 15,300 miles through the streets of Astoria, Long Island City, and Jackson Heights. Their efforts have resulted in five apprehensions and five convictions; and the discovery of 1,358 abandoned vehicles, 1,616 street light malfunctions, which provide criminals with a cover of darkness, and 1,718 potholes.

Mr. President, I commend to the attention of the Senate a brief summary of the type of work the 114th Civilian Patrol, Inc., is engaged in, and I ask that it be printed in the RECORD in its entirety at the conclusion of my remarks.

Mr. President, the battle against crime is half won when our citizens take a few simple steps to lessen their chances of becoming victims. Keeping doors and windows locked is extremely important, yet frequently overlooked. It's surprising, but burglars don't always force their way in. About 50 percent of the time, they enter through an unlocked door or window, or by using a key. In fact, victims lose approximately $400 million every year through no force burglaries.

But by themselves, bigger locks won't stop crime, nor will police departments or neighborhood crime-prevention organizations. As these people tell us, we all must work together to ensure the safety of our streets. Groups like the 114th send a clear message to would-be criminals that their crimes will not go unnoticed, and that they stand a good chance of being caught. Those citizens deserve recognition who have decided to help tip the scales in favor of safer communities.

On behalf of these dedicated individuals, and on behalf of those they serve to protect, I urge my colleagues to join me in lending support to Senate Joint Resolution 256, introduced by the distinguished Senator from Virginia [Mr. TRIBLE]. This resolution recognizes and commends the efforts of our Nation's crime watch organizations by designating August 12, 1986, as "National Neighborhood Crime Watch Day."

The summary follows:

SUMMARY OF 114TH CIVILIAN OBSERVATION PATROL, INC.

The 114th Civilian Observation Patrol, Inc. was first formed on October 23, 1980 by fifteen people, each sharing one thing in common—a deep love and concern for the community in which they lived.

An average patrol consists of one or two base station operators, and at least two volunteers per patrol vehicle, a driver and an observer. Patrol vehicles belong to individual members and are unmarked. The volunteers are sent out with an FM radio, flashlight, map of the area to be patrolled, an amber light with permit, a fire extinguisher and a clip board with log sheet to record incidents or community nuisances. The patrol vehicle proceeds to its designated sector and drives up and down the streets at a speed comfortable enough for that team to observe thoroughly the areas they are passing through. Along with anything suspicious, they look for street light malfunctions, abandoned vehicles, pot holes, fire hydrant defects—anything that might cause a nuisance or possible danger to the community—and record them on their log sheets with exact addresses or street corner locations. Patrol units call into the dispatcher or base station operator every 20 minutes to a half hour to verify their safety and complete communication.

The amber light is not visible during any patrol. If the occasion should arise, as in the case of a mugging in progress, the dispatcher would advise the patrollers to expose the flashing amber light and beep the car horn in an effort to scare off the mugger and prevent the victim from further harm.

At no time does a volunteer become physically involved in an incident. If he tried to stop a mugging, for instance, he stands the chance of getting himself or those around him seriously or even fatally injured. If he attempts to move an injured party, he would stand liable for damages he might or might not have caused to that party. Therefore, a Civ-OP member's purpose is considered as being extra eyes and ears for his/her superiors (e.g. the Police Officer, an EMT unit, Fireman, etc.). These authorities cannot be expected to be everywhere at once, and civilians patrolling help to add an extra lookout for them.

At the end of a given patrol, complaints logged are checked against a list of previous complaints. If logged complaints are new, they are given to the proper agencies for prompt removal or repair. Special patrols are also scheduled to check the complaint list against improvements and repairs made, in an effort to keep these lists accurate. After four years of dedicated work, anyone can easily see the difference between areas covered by the Patrol and those areas that are not.

Through our own experience, by following the guidelines set by our Police Department, the mere fact of just observing and reporting an incident has proven to be beneficial to our community, and a tremendous help to our Police Department. There was a mugging in progress. The criminal beat a teenager, stole his wallet and took off in a car. The patrol unit on duty at the time gave the essential descriptions of the robber, the get-away car, the plate number and direction of get-away via FM radio to base station dispatcher. This lead to the apprehension of the criminal by the Police within seven minutes of the dispatcher's call to 911. No other witness on the scene offered to give this vital information, nor did they have a readily available means of communication to request help. The Civ-OP vehicle did, and so, they had proven to be a necessary, efficient and effective force in this community.

Further, it is the purpose of this group to deter crime within the boundaries of its activities. One less street light outage is one less "mugger's haven" and one less abandoned vehicle is one less "mugger's hideout". Residents of the areas we presently cover, enjoy a comparatively cleaner and safer neighborhood. And, a cleaner neighborhood looks less appealing to the criminal element, as this is the first sign to him that someone is "watching out" for problems. A well lit neighborhood with no abandoned buildings or vehicles to hide in, makes the criminal element easier to find and identify.

Our organization has periodically run other activities and programs. Some include a street light pole painting program for the neighborhood youths during the Summer of 1981, an abandoned cementary clean-up in April, 1982. Again, a special youth program was formed to help in the rehabilitation of an abandoned building purchased by a local civic group. Members of Civ-OP have also participated in special patrols to help escort

senior citizens home after an affair or meeting. Our members have individually received numerous awards including Mayor's certificates, Senatorial awards and civic awards for their volunteership above and beyond the call of of duty.

We also run a court monitoring program in which some of the volunteers monitor the court proceedings of cases involving apprehensions our efforts were responsible for. This activity has proven to omit plea bargaining from the proceedings in many cases.

With the constant need for improvements in our community's quality of life and the persistent crime wave, our organization can only foresee a constant and steady increase of membership and improvements, benefiting any and all people living within its increasing boundaries.●

THE PVO LETTER ON CONTRA AID

● Mr. PELL. Mr. President, I would like to offer a few brief comments about an open letter to the Congress from U.S. private and voluntary organizations on aid to the Contras.

My colleagues are aware of my interest over the years in what have come to be called PVO's—private voluntary organizations which channel assistance from Americans on a people-to-people basis to those in distress around the world. All of us are rightly proud of the way the American people respond to the needs of people affected by disasters, refugees turmoil, and chronic hunger and poverty.

It is because of their commitment to development, and the breadth of their experience in the Third World that I have long supported PVO's and their role in our foreign assistance program. Since 1981 I have authored an amendment which mandates that a fixed percentage of our bilateral aid be channeled through these PVO's. I continue to believe that they represent the finest virtues in American society—an abiding concern for fellow human beings, and a desire to help others help themselves.

In addition to their humanitarian and development work in Third World countries, these agencies have become an important educational resource in helping Americans better understand the conditions which produce human suffering and require social change. Many PVO's have played a useful role in the public policy process, providing us with information not only about the needs but also effective ways of addressing them.

Given this background, I would like to commend to my colleagues a letter which each of you received today from the executives of eight major U.S. PVO's. The letter asks us to reject the administration's request for $100 million in aid to the Contras, both the $30 million in so-called humanitarian assistance and the $70 million in military aid.

I ask my colleagues to give careful consideration to the views expressed in the PVO letter. I do so not because they correspond with my own but for several other more important reasons. First, the eight signers are executives of agencies with broad international experience which is widely respected in the private voluntary community in this country and abroad.

Second, as the aid vote approaches and the rhetoric on both sides escalates, little attention is being given to the human impacts of U.S. policy in the region. Many of the PVO's who have written to us have programs throughout Central America and first-hand knowledge of the consequences involved with such a fateful decision.

Third, I am heartened by the courage of these groups in making their views known on such a controversial issue as Contra aid. Some may feel that PVO's undermine their impartiality in doing so. On the other hand, I hear them calling on the Congress to protect the integrity and impartiality of humanitarian aid at a time when it is being politicized by U.S. policy. Their opposition to military aid is based on the human toll it has taken.

Mr. President, I commend this letter to my colleagues, and ask that it be printed in the RECORD at this point.

The letter follows:

LETTER FROM EXECUTIVES OF PRIVATE AND VOLUNTARY ORGANIZATIONS CONCERNING AID TO THE NICARAGUAN CONTRAS

MARCH 13, 1986.

DEAR MEMBERS OF CONGRESS: As you prepare to vote on assistance to the Nicaraguan Contras, we ask that you consider the views of organizations such as ours with long involvement in providing humanitarian assistance and with some familiarity with the human suffering caused by current US policy toward Nicaragua.

We recommend that you vote against providing $30 million in so-called humanitarian assistance to the Contras. Such aid distorts the concept of humanitarian aid as understood internationally and in the United States. It does not meet the customary tests: that humanitarian aid be made available solely on the basis of human need, not for political purposes; that it be offered impartially to all sides in a conflict; and that it go solely to civilians and non-combatants. Mislabelling the $30 million imperils the integrity of bona fide humanitarian aid and of agencies like our own that seek to provide it. It also risks the future of people whose life depends on it.

The $30 million is, of course, part of a larger $100 million request that includes $70 million for outright military aid. The pursuit of a military solution to the current conflict between the US and Nicaraguan governments is likely, we believe, to continue to create needless suffering among the poor in the region with whom we and our colleague agencies work. We urge Congress to insist on US actions that are regional and diplomatic in character. Such actions would be in keeping with the counsel of US allies in Central and South America and in Europe who have all opposed military aid to the Contras. We particularly lament the pressure brought by the Administration against governments that have opposed such aid, most recently the holding up of an AID development loan payment to Costa Rica.

We therefore urge your rejection of the Administration's $100 million request, both its so-called humanitarian assistance and military aid elements. While some are considering a "compromise" that, in one way or another, would approve the former while rejecting the latter, what would be compromised, we believe, would be the integrity of humanitarian aid itself.

Given the reality of human need in the Nicaraguan/Honduran border area, we urge that the US provide humanitarian assistance to refugees and displaced persons wherever they are, through international organizations such as the International Committee of the Red Cross and the United Nations High Commissioner for Refugees. Because the US is a party to the conflict, we would urge against the provision of humanitarian aid through bilateral channels.

Thank you for giving consideration to our views.

Sincerely,

Norman E. Barth, Executive Director, Lutheran World Relief; Asia A. Bennett, Executive Secretary, American Friends Service Committee; J. Richard Butler, Executive Director, Church World Service; John Hammock, Executive Director, Oxfam America; Alden R. Hickman, Executive Director, Heifer Project International, Inc.; Sister Sheila McGinnis, Superior, Sector North America, Medical Mission Sisters; Richard S. Scobie, Ph.D., Executive Director, Unitarian Universalist Service Committee; Reg Toews, Associate Executive Secretary, Mennonite Central Committee.

For further information, please contact Jim Matlack, American Friends Service Committee, 1822 R St. NW, Washington, DC 20009 (483-3341) or Larry Minear, Church World Service/Lutheran World Relief, 122 C St. NW, Washington, DC 20001 (783-7501).●

NUCLEAR LIABILITY

● Mr. McCLURE. Mr. President, I would like to bring to the attention of my colleagues the lead editorial that appeared in today's New York Times. In view of the Energy and Natural Resources Committee's current efforts to mark up and report out a bill to renew and amend the Price-Anderson Act, I feel that this editorial is most timely.

The subject of my committee's markup is S. 1225, a bill that Senator SIMPSON and I introduced last year. This bill retains the basic structure of Price-Anderson, including the concepts of channeling of liability, pooling of insurance, limiting each utility's obligations with respect to another utility's accident, and providing prompt compensation to the victims of an accident. But our bill goes several steps further. First, it increases the liability coverage from the current level of $640 million to a level of approximately $2.4 billion. Furthermore, in the event of an incident causing damages in excess of this amount of coverage, the Congress would be required

to act on additional compensation plans under expedited procedures in order to provide for full, equitable, and efficient compensation and relief of all valid claims. Finally, the bill provides for liability coverage of nuclear activities under contract with the Department of Energy, including activities related to the transportation, storage, and disposal of radioactive waste.

Mr. President, it would be ironic, and perhaps even tragic, if Congress chose to dismantle the Price-Anderson structure at the very time that other industries are beginning to look at Price-Anderson as the basis upon which to model their own systems for liability coverage.

I feel that, because of these considerations, it would be in the best interest of our country that Congress renew Price-Anderson in a form that will continue to provide the best public protection possible, without destroying the key elements that are responsible for the very success of the Price-Anderson system.

Mr. President, I ask that the New York Times' editorial to which I refer be printed in the RECORD.

The editorial follows:

[From the New York Times, Mar. 14, 1986]

IF THERE'S A NUCLEAR DISASTER, WHO PAYS?

Indian citizens injured in the Bhopal disaster in December 1984 have yet to receive a cent of compensation; their Government's case awaits trial in American courts. When Pennsylvanians had to evacuate after the nuclear accident at Three Mile Island in 1979, however, emergency payments started within 24 hours. Why the difference? Because the liability insurance of nuclear plants is governed by a special law. But Congress should renew that law, the Price-Anderson Act which expires next year, because the alternative is a lot worse.

The act is arbitrary and unfair; yet compared with the tort system's handling of mass claims, it looks pretty good. It sets a ceiling, now $630 million, on claims payable after a nuclear accident, and channels all liability to the plant operator. That makes liability insurance affordable for nuclear utilities, and protects suppliers whose products might be implicated in an accident. Insurers pay out promptly because there's no legal tangle over who was at fault for damage beyond a plant's site.

But what if a nuclear accident caused more than $630 million in damage off-site? Excess losses would be unfairly borne by the victims—or, if Congress enacted special legislation, the taxpayer. A multibillion-dollar accident is conceivable. If nuclear power is now a mature enterprise, why shouldn't it insure for the full cost of doing business? Because only so much insurance is available; $160 million per plant is all that worldwide insurance pools offer. Under Price-Anderson, each of the 94 operating plants would pay $5 million to a $470 million fund, making up the $630 million ceiling.

Even that, however, is not good enough. Congress should raise that ceiling to at least $2 billion by requiring each plant to contribute $20 million in event of a disaster. But the basic structure of Price-Anderson is sound. To remove the ceiling altogether would make the best-run utilities, like Duke Power with seven reactors, even more unfairly vulnerable to the errors of the worst. Injured citizens would probably gain more from a $2 billion fund than by suing a nearly bankrupt utility.

If the act is not renewed, the liability ceiling will stay at a mere $630 million for the lifetime of all plants now in being. So why does the nuclear industry seek renewal at all? Because the absence of insurance would prevent development of a new, safer generation of nuclear plants.

The opponents of Price-Anderson argue that the act diminishes the powerful safety incentive created by insurance premiums that reflect good management. Despite the lesson of Three Mile Island, hair-raising examples of not-so-good management continue. In 1983, at New Jersey's Salem 2 plant, the emergency shutdown system failed twice within a week. A 1985 incident at the Davis-Besse plant in Ohio was a near-repeat of that at Three Mile Island. The Nuclear Regulatory Commission rightly hands out heavy fines for such sloppy practices, but it cannot reward good performance.

One day, as utilities become more deregulated, nuclear utilities should learn to manage more of their own risk. For now, renewal of Price-Anderson is the best policy.●

GROWING PAINS FOR OSHKOSH

● Mr. KASTEN. Mr. President, I rise today to bring some good economic news from Wisconsin to my colleagues; 91 years ago, Oshkosh B'Gosh, Inc., was founded in Oshkosh, WI. In addition to their long history of success in the manufacturing of clothing, the Oshkosh B'Gosh label has—in the past few years—become a status symbol in children's wear.

Last month, as the chairman of the Senate Small Business Committee's Subcommittee on Entrepreneurship and Problems Facing Small Businesses, I held three field hearings in Wisconsin to focus attention on the entrepreneurial spirit in America today. Although we spotlighted businesses which have emerged in recent years, it may have been appropriate to include the leadership from the Oshkosh B'Gosh company—appropriate because in the past few years, this company has found a new niche in the marketplace—something which all entrepreneurs must do to be successful.

During most of its history, Oshkosh B'Gosh has been famous for turning out overalls and other work clothers which were used by farmers, factory workers, and railroad employees. But as the employment declined in these areas because of changing economic conditions, sales began to dip.

Instead of allowing itself to fall victim to changing times, Oshkosh B'Gosh began selling children's overalls. Something clicked. The parents of the 1980's were so enthralled by the idea of putting their children in miniature versions of their parents' work clothes that before long, everyone from Bloomingdale's to the Boston Store was selling Oshkosh B'Gosh's clothing lines.

As a testament to their growth, company president Charles Hyde, Jr., has watched his sales rise from $47 million in 1981 to $162 million last year—growth of around 350 percent.

Mr. President, again, as everyone in recent years has been writing off the economic viability of the Midwest, we have yet another example of positive growth that translates into good news for us all. And it once again proves that ingenuity in the Midwest and Wisconsin is far from dead. I ask that a story on Oshkosh B'Gosh's success, which appeared in the New York Times Business Day section on February 22, 1986, be printed in the RECORD.

The article follows:

[From the New York Times, Feb. 22, 1986]

GROWING PAINS FOR OSHKOSH

MOVE TO SLOW SOARING SALES

(By Steven Greenhouse)

OSHKOSH, WI.—Oshkosh B'Gosh Inc., the manufacturer famous for its children's overalls, has a problem that most companies wish they had: It has grown too big for its britches.

Oshkosh, a 91-year-old company long known for its drab overalls and other work clothes, experienced a phenomenal growth spurt in recent years after it discovered that parents adore putting their sons and daughters in pint-size overalls. As a result, Oshkosh's sales more than tripled to $162 million in 1985, from $47 million four years before.

"We had a few years of unbelievable growth," said Charles F. Hyde Jr., the company's polished, white-haired president and chief executive officer. "All of that growth was a result of children's clothes."

SERIOUS GROWING PAINS

But in selling so many children's overalls, dungarees, jumpers, knit shirts and blouses, Oshkosh has suffered serious growing pains.

Despite contracting out work, its 11 factories often cannot keep up with demand. Deliveries sometimes arrive late. stores have been put on an allocation, or quota, system.

"It's hard to sustain a growth rate of 40 to 50 percent a year," acknowledged Mr. Hyde, whose company is based in this lakeside city of 55,000 between Milwaukee and Green Bay. "I don't know if we would want to grow that fast even if we could."

The 65-year-old chief executive expressed fears that if Oshkosh continued growing so fast, it might someday saturate the market and fall flat on its face, as Izod did when demand for its faddish alligator leveled off. So Mr. Hyde has throttled back the company's growth.

"They've decided to try to manage the growth rather than vice versa," said Jay E. Van Cleave, an analyst with Robert W. Baird & Company in Milwaukee.

PRODUCTION CONTRACTED OUT

Instead of building factory after factory, Oshkosh has deliberately kept its capacity below demand. Last year it contracted out production of about one-third of the 21 million garments it sold. If demand trails off, Oshkosh will let its contracts lapse, rather than get stuck with expensive idle capacity.

There's more to running a profitable business than having it grow," said Mr. Hyde, whose father-in-law bought a controlling share of Oshkosh in 1934. "We're now looking at those things that have suffered in

recent years. Our customers want a dependable resource that they can count on."

Its goal is to limit sales growth to a still-ambitious 15 percent a year. At that rate, company sales would top $300 million in 1990.

[Oshkosh said Friday that its earnings for 1985 were $14 million, up only 10 percent from the previous year because of the cost of building a new plant and relocating another one.]

Mr. Hyde's decision to slow Oshkosh's growth comes after a generational skirmish at the company. "Some of us younger folks always say: 'Let's go for it. Lets run for the roses,'" said Michael D. Wachtel, Mr. Hyde's 32-year-old-son-in-law and Oshkosh's director of operations. "But Mr. Hyde has some experience that teaches us. He often says, 'Fashion is fickle.'"

LACKLUSTER STYLES FOR 80 YEARS

In its first 30 years, however, Oshkosh worried little about fashion. It sold sturdy, lackluster work clothes to farmers, railroad workers and factory hands. In the last decade, its work clothes sales have slipped, none too surprisingly, because economic changes caused a decline in factory, farm and railroad employment.

But in the 1900's, Oshkosh happened upon an alternative market: children, the sons and daughters of the baby-boom generation. The discovery came soon after a mail order house based here, the Miles Kimball Company, include Oshkosh's children's denim overalls and kickory-striped overalls in its catalogue. The overalls—the type one imagines Tom Sawyer used to wear—sold like hotcakes.

"Their success made us begin to see what we had," said Douglas W. Hyde, the chief executive's 35-year-old son and the vice president for merchandising.

Because its sales force concentrated on work clothes, Oshkosh used direct mail to promote its children's wear to dozens of specialty shops and department stores.

Bloomingdale's placed a large order. Other department store buyers followed. Now, children's wear accounts for 80 percent of Oshkosh's sales, up from 15 percent in 1979.

'A STATUS ITEM'

"Oshkosh has become a status item dear to the contemporary mother," said Roger F. Farrington, manager of the youth apparel department for Marshall Field's in Chicago. "It's basic everyday play wear that is well styled has nice colors and wears well."

As styles changed, Oshkosh moved from just plain and striped overalls to more fashionable ones. Indeed, it has done with children's overalls what George Washington Carver did with the peanut. Oshkosh has come up with baggy overalls, painter's overalls, overalls with crossover straps, overalls with short legs called shortalls and overalls with bright prints that look like fingerpaint.

"It started out as reverse snob appeal," said the elder Mr. Hyde of the denim and striped overalls. "It became popular when everyone was dressing down, wearing overalls and five-pocket jeans. They were dressing their children the same way as themselves.

"But today," he continued, "people are dressing with a more upbeat fashion look, so we have introduced a more upbeat product line."

In addition, Oshkosh—recognizing that parents buy two tops for each bottom that a child wears—started to sell knit blouses, shirts, sweaters and jackets. The tops, which were introduced in 1981, now represent one-third of the company's children's wear sales.

SEEKING PROSPEROUS CUSTOMERS

Oshkosh officials say they are going after prosperous customers. The company's prices are lower than Ralph Lauren's Polo line for children, but generally more expensive than such competitors as Health-Tex, Carter's and Buster Brown. Its children's shirts and blouses sell for $10 to $12 and its jeans, pants and overalls sell for $12.50 to $25.

"More children are being born nowadays, and couples are having them later in life, when they're able to spend more on clothes," said Brenda Gall, an analyst with Merrill Lynch. "In addition, many families are having fewer children, so they have more money to spread around for clothes. And maybe they want to buy better things for their children because they feel guilty because both parents are working."

Charles Hyde said Oshkosh can thrive, even though production costs at its plants in Tennessee, Kentucky and Wisconsin are higher than the cost of imported goods, because the company is known for high quality. Besides, he said, "We're perceived as an All-American product."

Mr. Hyde's family and in-laws retain control of the company's voting stock even though Oshkosh and the controlling families sold $19.7 million in common stock at $25 a share in a secondary offering last May. The stock has jumped since then.

[Oshkosh closed Friday at $42 a share, up $1, in over-the-counter trading.]

A PUSH IN THE SOUTH

To maintain growth, Oshkosh—which is strong in the East, Middle West and West—is making a big push across the South.

Oshkosh has licensing agreements with manufacturers in Canada and Mexico. It thinks it can prosper by signing such agreements in the Common Market.

Oshkosh is also allowing Burlington Industries to make a line of children's towels and sheets.

"We've been approached by a lot of people who want to license our name," Douglas Hyde said, as sewing machines hummed in the factory one floor above the corporate offices. "If the product is right, we'll look at it. Chances are we'll stick to apparel. You probably won't see Oshkosh lunchboxes."

Oshkosh has moved, however, into sleepwear, hats and mittens. It recently abandoned a new line of maternity wear because the market was so hard too break into.

MORE ATTENTION TO OLDER CHILDREN

The company, which now focuses on girls and boys below the age of 6, plans to pay more attention to older children as the offspring of the baby boomers grow up.

"I'm less sanguine about the prospects for some of the newer areas," said Miss Gall of Merrill Lynch. "I don't think mothers will necessarily spend premium prices on sleepwear. Since the neighbors don't see the sleepwear on the child, mothers might want to be more price conscious."

And she sees problems for Oshkosh in the market for ages 6 through 12. "As soon as children start picking out their own things, it becomes a different ball game," she said. "In the larger sizes, boys are going to want to wear what their big brother is wearing, not what their little brother is wearing."

But Oshkosh executives have heard critics say many times before that they were a fad that would blow over.

"Our popularity has started to level off," Douglas Hyde acknowledged. "But I don't think that one day parents will wake up and say, 'Ugh, we don't want Oshkosh anymore.'"

He added, "I'm confident that if we can keep our product current and contemporary-looking, we'll be in business for the long haul."

RULES FOR THE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

● Mr. DANFORTH. Mr. President, in accordance with rule XXVI of the Standing Rules of the Senate, I submit for the RECORD the rules governing the Committee on Commerce, Science, and Transportation for the second session of the 99th Congress. I would note that these committee rules are identical to those for the first session of this Congress.

The rules follow:

RULES OF THE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

I. MEETINGS OF THE COMMITTEE

1. The regular meeting dates of the Committee shall be the first and third Tuesdays of each month. Additional meetings may be called by the Chairman as he may deem necessary or pursuant to the provisions of paragraph 3 of rule XXVI of the Standing rules of the Senate.

2. Meetings of the Committee, or any subcommittee, including meetings to conduct hearings, shall be open to the public, except that a meeting or series of meetings by the Committee, or any subcommittee, on the same subject for a period of no more than 14 calendar days may be closed to the public on a motion made and seconded to go into closed session to discuss only whether the matters enumerated in subparagraphs (A) through (F) would require the meeting to be closed followed immediately by a record vote in open session by a majority of the members of the Committee, or any subcommittee, when it is determined that the matters to be discussed or the testimony to be taken at such meeting or meetings—

(A) will disclose matters necessary to be kept secret in the interests of national defense or the confidential conduct of the foreign relations of the United States;

(B) will relate solely to matters of Committee staff personnel or internal staff management or procedure;

(C) will tend to charge an individual with crime or misconduct, to disgrace or injure the professional standing of an individual, or otherwise expose an individual to public contempt or obloquy, or will represent a clearly unwarranted invasion of the privacy of an individual;

(D) will disclose the identity of any informer or law enforcement agent or will disclose any information relating to the investigation or prosecution of a criminal offense that is required to be kept secret in the interests of effective law enforcement;

(E) will disclose information relating to the trade secrets of financial or commercial information pertaining specifically to a given person if—

(1) an Act of Congress requires the information to be kept confidential by Government officers and employees; or

(2) the information has been obtained by the Government on a confidential basis, other than through an application by such person for a specific Government financial

or other benefit, and is required to be kept secret in order to prevent undue injury to the competitive position of such person; or

(F) may divulge matters required to be kept confidential under other provisions of law or Government regulations.

3. Each witness who is to appear before the Committee or any subcommittee shall file with the Committee, at least 24 hours in advance of the hearing, a written statement of his testimony in as many copies as the Chairman of the Committee or Subcommittee prescribes.

4. Field hearings of the full Committee, and any subcommittee thereof, shall be scheduled only when authorized by the Chairman and ranking minority member of the full Committee.

II. QUORUMS

1. Nine members shall constitute a quorum for official action of the Committee when reporting a bill or nomination; provided that proxies shall not be counted in making a quorum.

2. Six members shall constitute a quorum for the transaction of all business as may be considered by the Committee, except for the reporting of a bill or nomination; provided that proxies shall not be counted in making a quorum.

3. For the purpose of taking sworn testimony a quorum of the Committee and each subcommittee thereof, now or hereafter appointed, shall consist of one Senator.

III. PROXIES

When a record vote is taken in the Committee of any bill, resolution, amendment, or any other question, a majority of the members being present, a member who is unable to attend the meeting may submit his vote by proxy, in writing or by telephone, or through personal instructions

IV. BROADCASTING OF HEARINGS

Public hearings of the full Committee, or any subcommittee thereof, shall be televised or broadcast only when authorized by the Chairman and the ranking minority member of the full Committee.

V. SUBCOMMITTEES

1 Any member of the Committee may sit with any subcommittee during its hearings or any other meeting but shall not have the authority to vote on any matter before the subcommittee unless he is a Member of such subcommittee.

2. Subcommittees shall be considered *de novo* whenever there is a change in the chairmanship, and seniority on the particular subcommittee shall not necessarily apply.●

ORDERS FOR WEDNESDAY

RECESS UNTIL 10 A.M.

Mr. DOLE. Mr. President, I ask unanimous consent that once the Senate completes its business today, it stand in recess until the hour of 10 a.m., Wednesday, March 19, 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. DOLE. Mr. President, I further ask unanimous consent that following the leaders under the standing order there be special orders in favor of the following Senators for not to exceed 5 minutes each: Senator HAWKINS, Senator PROXMIRE, Senator SPECTER, Senator ZORINSKY, and Senator ROTH.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. DOLE. Following the special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business for not to extend beyond the hour of 10:30 a.m. with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, at the conclusion of the routine morning business we may turn to other legislative business. There are a number of possibilities—the Drug and Export Act, the sports franchise bill, the regional airports bill, and there will be a number of pieces of legislation that we can consider.

We will not be able to return to the water resources bill until later—probably sometime next week.

But I do expect rollcall votes tomorrow, and I hope that we will not be in too late tomorrow evening. But I will alert Members on that by noon.

Mr. President, I am happy to yield to the Senator from Alabama. I yield the floor.

Mr. DENTON. I thank the majority leader.

Mr. President, what is the pending business? Are we in morning business?

ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business for not to extend beyond the hour of 6:15 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DENTON. I thank the majority leader.

SANDINISTA RELIGIOUS OPPRESSION

Mr. DENTON. Mr. President, on many occasions I have addressed my colleagues on the Soviet-Cuban-sponsored tragedy now occurring in Nicaragua.

On this occasion, I wish to address one specific aspect of that because I have a significant contribution, a recently made public letter, which helps to answer the question of whether and to what degree the freedom of religion is assaulted by the Sandinistas.

I personally met in Managua in December 1983 with cardinal, then archbishop, Obando y Bravo. That is not the subject I am going to talk about, but I met with him along with Pedro Chamorro, the persecuted, former publisher of La Prensa, who has since fled that country after a great display of gallantry.

I remind my colleagues that Pedro's father was the publisher of La Prensa under Somoza. He was killed under that regime. Then Pedro, his son, was harassed and finally chased out of the country by the Sandinista regime in his effort to tell the truth insofar as the censorship would bear, in Nicaragua. He finally fled.

But, on that afternoon, they both assured me that Mr. Borge—and I remind my colleagues that in those days he was trumpeting that the Sandinista government was easing its pressure against freedom of religion and the press—both of those gentlemen, the archbishop and the publisher, assured me that Borge was lying. It was an interesting afternoon.

I have seen the archbishop, now cardinal, since that time. I cannot relate what went on between us, but I have a letter to him, which I am going to refer to, that was made public just a few days ago.

The letter addresses the answer to the question about the freedom of religion. The Sandinistas and some misled American Catholics have preferred to portray Cardinal Miguel Obando y Bravo as a conspirator with the regime's opposition; in other words, that Obando y Bravo is not to be trusted. They try to show that he is not a real voice of the Catholic Church in Nicaragua and that he is simply one of the Contras.

We have the complication of a so-called popular state-promoted Catholic Church in Nicaragua. Those people do not speak for the Catholic Church but, rather, for the Marxist government there.

In addition, we have misled Americans who believe that the Sandinista regime is OK. We have some Maryknolls saying they are OK. We have some liberation theologians saying they are OK. So a question has been raised as to what is the real Roman Catholic Church position on Nicaragua. Are the pro-Red faction of the liberation theologians correct, or are they "useful idiots," in the terminology of the Communists?

On that question, incidentally, Mr. President, I held hearings. The hearings were on liberation theology and Latin America, but I doubt that many of my colleagues are aware of those hearings.

Those hearings were not reported extensively in the media.

But on this subject today, the question of what is the real Catholic position on Nicaragua, we have, in our Northeastern States in particular, anxiety on the part of some of my colleagues because they are being told by Catholics, including some nuns and some priests, that they think that the Sandinista government is fine. Today,

I hope those colleagues will listen to authorities who are speaking for the Catholic Church and speaking for the first time.

I refer to a letter made public on March 16, of this year by two United States cardinals, both from the Northeast, who have written to Archbishop Obando y Bravo in most eloquent terms, expressing their solidarity with Cardinal Obando y Bravo and with the Nicaraguan people who are fighting against the existing government.

They do so not only to lend strength to the Nicaraguan brethren but for the benefit of the religious faithful in the United States, and I hope for the clarity of mind of the Senate of the United States.

On the eve of the Senate vote on our President's proposal to provide aid to the United Democratic Opposition in Nicaragua, I commend this letter from Cardinals Law and O'Connor to my colleagues. Cardinal Law is the Archbishop of Boston. His full name is Bernard Cardinal Law. The other gentleman is a friend of mine from Navy days. When I returned from Vietnam, he was still a chaplain. He was the first Catholic chief of chaplains in the Navy. That gentleman's name is John Cardinal O'Connor, archbishop of New York.

Mr. President, I would like to read the letter in its entirety and then ask that it appear in that fashion in the RECORD.

YOUR EMINENCE: The present trials through which you and the Church in Nicaragua are suffering are a poignant reminder that the mystery of the Cross continues to be lived in the Body of Christ. During this Lent, your two brother bishops in the United States, who were called to membership in the College of Cardinals with you last May, have often thought of you and discussed the courageous efforts you make for the well-being of the Church and the people of Nicaragua. We have taken the extraordinary step of making this letter public so that the faithful in our archdioceses and as many as possible in our country will know what is actually happening to their brothers and sisters in Nicaragua.

We share your deep pain when your people are denied full opportunity to build a just, peaceful and progressive society based on the transcendent dignity of each human person. We know your suffering when attempts are made to violate the religious conscience of Nicaraguans by denying them access to the liberating teachings of the Church. This has been done by physical harassment, crude attempts at intimidation, and censorship. Priests have been summarily expelled from your country. Offices of your archdiocese have been raided by military personnel and remain under military occupation. The archdiocesan newspaper, Iglesia, was confiscated after its first edition, and the Catholic radio remains closed. You are subjected to a barrage of distortions, slanderous insults and innuendo at home and by some representatives of the government abroad.

In this ordeal, the Church in Nicaragua has been seeking to maintain the constructive dialogue with the government in an attempt to reach a climate of mutual respect so that the Church can play a role in the reconstruction of your country. We want to assure you of our solidarity with you. With you we are praying for that peaceful reconciliation necessary to rekindle the original hope of the revolution. For this to take place, it is essential that there be an immediate cessation of the present unjust restrictions suffered by the Church and other sectors of Nicaraguan society. This will undoubtedly provide a powerful impetus for the just resolution of the conflicts in your country and in that strife torn region.

Be assured of our prayers and support, our brother Cardinal, through the intercession of the Blessed Virgin Mary, the "Most Pure," as the Nicaraguan people particularly venerate her.

Fraternally yours in Christ,

BERNARD CARDINAL LAW,
Archbishop of Boston
JOHN CARDINAL O'CONNOR,
Archbishop of New York.

Mr. President, in no way do I mean to imply that either of the cardinals are trying to intervene in our vote on this particular matter, but they are, by their letter, clarifying their solidarity with former archbishop, now Cardinal Obando y Bravo, who has bravely stood in Nicaragua and maintains that the church is indeed being persecuted as this letter confirms.

So that should clear up for my colleagues in New York and other Northeastern States any problem they might have. I have heard that expressed by some of them. I respect their expressions about any ambiguity regarding the Catholic Church's position respecting freedom of religion in Nicaragua and present conditions there. The cardinals are very clear in the letter, however, writing in such explicit terms that:

Offices of your archdiocese have been raided by military personnel and remain under military occupation. The archdiocesan newspaper, Iglesia, was confiscated after its first edition, and the Catholic radio remains closed.

So if there were any doubts about it, I hope they have been dispelled, and I hope that the letter contributes to our contemplation as we approach the day on which we vote on the aid to those who are trying to fight to redeem the revolution which this country decided to support and even aided.

I will conclude by saying, having heard the President's speech and the Democratic response, so-called, I certainly support the President, and I hope that my colleagues will do the same.

RECESS UNTIL 10 A.M. TOMORROW

Mr. DENTON. Mr. President, I ask unanimous consent that the Senate now stand in recess in accordance with the previous order.

There being no objection, the Senate, at 6:20 p.m., recessed until tomorrow, Wednesday, March 19, 1986, at 10 a.m.

NOMINATIONS

Executive nominations received by the Secretary of the Senate March 17, 1986, under authority of the order of the Senate of January 3, 1985:

DEPARTMENT OF JUSTICE

K. William O'Connor, of Virginia, to be U.S. attorney for the district of Guam and concurrently U.S. attorney for the district of the Northern Mariana Islands for the term of 4 years vice David T. Wood, term expired.

Joe D. Whitley, of Georgia, to be U.S. attorney for the middle district of Georgia for the term of 4 years, reappointment.

Lynn H. Duncan, of Georgia, to be U.S. Marshal for the northern district of Georgia for the term of 4 years, reappointment.

Executive nominations received by the Senate March 18, 1986:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

William L. Roper, of Alabama, to be Administrator of the Health Care Financing Administration, new position.

IN THE COAST GUARD

Vice Admiral Paul A. Yost, Jr., U.S. Coast Guard, to be commandant, U.S. Coast Guard for a term of 4 years with the grade of admiral while so serving.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Robert L. Moore, xxx-xx-xxxx age 55, U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be reassigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. Lawrence F. Skibbie, xxx-xx-xxxx U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Peter G. Burbules, xxx-xx-xxxx U.S. Army.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 18, 1986:

NATIONAL CONSUMER COOPERATIVE BANK

Frank B. Sollars, of Ohio, to be a Member of the Board of Directors of the National Consumer Cooperative Bank for a term of 3 years.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

THE JUDICIARY

Sidney A. Fitzwater, of Texas, to be U.S. District Judge for the northern district of Texas.

HOUSE OF REPRESENTATIVES—*Tuesday, March 18, 1986*

The House met at 12 o'clock noon.

Dr. Dalton Havard, pastor, Sugar Creek Baptist Church, Sugar Land, TX, offered the following prayer:

Our God and Father, You have revealed yourself as the God of righteousness and peace. Help us to understand that in Your providence, righteousness always precedes peace. Help us as individuals and as nations to make peace with God so that we may have the peace of God.

You have placed these men and women in these positions of great privilege and awesome responsibilities. The future of millions will be greatly influenced by their decisions. In Holy Scripture You call them "Ministers of God" for the good of Your people.

I pray for them that they may govern righteously, so that peace and prosperity may reign in all our world.

In the name of the Great Prince of Peace. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. LAGOMARSINO. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. LAGOMARSINO. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 268, nays 113, not voting 53, as follows:

[Roll No. 54]

YEAS—268

Ackerman	Bateman	Bosco
Akaka	Bates	Boucher
Alexander	Bedell	Boxer
Anderson	Bennett	Brooks
Andrews	Berman	Broomfield
Anthony	Bevill	Brown (CA)
Applegate	Biaggi	Broyhill
Archer	Boggs	Bruce
Aspin	Boland	Burton (CA)
Atkins	Boner (TN)	Bustamante
AuCoin	Bonior (MI)	Byron
Barnard	Bonker	Callahan
Barnes	Borski	Carper
Chapman	Jones (NC)	Price
Chappell	Jones (OK)	Pursell
Clinger	Jones (TN)	Quillen
Coats	Kanjorski	Rahall
Coelho	Kaptur	Rangel
Coleman (TX)	Kastenmeier	Ray
Combest	Kemp	Regula
Conyers	Kennelly	Reid
Cooper	Kildee	Richardson
Coyne	Kleczka	Rinaldo
Crockett	Kolter	Ritter
Daniel	Kostmayer	Robinson
Darden	LaFalce	Rodino
Daschle	Lantos	Roe
Dellums	Leath (TX)	Rose
Derrick	Lehman (FL)	Rowland (CT)
Dicks	Levin (MI)	Rowland (GA)
DioGuardi	Levine (CA)	Roybal
Dixon	Livingston	Rudd
Donnelly	Lloyd	Russo
Dorgan (ND)	Long	Sabo
Downey	Lott	Saxton
Duncan	Lowry (WA)	Scheuer
Dwyer	Lujan	Schneider
Dymally	Luken	Schulze
Dyson	Lundine	Schumer
Early	MacKay	Sharp
Eckart (OH)	Manton	Shelby
Eckert (NY)	Markey	Shumway
Edwards (CA)	Martinez	Sisisky
English	Matsui	Slattery
Erdreich	Mavroules	Smith (FL)
Evans (IL)	Mazzoli	Smith (IA)
Fazio	McCain	Smith (NE)
Fish	McCloskey	Smith (NJ)
Flippo	McCurdy	Snowe
Florio	McDade	Solarz
Foley	McEwen	Spratt
Ford (TN)	McHugh	Staggers
Frank	McKinney	Stallings
Franklin	McMillan	Stark
Frost	Meyers	Stenholm
Fuqua	Mica	Stokes
Garcia	Mikulski	Stratton
Gaydos	Miller (WA)	Studds
Gejdenson	Mineta	Stump
Gibbons	Mitchell	Swift
Gilman	Moakley	Tauzin
Glickman	Mollohan	Taylor
Gonzalez	Montgomery	Thomas (GA)
Gordon	Moody	Torres
Gradison	Moore	Torricelli
Gray (IL)	Morrison (CT)	Towns
Gray (PA)	Mrazek	Traficant
Green	Murphy	Traxler
Guarini	Murtha	Udall
Hall (OH)	Myers	Valentine
Hall, Ralph	Natcher	Vento
Hamilton	Neal	Visclosky
Hammerschmidt	Nelson	Volkmer
Hatcher	Nichols	Walgren
Hefner	Nielson	Watkins
Heftel	Nowak	Waxman
Hertel	O'Brien	Weiss
Hiler	Oakar	Wheat
Hillis	Oberstar	Whitley
Horton	Obey	Whitten
Howard	Olin	Wilson
Hoyer	Ortiz	Wirth
Hubbard	Owens	Wise
Huckaby	Packard	Wolpe
Hughes	Panetta	Wortley
Hutto	Pashayan	Wyden
Hyde	Pease	Yates
Jeffords	Pepper	Yatron
Jenkins	Perkins	
Johnson	Petri	

NAYS—113

Armey	Bilirakis	Carney
Badham	Bliley	Chandler
Bartlett	Boehlert	Chappie
Barton	Boulter	Cheney
Bentley	Brown (CO)	Cobey
Bereuter	Burton (IN)	Coble
Coleman (MO)	Hopkins	Roemer
Conte	Hunter	Rogers
Coughlin	Ireland	Roth
Courter	Jacobs	Roukema
Craig	Kolbe	Schaefer
Crane	Kramer	Schroeder
Dannemeyer	Lagomarsino	Schuette
Daub	Leach (IA)	Sensenbrenner
Davis	Lent	Shaw
DeLay	Lewis (CA)	Shuster
DeWine	Lewis (FL)	Sikorski
Dickinson	Lightfoot	Skeen
Dreier	Loeffler	Slaughter
Durbin	Lowery (CA)	Smith, Robert (NH)
Edwards (OK)	Lungren	
Emerson	Mack	Smith, Robert (OR)
Evans (IA)	Marlenee	Solomon
Fawell	Martin (NY)	Stangeland
Fiedler	McCandless	Strang
Fields	McCollum	Sundquist
Frenzel	McGrath	Swindall
Gallo	McKernan	Thomas (CA)
Gekas	Michel	Vander Jagt
Gingrich	Miller (CA)	Vucanovich
Goodling	Miller (OH)	Walker
Gregg	Molinari	Whitehurst
Gunderson	Monson	Whittaker
Hansen	Moorhead	Wolf
Hartnett	Morrison (WA)	Young (AK)
Hawkins	Parris	Young (FL)
Hendon	Penny	
Henry	Ridge	
Holt	Roberts	

NOT VOTING—53

Addabbo	Fowler	Siljander
Annunzio	Gephardt	Skelton
Bellenson	Grotberg	Smith, Denny (OR)
Breaux	Hayes	
Bryant	Kasich	Snyder
Campbell	Kindness	Spence
Carr	Latta	St Germain
Clay	Lehman (CA)	Sweeney
Collins	Leland	Synar
de la Garza	Lipinski	Tallon
Dingell	Madigan	Tauke
Dornan (CA)	Martin (IL)	Weaver
Dowdy	Oxley	Weber
Edgar	Pickle	Williams
Fascell	Porter	Wright
Feighan	Rostenkowski	Wylie
Foglietta	Savage	Young (MO)
Ford (MI)	Seiberling	Zschau

□ 1210

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate agrees to the amendment of the House to the amendment of the Senate to the amendment of the House to the amendment of the Senate to the bill (H.R. 3128) "An Act to make changes in spending and revenue provisions for purposes of deficit reduction and program improvement, consistent with the budget process," with an amendment.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 332. An act for the relief of Ramzi Sallomy and Marie Sallomy; and

S. 992. An act to discontinue or amend certain requirements for agency reports to Congress.

DR. J. DALTON HAVARD

(Mr. DELAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DELAY. Mr. Speaker, it is a privilege for me to rise and introduce Members of the House to Dr. Dalton Havard, our guest Chaplain today. Dr. Havard is pastor of the Sugar Creek Baptist Church in Sugar Land, TX, and comes to us with a distinguished background.

Following service in the Air Force during World War II, Dr. Havard completed his undergraduate work at Baylor University and went on for his master's degree from Southwestern Baptist Theological Seminary. He was ordained in the North Main Baptist Church of Houston in July 1945.

Since entering the ministry, Dr. Havard has had a distinguished career of preaching and service, both here and abroad. He has traveled and preached extensively throughout South America, the Middle East, Asia, and Europe. In recognition of his international efforts, he was given an honorary doctorate degree from Odowara College in Odowara, Japan.

He has pastored seven other Baptist congregations in Texas before coming to Sugar Creek Baptist. Dr. Havard has served on the Baptist Denominational Board, the executive board of the Baptist General Convention of Texas and the board of trustees of the East Texas Baptist College.

As a member of his congregation in Sugar Land, I am proud to have Dr. Havard honored as our guest Chaplain today.

PRIVATE CALENDAR

The SPEAKER pro tempore (Mr. ALEXANDER). This is the day for the call of the Private Calendar. The Clerk will call the bill on the Private Calendar.

STEVEN McKENNA

The Clerk called the bill (H.R. 1598) for the relief of Steven McKenna.

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The SPEAKER pro tempore. This concludes the call of the Private Calendar.

OMNIBUS DIPLOMATIC SECURITY AND ANTITERRORISM ACT

(Mr. COLEMAN of Texas asked and was given permission to address the House for 1 minute and to review and extend his remarks.)

Mr. COLEMAN of Texas. Mr. Speaker, the basic principles of freedom, justice, and concern for human life on which our Nation was founded have survived major threats during the course of our history. Today, we face a challenge to these ideals in the form of terrorism, an increasingly serious threat to the United States. It is my firm belief that the Omnibus Diplomatic Security and Antiterrorism Act will enable us to combat terrorism and eventually triumph in this struggle.

Sadly, there has been a growing trend by individuals, groups, and in some cases, governments to resort to terrorism on an international scale in the pursuit of their political aims. Left unchanged, the rise of terrorism will undermine the system of political and economic relationships upon which the United States and its allies have come to rely. We must be prepared for continued threats, much of it supported or encouraged by a handful of ruthless governments.

The challenge is clearly before us. It is my belief that this legislation will provide the United States with the capability to prevail, and I urge its speedy adoption by the House of Representatives.

□ 1255

SUPPORT URGED FOR CONTRA AID

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to review and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, last week, Nicaraguan Ambassador to the United States Carlos Tunnerman said his country might not have to ask the Soviets for any more military aid if the Congress approves military assistance for the Contras. Ambassador Tunnerman says the Nicaraguans might not need it.

What does that say about the military balance in Central America? After the Soviets have supplied more than $500 million in military hardware since the Sandinistas came to power, the Nicaraguans now overwhelm their Central American neighbors in weaponry and manpower.

If we approve military aid for the democratic resistance, the Nicaraguans are confident they already have enough military force to counter them. If we don't approve military aid for the Contras, how will the Communist Sandinistas use that military superiority? They'll use it against their neighbors in Costa Rica, Honduras, El Salvador, Guatemala, and anywhere else in Latin America where their covert arms flow.

We must support military assistance to the democratic resistance in Nicaragua to counter the overwhelming military strength of the Communist Sandinistas.

LATEST SENATE AMENDMENTS TO RECONCILIATION CONTRARY TO SENSE OF EQUITY AND FAIR PLAY

(Mrs. SMITH of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SMITH of Nebraska. Mr. Speaker, I rise to voice my frustrations over the reconciliation bill that will be back before us today on a motion to concur with the latest round of amendments made in the other body.

Had this Congress done its job last fall with budget reconciliation, we could have saved the taxpayers nearly $75 billion over 3 years. But we have played politics, we have bounced this back and forth between Chambers, and we have let this savings dwindle to maybe only about $13 or $14 billion.

And in doing so, we have caused a lot of headaches, especially for health care providers waiting for our final word about Medicare reimbursement rates for 1986.

But through it all, Nebraska's hospitals have been patient—waiting and hoping that we would get this bill enacted and along with it, finally, a new area wage index for calculating Medicare payments to hospitals.

Nebraska's hospitals can tell you a lot about patience. They have waited for nearly 3 years for the Health Care Financing Administration to respond to the intent of Congress and the letter of the law and correct the wage index and correct it retroactively.

The language in reconciliation seems to be the final hope, but the hospitals that have been penalized for 3 years under the DRG system gave up a lot for this last grasp at fairness. Medicare underpaid them millions of dollars since 1983, but they are willing to forgive this debt for the revised index. And they are efficient hospitals, making the new DRG system work to their advantage, but they agreed to go along with delaying the phasein of the payment system.

But now, on a motion to concur with the amendments of the other body, we are going to give Oregon hospitals their own set of DRG rates and a windfall of $20 to $30 million from Medicare. No matter the patience of Nebraska's hospitals, no matter their problems, no matter the problems of hospitals in the other 48 States trying to cope and make the new prospective payment system work.

Mr. Speaker, this amendment is a slap in the face to Nebraska's hospitals and it is contrary to any sense of equity and fair play.

HISTORY IS REPEATING ITSELF ONCE AGAIN

(Mr. JACOBS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JACOBS. Mr. Speaker, I have always suspected there are too many people making history who have never read history.

History tells us that in 1928 the United States of America invaded Nicaragua, set up the Somoza dictatorship, and we were able to prop up that dictatorship for about 45 years, at which time the people of Nicaragua exchanged one dictator for another.

Now the great issue before the Congress is whether we will try to take the fellow who was thrown out of the bar and is telling us, "Carry me back in, I can lick any man in the house."

The Contras are really the Somoza people as far as the military is concerned. I point out that Maj. Donald El Toro—that means bull—Torres, was a high-ranking officer in Somoza's National Guard. He is now a counterintelligence officer in the so-called Contra Freedom Fighters.

They run the military; they are some sort of a civilian front our State Department has set up, but history is repeating itself.

Speaking of repeating things in history, let me tell you what Will Rogers said in 1928:

> The United States of America will send the Marines into any country where we can get 10 people to invite us.

GOOD NEWS-BAD NEWS

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, the good news is that interest rates are falling worldwide: from 4 to 3½ percent in West Germany, from 4½ to 4 percent in Japan, and from 7½ to 7 percent in the United States. The bad news is that unemployment jumped from 6.7 to 7.3 percent in February, the steepest monthly increase in this country since 1980, in spite of the anticipated reduction in interest rates. Commentators were quick to dismiss the bad news as a "schizophrenic aberration of no consequence."

But is it, really? Our interest rates and unemployment figures are perfectly consistent with our trade deficit at $150 billion last year. As long as the cost of borrowing money to West German and Japanese producers is one-half of that to American producers, it is futile to expect that money will flow into productive enterprise and into stock, bond and foreign exchange speculation. The stock market lives on its own dreams, dreaming that greenmail, leveraged buyouts, stock buybacks, and other incestuous practices can make for prosperity. The fact is that they can only make for the hollowing of American industry.

Mr. Speaker, there is only one way to bring down interest rates to the levels enjoyed by our competitors, and thereby lay the foundation for capital accumulation and reward employment opportunities in this country. We must bring down the cost of Government borrowing to 2¼ to 2½ percent, by issuing gold bonds. After we have done this, all the news will be good.

TRUTH SQUAD

(Mr. KLECZKA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KLECZKA. Mr. Speaker, last Friday, the administration dispatched nine Republican members on a 19-hour, taxpayer-funded junket for jingo-ism to Central America.

Nine partisan conclusions in search of rationale and justification.

These sentinels of the "truth" will tell us the way it is in Nicaragua. But I ask my nine colleagues:

Did you question the Contra representatives on their own human rights abuses? What did they say?

Did you ask them why, after more than $250 million in United States aid thus far, they are no closer to democratizing the Sandinista regime? What did they say?

Did you ask them why, if their cause is just, they have been utterly unable to capture the spirit and commitment of the Nicaraguan people? What did they say?

Where was the bipartisan representation we've been urged to embrace on this issue of national security?

Mr. Speaker, it is obvious the administration will stop at nothing to sell a policy the American people won't buy.

□ 1235

UNIFORM PRODUCT LIABILITY ACT

(Mr. SHUMWAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHUMWAY. Mr. Speaker, the Nation's liability insurance crisis made front-page headlines again today, with the announcement that the President has been presented with a "sweeping set" of recommendations for addressing this growing problem. Assistant Attorney General Richard K. Willard has stated that the growing crisis is "being felt in virtually every segment of American society." The expanding definitions of "liability" is resulting in more frequent, more generous court awards, and the end result is grim. In some cases, liability insurance is not available at all. In others, premiums are so staggering that those who should be covered by it choose to "go bare," rather than go broke. And, in all cases, consumers are footing the bill. As the primary House sponsor of the Uniform Product Liability Act, I believe there is a responsible solution to this problem, one which will meet the recommendations brought to the President's attention and which will protect consumers as well as manufacturers. I urge Members to examine this bill and join this effort to solve a growing problem in America.

COL. ENRIQUE BERMUDEZ, FORMER AIDE TO SOMOZA

(Mr. BONIOR of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONIOR of Michigan. Mr. Speaker, in 1978, the OAS condemned the Nicaraguan National Guard for its "numerous atrocities" in the face of a popular insurrection, including its "mass murders of minors and summary executions of civilians * * *."

At that same time, Somoza had sent to Washington one of his closest aides, a full colonel in the national guard, whose job it was to seek further U.S. aid to prop up the dictator's endangered regime.

The man Somoza picked for the highly-prized position of military attache in Washington was Col. Enrique Bermudez—the same Colonel Bermudez who is now supreme commander of the Contras.

It was Bermudez who, shortly after Somoza fell, formed the Argentine-funded 15th of September Legion, which carried out sabotage raids and assassinations inside Nicaragua, and it was Bermudez who, in 1981, was the key to founding the CIA-funded FDN.

Today, the presence of Bermudez, and his cronies, guarantee that the Contras will never have widespread popular support inside Nicaragua. If we continue to fund them, we will do no more than perpetuate the campaign of terror that has always been the trademark of the dreaded national guard.

SUPPORT H.R. 2453, OLDER AMERICANS ACT OF 1965

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, I would like to urge support for H.R. 2453, an authorization to amend the

Older Americans Act of 1965, which will be voted on later today.

At the beginning of 1985, individual States were promised a reimbursement of 56.76 cents for every dollar spent on feeding the elderly. In November of 1985, the USDA decided to change their minds and only reimburse 53 cents of the dollar instead of the original 56.76 cents.

In 5 months this has cost my State of Maryland $144,000. H.R. 2453 would refund this cost of $144,000 to the State and restore an amount more appropriate to the States' requirements.

It's a poor savings that is taken out of a food program for our elderly. I hope many in this body will agree that it is our responsibility for providing proper food for our seniors. Surely, we are not so desperate as to try to save money by starving our elderly.

We must pass H.R. 2453.

OIL SPILL AT SHALLOTTE POINT, NC

(Mr. ROSE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROSE. Mr. Speaker, about 8 o'clock last night in my congressional district in the inland waterway at a place known as Shallotte Point a barge ruptured, having hit an underground obstacle, and some 80,000 gallons of very thick No. 6 bunker oil is now floating in the water in the area around Shallotte Point.

The Coast Guard and a private contractor are on the scene attempting to make the best of a very horrible situation.

Mr. Speaker, this afternoon I am going to meet with the Director of the Corps of Engineers from Wilmington, NC, and urge him to take a very close look at Shallotte Point and the navigation problems that this bend in the intercoastal waterway presents.

Mr. Speaker, at a time when we are all urging agencies of the Government to save money, we should be very carefull not to tie the hands of agencies such as the Corps of Engineers where we may wind up being penny-wise and pound-foolish by not giving them the funds they need to make our waterways safe.

RENEW THE TRADE ADJUSTMENT ASSISTANCE PROGRAM

(Mr. WORTLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WORTLEY. Mr. Speaker, this country is suffering a $150 billion trade deficit. To many who set that figure in the newspapers, it is just another number in the string of deficit statistics.

But to many of my constituents and others around this Nation, the trade deficit is very real. It means lost jobs and fewer opportunities. While Congress plays politics with the trade adjustment assistance program, laid-off workers in central New York are suffering and wondering where—or what—their next job will be.

These people need help to get back on their feet. They have been shocked to find out that they have to go back to school to remain in the work force. Under current conditions, they do not have the chance to learn a new job skill, because they must take any job that is available once their initial unemployment benefits run out.

The time is now for my colleagues in both Houses of Congress to approve a package that will help these laid-off workers. Renewal of the trade adjustment assistance program cannot be delayed any longer. Workers who have been hit by unfair import competition cannot claim crucial extensions of unemployment benefits, because of partisan delays in approving the budget reconciliation package.

We in Congress have shown our intent for this program by our votes last year to extend it temporarily. We must follow through on this promise to let U.S. workers know that faith in American opportunity is not misplaced.

"EL CHINO," SO-CALLED FREEDOM FIGHTER

(Mr. EVANS of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EVANS of Illinois. Mr. Speaker, President Reagan is asking us to give $100 million to the Contras, who he compares to the moral equivalent of the Founding Fathers.

That money would be spent on the likes of Ricardo Lau, also known as "El Chino."

El Chino, according to a Salvadoran Army colonel, is the "founding father" who arranged the murder of Salvadoran Archibishop Romero while he was celebrating mass in 1980. He is the so-called freedom fighter who commanded a massacre of civilians in a church near Jinotepe during the revolution. It was this "George Washington" and his associates who have orchestrated assassinations and robberies in Nicaragua and Honduras.

"El Chino was an original member of the 15th of September Legion and the FDN; but before that, he was a major in Somoza's National Guard. As chief of intelligence operations, he arranged for hundreds of political arrests and supervised or approved torture and executions.

Now he commands a special counter-intelligence unit which operates in Honduras, carrying out the execution of suspected Sandinista informers.

Mr. Speaker, I believe it is wrong to spend $100 million of taxpayer money on such men as El Chino. He is not my idea of one of our Nation's Founding Fathers.

A TIME FOR REAL DEFICIT REDUCTION

(Mr. BOULTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOULTER. Mr. Speaker, the House now has a chance to engage in some real deficit reduction of the Federal deficit, instead of just playing the kind of political games that characterized last week's activities.

The omnibus reconciliation bill of 1985 is being returned today from the other body, this time in a form we are assured has administration approval. Since it would produce deficit reduction of about $25 billion over the next 3 years, now is finally the time to pass it. It is my understanding that the agreement with the administration is fragile and any attempts to change the bill further would jeopardize the chances of Presidential approval.

Most of the various add-ons which would have made this reconcilation bill a spending rather than a saving measure are now gone. So is the Superfund portion, which aroused such controversy. Superfund will be handled later, in separate legislation.

The Budget Committee will need the savings in this bill as it tackles the job of keeping the Government on the Gramm-Rudman-Hollings track of a balanced budget by 1991. The responsible, statesmanlike thing to do is to approve the reconciliation bill as it now stands, locking in the savings that it contains. Then move on, in the weeks ahead, to consideration of a budget resolution which will meet the Gramm-Rudman-Hollings target for fiscal year 1987.

INTRODUCTION OF TELEPHONE DECENCY ACT OF 1986

(Mr. BLILEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BLILEY. Mr. Speaker, today I am introducing the Telephone Decency Act of 1986. The purpose of this bill is to amend section 223 of the Communications Act of 1934 to prohibit obscene and indecent communications by means of telephone for commercial purposes.

Mr. Speaker, nearly 2½ years ago we addressed this issue in the House. We thought we came up with an effective means of stopping children's access to these obscene and indecent tape re-

cordings. Yet, today, dial-a-porn services have spread to many major cities throughout the United States. Four of the seven major telephone companies now carry this service and a fifth is considering it.

The nature of these communications is clearly obscene and, as such, unprotected by the first amendment. It is time to end the use of our public phone system as a distribution network for sodomy and perversion. Parents are begging for our help. Our children need our help. I ask each and every one of my colleagues to join me in standing up for decency and ending the use of our phone system to spread pornography.

OMNIBUS RECONCILIATION BILL

(Mrs. MARTIN of Illinois asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MARTIN of Illinois. Mr. Speaker, the omnibus reconciliation bill of 1985 will come before us again today. It is now in a form that everyone, including the White House, can accept. The expensive add-ons which would have made it a spending rather than a savings bill have been eliminated; the controversial Superfund provisions are gone and other complicated decisions involving the Outer Continental Shelf, Medicare, expansion of aid to family with dependent children, Federal employee health benefits, all appear to have been resolved.

It is time to move ahead to insure that Government gets the $25 billion in deficit reductions over the next 3 years which does remain in the bill and that the States get their share of OCS revenues.

It is not a bill that any of us will love, but it is a bill that most of us could support. If we continue tickering I believe we will lose the chance to save that $25 billion which we desperately need to achieve our deficit savings this year.

I ask for your full support in the motion to concur which will follow.

□ 1250

SUBSTITUTE TO BE OFFERED FOR H.R. 4332

(Mr. VOLKMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VOLKMER. Mr. Speaker, just to digress a little bit from the previous topics, I wish to first thank all the Members of this body who signed the discharge petition No. 4 which was successful last week.

I also wish to announce to the House that when the Judiciary Committee bill, H.R. 4332, comes up Thursday and Friday that I will be offering a substitute for that bill, which basically is patterned after H.R. 945, not S. 49, and that there will be some modifications to it to address some of the concerns of law enforcement officials.

I will be going to the Committee on Rules tomorrow, along with the Committee on the Judiciary, in order to have the opportunity to offer that substitute to the Judiciary Committee bill, hopefully on Thursday.

CHANGING AIR FORCE TRAINERS CAN SAVE $5 BILLION OVER 5 YEARS

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, it is obvious the administration's defense budget isn't going to fly as it was proposed. We are going to have to come up with major savings in that area if we hope to have any chance of complying with the Gramm-Rudman targets. One move to save money is to scrap the T-46A training aircraft contract and, instead, get on with modifying the existing T-37 fleet to do the job.

The Congressional Budget Office says making that change would save $2 billion over the next 5 years, and in this budget battle, that is a savings we can't afford to pass by. I have heard voice after voice on this floor talk about how we need to be achieving savings in the defense portion of the budget through efficiency and economies that do not lessen our security. Changing this trainer contract can do just that. I urge my colleagues to join me in making this possible savings into a reality.

On this one, budgetary realities and sound defense policy argue for the same commonsense policy. We should make sure that the change—and the savings—become reality.

VOTE "YES" FOR AID TO CONTRAS IN NICARAGUA

(Mr. GINGRICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGRICH. Mr. Speaker, Cubans fighting Israelis on the Syrian front sounds strange and unlikely when discussing the vote on Nicaragua.

Last week President Reagan sent a trained diplomat, Philip Habib, to Central America, while the Soviet empire sent a trained colonial general, Nestor Lopez, to the same region. The contrast between the American and Communist approach could not be more dramatic.

As a member of the Cuban Communist Central Committee, General Lopez has now been assigned to his third colonial war as commander of the Cuban Army in Nicaragua. After being trained in the Soviet Union, he commanded the Cuban armored regiment which fought against Israel on the Syrian front during the 1973 Yom Kippur war. After that debacle, he commanded a Cuban division during the Communist victory in the Angolan civil war.

General Lopez's new role illustrates the fundamental argument between those who see Nicaragua within the context of the Soviet empire's global strategy, and those who see Nicaragua as an isolated issue and local problem. His selection symbolizes the Cuban role as a colonial army and police force for the Soviet empire.

When the Soviet Union realized that Syria was no match for Israel during the Yom Kippur war, they decided to fly in Cuban troops to help out. To supplement Cuban helicopter and Mig fighter pilots, Nestor Lopez was placed in charge of a Cuban tank regiment. Israel soon was faced with the prospect of an unending supply of Cuban and Soviet forces.

The Cuban role in the Yom Kippur war was the first in a series of attempts, many successful, to help the Soviet empire expand. Given the historical role Cuba has played in Third World conflicts, it is clear that Nicaragua could become another Soviet ally in formenting revolution in Central and South America, and potentially in the Middle East.

We believe that voting against the freedom fighters in Nicaragua will make General Lopez's job easier. If he is to succeed, it is entirely plausible that Nicaraguans will soon be helping their brothers in arms in Libya and Iran to achieve their stated goal of defeating Israel.

We believe that Nicaragua, if unchallenged, could pose a serious threat to America and Israel. General Lopez has led enough fights for Communism against Israel in the Middle East and against the forces of freedom in Angola. We are prepared to debate any supporters of Israel who believe that Cuba and Nicaragua do not pose a threat to Israel.

It is time that we send a signal that stops the Soviet empire from building another colony to enforce their suppression of freedom. We urge you to vote yes for aid to the Contras in Nicaragua.

McCARTHY-TYPE TACTICS IN A POLITICAL CAMPAIGN

(Mr. MITCHELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MITCHELL. Mr. Speaker, a foul, stinking odor has already been injected into the political campaigns.

NCPAC and its surrogates are the source of that odor. Through smear, innuendo, and McCarthy-like statements—they have had the temerity to question the patriotism of some of us in the Congress who oppose Reagan's misguided attempts to pump more American dollars into Contra aid. I am proud to say that I am one who vehemently opposes this latest administration blunder in international affairs.

I am outraged that these latter days McCarthyites have attacked my colleague, MICHAEL BARNES, one of the finest Representatives to ever serve in this House.

I am even more outraged that some Members of this House have embraced this McCarthy tactic of smear and discredit, lie and distortion. There is no reason for any Member of this honorable House to stoop to a dishonorable level. There is no justification for any Member of this House to use the fascist, McCarthy-type tactics in a political campaign. Any Member of this House who resorts to such tactics stains himself or herself with the filthy ooze of demagoguery.

For those who had taken up the McCarthy banner, I can only paraphrase the words of Mr. Welch uttered during the McCarthy hearings. I can only ask of them, as Mr. Welch asked of McCarthy: At long last is there no decency left in you?

WE MUST BREAK THE CYCLE OF POVERTY

(Mr. PERKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PERKINS. Mr. Speaker, I think we've all heard the news that in this great land there will be 1 million millionaires by the end of this year. At the same time, we have a nation in which some 40 percent of our children are living in poverty; 40 percent, my fellow Members. Millions and millions of young lives being damaged every day by need. We should be looking, searching, demanding ways to break the cycle of poverty for these youngsters; real, honest ways to build their futures.

Presently in this House we are not looking for ways to improve this situation. We are not addressing these very real problems head on. A warning must be sounded; these problems will not go away. These millions of children will grow up in poverty and the cycle will continue into the future.

We need to agree as a body of lawmakers that we must turn this tide around and create opportunities for these children. We must search, we must think. As a body, we must create new ways and find new solutions to stop the cycle of ongoing poverty. We can no longer afford to sit on our laurels and simply ignore the fact that 40 percent of this Nation's children are suffering need, and that they will live and grow in poverty. It is up to us. We must have the courage and the commitment to change this now. Without this commitment, the Nation will lose whatever gifts these young children could have contributed. We cannot afford to turn our backs.

SMALL BUSINESS SET-ASIDE REGULATIONS

(Mr. TORRES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TORRES. Mr. Speaker, the President's proposal to eliminate the Small Business Administration has received much publicity, to be sure. Not getting the same attention, and yet just as onerous to small businesses nationwide, is the administration proposal to drastically change the Small Business Set-Aside Program.

Even if you support the President's budget, you should question this OMB proposal to virtually wipe out the set-aside program. Nearly one-half of all prime contract awards that went to small business in fiscal year 1984 were set-aside awards totaling over $15.6 billion.

You cannot protect the Nation from high-priced toilet seats and hammers if small businesses are unable to compete exclusively for Federal contracts. You cannot expect small businesses to generate new jobs and new tax revenues, if they are unable to compete effectively for work with the Nation's largest buyer of goods and services—the Federal Government.

We can stop this OMB proposal by joining me in cosponsoring H.R. 4097, that takes the existing set-aside regulation and translates it into the law of the land.

We can protect the set-aside program from OMB by simply turning a regulation into a statute. I urge you to cosponsor H.R. 4097. I urge you to aid small businesses by helping to reject this proposed regulatory change.

□ 1300

ACID RAIN

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHEUER. Mr. Speaker, when it comes to the very serious problem of acid rain, our Government has played Nero—fiddling while Rome burns.

President Reagan today has the perfect opportunity to change the administration's policy of footdragging on doing something about acid rain—and also improve our strained relations with Canada over the issue—when he meets with Prime Mininster Mulroney.

For more than 5 years, the administration has insisted that more study is needed to determine the actual causes and effects of acid rain. The administration insists that we have to know everything before we can do anything. But studies by the National Academy of Sciences and others make it perfectly clear that coal-burning utilities, industrial plants, and automobile emissions are the culprits—and that a sensible cost-effective level of emissions controls are the answer.

The acid rain problem is no longer confined to the Northeast and Canada. Evidence suggests that many other regions of our country are affected already or susceptible to acid rain damage.

In an effort to get the ball rolling, I have introduced legislation—H.R. 4129—to implement the recommendatons made by Special Envoy Drew Lewis and his Canadian counterpart.

My bill, which would establish a joint industry-government program to develop and demonstrate new control technology, is not a cure-all, nor a substitute for mandated emissions reduction.

In fact, the legislation is only the bare minimum necessary to begin a meaningful assault on the acid rain problem.

But it is a long overdue first step forward and the President should embrace it.

AID TO NICARAGUA

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, I just got back from Nicaragua, and in light of what I saw and heard, I find today's speeches by the left wing of the Democratic Party astonishing.

If you think that the Democratic resistance in Nicaragua can hang on without assistance, you have not been to Managua lately.

If you think that your no vote on Contra aid will not be seen by the Communist government in Nicaragua as a vote supporting them, you have not been to Managua lately.

If you think that the Communist government is not involved in international drug dealing, you have not been to Managua lately.

If you think that the Sandinista Communist government that you encourage with your vote is not involved in massive human rights violations, you have not been to Managua lately.

If you think that the church is not directly threatened with not only persecution in Nicaragua, but outright extinction in Nicaragua, you have not been to Managua lately.

The situation in Nicaragua is appalling. The Democratic resistance is the Nicaraguan peoples' last hope to

throw off the shackles of Communist tyranny.

For Members of Congress to stand safely on this floor and take potshots at men and women of tremendous courage who are struggling against great odds to oppose Communist tyranny in Nicaragua is, indeed, astonishing. That questions no one's patriotism; it questions their judgment.

Mr. MITCHELL. Mr. Speaker, I request the gentleman's words be taken down. He is questioning the judgment of other Members of the House.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The gentleman from Maryland [Mr. MITCHELL] requests that the words of the gentleman from Pennsylvania [Mr. WALKER] be taken down. The Chair would inquire as to which words the gentleman refers to.

Mr. MITCHELL. He questions the judgment of the Members of the House who oppose the Reagan proposition.

The SPEAKER pro tempore. The Chair would suggest that the gentleman did not refer to any specific Member in violation of the rules of the House. Does the gentleman insist on his request?

Mr. MITCHELL. Yes, Mr. Speaker, I do because it followed a statement that I just made where I indicated that I oppose the President's position, and certainly by inference he is questioning my judgment and I resent it.

The SPEAKER pro tempore. The gentleman insists, and the Clerk will report the words.

□ 1310

Mr. MITCHELL. If the Speaker so desires, I will not press the point of order, but with the indulgence of the Speaker, I will state that I personally resent any attempt to impugn my motives.

The SPEAKER pro tempore. The gentleman withdraws his demand.

THE PRESIDENT NEEDS TO UNDERSTAND THE FRUSTRATION AND PAIN OF THE COUNTRY'S FARMERS

(Mr. WOLPE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLPE. Mr. Speaker, last Friday the House Budget Committee traveled to Worthington, MN, to take testimony from farmers of that community with respect to the current agricultural situation and the impact of the budget proposals that are pending before the Congress.

Three days later, I had a town meeting in my own district in Michigan with farmers from Calhoun County.

Mr. Speaker, I wish that the President of the United States could have been present at these two meetings. I wish he could have been present so he could understand the enormous pain, the hurt that is being felt within agricultural communities throughout the Midwest. To see these farmers, in the course of these sessions, break down in tears as they tried to capture their sense of frustration and despair is a very difficult experience.

I do not know what it will take to get Mr. Reagan to understand that when he talks about the budget in abstrct terms that there are people behind those numbers, behind those statistics. I do not know what it will take for Mr. Reagan to begin to understand that when he threatens to veto the Commodity Credit Corporation legislation that is so vitally needed so farmers can get the funds they require to get about this planting season, that he is causing real pain and is threatening the lives and livelihoods of literally thousands upon thousands of families throughout this country.

Mr. President, please understand what is happening out there. Please respond in a helpful way.

NO CONNECTION BETWEEN SOMOZA AND THE CONTRAS

(Mr. HUNTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUNTER. Mr. Speaker, I heard the Democrat deputy whip speaking of his perceived connection between Mr. Somoza and the Contras, and I am reminded of a story that is told by the Human Rights Commission in Nicaragua about a cabdriver named Nelson Perez, who made the terrible mistake of booing Commandante Arce at a cabdrivers' union meeting; the last public act that he ever made.

That night he was arrested by the Sandinistas and a short time later his widow was told that he had been killed, unfortunately, while trying to escape.

I think there is a strong connection between many leaders in Nicaragua and Mr. Somoza, but I think that that connection lies much stronger between the nine commandantes and their actions, particularly with regard to the prison system, particularly El Chipote Prison and Mr. Somoza.

There is a connection, but the connection is with the commandantes and Somoza, not with the freedom fighters and Somoza.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The gentleman will suspend. May we please have order in the galleries.

SUGGESTIONS FOR THE DEPARTMENT OF DEFENSE'S USE OF THEIR EXTRA $100 MILLION

(Mr. OWENS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OWENS. Mr. Speaker, at a time when Head Start, aid for the elderly, and a number of other very worthwhile programs are being cut by the Gramm-Rudman formula, I was shocked to find that the Defense Department has $100 million of the taxpayers' money lying around that they could make available as a gift to the Contras in Nicaragua.

If the Defense Department insists on making this gift available to the Western Hemisphere, I think there are much better uses that we could put this money to.

For example, the economy of Haiti, which has been a loyal client state for the United States for years; that economy is a basket case now, and with the departure of the dictator, Duvalier, I hope that better things are in the works.

We should appropriate some part of that $100 million for the Haitian economy.

The economy of Grenada is in a shambles; unemployment is already above 25 percent, and now that the airport has been completed in Grenada, it is likely to rise higher. I would like to see some portion of that $100 million appropriated for the economy of Grenada. The Caribbean Basin Initiative, which the President pushed so hard 3 years ago is in a shambles. None of the countries seem to be receiving any significant aid from the CBI.

I would like some portion of that $100 million to be devoted to the task of helping those countries which are our allies and are part of the Caribbean Basin Initiative Program.

One hundred million dollars is a lot of money, and I think it can be put to much better use, to help the countries in the Western Hemisphere to promote peace and progress.

PRESIDENT REAGAN MAKES THE CONTRAS A PARTISAN ISSUE

(Mr. AuCOIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. AuCOIN. Mr. Speaker, last Sunday night, President Reagan took his campaign for the Contras into America's living rooms. Castigating the Sandinistas, the President called for understanding here at home and said that aid to the Contras, quote: "is not some narrow partisan issue, but rather is an issue on which we must act mutually as Americans."

Well, Mr. Speaker, last week the President's men carried a different message to me. A television crew from my Oregon district got an unexpected invitiation from the White House to come down and interview Mr. Patrick Buchanan, the communications director, on the administration's position on Nicaragua.

During that interview and without prodding, Buchanan brought up my name as one who, in his words, "knowingly or not" was acting as an ally of the Communists. Because I am a Democrat who disagrees, I was singled out for a partisan attack by Mr. Buchanan. He impugned my loyalty as an American and made an obvious attempt to silence my opposition to these misbegotten policies of his administration.

Mr. Speaker, based on telephone calls that are coming in to my office in Oregon, it is clear to me that most Oregonians simply cannot understand why Mr. Reagan wants to spend $10,000 per Contra when Oregon school districts are running out of funds. Oregonians do not understand "humanitarian" aid when there is not enough money for veterans hospitals and for day care in our State.

And, Mr. Speaker, not one of those Oregonians I have just mentioned think that they are in any way working for the KGB or for the Russians; but I think they do wonder, as do I, why Ronald Reagan says he is for free speech and democracy in Nicaragua when his henchmen try to stifle free speech here on the floor of the Congress of the United States.

THE JUANITA CRAFT POST OFFICE OF SOUTH DALLAS

(Mr. BRYANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BRYANT. Mr. Speaker, it is precisely because Juanita Jewel Craft never sought recognition or glory for herself that she even more richly deserves the honor we seek to give her today by asking our colleagues in the Senate to join us in naming the South Dallas Post Office "the Juanita Craft Post Office of South Dallas."

She knew well that there is no limit to the good that one can accomplish if he or she doesn't care who gets the credit.

It was never credit that she sought. Quite the opposite.

Juanita Craft saw a society divided and her calling to unite it.

She saw a people relegated to second-class status and said it shouldn't be.

When Juanita Craft was 16, her mother was denied, because of her race, the medical treatment that might have saved her life and told her daughter, "I am suffering for somebody else."

"And I wondered if she was suffering for me," Mrs. Craft said. "I felt like I owed it to her, my people, and civilization to break up segregation wherever I found it. It's an ugly thing and everybody should be opposed to it."

Born on February 9, 1902, in Round Rock, TX, Juanita Craft was, for almost 60 years until her death at 83 last August, a beacon lighting the way toward equality and justice throughout her city, her State, and her Nation.

Few people have equaled Juanita Craft's bedrock contributions to her society. Her legacy is not only in the successes she achieved for all of us in the areas of human rights, voting rights, and the right to proportional representation, but also the final example she set that persistent dedication and diligence in pursuit of a worthy cause can work miracles.

As Dallas NAACP Chairman Ted Watkins observed, "Lots of people were afraid, but, when she led, you followed."

Juanita Craft never lost sight of the purposes that drove her to lead and that established her as a symbol of the struggle for equality. "Don't call me a color," she said, "Call me a human being."

She never lost the sense of humor that buoyed her spirits and those of her followers and coworkers. And she never lost the compelling energy that inspired those of us many years younger.

Mother of the civil rights movement in Texas, leader of the NAACP on whose national board she served, Democratic precinct chair for 23 years, Dallas City Council member from 1975 through 1979, winner of the Linz Award for community service, Juanita Craft was an extraordinary person.

She was the soul of strength, compassion, and unselfishness who will live on in the countless lives hers enriched and will continue to enrich through her contributions to education, equality, and opportunity.

Nothing says more of this giant of a woman than her own words: "I have no children. I have adopted the world."

The world is richer for her passage through it, and I thank you for joining with me in observing that passage by approving H.R. 3331 to establish the Juanita Craft Post Office of South Dallas in loving tribute to a beloved woman.

A PLASTIC GUN SHOWS UP AT NATIONAL AIRPORT—CONGRESS MUST ACT NOW TO MAKE THEM ILLEGAL

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, last night a man was arrested in National Airport. What distinguished this arrest from the many other arrests that are effected in that area was that this man was carrying two weapons in a carryon piece of luggage.

When the police opened the luggage, after seeing the x-ray, they found not one gun, but two guns. What makes the difference and the point of this comment is that one of those guns, which was undetected in the x-ray, was a Glock 17, manufactured in Austria, for the most part made of plastic, with some small portions of it metal.

That was not revealed on the x-ray. This is the type of weapon that we must be concerned about, and is ideally suited for terrorist activities.

In America, there is an American manufacturer who has produced an entire weapon of plastic. I introduced legislation last week that would make the importation, manufacture, and sale of these weapons illegal. We call this type of weapon a "Qadhafi special" because it is rumored that he has purchased 300 already and is the type of firearm ideally suited for terrorist activities because of their ability to avoid detection.

I am urging the Members of the House to support the legislation, but more than that, to effectively focus on the nature of the weapons that are being produced today.

THE ADMINISTRATION'S OBJECTIVES ARE CLEAR: FORCEFUL OVERTHROW OF THE SANDINISTA GOVERNMENT

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. LEVIN of Michigan. Mr. Speaker, the key to resolving any thorny problem is to be clear about objectives, and the more I have heard from the President and Mr. Buchanan, the clearer it is: Their objective is the forceful overthrow of the Sandinista government.

There is no other logical conclusion from the administration's claims about how defenseless all the rest of Central America and U.S. borders would be against a Sandinista-sponsored tide.

Pursuing their basic objectives, the administration has been willing to ally itself with anyone, including former Somocistas. Yesterday, the administration acknowledged that the commander of the FTN Air Force is a former personal pilot for Somoza, and a captain in his dreaded national guard, one Juan Gomez.

Mr. Speaker, I believe there are alternative ways to safeguard democracy in Central America, and there are far

better alternatives than to align ourselves with former associates of the former dictator of Nicaragua.

A COCAINE SALE TO FINANCE THE CONTRAS?

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, there is an article that was written in the San Francisco Examiner that basically states that the biggest cocaine seizure in west coast history had been effected in 1983, and supposedly, it was going to help finance the freedom-fighting patriots known as the Contras.

Four hundred and ninety pounds of cocaine, ladies and gentlemen, that was going to be sold to your children to help this struggling nation to overcome its problems with this Marxist regime.

I am specifically saying today that I would like to go a step further; and as a young congressman, I do not know what leeway I have, but I am going to ask the Committee on the Judiciary, and the Select Committee on Narcotics Abuse and Control to assist them to investigate two things:

□ 1320

No. 1, why did that U.S. attorney return $36,000 to those dope-dealing creeps? And No. 2, did the CIA know about this, according to documents now published? And if they did, did they turn their back and should America be investigating a bunch of dope-dealing patriots, not freedom-fighting patriots in Central America?

Thank you.

MR. PRESIDENT, YOU BELIEVE IN LIBERTY, THE CONTRAS DO NOT

(Mr. WHEAT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WHEAT. Mr. President, in your misguided zeal to win American support for the Contras in Nicaragua you have portrayed them as the moral equivalent of our Founding Fathers. Indeed you have recently revealed the startling news that you are a Contra, too.

Given their recruiting problems, the Contras must be ecstatic over your enlistment. Nonetheless our Founding Fathers did not share the Contras' taste for rape, mutilation, and murder. The Contras are in fact dominated by ex-Somocistas who butchered their countrymen for decades. Second in command is your new comrade, Walter Tonio Calderon, a loyal Somoza man. He and his palace guards defended Somoza's private quarters to the bitter end.

Today wearing his new Contra uniform he carries on the tradition of the Somocistas, a tradition of violence and terror against innocent Nicaraguan civilians.

Mr. President, let's stop this charade; you are not a Contra, you truly do believe in liberty, the Contras do not.

Let us not give American aid to the Contras; they do not deserve it.

IN SUPPORT OF THE CLEVELAND STATE VIKINGS

(Mr. STOKES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STOKES. Mr. Speaker, I rise to recognize the "Cinderella team" of the 1986 NCAA Basketball Tournament, the Vikings of Cleveland State University, from Cleveland, OH, my city.

In the March 11, 1986, Washington Post, Tony Kornheiser began his comments on the Cleveland State team with these words: "Speaking of teams with a limited shelf life, let me acquaint you with some of the NCAA's more perishable selections * * *. We have the Cleveland State Vikings and the Brown Bruins (the teams could merge, producing the Cleveland State Browns) * * * 'Goodnight, Gracie, to all of them.' "

Well, not so fast Gracie. And Tony Kornheiser, you'd better take another look too. The team from Cleveland is still very much alive in the NCAA, having defeated Bobby Knight and his Indiana Hoosiers and a great team from St. Joseph's and will be facing Navy in a third round game on Friday in New Jersey.

Indeed, as Bill Nichols of the Cleveland Plain Dealer has put it, "Cleveland State is still very much alive in the east regional of the NCAA tournament, despite the predictions of some naysayers." Today, all the experts are saying that they knew all along that Cleveland State was a fine team and most say they were not surprised by the 83-79 upset over Indiana on Friday or the 75-69 win over St. Joseph's on Sunday.

The Cleveland State team members can be proud of their play in the NCAA tournament so far. Clinton Ransey, scoring 27 points, including 11 in the final 10 minutes, gave a virtual basketball clinic in the Indiana game.

Eddie Byrant, after playing about as well as anyone his size can play, in the St. Joseph's game, was more nervous at a press conference than during the game. Clinton Smith and the other players—Mudd, McFadden, Crawford, Stewart, Hood, Corbin, and Salters are all to be congratulated for their fine play.

My congratulations, of course, go to the Cleveland State Coach Kevin Mackey and to President Walter B. Waetjen and his fine administration who have provided the support necessary to bring such a high quality team to Cleveland.

This team, like the city they represent, is not to be underestimated. They have made Cleveland proud and we are proud of them.

THE STATUE OF LIBERTY

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Mr. Speaker, I rise today on behalf of 35 people who work at Springfield Dodge in my home State of Illinois. These folks sent a letter to the President recently, to protest the firing of Lee Iacocca as chairman of the Statue of Liberty restoration.

My constituents at Springfield Dodge have every right to be concerned, and they deserve an explanation.

In his response, I hope the President will offer a good reason why Mr. Iacocca was relieved of his duties. Was he incompetent? Unsuitable for the job? Unreliable? Or was he simply doing such a good job that the administration got worried that Mr. Iacocca would upstage them in restoring and revitalizing this national monument?

And second, now that Mr. Iacocca is no longer entrusted with this responsibility, my constituents deserve to know the future of the Statue of Liberty and Ellis Island. Will it remain a traditional monument of welcome to Americans who have made their way here from every corner of the world? Or does this administration have in mind a change in Statue of Liberty's famous motto, from "Give me your tired, your poor, your huddled masses yearning to breathe free," to "Give me you real estate developers, your investors, your yuppies yearning for a luxury resort?"

Mr. Speaker, my constituents at Springfield Dodge deserve an answer, Mr. Iacocca deserves an answer, and the American people deserve an answer. I hope the President will give them one.

OPPOSING THE ARMS SALE TO SAUDI ARABIA

(Mr. MANTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MANTON. Mr. Speaker, I rise today to urge my colleagues to reject the administration's proposed $350 million arms sale to Saudi Arabia. This sale would reward a nation which has

failed to support our goal of peace and stability in the Middle East and would further jeopardize Israel's right to exist.

In the past, Congress has stated that any arm sales to Saudi Arabia should occur only after the Saudis promote our goals of peace and stability in the region. However, rather than encouraging the peace process, Saudi Arabia is still in a state of war with Israel. Saudi Arabia has actively discouraged other nations from seeking a normalization of their relations with Israel, and continues to provide funds for the terrorist activities of the PLO.

Furthermore, in recent years more and more American citizens have been the tragic victims of terrorist actions. Rather than supporting United States efforts to curb world terrorism, the Saudis continue to support those who are responsible for American deaths. In fact, they have offered to counteract the effects of our sanctions against Libya.

Mr. Speaker, Saudi Arabia has a sufficient arsenal to counter any military threats from Iran. In fact, the United States has already sold the Saudis more than $40 billion in weapons. It would be against our Nation's interests to escalate the arms race in the Middle East and reward a nation whose actions undermine United States efforts toward peace. I urge my colleagues to join me in rejecting the administration's proposal.

THE TIME TO STOP TESTING OF NUCLEAR WEAPONS IS NOW

(Mr. DOWNEY of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOWNEY of New York. Mr. Speaker, there is an administration-leaked story in today's New York Times about the resumption of nuclear weapon testing that proves that when it comes to arms control the administration's world is upside down.

Our Government has not tested nuclear weapons since late last year. Apparently, according to the article, to "keep the atmosphere conducive for a favorable Soviet response."

Response to what?

It is the Soviet Union that has declared a moratorium on testing and the Reagan administration has responded by inviting Soviet scientists to watch a United States test and begin calibrating test equipment so that the threshold Test Ban and Peaceful Nuclear Explosions Treaty can be ratified.

The Soviet Union is offering us the bakery and the administration is requesting "half-a-loaf."

We live in a world with 50,000 plus nuclear weapons. More are not needed. The United States currently has an advantage in yield to weight ratio's on its warheads and in miniaturization. It is in the United States interest to prevent the Soviets from testing again. We can stop their tests by stopping ours. We can prevent a Soviet propaganda coup by acting in our interest.

The Reagan administration even has an offer to have the tests monitored in both the United States and U.S.S.R. by six countries who want to help the superpowers to end the arms race.

All the obstacles, adequate verifications on site inspections have been removed. The time to act is now.

CONTRA CAPT. ARMANDO "EL POLICIA" LOPEZ

(Mr. MARKEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARKEY. Mr. Speaker, if Congress approves $100 million in aid to the Contras, the assistance will be disbursed by Capt. Armando Lopez, a cofounder of the Contra. As the Contras' commander of logistics, Lopez orders all military and logistical supplies for combat units, and controls distribution of materiel.

Lopez is known by his nickname, "El Policia," which we all know means, "The Policeman." But Lopez is not your friendly cop on the beat. During the Somoza dictatorship, he served as Managua's chief of police—the same police force which used to arrest, torture, and assassinate civilian political opponents during the 1970's.

Today "El Policia" is using those old skills on behalf of the FDN.

But we need not worry, the President assures us, because the Contra seeks only to force the Sandinistas to negotiate. But "El Policia" has a different notion of his role—and I quote: "We'll fight this war to the finish if we have to use picks and shovels. We won't hold peace talks * * *."

Mr. Speaker, if we vote to spend millions more on these Contras, we will be repeating the mistakes of the past—backing Somoza's national guardsmen, and pursuing a foreign policy down the slippery slope to more direct military involvement.

FREEDOM FIGHTERS ARE SOMOCISTAS (WOLVES) IN CONTRAS' (SHEEP'S) CLOTHING

Mr. MILLER of California. Mr. Speaker, when the President said that he too is a Contra, once again his comrades in arms and his commanders include Josito Pino Perez. Before his reincarnation as a freedom fighter, Pino Perez was a national guard captain who assisted Somoza's son in commanding the guard's infantry training school. According to the U.S. Defense Intelligence Agency Perez began his freedom-fighting career as a persecutor in the FDN, 15th of September Legion. In 1981 and 1982 Perez led a small group of former guardsmen on such noble missions as bombing the Nicaraguan civilian airliner in Mexico City, hijacking the Costa Rican airliner in San Jose, and sending a suitcase bomb to a Honduras civilian airliner that exploded in the civilian area of Sandino Airport in Managua. Surely our President cannot be a member of these Contra forces.

But let me say what my colleagues and others have said here today on the question of who are the Contras: Last week Congressmen MCHUGH and myself released a report that pointed out that 12 out of the 13 commanders of the Contras' high command are former officers in Somoza's national guard. These are the people who would receive, distribute, and benefit from military aid requested by the President of the United States from this Congress. We must turn down the request. Following the release of our report the State Department has provided us with the names of the FDN senior personnel. The State Department confirms that 9 of the 13 names that we have mentioned are former members of the Somocistas.

THE FRIGHTENING SIMILARITIES BETWEEN VIETNAM AND NICARAGUA

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker and my colleagues, a group of eight Congressmen had an opportunity last month to travel to Hanoi to reach out to the Communist government in power over all of Indochina, what used to be called Indochina, for our missing-in-action Americans.

The scene in Hanoi was depressing indeed, utter economic decay which always results from communism. I had the opportunity Friday to visit Managua, Nicaragua, with eight other Congressmen, one of us DAVE DREIER, had also been with me in Hanoi just 4 weeks to the day before.

We could see the analogies, the similarities between the economic decay in Managua and also in Hanoi.

The frightening thing is that Vietnam has a population of over 42 million people and they have about 11,000 political prisoners, 11,000 left over from 11 years ago when communism triumphed.

In Nicaragua, a country of only 2½ million people, and there are about a half million up here already as exiles, there are already 11,000 political prisoners in 9 camps, clandestinely built. That is the only thing they are building in the country. Many of them are in solitary confinement; torture and capital punishment is used although it

is ostensibly against the law in Nicaragua.

I beg every Member to look at the American intelligence imagery by satellite or by aircraft; look at the pictures of these prison camps and know tomorrow that we are sealing the fate of 11,000 to 13,000 people if we do not help the Contras, the freedom fighters in Central America.

AN OUTSTANDING SPEECH, BUT THE AMERICAN PEOPLE ARE LISTENING TO THE MESSAGE, NOT THE MESSENGER

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, on Sunday night the President took to the airwaves and, as usual, gave a tour de force. His speech was an outstanding speech. But unfortunately for the President, the American people are listening to the message, not the messenger. As I canvassed my colleagues this morning on the floor of the House, Members from every part of the country reported that calls into their district offices were running 2 to 1, 3 to 1, 4 to 1, as much as 10 to 1 against aid.

The American people are focusing not on the messenger but on the message. Let us hope that aid to the Contras is defeated.

THE SANDINISTAS WILL NOT ACCEPT NEGOTIATION NOW

(Mr. RITTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RITTER. Mr. Speaker, my colleagues, there is a question as to whether we should be negotiating further with the Sandinistas or assisting with military supplies to Contras directly. Let me call their attention to a 16-month period between June 1984 and October 1985. We had 16 months to negotiate with the Nicaraguan Communists. We held many meetings, both direct and with Contadora. During that period no American assistance—either humanitarian or military—was given to the Contras. During that period the Sandinistas further repressed their people, stepped up their military buildup from the Soviets and continued to create a Communist-totalitarian mayhem closer to the Rio Grande than that river is to Washington, DC.

There has been a record of negotiations during a period when there has been an aid cutoff. Why in the world should the Sandinista Communists accept our offers now without any decent U.S. bargaining position. Why should they when for 16 months they did not accept those offers and we did not do a darned thing except come back and ask for more negotiations?

□ 1325

THE PRESIDENT IS NOT A CONTRA

(Mr. KOSTMAYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOSTMAYER. Mr. Speaker, the President of the United States declared himself a Contra last Friday. As the leader of the free world for the past 5 years, the President wears many different hats and is many different things to many different people. But a Contra?

Mr. Speaker, the President enjoys great popularity in his country and is loved and revered by many, respected and admired by most. The Contras do not enjoy great popularity in their country, are loved and respected by very few and are revered by almost no one.

The President was elected twice by the people of his country to serve with a solid foundation of electoral and popular support. His legitimate claim to his office is questioned by no one. The Contras are the creation of the Central Intelligence Agency led by people whose democratic allegiance is highly suspect and whose legitimacy is questioned by every nation in the Western Hemisphere save those bastions of democracy and freedom, Paraguay and Chile.

The President certainly does not engage in the systematic brutalization of his fellow countrymen and abduct, torture, maim, disfigure, and finally murder innocent men, women, and children. The Contras terrorize the citizens of Nicaragua and kidnap families, slash off their limbs, gouge out their eyes, cut off their genitals, and finally slit their throats.

No, Mr. Speaker, the President of the United States is not a Contra. The people of this Nation would not continue to support him if he was.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the joint resolution (H.J. Res. 534) "joint resolution making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986."

The message also announced that the Senate agrees to the amendment of the House to the amendment of the Senate numbered 1 with an amendment.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
March 17, 1986.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5, Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit sealed envelopes received from the White House at 4:45 p.m. on Monday, March 17, 1986 as follows:

(1) Said to contain the fourth annual report on Alaska's mineral resources; and

(2) Said to contain a report on actions taken with respect to the national emergency on South Africa.

With kind regards, I am,

Sincerely,

BENJAMIN J. GUTHRIE,
Clerk, House of Representatives.

FOURTH ANNUAL REPORT ON ALASKA'S MINERAL RESOURCES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States which was read and, together with the accompanying papers, without objection, referred to the Committee on Interior and Insular Affairs:

(For message, see proceedings of the Senate of today, March 18, 1986.)

REPORT ON ACTIONS TAKEN WITH RESPECT TO DECLARATION OF NATIONAL EMERGENCY IN SOUTH AFRICA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-183)

The SPEAKER pro tempore laid before the House the following message from the President of the United States which was read and, together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs and ordered to be printed:

(For message, see proceedings of the Senate of today, March 18, 1986.)

DEFICIT REDUCTION AMENDMENTS OF 1985

Mrs. MARTIN of Illinois. Mr. Speaker, I offer a privileged motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mrs. MARTIN of Illinois moves to take from the Speaker's table the bill, H.R. 3128, with the Senate amendment to the House amendment to the Senate amendment to the House amendment to the Senate amendment thereto, and to concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment to the House amendment to the Senate amendment to the House amendment to the Senate amendment, as follows:

In lieu of the matter proposed to be inserted by the said amendment, insert:

In section 4016, insert "or seasonal suspension" after "adjustment in frequency"; and insert "adjustment or" after "service unless such".

In subparagraph (F)(ii) of paragraph (10) of section 204(b) of the Magnuson Fishery Conservation and Management Act, as proposed to be amended by section 6021, strike out "from such nations".

In title VI, strike out subtitle D and redesignate subtitles E, F, G, H, I, and J as subtitles D, E, F, G, H, and I, respectively.

In subsection (b)(2)(B) of section 315 of the Coastal Zone Management Act, as proposed to be amended by section 6044, strike out "environmental" and insert "environment".

In section 3A of the National Ocean Pollution Planning Act of 1978, as proposed to be added by section 6072(2)—

(1) amend subparagraph (B) of subsection (a)(2) to read as follows:

"'(B) be headed by a director who shall—

"'(i) be appointed by the Administrator,

"'(ii) serve as the Chair of the Board, and

"'(iii) be the spokesperson for the program;' ";

(2) insert a quotation mark and a period after the period at the end of subparagraph (D) of subsection (b)(2); and

(3) strike out paragraph (3) of subsection (b).

In section 6085—

(1) insert "and duties" after "functions" in the long title of the Act of August 6, 1947 cited in such section; and

(2) strike out "'or subdivision thereof'" and insert "'or subdivision thereof,'" in paragraph (2).

In title VIII, strike out the heading for subtitle A.

In section 8001, strike out "subtitle" and insert in lieu thereof "title".

In section 8(g) of the Outer Continental Shelf Lands Act, as proposed to be amended by section 8003, strike out paragraph (2) and insert in lieu thereof the following:

"(2) Notwithstanding any other provision of this Act, the Secretary shall deposit into a separate account in the Treasury of the United States all bonuses, rents, and royalties, and other revenues (derived from any bidding system authorized under subsection (a)(1)), excluding Federal income and windfall profits taxes, and derived from any lease issued after September 18, 1978 of any Federal tract which lies wholly (or, in the case of Alaska, partially until seven years from the date of settlement of any boundary dispute that is the subject of an agreement under section 7 of this Act entered into prior to January 1, 1986 or until April 15, 1993 with respect to any other tract) within three nautical miles of the seaward boundary of any coastal State, or, (except as provided above for Alaska) in the case where a Federal tract lies partially within three nautical miles of the seaward boundary, a percentage of bonuses, rents, royalties, and other revenues (derived from any bidding system authorized under subsection (a)(1)), excluding Federal income and windfall profits taxes, and derived from any lease issued after September 18, 1978 of such tract equal to the percentage of surface acreage of the tract that lies within such three nautical miles. Except as provided in paragraph (5) of this subsection, not later than the last business day of the month following the month in which those revenues are deposited in the Treasury, the Secretary shall transmit to such coastal State 27 percent of those revenues, together with all accrued interest thereon. The remaining balance of such revenues shall be transmitted simultaneously to the miscellaneous receipts account of the Treasury of the United States.".

In section 8(g)(5) of the Outer Continental Shelf Lands Act, as proposed to be amended by section 8003, strike out subparagraph (A) and insert in lieu thereof the following:

"(5)(A) When there is a boundary dispute between the United States and a State which is subject to an agreement under section 7 of this Act, the Secretary shall credit to the account established pursuant to such agreement all bonuses, rents, and royalties, and other revenues (derived from any bidding system authorized under subsection (a)(1)), excluding Federal income and windfall profits taxes, and derived from any lease issued after September 18, 1978 of any Federal tract which lies wholly or partially within three nautical miles of the seaward boundary asserted by the State, if that money has not otherwise been deposited in such account. Proceeds of such account shall be distributed as follows:

"Upon the settlement of any boundary dispute which is subject to a section 7 agreement between the United States and a State, the Secretary shall pay to such State all monies due such State from amounts deposited in the escrow account. If there is insufficient money deposited in the escrow account, the Secretary shall transmit, from any revenues derived from any lease of Federal lands under this Act, the remaining balance due such State in accordance with the formula set forth in section 8004(b)(1)(B) of the Outer Continental Shelf Lands Act Amendments of 1985.".

Strike out section 8004 and insert in lieu thereof the following:

"SEC. 8004. DISTRIBUTION OF SECTION 8(g) ACCOUNT.

"(a) Prior to April 15, 1986, the Secretary shall distribute to the designated coastal States the sum of—

"(1) the amounts due and payable to each State under paragraph (2) of section 8(g) of the Outer Continental Shelf Lands Act, as amended by this title, for the period between October 1, 1985, and the date of such distribution, and

"(2) the amounts due each such State under subsection (b)(1)(A) of this section for the period prior to October 1, 1985.

"(b)(1) As a fair and equitable disposition of all revenues (including interest thereon) derived from any lease of Federal lands wholly or partially within 3 miles of the seaward boundary of a coastal State prior to October 1, 1985, the Secretary shall distribute:

"(A) from the funds which were deposited in the separate account in the Treasury of the United States under section 8(g)(4) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(g)(4)) which was in effect prior to the date of enactment of section 8003 of this title the following sums:

	($ million)
Louisiana	572
Texas	382
California	338
Alabama	66
Alaska	51
Mississippi	14
Florida	0.03

as well as 27 percent of the royalties, derived from any lease of Federal lands, which have been deposited through September 30, 1985, in the separate account described in this paragraph and interest thereon accrued through September 30, 1985 and shall transmit any remaining amounts to the miscellaneous receipts account of the Treasury of the United States; and

"(B) from revenues derived from any lease of Federal lands under the Outer Continental Shelf Lands Act, as amended, prior to April 15 of each of the fifteen fiscal years following the fiscal year in which this title is enacted, 3 percent of the following sums in each of the five fiscal years following the date of enactment of this Act, 7 percent of such sums in each of the next five fiscal years, and 10 percent of such sums in each of the following five fiscal years:

	($ million)
Louisiana	84
Texas	134
California	289
Alabama	7
Alaska	134
Mississippi	2.

"(2) The acceptance of any payment by a State under this section shall satisfy and release any and all claims of such State against the United States arising under, or related to, section 8(g) of the Outer Continental Shelf Lands Act, as it was in effect prior to the date of enactment of this Act and shall vest in such State the right to receive payments as set forth in this section.".

Strike out section 8006.

Strike out subtitles B and C of title VIII.

In subtitle A of title IX, strike out sections 9203, 9212, 9302, 9311, and 9312, and conform the table of contents of title IX accordingly.

In section 9101—

(1) in subsection (a), strike out "FEBRUARY 28" and "February 28" and insert in lieu thereof "APRIL 30" and "April 30", respectively;

(2) in subsections (b), (e)(1)(B), (e)(2)(B), (e)(2)(C), and (e)(3)(C), strike out "1 percent" and insert in lieu thereof "½ percent";

(3) in subsection (d), strike out "December 19, 1985" and insert in lieu thereof "March 15, 1986";

(4) in subsection (e)(1)(A), strike out "March" and insert in lieu thereof "May";

(5) in subsection (e)(2)(B), strike out "5 months" and "7 months" and insert in lieu thereof "7 months" and "5 months", respectively; and

(6) in subsection (e)(3)(B), strike out "7/12" and insert in lieu thereof "5/24".

In section 9102(c)—

(1) strike out "5 months" in paragraph (2)(B)(i) and insert in lieu thereof "7 months",

(2) strike out "7 months" in paragraph (2)(B)(ii) and insert in lieu thereof "5 months",

(3) strike out "March" in paragraph (3) and insert in lieu thereof "May", and

(4) add at the end thereof the following:

"(4) EXCEPTION.—

"(A) Notwithstanding any other provision of this subsection, the amendments made by this section shall not apply to payments with respect to the operating costs of inpatient hospital services (as defined in section 1886(a)(4) of the Social Security Act) of a subsection (d) hospital (as defined in section 1886(d)(1)(B) of such Act) located in the State of Oregon.

"(B) Notwithstanding any other provision of law, for a cost reporting period beginning

during fiscal year 1986 of a subsection (d) hospital to which the amendments made by this section do not apply, for purposes of section 1886(d)(1)(A) of the Social Security Act—

"(i) during the first 7 months of the period the 'target percentage' is 50 percent and the 'DRG percentage' is 50 percent, and

"(ii) during the remaining 5 months of the period the 'target percentage' is 25 percent and the 'DRG percentage' is 75 percent.

"(C) Notwithstanding any other provision of law, for purposes of section 1886(d)(1)(D) of such Act, the applicable combined adjusted DRG prospective payment rate for a subsection (d) hospital to which the amendments made by this section do not apply is, for discharges occurring on or after October 1, 1985, and before May 1, 1986, a combined rate consisting of 25 percent of the national adjusted DRG prospective payment rate and 75 percent of the regional adjusted DRG prospective payment rate for such discharges.".

In section 9103, in subsections (a) and (b)(2), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9104, in subsections (a) and (c)(1), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9105, in subsections (a) and (e) strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9123(b), strike out "January" and insert in lieu thereof "April".

In section 9124(b)(1), strike out "April" and insert in lieu thereof "July".

In section 9128, strike out "will go" and insert in lieu thereof "went".

In section 9201(d), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 1886(h)(4)(E) of the Social Security Act, which is proposed to be added by section 9202(a)—

(1) strike out "before July 1, 1986" in clause (i)(I),

(2) strike out "the individual is unable to take that examination because" in clause (i)(II), and

(3) insert "or a previous examination of the Educational Commission for Foreign Medical Graduates" in clause (ii)(II) after "FMGEMS examination".

In section 9211(e), strike out "February" and "April" and insert in lieu thereof "May" and "July", respectively, each place each appears.

In section 9301—

(1) in subsection (a), strike out "JANUARY 31" and "January 31" and insert in lieu thereof "APRIL 30" and "April 30", respectively;

(2) in subsection (b), strike out "11-month", "February", "January 31", "4-month", and "January 1986" and insert in lieu thereof "8-month", "May", "April 30", "7-month", and "April 1986", respectively, each place each appears; and

(3) in subsection (c)(5), strike out "July" and insert in lieu thereof "October".

In section 9303—

(1) in subsection (b)(2), strike out "April", "1987" and "December 31, 1986" and insert in lieu thereof "July", "1988", and "December 31, 1987", respectively, and

(2) in subsection (b)(5)(A), strike out "April" and insert in lieu thereof "July".

In section 9304(b)—

(1) strike out "11-month" and "February" and insert in lieu thereof "8-month" and "May", respectively;

(2) in paragraph (1) in the matter before subparagraph (A), insert "at any time" after "in the case of any physician who"; and

(3) in paragraph (1)(B), strike out "is not a participating physician" and all that follows through "September 30, 1985, or" and insert in lieu thereof "was not a participating physician (as defined in section 1842(h)(1) of the Social Security Act) on September 30, 1985, and who is not such a physician".

In section 9307(c)—

(1) in paragraph (1), strike out "subsection (l)" and insert in lieu thereof "subsection (k)";

(2) in paragraph (2), strike out "after subsection (k), added by section 146(a) of this title," and insert in lieu thereof "at the end"; and

(3) in the subsection added by paragraph (2), strike out "(l)(1)" and insert in lieu thereof "(k)(1)".

In subtitle B of title IX, strike out sections 9504, 9513, and 9521, and conform the table of contents of title IX accordingly.

In section 9501(d)(1), strike out "April" and insert in lieu thereof "July".

In section 9505(b)(1)—

(1) strike out "sections 9501 and 9504" and insert in lieu thereof "section 9501", and

(2) strike out "(VI)" and "(VII)" and insert in lieu thereof "(V)" and "(VI)", respectively.

In section 9506(a), in proposed subsection (k)(2) of section 1902 of the Social Security Act, insert "(other than by will)" after "established".

In section 9511(b), strike out "January" and insert in lieu thereof "April".

In section 9517(c), amend paragraph (2) to read as follows:

"(2)(A) Except as provided in subparagraph (B), the amendments made by paragraph (1) shall apply to expenditures incurred for health insuring organizations which first become operational on or after January 1, 1986.

"(B) In the case of a health insuring organization—

"(i) which first becomes operational on or after January 1, 1986, but

"(ii) for which the Secretary of Health and Human Services has waived, under section 1915(b) of the Social Security Act and before such date, certain requirements of section 1902 of such Act,

clauses (ii) and (iv) of section 1903(m)(2)(A) of such Act shall not apply during the period for which such waiver is effective.".

In section 9522, insert "(or submitted during 1986 by)" after "granted to".

In section 9523—

(1) in subsection (a), strike out "CONTINUED" and "continue" and insert in lieu thereof "RENEWED" and "renew", respectively, and

(2) in subsection (b)—

(A) strike out "continued" and insert in lieu thereof "renewed",

(B) strike out "the date of the enactment of this Act" and insert in lieu thereof "December 31, 1985".

In section 9526, at the end of subsection (a) of proposed section 1920 of the Social Security Act, add the following:

"(F) Section 310(b)(1) of Public Law 96-272 (relating to continuing medicaid eligibility for certain recipients of Veterans' Administration pensions).".

In subtitle C of title XII, strike out section 12302.

In section 12301—

(1) in subsection (b)—

(A) strike out "or 1903(u)" in paragraph (1), and

(B) strike out "titles IV-A and XIX" and insert in lieu thereof "title IV-A" each place it appears; and

(2) after subsection (d), strike out "and 1982.".

In section 12304(a)(3), immediately before the semicolon at the end of the proposed new subparagraph (C), insert the following: "; but the State shall not be subject to any financial penalty in the administration or enforcement of this subparagraph as a result of any monitoring, quality control, or auditing requirements".

Part 1 of subtitle A of title XIII of the bill is amended to read as follows:

"PART 1—TRADE ADJUSTMENT ASSISTANCE

"SEC. 13001. SHORT TITLE.

"This part may be cited as the 'Trade Adjustment Assistance Reform and Extension Act of 1986'.

"SEC. 13002. ELIGIBILITY OF WORKERS AND FIRMS FOR TRADE ADJUSTMENT ASSISTANCE.

"(a) WORKERS.—Sections 221(a) and 222 of the Trade Act of 1974 (19 U.S.C. 2271(a); 2272) are each amended by inserting '(including workers in any agricultural firm or subdivision of an agricultural firm)' after 'group of workers'.

"(b) FIRMS.—

"(1) Subsections (a) and (c) of section 251 of the Trade Act of 1974 (19 U.S.C. 2341) are each amended by inserting '(including any agricultural firm)' after 'a firm'.

"(2) Paragraph (2) of section 251(c) of the Trade Act of 1974 (19 U.S.C. 2341(c)(2)) is amended to read as follows:

"'(2) that—

"'(A) sales or production, or both, of the firm have decreased absolutely, or

"'(B) sales or production, or both, of an article that accounted for not less than 25 percent of the total production or sales of the firm during the 12-month period preceding the most recent 12-month period for which data are available have decreased absolutely, and'.

"SEC. 13003. CASH ASSISTANCE FOR WORKERS.

"(a) PARTICIPATION IN JOB SEARCH PROGRAM REQUIRED.—

"(1) Subsection (a) of section 231 of the Trade Act of 1974 (19 U.S.C. 2291(a)) is amended by adding at the end thereof the following new paragraph:

"'(5) Such worker, unless the Secretary has determined that no acceptable job search program is reasonably available—

"'(A) is enrolled in a job search program approved by the Secretary under section 237(c), or

"'(B) has, after the date on which the worker became totally separated, or partially separated, from the adversely affected employment, completed a job search program approved by the Secretary under section 237(c).'.

"(2) Section 231 of the Trade Act of 1974 (19 U.S.C. 2291) is amended by adding at the end thereof the following new subsection:

"'(c) If the Secretary determines that—

"'(1) the adversely affected worker—

"'(A) has failed to begin participation in the job search program the enrollment in which meets the requirement of subsection (a)(5), or

"'(B) has ceased to participate in such job search program before completing such job search program, and

"'(2) there is no justifiable cause for such failure or cessation,

no trade readjustment allowance may be paid to the adversely affected worker under this part on or after the date of such deter-

mination until the adversely affected worker begins or resumes participation in a job search program approved under section 237(c).'.

"(3) Subsection (a) of section 239 of the Trade Act of 1974 (19 U.S.C. 2311(a)) is amended—

"(A) by striking out 'training,' in clause (2) and inserting in lieu thereof 'training and job search programs,'; and

"(B) by striking out 'and (3)' and inserting in lieu thereof '(3) will make determinations and approvals regarding job search programs under sections 231(c) and 237(c), and (4)'.

"(b) QUALIFYING WEEKS OF EMPLOYMENT.—The last sentence of section 231(a)(2) of the Trade Act of 1974 (19 U.S.C. 2291(a)(2)) is amended by striking out all that follows after subparagraph (C) and inserting in lieu thereof 'shall be treated as a week of employment at wages of $30 or more, but not more than 7 weeks, in case of weeks described in paragraph (A) or (C), or both, may be treated as weeks of employment under this sentence.'.

"(c) WEEKLY AMOUNTS OF READJUSTMENT ALLOWANCES.—Section 232 of the Trade Act of 1974 (19 U.S.C. 2292) is amended—

"(1) by striking out 'under any Federal law,' in subsection (c) and inserting in lieu thereof 'under any Federal law other than this Act',

"(2) by striking out 'under section 236(c)' in subsection (c) and inserting in lieu thereof 'under section 231(c) or 236(c)', and

"(3) by striking out 'If the training allowance' in subsection (c) and inserting in lieu thereof 'If such training allowance'.

"(d) LIMITATIONS.—

"(1) Paragraph (2) of section 233(a) of the Trade Act of 1974 (19 U.S.C. 2293(a)(2)) is amended by striking out '52-week period' and inserting in lieu thereof '104-week period'.

"(2) Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended by adding at the end thereof the following new subsection:

"'(e) No trade readjustment allowance shall be paid to a worker under this part for any week during which the worker is receiving on-the-job training.'.

"SEC. 13004. JOB TRAINING FOR WORKERS.

"(a) IN GENERAL.—Section 236 of the Trade Act of 1974 (19 U.S.C. 2296) is amended—

"(1) by striking out 'for a worker' in subsection (a)(1)(A) and inserting in lieu thereof 'for an adversely affected worker',

"(2) by striking out 'may approve' in the first sentence of subsection (a)(1) and inserting in lieu thereof 'shall (to the extent appropriated funds are available) approve',

"(3) by striking out 'under paragraph (1)' in subsection (a)(2) and inserting in lieu thereof 'under subsection (a)',

"(4) by striking out 'this subsection' in subsection (a)(3) and inserting in lieu thereof 'this section',

"(5) by redesignating paragraphs (2) and (3) of subsection (a) as subsections (e) and (f), respectively,

"(6) by inserting at the end of subsection (a) the following new paragraphs:

"'(2) For purposes of applying paragraph (1)(C), a reasonable expectation of employment does not require that employment opportunities for a worker be available, or offered, immediately upon the completion of training approved under this paragraph (1).

"'(3)(A) If the costs of training an adversely affected worker are paid by the Secretary under paragraph (1), no other payment for such costs may be made under any other provision of Federal law.

"'(B) No payment may be made under paragraph (1) of the costs of training an adversely affected worker if such costs—

"'(i) have already been paid under any other provision of Federal law, or

"'(ii) are reimbursable under any other provision of Federal law and a portion of such costs have already been paid under such other provision of Federal law.

"'(C) The provisions of this paragraph shall not apply to, or take into account, any funds provided under any other provision of Federal law which are used for any purpose other than the direct payment of the costs incurred in training a particular adversely affected worker, even if such use has the effect of indirectly paying or reducing any portion of the costs involved in training the adversely affected worker.

"'(4) The training programs that may be approved under paragraph (1) include, but are not limited to—

"'(A) on-the-job training,

"'(B) any training program provided by a State pursuant to section 303 of the Job Training Partnership Act,

"'(C) any training program approved by a private industry council established under section 102 of such Act, and

"'(D) any other training program approved by the Secretary.', and

"(7) by inserting after subsection (c) the following new subsection:

"'(d) Notwithstanding any provision of subsection (a)(1), the Secretary may pay the costs of on-the-job training of an adversely affected worker under subsection (a)(1) only if—

"'(1) no currently employed worker is displaced by such adversely affected worker (including partial displacement such as a reduction in the hours of nonovertime work, wages, or employment benefits),

"'(2) such training does not impair existing contracts for services or collective bargaining agreements,

"'(3) in the case of training which would be inconsistent with the terms of a collective bargaining agreement, the written concurrence of the labor organization concerned has been obtained,

"'(4) no other individual is on layoff from the same, or any substantially equivalent, job for which such adversely affected worker is being trained,

"'(5) the employer has not terminated the employment of any regular employee or otherwise reduced the workforce of the employer with the intention of filling the vacancy so created by hiring such adversely affected worker,

"'(6) the job for which such adversely affected worker is being trained is not being created in a promotional line that will infringe in any way upon the promotional opportunities of currently employed individuals,

"'(7) such training is not for the same occupation from which the worker was separated and with respect to which such worker's group was certified pursuant to section 222,

"'(8) the employer certifies to the Secretary that the employer will continue to employ such worker for at least 26 weeks after completion of such training if the worker desires to continue such employment and the employer does not have due cause to terminate such employment,

"'(9) the employer has not received payment under subsection (a)(1) with respect to any other on-the-job training provided by such employer which failed to meet the requirements of paragraphs (1), (2), (3), (4), (5), and (6), and

"'(10) the employer has not taken, at any time, any action which violated the terms of any certification described in paragraph (8) made by such employer with respect to any other on-the-job training provided by such employer for which the Secretary has made a payment under subsection (a)(1).'.

"(b) ON-THE-JOB TRAINING DEFINED.—Section 247 of the Trade Act of 1974 (19 U.S.C. 2319) is amended by adding at the end thereof the following new paragraph:

"'(16) The term "on-the-job training" means training provided by an employer to an individual who is employed by the employer.'.

"(c) AGREEMENTS WITH THE STATES.—Section 239 of the Trade Act of 1974 (19 U.S.C. 2311) is amended—

"(1) by amending subsection (a)(2) by inserting 'but in accordance with subsection (f),' after 'where appropriate,'; and

"(2) by adding at the end thereof the following new subsections:

"'(e) Agreements entered into under this section may be made with one or more State or local agencies including—

"'(1) the employment service agency of such State,

"'(2) any State agency carrying out title III of the Job Training Partnership Act, or

"'(3) any other State or local agency administering job training or related programs.

"'(f) Each cooperating State agency shall, in carrying out subsection (a)(2)—

"'(1) advise each adversely affected worker to apply for training under section 236(a) at the time the worker makes application for trade readjustment allowances (but failure of the worker to do so may not be treated as cause for denial of those allowances), and

"'(2) within 60 days after application for training is made by the worker, interview the adversely affected worker regarding suitable training opportunities available to the worker under section 236 and review such opportunities with the worker.'.

"SEC. 13005. JOB SEARCH ALLOWANCES.

"(a) IN GENERAL.—Section 237 of the Trade Act of 1974 (19 U.S.C. 2297) is amended by adding at the end thereof the following new subsection:

"'(c) The Secretary shall reimburse any adversely affected worker for necessary expenses incurred by such worker in participating in a job search program approved by the Secretary.'.

"(b) DEFINITIONS.—Section 247 of the Trade Act of 1974 (19 U.S.C. 2319), as amended by section 13004(b) of this Act, is further amended by adding at the end thereof the following new paragraph:

"'(17)(A) The term "job search program" means a job search workshop or job finding club.

"'(B) The term "job search workshop" means a short (1 to 3 days) seminar designed to provide participants with knowledge that will enable the participants to find jobs. Subjects are not limited to, but should include, labor market information, resume writing, interviewing techniques, and techniques for finding job openings.

"'(C) The term "job finding club" means a job search workshop which includes a period (1 to 2 weeks) of structured, supervised activity in which participants attempt to obtain jobs.'.

"SEC. 13006. ADJUSTMENT ASSISTANCE FOR FIRMS.

"(a) TECHNICAL ASSISTANCE.—

"(1) Paragraph (1) of section 252(b) of the Trade Act of 1974 (19 U.S.C. 2342(b)(1)) is amended to read as follows:

"'(1) Adjustment assistance under this chapter consists of technical assistance. The Secretary shall approve a firm's application for adjustment assistance only if the Secretary determines that the firm's adjustment proposal—

"'(A) is reasonably calculated to materially contribute to the economic adjustment of the firm,

"'(B) gives adequate consideration to the interests of the workers of such firm, and

"'(C) demonstrates that the firm will make all reasonable efforts to use its own resources for economic development.'.

"(2) Section 252 of the Trade Act of 1974 (19 U.S.C. 2342) is amended by striking out subsection (c) and redesignating subsection (d) as subsection (c).

"(3) Paragraph (2) of section 253(b) of the Trade Act of 1974 (19 U.S.C. 2343(b)(2)) is amended by striking out 'such cost' and inserting in lieu thereof 'such cost for assistance described in paragraph (2) or (3) of subsection (a)'.

"(b) NO NEW LOANS OR GUARANTEES.—Section 254 of the Trade Act of 1974 (19 U.S.C. 2344) is amended by adding at the end thereof the following new subsection:

"'(d) Notwithstanding any other provision of this chapter, no direct loans or guarantees of loans may be made under this chapter after the date of enactment of the Trade Adjustment Assistance Reform and Extension Act of 1986.'.

"SEC. 13007. EXTENSION AND TERMINATION OF TRADE ADJUSTMENT ASSISTANCE.

"(a) IN GENERAL.—Section 285 of the Trade Act of 1974 (19 U.S.C. 2271, preceding note) is amended—

"(1) by striking out the first sentence thereof and inserting in lieu thereof "(a)",

"(2) by striking out the section heading and inserting in lieu thereof 'SEC. 285. TERMINATION.', and

"(3) by adding at the end thereof the following new subsection:

"'(b) No assistance, allowances, or other payments may be provided under chapter 2, and no technical assistance may be provided under chapter 3, after September 30, 1991.'.

"(b) CONFORMING AMENDMENT.—The table of contents of the Trade Act of 1974 is amended by striking out the item relating to section 285 and inserting in lieu thereof the following:

"'Sec. 285. Termination.'.

"SEC. 13008. AUTHORIZATION OF APPROPRIATIONS.

"(a) WORKERS.—Section 245 of the Trade Act of 1974 (19 U.S.C. 2317) is amended by striking out '1982 through 1985' and inserting in lieu thereof '1986, 1987, 1988, 1989, 1990, and 1991'.

"(b) FIRMS.—Subsection (b) of section 256 of the Trade Act of 1974 (19 U.S.C. 2346(b)) is amended—

"(1) by inserting 'for fiscal years 1986, 1987, 1988, 1989, 1990, and 1991' after 'to the Secretary',

"(2) by striking out 'from time to time', and

"(3) by striking out the last sentence thereof.

"SEC. 13009. EFFECTIVE DATES; APPLICATION OF GRAMM-RUDMAN.

"(a) IN GENERAL.—Except as provided in subsections (b) and (c), the amendments made by this part shall take effect on the date of the enactment of this Act.

"(b) JOB SEARCH PROGRAM REQUIREMENTS.—The amendments made by section 13003(a) apply with respect to workers covered by petitions filed under section 221 of the Trade Act of 1974 on or after the date of the enactment of this Act.

"(c) EXTENSION AND AUTHORIZATION.—Chapters 2 and 3 of title II of the Trade Act of 1974 (19 U.S.C. 2271, et seq.) shall be applied as if the amendments made by sections 13007 and 13008 had taken effect on December 18, 1985.

"(d) APPLICATION OF GRAMM-RUDMAN.—Trade readjustment allowances payable under part I of chapter 2 of title II of the Trade Act of 1974 for the period from March 1, 1986, and until October 1, 1986, shall be reduced by a percentage equal to the non-defense sequester percentage applied in the Sequestration Report (submitted under the Balanced Budget and Emergency Deficit Control Act of 1985 and dated January 21, 1986) of the Comptroller General of the United States for fiscal year 1986.".

In section 13031(e)(2)—

(1) strike out "section 236(c)" and insert in lieu thereof "section 236", and

(2) strike out "58b(c)" and insert in lieu thereof "58b".

Strike out subtitle B of title XIII and redesignate the following subtitles accordingly.

In section 13201—

(1) strike out "Subsection (c)" and insert in lieu thereof "(a) Subsection (c)", and

(2) add at the end thereof the following new subsection:

"(b) For purposes of all Federal and State laws, the amendment made by subsection (a) shall be treated as having taken effect on March 14, 1986.".

Strike out subsection (d) of section 13202 and insert in lieu thereof the following:

"(c) EFFECTIVE DATE.—

"(1) IN GENERAL.—The amendments made by this section shall apply to smokeless tobacco removed after June 30, 1986.

"(2) TRANSITIONAL RULE.—Any person who—

"(A) on the date of the enactment of this Act, is engaged in business as a manufacturer of smokeless tobacco, and

"(B) before July 1, 1986, submits an application under subchapter B of chapter 52 of the Internal Revenue Code of 1954 to engage in such business,

may, notwithstanding such subchapter B, continue to engage in such business pending final action on such application. Pending such final action, all provisions of chapter 52 of such Code shall apply to such applicant in the same manner and to the same extent as if such applicant were a holder of a permit to manufacture smokeless tobacco under such chapter 52.".

Strike out subsection (c) of section 13203 and insert the following:

"(c) EXISTING REDUCTION IN RATES FOR PERIOD AFTER TEMPORARY INCREASE RETAINED.—So much of subsection (e) of section 4121 (relating to temporary increase in amount of tax) as precedes paragraph (2) is amended to read as follows:

"'(e) REDUCTION IN AMOUNT OF TAX.—

"'(1) IN GENERAL.—Effective with respect to sales after the temporary increase termination date, subsection (b) shall be applied—

"'(A) by substituting "$.50" for "$1.10",

"'(B) by substituting "$.25" for "$.55", and

"'(C) by substituting "2 percent" for "4.4 percent".'"

In section 13203(d), strike out "December 31, 1985" and insert in lieu thereof "March 31, 1986".

In section 13205(a)(1), strike out "of the Internal Revenue Code of 1954".

In subsection (a)(2) of section 13205, strike out "of such Code" each place it appears.

In section 13205, strike out "December 31, 1985" and "January 1, 1986" and insert in lieu thereof "March 31, 1986" and "April 1, 1986", respectively, each place either appears.

At the end of paragraph (2) of section 1303(d) of the Internal Revenue Code of 1954 (as proposed to be added by section 13206(a)), insert the following: "In applying subparagraph (B), amounts which constitute earned income (within the meaning of section 911(d)(2)) and are community income under community property laws applicable to such income shall be taken into account as if such amounts did not constitute community income.".

In section 13207(c), strike out "September 12, 1985" and insert in lieu thereof "September 12, 1984".

In subparagraph (A) of section 531(g)(1) of the Tax Reform Act of 1984 (as proposed to be added by section 13207(d)), strike out "performed" and insert in lieu thereof "performs".

In paragraph (2) of section 531(g) of the Tax Reform Act of 1984 (as proposed to be added by section 13207(d)), strike out subparagraph (B) and insert in lieu thereof the following:

"(B) if—

"(i) such organization is described in section 501(c)(6) of the Internal Revenue Code of 1954 and the membership of such organization is limited to entities engaged in the transportation by air of individuals or property for compensation or hire, or

"(ii) such organization is a corporation all the stock of which is owned entirely by entities referred to in clause (i), and".

In clause (vi) of section 57(a)(9)(E) of the Internal Revenue Code of 1954 (as proposed to be added by section 13208(a)), strike out "The" and insert in lieu thereof "For purposes of this subparagraph, the".

In clause (vii) of such section 57(a)(9)(E), strike out "The" and insert in lieu thereof "For purposes of this subparagraph, the".

In section 14001(a)(2), strike out "amounts".

In section 14001(a)(4), strike out "March 1, 1986" and insert in lieu thereof "June 2, 1986".

In section 15202, strike out subsection (b) and redesignate subsection (c) as subsection (b).

In section 19001(a), strike out "and Compensation Rate Amendments of 1985" and insert in lieu thereof "Amendments of 1986".

In section 19011—

(1) strike out "April 1, 1986" in the last sentence of subsection (e)(2) and insert in lieu thereof "July 1, 1986"; and

(2) in subsection (f)—

(A) strike out "April 1, 1986" each place it appears and insert in lieu thereof "July 1, 1986";

(B) strike out "March 31, 1986" both places it appears in paragraph (2)(A) and insert in lieu thereof "June 30, 1986"; and

(C) strike out "April and May 1986" in paragraph (2)(B) and insert in lieu thereof "July and August 1986".

Strike out subtitle B of title XIX (and redesignate subtitle C as subtitle B).

In section 19031(b)(2), strike out "April 1, 1986" and insert in lieu thereof "July 1, 1986".

In section 19032—

(1) strike out "February 1, 1986" in subsection (a) and insert in lieu thereof "May 1, 1986"; and

(2) strike out "November 1, 1986, and November 1, 1987," in subsection (f) and insert in lieu thereof "February 1, 1987, and February 1, 1988,".

Notwithstanding any other provision of this Act, the amounts due and payable to the State of Louisiana prior to October 1, 1986, under subtitle A of title VIII (Outer Continental Shelf and Related Programs) of this Act shall remain in their separate accounts in the Treasury of the United States and continue to accrue interest until October 1, 1986, except that the $572,000,000 set forth in section 8004(b)(1)(A) shall only accrue interest from April 15, 1986 to October 1, 1986, at which time the Secretary shall immediately distribute such sums with accrued interest to the State of Louisiana.

Mrs. MARTIN of Illinois (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

The SPEAKER pro tempore. The gentlewoman from Illinois [Mrs. MARTIN] will be recognized for 30 minutes and the gentleman from Pennsylvania [Mr. GRAY] will be recognized for 30 mintues.

The Chair recognizes the gentlewomen from Illinois [Mrs. MARTIN].

Mrs. MARTIN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. GRADISON].

Mr. GRADISON. Mr. Speaker, I thank the gentlewoman for yielding me this time.

Mr. Speaker, as 1986 unfolds, the veil is being stripped away from congressional consideration of the budget process. And it is becoming increasingly clear that the talk about deficit reduction is mostly talk—and not much else. With the lower court finding that the Gramm-Rudman-Hollings automatic trigger is unconstitutional, that landmark attempt to reduce the deficit looks more and more like a toothless tiger. Last week, the House was offered a chance to vote on the President's budget, but was not even permitted to consider alternatives. Bashing the President's budget has become a popular parlor game; but it doesn't bring us one step closer to deficit reduction.

Finally, today, Mr. Speaker, comes the last straw. Almost halfway through the current fiscal year, Congress still has not acted on the Consolidated Omnibus Budget Reconciliation Act of 1985, the legislation needed to implement spending cuts for the current year. The Congress broke up in disagreement over this bill in December and here we are in mid-March still trying to find a satisfactory compromise.

The latest version sent to us by the other body deserves our support. Listen carefully and you will find that the principal complaint about the Senate version is not that it saves too little, but that it saves too much. And no wonder. The House version would put on the books costly new programs which would not likely become law if they had to stand on their own.

The gentlelady from Illinois has offered a preferential motion to vote on the Senate-passed bill in its entirety before there is an opportunity to take up amendments. There will be no clearer vote on spending cuts this year. I urge my colleagues to support this essential deficit-reducing proposal.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in opposition to the motion to concur.

When the House acted on March 6 to amend the reconciliation package, it did so in good faith and in recognition of the need to compromise on items in dispute in order to resolve the deficit reduction agreements of last year.

I must oppose the motion to concur because I do not believe the other body's action was taken in good faith. In the face of the clearly articulated position of the House, the other body, in its amendment, deleted crucial modifications of the Outer Continental Shelf Lands Act, Medicare, AFDC, and the Federal Employee Health Benefits Program. Beyond that, the other body went so far as to include in its amendment changes in the Medicare Program which will benefit a single constituency in a single State.

Reconciliation was intended to be a vehicle for deficit reduction. The House has acted to fulfill that pledge in good faith. Our foremost duty as legislators is to promote policies which will benefit all of America. We must not feel pressured to accept what we may feel is bad public policy, simply because a package "would be acceptable to the administration—a major concession" or "the President will sign this package."

The House has worked its will. We have negotiated. We have compromised.

We must not agree to concur in the Senate's action.

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Mrs. MARTIN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. LOTT], the Republican whip.

Mr. LOTT. Mr. Speaker, I would like to read the preferential motion. It was dispensed with, but I think it tells the story.

The gentlewoman from Illinois "moves to take from the Speaker's table the bill, H.R. 3128, with the Senate amendment to the House amendment to the Senate amendment to the House amendment to the Senate amendment thereto, and to concur in the Senate amendment."

How thin are we going to slice this baloney? It is time that we act on reconciliation.

Let me read to the Members some remarks that were most effectively delivered last week on the reconciliation bill.

Mr. Speaker, this is the acid test. This is the time. The time for talk really has passed. Now it is the time for action. This is an opportunity to save $18 billion—

Maybe it is only $13 billion, but maybe $18 billion—

"off the deficits of the next 3 years.

The question we face is really a fairly simple one. Do we make good on the pledge that we made in the budget resolution that passed last year so overwhelmingly or will we renege on that pledge?

This is the only opportunity we will have to make good on that pledge and this is a fine vehicle on which to do it. It represents that best compromise that was possible.

When we passed the budget, we actually signed a promissory note to the effect that we were going to make certain savings on further budgets.

Now, here is our opportunity to sign the check that pays off that promissory note. Do we sign the check and redeem the note or do we say, "Well, no, let's put that on a credit card" and let's go over to another day.

Now is the time, now is the opportunity.

Those are parts of the remarks of the gentleman from Texas, the distinguished majority leader. There were other remarks here, very good; I agreed with them then, and I think they are applicable now.

Now is the time for us to fulfill that promissory note.

But let us talk about the procedure we are going through here. The gentlewoman has moved that we concur with the Senate amendments. I presume later on there will be a motion to table that motion to concur. And after that, if the motion to table should pass, somebody on that side will move that we disagree with the Senate. And after that there will be, perhaps by our side, a motion to go to conference.

Where does this end? And we are not now arguing over dollars and cents. In many instances, a lot of it is policy decisions.

If you are from a tobacco-producing State, are you not worried about the fact that there has been a tobacco agreement and yet we continue to string out on and on and on this effort to get an agreement on reconciliation? It is costing us at least $7 million a day. But there has been an agreement on tobacco. Whether you are a Democrat or a Republican, whether you are from a tobacco-producing State, or even if you are not, you ought to be interested in that tobacco agreement.

Mr. STARK. Mr. Speaker, will the gentleman yield?

Mr. LOTT. On the subject of tobacco?

Mr. STARK. Yes.

Mr. LOTT. I will be glad to yield to the gentleman from California.

Mr. STARK. I think it is important. Chairman ROSTENKOWSKI has a primary in Illinois today and he has asked me to indicate to his colleagues that it is his intention to introduce a concurrent resolution making the tobacco tax provision retroactive should the Senate accept the bill we have returned to them, and I think it is important that that be noted at this point in the debate.

Mr. LOTT. I thank the gentleman for that information. I think it may not be quite so simple, because we have caused some problems for States, and I am not sure we can just go back and reverse the situation.

Obviously, when we do agree or if we never can agree, we need to do something more on tobacco, but I am emphasizing to my colleagues here that this issue is still up in the air and we breached the deadline last Friday.

Now, also, on the question of 8(g), the Outer Continental Shelf revenues, there has been a very difficult, very closely worked out compromise to resolve that issue, one that many States like Texas, Louisiana, California, Mississippi, we would like to get that thing on through. But how long are we going to keep pitching it back and forth. And what dark hole are we going to send this to? Are we just going to say "Hey, we disagree" again and just kind of leave it up in the air? Is there to be no conference? What happens?

We have a bird in the hand here. Are we serious about reconciliation or not? Do we want the $13 billion savings, or $18 billion if you go by the CBO numbers, but at least maybe $13 billion in savings, do we want that or not?

Are you aware that the Senate version is $900 million better in that it reduces the deficit $900 billion more than the House version? I think that we are saying in the House, after all this batting of the ball back and forth, we want it our way or we will not have it at all.

Please, my colleagues, let us be serious in a bipartisan way and let us pass this reconciliation bill, or we may still be here punting this ball back and forth when we get ready for the next reconciliation package.

Mr. GRAY of Pennsylvania. Will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Pennsylvania.

The SPEAKER pro tempore. The time of the gentleman from Mississippi [Mr. LOTT] has expired.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 30 seconds to the gentleman from Mississippi [Mr. LOTT].

Mr. LOTT. I yield to the gentleman from Pennsylvania.

Mr. GRAY of Pennsylvania. Mr. Speaker, I would just point out to the gentleman that I thought he said $900 billion. I am sure he meant million.

Mr. LOTT. $900 million.

Mr. GRAY of Pennsylvania. The second thing I would like to ask the gentleman is: Is the gentleman prepared, as a Representative of the great State of Mississippi, to vote for a reconciliation package which is going to penalize the entire health system of Mississippi in order to provide for exemption for one State in the entire Union? When you vote for this bill you will be voting to penalize all the health care systems in Mississippi so that one State that has been exempted by the Senate will be able to benefit. I do not think the gentleman wants to do that.

The SPEAKER pro tempore. The time of the gentleman from Mississippi [Mr. LOTT] has again expired.

Mrs. MARTIN of Illinois. Mr. Speaker, I yield 2 additional minutes to the gentleman from Mississippi [Mr. LOTT].

Mr. LOTT. I thank the gentlewoman for yielding.

Mr. Speaker, I do not think any of us know what impact it might have on our States. I do not like some of the changes that have been made. I am for the Buy America provision. I do not particularly like what we have done in the hospital area. But there are a lot of other areas that I am sure the gentleman would take a different position. But how long does this go on back and forth? I think it is time we act. I think it is more important for the people of this country and for the economy of this country that we take action to reduce the deficit, stop losing $7 million a day on the tobacco question, stop prolonging acting to begin to reduce the deficit. Let us take the majority leader's words: Now is the time. Let us draw the line and say it is not perfect but we have got to stop this idiocy at some point and act to pass this reconciliation and send it to the President.

Mr. GRAY of Pennsylvania. Mr. Speaker, will the gentleman yield further?

Mr. LOTT. I yield to the gentleman from Pennsylvania.

Mr. GRAY of Pennsylvania. Mr. Speaker, I would just simply say to the gentleman that it is my understanding that the $900 million is not the figure. It is more like $200 million to $300 million.

Mr. LOTT. Only $200 million or $300 million? That is not chickenfeed where I come from.

Mr. GRAY of Pennsylvania. I would point out there are policy changes, though, that are here, such as the one that I mentioned, that penalizes the gentleman's own State, and it is because of those policy issues that I think are fairly significant that are inequitable that provide exemptions for one State as opposed to the other 49 States. I do not think that is good policy. Although this Chair wants to have deficit reduction, and I have been pushing and fighting for reconciliation, I do not think that we ought to pay that kind of price. I do not think Mississippi ought to and I do not think Pennsylvania, Illinois, Kentucky, Georgia, Alabama, Texas, or anybody else——

Mr. LOTT. For a policy issue we are going to walk away from $13 billion to $18 billion?

Mr. GRAY of Pennsylvania. Well, I would point out that the White House has been doing that now ever since December.

Mr. LOTT. The White House is ready to sign this package. Let us pass it and send it to the President and move on to other deficit reduction efforts.

Mr. GRAY of Pennsylvania. I say the package that we ought to be supporting is a bipartisan package that comes out of the House and the Senate and not the White House.

Mr. LOTT. This is a bipartisan package.

Mr. GRAY of Pennsylvania. The gentleman wants to accept the White House package that exempts that one State.

Mr. LOTT. Mr. Speaker, I urge my colleagues to vote against the motion to table.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. STARK].

Mr. STARK. I thank the distinguished gentleman for yielding.

Mr. Speaker, I would like to step away, if we can, for a moment, between the differences in the Senate bill and what we sent to them and remind my colleagues on the other side of the aisle that we have an institutional position here. I think we may be setting a very bad precedent. As the gentleman from Mississippi sat—and so did I—in the conference meetings for weeks, we had a signed agreement and a conference agreement with the Senate.

What happened in the other body after we agreed in conference, particularly in the areas of Medicare and AFDC, in which we had come to an agreement—these are areas they are not changing, and they are changing without the benefit of a conference. Whichever position you may have taken on the other side of the aisle, you compromised with me and my colleagues on this side of the aisle, and the Senate on both parties compromised with us, and we had a signed conference agreement. My question is, Do we want to change that through this kind of a new procedure where, at the 11th hour, OMB steps in to revise

what we have worked so carefully to craft?

Mr. LOTT. Mr. Speaker, will the gentleman yield?

Mr. STARK. I yield to the gentleman from Mississippi.

Mr. LOTT. Let me make sure I understand what has been done in this DRG area.

The House language would have delayed 1 year the implementation of the Medicare prospective payment system hospitals; is that correct?

Mr. STARK. That is correct.

Mr. LOTT. And the Senate then took that delay out; is that right?

Mr. STARK. The Senate made changes only with respect to Oregon. And they also made a change in the AFDC statements procedures. But what I am suggesting to you, whether they changed it for—you are in for a dime, you are in for a dollar. The point is that OMB was not a party to the conference. They did not sign the conference report.

Mr. LOTT. As I understand it, they deleted the 1-year implementation; is that correct or not?

Mr. STARK. No.

Mr. LOTT. They just exempted Oregon?

Mr. STARK. That is all.

Mr. LOTT. As a matter of fact, I would like for the record to reflect that in my own area, my hospitals have complied with the law and were opposed to the 1-year delay.

Mr. STARK. As were the hospitals in California.

The gentleman from Mississippi and this gentleman from California have no quarrel.

Mr. LOTT. So we were in agreement, but the House did not take the position we supported.

Mr. STARK. We were in complete agreement and we were in agreement on the AFDC procedure and the other procedures. These are now being changed in the Senate unilaterally.

Mr. LOTT. But in a very narrow way.

The SPEAKER pro tempore. The time of the gentleman from California [Mr. STARK] has expired.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield an additional 2 minutes to the gentleman from California [Mr. STARK].

Mr. STARK. The point that I would like to make to the gentleman from Mississippi and my colleagues on the other side of the aisle is that this is a procedure that we have never done before. We have never come back after a conference agreement and had the Senate send us something else without benefit; it is not a partisan issue. It may be a regional issue but——

Mr. LOTT. Will the gentleman yield on the AFDC question?

Mr. STARK. I would be glad to yield.

Mr. LOTT. As a matter of fact, I have a list here of over 20 States that would have to change their AFDC rules if the House bill prevails, including my own State. So here, once again, a large number of States that already have rules dealing with this question of AFDC would have to then change their laws, and they may not want to do that.

Mr. STARK. The gentleman makes a good point. The point is that that was an issue that was debated in the conference. It was agreed to by the Senate and by the House, by Members of both parties, as a compromise on the part of both bodies, and we have not had the opportunity to revisit that. It seems to me—and I make a procedural point, not on each issue—do we want to start? And I think this is a question of preserving the integrity of the House.

Mr. LOTT. If the gentleman will yield, I understand the gentleman; I know how hard he has worked on this, and I quite often feel that frustration about the integrity of the House and being made aware of what is going on. And that is why I was so frustrated, as a matter of fact, as a member of the Rules Committee last week when this reconciliation package was brought before the Rules Committee. I do not think one member of the Rules Committee knew what was in that reconciliation package. The ranking minority member of the Committee on the Budget was not aware, the Budget Committee did not act on it, we were scrambling around, saying, "Please, tell us, what are we voting on?" So I understand the gentleman's frustration, but I think we are a little bit too dirty to now demand purity on procedure. I hope that we can bring this thing to a conclusion and get an agreement on a reconciliation bill.

I thank the gentleman for yielding time.

Mrs. MARTIN of Illinois. Mr. Speaker, I yield 7 minutes to the gentleman from Louisiana [Mr. MOORE].

Mr. MOORE. I thank the gentlewoman for yielding.

Mr. Speaker, down home we have a saying: There comes a time when you either fish or cut bait.

It is time to fish or cut bait with this bill. This, to the best of my memory, is the second time we had it up this year. We had it up in December two or three times. Lord knows, we must have voted on this thing five times. It is getting a little silly now to keep playing this game of ping-pong, battling and paddling this bill back and forth between the two bodies.

We have before us today something different. Yes, it is a little bit different than the bill we sent over from the House. That is the way compromises work. But, more importantly, it is a bill that was passed by the other body last week, substantially so. More important than that, it is a bill that will be signed by the President of the United States.

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No version we have passed, either the House or the Senate before this one, had that guarantee and that assurance.

There are some people here willing to play chicken. There are some folks here saying, "Well, let us just go one step further, let us see if we cannot get just one more thing we want in here and send it over to the President and see if he will veto it."

My friends, we are playing chicken with a fellow that has not lost a game of chicken yet with this Congress since he has been President. If you think you are going to buffalo him or scare him, then you are looking back over 6 years of frustration thinking you have found something new. That is not going to work. I think you are making a mistake there.

We have a chance to achieve $17 billion in savings by simply passing this bill and sending it straight to the White House. Now, what is the purpose of reconciliation? I have some mistaken notion, evidently, that that is its purpose; to try to come up with the legislative savings to implement the budget resolution we passed, and that I voted for last year, to save $17 billion.

The arguments have degenerated not over the savings of money, we are now arguing over OCS powers to the States; we are arguing over Buy America amendments; we are arguing over AFDC changes; we are arguing over one State having something the other State should not have and Medicare in terms of advancement on the DRG system. None of those, I repeat, none of those have anything to do with saving money. Every single one of those points of contention, all valid, they have all got good reasons behind them, are policy questions.

Those policy questions should never have been in a reconciliation bill to start with; we all know that. Reconciliation was to pass the savings into law of that budget resolution. Not to get off into this kind of a thing. I say to all those people who feel strongly about those policy changes: Bring them to us under the regular procedure of your authorizing committee. We will take those up as you are supposed to take up policy questions on the House floor.

Do not get it mixed up with something in trying to save money. I serve on the Budget Committee. We have got to start writing a budget, and boy, time is running out, to save $40 billion to beat Gramm-Rudman next year. We have not gotten started. Here is 17 that would be a start. This $17 billion would go to that baseline. Let us keep

playing around; let us keep playing ping-pong, let us keep laying these policy questions, and mind you, to me, it is like another old saying, that is the tail wagging the dog. Let us let the tail keep wagging the dog, and we are not getting anywhere very fast.

We are not getting anywhere at all. In my State we are vitally interested in the passage of this bill today. We have been struggling for 8 years and two administrations to finally get a just settlement of the offshore money. That is money; that is something that validly ought to be in this bill. That is something that will help the Federal Government reduce its deficits.

Finally it is here. Finally it is here; something everybody can live with. Something the Senate passed. Something that two Senators from my State voted for. Something that the Governor of my State is asking all of us in the House delegation from Louisiana to vote for.

It is finally a resolution of that issue, important to my State, important to the Federal Government. Too important to let the tail wag the dog. Too important to let these policy questions that are valid sit here and delay us from bringing about a resolution of $17 billion in savings for the deficit.

People feel strongly about the Buy America amendment. Let me tell you something: I have sympathy for that. We have got the very people who build those rigs now seeing them built overseas. The people that make the steel for them see the steel made overseas, but you are not going to lose anything by delaying this another month or two and take that up separately because nobody is building oil rigs right now. They are being stacked and sold for 10 cents on the dollar.

Anybody that thinks the Buy America amendment is going to come to the immediate rescue of oil and gas workers in this country, and steelmakers in this country, are just fooling themselves. That is more political rhetoric. There is not a rig being built anywhere. You can buy them right now for 10 cents on the dollar in Lafayette, LA, and I will give you the name and address if you are interested in buying one. There are not going to be any more built.

You look at the question of section 19; I know that is important to California. I understand that; it is a raging controversy there. Let us take that up separately. Do not kill $17 billion in deficit savings. Do not kill this offshore settlement over that.

Let me conclude by saying that I have been called today by OMB and the White House saying that they are going to recommend a veto and it is very likely there will be a veto if you put these policy issues in there that they are opposed to. So you are playing a game of chicken. You are risking a settlement now that we live with. You do have a bill that we can simply pass. You better ask yourself what good reason have you got to try to put the ball in the other court one more time.

I think we have gone as far as we can go. We have got a good bill; we ought to sign it. We ought to pass it today and be done with it.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in opposition to the motion to concur and for the purpose of providing some legislative history.

Mr. Speaker, under section 779 of the reconciliation bill pertaining to the general revenue sharing law, the time for local governments or the Secretary of the Treasury to demand corrections of "prior underpayments or overpayments" of their revenue sharing amounts would end March 1, 1986—June 2, 1986 under the last Senate version. After that date, any demands for corrections of payments that have already been made will need to be brought to court.

The Members may want to bring this provision to the attention of their local governments, and I am requesting that the office of revenue sharing send a notice of this change of law with the next scheduled payment, on or about April 5, 1986.

The Members should also be aware that this provision does not change existing law as to "future" payments that are currently scheduled for July and October 1986. The Secretary and local governments will have until September 30, 1987 to demand corrections in overpayments and underpayments, as now provided in section 6702(c) of title 31, United States Code.

Mr. BROOKS. Mr. Speaker, as one of the House conferees on the revenue sharing provision of H.R. 3128, I want to associate myself with the statement of the gentleman from New York [Mr. WEISS] in regard to section 14001(a)(4) of the conference agreement. I concur in Mr. WEISS' suggestion that the office of revenue sharing should notify units of local government that claims for prior underpayments must be submitted by June 2, 1986. I also agree with the gentleman that the provisions of current law would govern the deadline for claims of underpayment arising from July 1986 and October 1986 payments.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 2½ minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. I thank the gentleman for yielding me this time.

Mr. Speaker, I would hope that we would refuse the motion to concur in the Senate amendment because I think the Senate left out a very important provision of this law. That is section 19 dealing with the OCS Lands Act that was intended to strengthen the role of the Governors and other coastal officials in leasing decisions off the coast of our States.

It requires that the Secretary shall consider the legitimate views of the coastal officials that have been effectively ignored in the past. What we have seen in the history of this program is numerous lawsuits, challenging the Secretary in nearly every coastal State because of inadequate consultation with State officials about the development off their coasts. Most recently we have seen this situation in Alaska.

We have seen suits and moratoriums in California and response to lack of consultation that have delayed the leasing program. We have seen minimal compliance concerning the views of the Governors. In one case we saw the Governor of California's views rejected minutes before the sale was accepted.

We have seen the rights to challenge the Secretary's decisions restricted to arbitrary and capricious tests. Section 19 does not give the Governors a veto, but it does require that there be an equal balancing of the environmental resource development and the development of the offshore oil resources.

This does not change the national interest test, but questions the manner in which these resources shall be weighed against the development of the coast. I think this is one of the most important provisions of the OCS Lands Act, and is important to the States, and is important so that we can get on with the orderly development of our OCS resources.

This was an integral part of the compromise that was reached in the conference committee. The Senators from Louisiana agree to this. The Senator from Idaho agreed to this language. It was agreed to by all of the conferees as a necessary part of the AG settlement. Now we have seen it double-crossed by the Senate.

I think what is important is that we not allow that to happen for the sake of the institution of the House of Representatives. But also section 19 would solve a problem that again has just recently reoccurred in California. I have a letter from Governor Deukmejian who lays out the fact that he says he must note in the Interior's recent decision to go forward with the call for information on lease sale 91 off of northern California, and its announced intent to go forward with the call for a southern California sale, "exhibits a serious disregard for the process as established by the OCS Lands Act as amended. The attorney general of California and I have notified Secretary Hodel that we intend to take whatever legal actions necessary to

ensure that the process is properly followed."

As a result of not having a strong section 19, once again we see coastal States going into court seeking to have their rights enforced, delaying the operation of the OCS Lands Act to the detriment of the orderly development of our offshore resources.

I would hope that we would support the motion to table and send this back to the Senate so the agreement that was concurred in by all members of the conference committee be concurred in by this House and with the passage of the Reconciliation Act.

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Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Speaker, having worked on reconciliation the last 5 or 6 years, there are two very important lessons that this body must keep in mind when we talk about reconciliation. One is truly savings, how much savings are being achieved?

The second is do we protect the position of the House in the conference, because if we are going to have any leverage in dealing with reconciliation, we simply have to stand by the position of the conferees.

On savings, it is clear that $18.6 billion is saved under either version. There are equivalent savings here, whether we accept the position of the House initially or the position that has been referred back to us from the other body.

The second issue, however, is the one that needs to be focused on. Do we in fact protect the position of the House in the conference? We voted this issue to the other body by a vote of 314 to 86, after careful negotiations. Now what we are dealing with is not a deal in which both Houses sat down and worked out their differences with the President, what we have here is a situation in which the other body with OMB worked out their own deal and now they are saying, "Let's all bend over in order to allow this to pass through."

You cannot deal with reconciliation that way. What happens? Look at what happens. The chairman of the Finance Committee sticks in a special provision that applies to one State only, and it costs $25 million. That is what happens.

Second, negotiations carefully worked out on the OCS issue, on the Buy America issue, thrown out the window because of this kind of a deal.

So I urge the House to look at the real lessons of reconciliation; first, savings; but second, let us protect the position of the conferees in the House if we really want to protect the reconciliation process.

Mrs. MARTIN of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin [Mr. PETRI].

Mr. PETRI. Mr. Speaker, included in this reconciliation package before us is a provision to increase by 10 percent the tax on coal in an effort to solve the deficit problem of the black lung trust fund.

Let me remind you that the intent of Congress in establishing a coal tax and creating the black lung trust fund was to remove from the Federal Government the responsibility of paying black lung benefits and place that responsibility on the coal industry. This effort to shift the burden to the coal industry was first started in 1978, and as hard as we have tried, we are still unsuccessful.

The reason for our lack of success has been inaccurate calculations regarding the number of beneficiaries, interest rates, and the tons of coal mined.

All these miscalculations have resulted in a current accumulated trust fund debt of $2.8 billion. The trust fund has had to borrow this money from the Treasury because the fund's income has never been adequate to meet its expenditures.

The black lung provisions included in H.R. 3128 consist of: First, a 10-percent increase in the current tax on coal production; second, a forgiveness to the coal industry of the interest that would otherwise accumulate on the outstanding debt over the next 5 years; and third, a decrease in tax at the beginning of 1996 to the rates that were in effect prior to the last set of rate increases in 1981.

Proponents of this provision have stated that this increase is great enough for the fund to reach solvency by the year 1997 and for the debt to be retired by 2007. However, the Labor Department's estimates, with which I concur, indicate that under this proposal before us today the deficit of the trust fund will be $12 billion by the year 2010 and the trust fund will never reach solvency. It is my understanding that the CBO estimates do not contradict the Department's estimates.

I would urge that my colleagues follow the advice of the Labor Department in considering what must be done so that the trust fund can achieve solvency.

Mr. Speaker, the letter from the Honorable Bill Brock on this issue follows:

U.S. DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, DC, March 17, 1986.

Hon. DAN ROSTENKOWSKI,
Chairman, Committee on Ways and Means, U.S. House of Representatives, Washington, DC.

DEAR DAN: I am writing you to correct a misimpression apparently held by some members concerning the effect on the solvency of the Black Lung Trust Fund of provisions in the pending reconciliation bill.

The Administration has agreed to the changes to the Black Lung program incorporated in the current bill as part of an overall reconciliation package. Nevertheless, the changes will not eliminate the solvency problems of the Black Lung Trust Fund.

The Trust Fund has a current accumulated debt of $2.8 billion. This money is owed to the United States, which has loaned it to the Trust Fund at standard Treasury interest rates. The loans were necessary because the Fund's income, which comes from an assessment on coal production, has never been adequate to meet its outlays, despite the intent of Congress that mine operators as a group pay for all Fund expenditures.

The black lung provisions in the most current version of the reconciliation legislation consist of three parts: (1) a 10% increase in the current assessment on coal production; (2) a decrease in those assessments at the beginning of 1996 to the rates that were in effect prior to the last set of rate hikes in 1981; and (3) a forgiveness to the coal industry of the new interest that would otherwise accumulate on their outstanding debt over the next five years.

The proponents of these provisions have stated that such legislation will eliminate the industry's debt to the Treasury. They are wrong. Adoption of these proposals will not halt the continued accumulation of new debt, let alone repay the outstanding debt existing already. As indicated on the attached chart, the Department of Labor estimates that the Trust Fund deficit will exceed $12 billion by the year 2010 under this approach. It is important to note that nothing in the budget estimates on this proposal developed by the Congressional Budget Office, which refer only to the impact on the overall Federal deficit for the next five years, contradicts this unpleasant reality.

We wish to note again that the Administration proposed a legislative solution which would have halted the continued accumulation of new debt by the Trust Fund and restored the Fund to full solvency. That approach called for phased increases in the assessment on coal production.

I would appreciate it if you would include this letter in the record when the House votes to concur in the Senate amendments to the reconciliation bill.

The Office of Management and Budget advises that there is no objection to the submission of this letter from the standpoint of the Administration's program.

Very truly yours,

WILLIAM E. BROCK.

DEPARTMENT OF LABOR ESTIMATES OF BLACK LUNG DISABILITY TRUST FUND FINANCIAL FLOWS UNDER THE PROVISIONS OF THE RECONCILIATION BILL PENDING IN THE SENATE AS OF MARCH 13, 1986

[By fiscal year, millions of dollars]

Year	Outlays	Revenue	Interest paid on debt	Outlays plus interest	Advances needed [1]	Cumulative fund balances
1985[a]	−630.6	569.8	−274.75	−905.4	−335.5	−2,832.7
1986[a]	−655.1	590.9	*0	−655.1	−64.2	−2,896.9
1987	−677.7	646.7	0	−677.7	−30.9	−2,927.9
1988	−682.1	672.1	0	−682.1	−10.0	−2,937.9
1989	−694.3	700.8	0	−694.3	−6.6	−2,931.4
1990	−682.5	728.1	0	−682.5	−45.7	−2,885.7
1991	−688.4	752.4	−307.79	−996.2	−243.8	−3,129.5
1992	−648.1	790.8	−316.72	−1,000.8	−210.0	−3,339.5
1993	−681.9	817.5	−324.94	−1,000.9	−189.4	−3,528.9
1994	−676.8	846.8	−332.01	−1,000.8	−162.0	−3,690.9
1995	−668.1	873.7	−337.82	−1,000.9	−132.2	−3,823.1
1996	−655.4	533.8	−353.37	−1,008.8	−475.0	−4,298.0
1997	−639.9	391.7	−375.45	−1015.3	−623.6	−4,921.6
1998	−621.9	406.3	−403.91	−1,025.8	−619.5	−5,541.1

DEPARTMENT OF LABOR ESTIMATES OF BLACK LUNG DISABILITY TRUST FUND FINANCIAL FLOWS UNDER THE PROVISIONS OF THE RECONCILIATION BILL PENDING IN THE SENATE AS OF MARCH 13, 1986—Continued

[By fiscal year, millions of dollars]

Year	Outlays	Revenue	Interest paid on debt	Outlays plus interest	Advances needed [1]	Cumulative fund balances
1999	−601.6	421.3	−431.94	−1,033.6	−612.3	−6,153.4
2000	−579.5	436.7	−459.44	−1,038.9	−602.2	−6,755.6
2001	−577.0	452.8	−486.35	−1,043.4	−590.6	−7,346.2
2002	−536.7	469.4	−512.65	−1,049.3	−579.9	−7,926.2
2003	−518.4	486.6	−538.40	−1,056.8	−570.2	−8,496.3
2004	−500.2	504.4	−563.56	−1,063.7	−559.3	−9,055.7
2005	−481.3	522.8	−587.53	−1,068.9	−546.0	−9,601.7
2006	−462.1	541.9	−610.90	−1,073.0	−531.1	−10,132.8
2007	−442.5	562.6	−633.60	−1,076.1	−514.5	−10,647.3
2008	−422.9	582.0	−655.57	−1,078.4	−496.4	−11,143.7
2009	−403.3	603.1	−676.73	−1,080.0	−476.9	−11,620.7
2010	−384.0	624.9	−697.01	−1,081.0	−456.1	−12,076.7

[1] In 1989–1990, no advances will be needed from the Treasury. The figures shown for these years are the excess of revenues over outlays (which will reduce the accumulated Fund balance). Advances will resume in 1991.
[2] Actual.
[3] Projected.
[4] Between 1986–1990, no interest will be accumulated to the BLDTF because of the forgiveness provision of the legislation.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 1 minute to the distinguished gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Speaker, I thank the chairman for yielding.

Let me call attention to section 152-02. This is another reason I think to reject the motion to concur. It has to do with something that may not seem extraordinarily important, but it means a lot to the people who participate in Government health plans. As we know, there are 101 different plans.

What we propose to do is lift the cap so that we can make these plans more competitive. The theory of lifting the cap, which is not an official cap, would be that employees then participate in lower cost programs and the Government contribution would then go down.

We know that in the past the administration and OPM have agreed to this, so we do not understand the rationale of having the Senate reject it.

Now, I hope that once in awhile we can give a break to Government employees. I mean, it is not about time that we try to do something that would lower the out-of-pocket expenses they have? After all, we have agreed for the second consecutive year not to give them any raise. We are RIFing people, cutting back and so on. Why do we not do what is prudent, expedient and expeditious, and release this artificial cap so that we can give employees the opportunity to go into lower cost programs? By doing that, the Government contribution goes down as well. It just does not make a lot of sense not to do that.

I hope that we will reject the motion to concur and protect the integrity of the House.

This is really a battle I think more between the House and OMB. Now, if you think that OMB is a legislative branch, fine; then why do we not just roll over an play dead and not do anything to legislate intelligently.

I think we should not give OMB veto power. They are not a branch of the Government and we really ought to protect our conferees on both sides of the aisle. That is what this debate is all about.

I hope we concur with the budget of the distinguished committee chairman.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from California [Mr. Bosco].

Mr. BOSCO. Mr. Speaker, I believe the issue before us right now is not whether there should be policy considerations in the reconciliation bill. All of us know there are dozens of them, but the issue is, will there be any integrity to the process by which we make these decisions? Thousands of hours have been spent on this bill. I have spent many hundreds myself. Over 30 conference committees have met to iron out the provisions of this bill and yet at the last minute a small handful of people from the other body meeting with those from OMB decided that they could discard most of this and throw it in the trash can.

A good example is what happened to the provision that will provide thousands of jobs for American steelworkers and Americans who work on offshore oil platforms. This is property that is owned by the people of the United States, our offshore oil resources. Only American oil companies can bid on that oil, only American labor can work on those rigs. Only American vessels can carry the oil. The oil may only be sold in America; yet for the most part the oil companies in the biggest job producing section of their business have taken thousands and thousands of jobs overseas in building these enormous offshore oil rigs. Out of the last 13 contracts for building these rigs, 12 have gone to Korea and Japan.

The provisions that would prevent that from happening in the reconciliation bill passed the House and the Senate twice. They passed the conference committee. They had support from both Republicans and Democrats, and yet at the last minute were taken out of the bill.

On behalf of the thousands of people who will get work in the future from these provisions, I ask that we go back once more to the bargaining table. I think we are near the end of the line on this bill and I think we can get the Senate to concur with us.

I do not think any of us want to go home and say that we voted against American workers, that we voted against American jobs, that we voted to allow the extraction of publicly owned resources, that work not go to Americans, but go to Korea.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Tennessee [Mr. FORD], a member of the Ways and Means Committee.

Mr. FORD of Tennessee. Mr. Speaker, I do not know how many times the House can be expected to negotiate the provisions of this legislation. I would like to remind my colleagues that the Senate passed the original conference report on H.R. 3128 twice. Two weeks ago, in a good-faith effort to get a bill enacted, the House Members took the unusual step of giving up important provisions that had been agreed upon by the conferees on this conference. We gave the Senate and the White House another bite at this apple.

The House amendment was passed by a vote of 314 to 86.

Now the Senate wants the House to give them even more. The Senate amendment deletes the provision that mandates the AFDC unemployed parent program. In half the States, a father must leave the home in order for his family to receive AFDC benefits. This misguided policy encourages family breakup.

In the conference agreement, we abolished this antifamily policy by mandating that all States provide assistance to two-parent needy families.

In the State of the Union Message in February, our President talked about the profamily provision in the study by the Domestic Policy Council, which will be headed up by the Attorney General, Ed Meese. He called upon welfare reform to strengthen the profamily. The AFDC-UP, unemployed parent, provision within the conference that the House reported out, and we have voted upon twice in this House, send very clear signals to this administration that the House of Representatives and the Ways and Means Committee responded to his profamily provision by saying that there are more than 26 States today that have not opted out for the father to live in the household.

We know that, of all the AFDC recipients, 50 percent or more come off the rolls within a 2-year period. We have seen just in the month of February that unemployment has jumped again beyond the 7 percentage points. If we want to respond to the family unit and the family structure of this Nation, then I say let Reagan be Reagan today and let us go on record in supporting the AFDC-unemployed-parent provision within this reconciliation package.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 1 minute to the gentleman from Louisiana [Mr. HUCKABY].

Mr. HUCKABY. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, there are clearly four issues before the House today. As was just mentioned, the AFDC problem, and prior to that the Buy American problem which is so important for American jobs and the American steel industry as such.

The third problem is should our Governors have a voice, not veto power, but a voice, a say, some input into offshore oil and gas drilling.

The fourth is the HE oil and gas settlement to the coastal States.

The Senate just significantly changed the proposal on the HE oil and gas settlement, meaning some 20 percent less to the States.

I suggest this is not fair. We had already at the beginning of this year agreed to give up the right to pre-1978 claims, a major concession as such.

I would suggest to my colleagues that the HE is not the overwhelming, overdriving issue here as such. I would urge my colleagues to stay with the House position.

Mrs. MARTIN of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from New Hampshire [Mr. GREGG].

Mr. GREGG. Mr. Speaker, I thank the gentlewoman from Illinois.

Mr. Speaker, I am finding this whole process of the reconciliation bill to be one that is genuinely discouraging. It seems to me that we start out with a goal which has been obscured by what is now a turf battle between the House and the Senate and by what has become essentially a process which reminds me greatly of a minicontinuing resolution where everyone tries to get their program into a bill because they suspect that the bill is going to pass.

□ 1425

What we have here is not a piece of legislation which is directed at the original intent of the Budget Act or of this Congress, which was to reduce spending, and I will remind my colleagues that originally we were to reduce spending, or at least reduce this deficit, by approximately $60 billion.

What we have here today is a bill which is the product of what appears to be a backward potato race where people are bumbling all over each other in fights over turf and in fights over whose program is going to be saved where, and what new program which could not get through this House on its own merit is going to be added to this bill which appears to be on its way to passage in some form.

Clearly, our goals as a Congress should be to try to accomplish something on the deficit. Our goal should be to subscribe to what was the original purpose of the reconciliation bill, which was to reduce the deficit by approximately $60 billion.

We now have before us a bill which neither the Senate nor the House has produced which comes anywhere close to that, but at least the Senate bill makes a genuine attempt at increasing the reduction as versus a genuine attempt at reducing the reduction.

I would also note, as an aside, that it is inconceivable to me that on the House side we are going to produce a bill and claim it to be a spending reduction bill when 50 percent of that reduction involves increasing revenues. That is not reduction. The American people do not consider that to be a reduction, and I do not think this House should vote for a reduction which is actually a revenue raiser.

Mr. GRAY of Pennsylvania. Mr. Speaker, I would inquire of the gentlewoman from Illinois how many speakers the gentlewoman has remaining.

The SPEAKER pro tempore. Under the rules, the gentlewoman from Illinois [Mrs. MARTIN] is entitled to close the debate.

Mrs. MARTIN of Illinois. I will be closing, Mr. Speaker. That will be the last speaker, Mr. Speaker.

Mr. GRAY of Pennsylvania. Mr. Speaker, if the gentlewoman is going to close, we have one more speaker and then I will close for this side, and we can agree to yield back the balance of the time.

The SPEAKER pro tempore. The gentlewoman from Illinois [Mrs. MARTIN] reserves the balance of her time.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 1 minute to the gentleman from the State of Washington [Mr. LOWRY], a member of the Committee on the Budget.

Mr. LOWRY of Washington. I thank the gentleman for yielding this time to me.

Mr. Speaker, I do not want to be redundant on important comments made by the previous speakers. I rise to oppose the motion to concur for the reasons that were stated.

I especially want to compliment our colleague, the gentleman from Louisiana [Mr. HUCKABY], who just spoke in the well previous to me on the important compromise that was worked out on the Outer Continental Shelf revenues, a compromise to protect the rights of the States and Governors, that protected the environment, and gave a fair distribution of the revenues involved. The gentleman from Louisiana stated that well.

The Senate took that compromise that was worked out within the House and then worked out with the Senate, in which we concurred with the Senate and which then OMB comes up and cancels the compromise that was worked out in the normal process. This is a question of who makes decisions on this Hill, and it is very important that we do not concur with the motion that is before us, and that we table that motion and send our bill, which is a good bill, back to the Senate.

Mr. Speaker, I oppose the motion to concur in the Senate version of the conference report on the omnibus budget reconciliation bill for several reasons, but I will limit my remarks to the amendment to section 19 of the Outer Continental Shelf Lands Act. This amendment is in the original conference bill that was agreed to by the conferees, and that has already been approved by both bodies at least once. The latest Senate version comes back to the House minus the section 19 amendment.

The effect of this amendment is simply stated. In conducting lease sales or approving oil and gas exploration or development plans, the Secretary of the Interior must "equally weigh" the need for oil and gas together with the need to protect other resources, including living marine resources. The decision is the Secretary's, not the Governors of coast States, and there is no veto given to the Governor over the Secretary's decisions. All the amendment does is to require that the Secretary weigh the need to protect fisheries, marine wildlife and State coastal resources on the same scale as he weighs the need to produce oil and gas. With this amendment the Secretary cannot unfairly tip the balance in favor of oil and gas.

This is not a veto as some have said. I fail to understand why Interior is so opposed to this amendment. Is it Interior's argument that unless oil and gas has a priority over all other resources and uses of the ocean, that Interior can never justify a lease sale or development plan? That is an outrageous argument, but it is certainly the only argument Interior makes.

Thank you, Mr. Speaker.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this issue that we face this afternoon is not simply the issue of deficit reduction, for I have stood on this floor on many occasions and argued for the quick passage of the reconciliation bill, and I have done so feeling that as we delayed, there would be the loss of revenue and deficit reduction, but I have done so believing that we have operated in good faith.

The issue today is whether or not that good faith has continued. I submit to my colleagues that it has not primarily because what has happened is that the agreements reached in conference have been unilaterally changed by the other body and there have been provisions that have been added and sent back to us without an opportunity for this House to go to conference, discuss those changes.

Clearly, when one looks at those changes, one sees that we have tried in this body to compromise, going back as long as last year, in December, be-

ginning on December 19 when we brought forth a conference agreement, and then going and meeting with the leadership, the White House and then meeting with leaders of the other body, and then working out several different arrangements. But each time that we came up with an arrangement of compromise and agreement, someone who was not at the table said, "No, I do not like it." It was always the White House.

Simply, we cannot operate that way, and today what we have before us is a piece of legislation that has significant changes that I do not believe this body wants to implement.

We have talked a lot about family values, and as the gentleman from Tennessee pointed out, if we are talking about strengthening the families, why, then will we not take the House position with regard to AFDC, which will provide a strengthening of the families. Why, then, are we closing the door on Federal employees once again and taking another whack out of them? Why, then, are we saying to 49 States, "Your medical systems are going to be reimbursed one way, but one State is going to have a different system"?

I do not believe that is what the House wants. I think that is why the House voted overwhelmingly last week to take the position, reaffirmed the same position that it held in December, and I simply say to all of my colleagues on both sides of the aisle, yes, I want to see speedy deficit reduction, but I want it in good faith. I want it done with agreement between the two bodies, and I do not believe it is in good faith when the White House comes in after we reach an agreement and says, "No, we do not like this," and so it unravels again.

I say to my colleagues, if we want an equitable settlement, if we want a compromise that represents us all, then I would urge my colleagues to vote against the motion to concur. I would urge Members to say no. I would urge Members to say to the other body that this is not the way that we should act as legislators. One should act in good faith, and certainly we should not slip into bills those items that would protect 1 State and throw out the other 49.

I say to those colleagues who are thinking about voting because they want deficit reduction, and because there is one item here of importance to them, think before you vote. Will your hospitals, will your health-care systems, will they support a vote that discriminates against them simply because of one State? I do not think so, and particularly when we have not had an opportunity to conference on it, to discuss it, to perhaps work out any agreements.

So, therefore, I urge all of my colleagues, in the same bipartisan way that we did last week, to say no to the motion to concur.

Mrs. MARTIN of Illinois. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, the gentleman, in general, is accurate, but he is slightly in error. This is a reconciliation bill, and it is about deficit reduction.

Before we get to that deficit reduction, perchance we could talk about the two other issues that seem to be the only ones dominating the debate. One is the fact that one State gets treated differently than another, and the problem there is that we are all green with envy that we did not get in for our States.

Anybody here who has never gone home and chortled in a press release about how they put something over and how they got something for their district or their State that nobody else got, then you are the one person who can be offended because somebody else in the other body did something. I suggest that any time anyone has said that they got a housing project or some road money or that they have had a change, yes, in hospital reimbursements, or in a farm bill or in a defense contract, can hardly now claim to be virginal. They have already, too often, been back and forth to Reno, for heaven's sake.

The second argument involves one of institutional honesty. Whenever the majority party starts talking about institutions, I start getting worried but a little optimistic that the minority may be close to winning something. That is usually the last argument, that we have to do it for the House.

Let us take apart the arguments. Some people have complained that they have not been consulted. Good grief, I am handling the bill and I was not consulted. So what? An agreement has been reached. We can get a signature. And now we get to what the bill is really about: We can save some money. It is not a perfect bill. It is not a bill any of us would put on our campaign documents and say, "Here it is, the most wonderful thing ever passed," but it is $26 billion that we will not get.

We have been throwing this basketball back and forth, back and forth. Double overtime is over. Here it is.

□ 1435

For those of you who are concerned about the tobacco function, it is already here, and yes, it is retroactive, no promise later on we will take care of it. It is already in the Senate bill.

The problem is that lots of people want to talk about deficit reduction, but I think there are some people here that actually do not want to do it, that anytime you get near to really starting to squeeze, they immediately say there is something wrong with the bill.

There are going to be a complicated series of votes. Nothing is ever simple. I have a motion to concur; the gentleman will have a motion to table.

If you believe that there should be no deficit reduction, vote with the gentleman. If you believe that you are purer than driven snow and that every Member, 435, must be consulted, then you should vote to not concur. If you do not believe that the President has to sign a bill and, therefore, has to be a part of the argument, then vote with the gentleman.

Last night I had the joy of watching two Irishmen work together a crowd, one from my party, one from yours. I would suggest we try what they talked about last night, bipartisanship, and indeed work across the Rotunda. I would ask the Members regardless of party, regardless of region, to look at what really exists in this bill, to save $26 billion, to not give lie to the idea that we do want to save some money, and to vote to concur with our colleagues on the other side of the rotunda, to vote to concur across party lines and to get on with this year's budget since we only have 2 weeks before we are supposed to be finished with it.

This is a last-minute thing. It should have been handled long ago. Its time is over and our time is now.

Please vote to concur and no to table.

I yield back the balance of my time.

MOTION TO TABLE OFFERED BY MR. GRAY OF PENNSYLVANIA

Mr. GRAY of Pennsylvania. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. GRAY of Pennsylvania moves to table the motion to concur.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. GRAY] to table the motion to concur offered by the gentlewoman from Illinois [Mrs. MARTIN].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mrs. MARTIN of Illinois. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 217, nays 192, not voting 25, as follows:

[Roll No. 55]

YEAS—217

Ackerman	Atkins	Berman
Akaka	AuCoin	Bevill
Alexander	Barnard	Biaggi
Anderson	Barnes	Boggs
Andrews	Bates	Boland
Anthony	Bedell	Boner (TN)
Applegate	Bellenson	Bonior (MI)
Aspin	Bennett	Bonker

Borski	Hawkins	Pepper
Bosco	Hefner	Pickle
Boucher	Heftel	Price
Boxer	Hertel	Rahall
Breaux	Howard	Rangel
Brown (CA)	Hoyer	Ray
Bruce	Huckaby	Reid
Bryant	Hughes	Richardson
Burton (CA)	Hutto	Robinson
Bustamante	Jacobs	Rodino
Byron	Jones (OK)	Roe
Carper	Jones (TN)	Roemer
Carr	Kanjorski	Rose
Chapman	Kaptur	Roybal
Chappell	Kastenmeier	Russo
Coelho	Kennelly	Sabo
Coleman (TX)	Kildee	Scheuer
Conyers	Kleczka	Schroeder
Cooper	Kolter	Schumer
Coyne	Kostmayer	Seiberling
Crockett	Kramer	Sharp
Daschle	LaFalce	Shelby
de la Garza	Lantos	Sikorski
Dellums	Lehman (FL)	Sisisky
Derrick	Leland	Skelton
Dicks	Levin (MI)	Slattery
Dingell	Levine (CA)	Smith (FL)
Dixon	Long	Smith (IA)
Donnelly	Lowry (WA)	Solarz
Dorgan (ND)	Luken	Spratt
Dowdy	Lundine	St Germain
Downey	MacKay	Staggers
Durbin	Manton	Stallings
Dwyer	Markey	Stark
Dymally	Martinez	Stokes
Dyson	Matsui	Stratton
Early	Mavroules	Studds
Eckart (OH)	Mazzoli	Swift
Edwards (CA)	McCloskey	Tauzin
English	McCurdy	Torres
Evans (IL)	McHugh	Torricelli
Fascell	Mica	Towns
Fazio	Mikulski	Traficant
Feighan	Miller (CA)	Udall
Flippo	Mineta	Valentine
Florio	Mitchell	Vento
Foglietta	Moakley	Visclosky
Foley	Mollohan	Volkmer
Ford (MI)	Moody	Walgren
Ford (TN)	Morrison (CT)	Watkins
Frank	Mrazek	Waxman
Frost	Murphy	Weaver
Fuqua	Murtha	Weiss
Garcia	Neal	Wheat
Gaydos	Nelson	Whitley
Gejdenson	Nichols	Williams
Gibbons	Nowak	Wirth
Glickman	Oakar	Wise
Gonzalez	Oberstar	Wolpe
Gordon	Obey	Wright
Gray (IL)	Olin	Yates
Gray (PA)	Ortiz	Yatron
Guarini	Owens	Young (MO)
Hall (OH)	Panetta	
Hamilton	Penny	

NAYS—192

Archer	Conte	Gallo
Armey	Coughlin	Gekas
Badham	Courter	Gilman
Bartlett	Craig	Gingrich
Barton	Crane	Goodling
Bateman	Daniel	Gradison
Bentley	Dannemeyer	Green
Bereuter	Darden	Gregg
Billirakis	Daub	Gunderson
Bliley	Davis	Hall, Ralph
Boehlert	DeLay	Hammerschmidt
Boulter	DeWine	Hansen
Brooks	Dickinson	Hartnett
Broomfield	DioGuardi	Hatcher
Brown (CO)	Dornan (CA)	Hendon
Broyhill	Dreier	Henry
Burton (IN)	Duncan	Hiler
Callahan	Eckert (NY)	Hillis
Carney	Edwards (OK)	Hopkins
Chandler	Emerson	Horton
Chappie	Erdreich	Hubbard
Cheney	Evans (IA)	Hunter
Clinger	Fawell	Hyde
Coats	Fiedler	Ireland
Cobey	Fields	Jeffords
Coble	Fish	Jenkins
Coleman (MO)	Franklin	Johnson
Combest	Frenzel	Jones (NC)
Kasich	Moore	Slaughter
Kemp	Moorhead	Smith (NE)
Kolbe	Morrison (WA)	Smith (NJ)
Lagomarsino	Myers	Smith, Robert (NH)
Leach (IA)	Natcher	Smith, Robert (OR)
Leath (TX)	Nielson	Snowe
Lent	O'Brien	Snyder
Lewis (CA)	Packard	Solomon
Lewis (FL)	Parris	Spence
Lightfoot	Pashayan	Stangeland
Livingston	Pease	Stenholm
Lloyd	Perkins	Strang
Loeffler	Petri	Stump
Lott	Pursell	Sundquist
Lowery (CA)	Quillen	Sweeney
Lujan	Regula	Swindall
Lungren	Ridge	Tauke
Mack	Rinaldo	Taylor
Marlenee	Ritter	Thomas (CA)
Martin (IL)	Roberts	Thomas (GA)
Martin (NY)	Rogers	Traxler
McCain	Roth	Vander Jagt
McCandless	Roukema	Vucanovich
McCollum	Rowland (CT)	Walker
McDade	Rowland (GA)	Weber
McEwen	Rudd	Whitehurst
McGrath	Saxton	Whittaker
McKernan	Schaefer	Whitten
McKinney	Schneider	Wolf
McMillan	Schuette	Wortley
Meyers	Schulze	Wyden
Michel	Sensenbrenner	Wylie
Miller (OH)	Shaw	Young (AK)
Miller (WA)	Shumway	Young (FL)
Molinari	Shuster	
Monson	Siljander	
Montgomery	Skeen	

NOT VOTING—25

Addabbo	Hayes	Rostenkowski
Annunzio	Holt	Savage
Campbell	Kindness	Smith, Denny (OR)
Clay	Latta	Synar
Collins	Lehman (CA)	Tallon
Edgar	Lipinski	Wilson
Fowler	Madigan	Zschau
Gephardt	Oxley	
Grotberg	Porter	

□ 1455

Mrs. BENTLEY and Messrs. ARMEY, GREEN, HORTON, CONTE, GILMAN, and PETRI changed their votes from "yea" to "nay."

Mr. HEFNER and Mr. VALENTINE changed their votes from "nay" to "yea."

So the motion to table was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MOTION OFFERED BY MR. GRAY OF PENNSYLVANIA

Mr. GRAY of Pennsylvania. Mr. Speaker, I offer a motion.

PARLIAMENTARY INQUIRY

Mr. LOTT. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. LOTT. Mr. Speaker, I understand the gentleman from Pennsylvania has offered a motion to disagree. My parliamentary inquiry is, would a motion to disagree to the last amendment of the Senate and request a conference thereon be a preferential motion to the motion to disagree, that is, more preferential?

The SPEAKER pro tempore. The Chair would advise the gentleman in the affirmative, that is correct.

Mr. LOTT. Then Mr. Speaker, I have a privileged resolution which I send to the desk.

The SPEAKER pro tempore. If the gentleman will hold, the Clerk will first report the motion of the gentleman from Pennsylvania.

The Clerk read as follows:

Motion offered by Mr. GRAY of Pennsylvania: Mr. GRAY of Pennsylvania moves to take from the Speaker's table the bill H.R. 3128 with the Senate amendment to the House amendment to the Senate amendment to the House amendment to the Senate amendment thereto and to disagree to the Senate amendment.

The SPEAKER pro tempore. The Chair would advise the Members that this is a very important matter. It is a very detailed parliamentary situation, and I am sure the Members would like to know what they are going to be voting on.

PARLIAMENTARY INQUIRY

Mr. GRAY of Pennsylvania. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. GRAY of Pennsylvania. Mr. Speaker, which motion was read, was it my motion or that of the gentleman from Mississippi?

The SPEAKER pro tempore. The Clerk has just read the motion of the gentleman from Pennsylvania.

The Clerk will now report the preferential motion of the gentleman from Mississippi.

PREFERENTIAL MOTION OFFERED BY MR. LOTT

Mr. LOTT. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Preferential motion offered by Mr. LOTT: Mr. LOTT moves to disagree to the last amendment of the Senate and request a conference thereon.

Mr. GRAY of Pennsylvania. Mr. Speaker, I move to table the motion.

The SPEAKER pro tempore. The Chair would ask which motion, the motion of the gentleman from Mississippi [Mr. LOTT]?

Mr. GRAY of Pennsylvania. Yes, Mr. Speaker.

Mr. Speaker, I move to table the motion of the gentleman from Mississippi [Mr. LOTT].

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. GRAY] to table the motion offered by the gentleman from Mississippi [Mr. LOTT].

PARLIAMENTARY INQUIRY

Mr. LOTT. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. LOTT. As the Chair has stated, this is a complicated parliamentary process we have here.

Mr. Speaker, I would like to make sure that Members understand what

they are about to vote on and that I understand what we are about to vote on.

The SPEAKER pro tempore. The gentleman from Pennsylvania [Mr. GRAY] made a motion to disagree to the Senate amendment. The gentleman from Mississippi [Mr. LOTT] made a motion to instruct—excuse the Chair—to disagree to the Senate amendment and to go to conference. The gentleman from Pennsylvania now has moved to lay that on the table.

Mr. LOTT. Mr. Speaker, I believe the motion we offered was not to instruct conferees. The motion that was offered was to request a further conference with the Senate on the bill, H.R. 3128.

The SPEAKER pro tempore. The gentleman is correct.

Mr. LOTT. So that we do not send this off into some dark hole, but so that we could have a conference to try to further work out the difficulties.

So my parliamentary inquiry is this: Is the vote at this time then on the motion to table the motion for a conference on this most important reconciliation bill?

The SPEAKER pro tempore. The gentleman is correct.

Mr. LOTT. So if you vote for the motion to table you are saying you do not even want to go to conference, is that correct?

The SPEAKER pro tempore. The regular order is that the gentleman from Pennsylvania has made a motion to lay on the table the motion of the gentleman from Mississippi, and the question occurs on the motion of the gentleman from Pennsylvania.

PARLIAMENTARY INQUIRY

Mrs. MARTIN of Illinois. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentlewoman from Illinois will state it.

Mrs. MARTIN of Illinois. Mr. Speaker, I am sure it was the noise of the body, but I did not hear the answer to the question that was posed by the Republican whip.

The question I believe was: When we vote on the motion to table going to conference a "yes" vote to table would mean you did not wish to go to conference on this important item, is that correct?

The SPEAKER pro tempore. At this stage that would be an accurate statement.

Mrs. MARTIN of Illinois. I thank the Speaker.

The SPEAKER pro tempore. The question is on the motion to table offered by the gentleman from Pennsylvania [Mr. GRAY].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. LOTT. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 223, noes 186, not voting 25, as follows:

[Roll No. 56]

AYES—223

Ackerman	Frost	Obey
Akaka	Fuqua	Olin
Alexander	Garcia	Ortiz
Anderson	Gaydos	Owens
Andrews	Gejdenson	Panetta
Anthony	Gibbons	Pease
Applegate	Glickman	Penny
Aspin	Gonzalez	Pepper
Atkins	Gordon	Pickle
AuCoin	Gray (IL)	Price
Barnes	Gray (PA)	Rahall
Bates	Guarini	Rangel
Bedell	Hall (OH)	Ray
Beilenson	Hall, Ralph	Reid
Bennett	Hamilton	Richardson
Berman	Hawkins	Robinson
Bevill	Hefner	Rodino
Biaggi	Heftel	Roe
Boggs	Hertel	Roemer
Boland	Howard	Rose
Boner (TN)	Hoyer	Roybal
Bonior (MI)	Huckaby	Russo
Bonker	Hughes	Sabo
Borski	Jacobs	Scheuer
Bosco	Jenkins	Schroeder
Boucher	Jones (NC)	Schumer
Boxer	Jones (OK)	Seiberling
Breaux	Jones (TN)	Sharp
Brooks	Kanjorski	Shelby
Brown (CA)	Kaptur	Sikorski
Bruce	Kastenmeier	Sisisky
Bryant	Kennelly	Skelton
Burton (CA)	Kildee	Slattery
Bustamante	Kleczka	Smith (FL)
Byron	Kolter	Smith (IA)
Carper	Kostmayer	Solarz
Carr	LaFalce	Spratt
Chapman	Lantos	St Germain
Chappell	Leath (TX)	Staggers
Coelho	Lehman (FL)	Stallings
Coleman (TX)	Leland	Stark
Conyers	Levin (MI)	Stenholm
Cooper	Levine (CA)	Stokes
Coyne	Long	Stratton
Crockett	Lowry (WA)	Studds
Daschle	Luken	Swift
de la Garza	Lundine	Tauzin
Dellums	MacKay	Torres
Derrick	Manton	Torricelli
Dicks	Markey	Towns
Dingell	Martinez	Traficant
Dixon	Matsui	Traxler
Donnelly	Mavroules	Udall
Dorgan (ND)	Mazzoli	Valentine
Dowdy	McCloskey	Vento
Downey	McCurdy	Visclosky
Durbin	McHugh	Volkmer
Dwyer	Mica	Walgren
Dymally	Mikulski	Watkins
Dyson	Miller (CA)	Waxman
Early	Mineta	Weaver
Eckart (OH)	Mitchell	Weiss
Edwards (CA)	Moakley	Wheat
Erdreich	Mollohan	Whitley
Evans (IL)	Moody	Whitten
Fascell	Morrison (CT)	Williams
Fazio	Mrazek	Wirth
Feighan	Murphy	Wise
Flippo	Murtha	Wolpe
Florio	Neal	Wright
Foglietta	Nelson	Yates
Foley	Nichols	Yatron
Ford (MI)	Nowak	Young (MO)
Ford (TN)	Oakar	
Frank	Oberstar	

NOES—186

Archer	Bliley	Chappie
Armey	Boehlert	Cheney
Badham	Boulter	Clinger
Barnard	Broomfield	Coats
Bartlett	Brown (CO)	Cobey
Barton	Broyhill	Coble
Bateman	Burton (IN)	Coleman (MO)
Bentley	Callahan	Combest
Bereuter	Carney	Conte
Billrakis	Chandler	Coughlin
Courter	Kemp	Ritter
Craig	Kolbe	Roberts
Crane	Kramer	Rogers
Daniel	Lagomarsino	Roth
Dannemeyer	Leach (IA)	Roukema
Darden	Lent	Rowland (CT)
Daub	Lewis (CA)	Rowland (GA)
Davis	Lewis (FL)	Rudd
DeLay	Lightfoot	Saxton
DeWine	Livingston	Schaefer
Dickinson	Lloyd	Schneider
DioGuardi	Loeffler	Schuette
Dornan (CA)	Lott	Schulze
Dreier	Lowery (CA)	Sensenbrenner
Duncan	Lujan	Shaw
Eckert (NY)	Lungren	Shumway
Edwards (OK)	Mack	Shuster
Emerson	Marlenee	Siljander
English	Martin (IL)	Skeen
Evans (IA)	Martin (NY)	Slaughter
Fawell	McCain	Smith (NE)
Fiedler	McCandless	Smith (NJ)
Fields	McCollum	Smith, Robert (NH)
Fish	McDade	
Franklin	McEwen	Smith, Robert (OR)
Frenzel	McGrath	
Gallo	McKernan	Snowe
Gekas	McKinney	Snyder
Gilman	McMillan	Solomon
Gingrich	Meyers	Spence
Goodling	Michel	Stangeland
Gradison	Miller (OH)	Strang
Green	Miller (WA)	Stump
Gregg	Molinari	Sundquist
Gunderson	Monson	Sweeney
Hammerschmidt	Montgomery	Swindall
Hansen	Moore	Tauke
Hartnett	Moorhead	Taylor
Hatcher	Morrison (WA)	Thomas (CA)
Hendon	Myers	Thomas (GA)
Henry	Natcher	Vander Jagt
Hiler	Nielson	Vucanovich
Hillis	O'Brien	Walker
Hopkins	Packard	Weber
Horton	Parris	Whitehurst
Hubbard	Pashayan	Whittaker
Hunter	Perkins	Wolf
Hutto	Petri	Wortley
Hyde	Pursell	Wyden
Ireland	Quillen	Wylie
Jeffords	Regula	Young (AK)
Johnson	Ridge	Young (FL)
Kasich	Rinaldo	

NOT VOTING—25

Addabbo	Hayes	Rostenkowski
Annunzio	Holt	Savage
Campbell	Kindness	Smith, Denny (OR)
Clay	Latta	
Collins	Lehman (CA)	Synar
Edgar	Lipinski	Tallon
Fowler	Madigan	Wilson
Gephardt	Oxley	Zschau
Grotberg	Porter	

□ 1520

Mr. English changed his vote from "aye" to "no."

So the motion to table was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. The pending business is the motion offered by the gentleman from Pennsylvania [Mr. GRAY] to disagree to the Senate amendment.

The gentleman from Pennsylvania [Mr. GRAY] will be recognized for 30 minutes and the gentlewoman from Illinois [Mrs. MARTIN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. GRAY].

Mr. GRAY of Pennsylvania. Mr. Speaker, it is my understanding that

the minority side wishes to yield back its time; and if that is the case, the majority side will yield back its time and, thus, move the previous question.

Mrs. MARTIN of Illinois. Mr. Speaker, the minority side yields back its time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion.

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. GRAY].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. GRAY of Pennsylvania. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 331, nays 76, not voting 27, as follows:

[Roll No. 57]

YEAS—331

Ackerman	Conte	Gray (IL)
Akaka	Conyers	Gray (PA)
Alexander	Cooper	Green
Anderson	Courter	Guarini
Andrews	Coyne	Hall (OH)
Anthony	Crane	Hall, Ralph
Applegate	Crockett	Hamilton
Archer	Daniel	Hammerschmidt
Armey	Darden	Hartnett
Aspin	Daschle	Hatcher
Atkins	Daub	Hawkins
AuCoin	Davis	Hefner
Barnard	de la Garza	Heftel
Barnes	Dellums	Hendon
Bartlett	Dicks	Henry
Barton	Dingell	Hertel
Bates	DioGuardi	Hillis
Bedell	Dixon	Hopkins
Beilenson	Donnelly	Horton
Bennett	Dorgan (ND)	Howard
Bentley	Dowdy	Hoyer
Bereuter	Downey	Hubbard
Berman	Duncan	Huckaby
Bevill	Durbin	Hughes
Biaggi	Dwyer	Hutto
Billey	Dymally	Jacobs
Boehlert	Dyson	Jenkins
Boggs	Early	Johnson
Boland	Eckart (OH)	Jones (NC)
Boner (TN)	Edwards (CA)	Jones (OK)
Bonior (MI)	Emerson	Jones (TN)
Bonker	English	Kanjorski
Borski	Erdreich	Kaptur
Bosco	Evans (IA)	Kasich
Boucher	Evans (IL)	Kastenmeier
Boulter	Fascell	Kennelly
Boxer	Fazio	Kildee
Breaux	Feighan	Kleczka
Brooks	Fields	Kolbe
Brown (CA)	Fish	Kolter
Broyhill	Flippo	Kostmayer
Bruce	Florio	Kramer
Bryant	Foglietta	LaFalce
Burton (CA)	Foley	Lantos
Bustamante	Ford (MI)	Leach (IA)
Byron	Ford (TN)	Leath (TX)
Callahan	Fowler	Lehman (FL)
Carper	Frank	Leland
Carr	Frost	Lent
Chandler	Fuqua	Levin (MI)
Chapman	Gallo	Levine (CA)
Chappell	Garcia	Lightfoot
Clinger	Gaydos	Livingston
Coats	Gejdenson	Lloyd
Cobey	Gibbons	Loeffler
Coble	Gilman	Long
Coelho	Glickman	Lowry (WA)
Coleman (MO)	Gonzalez	Lujan
Coleman (TX)	Goodling	Luken
Combest	Gordon	Lundine
MacKay	Penny	Snyder
Manton	Pepper	Solarz
Markey	Perkins	Spence
Martin (NY)	Pickle	Spratt
Martinez	Price	St Germain
Matsui	Pursell	Staggers
Mavroules	Quillen	Stallings
Mazzoli	Rahall	Stark
McCain	Rangel	Stenholm
McCloskey	Ray	Stokes
McCurdy	Regula	Stratton
McDade	Reid	Studds
McGrath	Richardson	Sweeney
McHugh	Ridge	Swift
McKernan	Rinaldo	Tauke
McKinney	Ritter	Tauzin
McMillan	Roberts	Taylor
Mica	Robinson	Thomas (GA)
Mikulski	Rodino	Torres
Miller (CA)	Roe	Torricelli
Miller (WA)	Roemer	Towns
Mineta	Rogers	Traficant
Mitchell	Rose	Traxler
Moakley	Roth	Udall
Molinari	Roukema	Valentine
Mollohan	Rowland (CT)	Vento
Montgomery	Rowland (GA)	Visclosky
Moody	Roybal	Volkmer
Moore	Russo	Watkins
Morrison (CT)	Sabo	Waxman
Morrison (WA)	Saxton	Weaver
Mrazek	Scheuer	Weber
Murphy	Schneider	Weiss
Murtha	Schroeder	Wheat
Myers	Schuette	Whitehurst
Natcher	Schumer	Whitley
Neal	Seiberling	Whittaker
Nelson	Sharp	Whitten
Nichols	Shelby	Williams
Nowak	Sikorski	Wirth
O'Brien	Sisisky	Wise
Oakar	Skeen	Wolf
Oberstar	Skelton	Wolpe
Obey	Slattery	Wright
Olin	Slaughter	Wyden
Ortiz	Smith (FL)	Wylie
Owens	Smith (NE)	Yatron
Packard	Smith (NJ)	Young (AK)
Panetta	Smith, Robert (OR)	Young (FL)
Parris	Snowe	Young (MO)
Pease		

NAYS—76

Badham	Gregg	Pashayan
Bateman	Gunderson	Petri
Bilirakis	Hansen	Rudd
Broomfield	Hiler	Schaefer
Brown (CO)	Hunter	Schulze
Burton (IN)	Hyde	Sensenbrenner
Carney	Ireland	Shaw
Chappie	Jeffords	Shumway
Cheney	Kemp	Shuster
Coughlin	Lagomarsino	Siljander
Craig	Lewis (CA)	Smith (IA)
Dannemeyer	Lewis (FL)	Smith, Robert (NH)
DeLay	Lott	
DeWine	Lowery (CA)	Solomon
Dickinson	Lungren	Stangeland
Dornan (CA)	Mack	Strang
Dreier	Marlenee	Stump
Eckert (NY)	Martin (IL)	Sundquist
Edwards (OK)	McCandless	Swindall
Fawell	McCollum	Thomas (CA)
Fiedler	Meyers	Vander Jagt
Franklin	Michel	Vucanovich
Frenzel	Miller (OH)	Walker
Gekas	Monson	Wortley
Gingrich	Moorhead	Yates
Gradison	Nielson	

NOT VOTING—27

Addabbo	Holt	Savage
Annunzio	Kindness	Smith, Denny (OR)
Campbell	Latta	
Clay	Lehman (CA)	Synar
Collins	Lipinski	Tallon
Derrick	Madigan	Walgren
Edgar	McEwen	Wilson
Gephardt	Oxley	Zschau
Grotberg	Porter	
Hayes	Rostenkowski	

□ 1535

Mr. WORTLEY and Mr. DELAY changed their votes from "yea" to "nay."

Messrs. TORRES, BARTON of Texas, SWEENEY, ARMEY, and Mrs. JOHNSON and Mrs. SCHNEIDER changed their votes from "nay" to "yea."

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1545

GENERAL LEAVE

Mr. GRAY of Pennsylvania. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 3128.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 4151, OMNIBUS DIPLOMATIC SECURITY AND ANTI-TERRORISM ACT

Mrs. BURTON of California. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 402 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 402

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4151) to provide for the security of United States diplomatic personnel, facilities, and operations, and for other purposes, and the first reading of the bill shall be dispensed with. All points of order against the consideration of the bill for failure to comply with the provisions of sections 311(a) and 401(b)(1) of the Congressional Budget Act of 1974, as amended (Public Law 93-344, as amended by Public Law 99-177), and with the provisions of clause 2(l)(6) of rule XI, are hereby waived. After general debate, which shall be confined to the bill and to the amendment made in order by this resolution and which shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be considered for amendment under the five-minute rule. In lieu of the amendment in the nature of a substitute recommended by the Committee on Foreign Affairs now printed in the bill, it shall be in order to consider an amendment in the nature of a substitute consisting of the text of the bill H.R. 4418 as an original bill for the purpose of amendment under the five-minute rule, said substitute shall be considered as having been read, and all points of order against said substitute for

failure to comply with the provisions of section 303(a)4) of the Congressional Budget Act of 1974, as amended, clause 7 of rule XVI, and clause 5(a) of rule XXI, are hereby waived. No amendment to the bill or to said substitute shall be in order except the following amendments printed in the Congressional Record of March 17 by, and if offered by, the Member designated, and said amendments shall not be subject to amendment except pro forma amendments for the purpose of debate: (1) the amendments by Representative McCain of Arizona and all points of order against the amendment striking out and reinserting paragraph 5569(d)(2) of title 5 of the United States Code as proposed by section 802(a) of the substitute for failure to comply with the provisions of section 303(a)(4) of the Congressional Budget Act of 1974 as amended are hereby waived; and (2) the amendment by Representative Walker of Pennsylvania. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text by this resolution. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentlewoman from California [Mrs. BURTON] is recognized for 1 hour.

Mrs. BURTON of California. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from Mississippi [Mr. LOTT], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 402 is a modified closed rule providing for the consideration of H.R. 4151, the Omnibus Diplomatic Security and Anti-Terrorism Act of 1986. This rule allows 2 hours of general debate, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs.

The rule makes in order an amendment in the nature of a substitute consisting of the text of H.R. 4418, as the original bill for the purpose of amendment under the 5-minute rule. The only amendments which may be offered to the substitute are two by Representative MCCAIN of Arizona and one by Representative WALKER of Pennsylvania printed in the CONGRESSIONAL RECORD of March 17.

Points of order are waived against H.R. 4151 for failure to comply with sections 311(a) and 401(b)(1) of the Congressional Budget Act. Section 311(a) provides that after Congress has completed action on the concurrent resolution on the budget, it shall not be in order to consider legislation which will cause the spending ceiling in the budget resolution to be breached. Since the spending ceiling for fiscal year 1986 has already been breached and the bill as introduced would result in fiscal year 1986 spending, it violates section 311(a). Considering the emergency nature of H.R. 4151, it was the opinion of the Rules Committee that this budget section could be waived, inasmuch as the enormity of the terrorist situation abroad could not be fully calculated prior to adoption of the fiscal year 1986 budget.

Section 401(b)(1) of the Congressional Budget Act prohibits consideration of new entitlement authority effective prior to October 1 of the year in which it is reported. The Rules Committee felt that the import objectives of H.R. 4151 would be needlessly postponed by delaying the effective date of this legislation until the start of the next fiscal year.

Additionally, points of order against consideration of the bill for failure to comply with clause 2(L)(6) of rule XI are waived. The 3-day layover requirement is waived to allow for immediate consideration of this bill.

The rule also waives section 303(a)(4) of the Budget Act against the substitute. This provision prohibits the consideration of legislation providing new entitlement authority to take effect in a fiscal year for which a budget resolution has not yet been adopted. Title 8 of the substitute creates an entitlement to benefit victims of terrorism estimated to cost $1.5 million in fiscal year 1987. This section of the Budget Act is also waived against Representative MCCAIN's amendment. The Rules Committee has been advised that a majority of the members on the Budget Committee has no objection to these budget waivers.

Further, clause 5(a) of rule XXI, which prohibits appropriations in a legislative measure, is waived against the substitute. The substitute made in order by the rule would provide benefits to American victims of terrorism and would provide compensation for members of the Accountability Review Board, who are not Federal employees, for the time they serve on the Board. The Review Board would be charged with the responsibility of examining cases involving terrorist attacks on U.S. personnel or U.S. facilities abroad.

Finally, clause 7 of rule XVI is waived relating to non-germane amendments. This waiver is necessary since the substitute bill was much broader in scope than H.R. 4151 as introduced.

I should also add that the substitute cures the breach of budget authority in H.R. 4151 in the aforementioned waiver of section 311(a) of the Budget Act. Under the rule, one motion to recommit, with or without instructions is provided.

H.R. 4418 addresses the serious problem of inadequate security precautions at U.S. foreign facilities and for U.S. citizens traveling overseas. The escalation of terrorist activities abroad has created an overwhelming need for this protective measure. Necessary authorizations for this purpose are included for fiscal years 1986-90, based on a total estimate of $4.4 billion.

These authorizations would fund various activities to upgrade existing U.S. facilities, to expand Coast Guard duties in U.S. waterways and to create a reward and Counter-Terrorism Protection Fund. Further, H.R. 4418 speaks to the agonizing issue of the victims of terrorism, including hostages, so that certain compensations are authorized for U.S. citizens and their families.

H.R. 4418 also creates a Bureau of Diplomatic Security under the jurisdiction of the State Department with an adjunct Service whose Director is to be chosen from the Senior Foreign Service. The State Department is also directed to collect and maintain information on international terrorists and to coordinate their efforts with those of other government and foreign agencies as part of a terrorist reward fund. Added precautions are also taken in this legislation to minimize the threat of nuclear terrorism.

Mr. Speaker, I reserve the balance of my time.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 402 provides for the consideration of H.R. 4151, the Omnibus Diplomatic Security and Anti-Terrorism Act of 1986, subject to 2-hours of general debate and a restrictive amendment process. The rule makes in order an amendment in the nature of a substitute which shall be the text of H.R. 4418 as introduced yesterday. That substitute shall in turn be subject to only three amendments, two by the gentleman from Arizona [Mr. MCCAIN], and one by the gentleman from Pennsylvania [Mr. WALKER], both of which were printed in yesterday's CONGRESSIONAL RECORD.

Mr. Speaker, the rule contains a number of waivers. Sections 311(a) and 401(b)(1) of the Budget Act are waived against the introduced bill. Both of those were necessary because the bill authorizes a new Assistant Secretary of State to head the new Bureau of Diplomatic Security.

Because the introduced bill would have fixed the salary of the new Assistant Secretary at level IV of the Executive Schedule effective in this fiscal year, that is considered an entitlement prohibited under section 401(b)(1) of the Budget Act, and would also breach the section 311(a) aggregate spending ceiling for this year's budget. However, the amendment in the nature of a substitute made in order by this rule clears up these two problems by making the entitlement authority ef-

fective on October 1—the beginning of the next fiscal year.

The amendment in the nature of a substitute also creates a new entitlement for victims of terrorism, also effective fiscal 1987. Both it and the salary provision require a section 303(a)(4) Budget Act waiver since we have not yet adopted our first budget resolution for fiscal year 1987. However, the chairman of the Budget Committee has indicated that a majority of his committee supports this waiver given the "emergency and important nature of the bill," and the small amount of funding involved—an estimated $1.5 million.

I would point out, however, that this rule does make in order an amendment by the gentleman from Pennsylvania [Mr. WALKER] that would change this victims of terrorism entitlement to an authorization subject to annual appropriations. Another amendment by the gentleman from Arizona [Mr. MCCAIN] would reduce the amount of compensation from a worldwide per diem to $20 a day. That amendment also requires a section 303(a)(4) Budget Act waiver because it provides for an alternative entitlement option.

The other McCain amendment made in order by this rule would eliminate the President's discretion to award more compensation to those hostages receiving harsher treatment.

Finally, this rule waives clause 2(l)(6) of House Rule XI, the 3-day layover requirement, against the consideration of the bill. And it waives clause 7, rule XVI, the germaneness rule, and clause 5, rule XXI, prohibiting appropriations in legislation, against consideration of the amendment in the nature of a substitute.

Mr. Speaker, I think I should say a few words about this expedited and closed process since it's something I usually do not think is advisable, and I'm even uncomfortable with it now, though I have signed off on it subject to certain conditions and understandings. As I mentioned, the majority leadership has put this antiterrorism legislation on a fast track because it is an important and urgent concern. This is also something in which the administration has considerable interest. Most of the recommendations of the administration's advisory panel on overseas security, headed by Adm. Bobby Inman, are incorporated in this bill.

In addition, the bill was reported from both committee and subcommittee by unanimous voice vote, in fine bipartisan fashion. And other committees have cooperated on aspects of this issue which are within their jurisdiction, while waiving their jurisdictional claims to expedite matters. Several provisions have been included in the substitute too at the request of these other committees of jurisdiction.

It was the original intention of the Foreign Affairs committee to bring up this measure under a suspension of the rules. I raised some objection at that time because I felt anything that might cost $4.4 billion over 5 years deserves more scrutiny and debate than that process affords—that is, only 40 minutes of debate and no amendment.

Chairman FASCELL was very gracious in attempting to work out an alternate process that would be both expeditious and fair. And it was agreed among the bipartisan leadership that a modified closed rule would be requested after all Members had been put on notice of this request. The chairman accordingly made this announcement on the floor last Thursday, during the consideration of other business. It was understood that the Rules Committee would then decide which amendments to make in order after hearing from Members. This is essentially what we did. We did deny two requests to make in order nongermane amendments, and one to strike a section. But otherwise we made in order what was requested of us.

So, I think we have fashioned a fair rule given the time constraints on us for considering this measure, though I certainly don't want anyone to think this is a precedent we will be following frequently. I, for one, do not like to shut Members off at this vital stage of the legislative process. Even when there is advance notice of a restrictive rule request, many Members are not able to focus on a bill's provisions until the day before or the day of debate. So let's consider this a unique situation given the importance and urgency of the issue involved and the priority given to this by both the majority leadership and the administration.

Mr. Speaker, while the bill does not directly specify the amount being authorized, it's understood that we are talking about a $4.4 billion, 5-year program, most of which will go toward rebuilding or remodeling our missions abroad for security purposes, and improving our security services in those missions. This is not a small amount, given our new Gramm-Rudman requirements, and I would urge my colleagues to pay close attention to the debate that will ensue to judge for yourselves the merits of the bill.

□ 1600

Mr. LOTT. Mr. Speaker, I reserve the balance of my time.

Mrs. BURTON of California. Mr. Speaker, for purposes of debate only, I yield 6 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. I thank the gentlewoman for yielding this time to me.

Mr. Speaker, I rise in support of the antiterrorism bill. I compliment Chairman FASCELL, Chairman MICA, Congressman BROOMFIELD, and Congresswoman SNOWE for working with all the relevant committees to produce a bill which is a strong weapon in fighting terrorism, but not at the cost of relinquishing important rights.

I want to also thank the Rules Committee for permitting the Foreign Affairs Committee to add a new title XI. Title XI is the text of H.R. 4371, which I introduced last week. The bill deals with security at military bases abroad. It tells the Secretary of Defense to review the security arrangements at all bases and, in particular, at the family housing areas, to determine whether stronger measures are needed. The bill also encourages the Secretary of Defense to step up security and antiterrorism training for members of the military and members of their families.

We have been fortunate that terrorists have not targeted the families of our service members. I'm afraid it is only a matter of time. I do not want to scare military family members unnecessarily, but I want them prepared. Title XI charges the Secretary of Defense with the responsibility for preparing military families to combat terrorism.

I am delighted that the Armed Services Committee and the Defense Department were cooperative in the development of this proposal.

Title VIII of this bill, which is the only title subject to amendment, is the hostage compensation package which the Committee on Post Office and Civil Service favorably reported last summer. In fact, we have been working on this legislation since before the Iranian hostages were freed. It has been 6 years that we have been unable to resolve this issue. During this time, one of the Iranian hostages has died, probably from captivity related illness. I think it is a scandal that we have not been able to pass this legislation until now.

The fundamental purpose of the victims of terrorism legislation is to provide Federal workers, members of the military, and their families with a stable, permanent set of benefits which will apply in all future cases. Former hostages testified that they thought about their families a great deal while they were in captivity. They hoped that their families were being cared for in their absence. This legislation provides that assurance.

For this legislation to achieve its goal, we must reject the McCain and Walker amendments. To eliminate the entitlement nature of these benefits, as the Walker amendment would do, would undermine the peace of mind which this legislation is intended to provide. To reduce the payment from $66 per day to $20 per day, as the McCain amendment would do, would violate the consensus to reimburse hostages who are not free at least

equally with those who are free and asked to travel for the Government.

Title III of the bill contains a new accountability board to investigate terrorist attacks on American missions abroad and to find out whether any Government employee was responsible for inadequate security. The Subcommittee on Civil Service, which I chair, worked with the Foreign Affairs Committee to ensure that existing due process rights would apply. I think the language in the bill before us meets the goal of heightening concern about security without reducing anyone's rights.

H.R. 4151 is a good bill which should be adopted.

□ 1610

Mr. LOTT. Mr. Speaker, I yield 2 minutes to the gentlewoman from Maine [Ms. SNOWE].

Ms. SNOWE. Mr. Speaker, I thank the gentleman from Mississippi for yielding me this time.

First of all, I would like to compliment the gentleman from Mississippi and the entire Rules Committee for lending their assistance and accommodating our position and our interests in moving this legislation along.

Mr. Speaker, as ranking Republican on the Subcommittee on International Operations, I join the ranking member on the full Foreign Affairs Committee, and the chairman of the subcommittee and full committee in support of the rule. In preparing this legislation, the Foreign Affairs Committee worked with the majority and minority on all of the other committees that share jurisdiction over terrorist issues. And in seeking the rule, we consulted with both the Republican and Democratic leadership of the House.

As Members of this body are certainly aware, international terrorism presents a serious challenge to the conduct of U.S. foreign policy. This legislation is vital to approaching the problem of terrorism in a comprehensive manner, and will provide greater security to those who serve the United States abroad. The administration strongly supports this legislation. Just yesterday I received a letter from the President urging swift and positive action on this bill. The subcommittee and the full Foreign Affairs Committee gave its unanimous approval of the legislation as well.

The rule we are considering is not intended to exclude any views or approaches, and I would like to point out that the rule specifically makes in order amendments relating to terrorism proposed by Members. This rule is necessary so that the House may approve this important legislation in an expeditious fashion. With all of the other important measures the House must consider this week, we must move swiftly to prevent serious delay of final passage of this bill.

During general debate, I will go into more detail about the pressing need for this legislation, and the importance that we move quickly. I urge my colleagues to approve the rule so that we may consider this legislation further.

Mrs. BURTON of California. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Speaker, I want to express my appreciation to my distinguished colleague from California [Mrs. BURTON] for yielding this time to me.

Mr. Speaker, I am pleased to support H.R. 4151 and the rule making its consideration in order.

The right moment to take decisive action on terrorism is now. This bill is an appropriate and a vital first step. I am proud to be a cosponsor of this essential legislation. The distinguished chairmen of the Foreign Affairs Committee and its International Operations Subcommittee and their respective ranking members are to be commended for their tireless efforts on this issue and on this legislation.

The bill properly emphasizes multilateral approaches to this difficult problem. Terrorism, by its very nature, is an essentially international problem. We are not going to solve it without the concerted efforts of many nations, East and West. We must build now on the new-found readiness of other nations to address this issue. The bill directs the President to seek the establishment of an International Anti-Terrorism Committee, to work toward better sharing of information with other governments, and to exert efforts to curb the abuse of diplomatic status. These steps mark an indispensable beginning.

International nuclear terrorism is a potential problem that we must address before it leads to a catastrophe of unimaginable proportions. Title VI of the bill is devoted entirely to this issue. It focuses on the security of nuclear materials and on the enforcement of effective standards in this area.

The security of our diplomats and diplomatic facilities must be adequately protected. This bill sets forth a comprehensive program to ensure that our foreign policy will not be held hostage to international terrorism.

The bill also addresses the thorny issue of exports to states which are involved in international terrorism. Export controls can be an unwieldy tool of foreign policy, but their use is sometimes called for. The bill implements the judgment that, as a matter of policy, we should not permit our exports to be used to enhance international terrorism. At the same time, it gives the executive branch sufficient flexibility to carry out the policy intelligently in the context of our overall foreign policy.

A companion provision covers those who knowingly and intentionally lend aid and comfort to international terrorism through the provision of training or technical services.

Before I close, I would like to refer to one provision which Mr. MRAZEK, Mr. SCHUMER, and I had hoped to offer as an amendment to this legislation: A section banning the importation and manufacture of an emerging generation of plastic polymer firearms that can invisibly slip through x-ray machines and metal detectors. Plastic guns have no advantage as sporting equipment or for self-defense: The only value they have over metal guns is that they can be hidden from security equipment. Unless Congress takes action, this emerging generation of nonmetal weapons may render the security measures of every airport in the country obsolete.

Because the proposed amendment is an antiterrorism measure, we felt this bill would be the proper vehicle for it. Since we were unable to offer it today, however, we intend to offer it as an amendment to H.R. 4332, the Federal Firearms Law Reform Act, when it comes to the floor.

Mr. LOTT. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I rise in opposition to the rule. The rule is flawed largely because what it does is put in the House procedure here more budget waivers, and that disturbs me.

I will say that I certainly appreciate the work that has gone into trying to correct this problem. If this rule passes, I will have an amendment in order that will take care of the budget waiver problem by striking out the entitlement program. My problem with the rule is that I should not have to offer an amendment to a bill to put it into compliance with what is already the law. The law states that we ought not be passing new entitlement programs. Here we have a brand new entitlement program that we are bringing out here in violation of the budget law and in violation of Gramm-Rudman. I have a problem with that.

The distinguished chairman of the Foreign Affairs Committee and his staff worked with me in order to draft an amendment that will, in fact, help correct the bill if, in fact, we get past the rule, and I will offer that amendment. I think it would clear up the procedure enormously.

But the fact is we have got a rule before us right now which waives the Budget Act, which is a violation of Gramm-Rudman, and which does specifically what this House has said in the past we were not going to do, and that is create new entitlements before we have passed a budget.

This rule would permit that, and I think that it is another example of

why we end up with huge budget deficits around here, because we simply do not live within our own procedures. We do not do what is required of us.

Budget deficits do not just happen; they are made and they are made right here in this Chamber. This rule is another example of making budget deficits.

So I would respectfully suggest that the Members vote against the rule. If the rule passes, however, I would hope that the Members would at least vote to correct the problem that we have created in this bill by creating a new entitlement program by voting for the amendment that I will offer that will change the entitlement program to an annual authorization and appropriation situation. That way, we would assure that we do not create a new entitlement program. It would not hurt the effort in any way to compensate the hostages and the families of the hostages. It would ensure that there is no entitlement money available, but rather it falls under the regular appropriations process.

I yield back the balance of my time.

Mrs. BURTON of California. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from California [Mr. LEVINE].

Mr. LEVINE of California. Mr. Speaker, I rise in support of the bill before us, H.R. 4151, the Omnibus Diplomatic Security and Anti-Terrorism Act of 1986. This legislation is the result of the dedicated work of the Committee on Foreign Affairs, on which I have the privilege to serve. I want to pay special tribute to my colleagues from Florida, Mr. FASCELL, chairman of the full Committee on Foreign Affairs and its Subcommittee on Arms Control, International Security and Science, and Mr. MICA, chairman of the Subcommittee on International Operations, without whose perseverance this bill would not be before us today.

The increase of international terrorism is something which deeply concerns all of us. The memory of the bombing of the Marine barracks in Lebanon, the hijacking of TWA flight No. 847, the hijacking of the *Achille Lauro* in which a disabled United States citizen was murdered, and most recently, the assassination of Prime Minister Olaf Palme, in Sweden, one of the most peaceful, peace-loving countries in the world—all are vivid reminders of the spread of the scourge of international terrorism. Responsible nations must work together to do everything possible to inhibit its spread, and the United States has a responsibility to lead in those efforts. This legislation is designed to do that.

This bill contains many important provisions designed to provide enhanced diplomatic security and to combat international terrorism. Titles I through IV contain provisions which specifically address diplomatic security, and include the Inman Commission recommendations as amended by the Subcommittee on International Operations. Implementation of these recommendations will increase the security of our own citizens who serve our country abroad.

Title V, State Department Authorities to Combat International Terrorism, is intended to enhance the Department of State's ability to deal with the growing threat of international terrorism. It contains provisions to require the Secretary of State to maintain and publish a list of the most wanted international terrorists and provides for rewards to be offered by the Secretary with respect to individuals on that list, and individuals sought for an act of international terrorism resulting in the death of a United States citizen or national or involving detention of such person for more than 60 days. There is also a provision authorizing the Secretary of State to offer rewards for information relating to international narcoterrorism and drug trafficking.

There is a provision to prevent the export of items on the United States munitions list to countries which provide support or sanctuary for international terrorism, including support or sanctuary for any individual terrorist or any terrorist group.

I would like to say something in detail about section 507 of title V, issuance of travel advisories on account of terrorism supported by Libya, Iran, or other foreign governments. This provision is similar to a resolution I introduced on February 19, 1986.

Section 507 expresses the sense of the Congress that the Secretary of State should consider the issuance of a travel advisory or other appropriate notice warning United States citizens of the dangers of traveling in any foreign country in which United States citizens; first, are attacked by terrorists supported by Libya or Iran if the government of that country fails to act immediately to require the closing of any Libyan official missions in that country or any Iranian official missions in that country, as the case may be; or second, are attacked by terrorists supported by any other foreign government which used its official missions to support that attack, if that foreign government is not immediately required to close all of its official missions in the country in which the attack occurred.

I want to state for the record why I am so concerned about Libya, the focus of my original resolution.

As we all know, on December 27, 1985, 12 United States citizens were wounded and 5 murdered in cold-blooded attacks at the Rome and Vienna airports. The individuals who carried out these attacks were members of the Libyan-backed Palestinian terrorist group, headed by Abu Nidal. Libyan leader Mu'ammar Qadhafi applauded and praised these attacks.

In response to these heinous attacks, President Reagan severed virtually all trade links with Libya, froze its assets in the United States and ordered the more than 1,000 Americans working there to leave immediately. He also said that the United States would "not understand" if other countries moved into Libya "to take commercial advantage of our departure." In addition, he called on our NATO allies to join us in isolating Libya and its outlaw leader, Colonel Qadhafi.

However, no European country has fully endorsed President Reagan's call for total economic sanctions against Libya. In fact, our allies have been cool to leveling sanctions against Colonel Qadhafi and his country. Deputy Secretary of State John Whitehead was dispatched to visit nine of our NATO allies in the hope of persuading them to reduce their ties with Libya. Unfortunately, the results of his efforts were less than gratifying.

In January the U.S. Department of State issued a report called "Libya Under Qadhafi: A Pattern of Aggression." This report makes clear that Libyan leader Mu'ammar Qadhafi has used terrorism as one of the primary instruments of his foreign policy and that he supports radical groups which use terrorist tactics. Qadhafi's activities include threats, material support for terrorism, cooperation, economic incentives and intimidation, and military aggression. He provides logistical support for terrorist operations, such as supplying passports to the Abu Nidal members responsible for the December attack on the El Al ticket counter in Vienna.

Training for radical Palestinians and other radical elements frequently takes place in Libya. During Qadhafi's reign there have been numerous instances of Libyan-sponsored attacks against United States interests, and during the past 18 months Qadhafi has made public references to expanding his terrorism campaign to include United States targets.

The responsible international community suffers from Qadhafi's disrespect for international norms of behavior and accepted diplomatic practices. Qadhafi blantantly uses terrorist violence against political opponents and has abused diplomatic privilege for terrorist purposes, such as using Libyan embassies and diplomatic pouches for transferring and storing weapons and explosives.

Colonel Qadhafi's support for terrorist acts has clearly jeopardized the safety of United States citizens. It is clearly the responsibility of the United States Government to protect the safety of all our citizens, at all times and in all places. In addition, it is in

the interest of the responsible world community to isolate Libya economically, politically, and militarily to the greatest extent possible.

Yet we have not been able to get our NATO allies to join us in isolating the outlaw Qadhafi.

That is why I introduced my original resolution. We simply must find a way to encourage our allies to take sanctions against the Qadhafis of the world. One way to do that is through economic incentives. U.S. tourists spend millions of U.S. dollars in foreign countries. Issuance of a travel advisory results in the loss of millions of dollars in revenues in the country for which an advisory is issued. If countries where United States citizens are attacked do not reduce their ties with Libya, and do not make their country safe for United States citizens, then it is appropriate for the U.S. Government to take action to protect our own people.

If the U.S. Secretary of State issues travel advisories for such countries, we might see a far different response to terrorism by our allies. The United States issued a travel advisory for Greece last June after the TWA hijacking out of Athens. Greece lost enough United States revenue to encourage it to quickly overhaul the security at the airport. If the Secretary had issued travel advisories of Italy and Austria after the attacks on United States citizens last June, perhaps they would feel compelled to take actions to make their countries safer.

In short, we must find a way to encourage our allies to take actions against terrorists and terrorism. We must find a way to isolate the Qadhafis and Khomeinis from the responsible world community. The provisions of section 507 will help do that.

Title VI, International Nuclear Terrorism, expresses the high priority the committee places on finding responses to the threat of international nuclear terrorism before the United States is faced with such an act, and in establishing effective measures to protect nuclear facilities and weapons-grade materials from acts of terrorism.

Title VII, Multilateral Cooperation to Combat International Terrorism, emphasizes the importance the Committee on Foreign Affairs places on gaining multilateral cooperation among our friends and allies to more effectively combat, on a worldwide basis, the growing threat of international terrorism.

Title VIII, Victims of Terrorism Compensation, provides for benefits of captives and compensation for disability or death.

The purpose of title IX, Maritime Security, is to establish an effective regime for maintaining security standards at both domestic and foreign ports. It includes measures to improve seaport and shipboard security, and to prevent unlawful acts against passengers and crews on board ships. In addition, there are provisions to require a maritime risk assessment.

Last, title X establishes a fellowship program, named the Fascell Fellowship Program, after the respected chairman of the Committee on Foreign Affairs. The purpose is to afford the fellowship recipients the opportunity to serve on a short-term basis at a United States diplomatic mission in the Soviet Union or Eastern Europe to obtain firsthand working exposure to the country in which they serve. This program is a fitting tribute to the work and interests of an individual whom it has been a privilege to work with and learn from.

Terrorism is one of the worst international problems of our time, and it is growing. The legislation before us is a responsible way to try to bring this problem under control. It is the result of much cooperation and effort on the part of those who worked on it. It is a good bill and I urge my colleagues to support it.

□ 1620

Mr. LOTT. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mrs. BURTON of California. Mr. Speaker, I yield myself such time as I may consume. I would like to say a few words on behalf of this rule and this bill.

Mr. Speaker, terrorism is a cancer which could destroy us all. Its virulent message has coarsened our sensibilities and has cheapened our sense of humanity. The evil agents that aid this international disease must be checked.

I am pleased that a partial remedy for this destructive condition exists in H.R. 4418, appropriately entitled the Diplomatic Security Act. This legislation will provide a needed security apparatus to protect our dedicated civil servants who have committed themselves to a life of selfless public service. It will further provide, via the Department of State, the training assistance and related equipment to host Government personnel assigned to protect U.S. Government employees and missions abroad.

Because the United States has an imperative interest in protecting U.S. citizens serving their country abroad, I urge adoption of the proposed rule for consideration of this bill.

Mr. Speaker, I have no requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON HOUSE JOINT RESOLUTION 534, URGENT SUPPLEMENTAL APPROPRIATION FOR THE DEPARTMENT OF AGRICULTURE, 1986

Mr. WHITTEN. Mr. Speaker, I move to take from the Speaker's table the joint resolution (H.J. Res. 534) making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes, disagree to the amendment of the Senate to the amendment of the House to the amendment of the Senate and ask for a further conference thereon.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. Without objection the Chair appoints the following conferees: Messrs. WHITTEN, TRAXLER, MCHUGH, NATCHER, AKAKA, WATKINS, DURBIN and SMITH of Iowa, Mrs. SMITH of Nebraska, Messrs. MYERS of Indiana, ROGERS, and SKEEN.

There was no objection.

GENERAL LEAVE

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on H.R. 4151, the bill about to be considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

OMNIBUS DIPLOMATIC SECURITY AND ANTI-TERRORISM ACT OF 1986

The SPEAKER pro tempore. Pursuant to House Resolution 402 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4151.

□ 1624

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4151) to provide for the security of U.S. diplomatic personnel, facilities, and operations, and for other purposes, with Mr. KLECZKA in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Florida [Mr. FASCELL] will be recognized for 1 hour, and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 1 hour.

The Chair recognizes the gentleman from Florida [Mr. FASCELL).

Mr. FASCELL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 4151, as amended, the Omnibus Diplomatic Security and Antiterrorism Act of 1986.

As you know, this legislation has been expedited at the request of the administration and House leadership and was developed in bipartisan cooperation with five other committees sharing jurisdiction over various provisions contained in this legislation.

I want to express my gratitude to the chairmen, ranking members and to all the members of the Committees on Armed Services, on the Judiciary, on Merchant Marine and Fisheries, on Post Office and Civil Service, and on Public Works and Transportation, who contributed to the writing of this milestone legislation to protect American Embassies, diplomats, their families, and ordinary businessmen and tourist travelers against the scourge of international terrorism.

H.R. 4151 as amended, enjoys the support of the administration and includes among its many important initiatives, the President's request for major enhancement of diplomatic security stemming from the Inman panel recommendations; implementation of most of the recommendations from the recently released report of the Vice President BUSH's Task Force on Terrorism—text of Vice President BUSH's letter lauding H.R. 4151, as amended appears at the end of this statement—and a new process to improve maritime security patterned after the successful Foreign Airport Security Act which was enacted last year; and a request that the Secretary of Defense review U.S. military base security abroad and institute an antiterrorist training program for members of the Armed Forces and their families.

The chairman of the Subcommittee on International Operations, Mr. MICA and the ranking minority member, Ms. SNOWE, will explain the diplomatic security provisions in the four titles in detail. Therefore, I would like to take this opportunity to review for our colleagues what action the Congress has already taken to combat international terrorism and to describe the new measures in this legislation.

Over the past 3 years, the Committee on Foreign Affairs has initiated, both passive and active measures to combat the growing threat of international terrorism. These include:

The establishment of a bipartisan staff task force to review diplomatic security including host government cooperation in protecting U.S. citizens and embassies as well as to study the foreign policy implications of international terrorism;

The authorization of the antiterrorism assistance program which provides training and equipment to some 40 friendly countries in such areas as upgrading airport security, providing courses in hostage negotiation, bomb disposal techniques, and so forth;

The enactment of the necessary enabling legislation to implement the treaties on aircraft sabotage and hostage taking;

The authorization of an emergency supplemental embassy security enhancement program in the wake of third Beirut bombing;

The creation of a rewards program for information leading to the arrest and conviction of international terrorists;

The adoption of a significant measure to enhance foreign airport security which mandates unilateral, bilateral and multilateral steps to upgrade security at foreign international airports and provides for stringent enforcement measures; and

The adoption of landmark U.S. resolutions during the 40th U.N. General Assembly which recognize all acts of international terrorism as criminal and specifically condemn the hostage taking.

Mr. Chairman, in addition to the authorization of the Inman panel recommendations, this bill contains numerous measures which complement and add to these accomplishments. Some of these provisions include:

The establishment of new maritime security procedures, similar to those enacted in the foreign airport security legislation;

Additional authorization for rewards, including the initiation of a new program targetted against "narcoterrorists" and the establishment of a witness protection fund;

A requirement that the President actively seek the establishment of an international coordinating committee whose sole focus is international terrorism;

Measures directed against state-sponsored terrorism, including controls on certain services and exports to countries which aid and abet international terrorist organizations;

Measures to prevent nuclear terrorism, including directing the President to seek universal adherence to the Convention on the Physical Protection of Nuclear Material, and to review the adequacy of physical protection regarding the international transit of nuclear materials;

Steps to enhance multilateral cooperation to combat international terrorism, including enhanced information sharing on passports and visas and directing the President to seek the adoption of a U.N. resolution condemning the use of diplomatic privileges and immunities; and

The establishment of a program to compensate U.S. Government personnel who are victims of terrorist attacks.

Mr. Chairman, as I said at the outset, the administration and the House leadership fully support this legislation. The threat to the lives and safety of our people working abroad is very real. International terrorism continues to be a blot against humanity, and Americans remain prime targets for these heartless killers.

I urge the unanimous approval of this vital legislation.

The text of the letter from the chairman of the Committee on Armed Services, the Honorable LES ASPIN, in support of this legislation follows:

THE VICE PRESIDENT,
Washington, March 18, 1986.

Hon. DANTE B. FASCELL,
Chairman, Committee on Foreign Affairs, House of Representatives, Washington, DC.

DEAR DANTE: I want you to know how much I appreciate your Committee's prompt and bipartisan action on the legislative recommendations of the Vice President's Task Force on Combatting Terrorism. Inasmuch as this report was publicly released on March 6, 1986, it is particularly gratifying to see such quick action.

When we met last September to discuss the work of the Task Force your pledge of cooperation was most welcome. I know that Admiral Holloway and his staff worked closely with your staff during ensuing months.

This will become a major part of our overall program to combat international terrorism. I urge speedy enactment of the legislation that is necessary to complete this important work.

Sincerely,

GEORGE BUSH.

COMMITTEE ON ARMED SERVICES,
Washington, DC, March 12, 1986.

Hon. DANTE B. FASCELL,
Chairman, Committee on Foreign Affairs, House of Representatives, Washington, DC.

DEAR DANTE: I understand your committee is reporting omnibus legislation to combat terrorism in H.R. 4151.

I am advised that the bill, as amended in the Committee on Foreign Affairs, affects the jurisdiction of the Committee on Armed Services in two ways. In Title VIII, it provides benefits for military personnel and their dependents comparable to those provided for civilian employees and similarly situated persons who are captured, kidnaped, or otherwise deprived of their liberty as a result of hostile action directed against the United States. In Title III, it establishes accountability review procedures for cases of serious injury, loss of life, or significant destruction of property related to a U.S. government mission abroad.

I am also advised that you intend to bring the bill to the floor in the near future. Of course, I note the jurisdiction of the Committee on Armed Services over legislation affecting benefits for and disciplinary actions involving military personnel. In the interest of expediting the business of the House, however, the Committee on Armed Services will not seek sequential referral of the bill. At the same time, we would be pleased to see included in the legislation the

security training bill introduced yesterday by Congresswoman Schroeder.

Because questions of committee jurisdiction can be so troublesome in the handling of omnibus legislation, I would appreciate your making this correspondence a matter of record. No doubt should exist that our respective committees worked together in developing the pertinent parts of this bill. Indeed, our willingness to refrain from seeking sequential referral of H.R. 4151 should indicate our satisfaction with the product of our joint efforts on the bill.

I look forward to our working together on other matters that affect our respective jurisdictions.

Sincerely,

LES ASPIN,
Chairman.

□ 1630

The CHAIRMAN. The gentleman from Florida has consumed 7 minutes.

Mr. BROOMFIELD. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let us face the facts. The threat of terrorism is real. It will be with us for many years. Americans will continue to be the prime targets of terrorists. This bill does something about the problem of terrorism. It has the administration's blessing. It deserves our support.

I want to commend the chairman of the House Foreign Affairs Committee for his leadership in bringing this bill to the floor. I also want to point out the fine support which this bill received from Congressman MICA and Congresswoman SNOWE on the subcommittee level.

We must do all that we can to protect our fellow citizens serving at high-threat embassies. We must confront the menace of terrorism by using a variety of options. The legislation before us today gives our Government those badly needed options.

The bill implements many of the recommendations of the Inman panel—a bipartisan blue ribbon group which studied the problem of terrorism and embassy protection.

The Secretary of State recently wrote to me and noted that although this is the year of great budget stringency, the "safety of our people is of the utmost importance."

This legislation authorizes a major embassy building effort. Our new embassies will better protect our people against terrorist attacks. Some of the provisions in the bill focus on improving shipboard and port security. It also provides authority to control certain terrorism-related services and provides measures to protect against nuclear terrorism.

This antiterrorism package incorporates many of the recommendations of the Vice President's Task Force on Combatting Terrorism.

Mr. Chairman, this bill is a statement of Congress' commitment both to the protection of our citizens serving overseas, and to the battle against terrorism.

I urge my colleagues to support the bill.

The CHAIRMAN. The gentleman from Michigan has consumed 3 minutes.

Mr. FASCELL. Mr. Chairman, I yield such time as he may consume to the chairman of the Subcommittee on International Operations, the gentleman from Florida [Mr. MICA].

Mr. MICA. Mr. Chairman, first let me take this opportunity to commend the chairman of the committee, the gentleman from Florida [Mr. FASCELL], and the ranking minority member, the gentleman from Michigan [Mr. BROOMFIELD] and my ranking minority member on my subcommittee, the gentlewoman from Maine [Ms. SNOWE] for the excellent job that they have done on this legislation. We have spent several years working on this legislation. Members realize that some of the origins of the key provisions of this legislation came after the Beirut bombing, as a result of the Inman Commission, and as a result of what I consider to be probably one of the most cooperative and most bipartisan approaches we have seen in this Congress.

H.R. 4151, the Diplomatic Security Act, represents the culmination of years of effort on the part of the Committee on Foreign Affairs to provide the Department with the tools it needs to manage security programs at U.S. missions abroad, to move ahead on the design and construction of safer embassies, and to provide security for foreign dignitaries in the United States. I think that this legislation will strengthen the Department's security operation, and give the Congress the oversight it needs to ensure that the diplomatic security program proceeds on time and on budget.

Work on this legislation has proceeded on strictly bipartisan lines, with the subcommittee's ranking minority member, Ms. SNOWE, taking a strong hand in the crafting of this bill. As a result, this legislative initiative enjoys the support of both sides of the aisle beginning with the support of the President, the Secretary of State, and the leadership of this House.

The Diplomatic Security Act is essential to our continued diplomatic presence overseas. We have a commitment to the safety of our diplomats and their families overseas at a time when Americans are targeted for terrorist attacks. We also have a commitment to protect our diplomatic missions which symbolize America abroad. This bill signals nations that support terrorism that we intend to maintain our diplomatic presence abroad.

Let me point out a few of the features of this bill.

It reorganizes the Department of State with respect to the security function, spelling out the Secretary's responsibility for the development and implementation of programs and policies which protect our diplomatic missions overseas. This includes responsibility for the personnel and operations of a variety of U.S. Government agencies overseas.

It presents the Secretary with full responsibility for the coordination of all U.S. Government personnel assigned to U.S. missions abroad, and for the establishment of staffing levels at these posts.

It establishes a Bureau of Diplomatic Security in the Department of State to be headed by an Assistant Secretary for Diplomatic Security responsible for overseas and domestic security and protective operations, management of counterterrorism planning and coordination programs, technical security, and personnel training.

Within the Bureau of Diplomatic Security, the bill creates a new Diplomatic Security Service to be headed by an experienced career civil service or foreign service member.

Of critical importance, the legislation provides a mechanism for determining accountability for failures of the security system in cases resulting in serious injury, loss of life, or significant destruction of property. An Accountability Review Board, convened by the Secretary of State, shall examine the facts surrounding a serious security breach, and make findings as to the operational causes of that failure and possible breach of duty by any individual concerned.

Finally, this amendment would authorize a comprehensive embassy construction program which would conform to the recommendations of the Inman panel and speed up our security upgrade program worldwide to meet the growing terrorist threat. This legislation authorizes the President's request for $4.4 billion over the next 5 years for the Department's Diplomatic Security Program. Of these funds, $1.6 billion will provide for the salaries and expenses of such programs as the public access control projects, perimeter security systems, armored vehicle program, residential security, passport and visa fraud investigations, and for the protection of foreign dignitaries and missions in the United States.

The remaining funds will be for the Diplomatic Construction Program. With these funds, the Department will significally upgrade 254 American facilities overseas, including 79 new embassy compounds.

The cost, in terms of actual dollars spent, will be considerably lower in the early years. The Congressional Budget Office estimates that this program will result in actual outlays of only $250 million in fiscal year 1987. This is a result of committee action with respect to the priority of projects, the

proposed obligation schedule, and the manner in which the Office of Foreign Buildings will organize to implement this ambitious construction program.

Many Members, including the gentlewoman from Maine, OLYMPIA SNOWE, and myself, have repeatedly questioned whether the program request had been sufficiently scrutinized. In my opinion, there can never be enough scrutiny for a program of this magnitude. However, this program has already undergone significant review.

When the Inman panel recommended the replacement of 126 embassies and upgrade of twice as many, the total cost was estimated at $5 billion for construction alone. After reviewing the recommendation, the Department of State submitted to the Office of Management and Budget a $3 billion construction package. Today, we are seeking approval for a Diplomatic Construction Program limited to $2.7 billion, or nearly half of the original recommendation.

Scrutiny by my subcommittee will not end here today. We fully intend to closely oversee the entire program. To this end we have built into the legislation suitable notification requirements to the Congress on each appropriation request. The appropriate committee must be notified before any funds may be obligated for any given project. We have also established procedures for the treatment of cost overruns and the promotion of contract efficiency.

Another aspect of this bill deserving special consideration is the committee's action regarding preference for U.S. contractors. The committee feels very strongly that Americans should be called upon to build our embassies abroad not only because it is concerned about the quality of construction and the sensitive nature of these facilities, but also because it feels that the way to make sure our missions best reflect the principles for which we stand is to have qualified Americans, including minority contractors build them. Therefore, we have included very strong language in title IV establishing a clear preference for U.S. contractors. Section 402, also directs the Department of State to allocate, to the extent practicable, 10 percent of the funds available for contracts with American minority contractors. I feel very strongly about this language which was authored by my colleague, Congressman DYMALLY. I urge the Department to make every effort possible to meet the requirements of this provision. The subcommittee expects the Department will report on regular, perhaps quarterly, basis regarding the implementation of this provision.

Title 8 of this bill provides compensation for victims of terrorism who are U.S. Government employees and are captured as a result of their relationship with the U.S. Government. It provides certain medical and educational benefits for hostages and their families to help them weather the crisis.

This title also provides for a cash payment to hostages based on the duration of their captivity. This is an issue that the United States has failed to address since the taking of American hostages in Iran 5 years ago. I think that we can all support measures which will finally fulfill any remaining obligation to this group of men and women who were held so long in captivity, and which will provide assurance to any future victims of terrorism that their families will be cared for.

In conclusion, I am proud to stand here today and present to this House the fruit of this committee's long effort. We have put together a comprehensive legislative proposal which will, if enacted, at last provide the U.S. Government the necessary tools to follow our words with actions. I urge the Members of this House to join us in taking this first step to fight terrorism wherever and however it appears.

Mr. FASCELL. Mr. Chairman, I yield to the gentleman from Missouri [Mr. VOLKMER].

(By unanimous consent, Mr. VOLKMER was allowed to speak out of order.)

OFFERING AN AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 4332, A SUBSTITUTE FOR H.R. 9545

Mr. VOLKMER. Mr. Chairman, at this time I wish to announce to the committee and to the House in general that immediately upon speaking later I will be providing the Clerk an amendment in the nature of a substitute to H.R. 4332 which was reported last week from the Committee on the Judiciary. This is a substitute for my basic bill, H.R. 9545, with some amendments to it. I plan to be offering it on Thursday as a substitute for the judiciary bill.

Mr. BROOMFIELD. Mr. Chairman, at this time I yield such time as she may consume to the gentlewoman from Maine [Ms. SNOWE] the ranking minority member of the Subcommittee on International Operations of the Committee on Foreign Affairs.

Ms. SNOWE. Mr. Chairman and members of the committee, this legislation represents an unprecedented effort by Congress to upgrade U.S. security standards across the board as well as to establish a new security ethic and apparatus within the Department of State. The legislation before us today also contains vital new counterterrorism efforts, many of them proposed by the Inman Panel on Overseas Security and the Vice President's task force on combating terrorism.

The subcommittee was involved in drafting two of the bills that form the core of this legislation. One of course is the Diplomatic Security Act and the other is the Victims of Terrorism Compensation Act. First, I would like to commend the chairman of the Committee on Foreign Affairs and the ranking member for their leadership in bringing this very important issue to the floor today. I also express my appreciation to the chairman of the Subcommittee on International Operations for his cooperation in working with the members of the committee.

As always, and with all of the issues that have come before the subcommittee, he has always worked to accommodate the views and positions of the members of the committee. I want to express my appreciation for all of the Members to the chairman of the subcommittee for that cooperation.

□ 1645

Through consensus and true bipartisanships, our subcommittee has conducted a considerable amount of work on the important issues of diplomatic security and counterterrorism. The product of much of that work is contained in this bill. Both the Diplomatic Security Act and the Victims of Terrorism Compensation Act were reported out of the subcommittee and full Foreign Affairs Committee unanimously.

The growing number of terrorist incidents, particularly the many targetted at Americans working for the U.S. Government abroad, make this legislation urgently needed. During the past two decades, terrorists have killed as many U.S. diplomats as were killed in the previous 180 years. In the past decade alone, terrorists have attacked U.S. officials or installations an average of once every 17 days.

This trend has become even more pronounced in the past 3 years. Last year, the State Department recorded 812 incidents of international terrorism, 30 percent of which were aimed at Americans and American interests, with U.S. diplomats the most common targets. This represented 200 more incidents than the previous year, and 300 more than the year before that.

Our subcommittee held a number of briefings and hearings on this particular issue. We heard testimony from a variety of witnesses who are experts in the field of international terrorism, all of whom concluded unanimously that terrorism will continue in the future and, in fact, could escalate dramatically.

In view of this trend, the Secretary of State assembled the Advisory Panel on Overseas Security, headed by Adm. Bobby Inman. The Inman Panel's focus was not only on the terrorist threat against U.S. personnel, but also against U.S. missions abroad. The Inman Panel found and concluded that nearly half of our missions abroad did not meet minimum security standards. During the course of its in-

vestigation, it also examined electronic penetration threats and came to the shocking conclusion that a number of our posts were rendered vulnerable. One post, for example, was found to share a common wall with an Eastern European trading company.

The report made it very clear that no matter how much money we spend, we obviously could not provide a 100-percent guarantee against such threats. But it did outline a number of measures that this Government could take that could minimize the probability of such threats and attacks against our personnel and our embassies abroad. Those measures are contained in titles I through IV of of this legislation.

The measures called for by the Inman Panel encompass more than just a major diplomatic building program. It also called for a major realignment of the security status within the Department of State. These measures are equally important to the building program. They call for such measures as improved training, increased personnel, the reorganization of the security structure within the Department of State, a system for personal accountability for security lapses, and the creation of a Bureau of Diplomatic Security.

The Department of State has already implemented many of the 91 recommendations proposed by the Inman Panel. But this legislation here today is required to further implement the remainder of the recommendations. The Inman Panel recommendations encompass not only physical security, but human security. Even the best built embassy cannot function without properly trained personnel.

This legislation addresses the growing problem of terrorism in a comprehensive way. That was the value of the Inman Panel report, so that we do not constantly respond to the threat of terrorism in a reactive and an uncoordinated way. This legislation has become a priority of the administration, it is a priority of the Foreign affairs Committee, and I hope it will be a priority not only of the House of Representatives, but the entire Congress.

If we delay action, there is no question that many Americans who work on behalf of the U.S. Government will remain at risk. Just a few weeks ago, terrorists attempted to smuggle a car bomb into the Embassy in Portugal. Fortunately, that Embassy had been designed and built in the last few years and had the necessary security standards in place. Alert security officials detected the bomb that had been placed under an Embassy employee's car. The car was evacuated, the bomb went off, but fortunately no damage was done to the Embassy and not one was hurt or killed.

The point is that the Embassy in Portugal is an exception to the rule. Had it been one of our missions or consulates that has been recommended for renovation, relocation or construction by the Inman Panel, there would have been a serious loss of life and a serious damage to property.

So, ladies and gentleman of the committee, this legislation is vital in all respects. It is an ambitious program, but one that has to be taken, not only because it is important to this country, but I think that we have to make a moral commitment and take responsibility for the people who work for the United States.

I would like to comment on one other provision in this legislation, and that is title VIII, the Victims of Terrorism Compensation Act, which provides for education and medical benefits, and compensation to future hostages, as well as to hostage family members. It is based on the provisions in the Hostage Relief Act of 1980 that expired in 1983. This title will fill a serious void in our ability to combat and cope with international terrorism, and to minimize and alleviate the hardships on the family members, as well as the hostages. If there is anything we learned from the Iranian hostage crisis, it is that first and foremost in the minds of those hostages was concern for the health, welfare and safety of their family. This legislation would help them to cope better with a perilous situation and give them the kind of peace of mind they deserve during such an ordeal.

Title VIII not only provides compensation for future hostages, but it provides retroactively compensation for the hostages of the Iranian crisis. They still have not received any compensation, and yet 5 years has passed. It is long overdue. It is grossly overdue. And it is something that this Congress has to address here and now.

I might also mention that the Algiers agreement, which arranged the release of our hostages, denied these hostages the right to sue in court and to seek redress. So, at the minimum, we as a country have an obligation to provide the compensation that, as I said earlier, is long overdue.

We have a unique opportunity here today, ladies and gentlemen, to take strong action against international terrorism. I urge this body to approve overwhelmingly the legislation before us. We will not regret having done it.

Ms. SNOWE. I thank the gentleman for yielding.

Mr. YOUNG of Florida. Mr. Chairman, will the gentlewoman yield?

Ms. SNOWE. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. I thank the gentlewoman for yielding.

Mr. Chairman, I rise in support of H.R. 4151, the Omnibus Diplomatic Security and Anti-Terrorism Act of 1986.

My colleagues from Florida DANTE FASCELL, the distinguished chairman of the Foreign Affairs Committee, and DAN MICA, the chairman of the International Operations Subcommittee, and my colleagues from Michigan Maine, BILL BROOMFIELD and OLYMPIA SNOWE, the ranking minority members of the committee and subcommittee, are to be commended for their continuing concern and diligence to combat the increasing threat from international terrorists.

This bill is a sobering reminder of the threat terrorists pose to the security of our Nation. It provides for almost $3 billion in new budget authority over the next 6 years to enhance the security of our embassies and diplomatic missions overseas. We have had no choice but to assume a bunker mentality to protect American officials abroad.

During the past decade, terrorists have attacked U.S. officials or installations on the average of once every 17 days. Last year alone, 173 international terrorists incidents were directed at American individuals or facilities abroad, resulting in the death of 23 Americans and injuries to more than 150.

Although the United States remains the prime target of international terrorists, our allies are equally as vulnerable. Overall, there were 812 international terrorist incidents last year, claiming 926 lives and resulting in almost 1,300 injuries. Our Nation obviously cannot stand alone in the battle against terrorism.

In June 1984, I introduced legislation urging the President to organize an international convention to combat terrorism and to seek international agreements on the punishment and extradition of terrorists and their accomplices. I also urged increased cooperation among our allies in sharing intelligence information about terrorist organizations and in discussing counterterrorism strategy and techniques. The Foreign Affairs Committee included my legislation in a broader terrorism bill, which Congress approved and was signed into law by President Reagan in October 1984.

Vice President Bush's task force on terrorism recently endorsed my proposal, saying in his report released last month that, "International cooperation is crucial to long-term deterrence of terrorism."

There is a growing consensus in support of my effort to organize an international convention or working group on terrorism and I'm confident we are closer to the formation of such an organization. The legislation we consider today reaffirms the committee's belief in such a concept.

This legislation directs the President to establish an international coordinating committee, whose sole focus would be the problems and responses to international terrorism. It also seeks the help of our allies in protecting innocent Americans traveling abroad.

During the past 5 years, there have been more than 3,000 terrorist incidents worldwide, claiming hundreds of lives, causing thousands of injuries, and billions of dollars in damages. No nation is immune to the threat.

Our allies are looking to the United States for the leadership to organize an international working group to reduce the threat from terrorism. We must step forward and decisively

take the lead in this effort so that we can at last begin an organized campaign to capture and prosecute terrorists. It's time that we put the terrorists and would-be terrorists of the world on notice that they will no longer be allowed to roam the world freely and that their crimes against humanity will no longer go unpunished.

Mr. FASCELL. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Pennsylvania [Mr. YATRON], chairman of the Human Rights and International Organization Subcommittee.

Mr. YATRON. Mr. Chairman, I thank the gentleman from Florida for yielding me this time.

Mr. Chairman, I rise in strong support of the omnibus diplomatic security and antiterrorism bill.

I want to commend the chairman of the Foreign Affairs Committee, Mr. FASCELL, the ranking minority member, Mr. BROOMFIELD, and in particular the chairman and ranking minority member of the International Operations Subcommittee, Mr. MICA and Ms. SNOWE, for the outstanding work they have done on this legislation. Their leadership has resulted in a bipartisan strategy to combat one of the greatest threats to the American people: international terrorism.

Mr. Chairman, this legislation will strengthen and enhance the President's ability to confront the menace of terrorism in a realistic way by using legal instruments and international law. This is a comprehensive bill which includes among its many important provisions authority to deal with international nuclear terrorism, U.S. port security, as well as procedures to combat narcotics-related terrorism. This commitment is reinforced with a much-needed diplomatic security package designed to provide protection for Americans serving abroad.

There has been a great deal of concern expressed throughout the country that the United States does not have an effective approach to combat international terrorism. While it would be unrealistic to expect the United States to totally eliminate this menace, the Congress and the administration have devoted coinsiderable time and effort to establishing a coherent antiterrorism policy, which is embodied in this legislation.

This bill reflects the President's commitment of combating terrorism. It will not eradicate the threat but it will serve as an effective deterrent. The United States must be prepared to provide security against terrorism for its own people. Clearly, no other nation can be expected to assume this responsibility.

Mr. Chairman, in light of budget constraints many of our colleagues have reservations about the diplomatic security package. I share those views, and I am confident that the appropriate steps have been taken to preclude cost overruns and fiscal mismanagement. The committee has gone to great lengths to reprioritize the over 250 projects which require security improvements to reflect the concerns many of us have about cost effectiveness. Further, this legislation requires the Secretary of State to provide the appropriate congressional committees with detailed justifications for every program and project.

Mr. Chairman, if we are serious about protecting our people against the scourge of terrorism, we must match our words with deeds and provide the President with the necessary resources and authority he needs to carry out this vitally important task.

In conclusion, this legislation can serve as a springboard toward greater international cooperation in combating a problem that threatens the future stability and welfare of every nation. I strongly urge my colleagues to support this bill.

□ 1655

Mr. BROOMFIELD. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. GILMAN], a senior member of the minority.

Mr. GILMAN. Mr. Chairman, ladies and gentlemen of the committee, I am pleased to rise in strong support of H.R. 4151. The Omnibus Diplomatic Security and Anti-Terrorism Act of 1986. This bill is a monumental step forward in the protection of American citizens traveling or working abroad, and will ultimately lead to increased security for them at home, as well.

Over the past several years, the Congress has become more and more aware of the threat posed by international terrorism. The House has not shirked its duty to do everything in its power to give our executive branch effective weapons in the fight against terrorism. Everyone should understand that our fight against terrorism is not one dimensional. In this bill, as in previous legislation, we give emphasis both to unilateral and multinational approaches to the problem. As we struggle to understand the origins of terrorism, we realize that in many cases it results from the frustration of political aspirations which may in some cases be legitimate, or with which we can sympathize. But we must demonstrate our unshakable resolve to combat those who act out their frustrations by killing innocent men, women, and children, or by taking up arms against democratic governments and institutions.

This legislation was carefully crafted under the leadership of the distinguished chairman of our Foreign Affairs Committee, the gentleman from Florida [Mr. FASCELL] and the ranking minority member, the gentleman from Michigan [Mr. BROOMFIELD]. Major portions of this legislation—most notably the deplomatic security and hostage relief provisions—were drafted under the guidance of the gentleman from Florida [Mr. MICA] and the gentlelady from Maine [Ms. SNOWE], chairman and ranking minority member, respectively, of the Subcommittee on International Operations. Some of the provisions were contributed by other committees, such as the Committee on Post Office and Civil Service, on which I also serve, which first acted on the hostage relief provisions, and which endorses this legislation. Other committees cooperating in this venture were the Committee on Merchant Marine and Fisheries and the Committee on the Judiciary. We thank them for their cooperation in this venture.

The bill begins with the authorization of a massive construction program to protect Americans serving their country abroad in the diplomatic and consular services and in the many other agencies which are housed in American missions abroad. It will create a new Bureau of Diplomatic Security, to strengthen 254 U.S. facilities overseas. A new Bureau of Diplomatic Security is created to centralize responsibility for security matters within the State Department. When security-related incidents occur abroad, boards of inquiry will examine our response and determine if any additional action or precautions are required.

The bill contains provisions for dealing with difficult problem of increasing security at foreign seaports, so that it will be harder to carry out terrorist attacks on Americans or others at sea. These provisions are modeled after the recently passed measure designed to beef up security at foreign airports, and include assessments of security at foreign seaports, backed up by the threat that travel advisories will be issued in the absence of progress.

Provisions aimed at dealing with the problem of nuclear terrorism are also featured in the bill are aimed mainly at stimulating international cooperation to deal with the awsome threat to civilization posed by the possibility that a Khaddafi or a Khomeini could get their hands on a nuclear device.

Americans traveling abroad often feel that they are threatened because their place of birth appears on their passports. We have included a provision aimed at stimulating international agreement on the deletion of this information as an item on most passport; we also state in our committee report that we expect the Secretary of State to use his existing authority to issue passports without place of birth information.

The bill at long last provides an adequate settlement for the hostages taken at our Embassy in Teheran, who have not, until this day, received their

final compensation; it establishes a uniform, compassionate, and reasonable appropriate system for aid to any of our employees who may be taken hostage in the future, as well as for their families.

Finally, Mr. Chairman, I would like to turn to the provisions of title V of the bill. These provisions are especially important ones because they relate directly to actions which can be taken by our own State Department to help combat terrorism.

Section 501 provides for the establishment of a list of most-wanted international terrorists.

Section 502 increases the amount of rewards which may be offered for the capture of terrorists either on the list of most-wanted terrorists, or who are otherwise infamous.

Section 503 relates to rewards for information relating to international narcoterrorism and drug trafficking. The phenomenon of narcoterrorism is a relatively new one, but it is highly destructive. It involves the use of terroristic tactics against drug enforcement and diplomatic personnel—a new escalation in the criminality of narcotics traffickers.

The section is not intended to set up a program competing with the those under the jurisdiction of the DEA. Rather, the section is intended to provide additional weapons—in the form of rewards for the capture of the most major, infamous traffickers—which we hope will ordinarily be offered in cooperation with foreign countries. The provision specifies that in the case of rewards for the apprehension of narcotics traffickers, the Secretary of State is to act in consultation with the Attorney General. The section also provides for the offering of rewards for the capture or thwarting of actions directed against American personnel, or those who assist them abroad, or their families. We must do everything in our power to protect those individuals who risk their lives to keep our streets free of narcotics.

Section 504 provides for the improvement of the coordination of the antiterrorism assistance programs by the Secretary of State.

Section 505 authorizes up to $1 million annually of our antiterrorism assistance funds may be used to protect judges or informants who help us work against terrorists.

Section 506 provides that Congress should be notified when travel advisories are issued by our Government.

Section 507 is a sense of Congress provision stating that if a terrorist incident occurs abroad, and Libya or Iran support the terrorists, a travel advisory should be issued unless the Libyan or Iranian missions to that country are closed. In addition, the official missions of any other nation which uses its missions to support terrorism should be closed after an attack on Americans, on pain of the issuance of a travel advisory.

Section 508 is a consensus provision designed to prohibit the provision of services to the military, police, or intelligence services of countries on the terrorist list maintained under the Export Administration Act.

Section 509 would prohibit the export of any item on the U.S. munition list to any country on the terrorist list; it also provides that the President is to take all feasible steps to prohibit the export of goods or technology to a terrorist country if the Secretary of State determines that such exports would make a significant contribution to that country's military potential or enhance its ability to support international terrorism. The President is directed to take all feasible steps to secure the cooperation of other governments in efforts along the lines of the provisions of section 509.

Mr. Chairman, the provisions of this bill, are carefully designed and are the product of wise consultation within this House and with the executive branch. The bill is supported by the administration. I applaud the committee leadership on both sides of the aisle for its work on the bill and its cooperation in accommodating some concerns I raised—notably on the place-of-birth issue and the broadening of the Levine amendment now carried in section 507 of the bill.

Accordingly, Mr. Chairman, I urge my colleagues to support this legislation.

Mr. FASCELL. Mr. Chairman, I yield 4 minutes to the gentlewoman from Maryland [Ms. MIKULSKI], the chairman of the Subcommittee on Oceanography.

Ms. MIKULSKI. Mr. Chairman, I rise in strong support of H.R. 4151.

For too long, too many innocent Americans have suffered injury or death at the hands of international terrorists.

Whoever said that one terrorist is another person's freedom fighter has a callous disregard for the real victims of international terrorism.

How an 11-year-old girl returning home for the holidays, a wheelchair-bound 72-year-old retiree on a vacation cruise, and a 23-year-old Navy diver on leave stood in the way of anyone's freedom is a mystery to me and every American.

We must no longer ignore the issues of terrorism. Seared in our memories are the bombings of our Marine barracks in Beirut, the tormenting of senior citizens held hostage on the *Achille Lauro*, and the Christmas-time machine gunnings at the Rome and Vienna Airports.

Congress must send a clear message to terrorists the world over that we will not tolerate the brutal acts by the bully-boys. This legislation does just that.

In addition to strengthening the physical security of our embassies and diplomatic posts, it also sets in motion a framework for maritime counterterrorism. I am very proud to say that I initiated this component calling for an international conference establishing seaport security and passenger safety. This grew out of listening to the Meskins family, a New Jersey couple who was held hostage on the *Achille Lauro*. They told us in grim detail how they were taunted and tormented by the terrorists and then described the final moments of Mr. Klinghoffer's life.

But even more shocking was how they described the lax procedures that allowed that to happen. No screening of bags, no screening of people, easy access to the vessel, and no one on board to fight back.

That is why my legislation calls for international standards and agreements.

This legislation would require participating nations to take tough steps to combat terrorists. It calls for seaport screening of cargo and baggage similar to that used at airports; it adds extra security to restrict access to cargo, dockside property and the ships themselves; and it calls for additional security personnel on board ships, like sea marshals, comparable to sky marshals.

Tourists used to ask, when planning a vacation, where will they go. Now they ask, will they be able to come back.

The maritime component of this legislation ensures that they will come back.

We ask the private sector to cooperate in this, for good security is good business.

In addition, this legislation also authorizes $125 million for the Coast Guard to add personnel to bolster its historic security role at our Nation's ports. It mandates a risk assessment for the Nation's ports and guarantees that we will deter saboteurs at every wharf, warehouse, and dock.

Mr. Chairman, I want to conclude by saying that every now and again in this House we get to do something that we are so very proud of and work on a bipartisan basis. Today, united as one Nation and one Congress, we say "No" to the bullies.

Mr. BROOMFIELD. Mr. Chairman, I yield 4 minutes to the gentleman from Arizona [Mr. MCCAIN], who is a member of the subcommittee which reported this bill to the committee for consideration.

Mr. MCCAIN. Mr. Chairman, I would like to commend the efforts of Chairmen FASCELL and MICA, along with Mr. BROOMFIELD and Ms. SNOWE for their work on this legislation.

I would also like to mention the fine work of the Secretary of State's Advisory Panel on Overseas Security,

Chaired by Adm. Bobby Inman. The recommendations of this panel were the basis of the diplomatic security section, titles I–IV, of this bill. I would like to thank Chairman MICA for the inclusion of my language to limit appropriations for a fiscal year so that they may not exceed the amounts specified for such program in the Department of State's budget in brief for fiscal year 1987 (title IV, section 401(a)).

We must be careful not to allow this bill to become a permanent budget item. It must be a one-time authorization. Too many Government programs are supposed to last for a short period of time, yet seem to develop lives of their own.

I would like to call the committee's attention to title VII, section 701, Consideration of International Terrorism at the Tokyo Economic Summit Conference, language which I included during consideration by the committee. Last year, Abu Abbas, who was responsible for planning the *Achille Lauro* Hijacking, escaped justice in two foreign nations. This section will attempt to ensure that such a travesty is never repeated. It seeks to have terrorism included for discussion at the Tokyo Summit. In addition, it directs President Reagan to expand the Agreed Statement of the Seven Industrialized Nations made at the 1978 Bonn Conference regarding aircraft hijacking.

That declaration of policy must include all hijackers, not just those of aircraft. Those who plan the hijackings must also be brought to justice. Finally, this language seeks to expand the range of sanctions imposed on nations that evade their responsibility to the civilized world by coddling terrorists.

Later, I will be introducing two amendments to title VIII, Victims of Terrorism Compensation. When this matter was first considered by the Committee on Foregin Affairs last year, it had several major flaws: It did not cover members of the U.S. Armed Services, it allowed for different rates of compensation, and set the rate of compensation at a base far beyond historical or responsible levels. We were able to correct the most blatant of these by extending protection to members of the armed services along with civilian Government employees. However, there are still problems which should be addressed.

This legislation sets up a program resembling an entitlement, so we must proceed with caution and base our deliberations upon fact not emotion. My first amendment will delete Presidential discretion for degrees of treatment or harshness. The experience of being held captive by an enemy government or group is not pleasant, but it is not possible to objectively determine what constitutes fair or unfair treatment for purposes of compensation. We are not discussing payment for physical or psychological injuries, we are talking about a cash payment on top of salaries and other benefits.

My second amendment sets a lower base rate of payment. As written, this title would provide a payment based on the worldwide average per diem rate, roughly $60 to $70 a day. There is no logical, historical or economic basis for this figure. American P.O.W.'s from World War II, Korea and Vietnam were not given anywhere near this amount. President Carter's Commission on Hostage Compensation did not recommend anything close to this number or formula. I believe my amendment which sets the base rate at $20 a day is fair, equitable and fiscally responsible.

During consideration of these amendments, I intend to present supporting information on these points.

The information on these points, Mr. Chairman, will be not from just my experience nor the time that I have spent on issues such as these, but will be based on the President's Commission that President Carter appointed in 1980 to try to set about finding a fair and equitable compensation for the Iranian hostages. Their conclusions were dramatically different from the legislation as it is presently written. Later on I will go into the membership of that Commission, and their recommendations.

Mr. FASCELL. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Connecticut [Mr. GEJDENSON], a very active member of the Committee on Foreign Affairs.

Mr. GEJDENSON. Mr. Chairman, I am especially pleased to see the inclusion in this Omnibus Anti-Terrorism Act of a provision that directs the President to include the subject of international terrorism on the agenda of the upcoming Tokyo economic summit, to seek the establishment of an international antiterrorism coordinating committee and a provision that urges the President to seek international agreement on the sharing of information on passports and visas in order to more effectively combat terrorism.

The President, and indeed all of us who meet with our allies, should take advantage of every opportunity to raise this issue and to seek their greater cooperation in the crucial battle against international terrorism, because the only way we can hope to put a halt to this scourge is by a vigorous and coordinated campaign by all those countries who have an interest in denying the terrorists safe haven and financial or political support.

It is not enough for our friends and allies in the world to offer their verbal support for our antiterrorism policy, they must be willing to take economic and political steps to make this world a very difficult place for a terrorist to live in. So I urge my colleagues to lend their support to this measure before us today as an encouragement to the President to seek the international cooperation that is needed to combat terrorism.

□ 1710

Mr. BROOMFIELD. Mr. Chairman, I yield 5 minutes to the gentleman from Florida [Mr. LEWIS].

Mr. LEWIS of Florida. I thank the gentleman for yielding me this time.

Mr. Chairman, I would like to commend the chairman, Mr. FASCELL of Florida, the chairman of the Foreign Affairs Committee for his excellent work in bringing this bill before the House. Also Mr. BROOMFIELD, Mr. MICA, the subcommittee chairman, and Ms. SNOWE, the ranking Republican on the Subcommittee for International Operations of that committee.

Mr. Chairman, I would like to engage the gentleman from Florida, [Mr. SMITH], in a colloquy about H.R. 4151 and particularly section 503. I am deeply concerned about the ever-growing number of terrorist activities occurring overseas, and in fact the efforts of my colleague, Mr. SMITH of Florida, as chairman of the Task Force on International Narcotics, has brought the necessary attention to the seriousness of the narcotics problem throughout the world.

However, I have some reservations regarding the language as mentioned in H.R. 4151 pertaining to international narcoterrorism and drug trafficking. In particular, section 503.

Because of these reservations, many of which have been brought to me by the Drug Enforcement Administration, our Nation's leading drug enforcement agency, I would like to enter into a colloquy with my friend and distinguished colleague on this section.

Mr. SMITH, in section 503 of H.R. 4151, do we set up a parallel or duplicate program, one which is already under the jurisdiction of the Drug Enforcement Administration?

Mr. SMITH of Florida. If the gentleman will yield, it was clearly not the intention of the committee to set up an informant system for the State Department to rival or compete with that of the DEA. The Secretary's authority is limited to information rewards on major narcotices terrorist-type traffickers for offenses committed outside the United States. Mostly as we anticipate acts committed against people who have committed crimes against Embassy personnel or people involved in eradication programs or other forms of narcotics where terrorism is involved.

Mr. LEWIS of Florida. As you know, the Drug Enforcement Agency is this Nation's leading drug authority, both

at home and also abroad. As you mentioned, are we not establishing another information reward system through the State Department when we already have one set up with the DEA?

Mr. SMITH of Florida. If the gentleman will yield, the purpose of this amendment is not to put the State Department in the business of narcotics enforcement overseas. That is not the intention of this section of the bill. The purpose is to give the Secretary of State the ability to fight fire with fire when United States Embassy officials and employees, contract employees, such as the 20 Peruvian eradication workers who were murdered last year, are killed or kidnapped by what we know to be drug kingpins who are engaged in terrorist activity.

Unfortunately, under the current provisions of the State Department authorization bill, that drug activity is not considered to be terrorist in nature.

Mr. LEWIS of Florida. If the gentleman would further explain, I have a concern and a concern of many people at this point in time. We have created an atmosphere of informants and of cooperating individuals with our various reward system as stated.

Are we setting up a situation where these informants and these individuals would shop around, so to speak, for the best deal? How do we protect ourselves from this shopping around?

Mr. SMITH of Florida. If the gentleman will yield, the Secretary of State, as you know, under the terms of the bill must consult with the Attorney General before making any rewards at all.

Second, I doubt, and I think the committee doubts that people like Carlos Lehder or others of that ilk that are trafficking and engaging in terrorist activities are going to shop to be informants.

Third, this provision is not intended to enable the State Department to pay rewards to DEA informants but really to public informants. That is what we are looking to get. The whole purpose of it is to make the traffickers scared that people will be paid to turn them in, and where they are getting support because they are paying people, we are going to do the same thing to them.

Mr. LEWIS of Florida. Can the gentleman assure this gentleman that in the final analysis the bill, in passage of the bill that we will not have a parallel system?

Mr. SMITH of Florida. If the gentleman will yield, I have told the gentleman and the others who have concerns about this we do not want a parallel system, and right now language is being prepared by the agencies who are involved, Justice, DEA, and State to take care of this problem, if any exists, and at some stage in this proceeding in the Senate, in conference, wherever, if the language is agreed to and can help fix this, we will put it in to ensure that the gentleman's concerns are taken care of.

I thank the gentleman for his help in this matter.

Mr. LEWIS of Florida. I thank the gentleman.

Mr. FASCELL. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. ACKERMAN].

Mr. ACKERMAN. I thank the gentleman for yielding me this time.

Mr. Chairman, international terrorism poses a complex, dangerous threat for which there is no quick or easy solution. But the omnibus antiterrorism legislation before us today will significantly improve our capability for combating terrorism.

As we have become all too aware, terrorist attacks are growing at an average annual rate of about 12 to 15 percent, and have become an ever-present threat throughout the world. Most recently, the hijackers of the cruise ship *Achille Lauro* brutally slayed Leon Klinghoffer, a partially paralyzed New York appliance shop owner on the trip as a 36th wedding anniversary present to his wife.

This terrible tragedy was allowed to happen largely because of inadequate security at one of the *Achille Lauro's* ports of call. The lack of baggage checks and passenger screening at Genoa appears to have enabled the hijackers to smuggle the weapons on board that made it much easier for them to take control of the ship.

Preflight screening of passengers and their carryon baggage is the cornerstone of our domestic aircraft security program. Since 1972, these procedures have detected over 30,000 firearms, and have resulted in 13,000 arrests. Recent terrorist acts against passenger airplanes and cruise ships point out the need for us to continually monitor and update our security procedures. This is especially true at ports and on board ships, where there are presently no international or federally prescribed security measures. As a result, many ports have no baggage or personnel screening at all. In many places, completely unrestricted access to passenger and cruise vessels provides ample opportunity for terrorists to perform their evil deeds.

I am pleased that the Foreign Affairs Committee decided to incorporate into the omnibus antiterrorism bill before us legislation which I introduced, to authorize the Secretary of Transportation to require stringent international maritime safeguards. These include the use of metal detectors, cargo and baggage screening, and other comprehensive safety measures for all passenger ships leaving American ports for international waters.

The bill would also require the State Department to assess the effectiveness of security measures at those foreign ports that pose a high risk of terrorist attacks on passenger vessels, to notify foreign governments if security is inadequate, and to issue an immediate travel advisory if the port is not brought up to standard. In addition, the President must suspend service between the United States and any foreign nation that provides sanctuary to terrorist organizations which seize passenger vessels.

Of particular importance is a provision in the measure that urges the President to seek agreement through the International Maritime Organization on matters of seaport and seaboard security, and to submit to Congress a report on progress in developing measures to prevent terrorist acts against crews and passengers aboard ships. Cooperation with host government is essential, since they have the primary responsibility for providing security for U.S. citizens and facilities abroad. Securing the cooperation of the civilized nations of the world in applying political or economic pressures on those lands that sponsor terrorism is a difficult yet vital part of an overall antiterrorism program.

Mr. Chairman, dealing effectively with terrorism requires long-term measures to protect passengers and cargo, and to train security personnel. We in the free world must work together to gather and share intelligence so that we may put an end, once and for all, to these terrorist threats. The bill we are considering today incorporates these essential elements. I strongly urge my colleagues to support this needed legislation to reduce the risks of terrorism.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. WALKER].

□ 1720

Mr. WALKER. Mr. Chairman, I thank the gentleman for yielding.

This is basically a good bill. It does many excellent things to control terrorism and protect Americans against terrorism.

The problem I have with the bill is that it takes a direct end run around both the budget process and Gramm-Rudman. I think we need to be concerned in this House when we bring legislative to the floor that we live within the strictures that we have mandated on ourselves trying to move toward a balanced budget in 1991. That is the problem with this bill. It is an attempt to get out from underneath the balanced budget law and do an end run around the process.

What we are creating here is a new authorization. The new authorization is entirely correct. It is a way of attempting to find out or establish a method for getting at payment in compensation to hostages and people held by terrorists.

The problem is that we also set up in doing so an entitlement program, a brandnew entitlement program. That is done in violation of the budget bill. It is done in violation of Gramm-Rudman, and I have to say it is done knowingly, because the rule that brought it to the floor waived the provisions of Gramm-Rudman in order to get the bill out here.

Now, what we need to do is look at correcting that particular problem.

Now, let us understand what it is we are doing here. First of all, with regard to pay and benefits, as mentioned in the authorization bill, we are continuing the pay and benefits people would get anyway. Those are already authorized and appropriated. We would not in any way impinge upon people getting their pay by taking out the entitlement. It is already provided for in the appropriation; so the pay that either goes to families or to individuals which will continue to flow because that is already appropriated for and would be under any circumstances.

What we are talking about here is an add-on program to provide medical and educational benefits to hostages and hostage families, as well as cash compensation and the cash compensation has to come within 1 year to former captives.

We do that as an entitlement program. We do it right up front as an entitlement program.

Now, I heard the arguments out here that somehow we have not been able to react in the past. Well, we have never had an authorization in the past. There has been no program for doing this. We have never authorized such a program before. We have never had a mechanism.

Why can we not at least try, once we have the mechanism in place, to do the job of appropriating annually?

I would say to the people who suggest that the Iranian hostages have not been compensated, they are absolutely correct. There was no such program for the Iranian hostages; but if we had that program in place and you brought a supplemental appropriation to this floor in the midst of the crisis, it would pass like that. There would be no problem getting that done in the midst of the crisis. Why do this end run? Why can we not at least try the regular process? If the regular process does not work, then go to the entitlement; but why do we have to start with the entitlement? Why go that route right away?

It seems to me at the very least we ought to be out here protecting the process that we have put in place. That is what I am asking for in the amendment that I will offer. It is no way impacts on the authorization process. It keeps the authorization process in place. It simply says, "Don't go to an entitlement now. Make the money a part of the regular appropriation process. Say to us that we are going to have to come up with the money as a part of our effort to get to a balanced budget." That is all my amendment will do. It will keep the authorization program established in this bill absolutely in place. It will simply set up a different mechanism for payment that says that Congress ought to vote the money before we pay the money and it seems to me in light of the budget problems this country faces, voting the money before we pay the money makes pretty good sense.

Mr. FASCELL. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Michigan [Mr. WOLPE], the chairman of the African Subcommittee.

Mr. WOLPE. Mr. Chairman, I thank the gentleman for yielding.

I want to pay tribute to both the distinguished chairman, the gentleman from Florida [Mr. FASCELL], and also to the ranking member, the gentleman from Michigan [Mr. BROOMFIELD], and to the gentleman from Florida [Mr. MICA], and the gentlewoman from Maine [Ms. SNOWE], the ranking member of the subcommittee, for developing this excellent legislative product.

I would like to take just a moment to draw the attention of my colleagues to title VI of the omnibus antiterrorism legislation that we are now considering. Title VI embodies legislation that the gentleman from Maryland [Mr. BARNES] and I had introduced, and focuses specifically on actions to prevent or deter acts of international nuclear terrorism. As many of my colleagues know, this is an issue I have been extremely concerned about for several years and therefore I am particularly delighted to see our committee and this body assert needed leadership on what is surely one of the most serious of all pending threats to our national security—the prospect of terrorists going nuclear.

There may be some who consider this a farfetched or unlikely scenario. But to those individuals, I say "please think again." Anybody who believes that terrorists cannot acquire the technical information necessary to build a nuclear weapon has not thumbed through a recent encyclopedia or basic college physics text. And surely events of the past several years leave no doubt that terrorist fanatics clearly possess sufficient ruthlessness and cunning to carry off a nuclear attack.

The fact is that it only takes three things to construct a nuclear weapon: First, the technological know-how; second, as little as 20 pounds of a nuclear explosive material; and third, a political decision to put the first two together.

Title 6 provides for very modest and minimal steps that must be taken if we hope to stave off the day when terrorists groups acquire a nuclear explosive.

Obviously, this effort will require extensive international cooperation, so title 6 directs the President to seek universal adherence to the Convention on the Physical Security of Nuclear Material. Further, it asks the President to work with our allies and other countries to minimize the amount of nuclear explosive material in international transit and to insure the most stringent of security conditions for any such shipments. With incidents of international terrorism so clearly on the rise, these efforts to keep nuclear weapons grade material out of circulation and out of the hands of terrorist groups takes on an added urgency. This title also directs the President to seek agreement within the U.N. Security Council on an effective international strategy to deter nations or subnational groups from engaging in acts of nuclear terrorism and to respond on a coordinated, international basis should such a catastrophe occur. The final provision I would like to highlight seeks to strengthen the role of the Department of Defense in assuring that the physical protection standards applied to all exports or subsequent transfers of special nuclear material are fully adequate to deter theft, sabotage, or any other act of terrorism which would result in the diversion of that material. We cannot afford to settle for any lesser standard when the stakes are so terribly high.

Mr. BROOMFIELD. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, before I reserve the balance of my time, I want to indicate that the Vice President sent me a letter where he headed up the President's committee on combating terrorism and he indicated today in a letter to me that he wanted me to know how much he appreciated our committee's prompt and bipartisan action on the legislative recommendation of the Vice President's Task Force on Combating Terrorism.

He said:

> Inasmuch as this report was publicly released on March 6, 1986, it is particularly gratifying to see such quick action. I know you have worked closely with the chairman on this legislation. It has been truly a bipartisan effort that reflects close cooperation and this will become a major part of our overall program to combat international terrorism.
>
> I urge speedy enactment of the legislation that is necessary to complete this important work.

Signed: GEORGE BUSH, Vice President.

Mr. FASCELL. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Maryland [Mr.

BARNES], the chairman of the Subcommittee on the Western Hemisphere.

Mr. BARNES. Mr. Chairman, I want to thank our distinguished chairman of the committee for yielding me this time. I want to commend his leadership and that of the Republicans on the committee with whom we worked with very closely.

This is an enormously important piece of legislation.

I want to pick up on the comments of my friend, the gentleman from Michigan [Mr. WOLPE], with whom I had the privilege of working and offering some of the language with respect to nuclear terrorism.

If you think about it for a minute, given the amount of weapons grade material that exists in the world and the shipments of it that take place constantly around the world, it is almost inevitable that at some point some terrorist or terrorist organization will obtain enough of that material to put together a nuclear weapon and threaten civilization with the ultimate terrorism, and that is the threat of a nuclear weapon being exploded in an urban area.

It is almost inevitable that that will happen unless we get very tough about the way we deal with weapons grade materials and unless we get very tough in the standards that we establish for the transfer of those materials.

If it ever happens, if 1 year from now or 10 years from now or 30 years from now some terrorist gets hold of a nuclear weapon, everyone in the world is going to point at us, the people who were in office when the decisions were made about how these materials are transported and how they are used, and say, "How come you didn't do everything humanly possible to make sure that this couldn't happen, that a terrorist organization or a terrorist state could not get access to nuclear weapons?"

Well, we have the opportunity today to take some very modest steps. Quite frankly, a number of us wanted to do more to make our procedures even stronger with respect to the handling of weapons grade materials; but at least this legislation takes some first steps and assures that we are moving in the right direction toward doing what needs to be done to make it impossible for terrorists to get hold of nuclear material, plutonium and other weapons grade material, that potentially someday could threaten the civilized world with the ultimate danger, nuclear terrorism.

I strongly urge bipartisan support for this legislation. It is terribly important that we begin the effort of insuring that that day will never come.

Mr. FASCELL. Mr. Chairman, I yield 3 minutes to the distinguished chairman of the Committee on Merchant Marine and Fisheries, the gentleman from North Carolina [Mr. JONES].

Mr. JONES of North Carolina. Mr. Chairman, I rise in strong support of H.R. 4151, as amended the Omnibus Diplomatic Security and Anti-Terrorism Act. Events over the past several years, culminating in the unprecedented act of high seas terror against U.S. civilians who were cruising the Mediterranean Sea aboard the Italian vessel, the *Achille Lauro*, necessitate immediate legislative action. Any delay, by the United States, in acting can only serve to convince the faceless jackals who prey on the innocent, that they can continue to violate the most basic rules of a civilized society with complete impunity.

Last fall, the Committee on Merchant Marine and Fisheries initiated hearings and investigations into the threat of terrorism in the maritime sector. We considered safety on board passenger vessels and critical cargo carriers plus port security, both domestic and foreign. At our urging, there has been included within the text of the measure before the House, those measures we feel must be enacted. In addition, as a result of the examination of the data collected during our investigations, an amendment was offered during markup in the Committee on Foreign Affairs that would allow the U.S. Coast Guard to better carry out its responsibilities in respect to the assessment and containment of the risk of terrorism.

Clearly, within this vital legislation, and more particularly, within title IX are matters of vital concern to our committee. Their enactment will have a continuing impact on programs and agency responsibilities within our jurisdiction. In the interest of speed, we chose not to markup a bill of our own. Instead, it was our responsibility as well as our pleasure, to participate in the drafting of legislative as well as report language. In recognition of our joint roles in bringing this legislation to the Committee on Rules as well as to the floor of the House, Chairman FASCELL and I exchanged letters, copies of which I would ask be included in the RECORD of these proceedings, at this time. Once again, I applaud the Committee on Foreign Affairs and its chairman, the distinguished gentleman from Florida, for coordinating the efforts of the several committees involved in the process of bringing this vital legislative package to the House.

In closing, Mr. Chairman, I commend this legislation to the Members of this body, and urge your yes vote for this measure, which will send a strong positive signal that the United States means business.

I include the following correspondence:

COMMITTEE ON
MERCHANT MARINE AND FISHERIES,
Washington, DC, March 12, 1986.

Hon. DANTE B. FASCELL,
Chairman, Committee on Foreign Affairs, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I would like to congratulate you on bringing the Omnibus Diplomatic Security and Anti-Terrorism Act of 1986 to the House in such an expeditious manner. It was indeed a pleasure to cooperate with your Committee on those matters over which this Committee has sincere concern and jurisdiction.

As you know, our Subcommittee on Merchant Marine held extensive hearings, both in Washington and at Florida ports that are dominant in the cruise passenger trade, following the ACHILLE LAURO incident. Based upon these investigations, the Subcommittee on Merchant Marine recommended that certain steps be taken to better prepare the United States and its citizens against the threat of terrorism on the high seas and in ports. The Committee on Merchant Marine and Fisheries wholeheartedly supports these recommendations that are now included in Title IX of the Omnibus Diplomatic Security and Anti-Terrorism Act of 1986.

Because of the urgency of the matters contained within this bill, we have agreed to forego further consideration of those measures within the joint jurisdiction of the Committee on Merchant Marine and Fisheries and the Committee on Foreign Affairs with the agreed understanding that subsequent legislation and oversight dealing with matters of maritime security, such as contained within Title IX of the bill, are indeed within the jurisdiction of the Committee on Merchant Marine and Fisheries. During the debate on the bill, I intend to engage you in a colloquy concerning jurisdictional questions.

Once again, please accept my congratulations and appreciation for the spirit of cooperation between our Committees that has allowed this vital measure to proceed so rapidly through the legislative process.

With best wishes, I am,

Sincerely yours,

WALTER B. JONES,
Chairman.

COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC, March 12, 1986.

Hon. WALTER B. JONES,
Chairman, Committee on Merchant Marine and Fisheries, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter of March 12 regarding the maritime issues contained within the Omnibus Diplomatic Security and Anti-terrorism Act of 1986. I concur wholeheartedly in your observations; more specifically, there are measures of jurisdiction exclusive to the Committee on Merchant Marine and Fisheries within this bill, most particularly the U.S. Coast Guard provisions and the Panama Canal provision. The other issues contained within Title IX are, indeed, matters of joint concern to our Committees, and it is with great appreciation that I note the singular contributions made by your Committee in making the investigations and in the drafting of the language for much of the maritime security title.

Rest assured that I will support your continued jurisdiction over those matters con-

tained within the Omnibus Diplomatic Security and Anti-terrorism Act of 1986 that are generally referenced in the Rules of the House of Representatives, Rule X, clause 1 (n) and to this end I would welcome the opportunity to discuss this during debate.

With best wishes, I am,

Sincerely yours,

DANTE B. FASCELL,
Chairman.

□ 1735

Mr. FASCELL. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. BIAGGI], the chairman of the Subcommittee on Merchant Marine.

Mr. BIAGGI. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in support of H.R. 4418, the Omnibus Diplomatic Security and Anti-Terrorism Act of 1986. As we all know the incidence of terrorist acts has reached epidemic proportions, and most often, it is the United States and its citizens who are the primary targets.

I was very pleased to work with the Foreign Affairs Committee in developing title IX of this bill on maritime security and to cosponsor the bill as reported by that committee. The hijacking of the Italian cruise liner *Achille Lauro* and the subsequent murder by the terrorists of Leon Klinghoffer, an American citizen, highlighted the fact that the maritime environment is also vulnerable to terrorist attack.

The Merchant Marine Subcommittee, which I chair, has been actively involved in investigating maritime security. Subsequent to the *Achille Lauro* hijacking, on October 22, 1985, the subcommitte held a hearing on security in U.S. ports and on vessels using U.S. ports. This hearing was followed by field investigation of security at the Port of Miami and Port Everglades, FL, in November 1985. These ports handle the majority of cruise ship operations in the United States.

Extensive discussions were held with several Government agencies, including the Coast Guard, which is responsible for port and vessel safety, and the Federal Bureau of Investigation, which is responsible for domestic security in general. The subcommittee also met with many representatives of the cruise ship companies operating out of U.S. ports.

These companies, as well as officials from the ports, reported on the security measures already in place and on additional measures being tested and implemented in the aftermath of the *Achille Lauro* hijacking. Security measures being tested or implemented include: First, further restricting access by the public to the ports and vessels; second, increasing security personnel; third, screening passengers, baggage, and supplies with weapon-detecting equipment; fourth, screening shoreside personnel and crews; and fifth, restricting or eliminating visitors' access to vessels. It was evident from this investigation that security was being increased voluntarily and that the ports and cruise ship operators were committed to continuing that process.

The one question that could not be answered by anyone involved, however, was exactly what is the level of threat from acts of terrorism to U.S. ports and vessels using our ports. When the idea of an omnibus terrorism bill was proposed, the subcommittee felt that the issue of risk from terrorist acts had to be addressed before a comprehensive legislative scheme was developed. In the bill, as reported by the Foreign Affairs Committee, I am pleased to state the subcommittee's concern is alleviated by requiring the Secretary of Transportation to report to Congress on the level of threat to U.S. ports and vessels using those ports.

I am also pleased that the vital role the U.S. Coast Guard plays in domestic maritime security has been recognized in H.R. 4418. During the Foreign Affairs Committee markup, Congressman GERRY STUDDS, a member of the Foreign Affairs Committee and chairman of the Coast Guard and Navigation Subcommittee of the Merchant Marine and Fisheries Committee, offered an amendment that was accepted by the Foreign Affairs Committee. The Studds amendment authorizes the Coast Guard to undertake activities to bolster security at domestic ports. This amendment is vitally important because of the severe cuts in the Coast Guard budget over the last several years. I commend Congressman STUDDS for its introduction and am very pleased it was well received by the Foreign Affairs Committee.

I would like to point out that the Committee on Merchant Marine and Fisheries has jurisdiction over U.S. ports and foreign and domestic vessels using those ports. The expedited time schedule for considering an omnibus terrorism bill, however, required that the committee work through the Foreign Affairs Committee to develop those sections relating to maritime security.

The risk assessment report and the legislative proposals required of the Secretary of Transportation contained in H.R. 4418 concern domestic security at U.S. ports and on vessels using our ports. Domestic maritime security falls solely within the jurisdiction of the Merchant Marine and Fisheries Committee. These reports should be referred solely to the Merchant Marine and Fisheries Committee. Our committee, of course, will give serious consideration to the Secretary's report and any legislative proposals when they are received, and will develop legislation as necessary.

Again, I would like to commend the Foreign Affairs Committee for their cooperation with the Merchant Marine and Fisheries Committee on this issue. I believe title IX on maritime security is a reasoned and prudent approach to the very serious problem of terrorism in the marine environment. I support H.R. 4418 and I urge my colleagues to support it as well.

Mr. FASCELL. Mr. Chairman, I yield 6 minutes to the distinguished gentleman from Florida [Mr. SMITH], the chairman of the Narcotics Task Force.

Mr. SMITH of Florida. I thank the gentleman for yielding this time to me.

Mr. Chairman, I would like to take this opportunity to explain section 503 of this bill, which I sponsored in committee as the chairman of the International Narcotics Task Force.

Basically, this section would expand the authority in the existing law to give information rewards on terrorists acts, to apply to narcoterrorist and major narcotics trafficking acts as well.

Since this provision tracks existing law very closely, let me review that law briefly before explaining section 503.

Current law—section 36 of the State Department Basic Authorities Act—provides that the Secretary of State, after consulting with the Attorney General, may pay rewards to an individual who furnishes information leading to the arrest or conviction of anyone engaged in an act of international terrorism, if that act is against a U.S. person or U.S. property and is outside U.S. territorial jurisdiction. A $5 millon fund was established to pay such information rewards. Similar legislation permits the Attorney General to pay such rewards domestically.

Section 503 amends current law—section 36—to permit the Secretary of State to provide information rewards leading to the arrest or conviction of individuals involved in narcoterrorist and narcotics trafficking acts, to be provided under the same conditions as in current law.

It would also increase the current $5 million fund to $10 millon; of that amount, $5 million would be an earmark available only for narcoterrorist/narcotics trafficking rewards.

Narcoterrorism is defined as the killing or kidnaping of a U.S. officer, employee or contractor—or member of their immediate family—while engaged in drug enforcement overseas. Information for rewards on narcotics trafficking would be limited to major traffickers. A report to the Congress would be required for any information rewards paid.

I would like to emphasize why this amendment is necessary. First and foremost, violence is increasing against U.S. officials and contractors engaged

in narcotics enforcement overseas. Not only DEA agents are threatened by this violence, such as our agent who was murdered in Mexico. Peruvian eradication workers have been tortured and killed. In some countries, traffickers have put a price tag on all U.S. officials. We have United States State Department contract workers who are exposed to great danger in places like Tingo Maria, Peru, and Cochabamba, Bolivia, places we have never been but places where we have people helping us eradicate the terrible problem of drugs in this country. AID offices have been attacked by hired thugs, hired by narcotics traffickers, and certainly, as many of us are aware, narcotics traffickers are using the money that they get from selling narcotics to buy weapons to fund terrorists, and terrorists are entering into narcotics trafficking to get money to buy weapons and further their own terrorist activities.

However, the State Department now does not consider such acts to fall under the definition of international terrorism, and the Secretary, therefore, has no authority to offer these rewards.

Second, there are major narcotics traffickers against whom it would be impossible to prove that they have been involved in killing U.S. citizens, but who nonetheless finance and encourage such acts, as well as export huge quantities of drugs to the United States. There is currently no authority to provide information rewards on the Carlos Lehders and Pablo Escobars of the world. This amendment would provide that authority to the Secretary.

Finally, I would note that this provision has been approved by both the Office of Management and Budget and The White House. I think it will prove a very useful tool in our fight against narcotics—if the drug traffickers can put a price on our officials' heads, why shouldn't we be able to strike back by putting a price on their heads?

I would like to acknowledge that this provision stems from legislation originally introduced by my colleague, the gentleman from Florida [Mr. LEWIS] which I cosponsored. I believe his concerns have been met by the colloquy that we entered into previously and I certainly urge adoption of this legislation, which includes his provision.

In closing, Mr. Chairman, I would like to personally thank the chairman of the full committee, the gentleman from Florida [Mr. FASCELL], whose work on this over the years has been so intense, now culminating in this very fine bipartisan piece of legislation. I would certainly like to commend the chairman and his ranking member, the gentleman from Michigan [Mr. BROOMFIELD] who have worked so hard together to bring this to fruition.

As a member of the International Operations Subcommittee, I would like to commend both Chairman DAN MICA, a good friend of mine and a fellow Floridian, and the gentlewoman from Maine [Ms. SNOWE], who have both worked so hard and so effectively to bring what is an excellent piece of legislation to the floor.

If there was ever a bipartisan piece of legislation that directly answers the problems by giving the tools to our enforcement people in the field, this is it. This is the kind of thing that brings this House to its finest hours, and I am really proud to be part of this effort. I commend all of those who have taken part.

Mr. MINETA. Mr. Chairman, I rise in support of H.R. 4151, the Omnibus Diplomatic Security and Anti-Terrorism Act. When taken together with title V of the International Security and Development Act of 1985, the measure before us today provides an important corollary to our recent legislative efforts to combat aviation terrorism. As was the case with last year's bill, the distinguished chairman of the Foreign Affairs Committee and his committee members have made an immeasurable contribution to this omnibus antiterrorism bill.

The airport security measure signed into law on August 8, 1985, specifically requires the U.S. Secretary of Transportation to conduct periodic assessments of the effectiveness of security measures at foreign airports receiving international air service from the United States, using, at a minimum, internationally accepted standards.

If security deficiencies are found and not remedied within 90 days, the traveling public must be notified by DOT and by the airlines. Furthermore, in situations where a threat exists to the safety and security of passengers and flight crew members, the Secretary of Transportation is explicitly authorized to immediately suspend air service from that foreign airport to the United States.

Oversight hearings on DOT's implementation of our foreign airport security provisions were held just last month by the House Foreign Affairs Committee. At that time, 50 foreign airports had been evaluated against ICAO's standards and found to comply. Reassessments of these airports will be made three to six times a year.

In addition to sanctions or suspension of service, our recent enactment directs our Government to work through ICAO and other international negotiations to strengthen security standards and to improve enforcement of these standards. It also authorizes $5 million in fiscal year 1986 from the aviation trust fund for research and development of improved devices and techniques for detecting weapons and explosives. A total of $15 million was appropriated for this purpose in the fiscal year 1986 CR.

Today, U.S. scheduled airlines will transport more than 1 million passengers on 15,000 daily flights covering almost 400 airports in the United States and about 100 other points abroad. Since the inception of our current domestic airline passenger screening procedures in 1973, over 6 billion persons have been screened and almost 8 billion carry-on items have been inspected. These screening and inspection procedures have detected over 33,000 firearms with almost 14,000 associated arrests. Since late June, regulatory actions by the DOT have improved baggage and cargo inspections and security, expanded U.S. flight crew security training and increased the number of air marshals.

In closing, let me also briefly mention our hostages who are still being held in Lebanon. Some of these Americans have been held more than 1 year now, and public interest in their plight has risen and fallen over that time. We must maintain our high level of concern and interest. We must never forget that when we discuss laws and regulations about terrorism that the lives of many individuals are at stake; and that among those individuals are our hostages William Buckley, Peter Kilburn, Father Lawrence Jenco, Terry Anderson, David Jacobson, Thomas Suterland, and Alec Collett.

Thank you, Mr. Chairman.

Mr. HOWARD. Mr. Chairman, as a cosponsor of H.R. 4151, I rise in support of this legislation which will provide for a significant increase in security for U.S. diplomatic personnel, facilities, and operations, and for other purposes. Although the House Committee on Public Works and Transportation has limited jurisdiction over matters contained in H.R. 4151, we do have exclusive jurisdiction over section 409 of the bill relating to protection of foreign missions in the Washington, DC, metropolitan area, as well as foreign missions in the United States where there are located 20 or more missions and when such protective need arises in association with a permanent mission to an international organization.

Mr. Chairman, security for foreign missions in the United States is vital, through reciprocity, in obtaining needed security for American missions around the world, and is provided under two statutory programs. The first, a title III program for diplomatic protection in Washington, DC, is carried out by the U.S. Secret Service Uniformed Division and diplomatic protection with missions associated with the United Nations is carried out by the State Department's Diplomatic Security Service. The second is the Foreign Missions Act, which generally authorizes protective services for all diplomatic missions by the Secretary of State in order to meet current protective needs, except that the Secretary may not provide any protective services for which authority exists to provide such services under sections 202(7) and 208 of title III.

Mr. Chairman, title III of the United States Code directs the U.S. Secret Service Uniformed Division, subject to the supervision of the Secretary of the Treasury, to provide protection for the following: First, the White House in the District of Columbia; second, any building in which Presidential offices are located; third, the President and members of his immediate family; fourth, foreign diplomatic missions located in the metropolitan area of the District of Columbia; fifth, the temporary official residence of the Vice President and grounds in the District of Columbia; sixth, the Vice President and members of his immediate family; seventh, foreign diplomatic missions located in metropolitan areas—other than the

District of Columbia—in the United States where there are located 20 or more such missions headed by full-time officers, except that such protection shall be provided only, first, on the basis of extraordinary protective need; second, upon request of the affected metropoiitan area; and third, when the extraordinary protective need arises in association with a visit to or occurs at a permanent mission to an international organization of which the United States is a member or an observer mission invited to participate in the work of such organization, provided that such protection may be provided for motorcades and at other places associated with such a visit and may be extended at places of temporary domicile in connection with such a visit; and eighth, foreign diplomatic missions located in such areas in the United States, its territories and possessions, as the President, on a case-by-case basis, may direct.

In carrying out functions of providing security for foreign diplomatic missions located in metropolitan areas—other than the District of Columbia—the Secretary of Treasury may utilize, with their consent, on a reimbursable basis, the services, personnel, equipment, and facilities of State and local governments, and is authorized to reimburse such State and local governments for the utilization of such services, personnel, equipment, and facilities. The authority of this subsection may be transferred by the President to the Secretary of State. To carry out this provision, there is authorized to be appropriated on an annual basis $7 million for the payment of reimbursement obligations entered into for security measures.

To date, the U.S. Secret Service has resisted any attempts by the State Department to provide protective services outside of Washington, DC. Further, Executive Order 12478 of May 23, 1984, transferred authority to the Secretary of the State to provide protective services under title III when associated with an international organization or on a case-by-case basis as the President may direct. The U.S. Secret Service Uniformed Division retained authority to provide protective services in the Washington metropolitan area.

In 1975, the House Committee on Foreign Affairs amended the Foreign Missions Act whereby the State Department was granted authority to provide extraordinary protective services for foreign missions directly, by contract, or through State or local authorities to the extent deemed necessary by the Secretary in carrying out the act; however, such services shall not be provided if such authority exists under title III. There is authorized to be appropriated $2.5 million annually to carry out the purposes of the act.

Section 409 of H.R. 4151 will bolster State Department antiterrorism programs that provide security protection for the United Nations and United Nations related activities now carried out under title III by the Department of State, pursuant to Executive Order 12478, dated May 23, 1984. This section would significantly strengthen the range of authorities available for U.N. protection under title III by including the protective provisions now available through the Foreign Mission Act. This would include, among other provisions, the authority to effect the location of foreign missions based on security concerns, the ability to provide protection for activities that occur away from but are related to U.N. mission activities, provide protection against hostile activities that occur near the U.N. headquarters, allow the Attorney General to engage the judicial process on behalf of foreign missions and other important and useful authorities. This section will accomplish these goals without any increase in funds.

To conclude, the decision to provide protective services and the funding available therefore are both determined under title III, and provisions of the Foreign Mission Act may be used in support thereof.

Mr. Chairman, I urge adoption of H.R. 4151.

Mr. RODINO. Mr. Chairman, I rise in support of this bill and commend the distinguished chairman of the Foreign Affairs Committee, the gentleman from Florida, for bringing it to the floor so expeditiously.

Mr. Chairman, this bill reflects the collective efforts of several committees of the House including the Committee on the Judiciary, in response to our leadership's call for an omnibus bill to deal with the threat of international terrorism. Those participating in this effort should be congratulated for the promptness and thoroughness of their response.

The bill accomplishes several important goals. It provides for greater security for our embassies overseas by authorizing new construction to strengthen U.S. facilities abroad against terrorist attacks. It establishes criminal penalties for Americans who supply military or intelligence assistance to avowedly terrorist nations. It tightens export controls on weapons and other technology which could be of great assistance to individuals, organizations, or countries engaged in or supporting terrorist activities against Americans or U.S. Government facilities.

The bill also authorizes rewards for information leading to the arrest and conviction of persons who kill or kidnap U.S. officials engaged in drug enforcement overseas, and it establishes a most-wanted list of international terrorists and a worldwide counterterrorism witness protection fund. It calls for travel advisories for nations which fail to close Libyan or Iranian official diplomatic missions in cases where these two countries provide support to terrorists who have attacked American citizens.

The bill also improves security safeguards at foreign ports and bolsters protection against nuclear terrorism.

Importantly, the bill further establishes a fund to compensate U.S. employees and their families who are victims of terrorism.

This bill says that we will not allow terrorists to hold our diplomats and citizens hostage. It shows that we are serious about fighting the very real threat that terrorism poses to the lives and safety of Americans abroad. While Congress alone cannot stop international terrorism, this legislation will certainly make American facilities and American workers overseas more secure.

H.R. 4151 is a bill we can all be proud of; it deserves our unanimous support.

Mr. PORTER. Mr. Chairman, it had been my understanding that rollcall votes are not held on days that there are State primaries. Had I not been in my district for the Illinois primaries, I would have voted "aye" on the Omnibus Diplomatic Security and Anti-Terrorism Act, H.R. 4151.

The various programs supported by this act serve many of international objectives in opposing terrorism. This act merely authorizes the program. It will be up to the Appropriations Committee to integrate this program into our budget to comply with the deficit reduction targets that we must meet under Gramm-Rudman.

Mr. COLEMAN of Texas. Mr. Chairman, the basic principles of freedom, justice, and concern for human life on which our Nation was founded have survived major threats during the course of America's history. Today, we face a unique and pervasive challenge to these ideals in the form of terrorism, an increasingly serious threat to the United States and its friends and allies around the world. Colleagues, it is my firm belief that H.R. 4151, the Omnibus Diplomatic Security and Anti-Terrorist Act, which provides for the security of U.S. diplomatic personnel, facilities, and operations, will enable the United States to combat terrorists and eventually win the war against international terrorism.

Seeking to impose one's political will over others through the threat or use of violence is as old as history. Over the last few centuries, however, the civilized world was thought to have made progress in establishing nonviolent rules of political conduct. International rules of war, human rights resolutions, and, indeed, the fundamental premises underlying the establishment of the United Nations are all based on the assumption that political violence and political freedom do not and cannot mix. Political intimidation, the object of the use of terrorism, is antithetical to freedom of political expression, the cornerstone of democratic society.

Sadly, there has been a growing trend in the past two decades by individuals, groups, and, in some instances, by governments, to resort to terrorism on an international scale in the pursuit of their political aims. In age of high technology and mass communications such tactics are relatively cheap, effective, and produce a maximum of media exposure. They also cynically sacrifice the lives and well-being of innocent people and eliminate peaceful options of compromise and diplomacy. Left unchanged, the rise of terrorism will undermine the system of political, economic, and military relationships which the United States and its allies have come to rely upon to preserve, protect, and promote their national and mutual interests in an orderly and peaceful fashion. During the years ahead, we must be prepared for continued serious threats from international terrorism in Western Europe, in the Middle East, and in Latin America, much of it supported or encouraged by a handful of ruthless governments. The challenge is clearly before us.

It is my firm belief that H.R. 4151 will provide the United States with the capability to win some of the battles, but in order to win the war against international terrorism, we need an international effort. No matter what our commitment and capability may be, we cannot succeed alone when the threat originates abroad and strikes abroad where other

governments necessarily have the major responsibility. But unless and until other governments are willing and able to make the same commitment, the unfavorable trend experienced last year cannot be reversed. Without this international cooperative effort, the terrorists and those behind them will continue to be successful, which will encourage others to utilize terrorism to achieve their political and ideological goals.

Mr. Chairman, I commend the Task Force on International Terrorism and the Foreign Affairs Committee for putting this essential piece of legislation on the fast track, and I would urge my colleagues to support H.R. 4151.

Mr. SHAW. Mr. Chairman, and my colleagues, I rise today to address an oversight in H.R. 4151. Section 503 of the bill is designed to enhance the ability of the State Department to offer rewards for information concerning the perpetrators of terrorist acts. We are all aware that the best policy improvement that we could make in America's counterterrorism policy would be the enhancement of our intelligence capabilities so as to do whatever possible to either prevent or deter the increasingly ugly specter of terrorism.

Unfortunately, section 503 also creates what amounts to new authority for the State Department to engage in a program of limited rewards for information concerning acts of narcoterrorism. Such rewards would be limited to $500,000 in any individual case and $5 million has been earmarked for this program in fiscal 1987.

It might be overly generous to suggest that the creation of this new authority within the State Department is a flight of bureaucratic fancy. It leaves both the Drug Enforcement Administration and the State Department with separate narcotics trafficking information rewards systems. One might be tempted to conclude that there will be a healthy competition between the two agencies. I am seriously concerned that the creation of separate programs will encourage informants to play agents of these two Federal programs against each other in an attempt to jack up the price of information. Moreover, in these times of budget constraint, I find it troublesome to create a potentially duplicative program in a multibillion-dollar bill whose purposes fall within the most legitimate concerns of the Federal Government.

It is not as if the State Department and the Foreign Affairs Committee had not taken the time to consider the relationship between these two agencies. The Committee report states that it was the intention of the Foreign Affairs Committee to "* * * restrict the use of such rewards to information on individuals considered by the Drug Enforcement Administration to be major narcotics traffickers (class I violators)." Certainly it can be said that if the State Department has to depend on DEA intelligence to identify eligible informants, then they ought to assume that the DEA would be the proper agency to manage the rewards program.

I understand that there was a dispute in the Rules Committee about allowing an amendment to correct this discrepancy. For reasons that are not all that clear to me, the rule that was adopted was structured so as to preclude this needed change. I do not believe that the bill should be defeated because of this flaw but I sincerely hope that the defect could be corrected in the Senate. At the very least, I think we owe it to our constituents to clarify the potentially overlapping responsibilities of the two agencies involved so as to achieve the legitimate purposes of this needed effort in the most efficient manner possible.

Mr. PENNY. Mr. Chairman, I rise in support of the Omnibus Diplomatic Security and Anti-Terrorism Act (H.R. 4151). It includes necessary measures that will help to guarantee the safety of diplomatic personnel and other Americans abroad. In recognizing the importance of the legislation we must also realize that budget constraints require us to find savings in other parts of the budget to pay for these measures. I have included my thoughts about how to respond to these budget pressures in a letter to the chairman of the Foreign Operations Subcommittee of the House Appropriations Committee and to the Chairman of the House Foreign Affairs Committee. I am including the text of that letter in the RECORD:

HOUSE OF REPRESENTATIVES,
Washington, DC, March 18, 1986.

Hon. DAVID R. OBEY,
Chairman, Subcommittee on Foreign Operations, Washington, DC.

DEAR DAVE: I am writing to you concerning a bill we are voting on today, the Omnibus Diplomatic Security and Anti-Terrorism Act (H.R. 4151). Events over the last several years have demonstrated the need for this kind of legislation. I believe that most members of Congress will agree on the importance of a counter-terrorism program and protection for U.S. government representatives and other Americans abroad.

At a time of budgetary restraint, I am concerned that an authorization of over $4 billion over the next five years will crowd out spending for other programs in the international affairs budget function. It is proper for increased spending in such a high priority item to be balanced by reduced spending in lower priority areas. In setting priorities within this budget function, I hope you will consider balancing the increased spending for anti-terrorism and diplomatic security with reductions in foreign military assistance.

Our development and humanitarian assistance programs are important means of preserving life and economic vitality in Third World nations. In contrast, military assistance programs have a less productive impact on recipient societies and contribute to a world-wide military escalation. Yet spending for these military programs has doubled since 1980 and is now twice the level of spending for development and humanitarian assistance.

As you set priorities and establish spending levels for programs included in the international affairs budget function, I urge you to seriously consider reductions in military assistance to balance the necessary added expenditure for combatting terrorism, protecting U.S. personnel, and providing development and humanitarian assistance.

Sincerely,

GERRY SIKORSKI,
TIMOTHY J. PENNY,
BYRON DORGAN,
Members of Congress.

Mr. BONKER. Mr. Chairman, I rise in support of H.R. 4151, the Omnibus Diplomatic Security and Anti-Terrorism Act, and commend the gentlemen from Florida, Messrs. FASCELL and MICA for their skillful and expeditious handling of this sweeping antiterrorism initiative. At a time when international terrorism has been growing at an alarming rate, we must more effectively protect U.S. personnel and facilities abroad, and provide the executive branch with the authority necessary to combat this rise in terrorist activities directed against American citizens.

While supporting the need to address the serious problem of international terrorism, I must, however, express my reservations about authorizing $4.4 billion in new money to implement this security and antiterrorism program. Although this measure is an authorization bill, and therefore not subject to the spending limitations in the Budget Act, I think that it is somewhat contradictory for us to authorize large sums of new money at the same time that Gramm-Rudman is slashing current expenditures. Many of us did not support the Gramm-Rudman approach to deficit reduction, but the fact remains that Congress is obligated to abide by the limitations on Federal spending as spelled out under Gramm-Rudman. However noble and worthy the cause—which I believe terrorism and security to be—we are authorizing expenditures which are not offset by reductions in other accounts.

In addition to other provisions contained in this bill to upgrade physical security at U.S. embassies abroad and expand the President's ability to deal with international terrorism, I would like to point out a new provision which is designed to further enhance the executive branch's ability to respond to terrorist nations. Section 509 amends the Export Administration Act of 1979, as amended, to broaden the definition of a country supporting terrorism, to ban arms sales and to control more tightly exports of dual-use goods to such countries. The amendment, which was based on legislation introduced by my colleague from California, Mr. BERMAN, statutorily requires a validated export license for any exports of goods or technology which the Secretary of State determines would make a significant contribution to the military potential or would enhance the ability of a terrorist country to support international terrorism. In addition, Congress must be notified 30 days in advance of the issuance of any such license.

Mr. Chairman, I believe the Omnibus Diplomatic Security and Anti-Terrorism Act reaffirms and strengthens Congress' deep commitment to combating international terrorism. I urge support of my colleagues for passage of this legislation.

Mr. BARNES. Mr. Chairman, I am pleased to be a cosponsor, coauthor, and strong supporter of this important legislation. I would like to highlight, in particular the section on nuclear terrorism.

I am very pleased that the committee adopted, under a separate title, provisions that I and Representative WOLPE authored on ways in which we can address the threat of international nuclear terrorism.

I cannot stress enought how critical it is that we address this potential threat both at home and in the international community.

For years I have worked diligently to help stop the spread of nuclear weapons, to make certain that nuclear technology and nuclear bomb materials—like plutonium and highly enriched uranium—do not fall into the wrong hands.

The United States has to face up to the increasing traffic in the world of plutonium which is not under U.S. control.

We must recognize that as time goes on there will be more and more of this bomb material moving around the world.

We must also face the possibility that if a terrorist explodes a nuclear device our national security is directly threatened and we must respond to it.

Now is our chance to guard against the day when our diligent efforts for genuine nuclear arms control are thwarted by a few dangerous, irrational people with destructive intentions.

The decision to launch nuclear war must be kept out of the hands of terrorists.

One day we may be held hostage by a terrorist threatening to explode a nuclear bomb, or subjected to the terrorist seizure of nuclear bomb material being transported over land, air, or the high seas. Then, as elected officials, we will be asked, What did you do to prevent this from happening?

What will we say? What will we be able to do?

I ask you, who, then, will finally have control over the nuclear button?

This is why the bill's nuclear terrorism provisions are so important. They are modest and minimal steps that we should take today if we want to be responsible about this future threat.

International cooperation is key to our efforts.

We need universal adherence and enforcement of minimal standards for protection of nuclear shipments.

We must formulate an effective international strategy to deter nations or subnational groups from engaging in acts of nuclear terrorism, and we need to develop a coordinated response plan in the event of a nuclear terrorist attack or seizure of weapons-grade material.

We need to be sure that when bomb materials are transported, that the most stringent physical security standards are applied.

In addition, each of our domestic agencies that use, handle, store, and transport nuclear bomb material—plutonium and highly-enriched uranium—should provide its own perspective and recommendations of how best we can protect ourselves from the terrorist threat, and whether or not our current physical protection standards are adequate to guard against terrorist acts.

This bill includes all these steps.

It also gives the President authority to suspend nuclear cooperation with any nation that has not ratified the International Convention on the Physical Protection of Nuclear Material.

In addition, it gives the Department of Defense (DOD) an enhanced role in reviewing the physical security arrangements for nuclear exports and transfers. DOD would provide views on whether the physical protection of the material "during the export or transfer will be adequate to deter theft, subotage, and other acts of international terrorism which would result in a diversion of that material." If it finds that a genuine terrorist threat might exist, then DOD must recommend the steps necessary to upgrade physical protection measures.

All these nuclear terrorism provisions are a good beginning. I hope in the future that we will build on this first step.

For now, this is the very least we should do. Let us not rue the day when terrorists go nuclear. Let us, instead, do something meaningful now, while we still can.

Mr. FASCELL. Mr. Chairman, I yield the balance of our time to conclude the debate to the distinguished majority leader, the gentleman from Texas [Mr. WRIGHT].

The CHAIRMAN. The gentleman from Texas [Mr. WRIGHT] is recognized for 17 minutes.

Mr. WRIGHT. Mr. Chairman, I thank the committee for having produced a very constructive and creative piece of legislation.

I would like to add my words to those already spoken in commendation of the splendid spirit of bipartisanship that has prevailed throughout the consideration of this particular piece of legislation. It is a monument to the spirit of bipartisan cooperation. It also stands as a splendid example of interdisciplinary cooperation among the committees of the House.

There is no such thing as partisanship nor committee turf when it comes to the acts of terrorism which more and more have terrorized humanity and the human family. Those who would work their wicked will by sheer, unadulterated terror and threats of terror against innocent and unsuspecting people surely would bring about a reign of international lawlessness of a type that we have not known in recent times.

□ 1745

This is a threat of new and unaccustomed dimension to the United States. We live in this great big, beautiful, open country where we have cherished, and so rightly loved, the right and privilege to move about as we will, to go without restraints, without fear, without concern, to move freely from one part of our land to another without seeking or gaining permission. The world had begun to become a place like that in which people might travel freely back and forth across the artificial boundary that men, through their individual folly, have had to erect.

But now this new threat, in some cases quite obviously the act of governments themselves in which they have sought to make terrorism the sheer, absolute lawlessness of a world community that breeds fear and frustration, a policy of their governments, and so we respond, I think in an effective way. It is a mark of our time that it is a more dangerous occupation to be a diplomat than it is to be a person of the military uniformed armed services.

I was talking last year along with some of our colleagues with Ambassador Rabb in Italy, and he tells us that he knows of seven plots upon his own life, and is not aware of others that may indeed have occurred. Were it not for a splendid degree of international cooperation that is increasingly apparent among the developed and democratic nations of the world, those who are increasingly the victims of terrorism, our Ambassadors and our Embassy in Rome, most surely would have been victimized by an attack that might have been a successful attack from the standpoint of those who would have perpetrated it.

In November of 1984, a guard dog in the Zurich Airport, sniffing among equipment and luggage for explosives, sniffed out one international passenger, and notes on that passenger's possession led the agents to an apartment in Rome in the vicinity of our Embassy. There they discovered a large cache of very dangerous weapons, and some very elaborate drawings by which those would-be terrorists had planned an assault upon our Embassy. Among other things, there was a very elaborate, careful drawing of the room, the office in which our Ambassador does his work, and a window through which they would have stuck a bazooka with the intent of killing him.

This is the kind of thing that we must not just sit back and tolerate happening without our protecting those brave people who represent the United States in our ambassadorial and other diplomatic services. So it is altogether proper, it seems to me, that what the committee has done here has been to propose a systemic plan of strengthening the defense capabilities and security of our sensitive Embassies throughout the world and other sensitive buildings which house U.S. personnel.

Yet with all of that, I think it would be a grave danger if we were to fall into the trap of developing a bunker mentality in which we huddled together and refused and refrained from circulating among the people.

Why were we unaware until too late of the dimensions of the problem that was arising in Iran? I think quite possibly the answer may be because we had no capabilities among our Embassy people to talk Farsi, the language of the streets. We were not out there in the coffee shops and in the streets picking up the kinds of intelligence that might otherwise have alerted us to the danger that was brewing, and finally engulfed us in such a way that it brought shame, and suffering, and real terror to us as a nation.

So, intelligently, this committee, it seems to me, has encouraged people

with skills and knowledge, and developed the Fascell fellowships to train other people, and to create an intelligent interflow of information through which our friendly countries might help one another to track the movements of known and suspected terrorists, and also has provided rewards for information leading to the arrest, apprehension, and conviction of those people who have committed acts of terrorism, or who would commit acts of terrorism.

So in all of this, it seems to me that the committee has done an outstanding job. I should like simply, as majority leader, to express my personal thanks, and in behalf of the whole House and all of those on our side of the House to the leaders of the committee, the gentleman from Florida [Mr. FASCELL], the chairman of the committee, and the chairman of the subcommittees involved and the ranking minority members on the committees which drafted and brought this legislation to the floor. I should like to express the hope that it will pass by an overwhelming majority.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. Of course I yield to the gentleman from Florida.

Mr. FASCELL. Mr. Chairman, I want to thank the gentleman for not only his remarks, but for his kind words with regard to the work of the committee. But let me say here, right now, that Speaker O'NEILL and the majority leader, the gentleman from Texas [Mr. WRIGHT], and the leadership on the Republican side, the gentleman from Illinois [Mr. MICHEL], and the gentleman from Mississippi [Mr. LOTT] deserve a great deal of credit for making it possible to put this interdisciplinary package together, for expediting its consideration, and also for their work with the administration in getting the administration's program incorporated and enacted. So this was truly, as the gentleman from Texas has said, a very enthusiastic and a fine day for the legislature.

Mr. WRIGHT. I surely thank the distinguished gentleman from Florida, [Mr. FASCELL], the chairman of the committee, and I express the hope that maybe this can be a harbinger of things to come.

Mr. FASCELL. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Ms. SNOWE. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. Pursuant to House Resolution 402, the text of H.R. 4418 is considered as an original bill for the purpose of amendment under the 5-minute rule in lieu of the amendment in the nature of a substitute recommended by the Committee on Foreign Affairs now printed in the bill, and said substitute is considered as having been read.

No amendments to the bill or to said substitute are in order except the following amendments printed in the CONGRESSIONAL RECORD of March 17 by, and if offered by, the member designated, which shall not be subject to amendment except pro forma amendments for the purpose of debate:

First, amendments by Representative MCCAIN; and

Second, the amendment by Representative WALKER.

The text of H.R. 4418 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Omnibus Diplomatic Security and Anti-Terrorism Act of 1986".

SEC. 2. TABLE OF CONTENTS.

The table of contents of this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.

TITLE I—DIPLOMATIC SECURITY

Sec. 101. Short title.
Sec. 102. Findings and purposes.
Sec. 103. Responsibility of the Secretary of State.
Sec. 104. Bureau of Diplomatic Security.
Sec. 105. Responsibilities of the Assistant Secretary for Diplomatic Security.
Sec. 106. Cooperation of other Federal agencies.
Sec. 107. Protection of foreign consulates.

TITLE II—DIPLOMATIC SECURITY SERVICE

Sec. 201. Establishment of Diplomatic Security Service.
Sec. 202. Director of Diplomatic Security Service.
Sec. 203. Positions in the Diplomatic Security Service.

TITLE III—PERFORMANCE AND ACCOUNTABILITY

Sec. 301. Accountability review.
Sec. 302. Accountability Review Board.
Sec. 303. Procedures.
Sec. 304. Findings and recommendations by a Board.
Sec. 305. Relation to other proceedings.

TITLE IV—DIPLOMATIC SECURITY PROGRAM

Sec. 401. Authorization.
Sec. 402. Diplomatic construction program.
Sec. 403. Qualifications of persons hired for the diplomatic construction program.
Sec. 404. Cost overruns.
Sec. 405. Efficiency in contracting.
Sec. 406. Advisory Panel on Overseas Security.
Sec. 407. Training to improve perimeter security at United States diplomatic missions abroad.
Sec. 408. Protection of entrance of United States diplomatic missions abroad.
Sec. 409. Certain protective functions.

TITLE V—STATE DEPARTMENT AUTHORITIES TO COMBAT INTERNATIONAL TERRORISM

Sec. 501. Most wanted international terrorists list.
Sec. 502. Amount of rewards for information about most wanted international terrorists.
Sec. 503. Rewards for information relating to international narcoterrorism and drug trafficking.
Sec. 504. Coordination of terrorism-related assistance.
Sec. 505. Counter-terrorism Protection Fund.
Sec. 506. Reports to Congress on terrorism-related travel advisories.
Sec. 507. Issuance of travel advisories on account of terrorism supported by Libya, Iran, or other foreign governments.
Sec. 508. Authority to control certain terrorism-related services.
Sec. 509. Exports to countries supporting terrorism.

TITLE VI—INTERNATIONAL NUCLEAR TERRORISM

Sec. 601. Actions to combat international nuclear terrorism.
Sec. 602. Authority to suspend nuclear cooperation with nations which have not ratified the Convention on the Physical Protection of Nuclear Material.
Sec. 603. Consultation with the Department of Defense concerning certain nuclear exports and subsequent arrangements.
Sec. 604. Review of physical security standards.
Sec. 605. International review of the nuclear terrorism problem.

TITLE VII—MULTILATERAL COOPERATION TO COMBAT INTERNATIONAL TERRORISM

Sec. 701. Consideration of international terrorism at the Tokyo Economic Summit Conference.
Sec. 702. International Anti-Terrorism Committee.
Sec. 703. International arrangements relating to passports and visas.
Sec. 704. Protection of Americans endangered by the appearance of their place of birth on their passports.
Sec. 705. Use of diplomatic privileges and immunities for terrorism purposes.
Sec. 706. Reports on progress in increasing multilateral cooperation.

TITLE VIII—VICTIMS OF TERRORISM COMPENSATION

Sec. 801. Short title.
Sec. 802. Benefits for captives and other victims of hostile action.
Sec. 803. Retention of leave by alien employees following injury from hostile action abroad.
Sec. 804. Transition provisions.
Sec. 805. Benefits for members of uniformed services who are victims of hostile action.
Sec. 806. Effective date of entitlements.

TITLE IX—MARITIME SECURITY

Sec. 901. Short title.
Sec. 902. International measures for seaport and shipboard security.
Sec. 903. Measures to prevent unlawful acts against passengers and crews on board ships.
Sec. 904. Panama Canal security.
Sec. 905. Threat of terrorism to United States ports and vessels.
Sec. 906. Port, harbor, and coastal facility security.
Sec. 907. Security standards at foreign ports.

Sec. 908. Travel advisories concerning security at foreign ports.
Sec. 909. Suspension of passenger services.
Sec. 910. Criminal sanctions for the seizure of vessels by terrorists.
Sec. 911. Definitions.

TITLE X—FASCELL FELLOWSHIP PROGRAM

Sec. 1001. Short title.
Sec. 1002. Fellowship program for temporary service at United States missions in the Soviet Union and Eastern Europe.
Sec. 1003. Fellowship Board.
Sec. 1004. Fellowships.
Sec. 1005. Secretary of State.

TITLE XI—SECURITY AT MILITARY BASES ABROAD

Sec. 1101. Findings.
Sec. 1102. Recommended actions by the Secretary of Defense.
Sec. 1103. Report to the Congress.

TITLE I—DIPLOMATIC SECURITY

SEC. 101. SHORT TITLE.

Titles I through IV of this Act may be cited as the "Diplomatic Security Act".

SEC. 102. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds and declares that—

(1) the United States has a crucial stake in the presence of United States Government personnel representing United States interests abroad;

(2) conditions confronting United States Government personnel and missions abroad are fraught with security concerns which will continue for the foreseeable future; and

(3) the resources now available to counter acts of terrorism and protect and secure United States Government personnel and missions abroad, as well as foreign officials and missions in the United States, are inadequate to meet the mounting threat to such personnel and facilities.

(b) PURPOSES.—The purposes of titles I through IV are—

(1) to set forth the responsibility of the Secretary of State with respect to the security of diplomatic operations in the United States and abroad;

(2) to provide for an Assistant Secretary of State to head the Bureau of Diplomatic Security of the Department of State, and to set forth certain provisions relating to the Diplomatic Security Service of the Department of State;

(3) to maximize coordination by the Department of State with Federal, State, and local agencies and agencies of foreign governments in order to enhance security programs;

(4) to promote strengthened security measures and to provide for the accountability of United States Government personnel with security-related responsibilities; and

(5) to provide authorization of appropriations for the Department of State to carry out its responsibilities in the area of security and counter-terrorism, and in particular to finance the acquisition and improvements of United States Government missions abroad, including real property, buildings, facilities, and communications, information, and security systems.

SEC. 103. RESPONSIBILITY OF THE SECRETARY OF STATE.

(a) SECURITY FUNCTIONS.—The Secretary of State shall develop and implement (in consultation with the heads of other Federal agencies having personnel or missions abroad where appropriate and within the scope of the resources made available) policies and programs, including funding levels and standards, to provide for the security of United States Government operations of a diplomatic nature and foreign government operations of a diplomatic nature in the United States. Such policies and programs shall include—

(1) protection of all United States Government personnel on official duty abroad (other than those personnel under the command of a United States area military commander) and their accompanying dependents;

(2) establishment and operation of security functions at all United States Government missions abroad (other than facilities or installations subject to the control of a United States area military commander);

(3) establishment and operation of security functions at all Department of State facilities in the United States; and

(4) protection of foreign missions, international organizations, and foreign officials and other foreign persons in the United States, as authorized by law.

(b) OVERSIGHT OF POSTS ABROAD.—The Secretary of State shall—

(1) have full responsibility for the coordination of all United States Government personnel assigned to diplomatic or consular posts or other United States missions abroad pursuant to United States Government authorization (except for facilities, installations, or personnel under the command of a United States area military commander); and

(2) establish appropriate overseas staffing levels for all such posts or missions for all Federal agencies with activities abroad (except for personnel and activities under the command of a United States area military commander).

(c) FEDERAL AGENCY.—As used in this title and title III, the term "Federal agency" includes any department or agency of the United States Government.

SEC. 104. BUREAU OF DIPLOMATIC SECURITY.

(a) THE BUREAU.—There shall be a Bureau of Diplomatic Security in the Department of State, to be headed by the Assistant Secretary for Diplomatic Security. The Assistant Secretary shall be responsible for carrying out the functions and duties set forth in section 105 and such additional functions as may be directed by the Secretary of State.

(b) NUMBER OF ASSISTANT SECRETARIES.—The first section of the Act entitled "An Act to strengthen and improve the organization and administration of the Department of State, and for other purposes," approved May 26, 1949 (22 U.S.C. 2652), is amended by striking out "fourteen" and inserting in lieu thereof "fifteen".

(c) POSITIONS AT LEVEL IV OF THE EXECUTIVE SCHEDULE.—Section 5315 of title 5, United States Code, is amended by striking out "(14)" following "Assistant Secretaries of State" and inserting in lieu thereof "(15)".

(d) COMPLIANCE WITH BUDGET ACT.—New spending authority (within the meaning of section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974) provided by the amendment made by subsection (c) of this section shall be effective for any fiscal year only to the extent or in such amounts as provided in appropriations Acts.

SEC. 105. RESPONSIBILITIES OF THE ASSISTANT SECRETARY FOR DIPLOMATIC SECURITY.

Within the authority of the Secretary of State, the Assistant Secretary for Diplomatic Security shall be responsible for the following:

(1) FORMER OFFICE OF SECURITY FUNCTIONS.—Functions and responsibilities exercised by the Office of Security, Department of State before November 11, 1985.

(2) SECURITY AND PROTECTIVE OPERATIONS ABROAD.—

(A) Establishment and operation of post security and protective functions abroad.

(B) Development and implementation of communications, computer, and information security.

(C) Emergency planning.

(D) Establishment and operation of local guard services.

(E) Supervision of the United States Marine Corps security guard program.

(F) Liaison with American overseas private sector security interests.

(3) SECURITY AND PROTECTIVE OPERATIONS IN THE UNITED STATES.—

(A) Protection of foreign missions and international organizations, foreign officials, and diplomatic personnel, as authorized by law.

(B) Protection of the Secretary of State and other persons designated by the Secretary of State, as authorized by law.

(C) Physical protection of Department of State facilities, communications, and computer and information systems.

(D) Conduct of investigations relating to protection of foreign officials and diplomatic personnel and foreign missions, suitability for employment, employee security, illegal passport and visa issuance or use, and other investigations, as authorized by law.

(E) Assisting an Inspector General of the Department of State with such investigations as that Inspector General may request.

(F) Carrying out the rewards program for information concerning international terrorism authorized by section 36(a)(1) of the State Department Basic Authorities Act of 1956.

(G) Performance of other security and protective matters as authorized by law.

(4) COUNTER-TERRORISM PLANNING AND COORDINATION.—Development and coordination of counter-terrorism planning, emergency action planning, threat analysis programs, and liaison with other Federal agencies to carry out this paragraph.

(5) SECURITY TECHNOLOGY.—Development and implementation of technical and physical security programs, including security-related construction, radio and personnel security communications, armored vehicles, computer and communications security, and research programs necessary to develop such measures.

(6) DIPLOMATIC COURIER SERVICE.—Management of the diplomatic courier service.

(7) PERSONNEL TRAINING.—Development of facilities, methods, and materials to develop and upgrade necessary skills in order to carry out this section.

(8) FOREIGN GOVERNMENT TRAINING.—Management and development of anti-terrorism assistance programs to assist foreign government security training which are administered by the Department of State under chapter 8 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2349aa et seq.).

SEC. 106. COOPERATION OF OTHER FEDERAL AGENCIES.

(a) ASSISTANCE.—In order to facilitate fulfillment of the responsibilities described in section 103(a), other Federal agencies shall cooperate (through agreements) to the maximum extent possible with the Secretary of

State. Such agencies may, with or without reimbursement, provide assistance to the Secretary, perform security inspections, provide logistical support relating to the differing missions and facilities of other Federal agencies, and perform other overseas security functions as may be authorized by the Secretary. Specifically, the Secretary may agree to delegate operational control of overseas security functions of other Federal agencies to the heads of such agencies, subject to the Secretary's authority as set forth in section 103(a). The agency head receiving such delegated authority shall be responsible to the Secretary in the exercise of the delegated operational control.

(b) OTHER AGENCIES.—Nothing contained in titles I through IV shall be construed to limit or impair the authority or responsibility of any other Federal, State, or local agency with respect to law enforcement, domestic security operations, or intelligence activities as defined in Executive order 12333.

(c) CERTAIN LEASE ARRANGEMENTS.—The Administrator of General Services is authorized to lease (to such extent or in such amounts as are provided in appropriation Acts) up to 250,000 square feet in the United States for the Department of State to accommodate the personnel required to carry out this title. The Department of State shall pay for such space at the rate established by the Administrator of General Services for space and related services.

SEC. 107. PROTECTION OF FOREIGN CONSULATES.

Not later than 2 months after the date of enactment of this Act, the Secretary of State shall establish a process for periodic review of the accreditation in the United States of all foreign consular personnel, including honorary consuls, and the number and location of all foreign consular facilities in the United States. The Secretary shall submit a report on this process to the Committee on Foreign Affairs of the House of Repesentatives and the Committee on Foreign Relations of the Senate not later than 6 months after the date of enactment of this Act. Such report shall describe this periodic review process and present a plan for the reduction (as well as consolidation) of foreign consular and related functions in the United States.

TITLE II—DIPLOMATIC SECURITY SERVICE

SEC. 201. ESTABLISHMENT OF DIPLOMATIC SECURITY SERVICE.

There shall be, within the Bureau of Diplomatic Security, the Diplomatic Security Service. The Diplomatic Security Service shall perform such functions as may be assigned to it by the Secretary of State.

SEC. 202. DIRECTOR OF DIPLOMATIC SECURITY SERVICE.

The Diplomatic Security Service shall be headed by a Director designated by the Secretary of State. The Director shall be a career member of the Senior Foreign Service or the Senior Executive Service and shall be qualified for the position by virtue of demonstrated ability in the area of security, law enforcement, management, or public administration. Experience in management or operations at diplomatic posts abroad shall be considered an affirmative factor in the selection of the Director. The Director shall act under the supervision and direction of the Assistant Secretary for Diplomatic Security.

SEC. 203. POSITIONS IN THE DIPLOMATIC SECURITY SERVICE.

Positions in the Diplomatic Security Service shall be filled in accordance with the provisions of the Foreign Service Act of 1980 (22 U.S.C. 3901 et seq.) and title 5, United States Code. In filling such positions, the Secretary of State shall actively recruit women and members of minority groups. The Secretary of State shall prescribe the qualifications required for assignment or appointment to such positions. In the case of positions designated for special agents, the qualifications may include minimum and maximum entry age restrictions and other physical standards and shall incorporate such standards as may be required by law in order to perform security functions, to bear arms, and to exercise investigatory, warrant, arrest, and such other authorities as are available by law to special agents of the Department of State and the Foreign Service.

TITLE III—PERFORMANCE AND ACCOUNTABILITY

SEC. 301. ACCOUNTABILITY REVIEW.

In any case of serious injury, loss of life, or significant destruction of property at or related to a United States Government mission abroad which is covered by the provisions of titles I through IV (other than a facility or installation subject to the control of a United States area military commander), the Secretary of State shall convene an Accountability Review Board (hereafter in this title referred to as the "Board"). The Secretary shall not convene a Board where the Secretary determines that a case clearly involves only causes unrelated to security.

SEC. 302. ACCOUNTABILITY REVIEW BOARD.

(a) MEMBERSHIP.—A Board shall consist of five members, 4 appointed by the Secretary of State, and 1 appointed by the Director of Central Intelligence. The Secretary of State shall designate the Chairperson of the Board. Members of the Board who are not Federal officers or employees shall each be paid at a rate not to exceed the maximum rate of basic pay payable for level GS-18 of the General Schedule for each day (including travel time) during which they are engaged in the actual performance of duties vested in the Board. Members of the Board who are Federal officers or employees shall receive no additional pay by reason of such membership.

(b) FACILITIES, SERVICES, SUPPLIES, AND STAFF.—

(1) SUPPLIED BY DEPARTMENT OF STATE.—A Board shall obtain facilities, services, and supplies through the Department of State. All expenses of the Board, including necessary costs of travel, shall be paid by the Department of State. Travel expenses authorized under this paragraph shall be paid in accordance with subchapter I of chapter 57 of title 5, United States Code, or other applicable law.

(2) DETAIL.—At the request of a Board, employees of the Department of State or other Federal agencies, members of the Foreign Service, or members of the uniformed services may be temporarily assigned, with or without reimbursement, to assist the Board. Upon request, the Inspector General of the Department of State and the Foreign Service may provide assistance to the Board.

(3) EXPERTS AND CONSULTANTS.—A Board may employ and compensate (in accordance with section 3109 of title 5, United States Code) such experts and consultants as the Board considers necessary to carry out its functions. Experts and consultants so employed shall be responsible solely to the Board.

SEC. 303. PROCEDURES.

(a) EVIDENCE.—

(1) UNITED STATES GOVERNMENT PERSONNEL AND CONTRACTORS.—

(A) With respect to any individual described in subparagraph (B), a Board may—

(i) administer oaths and affirmations;

(ii) require that depositions be given and interrogatories answered; and

(iii) require the attendance and presentation of testimony and evidence by such individual.

Failure of any such individual to comply with a request of the Board shall be grounds for disciplinary action by the head of the Federal agency in which such individual is employed or serves, or in the case of a contractor, debarment.

(B) The individuals referred to in subparagraph (A) are—

(i) employees as defined by section 2105 of title 5, United States Code (including members of the Foreign Service);

(ii) members of the uniformed services as defined by section 101(3) of title 37, United States Code;

(iii) employees of instrumentalities of the United States; and

(iv) individuals employed by any person or entity under contract with agencies or instrumentalities of the United States Government to provide services, equipment, or personnel.

(2) OTHER PERSONS.—With respect to a person who is not described in paragraph (1)(B), a Board may administer oaths and affirmations and require that depositions be given and interrogatories answered.

(3) SUBPOENAS.—(A) The Board may issue a subpoena for the attendance and testimony of any person (other than a person described in clause (i), (ii), or (iii) of paragraph (1)(B)) and the production of documentary or other evidence from any such person if the Board finds that such a subpoena is necessary in the interests of justice for the development of relevant evidence.

(B) In the case of contumacy or refusal to obey a subpoena issued under this paragraph, a court of the United States within the jurisdiction of which a person is directed to appear or produce information, or within the jurisdiction of which the person is found, resides, or transacts business, may upon application of the Attorney General, issue to such person an order requiring such person to appear before the Board to give testimony or produce information as required by the subpoena.

(C) Subpoenaed witnesses shall be paid the same fee and mileage allowances which are paid subpoenaed witnesses in the courts of the United States.

(b) CONFIDENTIALITY.—A Board shall adopt for administrative proceedings under this title such procedures with respect to confidentiality as may be deemed necessary, including procedures relating to the conduct of closed proceedings or the submission and use of evidence in camera, to ensure in particular the protection of classified information relating to national defense, foreign policy, or intelligence matters. The Director of Central Intelligence shall establish the level of protection required for intelligence information and for information relating to intelligence personnel, including standards for secure storage.

(c) RECORDS.—Records pertaining to administrative proceedings under this title shall be separated from all other records of the Department of State and shall be maintained under appropriate safeguards to preserve confidentiality and classification of information. Such records shall be prohibited

from disclosure to the public until such time as a Board completes its work and is dismissed. The Department of State shall turn over to the Director of Central Intelligence intelligence information and information relating to intelligence personnel which shall then become records of the Central Intelligence Agency. After that time, only such exemptions as apply to other records of the Department of State under section 552(b) of title 5 of the United States Code (relating to freedom of information), shall be available for the remaining records of the Board.

(d) STATUS OF BOARDS.—The provisions of the Federal Advisory Committee Act (5 U.S.C. App. 1 et seq.) and section 552b of title 5 of the United States Code (relating to open meetings) shall not apply to any Board.

SEC. 304. FINDINGS AND RECOMMENDATIONS BY A BOARD.

(a) FINDINGS.—A Board convened in any case shall examine the facts and circumstances surrounding the serious injury, loss of life, or significant destruction of property at or related to a United States Government mission abroad and determine—

(1) the extent to which the incident or incidents with respect to which the Board was convened was security related;

(2) whether the security systems and security procedures at that mission were adequate;

(3) whether the security systems and security procedures were properly implemented;

(4) the impact of intelligence and information availability; and

(5) such other facts and circumstances which may be relevant to the appropriate security management of United States missions abroad.

(b) PROGRAM RECOMMENDATIONS.—A Board shall submit its findings (which may be classified to the extent deemed necessary by the Board) to the Secretary of State, together with recommendations as appropriate to improve the security and efficiency of any program or operation which the Board has reviewed.

(c) PERSONNEL RECOMMENDATIONS.—Whenever a Board finds reasonable cause to believe that an individual described in section 303(a)(1)(B) has breached the duty of that individual, the Board shall transmit the finding of reasonable cause, together with such evidence and recommendation for disciplinary or other appropriate action, to the head of the appropriate Federal agency or instrumentality. In determining whether an individual has breached a duty of that individual, the Board shall take into account any standard of conduct, law, rule, regulation, contract, or order which is pertinent to the performance of the duties of that individual.

(d) REPORTS.—

(1) PROGRAM RECOMMENDATIONS.—In any case in which a Board transmits recommendations to the Secretary of State under subsection (b), the Secretary shall, not later than 90 days after the receipt of such recommendations, submit a report to the Congress on each such recommendation and the action taken with respect to that recommendation.

(2) PERSONNEL RECOMMENDATIONS.—In any case in which a Board transmits a finding of reasonable cause under subsection (c), the head of the Federal agency or instrumentality receiving the information shall review the evidence and recommendations and shall, not later than 30 days after the receipt of that finding, transmit to the Congress a report specifying—

(A) the nature of the case and a summary of the evidence transmitted by the Board; and

(B) the decision by the Federal agency or instrumentality to take disciplinary or other appropriate action against that individual or the reasons for deciding not to take disciplinary or other action with respect to that individual.

SEC. 305. RELATION TO OTHER PROCEEDINGS.

Nothing in this title shall be construed to create administrative or judicial review remedies or rights of action not otherwise available by law, nor shall any provision of this title be construed to deprive any person of any right or legal defense which would otherwise be available to that person under any law, rule, or regulation.

TITLE IV—DIPLOMATIC SECURITY PROGRAM

SEC. 401. AUTHORIZATION.

(a) DIPLOMATIC SECURITY PROGRAM.—In addition to amounts otherwise available for such purposes, there are hereby authorized to be appropriated for the Department of State for fiscal years 1986 through 1990 under the heading "Administration of Foreign Affairs" for "Salaries and Expenses", "Acquisition and Maintenance of Buildings Abroad", and "Counter-terrorism Research and Development", such sums as may be necessary for diplomatic security construction, acquisition, and operations pursuant to the Department of State's Supplemental Diplomatic Security Program, except that the aggregate appropriations pursuant to this subsection for each such account for those five fiscal years may not exceed the total amount specified for that account for those five fiscal years in the Department of State's Budget in Brief for fiscal year 1987.

(b) NOTIFICATION TO AUTHORIZING COMMITTEES OF REQUESTS FOR APPROPRIATIONS.—In any fiscal year, whenever the Secretary of State submits to the Congress a request for appropriations to carry out the program described in subsection (a), the Secretary shall notify the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate of such request, together with a justification of each item listed in such request.

(c) REPROGRAMMING TREATMENT.—Amounts made available for capital projects pursuant to the program described in subsection (a) shall be treated as a reprogramming of funds under section 34 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2706) and shall not be available for obligation or expenditure except in compliance with the procedures applicable to such reprogramming.

(d) PROHIBITION ON REALLOCATIONS OF AUTHORIZATIONS.—Section 24(d) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2692(d)) shall not apply with respect to any amounts authorized to be appropriated under this section.

(e) SECURITY REQUIREMENTS OF OTHER FOREIGN AFFAIRS AGENCIES.—Based solely on security requirements and within the total amount of funds available for security, the Secretary of State shall ensure that an equitable level of funding is provided for the security requirements of other foreign affairs agencies.

(f) INSUFFICIENCY OF FUNDS.—In the event that sufficient funds are not available in any fiscal year for all of the diplomatic security construction, acquisition, and operations pursuant to the Department of State's Supplemental Diplomatic Security Program, the Secretary of State shall report to the Congress the effect that the insufficiency of funds will have with respect to the Department of State and each of the other foreign affairs agencies.

SEC. 402. DIPLOMATIC CONSTRUCTION PROGRAM.

(a) PREFERENCE FOR UNITED STATES CONTRACTORS.—Notwithstanding section 11 of the Foreign Service Buildings Act, 1926, and where adequate competition exists, only United States persons and qualified United States joint venture persons may bid on a diplomatic construction project, for which funds are authorized by this title, which has an estimated contract value exceeding $5,000,000.

(b) EXCEPTION.—Subsection (a) shall not apply with respect to any project in a foreign country whose laws and policies prohibit the use of United States contractors on United States diplomatic construction projects.

(c) DEFINITIONS.—For the purposes of this section—

(1) the term "adequate competition" means with respect to a construction project, the presence of two or more qualified bidders submitting responsive bids for that project;

(2) the term "United States person" means a person which—

(A) is incorporated or legally organized under the laws of the United States, including State, the District of Columbia, and local laws; and

(B) has its principal place of business in the United States; and

(C) has been incorporated or legally organized in the United States for more than 5 years before the issuance date of the invitation for bids or request for proposals with respect to a construction project; and

(D) has performed within the United States administrative and technical, professional, or construction services similar in complexity, type of construction, and value to the project being bid; and

(E) has achieved total business volume equal to or greater than the value of the project being bid in 3 years of the 5-year period before the date specified in subparagraph (C); and

(F) employs United States citizens in more than half of its permanent, full-time positions in the United States and will employ United States citizens in 80 percent of the supervisory positions on the foreign buildings office project site; and

(G) has the existing technical and financial resources in the United States to perform the contract; and

(3) the term "qualified United States joint venture person" means a joint venture in which a United States person or persons owns at least 51 percent of the assets of the joint venture.

(d) AMERICAN MINORITY CONTRACTORS.—Not less than 10 percent of the amount appropriated pursuant to section 401(a) for diplomatic construction projects each fiscal year shall be allocated to the extent practicable for contracts with American minority contractors.

SEC. 403. QUALIFICATIONS OF PERSONS HIRED FOR THE DIPLOMATIC CONSTRUCTION PROGRAM.

In carrying out the diplomatic construction program referred to in section 401(a), the Secretary of State may employ as professional staff (by appointment, contract, or otherwise) only those persons with a demonstrated specialized background in the fields of construction, construction law, or contract management. In filling such posi-

tions, the Secretary shall actively recruit women and members of minority groups.

SEC. 404. COST OVERRUNS.

Any amount required to complete any capital project described in the Department of State's Supplemental Diplomatic Security Program which is in excess of the amount made available for that project shall be treated as a reprogramming of funds under section 34 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2706) and shall not be available for obligation or expenditure except in compliance with the procedures applicable to such reprogrammings.

SEC. 405. EFFICIENCY IN CONTRACTING.

The Director of the Office of Foreign Buildings shall provide for a contract system of bonuses and penalties for the diplomatic construction program funded pursuant to the authorizations provided in this title. Not later than 3 months after the date of enactment of this Act, the Director shall submit a report to the Congress on the implementation of this section.

SEC. 406. ADVISORY PANEL ON OVERSEAS SECURITY.

Not later than 90 days after the date of enactment of this Act, the Secretary of State shall submit a report to the Congress on the implementation of the 91 recommendations contained in the final report of the Advisory Panel on Overseas Security. If any such recommendation has been rejected, the Secretary shall provide the reasons why that recommendation was rejected.

SEC. 407. TRAINING TO IMPROVE PERIMETER SECURITY AT UNITED STATES DIPLOMATIC MISSIONS ABROAD.

(a) TRAINING.—It is the sense of Congress that the President should use the authority under chapter 8 of title II of the Foreign Assistance Act of 1961 (relating to anti-terrorism assistance) to improve perimeter security of United States diplomatic missions abroad.

(b) REPORTS.—Not later than October 1 of each year, the President shall submit a report to the Congress on the progress and problems of improving perimeter security of United States diplomatic missions abroad.

SEC. 408. PROTECTION OF ENTRANCE OF UNITED STATES DIPLOMATIC MISSIONS ABROAD.

The Secretary of State shall install and maintain a walk-through metal detector or more advanced screening system at the main entrance of each United States diplomatic mission abroad.

SEC. 409. CERTAIN PROTECTIVE FUNCTIONS.

Section 208(a) of title 3, United States Code, is amended by adding at the end thereof the following: "In carrying out any duty under section 202(7), the Secretary of State is authorized to utilize any authority available to the Secretary under title II of the State Department Basic Authorities Act of 1956.".

TITLE V—STATE DEPARTMENT AUTHORITIES TO COMBAT INTERNATIONAL TERRORISM

SEC. 501. MOST WANTED INTERNATIONAL TERRORISTS LIST.

(a) MAINTENANCE AND PUBLICATION.—The Secretary of State shall maintain and publicize a most wanted international terrorists list.

(b) SELECTION.—The Most wanted international terrorists list shall contain the names of those individuals—

(1) with respect to whom rewards could be offered under paragraph (1) or paragraph (2)(A)(ii) of section 36(a) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2708(a)); and

(2) who are sought for prosecution by the United States for acts described in those paragraphs; and

(3) whose inclusion on the list would be useful in enhancing efforts to apprehend and effectively prosecute them.

The Secretary of State shall make the determinations required by this section, in consultation with the Attorney General.

SEC. 502. AMOUNT OF REWARDS FOR INFORMATION ABOUT MOST WANTED INTERNATIONAL TERRORISTS.

Section 36(b) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2708(b)) is amended by inserting immediately before the period at the end of the first sentence the following: ", except that a reward of up to $1,000,000 may be paid with respect to each individual on the most wanted international terrorists list established pursuant to section 501 of the Omnibus Diplomatic Security and Anti-Terrorism Act of 1986, each individual sought for an act of international terrorism resulting in the death of a citizen or national of the United States, and each individual sought for an act of international terrorism involving the detention of a citizen or national of the United States for a period longer than 60 days".

SEC. 503. REWARDS FOR INFORMATION RELATING TO INTERNATIONAL NARCOTERRORISM AND DRUG TRAFFICKING.

(a) AUTHORITY OF THE SECRETARY OF STATE.—Section 36(a) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2708(a)) is amended to read as follows:

"(a) The Secretary of State may pay a reward to any individual who furnishes the following information:

"(1) INTERNATIONAL TERRORISM.—Information leading to—

"(A) the arrest or conviction in any country of any individual for committing, or for conspiring or attempting to commit, an act of international terrorism; or

"(B) the prevention, frustration, or favorable resolution of an act of international terrorism;

if the act of international terrorism is against a United States person or United States property and is primarily outside the territorial jurisdiction of the United States.

"(2) INTERNATIONAL NARCOTERRORISM AND DRUG TRAFFICKING.—Information leading to—

"(A) the arrest or conviction in any country of any individual for committing primarily outside the territorial jurisdiction of the United States, or for conspiring or attempting to commit primarily outside the territorial jurisdiction of the United States, a narcotics-related offense, if that offense involves or is a significant part of conduct that involves—

"(i) a violation of United States drug laws which occurs primarily outside the territorial jurisdiction of the United States and which is such that the individual is a class I violator under the Domestic Drug Violator Classification Standards and Criteria established by the Drug Enforcement Administration; or

"(ii) the killing or kidnapping outside the territorial jurisdiction of the United States of—

"(I) any officer, employee, or contract employee of the United States Government while that individual is engaged in official duties, or on account of that individual's official duties, in connection with the enforcement of United States drug laws or the implementation of United States drug control objectives, or

"(II) a member of the immediate family of any such individual on account of that individual's duties in connection with the enforcement of United States drug laws or the implementation of United States drug control objectives; or

"(B) the prevention or frustration of an act described in subparagraph (A).".

(b) CONSULTATION WITH THE ATTORNEY GENERAL.—Section 36(c) of such Act is amended to read as follows:

"(c) The Secretary of State shall advise and consult with the Attorney General before paying any reward under this section—

"(1) in a matter over which there is Federal criminal jurisdiction; or

"(2) for any information described in subsection (a)(2).".

(c) FUNDING FOR REWARDS.—Section 36(f) of such Act is amended by striking out the period at the end of the first sentence and inserting in lieu thereof the following: ", up to $2,000,000 of which may be used for rewards for information described in subsection (a)(2). In addition to the amount authorized by the preceding sentence, there are authorized to be appropriated $10,000,000 for fiscal year 1987 for 'Administration of Foreign Affairs' for use in paying rewards under this section, up to $5,000,000 of which may be used for rewards for information described in subsection (a)(2).".

(d) REPORTS ON REWARDS; DEFINITIONS.—Section 36 of such Act is amended by adding at the end thereof the following new subsections:

"(g) Not later than 30 days after paying any reward under this section, the Secretary of State shall submit a report to the Congress with respect to that reward. The report, which may be submitted on a classified basis if necessary, shall specify the amount of the reward paid, to whom the reward was paid, and the acts with respect to which the reward was paid, and shall discuss the significance of the information for which the reward was paid in dealing with those acts.

"(h) As used in this section—

"(1) the term 'United States drug laws' means the laws of the United States for the prevention and control of illicit traffic in controlled substances (as such term is defined for purposes of the Controlled Substances Act); and

"(2) the term 'member of the immediate family' includes—

"(A) a spouse, parent, brother, sister, or child of the individual;

"(B) a person to whom the individual stands in loco parentis; and

"(C) any other person living in the individual's household and related to the individual by blood or marriage.".

SEC. 504. COORDINATION OF TERRORISM-RELATED ASSISTANCE.

Section 502 of the International Security and Development Cooperation Act of 1985 (22 U.S.C. 2349aa-7) is amended—

(1) in the section heading by striking out "ANTI-TERRORISM" and inserting in lieu thereof "TERRORISM-RELATED";

(2) in subsection (a) by striking out "anti-terrorism assistance to foreign countries provided by the United States Government" and inserting in lieu thereof "assistance related to international terrorism which is provided by the United States Government to foreign countries"; and

(3) in subsection (b) by striking out "anti-terrorism assistance" and inserting in lieu thereof "assistance related to international terrorism which was".

SEC. 505. COUNTER-TERRORISM PROTECTION FUND.

The State Department Basic Authorities Act of 1956 is amended—

(1) by redesignating section 39 as section 40; and

(2) by inserting after section 38 (22 U.S.C. 2710) the following new section:

"SEC. 39. COUNTER-TERRORISM PROTECTION FUND.

"(a) AUTHORITY.—The Secretary of State may reimburse domestic and foreign persons, agencies, or governments for the protection of judges or other persons who provide assistance or information relating to terrorist incidents primarily outside the territorial jurisdiction of the United States. Before making a payment under this section in a matter over which there is Federal criminal jurisdiction, the Secretary shall advise and consult with the Attorney General.

"(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of State for 'Administration of Foreign Affairs' $1,000,000 for fiscal year 1986 and $1,000,000 for fiscal year 1987 for use in reimbursing persons, agencies, or governments under this section.

"(c) DESIGNATION OF FUND.—Amounts made available under this section may be referred to as the 'Counter-terrorism Protection Fund'.".

SEC. 506. REPORTS TO CONGRESS ON TERRORISM-RELATED TRAVEL ADVISORIES.

The Secretary of State shall report promptly to the Congress whenever the Department of State issues a travel advisory, or other public warning notice for United States citizens traveling abroad, because of a terrorist threat or other security concern.

SEC. 507. ISSUANCE OF TRAVEL ADVISORIES ON ACCOUNT OF TERRORISM SUPPORTED BY LIBYA, IRAN, OR OTHER FOREIGN GOVERNMENTS.

It is the sense of the Congress that the Secretary of State should consider the issuance of a travel advisory, or other appropriate notice, warning United States citizens of the dangers of traveling in any foreign country in which United States citizens—

(1) are attacked by terrorists supported by Libya or Iran if the government of that country fails to act immediately to require the closing of any Libyan official missions in that country or any Iranian official missions in that country, as the case may be; or

(2) are attacked by terrorists supported by any other foreign government which used its official missions to support that attack, if that foreign government is not immediately required to close all of its official missions in the country in which the attack occurred.

"SEC. 508. AUTHORITY TO CONTROL CERTAIN TERRORISMRELATED SERVICES.

The State Department Basic Authorities Act of 1956 is amended—

(1) by redesignating section 40 (as so redesignated by section 505 of this Act) as section 41; and

(2) by inserting after section 39 (as added by section 505 of this Act) the following new section:

"SEC. 40. AUTHORITY TO CONTROL CERTAIN TERRORISMRELATED SERVICES.

"(a) AUTHORITY.—The Secretary of State may, by regulation, impose controls on the provision of the services described in subsection (b) if the Secretary determines that provision of such services would aid and abet international terrorism.

"(b) SERVICES SUBJECT TO CONTROL.—The services subject to control under subsection (a) are the following:

"(1) Serving in or with the security forces of a designated foreign government.

"(2) Providing training or other technical services having a direct military, law enforcement, or intelligence application, to or for the security forces of a designated foreign government.

Any regulations issued to impose controls on services described in paragraph (2) shall list the specific types of training and other services subject to the controls.

"(c) PERSONS SUBJECT OF CONTROLS.—These services may be controlled under subsection (a) when they are provided within the United States by any individual or entity and when they are provided anywhere in the world by a United States person.

"(d) LICENSES.—In carrying out subsection (a), the President may require licenses, which may be revoked, suspended, or amended, without prior notice, whenever such action is deemed to be advisable.

"(e) DEFINITIONS.—

"(1) DESIGNATED FOREIGN GOVERNMENT.—As used in this section, the term 'designated foreign government' means a foreign government that the Secretary of State has determined, for purposes of section 6(j)(1) of the Export Administration Act of 1979, engages in or provides support for international terrorism.

"(2) SECURITY FORCES.—As used in this section, the term 'security forces' means any military or paramilitary forces, any police or other law enforcement agency, and any intelligence agency of a foreign government.

"(3) UNITED STATES.—As used in this section, the term 'United States' includes any State, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, and any territory or possession of the United States.

"(4) UNITED STATES PERSON.—As used in this section, the term 'United States person' means any United States national, any permanent resident alien, and any sole proprietorship, partnership, company, association, or corporation organized under the laws of or having its principal place of business within the United States.

"(f) VIOLATIONS.—Whoever willfully violates any regulation issued under this section shall be fined not more than $100,000 or five times the total compensation received for the conduct which constitutes the violation, whichever is greater, or imprisoned for not more than ten years, or both, for each such offense.

"(g) CONGRESSIONAL OVERSIGHT.—

"(1) REVIEW OF REGULATIONS.—Not less than 30 days before issuing any regulations under this section (including any amendments thereto), the President shall transmit the proposed regulations to the Congress.

"(2) REPORTS.—Not less than once every six months, the President shall report to the Congress concerning the number and character of licenses granted and denied during the previous reporting period, and such other information as the President may find to be relevant to the accomplishment of the objectives of this section.

"(h) RELATIONSHIP TO OTHER LAWS.—The authority granted by this section is in addition to the authorities granted by any other provision of law.".

SEC. 509. EXPORTS TO COUNTRIES SUPPORTING TERRORISM.

(a) PROHIBITION OF CERTAIN EXPORTS.—Section 6(j) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)) is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by striking out paragraph (1) and inserting in lieu thereof the following:

"(1)(A) No item on the United States Munitions List established pursuant to section 38(a)(1) of the Arms Export Control Act may be exported to any country which the Secretary of State determines engages in or provides support for international terrorism.

"(B) The President may waive the prohibition contained in subparagraph (A) in the case of a particular export if—

"(i) the President determines that the export is important to the national interests of the United States, and

"(ii) the President submits to the Congress a report justifying that determination and describing the proposed export.

Any waiver under this subparagraph shall expire at the end of 90 calendar days after it is granted unless the Congress enacts a law extending the waiver.

"(2)(A) No goods or technology which the Secretary of State determines would make a significant contribution to the military potential of a country referred to in paragraph (1)(A), or would enhance the ability of such country to support international terrorism, may be exported to such country except pursuant to a validated export license.

"(B) The Secretary and the Secretary of State shall notify the Committee on Foreign Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate at least 30 legislative days before any license is issued authorizing any export under subparagraph (A).".

(b) COOPERATION OF FOREIGN GOVERNMENTS; COMPUTATION OF LEGISLATIVE DAYS.—Section 6(j) of the Export Administration Act of 1979 is amended by adding at the end the following:

"(4) The President shall take all feasible steps to secure the cooperation of appropriate foreign governments in prohibiting or controlling (as the case may be) the export to countries described in paragraph (1)(A) of items, goods, and technology comparable to the items, goods, and technology the export of which is prohibited or controlled by this subsection.

"(5) In the computation of the period of 30 legislative days referred to in paragraph (2)(B), there shall be excluded the days on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain or because of an adjournment of the Congress sine die.".

(c) CLERICAL AMENDMENT.—Section 6(j)(3) of the Export Administration Act of 1979, as redesignated by subsection (a)(1) of this section, is amended by striking out "(1)" and inserting in lieu thereof "(1)(A)".

TITLE VI—INTERNATIONAL NUCLEAR TERRORISM

SEC. 601. ACTIONS TO COMBAT INTERNATIONAL NUCLEAR TERRORISM.

(a) ACTIONS TO BE TAKEN BY THE PRESIDENT.—The Congress hereby directs the President—

(1) to seek universal adherence to the Convention on the Physical Protection of Nuclear Material;

(2) to—

(A) conduct a review, enlisting the participation of all relevant departments and agencies of the Government, to determine whether the recommendations on Physical Protection of Nuclear Material published by the International Atomic Energy Agency are adequate to deter theft, sabotage, and the use of nuclear facilities and materials in acts of international terrorism, and

(B) transmit the results of this review to the Director-General of the International Atomic Energy Agency;

(3) to take, in concert with United States allies and other countries, such steps as may be necessary—

(A) to keep to an absolute minimum the amount of weapons-grade nuclear material in international transit, and

(B) to ensure that when any such material is transported internationally, it is under the most effective means for protecting it from acts or attempted acts of sabotage or theft by terrorist groups or nations; and

(4) to seek agreement in the United Nations Security Council to establish—

(A) an effective regime of international sanctions against any nation or subnational group which conducts or sponsors acts of international nuclear terrorism, and

(B) measures for coordinating responses to all acts of international nuclear terrorism, including measures for the recovery of stolen nuclear material and the clean-up of nuclear releases.

(b) REPORTS TO THE CONGRESS.—The President shall report to the Congress annually, in the reports required by section 601 of the Nuclear Non-Proliferation Act of 1978 (22 U.S.C. 3281), on the progress made during the preceding year in achieving the objectives described in this section.

SEC. 602. AUTHORITY TO SUSPEND NUCLEAR COOPERATION WITH NATIONS WHICH HAVE NOT RATIFIED THE CONVENTION ON THE PHYSICAL PROTECTION OF NUCLEAR MATERIAL.

Chapter 11 of the Atomic Energy Act of 1954 is amended by adding at the end thereof the following new section:

"SEC. 132. AUTHORITY TO SUSPEND NUCLEAR COOPERATION WITH NATIONS WHICH HAVE NOT RATIFIED THE CONVENTION ON THE PHYSICAL SECURITY OF NUCLEAR MATERIAL.—

"The President may suspend nuclear cooperation under this Act with any nation or group of nations which has not ratified the Convention on the Physical Security of Nuclear Material.".

SEC. 603. CONSULTATION WITH THE DEPARTMENT OF DEFENSE CONCERNING CERTAIN NUCLEAR EXPORTS AND SUBSEQUENT ARRANGEMENTS.

Chapter 11 of the Atomic Energy Act of 1954, as amended by section 602 of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 133. CONSULTATION WITH THE DEPARTMENT OF DEFENSE CONCERNING CERTAIN EXPORTS AND SUBSEQUENT ARRANGEMENTS.—

"a. In addition to other applicable requirements—

"(1) a license may be issued by the Nuclear Regulatory Commission under this Act for the export of special nuclear material described in subsection b.; and

"(2) approval may be granted by the Secretary of Energy under section 131 of this Act for the transfer of special nuclear material described in subsection b.;

only after the Secretary of Defense has been consulted on whether the physical protection of that material during the export or transfer will be adequate to deter theft, sabotage, and other acts of international terrorism which would result in the diversion of that material. If, in the view of the Secretary of Defense, the export or transfer might be subject to a genuine terrorist threat, the Secretary shall provide to the Nuclear Regulatory Commission or the Secretary of Energy, as appropriate, his written assessment of the risk and a description of the actions the Secretary of Defense considers necessary to upgrade physical protection measures.

"b. Subsection a. applies to the export or transfer of more than 2 kilograms of plutonium or more than 20 kilograms of uranium enriched to more than 20 percent in the isotope 233 or the isotope 235.".

SEC. 604. REVIEW OF PHYSICAL SECURITY STANDARDS.

(a) REVIEWS.—The Secretary of Defense, the Secretary of State, the Secretary of Energy, the Director of the Arms Control and Disarmament Agency, and the Nuclear Regulatory Commission shall each review the adequacy of the physical security standards currently applicable with respect to the shipment and storage (outside the United States) of plutonium, and uranium enriched to more than 20 percent in the isotope 233 or the isotope 235, which is subject to United States prior consent rights, with special attention to protection against risks of seizure or other terrorist acts.

(b) REPORTS.—Not later than 6 months after the date of enactment of this Act, the Secretary of Defense, the Secretary of State, the Secretary of Energy, the Director of the Arms Control and Disarmament Agency, and the Nuclear Regulatory Commission shall each submit a written report to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate setting forth the results of the review conducted pursuant to this section, together with appropriate recommendations.

SEC. 605. INTERNATIONAL REVIEW OF THE NUCLEAR TERRORISM PROBLEM.

The Congress hereby directs the President to seek a comprehensive review of the problem of nuclear terrorism by an international conference.

TITLE VII—MULTILATERAL COOPERATION TO COMBAT INTERNATIONAL TERRORISM

SEC. 701. CONSIDERATION OF INTERNATIONAL TERRORISM AT THE TOKYO ECONOMIC SUMMIT CONFERENCE.

The Congress hereby directs the President—

(1) to seek to have the issue of international terrorism included on the agenda of the 1986 Tokyo economic summit conference; and

(2) to seek agreement at that conference on a strengthening of the policy contained in the Joint Declaration on International Terrorism issued at the conclusion of the July 1978 Bonn economic summit conference, including agreement—

(A) to broaden that policy to cover the hijacking of all means of transportation, not just aircraft;

(B) to require the extradition or prosecution of those responsible for planning a hijacking, in addition to those who actually carried out the hijacking; and

(C) to impose a range of sanctions against those nations that refuse to extradite or prosecute all those responsible for any such hijacking.

SEC. 702. INTERNATIONAL ANTI-TERRORISM COMMITTEE.

The Congress hereby directs the President to continue to seek the establishment of an international committee, to be known as the International Anti-Terrorism Committee, consisting of representatives of the member countries of the North Atlantic Treaty Organization, Japan, and such other countries as may be invited and may choose to participate. The purpose of the Committee should be to focus the attention and secure the cooperation of the governments and the public of the participating countries and of other countries on the problems and responses to international terrorism (including nuclear terrorism), by serving as a forum at both the political and law enforcement levels.

SEC. 703. INTERNATIONAL ARRANGEMENTS RELATING TO PASSPORTS AND VISAS.

The Congress hereby directs the President to seek the negotiation of international agreements (or other appropriate arrangements) to provide for the sharing of information relating to passports and visas in order to enhance cooperation among countries in combatting international terrorism.

SEC. 704. PROTECTION OF AMERICANS ENDANGERED BY THE APPEARANCE OF THEIR PLACE OF BIRTH ON THEIR PASSPORTS.

(a) FINDINGS.—The Congress finds that some citizens of the United States may be specially endangered during a hijacking or other terrorist incident by the fact that their place of birth appears on their United States passport.

(b) NEGOTIATIONS.—The Congress hereby directs the President to enter into negotiations with other countries to obtain general agreement to the deletion of the place of birth as a required item of information on passports.

SEC. 705. USE OF DIPLOMATIC PRIVILEGES AND IMMUNITIES FOR TERRORISM PURPOSES.

The Congress hereby directs the President to instruct the United States Ambassador to the United Nations to seek the adoption of a resolution in the United Nations condemning the use for terrorist purposes of diplomatic privileges and immunities under the Vienna Convention on Diplomatic Relations, especially the misuse of diplomatic pouches and diplomatic missions.

SEC. 706. REPORTS ON PROGRESS IN INCREASING MULTILATERAL COOPERATION.

Not later than 6 months after the date of enactment of this Act, the President shall submit a report to the Congress on the steps taken to carry out each of the preceding sections of this title and the progress being made in achieving the objectives described in those sections.

TITLE VIII—VICTIMS OF TERRORISM COMPENSATION

SEC. 801. SHORT TITLE.

This title may be cited as the "Victims of Terrorism Compensation Act".

SEC. 802. BENEFITS FOR CAPTIVES AND OTHER VICTIMS OF HOSTILE ACTION.

(a) IN GENERAL.—Subchapter VII of chapter 55 of title 5, United States Code, is amended by adding at the end thereof the following:

"§ 5569. Benefits for captives

"(a) For the purpose of this section—

"(1) 'captive' means any individual in a captive status commencing while such individual is—

"(A) in the civil service, or

"(B) a citizen, national, or resident alien of the United States rendering personal service to the United States similar to the service of an individual in the civil service

(other than as a member of the uniformed services);

"(2) the term 'captive status' means a missing status which, as determined by the President, arises because of a hostile action and is a result of the individual's relationship with the Government;

"(3) 'missing status'—

"(A) in the case of an employee, has the meaning provided under section 5561(5) of this title; and

"(B) in the case of an individual other than an employee, has a similar meaning; and

"(4) 'family member', as used with respect to a person, means—

"(A) any dependent of such person; and

"(B) any individual (other than a dependent under subparagraph (A)) who is a member of such person's family or household.

"(b)(1) The Secretary of the Treasury shall establish a savings fund to which the head of an agency may allot all or any portion of the pay and allowances of any captive to the extent that such pay and allowances are not subject to an allotment under section 5563 of this title or any other provision of law.

"(2) Amounts so allotted to the savings fund shall bear interest at a rate which, for any calendar quarter, shall be equal to the average rate paid on United States Treasury bills with 3-month maturities issued during the preceding calendar quarter. Such interest shall be compounded quarterly.

"(3) Amounts in the savings fund credited to a captive shall be considered as pay and allowances for purposes of section 5563 of this title and shall otherwise be subject to withdrawal under procedures which the Secretary of the Treasury shall establish.

"(4) Any interest accruing under this subsection on—

"(A) any amount for which an individual is indebted to the United States under section 5562(c) of this title shall be deemed to be part of the amount due under such section 5562(c); and

"(B) any amount referred to in section 5566(f) of this title shall be deemed to be part of such amount for purposes of such section 5566(f).

"(5) An allotment under this subsection may be made without regard to section 5563(c) of this title.

"(c) The head of an agency shall pay (by advancement or reimbursement) any individual who is a captive, and any family member of such individual, for medical and health care, and other expenses related to such care, to the extent that such care—

"(1) is incident to such individual being a captive; and

"(2) is not covered—

"(A) by any Government medical or health program; or

"(B) by insurance.

"(d)(1) Except as provided in paragraph (3), the President shall make a cash payment to any individual who became or becomes a captive commencing on or after November 4, 1979. Such payment shall be made before the end of the one-year period beginning on the date on which the captive status of such individual terminates or, in the case of any individual whose status as a captive terminated before the date of the enactment of the Victims of Terrorism Compensation Act, before the end of the one-year period beginning on such date.

"(2) A payment under this subsection in the case of any individual held as a captive—

"(A) shall be equal to an amount determined by the President, taking into account the treatment received by such individual while in captivity and any other factor which the President considers appropriate; but

"(B) shall be not less than the amount of the world-wide average per diem rate which would be payable to any person under section 5702 of this title, based on—

"(i) a period of time equal to the period for which such individual was held as a captive; and

"(ii) the world-wide average per diem rate which, during the period of captivity involved, was in effect under such section.

"(3) The President—

"(A) may defer a payment under this subsection in the case of any individual who, during the one-year period described in paragraph (1), is charged with an offense described in subparagraph (B), until final disposition of such charge; and

"(B) may deny such payment in the case of any individual who is convicted of an offense described in subsection (b) or (c) of section 8312 of this title committed—

"(i) during the period of captivity of such individual; and

"(ii) related to the captive status of such individual.

"(4) A payment under this subsection shall be in addition to any other amount provided by law.

"(5) The provisions of subchapter VIII of this chapter (or, in the case of any person not covered by such subchapter, similar provisions prescribed by the President) shall apply with respect to any amount due an individual under paragraph (1) after such individual's death.

"(6) Any payment made under paragraph (1) which is later denied under paragraph (3)(B) is a claim of the United States Government for purposes of section 3711 of title 31.

"(e)(1) Under regulations prescribed by the President, the benefits provided by the Soldiers' and Sailors' Civil Relief Act of 1940, including the benefits provided by section 701 of such Act but excluding the benefits provided by sections 104, 105, 106, 400 through 408, 501 through 512, and 514 of such Act, shall be provided in the case of any individual who is a captive.

"(2) In applying such Act under this subsection—

"(A) the term 'person in the military service' is deemed to include any such captive;

"(B) the term 'period of military service' is deemed to include the period during which the individual is in a captive status; and

"(C) references to the Secretary of the Army, the Secretary of the Navy, the Adjutant General of the Army, the Chief of Naval Personnel, and the Commandant, United States Marine Corps, are deemed, in the case of any captive, to be references to an individual designated for that purpose by the President.

"(f)(1)(A) Under regulations prescribed by the President, the head of an agency shall pay (by advancement or reimbursement) a spouse or child of a captive for expenses incurred for subsistence, tuition, fees, supplies, books, and equipment, and other educational expenses, while attending an educational or training institution.

"(B) Except as provided in subparagraph (C), payments shall be available under this paragraph for a spouse or child of an individual who is a captive for education or training which occurs—

"(i) after that individual has been in captive status for 90 days or more, and

"(ii) on or before—

"(I) the end of any semester or quarter (as appropriate) which begins before the date on which the captive status of that individual terminates, or

"(II) if the educational or training institution is not operated on a semester or quarter system, the earlier of the end of any course which began before such date or the end of the 16-week period following that date.

In order to respond to special circumstances, the appropriate agency head may specify a date for purposes of cessation of assistance under clause (ii) which is later than the date which would otherwise apply under such clause.

"(C) In the event a captive dies and the death is incident to that individual being a captive, payments shall be available under this paragraph for a spouse or child of such individual for education or training which occurs after the date of such individual's death.

"(D) The preceding provisions of this paragraph shall not apply with respect to any spouse or child who is eligible for assistance under chapter 35 of title 38 or similar assistance under any other provision of law.

"(E) For the purpose of this paragraph, 'child' means a dependent under section 5561(3)(B) of this title.

"(2)(A) In order to respond to special circumstances, the head of an agency may pay (by advancement or reimbursement) a captive for expenses incurred for subsistence, tuition, fees, supplies, books, and equipment, and other educational expenses, while attending an educational or training institution.

"(B) Payments shall be available under this paragraph for a captive for education or training which occurs—

"(i) after the termination of that individual's captive status, and

"(ii) on or before—

"(I) the end of any semester or quarter (as appropriate) which begins before the date which is 10 years after the day on which the captive status of that individual terminates, or

"(II) if the educational or training institution is not operated on a semester or quarter system, the earlier of the end of any course which began before such date or the end of the 16-week period following that date, and

shall be available only to the extent that such payments are not otherwise authorized by law.

"(3) Assistance under this subsection—

"(A) shall be discontinued for any individual whose conduct or progress is unsatisfactory under standards consistent with those established pursuant to section 1724 of title 38; and

"(B) may not be provided for any individual for a period in excess of 45 months (or the equivalent thereof in other than full-time education or training).

"(4) Regulations prescribed to carry out this subsection shall provide that the program under this subsection shall be consistent with the assistance program under chapters 35 and 36 of title 38.

"(g) Any benefit provided under subsection (c) or (d) may, under regulations prescribed by the President, be provided to a family member of an individual if—

"(1) such family member is held in captive status; and

"(2) such individual is performing service for the United States as described in subsec-

tion (a)(1)(A) when the captive status of such family member commences.

"(h) Except as provided in subsection (d), this section applies with respect to any individual in a captive status commencing after January 21, 1981.

"(i) Notwithstanding any other provision of this subchapter, any determination by the President under subsection (a)(2) or (d) shall be conclusive and shall not be subject to judicial review.

"(j) The President may prescribe regulations necessary to administer this section.

"§ 5570. Compensation for disability or death

"(a) For the purpose of this section—

"(1) 'employee' means—

"(A) any individual in the civil service; and

"(B) any individual rendering personal service to the United States similar to the service of an individual in the civil service (other than as a member of the uniformed services); and

"(2) 'family member', as used with respect to an employee, means—

"(A) any dependent of such employee; and

"(B) any individual (other than a dependent under subparagraph (A)) who is a member of the employee's family or household.

"(b) The President shall prescribe regulations under which an agency head may pay compensation for the disability or death of an employee or a family member of an employee if, as determined by the President, the disability or death was caused by hostile action and was a result of the individual's relationship with the Government.

"(c) Any compensation otherwise payable to an individual under this section in connection with any disability or death shall be reduced by any amounts payable to such individual under any other program funded in whole or in part by the United States (excluding any amount payable under section 5569(d) of this title) in connection with such disability or death, except that nothing in this subsection shall result in the reduction of any amount below zero.

"(d) A determination by the President under subsection (b) shall be conclusive and shall not be subject to judicial review.

"(e) Compensation under this section may include payment (whether by advancement or reimbursement) for any medical or health expenses relating to the death or disability involved to the extent that such expenses are not covered under subsection (c) of section 5569 of this title (other than because of paragraph (2) of such subsection).

"(f) This section applies with respect to any disability or death resulting from an injury which occurs after September 30, 1985.".

(b) CONFORMING AMENDMENT.—The analysis for chapter 55 of title 5, United States Code, is amended by inserting after the item relating to section 5568 the following:

"5569. Benefits for captives.

"5570. Compensation for disability or death.".

SEC. 803. RETENTION OF LEAVE BY ALIEN EMPLOYEES FOLLOWING INJURY FROM HOSTILE ACTION ABROAD.

Section 6325 of title 5, United States Code, is amended by adding at the end thereof the following: "The preceding provisions of this section shall apply in the case of an alien employee referred to in section 6301(2)(viii) of this title with respect to any leave granted to such alien employee under section 6310 of this title or section 408 of the Foreign Service Act of 1980.".

SEC. 804. TRANSITION PROVISIONS.

(a) SAVINGS FUND.—(1) Amounts may be allotted to the savings fund under subsection (b) of section 5569 of title 5, United States Code (as added by section 802(a) of this Act) from pay and allowances for any pay period ending after January 21, 1981, and before the establishment of such fund.

(2) Interest on amounts so allotted with respect to any such pay period shall be calculated as if the allotment had occurred at the end of such pay period.

(b) MEDICAL AND HEALTH CARE; EDUCATIONAL EXPENSES.—Subsections (c) and (f) of such section 5569 (as so added) shall be carried out with respect to the period after January 21, 1981, and before the effective date of those subsections, under regulations prescribed by the President.

(c) DEFINITION.—For the purpose of this subsection, "pay and allowances" has the meaning provided under section 5561 of title 5, United States Code.

SEC. 805. BENEFITS FOR MEMBERS OF UNIFORMED SERVICES WHO ARE VICTIMS OF HOSTILE ACTION.

(a) PAYMENTS.—(1) Chapter 10 of title 37, United States Code, is amended by adding at the end thereof the following new section:

"§ 559. Benefits for members held as captives

"(a) In this section—

"(1) 'captive status' means a missing status of a member of the uniformed services which, as determined by the President, arises because of a hostile action and is a result of membership in the uniformed services, but does not include a period of captivity of a member as a prisoner of war if Congress provides to such member, in an Act enacted after the date of the enactment of the Victims of Terrorism Compensation Act, monetary payment in respect of such period of captivity; and

"(2) 'former captive' means a person who, as a member of the uniformed services, was held in a captive status.

"(b)(1) The Secretary of the Treasury shall establish a savings fund to which the Secretary concerned may allot all or any portion of the pay and allowances of any member of the uniformed services who is in a captive status to the extent that such pay and allowances are not subject to an allotment under section 553 of this title or any other provision of law.

"(2) Amounts so allotted shall bear interest at a rate which, for any calendar quarter, shall be equal to the average rate paid on United States Treasury bills with three-month maturities issued during the preceding calendar quarter. Such interest shall be computed quarterly.

"(3) Amounts in the savings fund credited to a member shall be considered as pay and allowances for purposes of section 553(c) of this title and shall otherwise be subject to withdrawal under procedures which the Secretary of the Treasury shall establish.

"(4) Any interest accruing under this subsection on—

"(A) any amount for which a member is indebted to the United States under section 552(c) of this title shall be deemed to be part of the amount due under such section; and

"(B) any amount referred to in section 556(f) of this title shall be deemed to be part of such amount for purposes of such section.

"(5) An allotment under this subsection may be made without regard to section 553(c) of this title.

"(c)(1) Except as provided in paragraph (3) of this subsection, the President shall make a cash payment to any person who is a former captive. Such payment shall be made before the end of the one-year period beginning on the date on which the captive status of such person terminates.

"(2) The amount of such payment shall be determined by the President under the provisions of section 5569(d)(2) of title 5.

"(3)(A) The President—

"(i) may defer such payment in the case of any former captive who during such one-year period is charged with an offense described in clause (ii) of this subparagraph, until final disposition of such charge; and

"(ii) may deny such payment in the case of any former captive who is convicted of a captivity-related offense—

"(I) referred to in subsection (b) or (c) of section 8312 of title 5; or

"(II) under chapter 47 of title 10 (the Uniform Code of Military Justice) that is punishable by dishonorable discharge, dismissal, or confinement for one year or more.

"(B) For the purposes of subparagraph (A) of this paragraph, a captivity-related offense is an offense that is—

"(i) committed by a person while the person is in a captive status; and

"(ii) related to the captive status of the person.

"(4) A payment under this subsection is in addition to any other amount provided by law.

"(5) Any amount due a person under this subsection shall, after the death of such person, be deemed to be pay and allowances for the purposes of this chapter.

"(6) Any payment made under paragraph (1) of this subsection that is later denied under paragraph (3)(A)(ii) of this subsection is a claim of the United States Government for purposes of section 3711 of title 31.

"(d) A determination by the President under subsection (a)(1) or (c) of this section is final and is not subject to judicial review.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"559. Benefits for members held as captives.".

(3)(A)(i) Except as provided in clause (ii), section 559 of title 37, United States Code, as added by paragraph (1), shall apply to any person whose captive status begins after January 21, 1981.

(ii)(I) Subsection (c) of such section shall apply to any person whose captive status begins on or after November 4, 1979.

(II) In the case of any person whose status as a captive terminated before the date of the enactment of this Act, the President shall make a payment under paragraph (1) of such subsection before the end of the one-year period beginning on such date.

(B) Amounts may be allotted to a savings fund established under such section from pay and allowances for any pay period ending after January 21, 1981, and before the establishment of such fund.

(C) Interest on amounts so allotted with respect to any such pay period shall be calculated as if the allotment had occurred at the end of such pay period.

(b) DISABILITY AND DEATH BENEFITS.—(1) Chapter 53 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 1051. Disability and death compensation: dependents of members held as captives

"(a) The President shall prescribe regulations under which the Secretary concerned may pay compensation for the disability or death of a dependent of a member of the uniformed services if the President determines that the disability or death—

"(1) was caused by hostile action; and

"(2) was a result of the relationship of the dependent to the member of the uniformed services.

"(b) Any compensation otherwise payable to a person under this section in connection with any disability or death shall be reduced by any amount payable to such person under any other program funded in whole or in part by the United States in connection with such disability or death, except that nothing in this subsection shall result in the reduction of any amount below zero.

"(c) A determination by the President under subsection (a) is conclusive and is not subject to judicial review.

"(d) In this section:

"(1) 'Captive status' has the meaning given that term in section 559 of title 37.

"(2) 'Dependent' has the meaning given that term in section 551 of that title.

"(3) 'Secretary concerned' and 'uniformed services' have the meanings given those terms in section 101 of that title.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"1051. Disability and death compensation: dependents of members held as captives.".

(3) Section 1051 of title 10, United States Code, as added by paragraph (1), shall apply with respect to any disability or death resulting from an injury that occurs after September 30, 1985.

(c) MEDICAL BENEFITS.—(1) Chapter 55 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 1095. Medical care: members held as captives and their dependents

"(a) Under regulations prescribed by the President, the Secretary concerned shall pay (by advancement or reimbursement) any person who is a former captive, and any dependent of that person or of a person who is in a captive status, for health care and other expenses related to such care, to the extent that such care—

"(1) is incident to the captive status; and

"(2) is not covered—

"(A) by any other Government medical or health program; or

"(B) by insurance.

"(b) In the case of any person who is eligible for medical care under section 1074 or 1076 of this title, such regulations shall require that, whenever practicable, such care be provided in a facility of the uniformed services.

"(c) In this section:

"(1) 'Captive status' and 'former captive' have the meanings given those terms in section 559 of title 37.

"(2) 'Dependent' has the meaning given that term in section 551 of that title.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"1095. Medical care: members held as captives and their dependents.".

(3)(A) Section 1095 of title 10, United States Code, as added by paragraph (1), shall apply with respect to any person whose captive status begins after January 21, 1981.

(B) The President shall prescribe specific regulations regarding the carrying out of such section with respect to persons whose captive status begins during the period beginning on January 21, 1981, and ending on the effective date of that section.

(d) EDUCATIONAL ASSISTANCE.—(1) Part III of title 10, United States Code, is amended by adding at the end thereof the following new chapter:

"CHAPTER 110—EDUCATIONAL ASSISTANCE FOR MEMBERS HELD AS CAPTIVES AND THEIR DEPENDENTS

"Sec.
"2181. Definitions.
"2182. Educational assistance: dependents of captives.
"2183. Educational assistance: former captives.
"2184. Termination of assistance.
"2185. Programs to be consistent with programs administered by the Veterans' Administration.

"§ 2181. Definitions

In this chapter:

"(1) 'Captive status' and 'former captive' have the meanings given those terms in section 559 of title 37.

"(2) 'Dependent' has the meaning given that term in section 551 of that title.

"§ 2182. Educational assistance: dependents of captives

"(a) Under regulations prescribed by the President, the Secretary concerned shall pay (by advancement or reimbursement) a dependent of a person who is in a captive status for expenses incurred, while attending an educational or training institution, for—

"(1) subsistence;

"(2) tuition;

"(3) fees;

"(4) supplies;

"(5) books;

"(6) equipment; and

"(7) other educational expenses.

"(b) Except as provided in section 2184 of this title, payments shall be available under this section for a dependent of a person who is in a captive status for education or training that occurs—

"(1) after that person is in a captive status for not less than 90 days; and

"(2) on or before—

"(A) the end of any semester or quarter (as appropriate) that begins before the date on which the captive status of that person terminates;

"(B) the earlier of the end of any course that began before such date or the end of the 16-week period following that date if the educational or training institution is not operated on a semester or quarter system; or

"(C) a date specified by the Secretary concerned in order to respond to special circumstances.

"(c) If a person in a captive status or a former captive dies and the death is incident to the captivity, payments shall be available under this section for a dependent of that person for education or training that occurs after the date of the death of that person.

"(d) The provisions of this section shall not apply to any dependent who is eligible for assistance under chapter 35 of title 38 or similar assistance under any other provision of law.

"§ 2183. Educational assistance: former captives

"(a) In order to respond to special circumstances, the Secretary concerned may pay (by advancement or reimbursement) a person who is a former captive for expenses incurred, while attending an educational or training institution, for—

"(1) subsistence;

"(2) tuition;

"(3) fees;

"(4) supplies;

"(5) books;

"(6) equipment; and

"(7) other educational expenses.

"(b) Except as provided in section 2184 of this title, payments shall be available under this section for a person who is a former captive for education or training that occurs—

"(1) after the termination of the status of that person as a captive; and

"(2) on or before—

"(A) the end of any semester or quarter (as appropriate) that begins before the end of the 10-year period beginning on the date on which the status of that person as a captive terminates; or

"(B) if the educational or training institution is not operated on a semester or quarter system, the earlier of the end of any course that began before such date or the end of the 16-week period following that date.

"(c) Payments shall be available under this section only to the extent that such payments are not otherwise authorized by law.

"§ 2184. Termination of assistance

"Assistance under this chapter—

"(1) shall be discontinued for any person whose conduct or progress is unsatisfactory under standards consistent with those established under section 1724 of title 38; and

"(2) may not be provided for any person for more than 45 months (or the equivalent in other than full-time education or training).

"§ 2185. Programs to be consistent with programs administered by the Veterans' Administration

"Regulations prescribed to carry out this chapter shall provide that the programs under this chapter shall be consistent with the educational assistance programs under chapters 35 and 36 of title 38.".

(2) The table of chapters at the beginning of subtitle A of such title, and the table of chapters at the beginning of part III of such subtitle, are amended by inserting after the item relating to chapter 109 the following new item:

"110. Educational Assistance for Members Held as Captives and Their Dependents ..... 2181".

(3) Chapter 110 of title 10, United States Code, as added by paragraph (1), shall apply with respect to persons whose captive status begins after January 21, 1981.

SEC. 806. EFFECTIVE DATE OF ENTITLEMENTS.

Provisions enacted by this title which provide new spending authority described in section 401(c)(2)(C) of the Congressional Budget Act of 1974 shall not be effective until October 1, 1986.

TITLE IX—MARITIME SECURITY

SEC. 901. SHORT TITLE.

This title may be cited as the "International Maritime and Port Security Act".

SEC. 902. INTERNATIONAL MEASURES FOR SEAPORT AND SHIPBOARD SECURITY.

The Congress encourages the President to continue to seek agreement through the

International Maritime Organization on matters of international seaport and shipboard security. In developing such agreement, each member country of the International Maritime Organization should consult with appropriate private sector interests in that country. Such agreement would establish seaport and vessel security standards and could include—

(1) seaport screening of cargo and baggage similar to that done at airports;

(2) security measures to restrict access to cargo, vessels, and dockside property to authorized personnel only;

(3) additional security on board vessels;

(4) licensing or certification of compliance with appropriate security standards; and

(5) other appropriate measures to prevent unlawful acts against passengers and crews on board vessels.

SEC. 903. MEASURES TO PREVENT UNLAWFUL ACTS AGAINST PASSENGERS AND CREWS ON BOARD SHIPS.

(a) REPORT ON PROGRESS OF IMO.—The Secretary of Transportation and the Secretary of State, jointly, shall report to the Congress by December 31, 1986, on the progress of the International Maritime Organization in developing recommendations on Measures to Prevent Unlawful Acts Against Passengers and Crews On Board Ships.

(b) CONTENT OF REPORT.—The report required by subsection (a) shall include the following information—

(1) the specific areas of agreement and disagreement on the recommendations among the member nations of the International Maritime Organization;

(2) the activities of the Maritime Safety Committee, the Facilitation Committee, and the Legal Committee of the International Maritime Organization in regard to the proposed recommendations; and

(3) the security measures specified in the recommendations.

(c) SECURITY MEASURES AT UNITED STATES PORTS.—If the member nations of the International Maritime Organization have not finalized and accepted the proposed recommendations by December 31, 1986, the Secretary of Transportation shall include in the report required by this section proposed legislation for the implementation of security measures at United States ports and on vessels operating from those ports based on the assessment of threat from acts of terrorism reported by the Secretary of Transportation under section 905.

SEC. 904. PANAMA CANAL SECURITY.

Not later than 6 months after the date of enactment of this Act, the President shall report to the Congress on the status of physical security at the Panama Canal with respect to the threat of international terrorism.

SEC. 905. THREAT OF TERRORISM TO UNITED STATES PORTS AND VESSELS.

Not later than December 31, 1986, and semiannually thereafter, the Secretary of Transportation shall report to the Congress on the threat from acts of terrorism to United States ports and vessels operating from those ports.

SEC. 906. PORT, HARBOR, AND COASTAL FACILITY SECURITY.

The Ports and Waterways Safety Act of 1972 (33 U.S.C. 1221 et seq.) is amended by inserting after section 6 the following new section:

"SEC. 7. PORT, HARBOR, AND COASTAL FACILITY SECURITY.

"(a) GENERAL AUTHORITY.—The Secretary is authorized to take the actions described in subsection (b) in order to help prevent and respond to acts of terrorism against—

"(1) vessels and public or commercial waterfront facilities that are located on or near the navigable waters of the United States, and

"(2) vessels and facilities located on the Outer Continental Shelf (as defined in section 2(a) of the Outer Continental Shelf Lands Act).

"(b) SPECIFIC AUTHORITY.—In order to carry out this section, the Secretary is authorized—

"(1) to obtain, analyze, and coordinate the use of information concerning actual or potential terrorist threats to the vessels and facilities referred to in subsection (a);

"(2) to recruit additional members of the Regular Coast Guard and the Coast Guard Reserve, and to train members of the Regular Coast Guard and the Coast Guard Reserve in the techniques of preventing and responding to acts of terrorism against such vessels and facilities;

"(3) to use members of the Regular Coast Guard and the Coast Guard Reserve to carry out other activities authorized by law to be carried out by the Secretary, including inspections, port and harbor patrols, and the establishment of security and safety zones, for the purpose of preventing acts of terrorism against such vessels and facilities;

"(4) to purchase equipment for use by the Coast Guard, except that not more than 20 percent of any amounts appropriated to carry out this section may be used for purposes of this paragraph; and

"(5) to develop plans and procedures to respond to acts of terrorism against such vessels and facilities.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $125,000,000, to be available until expended, to carry out this section and to conduct the assessments required by sections 905 and 907 of the Omnibus Diplomatic Security and Anti-Terrorism Act of 1986.".

SEC. 907. SECURITY STANDARDS AT FOREIGN PORTS.

(a) ASSESSMENT OF SECURITY MEASURES.—The Secretary of Transportation shall develop and implement a plan to assess the effectiveness of the security measures maintained at those foreign ports which the Secretary, in consultation with the Secretary of State, determines pose a high risk of acts of terrorism directed against passenger vessels.

(b) CONSULTATION WITH THE SECRETARY OF STATE.—In carrying out subsection (a), the Secretary of Transportation shall consult the Secretary of State with respect to the terrorist threat which exists in each country. The Secretary of Transportation, in consultation with the Secretary of State, shall determine which foreign ports are not under the de facto control of the government of the country in which they are located and pose a high risk of acts of terrorism directed against passenger vessels.

(c) REPORT OF ASSESSMENTS.—Not later than 6 months after the date of enactment of this Act, the Secretary of Transportation shall report to the Congress on the plan developed pursuant to subsection (a) and how the Secretary will implement the plan.

(d) DETERMINATION AND NOTIFICATION TO FOREIGN COUNTRY.—If, after implementing the plan in accordance with subsection (a), the Secretary of Transportation determines that a port does not maintain and administer effective security measures, the Secretary of State (after being informed by the Secretary of Transportation) shall notify the appropriate government authorities of the country in which the port is located of such determination, and shall recommend the steps necessary to bring the security measures in use at that port up to the standard used by the Secretary of Transportation in making such assessment.

(e) ANTI-TERRORISM ASSISTANCE RELATED TO MARITIME SECURITY.—The President is encouraged to provide anti-terrorism assistance related to maritime security under chapter 8 of part II of the Foreign Assistance Act of 1961 to foreign countries, especially with respect to a port which the Secretary of Transportation determines under subsection (d) does not maintain and administer effective security measures.

SEC. 908. TRAVEL ADVISORIES CONCERNING SECURITY AT FOREIGN PORTS.

(a) TRAVEL ADVISORY.—Upon being notified by the Secretary of Transportation that the Secretary has determined that a condition exists that threatens the safety or security of passengers, passenger vessels, or crew traveling to or from a foreign port which the Secretary of Transportation has determined pursuant to section 907(d) to be a port which does not maintain and administer effective security measures, the Secretary of State shall immediately issue a travel advisory with respect to that port. Any travel advisory issued pursuant to this subsection shall be published in the Federal Register. The Secretary of State shall take the necessary steps to widely publicize that travel advisory.

(b) LIFTING OF TRAVEL ADVISORY.—The travel advisory required to be issued under subsection (a) may be lifted only if the Secretary of Transportation, in consultation with the Secretary of State, has determined that effective security measures are maintained and administered at the port with respect to which the Secretary of Transportation had made the determination described in section 907(d).

(c) NOTIFICATION TO CONGRESS.—The Congress shall be notified if any travel advisory imposed pursuant to this section is lifted.

SEC. 909. SUSPENSION OF PASSENGER SERVICES.

(a) PRESIDENT'S DETERMINATION.—Whenever the President determines that a foreign nation permits the use of territory under its jurisdiction as a base of operations or training for, or as a sanctuary for, or in any way arms, aids, or abets, any terrorist organization which knowingly uses the illegal seizure of passenger vessels or the threat thereof as an instrument of policy, the President may, without notice or hearing and for as long as the President determines necessary to assure the security of passenger vessels against unlawful seizure, suspend the right of any passenger vessel common carrier to operate to and from, and the right of any passenger vessel of the United States to utilize, any port in that foreign nation for passenger service.

(b) PROHIBITION.—It shall be unlawful for any passenger vessel common carrier, or any passenger vessel of the United States, to operate in violation of the suspension of rights by the President under this section.

SEC. 910. CRIMINAL SANCTIONS FOR THE SEIZURE OF VESSELS BY TERRORISTS.

The Congress encourages the President—

(1) to review the adequacy of domestic and international criminal sanctions against terrorists who seize or attempt to seize vessels; and

(2) to strenghten where necessary, through bilateral and multilateral efforts, the effectiveness of such sanctions.

Not later than one year after the date of enactment of this Act, the President shall submit a report to the Congress which includes the review of such sanctions and the efforts to improve such sanctions.

SEC. 911. DEFINITIONS.

For purposes of this title—

(1) the term "common carrier" has the same meaning given such term in section 3(6) of the Shipping Act of 1984 (46 U.S.C. App. 1702(6)); and

(2) the terms "passenger vessel" and "vessel of the United States" have the same meaning given such terms in section 2101 of title 46, United States Code.

TITLE X—FASCELL FELLOWSHIP PROGRAM

SEC. 1001. SHORT TITLE.

This title may be cited as the "Fascell Fellowship Act".

SEC. 1002. FELLOWSHIP PROGRAM FOR TEMPORARY SERVICE AT UNITED STATES MISSIONS IN THE SOVIET UNION AND EASTERN EUROPE.

(a) ESTABLISHMENT.—There is hereby established a fellowship program pursuant to which the Secretary of State will provide fellowships to United States citizens while they serve, for a period of between one and two years, in positions formerly held by foreign national employees at United States diplomatic or consular missions in the Soviet Union or Eastern European countries.

(b) DESIGNATION OF FELLOWSHIPS.—Fellowships under this title shall be known as "Fascell Fellowships".

(c) PURPOSE OF THE FELLOWSHIPS.—Fellowships under this title shall be provided in order to allow the recipient (hereafter in this title referred to as a "Fellow") to serve on a short-term basis at a United States diplomatic or consular mission in the Soviet Union or an Eastern European country in order to obtain first hand exposure to that country, including (as appropriate) independent study in Soviet or Eastern European area studies or languages.

(d) INDIVIDUALS WHO MAY RECEIVE A FELLOWSHIP.—To receive a fellowship under this title, an individual must be a United States citizen who is an undergraduate or graduate student, a teacher, scholar, or other academic, or an other individual, who has expertise in Soviet or Eastern European area studies or languages and who has a working knowledge of the principal language of the country in which he or she would serve.

(e) WOMEN AND MEMBERS OF MINORITY GROUPS.—In carrying out this section, the Secretary of State shall actively recruit women and members of minority groups.

SEC. 1003. FELLOWSHIP BOARD.

(a) ESTABLISHMENT AND FUNCTION.—There is hereby established a Fellowship Board (hereafter in this title referred to as the "Board"), which shall select the individuals who will be eligible to serve as Fellows.

(b) MEMBERSHIP.—The Board shall consist of 9 members as follows:

(1) A senior official of the Department of State (who shall be the chair of the Board), designated by the Secretary of State.

(2) An officer or employee of the Department of Commerce, designated by the Secretary of Commerce.

(3) An officer or employee of the United States Information Agency, designated by the Director of that Agency.

(4) Six academic specialists in Soviet or Eastern European area studies or languages, appointed by the Secretary of State (in consultation with the chairman and ranking minority member of the Committee on Foreign Affairs of the House of Representatives and the chairman and ranking minority of the Committee on Foreign Relations of the Senate).

(c) MEETINGS.—The Board shall meet at least once each year to select the individuals who will be eligible to serve as Fellows.

(d) COMPENSATION AND PER DIEM.—Members of the Board shall receive no compensation on account of their service on the Board, but while away from their homes or regular places of business in the performance of their duties under this title, may be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703 of title 5 of the United States Code.

SEC. 1004. FELLOWSHIPS.

(a) NUMBER.—Up to 100 fellowships may be provided under this title each year.

(b) REMUNERATION AND PERIOD.—The Board shall determine, taking into consideration the position in which each Fellow will serve and his or her experience and expertise—

(1) the amount of remuneration the Fellow will receive for his or her service under this title, and

(2) the period of the fellowship, which shall be between one and two years.

(c) TRAINING.—Each Fellow may be given appropriate training at the Foreign Service Institute or other appropriate institution.

(d) HOUSING AND TRANSPORTATION.—The Secretary of State shall, pursuant to regulations—

(1) provide housing for each Fellow while the Fellow is serving abroad, including (where appropriate) housing for family members; and

(2) pay the costs and expenses incurred by each Fellow in traveling between the United States and the country in which the Fellow serves, including (where appropriate) travel for family members.

(e) EFFECTIVE DATE.—Subsection (d) of this section shall not take effect until October 1, 1986.

SEC. 1005. SECRETARY OF STATE.

(a) DETERMINATIONS.—The Secretary of State shall determine which of the individuals selected by the Board will serve at each United States diplomatic or consular mission in the Soviet Union or Eastern Europe and the position in which each will serve.

(b) AUTHORITIES.—Such service shall be in accordance with the relevant authorities of the Foreign Service Act of 1980, the State Department Basic Authorities Act of 1956, and title 5 of the United States Code.

(c) FUNDING.—Funds appropriated to the Department of State for "Salaries and Expenses" shall be used for the expenses incurred in carrying out this title.

TITLE XI—SECURITY AT MILITARY BASES ABROAD

SEC. 1101. FINDINGS.

The Congress finds that—

(1) there is evidence that terrorists consider bases and installations of United States Armed Forces outside the United States to be targets for attack;

(2) while considerable attention has been given to the protection of military materiel positioned outside the United States, less attention has been given to the protection of members of the Armed Forces, and members of their families, stationed outside the United States; and

(3) current programs to educate members of the Armed Forces, and members of their families, stationed outside of the United States to the threats of terrorist activity and how to protect themselves should be substantially expanded.

SEC. 1102. RECOMMENDED ACTIONS BY THE SECRETARY OF DEFENSE.

It is the sense of the Congress that—

(1) the Secretary of Defense should review the security of each base and installation of the Department of Defense outside the United States, including the family housing and support activities of each such base or installation, and take the steps the Secretary considers necessary to improve the security of such bases and installations; and

(2) the Secretary of Defense should institute a program of training for members of the Armed Forces, and for members of their families, stationed outside the United States concerning security and anti-terrorism.

SEC. 1103. REPORT TO THE CONGRESS.

No later than March 31, 1987, the Secretary of Defense shall report to the Congress on any actions taken by the Secretary described in section 1102.

AMENDMENT OFFERED BY MR. MC CAIN

Mr. McCAIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MCCAIN: In section 5569(d)(2) of title 5 of the United States Code (as proposed to be enacted by section 802(a) of the amendment)—

(1) strike out "captive—" and all that follows through "(B) shall" and insert in lieu thereof "captive shall";

(2) strike out "(i)" and "(ii)" and insert in lieu thereof "(A)" and "(B)", respectively; and

(3) reset the margins of subparagraphs (A) and (B), as so redesignated, on a 2-em indention.

Mr. McCAIN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. McCAIN. Mr. Chairman, this amendment is quite simple. I have discussed it with the subcommittee chairman, the gentleman from Florida [Mr. MICA], and I hope that we can dispense with it very rapidly.

As you know, the legislation before us provides a number of benefits to former captives, hostages and POW's. Amongst these is a cash payment on top of salary, medical expenses and educational benefits.

My amendment strikes the lines which follow Presidential discretion in making this payment for "taking into account the treatment received by such individuals while in captivity and any other factor which the President considers appropriate."

I would like to quote, Mr. Chairman, from the Legislative History of Public Law 91-289, War Claims—Vietnam Conflict—Prisoners. This is the Senate report of May 20, 1970.

□ 1755

I quote:

The committee recognizes that the amounts provided by the bill for members of the Armed Forces and for civilian American citizens held captive are inadequate compensation for the hardships they have suffered; however, since in general no monetary payment can actually be adequate compensation, the committee feels that the payments provided in the bill serve as a symbolic gesture on the part of the United States expressing recognition of the hardships suffered by the beneficiaries in keeping with the procedure established under the World War II and Korean conflict claims program.

I think it is important, Mr. Chairman, to remember that this payment is purely symbolic. The Federal Government has already taken care of any or all medical, psychological expenses related to a person's captivity.

In September 1981, the President's Commission on Hostage Compensation issued their final report on the Iranian hostage crisis. Mr. James S. Dwight, Jr., served as chairman of this body. Other members included Patricia Roberts Harris, Cyrus Vance, former Senator Henry Bellmon, our former colleague Robert Giaimo and others.

I would like to quote from their report:

The Commission considered the possibility of attempting to adjust benefits to reflect the relative degree of trauma and suffering endured by the various hostages but was unable to find a reliable formula for measuring what was a subjective experience for each one. Furthermore, the Commission noted the request of the hostages themselves, as expressed by the Family Liaison Action Group [FLAG], that all of the hostages be treated alike. The Commission concluded that the most acceptable methods, and one which had previously been used in the War Claims Act, would be to recommend a retention benefit for each hostage based on the number of days spent in captivity or hiding to avoid capture.

It is not possible for anyone in Washington, I believe, Mr. Chairman, to fairly judge the harshness of treatment a captive receives at the hands of a captor. Equally rough physical treatment might be easily accepted by a 19-year-old marine, yet be a terrible burden to a 55-year-old CIA operative. On the other hand, the CIA agent might have an easier time accepting psychological abuse.

I believe this language is based on unreliable, subjective judgment and has no place in this bill, and should therefore be deleted, and I urge adoption of my amendment.

Mr. MICA. Will the gentleman yield?

Mr. McCAIN. I yield to the gentleman.

Mr. MICA. I would say that on behalf of the Committee on Foreign Affairs, we understand the gentleman's sincere concern, and that we have no objection to this language.

Ms. SNOWE. Will the gentleman yield?

Mr. McCAIN. I yield to the gentlewoman.

Ms. SNOWE. I just want to thank the gentleman for raising what is a very important and valid issue. His amendment is a constructive one, and I, too, would urge its adoption.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona [Mr. McCAIN].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. MC CAIN

Mr. McCAIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCAIN: In section 5569(d) of title 5 of the United States Code (as proposed to be enacted by section 802(a) of the amendment), strike out paragraph (2) and insert in lieu thereof the following:

"(2)(A) A payment under this subsection shall be in the amount of $20 (as adjusted under subparagraph (B)) for each day for which such individual was held as a captive.

"(B) The amount referred to in subparagraph (A) shall be adjusted by the President as of January 1, 1987, and at intervals of one year thereafter to reflect changes in the consumer price index (prepared by the Bureau of Labor Statistics, Department of Labor) for the period beginning on the date of the enactment of this section and ending on the day before the date of the adjustment.

Mr. McCAIN (during the reading). Mr. Chairman I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. McCAIN. Mr. Chairman, I am afraid this amendment will not be quite as easy as the last.

My second amendment sets a new base rate of cash compensation for former captives. Let me briefly review for the committee what this title of the bill already does:

It establishes an interest-bearing savings fund to benefit individuals held captive;

It provides health benefits to captives and family members for all medical care that is related to the captivity and is not covered by an existing health policy;

It permits courts to defer any legal actions against captives during their period of captivity, if their enforced absence would be prejudicial to their case;

It provides educational benefits to the spouse and children of captives;

It authorizes the United States to pay compensation for the death or disability of employees and family members;

It authorizes up to 1 year leave with pay for foreign service nationals, which is now available to FSOs, for recuperation from injuries resulting from terrorist acts; and

In addition, it requires the President to make the forementioned cash payment to former captives based on the worldwide average per diem rate during their captivity.

Compensation for POWs and internees were first set up by the War Claims Act of 1948, found in sections 2004 and 2005 of title 50 of the United States Code. World War II internees, Mr. Chairman, were compensated at a rate of $60 a month; $2 a day. POWs received $1 a day for inadequate food; "for each day he was held POW on which the enemy government or its agents failed to provide him such quantity or quality of food" as defined by the Geneva Convention, and $1.50 a day for confinement.

Korean internees and POW's were compensated at an identical rate. Personnel assigned to the *Pueblo* were compensated at the same rate; $1.50 for confinement and $1 for food each day. Those held as POW's in Vietnam were compensated $2 a day for food and $3 a day for confinement. Internees got $150 a month; the same amount as POW's.

Therefore, it is beyond me to understand the reasoning behind a per diem payment to hostages or captives. The Federal Government currently reimburses Federal employees on a per diem basis to cover costs while traveling abroad. That is the purpose of per diem; to cover costs while traveling abroad.

These public servants use this payment to cover living expenses such as hotel rooms and meals. I fail to see the connection to a hostage or a captive situation between per diem payments. The per diem payment, to a large degree, is revised on a periodic basis which has a great deal to do with the strength of the dollar. So we are now, tying payments for people being held captive or hostage to the strength of the dollar.

The per diem concept is not based on past compensation rates, nor does it take into consideration the recommendations of the President's Commission on Hostage Compensation. I want to point out here, Mr. Chairman, that in 1980, after the return of the Iranian hostages, a commission was appointed of some of the brightest minds in this country, and some of the most experienced ones.

Among them are Cyrus Vance, former Secretary of State, Patricia Roberts Harris, Senator Henry Bellmon, former Senator from Oklahoma and our own former colleague, Robert Giaimo. Their conclusions were far different from that arrived at in this legislation.

In fact, I would say dramatically so. I quote:

The Commission felt it proper to recommend that the President suggest to the Congress a further upward adjustment in this

figure to $12.50 per day to take into account the impact of inflation since 1970.

My amendment sets this figure at $20 a day, which I believe is more than generous and exceeds that of the inflation rate since 1980 when the hostages were returned.

We are not discussing here salary or wages. Government employees and military will continue to receive their full pay and benefits during captivity. We are not discussing reimbursement for medical expenses; past, present, or future. This is taken care of elsewhere in the title. We are not discussing high costs of college, that is covered, too. We are talking about a cash payment on top of all the others that I mentioned earlier.

Let me again quote from the Commission's report:

(By unanimous consent, Mr. McCAIN was allowed to proceed for 3 additional minutes.)

The Commission regards this suggested detention benefit as a recognition of the hardships suffered by the hostages in the service of their country. It does not represent a finding as to the extent of their sufferings and it is not intended to compensate the hostages for their injuries. As was the case with prisoners of war and internees, any cause of action would lie against the persons or nations which perpetrated the injury and the United States is not, by making an award, purporting to act for or stand as a surrogate for the persons whose tortuous actions injured the hostages.

Finally, I would like to read from a letter I received last fall from a foreign service officer who was detained during the Vietnam war by the North Vietnamese, and I quote:

This man says: "Yet it is being suggested in some circles that the average world-wide per diem * * * be paid to former Iran hostages. If such an amount is actually approved, it would make a joke of the awards we received after undergoing far greater trauma and damage to careers." He goes on to say "It would be monstrous to make beneficiaries of those who were in difficult straits for 400-odd days, yet continue to deny special benefits to those incarcerated five times as long in heart-of-darkness settings."

If we do approve this fiscally irresponsible per diem formula will we make it retroactive to cover those incarcerated during past conflicts? Would it be fair if we did not?

My amendment is based on historical and legal precedents, based on the conclusions arrived at by a Presidentially appointed commission of some of the best talent in this country.

(By unanimous consent, Mr. McCAIN was allowed to proceed for 1 additional minute.)

Mr. McCAIN. I would like to point out something I think has been lost in this debate. I think it is important, and I have not heard it raised yet.

Why do young men and women join the service of our country, whether they happen to be in the military or the foreign service? They join because of patriotism and dedication. They do not join for monetary compensation.

I think it is important, Mr. Chairman, for us to reward those who underwent hardship.

□ 1805

But I do not believe that monetary compensation to this degree is in any way the kind of compensation that they would expect nor do I believe that this kind of compensation is suitable and fitting and in keeping with past precedent of those men and women who have served with honor and sacrifice in previous wars.

Mrs. SCHROEDER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the gentleman's amendment.

I think there are several different things we need to point out here. First of all this has been a very difficult subject and it has been going on, the debate, for 6 years as to what to do about this. But my subcommittee received hours and hours and hours of testimony on this issue. I think what we are missing is there are all sorts of ancillary expenses that are not covered. What this really goes to is the victims, the other victims, and that is the family, or to many of the inconveniences that transpired and so forth. There is absolutely no question that it does not come anywhere near close to compensating the person who is being held. I mean this is not like a windfall. I cannot think of anybody in the world who would like to be a hostage for $66 a day because of the money they were going to make on this. They just would not.

What we are trying to say is we had testimony that the families had tremendous number of phone calls, the phone bills went clear off the wall; children being very distressed, lots of extra trips that they took to see grandparents, or finding a root or finding anything that could stabilize; things that are really difficult to put in there.

Now we also had one of the first hostages who was ever taken by terrorists testify and he was very interesting. He was with the State Department. He had a diplomatic passport and he was on one of the first planes that got hijacked. So he went over and when they were hijacked he pulled out his diplomatic passport and he said, "I'm a United States diplomat and I must negotiate for all these people and you cannot talk to any of them unless I am there, if they are from the United States."

I am not sure that anybody would volunteer to do that today because we have learned a little more. Even he said in retrospect it was incredible that he was not shot. But he pointed out how many days after all of this that he was held. He was singled out and held for a very long time because they found him to be a real pain in that he was protecting so many of the hostages, many of whom were Americans of the Jewish faith and this was one of those areas where it was a very sensitive affair and he did an excellent job in protecting them. Nobody questioned that.

But he was very angry because when it was all over he had just submitted—he could not figure out what to do because he had lots of expenses, could not figure out what he could do so he said he would just submit a per diem bill thinking that was fair. At least that was close to what anybody else would be paying. Of course it got turned down. Now I understand and it is very painful because in the past we have not paid prisoners of war very much money and in here in the bill if the military opts to continue on with POW benefits being something else they certainly can pass it and we yield to them by the language in this bill.

But I am not too sure we should not really stop and think about this. When you look at the private sector they do not treat it as something that you do not pay for. They treat it as something where they are putting the people that serve them on the line, they are putting them out there, they understand that they are targets and they understand that you keep the morale high if you show the respect and say, "We are going to at least try and cover out-of-pocket."

We do not know what everybody's out-of-pocket is going to be, they are all going to be different. We had all sorts of debates in our committee as to what was appropriate. One was about twice what we are talking about here; other people offered amendments with more. We went round and round and round and round. But we finally came back and decided that the per diem made an incredible amount of sense because the Federal Government pays everybody per diem when they are representing the Government somewhere. They pay them that whether they stay with their uncle, I suppose, or whether they stay in a $10-a-night hotel or whether they stay at a $200-a-night hotel, that is kind of their option, the per diem is there. So if you were there and representing your Government and you were not allowed to ever come home again, does that not make sense to make that that is one thing that you could at least lock in as being fair? I think you could make a good argument that that is not fair, that they should be given much more. But we are not trying to do that. We are not trying to do the pain and suffering or the negligence or any of the other things that you get into in liability. We are just trying to cover it.

Every single family of every single hostage that we talked to ran other costs that were different. So I do not know how you would ever quantify them. Plus, as I say, it is also a time

when they probably needed much more in the line of entertainment expenses and lots of other things because of the stress they were under.

So we decided this was fair. We decided this was the way to go and the military can get out if they want to. I certainly hope people turn down this amendment.

Ms. SNOWE. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman and members of the committee, I am opposed to this amendment, although reluctantly, because I have high regard and respect for the gentleman from Arizona. Yet I am pleased that he has raised this issue today because it is a legitimate issue that needs to be discussed and should be decided based on the collective wisdom and judgment of the House of Representatives.

The provisions in the legislation provide for retroactive compensation to the Iranian hostages, who have yet to be compensated. The question is what compensation do we provide to former hostages and potential hostages? Deciding that level of compensation was the most difficult issue the committee had to address in developing the Victims of Terrorism Compensation Act.

Frankly, any amount of compensation or appropriate standard for determining such compensation is at best an arbitrary judgment.

We all recognize that no amount of money can adequately compensate for such an ordeal. But we, as a country, have an obligation to pay some form of restitution to reflect in some small way the hardships that they endured. So I believe that this is a question that needs to be addressed by the House here today. It is a judgment that has to be made by each and every Member.

Do we provide a higher amount or a lesser amount? To make that decision I think it is essential to provide some additional background on how we arrived at the figure incorporated in this legislation.

Back in 1981 the Presidential Commission on Hostage Compensation recommended $12.50 per day. That was based on taking the $7 provided to the POW's in Vietnam, adjusting it for inflation. Then the Post Office and Civil Service Committee recommended a figure that was higher. They recommended a higher level because of frustration over the long delays in providing compensation to the Iranian hostages. They recommended a lump-sum compensation of $50,000 that would translate into $115 per day. So the Subcommittee on International Operations decided that, instead, we would take the average worldwide per diem which would today yield $66 per day. The gentleman from Arizona is now recommending the Presidential Commission's recommendations of $12.50, adjusting it for inflation, and that would provide $20 per day for the Iranian hostages. I would remind the members of the committee that it has been 5 long years since that crisis ended and this compensation is long overdue.

I personally advocate a higher amount. If we were to maintain the subcommittee's recommendation of a lump-sum compensation of $29,000 or $66 a day I believe that it represents a fair compensation under the circumstances. So I would ask the members of the committee to think about the issues and the alternatives before this body. It is a personal judgment. It is a decision that has to be made by each and every Member. We made our decision as a committee. Now it is up to the House to decide whether or not we want the higher amount proposed by the committee or the lesser amount recommended by the gentleman from Arizona.

Mrs. SCHROEDER. Mr. Chairman, will the gentlewoman yield?

Ms. SNOWE. I would be glad to yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. I thank the gentlewoman for yielding.

I think she has done an excellent job of explaining this. I think one more thing that I forgot to mention is we have to point out that under the Algiers agreement these people cannot sue, whether they are paid or not paid. I think that is a very important thing that we need to underline, put some exclamation points around it and everything, that people who work for the Government cannot sue because of their being held hostage after the Algiers agreement, and I think that puts us at a higher level of responsibility.

Ms. SNOWE. The gentlewoman from Colorado raises an excellent point in that respect, and something that we have failed to recognize.

Mr. McCAIN. Mr. Chairman, will the gentlewoman yield?

Ms. SNOWE. I would be glad to yield to the gentleman from Arizona.

Mr. McCAIN. I thank the gentlewoman for yielding.

In the context of the previous point raised I point out that no one who was held POW at any time can sue for anything, either. So I am not sure. That not only does not separate them, it puts them in the same group as the entire people who have suffered the same amount or, bases it on a more fair basis. I do not think the fact that they cannot sue anybody has anything to do which would differentiate them from any other POW or hostage.

Ms. SNOWE. I thank the gentleman for his contribution.

Mr. STUDDS. Mr. Chairman, I move to strike the requisite number of words.

Mr. STUDDS. Mr. Chairman, I rise in strong support of this bill.

I do so however, with one reservation. Members should not, having approved this bill, conclude that the challenge of responding to international terrorism has been met. The brick and mortar approach to combating terrorism—which is essentially the approach taken by this bill— is justified; it is needed; but it is not all that we have to do.

Fighting terrorism is not simply a matter of constructing walls between our diplomats and the people of foreign lands. The greater portion of our energies must be directed, instead, toward breaking down the walls of misunderstanding and fear that exist between ourselves and those whose religion, culture, and lifestyle differ dramatically from our own.

We must remember that terrorism is nourished by hate; and hate by ignorance. Those who encourage terrorism are strengthened when—out of complacency, self-satisfaction, or simple laziness—we ignore the needs or fail to acknowledge the legitimate rights of those in other lands.

We ought never for an instant to forget that we live in a world that remains, on the whole, desperately poor. To the majority, the American lifestyle is alien, and American ideals difficult to comprehend; ignorance, in this sense, is a two way street. But because of our wealth, our power, and our pretentions to world leadership, we have a special responsibility to break down the walls that separate the peoples of the world; it is our job to take the initiative in this effort, and it is in our interests, because terrorism will not prosper where hatred and misunderstanding have ceased.

I make this argument in the context of this debate, because I believe we need a reminder from time to time of what our real goals in foreign policy should be. It may be that in recent years we have devoted too much time to the application of ideological litmus tests to foreign groups and leaders; we may have placed too much emphasis on military as opposed to humanitarian and economic aid; we may be trying too hard to remake the world in the image of ourselves; and we may have begun to fear others once again solely because they view the world differently, not because they threaten our interests or our lives.

Our response to terrorism, then, must go beyond the construction of secure embassies, or the convening of international conferences, or the denunciation of violence directed against ourselves or our allies and friends. The legislation we are considering today can supplement, but it cannot render unnecessary, other efforts required to respond both to the symptoms and the causes of international terrorism.

With this reservation in mind, I want to express my admiration for the

chairman of the Committee on Foreign Affairs, Mr. FASCELL, for his work in developing this legislation. I would note that title 9 of the bill, dealing with maritime security, was developed with the close cooperation of the Committee on Merchant Marine and Fisheries. That title contains and important provision, section 906, that I offered during committee consideration of the bill.

This section authorized the Secretary of Transportation to take certain actions to improve port security and safety in the United States. A total of $125 million would be authorized, without fiscal year limitation, primarily for activities to be carried out by the U.S. Coast Guard.

I call special attention to this section because it is one of the provisions that makes a concrete commitment on the part of our country to do something other than simply talk about doing something to defend against terrorist attacks. Too often, the tendency in Washington is to conclude that because we have said something, we have therefore done something. The fact is that if we take the threat of maritime terrorism seriously, we need to do at home what we will be asking others to do overseas; and we have got to come up with the resources needed to get that job done.

And we are not getting that job done today.

The Coast Guard, primarily as a result of Gramm-Rudman, has an operating budget that is $97 million below the amount originally requested for this year by President Reagan. When added to reductions made in earlier years, the Coast Guard is now operating with 2,000 fewer military and civilian personnel than it had in 1981.

Because of the high priority attached by Congress and the administration to drug law enforcement, a substantial portion of the Coast Guard's remaining resources have been dedicated to that mission. As a result, the Coast Guard's ability to accomplish its other missions—including port security—has been compromised.

I think it is revealing that since 1980, during 5 years in which we have supposedly been building up our defense capabilities, the number of Coast Guard personnel devoted to port safety has declined by 20 percent; the number of routine harbor patrols conducted by the Coast Guard has declined from 226,700 annually to 44,000; the number of waterfront inspections has declined by 50 percent; and the Coast Guard has been unable to meet even a reduced National Security Council standard for boarding vessels from Communist bloc countries entering the United States.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. STUDDS] has expired.

(By unanimous consent, Mr. STUDDS was allowed to proceed for 1 additional minute.)

Mr. STUDDS. In response to the hijacking of the *Achille Lauro* last year, the United States appealed to the international community to pay greater attention to port security; but our case is weak. The fact is that when it comes to security, American harbors are the functional equivalent of the Athens airport or the streets of Beirut.

I could describe the rationale for this section of the bill at enormous length, but I suspect Members get the point. Protection against terrorism begins at home; and with respect to coastal matters, the Coast Guard is the first line of defense. I appreciate the support of Members on both sides for this provision of the bill, and I hope—and trust—that this support will carry over into the appropriations process in the months ahead.

Finally, I also want to mention the inclusion of section 508 of the bill. This section reflects an effort on my part to narrow a proposal that was put forward by the administration about a year and a half ago. That proposal was prompted by the so-called Wilson-Terpil case, which caused the Justice Department to conclude that Americans could lawfully provide services of great value to countries seeking people and skills useful in the execution of terrorist acts. The administration's proposal was drafted in an extremely broad fashion, raising a host of questions about who it would affect and how it would be implemented.

The language in H.R. 4151 differs from the administration proposal in that it only applies to services having a direct military, law enforcement, or intelligence application that are provided to governments that have been placed by the Secretary of State on the list of those actively supporting international terrorism. The Secretary is authorized to impose controls on this narrow category of services if he determines that this will reduce the likelihood that acts of terrorism will be carried out.

I think it is vital that the record of this debate indicate that the language in H.R. 4151 is the broadest that the House of Representatives can support. We will resist any effort in negotiations with the Senate, or in subsequent legislation, to expand the applicability of this language.

Under this section, the Secretary of State is authorized to impose controls on services only if he determines that, in so doing, we will discourage support for international terrorism; our goal is to stop the provision of services that will lead directly to an improved capability on the part of a hostile foreign power to carry out, or to support, acts of terrorism, and not to restrict in any other way the right of American citizens to go about their business as they please.

This language has the merit of speaking to the problem that prompted it—the Wilson-Terpil case—without going beyond it to try to solve problems that have not been demonstrated to exist. I think it is consistent with other actions Congress has taken to limit the export of—weapons and so-called dual use items—to countries that are on the terrorist list. We have to recognize, it seems to me, that under some circumstances the provision of services can be at least as damaging as the sale of a truck or a rifle.

In summary, this is an excellent piece of legislation; it is a useful component of what I hope will become a far more comprehensive and balanced response to international terrorism than we have developed so far; it includes a provision of great importance to the domestic security of the United States; and I hope that it will receive favorable action here today and in the other body in the near future.

Mr. MICA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, first I must say that as a member of my subcommittee, I have the greatest respect for the gentleman who has offered the amendment [Mr. MCCAIN]. We have had numerous discussions on this particular amendment. It is for this reason I think Members should listen up, particularly if they are listening back in their offices. There will be a vote on this amendment. We decided to bring this to the floor to make it a judgment of the entire House, because this is a judgment issue.

Simply stated, what we are debating is the amount of money the Iranian hostages or any hostages should get as some types of compensation for each day that they were held. We have had some recommendations from the hostage family group that it be $100 a day. We had a commission say that it should be $12.50 a day. Some have even said less, just a token amount.

The committee recognized very clearly that it is just a matter of discretion. We said, in effect, we will pick the figure that we feel is reasonable, and that is the worldwide per diem rate. In this case, it is $66 a day for each of the Iranian hostages who were held for 444 days.

The amendment offered by the gentleman from Arizona would take the $66-a-day figure and reduce it to $20 a day.

There is no easy way to make this judgment. If the gentleman is correct, it is simply and purely a judgment.

We, the committee, virtually unanimously, with one objection, felt that the worldwide per diem figure of $66 a day was fair. It is automatically adjusted. It accounts for inflation. We do not have any problems with that. It is

a reasonable figure. We also had a recommendation of $50,000. There was some thought that the President should have some discretion, and the gentleman just received approval from this body that there would be no discretion from the President. I have a letter from the administration indicating that if the President does not have discretion and, rather than the $50,000, the President would support the per diem.

So, simply stated, we are talking about $66 a day or $20 a day, and that is the basic question here.

It is a judgment that the Members have to make. There is no formula, no scientific approach to this question.

Mr. McCAIN. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. Without objection, the gentleman is recognized for 5 minutes.

There was no objection.

Mr. McCAIN. Mr. Chairman, I would just like to take a couple of minutes to respond to some of the statements that have been made concerning this issue.

First of all, I would like to again express my appreciation to Chairman MICA for his hard work, Ms. SNOWE and Mrs. SCHROEDER for the many hours of effort they have devoted to the entire bill.

As Chairman MICA just pointed out, there is a disagreement on numbers here. I think that it is important to refer to the precedent that has been established since 1948.

The first time that compensation was adjudged for men who were held prisoner was after World War II in 1948, again in 1953, and again in 1970. These were updated after each conflict.

Mr. Chairman, I might add that these amounts of money went from $2 a day or $60 a month for those held in World War II—I repeat, $60 a month—up to $3 a day for the Korean War and $5 a day for those who were held as POW's in Vietnam. So there has been a precedent, and that was fully taken into consideration when the President's commission came up with a figure of $12.50 a day as adequate compensation.

I have raised it to $20 a day in my amendment, which far exceeds the inflation since then, and my amendment is also tied to the CPI.

I also want to raise again that what is in fairness to others who have been held hostage or prisoner in other wars in some instances, a case could be made they were under less pleasant conditions than those who were held hostage in Iran.

I think that we are trying to compensate Americans who underwent an unbelieveable hardship. I believe that they deserve compensation. I hope that the body will consider my amendment as fair compensation for their sacrifices.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona [Mr. McCAIN].

The question was taken; and on a division (demanded by Mr. McCAIN) there were—ayes 5, noes 6.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER:

(1) in the section heading, strike out "EFFECTIVE DATE OF ENTITLEMENTS"and insert in lieu thereof "SPECIAL BUDGET ACT RULES FOR ENTITLEMENTS"; and

(2) strike out the period at the end of the section and insert in lieu thereof the following: ", and shall be effective for any fiscal year only to the extent or in the amounts provided in appropriation Acts.".

In the table of contents in section 2, amend the item relating to section 806 to read as follows:

Sec. 806. Special Budget Act rules for entitlements.

Mr. WALKER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALKER. Mr. Chairman, on this matter, we are not raising any issues with regard to decisions that the committee has made beyond the decision made to make the compensation program an entitlement program.

Let me say from the outset that whatever the rationale that might be used in this particular instance for an entitlement program, what we are doing with making that decision is violating the Budget Act and violating the Gramm-Rudman provision. We have said flatly that we shall not enact new entitlement programs on this floor.

Yet, here we are with a bill that does specifically that.

Whatever the merits of the case—whatever the merits of the case—this is purely and simply an end run around the balanced budget law making in order a balanced budget by 1991.

It seems to me that when you have high budget deficits and you are trying to do something about them, you do not go around creating new entitlement authority. That is what we do here.

□ 1830

What you do is make the money in the bill subject to the regular congressional appropriations process.

All my amendment is, is a vote to keep spending under our control, under congressional control, and not hand it over to an entitlement program.

It just seems to me that if we are going to spend the money, we ought to vote the funds. We have gotten ourselves in a lot of trouble over the years by refusing to understand that basic concept, and that is that if we are going to spend the people's money, we ought to stand up and actually vote the funds.

Many Members of Congress have come to this floor in recent months and they have talked about a pay-as-you-go concept. Well, here it is. Here is the real question: Are we really going to think about things on a pay-as-you-go basis? This amendment of mine is purely and simply a pay-as-you-go amendment. It says that we are going to put in place the authorization program; we are not going to change one word of how the committee has structured that, but we are going to subject any spending to the regular appropriations process.

I think that is reasonable, and I do not see why we cannot at least try it that way for a while.

People have come to this floor today and they have made very valid arguments about the fact that Congress simply has not acted in the past. Yes, that may be true. There was no program authorized in the past that moved us in a particular direction toward helping the hostage victims.

But now we are going to have an authorization program. Why not at least for a little while find out whether or not it would work, using the regular appropriations process? Why, right off the bat, do we have to make it an entitlement? Why, right immediately, do we have to say that we are going to lose control over the spending process ourselves?

It seems to me that the very least we ought to do, given the fact that this particular provision is a violation of the budget bill, given the fact that it violates the Balanced Budget Act, the very least we ought to do out here today is adopt this amendment and try it for a while under the regular appropriations process.

That is what this amendment is all about. It simply says: Do we want a new entitlement program? Or do we want to go through the regular appropriations process?

It seems to me that this is not the time to foist upon the American taxpayer a new entitlement program. It is a time to stick with the regular appropriations process.

I ask for an "aye" vote on the amendment.

Mrs. SCHROEDER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think none of us on this House floor want to create new entitlement programs, normally, and especially if we are going to create new

entitlement programs for a whole group of class that we can see demographics changing, and all sorts of things.

But I must say, that kind of consistency, if we are going to be so absolutely consistent that we make the mistake of not creating this as an entitlement, I think we should be ashamed, and I mean that, because I think this is a very different kind of situation, when we had hostage after hostage testify that one of the major concerns they had when they were being incarcerated is whether or not their families were being taken care of.

And if we say we are not going to make an entitlement available for that situation because of the Budget Act and because of this and because of that, we are really not treating the people that we are asking to risk their lives and everything else, we are not treating them with any kind of respect, and I think we should hang our heads as public officials.

We know that Americans are real targets, we know that as a superpower it bears all sorts of burdens. We know we send people out there that we cannot reimburse adequately, and we are asking them to run all sorts of risks. And when we hear from the ones who ran the risk and were incarcerated that their No. 1 concern was constantly worrying about their families, I cannot believe that we cannot make this an entitlement. This is not a huge entitlement. We do not know that it will ever cost anything. Let us hope that it will never cost anything. But let us be able, as the U.S. Congress, to say to people working for this Government: If something happens to you, we are going to take care of your family, don't worry, it is an entitlement, you do not have to wait and see if Congress gets to it, you do not have to wait and see if they are out of session that year, you do not have to wait to see if something else happens, we have made it an entitlement. And I think that is absolutely bottom line, because we do not give them much of anything else. We are taking their pensions away or we are cutting their pay or we are freezing their COLA or we are cutting this or we are cutting that, and to put them out there and subject them to the risk that every single one of us knows they are subjected to, and to say to them, "We are going to just let you sit there, and of course you will not get any newspapers once you are incarcerated to know whether we did pass it, and you do not know if we will get around to it," I remind the Members that it has taken 6 years to get this to the floor, since the Iranian hostage situation. To think we would do that I find just shocking.

So certainly I do not want to create any new massive entitlement programs. Let us pray this is an entitlement program that is never used. I do not think any of us ever want this to be used. But, for crying out loud, let us not be so narrow, let us not be so nitpicking, let us not be so really small in our thinking that we say we are going to be pure and we will not create this as an entitlement program, let us realize the tremendous, tremendous confort this would be to Federal employees all over the world, to know that the Federal Government has finally spoken on this, that if anything should happen, which we certainly hope it does not, that they are protected and they do not have to sit around and worry about that. They have got enough to worry about, and I think it is the least we can do. I will be very much ashamed of this House if this amendment is passed.

Mr. MICA. Mr. Chairman, I move to strike the requisite number of words, and I rise in strong opposition to the amendment.

Mr. Chairman, as far as I am concerned, this amendment guts the whole purpose of this legislation.

What we are talking about are individuals who are taken hostage being able to have some knowledge that their families will be taken care of, and that this will be done automatically. That is the purpose of an entitlement. Can you imagine the situation of an individual, under the terms of this amendment, if it were adopted, saying, "Yes; I have been taken hostage, I am held here in solitary, but under the terms of the amendment offered by the gentleman from Pennsylvania, if the Congress acts some day, my family might be taken care of."

That is not what we want.

The whole idea here was to give some realistic, reliable assurance to families, to friends, to individuals, that if there were a problem they would not have to wait for a future act of Congress. "Is the Congress in recess? Is the Congress debating the tax bill? Is the Congress doing other things? Is the Congress to busy? Are there going to be points of order?" All of this would stand in the way of quick action on behalf of the hostages and their families.

The gentleman makes a good point that we do need to follow appropriate procedures. The gentleman is known as a watchdog on budget and procedure, and I respect him for that role here in the Congress, but I do not think he realizes that there is no new money in this provision. This money is within the funds already available to the State Department and other agencies. We are dealing with $1.6 million—not $1.6 billion, but $1.6 million—in existing funds already appropriated. $1.6 million in existing funds for the 52 hostages, and I think there were 1 or 2 others that we are dealing with here. So that is not new money, it is not in violation of Gramm-Rudman or the Budget Act at this point.

If there were new hostages, more funds would be required but they would be taken from existing budgets. But the idea was to give some assurance so that the next group would not sit in solitary, would not sit as hostages under most difficult and trying circumstances and say, "Will it be 6 years before the Congress acts, as it was with the Iranian hostage situation?"

So I understand the concern for the budget process. I understand also the gentleman's desire to abide by technicalities. But if we are looking at technicalities, there is no new money in this legislation for this purpose.

I would be happy to yield, for a moment, to my colleague from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding. I think the gentleman ought to understand a little bit how the bill came to the floor.

This gentleman allowed the bill to come to the floor by unanimous consent under an assurance that there were no things in it which violated the Gramm-Rudman Balanced Budget Act.

The chairman of the committee, in telling me that—I know he said so in all honesty—I do not think he understood that this did in fact violate Gramm-Rudman.

Mr. MICA. If I may reclaim my time, I think we have a basic disagreement. There is no new money in this provision. And, in fact, under the gentleman's provision, if the gentleman's provision passes, it would authorize, a new appropriation or an increase, if you will.

Mr. WALKER. If the gentleman will yield, that of course is not the issue here. What we are attempting to do——

Mr. MICA. Reclaiming my time, the gentleman just indicated that that was the key issue, that we are violating Gramm-Rudman and the Budget Act, and indeed that is not the case.

Mr. WALKER. Well, the gentleman will admit that in bringing the bill to the floor they had to get a waiver of the Budget Act because this provision was in it.

Mr. MICA. The gentleman indicates there was a waiver, but I do not believe it was because there was new money in the bill. This is money that is a part of the appropriation that is already available to the State Department.

Mr. WALKER. If the gentleman will yield, the problem is that you are creating an entitlement program before you have a budget provision, and that is the problem. This gentleman understood that problem. He brought the amendment to the floor in order to try to correct a problem that you have created with your legislation. If the

gentleman does not want any corrections, I understand that.

The CHAIRMAN. The time of the gentleman from Florida [Mr. MICA] has expired.

(By unanimous consent, Mr. MICA was allowed to proceed for 2 additional minutes.)

Mr. MICA. I think the technical point that we are debating is the point that we have just raised here, that there is not new money authorized by this title.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. MICA. I yield to the gentleman from Florida.

Mr. FASCELL. I want to just straighten the record out, if I can.

There was no unanimous consent to take this bill to the floor, I will tell the gentleman from Pennsylvania. With respect to the waiver situation at the time I spoke to the gentleman on the floor last week, I was incorrect about the bill at that time; but all of those problems were corrected, I will tell the gentleman from Pennsylvania, at his insistence. The second point is that, with respect to the waiver that brings this bill to the floor, the only reason a waiver is required is because the budget resolution has not yet been adopted and this bill was granted waiver from the Rules Committee with the approval of the Budget Committee.

Now, all I will say is that the gentleman can pursue his technicality as far as he wants to pursue it, but please do not assert that there is a violation of the law. We have complied with the law; and that is the reason we are here under the kind of rule that we were granted.

Now, you can say you do not want an entitlement program. You can say that you would rather have these funds provided in an appropriation. That is your privilege, and that is the reason your amendment is offered, and I hope it does what you think it does, but I believe that does not achieve your purpose. What it will do is this: It will require new money, whereas if you go under the entitlement program it requires the use of existing funds.

I am just saying what it does. You can still go your way if you want to. You have made your point. I do not understand why it would make any difference. Before this bill becomes a law, the technicality you are concerned about will cease to be a problem because in all likelihood, a budget resolution will be in place before this bill completes the legislative process.

The CHAIRMAN. The time of the gentleman from Florida [Mr. MICA] has expired.

Mr. FASCELL. Mr. Chairman, I move to strike the requisite number of words.

We have not only acquired the waiver which the law permits us to get from the Budget Committee, but I dare say it would be cured before it ever becomes the kind of problem the gentleman is talking about.

Now, let me just for 1 second examine the scope of this thing, aside from the fact that we are talking about the lives of people and that two committees have decided that the very best way to handle that is to write it into law so there is no question about whether or not these people will get the compensation that is written into the law, it becomes an entitlement program and it does not require further acts of Congress except for the allocation of the money.

First of all, we are talking right now today about existing payments that would go to known hostages. Am I correct?

Mr. MICA. The gentleman is correct.

Mr. FASCELL. And that is $1.6 million; am I correct?

Mr. MICA. Yes.

Mr. FASCELL. But let us examine this question of entitlement, because the gentleman from Pennsylvania, in his zeal to protect the law—I am certainly not derogatory about that, I think that is commendable, and he is known all over the country on cable television as the watchdog of the whole program of the Budget Act. But we are following the Budget Act, Mr. Chairman. We are following the Budget Act.

□ 1845

Now, on the scope of this, we are not talking about Medicare or Medicaid or a large program as the chairperson said, from the Post Office and Civil Service Committee. We are talking about a limited number of people here who are known right now and payments to them, whether it is by appropriation or entitlement, would be $1.6 million.

What about the future? What does an entitlement program or an appropriation do in the future? Answer: We do not know. There are no hostages out there yet, and I hope there will not be. So I suppose in a very technical sense the gentleman from Pennsylvania could make a point that he would rather have an appropriation rather than an entitlement because nowadays in the context of the whole process the word "entitlement" has become a buzz word.

Once having made that point, it seems to me, and the fact that we have assured him and the people of this country that we have cured all of the technicalities with this, it seems to me that the better part of wisdom right now would be that he has made his point is to withdraw the amendment.

The money is going to be paid one way or the other. The gentleman is not going to fight the appropriation; I know that. I mean, I know he has got a heart and a soul; I know that. The only thing is, and I am serious about this, I will say to the gentleman from Pennsylvania; You have made your point; we have done our best to cure. You want to turn it around legislatively which is your prerogative and that is the reason this amendment is in order.

I really wish the gentleman would not do that.

Mr. MICA. Mr. Chairman, in conclusion I would just like to say that if this amendment were adopted, it would take an act of Congress to make this entire provision apply to one hostage.

I think that is wrong and I do not think we should put ourselves in that position.

Ms. SNOWE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am opposed to the amendment that has been offered by the gentleman from Pennsylvania. The gentleman does raise a serious concern in this period of fiscal realities; a legitimate concern about creating new entitlements, and I always share that concern with the gentleman.

But there are several reasons why the committee chose this funding mechanism. First, I would like to point out this is a very narrow and limited entitlement that was requested by the administration to fill a very specific and unique purpose.

The Victims of Terrorism Compensation Act would provide compensation, as has been mentioned here during the course of this debate, to American hostages and their families. The Congressional Budget Office has estimated that the cost of this legislation would be $1.6 million for fiscal year 1986 and fiscal year 1987, which the appropriation would be provided for by the State Department and would not require an additional appropriation.

I would point out that the net effect of the gentleman's amendment would be to negate the effectiveness of lump sum compensation benefits. It would negate the effectiveness of educational and medical benefits. It would negate the certainty and the predictability provided by this legislation in title VIII in the Victims of Terrorism Compensation Act.

There is no way that Congress can predict when a situation will arise and how much appropriation will be required? Even if the situation arose, in all likelihood the Congress would not react quickly. It did not with respect to the Iranian hostages, and I might add at this point that when the Hostage Relief Act passed in 1980, a year already had elapsed since those individuals became hostages in Iran. Finally, in all likelihood, Congress would

not enact a sufficient appropriation, and then, as a result. We would terminate the benefits prematurely. The educational benefits and the medical benefits triggered in this legislation would terminate because we did not provide an adequate appropriation.

The thrust of this legislation is to provide some certainty, some assurance, some peace of mind to the hostages and to the hostage family members. If there is anything that we learned from the Iranian crisis, it was this: The hostages thought about their family members first; for their health for their safety and their welfare. If we want to grant them peace of mind in coping with a perilous situation then we provide this in an entitlement form.

If we decide that we are going to create the family benefits contingent upon congressional approval, then there is no way that they will have the assurance of receiving these benefits in a timely fashion.

In the final analysis, the House has to decide whether or not we are willing to provide hostage relief. If we mean what we say, then let us enact effective legislation, but let us not gut the mechanism by which we effectively provide this relief.

That is what we are saying here today, members of the Committee. I believe we have to consider it very seriously. If the gentleman's amendment passes, we might as well eliminate title VIII. We might as well eliminate the certainty and the assurances that title VIII provides.

I think we have an obligation, a moral obligation as a country, to recognize the hardships that these individuals have faced and have endured.

Finally, one last comment. I think it is tragic that 5 years have elapsed and we have yet to provide compensation to the Iranian hostages. You ask why? Because of the controversy involved in determining the level of compensation. That is why I say to the gentleman from Pennsylvania that we must have this mechanism so that we can ensure the kind of certainty that these people deserve.

Ms. OAKAR. Mr. Chairman. I move to strike the requisite number of words.

Mr. Chairman, I want to associate myself with the distinguished members of the Foreign Relations Committee, Mr. MICA and Mr. FASCELL and Congresswoman SNOWE and Congresswoman SCHROEDER who have been so forceful in seeing this legislation come to pass. I chaired a subcommittee that heard the legislation as well, for employee compensation benefits.

I want to make one quick point. First of all, I think any Government worker who risks his or her life, and many of them do day in and day out, who was held hostage, is entitled, and I want to underline that, I do not happen to think that is a dirty word, I think it is an important word. They are entitled to benefits for themselves and their families. Absolutely entitled to that.

I am astounded that anyone would disagree with that. That we would want to have these people held hostage to the whim of one committee or another. If we are creating an entitlement program, it is very, very belated and we should have done it a long time ago.

No. 2 is that this entitlement comes out of existing funds, and the gentleman from Pennsylvania's amendment violates Gramm-Rudman because it does not come out of existing funds. So as ingenious as he sometimes is about these technical issues, his amendment violates Gramm-Rudman.

Our bill does not. I would just simply like to say that all Americans realize that the taking of American hostages is frightening, it is sad, and unfortunately, our Government workers, those workers that we sometimes treat very disparagingly, and our military personnel and their dependents, are very often considered easy prey by political terrorists who seek to influence our foreign policy.

□ 1855

We know and we live through this as Americans day in and day out with the anxiety for our hostages.

Now, if we cannot pass a bill that does not violate the existing law that entitles these individuals who risk their lives, some of whom have already done this, and hopefully this will never happen again, but if it does, we ought to supply the kinds of remuneration and educational benefits, medical and health care, psychological counseling and this interest bearing savings fund that would involve their pay while they are held hostage.

Now, surely we can do that for these courageous people and hopefully we will never have that situation again, but my heavens, I am just astounded by this amendment. It violates Gramm-Rudman. I hope we soundly reject it, because it really guts the essence of the bill.

Mr. Chairman I rise in support of H.R. 4151, the Omnibus Diplomatic Security and Anti-Terrorism Act. The bill has been the subject of hearings by both the Foreign Affairs Committee and my own Subcommittee on Compensation and Employee Benefits of the Post Office and Civil Service Committee. And, while we would like to avoid the issue of terrorism, it is a cold reality in our society. H.R. 4151 would provide needed compensation to those who are victims of terrorism directly, and the family members who are forced to wait and pray for relief.

The taking of American hostages is frightening and sad. Unfortunately, U.S. citizens, Government employees, military personnel, and their dependents are considered easy prey by political terrorists who seek to influence American foreign policy.

While such tactics are repugnant and should be denounced and actively discouraged by every nation, state-sponsored terrorism continues, disrupting peace and stability in the world. Terrorists have resorted to murder and torture to seek political gain. We must do everything within our power, individually and as a nation, to stop such vicious activities. We must also never forget the needs of those who suffer the horrors of terrorism.

The legislation before the House today would expand and improve upon the benefits provided by the Hostage Relief Act of 1980 to Federal civilian and military employees who become victims of hostile action directed against the United States.

Among its many worthwhile provisions, the bill would direct that a hostage's pay be deposited in an interest-bearing savings fund and that captives and their families be compensated for medical and health care, educational benefits, and psychological counseling. Certainly, such benefits should be provided to Government employees who suffer the physical and mental strain of being held hostage, and of facing a violent death at any moment.

Our goal is to permanently end terrorism but, until this goal is achieved, Government employees who are captured and tortured, and the families of those killed, must be properly compensated for their heroism and sacrifice for our country.

Sad as it is to say, certain Government employees perform duties in extremely hazardous conditions and, sometimes, pay the ultimate price to enforce the laws of our Nation. It is time that we exercise our moral responsibility and provide the proper benefits to those civilian and military workers whose lives are placed in jeopardy by international terrorism. One need only recall the sorrow of the families who remain waiting after 1 year to hear from their loved ones being held in Lebanon to realize that the need for H.R. 4151 is eminent.

I urge all my colleagues to vote in support of H.R. 4151.

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. MICA. Mr. Chairman, the normal procedure is each individual is allowed to speak for one time, is it not?

The CHAIRMAN. By unanimous consent, the gentleman can be recognized for another period of time.

Mr. MICA. Mr. Chairman, I will not object at this time.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALKER. Mr. Chairman, I will be brief. I thank the gentleman.

Mr. Chairman, we have heard a lot of arguments out here and I think some of them need to be rebutted just a little bit, because we are hearing a lot of people indicating that this is just a mere technicality and they do not understand why this should be done. The mere technicality we are talking here is deficit reduction and the program we committed ourselves to.

For the gentlewoman to contend that this amendment is a violation of Gramm-Rudman is just wrong. It is the bill that has had to get a waiver from the Rules Committee. My amendment required no waiver. It came out to the floor and it required no waiver. It is perfectly in order to do.

It is just a case once again of the big spenders are at it. We are looking for another reason to spend money without looking at what we are doing.

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. WALKER. Surely, I yield to the gentlewoman.

Ms. OAKAR. Mr. Chairman, will the gentleman agree that this bill provides for funds that are already existing? Does the gentleman agree to that, yes or no?

Mr. WALKER. This bill evidently does.

Ms. OAKAR. Will the gentleman agree that his amendment does not?

Mr. WALKER. No.

Ms. OAKAR. That it provides for new funding?

Mr. WALKER. My amendment, I would say to the gentlewoman, requires that Congress vote on the money before we spend the money.

Ms. OAKAR. That is for new money, is that not true, not existing money?

Mr. WALKER. No. My amendment provides for no new money at all. My amendment simply says, I will say to the gentlewoman, that around here we ought to vote for the money before we spend the money.

The gentlewoman wants us to start a pattern of spending money without us having to vote on it.

Ms. OAKAR. That is absolutely not true.

Mr. WALKER. That is precisely what has got us in trouble over the years. The chairman of the committee comes out here and tells us that the reason why this is perfectly all right is because they went to the Budget Committee and got a waiver. The Budget Committee around here gives waivers to everyone. That is the reason why we have overspent our own budgets over the last 5 years by $160 billion, because we constantly get this pattern of the Budget Committee going beyond the Budget Act.

Ms. OAKAR. Mr. Chairman, will the gentleman yield further?

Mr. WALKER. Yes, I am glad to yield to the gentlewoman. Apparently she does not want me to make my statement.

Ms. OAKAR. The gentleman knows and I know and everyone knows that the gentleman's amendment provides for new money and we are dealing in this bill with money already in the budget. The gentleman knows that, and let us not try to fool everyone.

Mr. WALKER. The gentlewoman is absolutely wrong. Here is what my amendment says: "and shall be effective for any fiscal year only to the extent or in the amounts provided in the Appropriation Act."

So what it says is that you have got to vote for the money before you spend the money. There is no money in my amendment whatsoever, none. It simply says that you have got to vote for the money before you spend the money.

Now, that is something we do not like to do around this Congress. We do not like to have to actually stand up and vote for this spending, so this committee has cleverly found a new way to provide for an entitlement program.

Mr. MICA. Mr. Chairman, will the gentleman yield on that point?

Mr. WALKER. Yes, I am glad to yield to the gentleman.

Mr. MICA. Mr. Chairman, I would just say that we can continue to disagree about this. According to the gentleman, there is no new money in his amendment.

Mr. WALKER. No.

Mr. MICA. There is also no new money in this provision, according to the Budget Committee and according to the Rules Committee and according to this committee. There is no new money here.

Mr. WALKER. I have not contended there is any new money, I would say to the gentleman. What I have contended is that we are creating a new entitlement program that does not now exist and that we ought not to be in the process of establishing new entitlement programs. That is the only point this gentleman has made.

It is the gentleman's side that has raised the issue of new money. There is no new money anywhere. It is simply a question of process. Do you have a regular appropriations process or do you have an entitlement process?

I say that you ought to go through the regular appropriations process to spend money. We are told that this is just a small program. Well, $1.6 million is a lot of money in most families; $1.6 million is something that most families regard as a lot of money.

I believe they would think we should vote for that before we actually spend the money. That is not what we do.

We have heard about a moral obligation to the country. The moral obligation to this country is to stop piling up debt that we end up putting onto future generations. We do that enough. We are doing it with a new entitlement program here. It is time to say no to entitlement programs. It is time to say pay as you go and do so in a way that does not entitle the money, but says we are going to regularly appropriate the money.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALKER].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. WALKER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 144, noes 252, not voting 38, as follows:

[Roll No. 58]

AYES—144

Applegate	Henry	Panetta
Archer	Hillis	Pursell
Armey	Holt	Regula
AuCoin	Hopkins	Ridge
Badham	Hubbard	Roberts
Barnard	Huckaby	Roemer
Bartlett	Hughes	Rogers
Barton	Hunter	Roth
Bateman	Ireland	Rudd
Bentley	Jenkins	Russo
Billirakis	Jones (OK)	Schaefer
Boland	Kemp	Schneider
Boulter	Kolbe	Schulze
Breaux	Kolter	Sensenbrenner
Brown (CO)	Kramer	Shaw
Broyhill	LaFalce	Shumway
Burton (IN)	Latta	Shuster
Carney	Leath (TX)	Skeen
Carr	Lent	Slattery
Chandler	Lewis (CA)	Smith (NE)
Chappie	Lewis (FL)	Smith, Denny (OR)
Coats	Lightfoot	Smith, Robert (NH)
Cobey	Livingston	Smith, Robert (OR)
Coble	Loeffler	Solomon
Combest	Lott	Spence
Coughlin	Lowery (CA)	Stenholm
Daniel	Lujan	Strang
Dannemeyer	Mack	Stratton
Daub	Marlenee	Stump
DeLay	Martin (IL)	Sundquist
DioGuardi	McCain	Sweeney
Dreier	McCandless	Swindall
Early	McCollum	Tauzin
Eckert (NY)	McDade	Taylor
English	McEwen	Traxler
Fawell	McGrath	Vander Jagt
Fazio	Meyers	Vucanovich
Fields	Michel	Walker
Florio	Miller (OH)	Weaver
Frenzel	Molinari	Weber
Gaydos	Monson	Whitehurst
Gekas	Montgomery	Whittaker
Glickman	Moody	Wolpe
Goodling	Moore	Wortley
Green	Moorhead	Wylie
Gunderson	Morrison (WA)	Young (FL)
Hall, Ralph	Myers	
Hansen	Nielson	
Hartnett	Packard	

NOES—252

Ackerman	Atkins	Bennett
Akaka	Barnes	Bereuter
Anderson	Bates	Berman
Andrews	Bedell	Bevill
Aspin	Bellenson	Biaggi

Bliley	Gray (IL)	Parris
Boehlert	Gray (PA)	Pease
Boggs	Gregg	Penny
Boner (TN)	Guarini	Pepper
Bonior (MI)	Hall (OH)	Perkins
Bonker	Hamilton	Petri
Borski	Hammerschmidt	Pickle
Bosco	Hatcher	Price
Boucher	Hawkins	Quillen
Boxer	Hefner	Rahall
Brooks	Heftel	Rangel
Broomfield	Hendon	Ray
Brown (CA)	Hertel	Reid
Bruce	Hiler	Richardson
Bryant	Horton	Rinaldo
Burton (CA)	Howard	Ritter
Bustamante	Hoyer	Robinson
Callahan	Hutto	Rodino
Carper	Hyde	Roe
Chapman	Jacobs	Rose
Chappell	Johnson	Roukema
Cheney	Jones (NC)	Rowland (CT)
Clinger	Jones (TN)	Rowland (GA)
Coelho	Kanjorski	Roybal
Coleman (MO)	Kaptur	Sabo
Coleman (TX)	Kasich	Saxton
Conte	Kastenmeier	Scheuer
Conyers	Kennelly	Schroeder
Cooper	Kildee	Schuette
Coyne	Kleczka	Schumer
Craig	Kostmayer	Seiberling
Crane	Lagomarsino	Sharp
Crockett	Lantos	Shelby
Darden	Leach (IA)	Sikorski
Daschle	Lehman (FL)	Siljander
Davis	Leland	Sisisky
de la Garza	Levin (MI)	Skelton
Dellums	Levine (CA)	Slaughter
Derrick	Lloyd	Smith (FL)
DeWine	Long	Smith (IA)
Dickinson	Lowry (WA)	Smith (NJ)
Dicks	Luken	Snowe
Dingell	Lundine	Snyder
Dixon	Lungren	Spratt
Donnelly	MacKay	St Germain
Dorgan (ND)	Manton	Staggers
Dornan (CA)	Markey	Stallings
Dowdy	Martin (NY)	Stangeland
Downey	Martinez	Stark
Duncan	Matsui	Stokes
Durbin	Mavroules	Studds
Dwyer	McCurdy	Swift
Dymally	McHugh	Tallon
Dyson	McKernan	Tauke
Eckart (OH)	McKinney	Thomas (CA)
Edwards (CA)	McMillan	Thomas (GA)
Emerson	Mica	Torres
Erdreich	Mikulski	Torricelli
Evans (IA)	Miller (CA)	Towns
Evans (IL)	Miller (WA)	Traficant
Fascell	Mineta	Udall
Feighan	Mitchell	Valentine
Fiedler	Moakley	Vento
Foglietta	Mollohan	Visclosky
Foley	Morrison (CT)	Volkmer
Ford (MI)	Mrazek	Watkins
Ford (TN)	Murphy	Waxman
Fowler	Murtha	Wheat
Frank	Natcher	Whitley
Frost	Neal	Whitten
Fuqua	Nelson	Wirth
Gallo	Nichols	Wise
Garcia	Nowak	Wolf
Gejdenson	Oakar	Wright
Gibbons	Oberstar	Wyden
Gilman	Obey	Yates
Gonzalez	Olin	Yatron
Gordon	Ortiz	Young (AK)
Gradison	Owens	Young (MO)

NOT VOTING—38

Addabbo	Franklin	Oxley
Alexander	Gephardt	Pashayan
Annunzio	Gingrich	Porter
Anthony	Grotberg	Rostenkowski
Byron	Hayes	Savage
Campbell	Jeffords	Solarz
Clay	Kindness	Synar
Collins	Lehman (CA)	Walgren
Courter	Lipinski	Weiss
Edgar	Madigan	Williams
Edwards (OK)	Mazzoli	Wilson
Fish	McCloskey	Zschau
Flippo	O'Brien	

□ 1910

The Clerk announced the following pair:

On this vote:

Mr. Oxley for, with Mr. Annunzio against.

Mr. SILJANDER changed his vote from "aye" to "no."

Messrs. FAZIO, HUGHES, TRAXLER, and APPLEGATE changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1920

The CHAIRMAN. The question is on the amendment in the nature of a substitute, as amended.

The amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. TRAXLER] having assumed the chair, Mr. KLECZKA, chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4151), to provide for the security of U.S. diplomatic personnel, facilities, and operations, and for other purposes, pursuant to House Resolution 402, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the Committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

Mr. BROOMFIELD. Mr. Speaker, on that, I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 389, nays 7, not voting 38, as follows:

[Roll No. 59]

YEAS—389

Ackerman	Barnes	Bilirakis
Akaka	Bartlett	Bliley
Anderson	Barton	Boehlert
Andrews	Bateman	Boggs
Annunzio	Bates	Boland
Applegate	Bedell	Boner (TN)
Archer	Bellenson	Bonior (MI)
Armey	Bennett	Bonker
Aspin	Bentley	Borski
Atkins	Bereuter	Bosco
AuCoin	Berman	Boucher
Badham	Bevill	Boulter
Barnard	Biaggi	Boxer
Brooks	Gradison	McMillan
Broomfield	Gray (IL)	Meyers
Brown (CA)	Gray (PA)	Mica
Broyhill	Green	Mikulski
Bruce	Gregg	Miller (CA)
Bryant	Guarini	Miller (OH)
Burton (CA)	Gunderson	Miller (WA)
Burton (IN)	Hall (OH)	Mineta
Bustamante	Hall, Ralph	Mitchell
Byron	Hamilton	Moakley
Callahan	Hammerschmidt	Molinari
Carney	Hansen	Mollohan
Carper	Hartnett	Montgomery
Carr	Hatcher	Moody
Chandler	Hawkins	Moore
Chapman	Hefner	Moorhead
Chappell	Heftel	Morrison (CT)
Chappie	Hendon	Morrison (WA)
Cheney	Henry	Murphy
Clinger	Hertel	Murtha
Coats	Hiler	Myers
Cobey	Hillis	Natcher
Coble	Holt	Neal
Coelho	Hopkins	Nelson
Coleman (MO)	Horton	Nichols
Coleman (TX)	Howard	Nielson
Combest	Hoyer	Nowak
Conte	Hubbard	Oakar
Cooper	Huckaby	Oberstar
Coughlin	Hughes	Obey
Coyne	Hunter	Olin
Craig	Hutto	Ortiz
Crane	Hyde	Packard
Crockett	Ireland	Panetta
Daniel	Jacobs	Parris
Darden	Jenkins	Pease
Daschle	Johnson	Penny
Daub	Jones (NC)	Pepper
Davis	Jones (OK)	Perkins
de la Garza	Jones (TN)	Petri
DeLay	Kanjorski	Pickle
Dellums	Kaptur	Price
Derrick	Kasich	Pursell
DeWine	Kastenmeier	Quillen
Dickinson	Kemp	Rahall
Dicks	Kennelly	Rangel
Dingell	Kildee	Ray
DioGuardi	Kleczka	Regula
Dixon	Kolbe	Reid
Donnelly	Kostmayer	Richardson
Dorgan (ND)	Kramer	Ridge
Dornan (CA)	LaFalce	Rinaldo
Dowdy	Lagomarsino	Ritter
Downey	Lantos	Roberts
Dreier	Latta	Robinson
Duncan	Leach (IA)	Rodino
Durbin	Leath (TX)	Roe
Dwyer	Lehman (FL)	Roemer
Dymally	Leland	Rogers
Dyson	Lent	Rose
Early	Levin (MI)	Roth
Eckart (OH)	Levine (CA)	Roukema
Eckert (NY)	Lewis (CA)	Rowland (CT)
Edwards (CA)	Lewis (FL)	Rowland (GA)
Edwards (OK)	Lightfoot	Roybal
Emerson	Livingston	Rudd
English	Lloyd	Russo
Erdreich	Loeffler	Sabo
Evans (IA)	Long	Saxton
Evans (IL)	Lott	Schaefer
Fascell	Lowery (CA)	Scheuer
Fawell	Lowry (WA)	Schneider
Fazio	Lujan	Schroeder
Feighan	Luken	Schuette
Fiedler	Lundine	Schulze
Fields	Lungren	Schumer
Florio	Mack	Seiberling
Foglietta	MacKay	Sensenbrenner
Foley	Manton	Sharp
Ford (MI)	Markey	Shaw
Ford (TN)	Martin (IL)	Shelby
Fowler	Martin (NY)	Shumway
Frank	Martinez	Shuster
Frenzel	Matsui	Sikorski
Frost	Mavroules	Siljander
Fuqua	McCain	Sisisky
Gallo	McCandless	Skeen
Garcia	McCloskey	Skelton
Gejdenson	McCollum	Slattery
Gekas	McCurdy	Slaughter
Gibbons	McDade	Smith (FL)
Gilman	McEwen	Smith (IA)
Glickman	McGrath	Smith (NE)
Gonzalez	McHugh	Smith (NJ)
Goodling	McKernan	Smith, Denny (OR)
Gordon	McKinney	

Smith, Robert (NH)	Swift	Waxman
	Swindall	Weaver
Smith, Robert (OR)	Tallon	Weber
	Tauke	Wheat
Snowe	Tauzin	Whitehurst
Snyder	Taylor	Whitley
Solomon	Thomas (CA)	Whittaker
Spence	Thomas (GA)	Whitten
Spratt	Torres	Wirth
St Germain	Torricelli	Wise
Staggers	Towns	Wolf
Stallings	Traficant	Wolpe
Stangeland	Traxler	Wortley
Stark	Udall	Wright
Stenholm	Valentine	Wyden
Stokes	Vander Jagt	Wylie
Strang	Vento	Yates
Stratton	Visclosky	Yatron
Studds	Volkmer	Young (AK)
Stump	Vucanovich	Young (FL)
Sundquist	Walker	Young (MO)
Sweeney	Watkins	

NAYS—7

Brown (CO)	Gaydos	Monson
Conyers	Kolter	
Dannemeyer	Marlenee	

NOT VOTING—38

Addabbo	Gingrich	Oxley
Alexander	Grotberg	Pashayan
Anthony	Hayes	Porter
Breaux	Jeffords	Rostenkowski
Campbell	Kindness	Savage
Clay	Lehman (CA)	Solarz
Collins	Lipinski	Synar
Courter	Madigan	Walgren
Edgar	Mazzoli	Weiss
Fish	Michel	Williams
Flippo	Mrazek	Wilson
Franklin	O'Brien	Zschau
Gephardt	Owens	

□ 1940

So the bill was passed.

The result of the vote was announced as above recorded.

The title was amended so as to read: "A bill to provide enhanced diplomatic security and combat international terrorism, and for other purposes."

A motion to reconsider was laid on the table.

APPOINTMENT OF ADDITIONAL CONFEREE ON HOUSE JOINT RESOLUTION 534, URGENT SUPPLEMENTAL APPROPRIATION FOR THE DEPARTMENT OF AGRICULTURE, 1986

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the Speaker be authorized to appoint an additional conferee on the part of the House at the further conference with the Senate on the joint resolution (H.J. Res. 534) making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi? The Chair hears none and, without objection, appoints the following conferee: Mr. CONTE.

There was no objection.

The SPEAKER pro tempore. The Clerk will notify the Senate of the change in conferee.

CONFERENCE REPORT ON OLDER AMERICANS ACT AMENDMENTS OF 1986

Mr. KILDEE. Mr. Speaker, I call up the conference report on the bill (H.R. 2453) to amend the Older Americans Act of 1965 to increase the amounts authorized to be appropriated for fiscal years 1985, 1986, and 1987 for commodity distribution, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

(For conference report and statement, see proceedings of the House of March 10, 1986.)

The SPEAKER pro tempore. Pursuant to the rule, the conference report is considered as having been read.

The gentleman from Michigan [Mr. KILDEE] will be recognized for 30 minutes and the gentleman from Iowa [Mr. TAUKE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Michigan [Mr. KILDEE].

Mr. KILDEE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, both House and Senate bills addressed a shortfall in the Older Americans Nutrition Program. The House bill passed unanimously on September 24, 1985. The Senate bill passed unanimously on February 5, 1986. Under this program, The Secretary of Agriculture reimburses each State based on the number of congregate and home-delivered meals served under an approved title III plan.

The conference agreement maintains the level of reimbursement at 56.76 cents per meal for 3 years. The agreement also replaces such sums language in the House bill with specific authorization figures which the conferees believe will be adequate to allow reimbursement at this figure.

The conferees also dropped the House provision for a CPI adjustment in the rate of reimbursement for the third year of the bill.

I wish to commend my colleagues on the Republican side, particularly Mr. TAUKE. We have worked closely to make sure that we take care of this human need, while recognizing the fiscal needs of the Federal Government. This is truly a bipartisan agreement, both in the House and in the Senate, and I urge its adoption.

Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. BIAGGI].

Mr. BIAGGI. I thank the gentleman for yielding.

I am just delighted that we have reached this point in the history of this legislation. As the author of the original version of H.R. 2453 we are proud of the fact that we have effected these compromises. But that would not have been possible except for the tireless leadership of the chairman of the Subcommittee on Human Resources, the gentleman from Michigan [Mr. KILDEE] who was a tireless protector of the Older American Nutrition Program.

This bill averts the threatened reduction of some 2 million meals. What it does further, it would authorize $127 million for fiscal year 1985, $144 million for 1986 and 1987. In the end it will evoke a nationwide sigh of relief from thousands of dedicated people who are in the business of providing meals for elderly individuals in this program.

As we celebrate the 20th anniversary of the Older Americans Act, we go forward notwithstanding Gramm-Rudman in preserving the level of funding for the Elderly Nutrition Program so critical for the millions of elderly out there who require one meal per day to keep them functioning and nutritionally sound.

Once again I am grateful to the gentleman [Mr. KILDEE] for yielding this time and congratulate Mr. TAUKE for working in the bipartisan fashion with us.

It is important that we reach this point today before further chaos should envelope this all important program. The basic issue before us is will the Federal Government honor its commitment to the elderly nutrition program and provide a sufficient level of reimbursement per meal to avert catastrophic reductions in the service? Adoption of this conference report answers this question in the affirmative.

In essence, we are caught in a paradox caused by no other reason except that this program succeeds year after year and demand continues to exceed all expectations. At the beginning of fiscal year 1985, the Department of Agriculture anticipated that somewhere between 210–212 million meals would be provided under this program. The final figures are in for fiscal year 1985—the level—225 million. The existing law Public Law 98–459 says two things about the elderly feeding program. The first is that an adjustment for inflation in the reimbursement rate is to be made each year. The second provides us with the problem before us today section 312(b)(2) which says:

In any fiscal year in which compliance with subsection (a)(4) of this section costs more than the amounts authorized under paragraph (1) of this subsection for that fiscal year the Secretary of Agriculture shall reduce the cents per meal determined pursuant to subsection (a)(4) for that fiscal year as necessary to meet the authorization of appropriations for that fiscal year.

As fiscal year 1985 began it was obvious that an increase in the reimbursement rate to 58.7 cents would run smack up against the authorization. Therefore the Secretary of Agriculture exercising his rights under the law moved to cut the reimbursement rate by 2 cents to the present 56.7 cents per meal. With the exception of a sporadic mailing of notices to States, this reduction caused mimimal problems as it occurred early enough in most planning cycles.

However, as last fiscal year progressed further and the number of meals continued to

exceed expectations—pressures were mounting on the program because of the cap on authorizations in the law. I recognized this fact back in May 1985 when I introduced H.R. 2453 to lift the cap off this program for the fiscal years 1985, 1986, and 1987. My bill called for authorizations of $125.8 million for fiscal year 1985, $135.9 million for fiscal year 1986, and $147 million for fiscal year 1987.

The House acted quickly and passed this bill in September in modified form but still a sound bill. It provided sufficient authority in both fiscal years 1985 and 1986 to provide full reimbursement for past due claims and to keep the rate at 56.76 cents. It also provided for such sums as were necessary for fiscal year 1987.

In the ensuing months between House passage, Senate passage and this conference agreement, pressures continued to mount. According to data provided to me by both the national association of nutrition and aging service programs and the national association of meal programs, notices were being sent out to States and then from States to area agencies on aging and nutrition provides warning of a major reduction in the reimbursement rate. The rate would have been cut by more than 3 cents a meal.

Meanwhile the House and Senate Appropriations Committee at the behest of myself and other members of the House Select Committee of Aging and Education and Labor Committee acted to provide sufficient appropriations both to avert the reduction in the reimbursement rate and to pay all past due claims for fiscal year 1985. The result was an additional $12 million provided in the continuing resolution for the program. It was estimated that approximately $7 million of this would go to pay past due claims and the remaining $5 million would be used to maintain the reimbursement rate at 56.76 cents. This measure was signed into law but no sooner did it take effect and the Gramm-Rudman-Hollings law kicked in and the program endured a cut of about $5 million. Meanwhile the President's fiscal year 1987 budget proposed a rescission of approximately $5 million. I am pleased that the chairman of both the House and Senate appropriations committees have advised me that they do not intend to accept the rescission and the funds would be released after 45 days.

However, unless final action were completed on this legislation, the department technically would be unable to spend the money since they lacked authority in the law. This conference report takes care of this problem and immediately will guarantee that all past due claims for fiscal year 1985 will be honored.

The other important consequence of this legislation is that it will preserve the existing reimbursement rate well into fiscal year 1986 if not throughout the entire fiscal year. This provides a funding level of $144 million for fiscal years 1986 and 1987 and includes the all important statement of intent that the measure seeks to ensure reimbursement at the 56.76-cent level.

Make no mistake about it. Failure to adopt this conference report will exacerbate an already developing crisis in the Older Americans Act Nutrition Program. My Subcommittee on Human Services estimates that for every 1-cent reduction in the reimbursement rate there is a corresponding loss of more than 733,000 daily meals. If the cut is 3 cents that means over 2 million daily meals. This would cause tremendous hardships across our Nation and would impact many needy seniors including those who are homebound. It should not be forgotten that the Older Americans Act by law is to a priority to the elderly in the greatest economic or social need. Economic need is defined as those seniors living at or below the poverty level. Meanwhile we know from other surveys we have conducted in our subcommittee that the average age of seniors in the congregate program is now 73 and the home delivered program is now 78. The point here is—these are people in need and a reduction of 2 million meals would hit many of these needy seniors.

As I mentioned earlier, the other important benefit of this legislation is that it will evoke a sigh of relief across the national aging network made up of State and area agencies on aging as well as congregate and home delivered meal providers. This bill ensures not only that they will get all that is owed to them from last fiscal year, it will allow them the almost forgotten luxury of planning to go back into daily life. They now know the intent of law is to provide a reimbursement rate of 56.76 cents for fiscal years 1986 and 1987.

It is sometimes said nothing succeeds like success. With the Older Americans Nutrition Program, its success, indirectly, is the cause of its problem. We take a quantum leap forward with the adoption of this conference report in allowing the success not to be a source of penalizing.

I wish to commend all the House and Senate conferees for their work on this fine conference report. It deserves our support. I also commend the national aging organizations who have worked so closely with myself and others on this issue including the National Association of Nutrition and Aging Service Programs, the National Association of Meal Programs, the National Association of Area Agencies on Aging, and the National Association of State Units on Aging.

Mr. TAUKE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Chairman, I believe that the conference report which we are bringing before you is one which meets the objectives of virtually all of the Members of this body. I commend the chairman of the subcommittee, Mr. KILDEE, and the other conferees for developing a piece of legislation which is, on the one hand, fiscally responsible but, on the other hand, meets the needs of senior citizens. The fact is, Mr. Speaker, that for the past several years we have consistently underestimated the amounts of money that would be needed to fund these programs under the Older Americans Act. So we have come in for supplemental appropriations. This year I think with this legislation we are proving we are setting realistic authorization levels, yet at the same time we are freezing the reimbursement rates for meals over a 3-year period to ensure that we have fiscal responsibility, that we live within the constraints that all of us face as we attempt to set budget priorities, yet at the same time permit more senior citizens to have access to the meal program.

Mr. Speaker, it seems to me that virtually all Members of the House can support this legislation, and I would hope that they will do so.

Mr. YOUNG of Florida. Mr. Speaker, will the gentleman yield?

Mr. TAUKE. I would be pleased to yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in support of the conference report to accompany H.R. 2453, legislation to increase the Federal reimbursement for senior nutrition programs under the Older Americans Act.

The Meals on Wheels and congregate dining programs funded by this legislation provide invaluable nutritional assistance to older Americans. These programs are particularly important in Florida where more than 12.7 million meals are served annually. This includes 1 million meals served in Pinellas County by the dedicated staff and volunteers for Neighborly Senior Services. Through our continuing support of senior nutrition programs, we can assure millions of older Americans that they will receive daily, balanced meals.

The legislation we consider today will raise the spending limit on these programs so that the U.S. Department of Agriculture will be able to raise its per meal reimbursement to local sponsors of congregate dining and meals on wheels programs. As a member of the Appropriations Committee, I know that last year we provided increased funding to allow the program to meet these projected higher limits.

Our action today will also enable the U.S. Department of Agriculture to reimburse State and local sponsors of these programs for more than $7 million in funding shortfalls last year. These shortfalls were the result of a greater than anticipated demand for meals. The 230 million meals served to older Americans throughout our Nation last year exceeds the Department of Agriculture's preliminary estimate by 17.2 million meals.

The expedient enactment of H.R. 2453 will enable the Department of Agriculture to spend those funds made available by the Appropriations Committee so that we can continue to fulfill our commitment to provide nutritionally balanced meals to older Americans in need.

Mr. DOWNEY of New York. Mr. Speaker, soon we will vote on H.R. 2453, a bill to continue providing reduced cost meals to our senior citizens. While this legislation concerns some seemingly mundane funding issues, it actually addresses a much larger issue: The role of the Federal Government and our commitment to do what is clearly the right thing.

As the English philanthropist, art critic, and sociological writer, John Ruskin said, "The first duty of government is to see that people have food, fuel, and clothes." If Ruskin was correct, then this legislation embodies one of the great challenges of democratic government.

This small step that we take today is a sign of our commitment to the elderly. This commitment must go beyond a hands-off policy on Social Security. It must go beyond support for legislation that aids the elderly in our specific districts. It must go beyond political rhetoric.

Our commitment to the elderly, while genuinely reflected in the above-mentioned areas, boils down to dollars. Do we have the will to back up the rhetoric? Will we work hard to see that the millions of senior citizens who lack adequate nutrition will be fed? Will we in this august body use our franchise to benefit those whose experience and wisdom has benefited us?

This is not a new issue. Shakespeare wrote of the "oppressed with two weak evils, age and hunger." A yes vote on this bill is a vote against the oppression of hunger and I urge my colleagues to support this legislation.

Mr. LIGHTFOOT. Mr. Speaker, older Americans face a serious risk of having their entire life savings wiped away because of a catastrophic illness. Most of them don't have health care coverage which would protect them from a serious, long-term illness, such as Alzheimer's disease, cancer, a stroke, or a chronic heart condition.

Medicare, contrary to what many people believe, basically covers only the acute medical care needs of the elderly and does not cover extended, long-term care services. Medicaid, on the other hand, provides for long-term care coverage, but a person has to be destitute in order to qualify. Compounding the problem further, relatively few insurance companies—studies indicate between 16 to 25—provide long-term care insurance policies which are more comprehensive than MediGap policies. It is estimated that only about 50,000 elderly people are presently insured under such plans.

This leaves many older Americans unprotected and threatens their livelihood if they or their spouses suffer from an illness which requires long-term care services, whether the services are provided in the home, the hospital, or in a nursing home. They have nowhere to turn to help pay for catastrophic health care services other than their personal savings, which don't last long when faced with high health care costs.

For instance, a Blue Cross and Blue Shield of Massachusetts study found last year that two-thirds of single elderly people and one-third of married elderly people who enter nursing homes face destitution within 13 weeks because of the costs of care without adequate insurance coverage.

Congress needs to address the serious problem of the lack of catastrophic health care coverage for older Americans. For several months now, a great deal of attention has been focused on this issue, including a House Aging Committee hearing and a Ways and Means Committee hearing. I expect that more will be done in this area, including a thorough examination of legislation that Congressmen REGULA, COURTER, MCCAIN, BOEHLERT, and I introduced in the House of Representatives on March 6.

This legislation provides for a two-pronged approach to meeting the long-term health care needs of older Americans. First, the legislation would allow individuals to expand voluntarily their Medicare coverage to include catastrophic care coverage. It would include unlimited inpatient hospital care and would limit the number of deductibles a person must pay to two a year. Currently, Medicare provides full coverage up to 60 days, and partial coverage after 150 days of hospitalization and no coverage after that. In order to finance this extra coverage, Medicare beneficiaries would pay a modest premium increase.

Second, the legislation would allow individuals to establish individual health services accounts [IHSA's], which would be similar to individual retirement accounts. Under this legislation, individuals would be able to start a health savings account and deduct from their taxes the amount they contribute each year, up to $2,000 per year. Employers would also be able to contribute the same amount to an employee's account.

The money from these IHSA's could be used for care at a skilled nursing facility; care at an intermediate care facility; care at a licensed long-term care facility, care provided by a licensed home health care agency; payments for Medicare supplemental policies; and long-term care insurance policies.

The enactment of this legislation would go a long way toward insulating older Americans from unexpected health care costs. It would also alleviate their fears that their hard-earned savings would be eliminated if health problems arise. Finally, it would ensure older Americans that the rug would not be pulled out from beneath them if catastrophic illness strikes. Therefore, I urge my colleagues to act on this legislation to protect older Americans from the costs of prolonged illnesses.

Mr. MARTINEZ. Mr. Speaker, I rise in strong support for the conference report on H.R. 2453, amendments to the Older Americans Act. This legislation will authorize the Agriculture Department to spend $127.8 million for fiscal 1985 and $144 million for fiscal 1986. These moneys will enable the Federal Government to reimburse States, and ultimately the groups that serve the needed meals for seniors under the Older Americans Act, at 56.76 cents per meal. Without this legislation, the authorization would be only 53 to 54 cents per meal, and this would have an adverse effect on the groups serving these meals. I would like to point out the relationship that these moneys we're authorizing today have with the moneys used in this program.

In Los Angeles County, 1.8 million meals were served through the congregate meal program and 500,000 meals were served through the home delivered program in fiscal 1985. This totals about 2.3 million meals served last year. The Federal Government reimbursed Los Angeles County approximately $1 million for the congregate program and $325,000 for the home delivered program. The State of California contributed about $675,000 and $160,000 respectively to the congregate and home delivered programs. In total, Los Angeles County received about $2.1 million from the Federal and State Governments for these meal programs. However, to bring these meals to the table, Los Angeles County spent in fiscal 1985 almost $9 million in the congregate program and $2.7 million in home delivered program, making county's expenditures almost $12 million for the year.

These figures just for Los Angeles County show how important these programs are for seniors in Los Angeles County and the country on the whole. The need for this authorization bill to maintain the Federal share in these meal programs is crucial to ensure that seniors receive meals they desparately need. Though this administration would like to eliminate all Federal funding for social programs such as these, the need for continued Federal funding could never be greater. The estimates for fiscal 1986 show a rise in the number of meals served in Los Angeles County, and this will put a further strain on the county to provide these meals. The figures for Los Angeles County show that non-Federal sources are contributing greatly to these programs, and a rise in the meals served will add to these costs. Without this legislation, local governments will be asked to spend more even on top of the increase which will accompany the rise in meals served.

The Federal Government must remain a partner in this program with local governments to provide these necessary meals, and this legislation will help ensure this. I urge all of my colleagues to support this conference report.

Mr. BRUCE. Mr. Speaker, today, I rise in support of the conference agreement on H.R. 2453, the Older Americans Nutrition Program. The 1981 amendments to the Older Americans Act placed a cap on the commodity funds. The cap has proved too low, and last September the program ran out of money and hundreds of thousands of senior citizens were placed in jeopardy.

To avoid this shortfall once and for all, the conference agreement establishes a reimbursement rate of 56.76 cents per meal served under this program for fiscal years 1985 and each successive year thereafter. The amounts authorized under this compromise are $127.8 million for fiscal year 1985 and $144 million for fiscal years 1986 and 1987.

Mr. Speaker, the meals-on-wheels and congregate meals programs served over 553,000 meals in my district and 225 million nationally last year. These programs are among the most basic and humane programs we fund. The cooperation displayed in conference between myself, Chairman KILDEE, Mr. TAUKE, Senators HATCH, GRASSLEY, and MATSUNAGA is typical of the broad bipartisan support this program enjoys between Democrats and Republicans alike in both Chambers of Congress. I urge my colleagues in the House to pass this conference report. We must give an assurance to senior citizens who depend on this program that they will never again wonder if they might go a day without a hot meal.

Mr. JEFFORDS. Mr. Speaker, I rise in support of the conference report on H.R. 2453. The conference agreement establishes authorization of appropriations for fiscal years 1985 through 1987 which should insure that no less than 56.76 cents per meal in commodities, or cash in lieu thereof, is provided for congregate and home-delivered senior citizen nutrition programs.

The terms of the conference agreement provide for retroactive payment to the States of the 56.76 cents per meal in commodity

support that was announced by the Department of Agriculture in February of 1985 and which State agencies and local nutrition program providers included in their fiscal year 1985 program planning. For a variety of reasons, the number of meals served at senior citizen nutrition programs was much larger than had been originally projected. Consequently, the USDA announced a significant reduction in the amount of per meal commodity or cash equivalent support that would be paid for all meals served in fiscal year 1985. Regrettably, the States are faced with an after-the-fact funding shortfall.

The conference agreement not only addresses the fiscal year 1985 shortfall issue, but also establishes fixed rates of commodity support for fiscal years 1986 and 1987. This should avoid any repetition of the fiscal year 1985 shortfall situation and should help States and local meal providers in their nutrition program planning.

In establishing fixed per meal commodity assistance rates, the conferees recognize that no adjustments will be made to reflect changes in the Consumer Price Index for food away from home.

To stretch limited food dollars, the conference agreement strongly recommends that senior meal program providers consider participation in the National Commodity Processing Program. Through NCP, eligible recipient agencies are able to purchase certain manufactured food items containing surplus commodities furnished, free of charge, by the U.S. Department of Agriculture. The value of these donated commodities is passed through to eligible local agencies, thereby lowering the prices paid for these manufactured or processed food items.

Mr. Speaker, I urge my colleagues to join me in agreeing to the conference report on H.R. 2453.

Mr. TAUKE. Mr. Speaker, I yield back the balance of my time.

Mr. KILDEE. Mr. Speaker, I have no further requests for time and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. BUSTAMANTE). The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. NIELSON of Utah. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 344, nays 0, not voting 90, as follows:

[Roll No. 60]

YEAS—344

Ackerman	Barnes	Boehlert
Akaka	Bartlett	Boggs
Anderson	Barton	Boland
Andrews	Bateman	Boner (TN)
Annunzio	Bates	Bonior (MI)
Anthony	Bedell	Bonker
Applegate	Beilenson	Borski
Archer	Bennett	Bosco
Armey	Bentley	Boucher
Aspin	Berman	Boulter
Atkins	Bevill	Boxer
Badham	Biaggi	Breaux
Barnard	Billrakis	Brooks
Brown (CA)	Heftel	Oakar
Brown (CO)	Hendon	Oberstar
Broyhill	Henry	Obey
Bruce	Hertel	Olin
Burton (CA)	Hiler	Ortiz
Burton (IN)	Hillis	Packard
Bustamante	Holt	Panetta
Callahan	Hopkins	Pease
Carney	Horton	Penny
Carper	Howard	Perkins
Carr	Huckaby	Petri
Chandler	Hughes	Pickle
Chapman	Hunter	Price
Cobey	Hutto	Rahall
Coble	Hyde	Ray
Coelho	Ireland	Regula
Coleman (MO)	Jenkins	Reid
Coleman (TX)	Johnson	Richardson
Combest	Jones (OK)	Ridge
Conte	Jones (TN)	Rinaldo
Conyers	Kanjorski	Ritter
Cooper	Kaptur	Robinson
Coughlin	Kasich	Rodino
Coyne	Kastenmeier	Roe
Craig	Kemp	Roemer
Crane	Kennelly	Rogers
Daniel	Kildee	Rose
Dannemeyer	Kleczka	Roukema
Darden	Kolbe	Rowland (CT)
Daschle	Kolter	Rowland (GA)
Daub	Kostmayer	Roybal
de la Garza	Kramer	Rudd
DeLay	LaFalce	Russo
Dellums	Lagomarsino	Sabo
Derrick	Lantos	Saxton
DeWine	Latta	Schaefer
Dickinson	Leach (IA)	Schneider
Dingell	Leath (TX)	Schroeder
DioGuardi	Lehman (FL)	Schuette
Dixon	Leland	Schulze
Donnelly	Lent	Schumer
Dorgan (ND)	Levin (MI)	Seiberling
Dornan (CA)	Levine (CA)	Sensenbrenner
Dowdy	Lewis (FL)	Sharp
Downey	Lightfoot	Shaw
Dreier	Livingston	Shelby
Durbin	Lloyd	Shumway
Dwyer	Loeffler	Shuster
Dymally	Long	Sikorski
Dyson	Lott	Sisisky
Early	Lowery (CA)	Skeen
Eckart (OH)	Lowry (WA)	Skelton
Eckert (NY)	Lujan	Slattery
Edwards (OK)	Luken	Slaughter
Emerson	Lundine	Smith (FL)
English	Mack	Smith (IA)
Erdreich	MacKay	Smith (NJ)
Evans (IA)	Markey	Smith, Denny (OR)
Evans (IL)	Marlenee	Smith, Robert (NH)
Fascell	Martin (IL)	Smith, Robert (OR)
Fawell	Martin (NY)	Snowe
Fazio	Martinez	Snyder
Feighan	Matsui	Solomon
Fiedler	McCain	Spence
Fields	McCandless	Spratt
Foglietta	McCollum	St Germain
Foley	McCurdy	Staggers
Ford (MI)	McEwen	Stallings
Fowler	McGrath	Stangeland
Frenzel	McHugh	Stark
Frost	McKernan	Stenholm
Fuqua	Meyers	Stokes
Gallo	Mica	Strang
Garcia	Mikulski	Stratton
Gaydos	Miller (CA)	Studds
Gejdenson	Miller (OH)	Stump
Gekas	Miller (WA)	Sundquist
Gibbons	Mineta	Sweeney
Gilman	Mitchell	Swindall
Glickman	Moakley	Tallon
Gonzalez	Molinari	Tauke
Gordon	Mollohan	Tauzin
Gradison	Montgomery	Taylor
Gray (IL)	Moore	Thomas (CA)
Gray (PA)	Moorhead	Thomas (GA)
Gregg	Morrison (CT)	Torres
Guarini	Morrison (WA)	Torricelli
Gunderson	Mrazek	Traficant
Hall (OH)	Murphy	Traxler
Hall, Ralph	Myers	Valentine
Hamilton	Natcher	Vento
Hammerschmidt	Neal	Visclosky
Hartnett	Nelson	Volkmer
Hatcher	Nichols	Walker
Hawkins	Nielson	Watkins
Hefner	Nowak	Waxman
		Weaver
		Weber
		Wheat
		Whitley
		Whittaker
		Whitten
		Wirth
		Wise
		Wolpe
		Wright
		Wyden
		Wylie
		Yates
		Yatron
		Young (AK)
		Young (FL)
		Young (MO)

NAYS—0

NOT VOTING—90

Addabbo	Gingrich	Oxley
Alexander	Goodling	Parris
AuCoin	Green	Pashayan
Bereuter	Grotberg	Pepper
Bliley	Hansen	Porter
Broomfield	Hayes	Pursell
Bryant	Hoyer	Quillen
Byron	Hubbard	Rangel
Campbell	Jacobs	Roberts
Chappell	Jeffords	Rostenkowski
Chappie	Jones (NC)	Roth
Cheney	Kindness	Savage
Clay	Lehman (CA)	Scheuer
Clinger	Lewis (CA)	Siljander
Coats	Lipinski	Smith (NE)
Collins	Lungren	Solarz
Courter	Madigan	Swift
Crockett	Manton	Synar
Davis	Mavroules	Towns
Dicks	Mazzoli	Udall
Duncan	McCloskey	Vander Jagt
Edgar	McDade	Vucanovich
Edwards (CA)	McKinney	Walgren
Fish	McMillan	Weiss
Flippo	Michel	Whitehurst
Florio	Monson	Williams
Ford (TN)	Moody	Wilson
Frank	Murtha	Wolf
Franklin	O'Brien	Wortley
Gephardt	Owens	Zschau

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So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. KILDEE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on the bill, H.R. 2453, just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

REMARKS OF THE PRESIDENT OF COLOMBIA, BELISARIO BETANCUR, REGARDING INTERVENTIONISM

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and to include extraneous matter.)

Mr. ALEXANDER. Mr. Speaker, in a recent interview with the Washington Post, the President of Colombia, Belisario Betancur, condemned the interventionist activities in the Western Hemisphere of Cuba, the Soviet Union, and the United States. The President of Colombia observes that peace and freedom in Central America can only be achieved through negotiation.

I submit a transcript and translated copy of the President's remarks for the consideration of my colleagues.

BOGOTA,
March 14, 1986.

Congressman BILL ALEXANDER,
U.S. Capitol,
Washington.

DEAR SIR: According to our previous conversation of March 13th, I enclose herewith photocopy of both the documents we talked about. First there is the copy of the written answers given by President Betancur to a questionnaire sent by the journalist from the Washington Post. Second, there is a copy of the non-literal transcript of the interview that Mr. President granted to the same journalists.

I hope these documents will be of some help to you and please feel at ease to contact me if any further information is required.

Yours sincerely,

VICTOR G. RICARDO,
General Secretary.

[English translation]

INTERVIEW GRANTED BY PRESIDENT BELISARIO BETANCUR TO JOURNALIST BRADLEY GRAHAM FROM THE WASHINGTON POST, MARCH 7, 1986

(Non-literal transcript)

POST. New reference about Contadora.

PRESIDENT. I sincerely think that Contadora has good chances of reaching its goals. The Contadora group and the group of support (Brasil), Argentina, Peru, Uruguay) are representatives of all Latin America and we know that the Reagan administration is aware of the fact that Latin America has its own language. And that this language is expressed through Contadora. In fact, it is all of Latin America which does not like the Reagan proposal.

We are looking for the diplomatic way, for negociation. I consider that an initiative of a request for U.S. $100 million taken by President Reagan is wrong. We think that the way Mr. Reagan is taking is a way to which Contadora has already given an answer. As President Oscar Arias said, the support of Mr. Reagan is counterproductive. I know we can get more through negociation. One of the basic principles of Contadora is the non-intervention. Therefore we condemn the activities of Cuba, the Soviet Union as well as those of the United States.

POST. How do you evaluate the policy of the United States toward Colombia and Latin America during your presidential term?

PRESIDENT. I think that the tradition for respect and cordiality was kept between our two nations. As members of the TXE Contadora Group, we have sometimes had the impression that the United States could have done more to stop the Central American conflict. But we work with what we have, nowadays in better conditions, thanks, for example to the group of support composed by Argentina, Brazil, Peru and Uruguay, and to the Caraballeda statements and to Guatemala. Our greater present concern, and it is well understood by Mr. Reagan and his team, is the future of the International Coffee Agreement, which is a bit weakened by statements given by American officials: We, producers and consumers must protect the agreement because it warrants the stability of our countries, not only for the solution of our domestic unbalances, but also to find a solution to problems as dramatic as that of the external debt. I repeat that I have confidence in that the Government of the United States can see the situation clearly and is aware of the necessity of supporting the continuity of the World Coffee Agreement.

POST. Which are the future perspectives of Contadora?

PRESIDENT. Contadora is no longer a policy governments but a position of countries, not only in Latin America but in the whole world. We started here in the region, to extinguish fire in the neighbors house, in order to prevent fire in our house. But the effort became worldwide, under the hallmark that "dialogue is better than fight". And this has been achieved, with difficulties. But keeping always in mind the idea of peace, of looking for solutions different from bombs and bullets.

BIG BAY AREA COCAINE RING TIED TO CONTRAS

(Mrs. BOXER asked and was given permission to address the House for 1 minute, to revise and extend her remarks, and to include extraneous material.)

Mrs. BOXER. Mr. Speaker, during his speech for Contra aid, President Reagan said that, "profiteering through drug smuggling is a hallmark of the Sandinista dictatorship."

Today I have asked the President to reverse his Contra support, based on a documented story in Sunday's San Francisco Examiner, entitled "Big Bay Area Cocaine Ring Tied to Contras."

Through court records, the article exposes a cocaine ring that provided $500,000 for Contra groups in Costa Rica. One of those convicted testified that proceeds from the cocaine smuggling "belonged to the Contra revolution."

Unbelievably, Mr. Speaker, the U.S. Government returned $36,000 seized as drug money after one of the smugglers submitted letters from Contra leaders saying it was really political money for "the reinstatement of democracy in Nicaragua."

Now, I know that our President would not willingly support any government or potential government that engages in drug trafficking. Withdrawing the Contra aid request would allow the necessary time to find out all the drug facts and insure that our President, who believes the Sandinistas are drug dealing, is not actually supporting a replacement regime that is being financed by the drug dealing, law-breaking Contras.

Mr. Speaker, I include the article referred to as follows:

BIG BAY AREA COCAINE RING TIED TO CONTRAS

(By Seth Rosenfeld)

A major Bay Area cocaine ring helped to finance the contra rebels in Nicaragua, according to federal court testimony and interviews with the convicted smugglers.

Carlos Cabezas, a convicted smuggler who said he worked with two contra groups, testified that proceeds from his cocaine trade "belonged to . . . the contra revolution."

Jubo Zavala, another convicted smuggler, said in a phone interview from federal prison that he delivered $500,000 to the treasury of two Costa Rican-based contra groups. The "majority of it," Zavala said, came from cocaine sales.

Zavala and Cabezas were convicted in connection with the 1983 "frogman case," in which federal agents seized 430 pounds of cocaine as divers attempted to unload it from the Colombian freighter Ciudad de Cucuta at San Francisco's Pier 96.

Estimating the drug's street value at $100 million, officials called it the biggest cocaine seizure in West Coast history.

The contra connection is described in sealed documents, government wiretap transcripts and other court records obtained by The Examiner.

The sealed records show that the government returned to Zavala $36,020 seized as drug money after he submitted letters from contra leaders saying it was really political money for "the reinstatement of democracy in Nicaragua."

The records also contain allegations by Zavala's attorney—never substantiated—of CIA involvement in contra drug operations. The CIA denied this.

Invoking a classified information statute, U.S. Attorney Joseph Russoniello declined comment on allegations of CIA or contra involvement, and said the money was returned for economic reasons.

The contras, an assortment of groups based in Costa Rica and Honduras, are fighting to overthrow the Marxist Sandinista government of Nicaragua. The Sandinistas seized power in 1979 from the late rightist dictator Anastasio Somoza Debayle.

Allegations of contra involvement in drugs have arisen in the current debate over President Reagan's proposed $100 million aid package to the Contras.

The Associated Press reported in December that Contras based in Costa Rica have engaged in cocaine smuggling and used some of their profits to finance their war against the Sandinistas.

The report quoted U.S. law enforcement officials but the State Department told the AP it was unaware of any evidence to support the charges.

When asked this month about any Contra involvement in drug trafficking, Assistant Secretary of State Elliott Abrams told a congressional committee.

"I have talked to the DEA (Drug Enforcement Administration) and there is absolutely no evidence, not any accusation of any involvement with drugs by the FDN (one Contra faction). There was an accusation involving another group."

A State Department spokesman, Sandra McCarty, said yesterday the department had no knowledge of the frogman case and would have no comment. Dennie Brisley of the White House press office said last night that the president would have no comment on the case.

The president has said the United States has a "moral obligation" to support the Contras. His proposal for aid faces a vote by the House of Representatives on Thursday and the president is scheduled to take his case to the people tonight in a televised speech.

THE CONTRA CONNECTIONS

A quick guide to the contra connections:

Carlos Cabezas, 40, a former Nicaraguan attorney and Somoza air force man who says he worked with the Costa Rica-based

Contra groups UDN-FARN and ARDE (Democratic Revolutionary Alliance). After his conviction as a leader in the cocaine ring, he testified that cocaine profits helped finance the contra war against the Sandinista government of Nicaragua.

Julio Zavala, 42, a Nicaraguan native and San Mateo car salesman who was convicted as a leader in the cocaine ring. He says he delivered $500,000, mostly from cocaine profits, to a Contra official in Costa Rica. Prosecutors returned to him $36,000 seized as drug profits after he presented letters from two contra officials saying it was political money.

Doris Salomon, 26, wife of Zavala and one-time Bay Area fund-raiser for a contra organization. She arranged the letters for Zavala from contra officials. She was convicted for cocaine sales in San Francisco.

Horacio Pereira, a Nicaraguan businessman now living in Costa Rica, where he faces cocaine conspiracy charges He allegedly supplied cocaine to Cabezas and Zavala, and told Cabezas the profits would finance Contra activity.

UDN-FARN (Nicaraguan Democratic Unity-Nicaraguan Revolutionary Armed Forces). A Costa Rica-based Contra organization founded by Fernando "El Negro" Chamorro. Zavala says he arranged the Bay Area purchase of weapons for his group.

PCNE (Conservative Party of Nicaraguans in Exile). A Costa Rica-based Contra group. Zavala says he delivered cocaine profits to help PCNE and UDN-FARN fight the Sandinistas. A representative of the two Contra groups wrote a letter stating that $36,020 seized as drug money from Zavala was really political money.

AGE OF GUNBOAT DIPLOMACY IS FINISHED

(Mr. WEISS asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous material.)

Mr. WEISS. Mr. Speaker, for the record, here are yesterday's results from my district following the President's Sunday night speech: 129 constituents said they oppose aid to the Contras, 21 supported it.

Mr. Speaker, we are clearly on the road to war with Nicaragua.

The President wants us to believe that the nations of Latin America are quietly cheering him on. But last week the President of Peru said, quote:

An act of hostility and of intervention in Nicaragua will be an act of hostility and intervention in all of Latin America.

President Garcia went on to say,

I announce the decision of the Government of Peru, in the event that foreign forces invade Nicaragua, to break relations with the aggressive power and make all efforts in defense of a brother country.

Latin America has been trying to tell us, more and more forcefully, that the age of gunboat diplomacy is finished. When young Americans are sent to fight in Nicaragua, and Latin America boils over in anger, it will not be another Grenada. It will not even be the Bay of Pigs. It will be Vietnam.

I submit for the RECORD the text of an AP dispatch reporting on President Garcia's remarks and the response of the Argentinian Congress to which they were delivered:

BUENOS AIRES, ARGENTINA, March 14, 1986.—President Alan Garcia of Peru pledged Friday to break relations with any country that invades Nicaragua and help defend the leftist-ruled Central American nation.

He did not name a potential invader, but his reference to the United States was clear. The Reagan administration supports guerrillas fighting the Nicaraguan government, which often has predicted a U.S. invasion.

"An act of hostility and of intervention in Nicaragua will be an act of hostility and intervention in all of Latin America," Garcia said in an hour-long speech to Congress at the beginning of a three-day official visit to Argentina.

"I announce the decision of the government of Peru, in the event that foreign forces invade Nicaragua, to break relations with the aggressive power and make all efforts in defense of a brother country."

His comments brought loud applause from the congressmen and other Argentine dignitaries in the audience.

"Some can say that in Nicaragua there is no pluralism, that the opposition isn't listened to, that there is no free press," the Peruvian leader said, reading from a text. "Others will respond with the argument that the acts being carried out have created such a situation.

"We firmly believe in pluralistic democracy. But no one, and much less anyone from outside Latin America, has the right to correctively judge a process arising to overcome a totalitarian dictatorship about which nothing was said earlier."

Peru and Argentina are among eight Latin American countries involved with the Contadora peace process for Central America. They have recommended demilitarization of the troubled region, including an end to U.S. aid for the Contra rebels in Nicaragua.

HELP THE FREEDOM FIGHTERS IN NICARAGUA

(Mr. BARTON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Speaker, we saw on Sunday evening our President go to the American people and ask that this Congress support his request for about $100 million over the next 2 years in military and humanitarian assistance to the freedom fighters in Nicaragua.

At the end of the President's speech, he asked that the American people call their Congressmen and Senators to express their support for his request. Yesterday, in my four offices in the sixth Congressional District of Texas, and in my office here in Washington, we received over 100 telephone calls. Approximately three-fourths of those telephone calls were in favor of supporting the President; the remainder were in opposition.

So far today we have received 20 telephone calls, 16 in favor, 4 in opposition.

There is an excellent editorial in today's Wall Street Journal, which I am submitting for the RECORD, that puts the case very simply: Either we work to help those who want to help themselves stop communism today in Nicaragua, or we wash our hands of it and walk away.

I say we should vote to help the President. We should vote for the aid to the freedom fighters. We should allow those people to help themselves to fight communism in their own country.

[From the Wall Street Journal, Mar. 18, 1986]

CONTRA AID: THE STAKES

Even at this date in the contra debate, the Reagan administration's official position is that the purpose of military aid is to bring pressure on the Sandinistas to negotiate and hold elections. The Democratic opponents argue that something must be done to check the spread of communism in Central America, but that the means should not be military but diplomatic. This politesse on both sides obscures what is at stake in the contra vote.

There is not going to be a negotiated solution in Nicaragua; either it will have a Communist government or it will not. Who, after all, are the Sandinistas? They are a vanguard of Communists who appropriated the name of a local historical hero and captured an indigenous revolution in true Leninist form. They have driven Somoza's democratic opponents out of power and into exile, and are entrenching themselves with the full apparatus of a totalarian state—a military machine, block committees, secret police with Cuban and East German advisers. They are armed by the Soviet Union, and support insurgencies against their neighbors. There is no example of such a government negotiating itself out of power.

What is at stake in Nicaragua is precisely whether the Communist revolution is, as Lenin claimed, historically irreversible. U.S. interests are involved precisely because we are engaged in a historic competition with a Communist empire, a competition over differing views of man, a competition between the democrats and the totalitarians. Since the defeat of Hitler's totalitarianism, we have recognized that in today's world we can no longer retreat into isolationism, that we have no choice but to resist the expansion of the Communist empire.

Over that long period, our record is by and large a credible one. Usually we have been able to help keep new lands from falling. But after the failure of our strategically questionable and irresolute commitment to Vietnam, the Communists went on the march in the world once more, clamping Southeast Asia under the yoke and expanding their influence in the Middle East, Africa and Central America. More lately, we have been recovering the will and ability to resist. The turning point came before Ronald Reagan, with President Carter's outrage at the Soviet invasion of Afghanistan. The Reagan administration has been able to carry through the Carter administration's planned missile deployment in Europe, hold off the insurgency in El Salvador, and even, in the tiny case of Grenada, hand the Communist empire its first outright reversal. The result has been that, in places like Argentina and the Philippines, democracy is gaining in the world today.

Our strategic dilemma has been that the Communist reversals have been temporary

and their advances have been permanent. We have not been able to help the Hungarians, Czechs or Poles when they rebelled against enslavement. We can do little for the boat people in Southeast Asia. We could do nothing at all for the Cambodians beset by the Khmer Rouge. In Afghanistan we can only raise the cost of Communist conquest.

In Nicaragua we now face a test, an incipient Communist totalitarianism in our own backyard. This is not Afghanistan or Vietnam, half a world away. The totalitarian apparatus is not yet fully entrenched; important resistance still comes from the church and from the contras. An outright Communist success would have immediate repercussions, keeping Central America in turmoil, diverting the U.S. from Europe and Asia and making life much more difficult for fledging democracies. (As indeed, Castroite subversion did much to check the spread of democracy in Latin America that looked so hopeful in the 1960s.)

The choice in the contra vote is not between military and diplomatic means. The opposition Democrats can talk of negotiation, but only to hide the real choice: Cut out losses, chalk up one more nation for the Communists and promise to do better next time. The administration can talk of negotiation, but only to hide the real choice: Keep up military pressure in the ultimate hope of toppling the Nicaraguan Communists.

What the chances of this are we cannot pretend to know, but it is galling to hear congressional opponents rest their case on its alleged impossibility. The contras were making substantial progress in 1984, until Congress pulled the rug out from under them. By all accounts, the Communist government is increasingly unpopular; if the contras start to gain there may be a popular uprising or defections from its own ranks. At least Col. Enrique Bermudez, contra military commander, is willing to say: "We have been able to resist and keep the pressure on the Sandinistas with no aid. With $100 million I am sure we can defeat the Sandinistas fast." One does not have to share his optimism to admire his spirit.

This brings us to two points. Col. Bermudez was a commander under Somoza, and somehow more ink has been spilled on the character of the contras than the character of the Communists. President Reagan now tells us that many of the supposed contra atrocities have been committed by Communist *agents provocateurs*. In Salvador, more U.S. aid quite predictably brought with it a better human-rights record. The Philippines proves Jeane Kirkpatrick was right; if we retain influence we can help steer countries toward democracy. If Col. Bermudez and other contras served Somoza, Mr. Marcos was long served by Defense Minister Juan Ponce Enrile, who put an army behind Corazon Aquino's election. And of course, the contras also include opponents of Somoza such as Adolfo Calero and former members of the revolutionary government such as Arturo Cruz and Alfonso Robelo. Perhaps not all of the contras are democrats, but all of the democrats are contras.

Finally, there is the matter of American troops. The opposition Democrats say two things: that giving the contras aid commits us to sending troops, and that if Nicaragua becomes a Soviet base we can always send American troops. This has been eloquently answered by the editors of The New Republic: "Nothing is more likely to force American military intervention than the consolidation of an aggressive, highly militarized, pro-Soviet regime in the area. The contras want to do their own fighting. Cut them off, and the only body in the hemisphere able to restrain the Sandinistas will be the U.S. army. Of course, American military involvement can never be ruled out. But destroying the only indigenous armed opposition to the Nicaraguans hardly seems the way to prevent it."

The endorsement of contra aid by The New Republic was echoed in a broadside ad signed by, among others, such Carter administration national security officials as Zbigniew Brzezinski, David Aaron and Richard Holbrooke, "The Sandinistas have presented the Reagan Administration with a taunting challenge: either send U.S. military forces to save our democratic friends in Nicaragua, or yield to the consolidation of the first Marxist-Leninist state on the American mainland. We believe there is a better alternative: give Nicaragua's democratic resistance the support it needs to survive this totalitarian assault."

Contra aid is now backed by liberal magazines and Carter administration officials. It got the vote of the Democratic chairman of the House Foreign Affairs Committee, Dante Fascell. Democratic Chairman Les Aspin forced it through the House Armed Services Committee by voice vote. What remains to be seen is whether a blocking majority in the Democratic Party and the gerrymandered House of Representatives is still held by the remnants of the Vietnam protesters and critics of American imperialism. Outside of that group, we are approaching a consensus that whatever the odds on the contra aid succeeding in Nicaragua, the historic stakes are high enough to be worth a lot more than $100 million.

VACATING PERMISSION FOR SPECIAL ORDER

Mr. WALKER. Mr. Speaker, I ask unanimous consent that permission previously granted me to address the House for 60 minutes today be vacated.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

ORDER OF BUSINESS

Mr. HORTON. Mr. Speaker, I have a special order this evening, which is 1 hour and which is third in order. I ask unanimous consent that my special order be taken up first when the 1-hour special orders are reached.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

ORDER OF BUSINESS

Mr. RUDD. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. BOLAND] be allowed to proceed first with his 5-minute special order and that my special order follow immediately thereafter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

SPEAKER THOMAS P. O'NEILL, JR., CELEBRATES 50 YEARS OF PUBLIC SERVICE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. BOLAND] is recognized for 5 minutes.

Mr. BOLAND. Mr. Speaker, last evening 2,000 business, political, labor, and religious leaders gathered in Washington to celebrate the 50 years of service given to the people of the United States by the Speaker of the U.S. House of Representatives, THOMAS P. O'NEILL, JR.

To say it was a magnificant tribute, and a grand way to spend St. Patrick's night, is not to do it justice. From the witty and generous remarks of President Reagan, to the conferring of honorary Irish citizenship on the Speaker and his devoted and gracious wife, Millie, by Irish Prime Minister Garret Fitzgerald, to the praise and jest directed toward TIP by former President Ford, Senator TED KENNEDY and Bob Hope, the evening was one which will long live in the memory of the Nation's Capital. I have been to a number of testimonials over the years, but I cannot recall one, which matched the enthusiasm and warm glow of good feeling that was generated at yesterday's salute to the Speaker. It seemed to capture in mood the trait by which TIP O'NEILL's character is defined—that political contests must be pursued with intensity and skill, but not with a meanness of spirit or purpose. Last night we saw Speaker O'NEILL's determination to live by that code which won for him, not only a reputation as a master politician, but the affection of a bipartisan legion of friends and admirers as well.

There will be a host of other events honoring Speaker O'NEILL before his term in office ends. While I know he will be touched by them all, I believe that last night's tribute, attended by so many of the Members of this House and the Senate will always occupy a special place in his heart. It was an extraordinary moment for an extraordinary man, and it was a privilege for me to be able to share it with him and his family.

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THE SANDINISTAS DO NOT WANT TO NEGOTIATE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. RUDD], is recognized for 5 minutes.

Mr. RUDD. Mr. Speaker, there is an old copybook rule that an ounce of prevention is worth a pound of cure. The freedom fighters, the Contras in Nicaragua are defending the United

States and its principles just as certainly as they are fighting for their own freedom.

I have been to Nicaragua, and to the adjoining countries. There is great support among the people in Central America for the Contra movement, and there is great alarm over the massive buildup of Nicaragua's Armed Forces to levels far beyond required for national defense.

The democratic nations in Latin America view the Sandinista military buildup as a direct threat to their security and they view the vote for the Contra aid in this Congress as a signal of U.S. commitment to maintaining the peace and stability in the region.

I am convinced that if we permit the Ortega government to remain in power, the export of communism to the rest of Central America is absolutely inevitable. The Sandinistas do not want to negotiate unless negotiation would give them additional time to consolidate their hold over the people of Nicaragua.

The Ortega government will not give up its dedication to communism or reverse its policies in exporting violence and suppression at home. History shows that these regimes do not change their spots if the Sandinistas threaten their neighbors now, they will not be easily persuaded to change. But the signal from Congress that the United States will do nothing to oppose them is a very, very dangerous one to send. It will hurt the people of the United States.

Let me talk for just a moment about the people in Nicaragua. How are their everyday lives changing under the Communist regime.

Tracey Thomas, a distinguished citizen and successful businessman in Arizona provided me with the results of an interview he had recently, last week as a matter of fact, during the course of a trip through Central America with a citizen of Nicaragua.

The Nicaraguan was temporarily in El Salvador at the time but was returning to his family in the capital of Nicaragua, Managua. What he had to say is important to the future, not only of Nicaragua, but to the future of the United States of America. The Nicaraguan is quoted as follows:

> You cannot see anything on the surface in the City of Managua that would disturb any casual eye or foreign visitor to the city. But what is important is what you cannot see or hear in moving around the City of Managua.
>
> No one there in Managua or in Nicaragua will talk to a stranger. They are afraid to do so, and why are they afraid? Because the Communist goverment has created Sandinista Defense Committees. These are neighborhood committees organized to spy on their neighbors. A typical Communist effort on taking over a government.
>
> Tomas Borge publicly self-confessed Communist, the Interior Minister of Nicaragua, has called for some 10,000 CDS's; the eyes and ears of the revolution. These committees, which are patterned after the Cuban Committees for the Defense of the Revolution, are a major force for ideological education, social control and security enforcement at the neighborhood level.
>
> The CDS's also work closely with the government security police in monitoring the activities of the Nicaraguan citizens.

The Nicaraguan said his children were Christian, that their religious and family values were being corrupted by the Cuban teachers, so he sent them out of Nicaragua. Two to Costa Rica, one to Germany, and two to San Francisco.

This man's nieces and nephews who remain in Nicaragua are beginning to turn against his brother's family, he said. They are being taught that the Sandinistas have the best system of government and that they are being taught Marxist-Leninist-Stalinist values.

> You had better not talk against the revolution when those children are around he said, because they might just tell the neighborhood block secret police.

The bottom line to all of this, of course, is that Nicaraguan Communist education is corrupting the young people and will ultimately destroy the family unit.

The Sandinista Youth 19th of July Movement grew out of a Nicaraguan revolutionary youth group. Since it is a system from primary school through the university level, its tactics include mob harassment, vandalism, political meetings that disrupt classes, and school expulsion of uncooperative students and faculty.

These Nicaraguan employees will talk but only in a safe environment on a 1-to-1 basis. He said:

> It is most important that the international community keep the pressure on the Sandinistas or force them to have truly free elections, if that is possible.

He also indicated that the United States must provide money, arms, and supplies to the Contra freedom fighters.

A GREAT AMERICAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. SOLOMON] is recognized for 5 minutes.

Mr. SOLOMON. Mr. Speaker, the previous speaker in the well, who remains in the well, is a great American, he is an outstanding Member of this House, he is soon to retire from this House, and we will sorely miss him.

He has an important statement to finish, and I will yield him my time.

Mr. RUDD. Mr. Speaker, I thank the gentleman for his kind words and also for the time.

In speaking about the interview of my good friend Tracy Thomas with the Nicaraguan National, the Nicaraguan people, he said, will, of course, talk in a safe environment. But the important thing that the international community must keep in mind is that they have to keep pressure on the Sandinistas or force them into doing the things that will keep them from totally imposing communism on the Nicaraguan people.

The business and social community cannot survive, he said. That those within the country who still operate somewhat freely will have to leave the country, and the Communists will be able to accelerate their conversion of that country to a police state and a socialism consolidation of all economic and political activities.

The freedom fighters, the Contras, and international pressure to hold free elections are slowing the Communist process of consolidation over the people of Nicaragua. He said:

> This is just another report added to what we should already know, and it is also a report that I may say is corroborating evidence for my own travels in Central America and in the region and from others who have traveled there and made their reports and whose judgment I know is trustworthy.

So, my colleagues, I urge you, I urge you here in the House of Representatives to see the situation in Nicaragua as it really is. Let us provide assistance to the people in Nicaragua in their effort to promote democracy and through the Contras, which has been deceitfully stolen from them and let them enjoy the same freedoms that we do here in America.

If we do not, if we do not, the freedom within our own borders will just as surely be stolen from us as it was in Cuba, first, and in Nicaragua now. There is no question but what the Communist government, starting in Moscow, and going through Havana to Managua is totally dedicated to target, eventually the United States of America for a totalitarian Communist takeover.

I again thank the gentleman from the time.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. PORTER] is recognized for 5 minutes.

Mr. PORTER. Mr. Speaker, it had been my understanding that rollcall votes are not held on days that there are State primaries. Had I not been in my district for the Illinois primaries, I would have voted "aye" on the motion to concur, "aye" on the motion to go to conference, and "no" on the motion to insist on the House position.

It is clear that the Senate version, produced after long negotiation with the President, saved $363 million more than the House version. For this reason, I would have supported the Senate version.

VISIT OF NINE UNITED STATES REPRESENTATIVES TO CENTRAL AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WALKER] is recognized for 5 minutes.

GENERAL LEAVE

Mr. WALKER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous matter on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALKER. Mr. Speaker, in 24 hours on the ground in Central America you cannot expect to learn everything, but you can learn some very important things. Eight of my colleagues and I feel that we saw, and heard, the latest details about the situation in Nicaragua and El Salvador. We do not pretend to have seen in depth every part of the current debate on U.S. policy in the area, but we did see enough to draw some conclusions.

We learned that Thursday's congressional vote on whether to provide $100 million to the democratic resistance in Nicaragua is an important vote to everyone in the region. The Communist government of Nicaragua regards it as an important vote on that government's future and sees a vote against the Contra aid as a vote for its position. Those in Congress who claim that their "no" vote is not pro-Sandinista have not listened to the Nicaraguan Government.

We learned that the congressional action is important to the democratic resistance within Nicaragua, not just the military arm of that resistance, but also the business, labor, church press, and political phases of the resistance, too. Anyone interested in keeping a flicker of liberty alive in what is a rapidly developing totalitarian society must acknowledge Contra aid as one part of a program for realistic pressure on the Communists to change.

We learned that our vote will be important to Nicaragua's neighboring states, in particular El Salvador. The facts are clear: When help from the United States increases violence in El Salvador decreases, and vice versa.

We learned that the Sandinista Communists are perfectly willing to lie. In our meeting with Nicaraguan Vice President Sergio Ramirez—the acting president of the country at the time of our visit—we were presented with some outrageous falsehoods disguised as facts. For example, Ramirez claimed that there were no foreign fighting forces in his country and that Nicaragua received no shipments of Soviet bloc arms until after external aggression against it was underway. My colleagues will relate some additional lies told to us, but suffice it to say that those in the Congress who suggest talking to the Communist is the way to Nicaraguan settlement should consider the fact that we will be negotiating with people who do not deal in good faith.

We learned that human rights abuses are growing in Nicaragua and are committed by both the government and the Contras. But the pattern of systematic use of torture, imprisonment, and murder by the government on its political opposition is the growing trend, which is a fact acknowledged by the human rights group, the independent press and church leaders within that country. They say flatly that human rights violations by the Sandinista Communists are worse than they were under Somoza.

We learned that there are people of tremendous courage in Central America who are risking everything to be free men and women. President Duarte, in his fight to build strong democratic traditions within El Salvador, is truly an inspiration. And the people in Nicaragua who risk their lives, risk imprisonment, risk loss of property, suffer separation from loved ones, and make constant personal sacrifices to regain liberty are the people we should want as our friends. They are the people who asked us over and over again to bring a message back to the Congress that the United States must help them and help them now. I hope this report will be that kind of message.

Mr. DELAY. Mr. Speaker, despite the fact that my recent trip to Nicaragua was extremely brief, I spoke to a sufficiently large crossection of people there to return more convinced than ever that the Sandinista government is engaged in a massive campaign of human rights abuses.

I am convinced also that this phenomena is not an aberration. Rather, it is an actual systematic policy that has been consciously adopted as an instrument of government. In a sense, this should not be surprising. Every totalitarian government uses intimidation to control its population. The Sandinistas are certainly doing all in their power to live up to this unholy tradition.

The startling growth in the number of prisons (and with it, of course, the prison population), the confiscation of personal and business holdings, the use of ration cards for the basics of life by which the Sandinistas blackmail their own population, the nationalization of radio and television stations and the amazing degree of censorship that the one remaining independent newspaper (La Prensa) is subject to are all parts of a pattern that ultimately force one to conclude that the Sandinistas are desperately trying to hide the horrendous conditions under which the Nicaraguan people now live.

Actually naming those common people brave enough to would literally put their lives in jeopardy. They live in enough danger and I will not further worsen those conditions. However, I was told enough horror stories by enough respected individuals in a position to know—as well as by real victims of Sandinista repression—to understand that the Sandinista government is as repressive as any known to the world.

As the debate on aid to the freedom fighters begins on the floor of the House, I will document further the points I have raised. For the time, however, let me say that I am convinced that the only hope for the Nicaraguan people's escape from this evil regime is for the U.S. Congress to immediately approve the President's aid request of $100 million.

Mr. DREIER of California. Mr. Speaker, our interview with the editorial staff of La Prensa, the voice of the opposition in Managua, confirmed first hand the reports of massive censorship in the country. We also learned that several of the La Prensa staff had been kidnaped and beaten by the government for their independent views. Accordingly, the staff fears for their lives daily, but insists on attempting to tell the truth about the Sandinistas' deceptions.

This is the same La Prensa which was the leading spokesman for the revolution against Somoza. One of La Prensa's editors is Christiana Chamorro the daughter of La Prensa's editor whose assassination in 1978 provided the catalyst for the final push against Somoza. Ms. Chamorro is still firmly convinced that La Prensa is fighting for the revolution begun against Somoza.

The editorial board informed us of several means the Sandinistas are using to undermine the voice of the opposition. The Sandinista government regularly censors 40 to 90 percent of La Prensa's daily edition under a very rigorous schedule approval which threatens daily distribution. At least 7 hours is required for the censorship process after which the staff is required to reformat the paper so as not to reveal spaces which held censored articles. Once the paper is published, only 70,000 copies are allowed to be distributed. The editors added that demand always exceeds the supply.

During our tour of the La Prensa office we were shown the wall, made famous by the proponents of the Sandinistas, where censored articles can appear. This was typical of the sham information the Sandinista have fed the world community. The wall is a small space inside the office. Access to the wall requires the viewer to travel to the office which is now in a remote part of the city—hardly Main Street viewing. The viewer must enter the private property of La Prensa and take the certain risk of being observed by the Sandinista secret police. This is hardly what I call freedom of the press.

Finally, we were told about financial hardship which is about to force La Prensa out of business. Just as the viewers of the censorship wall risk observation, the government has informed businesses that they advertise in La Prensa at the risk of courting disfavor. Similar to the press, censorship has been extended to the radio and TV media. Under Somoza their were 50 radio programs and 3 TV stations throughout the country. Under the Sandi-

nistas, there is only 1 source for radio and TV programming.

Mr. KOLBE. Mr. Speaker, on Friday evening at the Ambassador's residence, the delegation had an opportunity to meet in an informal setting with business, labor, political and professional leaders in Nicaragua. Included in the group were individuals representing the Confederation of Unions, the Confederation of Professional Association, the Chamber of Commerce of Nicaragua, several of the political parties in opposition to the government, the Cattlemen's Association, as well as individuals we met with earlier in the day from La Prensa and the Permanent Commission on Human Rights.

The setting provided an opportunity for us to discuss individually and in a relaxed environment the issues confronting Nicaragua. A few of the key points that emerged from our conversations would include the following:

First, there is almost unanimous agreement that the economy of Nicaragua is in very bad shape. I could find no one who would suggest other than that the economy is much worse off today than it was under the previous government. Interestingly, they make the point that the conditions are bad not just for business leaders, but for everyone. We were told that Nicaraguans now spend an enormous part of their energies simply to survive—standing in line for food, queuing up for buses, trying to get the simplest sort of business license.

Second, the United States embargo on trade with Nicaragua has not had any significant impact on making economic conditions worse. The generally accepted view seems to be that conditions were bad before and they don't seem perceptibly worse today.

Third, there is no semblance of a democratic labor movement. The right to strike is forbidden. To get a job or ration cards one must belong to the government controlled union. In other words, the independent unions have been virtually destroyed.

Fourth, private business continues to exist, but is subjected to an increasing amount of petty harrassment. Taxes are confiscatory, there are transaction taxes imposed on every piece of business that is conducted, the bureaucracy and licensing process imposes petty harrassment that makes the normal conduct of business virtually impossible.

Fifth, the situation is growing worse and with the Communist government exerting total control over education, over all forms of communication, and over all the levers of power in a society, the opportunity to change the system grows less with each day. The number of youngsters who will know any system other than the Communist government will diminish with each passing year. In this regard it is important to note that 75 percent of the Nicaraguan population is under the age of 25.

Some of the business and labor leaders were critical of their former colleagues who have fled Nicaragua, leaving them to face a hostile government with diminished numbers. Whatever the merits of the case that caused others to leave Nicaragua, one cannot help but be overwhelmed with the personal courage of those who have remained behind and face such a bleak future.

Mr. MOLINARI. Mr. Speaker, on the afternoon of March 14, the congressional delegation met with Cardinal Obando y Bravo. Seated at his side were Bishop Bosco Vivas and Monsignor Bismarck Carballo. We spent about an hour-and-a-half with the cardinal and learned a great deal about the problems facing the nation and the Catholic Church. It should be noted that approximately 85 percent of the population is Catholic.

Cardinal Obando first gave us an overview of Nicaragua as he sees it today. In his words, "The economy at the present time is totally destroyed. Hunger is beginning to be felt by all. There is a serious shortage of food, spare parts and water." As a matter of fact, the rather nice hotel we stayed in did not have water the day we were there and we were told that the hotel was without water 3 days a week.

The cardinal said that there were certain North Americans working in his country with the government, such as the Maryknoll order of nuns. He perceived a pattern of wining and dining of the visitors and showing them a one-sided view of the country so that when they returned home they had not received a true picture of the country.

There has been great tension in the church and that tension has increased since October 1985, when the Sandinista government stepped up its attack on the church. On October 12, 1985, the government confiscated the church bulletin. All of the priests were forced to be fingerprinted and pressure was exerted upon laymen not to cooperate with the church. On January 1, 1986, the government closed the Catholic radio station because they did not broadcast President Daniel Ortega's New Year's Eve address. In addition, the government censored Catholic television programs, and that censorship was so widespread that even portions of the Bible were deleted.

The church has been denied the ability to have open masses any longer. The official Sandinista position is that you must give a 72-hour notice of such an event and secure a permit, but the permit is invariably denied. What was particularly disturbing to some of us was that even the masses have to be pretaped and submitted to the government for censorship or the mass could not be held.

The cardinal pointed out that under Somoza the Catholic Church was never cut off from conducting its activities. They had their own radio station, television station, pastoral letters and other activities that have been taken away from them by the Sandinistas. As Cardinal Obando stated, under Somoza there were many atrocities, but the church was able to denounce those atrocities on television channels 2 and 6 and on the radio stations as well. Today, that is obviously impossible.

The church has had to be extremely sensitive and low key in its criticism of the government in order to avoid the bloodshed that might result. In response to one question posed by us, the cardinal answered cryptically, but with a great deal of significance, "You must understand I am answering these questions in Nicaragua, not in the United States."

The cardinal said he would recommend, first of all, a sincere dialog. But in order to be able to do that, he said, you have to communicate, which is not possible under present conditions. As a matter of fact, he pointed out that a suggestion had been made in a pastoral letter that a conference be held with all Nicaraguans.

He said that it is clear that the majority of the people in Nicaragua are not happy with the existing government. However, he said "We would prefer, as Nicaraguans, to control our own destiny without the help of the United States, but that is not possible as long as there is the presence of the thousands and thousands of Soviet bloc representatives, Cubans, Tupamaro, Montenegro, PLO and others."

Cardinal Obando listed the number of priests in Nicaragua, approximately 320, and the number of nuns, in the vicinity of 500. We asked how many of the priests and nuns were involved in supporting the Sandinistas. He indicated that less than 10 percent, and closer to 5 percent, supported the government and that the priests are actually violating their religious obligations to obey the cardinal. They have created a government-favored church called the Popular Church and the friction continues to build. Foreign Minister Miguel d'Escoto has publicly called the cardinal a traitor and it is difficult to respond due to the severe censorship and lack of communication.

One of the clergymen stated that when the cardinal says mass, the church is crowded to overflowing capacity, whereas when the Popular Church conducts its masses, very few people attend. They even have to recruit people to make it look as though it has appeal. The clergy present quoted Interior Minister Borge as saying that the Catholic Church is the biggest enemy of the government, a statement that was published in the monthly bulletin called La Publica in December 1985.

The government claims that the cardinal is alone and without support. In an effort to prove that that is not true, the priests have circulated petitions supporting the cardinal and virtually everyone attending masses have signed the letters despite the peril that it might place them in.

The cardinal told us of the case of Luis Mora who worked for La Prensa. When Obando was made cardinal and returned from Rome to Nicaragua, he was met by a group that called themselves the Committee of 400. Luis Mora was part of that committee and was also covering the event for the newspaper. For no other reason, he was arrested and imprisoned for many months and was only released after the recent intervention of President Jimmy Carter.

When we were about to leave, the clergymen, in response to a question, told us that last month 8 catechists, ages 16 to 18, had been raped by Sandinista troops. These young women had volunteered to go out into the fields and preach religion to the people who were not able to attend church because the churches were long distances away.

Also just before leaving, one of the members of the delegation asked the clergy whether they were ever threatened with arrest or actually arrested. Monsignor Bismarck then told the story that occurred on August 11, 1982. While home, there was a pounding on

his door with men shouting that they were there from the National Security Police. He opened the door, they came into his home, pointed a gun at his head and forced him to disrobe. He was then ordered outside where a television camera was waiting. Pictures of the Monsignor, completely naked, were taken and shown that night on a government television station stating that he was caught in bed with a woman. Monsignor Bismarck was arrested, jailed, beaten, and tortured.

We then asked Bishop Vivas whether he had any threats and he stated that yes, he had been arrested, jailed, and beaten as well.

The significance of these stories is that we were ready to leave and would not have known about those incidents were it not for the fact that a Congressman, while departing, had asked the question. To us, it was an indication that the clergymen were not there to propagandize, but simply to answer any questions that they could.

It was obvious to all of us that, indeed, the Catholic Church probably is the biggest enemy of the Sandinista government since the people are devout Catholics. Given a choice between what is being told to them by the Sandinista government or the church officials, it seemed clear that the people would believe the Catholic clergy first. Recognizing this, the Sandinistas have embarked on a program of terrorism, censorship, and harassment against the Catholic Church.

Mrs. VUCANOVICH. Mr. Speaker, my impressions on our meeting with the Sandinista Acting President, Segio Ramirez, were, first, that he was lying and, second, that he was visibly irritated at having to meet with us at all.

The most blatant lies began at the opening of our meeting when he stated they were a "nonalined nation" and said it was propaganda that they were a Marxist-Leninist government. The lies continued in response to a question about Cuban pilots flying Soviet-made helicopters when he said, "No Cubans fly our planes." He also stated that the Sandinistas did not begin receiving arms from Cuba or the Soviets until faced with external aggression. Mr. Ramirez denied that the Sandinistas were exporting arms or violence. The lies continued when he was pressed by BOB DORAN about the number of political prisons in Nicaragua. First he said there were no prisons—then he changed his statement to say there were no clandestine prisons.

The only truthful thing he said was that they would not negotiate with the Contras "as long as they were receiving financial aid or any assistance given to them from others" and he ended by saying "then you will see a fundamental change and there will be no need for repression," in other words—the Contras will have to surrender.

When one of our members, PAUL HENRY attempted to engage in a dialog about their refusal to sign on the Contadora process he responded angrily and said we shouldn't ask complex questions—only questions he could answer with a yes or a no.

Mr. Ramirez was arrogant and tyrannical when we discussed free elections which had been promised to the people. He said the party was preparing a new constitution and would be holding elections. He said the present Government was elected until 1991. He was corrected by one of the others at the table that it was only until 1990.

El Nuevo Diario, one of the two pro-government daily newspapers, said this morning:

According to several authorized sources of information and analysis, the visit to Nicaragua by the group of Republican representatives supportive of Reagan's policy is a clear propaganda maneuver that allows them to drape themselves in the presumed internal "moral authority" that is given by being—if only in passing—on the ground with the facts, so afterward they can "justify" their decision to vote for the $100 million for the Contras.

My final impression was that time is on the side of the Sandinistas. I sensed that they feel that all they have to do is wait—until after the vote—then they can completely crush the opposition with no threat of retaliation from the United States. The only reason they met with us is to show that they were "committed to dialog." They also let it be known after our visit that they were irritated at having to become involved in what they described as a propaganda exercise designed to improve the chances of Reagan's proposal in Congress.

Mr. HENRY. Mr. Speaker, I joined the recent task force visit to Nicaragua in order to have the opportunity of meeting with representatives of the religious left who are engaged in missionary activity in the area. Accordingly, I broke away from the official delegation meetings on the evening of March 15, and spent roughly 5 hours with the following individuals:

Mr. James Ludema, missionary of the Christian Reformed Church—of which I am a member—who serves church development programs in Costa Rica, Nicaragua, Honduras, and El Salvadore. He is associated with CEPAD, the ecumenical agency which coordinates the missionary activities of a substantial portion of the more conservative, evangelical Protestant missionary effort in Nicaragua;

Don and Ria Reasoner, formerly associated with a Jesuit ministry in Nicaragua, and now engaged in coordinating visits for various ecumenical church groups visiting the region; and

Douglas Sullivan, associated with the ecumencial Baptist Seminary in Managua.

I selected these individuals in particular because they are generally more sympathetic to the conservative theology of evangelical Protestantism than most ecumenical groups, and yet have joined with the religious left's criticism of administration policy in Central America. Some general observations of our visit follow.

First, I think it fair to say that each of these individuals was surprised to learn that the general consensus of opinion in regard to the Sandinista regime was that we are dealing with a solidly Marxist government. I noted that the general range of debate in the United States today was not over what type of government presently exists in Nicaragua, but what to do in response to that government.

Second, These individuals were generally skeptical of reports regarding the deliberate export of revolutionary subversion being supported by the Nicaraguan Government throughout Latin America. They tended to view the militarization of Nicaragua and its militant foreign policy as a defense against American-supported interventionism into the internal affairs of the Sandinista government, and the self-determination of the Nicaraguan people.

Third, in some instances, it seemed that their criticisms of American foreign policy in the region extended beyond disagreement per se to outright antagonism. Indirect reference by one of the individuals to Voice of America broadcasts as "propagandistic," for example, troubled me as to the general political reference from which they were operating. On being shown the March 14 Washignton Post editorial regarding the Contra debate in Congress, and the New Republic article of March 24 in support of aid to the Contra forces, they were dismissed as "conservative organs" of public opinion by two of these individuals. This suggested to me either a political naivete, or a strongly left-of-center orientation to the political world.

Fourth, they all strongly repudiated claims made by some of the civil resistance leaders with whom we met that the Sandinista government presently enjoys the political support of only about 25 percent of the population.

Fifth, I was at the same time struck with the impression that they were much less aware of the factual assessment most of us in Washington have made in regard to the historical record of the Sandinista regime, that is, accepted statements of the Government in regard to Marxist commitments, generally accepted restrictions on political pluralism, specific interference with free religious expression, increasingly accepted patterns of human rights abuses, et cetera.

Over and over again, I asked myself "How could these individuals who are well-educated, living within Nicaragua or Central America, come to such starkly contrasting assessments of the factual situation than those of us in Washington (regardless of differences of opinion as to how we should best respond as a matter of foreign policy)?" Trying to solve this puzzle, I venture some observations:

First, as Protestant missionaries, their work has been largely with the dispossessed. Their work has traditionally been less institutionally structured than that of classical Roman Catholic clergy—as is the Catholic "Peoples' Church" within the overall rubic of contemporary Catholic mission activity in the region.

As such, their concerns are more directed toward the character of "social revolution" as opposed to the political consequences. And their institutional ties to the relatively small middle class and traditional elite structures by which American foreign policy seeks to mediate democratic reform have been mostly nonexistent.

Second, although they live in the country of Nicaragua, they actually have much less opportunity to accumulate "hard information" and to interactive policy discussion based on factual information. Removed from—and distrustful of—the civil democratic opposition to the Sandinista government, they assess American foreign policy strictly in terms of the military opposition with which they must contend in the countryside where they work.

Further, the information they receive is predominantly filtered through the Government-controlled press. Although I am sure they make good faith efforts to try to sort fact from

fiction in filtering out what they are allowed to know about the situation within Nicaragua, the toll of receiving only selective information through propagandized channels is significant.

Third, a significant number of the individuals to whom they minister have either directly or indirectly suffered intimidation or human rights abuses via the military opposition. The fact that this is a small country with a small population based on very traditional, extended family structures magnifies the intensity of feeling generated by these abuses. At the same time, they are likely not to be aware of the intimidation or human rights abuses which the Government imposes on the middle class and/or traditional elites who oppose the Government.

In summation, these individuals tend to weigh their assessment of the Sandinista government in regard to the "social revolution" it espouses as opposed to the nature of the political system—with its oppression of the middle class opposition and traditional elites—which is developing in Nicaragua. They are concerned over the social consequences of the revolution at the expense of political oppression.

What is the significance of this distinction for our continuing debate on policy toward Central America? I would argue that it is fundamental in terms of long-term consequences. For in the cases of Nicaragua and El Salvador, we have two "models" for reform. In Nicaragua, we have a "social revolution" seeking to render a new political order. In El Salvador, we have a "political revolution" seeking to render a new social order. In the former, the ends justify the means. In the latter, the end is recognized as being invariably conditioned by the means.

I would also add two ancedotal notes of other observations which I thought particularly helpful in understanding the overall context in which our decision on Contra aid must be made.

One State Department official made the observation that one of the reasons for the "democratization" taking place in Latin America was the perceived "virulent anticommunism" of the Reagan administration. While President Carter awakened the conscience of the world to human rights abuses in Latin America, the anticommunism of the Reagan administration provides a climate of trust in which the authoritarian regimes in Latin America can move to the political center without fear. It is, ironically, this same perception which makes it hard for President Reagan to capture the political center in terms of domestic politics in America.

Finally, an observation by President Duarte of El Salvador. President Duarte referred to the "Nicaraguan Domino" in an intriguing fashion by suggesting that it was the threat of Nicaraguan revolution which encouraged democratic evolution throughout the remainder of Latin America.

Mr. MONSON. Mr. Speaker, We met for over an hour with President Duarte. In attendance also was the equivalent of the Speaker of their House of Representatives and also the leader of the majority party.

President Duarte began by describing the sharp contrast in progress between Communist and non-Communist countries. This was evident to all of us in the comparisons between Managua and San Salvador. Managua has almost no construction going on, and there were a considerable number of vacant lots and other buildings that had either been gutted after the last earthquake and not repaired. In contrast San Salvador was growing with a great deal of construction. We were informed that most of what was happening was being funded through private capital, indicating how the free enterprise system can work if allowed to and how much progress can take place in a free and open society.

While we saw a lot of poverty along the way, we caught a glimpse that people had something to work for. Duarte's new austerity program has created some difficult times, but is showing success and is putting the country on its feet economically. On the day we visited a march occurred in San Salvador in support of these Government policies. It was estimated that at least 100,000 people turned out to show support. Duarte noted in comparison, that the right and left extremists together only drew 7,000 to 10,000 people at a demonstration they had against his policies. In referring to the sharp contrast between Communists and non-Communists he indicated that you can see a real difference between a democratic revolution and a Communist revolution. Duarte summarized the status of El Salvador as tough, but adding that many things are improving and was especially proud of the development of a qualified and loyal military.

He talked a little bit about atrocities that are occurring within his country. The guerrillas are still attacking the infrastructure of the country and killing innocent people including children. He's convinced that the weapons come from the U.S.S.R., through Cuba to Nicaragua and then into El Salvador. He said that Nicaragua is the center and sanctuary for the guerrilla movement. Daniel Ortega, said Duarte, now supports and will continue to support the guerrillas and has stated such.

Referring to the Contadora process, President Duarte said that he supports all efforts of good will, but that all negotiations should be for the benefit of the whole region, or they will not be meaningful. In one of the more meaningful statements he made, he said that Nicaragua is the country that is trying to manipulate the Contadora process. That they do not want the Contadora to succeed.

In response to whether or not El Salvador is helped or hurt by providing aid to the Contras, he responded that for El Salvador to have a barrier between them and Nicaragua is good. That there are two types of barriers, political and physical. He indicated the political is the best type of barrier, but if you can't have it then a physical barrier is needed. Since military aid to the Contras has been cut off, the pressure on El Salvador has increased and been felt, due to the ability of the guerrillas to consolidate their forces more easily.

□ 2025

ORDER OF BUSINESS

Mr. LIVINGSTON. Mr. Speaker, I ask unanimous consent that my previously requested special order for 30 minutes be vacated and that I be granted permission to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

CIVIL RIGHTS IN NICARAGUA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana [Mr. LIVINGSTON] is recognized for 5 minutes.

Mr. LIVINGSTON. Mr. Speaker, last night over the period of almost 60 minutes I read into the RECORD the greater portion of a report by Wesley Smith, a Mormon missionary who has gone to Nicaragua over a series of times over the last few years and has made reports on the violations of human rights and most recently on the prison system existing in Nicaragua. His most recent report that again I read the major portion of into the RECORD last night is dated March 13, 1986. I had hoped to finish that report tonight, but it does not appear that that is going to be possible. Instead of reading the entire remaining 10 pages, which I think are extraordinarily significant and very, very telling about the abuse of human rights and just tyranny of Nicaraguan citizens in that country by the existing government, I would just reiterate the conclusion of this report, which reads, again by Wesley Smith, the Mormon missionary:

> Since 1979 the Sandinista Government has used the prison system as a means to intimidate, control and subjugate those Nicaraguans who do not ideologically support them. In the State Security prisons Nicaraguans are tortured into accusing themselves or other prisoners. Such accusations serve as evidence in Sandinista run tribunals. In such tribunals Nicaraguans are condemned to long prison terms without due process of law.
>
> With the exception of Cuba, Nicaragua has the largest population of political prisoners in Latin America and far surpasses Latin American countries in the number of prisoners relative to its population.

It is a small country with only 3 million people and by this account there are 11,000 to 13,000 political prisoners in Nicaragua, approximately 50 percent have received judicial process. Of the 2,500 convicted by the People's Anti-Somoza Tribunal, 95 percent were convicted of crimes with evidence obtained from the prisoners themselves or other prisoners while in prison—in other words, they were just kangaroo courts. Such evidence against those prisoners include prisoner-signed statements against themselves, accusations of prisoners against other prisoners and accusations made by state security police from evidence gathered during interrogations.

Rather than listing or reading the entire remaining 10 pages, I would like to also add that there is a list of some

of the accusations most commonly used to condemn prisoners. They include, and these are what these people are put into prison for months at a time under subhuman conditions, I read in a number of statements about those horrible conditions that exist in the various prisons throughout Nicaragua, but the evidence that sends them to these prisons includes selling grain on the open market, refusing to join the militia—that is what causes these people to be thrown in jail without charges and under horrible conditions; selling certain food stuffs on days when it is prohibited, professing counterrevolutionary ideologies, usually religion; investigating abuses by the Sandinista government; organizing civic opposition against the state—that is a terrible abuse; criticizing the government—another terrible abuse; giving food to Contra groups, peasants frequently give food to Contra groups passing in their areas. That can send you to prison for an enormous amount of time, possibly even cost you your life.

Refusal to work on government run properties, refusal to attend CDS, that is the local Communist organization block meetings; refusing to conduct neighborhood vigilance, involvement in general counterrevolutionary activities and past participation in the defunct Somoza guard, which of course no longer exists.

The report is compelling and I would say to my colleagues that I have a copy of the report available in my office if anybody would like to see the entire thing, or I would be happy to make copies for my colleagues.

I would add, well, rather than conclude, let me just read quickly the final statement of one of the prisoners who was thrown into El Chipote prison in the middle of the night. He says:

I was taken to the prison "El Chipote" in the middle of the night. As we got close to the Intercontinental Hotel I was told to put my head to the floor of the car which I did. I was conducted into the prison which is located at the top of the hill behind the Hotel. They took all my personal information and then one compa [Sandinista soldier] took me to a cell no more than 32 inches wide.

I felt like I was going to suffocate and after about 15 minutres I started to cry. They then took me and put me into a larger cell that had four beds in it. It was totally dark in this cell as well. At noon the next day we were taken out of "El Chipote" and sent to Las Tejas in Matagalpa. In Matagalpa we went for four days without water. We were given gallo pinto [rice and beans] to eat but the food was spoiled. I was number 7009 and my father was number 7007 because I had an opportunity to see him at the other end of the hall during one occasion. He was released after 15 days in Las Tejas. I was never taken before a judge or tribunal but they repeatedly said we had been condemned for four years.

Mr. Speaker, I thank the House for its indulgence.

A TRIBUTE TO THE LATE HONORABLE JACOB JAVITS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. HORTON] is recognized for 60 minutes.

GENERAL LEAVE

Mr. HORTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HORTON. Mr. Speaker, my colleague Congressman SAM STRATTON and I, as chairman and vice chairman of the New York congressional delegation, arranged this special order in honor of the life and accomplishments of our departed friend Senator Jacob Javits. Jack lost his 5-year battle with Lou Gehrig's disease on Friday, March 6, at the age of 81.

For many Americans, Jake Javits' name meant hard work, attention to detail and moral courage. His 24-year tenure in the Senate—the longest in New York history—was filled with accomplishment. During this period, he led the battle for civil rights, authored the War Powers Act and the Pension Reform Act, and shaped the face of every labor bill considered by the Senate. After his defeat in 1981, and despite a painful battle with Lou Gehrig's disease, Jack remained politically active. He believed that as a national figure he had a unique opportunity to educate America regarding neurological diseases. To this effort he committed the remaining years of his life.

Senator Javits believed that he didn't "belong only to himself" but that he had an obligation to the society which "protected him when he entered the world, which taught him, and which supported and nurtured him." He firmly believed that he had an obligation to repay the society which allowed him to rise from a position of poverty to national prominence.

For 24 years, Jacob Javits dedicated himself to serving society through his work in the Senate. For the last 5, he dedicated himself to promoting the cause of the physically disabled. By his example, he taught us the value of public service.

Mr. Speaker, I knew Senator Javits well. During most of my service in the House of Representatives, Jack served in the Senate. It was a pleasure and a deep honor to have worked closely with him over those many years. As Senate Majority Leader DOLE stated at Senator Javits' funeral:

Without doubt he'll be remembered as one of America's all-time great U.S. Senators. He was a man of integrity and compassion and he'll be missed.

New York has a proud history of supplying this Nation with many of its greatest statesman. But Senator Javits does not belong to New York alone. Senator Javits, his courage, his spirit, and his love of life belong to all Americans. He was truly one of our greatest Senators and he will be sorely missed.

Mr. STRATTON. Mr. Speaker, I want to commend my colleague, the gentleman from New York [Mr. HORTON], for taking this special order to pay tribute to Senator Jacob Javits, who as the gentleman from New York [Mr. HORTON] has already indicated had served in the U.S. Senate from New York the longest tenure of anyone from that State, 24 years, and in addition to that, I am sure that not many Members recall that Senator Javits also served for 8 years in the House of Representatives.

He also served 4 years as New York State attorney general in the administration of Gov. Averell Harriman and in the years that he served both in the House and the Senate Jake Javits was one of the State's greatest vote getters.

He was also a very conscientious Member of both the House and the Senate and one of the most articulate. It seemed that he also appeared in every debate. He always had a substantial contribution to make and as the gentleman from New York has already indicated, has been the author of a number of important pieces of legislation.

He was deeply concerned with the matters of foreign policy. He was one of the authors of the War Powers Act and I think Senator Javits considered that as one of his greatest accomplishments.

In addition to that, he also, as the gentleman from New York has indicated, was the author of the ERISA legislation which made certain that private pensions in businesses would be available for those who were expecting them and were entitled to them in whatever might be the circumstances of the company itself.

He was also an outstanding member on the Education and Labor Committee.

His power in the Senate was one of intelligence and articulate ability.

I can remember when I was mayor of Schenectady that Senator Javits would come annually to a Rotary Club dinner or to a chamber of commerce meeting and would discuss in great detail what was going on in the House and in the Senate.

There is one thing that many people may not realize.

□ 2040

Senator Javits was a very active person. He was an outstanding tennis player, and as a former Member of the

House, he swam in the pool every morning.

It was only as it became difficult for him to swim that he began to recognize the illness that cut him down.

The one thing that I think some of us who knew Jake Javits well was that he often took himself a little bit too seriously. He did not seem to have a sense of humor, but suddenly, when his 75th birthday came along and he was honored in the Senate Caucus Room by his associates and his colleagues, he began to mellow and really laugh at himself as well.

The funeral that the Senator had in New York City at the Central Synagogue was one of the biggest funerals that I have seen and attended, and it brought forth an outstanding collection of individuals, the Attorney General of the United States, Attorney General Meese, who incidentally indicated that when he had his own troubles, Senator Javits gave him some legal advice that eased his situation.

Former President Nixon was in attendance, walked in quietly. Former Secretary of State Henry Kissinger, Governor Cuomo, Gary Hart, Mayor Koch, I think a lineup of individuals who had been touched by the life and by the intellect of Jake Javits.

As his daughter said in her remarks, "Daddy, we are going to miss you." He said, "No, you will remember me."

In fact, the outstanding comment that was made by those who spoke at the funeral was that perhaps Senator Javits' greatest tribute was his courage in fighting the illness that eventually brought him to his end. He was constantly here on Capitol Hill lobbying for the things that he was interested in, and he had a smile on his face, as his aid would push him around in the wheelchair. He was an outstanding individual and we will all miss him.

Mr. FUQUA. Mr. Speaker, today I join my distinguished colleagues in paying tribute to an outstanding and unique American, Jacob K. Javits. Senator Javits' contributions to the Nation and the world will long be remembered and hopefully emulated. While I never had the privilege of serving with Senator Javits in this august body, he was a friend and an exemplary role model for those of us in public service. His dedication and love for mankind became more apparent to me each time our paths crossed on joint House-Senate business, and on the numerous other occasions I was privileged enough to be in his company.

He was truly dedicated not only to the people of the great State of New York, but to all the people of our Nation. Senator Javits was a courageous man who stood firm in his beliefs and fought for the advancement of life, liberty, freedom, and justice for everyone. He was the ideal public man whose life and deeds made him an inspiration to us all. Even after he became physically disabled, he never ceased in his efforts to promote understanding and participation in our system of democracy. He gave us strength, courage, and hope for a greater America. For this, the Nation will be enternally in his debt.

I join my colleagues in extending my condolences to his family. Senator Javits will be sorely missed by everyone, but his memory will live in our hearts forever.

Mr. GILMAN. Mr. Speaker, I wish to take this opportunity to thank our distinguished colleague, the chairman of the New York Republican delegation, the gentleman from New York, Mr. HORTON, and the dean of the New York delegation, Mr. STRATTON, for reserving this time to pay tribute to one of the outstanding legislators and political leaders of the 20th century, Senator Jacob Javits.

With the passing of Jacob Javits earlier this month, we have lost not only one of our Nation's leading statesmen, but one of the true giants in the history of New York State, and of the Congress of the United States.

Having served as a U.S. Senator longer than any other individual from New York in history, Senator Javits was known as one of the chief architects of the civil rights legislation in the 1950's and 1960's, as a staunch and consistent friend of Israel, and as a champion of the labor movement. It is a telling tribute that, in the early 1970's, a confidential poll of congressional staffers ranked him as the most intelligent legislator on Capitol Hill at that time, and as one of the most effective.

I first came to know Jacob Javits from the time he was attorney general of New York State while I was employed as an assistant attorney general. At that time, I personally became more familiar with his genuine concern for human rights, for protecting the downtrodden and for justice for all.

It is a bitter irony that, although Senator Javits was ranking minority member on both the Senate Foreign Affairs Committee and the Committee on Labor and Human Relations at the time of his defeat in 1980, he was prevented from serving in the Senate as a member of the majority party which would have enabled him to chair one of these Senate committees. Nonetheless, his contributions were well beyond those accomplished by most of his colleagues.

As a four term Congressman, as a State attorney general, and as our Senator for nearly a quarter of a century, Jacob Javits set such high standards for New York State that it will be difficult to emulate. He will be sorely missed.

Jacob Koppel Javits was born on May 18, 1904, in a grimy tenement building on Manhattan's Stanton Street. The new century was a confusing time for young, urban Americans—especially for a son of Austrian Jewish immigrants—but Jacob Javits made the most of it. Like most young men of the time, Jacob Javits had to go to work to help support his family at the age of 11. However, his parents stressed to him the need for an education and insisted that he stay in school.

After graduating as senior class president from Manhattan's George Washington High School, young Jacob worked as a lithographic-supply salesman and a bill collector, while attending New York University Law School at night. Following admission to the New York State bar in 1927, Javits and his older brother, Ben, formed the law firm of Javits & Javits, which proved over the years to be one of Manhattan's more successful and respected law firms. His compassion for the downtrodden, undoubtedly learned during his childhood, was tempered during his years as a defense attorney.

Javit's father was involved in Democratic politics during the Tammany Hall days. Javits was not impressed with Tammany, for he became an early and ardent supporter of Fiorello LaGuardia's successful anti-Tammany campaign for mayor in 1933. As a Republican, Mayor LaGuardia fashioned a coalition of Republicans, anti-Tammany, reform, and liberal Democrats and various ethnic groups. Jacob Javits had indeed learned New York politics at the hands of a master. Upon his return from military duty in World War II—Javits had risen to the rank of lieutenant colonel in the Army—he campaigned hard for the unsuccessful reform candidate for mayor in 1945. Although this campaign was unsuccessful, Javits was rewarded with the Republican nomination for Congress in 1946 in a district that had not elected a Republican for over a quarter of a century.

Jacob Javits confounded political observers by winning that first House contest by 6,000 votes, and further amazed the political establishment by retaining his seat 2 years later by defeating a Tammany-financed candidate, the brother of the incumbent mayor of New York City.

Recognizing his vote-getting appeal, the Republican Party rewarded Congressman Javits by nominating him for State attorney general in 1954. His opponent was Franklin D. Roosevelt, Jr., the holder of a magic name in New York politics. Not only did Jacob Javits' victory confound the political pundits once again, he was the only Republican to win election to statewide office in 1954. In fact, Javits' total vote was the highest number of votes received by any candidate for any office in the United States that year.

Two years later, he defeated the then mayor of New York City and son of a former U.S. Senator, Robert F. Wagner, Jr., to begin the longest tenure of any U.S. Senator from the State of New York in history.

In 1962, seeking a second term in the Senate, Javits again became the biggest winner anywhere in the United States, and became the first Republican to carry New York City since President Calvin Coolidge in 1924.

On June 24, 1966, not quite yet to the halfway mark of Javits' 24-year service in the Senate, he was the subject of a Time magazine cover story. Portions of that article so convey the mood and style of Senator Javits during that era that I would like to insert them into the RECORD at this point:

As a legislator, Javits resembles a Stakhanovite squirrel. He is a member of five committees and, at latest count, 19 subcommittees, and the chances are that he knows more about what is going on in each of them than any other member, including the chairman. Michigan's Romney refers to him as "the busiest man in the Senate," and the label fits. Much of his time goes into what he calls "our unseen work": the unheralded, rarely acknowledged chore of shepherding a bill through subcommittee, committee, and finally the full chamber.

Though no law bears his name, Javits' legal experience and debating skill have left their imprint on countless bills, including such landmark legislation as Medicare (he offered an amendment covering those without Social Security) and the 1965 Voting Rights Act (he and Bobby Kennedy got through an amendment that emancipated New York's Puerto Rican population by waiving literacy requirements in English for Spanish-speaking Americans who have attended U.S.-flag schools). Javits makes no obeisance to the titular authors of the laws he has helped to shape and enact. "I really pulled that one off," he says, or "I did an excellent thing setting that up."

In an institution where verbosity is a virtue, Javits is probably the greatest virtuoso of them all—at least since Hubert Humphrey departed. "He knows the facts on everything," says Marion—and he can summarize them in a few thousand choice words at a moment's notice. Back in 1961, Javits was orating on an immigration bill that he considered unjust when Rhode Island Democrat John Pastore tried to gain the floor. "Let me finish," pleaded Javits. Pastore looked up at the chamber's high ceiling, rolled his eyes dramatically and moaned: "The Senator never finishes."

When he isn't talking, Javits is thinking. He is one of the most prolific idea men in politics, with a range of interests and enthusiasms that would defy an indexer. He has sponsored a thriving private-enterprise plan for Latin American development (ADELA) and is trying to launch similar ventures for Greece and Turkey. He is chairman of the NATO Parliamentarian's Economic Committee and an oft-heard advocate of greater political and economic cooperation within the Alliance. He speaks regularly and perceptively on the problems of Germany and of Viet Nam. On the domestic scene, he is an authority on issues ranging from Medicare to middle-income housing, civil rights to civic beautification, the arts to the sciences. New Yorkers Javits can even wax oracular about agriculture. "Ask him something about apple-growing," says New York State G.O.P. Treasurer Bill Pfeiffer, "and you would think he had been growing them all his life."

Empty Seat. When in Washington, Javits is up and about in time to reach the House gym soon after its early morning opening, spending 15 minutes in the pool or working out at paddleball or handball. If he can find a partner, he plays tennis, but he may soon run out of partners; in excellent trim (he weighs 175 lbs., claims to be 5 ft. 10 in. tall, but appears to be at least an inch shorter than that), he is a tough, agile player who gives no quarter. Saunaed, showered and stretched, Javits slides into his dark beige Mustang convertible (license plate MBJ-1 for his wife) and zips off to the Senate, whose own gym does not open until 10. By that time, Javits has usually met several delegations, sat in on a committee hearing and dictated any number of letters to the pretty secretary who trots at his side through the Senate corridors.

In 1968, Jacob Javits was elected to his third term as Senator from New York, again by a substantial margin. This time, he was opposed by the same gentleman he had defeated for a House seat in 1948, Paul O'Dwyer, the brother of the former mayor and an outstanding civic leader in his own right.

By now, Jacob Javits had become a living legend in his own time. His expertise in the field of human rights and in foreign affairs had become highly respected throughout the Nation. His sponsorship of the monumental War Powers Act, for example, helped assure its passage. By the time of his condidacy for this fourth and final term in 1974, Jacob Javits was the last surviving public official of his generation in New York. His unwavering support for Israel, and his insistance on equal rights for all Americans, made him a beacon of stability in troubled times. His renown and respect only increased during the balance of the 1970's.

Mr. Speaker, all of us from New York and many of our colleagues throughout the Congress have lost not just a colleague, but also a dear friend. Ever since my days as assistant attorney general in the New York Department of Law headed by Attorney General Javits, I found Jack Javits always willing and eager to lend a helping hand to anyone who sought it.

To his wife of 38 years, Marion, to his daughters Joy and Carla, and to his son, Joshua, we extend our deepest condolences. They can be justly proud of his monumental accomplishments and his contributions to our Nation.

Jacob Javits' passing represents the loss of a giant, and the end of an era for our Nation.

Mr. SOLOMON. Mr. Speaker, I would like to join my colleagues from the State of New York who are pausing today to honor the memory of one of our Nation's greatest legislative leaders, and one of the finest statesmen New York has ever produced * * * the late Senator Jacob Javits.

The rise of Senator Javits to political prominence is an inspirational story that puts the fictional tales of Horatio Alger to shame. He was the product of the New York's Lower East Side and, as such, the heir to a proud American tradition which has allowed so many men and women to rise to heights as mighty as their talent, their character and their intellect will allow. In the case of Jake Javits, that was mighty high indeed.

As a member of the House Foreign Affairs Committee, I deal each day with the same issues that Senator Javits confronted and mastered in his long career as one of the leading spokesman in Congress on foreign policy.

Quite frankly, I disagreed with Senator Javits' position on many of those issues; that too is part of New York's tradition of contentious politics.

I do agree, however, with my colleagues on both sides of the aisle that the name of Jake Javits' always personified the highest standards of intellectual honesty, personal integrity, and unselfish devotion to public service.

I also agree wholeheartedly that Senator Javits made an enormous contribution to the Senate Foreign Relations Committee, to the very way this Congress addresses foreign policy, and set a precedent for excellence that is a model for us all.

Over the years, we New Yorkers, I suppose, sometimes took for this giant presence on the New York political scene for granted. We realize now in retrospect that such leadership is as precious as it is rare, and we pay homage to it.

And despite his many years of visible and outspoken leadership, who among us was prepared for the sheer physical courage Jacob Javits displayed in the final years of his life.

Senator Jacob Javits left his impression on more than just our political life.

Mr. BOEHLERT. Mr. Speaker, it is said that a man is his own circumstances; that which surrounds us will shape what we are to be.

Truly Jacob Javits was a man of his own circumstances.

He was a man of New York State: Serving four terms in the House, then as State attorney general, finally as U.S. Senator from 1956 to 1980.

He was, in his words, "a man of the Senate," who loved deeply the institution, its issues, and its work, serving on as many as five committees and nine subcommittees at one time.

He was a man of his times; witness his passionate hard work and dedication to civil rights, labor rights, pension reform, foreign affairs, and the role of Congress in the national defense.

Finally, he was a man of courage Despite an energy-sapping illness, he pressed for the rights of the terminally ill as his last cause.

Through intelligence, independence, and outstanding public service, Jacob Javits was indeed a man of his circumstances, He was a special friend and a great statesman. He will be missed.

Mr. McHUGH. Mr. Speaker, Jacob Javits was a legislator's legislator. He was industrious, wise, courageous, and compassionate. Although a man of great vision himself, he understood that politics is not an arena of theory but the art of the possible; and so he was tireless in seeking creative yet practical solutions to problems which affected our State of New York, the Nation, and the world

Senator Javits was a healthy skeptic about short range quick fixes, and sought instead to fashion sound and lasting policies; he was also not afraid to espouse unpopular positions when he believed them to be right.

For most New Yorkers, Senator Javits was also a singularly appropriate representative for our State, with its existing diversity of cultures, ethnic backgrounds, and economic, educational, and social constituencies. He represented New York with profound understanding of its diversity, and with great effectiveness.

Senator Javits believed deeply in our institutions of representative government, and deeply loved the Congress in which he served so faithfully. He was a devoted public servant and a great gentleman, and we will sorely miss his presence among us.

Mr. RANGEL. Mr. Speaker, I would like to commend our colleague, SAM STRATTON for organizing this very timely special order in honor of a great man, Senator Jacob Javits.

Jake Javits was a fighter. From his early battles in the Senate to his final battle with Lou Gehrig's disease, Jake was a man who never gave up. He is a symbol of all that is good in the U.S. Congress, and all that is good in the human spirit.

His four terms as a Senator were good years. He was a Republican who struggled long and hard for what he believed in—the right of all Americans to a fair chance and a decent living. He stood out among his fellow Republicans by advocating causes and taking

positions that were frequently considered to be too liberal. This was Jake's style. He never let political expediency get in the way of what he thought was right, and he always stuck to his guns.

Jake Javits came up the hard way. Born and raised in a tenement on the Lower East Side of Manhattan, Jake knew what it was like to be a working man trying to make ends meet. He received his education in the school of life, knowing the common man better than most of us. Let there be no doubt about it, Jake was part of a rare breed.

Mr. Speaker, we all mourn Jacob Javit's passing. I was proud to know him personally, and was especially proud that he was a fellow New Yorker. He was a truly great man, and a national leader. God bless him.

Mr. KEMP, Mr. Speaker, the State of New York has a right to lead the Nation in mourning the passing of our Senator, Jack Javits, but all Americans feel the loss as deeply as do we.

I'm sorry that Jack did not live to celebrate the bicentennial of the U.S. Constitution which begins next year. Because one of the finest of our constitutional treasures is surely the institution of the Senate, where a line of great individuals have served the national interest as U.S. Senators who would be the envy of any nation in history—individuals like Henry Clay, Daniel Webster, John C. Calhoun, and on into the 20th century—La Follette and Norris and Robert Taft, and, yes, Jack Javits. The genius of our Founding Fathers in creating the Senate was in deliberately designing it to bring out all the potential in the great men and women who serve the American people as Senators.

I've talked about Jack Javits' record as a Senator before; others will mention it later. Today, though, I wanted to say a few words about something that we tend to skip over in eulogies: Jack as a party leader. Maybe we don't talk about this so much because we think that to be a "partisan" is somehow not like being a "patriot." Whatever is the case with others, in Jack Javits' case they were the same thing.

Jack wrote a book in 1964 he called "Order of Battle." He described it as "a Republican's call to reason." I think that book was his most sustained effort to spell out his philosophy of Government; publishing it was an act of patriotism as he understood it.

You don't have to agree with every single line in it to see that in his two decade old book Jack said a lot that speaks to our current condition in 1986. His prophetic words ring true because he chose to write about issues and problems that are always with us in our liberal democracy. We are always driving to improve ourselves as liberal democrats (small "L," small "D") and get closer to the democratic ideal while recognizing that ideals by their nature can never be completely realized.

Jack wrote about economic growth as a priority: "To secure an adequate increase and wide distribution of the whole complex of things which come under the standard of living, the Nation must commit itself to higher and higher productivity through vigorous and fundamental economic growth."

Creating jobs and expanding economic opportunity, according to Jack, are important for everyone, but especially for improving the condition of America's minorities. I'm proud to say that Jack's career as New York's Republican Senator and well before was marked by his intense concern for expanding equal rights and equal opportunity to all Americans. In what he called the "Third American Revolution," the civil rights revolution of the 1960's, Jack said that "the Republican Party has an opportunity to lead the Nation in doing three things simultaneously. The first is to remove all barriers to employment based on artificial factors such as race. The second is to enable the Negro to acquire through proper training programs the skills which modern industry now demands as a condition of employment of any man regardless of the color of his skin. The third—and overriding—task of leadership is to stimulate the orderly growth of the nation's economy so that new chances for employment will open up for the mass of new workers who want to work and have employable skills."

He had no problem in showing that it was inadequate to eliminate deficits at the cost of holding back economic expansion. He criticized FDE for forcing a balanced budget in 1937 in such a way that it created "the jolting recession of 1937–38." and he drew a lesson that we must not forget as we work on ways to reduce excessive spending today: It is the economy . . . that must first be balanced, and the balancing of the Federal Budget will follow."

One of Jack Javits' lifetime themes over his entire political career was the danger of a narrow partisanship in foreign policy. I said that he was a "Partisan," a Patriotic Partisan. But he did not believe in partisanship for its own sake, especially where America's national security and defense were concerned. He said that his position was identical to an earlier Republican internationalist's, Wendell Willkie, who "steadfastly refused to make political capital out of the foreign affairs issue." He strongly approved of Willkie's statement that "the party that pussyfoots, opposes and obstructs during a national emergency writes its own death warrant; but the party that cooperates and encourages national unity survives with colors flying." In fact one major reason Jack decided to run for office was that he supported the bipartisan internationalism advocated by Senator Arthur Vandenberg, whom he called "the great Republican leader of the Senate during and after World War II."

As a party leader, one of Jack's central concerns was expanding the base of the Republican Party—bringing our party into the ghettoes and barrios and union halls as well as the chambers of commerce and suburban and rural areas of America. He was always happy to say that our party appealed to the businesses of America, but his vision was still broader. His hope was to update Lincoln's vision for our time.

After he left the institution of the Senate he loved so much, we saw perhaps the finest and rarest of Jacks qualities, in the dignity and patience with which he bore his last illness. For a man who loved to speak, it must have seemed almost unendurable when he labored to speak a few sentences; yet he did endure it with a courage that touched everyone who saw him.

I can't help ending my remarks by repeating what his legislative assistant, Patricia Connell shakow, recently wrote that Jack said at a Javits staff reunion 2 years ago. "You are my legacy to the next century," he said, "and after I'm gone I want you to do three things for the old man. Love your country. Don't be afraid to stick your neck out. And take a chance on the young, as I once took a chance on each of you."

We are—all of us, Republicans and Democrats—Jack Javits' legacy to the next century. I join all my colleagues in mourning his death, celebrating his life and recalling his lasting heritage to the country and the world. My profound respects and love to Marian Javits and the Javits family.

Mr. GREEN. Mr. Speaker, I rise today to pay tribute to an outstanding man and legislator, Senator Jacob Javits. To the end, Senate Javits used both his intellect and his physical strength to continue to accomplish the goals in which he believed, setting a stellar example for all of us.

Senator Javits was the epitome of what a legislator should be. He was not a man to be stymied by legislative difficulties or to allow his judgment to be clouded by party politics.

The Senator was not only a towering intellect, but he was also an eloquent spokesman for the causes in which he believed. He was the author or one of the principal architect of much of the major legislation enacted during this generation, including the War Powers Act, the civil rights legislation of the 1960's, ERISA, and the creation of the National Endowments for the Arts and the Humanities, to name but a few.

Not withstanding all of the causes in which Senator Javits was involved, he was also a master of legislative detail. I know from the 3 years in which our respective tenures on the Hill overlapped, that the Senator was never too busy to take a call about some minor, technical amendment that would make a pending Senate bill work better in New York State or New York City, and he would thereafter be at the right place at the right time and do the right thing to make that amendment pass.

Senator Javits' career in the Congress serves as an outstanding example against which all who come afterwards can measure their legislative work.

Mr. CARNEY. Mr. Speaker, a concerned and caring voice for the people of New York, and indeed all of the United States, has been stilled. While we mourn the loss of Senator Jacob Javits, those of us who worked with him and respected him can be proud to have been associated with such a man.

As a Member of the U.S. Senate, Jacob Javits set an example of integrity in both his public and private lives that all who serve in Congress would be hard pressed to surpass. He was a man of his convictions, and he led the fight on legislative battles with the same remarkable courage that he displayed in refusing to yield to illness.

I was fortunate to serve with Senator Javits in the New York delegation during my first term in the House. He lead by example; he

was a man of courage. He was a public official who inspired us by continually showing that it is worth fighting for causes that you believe in. During his career in the Senate, he proved this by fighting for causes that put him in the middle of heated controversy. In his private life, he fought against an illness that tried to keep him from his commitments, and in his struggle, he made the battle his last major cause. He brought new public awareness to his illness, with a dignity characteristic of his years of public service.

Mr. Speaker, we will miss Jacob Javits. We will miss his wisdom, his integrity and personal courage. We join with New Yorkers, and citizens from across this Nation, in extending our sympathy to his family.

Mr. FISH. Mr. Speaker, in his eight decades on this Earth, Senator Jack Javits displayed a singular commitment. Till the end, he was curious, intrigued and passionately aroused in addressing the concerns of his very broadest constituency—his fellow man.

Jack Javits' picture hangs in my office—near it an engraving of President Lincoln. Throughout his career, Jack's view of public service embraced Lincoln's progressive spirit that: "The legitimate object of government is to do for a community of people whatever they need to have done, but cannot do at all or cannot so well do for themselves in their separate and individual capacities." Jack wrote toward the end of his 24 years in the Senate that "Government steps in when—and only when—private means are inadequate to do the job." This describes best his highly developed recognition of what was just, right and made common sense.

I am proud to have known Jack Javits as a friend and colleague. Newspapers, airwaves and Government chambers everywhere have been filled with accolades for this truly great leader. He has been called a quick study—to me he was the quickest. His grasp of the most intricate issues in finance, foreign affairs, civil rights—deeply inspired. His enviable contacts with world leaders infused his agenda with an unmatched creativity.

Jack was dedicated to free enterprise, yet nationally and internationally he worked for the oppressed. His inspiring example taught so many to care about those less fortunate than themselves.

Several times in the years after Jack Javits left the Senate, I sought him out for his wise counsel. I also sought him because I knew what he was and what he had accomplished for me and and so many of us.

Jack Javits was intelligent, gifted, compassionate, courageous—but there was more—he was an individual of integrity and a dignified man of principle.

Mr. OWENS. Mr. Speaker, today we pause to remember Senator Jacob Javits of New York. Senator Javits will long be remembered as a skillful legislator who never forgot the advice of Proverbs to give voice to those who cannot speak. He was a consistent friend of those in our society who most needed his concern and assistance. He was a supporter of civil rights in the fullest sense of the word. He never forgot his own humble origins as he worked to protect those who were oppressed, regardless of the reason for that oppression.

Over the years Senator Javits frequently took the difficult stands which were not always popular. In the end, one cannot help to think that his practice of standing tall in the face of popular opinion gave him the final strength throughout his long and disabling illness. His strength of spirit as he fought his last battle stands as an inspiration to all. He was a man who was not defeated by life and could not be defeated by death.

New Yorkers mourn the loss of a fine man. Oppressed people everywhere will mourn the loss of a champion.

Mr. STOKES. Mr. Speaker, on March 7, 1986, America lost a great statesman and citizen, Senator Jacob K. Javits. As is evident from the flood of tributes from all levels of American life, Senator Javits was an exemplary public servant who earned the respect and admiration of his colleagues in the House and Senate, Presidents, foreign leaders, and the American public.

Such admiration was well deserved. Jacob Javits served four terms in the U.S. Senate and worked tirelessly in drafting and helping to enact legislation on foreign affairs, urban redevelopment, civil rights, organized labor, and big business. As a liberal Republican, Senator Javits was a minority within a minority during his years in Washington. He was, however, regarded by Democrats and Republicans alike as one of the most intelligent, hard working, and effective Members of the Senate during his years there.

Mr. Speaker, Senator Javits devoted much of his time in the Senate to engineering the passage of three major pieces of legislation, each of which has improved the quality of life for many Americans in a cultural, economic, and global sense. He was a strong advocate of the ERISA Act, legislation that provides pensions for millions of Americans employed in private industry who were not covered by an adequate retirement plan and who had little more than Social Security benefits to look forward to once they had retired.

He ardently supported the War Powers Act, which limits the ability of a President to make war without congressional approval; he also advocated the formulation of the National Endowment for the Arts and the Humanities, which provides Government support for cultural projects.

Mr. Speaker, Senator Javits reached great political heights despite modest beginnings. The son of immigrant parents, Jacob Javits grew up on the Lower East Side of New York City, and like many other first-generation Americans, worked his way through school. He sold printing supplies as he took night courses at Columbia University, and graduated from New York University Law School in 1926. He became politically active soon thereafter and won his first election to Congress in 1946.

Despite his subsequent political successes, however, Senator Javits never forgot his beginnings. In 1973, he wrote in the New York Times:

> When I grew up on New York's Lower East Side, the furthest thing from my mind was any idea that I would spend more than half of my working years as a public servant. There were too many other things to pay attention to, like helping my janitor father put food on the table and keep the roof over our heads.

Mr. Speaker, I had the privilege of serving in Congress as a contemporary of Senator Javits. He impressed me as a staunch advocate of civil and constitutional rights at a time when black Americans were being denied those fundamental rights. It was largely due to his strong leadership in the U.S. Senate that civil rights laws were enacted, ending official segregation and discrimination in this land.

Senator Javits record in the Senate is replete with gains made by minorities through his initiative and leadership. True to liberal causes, he never veered away from his purpose of working toward social reform, in order to obtain equality and justice for all Americans. Jacob Javits shall always be remembered as one of the greatest legislators in American history and his presence shall be sorely missed.

Mr. GARCIA. Mr. Speaker, I am grateful for this opportunity to honor Jacob Javits, a credit to the State of New York, a credit to his Nation.

It would be difficult to say more than has already has been said about Jack Javits. His funeral last week in New York, attended by the very best public servants this Nation has to offer, was in itself a tribute to the respect he won from his friends and colleagues from all points on the political spectrum.

Yet, I feel that I must in my own way say goodbye to Jack. It was his work, his efforts on behalf of all Americans, no matter their ethnic or racial heritage, that enabled individuals such as me to have the opportunity to take office and serve our Nation. The original Voting Rights Act and most civil rights legislation is the result of the work of men like Jack Javits. A generation is grateful to him and what he stood for.

I was perhaps most moved by a description in the New York Times of the memorial service that he asked to be read at his funeral. Apparently it read, in part, that "the living are like Moses who beholds the Promised Land and cannot enter." Jack Javits has entered the Promised Land. His long and bountiful journey is ended. And we, like Moses can only behold, but we are much the richer for having had Jacob Javits among us—if only for a while.

Mr. HEFTEL of Hawaii. Mr. Speaker, the passing of Jacob Javits gives us pause to reflect on the life and times of a man who left a lasting imprint on a nation and a people. Jacob Javits spent his life serving the American people during a period of social change and international crisis. He guided America through years of profound change in our history, from the McCarthy era, through Vietnam, and later Watergate, years that witnessed profound change in American society. His leadership transcended partisanship, his commitment to principle united the Nation, his vision inspired people a world away.

It is sadly ironic that Jacob Javits was defeated for reelection to the Senate just as his party was becoming the majority party. He would have chaired the Foreign Relations Committee, his lifelong ambition. Although he never assumed the charimanship of the Foreign Relations Committee, his commitment to a bipartisan foreign policy is a legacy that will continue to guide the committee and the de-

velopment of that policy. His commitment to budgetary fairness and social conscience will continue to guide the Congress in its effort to reduce spending while not abandoning the principles of equity and compassion. This is the legacy Jacob Javits has left to the Nation he loved, a nation he made more vital and strong.

The last time I met with Senator Javits was during the markup on the tax bill. He came to see me on an issue of importance to his beloved New York as well as my State of Hawaii: deductibility of State and local taxes. Despite his illness, he was a forceful and effective advocate for his cause. One could not help but be moved by his courage in the face of adversity. As Senator MOYNIHAN said at the funeral service in New York, quoting the eloquent poem of Dylan Thomas, "Senator Javits did not go gentle into that good night. Jacob Javits fulfilled the highest tenets of his faith: He chose life."

Mr. LENT. Mr. Speaker, I'd like to thank my good friends and colleagues from New York, Mr. STRATTON and Mr. HORTON, for calling this special order today to pay tribute to one of America's finest statesmen, the late Senator Jacob Javits.

The son of poor immigrant parents, Jack Javits grew up in Manhattan's Lower East Side, which he once compared to living in a log cabin during President Lincoln's time. Through much hard work and diligence, he worked his way through Columbia University and later earned a law degree from New York University.

Throughout his many years in politics and government—during four terms in the House, as New York State's attorney general, and during his long and distinguished career in the U.S. Senate—Jack Javits never forgot his roots and remained one of New York State's and New York City's staunchest supporters. He has been recognized by critics and admirers alike as intelligent, industrious, and certainly one of our Nation's most effective and influential legislators.

He was the first to admit that the Senate was his greatest love. He knew its ways intimately, and appreciated the strengths and foibles of each Member. Senator Javits served as ranking minority member on the Senate Foreign Relations, and Labor and Human Relations Committees, and he used his powerful positions to promote some of the most significant legislative initiatives of the past 20 years.

Jack Javits took an especially active role in shaping important labor legislation such as workers' compensation, occupational safety and health, child labor laws, minimum wage laws, and job opportunity programs for youth and minorities.

When asked what he considered to be his most significant accomplishments, Senator Javits cited these three legislative initiatives: the Pension Reform Act of 1974 which regulates private pension plans for an estimated 30 million workers; the War Powers Act, the law which sets limits on Presidential powers to authorize military activities without congressional consent; and finally, the establishment of the National Endowment for the Arts and Humanities to promote cultural and artistic efforts. Based on this alone, he could be acclaimed one of the most effective leaders in Congress—Republican or Democrat—of his time.

Stricken with Lou Gehrig's disease, a debilitating neuromotor disorder, Jack fought a courageous battle to keep active and working. He was confined to a wheelchair, but he continued to speak and write and testify before congfressional committees. Jack Javits felt a strong responsibility to repay the society which gave a poor immigrant's son the opportunity to serve in the U.S. Senate.

He was a man of principle, loyalty, and fairness. We will miss him, and I offer my deepest sympathy to his family. It was an honor to serve with him in New York State's congressional delegation. He will be long remembered and respected as one of our country's finest statesmen, for he has left behind him an enduring legacy of legislation benefiting all Americans.

Mr. MANTON. Mr. Speaker, it is with great sadness that I mark the passing of Senator Jacob Javits. The legacy he has left us as a model of statesmanship will long be remembered. His compassion and fairness in legislation and his great respect for the Senate serves to infuse us all with the incentive to honor public trust.

The State of New York was truly fortunate to be represented in the Senate by the man of courage and fortitude. During his 24 years in public service, Senator Javits was a pacesetter in civil rights, labor, and foreign affairs legislation. His bills assured private pensions for millions of American workers; he provided jobs for the unemployed and heat for the elderly.

As the son of an immigrant who grew up in a tenement on the Lower East Side of New York City, Jack Javits rose from his humble beginnings to become one of the most effective and influential Senators in the history of our country. He accomplished this great feat through hard work and belief in the goodness of man. Even from his position of power, he never betrayed the trust of the working-class men and women he represented. He was an exemplar to the greatest degree of the American work ethic.

Many dignitaries, Republicans and Democrats alike, attended Senator Javits' funeral service on Monday, March 10, 1986. The presence of these distinguished citizens, who came to eulogize Senator Javits, serves as a testament to his vision and leadership. His principles attracted diverse philosophies and crossed all party boundaries.

Although I never had the chance to work in the Congress with Senator Javits, I considered it a privilege to have been a constituent of a Senator who served the people of New York. He will be sorely missed, but his initiatives will continue to keep his ideals in the forefront of American politics. My sympathies go out to the Javits family, especially to his wife, Marion.

Mr. NOWAK. Mr. Speaker, today I join my colleagues in a tribute to the late Senator Jacob K. Javits, whose remarkable career clearly illustrates the true meaning of public service.

During his 24-year tenure in the U.S. Senate, Jacob Javits worked diligently and relentlessly to improve the quality of life for his New York constituency, as well as his fellow Americans. As a member of a poor immigrant family, he experienced on a first-hand basis the extreme adversities facing minorities in our country. As part of a political minority in the Senate, he became a strong voice advocating the advancement of civil rights, the guarantee of private pensions, public assistance for the arts and humanities, and the limitation of the President's ability to make war through the War Powers Act. On an international scale, Senator Javits actively supported the formulation and implementation of the Middle East peace accords, and encouraged the broadening of U.S. relations with the Communist countries, particularly China.

Even after leaving the Senate in 1980 and being crippled by Lou Gerhig's disease, Senator Javits continued to write and speak publicly, sharing his vast knowledge and experience. Senator Javits' great courage and willingness to fight against the odds, in the name of public welfare, will certainly serve as an inspiration to all Americans for many years to come.

Mr. Speaker, I would like to share with my colleagues a March 10 editorial from the Buffalo News, in my district in western New York, which eloquently summarizes the substantive contribution Senator Jacob Javits made to our country.

JACOB JAVITS

America, the land of opportunity, has lost a distinguished citizen with the passing of Jacob K. Javits, who used that opportunity to work for the betterment of his state and nation.

Born in a tenement on New York's lower East Side, the son of poor immigrant parents, Javits rose to become one of the most highly regarded members of the U.S. Senate. And his 24 years in the chamber left a rich legacy of beneficial legislation.

For most of his congressional service, he was in the political minority, but such were his talent and energy that he played major roles in writing landmark bills into law. He was proudest of his work on legislation to advance civil rights, limit a president's war-making power, safeguard private pensions and endow the arts and humanities.

He was a strong force for liberalism within the Republican Party, and that fact, together with his age and failing health, contributed to his election defeat in the conservative tide of 1980. Nothing could detract, however, from the excellence of his legislative service. His intelligence, zest for work and concern for the public welfare won the admiration of colleagues on both sides of the aisle.

For all his accomplishments in government, however, it may be that his greatest contribution, as Gov. Cuomo suggested, was simply "his demonstration of courage in refusing to surrender to his illness," the paralyzing disease that forced him to spend his last years in a wheelchair, using a respirator.

Despite his terminal affliction, Javits continued to write, travel and make speeches, and to cherish what he called "the excitement and expectation of living the days you're given to live."

Javits was justly ranked among the nation's great senators. He set a standard of faithful and responsible public service that deserves to be long remembered.

Mr. SMITH of Florida. Mr. Speaker, today I rise to pay tribute to the late Senator Jacob

Javits, Republican of New York. After having bravely fought a courageous battle against disease, Senator Javits died last week at the age of 81. He left behind him a record of public service and commitment unmatched by most, including 8 years in the House of Representatives and 24 years in the U.S. Senate. He will be missed by all who knew and worked with him.

I was a constituent of Jacob Javits' for 13 years until I moved to Florida. I remember Senator Javits as a man dedicated to helping the people of New York. He worked tirelessly to protect the interests of every man and woman—the poor, the oppressed, the handicapped, and the elderly. And he fought relentlessly to make a better life for the Italians, Hispanics, Irish, Chinese, Jews, and every other immigrant who came to live in America.

I also remember Senator Javits as an indefatigable worker not only on behalf of the State of Israel, but also on behalf of issues and concerns that touched all aspects of Jewish communal life. He worked upfront and backstage for the Jewish state and was looked upon by other Senators and politicians for guidance and advice on issues affecting Israel.

As a liberal Republican, he commanded respect from both sides of the aisle. He was a brilliant legislator and distinguished leader, playing a role in almost every piece of foreign policy legislation of the postwar era. He was involved in drafting the War Powers Resolution of 1973 and helped win its passage over President Nixon's veto.

But most of all, Jacob Javits was a man of the Senate. He defined the title of U.S. Senator and was an inspiration to those who carry on in his footsteps. We honor this man's longstanding commitment to public service, his wisdom, his compassion, and in the end, his great personal courage.

Mr. SCHEUER. Mr. Speaker, when you think of New York, you think of Jacob Javits—the two were synonymous.

The son of immigrants, Jacob Koppel Javits rose from humble beginnings in a tenement on New York's Lower East Side to an outstanding career in public service.

For 24 years, Jack Javits served in the U.S. Senate, longer than any other New York Senator. Prior to reaching that pinnacle, Javits served 8 years in the House of Representatives and for 2 years was attorney general of New York State.

Senator Javits never forgot his State or its citizens. I knew him well, serving in the House during his Senate tenure, and I can attest that he was always available to discuss an issue or problem affecting New York. More often than not, he found a way to solve the problem.

As recently as last December, Jack Javits still was hard at work for his State, lobbying Members of Congress on tax reform issues of concern to New York.

But Jacob Javits was much more than a parochial Senator; he was a hard working and courageous statesman who had a hand in virtually every major piece of legislation that passed the Senate during his quarter century in that body.

Although he was a member of the Senate's minority party during all but the last 4 years of his career, Javits was a guiding force behind major pieces of legislation dealing with issues such as civil rights, social welfare, arts and humanities, pension reform, foreign affairs, and gun control. One of his most outstanding achievements was passage of the War Powers Act, a law now considered to be one of the most important pieces of legislation considered during this century.

Never forgetting his family experience and early years of poverty, Jack Javits always maintained a deep concern for the poor and oppressed. That concern culminated with passage of his bill creating the Legal Services Corporation.

Javits devoted his life to the U.S. Senate. He once said he loved the institution like a wife. But for all his feelings about the Senate and all his respect for and knowledge about the Senate, Jack Javits was always an outsider in that body. As a liberal Republican he didn't fit into the mold required to be a member of the inner circle but nonetheless he earned the respect of his colleagues as one of the Senate's greatest minds and surely he will be remembered as a Senate giant.

Throughout his Senate career, Jacob Javits was a staunch supporter of Israel, defending United States military assistance to the Jewish state as a member of the Foreign Affairs Committee. In 1977, he helped shape the Israeli-Egyptian peace proposal that ended in the Camp David accord.

His dream was to become chairman of the Foreign Affairs Committee, but his reelection defeat in 1980 robbed him of the opportunity. However, following that defeat, his Senate colleagues afforded him the honor of serving as chairman for 1 day when Democratic Chairman Frank Church stepped down a day early. It was a well-deserved honor for a man who had given so much of himself to the Senate and his country.

Even after Lou Gehrig's disease took its toll on his body, Jack Javits' mind remained as alert as ever, and he refused to let the debilitating illness hold him back. Confined to a wheelchair and attached to a respirator, Javits continued to testify before Congress, counsel his colleagues, and speak to interested audiences, even when his voice was no more than a whisper.

Jacob K. Javits has earned his place in history through his hard work and courage. The citizens of New York and all Americans owe him a debt of gratitude.

Mr. BROOMFIELD. Mr. Speaker, it is with deep sadness that I join my colleagues today in this special order to mark the passing of Jacob Javits and to honor this distinguished man. Born in a tenement in New York City's Lower East Side in 1904, Mr. Javits worked his way through Columbia University and the New York University School of Law graduating in 1926. He practiced law until the start of World War II when his efforts to enlist in the Army were rebuffed because of his age. He then volunteered to work as a civilian for the Army as was later commissioned as an officer in 1942. He helped to plan the invasions of Europe and Japan and was a lieutenant colonel when he left the service in 1945.

Mr. Javits was elected to the House of Representatives in 1946 and served 8 years before being elected attorney general for the State of New York. In 1956, he was elected to the U.S. Senate where he served with distinction for 24 years. As a leading representative of the liberal wing of the Republican Party, Senator Javits was a principal author of the War Powers Act of 1973. He was also a strong advocate of the National Endowments for the Arts and Humanities and an effective proponent of the Voting Rights Act of 1965.

Senator Javits will be missed by all of us who knew him. He was a serious and hard-working man who never allowed political expediency to come before what he considered the best interests of the people of our Nation. Mr. Javits was born in humble circumstances and steadily rose to prominence in the service of his country. His impressive ascendence represents what is possible in this land of opportunity. Senator Javits never forgot his background and he spent much of his political life seeking to ensure that all Americans would have the opportunity to succeed. Even in death, Jacob Javits will live as an example to future generations of Americans. This is as it should be.

Mr. BOLAND. Mr. Speaker, I would like to thank the New York congressional delegation for sponsoring this special order to honor Senator Jacob Javits, whose passing we now mourn, but whose life we celebrate.

Jacob Koppel Javits was born in a Lower East Side, Manhattan tenement on May 18, 1904. Born to immigrant parents, Jack Javits started out his life in the New York City of the 1900's like so many others who later attained greatness; concerned only with assisting his parents in maintaining the household, and putting bread on the family table. He worked in a New Jersey factory while attending Columbia University at night, and later graduated from New York University Law School. His introduction to politics occurred in 1932, when he joined the political club of Fiorello H. La Guardia. In 1946, he was the Manhattan Republican Party's candidate for an Upper West Side congressional seat which had, for the previous 23 years, never been occupied by a Republican. He won that race, and remained in the House until 1954 when, again defying the conventional political wisdom of the day, ran for State attorney general against Franklin D. Roosevelt, Jr. Victorious again, Jack Javits established himself as a Republican force to be reckoned with in New York State politics. Two years later, in 1956, Jack Javits gained his party's nomination to run for the Senate against another well-known Democrat, New York Mayor Robert F. Wagner. Once again, Jack Javits came out on top, and continued to represent the citizens of New York in the U.S. Senate until 1980.

Mr. Speaker, as a 34-year Member of the Congress of the United States, I have had the distinct honor and privilege to work with some of the greatest individuals to ever serve the Nation, be it in the executive, judicial, or legislative branches of Government. I would certainly count Jack Javits in that number. During his tenure as U.S. Senator, and during the years that followed his service in Congress—years that saw him struggle against a debilitating disease that wracked his body, but not his mind—Jack Javits displayed an inspirational courage and greatness that few others could

hope to attain or demonstrate. His continued struggles in Congress were on behalf of civil rights, urban redevelopment, and housing for the poor. During his later years in the Senate, Jack turned his considerable energies toward U.S. foreign policy. He was instrumental in the formulation and passage of the War Powers Act, and was a vigorous proponent of the State of Israel. Jack Javits was one of the most respected and influential political figures in the Nation during his service in the Congress.

Jack Javits showed all of us how to live a life of self sacrifice and commitment. The example he left at the close of his time on this Earth was equally important. Someone once said that "life shrinks or expands in proportion to one's courage." Perhaps the greatest contribution that Jack Javits made was the demonstration of that courage that he provided for all of us. His life continued to grow during its closing years. We were the beneficiaries of his public service and, with the example he set, we will be the beneficiaries of his public passing.

Mr. FASCELL. Mr. Speaker, I welcome this opportunity to join my colleagues in honoring a great American, the late Senator Jacob Javits of New York.

As chairman of the Committee on Foreign Affairs, I would like the record to show that Senator Javits began his long and distinguished period of congressional service as a member of our committee. Subsequently, as a member of the Senate Foreign Relations Committee, he worked closely with many of our members in drafting legislation of historic importance. One such measure, of course, was the War Powers Act in which I was directly involved, together with the late Clem Zablocki and other committee members. It is not an exaggeration to say that without the leadership of Jake Javits, this landmark bill would not have been passed in the Senate over a Presidential veto.

Senator Javits' interests ranged across the full spectrum of foreign policy issues. He was very knowledgeable and very quick to grasp the crux of the most complex issue. He was known for doing his homework. He was a passionate supporter of Israel, but at the same time, a sophisticated and knowledgeable observer of the entire Middle Eastern political scene.

I believe his interest in Latin America, which lasted throughout his public career, began during the 80th Congress when he served on the Western Hemisphere Subcommittee which I subsequently chaired. Senator Javits was particularly interested in efforts to bring United States business and private enterprise into the Latin American development process.

This is just an abbreviated sampling of the Senator's many causes and legislative initiatives to which he devoted his time, his talents and his varied resources. He fought long, and effectively, for what he believed in and his last battle against the dread Lou Gehrig's disease was, to my mind, especially reflective of his indomitable spirit.

Senator Javits was universally admired for his intellect; for his sense of justice and humanity, as well as civil rights; and for his devotion to the people of his State. However, his greatest accomplishment, to my mind, was his ability to bring respectability and, indeed, honor to the political profession—and for that, my colleagues, we owe him a large debt of gratitude.

Mr. Speaker, to the family and many friends and admirers of Jacob Javits, I extend my deepest sympathy.

Mr. ANNUNZIO. Mr. Speaker, I rise to join my colleagues in the House of Representatives in paying tribute to Senator Jacob Javits, who died on March 7, after a long and distinguished career in public service.

I had the privilege of serving with Senator Javits as a member of the congressional delegation to NATO, and I came to know and respect this commanding knowledge and expertise in international relations. His death is a tremendous loss to the people of the State of New York and to all citizens of this Nation.

Senator Javits graduated from New York University Law School in 1926, and served four terms as a Member of the House of Representatives from 1947 to 1953. He served as attorney general for the State of New York from 1954 to 1955, and was first elected to the U.S. Senate in 1956, where he conscientiously served the people of New York for four consecutive terms.

During the 24 years Senator Javits served in the U.S. Senate, he compiled an outstanding record of achievement, and was highly respected by his colleagues for his knowledge, honesty, and integrity, and for his legislative abilities. He was instrumental in writing the War Powers Act, as well as the creation of ERISA to provide pensions for the millions of Americans not covered by adequate retirement plans, and the creation of the National Endowment for the Arts and the Humanities.

Senator Javits was a dedicated and devoted American, and a Senator of great ability, deep compassion, and courage, who dedicated his life to public service, representing the people of New York for almost one-quarter of a century.

Mr. Speaker, Senator Javits will truly be missed by all those who knew him as well as those who knew of his numerous contributions to the greatness of America. Mrs. Annunizo and I extend our deepest sympathy to the members of his family who survive him.

Mr. HORTON. Mr. Speaker, I yield back the balance of my time.

THE STRAIGHT ROAD TO DEFICIT REDUCTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DANNEMEYER] is recognized for 60 minutes.

Mr. DANNEMEYER. Mr. Speaker, the President's budget submitted to the Congress within the past 30 days contains projections on gross Federal debt that prompted this Member from California to take this special evening to talk about. Specifically, the President's budget observes that at the end of the next fiscal year, 1987, the gross Federal debt will be $2,321,000,000,000 and then by 1991, the gross Federal debt will be some $2,977,000,000,000, close to $3 trillion.

It took this Nation from 1789 to 1980 to get to the trillion-dollar debt level. It took us about 5 years after that to get an additional trillion dollars of debt. And if things continue as the President's budget indicates, by 1991, we will reach almost a $3 trillion debt level.

There are certain economic assumptions, of course, that go into the estimation of debt as was just indicated, and I will address those shortly. I think it is appropriate for the House and the Congress and the Nation to engage in a national debate on what benefit comes to all of us, homeowners, business people, college students, and the Federal Government itself by addressing the third item in the budget; namely, interest on the national debt. The interest on the national debt that will be estimated to be paid in this fiscal year, 1986, is some $196 billion. That interest expense in 1987 is estimated to go to $207 billion. That is about 20 percent of the total budgetary spending.

This Congress passed in the closing days of 1985 a landmark piece of legislation called Gramm-Rudman-Hollings, and it requires that certain reductions take place across the board. In fiscal year 1987, it is estimated that the total deficit may not exceed $144 billion; in 1988, $108 billion; and in 1989, $72 billion. That is the deficit reduction goal.

If we do not change from the course we are now pursuing, the deficits in those years will be close to $200 billion each. If we adopt a change in the base for our monetary system from what it is today, backed by nothing, and back the currency of this Nation with gold, we would be able to reduce the annual interest expense on the national debt from the projected amount of some $207 billion in fiscal year 1987 down to a significantly lower figure estimated in 1987 to be $91.3 billion. That is the net interest cost expense, and this would reduce the deficit in 1987 to $127.1 billion; in 1988 to $49.1 billion; and in 1989 to $40.2 billion.

This deficit reduction is accomplished through the adoption of the Gold Standard Act of 1986, H.R. 4401, which will reduce interest rates from their current high of almost an average expense of 10 percent on the outstanding national debt of $2 trillion down to about 2½ percent.

□ 2050

The benefit from this reduction of interest cost expense is that it avoids the politically undesirable and traumatic act for all of us in Congress to explain to our constituents how we are going to vote to reduce what any beneficiary of an existing Federal program receives, or what the various activities of the Federal Government now propose to spend.

I guess you could say that the political pain for all of us in reducing interest on the national debt is a lot less from the standpoint of the negative impact on Members of Congress and the political pain that will be realized by telling the various beneficiaries of Federal spending programs that they are to receive less money for energy programs or transportation programs or UDAG grants, or what have you.

The budget reduction that I am talking about in terms of reducing the interest cost expense would permit the President's program for defense to increase by 3 percent after inflation; it would permit all spending programs currently in place to continue as is projected by the CBO baseline; it would permit this to take place without increasing taxes from what is projected under the existing tax system; and it will result in a deficit reduction level to $40 billion in fiscal year 1989.

These benefits come from reducing the interest cost on the national debt. This Member from California in 1985 and 1984 has offered budget plans to the House for its consideration which would identify specific program cuts in 1985. Last year this Member offered a plan that would have reduced the projected deficit by some $62 billion, by reducing the spending for about 77 specified social programs of some $28 billion. By reducing the projected outlay in defense by some $18 billion and by establishing a freeze which would reduce projected spending by some $12 billion and then interest cost reductions by not borrowing that quantity of money, raise the total projected reductions to $62 billion.

Less than the required 218 votes were achieved for that program, and the rationale is quite simple: Members of Congress are reluctant to be identified with their vote of record whereby a beneficiary of a Federal spending program is going to get less, because the perception is that in the next election campaign, their opponent will point out to their constituents that the rascal who wants to give them less should be thrown out and the opponent says, "Put me in office and I'll keep the money faucets going."

This is a very real consideration, and I appreciate that concern, that many Members of this House have. We just collectively do not have the courage to reduce spending so as to match the outgo with the income unless we focus on those items in the budget that politically and practically and pragmatically deserve our attention; namely, interest expenditure on the national debt.

When you compare the quantity of money that we are spending of interest on the national debt, $193 billion out of $209 billion deficit, in this fiscal year that is 93 percent. In other words, of the existing deficit for 1986, 93 percent of it goes for interest cost expenses.

In my opening remarks, I reported that the President's budget for fiscal year 1987 contains some debt projections that are truly staggering and awesome to contemplate. When you look at the changes in the Federal debt for 1987, we find it is rising by $209 billion. In 1988, by $188 billion; in 1989, by $175 billion; 1990 by $157 billion, and 1991 by $136 billion.

These projections assume that certain reductions will take place in interest rates that frankly you could almost say are part of a rosy scenario, because it assumes that interest rates will be declining as follows: In 1987, on the interest rate it builds up to 1 year, 6.5 percent, and by 1991 that that interest rate would be reduced under the existing regime or monetary base of 4 percent. In 1987, notes of 1 to 10 years, the interest rate is projected at 8.6 percent. In 1991, that is projected to decrease to 4½ percent.

When you use the figures in the President's budget as a baseline, you can calculate that the projected total interest on the gross Federal debt will be as follows: In 1986, it will be $196 billion. In 1987, $207 billion; and in the years 1988 through 1991, a total of $211 billion constant interest cost expense in each of those fiscal years.

The bill that I have introduced, H.R. 4401, provides for resumption of the gold standard, and calls for the conversion of the public debt into long term debt financed at 2¼ or 2½ percent. This measure would slash the total interest on the gross Federal debt to one quarter of what it would be under the President's budget, as we can see as follows:

In 1987, if we follow the President's budget projections, the interest cost will be a gross of $207 million; under H.R. 4401, the gold standard bill that I have introduced, the interest cost in 1987 would be $130 billion, a savings or a reduction of $77 billion; and in 1988 the interest on the national debt would be $56 billion from the projected $211 billion, or a savings of $155 billion.

What I am suggesting is that by issuing bonds backed by gold as a step to the gold standard for this country, the interest savings in 1987 would be $77 billion and in 1988, $155 billion.

This bill, H.R. 4401, would turn the deficit into surplus no later than 1991. We may therefore conclude that the straight road to deficit reduction is not via cutting domestic and defense programs, nor by increasing taxes, but through cutting the interest cost on the gross Federal debt. This cut is available immediately upon resumption.

The cost of debt service is defined as total interest on the gross Federal debt plus payments on principal, if any. No payments on principal have been made since 1969, and the President's 1987 budget does not envision any net reduction in the gross Federal debt for the years 1987 and 1991 and beyond.

Not only do we borrow money to meet the maturing debt, but we also borrow money to meet the interest payments as they fall due. This state of financial affairs is not a healthy one; and its continuation is liable to undermine the credit of the Federal Government.

No individual, no corporation or for that matter, no other sovereign state could carry on and stay in business with the understanding that its entire debt service depended upon the availability of new credits for as long as one could see into the future.

Public awareness of the problem is hampered by faulty assumptions and self-serving definitions. One such faulty assumption is that the Government can, by virtue of its taxing powers, push its credit limits over the rainbow.

If that assumption were true, there would be no United States of America. We must not forget that the independence of this Nation was first conceived as a revolt against oppressive taxation.

An example of a self-serving definition is a concept of net interest on the public debt, which is the centerpiece of OMB projections, pretending that it represents the cost of debt service faithfully.

Net interest is defined as total interest less the interest payable to Government trust fund accounts. The argument in favor of using net interest as a gauge of the debt burden is that interest payable to the trust fund accounts shows up in the budget both as a revenue and as an outlay, so that its net effect on the budget is nil.

The Government, as it were, takes money out of one pocket and puts it into another. But unless the Government can discover a way to spend the same sum of money twice, the interest charge in the trust fund accounts against general revenues is real and should show up in the cost of debt service. Indeed, this cost is reflected in the gross Federal debt.

In extrapolating the cost of debt service for the years 1987 to 1991, the most important parameter is the rate of interest. If short term rates were to increase by 1 percent, this could add $15 billion to the cost of debt service each year.

If short term interest rates were to hit their former peak of 15 percent, this could mean a difference of $150 billion every year. The President's budget makes rosy assumptions about the future course of interest rates spelled out.

Since interest rates have been declining for 4 years in a row, the assumption that they will keep declining

further throughout the period 1986 and 1991 without interruptions or reversals appears overly optimistic.

□ 2100

It is akin to the gambler's optimism who, having hit the jackpot twice in succession, takes it for granted that he will hit it again the third time around. The next table [table not reproduced in the RECORD] shows the total interest, calculated on the basis of the assumptions in the President's budget. But because these are optimistic assumptions, we must note that the total interest costs shown are minimum figures, that is, upward revision may be necessary later on, and these revisions may well be in the order of $100 billion per annum—or a deviation of 50 percent from the figures shown.

In 1986 at the start of the fiscal year the gross Federal debt is $1.828 trillion and the change in gross Federal debt over the preceding year is $284 billion and total interest expenses of $196 billion. In 1991 under the President's proposal the start of the fiscal year the debt will be $2.841 billion, a change in gross Federal debt of $135 billion with total interest expense of $211 billion. Thus even the most optimistic assumptions in the President's budget cannot produce a reduction in the total interest. At best, we can hope for the total interest cost on the GFD to level off.

One of the most startling facts to be observed in this whole discussion of the cost of servicing the national debt is to see a graph indicating the quantity of money percentagewise that we are paying for maintaining the national debt in terms of general undesignated tax revenue. In order to put the cost of debt service in perspective it has been calculated that the ratio of total interest to general tax revenues, that is to say the cost of debt service for each tax dollar collected for the past 10 years, in 1977 general tax revenues amounted to $229 billion, the total interest expense of $43 billion; that calculates out to 18½ cents of every general fund undesignated dollar being expended for interest. In 1986 general tax revenues are estimated at $457 billion and the total interest expense is $196 billion, or 43 cents of every dollar of undesignated general fund revenues servicing interest on the national debt. The cost of debt service has been increasing by leaps and bounds, at last count taking a bite of 43 cents of each tax dollar collected by the Government. From CBO projections [not reproduced in the RECORD] we have calculated that this ratio is going to reach 48 cents by 1990. This means that almost one-half of the general tax revenues is going to be spent, not by the Government, but by the creditors of the Government. In other words, neither the legislative nor the executive branch of the Government controls the way in which one-half of its tax collection is being spent. The Government imposes and collects the taxes, but loses control over the spending of half of it. The Government is, for all intents and purposes, reduced to a collection agency, taking money away from the dynamic producers of wealth—who have to bear all the risks—and handing it over to the coupon-clipping class—who bear no risks.

But it should be clear that there is a limit to the ability of the Government to transfer wealth on such a huge scale. The idea of a representative government such as ours is that the public purse is in the hands of elected representatives who can be recalled by the taxpayers if the public purse is mismanaged. But when half of the Government's revenues are spent by the creditors of the Government who are not accountable to the electorate, the idea of representative government is lost. To continue on that path would be tantamount to courting disaster, either in the form of a debt collapse, or in the form of a tax revolt.

When Louis XIV—Louis le Grand—died in 1715, after a reign of 72 years, he left France with a public debt of some 3 billion livres, the interest on which—about 86 million livres—took a bite which was more than half of the state revenues, about 165 million livres. The debt had increased twenty-fold in less than 30 years. The coinage had been debased by half. To solve the fiscal crisis the Regent called upon the services of a Scots adventurer, John Law of Lariston, who had made a sensation by publishing a monetary treatise entitled "Supplying the Nation with Money." In anticipating a curious mixture of Keynesian and Friedmanite economics, John Law maintained that "wealth depends on the Circulation," and circulation can safely be expanded as long as the total stays within the bounds set by the value of the land. The Regent became obsessed with the idea of such an easy solution to the budget deficit and recommended the establishment of a bank of issue. This institution, the Banque Generale, under the management of John Law himself, was an instant success. Public despair turned into confidence, confidence into euphoria, and euphoria into mania. John Law's bank didn't just bankroll the government, it also financed the Mississippi bubble which, when it burst, wiped out the entire public debt—by making it worthless.

Today the Federal Reserve System has the same powers as the Banque Generale did under John Law's management. The danger is that the Federal Reserve Board, which, like the Bourbons "learns nothing and forgets nothing," is about to repeat history.

THE REAL CAUSE OF BUDGET DEFICITS

It appears that the Gramm-Rudman approach, in cutting spending here and raising taxes there, is trying to cure hemorrhage by applying more Band-Aids. But the time has now come for a remedy that reaches beyond the symptoms, and treats the real cause of the ailment.

As every analysis of the budget deficit points out, the cost of debt service has been the fastest growing component of outlays, even though not one dollar of debt has been retired during the past 17 years on a net basis. This state of affairs won't change, no matter how much domestic and defense spendings are cut. You can't cure lung cancer by removing the liver.

The cost of debt service has increased rapidly because interest rates became volatile after the dollar was set afloat in the early 1970's. There is no compelling reason to expect that cutting domestic and defense spending will result in lower interest rates, let alone less volatile interest rates. The only way to lower interest rates and to make them less volatile is to remove the cause of high volatility: the floating dollar. That is to say, the dollar must be stabilized.

If the dollar were, once more, defined by statute as a fixed weight of gold, as prescribed by the Constitution, then the rate of interest would, once again, become low and stable, and the entire public debt, $2 trillion all told, could be refinanced as long term debt at 2½ percent. Not only would this cut the deficit by more than three-quarters but, above all, it would remove the greatest source of uncertainty from the budget. All deficit projections, including those for the next fiscal year, are subject to error in the order of $100 billion, due to the single cause of interest rate hikes.

Once the dollar is stabilized, we could stop worrying about deficit reduction, and start working for debt reduction.

There is a painless, not to say pleasurable, way of turning deficits into surpluses, without cutting domestic or defense spending, and without increasing taxes. The cost of borrowing could be cut to about one-quarter of what it is today, if the Treasury were to issue gold bonds, as stipulated in H.R. 4401.

This process is shown by the following evidence.

In 1987 we could reduce the projected cost of interest at $207 billion to $130 billion, a reduction of $77 billion, and by 1991 and for all of the years between 1988 and 1991 the interest in the President's budget stipulated at $211 billion would be reduced to $57 billion for a reduction or savings of $155 billion in each of those years.

The cumulative saving in interest over the whole period 1987 to 1991 would be almost $700 billion.

It is understandable that the President is reluctant to accept tax increases as a valid instrument of deficit reduction. Both logic and experience indicate that tax increases trigger higher budget deficits through the mechanism of disincentives. Taxpayers react to ever higher taxes by reducing productive effort, because all they see is ever higher taxes at the end of the high-tax-tunnel. The gold standard, on the other hand, is free from this mechanism of disincentives. As this study shows, the gold standard gives the country not just deficit reduction but also debt reduction. The taxpayers see the light of lower taxes at the end of the high-tax-tunnel.

The transition from floating to the stable dollar will take place during fiscal year 1987. In the space of one year, the Treasury will refinance virtually the entire debt in the form of long term gold bonds—Eagle bonds—with a coupon rate at 2½ percent. As the Treasury acquires the gold in exchange for the Eagle bonds, it will deposit gold certificates in the Federal Reserve banks in exchange for Federal Reserve deposits. The Treasury balances will be calculated at the verifiable gold price, subject to adjustment on R-day when the statutory gold price is proclaimed. These Treasury balances are used to retire the old dollar debt and also to pay for current Government expenditures.

The Federal Reservce banks must be permanently barred from acquiring Eagle bonds or any other Government securities. They will gradually build up their portfolio of earning assets during fiscal year 1987 consisting of eligible commercial paper as defined by the Federal Reserve Act of 1913.

The results of resumption would be even more dramatic and salutary than the figures in this study suggest. Industry and agriculture would go through a great uplifting experience as they shook off the yoke of usurious interest rates. We would witness an enthusiastic return to equity financing from the unhealthy debt financing of recent decades, because under the regime of stable currency there would be no incentives attached to the latter. Productivity would be multiplied and economic activity would be revitalized across the board in direct response to lower interest rates. New capital would be generated as the gold standard created new incentives to channel savings away from the zero-sum game of short term speculation, into the positive-sum game of long term capital markets. All this would generate an open-ended demand for labor to man new plants and equipment.

While this country would still have many unsolved problems, efforts to solve them would no longer be sabotaged by an unstable and depreciating currency.

Contrary to propaganda, the gold standard can accommodate the generous social policies already in place in this country, and it is fully compatible with our program of maintaining this Nation's defence at an adequate level. Once adopted, the gold standard works toward debt-reduction and hence tax cuts, in direct contrast with the irredeemable dollar standard, which can only generate growing debt and tax hikes.

At the heart of the reform is the integrity of the monetary system, and the faith in promises and contracts. Just as dishonesty does not pay in the long run, so the floating dollar is also self-defeating.

One of the crucial questions asked as part of this proposal is why would a bondholder currently receiving 10 percent on an average for bonds issued by the U.S. Treasury convert their bonds into gold bonds despite the steep reduction in the rate of interest? In other words, if you are receiving a rate of interest of 10 percent on a bond the U.S. Government has issued, why would you in your right mind exchange such a bond for a bond paying 2¼ or 2½ percent interest, which is a very good question?

The monetary reform outlined in H.R. 4401 is based on the assumption that bondholders holding noncallable Government bonds bearing interest at say 10 percent would voluntarily exchange their bonds for gold bonds paying 2½ percent. This assumption I think calls for some justification.

When a corporation issuing convertible bonds wants their bondholders to make the conversion sooner rather than later it will prescribe a schedule of rising conversion value for its stocks where the steepness of the rise in the schedule of the conversion values will influence the length of the conversion period: the steeper the rise, the shorter the conversion period.

□ 2115

This well known principle of incentives is incorporated in the bill, H.R. 4401.

If the Eagle bonds are not selling sufficiently well on D-day, the Treasury will have to go into the cash market to buy gold in order to meet the maturing debt after R-day.

Treasury purchases of gold will cause the gold prices to show an up trend between D-day and R-day, and the Treasury is well able to control the steepness of the rise. Thus, the rising gold price furnishes the incentive mechanism corresponding the schedule of rising conversion of stocks, as in the example of convertible corporation bonds.

It is important to understand in this context that Treasury purchases of gold under the gold standard are costless. The money to pay for the gold is not appropriated by Congress. In fact, this is the only example of Government acquisition that has no budgetary consequences. The Treasury's account with the Federal Reserve Banks will not be depleted in consequence of the gold purchases since the Treasury deposits an equal amount of gold certificates.

This completes the analogy with the company issuing convertible bonds. The company can set up an arbitrary schedule of conversion values for its stock because the company creates those stocks at no cost to itself.

The question also arises whether it makes sense to talk about 2.5 percent interest with nobody, certainly no government, has succeeded within living memory to borrow at such low rights. The answer is that governments are prisoners of their own ideology.

Several finance houses have borrowed quite recently hundreds of millions of dollars at interest rates as low as 1 percent. The purpose of the loan in each case was the sinking of a new gold mine. The amount of monetary gold in private hands is estimated at 50,000 metric tons, or $570 billion when gold is valued at $350 per ounce. The owners of this gold are paying at the rate of one-quarter of 1 percent per annum in carrying charges for the privilege of holding monetary gold. If they exchange their gold for Eagle bonds, they would be earning a return of 2.5 percent, instead of losing one-quarter of 1 percent, for a net gain of 2¾ of 1 percent per annum, and they would end up as owners of the best paper in the world. This best paper, the gold bond issued by the United States of America, has been totally absent in the financial markets for over half a century. Its return should be received by the financial community with a tumultuous welcome.

There can be no question about the ultimate success of the Eagle bond program.

Another question that arises is: What is the composition of the debt held by the public, that is, by private investors today?

This chart illustrates that within 1 year $464 billion of the debt held in the hands of private investors will come due; in 1 to 5 years, $367 billion of the debt held by the public will come due; and in 5 to 10 years, $144 billion of the debt will come due. I want to emphasize this is just the debt held by private investors, not the entire outstanding U.S. debt of close to $2 trillion.

It is obvious that the vast majority of the debt held in private hands has a maturity of less than 5 years. In other words, when this debt becomes due, the U.S. Government can refinance this debt at the interest rate called for in an Eagle bond of 2¼ percent.

This chart illustrates the message of what percentage of our undesignated Federal revenue is being paid today, interest on the national debt. In 1977, it was 18½ cents; in 1986, the current fiscal year, it is 43 cents; and it is estimated to go to 48 cents by 1990 if we continue on our present course.

This Member from California hopes that during the course of the coming weeks when the Congress will be taking up the issue of a budget resolution, that as part of the debate in the process, we will have an opportunity of hearing more about what restoring honest money in this country will do for the Federal Government's ability to sell its debt at a rate of interest that permits us to comply with Gramm-Rudman, to comply with the President's request for an increase in defense spending by 3 percent after inflation, by permitting COLA's to rise per the CPI, and by not touching any of the projected spending as contained in the CBO projection for spending in fiscal year 1986. We do that by reducing interest expense on the national debt.

For any citizen in America who wonders what this means to them for restoring honest money and reducing interest rates, if you are looking for a home, how would you like to be able to acquire it at 5 to 6 percent interest? If you are a business man or woman, how would you like to be able to pay for the cost of borrowing money at 5 or 6 percentage points less than what the bank is now charging? If you are a college student in this country trying to finance your education, instead of paying 9 or 10 or 11 percent for that loan, how does 4, 5, or 6 percent interest rates sound to you?

This is what it means to all of us in the country of removing ourselves from this paper dollar backed by nothing, which we have been pursuing since 1971, lower interest rates for all of us, irrespective of our station in life.

IMPORTS POSE DANGER TO NATIONAL SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. GAYDOS] is recognized for 30 minutes.

Mr. GAYDOS. Mr. Speaker, last week, Secretary of Commerce Malcolm Baldrige appeared before the Congressional Steel Caucus and, when asked about the impact of imports of key materials on our national defense, hemmed and hawed and, finally, indicated it was a confusing subject that was under study by the present administration.

What is particularly confusing and disconcerting about Secretary Baldrige's performance is that just last Tuesday, March 11, a report in the Washington Post indicated that Pentagon officials were "particularly concerned" about America's dependence on Japan for parts used in our most sophisticated weapons systems.

In fact, the article quoted Robert Burmeister of Hewlett-Packard Co., who serves on a National Academy of Science panel on electronic components, as saying: "In some cases you either buy from Japan or you don't get it."

Further, on two separate occasions last week, the Commerce Department determined that Japanese companies were dumping a major semiconductor product in the American market for the sole purpose of gaining dominance of our local market.

I guess that what bothers me most is that at the same time we find that companies from any number of countries are using unfair trading practices to gain control of our markets, we are forced to buy other goods from those countries of origin because they have forced American competition out of business.

It's happening in steel, machine tools, shipbuilding. It has already happened in consumer electronics, cameras, and so many other product lines, that it is nearly impossible to catalog them all. But what is most discouraging is the threat to America's ability to survive and protect itself.

I am constantly amazed that this administration, which projects itself as one of the most conscious of and concerned about our national security, still ignores the real threat that arises from our dependence on foreign goods for that defense and security.

And, looking at the case in the most generous of terms, it isn't that I believe any of the nations which export key defense material would turn against us so much as my concern that these goods are at greater risk of destruction while in transit between the country of manufacture and our shores.

In the early 1940's, when it was imperative for America to gear up its industrial machine to provide the tanks, planes, ships, and other necessary weapons and the steel and rubber we needed, we were able to find the basic resources here as well as the means of production. We had the capability to help ourselves.

□ 2125

Yes, it is true that a lot of that production capacity had been shut down during the Depression, but the plants, factories, machinery, and skilled workers were still here and ready to go.

Today's situation is far different and much more precarious. We weren't importing steel in the late 1930's and early 1940's. Today, for the full year of 1985, we imported just over 25 percent of our domestic supply.

In the late 1930's we were exporting steel and scrap. In 1985, steel exports from America hit an alltime modern low of 932 thousand tons. The previous record low was set in 1984 when we exported 980 thousand tons.

Last week, Secretary Baldrige was very positive, telling us that the President's program for limiting steel imports through a series of voluntary restraint agreements was working and would be very successful.

Personally, I am not so sure. The Secretary pointed to import downturns in the last quarter of 1985 and in January and February of this year. Well, if no one minds, I'd rather wait until the end of 1986 before I stand up to cheer.

In case no one remembers, 1985 started out in a similar way. After very high levels of imports in 1984—setting a new record of more than 26 million tons and reaching 26.4 percent of the American market, including a penetration level of 31.2 percent in December 1984—things started to turn around.

Import levels started falling: 30.9 percent in January; 27.1 percent in February; 24.5 percent in March; 23.2 percent in April. Everyone said the President's import plan was working.

After April, everything went crazy. Imports edged up in May, 23.4 percent; jumped substantially in June to 28.1 percent; fell sharply in July to 21.9 percent; rose to 25.4 percent in August; rose sharply to 30.5 percent in September; and, finally, for the last 3 months of 1985 came in at levels of 17.3 percent, 23.3 percent, and 27.2 percent for October, November, and December respectively.

In the comparisons between 1984, the record year, and 1985 show some moderation, but not nearly enough to have us jumping for joy, the annualized level of import penetration for 1985 was 25.3 percent, down slightly from the 1984 level of 26.4 percent, certainly not a harbinger of better things.

I hope Secretary Baldrige is right. I hope the President's program on steel does result in a substantial downturn in imports and a corresponding upturn in domestic steel production and growth in capacity.

My fear is that, even if it does work, the best we can hope for is to hold the line—no more plant closings and no more worker layoffs. Employment in the steel industry today is about 220,000, a sharp cry from just 10 years ago when employment was just about a half a million.

Most of us see a lot of changes still to come in the steel industry. Right now, individual companies in the industry are negotiating with the United Steelworkers for new contracts. Some of those contracts could spell life or death for some parts of the industry.

Just this past weekend, the LTV Steel Co. reached an agreement with its steelworkers that, according to

what I have read and heard, could keep the company on track.

Although I don't have the full details, it is clear that the steelworkers, recognizing the need to help the company regain its competitiveness in today's market, agreed to reductions in wages by as much as $3 an hour in exchange for a profit sharing and stock program.

As I just said, the workers recognize that they will have to take an active part in keeping the industry alive and competitive so they will have jobs in the future.

But, Mr. Speaker, steel isn't the only industry feeling the pinch from imports. Not too long ago, an article in Business Week cited the problems facing the cement market in the United States.

According to the article, 14 million tons of cement are flowing into this country every year from Mexico, Spain, Venezuela, Japan, and South Korea, arriving at prices that are $10 to $20 a ton less than what it costs most domestic manufacturers to produce.

The list of industries that are facing these kinds of problems is almost endless. I recently had a visit from some constituents who represent the Cast Metals Federation. They brought me a tale of woe about the impact of uncontrolled levels of imports.

In this case, like the others, the numbers tell the whole story. In 1979, before the pressure from uncurbed imports, 740,000 Americans worked in foundries. In Pennsylvania alone, there were 350 foundries employing more than 35,000 people in 1975.

Today, the picture is startling. National employment in foundries has fallen to about 225,000; shipments are less than 11 million tons a year—from a high of 17 million tons, sales are down by 21 percent; and value has dropped from $22 billion to about $16 billion.

The story in Pennsylvania is much the same. Of those 350 foundries that were operating in 1975, only 240 are still working, a loss of 30 percent. And of those 35,000 jobs, only 20,000 remain. And the real danger is that unless we take some action, there will be fewer foundries and, certainly, fewer employment opportunities.

Congressman JOHN P. MURTHA, chairman of the Steel Caucus, and myself, as chairman of the executive committee of the Steel Caucus, in a letter dated March 18, 1986, addressed to Chairwoman Paula Stern, U.S. International Trade Commission, in Washington, took the following position—and I think it would be best that I read that letter into the RECORD. It is very short.

CONGRESSIONAL STEEL CAUCUS,
Washington, D.C., March 18, 1986.

Chairwoman PAULA STERN,
U.S. International Trade Commission, Washington, DC.

DEAR COMMISSIONER STERN: The Congressional Steel Caucus is gravely concerned with the severe impact imports have had and continue to have on our nation's foundry industry. We are therefore writing to you to express our strong support for the petition filed by the Cast Metals Federation under Section 201 of the Trade Act of 1974.

According to information we have received from the Cast Metals Federation, imports of the seven foundry castings covered under the petition have increased by more than 100 percent. Additional information indicates that the castings in question are being priced at as much as 50 percent below comparable castings produced in the United States.

In recent years, the foundry industry has been struggling under the rapid influx of imports. Since 1981, over 600 foundries have been forced to close and 160,000 workers have lost their jobs. National security is also at risk. Currently, over 10 percent of the industry's output is used directly for national defense purposes. Thus a healthy foundry industry is not only essential to the economy, but also to our national security. We urge you to recognize and remedy this desperate situation.

It is our understanding that an investigation into the petition has already begun. In expressing our support for this petition, we request that careful consideration be given to the findings and that appropriate relief be recommended. Strong and positive action must be taken to protect our country's continued economic growth and well being.

Sincerely,

JOSEPH M. GAYDOS,
Chairman, Executive Committee.
JOHN P. MURTHA,
Chairman.

The competition in the foundry business is coming from, among other places, India, a country that has no local market for the castings it produces. Strictly a "for export" business.

And, as in so many industries, the United States is the market of choice by India, Brazil, Mexico, and a host of other countries that see our open-door policy on trade as a way to provide jobs for their citizens and earn dollars from exports to meet their debts.

And, it shows. Last year, 1985, our trade deficit reached another all-time high, $148.5 billion. And in January of this year, the merchandise trade deficit jumped to $16.5 billion, $1.4 billion more than the $15.1 billion deficit for December 1985.

If we are so unfortunate as to have the January 1986 deficit as the benchmark for the year, we would expect a merchandise trade deficit for 1986 of $198 billion. And, to think, the 1983 merchandise trade deficit was under $100 billion.

If I may divert for a second, I can remember back, when we talk about the balance of trade and the balance of payments, every time there was a significant balance-of-trade deficit, those who were defending the situation would say, "Well, do not worry about the trade deficit, the balance of payments are way up. One cancels the other out."

Now we have both of them in horrendous imbalance, as I have just pointed out. What the results are going to be, nobody knows. Your guess is as good as mine.

The impact of this trade deficit and, perhaps, the lack of long-range policy insofar as trade is concerned, is the focus of the cover story in the March 10 issue of Business Week. Called "The Hollow Corporation," the article confirms something that those of us who used to have operating steel plants in our district have been saying for a long time—a nation cannot survive on a service economy. We can only have so many hotel jobs, office jobs, and other jobs that are not connected directly with the production of goods.

I, for one, can't understand why it has taken us so long to understand this simple proposition. The Japanese are very much aware of it and it's one of the reasons they keep a very tight rein on imports that would compete directly with products they manufacture.

The Business Week article quotes Tsutoma Ohshima, senior managing director of Toyota, who says: "You can't survive with just a service industry."

Ohshima finds it difficult to understand why American policymakers are not talking about the clear need to rebuild the basic industries that have been ravaged by rising imports in recent years.

The real question for us, both as a Congress and as a nation, is: How do we approach the problems and what kinds of solutions exist?

One thing is certain, the approaches taken by this administration are not working and are not likely to work. As I mentioned earlier, the Commerce Department cited Japanese firms for dumping in two instances. Now it will be up to the President to determine the final course of action.

In the recent past, findings by the International Trade Commission and the Commerce Department of damage to industries by virtue of imports hasn't had much effect on the administration. And, I guess we shouldn't expect too much action this time.

But, somewhere down the line, some action will have to be taken, whether it is to severely punish violating nations or to develop a domestic policy aimed at assisting aging industries to regain levels of competitiveness or a combination of both.

My concern and the concern of the Steel Caucus is that we may be waiting too long and that, at some point, there will be no industries left to assist.

□ 2140

CENTRAL AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DREIER] is recognized for 60 minutes.

Mr. DREIER of California. Mr. Speaker, I take the well this evening at this late hour to talk about an issue which has been of great concern to every American and to this Congress for the past several years. In fact, it has been debated since before I got here, and that is the question of Soviet expansion into Central America.

I have just returned from my first trip to Central America. I have, in the past, been as far south as Mexico City, but never before have I actually been into the region of Central America. Specifically El Salvador and Nicaragua.

Having studied in this country over the past several years the issue of Central America and the problems we have faced I felt that last Thursday, when an attempt was made to put together a bipartisan trip to the region that I would take that opportunity, cancel my commitments in California, knowing full well that a brief visit to Central America would not make me an expert on the region.

I did know that taking that trip would elucidate. I believe very much that we could have a chance to speak with all sides on this issue and I am very pleased to return and say that we did speak with all sides on this issue.

I went down there believing very strongly the Sandinista regime was a totalitarian regime. I returned to the United States knowing full well that it is, in fact, much worse than I had ever anticipated. I had heard about the atrocities which were taking place by both sides. I had heard about the oppression that was going on. I had heard about the censorship which took place in the media, I had heard about the horrible jail situation. I had heard about the problems facing the church in that area, but we can hear a lot of things but witnessing it is much, much different.

I have to say that our first meeting was like all of them, very moving. When we arrived Friday morning, we went to the offices of La Prensa, the truly independent voice of reason in Central America. Without a doubt, as we told them, a real example of an attempt made to provide a free exchange of ideas to the people.

We went into their office and sat down with the editorial board. We had the credibility of La Prensa very clearly demonstrated to us when we met with the editorial page editor, a very attractive woman named Christiana Chamorro. She is the daughter of Pedro Chamorro who, in fact was assassinated on the streets of Managua, many believe by the Somozan regime. The figure that I have been given is that about 90 percent of the people in Nicaragua believe that the assassination of Pedro Chamorro took place by Somozans.

We sat in this meeting with his daughter, and she is a very strong person. She is one who is consistently faced with the threat from the Sandinistas. Her father had been an opponent of the Somozan government. Why? Because he did not like that totalitarian pattern. He desperately wanted to see the kinds of freedoms that the 1979 revolution was designed to grant. That very important four-point platform. Free and fair elections; a democratic form of government; an end to human rights violations; and nonalignment.

That was a very impressive stated goal and it was one that the people of Nicaragua wanted and it is one that the people of Nicaragua continue to want. In fact, the way the situation stands, the 1979 revolution is continuing today as it was back then.

The unfortunate thing is that the people are fighting even greater oppression, even greater violations of human rights and an even stronger resolve on the part of the Communists to move in in a stronger way and take over.

We found in our meeting with Christiana Chamorro and her colleagues at La Prensa that the censorship today is much worse than it ever was under Anastasio Somoza. We were told that under the Somozan regime articles dealing with the military were consistently censored from being printed.

What do we see today? A situation that, as I say, is much worse. I happen to have with me a copy of a newspaper article or the front page of La Prensa of just several weeks ago. This particular page shows that articles dealing with the church and an attempt to place the church radio station back on the air are censored.

The process that La Prensa takes is as follows: They submit their copy to the Sandinista government, and upon submission of their paper, they wait for approximately 7 hours during the day. At the end of that 7-hour period, if they are lucky, sometimes the Sandinistas come in later, they get back about half of the paper, then they have to reset the entire paper because the Government will not allow them to simply pull an article out and leave blank space because then the people would know full well that censorship is taking place.

Sometimes as much as 85 percent of the paper is censored, and, on top of that, an attempt is made by the Government not only to remove articles that are submitted about the church, but to make the paper less and less attractive. Many people had believed that the articles that were censored were in fact posted throughout the city of Managua, or in fact in a spot where people could easily read it. Now under the Sandinistas, La Prensa can post the censored articles, but only within their compound and only within their property.

The people in Nicaragua have to move inside the compound of La Prensa to have an opportunity to read those censored articles. So it is a very, very difficult situation for them to try and get this newspaper out.

One of the most moving things was a statement made by Christiana who said to us when we were talking about why would someone want to stay here in this country? Why would someone want to stay here when they are faced with the kind of oppression that she deals with.

She told us about her father, her father who had, as I said earlier, been assassinated most believe by the Somozans because he was trying to get the message of oppression out to the people, and what we found was she spoke English, but she preferred to give this statement to us in Spanish, and through the translator she said:

My father taught us that we are the owners of our own fear.

That is the way the translation came through. Most of us inferred from that that the basic statement that she was making is that we are the masters of our own fear, and there was a tremendous strength and resolve knowing how she loved this country and the people who were continuing to fight for that original stated goal back in 1979 are loving the country and wanting desperately to see it come about. She has borne the brunt of the Sandinista regime.

In fact, one of her colleagues, Carlos Ramirez, sat there and looked up and at one point we asked him "What is it that had been done against you?" He said that he had been kidnaped, that he had been pulled out of his automobile and beaten. In other words, people associated with La Prensa continue to face even physical harm from the Government because they are sending this message out to 70,000 people at least as they have a cap on the number of papers they can print. It is 70,000 papers, and as the staff of the editorial board told us, of course every single one of those papers is immediately sold. Why? Because the people desperately want what truly is respected as the great voice of reason and balance in the region.

We had a number of very emotional meetings. In that La Prensa meeting they talked about continued censorship and we heard about the electronic media, the great wave throughout the United States and the free world has been great. People are able to witness all kinds of developments through the electronic media.

□ 2150

Well, we have heard repeatedly about how repressive the Somoza regime was. I think it is important, Mr. Speaker, that our colleagues know that under the Somoza regime there were 50 radio stations which had a wide range of messages that were broadcast throughout the country. Under the Somoza regime there were three television stations, two of them independent, one government station and two independent television stations.

Under the Sandinistas, there is one radio station and one television station, both of which offer the simple government message to the people, the message of the greatness of communism, and that is all that goes out over and over again.

There is no voice, and as I said earlier, there is a very strong attempt being made by the Catholic church to get back on the air, the church radio station. Not only have the Sandinistas pulled that radio station off the air, but as I pointed out, the lead article in La Prensa which talked about the attempt to get the Catholic radio station back on the air has in fact been censored, along with any article written about that great and courageous Cardinal, Obando y Bravo, whom the President mentioned in his address the other night.

I am very pleased that one of my colleagues who was part of that very important nine member delegation, which I said at the outset was intended to be a bipartisan trip, and while I enjoy traveling with Republicans, I would have certainly welcomed Democrats on the trip, but one of our Republicans, one of our colleagues who represents Houston, TX, a new Member, has joined me on the floor and I know would like to make some comments about that trip, as it was for him, too, the first trip to Nicaragua.

Mr. DELAY. Mr. Speaker, will the gentleman yield?

Mr. DREIER of California. I am happy to yield to my friend, the gentleman from Texas.

Mr. DELAY. Mr. Speaker, I thank the gentleman for yielding. I really appreciate the gentleman taking this special order to try to tell the Members of this House and the American people what we saw in Managua.

As the gentleman has so ably pointed out, our trip to the La Prensa newspaper and showed some of the censored articles, I have with me the articles that are censored also, but in the government documents of censorship and these documents are signed by the member of the Ministry of the Interior listing those articles that were censored.

Mr. DREIER of California. Tomas Borge.

Mr. DELAY. That is right, Tomas Borge. These were censored.

I think the gentleman would be interested to know what some of these articles that were censored say. Now these are in Spanish and I had to translate them with my primitive Spanish capabilities.

Mr. DREIER of California. We are all very impressed with the gentleman's Spanish, as was demonstrated for us down in Nicaragua.

Mr. DELAY. I appreciate that, but these articles show I think very graphically, the articles that were censored show graphically what is happening in Managua and in Nicaragua and if the people of Nicaragua could see what is happening through a free press, I think we would not even be here debating this issue of giving aid to the freedom fighters; but right on the front page of this particular day that was censored, March 12 by the way, last week, these are the articles that were censored, there is an article that is entitled "When the Military Raided Their House and Machine Gunned a Family," that is what this says, they machinegunned a family in Nicaragua, and it says, "Three evangelical family members, a lady and her underaged son were machinegunned down by 20 military Sandinistas." They were at their house praying at 7 o'clock the night of the 28th of February.

Mr. DREIER of California. That would be of course the reason they were machinegunned down, because they were on their knees praying.

Mr. DELAY. That is exactly right, and it points out where it happened, in Las Carpas, Rancho Grande, of this jurisdiction.

The rural evangelical Matilde Ochoa Vilchez and her sons Tito and Lazaro were assassinated while Mrs. Fidelo Martinez, wife and mother, respectively, of the three dead, was gravely wounded, together with another child of her's. The mother and child are hospitalized and the attackers that came to their aid because their victims were anti-Sandinista collaborators.

Like we have said before, these are articles that were censored.

Now, it is interesting to note in another day that was censored, and it points out another article, these were the articles censored on the 11th of March, there is an article right here entitled "Nicaragua is urged to adopt disarmament by the Contadora."

It goes on to say that Nicaragua was urged today—and by the way, this is a DPA article.

Mr. DREIER of California. So what the gentleman is telling us then is that the encouragement for disarmament of Nicaragua by the Contadora group was in no way communicated whatsoever to the people of Nicaragua.

Mr. DELAY. That is absolutely right. It says:

Nicaragua was urged today to set aside its obstinance and accept the latest proposal to disarm by the Contadora group and in this manner assist the establishing of a constructive peace in Central America.

That is an article in La Prensa in Managua.

Mr. DREIER of California. I think it was also very interesting to note that the day we were there, Friday, March 14, was to the day the fourth anniversary of censorship being imposed by the Sandinistas on the people of Nicaragua and specifically on La Prensa.

Mr. DELAY. Is it not incredible that a country that does have a free press can point out the abuses of its government, even here in the United States, but in this case, and here is another article right here, "Baldizon Denuncia Trafico de Drogas," and what that says is, "Baldizon Denounces Drug Trafficking," and this is an AP story carried by La Prensa and the translation of this article very quickly is:

An Anti and Ex-Functionary of the Nicaraguan government said today in Congress that various members of his government have for sometime been involved in the contraband of cocaine from South America to the United States.

Jose Alvaro Baldizon Aviles, ex-special investigator for the Ministry of the Interior of Nicaragua said that the drug traffic; was controlled by Tomas Borge, Minister of Interior, and the chief of police of Nicaragua.

Mr. DREIER of California. I thank the gentleman for his fine contribution.

I am trying to go through our schedule at this point and talk about our program during the day that we were there. I thought it important that we cover not only the La Prensa meeting, but go through some of the other detailed meetings, and the gentleman is more than welcome to jump in at any time to comment on some of these items.

I see the leader of our delegation has entered the Chamber. I have just completed a detailed explanation of our meeting to that wonderful voice of reason, La Prensa. The gentleman worked very hard putting the trip together and served as the lead member of what became known as Codel-Walker, and I am happy to yield now to my distinguished friend, the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I appreciate the gentleman yielding. I appreciate the gentleman taking this time.

As the gentleman may know, earlier this evening I did put into the RECORD the entire brief on our trip that was prepared by the individual Members, the gentleman from California [Mr. DREIER] and the gentleman from Texas [Mr. DELAY] included. I hope that tomorrow the Members will have an opportunity to look in detail at some of the things that we saw and heard there as a result of putting together that report.

I think taking a few minutes as the gentleman is this evening to kind of describe it in detail is very important.

I thought the one thing I would like to reflect on for a moment is something that is almost a humorous incident that took place there, that we thought was rather significant, and that was in our meeting with the Vice President of Nicaragua, Sergio Ramirez. At one point one of our members of our delegation got him talking about elections and Mr. Ramirez indicated that indeed he understood elections and that his term was up in 1991. There was all of a sudden some scurrying around the table near him and so on as his aides began talking among each other and one of them whispered to him and he finally said, "Oh, let me correct that. My term is up in 1990."

It struck us at that moment as rather humorous, because there is no truly elected politician anywhere in the world who does not know the hour and the day that his term is up.

Mr. DREIER of California. That clearly demonstrates what a fraud that 1984 election was. Many of us have been saying it here, but there is no doubt whatsoever in our minds that if the vice president of a country is off by a year in determining when his term is to expire, it is clear that it is an insignificant date to him, because it is obvious that tyrannical rule is scheduled to continue.

Mr. WALKER. Well, the gentleman is absolutely correct. It was obvious that the second in command in the Government in Nicaragua was not particularly worried about when he might have to face the voters the next time. It is obvious that their only concern is how to hold onto power, the same way they came to power, and that is at the barrel of a gun.

So I think that we have seen firsthand that tyranny is precisely what is going on in Nicaragua. They have no hesitancy to describe themselves as Marxist-Leninist Communists.

Mr. DREIER of California. Although the Vice President at our meeting tried to claim that they were a democracy.

Mr. WALKER. Oh, yes. Well, that is the thing which is confusing, I think, to many Americans. Many Americans go down and hear them use that kind of language.

Mr. DREIER of California. Yet his colleague who refused for some reason to show up for our meeting had just returned from a meeting of the 27th Congress of the Communist Party in Moscow. I think it is important to point out that we were extraordinarily concerned about that, because the Vice President, Acting President Sergio Ramirez, said to us that they were in fact no way allied with the Soviet Union. To us it was very clear that they had blatantly violated that original goal of the Sandinistas to overthrow the Somoza government back in 1979, yet when they had one of their top officials, one of the nine comandantes, a member of that nine-member directorate attending that meeting in Moscow, I see no better evidence that they are clearly allied with the Soviet Union.

Mr. HUNTER. Mr. Speaker, will the gentleman yield?

Mr. DREIER of California. I am happy to yield to my very good friend, the gentleman from San Diego, CA.

Mr. HUNTER. Mr Speaker, I appreciate the gentleman yielding. I want to thank my friends who took this trip. I think it was extremely important to take it at this time, to the visibility that was given, to the realities of that Government in Managua was extremely important for the country.

I am reminded of the statements by Arturo Cruz, who was the presidential candidate, the independent candidate who ran against the Communist candidate in Nicaragua, and his comments about the fairness of that election. He stated that time after time wherever he went he was faced by armed mobs that were put up to this by the Sandinistas, who, to quote him, spat on him, hit him in the face with rocks and pulled his hair.

It is no wonder that he got out of the race, had to withdraw from the race, because the Sandinistas had no intention to give him a fair race.

I am reminded also of the statement by Mr. Ortega who told his friends when they had to have this election, he said:

> Let me remind you that the purpose of this election is to hold on to revolutionary power, not to lose it.

It is obvious that the only reason they held those elections was to appear legitimate in the eyes of the world.

Biardo Arce, one of the nine comandantes, put it very well in a secret communication when he said, "The reason we have to do this is to appear to be legal."

He said, "We are going to be like the couple that has been living together and now we are legalized and it is going to make things a lot easier for us."

Mr. DREIER of California. It was Commandante Arce who was scheduled to meet with us. We of course were going to challenge him because he was the comandante who was in Moscow at the meeting of the 27th Congress.

Mr. HUNTER. Let me tell my friend that maybe it was very fortunate that he did not meet with Comandante Arce, because Nelson Perez, who was a Managua taxicab driver, according to the Human Rights Commission, made the mistake of appearing at a meeting in which Comandante Arce appeared and his last public act before the word was sent to his widow that he died of a sudden heart attack was booing Comandant Arce. He was arrested later that night by uniformed Sandinstas and three days later he was told, and pardon me, I have to correct that, he was not told, the widow was not told by the Sandinistas that he died of a heart attack. They were told, or she was told that he unfortunatley attempted to escape and had to be shot.

□ 2205

His crime was booing the comandante at a union meeting for taxicab drivers.

So knowing my friend's feelings toward this Communist government, maybe it is a good thing that Comandante Arce was not there, because a few harsh words toward him might mean we would have one less vote or maybe several less votes.

Mr. DREIER of California. Possibly nine less.

Mr. HUNTER. Tomorrow or the next day.

Mr. DREIER of California. I think that is a very good point to make. In light of that point, I think it is very important we shift to the second meeting we had which was with the local permanent commission on human rights, the only truly independent commission. Why do I say it is important for us to shift to that? Well, because we consistently hear, mostly from this side of the aisle, about the blatant violations to human rights being perpetrated by the Contras. We hear that the Contras have a pattern of shooting men and raping women and, in fact, the Sandinistas, while they may be guilty of irregularities, it is nothing more than that. I think it is important to give a little report on the meeting that we had with that human rights commission.

Mr. WALKER. Will the gentleman yield to me?

Mr. DREIER of California. I am happy to yield to the gentleman from Pennsylvania.

Mr. WALKER. I think it is important to some extent to establish the credibility of the commission you are about to talk about.

Mr. DREIER of California. That is exactly what I was prepared to do.

Mr. WALKER. Because when I got home, I found a couple of my well-intentioned constituents who have been to Nicaragua and feel that they know the situation down there are claiming that the Permanent Commission on Human Rights is a CIA-funded operation in Nicaragua.

Mr. DREIER of California. It was made very clear to us that all of the funding for that Permanent Human Rights Commission comes from within Nicaragua, from the people of Nicaragua. They laid that out for us.

The other item which demonstrates their credibility in an unbelievable way is that they were initiated not 4 or 5 years ago under the Sandinista regime but, in fact, 9 years ago in 1977

when they were complaining and trying to take actions against the very blatant and gross violations of human rights being perpetrated by the Anastasio Somoza regime. It was very clear that they had helped and aided prisoner Tomas Borge back in the late 1970's, and here they are today continuing that same effort, reporting to us that the human rights violations under the Somoza regime, while horrible, pale to the kinds of human rights violations that we are seeing under the Sandinistas regime.

The also made it very clear to us that the prison system has become much, much worse today then it ever was under Anastasio Somoza. They used to have bars on the doors that would provide people at least some semblance of an ability to communicate. Yet today the doors are metal and dark. It was a joke, a tragic joke when Vice President Ramirez informed us that they had model prisons. From what we heard from this truly independent human rights commission, the prisons are worse than they could ever imagine with as many as 2,000 people in a prison designed to hold only 500, no sanitary facilities whatsoever, and ventilation which only comes through a pipe going up to the ceiling. It is very obvious that this human rights commission is one which does focus attention on human rights violations being perpetrated not only by the Sandinistas, but also by the Contras.

What did they say to us?

Mr. DELAY. Mr. Speaker, will the gentleman yield to me?

Mr. DREIER of California. I am happy to yield to the gentleman from Texas.

Mr. DELAY. I am sorry to interrupt the gentleman, but I think that we really need to expand on what a prison is, because sometimes to the people of the United States when you say prison, they think of an American prison.

Mr. DRIER of California. I want to reclaim my time, and I very much want to get into the details of the prison system, but I think first it is very important that we get back to this question, which I will do very briefly, and then I will be happy to yield to my friend from Texas about this situation which exists on the Contra violations of human rights. This truly independent human rights commission pointed out to us that yes, there have been human rights violations perpetrated by the Contras, and yes, years ago ranchers in the northern part of the country had a pattern of going in and yes, raping women and shooting men. But what they said to us, and the chairman of our delegation I know remembers this very well, what they said to us is that under the Sandinista regime, the reports which have come out from the government human rights organization is that when the Contras are perpetrating human rights violations, they are referred to as atrocities. That is what is reported, not only by the Sandinista government, but by the media in the United States of America and throughout the free world. He said that when the Sandinistas perpetrate human rights violations they are, in fact, only irregularities. What they then said to us is that it is basically the reverse.

We are not saying that the Contras are angels. But what we are saying, based on this human rights commission which has provided us with a full and very clear report and credibility, based on the fact that they are getting their funding from within Nicaragua, and based on the fact that they have been concerned about human rights violations since before Anastasio Somoza was overthrown, they made it very clear to us that the concern is that the Contras' human rights violations have been dramatically reduced, whereas the Sandinista human rights violations have been on the increase.

We had a great many problems in dealing with the prison question, and I know that my good friend from Texas has a very great interest in expanding on that, as this has in effect become his specialty. So I am more than happy, and was sorry to reclaim my time but I thought it was very important that we demonstrate the credibility of the human rights commission.

Mr. DELAY. If the gentleman will yield, I appreciate the gentleman reclaiming his time for that statement because his statement is absolutely important in pointing out the human rights violations of the Communist government in Nicaragua. But there are some details in his eloquence that were left out that I think are vitally important.

No. 1, when Americans think of prisons, they think of American prisons. The gentleman said that in this case the prisons in Nicaragua, and I think it is interesting to note that Somoza, the bad man Somoza, who was bad, by the way, had only two prisons in all of Nicaragua, and the one prison that they did have was a Federal prison and now has been increased in size by three times by the Communist government in Nicaragua. Not only that, they have built 8 more State security prisons, and 11 Federal prisons, so we have 20 prisons in a nation of 2½ to 3 million people, the size of the Houston-Galveston metroplex in Texas, 20 prisons not counting every city has 1 jail in Nicaragua. But these prisons, as the gentleman pointed out, were remodeled, not for the benefit of the inmates in these prisons, but were remodeled by taking the bars off the doors and putting metal doors on the cells. There are no lights in the cells, and the ventilation, as the gentleman pointed out, is a pipe through the ceiling. No plumbing whatsoever so that the inmates are turned out into the yard three times a day to take care of their personal needs, go to the bathroom and whatever. The water is turned on for 15 minutes once a day to get water and to take care of any bathing that they can possibly do by getting the water and bathing in 15 minutes.

These are horrendous conditions, and there are 20, 20 prisons in a nation of 2½ to 3 million people.

Mr. RITTER. Mr. Speaker, will the gentleman yield?

Mr. DREIER of California. I am happy to yield to my good friend, the gentleman from Pennsylvania [Mr. RITTER].

□ 2215

Mr. RITTER. On this very same subject, there are between 11,000 and 13,000 political prisoners in Nicaragua. This is by a landslide the largest number of political prisoners in the Western Hemisphere. They have to build all of these new prisons in order to house all the political prisoners.

Now, Chile, which has a rightwing dictatorship has half or less the political prisoners that are in Nicaragua, and Nicaragua has one quarter of the population of Chile, and it just goes to show how active they are in putting away their dissenters.

The irony is that the country is dirt poor, that the people are dirt poor, that in the years the Sandinistas have been in power, inflation has progressed at hundreds of percent a year. The economy, the bottom of the economy has dropped out. People do not have work; people do not have jobs.

Mr. DREIER of California. This evening we saw on the evening news a report on CBS which was unbelievable; about the inflation rate to which the gentleman alluded. It has skyrocketed, and there were photographs of the grocery stores: empty shelves, it was impossible to in any way purchase eggs and the price of meat had dramatically increased.

Mr. RITTER. The irony is, with that going on, they are building these prisons apace.

Now, we saw aerial photographs of these prisons, and I presented these aerial photographs in a special order the other evening, and these are quality large-scale construction projects that tap the very lifeblood of this starving, poverty-stricken nation to build prisons to put political prisoners in while the people do not have enough to eat.

Mr. DREIER of California. Maybe that is the reason tha acting President/Vice President Sergio Ramirez told us when we posted the question to him "What about this tremendous expansion of prisons?" He said there was no expansion of prisons, first, and

maybe that is the reason he said that they have model prisons. He used the term "model prisons" with us in our meeting, and maybe it is the fact that they are among the newest prisons, because of the expansion effort that he has going.

I am happy to yield to my friend from Texas.

Mr. DELAY. If the gentleman will yield, I will tell you about their model prisons that they parade people that come down to look at Nicaragua, about what a great government they are; and there are many people that do that, especially on the religious left; that come down for a week, go through the Communist government's program.

There are two prisons that quite frankly could be called model prisons. The inmates in these prisons are inmates that are brought from the other prisons there are inmates that have informed for the Sandinistas, that are there because of good behavior, and for one thing or another, are brought there; and when these delegations are paraded before them, and other reports, frankly, the Wesley report has shown that they bought them new baseball uniforms; they put them in baseball uniforms, had them out there playing baseball before the delegations got there; the delegations take pictures of these happy prisoners playing baseball. Once the delegation has gone, they pull them back into the cells, take off the uniforms, and they are back in their normal conditions.

I guess that is called a model prison. They also put on shows and picnics, and they sing for the delegations——

Mr. DREIER of California. That clearly demonstrates why Vice President Ramirez, when we asked him if we could go and see one of those prisons, he responded by saying: "It wouldn't be convenient now." They obviously have to go through the process of bringing out the baseballs and getting the people outside—and if on short notice we were to go out there, we would see the situation as it really exists.

I am happy to continue to yield to my friend from Texas [Mr. DELAY].

Mr. DELAY. He also promised that if we cared to do so, we could come back, on our own time, at our own schedule, and get in our own car with our own pictures and our own maps and travel anywhere in the country—this open country he is talking about—and look at these so-called prisons that we talk about that he denies that are there.

We could even go to El Bluff, the deepwater port that is being built by the Soviets and Bulgarians—that he denied that was there. We can do all these things because he knows we would be embarassed because we could not find these prisons.

It is going to be interesting, because I am going back—if he will let me—and I am going to look for those prisons, and I am going to El Bluff and I am going to Punto Juerte, the airfield that is to house the bombers and fighters that are coming in by the—sent by the Soviets.

Mr. DREIER of California. And the gentleman knows full well who will be traveling with him.

Mr. DELAY. The gentleman from California, and probably this gentleman from California, and hopefully the gentleman from Pennsylvania and the gentleman from California [Mr. DORNAN], and I hope we will have a delegation. Perhaps the gentleman from Texas [Mr. BUSTAMANTE] sitting in the chair would come with us also.

Mr. RITTER. Will the gentleman in the well yield?

Mr. DREIER of California. I am happy to yield to my friend from Pennsylvania.

Mr. RITTER. It is interesting, this technique of creating this model situation for visitors. There is nothing new in this. The Soviets, in the 1930's, in welcoming visitors from Western countries would do this at their gulag camps; they would do this at their concentration camps.

They would fatten up the inmates for 2 or 3 weeks; they would get them haircuts and give them shaves and get them clothing and put on a real show. As soon as the visitors left, as soon as the visitors left they would go back to the standard concentration camp, Soviet-style, called the gulag, and literally, you know, destroy the inmates.

I have a book here which is called "Nicaraguan Human Rights Abuses, an Update," and it is done by a man named Wesley Smith. It was published on February 18, 1986, and he talks about the human rights abuses and the incredible ill treatment in the prisons.

I guess my question to you is, "Why is it that we know so little in this debate, in the United States, about all the abuses of the Communist government in Nicaragua? Why is it that we hear so much about what the Contras did, but we never hear very much about what the Sandinistas are doing?"

Is it because the society is so closed and secret?

Mr. DREIER of California. Well, I think it is clear that with the exception of the local independent commission on human rights, the other human rights organizations, which are reporting to the United States and to the free world are in fact controlled by the Sandinista government. There is no doubt in my mind whatsoever that there are violations by the Contras; and we cannot ignore them. That is why I believe it is important that we focus attention on the issue, because this one truly independent human rights organization, which has been concerned about human rights since the days of Anatole Somoza, is saying that the human rights violations of the Contras now are significantly reduced juxtaposed to those being perpetrated by the Contras.

So you are absolutely right; the gentleman is correct in stating—and I would like to congratulate the gentleman for all of his efforts. I have seen him take the well for the last several days, addressing this issue, and it is important that we focus attention on this so that our colleagues are elucidated and are well aware——

Mr. RITTER. I think the gentleman makes a very good point. So much of the flow of information out of Nicaragua is controlled by the government. So you have La Prensa, which the gentleman talked about earlier, in a position to barely utter an uncensored peep, as the only viable Nicaraguan source of information, and you have the Communist government in control of newspapers, in control of radio, in control of television, in control of a disinformation scheme which involves the Cubans and the Soviets and their allies worldwide.

I believe this is probably part of the reason why in general the American people are not quite aware just how bad these Sandinista Communists are, just how dangerous a threat they pose to their neighbors and really to the long-term safety of the people of the United States.

Mr. DREIER of California. I thank the gentleman for his very fine contribution, and I would like to ask the gentleman from Texas a couple of questions about our trip, which I think are very important for us to point out to our colleagues.

First of all, I showed earlier a photograph of the La Prensa issue which referred to the attempts being made by the Catholic Church to get their radio station back on the air.

I wonder if the gentleman might repeat for us the information about previous radio stations under the Somoza regime compared with the situation as it exists today.

Mr. DELAY. I think it is interesting to note, and I thank the gentleman for yielding, that under Somoza, a regime that we all abhor and do not support, under this so-called regime, at that time there were 50 independent radio stations, and 3, I believe, TV stations.

At the present time——

Mr. DREIER of California. Excuse me, just to correct the record, there were a total of 50 radio stations and a total of 3 television stations there. Of course, included in those numbers was the government radio station and the government television station; two of those three television stations were independent.

□ 2225

Mr. DELAY. That is exactly right. Right now today there are two govern-

ment television stations and one government radio station under the Communist government in Nicaragua.

The Catholic radio station back in I think it was—and correct me if I am wrong—September, just because Cardinal Obando y Bravo made the statement that the greatest gift to man that God has given is freedom, and he made that statement in his homily, the radio station was shut down for 3 days.

Mr. DREIER of California. Actually it was January 1, 1986, January 1 of this year that the radio station was taken off the air.

Mr. DELAY. But in the case I am describing, leading up to January 1, the radio station was closed down for 3 days because Cardinal Obando y Bravo made that one little statement that made it look like he was for freedom and the Sandinistas were not for freedom. Then on January 1, as the gentleman explained, the Catholic radio station was closed, the newsletter put out by the Catholic Church——

Mr. DREIER of California. La Iglesia.

Mr. DELAY. Was forbidden to be put to the Catholics. We will get to Obando y Bravo I hope along with your description of the stops that we made.

Mr. DREIER of California. It is important to point out, since we are specifically referring to the electronic media, one of the most unbelievable things that they did. We sat in our meeting with Cardinal Obando y Bravo, whom the President referred to in his very eloquent address to the American people Sunday night, we talked to him for 10 or 15 minutes. There was a very quiet padre sitting right next to him. Very little was said. Then all of a sudden our colleague from California, Congressman DORNAN, said, "Well, tell us about the incident where the father had been stripped of his clothes and taken in the streets."

Cardinal Obando y Bravo lifted his left hand and pointed and said, "Here is Father Bismarck Carbello," who, in fact, was the father who was stripped of his clothes and paraded down the streets of Managua and film coverage was being made by the television station and that television station was carrying this message to the people of Nicaragua in an attempt to discredit the church. Very simply what happened was the father was called on a mission to a home. When he got there he was stripped of his clothing and taken out into the streets and the report on the television was that they had found Father Bismarck Carbello having an affair with a woman and they dragged him out in an attempt to show that those vows that he had taken were meaningless and that was their attempt to totally discredit the church.

Mr. RITTER. Could I ask the gentleman in the well a question? Why is it that the Sandinista Communists are so repressive of the Catholic Church? Why is it that they go to such great lengths to repress the Catholic Church?

Mr. DREIER of California. As we all know with an 85-percent Catholic nation, which Nicaragua is, it is very difficult for them because religious freedom is something that people throughout the world are continuing to seek, as we all know, and what has happened here is with so many Roman Catholics in this country it is absolutely essential that they do everything that they can to stave off that kind of freedom because they know that freedom of expression is a real threat to their repressive tyrannical regime.

Mr. RITTER. I think they may have witnessed what happened in Poland with Solidarity, with the Catholic Church taking the part of the oppressed people and became, at one point, a counter to the Communist regime. Communism, I think, finds great difficulty with religious belief because they want the people to have only one god and that is the god of the state. And that does conflict with the god of a particular religion.

I thank the gentleman.

Mr. DREIR of California. I thank my friend for his contribution. I am again happy to yield to the distinguished gentleman from California.

Mr. HUNTER. Very pleased again to listen to the facts that you brought back from your mission to Nicaragua. I recall and understand that when La Inglesia was printed and was readied for distribution, and that is the church newspaper, on I believe it was October 22 of last year, and the truck left the church headquarters where the printing equipment was——

Mr. DREIER of California. October 12.

Mr. HUNTER. I stand corrected. It left the headquarters and started to distribute the church newspaper at the various churches. It was stopped by the Sandinista secret police and they forced the driver to retrace his route and pick up the church newspaper at each stop where they had delivered them until they finally got back to the church, and at that point armed secret policemen came in and confiscated the actual printing equipment and that was the last time that La Inglesia has operated, in fact was even printed. Is that accurate?

Mr. DREIER of California. That is exactly right. It is a very tragic loss to the people who are striving to get that kind of information.

Mr. HUNTER. Let me ask the gentleman this question, I think it is something that bothers a lot of us who have seen these facts. Again I do not see anybody on the Democratic side when we debate these in open session—our friends on the other side of the aisle are not here right now, but they will have a chance tomorrow. But nobody disputes those facts. Nobody disputes the fact that they took one of the bishops from a Catholic Church and threw him out naked in the streets and paraded him before pre-positioned television cameras, nobody disputes the fact that they have censored Archbishop Obando y Bravo or that they censored the church, they censored the masses that he gave, and they have closed down the Catholic newspaper and confiscated the presses. Yet today you see a number of Catholic people in this country and Catholic priests, members of the clergy saying that the problem is our fault in Nicaragua and that we should stop "oppressing the people of Nicaragua."

Mr. DREIER of California. The gentleman is absolutely right. It is a very important point to make. Why? Because, I am not Roman Catholic, but I understand within the church there is a term known as "collegiality." What does that term "collegiality" mean in the Roman Catholic Church? It means the church leaders from throughout the world have a responsibility to rely on the highest-ranking church leader within that country facing the problem. Cardinal Obando y Bravo is without doubt the highest-ranking church official there and his message is clearly different than the message we continue to hear from throughout this country from so many church leaders.

Mr. HUNTER. Do you think the church leaders in this country know that Father Carbello was thrown out naked in the streets? Do they know La Inglesia was closed down, that Cardinal Obando y Bravo was censored? Do they know that they mocked the Pope on his visit with the use of very strategically placed microphones during the mass he attempted to give?

Mr. DREIER of California. If the American people will read the CONGRESSIONAL RECORD tomorrow they will very clearly see your account and very eloquent outline of those tragic details.

Mr. HUNTER. I thank the gentleman and my colleague for going down and taking this trip because I think the problem has been that the American people do not know those facts.

Mr. DREIER of California. You know it is an interesting commentary to make, that we were criticized, in fact one reporter as we were getting ready to leave at the airport said, "Aren't the terms 'factfinding' and '1-day mission' contradictory?" Many people believed as I said at the opening of this special order, there is no way that we with a 1½-day mission to Nicaragua can become experts on the area. But in fact when one looks at June 1944 there was a very important day there, known as "the longest day."

I have learned a lot of things in my life in 1 day. I offered that as a response.

No, we are not experts, we have not have been there as long as others have. But we had a wide range of meetings, we met with government officials, we met, yes, with the opposition, but we also met with Americans like Gary Merrill, the actor, the actor who was with Witnesses for Peace. The gentleman from Texas and I had a chance to speak with him when we were there in the country. So in that 1 day we in fact packaged a lot of meetings starting at 5 o'clock in the morning when we prepared to leave here and until very late at night with business leaders who were talking about confiscation of property and problems that are reprehensible there.

I yield to my friend from Pennsylvania.

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Mr. RITTER. I thank the gentleman.

I just want to go back to the Cardinal Obando y Bravo. Cardinal Obando y Bravo was an opponent of the Somoza regime, and he was termed Papa Roja, the Red Pope, by Somoza. So Cardinal Obando y Bravo was a democrat.

The problem down there is all democrats, whether they be in the organized democratic resistance or the organized, what is left of it, the vestiges of some of the democratic political parties, or whether they be in free trade unions, or whether they be in the economic sense in the kind of business community that we talk about, these elements of society have been institutionally demolished by what is a growing, expanding totalitarian central government, really modeled on the Soviet Union and Cuba.

I was in Nicaragua, in all of Central America, and Cuba in July. I went on a trip with the Intelligence Committee. There is one thing you know when you cross the border into a Communist country just from being around the people, whether they are those in charge or whether they are those who are repressed. You know that you are in a Communist country because you can feel it. You can feel it in your gut. You can feel it in your heart. It is like when you cross Checkpoint Charlie into East Berlin. It is like another world.

Mr. DREIER of California. It is a very emotional experience. I have felt it only twice, the most recent time was, of course, last weekend. I felt it before when I was in Hanoi, and it is literally mind-boggling when you go in and see the kinds of problems that exist.

Mr. RITTER. If the gentleman will yield further, I lived for 1 year in the Soviet Union. I speak fluent Russian. It is so striking that the Communist all over the world have this likeness to the gray, repressive kind of fearsome feeling that you get when you are in the Soviet Union. Cuba has it, too.

The irony is that the Communists say they are going to bring a better life to the people, and they further impoverish the people as they have done in Nicaragua.

When we were in Nicaragua, nothing worked. Everything was falling apart. The people were gray and kind of sullen. As I understand it, in the last 6 months, things have gotten markedly worse, since July. And then you ask the question: How far down do the things go before something happens? I guess this is a very, very critical point. If things are so bad there, yet the repression is so strong, it must mean that there is a potential for a mass rising against this Communist government if the opportunity existed.

Mr. DREIER of California. There is no doubt whatsoever.

Going back to what I had counted on seeing on the evening news on the major networks, the economic situation there—and I think it is important to point out, too, that the opening statement made to us as we sat down, which sort of threw us all back into our chairs, as the gentleman from Texas I know remembers, from Cardinal Obando y Bravo was, "Our economy is destroyed." That was the opening statement made by the cardinal.

As the gentleman from Pennsylvania points out very well, if the ceremony is destroyed, what better basis is there without any kind of hope of a next meal or a roof over one's head, that is certainly the basis for an uprising.

Mr. RITTER. If the gentleman will yield further, I think we all need to understand that just a decayed system, just a destroyed economy, just an impoverished people do not throw off the chains of Communist oppression. We have seen it in Poland. Solidarity was 10 million strong. They have done some polling in Poland, and they found that there is some 2 percent of the people, that is 2 out of 100 percent, support the regime. Yet the regime is still in power because they are the only ones that have the guns.

Mr. DREIER of California. I would like to say as this special order draws to a close that it is very important for us to focus attention on what is going to be considered right here in this House of Representatives Thursday afternoon. That is that the President, for a very important reason, went on the television Sunday evening, and that is because he is asking the American people to contact our colleagues in this Congress, Members of the House of Representatives, and Members of the other body, to urge them to support this package.

Before the gentleman from California leaves the Chamber, I would like the gentleman to outline for us why he believes it is important that the people who are in this country looking at this issue do contact their Representatives.

THE BIOTECHNOLOGY SCIENCE COORDINATION ACT OF 1986

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. FUQUA] is recognized for 20 minutes.

Mr. FUQUA. Mr. Speaker, I am introducing today a bill to coordinate the Federal Government's review of the release into the environment, use in manufacturing, and distribution in commerce, of genetically engineered organisms. This bill, entitled "The Biotechnology Science Coordination Act of 1986," requires EPA or USDA approval before these organisms can be released, used or distributed outside of containment areas or laboratories.

The international race in biotechnology is on. The participants in this race realize that the promise biotechnology products hold for agriculture, medicine, hazardous waste treatment and many other fields portends great economic benefits for the producers of these products. But this race does not and should not belong only to the swift—it must belong to the swift and safe. And that is what this bill is intended to ensure. This legislation is intended to encourage the successful growth of the biotechnology industry in this country by allowing safe biotechnology products to travel a clear and certain path from the laboratory to the marketplace.

We in Congress have the responsibility to provide a fair, predictable and informed regulatory system in the area of biotechnology. Recent lawsuits aimed at slowing or stopping the utilization of genetically engineered products shows that success in this field is hardly a matter of mere technical know-how. Rather, it is a matter of winning and sustaining public confidence that this new technology can be safely used to enhance, not endanger, our lives and our environment. To create and keep this confidence, we must ensure, each step along the way, that we are doing all we can to balance the enormous promise of biotechnology with the unique risks this technology may pose.

There are those who argue that Federal regulation of biotechnology will hinder America's ability to compete internationally, and that the products of biotechnology should be approached in the same manner as the products of other processes. But the ability of the biotechnology process to alter the genetic nature of living things makes it inevitable that this process will not be treated as just another technology. The American public will expect proof, not mere assurance, that this new technology can be safely used in the environment.

We are on the threshold of an explosion in the use of genetically engineered products. For that reason, the Science and Technology Committee commissioned a study from the General Accounting Office to determine the extent to which the Department of Agriculture was funding research in biotechnology, which might lead to the release into the environment of genetically engineered organisms.

The GAO report revealed that there are at least 87 USDA-funded biotechnology projects, which will involve the intentional release of genetically engineered products, and the majority of these releases will occur in the next 5 years. In only three of the projects was risk assessment part of the study. Concerned about how the Federal Government would cope with the volume of releases, the Investigations and Oversight Subcommittee of the Committee on Science and Technology held a hearing last December to examine the Federal Government's preparedness to regulate the deliberate release of genetically engineered organisms. Testimony at the hearing revealed that USDA does not require formal review and approval of the deliberate release of certain genetically engineered organisms.

EPA officials testified regarding EPA's recent approval of the first ever deliberate release of a genetically engineered organism. EPA assured the subcommittee that it could regulate the release of genetically engineered organisms under existing statutes as interpreted by interim policy guidelines.

But testimony at the hearing made it clear that there is no uniform, well-considered Federal policy toward the deliberate release of genetically engineered organisms. Instead, the agencies are relying on a piecemeal approach that uses existing statutes not written with genetically engineered organisms in mind.

The absence of a policy was especially troublesome to representatives of the biotechnology industry.

Industry witnesses forcefully pointed out that other nations, especially Japan, are proceeding at full speed in biotechnology, while industry in this country waits for each individual Federal agency to decide just what biotechnology is and how it should be regulated. One company which had developed a disease-resistant strain of tobacco waited nearly 3 years for approval of an outdoor experiment while Government agencies debated over who should review the request for approval.

The subcommittee's December hearing pointed out that the absence of a clear Federal role would continue to hinder the growth of the American biotechnology industry. Conversely, coordinated and predictable Federal policy would add certainty to the regulatory process and build public confidence in the use of this technology.

Events since the December hearing have only reinforced the need for more effective Federal scrutiny of biotechnology. In February 1986, it was discovered that the site EPA had approved for the first field test of a genetically engineered organism was located in a residential neighborhood in Monterey County, CA. EPA, it was learned, had not visited the site of the field test. The company, for its part, had neglected to inform the local government or the local citizenry of its plans to conduct a field test in a residential neighborhood near thousands of people and food crops.

The Monterey County Board of Supervisors imposed a 45-day moratorium on the first field test experiment. This action by the citizens of Monterey County dispelled any doubts that may have existed that public confidence is a key ingredient in the success of biotechnology.

On March 4, 1986, the Investigations and Oversight Subcommittee held a hearing to examine allegations that the company which had received the first-ever approval to field test had deliberately released a genetically-engineered organism into the environment 9 months before EPA gave the company approval to do so. At the hearing, the company admitted that it had indeed conducted outdoor rooftop experiments, under the belief that the EPA interim policy allowed such tests. EPA expressed surprise and concern that this occurred. This and other testimony at the March hearing illustrated that events have already outpaced the ability of the various agencies to regulate biotechnology in their present piecemeal fashion.

The confusion surrounding this first release of a genetically-engineered organism shows why the public is viewing biotechnology and the Government's regulation of biotechnology with a cautious eye. Unless and until fears associated with biotechnology are seriously addressed by the Government and the industry, the benefits of biotechnology will not be fully tapped. The power of biotechnology to change our world creates responsibilities that cannot be overlooked or avoided.

The December and March hearings pointed out several reasons why we need the kind of review and regulations which the bill I am introducing today provides. First, there is a need to locate and draw on the scientific expertise already existing in the various agencies and thereby facilitate Federal review. Second, there is a need for basic research into the interaction of organisms in the environment so that we can develop a data base to support the regulation of biotechnology.

Finally, the December and March hearings showed that there is an undeniable need for the Federal Government to articulate a clear and predictable regulatory policy regarding biotechnology. This policy should include a clear delegation of regulatory authority among the various Federal agencies, a sure path for industry to follow in marketing a product, and reliable safeguards to protect the public and the environment from unsafe products.

The bill clarifies existing law and creates additional law, where necessary, to govern the introduction of genetically-engineered organisms into our world. It provides for research into the basic questions surrounding biotechnology and it relies on existing expertise to coordinate the science and technological approaches the Government will follow.

The bill approaches these goals in several ways. First, it creates a statutory Biotechnology Science Coordinating Committee under the Office of Science and Technology Policy. This committee will serve as a forum to address the scientific problems in assessing and managing the risks associated with biotechnology. It will promote uniformity in developing review procedures in the various agencies that will regulate the release, use and distribution of genetically-engineered products. In addition, this committee will have the authority to develop guidelines for good laboratory and good manufacturing practices in the biotechnology industry.

Second, this bill establishes a Biotechnology Science Research Program to promote cooperative research by the Government and the biotechnology industry. Under this program, the various Federal agencies will join together with private industry to fund basic research on fundamental biological issues that affect biotechnology. The research agenda established by Government and industry under this program will be designed to help close the gap between our ability to create genetically-engineered organisms and our ability to predict the nature of their interaction with the environment.

This Research Program will follow the model of the successful Health Effects Institute, a nonprofit corporation established in 1980 to conduct joint Government-industry sponsored scientific research as a basis for rational regulations under the Clean Air Act. The Biotechnology Science Research Program, like the Health Effects Institute, is intended to avoid the debate between Government and industry about the quality of basic research and data. It will be dedicated to the promotion of quality scientific research conducted under the supervision of a board of governors that is independent of both Government and industry. We anticipate that the Biotechnology Research Program will join the research interests and research dollars of both the public and private sectors under independent supervision and peer review to create a solid factual base for this new science of biotechnology.

For years, the National Toxicology Program has joined the interests and funds of various Federal agencies to further our knowledge about toxic chemicals. This precedent of internal Federal cooperation joined with the precedent of Government-industry cooperation under the Health Effects Institute provides a strong case for the implementation of the research program I am proposing in this bill.

In addition to its research component, this bill provides the framework for the regulation of the products of biotechnology. The bill amends the Toxic Substances Control Act to require EPA review and approval before genetically-engineered organisms can be released, used or distributed in the environment.

Permits will be required for initial use, expanded use, and commercial use of genetically, engineered organisms. This three-tiered system not only allows for risk assessment at different scales of use and under different conditions, but also creates a body of scientific information that will aid in future evaluations and risk assessment, The bill creates a special Biotechnology Advisory Panel within EPA. To review data submitted by applicants and to determine the proper scope and duration of each permit. This strengthening of TSCA is necessary to address the unique hazards posed by organisms which, unlike chemicals, have the capacity to reproduce and spread.

The bill creates within the USDA the same type of permitting system that it creates under TSCA. In this way, the bill draws on USDA's long-standing expertise in regulating whole plants, animals, and veterinary biologicals. USDA's existing authority to monitor and contain the movement and spread of plant pests and noxious weeds and to monitor the use of animal viruses, toxins and serums will be expanded to include biotechnology products as well.

This bill does not affect the existing authority of FDA in regulating biotechnology products nor does it change or lessen EPA's authority to control pesticides under FIFRA.

There is much to do, and it is my hope that this bill will spark discussion and constructive criticism. I welcome your comments and suggestions as well as those of industry, the public and scientists in this field.

PESTICIDE DATA COMPENSATION ISSUES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. BROWN] is recognized for 30 minutes.

Mr. BROWN of California. Mr. Speaker, today I have introduced legislation to deal with a nagging problem in our pesticide regulatory system. With hearings starting Wednesday on the Federal Insecticide, Fungicide, and Rodenticide Act [FIFRA], the pesticide regulatory statute, I feel that it is important to get the issue of data compensation on the table.

The first part of the bill deals with the problem of a company seeking to register or to add a new use to an already registered pesticide. FIFRA requires a registration application to be supported by adequate health and safety data on the chemical. The law allows the original applicant for a pesticide registration to control their data and requires subsequent applicants for registrations of that compound to make use of the original data. This requires a subsequent applicant to negotiate with the original registrant and to compensate them for the citing of this data.

This seems fair since this data is expensive to generate and the first developer of a pesticide should be fairly compensated for their effort. However, control of the data is, in effect, control of the market and subsequent registrants have had to pay dearly for use of the original data. These compensation agreements are also very time consuming and use scarce EPA resources to get settlements on a pesticide-by-pesticide basis.

What I am proposing is a fixed formula which would fairly compensate the original registrant without the time, delay, and extreme costs which have marked these settlements in the past. The formula would require the subsequent applicant to pay the cost of the data development, multiplied by the market share of the applicant—a minimum of 5 percent—with an additional factor to compensate the original data submitter for the development of the market.

The second part of the bill deals with the problem of generating additional data which EPA may require of pesticide registrants to support the continuation of a registration. In some cases, there are many registrants using a given chemical and all should share equitably in the cost of developing additional health and safety data. The bill which I introduced would require the registrants to form a task force with each of the participants paying an equal share of the first 25 percent of the data costs, up to a maximum initial contribution of $100,000. The balance of the cost would be divided based on the market share of the registrants, determined by an independent auditor, with a minimum market share of 5 percent assumed.

These are not the front-burner issues which have driven efforts at pesticide reform in recent years. Yet these are important issues which have held up progress on getting the needed health and safety data on pesticides and on providing alternative pesticides for farmers. These are also not new issues. We attempted to deal with them in 1982 when the House last considered FIFRA amendments.

My real hope is that the affected parties, the large pesticide manufacturers and the smaller producers, can get together and work out a solution which both can support. Absent that compromise, I feel compelled to go ahead and seek a solution as outlined below:

H.R. 4440

A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to provide for a fair and equitable manner of determining data compensation and sharing the costs of developing data required under the Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Insecticide, Fungicide, and Rodenticide Act Amendments of 1986."

SEC. 2. FORMULA FOR DETERMINING DATA COMPENSATION.

Section 3(c)(1)(D)(ii) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a(c)(1)(D)(ii)) is amended by striking out in the first full sentence "The terms and amount of compensation" and inserting in lieu thereof "The compensation to be provided to the original data submitter for each year during the fifteen-year period described in the preceding sentence, beginning with the year in which an offer of compensation must be made, shall be an amount equal to (I) the market share of the applicant for the year (which shall be a minimum of 5 percent) multiplied by (II) one-fifteenth of the product of 1.15 and the actual cost of the data to the original data submitter. The terms and amount of compensation pursuant to the foregoing formula".

SEC. 3. SHARING OF COSTS OF ADDITIONAL DATA TO SUPPORT EXISTING REGISTRATIONS.

Section 3(c)(2)(B) of the Federal Insecticide, Fungicide, and Rodenticide Act is amended to read as follows:

"(b) ADDITIONAL DATA TO SUPPORT EXISTING REGISTRATIONS.—

"(i) If the Administrator determines that additional data are required to maintain in effect an existing registration of a pesticide product (or a category of products) containing a particular ingredient, the Administrator shall notify all existing registrants of the pesticide to which the determination relates and provide a list of such registrants to any interested persons. The notice shall specify the data required, the date by which the data shall be submitted, and the procedure for obtaining rulings by the Administrator on questions concerning the applicability of the notice to various registrants or concerning the nature of the data required to be submitted.

"(ii) Each registrant of such a pesticide product to whom the notice is applicable shall provide evidence within 180 days after receipt of the notification specified in clause (i) of this subparagraph that it is taking the appropriate steps, prescribed by the Administrator to secure the required data. If more than one registrant is subject to the notice, such steps shall include entering into a joint data development arrangement, unless the registrants subject to the notice unanimously agree otherwise. The joint data developers shall furnish to the Administrator the name, address, and telephone number of the person to whom inquiries concerning the arrangement should be addressed. As an initial cost of participation the joint data developers shall divide equally 25 percent of the estimated total cost of producing the required data or each shall pay $100,000, whichever is less. The balance of the cost of producing the data shall be paid by the joint data developers as needed, and shall be shared by each joint data developer on the basis of its United States market participation for the pesticide being tested, based on total pounds of active ingredient equivalent sold or used annually. Each such share shall be at least 5 percent of the balance of the cost. If the share of any participant is increased by virtue of such minimum 5 percent requirement, the balance of the cost to be shared by the other participants shall be reduced proportionately. Each joint data developer's market participation shall be adjusted during the period of the data development so that the most recent sales figures are used to compute each member's market share for the purpose of determining its share of the remaining cost of producing the required data. Each of the joint data developers shall submit adequate evidence of its annual market participation to an independent auditor for each of the years during the period of the joint data development. Such independent auditors shall be chosen by the joint data developers. The auditor's decisions and determinations shall be final and binding on each of the joint data developers. If further data are required by the Administrator under this paragraph, either before or after the additional data that were originally requested have been submitted, the same formula and procedure specified in this paragraph shall apply as if the subsequent request were the initial request for data. Any registrant who shares in the cost of producing the data shall be entitled to receive a copy of the data, and to examine and rely upon data in support of maintenance of such registration.

"(iii) Notwithstanding any other provision of this Act, if a registrant who is subject to the notice from the Administrator, within the 180-day period prescribed in clause (ii) of this subparagraph, fails to enter into a joint data development arrangement under that clause, or if any of the joint data developers fails to take appropriate steps to secure and submit the required data, the Administrator shall issue a notice of intent to suspend such registrant's registration of the pesticide for which additional data are required. The terms of such joint data development arrangement shall be enforceable in an action brought by any developer in any district court of the United States having jurisdiction over all of the defendants or in the United States District Court for the District of Columbia, and such action shall be governed by the law of the District of Columbia. The Administrator may include in the notice of intent to suspend such provisions as the Administrator deems appropriate concerning the continued sale and use of existing stocks of such pesticide. Any suspension proposed under this subparagraph shall become final and effective at the end of 30 days from receipt by the registrant of the notice of intent to

suspend, unless during that time a request for hearing is made by a person adversely affected by the notice, or the registrant has satisfied the Administrator that the registrant has complied fully with the requirements that served as a basis for the notice of intent to suspend. If a hearing is requested, a hearing shall be conducted under section 6(d) of this Act. The only matters for resolution at that hearing shall be whether the Administrator had a valid and reasonable basis for requiring the additional data, whether the registrant has failed to take the action that served as the basis for the notice of intent to suspend the registration of the pesticide product for which additional data is required, and whether the Administrator's determination with respect to the disposition of existing stocks is consistent with this Act. If a hearing is held, a determination shall be made within 75 days after receipt of a request for such hearing, and the decision made after completion of such hearing shall be final. Any registration suspended under this subparagraph shall be reinstated by the Administrator if the Administrator determines that the registrant has complied fully with the requirements that served as a basis for the suspension of the registration.

"(iv) Except as provided in clause (v) of this subparagraph, data submitted pursuant to this subparagraph (before or after the effective date of the Federal Insecticide, Fungicide, and Rodenticide Act Amendments of 1986) shall not be considered by the Administrator to support any application for registration, amended registration, reregistration or experimental use permit on behalf of any person other than the joint data developers for a period of 15 years after the data are submitted, unless the applicant has paid compensation to the joint data developers in accordance with paragraph (1)(D) of this subsection. Such compensation shall be divided among the original participants based on the percentage of the overall monetary participation in the joint data development arrangement.

"(v) With respect to any study which has been or is being performed in response to a request for additional data issued under this subparagraph between September 30, 1978, and the date of enactment of the Federal Insecticide, Fungicide, and Rodenticide Act Amendments of 1986, any person who on such date of enactment is the registrant of a product of the type to which that request applies but who is not already a party to an agreement to share in the cost of performing that study shall be entitled to enter into a joint data development arrangement with any person or group which is performing or has performed that study, under which arrangement such person shall have the rights and duties of a joint data developer as described in clauses (ii), (iii), and (iv) of this subparagraph. Any registrant who wishes to be availed of the rights provided by this clause shall, not later than 120 days after the date of enactment of the Federal Insecticide, Fungicide, and Rodenticide Act Amendments of 1986, submit an irrevocable offer to enter into such an arrangement to the person or group which is performing or has performed the study.".

NICARAGUAN AID

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. RITTER] is recognized for 60 minutes.

Mr. RITTER. Mr. Speaker, I want to commend the previous speaker from California [Mr. DREIER] for an excellent special order and I think sharing with all of us and the American people his very recent experiences traveling on a fact-finding tour into Nicaragua.

The gentleman asked the other gentleman from California at the very close why it is so important that now we do something about it, that now that the President has asked the American people to call their legislators. Why now? What is the real importance of this package at this time?

I would like to yield to the gentleman from southern California, who has been a real leader in this area.

Mr. HUNTER. I thank my friend for yielding, and I thank my colleague from California for asking the question and letting me participate in this special order.

Let me say why I think it is important that we act at this time, why it is an extremely important vote.

A number of things are happening in the hemisphere right now. One of the most important actions that has taken place, the most relevant action that has taken place in the last year has been the assassination of the Supreme Court justices at the Palace of Justice at the Supreme Court Building in Colombia.

A number of Members may realize that Colombia is in Central America. It is very close to the Panama Canal. There is a connection between our interests, our use of the Panama Canal. Even though we have essentially given away all ownership of that very vital causeway to Panama, our use of the Panama Canal—there is a connection, I am talking about strategic interests now, between what happened at these assassinations and murders that took place at the Palace of Justice in Colombia and what the Sandinistas are doing in Nicaragua and American interests. Let me just very quickly explain it.

When we traced back the weapons that were used to blow the brains out of these Supreme Court Justices by terrorists in Colombia, we found that all the weapons, somehow or another, went back to the Sandinistas, to the Communists in Nicaragua by serial number.

Some of the weapons went back to the North Vietnamese who captured them from the south during the American military operation in Vietnam. Other weapons went back to former guardsmen. These weapons were captured after Samoza was defeated in Nicaragua. But all the weapons at one time or another went through the Sandinistas, and that indicates that they had a very strong hand in these assassinations.

Now, if you look at Colombia and you look at its position with relationship to the Panama Canal, and you look at Nicaragua which lies between us and the Panama Canal, and you look at the enormous military investment that the Soviet Union, Cuba, and Libya are putting into the communist operations in Nicaragua, you understand that they are putting in a tremendous investment, that they have a real interest there that may be something other than simply helping another Communist government get started.

I think that ultimately they want to take over, to over control of that very vital accessway that we use to get our western shipping to the East and our eastern shipping to the West, the Panama Canal.

□ 2245

I think the gentleman's exposition is excellent. I think he has missed one thing when he just says Nicaragua. But when you say Nicaragua and the Panama Canal, and you talk about the military power of the Communists in the region, you are really talking about Cuba and the Soviet Union.

Nicaragua is a very poor country. Nicaragua could not do any of these things, they could not build these massive airfields, they could not build the deep-water ports, they could not extend their power throughout six or seven countries in terrorist fashion in Central and South America, they could not do it without the support of the Soviet Union. The Soviet Union is bankrolling the Nicaraguan operation. That is the real danger to all of us here in the United States, as well as to our neighbors and friends in a continent, in a hemisphere that is moving in the democratic direction.

Mr. HUNTER. The gentleman is absolutely correct. If you look at the Soviet history of transferring arms and aid to other countries, you can see that they never do it unless they expect to get something for it. I think, very clearly, the Soviet planners want to have control ultimately of Nicaragua and Colombia, essentially to have a stranglehold on the Panama Canal.

If you look at the history of the Panama Canal, it is kind of shocking to most Americans to realize that a tremendous amount of American tonnage was sunk by just a few German submarines, U-boats then, right outside of the Panama Canal. The Panama Canal is of incredible strategic importance.

Mr. RITTER. Really, the Soviet phrase, The "correlation of forces," if they dominate, militarily dominate Central America, which is a real probability—in fact, it is a possibility right now—if they dominate that region, they really change the "correlation of forces." They really pull us out of the Middle East, they pull us out of Europe, they pull us out of some of

the regions where we get our minerals, where we get our oil, where we have allies and friends and trade. I mean they really do a hamstring number on the United States of America.

Mr. DELAY. If the gentleman will yield on that point, I think it is important to note, when people say, "This poor country, how could they possibly dominate Central America and the shipping lanes, how could they possibly do this?" That at the present time there is a deep-water port being constructed at El Bluff, which is on the eastern shore not too far north of the Panama Canal. This is being built with the use of Bulgarian engineers, Soviet money, a deep-water port to hold the destroyers and the deep-water cargo ships that would bring arms to the area and service a fleet of submarines and destroyers that could control, along with the port in Cuba, the entire Caribbean Sea unless they were confronted by United States Naval Forces.

Also, right across the lake from Managua, on the western shore, is the largest airport being built at the present time south of the Rio Grande River. It is supposed to be an agricultural airport, as reported by the Communist government.

Mr. RITTER. For crop dusters.

Mr. DELAY. For crop dusters. But there is an 11,000-foot runway in place at the present time, with revetments, which are parking pads for fighters and bombers and the Hind-D, the $20 million Hind-D helicopter supplied by the Soviet Union, on the Pacific Coast of Nicaragua.

Why are they doing that for a little, poor country in Central America?

Mr. RITTER. I think the gentleman asks a crucial question, and that then comes to the reason why we need to help those who at this point in time, not 6 months, not 1 year, not 3 years from now, but at this point in time, while they are still building this port, while they are still finishing this airfield, while they are still consolidating their homes, the homes of the people into communism via their block committees, I mean now is the time. Any later and you face this kind of total control that the Jaruzelski regime holds over the Polish people.

Mr. DELAY. If the gentleman will yield on that, it brings points of the opposition that are amazing to me that say, "Well, we ought to just contain"—containment is a new policy—"them within their borders and let them determine themselves." That would be fine if the Soviets and the Cubans were not there.

Mr. RITTER. Exactly.

Mr. DELAY. Or the PLO or the Libyans or the Red Brigade or many of the other terrorist organizations of the world that are located. In fact, on our trip this weekend we were led around by an embassy official who happened to live across the street from the PLO. Isn't that amazing? There are a lot of claims that the PLO are not there. Isn't it amazing that she lives across the street from the PLO?

Mr. RITTER. The opposition is also saying—largely, they are liberals and liberal Democrats, that is the opposition—that they would never allow the creation of a Soviet-Cuban base right south of our borders, a Soviet-Cuban military base right south of our border. At that point we would have to move. So what the liberals are saying is, "We will use American troops to take care of the situation once that Soviet-Cuban base is there." But it is there now.

Mr. DELAY. It is a total contradiction of what they are accusing us of. If we sent $100 million to the freedom fighters who are fighting for themselves for freedom in this country, if we sent $100 million, what happens next year? Do we send American boys in? In fact, if we take their policy of containment, of saying, "Well, the mighty forces of the United States will stop them from crossing the borders," well, they are saying that their policy is containment, and if they cross that border we send in American troops.

Mr. RITTER. They are saying that their policy of containment means containment by whom? Containment by American troops?

Mr. DELAY. By Costa Rica, who does not have an army?

Mr. RITTER. I mean it is ridiculous. When they talk about quarantine, are they talking blockade? The world was closest to the Third World War at the time of the blockade of Cuba. They are talking about a land blockade, they are talking about potential combat operations between infiltrators coming out of Nicaragua or Nicaraguan forces and American troops.

The irony of this debate is that the lowest risk strategy of all is helping the freedom fighters. Why? Because in the event if they did lose, they would simply have kept the Sandinista Communists on the defensive for all the time they were engaged, and we would still be in a better position several years from now because they would have weakened the Sandinista Communists. That is the lowest risk strategy of all. We have been talking about doing nothing all evening, and that is a very high risk strategy. The other alternative is American troops. What we are proposing is a way to prevent the use of American troops or, really, the lowest risk strategy we could possibly come up with.

Mr. HUNTER. Mr. Speaker, will the gentleman yield?

Mr. RITTER. I yield to the gentleman from California.

Mr. HUNTER. I thank the gentleman for yielding.

When you mention the freedom fighters, we know that tomorrow during the debate—and we are not talking to the full House now, just the three of us are discussing this issue. But we know that the leaders of the freedom fighters will be cut up. They will be criticized. They will be inadequate in this respect and inadequate in that respect.

A number of Members on the other side of the aisle, particularly the liberal Democrats, have such an opinion of freedom fighters, no matter where in the world that they spring up, that I think it can truly be said that they never met a freedom fighter that they liked. I do not want to go off on a tangent, but they do not like Mr. Savimbi because he has been helped by South Africa. They do not like Mr. Robelo because, although he was a former Sandinista, in fact, was one of the junta, he has men under his command who formerly, some of them, worked for the Guard.

Mr. RITTER. By the way, Alfonso Robelo is a social Democrat. Alfonso Robelo is the former president of the university in Nicaragua, the main university, which was a hotbed of revolt against the Somoza regime. Alfonso Robelo is the kind of human being that the liberal Democrats in this House and in the Senate should embrace with open arms.

Arturo Cruz was part of the system, as well. Arturo Cruz again is a very liberal Democrat. He has chosen to break with the Sandinista Communists.

So you have a social Democrat, a very liberal Democrat, and, basically, a conservative Democrat businessman who was in prison for a month by the Somicistas, and you have a democratic triumverate that is heading up the United Nicaraguan Organization. These are three Democrats; there is no doubt about it.

□ 2255

Now, compare these people for a moment with Tomas Borge, Latin America's chief Stalinist. With Daniel Ortega, a Marxist-Leninist dictator. With Byardo Arce who keeps coming out with statements of how strongly Marxist-Lenisist the Sandinistas are. This is the competition; this is the vote. Do we vote for the Social Democrats and the Liberal Democrats in Nicaragua or do we vote on behalf of the Sandinista Communists because doing nothing gives them the upper hand to solidify their Leninist revolution and to create the Soviet-Cuban base that threatens the hemisphere.

Mr. HUNTER. If the gentleman will yield further, can you imagine Alphonso Robelo killing somebody, having somebody executed because they booed him at a meeting. According to the Human Rights Commission, the widow of a Managua taxicab driver, Nelson Perez was arrested one night for committing the crime, the heinous crime of booing Comman-

dante Arce at a taxicab union meeting. He was arrested in 3 hours and shortly thereafter his widow was given the word that unfortunately he had been shot dead while trying to escape. So I am glad you gentleman made the trip, and that you waited for him because you might not be here to vote for us right now.

Can you imagine comparing him to Mr. Robelo. You know, Mr. Robelo could be on the House floor here voting not to cut Social Security. When you say he is a Social Democrat you are absolutely right. Here is a person who has a heart, he is a humanitarian, he believes in democracy, he believes in pluralism; he could be over there with Members of the other side of the aisle working for some fairly liberal programs. He could be with us working on the conservative side of the aisle working for the free enterprise system to try to increase jobs in this country.

That man is a good man. He is a man that is cut out of the same mold I would say as Mr. Duarte of El Salvador.

Mr. RITTER. The difference between the leadership of the Contras or the Democratic forces in Nicaragua and the Communist Sandinistas is like day and night. Yet, we hear the voices constantly that the Contras are a bunch of brigands and thieves. They say that the Contras are a bunch of ex-Somocistas. The fact is that there are more ex-National Guardsmen in the Sandinista military than there are in the Contras. That is the fact, and the fact is that any former member of the National Guard that serves with the Contras has not had any record whatsoever of human rights violations against the Nicaraguan people during the reign of Somoza.

The reverse is not true. The Somocistas, who are some of the hardheads in the previous regime that work and fight and support the Sandinista Communists, those opportunists, have criminal records, and there are a significant number of known criminals actively engaged in the perpetration of the repression by the Sandinistas against the Nicaraguan people.

Mr. DELAY. If the gentleman will yield, I just wanted to point out to the gentleman, and he is so right, it probably will be said on the floor of this House tomorrow that the Contras are nothing but a bunch of Somocistas that are being led by the Somoza National Guard. They are just Somoza people trying to revive Somoza and bring back the horrible regime of Somoza. Although I think we have established tonight, in fact, I asked this question of the Permanent Human Rights Commission as we sat there in that room, if you had to weigh what is happening today—in fact I want to point out two questions that I asked—the first one was if you had to evaluate what is happening today in regard to human rights violations and atrocities and compare the Sandinistas to Somoza, what would be your comparison?

They would say without a doubt, the Sandinistas are worse than the Somoza regime that was already a terrible regime that brought on the revolution.

The other question that I asked was: Are Somoza people trying to come back into power? They pointed out that only 28 percent of the leadership in the freedom fighter forces is from the Somoza National Guard. Most of those, by the way, are soldiers that were too young to have any ideological affiliation with Somoza. They were in the National Guard; they did what their leaders told them. It is sort of like condemning every German because they are from Germany they have got to be bad Germans.

Mr. RITTER. I think the idea that the Contras are just a bunch of Somocistas is an outright lie. I do not mind saying it, and I saying it with pride. When it is not a lie, it is a red herring. It is a red herring designed to take attention away from the reality of what is happening there today. That reality is so much more brutal because it is so institutionalized; because it is such a part of an international model which we have seen and feared and cried over so many times in the past. It is this inexorable establishment of a Soviet client state so close to the Texas border that we are seeing taking place today.

When they talk about Somocistas and the Contra forces it is a bunch of baloney. The reality is that the great majority of that some-20,000 strong force, the great majority are peasants. They are peasants who are believers in God and cannot put up with the ideological constraint and the economic constraint and the human rights constraint that their lives are put under so they are willing, without boots, without decent arms, without decent supplies to go out into the field and join up with the Contra forces.

Mr. DELAY. It is interesting that the gentleman brings that up because I have found a documentary shot by a German that, by the way, has been shown in West Germany and has been bought by NBC Television who chooses not to show it in its entirety, although it is using it as a file film to pick out the bad parts of this documentary to show the incompetence of the freedom fighter force.

I have this documentary that follows the Contras from their training camps in December, this last December this was made, follows the Contras from their training camps in Honduras into Nicaragua. They stage an ambush and come back out of Nicaragua. It points out many, many things.

No. 1, most of the people in this freedom fighter force that is in the documentary are from the ages of 12 years old to 21 I believe it is. They are country people, compesinos, which are from the country. They are fleeing the Sandinista Army. They are either deserters from the Communist army or they are fleeing conscription from the Sandinista Army and joining and volunteering as freedom fighters. They are ill-equipped but still fighting, even though in the documentary it shows that in this force of 300 they could only send 56 because that is all they could outfit.

Mr. RITTER. What is even more ironic is the liberals and the liberal Democrats who are so opposed to helping the Contras, are saying that the Contras cannot do the job; they are not competent. They are not competent; they are ragtag. But they cut off the assistance to these poor compesinos. So while the Sandinista Communists are being armed by the Soviet Union, a superpower, this Congress, cut off those fighting against the Sandinista Communists and left a very, very uneven battle.

What we are asking for is to just even up that battle a little bit so that the forces fighting for pluralism and democracy and really the safety of our hemisphere are not totally outgunned by those forces fighting established communism, a Soviet base right south of the Texas border threatening this hemisphere.

□ 2305

Mr. HUNTER. Mr. Speaker, will the gentleman yield?

Mr. RITTER. I yield to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. I would like to claim it for my own, but I heard a very interesting commentary on this ragtag analysis that some liberal Democrats have made to the effect that, well, these are ragtag troops, so we should not help them. That analysis was made, or that commentary, was made by the gentleman from Georgia, NEWT GINGRICH. I think it is very appropriate in this situation.

He said that it is a good thing the French did not visit George Washington at Valley Forge and make the same analysis, because they would have come away with the idea that here were a bunch of undisciplined ragtag people, many of whom did not even have boots for their feet, as the freedom fighters do not have boots for their feet today, and very possibly they could have gone back to France and said, "Listen, these Americans don't have a chance. They are fighting this disciplined military and they are going to come out of Valley Forge and they are going to lose."

Mr. RITTER. But the French did come through for us. Are we going to

come through in our era for comparable people who are fighting or fighting to regain their country from communism?

I have heard the argument, by the way, in fact I was on the floor the other night when a Member of the other party was saying, I mentioned the Afghan freedom fighters, and he said, "Well, you can't compare the Afghan freedom fighters with the Nicaraguan freedom fighters."

Why not? Both of them are fighting to regain their country from puppet governments armed to the teeth by the Soviet Union. The difference is that the Soviets have invaded Afghanistan. They have not invaded per se Nicaragua, but there are 3,000 Cuban military there and 8,000 other Cubans in a variety of tasks. We saw how well those construction workers fought in the battle of Granada.

I mean, you have got Lybians and Bulgarians and North Vietnamese and North Koreans. Jeane Kirkpatrick calls it the Soviet international fighting force. That is somewhat of an invasion in itself, but the real comparability between Afghanistan and Nicaragua is they are both trying to rid their countries of an alien ideology which represses their people and destroys their country.

Communism, that is the bottom line. Frankly, and I am very familiar with the struggle going on in Afghanistan, frankly the perception of the Nicaraguan democratic forces about things like democarcy and pluralism and economic freedom and freedom of the press is far, far more sophisticated than the tribes people in Afghanistan who are simply fighting to get rid of the Soviets.

So, yes, you can compare them. You can compare them very well. As a matter of fact, if all one is interested is whether or not those forces fighting for freedom and fighting against communism have democratic leanings, indeed the forces fighting against the Sandinista Communists in Nicaragua are much more sophisticated democrats then the forces in Afghanistan.

Mr. HUNTER. Mr. Speaker, will my friend yield?

Mr. RITTER. Yes. I want to thank the gentleman for his consistent leadership in this area, for spending his time and giving his effort for a cause which I know he believes very firmly in and he has been a part of this debate from day one and really a great contributor to it.

I yield to the gentleman.

Mr. HUNTER. Well, I thank my friend. I know we both just hope, or all three of us hope, who are still in this Chamber, that there are some people listening and that there will be people listening to the full debate tomorrow.

Let me just make one other observation about the Founding Fathers. You know, the President took a lot of flak from the Congress when he compared Mr. Rubelo and the other freedom fighter leaders, the other Contra leaders, to the Founding Fathers; but you know, one thing that occurred to me was to have not shown a lot of class that is similar or equivalent to that shown by the Founding Fathers in this Congress.

I wonder what the Founding Fathers would have said about the attitude that we have right now when the French came all the way across the ocean to help us achieve our freedom and we are not willing to sent equipment to people in our own hemisphere.

Mr. RITTER. I think the gentleman makes a really excellent point.

Mr. HUNTER. I wonder particularly what President Monroe would have said. Here was a President who promulgated the Monroe Doctrine, and you know the funny thing about it, is the Monroe Doctrine was aimed at European powers, and one of those European powers aimed at keeping out of our hemisphere——

Mr. RITTER. Was Russia.

Mr. HUNTER. Was Russia, was the Soviet Union, and if President Monroe could see this Congress sitting around on its hands while they build a Soviet naval base between us and the Panama Canal, I do not think he would have had any statements about this Congress and particularly the liberal Democrats that equated them with the Founding Fathers.

Mr. RITTER. If the gentleman would yield back, I think President Monroe is turning over in his grave right now as he sees the Monroe Doctrine being replaced by the Brezhnev doctrine and those who would keep the freedom fighters from undermining the Brezhnev doctrine are in this very House of Representatives.

What we are trying to do is reverse the Communist tide in Nicaragua and those who vote against assisting the democratic forces are essentially voting for, not directly, but indirectly voting to preserve the Brezhnev doctrine.

By the way, Monroe is not the only American President who is probably turning over in his grave. I think there are several others. I think Franklin Delano Roosevelt, who for many, many years, while there was an isolationist Congress and an isolationist America, was working covertly to assist our allies in Europe to stand up to the Nazi threat.

I think there is another President who is probably turning over in his grave. His name is Harry Truman, who performed admirably against this same kind of opposition when the Communists were going to take Greece, the Soviet proxies were going to take Greece with Soviet arms, and Harry Truman intervened to preserve independence for Greece and Greece turned into a democracy. At the time Greece was a monarchy.

I might add, George McGovern was a severe critic of Harry Truman, claiming that the Greek monarchy was old and decrepit and not worth saving. Had it been for the McGovernite philosophy which we see so prevalent here with the Democratic Party in this Congress, Greece would be Communist today. The Soviet Union would be all over Greece as a Soviet satellite. The whole situation in Western Europe could be different. The whole situation in the Mediterranean could have been different; so I think he is having some real problems.

I think there is one other President. I think John F. Kennedy would be appalled to see the behavior of his colleague Democratic Party Members on an issue such as this. I think John F. Kennedy said it very well on numerous occasions that we are in a long twilight struggle and to give up this struggle when all it takes is the reallocation of $100 million, which is a lot of money, but it still in terms of the overall defense budget is small and equivalent to some six fighter planes, if he would have seen this happen, I think he would have been appalled.

Mr. HUNTER. Mr. Speaker, will the gentleman yield for one last statement?

Mr. RITTER. Yes.

Mr. HUNTER. I thank the gentleman for yielding.

You know, not only would Presidents turn over in their graves if they could see the action this Congress has taken, but there are also probably former Members of Congress who would turn over in their graves. It was pointed out to me by a Member of Congress who served with him that Sam Rayburn had a saying about foreign policy. Sam Rayburn, the great Democratic leader, he had a lot of trust in the guy who occupied that office down on Pennsylvania Avenue, the guy who was elected by everybody, the President of the United States when it came to foreign policy. I think Sam's trust, institutional trust, if you will, in that guy's judgment has been borne out by what has happened with the Soviets and other Communists who have dealt with him in recent times. It is very clear now that the Soviets do not like Ronald Reagan, but they respect him and they respect his strength. He is the one leader in this country who was elected by everybody and the great line that Sam Rayburn gave when he talked about the prerogative of foreign policy and doing what the President asked with regard to foreign policy was capsuled in these few words, "Politics stops at the water's edge."

I would like to repeat that statement for everyone of these would-be Secre-

taries of State who sit over here on the liberal Democratic side and would second-guess the President of the United States.

□ 2315

They have done incredibly foolish things in the last year. For example, they set up this organization, a brand new organization, to dispense this humanitarian aid to the Contras. They did not want it to go through the dreaded CIA or through the DOD. Now they are mad because a GAO report came out and said that these State Department people who they designated must distribute this aid, these people in three-piece suits did not follow these bandages down through the jungles and the swamps of Central America to be sure that they were ultimately delivered to the people in the field. Well of course they did not. They set up a structure through their own stupidity that led ultimately to failure.

Mr. RITTER. I think this is such an important point. They set up conditions, that is the liberals in the House have set up conditions which are bound to fail, conditions on the President's policies, and once they fail, they blame the President.

Now what we are trying to do here is set up some conditions that have a chance of success.

I would like to thank the gentleman from California and the gentleman from Texas. I wanted to present the reason that I was taking this special order which was to present a New Republic article to the people and to the House. It is called "The Case for the Contras." I would like to present this New Republic article of March 24, 1986.

As you know or may not know, the New Republic basically takes positions of the liberal wing, but in recent years in foreign policy, it has diverged from that McGovernite wing of the Democratic Party because it feels they are just making a lot of mistakes and are wrong. The New Republic has a great deal of respect within the Democratic circles. They are basically on these issues: Franklin Delano Roosevelt, Harry Truman, Hubert Humphrey, John F. Kennedy, Democrats, and I would like to just read and then comment a little bit on this article in the New Republic entitled "The Case for the Contras":

The upcoming vote in Congress on military aid to the Nicaraguan contras is one of the most important foreign policy votes of the decade. The future of Central America hinges on its outcome.

The position of the contras in precarious. They certainly have people: anywhere from 14,000 to 20,000, depending on whom you believe. That represents about twice the number of guerrillas in El Salvador, a country with about twice the population of Nicaragua. And about three times the number of Sandinista troops at the time of the overthrow of Somoza.

They also have people on the home front. Not even the most anti-contra-aid congressman denies that the Sandinistas have become extremely unpopular. Among those strongly opposed to Sandinista rule is the Church, the most popular institution in Nicaraguan society. The pope's divisions are not the only disaffected. These now include ordinary people deprived of the necessities of life in a wrecked economy; the business and middle classes, which have been denied the promises of freedom; and many intellectuals, some in exile, who don't relish life as funtionaries of the state. The contras, a peasant army, themselves represent the deep resentment in the countryside at Sandinista offenses to tradition and religion. Add to that the general uprising of the Miskitos against Sandinista colonialism, and you have a vast popular opposition. These are the people whose hopes would be betrayed by the liquidation of the armed resistance and the consolidation of Sandinista rule, which will be the inevitable result of American denial of military aid to the contras.

I want to add here that this article is taken from one of the leading lights in the Democratic viewpoint, but the classical Democratic viewpoint, again the J.F.K., Harry Truman, Franklin Roosevelt Democratic viewpoint.

The article goes on:

But if they are so many, why haven't they already won? For the same reason Solidarity, ten million stong, lost in Poland. Under Leninist regimes, Philippine-style "people power" does not do terribly well. Nor do vastly outgunned, out-trained guerrilla armies do well against Cuban-Soviet-style military machines.

The Soviets have poured something on the order of $500 million in arms into Nicaragua in the last five years.

If you are talking about training and facilities, you are talking about a $1.4 billion figure.

Since 1984 the U.S. has been prevented from sending the contras a penny's worth of arms. The recent delivery of helicopter gunships to the Sandinistas, reportedly piloted in combat by Cubans, has been decisive.

I might add that they have documentation to show definitively that the Cubans are piloting MI-24 helicopter gunships.

It has made it extremely difficult for the contras to move and to resupply. In the absence of antiaircraft weaponry, they are quite defenseless.

As a result, contra advances and successes in the past several years are being reversed.

Now I want to add that the other side claims that the reason the contras are doing badly is they are facing a Soviet Cuban armed and trained massive military machine, and we pulled the rug out from under them. The fact is that in June of 1984, this Congress denied any further assistance to the Contras. For an 18-month period, the Contras went downhill, lost their position within the country. And what happened to negotiations at that point? Negotiations were tried on numerous occasions and what happened? The Sandinistas continually stonewalled. With no Contras in the field, with no American assistance, that is equivalent to the kind of thing that the liberals want to do now. They want to take the Contras out, give them no assistance, and eventually they expect negotiations to take place.

We had 16 months of experience and dozens and dozens of times that we sought to negotiate with the Sandinistas. They would negotiate on the security, on the security factors, taking their troops out of combat and taking their resupply out of El Salvador, ceasing the supply of arms and ammunition to Central and Latin American countries and they said that they would do that. But they never, they never talked about, they never allowed us to talk about internal changes to fulfill the promise of the original revolution, to fulfill promises to the Organization of American States. They never once allowed that and, of course, there is no realiability with the Soviet-Cuban Communists style government without those kinds of internal changes. So they can like turn off their military operations like a hot water faucet, but they can also turn them back on again, they being who they are.

I return to the New Republic article:

In the last six months, particularly since the introduction of the MI-24 gunships, all but between 3,000 and 6,000 contras have been driven from Nicaragua. The rest are in Honduran camps waiting for arms. In civil wars numbers alone can't determine the outcome, particularly if one's side is barely armed.

And also barely trained. Again out of congressional scrupulousness, the U.S. military has been prohibted from training and professionalizing the contra forces, as it has done in El Salvador with a resulting marked improvement in the country's human rights record. It is somewhat paradoxical to argue that we shouldn't be training the contras because they are so undisciplined when one of the major reasons this peasant army remains undisciplined is that the U.S. military is prohibited from training it.

Thus the upcoming vote will be critical. Without military aid, the contras will fight and bleed perhaps for some time longer, but without hope. First to wither will be the armed resistance, overcome by vastly superior Soviet-supplied firepower. Then, just as certainly, the unarmed resistance, demoralized and abandoned, will follow, leaving the Sandinistas in total, permanent control of Nicaragua.

Again, by the way, one of the things that we did not discuss tonight is what happens when these kinds of Communist regimes take hold. They inevitably produce people who not being able to vote with their voice and with their ballot, vote with their feet. They inevitably produce streams of refugees. One can project millions of refugees coming out of the communization of Nicaragua and potentially Central America.

□ 2325

Let me go on to say, so what is so bad about the Sandinistas in total control of Nicaragua? What, after all, does the resistance hope to achieve?

Sandinista Defense Minister Humberto Ortega explained it well, when in 1981 he denounced former Sandinista junta member Alfonso Robelo as an enemy of the revolution. "The democracy that Robelo asks," charged Ortega, "is * * * that they [the bourgeoisie, presumably] have the army, the power, and that we Sandinistas be what the left is in Costa Rica, a sector, an organization that is free to move about, that publishes its newspaper." In other words, Robelo wants, for Nicaragua, Costa Rican-style democracy where all political tendencies, including the left, are free to compete for (rotating) power. For Humberto Ortega, such a program amounts to political criminality. It is what made the Sandinistas push Robelo out of the junta, crush his party, and drive him to exile and resistance. Robelo is now one of the three leaders of the Contra political leadership, the United Nicaraguan Opposition, known as UNO.

The United Nicaraguan Opposition, as we mentioned before, is composed of democrats, "democrats" with a small d.

What is at stake in this civil war is any hope for a democratic Nicaragua. The end of the *contras* means the end of that hope. And a ban on military aid will likely mean, sooner or later, the end of the *contras*.

Here is where the New Republic takes it right to the House Democrats. They say:

One would think that House Democrats, who for years have been urging, pushing, encouraging, threatening, and finally celebrating the return of democracy in the Philippines, would be equally eager to see democracy returned to Nicaragua. But they are not. Why? They put up a case that we find, for an issue of this gravity, stunningly weak.

By what right does the U.S. try to bring democracy to a place where it enforced dictatorship for so long? This is the "because of our tainted history we have no moral standing" argument. It is mystifying. The United States stood by the dictatorship in Haiti for at least three decades. Does that mean that we should therefore have ruled ourselves morally ineligible to assist in the transition to democracy? The United States ruled the Philippines as a colony for nearly five decades, then stood by a dictator for the last two. Does that mean that the United States should have disqualified itself from aiding the restoration of democracy?

Certainly the U.S. has a very blemished history in Nicaragua. It is equally certain that our aims now are different then they were 60, even 20, years ago. As in Guatemala and El Salvador, as in the Philippines and Haiti and other places where our history is stained, in Nicaragua the relevant question is American intentions today, not Teddy Roosevelt's at the time of the building of the Panama Canal.

We have no right to try to impose democracy on another country. After the Philippines and Haiti, and the general selfcongratulatory jubilation of liberals and conservatives alike over two truimphs of American diplomacy, this argument stands exposed as a camouflage. Those who advocate dramatic American intervention in pro-American dictatorships should not be suddenly sticken with scrupulousness about the sanctity of sovereignty when intervention is proposed in states ruled by pro-Soviet Leninists.

But one situation involves peaceful change; the other, war.

Here, I add, is a most important point of this discussion. Because it goes to the heart of those who would wish to see a peaceful solution. We all wish to see a peaceful solution.

The New Republic goes on to say:

But that option does not exist. That is, peaceful change in one situation—the Philippines—war in Nicaragua.

But that option does not exist. Does anyone believe that the Sandinistas will ever peacefully transfer power or permit a free allocation of power by election?

The contras can't win. This argument is invariably heard from those who vote again and again to cut off aid to the contras. Yes, unarmed they can't win. Maybe House Democrats expect Nicaragua democrats to win by lying down in front of Sandinista tanks, Philippines style.

Can the contras win the way the North Vietnamese won in South Vietnam? No, but they can win in the way the Sandinistas won in Managua. They could win not by rolling over the Sandinista army, but by controlling the countryside, which would in turn help undermine what little urban support the Sandinistas have. A Leninsit regime with a conscript army on the defensive, losing the countryside and undermined in the city, would ultimately find its situation untenable.

I might add something else. We are informed that $100 million supplied to the Contra forces could indeed make a substantial difference.

We are led to believe that sufficient amounts of antiaircraft, heat-seeking, backpack-type missiles, portable equipment, could effectively neutralize the helicopter gunships and the other troop-carrying helicopters and combat helicopters that form the center of the Nicaraguan capability against the Contras; and that would cost just several million dollars.

The argument is also made that, whatever we give, the Soviets will give more. We are led to believe that the Communist army in Nicaragua is so saturated with Soviet arms that there is no more room left for additional Soviet hardware.

So in the sense, their glass is overflowing; the Communist glass is overflowing, and our glass is totally empty. That is what we are trying to change.

The contras are not democrats but Somocistas. It is true that some top commanders are ex-Guardia. But even the most conserative (and powerful) of the three political leaders, Adolfo Calero, was a longtime opponent of Somoza and jailed for his efforts. The other UNO leader, Arturo Cruz, an impeccable democrat, says the contras represent "the revolt of Nicaraguas against oppression by other Nicaraguans." One doesn't raise an army of 15,000 peasants with promises of restoring a universally despised dictatorship.

I might add, just going back for a moment, we understand that there are more ex-Somoza national guard working with the Sandinista Government than there are with the Contras, and some of those have criminal records; whereas those with the Contras have no criminal records.There are Somocistas on both sides. Some now are working for the forces of freedom and some are working for the forces of communism.

There should be a difference.

We should try diplomacy, not force. The United States should be working out with the Sandinistas some kind of diplomatic arrangement under the umbrella of Contadora goes the argument. This imagined solution according to the New Republic, to Sandinista regional power and ambitions is a parchment barrier: the Sandinistas are given free rein within their borders, and in return, they promise not to trespass on anyone else's. Certainly we can expect the Sandinistas to adhere initially to such a nonagression or revolution-with-frontiers agreement. Time enough for the *contras* to wither away and be repatriated in Miami. At which point the Sandinistas will be secure in the knowledge that no future opponents are ever going to risk their lives in a second insurgency, having seen the first one sold out. With a free hand, does anyone imagine that they will adhere to their agreements any more than, say, the Vietnamese adhered to theirs? We have experience with Sandinista parchment. In 1979 they pledged to the Organization of American States to establish an open, democratic, and pluralistic society.

I might add, we tried diplomacy during that 16-month period between the cutoff of American aid and the rejuvenation of a program involving humanitarian assistance; we tried.

□ 2335

We tried. We failed miserably. It takes willful blindness to imagine that some kind of paper agreement with the Sandinistas that allows them to consolidate their power will ensure stability in Central America. I feel that is quite a good term to characterize what we are facing here, that the New Republic uses, the term "willful blindness." In fact the opposite is almost certainly the case. A highly militarized, highly disciplined country with by far the largest army in Central America, with ideological ambition stretching far beyond its borders, stated as we know I might add by their leaders themselves, and supported by Cuba and the Soviet Union, is bound to be a source of constant instability in a region of weak and fledgling democracies.

In italics again:

The neighboring countries seem to want a Contadora solution.

The New Republic goes on:

What does one expect from say Costa Rica, a country with no army, facing a

50,000-man military across its border? It sees a starved insurgency, an isolationist U.S. Congress, and a rising military power in Managua. Does one expect Costa Rica publicly to come out in support of overthrowing its neighbor given the odds, now that its neighbor will be in power permanently? Of course such countries will make muted public statements. But as many leaders of these democracies told the Kissinger Commission and others since, they are desperate to see the United States get rid of the Sandinistas for them.

I was in Nicaragua in July, I was in Honduras last July as well, in El Salvador, in the countries of the region. That is what we heard from the leaders as they took us aside in very private comments, very private statements. We heard those voices saying: "Whatever you do make it firm, make it consistent, make it fast."

The New Republic goes on:

What is the government of Colombia, one of the original Contadora countries, to say? It publicly denies but privately knows that an assault on its Palace of Justice and the massacre of its Supreme Court was carried out by M-19 guerrillas with weapons of Nicaraguan origin. It knows that Sandinista *comandante* Thomas Borges attended a mass, complete with an M-19 draped over the altar, for the guerrillas killed in that raid. The reach of the Sandinistas is impressive. Latin American governments, many of which face left-wing insurgencies, are hardly likely to make themselves more of a target by public calls for the Yankees to save them from communists.

Our record there in the words of Alfonso Robelo, one of the leaders of UNO, the democratic resistance, is one of a yo-yo. He calls our policy a yo-yo policy, up one day, down the next.

The contra policy

Again this is in italics—

The contra policy is driving the Sandinistas into the hands of the Soviets. It is hard—

The New Republic goes on—

for Americans to believe that some people act out of ideological conviction. Look, therefore, at what the Sandinistas did long before there was a Reagan, long before there were contras. In one year the Carter administration gave them in aid the equivalent of half of what Somoza received in 16 years, and during that time they systematically eliminated their democratic allies and aligned themselves with the Soviets.

On June 23, 1981, Humberto Ortega said to the Sandinista army and militia officers: "We are saying that Marxism-Leninism is the scientific doctrine that guides our revolution, the instrument of analysis of our Vanguard for understanding [the revolution's] historic process and for carrying out the revolution. . . ." He then asserted that the FSLN had made the pact with the moderate opposition only for the purposes of getting rid of Somoza, holding off U.S. intervention, and keeping the economy in place.

The New Republic goes on, pointing directly at Democrats in the House of Representatives. It says:

It is remarkable that for House Democrats Sandinista ideological commitment requires constant theatrical demonstration. It took Daniel Ortega's flight to Moscow a few days after a *contra* vote last year to dramatize Managua's connection with Moscow. You can be sure that this time Ortega's handlers will take away his American Express card until after the vote. Don't expect to see him visiting New York for eye wear or Moscow for hardware until the coast is clear.

I might add, however, that the Sandinista Communists have erred a little bit in this direction. Not long ago at the Communist Party conference in Moscow, the leadoff foreign dignitary speaker was a Sandinista Communist. So perhaps our Democratic friends will give that the same kind of consideration they gave Ortega's illtimed trip to Moscow last year.

Again in italics:

The argument goes: The Cubans and Soviets will match our escalation.

This, the New Republic goes on to say, is the counsel of pure defeatism.

It cedes to the Soviets the power to set the level of violence and superpower commitment on the North American continent. It is, in effect, to say that the Soviet will to annex Nicaragua exceeds that of the United States to prevent it from happening.

NICARAGUAN AID

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. DELAY] is recognized for 60 minutes.

Mr. DELAY. Thank you, Mr. Speaker. I yield to the gentleman to finish his remarks.

Mr. RITTER. I thank the gentleman from Texas for his courtesy.

I want to repeat that last one, because we hear it so often here in the House. If we do something, the Cubans and Soviets will match it. The New Republic says:

This is the counsel of pure defeatism. It cedes to the Soviets the power to set the level of violence and superpower commitment on the North American continent. It is in effect to say that the Soviet will to annex Nicaragua exceeds that of the United States to prevent it from happening. The prophecy is of course self-fulfilling.

As I mentioned before, the Sandinista Communist Army is full to the brim with Soviet hardware and advisers. The Contras are struggling to get the kind of material, equipment, and arms they need to stay in the field. Their glass is overflowing. Ours is empty. In italics again:

The Contras will draw the United States into war.

The New Republic states:

Probably the root argument, certainly the one on which TIP O'NEILL hangs his hat, its origin is the fear of another Vietnam and the isolationist hope that if we only will stay out of this fight no harm will come to us.

The New Republic states:

But nothing is more likely to force American military intervention than the consolidation of an aggressive highly militarized pro-Soviet regime in the area. The Contras want to do their own fighting. Cut them off and the only body in the hemisphere able to restrain the Sandinistas will be the U.S. Army. Of course, American military involvement can never be ruled out. But destroying the only indigenous armed opposition to the Nicaraguans hardly seems the way to prevent it. Let me just finish up this quickly. This is really the most crucial argument for the American people because I think most parents, most young people, most everbody is concerned about conflict so close to home. I am sure that is one of the great reasons we are having trouble providing the proper argument and the proper rationale for making some commitment to the freedom fighters.

□ 2345

The New Republic states.

Destroying the only indigenous armed opposition to the Nicaraguan Communists—I add the word "Communists"—hardly seems the way to prevent it.

And what will be more likely to bring about American military involvement? Even Democrats argue that the United States has a vital interest in preventing the establishment of a Soviet base in Nicaragua. Even Democrats would call for American military action in that situation Walter Mondale, for example, suggested a quarantine. When tried in October 1962, that idea brought us closer to World War III than any other moment in postwar history. A democratic Nicaragua is the only guarantee that the threat will not materialize.

The consolidation of the Sandinistas will lead to a second Cuba on the mainland, or more precisely, to an enlarged first Cuba. As Robelo recalls, during his days in the ruling junta no important decision was ever made without the assent of the Cuban invariably present at the meeting. Even those who think it sentimental for the United States to concern itself with the state of pluralism and democracy in other countries must recognize what a strategic defeat the establishment of a Soviet satellite in Central America would constitute for the United States.

We do not have any illusions about the tragedy that is civil war and the suffering it causes. Guerrilla war is of necessity nasty, brutish, and long. And this peasant army, ill-trained and ill-equipped, is hardly a perfect model for insurgency. But our choice is this model—which could be vastly improved in combat effectiveness and discipline if given sufficient American aid and training—or none.

They are saying that our choice is either the Contras or nothing at all.

We believe that preventing the establishment of a Leninist dictatorship in Nicaragua is a goal worthy of American support, and that those willing to fight for this cause are deserving of American assistance. A decision to support one side in a civil war is not one to be taken lightly. We come to it in the full realization that, whatever tragedy it brings, the liquidation of the democratic side of Nicaraguan civil war will bring infinitely more tragedy to Nicaragua, to Central America, and ultimately to the rest of the hemisphere.

Mr. Speaker, I thank the gentleman from Texas for yielding to me.

Mr. DELAY. Mr. Speaker, I thank the gentleman. The article the gentleman read comes straight to the point and to the heart of the issue.

Mr. Speaker, what I would like to do is very briefly finish the trip that we took this weekend that was started by the gentleman from California [Mr. DREIER].

After we left Cardinal Obando y Bravo, we went and had dinner with several individuals, many what would have been businessmen, were businessmen at one time, lawyers, what could be called the chamber of commerce of Managua such as it is.

I personally talked to two leaders of two different labor unions. By the way, these labor unions were affiliated with the AFL-CIO here in the United States. We talked to people who used to own businesses, who still own businesses, such as it is, people who have had their property and farms and ranches confiscated at gunpoint. I would like to give you a little bit of what they said about how commerce works in Managua.

I will take the labor unions first. I asked the labor union leaders how conditions are, and they immediately told me that, first off, the Sandinistas have their own labor union. And to get jobs or to have the union place its members in what is left of businesses in Managua, it is very difficult because the labor unions there are in direct competition with the Communist Party's, the Sandinistas' labor union, and the Sandinistas seem to harass the present labor unions because they control the ration cards. People in Nicaragua cannot buy food without food ration cards. And if you do not belong to the labor union or you are not sympathetic with the Sandinistas and the Sandinista labor union, you do not food ration cards to buy food.

Mr. RITTER. Mr. Speaker, will the gentleman yield on that point?

Mr. DELAY. I yield.

Mr. RITTER. I think it is a very interesting point the gentleman makes, that the Sandinistas have brought rationing to Nicaragua. They have never had rationing.

But what happens is some of the liberals are arguing that this is because of the Contras. Now it is really convoluted.

But I would just like to point out that I was a visitor in Cuba, and this is nearly 30 years after the Cuban revolution, and to this day Cuba has ration cards. The Cuban people have to go to the store with ration cards, and there is very, very little on the shelves.

Communism produces rationing because it destroys agriculture, because it destroys the economy.

I just wanted to make that point just in case some of our listeners thought that, well, it is the Contras that are somehow bringing about rationing. Communism brings upon itself economic failure and agricultural demise.

Mr. DELAY. That is a very good point, and I thank the gentleman for making it.

Not only do they have ration cards, I might point out, but they also have ration cards for other things. For instance, these labor unions that still work in some instances in some places have ration cards to buy work clothes. Of course, if you are not sympathetic with the Government or sympathetic with the Sandinistas labor union, you do not get ration cards to buy boots. work boots, gloves, overalls in order to work, which I thought was pretty horrendous in itself.

But I also got to talk to a member, a rank-and-file member, they brought along with them to point out the conditions in the prisons. I might point out that everywhere we went, we encountered people who were in the Communist prisons, and their stories did not vary one iota as to what the prisons were, what the conditions were, and we have already pointed out what the prisons are in Nicaragua.

Going on, I asked the labor union leaders, "How in the world do you keep your members working."

He said, "It is very difficult, but we are still able to keep some businessmen loyal to their unions and keep them working." They did not know how much longer they could last, because they lose their union contracts from company to company.

Now you say, well, there are people who still own companies. Yes, that is true. I talked to a gentleman who made flour and cooking oil in Nicaragua. I asked him, being a businessman myself, I asked him how he ran his business. He said, "It is not very easy. I don't buy anything. The Government buys the wheat for me. They buy it from Eastern bloc countries, from South America, for me. They give it to me, and I depend on them for my resources and raw materials."

I said, "Do you make a profit?

He said, "Only if the Government gives it to me. They set the prices that I charge, even though, quite frankly, it isn't very difficult to get new prices in 2 to 3 weeks. I can go before a committee to get my prices raised if I have to."

□ 2355

Of course, I told him that that is better than in the United States, when the utility company wants to raise its rates it takes 3 to 6 months. But it is such a small company it does not take much to appear before their committees to get their prices raised.

So he is really not in control because he does not even control the salaries in that country. There are 28 levels of salaries in the country. The lowest paid level is 600 cordoba a month. Now, the exchange rate in the hotel was $1 to 900 cordoba. The black market, I am told, is $1 to 1,700, up to 2,000 cordoba. So the lowest salary in Nicaragua is 600 cordoba, which amounts to less than a dollar a month. The highest paid individual in Nicaragua makes 87,000 cordoba a month, and, depending on the exchange rate, that is anywhere from $51 to $87 per month.

All this is set by the government and controlled by the government. If you are lucky enough to run your own business it means all you do is you go through the motions of running a business because the government has control of your business if it does not own the business itself.

A terrible situation. I am sitting there at a dinner table, with a grandfather, who has had his farm confiscated at gun point, everything he owned except the house he was in has been confiscated. Also, he was able to hide some cash that he is now living on. This man, after we talked all evening over dinner, and we were ready to leave, he looks at me with a tear in his eyes and he begs of me, "Mr. Congressman from the United States, that wonderful country of freedom, please, for the sake of my grandchildren, please, please support freedom and democracy for Nicaragua."

At the same dinner table is a lawyer. This lawyer has not been able to practice law since the revolution. I asked him, "How do you make a living?" He said, "My friends support me." He is fighting for freedom, still living in Managua, under the threat of death.

Next door he had a small empty lot, next door to his house, and he built a quonset hut on this small lot, and he put a sign up. In Spanish, the sign meant "Meetings for Democracy." He was immediately thrown into prison for 6 days, beaten and thrown into prison for 6 days. They told him to take down the sign. He refused to do so until they threatened his family. They let him go, telling him to take down the sign. He refused to do so. They threw him back into prison. They threatened and beat him again, and he gave in and told them that he would paint the sign. They gave in, and he went home. He painted the sign in water-based paint, hoping—these are his words—that the rain would wash away the paint. He said, "Unfortunately, the rain has not washed away the paint, but my friends know what is behind the paint."

This is incredible, what is happening in a country a little over 2,000 miles from my district in Texas. It is incredible when people say, "Well, we need to negotiate, we need to give the Sandinistas an opportunity to negotiate," notwithstanding the fact that they have been in control for almost 7 years, have negotiated until we have all turned blue in the face, and they have yet to sign an agreement. How much longer do we have to negotiate?

Now, there is an alternative floating around, saying, "Well, we have got to compromise. We are going to vote the aid and put it in escrow for 6 months, and that will make the Sandinistas negotiate and sign an agreement."

Well, the reason that I am here tonight telling about my trip is to point out that we went to the paper La Prensa—they are putting out a paper at the risk of their lives. The people at La Prensa told us about being kidnaped and beaten. They are afraid for their lives, but they are there, fighting for freedom. We went to the Human Rights Commission and we asked the question, "Why are you continuing to do this? Aren't you in fear for your lives?" They told us that their employees had been beaten, kidnaped, exiled. They are under threat of their lives.

We went to see Cardinal Obando y Bravo. He, as was pointed out earlier, and his priests have been beaten and oppressed and are in fear for their lives.

I just told you the stories about the businessmen, the labor leaders, and I might throw in also the party leaders of the other political parties in the country that are still speaking out, in fear of their lives.

I might, parenthetically, point out to these people who say, "Well, why don't we break off relations and declare war?" the only means by which these people can continue to speak out and speak to us is that they can do it through the Ambassador and through the mission in Nicaragua. We have got to keep that mission there as long as we can so we can continue to speak to these people and continue to give them hope that we will, hopefully, some day come to their aid.

The point here is that these people are still grasping and dreaming and hoping for freedom. They know that if we do not help them that all is lost. And I had a great sense of a small glimmer of hope left in Nicaragua, despite the military buildup of the Soviets, despite the Cubans being there, and despite the fact that the Libyans are there, the PLO are there, and Red Guard is there, all of these terrorist groups are coming into Nicaragua, despite all this, I feel there is still a hope there. And if we put that money in escrow and wait 6 months, another 6 months added onto the 7 years, waiting for the Sandinistas to negotiate, we play right into their hands because they know that in the next 6 months to a year they will have built a military machine in Nicaragua so massive that they will be at the threshold of no return that is so evident across this world, that there is a massive military machine that can keep the people from rising up and throwing off this government. If you have the Soviet machine and the Cuban machine in there, there is no way that these people will have the opportunity to throw off the Communist government in Nicaragua. If they cannot do that, along with all of the other arguments about the revolution without boundaries that President Daniel Ortega talks about, we are in trouble in this country, our security is threatened, and all of the other arguments come together. We cannot put this off. We cannot compromise. $100 million is only a beginning for freedom in this area, and we must fight for freedom in Nicaragua and we must help people who are hoping that we will come to their aid and bring freedom and democracy to Nicaragua.

Mr. RITTER. Mr. Speaker, will the gentleman yield?

Mr. DELAY. I will be glad to yield to the gentleman from Pennsylvania.

Mr. RITTER. I thank the gentleman for his eloquent remarks.

The gentleman from Texas talked about some businessmen that he met with, some labor leaders, church people, and a lawyer, and you get the feeling that there is some pluralism there in the country. And I would like to describe, just very briefly, by quoting Bayardo Arce, who is the leading ideolog of the Nicaraguan Communist movement, his remarks at a small Moscow-line Communist party allied to the Sandinistas. It was actually picked up in a Spanish newspaper 2 months later. It was thought to be secret, but it was not. It is, however, an important document, as it reveals the Sandinistas strategy of trying to deceive world opinion with progressive rhetoric.

Now, among the factors that Arce noted in assuring the survival of the regime was "achieving some degree of domestic neutralization in the United States * * *."

He explained that the regime's initial commitment to nonalignment, a mixed economy and political pluralism "kept the international community from going along with American policy in Nicaragua * * *."

So these vestiges of labor unions, and businesses, and church, these have no long-range potential whatsoever. They use these vestiges to convince some of the less aware members of international community that they are still not totally Communist.

Speaking of the elections for a president and constituent assembly scheduled for 1984, Arce found them "a nuisance, just as a number of things that make up the reality of our revolution are a nuisance."

He said, "Of course, if we did not have the war situation imposed on us by the United States, the electoral problem would be totally out of place in terms of its usefulness."

"Concessions to political pluralism thus were a tactical maneuver in the strategic effort to construct a Communist state," Arce said.

□ 2405

I will just close with this: "We are using an instrument claimed by the bourgeoisie which disarms the international bourgeoisie in order to move ahead in matters that for us are strategic.

"On the one hand, it allows us to neutralize the aggressiveness of imperialism, while on the other, it is going to provide us with a tool for moving ahead on substantive aspects of our revolution."

He also spoke of "All this artifice of pluralism which has been useful thus far that is over," and he ended, "We must take advantage of the change offered by the elections to gain other positive benefits, the unity of the Marxist-Leninists of Nicaragua."

Now, I know this kind of speech sounds like gobbledegook; it is right out of Newspeak and 1984. This is the way Communist officials speak; it is the language of the Marxist-Leninists, but I think it really does show how they have sought to deceive the American people, to deceive well-meaning Americans who want peace, to deceive our church groups and some of our more liberal elements in our society.

I think it is shown now to be quite a deceitful maneuver to simply manipulate our opinion and without substance. The gentleman's recent experiences inside Nicaragua indicate that these vestiges of pluralism and freedom are almost entirely gone.

Mr. DELAY. And they will be gone, and I thank the gentleman for participating in my special order.

I will conclude with saying that all of the rhetoric aside, all the arguments aside, I think it comes down to do we want another satellite state for the sake of Texas, the United States, the security of our country, the security of our Western Hemisphere; do we want another satellite state that is actually controlled by the Soviets through the Cubans in our backyard? That is the vote Thursday. That will be the debate tomorrow, and I think the American people should analyze this debate and try to cut through all of the rhetoric that is going to happen tomorrow and ask themselves do they want to send $100 million to help freedom fighters fight for themselves or do we want to wait for negotiations and allow the Sandinista Communists to laugh at us once again waiting for negotiations that they have broken off.

I might say the Senator from Tennessee made the statement Sunday night that President Reagan broke off the negotiations which is a total misstatement. The Sandinistas asked for an extension of the Contadora process until this summer. Are we or are we not going to fight communism in our backyard and in our hemisphere and

that is the question that we must ask ourselves.

Mr. RITTER. If the gentleman will yield for one last point, I think the gentleman makes a good point. I think the question asked another way is: Will the people of the United States be safer or will they be less safe if we help those who would oppose a Soviet-Cuban domination of Nicaragua in Central America.

I think the answer is extraordinarily clear. Because the alternative to not helping those who would fight for their own freedom and prevent the establishment of the Soviet-Cuban base on the North American Continent, the alternative is the establishment of that base and the eventual conflict between us and the Soviets and the Cubans which could be far more costly, far more dangerous.

The safest route indeed, the least-risk route is to help those who would help themselves before we have to go in and do the job.

I thank the gentleman.

Mr. DELAY. I could not put it any better than that and I do thank the gentleman.

Mr. Speaker, I must thank the employees of the House for spending this time. It is now 10 minutes after 12 eastern time. Our employees work very hard to put up with us, and we do appreciate it. We appreciate the time that they spend away from their families working for us and working for America.

We do appreciate it.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. GROTBERG (at the request of Mr. MICHEL), for today and the balance of the week, on account of illness.

Mr. KINDNESS (at the request of Mr. MICHEL), for today, on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. STRANG) to revise and extend their remarks and include extraneous material:)

Mr. LIVINGSTON, for 30 minutes, today.

Mr. RITTER, for 60 minutes, today.

Mr. RUDD, for 5 minutes, today.

Mr. SOLOMON, for 5 minutes, today.

Mr. GINGRICH, for 60 minutes, today.

Mr. GINGRICH, for 60 minutes, March 19.

Mr. LUNGREN, for 60 minutes, April 8.

Mr. PORTER, for 5 minutes, today.

Mr. PASHAYAN, for 60 minutes, April 22.

Mr. DELAY, for 60 minutes, today.

Mr. ARMEY, for 30 minutes, March 20.

Mr. DREIER, of California, for 60 minutes, March 19.

Mr. WALKER, for 5 minutes, today.

(The following Members (at the request of Mr. KILDEE) to revise and extend their remarks and include extraneous material:)

Mr. BOLAND, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. FUQUA, for 20 minutes, today.

Mr. BROWN of California, for 30 minutes, today.

Mr. GAYDOS, for 60 minutes, March 20.

Mr. GONZALEZ, for 60 minutes, today.

Mr. GONZALEZ, for 60 minutes, March 19.

Mr. GONZALEZ, for 60 minutes, March 20.

Mr. GONZALEZ, for 60 minutes, March 21.

Mr. VOLKMER, for 30 minutes, today.

Mr. VOLKMER, for 60 minutes, March 19.

Mr. OWENS, for 60 minutes, April 9.

Mr. COELHO, for 60 minutes, April 22.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. BROOKS, following Mr. WEISS, on H.R. 3128, in House, today.

Mr. FOGLIETTA, and to include extraneous material notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $2,460.

Mr. PENNY, prior to the vote on H.R. 4151, in the Committee of the Whole, today.

(The following Members (at the request of Mr. STRANG) and to include extraneous matter:)

Mr. KEMP.

Mr. RUDD.

Mr. COURTER in three instances.

Ms. FIEDLER.

Mr. GREEN.

Mr. GILMAN in two instances.

Mr. ARCHER.

Mr. LENT.

Mr. GUNDERSON.

Mr. BARTON of Texas.

Mr. O'BRIEN.

Mr. STANGELAND.

Mr. DAUB.

Mr. SCHAEFER.

Mr. BLILEY.

Mr. LIGHTFOOT.

Mr. SENSENBRENNER.

(The following Members (at the request of Mr. KILDEE) and to include extraneous matter:)

Mr. COLEMAN of Texas in two instances.

Mr. COELHO.

Mr. SOLARZ.

Mr. RICHARDSON.

Mr. MURTHA.

Mr. ACKERMAN.

Mr. UDALL.

Mr. ROE in two instances.

Mr. VENTO in two instances.

Mr. HOWARD.

Mr. BARNES in four instances.

Mr. EDWARDS of California.

Mr. SCHUMER.

Mr. COOPER.

Mr. DOWNEY of New York.

Mr. MILLER of California.

Mr. MOAKLEY.

Mr. SWIFT.

Mr. WRIGHT.

Mr. FRANK.

Mr. WYDEN.

Mr. LELAND.

Mr. MRAZEK.

Mr. GARCIA.

Mr. OWENS.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 332. An act for the relief of Ramzi Sallomy and Marie Sallomy; to the Committee on the Judiciary.

S. 992. An act to discontinue or amend certain requirements for agency reports to Congress, to the Committee on Government Operations.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on March 12, 1986, present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H.R. 1614. An act entitled the "Food Security Improvements Act of 1986";

H.R 3851. An act to amend section 901 of the Alaska National Interest Lands Conservation Act;

H.J. Res. 345. Joint resolution to designate March 1986, as "Music in Our Schools Month"; and

H.J. Res. 371. Joint resolution to designate March 16, 1986, as "Freedom of Information Day."

ADJOURNMENT

Mr. DELAY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock midnight and 10 minutes a.m.) under its previous order, the House adjourned until Wednesday, March 19, 1985, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3039. A communication from the President of the United States, transmitting a request for supplemental appropriations for fiscal year 1986 and appropriation language changes for fiscal year 1987, pursuant to 31

U.S.C. 1107 (H. Doc. No. 99-184); to the Committee on Appropriations and ordered to be printed.

3040. A letter from the Director, Defense Security Assistance Agency, transmitting information concerning the Department of the Air Force's proposed letter of offer to Indonesia for defense articles estimated to cost $50 million or more, pursuant to 10 U.S.C. 133b (96 Stat. 1288); to the Committee on Armed Services.

3041. A letter from the Secretary of the Army, transmitting notification that the Army Helicopter Improvement Program has exceeded the fiscal year 1986 current procurement unit cost baseline by more than 25 percent, pursuant to 10 U.S.C. 139(b)(3)(A); to the Committee on Armed Services.

3042. A letter from the Secretary of the Army, transmitting notification that the Remotely Piloted Program has exceeded the fiscal year 1986 program acquisition unit cost baseline by more than 25 percent, pursuant to 10 U.S.C. 139(b)(3)(A); to the Committee on Armed Services.

3043. A letter from the Chairman, Council of the District of Columbia, transmitting information concerning his position with respect to present D.C. law to limit the naming of District of Columbia streets to those persons who have been deceased for at least 2 years; to the Committee on the District of Columbia.

3044. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Air Force's proposed letter of offer to Indonesia for defense articles and services estimated to cost $432 million (Transmittal No. 86-26), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

3045. A letter from the Director, Defense Security Assistance Agency, transmitting a report on commercial and governmental military exports, together with a list of all security assistance surveys authorized for foreign countries during the first quarter of fiscal year 1986, October 1-December 31, 1985, pursuant to 22 U.S.C. 2776(a); to the Committee on Foreign Affairs.

3046. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to authorize appropriations for the Coast Guard for fiscal year 1987, and for other purposes; to the Committee on Merchant Marine and Fisheries.

3047. A letter from the Acting Vice President—Administration, U.S. Synthetic Fuels Corporation, transmitting an unaudited quarterly financial report for the quarter ended December 31, 1985, pursuant to Public Law 96-294, section 177(c); jointly, to the Committees on Banking, Finance and Urban Affairs and Energy and Commerce.

3048. A letter from the Comptroller General of the United States, transmitting a report entitled, "Benefit Overpayments, Recoveries Could Be Increased in the Food Stamp and AFDC Programs," (GAO/RCED-86-17); jointly to the Committees on Government Operations, Agriculture, and Ways and Means.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASPIN (for himself, and Mr. DICKINSON) (by request):

H.R. 4428. A bill to authorize appropriations for fiscal year 1987 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; to the Committee on Armed Services.

By Mr. FOGLIETTA:

H.R. 4429. A bill to amend the Regional Rail Reorganization Act of 1973 to provide for the transfer of ownership of the Consolidated Rail Corporation [Conrail] to the private sector, and for other purposes; jointly, to the Committees on Energy and Commerce, and Ways and Means.

By Mr. COELHO (for himself, Mr. HEFTEL of Hawaii, and Mr. LEHMAN of California):

H.R. 4430. A bill to require the Secretary of the Interior to conduct a study to determine the appropriate minimum altitude for aircraft flying over national park system units; to the Committee on Interior and Insular Affairs.

By Mr. CRANE:

H.R. 4431. A bill to require the Postal Service to procure property or services from the private sector when a cost comparison demonstrates that the cost of procuring such property or services from the private sector is lower than the cost of providing such property or services by the Postal Service; to the Committee on Post Office and Civil Service.

By Mr. DYSON:

H.R. 4432. A bill to authorize the Secretary of Agriculture to transfer certain funds to enable the Secretary to take immediate action to eradicate and control avian influenza and citrus canker, and for other purposes; to the Committee on Agriculture.

H.R. 4433. A bill relating to the use of steel shot in the hunting of migratory birds; jointly, to the Committee on Appropriations, and Merchant Marine and Fisheries.

By Mr. GLICKMAN:

H.R. 4434. A bill to amend the Act entitled "An Act granting a charter to the General Federation of Women's Clubs;" to the Committee on the Judiciary.

By Mr. MILLER of California (for himself, Mr. BEILENSON, Mr. EVANS of Illinois, Mr. FRANK, Mr. MAVROULES, Mr. TOWNS, Mr. MATSUI, Mr. DE LUGO, Mr. SCHUMER, Mr. WHITEHURST, Mrs. BOXER, Mr. RICHARDSON, Mr. LEVINE of California, Mr. BATES, Mr. NEAL, Mr. SEIBERLING, Mr. REID, Mr. WEAVER, Mr. LEHMAN of California, Mr. RANGEL, Mr. COELHO, Mr. GEJDENSON, Mr. STRANG, Mr. SUNIA, Mr. BLAZ, Mrs. BURTON of California, Mr. KILDEE, Mr. MORRISON of Connecticut, and Mr. WAXMAN):

H.R. 4435. A bill to authorize the Secretary of the Interior to engage in water resource projects in the U.S. Territories and Commonwealths, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. TRAFICANT:

H.R. 4436. A bill to amend title 23, United States Code, to improve safety on the National System of Interstate and Defense Highways by transferring rearward, to other internal axle groups, a part of the load weight carried on the steering axle of a three axle truck-tractor and triaxle semitrailer; to the Committee on Public Works and Transportation.

By Mr. APPLEGATE (by request):

H.R. 4437. A bill to amend title 38, United States Code, to improve pension benefits for World War I veterans and for surviving spouses of such veterans; to the Committee on Veterans' Affairs.

By Mr. BENNETT:

H.R. 4438. A bill to amend title 37, United States Code, to revise the pay and allowances of members of the Armed Forces to provide a program of deferred compensation for career military personnel who serve 20 or more years of active duty; to the Committee on Armed Services.

By Mr. BLILEY (for himself, Mr. BROYHILL, Mr. SHELBY, Mr. NIELSON of Utah, Mr. COATS, Mr. RITTER, Mr. RINALDO, Mr. BILIRAKIS, Mr. DANNEMEYER, Mr. FIELDS, Mr. WOLF, Mr. ROBINSON, Mr. HUNTER, Mr. SILJANDER, Mr. CALLAHAN, Mr. ROTH, Mrs. BENTLEY, Mr. BOULTER, Mr. DORNAN of California, Mr. FAUNTROY, Mr. HYDE, Mr. HERTEL of Michigan, Mr. BURTON of Indiana, Mr. TAUKE, Mr. SAXTON, Mr. FRANKLIN, Mr. LUKEN, Mr. COBLE, Mr. SWINDALL, Mr. DERRICK, Mr. WHITEHURST, Mr. LIVINGSTON, Mr. MRAZEK, Ms. MIKULSKI, Mr. BATEMAN, and Mr. RICHARDSON):

H.R. 4439. A bill to amend the Communications Act of 1934 to restrict the making of obscene and indecent communications by telephone; to the Committee on Energy and Commerce.

By Mr. BROWN of California:

H.R. 4440. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to provide for a fair and equitable manner of determining data compensation and sharing the costs of developing data required under the act; to the Committee on Agriculture.

By Mr. DORNAN of California (for himself, Mr. LOWERY of California, Mr. CHAPPIE, Mr. ZSCHAU, and Mr. LAGOMARSINO):

H.R. 4441. A bill to amend the Internal Revenue Code of 1954 to modify the tax treatment of tax-exempt municipal bonds, and for other purposes; to the Committee on Ways and Means.

By Mr. LENT:

H.R. 4442. A bill to amend the Product Liability Risk Retention Act of 1981 to facilitate the establishment of liability risk retention groups and purchasing groups; to the Committee on Energy and Commerce.

By Mr. NIELSON of Utah:

H.R. 4443. A bill to clarify the treatment of mineral materials on public lands; to the Committee on Interior and Insular Affairs.

By Mr. RODINO (by request):

H.R. 4444. A bill to amend the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

By Mr. ROE (for himself, Mr. HOWARD, Mr. FLORIO, Mr. ANDERSON, Mr. SNYDER, Mr. MINETA, Mr. TAYLOR, Mr. HAMMERSCHMIDT, Mr. STANGELAND, Mr. DOWNEY of New York, Mr. MOLINARI, Mr. ECKART of Ohio, Mrs. ROUKEMA, Mr. GINGRICH, and Mr. SIKORSKI):

H.R. 4445. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to provide interim borrowing authority for the Superfund Program for 45 days; jointly, to the Committees on Energy and Commerce, Public Works and Transportation, and Ways and Means.

By Mr. HUTTO:

H.J. Res. 569. Joint resolution to designate May 8, 1986, as "Naval Aviation Day"; to the Committee on Post Office and Civil Service.

By Mr. RODINO (for himself, Mr. FISH, Mr. CONYERS, Mr. BOUCHER, and Mr. GEKAS):

H.J. Res. 570. Joint resolution to designate the week of April 20, 1986, as "Crime Victims Week"; to the Committee on Post Office and Civil Service.

By Mr. VALENTINE (for himself, Mrs. LLOYD, Mr. BEDELL, Mrs. BENTLEY, Mr. CHAPPIE, Mr. CROCKETT, Mr. DE LA GARZA, Mr. DE LUGO, Mr. DWYER of New Jersey, Mr. DYMALLY, Mr. FAZIO, Mr. FUSTER, Mrs. HOLT, Mr. LANTOS, Mr. LELAND, Mr. LAGOMARSINO, Mr. MARTINEZ, Mr. MINETA, Mr. OWENS, Mr. PURSELL, Mr. ROE, Mr. ROYBAL, Mr. SCHEUER, Mr. SMITH of Florida, Mr. SYNAR, Mr. TOWNS, and Mr. WORTLEY):

H.J. Res. 571. Joint resolution to designate May 1986 as "National Women's Health Awareness Month;" to the Committee on Post Office and Civil Service.

By Mr. LOWRY of Washington:

H. Con. Res. 300. Concurrent resolution to express the support of Congress regarding preservation of the South Moresby area of the Queen Charlotte Archipelago in British Columbia, Canada, and to encourage the President to offer the assistance of the appropriate Federal agencies to help achieve such preservation; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII.

314. Mr. RUDD presented a memorial of the House of Representatives of the State of Arizona, relative to the McClure-Volkmer bill to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mrs. BURTON of California:

H.R. 4446. A bill for the relief of Henry David Brimmer; to the Committee on the Judiciary.

By Mr. FUQUA:

H.R. 4447. A bill for the relief of Major Ralph Edwards, U.S. Air Force, retired; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 23: Mr. OWENS, Mr. FAZIO, Mr. GRAY of Pennsylvania, Mr. MCKINNEY, Mr. SHAW, and Mr. SYNAR.

H.R. 479: Mr. CLINGER.

H.R. 555: Mr. MOLLOHAN.

H.R. 692: Mr. ENGLISH.

H.R. 782: Mr. MORRISON of Connecticut, Mr. KLECZKA, Mr. LEVIN of Michigan, Mr. CONYERS, and Mr. TRAFICANT.

H.R. 796: Mr. FISH and Mr. MONSON.

H.R. 1356: Mr. WIRTH.

H.R. 1438: Mr. HUGHES.

H.R. 1575: Mr. YATES, Mr. SAVAGE, Mrs. COLLINS, Mr. LANTOS, Mr. RODINO, Mr. MARKEY, Mr. RINALDO, Mr. SCHEUER, Mr. ANNUNZIO, Mr. HOYER, Mr. FAUNTROY, Mr. DE LUGO, Mr. SMITH of Florida, Mr. REID, Mr. LEVIN of Michigan, Mr. CARPER, Mr. MORRISON of Connecticut, Mrs. BOXER, Mr. VENTO, Mr. BROWN of California, Mr. EVANS of Illinois, Mr. GREEN, and Mr. FAZIO.

H.R. 1715: Mr. HAWKINS.

H.R. 1769: Mr. PERKINS.

H.R. 2361: Mr. MRAZEK.

H.R. 2440: Mr. BONER of Tennessee and Mr. CRAIG.

H.R. 2484: Mr. SCHUETTE.

H.R. 2582: Mr. WILSON, Mr. STAGGERS, Mr. RUDD, and Mr. VENTO.

H.R. 2840: Mr. WIRTH.

H.R. 2897: Mr. SILJANDER, Mr. BLILEY, Mr. COATS, Mr. SWEENEY, Mr. DANNEMEYER, Mr. RUDD, and Mr. HYDE.

H.R. 3521: Mr. BEREUTER, Mr. PENNY, Mr. LAGOMARSINO, Mr. FUSTER, Mr. ASPIN, Mr. LEWIS of Florida, Mr. PERKINS, Mr. DORGAN of North Dakota, Mr. HOPKINS, Mr. WILSON, Mr. BOEHLERT, Mr. BOSCO, Mr. BATES, Mr. BROWN of Colorado, Mr. ALEXANDER, Ms. SNOWE, Mr. KLECZKA, Mrs. VUCANOVICH, and Mr. YOUNG of Alaska.

H.R. 3624: Mr. REID.

H.R. 3712: Mr. BUSTAMANTE and Mr. FROST.

H.R. 3723: Mr. BROWN of California.

H.R. 3744: Mr. BRYANT.

H.R. 3749: Mr. HOYER.

H.R. 3767: Mr. CLINGER, Mr. BUSTAMANTE, Mr. HILER, and Mr. LEHMAN of California.

H.R. 3799: Mr. LUNDINE, Mrs. JOHNSON, Mr. RANGEL, Mr. HOWARD, Mrs. KENNELLY, Mr. PICKLE, Mr. PEASE, Mr. HUBBARD, Mr. MAVROULES, Mr. BOSCO, Mr. TORRICELLI, and Mr. MCHUGH.

H.R. 3807: Mr. BOEHLERT and Mr. MARTINEZ.

H.R. 3876: Mr. FISH.

H.R. 4014: Mr. HAWKINS, Mr. BRYANT, Mr. ROE, Mr. FROST, and Mr. DARDEN.

H.R. 4025: Mr. BROWN of California, Mr. MICA, Mr. WILSON, Mr. SMITH of Florida, Mr. EDGAR, Mr. MCCAIN, and Mr. GRAY of Illinois.

H.R. 4033: Mr. EDWARDS of Oklahoma.

H.R. 4035: Mr. MURPHY.

H.R. 4060: Mr. SOLARZ, Mr. GARCIA, Mr. SCHUMER, Mr. NELSON of Florida, Mr. ENGLISH, Mr. BOEHLERT, Mr. DOWNEY of New York, Mr. KOLTER, Mr. TOWNS, Mr. VALENTINE, Mr. CHAPPELL, Mr. BILIRAKIS, Mr. DELLUMS, Mr. STUDDS, Mr. HENDON, Mr. TALLON, Mr. SOLOMON, and Mr. HAMILTON.

H.R. 4067: Mr. SAXTON, Mr. ROE, and Mrs. BENTLEY.

H.R. 4090: Mr. YOUNG of Florida, Mr. BILIRAKIS, and Mr. MACK.

H.R. 4097: Mr. FROST, Mr. MOLLOHAN, Mr. OBERSTAR, and Mr. GRAY of Pennsylvania.

H.R. 4119: Mr. DE LUGO, Mr. MINETA, Mr. MATSUI, and Mr. OWENS.

H.R. 4135: Mr. GRAY of Pennsylvania.

H.R. 4143: Mr. RANGEL, Mr. ECKART of Ohio, and Mr. WYLIE.

H.R. 4205: Mr. WEISS, Mr. WISE, Mr. DONNELLY, Mr. EDGAR, Mr. CLAY, Mr. MILLER of California, Mr. SEIBERLING, Mr. GRAY of Pennsylvania, Mr. EVANS of Illinois, Mr. MURPHY, Mr. SABO, Mr. MARTINEZ, Mr. EDWARDS of California, and Mr. SAVAGE.

H.R. 4228: Mr. MONSON and Mr. MITCHELL.

H.R. 4241: Mr. TOWNS, Mr. LIGHTFOOT, Mr. MORRISON of Connecticut, Mr. THOMAS of Georgia, Mr. HAYES, Mr. BEDELL, and Mr. WILLIAMS.

H.R. 4243: Mr. HENDON, Mrs. BENTLEY, Mr. JACOBS, Mr. BROWN of California, Mr. MARTINEZ, Mr. MITCHELL, Mr. TRAFICANT, and Mr. BOSCO.

H.R. 4351: Mrs. BENTLEY.

H.R. 4382: Mr. DANNEMEYER, Mr. ROE, Mr. LAGOMARSINO, Mr. WORTLEY, Mr. SCHEUER, and Mr. MARTINEZ.

H.R. 4399: Mrs. LONG, Mr. FORD of Tennessee, Mr. RUDD, Mr. SABO, Mr. WOLF, and Mr. MITCHELL.

H.J. Res. 91: Mr. HENDON, Mr. DEWINE, and Mr. HUTTO.

H.J. Res. 379: Mr. THOMAS of Georgia, Mr. ROWLAND of Georgia, Mr. LUJAN, Mr. BEVILL, Mrs. MARTIN of Illinois, and Mr. HOWARD.

H.J. Res. 417: Mr. WILLIAMS, Mr. WOLPE, Mr. HENDON, Mr. UDALL, Mr. FEIGHAN, Mr. HORTON, Mr. BARNES, Mr. HAYES, and Mr. SCHAEFER.

H.J. Res. 435: Mr. OWENS.

H.J. Res. 438: Mr. CLINGER, Mr. DELAY, Mr. SNYDER, Mr. OLIN, Mr. OWENS, Mr. TALLON, Mr. YATES, Mr. TRAFICANT, Mr. WOLPE, Mr. WYDEN, Mr. PARRIS, Mr. WHITTAKER, Mr. MINETA, Mr. VOLKMER, and Mr. HALL of Ohio.

H.J. Res. 492: Mr. CONYERS, Mr. NOWAK, Mrs. BOXER, Mr. KASICH, Mr. DE LA GARZA, Mr. ANDERSON, Mr. MORRISON of Washington, Mr. DEWINE, Mr. BROWN of California, Mr. MONSON, Mr. BERMAN, Mr. COELHO, Mr. KRAMER, Mr. LAFALCE, Mr. BIAGGI, Mr. CLAY, Mr. BLILEY, Mr. DONNELLY, and Mr. GUARINI.

H.J. Res. 502: Mr. AKAKA, Mr. CONYERS, Mr. DONNELLY, Mr. EDWARDS of Oklahoma, Mr. FISH, Mr. GRAY of Pennsylvania, Mr. HALL of Ohio, Mr. LEHMAN of Florida, Mr. LOWRY of Washington, Mr. LUJAN, Mr. MCKERNAN, Mr. MOORE, Mr. NIELSON of Utah, Mr. OLIN, Mr. ROE, Ms. SNOWE, Mr. TAUZIN, Mr. BOLAND, and Mr. WEAVER.

H.J. Res. 526: Mr. FIELDS, Mr. BARNARD, Mr. HANSEN, Mr. FOGLIETTA, Mr. FLIPPO, Mr. QUILLEN, Mr. CONTE, Mr. UDALL, Mr. HUTTO, Mr. SHAW, Mr. BATEMAN, Mr. RAHALL, Mr. SUNDQUIST, Mr. LOEFFLER, Mr. BURTON of Indiana, Mr. CONYERS, Mr. ERDREICH, Mr. ANDREWS, Mr. YOUNG of Missouri, Mr. ROE, Mrs. BYRON, Mr. AKAKA, Mr. BUSTAMANTE, Mr. HALL of Ohio, Mr. GUARINI, Mr. TAUZIN, Mr. HARTNETT, Mr. ANDERSON, Mr. MOAKLEY, Mr. BENNETT, Mr. BILIRAKIS, Mr. DWYER of New Jersey, Mr. SPENCE, Mr. PICKLE, Mr. ENGLISH, Mr. VENTO, Mr. KILDEE, Mr. FRANK, Mr. CAMPBELL, and Mrs. JOHNSON.

H.J. Res. 528: Mr. ECKART of Ohio, Mr. FISH, and Mr. MARTINEZ.

H.J. Res. 531: Mr. OWENS, Mr. MURPHY, Mr. CONYERS, Mr. GUARINI, Mr. ROBERTS, Mr. GEKAS, Mr. LEWIS of California, Mr. BOLAND, Mr. HEFTEL of Hawaii, Mr. MRAZEK, Mr. FAZIO, Mr. DANNEMEYER, Mr. HOWARD, Mr. PURSELL, and Mr. CONTE.

H.J. Res. 536: Mr. CONYERS, Mr. DYSON, Mr. KOSTMAYER, Mr. YOUNG of Missouri, Mr. DANNEMEYER, Mr. HAYES, Mr. LAGOMARSINO, Mr. WEISS, Mr. DORNAN of California, Mr. DE LA GARZA, Mr. HEFNER, Mr. BROOKS, Mr. BEVILL, Mr. DE LUGO, Mr. DENNY SMITH, Mr. FAZIO, Mr. LEWIS of Florida, Mr. MARTINEZ, Mr. HUGHES, Mr. RAHALL, Mrs. BOXER, Mr. O'BRIEN, Mr. DAUB, Mr. OBERSTAR, Mr. WILSON, Mr. SPENCE, Mr. HARTNETT, Mr. YOUNG of Florida, Mr. HATCHER, and Mr. ERDREICH.

H.J. Res. 538: Mr. BLAZ, Mr. RALPH M. HALL, Mr. DENNY SMITH, Mr. MARKEY, Mr. SAVAGE, Mr. O'BRIEN, Mrs. HOLT, Mr. LAGOMARSINO, Mr. BONER of Tennessee, Mr. MRAZEK, Mr. DE LUGO, Mr. MCCAIN, Mr. BROOKS, Mr. RAHALL, Mr. GINGRICH, Mr. DARDEN, Mr. STUMP, Mr. BARNES, Mr. WISE, Ms. OAKAR, Mr. MCGRATH, Mr. HENRY, Mr. KOSTMAYER, Mr. EVANS of Iowa, Mr. MARTINEZ, Mr. RAY, Mr. THOMAS of Georgia, Mr. SEKLTON, Mr. SMITH of Florida, Mr. EVANS of Illinois, Mr. NIELSON of Utah, Mr. ROYBAL, Mr. GUARINI, Mr. YOUNG of Alaska, Mr. HOWARD, Mr. DWYER of New Jersey, Mr.

HEFTEL of Hawaii, Mr. ROE, Mr. TOWNS, Mr. BARNARD, Mr. WORTLEY, Mr. DYMALLY, Mr. NEAL, Mr. FOWLER, Mr. SWINDALL, Mrs. BOXER, Mr. BEVILL, Mrs. BENTLEY, Mr. WILSON, Mr. JENKINS, Mr. HATCHER, Mr. SHAW, and Mr. CONTE.

H.J. Res. 539: Mr. PURSELL.

H.J. Res. 541: Mr. TALLON, Mr. BERMAN, Mr. LAFALCE, Mrs. VUCANOVICH, Mr. SEIBERLING, and Mr. ORTIZ.

H.J. Res. 544: Mr. LIGHTFOOT, Mr. WILSON, Mr. RODINO, Mrs. HOLT, Mr. BOEHLERT, Mr. LUNDINE, Mr. CROCKETT, Mr. QUILLEN, Mr. MCDADE, Mr. MILLER of Washington, Mr. FISH, Mr. TORRICELLI, and Mr. HOWARD.

H.J. Res. 556: Mr. MINETA, Mr. HEFTEL of Hawaii, Mr. BEVILL, and Mr. FAZIO.

H.J. Res. 561: Mr. HANSEN, Mr. WEISS, Mr. CHAPPELL, Mr. ROE, Mr. DE LUGO, Mr. BERMAN, Mr. LANTOS, Mr. FOGLIETTA, Mr. DYMALLY, Mr. VALENTINE, and Mr. WYDEN.

H.J. Res. 567: Mr. BATEMAN, Mr. BLILEY, Mr. BURTON of Indiana, Mrs. BURTON of California, Mr. COURTER, Mr. FUSTER, Mr. GILMAN, Mr. GOODLING, Mr. HORTON, Mr. MOODY, Mr. MRAZEK, Mr. REGULA, Mr. SEIBERLING, Mr. UDALL, Mr. WEBER, Mr. WILSON, and Mr. WORTLEY.

H. Con. Res. 269: Mr. UDALL.

H. Con. Res. 279: Mr. WRIGHT and Mr. BRYANT.

H. Res. 12: Mr. DORNAN of California, Mr. COURTER, Mr. WOLPE, and Mr. WORTLEY.

H. Res. 243: Mr. MOLLOHAN.

H. Res. 383: Mr. SAXTON, Mrs. BENTLEY, Mr. COURTER, Mr. LOWERY of California, Mr. WEBER, Mr. BARTON of Texas, and Mr. DREIER of California.

H. Res. 392: Mr. COURTER, Mr. KASICH, Mr. ROBERTS, Mr. UDALL, Mr. RAHALL, Mr. MRAZEK, Mr. DWYER of New Jersey, Mr. WOLF, Mr. SMITH of Florida, Mr. FRANK, Mr. DANNEMEYER, Mr. ROE, Mr. BUSTAMANTE, Mr. BLILEY, Mrs. SCHNEIDER, Mr. LIPINSKI, Mr. LELAND, Mr. DE LA GARZA, Mr. DORNAN of California, Mr. LANTOS, Mr. HENDON, Mr. KINDNESS, Mr. DAUB, Mr. STRANG, Mr. O'BRIEN, Mr. BILIRAKIS, Mr. BRYANT, Mr. CONYERS, and Mr. MCGRATH.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 4332

By Mr. GEKAS:

—Page 18, strike out line 4 and all that follows through line 16 on page 19.

By Mr. MRAZEK:

—At the end of the bill add the following new section:

SEC. 16. PROHIBITIONS WITH RESPECT TO CERTAIN FIREARMS.

(a) MANUFACTURE.—(1) Section 922 of title 18, United States Code, is amended by adding after the subsection added by section 2 the following:

"(o) Except as provided in section 925(f) of this title, it shall be unlawful for any person to manufacture any firearm that the Secretary determines is not—

"(1) readily detectable as a firearm by the standard security equipment commonly used at airports; and

"(2) readily identifiable as a firearm.".

(2) Section 925 of title 18, United States Code, is amended by adding at the end the following:

"(f) The Secretary shall declare an exemption from the prohibition of section 922(o) of this title with respect to firearms of a type determined by the Secretary to be identical to a type designed and produced in the United States for commercial sale before January 1, 1986.".

(b) IMPORTATION.—Section 925(d) of title 18, United States Code, is amended by inserting at the end the following: "The Secretary shall not authorize under this subsection the importation of any firearm that is not readily detectable as a firearm by the standard security equipment commonly used at airports and readily identifiable as a firearm.".

By Mr. VOLKMER:

(Amendment in the nature of a substitute.)

—Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE AND CONGRESSIONAL FINDINGS.

(a) SHORT TITLE.—This Act may be cited as the "Firearms Owners' Protection Act".

(b) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) the rights of citizens—

(A) to keep and bear arms under the second amendment to the United States Constitution;

(B) to security against illegal and unreasonable searches and seizures under the fourth amendment;

(C) against uncompensated taking of property, double jeopardy, and assurance of due process of law under the fifth amendment; and

(D) against unconstitutional exercise of authority under the ninth and tenth amendments;

require additional legislation to correct existing firearms statutes and enforcement policies; and

(2) additional legislation is required to reaffirm the intent of the Congress, as expressed in section 101 of the Gun Control Act of 1968, that "it is not the purpose of this title to place any undue or unnecessary Federal restrictions or burdens on law-abiding citizens with respect to the acquisition, possession, or use of firearms appropriate to the purpose of hunting, trapshooting, target shooting, personal protection, or any other lawful activity, and that this title is not intended to discourage or eliminate the private ownership or use of firearms by law-abiding citizens for lawful purposes.".

SEC. 101. AMENDMENTS TO SECTION 921.

Section 921 of title 18, United States Code, is amended—

(1) in subsection (a)(10), by striking out "manufacture of" and inserting in lieu thereof "business of manufacturing";

(2) in subsection (a)(11)(A), by striking out "or ammunition";

(3) in subsection (a)(12), by striking out "or ammunition";

(4) in subsection (a)(13), by striking out "or ammunition";

(5) by amending paragraph (20) of subsection (a) to read as follows:

"(20) The term 'crime punishable by imprisonment for a term exceeding one year' does not include—

"(A) any Federal or State offenses pertaining to antitrust violations, unfair trade practices, restraints of trade, or other similar offenses relating to the regulation of business practices, or

"(B) any State offense classified by the laws of the State as a misdemeanor and punishable by a term of imprisonment of two years or less.

What constitutes a conviction of such a crime shall be determined in accordance with the law of the jurisdiction in which the proceedings were held. Any conviction which has been expunged, or set aside or for which a person has been pardoned or has had civil rights restored shall not be considered a conviction for purposes of this chapter, unless such pardon, expungement, or restoration of civil rights expressly provides that the person may not ship, transport, possess, or receive firearms."; and

(6) in subsection (a), by inserting after paragraph (20) the following new paragraphs:

"(21) The term 'engaged in the business' means—

"(A) as applied to a manufacturer of firearms, a person who devotes time, attention, and labor to manufacturing firearms as a regular course of trade or business with the principal objective of livelihood and profit through the sale or distribution of the firearms manufactured;

"(B) as applied to a manufacturer of ammunition, a person who devotes time, attention, and labor to manufacturing ammunition as a regular course of trade or business with the principal objective of livelihood and profit through the sale or distribution of the ammunition manufactured;

"(C) as applied to a dealer in firearms, as defined in section 921(a)(11)(A), a person who devotes time, attention, and labor to dealing in firearms as a regular course of trade or business with the principal objective of livelihood and profit through the repetitive purchase and resale of firearms, but such term shall not include a person who makes occasional sales, exchanges, or purchases of firearms for the enhancement of a personal collection or for a hobby, or who sells all or part of his personal collection of firearms;

"(D) as applied to a dealer in firearms, as defined in section 921(a)(11)(B), a person who devotes time, attention, and labor to engaging in such activity as a regular course of trade or business with the principal objective of livelihood and profit, but such term shall not include a person who makes occasional repairs of firearms or who occasionally fits special barrels, stocks, or trigger mechanisms to firearms;

"(E) as applied to an importer of firearms, a person who devotes time, attention, and labor to importing firearms as a regular course of trade or business with the principal objective of livelihood and profit through the sale or distribution of the firearms imported; and

"(F) as applied to an importer of ammunition, a person who devotes time, attention, and labor to importing ammunition as a regular course of trade or business with the principal objective of livelihood and profit through the sale or distribution of the ammunition imported.

"(22) The term 'with the principal objective of livelihood and profit' means that the intent underlying the sale or disposition of firearms is predominantly one of obtaining livelihood and pecuniary gain, as opposed to other intents, such as improving or liquidating a personal firearms collection.

"(23) The term 'machinegun' has the meaning given such term in section 5845(b) of the National Firearms Act (26 U.S.C. 5845(b)).

"(24) The terms 'firearm silencer' and 'firearm muffler' mean any device for silencing, muffling, or diminishing the report of a portable firearm, including any part or combination of parts, designed or redesigned, intended only for such use in assembling or fabricating a firearm silencer or firearm muffler.".

SEC. 102. AMENDMENTS TO SECTION 922.

Section 922 of title 18, United States Code, is amended—

(1) so that paragraph (1) of subsection (a) reads as follows:

"(1) for any person—

"(A) except a licensed importer, licensed manufacturer, or licensed dealer, to engage in the business of importing, manufacturing, or dealing in firearms, or in the course of such business to ship, transport, or receive any firearm in interstate or foreign commerce; or

"(B) except a licensed importer or licensed manufacturer, to engage in the business of importing or manufacturing ammunition, or in the course of such business, to ship, transport, or receive any ammunition in interstate or foreign commerce;";

(2) in subsection (a)(2)—

(A) by striking out "or ammunition"; and

(B) by striking out "or licensed dealer for the sole purpose of repair or customizing;" and inserting in lieu thereof "licensed dealer, or licensed collector;";

(3) in subsection (a)(3), by striking out "(B)" and all that follows through "(b)(3) of this section," and inserting in lieu thereof the following: "(B) shall not apply to the transportation or receipt of a firearm obtained in conformity with subsection (b)(3) of this section,";

(4) in subsection (b)—

(A) in paragraph (2), by striking out "or ammunition" each place it appears;

(B) in paragraph (3), by striking out "(A)" and all that follows through "intrastate transactions other than at the licensee's business premises," and inserting in lieu thereof "(A) shall not apply to the sale or delivery of any firearm to a resident of a State other than a State in which the licensee's place of business is located if the sale, delivery and receipt fully comply with the legal conditions of sale in both such States (and any licensed manufacturer, importer or dealer shall be presumed, in the absence of evidence to the contrary, to have had actual knowledge of the State laws and published ordinances of both States) and if the transferee (other than a licensed manufacturer, importer, or dealer) meets in person with the transferor to accomplish the transfer or to negotiate the transfer (and, notwithstanding any other provisions of law, the transportation or shipment of such firearm to such transferee in interstate or foreign commerce shall be permitted, but this exception does not authorize mail order sales of firearms),";

(C) in paragraph (3), by inserting "and" before "(B)";

(D) in paragraph (3), by striking out ", and (C)" and all that follows through the end of such paragraph and inserting in lieu thereof a semicolon; and

(E) in paragraph (5), by striking out "or ammunition except .22 caliber rimfire ammunition" and inserting "or armor-piercing ammunition" in lieu thereof;

(5) in subsection (d)—

(A) by striking out "licensed importer, licensed manufacturer, licensed dealer, or licensed collector" the first place it appears and inserting in lieu thereof "person";

(B) by amending paragraph (3) to read as follows:

"(3) is an unlawful user of or addicted to any controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802));";

(C) in paragraph (4), by striking out the period and inserting in lieu thereof a semicolon; and

(D) by inserting after paragraph (4) the following:

"(5) who, being an alien, is illegally or unlawfully in the United States;

"(6) who has been discharged from the Armed Forces under dishonorable conditions; or

"(7) who, having been a citizen of the United States, has renounced his citizenship.";

(6) in subsection (g)—

(A) in paragraph (1), by striking out "is under indictment for, or who";

(B) by amending paragraph (3) to read as follows:

"(3) is an unlawful user of or addicted to any controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802));";

(C) by inserting after paragraph (4) the following new paragraphs:

"(5) who, being an alien, is illegally or unlawfully in the United States;

"(6) who has been discharged from the Armed Forces under dishonorable conditions; or

"(7) who, having been a citizen of the United States, has renounced his citizenship;"; and

(D) by striking out "to ship or transport any firearm or ammunition in interstate or foreign commerce." and inserting in lieu thereof "to ship or transport in interstate or foreign commerce, or possess in or affecting commerce, any firearm or ammunition; or to receive any firearm or ammunition which has been shipped or transported in interstate or foreign commerce.";

(7) by striking out subsection (h); and

(8) by inserting after subsection (m) the following:

"(n) It shall be unlawful for any person who is under indictment for a crime punishable by imprisonment for a term exceeding one year to ship or transport in interstate or foreign commerce any firearm or ammunition or receive any firearm or ammunition which has been shipped or transported in interstate or foreign commerce.".

SEC. 103. AMENDMENTS TO SECTION 923.

Section 923 of title 18, United States Code, is amended—

(1) in subsection (a)—

(A) by striking out the first sentence and inserting in lieu thereof "No person shall engage in the business of importing, manufacturing, or dealing in firearms, or importing or manufacturing ammunition, until he has filed an application with and received a license to do so from the Secretary."; and

(B) by striking out "and contain such information", and inserting in lieu thereof "and contain only that information necessary to determine eligibility for licensing.";

(2) in subsection (a)(3)(B), by striking out "or ammunition for firearms other than destructive devices,";

(3) in subsection (b), by striking out "and contain such information" and inserting in lieu thereof "and contain only that information necessary to determine eligibility";

(4) in subsection (c), by adding at the end "Nothing in this chapter shall be construed to prohibit a licensed manufacturer, importer, or dealer from maintaining and disposing of a personal collection of firearms, subject only to such restrictions as apply in this chapter to dispositions by a person other than a licensed manufacturer, importer, or dealer. If any firearm is so disposed of by a licensee within one year after its transfer from his business inventory into such licensee's personal collection or if such disposition or any other acquisition is made for the purpose of willfully evading the restrictions placed upon licensees by this chapter, then such firearm shall be deemed part of such licensee's business inventory.";

(5) in subsection (e), by inserting "willfully" before "violated";

(6) in subsection (f)—

(A) in paragraph (3)—

(i) by inserting "de novo" before "judicial"; and

(ii) by inserting "whether or nor such evidence was considered at the hearing held under paragraph (2)." after "to the proceeding"; and

(B) by adding at the end the following new paragraph:

"(4) If criminal proceedings are instituted against a licensee alleging any violation of this chapter or of rules or regulations prescribed under this chapter, and the licensee is acquitted of such charges, or such proceedings are terminated, other than upon motion of the Government before trial upon such charges, the Secretary shall be absolutely barred from denying or revoking any license granted under this chapter where such denial or revocation is based in whole or in part on the facts which form the basis of such criminal charges. No proceedings for the revocation of a license shall be instituted by the Secretary more than one year after the filing of the indictment or information.";

(7) so that subsection (g) reads as follows:

"(g)(1)(A) Each licensed importer, licensed manufacturer, and licensed dealer shall maintain such records of importation, production, shipment, receipt, sale, or other disposition of firearms at his place of business for such period, and in such form, as the Secretary may by regulations prescribe. Such importers, manufacturers, and dealers shall not be required to submit to the Secretary reports and information with respect to such records and the contents thereof, except as expressly required by this section. The Secretary, when he has reasonable cause to believe a violation of this chapter has occurred and that evidence thereof may be found on such premises, may, upon demonstrating such cause before a Federal magistrate and securing from such magistrate a warrant authorizing entry, enter during business hours, the premises (includes places of storage) of any licensed firearms importer, licensed manufacturer, licensed dealer, licensed collector, or any licensed importer or manufacturer of ammunition, for the purpose of inspecting or examining—

"(i) any records or documents required to be kept by such licensed importer, licensed manufacturer, licensed dealer, or licensed collector under this chapter or rules or regulations under this chapter, and

"(ii) any firearms or ammunition kept or stored by such licensed importer, licensed manufacturer, licensed dealer, or licensed collector, at such premises.

"(B) The Secretary may inspect or examine the inventory and records of a licensed importer, licensed manufacturer, or licensed dealer without such reasonable cause or warrant—

"(i) in the course of a reasonable inquiry during the course of a criminal investigation of a person or persons other than the licensee;

"(ii) for ensuring compliance with the record keeping requirements of this chapter not more than once during any 12-month period; or

"(iii) when such inspection or examination may be required for determining the disposition of one or more particular firearms in

the course of a bona fide criminal investigation.

"(C) The Secretary may inspect the inventory and records of a licensed collector without such reasonable cause or warrant—

"(i) for ensuring compliance with the record keeping requirements of this chapter not more than once during any 12-month period; or

"(ii) when such inspection or examination may be required for determining the disposition of one or more particular firearms in the course of a bona fide criminal investigation.

"(D) At the election of a licensed collector, the annual inspection of records and inventory permitted under this paragraph shall be performed at the office of the Secretary designated for such inspections which is located in closest proximity to the premises where the inventory and records of such licensed collector are maintained. The inspection and examination authorized by this paragraph shall not be construed as authorizing the Secretary to seize any records or other documents than those records or documents constituting material evidence of a violation of law. If the Secretary seizes such records or documents, copies shall be provided the licensee within a reasonable time. The Secretary may make available to any Federal, State, or local law enforcement agency any information which he may obtain by reason of this chapter with respect to the identification of persons prohibited from purchasing or receiving firearms or ammunition who have purchased or received firearms or ammunition, together with a description of such firearms or ammunition, and he may provide information to the extent such information may be contained in the records required to be maintained by this chapter, when so requested by any Federal, State, or local law enforcement agency.

"(2) Each licensed collector shall maintain in a bound volume the nature of which the Secretary may by regulations prescribe, records of the receipt, sale, or other disposition of firearms. Such records shall include the name and address of any person to whom the collector sells or otherwise disposes of a firearm. Such collector shall not be required to submit to the Secretary reports and information with respect to such records and the contents thereof, except as expressly required by this section.

"(3) Each licensee shall prepare a report of multiple sales or other dispositions whenever the licensee sells or otherwise disposes of, at one time or during any five consecutive business days, two or more pistols, or revolvers, or any combination of pistols and revolvers totaling two or more, to an unlicensed person. The report shall be prepared on a form specified by the Secretary and forwarded to the office specified thereon not later than the close of business on the day that the multiple sale or other disposition occurs.

"(4) Where a firearms or ammunition business is discontinued and succeeded by a new licensee, the records required to be kept by this chapter shall appropriately reflect such facts and shall be delivered to the successor. Where discontinuance of the business is absolute, such records shall be delivered within 30 days after the business discontinuance to the Secretary. However, where State law or local ordinance requires the delivery of records to other responsible authority, the Secretary may arrange for the delivery of such records to such other responsible authority.

"(5)(A) Each licensee shall, when required by letter issued by the Secretary, and until notified to the contrary in writing by the Secretary, submit on a form specified by the Secretary, for periods and at the times specified in such letter, all record information required to be kept by this chapter or such lesser record information as the Secretary in such letter may specify.

"(B) The Secretary may authorize such record information to be submitted in a manner other than that prescribed in subparagraph (A) of this paragraph when it is shown by a licensee that an alternate method of reporting is reasonably necessary and will not unduly hinder the effective administration of this chapter. A licensee may use an alternate method of reporting if the licensee describes the proposed alternate method of reporting and the need therefor in a letter application submitted to the Secretary, and the Secretary approves such alternate method of reporting."; and

(8) so that subsection (j) reads as follows:

"(j) A licensed importer, licensed manufacturer, or licensed dealer may, under rules or regulations prescribed by the Secretary, conduct business temporarily at a location other than the location specified on the license if such temporary location is the location for a gun show or event sponsored by any national, State, or local organization, or any affiliate of any such organization devoted to the collection, competitive use, or other sporting use of firearms in the community, and such location is in the State which is specified on the license. Records of receipt and disposition of firearms transactions conducted at such temporary location shall include the location of the sale or other disposition and shall be entered in the permanent records of the licensee and retained on the location specified on the license. Nothing in this subsection shall authorize any licensee to conduct business in or from any motorized or towed vehicle. Notwithstanding the provisions of subsection (a) of this section, a separate fee shall not be required of a licensee with respect to business conducted under this subsection. Any inspection or examination of inventory or records under this chapter by the Secretary at such temporary location shall be limited to inventory consisting of, or records relating to, firearms held or disposed at such temporary location. Nothing in this subsection shall be construed to authorize the Secretary to inspect or examine the inventory or records of a licensed importer, licensed manufacturer, or licensed dealer at any location other than the location specified on the license. Nothing in this subsection shall be construed to diminish in any manner any right to display, sell, or otherwise dispose of firearms or ammunition, which is in effect before the date of the enactment of the Firearms Owners' Protection Act.".

SEC. 104. AMENDMENTS TO SECTION 924.

(A) IN GENERAL.—Section 924 of title 18, United States Code, is amended—

(1) so that subsection (a) reads as follows:

"(a)(1) Except as otherwise provided in this section or in section 929, whoever—

"(A) knowingly makes any false statement or representation with respect to the information required by this chapter to be kept in the records of a person licensed under this chapter or in applying for any license or exemption or relief from disability under the provisions of this chapter;

"(B) knowingly violates subsection (a)(4), (a)(6), (f), (g), (i), (j), or (k) of section 922;

"(C) knowingly imports or brings into the United States or any possession thereof any firearm or ammunition in violation of section 922(1); or

"(D) willfully violates any other provision of this chapter,

shall be fined not more than $5,000, imprisoned not more than five years, or both, and shall become eligible for parole as the Parole Commission shall determine.

"(2) Any licensed dealer, licensed importer, licensed manufacturer, or licensed collector who knowingly—

"(A) makes any false statement or representation with respect to the information required by the provisions of this chapter to be kept in the records of a person licensed under this chapter, or

"(B) violates subsection (m) of section 922,

shall be fined not more than $1,000, imprisoned not more than one year, or both, and shall become eligible for parole as the Parole Commission shall determine.";

(2) in subsection (c)—

(A) by inserting "(1)" before "Whoever,";

(B) by striking out "violence" each place it appears and inserting in lieu thereof "violence or drug trafficking crime,";

(C) by inserting "or drug trafficking crime" before "in which the firearm was used or carried.";

(D) in the first sentence, by striking out the period at the end and inserting in lieu thereof ", and if the firearm is a machinegun, or is equipped with a firearm silencer or firearm muffler, to imprisonment for 10 years.";

(E) in the second sentence, by striking out the period at the end and inserting in lieu thereof ", and if the firearm is a machinegun, or is equipped with a firearm silencer or firearm muffler, to imprisonment for 20 years."; and

(F) by adding at the end the following:

"(2) For purposes of this subsection, the term 'drug trafficking crime' means any felony violation of Federal law involving the distribution, manufacture, or importation of any controlled substance (as defined in section 102 of the Controlled Substances Act of (21 U.S.C. 802)).";

(3) so that subsection (d) reads as follows:

"(d)(1) Any firearm or ammunition involved in or used in any willful or knowing violation of the provisions of this chapter or any rule or regulation prescribed under this chapter, or any violation of any other criminal law of the United States, shall be subject to seizure and forfeiture. All provisions of the Internal Revenue Code of 1954 relating to the seizure, forfeiture, and disposition of firearms, as defined in section 5845(a) of that Code, shall, so far as applicable, extend to seizures and forfeitures under the provisions of this chapter, but, upon acquittal of the owner or possessor, or dismissal of the charges against him other than upon motion of the Government before trial, the seized firearms or ammunition shall be returned forthwith to the owner or possessor or to a person designated by the owner or possessor unless the return of the firearms or ammunition would place the owner or possessor or his delegate in violation of law. Any action or proceeding for the forfeiture of firearms or ammunition shall be commenced within 120 days of such seizure.

"(2)(A) In any action or proceeding for the return of firearms or ammunition seized under this chapter, the court shall allow the prevailing party, other than the United States, a reasonable attorney's fee, and the United States shall be liable therefor.

"(B) In any other action or proceeding under this chapter, if the court finds that such action was without foundation, or was initiated vexatiously, frivolously, or in bad faith, the court shall allow the prevailing party, other than the United States, a reasonable attorney's fee, and the United States shall be liable therefor.

"(C) Only those firearms or quantities of ammunition particularly named and individually identified as involved in or used in any violation of this chapter, or of any rule or regulation issued under this chapter, or any other criminal law of the United States, shall be subject to seizure, forfeiture, and disposition.

"(D) The United States shall be liable for attorneys' fees under this paragraph only to the extent provided in advance by appropriation Acts."; and

(4) by adding at the end the following new subsection:

"(e)(1) In the case of a person who violates section 922(g) of this title and has three previous convictions by any court referred to in section 922(g)(1) of this title for robbery or burglary, or both, such person shall be fined not more than $25,000 and imprisoned not more than 15 years, and, notwithstanding any other provision of law, the court shall not suspend the sentence of, or grant a probationary sentence to, such person with respect to the conviction under section 922(g), and such person shall not be eligible for parole with respect to the sentence imposed under this subsection.

"(2) As used in this subsection—

"(A) the term 'robbery' means any crime punishable by a term of imprisonment exceeding one year and consisting of the taking of the property of another from the person or presence of another by force or violence, or by threatening or placing another person in fear that any person will imminently be subjected to bodily harm; and

"(B) the term 'burglary' means any crime punishable by a term of imprisonment exceeding one year and consisting of entering or remaining surreptitiously within a building that is the property of another with intent to engage in conduct constituting a Federal or State offense.".

(b) CONFORMING REPEAL.—Title VII of the Omnibus Crime Control and Safe Streets Act of 1968 (18 U.S.C. App. 1201 et seq.) is repealed.

SEC. 105. AMENDMENTS TO SECTION 925.

Section 925 of title 18, United States Code, is amended—

(1) in subsection (c)—

(A) by striking out "has been convicted of a crime punishable by imprisonment for a term exceeding one year (other than a crime involving the use of a firearm or other weapon or a violation of this chapter or of the National Firearms Act)" and inserting in lieu thereof "is prohibited from possessing, shipping transporting, or receiving firearms or ammunition";

(B) by inserting "transportation," after "shipment,";

(C) by striking out "and incurred by reason of such conviction"; and

(D) by inserting "Any person whose application for relief from disabilities is denied by the Secretary may file a petition with the United States district court for the district in which he resides for a judicial review of such denial. The court may in its discretion admit additional evidence where failure to do so would result in a miscarriage of justice." after "the public interest."; and (2) in subsection (d)—

(A) by striking out "may authorize" and inserting in lieu thereof "shall authorize";

(B) by striking out "the person importing or bringing in the firearm or ammunition establishes to the satisfaction of the Secretary that";

(C) in paragraph (3), by inserting before the semicolon ", except in any case where the Secretary has not authorized the importation of the firearm pursuant to this paragraph, it shall be unlawful to import any frame, receiver, or barrel of such firearm which would be prohibited if assembled"; and

(D) by striking out "may permit" and inserting in lieu thereof "shall permit".

SEC. 106. AMENDMENTS TO SECTION 926.

Section 926 of title 18 of the United States Code is amended—

(1) by inserting "(a)" before "The Secretary" the first place it occurs;

(2) by inserting "only" after "prescribe";

(3) by striking out "as he deems reasonably" and inserting in lieu thereof "as are";

(4) by striking out the last sentence and inserting in lieu thereof "No such rule or regulation prescribed after the date of the enactment of the Firearms Owners' Protection Act may require that records required to be maintained under this chapter or any portion of the contents of such records, be recorded at or transferred to a facility owned, managed, or controlled by the United States or any State or any political subdivision thereof, nor that any system of registration of firearms, firearms owners, or firearms transactions or dispositions be established. Nothing in this section expands or restricts the Secretary's authority to inquire into the disposition of any firearm in the course of a criminal investigation."; and

(5) by adding at the end the following:

"(b) The Secretary shall give not less than 90 days public notice, and shall afford interested parties opportunity for hearing, before prescribing such rules and regulations.

"(c) The Secretary shall not prescribe rules or regulations that require purchasers of black powder under the exemption provided in section 845(a)(5) of this title to complete affidavits or forms attesting to that exemption.".

SEC. 107. TRANSPORTATION OF FIREARMS.

(a) IN GENERAL.—Chapter 44 of title 18, United States Code, is amended by inserting between section 926 and section 927 the following new section:

"§ 926A. Interstate transportation of firearms

"Any person not prohibited by this chapter from transporting, shipping, or receiving a firearm shall be entitled to transport an unloaded, not readily accessible firearm in interstate commerce notwithstanding any provision of any legislation enacted, or any rule or regulation prescribed by any State or political subdivision thereof.".

(b) CLERICAL AMENDMENT.—The table of sections for chapter 44 of title 18, United States Code, is amended by inserting between the item relating to section 926 and the item relating to section 927 the following new item:

"926A. Interstate transportation of firearms.".

SEC. 108. AMENDMENTS TO SECTION 929.

Section 929(a) of title 18, United States Code, is amended—

(1) by inserting "(1)" before "Whoever,";

(2) by striking out "violence" each place it appears and inserting in lieu thereof "violence or drug trafficking crime,"; and

(3) by adding at the end the following:

"(2) For purposes of this subsection, the term 'drug trafficking crime' means any felony violation of Federal law involving the distribution, manufacture, or importation of any controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).".

SEC. 109. AMENDMENT OF NATIONAL FIREARMS ACT.

Section 5845(b) of the National Firearms Act (26 U.S.C. 5845(b)) is amended by striking out "any combination of parts designed and intended for use in converting a weapon into a machinegun," and inserting in lieu thereof "any part or combination of parts designed and intended solely and exclusively for use in converting a weapon into a machinegun,".

SEC. 110. EFFECTIVE DATE.

(a) IN GENERAL.—The amendments made by this Act shall become effective 180 days after the date of the enactment of this Act. Upon their becoming effective, the Secretary shall publish and provide to all licensees a compilation of the State laws and published ordinances of which licensees are presumed to have knowledge pursuant to chapter 44 of title 18, United State Code, as amended by this Act. All amendments to such State laws and published ordinances as contained in the aforementioned compilation shall be published in the Federal Register, revised annually, and furnished to each person licensed under chapter 44 of title 18, United States Code, as amended by this Act.

(b) PENDING ACTIONS, PETITIONS, AND APPELLATE PROCEEDINGS.—The amendments made by sections 103(6)(B), 105, and 107 of this Act shall be applicable to any action, petition, or appellate proceeding pending on the date of the enactment of this Act.

EXTENSIONS OF REMARKS

SANE STUDENT ESSAYS

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. SOLARZ. Mr. Speaker, ours is an age in which the threat of a nuclear holocaust is an omnipresent concern. Our fear of nuclear war is one of the most powerful emotions of our nuclear age. Ironically, the immensity of our fear may lull us into a feeling of powerlessness—we are told, and often believe, that only experts can understand issues of such complexity. This is at once our greatest illusion and our greatest danger, for it is the opinions of all citizens which help shape the future of our world.

One of the leaders in informing us of our responsibility, and the hope that it represents, is the Committee for a Sane Nuclear Policy [SANE]. In addition to providing information in the form of its manuals and information booklets, SANE sets itself a higher goal, that of encouraging people at all ages to involve themselves in thinking about nuclear issues. One way that this effort manifests itself is in the school essay contests which the group sponsors.

I would like today to salute the winners of this year's essay contest sponsored by SANE's Brooklyn affiliate. Through these essays we can see that the fear of nuclear war is pervasive, even affecting our children's view of the future. Nowhere can this better be seen than in these essays.

The middle division winners were: Rishi Puntes, Kali Taylor, and Alex Berenberg. Honorable mention went to Joanna Weiner, Mary Claire Montilus, and Justina Ugwudi. All are students at the Brooklyn Friends School.

In the upper division, first prize went to Saj Freiberg; second prize to Joseph Sigelman; and third prize to Steven Vas. All are students at St. Ann's School.

The two first prize essays follow:

WHY PEACEFUL SOLUTIONS TO WORLD PROBLEMS ARE NEEDED

(By Rishi Puntes)

Look at our world. . . . We have condemned ourselves through selfishness and greed. Think . . . of all the innocent people suffering all over the world, in Africa, the Middle East, England, even in New York City! Many of these conditions would not exist if there were world peace.

Nuclear war is a constant threat to the human race. Many countries are now building more and more nuclear weapons, especially the U.S.A. and the U.S.S.R. Yet I fail to see the point for the U.S. and Soviet Union to build any more, when together they can blow up the world eight times. What's more, if you survive a nuclear war the fallout would contaminate your food and drinking water, therefore, in time you too would not survive. Yet if you do survive you will catch strange diseases. And should you survive them, you just might be the only person left.

Another major problem with a world with no peace is that each and every country feels endangered without a sizable amount of weaponry. Meanwhile, all the leaders say "We don't intend to use them." Every country has a large amount of homeless, starving people. The money spent on the arms race could be spent on those people and together we could wipe out world famine of all kinds, for good!

Yes, peaceful solutions are needed and quickly. For if we do not establish world peace we will bury each other among the rubble. Whether it be by war, starvation, racism, the conditions keep getting worse. One country wins, the other loses, it's all so repetitive. The world's rich grow richer as the world's poor grow poorer. And I believe that this situation will continue until people get fed up and stop this evil plague.

Yet if these patterns keep up we will soon have two supreme powers, the U.S.A. and the U.S.S.R. Every other country will be either on the Soviet Union's "team" (communist) or the U.S.A.'s "team" (democratic). Then the tensions will increase greatly among the two forces, and just a minute problem will make everybody's destiny quite clear.

So this is our glorious world! This is what we have created over years: a mess. I'm not saying that there is no hope, but I am saying that we're going to have to work really hard to improve our world.

ABOUT-FACE

(By Saj Freiberg)

Ever since time began man has been at war with something, whether himself or nature. Using violence to end any conflict is all too common in history. It is sad, although man is the most intelligent being on earth his reaction to conflict is the same as the most simple of beasts.

Unfortunately for us as man has grown more advanced he has not become peaceful in fact he has improved his tools of war. From the bone of a dead animal to a submachine gun, man has strived to build weapons that can kill more, faster, and better. How man has so advanced in his pursuit that he can now slay all there is to kill in under one-hundred-and-eighty minutes.

Nuclear arms are the final advancement in mans weapons "improvements". We cannot destroy any more easily, we cannot cause more death. Some now say "Hold on, war is O.K. but we cannot kill everything". The new power of destruction we are capable of has disturbed many people, and well it should. We can no longer think that if a world war occurs we will not get hit by the bullet, because if a global nuclear war takes place no one will survive. No one. This fact scared many people, that is obvious, but this new concern has a self centered basis, people who before did not rise up against war now cry in rage because they know that the warning signal that comes on their T.V. sets will not be a warning but a death warrent.

Nuclear war is that, war, a devastating unimaginable holocaust, which if allowed to occur will be once again caused by mans habitual use of violence to end his disputes.

To erase the threat which now faces us we must reeducate ourselves. We must make an about-face on our path of war and start on the long hard road to peace. This idea may sound like a utopian dream and it is; yet it is a dream that must become a reality if the earth's surface is not to be reduced to radioactive slag, and its inhabitants to become extinct. We must change the human instinct of aggression into the human instinct of peace. And so the solution is not a verifiable reduction of half the worlds nuclear warheads over a thirty year period of time; it is a new way of thinking, a realization that man must now lift his primeval instincts out of the mud and wash himself free of his inherent violent nature.

I realize that what I have written is not really a solution, but much like saying, "The way to stop famine is to feed everyone." The plain truth is that I am too young and ignorant to know how to root out one of man's basic instincts but I feel, I know, that our species can keep itself from suicide if only it would seriously apply itself to the task, instead of waiting for a sudden godlike light of realization to come and do it for us. Or until it is too late.

DANIEL W. FISH REVIEWS "WITH THE CONTRAS"

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. COURTER. Mr. Speaker, the debate on aid to the Nicaraguan democratic resistance has often turned to the character of the resistance fighters, and this discussion has often been based on the accounts of Christopher Dickey, a Washington Post reporter, in his book "With the Contras."

This book, like most lengthy accounts of its kind, lends itself to selective quoting. While we frequently hear of the abuses that Dickey describes—crimes for which the Contras have disciplined and even executed some of their troops—we seldom hear of the evidence of popular support for the Contras that is also found in Dickey's book.

I submit for the RECORD a review of "With the Contras" that appeared in the March 22, 1986, edition of Human Events. This insightful review, written by Daniel W. Fish of the Republican Study Committee, gives a balanced account of the book, and is deserving of our careful attention. Once again, Mr. Fish has used his considerable analytical skill to make a valuable contribution to the foreign policy debate.

The review follows:

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

CONTRAS RECEIVE INADVERTENT BOOST FROM DICKEY

(By Daniel Fish)

For six days in March 1983, Washington *Post* reporter Christopher Dickey traveled "in the wilds of Nicaragua" with a group of "Contras"—the name given to those fighting the Communist regime in Nicaragua. *With the Contras* is Dickey's account of his brief Contra tour and the so-called "dirty little war in Nicaragua."

With the Contras is the latest fad among Contra aid opponents. Here, we are told, is "proof" of the "Contra-as-Satan" theory. Here are the revelations about "Somocistas" (former Somoza supporters), their atrocities, and the evil doings of the U.S. government, in particular the CIA. In short, just about every accusation thrown at the Nicaraguan opposition can be found in Dickey's book.

Christopher Dickey, and the paper he works for, have often misrepresented events in Nicaragua. During the war against Somoza, for instance, *Post* reporter Karen DeYoung's dispatches glamorized the Sandinistas. In many ways, *With the Contras* follows this tradition.

In a glaring example, Sandinista Interior Minister Tomas Borge, a committed Communist, is described as "this little man with the voice of a poet, the eyes of a zealot, [with] the collected icons of pain."

We read that one of Borge's talents is that "he appreciated the nuances, even the beauty of pain." Borge, reports Dickey, "could speak of suffering with the empathy of experience, artfully and persuasively. . . ." This was reflected in his office decor, where "in wood and in metal, in stone and in straw, figures of Christ on the cross covered the walls. . . ."

Borge understands the nuances of pain not only because he was imprisoned by Somoza, but, more importantly, because he presides over the huge apparatus of repression that is at the heart of Sandinista Nicaragua. But we find nothing about this in *With the Contras.*

Dickey didn't mention why Borge has "the eyes of a zealot," or that Borge is committed to Latin Stalinism, or that Borge's real office contains "icons" to Marxism-Leninism. According to Alvaro Baldizon, Borge's former chief investigator, the office with the figures of Christ is used only to impress "useful idiots," those important disciples in communism's advance.

The centerpiece of Dickey's narrative is the Nicaraguan armed resistance, not the Sandinista repression that has led to armed rebellion. But even on this main topic, Dickey's reporting is far from thorough.

With the Contras does not look at the entire Contra force as it existed in 1983 and it largely ignores what has happened since mid-1984. Dickey's account is only one episode in the evolution of the Nicaraguan resistance. However, by focusing on one group, numbering 400 out of 4,000 Contras in 1983, Dickey tries to paint a stereotype of the anti-Sandinista movement.

"Suicida" (Suicide), a former National Guardsman, is the main character in *With the Contras.* Dickey introduces Suicida as he's retreating from Nicaragua in July 1979. We follow his story until he and his top commanders are executed for their abuses.

In the annals of Contra atrocities, Suicida is one of the major contributors: after the Sandinistas murdered his lover, Suicida went on a rampage, looting, raping and killing civilians, and rustling cattle—a story with all the makings of a Nicaraguan Dodge City.

None of these atrocities happens during Dickey's six-day Contra trip. He sees no abuses, only hears about them. Dickey mentions the execution of Suicida and his main commanders for their crimes, and he writes of efforts to purge the Contra movement of both "Somocistas" and criminals.

Without question, Suicida and some of his band were thugs. And there have been abuses—on both sides. But critics of the Contras present Suicida as the norm, not the exception, among the Contras. And that's wrong.

Dickey's book—and his earlier Washington *Post* articles—portray the Contras as something other than a group of CIA-hired Somocistas bent on destruction of pleasure.

Instead, With the Contras presents evidence that contradicts many of the claims made by opponents of U.S. assistance to the Contras.

For instance, critics claim that the Contras have no popular support and are little better than criminals. But in the April 3, 1983, Washington *Post,* Dickey reported, "The [Contras] led by Suicida appeared to count on considerable and invaluable support among the few peasants left in the increasingly deserted war zone. The locals . . . sold provisions to the troops with which we traveled, sheltered them and often provided them with intelligence about Sandinista movements."

This assessment is reiterated in *With the Contras.* No sign of intimidation or popular dissatisfaction is evident. On the contrary, Dickey's Contra patrol seems welcome wherever it goes.

Led by commander "Krill," Dickey's Contra patrol comes to a home "where two women tended a pot full of meat, preparing to feed our patrol." The Contras pay for the food.

At another Contra camp a farmer brings them morning coffee. And, at a third location, writes Dickey, "We were welcomed passively, without fear or pleasure, it seemed." The Contras give this family some money to help them through. There are no threats, no violence, or atrocities. In fact, it's all very civilized—and this with the worst band of Contra fighters!

So who are these people who allegedly rape, torture and kill? Well, reports Dickey, ". . . most appeared to have been small landowners whose property had been taken from them by the Sandinistas or were told it would be or just believed that it would be. There were evangelicals who believed they could not worship under the Sandinista government. There were sons with their fathers."

And get this: When the patrol came to rest, did they plot whom to torture next? No, instead, ". . . many of them [would] take out worn Bibles to read, word by word, to themselves." These are the kind of people the U.S. shouldn't support?

Another criticism allegedly confirmed by Dickey is that the Contras are a reincarnation of Somoza's National Guard.

It's true that some of the Contras are former National Guard members. Suicida and his main commanders are an obvious case in point. Today, however, no more than *two* per cent are former Guardsmen, while at least 20 per cent are former Sandinistas.

Alfonso Robelo relates an interesting comment about the question of "Somocistas" in the Contra movement made to him by then-Newsweek reporter James LeMoyne, Dickey's companion during his Contra trip. Robelo says, "[LeMoyne] said that among the forces with which he coexisted—some 400 men—there were 12 former National Guardsmen or 3 per cent of the FDN combatants that he saw."

A third criticism one hears is that President Reagan wants to overthrow the Sandinistas.

Dickey's book doesn't support this assertion. It does, however, confirm that as far as U.S. policy is concerned, the Contras are intended to pressure the Sandinistas to stop exporting subversion and to fulfill their promises to the Organization of American States (OAS). In July 1979, the OAS recognized the Sandinistas as the Nicaraguan government on the condition that they respect human rights, allow political pluralism, and hold free and fair elections.

In August 1981, then-Assistant Secretary of State Thomas Enders traveled to Nicaragua to seek a negotiated settlement. The U.S. offered to accept the Sandinistas if they stopped exporting revolution and agreed to implement their promises to the OAS. The Sandinistas rejected the U.S. proposal.

Three months later in November, the President approved National Security Decision Directive 17 establishing U.S. participation in a Contra program. This decision directed the U.S. to "Build popular support in Central America and Nicaragua for an opposition front that would be nationalistic, anti-Cuban and *anti-Somoza.* . ." to pressure the Sandinistas (emphasis added).

Contra leaders confirm that the U.S. objective wasn't to overthrow the Sandinistas. Buried in a footnote on page 300, Dickey quotes former FDN member Aristides Sanchez as saying, "The people who worked with us closely have always had the intention of making a movement that was small and incapable of overthrowing the Sandinistas by force of arms." "The people" he refers to are the Americans.

With the Contras is not the "I was there" account it's hyped to be. We read that it's as "factual as tomorrow's headlines" and that its revelations are "shocking" and "important."

In fact, the book is little better than hearsay and gossip—and "tomorrow's" headlines are from *1983,* not 1986.

The Contras are representative of Nicaraguan society. They are predominantly *campesinos,* small landowners, students, businessmen and ministers. They are a deeply religious people.

Dickey, and many Contra opponents, have missed the simple reason for Nicaragua's civil war: the Sandinista betrayal of the anti-Somoza revolution.

If there's anything immoral about U.S. support for the Contras, it's that we aren't trying to overthrow the *comandantes* in Managua.

THE NEW REPUBLIC MAKES THE CASE FOR THE CONTRAS

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. KEMP. Mr. Speaker, the United States has achieved several real foreign policy successes in the last 3 years which were almost unthinkable in the 1970's. Each such case was accomplished in a way that was appropri-

ate to the particular circumstances, and in each case an authoritarian or totalitarian regime was replaced by a government more open to the democratic process.

The specific circumstances in Nicaragua also require a suitable response. What could be more revealing about the Sandinista government's nature than the fact that Commandante Daniel Ortega, who was in Moscow the day we voted on humanitarian assistance to the freedom fighters last year, has turned up this week in Havana, the capital of the Western Hemisphere's only Communist nation? Clearly an unchallenged pro-Soviet regime in Central America would represent a security threat to this country which could not be tolerated by the American people.

President Reagan has proposed a specific course of action to stop this threat by strengthening the internal opposition to the Sandinista regime. Humanitarian and military aid to the resistance of $100 million represents the lowest risk strategy now available to persuade the Sandinistas to permit genuine democratic elections. As we saw in the Philippines, elections can be a powerful force for freedom. According to our own principles, the Nicaraguan people have the same moral right to a democratic revolution as the Haitians, the Filipinos, the Grenadians, and all people, have.

This week's New Republic supports assistance to Nicaragua's real revolutionaries. I do not think either political party wants to be blamed for the communization of Central America. Rather it appears that we are rapidly developing a bipartisan consensus on the idea of expanding the democratic opportunities of the Nicaraguan people while protecting the security of the Western Hemisphere. I hope my colleagues consider this editorial carefully before voting on the bipartisan assistance proposal.

THE CASE FOR THE CONTRAS

The upcoming vote in Congress on military aid to the Nicaraguan contras is one of the most important foreign policy votes of the decade. The future of Central America hinges on its outcome.

The position of the contras is precarious. They certainly have people: anywhere from 14,000 to 20,000 depending on whom you believe. That represents about twice the number of guerrillas in El Salvador, a country with about twice the population of Nicaragua. And about three times the number of Sandinista troops at the time of the overthrow of Somoza.

They also have people on the home front. Not even the most anti-contra-aid congressman denies that the Sandinistas have become extremely unpopular. Among those strongly opposed to Sandinista rule is the Church, the most popular institution in Nicaraguan society. The pope's divisions are not the only disaffected. These now include ordinary people deprived of the necessities of life in a wrecked economy; the business and middle classes, which have been denied the promises of freedom; and many intellectuals, some in exile, who don't relish life as functionaries of the state. The contras, a peasant army, themselves represent the deep resentment in the countryside at Sandinista offenses to tradition and religion. Add to that the general uprising of the Miskitos against Sandinista colonialism, and you have a vast popular opposition. These are the people whose hopes would be betrayed by the liquidiation of the armed resistance and the consolidation of Sandinista rule, which will be the inevitable result of an American denial of military aid to the contras.

But if they are so many, why haven't they already won? For the same reason Solidarity, ten million strong, lost in Poland. Under Leninist regimes, Philippine-style "people power" does not do terribly well. Nor do vastly out-gunned, out-trained guerrilla armies do well against Cuban-Soviet-style military machines.

The Soviets have poured something on the order of $500 million in arms into Nicaragua in the the last five years. Since 1984 the U.S. has been prevented from sending the contras a penny's worth of arms. The recent delivery of helicopter gunships to Sandinistas, reportedly piloted in combat by Cubans, has been decisive. It has made it extremely difficult for the contras to move and to resupply. In the absence of antiaircraft weaponry, they are quite defenseless.

As a result, contra advances and successes in the past several years are being reversed. In the last six months, particularly since the introduction of the MI-24 gunships, all but between 3,000 and 6,000 contras have been driven from Nicaragua. The rest are in Honduran camps waiting for arms. In civil wars numbers alone can't determine the outcome, particularly if one's side is barely armed.

And also barely trained. Again out of congressional scrupulousness, the U.S. military has been prohibited from training and professionalizing the contra forces, as it has done in El Salvador with a resulting marked improvement in the country's human rights record. It is somewhat paradoxical to argue that we shouldn't be training the contras because they are so undisciplined when one of the major reasons this peasant army remains undisciplined is that the U.S. military is prohibited from training it.

Thus the upcoming vote will be critical. Without military aid, the contras will fight and bleed perhaps for some time longer, but without hope. First to wither will be the armed resistance, overcome by vastly superior Soviet-supplied firepower. Then, just as certainly, the unarmed resistance, demoralized and abandoned, will follow, leaving the Sandinistas in total, permanent control of Nicaragua.

What's so bad about that? What, after all, does the resistance hope to achieve? Sandinista defense minister Humberto Ortega explained it well when, in 1981, he denounced former Sandinista junta member Alfonso Robelo as an enemy of the revolution. "The democracy that Robelo asks," charged Ortega, "is . . . that they [the bourgeoisie, presumably] have the army, the power, and that we Sandinistas be what the left is in Costa Rica, a sector, an organization that is free to move about, that publishes its newspaper." In other words, Robelo wants, for Nicaragua, Costa Rican-style democracy, where all political tendencies, including the left, are free to compete for (rotating) power. For Humberto Ortega, such a program amounts to political criminality. It is what made the Sandinistas push Robelo out of the junta, crush his party, and drive him to exile and resistance. Robelo is now one of the three leaders of the contra political leadership, the United Nicaraguan Opposition, known as UNO.

What is at stake in this civil war is any hope for a democratic Nicaragua. The end of the contras means the end of that hope. And a ban on military aid will likely mean, sooner or later, the end of the contras.

One would think that House Democrats, who for years have been urging, pushing, encouraging, threatening, and finally celebrating the return of democracy in the Philippines, would be equally eager to see democracy returned to Nicaragua. But they are not. Why? They put up a case that we find, for an issue of this gravity, stunningly weak.

By what right does the U.S. try to bring democracy to a place where it enforced dictatorship for so long? This is the "because of our tainted history we have no moral standing" argument. It is mystifying. The United States stood by the dictatorship in Haiti for at least three decades. Does that mean that we should therefore have ruled ourselves morally ineligible to assist in the transition to democracy? The United States ruled the Philippines as a colony for nearly five decades, then stood by a dictator for the last two. Does that mean that the United States should have disqualified itself from aiding the restoration of democracy?

Certainly the U.S. has a very blemished history in Nicaragua. It is equally certain that our aims now are different than they were 60, even 20, years ago. As in Guatemala and El Salvador, as in the Philippines and Haiti and other places where our history is stained, in Nicaragua the relevant question is American intentions today, not Teddy Roosevelt's at the time of the building of the Panama Canal.

We have no right to try to impose democracy on another country. After the Philippines and Haiti, and the general self-congratulatory jubilation of liberals and conservatives alike over two triumphs of American diplomacy, this argument stands exposed as a camouflage. Those who advocate dramatic American intervention in pro-American dictatorships should not be suddenly stricken with scrupulousness about the sanctity of sovereignty when intervention is proposed in states ruled by pro-Soviet Leninists.

But one situation involves peaceful change; the other, war. If in Nicaragua transition to democracy were possible without war, we too would oppose any fighting. But that option does not exist. Does anyone believe that the Sandinistas will ever peacefully transfer power or permit a free allocation of power by election?

The contras can't win. This argument is invariably heard from those who vote again and again to cut off aid to the contras. Yes, unarmed they can't win. Maybe House Democrats expect Nicaraguan democrats to win by lying down in front of Sandinista tanks, Philippines style.

Can the contras win the way the North Vietnamese won in South Vietnam? No, but they can win in the way the Sandinistas won in Managua. They could win not by rolling over the Sandinista army, but by controlling the countryside, which would in turn help undermine what little urban support the Sandinistas have. A Leninist regime with a conscript army on the defensive, losing the countryside and undermined in the city, would ultimately find its situation untenable.

The contras are not democrats but Somocistas. It is true that some top commanders are ex-Guardia. But even the most conservative (and powerful) of the three political leaders, Adolfo Calero, was a longtime opponent of Somoza and jailed for his efforts. The other UNO leader, Arturo Cruz, an impeccable democrat, says the contras represent "the revolt of Nicaraguans against oppression by other Nicaraguans." One doesn't

raise an army of 15,000 peasants with promises of restoring a universally despised dictatorship.

We should try diplomacy, not force. The United States should be working out with the Sandinistas some kind of diplomatic arrangement under the umbrella of Contadora. This imagined solution to Sandinista regional power and ambitions is a parchment barrier: the Sandinistas are given free rein within their borders, and in return, they promise not to trespass on anyone else's. Certainly we can expect the Sandinistas to adhere initially to such a nonaggression or revolution-with-frontiers agreement. Time enough for the contras to wither away and be repatriated in Miami. At which point the Sandinistas will be secure in the knowledge that no future opponents are ever going to risk their lives in a second insurgency, having seen the first one sold out. With a free hand, does anyone imagine that they will adhere to their agreements any more than, say, the Vietnamese adhered to theirs? We have experience with Sandinista parchment. In 1979 they pledged to the Organization of American States to establish an open, democratic, and pluralistic society.

It takes willful blindness to imagine that some kind of paper agreement with the Sandinistas that allows them to consolidate their power will ensure stability in Central America. In fact, the opposite is almost certainly the case. A highly militarized, highly disciplined country with by far the largest army in Central America, with ideological ambitions stretching far beyond its borders, and supported by Cuba and the Soviet Union, is bound to be a source of constant instability in a region of weak and fledgling democracies.

The neighboring countries seem to want a Contadora solution. What does one expect from, say, Costa Rica, a country with no army facing a 50,000-man military across its border? It sees a starved insurgency, an isolationist U.S. Congress, and a rising military power in Managua. Does one expect Costa Rica publicly to come out in support of overthrowing its neighbor, given the odds now that its neighbor will be in power permanently? Of course such countries will make muted public statements. But as many of the leaders of these weak democracies told the Kissinger Commission and others since, they are desperate to see the United States get rid of Sandinistas for them.

What is the government of Colombia, one of the original Contadora countries, to say? It publicly denies but privately knows that an assault on its Palace of Justice and the massacre of its Supreme Court was carried out by M-19 guerrillas with weapons of Nicaraguan origin. It knows that Sandinista commandante Tomas Borges attended a mass, complete with an M-19 flag draped over the altar, for the guerrillas killed in that raid. The reach of the Sandinistas is impressive. Latin American governments, many of which face left-wing insurgencies, are hardly likely to make themselves more of a target by public calls for the Yankees to save them from communists.

The contra policy is driving the Sandinistas into the hands of the Soviets. It is hard for Americans to believe that some people act out of ideological conviction. Look, therefore, at what the Sandinistas did long before there was a Reagan, long before there were contras. In one year the Carter administration gave them in aid the equivalent of half of what Somoza received in 16 years, and during that time they systematically eliminated their democratic allies and aligned themselves with the Soviets.

On June 23, 1981, Humberto Ortega said to the Sandinsta army and militia officers: "We are saying that Marxism-Leninism is the scientific doctrine that guides our revolution, the instrument of analysis of our Vanguard for understanding [the revolution's] historic process and for carrying out the revolution. . . ." He then asserted that the FSLN had made the pact with the moderate opposition only for the purposes of getting rid of Somoza, holding off U.S. intervention, and keeping the economy in place.

It is remarkable that for House Democrats Sandinista ideological commitment requires constant theatrical demonstration. It took Daniel Ortega's flight to Moscow a few days after a contra vote last year to dramatize Managua's connection with Moscow. You can be sure that this time Ortega's handlers will take away his American Express card until after the vote. Don't expect to see him visiting New York for eye wear or Moscow for hardware until the coast is clear.

The Cubans and Soviets will match our escalation. This is the counsel of pure defeatism. It cedes to the Soviets the power to set the level of violence and superpower commitment on the North American continent. It is, in effect, to say that the Soviets will to annex Nicaragua exceeds that of the United States to prevent it from happening. The prophecy is, of course, self-fulfilling.

The contras will draw the United States into war. Probably the root argument, certainly the one on which Tip O'Neill hangs his hat. Its origin is the fear of another Vietnam and the isolationist hope that if we only will stay out of this fight no harm will come to us.

But nothing is more likely to force American military intervention than the consolidation of an aggressive, highly militarized, pro-Soviet regime in the area. The contras want to do their own fighting. Cut them off, and the only body in the hemisphere able to restrain the Sandinistas will be the U.S. Army. Of course, American military involvement can never be ruled out. But destroying the only indigenous armed opposition to the Nicaraguans hardly seems the way to prevent it.

And what will be more likely to bring about American military involvement? Even Democrats argue that the United States has a vital interest in preventing the establishment of a Soviet base in Nicaragua. Even Democrats would call for American military action in that situation. Walter Mondale, for example, suggested a quarantine. When tried in October 1962, that idea brought us closer to World War III than any other moment in postwar history. A democratic Nicaragua is the only guarantee that the threat will not materialize.

The consolidation of the Sandinistas will lead to a second Cuba on the mainland, or more precisely, to an enlarged first Cuba. As Robelo recalls, during his days in the ruling junta no important decision was ever made without the assent of the Cuban invariably present at the meeting. Even those who think it sentimental for the United States to concern itself with the state of pluralism and democracy in other countries must recognize what a strategic defeat the establishment of a Soviet satellite in Central America would constitute for the United States.

We do not have any illusions about the tragedy that is civil war and the suffering it causes. Guerrilla war is of necessity nasty, brutish, and long. And this peasant army, ill-trained and ill-equipped, is hardly a perfect model for insurgency. But our choice is this model—which could be vastly improved in combat effectiveness and discipline if given sufficient American aid and training—or none.

We believe that preventing the establishment of a Leninist dictatorship in Nicaragua is a goal worthy of American support, and that those willing to fight for this cause are deserving of American assistance. A decision to support one side in a civil war is not one to be taken lightly. We come to it in the full realization that, whatever tragedy it brings, the liquidation of the democratic side of Nicaraguan civil war will bring infinitely more tragedy to Nicaragua, to Central America, and ultimately to the rest of the hemisphere.

"UNO POLICIES ARE NOT ACCEPTABLE TO MOST NICARAGUANS," INDIAN OPPOSITION LEADER DECLARES

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. BARNES. Mr. Speaker, the administration has spent much time describing Sandinista violations against the rights of the Indian population in Nicaragua. There has also been condemnation on this side of the aisle of the violations committed by the Sandinistas, especially those in 1982, which resulted in the widespread suffering and displacement of thousands of Miskito, Sumo, and Rama Indians who inhabit the Altlantic coast of Nicaragua.

But what we never hear from the administration is that the same Indian forces who are fighting the Sandinista government also believe that the dominant forces within UNO—which is the political front organization of the FDN, the main Contra force—are enemies of Indian rights and are not a credible alternative to the Sandinistas. In a letter to Secretary Shultz, which I would like to share with my colleagues, Brookyn Rivera, the general coordinator of Misurasata, the largest Indian group fighting the Nicaraguan Government, says:

"We have repeatedly expressed our belief that the dominant forces within the UNO organization present a threat to our rights. Moreover, the political program of those forces indicates a commitment to failed policies of the past, policies which are not acceptable to most Nicaraguans who are still suffering within Nicaragua nor to most of the democratic opposition forces. Those dominant UNO forces are not acceptable to Nicaraguans and are not a credible alternative to the Sandinistas in the view of respected democratic friends of ours in the international community."

Mr. Speaker, these are the words of an admired and recognized Indian opposition leader. I urge my colleagues to compare Mr. Rivera's characterization of UNO to what the administration has said of the same organization.

The letter follows:

MISURASATA,
REPUBLIC DE NICARAGUA,
March 7, 1986.

Hon. GEORGE P. SHULTZ,
U.S. Department of State, Washington, DC.

DEAR SECRETARY SHULTZ: We deeply regret that we must decline the invitation to meet with you today. We have long sought a meeting with you to explain Misurasata's position on policies concerning Nicaragua. We hope we will soon be able to arrange a meeting at which we can have a frank exchange of information and ideas about the liberation of the Indian peoples of Nicaragua.

As you know, and as we have told the world, the Indian peoples of Nicaragua are suffering from barbaric repression by the Sandinistas. We need to defend our lives and our way of life from the unprecedented process of destruction by the Sandinistas. The very survival of our peoples is at issue, and we are reaching out for support from all democratic forces in the international community. We desperately need help.

Our grievances against the Sandinistas are unique in important respects for we are seeking vindication of our Indian rights to self-determination, land, natural resources, and way of life. In other respects our grievances are not unique, because thousands of other Nicaraguans have also faced repression and the denial of basic liberties. Thus, we acknowledge common interests with other opposition forces while we also must insist on preserving and strengthening Misurasata's own program to free our Indian peoples. Indian rights must remain our priority concern.

We have experienced serious threats to our Indian rights not only from the leftist Sandinistas but also from rightest elements and others. We are the victims of anti-Indian racism which is not neatly confined to one part of the political spectrum. Accordingly, we have learned from experience to make alliances carefully and to avoid situations where adversaries of Indian rights would seek to exploit the plight of our Indian peoples for political ends which ultimately will threaten us.

We have repeatedly expressed our belief that the dominant forces within the UNO organization present a threat to our rights. Moreover, the political program of those forces indicates a commitment to failed policies of the past, policies which are not acceptable to most Nicaraguans who are still suffering within Nicaragua nor to most of the democratic opposition forces. Those dominant UNO forces are not acceptable to Nicaraguans and are not a credible alternative to the Sandinistas in the view of respected democratic friends of ours in the international community.

Accordingly, we must exercise extreme care in avoiding even the appearance that we may be an ally or tool of those forces. If we are tainted by them, our international credibility and our struggle for Indian liberation will be badly damaged.

Please understand that I am not attributing ill motives to you or your staff. Also, please understand that we are not refusing to talk with any Nicaraguan political elements. We have talked with our worst enemy, the Sandinistas, and we will talk in appropriate contexts with all other Nicaraguans. But we will always maintain our principles and our independence.

We are committed to unity, and we recognize the need for broad political diversity in Nicaragua. We believe this would advance our efforts to secure our Indian rights. We are prepared to explore all reasonable opportunities to secure those rights.

Finally, as we have explained in depth to Elliot Abrams, our contribution to unity must begin with our people in Honduras. We must be permitted the opportunity to visit with our people and with our fellow Indian leaders in Honduras in order to strengthen and unify our Indian liberation forces. We respectfully urge you to give this matter your personal attention. It is one of the critical issues which we need to discuss at a meeting with you.

I wish to assure you of our respect and to thank you for your consideration.

Sincerely,

BROOKLYN RIVERA,
General Coordinator of Misurasata.

A TRIBUTE TO MICHAEL VENTRESCA

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. RICHARDSON. Mr. Speaker, a dear, personal friend of mine, and a constituent of Mr. MAVROULES of Massachusetts, recently was killed by a drunk driver. His name was Michael Ventresca. The death was tragic and senseless, because Michael Ventresca was destined to become a great political leader. He was already a superior individual and human being.

He was committed to progressive issues and candidates with intensity. He was a rambunctious, explosive, energetic, and caring human being. He will be missed even though he already had made a difference.

I submit the following article about Michael Ventresca.

[From the Boston Globe, Dec. 30, 1985]

POLITICAL CAMPAIGNS WERE HIS LIFEBLOOD

(By Chris Black)

There was never any doubt when Michael Ventresca and the "Ventreskites" hit town in 1980. If nothing else, the garrulous, irrepressible Ventresca made sure everyone knew they had arrived.

Ventresca was the master sergeant of a mobile unit of political soldiers for Sen. Edward M. Kennedy's presidential campaign. His troops were nicknamed the Ventreskites because of their devotion to him.

His role in the Kennedy campaign typified his career in state and national politics. It not only showed his commitment to Kennedy and the progressive causes he espoused, but demonstrated the effect Ventresca had on others.

Michael Ventresca never walked into a room. He landed with his mouth going, head turning and arms waiving. At age 38, he was one of the most popular political organizers and lobbyists in the state. Yesterday, the perpetual motion machine was stilled when his car was smashed from behind by a car in Boston.

Gov. Dukakis last night said: "Mike's death is as senseless as it is tragic. He was a friend, a talented man and a loving husband. Kitty and I am deeply saddened by his family's loss."

Former Lt. Gov. Thomas P. O'Neill 3d said, "He was the consummate political animal who loved good goverment. The Pied Piper has died."

Ventresca once worked as O'Neill's legal counsel and helped plan O'Neill's unsuccessful campaign for governor in 1982.

"MOST BUOYANT PERSON"

"He was the most buoyant person I have ever met. He gave joy to everyone he dealt with," said Joseph S. Fitzpatrick, a longtime friend who is a former state energy secretary.

Ventresca grew up in Swampscott. He was a graduate of the University of Massachusetts-Boston, where he was president of the Class of 1969, and Suffolk University Law School, where he was editor of the Suffolk Law Review.

As a lawyer, he specialized in the environment. He worked as director of the Massachusetts Forest and Park Association, a private, nonprofit conservation group, and later as legal counsel to the state Coastal Zone Management office and to the state Office of Environmental Affairs, William J. McCarthy, general counsel of Associated Industries of Massachusetts, hired Ventresca in 1981 after he came to know him as a skilled adversary on environmental issue on Beacon Hill.

At AIM as an associate counsel for public affairs, Ventresca helped educate businesses in environmental law and lobbied for the organization at the State House. "He was an outstanding lobbyist in the better sense of the word. He was a great communicator who brought divergent points of view together and came out with solutions," said McCarthy.

Although his occupation was law, his avocation was politics. He had been involved in every major state and national campaign since the 1969 special 6th District congressional race won by Michael J. Harrington. In 1970, he was among a group of students who did research for Dukakis' unsuccessful lieutenant governor campaign.

CAMPAIGN GUNSLINGER

He was one of the campaign gunslingers, the political cowboys who followed the campaign trail from state to state.

In 1980, Ventresca conducted a military-like volunteer mobilization from behind a desk at 53 State St. Nearly 1,000 workers for Kennedy were dispatched to the caucus state of Maine to create the most extensive get-out-the-vote and canvassing operation ever seen there.

Over the years, he worked on campaigns for Dukakis, Kennedy, O'Neill, Gary Hart and John Kennedy.

Earlier this year, Mayor Flynn named him to the Boston Zoning Commission. Ventresca was one of those who voted in favor of allowing New England Mutual Life Insurance Co. to build its $289 million office-retail-commercial complex in the Back Bay.

He grew up in Swampscott and lived in a tiny townhouse on the back side of Beacon Hill with his wife, Rosalind Jordan, an attorney with the state Office of Communities and Development.

WORKING ON NEW PROJECT

At the time of his death, he was working on a project for Joseph P. Kennedy 2d, who is running for the Massachusetts 8th District congressional seat.

Yet he always found time for family and friends.

Yesterday, he was to have been host at a special party for his nieces and nephews. He had arranged for them to be picked up by a limousine in Swampscott and transported to his Beacon Hill home for a puppet show.

A funeral Mass will be said at St. Agatha's Church, Milton, at 10 a.m. Thursday. Burial will be in Milton Cemetery.

His family has established a scholarship fund in his memory for UMass-Boston students. Donations may be sent to First Bank, 44 Central Square, Chelmsford, Mass., 01824.

INVESTING IN HEALTHY BABIES: PREVENTING PREMATURITY AND LOW BIRTHWEIGHT

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. VENTO. Mr. Speaker, the Minnesota Coalition on Health has just completed a major study on the prevention of premature births and low birthweight. The coalition's findings are contained in a report, titled, "Investing in Healthy Babies: Preventing Prematurity and Low Birthweight."

Low birthweight [LBW] is a major contributor to infant death and millions of dollars are spent on hospital and medical are for LBW infants each year. In 1984 in Minnesota, the cost of medical care for LBW infants provided under Minnesota's Medical Assistance [Medicaid] Program alone was more than $6 million. The cost of LBW care for all infants statewide was close to $60 million. There is overwhelming evidence that prenatal care and other preventive measures reduced low birthweight and save health care dollars.

A broad, comprehensive approach is needed to reduce the incidence of low birthweight and related social and medical problems, including family planning, reproductive health education, pregnancy risk identification and reduction, and early prenatal care. Low birthweight and its consequences merit the attention of national, State, and local governments as well as various health professional groups.

Unfortunately, over the last 5 years, we have seen a severe retrenchment at the Federal level of support for programs designed to reduce the incidence of low birthweight. The Reagan administration has continually attempted to undercut some of the most basic programs, such as the WIC Program and various specific health care programs serving pregnant women and young mothers. The result is that we are now witnessing for the first time in years an increase in the incidence of low-birthweight cases and other related medical problems. This trend must be reversed. I commend the Minnesota Coalition on Health for their foresight in producing this comprehensive report.

LAWRENCE A. UZZELL ON OIL IMPORT FEE

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. COURTER. Mr. Speaker, I wish to bring to the attention of my colleagues an article by Lawrence Uzzell of the Scripps Howard News Service.

The Consumer Federation of America claims that imposing a $10-a-barrel oil import fee would effectively eliminate 500,000 jobs to foreign competition, increase inflation 1 to 2 percent and decrease GNP $50 billion a year.

Using an import fee to reduce the deficit clearly would not work. The deficit must continue to be attacked on the spending side. Easy targets like the large and visible oil industry should not be the test for new taxes.

However neat and easy the oil import fee appears, it is wrong and I urge my colleagues to give careful consideration to the following.

BEWARE THE TAX QUACKS

(By Lawrence A. Uzzell)

Imagine a doctor who always prescribes the same drug, for all patients and all diseases. Imagine that he gets a commission from the drug's sales, but insists his only concern is his patients' health.

In the 1970s, America got sick from soaring energy prices. Washington's doctors, led by Jimmy Carter and John Anderson, prescribed higher energy taxes.

Today, energy prices are falling. Many of Washington's doctors say it's time for a bold new policy: Hike energy taxes.

You have to admire the tax quacks' ingenuity. When prices were rising, they said tax hikes on oil imports or retail gasoline sales would promote conservation. With prices falling, they say tax hikes would be "painless" to consumers. Someday they will find a rationale for tax hikes when prices are stable, guaranteeing they will never lack an excuse to loot the rest of us.

If Congressmen sincerely believed a new energy tax would be painless, they would not be bickering about how to do it. Senator Lloyd Bentsen, D-Tex., whose constitutents drive long distances and use domestic oil, favors a new tax on imported oil but opposes higher retail taxes on gasoline sales. Rhode Island's Senator Claiborne Pell wants the opposite: His voters drive less but need imported oil to heat their homes and factories.

Though understandably fond of such regional warfare, both Senators should know better. No matter how cleverly crafted, any new tax on energy will hurt both Texas and Rhode Island, and every other state as well. Any policy that raises the cost of manufacturing products in one region hurts consumers elsewhere. Anything that raises the cost of shipping products between regions hurts consumers everywhere.

Thus, according to a study by the Consumer Federation of America, a $10 per barrel levy on imported oil would boost inflation by 1 or 2 percent, lower the gross national product by about $50 billion, and wipe out half a million jobs.

The tax quacks say energy prices are falling anyway, so a new tax that merely keeps them stable wouldn't hurt. To appreciate the absurdity of this logic, apply it to other goods. For example, the real (inflation-adjusted) price of food has gone down every year since 1978. Prices of high-tech products like computers have dropped even faster. If Congress had taxed away such consumer "windfalls" as fast as they appeared, it would have choked not just every consumer's standard of living but every producer's incentives for innovation.

Like it or not, to penalize efficiency and abundance is to encourage stagnation and scarcity. Though in the short run, such penalties may seem painless, they are never harmless.

But unlike real doctors, the tax quacks would rather avoid pain than harm. Their ideal tax system would be omnipresent but invisible, siphoning wealth into the public sector in ways the private sector wouldn't even notice. That's why they howled so when President Reagan got Congress to index tax rates to inflation, eliminating the back-door tax hikes that mounted so rapidly in the 1970s. That's why so many of them are attracted to the oil import tax, which consumers would feel

But after a month of waffling, Reagan has finally announced he will oppose this tax. That decision leaves the high-tax lobby only one surviving hope for a new energy levy: the retail gasoline tax preferred by Senator Pell and the editors of the New York Times.

The Times admits such a tax would be "highly visible," but claims "it would not discriminate against any region." Many drivers outside the compact northeast would disagree, but let that pass: The critical flaw of the gasoline tax is that it discriminates against the poor.

An extra tax of 25 cents per gallon would add about $140 to the annual cost of driving a car. That's $280 for a two-car family, more if its adults have to drive to work. BMW owners don't consider that a lot of money. Drivers of third-hand Pintos feel differently. But both would pay the same amount.

For decades, the high-tax lobby has argued that the tax system should be "progressive," taking a higher percentage of rich people's earnings than of others'. A gasoline tax, like any sales tax on non-luxury items, would do precisely the opposite.

The challenge of economic policy is to reconcile growth with fairness. The tax quacks' latest medicine would poison both.

APPROVE THE McCLURE-VOLKMER BILL

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. RUDD. Mr. Speaker, I am pleased to offer for consideration a resolution approved by the Arizona State House of Representatives urging the U.S. House of Representatives to approve the McClure-Volkmer bill.

I am a cosponsor of H.R. 945, the Firearms Owners Protection Act, and I support passage of the Volkmer substitute. I encourage my colleagues to do the same.

AFL-CIO MEMBERS TO RECEIVE LOW-INTEREST CREDIT CARDS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. BIAGGI. Mr. Speaker, for the past year I have been pushing for the enactment of my bill, H.R. 1197, to cap credit card interest rates at lower levels than presently exist. The reason for this legislation is simple. While all other interest rates are dropping to new record lows, credit card rates remain at record high levels.

This consumer injustice was highlighted on March 7, when the Federal Reserve Board announced a half-point drop in the discount rate, what banks pay to borrow money from the Fed, from 7.5 to 7 percent. It should be noted that the Fed's bank borrowing rate has been cut in half since 1981, from 14 percent, but none of that savings has been passed on to bank card holders. In fact, credit card interest rates have actually gone up since 1981 and for only one apparent reason—greed on the part of the banks.

A recent survey I conducted showed that 9 of the Nation's 10 largest bank issuers of credit cards had significant earnings increases in 1985. This should not come as any surprise. After all, these same banks are charging their credit card customers an average of 19.37 percent interest, which is nearly a 200-percent markup on what it costs them to borrow the same money from the Fed. That is gouging, pure and simple, and it is a national disgrace.

My bill would cap credit card interest rates at 5 percentage points above the Federal Reserve's discount rate. That would result in a 12-percent interest cap under present conditions.

Critics of a federally mandated credit card interest cap make two basic arguments. First, they point to continued consumer use of credit cards and say that consumers do not mind paying high interest rates on credit cards. Second, they argue that credit card issuers cannot make a profit if the rates they charge are lowered.

I have presented detailed testimony showing the flawed logic behind these arguments and I do not think it necessary to repeat those statements at this time. However, I would like to insert an article that recently appeared in the AFL-CIO News. Significantly, this article reports that the Bank of New York has offered to provide low-interest credit cards to AFL-CIO union members. The article included a statement by AFL-CIO President Lane Kirkland that "our surveys of union members showed that one of the benefits they most wanted to see sponsored by the labor movement was a credit card that would save them money compared with the usual cards issued by banks."

This statement, along with the fact that Bank of New York was willing to offer a credit card at a rate of about 14.5 percent, tells us two things. First, consumers do mind paying high interest rates on credit cards. Second, credit card issuers apparently can make a profit when offering lower rates.

At this time, Mr. Speaker, I would like to insert the AFL-CIO News Article.

The article follows:

[From the AFL-CIO News, Mar. 1, 1986]

CREDIT CARD PLAN APPROVED AS PART OF BENEFITS PACKAGE

Bal Harbour, Fla.—The AFL-CIO has reached an agreement on a plan that will enable union members to obtain low-cost credit cards. Starting in early summer, the Bank of New York will issue the new MasterCard through unions affiliated with the federation.

AFL-CIO President Lane Kirkland announced the agreement on the final day of the Executive Council's winter meeting here. He said the credit card plan represents another step in fulfilling recommendations of the council's Committee on the Evolution of Work to create a new form of worker benefit for union members.

"Our surveys of union members showed that one of the benefits they most wanted to see sponsored by the labor movement was a credit card that would save them money compared with the usual cards issued by banks," Kirkland said.

"We believe that this card will be the best deal of its kind for American consumers."

Unions affiliated with the federation will be able to choose either of two plans to offer their members. The new cards will call for no fee on issuance. Under one option, card holders will pay interest on their balances from the time of purchase at a rate 5 percent above the bank prime rate, or 14.5 percent at the present time. The other option provides for a slightly higher rate on unpaid balances after an initial grace period of no interest payments.

The average bank credit card now requires interest payments at rates of 19 percent or more, despite a general decline in other rates. Annual fees for the cards average $20.

The AFL-CIO credit card plan was applauded by the Bankcard Holders of America as a "bold move." Elgie Holstein, associate director of the non-profit educational organization, said it "sends a strong signal to the banking industry that working people are fed up with high credit card interest rates."

During the council meeting, Sec.-Treas. Thomas R. Donahue, who is chairman of the Committee on the Evolution of Work, reported on other steps being taken to carry out its recommendations. He said the new low-cost credit card is one element of a package of benefits the committee hopes to have ready by the next council meeting, May 13-14, in Washington. Also being developed are forms of group health and life insurance, a legal aid plan, and an investment and savings instrument.

After the package has been offered to the 13.1 million members of AFL-CIO affiliates through their unions, it will be made available to individuals who express interest in joining a new form of associate membership with unions.

The credit card agreement was reached with the Bank of New York and Affinity Group Marketing Inc. after they submitted the most favorable bid for the plan. Donald Colby, senior vice president of the bank, and David Mann, representing AGM, negotiated the final terms with AFL-CIO officials.

THEATER OF THE ABSURD

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. EDWARDS of California. Mr. Speaker, as I listened to the President's speech in support of aid to the Nicaraguan Contras this Sunday, I became very upset. The President, trying to sell a foreign policy which Americans simply don't support, tries to frighten and anger us with names like the ayatollah, the Red Brigade, and Colonel Qadhafi.

Distortions and emotionally charged words are not a substitute for open and rational debate.

Mr. Speaker, I would like to share with my colleagues an editorial from today's San José Mercury News which clearly and accurately describes the degeneration of the debate surrounding this question.

The text follows:

[From San José (CA) Mercury News, Mar. 18, 1986]

THEATER OF THE ABSURD

REAGAN'S FUSILLADE OF EXAGGERATIONS WAS AIMED AT SCARING CONGRESS

The debate over the funding of the Nicaraguan Contras has now turned into such a gross burlesque of fact that it has ceased to be a debate at all. It is a fusillade of exaggerations and distortions the likes of which this country has not heard since the Vietnam war.

President Reagan's performance on television Sunday night had nothing to do with defending policy based on a reasoned presentation of evidence and options. It was demagoguery at its worst, with one aim in mind: scaring—not persuading—members of the House of Representatives into supporting his aid package for the Contras during this week's vote.

Distortions tend to produce counterdistortions, and predictably some group called the Emergency Committee Against Contra Funding was at it Monday, with full-page newspaper ads every bit as distorted as the president's speech.

This is not how policy is made. Some of the tricks Reagan used Sunday night would make the presidents he evoked—Washington, Lincoln, Truman, Kennedy—blush. To tie the fate of the Western hemisphere to a ragtag band of revolutionaries in Nicaragua is rubbish.

The president of the United States should set the tone for national security debates and if he sets the right tone, he will find, as Sen. Henry Jackson once said, that the best politics is no politics.

But when using hyperbole and half-truths, he tries to intimidate the nation and Congress into a course of action over which both have deep doubts, then the president can and should expect a rebuff.

There was hardly a buzzword the president left out of his tirade Sunday: Khaddafi, the Ayatollah, the PLO, the Red Brigades, terrorists, red tide, drug trafficking, Soviet bases, severed ears, the fall of Mexico, East Germans, North Koreans. The speech had everything but a raped nun.

But the core argument was caricutural. The existence of the Sandinista regime in Nicaragua threatens the hemisphere and imperils the United States. Said Reagan:

"Using Nicaragua as a base, the Soviets and Cubans can become the dominant power in the crucial corridor between North and South America. Established there, they will be in a position to threaten the Panama Canal, interdict our vital Caribbean sea lanes and, ultimately move against Mexico. Should that happen, desperate Latin peoples by the millions would begin fleeing north into the cities of the southern United States."

This is not only the domino reincarnated, it is reasoning run amok. If the Contras were all that stood between us and that, we not only ought to fund them but all rush down to the jungles to join them. And we expect the Mexicans and a few others would be right there with us.

The United States must do what is necessary to protect its security. It always has, though in modern times it has had a tendency to define its security interests somewhat loosely, from Chile to Vietnam, pass-

ing through Lebanon, Angola and Afghanistan on the way.

But to have reached a point where the fate of the hemisphere lies in the hands of a backward nation of 8 million Nicaraguans is to defy even the most generous definition of national security.

The solution to the Nicaraguan problem is not the Contras. Aid to the Contras delays the solution since it legitimizes foreign intervention. The solution is a negotiated settlement that bans foreign troops from the region and incursions by one country into another.

With such an agreement, which is what the Contadora nations are working for, Nicaragua would be free to be Nicaragua—within its own borders.

Most Americans, most Congressmen, would settle for that, and Reagan knows it. Sunday, in an attempt to force a futile and unpopular policy on the country, the president went too far. It is time to let him know that we're not buying.

MORTGAGE FORECLOSURES—A NATIONAL TRAGEDY

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. TRAFICANT. Mr. Speaker, in Sunday's edition of the Washington Post appeared an article that confirmed our suspicions regarding the mortgage default rate. Home foreclosures in the United States is near record rates and even though interest rates are declining, there is little sign of a slowdown in mortgage defaults. Americans are still losing their homes.

At the end of January, nearly 175,000 foreclosed homes were in the inventories of the Veterans' Administration, Department of Housing and Urban Development, and two large secondary mortgage corporations. Surely, there must be an alternative to throwing American families out of their homes. This is an American tragedy and a disgrace.

I have introduced legislation that may have prevented the foreclosure of some of these homes. I ask that my colleagues read the following article and look at my bill, H.R. 3306, the Emergency Home Foreclosure Relief Act. This could just be the program we need to reverse this dangerous trend of record high foreclosures.

The article follows:

FORECLOSURES IN UNITED STATES NEAR RECORD RATE—LITTLE SIGN OF SLOWDOWN AS SALES BOOM

(By Ann Mariano)

Hundreds of houses went on the auction block across the country last month and thousands more were sold individually by private lenders and federal agencies as near-record numbers of Americans continued to lose their homes through foreclosures.

Dozens more auctions are scheduled in coming months as the Veterans Administration, the Department of Housing and Urban Development and private lenders press to sell the properties quickly, hoping to cut their losses as much as possible. The cost of acquiring and maintaining the properties runs into billions of dollars annually.

Nearly 175,000 foreclosed homes were in the inventories of the VA, HUD and two large secondary mortgage corporation at the end of January, spokesmen estimated. Institutions insured by the Federal Savings and Loan Insurance Corp. hold about $5 billion worth of foreclosed residential property, according to Federal Home Loan Bank Board figures. The insurance agency itself holds $330 million in property acquired from failed thrift institutions, a spokesman said. Agencies and lenders estimate their losses range as high as 30 percent of their investments.

The foreclosures remain at high levels while declining interest rates are boosting housing sales in many parts of the nation. Despite the booming real estate market, however, there is little sign of a slowdown in mortgage defaults. HUD could accumulate more than 40,000 foreclosed properties this year, according to James C. Nistler, the agency's deputy assistant secretary for single-family housing.

Foreclosures peaked in early 1985, then flattened out, "but unfortunately, they are not going down," said Richard H. Daniel, senior vice president for regional activities with the Federal National Mortgage Association. Increasing defaults in states hurt by falling energy prices are offsetting any decline in foreclosures rooted in the inflationary ups and downs of the early 1980s, he said.

"There is a lot of concern about the price of oil," Daniel said. Economic conditions "are not going to get better, and they could get better, and they could get worse in the energy states," particularly Texas, where unemployment is inching upward. Fannie Mae, and federally chartered corporation, buys mortgages from lenders and sells them, or securities backed by them, on the secondary market as a way to provide cash for new loans.

Houston, with an economy heavily dependent on the oil industry, has one of the country's highest foreclosure rates. A major auction of several hundred houses was held there during each week of February, and more are planned. Overbuilt markets have contributed to the high number of foreclosures throughout the Sun Belt, and the declining fortunes of farmers and heavy industry have boosted foreclosures in the Midwest, according to a report by the Federal Home Loan Mortgage Corp., also a secondary mortgage market company.

Federal agencies and lenders are increasing their efforts to interest consumers in foreclosed houses. Some are hiring professional managers or beefing up their own staffs, and Fannie Mae is preparing a brochure on how to buy a foreclosed home.

Foreclosed properties may be bargains for home buyers and investors, but prospective purchaser should be cautious, according to Benny L. Kass, a D.C. real estate consumer attorney.

"You have to ask, if this [house] is such a good property, why did the owner let it go to foreclosure?" Kass said. In addition, "People ought to realize that just because the government [VA or FHA] is selling a house to you, it doesn't mean it's in good shape." Usually, a homeowner facing foreclosure will "strip out everything he can" from a house.

Kass advises propsective purchasers to do a "lot of homework" on property values in the neighborhood, whether values are going up, what the rental market is like, and to inspect the property carefully, preferably with professional assistance.

The VA and HUD's Federal Housing Administration, which insure home loans, acquire the properties after paying claims to lenders when homeowners default on their mortgages. The agencies and lenders try to recover as much of their costs as possible through sale of the foreclosed properties, but lose millions in high carrying costs, low sales prices and other expenses, they said.

HUD, for example, estimates that its average loss per house is $17,800, of which $12,450 "is due to expenses in acquiring, holding and selling the property," said Janet Hale, then general deputy assistant secretary for housing, in testimony before a House subcommittee last December.

The department acquired about 38,000 houses through foreclosure in fiscal year 1985, which ended last Sept. 30, sold about the same number and ended the year with another 16,700 properties still on hand, a HUD spokesman said. At the end of January, HUD's inventory had risen to 19,000 homes. In fiscal 1984, HUD took in 33,000 houses and sold 38,000.

At the end of January, the VA owned 18,783 properites and was in the process of acquiring another 14,809, according to R.J. Vogel, the VA's chief benefits director. In March 1984, the agency's inventory reached its high point—22,316 properties, said Vogel, who also testified before a House subcommittee last week. The agency sold 28,500 foreclosed properties in fiscal 1985. Vogel said the VA's present inventory is valued at about $787 million, and a spokesman said HUD's inventory is worth about $627.5 million.

WALL STREET JOURNAL ON ATBM SYSTEM FOR ALLIES

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. COURTER. Mr. Speaker, as the following Wall Street Journal editorial notes, our European Allies are preparing to put SDI words into concrete actions:

American critics spin their intellectual wheels attacking the most advanced, visionary aspects (of the SDI program). The Europeans are getting on with the practical uses of defensive systems.

Our NATO Allies face the full spectrum of Soviet offensive threats—nuclear, chemical, and high explosive conventional weapons—perched atop increasingly accurate ballistic missiles that can threaten the entire depth of the NATO forces. In the Middle East, Israel faces similar threats from Soviet SRBM's, presently deployed in Syria but capable of wide movement.

Unencumbered by the ABM Treaty, our allies are proceeding with work aimed at deploying effective, nonnuclear defenses against Soviet ballistic missiles. Judging by the near-hysterical Soviet reaction to this development, our friends may be on to something which we would do well to emulate.

The editorial follows:

[From the Wall Street Journal, Mar. 13, 1986]

A NEW SDI PERSPECTIVE

The Star Wars debate is coming down to earth. West Germany's minister of defense, Manfred Woerner, has just announced that he would like to see the creation of an active, nonnuclear-missile defense system

for Europe. Mr. Woerner's ideas are contained in the important article written for the current issue of Strategic Review. "A defense against attacking missiles," Mr. Woerner writes, "is consistent with—indeed, reinforcive of—the defensive cast of the NATO alliance."

With this public commitment, Mr. Woerner has brought into the open a growing movement in Europe to build support and credibility for a European variant of President Reagan's strategic defense initiative (SDI). It would involve using advanced technologies in the near future to defend particular geographic regions—as opposed to the entire world—against the Soviet Union's rapidly developing offensive missile systems.

The difference in the way Americans and Europeans are addressing the SDI debate now is instructive. American critics spin their intellectual wheels, attacking the most advanced, visionary aspects. The Europeans are getting on with the practical uses of defensive systems.

The military imperatives driving the concerns of Mr. Woerner and other Europeans are easy to understand. Put simply, missile technology is becoming extremely accurate. Opponents of SDI often equate ballistic missiles with an indiscriminate nuclear holocaust across great distances. That is theoretically possible, but it is no longer the only possibility. The Europeans understand that the missiles that the Soviet Union placed in Eastern Europe in 1984 have firing ranges of between 90 miles and 550 miles and that in coming years these missiles will be able to land within 100 to 200 feet of their targets. Soviet efforts to dramatically improve guidance systems aren't intended to blow Bonn, Paris, London or Rome. They are intended to perform what is known as "defense busting."

Defense busting involves destroying or disabling NATO's military installations—airfields, command headquarters, highways, radar and the like—leaving Europe vulnerable to the superior numbers of the Warsaw Pact's conventional forces. An important attraction of using short-range missiles for this purpose (a development largely unreported to the general public) is that it can be done with nonnuclear, or conventional, warheads. From the Soviets' perspective, the case for using conventionally armed missiles is that they reduce, if not eliminate, NATO's incentive to respond by launching a disproportionately destructive nuclear strike. Using missiles for conventional military objectives also keeps the Soviets' bomber forces (and their theater nuclear weapons) in reserve and intact.

Ironically, one of the most intriguing aspects of Mr. Woerner's proposal is that it could break Europeans free of the constraints of the 1972 ABM treaty signed by the U.S. and Soviet Union. While the most expansive interpretation of the treaty's provisions has become an article of deep faith for American arms-control adherents, Europeans are beginning to doubt that the ABM treaty requires anyone to forgo defenses against nonnuclear Soviet missiles carrying out nonnuclear missions. Moreover, with the likely delivery of precision missile systems to unfriendly countries—Syria, for example—governments such as Israel's are expressing an active interest in advanced missile defenses.

Recent reports have suggested that disagreements have arisen between the Americans and West Germans over the manner in which responsibilities will be divided for developing SDI-related technologies. Given the commitment both sides have to the principle of building anti-missile defenses, it's likely these differences will be resolved. If on the other hand the U.S. initiative becomes bogged down in Congress, Mr. Woerner suggests Europe may have to leave the Americans to their endless debates and proceed on its own with the first stages of a missile defense system. "Given the imminent [Soviet] threat that has been described," Mr. Woerner writes, "it is imperative to proceed with the building blocks of an anti-missile defense in Europe irrespective of the ultimate decisions that may be made in the United States with respect to SDI." The more the merrier, we say.

CONGRESS SHOULD REJECT CONTRA AID

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. VENTO. Mr. Speaker, President Reagan has formally requested that Congress approve his request for $100 million in United States aid for the Contras who are seeking to overthrow the Sandinista government of Nicaragua. To date, two out of three congressional committees which have considered the President's request have rejected it. The House should follow suit when it considers this measure on March 19.

Last week, White House Communications Director Patrick Buchanan suggested in an article published in the Washington Post that a vote against aid for the Contras was tantamount to a vote for the Sandinistas and communism. Mr. Buchanan went on at some length to impugn the motives and patriotism of Democrats who have been critical of the President's policy toward Nicaragua.

Mr. Speaker, the fact that Mr. Buchanan has resorted to such extreme hyperbole is perhaps a measure of just how unsuccessful the Reagan administration has been in convincing the American public and Congress that its policy has merit. The fact that the administration has dropped the ball on the Contadora peace process, which is still today the only multilateral effort designed to promote a peaceful political settlement of our differences with the Sandinista government of Nicaragua. The President suggests that the only alternative to support the Contras is to allow all of Latin America to be consumed by Communist expansion. It should be objectively clear to everyone that opposition to the President's obsession with providing military aid to the Contras is not an unequivocal endorsement of the Sandinista government. I deplore the violations of human rights and restictions upon freedom of the press and civil liberties which have occurred in Nicaragua. But we must resist the temptation to throw fuel on the fire.

Congress should reject the President's proposal for $100 million in aid to the Contras because it pursues a policy which will fail miserably. In 5 years of resistance, the Contras are farther from achieving their real goal—the overthrow of the Government of Nicaragua—than ever before. Instead, we must rethink U.S. policy in terms of positive diplomacy. We must find ways to work cooperatively as a partner for peaceful change in Central America without escalating military confrontation and violence. Nicaragua's neighbors in Central America understand this reality better than anyone else. That is why they are opposed to the President's proposal for aid to the Contras. That is why they have asked and pleaded with the Reagan administration to rejoin the Contadora process as an active and interested party seeking to minimize a military confrontation rather than promoting one.

Ironically, the administration chooses to hear a contradictory message, diametrically different than what the leaders of Central and South America are saying.

The following editorial from the Christian Science Monitor (March 7) states the case for rejecting the Reagan administration request for $100 million in aid to the Contras well. Hopefully, Congress will act accordingly on March 20.

[From the Christian Science Monitor, Mar. 7, 1986]

HOLD OUT AGAINST "CONTRA" AID

The resistance to President Reagan's requests for military aid for the Nicaragua "contras" is well founded. This resistance—in Congress, and among other countries in the region—should continue.

Overall, the administration's request for $100 million for the contras, mostly for arms, casts the United States, in the eyes of Congress and the region, as the fomenters of a new round of aggression in an area that has reached relative stability in recent months.

The Reagan administration does not put it this way. It prefers to warn that, without the aid to the Nicaraguan rebels, Managua will become a second Cuba, a "permanent staging ground for terrorism." Defense Secretary Weinberger warns that if the US does not send aid now, one day it may have to send in the troops. And so on.

Even with increased aid, can the contras, whose active numbers have dwindled to about 6,000, or one-tenth those of the Sandinista Army, pressure the Nicaraguan government to make the political and diplomatic concessions the administration wants?

Hardly. Even with the full aid package, the rebel troops could not overthrow the Marxist-led Sandinistas. Nor would any amount of contra aid likely compel Managua to yield. The Sandinistas have long viewed the rebels, many of whom are supporters of former dictator Somoza, as US proxies, trained and financed by the Central Intelligence Agency.

This lack of credibility has largely led House panels already to vote down the aid request. There are other factors that fuel this lack of enthusiasm: this week's GAO report that the administration has lacked controls over much of the humanitarian aid given the contras over the last year, longtime concern over CIA meddling in affairs Nicaraguan, from mining of harbors to training of the anti-Sandinista forces; and reservations about this country's role in the increasing militarization of the region.

The Reagan administration wants close to $800 million in fiscal year 1986 for security assistance (a combination of military and economic aid) to governments in the region. In Honduras the US has helped build 11 airfields and six military bases in the last three years, which appear to be more permanent than temporary. Also, the US regularly

shuttles thousands of National Guard troops into and out of Honduras to do construction work and take part in joint military exercises.

Many in Congress see the contra aid, not as an alternative to committing US troops, but as a magnet bound one day to pull US troops in—one more step down "the slippery slope of involvement," as Rep. David Obey (D) of Wisconsin puts it.

The administration is trying to steamroller its way over such concerns by essentially portraying aid opponents as brainwashed by the clever lobbying efforts of the Sandinistas. For its part, the White House continues to balk at suggestions that it talk directly with the Sandinistas. It apparently views as weakness what many see as an act of statesmanship. The US insists that Managua must also talk with the contras. The Sandinistas will talk with the US but not the rebels. It is a classic Catch-22 standoff not worth $100 million to resolve.

Nicaragua's neighbors, including several fragile new democracies, are concerned both about the threat from a Sandinista government interested in exporting revolution and about the military buildup in their midst. Accordingly, they do not encourage the US to increase contra aid. They would much prefer to see Washington press harder on the diplomatic front. Indeed, Costa Rica, which has publicly criticized US aid to the contras, is now drafting a joint border-inspection agreement with the Sandinistas.

The best hope for a peaceful, equitable, and legal solution to the dilemma is to resume bilateral talks with Managua. And Washington should take an active role in the Contadora process.

Choosing cooperation, patience, and diplomacy over a narrow, precipitous military course that cannot succeed is more likely to increase American influence in the region.

THE FINDINGS OF THE CONGRESS ON THE SITUATION IN NICARAGUA

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. STUMP. Mr. Speaker, the Sandinista regime in Nicaragua continues to rule with a brutal iron hand and continues its efforts to destabilize neighboring nations. The Congress of the United States has found this to be consistently true for years, yet some still fail to recognize the importance of pressuring the Sandinistas to cease their repression and subversion. The official historical record established by the Congress on the nature of the Sandinista regime and its activities could not be more stark.

On March 4, 1982, the then chairman of the House Permanent Select Committee on Intelligence made a statement about the insurgency in El Salvador:

There is further persuasive evidence that the Sandinista government of Nicaragua is helping train insurgents and is transferring arms and financial support from and through Nicaragua to the insurgents. They are further providing the insurgents bases of operations in Nicaragua. Cuban involvement—especially in providing arms—is also evident.

What this says is that, contrary to the repeated denials of Nicaragua officials, that country is thoroughly involved in supporting the Salvadoran insurgency. That support is such as to greatly aid the insurgents in their struggle with government forces in El Salvador.

On September 22, 1982, the House Permanent Select Committee on Intelligence released a staff report which stated, page 3, that "intelligence has been able to establish beyond doubt the involvement of Communist countries in the Salvadoran insurgency."

On May 13, 1983, the House Permanent Select Committee on Intelligence issued a report (H. Rept. 98–122, part 1, page 6) stating that:

At the time of the filing of this report, the Committee believes that the intelligence available to it continues to support the following judgments with certainty:

A major portion of the arms and other material sent by Cuba and other Communist countries to the Salvadoran insurgents transits Nacaragua with the permission and assistance of the Sandinistas.

The Salvadoran insurgents rely on the use of sites in Nacaragua, some of which are located in Managua itself, for communications, command-and-control, and for the logistics to conduct their financial, material and propaganda activities.

The Sandinista leadership sanctions and directly facilitates all of the above functions.

Nicaragua provides a range of other support activities, including secure transit of insurgents to and from Cuba, and assistance to the insurgents in planning their activities in El Salvador.

In addition, Nicaragua and Cuba have provided—and appear to continue providing—training to the Salvadoran insurgents.

Cuban and Sandinista political support for the Salvadoran insurgents has been unequivocable for years. The committee concludes that similarly strong military support has been the hidden compliment of overt support.

The committee further stated in its report of May 13, 1983 that:

Another area of serious concern to the committee is the significant military buildup going on in Nicaragua. . . . Considering the small population of Nicaragua—2½ million people—and its weakened economic status—such a buildup cannot be explained away as solely defensive. Within the Central America isthmus, it poses a potential threat to its neighbors.

On December 9, 1983, the Intelligence Authorization Act for Fiscal Year 1984 (Public Law 98–215) became law. Section 109(a)(1) of that act stated:

SEC. 109. (a) The Congress finds that—

(1) the Government of National Reconstruction in Nicaragua has failed to keep solemn promises, made to the Organization of America States in July 1979, to establish full respect for human rights and political liberties, hold early elections, preserve a private sector, permit political pluralism, and pursue a foreign policy of nonaggression and nonintervention;

On August 8, 1985, the International Security and Development Cooperation Act of 1985 (Public Law 99–83) became law. Section 722(c)(2)–(4) of that act—the very act under which the President made his pending request for aid for the Nicaraguan resistance that the Michel-Murtha resolution would approve—states in part:

"(2) THE GOVERNMENT OF NICARAGUA.—The Congress further finds that—

(C) the Government of National Reconstruction, now known as the Government of Nicaragua and controlled by the Frente Sandinista (the FSLN), has flagrantly violated the provisions of the June 23, 1979, resolution, the rights of the Nicaraguan people, and the security of the nations in the region, in that it—

(i) no longer inlcudes the democratic members of the Government of National Reconstruction in the political process;

(ii) is not a government freely elected under conditions of freedom of the press, assembly and organization, and is not recognized as freely elected by its neighbors, Costa Rica, Honduras, and El Salvador;

(iii) has taken significant steps towards establishing a totalitarian Communist dictatorship, inlcuding the formation of FSLN neighborhood watch committees and the enactment of laws that violate human rights and grant undue executive power;

(iv) has committed atrocities against its citizens as documented in reports by the Inter-American Commission on Human Rights of the Organization of American States;

(v) has aligned itself with the Soviet Union and Soviet allies, including the German Democratic Republic, Bulgaria, Libya, and the Palestine Liberation Organization;

(vi) has committed and refuses to cease aggression in the form of armed subversion against its neighbors in violation of the Charter of the United Nations, the Charter of the Organization of American States, the Inter-American Treaty of Reciprocal Assistance, and the 1965 United Nations General Assembly Declaration on Intervention; and

(vii) has built up an army beyond the needs of immediate self-defense, at the expense of the needs of the Nicaraguan people and about which the nations of the region has expressed deepest concern.

(3) THE NICARAGUAN DEMOCRATIC OPPOSITION.—The Congress further finds that—

(A) as a result of these violations, the Government of Nicaragua has lost the support of virtually all independent sectors of Nicaraguan society who initially supported the removal of the Somoza regime (including democratic political parties of the left, center, and right; the leadership of the Church; free unions; and the business, farmer, and professional sectors) and who still seek democracy, reject the rule of the Frente Sandinista, and seek the free elections promised in 1979;

(B) the Nicaraguan political opposition has joined with the armed opposition groups in issuing the San Jose Manifesto of March 1, 1985, calling for a national dialog under mediation by the Nicaraguan Bishops Conference to peacefully attain the fulfillment of the Government of Nicaragua's commitments to the Organization of American States, including "the democratization of Nicaragua, conscious that democracy is the only means to carry out an authentic revolution and secure our national identity and sovereignty."

(C) on June 12, 1985, in San Salvador, El Salvador, the political and armed opposition groups representing the entire democratic political spectrum of Nicaragua formed the Unified Nicaraguan Opposition and affirmed their "historical commitment to achieve for Nicaragua the reconciliation of her children, to establish the foundation for democracy and the moral and material reconstruction of the nation;" and

(D) the Unified Nicaraguan Opposition further declared its intention to "give priority at all times to a political solution which will ease the suffering of our people."

(4) CONCERNS IN THE REGION AND UNITED STATES RESPONSIBILITIES.—The Congress further finds that—

(A) Nicaragua's neighbors, Costa Rica, El Salvador, and Honduras, have expressed, individually and through the Contadora process, their belief that their peace and freedom is not safe so long as the Government of Nicaragua excludes from power most of Nicaragua's political leadership and is controlled by a small sectarian party, without regard to the will of the majority of Nicaraguans; and

(B) the United States, given its role in the installation of the current Government of Nicaragua, has a special responsibility regarding the implementation of the commitments made by that Government in 1979, especially to those who fought against Somoza to bring democracy to Nicaragua with United States support.

The Congress has found that the Sandinista regime flagrantly abuses the people of Nicaragua and works to foment subversion in democratically elected neighboring countries. The Congress should couple its perceptive statements on the situation in Nicaragua with a willingness to act.

The House should approve the Michel-Murtha Resolution—House Joint Resolution 540—to provide for effective assistance to the Nicaraguan democratic resistance.

VOTING RECORD

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. UDALL. Mr. Speaker, it has become my practice from time to time to list my votes in the CONGRESSIONAL RECORD. I strongly believe that the people of the Second Congressional District of Arizona have a right to know where I stand on the issues decided by this body, and I have found that printing my record here is the best way to provide that information.

This is not an all-inclusive list. I have omitted noncontroversial votes such as quorum calls, motions to resolve into the Committee of the Whole House, and motions to approve the Journal of the previous day.

The descriptions are necessarily somewhat short, and I am sure that some of my constituents will have additional questions about the issues described here. So I invite them to write me for more specifics.

The votes are described as follows:

KEY

1. Rollcall Number;
2. Number of the bill or resolution;
3. Title of the bill or resolution;
4. A description of the vote;
5. The outcome of the vote;
6. The vote total;
7. My vote, in the form Y=yes, N=no, and NV=not voting;
8. The vote totals of the Arizona delegation (yes-no-not voting);
9. The date.

251. H.R. 2577. Supplemental Appropriations, Fiscal 1985. Adoption of the conference report on the bill to appropriate $13.02 billion for various government programs and for pay raises for federal workers. Adopted 320-106: Y(4-1-0), July 31, 1985.

252. H.R. 2577. Supplemental Appropriations, Fiscal 1985. Whitten, D-Miss., motion that the House recede from its disagreement to the conference committee amendment to provide $48.8 million for 41 water projects of the Army Corps of Engineers, so long as federal and local cost-sharing agreements are reached by June 30, 1986. Motion rejected 170-258: Y(2-3-0), July 31, 1985.

253. H.R. 3011. Interior Appropriations, Fiscal 1985. Adoption of the rule (H. Res. 240) to waive certain points of order against the bill to make appropriations for the Interior Department and related agencies for fiscal 1986. Adopted 408-19: Y(5-0-0), July 31, 1985.

254. H.R. 3011. Interior Appropriations, Fiscal 1986. Shaw, R-Fla., amendment to cut $91,000 from the National Park Service budget for the operations and maintenance of the John F. Kennedy Center for the Performing Arts. Rejected 200-227: N(4-1-0), July 31, 1985.

255. H.R. 3011. Interior Appropriations, Fiscal 1986. Conte, R-Mass., amendment to rescind all but $500 million from the previously appropriated amounts available to the U.S. Synthetic Fuels Corporation, and to prohibit the corporation from using the funds for purposes other than administrative expenses. Adopted 312-111: Y(4-1-0), July 31, 1985.

256. H.R. 3011. Interior Appropriations, Fiscal 1986. Conte, R-Mass., amendment as amended by the Regula, R-Ohio, substitute, to transfer from the Clean Coal Technology Reserve to the Department of Energy $100 million in fiscal 1985-86, $200 million in 1987, and $200 million in 1988, for cost-shared projects to demonstrate the commercial feasibility of clean coal technology. Adopted 238-184: Y(5-0-0), July 31, 1985.

257. H.R. 3011. Interior Appropriations, Fiscal 1986. Conte, R-Mass., amendment to eliminate $200 million in fiscal 1987 and $200 million in fiscal 1988 from the amounts appropriated from the Clean Coal Technology Reserve. Rejected 98-317: N(3-2-0), July 31, 1985.

258. H.R. 3011. Interior Appropriations, Fiscal 1986. Passage of the bill to appropriate $8,238,097,000 in fiscal 1986 for the Department of the Interior and related agencies responsible for cultural and natural resources programs. Passed 270-143: Y(4-1-0), July 31, 1985.

260. H.R. 2068. State Department Authorizations, Fiscal 1986-87. Adoption of the conference report on the bill to authorize $12,774,281,000 in each of fiscal years 1986 and 1987 for the State Department, the U.S. Information Agency, the Board of International Broadcasting, and the Arms Control and Disarmament Agency. Adopted 350-74: Y(3-2-0), August 1, 1985.

261. H.R. 1460. Anti-Apartheid Act. Adoption of the rule (H.Res. 251) to waive certain points of order against the conference report on the bill to impose sanctions against the government of South Africa until it eliminated laws enforcing "apartheid', official racial segregation. Adopted 349-75: Y(3-2-0), August 1, 1985.

262. H.R. 1460. Anti-Apartheid Act. Adoption of the conference report on the bill to impose sanctions against the government of South Africa until it eliminated laws enforcing "apartheid", official racial segregation. Adopted 380-48: Y(3-2-0), August 1, 1985.

263. H.R. 3008. Federal Pay Equity Study. Adoption of the rule (H. Res. 241) to provide for House floor consideration of the bill to authorize an independent study to determine if pay differences in the federal government are due to discrimination on the basis of sex, race, or Hispanic origin. Adopted 239-6: Y(1-4-0), August 1, 1985.

264. S. Con. Res. 32. First Budget Resolution, Fiscal 1986. Gray, D-Pa., motion that the House recede from its amendment to the first concurrent budget resolution for fiscal 1986 and concur with a further amendment. In effect, the House replaced its version of the budget resolution with the text of the conference report on the resolution, which set non-binding spending and taxing levels for the fiscal year ending Sept. 30, 1986, as follows: budget authority $1,070.2 billion: outlays $967.6 billion; revenues $795.7 billion; and deficit, $171.9 billion. The numbers are preliminary Senate estimates and subject to revision. Motion agreed to 309-119: Y(3-2-0), August 1, 1985.

265. H.R. 10. National Development Investment. McCollum, R-Fla., amendment to require that areas meet both the criteria of high unemployment and low per capita income to qualify for aid from the Economic Development Administration. Rejected 109-247: NV(3-0-2), September 4, 1985.

266. H.R. 10. National Development Investment. Passage of the bill to authorize $160 million in fiscal 1986 for the Economic Development Adminstration and such sums as may be necessary for fiscal 1987 and 1988; $79.5 million for the Appalachian Regional Commission's (ARC) highway programs in fiscal 1986 and such sums as are necessary in fiscal 1987 through 1992; and $39.2 million for ARC non-highway programs in fiscal 1986 and such sums as are necessary in fiscal 1987 through fiscal 1990. Passed 260-96: NV(0-3-2), September 4, 1985.

268. H.R. 2372. Railroad Safety Improvement. Adoption of the rule (H.Res. 250) to provide for House floor consideration of the bill to authorize $40.9 million in fiscal 1986 and $42.5 million in fiscal 1987 for federal rail safety programs. Adopted 244-109: NV(1-2-2), September 5, 1985.

269. H.R. 2372. Railroad Safety Improvement. Walker, R-Pa., amendment to delete $6.3 million over fiscal 1986-87 for reimbursements to states that conduct their own rail safety inspections. Rejected 106-254: NV(3-0-2), September 5, 1985.

270. H.R. 3244. Transportation Appropriations, Fiscal 1986. Coughlin, R-Pa., amendment to prevent federal funding of the Westway highway and land development project in New York City. Adopted 287-132: N(4-1-0), September 11, 1985.

271. H.R. 3244. Transportation Appropriations, Fiscal 1986. Richardson, D-N.M., amendment to reduce federal subsidies for Amtrak in fiscal 1986 from $603.5 million to $581.4 million. Rejected 173-245: N(4-1-0), September 11, 1985.

272. H.R. 3244. Transportation Appropriations, Fiscal 1986. Fielder, R-Calif., amendment to the Dixon, D-Calif., substitute for the Waxman, D-Calif., amendment, to impose restrictions on the construction of a new mass transit system in Los Angeles. Rejected 172-242: N(4-1-0), September 11, 1985.

273. H. Con. Res. 187. Adoption of the concurrent resolution to condemn the Sept. 10 kidnapping of Ines Guadelupe Duarte Duran, daughter of El Salvadoran President Jose Napoleon Duarte. Adopted 402-1: Y(5-0-0), September 12, 1985.

274. H.R. 7. School Lunch and Child Nutrition Act. Adoption of the rule (H. Res. 262) to provide for House floor consideration of the bill to reauthorize and revise school lunch and child nutrition programs. Adopted 266-142: Y(1-4-0), September 12, 1985.

275. H.R. 2266. Amtrak Authorization, Fiscal 1986-87. Adoption of the rule (H. Res. 263) to waive points of order against the bill to authorize appropriations for Amtrak through fiscal 1987. Adopted 236-159: NV(0-4-1), September 12, 1985.

276. H.R. 3244. Transportation Appropriations, Fiscal 1986. Solarz, D-N.Y., amendment to delete a provision requiring that tolls be collected in only one direction on the Verrazano-Narrows Bridge in New York City. Rejected 111-296: Y(2-3-0), September 12, 1985.

277. H.R. 3244. Transportation Appropriations, Fiscal 1986. Passsage of the bill to appropriate $10,852,587,569 for programs of the Department of Transportation and related agencies in fiscal 1986. Passed 307-102: Y(3-2-0), September 12, 1985.

278. H.R. 7. School Lunch and Child Nutrition Act. Bartlett, R-Texas, amendment to eliminate an authorization of $1 million for fiscal 1986 grants to school districts for food service equipment. Rejected 157-235: N(4-1-0), September 12, 1985.

279. H.J. Res. 388. Continuing Appropriations, Fiscal 1986. Passage of the joint resolution to provide continued spending authority from Oct. 1 to Nov. 14, 1985, for programs and agencies for which regular appropriations bills had not been signed into law by Oct. 1, the start of the fiscal year. The resolution provided that funding levels for programs would, depending on the status of uncompleted appropriations bills, be the lower amount of that enacted for fiscal 1985 or that set in appropriations bills passed by one or both houses, but not yet signed to law. Once enacted, appropriations bills for fiscal 1986 would supercede levels set by the continuing appropriations resolution. Passed 272-156: Y(2-3-0), September 18, 1985.

280. H.R. 7. School Lunch and Child Nutrition Act. Bartlett, R-Texas, amendment to eliminate the fiscal 1986 cost-of-living adjustment to the rates of federal reimbursements to schools for meals served in school lunch and child nutrition programs, except for the supplemental feeding program for needy pregnant women, infants, and children. Rejected 143-284: N(3-2-0), September 18, 1985.

281. H.R. 7. School Lunch and Child Nutrition Act. Petri, R-Wis., amendment to the Armey, R-Texas, substitute for the Bartlett, R-Texas amendment, to eliminate the cash subsidy for school lunches for children from families with incomes above 250 percent of the poverty line. Rejected 174-254: N(4-1-0), September 18, 1985.

282. H.R. 7. School Lunch and Child Nutrition Act. Armey, R-Texas, substitute for the Bartlett, R-Texas, amendment, to eliminate the cash and commodity subsidy for lunches for children from families with incomes above 250 percent of the poverty line. Rejected 146-279: N(4-1-0), September 18, 1985.

283. H.R. 7. School Lunch and Child Nutrition Act. Passage of the bill to authorize $5.09 billion in fiscal 1986-88 for five child nutrition programs: the special supplemental feeding program for needy pregnant women, infants, and children; a summer food service program for children; nutrition education and training; a surplus commodity distribution program; and payments to states for administrative costs. Passed 367-59: Y(3-2-0), September 18, 1985.

284. H.R. 2266. Amtrak Reauthorization, Fiscal 1986. Passage of the bill to authorize $603.5 million in federal subsidies in fiscal 1986 for Amtrak, the national passenger railroad. Passed 290-128: Y(2-2-1), September 19, 1985.

286. H.R. 3248. Arts and Humanities Endowments Authorizations, Fiscal 1986-89. Adoption of the rule (H Res 266) to provide for House floor consideration of the bill to authorize $329 million in fiscal 1986 and such sums as Congress considers necessary in fiscal 1987-89 for the National Endowment of the Arts, The National Endowment for the Humanities and the Institute for Museum Services. Adopted 181-148: NV(0-3-2), September 20, 1985.

287. H.R. 2100. Farm Programs Reauthorization, Fiscal 1986-90. Adoption of the rule (H Res 267) to provide for House floor consideration of the bill to extend and revise agricultural price-support programs; to provide for agricultural export, resource conservation, farm credit and agricultural research programs; and to continue food assistance to low income persons through fiscal 1990. Adopted 205-99: NV(0-2-3), September 20, 1985.

288. S.J. Res. 127. Interstate Compact. Glickman, D-Kan., motion to suspend the rules and pass the joint resolution to grant the consent of Congress to a series of laws passed by Missouri and Illinois granting additional powers to the Missouri-Illinois Bi-State Development Agency concerning the ceiling on the agency's bonds and the authority to construct a waste recycling facility. Motion agreed to 373-2: NV(3-0-2), September 26, 1985.

289. H.R. 2100. Farm Programs Reauthorization, Fiscal 1986-90. Downey, D-N.Y., amendment to lower the price-support level of sugar, which is frozen by the bill, beginning in fiscal 1986, by 1 cent a pound per year until it reaches 15 cents a pound, and to eliminate the cost of transportation as one of the factors used in setting the market stabilization price of sugar. Rejected 142-263: NV(1-2-2), September 26, 1985.

290. H.R. 2100. Farm Programs Reauthorization, Fiscal 1986-90. Olin, D-Va., amendment to delete the bill's dairy provisions and substitute provisions that reduce the dairy price support 50 cents a year if government purchases exceed specified levels, and to eliminate the bill's increases in the minimum federal marketing order milk prices. Rejected 166-244: NV(3-0-2), September 26, 1985.

291. H.R. 2100. Farm Programs Reauthorization, Fiscal 1986-90. Obey, D-Wis., amendment to establish a mandatory supply-management program to cut back dairy production to the level of demand and set the milk price support at 63 percent of parity, or about $13.60 a hundredweight of milk equivalent, if approved by 60 percent of dairy farmers voting in a national referendum. Rejected 36-351: NV(0-3-2), September 26, 1985.

293. H.R. 2100. Farm Programs Reauthorization, Fiscal 1986-90. Strangeland, R-Minn., substitute for the Dorgan, D-N.D., amendment, to increase income supports for wheat farmers on the first 15,000 bushels of production, and to require the agriculture secretary to allow repayment of price-support loans at a rate equal to the amount a crop brings at market. Rejected 200-228: Y(1-4-0), October 1, 1985.

294. H.R. 2100. Farm Programs Reauthorization, Fiscal 1986-90. Frank, D-Mass., substitute for the Dorgan, D-N.D., amendment, to freeze target prices for wheat in 1986 and permit in succeeding years an annual deduction of 5 percent. Rejected 93-334: N(2-3-0), October 1, 1985.

295. H.R. 2100. Farm Programs Reauthorization, Fiscal 1986-90. Robert F. Smith, R-Ore., amendment to the Volkmer, D-Mo., amendment, to hold a referendum among wheat, feed grain, cotton, rice and soybean producers, with a 60 percent majority required to continue authority for programs in the bill after fiscal 1986. Rejected 108-318: N(1-4-0), October 1, 1985.

296. H. Res. 272. Idaho 2nd District Election. Adoption of the resolution to dismiss the election challenge brought by former GOP Rep. George Hansen against Democratic Rep. Richard H. Stallings in Idaho's 2nd congressional district. Adopted 247-4: Y(1-0-4), October 2, 1985.

297. H.R. 3424. Labor, Health and Human Services, Education Appropriations, Fiscal 1986. Dornan, R-Calif., amendment to authorize the surgeon general to use certain research funds provided in the bill to close or quarantine bathhouses or massage parlors if they are found to facilitate the spread of acquired immune deficiency syndrome (AIDS). Adopted 417-8: Y(5-0-0), October 2, 1985.

298. H.R. 3424. Labor, Health and Human Services, Education Appropriations, Fiscal 1986. Natcher, D-Ky., motion that the Committee of the Whole rise and report the bill back to the House. Motion agreed to 238-185: Y(1-4-0), October 2, 1985.

299. H.R. 3424. Labor, Health and Human Services, Education Appropriations, Fiscal 1986. Passage of the bill to appropriate $93,407,443,000 in fiscal 1986 funding and $11,473,754,000 in advance fiscal 1987 funding for the Department of Labor, Health and Human Services, and Education and related agencies. Passed 322-107: Y(3-2-0), October 2, 1985.

A TRIBUTE TO DR. RONALD E. McNAIR

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. STOKES. Mr. Speaker, one of the most gratifying aspects of my public service has been the opportunity it has afforded me to help our young gifted youth. After all, our children and their children are America's future. In 1977, one such talented individual was brought to my attention by Bob Maloney, who was a member of my staff at that time. The young man's name was Dr. Ronald E. McNair. Dr. McNair asked me to support his application to NASA for the position of mission specialists. I was extremely impressed with Ron's qualifications, particularly his commitment to serve his country and help his fellow man. I gladly supported his application and asked my distinguished colleagues former Representative Yvonne Burke and Senator Edward Brooke to join me. The rest is history.

Mr. Speaker, Ron's passing has saddened and touched us all. Bob Maloney, his friend, has written a personal tribute to Dr. Ronald E. McNair. I am most pleased to share it with you.

RON MCNAIR—AN AMERICAN HERO

When the Challenger Space Shuttle burst into flames on Tuesday, January 28, 1986, seven American heroes were killed. We as Americans grieve for them. We also grieve for their families. We feel great pain for this tragedy. I knew one of the Mission Specialists very well. I considered him a friend, a teacher and a confidant. His name was Dr. Ronald E. McNair—"Ron".

I first met Ron in November 1973. I was in my last year at Harvard Law School and he was in the middle of his work toward a Doctorate in Physics at the Massachusetts Institute of Technology. He taught karate in the basement of a small black church—St. Paul's AME. The congregation was headed by a progressive Minister named Reverend Bryant. Reverend Bryant encouraged community participation in uplifting and positive activities, Ron's Karate class was consistent with Reverend Bryant's positive philosophy. It was uplifting, spirited and represented the Puritan ethic. You worked hard, received no breaks and earned your stripes. Ron usually started class with 100 to 200 jumping jacks, followed by Marine-type calisthenics. He stressed repetition, perfection and discipline. The result was character building. He was particularly good with children. He had a certain level of compassion. Often he would tailor the drills to their abilities. The results were impressive. When St. Paul's AME Karate-Do (as we were called) competed in tournaments we always brought back the "hardware" . . . the trophies. The biggest winners were the little kids. Of course, Ron won also. You see he was one of the best at Karate. In fact, he later became New England Middle Weight Champion. What was gratifying to Ron was not his victories or how many trophies we won, but did we represent ourselves in a manner that would bring pride and good will to St. Paul's? Did we support ourselves as a family? Did we shake the hand of our competitors whether we won or lost? For Ron what was important was not our physical prowess, but our strength of character. We were family. Nothing epitomized this more than our raising money for the entry fee for tournaments. Ron suggested we sponsor a car wash on Saturdays in the parking lot of St. Paul's. The funds earned would pay the entry fee for those who could not afford it. Picture this, Saturday morning, bright and early, you had a doctoral student at M.I.T., an M.I.T. Professor, Michael Feld and his twin sons, community residents and church patrons all washing, drying and vacuuming cars to earn an entry fee. Well, we earned the money and made the trip to the tournament. All because we were family. All brought together by Ron. You see, Ron inspired people before he was an astronaut. He also had a dazzling record of personal achievement before he became an astronaut.

Consider these accomplishments. Aside from establishing St. Paul AME Karate-Do, which still flourishes, Ron received his PhD degree from M.I.T. In 1976. He was an expert in laser physics, already publishing pioneering scientific papers. He was a Presidential Scholar, a Ford Foundation Fellow, National Fellowship Fund Fellow, and NATO Fellow. Ron found time to play saxaphone. Earlier, he metriculated at North Carolina A&T State University, where he graduated magna cum laude. Here he developed his keen interest in physics and karate. These interests won him science fair awards and over 30 tournament titles. In high school he was class valedictorian and most valuable player in football and track. You see, before Ron entered the space program, he was a positive role model.

I spoke to Ron after he left M.I.T. and moved to Hughes Research Laboratories in 1977. He said the day-to-day work of a scientist was mentally stimulating, but not challenging. He mentioned he was applying for the mission specialist position in the NASA space program. He knew he had worked hard and had sound academic credentials. He also knew he was a fine-tuned athlete. This was not boast, this was fact. He also knew he feared very little. His self confidence was based on his mental discipline, meticulous preparation, strong family background and intrinsic faith in God. Ron had a keen sense of purpose.

I asked Ron how I could help. You see Ron was family. Ron was my teacher. He was my Sensei (Japanese for master instructor). From this relationship was forged a bond. I wanted to help Ron. At that time, I worked on Capitol Hill. I know he was imminently qualified and that NASA would make its decision based on merit, but I still felt recommendations from key Members of Congress would round out his application. He deferred to my judgment and asked me to proceed. The response to Ron was gratifying. Based on his qualifications, recommendations were easy to secure. Reps. Louis Stokes, Yvonne Burke and Senator Ed Brooks all supported him. This was an impressive group. Ron later thanked them all personally. He also thanked me. This was really not necessary because I was trying to repay him for all that he had given me. He sent me a picture of himself in his full astronaut regalia and inscribed it "We planned, fought and we won. Thanks, one day I hope I can be as helpful to you as you have been to me, Hang tuff, Ron. . . ."

Ron owed me nothing but this was classic Ron—humble in victory always sharing the glory.

After Ron's acceptance into the program, there was a time of excitement in his life, national medical attention, and a time to study and learn his new craft. He and I would talk from time to time, but in all candor I was very sensitive to his time commitments. I did not wish to intrude. You see, Ron never changed with all the fanfare surrounding him. I would phone him about a karate tournament I planned to participate in, not realizing that in a half-hour, Ron was appearing on national television. Ron took everything in stride. I bet that Ron found as much joy in the fact I was working toward my black belt as he received from conducting a television interview. This was Ron. He used to tell me that when I would tell him about karate tournaments, he would get psyched up and go out and train harder. When he was out of shape, which was rare, he was like a wounded tiger. He was a dangerous karate fighter. When he was in shape, you were in real trouble. But it was great fun. He was a tremendous competitor . . . great gentleman, sportsman.

One year when I went to Houston, I trained with him, at Wheeler Baptist Church. Like St, Paul's, he established another church-based karate school. When I arrived at his school he introduced me. He always gave me a better introduction than I deserved, usually ending with his nickname for me "ancient warrior". After the talk was over we fought. The Puritan ethic was renewed. After we fought we bowed to each other and embraced. I asked him if I could speak to his class. I let his class know that I was a black belt today because of Ron McNair.

While I was talking I was distracted by movement. It was little Reggie. This was Ron's son. You see Ron was also a father and husband. Tonight was karate night and it was also babysitting night. Ron told me later that Reggie had even learned how to throw a side kick . . . "All by himself". Ron was so proud.

In 1983, Ron told me he was finally going up. He was so enthusiastic I thought he was already in flight. He said it was time for him to put his years of NASA training to work. His only regret was he would have to neglect his students at Wheeler Baptist Church. But he felt confident he had trained them to persevere without him. In February 1984, Ron was a member of the 10th space shuttle mission, Challenger. Students, friends, family all Americans were proud of him. He operated the ship's mechanical arm with a spacewalking astronaut riding at the end of a mechanical picking device. He also took pictures and made an in-flight movie. He would later testify before a Congressional Committee that ". . . he was fully active inside the space vehicle during the space walk outside". Ron even took his saxaphone on flight and composed a tune. A month after Ron returned, he was in Washington to testify. We went to dinner afterwards and I asked him how the shuttle ride felt and if he was scared. He told me he was not scared because he was prepared. He confided that he knew there were risks. But felt strength from his wife Cheryl, his son Reggie, and his parents in South Carolina. He also had a keen faith in God. Concerning the actual shuttle ride, he told me he felt like he was in an "egg-beater". He loved every minute of it. He described the beauty of the world as it passed below him. You could see the sparkle in his eye. He also felt pride as an American. He was a part of history. I asked Ron what he planned on doing next. I suggested to him he had accomplished what many people only dream. I suggested he had a number of career options. I wanted him to run for public office. He told me his goal was to take care of his family and fly in a second mission. This was Ron. He always finished what he started.

In the months following his return, Ron and the other astronauts did a lot of traveling in a public relations capacity for NASA. Before he traveled, he told me Cheryl was pregnant and he didn't know whether it was a good idea to do too much traveling. He did not want to be far from her side. Ron loved Cheryl very much. She was a beautiful and courageous woman . . . a true pillar of strength. Reggie was Ron's pride and joy . . . his heart. The decision to travel was a very difficult one for Ron to make. I suggested that he might try to limit the distances he travelled as the delivery drew closer. But for now he should go. I told him he was a public figure and an inspiration to many people. He needed to tell his story. There might be a little child somewhere who needed to know that he or she could come from a small town in South Carolina and become an astronaut. I also suggested to Ron he was an American hero. He laughed because he looked upon his space ride as doing his job. This was Ron.

So he traveled. He was greeted by royalty and everyday people alike. He fully enjoyed the attention. He even considered boxing with a Thai boxer while representing NASA! When he told me this I just smiled. Ron loved a challenge even when he was on down time. When he returned home three very significant things happened. Ron vis-

ited the city of Chicago. He asked to speak to high school kids. The city obliged and the kids were let out of school to hear Ron. They met in a stadium. Ron electrified the crowd with stories of achievement. He challenged them to learn and study the sciences. He told them they could become astronauts if they prepared themselves academically. When the students returned to their schools, the demand for science courses was so great new science teachers had to be hired. This was Ron. He used his notoriety to motivate. The second story deals with Ron's speech before the Massachusetts Legislature. When he entered the Chamber, the legislators were milling around and not really paying attention. When he reached the podium and began to extoll the virtures of hard work, education and love for your country, they rose to their feet and gave him a standing ovation. This was Ron. He used his notoriety to motivate others for good. The third event this year was the birth of Ron's daughter, Joy. Cheryl, Ron and Reggie were so happy.

In May 1985 I visited Houston and I took Ron, Cheryl, Reggie and now Joy out to dinner. Little Reggie sat in his chair and was accepting his role as daddy's "big boy". Joy on the other hand was being what she was—a baby. Ron was cradling her in his arms. All of a sudden I heard him start to sing "ba, ba, ba, boo. . . .". Cheryl looked at me and said, "Only two things calm her, me and his singing. We laughed.

It was then he told me he was a crew member in the January 1986 shuttle mission. Ron's eyes began to sparkle and you could sense his enthusiasm. We parted that evening, shook hands embraced and gave each other a thumbs up sign. I did not realize this would be the last time we would touch. We spoke several weeks later and I told him I was fighting in tournaments and testing for my third degree black belt in December. He was very happy for me. He confided in me that he'd planned to compete in 2 or 3 karate tournaments before the January liftoff. I laughed. About a month later, he told me he competed in 3 tournaments, won first place twice and second place once. That was Ron. He was always ready, always prepared. He was a winner. Six weeks before the flight I received a call from him asking where the best place to send passes to the shuttle liftoff would be. This was our final communication.

I've taken the time to talk about Ron McNair and I encourage others to do the same because he and his fellow astronauts are American heroes. I did not know them, but I did share a portion of Ron's life. He was a scientist, athlete and musician. He was a motivator, a religious man and American hero. He went from the pride of his family in South Carolina to the Shuttle. He touched thousands of lives in a positive way. He leaves a gifted and wonderful family. For them, we offer our prayers and support. I hope schools, science departments and scholarships are named after him. I hope he receives the highest awards America can give him. He deserves them all. Physically, Ron McNair died in the Challenger tragedy on January 28, 1986, but spiritually he lives for: "A person is never truly dead until they are forgotten.".

Ron McNair must never be forgotten.

CONGRESSIONAL SALUTE TO THE HONORABLE ALFRED JAMES NORTHRUP LOCKWOOD OF NEW JERSEY—1986 RECIPIENT, DISTINGUISHED SERVICE AWARD—POMPTON LAKES CHAMBER OF COMMERCE

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. ROE. Mr. Speaker, on Saturday, March 22, the people of Pompton Lakes, my congressional district and State of New Jersey will assemble at the annual installation dinner of the Pompton Lakes Chamber of Commerce to honor an esteemed businessman, community leader, and good friend—the Honorable Alfred James Northrup Lockwood of New Jersey—whose lifetime of service to the borough of Pompton Lakes and its surrounding communities has earned him the highly coveted distinguished service award of the Pompton Lakes Chamber of Commerce. I know that you and our colleagues here in the Congress will want to join with me in extending our warmest greetings and felicitations to him, his wife Margaret, daughters, Lynn and husband Lauren Heimall, Loren and husband Donald Mobius, son Ken and wife Patti Brannin, and grandchildren upon this milestone of achievement in their family endeavors.

Mr. Speaker, the Pompton Lakes Chamber of Commerce is one of our Nation's most prestigious affiliates of the U.S. Chamber of Commerce. This masthead reads, "where the historic past meets the progressive future," and their organization has surely served the business community of Pompton Lakes with distinction. Alfred Lockwood has also distinguished himself in the community and has been selected by them as this year's honoree for his outstanding record of responsible service to the people of the community.

Our honoree, Al, son of Sophia and Valentine Lockwood, was born September 2, 1918 in Pompton Lakes and attended grammar and high school in Pompton Lakes. It is interesting to note that he holds the record for athletic letters earned in his high school years—13 in all. He was captain of the football team, the basketball team and baseball team. Upon his graduation from high school in 1936 he attended Wake Forest College.

The pleasure of great personal dedication and always working to the peak of one's ability with sincerity of purpose and determination to fulfill a life's dream—that's the success of the opportunity of America—and the mark of distinction in our society of "the selfmade man." Al's aspirations and successes in the mainstream of America's building and construction industry does indeed portray a great American success story.

Al left college after 1 year to seek gainful employment and worked for Dupont and other corporate enterprises before joining with his brother in 1950 to establish their own business, Lockwood Bros. It is not surprising that their industriousness was devoted to Lockwood Bros. Construction and Lockwood Bros. Realty—an integral occupation of their heritage. Commencing with his early childhood he lived for many years in the home that his grandfather had built in 1895 in Pompton Lakes and in 1950 he built his own home of residence in Pompton Lakes.

There is much that can be said about Al Lockwood and all of his good works. He received many citations of merit and honor for his many charitable and rewarding contributions to the quality of life and way of life for all of our people. Throughout his lifetime he has forged ahead with dedication, devotion, and sincerity of purpose in responding to the needs of the people of Pompton Lakes.

He served as the borough's building inspector, was a member of the zoning board and the board of adjustments of Pompton Lakes. He was chairman of the Municipal Utilities Authority, president of the Pompton Lakes Rotary Club, and Rotary district treasurer. He was chosen the Paul Harris Fellow of the Rotary Club, the highest award that Rotary can bestow upon any of its members.

As we all know, Rotary's motto is: "We make a living by what we get . . . we make a life by what we give . . . Service above self"—and their good deeds in helping others, young and adults alike have served to inspire all of us.

Among his many other civic and charitable endeavors, he is a member of the Elks Club and has served on the board of directors of the First Fidelity Bank since 1965. He is also a prominent member of the Pompton Reformed Church.

Mr. Speaker, it is indeed appropriate that we reflect on the deeds and achievements of our people who have contributed to the quality of life and way of life here in America. As we gather together on Saturday, March 22 with the Pompton Lakes Chamber of Commerce in tribute to Al's leadership endeavors and personal commitment dedicated to service to people, we do indeed salute a great American—the 1986 recipient of the Distinguished Service Award of the Pompton Lakes Chamber of Commerce—the Honorable Alfred James Northrup Lockwood of New Jersey.

AMERICAN TERRY ANDERSON FACING SECOND YEAR AS HOSTAGE IN LEBANON

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. O'BRIEN. Mr. Speaker, last Sunday marked the beginning of the second year Terry Anderson, the Associated Press bureau chief in Beirut, has been held hostage in Lebanon.

Anderson was kidnaped on his way to work on March 16, 1985.

Sunday also marked the beginning of the third year Americans have been held hostage in Lebanon. William Buckley, a U.S. foreign service officer, was kidnaped March 16, 1985

My personal friend, Father Lawrence Jenco of Joliet, IL, has been held hostage in Lebanon since January 8, 1985, 15 months ago.

The director of the American University hospital, David Jacobsen, was kidnaped May 28, 1985.

Thomas Sutherland, dean of the American University Agriculture School, has been held hostage since June 9, last year.

Sunday also marked the 462d day since the disappearance of Peter Kilborn, the American University librarian.

Mr. Speaker, three of the six Americans missing in Lebanon will soon have been held hostage longer than the 444 days of the Iran hostage crisis of 6 years ago. The hostage crisis continues. And won't be over until all Americans held in Lebanon are back in the United States, safe and sound.

THE FEDERAL RADIOACTIVE WASTE LIABILITY ACT OF 1986

HON. ARLAN STANGELAND

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. STANGELAND. Mr. Speaker, I join my distinguished colleagues, Congressmen SID MORRISON and AL SWIFT in introducing and cosponsoring H.R. 4394, timely and salient liability legislation.

Regardless of which State is named for these geological repositories, we have an obligation to ensure that all the citizens of our country are protected. We have an even greater responsibility to protect these chosen States and its residents in the event of a nuclear accident.

I believe the Federal Government is not acting responsibly unless it accepts unlimited liability when it is taking title to spent nuclear fuel, managing its storage and disposal, and selecting and siting permanent repository sites.

This legislation will mandate the total indemnification for public liability claims resulting from nuclear waste disposal activities.

This is an issue that transcends political and geographic barriers, and concerns the entire Nation. Thus, this legislation deserves the the attention and support of the total House of Representatives.

I thank my colleagues, Mr. MORRISON and Mr. SWIFT for their leadership on this critical issue and offer my full support.

H.R. 4419, THE SOCIAL SECURITY PROCEDURAL IMPROVEMENTS ACT OF 1986

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. ARCHER. Mr. Speaker, yesterday I introduced H.R. 4419, the Social Security Procedural Improvements Act of 1986, a bill I have had under development for some time.

An important purpose of the bill is to streamline the administration of the disability process in order to prevent a reoccurrence of the chaos which occurred when 28 States and territories failed to follow national continuing disability review policy. This failure reflected court orders in some instances, and willful State rebellion in others. In either event, the result was chaos.

My bill reasserts national control of a national program, to which workers throughout this country contribute in the expectation their taxes will be prudently managed, thus enabling Social Security benefits to help provide a foundation for their future needs.

The bill contains three main provisions which are designed to facilitate improved program management.

First, it permits the Secretary of HHS to federalize State agencies at any time "to assure the effective, equitable and uniform administration of the program." This differs from current law which obligates the Secretary to show that the State agency has substantially failed to make decisions in accord with laws and regulations.

The purpose of this provision is not only to avoid future differences in policy interpretation, but to assure that the Secretary has the authority to federalize the disability determination process whenever federalization would better serve the program.

The States were initially given this responsibility because of their closer links to the medical community—from which reports would be needed—and because of the State link with vocational rehabilitation. Both rationales have been overtaken by program history and are no longer as relevant as the ensuring of effective, equitable, and uniform national administration of the disability program.

Let me assure you that this bill provides for fair and equitable treatment of the State employees who may be federalized. The disability determination process requires their continued expertise, and this bill provides an orderly and fair transition to Federal employment, with protections to ensure pay, leave, and pension equivalent to Federal employees of comparable status. As an aside, let me explain that SSA already absorbs the State agencies costs, including retirement contributions for these employees, so federalizing certain State agencies can be done in a cost-effective manner.

Second, it eliminates the appeals council, and the review performed by it, which is the third and final administrative appeal.

This provision is intended to streamline the entire appeals process, by eliminating a paper review of the decision of the administrative law judge. Under the third provision of my bill, which establishes a Social Security court, I believe applicants will benefit by quicker access to the court.

Lest there be apprehension that current appeals council members and their staff would be summarily cut adrift, I anticipate they would be needed to help operate the new court, or to reinforce the Office of Hearings, which I expect would continue to exercise the Secretary's responsibility for own motion reviews of cases decided by administrative law judges.

I am, however, sympathetic to the criticisms these own motion reviews have received, because in some cases they have delayed payment unreasonably. I believe—again in the interest of national uniformity—that these reviews of ALJ decisions should continue. But, in the interest of mitigating financial hardship, this bill would authorize interim payments 90 days after the Secretary initiates the review. Further, these payments would not be recoverable as overpayments if the final decision of the Secretary is that the claimant is ineligible.

Third, it establishes a Social Security court, and let me acknowledge that this builds on a prior proposal of my colleague, JAKE PICKLE, to create a disability court. The court I envision would be modeled on the Tax Court, and should assure consistent, uniform, and more expert handling of court cases. Most importantly, it should eliminate the muddle caused by conflicting court opinions.

Further, the bill provides that all appeals from this court would be channeled to the U.S. Court of Appeals for the Federal Circuit, again eliminating the potential for multiple and contradictory court decisions on a variety of highly technical program issues. I think it is important to note that the intent of this provision is not so much to stifle legal interpretation of statutory and regulatory requirements, as to quantify those interpretations, so that the issues and costs can be resolved more speedily by the administration and Congress. And, it is most certainly not an attempt to delay justice; the bill contains an adequate transitional period and mechanism to process pipeline cases.

Finally, Mr. Speaker, the preliminary cost-estimates provided by SSA for the short-range administrative costs of the proposals to federalize the State agencies, eliminate the appeals council, and create a Social Security court are less than $5 million for 1986–1990. I am confident that these provisions would not only improve program administration, but in the long run result in program savings.

Unfortunately, the recent chaos in the disability program has been costly—to the beneficiaries and to the trust funds, which must bear not only program costs, but the administrative costs of reviewing, and re-reviewing, cases under different and conflicting guidelines. In this context there is an intangible factor, the impact on employee morale of working under chaotic, constantly changing rules and public criticism. I believe enactment of H.R. 4419 provides assurance that this history will not repeat itself.

I commend this measure to all of my colleagues, and urge those on the Ways and Means Committee to consider H.R. 4419 as expeditiously as possible.

NATIONAL WOMEN'S HEALTH AWARENESS MONTH—JUNE 1986

HON. TIM VALENTINE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. VALENTINE. Mr. Speaker, today, Congresswoman MARILYN LLOYD and I are introducing a resolution designating the month of June 1986 as "National Women's Health Awareness Month." The resolution authorizes the President to issue a proclamation calling upon the people of the United States, and Federal, State, and local governments to observe this month with appropriate activities.

Why a resolution on women's health? In recent years, society has changed, and women are assuming new roles and facing new challenges. Women in the United States

are involved in a spectrum of activities today that were barely discernible on yesterday's horizon. But with new opportunity has come new demands and dangers and the need for all of us, especially women, to assess the health risks we face.

Our resolution seeks to identify those women's health issues that are most important in our society today. Some of these issues involve diseases that affect women exclusively, such as premenstrual syndrome or cervical cancer. Others involve disorders affecting women at a higher ratio than men, such as diabetes or osteoporosis. We hope to heighten public awareness about these diseases and to promote public education and community outreach programs that will help to conquer them.

To cite just one example of the problem, cancer is the leading cause of death among women aged 35 to 54. Although this is mainly due to breast cancer, which caused an estimated 38,000 deaths in 1985, in many States, lung cancer has surpassed the rate of breast cancer, claiming 38,600 deaths in 1985. Lung cancer is on the increase at an alarming rate.

We have an obligation to address these problems and try to find effective solutions. The maintenance of good health is a societal as well as an individual responsibility and is the combined responsibility of the Federal, State, and local governments; professional and community organizations; and citizens themselves. Above and beyond this, there is much that is as yet unknown and requires continuing research and acquisition of knowledge.

Fundamental to the achievement of improved health for all women is the recognition that their lives have changed dramatically in recent years and that future changes are likely to be even greater. Three of the most important social changes affecting women's health are the increasing number of women living in poverty; the unprecedented entry of women into the labor force, including women with infants and small children; and the continuing increase in the longevity of women. We must begin to take these changes into account if programs and policies are to work.

It is absolutely necessary that the Public Health Service should continue to review and monitor its activities in regard to women's health. Women should also increase their efforts to become aware of environmental and behavioral risk factors, as well as factors that promote health and prevent illness. Further, educational and outreach programs should be initiated and expanded by public and private organizations and the media to stress the importance of a healthful lifestyle.

The resolution calls upon all organizations interested in the health of women to study the legislative, policy, and service issues that affect the health of women. These groups are encouraged to promote public education on health matters as well as public policy changes needed to improve women's health.

Mr. Speaker, joining us in the introduction of the resolution as original cosponsors are Representatives CHAPPIE, FUSTER, MARTINEZ, ROYBAL, ROE, DE LA GARZA, SYNAR, TOWNS, LAGOMARSINO, SCHEUER, HOLT, WORTLEY, DYMALLY, MINETA, LELAND, DWYER, DE LUGO, BEDELL, CROCKETT, FAZIO, BENTLEY, PURSELL, and OWENS. We would greatly appreciate your joining in with us to commemorate the entire month of June 1986 as "National Women's Health Awareness Month."

Below is the text of the resolution:

NATIONAL WOMEN'S HEALTH AWARENESS MONTH

Whereas cancer has been the leading cause of death among women and men in the United States between the ages of 35 and 54, and an estimated 119,000 new cases of breast cancer affecting women were reported during 1985, killing approximately 38,400 women;

Whereas the number of deaths resulting from lung cancer in women was approximately 36,600 in 1986, has risen 600 percent in the last 30 years, and may have replaced breast cancer as the leading cause of death among women in the United States;

Whereas an estimated 52,000 new cases of cervical and endometrial cancers were reported during 1985, killing approximately 9,700 women;

Whereas between 30 percent and 80 percent of all women experience premenstrual symptoms, and such symptoms are frequently adverse;

Whereas approximately five percent of the cyclical, psychological, and physical symptoms of such women may occur with sufficient consistency and severity to warrent classification as premenstrual syndrome (commonly known as PMS);

Whereas such illnesses include multiple sclerosis, systemic lupus erythematosus (a disease of the connective tissue), diabetes, and osteoporosis (a disease causing brittle bones, usually in older women), which are diagnosed in more women than men at ratios of 3 to 2; 10 to 1; 2 to 1; and 2 to 1 respectively;

Whereas depression afflicts as many as 14,000,000 Americans annually, and approximately 25 percent of women will suffer from clinically severe depression, compared to 10 percent of men;

Whereas certain eating disorders, such as anorexia nervosa and bulemia, affect one out of every 200 women and will cause both physical and psychological damage;

Whereas the Public Health Service should continue to review and monitor its activities with respect to the health issues of women, and should encourage the expansion of biomedical and behavioral research on health conditions and disease unique to, or more prevalent in, women of all age groups;

Whereas all Americans, and especially women, should increase their efforts to become more aware of the environmental and behavioral risk factors that affect health, and educational and outreach programs should be initiated or expanded by relevant public and private organizations and the media to communicate the importance of a healthy lifestyle; and

Whereas all organizations particularly interested in the health and well-being of women should continue to make deliberate efforts to be informed with respect to legislative, policy, and service issues that affect the health of women, should promote the exchange of information on health issues, and should become advocates of organizations and public policy changes needed to improve and promote health conditions for women: Now, therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That June 1986 is designated as "National Women's Health Awareness Month", and the President of the United States is authorized and requested to issue a proclamation calling upon Federal, state and local government agencies and the people of the United States to observe such month with appropriate ceremonies and activities.

HONORING THE NORWIN BASKETBALL CHAMPS

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. MURTHA. Mr. Speaker, on Saturday, March 22, it will be my pleasure to join the Greater Norwin Jaycees in honoring the Norwin Knights boys basketball team at the "Citizen of the Year Award Banquet."

This team won the WPIAL AAA title. This team won more games than any other in Norwin history. This team finished with a 26 and 1 record. This team went through their regular schedule and the WPIAL's undefeated.

Coach Rich Polczynski and his team can take great pride in their accomplishments. While the numbers represent evidence of their commitment and dedication, Coach Polczynski spelled that out more clearly in observing that "the great thing about this group of kids was they played like the score was 0 to 0 the whole season."

The lessons the members of this team learned during this year will stay with them for their entire lives. They will apply the dedication, commitment, teamwork, sacrifice, and loyalty to their lives as they pursue family, personal, and career goals.

As great as the record of this team represents, even greater is the potential it shows for these young men's future. A college coach was once asked which was his greatest team. He told the interviewer he could not answer that question, because he did not know yet which team would produce the most doctors, the most lawyers, the most educators, the most fathers, the most young men were part of their community's progress. It is that measure against which this team will be eventually measured, and the record of the Norwin Knights this year shows us that this is a team whose excellence has just begun.

LIABILITY RISK RETENTION ACT OF 1986

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. LENT. Mr. Speaker, today, I am introducing the Liability Risk Retention Act of 1986. This bill provides alternatives to the traditional methods of obtaining insurance. It will provide an avenue of relief to those who cannot afford or obtain insurance because of the liability insurance crisis.

Every day we all read of small businesses, day-care centers, nurse-midwives and many others who cannot afford or obtain insurance through no fault of their own. The Subcommittee on Commerce, Transportation, and Tour-

ism, on which I am the ranking minority member, has held a series of hearings to determine the cause of this problem and examine proposed solutions. The causes of the problem are multiple; overly competitive pricing of premiums, joint and several liability, and high damage awards from juries are just a few. A wide range of solutions to address this problem has been presented at the subcommittee hearings.

Some have proposed that the McCarran-Ferguson Act be repealed and that the Federal Government regulate the insurance industry. The witnesses who have testified before our subcommittee, however, have not been able to explain how things would be different today in the liability insurance market if these two changes had been made 10 years ago. Why should Federal regulations be any better than State regulations—especially when one considers the long history of State experience in this area?

Along with Federal regulation, some believe that the Federal Government should get into the insurance business—and that the Federal Government can make money in it. If a private industry, motivated by the ever-present scrutiny of its owners, cannot provide this insurance profitably, how does anyone expect the Federal Government to do it? The Federal Government is already in the insurance business, and business has not been good. The Government's National Flood Insurance Program has been in the black only 2 years out of its 17-year history and Congress had to save the Federal Crop Insurance Corporation from bankruptcy last summer by a special supplemental appropriation. I am not convinced that the Federal Government has the ability to run an insurance business better than private industry.

There are also those who call for tort reform. The testimony before the subcommittee has shown that a serious problem exists with the current system of civil justice. Some changes to tort law should be made. Tort reform, however, will take time. Those who cannot obtain insurance due to the capacity shortage in the liability insurance market need an avenue toward relief today. That is what my bill will provide.

The Liability Risk Retention Act of 1986 will expand the coverage of the Product Liability Retention Act of 1981 to include general liability insurance. The bill, therefore, will allow similarly situated business groups to form their own insurance cooperatives, called risk retention groups, across State lines. The groups will then be able to spread and assume all, or any portion of their general liability risks. The bill will also allow people to purchase commercial liability insurance on a group basis.

By providing these two new avenues to insurance, the bill will assist the victims of the current liability insurance crisis. For example, if a small business cannot afford or obtain insurance through the traditional methods of buying from an insurance company or self-insuring, the bill will provide that business the alternative of forming a risk retention group or a purchasing group to obtain coverage.

Some believe that a broad expansion of the Product Liability Risk Retention Act will lead to abuses of the system. For example, some are concerned that persons with different liability risks, such as nurse-midwives and small businesses, will form a risk retention group, thereby unwittingly assuming differing degrees or types of risks. The bill addresses this potential problem by requiring members of risk retention and purchasing groups to be similarly situated with respect to their liability risks that are the subject of the risk retention coverage.

The bill also expands each State's regulatory authority over risk retention groups by requiring the groups to comply with each State's trade practice laws as well as providing authority to each State insurance commissioner to conduct a financial examination of the group if the insurance commissioner where the group is chartered is not conducting such an examination or refuses to do so.

This bill will not solve all the problems presently facing the liability insurance market. But it will provide a desperately needed alternative to the traditional methods of spreading risk. I believe that this bill is a step forward in solving a difficult problem. Therefore, I urge my colleagues to join me in supporting this bill.

THE NEED TO INCREASE STUDENT LOANS

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. MOAKLEY. Mr. Speaker, certainly among the most devastating segments of the administration's fiscal year 1987 budget requests are the major programmatic changes and funding cutbacks in Federal student financial assistance. Once again the President is seeking to drastically reduce this aid that is so vital to thousands of low- and middle-income Americans who rely heavily on Federal help in meeting the growing costs of a higher education.

I would like to share with my colleagues, the following survey that was done by a group of concerned students from Needham High School in Needham, MA., in the Ninth Congressional District. I am very proud of the efforts of these students who have put much time and work into this research.

The survey follows:

THE NEED TO INCREASE STUDENT LOANS

The government must enhance the dignity of the citizen, promote the maximum development of his capabilities, and widen the range of his opportunities. Education is the means to these ends. The cost of education is a restricting force when considering a wide range of opportunity for young people. It is vital that adequate financial aid for education be available for the students.

Adequte financial aid is not available. The current loan limits should be increased. Students have conducted several surveys. A survey of Needham High School seniors indicates that 100% of the students asked feel that the financial aid program should be extended to allow higher loan limits. Ninety percent of the surveyed seniors point out that the financial aid package will have a definite bearing on what college or university they choose to attend. Local college and university students were surveyed to examine the impact of federal aid on their higher education. The percentage of students from the following schools would benefit from our proposed increase: Boston College, MA, 95%; Wellesley College, MA, 70%; General Connecticut State University, 100%; Brandeis University, MA. 80%, Clark University, MA, 50%; Colby College, ME, 100%; Plymouth State College, NH, 50%.

According to U.S. News and World Report, the cost of one year's tuition for colleges has risen by 8% in the last two years. The average costs of one year's tuition at a public college is $4,900. At private institutions, expenses run anywhere from $9,000 to $16,000. For example, Bates College in Maine has increased its tuition by 11% to $14,600 per year. U.S. News and World Report indicates further that 93 out of 100 student loans are being paid back on time, and that the net rate on defaults has declined. The surveys indicate that the high cost of college disallows the promotion of higher learning and is discriminatory. Unless loan limits are increased, many students will not be able to attend the higher learning institution of their choice.

The administration believes that the existing program should be simplified, but this need not mean cut loans. Much of the administration's proposal speaks to poor management, not the need for loans. Therefore, the focus of the problem should be proper administration and management, not reducing the loan limits. The answer is to increase the federal funding and increase the quality of management. Needy students must not become victims of governmental mismanagement.

Our most precious resource is the American child. The dividends which come with the investment in the young people have no equal. The investment in youth will bear everlasting fruit.

CONGRESSIONAL SALUTE TO THE HONORABLE DOMINICK "DICK" PLESCIA OF NEW JERSEY, OUTSTANDING CITIZEN, ESTEEMED UNION REPRESENTATIVE, AND GREAT AMERICAN

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. ROE. Mr. Speaker, on Friday, March 21, residents of my congressional district and State of New Jersey will join with members of the Amalgamated Clothing & Textile Workers Union AFL-CIO, CLC in testimony to an esteemed union representative, outstanding citizen and good friend—the Honorable Dominick "Dick" Plescia of New Jersey—whose personal commitment and sincerity of purpose in seeking the highest standards of excellence in his quest for economic and social justice for our textile workers especially in their retirement years is applauded by all of us. I know that you and our colleagues here in the Congress will want to join with me in extending our deepest appreciation to Dominick Plescia and share the pride of his wife Helen, daughters Frances and Edith, and son Dick on this milestone of achievement in their family endeavors.

Mr. Speaker, we are all familiar with the goals and objectives of the Amalgamated Clothing & Textile Workers Union, AFL-CIO,

CLC in their constant vigil to enhance conditions in the working place and protect our working people and their hopes for better tomorrows. Dick, a nickname Dominick Plescia acquired in early childhood, by his representation and lifetime of dedication to these same true American ideals of everthing we hold dear—the laborers in the vineyard of our industrial complex, their families, homes, jobs, pensions, security, and opportunities to advance—has truly enriched our community, State, and Nation.

Dick Plescia was born in Lodi, NJ, home of the former United Piece Dye Works, one of the world's largest dyeing and printing companies. Dick remembers the strike at United in 1933 when tear gas, thrown by police at strikers, wafted up Liberty Street to the Wilson School where students were forced to evacuate. Dick was in the seventh grade class at Wilson School at that time.

It was a little more than 5 years later in 1938, after he graduated from Lodi High School, that Dick entered the gates at this same United Piece Dye Works, local 1983, and began his career in the textile dyeing and printing industry. His job as a tuber was short lived, however, so he bounced between United and Weiss and Wilhelm in Passaic for most of that year. In December of 1938, he joined the employment rolls of Martex Print Works, where he remained for the next 14 years. During this period, beginning at the age of 19, he was elected to be the steward of his department, and at age 21 to the executive board of local 1932.

After a number of deferments, due to his job as a color mixer on camouflage parachute cloth, Dick entered the Armed Forces and fought in the front lines of Europe with the 102d Infantry Division (Ozarks). He was captured by the German Army along with the remnants of this company on April 29, 1945, just 9 days before Victory in Europe [VE] Day. His company was only 35 miles from Berlin at the time. Dick's company was liberated by the 82d Airborne Division on May 5, 1945, 20 miles from the Danish border.

After returning home from the war in Europe, Dick returned to his job at Martex Print Works, which had changed its name to Texstyle Corp. He resumed his active participation in local union affairs. In 1945, he was elected as vice president of the 3,500-member local 1932. In February 1952, Dick was elected president and manager and served nine consecutive 2-year terms.

In June 1969, Dick was appointed to the position of assistant director for the Quin State Region and 6 months later was appointed manager of the 5,000-member Chicago Joint Board which served its membership over a vast region including Illinois, Wisconsin, and Michigan.

In 1972 Dick suffered a heart attack. Although he fully recovered, he felt he had to get away from the harsh winters of the Midwest and moved to the Los Angeles area in August 1972. He was appointed organizer-business agent of the Los Angeles Joint Board where he served for almost 5 years. He assisted in the formation of the Southern California-Textile Industry Health and Welfare Fund and was its chairman for several years.

In 1977 he was appointed to the position of director of the carpet, cordage and knitting industries of the textile division of ACTWU. Within a period of 2 years he was appointed to assistant administrator of the Textile Workers Pension Fund and 2 years later succeeded to his current high office of public trust as the fund manager of the Textile Workers Pension Fund.

Under Dick's leadership the fund increased from $49 million in assets at the close of fiscal year 1980 to $86 million at the close of fiscal year 1985. He also helped to streamline and computerize the fund's operations attaining a new sense of security and numerous additional benefits, both operational and design in nature, for continued security and growth. During the tenure of Dick Plescia as fund manager, a number of dramatic changes have occurred to protect and enhance the security of the fund for its beneficiaries. Dick should indeed be highly content in the knowledge that his goals and objectives to administer the Textile Workers Pension Fund so that "in the twilight of their years, the senior textile workers may enjoy retirement to a fuller degree" have truly contributed to the quality of life and way of life for those retirees.

Mr. Speaker, there is much that can be said of Dick Plescia and his lifetime of achievements in service to people. He has extended the richness of his wisdom and expertise—always giving willingly and unselfishly of his time—in helping others. We are especially proud of his compassion, dedication, and untiring efforts on behalf of his fellow workers.

Dick's professional expertise in the American labor movement has enabled him to achieve State and national acclaim for his union representation of the Amalgamated Clothing & Textile Workers.

Mr. Speaker, it is indeed appropriate that we reflect on the deeds and achievements of our people who have contributed to the quality of life and way of life here in America. He has served our people and our country with honor and distinction.

As we gather together on Friday, March 21 in tribute to his leadership endeavors and sincerity of purpose dedicated to service to people, we do indeed salute a great American—the Honorable Dominick "Dick" Plescia.

NATIONAL PARKS OVERFLIGHT LEGISLATION

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. COELHO. Mr. Speaker, I am pleased to be introducing today legislation to study the problem of overflights of our national parks. Thousands of people each year visit our national parks to enjoy their beauty and the serenity of the surroundings. The parks offer an opportunity for many to leave the hurried existence of city life for a few hours and have some time in a peaceful environment.

Unfortunately, for many tourists, campers, and hikers, their visits are interrupted by low-flying planes and helicopters. Many come to our national parks to experience some quiet and enjoyment. But this is not possible if you have planes and helicopters flying unreasonably low over the campgrounds, hiking trails, and other points of interest in our Nation's parks.

While officials of the Department of the Interior and the Federal Aviation Administration have worked together on this matter for a number of years, there is still some dispute over what the appropriate altitude is for aircraft flying over our national parks. Today I am introducing a bill to require the Secretary of the Interior to conduct a study to determine the appropriate minimum altitude for aircraft flying over national parks. This bill would require the Secretary of Transportation, acting through the Federal Aviation Administration, to provide technical assistance in carrying out this study.

The study would identify the problems that are created when aircraft fly over our national parks, and show where the most serious adverse impacts exist. Not less than 10 units of the National Park System shall be studied, including Grand Canyon National Park, Yosemite National Park, Hawaii Volcanoes National Park, Glacier National Park, and Mount Rushmore National Memorial.

In evaluating the impacts on the specific parks noted above, information shall be required on how aircraft noise affects the safety of the park system users, including hikers, rock climbers, and boaters. Additionally, the study shall look at the impacts of these flights on the natural, historical, and cultural resources of each park. The Secretary of the Interior will be required to report to the Congress on his findings within 2 years after enactment of the bill.

I believe this legislation will help to resolve some of the controversy surrounding overflights of our national parks. I look forward to its early enactment and to the results of this study.

Mr. Speaker, I ask that a recent article from the March/April edition of the National Parks magazine about this problem be reprinted at this point:

AIRBORNE VIEWS—THE PURE SILENCE OF GRAND CANYON IS SHATTERED BY CONSTANT OVERFLIGHTS

(By Kathryn Kahler)

On the footpath of Bright Angel Trail or along the banks of the Colorado River as it cuts through the inner gorge of the Grand Canyon, the tranquility of hikers is pierced by the almost constant roar of aircraft taking sightseers on expensive tours. The aircraft sound like angry mosquitoes as they enter the vast chasm, chiseled by nature about 25 million years ago during the Paleozoic Era.

Below, an eerie quiet envelopes the remote backcountry trails, a quiet few people ever experience and one of the canyon's most remarkable features. Not even the rustle of leaves or the swoosh of the mighty Colorado River disturbs the serenity of the canyon—until the aircraft fly over again.

Backpackers, with their canteens of water, hike down the Bright Angel or Kaibab trails into 100-degree heat, anticipating the hard, several-thousand-foot hike out of the canyon. They have come in search of a peacefulness that visitors say is unsurpassed anywhere on earth.

"Generations of people have come to the canyon to experience the incredible silence of the place," says Dennis Brownridge, a Tucson geography teacher who has hiked much of the canyon. "The quiet is more impressive than the colors of the sunsets. Most people have never experienced anything like it."

With their rotors beating like machine guns, the helicopters swoop off the Abyss on the west rim of the majestic canyon where it drops 3,500 feet to the Tonto Plateau. The air ships disappear from sight then reappear again as they zip from one butte to another—through Confucius Gap and around the ancient ruins of the Anasazi Indians.

The noise of their engines reverberates continuously throughout the canyon. Even commercial jets at altitudes of 30,000 feet and military jets flying low to sightsee disturb the tranquility of the backcountry.

"The noise is like Chinese water torture," Brownridge says, "Just as you settle back to relax, another plane comes over and tenses your muscles. It makes you angry."

It is ironic that the park known for its cathedral quiet now has the most disturbing noise. Although Grand Canyon has the worst overflight problem, it is by no means the only national park under seige by loud military aircraft and profitable sightseeing companies eager to take tourists on quick trips through America's crown jewels.

At Fort Jefferson National Monument off the Everglades in the Gulf of Mexico, century-old-bricks are dropping into the moat of this pre-Civil War structure as military jets make high-speed turnarounds.

Fighter pilots from air bases near Sequoia-Kings Canyon national parks in California streak through the parks' narrow canyons, practicing for combat missions. The sound is deafening, and some hikers have been forced to the ground by the low-flying aircraft.

At Cumberland Island National Seashore in Georgia, light airplanes buzz the waterfront and even land on the beach, endangering sunbathers and fishermen. The landings are illegal, but the state of Georgia has never given the National Park Service (NPS) law-enforcement authority on the beach. So the practice continues, even though part of the island is designated wilderness.

Hikers in the backcountry at Yosemite National Park in California say commercial aircraft flying on the transcontinental route from San Fransciso are ruining the quiet they seek among the park's famed ganite mountains.

Only recently has the NPS begun to address the problem of noisy and potentially dangerous air flights over America's national parks. The controversy has pitted environmentalists against air-tour operators.

The NPS seems caught in the middle. It must balance a dual mandate: to protect and preserve the natural beauty of the parks while making them available for visitors.

At Grand Canyon, some environmentalists have called for a complete ban on all scenic flights over the park. National Parks and Conservation Association, however, has promoted a more balanced approach in which flights would be restricted in some areas and perhaps banned during some months of the year.

Air-tour operators, on the other hand, argue that their services make the canyon experience available to tourists on short visits to the park as well as handicapped and elderly. They contend that, unlike campers, they leave no refuse.

Ronald Warren, general manager of Grand Canyon Airlines, calls the air tours "the cleanest method of seeing the canyon." Environmentalists point out that the tour companies do pollute—both the quiet and the clear skies.

"The last thing we're trying to do is annoy someone," says Joel Rash, director of operations for Grand Canyon Helicopters.

That is also the aim of park officials at the Grand Canyon who are engaged in the lengthy and cumbersome process of trying to balance the desires of environmentalists and air operators. Russ Butcher, NPCA's Southwest/California regional representative, says the NPS "is bending over backwards" to hear all sides and come to a reasonable solution.

"It's a definite conflict," Butcher says. "People who take river trips will get off their boats, walk up to a waterfall in the lower part of the canyon, and a helicopter will be hovering overhead. The roar of the helicopter is magnified inside the canyon and the vibrations one feels are intense.

"This is a problem and the Park Service is addressing it, trying to resolve it through direct dialogue," he added.

The Grand Canyon air traffic problem is at a crucial point, and NPS efforts to resolve the problem have gained national attention. Park managers across the country are watching and waiting for the Grand Canyon solution, which likely will be used as a model for similar aircraft problems at parks across the country.

This situation is further complicated by the fact that the NPS does not have jurisdiction over its own air space, but can only complain to the Federal Aviation Administration. (The question of jurisdiction is now being studied by the Solicitor's Office of the Interior Department.) Recently, the NPS and the Federal Aviation Administration issued an advisory requesting that aircraft fly at least 2,000 feet above the national park. But that advisory is ignored every day.

John Guthrie, deputy superintendent at Grand Canyon, says, "We're trying to talk it over, but if it gets to the point where we're playing hardball, our position has to be to protect the resource . . . and that means we'd have to advocate restricted flights."

Last year, Yosemite was confronted with a similar controversey when a Fresno, California, outift proposed scenic flights over the park that Ansel Adams chronicled with his awe-inspiring photographs. So far, park officials say the scenic flights have been quite limited and have not posed a problem, particularly over the heavily traveled Yosemite Valley.

Although the number of Yosemite flyovers may increase, no national park suffers the air assault that Grand Canyon does. Sharon Johnson, a Yosemite employee who hiked the Grank Canyon last spring, says:

"At times you could count four planes at one time, ten in a couple of minutes. It's like a beating hammer. I'm an avid user of the backcountry, and I find the constant drone disturbing."

Scenic air flights began at the Grand Canyon in 1926, but in the last ten years the number of air operators has more than tripled. Forty-nine companies offer scenic tours out to Tusayan, a town that lies next to the park's south rim. And flights originate in Los Angeles, Las Vegas, and Phoenix as well.

Last year, approximately 400,000 tourists paid from $50 to $200 for scenic tours of the canyon. Most of these tours took less than an hour.

Flight operators estimate the tour business at Grand Canyon alone is a $50-million-per-year industry. They say they provide a needed service for many of the canyon's 2.5 million annual visitors.

Air tours allow the handicapped to view the park. And flight operators say that older visitors are more likely to view Grand Canyon from the air. As America's population ages, their services will be more in demand, air operators argue. They also point out that they help the NPS by reporting park emergencies and assisting in search-and-rescue missions deep in the inner gorge of the canyon.

Robert J. Donaldson, chief pilot for Grand Canyon Airlines and president of Grand Canyon Flight Operators Association, which represents 22 flight companies, says, "We don't want to turn this into a Coney Island . . . the star of our show is the Grand Canyon."

Viewing the canyon by air—particularly by helicopter—is an unforgettable experience. One swoops within a hundred yards of Cheops Pyramid or the Osiris Temple; and the patina of reds that covers many of the buttes glows like desert varnish.

Some air passengers are overcome with emotion at the visual splendor. Others equate the canyon flight with a religious experience.

Hikers find their experiences with Grand Canyon aircraft unforgettable in quite another way. At any one time, a dozen aircraft may be buzzing through the canyon.

In fact, the 1977 NPS Towler Study of backcountry hikers found that they were distracted by aircraft up to 71 percent of the time. A 1978-1980 study concluded that aircraft noise was evident in some areas of the canyon up to 95 percent of the time, or an average of 47 percent of the time. In a 1983 NPCA study, resource managers at more than 50 national park areas throughout the country said they had significant overflight problems.

Currently, several studies are underway to examine the effects of aircraft noise on a variety of wildlife and on cultural treasures. In the meantime, park officials, environmentalists, and air-tour operators are trying to hammer out a solution.

The NPS recently completed a series of public meetings on the issue, and has developed several strategies. Steve Hodapp, chief of resources management at Grand Canyon, says they are now refining these strategies and working toward a draft management plan. The National Park Service plan is expected out in late spring.

But some environmentalists insist on a total ban. They say that the NPS is violating the law by allowing aircraft to use the park without imposing any regulations on overflights.

NPCA believes that a ban is not a realistic solution. It favors a combination of several management options, including:

Minimum altitude restrictions;

Flight patterns that avoid areas popular with backcountry hikers;

A ban on canyon flights during certain times of the day, particularly the early morning and late afternoon. People on the ground cherish these times because of the awesome quiet;

A ban on aircraft at certain times of the year, perhaps in January, February, or March. Many hikers visit the canyon during these months, but the demand for air tours is low.

"If we end up with these kinds of meaningful changes, I think that people who visit

the canyon by helicopter or by fixed-wing plane could continue to do so without any appreciable problem for ground users," says Butcher.

"These seem to hold out the most hope," he added. "The air operators don't want a black eye. They want to be accepted and to get along with the Park Service."

As for military flights, the NPS seems almost helpless. Two years ago, a Sequoia National Park helicopter was involved in a near mid-air collision with a low-flying military jet. At Death Valley and other national park areas close to military installations, sonic booms cause headaches.

Because the Department of Defense has no real policy directing its aircraft to avoid national parks, the NPS can only deal with military overflight problems incident by incident. In such cases, an accurate description of the plane must be recorded. But backcountry hikers say the phantom jets fly too fast to get the necessary information.

Meanwhile, military jets continue to "hotdog" through park canyons, often blasting the sound barrier. Scenic tour companies send their ranks of helicopters and airplanes across the skies of America's crown jewels, disturbing the pristine environment President Woodrow Wilson intended to preserve when he signed the National Park Service Organic Act in 1916.

Says one hiker: "You grit your teeth, you clench your hands. It gets to your soul. Something has to be done."

THE CONRAIL PUBLIC SALE ACT OF 1986

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. FOGLIETTA. Mr. Speaker, I am today introducing legislation enabling the Department of Transportation to sell the Government's interest in Conrail to Conrail Acquisition Corp. A company advised and assisted by the investment firms of Allen & Co. and First Boston Corp. Funds to purchase Conrail would be raised in a single transaction through a public offering of shares of Conrail Acquisition Corp. This bill brings to the Government a price superior to any offer received to date and it does so without the substantial loss of tax revenue which would result from a sale, as proposed by the Department of Transportation, to Norfolk Southern. This bill keeps Conrail's management team in place, and preserves Conrail as an independent entity able to provide vigorous competition in rail freight service in the Northeast, Midwest, and connecting routes through the South and West without threat of antitrust violation. Rather than being owned by another large railroad, as under the Norfolk Southern proposal, or by a small group of large private investors, as under the Morgan Stanley offer, Conrail Acquisition Corp. will be a publicly held corporation with no dominant ownership interest. Moreover, the bill's benefits for labor are more attractive than either of the other offers. I look forward to early hearings on this legislation so that its benefits can be fully explored.

The proceeds to the Government from the sale of Conrail to Conrail Acquisition Corp. would be $1.8 billion. This is approximately $600 million more than is being offered by Norfolk Southern and approximately $400 million more than is being offered by the Morgan Stanley sponsored group. Conrail Acquisition Corp. will surrender all unused net operating loss and investment tax credit carryforwards, and deficits, in Conrail's earnings and profit account. An independent Conrail will not cost the Government what Treasury estimates to be $174 million in lost tax revenue should the sale to Norfolk Southern take place. The Congressional Budget Office estimates this lost tax revenue at $400 million. Conrail Acquisition Corp. also will be agreeing to all of the public service covenants contained in the memorandum of intent between the Department of Transportation and Norfolk Southern.

By keeping Conrail independent, rail freight competition in Conrail's service area will be preserved. A sale to Norfolk Southern, on the other hand, is thought to be anticompetitive by most antitrust experts. The Department of Justice has not yet completed its review. But, in an attempt to mitigate certain of the anticompetitive consequences of a sale to Norfolk Southern, Justice has recommended the divestiture of Guilford Transportation, and Pittsburgh & Lake Erie Railroad. Most critics are still not satisfied. The U.S. Railway Association [USRA], the staff of the ICC, 25 State attorneys general, various State departments of transportation, cities and local governments, and hundreds of shippers remain concerned that a sale to Norfolk Southern is anticompetitive. An ICC report, however, reached different conclusions about the divestiture stating that even with these additional lines the future viability of these two carriers is in jeopardy.

Why eliminate the only large successful railroad in the Northeast? Why jeopardize thousands of jobs as well as important shipping traffic? Why limit severely the competitive advantage offered to shippers by the Ports of Philadelphia and Baltimore? An independent Conrail will help save jobs as well as competition. The USRA now concludes, and I concur, that Conrail can survive on its own. Conrail management has performed brilliantly. The Staggers Act of 1980 and the Northeast Rail Service Act of 1981 totally changed Conrail's operating environment by allowing the railroad to manage according to the changing needs of the marketplace. With these statutory changes, its able management, and, just as importantly, a cooperative labor agreement, Conrail has experienced an unparalleled financial turnabout. Profits last year were $440 million, while at the same time Conrail was investing hundreds of millions of dollars in improved track and equipment. It has done this with only modest rate increases, and has now returned its employees to industry-level wages. As for the future, Conrail projections support the case that Conrail will be viable as a publicly held company.

As for labor, the terms of the sale under my bill are also superior. It has a potential value of $504 million as compared to the $375 million in Norfolk Southern's offer and the $475 million in the Morgan Stanley proposal. In Conrail Acquisition Corp's proposal, shares in the ESOP would be purchased at the same price offered the Government, or $274 million; Conrail employees would become entitled to receive Conrail benefits, including cash payments aggregating approximately $200 million for union employees and $30 million for nonunion employees in settlement of claims arising from past wage concessions and any rights or options under existing statutes to acquire Conrail stock.

In summary, my bill would keep Conrail independent and does so at a price fair to the Government. Furthermore, it would help preserve competition in freight rail service and jobs in this vital industry.

Following is the section-by-section analysis of the "Conrail Public Sale Act of 1986."

SECTION-BY-SECTION ANALYSIS OF CONRAIL PUBLIC SALE ACT OF 1986

Section 1.—Short title

This section states that the legislation may be cited as the "Conrail Public Sale Act of 1986" (the "Act").

Section 2.—Findings

This section sets forth eight findings which are that:

(1) The Northeast Rail Service Act of 1981 ("NERSA") provided for an orderly return of Consolidated Rail Corporation ("Conrail") to the private sector;

(2) NERSA successfully provided for the transfer of Conrail's commuter service responsibilities to other entities and in preparing Conrail for return to the private sector;

(3) The United States Railway Association ("USRA") found Conrail met the standards of profitability necessary for it to be returned to the private sector;

(4) Conrail Acquisition Corporation, Inc. (the "Purchaser") developed a proposal to purchase the interest of the Federal Government in the common stock of Conrail and to return Conrail to broad private ownership by financing such purchase through a public stock offering;

(5) The sale of Conrail to the Purchaser best meets the objectives of leaving Conrail in the strongest financial position after the sale, preserving patterns of service to shippers and communities in the region Conrail serves by continuing Conrail as an independent railroad and maximizing the return to the Federal Government;

(6) The purchaser's proposal to acquire the Federal Government's interest in Conrail satisfies the requirements of NERSA and section 401(e) of the Regional Rail Reorganization Act of 1973 (the "3-R Act");

(7) Amendments to existing laws are needed to permit the sale of Conrail to the Purchaser and to permit the cancellation of the Federal Government's interest in Conrail's debt and preferred stock; and

(8) It is not necessary to immunize the sale of Conrail to the Purchaser from any antitrust law of the United States.

Section 3.—Purpose

This section states that it is the purpose of the Act to return Conrail to the private sector by directing and facilitating the sale of Conrail to the Purchaser.

Section 4.—Definitions

This section defines key terms used in the Act, including the "Purchase Agreement".

The "Purchase Agreement" is defined to mean the agreement between the Purchaser and the Secretary of Transportation (i) with respect to the period before the execution and delivery thereof, in the form filed with the Committee on Energy and Commerce of the House of Representatives; and (ii) with respect to the period after such execution and delivery, as so executed and delivered.

Other terms defined by this section of the Act are the "closing date," "Conrail," the "ESOP," the "Purchaser" and the "Secretary."

TITLE 1—AMENDMENTS TO THE 3-R ACT AND NERSA

Section 101.—Limit on authority to purchase stock

This section amends Section 216(b) of the 3-R Act to provide that the authority of USRA to purchase debentures or preferred stock of Conrail will terminate upon the consummation of the sale of the Federal Government's interest in Conrail pursuant to the Purchase Agreement.

Section 102.—State and local taxation

This section amends Section 217(c) of the 3-R Act to clarify that Conrail will remain exempt from all state taxes, except for taxes imposed by any political subdivision of a state, imposed with respect to any period ending on or before the closing date of the sale of the Federal Government's interest in Conrail to the Purchaser pursuant to the Purchase Agreement.

Section 103.—Responsibility of Conrail directors

This section amends Section 301(i) of the 3-R Act to provide that the members of Conrail's Board of Directors shall be immune against civil liability for actions taken to implement the sale of the Federal Government's interest in Conrail to the Purchaser.

Section 104.—Applicability of the 3-R Act to Conrail after sale

This section amends Section 301 of the 3-R Act by adding a new sub-section "(k)" which states that, with certain exceptions, the provisions of the 3-R Act shall not apply to Conrail or to its Board of Directors after the closing date. The provision of the 3-R Act that would continue to apply are enumerated in the new sub-section. Under these provisions:

(1) The definitions set forth in the Section 102 of the 3-R Act, as amended by the Act, are retained.

(2) The Conrail seat on the USRA Board of Directors provided by Section 201(d) of the 3-R Act is continued in order to facilitate cooperation between the USRA and Conrail regarding information needed to resolve, after the consummation of the sale, matters which arise before the sale. In addition, it is clarified that the Conrail member of the USRA Board may send a representative to USRA Board meetings who may exercise the full powers of such member thereat.

(3) The requirement of Section 203 of the 3-R Act that Conrail make information available to the USRA is retained, but only with respect to the information related to procedings pending before the special court established under Section 209(b) of the 3-R Act (the "Special Court").

(4) The immunity against civil liability for trustees and other persons with responsibility for the Conrail ESOP provided by Section 216(f)(8) is continued, but only with respect to activities that take place prior to, or are connected with, the sale; and the obligation of the United States under section 216(f)(9) to indemnify such persons from liabilities, costs and expenses incurred in connection with any such activities is retained.

(5) The qualification of the Conrail ESOP for tax purposes in connection with contributions, allocations and withdrawals made in connection with the implementation of the sale of the Federal Government's interest in Conrail, as provided by Section 216(f)(11) of the 3-R Act, as added by this Act, and the exemption of certain related transactions regarding the Conrail ESOP from the Federal securities laws, as provided by Section 216(f)(12) of the 3-R Act, as added by this Act, would continue to be applicable after the closing date in accordance with the terms of such sections.

(6) The exemption of Conrail from state and local taxes imposed with respect to periods ending on or before the closing date, as provided by Section 217(c) of the 3-R Act, as amended by this Act, and the right to collect upon the debts accumulated by commuter authorities for Conrail's operation of commuter service prior to January 1, 1983, as provided by Section 217(e) of the 3-R Act, as amended by this Act, are retained.

(7) The immunity against civil liability for members of Conrail's Board of Directors for actions taken prior to or in connection with the implementation of the sale, pursuant to Section 301(i) of the 3-R Act, as amended by this Act, is retained.

(8) Rights and obligations already adjudicated and specified in the order of the Special Court in connection with the expedited supplemental transactions in New England as a result of NERSA amendments to Section 305 of the 3-R Act are preserved and the continuing administration thereof is retained within the jurisdiction of the Special Court.

(9) Conrail's right to abandon lines on an expedited basis pursuant to Section 308 of the 3-R Act is continued, but only in those cases where Conrail filed for such abandonment prior to consummation of the sale; after the sale, Conrail will be bound by regular ICC abandonment procedures.

(10) Sections 401, 402, 404 and 408 of the 3-R Act, as amended by this Act, which relate to the sale process and contain the continuing public interest covenants which will be applicable to Conrail and the Purchaser after the closing date, are continued.

(11) Section 701 of the 3-R Act is retained, but only as may be necessary to identify employees eligible for benefits prescribed under that section and only as affected by Section 109 of this Act, which provides that (a) the benefits schedule prescribed under said Section 701 by the Secretary of Labor will continue in effect until superseded by an agreement between Conrail and its labor representatives, and (b) after consummation of the sale, Conrail shall be responsible for funding such labor benefits under Section 701.

(12) The employee positions "blanked" or abolished by Conrail under Section 702(e) of the 3-R Act will continue to be blanked.

(13) Federal Employers Liability Act claims arising from injuries incurred by employees of predecessor railroads prior to the beginning of Conrail operations on April 1, 1976 will continue to be Conrail's responsibility through the continued applicability of Section 709 of the 3-R Act.

(14) Labor protection provided to Conrail employees terminated prior to consummation of the sale will continue to be the responsibility of the Federal Government under Section 710(b)(1) of the 3-R Act.

(15) The exemption from state full crew laws provided by Section 711 of the 3-R Act is continued after consummation of the sale for Conrail as well as for other railroads in the Conrail region.

(16) The authority to submit certain disputes and controversies to final and binding arbitration under Section 714 of the 3-R Act is continued, but only with regard to disputes and controversies arising prior to consummation of the sale.

Section 1136 of NERSA, which relieved Conrail of any obligation under law to operate commuter service on January 1, 1983, is not specifically enumerated because such section is not part of the 3-R Act and therefore remains in effect even though not among the above enumerated provisions.

Section 105.—Implementation of sale

This section amends Section 401 of the 3-R Act which is the section added by NERSA that authorize the Secretary to arrange for the sale of Conrail as an entity. Specifically, it amends such section by inserting in substitution for the existing text new language providing that no later than 10 days following enactment of this Act the Secretary of Transportation shall enter into the Purchase Agreement with the Purchaser and transfer the Federal Government's interest in Conrail to the Purchaser in accordance therewith. The existing language of Section 401 contains complex provisions regarding the procedures for consummation of the sale of the Federal Government's interest in Conrail (including the legislative veto provided by Subsection (a) and the subsection (e) requirement that the Secretary of Transportation first offer the stock to be sold to Conrail employees who had experienced prior wage reductions) which are no longer necessary or appropriate in the context of the sale proposal delivered by the Purchaser.

The Certificate of Incorporation of the Purchaser provides that until the third anniversary of the Purchaser's acquisition of Conrail, the number of shares of common stock of the Purchaser owned or held by any person or any syndicate or affiliated group of persons will not be permitted at any time to exceed 5 percent of the total number of shares of such class of stock at the time outstanding or such lesser percentage as the Purchaser's Board of Directors may from time to time establish. Underwriting syndicates and commercial banks, trusts broker/dealers, clearing corporations or nominees are not subject to this limitation. The Certificate of Incorporation of the Purchaser further provides that this restriction may only be amended by the vote of at least 90% of the outstanding shares of stock of the Purchaser entitled to vote with respect thereto. The Purchaser has indicated that equivalent provisions will be inserted in the Articles of Incorporation of Conrail upon the effectiveness of the anticipated merger of the Purchaser into Conrail following the sale. Accordingly, it is not necessary to include in the Act a statutory provision for the purpose of ensuring widespread public ownership of Conrail and the Purchaser.

Section 106.—Cancellation of debt and preferred stock

This section amends Section 402 of the 3-R Act to provide for the recapitalization of Conrail so that the debt and preferred stock held by the Federal Government are cancelled and the outstanding shares of Conrail common stock are split so that there will be 100 million such shares outstanding.

The Federal Government, through USRA, presently holds approximately $851 million principal amount of Conrail debentures, $2.3 billion of Conrail Series A preferred stock and $32 million of Conrail Series B preferred stock. Section 402 currently provides for the recapitalization and cancellation of such debt and preferred stock; however, the Federal Government would maintain a contingent interest which would

attach to the debt or preferred stock in the event of a future bankruptcy, substantial sale or liquidation of Conrail's assets. This provision was added by NERSA because Congress determined that no prospective purchaser of Conrail's common stock would buy such stock subject to the debt and preferred stock. At the same time, Congress wanted to discourage any purchaser from buying Conrail with the idea of extracting its cash and other assets, selling it or liquidating it. Accordingly, Congress provided for the contingent liability. However, it has now proven impracticable to sell Conrail with such contingent liability. Further, the Purchaser has indicated that it intends for Conrail to operate as an independent, publicly-held entity over the long haul, and on the basis of various financial studies and analyses of Conrail it appears that Conrail will be viable as an independent entity for the foreseeable future.

The recapitalization of the common stock of Conrail is authorized so that on the closing date Conrail's outstanding shares of common stock will be equal in number to the outstanding shares of common stock of the Purchaser, facilitating the receipt by the shareholders of the Purchaser in the anticipated subsequent merger of the Purchaser into Conrail of one share of Conrail common stock for each share of common stock of the Purchaser held by them prior to such merger.

This section also adds a new subsection (b) to Section 402 of the 3-R Act providing that for purposes of regulation by the ICC and state public utility regulators, the recapitalization authorized by this section, the sale of Federal Government's interest in Conrail and the value of the consideration received by the Federal Government for such interest will not reduce Conrail's investment, net of depreciation, in any of its assets nor affect the calculation of Conrail's stock or asset values, expenses, costs, returns, profits or revenues or otherwise be the basis for any change in the regulation of Conrail by such bodies.

Section 107.—Public interest obligations

This section establishes numerous public interest obligations to which Conrail will be subject following the sale of the Federal Government's interest to the Purchaser. In addition, the section establishes that the Purchaser will, prior to the anticipated merger of the Purchaser into Conrail, be subject to most of the same public interest obligations. The public interest obligations set forth in section are equivalent to those contained in the Memorandum of Intent, dated February 8, 1985, entered into by the Secretary of Transportation with Norfolk Southern Corporation. These obligations are designed to preserve the financial viability of Conrail and to ensure the continuing ability of Congress and the Secretary of Transportation to review the financial condition of Conrail on an ongoing basis.

Subsection (a) sets forth various definitions used in the section, including definitions of "affiliate", "capital expenditures", "cumulative net income", "debt", "person", "prefered stock" and "subsidiary".

Subsection (b) sets forth several affirmative obligations which will be applicable to Conrail for a period of five years beginning on the closing date. These obligations are as follows:

(1) Conrail is required to furnish to the Secretary of Transportation audited annual financial statements and unaudited quarterly financial statements.

(2) Conrail and its railroad subsidiaries are required to continue in the railroad business substantially as such business was being conducted as of December 31, 1985 and, subject to permitted abandonments and service alterations in accordance with applicable law and normal procedures and regulations of the ICC, to maintain rail freight services throughout its system.

(3) Conrail is required to continue its practice of offering any line for which an abandonment certificate is issued by the ICC to a purchaser who agrees to provide interconnecting rail service at a price equal to 75% of the net liquidation value of such line as determined by the ICC.

(4) Conrail and its subsidiaries are required to maintain their properties in good working condition and not to permit deferred maintenance in order to provide and maintain rail service as required by the section.

(5) Conrail and its subsidiaries are required to maintain insurance against loss or damage of the kinds customarily insured against by similarly situated corporations.

(6) Conrail is required to make capital expenditures in each fiscal year in an amount equal to the greater of Conrail's depreciation for financial reporting purposes for such year or $500,000,000. Conrail's Board of Directors is authorized to reduce such amount in a given year if the Board determines that a lesser amount is justified by prudent business and engineering practices. Certain specified minimum capital expenditure benchmark levels must, however, be met on each of the first five anniversaries of the sale date.

(7) Conrail is required to maintain on a consolidated basis cash and cash equivalents on hand of not less than $500,000,000.

(8) Conrail and its subsidiaries are required to pay all debt promptly when due and payable.

(9) Conrail and its subsidiaries are required to keep books and records in accordance with generally accepted accounting principles as applicable to reporting companies under the Securities Exchange Act of 1934.

(10) Conrail is required to continue to operate from its headquarters in Philadelphia and to maintain its locomotive shop and car repair shop in Altoona, Pennsylvania.

(11) Conrail is required to maintain or reestablish with small eastern rail carriers which had less than $300,000,000 annual operating revenues in their most recent fiscal year reasonably efficient routes of major importance at the request of any such rail carrier.

(12) Conrail is required to continue its affirmative action program substantially as conducted as of December 31, 1985.

(13) Conrail is required to deliver certificates to the Secretary of Transportation on a quarterly basis and in connection with the declaration of any common or preferred stock "payment" (as defined in paragraphs (5) and (6) of subsection (c) of this section) certifying that it is in compliance with all of the obligations set forth in Section 404 of the 3-R Act as amended by this Act. The Secretary is required to submit annual reports to the House Committee on Energy and Commerce and the Senate Committee on Commerce, Science and Transportation listing all certificates filed by Conrail during the preceding year under this statutory provision.

(14) Conrail is required to give prompt notice to the Secretary of Transportation of any defaults under any of its obligations in subsection (b) or (c) of Section 404.

Additional public interest obligations, also applicable for a five year period commencing on the closing date, are set forth in subsection (c) of Section 404 as follows:

(1) Conrail is prohibited, absent insolvency, from liquidating, dissolving or filing for relief under bankruptcy laws.

(2) Conrail is prohibited from selling, leasing, transferring or otherwise disposing of substantially all of its assets to any entity other than a wholly-owned subsidiary of Conrail.

(3) Conrail and its subsidiaries are prohibited from merging or consolidating with or into any other entity unless after giving effect to such merger or consolidation Conrail is fully in compliance with all of its obligations enumerated in Section 404 and all of such obligations continue to apply to the surviving entity in such merger or consolidation.

(4) In connection with the financing of the sale of the Federal Government's interest in Conrail to the Purchaser, Conrail is prohibited from (a) using its cash or cash equivalents other than in connection with transactions with the Federal Government, the Conrail ESOP or Conrail's employees contemplated by the Purchase Agreement or (b) subjecting its or its subsidiaries' assets to any pledge, lien, mortgage or other security interest.

(5) Conrail is prohibited from (a) declaring or paying any dividend with respect to its common stock in cash or other assets (other than dividends payable solely in shares of such stock); (b) applying or setting aside any of its assets to the purchase, redemption or other acquisition or retirement of any shares of its common stock; or (c) making any other distribution, by reduction of capital or otherwise, with respect thereto (each a "common stock payment") unless such common stock payment is (a) made entirely in cash; (b) immediately after giving effect thereto, the cumulative amount of all common stock payments made since the closing date does not exceed 40% of the cumulative net income of Conrail which has accrued since such date minus the cumulative amount of all preferred stock payments (as defined in subsection (c)(6) of Section 404) made subsequent to the closing date; and (c) immediately after giving effect thereto, Conrail has cash and cash equivalents on hand of not less than $500,000,000.

(6) Similarly, Conrail is prohibited from (a) declaring or paying any dividends with respect to any outstanding shares of preferred stock in cash or other assets (other than dividends payable solely in shares of such stock); (b) applying or setting aside any of its assets to the purchase, redemption or other acquisition or retirement of any outstanding shares of preferred stock; or (c) making any other distribution, by reduction of capital or otherwise, with respect to any outstanding shares of preferred stock (each, a "preferred stock payment") unless such preferred stock payment is (a) made entirely in cash; (b) immediately after giving effect thereto, the cumulative amount of all common stock payments and all preferred stock payments since the closing date does not exceed the cumulative net income of Conrail which has accrued since such date; and (c) immediately after giving effect thereto Conrail has cash and cash equivalents on hand of not less than $500,000,000.

(7) If Conrail is in default in its obligations under Section 404(b)(6) of the 3-R Act, as amended by this Act, to make certain levels of capital expenditures, no

common stock payments may be made by Conrail until it is once again in compliance with the requirements of such section.

(8) Conrail is prohibited from obtaining a reversion of any excess assets held in the trust or a successor trust maintained with the Conrail supplemental pension plan or any successor plan, and Conrail is prohibited from terminating its supplemental pension plan.

(9) Conrail is prohibited from amending, modifying, rescinding or revoking any provision of its articles of incorporation relating to the relative rights, preferences and limitations of the common stock of Conrail acquired by the Purchaser on the closing date. This provision precludes Conrail from altering its articles of incorporation to provide any of such shares with preferential rights; however, it is not intended to prevent Conrail from authorizing and issuing classes or series of preferred stock.

Subsection (d)(1) provides that, with the exception of certain specifically identified sections (such as subsection 404(b)(9) requiring Conrail to maintain its Philadelphia headquarters and its Altoona, Pennsylvania locomotive shop and car repair shop), the obligations of Conrail in subsections (b) and (c) of Section 404 apply equally to the Purchaser on a consolidated basis until such time as the Purchaser may be merged into Conrail. This subsection prevents the Purchaser from circumventing the obligations applicable to Conrail under the Act by conducting forbidden transactions at the Purchaser level. Paragraph (2) of this subsection further provides that prior to the contemplated merger of the Purchaser into Conrail, the Purchaser and affiliates of the Purchaser other than Conrail and its subsidiaries may enter into transactions with Conrail and its subsidiaries only if such transactions are fair to Conrail and are similar to other transactions between Conrail and persons not affiliated with Conrail or the Purchaser.

Subsection (d)(3) further restricts the ability of the Purchaser to enter into transactions with Conrail by prohibiting any transfer of any obligation of the Purchaser or its other affiliates to Conrail or any subsidiary in an amount greater than the value to Conrail of such transfer, any loans or advances by Conrail or its subsidiaries to the Purchaser and its other affiliates, the acquisition by Conrail or any subsidiary of stock, obligations or other securities of the Purchaser or its other affiliates, capital contributions to or investments in or guarantees of any debt or obligations of the Purchaser or its other affiliates by Conrail or its subsidiaries and assignments of any right to receive income for a consideration of less than such right by Conrail or any subsidiary to the Purchaser or any of its affiliates.

Subsection (e) of this section insures that prior to the aforementioned merger the Purchaser will continue to hold all of the outstanding voting stock of Conrail. More specifically, subsection (e) provides that the Purchaser may not transfer or pledge any of its right, title and interest in any shares of the common stock of Conrail acquired from the Federal Government pursuant to the Purchase Agreement to an other party except in connection with the merger of the Purchaser into Conrail and prohibits Conrail from issuing or contracting to issue any shares of common stock or other voting stock or securities convertible into any common or other voting stock or Conrail, whether by way of rights, options, warrants or otherwise. In addition, subsection (e) prohibits the Purchaser from acquiring any shares of preferred stock of Conrail.

Subsection (f) provides that the requirements of Section 404 are to be interpreted in accordance with generally accepted accounting principles and that the acquisition by the Purchaser of the Federal Government's interest in the common stock of Conrail is to be accounted for as a recapitalization of Conrail with a 100% revaluation of Conrail's assets and liabilities based on the fair value of its new capital structure.

Subsection (g) allows the Secretary of Transportation, upon application by Conrail or the Purchaser, to waive any provision of Section 404 if the Secretary determines in writing that such waiver does not impair continued rail service by Conrail and its subsidiaries and will not result in a material reduction in the financial strength of Conrail and its subsidiaries. The subsection further requires the Secretary to transmit to the House Committee on Energy and Commerce and the Senate Committee on Commerce, Science and Transportation any determination made under this subsection and provides that no waiver under the subsection will be effective for a period of 45 days following the transmittal of such to these House and Senate Committees.

Section 108.—Applicability of certain laws to the sale of conrail

This section amends Section 408 of the 3-R Act which, among other things, currently provides that no sale of Conrail's stock or assets is to be subject to judicial review or to review by the ICC, to provide that the sale of the Federal Government's interest in Conrail to the Purchaser pursuant to the Purchase Agreement will be subject to review before the Special Court only and that no aspect of the sale shall be subject to any other form of judicial or administrative review.

Section 109.—Labor protection

This section of the Act establishes that, notwithstanding any other provision of law, the benefit schedule prescribed by the Secretary of Labor under Section 701(a)(2) of the 3-R Act will continue in force and effect after the sale of Conrail to the Purchaser until superseded by an agreement between Conrail and its labor representatives. In addition, this section provides that Conrail shall be responsible for funding all benefits under such benefit schedule immediately after the sale date and the Federal Government will have no liability for any such benefits after such date. With this change, the Federal Government will no longer be responsible for paying labor protection payments to Conrail employees terminated subsequent to the closing date.

Section 110.—Special court jurisdiction

This section amends Section 1152 of NERSA to extend the jurisdiction of the Special Court to review any action related to the enforcement, interpretation or constitutionality of any provision of the Conrail Public Sale Act of 1986, the enforcement of the Purchase Agreement by the Federal Government, the Purchaser or Conrail and the enforcement of any ancillary agreements by those parties who entered into such agreements in accordance with the Purchase Agreement.

The Special Court is a three-judge Federal district court. It was established pursuant to the 3-R Act to conduct all of the judicial proceedings related to the final system plan, which is the plan pursuant to which Conrail was created in 1976. In turn, NERSA extended the Special Court's jurisdiction to actions related to NERSA because of the court's experience and expertise in matters dealing with Conrail. This section extends the court's jurisdiction to actions related to this Act in order to take additional advantage of the court's expertise.

This section also amends Section 1152 by adding a new subsection allowing a party who believes he has suffered direct economic injury as a result of an alleged violation of a provision of subsections (b), (c), (d) or (e) of Section 404 of the 3-R Act, as amended by this Act, to file a petition with the Secretary of Transportation seeking enforcement of such provision. If the Secretary decides to investigate the petition, after notice and investigation the Secretary shall make a final decision on the petition within sixty days. If the Secretary finds that one of the aforementioned statutory provisions has been violated and the complainant has suffered direct economic injury as a result, the Secretary shall enter an order directing the party in violation to comply with the provision in question. On appeal to the Special Court, any decision by the Secretary shall be upheld unless found to be arbitrary, capricious, an abuse of discretion or otherwise not in accordance with law.

The public interest obligations set forth in Section 404(b), (c), (d), and (e) are intended to benefit a number of parties including shippers, employees and other railroads. Accordingly, these parties have an interest in seeing that these obligations are not violated. In view of this, it is appropriate for such parties to play some role in the enforcement of these statutory provisions. However, there is a danger of facilitating the bringing of unwarranted suits against the Purchaser or Conrail. Subsection (e) balances these concerns by allowing parties to seek enforcement of the aforementioned statutory obligations, but requiring them to act first through the Secretary.

The Act contains no provision immunizing the sale of the Federal Government's interest in the common stock of Conrail to the Purchaser from any antitrust law of the United States. Such a legislative provision is unnecessary because the Purchaser is not a railroad operating or holding company. The antitrust laws of the United States will be fully applicable to Conrail and the Purchaser.

Section 111.—Applicability of other laws

This section amends Section 1168(a) of NERSA to clarify that certain federal laws are not applicable to actions taken to negotiate, approve or implement the sale of Conrail pursuant to the Purchase Agreement. It does this by striking the language "service transfers" and substituting "the sale of the interest of the United States in the common stock of Conrail."

Section 1168(a) exempts the sale of Conrail from certain federal laws in order to avoid extensive delays in the sale process. In originally drafting this provision of NERSA, Congress intended the exemption to apply to either a sale by means of stock transfer or one by means of an assets transfer. The term "service transfers" was used to refer to both types of transfers; however, it was not specifically defined in NERSA. Because it was not defined, its applicability to a sale of the common stock of Conrail could be questioned at this time. To avoid such questions, this section of the Act amends Section 1168(a) to refer specifically to a sale of the Federal Government's interest in the common stock of Conrail.

Section 112.—Responsibility of ESOP fiduciaries

This section amends subparagraphs (A) and (C) of Section 216(f)(8) of the 3-R Act to explicitly extend the immunity against civil liability or trustees and other persons with responsibility for the Conrail ESOP provided by such section to actions taken in connection with the implementation of the sale of the Federal Government's interest in Conrail, including any such sale, exchange, valuation or disposition of assets of the Conrail ESOP and related trust assets or the assets of Conrail Equity Corporation, or as otherwise contemplated by the Purchase Agreement. The section further clarifies that this immunity exists regardless of whether such actions take place before or subsequent to the sale date.

Section 113—Qualification, review and valuation of the ESOP

This section amends Subsection 216(f) of the 3-R Act by adding two paragraphs.

The first paragraph ensures that ESOP participants will incur no federal tax liability in connection with the contributions to and allocations of shares within the ESOP contemplated by the Purchase Agreement. Instead, such liability will be incurred when the ESOP assets are distributed to the members.

The second paragraph exempts from federal and state laws related to the approval and issuance and sale of securities the issuance and sale or contribution of securities of the Purchaser, Conrail or Conrail Equity Corporation to fulfill arrangements with Conrail's employees and the distribution of any such securities from the ESOP and the related trust in connection with the implementation of the sale of the Federal Government's interest in Conrail to the Purchaser or as otherwise contemplated by the Purchase Agreement.

The Conrail ESOP was established pursuant to the USRA Amendments of 1978 (Public Law 95-566) (the "1978 Amendments"), which required the ESOP as a condition to additional funding of Conrail. Further, Section 216(f)(8) of the 3-R Act, as added by the 1978 Amendments, provided for the creation of Conrail Equity Corporation as a Conrail subsidiary and set forth the basic structure and operation of the ESOP, including the plan for annual contributions and a date for distribution of the ESOP participant's interest.

Conrail Equity Corporation now holds a substantial beneficial interest in Conrail on behalf of approximately 80,000 participants in the ESOP. Participations in the ESOP include Conrail employees represented by a rail union ("Agreement Employees"), Conrail employees not represented by a union ("Non-Agreement Employees"), retired Conrail employees and designated beneficiaries of deceased Conrail employees. Beginning in 1980, Conrail has made annual contributions to the ESOP of shares of Conrail Equity Corporation preferred stock, representing 10% of the total Conrail Equity Corporation preferred. This preferred stock is convertible to Conrail common stock on a 1-to-1 basis, so that in 1991 when all the stock would have been converted and distributed to the employees, the ESOP would have enough shares of Conrail common stock to represent 15% of the total. Under the terms of the Purchase Agreement, the Purchaser has agreed to pay up to $274 million from funds raised in the public offering of its common stock to the trustee of the Conrail ESOP in order to buy out that portion of the ESOP's 15% beneficial interest in Conrail common stock which ESOP participants elect to sell.

TITLE II—TECHNICAL AND CONFORMING AMENDMENTS AND REPEALS

Section 201

This section repeals or amends various provisions of the 3-R Act in order to reflect the implementation of the sale of the Federal Governments interest in Conrail to the Purchaser pursuant to the Purchase Agreement and Conrail's conversion to a privately-owned railroad pursuant thereto. Specifically, this section:

(1) Amends Section 102 of the 3-R Act by adding new definitions of "closing date," "ESOP," "Purchase Agreement" and "Purchaser" from this Act.

(2) Repeals Subsections (a) and (b) of Section 214, which authorize appropriations to the Secretary of Transporatation and the Rail Service Planning Office of the ICC to perform certain Conrail-related functions.

(3) Amends Subsection (e) of Section 217 to clarify that while Conrail retains the right to collect any accounts receivable attributable to delays in reimbursement form certain transferred commuter authorities, Conrail is not statutorily required to collect such accounts.

(4) Repeals Sections 405, 406, 407, 409, 410, 411, 412, and 713, which contain various no-longer-relevant provisions relating to the Conrail sale process. More specfically, (a) Section 405 provided for the possible sale of Conrail by means of the transfer of its assets and service responsibilities; (b) Section 406 set forth the criteria that a sale of Conrail under Section 405 would be required to meet; (c) Section 407 provided for public comment and Congressional review of a sale of Conrail under Section 405; (d) Section 409 provided that any transfer of Conrail's assets and service responsibilities under Section 408 would be deemed an assignment of all obligations under any applicable agreements or leases with respect to such rail assets (Section 408, prior to the amendments effected by this Act, provided for the transfer of Conrail's assets and service responsibilities under certain circumstances); (e) Section 410 directed Conrail in January 1982 to identify and sell any of its subsidiaries) other than Conrail Equity Corporation) that did not operate at a profit; (f) Section 411 provided for the negotiation of implementing agreements to govern the transfer of employees along with any transfer of Conrail assets and service responsibilities under Title IV of the 3-R Act; (g) Section 412 provided for New York Dock labor protection for employees adversely affected by any sale of Conrail under Title IV of the 3-R Act; and (h) Section 713 authorized appropriations for the payment of Conrail labor protection and termination allowances as provided by Sections 701 and 702 of the 3-R Act prior to the amendments effected by this Act.

Section 202.—Amendments and repeals of other rail laws

This section amends or repeals non-3-R Act provisions of law effective, pursuant to the provisions of Section 404 of this Act, on the closing date of the sale. The changes are intended to reflect Conrail's conversion to a privately-owned railroad on that date. Specifically , this section:

(1) Amends Section 1135(a) of NERSA by inserting definitions of "Purchase Agreements", and "Purchaser" from this Act.

(2) Repeals Section 1154 of NERSA, which subordinated all U.S. claims against Conrail to any other valid claim.

(3) Repeals Section 1161 of NERSA, which established a government role and procedure for disposition of Conrail's light density lines.

(4) Repeals Section 1166 of NERSA, which provides that the ICC may approve the grant of trackage rights to any terminal railroad over Conrail lines in the City of Philadelphia.

(5) Repeals Section 1167(c) of NERSA, which directed the clerk of the Special Court in August 1981 to transfer to the Department of Transportation the Series B preferred stock and common stock of Conrail that was on deposit with the Special Court.

(6) Amends Section 501(8) of the Railroad Revitalization and Regulatory Reform Act of 1976 (the "4-R Act") to delete that part of the definition of "restructuring" that refers to certain transfers of rail services by Conrail to other railroads or entities.

(7) Amends Section 505 of the 4-R Act to eliminate the priority for preference share monies accorded to certain transfers of rail services by Conrail to other railroads or entities.

(8) Repeals Subsection (b)(1) of Section 509 of the the 4-R Act, which provides that $200,000,000 of the funds appropriated under the preference share program shall be transferred for use in implementing the Conrail workforce reduction program established pursuant to Section 702 of the 3-R Act.

(9) Amends subsection (e) of Section 511 of the 4-R Act to eliminate the set-aside of loan guarantee monies for use in the improvement of the Northeast Rail Corridor, which was transferred to the National Railroad Passenger Corporation pursuant to the 3-R Act.

(10) Repeals Section 402 of the Rail Safety and Service Improvement Act of 1982, which provides that any financially responsible person shall be eligible to apply for preference share monies under Section 505 of the 4-R Act in order to provide common carrier rail service on rail lines abandoned by Conrail.

(11) Amends Section 1005(b)(1) of the Rail Passenger Service Act to eliminate the reference to Conrail in connection with the promotion of private sector passenger corridors.

(12) Amends Section 10362(b)(7)(A) of Title 49, United States Code, to eliminate the reference to Conrail from the duties of the ICC's Rail Services Planning Office.

(13) Amends Section 332(d) of Title 49, United States Code, to eliminate the reference to Conrail from the list of entities directed to provide information to the Department of Transportation's Minority Resources Center.

Section 203.—Effect of repeals

This section provides that all repeals under the Act of appropriations provisions in various statutes are made without prejudice to the continued availability of funds appropriated under such provisions before the effective date of the repeal.

TITLE III—REVENUE PROVISIONS

Section 301.—Tax treatment

This section provides generally that, except as provided in Title III of this Act, nothing in the Act or in any amendment of any other statute made by the Act affects the federal tax treatment of the Purchaser, Conrail or any affiliated group of which Conrail is a member. The section then sets forth certain specific tax consequences of

the sale of the Federal Government's interest in Conrail pursuant to the Purchase Agreement. More specifically, the section provides that:

(1) All Conrail net operating loss, capital loss and credits under the Internal Revenue Code attributable to any taxable year ending on or before the closing date are terminated as of the closing date and may not be carried forward to any taxable year beginning thereafter.

(2) No amount shall be included in the gross income of Conrail, the Purchaser or any other person and no basis adjustment in the assets of Conrail will be made by reason of the cancellation of the debt and preferred stock held by the Federal Government in Conrail in connection with the Purchase Agreement and the recapitalization provided for by Section 402 of the 3-R Act, as amended by this Act.

(3) The adjusted basis of Conrail's assets will not be increased or decreased by any adjustment relating to any taxable year ending on or prior to the closing date of the sale of the Federal Government's interest in Conrail to the Purchaser.

(4) The current taxable year of Conrail will be closed as of the closing date. Thereafter, taxable years of Conrail will close on December 31 of each year until otherwise required or permitted under applicable law or regulations.

(5) For purposes of Section 316 of the Internal Revenue Code, as of the closing date any deficit in accumulated earnings and profits of Conrail will be eliminated.

Section 302.—Definition of Conrail

This section sets forth a definition of "Conrail" for purposes of Title III of this Act which clarifies that such term includes any corporation which was a subsidiary of Conrail immediately before its acquisition by the Purchaser.

TITLE IV—MISCELLANEOUS PROVISIONS

Section 401.—Common carrier status of Conrail after sale

This section states that Conrail's status as a rail carrier under Title 49, United States Code, will not be affected by virtue of the sale. Further, it states that the Purchaser will not be converted into a rail carrier as a result solely of its purchase of Conrail.

Section 402.—Separability

This section states that if any provision of this Act or the application thereof to any person or circumstance is held invalid, the remainder of the Act and the application of such provision to any other persons or circumstances shall not be affected by that invalidation.

Section 403.—Effect on Contracts

This section states that the sale of Conrail to the Purchaser shall not affect Conrail's obligation to carry out Conrail's transportation contracts, equipment leases, equipment trusts and conditional sales agreements in accordance with their terms. Under normal rules of contract law, the sale of Conrail stock would not have any effect on Conrail's obligations to honor the terms and conditions of its contracts and agreements. Nevertheless, this section has been included to make clear that the sale will not adversely affect such contracts and agreements.

Section 404.—Effective dates

Subsection (a) of this section states that, except as provided in subsection (b), provisions of the Act and the amendments to other statutes made by the Act are to take effect immediately upon the date of enactment. Subsection (b) sets forth certain exceptions to the general rule stated in subsection (a). More specifically, the following sections are specified as taking effect on the closing date of the sale of the Federal Government's interest in Conrail to the Purchaser:

(1) Section 107, which contains the public interest obligations applicable to Conrail and the Purchaser following the sale date.

(2) Section 109, which obligates Conrail to assume responsibility for certain employee protection payments under Section 701 of the 3-R Act upon the closing date.

(3) Section 201, which repeals or amends various provisions of the 3-R Act, except that subsection (a) of Section 201, which adds certain definitions to the 3-R Act, is effective as of the date of enactment of this Act.

(4) Section 202, which repeals and amends various provisions of other statutes applicable to Conrail, except that subsection (a) of Section 202, which sets forth various definitions related to this Act to be inserted into NERSA, is effective as of the date of enactment of this Act.

LEGISLATION TO AUTHORIZE INTERIOR DEPARTMENT TO WORK ON INTERNATIONAL WATER RESOURCE ACTIVITIES

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. MILLER of California. Mr. Speaker, in Africa the drought may be over, but 19 million people are still hungry. Sending more money and food can be helpful in the short term. However, developing a reliable domestic agriculture is essential for any long-term solutions.

Improving water resource management capabilities is one way famine-affected countries can promote agricultural productivity. The United States can help provide solutions to famine throughout the world by offering technical assistance in developing irrigation and water supply projects.

Today, I am introducing legislation to give the Department of the Interior the authority to work in the U.S. territories and commonwealths and in foreign countries on water resource projects. The bill gives priority to efforts which will help alleviate drought and famine, encourage indigenous food production, improve agricultural infrastructure, and the efficient use of water resources.

The legislation stems from oversight hearings of the Subcommittee on Water and Power Resources at which representatives from the Department and private voluntary organizations expressed the need for such legislation. As witnesses from the Environmental Policy Institute, Africa Tomorrow and Oxfam testified, there is a critical need for small-scale, low risk, environmentally sound water resource projects in drought-affected countries. This bill directs the Secretary of the Interior to work on such projects in famine-affected nations or U.S. territories or commonwealths.

The bill encourages the Department to promote environmentally sound solutions based on the most up-to-date planning approaches. We do not want to encourage the Department to promote construction of outdated "white elephant" water projects.

The bill also directs the Secretary to make every reasonable effort to comply with the appropriate provisions of the National Environmental Policy Act and the Water Resources Planning Act. Just as the Secretary has to utilize certain principles and standards for planning water resource projects in the United States, this bill directs the Secretary to similarly comply with these guidelines when working outside the national domain.

As chairman of the Subcommittee on Water and Power Resources, I intend to give this legislation early consideration. Mr. Speaker, I encourage my colleagues to join me in sponsoring this legislation.

WHAT WORKS: RESEARCH ABOUT TEACHING AND LEARNING

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. GUNDERSON. Mr. Speaker, Secretary William J. Bennett and the U.S. Department of Education recently released its latest report entitled, "What Works: Research About Teaching and Learning." This brief report follows a distinguished line of U.S. Department of Education publications focusing America's attention on education. These reports on education, I contend, provide the general public with information to "promote the cause of education throughout the country," as Secretary Bennett concludes in the foreword of "What Works." I commend the U.S. Department of Education for promoting these four reports and keeping educational debate in the forefront.

Commencing in 1983 with "A Nation At Risk: The Imperative for Educational Reform," the National Commission on Excellence in Education accepted the challenge of reviewing the quality of our educational system and offering practical methods to enhance and improve it. This report and others of its kind developed by the private and public sector have served to challenge educators, families, public officials, and students as we transform into a lifelong learning society in a high-tech information age. In light of recent statistics indicating improvement of our youngsters' scholastic test scores alone, this report, many instances, certainly has been a successful and useful tool for individual schools, school boards, State legislators and Congress.

Realizing that libraries play a unique role in our lifelong learning society, in 1984 the Department issued, "Alliance for Excellence: Librarians Respond to A Nation At Risk." There is no doubt that libraries, large and small, can be of real educational service to learners at any age or at any academic level. I believe libraries have a uniquely important capacity to assist in eradicating literacy in our country.

"Becoming a Nation of Readers: The Report of the Commission on Reading," sponsored by the U.S. Department of Education's

National Institute of Education in 1985, set forth recommendations to instill in students of all ages quality reading skills. This well-orchestrated report stresses the early development of reading for our children as a constructive foundation for their listening, speaking, and writing skills. Equally important elements in becoming a nation of readers are disciplined and orderly schools with strong instructional leadership. "Becoming a Nation of Readers" clearly reflects and recognizes the contribution of educational research on educational policy and improvement.

"What Works" like the "A Nation At Risk" report is addressed to the American people to draw positive attention to education. The Washington Post in a recent article entitled "Bennett's Booklet: A Classic Waste," misses in its assessment of the practicality of the report. "What Works," unlike other educational publications previously released, does not direct specific attention to problems in our educational system. Rather, it takes the high road to point out viable solutions to 41 educational situations which research shows can work.

"What Works" was primarily written and targeted at the layman, not educational researchers per se. The publication condenses a massive volume of scholarly research material on education and stresses the importance of learning at home with commonsense methods for the classroom. In 1983, "A Nation At Risk" recommended a new emphasis on the basics, homework, foreign language, and time spent in the classroom, to name a few, and "What Works" has collected data to reflect these ideas and support it with illustrative research findings.

Heightening national awareness and concern for our educational system can only assist in enhancing and improving it today and for future generations. I commend the contribution of the U.S. Department of Education toward this goal.

SHELBYVILLE GIRLS WIN STATE BASKETBALL CHAMPIONSHIP

HON. JIM COOPER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. COOPER. Mr. Speaker, I am extremely proud to announce that Central High School in my hometown of Shelbyville, TN, has won the class AAA girls state basketball championship. The victory last Saturday night caps an undefeated season for the Golden Eaglettes.

This basketball team is likely to be ranked No. 1 in the entire country. They have shown great talent, teamwork, and sportsmanship throughout their 39–0 season.

I join everyone in Shelbyville and Bedford County in congratulating the players, coaches, managers, cheerleaders, students, and faculty for this outstanding achievement.

THE 100TH ANNIVERSARY OF BERKELEY CARROLL STREET SCHOOL

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. SCHUMER. Mr. Speaker, this year marks the 100th anniversary of the Berkeley Carroll Street School.

The school was originally chartered as the Berkeley Institute on April 12, 1886. In 1982, the Berkeley Institute merged with the Carroll Street School, which was founded in 1965, and took on its current name. Today, the Berkeley Carroll Street School, which is located in the Park Slope section of Brooklyn, serves more than 500 students who attend classes from pre-school through high school.

Over the past 100 years the school has been firmly committed to excellence in education. Many graduates have gone on to college and become leaders in the Brooklyn community. I applaud the Berkeley Carroll Street School on its accomplishments during the preceding 100 years and look forward to celebrating the school's 150th anniversary in the year 2036—when many of today's Berkeley Carroll students will be leaders in both our Brooklyn community and in our Nation.

HON. STEPHEN J. SOLARZ AT UNIVERSITY OF THE PHILIPPINES

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. ACKERMAN. Mr. Speaker, I recently returned from the Philippines as part of a delegation of the Foreign Affairs Committee. While in Manila, I had the distinct honor of listening to an eloquent speech by my distinguished colleague from New York, STEPHEN J. SOLARZ.

I found Mr. SOLARZ' statements at the University of the Philippines College of Law to be a particularly insightful and clearly enunciated analysis of the situation in that nation. His touching words and in-depth interpretation of the recent democratic triumph of the Filipino people should be read by every Member of Congress. I include the text of his presentation for the RECORD.

A RENDEZVOUS WITH DEMOCRACY: THE MIRACLE IN MANILA

My Dear Filipino Friends, how good it is to be back in a free Philippines. Over the last few weeks I watched with millions of other Americans the stirring sight of a people proudly proclaiming their commitment to freedom and peacefully reclaiming their democratic birthright. My only regret was that I could not be here with you to share in that shining moment.

Actually, I was planning to come immediately after the election. But when I inquired—at the suggestion of some of my Filipino friends—about the arrangements for my security, I was told not to worry because the Marcos government had already agreed to protect me. With that reassurance, I promptly canceled my trip. With guardians like Fabian Ver, I figured, who needs enemies?

Now I have come—on a proud pilgrimage—to bring the heartfelt congratulations of our Nation to President Aquino and to you, the people of the Philippines, for your stunning triumph over tyranny.

You have pulled down the soiled rag of repression and raised anew the banner of freedom.

After a long night of tyranny, the sun of liberty shines again.

Every time I come to the Philippines, no matter how joyful the occasion, I cannot help but remember the sojourn of sorrow that I made some 30 months ago.

At that tragic time, Ninoy's blood still lay on the tarmac of the Manila Airport.

The tears of his family, his friends, and his admirers were not yet dry.

His courageous vow to suffer with his people, which he uttered before his departure from the United States, still rang in my ears.

I had left the Philippines the day before Ninoy was assassinated. News of his murder reached me in Bangkok, and I immediately canceled the rest of my trip and flew back to Manila to pay my respects to his family and friends.

Ninoy had, after all, announced publicly, for the first time, his plans to return to the Philippines in his testimony before my subcommittee only six weeks earlier, and I thought it terribly important to let my Filipino friends know that there were Americans who shared their anguish over the loss of their fallen leader.

I remember going to Ninoy's home, where his family had insisted that his blood-soaked body lie in an open casket, so that the Filipino people could see for themselves what a brutal regime had done to their beloved leader.

I remember the thousands of Filipinos—young and old, rich and poor, men and women—waiting patiently on long lines outside of his home to pay homage to this latest in a long list of Filipino martyrs.

I remember his mother—his remarkable mother—Dona Aurora, who told me how she had pleaded with her son not to return, and how he had told her, "I would rather die a meaningful death than lead a meaningless life."

And I remember having dinner that evening with his sisters, Tessie and Lupita, and his friends, Doy and Soc, and how, after the meal was over, everyone there joined in singing, "The Impossible Dream."

Now, two and a half years later, we can say for certain what we hoped all along. The impossible dream has come true. Ninoy did not die in vain.

In one of the political miracles of our time, his dream has been resurrected by the courageous commitment of the Filipino people to the values for which he gave his life.

Through the miracle of modern communications, millions of people throughout America watched with awe and amazement as you put your lives on the line for democracy.

Like many Americans, I alternately trembled and thrilled at the human and political drama unfolding before my eyes.

I trembled with fear at the possibilities for massive bloodshed and even civil war.

But I thrilled at the sight of nuns and ordinary people turning back tanks with their prayers and their presence.

You have left an imperishable impression on the collective memory of the American people.

It was not simply that you sought a more just society. It was that you were willing to risk "your lives, your fortune, and your sacred honor" to achieve it.

It was not simply that you destroyed the dictatorship. It was that you replaced it with democracy.

It was not simply that you overthrew the government. It was that you did it peacefully.

You learned well the lesson imparted by Manuel Quezon in a speech at the University of the Philippines only two weeks before the Japanese attack against your country, when he said, "only those who know how to suffer and die in order to be free are worthy of that freedom."

Those who rule by the sword underestimate the power of the spirit. Forty years ago, Joseph Stalin cynically asked, "how many divisions does the people have?"

Last week we found the answer to that question on the streets of Manila. For the first time in history—in response to the call of the church—it was the people who protected the army rather than the army who protected the people.

You were privileged to participate in one of the few authentic democratic revolutions of our time. And so, it can truly be said of the Filipino people, if I can paraphrase what Franklin Delano Roosevelt once said of the American people, "to some generation . . . much is expected. This generation of Filipinos has a rendezvous with democracy."

Your triumph over the forces of repression was an event of profound significance not only for the Filipino people, but also for the United States and the friends of freedom around the world.

You showed how deeply rooted is the desire for democracy in developing, as well as developed, nations.

You demonstrated that peaceful change is possible in dictatorships as well as democracies.

And you proved that you were capable of bringing down the dictatorship on your own.

The American people were on your side, although the same cannot be said of everyone. Indeed, as the events in Manila reached their climax and the fate of your nation hung in the balance, the United States swung its support to Cory Aquino, while the Soviet Union stood behind Ferdinand Marcos.

And yet it was not we who defended the ballot boxes with our lives, you did.

It was not we who surrounded Camp Crame. You did.

It was not we who turned back the tanks—with nuns and non-violence. You did.

It is not you who are in our debt. It is we who must feel—"Utang Na Lowohb."

But it is not just the people of the United States who gloried in your victory. For the rest of time, so long as men and women yearn to be free, people will draw inspiration from your heroic achievement.

When the democratic opposition in South Korea wonders whether the generals will ever relinquish power, their friends abroad can say, "Don't forget the Philippines."

When the Taiwanese people despair, after four decades of martial law, they can revive their hopes by saying, "Don't forget the Philippines."

When the peaceful opposition in Chile, squeezed between the repression of the right and the terrorism of the left, tries to create a middle way, they can take heart in the words, "Don't forget the Philippines."

When the black majority in South Africa, is temporarily turned back in its long march to freedom, they can renew their strength by saying, "Don't forget the Philippines."

When the peaceful partisans of solidarnosc in Poland, and the Pope who has been both their protector and promoter, wonder whether there is a future for freedom in their country, they can take heart from the thought, "Don't forget the Philippines."

Above all else, however, this has been a movement of the Filipino people, by the Filipino people, and for the Filipino people. And it is on the basis of what it means for the Philippines that its historic significance will ultimately be determined.

The primary credit must necessarily go to millions of ordinary Filipinos, whose devotion to democracy made possible the elimination of dictatorship. But there were individual and institutional heroes whose contribution will be remembered so long as men and women seek freedom.

First and foremost, there was President Aquino—how terrific it sounds to use that title before her name—the self-styled housewife who embodied and who so eloquently expressed the aspirations of her people for a restoration of democracy. Her courage and determination call to mind a paraphrase of Ralph Waldo Emerson's prophetic words, "If a single woman plant herself indomitably on her instincts and there abide, the whole world will come round to her."

Because of all that she has accomplished, because of everything that she symbolizes, and because she has won a special place in the history of the twentieth century and the hearts of the American people, I have been asked by the Speaker of the House of Representatives, the Honorable Thomas P. O'Neill, to extend an invitation to President Aquino to address a joint session of the Congress of the United States.

Second, there was Vice President Laurel, who chose to give up his own Presidential ambitions for the sake of unity against the dicatorship, and whose vast expertise will be a great asset to the new government.

Third, there were the half million citizen volunteers of Namfrel, who forced the dictatorship to choose between cheating in the open and not cheating at all. President Reagan did not exaggerate when he said on January 30th that Namfrel "Makes Americans proud to have the Republic of the Philippines as a friend and ally."

Fourth, there was the Catholic Church, which sanctified participation in the electoral process and then—in a clarion call conscience—urged the Filipino people to support through non-violent means the struggle for freedom.

Fifth, there was Evelio Javier, and hundreds like him, who risked all for the sake of democracy and ended losing their lives for it. Their sacrifice calls to mind the poignant words of Jose Rizal, who once wrote, "I die without seeing the day dawning on my country. . . . You who will see it, greet it. . . . And forget not those who fell during the night."

Finally, at the critical hour, because credit must be given where credit is due, tipping the balance toward democracy, where Juan Ponce Enrile and Fidel Ramos, who risked their lives to take a stand for freedom.

But ultimately, the good works of all of these individuals and institutions rested upon the indestructible foundation of "people power."

By the millions, Filipinos demonstrated their desire for democracy. For the most part, we will never know the names of these peaceful foot soldiers in the legions of freedom. The only record they leave to history are the videotapes that show their earnest faces and outstretched hands, flashing the laban sign.

Their struggle recalls the words of Robert Kennedy in South Africa 20 years ago, "it is from the numberless diverse acts of courage and belief that human history is shaped. Each time a man stands up for an ideal, or acts to improve the lot of others, or strikes out against injustice, he sends forth a tiny ripple of hope, and crossing each other from a million different centers of energy and daring, those ripples build a current which can sweep down the mightiest wages of oppression and resistance."

I have come here today not simply to honor these acts of courage and belief, but to talk about the future and what can be done to secure it.

I want to speak to you from my heart. As someone who enlisted in your cause long before it captured the attention and admiration of the world, as someone whose own life in the last few years has been intimately bound up in your historic struggle for freedom, I have thought long and hard about the meaning of your triumph. I have thought, too, about what needs to be done to make sure that this moment of hope is transformed into an enduring foundation of freedom, rather than ending up as an evanescent episode in a long history of injustice.

The future of the Philippines is obviously a matter for the Filipino people to determine for themselves, but just as I did not hesitate, as a friend of the Filipino people, to speak up for democracy during the years of dictatorship, I hope you will understand and even forgive me if, in a spirit of friendship, I share with you my thoughts today about the future of your country.

The restoration of democracy was an antidote for years of dictatorship and decline, but it is not a panacea for the problems of the Philippines. the Communist cancer which has been spreading throughout the Philippines was the result not only of a denial of liberty, but also of centuries of economic deprivation and social injustice.

Almost 400 years after the Spanish first arrived on these shores, the truth is that the Philippines retains many of the characteristics of a semi-feudal society. The few who are rich continue to dominate the many who are poor. Nowhere else in Southeast Asia is there another country with a more inequitable distribution of income.

With the resurrection of democracy, the Filipino people have left the desert of dictatorship. But you have not yet reached the promised land of social justice and economic opportunity.

The Communist insurgency will not automatically disappear. The economy, ravaged by a decade of crony capitalism and government-led capital flight, will not instantaneously recover.

The Philippines needs fundamental democratic reforms to prevent a Communist revolution. As President Aquino herself has said:

The monopolies must be abolished.

Corruption must be eliminated.

Public confidence must be restored.

The Government must be made accountable.

Land reform must be initiated.

Rural industry must be encouraged and rural credit must be made available.

The military must be trained to protect the people rather than to abuse them.

I fear that without a profound restructuring of the social and economic life of the Philippines, leading to new opportunities for the poor to enjoy the bounty of the Nation, the fresh harvest of freedom may yet yield bitter fruit of repression.

Having succeeded in overthrowing a dictatorship cloaked in the self-righteous trappings of anti-communism, you must still meet the challenge of a Communist insurgency that poses a serious threat to your new-found freedoms.

You have only to look to the killing fields of Cambodia or the human desert that is Vietnam to know what communism would mean in the Philippines—for your political freedoms, for your economic potential, and for your religious faith.

The problems of the Philippines will require Filipino solutions. As a sovereign and independent people, only you can determine how to cope with the challenges you confront.

Yet the mystic chords of political memory have inextricably linked our two nations, and so we cannot—and we will not—remain indifferent to your fate. Having helped, in some small way to bring an end to the dictorship, America has a vital interest in the success of democracy.

I do not represent the Reagan administration. Nor can I speak for all of my colleagues in the Congress.

But I can tell you that there is extraordinary sympathy in the United States for the Filipino people and a genuine desire to be as helpful as possible to your new government as it attempts to deal with the many problems it confronts.

I have come here primarily to find out from your new leaders how the United States can be most constructive in the critical days ahead. Based on the discussions and consultations I have already had both in Manila and Washington, I believe the United States should embark upon the following six-point program for the Philippines:

1. We should do everything possible to help the Philippine Government recover the resources the Marcoses and their cronies have brought to the United States. After two decades of privilege and plunder, the time has come to return these ill-gotten gains to the Filipino people from whose pockets they were stolen and swindled. This is more than a matter of simple justice. It is also a matter of simple arithmetic.

The value of the real estate empire controlled by the Marcoses in the New York City area alone is worth roughly twice the annual level of American economic aid to your country. Better it should be used for the poor people of Manila than the Marcoses in Manhattan.

2. Recognizing the dire condition of the Philippine economy and the need for an immediate infusion of capital, the United States should rapidly disperse the almost $200 million in various forms of economic aid we have already appropriated for the Philippines. Such a step would not only help the Government to stabilize the economy, but would encourage private investors and international financial institutions to place their confidence in the Philippines.

3. The Government of the Philippines, in conjunction with the United States and other donor countries, should immediately convene a high-level working group to formulate a comprehensive plan for the economic recovery and revitalization of the Philippines.

4. The United States and other nations in a position to help should commit themselves to a multi-year, multi-lateral foreign assistance program, providing for a substantial and significant increase in the level of their aid, if the Government of the Philippines commits itself to carrying out an agreed-upon plan for revitalizing the economy.

Without a plan for fundamental reforms, additional aid is not likely to achieve the desired results. But without additional assistance, the resources necessary to implement fundamental reforms will not be available.

5. The United States should provide those surplus food commodities, such as dried non-fat milk, currently in U.S. stockpiles that can be used to alleviate the tragic malnutrition in some areas of the Philippines.

6. If President Aquino requests, and if the Philippine military undertakes fundamental reforms designed to eliminate corruption and an end to the systematic abuses of human rights that have done more to fuel the insurgency than to contain it, the U.S. should also be prepared to provide additional military assistance as well.

At a time when the United States faces enormous budget deficits and the necessity of cutting vitally important domestic programs, it would be a mistake to assume that such a proposal for the Philippines will meet with instantaneous approval.

Yet I am confident that the United States Government will work with unprecedented unity in order to be as helpful as we can.

If President Aquino brought the Filipino people together, she has also brought together the American people—Liberals and conservatives, Democrats and Republicans, the Congress and the administration—in support of political democracy and decency in your country. And that bodes well for the future relationship between our two nations.

In the final analysis, however, it will be what you do here, much more than what we do in Washington, that will determine the future of your country. Yet if people power can topple a tyrant, who can doubt that it can develop a democracy?

Almost 200 years ago, as the American Constitutional Convention came to an end, one of the delegates to that historic gathering, Benjamin Franklin, rose to deliver his concluding remarks. He pointed to a painting on the wall of a Sun on the horizon and said that throughout the course of the proceedings, he had wondered whether it was a rising or a setting Sun. Now that the convention had completed its work and was ready to present a Constitution to the American people, he was confident that it was a rising Sun.

Today in the Philippines, at the dawn of a new era in the history of your country, it can be truly said that your Sun is rising as well. Mabuhay Ang Pilipino!

NUCLEAR POTENTIAL

HON. JOE BARTON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. BARTON of Texas. Mr. Speaker, I call my colleagues' attention to a remarkable technological achievement. Yesterday our Nation became the first in history to have 100 commercially operable nuclear plants. On this historic day, we should be proud of the contribution that technology has made to our national security and that of the rest of the industrialized world. We have not only developed nuclear power for our own use, but we have shared it with the world as well.

Nuclear power did not develop accidentally in this country, nor did it fall into our laps. It took a deliberate, concerted effort on the part of several administrations, the Congress, and private industry to bring the complex technology out of the laboratory and put it to work. Why did we do it? Not because it would produce electricity "too cheap to meter," as one myth has it, but because of its tremendous potential. Glenn Seaborg, later to become Chairman of the Atomic Energy Commission, put it this way in 1952:

Even should the nuclear source never provide cheaper energy than the present common sources, it may still have an important future because of its advantages as a compact and almost inexhaustible source of energy, characteristics which give it advantages which no other fuel can come close to equalling, advantages which cannot be evaluated in terms of dollar value because there is no alternative way of accomplishing the same things at any price.

Nuclear energy proved itself economically. The majority of nuclear plants operating in this country today produce electricity at lower cost than fossil-fueled alternatives. Still, the ultimate reason for its development remains its virtually boundless potential, which is even more important now that we can see the end of our proven petroleum reserves and the tensions that competition for diminishing resources can cause.

GOALS FOR QUOTAS

HON. F. JAMES SENSENBRENNER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. SENSENBRENNER. Mr. Speaker, the administration is continuing its review of Executive Order 11246, which forbids discrimination by Federal contractors and requires them to undertake affirmative action to ensure such nondiscrimination.

Instead of focusing on equal opportunity and nondiscrimination, Department of Labor regulations focus on equal results and proportional representation through the mandatory imposition of employment goals and timetables. No finding of discrimination is necessary before the Department of Labor imposes such goals. Failure to meet the requisite goals constitutes a violation of the Executive order enforcement programs—again, even when no discrimination is alleged.

Through such administrative enforcement and judicial interpretation of the regulations, the Executive order has become a vehicle for the very racial and gender discrimination it was intended to outlaw.

The Government-imposed goals and timetables cause discrimination and otherwise operate as quotas was forcefully explained by Professor Glenn Loury, in his excellent response to a recent column by Harvard President Derek Bok.

I attach a copy of Professor Loury's column for your convenience.

[From the Washington Post]

GOALS ARE QUOTAS

(By Glenn C. Loury)

Derek Bok, in his defense of affirmative action ["Goals Aren't Quotas," op-ed, Feb. 25], makes three points:

(1) That the goals and timetables required by current regulations implementing Executive Order 11246 differ from quotas because they do not require an employer to hire a female or minority applicant who is "plainly less qualified" than a white male alternative, but do encourage "conscientious employers" to hire such applicants when their "qualifications [are] reasonably comparable to the best alternative candidates."

(2) That the use of goals contributes to the diminution of such key social problems as "jobless rates [which] exceed 40 percent for black teen-agers" and the resulting "problem for all of us that takes its daily toll through added crime, welfare payments, unemployment compensation and urban decay."

(3) That these social benefits to be derived from affirmative action are worth the admitted costs of unfairness to white males (who, he says, continue to receive "unfair advantages . . . through habits of discrimination and oversight that persist to the detriment of women and minorities"), and the possible stigma for minority and female beneficiaries engendered by the policy.

All three of these points are flawed. Let me address them one by one:

(1) The distinction that Bok draws between goals and quotas is illusory. Each involves the formulation of a numerical target for the employment of the favored groups. Each induces a change in the hiring behavior of the subject employer. And in each case that change is brought on by the employer's assessment of the consequences of failure to meet the target. Thus, one cannot distinguish a "goal" from a "quota" in those instances where the target is met; everything depends on what happens in the event of failure.

When the consequences of not meeting the target are minor, the change in hiring behavior by the subject employer will also be minor. When the penalty for failure to meet the target is severe, the change in employer behavior will be more extensive. For Derek Bok a "goal" is a target supported by weak penalties in the event it is not met, while a "quota" is a target with penalties for failure that are so severe that most employees will be induced to meet it. The distinction is one of degree, not kind.

Naturally, as a large employer with extensive government involvements, Bok prefers that his numerical targets be enforced by weak penalties. But if "quotas" imply deplorable reverse discrimination, as Bok tacitly acknowledges, then how weak must the penalties supporting a numerical target become before it turns into a "goal," and is thereby made morally acceptable? Put differently, how big must the difference in qualifications between two applicants be before they are no longer "comparable" and one of them becomes "plainly less qualified?"

Our legal and moral objection to racial discrimination against blacks is not conditional upon some minimal degree of injury being done by the act of discriminating. We believe it is wrong to treat people in that way no matter how severe the damage done thereby. Why should we reason differently when the injured party is a white male?

(2) There is not a shred of evidence that Executive Order 11246 has had a positive effect on the unemployment rate of black teen-agers, on the poverty rates affecting minority populations, on welfare dependency or on the social disruption associated with inner-city crime.

Indeed, to assert that this could be so is to contravene Bok's claim that beneficiaries of the policy are given preference only when their qualifications are "comparable" to the best alternative candidates. Most victims of the deprivation which Bok rightly decries are in no position to present qualifications comparable to those of persons not subject to the disadvantages of lower-class urban life.

The Labor Department study that Bok cites finds employment effects from the Executive Order too small to imply any meaningful impact on overall minority poverty or unemployment rates. It is a cruel hoax to suggest to the American people that the profoundly serious problems of alienation and social-economic marginality represented by the inner-city ghettos of this country can be significantly affected by a policy that bestows benefits on those who are not poor.

(3) By what reasoning or evidence does Bok conclude that the injury to white males from affirmative action "is likely to be more than offset by the unfair advantages they receive" due to ongoing discrimination against women and minorities? While this may be a plausible conclusion when considering the particular white male employees of a specific employer found to have been discriminating against women and/or minorities over a period of time, it makes no sense whatsoever when applied to white men in general.

It is a sign of how insidiously corrupting of our moral sensibilities the practice of racial preference can be that such an attribution could issue from one so committed to the cause of justice as Bok. For it implies that a white man, fresh from high school and applying for a janitor's position at Harvard, may be denied employment on the grounds that he has been the beneficiary of some generalized and unspecified discrimination against women and minorities. This conclusion, moreover, is drawn without reference to his social background or personal biography.

If all white men have benefited improperly from discrimination, why have not some white women also benefited? Would not such reasoning imply that black women should get preference over white women because the latter, while having suffered from sex discrimination, have nonetheless benefited from racial discrimination?

Finally, Bok's discussion of the problem of stigma is, at best, incomplete. He cites my own arguments in this area as carrying particular force, saying that I am one who "speaks with daunting credibility as a black who grew up on the South Side of Chicago."

Yet, my credibility to address this issue derives not from my Chicago origins but rather from my more recent experience as a black professional working in the upper reaches of a highly competitive, technically demanding profession. It was only after accepting a tenured professorship in Harvard's economics department—a professorship extended on the condition that I accept responsibilities in the Afro-American Studies department as well, and one offered despite the views of some in the economics department that I was not quite ready for such a distinguished position—that I began to learn firsthand what being an "affirmative action appointment" can mean.

It is not sufficient, when dismissing the "stigma" argument, to cite opinion polls showing that most blacks support the Executive Order as it now stands. For most blacks do not have direct experience with those environments in which the implications of being labeled an "affirmative action hire" are most debilitating. I know I speak for many blacks when I say that I resent being robbed of my opportunity to earn the highest honors my profession offers, being placed in a position where no matter what I achieve it can be said: "He would never have gotten that job if he hadn't been black."

VIEWS ON NICARAGUA

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. SWIFT. Mr. Speaker, Mr. Shirley is the mayor of Port Townsend, WA, a small community in my district that has a sister city relationship with Jalapa, Nicaragua. Jalapa is located in the northwest of Nicaragua close to the Honduran border.

In January, Mayor Shirley and a small group of fellow citizens traveled to Nicaragua and spent 2 weeks in Managua and Jalapa. What he found, and how his views changed as a result of that visit, is described persuasively in a letter Mayor Shirley has given to me.

The mayor's observations are particularly important in light of the fact he is a Republican and, in general, a supporter of the President's policies.

I submit his letter to be inserted in the RECORD, and I commend it to the attention of my colleagues.

MARCH 12, 1986.

DEAR CONGRESSMAN SWIFT: Early in the 1980s Port Townsend became "sister city" to Jalapa after local resident Doug Milholland visited Nicaragua and returned with the idea of establishing a people's diplomacy with the people of Jalapa, a town in the northern provinces that is about the size of Port Townsend. After some discussion that generated a great deal of community interest and support, the City Council passed a resolution so establishing the relationship.

Over the next year to two, small delegations of local citizens visited Jalapa, and local Port Townsend groups assembled packets of basic supplies to send to our "sister city."

In the final of 1985, I was invited to lead a delegation to Jalapa. I agreed to do so out of curiosity and out of a fondness I had developed for the Latin culture when I resided in Southern California. Our delegation included Jefferson County Commissioner Larry Dennison, and two business people who both had previously visited Central American countries. Our two-week trip was made in January, and I returned impressed by the Nicaraguans and confused by my country's approach to that nation.

I am generally known as a political conservative and I have supported much of what the current administration has proposed. But after spending two weeks in Managua and Jalapa, I can not understand why this nation has imposed an embargo and

openly supports the "contras." The embargo has proven to ban basic supplies such as wheat; it has not been limited only to weapons. Certainly, the Sandinistas are socialist, and yes they have obtained some weapons from the Soviet Union. I saw some technical staff from Cuba and from other Latin nations, but at no time did I see any evidence of foreign military forces. In the northern part of the country, where Jalapa is located and most of the "contra" attacks are made, almost every civilian—even children—carry weapons, but that is to protect themselves while they harvest coffee. I am aware that our delegation was shown what our hosts wanted us to see, but we were always allowed to talk to anyone and we were frequently on our own—in Managua, in Jalapa, and en route in between.

What I saw was a people attempting to build a country, to establish economic opportunity, freedom from want; they have a great desire to develop friendly relations with the United States. This impression was gained from our delegation's purposeful and successful attempt to meet and talk with peasants of the country.

In a discussion with the Mayor of Managua, he told me that his "people no more want to become communist than the United States wants them to." If the mayor had been coached by the Sandinistas I doubt that he would have put it quite that way.

I fear that our policies toward Nicaragua and the proposed $100 million in aid to the "contras," if approved, will only be self-fulfilling. If the country does not have access to U.S. aid and support, it is probable that they will look to the Soviets and to the Cubans for even more assistance. They may indeed become communist.

Thank you for your time and attention. With best wishes, I am

Sincerely Yours,

BRENT S. SHIRLEY,
Mayor.

CLUTCH HITTER

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. GARCIA. Mr. Speaker, I am inserting in the RECORD an article that appeared in last Thursday's New York Times. I thought it would provide a lighter moment before we begin considering a number of pressing issues such as a Gramm-Rudman inspired budget cut and aid to the Contras.

The article talks about a contract that Frank Cashen, vice president and general manager of the New York Mets, offered to financier Felix Rohatyn to play shortstop for the Mets this season.

Mr. Rohatyn declined, and the Mets will have to struggle this year without him. But I would be remiss if I didn't note that during New York City's darkest hours in the midseventies, he came through as a clutch hitter and proved himself to be the city's MVP with the bailout that eventually saved the city.

[From the New York Times, Mar. 13, 1986]

METS' CONTRACT OFFER TO ROHATYN IS LACKING CLOUT

(By Joseph Durso)

Felix Rohatyn may be one of the heavy hitters in financial circles, but he has turned down an offer to take his swings in a new job: shortstop for the Mets.

Leaving no stone unturned in their pursuit of the pennant, the Mets sent a contract for $75,000 to Mr. Rohatyn last month and then waited to announce the signing of a celebrity shortstop. But Mr. Rohatyn declined because his age was too high (58), his last batting average too low (.089 in fraternity house softball in 1949) and the salary too skimpy. Besides, he said, he throws left-handed.

It happened just before spring training when Mr. Rohatyn was reportedly being urged to run for the United States Senate this year. He was quoted as responding: "It's just not something I could do well or be comfortable doing. Besides which, I promised the Mets I will play shortstop for them next season."

That was good enough for Frank Cashen, executive vice president and general manager of the Mets. He may have had Dwight Gooden, Gary Carter and Darryl Strawberry, which is like having money in the bank. But, at shortstop, he had only Rafael Santana and nobody in particular in reserve.

He promptly fired off a "Dear Felix" letter to Mr. Rohatyn at his office at the investment banking house of Lazard Frères and Company, at 30 Rockefeller Plaza, and got right to the point:

"Having followed your career with great interest, I was pleased to learn that you are now committed to playing shortstop for the Mets during the pending season. To this end, I have enclosed your official 1986 Uniform Player's Contract and trust the terms are satisfactory.

"Also, please note the usual information on reporting dates and conditions for spring training.

"Although Rafael Santana had a satisfactory season at shortstop in 1985 and must be considered the likely starting choice, you will be given every chance to win the job and break camp with the major league club.

"If you will sign both copies of the contract in the appropriate place and return same, I will forward them to the National League office for promulgation, ultimately returning a certified copy to you for your records. All best luck in the season up ahead."

Four days later, Mr. Rohatyn replied:

"I was thrilled to get your letter with the contract for next season. Imagine my dismay when, upon closer reflection, it now appears that I will not be able to play for you in 1986 for the following reasons:

"1) My arrangements with Lazard Frères include noncompetitive clauses. It seems to me that there is not much difference between a hostile corporate takeover raid and a high inside fastball thrown at somebody's ear. We are both in show business and I am afraid that our lawyers would feel that I should stick to our kind of show biz.

"2) I am sure that Rafael Santana is a serious, hard-working young man with a great future with your club. I shudder to think what would happen to his morale if, all of a sudden, he found a 58-year-old, left-handed shortstop on your roster. I don't want to risk creating such unrest.

"3) Last, but not least, I must come to the issue of money. Your proposed contract at $75,000 per year seems to me somewhat on the skimpy side even though I recognize that my fielding has been erratic and that in my last full season (fraternity college softball in 1949), I hit only .089.

"In addition, I should point out that your proposal is way below the minimum wage scale set by the Investment Bankers' Benevolent Association and that $75,000 is what one of my very junior partners earns in one weekend, working on a deal that doesn't even go through. Nonetheless, I do appreciate that, under the circumstances, your proposal undoubtedly appears generous to you."

Mr. Cashen, who doesn't often spring for a free agent, seemed a little downcast by the rejection.

"I really didn't feel I wanted to give him the minimum, because of who he is," he said, referring to the big-league rookie pay of $60,000. "But his experience seemed a little thin."

VOLUNTEERS OF AMERICA

HON. JIM WRIGHT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. WRIGHT. Mr. Speaker, on March 8, 1986, Volunteers of America, one of the country's largest multipurpose human service agencies, celebrates 90 years of service to the Nation. Founded in 1896 in a small New York bowery mission, Volunteers of America has helped millions of Americans, providing human service programs for the elderly, youth, families, alcoholics, drug abusers, and the disabled.

Still dedicated to the principles established by its founders Maud and Ballington Booth, Volunteers of America has grown over the years to meet the new challenges of an ever-changing society. From its inception, VOA has sought to provide social service programs tailored to the unique needs of the communities it serves, and to effectively combine its social work with its Christian mission.

Because of its involvement in over 400 human care programs, Volunteers of America is uniquely positioned to actively respond to the needs of individual communities. At present, Volunteers of America serves over 170 communities across the United States providing programs which include maternity and adoption services, group homes for disabled adults, low-income housing for senior citizens, residential care for disturbed youth, and family counseling.

This year, March 2–9 has been designated National Volunteers of America Week in recognition of its founding. During that week, and throughout the years to come, we should remember the efforts of those who so willingly commit themselves to serving others and by doing so make all our lives better. Today, as we look forward to Volunteers of America's 90th anniversary, it is clear that organizations such as this do make a difference in all of our lives, renewing our faith in the philanthropic consciousness of the Nation, and rekindling our hope for the future.

HOW BEST TO ACHIEVE PEACE IN CENTRAL AMERICA

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. COLEMAN of Texas. Mr. Speaker, there has been a great deal of discussion in recent weeks about public opinion toward how best to achieve peace in Central America. The administration seems to have convinced itself that its policies enjoy widespread support, but it is apparent that the people of Texas do not share this delusion. I would like to enter into the RECORD the results of a recent poll taken in my home city of El Paso, TX, as well as an article describing the bemused reactions of the residents of Harlingen, TX, which has enjoyed sudden fame due to the President's claim—disputed by some—that the conflict in Central America is only a 2-day drive from their city.

The articles are as follows:

[From the El Paso (TX) Times, Mar. 16, 1986]

EL PASOANS OPPOSE GIVING AID TO REBELS, POLL INDICATES

(By Gary Scharrer)

President Reagan will find an unreceptive El Paso audience tonight when he goes on TV seeking converts in his crusade to get military aid for the Nicaraguan contras.

A majority of El Pasoans oppose giving military aid to anti-Sandinista rebels, according to a poll taken last week by K Associates. The poll shows that 51 percent of El Pasoans oppose giving military aid to the contras, 36 favor it and 13 percent were unsure.

Hispanics are even more opposed to Reagan's efforts to shore up the contras' guerrilla war against the Marxist-led Nicaraguan government. According to the poll, 58 percent of El Paso's Hispanic men and 65 percent of the Hispanic women oppose the aid request.

The contra aid question is one of 13 topics that K Associates surveyed in a phone interview of 200 registered El Paso voters.

The poll indicates that a solid majority supports the state's new basic competency test that public school teachers were required to take last week. Only 33 percent opposed the tests, even though the question explained that "some people feel that such an exam doesn't measure teaching ability and is a waste of tax dollars." The question also explained that "the stated purpose (of the test) is to help improve education."

According to the poll, 63 percent support the teacher tests. El Pasoans split on whether teachers should lose their jobs if they fail the test twice: 41 responded "Yes," compared to 48 percent "No."

The scientific poll has a 7 percent margin of error.

Most of the questions in the poll were provided by citizens to K Associates, which did the survey as a public service, said Bill Kaigh, a math and statistics professor at the University of Texas at El Paso.

"Legislators and public officials are constantly under pressure by special interest groups who back their interests with lobbyists and campaign contributions," Kaigh said. "Opinion polls give the general public a chance to offset this pressure.

"Public opinion is an essential part of democratic government, and polls express this opinion accurately." Kaigh said. "The alternative is vague impressions and the loud voices of special interests."

According to the poll, more El Pasoans prefer keeping abortion legal than banning it. Forty-two percent said they believe in keeping abortion legal under certain circumstances; 31 percent support legalized abortion and 26 percent believe all abortion should be illegal.

A majority—56 percent—favor El Paso City Counsel passing an ordinance to ban smoking in public places such as restaurants and supermarkets. According to the poll, 41 percent oppose such a smoking ban.

El Pasoans also support cutting services rather than paying higher property taxes; 56 percent said they would not favor increased taxes.

On other issues, El Pasoans:

"Oppose the flat tax rate proposed as a measure of tax reform.

"Oppose the Gramm-Rudman budget deficit act. Kaigh was surprised that only 38 percent of El Pasoans favor the Gramm-Rudman act. In a similar poll taken last month of El Paso Democrats only, 37 percent opposed it. Kaigh said he would have expected "to see a 10-point difference" in last week's survey of the general population.

"Support a state lottery by a commanding 69-percent-to-25-percent margin.

"Support horse racing in Texas, 58 percent to 35 percent.

"Support increasing the state sales tax instead of taxing personal income or property.

"Support a law to limit damage awards that a jury can give in a court suit.

"Depend more on television than newspapers as a source of information.

TWO HUNDRED EL PASOANS POLLED ON ISSUE

The K Associates survey on what El Pasoans think on various local, state, national and international issues consisted of 200 registered voters selected at random.

Respondents were chosen from each of the city's 24 precincts in proportion to the populations in each precinct. They were interviewed by telephone March 8-12. The poll has a statistical margin of error of 7 percent. All unsure and other responses have been omitted.

Here are the questions and percentages of answers.

1. A flat federal income tax rate has been proposed as a measure of tax reform. Because many deductions would be eliminated, some people feel this change might not be good for the economy. Do you favor or oppose a flat income tax rate? Favor 33%; Oppose 42%.

2. Although foreign aid helps people in other countries and is important for national security, some people feel that our government should instead use these tax dollars at home in the United States. Do you think that foreign aid to other countries should be reduced? Reduce 72%; Not Reduce 24%.

3. President Reagan has requested $70 million from Congress for military aid to the contras in their effort to replace the Nicaraguan government. Do you agree or disagree with United States' financial support of the contra movement? Agree 36%; Disagree 51%.

4. To balance the budget, the federal government has passed the Gramm-Rudman Act, which will reduce funding for social programs and federal assistance to local government. Based on what you know, do you generally favor or not favor the Gramm-Rudman legislation? Favor 35%; Not Favor 52%.

5. Under current United States law, abortion for any reason is legal. Which of the following is closet to your opinion? Abortion should be legal for any reason. Abortion should be legal only in cases of rape or danger to the mother. All abortion should be illegal. Legal 31%; Legal sometimes 42%; Illegal 20%.

6. Every public school teacher in Texas must take a basic competency exam this spring. The stated purpose is to help improve education, but some people feel that such an exam doesn't measure teaching ability and is a waste of tax dollars.

Do you think that teachers should be required to take this competency exam or not? Yes 63%; No 33%.

Should teachers who fail the exam twice lose their jobs? Yes 41%; No 49%.

7. Lotteries and horse racing have been effective in raising money for other state governments, but some people are morally opposed to such activities in Texas.

Do you favor or oppose a Texas state lottery? Favor 29%; Oppose 25%.

How about horse racing in Texas? Favor 59%; Oppose 35%.

8. Because of declining oil prices, Texas needs more revenue to fund education and other important services. Of the three tax options—increased sales tax, a state personal income tax or a state property tax—which single one would you oppose the most? Income 43%; Sales 10%; Property 43%.

Which single tax would you oppose the least? Income 13%; Sales 63%; Property 11%.

9. Because of the cost of increased insurance coverage, some states now limit damage amounts awarded by juries to injured parties. Do you think Texas should pass a law to limit such jury awards, or would you be opposed? Pass 62%; Oppose 31%.

10. Some people feel that El Paso City Council should pass an ordinance or law to prohibit smoking in public places such as restaurants and supermarkets. Would you favor an anti-smoking ordinance for public places? Favor 56%; Not 41%.

11. Federal assistance to local governments will be cut in the future, and some services might have to be reduced unless taxes are raised. Would you be willing to pay higher property taxes to keep city services at their current level? Yes 39%; No 56%.

12. Which one of the following local news media is your single most important source of news information—newspapers, TV or radio? Papers 39%; TV 53%; Radio 9%.

Which local TV news program do you watch the most: Channel 4, Channel 7 or Channel 9? Channel 4 39%; Channel 7 29%; Channel 9 22%.

[From the Washington Post, Mar. 16, 1986]

REAGAN HAS A TEXAS-SIZED SALES JOB

(By David Maraniss)

HARLINGEN, TEX.—The citizens of Harlingen would like to know what kind of car President Reagan drives. They are also curious as to whether he ever stops to stretch his legs during long trips. And they wonder if perhaps he exceeds the speed limit when he hits the open spaces. Answers to those questions would help them figure out what Reagan meant recently when he declared that Nicaragua was "a privileged sanctuary for terrorists and subversives just two days' drive from Harlingen, Tex."

The driving distance between Harlingen, distribution hub of the Lower Rio Grande

Valley, and Managua, capital of Nicaragua, is 2,028 miles. The highways have two lanes and a variety of obstacles: roadside burros, cows, dogs and bicyclists. There are circuitous routes through mountains and tedious stretches across deserts. Choluteca. Tegucigalpa. Guatemala City. El Jocote. Telixtlahuaca. Puebla. Mexico City. Ciudad Victoria. Matamoros. Brownsville. Harlingen. Not an easy trip, as thousands of illegal aliens can attest. Experienced truckers take three to four days. Three days is pushing it.

"You've gotta have it floored the whole way and never stop to make it in two, I would think," said David Allex, president of the Harlingen Chamber of Commerce.

"I looked at the map the other day and shook my head," said Mayor Samuel Lozano. "You have to drive through the mountains of Honduras and Guatemala just to get to Mexico, and then it's 1,200 miles through Mexico. I would say that trip would tax a person."

It has now been almost two weeks since the president placed Harlingen into the realm of geopolitical rhetoric, and people here are still baffled by both his statement and the attention it has received. With a key congressional vote on Nicaragua coming up this week, national columnists and cartoonists have had a fine time playing with the idea of this quiet, unprepossessing city, 18.6 miles from the Mexican border, as a first line of defense against the Sandinistas. The Marine Military Academy and Ghost Squadron of the Confederate Air Force, two local outfits with defense connotations, have gotten more publicity than they have had in years.

But here the whole thing is no big deal.

The local daily newspaper, The Valley Morning Star, has run one line about the episode, and that was in a wire story from Washington. "Why should we make anything of it?" asked Edd Clark, city editor. "It was just another politican running off at the mouth. Personally, I'm more concerned about Republicans and Democrats than I am about Marxist-Leninists. I think the only reason Reagan mentioned us is that Harlingen was the closest place to the border that had enough Republicans to make it worth defending."

Harlingen, though it elects Democrats locally and is 70 percent Hispanic, is Reagan country. The city and Cameron County went for him in 1984, and Harlingen promised enough support in 1980 to bring Reagan down for a compaign stop. It is not by accident that Phil Gramm, the Republican senator from Texas, has his district office here. But when it comes to Central America, specifically whether the United States should send military aid to the rebel contras seeking to overthrow the leftist Nicaraguan government, Harlingen appears to be no different from Congress and the rest of the country: unconvinced.

"I support President Reagan on some things, but I think we're meddling a little too much in the affairs of other countries right now," said Rodric Morrogh, a safety engineer, as he strolled through the Valle Vista Mall. "I understand the danger of communism, but you don't fight it with guns. The Soviet Union can match us dollar for dollar on guns. But they can't compete if we help clothe and feed the poor people."

Seated on a wooden bench inside the mall that day were two retired men who had moved to Harlingen from Chillicothe, Ill., the home district of House Minority Leader Robert H. Michel.

"I don't want the commies creeping up through our back door," Byron Brumhead said. "But I've never really worried about them Nicaraguans coming up here to Harlingen. The problem isn't invasion. They move slowly, the communists. It's a slow buildup, and they're here and you didn't even know it happened."

"I'm kinda for stopping them right there in their country," Homer Gill said, "My wife, she's against it. She thinks her grandchildren will end up in the war."

Down the highway a few miles, at the Harlingen Country Club, home of the Life Begins at Forty golf tournament, retired doctors Robert Stein, formerly of Lincoln, Neb., and O.G. Linimon, formerly of Houston, said they were not especially concerned that Sandinistas might cruise up the Pan American Highway, invade Harlingen and delay their morning tee time.

"You have to understand one thing about us", Linimon said. "We're retired people. We don't concern ourselves with politics anymore. We have nothing to say about Central America one way or another. All we want to do is play golf. I don't think anyone's gonna invade this golf course, at least not in my lifetime."

Lozano, the Democratic mayor, said he appreciates the publicity Reagan has given his city, but he is more concerned about drug trafficking than about possible terrorist attacks. "That's the real problem here now," Lozano said. "The drug smugglers have found this area a little bit unprepared to deal with them."

Silvestre Reyes, chief of the Border Patrol in the Rio Grande Valley, said drugs are moving across the river at an unprecedented rate. In 1985 his agents in this sector made 159 drug seizures worth $6.7 million. So far in 1986 they have made 287 seizures worth $28.8 million. Reyes said his agents arrested more illegal aliens this February than during any month in history. Among the 10,289 illegals arrested last month were 1,100 from Central America. The patrolmen are on the lookout for terrorists, Reyes said. "We have certain profiles to watch for."

At the edge of Harlingen on Highway 77, the route up from Mexico, stands the Texas Tourist Bureau, a gleaming new facility with a reflecting pool, brick courtyard and red-white-and-blue bunting. "Bienvenidos a Texas," reads the sign outside. "The friendship state welcomes visitors to this land of contrast . . . land of cotton fields and citrus groves, mile-high mountains and semitropic valley, rolling sand dunes and booming oil fields. Texas, blend of drawling cowboy and city sophisticate, old world charm and progressive ideas, thrill-packed rodeos and gay fiestas. Descrubra Texas Para Un Mundo de Differencia."

Inside the tourist office, Sam Martinez, the manager, said he has seen Nicaraguans there on occasion. "I would say very seldom do we get them," he said. "They are illegal aliens, mostly. They huddle over there near the drinking fountain and take turns using the facilities."

SUPPORT FOR RISK RETENTION GROWS

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. WYDEN. Mr. Speaker, over the past 3 years, liability insurance premiums have gone through the roof, threatening to hamstring or drive out of business restauranteurs, small businesses, child care providers, corporate directors and officers, nonprofit organizations, local governments, hazardous waste disposers, nurse-midwives, schools, truckers, accountants, physicians, architects, and other professionals.

Some of these business owners and professionals have had their coverage canceled midpolicy, faced quadruple digit increases in premiums, or been subjected to reduced coverage with increased deductibles. Still others have found coverage unavailable at any price.

On March 4, 1986, I introduced the Risk Retention Act Amendments of 1986, H.R. 4301. Furthermore, in my own State of Oregon, I have started a coalition of small business owners, day care providers, social service agencies, truckers, manufacturers, and others dedicated to getting this legislation passed and signed into law before the end of this Congress.

My legislation, H.R. 4301, the companion to S. 2129 introduced by Senator KASTEN, expands the Product Liability Risk Retention Act of 1981 to allow businesses, professionals, associations, State and local governments, and other individuals and organizations to pool resources to purchase general liability coverage.

This measure is not a panacea for the current liability insurance crisis. It does not preempt the need for addressing the long-range issues of regulatory or tort reform.

But in the meantime, business owners and professionals in this country need a way to help themselves.

I think risk retention will help provide that opportunity, and I firmly believe that we must move quickly to pass this measure in order to avert certain doom for many of our business owners and professionals who stand to lose everything before this crisis is over. I'm commending to my colleagues this editorial from Business Insurance, a leading trade publication of the insurance industry.

[From the Business Insurance, Mar. 10, 1986]

SPEEDY ACTION IS CRITICAL

Amendments proposed to broaden the scope of the Risk Retention Act of 1981 should be passed as soon as possible, but at least by summer.

There's no time to waste in providing businesses with new risk funding alternatives.

Under amendments to the act introduced in the Senate on Feb. 28, businesses, certain professionals and municipalities could form purchasing groups to collectively buy insurance or create risk retention groups to collectively self-fund all liability risks except workers compensation (see story, page 1).

Currently, the Risk Retention Act offers the risk retention group risk financing alternative only to product manufacturers, distributors, wholesalers or retailers to cover their product liability risks. The purchasing group option is more widely available, but the purchase of product liability insurance must be one of the group's purposes.

Businesses, unable to purchase affordable commercial liability insurance—and sometimes any insurance at any price—deserve, as soon as possible, the opportunities to solve their insurance problems offered by an expanded Risk Retention Act.

Basically, the act makes it easier for businesses to join together to buy insurance or collectively self-fund their risks by eliminating the problems of satisyfing varying state insurance laws around the country.

We recognize that opening up group insurance purchasing and group self-insurance creates new risks, such as poorly designed group insurance programs and the possibility that some risk retention groups could under-reserve for future losses. However, we believe that businesses in these groups will do a good job of policing their own activities because each will want to be sure that its coverage for losses is sound. Furthermore, we believe that the regulation of these groups in one state, as called for in the act, will suffice to prevent most, if not all, problems.

It's particularly important that Congress act quickly to expand the Risk Retention Act, or else history could repeat itself.

The concept of a risk retention group grew out of studies of the product liability insurance crisis of the mid-1970's. But, it took until the fall of 1979 for the act to be developed, and it took Congress more than two years to pass the Risk Retention Act. By the fall of 1981, when the law was passed, businesses had already suffered through the worst of a tight insurance market and commercial product liability insurance was becoming readily available.

If Congress stalls these amendments for two years, commercial insurers will be well on their way to financial recovery, and we expect the crisis in insurance pricing and availability will be easing. But, for two years, companies will have been damaged by inadequate risk financing programs to the extent that some could be driven out of business or choose to close their doors.

The sooner these amendments are passed, the sooner businesses can develop desperately needed solutions to the grave problems of high-priced insurance and even worse, no insurance.

THANKS TO PIZZA HUT

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. LELAND. Mr. Speaker, I would like to take this opportunity to commend one of the local corporations in my district for its good work in the community. Pizza Hut has promised again this summer to employ over 200 young people in Houston. Pizza Hut will employ these young black people through a new employment program called Job Plus—an employment program that promises to employ Houston's youth in meaningful work experiences.

In light of the serious economic troubles facing my city of Houston, in particular, and the rest of the Nation, Pizza Hut's contributions in combating the rising tide of youth unemployment are even more welcomed and appreciated. Providing young men and women with an opportunity to demonstrate their skills in the workplace, is an invaluable first step in their growth as independent and responsible members of the community.

I hope that other businesses and corporations in Houston and other cities across the country will look to Pizza Hut as a role model and make similar contributions in their communities. Again, I sincerely thank and commend Pizza Hut for their priceless contribution to Houston and its youth.

A CONGRESSIONAL SALUTE TO THE LATE EDWARD J. JAMISON

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. ANDERSON. Mr. Speaker, it has recently been brought to my attention that a leader in our community, Mr. Edward J. Jamison, has passed away. I take this opportunity to pay tribute to Ed.

A native of Ohio, Ed served in the U.S. Navy during World War II and the Korean War. After an honorable discharge from the service, Ed spent the next 25 years as a sheet metal mechanic and was a member of the Sheet Metal Workers Local 420.

Ed Jamison was my opponent in the 1980 Democratic congressional primary and although he and I held slighlty different views on the controversial subject of abortion, I always admired him for his longstanding commitment to the issue. Ed will be remembered for the many contributions he made to the pro-life movement in California. He was past president of the California Pro-Life Council and at different times, was a vice president and treasurer of the council in southern California. He was also the founder of Alliance for Life and the Long Beach Voice for the Unborn. According to his wife, Lupe, at the time of Ed's death, he was working toward getting homes started for women with problem pregnancies. This initiative, which as typical for Ed, is indeed commendable.

In addition to Ed's pro-life activities, he served as extraordinary minister and lecturer at Holy Innocents Catholic Church and was a member of the Holy Name Society and catechism instructor at St. Lucy's Catholic Church.

During his lifetime, Ed contributed a great deal to his country, his State, and certainly to our community, and for that we are indeed grateful. Although he is no longer with us, you can be sure his spirit lives on.

My wife, Lee, joins me in expressing our sincere condolences, to Ed's widow, Lupe, and their children, Mary and Gregory Jamison, Paul Ferrel, Colleen Triesch and Maureen Ferrel, at this time.

CDBG: AN IMPORTANT FEDERAL PROGRAM

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. FRANK. Mr. Speaker, the Community Development Block Grant Program is one of the most important Federal programs. It provides needed sevices for communities, the formula is a progressive one that responds to need, and legislation enacted by Congress requires that the bulk of the funds go for people who are in particular need of services.

Unfortunately, the Reagan administration seems oblivious to the merits of this program and has been whittling away at it. The city of Fall River, which I represent, is an example of an older industrial city fighting hard to regain economic prosperity, and meeting with some success, in part because of its constructive and responsible use of various Federal funding programs. The Community Development Block Grant Program is one of the most useful in the city of Fall River and I have seen first hand the important work that is done there under the leadership of Mayor Viveiros.

Recently, the Fall River Herald News, which does an excellent job of working for economic progress in the city, ran an editorial about the importance of the Community Development Block Grant Program. The editorial is thoughtful and accurate and I include it for your attention.

NEED COMMUNITY DEVELOPMENT

The public hearings of the Community Development Agency were held as usual last week, as they have been annually at this time for the past several years.

This time they were slightly different than usual, however, because many of those speaking in favor of a favorite project also pointed out how much has been done for the city by the Community Development Agency in the past.

The reason for the tributes and the concern is obvious enough. No one knows what lies ahead for the Community Development Agency.

It may very well be one of the casualties of the current drive to reduce the federal deficit.

At the moment the administration has proposed a 30 percent reduction in the Community Development Block Grant program, to become effective July 1.

Whether that reduction will be endorsed by Congress is not yet clear, but it must be said that there has been little disposition on the part of congressional leaders to rally to the defense of programs of this kind.

Urban action groups from all over the country has stressed the importance of Community Development block grants, but without being able to affect the administration's apparent determination to reduce, if not eliminate, them.

Most cities have used the block grants for vital services of all kinds.

If the funding for these services is reduced, that by no means implies that the need for them has declined.

There is no such thing as a decline in the need for street repairs, for instance.

As the Mayors' Association has pointed out; the cities are in no position to pay for necessary repairs themselves.

The chances are that here in Massachusetts, the state government will make up part of the monetary loss from Community Development block grants if the administration's 30 percent cutback goes into effect.

But nobody knows the mechanism by which this would be done, and in any case, the whole elaborate as well as efficient apparatus by which the Community Development Agency arrived at its decisions would be sacrificed.

The proposed reduction in funding is obviously the most serious threat to the agency, but if it becomes necessary for the state to take over some of the funding for this purpose, it should try to maintain the existing mechanism for determining which of many possible projects will be implemented.

The Community Development Agency here in Fall River has an enviable reputation, and the respect of the entire city.

Certainly Fall River hopes that federal plans for cutbacks in the agency's funds will not succeed, but if they do, then it hopes that the state and city governments, working together, will develop some means of maintaining the CDA's present procedures.

Those procedures are fair, efficient and highly productive.

THE PRESIDENT'S BUDGET

HON. DAN SCHAEFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. SCHAEFER. Mr. Speaker, I would first like to express my heartfelt thanks to my colleagues across the aisle for looking out for us in the minority, and bringing the President's budget to the floor. It was indeed a noble gesture.

Correct me if I'm wrong, but I thought it was the role of Congress, not the President, to put together this country's budget. Is the President's budget not a starting point from which Congress composes its own budget resolution? Or perhaps we should consider all President Reagan's initiatives on the floor. In that case, I look forward to seeing the President's tax reform proposal on the agenda. The American people would be much better off with it than what finally passed the House.

Yes; I voted against the President's budget last Thursday, but not because I didn't agree with the guidelines he set forth. He presented a budget which, until proven to me otherwise, met Gramm-Rudman targets without a tax increase, without cuts in Social Security, without decimating low-income programs and without jeopardizing our national security. Our own Budget Committee would do well to adopt similar goals.

But that's not to say the President's proposal should be adopted as the budget for the United States, I have specific difficulties with his proposal, such as the magnitude of the increase in defense. In a bipartisan fashion, we should iron out these differences and produce a compromise which embodies as many of our individual priorities as possible. And we have to do this by April 15 under Gramm-Rudman.

I trust those across the aisle enjoyed Thursday's session of President bashing. I wonder if we can now get on with the business at hand and produce a budget of our own before the deadline. And let me recommend a responsible effort meeting Gramm-Rudman targets without a tax increase, or I will once again push the nay button.

We've had our fun. But it won't be fun this October explaining to our constituents that because Congress failed to put together a responsible budget they have to suffer through another round of sequestration. The way I see it, not counting recesses, Congress has less than a month to compose and pass the fiscal 1987 budget. I'll believe it when I see it.

Oh, by the way, since House leadership has now started looking out for those on the minority side, how about vote on the balanced-budget amendment, Mr. Speaker? The American people sure would appreciate it.

BLACK HISTORY MONTH

HON. TOMMY ROBINSON

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. ROBINSON. Mr. Speaker, as Black History Month 1986 draws to a close, it is most fitting that all Americans, particularly those of us from the South, take a few moments to reflect upon our shared culture and heritage, especially the significant role that blacks have played in the development of the country and the South.

I want to share with Members of the House the fantastic research project going on in my home State of Arkansas. This effort, called "Persistence of the Spirit," reveals for the first time the part played by black Arkansans in the 300 years of the State's history. During the celebration of Arkansas' sesquicentennial year of statehood this special project will include a touring photographic exhibit, accompanying historical pamphlets and free public lectures.

With funding from the Arkansas Endowment for the Humanities, the National Endowment for the Humanities and leading Arkansas corporate citizens, the project is under the direction of Ken Hubbell. Already, "Persistence of the Spirit" has uncovered hundreds of stories which otherwise might never have been widely known. One such story was discovered and written by Tom Dillard, a historian and member of the research team about Mifflin W. Gibbs.

The text of the story follows:

M.W. GIBBS SUCCESSFUL IN MANY CAREERS

When slavery ended after the Civil War, black Arkansans were able to turn their attention to business activity. Most blacks, like most whites, made their living as small farmers or as farm workers. However, a surprising number of blacks were able to enter the business world. Mifflin Wistar Gibbs of Little Rock was one of the more successful.

Born in Philadelphia, Pennsylvania, in 1823, Gibbs joined the California gold rush in 1850 and he became a successful merchant. Later, he moved to Victoria, Canada, where he ran a large store and helped open a coal mine.

In 1871 Gibbs moved to Little Rock where he soon established himself as a lawyer and politician. In November, 1873, Gibbs was elected Little Rock Police Judge, the first black man to win a city judgeship in American history.

When he was not involved in politics, Gibbs occupied himself with business activity. He was especially interested in buying land and his law firm doubled as a real estate agency. He often urged his fellow blacks to buy land that would bring economic independence.

The years after the Civil War were times of great economic and industrial expansion in America, ranging from railroad construction to the formation of giant insurance companies.

Gibbs invested in a large number of business ventures, ranging from the Arkansas Anthracite Coal Company to the Little Rock electric power plant. In 1903, he organized the Capital City Savings Bank and later the People's Mutual Aid Association, a health insurance company. In 1907 a nationwide economic "panic" occurred and the Gibbs' bank was closed.

Despite the failure of his bank, Gibbs was still a wealthy man. He shared his resources with the less fortunate, including a donation to establish the M.W. Gibbs Old Ladies Home, a rest home for poor elderly black women.

When he died in 1915, Gibbs was mourned by both black and white. He had shown the black Arkansans could play an important role in the business life of our state.

COSTA RICA AND NICARAGUA SIGN BORDER AGREEMENT

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. BARNES. Mr. Speaker, the administration argues that Nicaragua has repeatedly failed to pursue bilateral and multilateral negotiations in order to deal with its neighbors' security concerns. And yet on March 12, the Governments of Costa Rica and Nicaragua signed an agreement establishing a Permanent Commission to investigate border incidents.

This agreement marks a turning point in the search for peace in Central America. Thanks to the efforts of the Contadora and Support Group nations, Nicaragua and Costa Rica have established a viable mechanism to deal with a serious problem, border incidents that have occurred in the past due to the presence of Contra forces on the border.

The Permanent Commission will be composed of representatives of Contadora, the Support Group, and the Central American nations and will be divided into an Executive Commission and an Inspection and Observation Group. Its main function will be to investigate and carry out on-site inspections of incidents that could lead to border tensions.

There are reports in the press that the administration is irritated at Costa Rica for pursuing this agreement with the Nicaraguans because the agreement contradicts the administration's statements that Nicaragua is not sincere about negotiations.

But this agreement demonstrates what we have said all along: Negotiations are a viable alternative to the administration's military approach. If the administration were serious about its statements in support of Contadora, it would withdraw its Contra request and would respond positively to the request for material and financial support contained in the agreement. Peace is possible in Central America. Let's vote no on aid to the Contras.

A copy of the agreement follows:

TEXT OF THE AGREEMENT SIGNED BY COSTA RICA AND NICARAGUA

In an effort to create a climate of trust and security in the border region that will be compatible with the peace initiative of the Contadora Group, the Deputy Foreign Ministers of Costa Rica and Nicaragua, in the name of their respective governments, have decided to formulate with the utmost urgency an agreement that will establish a Permanent Commission for the investiga-

tion and inspection of border incidents, based on the following understandings:

(I) TYPE

(1) It is a permanent civil mission that will have the help of technically qualified defense and security advisers.

(II) FUNCTIONS

(1) Observation, investigation and on-site inspection of those incidents or activities that could lead to tensions in the border region.

(2) Preparation of reports and recommendations to the Governments of Costa Rica and Nicaragua, as well as the member countries of the Commission.

(III) COMMITMENT OF THE PARTIES TO THE AGREEMENT

(1) The Governments of Costa Rica and Nicaragua pledge themselves to implement the recommendations made to them, or to take the necessary measures that will allow the clarification of the situations that motivated the investigation.

(IV) STRUCTURE AND MEMBERSHIP

(1) An Executive Commission composed of civilian representatives from the participating countries (Costa Rica, Nicaragua, Contadora Group and the Support Group). This Commission will be the Executive Organ and will function with rotating coordination provided by the Contadora Group and the Support Group.

(2) An Inspection and Observation Group composed of defense and security advisers from the Contadora countries and the Support Group, to be based on both sides of the border.

(V) SECURITY OF THE COMMISSION

(1) The Governments of Costa Rica and Nicaragua will provide all available means to guarantee the integrity and security of the Commission.

(VI) SUPPLIES AND FINANCING

(1) Contributions from the Governments of Costa Rica and Nicaragua in their respective countries. The Governments of Costa Rica and Nicaragua commit themselves to provide lodging, food, sanitation and offices with secretarial staff and office equipment. The supply of fuel is yet to be decided. Similarly, these same parties will facilitate the use by the members of the Commission of their communication systems in those cases where circumstances allow it and if the capabilities of the host country makes it possible.

(2) To carry out the aforementioned objectives of the Commission, both parties agree to make the necessary financial arrangements to achieve the stated goals.

(3) Contributions from the Governments of the Contadora Group, the Support Group and other countries.

The Governments of Costa Rica and Nicaragua expressed the need to make the Commission viable by supplying it with air transportation, river boats, light weight vehicles and communication equipment, as well as the necessary crew, mechanics, operators and spare parts for the vehicles. In this respect, both countries request that the Contadora Group and the Support Group seek the assistance of the international community to obtain the material and financial support needed for the Mission.

(VII) IMMUNITIES AND PRIVILEGES

In order to guarantee the carrying out of the Commission's work and the safety of its personnel, questions relating to immunity, privileges and facilities will be defined in a separate agreement between the Governments of Costa Rica and Nicaragua and the Governments of the countries participating in the Commission.

Until such an agreement is reached, both parties agree to extend the same privileges and immunities of the Vienna Convention on Diplomatic Relations to the members of the Commission, if they are attached to the respective diplomatic missions, based in one of the two countries.

(VIII)

Matters pertaining to insurance and civil responsibilities will be addressed later in the agreement.

(IX)

Within the framework of these negotiations, the Governments of Costa Rica and Nicaragua requested of the representatives of the Contadora countries and the Support Group that, with the participation of representatives of the two countries, a general reconnaissance of the zone along the common border be carried out as soon as possible.

In order to carry out this reconnaissance, both governments will make available the resources and facilities at their disposal.

The agreement to be signed will be in effect for one year. It will be automatically renewable for periods of one year. After the first year, either of the parties may renounce it, provided it states its intentions in writing to the other party six months prior to the renewal date, and notifies the participating countries.

Done in San Jose, Costa Rica, on this 12th day of March, nineteenth hundred and eighty-six.

GERARDO TREJOS,
for Costa Rica.
VICTOR HUGO TINOCO,
for Nicaragua.

TELEPHONE DECENCY ACT OF 1986

HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. BLILEY. Mr. Speaker, I am joined today by over 30 of my colleagues in introducing the Telephone Decency Act of 1986. The purpose of this bill is to amend section 223 of the Communications Act of 1934 to prohibit obscene and indecent communications for commercial purposes by means of telephone to any person, regardless of age. This amendment is necessary as the history of this legislation will show.

The original section 223, as passed in 1968, prohibited obscene, lewd, lascivious, filthy, and indecent communications by means of telephone. The law did not state that the maker of the comment must also be the maker of the call, so the service dial-a-porn, in which a caller accesses by phone a tape-recorded message of an obscene nature, was clearly covered by the language of the statute. However, because dial-it services did not exist when the law was passed, the FCC claimed uncertainty concerning its ability to act.

In September 1983, I proposed an amendment to the FCC reauthorization legislation which would have clarified the law by stating that the pornographic communications were prohibited regardless of who placed the call.

However, on the last day of the legislative session of the House in 1983, November 18, an agreement was reached on the House floor to replace the text of this amendment with that which we have in the law today. Members of the Judiciary Committee made it quite clear that they would demand a sequential referral to their committee if their language was not accepted. The substitute permitted obscene and indecent communications to adults but not to children. It also required the FCC to promulgate regulations describing methods by which dial-a-porn providers could screen out underage callers, and specified that compliance with such regulations constituted "a defense to a prosecution." The President signed this legislation into law on December 8, 1983.

The FCC has twice attempted to satisfy the requirement of the 1983 amendment which instructed it to formulate procedures which would prevent children from gaining access to dial-a-porn with the slightest inconvenience to adults. The first set of regulations, which placed time-of-day restrictions on dial-a-porn, were set aside by the Second Circuit Court of Appeals. On October 16, 1985, the FCC released new regulations requiring an authorized access or identification code or payment by credit card. Carlin Communications, Inc. has challenged these regulations, and the Second Circuit Court held a hearing on this on December 19, 1985. The regulations were scheduled to go into effect on November 25, 1985, but the FCC issued a stay pending court review. The new date on which they were scheduled to take effect was December 26, but on December 20 the court took its only action to date in the case by issuing another stay pending its decision.

In the 27 months during which dial-a-porn has been technically illegal, these services have spread from New York to many other major cities around the United States. Four of the seven major telephone companies carry this dial-it service and it is being considered by a fifth. Just last week a representative from Pacific Telesis testified at a Telecommunications Subcommittee hearing that the company was forced to carry these "adult entertainment" services.

The amendment my colleagues and I are introducing today will stop this abuse of telephone communication once and for all. The changes we are suggesting are simple and take into consideration Supreme Court decisions with regard to obscene and indecent speech. In fact, we are doing nothing beyond restoring the original intent of my 1983 amendment which, you will remember, was a clarification of the law. It was not until 1983 that obscene and indecent communications over the phone became legal. Our purpose is to restore, not change. Parents around the country are crying for us to rectify the situation.

This amendment is constitutional. We have many court decisions stating clearly and confidently that obscenity is not protected by the Constitution. To quote Roth versus United States, "We hold that obscenity is not within the area of constitutionally protected speech." Though in Stanley versus Georgia the Court ruled that adults may possess obscene mate-

rial in their homes, the Justices ruled in United States versus Orito that this does not create a correlative right to receive it, transport it, or distribute it.

One of the objections to my original 1983 amendment was that it did not take into account the Supreme Court's decision in Butler versus Michigan which stated that a "harmful to minors" standard cannot be applied to adults and children alike, because then it would reduce the adult population to hearing only what is fit for children. This is a misinterpretation of *Butler.* That case applies where the distributor of indecent material can differentiate between adults and children. This cannot be done when the child calls a tape-recorded message. The ruling that better applies is FCC versus Pacifica Foundation. Telephone is more like radio and television because it is easily accessible to children and it is almost impossible for parents to monitor its use.

The FCC versus Pacifica ruling stated:

We held in *Ginsberg* v *New York* . . . that the government's interest in the "well-being of its youth" and in supporting "parents' claim to authority in their own household" justified the regulation of otherwise protected expression . . . The ease with which children may obtain access to broadcast material, coupled with the concerns recognized in *Ginsberg,* amply justify special treatment of indecent broadcasting.

The FCC ruling was restricted to radio and TV, but the reasoning applied to these could easily apply to telephone. Telephones are in most every home and the communications are easily accessible to children.

I would like to make one final point to emphasize the need for this legislation.

Aside from the addictive effect of this obscene material on children, and I have testimony on this from a psychologist who has studied the effects of dial-a-porn specifically, it concerns me that many of these children may believe that the person they hear is something to be imitated. It is not unreasonable to assume that a 12-year-old girl will listen and think to herself, "Is this what is expected of me? Is this how I'm supposed to act?" Or perhaps a teenage boy is listening. Might he not think, "This is how girls should act, and this is the way they want me to respond." Remember, now, we are talking about acts of sodomy and all the violence which accompanies these acts. How can these children grow up with a proper notion of sexual intercourse, that is the union of a man and woman who already share a mutual feeling of respect and love, when they hear the moans and guttural sighs of a woman in pain?

Think again of a child of 8 or 9 who is not even old enough to have normal sexual desires. This may be his or her first impression. How many of us, to this day, remember some shocking or influential event from our childhood which instantly made an impression on us and formed an opinion, inclination, or revulsion in us?

Mr. Speaker, my colleagues and I are dead serious about this bill. We firmly believe it is vitally necessary for our children, and that the present situation is a scandal to our country and a slap in the face of our Founding Fathers.

H.R. —

A bill to amend the Communications Act of 1934 to restrict the making of obscene and indecent communications by telephone

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Telephone Decency Act of 1986".

SEC. 2. AMENDMENTS.

Section 223(b) of the Communications Act of 1934 is amended—

(1) in paragraph (1)(A), by striking out "under eighteen years of age or to any person without that person's consent";

(2) by striking out paragraph (2);

(3) in paragraph (4), by striking out "paragraphs (1) and (3)" and inserting in lieu thereof "paragraphs (1) and (2)"; and

(4) by redesignating paragraphs (3), (4), and (5) as paragraphs (2), (3), and (4), respectively.

MARKET ACCESS BARRIERS TO UNITED STATES SODA ASH EXPORTS TO JAPAN, KOREA, AND TAIWAN

HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. DAUB. Mr. Speaker, as a member of the House Ways and Means Committee which has jurisdiction over trade legislation, I have been staunchly opposed to protectionist legislation. Such measures have an awesome potential to wreck havoc with the American economy in particular the already hard-hit American farmer. Simply put, arbitrarily closing our markets to foreign goods means their markets will be closed to ours and sectors like agriculture will again take one on the chin.

Free trade is, however, a two way street. Where unfair trade barriers exist to our exports, we are obliged to work to remove them. This is the case with American soda ash exports to Pacific rim countries, especially Japan.

For some time now I have been watching the case of the soda ash industry that has great potential for generating new exports and creating new jobs in America's heartland. It is an export industry that will grow 9 percent this year in spite of a strong dollar and one that is responsible for over 20,000 U.S. jobs. However, it is an industry that is being denied fair access to countries that maintain major trade surpluses with the United States.

Soda ash is the basic raw material for glass. The United States is fortunate in having a unique deposit of the mineral used to manufacture soda ash, in fact enough to supply world demand for over 1,300 years. We can produce soda ash at a cost much less than any competitor in the world because we use half the energy and 60 percent of the manpower required by plants elsewhere. Where the United States has fair access we've captured better than 50 percent of the domestic market.

But in high-consumption countries like Japan, and fast growing markets such as Korea and Taiwan, United States market share is much smaller than it should be due to unfair import barriers.

Japan is the most blatant example of fairness. There, United States soda ash is so clearly barred from competition that the Japan Fair Trade Commission itself ruled in 1983 that domestic soda ash producers and distributors had violated Japan's antimonopoly laws on numerous counts. Despite these findings, little or no actions have been taken by that Government to end the anticompetitive practices. The result continues to be loss of U.S. sales and new job opportunities.

United States soda ash exports are very competitive with Japanese production. In fact, 78 percent of soda ash production in Japan has a cash cost in excess of the landed cash costs of American soda ash imports. Despite our tremendous cost and quality advantages the United States has less than 20 percent of Japan's market.

Were Japan to enforce its anticompetitive ruling of 1983, United States exports would grow significantly. New exports of soda ash would translate into 500 to 700 new jobs for the U.S. producers and shippers of soda ash. These jobs would be created chiefly in Nebraska and Wyoming where the Union Pacific Railroad System is closely involved with moving soda ash exports to west coast ports.

Recently, I requested that the Japanese Embassy ask for a Japanese Government evaluation of import barriers to our soda ash exports. They have undertaken this evaluation and I will be letting the House know of the results of review. The administration has also been raising this issue with the Japanese.

Whereas Japan's unfair barriers are the most egregious, Korea and Taiwan also impose tariff and nontariff barriers to protect inefficient and outdated soda ash producers. Both countries have exceedingly high tariffs for a basic industrial commodity in addition to maintaining government-sanctioned import barriers that prevent U.S. exporters from capturing a fair share of their markets.

Soda ash is an American success story. We have the world's largest natural mineral reserves and the world's most efficient production methods. It is a prime example of America's natural resource capability being exported with a state-of-the-art technology. United States sales and jobs should not be denied because Japan refuses to enforce its own antimonopoly laws and because Korea and Taiwan protect inefficient producers through unfair import barriers. I will continue to urge our trade negotiators and representatives of those governments to address these issues so that a fair solution can be achieved soon.

THE GLOCK 17

HON. ROBERT J. MRAZEK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. MRAZEK. Mr. Speaker, I urge you to join me and Representative TED WEISS in supporting our crucial amendment to prevent

a deadly new generation of plastic firearms from gaining a foothold in the United States. These yet-to-be-marketed firearms are invisible to x-ray machines and metal detectors, and are custom-made for terrorists.

Several weeks ago, the Glock 17, an Austrian handgun made partly out of plastic, made its first appearance in United States markets. Clearly, it is only the first of what will soon be far more sophisticated plastic weapons. The president of the National Association of Federally Licensed Firearms Dealers recently predicted that a 100-percent plastic gun will soon be manufactured domestically.

This prediction cannot be ignored. Unless Congress takes action, these undetectable plastic weapons may soon render the security measures of every airport in the country obsolete. My amendment aims to prevent plastic guns from becoming a security threat.

The amendment, which exempts military and law-enforcement personnel, would not affect any firearm currently manufactured in the United States, nor would it affect the vast majority of imported guns. Instead, it would prohibit the domestic manufacture of new firearms and the importation of any firearm that the Secretary of the Treasury determines is not detectable by standard airport security equipment.

We must act now to prevent these deadly weapons from ever becoming a security threat. Please join me in voting for this vital amendment to keep invisible plastic guns out of terrorist hands.

The amendment follows:

AMENDMENT TO H.R. 4332, AS REPORTED, OFFERED BY MR. MRAZEK OF NEW YORK

At the end of the bill add the following new section:

SEC. 16. PROHIBITIONS WITH RESPECT TO CERTAIN FIREARMS.

(a) MANUFACTURE.—(1) Section 922 of title 18, United States Code, is amended by adding after the subsection added by section 2 the following:

"(o) Except as provided in section 925(f) of this title, it shall be unlawful for any person to manufacture any firearm that the Secretary determines is not—

"(1) readily detectable as a firearm by the standard security equipment commonly used at airports; and

"(2) readily identifiable as a firearm.".

(2) Section 925 of title 18, United States Code, is amended by adding at the end the following:

"(f) The Secretary shall declare an exemption from the prohibition of section 922(o) of this title with respect to firearms of a type determined by the Secretary to be identical to a type designed and produced in the United States for commercial sale before January 1, 1986.".

(b) IMPORTATION.—Section 925(d) of title 18, United States Code, is amended by inserting at the end the following: "The Secretary shall not authorize under this subsection the importation of any firearm that is not readily detectable as a firearm by the standard security equipment commonly used at airports and readily identifiable as a firearm.".

THE UNITED STATES STANDS ISOLATED ON CONTRA AID

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. BARNES. Mr. Speaker, as we begin the debate on House Joint Resolution 540, I think it is important for this Congress to recognize what is now obvious: None of our democratic allies in this hemisphere or around the world supports our policy of aid to the Contras.

According to a recent story that appeared in the Washington Post:

The diplomatic mood in Latin America has tipped against Washington in recent months, weakening the Reagan Administration's sales pitch to Congress for aid to the Nicaraguan rebels and isolating the United States in the region on the issue.

In his article, Robert McCartney quotes senior diplomats from Latin America and other Western countries as saying that: "Such U.S. involvement only aggravates the conflict in Central America and hurts chances for a negotiated settlement there." In an article that appeared in the Baltimore Sun on March 7, 1986, Augusto Ramirez Ocampo, the foreign minister of Colombia, is quoted as saying that the U.S. position is "intransigent and extreme," and that "as long as the United States is asking for aid for the Contras, there is not a political climate for national reconciliation."

Mr. Speaker, why is this administration so unresponsive to the appeals of our Latin American neighbors and allies? It is laughable that in response to this overwhelming condemnation of our policy, the administration claims that privately Latin American countries have expressed support for our policies. According to a March 7 Baltimore Sun article, Secretary Shultz was asked three times by Senator CHRISTOPHER DODD, during a hearing of the Foreign Relations Committee 2 weeks ago, to name a single country that supports the administration's policy. Mr. Shultz said that some are supporting it but was unable to give any examples. Furthermore, Mr. McCartney quotes a South American envoy as saying: "It is unrealistic for the United States to say that all of our diplomatic work is just for show. This attitude leads nowhere." A western ambassador added: "The Americans claim to hear privately all the time that people wish they would go in against the Sandinistas. This is just not what we are being told by the Latin Americans."

One of the reasons these nations oppose our policy is that they do not view the Contras as a viable force but as an undemocratic force interested in returning to the pre-1979 past. Jorge Castaneda, a senior associate with the Carnegie Endowment for International Peace, pointed out in the Los Angeles Times last week that: "No Latin American government has extended the Contras recognition of any sort, despite recent precedents: The Andean Group of Nations recognized the Sandinistas as a 'belligerent force' in 1979, and the French-Mexican declaration of 1981 recognized the Salvadoran insurgents as 'a representative political force'."

Mr. Speaker, this is the first time in the history of our relations with Latin America that we have had eight foreigners come to Washington to plead with the administration to stop its military intervention in Central America. It is obvious that the administration has chosen to ignore this plea. It is up to the Congress now to respond in a responsible manner to our friends and allies. Let's vote no on aid to the Contras.

I would like to share with my colleagues these three articles.

[From the Washington Post, Mar. 17, 1986]

LATIN MOOD SHIFTS AGAINST WASHINGTON

DIPLOMATIC TREND WEAKENS REAGAN EFFORT TO ISOLATE NICARAGUA AND WIN CONTRA AID

(By Robert J. McCartney)

MEXICO CITY, March 16—The diplomatic mood in Latin America has tipped against Washington in recent months, weakening the Reagan administration's sales pitch to Congress for aid to the Nicaraguan rebels and isolating the United States in the region on the issue.

Seven South American countries and Mexico, grouped in the Contadora movement, took, the unprecedented step last month of formally urging the U.S. government to halt aid to the guerrillas and press efforts for a regional peace treaty.

These countries are convinced that such U.S. involvement only aggravates the conflict in Central America and hurts chances for a negotiated settlement there, according to senior diplomats of Latin American and other western countries.

The Latin Americans' stepped-up role has its roots in the expansion of the Contadora movement last summer, in the emergence of new democratic governments in South America, and in a new sense of regional solidarity owing to the Latin American debt crisis, diplomats said.

In Central America, a center-left tide in recent election has contributed to fresh interest in peace talks with Nicaragua's Sandinista government.

Costa Rica has irritated the United States by talking directly with Nicaragua about the two nations' border problems. Guatemala's new civilian government, hoping to make a foreign policy splash, plans to host a summit of Central America's five presidents in May.

The diplomatic trend appears to have undermined Washington's efforts to isolate Nicaragua. Instead, the United States finds itself isolated in the face of nearly unanimous regional opposition to helping the contras, or counterrevolutionaries, who are fighting a civil war against the Sandinista government.

"The United States' support efforts [for the contras] lead to concern that it could be the cause of destabilization and greater conflict in Central America. There is real ideological agreement on this among the countries in the Contadora groups," South American ambassador said.

The Latin Americans' shift has attracted the attention of U.S. allies in Western Europe, Canada and Australia and reinforced the allies own skepticism over U.S. policy in Central America, western diplomats said.

Nevertheless, the tilt is unlikely to have much effect beyond its impact on U.S. and foreign public opinion. None of the Contadora countries has expressed any intention to cut back economic or diplomatic ties with

the United States because of disagreements over Central America.

Moreover, Washington may benefit later this year from the Latin American counties' own growing frustration with the Nicaraguan government's military buildup and curbs on political pluralism, according to the Latin and other western diplomats. These sources emphasize, however, that dissatisfaction with the Sandinistas did not translate into support for the contras.

To some extent, the Latin Americans are making a fuss over contra aid in order to underline their opposition to direct U.S. military action in the region, western diplomats and other observers said. Several Latin American goverments worry that use of U.S. forces against Nicaragua would trigger large protest demonstrations and cause significant political unrest in their countries, the sources said.

Peruvian President Alan Garcia said Friday that his country would break diplomatic relations with the United States if it attacked Nicaragua.

"The Latins are saying very strongly that the time has come to tell the United States that you can't just send the Marines into Latin America anymore," a senior West European diplomat said.

As far as contra aid is concerned, U.S. officials argue that the Latin Americans' diplomatic stance is largely a public relations gimmick playing on anti-Yankee feeling at home.

"Central America is a long way away from some of these [Contadora] countries and is not a priority national interest," a U.S. official said.

Some U.S. officials say that representatives of several Latin American nations have told the United State privately that their governments "secretly" favor a tough line against Nicaragua, and even want Washington to back the contras. This was disputed strongly, however, in interviews with senior diplomats of four Latin American countries and three non-Latin U.S. allies.

"It is unrealistic for the United States to say that all of our diplomatic work is just for show. This attitude leads nowhere," a South American envoy said.

A western ambassador said: "The Americans claim to hear privately all the time that people wish they would go in against the Sandinistas. That is just not what we are being told by the Latin Americans."

A high point of Latin American opposition to U.S. policy in Central America came on Feb. 10, when the foreign ministers of the eight countries of the Contadora movement met jointly with Secretary of State George P. Shultz in Washington to urge the United States to halt aid to the contras.

The original Contadora group—Mexico, Venezuela, Colombia and Panama—has been trying since January 1983 to draw up a region-wide peace treaty for Central America. The group, named for the Panamanian island where it first met, has produced two major draft treaties calling for Central America's countries to reduce their military arsenals, halt all support for guerrillas in neighboring countries, and promote democracy at home.

Neither pact has won universal acceptance among the five Central American nations: Guatemala, El Salvador, Honduras, Nicaragua and Costa Rica. Critics charge that the Contadora process has yielded only meaningless paperwork and fruitless diplomatic conferences.

But the Contadora process got a boost last July when Brazil, Argentina, Uruguay and Peru formed a support group for Contadora. The Contadora movement now includes every major Latin American democracy except Bolivia, Ecuador and the Dominican Republic, and represents approximately 300 million people.

Three of the support group countries—Brazil, Uruguay and Argentina—have switched recently from military to civilian governments, which the U.S. administration applauded.

In general, however, the new democratic governments are pursuing policies that are more nationalistic and more critical of Washington.

[From the Los Angeles Times, Mar. 10, 1986]

LATIN AMERICANS DO NOT BACK CONTRA AID

(By Jorge G. Castaneda)

The debate on U.S. aid to the contras in Nicaragua clearly has more to do with the political winds in the United States than in Central America. Likewise, whatever decision Congress reaches on President Reagan's request for $100 million in military and "non-lethal" aid, its deliberations will not be greatly influenced by other nations' views.

Thus it is surprising to hear Administration spokesmen referring to Latin American support for such aid—particularly since there is no such support in Latin America, as the Administration knows.

Indeed, no Latin American leader not directly involved in the Central American conflict has been willing to publicly support Reagan on this issue. Even leaders in the area, such as newly elected President Oscar Arias of Costa Rica, have unequivocally stated their opposition. Nor has any Latin American head of state or foreign minister been willing to meet publicly—and few privately—with contra military leaders, although political figures like Arturo Cruz have been received by South American leaders such as President Belisario Betancur of Colombia.

No Latin American government has extended the contras recognition of any sort, despite recent precedents: The Andean Group of Nations recognized the Sandinistas as a "belligerent force" in 1979, and the French-Mexican declaration of 1981 recognized the Salvadoran insurgents as "a representative political force." Other than Honduras, the last Latin government to support the contras was the Argentine military in 1982—the government that brought us the Malvinas adventure, and thousands of missing, dead and tortured during the "Dirty War" from 1976 to 1982.

But Latin America's views on aid to the contras are not only implicit or passive. In January the foreign ministers of the Contadora Group—Colombia, Panama, Mexico and Venezuela—and those of the Contadora Support Groups—Argentina, Brazil, Peru and Uruguay (the "new democracies")—met in Caraballeda, Venezuela. They reaffirmed their support for the Contadora process, but, more important, they specifically called for new, unconditional talks between the United States and the government of Nicaragua.

When the foreign ministers met with Secretary of State George P. Shultz last month, their message was clear: Latin America is firmly opposed to continuing U.S. aid to the contras, and considers it a major obstacle to peace in Central America. Any discrepancies between their public and private statements can be attributed to traditional Latin discretion; they did not want to underline U.S.-Latin disagreements, but simply to state them unambiguously.

In fact, one might have expected that, given the economic difficulties of the "Caraballeda 8," they would no longer state their views on the Central American crisis at all, much less with such vigor. Peru, which has practically suspended payments on its foreign debt and is facing a complete credit cutoff, is a case in point. Another, perhaps more relevant one, is Mexico.

With the price of oil below $15 a barrel, little or no sympathy in Washington or on Wall Street for its new predicament, and faced with large debt-service payments on March 31 that it cannot, should not and quite possibly will not meet. Mexico could easily have remained silent on the issue of aid to the contras. It has muted many of its other past criticisms of U.S.-Central American policy, and certainly has cut back on its previous support to the Sandinistas. But the contras are another matter—for Mexico and for the rest of Latin America.

The reason is simple. Since independence in the 19th Century, Latin American nations have been meddling in each other's affairs. But the also have denounced American (and previously French and British) intervention. A double standard? U.S. power, wealth and influence are in a different league with local conspiracies, guerrillas and *coups d'etats*. What is tolerated among weak Latin nations (except for those directly affected) is not welcome when issued by the overwhelming power to the north.

No Latin government can afford to legitimize a U.S. policy based on encouraging and arming a local opposition. In Latin America's perception, U.S. administrations change—and change their minds—too often. Yesterday's friend is today's problem and tomorrow's enemy. Most Latin leaders know that they would be hard-pressed to withstand a U.S.-sponsored domestic military attempt to unseat them. Every Latin leader understands that this is Reagan's goal with the Sandinistas. Few in Latin America may like the Sandinistas, but fewer still would want to one day find themselves in the same shoes.

Latin American opposition to aid for the contras is strictly a matter of self-interest. While the leaders' objections may not have been expressed as clearly as they could be, they are still very real. And Congress should have no doubt about it.

[From the Baltimore Sun, Mar. 7, 1986]

LATIN NATIONS UNITED AGAINST U.S. AID TO "CONTRAS"

WASHINGTON.—The Reagan administration's most difficult hurdle in convincing Congress to approve $100 million for the "contra" guerrillas in Nicaragua has been explaining why nearly all Latin American countries, including Nicaragua's closest neighbors, express opposition to aiding the rebels.

Assertions that some Latin American leaders privately favor aid, but won't speak out publicly for fear of provoking a leftist outcry at home, have been greeted with skepticism by Democrats and Republicans alike in this country.

The question has come up repeatedly in all of the hearings where administration witnesses have testified on President Reagan's proposal for $30 million in humanitarian aid and $70 million for military aid.

Eight Latin American foreign ministers—from Colombia, Mexico, Panama, Venezuela, Argentina, Brazil, Peru and Uruguay—

met with Secretary of State George P. Shultz on Feb. 10 to urge the United States to stop supporting the contras and to focus on diplomatic solutions, such as the four-nation Contadora initiative.

When Assistant Secretary of State Elliott Abrams told a House subcommittee this week that "some of them who say one thing publicly, say another thing privately," Representative Peter Kostmayer, D-Pa., an opponent of contra aid, said that was "a new version of double-speak."

"You're saying they went to all that trouble to send their foreign ministers here—a highly unusual action—[to say] something totally counter to their private view, and that they are cheering us on?" Mr. Kostmayer asked.

After Mr. Abrams made the same argument to the Senate Foreign Relations Committee, Sen. Claiborne Pell, D-R.I., said it was "immaterial" whether Latin American leaders have different private views, since Congress won't know about them. "We have to go by what they say publicly, on-the-record," Senator Pell said.

The issue has harmed the administration's case which rests largely on the argument that Nicaragua is a threat to its neighbors and that only military pressure through the contras will force the Sandinistas into negotiatons to curb that threat.

Mr. Reagan said this week that if aid to the contras is defeated, the "small and fragile democracies" of Central America would be in danger.

But the newly elected leaders of both Costa Rica and Guatemala have spoken against contra aid. Even Jose Napoleon Duarte, the president of El Salvador, where a leftist-backed insurgency rages that Washington says receives arms from Nicaragua, won't say whether he supports it.

The government of Honduras, where most of the contras have been based, has blocked American humanitarian aid to the contras of nearly six months.

Costa Rica, said by Washington to be the victim of Nicaraguan cross-border subversion, has recently concluded a Contadora-sponsored agreement with the Sandinista government for an international border-observation team.

Oscar Arias Sanchez, the president-elect, has said he agrees with the Reagan administration that the Sandinistas have betrayed their promises and "built a second Cuba." But he said American aid to the contras "won't get what Mr. Reagan wants. On the contrary, they are giving an excuse to the Sandinistas to become more dictatorial, more totalitarian. . . ."

Augusto Ramirez Ocampo, the foreign minister of Colombia, another country Washington says is a target for Nicaraguan-backed terrorism, said after meeting with Mr. Shultz that the U.S. position is "intransigent and extreme," and that "as long as the United States is asking for aid for the contras, there is not a political climate for national reconciliation."

Mr. Shultz was asked three times by Sen. Christopher Dodd, D-Conn., before the Senate Foreign Relations Committee last week, to name a single country that supports the American policy. Mr. Shultz limited his replies to saying "some are" supporting it, but he wouldn't name any."

House Speaker Thomas P. O'Neill, D-Mass., said Wednesday, "I haven't met a world leader who agrees with American policy."

SENATE—*Tuesday, March 19, 1986*

(Legislative day of Tuesday, March 18, 1986)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

God of love and mercy, Who calls Your people to remember Your mighty acts of providence, we thank You for memories. Today we are especially grateful for the initiative taken by Senator DOLE and Senator BYRD to memorialize the seven astronauts who lost their lives in the *Challenger* disaster. Thank You, Father, for leaders who do not forget to remember, with compassion and gratitude, great Americans whose sacrifices are a milestone in human progress.

We remember, loving Father, the families of those seven heroes, for whom the tragedy is still very real. Comfort them in their immeasurable loss and pain; let them be assured that they are not forgotten by a sorrowing and grateful Nation.

And Father God, while we are remembering, we pray for the hostages who remain in captivity in Lebanon. Help us not to forget them and their families, who bear the unrelieved burden of uncertainty, who keep hoping as they resist despair. Energize those who seek release of the captives, guide them in their persistence, and grant success to their efforts. In the name of Him who came to set the captives free. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the majority leader and the minority leader have 10 minutes each. I will reserve any time I do not use. I also will yield 3 minutes to the distinguished Senator from Delaware [Mr. ROTH].

There will be special orders in favor of Senators HAWKINS, PROXMIRE, SPECTER, ZORINSKY, and perhaps Senator ROTH, for not to exceed 5 minutes each.

Then there will be routine morning business, not to extend beyond 10:30 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

At the conclusion of morning business, we hope the Senate can turn to any legislative or executive items which can be cleared.

It is my understanding that there is a debt collection bill that is not controversial—just a matter of bringing it up, as I understand, and getting a rollcall vote. We would like to dispose of that this morning. It is S. 209. I do not know of any request for extended debate on that matter. There will be 10 minutes time for debate.

If we can clear that on each side, maybe we can do it this morning.

Following that, there are a number of options. There is a drug export bill. There is a sports franchise bill. There is a trade bill. There is a regional airport compact. So we have a number of items we could turn to.

It is also my hope that the Senate Budget Committee, which is meeting at this moment, can report a budget resolution, so that we can commence action on that before the Easter recess. We may not complete action.

Then, of course, we still have the Contra aid proposal. Notwithstanding what may happen in the House the proposal will be before the Senate. So far as this Senator knows, it will not be a compromise. It will be as is, as the President requested, and we will vote on that, we hope, Tuesday of next week, though that is flexible.

So we will have a busy schedule between now and the close of business on Thursday, March 27. Then we will commence the Easter recess, we are scheduled to be back in session on Tuesday, April 8.

I hope we may have the cooperation, as we always have—or nearly always have—of my colleagues, so that we can move a number of bills and be in fair shape when we return.

Mr. GORE. Mr. President, will the majority leader yield?

Mr. DOLE. I yield.

Mr. GORE. Mr. President, just very briefly and for the purpose of looking at the schedule between now and the Easter recess, I simply note that there is substantial concern on the part of some Senators about the sports bill that was mentioned. It could require extended debate that might take some time. I only mention that for the majority leader's consideration.

Mr. DOLE. I understand that if we bring it up, there could be extended debate, and that is true of the other matters I mentioned. So it is a question of where we go and where we believe we can make the most progress. I think that sooner or later, probably later, we will have the sports franchise bill up, notwithstanding that it may take some time.

Mr. BYRD. Mr. President, will the majority leader yield?

Mr. DOLE. I yield.

Mr. BYRD. Mr. President, can the majority leader tell us at this time what the likelihood is for, say, rollcall votes beyond 6 o'clock today, whether or not he is able to tell us what the program might be for Friday of this week, and whether or not there will likely be rollcall votes on Friday?

Mr. DOLE. I am not certain about today. There may not be votes after 6, but there could be votes on Friday. I will be in a better position to advise the distinguished minority leader by 1 or 2 o'clock this afternoon.

Mr. BYRD. Very well.

Mr. DOLE. There may be extended debate on whatever we bring up, so there could be debate into the evening, but I doubt that there would be any rollcall votes. I hope to firm that up. It appears that on Friday there could even be a cloture vote on whatever we bring up.

Mr. BYRD. I thank the distinguished majority leader.

Mr. DOLE. Mr. President, after the distinguished minority leader has used his time, I yield 3 minutes of my time to the distinguished Senator from Delaware [Mr. ROTH].

RECOGNITION OF THE MINORITY LEADER

The PRESIDENT pro tempore. The distinguished minority leader is recognized.

Mr. BYRD. Mr. President, I ask unanimous consent that I may reserve the balance of my time for the remainder of the day.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. I thank the Chair.

RECOGNITION OF SENATOR ROTH

The PRESIDING OFFICER (Mr. PRESSLER). The Senator from Delaware [Mr. ROTH] is recognized.

THE ROTH REFORMS

Mr. ROTH. Mr. President, as the issue of tax reform begins to occupy more and more of our time and in-

volvement, I believe it is necessary to keep in mind what the reform package we adopt must do.

Our Nation presently stands on the threshold of a new beginning. Under the leadership of President Reagan we have witnessed a great comeback from the days of stagnant growth and high inflation. And the future beckons.

Today's revolution in science and technology promises that the future will be bright, and we have every reason to be positive. But we will not automatically be the dominant nation in the world economy. We will not remain No. 1 unless we take the necessary steps now to prepare for the changing world economy. One of these steps must be to meet the challenges posed by the stiff competition from abroad.

Whether we are talking about Japan or the rim of Asia, these countries have demonstrated a competence in this new world or high technology. They are able to maintain the most modern industries, the most sophisticated facilities, and the most advanced trade practices. They have large pools of revenue from the savings of their people which in turn provide money for business growth and industry expansion. These savings result from incentives, and they allow these countries to buy our technology, in many cases improve upon it, and beat us in our game.

One only has to look around to see examples of American industries, once thought to be invincible, now scrambling to keep up with the latest advancements made overseas.

As we move forward with tax reform, we should look for policies that will improve the economic and competitive posture of our industries and allow America to maintain its competitive edge. With this in mind, I see four specific goals that we must meet as we put earnest reform into motion:

First, we must continue to ease the tax burden carried by middle America;

Second, we must remove the bias against savings that is presently part of our Tax Code;

Third, our reform package must help American industry modernize and become the most effective and the most efficient in the world, and this modernization must spill over into industries basic to America's role as the shield of the free world; and

Fourth, we must lift the bias against American exports and encourage a more level playing field in the arena of trade.

Mr. President, it is my intention to introduce a series of reforms that will allow us to maintain and even strengthen our competitive edge. In short, these reforms will enable us to meet the challenges posed by the foreign competition.

They will meet each of the four criteria listed above, and they will provide for long-range strength, stability, and security in our domestic economy, foreign trade, and international defense.

First, I propose that we reduce the marginal rate of income taxes for individuals to 15, 20, 25, and 30 percent. This will give the typical middle class American an average reduction of at least 8 percentage points in the marginal rate of taxation. The full deduction for State and local taxes will be retained, and the top capital gains rule will be 20 percent.

Second, my reforms will promote savings through tax-deferred super savings accounts [SUSA's]. Similar to IRA's, these SUSA's will allow an individual to save up to $3,000 tax free—$6,000 for families. But, unlike the money locked-in in individual retirement accounts, the money in these SUSA's could be withdrawn at any time, for any purpose, and without penalty. And only upon withdrawal will the money be taxed. In the area of IRA's, I propose an increase in savings potential for housewives, or househusbands, from $250 to $2,000. And I will also retain the current law for 401(k) pension plans.

Third, my reforms will encourage industry growth and modernization through an expense cost recovery system that will allow firms to expense half their equipment costs the first year and depreciate the remainder according to President Reagan's capital cost recovery system. My proposal will also reduce the top corporate Federal tax rate to 33 percent—13 percentage points lower than current law and 3 percentage points lower than the House provision.

This third step will also lend to our goal of modernizing our basic industries important to our security. If we are to be the No. 1 industrial nation in the world, and if we are to continue in our role as the shield for the free world, we must have the most up-to-date industrial facilities. And need I say that these improvements will translate into jobs, a very important factor in our future that must be considered today.

Fourth, my reforms will level the playing field of international trade through the introduction of a business transfer tax. This 8-percent tax will bring in $364 billion in new revenue over the next 5 years, and combined with these reforms will be completely revenue neutral as prescribed by President Reagan. Perhaps more importantly, the BTT will correct an inequity in the current tax system that puts American products at a tax disadvantage.

Business would calculate the tax by adding up revenues and subtracting all costs except interest, dividends, and salaries. The 8 percent will be applied against the difference. The employer will be permitted to credit his BTT against his FICA, or Social Security, payments. Any excess BTT above the Social Security payroll credit will also be deductible against the corporate income tax.

Under the business transfer tax, all organizations with an income of $10 million or less will be exempted. This will serve to protect small business and the family farm.

To level the playing field in the trade arena, the BTT will be rebated on American exports and levied on foreign imports. This will result in foreign firms paying 40 percent of the $364 billion, and it will represent a substantial tax reduction on the part of the American taxpayer.

I believe this tax reform proposal will move our industry, and consequently our country, into tomorrow. And we will arrive before our competition. My reforms are targeted to stimulate the American economy and to give us the edge in international trade. And keeping with the spirit of this administration, they will be profamily, proemployment, probusiness, protrade—in short—pro-American. And nothing can be as important.

Mr. President, I ask unanimous consent to have printed in the RECORD an addendum to my statement entitled "The Roth Reforms."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE ROTH REFORMS

(Remarks by Senator William V. Roth, Jr.)

REMARKS TO NATIONAL PRESS CLUB

Thank you, Mary Kay (Quinlan—NPC President). I'm honored to be speaking to such a prestigious organization.

I know there exists the eternal question concerning the relationship between press and politician. Is it adversarial or friendly-cooperative? Well, in the name of time and safety, I'll leave this to be answered by the scholars. But I will say that I believe a free press is not a privilege, but an organic necessity in a great society.

And ours is a great society. Besides, I think President Harry Truman answered the question when he said, "If a politician is looking for a friend in Washington, let him buy a dog!"

But actually, to be a free press in America is not enough. Freedom from something is never enough. It must be freedom for something. In 1965, Walter Lippmann said: "Without criticism and reliable reporting, the government cannot govern." And I believe that in this age of communication, journalists must be ever-present. You must remain in every quarter of the world. And through use of the facts and issues, you must continue to give life to theories and ideas.

For this reason, I have come here today. This afternoon, I would like to shake the Muse who governs the media. I would like to introduce you to the third and final version of an idea whose time has come. And I would like to show you how this idea, simple in theory, will revolutionize the economic character of our nation.

Benjamin Franklin once said, "Nothing is certain but death and taxes." I don't think he knew then that one day those two words would become mutually inclusive. High taxes, along with other factors—including over-regulation—came close, not too many years ago, to choking the life out of an economy that once served as the world's model.

These factors resulted in what President Jimmy Carter called the malaise of the 70's—the days when double-digit inflation, interest rates at 21 percent, and soaring unemployment ground away at the American dream.

We can all recall the headlines. Chronicled in magazines and newspapers—coming into our living rooms night after night on television—was a story of economic decline and frustration. The gas lines, the sagging building industry, the banished hopes of young couples to own their own homes—they were all a part of that era.

Thank goodness times have changed. And they've changed for the better. Of course, in the beginning, the term "Reaganomics" was used by the President's opponents to describe what they thought was an economic pipedream. But soon it became an exciting concept as Ronald Reagan became the first president in more than 20 years to bring down both unemployment and inflation.

Between December 1982 and September 1985 nearly nine million Americans went back to work. Today inflation is about four percent, interest rates are below ten percent, and the results are outstanding. Our once waning spirit has been rekindled. And I think we have to agree with the President when he says, "America is Back."

I'm proud to be a part of this recovery with the Kemp-Roth tax cuts, and I invite anyone who cannot see or feel the excitement of our country's great comeback to take a trip outside the beltway and talk to the people back home.

Today is an exciting era in which we live. Mankind has labored for thousands of years to open the frontier of technology. And we now stand ripe for progress. Today's hi-tech revolution gives us every reason to be positive. And along with the present strength of our economy, it holds the keys to a bright future.

But we also face some challenges. We face stiff competition from abroad. Whether you're talking about Japan or the rim of Asia—countries that are growing by six; seven, eight, or nine percent—these countries have demonstrated beyond all question a competence in this new world of high technology. They also have the means to buy the best technology in the world. In most cases it's American technology, and they are using it to produce better products at better prices. And, ironically, these countries don't have nearly the resources we enjoy. Like us, they have a population of bright, educated, well-motivated people. But they also have the advantage of a ready source of revenue from their high rate of savings. In Japan, this savings can be as high as 20 percent of an individual's disposable income. And this money means capital—capital to continuously modernize.

New technology is the order of the day, and countries that are best able to maintain the most modern industries are going to emerge in this new world economy as the leaders of tomorrow.

The fundamental question, then, is how do we meet the challenge of this foreign competition? How do we develop the policies that will continue to boost economic growth and jobs? And what should we be doing to help America compete in this new world economy?

Today, I will concentrate on tax initiatives that are critical to answer these questions. Specifically, I believe there are four tax goals the government must set to help our people capitalize on our economy's recent turnaround.

First, we must reduce the burden of federal income tax on middle America.

Second, we must eliminate the bias against savings that exists in our present tax code.

Third, our tax policy must encourage our industry to be the most modern, the most efficient in the world as that means growth and jobs. It must also promote the modernization of industries basic to America's role as the shield of the free world.

And fourth, our tax policy must encourage trade.

By promoting policies that stimulate progress in these four areas, government will allow America to meet today's challenges. But to reduce the marginal rate of federal income tax for all Americans, to promote savings to strengthen the security of the American family, to modernize industry and increase employment, and to balance international trade, is a difficult charge. To find the revenue and means is even more difficult, especially to do it in a revenue neutral way, and at a time when the budget deficit is demanding our attention.

But, I believe it can, and it will be done.

President Reagan has advised us that Tax Reform is a key to future growth and prosperity. And I agree. But I also agree with the President that what's not needed is a tax increase. That's not the panacea. In fact, prescribing a tax increase now would be like a prescription of marshmallows for a man on a diet. If the past is any guide for the future, we know that raising revenues will only raise spending. Despite the promises, it's been the story time and again—so often, in fact, that I believe political economy are two words that should be divorced on grounds of incompatibility.

Now, there are a number of reform packages that are floating around Washington, even as we speak. In fact, just about everybody has a personal idea about what tax reform should be. But it's against the four criteria I listed for economic growth that we must judge the numerous proposals.

Recently, the House passed its version of tax reform. HR 3838 is a reform package that I believe seeks to ease the tax burden borne by the middle class, but it doesn't go far enough, nor does it promote the other three areas I've outlined as necessary for our continued economic growth. Rather, it continues the bias against savings, the high cost of capital, and the imbalance in international trade. In fact, the House proposal would do little to encourage the trend of increasing employment opportunity. It would do little to increase jobs for our young and unemployed.

In short, the House proposal is anti-growth—it's anti-jobs.

This brings us to the question: If not HR 3838, then what? Who has the answer?

In his essay, "Self-Reliance," Emerson teaches us that we should abide by our own spontaneous impressions with good-humored inflexibility, lest we be forced to take with shame our own opinion from another.

Now, having said that—need I say more!

I call my proposal the Roth Reforms, and I'm proud to say that together they meet each of the four criteria.

First, the individual's marginal rate of income taxes would be reduced to four rates of 15-20-25 and 30 percent. The typical middle class American would enjoy an average reduction of at least 8 percentage points in the marginal rate of tax. Our more affluent would be in the 30 percent bracket, or in twice as high a tax bracket as our lower income families.

Second, the Roth Reforms would promote savings. We would establish Super Savings Accounts (or SUSAs), similar to IRAs, that would allow an individual to save up to $3,000 tax free or $6,000 for families. And unlike the money they have locked-in in Individual Retirement Accounts, the money in these SUSAs could be withdrawn at any time, for any purpose, and without penalty. And only upon withdrawal would the money be taxed. Now, families could save for college educations. Young couples could save for their first down payment. And older couples could save for retirement, or for anything they wanted. The SUSAs are pro-family and pro-America for they represent a new source of capital that will help family needs and keep American industry up-to-date.

For similar reasons, that is to promote family savings, the Roth Reforms will also retain the current law for 401K Pension Plans.

And, finally, we will recognize the contribution of the homemaker to the American economy by increasing the IRA savings potential for housewives, or househusbands, from $250 to $2,000.

Next, to promote growth and modernization in the private sector and to regain our competitive edge in the international marketplace, my proposal would:

Reduce the top corporate federal tax rate to 33 percent—13 percentage points lower than current law and 3 percentage points lower than the House provision.

And we would introduce an Expense Cost Recovery System that allows firms to expense half their equipment costs and depreciate the remainder according to President Reagan's Capital Cost Recovery System. This step will both help modernize our basic industries, so important to our security as well as help new technology to be incorporated in all American industry. As I have already stated, if the United States is to be the number one industrial nation, it must have the most up-to-date industrial facilities.

Now, how do we do all this? These reforms are expensive. And the question arises: How do we make up for the lost revenue? The answer is an 8 percent business transfer tax. As proposed in my package, this BTT would bring in $364 billion in new revenue over the next five years. Combined with these reforms, it would be completely revenue neutral as prescribed by the President.

Businesses would calculate the tax by adding up revenues and subtracting all costs except interest, dividends, and salaries and then applying the 8 percent tax against the difference. Next, the employer would be permitted to credit his BTT against his FICA—or Social Security payments. This helps employment as it lowers the up front cost of new employees. Any excess BTT above the Social Security Payroll Credit would also be deductible against the corporate income tax. And it's important to mention here that the BTT would in no way have an affect on the integrity of the Social Security system.

Under the Business Transfer Tax, all organizations with an income of $10 million or less would be exempted. This would serve to protect small business and the family farm.

And of the $364 billion—over the five year period—40 percent would be paid for by foreign firms. This alone will allow the BTT to represent a substantial tax reduction on the part of the American taxpayer.

Now, President Reagan has said we must level the playing field in the trade arena, and this is what the BTT would do. In trade, the United States is disadvantaged. Under international rules—better known as GATT—certain types of taxes can be rebated or refunded to the manufacturer as goods are exported. But income taxes cannot.

Under these rules, many European countries and Japan have an advantage over their American trading partner. When Bill Brock was the U.S. Trade Representative he illustrated this by saying the American automobile manufacturer has, on the average, a $600 tax disadvantage.

For example, by the time a Toyota rolls into the showroom in the United States, its Japanese producer has already received a rebate on the taxes he paid in Japan. And he paid almost no taxes when the car came into this country. When an American auto manufacturer sells a car in Japan, it doesn't receive a tax rebate when the auto leaves the U.S. And furthermore, it encounters a large excise tax at the border of Japan. The result is a tax holiday for foreign exporters while Americans are double taxed.

My plan will correct this inequity. The BTT will be rebated on American exports and it will be paid as products enter our market. For example, if that Toyota cost $8,000, the Japanese exporter will be required to pay a $640 Business Transfer Tax. In other words, my plan will level the playing field for international trade.

Let me re-emphasize that because the foreign exporter must pay its BTT, 40 percent of the new tax will be paid by foreign business firms. This alone will shift a great deal of the tax burden off the American people.

Now, let me take a moment and explain how the full tax reforms will benefit working America.

For low-income families with an annual gross of $15,000 and the standard deductions, tax payment under current law would be $818. However, under my plan these families would pay $330 for a savings of almost $500.

If you're making $32,000, with itemized deductions of $4,736, under current law you would pay $3,665 in federal income taxes. Under my proposal—$2,881. A savings of $784.

Let's say you're making $45,000, you're a family of four, and you have $8,984 in itemized deductions. Under current law, you would pay $5,877 in federal income tax. Under my proposal, however, you would only pay $4,878, for a savings of almost $1,000.

If your income range is $75,000, and you have $11,000 in itemized deductions, current law demands $15,502. The Roth Reforms would call for $11,225. This is a savings of $4,277. And remember, one of the purposes of tax reform is to get the more affluent out of tax shelters and to put their money to a more productive use.

The Super Savings Account, and the increased IRA for housewives, would alter even further the amount of your return. For every $1,000 placed in a SUSA or IRA, your tax savings would range from $150 in the low income bracket to $300 in the high.

In closing, let me say I'm a firm believer that Americans are proud to pay taxes, but I think they'd be just as proud for half the money. I believe this tax reform would move our industry into tomorrow. And we would arrive before our competitors. President Reagan has said the tax cuts Americans have received so far have stirred a spirit of risk-taking and have helped rouse America's economy. Well, if the cuts so far have done that, then I believe we should just go right ahead and wake the economy up. And I know of few Americans who wouldn't sacrifice their taxes to help to do just that.

In short, my reforms are targeted to stimulate the American economy and to give us the edge in international trade. They will allow us to continue in our role as a shield for the free world, with a strengthened economy and with renewed vigor in our basic and technological industries. And keeping with the spirit of this Administration, they will be profamily, proemployment, probusiness, protrade—in short—they will be pro-American.

Because, put simply, they will once again reward Ambition in America with more than just high taxes.

Thank you.

SUMMARY

Individual Rate Structure: Four rates set at 15, 20, 25 and 30 percent. $2,000 personal exemption extended to itemizers in the bottom tax bracket. Top capital gains rate of 20 percent. Retains deduction for state and local taxes.

Savings Provisions: $3,000 Super Savings Account (SUSA) ($6,000 for couples filing jointly), phased in over 3 years. Retain current law for 401K Pension Plans. Increase spousal IRA to $2,000.

Business Provisions: Top corporate rate of 33 percent. Expense Cost Recovery System (ECRS). Firms would expense half of equipment costs and depreciate remainder according to President's Capital Cost Recovery System. Corporate Minimum Tax Rate set at 15 percent. Money set aside for other areas and BTT transition rules.

Business Transfer Tax (BTT): 8 percent tax on net business receipts. BTT fully creditable against FICA tax. Excess BTT above FICA deductible against income for corporate or individual income tax. Firms with gross receipts of less than $10 million exempt from BTT. ⅗ vote of both Houses of Congress required to increase BTT rate.

EXPLANATION OF MAJOR PROVISIONS

The Roth Reforms will achieve the primary goals of tax reform—to protect middle class taxpayers from unfair tax burdens, to reduce the cost of capital to American business, to diminish the anti-savings bias in the tax code, and to promote U.S. exports. These reforms will create an environment of economic growth and will enhance America's international competitiveness.

The Roth Reforms will be advanced by Senator Roth during the Senate Finance Committee's deliberations on tax reform. Since the Finance Committee's mark-up document is not completed, the changes listed should be viewed in reference to the House tax reform bill, H.R. 3838. Adjustments will be made, when necessary, after the Finance Committee document is available.

INDIVIDUAL RATE STRUCTURE

Rates: In some instances, under H.R. 3838, taxpayers would face higher marginal rates than under current law. To encourage work effort and savings, and to remove the incentive to invest in unproductive tax shelters, rates must be lowered even more. The Roth proposal contains a four rate structure with rates set at 15, 20, 25, and 30 percent. The attached chart shows the brackets associated with these rates. The Roth reforms would retain the deduction for state and local taxes and set the top capital gains rate at 20 percent.

Personal Exemption: To protect working taxpayers who itemize deductions, the $2,000 personal exemption would be extended to those in the 15 percent tax bracket.

SAVINGS PROVISIONS

Current tax law is unfairly biased against saving due to double taxation. The United States, under any measure of savings (inclusive of business saving) ranks last or second to last compared to our major trading partners. After the Japanese essentially eliminated the double taxation of savings in their country after World War II, their savings rate doubled (see chart). A major opportunity will be missed if tax reform does not include major savings incentives to remove the double taxation of savings.

Super Savings Accounts (SUSAs): SUSAs, as described in S. 243, would function much like IRAs except that the savings could be used for any purpose. Current contributions to SUSAs would be tax deductible and savings would be taxed when withdrawn. There would be no additional tax penalty for early withdrawal. Limits would be set at $3,000 for those filing singly and $6,000 for joint returns. In combination with IRAs, this would result in savings vehicles totaling $5,000 per year for individuals and $10,000 for couples.

The SUSAs would be phased in over three years at the rate of $1,000 per year for individuals ($2,000 per year for joint returns).

401K Plans: These tax deferred savings plans have been very effective savings vehicles and should not be cut back as in H.R. 3838. The Roth proposal would maintain current law treatment of 401K plans.

Spousal IRA: The current $250 limit on spousal IRAs discriminates against those that choose to work in the home and also inhibits savings. Under the Roth Reforms, the spousal IRA limit would be increased to $2,000.

BUSINESS PROVISIONS

Corporate Rate Reduction: High marginal tax rates, whether on the individual or corporate side, are a deterrent to economic growth. Senator Roth proposes to lower the top corporate rate to 33 percent. Graduation of corporate rates will be retained.

Depreciation: By slowing down depreciation schedules and eliminating the Investment Tax Credit, current tax reform proposals would increase the cost of capital to American business. The goal of equalizing the tax treatment across industries is laudable, but not at the expense of increased capital costs, decreased investment and slower economic growth. It is possible to achieve neutrality across industries without dramatically increasing the cost of capital to American companies. This is achieved by restoring much of the initial cash flow that is taken away in both the House bill and the President's package.

Roth's proposal to implement the Expense Cost Recovery System (ECRS) would involve a combination of first year expensing and CCRS, the President's proposal. A firm would expense 50 percent of equipment costs and depreciate the remainder according to CCRS. A half year convention would be in place. Asset categories would be the same as under the President's plan and indexing of the basis would be retained. ECRS

would apply to categories 1 through 5 in the President's plan.

Corporate Minimum Tax Rate: Because it is commonly accepted that every company should pay its fair share of tax, a minimum tax is an important element of a tax reform proposal. However, the high tax rate in H.R. 3838 unfairly and adversely affects new businesses. The centerpiece of the Roth Reforms, the Business Transfer Tax (BTT) has many of the attributes of a minimum tax. A high rate of minimum tax coupled with the BTT would be redundant and hurt entrepreneurial activity. In the Roth proposal, the minimum tax rate would be 15 percent.

Miscellaneous: Money would be available to address other areas such as the foreign provisions, as well as to pay for necessary transition rules associated with the BTT. For example, a transition rule would be in order for firms who have invested in large amounts of capital before the effective date of the BTT. They would be taxed on the value added from that capital without any corresponding offset. This is especially a concern to currently unprofitable firms with large amounts of unused credits and deductions. They should not be hit by a new tax just when they are trying to become competitive.

THE BUSINESS TRANSFER TAX

The Roth Reforms would be financed by introduction of a Business Transfer Tax (BTT). The BTT is a net receipts tax on all domestic business. Each firm would calculate its tax base by calculating gross receipts from the domestic sale of goods and services and subtracting purchases of inputs such as raw materials and capital. The tax rate would be applied to this net receipts base.

As a replacement tax, the BTT, in general, should have no effect on the price level. However, if it became evident that the BTT would impact unfairly on low-income families, a sliding credit, modelled after the earned income credit, would be available for the poor. Money for the sliding credit would be set aside.

All firms with under $10 million in gross receipts would be exempt from the tax. To avoid undue hardship to those firms with gross receipts slightly in excess of $10 million, phased in rates would be developed only for firms with between $10 million and $20 million of gross receipts.

The BTT would be fully creditable against the employers portion of the Social Security Payroll Tax (FICA). In addition, BTT liability in excess of FICA would be deductible against income for corporate and individual income tax purposes.

All imports would be taxed at the full BTT rate with the foreign exporter being held liable. A credit mechanism would insure that the BTT on exports is rebated.

The BTT would extend to all sectors in the economy including financial services. Rules would be developed to equitably measure value added in these industries and to maintain competitive balances.

The BTT rate would be set at 8 percent. To make sure that the BTT is not abused, once implemented, a ⅗ majority in both Houses would be required to increase the BTT tax rate.

QUESTIONS AND ANSWERS

1. Won't the BTT result in higher consumer prices?

The BTT is not a net tax increase, but a replacement tax. Because the BTT is replacing taxes which are already part of a firm's cost structure, generally speaking, there will be no increase in domestic prices. There may, however, be an increase in the price of imports. This is necessary if American goods and foreign goods are to be treated equally. It is true, also, that firms who have managed to avoid paying taxes in the past will have to pay the BTT. Whether these latter taxes would be passed on would depend on the competitive situation of the particular business.

2. What will be the impact on small business and family farms?

Due to the exemption for organizations with gross receipts below $10 million, all small businesses and family farms will be exempt from the BTT.

3. Won't the BTT result in an enormous tax increase?

With any broad-based tax, there is apprehension by some that it will be used to generate revenues to fuel government spending. The Roth proposal is a revenue neutral tax reform package. Senator Roth will oppose use of the BTT to increase the overall tax burden. To prevent the BTT from being misused, there is a provision requiring a ⅗ majority vote in each House of Congress for any BTT rate increases.

4. Why is the BTT preferable to a European VAT?

The BTT presents little new administrative burden for either business or the Internal Revenue Service. Each firm would file for the BTT at exactly the same time that the corporate or individual income tax is filed. In fact, the BTT would be an addendum to that form. The estimated tax rules will be the same as under the income tax. No additional record keeping will be required of business as a result of the BTT.

The European VAT, on the other hand, involves major new compliance costs. The VAT is collected through an "invoice and credit" method. This means that each firm pays a tax on total sales, and then gets a credit for the tax paid on all the goods that went into the production process. The firm must keep track of all invoices in order to get the proper amount of credits and must make sure that all its suppliers paid their taxes. This forces firms to assume the additional burden of policing the tax system on top of enormous new record keeping.

5. How will the Roth proposal affect the cost of capital?

The Roth proposal will reduce the cost of capital in several ways. It contains a very valuable capital recovery system—an Expensing Cost Recovery System (ECRS)—and lower corporate rates. It will increase U.S. savings by building new savings incentives into the tax code, thereby making more capital available for investment. Capital costs to American businesses will be much lower than under H.R. 3838 and will make American businesses competitive in international markets.

6. What will the Roth reforms do to the national savings rate?

By reducing the double taxation of savings, over a period of time, people will be more inclined to save part of their earnings. In companies with 401K or other tax deferred savings plans, employees of all income groups have higher savings rates than their counterparts in companies that don't offer these plans. While some claim that the reduction of marginal rates and liberalization of IRAs in 1981 have not stimulated personal savings, this is a false perception. The National Income and Products Accounts definition of personal savings includes corporate contributions to pension funds. However, if actual household savings are singled out, it becomes evident that people are saving more as a result of the savings incentives of 1981.

Even the Japanese, whose personal savings far surpass Americans', were not always prolific savers. Japan's national savings rate increased dramatically after World War II, when changes in the Japanese tax code essentially eliminated the double taxation of saving.

7. Isn't the BTT a regressive tax?

The BTT is a proportionate tax on the incomes from capital and labor, and is used to replace taxes of similar incidence already paid by business. As such, there is no reason to assume the tax will be passed on any more than the tax it replaces. For those firms that have managed to avoid taxes in the past, there is the possibility that they will try to pass on some or all of the BTT. Their willingness to increase their prices to compensate for the BTT will depend on the market conditions of their particular industry.

If it becomes apparent that the BTT might have a disproportionate effect on low income families, a refundable credit, similar to the earned income credit, which phases out at stated income levels could be implemented.

8. Won't the use of the FICA Credit undermine the Social Security System?

The Social Security System is not in any way changed by this proposal. Firms still will be liable for the same amount of FICA tax as before the BTT, and all amounts will go directly to the Social Security Trust Fund. The BTT revenues are simply earmarked to fulfill the FICA liability.

9. Is this a protectionist proposal?

An important feature of this proposal is that it harmonizes our tax system with that of our major trading partners. Under international treaty, so-called indirect taxes (taxes on products) are to be levied in the country in which they are consumed. Taxes on exports are rebated and imports are taxed as they cross the border. Our trading partners raise more revenue through indirect taxes than the United States. Because of this, there is an inherent bias against American exports and in favor of foreign imports. Imposition of the BTT will reduce this bias so that American goods are treated the same as those from other countries.

10. Could the BTT lead to retaliation by U.S. trading partners?

The BTT is compatible with the General Agreement on Tariffs and Trade. Retaliation would be illegal under international trade agreements. The only legal retaliation would be for countries to raise their VAT, which hardly seems likely.

HOW THE TAX RATES COMPARE: THE ROTH PROPOSAL VERSUS H.R. 3838

[Individual marginal tax rates and taxable income brackets]

Tax rates (percent)	Married filing jointly	Single	Head of household	Married filing separately
The Roth reforms:				
15	$0 to $22,500	$0 to $12,500	$0 to $16,000	$0 to $11,250
20	22,500 to 43,000	12,500 to 30,000	16,000 to 34,000	11,250 to 21,500
25	43,000 to 70,000	30,000 to 42,000	34,000 to 52,000	21,500 to 35,000
30	Over 70,000	Over 42,000	Over 52,000	Over 35,000
H.R. 3838:				
15	$0 to $22,500	$0 to $12,500	$0 to $16,000	$0 to $11,250
25	22,500 to 43,000	12,500 to 30,000	16,000 to 34,000	11,250 to 21,500
35	43,000 to 100,000	30,000 to 60,000	34,000 to 75,000	21,500 to 50,000
38	Over 100,000	Over 60,000	Over 75,000	Over 50,000

EXPENSE COST RECOVERY SYSTEM (ECRS)

[Percent of cost recovered each year]

	Class 1	Class 2	Class 3	Class 4	Class 5
Year:					
1	39	36	33	30	30
2	45	42	39	35	33
3	9	10	9	8	6
4	4	5	6	6	5
5	3	4	5	6	4
6		3	5	6	4
7			3	6	4
8				3	4
9					4
10					4
11					2

Revenues from the business transfer tax 8-percent rate FICA credit with excess deductible against income for the corporate and individual income tax

[In billions of dollars—percent of total from imports 40.8 percent]

1987	47.6
1988	71.4
1989	76.2
1990	81.6
1991	87.2
Total	364.0

Source: Joint Committee on Taxation.

The PRESIDING OFFICER. The time yielded to the Senator has expired.

RECOGNITION OF SENATOR HAWKINS

The PRESIDING OFFICER. Under the previous order, the Senator from Florida is recognized for not to exceed 5 minutes.

NICARAGUA'S DIRTY LITTLE WAR IN NORTH AMERICA

Mrs. HAWKINS. Mr. President, this week the Nation's attention has turned south as first the House and then the Senate vote on the President's request for vital aid to the Contras. If any of my colleagues are still undecided and are looking for a solid reason to vote one way or another, let me say that I believe you need look no further than our schoolyards and our playgrounds to see the threat of Nicaragua's dirty little war in North America.

I will grant you that it is not a conventional war. There are no Kalishnikovs, no attack helicopters, no tanks. No, this war is more subtle. But it is no less threatening to our way of life. This war is being fought with a deadly little white powder called cocaine. The left may laugh and make jokes about the "Red tide" threatening San Diego. But let me tell you that I don't consider the mass murderers who traffic in cocaine a laughing matter.

These are very serious allegations, and I am prepared to back them up. In mid-July 1985, a Federal grand jury in Miami, FL, indicted 11 people including an aide to Interior Minister Thomas Borge on cocaine smuggling charges. According to the indictment the aide, Frederico Vaughn, actively assisted Colombian smugglers in their efforts to ship 1,500 kilos of cocaine to the United States.

In August 1984 I held a hearing in the Subcommittee on Alcoholism and Drug Abuse to look into the Narco-terrorist link. Having seen the indictment of Vaughn in Miami, I put the following question to William Von Raab, Commissioner of the U.S. Customs Service:

Senator HAWKINS. During the past few weeks there have been numerous reports of direct involvement by senior members of the Nicaraguan Government in narcotics trafficking. I have the indictment that was filed in my hand. Consistent with your responsibility to protect intelligence sources and methods and pending investigations, do you personally believe that senior members of that Government are engaged in narcotics trafficking?

Commissioner VON RAAB. Yes, I do.

Later in that hearing we received testimony from Antonio Farach, former minister counselor at the Nicaraguan Embassies in Venezuela and Honduras. During the course of his testimony Mr. Farach explained his willingness to come before the subcommittee saying, "it is to the youth of the United States, and only for them, that I am here today." Why did he say this? Because after learning of the involvement of high-ranking Nicaraguan officials in narcotics trafficking, he asked why they were doing it and was told:

Our youth would not be harmed, but rather the youth of the United States, the youth of our enemies. Therefore, the drugs were used as a political weapon because in that way we were delivering a blow to our principal enemy.

Some questioned Farach's testimony so I decided to search out an unimpeachable source. On April 19, 1985, in the Subcommittee on Children, Family, Drugs, and Alcoholism, I conducted another hearing into this sordid business. The star witness was James Herring. Mr. Herring was the key witness in the Miami indictments that involved Frederico Vaughn, aide to Tomas Borge.

Is Mr. Herring a reliable authority? If not, eight people are in jail who should not be. It was primarily on the basis of Mr. Herring's testimony that eight people were convicted on drug trafficking charges. Mr. Herring had been hired by Robert Vesco to assist the Nicaraguan Government launch its cocaine processing operation. He worked on a regular basis with Frederico Vaughn. What did he think was the role of the Nicaraguan Government based on his extensive contacts with Nicaraguan officials and his visits to Nicaragua and Cuba? I put that question to him directly:

Senator HAWKINS. Do you believe that the cocaine trafficking operation was a Government initiative or the action of a few corrupt individuals in Nicaragua?

Mr. HERRING. I think it was a Government-initiated thing; I think it was to gain dollars for the economy of Nicaragua.

In addition, there was testimony from John Keeney, Deputy Assistant Attorney General for the Criminal Division, U.S. Department of Justice that there is an eyewitness to the fact that narco-profits from the Nicaraguan drug dealers were returned to Nicaragua by Nicaraguan diplomatic personnel.

Finally, I would like to make mention of important information that has been provided by Alvaro Jose Baldizon Aviles, former chief investigator of the Special Investigations Commission of the Nicaraguan Ministry of the Interior. Baldizon has recently defected to the United States.

In mid-1984, Baldizon's office received a report linking Tomas Borge with cocaine trafficking to the United States. Borge's office instructed Baldizon to investigate this as a compromise of a state secret. After raising this issue with his superiors, Baldizon was told that if he received any further information on cocaine trafficking in the future, it should be passed to the Minister without investigation.

I for one am grateful to the DEA, the Customs Service and the Department of Justice for their vigilance in uncovering this plot. It is to be hoped

that by going public with this information over the last few years we can show the drug traffickers that we are alert to attempts to use Nicaragua as a processing and shipment center. But we cannot be certain that we have, in fact, discouraged the Nicaraguans.

The evidence is that high ranking Nicaraguan officials probably with full government support have systematically tried to build a network for trafficking cocaine into this country. With such a concerted effort, I do not believe we can assume that once caught they will back off.

Most of the leaders of the Nicaraguan Government are self-confessed Marxists. I believe that they are out to undermine and destroy our way of life in any way they can—even through drug trafficking. I believe they are committed to continuing their dirty little war in Central America, and I hope we have the sense to do something about it.

The PRESIDING OFFICER. The time allotted to the Senator has expired.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin is recognized for not to exceed 5 minutes.

The Senator from Wisconsin.

Mr. PROXMIRE. Thank you, Mr. President.

GORBACHEV "CONCESSION" ON STAR WARS WILL NOT ADVANCE ARMS CONTROL IN EUROPE

Mr. PROXMIRE. Mr. President, a report from Moscow that appeared in the New York Times on February 8 asserted that the Soviet Union has moved closer to agreement on nuclear arms control in Europe. The Soviet Union has changed its position. The Soviet Union will now negotiate for a reduction of intermediate nuclear missiles in Europe without insisting that the United States abandon its star wars or SDI project. Does this mean that the superpowers will now promptly go forward to agree on a reduction of intermediate nuclear arms on both sides in Europe? No. Such an agreement is now possible. It is still unlikely.

The main significance of the Gorbachev decision to make such an agreement while the United States proceeds to advance star wars suggests that Gorbachev is not really concerned about a U.S. missile defense. In the judgment of this Senator, Gorbachev never has been concerned about star wars. Gorbachev had previously indicated that continued laboratory research on star wars by the United States was not an obstacle to negotiation. The Russian leader continues to insist that he will not agree to any new strategic—that is intercontinental—arms control limitation or reduction if the United States proceeds with SDI.

This Senator has long argued that the Soviet Union fully understands, as virtually every informed and independent American knows, that star wars almost certainly will not work. Why has the Soviet Union so strongly protested the program if they do not regard it as a serious threat? Answer: Gorbachev knows that the one way he can most surely persuade the Congress to go along with the President and divert military funds into this hopeless program is for Gorbachev himself to protest it. If any Member of Congress doubts that star wars will reduce other military programs, including vital and highly relevant research, he should see a speech recently delivered by this Senator on the floor of the Senate documenting exactly this. The more vigorously the Soviets protest star wars, the more Members of the Congress will support it.

Why then does Gorbachev now indicate that star wars progress by the United States will not keep the Soviets from agreeing to a treaty on intermediate nuclear weapons in Europe? The Soviet leader understands that the star wars defense is strictly a potential and very likely impossible U.S. defense. It has no possible application to Europe. A missile flight from the Soviet Union to the United States or vice versa would take 20 minutes to half an hour. It would reach an apogee of several hundred miles above the Earth. Theoretically, an SDI defense could intercept some of such missiles at some point during their long flight. But how about an attack from an advanced Warsaw Pact base in West Germany, Paris, Rome, or even London. The time of missile flight is short. The distances are short. A cruise missile hugging the ground could penetrate any star wars defense. Star wars offers absolutely no credible defense for Europe so, obviously, star wars is totally irrelevant to any agreement on intermediate nuclear missiles. Gorbachev not only knows this. He knows that even many Members of the U.S. Congress understand it. So he appreciates the fact that any insistence on his part that intermediate missile negotiations could not proceed if star wars continues is irrelevant and is recognized by everyone as irrelevant.

Why doesn't this Gorbachev agreement to drop the star wars objection to intermediate missile negotiations indicate the probable success of such negotiations? Answer: When Secretary Gorbachev announced he was dropping the star wars objections, he also announced that he will insist that France and England agree not to increase their intermediate nuclear arsenals. It is true that this does constitute a very slight advance over the previous Soviet posture. In the past, the Soviets had insisted that French and United Kingdom nuclear missiles had to be included with United States intermediate nuclear missiles deployed in Europe in any agreed reduction. Now the Soviets are only asking that neither France nor England increase the present size of their arsenal. If that sounds like a reasonable expectation, it is not. Why won't England and France meet this condition? Answer: As Secretary Gorbachev certainly knows, both France and England have already commenced a major expansion of their nuclear arsenals. Each of these two European countries has announced plans for at least a 1,000 nuclear warhead force. Production of the submarines and bombers to deliver these additional nuclear weapons is well underway. The U.S. position that it cannot and will not negotiate for other sovereign countries is correct. We cannot. Neither the United Kingdom nor France seem inclined to limit their planned new nuclear deployment. So the Gorbachev decision that U.S. star wars progress will not prevent him from reaching an agreement with the United States on superpower deployment of intermediate nuclear missiles will make Gorbachev's position less unreasonable and that is about all it does. It does not signal success for an arms control agreement to limit or reduce superpower nuclear weapons in Europe.

MYTH OF THE DAY: MEDICARE BENEFICIARIES CAN PRICE SHOP FOR MEDICAL CARE

Mr. PROXMIRE. Mr. President, the myth of the day is that most Medicare beneficiaries are in a position to effectively price-shop for nonemergency physician care.

One of the goals of this administration—which I strongly support—is to introduce competition into the marketplace for nonemergency care. But a central tenet of effective competition is an explicitly defined price to the consumer. And for most beneficiaries, it is necessary to be clairvoyant if they are to accurately project their potential out-of-pocket costs from different providers for the same service.

For some beneficiaries, this problem has been eased by the development of Medicare reimbursement to Health Maintenance Organizations [HMO's]. With HMO's the possibility of effective price-shopping is becoming a reality: beneficiaries can evaluate competing HMO benefit packages, their maximum out-of-pocket costs under each plan, whether their preferred physician participates and the general reputation for quality of each HMO. Hardly a foolproof system. But a

major improvement over the situation which most beneficiaries face in attempting to limit their out-of-pocket costs and shop prudently for medical care.

And with the tremendous reductions which Medicare has been forced to make in the last 5 years, the need of beneficiaries to restrain their out-of-pocket costs has become even more pressing.

But how are beneficiaries who cannot or do not want to join HMO's supposed to price-shop for physician services? Even when they want to price-shop, or desperately need to do so, it is virtually impossible to do so.

The reason lies in Medicare's incredibly complex formula for part B reimbursement. Known as customary, prevailing and reasonable [CPR], Medicare's formula is a bewildering array of formulas that make it impossible for the beneficiary, and often for the physician, to have any idea what Medicare will pay on the physician's bill. Thus, even when a physician is willing, and they often are, to assist those in need, by charging the beneficiary no more than their 20-percent copayment, it is often impossible for a physician to even let the beneficiary know in advance what that 20-percent copayment translates to in dollars.

The complexity derives from the fact that Medicare pays the lowest of: the physician's actual charge for the service the customary charge of the physician for the same service based on billings to Medicare from the prior year or the prevailing charge—a figure set at the 75th percentile of charges of all physicians in the area for the same service—and to complicate matters even further increases in the prevailing charge may not increase more from year to year than increases in the Medicare economic index.

All of this means that unless the physician can remember what Medicare is paying this year for a specific service, the beneficiary has no hope in evaluating the relationship between the bill they receive and what Medicare might pay.

But that's not the end of the story. The next question is whether the physician agrees to accept assignment, meaning that the beneficiary is responsible only for the required 20-percent copayment of Medicare's approved charge; if the physician refuses assignment, the beneficiary faces the 20-percent copayment as well as the difference between the actual charge and Medicare's approved amount—and, in 1985, that difference was 26.2 percent.

And last, but not least, is the question of whether the beneficiary has met the required $75 deductible in the year before Medicare pays a dime. Hardly a reassuring scenario by which the elderly can price-shop.

Consider the points made by the Office of Technology Assessment report:

> Some physicians may not be able to recall their Medicare approved charges when they recommend to the patient that a specific service be rendered, and when they refer a patient to another physician for a specialized service, they may not know all of the services that that physician may render, much less the charges for those services.
>
> For some infrequently performed procedures rendered near the beginning of a fee screen year, an approved charge for the procedure may not have been calculated for the physician practice. Neither the beneficiary nor the physician would then know the level of the approved charge until a bill for the service had been submitted.
>
> At the beginning of a fee screen year a physician would be likely to learn of that year's allowed charges only as reimbursements were received for services rendered in the new fee screen year. A physician could request information on those new approved charges . . . but there was no organized information dissemination . . . to physicians.

With such a bewildering structure, can there be any surprise at former HCFA Administrator, Dr. Carolyne Davis' statement that:

> We get something like 9 million letters a year on reimbursement, most simply wanting to know how the payment was arrived at.

The bottom line is clear. As Congress considers revision in Medicare's payment system, we need simplicity. An explicit payment schedule that can be understood by both the beneficiary and the physician in advance. Only then can competition truly flourish. And only then will beneficiaries be in a position to protect themselves from high out-of-pocket costs.

MEETING THE NICARAGUA PROBLEM

Mr. STENNIS. Mr. President, there is a great deal of concern—I am certainly including myself with those who have great concern—about the trend of things, and the possible developments in Nicaragua.

So I want to make use of about 10 minutes to sum up and review this situation in part, and put my thoughts for whatever they may be worth before my fellow Members.

The only basis I have to make a speech on this subject is some of the background, happenings, and so forth in the time since I have been here. I will not take over about 10 minutes.

Soon after the end of World War II, we assumed a major international leadership role, where prior thereto we had been leaning toward isolationism. Our leaders and our people knew this policy, knew the position, and knew that it would be expensive when we went into it. But, nevertheless, we deliberately took over the responsibility.

As the leader of the free world, we started paying a heavy price, a very heavy price, for that role shortly thereafter because within just a few years we were fully committed in the Korean war, which cost us heavily in manpower and in money. Thus, we had fought our first undeclared war.

I remember so well standing just to the rear of where I am now sitting when I fully realized that we had actually sent troops into Korea, they were engaged then in battle, and we had not passed a resolution of declaration of war which the Constitution plainly and clearly says that Congress shall have the power to declare.

Within a few years, we were fully committed, as I said, in the Korean situation—the first time we fought deliberately an undeclared war. A few years later, we became involved in the war in Vietnam—again an undeclared war—which also cost us severely in lives and money. We have since then been involved in Lebanon, Grenada, and in one way or another in many other countries around the world. Our commitment throughout the world requires us to maintain a military program now costing us over $300 billion a year, three times the amount it cost to run our entire Government only 25 years ago.

I recite those facts as a background for the opportunity I have had to observe and partly get the feel of, and these conditions have influenced me in my conclusion about Nicaragua and a relatively small sum of money, in a measure that the President has asked us to authorize to spend there. It is a lot of money in my book. But when it comes to dealing with these international affairs that I have related, it certainly is not an extravagant figure.

We have had Castro, also, and his regime in Cuba on our very doorsteps for over 20 years in a threatening, unfriendly, and positively closely aligned way with the Soviet Union. Now we have the present regime in Nicaragua closely connected and supported with weapons from the Soviet Union and from Cuba with a clear and present danger that their system and the threat it represents will spread to other Central American countries. That doubly underscores and multiplies many times over my concerns. It is not just Nicaragua, but also these other countries are tied in with all of Central America. The Lord only knows what else could become involved.

We have had a lot of problems. We met them the best we could. We have been successful in part. I do not know where the world would be by now if it had not been for our effort. And the real point we come to now is, What will happen if we do not continue this relatively small program that we have now in Nicaragua—hoping against hope that it will lead to something better and hold things together, and

thereby pave the way for the saving of that area?

Promises of negotiation have not been met. I cite these facts to show we already have these problems and trouble spots. We cannot avoid them now by merely withdrawing, because they will not go away. I think our people want a strong, firm foreign policy. They fully understand that there is risk involved. Not only of money, but they understand that it will cost far more in resources and risks to our national security if we have a soft foreign policy, and are unprepared to deal with the situations that may arise. The problems confronting us in Nicaragua will not go away of their own accord. Instead, those problems will grow and fester if left alone. We cannot afford to leave it alone.

With the foregoing facts confronting us, we are compelled to intervene by providing some funds for assistance to the Contras opposing the regime in Nicaragua. The area surrounding Nicaragua could be the seedbed for future trouble if we do not act now.

I repeat that for emphasis. If we do not provide money to help the Contras now, some of these countries are highly vulnerable and run the risk of being undermined in time by the same type Marxist philosophy now present in Nicaragua. This money is not what is known as economic development aid. This money is in reality military funds, a distribution to the Contras to carry on in the fight against Communists in Nicaragua. The only request to us now is for $100 million to be used by the Contras as outlined by the President.

This plan is awkward, in a way, for Nicaragua, and also the other neighboring countries. But it carries the hope and a potential for freedom and democratic institutions in which all countries in the area will eventually share.

This limited involvement now aids the chances for a successful ending of this threat. We need to prevent developments in the area that are adverse to the interests of the local countries, and also definitely a threat to our country.

I am convinced, Mr. President, that we should act in this limited way, and I am further convinced that our Secretary of State, Mr. Shultz, understands this problem, and will do an excellent job.

Mr. President, Secretary Shultz has proved his understanding, his know-how, and his knowledge. He is a planner. He knows, in these uncertain times, in these treacherous times, how to proceed.

This is his recommendation and it is a recommendation of the President of the United States that these funds be supplied. It is unthinkable that we withhold this money now and walk away after having started the course. If we do not proceed now, we shall pay a much greater price later, so let us move forward with this plan.

Mr. President, I have outlined the substance in a brief way, of my background of experience in these crises.

Mr. President, they are moving toward us every day, closer and closer and closer. Now, and this sounds like it is way off, but it is within close distance with modern travel by air.

Mr. President, we must meet these conditions now. We must not slacken, we must not back up; we have started on this course and I hope we can move right on and approve this relatively small amount. Let them know that we are going to be willing to pay the necessary price, and that we are not going to yield.

Mr. President, I thank the Chair and I thank those who have arranged for our speaking during this period of time. I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SPECTER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KASTEN). Without objection, it is so ordered.

RECOGNITION OF SENATOR SPECTER

The PRESIDING OFFICER. The Senator from Pennsylvania [Mr. SPECTER] is recognized.

IMPACT OF PROPOSED BUDGET CUTS ON PENNSYLVANIA

Mr. SPECTER. Mr. President, I report today on a series of hearings which I held throughout Pennsylvania to investigate the impact that the administration's proposed budget cuts may have. The information that I received has been very informative and will be helpful to me in determining my budget priorities as a series of votes will come before the Senate. There is a great concern throughout my State on what the budget revisions will mean. There is a general understanding that the deficit must be reduced and eventually eliminated. However, cuts in programs should be fair and evenly distributed. This principle is not evident in the proposed budget.

Any budget proposal should take into account the special circumstances of States which have special needs, and that involves a State like Pennsylvania, which, regrettably, has not shared in the economic recovery. Certain regions of the State continue to suffer from levels of high unemployment, and subsequent loss of tax base. I cannot support the proposed budget provisions that will impose undue hardships on Pennsylvanians and hinder my State's ability to continue the economic gains that are being made.

I suggest, Mr. President, that the situation is not unique for Pennsylvania but is duplicated in many other areas of the United States. So there will have to be careful targeting as we work through the process of cutting the deficit, but still give appropriate care and attention to areas of need in this Nation.

At my hearings, many concerned Pennsylvanians testified on matters regarding education, mass transit, veterans' affairs, job programs, job corps, transportation, UDAG's health and human services, general revenue sharing, housing, small business, juvenile justice, and environment. I was very much impressed with their breadth of knowledge and their commitment to efficient, high quality public service. I came away convinced that the budget cuts which were discussed would have to be very carefully tailored so that the needs of areas of our Nation like my own State will be met.

City officials testified that they were quite disturbed by the proposed budget cuts in programs such as urban mass transit, urban development action grants, where the UDAG's have been leveraged for very fine city improvements which have yielded a strong tax base and have yielded more in taxes and revenues to the Federal Government than the initial expenditures; much concern about the Economic Development Administration, which again has a record for a positive yield on the investment and the Federal outlays; great concern about urban mass transit, where the elimination on a drastic basis of Federal support would result in extraordinarily high increases at the fare box, would discourage people from using mass transit, and would undercut the ability of many, simply stated, to be able to get to work. Concern was also expressed at the cuts in housing rehabilitation and development programs, general revenue sharing and job programs. These are some of the programs that are essential to a successful rebuilding of our urban centers, where millions of Americans, including many of our less fortunate low-income, unemployed, and older adults live. Other witnesses testified on particular subject areas which I will briefly describe.

EDUCATION

Educators were very much concerned with the inevitable loss of equal access to educational opportunity given the proposed changes to Pell grants, national defense student loans, and guaranteed student loans. According to these sources, decreases in such aid would compel a good portion of students currently attending colleges to forfeit or delay their education.

They also stressed that these proposed cuts will in fact act to deny students the right to attend the college of their choice. The cuts will result in the selection of a college being based on financial, rather than academic criteria. They testified that many students and their families find themselves unable to meet the rising costs of education without outside assistance. The elimination/reduction in the aforementioned programs would leave thousands of students faced with a very difficult situation: That is, that there would simply be no other sources from which to acquire funds for education. As one person stated, "If you think education is expensive, try ignorance."

It is very important, as we assess the Federal budget on education, that we bear in mind that education is realistically viewed as a capital asset, and that the investment in the future of scholarship is a great thing for America. It is an expenditure which has to be made if we are to keep pace with the Soviets and other great world powers and if we are to keep pace with the modern industrial nations like West Germany, Japan, and other evolving nations.

MASS TRANSIT

The testimony from mass transit officials pointed to the fact that, if operating subsidies are eliminated, there will be dramatic cutbacks in service and unavoidable fare increases. Many mass transit users are poor and elderly, and they would suffer the most from these increased charges. Reductions in capital funding, along with proposed mixing of highway and mass transit block grants, will mean the eventual decay of critical infrastructure that has taken so long to build. Elimination of the gas tax exemption for bus fuel would also impair transit authorities' ability to provide affordable service.

Amtrak officials testified that Amtrak would simply have to shut down if the administration's proposed cuts in subsidies are adopted. Amtrak contributed hundreds of millions of dollars to the economy last year through the purchase of goods and services and its payroll. Amtrak also described the dismal situation the transportation industry and the Nation would face if Amtrak were terminated: Increased air and highway congestion, other transportation inconveniences, and a loss of some 25,000 jobs.

VETERANS

Great concern was shown, Mr. President, from veterans who came to my hearings all across Pennsylvania. They were especially concerned about reductions in medical care, medical treatment.

Witnesses testifying on behalf of Pennsylvania veterans stated that the budget proposals will cause a decline in all aspects of VA programs and services. They charge that cuts are being made without regard to past efficiencies and cost cutting which reportedly have generated over $2 billion in savings over the past 5 years.

With respect to the veterans' issue, it has to be remembered that, unlike many grants or gifts which the Federal Government undertakes, the commitments to the Nation's veterans are obligations which are undertaken for services performed.

JOBS PROGRAMS

The Pittsburgh Job Corps Director testified that, if the administration's proposals are accepted, $5 million would be lost to the local economy. In addition, the opportunity to break the cycle of welfare, one of the President's stated goals, would be eliminated for the 1,000 local youths who participate every year. He questioned the budget's logic given administration's studies, and numerous independent studies which reportedly prove conclusively that there is a return on investment of $1.46 for every dollar invested in the Job Corps. He testified that the President's budget entails 38 to 64 center closings, 32,000 fewer new enrollees, and 6,200 lost staff jobs nationwide.

JUSTICE

Juvenile Justice, Justice Assistant, and Victim Assistance Programs would be critically injured by budget proposals. These programs have shined in their success until now and we should not allow them to be eliminated. To do so would serve only to negate much of the progress already achieved. Their importance to my State was stressed in testimony.

SMALL BUSINESS ADMINISTRATION

The firm consensus of all those who testified on behalf of the Small Business Administration [SBA] was that the SBA has exerted a tremendously positive influence, providing much needed financial and management assistance to small businesses. The SBA assistance programs have greatly enhanced the ability of small businesses to compete effectively in the marketplace, and thereby continue to provide valuable and essential services. Elimination of the SBA and its programs would seriously curtail the growth of small businesses as a positive force in our economy, reduce the competitive nature of our business sector, and raise unemployment.

ENVIRONMENT

Representatives of the Sierra Club expressed great concern over the adverse consequences that would result from the cuts in environmental programs. Testimony stated that Pennsylvania stands to lose over $640 million in 1987 (a good portion of which would come from elimination of grants for construction of sewage treatment plants). The continuation of the preservation and cleanup of Pennsylvania's rivers and streams is of critical importance. As such, all testimony stressed that we can ill afford to allow the tremendous progress made in environmental protection to be reversed or negated.

HOUSING/UDAGS/CDBG/EDA

City officials across the State testified as to the devastating effects that proposed reduction and/or elimination of UDAG's, CDBG's, housing programs, and economic development would have on their cities and surrounding areas. All who testified reiterated their support for and understanding of the need to reduce Federal spending and eventually eliminate the deficit. However, they expressed deep concern over the indiscriminate manner in which the proposed budget cuts appear to have been made. The recurrent theme of each person who testified was that the loss of Federal funds will create great havoc and place a tremendous burden on local municipalities who cannot replace those funds through increased tax revenue. The end result—dramatic curtailments and cutbacks in essential services, programs, and employment.

Officials substantiated their arguments for the continuation of UDAG's/CDBG's in describing dozens of examples where these grants were the pivotal leveraging mechanism for financing such varied projects as housing development/rehabilitation, urban revitalization, commercial development, public safety, and street improvements.

HHS

Officials testifying for agencies who provide health and human services programs described an equally dismal situation should proposed cuts in their funding be enacted. Given previous reductions in funding levels for many HHS areas, the additional proposed cuts would force agencies to make extremely difficult decisions in determining the priorities for the distribution of their scarce resources. Affected programs include nutritional service, employment and training, education, health, housing, and other vital programs.

For example, a study conducted by the Urban Institute here in Washington concluded that Allegheny County is one of the most heavily dependent upon Federal assistance for social services. Of the nearly $1.5 billion spent annually in Allegheny County for these services, 77 percent comes from the Federal Government. Should the county lose those funds, the immense impact of the loss becomes painfully clear. These cuts are especially difficult for an area which has experienced such a dramatic loss of manufacturing jobs and tax base.

In summation, Mr. President, I have acquired valuable information from and insight into the concerns of Pennsylvanians regarding the fiscal year

1987 budget. When the 1981 tax and budget cuts were enacted, one major premise was that, as the Federal Government reduced grants for social service, State and local governments would step in to fill the gap. In the case of Pennsylvania, that apparently cannot happen. Given this, it is clear that, while the Federal Government continues to shift the financial burden to the State and local levels, those governments find themselves without sufficient financial resources to address many of the problems which were originally conceived as being national goals and objectives. Therefore, as we in Congress continue to strive toward our goal of eliminating the Federal deficit, we must remember that we have a duty to tailor the Federal budget to the real needs of the country, and to the diverse circumstances of the States. I will be working vigorously to assure that this is accomplished.

Mr. President, I have attached a list of the witnesses who testified and where these hearings were held, and I ask unanimous consent that it be included in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

BUDGET HEARING WITNESS LIST, FRIDAY, FEBRUARY 14, 1986—ERIE, PA

Joseph Schleicher, Board of Erie Metro Transit Authority.
Jim McIntosh, V.P., Amalgamated Transit Union Local 568.
Richard Ace, Steward, Amalgamated Transit Union Local 568.
Hayes Hamilton, Transit Passenger.
Michael Crockett, Transit Passenger.
Ruth Long, Transit Passenger.
Alice Pacek, Transit Passenger.
Alvira Carson, Transit Passenger.
Thelma Grady, Transit Passenger.

BUDGET HEARING WITNESS LIST, SATURDAY, FEBRUARY 15, 1986—PHILADELPHIA, PA

David Boonin, Mayor's Director for Intergovernmental Affairs.
Timothy Gillespie, Senior Director, Congressional Affairs, Washinton, DC. Amtrak.
Lewis F. Gould, Chairman of the Board, SEPTA.
Robert Gerard, Vice President, Mellon Bank (East).
Kenneth Staley, Vice President, Kinzy Staley & Sons, Inc.
Bob Sorrel, Executive Director, Urban League of Philadelphia.
Vera Gunn, Philadelphia Urban Coalition.
Sister Charity Kohl, Administrator, Cora Services.
Johnathan Stein, Executive Director, Community Legal Services—Ronald Harper, President, Board of Trustees.
Brother Patrick Ellis, President, La Salle Univ.
Perry Lenzer, Business Manager, Cheyney Univ.

BUDGET HEARING WITNESS LIST MONDAY, FEBRUARY 17, 1986—PITTSTON, PA

Honorable David Wenzel, Mayor, City of Scranton.
Honorable Thomas McLaughlin, Mayor, City of Wilkes-Barre.
Mrs. Rachel Lohman, Director, Financial Aid Office, Wilkes College, Wilkes-Barre, Pennsylvania.
Mr. Fred Letteri, Executive Director, Scranton-Lackawanna Human Development Agency.
Mr. Sanford Sutherland, President, Board of Directors, Economic Development Council of Northeastern Pennsylvania.
Mr. Howard Grossman, Executive Director, Economic Development Council of Northeastern Pennsylvania.
Mr. James J. Decker, Executive Director, County of Lackawanna Transit System, Immediate Past President, Pennsylvania Mass Transit Association Directors.

BUDGET HEARING WITNESS LIST, FEBRUARY 17, 1986—ALLENTOWN, BETHLEHEM, EASTON AIRPORT, PA

Donald Bernhard, Director of Community Development, City of Allentown.
Renee Saleh, Director of Financial Aid, Kutztown University, Vice President, Pennsylvania Association of Financial Aid Administration.
Armando V. Greco, Executive Director, Lehigh and North Kingston Transit Authority.
Bernadette Kuebler, Chairman, Allentown Housing Authority.

BUDGET HEARING WITNESS LIST, MONDAY, FEBRUARY 17, 1986—PITTSBURGH, PA

Honorable Pete Flaherty, Allegheny County Commissioner.
David Donahoe, Mayor's Office.
Father Donald Nesti, President, Duquesne University, Lois Behr, Student.
Bill Millar, Executive Director, Port Authority Transit.
Leo McDonough, President, Smaller Manufacturers Council and Frank Fairbanks, Past President, Smaller Manufacturers Council.
Vince Doran, Executive Director, Job Corps.
Joseph Pulgini, Director, Allegheny County Department of Veterans' Affairs.
Richard Drnevich, Director of Redevelopment, Allegheny County Redevelopment Authority or Housing.
Tom O'Shea, Deputy Director, Area Agency on Aging.

BUDGET HEARING WITNESS LIST, FEBRUARY 22, 1986—HARRISBURG, PA

Mayor Stephen Reed, Harrisburg.
Andy Thompson, National Service Officer, Disabled American Veterans.
Charles Coder, Executive Director, Small Business Development Center, Bucknell University.
James Hoffer, General Manager, Capitol Area Transit.
Jeff Schmidt, Governmental Liaison, Pennsylvania Sierra Club.
James Thomas, Executive Director, Pennsylvania Commission on Crime and Delinquency.
Jeff Birringer, Managing Attorney, Harrisburg Legal Services.
David Helfman, Assistant Research Director, Pennsylvania State Education Association.
Donald Raley, Director of Financial Aid, Dickinson College.
Mayor Martin Schneider, Lebanon.

BUDGET HEARING WITNESS LIST, MONDAY, FEBRUARY 24, 1986—JOHNSTOWN, PA

Herbert Pfuhl, Mayor of Johnstown.
Thomas Klaum, Executive Director, Cambria-Somerset Council of Governments.
Harold Jenkins, Executive Director—Cambria County Transit.
John Henry, Director—Cambria County Human Services.
Thomas Wonders, Director of Admissions and Financial Aid—University of Pittsburgh.
Tina Eppolito, Student Recipient of Financial Aid.
John Torres, Director of Community Economics Development.
George Walter, Deputy Director, Community Development.
Robert Symon, Project Director, Community Service Employment Program.

BUDGET HEARING WITNESS LIST, MONDAY, FEBRUARY 24, 1986—Altoona, PA

David Jannetta, Mayor of Altoona.
William Stouffer, Chairman—County Commissioner of Blair County.
Donna Gority, Blair County Commissioner Speaking on Human Services.
Charles Catteral, Executive Director—Altoona Housing Authority.
Dr. Edward Pierce, President—Mt. Aloysius Jr. College.
Student From Mt. Aloysius Jr. College.

Mr. SPECTER. Mr. President, I thank the Chair. I yield the floor.

FEDERAL DEBT RECOVERY ACT

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of Calendar No. 554, S. 209, the Federal Debt Recovery Act, and that it be considered under the following agreement: That no amendments be in order with the exception of the committee-reported amendments; that no motions to recommit with instructions be in order; 2 minutes on any debatable motions, appeals, or points of order, if so submitted to the Senate; that the vote on final passage of S. 209 occur at 11:30 a.m.; and that the agreement be in the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 209) to amend chapter 37 of title XXXI, United States Code, to authorize contracts retaining private counsel to furnish collection services in the case of indebtedness owed the United States.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Governmental Affairs, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italic.)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Debt Recovery Act of 1985".

SEC. 2. Section 3718 of title 31, United States Code, is amended—

[(1) by striking out subsection (d);]

[(2)] *(1)* by redesignating subsections [(b) and (c)] *(b), (c), and (d)* as subsections [(d) and (e),] *(d), (e), and (f),* respectively;

[(3)] *(2)* in subsection (d), as redesignated by paragraph [(2),] *(1),* by inserting "or (b)" after "subsection (a)";

[(4)] *(3)* in subsection (e), as redesignated by paragraph [(2), (1)—]

(A) by inserting "or (b)" after "(a)" in the first sentence; and

(B) by striking out "(b)" *in the second sentence* and inserting in lieu thereof "(d)"; and

[(5)] *(4)* by inserting after subsection (a) the following new [subsection:] *subsections:*

"(b)(1) The Attorney General may make contracts retaining private counsel to furnish legal services, including representation in negotiation, compromise, settlement, and litigation, in the case of any claim of indebtedness owed the United States. If the Attorney General makes a contract for legal services to be furnished in any judicial district of the United States under the first sentence, the Attorney General shall use his best efforts to retain, from among attorneys regularly engaged in the private practice of law in such district, more than one private counsel to furnish such legal services in such district. Each such contract shall include such terms and conditions as the Attorney General considers necessary and appropriate, including a provision specifying the amount of the fee to be paid to the private counsel under such contract or the method for calculating that fee. The amount of the fee payable for legal services furnished under any such contract may not exceed the fee that counsel engaged in the private practice of law in the area or areas where the legal services are furnished typically charge clients for furnishing legal services in the collection of claims of indebtedness, as determined by the Attorney General, considering the amount, age, and nature of the indebtedness and whether the debtor is an individual or a business entity.

"(2) The head of an executive or legislative agency [may] *may, subject to the approval of the Attorney General,* refer to a private counsel retained under paragraph (1) of this subsection claims of indebtedness owed the United States arising out of activities of that agency.

"(3) Notwithstanding sections 516, 518(b), 519, and 547(2) of title 28, a private counsel retained under paragraph (1) of this subsection may represent the United States in litigation in connection with legal services furnished pursuant to the contract entered into with that counsel under paragraph (1) of this subsection.

"(4) A contract made with a private counsel under paragraph (1) of this subsection shall include—

"(A) a provision permitting the Attorney General to terminate the contract if the Attorney General [finds] *determines* that *the* termination of the contract is [in the public interest;] *for the convenience of the Government;*

"(B) a provision permitting the Attorney General to have any claim referred under the contract returned to the Attorney General if the Attorney General finds such action to be in the public interest;

"(C) a provision permitting the head of any executive or legislative agency which refers a claim under the contract to resolve a dispute regarding the claim, to compromise the claim, or to terminate a collection action on the claim; and

"(D) a provision requiring the private counsel to transmit [monthly] *periodically* to the Attorney General and the head of the executive or legislative agency referring a claim under the contract a report on the services relating to the claim rendered under the contract during the [month] *period for which the report is made* and the progress made during [the month] *such period* in collecting the claim under the contract.

"(5) Notwithstanding the fourth sentence of section 803(6) of the Fair Debt Collection Practices Act (15 U.S.C. 1692a(6)), a private counsel performing legal services pursuant to a contract made under paragraph (1) of this subsection shall be considered a debt collector for the purposes of such Act.

"(c)(1) The Attorney General shall transmit to the Congress an annual report on the activities of the Department of Justice to recover indebtedness owed the United States which was referred to the Department of Justice *or to a private counsel* for collection. Each such report shall include a list, by agency, of the total number and amounts of collected and uncollected claims of indebtedness which were referred to the Department of Justice *or to a private counsel* for collection, shall separately specify any uncollected claim of indebtedness which was covered by a contract (A) which was terminated by the Attorney General under subsection (b)(4)(A) of this section or (B) under which the claim was returned to the Attorney General under subsection (b)(4)(B) of this section, and shall describe the progess made by the Department of Justice in collecting uncollected claims of indebtedness during the one-year covered by the report.

"(2)(A) The Comptroller General of the United States shall carry out an annual audit of the actions taken by the Attorney General under subsection (b) of this section during the preceding twelve months. The Comptroller General shall determine the extent to which there is competition among private counsel to obtain contracts awarded under such subsection, the reasonableness of the fees provided in such contracts, the diligence and efforts of the Attorney General to retain counsel in accordance with the provisions of this section, and the results of the debt collection efforts of private counsel retained under such contracts.

"(B) After completing each audit under subparagraph (A), the Comptroller General shall transmit to the Congress a report on the findings and conclusions resulting from the audit.".

SEC. 3. Not later than [sixty] *180* days after the date of enactment of this Act, the Attorney General of the United States shall transmit to the Congress a report on the actions taken under section 3718(b) of title 31, United States Code (as added by paragraph [5] *(4)* of section 2 of this Act).

Mr. COCHRAN. Mr. President, I ask for the yeas and nays on the bill.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. COCHRAN. Mr. President, I am very pleased that the Senate is today considering the Federal Debt Recovery Act. Our subcommittee of the Governmental Affairs Committee conducted hearings on the bill at the request of the distinguished Senator from New York [Mr. D'AMATO]. After considering the testimony and the proposal the subcommittee had made for reporting the bill, the committee did report the bill and is recommending to the Senate today that it enact this bill and send it to the House.

I commend the distinguished Senator from New York for his leadership in developing this legislation and in assisting to bring it before the Senate.

This legislation provides authority for the Federal Government to employ private attorneys to assist in the collection of delinquent debts that are owed to the Federal Government.

For some time, private collection agencies have been employed by the Government to assist in collecting these debts, but there has been an absence of authority to use private attorneys. The Department of Justice has been the sole legal counsel and litigant authorized to proceed against those who owe the Government money and will not pay it. So any judgments obtained against individuals who owe the Government money have been obtained through the use of U.S. attorneys throughout the country.

The workload has become immense. The number of outstanding debts that are not being collected because of the failure to be able to employ private counsel have risen dramatically over the years. It is important that we pass this legislation and that we provide this additional authority to employ private counsel.

Mr. President, at this time I yield to the distinguished Senator from New York such time as he may consume.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. D'AMATO. Mr. President, I thank my distinguished colleague, the Senator from Mississippi [Mr. COCHRAN], for his aid in making it possible for us to consider S. 209 today. His counsel, June Walton, and the staff director, James Lofton, have been of invaluable assistance with respect to this legislation.

Mr. President, I am pleased to rise today to support passage of S. 209, the Federal Debt Recovery Act of 1985. This bill will assist the Federal Government in recovering hundreds of millions of dollars in delinquent nontax debts that currently go uncollected. S. 209 is virtually identical to S. 1668 which passed the Senate on July 25, 1984, by a vote of 96 to 1.

S. 209 has been reported unanimously by the Governmental Affairs Com-

mittee. It was a subject of hearings by the Energy, Nuclear Proliferation, and Government Processes Subcommittee on September 26, 1985. I want to thank Chairman COCHRAN and the subcommittee staff, especially Chief Counsel June Walton, and the staff director, James Lofton, for all the help they have provided in getting this important legislation to the floor at this time.

The bill before us today will permit the Attorney General to contract with private attorneys to furnish legal services in connection with the recovery of nontax indebtedness owed the United States. It will enable the Federal Government to begin the process of recovering billions of dollars in nontax delinquent debt in a timely, systematic, and fair manner. No appropriations are required for this bill because attorneys will be compensated only from the proceeds collected. As I speak, there is more than $24 billion worth of overdue delinquent nontax debt outstanding.

A companion bill, H.R. 979, has been introduced by Congressman JIM MOODY. Hearings will be held in the House Judiciary Committee in the near future. I am confident that my House colleagues will be encouraged by today's Senate action to press for swift consideration and passage of this vital legislation. Each day, delinquent nontax debts cost the Federal Government $15.37 million due to lost interest, increased Government borrowing costs, and debts lost to the statute of limitations. We cannot afford to permit these funds to continue to go uncollected. The 99th Congress has the duty to achieve deficit reduction wherever possible. This legislation is a clear opportunity to carry out that responsibility.

I have worked on this legislation for more than 3 years. In 1983, when I introduced previous bills on this subject with former Senator Percy, the amount of nontax delinquencies was $16 billion. When I introduced S. 209 in the 99th Congress, the amount of nontax delinquencies had grown to $19.9 billion—an increase of 24 percent. At the end of fiscal year 1985, that amount had soared to $23.9 billion—an increase of another 20 percent. Clearly, the problem is getting worse at a time when deficit reduction goals are forcing us to make hard choices about funding levels for various federally aided programs.

The most significant benefit of this bill is that it will bring desperately needed dollars back into the Treasury; however, a beneficial byproduct is that it will help restore the integrity of many Federal loan programs that have lost support in large part due to the Federal Government's inability to manage its debt. Failure to implement professional debt-management procedures has led to a proliferation of seriously delinquent debts. There is now at least $14.9 billion in nontax delinquencies that are more than 1 year overdue—an increase of 21 percent from fiscal year 1984. I think it is a shame that we end up cutting dollars from worthwhile programs in the name of deficit reduction when, with better credit management, the funds would be there to fund the programs.

Mr. President, many of the figures I have cited are summarized in two simple tables my staff has prepared. I ask unanimous consent, therefore, that they be printed in the RECORD in their entirety at this point.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

DEBT OWED THE FEDERAL GOVERNMENT

[Dollar amounts in billions]

	End of fiscal year 1984	End of fiscal year 1985	Change 1984–85 (percent)
Total debt owed Federal Government	$315.3	$345.8	+10
Tax	53.2	56.2	+6
Nontax	262.1	289.6	+10
Overdue debt	49.6	59.2	+19
Tax	29.7	35.3	+19
Nontax	19.9	23.9	+20
Less than 1 year overdue	29.0	28.0	−3
Tax	21.4	19.0	−11
Nontax	7.6	8.9	+17
More than 1 year overdue	20.6	31.2	+51
Tax	8.3	16.2	+95
Nontax	12.3	14.9	+21
More than 6 years overdue	10.35	15.6	+51
Tax	4.15	8.1	+95
Nontax	6.2	7.45	+20
Written-off in fiscal year 1984	3.6	2.7	−25
Government borrowing rate (percent)	10.7	8	

DAILY/ANNUAL STATISTICS ON DELINQUENT DEBT

	Amounts
Moneys lost to the statute limitations	$7.5 million per day.
Increased Government borrowing costs	5.24 million per day.
Lost interest (at rate of 4 percent)	2.62 million per day.
Total	15.37 million per day.
Total moneys lost to Government	5.61 million per day.

DEBT COLLECTION ACTIVITY

[Dollar amounts in millions]

Agency/Department	Delinquent amounts: fiscal year—		Change (percent)	Write offs: fiscal year—	
	1984	1985		1984	1985
Agriculture	$6,235	$9,197	+47	$91	$86
Aid	252	282	+12	24	26
Commerce	354	516	+46	92	44
Defense	685	1,030	+50	43	47
Education	3,976	3,945	−1	390	41
Energy	38	68	+79	17	1
HHS	623	479	−23	378	403
HUD	1,715	1,576	−8	822	447
Interior	183	280	+53	8	5
Justice	27	39	+44	118	4
Labor	343	372	+8	6	5
SBA	2,644	2,519	−5	521	604
Transportation	350	620	+77	64	19
VA	1,415	1,555	+10	79	96
Export-Import Bank	919	971	+6	20	5
All other activities	111	458	+313	70	46
Nontax total	19,870	23,907	+20	2,743	1,977
Tax total	29,745	35,283	+19	900	764
Grand total	49,615	59,190	+19	3,643	2,741

DEBT COLLECTION ACTIVITY—Continued

[Dollar amounts in millions]

Mr. D'AMATO. Mr. President, for years, Federal agencies have continued to make billions of dollars available in loans under a myriad of different programs. Until very recently, however, there has not been a corresponding effort to assure that debts are repaid on time. The Debt Collection Act of 1982 was a significant beginning in the Federal Government's effort to gain control of its burgeoning collection problems. As a result of that act and subsequent program initiatives, the Federal Government is starting to implement modern tools of credit management, such as automated tracking of accounts, sharing of information regarding debtors among Federal agencies, and the use of collection agencies.

In 1984, the enactment of the Deficit Reduction Act allowed the Internal Revenue Service to offset delinquent debts against income tax refunds otherwise due to taxpayers. Under that act, debtors must be given 60 days notice prior to such an offset and must be allowed to bring their accounts into current status, establish payment schedules, or pay in full prior to the effective date. As of December 1985, $14.8 million has been collected through voluntary payments as a result of offset notices sent to taxpayers. The IRS will be able to continue this practice through 1986. I commend this administration for committing itself to bringing 20th century techniques into our debt collection efforts. The retention of private attorneys, as provided for in S. 209, however, is the next logical step in good credit management.

Many debtors with the financial ability to repay their debts have steadfastly refused to pay them; they have learned that debts owed to the Federal Government are unlikely to be pursued, reduced to judgments, and enforced. Unfortunately, they are right. Many of these debtors have proven to be affluent professionals.

The Justice Department is ill-equipped to handle the massive

volume of delinquent tax debts ($35.3 billion), let alone the delinquent nontax debts ($23.9 billion). DOJ has higher priorities, such as fighting organized crime, drug trafficking, extortion, and other serious felonies.

As of July 31, 1985, there were 92,978 delinquent debt cases pending at DOJ, as well as 210,557 other cases and matters. Of the debt collection cases, 18 percent were over 4 years old; in many of them, no action had yet been instituted. Even in those cases where judgments were secured, often the critical step of enforcement action was not taken to actually collect moneys owed to the Treasury.

At the close of fiscal year 1985, there were 6,937,757 delinquent nontax debts. At the same time, there were 158,285 overdue accounts pending at DOJ, independent of the tens of thousands of other criminal and civil cases and other matters also pending there. A total of less than 75,000 lawsuits of any nature, in which the Federal Government was the party plaintiff, were brought by DOJ during 1985. Even if all of the 75,000 lawsuits were collection cases, which they were not, the cases would represent less than 2 percent of the delinquent debts owed the Federal Government. The point is clear: The sheer volume of delinquent accounts overwhelms the resources of DOJ. For example, as of July 31, 1985, DOJ had terminated only 4,390 debt-collection cases. At the same time, there were another 25,344 cases referred by Education Department pending at DOJ.

As a result of the immensity of the task assigned to it, DOJ occasionally publicizes its efforts to pursue delinquent debtors in order to deter others from failing to pay their debts. Such publicity makes a brief splash, but without diligent follow through—securing judgments and, most importantly, enforcing them and collecting the amounts owed—these incidents do not serve the Government well because the debt remains unpaid and debtors may have been subjected to extreme embarrassment and humiliation.

An article illustrating this very point appeared in the March 6 issue of the Washington Post. It tells the story of an employee of a quasi-Government agency who was arrested by U.S. marshals and brought before a U.S. magistrate for failure to repay a student loan of $1,100. The Government had obtained a judgment against this debtor, but after 5 years, was unable to reduce the judgment to payment. Under the Deficit Reduction Act, the wages of the debtor could have been garnished to repay the debt; instead, the Government chose the intrusive option of arresting the debtor. This type of police-state tactics would not be tolerated if practiced by the private bar. In fact, there are severe penalties in Federal laws aimed at those who would abuse consumer debtors. Mr. President, I commend this article to the attention of the Senate, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Mar. 6, 1986]

U.S. WORKER ARRESTED IN STUDENT LOAN CASE AFTER LONG SEARCH

(By Nancy Lewis)

A 41-year-old Northwest Washington man who for five years eluded the federal government's efforts to collect a $1,100 court judgment against him for an unpaid student loan while at the same time working for the Federal Deposit Insurance Corp. was arrested yesterday by U.S. marshals.

"When you ignore a contempt of court [summons] . . . you can expect to have U.S. marshals take you into custody and bring you before the court," Assistant U.S. Attorney Royce C. Lamberth said after Ronald A. Sanders of 49 Seaton Place NW was arrested at his home.

U.S. Magistrate Arthur L. Burnett told Sanders that he could have "avoided embarrassment" if he had simply answered the government's inquiries. In the future, Burnett said, "come down here and people will try to help you."

Sanders, who told Burnett that he hadn't received all of the court's summons because of "domestic problems," and simply that the incident had been "humiliating."

The government had been trying for five years to get Sanders to set up a repayment plan for the balance, plus interest, on two loans, totaling $1,700, that he received while attending Central State University in Wilberforce, Ohio.

The order to bring Sanders into court was approved Jan. 22 by U.S. District Judge John Pratt after the government was unable to find out where Sanders worked. Although federal agencies have several programs designed to uncover federal employes who have defaulted on student loans, none apparently turned up Sanders, officials said.

"We do not intend to allow people to ignore their obligation to repay money they owe the United States," Lamberth said. "In this day of federal deficits, the money we can obtain from debt collections, while small in individual cases, is staggering in its total impact on the federal treasury."

Richard Hastings of the Department of Education said that of all federal loan programs, about $5 billion is in default. For guaranteed student loans, made by private financial institutions and backed by the government, the rate of default is about 10 percent, he said.

For direct student loans, the default rate is about 14.5 percent.

As part of its increased efforts, Hastings said, the names of more than 18,000 people who are in default on their loans have been sent to federal prosecutors for collection.

Lamberth said that in the District the government is trying to collect on about 1,000 judgments. The wages of more than 100 federal employes here are being garnished.

Government officials said that they expect Sanders' pay would be garnished if he did not propose a satisfactory repayment schedule.

Mr. D'AMATO. Mr. President, the legal process should not be used to frighten debtors into paying their debts. I firmly believe that a systematic approach to debt collection, combined with a meaningful threat of litigation as a last resort, is the best way to collect delinquent debts. Moreover, S. 209 specifically states that the Fair Debt Collection Practices Act applies to attorneys handling debt collection cases for the Federal Government. Thus, attorneys must recognize the basic rights and liberties of consumers while utilizing all available legal collection tools.

I am pleased that DOJ supports my legislation. Over the last several years of work on this bill, DOJ has come to agree with its privatization approach. This idea was recommended by the President's Private Sector Survey on Cost Control—the Grace Commission.

S. 209 will freeup DOJ attorneys, some of our very best Federal lawyers, for the challenging and important work they were hired to do. It certainly is questionable whether DOJ should have to treat debt collection as one of its top priorities. Certainly, it is important to recover these delinquent debts, but I believe that DOJ attorneys are best employed as crime fighters, not as bill collectors.

Collection agencies are vital to the Government's effort to collect these delinquent debts. However, as noted in a 1983 GAO study, collection agencies efforts are hampered by their inability to threaten debtors with legal suits. Without the added tool of litigation, collection agencies employed by the Education Department have only been able to achieve a collection rate of 6.6 percent. In the private sector, where the threat of litigation is meaningful, the collection rate for similar debts would be as high as 30 percent to 40 percent.

S. 209 is the product of extensive discussion and deliberation with the Justice Department, the Education Department, and many others with expertise in the field of debt collection. It reflects a compromise reached with justice whereby justice was given the power to contract with private law firms for legal services in connection with debt collection. Further, we agreed that the heads of Federal agencies could then, subject to the approval of the Attorney General, refer cases directly to the law firms hired by DOJ.

Federal agencies should not bypass the cost-effective use of collection agencies in recovering delinquent debt. Litigation against recalcitrant debtors is only intended to be used as a tool of last resort. In addition, S. 209 was crafted to permit Federal agencies to have the option to decide whether a contract with a collection agency would give the collection agency the power to make direct referrals to law firms retained by DOJ. Nothing in the

bill precludes such contracts from being executed.

In order to safeguard the public interest, the bill authorizes DOJ to recall any claim referred to private counsel. This authority is intended to be reserved for exceptional, rather than routine, cases. DOJ may also terminate contracts with private law firms. S. 209 also states that the heads of Federal agencies shall have the power to resolve disputes regarding claims, compromise claims, or terminate collection action on claims. Private attorneys must also submit periodic status reports, both to the Attorney General and to the head of the Federal agency referring claims under the contract.

The Attorney General is required to submit to Congress an annual report on DOJ's activities to recover delinquent debts. An annual audit of DOJ's actions to retain private counsel under this bill is also required to be performed by the Comptroller General and submitted to Congress. In order to ensure prompt action in implementing the provisions of the bill, the Attorney General must make a report to Congress within 180 days after enactment. The magnitude of the outstanding delinquent debt makes it essential that no more time be lost in recovering these moneys.

It should be clearly understood that S. 209 does not require Congress to appropriate a single penny to implement its provisions. Payments to attorneys retained by DOJ are to be made out of proceeds collected. It is anticipated that DOJ will negotiate contingent fee arrangements with private counsel. The amount of the fee may not exceed the fee that counsel in the same geographic area typically charge clients for debt collection legal services. Factors to be taken into account in determining whether a fee is reasonable include such items as the amount, age, and nature of the indebtedness, and whether the debtor is an individual or a business entity. Contracts may include all terms and conditions deemed necessary by the Attorney General. The bill also requires the Attorney General to use his best efforts to retain more than one private counsel in each judicial district.

Under the careful supervision of DOJ, and subject to provisions which would protect the rights of debtors, the use of private counsel will greatly enhance the ability of the Federal Government to recover outstanding debt. Many individuals owing money to the Federal Government are making a calculated decision not to repay their loans, convinced that the Federal Government has neither the inclination nor the capacity to recover the debt. They have a take-the-money-and-run mentality. This cheats the taxpayer and, in the long run, threatens the viability of many worthwhile Federal programs such as the student financial assistance programs, which are especially important to the lower and middle-class families of this Nation. We must reverse that attitude and send a clear message that we mean business.

This bill will create more efficient, cost-effective debt collection by the Federal Government. It also will help restore the good faith and integrity which should be present in successful debtor-creditor relationships. I am pleased that S. 209 has the support of the DOJ, the Department of Education, and OMB. DOJ's firm support for this bill is evidenced by a similar proposal which it drafted incorporating the essential features of S. 209 with some technical differences.

Mr. President, one should reflect on the fact that while we talk about reducing the Federal deficit, there are billions of dollars in overdue delinquent debts that are owed to the Treasury, to the taxpayers of the United States of America, that for years have gone uncollected. Moreover, they have gone uncollected without justifiable reasons.

It is not a question that the debtors do not have the ability to pay. Oftentimes, we hear the most incredible stories, about people who have borrowed money for a variety of reasons—guaranteed student loans, small business loans, commerce loans, energy loans—and have willfully failed to repay their loans despite the fact that they have enormous incomes. It is simply a matter that they have never been pressed by the Federal Government to repay their obligations after they have borrowed the money.

Many debtors have reached the conclusion that, "If you come to the Federal Government and borrow money, the chances are miniscule that you will ever be required to pay it back. Therefore, simply don't answer the letters that come to you from collection agencies with respect to your delinquent debt, and the chances are pretty good that you will never be sued on your debt by the Federal Government.

Consequently, we have a situation today in which the Federal Government, for fiscal year 1985, is owed, in nontax-delinquent debts—not because of delinquent taxes—$23,907,000,000. The total figure representing overdue nontax debts has been rising each year.

The Federal Government is sending the wrong message to the taxpayers of this country: If you borrow money from Uncle Sam, we are not going to diligently pursue the overdue debt; and, it is very unlikely that we will ever get around to sueing you and enforcing any judgment against you.

The Justice Department simply does not have adequate resources to sue all those who owe delinquent debts, many of whom are in a financial position to repay these moneys. The Guaranteed Student Loan Program is an example: We should be making those moneys available, but we also should assure that they are repaid so that the program will be there to help future generations. The same principle applies to a host of other programs.

It is my hope that this carefully crafted bill will ensure that in the future we will not continue to lose billions of dollars because the statute of limitations has run out on many of these debts. Annually, the statute of limitations tolls on the Federal Government's ability to collect hundreds of millions of dollars of taxpayers' money. It is highly unlikely that we will ever be able to collect any of those debts for which the statute of limitation has tolled.

This legislative initiative was passed in the Senate 2 years ago by a vote of 96 to 1. I hope that our colleagues in the House of Representatives will act expeditiously to pass companion legislation. It is about time we got serious about collecting the dollars that are owed to the U.S. taxpayers.

I urge my colleagues to vote for passage of this bill.

Mr. GORE. Mr. President, this is an excellent bill. I rise to encourage my colleagues to give it overwhelming, if not unanimous, support. It was considered carefully by the Governmental Affairs Committee, on which I serve.

There was a hearing by the Subcommittee on Energy, Nuclear Proliferation and Government Processes on September 26, 1985. The Senator from Mississippi [Mr. COCHRAN] chaired that hearing. The Senator from Ohio [Mr. GLENN] is the ranking minority member of that subcommittee. They did excellent work. There will be virtually unanimous support on this side of the aisle.

Mr. President, I wish to add my commendation to that already expressed by the Senator from New York [Mr. D'AMATO]. He showed remarkable initiative in bringing this legislation forward and in pushing it diligently to the point where it now stands on the verge of overwhelming adoption.

Our country obviously needs revenue, and obviously the first place to get more revenue is from those who already owe it and have not paid it.

Insofar as the traditional methods of collecting those debts have not worked as well as we would like, and insofar as the private sector is capable of and willing to assist us in increasing the amount of revenue from those who owe it, this legislation represents a really good idea. There are some hazards and pitfalls to consider in addressing this subject, but through the hearing process, the Governmental Affairs Committee has addressed all those potential problems.

I am convinced that this legislation is very much in the best interest of the country, and I again commend my colleague, the Senator from New York, for bringing it forward.

Mr. METZENBAUM. Mr. President, I rise in support of S. 209, the Federal Debt Recovery Act of 1985, which permits the use of private attorneys to collect outstanding debts owed the Federal Government. This bill also contains important safeguards to ensure that, by granting such authority, we do not provide a huge financial windfall to only a handful of private law firms.

I am pleased that the sponsors of S. 209 saw fit to include those safeguarding provisions which I offered, and which the Senate adopted, when this body considered similar legislation in 1984. These provisions will help ensure that the contracts for the services of private attorneys are awarded on a competitive basis, that the fees paid for such services reflect the going rates charged for litigating commercial debt cases, and will require an annual GAO audit to monitor the soundness of the entire program.

I believe these provisions make a good idea even better.

There is no question that we have an enormous problem of defaulted debt to the Federal Government. As of September 30, 1985, $23.6 billion in nontax delinquent debt was owed the Federal Government. This amount is more than double the $11.7 billion in nontax delinquent debts which were reported outstanding in fiscal year 1981.

Although the Debt Collection Act of 1982 permitted the Federal Government to use the services of private debt collection agencies, we have hardly made a dent in this mountain of bad debt.

That is so, Mr. President, for the simple reason that dunning by collection agencies often doesn't work.

After the dunning notices fail to make the debtors pay back the money they owe, the Federal Government must turn to the Justice Department to take these debtors to court. Quite frankly, the Department of Justice has neither the personnel nor the inclination to move aggressively to collect this money.

There were 92,978 delinquent debt cases pending at the Department of Justice as of July 31, 1985, in addition to the 210,557 other civil and criminal cases and other matters. Of these debt collection cases, 18 percent were over 4 years old. These cases were in various stages of action, but, as the Committee on Governmental Affairs noted in its report accompanying S. 209, no legal action had been initiated in many of them.

S. 209 will go a long way in strengthening our ability to collect money owed the Federal treasury by permitting the Justice Department to contract, on a contingency fee basis, with private law firms to litigate some of these bad debt cases.

At the same time, the bill includes the amendments I offered back in 1984 to ensure that contracts are awarded competitively and that the contingency fees paid for such private attorneys are reasonable.

I believe S. 209 is a carefully constructed piece of legislation and I urge its adoption.

Mr. COCHRAN. Mr. President, I thank the distinguished Senator from Tennessee [Mr. GORE] for his support of the legislation which we are now considering. He is an important member of the Governmental Affairs Committee, and we appreciate very much his assistance in bringing this bill to the floor and having it reported favorably by the committee.

I also thank the distinguished Senator from Ohio [Mr. GLENN] who is the ranking minority member of our subcommittee. It has been a pleasure working with him on the subcommittee which has a wide range of jurisdiction. His assistance in getting the bill to the floor is sincerely appreciated.

I think this bill is going to greatly enhance our efforts to reduce the Federal deficit. When Congress passed the Debt Collection Act of 1982, it indicated its recognition of the importance of improving our credit management system.

That act permitted the Federal Government to charge interest, report delinquent debtors to credit bureaus, and most importantly to utilize private collection agencies to pursue recovery. Another important credit management tool, the Internal Revenue Service's authority to deduct overdue debts from the tax refund checks of debtors, was enacted as part of the Deficit Reduction Act of 1984.

At a time when we are faced with severe budget constraints, it is gratifying to me that we are considering legislation that will not require any additional appropriation of funds but instead will increase revenues without raising taxes by facilitating the collection of debts owed to our Government.

The tools that have been made available in the past have improved our debt collection efforts considerably, but this final step, permitting litigation by attorneys, has not been used often enough nor have postjudgment actions been pursued aggressively in the past.

Currently, agencies are required to refer claims of $600 or more, including debt collection cases, to the Department of Justice for litigation. However, the staff and resources available to U.S attorneys around the country are limited and better utilized in pursuing cases involving important constitutional issues, violent crime, and narcotics trafficking, all of which are very serious problems throughout the country.

As of July 31, 1985, there were 92,978 delinquent debt cases pending with the Department of Justice. These cases were in various stages of litigation or postjudgment action. In many of the cases, no legal action had been taken, or, where judgment had been obtained, no postjudgment enforcement action was being pursued.

Mr. President, the Department of Justice recognizes the need for assistance in reducing the backlog of delinquent debt cases. As part of the administration's antifraud enforcement initiative last year it recommended enactment of legislation similar to S. 209. Senator ROTH and I introduced that bill, S. 1658, by request on September 18.

Additionally, Mr. President, the Office of Management and Budget has reported that, at the beginning of fiscal year 1985, almost $19.9 billion in nontax delinquent debt was owed to the U.S. Government. Over $6.2 billion of that amount was more than 6 years overdue. The lastest OMB figures show that as of September 30, 1985, nontax delinquent debt had grown to $23.6 billion, an increase of $3.7 billion in just 1 year. The enormous growth in the amount of delinquent debt is even more evident when you consider that since fiscal year 1981, when outstanding nontax delinquent debt stood at $11.7 billion, the total has more than doubled.

It is also disturbing that due to the running of the statute of limitations, which cuts off the ability to pursue legal action, our failure to collect on these debts on a timely basis impairs any chance of future recovery. OMB provided statistics for fiscal year 1985 which indicate that $7.5 million is lost each day due to the running of the statute of limitations. Coupled with the increased costs of borrowing and lost interest to the Treasury, total cost to the taxpayer is an estimated $5.61 billion per year.

This bill will enable the Department of Justice to reduce its backlog of pending cases and in a more expeditious way handle hundreds of thousands of potential new cases which have yet to be referred by the agencies to whom debts are owed. The use of private counsel will also enable the Government to pursue litigation in cases under $600, which the Department considers too small to litigate in an effective or efficient way. However, private attorneys have testified that they regularly handle such small dollar claims and profitably collect on them.

This legislation will allow the Government to retain the services of attorneys who have demonstrated competency, experience, and reliability in the handling of collection accounts in the geographical area where the debtor is located. Furthermore, private

attorneys specializing in debt litigation have extensive experience with post-judgment remedies and procedures as well as the financial motivation to vigorously pursue collection.

The PRESIDING OFFICER. The time allocated to the majority side has expired.

Mr. COCHRAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. COCHRAN. The unanimous-consent request which was propounded to the Chair included no time agreement.

The PRESIDING OFFICER. The unanimous-consent agreement provided for a vote at 11:30 a.m., and that the agreement be in the usual form. The agreement in the usual form provides for a division of time between the majority and minority sides.

Mr. GORE. Mr. President, I am happy to yield time to the chairman of the subcommittee from the minority time.

Mr. COCHRAN. I thank the distinguished Senator from Tennessee.

Mr. President, with enactment of this legislation, collection agencies will be able, where appropriate, to advise debtors that litigation is a likely consequence for the failure to pay. Once debtors are aware that the Government is serious about collecting the money it is owed, they will respond to persuasive collection efforts.

Protections have been built into the legislation to ensure the integrity of the program and enhance competition. The bill requires the Attorney General to use his best efforts to retain more than one counsel in a judicial district where such services will be utilized. The fees established will be reasonable and may not exceed the rate typically charged for a similar service in the area where the private counsel is engaged in practice. The attorneys retained to litigate debt cases under this act will do so on a contingency fee basis. Language in the committee's report directs the Attorney General to use his best efforts to ensure that all interested firms, including small firms and minority firms, will have full opportunity to compete or be considered for these legal service contracts.

Attorneys retained under this authority will be debt contractors under the Fair Debt Collection Practices Act and will be subject to its provisions. Furthermore, the committee's report emphasizes that the authority to retain private counsel does not mean that Federal agencies should bypass the use of private collection agencies. Rather, Government agencies should increasingly use all the credit management tools available. Litigation should be used as a final collection tool after other attempts to collect have failed. All collection activity, from start to finish, must be pursued promptly.

Mr. President, the Senate has previously approved the use of private attorneys to assist in the litigation of debt cases. By the overwhelming vote of 96 to 1 the Senate passed S. 1668, a bill similar to S. 209, on July 25, 1984. However, that bill was not acted on by the House prior to adjournment of the 98th Congress.

At a hearing on S. 209 last September 26, our Subcommittee on Energy, Nuclear Proliferation and Government Processes, received testimony from the Department of Justice supporting the legislation. Private attorneys and collection agencies testified that collections would be enhanced with prompt and timely litigation. State government officials described their successful experiences using private attorneys for collection litigation and recommend their use.

Mr. President, an efficient and effective credit management system requires timely litigation and post-judgment enforcement. Enactment of S. 209 will ensure that these tools are fully utilized.

In closing, Mr. President, I want to thank the distinguished Senator from New York, who is my good friend, Mr. D'AMATO, the sponsor of S. 209, for his hard work and cooperation in bringing this legislation before the Senate. Anne Miano of his staff was most helpful to my subcommittee staff in preparing for our hearing on the bill.

I am pleased to be a cosponsor of this legislation, and I urge my colleagues to support it.

The PRESIDING OFFICER. The Chair wishes to inform the managers of the bill that there are pending several amendments to the bill. Those amendments have been reported by the committee and a unanimous consent agreement would be necessary that those amendments be considered en bloc.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the amendments be considered en bloc and agreed to en bloc.

The PRESIDING OFFICER. Without objection, the amendments are agreed to.

The committee amendments were agreed to en bloc.

The PRESIDING OFFICER. No further amendments are in order. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. Under the previous order, the hour of 11:30 having arrived, the Senate will vote on the bill. The bill, having been read the third time, the question is, Shall it pass? The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Idaho [Mr. MCCLURE] is necessarily absent.

I also announce that the Senator from Maryland [Mr. MATHIAS] is absent on official business.

Mr. CRANSTON. I announce that the Senator from Oklahoma [Mr. BOREN] is necessarily absent.

I also announce that the Senator from Hawaii [Mr. INOUYE] is absent because of death in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 95, nays 1, as follows:

[Rollcall Vote No. 42 Leg.]

YEAS—95

Abdnor	Glenn	Mitchell
Andrews	Goldwater	Moynihan
Armstrong	Gore	Murkowski
Baucus	Gorton	Nickles
Bentsen	Gramm	Nunn
Biden	Grassley	Packwood
Bingaman	Harkin	Pell
Boschwitz	Hart	Pressler
Bradley	Hatch	Proxmire
Bumpers	Hatfield	Pryor
Burdick	Hawkins	Quayle
Byrd	Hecht	Riegle
Chafee	Heinz	Rockefeller
Chiles	Helms	Roth
Cochran	Hollings	Rudman
Cohen	Humphrey	Sarbanes
Cranston	Johnston	Sasser
D'Amato	Kassebaum	Simon
Danforth	Kasten	Simpson
DeConcini	Kennedy	Specter
Denton	Kerry	Stafford
Dixon	Lautenberg	Stennis
Dodd	Laxalt	Stevens
Dole	Leahy	Symms
Domenici	Levin	Thurmond
Durenberger	Long	Trible
Eagleton	Lugar	Wallop
East	Matsunaga	Warner
Evans	Mattingly	Weicker
Exon	McConnell	Wilson
Ford	Melcher	Zorinsky
Garn	Metzenbaum	

NAYS—1

Heflin

NOT VOTING—4

Boren	Mathias
Inouye	McClure

So the bill (S. 209), as amended, was passed, as follows:

S. 209

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Debt Recovery Act of 1985".

SEC. 2. Section 3718 of title 31, United States Code, is amended—

(1) by redesignating subsections (b), (c), and (d) as subsections (d), (e), and (f), respectively;

(2) in subsection (d), as redesignated by paragraph (1), by inserting "or (b)" after "subsection (a)";

(3) in subsection (e), as redesignated by paragraph (1)—

(A) by inserting "or (b)" after "(a)" in the first sentence; and

(B) by striking out "(b)" in the second sentence and inserting in lieu thereof "(d)"; and

(4) by inserting after subsection (a) the following new subsections:

"(b)(1) The Attorney General may make contracts retaining private counsel to furnish legal services, including representation in negotiation, compromise, settlement, and litigation, in the case of any claim of indebtedness owed the United States. If the Attorney General makes a contract for legal services to be furnished in any judicial district of the United States under the first sentence, the Attorney General shall use his best efforts to retain, from among attorneys regularly engaged in the private practice of law in such district, more than one private counsel to furnish such legal services in such district. Each such contract shall include such terms and conditions as the Attorney General considers necessary and appropriate, including a provision specifying the amount of the fee to be paid to the private counsel under such contract or the method for calculating that fee. The amount of the fee payable for legal services furnished under any such contract may not exceed the fee that counsel engaged in the private practice of law in the area or areas where the legal services are furnished typically charge clients for furnishing legal services in the collection of claims of indebtedness, as determined by the Attorney General, considering the amount, age, and nature of the indebtedness and whether the debtor is an individual or a business entity.

"(2) The head of an executive or legislative agency may, subject to the approval of the Attorney General, refer to a private counsel retained under paragraph (1) of this subsection claims of indebtedness owed the United States arising out of activities of that agency.

"(3) Notwithstanding sections 516, 518(b), 519, and 547(2) of title 28, a private counsel retained under paragraph (1) of this subsection may represent the United States in litigation in connection with legal services furnished pursuant to the contract entered into with that counsel under paragraph (1) of this subsection.

"(4) A contract made with a private counsel under paragraph (1) of this subsection shall include—

"(A) a provision permitting the Attorney General to terminate the contract if the Attorney General determines that the termination of the contract is for the convenience of the Government;

"(B) a provision permitting the Attorney General to have any claim referred under the contract returned to the Attorney General if the Attorney General finds such action to be in the public interest;

"(C) a provision permitting the head of any executive or legislative agency which refers a claim under the contract to resolve a dispute regarding the claim, to compromise the claim, or to terminate a collection action on the claim; and

"(D) a provision requiring the private counsel to transmit periodically to the Attorney General and the head of the executive or legislative agency referring a claim under the contract a report on the services relating to the claim rendered under the contract during the period for which the report is made and the progress made during such period in collecting the claim under the contract.

"(5) Notwithstanding the fourth sentence of section 803(6) of the Fair Debt Collection Practices Act (15 U.S.C. 1692a(6)), a private counsel performing services pursuant to a contract made under paragraph (1) of this subsection shall be considered a debt collector for the purposes of such Act.

"(c)(1) The Attorney General shall transmit to the Congress an annual report on the activities of the Department of Justice to recover indebtedness owed the United States which was referred the Department of Justice or to a private counsel for collection. Each such report shall include a list, by agency, of the total number and amounts of collected and uncollected claims of indebtedness which were referred to the Department of Justice or to a private counsel for collection, shall separately specify any uncollected claim of indebteness which was covered by a contract (A) which was terminated by the Attorney General under subsection (b)(4)(A) of this section or (B) under which the claim was returned to the Attorney General under subsection (b)(4)(B) of this section, and shall describe the progress made by the Department of Justice in collecting uncollected claims of indebtedness during the one-year period covered by the report.

"(2)(A) The Comptroller General of the United States shall carry out an annual audit of the actions taken by the Attorney General under subsection (b) of this section during the preceding twelve months. The Comptroller General shall determine the extent to which there is competition among private counsel to obtain contracts awarded under such subsection, the reasonableness of the fees provided in such contracts, the diligence and efforts of the Attorney General to retain counsel in accordance with the provisions of this section, and the results of the debt collection efforts of private counsel retained under such contracts.

"(B) After completing each audit under subparagraph (A), the Comptroller General shall transmit to the Congress a report on the findings and conclusions resulting from the audit.".

SEC. 3. Not later than 180 days after the date of enactment of this Act, the Attorney General of the United States shall transmit to the Congress a report on the actions taken under section 3718(b) of title 31, United States Code (as added by paragraph (4) of section 2 of this Act).

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. GORE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader is recognized.

METROPOLITAN WASHINGTON AIRPORTS TRANSFER ACT

Mr. DOLE. Mr. President, let me again indicate to my colleagues we are now going to try to get consent to go to the regional airport bill, Calendar No. 424, S. 1017.

I know this is a matter of great importance to a number of Senators. It is going to take a considerable period of discussion. I have discussed this with the distinguished Senator from Maryland, Senator SARBANES, and also with the Senators from Virginia, Senator TRIBLE and Senator WARNER. But I do believe we should move in that direction.

Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 424, S. 1017, the transfer of Metropolitan Washington airports to an independent Washington authority.

The PRESIDING OFFICER. Is there objection?

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, reserving the right to object, and I will object, I simply want to say to the majority leader that I think this is one of those issues which the membership has not focused its attention upon. I feel very keenly about this issue. I believe it needs to be fully discussed and, therefore, I object to the unanimous-consent request.

The PRESIDING OFFICER. Objection is heard.

Mr. DOLE. Mr. President, I move that the Senate turn to the consideration of Calendar No. 424, S. 1017.

The PRESIDING OFFICER. The question is on agreeing to the motion.

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, I wish to speak to the motion.

Mr. President, I have objected to the unanimous-consent request to proceed to the consideration of this legislation, thereby requiring the majority leader to make a debatable motion. I might observe that I think it is important to take some time to develop in full what is at issue here.

The proposal contained in S. 1017, which would involve the Federal Government in the two federally owned and operated commercial airports located in the Washington metropolitan area, is one with far-reaching significance. It is a matter of very vital concern to the State of Maryland which, of course, operates the third airport in this metropolitan area that interacts and interrelates with the two under consideration here.

I realize the majority leader is under some pressure on this bill at home, and I can appreciate that situation and, in some respects, sympathize with him. But I must say I think we have to develop the fact that a fire sale is being conducted at the Department of Transportation, the bargain basement disposal of Federal assets at a time when the pressure ought to be to realize the maximum amount possible from Federal assets. That is one of the issues involved with S. 1017. This ought to be a matter, I think, of very deep concern to every Member of the Senate.

Furthermore, when we are considering a bill of this sort, and it does involve important interests of the State of Virginia and the State of Maryland, it is very important to bear in mind how essential it is that the Federal Government act with impartiality in

affairs affecting individual States. In other words, the actions of the Federal Government should favor no one State or jurisdiction at the expense of another. I intend to show in the course of this discussion a patent unfairness in this proposal with respect to the State of Maryland and the competitive position of the Baltimore-Washington International Airport as it operates in this regional market.

Mr. President, I want to go back and recount a little history for the Members of the Senate. The legislation before us stems in part from a report to the Secretary of Transportation issued by the advisory commission on the reorganization of the Metropolitan Washington Airports. That was a commission appointed by Secretary Dole and chaired by former Gov. Linwood Holton, of Virginia. Governor Holton has, in fact, been very much in evidence the last few days, speaking with Members about this legislation. I have a great deal of respect for Governor Holton, but I must say that one cannot be oblivious to the fact that the chair of the commission that looked into this question of dealing with these airports is himself a former chief executive officer of the State of Virginia.

When the Secretary of Transportation created this advisory commission, she gave it a very limited charge. In fact, the commission—and I served on the commission as one of the representatives from the State of Maryland—was in effect told not to determine whether the airports should be transferred. It was limited from looking at a broader authority that might encompass all airports—but simply how Dulles and National should be transferred. So there was a very narrow constraint placed on the work of the commission. In the end, a majority essentially composed of Virginia and D.C. representatives joined together in recommending that both airports—both airports—should be placed in one authority and that that authority should be governed by a skewed board that would consist of 11 members: five appointed by the Governor of Virginia, three by the Mayor of the District of Columbia—that is eight of the 11 right there—two by the Governor of Maryland and one by the President, the latter to have the advice and consent of the Senate, and that the chairman be selected from the membership.

The Maryland representatives on this commission put forward what we thought was a very reasonable proposition in terms of how this devolution of airorts should take place. There is, of course, a threshold question and that is whether it should happen at all, which involves very important questions of how one perceives the airports or what the Federal role in the operation of the airports should be. Maryland, in making its proposals, accepted the proposition that these airports should be moved to local or regional control, although I must say I think that is a proposition which can be argued. In other words, I think there is a reasonable case, given the finances of this matter, that in fact that should not happen. Certainly, how it is done and at what cost is related to the question of whether it should be done. In other words, one might accept the proposition that the airports should be moved out from Federal control and yet perceive the terms on which it is being done as unacceptable.

In this regard, I bring to the attention of the Members a letter from the National Taxpayers Union of recent origin, which says:

DEAR SENATOR. Soon you may be asked to vote on S. 1017, the Metropolitan Washington Airports Transfer Act. This bill would transfer ownership of Dulles and National Airports to an independent authority dominated by the Commonwealth of Virginia. We urge you to vote no on this sale.

Although we agree that the Federal Government should get out of the business of owning and managing airports, we are appalled at the ridiculously low sales price placed on these valuable properties. The combined market value of the properties is conservatively estimated at $1.5 billion to $2 billion. Yet the two airports are to be sold for only $47 million, about one thirty-fifth of their actual worth.

In addition, the transfer and future improvements are to be financed with tax-exempt bonds over a 30-year period. This adds up to a double soaking of the taxpayer. Given the Nation's tremendous budget deficits and $2 trillion national debt, it is fiscally irresponsible for the Federal Government to do anything but seek fair market value for the airports. Sound policy demands that the price tag on Dulles and National be raised to reflect their true worth. Otherwise, the sale should be rejected.

That is the end of the letter, Mr. President. That points up the relationship between the judgment as to whether the airports should be transferred and how it is proposed to transfer them and at what price. In fact, there are some who argue that they ought not to be transferred, that there is an important Federal interest in keeping the airports and in operating them, that that is the most sensible way to do it financially, and that the problems that people point out with the operations of these two airports in fact come from a failure to take a number of actions which should have been taken if one were using true business judgment. But I want to pass beyond that issue because, as I said, Maryland was prepared to come at this issue on the premise that a transfer, if it could be properly arranged or developed, should take place.

Our objection now is obviously that the terms on which this is taking place are unfair and inequitable to the Federal taxpayer and to the State of Maryland and its involvement in the regional airport picture. We think that what is taking place here is highly unfair in terms of competition. Maryland, in fact, welcomes competition between these airports, but thinks it should be done on a fair and reasonable basis.

For the purpose of aiding in understanding the background of this issue, I want to set out the Maryland proposition before the advisory commission on the reorganization of the Metropolitan Washington Airports, this commission which Secretary Dole established with a very limited mandate. In other words, its charge precluded from fully examining all questions involved—with respect to how these three major airports in this regional area should be dealt with.

The Secretary did that right at the outset. She narrowed the scope of examination and by doing that precluded the consideration of other alternatives that perhaps should have been entertained.

As I indicated, this was the Commission which former Governor Holton of Virginia chaired.

In an alternative report to the Commission, the Maryland representatives proposed, in terms of the structure, that National Airport should be transferred to an interstate authority and that Dulles Airport should be transferred to the State of Virginia. In effect, this created an equality between Dulles under the State of Virginia and BWI under the State of Maryland, with National, located in the center of this metropolitan region, being in an interstate authority, having a balanced membership. The proposal was that National would be under an interstate authority with three members each from the District of Columbia, Virginia, and Maryland, appointed by the Mayor and two Governors and that provision could be made, if it was considered desirable to include one or two representatives of the Federal Government appointed by the President in order to recognize the Federal interest in National Airport.

It was proposed that the members of this authority would serve staggered 6-year terms, would not hold elective or political office, would reside in the Washington metropolitan area, and would serve without compensation.

As part of this proposal it was put forward that Dulles would be transferred to the State of Virginia. Virginia then would have full policy and financing authority and responsibility for Dulles. It was our very strong view that this approach would reflect the significant interest of each of the principal jurisdictions in National Airport.

About 40 percent of the traffic of National originates in the District, about a little over a third from Virginia, and about a quarter from Maryland. So there is clearly substantial in-

terest on the part of each of the three jurisdictions in this metropolitan area in National Airport. The origins at Dulles are much more substantially from Virginia, and the origins of BWI are much more substantially from Maryland.

It was felt that this approach would have allowed each of the principal jurisdictions to reflect their significant interest in National Airport, would allow Virginia to develop Dulles in the same way that Maryland is developing Baltimore-Washington International Airport.

What this approach did—and it is very important to understand this—is that by recognizing that all jurisdictions do not have equivalent interests in Dulles, it avoided the problem of fair representation which is inherent and perhaps insoluble in the single authority proposal. In other words, if you are going to put both airports in a single authority and then try to construct a governing board for that authority, it becomes difficult, given the heavy Dulles involvement in Virginia, to argue for an equal board, although the equal board, in my opinion, clearly makes the greatest sense for National Airport. Of course, putting the two airports in the same authority—and I am going to move on to this in a bit—creates very difficult competitive situation because of the cross-subsidization which can take place between National and Dulles, and therefore affect the competitive situation with respect to Baltimore-Washington International Airport, an airport which the State of Maryland bought in 1972 from the city of Baltimore for $36 million and subsequently has invested in it, at updated dollars, some quarter of a billion dollars.

There was another proposal made that if there was going to be a single board, at least the membership of that board be equal and at least deal with its jurisdictions in those terms. As I indicated, the counterargument to that is the degree of Virginia involvement in Dulles, but you are caught betwixt and between. If you put them in a single authority and then give a lopsided representation, as has happened in the proposal that is before us, that is unfair to the State of Maryland. It seemed to us that the way to break that problem was to put National in a single authority and to sell Dulles to the State of Virginia. In each instance to do it at a price that was reasonable under the circumstances and not to give it away as is happening with the proposal before us.

As I indicated, this proposition was not adopted by the Commission chaired by former Governor of Virginia Holton, and in fact the proposal, much like the one that is before us in S. 1017, was put forward by that Commission.

I feel very strongly that this is not the way to address this problem. It seems to me that the Secretary should have been engaged in a much more extended and detailed discussion with the respective jurisdictions trying to work out an arrangement that all perceived as fair and acceptable.

Governor Hughes of our State, has taken a very strong position on this. It is not a new issue. It has been before the country on previous occasions. In his concern he indicated: First, Maryland's role in the proposed Airports Authority in setting out the areas of concern. Second, the financial aspects of the proposed transfer. Third, the status of Maryland-owned and operated Baltimore-Washington International Airport with respect to the transfer, and finally the disposition of three key elements of the existing Federal regulatory scheme governing the two Federal airports.

Mr. President, let me make it very clear. Maryland welcomes a competitive situation and we believe in fact that if you structure a situation of fair competition it can result in enhancing air services in the Washington region, but we do not think that this bill does that. By lumping the two in one authority, by constructing the governing board of that authority in such a way that Maryland is really a dissenting voice without weight, by permitting the finances of one of these airports to be used in effect to underwrite the other, we have created a situation in which Maryland faces unfair competition. It is very important to recognize that.

Mr. President, I understand that my distinguished colleague from South Carolina wishes to address this issue because he has an engagement he must get to. I will be happy to yield the floor at this time in order that he may have the opportunity to speak.

I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the motion to proceed.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. HOLLINGS. I thank my distinguished colleague from Maryland.

Mr. President, the engagement referred to by the Senator from Maryland is the Budget Committee, which is just about ready—in the next 3 or 4 hours this afternoon—to finalize, I believe, a bipartisan solution to our deficit requirements, the requirement that we submit a budget within the confines of Gramm-Rudman-Hollings.

It has been quite a marathon, working among Senators, their staffs, and the agencies of Government. I think we are right at the point where we have the votes and can at least get a budget to the floor that takes care of the needs of our Government.

The reason why I mention that in detail is that we are right now engaged in what troubles us and what causes this tremendous trauma of Gramm-Rudman-Hollings. It is quite obvious that that is not the smoothest way to run Government.

What that Gramm-Rudman-Hollings initiative says is this: You go to the doctor, and the doctor says that by October 1 you either lose 38 pounds or else. How you are to lose the 38 pounds is your business. You can go on whatever diet you wish. You can provide it all by what we call the social or domestic programs. You can cut some more taxes or you can increase the revenues in order to pay the bill. But pay the bill you must. You must provide the revenues for whatever you appropriate.

In that light, if you pay the bill, there is no trigger, there is no Gramm-Rudman-Hollings. It fixes that responsibility on the Congress But if you come back on October 1 and have not lost that 38 pounds, thereupon, we are going to wire your jaw, and you are not going to eat anything until you do. That is how traumatic it is.

The reason we get into these traumas is apparent right here on the airport bill. It is amazing to me—and I should not be amazed—how the tail wags the dog, how the news media sets the pace. We get "Airports On Standby In Senate" on March 15—last Saturday.

The Washington Post says on that day we should clear it for a vote. So, by Wednesday morning we clear it for a vote.

This editorial in the Post says that this is the proposal—talking about the airport transfer bill—that we turn the two airports over to a regional authority responsible to the people and governments of Greater Washington.

Well, I guess we lumped in there the U.S. Government along with the city council of Arlington, maybe, or the Garden Club at Bolling, or whatever. I do not know what governments they are talking about.

They say it is a sensible and overdue delegation of Federal authority and a smart approach. I do not think it is smart at all.

Not long ago, I went to Greenville, SC, and I walked into an industry named Woven Electronics and met a former college mate who was a senior when I was a freshman. He has a very responsible, profit-making organization that has grown by leaps and bounds, and they have civilian as well as military business.

As an example of just exactly what is required with respect to an order from the Pentagon, he had an order from Burroughs Adding Machine Co. He pointed to that particular order

and he said: "We got this order yesterday, on Monday, and we will fill it tomorrow, on Wednesday. We will have that out in 2 days, without any trouble."

The senior Senator from Virginia, who could well be the chairman of our Armed Services Committee before long, will be interested in this. My friend said: "Here is a similar order from the military, the Federal Government. Here are the requirements."

He pointed to two big stacks of documents, papers, rehearsals, reports, findings, requirements. He said:

> We'll negotiate the answer and we'll correspond and we'll talk, and it will take 6 months for what would be a 2-day order if it were from the civilian sector. Why? Because, in general, you folks in Congress require this and the next thing and another requirement and another one.

We are politically sort of supercautious. If we can put all these requirements into a particular measure, if we can require all the audits and reports and hearings and findings and everything else, then we think we really have economy in Government. But in reality, the waste, fraud, and abuse that we all berate in Government begins right here, on the floor of the U.S. Senate.

Nothing is exposed so dramatically as the waste, fraud, and abuse in this airport bill. I call it a conspiracy.

I do not blame my Virginia friends a bit. If they can pick up this multimillion dollar property for peanuts and politically operate it, they are taking care of their financial problems in Virginia. They are taking care of their political problems in Virginia. But they are giving a fiscal headache, with respect to the facilities of the governments, to the people of the United States.

At another airport last week—I spend half my life at these airports—I ran into a colleague and friend who is on the Commission to commemorate the 200th birthday, next year, of the Constitution of the United States. He put a pin in my lapel: "We the People."

It reminded me at the time of Watergate, when the people throughout this land were looking for sustenance and stability.

As the late Senator from Minnesota, Hubert Humphrey, used to say, that the Constitution did not start off with the people saying, "We the Constitution," or "We the executive branch," or "We the Congress," or "We the Supreme Court." But, in contrast, it commences, "We the people."

And there is the significant feature here of the airports at Dulles and the National. They belong to the people of the United States, and we have that responsibility as the people's representatives here in the national Congress. The responsibility is here, and generally speaking they say we have met up to those responsibilities save and except keeping pace with modernization and demands.

Studies have been made—and the Federal Aviation Administration, Republican administrations, Democratic administrations have come during the past several years and stated categorically—that what we really need is modernization out at National. We need some parking facilities. And out of Dulles we need an infield terminal, maybe two or three kinds of infield terminals, to give the expanded service that is needed there at Dulles.

These two airports are working well. They are making a profit. People are going in and out and they are not falling apart, and if it ain't broke, don't fix it. Now, like the telephone company, we are going to fix this one up. We are going to put it into a political mess and you are going to have the dichotomy on the Commission between the District, Maryland, and the State of Virginia with us in the Congress more or less looked upon with the responsibility still and not able to do a blooming thing about it.

I would hate to have to come up here and say, well, we are short of money down in Richmond. I have run a State government and when you run a State government and you look around and you have a nice fat facility down there in the district and after all it is not looked upon so much as a State asset because it really serves the people of the United States. In Arlington they think it is a nuisance and that they ought to close it. They forget the days when we first started out when there was a Hoover Field where the Pentagon now is. Before they built that Pentagon, we had an airfield there, and we transferred it over to the National Airport and then everybody built around it and then started complaining. "It makes too much noise, too much traffic, get rid of the nuisance," and everything else like that. They'll say "we can now operate everything we need to operate without that and so let us tax it a little bit more. We can balance the budget in Richmond, and take care of those needs under the authority that is so wise, so smart."

Let us look, for example, Mr. President, at what this editorial in the Washington Post says.

The proposal makes good financial sense, too. The regional airport authority could float tax exempt bonds to underwrite improvements at National and Dulles.

Mind you me, those two statements are in contradiction of themselves. Tax exempt bonds make no financial sense at all when you have the money in the Government till that the users of those two particular airports have already paid for over the many, many years—to modernize, to put in the infield facilities, to put in the parking facilities. The money is sitting there. It cannot be used. It is in a trust fund. It has been there.

The Airport and Airways Trust Fund that was established by Congress long ago is to be used exclusively for the development and improvement of airports and airways.

It is a $7.7 billion fund, I say to the Senator from Maryland. Even with all the expenditures on schedule, if you just take and commit the moneys to all of them, which I doubt will occur this year, but if you did it all, you still have a $4 billion surplus over there that can be only used for this. I resent the idea it makes financial sense that I have to pay double. I am a user. I came through Dulles last weekend, the day before yesterday, on Sunday. I went out on National. I'm due to go out on Dulles again on Friday maybe and come back on National again on Saturday. But that is the life and work of a Senator who represents the people of the United States. And here I am paying into that trust fund each time I go through for all the impovements and all the particular needs for safety and otherwise. And now they tell me it is a smart idea that I have to go out and borrow the money.

When President Carter wanted to fix up his airport down there in Atlanta at Hartsfield he just took $100 million out of the trust fund. That was just one section of the country. That was not the people's airport. If the Washington Post thinks we shouldn't do the same for the airport users around here they better illuminate themselves. The city of Atlanta, yes, that belongs to that community and that particular facility, but President Carter took from that trust fund of the people $100 million. President Johnson got $150 million for Houston and Dallas.

At St. Thomas, in the Virgin Islands, we figured out we ought to really lengthen the runway so everybody can go down and get the sun. Now we are not getting enough sunshine. We ought to lengthen that runway and build it into the water. There aren't enough parking facilities there to satisfy a traffic jam. And we didn't provide any money for infield facilities for more efficient use, or anything like that. They just figured what we ought to do with that little island was inundate it and overrun it with people who had the money to fly all the way down to get the sunshine. Se we just spent $90 million from the trust fund on that. We did not have any difficulty there.

But all of a sudden when we want to spend $250 million over a 5-year period for the American people's airport at Dulles, the American people's airport at National, which are already making a profit, therein it is a smart idea to give the airport facilities away. They

are worth at least $200 million, and we want to give them away for $47 million and let in a mixed authority from the various surrounding States and the District of Columbia come in and let them argue and talk about what their need for the District is or what the need for Maryland is or what the need in Virginia is—but not what the needs of the people are. This is a commuter service for the people of the United States who come to and from their National Government.

Incidentally, on the breakdown, Mr. President, my good friend Mayor Marion Barry, did not get equal rights. Any study of this particular airport facility and usage would show that 40 percent of it comes out of the District of Columbia. But they did not get 40 percent representation on this particular authority. I am really surprised at that. That came out at the hearing, that we did not get equal rights for the District.

I happen to have a home here in the District and been in it now for just going on 20 years, so I feel very keenly about the District as the Senator from Virginia feels keenly about Virginia and the Senator from Maryland feels keenly about his great State.

The District of Columbia is not getting anything other than minority rights all over again, and we ought to be assured of at least the proper representation if we had an authority.

But, mind you me, they just didn't want to really study about the needs and the projected usage and everything else of that kind.

What really has occurred here in this particular measure is that the Secretary of Transportation is like the old woman who lived in the shoe. She has got so many concerns and other worries she doesn't know what to do. If you are Secretary of Transportation you have really become educated as to the numerous responsibilities that you have.

I have seen this happen over 20 years with the various Secretaries. The Secretary of Commerce comes in and he finds out it is a big department. He has come in there for international business and he has trade and he has the business communities on his mind. And now he finds, Heavens above, he has the National Oceanic and Atmospheric Administration, the weather. He is interested in the business weather, the business climate. He is not interested in the normal climate, the weather climate in this land. He looks and finds out he has thousands and thousands of employees in the deep oceans with the atmospheric and the ocean studies and everything else of that kind. And so he says, "Look, I am a pretty good cow puncher but you can't lasso a whale. Let me get rid of this one and cut it." Every time they call over to the Department of Commerce he cuts the NOAA budget because he does not want it.

Someone rings up the Secretary of Transportation and tells them they have parking difficulties or they lost their baggage at National and they say, "Oh, my, there is a headache there. I don't want to even hear any more about it."

They do not ask for the money. They do not ask for the money at all. The money is in the till in the trust fund. But there is no request by the Secretary of Transportation to improve the airports.

These funds are easily provided by the trust fund and, incidentally, I will get to that because I am hoisted by my own petard of Gramm-Rudman-Hollings. I am in a position where I cannot ask for it because I have to match it off with a zero sum amendment and tell you where the revenues are coming from. But I really don't need to do this. There is a trust fund and the money is there. I shouldn't have to provide offsetting programs to the tune of $250 million, which, of course, my colleagues would not want to vote for because they are interested in their own projects and programs, whether they be defense, education, or whatever. All of these programs have been cut pretty well down to the bone. We have been playing the game of chicken to see who is going to be blamed for the deficit.

Unfortunately, they are blaming this side of the aisle and, therefore, we had to come in with the Gramm-Rudman-Hollings. But right now I am caught by it. I cannot introduce that amendment unless it is a zero sum amendment.

I have put in a bill that has been introduced and is pending now in the Commerce Committee to see if we could not just go ahead and put it in the budget and perhaps later, when we debate the budget on the floor, we will have an amendment and sufficient support to allocate those funds from the trust fund, the Airport and Airways, Trust Fund, to Dulles and National, so we can get on with the work and not all the extra costs.

But, back to the Secretary of Transportation, she comes in with the Coast Guard and finds out, "Where in the heavens did I ever get this?"

I remember Secretary Volpe. He and I were Governors together. He is from Massachusetts. I asked him, "Mr. Secretary, if you ever had to organize the Transportation Department, would you put the Coast Guard in it?" He said, "Absolutely not."

But all of a sudden he has 40,000 people in his Department and he is about to throw them out until he finds out they got three good airplanes that he can travel around the world in and another plane that he can crisscross the country in—they are jets—and he has got a wonderful mess—a Philippine mess.

We used to think the Philippine mess was a place to eat. Now it is Imelda Marcos' clothes and shoes and dresses and everything else.

But the Philippine mess that the Secretary of Transportation inherited was a many splendored thing. They could sit down there and eat like kings and call on the jets and travel. And they learned pretty quickly over in Transportation, "Don't worry about the 40,000, just send up the promotions. The Coast Guard can look out for itself."

The fact is, it cannot. We in the Budget Committee, for example, have to increase it. We have increased the size of the United States by one-third some 8 years ago when we increased the 200-mile economic zone, the 200-mile limit out in the seas. We have increased the size of the United States but systematically decreased the size of the Coast Guard to police that area and the likes of the drug problem that continues to consume us all. So we have got real headaches there.

But the Secretary of Transportation figures, "Now, I'm on a roll. I have got Conrail and all I need to do is get the same crowd and we will get rid of these airports and then, before long, we will have enough time to travel around in those Coast Guard planes and make those wonderful talks around the country and tell what a great job we are doing."

Well, Mr. President, when the distinguished Secretary of Transportation, Mrs. Dole, called me—you know that I have the highest respect for her—I immediately called on my experience in signing these tax-exempt bonds.

Let us dwell on that a minute. Back when I was Governor we did not have those stylus automatic machines that just sit there and put the signatures on things all morning while you are jabbering politics, or whatever. You had to literally sign those bonds—millions of dollars in bonds for your State for airports, for highways, mental health facilities, penal facilities, all the institutions. So you knew what bond lawyers cost. You knew the time and delays involved in the bonds. And then you knew, of course, of the particular added cost or loss of revenue since they are tax exempt.

And we get back to the particular little editorial in the Post on how smart it is and it makes financial sense. This is where the waste, fraud, and abuse comes in. Because here, in order to get $250 million in improvements that we all agree are needed—no dispute about the administrative capabilities of Mr. Engen and the Federal Aviation Administration and the Department of Transportation—rather, in order to get that $250 million, I have to spend $712 million.

At least the Reagan administration agrees that it does not make financial sense, because they have come out and said, "Let's don't float tax-exempt bonds." You look at Treasury I and look at Treasury II and they do away with tax-exempt bonds. Why? Because it does not make financial sense to the Reagan administration, the very crowd that is asking for tax-exempt bonds to finance airports.

We had a little tiff at the Commerce Committee hearings because I was asking the proponents, "Do you support the President on 'Let's do away with these tax-exempt bonds because they don't make good financial sense' or do you think they do make good financial sense?"

We never could get an answer. It was a very interesting thing because I know what the financial sense was, having signed these bonds and knowing exactly what they cost. Because you look at the 15-percent limitation, usually, upon every State in America in order to maintain a triple A credit rating if you want to be able to continue to issue financially viable bonds at the lowest rate, then you have to stay within that constitutional provision not only in that regard but make sure you hold back and you are just not willy-nilly offering bond issues for any and every kind of everyday need.

So I resisted. I asked the distinguished Secretary, "Where are you coming from?" And I could tell from her answers that she just wanted to get rid of this particular headache. No, she had not asked for the money for improvements out of this administration. No, she had not figured out really how much it would cost from the authority.

Then what study was really made in the Department of Transportation? I was looking for the study. We kept talking in an erudite fashion. When Governor Holton came up with his so-called study commission, we found out they were not studying anything. They were told to fix it—"Fix the deal. Get PAUL SARBANES and Governor Hughes and that Maryland crowd satisfied and take care of Marion Barry and come on back in here and get our crowd satisfied. Fix the deal and then come on back and we will run it. We have got legislation already drawn. We know what we want to do. You just tell us the numbers everybody will go along with them."

That is all it was. There was not any study of usage. There was not any study of allocation. They still do not know the facilities we have at Dulles. We will, in this debate—as it goes on several days, I take it—we will bring out what they really have at Dulles and the acreage out there and what some of it has been used for and the cost of it to other agencies of Government that many in this Congress do not even understand.

So the committee did not have an in-depth study. When you heard the Holton Commission—let us refer to that as the "Holton fix." It was not a commission. It was a fix and he got it fixed. It was not a good, unanimous fix. We have the dissent. We have our distinguished friends from Maryland who come forth and brought out many of these factors that I am citing to you right here and now.

They said, "Oh, no, that can't go and that can't be." They have been over there in Maryland running what was an airport important to that particular State and that particular area and community. And Maryland showed the foresight to come forward and bond itself for its particular interests over there with its authority and spend their good taxpayers' money to keep current and keep competitive with the Federal facilities over here. And they had shown that willingness to sacrifice over the years, and now they would be given a minority position on the Commission and no chance to compete.

The moneymaking National could subsidize Dulles and allow that airport to take business away from Baltimore—just move it all out and put it over there.

And talk about making good financial sense, the distinguished Governor from Maryland came to the hearing and when they said, $47 million, he said, "I double the offer right here and now. I will give you $94 million. I will give you $94 million right here and now at this particular hearing. Maryland would be delighted to pay that amount."

And they all smiled because it did not affect "the fix." They have all gone around and worked and worked. If they want to know, there is no "airports on standby" in the Senate. It has been months since we last heard about it. That is not the last our colleagues have heard about it.

It has been an ongoing fix. What you do is get enough votes. You do not want to discuss the merits. You do not want to discuss the cost. You do not want to really discuss the residents. You can say we ought to get through it. And, you know, these courts work good. And let us get that thing in to the authority. And we can all go a heck of a lot more.

Of course, the folks are not thinking it through, wanting to help a fellow Senator, and saying, "Heck, I will vote for that. Yes. I guess so." And so they get "the fix" on. Then they bring it to the floor. They did not think they could get enough votes, I guess, to race it on through. That is what held it up.

I commend my distinguished colleague from Maryland for his hold on this thing. It should not be called for consideration. I do not see how in conscience we can in one breath go through all of the machinations that we have been going through now for a good 3 weeks. Domenici-Chiles could be well called Boschwitz-Hollings and others who have gone on a bipartisan approach to answer our budget responsibilities as manager CHILES has been going on with. Senator DOMENICI and Senator CHILES have been working for weeks on end, and on weekends, to save a little here and a little there, to watch these trust funds, and watch out for the outyear costs to the Government.

We are looking at student housing. We are looking at all of the things that are costing the Government money. We think we are now becoming fiscally responsible. And now we want to come down on the floor and start another revenue hemorrhage with airport authority bonds. The Secretary of the Treasury, Secretary Regan, in Treasury I and Treasury II, said we ought to do away with these tax-exempt bonds because they are just a revenue hemorrhage. They are costing the people way more money than they should.

We are going to have to pay for all of these lawyers fees, court cases, disputes, and everything else where we do not have to hire lawyers. We do not have to put out any of these feelers, and then amend the law further, go up to the court on appeal and have all of the delays.

We have the money. The word is "trust." It has been in trust for the improvements of these airports. I so told the Secretary. I said, Secretary Dole, why do you not ask for the money and let us get on? I am for it. I am confident that if you ask for it, if the administration asks for it—and with the Budget Committee, the Appropriations Committee, and the authorizing committee having a three-way check—I would be delighted to sort of bicycle this around, talk to everyone, and see if we cannot get it in there as a study need. It is a study over there. Then there is the Transportation Department as to the mid-field facilities, and the modernization at the National Airport itself.

But the Secretary said no. She did not want to do that. She wanted to go ahead with this authority. In going ahead with the authority, she mentioned, of course, that we should look at the New York-New Jersey Airport and Port Authority operation there. That is like the United Nations. It operates—or you survive—as a result of a veto. There is not a veto here with this airport proposal. If the Governor of New Jersey can veto and also the Governor of New York, even with a veto they get into pretty heated arguments and discussions. I remember one, way back, under Governor Rockefeller. We will get into that later. They do not work all that smoothly. They can get into some real jams, if you please.

That is not necessarily a good example because that is not what they provided. But they just provide for the customary thing that has been required by communities all over the country in order to have authorities and issue the bonds.

They say it works so well. Why can it not work here? But here you already are starting off with competitive airport facilities.

The authorities have not been put in a competitive position. They have been put in there for authority policy—such as in Charleston, SC, Richmond, VA, the other cities in America—Charlotte, NC, and others. I could go right on down the list. They are not in competition. At Hartsfield in Atlanta or the one at Dallas. And they do not have any competition really from Love Field. They have a wonderful time just making their own decisions and do not have to make decisions for numerous airports in several States and the District of Columbia.

So the example is not necessarily well taken. I can see some political headaches emanating from this so-called authority that the distinguished Secretary of Transportation thought so well of.

We have gotten to the bottom line about the loss of revenues. Under those tax exempt bonds, it not only costs more for the issuance of the bonds. The issuance costs $346.2 million. I am going into this. I will yield back to my distinguished colleague from Maryland. But the $346.2 million is from the nonpartisan, bipartisan Congressional Budget Office.

This is one of the few fiscal studies. If there is another fiscal study, I would like to know where the proponents have it. They ought to work for the CIA because they have kept it top secret. I have not been able to find it. Where is the Holton Commission study? Where is their financial analysis? They did not want any.

But we had to go to the Congressional Budget Office to get the $346.2 million cost figure for the issuance of the bonds. As for the tax expenditure, which the Finance Committee handles now and which we know euphemistically as loopholes—the cost of the Treasury is $366.3 million over the 30 years.

That is a total cost to the U.S. Treasury of $712.5 million.

That is where waste, fraud, and abuse commences—here on the floor of the U.S. Senate. We praise each other for being so distinguished. We praise each other for being so smart, as the editorial says. We praise each other for the good financial sense.

You can tell when people want something. They just disregard the fact. They disregard the economics of it. They just call it good financial sense. And then they get to the tax-exempt bonds.

And I guess I can find another editorial. I will get that from the New Republic where they are always putting in conflicting headlines from the same newspaper on a different page. I bet you I can find that one of the Washington Post and forward it to them where they said it is not good financial sense on the matter of the tax-exempt bonds. So we will have it coming from both sides in the same newspaper on a different page on a different day.

But for starters, regional authority would improve the sound barrier at National. I doubt it. For starters, they would get organized politically and start hearing from the local communities which they are responsive to. And for starters they would start hiring lawyers and they will start hiring bureaucracy and overhead.

I do not see any budget cut from the Department of Transportation on this one. I would like to see the consummate costs they are going to have for that new airport authority, and see if we cannot cut the Federal Aviation Administration budget because they have been relieved of all of these duties. I can tell you here and now they are asking for increases. They are asking for increases, and everyone is talking about airport safety. We will not save the money.

We will start, Mr. President, with waste, fraud, and abuse of the taxpayers' money right here on the floor of the U.S. Senate. I understand that my distinguished colleague from Maryland has already put in a communication from one group, the National Taxpayers Union. They wrote all of us a letter on March 18. I will not repeat the contents of that letter except for the fact that there are interested parties out there watching.

My hope was that the Members of the U.S. Congress would stop, look, and listen—and not just because we have a very attractive, very competent, and very able Secretary of Transportation come over to just ask for what seems like an offhand request that ought to be run right on through—when we actually end up with added costs, added bureaucracy, and really an unfair situation to the Baltimore International Airport in Maryland.

I use that example, incidentally, because BWI has the direct flight from Piedmont to Charleston, SC. Many times I can go right to Baltimore and get back home a lot quicker than I can going through National and laying over in Charlotte, NC, because I do much better with the connections that you have developed over at the Baltimore International.

I appreciate that airport, too. I am not necessarily in the middle of the argument between my colleagues from Maryland and Virginia on that score, but I certainly understand it. I am willing to stand here with my colleague from Maryland and do our best to try to explain this to some extent.

Mr. President, I yield the floor back to the distinguished Senator from Maryland and I thank him for his indulgence in allowing me to speak.

The PRESIDING OFFICER [Mrs. KASSEBAUM]. The question is on the motion to proceed.

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Madam President, I thank the distinguished Senator from South Carolina for his very perceptive remarks. He has been following this issue very closely for a long time and has been intimately acquainted with it in the committee.

I would say to the Senator that I agree with his evaluation of the Secretary of Transportation as being intelligent and experienced. But what we have here is a bargain basement sale of these facilities. If I were a Virginian, I would be running all the way to the airport on this thing because it is a tremendous deal for Virginia. But it is at the expense of the Federal taxpayer and to the very strong and distinct competitive disadvantage of the State of Maryland. It is highly unfair.

I also noted when the distinguished Senator from South Carolina made reference to the New York-New Jersey airport authority, that that authority is composed of equal membership from the two States. Beyond that, the Governor of each State, of New York and of New Jersey, has the veto power over the actions of the authority.

I think Maryland would be quite amenable to the Secretary trying to work out some comparable sort of arrangement in this region as it involved our Governors and others intimately involved.

Madam President, before the Senator from South Carolina spoke, I was going to point out some of the testimony of Governor Hughes when he appeared in the Congress.

First of all, on the subject of Maryland's role in the proposed airport authority, the Governor pointed out that S. 1017 defines a local community in two fashions: first, the legislation evisions transfer of the federally owned airports to an independent authority created by the Commonwealth of Virginia and the District of Columbia.

The Federal legislation provides for the membership and gives Maryland 2 on this 11-member board, but the authority which that membership is going to govern does not involve the State of Maryland in its creation. It is to be legally created only by the Commonwealth of Virginia and by the District of Columbia.

That board, as we noted earlier, is composed of five individuals appointed by the Governor of Virginia and three

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by the Mayor of the District of Columbia, two from Maryland, and a Presidential appointee.

In Maryland's view the proposed authority structure is asymmetric and cannot be fairly characterized as turning National and Dulles over to local control.

Recognizing that the Maryland suburbs of Greater Washington represent approximately 40 percent of the region's population, it seems that Maryland, with just two votes on an 11-member panel, fails to achieve equal representative. Many Maryland travelers make extensive use of the two Federal airports, with Washington National playing a particularly important role.

Based on the 1981-82 survey of air passengers conducted by the Metropolitan Washington Council of Governments, over three-quarters of a million air travelers, 14 percent of National's total traffic, began their trips in Maryland's Montgomery County not in Maryland but in Montgomery County, MD, alone.

Fairfax County, in Virginia, registered a 15-percent share; the District, a 40-percent share.

So 70 percent of the traffic moving through National Airport came from the District of Columbia and from these two jurisdictions, two counties, one in Maryland and one in Virginia.

In addition, of course, the thousands of Maryland residents from other parts of the State make use of National, as I indicated earlier, bringing the figure up to close to a quarter.

Furthermore, there is a noise problem connected with this airport. I hope to develop that later, particularly in view of the fact that the distinguished Senator from Virginia got the committee, after it had reported the bill, to add an amendment dealing with the noise issue, and placing control over the noise question in the airport authority, dominated by Members from the State of Virginia.

It does not take much imagination to anticipate what is going to happen on the noise issue at National Airport, which has been an extremely serious issue. In fact, Maryland and Virginia have worked together to try to protect their people from excessive noise.

The change made by this late starter amendment added after the markup is going to make it possible for the authority to, in effect, shift and place that noise on the Maryland side of the Potomac. Two voices on an 11-man authority can only speak so loudly and, clearly, they can be outvoted again and again and again.

As I noted, during the deliberations of the advisory commission, Maryland advanced an alternate plan calling for transfer of National to an interstate authority and Dulles to the Commonwealth of Virginia. Maryland tried to be positive and constructive in this situation.

National, under that proposal, would have been placed under a 9-member interstate authority composed of three members each from the District, Virginia, and Maryland appointed by the Mayor and the two Governors. One or more representatives of the Federal Government could be included for proper representation of the Federal interest in National Airport.

I do think there is a Federal interest and that that is being badly neglected in this legislation. It is something many Members need to focus upon, as the distinguished Senator from South Carolina mentioned.

I obviously have a pressing responsibility to present Maryland's case and particularly to make the point that in this proposed legislation which the Secretary of Transportation has sent to us the Federal Government is not acting with impartiality in affairs affecting individual States. It is, fact, favoring one State at the expense of another. It seems to me that one of the essential prerequisites of moving on this issue should have been that the States were going to receive fair and equitable treatment without one being placed at a competitive disadvantage.

Let me turn to the financial and competitive aspects of the proposed transfer, Madam President, which are extremely important. I have talked about the composition of the authority and the governance that would prevail and the fact that by taking both airports and putting them in one Authority, by giving an asymetrical weighting of that Authority heavily in favor of the State of Virginia, that is unfair to Maryland's role in the regional airport situation. But I want to turn now to the financial aspects of the proposed transfer and its competitive aspects.

In the commission's deliberations, Virginia argued that the Maryland approach of having National under multijurisdictional authority and Dulles go to the State of Virginia was not viable because it worked to deprive Dulles of a revenue base sufficient to support its capital development needs. With all due respect, I might point out that the State of Maryland, when it purchased BWI from the city of Baltimore in 1972, did not enjoy a National Airport cash cow to support the physical redevelopment of that airport. In fact, the State had to undertake an investment in that airport in order to realize what it is not realizing, and that is significant dividends. It does not seem unreasonable to expect that the State of Virginia should undertake the same responsibility with respect to Dulles International Airport.

In fact, the traffic at Dulles has increased markedly even within the last year, since studies were made about its financial viability. It is my own view that updated figures need to be taken into account. Dulles is producing an operating profit now, contrary to what was earlier the case. In 1984, it registered almost a 20-percent jump in total commercial passengers, and a 24-percent jump in air freight.

One of the issues involved in this question of financial viability is the question of cross-subsidization. In effect, this legislation, by placing the two airports in one Authority, would permit them to draw on the airport trust funds which, up to now, they have not done because they have had a direct line in the Federal budget. It also would allow them to continue to cross-subsidize to a limited extent. It is important to understand this issue, because it really affects the financial competitive situation.

Since 1966, landing fees at National and Dulles have been set at a common rate by pooling the total landed weight of carriers serving both airports. In addition to this single-cash-register approach to revenues, airfield costs were necessarily combined on National and Dulles as well. By treating National and Dulles as one revenue-cost center, landing fees at the more heavily utilized National, in effect, underwrite the fee structure at Dulles, thereby making it a lower cost facility than it otherwise would be for carriers basing operatings there. Simply stated, fees at Dulles are set below cost with National's revenue stream making up the difference.

So, for instance, in the particular case of foreign flag carriers, where BWI and Dulles typically find themselves in direct competition for services, subsidized fees at Dulles potentially could be enough to artificially tip the scales in its favor. Given that S. 1017 makes National and Dulles eligible for airport improvement program funding in lieu of the current practice of obtaining line-item funding via the annual USDOT appropriations bill, this ability to cross-subsidize is particularly burdensome. In fact, as a matter of public policy, I think it is legitimate to question whether this practice is appropriate, particularly in light of the sponsorship requirements set forth in section 511 of the Airport and Airway Improvement Act of 1982, which includes a requirement that an airport operator or owner maintain a fee and rental structure for the facilities and services being provided the airport users which will make the airport as self-sustaining as possible under the circumstances existing at that particular airport.

Let me repeat that, Madam President:

> Maintain a fee and rental structure for the facilities and services being provided the airport users which will make the airport as self-sustaining as possible under the circumstances existing at that particular airport.

I emphasize "at that particular airport."

The framers of S. 1017—actually, this was not included in S. 1017 until it was submitted. It was added, in fact, in the committee because clearly, the problem I am talking about, to any fair and objective observer, creates an unfair and inequitable situation. So, in the committee, an amendment was made. I quote it now. It is at pages 41 and 42 of S. 1017.

(8) Notwithstanding any other provision of law, no landing fee imposed for operating an aircraft or revenues derived from parking automobiles—

(A) at Washington Dulles International Airport may be used for maintenance or operating expenses (excluding debt service, depreciation, and amortization) at Washington National Airport; or

(B) at Washington National Airport may be used for maintenance or operating expenses (excluding debt service, depreciation, and amortization) at Washington Dulles International Airport.

It is asserted that this takes care of the cross-subsidy issue.

Only partly, Mr. President. And to the extent that it does not fully take care of it, it makes it possible in effect to subsidize at a virtually unlimited level. This language excludes from the prohibition of using landing fees or parking revenues debt services, depreciation, and amortization. In other words, landing fees and parking revenues at one airport can be used for debt services, depreciation and amortization at another airport. And so the capital improvement costs at one airport can be underwritten by the revenues at another airport.

Let me just dwell on that point for a moment longer. Maryland's position put very simply on this financial question is that it is unfair, unfair to Maryland and Baltimore-Washington International Airport, to be in competition with Dulles Internatioal Airport if Dulles International Airport can be underwritten in one way or another by revenues from Washington National Airport.

In other words, each of these airports ought to stand on its own, and that to underwrite one from the revenues of another opens up a clear opportunity for competitive disadvantage. Maryland is prepared to compete against Dulles. Maryland put forward the proposal that Dulles be transferred to the State of Virginia; that the State of Virginia undertake responsibility for it; that Dulles and Baltimore-Washington International Airport, therefore, each of them under their respective States, be placed in an equal competitive position; that Washington National Airport be separate and apart from both and in its own authority, and that any possibility of a cross-subsidy be eliminated.

Now, as I have just indicated, this very language still permits the use of landing fees and parking revenues to be used for debt service, depreciation, and amortization at the other airport. That is not precluded. That link is not broken.

The second opportunity that exists, on pages 36 and 37 of the legislation, is the opportunity to develop "for airport purposes" all of that acreage at Dulles, including development for nonaviation business or activities provided the revenues are used for the airport authority. So that the use of the acreage is not just limited to airport purposes but also is allowed for nonaviation business or activities. So that all of this land the Federal Government is turning over to this authority at virtually no cost—the estimate of the value on that property has been put in the hundreds of millions of dollars—and of course the revenue generated is then available to the authority.

This Federal gift of highly attractive, undeveloped land at Dulles is a windfall to the new airport authority. It is conservatively estimated at 2,000 developable acres. The authority has virtually no fixed costs with respect to that acreage. It will therefore be available to negotiate extremely attractive lease arrangements, really divorced from normal market considerations, and enter into the widest possible range of joint venture projects with potential developers.

Assume for the moment that a thousand developable acres at Dulles valued at approximately $100,000 per acre and a 10-percent lease rate for a 20-year term. You would conservatively estimate a potential income stream to the new authority in excess of $200 million.

Now, that is fine for the new authority and it is terrific for the State of Virginia. I notice my able colleague from Virginia nodding his head, and he is absolutely right. It is a terrific proposition. The question is, Is it a fair proposition for the Federal taxpayer and the Federal Government to dispose of these assets at virtually nothing, and is it fair to the State of Maryland which is engaged in a competitive position?

BWI is not afraid to compete, but having the Federal Government essentially give away an undeveloped area, roughly two-thirds the size of BWI's entire 4,200 acre site, seems to be an extreme test of fairness. People have got to stop, as my distinguished colleague from South Carolina said, stop, look, and listen at what is being done. Enormously valuable assets are being put into this authority at hardly any cost, and the transfer of this land with its tremendous potential value, poses potentially adverse consequences for BWI and Maryland's ability to compete effectively for new commercial enterprise and investment.

I want to stress Maryland is ready, willing, and able to compete, but we want a fair competitive situation. S. 1017 does not establish such a situation. First of all, the cost of the transfer is so low that it is very close to giving the assets away. The Grace Commission in their report looked at this and came up with lots of different figures. They finally settled on a figure of $340 million, with a range between $200 million and well over $400 million. It is difficult to know what valuation technique to use, but any of the ones ordinarily relied upon provide figures far, far larger than what is involved in this bill.

This is really a giveaway. It is a giveaway of these facilities, thereby putting the authority at the very outset in such an unfairly strong competitive position that that, in and of itself, raises very serious questions.

Second, by putting the two airports in the same authority and by not absolutely severing completely one airport's ability to support the activities at another airport, it leaves open the possibility of a cross-subsidy essentially from National to Dulles, which would enable Dulles then to compete with BWI on other than an equal basis.

The other point, of course, with respect to a form of cross-subsidy that I think needs to be touched upon is that with both airports in one authority and with the slots at Washington National Airport limited and highly desirable, it is possible for the authority to use access to the Washington Natinal Airport slots in order to have carriers undertake service at Dulles. I think it is unfair.

I believe that carriers should make the judgment on whether they are going to go to Dulles or BWI on the basis of appropriate competition between those two airports. Dulles should have to stand on its own finances, and its charges should be related thereto, and the same thing at BWI. Whether a carrier goes to one or the other ought to be determined by each airport in competition. Dulles ought not be able to be financially underwritten from the other airport under the authority, National, which is far more profitable, in order to gain an unfair competitive advantage.

Beyond the finances, it stands to reason that access to the highly desirable National slots—an airport within 10 minutes of downtown Washington, it is highly sought after by the airlines; passengers like to fly in and be across the river and into the District in 5 or 10 minutes, in nonrush-hour traffic. Access to those slots, since you have one authority, can be used as a lever in order to enhance service at Dulles. That is not something with which BWI can compete.

That kind of tie-in arrangement—I am not necessarily suggesting that it will be done explicitly. It may not even be done implicitly. The people in this

business are smart people. I do not think anyone denies that. It is a highly competitive business. The people involved know what they are doing. They know the lay of the land. They know the score, so to speak. It will not be necessary to spell it out. But, obviously, if you are very anxious to get into Washington National, to get into sole of those slots, and this authority is running both National and Dulles and has a full-blown campaign on to get airlines to put service into Dulles, I think the writing is pretty clearly on the wall regarding to what will occur.

That, we think, is unfair competition. We want competition. We welcome it. We strongly support Dulles going into the hands of Virginia. Let Virginia take it over and try to develop it, and let us break this connection between Dulles and National which raises all the possibilities for unfair competition. That makes sense.

Second, dispose of these assets at some figure that makes sense to the Federal Government, rather than a bargain basement give-away, which is what has come before us.

I know that the Secretary is anxious to dispose of this responsibility and to devolve it elsewhere; but it has to be done, I think, in a way that makes sense. I do not believe that has happened in this legislation.

I turn now to the noise question, to which I alluded earlier.

Because of an amendment added late in the consideration of this measure—in fact, after the bill had been reported—the authority for controlling the noise question has been shifted from the FAA to the authority.

The noise issue has been a pressing issue, and anyone who lives in the Washington area, in the flight path or anywhere near the flight path into National Airport, knows how pressing this issue has been.

In fact, I have been joined in the past in working with my colleagues in Virginia with respect to the noise problem. We have been aligned together on a number of occasions in trying to control the noise problem, to place some controls on the number of passengers using National, and trying to maintain effective limits on noise produced by flights in and out of that airport. It has been a difficult struggle, with some advances and then some setbacks.

The present situation is that there is now in effect a curfew at National which limits flights to landing before 10 p.m. and after 7 a.m. In other words, there is a curfew between 10 p.m. and 7 a.m., although certain so-called quiet jets are allowed to land under certain circumstances after the curfew hours have gone into effect.

As we all know, National Airport is located in the center of one of the largest metropolitan areas in this country. Jets coming into National airport are required to follow an unusual landing and takeoff pattern, which stipulates that they must follow the Potomac River to minimize the impact of noise on the highly populated areas surrounding the airport.

Even under current circumstances, because of the peculiar geography and the twists and turns of the Potomac River and the turning points at which pilots leave the landing and takeoff patterns to head for their destination, Marylanders are much more affected by airplane noise than those citizens living in Virginia or the District of Columbia.

However, at least at present the hours of operation and the flight patterns are set by the Federal Aviation Administration and they have from time to time been reviewed by Congress.

So, as difficult as the problem, is, at least the current judgment on how to deal with it is made by the FAA at a level removed from State interest.

If the FAA is playing fair and square, you are not going to get preference for one State over another, I mean, one assumes hopefully, and I think, it has generally been the case, that they will make their judgments on other bases: the impact of the noise, the safety patterns, proper flight patterns, reasonable hours; and not come at it from the point of view of, well, whose ox is being gored the most in this situation.

The bill before us today, S. 1017, would make drastic changes in that procedure. An amendment was added at the last minute in committee, and I am quoting now from the legislative history in the report from the Committee on Commerce, Science, and Transportation, accompanying S. 1017:

On April 26, 1985, Senators WARNER, TRIBLE, and DANFORTH introduced S. 1017, the Metropolitan Washington Airports Transfer Act of 1985 at the request of the administration.

With all due respect to my colleagues from Virginia, if I had been from Virginia, I would have introduced this legislation as well. It is a terrific bonanza. So I do not in the least fault them for introducing it. I think it is more than understandable that they would do so.

On June 26 and July 11, 1985, the Subcommittee on Aviation held hearings on the transfer proposal.

On September 11, 1985, the committee ordered the text of S. 1017 reported by vote of 12 to 4 after agreeing to an amendment in the nature of a substitute.

Bear in mind that the independent airport authority created by this legislation, to which full responsibility for regulating aircraft noise at National was transferred by this late-starting amendment, is dominated by Virginia with 5 of the 11 members of the authority. Maryland has only two members of that authority. The District has three. The President puts on one. So Virginia and one other can in effect make the decision on this critical issue.

With the airport authority controlling the hours of operation and thus effectively controlling the issue of airplane noise, I do not think it unreasonable for Marylanders to be apprehensive that they are going to receive the brunt of the noise generated by planes landing and taking off from National Airport.

On November 14, 1985, that is 2 months later, after the bill was reported out from the committee, the committee ordered reported by voice vote a committee amendment to the amendment in the nature of a substitute previously ordered reported.

This committee amendment would transfer to the independent airport authority created by this legislation full responsibility for regulating airport-aircraft noise at National.

Let me just repeat that:

This committee amendment would transfer to the independent airport authority created by this legislation full responsibility for regulating airport-aircraft noise at National.

I would recognize the same point if the numbers were reversed and the problem were being asserted by other parties. In other words, you have taken the problem, put it under the authority, whose membership is heavily weighted, allowing it to impose the burdens of the operation of that airport on the jurisdiction underrepresented in the authority.

This is not a small problem. Those of us who represent people who live in this area, and I think the Delegate from the District of Columbia and I think the Congressmen and the Senators from Virginia, would concede that the noise impact on constituents is a severe problem and one that we have to contend with as a very real issue confronting our people. There has always been the difficulty in working out the sort of balance between the operation of National Airport and the impact on the constituents, putting on a curfew that is plainly controversial. The airlines did not want to do it. Drew Lewis developed a regional policy in that regard.

So I say to the membership this change only further complicates this matter.

In the findings section of S. 1017, the bill states, and I quote, on page 26 of S. 1017:

• • • an operating authority with representation from local jurisdictions, similar to authorities at all major airports in the United States, will improve communications with local officials and concerned residents regarding noise at the Metropolitan Washington Airports; • • •

It is my view, Madam President, that this simply will not happen in any balanced way given the unbalanced makeup of the airport authority in this bill.

Madam President, I realize that this is not an issue on which Members have focused, and I realize that on first blush it seems to simply carry with it a parochial squabble between Maryland and Virginia.

But I submit to the membership that the issues are far more grave and severe than appears on first impression.

First of all, as the distinguished Senator from South Carolina pointed out, you have the entire question of whether to undertake this transfer at all. And there are strong arguments to be made on both sides of that.

Second, you then have the question that, if the transfer is to be made, under what terms and conditions? The Federal Government currently has two very important and valuable assets. When the Governor of Maryland testified before the committee, he said he would pay double—double—for these airports what Virginia was being called upon or what the authority was being called upon to pay under the bill. I use the term Virginia and the authority almost interchangeably. That is not quite correct. But I do that in part because of the very predominant position Virginia holds on this authority.

And the Governor said that he would double—double—what the Federal Government was otherwise going to get from the transfer of these airports. Maryland has a very successful record in running an airport in BWI. They have done very well indeed at BWI over the years. In fact, Maryland is very proud of what they have managed to do at Baltimore-Washington International Airport. We have competed very effectively for passengers and cargo as well as for carriers and services.

Maryland made the decision to compete when they purchased BWI in 1972 and then launched a major capital improvement program, inaugurated aggressive sales and marketing initiatives to attract passengers and freight, and commenced the process of air service development, introducing new carriers and flights to the marketplace. They made effective use of airport moneys available from the Federal Government.

But I think on balance, it is fair to say that BWI achieved its status as a major air transportation facility the old-fashioned way—we earned it through hard work and prudent expenditure of funds.

During the difficult period of terminal expansion and modernization, Maryland enjoyed the support and cooperation of the carriers serving BWI, as well as the passengers and shippers convenienced by the use of Maryland's facility. Maryland showed it was not afraid to compete by making BWI an international gateway. Maryland was very much involved in gaining London routes, European routes, and is now the premier international airport in the region.

It has met the challenges of a competitive marketplace and continues to be prepared to meet the challenges of a competitive marketplace. But Maryland does not feel it should be placed at these competitive disadvantages, with an airport authority heavily weighted to Virginia, with the facilities conveyed to the authority at virtually no cost.

As I said, the Governor simply threw out at the meeting that he would double the price. Actually, the price ought to be far higher than that if you are talking about any essential fairness to the Federal taxpayer.

We confront the ability of these airports to cross-subsidize, which means that National can be used to underwrite Dulles and therefore enhance Dulles' competitive position vis-a-vis BWI. If Dulles can develop on its own an enhanced, competitive position vis-a-vis BWI, all praise to them. That is what it ought to be all about. But for them to be able to do it because they are being underwritten by Washington National Airport or because the authority can use the control of both airports and the desirability of slots at National and the difficulty of obtaining them as a leverage to enhance service at Dulles, we think is unfair.

And then, of course, I have talked at some length about the noise problem and how the incidence of that can be shifted in a very unfair way.

I have other points I wish to make, but I see my distinguished colleague from South Carolina has returned and in fact the proponents of the legislation may in fact want to make some comments about it. I think it is important to try to get into the RECORD, so our colleagues have an opportunity to review it, as much material as we can, so they will have a chance to go over it and begin to acquaint themselves in some detail with the issues that are involved.

Madam President, I yield the floor.

Mr. HOLLINGS. Madam President, I thank the distinguished Senator from Maryland. He has covered this extremely well and in detail. I would like to add a few things, though, that do not ordinarily come out in the normal consideration. What you have here is a many study operation, both at National and Dulles.

And watching the safety factors, of which we have all become concerned with at all airports, we watch particularly the one at National. Anyone who has flown in and out and knows anything about the takeoff and clearance schedules given—both private and general aviation, as well as the commercial lines—will understand in a second that National has, pretty well like Kansas City, gone about as far as she can go. What we have is an imposed cap of some 16 million passengers and a cap of some 37 landings and takeoffs per hour.

Now that was imposed by the Secretary of Transportation after very thorough observation and conferring with the operators at the airport, the particular air controllers, the FAA, and its safety requirements and everything else of that kind. She did this because there have been some near misses. Not due to traffic, of course, but on account of the freeze, the Air Florida crash itself, the pressure, I would take it.

We are thinking now in terms of the shuttle flight. And it has boiled down, it is very interesting, to every day they keep coming back to the O-ring problem. And the distinguished Presiding Officer and myself are both very much concerned about that. But that was not anything new. The O-ring problem on the shuttle was one that had been observed and declared dangerous.

One term of art of particular reference and classification was that by the National Aeronautics and Space Administration. They call it a criticality I. In a criticality I, there was no backup. If that particular item in the equipment experienced a failure, that would cause the failure of the particular flight and perhaps the loss of the lives of the crew itself. So the O-ring problem was criticality I. And there had been a burn-through of the primary O-ring, and almost totally through the secondary, in January 1985—over a year before the tragic crash we had.

Now we go into the proposition of why the pressure to launch over the objection of the contractors. There are certain guidelines and processes that we as Senators are responsible for and the commission making the investigation is responsible for. I have made a very important distinction in my mind, having tried several cases before. When you say the process is flawed, the feeling thereon is that, just like a flaw in the cloth or flaw in the metal, something unforeseen that sneaked in could not be observed. Whereas, if the process is violated, that is the violation of an observed deficiency, and this is the latter in my judgment.

We observed the O-ring failure in January 1985. We came back and had a letter in the midsummer from witness Cook—in July of last year. We thereupon went into studies in August, and had several high level conferences. So concerned were they that in November of last year, when they had an automotive engineering conference with automotive engineers, the space engineer said, "well, maybe the auto-

motive engineers have an approach that we have not tried." So they attended the automotive engineering conference here in Washington trying to solve it.

Of course, on the afternoon of January 27 and in that evening when the cold weather set in, the responsible engineer, McDonald of Morton Thiokol, said "No; I am not signing off." This is unsafe. And they went 2,000 miles uprange to overrule him at the personnel office. Again, the next morning he said you have got the written permission but I would implore you to wait until afternoon when it warms up. They still would not wait, and a separate engineering authority, namely Rockwell, at the Cape, also went to the launch authorities and said it was unsafe. And the authorities said, "Well, I thought he was expressing a concern and not an objection."

So in two instances we had contractors saying it was unsafe, and we had it overruled. In no instance in history of a launch have we had a contractor say it is unsafe, and thereby the launch occurring as a result of overruling the unsafe admonition.

They have been awfully careful. They had a dust storm all the way out.

Mr. WARNER. Madam President, will the distinguished Senator yield for a question?

Mr. HOLLINGS. Yes.

Mr. WARNER. Madam President, as the manager of the bill, Mr. TRIBLE and myself will determine at the appropriate time to go forward on this bill when the proponents of the bill have within their rights exercised whatever proportionate time they still desire to debate the present pending motion to proceed. And by distinguished colleague from Maryland, who stepped aside the floor momentarily, sort of invited reply to the several points he raised.

Indeed, Mr. TRIBLE and I are prepared to reply to his inquiries at the appropriate time when the bill is before the Senate, and the Senate is permitted to work its will.

I say to my distinguished colleague from South Carolina, could he inform the Senate about the desire of the opponents of this bill and the relevance as to the flight of the space capsule, and also the Air Florida crash, because we are anxious, I think, to proceed with the formal consideration of this bill.

(Mr. SIMPSON assumed the chair.)

Mr. HOLLINGS. Mr. President, does the Senator not want me to talk about the space shuttle?

Mr. WARNER. No; the Senator is free. As a matter of fact, I rather enjoy listening to my distinguished colleague.

Mr. HOLLINGS. I want to make an analogy.

That pressure could have come from the Congress inadvertently, I might add, but as sure as it would have been pressure by way of budget, by way of trying to justify the increases that they thought necessary in order to get the space station in place and keep the program up to snuff.

I heard the statement made by my colleague over on the House side. I am going to make the analogy right here. We might be starting pressure on NASA with this particular authority. I will make the analogy. But I want everyone to understand it is real. It is not imaginary. My colleague on the House side just the week before last asked Dr. Graham about the particular future of the program on commercial flights. He said Congress was unanimously in favor of the continued role of NASA for commercial flights for the space shuttle. That is not true. It is not unanimous at all. Over here on the Senate side we think this is a research project. And I think, rather than not bringing the pressure, that yes, when a leading member of the Space Committee in the National Congress jumps all over the Director, the message is clear and the Director says, "I had better keep it going, I had better keep a number of flights in the air, and keep up a schedule that would warrant commercial availability."

That is pressure. I happen to think, Senator, it was unusual pressure on the tragic morning of January 28. It was not any customary launch schedule pressure. It was unusual pressure to cause them to overrule two of the contractors who said it was unsafe to launch. That is wherein we have let the case get cold. I am not going into that unless you want to. I will be glad to go into that because we have been stonewalled. The Commerce, Science, and Transportation Committee, of which I am the ranking member on the minority side, has been stonewalled from having any hearings. The people of America think that we have a responsibility. You and I know the responsibility for oversight. They are trying to finesse now, and trying to get budget figures out of us, but do not want to hear anything about the tragedy itself.

That is the only way we can determine the budget, the direction, and what happens with our Space Program—we must get into the cause and exactly what occurred. There have been hundreds and hundreds of people who have gone into the technical difficulties. But there has been hardly a field investigator go over to NASA and ask the head: "Who did you call?" "When did you call?" And if anybody in this National Congress believes that they can send a member from NASA saying "look, Mr. President, when you make your talk to the joint Congress on the evening of January 28, please refer to Christa McAuliffe"—the teacher in space, which the President himself launched. And if anybody believes—this Senator does not—that they just took that particular reference, just threw it aside, and nobody ever looked at it again—but they thought it significant enough to talk about a science test on the *Challenger* flight and not Christa McAuliffe on that *Challenger* flight—anybody who believes that is whistling Dixie. I can tell you that right now. They are not going to make this Senator believe and disregard that they never even thought of that. We are looking at the unusual pressure.

I have tried to get the telephone logs. I am trying to find out exactly what occurred so that we can settle it for once and for all. But I am not allowed to have the field investigators. I am not allowed by the majority of the Commerce Committee to continue in our particular hearings that we had. We are in a catch-22 situation.

The chairman of the committee says if we find fault with the Rogers Commission, then we will have a hearing. That makes me have to find fault in order to do my work.

Secretary Rogers comes up and he says I am not going to give you anything. So I cannot find fault or good. I just cannot find. So I cannot do my job.

But pressure begins right here in the National Congress in these things. It can begin in the agencies through overzealous interests. In this particular case, there is, yes, a local interest involved here with respect to making money, not necessarily safety. Airport authorities have got to make money. These authorities, I know, right now are making the money. They are getting a good windfall and everything else of that kind. But you never can tell what the economic pressures are. As now indicated in the findings that I referred to earlier, they said, yes, we would freeze the number of slots or landings there at National to 37 per hour. We eliminated the passenger cap. We unfroze that particular cap to allow them all to come in.

What effect does that have on the airport at National? Immediately that says bring in the bigger planes and let go the smaller planes. Immediately that is a particular pressure brought in general aviation. I was hailed by the general aviation groups, inadvertently, I guess, for the posture that I had taken in the very early instance because they said, no, we cannot go along with that. We will not be able to land the planes because with that cap removed, they will go to all commercial and we would not be able to land a single general aviation flight. They will do away with the facility out there. It would not pay for itself. Up to a point, then they got together with the distinguished Senator from Virginia, Senator TRIBLE, and with the arrangement they made with him, I

think Senator TRIBLE took care of those concerns or Senator WARNER did. We will hear from the Senator later on that score.

But I know general aviation opposed this particular bill in the very early stages, and opposed it very vigorously. Now they have been made very happy. I want to learn later on why or how they were made happy. But back to pressure.

Pressure brought on National Airport is one issue that really borders on a hairline ruling out there at the present moment with respect to safety. We know we cannot get in any more landings and takeoffs. It is physically impossible, with the controllers, the space and they use cross-runways and different other things in there to bring them in as best they can. But now they say you cannot handle the passengers. And in this particular initiative they eliminate the passenger cap.

They also had the matter of the noise level. That amendment was due for defeat in the Commerce Committee, and, in fact, temporarily held up my the distinguished junior Senator from Virginia, and later offered and acted upon with respect to the noise level.

I wonder with all of these concerns whether we really are improving—as the Washington Post said in its editorial—whether we really are improving the public service there, or are we putting it in jeopardy in contrast to a public service?

Mr. President, I want to go to the undervaluation of the sale price.

The Department of Transportation sale price of $47 million is to be repaid over the next 35 years. It is too low. In fact, the revenues coming in and everything else of that kind means they will really have a financial kitty to operate on, rather than just pay back. And we, the users, will be paying double for that particular service we have been receiving.

The National Taxpayers Union estimated the fair market value of the facilities at $1.5 billion.

The Grace Commission, when they put their value on it, had it at more than $300 million. I remember back under President Richard Nixon, it was $170 million. It hit me when we had the $47 million figure used that this particular "Holton Fix" got it at $47 million and got a sweetheart deal with the administration in their notion to take over.

They really had it arranged because they were buying at least $300 million and probably double that amount for $47 million.

The General Accounting Office, using the Department of Transportation accounting records and evaluation techniques, found another $61 million had been excluded. Even using the Department of Transportation's undervalued pricing system, which no one endorses, it should be at least $108 million, not $47 million.

Maryland's Governor, Governor Hughes, testified at the hearing that he would double the $47 million figure and pay $94 million if he could get hold of those facilities right now.

Why is it that we are really stonewalled, in a sense, with this particular low price? They will not accept any amendments at all on that score. If we do, why should we even pay more because then we will have to want more bonds and if we want more bonds then instead of the $250 million we will want $350 million? Then, instead of $712 million, we really are talking about a $1 billion cost to the users of National and Dulles. This is added cost to their operations for no reason at all on top of what they have already paid to go ahead and get these approvals.

Mr. President, I cannot see how they can sneak it by. I guess that is why we are here objecting to bringing it up for consideration. We are really jammed with a lot of important matters—too important to bother with a couple of airports which do not deserve, frankly, the time of the U.S. Senate for more than a half-hour at the most. The Members themselves are all boiled up with respect to Contra aid, with respect to the deficit, with respect to tax reform and all the other particular initiatives. Everybody out in the hinterland has been told that Gramm-Rudman-Hollings has cut their programs so they have come to Washington and once again they want to see the devil put into Gramm-Rudman-Hollings. You cannot possibly see all the people who want to come and talk to you to tell you of the worth of their particular program.

In the meantime, we come here with an attempt to resolve a very important problem. The problem is a made problem. It is a politically made problem. If we did not have this particular bill in, if we only had a request, we would approve it in the Budget Committee with a line just going across there, allocating the amounts. And the Federal Aviation Administration could immediately go to getting the bids on the particular improvements, awarding those bids and supervising the improvements as the particular facilities were being constructed.

No authority has constructed anything at National. No authority has constructed and operated anything at Dulles. We now have the Government ready, willing, and able to move forward, and we have the money within the Government. It has always been a matter of puzzlement to me where we are constantly taking money into the trust funds that we have and not spending it, while enacting new and different initiatives, and borrowing in order to finance those particular initiatives. Crudely expressed, we do not spend the money we got and we do spend the money we don't got.

We have moneys in the highway fund. Just two Christmasses ago we had a jobs bill of $5 billion. We had over $10 billion unexpended in the highway trust fund. We could have given everybody a job. But it could not be expended, save on highways. But, no, do not spend that. We could not get anyone's attention on that one. We have to borrow $5 billion in order to get jobs where we already had $10 billion in the highway fund which could have been used for the same purposes.

Now we come with the money we have in the trust fund having been paid. That is a surplus amount. There is such a thing in Washington as a surplus. They ought to go out and take a picture of it as an endangered species and put it in the Smithsonian. We already have the money allocated. But now we are going to have the $4 billion sit there unallocated and we will put out some more tax-exempt bonds and the tax expenditure costs will exceed some $300 million to the taxpayers.

I cannot see for me how we can continue on with this particular initiative. I would hope that the leader will respond to the Washington Post. I know he is not responding to any pressure in the family or anything of that kind. But the Washington Post is pushing.

The airport trust fund was created for the modernization and development of airports and the aircraft control system. The current trust fund balance is $7.7 billion.

I just received these figures from the Congressional Budget Office and from our Budget Committee.

The surplus is expected to reach more than $4 billion at the end of this fiscal year of 1986. Why not use the money we have and spend that on National and Dulles rather than spending money that we do not have?

As I stated before, there are many other airports that have shared in this without any debate on the floor of the U.S. Congress. The administration asked for and was immediately given that $150 million for Dallas-Fort Worth. When the administration asked for the $100 million in Atlanta, $90 million for a runway in St. Thomas, they immediately responded.

Our problem here is that we have not even been asked, and my problem here is that I cannot ask because Gramm-Rudman-Hollings says you have to have a zero sum amendment, or find $250 million, when in reality I know I have the $250 million in the trust fund right now waiting to be expended for airport improvement.

I want to talk a little bit about the proposed representation on the regional authority, Mr. President. I said earlier that the New York Port Authority had a veto, they had equal representa-

tion on the authority from New York and New Jersey. Each Governor had a signoff and somewhat like the United Nations, and with a veto they could survive. Now, in reality, the State of Virginia is given that veto with five members from Virginia, only three from the District and two from Maryland, and one appointed by the President. There is not any question that that is going to be one of the great commitments that is easily given.

If you have ever run for President, you know you have these people come along with their particular interests. They are talking to the candidates and if they are smart enough, they will ask every candidate—Republican, Democrat, obscure like myself and winning candidates like the President himself and Vice President Mondale—"There is a little thing there in Virginia, we are very much concerned about the operation of these two airports and we would like to have a signoff on your appointee."

You say, "Why I would give it consideration." You do not make a commitment. That is against the law for anybody running for President, but you make that representation very easily.

If I were the governing authority of Virginia, I would make an inquiry of the candidates as they all came through and then when the election came up, we would have our five plus one, you would have the six. You would have the veto and you would run. You would listen to the other people if they were pleasant and agreeable. You might even get some who were very agreeable in the District.

But looking at some of the appointments we have to rule on from time to time in the Senate, I cannot look for any hope that anybody is really going to be interested other than in the title of this particular situation.

So we are going to have a Virginia veto, no doubt, with respect to the makeup of this particular authority. I would certainly want, if I have 40 percent, the four rather than the three that I have from the District of Columbia. But I am only given the three and the two from Maryland here, then one appointed by the President. That puts me in a bad position.

The airports do not belong to Virginia, Maryland, or the District. We should not be transferring the responsibility from Washington to Annapolis or to Richmond. But that is what is really occurring in Congress today. We are going to take the airports down there at Washington, the Capital, which is anathema to the Virginia government anyway. Those things, jealousy and competition and disdain, build up in every particular State and they think that we look too much at the Federal problems, with Federal employees and everything else, and are not that much interested in the welfare of the Commonwealth. Then, when the welfare of the Commonwealth comes forward and there are needs there and adjustments to be made, it would be very, very easy to transfer those needs and adjustments to impact upon the Dulles properties or the National Airport.

I could see very well, if I served on that authority and I had a chance to get a big factory out there at Dulles—3,000 acres—and I am making an industrial park and I can see where we might need even again some further runway development or what-have-you—or an industrial park coming out to Virginia—I would say I would opt for jobs, opt for industrial power—let us put the building there and let us put the facilities there and let them all land.

If industry came along and said, "Look, if you landed them all one way, I could put this big industry there," the temptation would be great. You are sitting in Richmond and you are looking for industry. You want to point at what you did. You cannot run for Governor of Virginia and get reelected on the proposition that you got some more landings at Dulles or improved the service at Dulles. They would run you off the campaign track in the Commonwealth of Virginia running on that particular platform. So what you are really going to do is take the people's facilities and transfer them over to Richmond's political nuances and needs and turn, perhaps, an airport authority into an industrial development authority.

I could well imagine, with the airport authority having all this prime industrial property out there, that the tail could wag the dog in that particular instance and thereupon, we would just, unknowingly, resolve into industrial development rather than airport service.

I think this thing is fraught with more dangers and wastes and costs than we can possibly imagine, Mr. President. It is a bad initiative at a bad time. I guess what they are saying is we could use the $47 million today here, in 1986 to help with the deficit, but that is our trouble now. We want to transfer the bill to the next generation to pay. We have been buying votes with the fruits of the next generation.

Mr. President, I hope we will continue to give this very serious consideration and perhaps reject it, because the people from Maryland have not been treated fairly on this one. The people from the District of Columbia have not been treated fairly on it. The people of the United States have not been treated fairly on it.

I have a note here, I say to the Senator from Maryland that the Budget Committee is going to have two votes at 2:35, so if I could be excused momentarily, I want to continue later with the debate and the presentation that the Senator from Maryland is making on this score. Since we do not have a proxy rule in the Budget Committee of the U.S. Senate, I would like to attend those two votes. I think they could be needed in order to get this vote out this afternoon and then rejoin the Senator on the floor.

I thank the distinguished Senator from Virginia and the distinguished Senator from Maryland for their courtesy in listening to my deep concerns. I am going to come back later and describe safety a little bit more so everyone will understand it with respect to the pressures we bring on unsafe operations here, right at the beginning of the national Congress.

I thank the distinguished Senators here and I thank the distinguished Senator from Maryland.

Mr. SARBANES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WARNER. Mr. President, I ask unanimous consent that the quorum call now in progress be discontinued.

The PRESIDING OFFICER (Mr. HELMS). Without objection, it is so ordered.

Mr. WARNER. Mr. President, the distinguished Senator from Maryland has reappeared on the floor, and I am wondering if at this time we might engage in a colloquy such that we could better inform the other Members of the Senate about the progress of this bill. The proponents, the Senator from Virginia [Mr. TRIBLE] and myself, are quite anxious to proceed and join in the issues raised by the distinguished Senator from Maryland, but we determined that it was best to await the Senate's formal consideration of the bill. The Senator from Maryland at this time, together with other colleagues, has discussed the merits of proceeding, so I wonder if at this time we could ask of the Senator from Maryland any advice he might give the managers of the bill, together with other Senators, as to the progress we might hope to make.

Mr. SARBANES. Will the distinguished Senator yield?

Mr. WARNER. I yield the floor.

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, as I indicated to the distinguished Senators from Virginia, of course Senator HOLLINGS had to go back to the Budget Committee for some votes and intends to return and continue on this matter further. While I made an opening statement, there are some elaborations that I also wish to make. There

are also other Members, we believe, who want to have a chance to speak, although they are now tied up, so I am not sure exactly when they will get here. I do not know whether either of the Senators from Virginia wants to speak on the matter. It would seem to me they might want to so that material and debate is available in the RECORD in the morning for our colleagues as they consider this. I am coming more and more to think, as we debate the issue, that the Members probably ought to perceive the motion to proceed as really raising the question whether this matter is in a sufficiently proper state for the Senate to go to it. In other words, a lot of difficulties have been pointed out and underscored.

We have two problems. One is whether, given the current state of this legislation—in fact, I think the disarray, from my point of view, would be the more accurate term to use—whether, given the current disarray, it is something the Senate wants to address.

As I indicated earlier, many positive and constructive ideas were put forward along the way in considering this, but none of them was picked up. For a lot of reasons, the Senate may decide this issue needs further work, if in fact the Senate decides that it wants to take it up. If the matter is indeed taken up, there is a range of amendments, as I understand, to be proposed, on a whole variety of issues. Of course, that would then raise, conceivably, an entirely different question, at the end of that deliberation.

Mr. TRIBLE. Mr. President, will the Senator yield?

Mr. SARBANES. I yield.

Mr. TRIBLE. It is the opinion of the Senators from Virginia that debate on the merits should await the Senate turning to this bill. We look forward to a lively and thorough debate.

We have listened very carefully and attentively to the discussions of the Senator from Maryland and the Senator from South Carolina. I hope now that the Senator from Maryland will permit the Senate to proceed to the actual consideration of this measure.

I ask the Senator what his intentions are. Is it his intention to permit us to proceed to a debate—to turn formally to the matter at hand?

Mr. SARBANES. Certainly not today. As I indicated earlier in my statement, I thought it important that our colleagues have the benefit of the discussion that is going on here—in the RECORD in the morning—to review, and for their staffs to review, and begin to gain a sense of what the issues are that are at stake here.

It was in that context that I was suggesting that the Senator might want to address it. I am perfectly ready to go on with some other points I want to make. I do have the view that this should be available in the morning, in the RECORD, for Members and their staffs to examine, so that they can factor these considerations into their judgment, if and when we reach the decision on whether to proceed.

Mr. TRIBLE. Mr. President, if the Senator will yield, I am sure that our colleagues wait expectantly for tomorrow's RECORD, to follow our discussions about this measure.

Mr. SARBANES. If they do, it would probably be a first.

Mr. TRIBLE. I suspect that my colleague from Maryland is correct in that judgment.

If it is the Senator's intention to continue his discussion at this point, then it would be my intention to sit here and listen.

Mr. SARBANES. Mr. President, earlier we talked about the Grace Commission and the fact that this matter was included in the Grace Commission report.

I understand that the Grace Commission has done some backsliding on this issue in the interim, and one can understand that. There are a lot of pressures of one sort or another at work.

One never knows what may move people to come to a somewhat different perspective at a later time. But I think it is important to include in the record their consideration of these Metropolitan Washington airports.

When they were talking about the sale of the airports, they considered the question whether they should be sold, and at what price. Their conclusion was that the potential revenue from the sale of Washington National and Dulles International Airports would result in a one-time Federal revenue acceleration of $341 million.

They indicated in their report that there were three basic approaches to implement an appraisal of a capital asset: One, replacement cost; two, capitalization of projected cash flow; three, market value, the price at which a willing seller and a willing buyer arrive.

They went on to say:

Because airports are unique in several aspects, chiefly their nonprofit status, capitalization of projected cash flow is not a valid approach. Neither is "market value," because of the near absence of other comparable transactions.

The land component of an airport can be valued in terms of replacement cost, but this approach has limited relevance. The value of similar land outside the airport reflects the present value of expected cash flows from uses which generally do not occur at an airport. Structures at an airport also tend to be unique and unlikely to have alternative uses that would have a comparable value if the property were sold.

Having, in effect, disposed of these three basic approaches by those comments, they then went on to say:

Consequently, in this issue three other techniques are used to update earlier appraisals that have been made:

Adjust to 1982 constant dollars by using the Gross National Product (GNP) price deflator, the appraised value of the MWA in 1972, and any capital improvements since 1972;

Calculate the ratio of the 1972 appraised market value to the 1972 net book value of the MWA land and buildings. Assuming this same market value-to-book value ratio exists in 1982, multiply this ratio times the MWA 1982 net book value of land and buildings.

Calculate the ratio of the 1978 appraised market value to 1978 net book value of Burbank Airport land and buildings.

They use Burbank because there was a sale that took place in Burbank, CA, from a private party to a public agency.

This report then goes on:

Assuming this same market value-to-book value ratio exists in 1982, multiply this ratio times the MWA 1982 net book value of land and buildings.

They then go on to take these three techniques, which they have outlined in an effort to ascertain the price; I am not now necessarily endorsing this approach or any particular one of these techniques. I am really setting it out here so Members can have the benefit of the analysis by the Grace Commission, and so they will see more clearly the enormous disparity in evaluations made by the Commission, made by the Taxpayers Union, and made by others with respect to what is a reasonable price to be paid for these facilities; and so they will understnad the virtual giveaway price at which Secretary Dole and the Department are seeking to obtain here in the course of transferring it to this airport authority.

The Grace Commission, the so-called President's private sector on cost control, goes on to say, with respect to the three techniques for appraisal just set out, the following, and I quote:

"Alternative appraisals: valuation based on GNP price deflator. In 1972, an independent audit of the MWA—" metropolitan Washington airports, and that is National and Dulles combined—they are collectively known in the terminology of this report as the MWA—"land and buildings determined the fair market value to be $105 million. Assuming no depreciation, the 1982 yearend constant dollar value would be $217.5 million. Add to this any capital appropriations adjusted to reflect fiscal year 1982 yearend dollars. The result is a total value of $318.4 million."

So using this first approach, they conclude the result is a total value of $318.4 million.

They then go on to take the second approach. They say: "Alternative appraisals: valuation based on a multiple of book value from the Burbank Airport valuation. When the Burbank Airport was appraised to find the fair

market value of its land and buildings in 1978, the ratio of market to book value was 4.77 times. Multiplying the metropolitan Washington airport, September 30, 1982."—of course we are now using somewhat dated figures, 1982—"land and buildings net book value—after accumulated depreciation of $80.4 million by 4.77 yields $383.5 million. The book value of construction in process is assumed to be equal to the market value. The total value of the MWA's land and buildings after adding $30.2 million construction in process is $413.7 million."

So now we use one alternative appraisal method and they came in with a figure of $318.4 million. Bear in mind now that what the Department of Transportation was saying was $47 million to be paid over a 35-year period. That is the level at which the proposition before us finds itself, well under $100 million.

Yet here the first appraisal method is $318.4 million, the second appraisal method is $413.7 million, and the third method, and I now quote from the report, "Valuation based on a multiple of book value from the MWA's valuation in 1972. When the MWA's land and buildings were valued at $105 million in 1972, the net book value of these assets was $32.2 million." In other words, they took the 1972 valuation and then compared it with a book value and came up with a factor of 3.26. "This results in a market to book multiple of 3.26 times. Multiplying the MWA's land and building net book value of $80.4 million by 3.26 and adding $30.2 million in construction in process gives $292.3 million."

So now we have been through three appraisal methods used by the President's Private Sector on Cost Control Commission. One method put a total value on of $318.4 million; another, $413.7 million; and a third one, $292.3 million.

As I indicated, I do not vouch for any one of these methods. I think a strong case can be made that the figure should indeed be much higher, and I spoke earlier of the amount of land that was being transferred to Dulles, the thousands of acres, and the value that attached to it.

But the Grace Commission went on to say in their summary: "The three estimates of the fair market value of the MWA land and buildings range from $292.3 million to $413.4 million. The mean value is $314.5 million, which will be used in further calculations for purposes of simplicity."

So the value that they attached on this sale of the two airports was $341.5 million.

Yet the figure that was put forward by the Department of Transportation was $47 million. As I indicated, the Governor of Maryland came in before the committee and said he would double the price right on the spot. He was prepared to double the price.

So it is clear that these assets are being disposed of at far, far below anything that begins to approximate their reasonable value. They in effect are being given away.

There is no wonder the State of Virginia and its two able and distinguished Members in this body are so anxious to move this legislation along. They are going to be running all the way to the bank. It seems to me that the great deal or steal of 1986, needs some careful attention and focus by the Members of this body.

(Mr. TRIBLE assumed the Chair.)

Mr. SARBANES. The distinguished Senator from South Carolina had to leave the floor for the very pressing budget problems in the Budget Committee. It is not as though the Nation were in a fiscal period when we could simply sort of shrug their shoulders and say, "Well, a few hundred million or less, what does it matter?"

I think it is reasonable to expect that if we are going to devolve ourselves of these assets that we ought to obtain a reasonable price for them.

We just went through that with the sale of Conrail, a proposal that came from the same Department and the same Secretary.

I think the Secretary is an able person and I have been struck by the many, many articles written about her which have made that point. I think she has shown a lot of skill as a member of the President's Cabinet.

But it seems to me we have to begin to question more closely this bargain basement operation being run over at the Department of Transportation.

When the Conrail proposal was here, in effect, there was an alternative bid at 50 percent above the price being offered by the party whom the Secretary supported, a reputable bid.

The Secretary, many thought at the time, had locked herself into a position and felt obligated to press forward with it. And, of course, the consequence was that what the Federal Government could have realized from the sale of Conrail to the private sector was substantially under what it could have gotten had the Secretary been prepared to be more flexible in that situation.

I am fearful that we have the same sort of situation at work here. The Senator from South Carolina was absolutely right earlier when he said that the Secretary set up this commission. She was anxious to shed the responsibilities of National Airport and Dulles Airport and not to carry them on at the Federal level. They have been uniquely the national airports now for many years. But she was anxious to get rid of them. And, in the end, she swallowed a deal that I take it she perceived as the only one she could get if the State of Virginia were to go along.

It is obvious why the State of Virginia will go along with this deal. Here you have three valuations, $318.4 million, $413.7 million, and $292.3 million. The mean value of them is $341.5 million, almost $350 million. Yet, the price the Department was talking about is $47 million. Now we are losing a quarter of a billion dollars, at least, on this proposition, just compared with these appraisals, let alone others.

I read earlier the letter from the National Taxpayers Union in which they state, and I am quoting beginning with the second paragraph:

> Although we agree that the Federal Government should get out of the business of owning and managing airports, we are appalled at the ridiculously low sale price placed on these valuable properties. The combined market value of the properties is conservatively estimated at $1.5 to $2 billion. Yet, the two airports are to be sold for only $47 million—about 1/35th their actual worth.
>
> In addition, the transfer and future improvements are to be financed with tax-exempt bonds over a 30-year period. This adds up to a double soaking of the taxpayer.
>
> Given the Nation's tremendous budget deficits and $2 trillion national debt, it is fiscally irresponsible for the Federal Government to do anything but seek fair market value for the airports. Sound policy demands that the price tag on Dulles and National be raised to reflect their true worth. Otherwise, the sale should be rejected.

Mr. President, I ask unanimous consent that the text of the National Taxpayers Union letter be printed in the RECORD at this point and that the excerpt quoted from by the President's private sector on cost capital report on privatization also be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL TAXPAYERS UNION,
Washington, DC, March 18, 1986.

DEAR SENATOR: Soon you may be asked to vote on S. 1017, the Metropolitan Washington Airports Transfer Act. This bill would transfer ownership of Dulles and National Airports to an independent authority dominated by the Commonwealth of Virginia. We urge you to vote "NO" on this sale.

Although, we agree that the federal government should get out of the business of owning and managing airports, we are appalled at the ridiculously low sale price placed on these valuable properties. The combined market value of the properties is conservatively estimated at $1.5 to $2 billion. Yet, the two airports are to be sold for only $47 million—about 1/35 their actual worth.

In addition, the transfer and future improvements are to be financed with tax-exempt bonds over a 30-year period. This adds up to a double soaking of the taxpayer.

Given the nation's tremendous budget deficits and $2 trillion national debt, it is fiscally irresponsible for the federal government to do anything but seek fair market value for the airports. Sound policy demands that the price tag on Dulles and Na-

tional be raised to reflect their true worth. Otherwise, the sale should be rejected.

Sincerely,

JILL LANCELOT,
Director, Congressional Affairs.

REPORT ON PRIVATIZATION

Summary. The three estimates of the fair market value of the MWA land and buildings range from $292.3 million to $413.4 million. The mean value is $341.5 million, which will be used in further calculations for purposes of simplicity.

(Mr. PRESSLER assumed the chair.)

Mr. SARBANES. Mr. President, the question of the price to be paid here is a question that involves, obviously, every Member since we are disposing of Federal assets and we are doing it here for virtually nothing—the figures range from $47 million to $300 million to over $1 billion, with incredibly valuable land at Dulles, thousands of acres also at issue.

If you look at the bill reported by the committee as to what the prices should be, you find it nowhere states a price. I invite the attention of the membership to the fact that what we have stated here is a very involved and complex formula without any way of knowing exactly what that means in dollar terms.

First of all, it is to be a lease, not a sale. In other words, the money is not to be received now in payment for the facilities. They have set an incredibly low cost and then you do not even get it in hand, you get it over 35 years. One has the sense that the Federal pockets are being picked here.

But the legislation says on page 29:

In consideration for the transfer of the Metropolitan Washington Airports, the Airports Authority shall make payments to or for the account of the United States, as specified in this subsection.

Basic lease payments sufficient to repay to the United States the amount of hypothetical indebtedness of the Metropolitan Washington Airports shall be made to the Treasury of the United States, as determined by the Federal Aviation Administration as of the date of transfer in accordance with appropriate Federal financial directives, and at the imputed interest rate for such indebtedness on that date, within 35 years. The Comptroller General of the United States shall conduct an audit of the Federal Aviation Administration's determination of hypothetical indebtedness, and shall also report on any costs incurred for the Metropolitan Washington Airports not included in such determination.

And then, the next section goes on to provide, "In addition to the consideration required for lease and acquisition in the metropolitan Washington airports under paragraph (2) of this subsection, the Airports Authority shall" pay certain moneys to the Civil Service Retirement and Disability Fund to represent certain costs connected with employees of the authority.

I see the distinguished Senator from Virginia on the floor. Perhaps he can tell me what this means in dollar terms. There is no dollar figure in this bill. It is a 35-year payment, the so-called amount of hypothetical indebtedness. Whatever the figure is, trying to puzzle through the committee's report, it is clearly a lot less than any of these other figures which have come before us as being reasonable for obtaining this airport.

Mr. TRIBLE. I look forward to responding to the points raised by my colleague. But, before we engage in that debate—a debate which quite properly should be reserved until the Senator from Maryland permits the Senate to turn to the consideration of this measure—I would like to point out that the Senator from Maryland and his colleague from South Carolina have shared their thoughts and concerns about this legislation since approximately 11:50 this morning. It would seem that my colleagues from Maryland has now had ample opportunity to instruct his colleagues. I ask if the Senator from Maryland would now permit the Senate to proceed to the consideration of this legislation

Mr. SARBANES. I indicated to the Senator earlier that I thought it was important for our colleagues to have the benefit of this analysis to review in the RECORD in the morning. This is not an issue, I think it is fair to say, on which Members have focused. They have tended not to see it as a highly controversial issue. It only indirectly affects the interests of many Members of this body, although I think upon analysis they will come to understand that it does in fact affect the taxpayer in a very vital way.

My own view is that as we probe into this further and further there are sufficient questions about even the basic merits of the legislation to raise the very serious point as to whether the Senate ought to spend its time in order to take it up.

Mr. TRIBLE. Will the Senator yield for another question?

Mr. SARBANES. Surely.

Mr. TRIBLE. Recognizing the right of a Senator to take time to share his thoughts and concerns in respect to this, will the Senator agree to a unanimous-consent agreement establishing a time certain at which the Senate can turn properly to this legislation?

Mr. SARBANES. No. The Senator is not prepared to do that at this point.

Mr. TRIBLE. I must observe that the Senator is really not engaging in debate but rather is filibustering, and is obstructing the process at a time when the Senate has a whole host of important matters, including this measure.

Mr. SARBANES. That may be the Senator's observation. I do not share it. I think that before we take this matter up, Members ought to appreciate the deficiencies connected with this legislation and then ask themselves. This question: Do we really even want to take it up? Is this not an issue on which some effort should first be made to address the range of objections which have been raised here, in effect to say to the Secretary, "Well, you really ought to go back and redraw this at the drafting board"?

We saw the same problem with Conrail. A lot of points were raised, and the Secretary said, "Well, you know, we made that decision way back then and now we have to sort of stick to it." That is exactly what is happening here. Let me give you one example.

A strong argument was made in the commission that Dulles could not sustain itself alone financially. Therefore, it had to be linked with National be able to draw on that underwrite from National, which we in Maryland think is very unfair to the competition between BWI and Dulles. I do not see how any reasonable observer could conclude otherwise.

Every other airport has to stand on its own. To link these two, and take a highly profitable one which is not BWI's competitor, and underwrite the other, which is BWI's competitor, is an unfair situation.

Since that analysis was made, a year and a half have passed. The activity at Dulles has increased tremendously over that period. In fact, there was a story in the Washington Post at the end of last year, last December, headlined "Fast Growth Strains Dulles Services." It went on to talk about how the tremendous increase in air traffic was placing a strain on the services.

That, of course, raises the question as to whether the financial analysis that was relied upon, or at least was used by some to argue for putting the two airports together financially, still stands. In the light of this development, it is reasonable to argue that the case for severing the financial connection between Washington National and Dulles Airport has been greatly strengthened. Dulles to stand on its own if that were the case, at least in the financial arena—up to a limited point, because you still have the giveaway of major assets. So they start off in effect almost with a free capital base—that is what it amounts to—for the competition we are talking about.

Maryland wants the competition but it wants it on a fair basis. It wants it on a fair basis. Maryland bought an airport and spent a quarter of a billion dollars improving it. We are prepared to compete with Virginia if it pays a reasonable fee for Dulles, and then seeks to improve it.

Mr. TRIBLE. Will the Senator yield for a question?

Mr. SARBANES. Yes.

Mr. TRIBLE. The Senator has asserted on two occasions now that Maryland has spent a quarter of a bil-

lion dollars on BWI. I wonder if he might tell us about that expenditure. It certain is at odds with the figures presented to the Commerce Committee.

Mr. SARBANES. I said earlier—and I should have said there—that is adjusted for constant dollars. But let me read what Maryland says on that point.

"Maryland invested $36 million in State general funds in 1972 in acquiring Friendship Airport from Baltimore City. This represents some $100 million in today's dollars" inflated through the end of 1985. In other words, the authority is now going to acquire this facility not even in today's dollars. The authority is going to acquire this facility not even in today's dollars because the authority is going to have a lease, and pay for them over the next 35 years. So the comparison I am about to make is even more pointed than the figures I just used.

"Maryland invested $36 million in State general funds in 1972 in acquiring Friendship Airport from Baltimore City. This represents some $100 million in today's dollars."

In other words, adjusted for inflation through 1985.

If you bought it at the end of 1985 in 1985 dollars, and adjusted it from the figure paid in 1972, it would be $100 million.

"Additionally, Maryland invested almost $114 million in Maryland DOT funds on improving Baltimore-Washington International."

That is $114 million invested then at the dollar levels over the period 1972 to 1985—some early in that period, some in the middle, some at the end of that period.

"This represents some $180 million in today's dollars" adjusted for inflation.

So, "The current dollar investment of State funds is $280 million."

If you took what Maryland has put into BWI and brought it up to date, it is $280 million. This legislation proposes to give these two airports to this Airport Authority dominated by Virginia $47 million. That is not even in current prices.

Mr. TRIBLE. Will the Senator yield?

Mr. SARBANES. Surely.

Mr. TRIBLE. Even with the recomputation, I must point out the Senator's figures are incorrect. As the Senator said, Maryland paid $36 million to Baltimore to buy Friendship Airport. The Senator is now saying we are going to recompute those figures in today's value. Beyond that, the Senator has pointed out that $114 million came from the transportation fund of Maryland. The Congressional Research Service suggests it is actually $116 million.

These are State bonds bought against the Maryland Consolidated Transportation Trust Fund. These are not dollars drawn from the taxpayers of Maryland. These are moneys from the users of the highways and the airports of Maryland.

I will point out also that BWI has also benefited from $33 million through Federal AIP grants.

Mr. SARBANES. I was not counting that money.

Mr. TRIBLE. You did not count those moneys quite properly because they could not in the wildest of imagination be counted as drawn against the State of Maryland.

I think that all those figures suggest more precisely the funding of BWI.

I have resisted the temptation today to raise a number of points during the Senator's soliloquy because we will have that opportunity to debate once the Senator permits the Senate to turn to the consideration of this measure. However, I would point out that the Commerce Committee decided to reimburse the State of Maryland for the $36 million out-of-pocket expenditure for Friendship Airport.

Moreover, I would point out finally that the Commerce Committee, by a vote of 12 to 4, overwhelmingly supported this measure and found it was fair—fair to Maryland and in the best interests of all of our citizens. I thank the Senator for yielding.

Mr. SARBANES. I appreciate the comments of the Senator from Virginia. I would point out that the money Maryland invested was Maryland money, not Federal airport improvement money. I was careful to leave that out. Those are moneys paid by Maryland.

Mr. TRIBLE. If the Senator will yield, these are dollars generated from all the users of the highways and airports in Maryland and not from Maryland's taxpayers.

Mr. SARBANES. If Virginia were doing this thing right, they would have the opportunity to make use of similar funds. The fact is that Maryland has put into this airport about $280 million in current funds. The Airports Authority is about to acquire these two airports for less than 20 percent of that, and then is not even going to pay that 20 percent up front. It is going to pay it over a 35-year period. It is incredible.

Mr. TRIBLE. If the Senator will yield, I do not want to really engage in debate at this point, so I will reserve my response to a more appropriate time for debate on the merits. That is when the Senator will permit the Senate to turn to the consideration of this measure.

My only purpose in rising at this particular point is to make sure there is no mistake in the record about the exact amounts of moneys involved here and where they came from. That, I think, has been accomplished.

Mr. SARBANES. I am pressing to make my point. The Senator is welcome to try to rebut it. I am happy to have him try to do that. The fact of the matter is that as part of this transfer the authority is going to get a federally funded access road for free, originally costing $60 million. What happens in this proposal to the Dulles access road built by the Federal Government at its expense? What happens to it is that it is transferred as another one of the assets going over to the Airports Authority, $60 million.

Definitions on page 28 of the bill: "Metropolitan Washington Airports," which is what is going to be transferred to the Airports Authority, is defined as:

"Means Washington National Airport and Washington Dulles International Airport, and includes the Dulles Airport access highway and right of way, including the extension between the interstate routes I-495 and I-66."

It is magnificent. I hope the Senator from Virginia goes back every night and says to his constituents, "Look at what we have pulled off here. Up there in Maryland they have this BWI, which they are trying to build up. In current dollars they have put in $280 million to get that facility to where it is today. Look, we are going to get two airports and a federally constructed access road at a cost, I am told, of $60 million at the time it was built, and we are going to get this thing for roughly $50 million. So we are going to set up this Airports Authority to compete and they are going to get all of this capital and all of these facilities and everything else for about $50 million. And they are not even going to pay it."

It is incredible.

As I told the Senator earlier when we were off the floor, the more I get into this thing, the more energized I become. It is incredible what is going on here.

There is a nice book called "The Great Train Robbery." This is providing us the grist for the mill, to just substitute "airport" for "train."

It is going to be paid as a lease over 35 years.

Not only do you have this tremendous disparity in the value that is being talked about, but then, despite this giveaway price, it is not even being paid for up front. It is going to be paid over 35 years.

By the time you discount it for inflation over the 35 year period, the figure is going to be a lot less than the $50 million we are talking about.

So if you compare what Maryland put in to get Baltimore-Washington International where it is, $280 million, the Virginia authority is now going to get two airports, both of them profitable—National very profitable, as we know; Dulles showing rapid improvement.

As I understand it, there are what—some 10,000 acres—at Dulles. Does the Senator quarrel with that figure? I take it not. Some 10,000 acres at Dulles, 2,000 of which can be developed and the best estimate is that they have a value of about $200 million.

Mr. President, where is the fairness to the Federal taxpayer in all of this? Some have argued here that the transfer ought not to happen at all, that the Federal Government ought to hold on to National and Dulles and to proceed from there. But if it is going to transfer and dispose of them, clearly, it ought to do so at a figure that contains within it some fairness for the Federal taxpayer. It is obviously for this reason that the National Taxpayers Union has sent us this very strong letter urging a no vote on this sale.

The reason I say to the Senator that we need to try to put these arguments on the record and have them considered is that I think Members, before they agree to go to this bill, ought to understand this. In fact, the membership might feel, "Well, we really think that the transfer ought to take place but we think these terms have not been carefully worked out. We think really that there ought to be an effort made to go back to the drawing board to reexamine the offers, to reexamine the arrangements by which this would happen; in other words, by what kind of authority can you split Dulles and National?"

I do not think that proposal was ever given the consideration it deserved. I agree with the observation made by my distinguished colleague from South Carolina [Mr. HOLLINGS] earlier in the debate that the outcome was pretty well set the very moment the commission began to consider this matter. That was that both airports were going to be put in the same authority. It was precluded from considering whether all three airports should be brought into one authority. That is a complicated thing to do, but it may make a lot of sense if you are going to run an overall regional air transport program.

That was excluded from consideration.

No serious consideration, in my judgment, was given to the proposition, I think a positive and constructive one, that Dulles and National should be separated, the proposition of allowing National to be run by an authority embracing the three jurisdictions equally, with representation from the Federal Government, and allowing Dulles to go to the State of Virginia.

As you begin to look at these figures and the enormous discrepancies in them and begin to understand that this is really a fire sale, I think more and more Members may ask themselves, "Would it not be better to go back and try to work this thing out again, take another look at it?" The Secretary was unwilling to do that with Conrail, even though significantly improved offers had come in subsequent to her previous decision. There is a responsibility here, it seems to me, to the Federal Treasury and the Federal taxpayer which ought to motivate the Secretary and which requires a second look.

That is aside from the argument I have been making about trying to be equitable in terms of the competition between Maryland and Virginia and constructing an airport system in this area, in this region, that will work effectively.

In setting out the legislation, as I said earlier, Mr. President, it fails to spell out how much money we are talking about. I do not blame them for that. If they spelled the figure out, it would be so shocking in its inadequacy that anyone simply looking at the legislation would react negatively. So, as it is, it is dressed up in a lot of legal language so that when you actually read the bill, it does not really tell you how much money the Federal Government will be receiving.

This independent authority which this legislation seeks to establish is, by its own definition, an agency of the Commonwealth of Virginia and the District of Columbia. In effect, Maryland was cut out of participating in this to such a degree that we were not even involved in creating the agency. The agency was created by the Commonwealth of Virginia, then corroborated in by the District of Columbia, and Maryland was given these 2 places out of 11 on the Commission. That Airports Authority is going to operate the Metropolitan Washington airports under the terms of lease and transfer agreed to in accordance with the act. I made reference earlier to the provisions in the legislation with respect to the lease payments.

The definition of Metropolitan Washington airports encompasses not only the two airports but also the Dulles Airport access highway, the right-of-way—60 million dollars' worth—that is being turned over to the Airport Authority. Of course, as I indicated, the composition of this authority is five members from Virginia, three from the District of Columbia, two Marylanders, one appointed by the President. I do not think there is a Member of this body, except possibly the two Senators from Virginia, who would look at that composition, where they get 5 out of the 11, and say that represents an equitable arrangement in terms of conducting the affairs of this authority. Obviously, it is a loaded authority.

Then, the legislation goes on to discuss how the revenues shall be used. As I indicated earlier, this is a very, very important point.

What this transfer legislation now before us fails to achieve in trying to move from Federal to local control is any reasonable measure of equity amongst the local interests. In fact, the Maryland suburbs of the Greater Washington area represent some 40 percent of the region's population; 2 Maryland votes on an 11-member airports governing panel, as contemplated by the transfer legislation, fails to meet the test of equal representation among local interests. The figures on airport usage further back Maryland's position.

In fact, when you see those surveys on airport usage conducted by the Metropolitan Washington Council of Governments, Dulles clearly functions as Virginia's airport with over half of its passenger traffic originating in the Commonwealth of Virginia. National, conversely, is truly a regional air transportation facility. In terms of local passengers using National, the Council of Governments survey found that the top three ranking jurisdictions, the District of Columbia, Fairfax County in Virginia, and Montgomery in Maryland, account for nearly 70 percent of National's traffic.

During deliberations of the Study Commission, these facts suggested to Maryland that all local jurisdictions do not share equivalent interests in the two Federal airports. Thus this single authority proposal now before the Congress is fundamentally flawed in this respect. You cannot really address the problem of fair and equal representation because it tries to force it all into a single authority. And the way to get out of the box is to have National and Dulles transferred separately and not put in the same authority. Transfer Dulles to the Commonwealth of Virginia, which would then equalize Dulles and Baltimore-Washington International Airport, both of them roughly equidistant from the District of Columbia, from downtown Washington. Let Virginia take over Dulles at a reasonable figure and develop it, in competition with Baltimore-Washington International, and then let an interstate authority on a balanced, equitable arrangement run National Airport.

Now, that proposal, as I indicated, did not get anywhere in the Holton Commission, the Commission set up by Secretary Dole and chaired by former Governor of Virginia Linwood Holton. But a lot has happened since that Commission made its report, which is now more than a year ago, and it seems to me we need to take another look.

The report of Governor Holton's Commission was made in December 1984, some 15 months ago.

So the real question is should we take a second look at this thing. There is a problem here that needs to be

worked out. We need to develop a structure and a system for the operation of these airports and open up the opportunity to improve them in a vigorous and effective manner.

A lot has happened over this year, particularly at Dulles, which places in doubt the apparent need to have one authority govern both National and Dulles. Back then the Virginia people argued that Dulles could not support itself and its capital development needs, and therefore it needed a subsidy from National's revenue stream in order to keep going.

Now, many of us are very concerned about that because if you allow that to happen and do not limit it, then as Dulles' position improves that subsidy can be used not simply to keep it going but to give it very advantageous arrangements which then heightens its competitive position versus BWI.

In other words, Dulles should have to make it on its own, and developments over the last 15 months in air carrier operations and passenger traffic and freight volumes at Dulles all indicate that it would be in a position to do that, that it can stand on its own without artificial support from National.

Now, if that is correct, why do we not do that? In other words, if there have been developments over the last 15 months of such significance that one ought to take another look at this proposition, then we ought to take another look at it.

There is no prestige so tied to this thing that it has to be pressed through even though it contradicts good fiscal sense, good administrative sense, and good competitive sense. If we did that, then Maryland would be able to compete with Dulles on a level playing field.

This proposal to transfer National and Dulles as a unit through a 35-year lease-purchase arrangement at about $50 million is neither equitable nor very businesslike.

I mentioned earlier the appraisals made by the Grace Commission that valued the combined airports at $341.5 million, more than seven times the amount called for in this transfer legislation now pending before the Congress.

Now, as we wrestle with balancing the budget, as we wrestle with Gramm-Rudman, the idea of a virtual no-cost transfer of National to Dulles strikes me as ridiculous. Where is our good sense here? We should be seeking a fair return on the transfer of these assets, not simply giving them away.

Mr. President, I want to pursue this point for a minute, so that we may have here an opportunity to take another look at it.

Despite the effort mounted by Governor Holton and those who were assisting him, Secretary Dole really should consider revisiting this issue. In fact, she has the benefit of the fact that the State of Maryland does not oppose the effort to defederalize the two facilities. Unlike some who question whether it should happen at all, the State is prepared to accept that proposition. The question is how it would be done. What is the logical, fair, and reasonable way to accomplish the transfer?

The State has taken a very strong position, which I think is a fair one, that any transfer of National and Dulles Airports must be equitable, providing full representation of effected parties and allowing fair competiton.

In divesting itself of these facilities, the Federal Government should not unduly benefit one jurisdiction at the expense of another. The current proposal, the one before us in S. 1017, does not meet this essential test of fairness.

This legislation has not been reasonably constructed and would adversely affect the interests of the citizens of the State of Maryland.

I talked earlier about the usage of these airports, the heavy usage by Marylanders of National Airport, and the fact that Maryland would have only 2 out of 11 members on this board, an authority created by the laws of Virginia and the District of Columbia. Let me cite two examples which illustrate the potential consequences of this underrepresentation on the board.

One, because of its location, access to National Airport is highly prized by the airlines. Everyone knows that. The airlines place a tremendous premium on access to National Airport. With both airports placed in one authority, were an airline to request entry to National for an expansion of facilities there, the new authority could exert strong influence over it to also use Dulles rather than BWI for cross-country or international flights.

Obviously, 2 votes out of 11 could not protect Maryland's interests in this issue. In other words, when you put them both in one authority and when one of the airports put in the authority, National, has highly coveted and difficult to obtain slots, and when the authority's overall financial health and, in fact, its responsibilities to perform are geared to enhancing the interests of both airports, I do not think it is unreasonable to anticipate that the access to the slots at National or an improvement in airline facilities there would be subjected to influence with respect to the use of Dulles.

Second, in its operation of National and Dulles Airports, the new authority will make decisions regarding noise regulations and other operational issues affecting Maryland. With only 2 votes out of 11, it is not hard to predict whose interests will be looked after and whose interests will be ignored.

This noise authority was shifted only at the last minute. That was done after the committee had finished its markup, was added subsequent thereto, puts the control over noise now in this authority, and of course opens up the very real possibility that that issue will not be handled in an equitable way but will be handled in a way highly disadvantageous to Maryland.

That amendment was added in November 1985, after the committee had reported S. 1017, 2 months earlier, in early September.

As I note, this controlling authority is going to be a Virginia corporation. It was passed by the General Assembly of the Commonwealth of Virginia. The General Assembly of Maryland has not been involved in this in any way, so it is not fair representation. It is regionally unbalanced, and it is not a result of regional consensus. Given the Maryland position which I have outlined before, it seems to me that the basis for achieving a regional consensus existed.

The Secretary did not pick up on that possibility.

In other words, this is not one of those insoluble situations where there is no way to work out what the goals and objectives of the Secretary are, with the concerns and interests of the various regional actors and with the need to provide protection for the Federal taxpayer. It is just not the case that all of those interests cannot be harmonized. They in fact can be harmonized.

As I indicated earlier, Maryland put forward a very constructive proposition. The development in air traffic of both National and Dulles over the last 15 months has altered the financial picture significantly so there is more potential give in order to address the problems of the Federal taxpayers. It seems to me that the Secretary should be seeking a regional consensus and not trying to impose this legislation on some major players in this area.

Mr. WARNER addressed the Chair.

Mr. SARBANES. The issue of competition is a very important issue. I have alluded to it a number of times in the course of this discussion today.

The three airports in the Washington region compete for air service. It has been suggested by some that BWI serves a market different from those of National and Dulles, but BWI serves Metropolitan Washington in addition to its service to the Baltimore region.

In fact, in a 1981–1982 survey 30 percent of the users of the BWI originated within the Washington metropolitan area.

Convenience and frequency of air service are a great stimulous to economic development. Each jurisdiction seeks expansion of services to provide stronger incentives for business activi-

ty. So competition is a factor and any transfer legislation ought to acknowledge it.

We are not objecting to a situation that puts us into competition. In fact, we would welcome it.

What we do object to is being placed into an unfair competitive position by the inclusion of both of these airports in a single authority with the ability to cross-subsidize and with the turning over of very valuable assets at values far below anything that anyone would regard as being reasonable.

The legislation proposes a transfer price of only $47 million for both airports. This amount would be paid to the Federal Government over a 35-year lease period after which the new authority would own the two facilities. An interest rate of 4.9 percent would be applied to the outstanding balance during the lease period. Listen to that: 4.9 percent interest on the outstanding balance during the lease period, with 35 years to pay it.

The proposed legislation would also include the transfer of the Dulles access road and new businesses for ground transportation at no cost to the new authority whereas similar transportation services at BWI has been financed by Maryland taxpayers.

Thus, the Federal Government intends to relinquish two highly valuable public assets for no more than what was invested some 20 to 30 years ago.

In light of the high Federal deficits, the difficult budget reduction decisions, how can the Federal Government allow these facilities to be transferred at such a ridiculously low price?

As I indicated earlier, as a point of comparison, Marylanders at today's prices have invested $280 million in BWI and the Grace Commission estimated a value for National and Dulles ranging between $292 and $414 million, with a mean value of $342 million.

Mr. PRESSLER. Mr. President, will my colleague yield?

Mr. SARBANES. I yield. I understand the Senator from South Dakota wishes to address this issue.

The PRESIDING OFFICER. The Chair recognizes the Senator from South Dakota.

Mr. PRESSLER. Mr. President, during consideration of this matter in the Commerce Committee, I let my views be well known. I was one of those Senators to vote against it. I very much want the airports in this region to be prosperous. I very much want to work this matter out. But it is not just a squabble between Maryland and Virginia. There are some national interests here. I come from the State of South Dakota and let me say that many airports take a dim view of the smaller State's concerns.

Since deregulation, everything has gone to the big population centers. People want full aircrafts coming in. We have found that rural interests do not command a great deal of attention in the big city markets. There is a national interest here. My constituents like to come to Washington, DC to petition their Government. In fact, just today I met with bankers from South Dakota and the homebuilders of South Dakota. I met with people from a day care center worried about liability insurance problems, and when I finish this speech there are constituents waiting to see me, all of whom have flown here to petition their Government. Citizens in my State currently have matters before the ICC and other Federal agencies. So we have a national interest.

Let me also say, and I think my colleagues in Virginia would agree, that I am always very supportive of matters that help this region because it is a national center. Be it the Kennedy Center, or way back to the Pennsylvania Avenue Development Corporation, which I voted on when I was in the House of Representatives. I was roundly criticized for supporting it in my home State. I have been a strong supporter of the development of this region and will continue to be. But I have been concerned because this piece of legislation will essentially place in the hands of Virginia and the District of Columbia and Maryland the decisionmaking process that will affect the entire Nation on two airports that have national and international implications.

I think that those States should have the principal say in it, but I also believe that the Presidential appointees should be expanded. I am going to file three amendments if that is proper under the rules without giving up the floor, and I intend to yield the floor back to the gentleman from Maryland when I finish speaking. But let me address the first amendment.

The first amendment is one we discussed in the Commerce Committee. I have made my views well known in the Commerce Committee already. The first amendment would more evenly distribute the membership of the authority's governing board. As presently drafted, this bill reserves five slots for Virginia, three for the District of Columbia, two for Maryland, and one for the President with Senate advice and consent. My amendment would change this makeup to allow three slots for Virginia, DC, and Maryland, respectively; and two for the President with Senate advice and consent.

It is clear that the deck is currently stacked against Maryland. We could just as well not allow Maryland any members if we go forward with the bill as presently designed.

I opposed this bill in the Commerce Committee. Not only is it unfair to Maryland, but more importantly to me it is unfair to the rest of the country. There is good reason to treat these airports differently. They are truly national airports, serving a city that was established for the entire Nation—not any single State.

In the wake of airline deregulation, it is already difficult enough for citizens from States such as South Dakota to have adequate access to our Nation's capital. I am concerned that the more control of these airports we put into the hands of any one State, the interests of the other States will be lost in the shuffle.

Presently, we all have at least an indirect voice in the operation and control of this airport. It is important that we maintain some control so the interests of the other States are not forgotten—or at a minimum, we should at least ensure against giving any one State what is tantamount to almost exclusive control over important decisions that affect all of our constituents. Everyone has a right of access to this city. Important decisions in this regard should not be dominated by a single State.

What I am asking for here are one more Presidential appointee and a more even distribution. However, note that even under the formula in my amendment the District of Columbia and Virginia would still have a majority. The thrust of what I am trying to say here is that the Nation has an interest in this issue—every State in the Union. If people want to petition their Government or appear before a Federal regulatory body or indeed to bring their family here to see our national monuments, they have to rely on our national airports.

The purpose of my second amendment would be to make certain that the U.S. Government gets a fair purchase price for these valuable assets. The estimated worth of these facilities is somewhere between $1.5 and $2 billion. But here we are, ready to give them away for $47 million! It never ceases to amaze me that in our efforts to commercialize or privatize functions of this sort, the Federal Government always wants to give them away rather than seek an adequate purchase price.

We just completed action on a bill to sell Conrail to the Norfolk Southern Corp., only to find out later that the CBO estimates that it will cost us $250 million to give it away! Now we want to do the same thing with these airports. By the time we sell these assets for the fire sale price of $47 million, then turn around and allow the improvements to be financed through federally subsidized bonds, it will cost us hundreds of millions to give these airports away.

If we are going to privatize, we should at least demand a reasonably fair market price.

Mr. President, my third amendment deals with the federally subsidized bond issue. The purpose of this amendment is to make certain that the Federal Treasury is not raided further after this legislation is enacted. I do not know whether all Senators are aware of it, but under the proposal before us today, we will be forced to continue to pay for this give-away for many years to come.

What will happen is this: After we sell these valuable assets for little or nothing, the local authorities plan to finance many hundreds of millions of dollars in capital expenditure through the use of federally subsidized bonds. If the purpose of this legislation is to help balance the budget, this is a strange way to go about it. Because of the gross inefficiencies of the subsidized bond process, it will ultimately cost us more than if we were to finance these expenditures directly out of the trust fund as the able Senator from South Carolina has proposed.

Now other airport authorities rely on these tax exempt bonds, so why not allow it under this approach. Well, that would be fine if we demand a fair price for it at the outset. Other airports are not built by the Federal Government and then turned over for a song.

Again, Mr. President, this points out the tortured logic behind this proposal, and is in itself a strong argument for defeating this bill. I ask unanimous consent that the text of these amendments be inserted in the RECORD at this point.

Mr. TRIBLE. Will the Senator yield for a question?

Mr. PRESSLER. If I can yield without——

Mr. TRIBLE. The floor is the Senator's.

Mr. PRESSLER. The floor is the Senator from Maryland's.

Mr. TRIBLE. No; the floor is yours, I would tell the Senator. The Senator from Maryland has yielded the floor.

Would the Senator yield for a question?

Mr. PRESSLER. Without losing my right to the floor, I yield for a question.

Mr. TRIBLE. I wonder if the Senator would apply the same tax treatment to airports in his own home State that wish to raise moneys through revenue bonds, or is he going to single out only these airports?

Mr. PRESSLER. The airports in my home State were not built by the Federal Government.

Mr. TRIBLE. So the Senator is going to single out only these airports and permit airports all over the country to use revenue bonds as a way of raising finances? That certainly seems inequitable.

Mr. PRESSLER. Only those airports that were built by the Federal Government, is the point I am making. They are in quite another category. There are other airports in Virginia which are in the same category as my airports, but these are in a different category.

Mr. TRIBLE. Well, I will certainly observe that it is unfair for you to focus on two airports, of all the hundreds and thousands of airports in this country, and say we are not going to let you achieve financing through a lawful purpose, but I am going to permit people to do that in my home State.

Mr. PRESSLER. Well, would not my colleague agree that these two airports are in quite another category? There are several other airports in Virginia—and I have helped my colleague from Virginia in the past, both of my colleagues from Virginia, and will again—but these are two airports that are in a unique classification. They were built by the Federal Government, which is quite different than being built by a State.

Mr. TRIBLE. Will the Senator yield again?

Mr. PRESSLER. Yes.

Mr. TRIBLE. You see, what you are trying to do here is punish these two airports because of their Federal history. But you are not going to punish Virginia, you are going to punish the people that use these airports. I would tell my colleague they include your constituents, the people you say you are concerned about.

By requiring these airports to go out and raise money in more expensive ways, you are going to drive up the costs imposed on all users. That will no doubt include Virginians and Marylanders and people from the Dakotas and people from all over this world that wish to come to Washington. That hardly is equitable. It is hard for me to believe the Senator is serious in advancing that amendment before this Senate.

Mr. PRESSLER. I am not necessarily against selling these airports, but would not my colleagues agree that the value of those airports is much higher? We are literally, with the bonds, we are giving them away with a subsidy. My concern is getting a fair price if we are to do that.

Also, would my colleague not agree the citizens of South Dakota have an interest in this?

Mr. TRIBLE. If the Senator will yield again——

Mr. PRESSLER. Let me conclude.

Would not my colleague agree that the rest of the citizens of this country would have an interest in having more representation from outside of Virginia, Maryland, and the District of Columbia? And probably my colleague from Maryland may disagree with my formula.

But I would like to see more national representation on the board of directors of this operating authority—right now, it is completely controlled by Virginia.

Mr. TRIBLE. Well I have resisted the temptation to engage in debate with the opponents of this bill. I have done that because their obvious purpose is to frustrate and obstruct and not to instruct this body.

I have yielded to temptation in this case because I think this amendment is so outrageous on its face. I suggest to my colleague that if he is concerned about the purchase price, then he should focus his attention on the purchase price. But by suggesting that these airports should be denied the right of every other airport in this country to use the legal means of raising money to enhance the airports his constituents hope to use, I think is foolish and it has nothing to do with the price. Indeed, it only adds an incredible burden on those people that would propose to use these airports, and they, after all, are the people we ought to be thinking about.

Mr. PRESSLER. Would my colleague comment on the authority's membership? I am not trying to obstruct. Indeed, this is the first time I have spoken on this subject and my speech would be over by now.

But in terms of the authority's membership, there will be disputes arising in the future about which flights come in and which do not. There will be disputes about a number of things that he or I cannot foresee. The way this authority is set up, it is controlled by one State entirely. Is that fair?

Mr. TRIBLE. Well, let me respond briefly to the assertion of my colleague and simply say his premise is incorrect. In order for this authority to transact serious business, it requires a heavily weighted majority of seven that far exceeds the representation of Virginia. Indeed, I think anyone that knows anything about these kinds of regional authorities knows that once people are appointed to these authorities, they stop thinking like Virginians and Marylanders and residents of the District of Columbia. They start thinking about the regional interest or national interest and that is what we are about.

If the Senator is genuinely concerned about improving the opportunity of his constituents to come to this city, to petition the Government, to be involved in what goes on here, then I would suggest to my colleague that we ought to get on with the important business of enhancing these airports. We need a new terminal at National Airport. We need new parking. We need a new road system. We need a midfield terminal at Dulles Airport. There is no way those improvements can be achieved but for this legislation.

Mr. PRESSLER. We do all of that cheaper under the Hollings proposal.

Surely, if the people who come on this authority's governing board will think nationally, and if my colleague has been correct, I assume he would have no objection to my first amendment regarding the authority of the membership.

In any event, Mr. President, I wish to yield the floor to the Senator from Maryland. But I ask unanimous consent to send to the desk my three amendments and have them printed in the RECORD.

The PRESIDING OFFICER. The Chair will say the Senator has a right to send to the desk at this time the amendments for the purposes of printing.

(The amendments are printed later in today's RECORD.)

Mr. PRESSLER. Mr. President, let me conclude by thanking the Chair and thanking my colleagues from Maryland and Virginia, and by saying that I have found since the deregulation of airlines that the air service in my State has suffered immensely. As we turn more and more from surface transportation to air transportation, the only way that constituents from my State and many other States can get to this area is by air.

I think particularly my first amendment reallocating the authority's membership is something that we need to do. It still essentially gives Virginia and the District of Columbia control. It will give Maryland a little more power. But it will give Presidential appointees more, and the entire Nation has an interest in this. I think having one more Presidential appointee would be very appropriate.

Mr. President, I yield the floor to the Senator from Maryland.

The PRESIDING OFFICER. The Chair wishes to advise that one Senator cannot yield the floor to another.

The Chair recognizes the Senator from Maryland.

Mr. SARBANES. I thank the Chair.

Mr. President, my colleague from Virginia made a comment in exchange with the distinguished Senator from South Dakota that I wish to address; that is, he said the purpose here was to obstruct and not to instruct. I would simply like to take issue with that. I have made it very clear that in my view the Members of the Senate have not focused on this legislation up to this point, and need to have their attention drawn to it. In my judgment, attention must be focused before the Senate makes the decision to proceed to the legislation.

The Members need to ask themselves whether it is not the wisest course, in light of the arguments being made, for this bill to be sent back to the Secretary of Transportation and for the Secretary to be asked to try again.

That did not happen with Conrail. But that legislation went out of here with serious misgivings on the part of Members of the Senate. I think the sense on the part of many is that somehow the train, or in this instance the plane, has been put on automatic pilot, and there is no ability to change its course even though the circumstances call for it and require it.

Serious questions have been raised about this legislation from a number of different perspectives. The distinguished Senator from South Dakota, I think, makes a very valid point about the Federal interests in these two airports. They are, in fact, unique, by the Government and operated by the FAA. And they, along with BWI in Maryland, are the access points for air travel to the Nation's capital. So whatever is done with them, one must take that into account.

I say to the able Senator from South Dakota that Maryland had urged before Secretary Dole and her commission that National be put under a joint authority, with equal membership from the two States and the District of Columbia, and with Federal representation, that is with one or two members appointed at the Federal level. I think the point about Federal involvement and Federal representations is a very good point indeed.

If the airports were, in fact, transferred to local or regional control, then the point put by the Senator from Virginia about their access to bonding comparable to the access that other airports have would be a reasonable point—if the transfer has been made. The Senator from South Dakota and the Senator from South Carolina have both made the very interesting point that in terms of cost to the Federal Government, there is really a strong case for making the improvements directly from the available airport trust funds. That would, in effect, save money.

In any event, I thought the Senator from South Dakota put his finger on a very important point. The criticism on the bonding authority is related to the price you are paying for the airports to begin with. It would be one thing if the Senator from Virginia could get up and say that we are really paying real value for these airports, that the Federal taxpayer is getting from us a really generous payment as a transfer of these facilities and, therefore, we ought to have access to the bonding route contained in this bill. When you are getting the airports for virtually nothing, and then the Senator from Virginia also wants the bonding authority, he has really got you coming and going.

As the National Taxpayers Union said in their letter to Members of the Senate—and I now quote them:

> Although we agree that the Federal Government should get out of the business of owning and managing airports, we are appalled at the ridiculously low sale price placed on these valuable properties. The combined market value of the properties is conservatively estimated at $1.5 to $2 billion. Yet the two airports are to be sold for only $47 million, about one thirty-fifth of their actual worth.

Then they go on in a subsequent paragraph:

> In addition, the transfer in future improvements are to be financed with tax-exempt bonds over a 30-year period. This adds up to a double soaking of the taxpayer.

At a minimum this ought to be limited to only one soaking, and not a double soaking. A double soaking is really so far beyond the pale of reasonableness that even those trying to get away with it should be ashamed of themselves. They really should. They should be ashamed of themselves.

So I think the Senator from South Dakota is absolutely right, in his response on the bond question, to insist that it ought to be related to the purchase price to begin with, because this Airport Authority, Virginia-dominated, is going to have it both ways as the National Taxpayers Union says. This adds up to a double soaking of the taxpayer.

It seems to me the course of action that ought to be followed here is for the Secretary to, in effect, say, "I do not have regional consensus." That is obvious. There is considerable concern in the body by Members from other States about a broader national interest. I share that concern, although I have also, in effect, carried the burden of our articulating Maryland's specific problems with this.

We think that the proposal is so egregious that anyone with a sense of fairness will agree with the positions we are putting forward.

Mr. TRIBLE. Will the Senator yield?

Mr. SARBANES. I yield.

Mr. TRIBLE. If there is so much concern in this body, why is it, after being here for 5 hours, that only three people have chosen to speak against this measure. Where are all these people who are against this?

Mr. SARBANES. I would say to the distinguished Senator who is as familiar with this problem as I am that committees are meeting. The distinguished Senator from South Carolina had to leave the floor in order to go to a meeting of the Budget Committee. I understand they are about to report out a budget resolution this afternoon. They do not allow votes in that committee by proxy. That seems to me understandable under the circumstances.

There were four dissenting votes on the Commerce Committee. I understand that some of those who supported bringing it out of committee now have second thoughts, misgivings, about this legislation.

So I think there is a growing concern.

One of the reasons why we are putting this case in the RECORD, and why I

want Members and their staffs to review it in the morning, is that I do not believe this issue has been at the center of Members' attention. I think Mrs. Dole has moved this along as something that the Department is going to do. She certainly lobbied very heavily for it. I understood she visited virtually every Senator. I think Governor Holton has done much the same.

It seems to me we need to lay these arguments out so Members can begin to see that the proposed action is a complicated matter, and that what is being done here has a lot of implications if assets are really being given away. We have no assurance as to how the authority will be conducted. The competitive situation in the Greater Washington region is going to be adversely affected. There will be a significant cost over time to the Federal Government.

If I were a Virginia Senator, I would be chomping at the bit to get this. It is terrific. As I said, I would run all the way to the bank with it. It is incredible. You are getting these two assets valued anywhere from—well, who knows? Secretary Dole ought to go back and try seriously to figure out what they are worth. You are getting them at such a low price that the Governor of Maryland came before the committee and said, "Look, I will give you twice. I will double it. We will put it right down here on the barrelhead, twice the money."

Come on, it is marvelous for you. I understand that.

Mr. TRIBLE. That might be a more attractive offer if we were certain that the checks would not be drawn on a Maryland savings and loan.

May I ask one additional question?

Mr. SARBANES. I do not think the Senator from Maryland has reflected on the faith and credit of the State of Virginia. I think Virginia is trying to do the best they can. I understand that. We do not think it is fair or reasonable. We want to make a case against it.

Our Maryland checks are good.

Mr. TRIBLE. Let me ask one additional question.

If it is the Senator's intention to instruct and not to obstruct, why will not the Senator from Maryland agree for a time certain for a vote tomorrow. The Senator has had 5 hours today, and he would have additional time tomorrow to make his case, if indeed, the intention of the good Senator from Maryland is to instruct?

Mr. SARBANES. The Senator must remember that the benefit of this debate or discussion will be in the RECORD in the morning and Members will have a chance to review it. The Senator from Virginia has options available to him under the procedures. I understand that. He can put a cloture petition on this motion to proceed and we can go to a vote on cloture and see whether the membership of the Senate wants to go ahead and take up this matter.

If the membership of the Senate on that kind of vote decides they want to move ahead and take it up, I would address the substance of the measure at that point, but I would not prolong simply taking it up, although there would be 30 hours after the fact.

It is important that the judgment of whether to proceed—let us assume it is under a cloture petition that the Senator files—is seen by Members as raising the very basic question of whether this legislation is in such form, really, that we ought to be taking it up. I do not think it is. If Members think about it they will say:

> Look, this thing has not been worked out. There is a way here to address the amount of money the Federal Government is getting, to address the Federal interests, and to address the Maryland concerns about unfair competition in a way that maybe a regional consensus can be achieved.

Maybe not. You have to give a lot on some of these questions in order to bring that about.

We have talked about the membership of the Commission. I have talked about the need, in my judgment to separate the two area airports, both in terms of the authority and how they are run. I have talked further about the need to separate them on the financial front in any event. Obviously, these are all prospective amendments. But working out a complicated piece of legislation like this is what we must do.

The committee does not even talk about the sales figure. You can read the whole bill and still find no figure in there as to how much it is going to cost this airport. It is all written out in very legalistic language.

It seems to me this is one of those instances where Members might say, "Look, this thing ought to go back, and they ought to take another crack at it."

There are enough problems connected with this, enough deficiencies in it that we have been trying to lay out and elaborate on here today, that the Senate ought not move on it now. The Secretary, and also those who serve here, ought to readdress the problem, reopen the discussions with the Governors.

A lot of things have changed. When Virginia approached this question earlier, the airport usage figures were very different from what they are today. I do not differ with the Senator from Virginia when he gets up and says, "Look, there are things we need to do at these airports."

I have been through both of those airports. I am not trying to keep those airports down. I want those airports to come up. The real question is, how are they going to come up and what is going to be the competitive relationship as they do that?

It is such a sweetheart deal here that it is not fair to the Federal Government and it is not fair, competitively, to Maryland. I told you, our Governor said he would pay twice for these facilities right on the barrel. Actually, they are worth more than that. I think the price ought to be higher than that. I indicated to the Senator from Virginia that on the bonding authority there is a case to be made here, particularly if this information is correct. If you really succeed in setting them up in an independent authority comparable to what exists elsewhere across the country, then have changed the status of the airports.

But to ask for that and, at the same time, have a giveaway price is, as the Taxpayers Union says, a double soaking.

We indicated in the deliberations some sympathy to the revenue bond problem—but not unrelated to the asking price problem, and not unrelated to the structure of the authority, and particularly not unrelated to the ability to cross-subsidize. If you were on the other side, Mr. President, you would not entertain lightly the prospect of an authority that controls highly desirable slots at National, difficult to obtain, and that can be used as leverage to get service at Dulles, when Dulles is in direct competition with BWI.

Mr. President, I am not asking the Senator from Virginia to give BWI that kind of leverage. I am not asserting here that BWI ought to have National and therefore be in a position to exercise that kind of leverage. No one, in fact, has ever looked at whether it would make any sense to put all three airports in a common authority. That was precluded by the Dole charge. Her charge was to devalue these two.

What I am saying to the Senator is that we want to develop this problem, make Members understand it, and it may well affect their judgment on whether the Senate should go to this matter or whether it ought to be reexamined by the executive branch.

Mr. President, let me address this point, because it came up in the exchange between the junior Senator from Virginia (Mr. TRIBLE) and the Senator from South Dakota [Mr. PRESSLER]. That is the disposition of these two airports at an unjustifiably low value and why that is unfair to Maryland and to BWI. If one stops and thinks about that for a moment, it seems to me obvious that, first of all, it allows the new owner of National and Dulles, which is this airports authority, single authority, to embark on a program with respect to the airports unconstrained by the need to pay for the fair value of the property which it has obtained.

I agree that those airports need improvements, and I am in favor of making those impovements. I even would be supportive of the Senator from South Carolina in terms of the way he would seek to do it. But if we are going to put them in this authority, they ought not to be given an unfair advantage in relation to other airports with whom there is competition. There is competition between Dulles and BWI. The proposed authority ought not to be given an unfair advantage by receiving the properties at far less than market value.

Having gotten the facilities at a bargain price—bargain basement price; a giveaway, virtually a giveaway—it is clear why both Senators from Virginia are here, on the floor, and very anxious about this legislation. It is a chance to just grab it and run. I do not fault my colleagues. In fact, I fully understand what they are doing.

Having obtained these facilities as a bargain-basement price, then the airport authority is in a position to set its fees at a level far below the industry norm. In effect, their ability to do so is being subsidized by the fact that they obtain these properties at far less than their real value.

Earlier I went into detail about what Maryland has spent on BWI: at current dollars, $280 million since 1972; $280 million. And, of course, Maryland has to set its fees at a level to recover that investment. Now these airports, both of them, are going to be transferred for $47 million.

Third, the new authority is in a position to subsidize land leases at Dulles, really deriving from Federal generosity in giving, at little or no cost, the power to sublease federally owned land for profitable nonaviation purposes. In other words, they are going to get 10,000 acres out there, 2,000 of it really prime development land. They will be in a position, since they got it virtually for nothing and with hardly any fixed cost associated with it, to lease it at very low rates. They have been subsidized in their ability to lease it.

In summary, by disposing of National and Dulles Airports to this Virginia-chartered corporation at far less than fair market value, the Federal Government is conferring an unfair advantage upon this authority, this Virginia-chartered corporation, to the detriment of a direct competitor, BWI. We want this thing set up on a fair and equal basis and then we will compete. If Virginia can beat us in that competition, then more power to them. Frankly, I think if you have fair competition, it is going to turn out to be to the advantage of both jurisdictions and to the advantage of the users of the airports.

Now, in addition to undervaluation, which I have just been talking about, and the price of the airport, the financial cross-subsidy between National and Dulles would be an egregious unfairness with respect to the Dulles competition with BWI. The proposed authority would be able—despite the provision in the bill, since that does not cover servicing capital improvements—to shift revenues from one airport to underwrite costs at the other. That, of course, is contrary to the standard condition at airports all across the country.

As I indicated, at the time this was considered in the Commission, an argument was made that a low transfer price and cross-subsidy of the two airports was necessary if the new authority was going to be able to afford the improvements at Dulles. That was based on a perception that Dulles was an albatross.

Well, Dulles has turned around. The traffic there has increased by leaps and bounds, incredible figures. It is now operating at a profit. Its growth potential is considerable. It really ignores what Virginia could do with Dulles if in fact it was placed under Virginia. In any event, to keep the two linked together in light of this change in financial circumstances clearly enables Dulles to draw on sources of support for the competition which are outside of the scope of that airport, and therefore, I submit, unfair and unreasonable.

Now, Secretary Dole never opened up the sales process. You have no sense of what might be bid for these airports in that context, although, as I indicated, the Governor of Maryland went before the committee and said he would double the price on the spot.

If the transfers are going to happen—and questions have been raised about whether they should happen—there ought to be fair representation, fair competition, and a fair selling price.

Now, I have serious doubts whether it is possible to achieve fair representation without separating the administrative control of the airports, but some people have put up proposals for even representation with both airports in the same authority.

I have talked about the fair competition, the underwriting that is possible here, of the leverage that is possible through the control of the slots at National to pressure airlines to go into Dulles, and of course the fair selling price.

Here we are tying ourselves in knots about the Federal budget, about the cuts in the budget, about Gramm-Rudman, and yet the price being set on these airports is ridiculously low. I do not think that any real defense can be made of it. I would have liked to hear one, but we have not been given that privilege today. And, of course, that is why a lot of concern has been raised about this entire sale from the outside.

I do not see why the Secretary does not recognize, first of all, that a lot of important circumstances have changed. This is no longer the same issue that it was when it was before the Commission. Second, it has not been worked out in a way that achieves regional consensus, which I think is important. We tried on that Commission to put forward a positive suggestion. It was not accepted. It was made in good faith, and I thought had a lot of merit to it. That was to transfer National to an interstate authority and Dulles to the Commonwealth of Virginia, and then have equal membership from the three jurisdictions on the interstate authority with one or more members from the Federal Government included giving proper recognition of the Federal interest in the Nation's airport. Dulles then would have gone to the State of Virginia to be developed by the State of Virginia.

Now, unlike the current proposal, unlike S. 1017, this other proposal incorporated a symmetry reflecting the locations and functions of the three facilities—National Airport controlled equally by the three parties while Dulles and BWI were to be operated by their predominant users and beneficiaries, Virginia and Maryland, respectively.

This approach would reflect the significant interests that each of the three principal jurisdictions has in National Airport, while permitting Virginia to develop Dulles in the same way Maryland has developed BWI.

This proposal would more accurately have apportioned representation to usage and population. Passengers at National originate throughout the entire region, with significant numbers from each jurisdiction. Considered together with a population distribution of the metropolitan area, a tripartite authority overseeing National would seem eminently logical.

On the other hand, the origin of passengers using Dulles and BWI come primarily from Virginia and Maryland, respectively, thus confirming the logic of independent control by the States in which each airport is located.

We really need to go back and look at this matter to seek a more practical and equitable method of divestiture, if that is the way we are going to proceed. I think the currently proposed transfer is flawed. In their haste to remove themselves from responsibility for these facilities the Secretary and those who counsel her in the Department of Transportation would confer on the authority established under this bill an unfair advantage—unreasonably harmful to Maryland, in terms of competition, and costly to the Nation.

Mr. President, I think it is very important that the national Government, whenever possible, act with im-

partiality in affairs affecting individual States. No matter how well-intentioned, efforts of the Federal Government should favor no one State or jurisdiction at the expense of another.

There are really two overriding questions. One is, is the Federal Government and the Federal taxpayer, the Federal constituent, being dealt with fairly in this proposal? That question would arise if there were no BWI Airport. The first question is whether the arrangements provided in this bill, S. 1017, the terms on which the Federal Government would divest these two facilities, is fair to the Federal Government and to the Federal taxpayer.

It is my strong position that it is not, that the Secretary is so anxious to dispose of this thing that that interest has been neglected and indeed overlooked.

The other issue here, given the fact that Maryland runs an airport which serves this Metropolitan Washington area, is whether the proposal to divest achieves impartiality in the affairs affecting individual States or whether or not this arrangement does not, in fact, give an unfair competitive advantage.

I support the idea of competing. As I indicated earlier, I support putting forward the proposition that Dulles should go to Virginia, that Virginia should be free to develop it in competition with BWI. But to link the two together in one authority or permit a financial cross-subsidy, allow the use of leverage on access to highly sought-after slots at National, at a price so ridiculously low that they do not face what would otherwise be the normal costs and therefore can structure their entire operations in that light, is not fair competition.

I urge my colleagues to look at this record, look at the arguments, and consider very carefully whether, given the substance of this legislation, it is something to which we really want to proceed. For the life of me, I do not understand why whatever approaches are necessary cannot be taken in such a way that at least some of the issues I have raised would be resolved and a consensus, achieved.

I am very much reminded of the recent Conrail fight. But it seems to me that we have a higher obligation here to the Federal taxpayer and a higher obligation to equity between the States, than routinely to adopt this legislation. It is flawed legislation. It does not reflect what might have been achieved. Whether it can, I do not know. But it seems to me that for the Senate to move ahead on this legislation is a very serious mistake.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HECHT). Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, I thank my distinguished colleague from Maryland, who has been holding forth in a very interesting discourse on exactly the concern all Senators should have.

I was temporarily diverted due to Budget Committee markup of the budget resolution. It is interesting that on March 19, much ahead of the schedule originally set in the Budget Act—and before the schedule set in Gramm-Rudman-Hollings, that the Senate Budget Committee has reported a budget resolution by a vote of 13 to 8—seven Republicans and six Democrats voted for reporting the resolution. That is the strongest bipartisan consensus we have had for a budget resolution, in some years. What we have had for the past several years was one side reporting a budget in order to get it out, and then when we got it on the floor, it was a veritable donnybrook.

Senator DOMENICI and Senator CHILES have led the way. They have conferred with all the Senators on both sides. There has been a tremendous give and take and a maturity about this approach, a seriousness of purpose, and one that our chairman and ranking member should be proud of when it is on the floor.

I commend the attention of the Senate to the fact that we have, in an early fashion and ahead of schedule, reported a bipartisan budget that is pretty well near the target. I have certain misgivings about the resolution with respect to defense and with respect to education. I think the resolution is low in those functions. Other Senators will have their misgivings. But this is a tough task, where there has to be a lot of give and take in order to become to an agreement.

With respect to the Washington Metropolitan Airport System of National and Dulles Airport facilities, in August of last year I asked the Congressional Budget Office to compare the cost to the Federal Government of two alternatives for financing the improvements of National and Dulles.

What we really have is an avoidance of responsibility. Unfortunately, in this day of instant coffee and instant banking and instant government and hit-and-run driving, with your future, in effect, more or less determined by the 20-second squib of the 7 o'clock news, we all progress as we make headlines rather than making headway. One of the better ways to survive in this game is to continue to make the headlines and not worry too much about the problems.

When there are serious problems, whether it be Contra aid in Latin America in facing up to the competition we have down there, we avoid that. We act as though there is not any competition.

Seven years after we have asked for negotiations, we still hear the word "negotiate." Everybody wants to negotiate, but nobody wants to negotiate. We would negotiate in a second if there were an entity down there that would be willing to do so, but I have never seen a Marxist government that wants to negotiate away its control.

The Reagan administration came in with Secretary Haig and President Reagan talking about invading El Salvador and blockading Cuba, causing some 700,000 Americans to spill onto the sidewalks of New York. They were not worried about Brezhnev. They were worried about our own President. As a result, the President lost credibility with respect to his handling of the problem in Central America. So today, when he wants to negotiate, the only way he can possibly effect it is to make a credible show of force to bring the Sandinistas to the table.

If he makes that credible show of force, then he immediately is tackled from behind by the misgiving of those saying, "Wait a minute. That is what we are worried about. You want to use troops. You really mean what you say. We could get involved."

And then the President immediately says, "Oh, no, I am not asking for troops. Troops are not needed."

There upon, the Sandinistas do not negotiate. There is no need to. There is no credibility. And any kind of threat made is nothing to them but to continue to play a game which we in the National Congress tire of easily.

We are not persistent. We do not have the stick-to-it-iveness that is necessary in any kind of long-range policy.

Obviously, then we go around in a circle and nothing is done and herein the National Airport again. Nothing is done here because nobody wants to take the responsibility for asking for $250 million.

When we went to the commission members and said, "Look, four from Maryland would not even sign on. How about you in the airport business, and everyone else, the pilots and otherwise?"

They said, "Senator HOLLINGS, we would gladly go along with your proposition if we could get the $250 million. That would be the quickest way. But we cannot get a President, we cannot get a Congress, to ask for the money."

We have not even asked for it.

Here is the opposite case where a Congress that is always worried about someone negotiating and never really trying to negotiate, here Congress is

guilty of the exact misgiving. We never have tried to improve the facilities at National and Dulles, even though we all think it is necessary. We have not asked for the funds that we have asked the traveling public to deposit in a trust fund by way of the fees paid when they buy their tickets and go through the airports out there. It has built up to $7.7 billion and if all the commitments that are now under consideration were honored immediately there would still be a surplus of $4 billion.

The reason then is not that we do not have the money. The money is there. The reason is that we have not asked for the money and the reason we have not asked for the money is this crowd, this Congress, really does not want to take on the responsibility for Latin America, for airports, for the Government, for taxes, for paying for what you get, for revenues. They do not want to take on the responsibility of anything other than "I introduced." "I made a speech." "I first spoke on that initiative."

They all think that they are supposed to be visionaries in order to hold office. They have this hit-and-run driving tactic where they move from one subject to another and never follow through.

We have excellent facilities that have been properly developed. They just need modernization. We need parking facilities out there. We need the infield terminals at the Dulles Airport very badly. We just would not even ask.

I was bothered about that back in August and I asked the Congressional Budget Office to make an analysis. They wrote on August 21, 1985 to me as a ranking minority member. This was from Rudolph G. Penner, Director of the Congressional Budget Office. He said:

DEAR SENATOR: In response to your request, the Congressional Budget Office has compared the cost to the Federal Government of two alternatives for financing improvements to National and Dulles Airports: (1) direct Federal funding, and (2) local financing from tax-exempt bonds. Based upon your staff's request, we have assumed for both scenarios that the construction costs for improvements at the two airports will total $250 million. As the tables indicate, it would cost the Federal Government more money over time to finance the improvements with tax-exempt bonds than with a direct Federal grant, but the annual tax losses are relatively small and are spread over many years. However, if the costs are discounted to reflect their value in 1986 dollars (assuming a 10 percent discount rate), the Federal Government would lose $116 million in forgone tax revenue if tax-exempt bonds are issued, compared to $215 million if a direct grant is used to finance the construction.

Let me hesitate there a moment about discounting. Discounting is a wonderful, splendid thing, when actually if you are allowed to do so. But, of course, we are not allowed that luxury in Government. We have to pay for what we get. That is why we have so many of what we call off-budget amounts and so many loans and so much exposure that really crunch upon us in the capital market at the present time.

The very moment we are speaking now as a result of this discounting—where we get the services now and pay for them later—we have run up a debt of $2 trillion. So the very first thing that the Government did at 8 o'clock this morning here on a Wednesday morning is go down and borrow $500 million to pay the carrying charges. And you would think that would do something to the debt. No, I am not talking about doing anything to the debt other than paying the interest cost—not the principal.

So Thursday morning we are going down—now the Treasury ought to get worn out doing this—we borrow another $500 million and then we put them to work on Saturday as well and on Sunday as well and on Christmas day every day. Three hundred and sixty-five days around the clock this calendar year of 1986 we are going to borrow $500 million each day.

That is the first act of Government. Why? Not to retire the national debt—just to pay the carrying charges.

Do you know the carrying charges, distinguished colleague, exceeds the cost of general government?

They talk about getting Government—if we did not have that debt around here, I could give you $207 billion in Government. I could build you more airports around here. We could pave it. I could tell you. I would start a runway at Baltimore-Washington International and let it come all the way to Dulles and then have lots and lots of parking and ramps and everything else of that kind and then buy up all the rest of the country's airports and take them over. We would not have to turn them over to the authorities. We could just buy up everybody's airports and say, "Look, it is paid for with $207 billion bucks."

But, you know, on the one hand in our trillion-dollar budget we have $300 billion for national defense, we have Social Security, Medicare, and Medicaid—Social Security $200 billion, Medicaid and Medicare $100 billion, $300 billion for the entitlements, Social Security and health care, $300 billion for the matter of defense, and then there is $400 billion left; $207 billion of the $400 billion, a little over half, goes for the carrying charges.

So interest costs exceed the cost of pages and parliamentarians and press facilities for that free press—they like it free I tell you right now, they enjoy it thoroughly—and for the operation of the botanical gardens and the national defense. Well we had to exclude that. But all the other Departments of Commerce, Interior, Agriculture—go right on down the list—the FBI, the Supreme Court, the entire facilities of Government—the carrying charges, just the interest costs, exceed the cost of general government.

That is exactly where we are and it seems like we learned a lesson. Here we come on the floor of the Senate and we want to talk about discounting rates and we want to talk about putting some more indebtedness on the Federal Government and call that, as the Washington Post said, "smart," s-m-a-r-t, that is smart and the other expression "good financial sense."

If you can find a local newspaper cheerleading Congress to continue to spend and spend and borrow and borrow and spend and spend, there is no wonder we are caught up in a loop here. When we go home people look at us like we are freaks. They wonder where in the world you folks are up there in that ivory tower when the Washington Post is saying we are doing a good job putting this debt onto the next generation; let us just break the children and the grandchildren. Let the future Congresses come back up here with all the indebtedness going to put on with the airports and all the other particular approaches that we have in a similar vein and let the ensuing Congresses come up and provide something for health, whatever they can for Social Security, a little bit for defense. They will not have any Weinberger around here. They will have to have someone who is real penurious over there as Secretary of Defense and otherwise just pay the carrying charges.

I am convinced at the present rate at which we are going, the carrying charges and interest costs will exceed the cost of defense.

And there just will not be any room for student loans, women's, infant's, and children's feeding, child care centers, nutrition, and the matter of research and the other particular things for investing in the next generation.

This Government will only be indebted to pay for the profligacy and the extravagance of this present generation. That is what we are going to end up with.

"Here we go again," as President Reagan says.

Going back to the letter from the Congressional Budget Office:

Under the first scenario, we have assumed that the federal government would appropriate $250 million to fund 100 percent of the needed construction costs at the two airports. This option would increase budget authority by $250 million in 1986. Our historical spending rates indicate that this would result in increased outlays of approximately $50 million in 1986, $113 million in 1987, $51 million in 1988, $24 million in 1989, and $12 million in 1990. Federal spending would increase by $250 million over five years, but if the costs were discounted to their present value, they would be equivalent to a 1986 cost of $215 million.

The second scenario assumes that the airports are transferred to an independent local authority that, in turn, issues 30-year tax-exempt bonds to finance the needed improvements. Based on information we have reviewed for other airport improvement bonds, we estimate that bonds would have to be issued for almost $350 million to fund $250 million worth of construction improvements.

Now, is that not something? The Congressional Budget Office says:

Based on information we have reviewed for other airport improvement bonds, we estimate that bonds would have to be issued for almost $350 million to fund $250 million worth of construction improvements.

That is congressional financing. We get all the economists out. We have gotten around and found $250 hammers, $600 toilet seats, I believe it was, and $9,000 coffee pots. We, the diligent, astute Congress, that is, watching the Pentagon for waste, fraud, and abuse—and I will read that statement again for a third time:

Based on information we have reviewed for other airport improvement bonds, we estimate that bonds would have to be issued for almost $350 million to fund $250 million worth of construction improvements.

Here is the crowd that knows how to save money. Where is that Secretary of Defense, that rascal? Bring him in with that $250-hammer, or whatever else he has got. We are prepared not to spend $350 million to get $250 million.

Now, going back to the letter:

The additional funds are used to cover net interest during construction ($60 million), debt service reserve ($27 million), and issuance costs ($9 million). These costs usually add up to 50 percent of the amount of bonds needed to cover the construction. According to Moody's Investor Service credit report, for example, airport bonds for $1.5 billion in 1983 and 1984 financed $983 million in construction programs.

Our analysis also assumes that the bonds would be issued on two dates, rather than through one issue, because of Treasury limits on the time taken to spend bond proceeds. Since the improvements are expected to take five years to complete, we have assumed that the initial bond issue would cover the costs of the first 2½ years of construction, and a second issue could then be made to cover the remaining costs. The tax losses to the government would be about $10 million in the first few years, rising to $12 million after the second issue. These annual tax losses would continue until the bonds mature.

So, right now we do not have any tax losses, Mr. President. We are operating these airports with a profit. But, with this legislation, not only are we taking on interest costs and spending $350 million to get $250 million, but we are incurring what they characterize as "annual tax losses." But we want to assume these tax losses, because we are the Congressmen and Senators that know where the $200 hammers are over in the Pentagon and where that waste, fraud, and abuse is; where that poor little so-and-so who walked up to the counter with food stamps and, instead of buying nutritious milk for the baby, and bought, I guess, filet mignon.

Excuse me. They bought dogfood. I remember that story they had about buying dogfood and they said, "You can't buy dogfood for your dog with food stamps."

So, then the recipient turned around and bought beefsteak instead and fed that to the dog, because you can buy beefsteak but you cannot buy dogfood.

Now, we are very smart on these things. This is the highly intelligent, most deliberative body in the world. We know how to spend money and never increase our pay around here. Everybody in this particular role and responsibility that we treat with it, all these commissioners and everything, they all are paid $250,000 a year. I think we ought to get paid more, but we do not want to pay each other. We are frugal. I mean, we have to really cut the costs around here and not pay the fellow because we are watching every dollar. This is the watch group. The ready-watch crowd is out on the floor of the Senate today because we are not going to waste money. We are against Government waste, but we now want to assume "annual tax losses."

Well, we have tax gains out of there now, but under the Warner-Trible plan—or we will call this Trible-Warner; I want to be proper because I got left out of Gramm-Rudman, thank heavens, at least down home, and I do not want to slight anyone. But under the Trible-Warner thrust here, we are going to take on annual tax losses plus we are going to take on another $100 million, $330 million to fund $250 million.

Well, well. Now we are seeing where the waste really starts in America. They all say it is over in the Pentagon and with the food stamp recipients, but it is right here on the floor of the U.S. Senate this afternoon.

Let me complete the paragraph by Mr. Penner, the Director of the Congressional Budget Office.

Over the life of the bonds, the Federal Government would lose approximately—

What? $366 million in tax revenues. Excuse me, I say to Senator TRIBLE, I did not realize we were going to lose $366 million. Now we are getting in revenues there, and we put that into the fund and we call that the Airport and Airways Trust Fund. That is the official name. And, as we put revenues into the trust fund, it builds up to the tune of $7.7 billion. Now, under Trible-Warner, we are going to start taking away. But the taking away is not anything other than the loss of $366 million in tax revenues. Rather than putting it into the till, we are going to take it out under this option here.

Heavens above, I just do not believe I would be brave enough to introduce that kind of waste. I really do not. But there are some who have courage in the U.S. Senate and they could go back home and explain that. I do not believe I could go back home and explain how, all of a sudden—I have not built anything—I just lost that in revenue.

I do not have to lose it in revenues. The money is in the trust fund that we have gotten from the users of the airport—the Senators, the Congressmen, the constituents coming up here to tend to their affairs and feed into what we call the representative government. They have all been using this. I have. For many, many years I paid my hundreds and thousands of dollars, no doubt, like all others who have been coming in here over years and years. Now, instead of using that money to improve my airport, which is just as much mine as the Senator from Virginia's, I have to all of a sudden adopt this one—$366 million in tax expenditures.

In terms of present value, the loss to the Government would be the equivalent to a 1986 outlay of $116 million. Well, that does not help me a bit back on the stump. Because, you see, my opponent would get up and say, "Look, HOLLINGS, you lost $366 million just to get your name on the airport bill up there. You want it to be known. So you got into an airport bill that cost $366 million that we were having to pay out. Yet, you are down here talking about waste, fraud, and abuse in Government, the Grace Commission report, how we have to economize, and in order to comply with Gramm-Rudman-Hollings we all have to pull in our belts."

Well, with this airport we all ought to pull in our heads. We have to start thinking clearly on this one. I am reading this thing in more shock than I was last August when I first got it.

Dr. Penner said:

It is also worthwhile to note that under the administration's new tax reform proposals, it is possible that airport improvement bonds might no longer qualify for tax-exempt status.

That might happen. I wonder which way our Virginia colleagues would direct us on that particular one. Are they for President Reagan's proposal to eliminate the tax-exempt nature of the bonds under Treasury I and Treasury II? Or are they for tax-exempt bonds for Dulles and National Airports? If you did away with tax-exempt bonds, Dr. Penner says:

In that case, there would be no cost to the Federal Government if bonds were issued to finance the improvements.

Am I led to believe that this airport initiative now is tied to tax reform? This is getting complicated here. I think the Senator from Maryland and I will have to talk for awhile, to understand it ourselves, and perhaps talk

some more so I can get our colleagues to understand it. I am looking at that thing. I want to go in one direction.

Am I going in the tax exempt direction? Or am I going in a nontax exempt direction? Apparently under Trible-Warner I am going to maintain the tax exempt status because we want to lose $366 million in tax revenues.

Now the tax tables, Dr. Penner says, provide more details of that cost.

So, Mr. President, I ask unanimous consent at this point to have printed in the RECORD the tax table from the Congressional Budget Office. It reads "The Local Financing" Table II, "Local Financing From Tax-Exempt Bonds [In millions of dollars]," dated August 21, 1985.

There being no objection, the table was order to be printed in the RECORD as follows:

AUGUST 21, 1985.

TABLE 2.—LOCAL FINANCING FROM TAX-EXEMPT BONDS

[In millions of dollars]

Fiscal year	Project cost	Construction outlays	Interest during construction	Bonds issued (net)	Bonds repaid	Federal tax expenditures
1986	250.0	49.8	−10.8	273.8		9.8
1987		113.5	8.7			9.8
1988		51.2	14.2	72.4		11.0
1989		24.0	22.2			12.2
1990		11.5	25.9			12.2
1991						12.2
1992						12.2
1993						12.2
1994						12.2
1995						12.2
1996						12.2
1997						12.2
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2008						12.2
2009						12.2
2010						12.2
2011						12.2
2012						12.2
2013						12.2
2014						12.2
2015						12.2
2016					(273.8)	2.4
2017						2.4
2018					(72.4)	2.4
Total	250.0	250.0	60.2	346.2	346.2	366.3
Discounted to 1986 outlay	250.0	215.0	41.4	330.6	(17.7)	116.1

Source: Congressional Budget Office.

Mr. HOLLINGS. I thank the distinguished Chair.

Under the first column, we have the project cost of $250 million commencing in the year 1986. We then go to the construction outlays in 1986 of $49.8 million; in 1987, of $113.5 million; in 1988, $51.2 million; in 1989, $24 million; in 1990, $11.5 million; for a total sum of $250 million.

Then, of course, the 1987 interest during construction is, $8.7 million; in 1988, $14.2 million; 1989, $22.2 million; in 1990, $25.9 million. Just the interest costs for the construction is really more than the asking price for the two facilities. Interest costs in 1 year exceed, let us say, the cost that we would sell National for under this bill, or the cost that we would sell Dulles by itself: Just the interest costs in the year 1990. And over 5 years, they total $60.2 million.

Bonds issues, in the next column, net 273.8, and again in 1988, it is 72.4, for a total of 346.2. So in order to get the $250 million in construction, we actually spend 346.2. We have to issue that many bonds in order to get the $250 million. That is, practically in round terms, $350 million to get the $250 million in airport development.

Then we go to the last column on the CBO table, to Federal tax expenditures. We find right here and now, just in Federal tax expenditures, that we just drew a budget up for, over a 5-year period, of let us say, and you see the average over in the last column—it is not an average. That is what it is, $12.2 million, $12.2 million, $12.2 million—five times $12.2 million, of course, is $61 million. So the Federal loss, through these tax expenditures, exceeds any gain from the sales price, I might say, of Dulles and National, which is a mere $47 million.

It seems like in selling these airports we would look at them and say, "Look, fellows, do you mind just paying us the interest cost to the Federal Government during the next 5 years?" We have just drawn up a budget here. We are all projecting these figures for 5 years hence. I have been struggling for weeks and weeks with the Budget Committee trying to put out an alternative which we just finally agreed upon this afternoon. I had no idea that we were supposed to be enthralled, enthused, and warmed over the idea that we are going to get $47 million when I find out I am losing $61 million in 5 years just in Federal tax expenditures with this particular initiative.

That is hardly fair to the Federal Government. It is quite obvious why this was brought about. This was a sweetheart deal that I think we can operate the airport, and I can give you an authority from Charleston, SC, my hometown. We would volunteer. I think, if they put through this bill to Charleston, SC, we would pay for it, and make more money back. I can get a group down there of entrepreneurs that would gladly come forward, pay up the $47 million, and operate and make even better promises to the Federal Government than what this daring Commission has made.

The truth of the matter is that the full membership of the Commission has not been in favor of this. You have a three-way split. You have the very ones obviously who benefit from the deal. They are 100 percent for it; with common sense, they ought to be for it. It is a terrific operation when you can come in and take over this whole thing, the land and everything else out there, the two facilities, and make yourself a bunch of money. If I was the Governor of Virginia and turned this one down, I would want to know how long I could last in office without being impeached necessarily.

Mr. SARBANES. Will the Senator yield on that point?

Mr. HOLLINGS. Yes. I am delighted to yield.

Mr. SARBANES. The Senator is absolutely right. Not only do they get the two airports, but they get the access highway and right-of-way including the extension between Interstate Route I-495 and I-66. It cost the Federal Government $60 million to put that road out there—$60 million. That is part of the package as well, along with these two airports. They are paying less than the access road cost let alone the value of the two airports, all of the land, and all of the facilities. It is just incredible. It is no wonder the Governor of Maryland when he went before the committee said right on the spot that he would pay twice the money. He said right now, we will pay twice the money right on the spot. He was prepared to do it. No wonder.

Mr. HOLLINGS. That is right. We have Congressmen running all over this Hill worrying about Mrs. Marcos' shoes and Mrs. Marcos' dresses. Can you imagine such a thing talking about the waste that is going on. Where does the money go? They got all the national news programs looking to see how much else was wasted over there. It is right under their noses. I am telling you. They are going to get national awards for finding out about the shoes and the dresses. But, no, Senator. You are right. What we are supposed to do is come along. What do they call that thing in the Washington Post—"smart?"

I guess they would call it smart. Look at the makeup of that Commission.

Why did they not have the President appoint, let us say, five members, one from Virginia appointed by the Governor, one from Maryland appointed by the Governor, have the Mayor of the city of Washington appoint one, and we could have an eight-man commission, with several from the President. This is a local thing. Maybe they would want two from Maryland and two from the District and Virginia. But the national nature of this facility belongs to the people of the United States.

They ought to have a majority appointed really by the President of the United States to take it over. Let them be confirmed. We would have some input, some oversight on that authority as they came up before us because then we would know that national facilities for a national purpose, for the people of the United States, would be

looked out for and I would not have to be worrying about what they are doing in Richmond, whether they are running shy of revenues or whether they have pressure there to bring in a new industry.

You can look at the bill and it says,

The real and personal property constituting the Metropolitan Washington airports shall, during the period of the lease, be used only for airport purposes.

In addition, property that is necessary for additional runway development and property that serves as a perimeter buffer area at Washington Dulles International Airport may not be devoted to commercial building development which would return to the Airports Authority revenue in excess of the Airports Authority's cost directly related to such development.

That is another bunch of words. You can leave that wording out of it. That makes them fiscally responsible and it makes us look like we are not being fiscally responsible. It means nothing more than you pay for what you get.

Next you see the airport purposes. You would think airport purposes was airport purposes.

The bill says,

Airport purposes includes a use of property interests (other than a sale) for aviation business or activities, or for nonaviation business or activities that provide revenue for the Airports Authority.

Is that not tricky? I am telling you. They ought to bring them over to the Budget Committee and we could continue to fool everybody. We could continue to spend and would not have to pay for anything. Forget about Gramm-Rudman-Hollings and all these "let us pay the bills" initiatives around the Congress.

What we have is airport purposes are nonairport purposes. Airport purposes are airport purposes and nonairport purposes.

If you read that, they come in and they put in the nonaviation business or activities that provide revenues.

Necessarily, revenues have to go to the Airports Authority. We know it is going there. It is not going somewhere else. I do not think they will put in a Marcos fund the authority for shoes and dresses. I would think it would go to the authority. There would not be any secret kind of front or anything of that kind, so we know that is and where it would go.

Then they said, "If the Secretary determines that any portion of the land leased to the Airports Authority pursuant to this act is used for other than airport purposes," which is for nonaviation business or nonairport purposes, "the Secretary shall direct that appropriate measures be taken by the Airports Authority to bring the use of such land in conformity with airport purposes," which, of course, is nonairport purposes, "and retake possession of such land should the Airports Authority fail to bring the use of such land into a conforming use within a reasonable period of time, as determined by the Secretary," which language has been provided by the Secretary, which says that aviation purposes is nonaviation purposes.

That is delightful. We have Philadelphia lawyers in the U.S. Senate. They and this Trible-Warner initiative, taking on the $366 million in lost tax revenue, not only issuing $350 million in order to get $250 million, but we say whatever it says it does not say, whatever is airport purposes is nonairport purposes as well as airport purposes.

So there we are.

So I am the Governor. I am sitting over there. I will tell the Senator from Maryland that what we are doing is not manufacturing cars anymore. They are having celebrations in Smyrna, TN, and places in Kentucky, when the truth of the matter is, you ought to see the pallets that come into the ports of Baltimore and Charleston.

We do not manufacture any American cars. We assemble foreign parts with a Japanese robot.

I went to Detroit, to General Motors, and we saw a Japanese robot assembling these foreign cars. I said, "Look, I know a Cincinnati company makes a a better robot than that."

"Yes, Senator, but the Japanese finance it."

So we get a Japanese robot assembling Japanese cars from parts, and they bring them in here already manufactured through the port. You Senator SARBANES, get a little port business and I get a little port business. Then the car manufacturers go up to Tennessee and Kentucky and they hire a few hundred people to assemble it. They have a big celebration and bring up a Japanese flag and surrender.

They say, "Whoopee, we have a big industry and we have jobs."

The truth of the matter is, we have transferred thousands of jobs offshore and have lost the opportunity for research.

My distinguished colleague from Colorado has said, "Look, we are being forced to economize in so much in this budget that we have actually lost our sense of purpose of government. What we need is growth. The way to get that is to invest in research."

Here, what we are really doing is putting in a facility. I can tell you right now, no American company will come to Dulles Airport. There will be Japanese and foreign industries to be located out there, Swedish companies, and what have you, all piling in, for example, to assemble foreign parts into cars so that we can have a celebration somewhere in this country for their putting us out of business.

Whoopee for the Dulles-Japanese development.

But you cannot blame the Governor of Virginia. If I were the Governor of Virginia, I would try to take what I could get. And tell you that even though it is a few crumbs, not a loaf, we have found in many circumstances in this country to take a few crumbs and be happy.

The only thing is that this United States of America is not a Third World country. This is supposed to be a world power. We cannot sustain, Mr. President, if we continue to export our industrial capacity, our manufacturing capacity.

I wish everyone would take the March 3 issue of Business Week and see the piece in there from the chairman of the board of Sony. He said that the United States has given up on maintaining itself as an industrial power. He said we do what I described, taking all the parts and assembling them here. Now, under Trible-Warner, they want to give us another Japanese assembling point at Dulles so we can get rid of a few more jobs in this particular bill.

If we lose $366 million in tax as well as expenditures, get rid of another $350 million just to get $250 million in construction, they will still jump on the Secretary of Defense for a $350 toilet seat. How smart they are.

The Grace Commission, the Patent Commission, alternative bidding—we have so many rules and regulations on Government bidding right now that it is impossible. Nobody wants to participate.

I went down to Greenville not long ago. They have a fine company down there named Woven Electronics. Woven Electronics is something we can all appreciate and understand. It takes something like the webbing you would have in a GI belt, a Navy web belt, and intersperse a fine copper wiring throughout the entire length of the belt. Then that webbing itself gets the real strength from it, with very soft transistor wiring. You weave that in and out a B-1 bomber or submarine, throughout the internal infrastructure of these defense pieces.

The particular owner and operator there, Jack Burnette—he went to the Citadel and I was one of his "rats" when I started off. His son was showing it to me, and he said, "Now, on Monday"—that was yesterday; this was on Tuesday—"we have an order from Burroughs, because we have quite a bit of private business." I am confident the majority of their business is private. "That order on Monday, we are going to deliver on Wednesday, it only takes a couple of days to get the order out and the delivery made.

"That very same order from the Federal Government," and he went over and showed two big stacks of papers—reports, requirements, conferences, reports, requirements, conferences. He said,

It will take 6 months and all that bookwork and instead of the regular personnel

delivering it, running it right through the stockroom, we are going to have to assign six people to that particular order and pay for the overhead and take 6 months to deliver the same thing. Why? Because that order came from the Pentagon rather than from Burroughs Machines.

Mr. President, there you go. That is where we talk about waste, fraud, and abuse. If we can slow down this Congress and buy a bunch of mirrors, we would find out, like Pogo, that we have met the enemy and it is us. We start the waste, fraud, and abuse with the kinds of initiatives we have for the Trible-Warner airport grab. These are honorable gentlemen. I started to say "steal" but I would not want to offend them, because it would be entirely improper. I do not know of any more outstanding Members than our colleagues from Virginia. I serve with them on some committees and have the highest regard and respect for them.

I understand what they are doing. They are not stealing anything. But if the Federal Government would be stupid enough to come forward with anywhere from $300 million to $1 billion worth of property to this Senator from South Carolina and say, "Take it off my hands for $47 million, plus the highway, plus the industrial development park of 10,000 acres," the Senator from South Carolina would do the same thing. I would put in here the Hollings-Thurmond grab bill, rather than the Trible-Warner grab bill. I would be an inadequate Senator if I did not do it.

So I do not make that assertion on this particular bill as a matter of blame. But we have to fix where it is coming from. And what really happened here with Governor Holton and that sweetheart commission—the one that never studied anything but arranged the best they could—told General Aviation, "We will take care of you later." They told the airlines, "Get on this. We are going to put a limit on the number of flights in and out of National, but we are removing the cap on the number of passengers. We have an intolerable situation. We cannot handle it out there. But don't worry. You'll get in. The bigger the plane, the bigger the profit.

"We don't care that the runways are not long enough to safely handle the big aircraft at National."

Like Air Florida. With my good friend. I speak respectfully, because of Arland Williams. We have named the bridge, the Rochambeau crossing, the Arland Williams Bridge. He was a Citadel graduate who went into the cold water three times and saved other passengers before he went under himself. So I think upon that, not in a derisive sense, but a rather historic sense and one of admiration for Arland Williams.

But there on these runways, getting off, landings and takeoffs with the rush and the crunch with bigger airplanes now, what we are going to find is we have a threat to safety with the Trible-Warner initiative here on the floor of the U.S. Senate.

We are going to spend $366 million extra in lost tax revenues, we are going to spend another $346 million in bonds trying to get $250 million in construction. We are going to threaten the safety of the passengers and we are going to open up our threat to international trade out at Dulles with what well may become a Japanese industrial park, because American industry does not have any money left. They cannot make any profits here, they have to go offshore in order to make a living.

We are going out of business here in this country today because we do not have a trade policy. The people up in the Northeast think it is pork, hogs from Canada, they joined on the pork resolution. They think it is timber. They want to argue with Prime Minister Mulroney, who was in here from Canada, about timber. The people in South Carolina think it is not only timber, because we have 610 acres down there, and the docks of my home town are full of Canadian timber, but they think it is textiles. We go up to Cleveland, OH, and they think it is machine tools. We go to Detroit and they think it is automobiles. Then in Seattle, they have taken on airplanes, as airbuses are subsidized. We are competing with those Government subsidies and we find out we have a government-to-government enterprise proposition.

We, in the Government, who are trying to look out for the general good of the people of the United States, the common good, instead are looking out for the common good now just because we will not ask and we have a Secretary that is out of sorts with these kinds of responsibilities who says, "Now is the time to get the quick kill. I have gotten the Conrail bill through and all I have to do is get the Trible-Warner airport bill through and we can get rid of that one and tell the dumb Congressmen and Senators over there that they are getting $47 million to offset the deficit. Why should they complain? We don't want to run it anyway, and they don't want to run it, so we can get some responsible people in here to run it."

That is some deal, I say to the Senator from Maryland.

Mr. SARBANES. Will the Senator yield for a question?

Mr. HOLLINGS. Yes, sir, I yield.

Mr. SARBANES. I was struck earlier by the Senator's observation when he was looking at the language in the bill that supposedly puts some restraint on this authority and how it is going to use the real and permanent property that comes with these airports.

First, it says this is a lease for 35 years.

Mr. HOLLINGS. Correct, Mr. President.

Mr. SARBANES. Then it says, "The real and personal property constituting the Metropolitan Washington airports shall, during the period of the lease, be used only for airport purposes."

So after the period of the lease, after the 35 years, it can be used for other than airport purposes. That is the first point to make, that they are let out after 35 years.

Then you say to yourself, "Now, what does 'airport purposes' mean? They are restricting the use of this real and personal property to airport purposes. What does that mean?"

So you look over here on the next page, page 37. It says:

For the purposes of this paragraph, the term "airport purposes" includes a use of property interest (other than a sale)—

So it could be a lease.

—for aviation business or activities.

So, you say, well, they are limiting airport purposes to aviation business or activities.

Except they then go on and say, "or for nonaviation business or activities that provide revenue for the Airports Authority."

What kind of provision is that, Mr. President? I read that to be no restriction at all. How does the Senator see that provision?

Mr. HOLLINGS. There is no restriction. It is very cleverly drawn.

Mr. SARBANES. Oh, it is very cleverly drawn.

Mr. HOLLINGS. Masters of rhetoric we are up here. We can mean what we say and not say what we mean. When we are asked by the news media, what we can say is, "I am concerned." That is the way to answer all these questions. I learned at least that much in campaigns over the years. If you ask me about the airports at Dulles and National, I do not have to know anything. All I have to say is, "That is a very good question, I am concerned about that. I am concerned about Dulles. I understand these are very fine facilities out there. But as for Government operations and safety, we are all concerned about it and I am concerned about National and Dulles."

That is what they are saying in a similar fashion here when they got it printed up, so they can say, "We looked out for airport purposes but we have looked out for nonaviation purposes." They have looked out for both. So they have canceled it out.

What the Senator says reminds me of the little contest they had down there for an insurance company in the State of South Carolina, Capital Life. An old-time friend was looking for a slogan for his new insurance company and he thought up a slogan and that said:

Capital Life will surely pay if the small print on the back don't take it away.

Well, that is what we have. We will surely take care of airport purposes and restrict it, but if then you read the small print further, we take it away. They have it in there for nonairport purposes.

We have seen this kind of approach before and we worry about it because they have all kinds of land at Dulles. I hate to see good airport development and then all of us move our offices and highrise buildings and everything else under the flight path then people complain because a plane lands. The reason we have the big hotels and motels, eating places, and all the other magnificent development just across the Potomac over here is on account of the Capitol and the airport facility. Anybody living on the Capitol side trying to get out of town on a Friday knows what a value it is to be located near the airport. And now that they have all these areas populated, urbanized and congested, they complain about it.

Airports now are open after 10 o'clock at night all over America. Airplanes are coming and going in my hometown, coming in from Atlanta, GA, making the connections in Charlotte, 1 and 2 in the morning.

But what do we have here? We have a local interest that has developed contrary to the use of the airport. What we have are noise level restrictions and everything else. So now we have language in the bill saying that they can fix the noise levels, as well as get into nonaviation purposes, and Japanese industries, while soaking the taxpayers for 712 million bucks.

I do not know what else we are going to think of to try to get the attention of our colleagues, but these nonairport purposes begin to develop more and more and more, and before long you look around and you find out that maybe we will have to restrict Dulles—you cannot land there after a certain hour because of the noise and everything—or whatever might happen out there. Perhaps certain industries would want to have a certain height requirement.

Twenty years from now they might want to change around and use some of those 10,000 acres for longer landing strips. Let me get into the Orient Express. Where is it going to take off, I ask the Senator? I had hoped it was going to take off from Dulles. It better be a helicopter and go straight up in the air because what we are going to do now at Dulles is put industry all around and we are not going to be able to have the long runway for the Orient Express that can go to Tokyo in 2 hours' time. That would be pretty nice. You get the Japanese industry out there, and just about the time you get your Japanese industry at Dulles and you think you can take off from Tokyo to land at Dulles, you find out that the industry has cut out the property and you cannot lengthen the runway so you cannot land there.

Maybe the Senator from Maryland ought to change his mind. Maybe we can go to Baltimore-Washington International [BWI]. Maybe they can hold some facilities and some space out there for us because we are not going to be able to hold it here for general airport purposes.

Now, the Federal Government is not into industrial development, and that is why we have the acreage out there that we have used for several other governmental purposes. But we here have no central control in one particular interest and that is the airport users of America, of all 50 States, coming to and leaving from their Nation's Capital. Instead, you have given me as Governor of Virginia five people who want to have industrial development out there. They cannot walk around and say, "Look at what we have with airport use." They want to have some ceremonies. They want to have some groundbreakings. They want to give away a commonwealth flag and they want to have a big banquet and find out about more jobs. Because when I run for reelection in the Commonwealth of Virginia I cannot get on the stump and tell them how I have improved the airport services at Dulles. They will run me out of office. I have to tell them how much more industry I have put there.

I think we are at a crosspurpose here. Our trouble in Congress is we get one measure and we do not look beyond its provisions to the direction which we had and then wonder some years later why the general intent has been frustrated. That is a natural development. If you are going to give me as a Governor of a State some 10,000 acres of fine land all around an airport facility, I am going to put all the industry I can get all around that place.

We just got one—Porsche, in Charleston. Do you know that you cannot buy a Porsche except it has got to be flown into Charleston Airport? They fly them all right in there and we have a big factory, and when I land I look at all those Porsches, all of those expensive cars, $35,000 apiece. All of those Porsches coming into the United States from Europe come through the Charleston International Airport. That is what the airport authority has done. And they are proud of having done it.

Well, that is pretty good for this generation at this particular moment. But think of the expanded needs as between airport users and industrial developers. All authority developers want to be industrial developers. They are all builders, so we put an industry out there at the Charleston Airport. Right now everyone is proud of that.

But what I am thinking is in the future we will experience exactly what we experienced at the National Airport—built up and around, up and around and then you lose the original purpose. In fact, you have to restrict the original purpose of the airport in order to continue its usage. I hope that is not going to happen at Dulles. I am going to have to look this evening when we break at the highway facilities that have been given out there. I hope they are not going to charge the Government a toll for using that highway.

I was just looking, I say to the Senator from Maryland, at page 38. If we read a little bit further, this one has a lot of rabbits in it. This is a good time, Easter time, for us to get all the rabbits we can find in this particular bill. Under section 2, beginning on page 37, "The Airports Authority shall furnish without cost"—this another "We are going to take it away" paragraph, if you know what I mean, with the small print on the back. But I am going to get to the small print. Let me read the big print.

The Airports Authority shall furnish without cost to the Federal Government for use in connection with any air traffic control and navigation facilities or weather-reporting and communication activities related to air traffic control at these airports, such areas of land or water, or rights in buildings, at the airports as the Secretary considers necessary or desirable for these purposes, including construction at Federal expense of additional space or facilities. In addition—

Now we get to the small print—

In addition, all airport facilities shall be available to the United States for use by Government aircraft in common with other aircraft facilities without charge, except, if the use by the Government aircraft is substantial, a charge may be made for a reasonable share, proportional to such use, of the cost of providing, operating, and maintaining the facilities used.

I can tell you here and now, Mr. President, the FAA has a hangar out there now, and they have a fleet of airplanes. The Coast Guard has its fleet of airplanes. The Weather Bureau has its fleet of airplanes. And I am going right on down the list of the various Government entities. So you can look over on page 37 and you see that all of those things are just fine in connection with air traffic control, navigation, Coast Guard, Federal aviation, weather reporting, communication and what have you, except that all facilities shall be available in common with other aircraft without charge "except, if the use by the Government"—let's see if the small print on the back does not take it away—"except, if the use by the Government aircraft is substantial, a charge may be made for a reasonable share, proportional to such use, the cost of providing, operating and maintaining the facilities used."

I can tell you right now, when they are not charging, you are going to pay the bill. I hope they catch Secretary Dole out there and make her pay.

Mr. SARBANES. That is like the other provision we discussed a little while ago.

Mr. HOLLINGS. Now you got it. The small print on the back of page 37. When you get to page 38, they take it away.

Mr. SARBANES. Mr. President, I appreciate the Senator doing this, because it is very important for our colleagues.

Take the next section on page 38, where the Senator just looked. It says:

All of the facilities of the metropolitan Washington airports shall, during the term of the lease, be available to the public, including commercial and general aviation, on fair and reasonable terms and without unjust discrimination.

What happens after the lease is over with? Why is that language in there? Why do they limit the requirement that these facilities be available to the public, including commercial and general aviation, on fair and reasonable terms, and without unjust discrimination? Why do they limit it to the term of the lease?

What that means is that once the lease is over with, they do not have the requirement anymore to provide it on fair and reasonable terms and without unjust discrimination.

There is another instance where they give it with one hand and take it away with the other.

Then, the next section—I ask the Senator about this. He is on the committee. This has to do with the problem of the noise at Washington National Airport. That is a very serious problem in this area, as the Senator knows.

This bill was reported by the committee on September 11, 1985. On November 14, the committee ordered reported a committee amendment which would transfer to the authority full responsibility for regulating aircraft noise at National.

That is a very serious problem, because they have this noise problem at National. They have put on a curfew and planes are required to come in on a certain traffic pattern. Heretofore, the FAA has tried to control that and addressed the noise problem seen by both Marylanders and Virginians.

Now what is going to happen is that the authority to deal with the noise problem is going to be put in the hands of an authority dominated by Virginia. I am very frank to say that Maryland people are very much concerned that the noise problem at National Airport is going to be dealt with by this authority in a way that is going to throw the burden of that noise on Maryland rather than sharing the problem in some fair way with Virginia.

I ask the Senator whether that would concern him—if traffic patterns created a noise problem for constituents in both Maryland and Virginia, and then you look and you are going to put the power in an authority that is dominated by Virginia. How do you think they are going to decide this noise problem?

I think what is going to happen is that Marylanders are going to take it in the ear with respect to the noise problem.

Mr. HOLLINGS. There is no question that the Senator is right on target.

Go back to page 14, and you will see how they drew that. They start off, "The Washington National Airport shall cease to be in effect on the day of transfer, provided further, however, during the term of the lease"—jump down to line 14, paragraph 2—"However, during the term of the lease, the nighttime noise limitation standards currently set out in 14 CFR 159.4 may not be amended."

So, with respect to the Code of Federal Regulations, under that volume and page, where we have nighttime noise limitation standards, they have intentionally red-lined it, given it to the authority. So you can tell their intent by what they had put in there originally and then scratched out.

I am glad we have the distinguished majority leader here, so he can learn and go back home and explain this bill. I want him to get into this tonight. I know he will have a chance.

On page 41 it says:

Notwithstanding any other provision of law, no landing fee imposed for operating an aircraft or revenues derived from parking automobiles at Washington-Dulles National Airport may be used for maintenance or operating expenses, excluding debt service, depreciation, and amortization at the Washington National Airport.

So they are going to take it away, because they have in parentheses "excluding debt service, depreciation, and amortization." So they do not have to put anything in there on improvements.

They just run up fees and say, "We have allocated those sums to debt service, depreciation and amortization."

With any auditor, you can put down amortization—any amount of money you want—and say it depreciated that much.

When it comes to debt service, we know they can put $366 million in the debt service on the loss of revenues, plus another $100 million of the costs above the $250 million needed. So that is $466 million in increased costs, derived from the parking of automobiles.

It would be better to walk to Dulles. It is going to be better to go out and never get in a car, because you will have to declare bankruptcy to get out of that airport. That is the way they will have it before they get through. I have seen how they soak them. Talk about Washington, DC, for the parking costs—that is more than the mortgage I have on the car. You go home at night and flip a coin: "Should I pay for the parking fee or let them have the car?"

Mr. DOLE. What page was that?

Mr. HOLLINGS. Page 41, where they have the charge for parking and everything else.

I would like to make sure you came out there with a good fiscal responsibility in order to park your car. You had better have three statements from a bank, at least, and the net worth, in order to get in and out of that airport, because they will say, "Debt service, depreciation and amortization."

If I am the Governor in Richmond, I know how to soak that rich crowd in Washington: "They don't vote for me. All those big Senators are worried about those dresses and those shoes that Imelda has. We are not worried about shoes and dresses here today. We have millions of dollars here, and we are going up on the parking fees and everything else."

I will have to get to the landing fee in excess of 12,500 pounds. I will save that for tomorrow. I have had the indulgence of my colleagues for this afternoon.

The majority leader wants to move the business along. We are not trying to prolong anything, but they talk about getting attention. It is very difficult to take responsible Senators, 100 of us, and get our attention when these kinds of matters come up, because we are thinking not in terms of millions but in billions. We are thinking in terms of what is really a good policy for the safety and security of the democracy in Central America. We are thinking in terms of all the other pressures upon us. No one would think offhand, with all the problems, that we really had a bill of this nature introduced with any seriousness of purpose.

I just do not see how people can talk about waste, fraud, and abuse and put this particular measure in in good conscience when it is going to cost us $712 million just to get the $250 million in improvements, turn it over perhaps to a nonaviation purpose and then raise all the fees to be charged, and raise the parking fees. We could have free parking under a fair price.

Can you imagine that? This would be the one airport in the world where you would have free parking.

All they would have to do is go to the Virginia people and say, "Look, we have fought a good fight, but under the Trible-Warner initiative, they caught us now and to save face we think we ought to pay the Federal Government a reasonable price. In paying them a reasonable price rather

than $47 million, we are going to pay them $347 million and we have $300 million in free parking for the next several years around, and then everybody could really enjoy themselves and land at Dulles and Washington with a smile on their face."

I thank the distinguished Chair and yield the floor at this time.

(By request of Mr. DANFORTH, the following statement was ordered to be printed in the RECORD:)

● Mr. MATHIAS. Mr. President, the bill before the Senate today authorizes the transfer of Washington National and Dulles International Airports to a regional authority. In examining this issue, we need ask only one question—Is this action in the public interest? The conclusion I have reached, after grappling with this legislation for over a year, is that it is not. How can it be in the public interest when one of the three airports serving the Washington metropolitan area has been excluded?

The public in question is a complex one. It includes the population of the huge Chesapeake-Potomac megalopolis extending from Richmond to the Mason-Dixon Line and westward to the Appalachians. It also includes those Americans who come to their National Capital from across the country for sightseeing, education, or business. This group merits the special attention of the Congress because it is national in character. And it includes the international travelers who come to the Capital of the free world and are important to us as an element of international commerce and as links with other peoples around the world. This is the public in whose interest we must work.

Three thriving and busy airports—Washington National, Dulles International, and Baltimore-Washington International—serve this complex public. We should seek harmony and cooperation among the three airports to best serve this local, national, and international constituency.

Under the current arrangement, BWI stands apart from the other two airports because it is operated by the State of Maryland while National and Dulles are operated by the Federal Government. The bill before us today only serves to codify the isolation of BWI and gives Dulles an unfair competitive advantage over BWI. Instead of encouraging harmony among the three airports, as it should, it threatens to promote a disquieting discord.

I am not against the idea of turning over National and Dulles Airports to a regional authority. I believe the time has come to do that.

But the only way to accomplish our goal of divesting the Federal Government of these two airports and, at the same time, ensure a balanced air transport system in the Washington metropolitan area is to include all three airports under the regional authority.

Then the public would have a safe and convenient air travel system. Flight schedules at the three airports would be complementary. Competition would be between air carriers, not airports. Bringing the three airports into this kind of cooperative relationship will serve the public interest.

The organizational framework and philosophy creating the Port Authority of New York and New Jersey provides a useful and instructive model for the Baltimore-Washington region and the operation of its three airports. The Holton Commission itself recognized the virtue of this regional approach, hearing testimony from officials representing New York and New Jersey on the history and operations of the authority during its deliberations on this issue over a year ago.

After World War II, New York and New Jersey, as a way to effectively respond to the growing importance of aviation to the national and international economies, placed responsibility for the region's three airports in the hands of the New York Port Authority. As my colleagues from New York and New Jersey can relate better than I, the authority essentially took over the control, operations, and development of La Guardia and Newark Airports and of what is known today as John F. Kennedy International Airport. In so doing, the port authority introduced cooperation where there had been competition among the airports and coordination where there had been disjointed, ad hoc decisions. As a result, the region boasts of having one of the most efficient air transportation systems today, serving the traveling and shipping public well.

In that same manner, we must look for ways to foster cooperation among the three Washington area airports.

The Senate Committee on Commerce, Science, and Transportation, during its deliberations on the bill, made a good-faith attempt to address the equity problem within the context of the legislation. Senators FORD and INOUYE advanced amendments, which I favored, that were accepted by the committee, which had the effect of diminishing the competitive advantage afforded to Dulles over BWI. But the refinements, while providing a more level playing field, still fall short of correcting the inherent inequity in the bill.

The answer is not in the legislation before us. The solution rests with a regional authority that includes all three airports.

While one of the changes made by the Commerce Committee allows BWI to enter the authority at a later date, the legislation is rigidly constructed to provide specifically for the transfer of just Dulles and National Airports. A tripartite authority is, therefore, in practical terms, beyond the scope of this legislation. For this concept to become a reality, Virginia, Maryland, and the District of Columbia would have to go back to the drawing boards and negotiate and frame such a cooperative relationship.

I am hopeful that somewhere down the runway this solution will take off and fly. But the bill before us today should not leave the gate.●

Mr. DOLE. Mr. President, I thank all Senators who have participated in the debate today. I think, as I listened to parts of it in my office, there has only been about three quorum calls, so it has been almost an uninterrupted debate since shortly before noon. So I commend my colleagues.

This is a matter of great interest. I have tried to not become directly involved but I will look at page 41. I think it was page 41 the Senator from South Carolina alluded to.

Mr. President, I would hope that we could complete action on this bill very quickly and I do not want to offend anyone, but I think an orderly procedure would be that we would need to have a vote on the motion to proceed. Hopefully we might get consent to do that tomorrow. I will not make that request now. But if not, it would be a vote on cloture on Friday. We will be in session in any event on Friday.

CLOTURE MOTION

Mr. DOLE. Mr. President, I have already indicated to the distinguished Senator from Maryland, Senator SARBANES, that I would send a cloture motion to the desk and I do that at this time.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to the consideration of S. 1017, a bill to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority.

Bob Dole, Paul Trible, Bob Kasten, Thad Cochran, Jake Garn, Mitch McConnell, Pete Wilson, Warren B. Rudman, Ted Stevens, Robert T. Stafford, John Danforth, Paul Laxalt, John Warner, Slade Gorton, Nancy L. Kassebaum, Dan Quayle, Pete V. Domenici, Al Simpson, Jesse Helms, and Chic Hecht.

Mr. DOLE. Mr. President, if there is no further debate on this matter, I think we are prepared to take up the Commodity Credit Corporation conference report. I would hope that we could do without a vote. I have been visiting with my distinguished friend from Montana. Can we get an agreement on that?

Mr. COCHRAN. I do not know.

Mr. DOLE. Ten minutes on a side?
Mr. MELCHER. Yes.

URGENT SUPPLEMENTAL APPROPRIATION FOR THE COMMODITY CREDIT CORPORATION—CONFERENCE REPORT

Mr. COCHRAN. Mr. President, I submit a report of the committee of conference on House Joint Resolution 534 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill amendment of the Senate to the joint resolution (H.J. Res. 534) making an urgent supplemental appropriation for the Department of Agriculture, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report will be printed in the House proceedings of the RECORD.)

Mr. COCHRAN. Mr. President, I shall review for Senators the events which have brought us to this point.

House Joint Resolution 534, the emergency supplemental appropriations bill for the Department of Agriculture, passed the House on February 26. It included $5 billion for the Commodity Credit Corporation, as well as language which require the conservation reserve and emergency funding for the Federal Crop Insurance Corporation to be subject to appropriation action next year.

Under the leadership of the Senator from South Dakota, [Mr. ABDNOR], the Appropriations Committee, and subsequently the Senate, deleted the House language requiring those programs to be subject to action by the appropriations committees. The Senate then requested a conference with the House to work out a compromise on the resolution.

In that conference, the House conferees agreed with the Senate position concerning the conservation reserve and the Federal Crop Insurance Corporation, with a few minor changes. The House conferees then insisted that the conferees state—in bill language—that the amount previously appropriated for the insured operating loan program of the Famers Home Administration shall be available for this fiscal year. After offering to accept this as language for the statement of managers, the Senate conferees finally agreed to the House's proposal with the addition of language making it subject to the sequester order.

Last Thursday night, a point of order to this amendment was sustained, and the Senate voted down an appeal from the ruling of the Chair.

On Tuesday of this week, the Senate, by unanimous consent, again considered the amendment in technical disagreement for the purpose of further amendment. This Senator then offered an amendment which stated that at least $1.7 billion is available for the insured operating loan program and that the Secretary shall proceed immediately to make loans to farmers and farm owners. That amendment also included language suggested by the Senator from Montana [Mr. MELCHER], which addressed his concern—as well as the concern of many others—that if funds available for this program are exhausted, the Secretary should request additional funding.

When this was sent back to the House, the House requested further conference with the Senate on the amendment in disagreement.

On Tuesday night and again this morning, the conferees considered various proposals to make this amendment acceptable to both the House and Senate. An agreement was finally reached concerning the Farmers Home provision. That language reads as follows:

It is agreed that at least $1.7 billion is available for the insured operating loan program of the Farmers Home Administration. Therefore, the Secretary shall proceed immediately to make loans to farmers and farm owners. If these funds should prove to be insufficient, other funds should be made available to meet emergency credit needs of American farmers and ranchers.

Mr. President, I support this amendment and reiterate the urgent need for the Commodity Credit Corporation to have access to the $5 billion in this bill. There is also a critical and desperate need for credit assistance from the Farmers Home Administration.

Mr. President, to summarize, let me simply say that I believe we have finally resolved the outstanding issues that surrounded this conference report in particular language that had originally been added by House conferees at their insistence, which provided basically a sense-of-Congress insistence that funds which had previously been appropriated for the Farmers Home Administration operating loan funds be used to help meet the credit needs of farmers throughout the country.

After a point of order was sustained the other night to that language, further amendments were discussed with conferees and as late as this morning we were finally able to get an agreement on that language. Basically, it provides that if the funds are insufficient that are currently available, other funds should be made available to help meet these emergency needs.

We appreciate the assistance of specifically the Senator from Montana [Mr. MELCHER] in helping to resolve this issue and in permitting the conference report to be brought to the Senate.

The $5 billion that is provided is desperately needed to operate the programs which farmers are depending upon this year as we enter this planting season.

I urge Senators to support the amendment in disagreement that has now been worked out.

I think this will finally resolve the matter.

Mr. DOLE. Mr. President, could I just indicate I just had a brief discussion with the distinguished minority leader, Senator BYRD, that I believe we can dispose of this conference report on a voice vote.

So I am prepared to announce at this time there will be no rollcall votes this evening, because I know many Members have been making calls on each side.

Mr. BYRD. Mr. President, I join with the distinguished majority leader in saying that there will be no more rollcall votes this evening.

I take the floor at this point simply to say that we have checked on our side via telephone and we have no request for a rollcall vote.

Mr. DOLE. I thank the distinguished minority leader and I also thank the distinguished Senator from Mississippi [Mr. COCHRAN], and the distinguished Senator from Montana, [Mr. MELCHER].

This is a very important bill to farmers, and I hope it will be signed as quickly as it reaches the White House.

I thank all Senators for their cooperation, particularly the Senator from Mississippi who has been trying to work it out, and the Senator from Montana who had some good suggestions which have now been incorporated, as I understand, in the conference report.

Mr. COCHRAN. That is right.

Mr. MELCHER. Mr. President, I am pleased to have the opportunity to pinch hit for the senior Senator from North Dakota [Mr. BURDICK], who I believe is over on the House side attending some rather significant meetings. When this came up he said if I would stand in for him, he would be grateful. I am very honored to do so.

I commend the Senator from Mississippi, [Mr. COCHRAN], for working out with the House conferees the acceptance of some language that would say, in this particular bill, that Farmers Home Administration funds should be examined periodically, to see what is going to be needed for emergency credit needs of American farmers and ranchers during these coming months, and through the persistence of the Senator from Mississippi that lan-

guage is in this conference report, and I am very pleased that it is.

I hope, as the majority leader has stated, that after we have acted and after the House has acted and the bill gets down to the President, he will sign it quickly.

We have had some indication that the money is needed for the Commodity Credit Corporation in its operation, and I would not want to have any impediment in the way of the CCC having the funds as it needs them.

Having said all that, I hope that the President will sign the other farm bill that we sent down. I think we had a title for it, something called the Food Security Improvements Act of 1986, and I believe the number was H.R. 1614. That went down to the White House on March 12. As of right now—unless something has happened in the last hour and a half—I do not believe the President has signed it yet.

Now I want to refer back to some of the urging that we had here to get that bill down there. The statements reflected the feeling of the administration that we should not be too late in getting the bill down there. It was here for several days while we discussed the question of emergency credit being available for farm and ranch operators. And indeed it is, Mr. President, it is emergency needs. And while there was reason to discuss it here, we were holding up the other things that were in that bill, but some of us felt it was very necessary to dramatize and emphasize how important credit was, particularly lower interest rates, at this time for farmers throughout this country.

To the extent that we delayed the bill which had features in it with dairy questions to be resolved and some questions for ASCS offices across the country as they signed up the farmers in the various farm programs, we were taking some time arguing the case for doing something about getting these interest rates down. Maybe we would have an opportunity for farmers on the brink of credit disaster to be able to have lower interest rates, be able to possibly survive with sufficient credit and have a sufficient cash flow to where their creditors would see that there was a light at the end of the tunnel and keep providing the necessary credit for them.

That is still a problem. We have not resolved that yet. I hope that we will address that problem a little later on this spring. Because, unless we do, I am afraid that too many farmers will be liquidated that could otherwise have been saved if they just had their operating loans at reduced interest rates.

However, it saddens me that there was some urgency about that bill. We meant to delay, dramatizing the need for credit. We did dramatize that and there was a sense-of-the-Congress resolution attached to it drawing that to the attention of the President. But, nevertheless, it saddens me because the bill has not been signed.

Now, there are comments, I believe, going around the halls of both sides of Congress from office to office to the effect that somehow the President is trying to use signing that bill with the dairy provisions in it as some leverage over the way one, two or a half dozen Congressmen are going to vote on the Contra aid issue. Surely, that is an overstated rumor. Surely, nobody is going to be influenced on how to vote on the Contra aid on whether or not the President signs a bill—this is Wednesday—on Wednesday or Thursday or Friday, dealing with an extraneous subject, extraneous to the Contra aid question, and that subject being the provisions in that bill, H.R. 1614, that dealt with the dairy program.

But I think it would have resolved the whole point if the bill had been signed by the President yesterday or the day before yesterday or even on Sunday at Camp David or wherever. I think this is something that the Senate—and I do not say it is just this side, I think it is just the same on the opposite side of this aisle—this Senate does not want to be told that a bill is extremely important, to get it out of here, get it down to the President's desk, and then find it roosting on that desk, unsigned.

I was never too sure, in my own judgment, how important it was to get the bill down there quickly. But I accepted the statement made by my colleagues and the statements made by the administration that it was urgent to get the bill down there quickly.

This is a deliberative body and it is a rather significant body, this Senate of ours—when I say "ours," I mean the entire country—and to sort of having us make statements of urgency in getting legislation passed because the administration points out that it is urgent and then to find out that the bill is still unsigned a whole week later does not make any sense to me.

I draw this to the attention of the Senate tonight because, while the President can still sign the bill—and I have been indicating that apparently it had not been signed since 5 o'clock. An hour and a half or a little over an hour and a half has passed. I cannot believe there is anything to a rumor that states, "Well, he is holding it as a lever over some Congressmen on how they are going to vote on Contra aid."

I do not think any Congressman or Congresswoman is going to respond to that kind of talk and I do not believe the President would make that kind of a statement or inference to anybody. I think that is harmful and degrading to even have the rumor floating around. It is harmful and degrading to the office of the Presidency.

But the other matter troubles me because, when the administration says they want a bill, and says it in a sincere and convincing way, and that it is urgent to have it down there, I believe they should follow through or at least give us an explanation on why it was not as urgent as they thought it was or, if they have some problem in the bill to notify us.

Since none of that has happened, I only say this: Let us not play any sort of charade. If the bill is urgent, it should be signed. If there is something wrong with the bill, I would like to know about it. And if it was not urgent and they found out it was not urgent after they got it, I would like to know that too. I would like to cooperate with the administration on matters of importance, where there is a time limit or timeframe, and where Government performs better if we meet that timeframe. I think that type of recognition is important. I think it works both ways.

I hope that we will have some explanation from the administration in the next day or two telling us what the circumstances are.

Mr. President, we certainly, on this side of the aisle, are very much in favor of this conference report and wholeheartedly endorse it.

Mr. COCHRAN. Mr. President, for the information of Senators, the other body has asked that the Senate act first on this conference report. So, upon its adoption, it would go back to the House and, if it is approved there, immediately to the President for his action.

I am also pleased to be able to advise Senators that, as far as can be ascertained, there is no objection to this conference report from the Office of Management and Budget, the Congressional Budget Office, or the Budget Committee here in the Senate.

Mr. President, if there is no further debate, I urge the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. MELCHER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ROUTINE MORNING BUSINESS

Mr. COCHRAN. Mr. President, I ask that there now be a period for the transaction of routine morning business for not to extend beyond the hour of 7 p.m. this evening.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNITED STATES, A TOP WORLD DEBTOR

Mr. BINGAMAN. Mr. President, once again yesterday the United States achieved the dubious distinction in setting a new international all-time high trade deficit. The current-account balance, which covers trade in goods and services as well as investment flows between the United States and other countries, reached a record $117.7 billion. We simultaneously achieved the further distinction of becoming one of the four largest debtor nations in the world. Just 1 year after becoming a debtor nation for the first time since 1914, we moved from having a surplus with the rest of the world to having a net debt in the range of $56 billion, just behind Brazil and Mexico, and just ahead of Venezuela.

Both the increasing current account deficit and the growth in our debt, combined with a still high budget deficit and an ever-increasing merchandise trade deficit—which reached a record $148.5 billion last year—spell real economic trouble for us in the months and years ahead. They erode our position in the world economy and they mean economic deterioration and resulting loss in the standard of living for all Americans.

Mr. President, I ask that a copy of an article that appeared in today's Washington Post by Stuart Auerbach appear in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Mar. 19, 1986]

TRADE GAP HITS RECORD

(By Stuart Auerbach)

The United States ran a record deficit of $117.7 billion in the broadest measure of international trade last year as it became one of the four largest debtor nations in the world, the Commerce Department reported yesterday.

The current-account balance, which covers trade in goods and services as well as investment flows between the United States and other countries, was dragged down by the massive merchandise trade deficit, Commerce analysts said.

The deficit reached $124.3 billion last year, an increase of almost 9 percent over 1984, completely overwhelming small surpluses in income from overseas investments and trade in services such as banking and engineering. The merchandise trade deficit reported yesterday is lower than the record $148.5 billion given in late January by the Commerce Department because it is figured in a different way.

The deficit increased in the fourth quarter of last year to $36.6 billion, from $29.3 billion in the previous three months, indicating a continued adverse balance of trade for this year. At the fourth-quarter rate, the current-account deficit would have reached nearly $150 billion last year. C. Fred Bergsten, director of the Institute for International Economics, predicted the current quarter's deficit would be as high as the fourth quarter's.

U.S. BECOMES MAJOR DEBTOR OWING TO HUGE TRADE DEFICIT

Last year's current-account figures show that the United States went from a country that was in the black to the rest of the world by $28.2 billion at the end of 1984, to one that became a major debtor nation for the first time since 1914. This means that foreigners now own more in U.S. investments than Americans own overseas.

The turnaround is considered extremely worrisome by some economists, even though others disagree and President Reagan has downplayed it by declaring it shows the strength of the economy.

The exact amount of the debt will not be released by the Commerce Department until June, but yesterday's figures show that it will be in the neighborhood of $56 billion. That would put this country behind Brazil and Mexico, the largest debtor nations in the Third World, each owing about $100 billion, and just ahead of Venezuela.

While these debts are potential threats to the world financial system, the U.S. debt is not considered as crucial because most of it is in dollars, which the United States can print, and because of the underlying strength of the U.S. economy.

Nonetheless, Bergsten, assistant secretary of Treasury in the Carter administration, said the U.S. debt is likely to top $100 billion by the end of this year, and will reach $400 billion before leveling off.

He called the United States' new status as a debtor nation "a massive deterioration in America's international financial position."

"We will have to pay interest on this debt, and eventually foreigners may want their money back. It essentially puts a sword out there hanging over us," said David Wyss of Data Resources Inc.

But Edward M. Bernstein, an economist at the Brookings Institution, called the overall current-account deficit a bigger problem than the fact that the United States became a debtor nation.

The United States held a current-account surplus until 1982 because investment income and a surplus in trade in services were enough to overcome merchandise trade deficits.

MARCOS' PILLAGE OF THE PHILIPPINES

Mr. DECONCINI. Mr. President, in recent events around the world, particularly in the Philippines and Haiti, we have witnessed the yearning for freedom take extraordinary forms. Last month, the world anxiously watched the people of the Philippines rise up to claim their democratic rights and recapture their democratic heritage.

We saw in the Philippines a government increasingly at odds with its own people. We viewed a Catholic Church, moderate opposition parties, the middle class, the media, and other segments of society increasingly disaffected from their government. We saw an election in which the Government was shaken by the dedication and courage of the opposition's campaign and sought by fraud to perpetuate itself in power. While the Filipino people were thankful that the political authority of President Marcos had finally dissipated, they could not imagine the extent to which his lack of moral authority had pillaged their treasury. Ferdinand Marcos fled his homeland in the grand tradition of deposed despots, taking with him a plane load of friends and as much stash as could be jammed into two U.S. Air Force planes. Marcos follows in the path of other autocratic rulers who looted and plundered their country's treasury.

The issue here is one of principle. A principle which we as Americans must honor, defend and, most of all, continue to practice. This principle exemplifies doing what is just, equitable, and conscionable. The United States must act to protect the interests of the Filipino people as well as do what is morally right in its foreign policy. President Reagan and Secretary Shultz must not allow Mr. Marcos to steal what belongs to the people of the Philippines. The facts are plainly obvious. Mr. Marcos amassed personal wealth estimated at $3 to $10 billion on an annual salary of $5,700. I have no doubt that this was the direct result of abandoning the distinction between public and private, between what was his and what belonged to the country.

My concern is twofold. The United States must do everything in its power to assist the new Filipino Government in recovering what is legitimately theirs. This would boost their struggling economy and would eliminate any potential for this issue to become a significant source of friction between the United States and Philippine Governments. Second, if the United States can cooperate with the Aquino government to recover stolen collections of jewelry, art, and money, which are determined by the courts to rightfully belong to the Commonwealth of the Philippines, this can only assist in offsetting future U.S. tax money for aid to the Philippines. The equity of $100 million in four New York City buildings identified in House hearings and documents as belonging to the Marcos family equal 1 year's economic aid from the United States.

Mr. President, the United States should always be a courageous and visible leader in the world, conducting foreign policy based upon principles and ideals. I encourage the Reagan administration to fully cooperate with the Aquino government in resolving this matter through legal and diplomatic methods in order to have a foreign policy based upon justice, principle, and rule of law. Ideally, national security concerns should be in harmony with traditional American values. This ideal cannot always prevail, but in this particular instance, a symbiotic balance is in the interests of both parties.

NEW ZEALAND GRAIN SALES IN THE UNITED STATES

Mr. MELCHER. Mr. President, Continental Grain Co. is driving one more nail into the U.S. grain farmer's coffin by importing 30,000 tons—1,200,000 bushels—of New Zealand barley into Stockton, CA, for cattle feedlots and dairies. We hate to lose the business for Montana, Washington, and Oregon barley producers, but it is just another example of the administration being asleep at the switch. The New Zealand barley can be sold here in the United States, but I defy anyone trying to sell United States barley or wheat to New Zealand interests—their government will not let anybody buy it from us. There are no reciprocal agreements with them—it is all just one way, and it is time to change.

The circumstances of the sale are these:

The New Zealand Grain Board 2 months ago negotiated the sale with Continental Grain Co., one of the giant U.S. grain companies, for about $80 a ton for good quality, heavy barley. The ocean freight for Continental was close to $15 a ton, and delivered in Stockton the total cost will be around $95 per ton, which makes it a little cheaper than coming from the Northwest States, where it is around $85 a ton plus a trucking charge of about $20 a ton.

There are a couple of points to note. This is the end of the grain harvest season in New Zealand, and the New Zealand Grain Board, an agency of the New Zealand Government, is probably interested in the sale for dollars to meet New Zealand needs for currency exchange. My personal judgment is that this is a below-cost sale that deserves attention by the United States Government, with a message sent to New Zealand which states bluntly that unless there are reciprocal agreements between our two countries, we shall have to examine future sales to determine whether any part of our market should be open to them. I think it is about time we took care of U.S. grain producers first.

I call upon the administration, through the Department of Agriculture and the Department of State, to determine the question of this sale being below cost, which I believe it is, since I question whether New Zealand is offering further sales at this price.

Second, the question of reciprocal agreements for New Zealand to open their markets for American farm products should be arranged, or our markets should not be open to them. That is what free trade means.

SAMUEL MURPHEY BASON

Mr. LONG. Mr. President, the strength of America is not to be found so much in Washington, in the armed services or in corporate board rooms as it is in the many communities, large and small, where honorable, principled men and women set the examples that inspire us to be worthy of them.

On January 17, 1986, I attended funeral services in Yanceyville, NC, for Samuel Murphey Bason, my father-in-law, who had served his community, State and Nation in many capacities throughout his 91 years on Earth.

Sam Bason's contributions to his community are too numerous to detail in this brief statement.

When he passed on to his reward, Sam Bason had been out of the mainstream for many years because of declining health. But despite his extended absence from the scene, I was struck with the way the people in that small town of Yanceyville expressed their love and affection for him when they paid their last respects.

He might have been sidelined by his illness, but he had not been forgotten. On the contrary, his memory was very vivid in the hearts of those who knew and loved this very kind, gentle man who gave so much to so many.

Funeral services for Sam Bason were held at the century-old Yanceyville Presbyterian Church and were conducted by Dr. Donald Boulton of Chapel Hill, NC. He was eulogized by his long-time friend, Robert Clawson, who recently retired as president of The Bank of Hartsville in Hartsville, SC.

Mr. President, I ask unanimous consent that Mr. Clawson's remarks as well as the text of two articles—one by J.M. Harrelson, editor of the Caswell Messenger, and the other by Erwin D. Stephens, former editor of the Messenger—be printed in the RECORD.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

A TRIBUTE TO SAMUEL MURPHEY BASON (BY ROBERT CLAWSON)

I am looking into the faces of the family of Samuel Murphey Bason and those of his many, many friends. Sam Bason was a gentle, kind, caring, and loving man to his family and to his fellow man.

We are here to pay tribute to Sam Bason, and it is an honor and a privilege to be requested by his family to help honor his memory at this service. We all offer our heartfelt sympathy to all the dear Bason family for the loss of this loved one.

He was born the son of William Henry Bason and Flora Green Murphey Bason in Swepsonville, Alamance County, North Carolina, on December 3, 1894. Sam attended Burlington High School, Oak Ridge Military Academy, and the University of North Carolina at Chapel Hill.

He was married to the former Martha E. Hatchett in 1921. She is affectionately known as "Miss Marnie". This union brought forth two daughters and one son: Mrs. Russell B. Long (Carolyn) of Washington, D.C.; Mrs. John J. Burke (Dorothy) of Charlotte, North Carolina; and William Hatchett Bason (Bill) of Jacksonville, Florida. We all know Sam was very much a family man, devoted to "Miss Marnie", Carolyn, Dot, and Bill and to his five grandchildren. He loved them all dearly.

Sam Bason was a highly successful banker and business man, a leader of men. For many years he was President of the Bank of Yanceyville until it was merged with Northwestern bank (now First Union), when he was designated Executive Vice President of the Yanceyville office until he retired some years ago. He was also the owner of the Caswell Insurance and Realty Company. Sam was always held in high esteem by the many customers of the bank and of his insurance company because they knew him to be a man of integrity and one wanting to help them. He could usually be identified by the rose worn daily on his coat lapel, either from the rose garden of "Miss Marine" or from the bushes of his neighbors. As I was coming through the countryside to Yanceyville, I was reminded of his fondness for flowers and of the outdoors and knew Sam had bird hunted some of those fields many times with his dogs and with friends.

Sam was an enthusiastic sports fan. In his youth, he played baseball at Burlington High School, where his team won the state championship. In his latter years, his interest continued in baseball, basketball and football. On fall afternoons, he would often journey to Keenan Stadium, home of the Carolina Tarheels.

Sam Bason was a man of God and he loved his church, having held most all offices in the Yanceyville Presbyterian Church at one time or another. Among them, he was Superintendent of Sunday School for eight years; and Elder for thirty-four years; and Chairman of the Board of Deacons for twenty years.

He loved his country, having volunteered for service in World War I and was in the Army for twenty-two months, half of which was duty overseas. He was proud to be an American. Sam loved community service and was an outstanding leader in his community, and always was for anything that was good. He served as the first President of the Yanceyville Rotary Club and was one of its founders. He served as Master of the Caswell Brotherhood Masonic Lodge #11 on three different occasions.

Sam Bason loved state public service. He was a member of the North Carolina Highway Commission for four years from 1937 to 1941, having been appointed by then-Governor Clyde R. Hoey; served as a member of the North Carolina Gasoline and Oil Inspection Board for 3 years from 1942 to 1945; and served as a member of the North Carolina Railroad Commission in 1957 and 1958.

Sam was held in high regard by governors and other political leaders through the years. He ran for only one elective office: The citizens of the Fifteenth Senatorial District showed their appreciation of Sam Bason by electing him senator to the North Carolina Legislature each time he ran—in 1947, 1953, 1959, and 1965. He was an outstanding senator and was appreciated by his colleagues for his good judgment and for trying to get things done for the best interest of the state. He was chairman of several important committees during this service in the Senate.

Now, I want to tell you of a personal relationship, which I will appreciate as long as I live.

When I worked in the Cannon Mill plant at Salisbury in the afternoons during high school and afterwards at night so I could attend a business college in the daytime, I had a great burning desire to be a banker. When I finished, one of my business school-

teachers got me a job with the North Carolina Highway Department at Graham, not too far from Yanceyville. Sam was the Highway Commissioner for the Fifth Division. That was my first contact with him in 1937 when he would come by the office to visit with the District Engineer and to inspect roads in the District of several counties. That was the beginning of a lasting friendship with Sam and his family.

Later in 1938, Sam told Division Engineer Tom Burton of Greensboro that the next opening of a job in the Bank of Yanceyville, it would be offered to Bob Clawson. He had no idea of my earlier desire to be a banker. I couldn't say anything to Sam, in the meantime, about the bank job possibility because Mr. Burton had told me in confidence. I could hardly wait during those next several months. In March of 1939, he came to Graham and asked me to go to Yanceyville to be his secretary, bank clerk, insurance clerk and bookkeeper. Providence had found a way for me to get into banking through Sam Bason. He was a great mentor and I have been thankful throughout my 46 years in banking for having such a good teacher and good friend. My wife, Annie King, and I named our third son "Samuel" in his honor in 1948.

He, "Miss Marnie", and his children have been my close friends. Through the years, they have made me feel like a member of their family. I wanted to be a successful banker like Sam, a man of honesty, a man interested in his community, and a man anxious to voluntarily serve his community, county and state.

I can say I have tried to emulate his life in many ways. I an glad to be one of those whose life was touched and influenced by Sam Bason.

Yes, we will have fond memories of Sam Bason and he will be missed. We can be comforted, however, in the knowledge that his soul is with our God. May God's blessings be upon the Bason family, and his surviving sister, Mrs. Alice Bason Roney.

In closing, I want to read some Scriptures that I personally view as Sam Bason's feeling of trust in our God, and as I saw his light shining on this earth.

PSALM 23

The Lord is my Shepherd; I shall not want.
He maketh me to lie down in green pastures.
He leadeth me beside the still waters.
He restoreth my soul.
He leadeth me in the paths of righteousness for his name's sake.
Yea, though I walk through the valley of the shadow of death, I will fear no evil, for thou art with me, thy rod and thy staff, they comfort me.
Thou preparest a table before me in the presence of mine enemies: Thou annointest my head with oil, my cup runneth over.
Surely goodness and mercy shall follow me all the days of my life, and I will dwell in the house of the Lord forever.

MATTHEW 5—VERSES 15 AND 16

Neither do men light a candle and put it under a bushel, but on a candlestick, and it giveth light unto all that are in the house.
Let Your light so shine before men, that they may see Your good works, and glorify Your Father which is in Heaven.

We are grateful to God for the life of Samuel Murphey Bason.

[From the Caswell Messenger, Caswell County, Yanceyville, NC]

SAM BASON DIES AT AGE 91

(By J.M. Harrelson)

Former banker and well-known local civic leader Sam Bason of Yanceyville died Wednesday of last week in the Roman Eagle Memorial Home in Danville, Va. He was 91.

Bason, a native of Swepsonville in Alamance County, was best known here as president of the Bank of Yanceyville, a post he held up through the merger of the bank with Northwestern Bank (now First Union). He also served four terms as a state senator representing Caswell and Rockingham counties, and was a member of the State Highway Commission for four years.

In addition to his post at the bank, Bason founded and operated Caswell Insurance and Realty Company.

Bason was a charter member and first president of the Yanceyville Rotary Club, and was a Master of Caswell Masonic Brotherhood Lodge Number 11 for three years. A veteran of the U.S. armed forces, he saw 22 months of action in France in World War I.

Bason was known by many in Caswell County for his cheerful attitude towards life, his professional bearing and for his great interest in Caswell County and its people. Long before the concept of 'personal bankers' came about Bason made many friends through his banking practices. Many Caswell residents recall that Sam Bason had a way of making them feel as if they "were doing him a favor" by using his bank as their financial institution.

Over the many years Bason spent in Caswell County, he saw many changes, and is remembered as being one of the driving forces for progress here.

Funeral services for Bason were held at 11 a.m. Friday at the Yanceyville Presbyterian Church by the Rev. Dr. Donald Boulton and by Robert G. Clawson, a family friend who once worked with Bason in the Bank of Yanceyville. Masonic graveside rites were held in the church cemetery.

Survivors include his wife, Mrs. Martha (Marnie) Hatchett Bason of the home; daughters, Mrs. Russell Long of Washington, D.C. and Mrs. John Burke of Charlotte; a son, William Hatchett Bason of Jacksonville, Florida; a sister, Mrs. Alice Roney of Hawfields, N.C.; five grandchildren and one great granddaughter.

TRIBUTES RECALL SAM BASON'S LOVE OF FELLOW MAN—FORMER MESSENGER EDITOR REMEMBERS OLD FRIEND

(By Erwin D. Stephens)

The poet who wrote "Let me live in the house by the side of the road and be a friend to man" was describing the life of Sam M. Bason and his beloved wife and faithful companion, "Miss Marnie" Hatchett Bason. He was an outstanding citizen, civic and church leader, statesman and counselor for many people throughout his adopted county of Caswell. A man of sterling character, integrity, wisdom and courage, he stood for the right and what he thought was best for this county and his state.

His friends, both rich and poor, black and white were numbered in the thousands and his influence will live on in his devoted and remarkable wife, his three fine children, his lovely grandchildren and all of those whose lives he touched. I counted him as an intimate friend of mine and my family for more than forty years until the passage of time took away his awareness of those who loved and respected him.

He took a small bank and built it into a strong financial institution for the people of his county until it was merged with a larger financial institution.

While his body was laid to rest in the hallowed ground of the Yanceyville Presbyterian Church, his outstanding merits and his memory will linger long in the minds of the people who knew, loved and respected him.

CONTRA MILITARY LEADERSHIP STILL FORMER SOMOZA OFFICERS

Mr. PELL. Mr. President, last Thursday, the Arms Control and Foreign Policy Caucus released a report entitled, "The Contra High Command: An Independent Analysis of the Military Leadership of the FDN." It concludes that 12 of the 13 principal leaders of the FDN Contra force "are today, as they have been since 1980, ex-National Guard officers," who served the Somoza dictatorship.

It is especially important to note that the Department of State, while differing on what constitutes the "High Command," confirmed my contention, supported by the caucus report, that the FDN leadership is largely in the hands of former officers of the Somoza National Guard. On March 13, in response to my letter of March 4, in which I asked specific questions regarding the FDN military leadership, the State Department confirmed that 9 of the 13 names listed by the caucus were members of the FDN leadership. The caucus continues to contend that 12 of the 13 members of the High Command are former Guard officers. As the caucus report states, while service in the National Guard need not be viewed as itself disreputable, the problem is that the administration wants to arm, equip, and train these people, some of whom were "personally responsible for brutality * * * repression or corruption, as well as close personal associates of Somoza."

Senator HARKIN is inserting the full text of the caucus report into the RECORD, and I commend it to my colleagues for careful reading. In addition, I would like to share with my Senate colleagues a letter that has been sent to all House Members by Representatives HCHUGH and MILLER of the Arms Control and Foreign Policy Caucus, highlighting the principal findings of the report. I ask unanimous consent that the full text of that letter appear in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CONGRESS OF THE UNITED STATES,
Washington, DC, March 18, 1986.

CONTRA HIGH COMMAND STILL DOMINATED BY EX-GUARDSMEN

DEAR COLLEAGUE: Our colleague Bob Lagomarsino wrote you on March 13, disputing the finding of two Arms Control and For-

eign Policy Caucus staff reports that the primary contra army is "organized and commanded by former National Guardsmen." On March 17, the State Department released the data on which Rep. Lagomarsino based his contention—the names and backgrounds of what the Administration defines as the FDN's military leaders.

We welcome the attention being focused on this critical issue of the background of the military leaders of the FDN, since this year's largely military aid request would go to FDN military leaders rather than UNO civilian leaders. Having sought for about a year now the Administration's listing of names, we are glad they have finally declassified them, and that their data actually confirms most of our report's data, and strengthens its conclusion that the contra High Command is still dominated by former Guardsmen.

While the Administration has certain quarrels with the definitions we use in our listing (and we with theirs), there is now virtually unanimous consensus among both supporters and opponents of contra aid that the majority of the FDN's top military leaders are ex-Guardsmen.

This is not only our conclusion: it is that of UNO leader Arturo Cruz, who conceded in a recent interview (Washington Post, March 9) that "the largest number in the inner staff" are ex-Guardsmen; of Central America analyst Robert Leiken, who has written (New York Review of Books, March 13) that "the FDN high command, with one exception, is drawn entirely from the National Guard"; and now of the Administration.

While we continue to believe, as the report states, that "serving as an officer in the National Guard need not be viewed in itself as disreputable," we do continue to be concerned that U.S. aid could be going to and being distributed by former Guardsmen with documented records of repression and in certain cases personal brutality toward civilians, as well as close personal associates of Somoza.

Our differences of opinion with the Administration come over several aspects of their counting methods and certain of their findings about individuals who they contend have left the FDN, but who our sources contend remain in positions of power. For instance:

Although we both find a dozen former Guardsmen now in the High Command, the Administration contends there are 9 other important "military personnel" who were not Guardsmen, and thus concludes that the 12 Guardsmen are only about half of the High Command. We dispute their inclusion of the 9 others as military leaders, because in our view their duties are clearly not military: the Administration includes the heads of the finance office, the legal office, the hospital, public relations, and social services. Our definition of "High Command" did not include those with political or social duties; nor do we believe it should.

The Administration confirms 9 of our 13 names and positions, but of the remaining 4, contends that 3 have left the High Command and makes no mention of one. Our independent sources, including former FDN officials who first made these detailed charges a year ago and have confirmed them with FDN sources in Honduras within the past month, maintain that the 3—Maj. Ricardo Lau, Capt. Armando "The Policeman" Lopez and Capt. Justiciano Perez—are still serving in the High Command. The final officer we list as heading the officer training school; the Administration lists no such position.

Our major difference with the Administration, which results in different statistical conclusions, relates to the large number (over 100) of individuals the Administration claims are in the lower-level military leadership, in the field commands. While last year's Caucus report did list commanders at the field level, this year's report clearly indicates that we are unable to confirm or refute any current listing of field commands. Our independent sources believe that many of these units have disbanded as functioning military units (in fact they call them "Ghost Commands" because they exist only on paper). We note that the Administration's list appears to be based on material published recently by the FDN itself. This raises the possibility that the Administration is relying primarily on FDN claims, which have been vastly inflated in the past.

For those who have not seen the Caucus report, we repeat the listing provided by our independent sources of the name, current position and (in 12 of the 13 cases) former Guard rank of each member of the Contra High Command:

Supreme Commander: Col. Enrique Bermudez.*

Theater Commander: Lt. Walter "Tono" Calderon.*

Personnel Commander: Lt. Harley "Venado" Pichardo.*

Intelligence Commander: Lt. Rodolfo "Invisible" Ampie.*

Operations Commander: Lt. Luis "Mike Lima" Moreno.*

Logistics Commander: Capt. Armando "Policia" Lopez.†

Special Operations, Nicaragua: Carlos "Pajarito" Guillen.*

Special Operations, Honduras: Maj. Ricardo "Chino" Lau.†

Air Commander: Capt. Juan Gomez.*

Counter-Intelligence Commander: Maj. Donald "Toro" Torres.*

Indian force liaison: Capt. Justiciano "Pino" Perez.†

Officer Training Center Commander: Lt. "Trampas".†

Artillery Commander: Lt. "Roberto".*

*Confirmed by Administration.
†Disputed by Administration.

Sincerely,

MATT MCHUGH.
GEORGE MILLER.

THE CONTRA HIGH COMMAND

Mr. HARKIN. Mr. President, as the Senate prepares to consider the President's request for $100 million aid for the Contras, it is critical that we are fully aware of the background of the military, as well as the political, leadership of the Nicaraguan democratic resistance.

For this reason, I commend to my colleagues' attention the following report, "The Contra High Command: An Independent Analysis of the Military Leadership of the FDN," prepared by the staff of the Arms Control and Foreign Policy Caucus.

The report concludes that 12 of the 13 commanders of the High Command—the Estado Mayor—are today, as they have been since they were first organized in 1980, former officers in General Somoza's National Guard. I believe it is especially important this year to focus on the military rather than the Civilian leadership of the Contras. Seventy percent of the President's aid request is for military aid, which will fall under the military leaders' jurisdiction, rather than that of political leaders such as Arturo Cruz.

Information provided by the Nicaraguan Government is not used in this report. Instead, the research is based largely on publications of the Nicaraguan Democratic Force [FDN] and interviews with former FDN officials, Edgar Chamorro and Salvador Icaza. Former FDN Director Chamorro has reviewed and confirmed his information within the last month with FDN sources in Honduras. Caucus staff supplemented these primary sources with interviews on the background of ex-Guardsmen with respected American analysts, including Prof. Richard Millett of Southern Illinois University, Col. Edward King, and former high-ranking U.S. diplomats.

Formed in 1959 by Senator Joseph Clark, as a small breakfast discussion group, the Arms Control and Foreign Policy Caucus has grown to its present day size of 130 members. The caucus is a bipartisan group composed of Members of the House and Senate who are concerned with foreign and military policy.

Mr. President, I request that a copy of the report, "the Contra High Command," be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

THE CONTRA HIGH COMMAND: AN INDEPENDENT ANALYSIS OF THE MILITARY LEADERSHIP OF THE FDN

Over the past five years, the United States has provided over $100 million to support the armed opposition to the Nicaraguan government. Within the next few weeks, Congress will vote on an Administration request to provide $100 million more to the contra force.

This report seeks to provide a current analysis, based on independent sources, of the military leadership of the contras. This review is especially important since this year's request (unlike last year's) is 70% military aid, which will clearly fall under the jurisdiction of the FDN's high command rather than its civilian umbrella group.

This report, which updates a study of last April, charts the membership of the high command; names individuals in each position; provides biographical information on as many of the individuals as possible; and reviews the creation and evolution of the high command.

Information provided by the Nicaraguan Government is not used in this report. Instead, the research is based largely on FDN publications and interviews with former FDN officials Edgar Chamorro and Salvador Icaza. Former FDN Director Chamorro has reviewed and confirmed his information within the last month with FDN sources in Honduras. Caucus staff supplemented these primary sources with interviews on the background of ex-Guardsmen with respected American analysts, including Dr. Richard

Millett (Professor at Southern Illinois University and the leading American academic on the Nicaraguan National Guard); Colonel Edward King (a retired U.S. Army officer and frequent visitor to both FDN and Sandinista camps, whose Army service included acting as liaison between the Joint Chiefs of Staff and Nicaraguan National Guard officers); and former high-ranking U.S. diplomats.

SUMMARY OF THE FINDINGS

In summary, the analysis concludes:

The contra army remains a peasant army commanded by former National Guardsmen;

12 of the 13 members of the FDN's Estado Mayor—the military High Command or, literally, the "chiefs of staff"—are today, as they have been since 1980, ex-National Guard officers;

While serving as an officer in the National Guard need not be viewed in itself as disreputable, the High Command includes ex-Somocistas who were personally responsible for brutality against political opponents, repression or corruption, as well as close personal associates of Somoza;

Unlike the civilian leadership, which has undergone three major upheavals since the FDN's creation, the military leadership has remained constant since 1980—increasing concerns that the military rather than civilians like Arturo Cruz and Alfonso Robelo would ultimately hold power if the contras took over;

Regional and Task Force commanders are in a state of transition, as units have disintegrated and returned to their families in Honduran camps, and as many of their commanders have been wounded or killed in action. Administration claims (which are virtually identical to FDN claims) that there are some 15 Regional Commands and over 50 Task Forces are challenged by independent sources as "Ghost Commands," formed on paper to enhance the image of the contras' effectiveness; and

Both the Administration and the FDN confirm that there is a high level of Somocista involvement in the FDN military leadership; but by apparently broadening the definitions of leadership in order to reduce the percentage of Somocista involvement, the Administration's overall statistical findings are open to question. The Administration's further insistence on classifying as "secret" the names and duties of high FDN military leaders, even though the FDN publishes some of this information, does not lend confidence to their findings.

STRUCTURE OF THE CONTRA HIGH COMMAND

("Estado Mayor," February, 1986)

Supreme Commander: Col Enrique Bermudez, "El Commandante Estrategico" and chief of staff.

Commander of Theater Operations: 1st Lt. Walter "Tono" Calderone, Coordinates and directs regional commanders.

General staff

G-1, Personnel: 1st Lt. Harley "El Venado" Pichardo.

G-2, Intelligence: 1st Lt. Rodolfo "El Invisible" Ampie.

G-3, Operations: 2nd. Lt. Luis "Mike Lima" Moreno.

G-4, Logistics: Capt. Armando "El Policia" Lopez.

Central commanders

Special Operations, Nicaragua: Carlos "El Pajarito" Guillen.

Special Operations, Honduras: Maj. Ricardo "Chino" Lau.

Air Operations: Capt. Juan Gomez.

Counter-Intelligence: Maj. Donald "El Toro" Torres.

Liaison with Indian forces: Capt. Justiciano "Pino' Perez.

Officer Training Center: 1st Lt. "Trampas".

Artillery: 1st Lt. "Roberto".

BIOGRAPHICAL INFORMATION ON THE CONTRA HIGH COMMAND

This section provides background information on the FDN High Command, referred to in FDN camps and documents as the Estado Mayor or Comando Estrategico. Of the 13 men listed here, 12 were officers in the National Guard. FDN publications themselves confirm the name, position and background of 8 of the 13 individuals named here.

Of particular concern in this group of 13 are a number of high-ranking ex-Guardsmen with controversial backgrounds who the FDN denies are part of the High Command: Capt. Armando "The Policeman" Lopez, Maj. Ricardo "Chino" Lau, Capt. Juan Gomez and Capt. Justiciano "Pino" Perez. According to the FDN, the only Guard officer above the rank of Lieutenant now serving in the FDN is Col. Enrique Bermudez. According to our sources, though, the concentration of operational authority in these former high-ranking officers continues to be a reality for the FDN.

Supreme Commander: Col. Enrique Bermudez

Bermudez, 53, was one of the most senior officers in Somoza's National Guard. He commanded the Guard's contingent when Nicaragua responded to a U.S. request to send a symbolic force to the Dominican Republic after the U.S. invasion in 1965. As a full Colonel (the highest active rank possible, since Somoza was himself the Guard's commanding General and precluded others from active service at that rank), he was sent to Washington during the last three years of Somoza's rule as military attache, where he tried, largely unsuccessfully, to obtain U.S. military aid for the Guard while it fought the revolutionary forces led by the Sandinistas.

According to Col. Edward King, who worked with Bermudez in the 1960s, both of these assignment were "plums," highly-valued rewards for Bermudez' personal closeness to Somoza. Most of our sources vigorously dispute the Administration's contention that Bermudez was "posted out" of Nicaragua because of differences with Somoza. However, a former leading U.S. diplomat in the area believes that tension did exist between Somoza and Bermudez, and that this contributed to his being sent out of the country. Although the Administration claims that the U.S.—in Somoza's final months—recommended that Bermudez replace Somoza as Guard commander, the Caucus' former diplomatic source, who was actively trying to find a replacement acceptable to Somoza, dismisses this contention as a "fantasy" and a "non-issue."

In 1980, Bermudez formed the Argentinian-funded 15th of September Legion with Somoza business and Party associate Aristides Sanchez. The Legion carried out sabotage raids and assassinations inside Nicaragua. In 1981, Bermudez and Sanchez founded the CIA-funded FDN. Bermudez has since served on every FDN Directorate, and has headed the FDN High Command. The presence of Bermudez and his close associates Maj. Richard Lau and Capt. Justiciano Perez (see below) in the FDN has been cited publicly by Eden Pastora as the reason he refuses to join the FDN. Bermudez' official title in FDN documents is El Comandante Estrategico, the equivalent of Supreme Commander, but he is usually referred to in the contra camps by his nom de guerre, "3-80."

Theater Commander: 1st Lt. Walter "Tono" Calderon

Calderon, 30, (known in the contra camps by his nom de guerre,. "Tono," a contraction of his nickname, Antonio) graduated from the Guard military academy in the mid-1970s as a 2nd Lieutenant. After further training at U.S. military schools, he commanded combat units from 1976 to the end of the war. In 1979, as a 1st Lieutenant, he is said to have commanded troops in Somoza's palace guard, which defended the President's bunkers through the final days of the revolution.

He appears to be respected for his skills as a field commander by the Sandinistas who faced him both during the revolution and after, when he led an FDN Task Force. FDN publications in Honduras identify him as El Comandante de Comando Operaciones Tacticas, the equivalent of theater commander. In this position, he coordinates and directs the regional commanders.

GENERAL STAFF

G-1, Commander of Personnel: 1st Lt. Harley "Venado" Pichardo

Pichardo, a former 1st Lieutenant in the Guard, led a FDN task force until he was badly wounded in 1984. He has served as G-1 for over a year. As commander of personnel, he controls payrolls and advises Bermudez on personnel placement. He is known in the contra camps as "El Venado," the deer.

G-2 Commander of Intelligence: 1st Lt. Rodolfo "Invisible" Ampie

Ampie, 34, is known in the contra camps by his nom de guerre, "El Invisible," a name he acquired while leading an FDN task force. He served as a 1st Lieutenant in the National Guard, and was an early FDN task force leader. He was promoted to the High Command in 1985, and served initially as G-5, Commander of Psychological Warfare, a position that has rotated frequently and appears to be vacant at present. According to our former FDN sources, "El Invisible" was a popular task force leader who retains the intense loyalty of troops who served under him.

G-3, Commander of Operations: 2nd. Lt. Luis "Mike Lima" Moreno

"Mike Lima," or "M.L.", is the nom de guerre of one of the contras' most charismatic commanders, 2nd Lieutenant Luis Moreno, 26. A cadet at the Nicaraguan military academy who was commissioned in 1979 at age 20 with the rank of 2nd Lieutenant, he saw action in the last year of the revolution before joining the exodus of Guardsmen to Honduras.

Assigned to lead the "Diriangen" regional command in 1983, he built it up into the FDN's largest and most active, with some 2,000 fighters inside Nicaragua by late 1984, when he was badly wounded in a mortar explosion and lost an arm. After a period of recuperation he joined the High Command as G-3, commander of operations, a position in which he plans strategy with the Theater Commander. Like "El Invisible" (see above), "Mike Lima" retains a strong following among the troops who served under him in the field.

G–4, Commander of Logistics: Capt. Armando "El Policia" Lopez

Capt. Armando Lopez is one of Bermudez' closest associates, and is considered by a number of our sources to be his principal military adviser. Lopez acquired his nickname, "El Policia," under Somoza, when he commanded units of Managua's metropolitan police, a branch of the National Guard. In the contra camps, he is referred to as "L–26."

"El Policia" is controversial both because of his brutal behavior toward FDN prisoners (according to our sources), and because of his prior service with the Managua police—which Somoza used to arrest hundreds of civilian political opponents. By the late 1970s, international human rights organizations reported substantial numbers of tortures and assassinations by the Managua police.

"El Policia" was a founding member of both the 15 September Legion and the FDN. Known as a hard-line anti-communist opposed to negotiating with the Sandinistas, he has told reporters: "He who speaks of dialogue with the Communists speaks of wasting his time. . . . We'll fight this war to the finish if we have to use picks and shovels. We won't hold peace talks over the graves of our dead."

In addition to advising Bermudez on strategy and personnel decisions, Lopez orders all military and logistical supplies for combat units, and controls distribution of the materiel.

CENTRAL COMMANDERS

Special Operations (Nicaragua): Carlos "El Pajarito" Guillen

Guillen, 39, is known in the contra camps as "El Pajarito," the little bird. A medical student in Mexico during the revolution, he is the only member of the FDN High Command who did not serve in the National Guard, although his father was a Guard officer. As Commander of Special Operations in Nicaragua, he leads small groups on sabotage and other special missions. According to Caucus sources, he is a solid soldier and popular with his troops, but has little sway in Bermudez' inner circle.

Special Operations (Honduras): Maj. Ricardo "Chino" Lau

Lau, the most controversial member of the FDN High Command, is a close associate of Bermudez. Caucus sources confirm numerous press accounts of his brutal and criminal behavior both during his Guard service and his tenure with the 15th of September Legion and the FDN.

Although the FDN claims that Lau left the FDN in 1983, Caucus sources unanimously report that he remains powerful in the High Command. According to former FDN official Salvador Icaza, "where there is Bermudez, there is Lau . . . forever." Specifically, it appears that Lau now commands a small unit that carries out special counter-intelligence missions in Honduras for Bermudez, such as executions of suspected Sandinista informers. This unit is said to include Lt. "El Policita" Lopez, the son of Capt. Armando "El Policia" Lopez (see above), also known as "El Bestia," or the beast.

Lau attained the rank of Major in the National Guard. He was extremely close to Somoza, and served in his security police and then on his Estado Mayor as G–2, chief of intelligence operations. In this capacity, he arranged for hundreds of political arrests and at times supervised or approved clandestine torture and execution. Lau was cited during the revolution by an independent Nicaraguan human rights commission for commanding a massacre of civilians in a church in Jinotepe. Eden Pastora, who commanded rebel forces during the revolution, has cited the presence of Lau, Bermudez and Capt. Justiciano "Pino" Perez (see below) in the FDN as a principal reason why he has not joined the organization.

Lau was an original member of both the 15th of September Legion and the FDN. In both organizations, Lau and a small circle of associates under his command have been accused of conducting assassinations and robberies. A former Salvadoran Army Colonel accused Lau of arranging the murder of Salvadoran Archbishop Romero while he was celebrating mass in 1980. As late as 1986, Lau was formal commander of all counter-intelligence operations for the FDN, but he was replaced by Maj. Donald Torres (see below), and now focuses on special operations approved personnally by Bermudez.

Commander of Air Operations: Capt. Juan Gomez

Gomez, a close personal associate of Somoza's and for years his personal pilot, was a founding member of the 15th of September Legion and, as a member of the initial FDN directorate, a signatory of the Acta creating the FDN Estado Mayor in 1982. He has commanded FDN air operations for the past five years, as well as served as Bermudez' personal pilot. He is responsible for acquiring, maintaining and using the FDN's small fleet of Cessna fixed-wing reconnaissance and attack craft, C–47 cargo planes and Hughes 500–D observation and attack helicopters, which are based at Honduras' U.S.-constructed Aguacate airbase.

Commander of Counter-Intelligence: Maj. Donald "El Toro" Torres

Known in contra camps by his nom de guerre "El Toro," or the bull, the FDN's chief of counter-intelligence served as a Major in the National Guard. In 1983, he joined the FDN High Command as G–2, Commander of Intelligence, replacing another Colonel, Edgard Hernandez, who was implicated in corruption following a CIA investigation of pay-roll funds. In 1985, he replaced Maj. Ricardo "Chino" Lau (see above), who has been serving as chief of counter-intelligence. "El Toro's" primary duties involve assessing recruits to determine if they may be Sandinista agents.

Liaison with Indian Force: Capt. Justiciano "Pino" Perez

Perez, like Maj. Lau, has frequently been reported by the FDN to have left the contra camps, only to resurface again. As a Guard Captain, he assisted Somoza's son in commanding the Guard's infantry training school, known by its initials EEBI. As is the case for Lau and Bermudez, Perez' presence in the FDN has been cited by other opponents of the Sandinistas as a barrier to a coalition with the FDN.

Perez was a member of the 15th of September Legion, and led a Legion splinter group that bombed civilian airliners bound for Managua. He joined the High Command in 1982, and although the FDN claims that he left in 1984, Caucus sources assert that he has remained in the High Command, serving Bermudez as liaison with the MISURA Indian forces.

Commander of the Officer Training School: 1st Lt. "Trampas"

A National Guard 1st Lieutenant operating under the nom de guerre of "Trampas" has responsibility for the FDN officer training school, the Comando Centro de Entrenamientos Para Comandos, C.E.C. The school was originally established by Argentinian and CIA trainers, but now operates without foreign instructors.

Commander of Artillery: 1st Lt. "Roberto"

According to an FDN document dated March, 1985, a National Guard 1st Lieutenant operating under the nom de guerre of "Roberto" has responsibility for the Comando Unidad de Artilleria, or united artillery command. Caucus sources are unable to confirm his presence in this position at present, or name a different artillery commander.

THE EVOLUTION OF THE FDN HIGH COMMAND

Shortly after the fall of Somoza in 1979, thousands of Nicaraguan National Guardsmen, including hundreds of officers, fled the country to El Salvador, Honduras, Guatemala and the United States. During 1980, Aristides Sanchez, a wealthy business and party associate of General Somoza then operating out of Miami and Tegucigalpa, Honduras, began to contact former officers to put them on the payroll of what began to be called the "15th of September Legion," commemorating the day of Nicaragua's independence from Spain. According to Edgar Chamorro, funds for the Legion's payroll came from Argentine intelligence officials operating in Honduras and from personal funds amassed during Somoza's rule by Sanchez and his brother, planation-owner and Somoza party legislator Enrique "the Cuckoo" Sanchez.

Founding legionnaires—all of whom remain in the High Command, according to Caucus sources—include Col. Enrique Bermudez (Somoza's military attache in Washington), Maj. Ricardo Lau (Somoza's top counter-intelligence officer, later accused of numerous assassinations including the murder of Salvadoran Archbishop Romero), Capt. Justiciano Perez (commander of the Guard training center under Somoza's son), Capt. Armando "El Policia" Lopez (who commanded units of the Managua police, which carried out arrests and attacks on Somoza's political opponents), and Capt. Juan Gomez (Somoza's personal pilot).

A U.S. Defense Intelligence Agency analysis in 1982 (later made public by the Associated Press) referred to the Legion as a "Somocista group."

According to the DIA, the Legion carried out minor sabotage in Nicaragua for a year before joining the FDN in late 1981, merging with Steadman Fagoth's Indian group and southern-based ex-Sandinistas of the UDN/FARN movement. By this point, according to Chamorro, the former Guards' salaries were being paid by the CIA. A small group of Legionnaries led by Perez and Col. Francisco Rivera continued to operate independently into 1982, according to the DIA, bombing a Nicaraguan civilian airliner in Mexico City, hijacking a Costa Rican civilian airliner in San Jose and sending a suitcase bomb on a Honduran civilian airliner that exploded in the civilian area of Sandino Airport in Managua. This group apparently disbanded in 1982, and Perez and Rivera also joined the FDN.

The Caucus has obtained a copy of the signed Acta formally creating the FDN High Command, or Estado Mayor, in September, 1982. The 10 signatories of the document were Aristides Sanchez, former Sandinista Vice-President Jose Cardenal and 8 National Guards, including Bermudez, Lau, Gomez and Rivera.

According to Col. Edward King, the structure of the Estado Mayor, and particularly the designation of general staff positions G-1 through G-5 for functional duties, derives from the National Guard's own structure, established by U.S. military advisers who trained the Guard throughout its 40-year history. Both King and Chamorro note that assignments and duties are more fluid than they would be in a national High Command, given the less structured nature of an insurgency and the importance of individual loyalties to the retention of power. However, they point out that those in the High Command do consider themselves to be a formal military Estado Mayor (also referred to as Comando Estrategico), and do refer to colleagues by appropriate military designations.

Unable to exercise power over Sanchez and Strategic Commander Bermudez, Cardenal left the FDN, and a new nearly all-civilian directorate was installed with CIA support in December, 1982. Two years later, Chamorro, a member of the new directorate, followed Cardenal's example, and left while protesting the control of military operations by what he calls the "Bermudez triangle" of former Guard officers intensely loyal to Bermudez and Sanchez, who by this time had become FDN General Secretary. A third civilian restructuring took place in 1985 when Cruz and Robelo formed the UNO umbrella organization with FDN civilian head Adolfo Calero.

Through the three major changes in the civilian leadership, one thing remained constant: the military High Command continued to be nearly exclusively former National Guardsmen. When a CIA investigation of corruption in the use of CIA payroll funds led to the resignation in December, 1983 of four of the original members of the high command, including three signers of the September, 1982, Acta, they were replaced by other Guard officers rather than younger non-Guardsmen with combat experience. In spite of attempts by Administration and FDN civilian leaders to "cleanse" the FDN image, there has been virtually no change in personnel in the High Command in the two succeeding years. The military leaders have apparently managed to exempt themselves from these political pressures.

In April, 1985, the Caucus published a study, based on interviews with Chamorro and Icaza, naming 12 of the 13 members of the High Command as former Guard officers. Without identifying specific individuals, the State Department, in a letter shortly thereafter from Assistant Secretary Motley to Caucus Chairman McHugh, confirmed that "nine of the ten member general staff" were former Guardsmen.

Similarly, Central American analyst Robert Leiken reported in the March 13, 1986, New York Review of Books that "the FDN high command, with one exception, is drawn entirely from the National Guard, and many were senior officers in it." Even UNO Director Cruz stated in a Washington Post interview of March 9, 1986, that "the largest number of the inner staff" are former Guardsmen, although he asserted that they "are aware of the need for democracy and are aware of the need to forget about the past."

In a February, 1986, report, though, the State Department, while not disclaiming its previous position that 9 of the 10-member general Staff were Guards, appeared to modify it by stating that 12 of the 21 "top positions" in the FDN military were held by former Guards. Included in the new State Department count were "all members" of the "civil-military commands" and "all chiefs of support services."

It is not clear why these civilian-held positions are now considered to be part of the military command now when they were not considered as such last year. In its January, 1984, issue the FDN publication Comandos identifies the following positions as part of the civil-military command and the support services, none of which involve participation in military command decisions, and few of which are related to combat operations:

Three civilian members of a civil-military committee.

Director of the central hospital.

Director of the regional clinics.

Director of public relations.

Director of publications.

Director of political education.

Director of the rebel radio ("15th of September")

Director of social services for combatants' families.

Director of transportation services in Honduras.

Director of acquisition for food for Honduran camps.

Director of acquisition for military supplies.

Director of human rights.

It is likely such officials are included in the State Department's most recent count, but this can not be verified, since the Department refuses to provide the names or positions of its roster of the High Command in unclassified form. It is misleading at best to include such personnel among "top leaders" of the FDN military. Our definition of the High Command, unchanged from last year, focuses on those who the FDN itself calls the Estado Mayor (or Comando Estrategico), those planning and directing military operations. We find that like last year, 12 of these 13 top leaders are former National Guardsmen.

STATUS OF THE FDN ARMY AND OF REGIONAL AND TASK FORCE COMMANDS

The FDN Army

This report's conclusion that the High Command is dominated by ex-Somoza National Guardsmen does not overshadow another finding of last year's report: that the army as a whole is, and remains, a peasant army.

While concluding that the FDN is a peasant army with a High Command dominated by former Guard officers, the report does not attempt to evaluate it as a fighting force, to assess its human rights record or to fix its size—about which estimates range from the Administration's claim of 25,000 "potential" fighters of whom 6,000 are active inside Nicaragua today to independent estimates of 12,000 FDN soldiers, of whom no more than 1,000 are currently inside Nicaragua.

Regional and Task Force Commands

Serving under the High Command are two key levels of FDN military leadership, the regional commanders and their task force commanders. Unlike last year, when the Caucus identified five of six regional commanders and all 30 task force commanders as former National Guards, Caucus sources contend that these commands are currently in such a fluid state of transition that identification of them is neither possible nor very meaningful.

The primary reason for this is that the intense and largely unsuccessful combat of the FDN fall offensive badly disrupted FDN organization at the field level. Many commanders appear to have left due to injury, death or simply fatigue. As units have left the combat region to which they were detailed, they appear to have lost their cohesion, as soldiers returned to FDN camps in Honduras to join their families and friends. It is unlikely that functional regional and task force commands—and their commanders—will emerge until the FDN refits itself with additional external support.

This raises doubts about recent claims by the Administration and the FDN that there are 14 regional commands and 52 task force or independent commands. If organized combat-ready units are the criteria for claiming the existence of a functional regional command or task force, this total of 62 field commanders (of whom 17 are said to be former Guards) is greatly overstated.

In addition, the FDN's most recent listing of field commanders (on which the Administration seems to have based its counts) appears to be a year out of date and self-contradictory. First, it is virtually identical to a version circulated by the FDN last March, although most observers agree that there has been great turmoil in the field command structure during this time. And second, it includes contradictions, perhaps related to its being dated: for example, the FDN list names "Mike Lima" as commander of the Diriangen regional command, but the FDN cover letter for the list states that his wounds, suffered over a year ago, forced him out of a regional command and up to the general staff, as reported in last year's Caucus report. Such apparent inconsistencies lend doubt to the credibility of the FDN list.

The FDN's most recent listing confirms all six names and five of the six reported backgrounds for the regional commanders included by the Caucus in last year's report, but it adds eight regional commands which one of our former FDN sources refers to as "Ghost Commands." The fabrication of a "Ghost Command" could be motivated either by corruption, since commanders are provided with per-soldier salaries which they then distribute to their troops, or by a desire to inflate overall troop strength to impress foreign audiences, such as Congress.

BUDGET ANALYSIS AND RECOMMENDATIONS OF THE NEW YORK STATE CATHOLIC CONFERENCE

Mr. MOYNIHAN. Mr. President, I recommend my colleagues read the careful, important analysis of our Federal budget situation just provided to us by the New York State Catholic Conference on behalf of the Roman Catholic bishops and dioceses of New York State. The Catholic Conference met this morning in the Capitol with members of the New York congressional delegation. These are dedicated people who have hands-on knowledge of the problems of poor and disadvantaged people in their State.

Speaking for her organization, Sister Serena Branson, executive director for Albany's Diocesan Health and Social Services, gave us a dismal overview of the effect of past budget cuts and proposed future cuts on the poor and vulnerable members of society.

Sister Serena cited a Congressional Research Service study which found that the 1981 cuts in the Aid to Families with Dependent Children [AFDC] program alone impoverished over one-half million—560,000—persons, the majority of whom were children.

And more of the same misery may be forthcoming. The administration's proposed fiscal year 1987 budget recommends over $8 billion in cuts in low-income programs. By 1991, these cuts will mount to $21 billion on an annual basis.

And what outcome can we expect? The answer is obvious to those who can speak from experience. Ms. Mildred Shanley, of the counsel's office of the Catholic Charities Diocese of Brooklyn put it succinctly today:

> Between 1970 and 1983, the State's poverty rate among those under 18 rose 13 percent. Over half of the increase occurred between 1980 and 1983, when an additional 350,000 children fell below the poverty line * * *. A child born in New York State in 1970 had a 1 in 10 chance of being poor. Today, a child's chances of being born into poverty are nearing 1 in 3.

What should we think about ourselves having helped to foster such an outcome?

The New York State Catholic Conference sets an ambitious legislative agenda for us. In sum, it calls for the reversal of most of the administration's spending and tax program. Much of the conference's recommendations are contained in legislation, S. 1194, the Family Economic Security Act, which I introduced last May 23 along with my colleagues in the House, Representatives HAROLD FORD and CHARLES RANGEL.

The New York Catholic Conference is not alone in its analysis of what is happening. Mayor Henry G. Cisneros of San Antonio, TX, speaking before the 1986 Congressional-City Conference, characterized Federal budget trends over the last 5 years this way:

> It is a disastrous dismantling of the Federal-local partnership. It is a meat-axe chopping of the domestic obligations of Government.

The mayor went on to point out that, since 1980, while the Federal deficit has grown from $27 billion to $200 billion, spending for urban programs have plummeted from $69 billion to $17 billion. He adds, "and it is we who are blamed for the deficit."

I ask that the full text of the analysis and policy recommendations of the New York State Catholic Conference be printed in the RECORD.

The material follows:

NEW YORK STATE CATHOLIC CONFERENCE

FEDERAL BUDGET OVERVIEW

On behalf of the Council of Catholic Charities Directors, I want to first express our understanding about the difficult budget dilemma which faces Congress this year. We recognize that the budget deficit must be reduced, that there is always concern about defense spending, and that especially in light of the President's initial negotiating position, it is difficult to raise taxes.

Yet, as Cardinal O'Connor has indicated in his introductory remarks, we must view this budget process from the perspective of its impact on the poor vulnerable members of society.

We want to share with you briefly our perspective on four major issues related to the Federal Budget process:

1. Our concern for the impact that the last four federal budgets have had on poor and vulnerable families and individuals.

2. Our preliminary analysis of the impact of the President's budget on the population for whom we are concerned.

3. The impact of implementation of the Gramm-Rudman Bill if the deficit must be reduced by $60 billion as some economists now estimate.

4. Our perspective on the relationship of domestic spending, the military budget and taxes.

Obviously, any analysis of this current year's budget process must begin with an understanding of the impact of the last several years' budgets.

In the written materials in your briefing book, we have summarized some of the major effects of cutbacks in the Federal Budget from 1981-1983 as analyzed by the Congressional Budget Office.

The results of these cutbacks have been devastating. For example:

The Congressional Research Services found that the 1981 cuts in AFDC alone pushed 560,000 more persons into poverty.

The Congressional Budget Office stated in a 1984 study that budget and tax changes enacted from 1981-1983 would force low and moderate income households to lose $20 billion in income and benefits over the three year period 1983-1985.

Many other studies have demonstrated similar results.

We are concerned that enactment of the *President's proposed budget* would have further negative impact on these trends.

According to an analysis of this budget by the Center on Budget and Policy Priorities:

Proposed cuts in low income programs would total over $8 billion next year and $21 billion in 1991.

Fourteen low income programs would be eliminated outright and benefit reductions would be made in nearly all basic low income benefit programs.

By 1991, low income programs would be reduced by nearly one-sixth.

We have also included in your materials a fuller analysis of the President's proposed cutbacks in low income programs, as developed by the Center on Budget and Policy Priorities.

We feel compelled to make comment also in this federal budget overview on the Gramm-Rudman Bill, because we recognize that the two houses in Congress and the President may not be able to come to agreement on deficit reduction methods and that the Gramm-Rudman automatic deficit reduction process may well be triggered for Federal fiscal year 1987.

Obviously, we are pleased that the Gramm-Rudman law exempts such low income programs as Medicaid, AFDC, SSI and Food Stamps from the automatic deficit reduction process but, nevertheless, many programs which assist low and moderate income programs will be affected. Examples are Head Start Programs, a variety of employment programs, low income energy assistance, and so forth. We have also included in your written materials a listing of the approximately $300 million in such programs that would be lost in New York State if the Gramm-Rudman automatic deficit reduction is triggered at $60 billion for Federal Fiscal Year 1987.

Our understanding of the impact of cuts in low income programs over the last four years, and of the potential harm that would result from adoption of the President's budget proposal on the implementation of the Gramm-Rudman automatic deficit reduction provisions leads us to three bottom line conclusions about the Federal Budget:

First, there is no more room for reductions in the budget of programs which benefit low and moderate income persons.

In fact, according to the Congressional Budget Office, tax concessions granted under the 1981 Economic Recovery Act (ERTA), along with increased defense spending, have been virtually the sole source of our increasing national deficit.

We have included in your briefing book a document detailing some facts about defense spending, corporate tax expenditures and the deficit.

This analysis leads us to our two other major budget recommendations:

We believe that in light of the deficit situation and the great need to fund human resource programs, there is a need to increase federal resources and the tax base while still promoting tax equity. We are concerned with the shortsightedness of ignoring the revenue potential on the tax side of the budget available not only through broadening the tax base, but through further curbing wasteful tax shelters and expenditures, reforming corporate tax policy to reflect a fairer share, and enacting stronger compliance procedures to collect the $90 billion lost annually through tax-fraud. While we applaud the concept of exempting poverty households from the payment of federal income tax, the current tax proposals remain predominantly revenue neutral, and contain alarming reforms that could impact heavily on the broad middle class of the nation. They neither raise necessary new revenues by retrieving larger amounts of revenue foregone, or go far enough in addressing equity issues. Instead, they propose reforms such as restricting deductibility of charitable contributions, which will have further negative effect on the provision of human services and harm the middle class worker, particularly in New York State.

Finally, we recommend reductions in Defense Budget of $37.5-40.0 billion dollars in the following fashion:

1. Approximately $16 billion through a freeze of budget outlays at FY 86 figures within National Defense Function (050).

2. Approximately $20 billion through improved managerial control over the purchase of equipment from private contractors and improvements in contract management waste and fraud accounting.

3. Approximately $2-4 billion through the scaling back of eleven major weapon systems identified by the Congressional Budget Office as sources of potential cutback due to questionable merit (these savings would grow in future years due to the extended and deferred costs of these weapon systems contracts—CBO estimated that outlay savings for these eleven weapons systems including the controversial MX land-based missile would be $10 billion by 1990).

BUDGET WOULD MAKE LARGE CUTS IN LOW-INCOME PROGRAMS

REDUCTIONS OF $8 BILLION PROPOSED FOR NEXT YEAR—14 LOW-INCOME PROGRAMS SLATED FOR TERMINATION

The Administration's FY 1987 budget contains sharp cuts in low income programs totaling over $8 billion next year and $21 billion in fiscal 1991, according to an analysis issued today by the Center on Budget and Policy Priorities.

The Center found that 14 low income programs would be eliminated outright and that benefit reductions would be made in nearly all basic low income benefit programs.

The Center's analysis also reported that by fiscal year 1991, low income programs would be reduced nearly one-sixth.

The analysis shows that reductions in low income programs would be three times larger than the savings from the much-discussed sale of certain government assets, which is also proposed in the next budget.

In addition, the Center reported that 2 million elderly persons living below the poverty line would be required to pay more out of their own limited incomes for Medicare coverage.

"The budget proposal would exact a substantial tool on poor families and low income elderly persons, while providing for a very large increase of $34 billion in defense appropriations next year," Center director Robert Greenstein noted. "These proposals would be likely to reduce standards of living and increase hardship for many who are poor."

Reductions in low-income programs

The new budget contains reductions in all of the core benefit entitlement programs for the poor—Aid to Families with Dependent Children (AFDC), Medicaid, food stamps, and Supplemental Security Income (SSI)—the Center reported. Cuts in these programs alone would total $2 billion next year, climbing to $6.5 billion in FY 1991. Over the next five years, a total of $22 billion would be taken from these programs.

The largest of these cuts would come in Medicaid, where federal financial support would be reduced significantly.

"It would be extremely difficult, if not impossible, for states to cover the losses of Medicaid funds simply through administrative changes," the Center observed. "Major reductions in the coverage of low income beneficiaries or in the scope of medical services provided would be virtually inevitable."

In non-entitlement areas, the analysis finds that 14 low income programs would be terminated. These include housing assistance for the elderly and handicapped, emergency food and shelter programs aimed at relieving hunger and homelessness, the legal services program, the low income weatherization program, rural housing programs, the Work Incentive Program (which provides job training to welfare mothers) and the community services block grant.

Total funds appropriated for the low income programs that would be terminated came to $4 billion this year.

In addition, in a number of low income programs the cuts would start to be made immediately under the new budget. The analysis reports that some or all of the funds appropriated for 15 low income programs in FY 1986 would be rescinded (or cancelled) under the budget. Approximately $7 billion in appropriations in the low income area would be rescinded.

The rescissions in low income programs constitute more than 60 percent of all rescissions requested in the entire federal budget.

Housing, Job Training, and Nutrition Programs Hit

Among the areas affected most severely would be housing and employment programs, the analysis states.

The budget would rescind or defer 70 percent of all funds appropriated for HUD subsidized housing in FY 1986, and then provide no appropriations at all for HUD subsidized housing in FY 1987. In addition, rural housing programs at the Department of Agriculture, which are targeted on low and moderate income rural families, would be eliminated.

In another proposed reduction in the low income housing area, rents would be raised for hundreds of thousands of low income families in existing section 8 housing. This would be accomplished by requiring these families to pay most or all of any rent increases imposed by landlords next year. For large numbers of these low income families, rents would likely be raised above the current legal maximum of 30 percent of income.

The reductions in housing for low income families and elderly and disabled persons would not be matched by similar treatment of housing for the military, however. Appropriations for military housing would be raised 21 percent next year (and 65 percent by FY 1991), while appropriations for low income housing were being zeroed out.

In the job training area, the Job Corps, program to train disadvantaged, low income youth would be cut nearly in half, and the summer youth employment program would be reduced about one-third. (As noted, the program to provide job training to welfare mothers would be eliminated.)

Reductions would also be felt in nutrition programs. Nearly 30,000 low income pregnant women, infants, and children at nutritional risk would have to be removed next year from the women, infants, and children special food program. By fiscal year 1991, 140,000 fewer women, infants and children would be reached. In addition, funding for two emergency food programs designed to reach hungry persons with the assistance of volunteer and non-profit organizations would be ended, and the food stamp and child nutrition programs would sustain new cuts of over $1 billion a year.

Finally, the analysis reports that a proposal in the budget to raise the premiums that elderly persons must pay for Medicare coverage would require the elderly to pay nearly $200 more per year by 1991. About two-thirds of the elderly below the poverty line—more than 2 million persons—would have to pay the premium increase out of their own pockets, the Center observed.

The Center is a non-profit research and analysis organization in Washington, D.C.

TABLE I.—REDUCTIONS ON LOW-INCOME PROGRAMS IN PRESIDENT'S BUDGET: BUDGET AUTHORITY REDUCTION IN FISCAL YEAR 1987

[Dollar amounts in millions]

	CBO baseline estimate [5]	Decrease from CBO baseline in President's budget [1]	Percent cut
Entitlements:			
AFDC [2]	$9,492	−$277	−2.9
Child support enforcement	769	−41	−5.3
EITC	1,232	0	0.0
Food stamps	12,216	−315	−2.6
Medicaid [2]	26,434	−1,390	−5.3
SSI	10,405	−34	−0.3
Veterans pensions	3,768	0	0.0
Total entitlements	64,316	−2,057	−3.2
Discretionary programs:			
Commodity Supplemental Food Program	38	1	2.6
Community Development Block Grant	3,135	−1,010	−32.2
Community Services Block Grant	374	−370	−98.9
Compensatory Education	3,740	−52	−1.4
Emergency Food and Shelter	73	−73	−100.0
Emergency Food Assistance	50	−50	−100.0
Family Social Services	854	−36	−4.2
Financial Aid for Needy Students	4,945	−1,132	−22.9
Food Donations	193	−6	−3.1
Health Care Services	1,299	−140	−10.8
Housing Assistance for the Elderly	610	−610	−100.0
Human Development Services	2,032	−54	−2.7
Indian Education	68	8	11.8
Indian Health	881	−156	−17.7
Legal Services	309	−309	−100.0
Low-Income Energy Assistance	1,919	181	9.4
Low-Income Weatherization	189	−189	−100.0
Nutrition Assistance for Puerto Rico	847	−22	−2.6
Public Housing Operating Subsidies	1,342	−170	−12.7
Refugee Assistance	415	−41	−9.9
Rural Housing Programs [3]	3,517	−149	−4.2
Rural Water and Sewer Facilities	115	−115	−100.0
Social Services Block Grant	2,700	0	0.0
Subsidized Housing	9,769	−9,769	−100.0
Training (JTPA, Job Corps and Summer Youth)	3,527	−617	−17.5
Very Low-Income Housing Repair	12	−12	−100.0
WIC [4]	1,632	−15	−0.9
WIN	222	−222	−100.0
Total discretionary	44,807	−15,129	−33.8
Grand total	109,123	−17,186	−15.7

[1] For entitlement programs, the reductions are those reflected in the President's budget.
[2] Reflects both legislative and regulatory savings, as detailed in HHS budget documents.
[3] See note on rural housing that follows table IV.
[4] OMB baseline used for WIC.
[5] Fiscal year 1987 budget authority needed to maintain current services (post Gramm-Rudman).

TABLE II.—REDUCTIONS IN LOW-INCOME PROGRAMS IN PRESIDENTS BUDGET: OUTLAY REDUCTIONS IN FISCAL YEAR 1987

[Dollar amounts in millions]

	CBO baseline estimate [1] [5]	Decrease from CBO baseline in President's budget	Percent cut
Entitlements:			
AFDC	$9,492	−$277	−2.9
Child support enforcement	769	−41	−5.3
EITC	1,232	0	0.0
Food stamps	12,210	−315	−2.6
Medicaid [2]	26,434	−1,390	−5.3
SSI	10,407	−34	−0.3
Veterans pensions	3,772	0	0.0
Total entitlements	64,316	−2,057	−3.2
Discretionary programs:			
Commodity Supplemental Food Program	38	1	2.6
Community Development Block Grant	3,313	−214	−6.5
Community Services Block Grant	368	−306	−83.2
Compensatory Education	3,568	−32	−0.9
Emergency Food and Shelter	73	−73	−100.0
Emergency Food Assistance	49	−49	−100.0
Family Social Services	917	−94	−10.3
Financial Aid for Needy Students	4,732	−468	−9.9
Food Donations	192	−15	−7.8
Health Care Services	1,271	−184	−14.5
Housing Assistance for the Elderly	632	−247	−39.1
Human Development Services	1,987	−37	−1.9
Indian Education	66	2	3.0
Indian Health	880	−117	−13.3
Legal Services	307	−269	−87.6
Low-Income Energy Assistance	1,928	163	8.5
Low-Income Weatherization	NA	NA	NA

TABLE II.—REDUCTIONS IN LOW-INCOME PROGRAMS IN PRESIDENTS BUDGET: OUTLAY REDUCTIONS IN FISCAL YEAR 1987—Continued

[Dollar amounts in millions]

	CBO baseline estimate [1] [5]	Decrease from CBO baseline in President's budget	Percent cut
Nutrition Assistance for Puerto Rico	845	−21	−2.5
Public Housing Operating Subsidies	1,382	−85	−6.2
Refugee Assistance	414	−71	−17.1
Rural Housing Programs [3]	3,697	−1,880	−50.9
Rural Water and Sewer Facilities	147	15	10.2
Social Services Block Grant	2,700	0	0.0
Subsidized Housing	10,866	−1,689	−15.5
Training (JTPA, Job Corps and Summer Youth)	3,344	−232	−6.9
Very Low-Income Housing Repair	12	−11	−91.7
WIC [4]	1,627	−14	−0.9
WIN	223	−198	−88.8
Total discretionary	45,579	−6,125	−13.4
Grand total	109,895	−8,182	−7.4

[1] For entitlement programs, the reductions are those reflected in the President's budget.
[2] Reflects both legislative and regulatory savings, as detailed in HHS budget documents.
[3] See note on Rural Housing that follows table IV.
[4] OMB baseline used for WIC.
[5] Fiscal year 1987 outlay levels needed to maintain current services (post Gramm-Rudman).

TABLE III.—REDUCTIONS IN LOW-INCOME PROGRAMS IN PRESIDENT'S BUDGET: BUDGET AUTHORITY REDUCTIONS IN FISCAL YEAR 1991

[Dollar amounts in millions]

	CBO baseline estimate [4]	Decrease from CBO baseline in President's budget [1]	Percent cut
Entitlements:			
AFDC [2]	$10,747	−$268	−2.5
Child support enforcement	875	−27	−3.1
EITC	1,019	0	0.0
Food stamps	14,440	−575	−4.0
Medicaid [2]	36,227	−5,597	−15.4
SSI	12,519	−34	−0.3
Veterans pensions	3,615	0	0.0
Total entitlements	79,442	−6.501	−8.2
Discretionary programs:			
Commodity Supplemental Food Program	45	−2	−4.4
Community Development Block Grant	3,720	−664	−17.8
Community Services Block Grant	461	−461	−100.0
Compensatory Education	4,735	−1,047	−22.1
Emergency Food and Shelter	86	−86	−100.0
Emergency Food Assistance	58	−58	−100.0
Family Social Services	1,091	−113	−10.4
Financial Assistance for Needy Students	6,261	−2,707	−43.2
Food Donations	229	16	7.0
Health Care Services	1,492	−334	−22.4
Housing Assistance for the Elderly	736	−736	−100.0
Human Development Services	2,492	−514	−20.6
Indian Education	86	−11	−12.8
Indian Health	959	−234	−24.4
Legal Services	390	−390	−100.0
Low-Income Energy Assistance	2,229	−129	−5.8
Low-income Weatherization	NA	NA	NA
Nutrition Assistance for Puerto Rico	977	−152	−15.6
Public Housing Operating Subsidies	1,646	−195	−11.8
Refugee Assistance	373	−68	−18.2
Rural Housing Programs [3]	2,921	−475	−16.3
Rural Water and Sewer Facilities	138	−138	−100.0
Social Services Block Grant	2,700	0	0.0
Subsidized Housing	11,424	−1,829	−16.0
Training (JTPA, Job Corps and Summer Youth)	4,469	−1,518	−34.0
Very Low-Income Housing Repair	15	−15	−100.0
WIC	1,896	−79	−4.2
WIN	274	−274	−100.0
Total discretionary	51,903	−12,213	−23.5
Grand total	131,345	−18,714	−14.2

[1] For entitlement programs, the reductions are those reflected in the President's budget.
[2] Reflects both legislative and regulatory savings, as detailed in HHS budget documents.
[3] See note on Rural Housing that follows Table IV.
[4] Fiscal year 1991 budget authority needed to maintain current services (post Gramm-Rudman).

TABLE IV.—REDUCTIONS IN LOW-INCOME POROGRAMS IN PRESIDENT'S BUDGET OUTLAY REDUCTIONS IN FISCAL YEAR 1991

[Dollars amounts in millions]

	CBO baseline estimate [4]	Decrease from CBO baseline in President's budget [1]	Percent cut
Entitlements:			
AFDC [2]	$10,747	−$268	−2.5
Child support enforcement	875	−27	−3.1
EITC	1,019	0	0.0
Food stamps	14,430	−575	−4.0
Medicaid [2]	36,227	−5,597	−15.4
SSI	12,521	−34	−0.3
Veterans Pensions	3,619	−0	−0.0
Total entitlements	79,438	−6,501	−8.2
Discretionary programs:			
Commodity Supplemental food program	45	−2	−4.4
Community Development Block Grant	3,470	−584	−16.8
Community Services Block Grant	453	−453	−100.0
Compensatory Education	4,436	−748	−16.9
Emergency Food and Shelter	86	−86	−100.0
Emergency Food Assistance	57	−57	−100.0
Family Social Services	1,087	−124	−11.4
Financial Assistance for Needy Students	5,953	−2,391	−40.2
Food Donations	228	12	5.3
Health Care Services	1,469	−303	−20.6
Housing Assistance for the Elderly	636	−562	−88.4
Human Development Services	2,429	−451	−18.6
Indian Education	83	−8	−9.6
Indian Health	949	−222	−23.4
Legal Services	387	−387	−100.0
Low-Income Energy Assistance	2,220	−120	−5.4
Low-Income Weatherization	NA	NA	NA
Nutrition Assistance for Puerto Rico	976	−151	−15.5
Public Housing Operating Subsidies	1,612	−191	−11.8
Refugee Assistance	377	−75	−19.9
Rural Housing Programs [3]	2,843	−2,367	−83.3
Rural Water and Sewer Facilities	122	−107	−87.7
Social Services Block Grant	2,700	−0	−0.0
Subsidized Housing	14,325	−3,713	−25.9
Training (JTPA, Job Corps and Summer Youth)	4,171	−1,246	−29.9
Very Low-Income Housing Repair	15	−15	−100.0
WIC	1,890	−78	−4.1
WIN	271	−271	−100.0
Total discretionary	53,290	−14,700	−27.6
Grant total	132,728	−21,201	−16.0

[1] For entitlement programs, the reductions are those reflected in the President's budget.
[2] Reflects both legislative and regulatory savings, as detailed in HHS budget documents.
[3] See note on Rural Housing that follows Table IV.
[4] CBO baseline estimate of fiscal year 1991 outlay levels needed to maintain current services (post Gramm-Rudman).

Appendix A: Impact of Federal Budget Cuts 1981-83

440,000 low income working families were terminated from the Aid to Families with Dependent Children Program (AFDC) and several hundred thousand had benefits reduced according to the General Accounting Office (GAO). Eighty percent of those terminated were still living on below poverty incomes two years later. Most of these families are also lost Medicaid coverage and, thus, access to any health care coverage.

Rents were raised for all moderate and low income families and elderly persons living in public or subsidized housing from 25% to 30% of income by 1986. This averages $500 in additional costs to a household annually in 1986. Federal support for activities to help replenish the shrinking stock of low rent housing has been cut by two-thirds. According to the Urban Institute, 300,000 more families now live in substandard housing as a result of these reductions.

$1 to $2 billion per year has been cut from the Food Stamp Program due to cuts enacted in 1981 and 1982. Over two-thirds of these reductions have come from reducing benefits to households below the poverty line according to CBO.

Overall funding for employment and training programs which stood at more than $9 billion in 1980 now comes to less than $4 billion; hardest hit have been the public service jobs program which was abolished, leaving more than 500,000 who had been served without employment opportunity and the Job Corps and WIN programs which serve unemployed youth and public assistance recipients respectively and have seen their funding reduced by 40% in real dollars in comparison with 1981 levels.

Estimates by the Children's Defense Fund show that over 200 community health centers cut back on services as a result of 1981 funding reductions and that 725,000 persons, result of 1981 funding reductions and that 725,000 persons, two-thirds of them low income children or women of child bearing age, lost access to services.

Reduction of 25% in real terms in Social Services Block Grant Program has denied thousands of low income families access to federally supported day care services and reduced the services available to the homebound elderly and the disabled.

About 2 million fewer children currently eat school lunches each day as a result predominantly of a 28% reduction in child nutrition program spending in 1981. In addition, moderate income families now pay an overage of $100 more a year for their children's school lunches.

Cutbacks in Medicaid forced many states to make corresponding reductions in both eligibility and coverage for some medical services.

Estimates by the Washington Council of Lawyers, a non-profit organization, found that some 375 legal services offices closed nationwide and that a 30% reduction in the number of attorneys and paralegals serving the poor occurred as a result of major federal funding reductions.

Appendix C.—Attachment on Select Low Income Program Reductions required Under Gramm-Rudman-Hollings as They Effect New York State: Total Dollar Loss Listed 298.8 million

While total loss to New York State in select Grants-in-Aid to State and Local Governments and Non-Grant Entitlements will total approximately $1.1 (not including certain non-exempt programs such as subsidized housing programs and General Revenue Sharing), our major concern is the some $300 million is select low income program loss for the most vulnerable. The chart below, excerpted from a printout by Fiscal Planning Services Inc. Details that potential loss to New York State (Using FY 87 Baseline in Obligations).

[Dollars in millions]

Program	Total loss due to Gramm-Rudman-Hollings	Per capita loss
Community services block	−$7.77	−0.44
Head Start	−20.69	−1.17
Employment services	−16.06	−.91
JTPA disadvantaged workers	−31.97	−1.80
JTPA summer youth employment	−15.20	−.86
Dislocated workers assistance	−1.22	−.07
Senior community service employment, State program	−1.19	−.07
Work incentive program child care and social services	−4.69	−.26
Preventive health services block grant	−1.57	−.09
Maternal and child health block grant	−7.02	−.40
Low Income Home Energy Assistance Program	−60.96	−3.44
Social services block grant	−42.40	−2.39
Older Americans Act Programs (congregate and home deliver meals and support services)	−12.07	−.68

[Dollars in millions]

Program	Total loss due to Gramm-Rudman-Hollings	Per capita loss
Community development block grant (State Program and entitlement Program)	−76.02	−4.29

ATTACHMENT/NEW YORK STATE POVERTY AND RELATED FIGURES

In 1980, 13.4% of New York's population had incomes below poverty (10,609 for a family of four).

25% of Black families in New York live below poverty and 32% of Hispanic families.

In New York City, the poverty rate overall is 24%, with Black poverty at 29.3% and Hispanic poverty rates—possibly as high as 45% (based on 1982 study by Community Service Society).

Over one-half of New York's poor are children or elderly over the age of 65.

3.6 million New Yorkers live at 125% of poverty or below. While most are likely eligible for Food Stamp Program benefits, only 50% actually participate.

1.5 million total New Yorkers have no health care coverage. 400,000 of them live at or below poverty another 390,000 are near poor. Of the 400,000 poor uninsured, 25% are children. 80% of the full uninsured population are either employed or from working households.

The WIC Program in New York State serves only slightly over 40% of the eligible population.

The total public assistance grant to a family of four (including the basic grant and the maximum shelter allowance) in New York City is $597 monthly or 67.5% of the monthly poverty income figure of $884 (this includes last year's state increase in the basic grant level through a home energy allowance).

Even when a maximum food stamp allotment is included in the total benefit level for a family of four receiving public assistance, the monthly benefit level is only 83.7% of poverty (studies show that nationwide many AFDC households do not routinely receive food stamps).

In a report by the Montefiore Medical Center, nearly one-half of the people interviewed at 29 emergency food sites reported being hungry at some point and not being able to obtain food.

There was a 50% increase in the number of emergency food sites in New York in 1984, but a 75% increase in demand according to the New York State Committee Against Hunger.

The infant mortality rates for New York were 10.8 per 1,000 live births among whites in 1980 and nearly twice as high 20.0 per 1,000 live births for blacks.

The number of homeless people in New York City on a given night is as high as 60,000 according to the Coalition for the Homeless.

APPENDIX D

I. Some Facts—About Defense Spending and the Deficit: [1]

The growth rate in the Defense Budget since 1981 has annually averaged 8.5 percent above inflation.

Defense outlays will reach their highest peacetime level in real terms in FY 86 since 1954 even after the Gramm-Rudman-Hollings cuts are considered.

The Defense Budget has become inefficient and bloated to the point that it cannot be managed properly. Money is appropriated so quickly that it cannot be spent by the Pentagon. Unobligated appropriations from previous years carried forward to 1986 now have reached $51 billion.

While the deficit had increased by approximately $132 billion in the period FY 1980–1985 while defense spending has risen by $152 billion over the same period.

There is extraordinary waste and mismanagement within the procurement process at the Department of Defense (DOD). With more than $200 billion in DOD procurements, estimates show that over 20 percent of this spending could be saved through improved management and the elimination of waste and fraud.

It is likely in FY 87 that the Defense Department will attempt to compensate for automatic FY 86 Gramm-Rudman-Hollings cuts by asking for $314 billion in Defense budget authority. When compared to DOD's budget authority after the automatic FY 86 Gramm-Rudman-Hollings cuts, $314 billion would represent an 8.15 percent increase in budget authority or a dollar increase of $36 billion.

II. *Some Facts—About Corporate Tax Expenditures and the Defense:* [2]

Corporate "tax expenditures" have grown from a mere $8.3 billion in 1970 to an estimated $199.9 billion in the Fiscal Year 1986.

In 1960, corporate taxes comprised 25 percent of the nation's revenue base, by 1984 that figure was down to 8.5 percent.

That $119.9 billion in corporate tax subsidies represents well over one-half of the estimated federal budget deficit for FY 87.

The corporate income tax is now more loophole than tax. The estimated costs of corporate tax breaks in FY 86 amounts to $1.69 for every $1.00 corporations are expected to pay in federal income tax.

The cost of $119.9 billion in corporate tax loopholes adds up to $1,512 for every taxpaying individual or family in America.

The 1981 Economic Recovery and Tax Act firmly institutionalized many of these corporate tax expenditures. Overall ERTA has had the effect of reducing government revenues by $208 billion in FY 86, almost the entire size of the deficit.

Impact:

Under these proposals new budget authority for HUD would drop by almost ⅔, while actual spending (outlays) would fall from $15 billion in 1986 to $14 billion in 1987. If deferrals and rescissions fail to go through, outlays for the two years would be about $2.7 billion. Spending would continue to decline until it levels off at about $12 billion. By 1991, HUD programs will account for 1.1 percent of all federal outlays, down from 2.2 percent in 1981.

An estimated 4.2 million low-income households received some sort of HUD subsidy in 1986. The total is expected to grow to 4.4 million by 1991.

Response:

1. Since 1981, the low-income housing programs of HUD and the Farmers Home Administration have received more cuts than any other human service area. The Congress should respond by (i) rejecting proposals rescind and/or defer funds already appropriated for FY 1986 (ii) rejecting the recommendation to gut the housing programs for FY 1987 and (iii) restore the share of federal expenditures (2.2 percent) for housing to levels that prevail prior to the deep cuts in 1981.

2. Unless we as a society are prepared to accept the permanency of homelessness, substandard conditions, sever rent hardships and over-crowding for growing numbers of people, we need to expand federal assistance to those unable to find decent and affordable housing. New housing proposals such as the Nehemiah Homeownership Demonstration and the two-tier program for emergency and transitional housing for the homeless should be enacted.

3. The Congress should view homelessness as a national disaster and provide immediate relief for all in need. Funds for the Emergency Food and Shelter Program administered by the Federal Management Administration (FEMA) should be re-appropriated allowing for "brick and mortar" shelter expansion as well as for food and other emergency needs.

4. There is a disproportionate amount of sub-standard housing in rural America—some 38 percent of the nations "bad housing" is in rural communities. The federal Rural Housing and Community Development programs administered by the Farmers Home Administration must be continued. HUD programs do not respond to the special credit needs of rural America.

If the President's proposed rescission of the Farmers Home Administration Program is accepted, New York State will lose $31 million of low and very low-income housing funds that are allocated for use in the state for this fiscal year. This will represent a 67 percent reduction from the previous fiscal year. The proposed elimination of the rural housing programs in the President's 1987 budget cannot be accepted. Without the Farmers Home Administration assistance the housing needs of rural New Yorkers will not be met.

5. Proper incentives for the preservation of existing predominately low-income housing projects and the creation of new predominately low-income housing projects must be a part of tax reform consideration.

Legislation regarding multifamily housing bond financing must:

1. provide adequate targeting for setting aside low-income units with rents restricted to no more than 30 percent of the maximum qualifying income:

2. a just income by family size for qualified low-income tenants:

3. restrict use for a minimum of 15 years;

4. prohibit the use of IDB funds to finance any development in which low or very low-income people are or will be displaced by those of higher income;

5. allow local and state initiated efforts to use Single Room Occupancy and other nontraditional housing resources to house the homeless;

6. ensure that the mix of the unit sizes of the low-income set aside units mirrors the distribution of the market units.

6. Since 1974 the CDBG has been a cornerstone for the improvement and expansion of housing opportunities for low- and moderate-income Americans. The Administrations proposal to defer $500 from the FY 1986 allocation should be rejected. In fact, the CDBG should be appropriated at $3.6 billion, the level set forth in the 1983 au-

[1] Sources: American Federation of State, County and Municipal Employees and The Defense Budget Project of the Center for Budget and Policy Priorities.

[2] Source: Citizens for Tax Justice.

thorization bill. Furthermore, CDBG funds should be targeted so that 100 percent of the funds benefit low and moderate-income people at the local level. Adequate provisions should be added to protect against displacement and guarantee compliance with CDBG regulations.

LOW-INCOME HOUSING

OVERVIEW

From the Great Depression of the 1930's until 1981 the role of the federal government in providing housing had been expanding through a wide range of programmatic initiatives. In 1949 the Congress set for itself the goal of providing a "decent home and suitable living environment for every American." Along with the FHA and VA mortgage insurance programs, the federal government assisted low and moderate income households through public housing, Section 8 rent subsidies, loans for rural housing development, funds for the construction of housing for the elderly and handicapped (Sec. 202) as well as support funds to localities under the Community Development Block Grant Program. (CDBG)

In 1981 the President's Commission on Housing issued a report that maintained that there is a sufficient supply of adequate housing in the United States. The report recommended that the expansion of housing opportunities for lower-income people through new construction and substantial rehabilitation be severely curtailed. It suggested that the role of the federal government be reduced to a "voucher" program (non-entitlement) to assist households with the affordability of existing units.

What Has Happened to Funding:

The passage of the 1981 Budget and Reconciliation Act (Gramm-Latta) cut the housing programs of the U.S. Dept. of Housing and Urban Development (HUD) and the Farmers Home Administration (FmHA) by 60 percent. The multifamily new production program under Section 8 stopped being funded in that year. Also, the payment-of-rent for tenants was increased from 25 percent of income to 30 percent. In 1983 the statute authorizing Section 8 for new construction and substantial rehabilitation was repealed (except where it works to build housing for older people or the handicapped), leaving only the Section Certificate Program for Existing Housing.

In preparation for the current FY1986 budget year, the Administration proposed a "moratorium" on adding any more units to the nation's subsidized supply. It even failed to ask for any "vouchers"! Although the Congress rejected this approach—funding about 100,000 additional assisted units—housing did suffer more cuts. The biggest losses were in the rural housing programs—a 30 percent cut over the previous year! The FY1986 HUD Appropriations bill called for 12,000 units of Sec. 202 housing for the elderly/handicapped (same as FY1985); 5,000 units of public housing (same); 32,000 Section 8 Certificates (down 5,500); 36,000 vouchers (down 2,500); 5,000 units of Section 8 Moderate Rehabilitation. The CDBG was cut 10% to $3.124 billion and a 25 percent cut for the Urban Development Action Grant Program (UDAG) to $330 million. The relatively new Sec. 17 Rental Rehabilitation Program and the Housing Development Grant Program (HODAG) were cut in half and funded at $75 million each. The Emergency Food and Shelter program at FEMA was funded at $70 million.

The Executive Budget Proposals for FY 1987:

While offering mostly a repeat of last year's budget proposals, the Administration this year will have the advantage of the Gramm-Rudman-Hollings balanced budget act with which to batter congressional resistance. The Executive Budget asks for 50,000 vouchers to replace the current programs of HUD and FmHA. The Administration proposes to eliminate FmHA altogether and fold rural housing into HUD. Section 8 Certificate and voucher fair market rents would be frozen at 1986 levels. Public housing modernization funds would be cut back to allow for emergency repairs only. The CDBG would be cut by 30 percent. However, the Administration has temporarily abandoned proposals to "sell" the assets of the popular FHA.

Gramm-Rudman-Hollings Cuts for FY 1986:

Some 2,435 units of low-income housing will be cut from the present HUD program levels and 2,100 will be cut from the rural housing programs of the FmHA as a result of the 4.3 percent across-the-board cut.

Furthermore, the Administration has requested additional deferrals and rescissions for about 70 percent of the current HUD and FmHA programs—eliminating the Sec. 202 program—leaving about 54,000 vouchers out of the appropriated 100,000 units.

CHILDREN IN POVERTY: AN OVERVIEW

Through the leadership of individuals like Senator Moynihan and Congressman Rangel, increased attention is being focused on the number of children in this country who are growing up in poverty.

Even though we understand that nationally much information has been developed on this significant problem, we have summarized here for your information important findings abut problems faced by young people in New York State.

Twenty-six percent of New York State's children under 18 are poor. One of every two black and one of every three Hispanic children are poor. Over a quarter of New York's children under age 18, but even more of those under age five, are poor—four percent above the national average.

Impoverished is the single word which best described New York State's children in the 1980's. Between 1970 and 1983, the state's poverty rate among those under 18 rose 13 percent. Over half of the increase occurred between 1980 and 1983, when an additional 350,000 children fell below the poverty line. Today, 1,236,800 children in New York State live in poverty. Poverty rates are highest among our youngest children. A child born in New York State in 1970 had a one in ten chance of being poor. Today, a child's chances of being born into povery are nearing one in three.

The U.S. official poverty line is adjusted annually to account for cost-of-living increases. In 1984, the poverty line for a family of four was set at $10,609. An individual working full time at minimum wage makes $7,000 annually, $3,609 below the poverty line.

SPECIFIC AREAS OF CONCERN

Public Assistance

Over 500,000 children living in poverty in New York State do not receive public assistance. Benefit and eligibility levels have not kept pace with inflation. In 1973, 86 percent of all poor children in New York State received public assistance. The 1981 Federal budget cuts reduced public assistance benefits for 100,000 children in the State. 41,000 children lost their benefits completely; 33,000 in New York City alone. Today, ADC is reaching 737,237 children—only 59 percent of New York State's poor children.

Two-thirds of all New York's poor children live in female headed households. There are 666,000 single-parent families in New York State; 90 percent are headed by women. Fifty-seven percent of all female headed households are poor.

Medical

Although Medicaid is a Federal program, each State sets its own eligibility levels. in New York, these levels have not kept pace with inflation. New York State's Medicaid eligibility criteria discriminate against large families, denying coverage to over 100,000 poor children. In 1966, families with incomes 85 percent above the poverty line received Medicaid benefits. For uninsured children, health care remains crisis oriented. Routine check-up and basic immunizations are out of reach. New York's infant mortality and prenatal care data reveals a serious crisis. 2,856 infants in New York State died before their first birthday. In 1982, New York State had the 11th highest infant mortality rate, and 12th highest rate of low birthweight babies among the 50 States. Low birthweight infants are three times more likely to suffer from birth defects, 10 times more likely to be mentally retarted, and have mortality rates 20 times higher than normal birthweight infants.

Of all 50 States, New York has the highest percentage of women receiving late or no prenatal care to minority women. Only South Dakota supplied less prenatal care to minority mothers that year.

Every dollar invested in prenatal care may save as much as $3.38 in later health care costs.

Hunger

The mother's nutrition is a critical factor in the infant's birthweight. 609,000 women, infants and children are eligible for WIC benefits, but funds are too limited. Even with state supplementary program, 329,000 receive no benefits. Although New York State is one of the only States that offers WIC supplemental nutrition assistance programs, these combined State and Federal benefits only reach 280,000 persons, or 45.9 percent of those eligible. For every $1.00 invested in WIC, studies show a $5.00 savings in hospital costs for premature and low-weight babies. The spectre of hunger is with us again, yet over a half-million New York State children who are eligible for food stamps are not receiving them. Federal budget cuts eliminated 120,000 children from free school lunch programs between 1981 and 1983.

Child Care

Subsidized child care is an essential support to low income families, aiding self-sufficiency and providing a crucial educational head start. Statewide, only one out of five children whose families earn less than $15,000 a year receives a child care subsidy. As of 1983, 33 of the State's counties provided no day care for non-welfare recipients. Federal cuts in title XX block grant moneys resulted in a $25 million reduction and a cut of 12,000 day care slots between 1981-83. Upstate, as many as 46 percent of all children previously in publicy funded day care lost sudsidies due to Federal budget cuts. The State estimates 260,370 children 0-12 years old have parents who are either working or in training and earn less than $15,000 a year. However, State subsidized child care serves on 46,300 children monthly in New York City; 6,062 in the rest of the States.

Head Start, the federally supported program found effective in reducing drop out rates, truancy and school failure is so underfunded that 90 percent of all children eligible for Head Start programs cannot be enrolled.

Homelessness

Homelessness is now epidemic in New York City, at crisis proportions in affluent Westchester County and increasing throughout the State. Federal cuts in housing programs and the negative economics of the low-income housing market have combined to leave thousands of people homeless. Twice as many New York City families are homeless today than in 1983.

During 3 months in 1985, 5,800 families and 17,000 children sought emergency shelter in New York City. Four hundred families with 800 children in Westchester County are living in shelters with average stays of 8 months per family. The homeless include an estimated 20,000 youth pushed out of their homes or discharged from institutions, without resources, in need of jobs, training and education. They are the fastest growing population of homeless. Their needs are immediate shelter and continued services, as well as permanent housing. The Federal Runaway and Homeless Act provides base funding for shelters for this group.

Education

Our schools today fail too many young people—those who need special support services and education, young women who wish to compete in a male-dominated world, minority and poor students who need the confidence of teachers to work and succeed, and homeless youth who are shuttled from school to school or excluded from an education because they lack a residence.

Today, 33 percent of the State's students drop out before graduation—an increase from 25 percent a decade ago. The figures are far worse for our big cities: the New York City Board of Education places the rate at 41.7 percent. Retention rates for Rochester, Syracuse, and Poughkeepsie showed that over 40 percent of the entering 9th grade class is not present in 12th grade 4 years later. Dropout rates among blacks and Hispanics are over 50 percent. Ninety percent of handicapped students are not receiving diplomas.

The Federal role in primary and secondary education has always been small, but its focus has ensured that localities served the most vulnerable with compensatory, bi-lingual and special education, and that rights to equal access and equality of educational opportunities are respected.

In 1982-83, Federal Chapter 1 funds, which underpin compensatory education, reached less than half of those eligible for service. NAEP attributes this reduction of 40 percent of the gap in achievement in the 1970's to the Federal program.

Studies have demonstrated that high quality bi-lingual education can improve the achievement level of students with limited English proficiency. But current programs reach only one-third of those in need.

The Federal act for Handicapped Education Public Law 94-142 has revolutionized education of handicapped students. Federal funding in recent years has been reduced from 18 percent of costs to 8 percent of costs. In response, some States have reduced their programs.

Youth Unemployment

New York's teenage unemployment rate is 25 percent; for black and Hispanic youth the rate is over 40 percent. A recent estimate showed 260,000 of New York City's 16 to 24-year-olds lacking basic employability skills; 160,000 were out of school. Forty-five percent of Federal youth employment and training funds were cut between 1981 and 1983.

In addition to the generalized concerns that we have outlined earlier in this session, it is particularly our concern for the low income children in the State that has led us to develop our proposal for An Omnibus Anti-Poverty Initiative, detailed in another section of this Briefing Book.

AN OMINBUS ANTI-POVERTY INITIATIVE

With national poverty rates at over 14 percent and poverty in New York hovering between 13 percent and 14 percent, we recommend that Congress develop an "Omnibus Anti-Poverty Initiative". While States can act independent and creatively to develop programs and policies that complement federal programs, cushion Federal dollar loss, fill service gaps or supplement Federal efforts with State dollars, they cannot and should not substitute for the Federal Government in developing unified nationwide policies to address poverty.

The alarming growth of poverty nationwide over the last 5 years is just as significant a national issue as lowering the federal deficit. Providing health care for the uninsured, creating jobs, housing the homeless, feeding the hungry, providing adequate supports for the working poor and those who want to work and, indeed, insuring a standard of decency for every American should not be a secondary national policy issue. We cannot simply close our eyes hoping that the problem will disappear nor can we defend a rationale that states that all Americans will be assured with economic decency, much less prosperity, by a thriving economy when all the evidence is to the contrary. We must provide for those children, the elderly, women, minorities and, indeed, workers who have been "immune" to our prospering economy and for whom a Federal safety net is little more than fiction.

We urge that the Congress, in addition to addressing our Nation's growing deficit, create the financial latitude within the budget through tax base expansion and defense savings to fund a Federal "Omnibus Anti-Poverty Initiative" at a level of $15-$20 billion. Much of what we propose is contained in the Family Economic Security Act of 1985, introduced last year by Senator Moynihan, Representative Rangel and Representative Ford. Other aspects of our "Omnibus Anti-Poverty Initiative" are new initiatives. On the whole, we believe that a program such as this would be representative of a true attempt to address growing poverty as a nation. Our proposal is a blending of historically proven approaches and new innovative approaches to poverty and we urge the members of the New York State Congressional Delegation and others to support the provisions or some beginning elements of them as outlined below.

Increase SSI benefit levels and offer partial Federal support to States which increase or initiate State Supplemental SSI benefits. Mandate medicaid coverage for all SSI recipients. By increasing SSI benefit levels by $24/month for an individual and $30/month for a couple, poverty would be lessened among the elderly and disabled poor. Also, by providing Federal matching of 30 percent for increases in State Supplements for SSI, States would be encouraged to implement supplemental payments where currently non-existent and to maintain the currency of State supplemental efforts where they are provided. Medicaid benefits should be automatically provided to SSI recipients—currently states have the option of covering SSI recipients under medicaid.

IN THE AREA OF HEALTH CARE

Mandate a 1-year Federal extension of medicaid for all families who leave AFDC and have no health insurance and permit states at their own option to extend coverage for an additional year. This would be particularly beneficial to those who leave AFDC in order to work but have no fringe benefit package and to those who lose AFDC eligibility because of increased earnings.

Waive the provisions under the current Employee Retirement Income Security Act (ERISA) that prevents states from mandating employer-based health coverage. Currently States are prohibited from finding creative ways to provide health care coverage to workers and particularly the working poor by Federal legislation that does not give them latitude over employers in regard to requiring the provision of health care. Nationwide over 35 million persons, and in New York estimates ranging from 1.5-2.0 million persons, have no health insurance from any source. Many of these uncovered are poor and a significant majority are from working households.

IN THE AREA OF EMPLOYMENT

Create a new Federal block grant to support State job creation and job placement efforts for the structurally unemployed. Targeting efforts to women on AFDC and long-term adult AFDC recipients. Maintain and increase the targeted jobs tax credit (TJTC) focused on employing disadvantaged youth and general assistance recipients.

LIST OF CATHOLIC CONFERENCE PARTICIPANTS

His Eminence John Cardinal O'Connor, Archbishop of New York.

The Most Reverend Edward D. Head, Bishop of the Diocese of Buffalo.

The Most Reverend John R. McGann, Bishop of Rockville Centre.

The Most Reverend Joseph M. Sullivan, Auxiliary Bishop, Diocese of Brooklyn.

The Most Reverend Rene Valero, Auxiliary Bishop, Diocese of Brooklyn.

Mr. Jack Balinsky, Executive Secretary, New York State Council of Catholic Charities Directors.

Reverend Patrick Boyle, Director, Office of Social Development, Archdiocese of New York.

Sister Serena Branson, Director, Diocesan Health and Social Services, Diocese of Albany.

Mr. Thomas Carey, Bishop Sheen Ecumenical Housing Foundation, Rochester.

Mr. J. Alan Davitt, Executive Director, New York State Catholic Conference.

Ms. Vincenza DeFazio, Counsel's Office, Catholic Charities, Archdiocese of New York.

Mr. Peter Della Monica, Associate Director, Catholic Charities, Diocese of Brooklyn.

Mr. Thomas DeStefano, Executive Director, Catholic Charities, Diocese of Brooklyn.

Reverend John Firpo, Diocesan Director, Office of Social Ministry, Diocese of Rochester.

Reverend John Gilmartin, Diocesan Director, Catholic Charities, Diocese of Rockville Centre.

Reverend Steven Gratto, Associate Director, Catholic Charities, Diocese of Ogdensburg.

Reverend Henry Gugino, Assistant Director, Catholic Charities, Diocese of Buffalo.

Dr. Paul Kirdahy, Executive Director, Catholic Charities, Diocese of Rockville Centre.

Sister Karen Kunkel, Catholic Charities, Archdiocese of New York.

Monsignor James Murray, Executive Director, Catholic Charities, Archdiocese of New York.

Reverend Alan Placa, Counsel's Office, Catholic Charities, Diocese of Rockville Centre.

Ms. Mildred Shanley, Counsel's Office, Catholic Charities, Diocese of Brooklyn.

Reverend Donald Sakano, Office of Neighborhood Preservation, Archdiocese of New York.

Mr. Maurice Tierney, Executive Director, Catholic Charities, Diocese of Rochester.

Reverend Gerald Walsh, Catholic Charities, Archdiocese of New York.

Mr. Brian Walton, Syracuse Area Director, Catholic Charities, Diocese of Syracuse.

Mr. Matt Ahman, Charities, USA.

Ms. Dorothy Howe, Charities, USA.

Mr. Frank Monahan, United States Catholic Conference.

Ms. Sharon Daly, United States Catholic Conference.

LEGISLATIVE PROGRAM 1986

On behalf of the Roman Catholic Bishops and Dioceses of New York State, the New York State Catholic Conference presents its program of legislative proposals for 1986. These objectives are firmly rooted in the Gospel values which motivate and guide the Church's activities in the public forum in responding to human needs.

The common thread which runs through all of these objectives is the inherent worth and dignity of every human life. The unborn, the elderly, teenage mothers, students, the hungry and homeless, Medicaid recipients, the unemployed and imprisoned—all possess rights which must be observed; all deserve respect, nurturance and protection. All public policy should be developed, all legislation enacted, and all regulations reviewed with the inestimable significance of human life at the forefront of discussion.

The State and the Church must cooperate to protect and enhance human lives at all stages of their development. It must be recognized that social responsibility and public morality often rise above personal freedoms. Further, effective public policy cannot be developed in a solely secular environment. The public and private sectors must cooperate in their efforts to restructure the law to respond beneficially and appropriately to those New Yorkers most vulnerable, most oppressed, most in need.

The Conference stands ready to participate actively in the development of such policies.

TARGETED OBJECTIVES

The Conference has selected the following specific objectives to be targeted for action during the 1986 Session. Both the Church and the State have responsibility to promote these programs as fair and sound public policy.

Protecting Human Life—Seeking primarily the elimination of the state funding of abortions and, as in the past, the transfer of such funds to programs which aid women in carrying their pregnancies to term, the Conference will support legislation requiring parental notification for abortions and programs of pre-natal care which allow women, especially those of low-income, the security of bringing their pregnancies to term. The Conference will continue to oppose the enactment of a death penalty statute as well as any right-to-die legislation which would tend toward the legalization of suicide or euthanasia.

Feeding and Housing the Indigent—The Conference will seek funding of the SNAP program at a level of $50 million to provide additional funds for nutrition outreach, the WIC program, meals for the homebound elderly, support for soup kitchens and food pantries, and school food programs.

In addition, efforts will be undertaken to continue the Homeless Housing Assistance Program funded at a level of $30 million for FY 86-87 as well as the creation of an operating subsidy program funded at a level of $2 million in 1986-87 to enhance effective operation of existing programs.

Fostering Educational Choice—To continue the efforts of last year, the Conference will cooperate with other groups to attain enactment of a program of educational tax relief for parents of children attending public or nonpublic elementary and secondary schools.

Ensuring Medical Care—While seeking an increase in the Medicaid eligibility levels to reach 100 percent of the federal poverty level, special efforts will be undertaken to secure the provision of Medicaid services for families of all sizes, especially those headed by single women, with incomes below the federal poverty level and to obtain expeditious determination of Medicaid eligibility for alternative care programs for the elderly and disabled.

Serving Youth—The Conference will seek enactment of Omnibus Youth Services legislation which among other provisions would provide additional funds for children's mental health services; increase funding for the STEP program with provision that it be targeted to minorities, those at risk for teen pregnancy, and residents of group and foster homes; establish a special student scholarship program of tuition payments for at-risk youth for attendance at either a non-district public school or a nonpublic school; increase by $5 million the appropriation for the State's Teen Pregnancy Prevention Program; increase funding for preschool and after-school day care programs; and create a Family Support Program for families on or eligible for public assistance experiencing symptoms of dysfunction and in need of counseling and case-management services.

Employing the Unemployed—The Conference will support the creation of a state employment program, subsidizing and expanding a grant diversion program targeted to employable public assistance recipients.

SPECIAL LEGISLATIVE CONCERNS

While the targeted objectives will receive major emphasis in the 1986 Session, the Conference will also direct efforts toward protecting the following populations through pursuit of the initiatives enumerated below.

Elderly and Disabled—Increase respite funding to families caring for elderly and physically disabled dependents; expand the availability of transportation services; provide appropriate recreational opportunities and services.

Encourage family support services for those rendering home care to the mentally disabled as well as for persons with disabilities who require care as their parents become less able to care for them.

Revise CSS eligibility requirements to allow provision of services to persons who have not been previously institutionalized.

Women in the Workplace—Eliminate gender-based wage disparity in the work place.

Provide skills training for women re-entering the job market.

Develop adequate child care policies for all working women.

Disadvantaged Children—Enact legislation to provide supplementary services for pupils with special educational needs in nonpublic schools.

The Physically Ill—Maintain the funds provided in the hospital-based reimbursement methodology, which include provisions for bad debt and charity care.

Support medical malpractice reform which alleviates the financial burden placed on hospitals for the cost of physicians' liability insurance; freezes any immediate adjustment in malpractice insurance rates; assures accessibility to health care services for all; and provides for the establishment of a Commission on Liability Insurance.

Support provisions for adequate payment of alternate care patients, regulatory protections of possible inappropriate discharges, and increased availability of home care services.

Support an increase of at least $5.00 for clinic rates, elimination of the cap on outpatient services, and increases for emergency room rates.

Victims and Offenders—Continue to pursue legislative initiatives to reduce prison overcrowding, with concern for both victims and offenders, proposing criminal justice reform that makes common sense for both. This would entail increased use of community-based alternatives to incarceration for young offenders and persons who pose no danger to society, so as to reduce recidivism and promote community reintegration and safety.

Families—Maintain and improve the state's existing housing stock through increased funding for neighborhood and rural preservation companies, removing the cap on funds to individual companies, and developing new rehabilitation initiatives including the SRO Preservation Loan Program, a state-financed public housing modernization program, and a program for moderate rehabilitation of occupied buildings.

Expand middle and low-income housing opportunities for elderly and disabled residents.

The Oppressed—Support efforts to monitor and curb the investment of public retirement funds in firms doing business with the Republic of South Africa. It should be made clear that investments and bank loans to South Africa carry grave moral burdens and have critical impact on issues of human rights.

The concerns outlined above do not exhaust the full legislative program of the New York State Catholic Conference. A "General Legislative Agenda," specifying all of the proposals which the Conference will actively pursue in the 1986 Session, is available from the Conference office.)

MESSAGES FROM THE HOUSE

At 10:12 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to

the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2453) to amend the Older Americans Act of 1965 to increase the amounts authorized to be appropriated for fiscal years 1985, 1986, and 1987 for commodity distribution, and for other purposes.

The message also announced that the Speaker appoints Mr. CONTE as an additional conferee in the further conference on the disagreeing votes of the two Houses on the amendment of the Senate to the amendment of the House to the amendment of the Senate to the joint resolution (H.J. Res. 534) entitled making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes.

At 3:48 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4151. An act to provide enhanced diplomatic security and combat international terrorism, and for other purposes.

At 5:13 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Seante:

H.R. 4399. An act to designate the Federal building located in Jamaica, Queens, New York, as the "Joseph P. Addabbo Federal Building".

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 4151. An act to provide enhanced diplomatic security and combat international terrorism, and for other purposes; to the Committee on Foreign Relations.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2733. A communication from the Secretary of the Army, transmitting, pursuant to law, a report stating that the unit cost threshold has been breached on the Remotely Piloted Program; to the Committee on Armed Services.

EC-2734. A communication from the Secretary of the Army, transmitting, pursuant to law, a report stating that the unit cost threshold has been breached on the Army Helicopter Improvement Program; to the Committee on Armed Services.

EC-2735. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, the annual report on Extraordinary Contractural Actions to Facilitate the National Defense for calendar year 1986; to the Committee on Armed Services.

EC-2736. A communication from the Secretary of the Air Force, transmitting, pursuant to law, a report stating that the unit cost threshold has been exceeded on the Space Defense and Operations and T-46A programs; to the Committee on Armed Services.

EC-2737. A communication from the Secretary of Transportation, transmitting a draft of proposed legislation to authorize appropriations for the Coast Guard for fiscal year 1987, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EC-2738. A communication from the Chairman and Chief Executive Officer of the Consolidated Rail Corporation, transmitting, pursuant to law, the annual report of CONRAIL for calendar year 1985; to the Committee on Commerce, Science, and Transportation.

EC-2739. A communication from the Secretary of Transportation, transmitting, pursuant to law, a report on the Department of Transportation's efforts to implement the Commercial Space Launch Act of 1984; to the Committee on Commerce, Science, and Transportation.

EC-2740. A communication from the Secretary of Transportation, transmitting, pursuant to law, a report stating that there were not Federal Railroad Administration contractors or subcontractors indemnified during 1985; to the Committee on Commerce, Science, and Transportation.

EC-2741. A communication from the Chairman of the Board of the United States Synthetic Fuels Corporation, transmitting, pursuant to law, the annual report of the Corporation for 1985; to the Committee on Energy and Natural Resources.

EC-2742. A communication from the Acting Executive Director of the United States Holocaust Memorial Council, transmitting a draft of proposed legislation to authorize appropriations to carry out the programs of the United States Holocaust Memorial Council; to the Committee on Energy and Natural Resources.

EC-2743. A communication from the Deputy Associate Director for Royalty Management, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain excess offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-2744. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Benefit Overpayments-Recoveries Could Be Increased in the Food Stamp and AFDC Programs"; to the Committee on Finance.

EC-2745. A communication from the Director of the United States Information Agency, transmitting, pursuant to law, the annual report on competition advocacy for fiscal year 1985; to the Committee on Governmental Affairs.

EC-2746. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Justice Department-Improved Management Process Would Enhance Justice's Administration"; to the Committee on the Judiciary.

EC-2747. A communication from the Acting Administrator of the Panama Canal Commission, transmitting, pursuant to law, the annual report of the Commission under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2748. A communication from the Director of the Office of Governmental and Public Affairs, Department of Agriculture, transmitting, pursuant to law, the annual report of the Department under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2749. A communication from the Attorney General of the United States, transmitting, pursuant to law, the report of the National Drug Enforcement Policy Board entitled "Federal Drug Enforcement Progress Report 1984-1985"; to the Committee on the Judiciary.

EC-2750. A communication from the Chairman of the Federal Home Loan Bank Board, transmitting, pursuant to law, the annual report of the Board under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HATCH, from the Committee on Labor and Human Resources:

Lois Burke Shepard, of Maryland, to be Director of the Institute of Museum Services;

Francis M. Norris, of Virginia, to be Assistant Secretary for Legislation and Public Affairs, Department of Education;

John R. Wall, of Ohio, to be a member of the Occupational Safety and Health Commission for the term expiring April 27, 1987;

Truman McGill Hobbs, of Alabama, to be a member of the Board of Trustees of the Harry S. Truman Scholarship Foundation for a term expiring December 10, 1991;

Donald Barr, of Connecticut, to be a member of the National Council on Educational Research for a term expiring September 30, 1988;

James Harvey Harrison, Jr., of Virginia, to be a member of the National Council on Educational Research for a term expiring September 30, 1988;

Robert H. Matson, of Oregon, to be a member of the National Council on Educational Research for a term expiring September 30, 1988;

Joan M. Gubbins, of Indiana, to be a member of the National Council on Educational Research for a term expiring September 30, 1988;

Robert Lee McElrath, of Tennessee, to be a member of the National Council on Educational Research for a term expiring September 30, 1987;

David Alan Heslop, of California, to be a member of the National Council on Educational Research for a term expiring September 30, 1986;

Marilyn Logsdon Mennello, of Florida, to be a member of the National Museum Services Board for a term expiring December 6, 1989;

James H. Duff, of Pennsylvania, to be a member of the National Museum Services Board for the remainder of the term expiring December 6, 1986;

David B. Grey, of Maryland, to be Director of the National Institute of Handicapped Research; and

C. Ronald Kimberling, of Virginia, to be Assistant Secretary for Postsecondary Education, Department of Education.

(The above nominations were reported from the Committee on Labor and Human Resources with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DANFORTH (for himself and Mr. CHAFEE):

S. 2207. A bill to modify the limitations under the Internal Revenue Code of 1954 on net operations loss and excess credit carryovers, and for other purposes; to the Committee on Finance.

By Mr. KENNEDY (for himself and Mr. KASTEN):

S. 2208. A bill to establish the African Famine, Recovery and Development Fund for the relief, recovery, and long-term development of sub-Saharan Africa, and for other purposes; to the Committee on Foreign Relations.

By Mr. DOLE (for himself, Mr. DOMENICI, Mr. PRYOR, Mr. SIMON, Mr. STAFFORD, Mr. HATCH, Mr. DURENBERGER, Mr. BRADLEY, Mr. BENTSEN, Mr. HEINZ, and Mr. WEICKER):

S. 2209. A bill to make permanent and improve the provisions of section 1619 of the Social Security Act, which authorizes the continued payment of SSI benefits to individuals who work despite severe medical impairment; to amend such act to require concurrent notification of eligibility for SSI and Medicaid benefits and notification to certain disabled SSI recipients of their potential eligibility for benefits under such section 1619; to provide for a GAO study of the effects of such section's work incentive provisions, and for other purposes; to the Committee on Finance.

By Mr. COCHRAN (for himself, Mr. BURDICK, Mr. DOLE, Mr. KERRY, Mr. NUNN, Mr. SIMON, Mr. STENNIS, Mr. LUGAR, Mr. ZORINSKY, and Mr. CRANSTON):

S.J. Res. 299. A joint resolution to designate the week of December 7, 1986, through December 13, 1986, as "National Alopecia Areata Awareness Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. McCONNELL:

S. Res. 369. A resolution relating to trade between the United States and the Republic of Korea; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DANFORTH (for himself and Mr. CHAFEE):

S. 2207. A bill to modify the limitations under the Internal Revenue Code of 1954 on net operating loss and excess credit carryovers, and for other purposes; to the Committee on Finance.

TAX CARRYOVER LIMITATION ACT

● Mr. DANFORTH. Mr. President, Senator CHAFEE and I are pleased to be introducing legislation to address a problem in the Internal Revenue Code that Congress has grappled with since 1976. Specifically, I am referring to Code sections 382 and 383 which limit the use of a corporation's net operating loss and other carryovers following a substantial change in the stock ownership of the corporation.

The need to revise section 382 to curb abuses and eliminate discontinuities and uncertainties under current law has been apparent for many years. It is the solution that has eluded us. In the last few years, however, a growing consensus has emerged on an approach to the carryover of net operating losses. This approach first surfaced in a 1982 study by the American Law Institute entitled "Federal Income Tax Project: Subchapter C." Subsequently, a task force composed of tax practitioners, academicians, and professional staff from the Joint Committee on Taxation and the Department of the Treasury joined together with the staff of the Senate Finance Committee to prepare a report on proposals to revise the taxation of corporations and shareholders. Last year, the staff of the Senate Finance Committee released its final report on subchapter C, including specific suggestions for the revision of sections 382 and 383 based on substantial refinements and modifications to the American Law Institute's 1982 study.

The bill I am introducing draws heavily from the Senate Finance Committee's subchapter C report for new principles and guidelines to govern the carry over of net operating losses. I note that the tax reform bill recently passed by the House of Representatives also adopts the general principles proposed in the subchapter C report for dealing with such operating losses. In addition, the tax reform proposals just released by Senator PACKWOOD include revisions to sections 382 and 383 that are substantially the same as those embodied in my bill.

Mr. President, before turning to a discussion of the provisions in my bill, I would like to publicly thank all of the people—both in Government and from the private sector—who contributed so much time and effort to the Senate Finance Committee's subchapter C report. A complete list of these people can be found in Senator CHAFEE's opening remarks at the September 30, 1985, hearing on the subchapter C report held by the Subcommittee on Taxation and Debt Management of the Committee on Finance. In recent months, many of these people contributed to the development of my bill and deserve particular recognition. These people are George Yin and Lindy Paull from the Finance Committee; LaBrenda Stodghill, Laurie Mathews, and Paul Jacokes from the Joint Committee on Taxation; Jim Fransen and Mark Mathiesen from the office of Legislative Counsel; and Rick D'Avino from the Department of the Treasury.

Normally, when describing proposed legislation, I would start with a description of current law. Unfortunately, it is extremely difficult to identify current law under the circumstances presently surrounding sections 382 and 383. As part of the Tax Reform Act of 1976, Congress completely rewrote section 382 and 383. Since then, we have postponed, time and again, the effective dates of the 1976 amendments because they suffer from the same basic flaws as pre-1976 sections 382 and 383, as well as a host of additional inadequacies. The latest postponement of the effective dates expired on December 31, 1985. As a result, the 1976 amendments to sections 382 and 383 are technically the law today.

This problem is further compounded by the tax reform bill passed by the House of Representatives in December. As mentioned earlier, that bill contains new rules governing the carryover of corporate tax attributes following certain changes in stock ownership. These rules are embodied in amendments to sections 382 and 383, and are effective to changes in corporate ownership that occurred on or after January 1, 1986.

Mr. President, the situation I have just described is an excellent example of the type of confusion created by the effective dates in the House tax reform bill. In planning for a transaction, should a taxpayer rely on the 1976 amendments which are technically the law, but which almost everyone agrees should never take effect? If not, should the taxpayer rely on the provisions of the House bill which represent a sound policy improvement over the 1976 amendments and pre-1976 law, but which have not yet been acted upon by the Senate? Or perhaps the taxpayer should rely on pre-1986 law which, in fact, has been the law through December 31, 1985, notwithstanding the 1976 amendments? In my opinion, we can surely provide taxpayers with a modicum of certainly better than this.

For purposes of my statement, I will refer to pre-1976 law as current law. Under current law, a corporation that incurs a net operating loss in 1 year generally is permitted to use the loss of offset income earned in the 3 taxable years prior to and the 15 years after the year in which the loss is incurred. The underlying policy for this treatment is to ameliorate the otherwise harsh consequences of a strict annual accounting system. In 1954,

section 382 was added to the Internal Revenue Code to curb trafficking in corporations with unused net operating losses following certain changes in the ownership of the corporation. One set of rules applies in cases of ownership changes by taxable stock purchase or redemption, and the other set of rules applies to acquisitions by tax-free reorganization.

The purchase rule provides that no carryover of net operating losses is permitted if: First, the 10 largest shareholders of a loss corporation own a percentage of stock in the corporation which is at least 50 percentage points more than they owned at any time within the two preceding taxable years, and second, the loss corporation does not continue to carry on substantially the same trade or business after the change in stock ownership. Absent either of these conditions, the net operating loss carryovers of a corporation are unaffected by a change in ownership resulting from a purchase or redemption of stock. In contrast, the reorganization rule limits the carryover of net operating losses following certain tax-free reorganizations if the stock in the acquiring corporation that is received by shareholders of the loss corporation represents less than 20 percent of the stock of the surviving corporation. In such a case, the net operating loss carryovers of the loss corporation are reduced by 5 percent for each percentage point below 20 percent of the stock of the surviving corporation received by loss corporation shareholders.

In addition to these specific rules, net operating loss and other carryovers can be subject to limitations following changes in stock ownership under a variety of additional rules. First, section 269 authorizes the Secretary of the Treasury to disallow carryovers if the principal purpose of an acquisition of a corporation is tax avoidance by securing the benefit of the losses or excess credits. Limitations may also be imposed under the so-called *"Libson Shops"* doctrine, based on a 1957 Supreme Court decision [(*Libson Shops, Inc.* v. *Kehler*, 353 U.S. 382 1957)] which held that, under pre-1954 law, net operating losses would not survive a statutory merger unless the losses were offset against income earned after the merger that was attributable to the same business that produced the loss. Subsequent court decisions are divided over the continuing validity of the Libson Shops case in light of the statutory changes made in 1954. Finally, the consolidated return regulations restrict the use of net operating loss and other carryovers where a loss corporation is acquired by a consolidated group of corporations—the separate return limitation year rules—and where there is a change in the ownership of a consolidated group of corporations that has net operating loss carryovers, the consolidated return change of ownership rules.

Critics of the current rules have argued that the law encourages trafficking in net operating loss and other carryovers. In addition, current law places a substantial premium on tax planning, discriminates between different types of acquisitions without fundamental policy reasons for such discriminations, distorts investments decisions, and creates undue bias between diversified and nondiversified entities and between old and new businesses. Finally, current law fails to provide certainty in determining the extent to which tax attributes, such as net operating loss carryovers, will survive an acquisition which are unlikely to be a reflection of actual experience for a specific corporation. On the other hand, the approach provides reasonable limitations for the utilization of carryovers following ownership changes, creates an increased level of certainty for transactions covered by its provisions, and should substantially cut down on the trafficking in loss corporations.

A number of additional provisions in my bill insure the smooth application of the new rules. The bill includes a rule designed to prevent the value of the loss corporation from being inflated in anticipation of an ownership change. In particular, any capital contribution made at any time as part of a plan the principal purpose of which is to avoid the limitations would not be taken into account in determining the value of the loss corporation. In implementing this rule, the bill provides that any capital contribution made during the 2-year period ending on the date of the ownership change would be treated as such a plan. Regulations would ameliorate this 2-year rule in appropriate circumstances such as capital contributions made upon formation of the corporation.

Other provisions of the bill include special rules governing first, loss corporations which are investment companies; second, increases or decreases in investment companies; third, the limitation on utilization of carryovers for built-in gains and losses; fourth, bankruptcy proceedings; and fifth, the repeal of the Libson Shops doctrine. I do not feel it is necessary to examine all of the provisions of the bill in detail. Rather, I wish to make a few remarks on several specific provisions.

First, my bill does not include built-in depreciation deductions as built-in losses for purposes of calculating the limitations on use of carryovers. The reason for this is quite simple—use of depreciation deductions is already spread over a period of years under the provisions of the tax laws governing depreciation deductions.

Second, my bill contains a special rule exempting certain reorganizations of failing thrifts and savings and loans from the new limits on the use of carryovers. This exemption applies only to reorganizations described in section 368(a)(3)(D)(ii), and only if the reorganization is completed before January 1, 1991. I have included this provision because a similar exception applies under current law. I am not entirely convinced that this exception is warranted, but I do believe we should address the issue specifically in the Senate Finance Committee. At the present time, the Federal Home Loan Bank Board and the Federal Savings and Loan Insurance Corporation rely heavily on the existing exception in making failing thrifts attractive investments to prospective purchasers. It is not a great secret that the FSLIC is experiencing severe financial problems. Before exacerbating its problems with a change in the tax laws, we should at a minimum have a lively debate on this issue. Finally, if it is determined to retain this type of exception, we should also examine whether a similar rule should apply to reorganizations of financially troubled banks insured by the Federal Deposit Insurance Corporation.

Third, unlike the provisions of the House tax reform bill, my bill would eliminate the continuity of business requirement as a prerequisite to the carry over of net operating losses following a change in ownership.

Fourth, my bill resolves specifically the confusion over what laws are currently applicable to net operating loss carryovers by providing an effective date of January 1, 1987. At the same time, the 1976 amendments would be repealed. The result is that pre-1976 amendments would be applicable through December 31, 1986, and thereafter the provisions of my bill would apply. I do note that we may wish to consider a transition rule permitting taxpayers to elect to have the 1976 amendments apply to transactions occurring in 1986 prior to the date of enactment of my bill.

In conclusion, I believe my bill represents a significant improvement over current law, over the 1976 amendments, and over the applicable provisions of the House tax reform bill. I am hopeful that we will enact my bill quickly and finally put to rest the question of the treatment of net operating loss carryovers following substantial changes in the ownership of a corporation.

Mr. President, I ask unanimous consent that the entire text of my bill be included in the RECORD immediately following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2207

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF 1954 CODE.

(a) SHORT TITLE.—This Act may be cited as the "Tax Carryover Limitation Act of 1986".

(b) AMENDMENT OF 1954 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

SEC. 2. LIMITATIONS ON TAX CARRYOVERS.

(a) IN GENERAL.—Section 382 (relating to special limitations on net operating loss carryovers) is amended to read as follows:

"SEC. 382. LIMITATION ON NET OPERATING LOSS CARRYOVERS AND CERTAIN BUILT-IN LOSSES FOLLOWING CHANGE IN CONTROL.

"(a) GENERAL RULE.—The amount of the taxable income of any new loss corporation for any post-change year which may be offset by pre-change losses shall not exceed the section 382 limitation for such year.

"(b) SECTION 382 LIMITATION.—For purposes of this section—

"(1) IN GENERAL.—Except as otherwise provided in this section, the section 382 limitation for any post-change year is an amount equal to—

"(A) the value of the old loss corporation immediately before the ownership change, multiplied by

"(B) the Federal mid-term rate in effect under section 1274(d) on the change date.

"(2) CARRYOVER OF UNUSED LIMITATION.—If the section 382 limitation for any post-change year exceeds the taxable income of the new loss corporation for such year which was offset by pre-change losses, the section 382 limitation for the next post-change year shall be increased by the amount of such excess.

"(3) SPECIAL RULE FOR POST-CHANGE YEAR WHICH INCLUDES CHANGE DATE.—In the case of any post-change year which includes the change date—

"(A) LIMITATION DOES NOT APPLY TO TAXABLE INCOME BEFORE CHANGE.—Subsection (a) shall not apply to the portion of the taxable income for such year which is allocable to the period in such year before the change date. Except as provided in regulations, taxable income shall be allocated to such period on a daily pro rata basis.

"(B) LIMITATION FOR PERIOD AFTER CHANGE.—For purposes of applying the limitation of subsection (a) to the remainder of the taxable income for such year, the section 382 limitation shall be an amount which bears the same ratio to such limitation (determined without regard to this paragraph) as—

"(i) the number of days in such year on or after the change date, bears to

"(ii) 365.

"(4) SPECIAL RULE FOR SHORT TAXABLE YEAR.—In the case of any post-change year which is less than 365 days, the section 382 limitation shall be an amount which bears the same ratio to such limitation (determined without regard to this paragraph) as—

"(A) the number of days in such post-change year, bears to

"(B) 365.

"(c) PRE-CHANGE LOSS AND POST-CHANGE YEAR.—For purposes of this section—

"(1) PRE-CHANGE LOSS.—The term 'pre-change loss' means—

"(A) any net operating loss carryover to the taxable year ending with the ownership change or in which the change date occurs, and

"(B) the net operating loss of the old loss corporation for the taxable year ending with the ownership change or the net operating loss of the old loss corporation for the taxable year in which the ownership change occurs which is allocable to the period in such year before the change date.

Except as provided in regulations, the net operating loss shall, for purposes of subparagraph (B), be allocated to the period on a daily pro rata basis.

"(2) POST-CHANGE YEAR.—The term 'post-change year' means any taxable year ending after the change date.

"(d) VALUE OF OLD LOSS CORPORATION.—For purposes of this section, the value of the old loss corporation is the value of the stock of such corporation (including any stock described in section 1504(a)(4)).

"(e) OWNERSHIP CHANGE.—For purposes of this section—

"(1) IN GENERAL.—There is an ownership change if there is—

"(A) a more than 50-percent owner shift, or

"(B) a more than 50-percent equity structure change.

"(2) MORE THAN 50-PERCENT OWNER SHIFT.—There is a more than 50-percent owner shift if, immediately after any owner shift, the percentage of the stock (by value) of the new loss corporation held by all 5-percent shareholders is more than 50 percentage points more or less than the percentage of stock (by value) of the old loss corporation (or any predecessor corporation) held by such shareholders at any time during the testing period.

"(3) MORE THAN 50-PERCENT EQUITY STRUCTURE CHANGE.—There is a more than 50-percent equity structure change if, as a result of an equity structure change—

"(A) the percentage of stock (by value) of the new loss corporation held by shareholders of the old loss corporation is more than 50 percentage points less than

"(B) the percentage of stock (by value) of the old loss corporation (or any predecessor corporation) held by such shareholders at any time during the testing period.

"(4) OWNER SHIFT DEFINED.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the term 'owner shift' means any change in the respective holdings in the stock of a corporation.

"(B) EXCLUSION OF MORE THAN 50-PERCENT EQUITY STRUCTURE CHANGE.—Any more than 50-percent equity structure change shall not be treated as an owner shift.

"(5) EQUITY STRUCTURE CHANGE DEFINED.—The term 'equity structure change' means any reorganization (within the meaning of section 368). Such term shall not include any reorganization described in subparagraph (D) or (G) of section 368(a)(1) unless the requirements of section 354(b)(1) are met.

"(f) SPECIAL RULES FOR BUILT-IN GAINS AND LOSSES.—For purposes of this section—

"(1) IN GENERAL.—

"(A) NET UNREALIZED BUILT-IN GAIN.—

"(i) IN GENERAL.—If the old loss corporation has a net unrealized built-in gain, the section 382 limitation for any taxable year ending in the recognition period shall be increased by the recognized built-in gains for such taxable year.

"(ii) LIMITATION.—The increase under clause (i) for any taxable year ending in the recognition period shall not exceed—

"(I) the net unrealized built-in gain, reduced by

"(II) recognized built-in gains for prior years ending in the recognition period.

"(B) NET UNREALIZED BUILT-IN LOSS.—

"(i) IN GENERAL.—If the old loss corporation has a net unrealized built-in loss, the recognized built-in loss for any taxable year ending in the recognition period shall be subject to limitation under this section in the same manner as if such loss were a pre-change loss.

"(ii) LIMITATION.—Clause (i) shall apply to recognized built-in losses for any taxable year ending in the recognition period only to the extent such losses do not exceed—

"(I) the net unrealized built-in loss, reduced by

"(II) recognized built-in losses for prior taxable years ending in the recognition period.

"(2) RECOGNIZED BUILT-IN GAIN AND LOSS.—

"(A) RECOGNIZED BUILT-IN GAIN.—The term 'recognized built-in gain' means any gain recognized during the recognition period on the disposition of any asset to the extent the new loss corporation establishes that—

"(i) such asset was held by the old loss corporation immediately before the change date, and

"(ii) such gain is allocable to any period before the change date.

"(B) RECOGNIZED BUILT-IN LOSS.—The term 'recognized built-in loss' means any loss recognized during the recognition period on the disposition of any asset except to the extent the new loss corporation establishes that—

"(i) such asset was not held by the old loss corporation immediately before the change date, or

"(ii) such loss (or a portion of such loss) is allocable to any period after the change date.

"(3) NET UNREALIZED BUILT-IN GAIN AND LOSS DEFINED.—

"(A) NET UNREALIZED BUILT-IN GAIN AND LOSS.—

"(i) IN GENERAL.—The terms 'net unrealized built-in gain' and 'net unrealized built-in loss' mean, with respect to any old loss corporation, the amount by which—

"(I) the fair market value of the assets of such corporation immediately before an ownership change is more or less, respectively, than

"(II) the aggregate adjusted basis of such assets at such time.

"(ii) CASH AND CASH ITEMS NOT TAKEN INTO ACCOUNT.—In computing any net unrealized built-in gain or net unrealized built-in loss under clause (i), there shall not be taken into account—

"(I) any cash or cash item, or

"(II) any marketable security which has not declined or appreciated substantially in value (as determined under regulations).

"(B) THRESHOLD REQUIREMENT.—If the amount of the net unrealized built-in gain or net unrealized built-in loss of any old loss corporation (determined without regard to this subparagraph) is not greater than 25 percent of the amount determined under subclause (I) of subparagraph (A)(i) (determined with regard to subparagraph (A)(ii)), the net unrealized built-in gain or net unrealized built-in loss shall be zero.

"(4) SECRETARY MAY TREAT CERTAIN DEDUCTIONS AS BUILT-IN LOSSES.—The Secretary may by regulation treat amounts which accrue before the change date but which are

allowable as a deduction on or after such date as recognized built-in losses.

"(5) RECOGNITION PERIOD.—The term 'recognition period' means, with respect to any ownership change, the period beginning on the change date and ending at the close of the fifth post-change year.

"(g) 5-PERCENT SHAREHOLDERS.—For purposes of this section, the term '5-percent shareholder' means any person holding 5 percent or more in value of the stock of the corporation at any time during the testing period.

"(h) TESTING PERIOD.—For purposes of this section—

"(1) 3-YEAR PERIOD.—Except as otherwise provided in this section, the testing period is the 3-year period ending on the day of any owner shift or equity structure change.

"(2) SHORTER PERIOD WHERE THERE HAS BEEN RECENT OWNERSHIP CHANGE.—If there has been an ownership change under this section affecting any carryover of a loss or of an excess credit, the testing period for determining whether a second ownership change has occurred shall not begin before the 1st day following the testing period for such earlier ownership change.

"(3) SHORTER PERIOD WHERE ALL LOSSES ARISE AFTER 3-YEAR PERIOD BEGINS.—The testing period shall not begin before the 1st day of the 1st taxable year from which there is a carryover of a loss or of an excess credit to the 1st post-change year.

"(i) CHANGE DATE.—For purposes of this section, the change date is—

"(1) in the case of a more than 50 percent owner shift, the date on which such shift occurs, and

"(2) in the case of a more than 50 percent equity structure change, the date of the reorganization.

"(j) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) LOSS CORPORATION.—The term 'loss corporation' means a corporation entitled to use a net operating loss carryover. Except to the extent provided in regulations, such term includes any corporation with a net unrealized built-in loss.

"(2) OLD LOSS CORPORATION.—The term 'old loss corporation' means any corporation—

"(A) which (before the ownership change) was a loss corporation, or

"(B) with respect to which there is a pre-change loss described in subsection (c)(1)(B).

"(3) NEW LOSS CORPORATION.—The term 'new loss corporation' means a corporation which (after an ownership change) is a loss corporation. Nothing in this section shall be treated as implying that the same corporation may not be both the old loss corporation and the new loss corporation.

"(4) TAXABLE INCOME.—Taxable income shall be computed with the modifications set forth in section 172(d).

"(5) VALUE.—The term 'value' means fair market value.

"(6) RULES RELATING TO STOCK.—

"(A) PREFERRED STOCK.—Except for purposes of subsection (d), the term 'stock' means stock other than stock described in section 1504(a)(4).

"(B) TREATMENT OF CERTAIN RIGHTS, ETC.—The Secretary shall prescribe such regulations as may be necessary—

"(i) to treat warrants, the conversion feature of convertible debt interests, and other similar interests as stock,

"(ii) to treat stock as not stock, and

"(iii) to treat options to acquire or sell stock as having been exercised.

"(C) DETERMINATIONS ON BASIS OF VALUE.—Determinations of the percentage of stock of any corporation held by any person shall be made on the basis of value.

"(k) CERTAIN ADDITIONAL OPERATING RULES.—For purposes of this section—

"(1) CERTAIN CAPITAL CONTRIBUTIONS NOT TAKEN INTO ACCOUNT.—

"(A) IN GENERAL.—Any capital contribution received by any old loss corporation as part of a plan the principal purpose of which is to avoid any limitation under this section shall not be taken into account for purposes of this section.

"(B) CERTAIN CONTRIBUTIONS PRESUMED TO BE PART OF PLAN.—For purposes of subparagraph (A), any capital contribution made during the 2-year period ending on the change date shall, except as provided in regulations, be treated as part of a plan described in subparagraph (A).

"(2) ORDERING RULES FOR APPLICATION OF SECTION.—

"(A) COORDINATION WITH SECTION 172(B) CARRYOVER RULES.—In the case of any pre-change loss for any taxable year (hereinafter in this subparagraph referred to as the 'loss year') subject to limitation under this section, for purposes of determining under the second sentence of section 172(b)(2) the amount of such loss which may be carried to any taxable year, taxable income for any taxable year shall be treated as not greater than—

"(i) the section 382 limitation for such taxable year, reduced by

"(ii) the pre-change losses for taxable years preceding the loss year.

Similar rules shall apply in the case of any credit or loss subject to limitation under section 383.

"(B) ORDERING RULE FOR LOSSES CARRIED FROM SAME TAXABLE YEAR.—In any case in which—

"(i) a pre-change loss of a loss corporation for any taxable year is subject to a section 382 limitation, and

"(ii) a net operating loss of such corporation from such taxable year is not subject to such limitation,

taxable income shall be treated as having been offset first by the loss subject to such limitation.

"(3) OPERATING RULES RELATING TO OWNERSHIP OF STOCK.—

"(A) CONSTRUCTIVE OWNERSHIP.—Section 318 (relating to constructive ownership of stock) shall apply in determining ownership of stock, except that—

"(i) paragraph (2)(C) of section 318(a) shall be applied by substituting '5 percent' for '50 percent',

"(ii) paragraph (3)(C) of section 318(a) shall be applied—

"(I) by substituting '5 percent' for '50 percent', and

"(II) by considering a corporation as owning the stock (other than stock in such corporation) owned by or for any shareholder of such corporation in that proportion which the value of the stock which such shareholder owns in such corporation bears to the value of all stock in such corporation, and

"(iii) except to the extent provided in regulations, paragraph (4) of section 318(a) shall not apply.

"(B) STOCK ACQUIRED BY REASON OF DEATH, GIFT, DIVORCE, OR SEPARATION.—If—

"(i) the basis of any stock in the hands of any person is determined under section 1014 (relating to property acquired from a decedent) or section 1015 (relating to property acquired by gift or transfers in trust),

"(ii) stock is received by any person in satisfaction of a right to receive a pecuniary bequest, or

"(iii) stock is acquired pursuant to any divorce or separation instrument (within the meaning of section 71(b)(2)),

the receipt or acquisition of such stock shall not be taken into account in determining whether an ownership change has occurred.

"(C) SPECIAL RULE FOR EMPLOYEE STOCK OWNERSHIP PLANS.—The acquisition of employer securities (within the meaning of section 409(l)) by—

"(i) a tax credit employee stock ownership plan or an employee stock ownership plan (within the meaning of section 4975(e)(7)), or

"(ii) by a participant of any such plan pursuant to the requirements of section 409(h), shall not be taken into account in determining whether an ownership change has occurred.

"(D) CERTAIN CHANGES IN PERCENTAGE OWNERSHIP WHICH ARE ATTRIBUTABLE TO FLUCTUATIONS IN VALUE NOT TAKEN INTO ACCOUNT.—Under regulations, any change in proportionate ownership which is attributable solely to fluctuations in the relative fair market values of different classes of stock shall not be taken into account.

"(4) NO CARRYOVER ALLOWED IN THE CASE OF AN INVESTMENT COMPANY.—

"(A) IN GENERAL.—If, immediately before any ownership change, the old loss corporation is an investment company, the section 382 limitation for any post-change year shall be zero.

"(B) INVESTMENT COMPANY.—For purposes of subparagraph (A), the term 'investment company' means any corporation at least 2/3 of the value of the total assets of which consists of assets held for investment, but such term shall not include a regulated investment company to which part I of subchapter M applies or a real estate investment trust to which part II of subchapter M applies.

"(C) TREATMENT OF SUBSIDIARIES.—For purposes of subparagraph (B), stock and securities held by any parent corporation in any subsidiary corporation shall be disregarded and such parent corporation shall be deemed to own its ratable share of the subsidiary's assets. For purposes of the preceding sentence, a corporation shall be treated as a subsidiary if the parent owns 50 percent or more of the combined voting power of all classes of stock entitled to vote, or 50 percent or more of the total value of shares of all classes of stock outstanding.

"(5) TITLE 11 OR SIMILAR CASE.—

"(A) IN GENERAL.—Subsection (a) shall not apply to any ownership change if—

"(i) the old loss corporation is, immediately before such ownership change, under the jurisdiction of the court in a title 11 or similar case, and

"(ii) the shareholders and creditors of the old loss corporation (determined immediately before such ownership change) own, immediately after such ownership change, stock of the new loss corporation which meets the requirements of section 1504(a)(2) (determined by substituting '50 percent' for '80 percent' each place it appears).

"(B) REDUCTION FOR INTEREST PAYMENTS TO CREDITORS BECOMING SHAREHOLDERS.—In any case to which subparagraph (A) applies, the net operating loss deduction under section 172(a) for any post-change year shall be determined as if no deduction was allowable under this chapter for the interest paid or accrued by the old loss corporation on indebtedness which was converted into stock pursuant to the title 11 or similar case during the period beginning on—

"(i) the first day of the 3rd taxable year preceding the taxable year in which the ownership change occurs, and

"(ii) ending on the change date.

"(C) SECTION 382 LIMITATION ZERO IF ANOTHER CHANGE WITHIN 2 YEARS.—If, during the 2-year period immediately following an ownership change to which this paragraph applies, an ownership change of the new loss corporation occurs, this paragraph shall not apply and the section 382 limitation with respect to the second ownership change for any post-change year ending after the change date of the second ownership change shall be zero.

"(D) ONLY CERTAIN STOCK OF CREDITORS TAKEN INTO ACCOUNT.—For purposes of subparagraph (A)(ii), stock of a creditor which was converted from indebtedness shall be taken into account only if such indebtedness—

"(i) was held by the creditor at least 1 year before the date of the filing of the title 11 or similar case, or

"(ii) arose in the ordinary course of the trade or business of the old loss corporation.

"(E) TITLE 11 OR SIMILAR CASE.—For purposes of this paragraph, the term 'title 11 or similar case' has the meaning given such term by section 368(a)(3)(A).".

(b) AMENDMENT OF SECTION 383.—Section 383 (relating to special limitations on unused investment credits, etc.) is amended to read as follows:

"SEC. 383. SPECIAL LIMITATIONS ON CERTAIN EXCESS CREDITS, ETC.

"(a) IN GENERAL.—In the case of an ownership change of any corporation, the Secretary shall prescribe regulations which apply the limitations of section 382 with respect to net operating loss carryovers to—

"(1) any unused credit of such corporation under section 30(g)(2) or 39,

"(2) any excess foreign taxes of such corporation under section 904(c), and

"(3) any net capital loss of such corporation under section 1212.

"(b) OWNERSHIP CHANGE.—For purposes of subsection (a), the term 'ownership change' has the meaning given such term by section 382(e), except that the determination of whether a change is an ownership change shall be made without regard to whether a corporation is a loss corporation (within the meaning of section 382(j)(1)) immediately before the change.".

(c) CONFORMING AMENDMENTS.—

(1) Paragraph (5) of section 318(b) is amended by striking out "section 382(a)(3)" and inserting in lieu thereof "section 382(l)(3)".

(2) The table of sections for part V of subchapter C of chapter 1 is amended—

(A) by striking out the item relating to section 382 and inserting in lieu thereof the following new item:

"Sec. 382. Limitation on net operating loss carryovers and certain built-in losses following change in control.",

and

(B) by striking out the item relating to section 383 and inserting in lieu thereof the following new item:

"Sec. 383. Special limitations on certain excess credits, etc.".

(d) REPEAL OF CHANGES MADE BY TAX REFORM ACT OF 1976.—

(1) Subsections (e) and (f) of section 806 of the Tax Reform Act of 1976 are hereby repealed.

(2) Subsection (g) of such section 806 is amended by striking out paragraphs (2) and (3).

(3) The repeals made by paragraph (1) and the amendment made by paragraph (2) shall not affect the amendment to section 383 of the Internal Revenue Code of 1954 made by subsection (f) of such section 806.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by subsections (a), (b), and (c), shall apply to any ownership change (as defined in section 382(e) of the Internal Revenue Code of 1954, as added by this section) occurring after December 31, 1986.

(2) FOR AMENDMENTS TO TAX REFORM ACT OF 1976.—The repeals made by subsection (d)(1) and the amendment made by subsection (d)(2) shall take effect on January 1, 1986.

(3) SPECIAL RULE FOR CERTAIN REORGANIZATIONS OF FINANCIAL INSTITUTIONS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the amendments made by this section shall not apply to any reorganization described in section 368(a)(3)(D)(ii) of the Internal Revenue Code of 1954 which is completed after December 31, 1986, and before January 1, 1991.

(B) SUBSEQUENT REORGANIZATION.—If, at any time following a reorganization described in subparagraph (A), a subsequent ownership change occurs—

(i) subparagraph (A) shall not apply to any post-change year ending after the change date of such subsequent change, and

(ii) the section 382 limitation with respect to pre-change losses allocable to periods before the reorganization described in subparagraph (A) shall be zero.

(C) DEFINITIONS.—For purposes of this paragraph, any term used in section 382 of such Code, as amended by this section, shall have the same meaning when used in this paragraph.●

By Mr. KENNEDY (for himself and Mr. KASTEN):

S. 2208. A bill to establish the Africa Famine, Recovery, and Development Fund for the relief, recovery, and long-term development of sub-Saharan Africa, and for other purposes; to the Committee on Foreign Relations.

AFRICA FAMINE, RECOVERY, AND DEVELOPMENT FUND ACT

Mr. KENNEDY. Mr. President, I am delighted to join Senator KASTEN in introducing today a bill similar to legislation we introduced last year to establish within the Foreign Assistance Act a permanent long-term fund for African famine recovery and development. It is patterned along the lines of legislation I offered in 1974, with the late Senator Hubert Humphrey, when we created the Sahel drought fund. That fund has, and continues to do much to assist those West African countries.

But drought and famine conditions have now spread to much of sub-Saharan Africa, and we need to broaden and strengthen the authorities in our law to assist them in a more effective and sustained fashion.

Following our legislative effort last year, Senator KASTEN and I have worked closely with the voluntary agencies, with their umbrella coalition at InterAction, and with many other experts in the field. The hope was to learn from the past and to strengthen the existing authorities in the Foreign Assistance Act, while also broadening them to include new initiatives dealing with famine recovery and development in Africa.

I believe all Americans can be proud of what our country has done over the past year and a half to help the starving peoples of Africa. U.S. aid—contributions from the church agencies, and private donations—have saved millions of lives. But we cannot afford to relax now. We must keep the pipeline filled with food, and keep the pressure on, so that help gets where it is still needed.

But equally important, we must begin to prepare now for the longer term. The central challenge today is whether the nations now suffering recurrent drought and famine in Africa can ever feed themselves again. Two decades ago, the same question was posed—and answered affirmatively—in Asia. In the 1960's the United States acted to avert repeated famine in India, but today India feeds itself, thanks to international assistance and agricultural reforms.

That is the purpose of the bill we are offering today. As in the Sahel a decade ago, this bill will help us move from an emergency relief effort to programs for rehabilitation and recovery, and finally to longer-term agricultural development. As in the Sahel, we need a longer-term authority in our foreign assistance program to launch this longer-term effort to help the African nations recover from drought and famine, to achieve agricultural development and, hopefully, to become self-sufficient in food production.

Our bill simply establishes an African famine recovery and development fund to allow the President to seek appropriations for long-term agricultural recovery and development programs, particularly for support of policy reforms and for agricultural support and research for small farmers. These goals of the fund are specified because all agree today that they are central to Africa's effort to achieve self-sufficiency in food.

The key to avoiding future famines, and to minimizing the effect of droughts when they do occur, is to pursue broad agricultural reforms. Ultimately, the African nations themselves must make a commitment to reform. However, they can do so only if they obtain help from other countries. The United States should make clear that it is ready to respond generously to nations that pursue policy reforms, and to reward them with additional assistance when they do.

Unfortunately, many governments in Africa still maintain economic and agricultural policies that favor urban consumers to the detriment of rural farmers. Prices paid to farmers are kept artificially low. Currencies are inflated, and with loans from abroad

urban citizens are able to purchase inexpensive foods and goods from overseas at the expense of their own farmers. Sometimes cash crops have been promoted to support food imports at the expense of domestic crops. It will take political courage for any of these nations to reverse their policies, but we should be prepared to help those that begin the effort.

Second, the fund's authorizing language also emphasizes agricultural research and support for small farmers. There is widespread agreement that the best method to increase food production in Africa is to strengthen rural farmers, who are frequently neglected or ignored in current government programs and agricultural extension services.

Third, the bill emphasizes that the crisis in Africa requires a global initiative, and stresses the important role of international organizations and multilateral institutions, as well as the voluntary and church agencies. It recognizes that international organizations are particularly suited to undertake programs in material and child health, primary health care, refugee self-sufficiency and strengthening of host country social infrastructure, donor coordination, women's roles in African food systems, food strategy planning, replenishment of natural resources, population planning, and research related to increasing African food production. These organizations include the U.N. Development Program, UNICEF, the U.N. High Commissioner for Refugees, World Health Organization, Food and Agriculture Organization, and the International Fund for Agricultural Development. The work of all these organizations in Africa can be supported by this fund.

Fourth, the bill recognizes the importance of achieving better coordination of development efforts in Africa. Again, building on the Sahel experience, it mandates that an international coordinating mechanism be established for Africa and be strongly supported by our Government.

Fifth, the bill recognizes the importance of trade policies and the role of the multilateral lending institutions, such as the World Bank's Special Facility for Africa, in supporting policy reform and agricultural rehabilitation in Africa.

Mr. President, it is impossible today for us to establish an exact dollar level for these programs, even for the coming fiscal year, much less for the years to come. We are still involved in emergency operations in several countries. That is why we have simply authorized "such sums as may be necessary," while at the same time mandating that all existing programs authorized in the development assistance accounts of AID must be implemented within the guidelines contained in the new authorities established in this bill.

Although it is not possible to give a precise figure on needed funding, it is possible to establish what funds will be available next year from these accounts. Approximately $350 million is now available for Africa from existing accounts, including the Sahel fund, and up to another $650 million might come from loan reflows, development and military sales, or ESF funds—for a total of $1 billion for the coming fiscal year. Some have suggested that another $300 million—for a total of $1.3 billion—should be the target we establish for the fund.

While we may not be able to agree now on an exact figure, we know that it will be substantial if we are really to join in an international effort to help Africa feed itself in the decade to come.

Senator KASTEN and I consider this to be a "working bill"—a starting point—an effort to establish a permanent funding authority to support longer-term recovery and development in Africa. Because the lesson of past experience is that a self-sustaining future for nations dealing with drought and famine is possible only through long-term agricultural reform.

In recent years, per capita food production has been rising steadily in Asia and Latin America, but it is sharply down in Africa. Unless this basic trend is reversed, there will be no long-term progress. There is hope for Ethiopia and Sudan and other hardhit nations if the United States and the West are willing to help—not just today, but tomorrow too. That is the goal of the special fund we are establishing by this bill, and I urge the Senate to support it.

Mr. KASTEN. Mr. President, the response of both the American people and their Government to the pleas for help when much of sub-Saharan Africa was subjected to drought last year, was extraordinary and heartening.

The U.S. Government, led by the Agency for International Development, responded promptly and effectively, and deserves much of the credit for alleviating suffering and preventing starvation.

The response of the American people to pleas for financial assistance was met in a typically very generous fashion, and it is a total effort that we all can be very proud of.

Notwithstanding that effort, much remains to be done. Most of the countries of Africa live at the edge of life, their people eking out a bare subsistence on land resources constantly pressured by drought, desertification, and poor agricultural practices.

Most government policies on the continent emphasize the needs of the urban population, destroying incentives necessary for agricultural production and marketing.

The legislation Senator KENNEDY and I are introducing today represents a major effort on our part, to begin a process which hopefully will lead to the enactment of comprehensive legislation addressing the long-term recovery and development needs of sub-Saharan Africa.

Clearly, a special effort is required, and more clearly, we need a redirection in the way assistance programs are carried out on that continent.

Mr. President, I am not going to repeat the presentation already made by the senior Senator from Massachusetts on this legislation, but I would like to highlight a few of the major provisions it contains:

The legislation establishes a fund through which appropriations for development assistance would be provided, thus eliminating some of the more cumbersome aspects of providing aid under the existing functional accounts of the Foreign Assistance Act. This particular provision is very important in order to provide the administration with the flexibility required in Africa;

The legislation emphasizes both the need for agricultural research and support for small farmers, as well as the need for structural economic reforms in such areas as pricing policy, privatization of parastatals, and the development of indigenous capabilities in the areas of appropriate technology and improvement and development of production related infrastructure;

The legislation stresses the need for a global initiative through increased utilization of international organizations, multilateral institutions, as well as voluntary and church agencies. It underscores the need for donor coordination, a very important element if the overall effort is to be successful;

Funding for this initiative is obtained by the transfer of those funds which would have gone to the area through existing programs. Because of the budgetary situation, the legislation does not call for increased funding, but there is a provision which would allow for increased funding if the overall budgetary situation should change. The most important aspects of this legislation are the new authorities and flexibility they provide.

Mr. President, as Senator KENNEDY mentioned, we view this legislation as a working bill—in effect, a first draft which we hope will be the starting point for the appropriate committees to begin with as we search for long-term solutions to help the countries of Africa develop and sustain themselves.

Finally, Mr. President, I would like to express my appreciation to the numerous organizations which helped in the development of this legislation, led by "interaction," the umbrella group formed by private and voluntary organizations.

Senator KENNEDY and I look forward to continuing our work on this legislation with them, as well as international organizations, the administration, the Foreign Relations Committee, and others who are interested in helping to solve the problems of Sub-Saharan Africa.

By Mr. DOLE (for himself, Mr. DOMENICI, Mr. PRYOR, Mr. SIMON, Mr. STAFFORD, Mr. HATCH, Mr. DURENBERGER, Mr. BRADLEY, Mr. BENTSEN, Mr. HEINZ, and Mr. WEICKER):

S. 2209. A bill to make permanent and improve the provisions of section 1619 of the Social Security Act, which authorize the continued payment of SSI benefits to individuals who work despite severe medical impairment; to amend such act to require concurrent notification of eligibility for SSI and Medicaid benefits and notification to certain disabled SSI recipients of their potential eligiblity for benefits under such section 1619; to provide for a GAO study of the effects of such section's work incentive provisions, and for other purposes; to the Committee on Finance.

EMPLOYMENT OPPORTUNITIES FOR DISABLED AMERICANS ACT

Mr. DOLE. Mr. President, today I am introducing, along with my colleagues Senators DOMENICI, PRYOR, SIMON, STAFFORD, HATCH, DURENBERGER, BRADLEY, BENTSEN, HEINZ, and WEICKER the Employment Opportunities for Disabled Americans Act. The primary purpose of this bill is to permanently remove a major work disincentive, and to create a Federal environment which fosters increased employment of disabled persons.

On June 9, 1980, the Social Security Disability Amendments of 1980 were signed into law. These amendments attempted to deal with some longstanding issues of equity and efficiency in the SSDI and SSI Programs. Among the provisions within these amendments were the section 1619 Program: special SSI benefits and continuation of Medicaid for the working disabled. This 3 year demonstration was scheduled to cease at the end of 1983. The Social Security Disability Reform Act of 1984, however, extended section 1619 beyond its original expiration date, once again on a demonstration basis.

Section 1619(a) allows SSI recipients to continue to receive SSI cash payments after they begin engaging in substantial gainful activity [SGA] up to the income disregard "breakeven point." Section 1619(b) permits SSI eligible persons to retain Medicaid coverage eligibility if they continue to need Medicaid services in order to work, and if their income is not sufficient to purchase the needed medical services.

There is a growing recognition that the 1619 program could save money by encouraging persons to work who would otherwise remain on SSI throughout their lives. A recent Congressional Budget Office preliminary estimate of the cost of making 1619 permanent projects a zero-budget impact. This CBO estimate reflects the assumption that many SSI recipients who would otherwise remain on the SSI rolls for life would begin to work under the protection of a permanent 1619.

The financial advantages of enabling as SSI recipient to work are substantial. SSA estimates that a typical SSI recipient at the age of 35 years old would receive at least $200,000 in SSI income payments and health care benefits if not working by the time he became 65 years old.

In addition to making the provisions of section 1619 permanent, this bill also:

Provides for the automatic reinstatement, without delay, of individuals who are deemed eligible for SSI because of their disability if their income or medical coverage fluctuates;

Continues SSI payments to 1619 eligibles who are institutionalized for up to 60 days within a 24-month period;

Provides for the continuation of title XIX benefits to otherwise eligible children who become entitled to child's insurance benefits under section 202(d);

Requires the Social Security Administration to designate a 1619 specialist in each office where feasible;

Requires SSA to notify a disabled individual about section 1619 when the individual first becomes an SSI recipient, and again when the person's earned income exceeds $200 a month;

Requires GAO to conduct a study of the operation of section 1619 to evaluate the program's effectiveness; and

Extends the Social Security Administration's authority to waive a variety of statutory requirements to test the impact on rehabilitation and employment of SSI and SSDI recipients.

Currently there are 406 persons participating in the section 1619(a) program and 6,804 persons in the 1619(b) program. There are, however, over 2.5 million disabled SSI recipients. The provisions outlined above will provide the impetus for even greater numbers of disabled Americans to become participants in the 1619 program and gainful employment.

We are just beginning to scratch the surface regarding the full potential of persons with disabilities. Industry has recognized this untapped resource and is beginning to open wide the doors to employment opportunities for disabled persons. It is up to the Federal Government to support such opportunities—opportunities for a job and all the independence, self-sufficiency, and dignity that goes with being a productive member of the community.

The legislation that I introduce today takes one more step in the long path to economic independence for disabled Americans. I urge my colleagues to join me in cosponsoring the Employment Opportunities for Disabled Americans Act.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2209

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Employment Opportunities for Disabled Americans Act".

SEC. 2. PERMANENT AUTHORIZATION OF PROGRAM OF BENEFITS UNDER SECTION 1619.

Section 201(d) of the Social Security Disability Amendments of 1980 (42 U.S.C. 1382h note) is amended by striking out ", but shall remain in effect only through June 30, 1987".

SEC. 3. ELIGIBILITY OF CERTAIN DISABLED INDIVIDUALS FOR BENEFITS DURING INITIAL TWO MONTHS IN PUBLIC INSTITUTION.

Section 1611(e)(1) of the Social Security Act (42 U.S.C. 1382(e)(1)) is amended—

(1) in subparagraph (A) by striking out "and (D)" and inserting in lieu thereof "(D), and (E)(i)"; and

(2) in subparagraph (B) by inserting "(subject to subparagraph (E)(ii))" after "shall be payable"; and

(3) by adding at the end thereof the following new subparagraph:

"(E)(i) Notwithstanding subparagraph (A), any individual who—

"(I) is an inmate of a public institution throughout any month as described in subparagraph (A),

"(II) was eligible under section 1619(a) or (b) for the month preceding such month, and

"(III) has not been an eligible individual or eligible spouse by reason of this subparagraph for any month during the 24-month period ending with (and including) such preceding month,

may be an eligible individual or eligible spouse for purposes of this title (and entitled to a benefit determined on the basis of the rate applicable under subsection (b)) for the month referrd to in subclause (I) and, if such subclause still applies, for the succeeding month.

"(ii) Notwithstanding subparagraph (B), any eligible individual or eligible spouse who—

"(I) is in a hospital, extended care facility, nursing home, or intermediate care facility throughout any month as described in subparagraph (B),

"(II) was eligible under section 1619 (a) or (b) for the month preceding such month, and

"(III) has not had his or her benefit determined on the basis of the rate applicable under subsection (b) while in such a hospital, home, or facility, by reason of this subparagraph, for any month during the 24-month period ending with (and including) such preceding month,

shall have such benefit determined on the basis of the rate applicable under subsection

(b) for the month referred to in subclause (I) and, if such subclause still applies, for the succeeding month.".

SEC. 4. IMPROVEMENTS TO SECTION 1619 PROGRAM.

(a) CONDITIONS FOR CONTINUATION OF MEDICAID COVERAGE.—Section 1619(b) of the Social Security Act is amended—

(1) by striking out "title XIX" in paragraph (3) and inserting in lieu thereof "title XIX of XX"; and

(2) by striking out "title XIX" in paragraph (4) and inserting in lieu thereof "titles XIX and XX".

(b) DESIGNATION OF SECTION 1619 SPECIALIST.—Section 1619(c) of such Act is amended by striking out "and shall conduct such programs for the staffs of the district offices of the Social Security Administration" and inserting in lieu thereof ", shall conduct such programs for the staffs of the district offices of the Social Security Administration, and shall require each such office with a sufficient number of staff personnel to designate a staff member to specialize in the implementation of the provisions of this section".

(c) BENEFITS FOR INDIVIDUALS WITH INCOME OF AN UNUSUAL AND INFREQUENT NATURE.—Section 1619 of such Act is further amended by adding at the end thereof the following new subsection:

"(d)(1) For purposes of subsection (a), an individual who was not eligible to receive a benefit under section 1611(b) or under this section for the month preceding the month for which eligibility for benefits under this section is now being determined shall nevertheless be deemed to have been eligible to receive a benefit under section 1611(b) or under this section for that month if—

"(A) the individual was ineligible to receive such a benefit for that month, or for that month and one or more additional months (in a period of consecutive months) immediately preceding that month, solely because the individual had received income of an unusual and infrequent or irregular nature (as defined by the Secretary for purposes of this subsection), but

"(B) the individual received such a benefit for the month preceding the first month of such ineligibility.

"(2)(A) For purposes of subsection (b), an individual who did not receive any payment described in clause (i), (ii), (iii), or (iv) of such subsection for the month preceding the first month in the period to which such subsection applies shall nevertheless be deemed to have received such a payment for the month preceding the first month in such period if—

"(i) the individual was ineligible to receive such a payment for that month, or for that month and one or more additional months (in a period of consecutive months) immediately preceding that month, solely because the individual had received income of an unusual and infrequent or irregular nature (as so defined), but

"(ii) the individual received such a payment for the month preceding the first month of such ineligibility.

"(B) In determining under subsection (b)(4) whether or not an individual's earnings are sufficient to allow the individual to provide a reasonable equivalent of the benefits under this title and titles XIX and XX which would be available to the individual in the absence of such earnings, there shall be excluded from such earnings an amount equal to the sum of any amounts which are or would be excluded under clauses (ii) and (iv) of section 1612(b)(4)B) (or under clause (iii) of section 1612(b)(4)(A)) in determining his income.

"(C) Determinations made under subsection (b)(4) shall be based on information and data updated no less frequently than annually.".

SEC. 5. NOTIFICATIONS TO APPLICANTS AND RECIPIENTS.

Section 1631 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"Notifications to Applicants and Recipients

"(j)(1) The Secretary shall establish and implement procedures to ensure that, whenever an individual is formally notified of his or her eligibility for benefits under this title, such individual is concurrently notified of the medical assistance which is available to such individual under the applicable State plan approved under title XIX.

"(2) The Secretary shall automatically notify any individual receiving benefits under section 1611 on the basis of disability of his or her potential eligibility for benefits under section 1619 (and for continuing benefits under title XIX pursuant to section 1619(b)—

"(A) at the time of the initial award of such benefits (or within 90 days after the date of the enactment of this subsection in the case of an individual who (i) is already receiving benefits under section 1611 on that date, or (ii) first becomes eligible for such benefits within such 90-day period); and

"(B) at the earliest subsequent time when such individual's earned income for any month (other than income excluded pursuant to section 1612(b)) is $200 or more, and periodically thereafter so long as such individual has earned income (other than income so excluded) of $200 or more per month.".

SEC. 6. GENERAL ACCOUNTING OFFICE STUDY.

(a) REPORT REQUIRED.—The Comptroller General of the United States shall conduct a study of the operation of section 1619 of the Social Security Act, with the particular objective of evaluating the work incentive provisions of such section and determining—

(1) the extent to which such section is utilized by individuals who work despite severe medial impairment, and the extent to which the provision of such benefits contributes to the accomplishment of the purposes of the supplemental security income program; and

(2) the effects and effectiveness of the dissemination, training, and related programs and activities which are conducted in connection with the provision of benefits under such section.

(b) DETERMINATIONS.—In carrying out the study under subsection (a)(1), the Comptroller General shall determine (for individuals from each State, and for each of the calendar years 1987, 1988, and 1989, separately specified)—

(1) the number of individuals who receive benefits under section 1619 of the Social Security Act;

(2) the number of individuals receiving benefits under such section who become ineligible for such benefits due to their income;

(3)(A) the number of individuals receiving benefits under such section who become ineligible for such benefits for reasons other than their income, and (B) the reasons for such ineligibility;

(4) the number of individuals who are notified (under section 1631(j)(2) of the Social Security Act of otherwise) of their eligibility or potential eligibility for benefits under such section;

(5)(A) the number of individuals so notified who decline to apply for or receive benefits under such section, and (B) their reasons for declining such benefits;

(6) with respect to the individuals receiving benefits under such section who engage in substantial gainful activity and as a result become ineligible for such benefits or have such benefits reduced, the amount or rate of their countable earned income before beginning to receive such benefits as compared to the amount or rate of their countable earned income after becoming ineligible or having such benefits reduced;

(7) the Federal and State costs incurred in the provision of medical assistance (under the State plan approved under title XIX) to individuals receiving benefits under such section 1619 as compared to the corresponding costs incurred in the provision of such assistance to other individuals receiving benefits under this title, stated both in the aggregate and on an average per capita basis;

(8) the role of State vocational rehabilitation agencies in the implementation of such provisions;

(9) the potential role of nonprofit and private rehabilitation agencies in the implementation of such provisions; and

(10) the estimated costs or savings to the Federal Government which are attributable to such provisions.

The figures determined under paragraphs (1) through (6) shall be broken down so as to show the type of disability, age, previous work history, and sex of the individuals involved.

(c) INFORMATION AND DATA.—The Secretary of Health and Human Services shall make available upon request to the Comptroller General, for purposes of this section, any information and data which has been developed or collected by the Secretary in the conduct of studies having objectives similar or related to the objective specified in subsection (a) and involving items or matters similar or related to those set forth in subsection (b).

(d) DATE OF SUBMISSION.—The Comptroller General shall submit to the Congress, on or before October 1, 1990, a full report of the findings made in the study conducted under subsection (a).

SEC. 7. LOSS OF SSI BENEFITS UPON ENTITLEMENT TO CHILD'S INSURANCE BENEFITS BASED ON DISABILITY.

Section 1634 of the Social Security Act is amended—

(1) by inserting "(a)" after "SEC. 1634."; and

(2) by adding at the end thereof the following new subsection:

"(b) If any individual who has attained the age of 18 and is receiving benefits under this title on the basis of a disability which began before he or she attained the age of 22—

"(1) becomes entitled, on or after the date of the enactment of this subsection, to child's insurance benefits which are payable under section 202(d) on the basis of such disability or to an increase in the amount of the child's insurance benefits which are so payable, and

"(2) ceases to be eligible for benefits under this title because of such child's insurance benefits or because of the increase in such child's insurance benefits,

such individual shall be treated for purposes of title XIX as continuing to receive benefits under this title so long as he or she would be eligible for benefits under this

title in the absence of such child's insurance benefits or such increase.".

SEC. 8. DEMONSTRATION PROJECTS INVOLVING THE DISABILITY INSURANCE AND SSI PROGRAMS.

(a) WAIVER AUTHORITY UNDER TITLES II AND XVIII.—

(1) Section 505(a)(3) of the Social Security Disability Amendments of 1980 (42 U.S.C. 1310 note) is amended by inserting "which is initiated before June 10, 1991" after "demonstration project under paragraph (1)".

(2) Section 505(a)(4) of such Amendments is amended to read as follows:

"(4) On or before June 9 in each of the years 1987, 1988, 1989, and 1990, the Secretary shall submit to the Congress an interim report on the progress of the experiments and demonstration projects carried out under this subsection together with any related data and materials which the Secretary may consider appropriate.".

(3) Section 505(c) of such Amendments is amended by striking out "under this section no later than five years after the date of the enactment of this Act" and inserting in lieu thereof "under subsection (a) no later then June 9, 1991".

(b) WAIVER AUTHORITY UNDER TITLE XVI.—

(1) Section 1110(b)(2) (42 U.S.C. 1310(b)(2)) of the Social Security Act is amended—

(A) by striking out "and" at the end of subparagraph (C);

(B) by striking out the period at the end of subparagraph (D) and inserting in lieu thereof "; and"; and

(C) by adding at the end thereof the following new subparagraph:

"(E) the Secretary shall include in the projects carried out under this subsection experimental, pilot, or demonstration projects to determine the relative advantages and disadvantages of various work incentive programs with respect to the rehabilitation and employment of recipients of such benefits.".

(2) Section 1110(b) of the Act is amended by adding at the end thereof the following new paragraph:

"(3) All reports of the Secretary with respect to projects carried out under this subsection shall be incorporated into the Secretary's annual report to the Congress required by section 704.".

SEC. 9. EFFECTIVE DATE.

The amendments made by this Act shall take effect on the date of the enactment of this Act.

Mr. DOMENICI. Mr. President, in introducing this bill with the distinguished majority leader, Mr. DOLE, I hope to alleviate some of the disincentives that currently exist for severely disabled Americans to engage in work to the limit of their abilities. Work and the contribution that it allows the worker to provide to the society at large is enormously theraputic for all of us. It is unfortunate that some of our currently existing legislation places economic barriers in the way of disabled Americans who wish to make full use of their potential. It is fortunate, however, that our form of government allows us continuous opportunity to improve our legislation.

This bill makes permanent several changes to section 1619 of the Social Security Act that have been temporarily enacted for two 3-year periods. These changes allow severely disabled people who are receiving SSI payments to continue receiving these payments until they meet the SSI breakeven criteria for their State. The bill also continues their Medicaid eligibility indefinitely despite their employment.

In order to prevent these people from joining the ranks of the increasing numbers of homeless, this bill also provides that SSI payments will be continued throughout an institutionalization lasting no more than 60 days. This provision is particularly helpful to the severely mentally disabled who have multiple institutionalizations throughout the course of their illness. Without this provision of continuing SSI payments during their institutional stay, the severely mentally disabled may not be able to continue paying rent and will therefore lose their permanent housing. At this time over 40 percent of the homeless population are schizophrenics.

This bill addresses some longstanding problems with Social Security benefits for severely disabled Americans. While there is some potential for cost savings if a larger number of our disabled citizens obtain employment, realistically we must wait and see how this program works before we depend too heavily upon the cost-saving projections. What we can depend upon are the people-saving projections based on the enhanced self-esteem that employment will bring to severely disabled Americans.

This bill will not solve all of the problems that currently exist in our programs for the severely disabled. It will, however, provide much needed leadership from the Congress in trying new ideas in rehabilitating all severely disabled Americans and integrating them into the most productive position possible in society.

By Mr. COCHRAN (for himself, Mr. BURDICK, Mr. DOLE, Mr. KERRY, Mr. NUNN, Mr. SIMON, Mr. STENNIS, Mr. LUGAR, Mr. ZORINSKY, and Mr. CRANSTON):

S.J. Res. 299. Joint resolution to designate the week of December 7, 1986, through December 13, 1986, as "National Alopecia Areata Awareness Week"; to the Committee on the Judiciary.

NATIONAL ALOPECIA AREATA AWARENESS WEEK

● Mr. COCHRAN. Mr. President, today I am introducing legislation to designate the week of December 7, 1986, through December 13, 1986, as "National Alopecia Areata Awareness Week."

Alopecia areata, one of the most tragic diseases of our time, is an immunological disorder causing severe hair loss. Its approximately 2 million victims are mostly children and young adults, who often lose all of their hair, including eyelashes, eyebrows and body hair.

Total or partial hair loss causes a dramatic change in a alopecia victim's appearance. This is particularly hard on children, who suffer emotionally when they are teased about being different, and on young adults, who are constantly reminded that our society equates beauty with a shiny, healthy head full of hair. Without question, the disease can cause devastating psychological effects.

Alopecia areata, a Latin phrase meaning bald spot, occurs when hair follicles stop production. While little is known about the cause of alopecia, researchers believe that a malfunction of the body's immune system can cause "hibernation" of the fair follicles. There is some hope that a cure is within reach.

A week set aside to increase public awareness of this disease will enhance the research and support efforts of the National Alopecia Areata Foundation. This network of support groups in 42 States has helped thousands of victims and their families cope with the physical and emotional problems caused by alopecia areata.

I believe it is crucial to promote awareness of alopecia areata in order to work toward finding a cure and toward easing the trauma of the thousands of alopecia areata victims across the country.

Mr. President, I urge my colleagues to join me in this effort and to cosponsor my joint resolution designating "National Alopecia Areata Awareness Week."●

ADDITIONAL COSPONSORS

S. 945

At the request of Mr. THURMOND, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 945, a bill to recognize the organization known as the National Association of State Directors of Veterans' Affairs, Incorporated.

S. 1513

At the request of Mr. BAUCUS, the name of the Senator from Wyoming [Mr. WALLOP] was added as a cosponsor of S. 1513, a bill to amend the Internal Revenue Code of 1954 to allow monthly deposits of payroll taxes for employers with monthly payroll tax payments under $5,000, and for other purposes.

S. 1580

At the request of Mr. HATCH, the name of the Senator from Nevada [Mr. HECHT] was added as a cosponsor of S. 1580, a bill to provide for comprehensive reforms and to achieve greater equity in the compensation of attorneys pursuant to Federal statute in civil and administrative proceedings in which the United States, or a State or local government, is a party.

S. 1747

At the request of Mr. ROTH, the names of the Senator from Wisconsin [Mr. KASTEN], and the Senator from Georgia [Mr. MATTINGLY] were added as cosponsors of S. 1747, a bill to amend the Foreign Assistance Act of 1961 to protect tropical forests in developing countries.

S. 1748

At the request of Mr. ROTH, the names of the Senator from Wisconsin [Mr. KASTEN], and the Senator from Georgia [Mr. MATTINGLY] were added as cosponsors of S. 1748, a bill to amend the Foreign Assistance Act of 1961 to protect biological diversity in developing countries.

S. 1794

At the request of Mr. HATCH, the name of the Senator from Nevada [Mr. HECHT] was added as a cosponsor of S. 1794, a bill to amend Revised Statutes section 722 (42 U.S.C., sec. 1988) to exempt State judges and judicial officers from assessment of attorneys' fees in cases in which such judge or judicial officer would be immune from actions for damages arising out of the same act or omission about which complaint is made.

S. 2081

At the request of Mr. STAFFORD, the names of the Senator from Pennsylvania [Mr. SPECTER], and the Senator from Tennessee [Mr. GORE] were added as cosponsors of S. 2081, a bill to reauthorize the Head Start Act, the Low-Income Home Energy Assistance Act of 1981, the Community Services Block Grant Act, for deferred cost care programs, and for other purposes.

S. 2133

At the request of Mr. KASTEN, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 2133, a bill to amend the Social Security Act to safeguard the integrity of the Social Security trust funds by ensuring prudent investment practices.

S. 2149

At the request of Mr. KENNEDY, the name of the Senator from Delaware [Mr. BIDEN] was added as a cosponsor of S. 2149, a bill to authorize United States contributions to the International Fund established pursuant to the November 15, 1985, agreement between the United Kingdom and Ireland.

S. 2190

At the request of Mr. SARBANES, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 2190, a bill to provide that the full cost-of-living adjustment in benefits payable under certain Federal programs shall be made for 1987.

SENATE JOINT RESOLUTION 241

At the request of Mr. DOLE, the names of the Senator from Illinois [Mr. SIMON], and the Senator from Tennessee [Mr. GORE] were added as cosponsors of Senate Joint Resolution 241, a joint resolution designating the week beginning on May 11, 1986, as "National Asthma and Allergy Awareness Week."

SENATE JOINT RESOLUTION 246

At the request of Mr. LAUTENBERG, his name was added as a cosponsor of Senate Joint Resolution 246, a joint resolution to designate May 25, 1986, as "Hands Across America Day," for the purpose of helping people to help themselves, and commending United Support of Artists for Africa and all participants for their efforts toward combating domestic hunger with a 4,000-mile human chain from coast to coast.

SENATE JOINT RESOLUTION 267

At the request of Mr. HEINZ, the name of the Senator from Massachusetts [Mr. KERRY], was added as a cosponsor of Senate Joint Resolution 267, a joint resolution designating the week of May 26, 1986, through June 1, 1986, as "Older Americans Melanoma/Skin Cancer Detection and Prevention Week."

SENATE JOINT RESOLUTION 279

At the request of Mr. GORE, the name of the Senator from Louisiana [Mr. JOHNSTON], was added as a cosponsor of Senate Joint Resolution 279, a joint resolution to designate the month of October 1986, as "Lupus Awareness Month."

SENATE JOINT RESOLUTION 287

At the request of Mr. BOREN, the names of the Senator from New Jersey [Mr. BRADLEY], the Senator from Tennessee [Mr. GORE], and the Senator from South Carolina [Mr. HOLLINGS] were added as cosponsors of Senate Joint Resolution 287, a joint resolution designating September 29, 1986, as "National Teachers Day."

SENATE JOINT RESOLUTION 289

At the request of Mr. ROTH, the names of the Senator from South Dakota [Mr. ABDNOR], the Senator from Illinois [Mr. SIMON], the Senator from Montana [Mr. BAUCUS], and the Senator from Michigan [Mr. LEVIN] were added as cosponsors of Senate Joint Resolution 289, joint resolution to designate 1988 as the "Year of New Sweden" and to recognize the New Sweden '88 American Committee.

SENATE JOINT RESOLUTION 290

At the request of Mr. DECONCINI, the names of the Senator from Nebraska [Mr. ZORINKSY], the Senator from Mississippi [Mr. COCHRAN], and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of Senate Joint Resolution 290, joint resolution to designate July 4, 1986, as "National Immigrants Day."

SENATE RESOLUTION 105

At the request of Mr. MATTINGLY, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of Senate Resolution 105, a resolution to designate March 21, 1986, as "Henry Ossian Flipper Day."

SENATE RESOLUTION 344

At the request of Mr. HEINZ, the names of the Senator from Ohio [Mr. GLENN] and the Senator from Arkansas [Mr. BUMPERS] were added as cosponsors of Senate Resolution 344, resolution expressing the sense of the Senate with respect to the proposed rescission of budget authority for housing for the elderly and handicapped under section 202 of the Housing Act of 1959.

SENATE RESOLUTION 369—RELATING TO TRADE BETWEEN THE UNITED STATES AND THE REPUBLIC OF KOREA

Mr. MCCONNELL submitted the following resolution; which was referred to the Committee on Finance:

S. RES. 369

Whereas the exports of the Republic of Korea to the United States have grown at an average annual rate of nearly 16 percent since 1981, United States exports to the Republic of Korea grew at an average annual rate of approximately 3 percent during that period with a decrease of 2 percent in 1985.

Whereas in 1985 the United States imported from the Republic of Korea merchandise worth $10,013,085,000, the Republic of Korea only imported merchandise from the United States of a value of $5,720,136,000, resulting in a United States trade deficit of $4,292,949,000.

Whereas in 1985 the United States extended to the Republic of Korea preferential treatment under the Generalized System of Preferences (GSP) program for certain products it exports to the United States worth $1,655,000,000, making the Republic of Korea the second largest beneficiary under such program.

Whereas the Republic of Korea persists in maintaining the following acts, policies, and practices which are unreasonable, unjustifiable, or discriminatory and which burden or restrict United States commerce:

(1) The domestic market of the Republic of Korea is closed to cigarettes made in the United States. It is illegal for citizens of the Republic of Korea to possess cigarettes made outside the Republic of Korea. A citizen of the Republic of Korea possessing foreign cigarettes is subject to a fine of up to $1,161.44, imprisonment, and loss of employment.

(2) The importation into the Republic of Korea of all beef and pork from the United States has been effectively banned since May 1985. Prior to the ban, the United States supplied most of the high-quality beef imported into the Republic of Korea.

(3) The Office of National Tax Administration of the Republic of Korea is scheduled to require that all distilled spirit products be manufactured with a minimum proportion of local raw materials after January 1987.

(4) The Ministry of Agriculture and Fisheries of the Republic of Korea restricts the importation of many United States agricultural items by refusing to grant import approval to those items. Included in the items which are subject to such restraints and are prevented from being imported into the Republic of Korea are fresh oranges, canned

fruit cocktail, grape juice, wine, alfalfa products, edible meat offals, walnuts, fresh grapes, sausages, canned beef and pork canned peaches, concentrated orange juice, other fruit juices, and canned corn and dried peas.

(5) The issuance of an import license for United States manufactured goods must have the recommendation of the Korean industry association whose members compete with the imported good. This unreasonable practice adversely affects many United States products, including agricultural chemicals, soda ash, automotive parts, cosmetics, nylon carpets, loudspeakers, electric hand tools, razors and razor blades, machine tools, personal computers, electric shavers, cameras, and construction equipment.

(6) The importation of computers and peripheral equipment that can be produced locally has been effectively banned since July 1982, by the requirement of the Republic of Korea that investment or licensing of local production of computers and peripheral equipment be made as a condition for importing computers and peripheral equipment.

(7) Tariffs imposed by the Republic of Korea remain unreasonably high on several products in which the United States has a comparative advantage, including—

(A) fresh fruits and vegetables (current tariff is 50 percent ad valorem),

(B) canned meat (current tariff is 40 percent ad valorem),

(C) cosmetics (current tariff is 40 percent ad valorem),

(D) wood products (current tariff is 20 percent ad valorem),

(E) electric hand tools (current tariff is 20 percent ad valorem),

(F) computers (current tariff is 20 percent ad valorem),

(G) automobile parts (current tariff is 30 percent ad valorem), and

(H) chocolate confectionery (current tariff is 40 percent ad valorem, falling to 30 percent ad valorem in 1988).

(8) The application of emergency tariffs, adjustment tariffs, special commodity taxes, and value added tax on top of the general tariff rate, and other fees, make many products prohibitively expensive.

(9) The entire import regime of the Republic of Korea is designed, through the use of import licenses and quotas, to discourage the importation of any seafood. The only United States product now entering the Republic of Korea in any volume comes from joint ventures, and much of this is reprocessed in the Republic of Korea and exported.

(10) The Republic of Korea unreasonably restricts the sale of United States fire insurance to only those properties outside of the 10 largest cities in the Republic of Korea, and unreasonably denies licenses to United States firms to write life insurance.

(11) The Republic of Korea unreasonably denies United States banks the ability to participate fully in the domestic financial market.

(12) The Republic of Korea does not adequately protect intellectual property.

Whereas these unreasonable, unjustifiable, and discriminatory acts, policies, and practices of the Republic of Korea burden or restrict United States commerce: Now, therefore, be it

Resolved, That it is the sense of the Senate that the Republic of Korea should not be treated as a beneficiary developing country under the Unitd States Generalized System of Preferences until the unreasonable, unjustifiable, and discriminatory acts, policies, and practices described in the preamble of this resolution are eliminated and import restrictions imposed by the Republic of Korea are liberalized through—

(1) agreement by the Republic of Korea that the purchase and sale of imported cigarettes, and regulation thereof by the Republic of Korea and its instrumentalities, will be conducted on a nondiscriminatory and equitable basis, including repeal of the law which makes it illegal for citizens of the Republic of Korea to use or possess imported tobacco products under threat of fine, imprisonment, or loss of employment;

(2) extension of the ability to import United States tobacco leaf into the Republic of Korea to all private non-Korean entities;

(3) elimination of the ban on the importation into the Republic of Korea of beef and pork from the United States;

(4) inclusion on the Automatic Approval List of fresh oranges, canned fruit cocktail, grape juice, wine, alfalfa products, edible meat offals, walnuts, fresh grapes, sausages, canned beef and pork, canned peaches, concentrated orange juice, other fruit juices, and canned corn and dried peas;

(5) inclusion on the Automatic Approval List of agricultural chemicals, soda ash, automotive parts, cosmetics, nylon carpets, loudspeakers, electric hand tools, razors and razor blades, machine tools, personal computers, electric shavers, cameras, and construction equipment;

(6) elimination of the ban on the importation of computers and peripheral equipment that can be produced locally;

(7) reduction and binding of the general tariff rates imposed by the Republic of Korea to the levels of protection maintained by average industrialized countries, including, but not limited to, wood, wood products, and dairy commodities;

(8) elimination of the practice of discouraging the importation of seafood into the Republic of Korea;

(9) elimination of the requirement that all distilled spirit products be manufactured with a minimum proportion of local raw materials after January 1987;

(10) elimination of restrictions on the sale of United States fire insurance in the Republic of Korea;

(11) elimination of unreasonable denials of licenses to United States firms to write life insurance; and

(12) extension to United States banks of the ability to participate fully in the financial markets of the Republic of Korea.

Mr. McCONNELL. Mr. President, Benjamin Franklin was fond of stating that "No nation was ever ruined by trade." While the truth of these words is clear, the reality is that virtually every nation engages in practices and policies which, to a greater or lesser degree, limit trade as a way of protecting their domestic producers.

Nevertheless, I rise today to share with my colleagues a growing concern about what, in my view, are the excessively protectionist policies of one of America's most important Asian allies—the Republic of Korea.

I am pleased to note, Mr. President, that Korea has found a healthy market in the United States for its products. This is not only good for the Korean economy, but also the American consumer. Since the beginning of the decade, their exports to the United States have grown at an average annual rate of nearly 16 percent—reaching an all-time high of close to 30 percent in 1984.

In stark contrast, however, U.S. exports to Korea have grown at an average annual rate of only 3 percent since 1981—with a decrease of 2 percent in 1985. The result of this imbalance is that, since 1982, the United States has endured a growing trade deficit with Korea—a deficit of some $4 billion in 1985 alone.

Of course, there is nothing inherently wrong with one nation selling more goods than it buys from another. It would be implausible for me to suggest that the Korean and American economies are so similar that we should expect a standard of balanced trade between our two nations.

It is not unreasonable to expect, however, that U.S. commercial interests be given a reasonable opportunity to compete in the Korean marketplace. Unfortunately, for many American products and commodities, this is not the case. Few of our allies have erected as extensive and unfair a system of trade barriers as has Korea.

Let me share with you a few examples, Mr. President. It is illegal—I repeat illegal—for Korean nationals to even possess foreign cigarettes. Koreans found guilty of possessing foreign cigarettes are subject to fines, imprisonment, and possible loss of employment. This is not a symbolic policy, Mr. President. The Koreans are serious about this issue—so serious, that in 1983, over 5,000 Korean were found guilty of possessing foreign cigarettes. This policy is ridiculous and unfair. The Koreans will not even purchase leaf tobacco from Kentucky farmers for use in their own cigarette blends. Perhaps it is best put into perspective when on realizes that it is legal for Koreans to possess firearms, yet it is illegal for a Korean national to possess an American cigarette.

Let me give another example of the unfair trading policies practiced by Korea. This one involves citrus products. Korea has a developing tangerine industry, although the tangerines are of very poor quality. To upgrade the flavor and quality of the finished juice product, imported orange juice concentrate is added. The catch here, though, is that 70 percent of the finished product must be Korean juice which effectively prevents the volume of American citrus products from substantially increasing. To further compound the problem, imports of orange juice concentrate are burdened with a 50 percent ad valorem tax. I suppose it

could be worse, Mr. President, had the Koreans not gone to "great lengths" to liberalize their trade policy by reducing the ad valorem tax from 60 percent to a mere 50 percent.

Still another agricultural commodity which faces a significantly unfair trade environment is beef. All beef imports to Korea were unilaterally discontinued in 1984, except for small quantities of high-quality American beef which were imported for use in Korean resort hotels. In May 1985, all importation of beef was discontinued. The importation of beef was not discontinued because Koreans stopped eating red meat—the per capita consumption rate is over 8 pounds annually—but because of pressure from Korean cattlemen to restrict imports. I can understand why the cattlemen would want to do that, since Korean beef costs consumers over $17 per pound. surely American beef cattle farmers would love an opportunity to participate in that market, but are prevented from doing so for purely protectionist reasons. With domestic meat prices at $17 per pound, I cannot believe that there is a glut of beef on the market.

An equally troubling Korean trade policy exists regarding the importation of computers and computer software. At present, Mr. President, the Koreans have imposed a total ban on micro- and mini-computers, including software and peripherals. Industry analysts estimate that there is a potential market of $50 to $80 million which is completely unavailable to American computer companies. As the Republic of Korea continues its rapid business growth, there is every reason to believe that the computer market will continue to be very lucrative. There is no good reason, Mr. President, why we should not be permitted to compete in this market.

Ironically, in light of these restrictions, we have extended to Korea over the last decade billions of dollars worth of duty-free access to our markets under the Generalized System of Preferences. I am convinced, therefore, that as long as Korea persists in maintaining selective policies and practices which unreasonably restrict U.S. commerce, it is inconsistent for the United States to extend this preferential tariff treatment to Korea—an advantage, I might add, worth over $1.5 billion annually in duty-free access to our markets. Or to put it another way, an amount equal to roughly half of our trade deficit with Korea.

Mr. President, our friendship with Korea demands the maintenance of a certain level of accountability. Since the 1950's, the United States and Korea have enjoyed an alliance built on mutual trust and respect. To continue to ignore the inequities in our trade relationship is to weaken our overall friendship during a time when we should be looking for ways to strengthen our alliance. For Korea to support those policies, which our farmers and businessmen can only conclude are unfair and discriminatory, is for Korea to choose their limited self-interest over the common interest.

In response to this situation, I am today introducing legislation to express the sense of the Senate that until substantial progress is made in the liberalization of Korean import restrictions, the Republic of Korea should be removed—I repeat, removed—as a beneficiary country under the U.S. Generalized System of Preferences.

The next weeks and months are critical in terms of decisions being made about trade policy between our two nations. As the host of the 1988 Summer Olympic Games, Korea will have the opportunity to show the world that it is a progressive and dynamic growth-oriented country. I invite and encourage my colleagues to take advantage of the opportunity afforded by my resolution to support our Korean ally as they move toward this goal.

Mr. President, I ask unanimous consent to print in the RECORD a table outlining the major bilateral trade issues with the Republic of Korea.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

REPUBLIC OF KOREA—BILATERAL TRADE ISSUES

Issue	Background	Status
Cigarettes	Korea bans importing cigarettes for use by Korean nationals. All cigarette sales are handled by the Office of Monopoly.	Bilateral discussions continue in an effort to liberalize this practice.
Computers	The Ministery of Trade and Industry Computer Decree was revised in August 1983 making it virtually impossible to export small computers and peripherals to Korea in the absence of a plan for local production of some equipment.	Bilateral discussions continue in an attempt to modify the decree.
Frozen Potato Imports	Korea recently placed frozen potatoes under prior licensing approval procedures, thus inhibiting U.S. exports to fast food outlets and undermining their automatic approval status.	The U.S. embassy in Korea has been asked to make representations to appropriate Korean officials to return to automatic licensing status.
Intellectual Property	The United States is concerned about weak patent protection for chemicals and pharmaceuticals, the absence of copyright protection for foreigners, the absence of explicit copyright protection for computer software and difficulties in meeting trademark "use" requirements for goods subject to import restrictions.	Technical discussions on copyright matters were held in November 1984. Similar discussions on patents and trademarks are planned for mid-1985. A Section 301 proceeding was initiated on September 23, 1985.
Licensing and Tariff Liberalization for Higher Valued Products; Market Maintenance for Primary Products.	Consultations over the past two years have yielded some positive results. The most recent meeting, on July 1–2, 1985 resulted in liberalizing almonds, grapefruit, cherries, cottonseed oil and canned corn. The meeting also resulted in a confirmation that Korea is not considering new variable import taxes on primary products. Efforts toward total liberalization, however, fell short of what is needed to counter the protectionist sentiment toward Korean imports.	A six-month market access campaign is currently under interagency review.
Market Access	In December 1983 Korea liberalized import licensing restrictions on 31 items of interest to U.S. manufacturers and farm interests. Service firms in the United States continue to identify import licensing restrictions, high tariffs and restrictions on services as major impediments to greater U.S. exports to Korea.	The U.S.-Korean Trade Group addressed these matters in February 1984 and July 1985. Bilateral consultations continue on specific liberalization requests for both merchandise and services.
Steel	In December 1984 Korea agreed to limit its exports of steel to the United States to 1.9 pecent of U.S. apparent consumption until September 30, 1989.	Details for implementing the agreement were negotiated between January and May 1985.

Source: "Annual Report of the President of the United States on the Trade Agreements Program 1984–1985," Office of the United States Trade Representative, February 1986.

AMENDMENTS SUBMITTED

METROPOLITAN WASHINGTON AREA AIRPORT TRANSFER

PRESSLER AMENDMENT NO. 1700

(Ordered to lie on the table.)

Mr. PRESSLER submitted an amendment intended to be proposed by him to the bill (S. 1017) to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority; as follows:

Line 7, page 10, strike the word "Five" and insert in lieu thereof the word "Three".

Line 10, page 10, strike the word "two" and insert in lieu thereof the word "three".

Line 11, page 10, strike the words "one member" and insert in lieu thereof the words "two members".

Lines 6 and 7, page 11, strike "in the case the Commonwealth of Virginia and the District of Columbia,".

Lines 8 through 10, strike "The Governor of Virginia shall make the final two Virginia initial appointments for one two-year and one four-year term."

Mr. PRESSLER. Mr. President, the purpose of this amendment is very simple. It is intended to more evenly distribute the membership of the Authority's governing body. As presently drafted, this bill reserves five slots for Virginia, three for the Dis-

trict of Columbia, two for Maryland, and one for the President with Senate advice and consent. My amendment would change this makeup to allow three slots for Virginia, District of Columbia, and Maryland, respectively; and two for the President with Senate advice and consent.

It is clear that the deck is currently stacked against Maryland. We could just as well not allow Maryland any members if we go forward with the bill as presently designed.

I opposed this bill in the Commerce Committee. Not only is it unfair to Maryland, but the rest of the country as well. There is good reason to treat these airports differently. They are truly national airports, serving a city that was established for the entire Nation—not any single State.

In the wake of airline deregulation, it is already difficult enough for citizens from States such as South Dakota to have adequate access to our Nation's capital. I am concerned that the more control of these airports we put into the hands of any one State, the interests of the other States will be lost in the shuffle.

Presently, we all have at least an indirect voice in the operation and control of this airport. It is important that we maintain some control so the interests of the other States are not forgotten—or at a minimum, we should at least ensure against giving any one State what is tantamount to almost exclusive control over important decisions that affect all of our constituents. Everyone has a right to access to this city. Important decisions in this regard should not be dominated by a single State.

PRESSLER AMENDMENT NO. 1701

(Ordered to lie on the table.)

Mr. PRESSLER submitted an amendment intended to be proposed by him to the bill (S. 1017), supra; as follows:

On page 32, insert the following immediately after line 2:

(f) Notwithstanding any other provision of law, the Secretary shall not enter into any agreement which provides for the transfer of authority over the Metropolitan Washington Airports to the Airports Authority unless such agreement includes a requirement for the payment by such Airports Authority of not less than $1.5 billion.

Mr. PRESSLER. Mr. President, the purpose of this amendment is to make certain that the U.S. Government gets a fair purchase price for these valuable assets. The estimated worth of these facilities is somewhere between $1.5 and $2 billion. But here we are, ready to give it away for $47 million! It never ceases to amaze me that in our efforts to commercialize or privatize functions of this sort, the Federal Government always wants to give them away rather than seek an adequate purchase price.

We just completed action on a bill to sell Conrail to the Norfolk Southern Corp., only to find out later that the CBO estimates that it will cost us $250 million to give it away! Now we want to do the same thing with these airports. By the time we sell these assets at the fire sale price of $47 million, then turn around and allow the improvements to be financed through federally subsidized bonds, it will cost us hundreds of billions to give these airports away.

If we are going to privatize, we should at least demand a reasonable fair market price.

Mr. President, I ask unanimous consent that the full text of this amendment be inserted in the RECORD at this point.

PRESSLER AMENDMENT NO. 1702

(Ordered to lie on the table.)

Mr. PRESSLER submitted an amendment intended to be proposed by him to the bill (S. 1017), supra; as follows:

On page 32, insert the following immediately after line 16:

"Notwithstanding any other provision of law, the Airports Authority shall not utilize any bond guaranteed by the Federal Government for the purpose of undertaking or completing the improvement, construction, and rehabilitation of facilities, as provided in this section."

Mr. PRESSLER. Mr. President, the purpose of this amendment is to make certain that the Federal Treasury is not raided further after this legislation is enacted. I do not know whether all Senators are aware of it, but under the proposal before us today, we will be forced to continue to pay for this giveaway for many years to come.

What will happen is this: After we sell these valuable assets for little or nothing, the local authorities plan to finance many hundreds of millions of dollars in capital expenditure through the use of federally subsidized bonds. If the purpose of this legislation is to help balance the budget, this is a strange way to go about it. Because of the gross inefficiencies of the subsidized bond process, it will ultimately cost us more than if we were to finance these expenditures directly out of the trust fund as the able Senator from South Carolina has proposed.

Again, Mr. President, this points out the tortured logic behind this proposal, and is in itself a strong argument for defeating this bill.

NOTICES OF HEARINGS

SUBCOMMITTEE ON ENERGY REGULATION AND CONSERVATION

Mr. NICKLES. Mr. President, I would like to announce for the information of the Senate and the public, that the Subcommittee on Energy Regulation and Conservation of the Committee on Energy and Natural Resources has scheduled a hearing on Tuesday, April 15, 1986, beginning at 10 a.m. in room SD-366 of the Senate Dirksen Office Building, Washington, DC.

The purpose of the hearing is to receive testimony on the following measures: S. 1302, to amend the Natural Gas Policy Act of 1978, to protect consumers from market distortions that occur as a consequence of current partial regulation of natural gas prices by eliminating the remaining wellhead price regulation as contracts expire, or terminate, or are renegotiated, to permit natural gas contracts to reflect free market prices, to eliminate incremental pricing requirements for natural gas, to eliminate certain restrictions on the use of natural gas and petroleum, and for other purposes; S. 1251, entitled the "Natural Gas Utilization Act of 1986"; and S. 2205, to eliminate certain restrictions on the use of natural gas and petroleum, and for other purposes.

Those wishing to testify or submit written statements for the hearing record should write to the Committee on Energy and Natural Resources, Subcommittee on Energy Regulation and Conservation, U.S. Senate, Washington, DC 20510. For further information regarding this hearing, please contact Ms. Debbi Rice or Mr. Howard Useem at (202) 224-2366.

SUBCOMMITTEE ON NATURAL RESOURCES DEVELOPMENT AND PRODUCTION

Mr. WARNER. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of a public hearing before the Natural Resources Development and Production Subcommittee of the Senate Energy and Natural Resources Committee.

The hearing will take place on Thursday, April 24, 1986, beginning at 10 a.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC. Testimony is invited regarding S. 1322, to amend the Geothermal Steam Act of 1970.

For further information regarding this hearing, you may wish to contact Ms. Ellen Rowan on the subcommittee staff at (202) 224-5205. Those wishing to testify or who wish to submit a written statement for the hearing record should write to the Natural Resources Development and Production Subcommittee, Committee on Energy and Natural Resources, Dirksen Senate Office Building, Washington, DC 20510.

SUBCOMMITTEE ON PUBLIC LANDS, RESERVED WATER AND RESOURCE CONSERVATION

Mr. WALLOP. Mr. President, I would like to announce for the information of the Senate and the public that the Subcommittee on Public Lands, Reserved Water and Resource Conservation of the Committee on Energy and Natural Resources has added an additional measure on which

the subcommittee will receive testimony at its hearing scheduled for Friday, April 11, 1986, at 9:30 a.m., in room SD-366, of the Senate Dirksen Office Building, Washington, DC.

The additional measure is S. 2029, to establish the Big Cypress National Preserve addition in the State of Florida, and for other purposes. As previously announced, the subcommittee also will receive testimony on S. 977, S. 1374, S. 1413 and H.R. 2067, S. 1542, and H.R. 3556.

For further information, please contact Patty Kennedy of the subcommittee staff at (202) 224-0613.

COMMITTEE ON SMALL BUSINESS

Mr. WEICKER. Mr. President, I would like to announce that the Senate Small Business Committee's Subcommittee on Entrepreneurship and Special Problems Facing Small Business has rescheduled its March 25, 1986 hearing on the Entrepreneurial Spirit in America for Thursday, March 27, 1986. The hearing will commence at 2 p.m. and will be held, in room 428A, of the Russell Senate Office Building. For further information, please call Skip Waddell of the committee staff at 224-5175, or Steve Loucks of Senator KASTEN's office at 224-4652.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON DEFENSE ACQUISITION

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Defense Acquisition Subcommittee of the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, March 19, to hold a hearing on S. 2082, Defense Enterprise and Initiative Act of 1986; S. 2151, Department of Defense Acquisition Reorganization Act of 1986; and other proposals.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Wednesday, March 19, 1986, in order to mark up S. 1965, the Reauthorization of the Higher Education Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, March 19, 1986, in order to receive testimony concerning the nomination of Jefferson Sessions to be U.S. district judge for the Southern District of Alabama.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SEAPOWER AND FORCE PROJECTION

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Subcommittee on Sea Power and Force Projection of the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, March 19, in executive session, to hold a hearing on AFW capabilities, in review of the fiscal year 1987 DOD authorization request.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PREPAREDNESS

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Subcommittee on Preparedness of the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, March 19, 1986, in open—later to be closed—session, in order to receive testimony on DOD operations, and maintenance.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ARMED SERVICES

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, March 19, 1986, in order to conduct a closed executive hearing on Air Force Tactical Programs.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, March 19, 1986, in closed executive session, in order to conduct a hearing on the fiscal year 1987, intelligence authorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

ON PENTAGON REFORM

● Mr. GOLDWATER. Mr. President, the Senate Armed Services Committee recently reported a bill on the Reorganization of the Department of Defense out of committee. That bill is the result of approximately 3 years of effort by the Senate Armed Services Committee staff and the project was initiated by Senator JOHN TOWER and the late Senator, Scoop Jackson.

During the course of the deliberations concerning this bill, it became apparent that this was, at the very least, a controversial issue. I have maintained for some time that the Department of Defense, in spite of the fact that it does many things well, is in need of some reforms.

A recent article by Herbert Stein, which appeared in the Wall Street Journal on March 14, 1986 concerning Pentagon reform, very solidly supports my contentions that some changes need to be made. I highly recommend this article by Mr. Stein to all my colleagues who are interested in this subject, and I ask that it be printed in the RECORD.

The article follows:

[From the Wall Street Journal, Mar. 14, 1986]

ON PENTAGON REFORM

(By Herbert Stein)

I have always been skeptical of complaints about management of the defense program. Often they seemed to be rationalizations for cuts in defense expenditures that were really wanted on other grounds. Also, I had seen lots of high-powered secretaries of defense, and many expert commissions on defense management, come and go. I thought what mortals could do they had done and what waste remained we would have to live with.

I have now had an unusual educational experience. I have been serving as a member of the President's Blue Ribbon Commission on Defense Management, chaired by David Packard. I have had discussions with many secretaries of defense, past and present, other high-ranking civilians in the DoD, numerous four-star officers, defense contractors, defense reformers, whistle blowers, students of defense and members of Congress. I have had the opportunity to chew the subject over with other members of the commission, which includes four former high civilian defense officials, four former high military officers, two former cabinet members, three businessmen, a senator and a congressman.

This has not made me a defense expert. But it has led me to some conclusions and, most unusual at my age, it has caused me to change my mind on some points.

Basically, I have concluded that some important things are wrong and should be fixed. It isn't useful to repeat Bert Lance's Law: "If it ain't broke, don't fix it." The defense program isn't broke but it is defective, and it can and should be fixed.

Nothing I have learned indicates that the defense budget should be cut. Steps can be taken that would get more military strength per dollar of expenditure. But these steps still have to be taken. Even after they have been taken, their full effect on costs will not be seen for several years. Most important, applying these savings, when realized, to cutting the budget will be justified only if the amount of military strength we are now getting is adequate. It may be that the savings should be applied to achieving a higher level of strength, not a lower level of expenditure. That issue our commission did not study.

As I see it, there are five major defects in defense management:

1. Decisions about the size of the defense program and its main elements are not realistically adapted to national-security goals and plans, on the one hand, and to the capacity of the economy on the other hand. The most conspicuous evidence of this is the major shifts from a low level of defense spending in the late 1970s to the rapid buildup initiated in 1981 to the abrupt slowdown of the program now under way—while the national-security threat and our capacity were basically unchanged.

The low budgets of the late 1970s resulted from wishful thinking about the threat. The Reagan buildup reflected a more accu-

rate estimation of the threat, but it did not prepare the country to pay for the buildup, either by taxes or by borrowing. The cuts already made in the Reagan program, and the further cuts threatened, are caused by arbitrary limitations on acceptable amounts of taxing or borrowing.

Responsibility for these serious deficiencies begins at the White House. The president, with the assistance of the National Security Council, does not formulate a national-security policy precise enough for defense options to be deducted from it. He does not get military options presented to him in terms that permit him to judge how well they meet his national-security objectives. He does not get budget options presented in terms that permit him to judge how much more or less security is provided by more or less expenditure. Too often, military requirements or budget limits are accepted as absolutes, dominating all other considerations, rather than as factors to be weighed against each other.

The difficulties are compounded when the decisions move to Congress. Decision making about defense is now divided among dozens of congressional committees and subcommittees, so that hardly anyone feels a primary responsibility for the defense program as the safeguard of our national security. Too many are able to look upon the defense budget as a big pot of money from which they can serve their special interests.

2. The defense program is highly unstable. The big swings from the Carter program to the first term Reagan program to what looks like the second term Reagan program have already been noted. Since the program is not firmly rooted in national-security requirements and economic capabilities. It is also subject to frequent and unpredictable swings between years and even within the year. These swings originate both in the administration and in Congress, as defense becomes just another counter in the game of budget management and budget politics. Defense officials and contractors are also encouraged to play this game. Since future budget limits are uncertain, they have an incentive to get projects initiated even though funds to complete them are not in sight, hoping thereby to establish commitments that will force the money to be provided later. If this hope is disappointed, there are costly stretchouts or cancellations.

Unnecessary instability of all kinds is the greatest source of excess cost in the defense program. A reasonably stable and predictable path of expenditures in the past 10 years would have yielded the level of forces actually achieved at a cost tens and possibly hundreds of billions of dollars below what we have actually spent.

3. Present organization, forces and plans are not well adapted to the limited violence crises that are experienced today. The Marine intervention in Lebanon and the invasion of Grenada are examples. Our military estalishment is designed to prepare in peace for a war in which all forces are engaged and the nation is on a war footing. They have not been well prepared for the other circumstances in which the armed forces may be needed. These are likely to be circumstances in which speed, secrecy and flexibility are essential, in which the forces engaged are small but include elements from more then one service and more than one theater, in which there may be unusual limitations on the way force is used and in which continuous integration of political and military decisions is imperative. A major obstacle to effective operation in such circumstance is an excessively long chain of command between the political military decision makers in Washington and the forces involved in the field. For example, when the Marine garrison was in Lebanon, command over them ran from Washington to Brussels to Stuttgart to London to Naples to the Sixth Fleet in the Mediterranean to the Marine component of that fleet and then to the Marines ashore. Such a chain offers too many opportunities for information and instructions to be delayed, lost or misunderstood.

4. Probably the most serious deficiency in the defense acquisition process is the failure to assign clear responsibility and authority once a decision has been made to enter production. Nominally at this point a program manager takes charge. But in fact his authority is severely limited. He must contend with a large number of people who are in a position to make distracting demands upon him. These include representatives of the services who want to change the system in one way or another and representatives of various anciliary functions, such as aid to small businesses, environmental concerns, competitiveness concerns, etc. The program manager must also report on his progress through many layers of higher authority and seek approval from all of those layers for decisions he wants to make.

This is the opposite of the best private practices and the few outstanding Department of Defense programs. There the basic principle is to give someone the authority to do his assigned task and to hold him accountable to a high-level official who is the only person entitled to change his assignment. In Department of Defense common practice, the primary objective of getting the job done quickly and efficiently is subordinated to a passion for participation by representatives of secondary interests within the Pentagon, such as small business, equal opportunity or envirnmental advocacy.

The Department of Defense commonly insists that its weapons systems be produced with parts made to order to military specifications rather than permitting production to commercial specifications or purchase of parts available in the commercial market. In a great many cases the commercial specifications or parts of equivalent performance are much cheaper than the military specifications. In some cases the commercial specifications are of superior quality because market-competition forces private producers to incorporate the latest technological advances, whereas military specifications change only slowly. The insistence on military specifications is an example of bureaucratic aversion to taking the risks involved in a decision to depart from an established routine.

Other defects, although possibly less clearly established than these, are also important. These include inadequate balance among the views and responsibilities of the service chiefs, the chiefs of the Unified Commands for the various global regions and the chairman of the Joint Chiefs of Staff, weakness of the military transportation system, premature decisions on adoption of weapons, "gold-plating" of requirements, inability to attract and hold highly qualified people in defense acquisition, and ineffective and excessively bureaucratic methods of dealing with problems of fraud and abuse.

This is an impressive list of things wrong with the management of our national defenses. But it is also a list of things that can be corrected, if not perfectly at least substantially. It is an agenda for the future, not an indictment of the past.●

ACID RAIN

● Mr. DODD. Mr. President, President Reagan has recently received and reviewed a critical document: "The Joint Report of the Special Envoys on Acid Rain."

Acid rain is by no means a new problem. It has long threatened our precious environment. It has been poisoning our lakes, streams, and forests for decades. It has already disrupted that delicate balance of the ecosystem, perhaps irreversibly.

Some of us have been pushing for action against acid rain's devastating effects for years. However, it is only now, with the release of the special envoys' report, that this administration is giving acid rain the attention it deserves.

This moment is long overdue, Mr. President. As the second "Shamrock Summit" between Prime Minister Mulroney and President Reagan gets underway, let us not allow the moment to consist only of optimistic rhetoric. Let us ensure that 1986 will be remembered as the year that the United States and Canada cooperated to overcome the problem of acid rain. The time for talk is over; the time for action is now.

Yesterday I introduced a sense of the Senate resolution to this effect, Mr. President. The resolution urges the President to endorse the findings of the special envoys' report, which includes analyses of the sources, extent, transport patterns, and damaging effects of acid deposition. The envoys' findings come as no surprise to those of us who have been concerned about this problem all along; however, these frightening but indisputable conclusions should force the administration to recognize, for the first time, that acid rain is a serious threat—to the United States, to Canada, and to all future generations of the world.

My resolution goes one step further. It supports the recommendation of the special envoys' report for renewed research into methods for addressing the problem, but also calls for immediate action. I urge my colleagues in the House and the Senate to enact comprehensive legislation to mandate reductions in acid-rain causing emissions through fixed emission reduction targets and timetables.

I readily agree that further research—to develop new technologies for reduction of emissions and to improve existing technologies—is desirable and even necessary. But sufficient and effective technology exists now. We have the means to begin making in-roads against this devastating process. Why not get started—before it is too late?●

INNA AND NAUM MEIMAN: A SOVIET COUPLE'S SAD SITUATION

● Mr. SIMON. Mr. President, more and more information is coming to light which exposes the worsening medical condition of Inna Meiman, a Soviet refusenik who has cancer. Inna and her husband, Naum, are personal friends of mine and I am deeply saddened by the continued Soviet refusal to allow the Meimans permission to emigrate. Inna can be medically treated, but not by Soviet doctors who have said there is nothing more thay can do. Medical authorities in the West have invited to treat Inna, free of charge.

I strongly urge the Soviet authorities to allow Inna and Naum Meiman to emigrate.

One of the most recent articles that I have seen which details the Meiman's plight appeared in the March 9, 1986, edition of Toronto's the Sunday Sun, by Genya Intrator. I ask that the article be printed in the RECORD.

The article follows:

COUPLE IN DESPERATE STRAITS

(By Genya Intrator)

American university student Lisa Paul was so moved by the desperate situation of Jewish "refusenik" Inna Meiman that she went on a 25-day hunger strike to urge Soviet authorities to grant her an exist visa.

Paul, 23, a Russian studies major at the University of Minnesota, has just returned from a two-year stay in Moscow where Meiman served as her Russian language tutor.

Meiman, 54, is an English professor who has written several college textbooks, including *Modern English for Advanced Learners.* She is the wife of Prof. Naum Meiman, 74, an authority on mathematics and elementary particles.

The couple has been refused permission to emigrate on the pretext Meiman possesses "secrets", despite testimony of coworkers the results of his work were published in scientific journals.

in 1982, Inna was diagnosed as having soft tissue sarcoma, a severely debilitating cancer. She has undergone four operations on her neck and was told by local doctors that they could do no more.

She has been invited to undergo treatment in the U.S. Israel, France and Sweden, but Soviet authorities have refused her permission to leave the country.

In an open letter to Communist Party chairman Mikhail Gorbachev, Meiman said he could not "remain helplessly silent while heartless anonymous officials doom my wife to a tortuous death.

He said he's been seeking permission to go to Israel to rejoin his daughter since 1975, but has been refused because of his work.

He last worked on classified material more than 30 years ago when he did mathematical computations for the institute of physical problems of the Academy of Sciences.

Meiman pleads with Gorbachev for an act of mercy to let his wife go to the West for medical treatment that could save her life.

The inter-religious Task Force urges readers to support the campaign for Inna Meiman. Write get-well messages to her; send them to USSR/RSFSR/Moscow 113127/Naberezhnaya Gorkogo 4/22 Apt. 57, Inna Meiman.

Write to Lisa Paul, 40 27th Ave., SE, Minneapolis, Minn 55414.

Send telegrams and letters to the following Soviet officials demanding that Meiman be permitted to emigrate:

USSR/RSFSR/Moscow 3 Rakhmanovsky Pereulok/ Sergei P. Kurenkov, minister of health, and

USSR/Moscow 103009/ 6 Ogareva Street/ Rudolf Kuznetsov, head of the national OVIR.

Chairman of the presidium of the USSR Supreme Soviet, Andrei A. Gromyko, The Kremlin, Moscow 103132, RSFSR, USSR.

If you wish to contact the Inter-religious Task Force, please write to: 12 Carscadden Dr., Willowdale, M2R 2A7, telephone 633-4788.●

NEIGHBORHOOD CLEANERS ASSOCIATION

● Mr. D'AMATO. Mr. President, I rise today to commend the efforts of the Neighborhood Cleaners Association [NCA], which is headquartered in New York and represents members from the States of New York, New Jersey, Massachusetts, Rhode Island, Pennsylvania, West Virginia, Florida, Connecticut, and Delaware. Historically, the month of April has been designated by the fabric care industry as "Good Grooming Month." The NCA is continuing the campaign it began during "Good Grooming Month" last year—"The People's Campaign" to help groom an American symbol, the Statue of Liberty. I am pleased to note that the NCA Program has been a great success.

This year marks the 40th anniversary of NCA, and I want to extend my best wishes on this occasion. NCA started in New York City in 1946 with fewer than a hundred members. Its program meant survival for small retail dry cleaners who were involved in zoning fights. From that small beginning of assisting a small number of members to establish property rights in the zoning issue for the retail dry cleaner, NCA has grown to 3,800 members in nine States and has distinguished itself on behalf of its members.

NCA was one of the first small-quantity generators to establish a pickup for hazardous waste—even before being required to do so by law in 1984. It instituted a program for its members to have their chemical wastes picked up and disposed of in an approved site, thereby protecting our environment. NCA has distinguished itself in many areas over the last 40 years.

When retail dry cleaning came into being after World War II, there was no established training program on the proper care and cleaning of clothing. The NCA started the New York School of Dry Cleaning in 1949 to meet this need. This school was formally recognized and licensed by the State of New York and has trained thousands since then. NCA has also trained, through a working relationship with vocational rehabilitation agencies, thousands of the hardcore unemployed. The New York school offers courses throughout the country and has trained an estimated 150,000 persons.

Over the last 40 years, NCA has worked to assist its members in training, has directed each member toward a responsible approach to meeting the needs of a safe environment, and has participated in every aspect of public community service, from collecting clothing for Goodwill to providing toys, games, and candy to hospitals every year.

Mr. President, I want to take this opportunity to advise my colleagues of "Good Grooming Month" and to congratulate the Neighborhood Cleaners Association on their 40th anniversary.●

THE IMPORTANCE OF TRADE WITH CANADA

● Mr. CHAFEE. Mr. President, a trade initiative of historic consequence has been launched between the United States and Canada, one which hopefully will refute those who think the chief answer to economic problems is to close the door and hide in the dark.

The United States and Canada—which already benefit from the largest two-day trade in history, trade that totalled $118 billion in 1984—are discussing the possibility of reducing and eliminating trade barriers that still exist between them.

This is no easy task, and it will not be a painless one. But it is a critical undertaking, and President Reagan and Canadian Prime Minister Brian Mulroney deserve our encouragement and support for setting this shining example.

There are some who would imperil this magnificant opportunity with demands that certain United States-Canadian disputes be resolved before even allowing these negotiations to begin. Whenever right may lie in these individual disputes, they should not stand in the way of the immense opportunity to negotiate a bilateral trade agreement that would benefit all.

With the hope of promoting the atmosphere of good faith essential to the success of these negotiations, I would like to submit for the RECORD remarks delivered February 25 by the Ambassador of Canada, Allan E. Goltlieb, before the U.S. Chamber of Commerce on the prospects for a United States-Canadian trade agreement.

THE PROSPECTS FOR A CANADA/U.S.A. TRADE AGREEMENT

(Allen E. Gotlieb)

Good Morning: Today I would like to discuss with you the prospects for a new trade

agreement between Canada and the United States. In Canada this topic has and will continue to dominate public debate on economic issues for the coming year. I expect that as the time for formal negotiations approaches it will also become a topic of much debate in the USA.

The decision to propose the negotiation of a new trade agreement to the United States was announced by the Prime Minister to the House of Commons on September 26 last year. This decision flowed naturally from Prime Minister Mulroney's new Conservative Government which had campaigned on the need to "refurbish relations with the United States" and to get the economy moving again by setting it free from excessive government controls and regulation.

The new government came to office with a profound belief in the importance of individual enterprise and great confidence in the capacity of the Canadian economy to compete in a more international trading and investment environment.

The Government therefore set about replacing the more interventionist policies of its predecessors in the areas of energy and investment policy and developing a more activist approach to dismantling trade barriers. Underlying these decisions was the basic premise that the government should encourage the liberalized flow of goods, services and capital as this could benefit the Canadian economy.

In little more than a year after taking office in September 1984, the Mulroney government replaced the much vilified "National Energy Policy" that was adopted in 1980, with a market-oriented policy for oil and natural gas that does not discriminate on the basis of ownership or nationality of the investor. As a result of these changes I believe that the energy sector is now less regulated than that in the United States.

With respect to foreign investment, the new government decided to roll back legislation which, since the early '70s, required that foreign investors demonstrate that their investments were of significant benefit to the Canadian economy. That legislation also required that any takeover, regardless of size be reviewed.

The new Investment Canada Act of 1985 reversed the earlier policy by making the presumption that foreign investment is good for the Canadian economy. Equally significant, Investment Canada now has a mandate to promote foreign investment in Canada, thus redirecting its energies to attracting new investment.

Under the new Act new investments are not subject to any review. Takeovers of existing enterprises are reviewable only where the value of the acquisition exceeds a relatively high threshold. An exception to this general rule is made only for certain culturally sensitive sectors.

Since the Government announced the new investment policy, the level of non-Canadian investment in Canada has risen by 25 percent. We hope and believe that this is a trend that will grow as investors come to appreciate that Canada is once again "open for business".

After experiencing the first fall in economic activity in nearly thirty years in 1982, the Canadian economy has returned to a strong growth path. After achieving 5 percent real growth in 1984, real economic output grew by 4 percent during the first half of 1985, and by well over 6 percent during the second. This was twice the rate of growth of the United States in 1985.

Growth is expected to remain strong again in 1986. Inflation has been remarkably well behaved for the past two years and is remaining very moderate even with strong growth.

Since the coming to office of the new Government in September 1984, Canada has created 580,000 new jobs—which on a proportionate basis would translate into 5.3 million new jobs here—a remarkable record. Unemployment remains unacceptably high but has gone down from 11.2 percent in January '85 to 9.8 percent in January 1986.

Shortly after taking office, and in keeping with its mandate "to get the economy moving again", the Mulroney Government began a complete review of trade policy with a view to finding new ways to "secure and enhance Canadian access to export markets".

Given the concentration of our exports to the United States and the fragility of our access to that major market, some means had to be found to enlarge and improve on that access and to make it more secure and predictable.

Following his announcement to the House of Commons, on September 26, Prime Minister Mulroney wrote to President Reagan on October 1, 1985 to "propose that our two governments pursue a new trade agreement involving the broadest package or mutually beneficial reductions in barriers to trade in goods and services".

President Reagan warmly welcomed the Canadian iniative on October 2, and following extensive consultations between the Administration and Congressional leaders, the President, on December 10, 1985 sent forward the formal notice of intent to negotiate a trade agreement with Canada as required under U.S. trade law. Congress has 60 legislative days to react. About 24 days have now elapsed. We expect the negotiations to start early in May. Every indication we have is that the Congressional response will be positive.

Clearly an iniative of historic importance has been launched. I would like to share with you the reasons for the initiative and describe the objective Canada will be pursuing.

The rationale for Canada to participate in trade negotiations and conclude trade agreements is self evident. Canada is a trading nation. Much of our economic structure can be explained only in terms of our external trade. More than thirty percent of Canada's GNP is generated by our exports of goods and services. At the same time, Canada imports a wide variety of both producer and consumer goods which either cannot be produced in Canada or which can be obtained more cheaply from abroad.

As a first rank producer of commodities, as a manufacturing nation, and as a major force in world banking and consulting engineering, Canada's prosperity depends on its ability to sell goods and services in many parts of the world, especially in the United States, Western Europe and Japan.

For Canadian producers and investors, the test of our foreign trade policy lies in whether the government can maintain current access available to Canadian producers and improve market access for those sectors where Canadian production is or can be competitive in world markets.

Private sector investment is a key to growth and job creation. Canadian producers need to be confident that their market access is secure and that foreign governments will not move to frustrate the effort of Canadians to market their goods abroad.

Unlike our two principal trading partners, Japan and the United States, Canada does not possess a large internal market. Unlike European countries Canada does not have preferred access to a larger market through regional trading blocs.

These factors explain why Canada has been a very active participant in every round of multilateral trade negotiations over the last 40 years. We are and will remain leaders in the international efforts to press ahead with the new multilateral round scheduled to begin in September.

We have, moreover a binding international agreement with the United States covering all our trade—the General Agreement on Tariffs and Trade and this agreement conveys substantial rights and imposes heavy obligations upon both countries. We have one subsidiary but highly important trade agreement with the United States covering automobiles and several dealing with defence products. Hence the question before us is not whether there should be a trade agreement between Canada and the United States but rather whether we can go farther and do better than the present arrangements.

To place this issue in perspective two way trade totalled US $118.8 billion in 1984. Canada enjoyed a surplus on merchandize trade of US $15.4 billion. This surplus on merchandize account was second in importance only to Japan.

Our surplus, however, has not come under the same close scrutiny and criticism because the Canadian market is essentially open. Ample testimony to this is given by the fact that U.S. exports to Canada increased by over 20 percent in 1984. This should be contrasted with U.S. export performance in Japan and the EEC where the rates were 8 and 6 percent respectively.

Further the surplus we enjoy on the merchandize account is substantially offset by a large and traditional deficit we run with the United States on invisibles (i.e. interest, dividends, tourism and service payments). For 1984 the current account surplus was U.S. $6.7 billion. This was only the third year since World War II that Canada enjoyed an overall surplus on current account.

The other side of the coin, so to speak, is the importance of Canada as a market for American goods and services. Canada is by far the largest market for the United States, larger than Japan and equal to the market offered by the member countries of the European Community.

Canadian imports of U.S. goods in 1984 were US $46.5 billion. In the same year Japan imported US $23.6 billion and the European Community imported US $46.9 billion of U.S. goods. In 1984, Canada, a nation of 25 million purchased more than 21.3 percent of all U.S. exports. Moreover, 85 percent of these goods were fully or partially manufactured.

In 1985, U.S. exports to Canada increased by 12 percent. This increase in exports to Canada should be contrasted with a decline in exports to the European Community of 2 percent and a decline in exports to Japan of 4 percent. Again in 1985, the Canadian market absorbed 22.3 percent of all U.S. exports.

One of the most important things we want to do is to open up the vast U.S. market to Canadian industry in order to increase its efficiency and competitiveness. Through increased scale of production and greater specialization in certain products, Canadian manufacturers would have a unique opportunity to increase their competitiveness and efficiency, increase employment opportuni-

ties, and ultimately raise the real income of all Canadian workers.

New jobs are created and new investment is stimulated when the market is large enough to allow economies of scale and specialized production. Better jobs are created when companies are confident about the future and are prepared to invest to remain competitive.

Whatever we can achieve in opening up the U.S. market, our present access to this market is under considerable threat. Canadian jobs are lost and new jobs are not created when the United States imposes quotas or higher tariffs on trade. In many cases the threat of protectionist actions is as potent a deterrent to investment as is the actual imposition of a restrictive measure.

Examples which come readily to mind are the steel and softwood lumber issues. Let me take a few moments on lumber.

Softwood lumber exports to the U.S.A. are an important ingredient in our bilateral trade. In 1984 they were valued at $C 3.3 billion. They are also a valued import as they make up the shortfall in U.S. production and meet the real needs of many users who prefer the species, size and quality of softwood lumber available from Canada.

Lumber is not a new issue. The industry is prone to cycles of boom and bust. When the market is stong, Canadian softwood lumber is welcome. When the market turns down, the U.S. industry would like us to go away lest the abundant supplies create a downward pressure on prices.

In the current cycle the U.S. industry has alleged that Canadian forest management and pricing practices are unfair. It has requested that steps be taken to either limit volume or raise prices of imported lumber.

The Canadian industry has been the subject of the most intense scrutiny for the past five years. Two investigations by the ITC under Section 332 and a massive countervailing duty case have failed to provide evidence that would substantiate the U.S. lumber industry's claims. Yet the pressure for limiting our access to your market for lumber continues to grow.

Today there are a number of bills before Congress that would either raise Canadian lumber prices, limit the volume or change the countervailing duty laws to make current Canadian practices actionable.

Recognizing the seriousness of the problem, we have agreed to enter into high level, government to government talks in an effort to try and resolve the issue. These talks should be allowed to proceed without prejudice.

The new protectionist threats come on top of an existing system of so-called contingency protection measures that pose an ever-present threat to many Canadian exports. Many Canadian companies doing business in the United States find themselves compelled to hire expensive Washington law firms as their U.S. competitors increasingly use the full array of U.S. trade remedy law in an effort to obtain relief from foreign competition.

Through a new agreement, we want to ward-off the very real threat to existing Canadian exports and Canadian jobs posed by the sweeping new protectionist measures being put forward in Congress. We want to seek to obtain an agreement with the United States that will help shield us against the continuing threat posed by existing protectionist measures in place in the United States, which have the effect of impeding exports and discouraging new investment in Canada aimed at supplying the U.S. market.

The third major objective for Canada in these negotiations will be to enshrine the improved access to the U.S. market in a treaty or congressional-executive agreement. Such treaty or agreement should include a strong dispute settlement mechanism to reduce the disparities in size and power and to provide fair, expeditious and conclusive solutions to differences of view and practices. It should also provide institutional and other provisions maintaining Canadian independence of action in areas of national endeavour.

While it may be clear why Canada has initiated this process it may not be equally apparent why the United States should want to pursue a bilateral trade agreement with Canada.

In my opinion there are a number of compelling reasons.

First as I mentioned earlier, Canada offers the largest, fastest growing and in many respects the easiest market for U.S. goods and services. In 1985, we took 22.3 percent of all U.S. goods exports and ran a sizeable deficit with you on services.

That was under the existing tariff structure. The average tariff facing goods flowing north is between 9 and 10 percent whereas the average level of U.S. tariffs is between 3-4 percent. It is therefore obvious that your trade could be considerably enhanced by moving to a zero tariff across the board.

Second, a large and growing proportion of the U.S. economic activity lies in the service sector. Given the proximity of our markets and the similarity of our economic systems we already have a flourishing two-way trade in services. Traditionally, you have enjoyed a large surplus in this account. In 1984, the surplus was $14 billion.

Improved and more predictable access into the service sector would obviously open new markets for U.S. firms. Looking beyond our bilateral horizon, there is an urgent need to begin developing international rules governing trade in services along the lines of those GATT rules that have served us well in the goods trade.

An agreement with Canada on services providing a broad legal framework and effective disciplines could serve as an example of what can be achieved in this new area. It could go a long way towards advancing our mutual interest in negotiating better international rules in the next MTN round.

Third, under the heading "improvements to trade in services" one could also envisage addressing a variety of regulatory issues that because of a lack of symmetry lead to the creation of trade barriers. Here one might think of such arcane subjects as grading standards for potatoes or plywood, approval processes, business travel, etc. In a relationship as complex as ours, there are hundreds of such issues that impede trade, often inadvertently.

Fourth, there are a number of non-tariff barriers at both the federal and provincial levels which impede U.S. access to certain parts of the Canadian market. In the United States you have such things as "Buy America" preferences or restrictions, small business set asides, State and local government preferences, etc. In Canada we have engaged in similar practices that have restricted U.S. access to certain areas of government purchasing or at the provincial level have made it more difficult for U.S. suppliers to compete such as in the area of alcoholic beverage marketing.

Finally there is the area of foreign investment. As I pointed out earlier the Mulroney government has made some very fundamental changes in this area, greatly reducing the regulatory scope of Investment Canada and increasing the transparency and predictability of the process. I understand that some U.S. interests would like further movement in this area towards completely unfettered access—a condition I might add that does not exist in the United States.

While this is a sensitive area, the government is on record as saying that it wants the broadest possible deal consistent with a balanced negotiation.

There is a lot of optimism on both sides of the border about a new trade deal. There are also some serious worries, especially in Canada. Some Canadians are extremely concerned about the effect these negotiations might have on Canadian cultural industries and, therefore, on our ability to express our national ethos and to protect our essential sovereignty.

No country is more open than Canada to foreign cultural products. Anyone who doubts that should look at our bookstores, our theatres, our broadcasting system, our galleries and museums. Equally no country in the world is more committed than Canada to making the rules of international commerce more transparent and fair.

Because we are so open, and because we live next door to the most powerful country in history with perhaps the most vibrant culture on earth, it is not surprising that preservation of our own cultural sovereignty has to be a preoccupation of the Canadian government.

But the commitment to preserving cultural sovereignty does not stop us from seeking better trade rules for cultural industries. From Canada's point of view, better rules are both possible and desirable.

We are prepared to discuss with the U.S. whatever concern you may have. We expect a similar openness of your side. No doubt, as the negotiations proceed, your side will state that it cannot meet certain Canadian demands; no doubt, we will do the same. But there will be many issues on which we will be able to agree. This is the essence of negotiations.

These negotiations will not be the first time that Canada and the U.S.A. will be sitting down to try and improve their trading relationship. Seventy-five years ago. the government of Sir Wilfrid Laurier concluded an agreement providing for reciprocity between Canada and the U.S.A. This agreement has the crowning achievement of Laurier's liberal free-trade policy. It also sent the Laurier Government down to a crashing defeat, a lesson not lost on subsequent Canadian Governments.

But there is a happier lesson to be drawn from past history—the precedent setting agreements Canada and the U.S.A. negotiated in 1935 and 1938. These agreements established the "most-favoured-nation" principle and began the dismantling of extensive trade barriers that had been thrown up in the wake of the Smoot-Hawley tariff. Coming as they did in the depth of the depression they were a true act of faith in the benefits to be derived from a more open trading system. The principles of these bilateral accords formed the foundation of the post-war multilateral trading system.

The words Smoot-Hawley are often heard these days around Washington on the lips of people who fear that protectionist pressure may be driving the U.S. towards an historic error.

What is needed to avoid such an error, on your side of the border and on ours is an act

of courage in our capacity to compete and an act of faith in the benefits of open markets, just as we made in the thirties. We, Canada and the U.S.A., have shown this leadership before, in our common interest. Canada is on record as wishing to try to do so again.

The Canadian Government has taken the initiative. It will be brought to fruition only with broad based support in both our countries. It requires that people like you who see the major economic and political benefits that can flow from such an agreement to actively promote it. I invite you to join me in countering the influence of the nay sayers that are always attracted to great initiatives. I invite you to join me in promoting an enterprise that will be good for Canadians and Americans alike.●

HHS'S LIST OF "OUTLIER" HOSPITALS

● Mr. DURENBERGER. Mr. President, 2 days ago, the Department of Health and Human Services released the results of a statistical study comparing the actual number of deaths of Medicare patients in hospitals with the number that would have been expected according to a statistical model developed by the Department. Included on the list are those hospitals whose actual experience differed from the predicted experience by a statistically significant amount—whether for better or worse. This will be very helpful in ensuring quality of care for Medicare beneficiaries. But, right now, I believe it is vitally important that we all understand just what this list is—and what it is not.

This list is certainly not a list of hospitals which have been found to have problems in terms of the quality of care they provide—the model used by the Department does not take into account a number of important factors which could explain a hospital's appearance on the list. For example, the model used does not consider the severity of illness of the patients seen in that hospital, or even whether or not the hospital is a hospice or teaching hospital or referral hospital which can expect to see more severely ill cases. But, when peer review organizations—the groups charged with monitoring quality and utilization in the Medicare Program—receive the names of hospitals in their jurisdiction which appear on the list, they will know which hospitals' appearance is justified and which hospitals should be looked at more closely. The informaton is not very meaningful taken out of context—it is simply a tool, generated by HCFA on the basis of Medicare statistics, for the PRO's to use in monitoring the quality of care in hospitals, just as they were set up to do.

While I am pointing out what a crude and unrefined tool this list is in one respect, I should also point out that, in another way, it represents an important and valuable shift in the way in which the Government tries to measure or define quality of care. That is, it does not simply compare a patient's actual experience with a textbook recommendation as to what tests should have been ordered or what procedures should have been followed. Nor does it "measure" the quality of care provided by examining the physical plant or facilities to see if they meet some criteria from which inspectors will infer that they can deliver quality care. Those methods represent the old-fashioned thinking that we can ensure quality by requiring the process of delivering care to be set up in a way which should guarantee quality. Instead, we must begin to examine quality by going straight to the patients themselves—in other words, by focusing on the outcome, or the patients' condition following medical treatment, rather than the process of delivering that care. This outlier list is a valuable start toward approaching the health care system from the outcome side rather than the process or structure side.

I understand that the Department originally intended to send each PRO the names of the hospitals within its jurisdiction which appeared on the list so that the responsibility for investigating why these hospitals are outliers could be included in the contracts they are about to renegotiate with the Health Care Financing Administration. However, last week a copy of the list was leaked to the New York Times. When that happened, the Department decided to go public with it in order to explain the severe limitations to its usefulness so that no one would draw justified inferences from it and unduly frighten beneficiaries. I applaud their effort, and I hope they have been successful in allaying unfounded fears.

Admittedly, it would be very easy to draw broad conclusions based on this rough data; for instance, I cannot help being proud that only four Minnesota hospitals appeared on the list, that two of those had better experience—or lower death rates— than the model would have predicted, and that another has a hospice unit. But I want to caution everyone—especially beneficiaries—that this list is only a tool, a very preliminary step in reviewing the quality of care being provided to Medicare patients. We have been given a peek into the early stages of quality review. Let us not be unduly alarmed. It is just the system we set up doing its job.●

REINS ON INSURANCE

● Mr. SIMON. Mr. President, the liability insurance problem is a growing monster.

This Nation cannot ignore this problem, and we want to make sure we come up with answers that are solid for the customers, for the insurance companies, and for everyone.

But when people with no record of claims all of a sudden face increases as high as 63 percent, as in one case I read about, something is wrong.

The Economist newspapers in the Chicago area recently published an editorial, "Reins on Insurance."

It is an editorial that my colleagues and the insurance industry would do well to read, and I ask that it be printed in the RECORD.

The editorial follows:

REINS ON INSURANCE

The movement for increased regulation of the insurance industry is gaining steam as the crisis continues unabated.

State Rep. Ellis Levin of Chicago has introduced a package of bills in the general assembly that would regulate insurance rates, require 90 rather than 30 days before an insurance policy can be canceled.

At a hearing Thursday before the House Task Force on Insurance, Levin charged that Illinois insurance rates are so high that insurance firms are making "obscene levels of profit."

Levin said rates here are "way out of line with other states," and contended that Illinois is the only state in the union lacking a mechanism to hold insurers accountable for their rates.

Property owners, local governments and small businesses are paying the price for the firms' profits, Levin said. While some insurance rates in Illinois have increased as much as 1,200 percent, rates in neighboring states like Indiana and Iowa are increasing by "only" 12, 15 or 25 percent, according to a study by the Legislative Research Unit of the General Assembly.

A spokesman for the Alliance of American Insurers disputed Levin's argument that rate controls are needed. He claimed conditions are no better in other states where government approval of rate hikes is required.

The spokesman, Bradley Kading, predicted that insurance premiums will be cut in Illinois by 1989, as part of the normal swing of prices in the free market.

But 1989 is three years away; at the rate premiums are increasing, small businesses and governments all over Illinois will be crushed by 1989. By then, rates could be astronomical.

Creation of a rate control commission require insurers to justify their rate increases. If observers like Levin are correct, a rate control commission would uncover any unjustified rate hikes.

At the same time, Sen. Paul Simon, D-Ill., has proposed national measures to fight the insurance crisis. He is talking about an end to antitrust laws that benefit insurance companies by limiting competition; plus a study of whether the federal government should get involved in providing some sorts of insurance.

Simon has also raised questions about tax law provisions that benefit insurance firms.

It appears that the longer insurers allow the crisis to continue, the louder the calls for increased regulation will become. It seems unlikely that insurers will be happy with the final product.●

ACTIVITIES OF THE NATIONAL ENDOWMENT FOR DEMOCRACY IN NICARAGUA

● Mr. LUGAR. Mr. President, for some time, the National Endowment for Democracy has been providing financial support to those in Nicaragua who favor democracy. The Endowment's major grant has gone to La Prensa, Nicaragua's only independent daily newspaper, for the supplies it needs to publish. This grant has allowed La Prensa to continue to serve as the voice of the democratic opposition in Nicaragua.

The Endowment's assistance to La Prensa and its other activities on behalf of democracy in Nicaragua should not in any way be confused with President Reagan's request for aid to the Contras or any other official U.S. policy. The Endowment is an independent corporation. It supports only nonviolent activities aimed at promoting democracy around the globe.

Nicaragua is not the only country in which the Endowment has played an important role in aiding the forces of democracy. During the recent elections in the Philippines, the Endowment sponsored an international observer team to monitor election procedures. This team coordinated its efforts with the observer delegation I cochaired. Working with the Endowment team was a pleasure. It also helped insure that we got an accurate picture of election conditions throughout the Philippines.

Mr. President, I strongly support the Endowment's activities in Nicaragua, the Philippines, and elsewhere. Moreover, I believe all Americans, regardless of their views on aid to the Contras, can be proud of the Endowment's work in fostering democracy in Nicaragua. For the benefit of my colleagues, I ask that a description of the Endowment's program of support for La Prensa, approved at its January board meeting, be printed in the RECORD.

The description follows:

LA PRENSA

SUMMARY

La Prensa, Nicaragua's only independent daily, is seeking additional funds to purchase the supplies and other materials which are vital to its continued publication. A NED grant of $100,000 in FY 1985 for the purchase of these supplies was crucial to La Prensa's continued existence as a force for democracy in Nicaragua.

PROGRAM DESCRIPTION

Nicaragua's only independent daily newspaper, La Prensa, has requested another $100,000 to purchase essential printing supplies, spare parts for its presses, and wire and feature services. These supplies and services must be purchased abroad and paid for in dollars. La Prensa, however, cannot obtain the required dollars because of restrictions on foreign currency exchange imposed by the Sandinista government. These restrictions are due in part to Nicaragua's precarious financial status, but when applied selectively to La Prensa they also represent a form of economic harassment by the Sandinistas.

La Prensa estimates its foreign currency needs to purchase the necessary supplies and services as $10,000 per month. The required materials, vital to a major daily, include printing ink, photo supplies, chemicals and other printing supplies, and mechanical and electronic spare parts. The required services include the Associated Press, Agence France Press, Editors Press Service, New York Times wire service and King Features.

La Prensa received a $100,000 NED grant in FY 1985 for similar purposes which helped to meet its needs from February through November, 1985.

REASONS FOR ENDOWMENT SUPPORT

La Prensa is the only independent daily newspaper in Nicaragua. Although heavily censored, it continues to publish and has become a symbol of the embattled civic opposition to the Sandinistas.

The other two major dailies in Nicaragua do not share La Prensa's difficulties. Barricada, the Sandinista party newspaper, and El Nuevo Diario, which is pro-Sandinista, receive numerous donations and grants from abroad. Barricada, for example, received a complete rotary press from the East German Communist Party. Both Barricada and El Nuevo Diario receive preferential treatment from the Sandinista government in the allocation of foreign currency for their purchases abroad.

Although La Prensa is heavily censored and all reports which in any way are thought to be critical of the Sandinista government are deleted, it remains a vital force in Nicaraguan public life. It has a daily circulation of 70,000, and its eight to twelve-page edition includes two pages of sports and two pages of classified ads, in addition to local and foreign news.

NED's FY 1984 grant literally has kept La Prensa alive. For example, its editors have reported that the first shipment under the FY 1985 grant—a large supply of printers ink—arrived in Managua just as La Prensa's supply of ink had been depleted.

NED has had some success in enlisting other U.S. support for La Prensa. As a result of NED encouragement, Americares, a private foundation in New Canaan, Connecticut, has obtained commitments for 180 tons of newsprint (market value $94,500) from the U.S. pulp and paper industry, which will cover La Prensa's paper needs for four to five months. Shipments of the newsprint to Managua are already under way at a cost of approximately $22,000, also raised by Americares.

ORGANIZATION

Friends of the Democratic Center in Central America (Prodemca), a non-profit educational organization committed to the promotion of democracy and human rights in Central America, has agreed to administer the grant for a second year. Prodemca's National Council includes Angier Biddle Duke (Chairman), Maurice Ferre, J. Peter Grace, Theodore M. Hesburgh, Sidney Hook, Bayard Rustin, John R. Silber, William E. Simon, Ben J. Wattenberg, and Elie Wiesel.

A grant to La Prensa would be consistent with NED's objective of encouraging democratically-oriented journalistic enterprises in the Third World, in particular by assisting the media that serve as forums for free discussion and the advancement of democratic ideas. La Prensa has a long history as a crusading, independent newspaper. It opposed the Somoza regime, which resulted in the bombing of its offices and the murder of its chief editor. It originally supported the Sandinista government but withdrew its support when the Sandinistas reneged on their promise to create a pluralistic society with guarantees for press freedom.●

TUCSON JOURNALIST AWARDED THE ALFRED I. DU PONT-COLUMBIA UNIVERSITY AWARD FOR EXCELLENCE IN BROADCAST JOURNALISM

● Mr. DECONCINI. Mr. President, on February 5, 1986, News Reporter Nancy Montoya of KGUN television, Tucson, AZ, was awarded the Alfred I. du Pont-Columbia University award. Receiving the award with Nancy was cameraman Tom Gilmer. Montoya, selected from over 1,000 entries, was honored for her distinction in broadcast journalism. The awards ceremony at Columbia University in New York City was telecast nationally on public broadcasting networks nationwide.

The Alfred I. du Pont-Columbia University award honors those who excel in radio, television, cable news, and public affairs programming. This prestigious award was established in 1942 by Jessie Ball du Pont in memory of her late husband. Montoya was recognized for localizing national news. For this, Montoya traveled to El Salvador and Nicaragua. Montoya's report, "Searching for Sanctuary," discussed the findings of the attorneys preparing for the Tucson Sanctuary trial. In her report on Nicaragua, "Politics of Peace", Montoya presented information on a group of American's who traveled to Nicaragua on a factfinding mission.

This award, one of the most esteemed in journalism, represents Nancy's commitment to individuals, issues, and the truth. Past recipients of this award include Roger Mudd, David Brinkley, and Terry Drinkwater. We are proud of Nancy and her dedication to her job and her community. Nancy has set a standard of excellence and we are pleased that she has been recognized for this by receiving such a prestigious award.●

RETIREMENT OF ELBREGE SULLIVAN

● Mr. BOREN. Mr. President, I would like to take this opportunity to share with my colleagues a tribute to Mr. Elbrege Sullivan, a native of Lawton, OK, who is retiring this year after 30 years as a leader for our dairymen. He has dedicated not only time and energy to this endeavor, but has also invested a keen interest and a comprehensive knowledge of the dairy industry to the development of many growing organizations.

Elbrege Sullivan will probably never stop working to help the dairy indus-

try, but he is retiring this year from the Associated Milk Producers Inc. [AMPI] because of the mandatory age restriction at 65. He was active in organizing early dairy cooperatives in Oklahoma and has served as a committee chairman or member in every phase of dairy co-op work both locally and nationally. His leadership has spanned the National Milk Producers Federation, American Dairy Association, Oklahoma Dairymens Credit Union, and many other dairy organizations on local, State, and national levels.

A dinner was held in Elbrege Sullivan's honor in February by AMPI in Dallas. Many friends and associates were present to add their endorsements to the tribute being paid to him, and to praise him for "going the extra mile" for dairymen. He was known to sacrifice, not once, but many times and was remembered for giving the last full measure of devotion to dairy farmers. In response, the March issue of Dairymen's Digest quotes Mr. Sullivan as saying, "I had to pinch myself to realize you were talking about me. But let me tell you, everything has fallen into place for me * * * look at all the valuable contacts and wonderful friends I've made, yes right here in this room * * *."

The work will continue, and the leadership of AMPI will now pass on to others. But none will forget the dedication and pride that Elbrege Sullivan has for the dairy industry. Mr. President, I am proud to take this opportunity to thank Mr. Elbrege Sullivan for many years of service to this important sector of the agriculture industry, and I am pleased to share this tribute today with my colleagues.●

NEW JERSEY RADON TASK FORCE

● Mr. LAUTENBERG. Mr. President, in January I went to Sweden with a task force to investigate how that country has dealt with a problem of growing concern to residents of my State, and citizens throughout the country. The problem is radon gas contamination in homes.

This task force was comprised of members of the Federal Government, New Jersey State government, and private sector. I formed the group to bring together the types of people who will have to work cooperatively to address radon problems. Sweden has known of its indoor radon problems since the 1960's. Based on epidemiological studies, radon is estimated to cause as much as 40 percent of the lung cancers detected annually in Sweden. The information gathered in meetings with top Swedish environmental, health, and building officials is helpful as the United States begins to address radon contamination.

Mr. President, radon is a major public health threat in New Jersey. At least 250,000 homes in New Jersey alone are located atop a geologic formation known as the Reading Prong. The Reading Prong has higher than normal radon emissions, and 40 percent of New Jersey Reading Prong homes tested have high levels of radon gas. But radon contamination is by no means limited to the Reading Prong. New Jersey State environmental officials estimate that 1.6 million homes in the State could be at risk.

Mr. President, radon is more than a regional public health threat. Radon contamination has been found in 45 States. ABC News in Washington recently reported on the presence of radon in homes throughout the Washington metropolitan area, and I have received reports of radon contamination from States throughout the country. The Centers for Disease Control has reported that 6 million Americans are exposed to hazardous levels of radon, levels which could be causing 20,000 lung cancer deaths each year in this country. EPA will soon begin a national assessment of radon contamination. When this survey is completed, radon will further emerge as a national health problem.

Mr. President, radon is a national problem, and deserves national attention. The Senate has approved legislation to establish a radon program at the Environmental Protection Agency. As a sponsor of this bill, I have also worked to provide funding for EPA for a radon program to address the national scope of this problem adequately. EPA has made progress in setting up a program over the last year. But, the effort is just getting underway and will need continued support to effectively assess the problem nationally, develop mitigation techniques, and provide technical assistance and information to the States which are most affected by radon contamination.

Following my factfinding trip to Sweden, I prepared a report on the behalf of the task force. This report summarizes the findings of our visit, and recommends a course of action integrating Federal, State, and local governments and the private sector.

Mr. President, I ask that the text of this report be inserted in the record for the information of my colleagues.

The report follows:

RADON TASK FORCE REPORT

I. SWEDEN

A radon task force, led by U.S. Senator Frank R. Lautenberg, travelled to Stockholm, Sweden between January 7-10, 1986, to assess that country's response to indoor radon contamination, and how the Swedish experience could be of use to the U.S. The task force represented interests of New Jersey and the nation, public and private sectors. The participants served not only in their official capacities, but several as concerned homeowners residing within the Reading Prong area, also.

The members were: United States Senator Frank R. Lautenberg; New Jersey State Senator John H. Dorsey; Richard J. Guimond, director of the federal Environmental Protection Agency's radon programs; Marlene McMahon, New Jersey Builders Association; David Jackson, New Jersey Builders Association; Robert Ferguson, New Jersey Realtors Association; and John Spears, National Association of Homebuilders Research Foundation, Inc.

Over three days of meetings, the task force met with officials of the Board of Physical Planning and Building Research, Institute of Radiation Protection, Building Research Council, and the Institute of Environmental Medicine at the Karolinska Institute.

In addition, they met with municipal health officials, residents of a home which had been contaminated with high levels of radon, and a Swedish realtor.

The meetings encompassed all aspects of the radon problem—government policy, scientific research, economic effects, and the real effects of radon on homeowners.

The findings of the task force in Sweden were significant. Perhaps most important was the report given by Dr. Goran Pershagen of the Institute of Environmental Medicine. In describing a yet-to-be published report, Dr. Pershagen outlined epidemiological studies which show a definite link between lung cancer and residential radon contamination. Estimates link as much as 40% of lung cancers in Sweden with radon contamination.

Radon exposures in homes in Sweden are thought to have increased by a factor of three or four over the last 20-25 years. This correlates with the increasing attention to energy conservation in homes. Radon poses the greatest risk from radiation sources to Swedes, by a factor of about 14 over other sources, such as diagnostic x-rays.

Dr. Gunnar Bengtsson, Director-General of the Institute of Radiation Protection, said that as many as 140 deaths per million people each year could occur as a result as exposure to radon in homes. In Sweden, this would mean as many as 1100 deaths could be occurring due to radon each year. This was compared to exposure to x-ray diagnosis, which poses a fatal risk to ten per million, for a total projection of about 83 deaths each year.

In the U.S., all health estimates have, so far, been based on studies done on uranium miners. Although the evidence of increased lung cancers among miners due to radon exposure is clear, there has been some dispute over the effects of exposure at levels found in homes as opposed to mines.

While the task force was in Sweden, the Swedish government announced a major new policy initiative, firmly committing that nation to adequate treatment of the radon problem. The policy announcement placed the Institute of Radiation Protection (SSI) in the federal leadership role, to be responsible for overall strategy and to coordinate testing of homes. Other provisions of the announcement included: the determination of the feasibility of a nationwide epidemiological study; making municipalities financially responsible for finding homes with radon levels exceeding 400 Bequerels [1]

[1] A Bequerel (Bq) is the unit of measurement most commonly used for expressing radon concentration in Sweden. Bq is a part of the international standard (SI) system. To derive working levels from Bq, divide the Bq value by 3700.

(.11WL); and having the SSI work to certify private detection and mitigation firms.

Swedish officials first became aware of a residential radon problem in the mid 1960's. The initial concern arose because of findings of radiation emanating from a lightweight concrete made in part with alum shale. This material was found to be emitting radon, along with gamma radiation. Beginning in 1968, several reports were issued on the dangers of radon. Production of alum shale concrete was banned in 1974.

After initial investigations, it became apparent that building materials were only a minor component of Sweden's radon problem. Naturally occurring radon contamination, like that being found in the Reading Prong, was determined to be the primary contributor to the problem.

Emphasis on energy conservation in homes was seen as a major contributor to the radon problem. In 1974, the SSI published a document entitled "Radiation in Our Homes," which was distributed to local public health officials, and made available to the public. It clearly stated that an increased rate of lung cancer could result from decreased indoor ventilation rates, specifically as obtained through energy conservation measures. This was due to the fact that energy conservation efforts were aimed at sealing windows, doors, and other aboveground building parts, and not at foundations, a major entryway for radon. It was estimated that an increase of 20 lung cancer cases in Sweden would result for each average increase of 1pCi/1 of indoor radon.

The warnings in this booklet went largely ignored. In fact, a mass media representative reportedly told the SSI that "if we reproduce what you say here, we might scare people."

It wasn't until January of 1979 that Sweden's residential radon problem drew major attention in the press and public. Homes in a small community in central Sweden were found to have very high radon levels. The SSI and local authorities held an informational meeting for residents. The meeting attracted large scale media attention, and radon became a real problem to Swedes. This somewhat parallels what happened in Boyertown, Pennsylvania in later 1984, with the discovery and publicity of radon contamination at the Watras home.

Public concern in Sweden was significant. The SSI reported receiving 800 phone calls a day following the publicity. The concern was both over health and economic impacts.

Following these events, the government immediately appointed a Radon Commission, which the SSI had sought a year earlier. The Commission is composed of representatives of the SSI, Urban Planning Board, Karolinska Institute, and other government agencies. Within a week of its establishment, the Commission published an informational booklet, jointly prepared by the SSI, the Urban Planning Board, and the Board of Health and Welfare.

In May 1979, the Radon Commission published an interim report entitled "Preliminary Proposals for Action Against Radiation Risks in Buildings." The report contained:

Proposals for acceptable safe radon exposure limits;

Recommendations for extensive radon testing in each community to find high homes;

Proposals to find homes with building materials emitting radon; and

Proposals to do geologic testing and surveying to find hot spots.

In 1982, results were published on the coordinated municipal testing of nearly 33,000 homes in Sweden [2] The cost of this survey was approximately $3 million. Several smaller testing programs were also undertaken, including one by the SSI, which looked at 512 homes in a random sampling.

The results of such testing are used as a tool in planning development in Swedish communities. With this information, planners can take high risk radon hot spots into account when devising building and development strategies.

Based on the SSI testing, the following estimates were made:

Radon concentration WL/Bequerels	Percent of buildings exceeding this concentration (municipal testing)	Percent of buildings exceeding this concentration (SSI random testing)	Number dwellings (SSI data)
0	100	100	3,500,000
>.019/70	78	14	500,000
>.054/200	38	3.5	120,000
>.108/400	11	1.0	35,000
>.216/800	1.75		
>.54/2000	25		

The Commission proposed a preliminary action level of 400 Bq, or approximately .11WL, meaning that immediate attention would be given to those homes with radon concentrations exceeding that level. That would, based on SSI estimates, include approximately 35,000 homes, or roughly 1 percent of the nation's homes. Later estimates have ranged as high as 50,000 to 100,000 homes. (Similar estimates have been made of the percentage of U.S. homes with high radon levels).

In November 1979, the Radon Commission wrote the government, proposing a means of assisting homeowners with large expenses related to radon mitigation. As a result, parliament approved a low-interest loan program for those homeowners with radon concentrations exceeding the action level of 400 Bq.

During the Swedish budgetary year 1981/1982, 300 loans were issued, averaging about $2,000, for a total cost of approximately $600,000.

In 1980, the Urban Planning Board introduced radon concentration limits in the national building code. It set the limit of radon concentration in new homes at 70 Bq (.02WL), 200 Bq (.05WL) in renovated homes, and 400 Bq (.11WL) in existing homes.

Enforcement of these building codes has not been as strict as it could be. The government policy announcement made while the task force was in Sweden contained provisions for toughening up enforcement of these codes.

In 1981, the SSI, Urban Planning Board, and Board of Health and Welfare jointly issued a comprehensive report summarizing the results of Sweden's radon programs to date. The Radon Commission also published a second interim report that year.

The reports reaffirmed the determination that the radon problem was due principally to natural emissions from the soil, and not from building materials. The highest radon concentrations were found to result from the combination of several conditions:

High radium concentrations in the soil.

Porous soil.

Faulty building design/construction (inadequate sealing of foundation spaces, etc.).

Low indoor ventilation rate.

Significant low indoor pressure, drawing in soil gas.

Use of radon rich building material.

It is felt that increased radon concentration leads to a corresponding increase in lung cancer risk. Even at relatively low levels, radon is thought to present a notable risk.

Recent estimates place the average radon concentration in Sweden at approximately 53 Bq. (.01WL). The corresponding lung cancer risk may be of the order of 1 in 10,000, or over 800 cases of lung cancer a year in Sweden. Epidemiological studies cited for the task force indicated that the actual number of radon-induced lung cancer is higher, at about 1,000 of a total of 2,500 lung cancer deaths each year.

Dr. Gunnar Bengtsson outlined the need to address the entire range of radon contamination in homes. Although the homes with the highest levels must be mitigated on a priority basis, in order to cut into the overall lung cancer rate, all exposures must be diminished.

It is thought that the bulk of radon-induced lung cancers are caused by relatively low exposures, below the 400 Bq action level. It is at these levels that the larger percentage of people are affected, not at the extremely high, uncommon levels. While eliminating the very high exposures reduces the risk faced by an individual, it does little to cut down on the collective risk faced by the entire population at risk.

For example, consider a group of 100 individuals exposed to varying levels of radon. Suppose 90 of them are exposed to levels between 50 and 100 Bq—relatively low, but still a risk. The other ten are exposed to levels exceeding the 400 Bq action level. If the ten with the high levels are remediated, the risk faced by those individuals has been reduced, but the collective risk faced by the entire 100 as a group has changed little.

In order to effectively address collective risk, and make a significant reduction in the total number of lung cancers, the overall average must be brought down. Dr. Bengtsson told the task force that the SSI hopes to eventually bring Sweden's national radon average down below 40 Bq (.01WL). This would result in a significant reduction in the number of radon-induced lung cancers each year in Sweden.

The cost of such a program could be enormous. It would involve finding not only the homes with very high levels, but also those with lower levels, anything above 40-50 Bq (.01WL). This would involve testing a very large number of homes, and then taking remedial action. While bringing very high levels down to a more acceptable range may be fairly easily achieved, bringing a home with 80 Bq down to 40 Bq will likely be much more costly and difficult. Dr. Bengtsson stated that such a program could eventually cost as much as one-half of one percent of Sweden's gross national product.

In 1983, the Commission published its final report, entitled "Radon in Dwelling." It further expanded the factors leading to high radon concentrations to include water concentration and soil permeability. It estimated the average home radon concentration throughout Sweden at 53 Bq (.01WL). The U.S. average is thought to be somewhat lower, although extreme levels, of the sort found at some homes in the Boyertown

[2] For comparison, in the U.S., the most comprehensive testing base available has been compiled by the Terradex Corporation. From isolated tests done largely on an individual basis in almost every state, Terradex has an information base of approximately 16,000 tested homes as of October, 1985.

area, are far above the highest levels ever found in Sweden.

The number of existing homes exceeding the action level of 400 Bq (.11WL) has been placed at about 40,000, over 1% of the nation's dwellings. Some 500,000, or 14% of housing, may exceed the 70 Bq (.019WL) level. About 10% of all Swedish ground is believed to pose a high risk of radon contamination.

Remedial action costs have ranged from a few hundred Swedish crowns for installation/adjustment of simple ventilation systems to about 50,000 crowns for installation of forced ventilation with heat recovery. (There are currently about 7.5 Swedish crowns to the dollar.)

Sweden has had a great deal of success in mitigating radon contamination in homes. However, due to different building practices, this success may not be easily transferred to the U.S. Swedish homes are extremely energy efficient, with effective insulation against intrusion of soil gases or wind. Building a Swedish house was likened by one task force member to "putting a glass bottle on the ground." This efficiency, accompanied by the fact that most Swedish homes do not have basements, makes radon mitigation in new construction relatively simple. According to Bengt Olsson, Associate Director of the Swedish Council for Building Research, under current Swedish building practices, adequate quality control will be enough to ensure that radon will not enter a home.

Existing homes pose a more difficult problem. However, in one home visited by the task force, radon levels were reduced by 75-94% with the use of a very simple venting system. This inexpensive system consisted of one pipe rising from beneath the floor of each of two ground-level rooms, connecting, and venting the soil gases through the chimney, with the aid of a very small fan. Put into place by the homeowner, it has maintained these reduced levels for over four years. Operation and maintenance costs are minimal.

This home, in the Stockholm suburb of Sollentuna (pop. 50,000), is among the more than 2,500 homes tested there under the municipal health and environment department program. 500 homes were tested at the municipality's expense, and the remaining 2,000+ at individual expense, with equipment obtained in mass quantity by the municipality. The total number of homes tested continues to grow as more homeowners take part in the program.

Information on radon and its health effects was provided to all homeowners in Sollentuna and testing began, at a cost of approximately $50 per home. The municipality offered to perform the tests, with equipment at owner's expense, in every home. If high levels were found, the municipality provided advice on mitigation. Once mitigation has been done, follow-up testing will be conducted, to monitor radon levels.

A Swedish realtor told his New Jersey counterpart that there had been a period in the late '70's when home sales plummeted in areas with known radon problems. He saw this as being an unwarranted panic, something an official of the Physical Planning Board referred to as a "radon fever" which struck Sweden.

Once prospective homebuyers learned more about the radon problem, and advances were made in detecting and mitigating radon contamination, conditions returned to normal. It is now routine for radon inspections to be part of the home-buying process, with price ajustments being made in some cases to cover the costs of any necessary remedial action.

II. RECOMMENDATIONS

While the radon problem still contains more unknowns than knowns, there are actions which can take place. Activities do not have to take place in isolation, and can go on concurrently. With the task force, federal, state, and private, sector interests have worked together to try to assess the state's radon problem, and how they might work together to reach toward a solution. Following are some observations and recommendations, based on the information gathered in Sweden, and it is hoped that they will be considered as the State of New Jersey undertakes its radon program.

Radon is a national problem. According to data compiled by the Terradex Company in California, limited testing has indicated at least one finding of radon exceeding 4 pico-Curies per liter in 45 states.

From the information gathered in Sweden, and from growing evidence in the U.S., it is clear that an effective approach to the radon problem will have to involve a blend of federal, state, and local governments, along with the private sector. Significant delays in taking action will result in incresasing occurrence of lung cancer.

A. Federal responsibilities

The federal government has the most expertise in radon study, and should make that expertise fully available to the states. Dissemination of information is a critical component of an affective radon program, and an aggressive public information program must be institutionalized.

The federal government has resources which make it best suited for developing technical advances and scientific study. A national assessment, which is needed to determine the scope of the radon problem in this country, must be conducted by the federal government. The federal government can provide the combined services of environmental, health, and housing experts to develop mitigation and detection techniques, health guidelines, and suggested building modifications to preclude radon contamination in homes.

The federal government can also contribute by establishing a national radon program to coordinate activities among the states. It should have the leadership role in developing and improving effective, low-cost radon mitigation methods. The federal government should establish adequate health guidelines, guidelines which indivudual states can base their programs on and which will allow homeowners to assess the level of risk they might be exposed to.

The federal government can also assist states in protecting consumers from fraudulent or faulty radon detection services. The federal government has facilities to calibrate testing equipment, to ensure that detectors work properly, and that readings made by testing firms are accurate. These facilities should be made available to the states, for use in their programs.

The federal government should also explore, the feasibility of establishing a testing/mitigation voluntary certification program, or providing guidance to states for them to establish such programs.

The question of funding an adequate radon program, and providing financial assistance to needy homeowners for radon mitigation is a difficult question. With the current federal budget situation, it is clear that the federal government will be able to assume only limited financial responsibility for anything beyond basic research and demonstration work.

There are, however, certain areas where the federal government might be able to provide assistance. The Federal Emergency Management Agency [FEMA] has stated that naturally-occurring radon could be considered a natural disaster, as are hurricanes, floods, and earthquakes. Such a determination will make it possible for the governor of a state affected by extensive radon contamination to seek federal relief through a presidential declaration of disaster. New Jersey is seeking to design its radon assessment program to be in accordance with FEMA requirements for a declaration of disaster, if warranted.

Secondly, through the existing tax codes, homeowners could seek relief by deducting radon mitigation expenses undertaken for the purpose of protecting health as a medical deduction. While such a claim has not yet been filed, the Internal Revenue Service has stated that it would consider one, and that there are precedents which could make a medical deduction possible.

There may be other means of assisting homeowners in need without putting an inordinate strain on the federal budget. Any such alternatives should continue to be explored.

B. State and local responsibilities

Much of the implementation of an effective radon program will likely lie with the states and municipalities. Funding assistance, such as that which has been provided in Pennsylvania, will likely fall to the states, and not the federal government.

Dissemination of information to the public should be a priority. Distribution of printed material, use of a toll-free information telephone service, training of local health officials, and public information seminars should all be part of an effective informational program.

There is also a need to provide information to potentially-effected businesses. Builders, real estate interests, bankers, and firms looking to locate within high risk areas should all be the targets of an aggressive information agenda. Effectively accomplished, this would work to stave off unwarranted economic harm.

The building and realty industries have demonstrated an interest in addressing the radon problem in New Jersey. Along with the National Association of Homebuilders Research Foundation, they should be incorporated into state and federal plans and efforts. The expertise these groups have to offer would be of great assistance to the state and federal governments, and with little or no funding, could provide significant insight and advances in the areas of radon mitigation and information dissemination. Without the cooperation of these industries, development and enforcement of advanced building practices will be more difficult, and their early interest should be fostered.

The states should coordinate in-state detection efforts, to be able to determine small-scale distribution of radon contamination and better inform their residents. This would complement the national assessment, which will not pinpoint specific problem areas. As in Sweden, this information should be made readily available to community planners and developers.

Schools should be tested for radon problems as well as homes. Parents should know what their children may be exposed to, and

teachers and staff should know what, if any, threats their work environment may pose. States and municipalities have an obligation to see that the buildings under their jurisdiction—schools as well as other public buildings—are safe for those working in them.

Additionally, the problem of high radon levels in water supplies should be studied. Water with high levels of radon can lead to elevated indoor levels, as the gas volatizes from running water supplies, such as showers, sinks, dishwaters. Water concentrations of approximately 10,000 picoCuries per liter would lead to air concentrations of about 1 picoCurie per liter.

States should take an active interest in protecting consumers from victimization by unqualified or negligent testing and mitigation firms. The need for a certification programs should be assessed, and voluntary participation in such programs should be encouraged.

Epidemiological studies should also be conducted, using state-specific information to more accurately assess the health impacts of radon contamination in each state.

The states must also explore possible means of providing financial assistance to homeowners. Low interest loan programs, direct funding/subsidizing of testing, and direct funding of mitigation have been attempted or considered. Once an assessment of the scope of a state's problem is completed, the low interest loan and mitigation assistance issues, as well as other possible means of assistance, can be more reasonably considered.●

AUTOMOBILE FUEL ECONOMY STANDARDS

● Mr. EVANS. Mr. President, today I am submitting for the record a short article I wrote and which was published in the March 13, 1986, edition of the Christian Science Monitor.

The article is entitled "Deficit Fuel-Hardiness," and in it I discuss the Federal budget consequences of backing away from our commitment to passenger car fuel economy. As we set out, during the next few weeks, to forge a budget resolution, I would like my colleagues to bear in mind that we can make some significant progress toward deficit reduction with very little effort.

The only effort that will be required of this Congress to take a $500 million step toward our Gramm-Rudman deficit goal is to prevent any future rollback of Federal fuel economy standards. What would we get in return for our efforts? A half-billion dollars is equal to half the proposed budget cut for the Department of Health and Human Services and is greater than the total cuts proposed for the Departments of Education, Agriculture, Housing and Urban Development, Interior, and State. It is $100 million more than we will spend in 1986 on nutrition for older Americans. It is enough to run Head Start programs for 450,000 underprivileged preschoolers for half a year. It is more than the total funding for both conservation programs and research contained in the administration's 1987 budget request for the Department of Energy.

I have no doubt that my colleagues will hear from both Ford and GM that fuel economy standards make little sense in today's environment. These giant automakers will claim that they are helpless before the tide of consumer demand sweeping Americans into auto showrooms demanding big, fast, gas-guzzlers.

Do not be fooled by the rhetoric. I am also inserting for today's RECORD a short article that recently appeared in Ward's Auto World. In that article, Ford's vice president—North American Sales Operations Louis E. Lastaif is quoted saying that the automakers do have mechanisms available to help them meet fuel economy standards. I submit that this statement to a widely read industry trade publication reflects the truth; that it is largely the decisions made by the automakers themselves that dictate whether they will meet fuel economy standards.

Let us not be fuel hardy. Let us not be fooled by automaker rhetoric. Let us stand for rational energy policy and prudent budget policy and prevent any further erosion of fuel economy standards.

The material follows:

[From the Christian Science Monitor, Mar. 13, 1986]

DEFICIT FUEL-HARDINESS

(By Daniel J. Evans)

In light of two of today's prominent news headlines—the deficit and falling oil prices—yet another confusing signal is coming from Washington. Just as the federal government is taking a hard line on deficit spending, it is lending a sympathetic ear and may give away $500 million to two unlikely recipients of federal largesse: Ford and General Motors.

These two hugely profitable concerns will get—and the government will lose—almost $500 million if the Department of Transportation (DOT) accedes to their request to reduce the average fuel economy level for the fleet of cars they sell in 1987 and 1988.

This half-billion dollar bonanza would be expensive gilding on the estimated $280 million gift received by the automakers when DOT lowered, at the automakers' request, the fuel efficiency standard (Corporate Average Fuel Economy standard, or CAFE) for 1986.

Congress established the CAFE standard in 1975 to promote increased fuel economy of automobiles.

The goal was to help insulate America from the economic havoc that excessive reliance on imported oil can wreak. Congress gave the automakers a full 10 years to implement the technology necessary to meet the 27.5 miles per gallon standard set for 1985 and beyond. The $500 million that might be given away to Ford and GM is for fines owed due to failure to meet the standard.

GM and Ford claim they cannot sell enough fuel-efficient cars to meet the standard because low gasoline prices induce consumers to buy gas-guzzlers. Well then, how can Chrysler make record profits while offering consumers a complete line of cars and complying with the standard? Clearly, the technology is there to meet the standard, and implementing the technology is in the national interest. Chrysler shows that under this sound national policy business may prosper.

Ford and GM didn't meet the standard because they consciously made the marketing decisons which caused them to miss it. They promoted sales of their largest cars, which yield the largest profits for them.

To reward their recalcitrance is outrageous.

Today's headlines may lead one to ask why we should take the time to worry about oil vulnerability. We seem to be awash in oil; prices have dropped precipitously and continue their downward slide. Yet, a glance even a short distance up the energy roadway gives one cause for deep concern.

Recent Interior Department estimates indicate that domestic oil production will fall from 11.1 to 7.6 million barrels per day between 1985 and 1995 and that net oil imports will rise during the same period from 5.1 to 11.7 million barrels per day. Certainly, today's low oil prices create no incentive for new exploration or production. Foreign sources inevitably will continue to supply a significant portion of our petroleum needs.

We cannot let today's sagging oil prices result in sagging enthusiasm for conservation. Prices at the pump, in inflation-adjusted dollars, are lower then they were 2 years ago. Price plays a significant role in creating incentives to conserve. Yet, other government policies, such as CAFE standards, are important, supplementary incentives to conserve. To lower the standard at a time when market forces are least able to maintain pressure for continued energy efficiency is the antithesis of responsible government.

A lowered fuel standard will only fuel the deficit. But preventing a lowered standard will demonstrate our commitment to an energy efficient future.

[From Ward's Auto World, March 1986]

FORD, CHEVY SHUN MINICAR BATTLE, FOR NOW

Ford Motor Co. and General Motors Corp's Chevrolet Motor Div. have no immediate plans, *WAW* learns, to take on the growing number of low-price minicars entering the U.S. market—other than with existing models.

Chrysler Corp.'s decision to introduce low-price versions of its aging Omni/Horizon L-body subcompacts under the "America" marque may change those plans, but otherwise Ford will fight it out with Escort—introduced as an '81 model—and Chevy will rely upon its 12-year-old Chevette and 2-year-old Sprint supplied by Suzuki Motor Co.. Ltd., both base-priced in the $5,000–$6,000 range.

"We're in a different position than the others" Ford Vice President-North American Sales Operations Louis E. Lataif tells *WAW*. "We've just changed over Escort for '86½, and they are in short supply. It would be silly of us to cut prices when demand is there. Also, what do you do? A 'strippie' that may not be competitive?"

Ford needs Escort volume to offset poorer fuel economy of its larger models and therefore meet federal corporate average fuel economy (CAFE) standards currently stablized at 26 mpg (9L/100km). Mr. Lataif agrees Ford undoubtedly would be forced to take some pricing action if "we needed it to keep Escort volume up" for CAFE's sake.

Ford's entry level, small-car strategy calls for importing Festiva, a minicar designed by

its 25-percent-owned Mazda Motor Corp. subsidiary and to be built by Mazda affiliate Kia Industrial Co. Ltd. of Korea for export to the U.S. starting with the '87 model year. It'll also have higher-line, Mazda-derived small cars in 1988 from a new Ford plant under construction in Hermosillo, Mexico.

GM Vice President/Chevrolet General Manager Robert D. Burger says Chevy dealers already have all the car lines they can handle. "We've got all we can do—from Chevette to Corvette," he says.

If Chevette loses ground to low-price competitors, "then we'll have to do something about Chevette," he says, quickly adding: "No, we won't have a Scooter." That refers to a past Chevy tactic of removing the rear seats from Chevettes to slash its price, resulting in an often-maligned version called Scooter.

Chevy, of course, also has quota-limited supplies of the 3-cyl. Sprint to compete at around $5,400. Suzuki contemplates Canadian production—perhaps in conjunction with GM—in the late '80s. That output presumably would provide Chevy all the minicars it may need.

DAVID SCHWARTZ HONORED BY DEMOCRATIC POLICY COMMISSION

● Mr. LAUTENBERG. Mr. President, I am pleased today to recognize the accomplishments of New Jersey Assemblyman David Schwartz, who is being honored by the Democratic Policy Commission for his innovative efforts to stimulate affordable housing in New Jersey.

A member of the New Jersey Assembly since 1978, David's commitment to making homes more affordable and improving the quality of urban life has resulted in initiatives that are both cost effective and compassionate. Over the past 7 years, he has crafted legislation that has helped 8,000 New Jersey residents buy their own homes, generated close to 5,000 new apartments and kept 10,000 people—3,800 families—from being evicted from their homes with temporary mortgage and rental payment assistance. His legislation has led to over $40 million in needed home improvements.

In these days when so many of our young people despair of ever owning their own homes, when families are forced to pay a higher and higher percentage of their incomes for housing, and when people are forced from their homes because of temporary economic problems, David's programs have demonstrated sensible, successful solutions.

Mr. President, I am proud to join in honoring David Schwartz for his considerable accomplishments, which have benefited all New Jerseyites. His efforts stand as a testament to government which is both fiscally and socially responsible; government which works for the average American.●

EFFECTIVE DATES OF TAX REFORM

● Mr. DANFORTH. Mr. President, the Committee on Finance met today for the first markup session on tax reform. In their usual opening statements, Senator after Senator raised issues running the gamut of the Tax Code. But in virtually every case, the issue of effective dates was raised.

It is no great secret that the effective dates in the House tax reform bill are creating havoc in the business community. Businesses cannot evaluate the economic consequences of their investments because they cannot ascertain the tax consequences of their investments.

In my opening remarks, I, too, expressed concern with the problems created by the effective dates in the pending tax reform legislation. I also suggested that the members of the Committee on Finance agree not to sign any conference report on tax reform legislation this year unless the effective dates for such legislation are substantially in conformance with the effective dates in the Senate version of the tax reform bill. I was extremely pleased when my colleagues on the Finance Committee expressed support for this idea. In fact, 18 members of the Finance Committee signed a statement expressing exactly this sentiment. I hope this statement will help alleviate some of the uncertainty involved in the tax reform process and enable the business community to go forward with some of the investment decisions it has had to postpone pending resolution of the effective date issue.

Mr. President, I ask that the entire text of the statement be printed in the RECORD.

The statement follows:

STATEMENT ON EFFECTIVE DATES, MARCH 19, 1986

The undersigned members of the Committee on Finance agree not to sign the conference report on any tax reform legislation passed by the Senate in 1986 unless the effective dates for such legislation are substantially in conformance with the effective dates as passed by the Senate. The undersigned further agree not to engage in any conference negotiations relating to substantive issues in the tax reform legislation unless a majority of the conferees from the House of Representatives agree to accept effective dates in accordance with the spirit of the preceding sentence.

John H. Chafee, John Heinz, Malcolm Wallop, Steve Symms, Lloyd Bentsen, John C. Danforth, Bill Roth, Bill Armstrong, Russell Long, Spark Matsunaga, Daniel P. Moynihan, Max Baucus, Bob Dole, George Mitchell, Daniel Boren, David Pryor, Dave Durenberger, and Chuck Grassley.●

YOUNG WRITER'S CONTEST

● Mr. HOLLINGS. Mr. President, I should like to take a moment to officially congratulate four outstanding young writers from South Carolina. Mary Rebecca Henderson of Lexington, Christine Clawsonn of Cowpens, Simmy Sims of Central, and Elizabeth Grey of Seneca, have all been chosen as winners of the 1985-86 Young Writers Contest. Their winning entries were chosen from a field of 8,000. The judging was done by an extremely diverse panel, which included some of my distinguished colleagues. The 105 winning entries will be published in the 1986 Rainbow Collection: Stories and Poetry by Young People which is due out in April.

The Young Writer's Contest Foundation was created to further the efforts of educators in improving the basic communication skills of young people in the United States. By involving first through eighth graders in a national writing competition, and by publishing an anthology of the winning entries as the prize, the Young Writer's Contest provides students with the excitement of challenge and the satisfaction of recognition. In addition, it offers educators a stimulating motivational tool. Entries can be in the form of a short story, a poem, or an essay. They are judged on creativity, imagination, originality, grammar and structure, and a host of other factors.

Mary, who is in the eighth grade, wrote a poem entitled "Never Fall in Love." Elizabeth, a fifth grader, wrote a story called "The Examination," while Christine and Simmy, who are both in the seventh grade, wrote stories entitled "A Trip in Time" and "Nemesis," respectively.

All four girls have done an outstanding job. They represent South Carolina to the literary world. I can think of no better representative.●

U.S. AND SOVIET RELATIONS WITH GREECE

● Mr. LUGAR. Mr. President, Senator LARRY PRESSLER, my colleague on the Senate Foreign Relations Committee and chairman of the European Subcommittee, has recently contributed to the Christian Science Monitor a most useful and incisive analysis of U.S. security interests in the Eastern Mediterranean. Entitled "U.S. and Soviet Relations with Greece," the article seeks to promote a more balanced approach to America's relations with and priorities toward the countries of Turkey, Greece, and Cyprus. The Senator argues that a policy that recognizes the equivalent importance of Greece and Turkey as allies has made America's appeal in the region more persuasive than that of the Soviet Union, and he goes on to document that recent improvements in U.S. relations with Greece.

Mr. President, I recommend Senator PRESSLER's article to my colleagues.

The article follows:

[From the Christian Science Monitor, Mar. 6, 1986]

U.S. AND SOVIET RELATIONS WITH GREECE

(By Larry Pressler)

Over the last two years, the United States has greatly improved its security position in the eastern Mediterranean by balancing its relations more equally. In the past, US policy was often seen as narrow, focusing on Greece or Turkey or Cyprus. Bilateral relations and NATO strategy often suffered as a result. However, a new maturity now seems to be infusing United States policy toward the eastern Mediterranean. Secretary of State George Shultz has broadened the policy focus to one that is now more equally Greece and Turkey and Cyprus.

This more balanced assessment of America's priorities, which recognizes the roughly equivalent importance of Greece and Turkey as allies, has made America's appeal in the region more persuasive than that of the Soviets. The effects are most obvious in our relations with Greece.

A wide variety of settings illustrate significant improvement in US-Greek cooperation since 1984.

Prime Minister Andreas Papandreou reacted to American information identifying Soviet spies in Greece by quickly arresting them last September. American and Greek antiterrorist experts have been training together in both countries for several months, and Greece's minister of culture, actress Melina Mercouri, has proposed an "American Month in Greece." Each of these events is the product of a renewed Greek and US determination to revitalize relations.

US-Greek cooperation heightened even further on Jan. 7 when the two nations signed the General Security of Military Information Agreement. It obligates both sides to safeguard information and technology exchanges, and is viewed as an indication of Greek seriousness in improving bilateral ties. In response, the US notifed Greece on Jan. 11 of approval for the sale of 40 F-16s to Greece.

Other talks are also progressing.

A Greek delegation came to the United States in December to discuss a technical accord on industrial cooperation in defense, and civil aviation talks will resume soon. In addition, the United States is now operating two powerful Voice of America transmitters in Greece under an expired agreement which the Greeks still respect.

In sum, all indications suggest that the basic tenor of the United States relationship with Greece has significantly changed since 1984. Recent progress on many fronts seems to indicate that when the US base agreement expires in 1988, the renewal could be easier than previously expected. Indeed, Mr. Papandreou has subtly shifted his position in the last few weeks. He now states that any government in power in 1988 can introduce new legislation to support a new agreement. In anticipation that real progress can be made on this issue, US contact with Greece has increased. Undersecretary of State Michael Armacost went to Greece in October. Secretary of State Shultz met with the Greek foreign minister, and Mr. Shultz plans to meet with Papandreou this spring.

Revitalized US-Greek relations are born of three factors: Papandreou's postelection recognition of the damage done by excessive anti-American rhetoric; Greek interest in eliminating the terrorist threat to civilized international relations; and an American awareness that the period of rhetorical anti-Americanism is past history.

By contrast, 1985 was a particularly poor year for the Soviets. After the Greek spy scandal, the Soviets withdrew their ambassador, Igor Andropov, son of the former premier. The Communist Party also won its lowest percentage of the Greek vote in recent times (9.89 percent) in 1985. Similarly, on Cyprus the Communists experienced an even greater electoral setback in recent parliamentary elections.

Only a year ago, Soviet Ambassador Andropov was riding high in Athens. The Soviets had moved agressively to fill a gap perceived to exist in the hearts of Greeks disillusioned by American actions.

The Soviets apparently felt that the United States had lost Greek support in the left and center for embracing the Greek junta and that more were disillusioned on the right over the United States response to the invasion of Cyprus by Turkey.

Soviet attempts to woo Greece took many forms. Thousands of Greeks have been embraced by the Soviets during visits to the Soviet Union. Hundreds of Greek and Cypriot youths have been provided free college educations at Eastern-bloc universities. The Soviets have also moved to invest in Greece. In 1985 Greece and the Soviet Union signed a 10-year economic and technical cooperation agreement.

By contrast, the US association with Greece is longstanding. Deep links tie our two countries together: similar histories, cultures, and philosophies of government, respect for the individual, and a stress on religion and family.

It is clear that the US now has another chance to reestablish the extremely close ties once enjoyed with this strategically situated country.

The comparative United States advantage over the Soviets in Greece and Cyprus will continue if the United States learns from its recent experience in improving relations with the area. The United States must not allow itself to frame the issue as "Turkey *or* Greece *or* Cyprus." The correct formulation for American policy is "Turkey *and* Greece *and* Cyprus." The United States cannot make this sort of mistake as it has in the past. American security interests in the eastern Mediterranean depend on it.●

TEMPORARY EXTENSION OF CERTAIN PROGRAMS RELATING TO HOUSING AND COMMUNITY DEVELOPMENT

Mr. SIMPSON. Mr. President, after conferring with the Democratic leader, I would now ask unanimous consent that the Senate now turn to House Joint Resolution 563, to provide for the extension of certain housing programs.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 563) to provide for the temporary extension of certain programs relating to housing and community development, and for other purposes.

The PRESIDING OFFICER. Without objection, the joint resolution will be considered as having been read the second time by title.

Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (H.J. Res. 563) was considered, ordered to a third reading, read the third time, and passed.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. Mr. President, I move to lay that motion to reconsider on the table.

The motion to lay on the table was agreed to.

AFGHANISTAN DAY

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of Calendar Item No. 548, Senate Joint Resolution 272, designating March 21, 1986, as Afghanistan Day.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (S. J. Res. 272) to authorize and request the President to issue a proclamation designating March 21, 1986, as "Afghanistan Day," a day to commemorate the struggle of the people of Afghanistan against the occupation of their country by Soviet forces.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. Humphrey. Mr. President, the brutal Soviet occupation of Afghanistan entered its seventh tragic year in December. What Moscow refers to as a "small contingent" of troops now numbers 120,000. Fully one-half of Afghanistan's population has been violently uprooted, forced into the teeming refugee camps of neighboring states or into internal refugee status near Kabul or other Afghan cities. Casualties are currently estimated at 1 million, out of a population of 15 million. In short, more than half of Afghanistan's people have been violently uprooted and none have been left untouched by the barbarity visited upon them by the Soviet Union.

In spite of the astounding proportions of warfare in Afghanistan, the response of the American public is only slowly becoming audible. Because of the "iron media curtain" drawn by the Kremlin around its savage drama, many in the West have been unaware of the genocidal proportions of Soviet actions in Afghanistan. An oft-invaded people, the Afghans were capable until only recently of defending their borders by traditional means. Their heritage discourages them from asking others to defend them; to this day they want not foreign manpower but materiel and humanitarian assistance with which to oppose yet another invasion from the north. We must endeavor to use every means at our dis-

posal to ensure that Soviet designs are thwarted once again. To sit idly by while the Kremlin adds another wing to its empire at the expense of these brave people is unconscionable.

Our moral duty is compounded by the absolute horror which charaterizes Soviet strategy and tactics in Afghanistan. Once it became clear to Moscow's planners that they had vastly underestimated the ability and determination of the Afghan resistance movement, the Politburo apparently decided that if the Soviets could not control the countryside they would instead empty it. Thus they have bombed, slashed, tortured, burned and raped their way through an essentially defenseless population, with absolutely no regard for the lives of women, children, and the elderly. Opponents of the regime are executed with regularity. In an effort to "Sovietize" Afghanistan, Moscow is attempting to educate a whole generation in Marxist-Leninist doctrine.

Soviet tactics preclude nothing. The U.N.'s Special Rapporteur on human rights violations in Afghanistan, Mr. Felix Ermacora, has uncovered instances of the Soviets training dogs to attack children and the elderly as well as reports of handcuffed Afghans being dropped from helicopters while Soviet troops fire on them from below. American media coverage of this twisted war has been slight in spite of these crimes, a fact partially attributable to the Soviet attitude expressed by Moscow's Ambassador to Pakistan, Vitaly Smirnov:

> Stop trying to penetrate Afghanistan with the so-called Mujahedin. From now on, the bandits and the so-called journalists—French, American, British and others—accompanying them will be killed.

When the true story is told, though, the reaction is astonishing. A recent article in Reader's Digest entitled "Agony in Afghanistan" induced thousands of concerned Americans to write me expressing their outrage. Most were unaware of the atrocious conditions in Afghanistan, a fact I find unbelievable in light of the duration and intensity of the war.

Afghanistan Day, March 21, 1986, is partially an attempt to bring the Afghans' struggle to the attention of America and the world. It is also an attempt to let the people of Afghanistan know that the Government and the people of this great Nation are behind them. We must not falter in our efforts to shine the spotlight of world public opinion on the massive violation of human rights being perpetrated in Afghanistan.

The PRESIDING OFFICER. The joint resolution is before the Senate and open to amendment.

If there be no amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution (S.J. Res. 272) was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution (S.J. Res. 272), and the preamble, are as follows:

S.J. RES. 272

Whereas Afghanistan, more than six years after the Soviet invasion, remains a nation occupied and terrorized by over one hundred eighteen thousand Soviet troops;

Whereas the continued Soviet occupation of Afghanistan is causing enormous suffering among the people of Afghanistan, as well as the deprivation of their basis right of national sovereignity;

Whereas between one quarter and one-third of Afghanistan's prewar population has been driven into exile, killed, wounded, or internally displaced;

Whereas the Soviet invasion of Afghanistan undermines the spirit and intention of the Declaration of Principles of the Final Act of the Conference on Security and Cooperation in Europe, which the Union of Soviet Socialist Republics signed at Helsinki in 1975;

Whereas the puppet regime of Babrak Karmal, installed and maintained by the Union of Soviet Socialist Republics, has denied the people of Afghanistan their rights ot self-determination, in violation of the United Charter;

Whereas the United Nations General Assembly has passed seven resolutions calling for "the immediate withdrawal of the foreign troops from Afghanistan";

Whereas on December 13, 1985, the United Nations General Assembly passed an unprecedented resolution on human rights in Afghanistan endorsing the United Nations Special Rapporteur's report demonstrating "gross, massive, and increasing human rights violations in Afghanistan";

Whereas the undaunted resistance of the Afghan freedom fighters against the Soviet occupational forces is in inspiration to the free world; and

Whereas the people of Afghanistan observe March 21 as the start of each new year and as a symbol of the Nation's rebirth: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating March 21, 1986, as "Afghanistan Day", and calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the resolution was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

DESIGNATION OF THE JOSEPH P. ADDABBO FEDERAL BUILDING

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate turn to the consideration of H.R. 4399, a bill to designate the Federal building located in Jamaica, Queens, NY, as the Joseph P. Addabbo Federal Building.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> A bill (H.R. 4399) to designate the Federal building located in Jamaica, Queens, New York, as the "Joseph P. Addabbo Federal Building."

Mr. SIMPSON. Mr. President, I ask unanimous consent that the bill be considered as having been read the first and second times and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. D'AMATO. Mr. President, I rise today in support of legislation to designate the Federal building located in Jamaica, NY, as the Joseph P. Addabbo Federal Building. This is a fitting tribute to a man I have been privileged to work closely with over the past several years.

JOE ADDABBO, since his first election to Congress in 1960, has accomplished something remarkable. He has been a fighter for his district—a Congressman every resident of the Sixth District should be grateful to have as their representative. But he has also shown a remarkable national perspective on issues affecting every American. I think this is most evident in his work as chairman of the Defense Appropriations Subcommittee.

JOE ADDABBO has always been for a strong defense, but he has always insisted that every penny be spent wisely. I think we would be hard-pressed to find someone who could compete with his intelligence and attention to detail. On a more personal side, JOE has always been accessible to discuss even the smallest issue.

I think it is fitting that the Federal Building in Jamaica, Queens, should be named in honor of JOE ADABBO. It is a small gesture, considering what JOE has given over his 25 years in Congress. I urge my colleagues to join me in honoring JOE ADDABBO through swift passage of this measure.

Mr. MOYNIHAN. Mr. President, I am pleased that the Senate has agreed to consider H.R. 4399, a bill to designate the Federal Office Building in Jamaica, Queens, as the Joseph P. Addabbo Building. This bill, introduced by my colleague from New York, Representative MARIO BIAGGI, passed the House this morning by unanimous consent.

The construction of a Federal office building in Jamaica was JOE ADDABBO's dream, and without his efforts, that structure would never have been built.

In the late 1960's JOE wanted to see depressed downtown Jamaica restored to its former vibrance and vitality. He knew that bringing a Federal presence to Queens would accomplish this. To convince the Congress to build a Federal office building in downtown Queens was no easy task in 1969, nor would it be today. But JOE ADDABBO's

determination knew no limits. In 1980, for example, the matter had reached the House Public Works Committee for a vote. When the vote was stalled for lack of a quorum, JOE convinced Congressman John Murphy to recess his Merchant Marine and Fisheries Committee hearing to allow Members to return to the Public Works Committee for a vote. As anyone who has worked with JOE ADDABBO will attest, he knows how to get things done. The measure passed 32 to 1.

I have been privileged over the years to collaborate with JOE ADDABBO on many projects, and probably none more important than the Federal building. This $93 million building will house the Northeastern Program Service Center for the Social Security Administration. The center prepares checks totaling $1.5 billion each month for 5.5 million Social Security beneficiaries, about one-sixth of the Nation's total. I joined JOE on this legislation as one of my first efforts after coming to the Senate. It took us several years to achieve, but JOE was indefatigable—and unstoppable.

JOE ADDABBO's efforts on behalf of Queens and all of New York deserve great praise and acclaim. Today, we mean to pay him a simple tribute. It is one he richly deserves, and I hope my colleagues will join me.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H.R. 4399) was read the third time, and passed.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to table the motion to reconsider.

The motion to lay on the table was agreed to.

THE EXECUTIVE CALENDAR

Mr. SIMPSON. Mr. President, I would like to inquire of the minority leader if he is in a position to confirm any or all of the following nominations on the Executive Calendar: Calendar No. 659, Calendar No. 660, Calendar Nos. 703 and 704 under the Army, Calendar Nos. 705 and 706 under the Navy, Calendar Nos. 707 and 709 under the Marine Corps, and all nominations placed on the Secretary's desk, with the exception of the Foreign Service nomination of Edwin G. Corr.

I state for the information of the Democratic leader that the two Labor Committee nominees were reported out with a quorum present.

Mr. BYRD. Mr. President, I was going to ask the distinguished assistant Republican leader about whether or not these two nominees had been reported out in accordance with the rules or whether in violation of the rules they had been polled out. When they were first placed on the calendar, it was my understanding they were polled out, but I am now told by the distinguished assistant Republican leader that the committee has met and re-reported them, this time with assurances that a quorum of the committee was physically present at the time they were reported. Therefore, there is no objection.

Mr. SIMPSON. Mr. President, let me amend the inquiry to include Calendar item No. 708. I said 707 and 709. That should have included 708 under the Marine Corps.

Mr. BYRD. Mr. President, there is no objection on this side to the nominations that have been enumerated.

EXECUTIVE SESSION

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations just identified, and that they be considered en bloc and confirmed en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. Without objection, the nominations are considered and confirmed en bloc.

The nominations confirmed en bloc are as follows:

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

Lois Burke Shepard, of Maryland, to be Director of the Institute of Museum Services.

DEPARTMENT OF EDUCATION

Frances M. Norris, of Virginia, to be Assistant Secretary for Legislation and Public Affairs, Department of Education.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Robert L. Wetzel, [redacted] (Age 55), U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Colin L. Powell, [redacted] U.S. Army.

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Willard W. Scott, Jr., [redacted], (Age 59), U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Dave R. Palmer, [redacted] U.S. Army.

IN THE NAVY

The following named captains of the Reserve of the U.S. Navy for permanent promotion to the grade of rear admiral (lower half) in the line and staff corps, as indicated, pursuant to the provisions of title 10, United States Code, section 5912:

UNRESTRICTED LINE OFFICERS

Richard Kenneth Maughlin.
David Anthony Janes.
Wallace Nessler Guthrie, Jr.

UNRESTRICTED LINE OFFICER (TAR)

Richard Kenner Chambers.

SPECIAL DUTY OFFICER (PUBLIC AFFAIRS)

Robert Allan Ravitz

MEDICAL CORPS OFFICER

Horace MacVaugh, III.

DENTAL CORPS OFFICER

William Bernard Finagin.

SUPPLY CORPS OFFICER

Jay Ronald Denney.

CHAPLAIN CORPS OFFICER

Aaron Landes.

CIVIL ENGINEER CORPS OFFICER

Paul Calvin Rosser.

The following-named Rear Admirals (lower half) of the U.S. Navy for promotion to the permanent grade of Rear Admiral, pursuant to title 10, United States Code, section 624, subject to qualifications therefor as provided by law:

SUPPLY CORPS

To be rear admiral

Daniel Wayne McKinnon, Jr.
Robert Burke Abele.

IN THE MARINE CORPS

The following named brigadier generals of the Marine Corps for promotion to the permanent grade of major general, under title 10, United States Code, section 624:

John R. Dailey.
James E. Cassity.
Carl E. Mundy, Jr.
Ernest T. Cook, Jr.
John P. Monahan.
Richard A. Gustafson.

The following named brigadier general of the Marine Corps Reserve for promotion to the permanent grade of major general, under title 10, United States Code, section 5912:

Charles S. Bishop, Jr.

The following named colonel of the Marine Corps Reserve for promotion to the permanent grade of brigadier general, under title 10, United States Code, section 5912:

Mitchell J. Waters.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE AIR FORCE, ARMY, MARINE CORPS, NAVY, SENIOR FOREIGN SERVICE

Air Force nomination of Orr Y. Potebnya, Jr., which was received by the Senate on February 11, 1986, and appeared in the Congressional Record of February 18, 1986.

Air Force nomination of Kenneth G. Sandberg, which was received by the Senate on February 11, 1986, and appeared in the Congressional Record of February 18, 1986.

Army nominations beginning Ulon C. Argo, and ending Jose L. Rodriguez, which nominations were received by the Senate and appeared in the Congressional Record of February 3, 1986.

Army nominations beginning James I. Moody, and ending Michael J. Johnson, which nominations were received by the Senate on February 21, 1986, and appeared

in the Congressional Record of February 24, 1986.

Army nominations beginning Philip J. B. Stanley, and ending Paul L. Christianson, which nominations were received by the Senate on February 21, 1986, and appeared in the Congressional Record of February 24, 1986.

Army nominations beginning Robert C. Lim, Jr., and ending Louis R. Zako, which nominations were received by the Senate and appeared in the Congressional Record of March 3, 1986.

Army nominations beginning Robert Allen, and ending Douglas S. Harr, which nominations were received by the Senate and appeared in the Congressional Record of March 6, 1986.

Marine Corps nominations beginning Stuart W. Bracken, and ending Michael R. Ramos, which nominations were received by the Senate and appeared in the Congressional Record of February 3, 1986.

Marine Corps nomination of Lt. Col. Charles F. Bolden, Jr., which was received by the Senate on February 21, 1986, and appeared in the Congressional Record of February 24, 1986.

Marine Corps nominations beginning Andrew S. Dudley, Jr., and ending Mark G. Zimmerman, which nominations were received by the Senate and appeared in the Congressional Record of March 6, 1986.

Navy nomination of Cmdr. Michael J. Smith, which was received by the Senate and appeared in the Congressional Record of March 6, 1986.

Navy nominations beginning John Rexis Aguilar, and ending Donald Rae Keith, which nominations were received by the Senate and appeared in the Congressional Record of March 6, 1986.

Navy nominations beginning Charles Ervin Aaker, and ending Paul Edward Pritchard, which nominations were received by the Senate and appeared in the Congressional Record of March 6, 1986.

Navy nominations beginning Robert Gilbert Acosta, and ending Mark Godfrey Zlomke, which nominations were received by the Senate and appeared in the Congressional Record of March 6, 1986.

Navy nomination of Cmdr. Edward White Rawlins, which was received by the Senate and appeared in the CONGRESSIONAL RECORD of March 10, 1986.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the nominations were confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate now resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, I very much thank the Democratic leader for his cooperation, and assistance.

I share with him, I think, the appreciation that these nominations are coming through and being reported out with a quorum present rather than through the polling procedure. I have always shared his view on that. I think it has a very good effect on our efforts.

Mr. BYRD. Mr. President, of course, I appreciate it too on behalf of not only myself but also on behalf of the Members on this side. The distinguished majority whip has from the beginning supported this effort to comply with the rules. I am glad that the committees are not doing it.

ORDERS FOR THURSDAY

RECESS UNTIL 10 A.M.

Mr. SIMPSON. Mr. President, after conferring with the Democratic leader, I ask unanimous consent that once the Senate completes its business today, it stand in recess until the hour of 10 a.m. on Thursday, March 20, 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. SIMPSON. I further ask unanimous consent that following the two leaders under the standing order, there be special orders in favor of the following Senators for not to exceed 5 minutes: Senator HAWKINS, and Senator PROXMIRE.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. SIMPSON. Following the special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business for not to extend beyond the hour of 10:30 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. At the conclusion of routine morning business, the Senate will resume the motion to proceed to S. 1017, the regional airport bill. The Senate could also be asked to turn to any other legislative or executive items cleared for action; therefore, rollcall votes can be expected throughout the day on Thursday, March 20, 1986.

ORDER OF PROCEDURE ON FRIDAY

Mr. President, let me respond on behalf of the majority leader to the question earlier in the day of the Democratic leader, with regard to Friday's activity, if I may share that.

We shall have a cloture vote on the regional airport bill, on the motion to proceed to that issue. If cloture is invoked, there would be further votes, indeed, on amendments to the airport bill which are pending and being considered. Other items could generate and will generate votes on Friday.

Mr. BYRD. Mr. President, I thank the distinguished majority whip. Does the majority whip know at this point when the Senate will come in on Friday and as to what hour the vote on the cloture motion will occur in the event it is an hour that is outside the cloture rule?

Mr. SIMPSON. Mr. President, I believe the convening hour will be at 9 o'clock on Friday. It is not ordered as yet, of course, but that would be the thought, at 9 a.m. Then the cloture vote would occur at approximately 10:30 or 11 a.m. on Friday.

Mr. BYRD. I thank the distinguished assistant Republican leader.

Mr. SARBANES. Mr. President, will the Senator yield? I just caught the tail end of the statement. What was the schedule that the assistant majority leader was sketching out on the cloture vote?

Mr. SIMPSON. I share with my friend from Maryland that it is the leader's intent to have the cloture vote on the motion to proceed to the regional airport bill around the hour of 10:30 a.m on Friday.

Mr. SARBANES. I thank the Senator.

Mr. SIMPSON. And there could be other votes throughout the day, I say to the Senator from Maryland.

RECESS UNTIL 10 A.M. TOMORROW

Mr. SIMPSON. Mr. President, is there any further business from the Democratic leader?

Mr. BYRD. Mr. President, I thank the distinguished assistant Republican leader. I have nothing further today.

Mr. SIMPSON. Therefore, Mr. President, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 10 a.m. tomorrow.

The motion was agreed to and, at 7:02 p.m., the Senate recessed until tomorrow, Thurday, March 20, 1986, at 10 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 19, 1986:

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

Lois Burke Shepard, of Maryland, to be Director of the Institute of Museum Sciences.

DEPARTMENT OF EDUCATION

Frances M. Norris of Virginia, to be Assistant Secretary for Legislation and Public Affairs, Department of Education.

The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under

the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Robert L. Wetzel, [redacted], age 55, U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Colin L. Powell, [redacted], U.S. Army.

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Willard W. Scott, Jr., [redacted], age 59, U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Dave R. Palmer, [redacted], U.S. Army.

IN THE NAVY

The following-named captains of the Reserve of the U.S. Navy for permanent promotion to the grade of rear admiral (lower half) in the line and staff corps, as indicated, pursuant to the provisions of title 10, United States Code, section 5912:

UNRESTRICTED LINE OFFICERS

Richard Kenneth Maughlin.
David Anthony Janes.
Wallace Nessler Guthrie, Jr.

UNRESTRICTED LINE OFFICER (TAR)

Richard Kenner Chambers.

SPECIAL DUTY OFFICER (PUBLIC AFFAIRS)

Robert Allan Ravitz.

MEDICAL CORPS OFFICER

Horace MacVaugh III.

DENTAL CORPS OFFICER

William Bernard Finagin.

SUPPLY CORPS OFFICER

Jay Ronald Denney.

CHAPLAIN CORPS OFFICER

Aaron Landes.

CIVIL ENGINEER CORPS OFFICER

Paul Calvin Rosser.

The following-named rear admirals (lower half) of the U.S. Navy for promotion to the permanent grade of rear admiral, pursuant to title 10, United States Code, section 624, subject to qualifications therefor as provided by law:

SUPPLY CORPS

Daniel Wayne McKinnon, Jr.,
Robert Burke Abele.

IN THE MARINE CORPS

The following-named brigadier generals of the Marine Corps for promotion to the permanent grade of major general, under title 10, United States Code, section 624:

John R. Dailey.
James E. Cassity.
Carl E. Mundy, Jr.
Ernest T. Cook, Jr.
John P. Monahan.
Richard A. Gustafson.

The following-named brigadier general of the Marine Corps Reserve for promotion to the permanent grade of major general, under title 10, United States Code, section 5912:

Charles S. Bishop, Jr.

The following-named colonel of the Marine Corps Reserve for promotion to the permanent grade of brigadier general, under title 10, United States Code, section 5912:

Mitchell J. Waters.

IN THE AIR FORCE

Air Force nomination of Orr Y. Potebnya, Jr., which was received by the Senate on February 11, 1986, and appeared in the CONGRESSIONAL RECORD of February 18, 1986.

Air Force nomination of Kenneth G. Sandberg, which was received by the Senate on February 11, 1986, and appeared in the CONGRESSIONAL RECORD of February 18, 1986.

IN THE ARMY

Army nominations beginning Ulon C. Argo, and ending Jose L. Rodriguez, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 3, 1986.

Army nominations beginning James I. Moody, and ending Michael R. Johnson, which nominations were received by the Senate on February 21, 1986, and appeared in the CONGRESSIONAL RECORD of February 24, 1986.

Army nominations beginning Philip J.B. Stanley, and ending Paul L. Christianson, which nominations were received by the Senate on February 21, 1986, and appeared in the CONGRESSIONAL RECORD of February 24, 1986.

Army nominations beginning Robert C. Lim, Jr., and ending Louis R. Zako, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 3, 1986.

Army nominations beginning Robert Allen, and ending Douglas S. Harr, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 6, 1986.

IN THE MARINE CORPS

Marine Corps nominations beginning Stuart W. Bracken, and ending Michael R. Ramos, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 3, 1986.

Marine Corps nomination of Lt. Col. Charles F. Bolden, Jr., Which was received by the Senate on February 21, 1986, and appeared in the CONGRESSIONAL RECORD of February 24, 1986.

Marine Corps nominations beginning Andrew S. Dudley, Jr., and ending Mark G. Zimmerman, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 6, 1986.

IN THE NAVY

Navy nomination of Cmdr. Michael J. Smith, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 6, 1986.

Navy nominations beginning John Rexis Aguilar, and ending Donald Rae Keith, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 6, 1986.

Navy nominations beginning Charles Ervin Aaker, and ending Paul Edward Pritchard, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 6, 1986.

Navy nominations beginning Rober Gilbert Acosta, and ending Mark Godfrey Zlomke, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 6, 1986.

Navy nomination of Cmdr. Edward White Rawlins, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 10, 1986.

HOUSE OF REPRESENTATIVES—*Wednesday, March 19, 1986*

The House met at 10 a.m.

The SPEAKER. Today we have the distinct pleasure of having one of the renowned clergy of the world praying for this House, the Reverend Dr. Billy Graham, Evangelist, Montreat, NC.

PRAYER

The Reverend Dr. Billy Graham, Evangelist, Montreat, NC, offered the following prayer:

Our Father and our God, we thank Thee for the privilege of pausing at the beginning of this session to turn in prayer to Thee, knowing that Thou dost hear the prayers of all who come to Thee in faith.

We confess we live in a troubled, confused, and dangerous world, and in our hearts we know we are not adequate to solve the problems that face us. We confess that our own lives often mirror the troubles of our world. Give us the humility and courage, O God, to confess our sins and turn to Thee for the forgiveness and wisdom we so desperately need.

We commit this day's deliberations into Thy hands. We are reminded from the Scriptures that the legislators of a nation are called to be "ministers of God for good" (Romans 13:4). We pray that this may be fulfilled in every thought, word, and action of this body, knowing that some day we must all give account to Thee. Help us not to seek what is easy or self-serving, but what is right and just in Thy sight. May each Member today be motivated by the wisdom, peace, justice, and compassion of God the Father, the Son, and the Holy Spirit. Above all, in the midst of our busyness give us the discipline daily to deepen our faith and to seek first in our lives Thy Kingdom and Thy righteousness. This we pray in the name of our Lord and Savior. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. DREIER of California. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. DREIER of California. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 265, nays 119, answered "present" 3, not voting 47, as follows:

[Roll No. 61]

YEAS—265

Ackerman	Downey	Lehman (FL)
Akaka	Durbin	Levin (MI)
Alexander	Dwyer	Levine (CA)
Anderson	Dymally	Livingston
Andrews	Dyson	Long
Annunzio	Early	Lowry (WA)
Applegate	Eckart (OH)	Lujan
Archer	Eckert (NY)	Luken
Aspin	Edwards (CA)	Lundine
AuCoin	English	MacKay
Badham	Erdreich	Manton
Barnard	Evans (IL)	Markey
Bateman	Fascell	Marlenee
Bates	Fazio	Martinez
Bedell	Fish	Matsui
Beilenson	Flippo	Mavroules
Bennett	Florio	Mazzoli
Berman	Foglietta	McCain
Bevill	Foley	McCloskey
Biaggi	Ford (TN)	McCollum
Boggs	Fowler	McCurdy
Boland	Frank	McDade
Boner (TN)	Fuqua	McEwen
Bonior (MI)	Gejdenson	McHugh
Bonker	Gephardt	McKinney
Borski	Gibbons	Mica
Bosco	Gilman	Miller (CA)
Boucher	Glickman	Miller (WA)
Boxer	Gordon	Mineta
Breaux	Gradison	Moakley
Brooks	Gray (IL)	Molinari
Broomfield	Gray (PA)	Mollohan
Brown (CA)	Green	Montgomery
Broyhill	Guarini	Moody
Bruce	Hall (OH)	Moore
Bryant	Hall, Ralph	Morrison (CT)
Burton (CA)	Hamilton	Morrison (WA)
Bustamante	Hartnett	Mrazek
Byron	Hatcher	Murphy
Callahan	Hawkins	Murtha
Carr	Hertel	Myers
Chapman	Hillis	Natcher
Chappell	Hopkins	Neal
Clinger	Horton	Nelson
Coats	Howard	Nichols
Coelho	Hoyer	Nowak
Coleman (TX)	Huckaby	Oakar
Combest	Hughes	Oberstar
Conyers	Hutto	Obey
Cooper	Hyde	Olin
Coyne	Jeffords	Ortiz
Crockett	Jenkins	Packard
Daniel	Johnson	Panetta
Darden	Jones (NC)	Pease
Daschle	Jones (OK)	Perkins
Davis	Jones (TN)	Petri
de la Garza	Kanjorski	Pickle
Dellums	Kasich	Price
Derrick	Kastenmeier	Pursell
Dicks	Kemp	Quillen
DioGuardi	Kildee	Rahall
Dixon	Kolter	Ray
Donnelly	Kostmayer	Regula
Dorgan (ND)	LaFalce	Reid
Dowdy	Lantos	Richar ison
Ridge	Smith (NE)	Udall
Rinaldo	Smith (NJ)	Valentine
Ritter	Snyder	Vento
Robinson	Spratt	Visclosky
Rodino	St Germain	Volkmer
Roe	Staggers	Walgren
Rose	Stallings	Watkins
Rowland (CT)	Stark	Waxman
Rowland (GA)	Stenholm	Weaver
Roybal	Stokes	Weiss
Rudd	Stratton	Wheat
Russo	Studds	Whitley
Sabo	Stump	Whitten
Schneider	Sweeney	Wirth
Schulze	Swift	Wise
Schumer	Synar	Wolpe
Seiberling	Tallon	Wortley
Sharp	Tauzin	Wyden
Shelby	Thomas (GA)	Wylie
Sisisky	Torres	Yates
Skelton	Torricelli	Yatron
Slattery	Towns	Young (MO)
Smith (FL)	Traficant	
Smith (IA)	Traxler	

NAYS—119

Armey	Gunderson	Roemer
Bartlett	Hammerschmidt	Rogers
Barton	Hansen	Roth
Bentley	Hendon	Roukema
Bereuter	Henry	Saxton
Bilirakis	Hiler	Schaefer
Bliley	Hunter	Schroeder
Boehlert	Ireland	Schuette
Boulter	Jacobs	Sensenbrenner
Brown (CO)	Kindness	Shaw
Burton (IN)	Kolbe	Shuster
Carney	Kramer	Sikorski
Chandler	Lagomarsino	Siljander
Chappie	Latta	Skeen
Cheney	Leach (IA)	Slaughter
Cobey	Lent	Smith, Denny (OR)
Coble	Lewis (CA)	Smith, Robert (NH)
Coleman (MO)	Lewis (FL)	Smith, Robert (OR)
Conte	Lightfoot	Snowe
Courter	Lloyd	Solomon
Craig	Lott	Spence
Crane	Lungren	Stangeland
Dannemeyer	Mack	Strang
Daub	Martin (IL)	Sundquist
DeLay	Martin (NY)	Swindall
DeWine	McCandless	Tauke
Dickinson	McGrath	Taylor
Dornan (CA)	McKernan	Thomas (CA)
Dreier	McMillan	Vucanovich
Duncan	Meyers	Walker
Edwards (OK)	Michel	Weber
Emerson	Miller (OH)	Whitehurst
Evans (IA)	Mitchell	Whittaker
Fawell	Monson	Wolf
Fiedler	Moorhead	Young (AK)
Fields	Nielson	Young (FL)
Frenzel	Oxley	Zschau
Gallo	Parris	
Gekas	Pashayan	
Goodling	Penny	
Gregg	Roberts	

ANSWERED "PRESENT"—3

Hefner	Holt	Kleczka

NOT VOTING—47

Addabbo	Gaydos	Mikulski
Anthony	Gingrich	O'Brien
Atkins	Gonzalez	Owens
Barnes	Grotberg	Pepper
Campbell	Hayes	Porter
Carper	Heftel	Rangel
Clay	Hubbard	Rostenkowski
Collins	Kaptur	Savage
Coughlin	Kennelly	Scheuer
Dingell	Leath (TX)	Shumway
Edgar	Lehman (CA)	Solarz
Feighan	Leland	Vander Jagt
Ford (MI)	Lipinski	Williams
Franklin	Loeffler	Wilson
Frost	Lowery (CA)	Wright
Garcia	Madigan	

□ 1015

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate insists upon its amendment to the amendment of the House to the amendment of the Senate to the joint resolution (H.J. Res. 534), "Joint resolution making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes," disagreed to by the House, agrees to the further conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. COCHRAN, Mr. MCCLURE, Mr. ANDREWS, Mr. ABDNOR, Mr. KASTEN, Mr. MATTINGLY, Mr. SPECTER, Mr. HATFIELD, Mr. BURDICK, Mr. STENNIS, Mr. CHILES, Mr. SASSER, Mr. BUMPERS, and Mr. HARKIN to be the conferees on the part of the Senate.

The message also announced that the Senate insists on its amendment to the amendment of the House to the amendment of the Senate to the amendment of the House to the amendment of the Senate to the bill (H.R. 3128), "An Act to make changes in spending and revenue provisions for purposes of deficit reduction and program improvement, consistent with the budget process."

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MONTGOMERY). The Chair will receive two 1-minute speeches.

REV. DR. BILLY GRAHAM

(Mr. WATKINS asked and was given permission to address the House for 1 minute.)

Mr. WATKINS. Mr. Speaker, after the resurrection, St. Mark tells us that Christ appeared before the 11 as they were eating, and he upbraided them for not believing those who had seen him after he had risen. St. Mark quotes him as saying: "Go ye into the world and preach the Gospel to every creature * * *."

Mr. Speaker, no man in history has ever touched so many lives with the word of Christ as Billy Graham. Since his first crusade in 1949, he has literally spoken to millions in person and many millions more through television, movies, his magazine, newspaper columns and 12 books, many of which continue to sell to those seeking inspiration.

Reverend Graham is the son of a dairy farmer and sees Christ as a living and loving Christ and preaches an essential message in all of his sermons, regardless of the language of the listeners. That message is: Man rebelled against God and so he was separated from God by sin. Christ died, was buried and rose again, and men need to repent of their sins and receive Him as their Savior.

Reverend Graham is an activist. He has led his crusades in 63 countries around the world. He has been invited as a guest of Presidents, back to Harry Truman's days, and, Dr. Graham, we welcome you in the House of Representatives today.

Mr. WHITLEY. Mr. Speaker, will the gentleman yield?

Mr. WATKINS. I yield to the gentleman from North Carolina.

Mr. WHITLEY. I thank the gentleman for yielding.

Mr. Speaker, I want to join the gentleman from Oklahoma [Mr. WATKINS] and my good friend, the gentleman from Indiana [Mr. COATS], who are president and vice president respectively of the House Prayer Breakfast Group, in welcoming Dr. Billy Graham here as our guest chaplain this morning.

Dr. Graham is a native and resident of my State of North Carolina. We are very proud of him, and we are delighted to have him here today.

REV. DR. BILLY GRAHAM

(Mr. COATS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COATS. Mr. Speaker, I also would like to add my voice to those of my colleagues and welcome the Reverend Dr. Billy Graham and to thank him for his opening prayer for this session.

Many of you know of the lifetime work of Dr. Graham and the impact that he has had on millions of people throughout this world. It is a distinct honor and pleasure to have him here today.

I want to extend an invitation that all of you have already received, but a reminder, that Dr. Graham will be speaking to a joint gathering of House and Senate Members in the Hart Senate Office Building at noon, and each Member of the House is invited to attend. We hope that you can be there.

Dr. Graham, welcome to the House of Representatives. We are delighted to have you with us today.

PERSONAL EXPLANATION

Mr. BEREUTER. Mr. Speaker, family responsibilities required me to miss rollcall No. 60. Had I been here, I would have voted "aye."

JOSEPH P. ADDABBO FEDERAL BUILDING

Mr. HOWARD. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 4399) to designate the Federal building located in Jamaica, Queens, NY, as the "Joseph P. Addabbo Federal Building."

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

Mr. SHAW. Mr. Speaker, reserving the right to object, I do so for the purpose of having the gentleman from New Jersey [Mr. HOWARD], the chairman of the Committee on Public Works and Transportation, explain the bill, and I yield to the gentleman.

Mr. HOWARD. I thank the gentleman, the ranking minority member of our Subcommittee on Public Buildings and Grounds, for yielding to me, to explain this bill.

Mr. Speaker, JOSEPH PATRICK ADDABBO has served with distinction in this body since 1961. He is one of the most highly respected Members of this body.

I know him as an outstanding legislator and a warm, compassionate friend. It can be truly said of JOSEPH ADDABBO he has never said an unkind word about anyone. Quiet, effective, dedicated, he has done an outstanding job for his country, his home State of New York, and for the district he has so ably represented so many years.

He personally was involved in bringing a Federal building to Jamaica, Queens, a rundown, debilitated section of New York City. He was the one whose desire and drive made this possible. The Federal building is almost completed. It will be the fulcrum for the economic growth in the entire area. This is typical of the way JOSEPH ADDABBO worked. No building can be more properly named than this one.

It is a pleasure and privilege to cosponsor H.R. 4399 and support the naming of the building in Jamaica, Queens, for JOSEPH ADDABBO.

Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 4399) to designate the Federal building located in Jamaica, Queens, NY, as the Joseph P. Addabbo Federal Building.

□ 1030

Mr. SHAW. Mr. Speaker, I thank the gentleman for that explanation.

Mr. Speaker, I rise in support of the bill H.R. 4399; a bill which would designate the Federal Building in Jamaica, Queens, NY, as the "Joseph P. Addabbo Building."

Our dear colleague, who now, unfortunately, is hospitalized at Walter Reed Hospital, has served as a distinguished Member of the House for more than a quarter of a century.

When first elected in November 1960 to the 87th Congress, he was the youngest Democratic Member in Congress to serve under the Kennedy Administration; he now ranks 21 in seniority in the House.

During his tenure in the House, he has served on numerous committees and has chaired the Defense Appropriations Subcommittee since 1979.

Congressman ADDABBO has been a leading advocate for protecting and educating our Nation's youth and has supported numerous bills to prevent child abuse, improve child care services, and Federal aid to elementary, secondary, and urban universities.

In addition, he has worked for continued improvements in Federal programs affecting the health, safety, and welfare of citizens throughout the country.

Born and educated in Queens, NY, in both his public and private life, his work has been dedicated to improving the quality of life for his constituents.

It would be a fitting tribute, if, at this time, we would designate the Federal building in Jamaica, Queens, in his honor.

I would urge my colleagues to support the passage of H.R. 4399.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read the bill, as follows:

H.R. 4399

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF BUILDING.

The Federal building located at Jamaica Avenue and Parsons Boulevard in Jamaica, Queens, in the State of New York, shall hereafter be known and designated as the "Joseph P. Addabbo Federal Building".

SEC. 2. LEGAL REFERENCES TO BUILDING.

Any reference in any law, regulation, document, record, map, or other paper of the United States to the building referred to in section 1 is deemed to be a reference to the "Joseph P. Addabbo Federal Building".

GENERAL LEAVE

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on this legislation and to express special tribute to our colleague, the gentleman from New York [Mr. ADDABBO].

The SPEAKER pro tempore. The gentleman from New Jersey [Mr. HOWARD] is recognized for 1 hour.

Mr. HOWARD. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. BIAGGI].

Mr. BIAGGI. Mr. Speaker, as the author of H.R. 4399 I am proud that we are moving toward its passage in the House. I warmly commend the esteemed chairman of the Public Works Committee, Mr. HOWARD, for his advocacy of this legislation and commitment to the man it honors, our colleague JOSEPH PATRICK ADDABBO. I am also proud to note that the measure has 81 original cosponsors. I must also note the fact that one of JOE ADDABBO's closest friends in the House, the distinguished gentleman from Florida [Mr. CHAPPELL] was inadvertently omitted from the list of original cosponsors but intended to be.

I introduced this legislation last week as a manifestation of the respect and deep affection I and so many others in this House hold for JOE ADDABBO. We are honoring more than a colleague. We recognize in JOE ADDABBO a quiet greatness that has made his 26-year career in this House so important. JOE has served productively and with great principle since his first election in 1960. The people of Queens have been provided with the highest caliber of service by JOE ADDABBO throughout the years. JOE during his years as chairman of the Defense Appropriations Subcommittee acquired a national reputation. Yet he does not let the trappings of power cause him to be removed from his constituents. He has served them for so long and so well that they are really part of an extended Addabbo family in Queens. JOE is as good as he is because he mirrors the people he represents in the House. He has unparalleled integrity and an uncompromising commitment to the high moral values and principles.

We are inspired to act today on behalf of a colleague and friend who has inspired so many of us in our careers in the House of Representatives. When we think of JOE ADDABBO, we smile, we feel good because that is how he has made us feel over the years. We talk about a sweet man, kind to all and totally unassuming in his nature and actions.

Without any question, JOE's star shines brightest from his work as chairman of the Defense Appropriations Subcommittee. He tangled with one President over Vietnam, another over Nicaragua. He has taken on the military on their most vulnerable point—waste. He helped to kill funding for the B-1 bomber and to stop procurement of MX missiles. Yet through it all, no matter the level of difference, JOE ADDABBO could disagree without being disagreeable.

As many of my colleagues are aware, JOE admitted last week that he has been waging a 6-year battle with cancer. JOE's nature was such that no one knew. Did he let it slow him down—no. Did he let it get him down—no. JOE ADDABBO loves his life, his work, his country, and the people he represents too much to be any other way. He never wants to burden people with his problems—no matter how serious. That is his nature. That is a measure of the greatness of the man.

JOE has spent almost one-half of his life as a Member of the House of Representatives. He loves this institution and those who serve in it. In turn Members on both sides respect and have genuine affection for JOE. Few serve with greater distinction.

I so fervently hope that this collegial legislative gesture will give him some joy in the knowledge that we who serve with him are thinking of him with love.

Mr. McGRATH. Mr. Speaker, will the gentleman yield?

Mr. BIAGGI. I would be delighted to yield to the gentleman from New York.

Mr. McGRATH. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in strong support of H.R. 4399, which names the Federal building in Jamaica, Queens, after our colleague, JOE ADDABBO.

In my years as a Member of this body, and as a life-long resident of a community bordering his congressional district, I have been proud to call Joe a friend and colleague. No one is more deserving of the honor bestowed in H.R. 4399. JOE was respected throughout the Metropolitan New York area for his strong leadership on defense issues and countless other serious matters affecting our region and the Nation as a whole.

The residents of the southwest part of Queens have been fortunate to call JOE ADDABBO their Representative. His tireless support for community development in the Jamaica business district, his efforts on behalf of St. John's Law School, and countless other activities have made JOE's name a household word in his district and in surrounding communities. I can think of no better tribute to JOE's years of service than to name a building in his honor, in the midst of the community he has served with honor and distinction.

Mr. YOUNG of Missouri. Mr. Speaker, I rise in strong support of H.R. 4399, a bill to designate the Federal building located in Jamaica, Queens, NY, as the "Joseph P. Addabbo Federal Building."

Mr. Speaker, as a cosponsor of this legislation, I can state unequivocally that this is a small tribute to pay to the Honorable JOSEPH ADDABBO because without his strong persistence, construction of this building would not be a reality today. The building is scheduled to be completed in the fall of this year and will serve as the northeast payment center for the Social Security Administration.

Mr. Speaker, as my colleagues are aware, JOE ADDABBO was first elected to Congress in 1960 and it has been my privilege to serve with him in the House for 10 years now. To date, he has compiled a legislative record on behalf of all Americans that will be re-

membered with respect and gratitude. He is a man of incredible integrity and intelligence and is held in high esteem by his colleagues. He enjoys the overwhelming support of his constituents who appreciate his diligence in pressing forward with legislation which has brought about a Veterans' Administration hospital in Queens, a hospital on Ellis Island specializing in drug addiction treatment, improved educational programs, cleanup of the New York Harbor, establishment of the Gateway National Recreation Area, and improved transit for New York. His record in the House is so full of landmarks and achievements and I doubt that the people of New York will ever have a better champion of their interests. He loves his State and he serves its people well.

As chairman of the Defense Appropriations Subcommittee since 1979, Congressman ADDABBO has played a significant role in bringing about a strong defense system for our Nation. He has served on the Agriculture and Legislative Subcommittees of the Appropriations Committee, and presently serves on the Treasury-Post Office and Military Construction Subcommittees.

As a former member of the Veterans' Affairs Committee, Mr. ADDABBO takes a special interest in the welfare of veterans. He has sponsored numerous bills helping veterans in the areas of education, housing, and employment.

Mr. Speaker, unfortunately the Honorable JOE ADDABBO is not with us today to hear all these accolades due to the fact that he is hospitalized, however, I sincerely look forward to his return to the House.

Mr. MANTON. Mr. Speaker, I am pleased to join my colleagues in honoring our distinguished colleague, JOE ADDABBO, by passing H.R. 4399, a bill to rename the Federal building in Jamaica, Queens, New York, as the "Joseph P. Addabbo Federal Building."

The dedication of this building is a fitting tribute to a man such as JCE ADDABBO, who has so ably represented the people of the Sixth Congressional District of New York. With his 24 years' seniority in the House and his high-ranking position as the chairman of the Defense Appropriations Subcommittee, JOE has a litany of accomplishments to his credit. He has been a voice of moderation in appropriating our defense dollars. Even during the administration's largest ever peacetime increase in defense spending, JOE has shown courage in opposing the executive branch when its plans seem too expensive or too likely to risk war.

Mr. Speaker, we all know that JOE has spoken not only from his own ideology, but also on behalf of his constituency, who have wholeheartedly endorsed his work in the Congress. He has personified the highest standards of personal integrity and unselfish devotion to public service. His constituency has repeatedly sent him back to Washington because of his dedication and leadership capabilities.

When I was elected to the Congress in the fall of 1984, JOE ADDABBO was always available to assist me in any way possible. He was influential in helping me obtain the one vacant Democratic seat on the Merchant Marine and Fisheries Committee and also a seat on the Banking Committee. Both these committee assignments are important for the people of my district.

Mr. Speaker, JOE ADDABBO has been a skillful legislator who has always been a good friend and political adviser to me. He has consistently aided those in our society who most need our concern and assistance. It is appropriate that we show our appreciation to JOE by naming a Federal building in his honor. The Joseph P. Addabbo Federal Building will serve as a lasting tribute to a man who has given so much of his time and energy toward public service.

Mr. ACKERMAN. Mr. Speaker, I rise today in support of H.R. 4399, a bill to name the Federal building in Jamaica, NY, as the Joseph P. Addabbo Federal Building. This legislation is a proper and fitting gesture to an outstanding Member of Congress, who tragically lies in a coma as we meet here today in the Chamber he loved so well.

Mr. Speaker, JOE ADDABBO served the people of Queens and the citizens of our great Nation through some momentous times in American history. From the Great Society, to the Vietnam era, on through Watergate, and on to the Reagan years, JOE has been a voice—sometimes a lonely voice, but always a strong and consistent one—of quiet decency that has stood out in this House. As a leader in the fight for a strong but sane military, and as the dean of the New York City delegation, JOE ADDABBO has won the respect and admiration of the U.S. Congress.

Mr. Speaker, the contributions that JOE ADDABBO has made to this Nation and this Congress have been a credit to the people of Queens. Particularly in the field of foreign affairs and military readiness, JOE became an acknowledged leader whose counsel is already sorely missed. From the early 1970's, when he sponsored the first anti-Vietnam war resolution ever to pass this House, to his recent support of a Nicaraguan peace process and opposition to covert military aid to the Contras, JOE consistently challenged our Nation to choose negotiations over weapons; to choose peace, rather than war. JOE has been a staunch opponent of overpriced, untested weapons such as the MX missile, and he has used his position as Chairman of the Defense Appropriations Subcommittee to force both Democratic and Republican administrations to look more carefully at our military priorities.

Mr. Speaker, it is particularly appropriate that a building in the community and county JOE so ably represents be named for this exemplary lawmaker and this outstanding American. JOE ADDABBO has spent 25 years fighting for the men, women, and children of Queens. His commitment to his constituents was proven once again as recently as 1984. In that year, party leaders—anticipating a tough election—urged ADDABBO to move to a safe district. JOE ADDABBO responded by staying and fighting it out on his own turf, and prevailed by better than a 2 to 1 margin.

Therefore, I fully support H.R. 4399, a small but important tribute to a truly great Congressman.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMISSION TO FILE FURTHER CONFERENCE REPORT ON HOUSE JOINT RESOLUTION 534, URGENT SUPPLEMENTAL APPROPRIATION, DEPARTMENT OF AGRICULTURE, 1986

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a further conference report on House Joint Resolution 534, making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the consideration of the joint resolution, House Joint Resolution 540.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

PRESIDENT'S REQUEST FOR ASSISTANCE FOR NICARAGUAN OPPOSITION

Mr. WHITTEN. Mr. Speaker, pursuant to section 722(n) of Public Law 99-83 and the order of the House of March 13, 1986, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 540) relating to Central America pursuant to the International Security and Development Cooperation Act of 1985.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

□ 1035

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution, H.J. Res. 540, with Mr. WHITLEY in the chair.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Without objection, the first reading of the joint resolution is dispensed with.

There was no objection.

The CHAIRMAN. Pursuant to section 722(n) of Public Law 99-83, the gentleman from Illinois [Mr. MICHEL] will be recognized for 5 hours and the gentleman from Mississippi [Mr. WHITTEN] will be recognized for 5 hours.

The Chair recognizes the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, my colleagues, first I want to say how proud I am to have the gentleman from Pennsylvania, Mr. JACK MURTHA, as a cosponsor of this legislation.

Both JACK and I are combat veterans of different wars have shed some blood for our country and know full well what war is, and it is hell, whether it be a small war or a big war; and particularly at the foot-slogger level where we have seen it at its worst and with all it gory details.

I mention this only because it has been said from the Speaker on down that our President and those of us who support him in this issue will never be satisfied until we send American boys down to fight in Nicaragua.

Let me put the notion to rest at the very beginning of this debate. That is the last thing good friend, the gentleman from Pennsylvania, JACK MURTHA, and I would ever recommend to our colleagues, and I know the President shares this view.

The bipartisan resolution before us would provide $100 million in aid to the freedom fighters in Nicaragua; $70 million of that aid, presumably military, will be at the discretion of the President, $30 million of this package will be for humanitarian aid, $3 million of which is specifically earmarked for improvements in human rights.

Now, we are considering this legislation under an expedited procedure that provides for 10 hours of debate and a straight up or down vote.

There will be no opportunity for amendments, so the issue will have to be decided on what we have before us.

Let me now sketch out the nature of the problem in Nicaragua. It did not begin yesterday or just a few years ago. It has its roots deep in the history of Central America.

The poverty and social injustice that have long plagued the region can be traced to cultural and economic causes that go back centuries; but we cannot confuse these issues, important as they may be for understanding the historic background with the urgent problem now confronting us, the Communist takeover of Nicaragua.

Communism does not cure poverty or social injustice. It just makes that condition more available to the masses.

Let us take a quick look back to July 23, 1961, when three Nicaraguans, Carlos Fonseca, Tomas Borge, and Silvio Mayorga, founded the Sandinista National Liberation Front. It was founded, and remains, a classic Leninist vanguard party, what you and I frankly call Communist.

For 17 years the Communist Nicaraguans did not capture a town or threaten Somoza in any real way. They attracted a mere handful of leftist fanatics, and as Lenin put it, "useful idiots." Remember that the next time you hear someone condemn the Contras, for example, as I heard Mr. Tom Wicker the other night on a national program, for never capturing a town in 4 years. The Sandinistas had 17 years. They never captured a town. During the fight against Somoza, the Nicaraguan Sandinistas had to have front groups to hide their true Communist nature. They recruited businessmen, such as Adolfo Colero and others like Arturo Cruz and Alfonso Robelo to join with them as "bourgeois" respectable allies. Colero had been jailed by Somoza. Robelo and Cruz actually became part of the ruling junta; but they, and many others, quickly discovered the true Communist nature of the Sandinistas and had to flee. These three are now the civilian leader of the Contras.

And today we find ourselves wrestling with the problems that the triumph of communism in Nicaragua has caused.

We will be told during the debate that the President's policy in Central America has not worked.

I disagree. It has worked in El Salvador, in Guatemala, in Honduras, where we now have democracies. It can work in Nicaragua if we give it a chance. But all we have done within the last 2 years is tie the President's hands with restrictions and conditions that foreclose that policy from moving forward.

Let me tell you about some policies that really have not worked, policies that came from many of the same ones who now lead the fight against Contra aid.

In 1979, they told us all we needed to do was send aid to the Sandinistas and it would turn them away from the Soviet Union and Cuba. We sent them $118 million right off the bat; but that did not work. The Sandinistas went right ahead putting in place the mechanism of a Communist state, even as we were sending them the aid.

We were told that the Nicaraguan elections in 1984 would be fair and that democracy would be alive and well in Nicaragua.

Why, those elections were a farce. The Communists strengthened their grip.

We were told that if we simply stopped giving aid to the Contras, the Communists would respond by improving human rights.

For well over a year we did not give the Contras one dime, and the reward for that was an increased level of repression by the Sandinista regime; so that did not work.

During this same period, we were told by many of the same people who are against giving Contra aid that the people of El Salvador should accept Communists into their government before elections; but the people of El Salvador said they wanted a real democracy and President Reagan believed them. They have a democratic government now, and let us not forget that we sent not only military assistance, but 55 military advisers to El Salvador to help get that job done at that time; so the argument that democracy could not be achieved by El Salvador was wrong, tragically wrong.

We are now told we must try negotiations without military aid.

Let us cut out the rhetoric and get to the truth about negotiation. The Communists in Nicaragua have consistently refused to enter into talks with the Contras, as we and the Catholic bishops of Nicaragua have asked them to do, and if the Communists do not want to talk with the Contras, no negotiation is worth the paper it is written on.

You can send diplomats to Central America until you are blue in the face and if the Communists feel no pressure to negotiate with their own fellow countrymen, you can forget diplomacy as a means of containing the Communist threat.

As our good friend, Ambassador Philip Habib said—

> I've been dealing with Communists for 25 years. If you send me down there without something in my tool box, the Sandinistas will laugh at me.

Ambassador Habib wants military aid to the Contras.

Either we do it our way or their way. Communists do not understand good intentions. You first have to get their attention, and only the Contras can do that.

One other point. We are told that various Central American and South American governments do not agree with our policies. Well, how many times have I heard them privately tell me the opposite of what I have seen them quoted publicly, and quite frankly, I am not surprised. They have looked at the vacillating, on again, off again policies of the Congress for 6 years and they are hedging their bets. If I were in their place, I might be saying the same things publicly, even if I felt differently.

Let the Contras bring the fight effectively to the Sandinistas and then

we will see how these governments react.

If we do not help the Contras, the Communists will have won total victory. Nicaragua will fade from the television news shows. It will disappear from our front pages.

The Communists will quietly begin to settle accounts within Nicaragua, meaning assassinations, concentration camps, total takeover of the churches, the whole savage, destructive strategy of fear that Communists always employ when the world is looking the other way.

Let me finally offer you the definitive argument for aid to the Contras. It is simply a list of countries. It is not a complete list, but it will suffice. Listen to the litany of sorrow:

Lithuania, Latvia, Estonia, Ukraine, Poland, Czechoslovakia, Hungary, East Germany, Romania, Bulgaria, North Korea, Vietnam, Cambodia, Cuba, Angola, Afghanistan.

And you know, once a year we pay lipservice to what we call the captive nations resolution around here. Do we want to add another name to that list? Would it not be better to stop a nation from falling into captivity than to say a few ritual words about them after they become captives?

□ 1045

I have not even mentioned the Communist arms buildup, the denial of human rights on a wide scale, the political prisoners, the terrorist connections, the persecution of the church. I will wait for my colleagues to describe these facts in detail.

I look forward to the debate because it will enable each side ample time to ask questions and hopefully to have those questions answered and answered effectively. But most of all, I look forward to this debate because I believe the bipartisan resolution that the gentleman from Pennsylvania, [Mr. MURTHA] and I are presenting is good for our country, it is good for this hemisphere, and I believe once it gets a fair hearing, eventually our point of view will prevail.

The CHAIRMAN. The gentleman from Illinois [Mr. MICHEL] has consumed 9 minutes.

Mr. BROOMFIELD. Mr. Chairman, much of the debate over the President's request for aid to the democratic resistance in Nicaragua revolves around United States objectives for the region. I want to make it perfectly clear from the outset, the United States seeks only a negotiated settlement for a peaceful resolution of the crisis facing Central America. Requesting military assistance for the Contras does not contradict that objective. It is a necessary ingredient in the formula to get the Sandinistas to negotiate. Pressure on the Sandinistas was the catalyst for the Sandinistas to participate in Contadora in the first place. It is needed to pressure them to conclude a comprehensive, enforceable and verifiable agreement.

U.S. policy for Central America has been clear from the beginning of the Reagan administration. Our objectives have been, as the President so clearly stated in his speech before Congress, April 27, 1983:

1. Support for democracy, reform, and human freedom in each country;

2. Renewal of economic development and growth to address the root cause of turmoil and conflict;

3. Security for the democratic governments in Central America; and

4. Support for a political solution to the conflicts in Central America, by way of a peaceful dialog internally and among the countries of the region. This fourth objective is also reflected in the Contadora effort for a regional settlement as outlined in the document of 21 objectives.

In spite of what critics have said, our policy has been working. The advance of democracy in the region has left Nicaragua as the only military dictatorship in Central America.

The United States and the OAS helped the Sandinistas come to power in Nicaragua based, in part, on their promises for democracy, human rights, a mixed economy and nonalignment. Our policy in Nicaragua is based on getting the Sandinistas to live up to those promises. We seek specifically the withdrawal of all foreign military personnel: The Cubans, Bulgarians, Libyans, the PLO and other "internationalists;" we seek a more equitable military balance between Nicaragua and its neighbors; we seek an end to Nicaragua's support for insurgency and subversion in Latin America; and we seek internal reconciliation and democratic pluralism within Nicaragua.

All of these objectives are part of the Contadora negotiations. We seek, just as strongly as the Latin nations and the administration critics, a negotiated solution in Central America. We only ask them: "How do you get the Sandinistas to negotiate?"

I believe the most effective way to get the Sandinistas to conclude an agreement within Contadora is to retain the one reason they have to negotiate: The presence of the democratic resistance in Nicaragua. If the Contras didn't exist, the Sandinistas would have no incentive to come to the bargaining table.

As we debate the President's request for aid to the democratic resistance in Nicaragua, I regret that this has become such a partisan, political issue.

We in this Congress have as our first responsibility defending our Nation. The security of the United States depends on our ability to counter the spread of Marxist-Leninist regimes, whether in Cambodia—14,000 miles away; in Afghanistan—10,000 miles away; or in Nicaragua—900 miles away.

Our security depends as well on our ability to assure our allies that our commitment to their security is just as strong as to our own, whether to the ASEAN nations, to NATO or to the Organization of American States.

In the past, we have responded quickly and decisively against overt threats to our security. Covert threats posed by Communist subversion in Vietnam, Angola, and now in Nicaragua have challenged our country because the Soviets have found that the way to advance their objectives is through disguise and subterfuge. We must not be blind to the Soviet threat in Nicaragua. It is just as real as the threat in Afghanistan.

The National Bipartisan Commission on Central America, and I emphasize the word "bipartisan," unanimously concluded:

The use of Nicaragua as a base for Soviet and Cuban efforts to penetrate the rest of the Central American isthmus, with El Salvador the target of first opportunity, gives the conflict there a major strategic dimension. The direct involvement of aggressive external forces makes it a challenge to the system of hemispheric security, and, quite specifically, to the security interests of the United States. This is a challenge to which the United States must respond.

The Bipartisan Commission on Central America emphasized the crisis in Central America is "nonpartisan, and it calls for a nonpartisan response." Reflecting that spirit, the Commission conclusions have become known as the Jackson plan, after the late Democratic Senator, whose concern for America's security rose above party politics. The Jackson plan concluded that three principles should guide U.S. policy in the region:

First, the first principle is democratic self-determination;

Second, the second principle is encouragement of economic and social development that fairly benefits all; and.

Third, the third principle is cooperation in meeting threats to the security of the region.

Sadly, the Bipartisan Commission concluded:

The present international framework for dealing with challenges to the mutual security of the Americas is weak.

There are those who say we must leave the solution of the crisis in the region to the latins, and that would be appropriate if we were dealing in Nicaragua only with the internal repression of an authoritarian regime. But, adding the Soviet Union's strength to Nicaragua makes the challenge greater than the latins alone can meet. The Jackson plan states:

The Soviet and Cuban threat is real. No nation is immune from terrorism and the threat of armed revolution supported by Moscow and Havana with imported arms and imported ideology.

We believe the democratic resistance in Nicaragua is the only viable means to counter the Sandinista efforts to entrench the Soviet presence on the American mainland. The democratic resistance is also the only reason the Sandinistas need to negotiate. Do not eliminate the only incentive for the Sandinistas to negotiate!

I urge you to vote in favor of the President's request for aid to the democratic resistance and thereby support both the cause of peace in Central America and the security interests of the United States.

Mr. WHITTEN. Mr. Chairman, I yield 1 hour to the gentleman from Indiana [Mr. HAMILTON], chairman of the Select Committee on Intelligence; 1 hour to the gentleman from Maryland [Mr. BARNES] from the Committee on Foreign Affairs; 1 hour to the gentleman from Wisconsin [Mr. ASPIN], chairman of the Committee on Armed Services.

Mr. Chairman, I ask unanimous consent that each of these gentlemen may yield time.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. Mr. Chairman, I yield 6 minutes to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. I thank the gentleman for yielding this time to me.

Mr. Chairman, I would like to rise in opposition to the resolution being presented here today. The question is not whether the Sandinistas are bad. The question is not whether the United States has interests in Central America. It is obvious that the Sandinistas are not the kind of government that Nicaragua needs, and it is obvious that we have interests in the region.

The question is whether or not $100 million in aid to the Contras is going to achieve the laudable goals of the administration. This is not a question of whether we defend or pursue the interests of the United States. It is a question of how. It is not a question of whether we would like to see the Sandinistas out or see them change the way they operate. It is a question of whether or not giving $100 million to a second-rate military operation called the Contras is likely to achieve that goal. I think people who have looked at it clearly feel that the answer is no.

Certainly, $100 million is not enough to topple the Sandinista regime. It is certainly not enough pressure to convert convinced Marxists into reasonable negotiators. It is enough, however, to get the United States into a lot of trouble. It is enough to get the United States on the slippery slope to direct military involvement in Central America.

What happens, I ask my colleagues, if we provide $100 million to the Contras, the Contras then get into a military situation in which they get clobbered, they are in trouble, and they are about to go down. At that point, a number of questions will be raised.

Will we provide logistic support for them at that point? Will we provide additional command and control support for them at that point? What role would our American forces in Honduras and other places then be asked to play?

We have heard a lot from the White House and from proponents of this resolution about the consequences if we do not provide this $100 million. What we ought to ask also is what are the consequences if we do? What comes next?

This obviously is not the last chapter. Pressure is not a policy; it is a tactic. What is that tactic leading to if we approve this? That is the question we ought to ask.

When I have an opinion about an issue and people who are a lot closer to it than I am have a different opinion, I think prudence requires that I take their views into consideration and give their views much more weight than I would have otherwise.

We ought to do that same thing in Central America. The administration says we need to provide $100 million to the Contras to defend El Salvador, to defend Guatemala, to defend Costa Rica, to defend eventually Mexico, but what are those democracies telling us?

The new President of Costa Rica is telling us, "Do not do it." The new President of Guatemala is telling us, "Do not do it." The President of Mexico is telling us, "Do not do it." The new President of the oldest democracy in Central America, Costa Rica, a good ally of ours, has said to us: "If you have an extra $100 million laying around, do not give it to the Contras. It is a waste of money. You will not achieve your goals. What you ought to do if you have an extra $100 million is to give it to the democracies in the region to help them build up their economies and to help them stabilize their social structure so that they are stronger opponents to Marxism from any source, Cuba, Nicaragua, or anywhere else."

We ought to listen to them. We ought to give more than lipservice to negotiating efforts that they are trying to conduct.

The United States of America, with our great tradition, should not be in the business of funding a grinding, low-level, dirty little war under conditions in which, at best, we can play to a tie. We cannot win with $100 million. I think everybody knows that. We should not be conducting or financing a military operation against a country with whom we have diplomatic relations.

I have one other point to make. I have a great deal of regard for the gentleman from Illinois. I think he is one of the class acts in this House. I have tremendous respect for him. I hope people recognize today that if Members want to disagree on the merits, fine; be my guest. That is in the best traditions of this House. But let us not have any attack on people's motives. Let us not have any attack on people's patriotism. This is not an issue of whether we care about this country. All of us care about this country.

The issue is how we think we best defend the interests of the United States. Let us grant that today. Those who do not during this debate will not be bringing shame onto ther opponents; they will be bringing shame onto themselves. I hope that we keep the debate at reasonable levels and I hope that debate adheres to decent standards as we move through a very crucial issue facing this country.

Mr. MICHEL. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. I thank the gentleman for yielding this time to me.

Mr. Chairman, I wonder if the gentleman who just spoke would respond to me on my time?

The gentleman talked about the attitude of Central American leaders. I have in hand here a document which specifically shows where a Latin American high governmental official says privately the United States should support the Contras, although he cannot say it publicly. If the gentleman would care to see this, I would be happy to show it to him. Unfortunately, since the document is classified "Secret" I cannot make it part of the official RECORD.

Would the gentleman like to see this?

Mr. OBEY. If the gentleman will yield, I would be happy to respond to the gentleman by saying when we invaded Grenada, the regional powers signed a statement asking us to do that.

I wonder if the administration could get those regional powers in Central America to sign a similar statement before we proceed with our operation in Nicaragua?

Mr. LAGOMARSINO. The gentleman does not want to see this, I presume.

Mr. OBEY. Absolutely. I will see that or anything else the gentleman has.

Mr. MICHEL. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. I thank the Republican leader for yielding this time to me just to make a brief response to the analysis of the situation by the gentleman from Wisconsin [Mr. OBEY].

Mr. Chairman, let me say that the one question that this House must consider today was completely ignored by the gentleman's speech that he just made on the floor, and that is, what are we going to do with 12 Hind-D helicopter that have miniguns that fire 3,000 rounds per minute? That is the kind of thing that demoralizes the Contras as well as all of Nicaragua neighbors in Central America.

What are we going to do with the 150 Russian tanks? The gentleman has not considered the very strong possibility of Nicaragua having a devastating military effect on their neighbors and he offers absolutely no solutions to that problem.

□ 1055

That is the problem that I hope that the Members of the House address today. How are we going to confront the Soviet and Cuban presence in Central America?

I think the gentleman from Illinois, Mr. MICHEL, made that point very strongly.

Mr. MICHEL. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman for yielding me this time.

Mr. Chairman, just one other point I think we ought to make in regard to the remarks of the gentleman who just spoke in the well, and that is under the standard enunciated in the well for helping freedom fighters, we would not be able to provide any aid to the Afghan freedom fighters.

It seems to me where valiant people are fighting for their freedom, this Nation does have some responsibility. I do not think we can stand and take the attitude that the gentleman has enunciated in his remarks that there are no freedom fighters anywhere unless they are a first-rate force that has a chance of winning, and that then we help them. Obviously the Afghan freedom fighters would have a real problem actually winning against the Soviets.

Mr. EDWARDS of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Oklahoma.

Mr. EDWARDS of Oklahoma. Mr. Chairman, I thank the gentleman for yielding. I would say he has hit on a very good point. The question is not whether or not the Contras can win militarily. The question is whether or not they can win the more important battle of stopping the Sandinistas from undermining the democratic countries which surround them.

Mr. WALKER. The gentleman is absolutely correct, and I appreciate the gentleman from Illinois yielding this time.

Mr. MICHEL. I think the gentleman makes a very good point.

Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. ZSCHAU].

Mr. ZSCHAU. Mr. Chairman, today and tomorrow, we will be discussing and making a decision on what I consider to be the most critical foreign policy issue that we will be facing this year. In this debate, we will be presenting the information, background on the history of the Central American problems, the facts surrounding the current situation, and most importantly, we will be focusing on the long-term implications of the decision that we make here tomorrow.

We had a similar debate last year about 11 months ago. We talked about whether or not we should provide military assistance to the Contras. At that time, there was an agreement on both sides of the aisle that the Sandinistas were presenting a threat to their neighbors, that they were repressing their own people, and that something had to be done about the problem. The question was: What?

Last year, a proposal was made by the gentleman from Maryland [Mr. BARNES] and the gentleman from Indiana [Mr. HAMILTON] which I cosponsored, that was based on the belief that a military only policy was too narrow and that we ought to pursue diplomatic options as well. The Barnes-Hamilton substitute emphasized diplomacy and pulled back on the military approach. We hoped that it would be an approach that could build a consensus in the Congress and forge ahead in a new diplomatic direction rather than relying totally on a military approach.

The Barnes-Hamilton substitute was defeated by the House, but it provided the intellectual basis for the McDade-Michel amendment which was passed last June to provide $27 million of humanitarian assistance to the Contras in order to keep the democratic opposition alive, to emphasize diplomacy, to provide reports on a regular basis that would determine whether or not the diplomacy was working, and to provide expedited procedures for this request we are considering now. The McDade-Michel amendment was designed to give diplomacy a chance to work. The results have been disappointing and disturbing. The Sandinistas have stopped pretending that they are interested in the Contadora process. They proposed suspending the talks last December. Nicaragua was the only country in the OAS General Assembly to vote against a resolution urging the Contadora process to go forward. They have continued their military buildup with advanced equipment including MI-8 and MI-24 helicopters. They have used Cubans in combat. They have continued to subvert their neighbors. They have clamped down further on their own people with a state of emergency last October, prevented the freedom of worship by the Catholic Church and other religious groups, and perpetrated greater repression in the country. In short, the McDade-Michel approach of diplomacy without military support doesn't work.

So our question this year, 11 months later, is: What do we do now? I suggest that we can receive some guidance from a similar foreign policy decision we made in 1983—the deployment of the cruise and Pershing missiles. It was argued then that if we deployed the cruise and Pershing missiles, the Soviets would walk out of the arms talks and the arms race would be escalated. We were urged not to deploy the missiles because it would upset the Soviets.

There were others then whose wisdom prevailed who said if we give the Soviets what they want without getting anything in return they would have no incentive to negotiate seriously with us.

We deployed the cruise and Pershing. The Soviets walked out of the arms talks, but they are back and they are negotiating. They are proposing the complete elimination of European missiles on both sides—the very same proposal that President Reagan had made originally.

The lesson of that foreign policy decision is that our resolve to be strong and our resolve to be firm, while pursuing constructive negotiations, works. The lesson is that negotiations only succeed if we have the resolve to be strong.

It is exactly the same in the case of Central America. If the Sandinistas believe that they can with impunity subvert their neighbors, repress their own people, increase the military buildup, and ignore the Contadora process, they will do so. We must provide an incentive for them to negotiate in order to make diplomacy work.

The President's request for $100 million would provide the contras with the capability and the confidence to make the Sandinistas realize that their only hope is to pursue the course of diplomacy rather than continuing their subversive and repressive actions.

I have discussed the President's requests with a number of my colleagues. They have asked the following questions:

Is the United States serious about negotiations? If we look at the report accompanying this bill you will find 4 pages; pages 19 to 22, the chronicle of the many efforts that the United States has made on the diplomatic front. Ambassador Philip Habib has just returned from a trip to Central America, and he has reported that those negotiations are continuing.

What are our objectives in Central America. Do we have a plan? Absolutely. Our objectives are: First, to achieve internal reconciliation within Nicaragua, and second, for Nicaragua to stop the threat that they pose to their neighbors. These objectives are not just our objectives. They are objectives of the neighboring Central American countries.

Do we have a right to insist that there internal dialog in Nicaragua? Absolutely yes. That government came into power based on a pledge to the Organization of American States that they would have free and fair elections. Had we been told that they were going to implement a Cuban-style Communist state, they would not have gotten the support of the OAS. All we are asking is that the Government of Nicaragua live up to that original pledge.

Why are the other Central American countries not supporting our aid for the Contras? They are. Those countries understand the need for pressure

in order to make the negotiating process work. President Duarte of El Salvador has said that the Contras provide a necessary and effective barrier to the threat that the Sandinistas pose to his country.

As the gentleman from Illinois, the distinguished minority leader, indicated earlier, the other Central American nations can't afford to be out in front and support our policy when they might then find that our lack of commitment pulls the rug out from under them.

The gentleman from Wisconsin [Mr. OBEY] asked the question: Can this policy be successful? There is no guarantee that this program will be successful. But I can guarantee that if we do not pursue the support of the Contras at this time, the result will be certain and far more tragic. If we do not continue the pressure on the Sandinistas to make the negotiating process work, the Sandinistas will crush their internal opposition, consolidate a Soviet-Cuban supported totalitarian state, and provide a Soviet base on the Isthmus of Central America threatening not only their neighbors, but also the Western Hemisphere.

As we pursue this debate, let me suggest that we ask ourselves: What is the outlook for Nicaragua and the Nicaraguan people if we do not support the President's request to keep the pressure on? What is the outlook for Central America if we do not support the President's request? Have we not learned our lesson that we need to be strong and we need to use incentives in order to make diplomacy work?

Last year, we agreed that the Sandinistas present a problem to our Central American neighbors. Last year we agreed that we wanted to give diplomacy a chance to work.

This year we should agree also that diplomacy in Central America will work only if the Sandinistas realize that their approach to repressing their own people and threatening their neighbors will not succeed. The Sandinistas must realize that, with the support of the American people, the democratic opposition is a credible force and, therefore, negotiations toward internal reconciliation and a peaceful settlement in the region is their best hope.

I urge all of my colleagues who want to see a diplomatic solution in Central America to support the President's request for the $100 million of assistance to the Contras.

Ms. FIEDLER. Mr. Chairman, will the gentleman yield?

Mr. ZSCHAU. I am happy to yield to the gentlewoman from California.

Ms. FIEDLER. Mr. Chairman, I would just simply like to tell the gentleman how pleased I am that you have decided to vote with us on this particular issue, and I hope that many other Members who have taken a different position in the past like you will listen carefully to the arguments which you have presented, and that you will help to influence some of those because I think that the margin of victory tomorrow when we cast our vote will be by people like yourself who have had some questions in the past, who are willing to move forward in terms of providing this particular aid at this time. I hope that it will not be just limited to this aid, because I have a feeling we are going to need it for a very long time. Those of us from the State of California clearly recognize, as we see the inflow of refugees coming up through our borders, how important it is to provide this aid to the Contras in order to help establish democracy in Nicaragua.

I would like to thank you for the vote that you will cast and work aggressively with you on the floor to make certain that your switched vote is not the only one, but there are others besides yours that we can count on.

Mr. MICHEL. Mr. Chairman, how much time have we consumed on this side of the aisle?

The CHAIRMAN. The gentleman from Illinois [Mr. MICHEL] consumed 23 minutes and the gentleman from California [Mr. ZSCHAU] consumed 11 minutes.

Mr. WHITTEN. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. JACOBS].

Mr. JACOBS. Mr. Chairman, before I discuss the merits of this policy issue, I want to say a few words about the smear campaign that was launched by the Subcommunicator of the White House, Mr. Buchanan.

First I want to say that the gentleman from Illinois, BOB MICHEL, the minority leader, has a distinguished record both in the Congress and in the military, and I do not believe he would question the motives of any other Member of this body in taking a stand in any debate in this body. I especially want to single out my neighbor to the north in Indianapolis, the gentleman from Indiana [Mr. BURTON]. You will not find a stronger advocate for the President's position than that of DAN BURTON of Indiana, and you will not find Mr. BURTON of Indiana casting aspersions upon the loyalty or the patriotism of any Member of this body.

But I hear it said from Mr. Buchanan, whose biography says he was a sincere admirer of Joseph McCarthy—I suppose there is not much question about that anymore—I hear it said that those who think U.S. Military involvement in what General McArthur might have called the quicksands of Latin America, favor communism, favor the Sandinista government. It might be fair to ask what about our President who at one time was a strong supporter of the Contras in China, the Nationalist Chinese. Is the fact that our President has abandoned the Contras in the sense of their military struggle to overthrow the Communist government in China, does that mean that President Reagan is in sympathy with communism in China? Is the fact that President Reagan lobbied Congress to pass a law that allows American firms, including his former employer, General Electric, to sell nuclear technology to the Communist government in China, does that mean that President Reagan is in sympathy with the Communists in China?

□ 1110

This Member cast a vote against that law. I think it is unwise; but this Member is not saying that President Reagan is disloyal. What about the Contras in Cuba? Here is Nicaragua in our backyard, about 1,000 miles; here is Cuba in our frontyard, about 90 miles. Here is Cuba for 25 years trying to export revolution to Latin America and South America. Here is Cuba; much stronger, much bigger, much more established than the Nicaragua Communists—getting nowhere fast in Latin America, except in the case of Somoza for whom Nicaraguans were willing to exchange anyone.

Now, why is President Reagan not supporting the Contras in Cuba? Much stronger military power. I have an idea that even though they are much stronger than the Communists in Nicaragua, they are still not strong enough even to get our Marine Corps base to leave their own country.

You may remember that cartoon, speaking of the Subcommunicator at the White House—you remember that cartoon of Mauldin's, where a fellow is walking down the street in France with his fists doubled up, Willie saying to Joe: "He ain't no combat man, he's lookin' for a fight."

Some people have said "war wimps"; some people have said even "warrior voyeurs"; some people have said "stateside bugle blowers," but this whole thing has brought out the poet in me, and I have paraphrased that famous verse from Judson Haggerty of Indianapolis.

It talks a good fight,
This bird from the right,
But won't raise a feather to help
When they go o'er the sea
He has a bad knee
And can only stay home and yelp.

Now, Mr. Chairman, I will read two quotations for you. One, on October 21, 1964:

> We are not about to send American boys 9,000 or 10,000 miles away from home to do what Asian boys ought to be doing for themselves.—President Lyndon Johnson

July 20, 1966:

> More manpower will be required. • • • On the military front our troops under General Westmoreland are giving an excellent account of themselves. • • • We shall persist.

We shall send General Westmoreland such men as he shall require and request.

Here we go again. Gulf of Tonkin Day.

They say if you want to find out what a cowboy will do when he gets drunk, you find out what he did the last time he got drunk.

We ought to know by now that when they send the guns, it does not take long before they send the sons.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WHITTEN. Mr. Chairman, I yield 1 additional minute to the gentleman from Indiana.

Mr. JACOBS. In the past century and a half our country, our beloved country, has invaded Central-Latin America a total of 60 times, according to the U.S. News & World Report.

At the occasion of the Bay of Pigs invasion in Cuba, President Reagan and other colleagues of his called—I do not want to say that President Reagan specifically said that John F. Kennedy was a coward, but it was the general line of the right in this country that John F. Kennedy was a coward; John F. Kennedy, disabled in World War II in battle, was a coward, they insisted, because he did not send American troops to back up the Contras in Cuba when they were failing.

Well, if they criticized President Kennedy for not sending in troops to back up the Contras when they failed in Cuba, what do you suppose they will do themselves when these Somoza Contras fail in Nicaragua?

Mr. DORNAN of California. Will the gentleman yield?

Mr. JACOBS. I yield to the gentleman.

Mr. DORNAN of California. The gentleman has a combat record in Korea second to none in this House, and we respect his point of view over here, and I would like to make the gentleman privy to our counsels over here on this debate today—not once, at the moment of highest frustration, have I ever heard one Member of my party disparage the patriotism of any single member of your great party that is in the majority in this House.

We respect those viewpoints. There has been a lot of passion on the outside, but the collegiality we hold together in this House, I have never heard it breached.

Mr. JACOBS. I thank the gentleman for his statement, I acknowledge what he says, I admire the gentleman because I do not know anybody who is more sincere in his position; it is an honest disagreement between the two of us. I do not know anybody who is more honest in his position and in those heavy emotions who has, I assume, not even been tempted to impugn the loyalty of any other Member, and I repeat my admiration for the decency of my colleague to the north in Indianapolis, Mr. BURTON, in whose district, by the way, I receive my mail, because my mailbox is across the road.

Mr. WHITTEN. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana [Mr. MCCLOSKEY].

Mr. McCLOSKEY. Mr. Chairman, I rise today in strong opposition to the request for $100 million in military and other aid to the Contra guerrillas.

One does not have to be sympathetic to the increasingly repressive Sandinista-Marxist regime to realize the primary issue on this vote is not whether or not one is opposed to that regime. We all lament its failures. The question is what is wise policy given our own diplomatic and security interests. Decent respect for the opinions of mankind and the lives and safety of untold thousands of people, largely innocent of the greater struggle, should also weigh heavily with us.

This package is hardly necessary for our diplomatic or security interests. It offends numerous allies, particularly in Latin America and Europe, and undercuts the Contradora process. This military aid request does not promise peace but only protracted military involvement and death, injury, disfigurement, and dismemberment of untold thousands. We should stand with the U.S. Catholic Conference and the Society of Jesus in rejecting this unwise package and more vigorously pursue a just peace.

Mr. WALKER. Will the gentleman yield?

Mr. McCLOSKEY. I yield to the gentleman.

Mr. WALKER. Why would not we stand with the cardinal of the Catholic Church in Nicaragua who is very firmly opposed to that which is going on within his own country, and believes that we need to have a democratic resistance within that country?

Why would the gentleman mention the groups that he did and not suggest that we ought to stand with Cardinal Obando y Bravo.

Mr. McCLOSKEY. I would tell the worthy gentleman from Pennsylvania that in any broad, diverse and to some degree pluralistic group there is going to be a difference of opinion on these issues; indeed as is the case on both sides of the House floor today.

The simple fact is that there is strong religious community sentiment, particularly in the United States; Catholic, Evangelical, and otherwise, including very definite and detailed statements from the Society of Jesus and the U.S. Catholic Conference who have contacted my office. The cardinal has not. They sincerely hold that viewpoint.

Mr. WALKER. Will the gentleman yield further?

Mr. McCLOSKEY. Yes, I will.

Mr. WALKER. I thank the gentleman.

Is the gentleman aware that 95 percent of all the nuns and priests in the Catholic Church in Nicaragua stand with the cardinal?

Mr. McCLOSKEY. I am not aware of that particular figure, and I would question its source.

Mr. WALKER. Well, if the gentleman will yield, it is the cardinal who told us that.

Mr. McCLOSKEY. I am sure that is the cardinal's worthy view, but I have received dozens of reports otherwise from Maryknoll priests and nuns visiting Indiana, coming back from Central America. So I would say opinion on that is mixed.

Mr. WHITTEN. Mr. Chairman, I have no requests for time at present, and I reserve the balance of my time.

Mr. DORNAN of California. Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. HILLIS].

Mr. HILLIS. Mr. Chairman, President Reagan's request for $100 million from the present defense budget in military and humanitarian assistance to Contra forces in Nicaragua is undoubtedly one of the most controversial requests which an American President has made during the last decade. The decision which this Congress makes on House Joint Resolution 540 will have great political and military repercussions during this and forthcoming generations.

It is not coincidental that one of the most important military decisions reached by any President in the second half of this century involved this same area of the world. The action which President John F. Kennedy took to contain what he determined to be an unacceptable risk to the security of this hemisphere stands as one of the most courageous acts which a modern President has ever taken. President Kennedy's convictions and courage set the tone for foreign policy decisions made by the United States and the Soviet Union for much of the cold war era. His decisiveness and willingness to confront and deal with the unacceptable has been hailed by historians as an historical turning point, and rightly so. It put an end to one grave Soviet intervention in our hemisphere.

President Reagan's request for Contra assistance bears many of the same characteristics of this earlier decision. It will also set the tone for our foreign policy for the coming decade. It is in essence a confrontation of the superpowers—1980's style. It is not as dramatic or perhaps as clearly defined as our earlier confrontation over Cuban missiles; but nevertheless it deals with and involves a long-term threat to our hemisphere. My colleagues, make no mistake about it: The Soviet Union is following the action which we will take in this Congress just as closely as it followed the

responses taken by President Kennedy and our Government in 1962.

Once again, the U.S.S.R. is attempting to establish a Soviet center of influence on the mainland of the Americas where it can by proxy, create and support subversion in Central and South American countries. It is an old and familiar pattern. If the Soviets are successful in this threat, they will directly affect the stability and integrity of a number of fragile regional democracies, some of which with our encouragement have very recent beginnings. Ten years ago less than one-third of Latin American people lived under democratic governments; now this figure is over 90 percent. Are we willing to expose these people to the risks of Daniel Ortega's subversive government?

It is no secret that Nicaraguan President Daniel Ortega has invited a substantial number of subversive groups to use his country as a base for their future operations. These groups include 200 Soviet and 7,500 Cuban advisors. There are also advisors from East Germany, Bulgaria, and Libya. And these are just for openers. Joining in the broad effort to solidify a Communist beachhead in Nicaragua are agitators. From the PLO, Basqueeta terrorists, the German Baader-Meinhoff Gang, the Argentine Montoneros, and the Italian Red Brigades. The effect which activities supported by the Sandinistas have had is already evident. They include a continuing number of subversive actions in El Salvador, Honduras, Costa Rica, and Colombia. It is their every intention that Marxism be on the march throughout the Americas.

We must convince Daniel Ortega and his Soviet sponsors that we will not allow this to continue. He must be convinced to include democratic elements in his government.

□ 1120

Mr. KASICH. Mr. Chairman, will the gentleman yield?

Mr. HILLIS. I would be happy to yield to the gentleman from Ohio.

Mr. KASICH. I thank the gentleman for yielding.

Mr. Chairman, I think the gentleman makes a very important point. We had a speaker here not long ago who talked about the fact that the Cubans have been trying to foment revolution throughout Central America. But would the gentleman agree that we have got Cubans present in Nicaragua, we have Cubans fighting in Angola, Cubans fighting in Ethiopia? So there is a very high price to pay when the Soviets dump the kind of money and support into Nicaragua that they have dumped into Cuba. What the gentleman points out is the overwhelming support from the Soviet bloc people.

Does not the gentleman believe that with that kind of tremendous support of the Soviet bloc that there is a price to pay on the part of Nicaragua in terms of taking orders from the Soviet Union just like the Cubans have in sending their people to Angola and Ethiopia and Nicaragua to be the vanguard of the Soviet Union?

Mr. HILLIS. That is very true, and I appreciate the contribution of the gentleman on that point.

I want to proceed by saying that not surprisingly, in another area, the Sandinista record on human rights has not been encouraging. Since the Cubans arrived in 1979 we have witnessed the steady erosion of basic human and civil rights—in essence, exchanging a rightwing dictatorship for a leftwing dictatorship. Since then censorship has been imposed, elections postponed, an opposition leader murdered, and Indian villages burned. The Pope was insulted at the same time that church leaders were being attacked. After a dubious election, general civil rights were suspended. It can only be imagined what the future human rights policy of Daniel Ortega will be if the Contras are defeated.

Our Government has encouraged President Ortega to comply with his government's stated objective in 1979—the creation of democratic government. We supported Nicaragua with foreign assistance after the overthrow of Somoza. After over 6 years it has become clear that Daniel Ortega will only include democratic elements in his government if military actions by the Contras force him to do so.

The Contras cannot do this without our help. Since 1981 Nicaragua has received more than half a billion dollars of Soviet military assistance. In the period between mid-1984 and early 1985 the number of tanks and armored personnel carriers increased from 240 to more than 340. Large numbers of artillery have been added to Nicaragua's arsenal, including 24 Howitzers which can fire a 96-pound shell almost 11 miles. Support units consisting of a multitude of trucks and other vehicles have been given to the Sandinistas. In addition, an advanced radar air defense system has been installed, as well as a number of airfield facilities. Nicaragua recently received from five to eight MI-24/HINK D attack helicopters. These "flying tanks" are equipped with a nose-mounted Gatling-type machinegun and can carry 130 57-millimeter rockets. This helicopter, used by the Soviets in Afghanistan, is one of the most advanced in the world. It has had a devastating effect on Contras forces. During this period the United States has only provided minimal amounts of humanitarian assistance. You cannot win a war against MI-24/HIND D attack helicopters with humanitarian assistance.

Our objective must be to support the efforts of the Contras to include democratic elements in the Nicaraguan Government. There has never been a single instance in history where a Communist government has become democratic peacefully. The effect of any delay in providing American assistance will only be greater bloodshed, and perhaps the loss of the best opportunity there is for the establishment of a democratic government.

In closing, it is frequently claimed that our approval of $100 million of assistance to the Contras will lead us into a Vietnam style conflict. As a long-time member of the House Armed Services Committee, who has witnessed the continuing legacy of this conflict, I can assure you that I would not favor approval of the President's request if I felt that this would occur.

I would rather suggest that if the Contras are not successful in persuading President Ortega to include democratic elements in his government that the resulting consolidation of Sandinista power will result in a powerful destabilizing force in Central and South America. The importance which this could have to democracies in our hemisphere cannot be overemphasized. Given time, this could lead to a number of regional conflicts which the United States could not ignore, with consequences far greater than that of Vietnam.

I thus urge you to support House Joint Resolution 540.

Mr. BROOMFIELD. Mr. Chairman, will the gentleman yield?

Mr. HILLIS. I would be happy to yield to the gentleman from Michigan.

Mr. BROOMFIELD. I thank the gentleman for yielding.

Mr. Chairman, I simply want to rise and compliment the gentleman for his outstanding statement. He is a very important member of the Committee on Armed Services. I just hope the Members listened very carefully to what he had to say. I think it has been very helpful.

Ms. FIEDLER. Mr. Chairman, will the gentleman yield?

Mr. HILLIS. I yield to the gentlewoman from California.

Ms. FIEDLER. I thank the gentleman for yielding.

Mr. Chairman, is the gentleman trying to tell us that the tools of negotiation are not helicopters, guns, and other weapons which are coming in in massive numbers into Nicaragua, that the gentleman does not believe that those weapons are coming into that country for the good of creating a peaceful environment there?

Mr. HILLIS. To answer the gentlewoman, of course they are not. They are brought in not only to protect the Sandinista government but I think to export the march of communism

throughout the Americas, there can be no question about it.

Mr. WHITTEN. Mr. Chairman, I yield 3 minutes to the gentleman from Connecticut [Mr. McKINNEY].

Mr. McKINNEY. Mr. Chairman, it is very interesting for me to be standing on this side of the floor for the first time in 16 years. It is amazing to me that they say the mark of a true democracy is the civility with which we conduct our disagreements.

I disagree with the President of the United States on his request for aid to the Contras.

Where is Nicaragua going to expand? Is it going to expand to Honduras with $30 million worth of American fortifications? Is it going to expand to the south into Costa Rica, one of the greatest free nations of Central America, and irritate all of Central and South America as well as the Western World? Or is a nation not quite the size of New York State, going to attack the United States? It is not.

What makes communism is really the basis of this argument. What does make communism?

You know, we argued in this place about the Panama Canal for most of my first 10 years here. The Panama Canal was like a sore to most Central Americans and we made it a bigger and bigger sore.

Now every time some radical kook, some Daniel Ortega, some person of that ilk stands up and says, "Look at the United States," he seems to be proven right by our very actions.

It is wrong not to exhaust all diplomatic channels before exercising a military option. We are, by our actions, by our statements, and by our movements, making more Communists in Central and South America than Mr. Ortega can possibly make.

We also are being distracted from bigger problems. I happen to love Mexico. I think it is a beautiful, beautiful country, but it has monstrously big economic and internal problems, and we are being distracted from those problems.

Then I have to ask myself who am I being asked to back? Who?

The three gentleman that used to be with that great Nicaraguan by the name of Mr. Somoza that visited my office? I am told that these are freedom fighters. Freedom for who? The Contras do not have the popular support of the Nicaraguan people. Who elected them? And who do they represent?

Mr. DeLAY. Mr. Chairman, will the gentleman yield?

Mr. McKINNEY. No, I will not yield. It has been a very difficult debate.

Mr. DeLAY. Would the gentleman name the three gentlemen?

Mr. McKINNEY. I do not remember the names.

Mr. Cruz, I think, was one of them.

Let us leave it simply by saying, whether they were anti-Somoza or pro-Somoza, why eight months before the downfall of Mr. Somoza were we not so interested in overthrowing him as we are Mr. Ortega? Mr. Chairman, my time unfortunately has expired.

As I say, civility of disagreement is a great part of democracy.

Thank you.

Mr. WHITTEN. Mr. Chairman, I yield 3 minutes to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. I thank the Chairman.

Mr. Chairman, after much examination and reexamination, because each year this question comes up, each year we have to ask where we have been and where we are going; each Member I know goes through the same process.

But I have come to the conclusion that it would be wrong to support the President's request to give $100 million of which $70 million would be direct military aid to the Contras. I arrive at that decision with several of the following facts and reasonings: First, that our allies in the region themselves have opposed this U.S. military aid to the Contras; not only the four Contadora nations but four other nations in the region have urged rejection. And I know the arguments are made that there is private acceptance of it even though there is public rejection. Yet I have not heard any of that private acceptance.

Indeed, all I have seen is the President of Costa Rica saying—I will not yield at this time. I am well aware of the letter of the gentleman. Thank you very much. But as I say, I will not yield; what I have heard instead is from the President of Costa Rica that "If you have $100 million, there is a lot more use to put it to than giving it to the Contras."

I look at the fact that the Contras have simply not proven to be an effective fighting force, perhaps because they have not gotten the material they need, some would argue, but I have to look at the fact that during the Somoza regime 6,000 guerrillas, some Sandinistas, some from a wider base, overthrew an unpopular regime. I look today at 1986 and I see 15,000 to 20,000 guerrillas not able to do so, indeed for the most part cannot operate within the country. Why is that? I have to conclude that it is lack of popular support, not that the Nicaraguan people are endorsing the Sandinistas by any extent but they are also saying we do not see the Contras as an acceptable or viable alternative.

□ 1145

Finally, I do not see that the administration has identified a clear purpose for this aid. They say the argument initially was to stop the flow of arms sales to El Salvador. That is no longer the argument. The argument now is that we need to pressure for democratic reforms. And then finally the reason is given that the national security of the United States is threatened.

Ladies and gentlemen, make no mistake about it, if the national security of this country is threatened, if indeed there is a Soviet menace in Nicaragua, then this country will have to take its own steps to deal with that. It cannot depend upon rented guerrillas.

Ladies and gentlemen, that is an important question here. To what extent is there Soviet interference? If there is Soviet involvement, if there is Soviet military equipment being placed, then once again we cannot depend on others to take care of that situation for us.

One thing that goes ignored is that the President's request asks for more than money. The President's request would lift the prohibition against using American military advisers to work with Contra units. And so we begin to walk down that road.

Finally, I ask, what is the barometer about which we say the Sandinistas are worse than someone else? Is it dictatorship? Is it repression? Is it the fact they brutalize the Miskito Indians, which they have? I would suggest that there are many other nations that we need to be applying that criteria to.

Mr. Chairman, I urge rejection of this request.

Mr. MICHEL. Mr. Chairman, I yield 1 minute to the gentleman from Oklahoma [Mr. EDWARDS].

Mr. EDWARDS of Oklahoma. Mr. Chairman, I thank the gentleman for yielding.

If the gentleman who just spoke will stay down here, I would like to pose just one question.

The gentleman says that he is not aware of any of the private assurances by the leaders in Central America that they do wish to continue this pressure on the Sandinistas. I wonder if the gentleman could inform the House which Presidents of which Central American countries he has met privately with and discussed that matter.

Mr. WISE. If the gentleman will yield for a response, I did not meet privately with officials like that. All I can go by is what I see and what I hear, and also the representations that are made by those representatives.

Mr. EDWARDS of Oklahoma. Mr. Chairman, I will tell the gentleman I have met personally and privately with the Presidents of most of the countries down there repeatedly, and for the gentleman to say he is not aware of these private assurances, it would be very easy to get them if the gentleman would make himself available to listen to those arguments.

Mr. WISE. What about the President of Mexico? What about the President of Costa Rica, for instance, for two?

Mr. EDWARDS of Oklahoma. Has the gentleman spoken privately to either of those gentlemen?

Mr. WISE. Are they saying something to the rest of the world?

Mr. EDWARDS of Oklahoma. Of course, would not the gentleman? With the biggest military force in Central American history right next to you, would the gentleman say publicly, "Go get them, guys"?

Mr. WISE. Mr. Chairman, if the gentleman will yield, with whom has the gentleman spoken and will the gentleman make that available?

Mr. EDWARDS of Oklahoma. Yes. Here it is, right here.

Mr. MICHEL. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Chairman, I thank my Republican leader.

Mr. Chairman, I would like to respond to two speakers ago, the distinguished gentleman from our party from Connecticut [Mr. MCKINNEY].

Those three people that Mr. MCKINNEY spoke about, coming to his office, two of them I asked to visit with STU. I do not think the gentleman is aware that those three gentlemen always fought Somoza; not "eventually," as Mr. MCKINNEY stated. They were in the forefront of both the business and government sectors, in leadership roles against Mr. Somoza. Two of them went to prison for their Somoza opposition. Be accurate, my colleagues, please don't do what PBS did last night.

Point No. 2, the gentleman from Connecticut referred to Daniel Ortega, the Communist head of state, as a "radical kook." He may be a radical Communist but he is not a kook. On our side there may be a temptation to talk about Ortega's $3,500 purchase in New York of bulletproof designer glasses and his weird teaming with Donohue on the "Phil Donahue Show, but I hope Members resist trivializing these hard-core Communists." Mr. Ortega is a deadly serious Communist who with his eight fellow totalitarian commandantes has control of the Government in Nicaragua. Ortega did not travel to Prime Minister Olof Palme's funeral as a radical kook. He went as the head of state of a Communist government, a hero behind the iron curtain.

He may have been a bank robber, and milk truck high jacker shooting up innocent truck drivers—two are still paralyzed—and he may never have heard a gun shot in anger against the Somoza regime in the hills or the villages, but he is a deadly serious leader of a sad tiny country that is a terrorist supporting malignancy in our hemisphere.

Mr. WHITTEN. Mr. Chairman, I yield 5 minutes to the gentlewoman from California [Mrs. BOXER].

Mrs. BOXER. Mr. Chairman, I rise in strong opposition to the Contra aid package currently before us.

Why should we spend $100 million—dollars needed so desperately in our country—to carry out a failing policy. The administration cannot even tell the Congress how supporting this package will translate into the desired goal of a democratic Nicaragua.

There are various reasons Members have for supporting Contra aid. I would like to pose some of these reasons.

Are you supporting this package because you want to see the Sandinista government overthrown?

If you are, then you better be ready to back up the President when he sends in the U.S. Marines, because that is the logical outcome of this policy. Nobody believes that the Contras can win, no matter how much aid we lavish upon them. And by removing the important prohibition on CIA or Defense Department involvement, this particular proposal raises the specter of American advisers working side by side with the Contras. American advisers have already been mentioned by the administration. This image should be frighteningly familiar to all those who clearly remember how our involvement began in Vietnam.

Are you supporting this package because you think it will cause the Sandinistas to stop their military buildup, remove restrictions on civil liberties, and send home all their foreign advisers?

A simple dose of logic should dispel this belief. National reconciliation is achieved by diplomacy, not by guns. As long as we continue to aid the Contras, the Sandinistas have an excuse to rely on Soviet aid and restrict civil liberties. If anything, the policy of aiding the Contras has been counterproductive. Negotiation is the only realistic way that we have of achieving these worthy goals.

I am not alone in this conviction. Last month, the foreign ministers of the countries most involved in trying to curb Nicaragua's abuses—the Contadora countries and the Contadora support group—unanimously asked the President to stop aiding the Contras and to work for a negotiated settlement.

Are you planning to vote for this proposal because you believe that the Contras are democratic-loving freedom fighters like our Founding Fathers?

If this is the case, then I think you do our founders a grave disservice. The Contras are not freedom fighters; they are terrorists who carry out indiscriminate attacks on civilians. The Sandinistas are certainly not my idea of a model democracy. That's for sure. But they do have real and legitimate opposition in their own country. In the last election, members of the opposition won 36 seats; the church is not happy with their attitude and policies and makes its opposition known. But the Nicaraguan people are not fooled; they know that a Contra victory will likely result in a government run by such former Somocistas as Ricardo Lau, the man accused of plotting the assassination of Archibishop Romero of El Salvador, or Armando Lopez, former head of the Managua police forces at a time when that organization was criticized by international human rights groups for committing torture and assassinations. The Nicaraguan people do not believe that the Contras are freedom fighters. Why should they support the Contras and bring back a regime that violated their human and economic rights for so many years under Somoza?

It's hard to believe the President could call himself a Contra when recent documented reports have concluded that a major cocaine smuggling ring in the San Francisco Bay Area netted over $500,000 for Contra groups in Costa Rica. One of those convicted for smuggling stated that proceeds from the cocaine, "belonged to * * * the Contra revolution." President Reagan said in his television address that "every American parent concerned about the drug problem will be outraged to learn that top Nicaraguan officials are deeply involved in drug trafficking." I agree with him. Let us not give hard-earned American tax dollars to any drug smugglers, and the Contras are documented drug smugglers.

Finally, are you planning to vote yes on this proposal because you feel that the President deserves our support on all foreign policy issues and that on these issues we must be united?

In that case, you are sanctioning one of the most vicious smear campaigns since the days of Joseph McCarthy. President Reagan and his henchman Pat Buchanan seek to portray anyone who votes against their wishes as anti-American.

In conclusion, I ask you, Mr. President, where are the negotiations that you promised us last year? Where is the commitment to Contadora that we hear about so often? Now we have Phillip Habib riding to the rescue. Where was Phillip Habib 6 months ago? Where was he when the Sandinistas offered to sign the Contadora accord in 1984? Maybe they were bluffing but we never even found out.

I could go on and on. Let me end by saying that if you vote for this package, you vote to throw $100 million down a bottomless hole; instead, we could spend it on our farmers, our homeless, our kids; you vote for the strong possibility of United States troops in Nicaragua—certainly American advisers right away; you vote against the advice of all of our friends in the region; and you vote for an ad-

ministration that will do anything, including impugn the motives of Members of Congress, to get what it wants.

If we learned anything from the Philippines, it is that all the guns in the world cannot win over a people ready for democracy. Let us lead the fight for democracy in Nicaragua, not for continued bloodshed and killing.

□ 1145

Mr. MICHEL. Mr. Chairman, I yield 4 minutes to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. I thank the gentleman for yielding.

Mr. Chairman, I think it is interesting that a number of people on the other side are saying that the Contras cannot possibly win. And I simply wonder what would have happened if we had not believed that Corazon Aquino could win. And I think there are very few Members in this House who think that Cory Aquino could have won in the Philippines had the military not ultimately backed her.

Negotiations, good wishes, good will could not have helped her win. But ultimately the military went with her, and that allowed her to win.

Mrs. BOXER. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I have a short statement to make. I did not ask the gentlewoman to yield.

Let me go, very briefly, to the drug question.

The gentlewoman has spoken of a Federal court case in which a newspaper alleges that there are sealed files that say that somebody who was caught with dope said, I was getting this dope for the Contras, which I think is a pretty self-serving statement.

Let us go to some documented evidence that came out of hearings in the U.S. Congress. That documented evidence was to the effect—and this came from former Sandinista diplomat, Antonio Farach, that FSLN Minister of Defense, one of the commandantes, 1 of the 9 Somozas who now run Nicaragua, Humberto Ortega, "was directly involved in trafficking of narcotics. International traffickers were offered use of Nicaraguan landing strips and facilities, and international travel documentation issued by the Nicaraguan Office of Immigration. The Sandinistas justified involvement in the drug trade because it was destined for"—in the words of high-ranking communist officials in Nicaragua—"the youth of the United States, the youth of our enemies. The drugs were used as a political weapon because in that way we were delivering a blow to our principal enemy."

So I would say to the gentlewoman that if she is trying to make a comparison between this story that comes from sealed evidence, that comes from the triple hearsay that says that the guy who was caught says he was going to give the money to the Contras, if you want to compare that to the documented evidence that says that drug trafficking is an official policy of the Communist government in Nicaragua, you lose.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, I want to tell the gentleman that I certainly agree with what he said and add to it that Mr. Alvaro Baldizon, who was a high official in the Interior Ministry serving under Tomas Borge, described in a hearing here last week meetings he had with officials of the Ministry of Interior where they did confirm it was their policy, after he found out about it, and for two reasons, one, to raise money to finance espionage, and so on, and, second, as the gentleman has pointed out, as a direct arm and a direct threat against us. Official policy.

Mrs. BOXER. Mr. Chairman, will the gentleman yield to me on that point?

Mr. LAGOMARSINO. Mr. Chairman, he also said that not only was Tomas Borge involved directly, but so was Humberto Ortega, the Defense Minister and, of course, the brother of Daniel Ortega, both of whom are part of the nine-member directorate of Sandinistas who actually run that country. And he pointed out that at one of the meetings where they discussed this, there was a Cuban official who sat there and confirmed what they were doing and approved of it as official policy.

The Secretary of State has made it absolutely clear to the leaders of the Democratic resistance that the United States will not give any financial assistance to anyone involved in drug trafficking.

CIA and DEA confirm they have no information whatever to link the leadership or the membership of the F.D.N. to drug trafficking.

The one known case of drug trafficking occurred in the group fighting in the Southern part of Nicaragua and is not receiving any United States assistance.

The DEA confirms that the case referred to by Congresswoman BOXER involved a Nicaraguan, Enrique Zavallos, who was a member of a Colombian drug ring. The DEA further confirms that the individual Enrique Zavallos later admitted to having lied about any connection with the Contras in Nicaragua, that he had only made up that story.

Mr. HUNTER. I think it is important that we follow this up.

Mr. Robelo is present in the Capitol today, one of the leaders, who, I am sure, everybody in this body feels to be a very decent person, a former Sandinista. And I would offer to every Member of this body who has a question, if there have been people involved in the Contra movement at lower levels, concededly by the other side, who have been involved in any drug smuggling whatsoever, I would ask any Member of this body to meet with Mr. Robelo—he is here this very minute—and find out what action he is taking with regard to this matter. And I think that most Members of this body will agree he is a decent person, he is against any involvement in narcotics. It is not their official policy. He will take swift and sure action. And that contrasts with the official policy of smuggling heroin and cocaine, destined for the veins of our children that exists with the Ortega brothers and the other commandantes in Managua.

Mr. WHITTEN. Mr. Chairman, I yield 2 minutes to the gentlewoman from California [Mrs. BOXER].

Mrs. BOXER. I thank the chairman very much, because I was not able to get into the discussion, which I think was important, because let me just tell my good friend and colleague from California that the case that I am referring to is a documented case not disputed by the U.S. attorney. It was picked up by the national press. It is documented as to the various Contra connections. And I think the point is here, I say to my colleagues, that we are not here debating giving money to the Sandinistas. I would not give any money to the Sandinistas. We are here debating giving money to the Contras. And before we give all this hard-earned taxpaper dollars, I think we need to know the truth. Maybe some people do not want to face the truth. And that is what this debate is about. The truth is the biggest drug bust in the west coast history took place in the bay area and involved a direct connection with the Contras. You do not like it, but you better hear it because it is documented and it is true.

Mr. HUNTER. Does the gentlewoman claim that Mr. Robelo was involved?

Mrs. BOXER. The gentleman did not yield to me, and I would like to finish my statement.

The gentleman made a point about Cory Aquino. If we learned anything from the Philippines, it is that all the guns in the world cannot win over a people who are ready for democracy.

So I think that we can fight for democracy in Nicaragua, and we should fight for democracy in Nicaragua, but we should not vote for bloodshed and killing. That is not what brought democracy to the Philippines, my friend. What brought it was the people yearning for democracy. And all of the guns in the world cannot stop that.

Mr. MICHEL. Mr. Chairman, I yield 4 minutes to the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Chairman, I rise in support of Contra aid. In my opinion, this is not a partisan political vote, and each Member will have to make up their own mind.

If the President wants this responsibility, we should give it to him. Five hundred and thirty-five of us just cannot make foreign policy decisions.

This has to be done by the President of the United States. He says he needs $100 million to help bring democracy and stability to that part of the world. I am going to vote to give him that opportunity.

I do not know whether the aid will work or not. I do know that negotiations for 6 years have not worked. However, I think we should continue to negotiate, but also if the President, as our Commander in Chief, says he needs this military aid, I think that we should vote tomorrow and let him have it.

Now, Mr. Chairman, last month, in February, I was in Honduras and Guatemala, and I had the opportunity to meet with legislators in those two countries who had just been elected the first time. They were so proud that they now have democracies in Honduras and Guatemala and that they were elected by the people. We talked to them and they told us they were very, very concerned about what was taking place in Nicaragua. They are not going to get on the streets and shout this, but they told us that they support what the United States is trying to do to slow down communism in Nicaragua, and they were worried that communism could spread into their countries.

The picture of freedom in Central America is really looking good, other than Nicaragua. When you look at the new democracies of El Salvador, Honduras and Guatemala, and then you say, "How can we help them?" Well, the President has told us how we can help. He wants this $100 million.

I would like to close just by saying that I think we should do everything possible that we can to help those young democracies; and we have to do everything possible that we can to slow down communism wherever we can.

So I certainly support Contra aid. I think it is a correct way to go.

Mr. WHITTEN. Mr. Chairman, I yield 7 minutes to the gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. Mr. Chairman, later in the debate I will have an opportunity as a member of the Armed Services Committee to debate this matter more extensively. But during the time that I have here, I would like to make two points.

First, there has been a great deal of focus on the issue of communism, an idea. The point that I have always tried to make is that if you oppose an idea, how do you best challenge that idea? With a bigger bomb or bigger bullet or aid to the Contras? Or do you fight it with a better idea?

I choose to believe that you must fight an idea with which you disagree with a better idea.

Now, let us look at what our better idea is ostensibly all about: Commitment to democracy and constitutional law. The Constitution states that the Congress of the United States shall have the right to declare war. We know that this is not about interdicting supply lines. Even the President of the United States has abandoned all pretext of using that as a flimsy excuse for financing the Contras. They have stated it is our desire to overthrow, dislocate, et cetera, the government of the Sandinistas. So if our better idea is a commitment to this extraordinary document, stained yellow with age, that appears in one of the buildings in this city, we are violating it right here because we are not living within the context of our Constitution.

Second, our Constitution states, in the first amendment, the right of free speech, but Members have stood up over the last several weeks to express their points of view in opposition to military aid to the Contras. What has been the response? They have been challenged as disloyal. Their patriotism, their basic citizenship has been challenged. They have been redbaited, intimidated, harassed, and harangued.

But we are committed to a better idea, Mr. Chairman, commitment to the Constitution. But we have not lived up to the Constitution in terms of our war-making power, but we would rather do it through proxies.

Third, there is the right of people to directly elect their representatives, and their representatives in turn have the right and the responsibility to articulate their points of view on given issues. But when Members stand up to assert their responsibility, their responsibilities given to them in the Constitution of the United States, press conferences are called, people are challenged, they are pro-Communist, they are anti-American, they are disloyal human beings because they do not walk in lock step.

I would suggest, Mr. Chairman, that Nazi Germany of the 1930's was a nation where people walked in lock step. The great gift that we have been given in this democracy is the right for us to be able to express and assert a different point of view, and I assert that responsibility. I think anyone who challenges that right is challenging the very notion of what a better idea ought to be about.

But let us look at another better idea that we have, a commitment to the rule of law, Mr. Chairman.

Remember the Boland amendment, where we passed the Boland amendment, very straightforward, that no funds shall be used for the purposes of overthrowing the Government of Nicaragua. Everyone could understand that very straightforward language.

Do you know how the administration interpreted that language? They said the operative words are "for the purposes of. We have the money, but it is not our purpose to overthrow the Government of Nicaragua. But if we give it to another entity whose purpose it is to overthrow the government, we are in technical compliance with the law."

Is that an example of a commitment to a better idea, when we can bend the rule of law, when we are saying to the world that we are a noble nation committed not only to democracy and the Constitution but the rule of law and we show here we are prepared to violate it?

We also have, Mr. Chairman, on the books, a law that is called the Neutrality Act. It says that we cannot finance an individual or group of individuals to attempt to overthrow a government with which we are at peace. We are not at war with the Nicaraguans. We have not declared war. We are in violation of the Neutrality Act.

I have felt so strongly about it, Mr. Chairman, that I have taken this matter up through a number of court procedures, and we have won on every single level. I am sure that some day it will get to the Supreme Court. But we are in violation of the rule of law.

Finally, Mr. Chairman, we are a nation committed to a different idea, a commitment to the sanity of the rule of international law. We are committed to the rule of law, international law. But when the World Court said, "We have jurisdiction in this matter," what did we do? We did not respect that rule of law. We did not respect international law. We did not respect sanity. We walked away from the World Court, when we are saying from other podiums, in other situations, that we must respect the rule of international law.

The Contra aid, in terms of international law, also violates article 15 of the Organization of American States.

Finally, I want to insert something else into this debate that we need to look at. No one, not even the Foreign Affairs Committee, has raised the question of the legal status of the Contras. There are only three things the Contras can be. First, they can be internal dissidents. They do not qualify as internal dissidents under the Geneva accords. If that is not what they are, the only two other things they can be are members of another country's armed forces. Are they our Armed Forces? If they do not qualify as that, the only other alternative is that they are mercenaries and terrorists.

□ 1200

Now, let me tell you why they do not qualify as internal dissidents. There are several specific reasons. Many of the Contras are not Nicaraguan nationals and cannot be classified as internal dissidents.

No. 2, the Contras operate under disunified leadership and are sometimes

directed by the CIA and other American citizens.

The Contras control no territory in Nicaragua where they can launch "sustained and concerted military operations."

Finally, they launch their operations from outside Nicaragua. They do not qualify on the basis of international law as internal dissidents.

Are they our Armed Forces and I ask you to answer that question. Are they terrorists and mercenaries?

I ask you in the course of this debate to answer that question. Then we can have an honest debate.

I believe that a better idea is something more than a bigger bomb and aid to the Contras. It is a commitment to dialog, a peaceful and political solution to the myriad problems that must and can be addressed.

Mr. MICHEL. Mr. Chairman, I yield such time as he may consume to the gentleman from Louisiana [Mr. LIVINGSTON].

Mr. LIVINGSTON. Mr. Chairman, I thank the gentleman for yielding.

The last speaker was rhetorical. He was eloquent and he was wrong. He has enumerated all of the many thousands of things that we in the United States have done wrong over the last 6 years. We are to be ashamed of ourselves for the way we have conducted our foreign policy.

He equated us with, or else he at least referred in his speech, to Nazi Germany. Well, as a matter of fact, there is some similarity about this debate and the issues behind this debate with what happened in that Nazi Germany, and it has nothing to do with United States foreign policy.

Since 1979, Nicaragua has represented a disappointment to all freedom loving people of the Western Hemisphere. When the Sandinista forces overthrew the Somoza government, there were broad promises of freedom and democracy and open elections and pluralist government and peace. Instead, they have delivered nothing but the prospects of a Communist totalitarian repression and aggression, the nature of which has taken root and dominated the economy and life blood of all the governments and nations in which communism has become entrenched, save one, with one exception—Grenada, where the United States foreign policy had something to do with the turnabout of events.

The type of domination that the Communist system imposes, the elimination of all dissent and usurpation of all freedom and the imprisonment of the bodies and the minds and the souls of its victims, its people; all this is the type of thing that is happening in Nicaragua. And that is the type of thing that happened in Nazi Germany to which the gentleman referred.

Witness the evolution of the Communist movement in Nicaragua from the moment the Sandinistas rose to power, despite their assurance that they were going to abide by all the promises that they made to the Organization of American States when they took over; despite the fact that we gave them $120 million to get them on their way because we were glad to get rid of Somoza; despite the fact that we appealed to the World Bank to get them about $200 million in extra credits so that they could go along their way.

See how they constricted and strangled the essence of liberty and independence in systematic fashion so that their people are deprived of liberty, the liberty which we enjoy and which enables people like my predecessor, the speaker before me, to get up here and rant and rave about how wrong we in the United States are.

Mr. DELLUMS. Mr. Chairman, a point of order. I move that the gentleman's words be taken down on the grounds that the gentleman has no right to characterize this gentleman's statement. I will be characterized by history, not by the gentleman in the well, and I want the gentleman's words taken down.

Mr. LIVINGSTON. I will change only one word. I will withdraw the words "rant and rave" and say, "discuss" how wrong we in the United States are.

Mr. DELLUMS. Mr. Chairman, I thank the gentleman for realizing that he made a serious error. I thank him very much.

Mr. LIVINGSTON. I would certainly not want to overcharacterize the gentleman's statements, for whatever they may be.

In 1979 and 1981, key ministries and government agencies were taken over by the Sandinista leaders, so that control began to formulate in Nicaragua. Banks, exports, agricultural reform, were all nationalized. Businesses were confiscated. Homes were turned over to government offices. The press and the labor unions were restricted. The Sandinista militia was created. Mass organizations were created to control labor and students and neighborhoods so that people would report on their neighbors and make sure they were following the proper ideology.

Elections were postponed, violating the promises to the OAS. The opposition was harassed by press censorship and permission was denied to hold rallies. Opponents were reduced to a token role in the council of the state and military cooperation with Cuba and the Soviet Union was begun.

Between 1982 and 1983, there was forced relocation of massive numbers of Indians, Miskito Indians, plus the Sandinistas declared a state of emergency which further curtailed the liberties of all their citizens.

There was harassment of organized religion and the draft was started. There was expansion of the military and the Soviet bloc weapons began to arrive.

The new political party formulated a law which laid the foundation for total FSLN control of the government.

Between 1983 and 1985, there was an election held on November 4, 1984 that was a total sham. It was unfair to its opposition. Four of the seven parties were Communist dominated and the others were totally intimidated into not presenting their case. The radio, the media, was totally dominated and they were not permitted to sell their case. Two of those parties actually withdrew from the elections. One was not even permitted to, and when they stopped working, the government went around and put up their billboards anyway, before the election.

They expanded their draft in the military.

There were Soviet major arms delivered at that time. In fact, to date some $500 million in armaments from the Soviet Union has come to Nicaragua, and another $700 million in economic aid from the Soviet Union has flowed into Nicaragua.

The national assembly statutes severely limited the rights of opposition members.

Then between May 1985 to the present, the pace of the consolidation was accelerated. There was imprisonment, torture, and execution, which are rampant, and which I have discussed in other special orders.

On October 15, 1985, just 6 months ago, civil liberties of all the Nicaraguan people were suspended; censorship was strengthened. The opposition was additionally harassed and intimidated. The Sandinistas began rationing the basic commodities.

Radio Catolico, the Catholic radio station, was closed down.

The church newspaper, Iglasio, was closed down.

The religious, labor, and political leaders were interrogated under humiliating circumstances, and there was a forced draft of seminarians, which had never before existed in the history of the country even under Somoza.

Under previous special orders, I have discussed the forced relocation of the Indians and the imprisonment, the torture, and the execution of citizens at the hands of the Sandinista government.

Newsletters of political parties were forbidden, and so it goes on and on and on.

So we have now in Nicaragua a systematic entrenchment of a Marxist government on the shores of North America, only 1,000 miles south of my home in New Orleans, LA.

The final conclusion could not be clearer. My colleagues, we have a consolidated Communist state on our

doorstep close to our Southern borders on the same continent on which we all live and work and raise our children.

Those Sandinistas, those Communists, are closer to me in New Orleans than I am to New York City. The Soviet-Cuban style state borders 50 percent of all our critical sealanes for imports and exports of all products that we bring into the country; as communism continues its expansion throughout Central America, millions of refugees will continue to pour into the United States, like they did taking nothing but the shirts off their backs on the boats that could not even float out to sea in South Vietnam. We are going to have to house them and clothe them and feed them and find them jobs, and also iind the jobs for those they displace. We cannot afford a Nicaraguan-Soviet base.

But most importantly, I heard the gentlewoman from California say that we are going to be sending our troops down there. What we who want to get support for the Contras, the freedom fighters in Nicaragua, who are Nicaraguan citizens, what we want today is to avoid sending our troops, and only provide a relatively small amount of money to let those people fight for freedom in their own country. If we fail to do that, it is an absolute certainty that down the line some day, either next year, 5 years from now, 10 years from now, not only will we be sending much greater amounts of money, but we will be sending our boys, our sons, on some unforeseen border to defend the security of the United States, to defend our citizens, and to spill their blood.

I am the father of three sons, one aged 19, one 16, and one 13. I do not want to see any of them fight in Central America. For anybody to accuse us, who support the funding of the freedom fighters in Nicaragua, to say we want our sons to go to fight and die there, is absolutely insane. Those who keep the President of the United States from supporting these freedom-seeking people today in Nicaragua are guaranteeing that blood will be spilled unnecessarily in the future.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. LIVINGSTON. Yes, I yield.

Mr. HYDE. Mr. Chairman, I thank my friend and commend him for an excellent statement.

I came on the floor and I heard my learned friend, the gentleman from California [Mr. DELLUMS] discussing a very important issue, and that is the law, the law of what is going on down there and whether we are on the right side of international law or not.

I would just like to add a small little bit to the mosaic of discussing the law by reading a couple of sentences from a document that I think all discussion of the law ought to commence with, and it says:

We hold these truths to be self-evident, that all men are created equal and that they are endowed by their creator with certain unalienable rights. Among these are life, liberty, and the pursuit of happiness.

Now, here is the important part for our purposes:

That to secure these rights, governments are instituted among men, deriving their just powers from the consent of the government, that whenever any form of government becomes destructive of these ends, it is the right of the people to alter or to abolish it and to institute new government.

Now, I love those words, I think that justifies our own revolution against an existing government, the British Crown.

Now, I suggest to you there is no law, international or otherwise, that justifies and ligitimates and validates the Soviet Union and its client states oppressing and tyrannizing their people and denying them an opportunity to change that government.

They are illegitimate because they deny the consent of the governed.

Now, the Rio Treaty, the U.N. Charter, all those documents which people who wish to accuse us of illegality point to, guarantee the right of self-defense and collective self-defense.

I would suggest that if a government takes power by force and retains power by force and gets assistance from the Soviet Union, from Cuba, from Bulgaria, from the North Koreans, from the East Germans, from the Libyans, from the PLO, that certainly citizens of that country yearning to be free are entitled to some modicum of support from the free world. That is the law. That is the moral law.

I thank the gentleman.

Mr. LIVINGSTON. Mr. Chairman, the gentleman is correct and he is eloquent as always.

I would submit that to deny the President his request at this time would not only be bad politics, it would be terrible policy and it would jeopardize the future of all of us, our children and our grandchildren.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. LIVINGSTON. I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding.

I think the gentleman in the well and the gentleman from Illinois [Mr. HYDE] have raised one of the very relevant aspects to this debate and that is the legitimacy of the Communist government in Nicaragua. In respect to that and in respect to a reply to my friend, the gentleman from California who wanted to talk about the drug connection, I would like to show the full House some photos that I think raise serious questions about the legitimacy of the Communist government in Nicaragua.

There is only to my knowledge one government in the world that has a governmental policy of exporting cocaine to the children of America, with the possible exception of Cuba, and that is Nicaragua.

These are photographs. This first photograph shows Pablo Escobar in a striped shirt, a Colombian Government official, supervising the loading of cocaine onto a United States bound C-123 transport plane at Nicaragua's Los Brasiles military airport.

The second picture shows Federico Vaughn, a very high government official, the righthand man of Nicaraguan Interior Minister Tomas Borge, a high government official, loading cocaine for American children onto a U.S. bound C-123 transport plane at Los Brasiles military airport in Nicaragua.

□ 1215

Mr. LIVINGSTON. So, if I may reclaim my time, this is not hearsay. This is photographic evidence of participation in drug running by the Nicaraguan officials.

Mr. HUNTER. Yes. The point that I am making is this: That of the thousands and thousands of Contras who are in Nicaragua, I am sure that there are people, just as there are enlisted people and NCO's and officers in any armed struggle who do things that are abuses, I am sure that they can make a case that some of those people have done things that are illegal, whether it is involving drugs, involving abuses, or whatever. Every government has had that problem in any military confrontation that has ever taken place.

But there is only one government that has an official policy of exporting drugs to America's children, with the possible exception of Cuba, and that is Nicaragua.

Mr. LIVINGSTON. I thank the gentleman for his point, and I yield back the balance of my time, Mr. Chairman.

The CHAIRMAN. The gentleman from Louisiana [Mr. LIVINGSTON] has consumed 15 minutes.

Mr. WHITTEN. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon [Mr. WEAVER].

Mr. WEAVER. I thank the gentleman for yielding this time to me.

Mr. Chairman, this debate is clearly showing that President Reagan is dividing the citizens of our Nation once again into hawks and doves, and for what purpose? To finance a band of cut-throat mercenaries in the jungles of Central America.

Does the President understand the damage he and his associates, such as Pat Buchanan, do to our country by setting citizen against citizen, by questioning the loyalty of those citizens who believe, as I do, that no U.S. tax money and no U.S. soldiers should be used to interfere in the conflicts of our Latin American neighbors?

Our job here is to make our Nation strong, our people unified, our chil-

dren fed, our youth educated, our workers employed, and our seniors secure. This task will not be fully undertaken if our energies, attention and money are diverted to foreign wars and our people divided into hostile camps, more concerned with criticizing each other on softness to communism or warmongering than on working together to solve our problems here at home.

The true strength of our Nation rests with union, not division. I asked the President to turn away from his obsession with Nicaragua and to pay attention to our own economy here at home.

I was deeply disturbed to hear that great document, the Declaration of Independence, used in conjunction with the Contras in Honduras. We must remember that the Contras are not in Nicaragua; they are in Honduras. They have no support in Nicaragua. They have taken no territory. The farmers and people there have given them no succor. Otherwise, they would be in villages and towns in Nicaragua. To use that great document, the Declaration of Independence, to characterize the Contras of Nicaragua is, to me, a degradation of that document. That document stands for a free, noble, and decent people.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. WEAVER. I would be glad to yield to my friend, the gentleman from California.

Mr. DELLUMS. I thank my colleague for yielding.

Mr. Chairman, a few moments ago we were given a lecture on the issue of international moral law which justifies taking on Nicaragua. I ask my colleagues: Using the same analogy, why do we not attack the Soviet Union or China or Cuba? The response was that World War III would be detrimental, which precisely makes my point.

The only place where we are prepared to challenge communism is in Third World countries where the people are black, brown, yellow, and red, and where there are problems of poverty and hunger and disease and starvation and death.

That is the contradiction and that is the hypocrisy. We raise this big red menace only where we can beat up on nations like Grenada, 90,000 people, Nicaragua, one of the poorest nations of the world, but not these other countries, these great Communist countries, because we want to keep trading with them. We do not want to engage in World War III, so we intimidate these Third World countries, and that is the contradiction and that is the hypocrisy of this whole act that is taking place on the floor of this Congress today.

Mr. WEAVER. I am reminded by this debate that my theme is on the unity of this country, that we need unity in this country and our people working together. I am reminded by this debate of a debate occurring in the House of Representatives 160 years ago when Jim Madison was President of the United States and the war hawks led us into a war with England, a war of no purpose whatsoever, but because they stirred up the House, stirred up the people so much, we were led into that war, which hurt our Nation greatly. I say unify our Nation. Bring us together, Mr. President, and that is what the American people want.

Mr. WHITTEN. Mr. Chairman, I yield 4 minutes to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. I thank the gentleman for yielding this time to me.

Mr. Chairman, I have tried to follow events in Latin America since I came to Congress 18 years ago. During the last 5 years, I have paid particular attention to the U.S. policy and its impact on the region.

I have no disagreement with the allegations of the gentleman from Louisiana, the gentleman from Illinois, and the gentleman from Oklahoma, that there is a Marxist government in Nicaragua, and that that government is oppressing its people. But the President of our country has had his policy in Central America for 5 years. He has pretty well had his way for the time that he has occupied the White House.

It may be of interest for Members to know that during the 5 years that Mr. Reagan has been in the White House, we have appropriated $3.4 billion in U.S. tax dollars in support of that policy. I would add that does not include what the CIA may have spent, or the additional appropriations for military training in that region or moneys in addition to that which are unaccounted for.

My question today is: What has U.S. policy wrought in Central America? What has the $3.4 billion-plus of investments in U.S. tax dollars bought for us in Central America?

Mr. Speaker, it has bought mismanagement and morass, even to the extent of providing almost $66 million in aid to the Marxist government in Nicaragua. Here it is in black and white. President Reagan's policy has supported the Communist government in Nicaragua.

What else has it bought? It has bought a heavy economic burden in this country at a time when we are experiencing a serious budget crisis, at a time when our Government is saying no to the farmers, it is saying no to the students, it is saying no to the elderly. Our elderly citizens are being cut from Older Americans assistance because of budgetary constraints, and we are being asked to give $100 million for the Contras in Central America.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. ALEXANDER. I would be glad to engage in a debate on the gentleman's time.

Mr. Chairman, the policy has strengthened the Communist government in Nicaragua. It has forced out the moderates and prevented a political solution.

Let me say one more thing, and I will yield to the gentleman.

The policy has alienated our allies. The President of Mexico says that Mr. Reagan's policy is causing anger among the Latin American people, and the President of Colombia this past week said that the United States, like the Soviet Union and like Cuba, is interventionist in the Western Hemisphere, causing disrespect of our Government among our allies.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. ALEXANDER. I would be glad to yield to the gentleman from Illinois.

Mr. HYDE. I thank my friend for yielding.

Mr. Chairman, parenthetically, I have no respect for anyone who sees a moral equivalency between the Soviet Union and the United States. But the Reagan policies have developed a democracy in Guatemala, for free elections outstanding in El Salvador, a new democracy in Honduras.

Mr. ALEXANDER. Mr. Chairman, I reclaim my time. I do not yield further.

Democracy in Honduras began in 1980 before Ronald Reagan became President.

Mr. HYDE. And it is still there.

□ 1225

Mr. LIVINGSTON. Mr. Chairman, I yield 1 minute and 30 seconds to the gentleman from Oklahoma [Mr. EDWARDS].

Mr. EDWARDS of Oklahoma. Mr. Chairman, I thank the gentleman for yielding.

I would like to respond to what the gentleman from Arkansas [Mr. ALEXANDER] has said. First of all, I would like to correct the impression that the gentleman from Louisiana [Mr. LIVINGSTON] left earlier which suggests that the Sandinista government is so oppressive and so bad that it is out there without any friends at all, and that is simply not true.

In fact, I would quote: "Libyan fighters, arms, and backing to the Nicaraguan people, have reached them because they fight with us." That was Mr. Qadhafi.

"Your enemies are our enemies," the Sandinistas were told by Yassar Arafat.

"The most important event during the past 2 years in that region (Central America) undoubtedly is the Sandinista victory in Nicaragua and the way things are going, we will have another Cuba there." That is Vladimir

Chernyshev, the Soviet Ambassador to Brazil.

So the gentleman was wrong. Nicaragua does have friends.

Mr. LIVINGSTON. If the gentleman will yield, I will concede that. The gentleman is correct, they do have friends.

Mr. EDWARDS of Oklahoma. I would like to respond to the gentleman from Arkansas because what has happened in Central America is this: When I came to Congress, when President Reagan went to the White House 5 years ago, what we had throughout Central America was a host of repressive oligarchies, we had dictatorship, we had military rule.

What we have in Central America today is the greatest spread of freedom and democracy seen in the western world or anywhere in the world in our time, with one exception, one sole exception: Nicaragua.

Mr. LIVINGSTON. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. I thank the gentleman for yielding me this time.

I think the gentleman from Arkansas [Mr. ALEXANDER] who just spoke has not characterized the situation correctly when he speaks about this reluctance that he sees on the part of Central American countries to support our policy or to support the freedom fighters in Nicaragua.

Let me simply say that the President of Colombia is not angry at the United States for the assassinations and murders of his Supreme Court Justices by weapons that were all traceable to the Sandinistas, to Nicaragua.

Mr. Duarte is not angry at the United States of America for the kidnaping of his daughter. In fact, he blamed Mr. Ortega for helping to orchestrate the terrorist activity that resulted in a member of his family being kidnaped.

As a Congressman who borders Mexico and talks with a number of our friends in Mexico and other countries, let me tell the gentleman that most Members of this body realize that in private conversations, Central American leaders say "the United States is the only hope for Central America, and now we have to go out and put a press release that will tell the world that I do not agree with America's policy because we are afraid." And that is the fact in Central America.

Mr. LIVINGSTON. Mr. Chairman, I yield 5 minutes to the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. Mr. Chairman, years ago I lived in a town that had one high school 10 miles away from where I lived. I had a trolley car that took me every morning to school, and I can remember, as I think about it, as I think about what is happening here today, I can remember when I had to make that trolley car, I would sometimes get on the block and see the trolley car going down the next block, and then I would figure maybe I can run fast enough to catch the trolley car, because otherwise I would have to spend half of a day to hike to get to that high school.

What I am worried about here today is this seems to me to be the last opportunity for us to do something constructive in this particular area. It seems to me if we do not do this particular thing the President has asked, we are really saying forget it, we will try to hike those 10 or 15 miles to the high school.

Now that may not be an illustration that means much to you because today young people in high school have automobiles. I owned my first automobile when I was almost 40 years of age, and that was given to me by the Government at the end of World War II. So I came from a different era and we do a lot of things different today, and we neither have had to hike or to catch the car.

Today we have an opportunity to maybe do something important in our day. It is not very expensive. Actually $100 million sounds like a lot of money, but earlier this week, we gave $250 million to Ireland. There are counties around my area that are a lot worse off than Ireland is, and in many ways, and we did not flip an eyebrow about that. We have $100 million here that we are worrying about so much. There are reasons to do it, and there are some important reasons. First of all, there was an agreement by the Government of Nicaragua, the people, in the revolution that has occurred, that they would abide by democracy, they would abide by the Organization of American States' decision in this matter to move toward democracy, and the Sandinistas have not done that. So the purpose really of this money is to try to get an opportunity to have a dialog which will bring us to the fulfillment of the things that these people in Nicaragua have already agreed to, and to have free elections, or if you cannot have free elections, at least not to export communism.

The international law matter has been dealt with here. That was a matter of grave concern to me in 1984 and 1985 when this matter was being considered. I introduced a resolution which went to the heart of this matter, and I presented it to the Department of State and to the White House. This resolution provides what is good, sound, international law and says that if our defense interests are imperiled that we can do something about it. We have a right to do so under every international law.

There are ways to do this improperly, but the way in which the President has couched his terms in this matter is correct. Let us read what he said in presenting this to the Congress. He said:

> The actions by the United States . . . authorized by the approval of this request, are consistent with the right of the United States to defend itself. . . . Such actions are directed to achieving a comprehensive and a verifiable agreement among the countries of Central America, based upon the 1983 Contadora Document of Objectives, and internal reconciliation within Nicaragua . . . without the use of force by the United States.

That is the language that brings this particular bill to the floor. It is a good international law. It is a good moral law, but it is a good international law, and we have the preservation in this matter of not sending troops.

There are limitations to the idea of freeing all or helping all freedom-fighting people throughout the world. We may not be able to do this. In the case of Hungary and Poland, our Government, under President Eisenhower, decided that we were not able to do it. So there may be things that we cannot do. Certainly in this particular instance, it is something that is doable.

People say why do you even worry about Nicaragua? Why do we worry about it? Certainly we do not worry about just it, because it is a country of 3 million people, a very small piece of geography. What we are worried about is the Moscow/client relationship. That is what you worry about. That is what is imperiling America.

Nicaragua doing it? Not a bit. Nicaragua is a base for terrorism. Nicaragua is a base for unlimited amounts of Soviet arms and munitions, and infiltration into the countries around them.

Think about the dismay in Mexico, a great country, a great sister country to our own, and yet how dismayed they are about their economic situation.

The largest city in the world now is Mexico City, impoverished. A million and a half Mexicans come across the border every year into the United States. Very distressed, very upset, the very sort of government that the Russians would like to take over.

That client status with Moscow is the thing that is giving us reasons for apprehension. It is a real apprehension. It is not a fuzzy thing. It is not a complicated thing that is hard to understand. It is a real client relationship. The Russians are using Cuba today throughout the world. Cuba is almost a secondary, even a first type of nation today because of its client status with Moscow. Moscow is using Cuba and it will use Nicaragua the same way.

Here on our own U.S. territory and very close to our own boundaries, we have this threat. To me it is just like that trolley car going down the street. We ought to catch up with it and we ought to do this. We ought to support the President.

Mr. WHITTEN. Mr. Chairman, I yield 4 minutes to the gentleman from New York [Mr. RANGEL].

Mr. RANGEL. Mr. Chairman, I wish some infantrymen could hear some of the debate that is going on here today. I served with the 2d Infantry Division in Korea, and when I was alerted in June of 1950 to stamp out the Communist invasion of South Korea, I had not the slightest idea constitutionally or legally how I got over there. But having been a volunteer in the U.S. Army, I assumed that was a part of the obligation, and so I went under the United Nations mandate and received a Bronze Star and Purple Heart for valor.

So those that believe which way I vote today might not put me on the right side of democracy, I do not have too much worry about that.

But when the President and the Secretary of State talk about excising a cancer or wiping out a government, to those of us who have been involved in combat, and recognizing that when you have those type of political and in this case military objectives, that we believe that you do not talk in terms of $100 million, you talk in terms of getting on with the declaration of war and do what has to be done. Certainly if this small country is a threat to the most powerful country in the world, I would want the Armed Forces Committee or the relevant committees to start talking about that rather than having us to believe that we do not think enough about our country to put it where it really should be, and that is with our military forces.

I do not believe that there is anyone in the House that would want to send our American boys to Nicaragua. But if the threat is as real as people have said it is, I do not think that they want American democracy to be left in the hands of the Contras.

But that is not why I came to the floor today. I came to the floor because the President's silence about countries that produce drugs, allies of the United States, countries that have violated treaties with the United Nations, treaties with the United States, countries that we give money to, Peru, Bolivia, Columbia, Mexico, it always amazed me why the Secretary of State and the President, and really Ambassador Kirkpatrick, and to a limited extent our new Ambassador was always so silent in terms of criticizing these countries.

In any event, when the President spoke about drug trafficking in Nicaragua, I immediately, as chairman of the Select Narcotics Committee, tried to find out where those pictures came from and what they were about. And it turns out that the drug agency, the Drug Administration, rebuts the Reagan charge. The drug agents indicate that there is no proof that Nicaraguan leaders are traffickers, and I refer to Assistant Secretary of State John Thomas' testimony before the House Committee on Foreign Affairs on March 11, 1986, where he indicates it is almost impossible to gather accurate information on a continuing basis. The Sandinistas officially have denied all of the allegations, and that it appears as though the one aide to one of the officials actually was indicted in Florida.

I am suggesting that if we believe that trafficking is taking place in Nicaragua, we ought to take a hard look and see what is happening in Mexico, because we would send in the entire Armed Forces if it warrants sending $100 million to Nicaragua.

Mr. LIVINGSTON. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. I would say to the gentleman from New York, for whom I have the highest respect, that the difference between the countries he mentioned, Peru, Colombia, et al., and Nicaragua is that there is no allegation, never has been, that the countries he mentioned were sending drugs or facilitating the sending of drugs as part of the official government policy, whereas there is direct testimony from a former high official in the Nicaraguan Interior Ministry, Alvaro Baldizon, who has been here and who testified before the Committee on Foreign Affairs Task Force on International Narcotics Control last week that was official Nicaraguan Government policy.

I would point out that at that same meeting, Thomas J. Byrne, Deputy Assistant Administrator for Intelligence, Drug Enforcement Administration referring to the investigation they made as a result of this investigation, 12 persons, including a Nicaraguan national, were indicted in the Southern District of Florida, and he mentioned them, including the Nicaraguan, Frederico Vaughn, aide to the Nicaraguan Minister of the Interior, Thomas Borge.

□ 1240

To date, four of the defendants have pleaded guilty. One more was tried and found guilty of that charge.

Mr. LIVINGSTON. Mr. Chairman, I yield 4 minutes to the gentlewoman from Nevada [Mrs. VUCANOVICH].

Mrs. VUCANOVICH. Mr. Chairman, I rise in support of this resolution. I was one of nine Members of Congress who spent the weekend in Nicaragua, and we had the opportunity to meet with Vice President Sergio Ramirez, the vice president of the Sandinistas, and also Mr. Tinoco, who was the Deputy Foreign Minister, and Mr. Saul Arana, who is the leader of the North American Desk.

We also met with the Permanent Commission on Human Rights, and we met with Cardinal Obando y Bravo; we met with the owners and editors of La Prensa, and we met with labor leaders, and members of the opposition parties.

My impression, on meeting with the Sandinista acting president, Mr. Ramirez, was first that he was lying to us; and second, that he was visibly irritated at having to meet with us at all.

Later, after we left, it was quoted in one of the pro-government papers that the only reason he met with us was because he felt that, if not, it would be used against them in their fight to keep away from getting aid to the Contras.

One of the most blatant lies that he told when he first met with us was that they were a non-allied nation, and that it was pure propaganda that they were a Marxist-Leninist country.

We asked him about Cuban pilots flying the Soviet-made helicopters, and he said, "No Cubans fly our planes."

He also stated that the Sandinistas, the Communists, did not begin receiving arms from Cuba or the Soviets until they were faced with external aggression. He denied that they were exporting arms or violence, and it continued when we talked to him about the political prisons in Nicaragua.

First he said that there were no prisons, and then he changed to say there were no clandestine prisons. He was arrogant and tyrannical when we talked about free elections which has been promised to the people and he said, the party was preparing a new constitution and they would get around to holding elections. And he said that they were elected until 1991. When he was corrected and told it was until 1990, he just shrugged, as if it really did not make any difference.

When we tried to talk to him about a dialog of their refusal to sign on the Contadora process, he responded, saying: "Don't ask me any complex questions, only ask questions that we can answer with a yes or with a no."

In talking with the leader of the Nicaraguan version of the chamber of commerce about what would happen if the U.S. Congress decided not to help the Contras, he begged us to decide. He said, "Please don't delay. Don't bleed it out. If you're not going to help us, tell us so that we can simply succumb to slavery."

Believe me, time is on the side of the Sandinistas. The Communists will agree to negotiation or anything else which will delay aid to the Contras, buying time so that they can continue to crush the opposition. I am convinced that if we withhold this aid to the Contras, we will have provided another Soviet government on our shores just as we have in Cuba.

Mr. WHITTEN. Mr. Chairman, I yield 3 minutes to the gentleman from Oregon [Mr. AUCOIN].

Mr. AuCOIN. Mr. Chairman, I've never been a fan of the Sandinistas. In 1979, after the Nicaraguan revolution, I voted against President Carter's foreign aid request for the new government. Given what's happened since—censorship, crackdowns on freedom of speech and religion—I like them even less.

But the question isn't whether the Sandinistas deserve an award for congeniality.

The question is whether another $100 million in military aid to the Contras will somehow transform that government into a citadel of democracy.

The question is whether we should be taking $10,000 per Contra out of the Treasury at a time when farm export programs are being cut. When public schools in Oregon don't have enough money to keep their doors open. When economic development programs are going begging.

The answer is no.

I've got the facts to back up my decision. I'm on the Appropriations Defense Subcommittee, which oversees the CIA. I've had the briefings, seen the classified photos. And I'm convinced the administration path is paved with thorns.

The White House doesn't want to lead the Sandinistas to the negotiating table. They want to lead them out of Nicaragua. As Donald Regan has made clear, the White House goal is overthrow.

We know the Sandinistas are no Boy Scouts, but neither are some other governments. South Africa has a repressive regime. So does South Korea. If the use of subversive force is to be America's answer to all governments we find offensive, then why, for instance, are we financing no Contras in South Africa to liberate the downtrodden blacks in that racist, repressive country?

Is it because the administration is soft on racism? Or is it because the use of covert wars in every country we disagree with is impractical, not to mention illegal.

Yet, the White House has chosen war over negotiations for the Sandinistas. And they're pulling out all the stops to win these funds.

The administration is, unbelievably, trying to steal this $100 million from U.S. ammunition accounts, which are already in short supply and critical to U.S. readiness.

President Reagan speaks of the fall of Mexico and the domino states in Central America. He warns of a sea of Communist red lapping at the borders of Texas. But these scare tactics won't work.

Now, though the CIA created a Contra civilian corps for political cover, there's no hiding the fact that former Somocistas run the Contra military operation; 9 out of 10 members of the Contra general staff are former Somoza henchmen.

Nicaraguans remember Somoza, though the administration is trying hard to forget. The White House has papered over the Somoza connection, creating new identities for the Contras. "Freedom fighters." Distant cousins of the French Resistance. Descendants of Valley Forge. Who's fooling whom?

The Contras can't win because they lack popular support as well as support in the Southern Hemisphere. The majority of the so-called domino countries oppose the Contra aid request.

The White House whispers that Central American leaders are afraid to speak out, cowed by the Sandinista military machine. That's absurd. Rebuffing U.S. assistance, the Contadora nations have consistently called for negotiations.

Mr. Chairman, frightened people don't ask for peace talks when they could have guns instead.

The truth of the matter is that the White House adamantly opposes regional negotiations that could prohibit foreign military bases, advisers, or troops in Central America, the goals they profess to want.

Though there's no hope the Contras will succeed, the White House keeps sounding the call to arms. Not with our boys—yet. Full use of American troops will happen, they claim, only if Congress doesn't approve this request.

Mr. Chairman, it's not a case of either-or. If we approve this plan, it's a question of when.

The White House has already let slip that the Green Berets are part of the $100 million package deal for training now. Down the road, who knows? There are no conditions on military aid or training of any kind in this request.

If the administration wants to pull out all the stops to overthrow the Sandinista government, let them say so. And let them work to build support for direct U.S. involvement. But let's stop claiming that $100 million is the magic number that will buy peace for Central America.

If U.S. military pressure alone could do the trick the Sandinistas would be holding open elections right now.

For nearly 3 years, the United States has had 6,000 troops on training exercises in Honduras. We've constructed permanent military installations. We've pumped up the Salvadoran and Honduran Armed Forces, offered military aid to Costa Rica and Guatemala. We've mined Nicaraguan harbors, embargoed sugar exports and used the Contras to disrupt coffee harvests.

And, Mr. Chairman, the Sandinistas are still there. If we approve this aid they'll still be there. But where will we be?

Mr. LIVINGSTON. Mr. Chairman, I yield 4 minutes to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Chairman, my colleague from Arkansas indicated a while ago that—as well as some of his colleagues—that President Reagan's policy was a failed policy.

I might remind them that for 18 months, the majority in this House was instrumental in getting aid cut off from the freedom fighters down there, and yet they grew. If there is anything that is a failed policy down there, it is the policy of the majority in letting these funds be stopped, thus encouraging the Soviets, Cubans, and Nicaraguans to increase the repression of the people of that region.

The gentleman from Arkansas talked about the Nicaraguan Government oppressing its people and yes, he is concerned about that; but the one thing he did not mention was that they are exporting revolution throughout Central America and Latin America.

There are 19 countries south of the Mexican-American border and 12 of those countries have either weapons that came through Nicaragua or terrorists trained in Nicaragua within their borders. This is a fact that the State Department has stated in their last document that they gave to the Congress.

Twelve of the nineteen countries are being influenced by the Nicaraguan Communist government.

I was in Chalatenango Province in El Salvador, and I saw firsthand Communist weapons that came through Nicaragua. You might say, "Well, how do you know they came through Nicaragua?" I questioned a captured Communist guerrilla, and he told me that his weapons come through Nicaragua.

The weapons that we saw were Bulgarian handgrenades, Soviet mortars, M-16 rifles that came through from Vietnam, that could be traced back by their serial numbers to Vietnam, weapons that came from Venezuela that were sold to the Communist Sandinistas before they took power that could be traced back to them.

Now there are a number of issues that I would like to see raised today we have not talked about and because time is limited, I will not be able to go into my entire speech.

One, how can democracy survive without economic growth, and what person in their right mind is going to invest in a country that has a Communist expansionist government on its borders that is undermining the government that exists, as is the case in El Salvador?

What American company is going to go down there and invest if they think that country might be undermined and fall. We know that the Communists are in there. The headquarters of

the Communist guerrillas in El Salvador is in Managua. They are training terrorists in Managua to export revolution into El Salvador, Guatemala, and Honduras.

One of the things that I think we really should talk about is, what is it going to be like in the future if we do not act? Our last commanding general in Vietnam was General Weyend, and he was asked this question:

How do you rate the motivation of the Viet Cong?

His Answer:

The Viet Cong had superior motivation and I am perplexed over why. * * * They lost over 1 million dead in the war. * * * Every family in North Vietnam must have suffered a loss. All endured hardship.

Why didn't they protest? Why did they continue to send their sons south to almost certain death in a cause they hardly understood?

Here is his answer:

I know of a North Vietnamese textbook that gives a clue—early ideological indoctrination. For example, arithmetic was taught to Viet Cong children in terms of how many imperialist warmongers would be left if 4 appeared and 2 were killed?

As soon as the Communist Sandinistas took power in Nicaragua, they imported 600 Cuban teachers. This first-grade textbook is what they are teaching from down there right now, the same thing they taught the Communist Vietnamese children in North Vietnam.

They have had 7 years to indoctrinate those children. Here is how they teach them to add: Two AK-47 machineguns plus two machineguns plus two machineguns are six machineguns. Three handgrenades plus three handgrenades are six handgrenades.

□ 1250

And it gets worse. As they get older the indoctrination gets more severe. This is what we are facing. If we do not deal with the problem today our children are going to have to face it 5 or 10 years down the road. They are going to have to fight an army of zealots, Communist zealots who want to take away our freedom as well as the freedoms of all the other countries in this hemisphere.

They are already in 12 of the 19 countries. They are teaching these children this today and we are going to have to deal with it.

I have a boy who is 11 years old. I do not want him to have to face that. If we help the Contras today who are fighting for the freedom of their homeland, who are fighting for the revolution kidnaped from their homeland, who are fighting for the revolution kidnaped from them by the Communist Sandinista government, we will not have to use our young men—our soldiers to defend our freedoms down there in the future. But my great fear is that my colleagues cn the other side of the aisle will stand idly by and let the Contras go down to defeat, let the revolution spread into these other countries and our children will be involved in a war that is not necessary.

Mr. WHITTEN. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, I would hope that at the end of this debate we would reject the President's proposal to provide $100 million in aid to the Contras to be split between military aid and humanitarian aid. It has been a long road to this date with this administration and with its various proposals to fund both covert and overt aid and fighting forces inside of Nicaragua.

A lot of discussion has been heard today about a policy. I really think what this shows is an absence of a policy. A decision was made back in late 1981, a finding before the Intelligence Committees to allow for covert activities within the borders of Nicaragua. That was a day when a group of people were standing around the Oval Office asking what to do and somebody stepped in and said, "We can take care of this for you."

Since that time in 1981, this Congress has been lied to about the amount of money spent on the covert operation, and it has been lied to about the purposes for which that money was spent. We have been told the reason for our policy was drug interdiction and arms interdiction. We have found out that we have engaged in illegal activities; we engaged in the mining of harbors, and in the production of assassination manuals. This country was called before the World Court because of those actions. We have been embarrassed with our allies when the mining of the harbors took place.

Until last June, each and every time that this Congress scrutinized our policy in Nicaragua the Congress said, "No." We did not want to engage in the mining of harbors. We did not want to engage in the killing of Nicaraguan citizens. We wanted a policy to bring about change. But from the day that that finding was made in the Oval Office and sent to the Hill, the policy has been the military overthrow of the Nicaraguan Government, and that is the policy today.

Now what has happened to date? Tens of thousands of ralliers, they were called in the early days were to come forth in Nicaragua. They did not come forth. So we continued to prime the pump with money and to bring forth these people.

In fact that revolution against the Sandinistas that the administration talks about in the form of the Contras did not spring forth in Nicaragua. We imported the Argentinians, then the best practitioners of terrorism in South America, to train these people. Our Government tried to recruit people to serve in this Contra force. I have people in my hometown whom they were trying to recruit to go and to train and to participate in these activities inside of Nicaragua.

We have built this revolution from the Oval Office of the United States. We have built this revolution through the covert activities of the CIA. We were the ones who were lobbing weapons fired into the Miskito villages on the Rio Coco. The fact of the matter is that it has been by the use of American dollars and training that the Contras have grown. But what has happened is that we see no connection, by the testimony of our own State Department, between the Contras and the majority of the population in Nicaragua.

What we see rather are random acts of violence against those who would pick coffee. These are the same acts that many of us condemn in El Salvador, actions against civilian targets and mayors of cities and civilian populations. We are funding the Contras to commit the same guerrilla acts that we condemn in El Salvador—to kill people who go out and pick cotton, to kill people who go out and pick coffee, to kill the farmers that would grow it. And let us understand that these farmers are not necessarily vigorous supporters of the Sandinista Government. In fact, some 80 percent of the Nicaraguan agricultural economy is in the private sector, not in the Marxist sector but in the private sector.

Those farmers who continue to grow are the ones who are being punished by American sponsored forces. Those are the victims of the Contras.

You know, not many Sandinista officials, no members of the Directorate, have been put under fire by the Contras. Not many of their commanders and field commanders have been put under fire. But the peasants, the women, the children, the men of Nicaragua have been killed by the Contras, in the pursuit of a policy of "putting pressure on the Sandinista regime." The machoism of Members of Congress to stand here and talk about "putting pressure" when in fact that translates to somebody else dying for your convictions. The machoism of financing the Contras to run through the countryside with no military objective in the sense that we truly know it, to carry out random acts of violence is wrong. This policy has been discredited in each and every rationale that has been brought to the floor of this Congress.

Mr. LIVINGSTON. Mr. Chairman, I yield 30 seconds to the gentleman from Texas [Mr. DELAY].

Mr. DELAY. Before the gentleman from California walks off the floor, would he care to enumerate where he gets all this information about the atrocities of the Contras killing cam-

pesinos that support the Contras and feed them for days, give them three meals a day and hot coffee?

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. DELAY. I would be glad to yield to the gentleman.

Mr. MILLER of California. It comes clearly from those organizations and our own State Department that has admitted that these atrocities have taken place. We have argued about the numbers.

Mr. DELAY. Reclaiming my time, would the gentleman please list those organizations?

Mr. MILLER of California. I would be delighted to provide that for the gentleman anytime he would like to have it.

Mr. DELAY. The gentleman cannot list them?

Mr. MILLER of California. Would the gentleman like to start?

Mr. LIVINGTON. Mr. Chairman, I yield 1 minute to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. I thank the gentleman for yielding.

Mr. Chairman, the law firm of Reichler & Applebaum here in Washington, DC, sent two teams to Nicaragua to do a human rights study. These two teams went down there and came back with a study alright. The study was completely paid for by the Communist Sandinista government. The Communist Sandinista's law firm here in Washington, Reichler & Applebaum, received $350,000 in legal fees from the Sandinista government. This is one of the reports that the gentleman from California is talking about. This is pure Communist disinformation that the people of this country are being fed.

Mr. MILLER of California. The gentleman will not ascribe to me which reports I am referring to. I will refer to my own reports. If the gentleman wants a list of those, I will provide a list to the gentleman of those reports.

Mr. BURTON of Indiana. Mr. Chairman, regular order.

Mr. MILLER of California. The regular order would be for the gentleman not to characterize my remarks. That would be the regular order.

The CHAIRMAN pro tempore (Mr. PANETTA). The gentleman from Indiana has the time yielded by the gentleman from Louisiana.

Mr. BURTON of Indiana. I want to say to the people of this body and the people who may be watching this across this country that much of this information that we are hearing is Communist disinformation paid for by the Communist Sandinista government that is going into the living rooms of this country and it is just not so. The fact of the matter is that there are many more human rights violations on the part of the Sandinistas.

Mr. LIVINGSTON. Mr. Chairman, regular order.

The CHAIRMAN pro tempore. The gentleman from Indiana has the time.

Mr. BURTON of Indiana. Well, it has been decimated, Mr. Chairman. But in summary, the law firm of Reichler & Applebaum with the help of some of our colleagues in this body helped get a report published that was paid for completely by the Communist Sandinista government, published by the Washington Office on Latin American Affairs. It has been fed to the people of this country. It is pure Communist disinformation.

I yield back to my colleague.

Mr. LIVINGSTON. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman for yielding because we started off this debate with the gentleman from Wisconsin [Mr. OBEY] suggesting that we ought to have a high level of debate here. And I think our side has certainly attempted to do that. But, you know, it is somewhat embarrassing that the other side does not have enough confidence in their own arguments that when they are standing in this well engaged in debate that they will not yield to our side. It is somewhat embarrassing then that the same gentleman who will not yield sees fit to come out on the floor and then interrupt the people who have time on our side. And I think it behooves the debate if the people would yield.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. WALKER. Yes, I would be glad to yield to the gentleman.

Mr. MILLER of California. I thank the gentleman for yielding.

The point is, as the gentleman knows, people are ascribed 5 minutes, 3 minutes, to characterize their view of the debate, and the gentleman knows very often he does not yield from time to time. Is he about to cut off the debate?

Mr. WALKER. I would say to the gentleman that just as I have just yielded to you and you have interrupted my time, our people are yielding. The point is that the gentleman's people are not. It seems to me if we want to engage in a real debate on this House floor the gentleman's people should have enough confidence in their point of view to yield and have the facts brought to this floor. And that is what the gentleman is not doing. And I say it is embarrassing.

Mr. EDWARDS of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. WALKER. Yes, I would be glad to yield to the gentleman from Oklahoma.

Mr. EDWARDS of Oklahoma. I thank the gentleman for yielding.

Mr. Chairman, I think the gentleman makes a very excellent point. The gentleman from California, who refused to yield, turned around and then asked the gentleman from Texas to yield, and the gentleman from Texas did yield. We need a debate.

Mr. LIVINGSTON. Mr. Chairman, I would like to inquire how much time remains on both sides.

The CHAIRMAN pro tempore. The gentleman from Louisiana [Mr. LIVINGSTON] has consumed 1 hour and 16 minutes. The gentleman from Mississippi [Mr. WHITTEN] has consumed 57 minutes.

Mr. LIVINGSTON. I will let the gentleman from Mississippi proceed, then.

Mr. WHITTEN. Mr. Chairman, I yield 1½ minutes to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Chairman, just two comments. First of all, much has been made of the fact that immediately after the Sandinistas came to power this House provided assistance to the Nicaraguan Government. Do you know who was asking us to do it at the time? The fellows who were asking us to do it at the time were fellows by the name of Adolfo Calero and Mr. Robelo, who is outside the Chambers right now; two of the three leaders of the Contras today are the people who asked this House at that time to provide the aid to Nicaragua, not to strengthen the Sandinistas but to give the business community and the moderates in that society an opportunity to survive. That is who was urging the House to do it at the time.

Second, we were told by a previous speaker, "What we have had in Central America the last 4 years," and I am quoting directly, "is the greatest spread of democracy in our time." Well, if that is the case, then I fail to understand why the panic. Why if we have had the greatest spread of democracy in our time in Central America, why don't we listen to those very democracies who tell us, "Don't worry, folks, we are not going to go down the drain if you don't provide $100 million to the Contras."

What they are telling us is that they will probably have a better chance of going down the drain if we do provide that assistance than if we don't. They want that $100 million to develop their own economies, not to give to some half-baked Contra military force that does not have a prayer of winning anyhow.

Mr. WHITTEN. Mr. Chairman, I reserve the balance of my time and I yield the floor to the gentleman from Indiana [Mr. HAMILTON].

The CHAIRMAN pro tempore (Mr. PANETTA). The gentleman from Indiana [Mr. HAMILTON] is recognized for 1 hour.

Mr. HAMILTON. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I rise in opposition to House Joint Resolution 540 to provide

$100 million in economic and military assistance to the Contras fighting the Sandinista government in Nicaragua.

The President's requests seeks to address the one aspect of U.S. policy toward Central America on which there is not a consensus.

I. AREAS OF AGREEMENT

Mr. Chairman, it is worth noting at the outset that there are significant and large areas of agreement between the Congress and the President on Central America:

Growing out of the Kissinger Commission and its important work, there is an increasing consensus that the United States has important interests in Central America which need to be both promoted and protected;

There is also a consensus and wide congressional support for economic and security assistance for friendly democratic states throughout the region;

And there is a realization that we have a vital stake in helping our neighbors address serious problems of economic and social deprivation.

There are also many large areas of agreement on the serious and deteriorating situations in Nicaragua.

President Reagan spoke Sunday night for a vast majority of Americans in what he said about Nicaragua:

We all oppose what the President called Nicaragua's efforts to "subvert and topple its democratic neighbors";

We also would oppose giving, as the President said, "The Soviet Union a beachhead in North America";

We all would oppose Nicaragua threatening Mexico;

We all would oppose creating a situation where, as the President said, "desperate Latin peoples by the millions would begin fleeing north into the cities of the southern United States";

We all would oppose the creation of what the President called "a second Cuba, a second Libya on the doorsteps of the United States";

We all would oppose Nicaragua's effort, as the President said, "to sponsor terror in El Salvador, Costa Rica, Guatemala, and Honduras";

We all oppose the Sandinistas' efforts to repress the Nicaraguan people and establish totalitarian rule in Nicaragua; and

We would oppose the role of Nicaragua in international drug trafficking to which the President referred.

In short, the President spoke for most of us when he addressed some of our goals in Nicaragua and what we want to avoid. We are all patriotic Americans and we all share common goals of promoting democracy, human rights and freedom and of opposing totalitarian rule of the right or left and Soviet and Communist efforts to export revolution.

But the crux of the debate today is not about goals we do share but about means to achieve those goals and it is here that there are differences.

II. AREAS OF DISAGREEMENT

The choice before us is not between aid to the Contras and the triumph of communism. If it were, the choice would be easy, since we cannot allow the triumph of communism in Central America. The choices before us include better alternatives to protect U.S. interests.

In brief, we simply do not see that the means the President has pursued for 5 years, and which he now seeks to expand, have achieved, or have even begun to achieve, the goals that we all share. Indeed, we are impressed that each of the goals is farther from us today than it was 5 years ago:

The Soviet and Cuban military presence in Nicaragua has increased, from 600 to 800 Cubans in mid-1981 to some 3,000 Cuban and 300 Soviet and Eastern bloc military advisers today;

On President Reagan's watch, by his own admission, the Sandinistas have strengthened their control in Nicaragua and the country has become a Communist state, something it wasn't in 1981;

The Sandinistas have increased their military forces to a size disproportionate to those of their neighbors in the region;

The Sandinistas continue, and according to the administration, are expanding the export of revolution throughout the region;

The possibilities for democracy in Nicaragua have worsened considerably and political polarization and repression have increased;

The Contra war until now has made a negotiated settlement more remote and has not forced the Sandinistas to negotiate;

The Contra war in its present form is causing the Sandinistas pain but has little chance of overthrowing them or forcing them to change their policies; and

Increasing the military pressure will only cause more bloodshed, destruction, and the worsening of each of these trends.

A. WE DISAGREE WITH THE PRESIDENT'S IMPRECISE RHETORIC.

First, the President has not spoken with precision on the goals of U.S. policy.

Sometimes the President speaks of negotiations, and sometimes he speaks of military victory. He said Sunday night: "We have sought—and still seek—a negotiated peace and a democratic future in a free Nicaragua";

He also said last week: "There are over 20,000 freedom fighters who are desperately waiting for everything from shoes to ammunition. And when they get them they'll move. And when they move, they'll win.";

While his diplomats say over and over again that the policy of the administration is to seek changes in Nicaragua through pressure and negotiations, the President talks about making the Sandinistas "say uncle" and talks about "winning"; and

This imprecision has characterized this administration's approach to Nicaragua from the first, and it has led to confused objectives and flawed policy.

Second, the President has not spoken with precision on his reasons for funding the Contras:

The rationale has shifted from the need to interdict alleged arms shipments to El Salvador, to pressuring the Sandinistas to hold elections, to giving the Contras a bargaining chip in dealing with the Sandinistas, to forcing the Sandinistas to restructure their government, to forcing the Sandinistas to negotiate with the Contras.

B. WE DISAGREE WITH THE PRESIDENT'S ASSESSMENT OF THE PRESENT THREAT POSED BY NICARAGUA TO UNITED STATES VITAL INTERESTS

The President's assessment is exaggerated:

The President has said: "If we don't want to see the map of Central America covered in a sea of red, eventually lapping at our own borders, we must act now.";

He has said: "If we abandon our allies in freedom and allow the Communists to establish a permanent beachhead on the American mainland, we will be living with the consequences for decades to come.";

He has said: "Nicaragua is a foreign policy question of supreme importance which goes to the heart of our country's freedom and future."; and

He has said: "Nothing less that the security of the United States is at stake."

These are not careful statements of policy. If the President means what he says, then he should have sent in the marines to Managua yesterday. Our rhetoric and actions do not mesh. If vital and supreme United States interests are at stake in Nicaragua, then why are we trying to fund a ragtag group of ineffective and untrained peasants to protect them? The $100 million will not achieve our purposes if the threat is what the President describes.

The fact is that Nicaragua represents a different kind of threat to United States interests than the President states. Central America is not covered in a sea of red. The trend is in the other direction, as Guatemala, Costa Rica, El Salvador, and Honduras have conducted free elections and help peaceful transitions of Government. The President himself is fond of making this point, and he cannot have it both ways; and

Nicaragua is not an issue of supreme national importance; it is a small, dirt poor country with scarce human and material resources. It does not today

represent a serious threat to the security of the United States. It possesses not a single advanced, sophisticated aircraft.

The President does need to make clear that we will accept no Soviet bases, and no weapons to intimidate the region. The United States will not permit the establishment in Nicaragua of Soviet or other hostile military bases or the introduction of offensive weapons that directly threaten other countries in Latin America or the United States. The Soviets must have no doubt that that kind of conduct will not be tolerated by the United States.

C. WE DISAGREE WITH THE PRESIDENT'S DIPLOMATIC STRATEGY BECAUSE IT WILL NOT WORK

The President has a diplomatic strategy of seeking to pressure the Sandinistas into a dialog with the Contras. The United States has said it will resume discussions with the Sandinistas when these talks begin.

This flawed strategy has not and will not work because it requires the Sandinistas to relinquish power. They will not share power. They will not negotiate their own survival. They will not do so with a gun pointed at their heads;

The President says his request for $100 million is "directed toward achieving peace based on the Contadora document of objectives and a democratic reconciliation in Nicaragua." Yet the President's diplomatic efforts emphasize—not the Contadora approach—but a flawed bilateral approach to negotiations;

Every time the administration wants Congress to provide more aid to the Contras, it proclaims its commitment to negotiations—but that commitment disappears after the aid is granted. The President has had 5 years to negotiate—but no progress has been made;

In 1983, the administration promised that it would encourage church-mediated negotiations between the Contras and the Sandinistas, if Congress approved more Contra aid;

In January 1985, the Reagan administration broke off its bilateral talks with the Sandinistas;

In June 1985, as part of the $27 million Contra aid package, the President again agreed to encourage a church-mediated internal dialog and a regional Contadora settlement; and

This time, the President has appointed Philip Habib as his new special emissary to Central America, and claims that a "new" diplomatic effort will be made—to force the Sandinistas to negotiate with the Contras.

The administration is simply using Mr. Habib's standing as a negotiator in order to win congressional support for its policy. Its commitment to viable negotiations remains suspect, however, so long as it can make no appreciable progress toward even the start of negotiations and so long as it favors an approach to negotiations which has been and remains flawed.

The administration has stated repeatedly that it will settle for nothing less than a wholesale "restructuring" of the Sandinista government. It is not surprising that its diplomatic initiatives have led nowhere.

D. WE DISAGREE WITH THE PRESIDENT'S UNILATERAL APPROACH BECAUSE IT HAS NOT WORKED AND WILL NOT WORK

It isolates the United States. No democratic government in Latin America and no democracy in the world supports U.S. policy.

The United States is embarked on a lonely crusade of support for the Contras, and such a policy, no matter what its temporary gains may be, cannot be sustained over time and cannot in the end succeed;

Thirteen Governments representing over 85 percent of the population of Latin America support Contadora and a negotiated settlement of conflict in Central America. No Latin Government publicly supports United States funding of the Contra war effort and the Contadora governments have asked the United States to resume bilateral talks with Nicaragua; and

The European Community and Japan are on record firmly in support of Contadora. Neither the European Community nor Japan support United States funding of the Contras.

Leaders in the region are becoming more outspoken on the U.S. role in the Contra war:

President-elect Arias of Costa Rica has stated: "If I were Mr. Reagan, I would give that money to Guatemala, El Salvador, Honduras, and Costa Rica for economic aid and not military aid to the Contras. . . . You won't get a negotiation with the anti-Sandinistas giving more money to the Contras";

In his inaugural address President Cerezo of Guatemala stated his opposition to "the conflicts of the superpowers which have chosen to play out the proxy war—in our region—that they do not dare play in their own.";

President Betancur of Columbia: "I think that an initiative such as the request for $100 million taken by President Reagan is wrong. . . . I know we can get more through negotiation.";

Foreign Minister Caputo of Argentina spoke on behalf of all the Contadora ministers at their recent meeting with Secretary Shultz: "we think the—Contadora draft—document reflects the predominant thinking throughout Latin America.";

That document, it should be remembered, calls for the cessation of support for irregular forces which operate in the region. That includes the Contras;

Our friends in Central America regard U.S. military intervention as a more destabilizing threat than the existence of the Sandinista government in Nicaragua;

The Contra war frustrates efforts for a regional settlement which is essential to preserving and promoting democracies in the area. European as well as Latin American allies see the necessity of a negotiated settlement as the only possible practical alternative to a lengthy and unwinnable war. Unilateral U.S. policies cannot achieve success.

E. WE DISAGREE WITH THE PRESIDENT'S TACTIC OF PUTTING MILITARY PRESSURE ON THE SANDINISTAS TO MAKE INTERNAL REFORMS BECAUSE IT HAS NOT WORKED AND WILL NOT WORK

The lesson of the recent past is clear. The more we have unilaterally tried to pressure the Sandinistas—whether from aid to the Contras, U.S. military manuevers, or an economic boycott—the more repressive they have become and the more remote negotiations have grown.

United States military pressure has not caused relaxation and reform in Nicaragua but repression. The administration's support for a 5-year war against Nicaragua has also driven the Sandinistas further into the Soviet embrace, as the Sandinistas have turned to the only nations that would help them;

Besides, the Contras are simply not capable, whether we fund them or not, or altering Sandinista policies and orientation;

There is growing popular discontent in Nicaragua with the Sandinistas but the Contras have been incapable of capitalizing on that discontent. The Contras have no credible political program and no mass following in Nicaragua to enable them to challenge the Sandinistas;

The problem with the Contras is not that they lack boots and ammunition but that they have no significant support among the people of Nicaragua.

F. WE DISAGREE WITH THE PRESIDENT'S POLICY BECAUSE IT RESTS THE DEFENSE OF THE U.S. NATIONAL INTEREST ON THE CONTRAS

They are a weak reed upon which to lean:

The President accurately states much of his criticism of the Sandinista government. But he is absolutely blind to the faults of the Contras;

We have provided to date some $100 million to the Contras. They do not control a single town or village. They control less territory than ever before. They stay primarily in safe haven in Honduras;

Some of their leaders have democratic credentials, but they are commanded primarily by former Somoza national guardsmen;

They have waged war largely against civilian targets, attacking buses, agricultural workers, villages, civilian government officials—but not Sandinista military units;

Their tactics of terror and human rights abuses have been repeatedly documented by independent groups;

The record of both sides in Nicaragua leaves much to be desired. Surely the United States has no business supporting the Contras. There are simply too many questions about the Contras relating to their political viability, adherence to democracy, military performance, respect for human rights, and regional support to invest heavily in them.

G. WE DISAGREE WITH THE PREOCCUPATION OF U.S. POLICY ON NICARAGUA BECAUSE IT MEANS WE ARE NEGLECTING OTHER SERIOUS FOREIGN POLICY CONCERNS

Our preoccupation, indeed obsession, with Nicaragua represents a gross distortion of United States priorities. We are neglecting United States-Soviet relations. We are neglecting arms control. We are neglecting other priorities in the hemisphere.

Today, the debt crisis, problems of poverty and the impact of falling oil prices are matters of extraordinary importance for U.S. policy in Latin America. Yet, these vital issues get little attention of U.S. policymakers who, following the lead of our President, are fixated on the Contra war;

United States support for the new and fragile democracies in the region—Brazil, Argentina, Uruguay, Guatemala, and several others—is far more important for United States policy than a war against the Sandinistas which these democracies do not support. The Contra war places a strain on what should be close ties in a community of democracies in the western hemisphere;

We would do well to remember the size and significant of Nicaragua in the life of Latin America. Nicaragua represents less than 1 percent of the population and less than one-half of 1 percent of the GNP of Latin America. The cost to Mexico alone of falling oil prices in the past few weeks exceeds Nicaragua's GNP by a factor of more than 2;

Over 150 United States companies have bigger annual sales than Nicaragua's GNP. The United States is obsessed with a small, poor, and vulnerable State that many Americans would be hard-pressed to find on a map.

H. FINALLY, WE BELIEVE THE PRESIDENT'S REQUEST FOR $100 MILLION FAILS TO TAKE INTO ACCOUNT THE REACTION OF OUR ADVERSARIES

The record suggests that the large scale Soviet military and economic buildup in Nicaragua did not begin until right after the United States started the Contra war in December 1981. When the United States steps up its aid to the Contras, the Soviet Union and Cuba steps up their aid to the Sandinistas. What will the United States do if the Soviets and Cubans respond to this $100 million plan? The administration has not addressed that question.

Many Members have discussed the possibility of United States military intervention in Nicaragua in the future. A vote for the President's request today will lift restrictions on CIA participation in the Contra war and bring American military advisors onto the scene in Central America where they will train the Contras. We will then have an American military presence with the Contras.

The President has said that he does not plan to send United States troops to Nicaragua, and I take him at his word. But the announced goals of the President, and the President's commitment to those goals inevitably point in that direction if our next round of escalation cannot achieve its goals.

III. A BETTER U.S. STRATEGY

Mr. Chairman, the choice before members today is not the narrow choice we have been told of between funding the Contras and the triumph of communism in Central America. There is a third alternative, developing a more balanced policy toward Nicaragua.

United States policy toward Nicaragua should have three essential components: containment, carrots and sticks, and Contadora and the negotiating process.

First, United States policy should seek to isolate Nicaragua and contain the harmful effects of its present policies.

We should prevent the Soviet Union and its allies from developing or deploying an offensive military capability in Central America that directly threatens the United States, a capability that does not currently exist. The United States should state clearly its intent to remove such a threat, if necessary, by military action;

We should protect the security and territorial integrity of any State in Central America that is threatened by Nicaragua, acting in conformance with the charter of the Organization of American States and the Inter-American Treaty of Reciprocal Assistance;

We should pursue a strong regional policy of providing economic and military assistance to the democracies of Honduras, Costa Rica, El Salvador, and Guatemala to provide their people with an opportunity for better lives and to enable them to resist any attempt by Nicaragua to threaten or destabilize them;

We should provide consistent diplomatic support on behalf of the observance of human rights, and support for freely-elected political institutions throughout the region, in recognition of the fact that subversion feeds on repression; and

We should offer diplomatic and political support to the domestic, democratic opponents of the Sandinista government.

Second, United States policy toward Nicaragua should be based on a long-term strategy of carrots and sticks to wean that country from the Cubans and Soviets:

A. CARROTS

If Nicaragua takes positive steps, such as agreeing to a ceasefire, removing the foreign military presence in Nicaragua, stopping its material support of insurgencies, agreeing to reduce the size of its armed forces, respecting human rights, or making progress toward national reconciliation and a pluralistic democratic system, the United States should be prepared to take simultaneous steps in response. Appropriate steps might include:

Suspending U.S. military exercises in the region;

Resuming normal trade including the resumption of nondiscriminatory trade treatment (MFN status), the restoration of benefits under the generalized system of preferences and the restoration of Nicaragua's sugar quota;

Supporting multilateral and bilateral economic assistance for Nicaragua; and

Supporting Nicaraguan participation in a regional development organization.

B. STICKS

If Nicaragua does not take positive steps to do these things we and Nicaragua's neighbors want, there are also steps we can take in concert with our friends in the hemisphere, including:

Get our allies in Japan and Western Europe, Nicaragua's largest trading partners now, to cut their trade with Nicaragua;

Get our allies to cooperate with us in stopping all bilateral assistance and blocking multilateral assistance to Nicaragua;

Impose tougher United States economic sanctions, including an assets freeze and a prohibition on financial transactions such as bank lending or those involving travel to Nicaragua;

Break diplomatic relations;

Work with our Latin American allies, especially our Central American neighbors, to isolate Nicaragua in regional affairs.

Such steps, however, can only be effective if taken together with our friends and allies. Unilateral sanctions have not and will not be effective. Allied cooperation will not be forthcoming unless the United States is pursuing negotiations on behalf of goals our allies view as legitimate.

Third, a policy of negotiation with Nicaragua offers a better means of protecting United States interests than current policy. The United States should pursue a policy of strong support for the Contadora negotiations and bilateral talks with Nicaragua in support of Contadora, as the Contadora governments have requested.

There are two caveats concerning a successful negotiating posture:

First, negotiations and the Contra war effort cannot be pursued simultaneously:

The Sandinistas will make no concessions if they are convinced the goal of U.S. policy is to overthrow them through military pressure;

The United States cannot fund the Contras whose purpose it is to overthrow the Sandinistas and claim to support, and persuade others that it does support, a negotiated settlement with the Sandinistas. United States funding of the Contras thus undermines the negotiating process.

Second, negotiations and the Contadora process cannot succeed in the absence of whole-hearted United States support:

Rhetoric alone is no measure of United States support for Contadora diplomacy;

Evidence suggests only lukewarm United States support for the Contadora process:

Contadora is a backburner policy priority compared to efforts to weaken and oust the Sandinista government;

The President's March 16, 1986 speech to the American people never mentioned the Contadora process, and emphasized instead a diplomatic approach which requires the Sandinistas to relinquish power;

Ambassador Shlaudeman, former United States Special Envoy for Central America, met with the Nicaraguan Ambassador just twice in the past year and in that time did not meet any high Nicaraguan officials;

The United States has yet to make public comments on Contadora's third draft treaty completed 6 months ago;

The United States has not detailed its criticisms of the Contadora treaty draft;

The United States continues to reject the immediate goal of a Contadora treaty: To end armed conflict in Central America and to accept the existence of the Government of Nicaragua if Nicaragua alters its foreign policies and begins to improve its domestic record.

This is the heart of the bargain in a Contadora Treaty.

CONCLUSIONS

Mr. Chairman, one premise of the proponents of this legislation is that if you do not support military assistance, United States policy will fail. In my view, the proponents of funding the Contras overestimate what military assistance will do and underestimate what creative diplomacy can achieve.

A vote for House Joint Resolution 540 today will not resolve the issue. The Congress, and the country, are simply too divided on this aspect of Central America policy to sustain the proposed military policy. A policy which is not sustainable cannot succeed.

A vote against House Joint Resolution 540 is a vote to concentrate United States energies and policy on those many aspects of Central America policy on which there is a consensus, building on that consensus in order to isolate and contain Nicaragua, working together with the democracies of Central and Latin America who oppose Nicaragua's policies but also oppose the Contra war.

Mr. Chairman, we cannot pursue a unilateral policy of promoting the Contra war and thereby trying to make Central America safe for democracy if those same democracies do not support United States policy.

I urge a vote against House Joint Resolution 540.

□ 1315

Mr. LIVINGSTON. Mr. Chairman, I yield 11 minutes to the gentleman from Illinois [Mr. HYDE].

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from California.

Mr. LAGOMARSINO. I thank the gentleman for yielding.

Mr. Chairman, I would like to ask the gentleman from Indiana——

Mr. HYDE. Just tell what you have in your hand.

Mr. LAGOMARSINO. All right, I will do that.

I have in hand here a document which I have shown the gentleman in the well, which shows specifically where a Latin American official says privately that the United States should support the Contras although he cannot say it publicly. If the gentleman would like to see this, I will show it to him.

Mr. HAMILTON. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Indiana.

Mr. HAMILTON. I have heard repeatedly from high officials of our Government that leaders in Central and Latin America——

Mr. HYDE. Mr. Chairman, I am going to recapture my time because I am limited. This dialog is useful, but show the gentleman the document. He is chairman of the House Intelligence Committee.

I would like to open my remarks with three quotes from these wonderful people in Managua. Let us try Foreign Minister Father Miguel D'Escoto:

> I believe that especially for Nicaraguans and also for any knowledgeable person, being in Leningrad is a kind of pilgrimage. One feels that one has come to a holy land * * *.

That was December 1981.

How about Interior Minister Tomas Borge:

> We say to our brother Arafat that Nicaragua is his land and the PLO cause is the cause of the Sandinistas.

July 22, 1980.

How about Interior Minister Tomas Borge again. He is very quotable:

> Our friendship with Libya is eternal * * *. Libya is a people which, in accord with our experience, has developed solidarity without frontiers.

That was September 1, 1984.

I do not expect this debate to change a single vote. I feel, as Simon Bolivar once said, "Plowing in the sea."

But this question is so important. Some things must be said for the record, not just for historians to look at, but I suggest our grandchildren some years from now might want to know which side of the barricades their grandfather or their grandmother was on, because, make no mistake, the barricades are in place, and they are a little too high to straddle.

Now, the liberal clergy, the trendy vicars, the networking nuns, the assorted concerned citizens have done their job very well, and there will be rejoicing tonight when the red lights flash on this board, I am sure.

But I want to make very clear where I stand.

Now, if you are looking for an excuse to pacify the trendy left, they are easy to find. I just warn you, though, if you use one of these excuses, most of the people advocating them thought anybody but the Shah would be an improvement in Iran, and they also thought Reaganomics would not work, either. So you be careful with some of these.

Now, No. 1: Why are we so concerned about a little country of 3 million people? That is what my friend from Indiana, for whom my respect is deep and profound and enduring, said, "How can they be a threat to us?"

I do not know how much the gentleman knows about cancer, but there is a little brown mole called a melanoma, and it starts very small but it soon metastasizes, and pretty soon it can bring death. I suggest to you that Costa Rica—you can practically spit in the Panama Canal from Costa Rica—is a very important, strategic place, and if you think the Sandinista Communists, a surrogate of a Soviet surrogate Cuba, are going to be indifferent to spreading revolution to her neighbors, you really haven't been paying attention.

"Now, the Contras can't win." Can the Mujahedeen win? Can the Sonn Sann democratic resistance that has to fight the Khmer Rouge, as well as fight the Vietnamese, win? How much territory do the Mujahedeen control or dominate? What big or little cities? But nobody says we should not help them. That is a liberal cause. You see, if the freedom fighters are eight time zones away from this hemisphere, they deserve support. But the closer you get, the more tepid becomes their enthusiasm for helping freedom fighters.

Let me quote from one of my heroes in foreign policy, STEPHEN SOLARZ. Now, he supported $5 million to the democratic resistance in Cambodia. Now, let me read what he says on whether or not they can win and whether it is worth it. I quote Mr. SOLARZ:

> There is no way the non-Communist resistance is ever going to force Vietnam out. That is clearly impossible. But what is possible is that an increasingly effective resistance by increasing the price Vietnam has to pay for their occupation of Cambodia might induce the Vietnamese to agree to a political settlement.

Not bad logic. And I give it to you for whatever use you choose to make of it in our own hemisphere.

The Contras are one element of a triad—military pressure, economic pressure, and diplomatic pressure. Those are the three elements that got Somoza out, and those three elements combined will get the Sandinistas out, or get them to the negotiating table doing what is necessary for their survival, but we will not have that if we eliminate the military leg of the triad.

Now, "the Contras are guilty of atrocities." The senior Senator from Tennessee said the Contras' brutality is far worse than that of the Sandinistas. Well, you pay your money and you get your choice. We understand. Certainly if I were a Sandinista, I would want to dress as a Contra and kill a few people. Then they would blame the Contras. There are credible reports revealing this Communist tactic. But if you want to talk about atrocities, read our own history—read about Andersonville, the prison in Georgia during the war between the States, what we did to our own people; read about Sherman's march to the sea; read about Mylai; go visit a jail in a modern city today and talk about atrocities and rapes and gang activities. We live in an imperfect world. When you are drowning, you do not ask the lifeguard to answer a quiz as to whether he is kind to dumb animals or whether he is in a state of grace. We live in an imperfect world. We did not ask Joe Stalin what kind of a guy he was when we shipped $13 billion over to him when we were fighting Hitler. We did not ask about the Gulag, God forbid.

The question is not whether the Contras are a worthy vessel for liberation; the question is, what kind of society do we want living on our borders?

Now, "We haven't negotiated enough," that is another one. That requires a childlike belief that Communists will negotiate away power because you ask them to. They do not want to share power; folks, they want to take power. That is the history of negotiating with Communists.

Now, "we have no business trying to overthrow a sitting government." But the Sandinista government is illegitimate. It lied to the OAS, it lied to us, it does not depend on the consent of the governed. We helped De Gaulle try to overthrow Vichy. We helped the Sandinistas try to overthrow Somoza. We had an Embassy there. We recognized Somoza. Lafayette, our great friend Lafayette, came over here and helped us overthrow a sitting government. So that is nonsense.

You must think Yalta and Helsinki were triumphs for human rights rather than betrayals, you have such faith in sitting and negotiating with Communists.

There are many categories of ignorance. There is voluntary ignorance: "Don't tell me, I don't want to know"; there is vincible ignorance: "I might learn if I did know the facts"; there is invincible ignorance: "I'll never know, no matter what you tell me"; and then there is cognitive dissonance: "I don't want to believe it, and I won't believe it and I refuse to believe it, no matter what the facts are."

And cognitive dissonance, that mouthful of a phrase, is what I think is operative on this issue.

The truth is that our friends on the left have a Will Rogers-in-reverse complex. They never met an anti-Communist they liked, whether it is Syngman Rhee, Chiang Kai-shek, Savimbi, Diem. To mention this is called redbaiting. Do not think Mr. Nixon's troubles did not start with his pursuit of Mr. Hiss. That anti-anticommunism extends down to Calero, Cruz, and Robelo.

"The army and the government in El Salvador are the bad guys; the Communist guerrillas are the good guys." Then you reverse that when you go into Nicaragua.

In October 1956, there were freedom fighters in Hungary. They were rolled over by Russian tanks because we were not there. Hungary was on the Soviet border.

In 1968, we had the Prague spring. There were freedom fighters in Czechoslovakia. They were crushed by Soviet troops, 200,000 of them, because it was on their borders. We were not there.

We have seen the rape of Poland since 1945, resulting from one of those great treaties called Yalta. They have a labor union—their leaders go to jail for it—Solidarity. The church is under siege there. But we cannot help them; that is way over there.

Well, Qadhafi said it. He said Nicaragua is on our doorstep; this is in our hemisphere, and the gentlemen on the left want us again to be mere spectators.

Force for liberation is different from force for subjugation. Does this need to be explained?

We have found some Nicaraguan people who would rather die on their feet rather than live on their knees. Have they not got a right to our support? I suggest they do!

I want to say that as the refugees stream north and as we are forced to avert our eyes from Europe and the Middle East, because that is the Soviet grand strategy, history, not Pat Buchanan, is going to assign to you Democrats the role of pallbearers at the funeral of democracy in Central America. That is not McCarthyism. That is called accountability.

Mr. HAMILTON. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. MCHUGH].

Mr. MCHUGH. Mr. Chairman, I rise in opposition to this resolution and urge its defeat.

We have once again reached a critical juncture in setting American policy in Central America. With our vote tomorrow, we will either move further down the road to military escalation, or, by rejecting the President's $100 million request for Contra aid, we will signal our belief that there is a more constructive way to advance American interests in the region.

At the outset, let us be clear about one thing. A vote against Contra aid is not a sign of disinterest in Central America. The United States does have legitimate interests in the region—interests which are strategic, political, economic, and humanitarian.

We do have a strategic interest in preventing the establishment of Soviet bases or weapons in Central America which could threaten the security interests of the United States.

We do have a political interest in fostering democratic institutions and pluralism.

We do have an economic interest in seeing the nations of that region grow and develop in an equitable fashion.

And we do have a humanitarian interest in seeing all the people of Central America delivered from desperate lives of poverty and repression.

These are legitimate American interests, and they are shared by our friends and neighbors in the area.

Thus, the debate is not about whether we have interests in the region; the debate is about the most effective way of promoting the interests which we and our friends hold in common.

The President believes that substantially increasing aid to the Contras is the most effective way of advancing our goals. I don't question his sincerity, but I do question his judgment. And so do our friends in the region, and so do a clear majority of Americans.

There are precious few, if any, of our Latin friends who support our policy of military escalation. Indeed, most have publicly condemned it. How can such a policy be effective if the very friends who share our interests, and who have at least as great a stake in their advancement, oppose our

policy? By this policy we are isolating the United States, not Nicaragua.

And how can such a policy be effective if a majority of Americans don't support it? In a democracy like ours, no government policy can long be sustained without public understanding and support.

The President has called upon all of his powers of persuasion to convince our people that the Nicaraguan Government is a cancer threatening the very lifeblood of our Nation, and that the Contras are freedom fighters who share our values and deserve our support. Yet, we all know that our constituents are not convinced. Under these circumstances, the President's policy is simply not sustainable and will not work.

In this matter, I believe that the judgment of our people and our friends is wiser than the President's. They recognize that a nation of less than 3 million people, a nation wracked with poverty, poses no direct threat to the United States. They know that the Contras, whose top military command is led by former members of Somoza's National Guard, do not readily qualify as political and spiritual descendants of our Founding Fathers.

The American people and our friends in the region have also been confused by the President's statements and goals. At first he claimed that support for the Contras was to interdict arms flowing to the rebels in El Salvador. But on other occasions he said its purpose was to put pressure on the Nicaraguans to negotiate. In his most strident moments, he has called it necessary to excise the Sandinista cancer from Central America. These statements have made people uncertain about the real goals of the President's policy. Moreover, they ask, if the Nicaraguan Government is truly a direct threat to the security interests of the United States, how can we expect the vastly outnumbered Contras to protect us? Why doesn't the President honestly acknowledge that American forces will be required? The positions taken by the President on these matters appear inconsistent to our people and our friends. This is not a sound basis on which to build a strong and sustainable policy.

What, then, shall our policy be?

If we have legitimate interests in Central America, it's not enough to simply reject the President's initiatives, particularly if we have real concerns and differences with the Sandinista government. While that government doesn't pose a direct threat to American vital interests now, we are concerned that it not allow the installation of Soviet offensive weapons, that its territory not be used to subvert its neighbors, and that its people have an opportunity to enjoy the democracy and pluralism they were promised. These are issues we and our friends have a right to pursue with the Sandinista government, and we should do so.

Unfortunately, our administration has never given serious negotiations a fair chance. While paying lipservice to the Contadora process, the focus of American policy has always been on military confrontation. This helps to explain why the American people and our Latin friends have resisted the policy. Military confrontation should be a last resort, not a first resort. If the President really wants an effective, sustainable policy, one which can enjoy broad public support, he must emphasize regional negotiations as his first priority.

If this resolution is defeated, as I hope it will be, I call upon the President to objectively reassess his policy and to seriously support the peaceful initiatives of our Latin friends who desperately want political dialog rather than military escalation. If the President does that, he can begin to construct the type of broad bipartisan support he needs here at home, and the kind of regional cooperation American policy must have to be successful.

I urge the defeat of this resolution, and the formulation of a new, constructive, truly bipartisan policy for our Nation.

□ 1330

Ms. FIEDLER. Mr. Chairman, will the gentleman yield?

Mr. McHUGH. I am happy to yield, if I have the time.

Ms. FIEDLER. Mr. Chairman, the gentleman mentioned before that he did not believe that Nicaragua with a population of only 3 million people could represent a significant military threat to the United States.

I wonder what the gentleman would say about Cuba. First we have a Cuba with significant military resources there. Now we have a Nicaragua, a launching pad for Nicaragua.

What kind of a threat realistically can Nicaragua bring to our hemisphere?

I say I disagree strongly with what the gentleman has said, because I think it can be substantial, given the efforts of the Soviets, of the PLO, of the Libyans in that area, not to export peace, not to come to a positive conclusion in their discussions, but to export terror in that part of the world.

I would like to ask the gentleman just a single question, and perhaps it comes as a result not just of what the gentleman has said, but what other speakers before have said, and that is if those discussions fail, which the gentleman seriously seems to believe are lacking, then what? What would the gentleman be willing to support? What would the people on the gentleman's side of the aisle be willing to support?

Mr. McHUGH. First of all, as I made very clear, I think we have a legitimate interest in preventing Nicaragua from being used as a base either to threaten the United States militarily or to subvert our neighbors in the region.

I think we must take those issues up with the Sandinistas.

There is no evidence at the moment that the Sandinista government has permitted the installation of any weapons which would threaten the security interests of the United States in any direct fashion. Therefore, I think it is inappropriate and counterproductive to be pursuing as a first resort this military policy of escalation which we are following.

I would like to answer the gentlewoman's question. Therefore, if the President wants broad public support, both here and in Central America, I think the first priority should be to undertake serious negotiations, which in my judgment and, I think, in the judgment of most Americans and most people in Central America the President has not done as a first priority. If those negotiations are undertaken in a serious and meaningful way and if the Sandinista government not only refuses to negotiate in a serious fashion, but then introduces the kinds of weapons which would directly threaten the security interests of the United States, I think the President would have broad support from this Congress and from this country for a military response in defense of our own security interests; but that is not the situation we are facing today. That is why the people of our country and our friends in Central America do not support the President's policy. It is not working. It is not sustainable. It is putting military escalation before the negotiating process, which I think most people expect first.

Ms. FIEDLER. Mr. Chairman, if the gentleman will yield further, I would just simply like to say in response to that answer that what the gentleman essentially is saying is that if they do not resolve themselves through legitimate discussions, then we need to intervene militarily, and I would have to disagree strongly with the gentleman, because I think that it is the responsibility of the people from Nicaragua, the Contras who are trying to fight to restore some democracy in that area to be the first ones on the line, instead of our kids.

I think that is essentially what the gentleman is saying, either/or. That does not give us any alternative, assuming all the premises of what the gentleman has said are correct, and I do not accept that.

The CHAIRMAN. The time of the gentleman from New York [Mr. McHUGH] has expired.

Mr. SKEEN. Mr. Chairman, I yield 1 additional minute to the gentleman.

Mr. ZSCHAU. Mr. Chairman, will the gentleman yield?

Mr. McHUGH. I yield to the gentleman from California.

Mr. ZSCHAU. Mr. Chairman, I thank the gentleman for yielding.

I would like to respond to some of the comments the gentleman from New York has made.

No. 1, there have been extensive efforts on negotiations, both bilateral and multilateral, supported time and time again by the United States.

I met earlier today with Philip Habib, who just completed a tour of the democratic countries in the region. He reported to me on a personal basis that in their own way the heads of states of each of those countries indicated support for continued pressure on the Sandinistas, a barrier to prevent the Sandinistas to come to their country, a pressure to keep them from consolidating their power in their regime. In a way that he came back and was able to report to the President that there is support in the region for the kind of policies to bring the Sandinistas to the table.

Do we have to wait until the Mig's are at the airstrip? We know these Nicaraguan pilots have been trained. Let us not wait until it is too late. Let us get the situation solved now.

Mr. SKEEN. Mr. Chairman, I yield 4 minutes to the gentleman from Utah [Mr. MONSON].

Mr. MONSON. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, having spent 2 days last week in Nicaragua and El Salvador, I cannot say that I learned everything there is to know about this important issue, but I can say that I learned some very important things.

During that time we had the opportunity of meeting with the newspaper people from La Prensa, the only independent newspaper left in the country. In that meeting we learned that there is no freedom of the press. Forty to eighty-five percent of that paper on a daily basis is censored by the Government. No blank spaces can be left in the paper. Many times that censorship comes after their deadlines and they then have to work diligently to put out their paper at a reasonable time.

We met with the independent Human Rights Commission formed during the Somoza years to investigate incidents where human rights were being violated and we learned from this group that as bad as things were under Somoza, things are worse now, that the human rights violations are continuing to increase and that those increases are coming from the Sandinista government and not from the Contras.

We met with a group of businessmen and labor leaders who were steadfast in their resolution that something must be done to turn this around. They begged us not to leave them without hope. These are people many of whom have lost their businesses because of confiscation by the Government, have lost their farms, have lost their ability to make their living.

We learned that the only people who are being given opportunities are the select few from within that Government, people like the President, who can afford to spend $3,500 on designer eyeglasses in New York City, five to seven times more than many of the people in Nicaragua make in 1 year.

We met with Cardinal Obando y Bravo, who told us that there is no freedom of religion.

We learned on February 28 of this year that a family was shot by the Sandinista government forces while praying in their home in an effort to practice their religion the way they saw fit to do so.

We were told that the Government instructs the military to not allow the practice of religion other than in the churches.

These brave people are not opposed to the Sandinistas because of who they are, but because of what they do. Their only interest is providing a better way of life for their fellow countrymen. They want freedom and opportunity which they all acknowledged is diminishing worse now than before under Somoza.

We were told by the Government themselves that they are not involved in the export of arms, that there are no foreign people flying the helicopters and using other military hardware that they have there, in straight contradiction to what our own intelligence sources tell us. In short we learned that the Vice President of Nicaragua, acting as President, can sit across the table from nine Members of the United States Congress and lie.

We went to El Salvador and there we were told that the only people who are opposing the negotiation process to lead to a peaceful resolution in this region is the Sandinista government.

We were told that for appearance sake and propaganda they will create a border incident on one of their borders and then rush in to negotiate with that country, one on one, so that it appears that they are willing to negotiate. Unfortunately they will not negotiate with all countries in the region.

We were told that the only way that this is going to be resolved is to keep the pressure on this Government by the Contras, because the negotiation process is not working, because the Sandinistas will not participate in it. Those in El Salvador acknowledged that pressure by revolutionary forces in El Salvador has increased significantly during the time the Contras have been left without military assistance.

So I ask after learning all of this why is it that the people who oppose this aid are so willing to assist the Communist government known as the Sandinistas? Why is it that when they acknowledge that the Communist Sandinistas are not good they will still oppose efforts to change that Government? Like it or not, that is exactly what is happening. If we do not provide this aid and help those who are fighting to keep communism out of this hemisphere we help those who are Communist and want to solidify and spread their influence throughout this region.

Mr. HAMILTON. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. STOKES].

Mr. STOKES. Mr. Chairman, I rise in opposition to the President's request for additional funding for the Contras.

I do so because I believe that nothing which has occurred in Nicaragua in the past 4 years can by any stretch of the imagination be said to affect the vital interests of the United States.

I do so because I believed it wrong for the United States to instigate and finance a civil war in 1981—when our national interest was not threatened—and I believe it wrong today.

I do so not because I have any sympathy for the Sandinistas, but because I am convinced that those who would replace them will not further human rights or bring democracy to Nicaragua.

I do so because I believe that the CIA should have no further involvement in a suspect cause that can only lead to a lessening of its credibility. And subject it to continual public criticism.

And I rise in opposition to the request for humanitarian and military aid to the Contras because it simply won't work. It will not achieve any of the various goals the administration has propounded during the course of this war. Rather, a continuing and more deadly civil war will cause the Cubans and Russians to increase military and economic assistance, will provide a convenient excuse for the Sandinistas to institute further internal oppression, and will eliminate any chance of negotiated settlement.

Mr. Chairman, it seems to me that those zealots in the administration—like Mr. Buchanan—know all of this. They know the Sandinistas will not be overthrown by CIA-provided military aid or by so-called humanitarian aid. They know that respected leaders like Arturo Cruz are but figureheads in the Contra leadership and will have no power if the Contras were to win. They know that Cuban and Soviet involvement has increased primarily as a

response to American intervention. And they know that the Nicaraguan economy—which, if permitted to continue its growth—might have led to a softening of Sandinista attitudes—began to crumble only after the CIA-funded civil war was well underway.

The administration knows all this—but persists. It persists apparently, not because it cares about Nicaragua or the fate of its people: rather, it speaks of East-West power politics, of standing up to the Russians once and for all, of keeping Marxism-Leninism out of the Americas. It speaks, as did the President Sunday night, with an inflamed rhetoric that bears no resemblance to the reality of events in Central America or of our relationship with the Soviets.

In sum, Mr. Chairman, the administration persists because it believes it is perfectly proper to foment war in Nicaragua if doing so sends a message to the Russians. Well, Mr. Chairman, to paraphrase General Marshall, it's the wrong message, at the wrong time, in the wrong place. And it's a message encumbered with some peculiar meanings: "Humanitarian aid" suddenly means boots, uniforms, and vehicles for an army in the field: "Freedom fighters" is a term used to describe those who burn crops, sabotage power grids, and execute prisoners. The latter are even equated with America's Founding Fathers and the French resistance.

We should not stand for this nonsense any longer, Mr. Chairman. We must instill some sense of reason and proportion in America's foreign policy. We should send a message of peace and economic development to our neighbors in Latin America. And, at a time when we are reducing funds for health care to expectant mothers, cutting back on programs to aid the handicapped, and eliminating any chance of decent housing or adequate education for many of our citizens, we can ill afford $100 million for the Contras.

□ 1345

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. STOKES. I yield to the gentleman from Michigan.

Mr. CONYERS. I thank the gentleman for yielding.

Mr. Chairman, I want to say to Chairman STOKES that he has made a very and effective message, but he has couched it in the voice of reason and I want to applaud that, because it is very easy for people to get polemical out here on the floor. I know Nicaragua is going to send everybody to extremes.

Mr. Chairman, I rise in opposition to this resolution because its foundation is based on deceit, misrepresentations, and cover up; it is a policy which is wrong in the first place, a policy which is not in our long-term interests, and, as such, a policy which is ultimately doomed to fail.

The President's oft-stated charge against the Nicaraguan Government is that it is a "totaltiarian Marxist Dungeon," unconcerned with human rights and bent on militarily subverting the hemisphere. This is a propaganda campaign of the worst kind for it is creating a set of false beliefs that will lead us into a losing policy. Let us be quite clear about the falsehoods of the President's statements on this matter.

In Nicaragua there are no death squads. In United States-supported El Salvador, the right wing death squads have been responsible for the vast majority of the more than 40,000 civilian murders over the past 5 years.

In Nicaragua, the press has occasionally been censored. In El Salvador, opposition journalists have been murdered and their newspapers have been bombed into silence. Until Nicaragua has death squads like those of El Salvador, our claim to be fighting to restoring civil rights in Nicaragua is tranparently disingenuous.

Nicaragua is not totalitarian. In the internationally monitored elections last November, 80 percent of the population turned out to vote—as compared to 53 percent in the United States—for seven different politicla parties who now hold seats in the National Assembly. In Nicaragua these parties were given public financing and free television and radio time but there were, regretably occasional restrictions. In El Salvador, by contrast, opposition leaders are often tortured and murdered and in its last election voting was mandatory and the ballots were place in transparent ballot box and monitored by the El Salvadoran military.

With 60 percent of the Nicaraguan economy in private hands, it is not a Marxist economy, albeit further to the left than our own. But neither God nor the last U.S. election gives us the right to kill our neighbors if they do not copy our economy.

In the past 5 years, the Nicaraguan Government has brought down illiteracy from 55 percent to 13 percent and, by nearly every objective measure of human rights, has demonstrated that it is much more concerned with the welfare of its people than are the Governments of El Salvador, Guatemala, and Honduras. This is not to say that the Sandinistas abuses are justifiable—they are not. Yet there are far worse abuses in the region that we ignore.

The charge that Nicaragua is bent on military subverting the region is also without factual basis. After 4 years of spending over $100 million to fund the Contras for the alleged purpose of interdicting arms, not one single cache of weapons has been interdicted. Furthermore, Nicaragua has agreed through the Contadora process to meet every stated security concern of the administration's including a withdrawal of all foreign military advisers and support if the administration would stop the undeclared war against Nicaragua. Yet, the administration blocked this Contadora process giving no intelligible reason as to why.

Finally, if we ever really have a legitimate security threat, we have the most effective military tool to deal with it: we have control over the seas.

Every premise about the need for a war against Nicaragua is based on lies and deceptions which provide a pretext for imposing the type of government that the administration wants to see in Nicaragua. It is wrong, it won't work and I am tired of the deception, my constitutents are tired of the deception and the American people, by at least 70 percent, are tired of the deception.

For over 133 years, we have opposed in Central America every move for social reform. Here again we are trying to impose our kind of government in Nicaragua for dubious reasons. Let us not fool ourselves as to what funding for the Contras really is: it is imperialism. Only now we are doing it by illegally mining harbors, distributing manuals of death, and by funding former Somoza national guardsmen who make up 46 of the 48 leadership positions within the Contras.

It is time to stop the rhetoric, cut off the hired army for good, practice what we preach and butt out. It serves our military, economic, and human interests to make friends among our neighbors. A good place to start is to stop attacking them. Better if they say "amigo" than "uncle."

The administration's proposal to resume funding to the Contras epitomizes everything that is working with our Nicaraguan policy. The Contras have been a tragedy for the Nicaraguan people, who, according to every independent human rights group, have been systematically brutalized and murdered by the Contras. Moreover, the Contras will not be able to succeed in imposing a different Government in Nicaragua, a point which is now conceded even by our own commanders, including General Gorman. Finally, it will backfire in terms of isolating us from the Contadora countries who oppose the Contra funding. It will also confirm in the minds of the Nicaraguan people their beliefs about U.S. imperialism making possibilities for the future friendship between our two people less likely.

Until there is a peaceful settlement, and aid will only prolong the murder and mayhem. Once there is a cease-fire and negotiations begin, then we should be dealing with the question of refugee resettlement. First, however, we must stop contributing, directly or indirectly, to the creation of these refugees.

Mr. STOKES. I thank the gentleman for his remarks.

Mr. Chairman, I urge a vote against the President's request.

Mr. SKEEN. Mr. Chairman, I yield 4 minutes to the gentleman from South Carolina [Mr. HARTNETT].

Mr. HARTNETT. I thank the gentleman from New Mexico for giving me a few moments here.

Ladies and gentlemen, I am going to leave the Congress of the United States this year, and I will close 6 years of service here, probably not even recognized by the majority of the people I represent. They will often wonder, I guess, what I did here in 6 years. I guess being a minority Member, it is very difficult to really accomplish anything meaningful in a short period of time.

But I can tell you this: The privilege that I have to stand here today is the highlight of my 6 years to this point in time. I have a chance, really, for the first time in the service that I have been privileged to render to the people of the First District of South Carolina an opportunity to maybe, just maybe, make a difference.

My colleague, the gentleman from California [Mr. DELLUMS] this morning said, "You do not have a right to judge me. History will judge me," and he was never more correct in his statement. History is going to judge not only him and his remarks, but all of my colleagues here, and me, too.

I hope that if just for one fleeting moment one of my children or grandchildren decide to look back through the pages of the CONGRESSIONAL RECORD when their grandfather or father was a Member to the debate on whether or not we, the United States—and this is the question—whether or not we were going to tolerate communism, with all its inherent problems in this hemisphere, or whether we were not.

So, children, as you read this RECORD maybe long after I am gone, remember it was your father or your grandfather or your great grandfather who, even though he was probably one of the least important and will be the least remembered Members of this body, at least he stood here and said to his colleagues in this body, "Gentlemen, you are either for the Communists or you are for the freedom fighters." A Congress that is unwilling to send Redeye missiles in the defense of democracy in Nicaragua will be unwilling to send red-blooded American boys to the defense of liberty in Mexico and, yes, maybe even Texas.

If you are unwilling to send $100 million reprogrammed dollars to stop communism in this hemisphere, do not, my fellow Americans, expect this same Congress to commit red-blooded American boys.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. HARTNETT. I only have 4 minutes. I have heard all I need to hear from the gentleman from Michigan in this debate.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. HARTNETT. Mr. Chairman, I refuse to yield.

Mr. Chairman, the time now is to vote. If you are not with the anti-Communist forces, then I and all of America have to assume you are with the Communist forces. And if you are unwilling to say we are going to have an apocalypse for communism in Nicaragua, if you are unwilling to say that, then where will you say that—Honduras, Guatemala, Mexico, Brownsville, TX, Cheyenne, WY, Montreal, Canada?

We are the last force strong enough to hold back the strengthening military might of Nicaragua in this whole hemisphere, and if we do not do it now by aiding the Contras who are fighting and giving their lives, I do not think it is ever going to stop, because you will be unwilling to commit American forces to stop it anywhere in this hemisphere.

I am just asking those of you who might be reading this page 30 years from now, remember who it was who said no to communism in this hemisphere, and remember who it was who turned their backs on those fighting for freedom.

Mr. McHUGH. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. BROWN].

Mr. BROWN of California. I thank the gentleman for yielding this time to me. I rise in strong opposition to the President's request for $100 million in aid to the Contras.

Mr. Chairman, I have some trepidation about addressing the Chamber at this particular time because I cannot really feel that what most of us say is going to change very many minds. What we are doing here is going through an exercise, getting a little practice, for what we are going to say to our constituents when we go back home and defend the vote that we cast.

I think this is useful. In fact, I intend to utilize my time for that very purpose. I intend to make aid to the Contras an issue in my district. I believe that it will be an issue for the next several years, as it has been for the past several years. The American people need to understand this issue in all of its complexity. Much of the debate here tends to oversimplify things a little bit.

I am just going to try to make a couple of points. The first is that the attitude of Latin Americans regarding U.S. intervention in this region of Central America is a very strong, emotional attitude. There is probably no stronger common bond among the countries of Latin America than their fear and hatred of U.S. intervention in their affairs. This attitude is based upon generations of experience with such intervention, interspersed with periods of benign neglect, or occasional idealistic or pragmatic overtures aimed at providing some small, concrete assistance in achieving progress in their economic, social, and political system.

□ 1355

The Alliance for Progress under Kennedy was an example of such a positive, although short-lived initiative. The report of the Kissinger Commission in this administration was an example of understanding and good intentions. Neither of these produced substantial results, however.

The history of our direct intervention in Latin America, which is on the minds of all of us during this debate, is most colorfully illustrated by the words of Gen. Smedley Butler before a congressional committee 50 years ago. General Butler retired as Commandant of the Marine Corps. He has been frequently quoted on this matter, and I would just like to quote him one more time.

He said:

I spent 33 years and 4 months in active service as a member of our country's most agile military force—the Marine Corps. I served in all commissioned ranks from a second lieutenant to major general. And during that period I spent most of my time being a high-class muscle man for Big Business, for Wall Street and for the bankers. In short, I was a racketeer for capitalism.

I helped make Mexico and especially Tampico safe for American oil interests in 1914. I helped make Haiti and Cuba a decent place for the National City Bank boys to collect revenues in. I helped in the raping of half a dozen Central American republics for the benefit of Wall Street. The record of racketeering is long. I helped purify Nicaragua for the international banking house of Brown Brothers in 1909–12. I brought light to the Dominican Republic for American sugar interests in 1916. I helped get Honduras "right" for American fruit companies in 1903. In China in 1927 I helped see to it that Standard Oil went its way unmolested.

Now that is the picture which Latin American carries to this day of the United States' role. Believe me, I have talked to as many of the political leaders in Latin America as most of us have. I have spent my entire life living on the Mexican border. I represent a 25-percent Hispanic population, and I think I have some sensitivity to these attitudes. There is no one that I have talked to who does not indicate that our intervention through the Contras or through direct military intervention would be the end of any possibility of constructive relationships with Latin America as far into the future as we can see.

We sometimes forget that the Sandinistas get their name from a great Nicaraguan patriot, Augusto Cesar Sandino who was killed fighting the Marine occupation of his country in 1934.

The present generation of Americans and their Congressmen have difficulty in understanding the emotional content of Nicaragua and other Latin countries' attitudes toward our efforts to dictate to them how they shall conduct their affairs.

I believe that we should be farsighted enough to perceive how these attitudes will affect our alliances in the region, and ultimately our ability to influence developments vital to our own security.

Certainly we should be able to understand why no leader of a Latin American country will publicly support the Presidents Contra did program, regardless of the private hints he may give to friendly State Department officials.

And it is even easier to understand how every Latin American leader will tell even a visiting U.S. Congressman as they have told me, that direct U.S. military intervention in Nicaragua will produce a generation of hatred for U.S. throughout all of Latin America.

Mr. Chairman, I ask my colleagues, and I ask this administration, will our security as a nation be enhanced by the alienation of all of our friends in Latin America? Do we want to hand Cuba and the Soviets their biggest triumph in history, the triumph of driving a wedge between the United States and every country south of the Rio Grande?

I, for one, do not wish to embark on this course.

The second point I wish to make, Mr. Speaker, has to do with our attitude toward Marxist ideology in our hemisphere. I use the term "Marxist ideology" as the broadest term to cover all of the wide variety of Communist and Socialist groupings in the Latin American countries. The President and his supporters have taken the politically simple and expedient course of lumping all of those tendencies together and creating the picture of an alien ideological invasion about to overwhelm the hemisphere.

The truth is more complex: the Nicaraguan Communist Party was a nonplayer in the revolution that overthrew Somoza. In most Latin countries, the Soviet-dominated Communist Party is the most conservative of the revolutionary forces. This was incidentally, also the case in the Philippines, where the Soviet controlled Communist Party has actually faded into nonexistence. The Soviets entered the picture in Nicaragua when the Sandinista revolution succeeded, with help from Cubans, Europeans, other Latin Americans, and even the United States. The Nicaraguans turned to the Soviets for help, and received it. But they also turned to the European Community, and to every other available sympathizer. That still includes a great deal of private U.S. assistance. There are at least 1,000 U.S. citizens helping the Sandinistas in Nicaragua, and tens of thousands more raising funds to repair the destruction caused by the Contra forces. That number will increase substantially, as the United States is increasingly polarized by the Reagan doctrine of intervention in regional conflicts around the world.

We should not be surprised at Nicaragua accepting Soviet and Cuban help, nor should we be paranoid about it. We accepted Soviet help in defeating Hitler, and we won the Chinese Communist in an effort to control Soviet hegemony and to stabilize Asia.

There are Marxists, including Communists, in the governments of many of our allies. Some of these governments are our friends—are even controlled by Socialists. Even Canada has a major Socialist influence in its government, as have many Latin countries. The fact is that democratic socialism is a major competing ideology with democratic capitalism throughout the world, both developed and underdeveloped. Our policy posture must be to avoid the course that results in driving revolutionary forces into the most extreme of Marxist authoritarianism. We must help the democratic Socialist forces move toward economies of greater freedom, and preventing the excesses of right-wing dictatorships which call on our support because they are friendly to our corporate economic interests.

We are abdicating such a course now, to the destruction of our long-term security interests around the world. We are abdicating such a course because of the rigid ideological blinders worn by this administration, which renders it incapable of dealing with the realities of mixed economics, of nations seeking non-alignment between the super-powers, of nations who seek to mold a political, economic, and social system best suited to their own history and tradition.

I know we can do better. The first step must be to defeat this measure before us so that we can begin a new course based on cooperation with the Contadora nations and the Contadora support group. Only from such a new course can progress be made, and security for the hemisphere be obtained.

Mr. SKEEN. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman from California [Mr. BROWN] enter into a colloquy with me?

Mr. BROWN of California. I will be happy to on the gentleman's own time.

Mr. LAGOMARSINO. It is on my time.

The gentleman mentioned Sandino. Did the gentleman know that Sandino's grandson, Arisa de Pavon, was in Washington a week ago, gave a press conference to which all of the media was invited but none came, and that he told that press conference that he was opposed to the Sandinista regime because it had thrown out the ideas of his grandfather and that they had locked him up for 3 years and threatened to kill him or imprison him for 30 years if he did not join their organization?

Mr. BROWN of California. In response to the gentleman's query, I will say I did not have that pleasure. But I noticed that our colleague from California, DAVID DREIER, yesterday mentioned that he had talked to Christina Chamorro, the editorial page editor of La Prensa about how she hated the Sandinistas, and yet her sister, Claudia Chamorro is the Nicaraguan Ambassador to Costa Rica. So we sometimes have interfamily differences of this sort.

Mr. SKEEN. Mr. Chairman, I yield 4 minutes to the gentleman from Missouri [Mr. COLEMAN].

Mr. COLEMAN of Missouri. Mr. Chairman, one of the things I find very troubling and somewhat misunderstood is exactly what the perception by the countries in Central America is of our own policy and whether or not they support it or not. Just a few minutes ago, we heard from the chairman of the Intelligence Committee. He said in these words, "Virtually no democratic nation in Latin America supports United States policy there." He went on further to say that "No Latin American publicly endorses our military aid in this area," that is, any leader of these countries.

Now I find that rather hard to believe when my President tells me that publicly these countries, indeed, do not support, and there is very little reason why we might guess why they might not support it publicly when they do not know whether or not the United States is going to be able to sustain and support these efforts, but that privately we have been told they do. In other words, their public posture is much different than their private misgivings and concerns about the Nicaraguans and support for our own policy.

I am not on the Intelligence Committee. I am not the chairman of the Intelligence Committee. But I went downstairs where there are experts from the intelligence community who are made available to every Member of this House this afternoon and tomorrow. These are not Republican or Democrat members of the intelligence community. But if you have any doubt about private misgivings about Nicaragua or private support for the United States position, I ask my colleagues to go downstairs to a room that you know about already, or the staff will tell you where, so that you might ask our intelligence-gathering apparatus exactly what the position of these countries are, because privately they are saying something differently than they are publicly. And I might say that it is very misleading to discuss this issue by continually drawing out the fact that publicly these people do not support us. That matters very little when you compare that to the private conversations and what they really say. I dare-say that there are Members of Congress that say things publicly and who believe something privately, differently as well.

Now I am amazed to find out we differ on the facts as much as we do. We might differ on the conclusions, but the facts about whether or not our policy in Central America is supportable or not really leaves a lot to be desired.

The previous speaker before me said it was absolutely totally opposed by everybody who lived down there. A Gallop poll taken at the end of 1985 by the Costa Rican affiliate of Gallop polls indicates that just the opposite seems to be the case. When asked what is the threat to Central America, it is an overwhelming response that these Latin American nations feel that Nicaragua is the threat to their country, followed by Cuba, followed by the Soviet Union, and barely a blip, hopefully that is the case, coming a very poor fourth is the United States. And I think that says a lot about what the public sentiment is down there, if not

the public statements of the leaders of these countries.

I would like to go to the next chart. When asked who causes tension in Central America, again the same responses: Nicaragua, Cuba, U.S.S.R. overwhelmingly so. I think this is again showing the public sentiment for what our own activities are and our own policies are in Latin America.

But the final chart here I think is the one that we are all interested in today. That is, should the United States continue aiding the Nicaraguan resistance? Should the United States' policy that we are voting on tomorrow be continued, and you are sitting in Costa Rica, or Honduras, or Guatemala, or El Salvador, and you have that question asked of you privately, and what is your response? Your response is overwhelmingly yes. If they had the opportunity to be in this Chamber tomorrow to vote, 70 percent in neighboring Costa Rica would vote for the President's proposal, and equally across-the-board for every other close country in this region.

I think it is very important to consider this as we vote tomorrow.

Mr. McHUGH. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. MARTINEZ].

Mr. MARTINEZ. Mr. Chairman, tomorrow culminates about 3 weeks of rhetoric that has been allowed to spin wildly into space. In bantering about communism, freedom, and Harlingen, TX, too many people in Washington have strayed dangerously far from the context of a small, poor Latin American country struggling with some very Latin American problems. If my colleagues will indulge me, I would like to bring this debate back to reality for a moment.

What we are really talking about is a policy for Nicaragua, yet many of us would let the elaborate staging and dramatic acting in Washington, DC, guide our decisions. Half-day trips to Nicaragua, Red Sea scenarios on television, and advertisements in major newspapers by political advocacy groups seem to be dominating this debate. By contrast, I would like to share with you some different perspectives by different people.

It isn't surprising that some have taken as fact that Nicaragua is inexorably transforming into a totalitarian state. But is this based more on observation of Nicaragua, or on United States politics? I received a letter recently from a respected attorney in California, Mr. Brad Seligman, who just returned from a trip to Nicaragua with the National Lawyers Guild. Their task was to study the content and process of drafting the new Nicaraguan constitution. They met with members of the government, opposition parties, La Prensa, Catholic and Evangelical churches, agricultural producers, and the judiciary. And unlike my colleagues last weekend, they stayed 2 weeks. I don't know how accurate their report is but in his letter to me he reflects a different perception, Mr. Seligman wrote:

> Our meetings and observations . . . convinced us that the Government of Nicaragua is firmly committed to democracy in general and a Democratic process in developing its constitution—

The draft constitution submitted to the legislative assembly on February 21, 1986—

> includes numerous protections of individual liberties, assures a mixed economy, incorporates norms of international law and provides for a democratic, pluralistic Government . . . A review of the draft constitution reveals the commitment of Nicaragua to a genuine democracy with checks and balances inherent in any country opposed to dictatorships. In addition, the constitution protects private property (over 80 percent of the land in Nicaragua is privately held), personal liberty, due process of law, equality of all people and dedication to democracy.

Over a million copies of this constitution will be distributed to a country of 3 million people. Debate on each and every provision will occur through a series of over 80 open forums involving every sector and group in the country that wishes to participate. The deadline for a final draft of the constitution is next October, 2 years after the election. Now, whether this constitution will rigidly govern the activities of the Sandinista regime is questionable. But we are certainly not going to bring pressure on them to abide by their constitution by fueling a civil war in their country.

I would like to share with you part of another letter I received which I personally feel is accurate about this civil war, from mothers whose sons have been killed in it:

> The so-called humanitarian aid to the Contras has brought nothing in its wake but pain, suffering and children without parents.
>
> Members of Congress, Nicaraguan mothers do not want more tragedy. Our hearts are broken and our eyes are full of tears because of this foul and evil Contra invasion.
>
> We would call it humanitarian aid if the dollars were invested to improve developing countries, to protect children the world over from dying of starvation or to build hospitals.
>
> We who write you suffer the consequences of this war in our own flesh. Our sons have been victims of this so-called humanitarian aid.
>
> Our hearts are filled with sorrow. We only ask you to be compassionate with our people and grant that this aid be invested elsewhere; not in our killing.

Over the last 5 years, over 13,000 civilians have died in the fighting—the proportional equivalent of twice the number of deaths the United States suffered in World War II. The Contras have concentrated their efforts against programs established to ameliorate the hardships of rural workers. The only effect of this is to intensify the country's extreme poverty and to strengthen the hand of the government.

The Contras are not going to win. The two former chiefs of United States Southern Command said they cannot win. After 5 years of fighting with United States taxpayers' money, they do not hold a single town in Nicaragua. What have they done? They have encouraged the Sandinistas to crack down on civil rights and to import more Soviet, Cuban, and East European weapons and advisers. Three House committees have cited this in their rejection of the President's request. The administration cries out about these results also, then tries to produce more of them.

What about the other Latin American countries? Almost every one of them opposes aiding the Contras. Eight foreign ministers of democratic Latin nations came to Washington recently to convince the President not to request this aid. This week, the Brazilian Government took exception to comments made by our President Sunday night about Sandinista activities in Brazil. We are alone in our policy in Latin America. If the administration claims that Latin leaders privately support aiding the Contras, the burden of proof lies on the administration's shoulders. As popularly elected Representatives, it would be an act of hypocrisy for us to accept such claims which, aside from being unsubstantiated, Latin leaders cannot say before their own constituencies.

Finally, I would like to share with my colleagues a letter I wrote to the President last month with the able help of a fellow Hispanic, Segundo Mercado-Llorens, and which was cosigned by three of my colleagues, ROBERT GARCIA, BILL RICHARDSON, and EDWARD ROYBAL. The letter stated that the President's request for more aid to the Contras raises serious questions about his commitment to the Contadora process, especially in light of the recent Caraballeda and Guatemala statements, both of which call for an end to external support for irregular military and insurrectionist forces in Central America. I will quote from our letter:

> In your June 11, 1985 letter to (a representative of this House), you wrote that you were exploring "how and when the United States would resume useful direct talks with Nicaragua" * * *. This letter held out the promise of a diplomatic initiative that we felt would help bring peace to the troubled region. Indeed, in authorizing the $27 million in aid, Congress called on you to resume bilateral negotiations without preconditions. However, your November 6th report on Nicaragua stated that bilateral talks undermined the Contadora process, and that Costa Rica, Honduras and El Salvador did not favor such negotiations. But the adoption of the January 14 Guatemala declaration by each of these governments indicates that this is no longer the case.

We believe that the recent initiatives in Guatemala, which call for pluralistic democracy, for observance of human rights, and for withdrawal of foreign troops in the region, accurately reflect what should be the goals of the United States in Central America. In so doing, they provide us with an opportunity to move this region toward the stability critical to our national security, and vital to the long-term peace, prosperity and freedom of our hemisphere.

We then asked the President to:

First, suspend requests for futher assistance to the Contras until the progress made in these new Contadora initiatives toward a balanced and verifiable settlement in the region may be evaluated;

Second, resume bilateral negotiations with the Government of Nicaragua;

Third, declare U.S. Government willingness to sign a protocol, guaranteeing the rights of all parties in the region should they agree on a peace treaty; and

Fouth, support the creation of a bipartisan congressional delegation which would consult with the President on a regular basis and with the Contadora nations, as to how the United States could best advance the process for a regional peace.

Such proposals, I hope, will help bring this debate back down to Earth. We must stop looking at Nicaragua with ideological blinders on. We must cease to ignore the calls of our Latin American allies. If we vote to fund the Contra war, the Red Sea in Central America may soon be the blood of American soldiers.

Mr. SKEEN. Mr. Chairman, I yield 4 minutes to the gentleman from Florida [Mr. McCOLLUM].

Mr. McCOLLUM. Mr. Chairman, the debate on the issues surrounding whether the United States should provide military assistance to the Nicaraguan Contras are quite simple and straightforward. Virtually everyone admits that the Government of Nicaragua is a Communist dictatorship, that it has close ties and receives weapons and support from the Soviet Union, Cuba, Communist east bloc countries, Libya, the PLO and assorted other terrorist organizations.

□ 1410

Although there may be some dispute on the specifics, there is general agreement that the Communist government in Nicaragua has been a chronic violator of human rights and has suppressed democracy and democratic ideals.

There is very little dispute that the Sandinista Communists support Communist guerrillas in El Salvador and other countries neighboring Nicaragua. Just last Friday the Washington Post in its editorial said:

There is no good reason to doubt the Sandinistas are revolutionary Communists, who would if they could make their country a second Cuba: A police state and an outpost of Soviet power * * * Their subversive capability is evident * * *.

* * * The United States needs to do what is necessary to block and defeat efforts by Nicaragua, with or without its Soviet patrons, to subvert other Central American countries.

We all know that the Salvadoran guerrilla Communists have been given support by the Nicaraguans since the revolution in Nicaragua in 1979. At this present time, the two key command centers of the Salvadoran resistance guerrilla forces fighting the democracy of President Duarte in El Salvador are housed in Nicaragua.

At the present time, the leadership of the Communist guerrillas fighting against democracy in El Salvador are housed, personally, in Managua.

At the present time, Radio Vinceramos is housed in Nicaragua, spreading the revolution to the neighboring countries.

Following the quotes that have been given to us on many past occasions by the Nicaraguan Communist leaders themselves such as in Commandante Arce's famous speech in 1984 in which he said: "We'll never give up our revolutionary friends and we'll never stop going into our neighboring countries" and Thomas Borge's famous 1983 interview in an American magazine in which he stated, "The prophecy of Ronald Reagan was right about one thing, that we are going to see revolution carried from Nicaragua into Guatemala into Honduras and El Salvador and into Mexico."

Most recently, in December of this past year, a Russian-made car transporting weapons of various assortments in hidden, specially made compartments was found in Honduras, going between Nicaragua and El Salvador.

In Honduras nearly 2 years ago, nearly 100 people were captured who were from Honduras originally, put in there to have violence and revolution in Honduras. They said, they testified—the ones that survived the capture—that they were recruited in Honduras by the Nicaraguan Sandinista Communists; that they were sent to Cuba for training; they were brought back to Nicaragua for more training, and then they were shipped after they were armed into the neighboring country of Honduras.

Most recently, you will all remember last year when the M-19 forces invaded in Colombia and took over the State Palace of Justice there, when quite a number of judges were killed. There is irrefutable evidence that the arms were supplied intentionally for that maneuver by the Nicaraguan Communists.

Now, it does not make a lot of sense to me to debate that issue any longer.

The real debate is not over whether the United States should act to stop the Nicaraguan Communists from becoming another Cuba and subverting their neighbors, but it is over what actions we should take—what the remedy should be. There are three choices:

First, continue efforts toward a negotiated settlement;

Second, adopt a policy of containment; and

Third, support the Nicaraguan Freedom Fighters in an effort to force a settlement on the Nicaraguan Communists or bring about their downfall.

Logic says that the chances of either of the first two choices succeeding are very remote and highly improbable. The third choice, aid to the Contras is not without peril, but it is the only one of the three choices where there is any reasonable basis to hope for success. The consequences of failure are so dire, I don't see how anyone in good conscience can opt for anything but the course of action that has the best chance of success.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SKEEN. Mr. Chairman, I yield an additional minute to the gentleman from Florida.

Mr. McCOLLUM. Mr. Chairman, talk is cheap. In the 7 years they have been in power the Nicaraguan Communists have done a lot of talking about a negotiated settlement and said they embrace the Contadora process, but time and again they have rebuffed every serious proposal to bring about a settlement that would be acceptable to the United States and their neighbors. With their military strength growing with each passing day and their regime consolidating more and more from within as a solid Communist state, how much longer can we afford to play their game of negotiating? Up until now it has been nothing but a stall for time on their part. Based on the history of our efforts to negotiate with other Communist regimes, why should we reasonably expect anything different from any future negotiations with the Nicaraguan Communists? To do nothing else but continue negotiations simply plays into the hands of the Communists.

Containment at best is never a good policy. It does not present any hope or opportunity for changing the internal politics of a Communist country. To follow a policy of containment means that in the case of Nicaragua, we are conceding the future of thousands of Nicaraguans to Communist dictatorship and chronic human rights abuses. In this case, though, there is even a worse problem with the policy of containment. It is not practical. Nicaragua has so many porous land borders, and no one has ever been successful in containing Communist subversive activities in Democratic countries nearby even when the Communist country is an island state like Cuba. If we pur-

sued a policy of containment, we would have to appropriate millions of dollars to beef-up the armed forces of neighboring countries and still in all probability we would fail to contain the Communist revolutionaries.

This brings us to the only real option we have left: Aid to the Nicaraguan Contras. Although they can only muster weak and ineffective arguments on behalf of other choices, opponents argue that aid to the Contras is not a realistic option and has no better and probably less of a chance of success. First, they argue that the Contra freedom fighters cannot bring about the downfall of the Nicaraguan Communist regime even with the $100 million of aid the President requests. They say that this is the President's real goal, but that the general populace of Nicaragua does not support the Contras and that the lack of success in the last few years has demonstrated that they cannot win. No one can be certain that with the aid requested for the Contras, the Contras can bring about the fall of the Communist government, but there is much more to support the likelihood of their success in this regard than there is in support of the arguments that they can't win. The revolutionary movement against the Communists did not start in earnest until 1982, and the United States only gave them a small amount of initial funding before Congress cutoff all support and then just a few months ago agreed to give a paltry sum of humanitarian nonmilitary aid. Against the largest army that has ever been assembled in Central America, equipped with the latest in Soviet weaponry, including gunship helicopters, how could we have expected the Contras to do any better than they have? In fact, the surprising thing is that the Contras have survived and thrived during the past few months. The reason for this is very clear: The Contras do have the support of a large portion of the disenchanted populace of Nicaragua, especially peasant farmers who do not at all like the collectivist policies of the Sandinista Communists. In fact, the bulk of the Contra Army is made-up of these peasant farmers. With the aid requested by the President, the Contras could acquire the necessary missiles and sophisticated weapons to eliminate the advantage given the Nicaraguan Communists by the Soviet weaponry and would be given a tremendous boost psychologically among their troops and in the eyes of the general populace in Nicaragua. Whether this would be sufficient to topple the Communist regime in Managua is not clear, but what is clear is the incorrectness of the arguments that the Contras with the aid requested are sure to fail. They would have a reasonable chance to actually overthrow the Communist government, and even falling short of that would bring tremendous pressure on the Sandinista regime to get serious about a negotiated settlement.

Opponents of aid to the Contras argue that if the Contras start showing signs of success with additional United States aid, this will only cause the escalation of support to the Communist Nicaraguans by Cuba and the Soviet Union and that the Communist government of Nicaragua will enormously step up its support of Communist guerrillas in the neighboring countries. While Cuba and the Soviet Union may, indeed, attempt to bolster their support for their Communist allies, it is highly improbable that they would risk a direct confrontation with the United States by deploying their own forces, or any heavier equipment than they have already supplied and any other additional support would be of questionable relative value in the conflict. In the meantime, the Nicaraguan Communists would have a hard time seriously escalating subversive activities next door when being faced with a much greater threat at home from the Contras. Thus, it can clearly be seen that the logic for aiding the Contras outweighs the arguments of the opponents against it on the basis of its chances for success.

The second major argument opponents of aid to the Contras make is that they are led by former Somozan national guardsmen, who are worse violators of human rights than the Communist regime in power, and would not be any better in power than the present regime and possibly worse. Hence, the argument goes that the United States should not give the legitimacy of its support to such a bad group of revolutionaries. This is a terribly weak argument. The political leaders of all of the Contra forces were opponents of Somoza and have espoused Democratic values for years. Of all of the key military leaders of the Contras only one had any connection with Somoza, Enrique Bermudez, and he was far removed from Somoza for a number of years as an envoy to the United States and has again, and again, repudiated the attrocities of the Somozan regime. Besides are we to say that we would never support a revolutionary government where some of its leaders were once officers who supported a corrupt dictator? The recent example in the Philippines makes a mockery of this argument. As to the human rights violations committed by the Contras, there is no question that some occurred, and have been admitted, but they are no greater and probably not as great as those committed by the Communist government in power. The worst violators of human rights in the history of the world have been and are Communist governments. We have little or no influence over human rights violations under Communist regimes which have consolidated power. They become closed societies.

If the freedom fighters were to come to power there is no reason to believe we would have any less success in curbing human rights violations than we have had in the case of El Salvador and, hopefully, will have in the Philippines.

Some opponents of the President's aid request argue that if things are so bad in Nicaragua and the national security interest of the United States is as great as the President says, then we should send in American forces. Frankly, the very point of supporting the Contras is to avoid ever having to use American troops in Central America. There are 20,000 Nicaragua freedom fighters ready to give their lives for freedom in their home country. It doesn't make any sense to needlessly sacrifice the lives of American soldiers when we can support these freedom fighters to accomplish our common goal objectives. However, make no mistake about it, if we fail to stop the Nicaraguan Communists through the support of the freedom fighters, they will consolidate their Communist regime and step-up their support of Communist guerrillas throughout Central America and somewhere along the line we will see the bloodshed of American soldiers south of our border.

Key Nicaraguan Communist leaders have been trained by the PLO. Terrorist training has been ongoing inside Nicaragua for years under the management, not only of Castro, but also under the watchful eye of PLO and Libyan operatives and representatives of such diverse terrorist groups as Italy's Red Brigade and Germany's Braader Meinhopf. Knowing this and knowing of the clearly spelled out intent of the Communist leaders of Nicaragua to spread their revolution elsewhere, can any one doubt the serious terrorist threat they will pose, not only to their neighboring Central American countries, but to the United States itself? The Salvadoran guerrillas recently revealed the type of product that the Nicaraguan Communist are producing when they issued their now famous broadcast on Radio Venceremos from Nicaragua on the occasion of our shuttle tragedy. Who can forget that they said:

> Given that two war criminals have died aboard the *Challenger*, we share the happiness felt by those (who) reject and condemn the U.S. imperialism's warmongering policy.

And if this is not enough to convince you to support the Contras, let me remind my colleagues that if we fail in this endeavor, before we see the terrorists at our borders, we're going to see millions and millions of refugees pouring into the United States. The fragile economies of Nicaragua's neighbors cannot sustain the kind of

disruption that inspired Communist guerrilla activity will produce.

As I said at the beginning, the issues involved in this request for aid to the Contras is quite simple. We all know that the Nicaraguan Communist Government is bad and that if left unchecked it will spread its revolution and its terrorism to its neighbors and ultimately to the United States. The only question is how we go about stopping this before much more damage is done and the loss of the lives of American troops is required. Policies of continued negotiation only play into the hands of the Communists in Nicaragua and the policy of containment simply cannot work in this case. The only reasonable alternative to try is the aid to the Contras which the President is requesting. I strongly urge you to vote "yes" on aid to the Contras.

Any effort on our part to contain is going to be futile; there are land borders that we are involved with in this case; there is no way we can seal those borders. The results of either course of action, an attempt to pursue containment which is unrealistic, an attempt to pursue negotiations which the Sandinista Communists do not want, is a waste of our time. It gives them the opportunity to consolidate and carry their revolution next door; it gives them the opportunity to bring about a situation where we have no freedom fighters there.

Right now there are 20,000 freedom fighters from Nicaragua in Honduras and in the hills of Nicaragua willing to give their lives for freedom. Willing to die, willing to bring about democracy in that country; and yet we have some of my colleagues suggesting that instead of doing that, we ought to wait around for never-never land, until one day if things are bad enough, we will then send the Marines in and let American lives be lost in this battle.

I submit to you, my colleagues, the choice is very simple—and I do not question the patriotic motives or intent of any of my colleagues.

The choice is simple, though: The vote is, are you for the President's policy for democracy in Central America and vote "aye," or are you for the Communist Sandinistas in Nicaragua. And that is what a "no" vote is, for communism in Central America. It is as simple as that.

Mr. McHUGH. Mr. Chairman, I yield 4 minutes to the gentleman from New Mexico [Mr. RICHARDSON].

Mr. RICHARDSON. Mr. Chairman, 9 months ago this administration asked me to trust them with $27 million in humanitarian aid, and I did. Now they want $100 million. I made a mistake in trusting them, in casting that vote.

There are four reasons why we should reject this package; three stemming from that letter and one that is newly evolved. The administration said, in a famous letter, and there is talk of a lot of letters running around, that we supported the Contadora process.

We have undercut the Contadora process. We told the Contadora foreign ministers to take a hike; that we did not care about what they said on delaying the Contra vote.

How is that money going to be spent, we said. $27 million, very strict guidelines. We sent the GAO to investigate; the U.S. taxpayer has to know. We need to know. The administration said: "We can't provide you that information. It isn't there."

The third point: Contra reforms. Yes, there have been some reforms there, and yes, there are some Contras that I think have strong democratic credentials, but there is still an excessive Somocista influence. There is still a great amount of division. There is no political plan.

There is a new reason that has evolved; and that is called national priorities. I respect the talk about freedom fighters around the world, but I submit to everybody in this body that there are freedom fighters in this country, and the freedom fighters in this country are fighting farm foreclosures, they are fighting ignorance; and I say to this body that this $100 million can be better spent at a time of these deficits.

There is a lot of talk about compromises. There is a lot of talk about letters and Executive orders. I want my colleagues to know that BILL RICHARDSON made a mistake in accepting a letter before. I made a mistake in accepting something that was not in legislative language.

If there is going to be a compromise—and I understand the Speaker is allowing a vote 10 days after the recess, that we be able to see it in legislative language; that if we are going to reform the Contras, if we are going to include the entire Contra operation, Commander Zero, Eden Pastora, was left out for months, is the one individual that has a political base in Nicaragua; but the CIA could not contain him. There is division there.

Mr. McEWEN. Will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman.

Mr. McEWEN. Let me just quickly point out in reference to the statement that we do not know where the money went or what happened to the $27 million: I respectfully submit that the GAO does not know where it is; however, the Intelligence Committees are fully aware, and as a Member of Congress, we would be more than happy to supply that to you this very moment.

Mr. RICHARDSON. I thank my colleague.

My message to this body is, beware of letters, beware of compromises, unless they are in legislative language. Let us turn this package down so that if there is going to be a bipartisan constructive policy, it can be put in legislative writing, not in letters that come to you that do not mean anything, where they do not deliver; let us have the Congress impose those conditions.

I ask my colleagues to vote down this request today.

Mr. SKEEN. Mr. Chairman, I yield 7 minutes to the gentleman from New York [Mr. MOLINARI].

Mr. MOLINARI. Mr. Chairman, colleagues, I was one of those that went to Nicaragua this past weekend, and I agree with the Members that got up here before and said, "Those of us that are engaging in this debate are probably not going to turn any votes."

I am not here to attempt to turn any votes. I am speaking, my colleagues, because I made a pledge to the marvelously brave people that I met in Nicaragua that I would come back to Congress and do my best to try to convey a message.

I would like to address just two issues. The gentleman from Utah [Mr. MONSON] talked about censorship that occurs in Nicaragua today. Take a look with me, if you will, the front page of La Prensa, the few days' articles before we got there. The red lines are those that were cut off by the Sandinista government.

Nothing left to this newspaper. Here we have 20-some-odd pages of articles that were censored in just 3 days of a newspaper that is only six pages long.

We have heard reference to Somoza. Under Somoza, the Catholic Church had channels 2 and 6 available to them, and when Somoza was guilty of atrocities, they were able to go before those two TV channels and talk about those atrocities. They had a radio station; they had a pastoral letter; they had bulletins. They do not have any of that anymore.

Eighty-five percent of that nation is Catholic. The Catholic Church has lost the ability to communicate. As a matter of fact, to say mass, to say mass in Nicaragua, the priests have to tape their mass 2 days in advance, and submit it to the government so they can censor—and they do censor.

□ 1420

And believe it or not, they even censor references to the Bible. That is what we are up against. And if I could, it troubles me as a Catholic to understand why there has been so much opposition from within the Catholic Church to the aid package that we are talking about today. This morning I had breakfast with Cardinal O'Connor, a man whom I think, commands great respect in this Nation of ours. I would like to read to you a letter au-

thored by Cardinal O'Connor and by Cardinal Law from Boston. This was addressed to Cardinal Obando y Bravo:

YOUR EMINENCE: The present trials through which you and the Church in Nicaragua are suffering are a poignant reminder that the mystery of the Cross continues to be lived in the Body of Christ. During this Lent, your two brother bishops in the United States, who were called to membership in the College of Cardinals with you last May, have often thought of you and discussed the courageous efforts you make for the well-being of the Church and the people of Nicaragua. We have taken the extraordinary step of making this letter public so that the faithful in our archdioceses and as many as possible in our country will know what is actually happening to their brothers and sisters in Nicaragua.

We share your deep pain when your people are denied full opportunity to build a just, peaceful and progressive society based on the transcendent dignity of each human person. We know your suffering when attempts are made to violate the religious conscience of Nicaraguans by denying them access to the liberating teachings of the Church. This has been done by physical harassment, crude attempts at intimidation, and censorship. Priests have been summarily expelled from your country. Offices of your archdiocese have been raided by military personnel and remain under military occupation. The archdiocesan newspaper, Iglesia, was confiscated after its first edition, and the Catholic radio remains closed. You are subjected to a barrage of distortions, slanderous insults and innuendo at home and by some representatives of the government abroad.

In this ordeal, the Church in Nicaragua has been seeking to maintain the constructive dialogue with the government in an attempt to reach a climate of mutual respect so that the Church can play a role in the reconstruction of your country. We want to assure you of our solidarity with you. With you we are praying for that peaceful reconciliation necessary to rekindle the original hope of the revolution. For this to take place, it is essential that there be an immediate cessation of the present unjust restrictions suffered by the Church and other sectors of Nicaraguan society. This will undoubtedly provide a powerful impetus for the just resolution of the conflicts in your country and in that strife torn region.

Be assured of our prayers and support, our brother Cardinal, through the intercession of the Blessed Virgin Mary, the "Most Pure," as the Nicaraguan people particularly venerate her.

Fraternally yours in Christ,

BERNARD CARDINAL LAW,
Archbishop of Boston.
JOHN CARDINAL O'CONNOR,
Archbishop of New York.

Mr. DORNAN of California. Mr. Chairman, will the gentleman yield?

Mr. MOLINARI. I yield to the gentleman from California.

Mr. DORNAN of California. I thank the gentleman for yielding.

Mr. Chairman, Saturday morning the gentleman told me that he had not been able to sleep 1 solitary minute in that now rundown Intercontinental Hotel. Why?

Mr. MOLINARI. If I could get 1 additional minute, I can tell you.

Mr. DORNAN of California. Try to do it in 30 seconds or he will think it is a conspiracy.

The gentleman did not know that I was going to ask him, did he?

Mr. MOLINARI. No, I did not.

Mr. DORNAN of California. I just want the gentleman to express to me what he did that morning.

Mr. MOLINARI. Well, when I went to La Prensa and I saw these articles I asked them could I please have copies of those to take back with me to Congress.

Mr. DORNAN of California. The censored articles that were censored that very morning.

Mr. MOLINARI. The censored articles; yes, sir. And they gave me these articles to bring back.

We had luncheon, we went to the Ambassador's residence for lunch, and I took them. I left them in the bus. I thought I left them in the bus. I went in and came back out and looked for them and could not find them.

That night I sat, having supper with one of the gentlemen, whose name I will leave out, from La Prensa, and I said I had lost the articles. I related what happened and I asked could I get duplicates and the man said in horror, "You lost the articles where?" I said, "On the bus."

He said, "But the bus is owned by the government, the driver works for the government."

Then horror struck me and I realized that I may have jeopardized somebody's life. I could not sleep. I stayed up all night thinking, "My God, how could I have done this?"

Mr. DORNAN of California. Because the gentleman had just heard stories of 11,000 political prisoners, most of them in solitary confinement where Somoza's evil bars had been replaced by sheets of metal, darkness, a tiny slot for the few meals, and the gentleman thought he had created this problem for the La Prensa heroes, the free press.

Mr. MOLINARI. I had heard stories that I will never forget for the rest of my life. It may not help in this debate.

Mr. Chairman, I thank the gentleman for his courtesy in extending me this time.

Mr. HAMILTON. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. DANIEL], a distinguished member of the committee.

Mr. DANIEL. Mr. Chairman, I rise in protest of the hijacking of a revolution by the Communists in Nicaragua.

Just as we have seen recently in the Philippines and Haiti, when the legitimate aspirations of a people are thwarted, an insurgency will result.

Denied a mechanism within the political framework for an expression of their will, the people will force that will through rebellion.

An insurgency, a revolution, is not a bad thing in and of itself.

It is normally an expression of intolerable, legitimate frustration.

Thus it was in Nicaragua under the Somoza regime.

The people had no way to change the regime, except by force of arms.

And they did.

The Sandinista rebellion was a legitimate, predictable, and successful answer to the frustration of democracy in Nicaragua.

But that revolution, unlike the Philippines, and we hope Haiti, was never allowed to proceed to its democratic conclusion.

It was hijacked by highly organized, efficient Marxist cell amongst the Sandinista leadership who have succeeded in driving all other hands off of the levers of power in Nicaragua.

The church, the free press, all political organizations, and the free enterprise sector of Nicaragua have all been stifled and pushed out of the revolution.

At issue today in Nicaragua is not whether the United States is going to fund a Contra movement, unfairly painted as counterrevolutionary.

Rather, the issue is whether we are going to allow the revolution to fulfill its promise for all Nicaraguans.

And that promise is free, open, pluralistic, and democratic government of all the people of Nicaragua.

We must not permit the consolidation of power by a tiny Communist minority into the endless darkness of a police state.

The issue here is the hijacking of a revolution.

It is a revolution which was long overdue, and remains overdue until this day, with the Marxists having diverted its course.

The commandantes have demonstrated unwillingness to share power with any component of Nicaraguan society, except their Communist colleagues.

They will deal with no other countries, save the Soviet bloc and Cuba.

The Nicaraguan people are not enemies of the people of the United States.

The ideals and goals of the Sandinista revolution closely parallel those of our own War for Independence.

Neither the people nor their goals are the targets of military aid to Nicaraguan freedom fighters.

The targets are, instead, the Marxist hijackers of the Sandinista revolution—that small cell which has perverted the legitimate aspirations of the Nicaraguan people.

Pressure must be unrelenting and focused on the commandantes in order to force them to allow the Nicaraguan people a voice in their own future.

We have seen the results of a lack of pressure.

We have seen it in elections which made mockery of the democratic proc-

ess, and which kept in place the police state on the Soviet and Cuban model.

The leaders of Nicaragua exhibit a total disinterest in international negotiations and have demonstrated a clear intent of exporting their Marxist doctrine.

Our interest is not just limited to our belief in the freedom of mankind.

We have other interests as well.

If there is one commodity Communist states produce, and produce in abundance, it is refugees.

Already, the immigration and social service facilities along our southern border are stretched beyond their capacity to perform effectively.

Today's wave of immigrants seeking economic betterment will pale to insignificance before the tidal wave of immigration generated by the oppressiveness of Communist governments.

Do not say it will not happen—it has happened, time and again, as one country after another has been captured by the Communists.

In Eastern Europe, after the Second World War, in Southeast Asia after the fall of Vietnam, armies of refugees have fled, rather than surrender to a more repressive regime than they had ever known.

Are we prepared—economically, socially, and even emotionally—to cope with this problem which will be of our own making, if we stand by and watch the collapse of one Central American government after another?

For these reasons I urge that we authorize the military aid request.

We must wrest control from the hijackers of the Nicaraguan revolution and return it to its rightful owners—the Nicaraguan people.

Mr. LAGOMARSINO. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. Mr. Chairman and Members of the House, Managua, Nicaragua, is a beautiful town; that is the lilting lyric of a song of the 1940's. Yes, it is a beautiful town—for Cuban military advisers in the thousands who are gathered in that beautiful town as we speak here today.

Managua, Nicaragua is a wonderful place, the song goes on to say—a wonderful place for Soviet mechanics who are building an airstrip in Managua, Nicaragua.

Managua, Nicaragua, is a magnificent spot, the song goes on to say—it is a magnificent spot for terrorists to visit and Qadhafi and inspired individuals to make a stop on their way to world upheaval.

Managua, Nicaragua, is a beautiful spot but for the wrong reasons. Managua, Nicaragua, today has everything except freedom.

Members of the House, aid to the Contras constitutes an insurance policy for the people of the United States of America. It constitutes an insurance policy against such a day that we all want to avoid when American military troops must go into Nicaragua. It is an insurance policy against the massive flow of illegal aliens to our borders because of the Nicaraguan influence in Central America. It is an insurance policy in the final and best sense against those things that would harm the national security of our beloved Nation.

Let us support the President of the United States as he seeks to protect the people of the United States.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman yields back 3 minutes.

Mr. DANIEL. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Chairman, we have all listened to the debate, and I am sure that both the people as well as the Members will have a difficult time deciding who are the good guys and who are the bad guys, depending on what information you rely upon.

But for the moment I would like the Chamber to focus on the simple issue of accountability, an issue that we should understand and that the public should understand. Where is this money going and are we indeed getting our money's worth? For the moment let us push aside the arguments whether we are for or against communism or who is committing the atrocities or whether indeed our policy is to overthrow the government.

Let us just focus for the moment on that very basic question: Do we know where the money is going? Is it following the requirements of the law? Are we getting our money's worth? That is the same test we apply on money if it goes to Medicare, or to student loans, or to legal aid, or if its goes to the Defense Department on weapons or toilet seats or tanks.

It is a very basic test.

Let us ask that question here. Last year we approved $27 million for humanitarian aid with a very specific requirement that the President establish procedures to ensure that it was being used for that purpose. The GAO, in testimony before the Committee on Foreign Relations, stated that not only had the President not set up those procedures, but that they did not know where 60 percent of the money was going.

Now we are not talking about covert money here, we are talking about overt money and we are talking about specific procedures that were built into the law.

□ 1435

We were talking about specific procedures that should have been set up by the State Department for that purpose.

Of the $12.5 million that has been spent, $7.1 million cannot be accounted for. It was put into a Miami bank, and at this point there is no audit trail with regard to those funds.

Yes, I hear the response, "Talk to the CIA." This is overt money. We should not have to go to the CIA. We ought to know where that money is going. The Department of State ought to be able to provide that information. This is not covert funding.

I have put in a resolution of inquiry. The Foreign Affairs Committee has asked for answers to these questions and, to this point, we have not received those answers.

The second question is: Are we getting our money's worth? Of the $100 million being spent here, have we achieved the goal of interdicting arms? It has failed. Have we achieved the goal of overthrowing the Government? It has failed. Have we achieved the goal of establishing any kind of provisional government or capturing areas in Nicaragua? It has failed.

Now we are asked to provide another $100 million.

If we were to apply the same test to any other program, we would have terminated these funds a long time ago. There is no accounting. It violates the provisions of law that were established for this aid. And last, it is not accomplishing its goal.

The President is asking for a blank check; the Congress ought not to sign it.

The following is the full text of the statement I have summarized above:

Mr. Chairman, I would like to shift the focus of this debate on aid to the Contras for just a few minutes. Becasue it seems to me that we could stand her from now until the end of time making value judgments about each other's arguments and motives. That kind of debate is not going to solve anything because we are talking about shades of gray here, not about black and white. Instead, I would like to discuss this issue from another angle; dollars and cents.

I do not believe Congress should approve this aidpackage for two reasons. First of all, we cannot afford it. And secondly, because the dollars we already have appropriated for this program are being handled in a fiscally irresponsible and unaccountable manner. To provide more money for this program would be like throwing more money into a big, bottomless pit.

I do not need to remind any of my colleagues that we face an unprecedented Federal deficit. Recently, the Congress has had to confront some tough choices about how to deal with this growing deficit. We decided it was necessary to cut the budget—fairly and equitably—in order to meet deficit reduction targets.

Now, the President is asking for $100 million for aid to the Contras. You could make an excellent case that we should not be considering spending an extra $100 million on anything, let alone for something as controversial as an aid package for the Contras.

Gramm-Rudman requires sacrifices from nearly every citizen in this country. I do not know how we can take federal dollars away from the American people with one hand and turn around and give to the Contras

with another. If we do not have $100 million to provide COLAs for our military retireees or to provide money for our kids to go to college, then we do not have $100 million to give to the Contras.

We have already spent tens of millions of dollars providing aid to the Contras and it has not gotten us one step closer to achieving peace in Central America. We have done everything we can for the Contras short of sending in the Marines. And they still have not succeeded. Not only that, but we can not even be sure that the money we have already invested is being spent in accordance with Congressional intent. And that leads me to my second point: the money Congress has already appropriated for this program is being handled in a fiscally irresponsible and unaccountable manner by the Administration.

Last year, Congress agreed to provide $27 million to the Contras. Congress was very explicit about how this aid should be used. It was only to be used for so-caled "humanitarian" purposes. One of the provisions of this legislation required that the President establish, and I quote, "appropriate procedures to ensure that any humanitarian assistance provided by the United States Government to the Nicaraguan democratic resistance is used only for the intended purpose." In other words, the President was required to set up procedures to make sure that our aid was not traded, bartered, or exchanged for any non-humanitarian materials or equipment.

But, recently the GAO testified that the President has not set up the procedures required by law. And because these procedures have not been set up, we can not really be sure where the bulk of the money has gone. Almost 60 percent of the money that has so far been spent to provide aid to the Contras has been spent outside the United States. These payments have been channeled through a Miami bank and brokers selected by the Contra suppliers. And yet, the GAO says that there is no audit trail showing what this money has been used to procure or whether the goods bought with this money have even been received by the Contras. To make matters worse, we cannot be sure that some U.S. logistical aid is not being traded or exchanged for lethal equipment.

So this is where we stand. The President has violated the law with regard to handling this program. As a result, the GAO cannot tell us where $7.1 million we appropriated have gone.

And this situation is not going to get better by magic. The GAO says that more and more of the aid dollars will, by necessity, be channeled through the region itself. This new money, in other words, will follow the same channels that the missing $7.1 million followed. We are no longer talking about $7.1 million. Now, we are talking about $100 million.

And it could get even worse if the CIA contingency funds are used—an estimated $400 million. The Administration will claim that it cannot tell us how much has been spent and on what because it would "jeopardize an intelligence operation." Right now we are dealing with an overt program that is irresponsible and unaccountable. Later, we could be dealing with a completely clandestine operation. Congress will have no way to oversee the operation or even to know if it is being handled in a fiscally responsible manner.

Congress needs some answers to some very important questions before we consider giving any more money to the Contras. Questions like: Where is the $7.1 million? Are the Contra aid dollars being handled in line with Congressional intent? Is our "humanitarian" aid being traded for lethal equipment and supplies?

In order to get at some of these answers, I have introduced a Resolution of Inquiry—H. Res. 395—which directs the President to provide Congress with all the information his Administration possesses on these issues. Congress should not appropriate one dollar more for Contra aid until we get these answers.

This is a tough issue. It would certainly be nice if everything was as black and white as some would have us believe. But no one is going to give us a break and make the decision that easy.

Like it or not, we have to make a choice. And it is going to be a tough one. But it is going to get tougher. If Congress wants to continue to exercise any kind of oversight over the Contra aid program, now is the time to do it, before the CIA contingency funds wind up in a bank in Miami and Congress has no way of knowing how much is there or what it is being use for. Unless Congress wants to completely relinquish its share of the control over this operation, we had better act now.

Regardless of your position on the aid issue, after all is said and done, we should be concerned with only one thing: the best way to achieve peace and to prevent the deaths of innocent people in Nicaragua. We are not going to reach that goal by throwing money at the Contras. And we are not going to reach that goal by looking the other way while millions of American dollars are poured down the drain.

I know that this issue is not going to be decided solely on the basis of the questions I have raised. But Congress needs to look at this issue from all sides. These are the facts. The Congress is now subsidizing a program that is not meeting specified legal requirements. It does not even meet the basic standards of fiscal responsibility and accountability. We may never really know what happened to the $7.1 million. But we can keep from throwing good money after bad.

Mr. Chairman, President Reagan has written a blank check for the Contras. The question before the Congress is whether we are going to sign that blank check. I say "no."

Mr. LAGOMARSINO. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. McEWEN].

Mr. McEWEN. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I would like to point out to the gentleman from California, who is an expert in the budget area in the Congress and a very good friend of mine, that the GAO report has been repudiated by the Department of State repeatedly, that while they may have been unable to successfully follow the audit trail, it is available to Members of Congress. The time is being handled by a member of the Intelligence Committee, who I am sure would be more than happy to make that information available to the gentleman this very day. The GAO has been repudiated by every knowledgeable source to my knowledge, and I would not want my friend and the expert in this area to rely upon the GAO report when it has been proven to be so inaccurate.

Mr. LAGOMARSINO. If the gentleman from Ohio will yield, I would like to ask the gentleman in the well a question.

Is the gentleman familiar with the language in the 1986 foreign assistance bill with regard to overt aid to Afghanistan and Cambodia?

Mr. PANETTA. This gentleman is not familiar with that. This gentleman is only familiar with the money that was supposed to go for humanitarian aid.

Mr. LAGOMARSINO. There is $15 million in humanitarian aid given to Afghanistan, and also $5 million for humanitarian or military aid to Cambodia.

The language is the same. The conferees recognized that the nature of the assistance to be provided requires some degree of flexibility in the application of standard audit procedures and requirements.

Mr. PANETTA. Mr. Chairman, somebody ought to tell the General Accounting Office. They are the ones that report to the Congress on this issue.

Mr. LAGOMARSINO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, opponents of the President's request for aid to the democratic resistance argue that no military assistance should be given so that there can be more time to give negotiations a chance. Efforts to negotiate with the Communist Sandinista regime in Nicaragua have been made since August 1981, with no perceptible movement toward agreement in all that time.

In 1981, there was no Contra movement opposing the Sandinistas; there was only internal unarmed opposition. Yet, there was no reconciliation with the opposition. From June 1984 to September 1985, there was no official U.S. Government assistance going to the Contras; but, the Sandinistas only increased their repression of their people and strengthened their military with more arms from the Soviets, including the deadly Hind MI-24 helicopter gunships. Had the Sandinistas been sincere about negotiating they could have accepted a Contadora draft that would have served as a basis for a verifiable and enforceable agreement.

One of the guiding principles of Contadora is national reconciliation. It was explicitly accepted by all five Central American States, including Nicaragua, in the September 1983 document of objectives. Although they signed the document of objectives, the

Sandinistas have consistently rejected dialog with the democratic resistance in Nicaragua. Furthermore, the Sandinistas rejected efforts by the unarmed opposition to participate fully in the November 1984 elections.

Even before the elections, the Nicaraguan bishops issued their pastoral letter Easter Sunday, April 22, 1984, calling for a dialog among "all Nicaraguans inside and outside the country * * * (including) Nicaraguans who have taken up arms against the government." Interesting to note that it was after this that the Pope elevated Obando y Bray to cardinal. The Sandinistas flatly rejected the bishops' call, and the Los Angeles Times, in its April 26, 1984, editorial wrote:

> The Sandinistas acted every bit as irrational and oppressive as their opponents claim they are * * *. The hysterical Sandinista response is not encouraging to those who seek a peaceful way out of Central America's political crisis.

In July 1979, the Sandinistas formally pledged to the OAS to establish a democratic, pluralistic, nonaligned regime with a mixed economy. But only in late 1983, did the Sandinistas finally announce elections for late 1984. The Sandinistas, however, did everything possible to set the terms of the elections so they would be favorable to themselves. The Sandinistas:

Lowered the voting age to 16 to permit the youth already indoctrinated and controlled by Sandinista youth organizations to vote;

Restricted access to media by limiting the amount of time opposition candidates could have on government-controlled radio and television;

Rejected international observers;

Banned certain Nicaraguans from participating in the elections;

Permitted opposition candidates to campaign only from August 8 to October 31; and

Prohibited discussion of national security issues during the campaign—national security issues were deemed to include economic issues.

One of the nine Sandinista Commandantes, Bayardo Arce, called the elections "bothersome" and "out of place." He admitted the elections would not have taken place had it not been for the pressure of the U.S.-backed war by the Contras.

The unarmed opposition in Nicaragua called the democratic coordinator backed Arturo Cruz for the presidency and established nine conditions as necessary for free elections in Nicaragua. The Sandinistas rejected those conditions, and Cruz ultimately refused to participate since the elections would be neither free nor fair.

The rejection by the Sandinistas of the democratic coordinator's efforts to participate in the elections should be a telling example of the lack of sincerity of the Sandinistas for accommodating the opposition to their regime. The democratic coordinator was an unarmed opposition group. And I stress the word "unarmed". If there were any reason to believe the Sandinistas want to have a peaceful dialog with their opposition, then they should have accomplished that with the democratic coordinator.

The democratic coordinator, however, persevered, on February 22, 1985, the coordinator issued a statement calling on the Nicaraguan bishops to mediate a dialog, providing for the representation of all Nicaraguans and urged that the dialog sponsored by the church be "attended by guarantors whose presence would endorse the commitments made to the Nicaraguan people."

On March 1, 1985, in San Jose, Costa Rica, the democratic resistance—the armed opposition—also issued a statement offering a cease-fire in return for an agreement by the Nicaraguan regime to begin a dialog mediated by the Nicaraguan bishops. The Washington Post, in its March 17, 1985, editorial said:

> The proposal offers more than a chance for national reconciliation. It lets Nicaraguans remove their fate from foreign hands and restore it to Nicaraguan hands alone.

On March 22, 1985, the Nicaraguan bishops issued a communique accepting a mediation role in the dialog. On April 4, 1985, President Reagan asked the democratic resistance to extend their offer of a cease-fire from April 20 to June 1 and urged the Sandinistas to accept also. The President asked that his request for military assistance be approved, but that it would not be used for arms or munitions as long as negotiations were proceeding. Congress refused to approve his request for military aid last year, Daniel Ortega flew off to Moscow, and the Sandinistas rejected negotiations for internal reconciliation.

Why should we make the same mistake again?

The only times in the past the Sandinistas have accommodated their opposition has been when they have been pressured to do so. The strength of the democratic resistance in Nicaragua remains the one reason the Sandinistas need to negotiate.

We must not weaken the democratic resistance and remove the incentive for the Sandinistas to negotiate.

We must support the President's request for aid to the Contras.

□ 1445

Mr. DORNAN of California. Mr. Chairman, will the gentleman yield?

Mr. LAGOMARSINO. I yield to the gentleman from California.

Mr. DORNAN of California. Mr. Chairman, the gentleman serves, and has for 4 years now, on the subcommittee that is most related to this area of study, the Western Hemisphere.

Mr. LAGOMARSINO. I might say that I had served on that subcommittee since I came to Congress. I have been the ranking Republican on the subcommittee.

Mr. DORNAN of California. The ranking Republican, for two terms now, and over a decade on that committee, tracking the emergence of democracies from Cape Horn all the way up to Guatemala. We have seen some dark days.

How many times has the gentleman visited Central America now?

Mr. LAGOMARSINO. About five.

Mr. DORNAN of California. Well, I think this puts the gentleman in a position to analyze the situation where heads of state and foreign ministers and other distinguished of our brothers and sisters down there in Central and South America will say different things to us in public.

Now, somebody said to me, in a phone interview, was I accusing them of lying. And I pointed out, "Not any more than I accused the Thai Government of lying when they denied there were American air bases in Thailand."

There are countries that feel that there is so much indecision in our foreign policy over the last two decades, that we are going to pull out and leave them twisting in the wind, facing 155 Russian tanks.

Could the gentleman relate to us, in the honorable way he always has, without betraying confidences, what they tell you in private, as one of the Members of this House with longest track record of meeting with these distinguished legislators and government officials from Central and South America?

Mr. LAGOMARSINO. When I was in Nicaragua about 1 year ago with Congressman DEWINE, I had experiences much like the ones you and your colleagues had when you went to Nicaragua last weekend. Everyone we spoke to, the press, the labor unions, the human rights organizations, the free-enterprise people, small businessmen who were not represented in the major organizations of free enterprise, almost everyone we spoke to agreed on two things: No. 1, that the Sandinistas were repressive and were exporting a revolution and, second, that if something happened to the Contras, that the revolution would be turned full force against them, they would be wiped out.

Some of them went so far as to say we should support the Contras. Most did not but they would say, however, "If the Contras go away, we will be in serious trouble."

In talking with leaders of some of those countries down there, they said much of the same thing, but they always did say, this is true, "But we cannot say this publicly. Please do not quote us publicly."

I have a telegram, a classified telegram, at the desk, that anyone can look at who wants to, that quotes a high government official from one of those countries as saying about the same thing privately. He would not say it publicly.

Mr. DORNAN of California. The gentleman has that secret communique at the desk on this side?

Mr. LAGOMARSINO. Yes; I do.

Mr. DORNAN of California. I hope some of our colleagues on the other side will take advantage of reading it.

Have you heard anything like this: One of them said to me, in a very sincere but good-natured way, "Isn't the United States big enough and strong enough to take the heat of our giving you public advice that we really don't believe?" In other words, they said, "We are so fragile and so in danger if you decide to retreat to the fortress America"—was the expression one high diplomat used—"we are really in danger here. Can't you take the heat politically for both of us?"

And I did not know what to say to him because there is a frustration that in key debates like this that might turn on a few votes, we could, frankly, win over many, many Members on both sides of the aisle of good will if we could have their frank statements to present, particularly when they are being quoted against us in their public positions.

Mr. LAGOMARSINO. The gentleman mentioned Thailand. I do not imagine if you went to Thailand today and publicly asked the Government there whether they were assisting the rebels who are going into Cambodia against the Vietnamese there, that they would say, "Yes, we are." If you went to Pakistan, I know they will not admit that they are assisting in any way. Yet logic compels the belief that if the Mujahedeen are receiving any kind of outside support at all, it must go through Pakistan.

Mr. DORNAN of California. Well, people will try to disprove the Indo-China domino theory by saying Thailand held firm.

I just had a meeting with their foreign minister, with eight members who went over to Hanoi on the MIA issue. We had a good long private meeting with their foreign minister. And I am not going to hold him up to any contradictory statements, but I told him that he was the stainless-steel domino welded to the table that did not fall even though we pulled out on them. And he said he liked that analogy. I said, "Call one of your fighter squadrons the stainless-steel dominoes, then."

These is no stainless steel domino in Central America. We discussed that. Honduras is not welded to any table of democracy. Their democracy is very fragile. There have been many human rights violations in Guatemala. Costa Rica has no military force at all. They would rather have a wonderful tradition. I wish we had it in this Chamber. Every 4 years the party in power gives up their jobs because of the people's decision. and the postmen and the electricians and the sheet metal workers go into government, and the government people, about 4,000 or 5,000 of them, do musical chairs and take over their jobs as the border patrol and the police. But they are left naked to the kind of Soviet-Cuban aggression. And I just wish people on the other side had your experience dealing with men and women of honor who have to say something different publicly because their own survival, not their political survival—that, too—the survival of their country as a democracy is a stake in case the arsenal democracy is slammed closed, our economic coffers are closed because of our own deficit problems, and these people are left by their own diplomatic craftiness and devices to try to deal with a Soviet coloy right smack in the middle of the Isthmus of Central America.

Mr. LAGOMARSINO. I might just add one thing. I first went to Nicaragua in November 1979, shortly after the revolution that overthrew Somoza, a broad-based revolution. I was the only Member of the delegation—I think there were eight of us—who came back with doubts about what the Sandinistas were going to do. Well, I should not say I was the only one with doubts; I was the only one who was convinced what they were going to do.

Mr. DORNAN of California. Was that before or after July 19?

Mr. LAGOMARSINO. It was after July 19, after they had taken over.

I came back with the feeling that this was already a Marxist-Leninist regime and that they were well on their way and that we should not support them. The majority of the people with me either did not agree with that or they felt that it was worth the chance. Some of you might recall that we had a vote on that request for $75 million in aid. It passed by 3 votes. So they got the assistance, and we did provide a lot of assistance, until it was cut off by President Carter, before President Reagan was even inaugurated.

I had a meeting in my office several weeks ago with Arturo Cruz and Alfonso Robelo. Arturo Cruz turned to me—I forget if the gentleman was there or not—and he said, "You were the only one who was right. We were wrong about the Sandinistas."

Mr. DORNAN of California. I thank the gentleman.

Mr. DANIEL. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. LEVINE].

Mr. LEVINE of California. I thank the gentleman for yielding.

Mr. Chairman, as we consider whether or not to approve the Reagan administration's request for $100 million to arm the Contra insurgency in Nicaragua, I believe it is important to understand what we are really debating today and what we are not debating.

The issue on the table before this House is not whether or not the Sandinistas are good guys. They are not. I know of no Member of this body who supports the policies of the Sandinistas. The issue is not who has a better human rights record, the Contras or the Sandinistas. They have both demonstrated their disregard for human rights.

The issue is not how disreputable a collection of friends the Sandinistas have collected, nor is it U.S. policy in the Middle East, as some are now suggesting.

The issue is not who among us are better or more patriotic Americans.

I think and I would hope that it would be time for us all to stipulate that each Member of this body is an honorable and a patriotic American.

Instead, what we are debating is whether or not the Congress should give this administration's failed policies in Nicaragua its stamp of approval.

What we are debating is what policy better serves the national security interests of the United States. What we are debating is how best to remove the Soviet and Cuban presence in Central America and how to discourage Nicaraguan adventurism beyond its own borders.

And what we are debating is whether to support or reject a policy which eventually will lead to American troops in Nicaragua when diplomacy instead would have served us better.

Members of the administration, Mr. Chairman, have already admitted that the time will come when American military personnel will have to be sent into the region to train the Contras. It will only be a matter of time, if we approve this request today, until those advisers accompany their students into combat.

So let everyone here understand that if we pass this request we are committing ourselves to fighting a long, bloody, expensive war in Central America, a war with little or no public support in this country and a war with little or no support in Central America itself.

Are we going to cut our losses now and try a new policy? Or will we continue down a path which will cost the taxpayers of this country billions of dollars and eventually result in the deaths of American soldiers fighting in Central America?

For the last 6 months I have served as chairman of the Democratic Caucus Task Force on Central America. That task force is composed of Democrats from across the political spectrum. It

contains Members who supported the President the last time he asked for logistical aid to the Contras.

Yet every Member of that broadly representative task force agrees that the request we are now being asked to approve is ill-conceived and inconsistent with our national interests.

Our report contains, instead, a positive policy. We urge a renewed emphasis on negotiation and diplomacy. We urge more than a symbolic commitment to Contadora, and we have recommended a program to accomplish a diplomatic policy and program in the region. We urge a new emphasis on economic aid to combat the plagues of hunger and deprivation. It recognizes that our current policies have little or no support among our allies in the region, and our report recognizes that, despite the excuses of the administration, that leaders in the region say one thing in public and another thing in private, the fact remains that the democracies in the region do not support our current policies.

Indeed the danger of speaking out by one of the democratically elected leaders in the region of Central America in opposition to Reagan administration policies was demonstrated recently when the President of Costa Rica had the courage to urge that the $100 million we are discussing here today be spent on economic instead of on military aid.

The administration's response to that democratically elected leader of Costa Rica was, instead of even listening to him, to withhold $2 million in aid to Costa Rica earmarked for road construction.

Once again this administration has demonstrated its intolerance for views inconsistent with its foreign policy.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. LEVINE of California. I will say to the gentleman that if I have time, I will yield to him, despite the fact that he did not yield to me. Let me see whether I will have time at the end of my statement.

Mr. BURTON of Indiana. I appreciate that.

Mr. LEVINE of California. Mr. Chairman, the time has come to put an end to the war in Nicaragua. Rather than squander $100 million on a cause destined to fail, we should act now to implement a policy which is in our national interest. No matter how well intentioned, and I do not doubt that those who support the administration are well intentioned, the policy of the administration cannot succeed.

I urge my colleagues to defeat the administration's request and instead use the $100 million to rebuild and strengthen the democratic institutions and economies of our allies in Central America.

Mr. HAMILTON. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. MINETA].

Mr. MINETA. Mr. Chairman, I rise today in strong opposition to the President's request for aid to the Contras. For 6 years I served on the Select Committee on Intelligence and watched with alarm the unfolding of the administration's warlike script in Nicaragua. It began with some covert aid and a few advisers. Now we are discussing whether to send $100 million in military assistance to the Contras. I fear what the next step may be.

What have the Contras achieved after 5 years of support from this administration? Well, after 5 years, some 70 percent of their forces are not even in Nicaragua, but in base camps in Honduras. The Contras have been likened to our Founding Fathers, yet they have been accused of shocking human rights violations. These so-called freedom fighters have been embraced by our President, but they do not have the popular support of their own people.

So what will $100 million for the Contras accomplish this year? Will it make the Sandinistas buckle to the demands of power sharing with the Contras? Obviously not. Will it make the Sandinistas reform themselves into being democratic? That is ludicrous. In fact, the Sandinistas will continue to use the Contra war only as an excuse to consolidate their power.

What the $100 million will do is continue the flow of United States aid to the Contras. If the President is successful in securing this aid, I predict we will be debating votes for greater and greater assistance, military advisers, and, finally, perhaps, U.S. troop support.

Mr. Chairman, this is so clearly not the direction the American people want to take.

On Sunday the President asked the American people to call their Representatives. And indeed they called. Some 400 people in my district called and 75 percent urged me to vote against aid to the Contras.

Mr. Chairman, the question today is not whether we are for the Contras or for the Sandinistas, as the administration has wrongly framed the argument. It is rather whether we are for the Contadora peace process.

When our Latin allies plead with us not to support the Contras, and when they ask us to join with them in finding a regional solution through the Contadora peace process, we should not turn a deaf ear. If we support the Contadora process, we must reject this Contra aid request.

Mr. Chairman, let us not spend another dime on this misbegotten foreign policy.

□ 1500

Mr. LAGOMARSINO. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Chairman, I thank the gentleman.

My colleagues on both sides of the aisle, you who cannot find it in their wisdom to support the President, please do not take exception to my quoting President John F. Kennedy. You quote President Eisenhower often on the military-industrial complex, and I understand that. We quote the great Senator Henry Jackson a great deal. Please respect that, because if we quote John Foster Dulles to you or President Eisenhower on foreign policy, you always turn a deaf ear.

Some people believe President Kennedy's very best speech was that near the wall of pain and death that separates East Berliners from West Berliners. I think his inaugural speech on January 20, 1961 was his finest, but the June 1963 Berlin was, also, truly magnificent. You will recall that President Kennedy told a massive crowd of cheering and sometimes weeping Germans the following:

> Two thousand years ago the proudest boast was "Civis Romanus sum", I am a citizen of Rome. Today in the world of freedom the proudest boast is "Ich bin ein Berliner".

Now, here is the part of this speech that I think perfectly applies to this dangerous world today a quarter of a century later. When a Member of Congress visits a Communist country as I just have with my colleague, the gentleman from California [Mr. DREIER] you reflect deeply on the precious liberties of our wonderous republic. On the 14th of February, Mr. DREIER and I with six other Members visited Communist capital city of Hanoi, and then 1 month to the day on the 14th of March we flew into the Communist capital city of Managua. What a striking comparison between these downtrodden totalitarian cities and all, repeat all, of the neighboring democratic cities in their area of the world.

Here is what President Kennedy said about these stark comparisons.

> There are many people in the world who really don't understand, or say they don't, what is the great issue between the free world and the Communist world. Let them come to Berlin. There are some who say that Communism is the wave of the future. Let them come to Berlin. . . . And there are even a few who say that it is true that Communism is an evil system.

Pardon me for footnoting this eloquent President's speech, but was Kennedy criticized for calling communism "an evil system?" Of course, he was not.

> And there are even a few who say that it is true that Communism is an evil system, but it permits us to make economic progress. "Lasst sie nach Berlin kommen."

Let them come to Berlin. That was the speech that he ended with, "I am a Berliner," and the crowds of Berliners went wild. No one criticized that handsome Irish American President for saying he was in his heart a German, a Berliner, but when President Reagan said, "I am a Contra," he was hit with acrimonious derision from several quarters of our country.

The members who went to Hanoi discussed on our airplane after we left Bangkok or after we arrived in Seoul, Korea, the stark comparison between the free world and the Communist world. I recalled Kennedy's Berlin speech. And we agreed that if people do not understand the difference between the free world and the Communist world, today, let them go to Hanoi and then Hong Kong, Hanoi and then Singapore.

Let them see Taipei and then Hanoi, or Bangkok and then Hanoi. And the same applies in our hemisphere with Managua, Nicaragua.

I say if you want to see the difference in our hemisphere, on our continent, between freedom and communism, then visit Managua and then San Salvador. Visit with President Duarte as nine of us did Saturday and compare liberty in San Salvador with oppression in Managua.

I say to my colleagues of conscience on the other side, "vaya se Managua", "go to Managua". See the economic decay or dreary life or both that parallels Hanoi, Bucharest, Phnom Phen, Warsaw, Kabul, or Luanda. It is always an Orwellian bad dream that is unfortunately all too real.

The only major difference between Hanoi and Managua is that Americans, many of them from the religious left, are allowed to prowl around some few areas of Nicaragua mouthing platitudes about "it ain't so bad." No one is allowed to travel in Hanoi, Vietnam, except the one team allowed once in 13 years to look for the bones of American heroes. And they were carefully escorted. Useful fools, "Tontos utiles" is Spanish. That's what carefully watched Americans are who go on the Potemkin tours of Nicaragua.

An observation my colleagues. Here are the publications that are available to us this year that were not available last April and June for the freedom fighter aid debates. "The Soviet-Cuban Connection in Central America."

"Nicaragua: Will Democracy Prevail?"

"The 72-Hour Document."

A packet of excellent articles from around the world just as you liberals circulate leftist press articles. Here is what is available just in the last month.

"Alvaro Baldizon on the Interior Ministry of Terror of Tomás Borge." I said many times if this man Baldizon could be shown up as a double agent, I would switch my vote. Baldizon speaks about teams of Communist Sandinista soldiers sent to East Germany for over 6 months of training to come home to Nicaragua to impersonate Contras in perfect Contra uniforms and kill their own people just to make political points for the U.S. Congress and world opinion. I have not seen that happen so blatently since Adolf Hitler's SS guards dressed as Polish enlisted men and officers, slipped across the Polish border, turned around and came back attacking and killing their own Wermacht troops as a provocation to start World War II. Hitler fooled no one. Unfortunately, U.S. Congressmen are fooled by the same murderous evil deception by the Communists in Nicaragua.

Here's another booklet, "The Sandinista Military Buildup." This one I want people across America who are in doubt on this issue to write for. Write to me. I'll send it to you. Your tax dollars printed it. I am sorry that these last four were not in the offices of my colleagues last night. They can change votes. These booklets are being delivered today through the House mail system as we speak. "From Revolution to Repression." "Human Rights in Nicaragua Under the Sandinistas."

You still have time to digest them tonight if your vote is in doubt.

Here is one, "The Sandinistas and the Middle Eastern Radicals."

I did not staple this a Novak and Evans column, "Israel and the Contras" in spite of my friendship with those fine journalists, but it's a powerful article.

In the words of the Communist commandantes "In Their Own Words," is particularly noteworthy. It quotes the Communists to you over and over again, where they tell us what they are going to do, and then documents their thoughts and utterances on the Nicaraguan resistance, their leaders, their military personnel and their programs.

Read these and weep and then for our children's future vote with the President tomorrow.

Mr. HAMILTON. Mr. Chairman, I yield 3 minutes to the gentleman from North Dakota [Mr. DORGAN].

Mr. DORGAN of North Dakota. Mr. Chairman, I thank the gentleman for yielding me this time.

MAKING FOREIGN POLICY IS LIKE MAKING ANY OTHER IMPORTANT CHOICE IN LIFE

If you want to help your children select the right college, you talk to experts, people who know the scoop first hand. In this case, counselors, educator, college placement officers. You also go and see whether the expert's advice makes sense.

But when it comes to our Central American policy, the administration wants to make policy from a Washington arm chair. Patrick Buchanan and others want to call Members of Congress Communist dupes' without ever having talked to a Contra soldier or a Central American leader.

In my part of the country, when you want to get a solution to a problem, you talk to the people directly affected. If it's farm problem, you talk to other farmers. If it's city problem, you talk with local citizens. If it's a neighborhood problem, you talk it over with your neighbors.

But this administration wants to make policy for all of Central America without even heeding the views of the people who live there. More particularly, when it comes to sending more military aid to the Contra guerrillas in Nicaragua, the White House wants to ignore the virtually unanimous advice of all of our Latin American neighbors and partners.

WHAT DO OUR NEIGHBORS SAY ABOUT CONTRA AID?

First, eight Latin American foreign ministers made an unprecedented visit to Washington to last month and pleaded with the administration not to send more military aid to the Contras.

It seems to me that it makes sense to hear the counsel of Mexico, Colombia, Venezuela, Panama, Peru, Argentina, and Brazil. These are not dupes of Moscow; they are our Rio Treaty allies. These are not the enemies of America; they are friendly nations most directly affected by what we do. These are not voices of repression; they represent nations struggling to make democracy work.

Second, moreover, the Presidents of both Costa Rica and Colombia have publicly urged the United States to close down the Contra arms pipeline. These are not private messages of the fearful—they are are open declarations of leaders in the free world.

Yet the administration wants to smear the integrity of these leaders by saying that they whisper other messages in private. But no democratic leader worth his salt can endure if his public utterances clash with his private entreaties. As one South American envoy said, "It is unrealistic for the United States to say that all of our diplomatic work is for show. This attitude leads nowhere."

Third, the administration would also say that opinion polls in Central America show overwhelming support for Contra aid—especially in Costa Rica.

What the Contra-aid supporters don't say is that the most recent poll in Costa Rica shows only 39 percent approval for more guns. What the administration doesn't say is that the President-elect of Costa Rica flatly opposes more Contra aid. Guatemala's newly elected President, Vinicio Cereza has made the same plea.

Fourth, our Latin neighbors, which face the most immediate threat from

any potential Sandinista military aggression or gun-running, have urged the United States to negotiate with Nicaragua via the Contadora peace process and genuine bilateral negotiations. They have ruled out a guerrila war as a practical solution to the region's problems. The original Contadora group—Mexico, Venezuela, Colombia, and Panama—have been trying for 3 years to draft a regional peace treaty for Central America. The Contadora group now enjoys the support of some 300 million in all Latin American nations except three.

What remains is for the President to make a full-fledged, genuine commitment to join our neighbors in working out a negotiated settlement to regional conflict. Until then, guerrilla war and atrocities by both sides in Nicaragua and El Salvador will leave a trail of war dead and civilian casualties—all without cause or reason.

WHY DO OUR NEIGHBORS PROPOSE ANOTHER COURSE?

First, our neighbors believe that Contra aid violates the principle of nonintervention, the bedrock of both the OAS and United Nations charters. If we would preach nonintervention to the Soviets and Cubans, isn't it time that we clean up our own backyard? Our friends to the south fear and resent gringo imperialism under the cloak of the Monroe Doctrine, aid to freedom fighters, or any other self-serving guise.

Second, our Latin allies also fear that Contra aid is the first step on the road to direct U.S. military involvement. As Peruvian President Alan Garcia said recently, "The Latins are saying very strongly that the time has come to tell the United States that you can't just send the marines into Latin America anymore." It's time we learned to use our power more resourcefully.

Third, our friends also worry about a wider spread of conflict unless all parties hammer out a peace treaty for Central America. One South American Ambassador noted that "The United States' (Contra) support efforts lead to concern that it could be the cause of destabilization of and greater conflict in Central America."

Fourth, many of our friends would also tell us that the Contras simply can't win. I have heard estimates that if the guerrillas in El Salvador had the same level of aid as the Contras, they long ago would have toppled the Duarte government. Even if they did win, would the price be worth paying? As former Contra chief Edgar Chamorro said, "Let us imagine * * * after protracted conflict—thousands more deaths and millions of dollars spent—suppose the Contras win. The Sandinistas would fight from the hills * * *. If the Contras win with direct United States intervention, then we are back to 1928. Back to the marines in Nicaragua and the creation of a new Somoza, a new National Guard and a new Sandino." For my money, this is a bad bet.

Fifth, our Democratic friends would also remind us that regardless of whether the Contras can win, we don't want to back that kind of winner. Amnesty International and several other human rights groups have all painted a grim picture of Contra behavior—one of torture, civilian murder, rape, and brutality. This is not to say that the Sandinistas are Boy Scouts—they have their own sorry record on human rights. But I strongly believe that our backing of the Contras only helps the Sandinistas to justify their own excesses.

Sixth, one new Central American leader, President-elect Oscar Arias Sanchez of Costa Rica, put his finger on perhaps the fundamental weakness of our Central American policy. He made clear that "If I were Mr. Reagan, I would give that money to Guatemala, El Salvador, Honduras, and Costa Rica for economic aid, not military aid to the Contras." In a nutshell, send food for the hungry, books for the illiterate, and medicine for the sick.

A POLICY THAT WORKS

To summarize, when you want to solve a problem you talk with people with firsthand experience with the conflict. In this case, we ignore at our own peril the advice of our Latin American neighbors, friends, and allies.

It's time we bend our efforts toward an approach that makes sense, toward a policy which will succeed. Our present policy is a dismal failure—it has not brought us closer to either peace or victory. It's time to change course and enter into genuine bilateral talks with the Sandinistas, without self-destructive preconditions. More importantly, it's time to hear the voices of 300 million Latin American friends and press ahead with peace negotiations in the Contadora process.

If those good-faith efforts fail, let's examine whether any real threat from Nicaragua justifies covert aid or military intervention. But lets not draw our swords until we struggle for peace.

Mr. LAGOMARSINO. Mr. Chairman, I yield myself 30 seconds to respond to a statement by the gentleman from California [Mr. LEVINE].

The gentleman talked about the cutting off of aid for a road project in Costa Rica. I want to inform the gentleman that the cutoff or the cutdown of the project was due to technical problems which preceded the statement by President Arias and had nothing to do with Arias' statement.

Mr. Chairman, I yield 1½ minutes to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Chairman, I would like to just since we are quoting great men like President John F. Kennedy, I think it ought to be set straight for the record on what his attitude was toward communism in this hemisphere.

We all know what the Kennedy doctrine was. We know what he did as far as Mr. Khrushchev was concerned in turning back the ships and in putting an embargo on Cuba for a short time, but I doubt if any of my colleagues on the other side know what John F. Kennedy said the last day he was alive when he was in Houston, TX, before he flew to Dallas on that fateful day when he was assassinated.

He said, "The one thing we must not allow is for the Communists to get a toehold on the North American Continent."

They do not have a toehold there, my friends. They have 119,000 men in their active army and militia. They have T-55 tanks, they have Hind killer helicopters. They received 18,000 tons of war material from the Soviet Union just last year; so the things John F. Kennedy stood for, freedom and democracy, are being subverted in Central America, and my colleagues on the other side of the aisle when they think about that great leader of their party ought to remember that. He would not tolerate communism getting a toehold in Central America during his administration and we should not allow it to flourish there now.

Mr. LAGOMARSINO. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. COURTER].

Mr. COURTER. Mr. Chairman, I thank the gentleman for yielding.

I was wondering what my contribution to this debate was and would be and it is an interesting debate, there is no doubt about that.

I thought I would just talk a couple minutes about an event that occurred on December 7, 1985, and I think another person alluded to it.

There was an automobile, it was a Soviet automobile called the Lada. That car was being driven by a Marxist Costa Rican who was trained in Cuba. On December 7 it was in an automobile accident in Honduras after coming from Nicaragua.

The driver of that particular car said that was the second or third trip delivering war material from Nicaragua to El Salvador. I am sure that some of you have seen pictures of the automobile. It looks like a normal automobile that was in an accident and indeed in fact it was in an accident, but I have not taken the liberty of bringing all the graphs and all the pictures on the floor of the House, but they are outside in the Speaker's lobby.

It shows there are about seven secret compartments in that automobile filled with military equipment. On the floor outside the vehicle, this is a chart of some of the military equipment that was found inside that auto-

mobile, driving from Nicaragua to El Salvador for the express purpose of undermining the democratic regime in that country. Some of the equipment that was in that car had 450 pounds of military hardware and military equipment.

□ 1515

The photo cannot show it all, but there were 7,000 rounds of ammunition in that one Lada car. There were 21 grenades, 86 blasting caps, $27,400 of American cash. The car also contained 39 computer-generated encryption pads for coded communications, accompanied by a letter with instructions from the headquarters of the El Salvadoran Communist insurgents giving instructions to the guerrillas inside El Salvador.

There are some people who say there is really no connection between the regime in Nicaragua and the regime in El Salvador; that Nicaragua really wants to be left alone. It does not. You can listen to what their leaders are saying, and they simply are saying, "It is a revolution without borders and we are aiming at Mexico." That is the real prize. It is not just the Central American countries. It is Mexico itself. And if Central America goes Marxist-Leninist, if Central America becomes a totalitarian country, Mexico is going to be under great pressure. That will be next, and what type of United States are we going to have? Are we going to have the Rapid Deployment Force next to or inside the gentleman's State of Texas?

Mr. DELAY. Mr. Chairman, will the gentleman yield?

Mr. COURTER. I yield to the gentleman from Texas.

Mr. DELAY. I thank the gentleman for yielding.

Mr. Chairman, I would just like to point out when we met with the Vice President of Nicaragua Sergio Ramirez, and asked him about this vehicle, he sort of had a little glint in his eye and his lip kind of turned up a little bit, and he said, "We do not know about this vehicle. Did it not have Costa Rican license plates on it?"

We responded, "Yes, it did," and he said, "Well, there is your answer. That is obviously a vehicle from Costa Rica."

Mr. COURTER. The driver admitted that was not his first movement of supplies from Nicaragua into El Salvador.

During the debate I heard basically four main arguments as to why the United States should not support the Democratic resistance.

No. 1, I heard the argument that it is $100 million, it is too much money, we cannot affort it, we have Gramm-Rudman, we have a large deficit, and we should not send that type of money to the Americas or some country down there.

With all due respect, I have never heard that argument, or rarely heard that argument, made by those people who now criticize that a $100 million is too much, criticizing $5 billion being sent to the Middle East almost on an annualized basis. If $5 billion is sufficient and adequate and necessary and important, and I believe it is, to help Israel and the peace process in the Middle East, if $5 billion on an annualized basis is not too much money to sent to countries 7,000 miles away, how is $100,000 million sent to a country inside the Americas too much money? It simply is not.

I also heard the argument that the Democratic resistance in Nicaragua cannot win, but it is simply a self-fulfilling philosophy. The argument is that they are not doing that well militarily, they are not that well trained, they are not having that much military success at the present time, even though their numbers are increasing dramatically, but it seems to me that the reason they are not doing as well militarily is, in fact, because they have not been supported by democracies, they have not been supported by the United States.

Also, I have heard the argument, and this is the third main argument, that we should try negotiations. We have tried negotiations. We have spoken directly to the leaders of Nicaragua. Nicaragua has turned its back on the Contadora objectives. One of the main objectives of the Contadora was to have internal reconciliation inside Nicaragua; that is, Nicaraguans talking to Nicaraguans. They have refused to do so. Why should we go back to the days of a failed policy?

Does anybody in this Chamber seriously believe that through adroit and clever negotiations, we can democratize Nicaragua, we can turn them from Communist totalitarians into Democrats? I do not believe there is one person in this world who actually believes that cleaver and slick diplomacy is going to change what that country is today.

Mr. LAGOMARSINO. Mr. Chairman, how much time do we have remaining on this side?

The CHAIRMAN. The Chair will advise the gentleman from California [Mr. LAGOMARSINO] that he has 2 hours and 34½ minutes remaining.

Mr. LAGOMARSINO. How much time does the other side have remaining, Mr. Chairman?

The CHAIRMAN. The other side has 3 hours.

Mr. LAGOMARSINO. Mr. Chairman, at this time I will reserve the balance of my time.

The CHAIRMAN. The Chair now recognizes the gentleman from Maryland [Mr. BARNES] for 1 hour.

Mr. BARNES. Mr. Chairman, I yield 2½ minutes to the distinguished gentleman from Maryland [Mr. MITCHELL].

Mr. MITCHELL. I thank the gentleman for yielding this brief time to me.

Mr. Chairman, when I came into the Congress, I was and remain so, committed to the reordering of the priorities of America. We cannot and must not make war, militarisms, and the stockpiling of weapons a priority over our domestic needs.

Today, we once again debate the priorities of America. How can we possibly give $100 million to the Contras while in just my city of Baltimore alone, almost 50,000 people are on a waiting list for safe, sound, sanitary housing. Does it make sense to give $100 million to the Contras while in my city of Baltimore, which grapples with the problem of crime and delinquency, there will be few if any Federal moneys to fight these problems.

One hundred million dollars to the Contras while in my city of Baltimore and in many other urban areas, health care needs cannot be met. One hundred million dollars to the Contras while in our urban areas, the unemployed remain almost hopeless because this administration says we cannot afford a Federal jobs program.

The argument will be raised that the $100 million is coming out of the Department of Defense, and this is true. But it makes my point that the military budget is still so bloated that large sums could be transferred from the military budget to domestic programs without in any way weakening our national security. Such a transfer will not be approved by this Congress, but there are those who will seek the transfer to aid a failing futile policy toward Nicaragua.

Let me take a few more minutes to speak to our international policies. Tragically, we continue to follow a foreign policy based on militarism, interventionalism, and misplaced support. Each time we have supported the wrong government, the wrong forces, we have ended up the loser—China, Iran, and Marcos. Our concern over the spread of communism has, in my opinion, caused us to make serious blunders in our international strategies—and we pay the price for those blunders.

In closing, let me raise the question; $100 million to the Contras leads to U.S. military observers. Does this lead to another Vietnam?

SOME FACTS ON BALTIMORE CITY HOUSING

There are 17,000 units of public housing in Baltimore.

Over 40,000 families are on the waiting list.

No new construction in over 5 years.

Section 202 elderly/handicapped units have declined from 144 units in 1984 to 49 units in 1985.

By 1987, CDBG cuts could reduce services to 84,000 low- and moderate-income families.

JOB TRAINING

The most recent unemployment figure for Baltimore city—January 1986—stands at 5.6 percent.

Job training programs in Baltimore have received the largest cumulative funding cuts of any city program during the Reagan administration.

Overall funding for job training has been reduced by 80 percent.

Summer youth programs have been reduced from 17,000 in 1979 to 6,500 in 1985. Over 40,000 poor teenagers looking for summer jobs.

Due to layoffs at GE, Montgomery Ward, Black & Decker, Allied Chemical, Western Electric, and Bethlehem Steel, there are currently 2,500 displaced workers in Baltimore.

By 1987, over 1,800 low-income residents could be denied training and employment services for job placement under the JTPA Disadvantaged Youth and Adults Program; 1,600 youths could be eliminated under the JTPA Summer Youth Program; 385 fewer displace workers would be served under the JTPA Displaced Workers Program.

EDUCATION

Of the total 51,000 eligible students, only 36,000 students in Baltimore City receive supplemental services funded under chapter I, Disadvantaged Student Program. This program will lose approximately $159 billion this year due to Gramm-Rudman.

Programs for handicapped students in Baltimore are underfunded at $4 million.

By 1987, 8,438 fewer disadvantaged children would be served by chapter I; 4,922 fewer students would be served by vocational education funding; and 184 fewer adults would be served by adult education funds.

HEALTH

The total number of persons living in poverty in Baltimore City stands at 23 percent; 7,500 Baltimoreans are currently enrolled in the Medicaid Program; 87,500 Baltimore City residents are being served by the 7 community health centers which are threatened with extinction; 10,000 homeless persons are being served by aid for the homeless in Baltimore through FEMA.

By 1987, cuts in the maternal and child health block grants would result in 6,500 fewer patients and 25,000 fewer patients visits; and family planning cuts would result in 2,900 patients and 6,000 fewer patient visits.

Mr. BARNES. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Massachusetts [Mr. STUDDS].

Mr. STUDDS. I thank the gentleman for yielding this time to me.

Mr. Chairman, it is a tribute to the American political system that the United States can adopt and carry out a policy that is brutal, illegal, and ineffective and then devote 10 full hours debating whether to do more of it.

By ignoring the pleas of Latin American democrats and submitting this proposal now;

By including military aid;

By emphasizing the role of the CIA;

By using harsh and exaggerated rhetoric;

And by mischaracterizing both the supporters and the opponents of Nicaragua's Government;

The administration has missed an opportunity to unite this country and our regional allies in effective support of Democratic change.

While seeking to isolate undemocratic Nicaragua, the administration has—in a hemisphere of democracies—isolated only itself.

While pompously proclaiming a bold new doctrine it has said will change the course of history; the administration has instead repeated the oldest, tiredest, and saddest mistake in the history of our relations with the Latin world.

The administration admits that regional support is essential if its policy is to succeed. Yet, eight Latin American foreign ministers came to Washington to urge the President not to submit this plan to Congress; the new President of Costa Rica has denounced it; Honduras has refused to serve further as a conduit for Contra aid; and not a single Latin head of state has expressed public support.

The administration says we should disregard what Latin leaders publicly say, and heed instead what we are told they privately believe.

The lesson administration officials would have us learn is that the public statements of elected leaders can, in the name of democracy, be ignored; for they are uttered merely for home consumption, reflecting only the beliefs of the people by whom these leaders were elected, and in whose name they serve. Such a lesson is for dictators to learn, not democrats; for if we truly wish to see democracy extend throughout Latin America, we had better learn to care what the people of the region believe, and the people of the region could find better uses by far for $100 million than this extreme and extravagant package of military aid.

The fact is that our Nicaragua policy will never succeed until it sheds these shackles of extremism; until its message rings as true to those picking coffee in the fields of Nicaragua as it does to those sipping coffee at the Heritage Foundation.

The administration is asking us to give up; for that is what it means to believe that only the CIA can save Nicaragua; that only violence can bring peace; that only civil war can unite the Nicaraguan people.

These are the assumptions of defeatists; they are not true.

The slogans of desk-bound, self-elected, self-described fighters for freedom cannot substitute for an understanding of Nicaraguan history; or sensitivity to the suffering of the Nicaraguan people; or an appreciation of the courage, the intelligence, and the strength of those who have never left Nicaragua—who reside now some within, but many more outside, the government—and who have the potential, with our encouragement, to still make the promises of the Nicaraguan revolution come true.

For the real foes of freedom within Nicaragua are few in number, weak in popular support, dependent on foreign assistance, and without diplomatic or political skills. They can be isolated; they can, in time, be defeated. Their success so far is a tribute primarily to the blunders of our own administration, and to the distrust and disrespect in which the leaders of the Contras are held by the people whose interests they purport to serve.

In the name of law, history, justice, effectiveness, humanity, and common sense, let us vote down this proposal today, and begin tomorrow the task we should have started years ago—of helping Nicaragua become not necessarily what we want it to be, and certainly not what Fidel Castro would like it to be, but instead what the people of Nicaragua, themselves, determine that it should be.

The opportunity is before us. Latin American democrats, Members of both parties in this Congress, and the majority of the American people are ready to unite. We have only to put aside the counsel of extremists and to heed the lessons of history; to substitute determined diplomacy for brutal military intervention; to shift the spotlight of world attention from the mistakes of our Government to those of Nicaragua; and to hold out to the Nicaraguan people the promise of a better future, rather than the reminder of a bitter past.

□ 1525

Mr. BARNES. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Nevada [Mr. REID].

Mr. REID. Mr. Chairman, we who are charged with allocating the foreign aid moneys of the American people are used to criticism. In the spirit of free and open public debate guaranteed by our Constitution, this is as it should be.

But spirited debate involving the actions of this body should not include threats, nor should it include insidious innuendo that questions one's loyalty to country.

Unfortunately—not only for Congress, but for the American people—the debate surrounding this aid package has taken on a tone reminiscent of the cold war years.

In some cases, one can hardly discern the harsh style of propaganda used by those who support aid to the Contras from that of even the Sandinista government itself.

Last week, I received two letters from the National Conservative Political Action Committee urging me to support this aid package. In saying I was urged, I am being kind.

In fact, the vicious tone of this correspondence in falsely alleging my support of communism was surpassed only by its lack of courage in failing to directly accuse me of being a Communist sympathizer.

Enclosed in one letter was a nail—apparently for me to drive into the: "coffin of liberty and democracy for the Nicaraguan people" if I vote against this aid.

I would submit that those who hold liberty and democracy dear would hardly stoop to such a soiled use of their freedom of speech.

I would like to read a brief excerpt of my response to Mr. Terry Dolan, head of Nick-Pack:

Mr. DOLAN: I received your letter in which you imply that unless I agree to provide one hundred million dollars of taxpayer's money for the use of Nicaraguan guerillas, I am a tacit—if not an outright—supporter of communism.

As you are no doubt aware, I have consistently supported resistance to Communist aggression in Afghanistan, Cambodia and elsewhere—and I will continue to do so whenever I believe the money is well spent in the defense of democracy.

On the other hand, the Contra movement you espouse has been repudiated by our friends and allies in Central and South America as playing directly into the hands of Daniel Ortega and his fellow Communists.

I agree with them, and with the certified conservative Senator Nancy Kassebaum, whom you have endorsed in the past and who has decried attacks such as yours on the patriotism of the opponents of this aid package.

As for your promise to inform my constituents of my vote, it might interest you to know that I'll be running for the U.S. Senate this year.

As you'll remember, in 1982, Nick-Pack suported Jim Santini in the Democratic primary in Nevada against Howard Cannon. Mister Santini repudiated your support and later said that Senator Cannon was the total beneficiary of your efforts.

In any case, I certainly don't give in to threats, and in response to your question about how I'll vote, I'll do what I always do: I'll vote for what I believe is right.

Sincerely,

HARRY REID,
Member of Congress.

We in Congress support freedom and democracy, regardless of our party affiliation. This is not a partisan matter.

And this aid package should not be a litmus test of our patriotism. We may disagree with funding the Contras, but we are working to contain communism, not only in this hemisphere, but in farflung reaches of the world.

We all want to contain communism. It is in our methodology that we differ.

It is because I believe this is not sound policy that I am voting against this aid package—not because I am unpatriotic, as the Nick-Packs of the world would have the American people believe. I urge my colleagues to join me in this opposition.

Mr. BARNES. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. Mr. Chairman, I rise in strong opposition to the resolution.

The new democratic tide in Latin America that President Reagan speaks about will not be advanced by the Contras.

Half of the problems in Nicaragua today come from President Reagan's attempt to put yesterday's people back in power there. Let there be no mistake that the military command of the Contras is packed with Somoza thugs. We aren't trying to send Marcos back to the Philippines. We aren't trying to send Duvalier back to Haiti. So why are we trying to send Somoza's men back to Nicaragua?

Well, the President is making a last-gasp effort to revive the policy of global containment. But the American people, remembering 15 wrenching years and 50,000 American deaths in Vietnam, won't let their sons and brothers go off to die in another dirty little war unless vital interests are clearly at stake. President Reagan's rhetoric hasn't convinced anyone that tiny Nicaragua is a real threat to our Nation. So the administration is attempting to end run—using surrogates to do the dirty work for us.

Are we entering the era of Reagan Quixote, willing to saddle up with forces like the Contras, anywhere in the world? I look at our foreign policy and I think the administration has lost the reins.

We must not follow a doctrine that says: "If you've got a war, we've got the guns."

If covert war is going to replace overt diplomacy, we may as well shut down the State Department. Or perhaps, just perhaps, we could work out a foreign policy that builds upon the regional consensus of Contadora, and respects the noblest aspirations of the Central American people.

But if the President chooses to go on a binge with freedom fighter firewater, he's going to wake up with a nasty, real world hangover.

Central America is already reeling from that hangover; 15,000 heavily armed men are running around the countryside in Central America, committing terror. They're not going to bring the Sandinistas down, but they're scaring the wits out of a lot of innocent peasants. And not just in Nicaragua. Many people in Honduras are more than a little nervous about this Contra army based in their country.

Let me tell you a secret. The Contras aren't fighting to prevent arms getting out of Nicaragua. They aren't fighting to reform the Sandinista government. And they aren't fighting to lift censorship of La Prensa.

They are fighting to take over that country, and they are doing it in a very brutal way. But they can't win without direct military involvement.

□ 1535

The CHAIRMAN. The time of the gentleman has expired.

Mr. DELAY. Would the gentleman ask for time and yield to me?

The CHAIRMAN. The time is controlled by the gentleman from Maryland and the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. I yield 30 seconds to the gentleman from Texas.

Mr. DELAY. I would just like to point out to the gentleman, and I will not yield because he would not get his own time, the gentleman says that the Contras are "packed" with Somocistas that used to fight for Somoza.

Would it be interesting to note that out of the 153 leaders in the FDN, only 41 are from the old Somoza National Guard, 23 of those are the young officers, not the leaders of Somoza's National Guard; 18 of them are soldiers that were very young men at the time of Somoza that are only young officers at the present time.

So they are not packed with Somoza's National Guard, and that is a misleading statement. Furthermore Mr. Robello, Mr. Cruz, and Mr. Calero, the Contra leaders, all opposed Somoza.

Mr. BARNES. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Michigan [Mr. WOLPE].

Mr. WOLPE. Mr. Chairman, I rise in strong opposition to the resolution to provide $100 million in American taxpayer funds to the Contras.

Mr. Chairman, let us be very clear at the outset that those of us who oppose this resolution agree with its supporters that America does in fact have critical interests at stake in Central America. We have a definite political interest in seeing an end to violations of human rights by the Nicaraguan Government and in advancing the cause of democracy and pluralism in Nicaragua. We have an important strategic interest in insuring that no country in Central America becomes a base for the projection of Soviet or Cuban military power in our hemisphere, or ever permits the placement of weapons that could directly threaten our Nation. We certainly have an impor-

tant economic interest in fostering the strongest possible commercial relations with our neighbors to the south. And we have a clear humanitarian interest in assisting all of Latin America in overcoming the tragic poverty and injustice that have taken a terrible human toll over so many decades.

The only real question we are facing today is: How can these interests best be advanced? Very simply, those of us who oppose the $100 million requested by the President are convinced that there is virtually no action that this Congress could take that would do greater damage to American interests in Central America or would provide more explosive material for Soviet and Cuban propagandists. And at a time when we are asking our own citizens to accept very painful cuts in vital domestic programs—cuts in job training and housing and health care and education—it is unconscionable that we are even contemplating wasting American tax dollars on such an ill-conceived foreign policy.

It is most unfortunate that the President's characterization of the situation in Central America has simply ignored a number of significant elements and facts that must be understood if we hope to both advance the cause of democracy in Nicaragua and serve American interests in the region.

First, we must acknowledge the fact that the Contras are anything but a homogeneous, ideologically committed, democratic resistance and the repeated use of anti-Communist slogans and labels cannot transform this tragic reality. Certainly there are some Nicaraguans genuinely committed to democratic values who are now part of the Contra forces. But the fact remains that the majority of the key military leaders of the Contras come from the despised national guard, known for their widespread brutality under the repressive Somoza dictatorship. The administration has itself acknowledged that at least 9 of the 13 military leaders of the Contra high command are former national guardsmen—Col. Enrique Bermudez, supreme commander; Lt. Walter "Tono" Calderon, theater commander; Lt. Harley "Venando" Pinchardo, personnel commander; Lt. Rodolpho "Invisible" Ampie, intelligence commander; Lt. Louis "Mike Lima" Moreno, operations commander; Carlos "Pajarito" Guillen, special operations, Nicaragua; Capt. Juan Gomez, air commander; Maj. Donald "Toro" Torres, counterintelligence commander; and Lt. "Roberto", artillery commander. There is no more certain way to rally popular Nicaraguan support for the Sandinista government than by allying ourselves with elements so closely identified with the deposed and hated Somoza regime. Edgar Chamorro, himself a former leader of one of the principal Contra forces, has publicly admitted that the Contras are controlled and directed by ex-national guardsmen and that the Contra forces routinely engage in brutal acts of civilian mutilation, murder, torture, and rape. These unspeakable atrocities committed by the Contras have undermined whatever hope they may have had for garnering sympathy and support within Nicaragua. And our alliance with these ruthless forces seriously compromises American credibility and effectiveness in the region and plays directly into the hands of Soviet and Cuban propagandists who would like nothing more than to portray the United States as allied with this sort of violence and brutality.

The people who are bringing us the Contras today are the very same folks who brought us Ferdinand Marcos—both packaged and sold under the same deceptive label. Haven't we learned that we do nothing but violence to American traditions and American interests when we tie ourselves to those who do not share our Nation's proud values and traditions, but who simply manipulate the labels and slogans of anticommunism? When we allow ourselves to be manipulated in this way, we seriously endanger American interests. To continue our support for the Contras, as we did for Marcos long after it was clear that his was a horridly corrupt and doomed regime, opposed to everything that our country stands for, is folly—pure and simple. The only sure result of this policy is that it will mobilize the Nicaraguan population in defense of Nicaraguan sovereignty and the Sandinista government. And the only sure winners will be the Soviets and the Cubans.

Second, another critical point curiously omitted in public statements made by President Reagan, is that nearly every single one of our closest friends and allies in this hemisphere is opposed to American support for the Contras. If American interests are truly to be protected, it is basic common sense that we listen carefully to the advice of our friends in the region who in fact share many of our concerns about the Nicaraguan Government. The countries closest to the conflict—Mexico, Colombia, Panama, Venezuela, Argentina, Brazil, Peru, and Uruguay—have warned us explicitly that giving money and guns to the Contras is a terrible mistake. In fact, the foreign ministers of these eight nations came to Washington recently to plead directly with Secretary of State Schultz to end our involvement with the Contra forces and to join with these Latin American nations in negotiating a regional solution to the conflicts in Central America. These nations are telling us that aid to the Contras will only serve to escalate tensions in the region, foster increased instability that would threaten these other democratic governments, reduce American influence, and directly undermine efforts to promote truly democratic principles in Central America. This is the reality, Mr. President, whether or not it fits into your picture of events in the region. In this world, the real world, our Government is virtually alone in insisting upon continuing down this treacherous path of support for the Contra forces. In the end, we will find that it is not the Sandinistas that will be isolated, but the United States.

Let there be no doubt as to where the administration's Central American policies are taking us. The administration has attempted to sell this policy on the grounds that we face a choice between military aid now or U.S. troops later. Mr. Chairman, the American people know, and I believe the majority of us here well know, that this is not the full truth. The fact is that our Government is engaged in the buildup of a permanent military presence in Central America right now and additional aid to the Contras is only another step in the escalation of America's military involvement in the region and the steady march toward war.

Let us halt this march right now. Let us abandon this dangerous and self-defeating policy. And let us act to put America's tremendous economic and political power behind efforts to work in concert with all of our friends and staunchest allies in the region to produce a lasting, negotiated solution to the problems in Central America.

Mr. Chairman, for all the reasons I have outlined above, we must, in good conscience, reject unequivocally the President's request for military assistance to the Contras.

The President, in making this proposal, has in fact avoided the critically hard choice that we face on this issue.

The President knows, the Secretary of State knows and this House knows that $100 million in military and material assistance to the Contras is wholly insufficient either to achieve significant progress on the ground or to induce a diplomatic, political solution to the conflict in Nicaragua. On the contrary, approval of this resolution would both prolong the agony of the Contras, condemning them to a delayed and painful defeat, and would harden the resolve of the Sandinistas, provoking them to further outrages against their own people and Nicaragua's neighbors—potentially expanding the war in Central America.

Mr. Chairman, if the threat posed by the Nicaraguan Government to the national security interests of the United States is so paramount, if the threat to the security of this hemisphere is so overriding, then it is incumbent on the President to request

from Congress a declaration of war against Nicaragua.

This is an issue that demands from the President, and from us, the most compelling honesty with the American people and with our allies in the Americas. Our future is at stake here, no matter how we proceed.

I believe that we are today embarked on a dangerous course. Our objectives are not clearly defined, our tactics not resolved, our diplomacy not effectively executed. This is a prescription for failure. We are on the brink of sliding inexorably into a major involvement in Nicaragua without letting the American people, or their elected officials, honestly determine whether we indeed want to fight a war in that country.

The American people deserve better from us and from their President. They deserve to know precisely what we want to achieve, why we must attain it, and how we must go about it. And if indeed the Nicaraguan Government poses a mortal threat to our national security, as the administration contends, then the American people deserve a referendum on the question of war or peace in Nicaragua.

The President should match his military daring with some political courage. If indeed he wants to pursue military conquest in Nicaragua, to defeat the Sandinistas and to replace their regime with a new government, then he should ask the Congress for a declaration of war.

I have no doubt as to how the American people would respond, and those who vigorously oppose any military involvement in Nicaragua, as I do, should not fear the constitutional exercise of power by the Congress. But we should all fear the unbridled exercise of covert authority, without accountability, by the Executive. The American people do not want to go to war in Nicaragua, and the President knows it. The United States should not be dragged into a war in Nicaragua without the consent of the American people.

It is time to place the issue squarely before the country. It is time for honesty, truth and intelligent choices worthy of our democracy—and not deception, evasions and policies doomed to failure and recrimination.

The CHAIRMAN. The time of the gentleman has expired.

Does the gentleman from California desire time?

Mr. LAGOMARSINO. Mr. Chairman, I will reserve at this time.

Mr. BARNES. Mr. Chairman, I yield 3 mintues to the distinguished gentleman from Pennsylvania [Mr. KOSTMAYER].

Mr. KOSTMAYER. Mr. Chairman, so much has been said on this subject by so many that I am reluctant to add to it, but I join the debate because tomorrow, March 20, 1986, will be an historic day in the history of our country and in the history of the Congress of the United States.

Tomorrow the Congress will choose whether or not to widen the war in Central America or whether or not to begin, I think for the first time, a genuine and sincere attempt to end the war in Central America by the political process, not by the process of violence.

What if, what if President Reagan wins the vote here in the House tomorrow. What will happen? The Contras, now relatively quiescent, will be envigorated. The violence and killing will escalate.

The Contadora peace process will suffer a devastating body blow, and after the midterm elections of this year, President Reagan will be back to ask for more money.

At that point, the President will argue, as Presidents have before him—specifically, our own Democratic President Lyndon Johnson—that we had made too great an investment, too large a sacrifice in Central America to turn back, and I know that the parallels with Vietnam are tiresome and somewhat hackneyed, but I believe that they are not overstated. They are accurate and they are important.

All of this—the direction in which our country will go, hinges on us in the House tomorrow. So now is the time to fashion a political and not a military solution. Why? Because, Mr. Chairman, there is no military solution. There is no military answer to the problem in Central America.

One hundred million dollars is not enough to topple the Sandinista government. There is not the kind of widespread popular support that the Contras require to be victorious in Nicaragua. They do not enjoy that popular support in their own country; they do not enjoy it in ours.

The Sandinistas, an army of more than 60,000, will not be defeated by a Contra arm of about 8,000. Now is the time for us to support our neighbors in the region who have endorsed the Contadora talks. The time for peace is now, the chance is ours if we seize it.

If our neighbors are willing to sit down with the Sandinistas and negotiate, why aren't we?

If we defeat the President's request for $100 million tomorrow, Mr. Chairman, the security of the United States will not be threatened by this tiny and impoverished nation of 2.8 million souls. But unless we defeat the President's request tomorrow, the prospects for peace will surely be extinguished.

Mr. LAGOMARSINO. Mr. Chairman, I yield 30 seconds to the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. Mr. Chairman, the last several speakers have talked about Nicaragua Government. We have not heard one speaker on that side of the aisle say anything about the Soviet threat that is there. We have not heard one speaker say anything about the thousands of Cubans, about the hundreds of other Soviet bloc advisers.

Let me ask the gentleman in the well: Is he concerned that there is an evolving, growing, massive Soviet military threat in Nicaragua or not?

□ 1545

Mr. KOSTMAYER. I am concerned.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. BARNES. Mr. Chairman, I yield an additional 30 seconds to the gentleman from Pennsylvania.

Mr. KOSTMAYER. I thank the gentleman for yielding.

Mr. Chairman, I say to my colleague and friend from Pennsylvania, I am concerned about the presence of Soviet and Cuban advisers in Nicaragua, all of us are. But we know there is one way to guarantee more Russians and more Cubans in Nicaragua; fund the Contras. What will the Nicaraguas do? They will have no choice but to turn to the Soviets, turn to the Cubans to ask for more military assistance.

The Reagan approach is a guarantee for more bloodshed and is guarantee inevitably that the presence of American troops from Allentown and Bethlehem and all over the Lehigh Valley will be called upon to die in Nicaragua.

Mr. LAGOMARSINO. Mr. Chairman, I yield 30 seconds to the gentleman from Pennsylvania.

Mr. RITTER. I thank the gentleman for yielding.

I address this to the gentleman from Bucks County, PA: That is the best way to ensure the eventual use of American troops is to nothing, is to let that threat evolve to the state at which it really approaches Mexico and the United States and at that point you will be sending people from Doylestown.

Mr. DELAY. Mr. Chairman, will the gentleman yield?

Mr. RITTER. I yield to the gentleman.

Mr. DELAY. The threat has been building because we have not been giving aid for 2 years and the Soviet threat has been increasing.

Mr. LAGOMARSINO. Mr. Chairman, I yield 3 minutes to the gentleman from Louisiana [Mr. ROEMER].

Mr. ROEMER. I thank my colleague for yielding. Should we be surprised that the illegitimate government of Nicaragua represses its own people? Or that it pursues a policy of genocide against the Indians on its east coast? Or that it proclaims and practices a policy of exporting Communist revolution to other countries in the region? Or that it receives huge sums of military aid from Russia and Cuba? Or that it allows and encourages its terri-

tory to be a safe haven for terrorists? Or that it brutalizes the truth in its attempts to manipulate the media in the free world? Should we be surprised?

Of course not. Remember the lessons of history, taught first by Lenin of the Soviet Union and then by Castro, to name just two: the revolution is the thing, not freedom, not liberty, not decency. The people's interests mean nothing. The Communist dictatorship of the left in Nicaragua will not voluntarily concede pluralism or justice or peace any more than the Somoza dictatorship of the right voluntarily acquiesced to any of those. It is not in the nature of a totalitarian state to do so.

Knowing this and realizing that their terror is a threat to all peace-loving people everywhere on Earth should be enough to make us realize that we must use every rational means to tell the world and to inform the Sandinistas that Cuba, Jr., in Central America will not be tolerated. We must keep the pressure on Nicaragua to change. That pressure includes both diplomatic strokes and military assistance to the Contras. One without the other is inadequate. it is a messy, difficult moment in our history, but a decision is unavoidable. We must not play the ostrich.

We must be freedom's eagle.

Military aid to the Contras should be approved. The Contras are far, far from perfect. As a recent editorial said, however, not all Contras are Democrats, but all Democrats in Nicaragua are Contras.

Are we assured of victory? Are there no risks? Victory is neither assured nor riskless, it never is. But I would rather send our money now than our men later.

Of all our choices, the option we must not take is the option of doing nothing. That is a certain loser for the people of Nicaragua and of America.

I ask my colleagues to approve the President's plan; make it better, but not be guilty of congressional paralysis. Let it not be said in history that this Congress could best be described by four words: too little, too late.

Act, act now.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. The Chair will remind all persons in the gallery that they are here as guests of the House and that any manifestation of approval or disapproval of proceedings is in violation of the rules of the House.

Mr. BARNES. Mr. Chairman, I yield 2 minutes to the distinguished Member from Minnesota [Mr. OBERSTAR].

Mr. OBERSTAR. I thank the chairman for yielding.

Mr. Chairman, the issue in Nicaragua is not whether we oppose communism. We oppose communism. The issue is whether we will adhere to our own principles of democracy. Our vote for or against the President's $100 million aid package must be judged on whether it is right, measured by our own democratic tradition; whether it will be effective, measured against the administration's goal of military overthrow of the current Nicaraguan Government; and whether we can afford this expenditure while slashing funds for domestic programs to reduce our domestic deficit.

If Nicaragua and the Sandinistas are the military threat the President claims, an argument which borders on the absurd, then he should mobilize the necessary military force and act decisively rather than hire these discredited mercenaries loosely called Contras.

The administration will not act frontally, openly, because to do so——

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. Mr. Chairman, the gentleman is being harrassed by these people. He has not recognized them. The House should be in order.

The CHAIRMAN. The Committee will be in order. The gentleman from Minnesota has the time.

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I do not yield.

The administration will not act frontally and openly because to do so would be to require the President to ask the Congress for a declaration of war which would manifestly be rejected. A more rational approach was outlined by an editorial in the small-town newspaper in my district, the Hibbing Daily Tribune, which said, "Why not give the peace initiatives in Nicaragua a chance? Why support a hopeless war when our best chance in that nation is to bring it back under our sphere rather than pushing it away?

"The President says he is a Contra. Unfortunately the Contras have shown themselves to be one of the most inhumane groups of people assembled in the Americas. The President is making an emotional appeal on an issue that we should be dealing with in a very clearheaded fashion." That is a sensible call for reason and rationality and balanced approach to a very fundamental problem in the Americas. We invaded Nicaragua twice. We gave them Samoza. The people of Nicaragua recognize we gave them 30 years of military suppression. They do not want more of it. Reject the aid package, reject America using mercenaries to go to war against the Nicaraguan people.

Mr. DORNAN of California. Mr. Chairman, I yield 30 seconds to the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. I thank the gentleman for yielding.

The gentleman from Minnesota again mentioned the Nicaraguan threat and the Sandinista threat. I would like to ask the gentleman from Minnesota does he accept the reality of a Soviet-Cuban threat within Nicaragua and that that is the basis of so many of our arguments? We are not concerned about a country of 3 million people. We are concerned about Nicaragua being built into a major Soviet-Cuban base to subvert its neighbors, the region, and to threaten the United States of America.

Mr. OBERSTAR. Mr. Chairman, will the gentleman yield?

Mr. RITTER. I yield to the gentleman.

Mr. OBERSTAR. If that is the gentleman's concern, why does not the administration go after the source, Cuba and the Soviet Union?

Mr. RITTER. Does the gentleman propose making war on Cuba and the Soviet Union?

Mr. OBERSTAR. That is what the gentleman is asking for.

Mr. RITTER. No, I am not.

Mr. DORNAN of California. Mr. Chairman, I yield myself 10½ minutes.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. DORNAN of California. I gladly yield to the gentleman from Illinois.

Mr. HYDE. I thank the gentleman for yielding, my friend from California.

And I will try to be very brief.

I was enthralled by the remarks of the gentleman from Minnesota about us making war against the Nicaraguan people. The Government of Nicaragua had a Comrade Bayardo Arce Castano, vice coordinator of the executive commission attending the Soviet Congress in Moscow on March 3, the 27th Communist Party Soviet Union Congress. He addressed the Congress over there in Moscow. Among the laudatory things he said about Comrade Gorbachev, he said, "Our people, Government, and the Sandinista Front fully approve the precepts of the new edition of the Communist Party of the Soviet Union program. We are convinced that our duty is to mobilize state, political, and public forces throughout the world to implement the proposals of the General Secretary of the Communist Party Soviet Union Central Committee which the Congress has ardently supported."

Now if the gentleman identifies that kind of talk with the poor people of Nicaragua, then the gentleman is welcome to that opinion. But that is communism, Marxism, Leninism in action, attending the Soviet Congress. And I believe for the people—I have not yielded.

Mr. DORNAN of California. I yield 30 seconds to the gentleman from Minnesota.

Mr. OBERSTAR. The issue is not what was said in Moscow, the issue is whether we will send $100 million.

Mr. HYDE. Well, in any event, the gentleman identifies this kind of talk with the people of Nicaragua and I believe for the people of Nicaragua.

One last thing which has just come to my attention, that Gen. George Washington had been a member of the British Army before the Revolutionary War. That makes him sort of a Somocista, a pre-Somocista switch hitter.

And I suppose we had better rip his name out of the history books. I thank the gentleman.

Mr. DORNAN of California. Yes, unfortunately, George Washington was a Contra-George III.

Now this debate I think has shown the finest of our House. It started to get off to a bad start as though some of us on this side of the aisle were questioning because there were some voices raised around our country questioning the judgment of people in here, that we were questioning patriotism. I do not even question the judgment of some of our Members given the body of facts that they work with. What I do question, and I hope nobody wants to take down my words, I have weighed this, I do not think it is an insult, I question your sense of urgency. I am going to try to leave time for one of the best debaters in this House, my colleague from California, Mr. DELLUMS, to engage in a colloquy on some of the points about international law. But a subject I asked to speak about today with my leadership is the religious persecution of my church. This happens to be the second anniversary of the "Dear Commandante" letter. I thought my good friend, STEVE SOLARZ, delivered an interesting debating solid blow against one of the scholars on our side of the aisle, Mr. GINGRICH, by pulling out a letter that Mr. GINGRICH had written to the Soviet Premier, one of those who dies in the last few years, saying, "What is wrong with writing to somebody?" I never found fault with that.

I sign many of your letters on religious persecution to the heads of Communist governments in Romania, right to the head shed of the Kremlin itself. But 2 years ago many of you wrote, including your distinguished majority leader, and you expressed fond hopes of what you thought, general advice, of what you thought the Communists down there should do. They have dashed your hopes.

Now we have, a far cry, I might tell some of the freshmen and second-termers on this side of the aisle and that side of the aisle, we have come a far cry from when one of our distinguished colleagues who stood right here, and I will not mention names because he has gone on to what some think higher glory somewhere else, but he said that his dealings with the Sandinistas had shown him, and this was only 3 years ago, that they were the moral equivalent of the Boy Scouts of America. And then he spared us going down what some of us learned in school: Trustworthy, obedient, and eventually getting to the word "reverent."

Now please let me as a practicing Catholic—I make no claims to being devout, as some people had across this country in the last couple of years in our political system. People who are devout generally do not know they are devout. I am just saying that I am loyal. I try to be.

Now when I sat with three priests of my religion Friday in the curia office in Managua, I asked each of them for the benefit of the eight other Congressmen I was with how many years each of them had been a priest of God, and it tallied up to 54 years. One was a cardinal, one was a young bishop names Vivas, and the other was a young priest who had had the great responsibility of running Radio Catolica until it was taken away by force from him on January 1.

Now the sense of urgency that some of us do not feel in this body is rooted right in that religious persecution. I am going to give my colleagues on both sides of the aisle who are not with the President, I am going to give you an arithmetic problem where you must question the honor of a young liberal woman in our Embassy, since assigned elsewhere in the world, who teamed up with a young conservative lady in our Embassy. Both of these ladies happen to be practicing Catholics. And they did a survey of the Catholic Church in Nicaragua.

□ 1600

And they came up with the figure of 912 priests, nuns, monks, foreign and domestic. And they surveyed as best they could that 912. It took them over 2 years to do this. And they came up with the figure of 860 loyal to the Holy Father in Rome to the 10 bishops down there, 860 out of 912. That left 52 in the so-called popular church. I happened to interview bishops like Walsh, who spent 30 years in prison because he would not in Communist China in days of yore, would not join the popular church. There are still priests and bishops, Chinese priests and bishops of the Catholic Church, in prison in Communist China as we move along down this path of détente that we are trying to work out with the Communists in China.

Of these 52, Cardinal Obando y Bravo, who I have said from this well I believe is the most courageous man in this hemisphere, said that only 10 of them were native born Nicaraguans.

Now, Congressman HYDE has discussed Father Molina with his big mural behind the alter with Jesus Christ holding an AK-47. I think that in and of itself is blasphemous. This is the same Jesus who took the soldier's ear and placed it back on his head when it was cut off by the sword of St. Peter. This is the Prince of Peace who has recommended not warfare even in the moment when He was being asked to give his life for all of us.

This arithmetic problem was corrected for me just Friday of last week by these three priests, a cardinal, a bishop and Father Bismarck Carballo. He said 860 is more like 840, and the popular church is not even 52; it is about 40 or 45.

Now, these people in that 45 are the ones who meet with the religious left of my church and all the church denominations down there and gives them the grand revolutionary tour. They do not want to hear about the turbus devinis, the miscalled divine mobs, who will beat the cardinal, then archbishop's automobile to a total wreck. I said, "Maybe they did not know it was your car, your eminence." He said, "I was sitting in it." I said, "Well, maybe they did not know you were their bishop." He said, "I had my red robes on."

Cardinal O'Conner of New York told me after mass just Monday, St. Patrick's Day, that he believes that Cardinal Obando y Bravo was in danger of being martyred right here on the continent of North American, the hatred is that intense.

Let me tell you about this Father Bismarck Carballo. Just last year, he was set up with a woman in a room where they were going to try to take compromising pictures of him. He fought. They never were able to get those pictures. But they forced him to strip at gunpoint, dragged him out in the street, and then put him being run naked down the street on television. He has been beaten up.

And one of the second level of commandantes, the first nine never heard a gunshot fired in this revolution—there is no Eden Pastoras heroes of the revolution in that group. But at the second level, I will give this man credit for fighting Somoza in the hills. His name is Lenin Cerna. Either his mother was prescient or he assumed this name. But Commandante Lenin Cerna told Father Bismarck Carballo on January 1 of this year, "I am going to kill you, Father, if it is the last thing I do."

Now the persecution of the Protestant Evangelicals is such that I implore you to meet in the Rayburn room as about 40 Members have done this morning a gentleman named Prudentia Baltadona. He has his ears reconstructed by several reconstructive plastic surgery operations. You can still see the slit on this throat where they tried to cut his juggler, but instead they cut his carotid artery. They hung him from a tree Nazi style. We have all seen the pictures of what the Gestapo used to do to people at the foot of trees. And one of the Sandi-

nista soldiers there said, "Shall we shoot him? A higher official said, "No," sticking the bayonet in the wound on his throat. You can see the keloid scar. He opened up the wound and said "No, you see, I slit his throat and he is going to die."

As they turned and left him, and this is an important point, they had forced him to dress in Contra clothes. As they turned to leave, Prudentia—he is being very prudent. He is not in politics. He is waiting outside there to see us—they said, "Now let's see if your God will save your life." Well, God decided he was not to die, and he is here nonpolitically to give testimony to us today.

I do not care whether you impelled to match Father Carballo's story or Minister Prudentia Baltadona's story against stories of your own, the flat out facts are religion is being persecuted and shut down in this tiny nation of Nicaragua.

I beg you, since you all agree now that they are not Boy Scouts, that they are hard-core Communists and that some of them are killers, let us develop a sense of urgency here, so that if the gentleman in the other body from Tennessee is correct that he does not want his sons to die, then let us save the sons of Eden Pastora who, with his 17-year-old daughter, are in combat right now in that small country of Nicaragua.

Read this book.

Mr. BARNES. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. Mr. Chairman, I thank the gentleman for his time.

Mr. Chairman, it seems to me that this argument has kind of deteriorated. It has been a very gentlemanly argument, but everybody despises the Communists. I do not think there is any argument about that.

One of my colleagues from South Carolina made the statement that he hoped that some day his grandson could look back and see whether he had stood with the folks who were the good guys and the ones who had voted against for voting for the Communists.

I have voted for MX missiles. I have voted for our war machines to be a counterbalance to the Soviet Union. And the President has been very strong in his rhetoric as far as the Soviet Union is concerned.

What would be wrong in having some strong rhetoric to the Soviet Union that we are not going to tolerate more gunships coming into Nicaragua, to the Cubans.

Let me just tell you where we are. This debate has been presented that if we do $100 million, then the Communists are going to disappear. Some folks have alluded that it is going to be a long expensive operation, but $100 million solves our problem; $100 million and everything will be OK and we will be able to move along.

Let me tell you we have spent since 1983 $170 million in exercises in Honduras. We spent another $21 million in military construction. We have two permanent airfields and four temporary airfields. Now, sooner or later, in my opinion, the Contras are not going to do the job with $100 million; they ar not going to be able to do it with $200 million or a half a billion dollars or a billion dollars. Sooner or later, they are going to have to have gunships, they are going to have to have sophisticated weapons, because that is what we are fighting against. The Sandinistas have them, absolutely they do.

So when you talk about we are not going to have American people involved in Nicaragua, it seems to me to be missing the point. Whether you go the $100 million or the half a billion dollars for the Contras, sooner or later, if you remove this government, which seems to be the goal, you are going to have to have Americans involved.

Mr. DORNAN of California. Mr. Chairman, I yield 15 seconds to the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. Mr. Chairman, the gentleman from North Carolina has outlined the scenario of an invasion. That may or may not be what is necessary. But for God's sake, let us give something a chance for those people who are willing to fight for themselves.

Mr. BARNES. Mr. Chairman, in order to give the gentleman from North Carolina an opportunity to respond, I yield the gentleman 30 seconds.

Mr. HEFNER. The gentleman said, are you advocating an attack on the Soviet Union. The President has called them an evil empire. Why not say to the Soviet Union, "Look, this is in our hemisphere. We don't wish to have any more gunships brought into there." Talk tough to the Russians.

If it is our interest not to have this threat on our hemisphere, sooner or later you will have to face it. Why not face up to it now? Why are you leaving in the hands of 20,000 Contras with $100 million for the security of this Nation?

Mr. DORNAN. Mr. Chairman, I yield 11 minutes to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Chairman, 25 years ago, President John F. Kennedy stood on a platform at the east portico of the Capitol, only a few feet from where we are meeting right now, and summoned the American people to "bear the burden of a long twilight struggle." On that occasion, when he was inauguarated as President, John F. Kennedy also issued this warning:

Let all our neighbors know that we shall join with them to oppose aggression or subversion anywhere in the Americas. And let every other power know that this hemisphere intends to remain master of its own house.

The world has turned over many times since that day, but the summons the President issued then is still in force—and still relevant to the times in which we live. If the Sandinista leadership in Nicaragua was content to merely act out of a self-conscious parody of the ideals for which the Nicaraguan people fought in 1979, that would be bad enough. But when that same leadership surrenders the country's sovereignty to act as a surrogate for foreign powers in order to spread the false hope of Communist revolution in neighboring countries, it becomes the vital concern of every person living in this hemisphere.

"This revolution goes beyond our borders," so declared Tomas Borge on July 19, 1981. And so the Sandinistas have acted ever since, in concert with guerrilla groups throughout the hemisphere, and buttresed by the largest amount of Soviet bloc arms and advisors to be introduced in the Caribbean basin since the Cuban missile crisis in 1962.

It's always interesting; of course, to hear a Communist thug talk about the so-called revolution. It's interesting and ironic because Communists always want to sponsor revolutions against everything except communism itself, which is, in truth, the most reactionary model for political and social development that mankind has yet devised. And true to form, the Sandinistas have resorted to a psycholory of crisis, a psychology of ongoing revolution as the only plausible justification for continuing their disgusting regime.

Mr. Chairman, before I consider in detail how corrupt and disgusting the Sandinista regime has become—indeed, how truly reactionary the Sandinistas really are—I cannot avoid one final observation about the nature of these so-called revolutions. In the course of a congressional session, we debate American polity toward many countries. Whenever we discuss a country that has not yet had one of these grand and glorious leftwing revolutions, we do so in terms that suggest a sense of inevitability, a historical necessity for change that must inexorably come. But such is the romanticism—indeed, the fantasy—that surrounds a Communist revolutionary state like Nicaragua, that we frame our debate in terms that suggest an acceptance of the present tyranny in that country as a permanent fact of life.

But, Mr. Chairman, that is precisely the issue that is at stake in this debate. We need not accept the proposition that the hopes and dreams of the Nicaraguan people for a free and

democratic society are lost forever. We need not accept the proposition that the corrupt and despotic criminals who masquerade as revolutionary leaders have succeeded in subverting irrevocable the very liberties that the revolution in 1979 was intended to establish.

There is an alternative to this nightmare in Nicaragua that alternative is to support the administration's request for the provision of military assistance to the democratic resistance forces fighting in Nicaragua. And I cannot draw the attention of Members to a more eloquent series of arguments in favor of this proposition than those that appeared in the March 24 edition of the New Republic. Entitled, "The Case of the Contras," this powerful editorial exposes the shallow reasoning and the hollow arguments used by those people who would deny American support for the resistance forces in Nicaragua.

As I begin to consider how the Sandinistas have betrayed their own revolution, let me quote from one portion of the editorial. It reads:

It is hard for Americans to believe that some people act out of ideological conviction. Look, therefore, at what the Sandinistas did long before there was a Reagan, long before there were Contras. In 1 year the Carter administration gave them in aid the equivalent of half of what Somoza received in 16 years, and during that time they systematically eliminated their democractic allies and aligned themselves with the Soviets.

□ 1610

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from Pennsylvania.

Mr. RITTER. If I could just for a moment get back to the colloquy that the gentleman from North Carolina and I were carrying on, the gentleman from North Carolina says we should tell the Soviets and the Cubans to back off. That is what I understand him to be saying.

Now, I may agree with that. But his colleagues are going into the well, and we have to, like, pull teeth to get them to admit that there is a Soviet threat, that there is a Communist threat.

The gentleman from North Carolina says: No more helicopter gunships.

Well, they may have as many as two fleets of MI-24 Hind-D's right now. With us pulling the rug out from under the opposition, there is no need for more helicopter gunships, there is no need for more MI-24's, there is no need for more MI-8's, they have got 150 tanks, they are loaded with 1.4 billion of Soviet arms right now, they do not need any more. Our people need more. Their glass is full, our glass is empty.

Mr. SOLOMON. Mr. Chairman, let's listen now to the testimony of four Nicaraguans, who may all have come from different walks of life, but they are all alike in that they have seen their high hopes for their country destroyed by the very revolution that they all supported. These are authentic Nicaraguan voices. And I might add that each of these patriots has been in Washington in recent days lending their support to the administration's efforts to liberate their country.

First let's turn to Arturo Cruz. The first-high position he held in the Sandinista regime was as head of the Central Bank of Nicaragua. He then became a member of the Sandinista junta itself and eventually was appointed as Ambassador to the United States. He resigned from the regime in November 1981 when he simply couldn't support it any longer—he knew too much.

In an article he wrote in 1983 for the Foreign Affairs Journal, Mr. Cruz describes what he saw happening within the Sandinista regime during the years of 1980 and 1981 before there was even an armed resistance movement opposing the regime. He writes:

Dogmatism and adventurism seem to have wiped out the democratic and pluralistic ideals which, in 1979, united all Nicaraguan advocates of freedom. In April of 1980, after 9 months in government, I was confronted with a different decision. I had already become deeply disturbed by the indiscriminate and speedy radicalization of the revolution amid a great deal of confusion and sudden changes.

He goes on to lament that—

Totalitarian trends are gaining the upper hand in the process of defining Nicaragua's revolution. In the pursuit of a through emasculation of the "establishment," the radical zealots are prone to exhibit iconoclastic contempt for highly respected people and institutions.

I would again remind you that this statement was made in 1983, before that "iconoclastic contempt" he talks about, was directed at Pope John Paul on his visit to Nicaragua.

The personal history of Mr. Cruz since 1983 is, I believe, well know. He finally gave up all hope with the Sandinistas in 1984, when he saw what an absolute mockery they were making of the electoral process—rigging a false election in favor of Commandante Daniel Orteg's campaign for president. Today, Mr. Cruz is a part of the opposition forces our administration is trying to support.

The second witness I would call to your attention is named Aristides Sanchez Pavon. This gentleman's mother was Natalia Sandino Sanchez, the daughter of none other than Augusto Cesar Sandino himself, the Nicaraguan patriot whose good name has been cynically exploited by today's so-called revolutionaries. Despite being the grandson of the man who fought so valiantly for Nicaragua's independence earlier in this century, Mr. Pavon was imprisoned for 3 years after the Sandinistas took power in 1979.

Two weeks ago, here in Washington, Mr. Pavon charged that the Sandinistas have "committed treason against the ideals of Sandino * * * The Nicaraguan government is just a puppet of the Cuban Government." Mr. Pavon went on to say that his grandfather was against foreign influence in his country, adding "he would have been violently opposed to the Cuban and Soviet influnces in our country today."

As for his imprisonment, Mr. Pavon tells a harrowing tale of inhuman conditions even in what was described by the regime as a model prison. The killing of prisoners was wanton and indiscriminate, while others were left to die of starvation or dehydration. Even young children were arbitrarily detained in degraded conditions.

But, at least Mr. Pavon escaped with his life. His uncle, who was a nephew of Sandino's by marriage, wasn't so lucky. After his family's property was confiscated by the regime, he was murdered by the very people who invoke the name of his distinquished relative.

Mr. Pavon was able to escape from Nicaragua in 1982, and like so many other hunderds of Nicaraguans who have fled their homeland since 1979, he is trying to rebuild his life.

Now let's turn our attention to the testimony of Alvaro Jose Baldizon Aviles. Mr. Baldizon was a Nicaraguan police officer who participated in the revolution. After taking a 10-month criminology course in the Soviet Union, he was assigned to several posts in the Sandinista regime concerned with police investigations and economic reconstruction. He was personally selected by Tomas Borge in 1983 to chair the newly-established special investigations commission in the ministry of the Interior. This commission was set up for the express purpose of discrediting and deflecting criticisms being made by the Inter-American Human Rights Commission about human rights abuses by the Sandinistas. Mr. Baldizon chaired this commission for 2½ years until he was able to escape from Nicaragua in July of last year.

Before I summarize the charges that he has made about the Sandinistas, let me remind you that Mr. Baldizon was still a trusted official in an important position all during the time last year when we, here in Congress, were debating whether or not to aid the Nicaraguan opposition. Listen now to his compelling indictment against the Sandinistas:

The regime authorizes the assassination of political opponents. Mr. Baldizon estimates that about 700 people have been the victims of this practice.

Tomas Borge, the regime's Minister of the Interior, is personally and actively involved with the Colombian drug Mafia. Borge has been instrumental in providing plans, fuel, and

landing rights to cocaine traffickers heading to the United States. The money made from this scheme is used to finance clandestine intelligence and security schemes throughout Central America.

The Nicaraguan permanent human rights commission was taken over by the regime in 1981. All of the commission's files were destroyed.

The Sandinistas have engaged in a systematic campaign to brutalize the Miskito Indians.

The regime is actively involved in the training of Costa Rican guerrillas who are trying to destabilize that democratic country.

The Sandinistas have taken a leaf from Adolph Hitler's book by using mob violence to break up the political meetings of those opposition groups that still have the courage to meet.

Many convicted criminals have been given positions in the regime. These people are primarily employed for use against the regime's political opponents. Illegal break ins and surveillance are commonplace. Thievery and drug abuse are rampant among the regime's employees.

The Sandinistas use elaborate propaganda charades to manipulate American visitors, particularly church groups. Borge, for example, greets visiting churchmen in an office festooned with liturgical symbols and religious art. Behind the backs of these visitors, Borge contemptuously refers to them as "useful fools and actually works in an office filled with pictures and books by Marx, Lenin, and all of his other Communist heroes."

Cubans occupy important operations positions throughout the Nicaraguan government, particularly in the Ministry of the Interior.

Such is the message that Mr. Baldizon brought with him when he fled his country last summer, having to leave his wife and children behind. As could be expected, the rest of his family has been subject to constant harassment and intimidation by the regime.

A fourth, and final, voice to which we should listen belongs to Jose Tomas Altamirano Rojas. A bus driver in Nicaragua, Mr. Altamirano also serves as an executive in an independent trade union. He is also a veteran of the Sandinista prison system, having recently spent 55 days in El Chipote, the regime's maximum security prison.

Mr. Altamirano wasn't given any food in the first 8 days of his captivity, days that were also spent undergoing a grueling interrogation. Throughout his imprisonment, he was kept confined in totally darkened cells where the air was stuffy and rancid. Once the guards began feeding him, Mr. Altamirano was given only three spoonsfuls of rice a day to eat. Sanitary facilities were minimal.

Thinking back on his ordeal, Mr. Altamirano remembers that El Chipote has long rows of cells, all underground. "One of the things that will always remain etched in my memory from that place are the cries of the women prisoners, calling out for their children and their families." He came to America to tell his story to those who would listen. He is soon to go back to Nicaragua, not knowing the fate that awaits him upon his arrival or the difficulties that may already have befallen his family.

I wish I could say, Mr. Chairman, that a story such as that told by Mr. Altamirano isn't typical, but I cannot. The Sandinista Regime, particularly the state secret police who are under the supervision of Tomas Borge, has established a prison system of unparalleled dimensions in this hemisphere, excluding, of course, Fidel Castro's own gulag. An estimate 13,000 to 15,000 Nicaraguans are presently being imprisoned, all for having run afoul of the regime and its arbitrary dictates. Truly it can be said that the Nicaraguans are told they are free, but they are everywhere in chains.

You know, the pattern repeats itself so many times that I wonder how anyone can possibly miss it. Everything the Sandinistas have done against the Miskito Indians—burning their villages, killing their tribal leaders, reeducating their children, and all the rest of it, fits into the classic Communist pattern of subjugating ethnic minorities, destroying their cultures and their means of independence and livelihood.

Now we know that the Miskitos are not alone, that 90,000 other Nicaraguans have been forcibly uprooted in the past several years. Living in squalid resettlement camps, 90,000 Nicaraguans are forced to eke out an existence for themselves, with the able bodied being compelled to work in the regime's collective farms. Nobody is allowed to leave, and the availability of food is tightly restricted. Sounds a little like Ethiopia, doesn't it? Then again, Ethiopia has also adopted the Cuban model for public administration and rural development.

Mr. Chairman, I need not belabor the point. The editorial in the New Republic that I mentioned a few minutes ago really sums up the situation for what it truly is. Here is the concluding paragraph of that editorial:

> We believe that preventing the establishment of a Leninist dictatorship in Nicaragua is a goal worthy of American support, and that those willing to fight for this cause are deserving of American assistance. A decision to support one side in a civil war is not one to be taken lightly. We come to it in full realization that, whatever tragedy it brings, the liquidation of the democratic side of the Nicaraguan civil war will bring infinitely more tragedy to Nicaragua, to Central America, and ultimately to the rest of the hemisphere.

Mr. Chairman, President Kennedy summoned us to join a long twilight struggle. If we cannot answer that call in our own hemisphere, what is to become of our country, a nation of global responsibilities as the leader of the free world? No one ever promised that the road would be easy or the cost would be light, but Americans have always taken that road and paid that cost. As those who are responsible for maintaining the lamp of freedom, we can do nothing less.

Let us support the President.

Mr. BARNES. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. PICKLE].

Mr. PICKLE. Mr. Chairman, in the past I have voted against military aid to the Contras. However, I have supported some nonmilitary aid to the Contras. I think the Sandanistas must somehow be pressured toward reform. The Contras have been applying some pressure.

But I cannot support this request for military assistance to the Contras.

The President has indicated that U.S. military aid to the Contras will decisively further our goal of halting the export of communism to other nations.

I find it curious that no other government in the region has requested U.S. aid to the Contras. No government in the region supports military aid to the Contras. Costa Rica is negotiating with the Sandanistas to end border clashes. The newly elected Government of Guatemala plans to host a summit of Central American leaders to discuss the situation in Nicaragua. The newly elected Government of Honduras has been hesitant in channeling aid to the Contras.

The Contadora nations do not appear to see the threat of communism in the same light that our President says is so apparent. None of these governments have supported military aid to the Contras. These are our friends, our fellow Americans: Mexico, Panama, Colombia, Venezuela. They are joined by Argentina, Brazil, Uruguay, and Peru. The Contadora group now includes the majority of Latin American democracies. All of them caution us against military aid to the Contras. Why?

Now, I do believe that we have a national interest in the Central American issue. We cannot walk away. Limited support of the Contras is justified. That is not our choice tomorrow. No separate votes are allowed. In the final analysis we need negotiation. The Contadora group is expected to be a positive and forceful tool in demanding that the Sandanistas expel foreign military personnel.

I believe that we must encourage the Contadora group and other allied nations to demand the removal of foreign military personnel from Nicaragua, and to impress upon the Sanda-

nistas the destabilizing impact of its so-called revolutionary goals.

Mr. Chairman, I believe it is important that we look closely at what the President is asking of us.

The President says that we want to bring pressure on the Sandanistas to make democratic reforms. If this is the case, then the Contras are not the sole vehicle.

Over the past 5 years with millions of dollars in assistance, the Contras have made little substantial gains with Nicaragua. Why? The Contras have not siphoned popular support from the Sandanistas. The Contras have been ineffective in moving the Sandanistas toward democratic reforms. Why? How can more military aid be justified?

The President suggests that somehow, by funding the Contras movement, elimination of the Soviet threat to the region will be achieved.

We cannot be ambiguous with our goals. Is it democratic reforms or elimination of a potential threat?

If the removal of Soviet influence is our objective, then the President should be forthright with the American people and say this is our policy objective.

If we wish to use the Contras as our surrogates to eliminate the Communist threat in Nicaragua, then why should we assume they will be more effective now, when they have failed in the past?

Administration studies show that massive amounts of assistance and training over several years would be required to bring the Contras up to an effective fighting force. But where is the popular support?

In the face of an actual threat to U.S. national security, I would certainly support a strong, quick, and decisive response. If we are faced with a credible Soviet threat to United States security, then the President should ask Congress to address this issue.

I do not believe military aid alone to the Contras will realize our objectives. We must instead show that the rhetoric of the Sandinistas stands hollow in the face of our commitment to true democracy.

The United States cannot impose upon the Nicaraguan people what type of government they should have. The United States, however, must help protect the democracies of Central America from a Nicaragua which chooses to become a Soviet outpost in the Western Hemisphere. The United States can and should support regional efforts against foreign intervention in our hemisphere.

With constructive pressure from governments in the region the Sandinistas should be forced to negotiate in good faith, or reveal to us all their rejection of peace in the hemisphere.

If there is no progress and this threat is not contained, then I believe the United States should pursue other options.

Military action is always a choice—but it should be the final option. The alternative is not escalation, but rather negotiation. The administration has not yet proven the alternatives in Central America have been exhausted. The present administration policy is not acceptable, Mr. Chairman, and I cannot support it.

Mr. DORNAN of California. Mr. Chairman, I yield 20 seconds to my distinguished friend, the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. I thank my friend for yielding.

Mr. Chairman, I would just suggest to my good friend, the gentleman from Texas, that if you asked the people in the Middle East if they support our program for aiding Israel, you would not find many people shaking their heads in the affirmative. But it is right that we do it. We do not count noses in the U.N. to determine what our foreign policy will be. We determine what is in the best interests of our people, and we do it.

Mr. BARNES. Mr. Chairman, I yield 2 minutes to the distinguished gentlewoman from Connecticut [Mrs. KENNELLY].

Mrs. KENNELLY. Mr. Chairman, I rise in opposition to the request for aid to the Contras now before us.

The United States has been providing aid to the Contras—overtly or covertly—for nearly 5 years. Here in the Congress, we have spent countless hours debating the merits of such proposals. We have sent millions of taxpayer dollars to the Contras. And what did we get for all that time and all that money?

Five years later, the Sandinistas are still firmly ensconced in Managua. The Contras control less territory now than they did 2 years ago. The leaders of the Contadora nations are still pleading with the United States to pursue political and diplomatic solutions in the area. And the people of Nicaragua are worse off than when this aid began.

Now, the administration tells us that just doing more of what we have been doing will turn the tide. Mr. Chairman, very frankly, I do not believe it.

I do not believe that $100 million will turn a ragtag guerrilla army into a fighting machine that can oust the Sandinistas.

I do not believe that $100 million can buy the support of the Nicaraguan people who are convinced that the Contras are standins for the Somocistas.

I do not believe that $100 million can turn the Marxist regime of Daniel Ortega into a democratic state that we will be proud to have in our hemisphere.

I do not believe that $100 million in aid to the Contras will turn the Nicaraguan Government away from its dependence on Cuba and the Soviet Union.

I do not believe that $100 million can divert the Nicaraguan people from more fundamental concerns like food and peace.

I do not believe that $100 million can—in the words of Cap Weinberger—"do the job," because, frankly, I'm not sure of what the job is supposed to be.

The administration's explanation of our goals in Nicaragua has changed constantly. First, we were trying to interdict arms shipments to El Salvador. Then we were forcing the Sandinistas to hold elections. Then it was to give the Contras a bargaining chip with the Sandinistas. Now it is to force the Sandinistas to negotiate with the Contras. This is the one-size-fits-all approach to foreign policy. No matter how the rationale shifts, the remedy remains the same: give aid to the Contras.

This aid request was opposed by eight Latin American foreign ministers in a visit to Washington last month. These leaders know that a military solution is not feasible—not without a massive commitment of U.S. money, arms, and troops. They are unanimously behind a negotiated settlement. They, who know the region first hand, and whose security interests are even more at stake than ours, support the Contadora process and want us to do the same. Little more than a week ago, Colombian President Belisario Betancur said: "I think that an initiative such as the request for $100 million taken by President Reagan is wrong. I know we can get more through negotiation."

I know we can too. Because what we will get from granting this aid is greater U.S. involvement in a conflict that is unnecessary, unwise, and not in our own security interests.

Mr. Chairman, it is one thing to pursue a policy knowing it may not work. Those of us in this body face that every day. We understand that sometimes, you can't have all the answers, and you have to take a chance.

But it is another to pursue a policy knowing it will not work; knowing, even before you begin, that failure is inevitable. That is the case with this latest request for aid to the Contras. It hasn't worked for the last 5 years, and it will not work now. At best, and I mean at best, it will cost us $100 million. At worst, it will draw us into war.

I urge my colleagues to vote against this request for aid to the Contras.

□ 1625

The CHAIRMAN. The time of the gentlewoman from Connecticut [Mrs. KENNELLY] has expired.

Mr. BARNES. Mr. Chairman, I yield 30 additional seconds to the gentlewoman.

Mr. DEWINE. Mr. Chairman, will the gentlewoman yield?

Mrs. KENNELLY. I yield.

Mr. DEWINE. Mr. Chairman, if the gentlewoman is aware of the fact, this Congress is not providing and has not been providing any military aid. The gentlewoman's statement was that the Contras are not doing any good. Is the gentlewoman aware that we are not giving them any military aid now? That is why we are not doing it. Does the gentlewoman want to continue that policy of doing nothing?

Mrs. KENNELLY. Unfortunately, the policy has been to follow that we are getting private funds to give military aid and the encouragement by the administration to follow the policy that he has is resulting in activity that now we have to shore up with increased funding.

Mr. DEWINE. What is the gentlewoman's policy?

The CHAIRMAN. The time of the gentlewoman has expired.

Mr. DORNAN of California. Mr. Chairman, I proudly yield 4 minutes to one of our Members who has voted on the other side of this and has studied it very hard for a year, the gentleman from New Jersey [Mr. RINALDO].

Mr. RINALDO. Mr. Chairman, in recent weeks I have discussed in detail the Contra aid proposal with President Reagan and others in favor of and opposed to the aid package. After careful consideration of their arguments, I believe we should approve this aid package.

I reached this decision based on a number of disturbing trends I see continuing in Nicaragua.

The Armed Forces of Nicaragua are now, with the exception of Mexico, the largest in Central America. The Soviet Union has provided them with more than half a billion dollars in military aid since 1981. This equipment, coupled with the presence of 200 Soviet advisers, 7,500 Cubans, and military advisers from Eastern bloc countries, leaves little doubt in my mind of the intentions of the Sandinistas.

The strategic interests of the United States are threatened. The largest airport south of the Rio Grande is now under construction in Nicaragua and could serve as a base for Soviet warplanes. In addition, port development for future use by the Soviet Navy is a direct threat to the Panama Canal and our Caribbean shipping lanes. These lanes are a vital link in our mobilization plans to provide assistance to our allies in Europe and the Mideast.

The Sandinistas are harboring terrorists from around the world. Intelligence reports indicate that representatives of the PLO, the Red Brigade, Iran, Libya, and Syria are serving in a training capacity at terrorist camps to prepare for future acts, most likely against North America.

They have greatly restricted the activities of the Catholic Church and have tried to impose their own people's church in its place. Fortunately, of the 912 bishops, priests, and nuns in Nicaragua, only 52 have alined themselves with this liberation church, and of that number only 10 are even Nicaraguan. In addition, the Jewish community of Nicaragua has been virtually driven into exile and the synagog in Managua has been closed and desecreted.

The Sandinistas have revoked civil liberties and denied the right to speak, publish, assemble or worship without sanctions or harassment. The only remaining independent newspaper has been shut down and the labor movement denied the right to strike.

The Sandinistas themselves have stated that their's is a "revolution without borders." Should they succeed in toppling the Governments of Costa Rica, El Salvador, Honduras, and Mexico, the United States would undoubtedly experience an immigration problem unparalled in our history.

As this military buildup and the repression continues, the Sandinistas have refused to negotiate with the Contras and have no interest in a coalition government. Their sole aim is to consolidate power and eliminate all opposition.

While some say it is too late to change course, I do not agree. Despite the oppression of their own government, the people of Nicaragua have not lost their vigilant desire to once again recapture their betrayed revolution. I have been and remain a supporter of the Contadora peace process and am hopeful that a negotiated settlement can be reached.

However, now is not the time to turn our backs on the freedom fighters. This vote must reflect our commitment to restrict Soviet expansionism and restore peace throughout Central America.

This is not Vietnam. We must keep it at peace. We must support democracy in this hemisphere. I urge you to join me in voting for aid to the Contras.

Mr. BARNES. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Chairman, my distinguished friend, the gentleman from New Jersey, just paraphrased the speech that the President gave on Sunday evening. I must say that it must be frustrating for the President, after pulling out all the stops, to have a scientific poll indicate that the American people just were not buying. By a poll of 54 to 30, the American people after the speech expressed their opposition to this awful, reckless adventure in which the President wants to engage us in Central America.

Of course, if the President really had a case for Contra aid, he would not need to invent so many facts to support it. Look at the headlines in this morning's New York Times:

"Drug Agency Rebuts Reagan's Charge."

"Rabbi Disputes Reagan Point About the Jews in Nicaragua."

"Brazil Surprised To Be on Reagan's List."

But these distortions and misstatements should not surprise any of us who were the recipients of the suggestion last year by the President that the Pope supported the President's position in Nicaragua.

There is a strange thing that happens in this body and in the other body at times. The American people are able to maintain their sense of appropriateness and propriety, but we, their elected Representatives, from time to time lose our heads and our sense. That is what happened in Vietnam. We started off in Vietnam providing arms assistance and then next we had trainers and then we had advisers and battlefield assistants and the next thing we had was 50,000 young Americans, the brothers and the fathers and the sons of the American people, who lay dead in that awful adventure, which we now dismiss with a wave of the hand and say, "Oh, Nicaragua is not Vietnam."

It is indeed Vietnam all over again. The President talks about the credibility that the U.S. Government will lose if we do not continue our support of the Contras. Well, look at where that logic takes us. You give them $100 million this year and there are at best by the President's own estimate 20,000 Contras.

The President says that there are 60,000 Sandinista military forces and 50,000 national militiamen. Well, how are those 20,000 going to beat the 60,000 and the additional 50,000? They cannot.

So if it costs us our credibility, with the Soviet Union and the rest of the world, not to give the $100 million now or if the Contras cannot win with the $100 million, then what next? $200 million? $500 million? And if they still cannot win at that point, what is the next step?

If credibility, the credibility of the U.S. Government is the issue, then the next step is American military personnel, American young men fighting and dying in Nicaragua. That is what this issue is all about, and the American people see it quite clearly. That is why overwhelmingly since 1981 when the President has tried to get us engaged militarily in Nicaragua, the American people have said "no."

President Reagan says "every American parent will be outraged to learn

that top Nicaraguan officials are deeply involved in drug trafficking." But his own Drug Enforcement Administration says that doesn't correspond with anything it knows. According to the most recent DEA estimates, 75 percent of the cocaine in the United States comes from Colombia, 15 percent from Bolivia, 5 percent from Peru, and the other 5 percent from Ecuador, Argentina, Brazil, and Chile. When it comes to drugs, Nicaragua should be the least of an American parent's worries.

President Reagan says the Contra leaders are the equivalent of Jefferson and Madison and Washington. The fact is that 12 out of the 13 members of the FDN high command used to serve Somoza in his National Guard, and their record of torture and murder of campesinos and doctors and teachers is well documented. Ask Chris Dickey of the Washington Post, who observed the Contras first hand over a period of months. Ask Edgar Chamorro, who worked directly with the Contra leadership. Ask Salvador Icaza, who used to be an aide to FDN leader Enrique Bermudez. Ask Amnesty International, Americas Watch, the Washington Office on Latin America, the New York Times, CBS News—all of them have confirmed the dismal record of Contra atrocities.

Are all of these sources really part of a Communist disinformation campaign? In the face of this overwhelming record, the President says that atrocities attributed to the Contras were really committed by Sandinistas dressed as "freedom fighters." And the source of this allegation is a man who has changed his story so often, that, according to Americas Watch, he has lost "the last vestige of credibility." Our policy should be based on the facts, not on our President's favored choice of fantasies.

There are human rights problems in Nicaragua, and some of them are attributable to the Government. The opposition press, though it continues to publish, is censored. On and off since 1982, some constitutional rights have been suspended. That is cause for concern.

But it is not unique in the region. Look at El Salvador, which President Reagan holds up as a model of democracy. The insurgency there is one-fourth the size of the one in Nicaragua in relation to population, but the Government there has been operating under a state of siege since August 21, 1980. Constitutional rights are suspended in El Salvador, too. El Salvador, unlike Nicaragua, doesn't even have an opposition newspaper. The last remaining one, El Independiente, was raided and shut down by police in January 1981, after "numerous bombings, threats, military interventions, and assaults on employees." And a pattern of killings and disappearances by government forces continues. (Source: ACLU, Americas Watch.)

The administration presents a systematically distorted picture of the diplomatic situation in Central America. According to the administration, Nicaragua is subverting the Contadora process, and Nicaragua won't accept verifiable agreements. Indeed, according to the administration, a major reason why Contra aid is necessary is "to bring the Sandinistas to the bargaining table."

The fact is that Nicaragua is at the bargaining table. Nicaragua and Costa Rica have recently reached an agreement under Contadora to demilitarize their common border. They have agreed that Contadora countries will provide verification. Meanwhile, the administration refuses to talk to Nicaragua despite a call for talks by the Contadora countries.

The administration refuses the Contadora countries' call to negotiate, and dismisses the Contadora foreign ministers' plea to stop militarizing the region, and still wants to claim it supports Contadora. It can't have it both ways.

We are steadily marching toward direct military involvement in Nicaragua, and President Reagan would have us believe that the countries of Latin America are quietly cheering him on. But listen to what the President of Peru said last week:

> An act of hostility and intervention in Nicaragua will be an act of hostility and intervention against all of Latin America. I announce from this sovereign Congress the Peruvian government decision that if foreign forces invade Nicaragua, Peru will break relations with the aggressive power and make every effort to defend the brother country.

This policy will lead us to a regional war, the like of which we have never seen in our history.

Mr. DORNAN of California. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from New Jersey [Mr. SMITH] who has worked so hard in this Congress on human rights in all corners of this world.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. SMITH of New Jersey. I am happy to yield.

Mr. HYDE. Mr. Chairman, the gentleman from New York [Mr. WEISS] is quoted in the April 23, 1985, CONGRESSIONAL RECORD as saying:

> If you are a citizen of El Salvador, you have nowhere near the capacity to openly criticize your government as you do if you are a citizen of Nicaragua.

If the gentleman believes that, I ask that the gravity of his remarks be taken in the light of his judgment on freedom in Nicaragua.

Mr. WEISS. Mr. Chairman, will the gentleman yield to me?

Mr. SMITH of New Jersey. Mr. Chairman, I have the time.

Mr. WEISS. Mr. Chairman, the gentleman from New York may have forgotten that whatever existed——

The CHAIRMAN. The gentleman from New Jersey [Mr. SMITH] has the time.

Mr. SMITH of New Jersey. Mr. Chairman, first let me say that the only reason we are debating this administration's aid package to the Contras on the House floor today is because of betrayal.

It is clear, even to the staunchest opponents of the Reagan request, that the Nicaraguan Government has betrayed its own people. It has betrayed the very principles it articulated during the revolution. The Communists in Nicaragua have reneged on solemn promises made to the Organization of American States, the United Nations, the United States, and above all, to their own people to provide for fundamental freedoms and guarantees of basic human rights.

Rather than honoring their commitment to political pluralism, authentic elections, an independent judiciary, and a free press; rather than creating a democratic Nicaragua as promised, the Sandinistas have systematically constructed a violent Communist dictatorship. Communist Nicaragua is today a bastion of internal repression, egregious human rights violations, and external subversion. The record of Communist Nicaragua is shameful—it is a record that I trust no one in today's debate will defend.

Mr. Chairman, it is time that we fully recognized the ugly repressive character of Communist Nicaragua. Estimates of political prisoners vary from 4,000 to as many as 20,000 at any given time, according to the Independent Permanent Human Rights Commission [CPDH], and prisoners are often severely tortured. Cruel, inhumane, and degrading treatment of prisoners is pervasive and a detainee can be investigated indefinitely, tortured, or submitted to cruel treatment without any legal mechanisms available to stop the abuses.

There are hundreds of examples to illustrate the point. To cite one example, according to the State Department's "1985 Country Reports on Human Rights":

> In 1984 and early 1985, several women detainees in "El Chipote" reported they had been raped repeatedly by their guards, one woman after she had been drugged for an interrogation session. Women prisoners, without regard to age, have been forced to assume humiliating positions naked in front of male guards who insult and hit or kick them, in some cases only because their husbands or sons are accused of crimes against the state.
>
> President Daniel Ortega himself, before international journalists during a televised press conference, admitted to and justified the detention at "El Chipote" of the president of a Catholic school parents' association. Commander Lenin Cerna, head of

State Security forces, personally tortured the victim. The 60-year-old, who was not politically active, was detained because of his religiously-based criticisms of the government-enforced program of Marxist-Leninist patriotic education. Cerna and his agents reportedly beat the victim and Cerna himself put a pistol to the victim's head, saying he was going to kill him that night and the rest of his family later.

When I was in Nicaragua in 1984 I met with archbishop, now Cardinal, Obando y Bravo. He told our delegation of the persecution being inflicted upon the church and of other human rights violations. We met with Father Bismarck Carballo, the spokesman for the Curia and the director of the church radio station. He told us how the Sandinista Communists sought to discredit him in a phony sex scandal. In 1982, Maritza Castillo told Father Carballo she had attempted suicide, was despondent, and desperately needed couseling. She urged him to come to her home. Shortly after Father Carballo arrived at her home, a Government agent burst in, beat Father Carballo and forced him at gunpoint to disrobe. Police then ushered Father Carballo out the door where a state sponsored TV crew, and other media, just happened to be waiting.

Collaborating details of this and other setups have been provided by Alvaro Baldizon, former chief inspector of the Special Investigations Commission of the Nicaraguan Ministry of the Interior. As a matter of fact, Mr. Baldizon says that Tomas Borge himself helped devise the plan to discredit Father Carballo.

Mr. Baldizon who defected Communist Nicaragua on July 1, 1985 at great risk to his wife and child who still live there, says that 90 percent of the human rights abuses alleged by the Inter-American Commission on Human Rights by Sandinista government officials are true. He has estimated that for every alleged Contra abuse there are 10 committed by the Government and significantly his findings suggest that the Contras do not have a policy for committing abuses while the Sandinistas have such a policy. As a matter of fact, the Contras have a code of conduct to which their soldiers must adhere. Offenders are tried before a court and sentenced if found guilty.

Finally, Mr. Baldizon's testimony further documents the use of torture, international drug trafficking by the Government, training of foreign guerrillas for subversion, church persecution, and political assassination. He also has described how adroitly the Sandinistas deceive visiting international delegations and how the Government uses them to further its international political strategies.

Mr. Chairman, I would remind Members that the United States and our friends in Central America were instrumental in ousting the Somoza regime. On June 23, 1979, the Organization of American States with strong U.S. concurrence passed a resolution that effectively led to Somoza's demise. Specifically, the resolution called:

One, for the immediate and definitive replacement of the Somoza regime.

Two, installation in Nicaragua of democratic government, the composition of which should include the principal representative groups which oppose the Somoza regime and which reflects the free will of the people of Nicaragua.

Three, guarantee of the respect for human rights of all Nicaraguans without exception.

Four, the holding of free elections as soon as possible, that lead to the establishment of a truly democratic government that guarantees peace, freedom, and justice.

The only aspect of this resolution to which the Sandinistas gave their total commitment was the replacement of the Somoza regime.

Today, Communist Nicaragua has by far the largest standing military force in the region and includes at least 60,000 active duty troops and another 60,000 reserves. Communist Nicaragua is armed to the teeth with an offensive capability and its arsenal includes 150 tanks, 200 armored personnel carriers, 44 helicopters, 300 missile launchers, and a large assortment of artillery pieces. Today the country is home to approximately 200 Soviet advisers, 7,500 Cubans, and personnel from East Germany, Bulgaria, Lybia, and the Palestine Liberation Organization.

As Secretary of State George Shultz said in a speech on March 3, "Nicaragua's military machine has no parallel in the history of Central America." Communist Nicaragua is a menace to its neighbors and the threat cannot be wished away.

It seems clear, Mr. Chairman, that Nicaragua is serious about exporting revolution to its neighbors. Bayardo Arce, a high-ranking official Sandinista Communist said in May of 1984, "We cannot cease being internationalist unless we cease being revolutionaries."

Back in August of 1981, Sandinista Minister of Defense Humberto Ortega said, "Marxist Leninism is the scientific doctrine that guides our revolution."

Interior Minister Tomas Borge, with whom I had a 2-hour talk in Managua a few years ago, said in 1981, "This revolution goes beyond our borders. Our revolution was always international."

The evidence is compelling, Mr. Chairman, that Nicaragua has been equipping, training organizations, and infiltrating Communist guerrillas into Honduras and El Salvador. They have targeted militarily weak Costa Rica for subversive activities. They are even involved in Colombia. Many of the arms used by terrorists to attack the National Palace of Justice in Bogota have been traced to Nicaragua. True to their word in this instance, Nicaragua is exporting revolution, violence, and death.

Last November President Jose Napoleon Duarte of El Salvador was quoted in the New York Times as saying (November 1, 1985, page 3):

In Central America, in my own country, countless persons from all walks of life and, in the case of my family, my daughter, Ines Guadalupe, would not have been victims of the terrorists if the terrorists did not have the support, direction, approval and timely protection of the terrorist dictatorship in Nicaragua.

Members will recall that the International Security and Development Cooperation Act of 1985, Congress included an important finding of the fact that:

The . . . government of Nicaragua . . . has flagrantly violated . . . the security of the nations in the region, in that it has committed and refused to cease aggression in the form of armed subversion against its neighbors in violation of the Charter of the United Nations, the Charter of the Organization of American States. . . .

The National Bipartisan Commission on Central America, often referred to as the Kissinger Commission, also concluded that the Nicaraguan threat to its neighbors was compelling. The Kissinger Commission also offered a forecast of what would happen if Nicaragua succeeded in exporting its Communist revolution. To quote from page 93:

As Nicaragua is already doing, additional Marxist/Leninist regimes in Central America could be expected to expand their armed forces, bring in large numbers of Cuban and other Soviet bloc advisors, develop sophisticated agencies of internal repression and external subversion, and sharpen polarizations, both within individual countries and regionally . . . this would almost surely produce refugees, perhaps millions of them, many of whom would seek entry into the United States. . . . The United States cannot isolate itself from the regional turmoil. The crisis is on our doorstep.

Mr. Chairman, Nicaragua's neighbors are justifiably scared. A scientific survey conducted by an affiliate of the Gallup poll between June and November 1985 in several Central American countries found that Nicaragua was named as the country posing the greatest military threat to their own security. That was the view of 87 percent in Costa Rica and 79 percent in Honduras. Significantly, three-fourths of those interviewed in Costa Rica favor United States aid to the Contras while that policy is supported by a 2-to-1 margin in the other Central American countries including El Salvador.

I am pleased that the Contras, now an estimated 20,000 strong are more

united now under an umbrella organization called the United Nicaraguan Opposition [UNO]. On January 22, 1986, UNO issued a statement of principles which expressed UNO's commitment to peace, democracy, respect for human rights, and the promotion of social justice. UNO is led by three former Somoza opponents Arturo Cruz, Adolfo Calero, and Alfonso Robelo.

Arturo Cruz was twice jailed by the Somoza regime. He served for a time as head of the central bank under the Sandinistas, then as a member of the ruling junta, and finally as their ambassador to the United States. He resigned in protest against the Communist policies of the Sandinistas. He was the democratic opposition's Presidential candidate in 1984 but refused to participate when the Government would not permit him freedom of speech, press, and assembly.

Adolfo Calero serves as commander in chief of the Nicaraguan Democratic Force [FDN]. After the fall of Somoza he attempted to work with the Sandinistas in rebuilding Nicaragua. He became disillusioned by their Communist vision for Nicaragua in 1982.

Alfonso Robelo is the leader of the Democratic Revolutionary Alliance [ARDE] and was a leading critic of Somoza. After the revolution in July 1979, he was one of the five original members of the junta. In 1980, he resigned in protest.

I would just say parenthetically that the former president of the Nicaraguan Red Cross, Ismael Reyes has been named the head of the UNO—or Contra—Human Rights Commission.

Mr. Chairman, I support meaningful negotiation between the Communists in Nicaragua and the Contras, the OAS and the United States. I think it is unfair and simply untrue to suggest that the President isn't committed to a negotiated settlement. Three special Presidential envoys—Senator Stone, Ambassadors Schlaudeman and Habib—have made 49 trips to the region since 1983. The United States has met in high-level, bilateral talks with the Sandinista Communists nine times since June of 1984. Secretary of State George Shultz has personally gone to Managua to seek peace. Yet the record shows that it was Nicaragua who ended participation in the Contadora talks in the fall of 1985.

It was Nicaragua again on December 9, 1985, who alone voted against an Organization of American States' resolution calling for accelerated negotiations. With a vote of 28 to 1, Nicaragua was the only member to vote against the resolution. This isn't really surprising. When I spoke with Nicaragua's dictator, Daniel Ortega, in Managua in the spring of 1984 his government then had little use for the Contadora peace negotiations.

On February 6 of this year the opposition political parties proposed suspension of hostilities, a general amnesty, repeal of martial law, and agreement for honest elections. The Sandinista Communists rejected their proposal.

But we can't just give up, we must continue to hope, we must continue to seek peace for the region.

I agree with the assessment of our distinguished chairman of the Foreign Affairs Committee, Democrat DANTE FASCELL of Florida who eloquently argued in committee 2 weeks ago that aid to the Contras will provide the only real incentive to the Nicaraguan Communists to negotiate seriously.

I would remind Members that since June of 1984, the Congress has proscribed all military aid to the Contras. The only aid they have received from our country was a small donation of humanitarian assistance. Nicaragua's response to congressional termination of military assistance should be sobering to all. Since June of 1984, the Communists have further trashed and violated the human rights of the citizenry, they have stepped up the use of torture and persecution of the Catholic Church and other denominations. They have responded by derailing internal and international negotiations and by procuring an additional $350 million in sophisticated military hardware from the Soviet Union.

Mr. Chairman, I think the time has come to approach the issue with more realism. If we refuse to face the truth concerning Managua's intentions and goals, there is a real chance that Central America will incrementally grow Communist—the lives and futures of millions will be imperiled—while we cling to well-meaning but misguided straws of hope.

□ 1640

Mr. McCAIN. Mr. Chairman, I yield such time as he may consume to the gentleman from Nebraska [Mr. DAUB].

Mr. DAUB. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in support of the President and the resolution before the House.

Both sides on the question of assistance to the Contras agree on the nature of the regime. Senior Senator SASSER of Tennessee, speaking for Democratic opponents of assistance said: "We agree that the Sandinista government has betrayed the promise of its revolution, has suppressed the freedom of its own people, and has supported subversion in El Salvador * * * our dissagreement is with the means the President has used to achieve these goals." In effect, they agree on the ends of the President's policy: Containment of Marxist-Leninism in Central America.

They say let's use diplomacy and positive reinforcement. We have and will continue to do so. The record is replete with efforts of the United States to negotiate meaningful agreements on nonintervention of Nicaragua in its neighbor's affairs. Three special Presidential envoys have made over 49 trips to the region since 1983. High level bilateral talks have been arranged on 10 separate occasions. The United States gave more assistance to the Sandinistas in the first 18 months of its existence than we provided to Somoza for the previous 20 years. The Sandinistas' response to these overtures? They have stonewalled.

If its just a disagreement on means, not ends, why not give the President the benefit of the doubt? He was right on El Salvador. We went through the exact same debate then with opponents saying there is no hope for political reform of the government and the guerrillas have too much popular support. Well, Reagan won, and so did the people of El Salvador.

If the House debated Grenada before the operation, opponents of Contra assistance would have fought it tooth and nail. We may not have had the operation, and the people of Grenada's neighbors quaked in the wake of Grenada expansion.

Senior Senator SASSER from Tennessee, also said, "We agree that Nicaragua must never become a base for Soviet military adventurism in this hemisphere" the President's judgment is that Nicaragua is already a Soviet base. The Senator admits that Nicaragua is subverting its neighbor El Salvador. He would also agree that Nicaragua has Bulgarians, East Germans, Soviets, Cubans, Libyans, North Koreans and PLO personnel and has received substantial arms from these people. If this isn't Soviet military adventurism, I'd ask the Senator what is?

Even assuming reasonable people can disagree about whether Nicaragua is a Soviet puppet, the wide latitude the Constitution affords the President in the conduct of foreign affairs argues strongly for giving the Commander in Chief the benefit of the doubt.

One principal product of Marxist-Leninist regimes is refugees. If the economic productivity of these regimes was as high as their refugee productivity, we might not be here today. But the fact is millions have fled from under their boot in Eastern Europe, Afghanistan, Indochina, Ethopia, and Cuba.

We already have a big enough illegal immigration problem on our Southern border. If Nicaragua isn't checked, this Marxist-Leninist regime on our doorstep will soon begin turning out refugees as efficiently as any of its other fraternal allies around the world.

Mr. McCAIN. Mr. Chairman, I reserve the balance of my time.

Mr. BARNES. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from California [Mr. DYMALLY].

Mr. DYMALLY. I thank the gentleman for yielding this time to me.

Mr. Chairman, in the past couple of weeks we have been subjected to the most far-fetched rhetoric I think I have heard in my whole career in elected office. Despite the rhetoric, I know of few people who believe the Sandinista invasion of Texas is going to occur in their lifetime. I know of few people who believe that $100 million from the United States is going to achieve the overthrow of the Sandinista government by the various oppo-

sition groups. Not even many supporters of Contra aid believe it is going to achieve any successful result. The President is asking us to make an expensive gesture. There are a few gestures I think we could make at home with $100 million, and they would at least have the advantage of being positive gestures.

What is that $100 million going to buy for the Contras? It will ensure that a few more battles will be fought. It will ensure that some Sandinistas will be killed and that some Contras will be killed. Maybe a helicopter or two will be destroyed. If previous experience is any guide, a number of civilians who want nothing more than to be left alone will be killed by one side or the other. Nothing more. Just a gesture.

This Contra aid request is an unproductive waste. If we really want a Nicaragua that is not controlled by Russia, then there are better, more humane ways to accomplish that end. Rather than giving the Nicaraguan people the impression that the United States is in the business of promoting war and killing and suffering in their country, let's show them the United States at its best. Let's send in the Peace Corps to help school the nation's children. Let's send in doctors to improve the health of the people. Let's develop a thriving trade with Nicaragua. Let's engage the leaders of that country in peaceful negotiation. They have said they will cooperate in the Contadora process. Let's allow them to make good on their statements.

While some would argue that Cuba is Communist today because the Bay of Pigs invasion failed, it is at least as reasonable to contend that Cuba is Communist today because the United States turned a cold shoulder to Castro when he came here looking for help shortly after the revolution. Khrushchev also was visiting the United States at the time, and received Castro with open arms. None of us wants Nicaragua to be a second Cuba. Let's take the first step toward seeing that it will not become so. Let's turn down the President's request for Contra aid.

Mr. BARNES. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from New York [Mr. RANGEL].

Mr. RANGEL. I thank the gentleman for yielding this time to me.

Mr. Chairman, this morning when I was congratulating the President, who was speaking out against drug trafficking, which is certainly unique for this administration, to identify countries who are violating international law, I wanted to point out that the Drug Enforcement Administration has rebutted the charges.

We have some pretty pictures here that my colleague from California has presented to the House. I want to point out that the individual who is supposed to be transferring that cocaine is supposed to have been an aide to a Nicaraguan Interior Minister. It is supposed to be in 1984. DEA says that is the only isolated information that they have; that they have reassessed the intelligence on the subject and that is all that they can say.

They also point out that they have no information implicating the Minister of the Interior or other Nicaraguan officials.

I am convinced that most of this is a political campaign. I get most of my impressions from the commercials that are being run by some political party, but I would like to point out that the testimony of Assistant Secretary John R. Thomas, given to the Task Force on International Narcotic Control of the Committee on Foreign Affairs on March 11, 1986, supports the Drug Enforcement Administration, to wit: A low-type aide, using DEA terms, to the Nicaraguan Interior Minister was indicted in Florida for being involved in cocaine. My God, if we were able to spend that $100 million on our Mexican-United States border, I am certain we would focus more attention on this problem than we are with this.

But Assistant Secretary Thomas points out that the political situation has eliminated bilateral cooperation on narcotics control and makes it impossible to gather accurate information on a continuing basis.

So I think there is enough for us to have political debate on, but this should not be a subject that should turn a vote.

Mr. BARNES. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from New York [Mr. SCHEUER].

Mr. SCHEUER. I thank the gentleman for yielding this time to me.

Mr. Chairman, during the prolonged and often acrimonious public debate over military aid to the Contras, we have heard a level of rhetoric that has strained our credulity. As Haynes Johnson wrote in this morning's Washington Post:

> Until President Reagan's address Sunday night about the menace from Managua, Richard Nixon held the presidential record for overstating a case.

We have heard President Reagan tell us on network television that the Sandinista government not only threatens the security of the United States, but also poses a mortal threat to the entire New World. This tiny little country, hardly the size of Queens from whence I come threatens our security? His words defy reality when one considers the simple fact that not a single one of the democratic nations of Latin America have asked us to provide military aid to the Contras.

To draw a parallel, at the time our country engaged in the liberation mission in Grenada in 1983, a number of chiefs of state and a number of high cabinet ministers from other Caribbean nations got together, conferred, and called President Reagan. They told him that there was an urgent and desperate need for U.S. military intervention to prevent that island from becoming an absolutely impregnable Communist garrison. Our country responded to that need.

Nothing remotely like that occurred in this instance. We have heard nothing like that unanimity in support of our intervention in Grenada. In point of fact, we have heard exactly the contrary from Latin American leaders. We have heard unanimity that we should stay out; that we should mind our P's and Q's; that the most constructive thing we can do is support the Contadora process.

□ 1650

I am chairman of a global committee of parliamentarians on population and development. We have hundreds of members across the world and over 100 members in Latin America. I have heard from dozens of them urging the United States to stay out, leave us alone, help the peace process. They want us to provide some aid to help people; not to kill people.

The unanimity there is for us to help the Contadora nations and promote negotiations. There is total unanimity among Nicaragua's neighbors in asking us not to interfere, not to finance more bloodletting, and not to provide guns to blow up a few bridges or assassinate God knows how many hundreds of people. There is no chance whatsoever of helping the Contras really gain a claim on the hearts and minds of the country.

Mr. Chairman, I hope the level of debate here in the House today will rise above the erroneous and fiery rhetoric we have heard so far.

I don't like the Sandinista government any more than Ronald Reagan does.

But I don't believe that $100 million in military aid to the Contras is going to do anything but make the situation worse in Nicaragua.

Instead of encouraging the Sandinistas to negotiate, $100 million in military aid will push them further into a corner, giving them even less in- centive to make concessions and providing them with further excuses to increase internal repression.

It is true that the Sandinistas have violated human rights and conducted brutal assaults on the Nicaraguan people.

But the Contras—whose leaders include officers of the brutal Somoza regime—frequently practice terror tactics such as murder, torture, and rape, in the name of democracy.

Such tactics have been documented repeatedly by a number of observers, including Catholic priests and nuns.

Over the last 5 years, our Nation has funneled more than $250 million to the Contras—money that has furthered atrocities against the Nicaraguan people and failed to help the Contras win even a single victory against the Nicaraguan regime.

We are faced with a delicate diplomatic problem in Nicaragua that would be handled better by United States-backed negotiations than United States-backed insurgents who don't even have the support of the Nicaraguan people.

I agree with the goals of the President, but I can't support his methods.

No one wants to see Soviet-Cuban bases in Nicaragua and I think the leaders of both nations know what will happen if they attempt to make such a move.

The leaders of the democratic countries of Central America, the Catholic bishops, and a majority of the American people all are telling Congress to stop this plan to increase the bloodshed in Nicaragua.

Negotiations are the key to a peaceful settlement in Nicaragua, yet the administration repeatedly has ignored that route, breaking off the only negotiations with the Sandinistas in January 1985.

Every Member in this House wants peace and freedom in Nicaragua.

Every Member wants to halt the spread of Communism in Central America.

But let's take constructive and meaningful action to achieve these goals.

No one wants another Vietnam war, but that's the road we will be heading down if we approve this request for military aid.

Mr. BARNES. Mr. Chairman, I yield 3½ minutes to the distinguished gentleman from Washington [Mr. BONKER].

Mr. BONKER. Mr. Chairman, I rise in opposition to the Reagan administration's request for an additional $100 million in aid for the Nicaraguan Contra rebels. The President and his senior advisers present this request as an "either/or" proposition: either you're with the President or you're for the Communists.

The tone of the President's televised remarks on Sunday night was an affront to both Democrats and Republicans who oppose this aid. Some of us feel their are alternative ways to achieve peace in the region; this does not mean we want a Marxist-Leninist foothold in Central America. The scare tactics would be more effective if the allegations were true: where are the millions of Nicaraguan refugees streaming across our border? Then there is the litany of Sandinista labels: exporters of revolution, terrorists, anti-Semites and now drug traffickers. What will they be next month?

I seriously doubt that any of my colleagues have illusion about the nature of the Sandinista regime, that a Marxist government is in place there whose policies are contrary to our values and beliefs. The focus should be on whether we support a military or peaceful process to reach that goal. Despite the administration's rhetorical support of a negotiated settlement. It appears their policies are intended to undermine, if not overthrow, the Government of Nicaragua.

Administration spokespersons have remarked that the views of the American public should not be given great weight in the formulation of foreign policy because the average American is interested in sports, not politics. If there is one lesson we should have learned by now it is that the absence of broad public support dooms a foreign policy course to failure. The President should heed this warning for his present policy toward Nicaragua.

A majority of the American public fails to see the "unusual and extraordinary threat" this impoverished nation poses to our national security. They have not seen results from the aid we have been providing overtly and covertly to the Contras for the last 4 years. There are no concrete examples of the administration pledge to pursue negotiation as an alternative policy. They definitely don't see any similarity between the Contras and our Nation's Founding Fathers, particularly in the area of human rights.

What the American people do fear is the administration's request for a blank check of $100 million—an amount nearly equal to all the aid we offer to the struggling and debt-burden domocracies of Latin America. They see a policy that has pushed the Sandinistas further away from the negotiating table and into the willing embrace of the Soviets. They see a policy that will soon offer us a Lebanese dilemma: abandoning the Contras or sending our Armed Forces into direct combat there. Fortunately, the majority of Americans are not fooled by the administration's duplicitous policy, nor are they persuaded that a negotiated settlement can be achieved through violent means.

More military aid to the Contras will not bring peace to the region. Not only do the CIA and other key segments of our intelligence community acknowledge that the Contras are incapable of defeating the Nicaraguan Armed Forces, but they admit that the military equipment acquired by Managua has been defensive in nature in order to respond to the arming of the Contras by the U.S. taxpayer. The Contras have yet to capture and hold a single town, and they have proven inadequate to the task of stemming the alleged massive arms flows from Nicaragua to its neighbors.

As the former chairman of the Human Rights Subcommittee, I find the portrait of the Contras as "freedom fighters" who have been betrayed by the Sandinista revolution ludicrous. With a single exception, the entire FDN—Nicaraguan Democratic Force—high command is composed of former Somoza National Guardsmen, and their human rights record is abominable. In its ninth report on human rights in Nicaragua, America's Watch states: "All of the major parties to the conflict in Nicaragua contributed to the worsening of the human rights situation * * *" and it goes on to document human rights abuses by both sides. It documents, however, the disappearance and/or killing of 12 individuals by the Sandinista government compared to some 90 by the Contras in 1985. The report states:

> Most of the abuses by the Contras during the last 6 months on which we collected testimony involved attacks that targeted individuals considered to be active supporters of the Sandinista government or activists in Sandinista organizations. The Contras went to particular homes knowing who they were looking for, and assassinated them. Much of the testimony obtained revealed gratuitous brutality: the victims were tortured or mutilated before being killed. Family members were also killed.

While our own 1985 State Department human rights country reports allude to allegations of Contra violations, the Nobel prize-winning Amnesty International group corroborates the evidence presented by America's Watch.

It stretches credulity for the President to suggest that the Sandinistas purposefully disguise themselves as Contras to commit such violence against its own supporters. It is also an offense to characterize the couragous human rights monitors as dupes of a Sandinista disinformation campaign. It is a small wonder that the Contras' campaign of terror has not promoted the formation of the type of broad-based democratic opposition we would all like to see there.

We should also listen to the advice of our neighbors to the South. As many have noted today, not a single Latin American democracy supports the Reagan administration's request for Contra funding. It runs counter to the original Contadora group goals, which called for an end to support for armed insurgencies and a halt to military build-ups in the region. On February 10, the Foreign Ministers of eight Latin American nations appealed to Secretary Schultz to end external support to irregular forces operating in the area as an "indispensable contribution to peace." Can the United States make any legitimate claim to leadership in our hemisphere when our

policy only leads toward further isolation?

The active pursuit of negotiations within the Contadora framework remains the only viable means of achieving peace in this troubled region. In light of the administration's success in Haiti and the Philippines, and its recent turnabout in our policy toward Chile, one can only hope that today's vote against the aid will lead to a reassessment of our policy vis-a-vis Nicaragua and a strong and unequivocal stand in favor of the Contadora process.

Mr. BARNES. Mr. Chairman, how much time remains of the hour I was initially yielded?

The CHAIRMAN. The gentleman from Maryland has 13 minutes remaining.

Mr. BARNES. Mr. Chairman, I yield 2 minutes and 30 seconds to the distinguished gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Chairman, I thank you for yielding me this time.

I heard some Members refer to the issue at hand as that as one of freedom. I would like to point out that what was the problem of freedom or the issue of freedom when Somoza was in Nicaragua? What was the issue in the Philippines with Marcos? What was the issue with Baby Doc? What was the issue in Iran under the Shah?

I just would like to say this has become a political issue and a money issue. Nicaragua does not have one jet plane, ladies and gentlemen. And I would like to clarify a couple of issues and put something in perspective that I think is important.

After Watergate, Congress enacted two powerful measures to control and curtail the powers of the Executive. They were the National Emergency Act and the International Emergency Economic Powers Act. They specifically said that once the President authorizes specific actions, that within 6 months, he must come back and give the Congress a detailed report.

For anybody watching this, Congress works on a committee system. Sooner or later someone had to come before our committees and give them some facts and some evidence. Evidently no one has given us those facts. Now we are going to give $100 million where the GAO is not quite so sure where the last $27 million has gone.

I say this, Mr. President, let us turn off C-Span, let us move every unelected person out of these Chambers, and let us bring the CIA in and give us photographs, dates, documents and evidence to support your request for 14 times the appropriation in excess of your last one that we cannot find. Mr. President, specifically you are either going to have to use one of those $600 toilet seats or get off the pot here in America and quit using that 6 p.m. news broadcast and start giving these committees some facts.

We have talked about the John Wayne posture of foreign affairs in handling America's national security. Ladies and gentlemen, if you look at what happened with the Korean airliner incident, if you look at what happened with Mr. Klinghoffer, with the soldiers in El Salvador, with the incident in Beirut, Lebanon, we have talked a lot like John Wayne, but it is time for the President to put his patch on. Our problem is the Soviet Union. We are concerned about them in Nicaragua, and it is time that this Congress and the President tell the Soviet Union to stay out of Nicaragua. And $100 million is not going to be the message that comes today.

Give us the facts, Mr. President. Let Congress make an appropriate decision.

Mr. BARNES. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. Mr. Chairman, I have yet to see a coherent rationale for sending this $100 million, the purpose of which, as I understand it, is to try for a tie. No one has been arguing that we are going to send $100 million and the additional hundreds of millions that have already been spent there and sent through Honduras to win a victory. It is to get a tie, and I am not sure what the moral justification or the strategic justification is for seeking the tie. It can hardly be argued that this administration is so offended by the lack of civil liberties in Nicaragua that they will move to this, not when they continue to be as stringent as they have been to so many other right-wing regimes.

I am distressed by the lack of democracy in Nicaragua, as I am with many other countries. But I do not think the Reagan doctrine has become that we should be the 911 for the Civil Liberties Union to dispatch a couple hundred million for a proxy war when there has been, as there has been in Nicaragua, a failure to observe democratic principles.

So then the question is are we doing it for our own national security? The problem I have here is this: I myself do not find that 3 million poor people in that country are a credible threat to us. I think we ought to maintain the policy many of us have set of saying that we would act to prevent any effort by them to impinge on others. But the problem is that the President is not asking us for something that is going to achieve military success. If you buy his rhetoric, if you believe that our failure to overthrow the Sandinista government endangers the security of the United States, then the logical inference to be drawn is that ultimately we send American troops there, and I am afraid to bolster support for the not-very-well-thought-out policy lacking either moral or strategic rationale that the President is advocating, to bolster support for that they are pushing further and further in the direction of boxing themselves into where they will be forced by their own logic and rhetoric. They are putting themselves more and more into a corner.

Mr. WALKER. Will the gentleman yield to me?

Mr. FRANK. The gentleman has plenty of time and I only have 2 minutes. I invite the gentleman to get some time and then we can continue it that way.

□ 1700

Mr. McCAIN. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida [Mr. BILIRAKIS].

Mr. BILIRAKIS. Mr. Chairman, I strongly counter Marxist aggression in Central America and support aid to the freedom fighters.

Mr. Chairman, I have in my hand a series of petitions—petitions filled with the names of residents of my district in Florida who support the President's request for aid to the freedom fighters in Nicaragua. All of these petitions have been received by my offices in support of a program of aid for the Contras. Also, when I polled my constituents earlier on whether they supported the President's policy to counter Marxist aggression in Central America, nearly 69 percent answered "yes."

A program of tangible, humanitarian and military support is the sole hope the world has for a Central America free of the cancer of communism. Why? Because the Marxist Sandinistas in Managua plainly intend to consolidate and intensify their dictatorship.

Promises, promises, promises. That's all we ever get from the Sandinistas.

In 1979, they promised to hold free and open elections in return for support from the Organization of American States. Well, they received the support, but they gave democracy the cold shoulder.

What the people of Nicaragua received was a sham election in which opposition parties were exiled. Trade unions have been eliminated, the news media muzzled, the church harassed, and government critics jailed. Without question, the Nicaraguan people were betrayed in their struggle for freedom.

The pluralism promised by the Sandinistas in 1979, 7 years ago, does not exist. Furthermore, there is not the slightest indication that it ever will exist, if we leave the matter in the hands of the Marxists in Managua.

If we do not, this week, vote to send the Contras the aid requested by the President, we will be ensuring the consolidation of another Communist regime in the New World. Yet another bootprint of Soviet-sponsored oppression will be made permanently on this hemisphere. The struggle for Nicaragua will end and the fight to save El Salvador, Honduras, and Costa Rica will begin.

Why? Because no Marxist regime has shown any desire to discard dictatorship, voluntarily: Not one . . . ever . . . anywhere . . . on the face of the Earth. Nowhere in the long chronicle of human history has this abominable record been altered. And this is one promise for the future that the Sandinistas are only too willing to keep.

That is why the idea that the Sandinistas can be brought to the bargaining table without pressure is so absurd. It is an idea utterly without foundation. The United States and many other nations have bent over backward to bring the Sandinistas into negotiations. We have been waiting for 7 long years. We're still waiting. We will always be waiting, unless the Contras are given the wherewithal to defend the ideal or a pluralistic political sytem.

And make no mistake, that is what they are fighting for. The leaders of the Nicaraguan resistance—Adolfo Calero, Alfonso Robelo and Arturo Cruz—are democrats, as well as freedom fighters. And we must support them in their fight to be free of tyranny.

The allegation that the Contras are merely a collection of former Somoza followers has been thoroughly debunked. In fact, the Contra leadership is drawn almost entirely from those who opposed Somoza. Yes, there may be some former Somoza supporters among the Contras, just as there are former Marcos supporters in the Philippine Government of Corazon Aquino. How many here would be willing to condemn the Aquino government for this fact?

And what can the rest of Central America expect from a solidly entrenced Sandinista regime in Managua? With proof of United States hesitancy—proof that a no vote on Contra aid would supply—Costa Rica would be forced to accept an unilateral border agreement with the Communists. With no defense force, what choice would Costa Rica have? This would deny critically important bases to the Contras.

Likewise, Contra bases in Honduras could be eliminated, as Honduran hospitality for these bases has tended to waver in relations to United States support.

In short, there would be no bases and no Contra effort. There would be only Marxism—and Marxism inevitably expands. Indeed, we already have heard Colombian accusations of Sandinista-supplied arms reaching the M-19 guerrillas, Salvadoran accusations of Sandinista involvement with left-wing insurgents in El Salvador—as well as in the kidnaping of President Duarte's daughter. Without the Contra opposition, the Sandinistas would be free to step up this program of exported violence—with the all-too-willing financial and military help of Cuba and the Soviet Union.

A "no" vote this week would be a betrayal of the vision of freedom in which we have invested in El Salvador, and with the Contras in Nicaragua.

Not only would the hope of peace be put to flight from the region, but the United States would see a vast floodtide of refugees fleeing northward, as well. Just this week a Honduran military officer in Washington told the Wall Street Journal, "Just look at the new air base the Americans are building at Mocoron on the Atlantic coast of Honduras. It makes no military sense. But it will come in handy when all those refugees from Nicaragua have to be evacuated to Florida—including the Contras."

Voting "no" on the President's request will ensure a busy time at the Mocoron air base.

The United States can and must lead on this issue. We must not desert the Contras in their time of greatest need. For to do so would be to desert the cause of freedom itself.

Mr. McCAIN. Mr. Chairman, I yield such time as he may consume to the gentleman from Kansas [Mr. ROBERTS].

Mr. ROBERTS. Mr. Chairman, in trying to resolve how best we should respond to the situation in Central America, I do not rise today to question the wisdom or patriotism of those who may not share my view. I, too, have strong reservations regarding the choices we face. This is another of those times when honest minds differ and differ strongly. I am not sure there is a totally "right" answer.

I am not an expert on the subject of Central America. Most of my time this session has been devoted to the problems we face in agriculture. But, like my colleagues, I have a keen interest and responsibility. I have been to the briefings by the appropriate agencies. I have read reams of material. I have not been to Central American, but I have talked at length with those who have. And, more to the point, I have visited with the people of my district who are very concerned.

The letter I received from one of my country bankers is typical of this concern.

DEAR PAT: Yesterday, I had the sad task of telling a 55-year-old farmer and his wife that, because Farmers Home Administration has no money for a direct loan that could have kept them in business, they would have to liquidate their farm holdings and leave the farm.

As much as I hated to tell these people that they would have to liquidate, I had convinced myself that these things had to happen, and that when our country was trying its best to cut deficit spending, there had to be a certain amount of fallout from cutbacks on funding for Federal programs.

Then I picked up my newspaper this morning.

The headline said: "Reagan to seek $100 million to help Contras." How in the world can we sit by and watch our farmers leave their farms because funding that might help them supposedly is not available and yet we seem to have funds to help people in another country?

Now, Mr. Chairman, given the adversity we face in farm country, that is a very good question.

But, answer the question we must.

As I understand it, this $100 million comes from the Pentagon budget. It is not new money. That is an important point.

Now, there are few in Congress who have a greater aversion to spending other people's money than I do. And, I have no desire to go meddling in someone else's back forty at a time when our farmers need assistance so desperately. At the same time, this is no time to be penny wise and pound foolish. Look beyond agriculture's pasture fence, if you will, to see what is coming up the road and what may soon be at our gates.

The intentions of the Sandinistas are clear. During the first 18 months of the Sandinista government, the United States gave the Sandinistas $119 million in aid. Compare that to $224 million given Somoza over a period of 20 years. In appreciation, they conducted a military buildup unprecedented in the history of Central America. Costa Rica, a neighbor without an army, could have troops and tanks in its capital of San Jose within 12 hours. The situation could be much the same for other nations in the region.

Now, I'm not trying to use scare tactics or tell you the domino theory is fact. But, given the statements and actions of the Sandinistas themselves, these are realistic assumptions. They have pledged to spread the revolution beyond the borders of Nicaragua. And, that is exactly what they have been doing. They have been and are providing weapons to the insurgents and terrorists in El Salvador. When there is aid to the Contras, the flow of those weapons and the rate of terrorist activities lessens. When there is not, they increase.

If the Sandinistas are given free reign to do as they have promised, the only check on their assertiveness will be the U.S. military, not to mention an uncontrollable flood of refugees into this country. I can sure think of other places for the $100 million to go. But the cost of doing nothing and facing the unpleasant but predictable consequences will be far greater in farm country and to every American.

Will the $100 million do the job? I have my doubts. Will it prevent the Sandinistas from completing the 11,000-foot airfield they would have us believe is being built for crop dusters? Will it cause the Sandinistas to think twice about finishing the deep water port to serve as a base for Soviet submarines? Will it lessen the flow of arms and terrorist activities in El Salvador and other nations of the region? Will this assistance reduce the number within current refugee camps and the real possibility of refugees in this country? Will the $100 million cause Mr. Ortega and his cohorts to restore the civil liberties taken away by edict last October—liberties I might add that we all enjoy and take for granted in this country? Will the newspaper La Prinza be able to go to press and print the truth as opposed to submitting their galley proofs for censorship?

In truth, no one knows for sure the answer to these tough questions. The $100 million may not be enough. But, I do know that without this assistance there is no way, no remote scenario, under which the Sandinistas will relinquish power and restore individual freedoms through the process of negotiation.

We must face up to that cost—both in dollars and human suffering of what we will do when that airfield is complete, when the deep water port is a working base for Soviet submarines, when the Sandinista revolution is spread throughout the region, and when refugees, already growing in number, flee and come to this country, when in the course of the 68-year history of takeover by Communists, those individual rights are never restored. Measured against the cost of all these things, I think the $100 million represents the proper and prudent course of action.

Mr. McCAIN. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Mr. Chairman, I've been watching this debate very closely since we began early this afternoon, and I was struck by what can only be described as chronic deja vu. I'm going to try not to impugn motives or question patriotism. But I would like to emphasize a clear historical trend which supports the allegations recently made in Washington that one of our political parties has indeed acted, whether intentionally or not, as "the coguarantor of the Brezhnev doctrine" and "the pallbearer of democracy" in the Western hemisphere.

Watching the debate I was struck by the similarity of the arguments espoused during the 1980–81 debate over U.S. assistance to El Salvador. I'd like to quote a few of my colleagues, some of whom have since left Congress, but their arguments endure. One of the most representative arguments of this school of thought was summed up by one of my Democrat colleagues on February 26, 1981. He said:

U.S. military support for the Duarte regime in El Salvador is a tragic mistake, directly contrary to our own ideals and national interests, and chilling in its parallels to the early days of U.S. involvement in Vietnam.

Instead of comparing U.S. policy in Nicaragua to that of Vietnam, why not compare it to our efforts in El Salvador? I point to El Salvador as a net success of American foreign policy. We all know about the relatively free and open elections, and the progress that the Duarte government has made toward creating a more open society. Because of U.S. support, El Salvador is well on its way to a free and democratic society.

Hindsight is always 20–20, but why not learn from our experiences in El Salvador and apply them to Nicaragua. Today, I have heard, nearly verbatim, the warnings issued by some Members during the debate over aid to El Salvador. I would like to read a few of these statements against aid in 1981.

First, they said we are not supporting a popular movement. On February 26, 1981, a Member of this body was heard to say:

Our own intelligence agencies will admit, when pressed, that the Duarte government has almost no base of popular support, and that it would not even be a major contender in a fairly contested election.

He went on to state that it is nonsense to describe this government as * * * a force for democracy in El Salvador.

Where would El Salvador be today if those supporting freedom had lost the debate in 1982? Where will the forces of freedom be in Nicaragua if the Sandinistas are encouraged to continue their oppressive policies?

Another member stated on February 24, 1981 once again during the debate over aid to El Salvador:

The consequences of deeper U.S. military commitment cannot be ignored. There is a grave risk that more American personnel will be committed—and that more American lives will be lost. Then we may find ourselves on the precipice of full-scale military intervention.

Last time I checked we have not invaded El Salvador, nor have we increased the number of advisers stationed in that country. I would like to conclude by quoting one of the most eloquent Members of this House, the distinguished majority leader who stated on February 3, 1982, while discussing El Salvador:

I cannot imagine succumbing once again to the siren song of those who would sell down the river the responsible people who are trying to have a stable, free, democratic government on behalf of those who would follow the example of Castro's Cuba.

Let's not sell down the river the only chance we have to achieve a democratic government in Nicaragua. I'm tired of hearing the same old lines from the "peace-at-any-cost" lobby. If this lobby would have won the debate in 1982, El Salvador would probably be another Cuba today.

Mr. McCAIN. May I inquire of the Chair how much time remains for both sides?

The CHAIRMAN. The gentleman from Arizona has 1 hour and 59 minutes of total time remaining. The majority side has 2 hours, 8½ minutes total time remaining.

Mr. McCAIN. Mr. Chairman, I reserve the balance of my time.

Mr. BARNES. Mr. Chairman, I yield 2 minutes to our distinguished colleague, the gentleman from Illinois [Mr. EVANS].

Mr. EVANS of Illinois. Mr. Chairman, last May I accompanied a National Guard unit from my district to Honduras for 2 weeks of training. I also visited Panama, Nicaragua, and El Salvador, and met with government officials, businesspeople, Contra leaders, and ordinary people.

I saw a region struggling with poverty and suffering from huge gaps in wealth. I learned about the daily battle facing most people just to get by, no matter who's in power. And I learned about the strong awareness of our country's role in the region.

Mr. Chairman, at the same time I represent an area that has been devastated by Reaganomics. In rural counties farmers are losing their farms. Rural communities are shrinking as farm-dependent businesses shut their doors.

In the cities, more than one-tenth of our workers are still without jobs. Thousands of jobless factory workers from John Deere, Caterpillar, and International Harvester are lined up for retraining programs, which this administration has targeted for cuts. Real estate values are at rockbottom, and hard-pressed local governments are enacting tax increases or cutting needed services to make ends meet.

Meanwhile, the President wants to spend $100 million on the Contras. He demands millions for bullets for Central America, while the unemployed, our veterans, the handicapped and poor must bite the bullet here at home. These priorities are badly misordered.

When our own citizens are facing budget cuts in student loans, agriculture, and job training programs, I cannot support sending $100 million to the Contras. Their leadership is largely the remnants of Somoza's National Guard. And the General Accounting Office can't even account for much of the $27 million the Contras received last year.

I wish the President would turn his attention to the 15 million Americans without jobs and the hundreds of families losing their farms every day. We in Congress should concentrate on those problems, and not send more taxpayer dollars to support war in Central America.

Mr. BARNES. Mr. Chairman, I yield 3 minutes to our distinguished colleague, the gentleman from Illinois [Mr. HAYES].

Mr. HAYES. Mr. Chairman, I rise today in strong opposition to the President's proposal to give $100 million in aid to the Contras attempting to overthrow the Nicaraguan Government. Over the past few weeks, and especially today, many of my colleagues have expressed their various positions on this issue. So have my constituents from the city of Chicago. The mail and the phone calls have been overwhelming, both in their number, and in their opposition to the President's plan. For every person who has contacted my office in support of the President's plan, 29 people have spoken against it.

It is clear to me that this policy is not only unpopular, but unrealistic. We need to re-examine our Nation's priorities. Why do we want to increase the amount of funds that we spend for the war in Central America while reducing the amount that we spend for our own citizens? How can we criticize other nations for intervening in the affairs of other countries, and then turn around and do it ourselves?

How can I tell the 16,000 teenagers in the city of Chicago that we cannot afford to give them jobs this summer, but we can afford to give guns, bullets, and other weapons to men who rape, pillage, and murder for a living? What kind of lesson will they learn from that?

Mr. CONYERS. Will the gentleman yield?

Mr. HAYES. I yield to the gentleman.

Mr. CONYERS. I want to commend the gentleman, and associate myself with his remarks, because he is the author of the Jobs and Income Act that speaks to the economic plight generations of young people have been in, and I am very glad to associate myself with him, because he uses a rational tone of voice in putting his arguments over. In other words, he is not hysterical, he is not impassioned, he is not accusing anybody of being

Communist that I have heard recently, and it just makes me feel good to know that the gentleman is advocating this position.

Mr. HAYES. I thank the gentleman for his remarks.

Mr. Chairman, how can I tell hungry schoolchildren in Chicago that we will be unable to make certain that they are given all of their immunizations, but that we will give food and medicine to the Contras in Nicaragua?

How can I tell the Mayor of the city of Chicago that we must reduce personnel in the city's police and fire departments because we are making Central America safer?

I cannot, and I will not. There is no justification for our misguided priorities. The President has declared that he is a Contra. I want to declare that I am an American. The President supports the Contras, but the American people are the ones who need our support.

Mr. CONYERS. Did the gentleman say the President said he is a Contra?

Mr. HAYES. That is right.

Mr. McCAIN. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. DELAY].

Mr. DELAY. Mr. Chairman, I support those wonderful fighting boys in Nicaragua that are fighting for freedom, and support $100 million to be sent to their aid.

Mr. Chairman, since I've come to Congress, sometimes I feel like I'm a passenger in a car in which the driver has one hand on the wheel and the other over his eyes—and if he is told that the road curves left, he is willing to court disaster and blindly turn the wheel without making sure of the facts—when all he's got to do to avoid crashing—is take his hand away from his eyes. Since Congress hand seems to be tightly fixed over its eyes, blindly courting disaster, I would like to use my time trying to remove that hand.

It might be unpleasant for some, but it is now time to take a long hard look at the accusations of atrocities directed at both the Sandinistas government and the democratic opposition. It's time for those opposing aid to do more than trot out the same, well worn, allegations of freedom fighter atrocities while only reluctantly conceding that the Sandinistas are a bad government. It is time for them to face the fact that it has been overwhelmingly established that the Sandinista government has adopted a calculated, systematic policy of committing atrocities to intimidate the population and achieve absolute control over all aspects of society. There is no corresponding documentation to shown the same of the freedom fighters.

Rather than play atrocity poker—I see your atrocity and raise you two atrocities—lets start by realizing that atrocities have been committed by both sides. Unfortunately, there happens to be a war for freedom going on in Nicaragua. Sadly, atrocities are a tragic by-product of war—even one fought for the most noble causes.

First, let's discuss the question of whether or not the freedom fighters actually commit atrocities as a means of advancing their cause. After much research, I have found the answer to be without question—no. How can I be sure of this? And that is a fair question. It is because most of the documentation of Contra atrocities have come from groups whose motives and sources of information are suspect. Groups such as Witness for Peace, the Washington Office on Latin America, Americas Watch, the Brody Report, and even Christopher Dickey's book, "With the Contras," have proven to be at the least very misleading and at the worst, outright fabrications. Let me give you some examples.

The 1985 human rights report issued by WOLA, the Washington Office of Latin America, accusing the freedom fighters of atrocities was instigated by the New York law firm of Riechler & Applebaum. This firm is registered with the Justice Department as an agent of the FSLN—and their 1985 report was prepared by Witness for Peace which operates in Nicaragua with the personal permission of Interior Minister Tomas Borge. Keep in mind that this revelation was made by a Witness for Peace steering committee member, Joyce Hollyday. Their views are hardly an objective perspective from which to approach such serious accusations.

The Brody report, which lists alleged Contra atrocities, was thoroughly discredited by the testimony of a man in a position to know the truth—Mr. Bayardo Payan, a former official of the Sandinista accounts department responsible for paying Mr. Brody's expenses. Another less than objective perspective. Mr. Payan's testimony was given before the House Western Hemisphere Subcommittee on April 18, 1985. He said, "I believe that the report given by Mr. Brody is nothing more than a propaganda job."

With regard to the activities of the former Contra known as Suicida, reported on by Mr. Dickey, the fact is that this lunatic and his adherents were arrested and executed by the Contra high command for their crimes. The point is; he was stopped. In fact under an umbrella organization called UNO, the democratic opposition has created an autonomous human rights organization, which is based in Costa Rica. The commission's executive council is composed of human rights activists such as Antonio Ruiz, who was an original member of Nicaragua's Permanent Commission on Human Rights—which was created to monitor Somoza's abuses. Another member, Ismael Reyes was former president of the Nicaraguan Red Cross. This is an obvious effort—along with human rights instruction to trainees—to do all that is possible in a time of war to monitor rights abuses.

Again, I am not saying that atrocities did not—and do not—happen. But there is simply no reputable evidence that this is the democratic opposition's policy. How can it be when their very survival depends on the friendship and active support of the people? How can it be when over 85 percent of the FDN is made up of campesinoss or country boys? And how can it be when they started with only a few dozen and have grown into a highly motivated force of 20,000 men and women?

Now, lets look at the Sandinistas. The documention of atrocities in their case, as opposed to the democratic opposition, comes from reputable sources. The most important source, Alvaro Baldizon, is the former chief investigator for the Sandinista Ministry of the Interior.

Alvaro Baldizon was an insider in the Sandinista government—an avowed Marxist-Leninist—who left the Government because he saw that the promise of communism is not the same in reality as it is on paper. He found that a Communist government can commit any atrocity necessary to further their goals with absolute impunity. They recognize no moral inperatives. The end—consolidating power in their hands—justifies any means.

Let me quote Mr. Baldizon, "The Contras do not have a policy of committing abuses while the Sandinistas do. When Contra abuses occurred, they appeared to be motivated by revenge." Another of his statements illustrates the duplicity of the Sandinists and their active—and apparently successful—disinformation campaign. He said that in some instances civilians who were accompanying military convoys were caught in an ambush and reported as abuses. He estimated that for every Contra abuses there were 10 committed by the Government—and it was his job to know of government abuses.

Additionally, Baldizon reports of platoons coming back from training in East Germany in 1981 to dress as Contras to lure unsuspecting possible antirevolutionaries close enough to kill them. Again, in 1982, two platoons returned from East Germany, bought bolts of blue material, boots and canteens from Panama. Their goal this time was to commit atrocities and blame them on the Contras. By the way, Capt. Marco Arvelo who led the first group is now second in command of state security.

Now, let's apply the same commonsense criteria that was applied to the democratic opposition. How can this—a systematic policy of atrocities—be when the Sandinistas rely on their friendship with the people for survivial? Obviously, they don't. They have built the largest military in Central America. They have built 19 prisons for those who oppose their rule—this in contrast to the 2 that the tyrannical despot Somoza built. They have closed all but one state run radio station and two state run television stations. Under Somoza there were 50 radio and 3 television stations!

How can this be when their huge 120,000 man military is made up of the people, don't they need their support? No; of course not. They have implemented a system of forced draft for everyone over the age of 12 years old. But, what is wrong with a draft, you ask? We've done it. The difference is that the Sandinistas surround villages, parks, theaters and even break into households where young men and boys are. Often, families don't know where their loved ones are taken. And last, how can it be when the Sandinistas are writing a constitution? Of course, their mentors in the Soviet Union have a constitution. The Soviet Constitution is a constitution that evidently legalizes activities like dropping bombs shaped like toys for young Afghan children to pick up and have a hand or arm blown off. Somehow, I don't think that Sandinista atrocities will cause them to fall out of favor with a government that practices these activities.

As in any policy question there are two fundamental questions we must ask ourselves—what are the implications of doing it and what are the implications if we don't. If we aid the freedom fighters we have a chance—First of containing these abuses and second, to turn this situation around. If we don't this systematic policy of the Sandinistas will be used to destabilize their neighbor's government's will be impossible to stop.

While the light may be alot to handle when you eyes have been covered—please attempt to pull your hand away, brave the light, look at what is actually there—not what you hope will be there to help you rationalize your vote. If you do, for the good of Central America, for the good of Nicaraguans, and for the good of our own national security—you'll cast your vote for freedom.

Mr. McCAIN. Mr. Chairman, I reserve the balance of my time.

Mr. BARNES. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, earlier today some accusations were made about the documentation of human rights violations by the Contras of Nicaraguan citizens; and the suggestion was that the only documentation of those human rights violations was from some report that was paid for by the Sandinista government.

The fact is that the documentation of those human rights violations is well documented by Amnesty International. As Amnesty International says:

NICARAGUA: THE HUMAN RIGHTS RECORD

1. AMNESTY INTERNATIONAL CONCERNS IN BRIEF

Amnesty International's concerns in Nicaragua include a pattern of frequent, although generally short-term, imprisionment of prisoners of conscience; prolonged pretrial incommunicado detention of political prisoners, and restrictions on their right to a fair trial; and poor prison conditions for political prisoners. Amnesty International has received some reports of torture, arbitrary killings and unacknowledged detention carried out by military personel in remote areas undergoing armed conflict. However, the organization has also received information on the public trial and imprisonment of military personnel found responsible for such abuses. In the course of 1984 and 1985 Amnesty International took action on behalf of 12 prisoners it believed were prisoners of conscience or probable prisoners of conscience.

Since 1981 Amnesty International has also been concerned about the frequently reported torture, mutilation, and execution-style killing of captives by irregular military forces opposing the Nicaraguan Government. Forces believed to have been responsible for a persistent pattern of such abuses include those acting under the name Fuerza Democratica Nicaraquense (FDN), Nicaraguan Democratic Force, the estimated 10,000-strong force operating since 1982 from permanment bases in neighboring Honduras; and the largely Miskito Indian force, MISURA, with its primary military base in the Honduran hamlet Rus Rus. Some killings of captives have been attributed to forces of the Costa Rican-based opposition force Alianza Revolucionaria Democratica (ARDE), Democratic Revolutionary Alliance.

Amnesty International's policy is to condemn the killing or torture of captives by anyone, including both government forces and those of opposition groups. However, the organization takes action only with respect to governments, since they are the entities bound by the international legal standards which Amnesty International seeks to uphold. It addresses itslef to governments which engage directly in human rights violations falling within Amnesty International's mandate and to governments which support or condone the commission of such abuses by other forces. The organization may also take action with respect to abuses carried out by certain non-governmental entities which, while not necessarily recognized formally as governments, have some governmental attributes such as the effective control of territory.

2. THE BACKGROUND TO AMNESTY INTERNATIONAL'S CONCERNS

2.1 HUMAN RIGHTS IN THE AFTERMATH OF THE NICARAGUAN REVOLUTION

An estimated 40,000 to 50,000 Nicaraguans died in the course of the insurrection against the government of Anastasio Somoza Debayle, between 1974 and that government's overthrow on 17 July 1979. Amnesty International's concerns throughout that period centered on the Somoza government's detention of prisoners of conscience, and its use of torture, extrajudicial execution, and "disappearance" to deal with those it believed represented actual or protential opposition. In the final years of civil conocimiento de los mandos superiores"). The report does not indicate the time period within which such cases were reported in Special Zone One, whether individuals other than those reported to have "disappeared" in 1982 were reported as victims, or whether those responsible for such actions had been the subject of investigation and disciplinary action. Amnesty International is concerned that the use of the term "Special Measures" to describe the apparent summary executions of 1982 suggests that in certain circumstances such actions were tolerated by higher authorities and that their occurrence was deliberately concealed. Amnesty International will continue to seek public clarification of the cases of the reported "disappearances" of July to October 1982.

4. HUMAN RIGHTS ABUSE AND FOREIGN OR DOMESTIC OPPOSITION FORCES

Human rights violations in Nicaragua have been reported in the context of prolonged armed conflict. In addition to human rights violations attributed to the Government of Nicaragua, a pattern of abuses by armed opposition forces has been reported in the course of this conflict, including the routine torture and summary execution of captives. Amnesty International condemns as a matter of principle the torture or killing of prisoners under any circumstances, whether by governmental forces or non-governmental forces such as domestic opposition groups. The organization addresses only governments directly, as entities bound by international human rights agreements. Amnesty International takes action when governments are directly engaged in human rights violations and when they support or condone their perpetration by other agents.

4.1 ALLEGATIONS OF TORTURE AND SUMMARY EXECUTIONS OF DETAINEES BY OPPOSITION FORCES

Since 1981 reports have been regularly received of detentions, torture and summary execution by armed opposition forces, with most reports coming from the areas of Jinotega and Matagalpa bordering Honduras, and the Atlantic Coast region. Victims of reported summary execution by forces associated with the FDN included a Miskito, José Cornejo, who was released in the December 1983 amnesty, and his wife. José Cornejo was reportedly accused by opposition forces of collaborating with the Nicaraguan authorities and as a consequence he and his wife were reportedly captured and killed in late January 1984 near the hamlet Yulo.

Others captured were reportedly taken to bases in Honduras or Costa Rica. Amnesty International appealed to the Honduran authorities in December 1982 after lay church leaders Maria Eugenia de Barreda and her husband Felipe Barreda were seized by FDN forces while working as teachers near the Honduran border, taken across the border, and reportedly transported by Honduran army forces to the town of Danli where they and other Nicaraguan captives were reportedly held and interrogated. According to detailed reports, from captives who escaped FDN/Honduran custody at Danli, the Barredas had been severely beaten. Other reports maintained that Maria Eugenia de Barreda had been repeatedly raped and was held bound and gagged. The bodies of the two were reportedly found near Danli several months later.

More recently, Amnesty, International appealed to the Honduran authorities after the seizure by FDN forces in Nicaragua's Jinotega department of five student teachers on 28 September, 1984, and another on 5 October and their reported removal across the border to Honduras. In mid-November 1985 it was reported that one of them had escaped. She told a press conference in Managua that she had been held inside Honduras for part of her captivity, where she was raped and tortured. She believed that four of her colleagues may have been killed by the FDN. The detention of the fifth teacher remains unconfirmed and the Honduran authorities have made no response to inquiries about her fate and that of other captives reportedly taken to the FDN's Las Vegas camp.

In a similar case, forestry technicians Fausto Cristy and Jorge Canales, both Nicaraguans, and Regine Schmemann, a citizen of the Federal Republic of Germany, were seized on 14 June 1985 by forces of the largely Miskito Indian group MISURA while working north of Puerto Cabezas in Zelaya Department. They were subsequently taken into Honduran territory to the MISURA camp at Srum Laya. Following international protests, Regine Schmemann was removed from Srum Laya on 2 July by a delegation of three men, one whom was identified as a Honduran army officer. According to Regine Schmemann's testimony, the army escort was made aware that her two companions remained in custody at Srum Laya, but made no effort to assist them. She was subsequently taken first to a Honduran army command post in Gracias a Dios province, and then to the capital, Tegucigalpa, where she was handed over to a representative from her country's embassy and members of the International Committee of the Red Cross.

According to the account given to Amnesty International by Regine Schmemann, each of the three captives was threatened with executive while in MISURA custody. It is believed that her presence, as a citizen of the Federal Republic of Germany, may have provided some protection for her companions, and that there is now considerable danger to the lives of these Nicaraguan civilians. On 12 August 1985 Amnesty International telexed the president of the Republic of Honduras to welcome the reported steps taken by the Honduran army to secure the release of Regine Schmemann, and urged that similar measures be taken to ensure the physical safety of Fausto Cristy and Jorge Canales and to secure their immediate release.

While some prisoners were reportedly taken to bases outside Nicaragua by opposition forces, the forces of the FDN where more frequently reported to retain no prisoners, killing captives on the spot or after brief field interrogations. In some areas they reportedly killed their captives before the assembled residents of target communities. Witnesses of such killings of relatives and neighbours, and FDN personnel who have deserted the force, have described in detailed testimonies made available to Amnesty International execution style killings in which captives were bound, tortured, and their throats slit by FDN forces. In some cases captives were shot dead or beheaded. The number of captives tortured and put to death by FDN forces since 1981 is impossible to determine, but is believed to total several hundred.

4.1.1. INTERNATIONAL DIMENSIONS TO ABUSES BY OPPOSITION FORCES

The international dimension of abuses of the rights of prisoners includes both the frequent removal of opposition forces' captives to Honduran and Costa Rican bases and evidence that the armed forces of the FDN are supported, instructed and directed by agencies of foreign governments.

A United States Government role in the FDN's development was first formally acknowledged in early 1982 in the US Congress. A November 1981 executive order was reported to have instructed that government's Central Intelligence Agency (CIA) to assist the development of the FDN as a military force (with a provision of $19.0 million special funding for that purpose). Although US government representatives acknowledged assistance to equip, train and assist the FDN as a paramilitary force, a US government role in the creation of, or direction of the FDN has been denied.

Amnesty International has analyzed a copy of a field manual issued to FDN forces, which proposes the public "neutralization" of civilians believed to collaborate with the Nicaraguan Government as a model "use of violence for propagandistic effects". The manual, which received widspread publicity in late 1984, also proposes the selective assassination of civilian local government officials, police, and military personnel. US government representatives acknowledged that a US agency has issued the manual—"Psychological Operations in Guerrilla Warfare"—to FDN forces, and maintained it has been issued as a means of exerting greater control over irregular forces receiving US assistance in combatting the Nicaraguan construed as US support for assassinations or executions, but said that it would be recalled and reissued without reference to "neutralizations".

Despite the stated official interpretation of the manual's significance, the distribution of the "psyschlogical operations" manual was harshly criticized in US Congressional arenas, notably the Permanent Select Committee on Intelligence of the House of Representatives, in part because of its human rights implications. In the Committee's public report of 5 January 1985 it said that a copy of the manual had been provided to it by a journalist in September 1984 and that subsequently "CIA confirmed that the manual had been written by the CIA in 1983 for use in the 'covert' war against Nicaragua". As a consequence, the Committee said that it had initiated its own investigation into the matter, in order to determine whether violations of US law had occurred:

"The Committee found that the manual was written and printed up on several editions by the CIA. The manual talks of overthrowing the Sandinistas. This raises the question of whether the Boland Amendment was violated.[1]

"The manual talks of 'neutralizing' Sandinista officials and creating martyrs. This raises the question of whether Executive Order 12333, which prohibits assassinations, was violated. The manual also talks of shooting civilians trying to leave a captured town, blackmailing others to work for the contras,[2] and endangering innocent people by inciting violence in mass demonstrations . . ."

The Committee concluded that the manual did violate the law. However it supported CIA denials that the law had been deliberately flouted, attributing the manual's writing and distribution to the ignorance of minor officials and the negligence of their superiors:

"The Committee was told that all CIA officers should have known about the Executive Order's ban on assassination and about the Boland Amendment, but some did not . . . The incident of the manual illustrates once again to a majority of the Committee that the CIA did not have adequate command and control of the entire Nicaragua covert action . . . A majority of the Committee concludes that the manual represents a violation of the Boland Amendment. CIA officials up the chain of command either never read the manual or were never aware of it. Negligence, not intent to violate the law, marked the manual's history. The Committee concluded that there was no intentional violation of Executive Order 12333."

Critics of the FDN's routine torture and execution of captives, and the "Psychological Operations" manual included the FDN's own press spokesman and member of its executive of seven Edgar Chamorro. Edgar Chamorro was expelled from the FDN in early 1985 as an apparent consequence of his critical statements. He subsequently made detailed assertions that the FDN had been created and was directed by the CIA, and attributed its record of human rights abuse to the operational command of the force by "former National Guardsmen who . . . stifle internal dissent and intimidate or murder those who dare oppose them."

Widespread publicity about the "Psychological Operations" manual, and detailed reporting[3] of continued cases of torture and murder of captives attributed to FDN and MISURA forces in the course of 1985 have resulted in little apparent change in the operational tactics applied by these forces.

Some action was taken by the Government of Honduras to respond to press reports suggesting its complicity in FDN-MISURA abuses. In January 1985 MISURA leader Steadman Fagoth Muller was ordered to leave Honduras after a widely publicized threat made at a press conference in the Honduran capital to "execute" 23 Nicaraguan soldiers he said were in MISURA's custody. The fate of the 23 alleged captives was apparently never established, however, and Steadman Fagoth Muller reportedly returned to Honduras after several months in the USA. While in the USA, moreover, he reportedly defended his forces' policy of summary execution in a meeting with staff of members of the US Senate and referred to a list of people facing execution, six of whom he said had already been put to death.

In September 1985 the FDN's titular head, civilian Adolfo Calero responded directly to criticism of FDN atrocities by announcing the adoption of a "code of conduct" establishing norms for the treatment of civilians and prisoners. Amnesty International has not yet obtained a copy of the code or received information on its implementation.

We also find out from Americas Watch that—

All of the major parties to the conflict in Nicaragua contributed to the worsening of the human rights situation in that country during the past year.

The Nicaraguan Government escalated its attack on freedom of expression, interfered with religious freedom, jailed hundreds of its political opponents, further restricted due process of law and forcibly relocated many thousands of its citizens. Though the Nicaraguan Government points to the severe military threat that it faces to justify these actions, Americas Watch's investigation persuades us that most of its repressive acts do not bear the direct relationship to that threat that would make them permissible under international law.

Military attacks by the opposition forces, widely known as Contras, diminished during 1985 but human rights abuses by them did not. Americas Watch itself obtained testimony on some ninety murders and disappearances by the Contras during 1985. Also, we have gathered information on additional abuses that they committed during the first two months of 1986. The record demonstrates that during the last six months, in the area of Central Zelaya where most Contra military activity is now concentrat-

[1] This was an amendment to the US Defense Appropriations bill for fiscal year 1983 which prohibited the use of funds "to furnish military equipment, military training or advice, or other support for military activities, to any group of individual, not part of a country's armed forces, for the purpose of overthrowing the Government of Nicaragua and Honduras." The bill was signed into law in December 1982. (See *Report on the Activities of the Permanent Select Committee on Inteligence of the House of Representatives during the Ninety-Eighth Congress*, January 2, 1985 (US Government Printing Office Washington).

[2] "Contra" is a term widely used in Nicaragua and the United States to describe the armed forces opposing the Nicaraguan Government and is a contraction of the Spanish term "contra-revolucionarios", counter revolutionaries.

[3] See, for example, The Americas Watch Committee *Violations of the Laws of War by Both Sides in Nicaragua—1981-1985*, March 1985, and the First supplement to the same report, JUNE 1985, and Reed Brody, *Attacks by the Nicaraguan "Contras" on the civilian population of Nicaragua: Report of a Fact-Finding Mission*, September 1984-January 1985.

ed, they repeatedly sought out those they considered to be Sandinista activists and mutilated and murdered them. The Union Nicaraguense de Oposicion (UNO), the political organization that unites the principal Contra forces, proclaimed that it would promote respect for human rights by its own forces, and has established a well-funded and professionally-staffed human rights organization.

So to put to rest the cheap shots, to suggest that somehow there is not accurate documentation of the atrocities by the Contras, I have entered these into the record.

The CHAIRMAN. The time of the gentleman from California [Mr. MILLER] has expired.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. If I have additional time.

Mr. BARNES. I do not have the time to yield to the gentleman. Perhaps the gentleman on the other side of the aisle does.

The CHAIRMAN. The gentleman from Arizona [Mr. MCCAIN] controls the time.

Mr. MCCAIN. Thank you, Mr. Chairman.

I would recommend to the gentleman from California that there are going to be some special orders this evening, and I hope we will be able to enjoy a spirited debate, and hope he can hang around for it.

The CHAIRMAN, I yield 3 minutes to the gentleman from Florida [Mr. HUTTO].

Mr. HUTTO. Mr. Chairman, I rise in support of the Contras fighting for freedom in Nicaragua. I realize that this is an issue with strong feelings on both sides, and I respect those views on the part of the Members.

I came to the Congress in 1979, and it was not long after that until the revolution took place in Nicaragua; and there was great hope on the part of the Nicaraguan people that they would be out from under the oppression of the dictator Somoza, but it did not happen that way.

I remember shortly after that time there was debate on this floor on whether or not to send $75 million in aid to the new government in Nicaragua to see if we could not influence the Nicaraguan regime and to swing them over to the democratic side.

Not being disposed to vote for much foreign aid, I was inclined to vote against the $75 million, but I remember very vividly the late and distinguished chairman of the Committee on Foreign Affairs, Clem Zablocki.

The last thing he said in that debate is, "It may not work, but we've got to try."

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And that convinced me that I should vote for it. I voted for the $75 million in aid and took a lot of flak for it. Of course it was not spent because as you know we know how things turned out there. I had the opportunity to visit in Nicaragua along with my colleagues about 3 years ago and we visited the Sandinista junta members as well as Obando y Bravo, then bishop, now cardinal, with businessmen, with the Chamorro family of La Prensa. And we found out about the oppression that was taking place in Nicaragua. It is still there perhaps even worse than under Somoza. I say that we cannot establish another Cuba, another Communist regime in Central America and that is why I support the $100 million in aid to the Contras.

In Florida we are especially aware of the problem because of our proximity and we have been unloaded on by the Cuban dictator Fidel Castro. We do not want this to continue. The Soviets have put $500 million or more into Nicaragua. And does anyone think if we do not send money to the Contras that there will not be a continuation of this move by the Communists to gain further footholds in Central America? Of course not. They will continue on.

So we must continue to do what we can and put the pressure on the Sandinista regime.

I would like for the Contadora process to work and maybe one of these days it will but you know they will not talk to the Contras or the freedom fighters and it must be done before we can have the right kind of freedom in Nicaragua and discontinue the kind of oppression that is there.

So let us help the Contras for the sake of freedom and as Clem Zablocki said back in 1979 we must try it, it is the least we can do.

The CHAIRMAN. The gentleman from Maryland [Mr. BARNES] has 1½ minutes remaining.

Mr. BARNES. I yield my remaining time to my distinguished colleague, the gentleman from Michigan [Mr. HERTEL].

Mr. HERTEL of Michigan. I thank the gentleman for yielding.

Mr. Chairman, we are all opposed to the Sandinistas denying freedom to the people of Nicaragua. But I want to evaluate what our policy should be under the doctrine set out November 28 by a speech of our Secretary of Defense in 1984 when Mr. Weinberger gave this speech enunciating when we should use Armed Forces. He said: "If we do decide to commit forces to combat overseas we should have clearly defined political and military objectives. And we should know precisely how our forces can accomplish those clearly defined objectives. And we should have and send the forces needed to do just that."

Mr. Weinberger also said, "Before the United States commits combat forces abroad there must be some reasonable assurance we will have the support of the American people and their elected representatives in Congress."

Then Mr. Weinberger came before the Committee on Armed Services and gave testimony just last month and I asked him what our clear military objectives were. I asked him how much money it would take and how long. I asked him if American trainers would be used or American forces. Mr. Weinberger's reply in open testimony, "I don't have my crystal ball with me, Mr. HERTEL, and I can't tell you all of the answers to all of those questions."

I asked him later on about the very same thing, what is the military objectives, how long, how much, are American trainers involved in the future, American forces involved, how much will it cost, what are our military objectives? He said again that of course he could not tell me.

Again what Mr. Weinberger said last year, November 1984:

> The point that we must keep uppermost in our minds if we ever decide to commit forces to combat we must support those forces to the fullest to show our national will for so long as it takes to win. So we must have in mind objectives that are clearly defined and understood and supported by the widest possible number of our citizens.

And that test of Mr. Weinberger has not been met in this debate or met by the administration in answering our questions.

Mr. DELLUMS. Mr. Chairman, I am standing in for the chairman of the full Committee on Armed Services.

The CHAIRMAN. As a representative of the Committee on Armed Services, the Chair now recognizes the gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. I thank the Chairman.

Mr. Chairman, does the gentleman seek additional time?

Mr. HERTEL of Michigan. I do.

Mr. DELLUMS. Mr. Chairman, I yield 3½ additional minutes to the gentleman from Michigan.

Mr. HERTEL of Michigan. Mr. Chairman, I want to quote again from Mr. Weinberger's speech of November 28, 1984, when he enunciated when Armed Forces should be used. He quoted Clausewitz, who had written:

> No one starts a war—or rather, no one in his senses ought to do so—without first being clear in his mind what he intends to achieve by that war and how he intends to conduct it.

Again the Secretary of Defense had this responsibility of enunciating a policy as to when Armed Forces should be used. He quotes Clausewitz and again we see these questions are not answered by the proposal of $100 million in military aid to the Contras.

Mr. Weinberger also said that "the relationship between our objectives and the forces we have committed, the size, composition, and disposition must be continually reassessed and adjusted

if necessary. Conditions and objectives invariably change during the course of the conflict. When they do change, then our combat requirements must also change."

What he has done is left the door open, left the door open because as Mr. Weinberger said, "War may be different today than in Clausewitz's time but the need for well-defined objectives and a consistent strategy is still essential. If we determine that a combat mission has become necessary for our vital national interests then we must send forces capable to do the job and not assign a combat mission to a force configured for peacekeeping."

All I am trying to do today is evaluate the administration's policy and request for $100 million in military aid for the Contras, to evaluate that in light of the standards established by our Secretary of Defense just a few short months ago. And then I take that, with his answers to my questions, to meet his own criteria of clear military objectives, of having the American people's strong support, of achieving victory and I see they do not match up. That is what we have been hearing from the Members of Congress in this debate. The questions cannot be answered. We, as much as we are opposed to freedom being denied the people of Nicaragua, are not going to give an open-ended blank check. We are opposed to sending American forces and we still do not have an answer of the administration as to their position on that.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. HERTEL of Michigan. I yield to the gentleman.

Mr. WALKER. I thank the gentleman for yielding because a lot of us feel as though your side has not been willing to answer questions. A lot of us have stood up, asked people to yield when they were making these statements and we just have not gotten any answer.

Mr. HERTEL of Michigan. Does the gentleman have a question for me?

Mr. WALKER. Well, for one thing I would say to the gentleman that the statements that he is using of "Cap" Weinberger's are a year and a half old. A lot of change has taken place in the last year and a half.

When I was in Nicaragua this past weekend the Nicaraguan people were saying down there that much has changed there in the last year.

Mr. HERTEL of Michigan. OK. You have made the statement, now I will answer that statement.

Mr. Weinberger has not changed his policy of when Armed Forces should be used. Now if he wants to set a different standard for other nations as to when forces should be used such as the Contras, such as mercenaries, something of that sort, I guess he could enunciate a different policy.

But he has not backed down or changed his policy at all. He just has not met the mark. He just does not have a policy regarding the Contras in Nicaragua that meets his own standards for when Armed Forces should be used.

Clearly from his statement in November 1984, surely from this major speech that the Secretary of Defense gave in November 1984 as to when military Armed Forces should be used, his criteria of having strong support and lasting support of the American people, his criteria of clear military objectives are not met by this $100 million proposal. We have seen that throughout this debate, in past debates about this policy of this administration. It is wrong, and that is why the House will reject it, and that is why the American people are opposed to it.

Mr. McCAIN. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Texas [Mr. STENHOLM.]

Mr. STENHOLM. I thank the gentleman for yielding.

Mr. Chairman, today we have two choices. They are not simple choices. We can either decide to shape or continue to watch events in Central America. We must decide whether we want to remain passive and allow others to shape our national destiny, or whether we want to use the resources at our disposal to stop the spread of and remove the Nicaraguan Communist cancer from our hemisphere. As a Democrat and as an American, I have always believed that we must shape our own destiny if we are to remain a free people.

I have heard many arguments against the proposed $100 million in aid for the Contras. I recognize that there is validity in arguments that aid needs to be properly audited, and that there needs to be greater coordination between the various Contra factions. The Contras need military training and they need defensive weapons. We need time sensitive negotiations to pursue our objectives diplomatically. The Skelton package addresses all these issues and we have been assured by the President, in word and deed, that these proposals are being considered in the formulation of a new game plan for Central America.

As in all insurgencies, there have been far too many brutalities, just as there were in our American Revolution. I'm sure my colleagues from Massachusetts could elaborate on those instances when individuals loyal to the British Crown were tarred and feathered and often hung on the Boston Commons. Our Nation must plan an active role in increasing the democratic nature of the Contra movement. There are differences over how we are to best do it. However these differences and this issue are peripheral. The fundamental question is whether we can tolerate the existence of another Communist state in our hemisphere.

Rejection of the $100 million aid package and adoption of a policy of inaction, with vague promises of a future vote on a compromise proposal, poses unacceptably grave risks for our Nation and other democracies. The risks are clear because there can be little doubt as to Sandinista intentions. The Sandinista Commandante Bayardo Arce makes clear the Sandinista contempt for democracy, pluralism and their plans to strengthen ties with the Soviets in the following remarks:

> The power to act is precisely what constitutes the essence of the dictatorship of the proletariat—the ability of the (working) class to impose its will by using the means at hand (without) (middle class) formalities. For us, then, the elections, viewed from that perspective, are a nuisance, just as a number of things that make up the reality of our revolution are a nuisance . . . It is useful for example, to be able to display an entrepreneurial class and mixed production in the mixed economy system we promulgated, while we move ahead in strategic ways. The important thing is that the entrepreneurial class no longer controls all the means to reproduce itself. It no longer controls the banks, foreign trade, or the source of foreign exchange. Therefore, any investment project in the country belongs to the State. The (middle class) no longer invests—it subsists . . . Imperialism (U.S.A.) asks three things of us: to abandon interventionism, to abandon strategic ties with the Soviet Union and the socialist community, and to be democratic. We cannot cease being internationalists unless we cease being revolutionaries. We cannot discontinue strategic relationships unless we cease being revolutionaries. It is impossible even to consider this.

These remarks and numerous other statements, and more importantly, actions of the Sandinista regime, make it clear that their objective is the establishment of a totalitarian Leninist state and the spread of their ideology throughout the region. Clearly both of these objectives are directly counter to U.S. interests. Sandinista success might well produce a flood of refugees into this country and lead to a reappraisal of many of our global commitments. If we remain passive in the face of the activist, aggressive policies of the Communists, we will allow them to determine the future of this region.

Central America is a pressure cooker about to explode. We cannot allow the Sandinistas to turn up the flames and bring disaster for the peoples of the region and our Nation. In this Chamber are two pictures. One of Washington, our first President and commander of the Revolutionary Armies, and one of Lafayette, the Frenchman who provided the needed military assistance that permitted our forces to triumph over British tyranny. Today Nicaraguans are asking for our assistance in ending Communist tyranny.

We must follow the example of Lafayette and provide the people of Nicaragua with assistance to put out the flame of Communist dictatorship. With our help the people of Nicaragua, Costa Rica and the emerging democracies in the region have a chance for a future in freedom. Freedom is a precious commodity for us, and it should be shared with our neighbors. I urge my colleagues to vote for aid to the Contras. Vote to help our friends. Vote to release these funds. Vote for freedom for the Nicaraguan people.

Mr. HEFNER. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina [Mr. HEFNER] for the purpose of engaging in a colloquy with the gentleman from Texas [Mr. STENHOLM].

Mr. HEFNER. I thank the gentleman for yielding.

Mr. Chairman, I would like to ask a couple of questions because my concern is the fact that the $100 million we have got kind of oversimplified and a lot of folks have the idea that $100 million, then all our problems are gone.

The gentleman alluded to the fact in his opening statement that we should support the $100 million to do away with the Sandinista government in Nicaragua. If that is the goal, to me I have a problem figuring out where do we go after the $100 million. The gentleman also mentioned that we have to come back, we would have to have support of gunships and sophisticated weapons and this sort of thing. Is the gentleman talking about coming back at a later date with an appropriation or legislation that would give more moneys, appropriate moneys for helicopters and what have you? That is a problem that I have had with this legislation all along. To me $100 million, I know what $100 million buys and I know that $100 million does not do anything as far as would even be enough to sustain for 1 year let alone 18 months and would buy any weapons in time. Would the gentleman comment on what he meant when he said he is going to come back?

□ 1725

Mr. STENHOLM. Mr. Chairman, if the gentleman will yield, I would be happy to.

The gentleman's crystal ball is much clearer than mine when he can foresee what may or may not happen in the future.

What I was referring to in my statement is what we know is a fact there today. We know that the Contras, those Nicaraguan people who want to fight communism within their country and deliver their country back, need help.

Last year, the wisdom of this House said $27 million in humanitarian aid was enough to do it. Clearly that has not been enough to do anything. Whether $100 million will be enough or whether it is $50 million or whatever.

Mr. HEFNER. I am not being argumentative, and I do not have a crystal ball, but I know what things cost.

What I am asking is, the gentleman said that they were going to have to have more arms and this sort of thing; do you say that we are going to have to come back for another appropriation or another resolution for more money? That is all that I am asking.

Mr. STENHOLM. I have heard statement after statement made by Members on this side of the aisle, and there is not a doubt in my mind that there is an overwhelming majority of this House of Representatives, both sides of the aisle, who are prepared to vote those funds necessary to stop communism in that hemisphere.

What we are talking about today is a new and revised game plan for achieving that.

The idea of $100 million being something magic, I share the gentleman's concern about that, and do not begin to suggest that is a magic number. What we are talking about is a game plan to be funded. I believe that this amount of money can fund this new and revised game plan to begin helping the situation in Central America.

Mr. HEFNER. Mr. Chairman, reclaiming my time, the problem that I have with it is the lack of policy. It is $100 million and that is it. It is $100 million, and it supposedly is going to stop the spread of communism, and we will have no more problems. I have real problems with this.

Mr. ASPIN. Mr. Chairman, I yield 11 minutes to the gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. Mr. Chairman, I thank my colleague for yielding me this time.

Members of the body, I would like to first state that this 10-hour limitation of the debate clearly expedites the business of this body, but it in no way stimulates a healthy debate on the floor of this Congress. We all know that. The best that it does is put it in the position of haranguing each other at a very adolescent level. And while 10 hours allows us within a reasonably short period of time to go forward on the debate, there is no opportunity for dialog and debate; all we can ostensibly do is harass each other: "Will the gentleman yield? Will the gentlewoman yield?" And it does not allow us to engage each other in a very honest and a very healthy way.

Having said that, Mr. Chairman and Members of the Committee, I would like to say that in the remaining time that I have, this gentleman seeks to assert my political position, to state my concerns and, with whatever time that I have remaining, I would like very much to try to yield so that we can engage in some healthy and honest debate. Let me now proceed to stating my political position, Mr. Chairman.

Let us not fool ourselves about the reasons for this aid and the so-called secret war against Nicaragua. At various times, the Contra leadership has declared the real reasons for the secret war against Nicaragua. The Contras and this administration and many of my colleagues in this Chamber have abandoned all pretext for using aid to the Contras for the purposes of interdicting arms supplies to El Salvador. It is very clear what the purpose of this aid is about. It is for the overthrow of the Sandinista government. The Government of this Nation knows that and still supports the paramilitary operation.

For example, Mr. Chairman, Colonel Bermudez, the Contra commander, declared in 1984, that:

> It is not acceptable to carry out missions to interdict Cuban and Russian supply lines to El Salvador. We are Nicaraguans and our objective is to overthrow the Communists.

The undeclared war against the Government and the people of Nicaragua is contrary to the Constitution of the United States, Mr. Chairman, violating the right of this body, the Congress, to declare war. And I would assert further that it is also in violation of the rule of law. There is a statute on the books known as the Neutrality Act. I believe that aid to the Contras is in direct violation of the rule of law. It clearly contravenes the charter of the Organization of American States. Here I have very specific reference to article 15 of the Organization of American States.

I would assert further that it is not only my opinion, but the opinion of many others, that we are also in violation of U.S. international obligations including the charter of the United Nations.

Mr. Chairman, what kind of people are the Contras, these so-called moral equivalents of the Founding Fathers? Here I allude to a statement made by the President of the United States.

Their activities have been documented by America's Watch, the New York Times, CBS News, the Washington Office on Latin America, the International Human Rights Law Group, and many independent observers, including Washington Post writer Chris Dickey.

The Washington Office on Latin America report issued in February and compiled by Ms. Mary Dutcher, a former assistant attorney general for the State of Missouri, synthesizes the multiple findings as follows:

> The preponderance of evidence indicates that the continuation of a systematic pattern of gross violations committed by Contra forces * * * the presence of Contra troops in a given locale seemed to rise to a

pattern of indiscriminate attacks against civilian targets, kidnapings, rapes, assassinations, mutilations and other forms of violations.

Edgar Chamorro, former member of the Contra directorate, affirmed this statement when he said:

The atrocities I had heard about were not isolated incidents, but reflected a consistent pattern of behavior by our troops.

Mr. Chairman, we should not be suprised by the activities of the Contras. We have seen their key military and civilian leadership before. I quote from an article by James Lemoyne on March 24, 1985, New York Times:

While their foot soldiers are mainly peasants, angered by Sandinista policies, almost all the top commanders are from former national guard officers * * *.

And further:

Their supreme military commander, Col. Enrique Bermudez, was the Somoza government's last military attache in Washington.

And further:

Their numbers may be small, but their influence appears to be great. Under Colonel Bermudez, the heads of logistics, intelligence, training, operations, special forces and most of the largest combat units are guard veterans. Many company commanders are influential national guard enlisted men. And two influential rebel civilian officials, the brothers Sanchez, were large landowners who backed the Somoza regime.

And finally, Mr. Chairman:

Worried about the guardsmen's reputations, the CIA appointed a new seven-member national directorate to meet journalists and Congressman. Colonel Bermudez and his aides continued to run the military.

A movement committed to democracy, Mr. Chairman, cannot arise out of this fabric of oppression. The military adventures of the Contras are not going to achieve a military success. Outside observers hold that the major effect of the effort is serving to turn the Sandinista army into a more effective fighting unit.

And if the fighting will not bring victory, Mr. Chairman, it certainly will not bring peace. Violence is not the way to a resolution of the problems in Nicaragua.

The Contadora nations have been trying desperately to find a basis for a peaceful settlement of the fighting in Nicaragua and elsewhere in Central America. The United States has not—I repeat, has not—facilitated this process. The Contadora process is dead in the water because of our recalcitrance.

I repeat for the purposes of emphasis, Mr. Chairman, our intransigence.

A change of policy is needed. Let us commit ourselves to true multilateral negotiations. It is either negotiations or an unacceptable war.

The administration has not been able to explain satisfactorily in 3 years, Mr. Chairman, what the Contras are to achieve and how it is to be done.

The present policy besides violating international laws, violates our traditional values. Outside of Central America, we have no support.

I would assert at this point in the RECORD, Mr. Chairman, that our relationship with the Contras is illegal.

□ 1735

Our relationship at this time with the Contras is immoral. I would assert that at this point our relationship with the Contras is insane.

Mr. Chairman, the politics of the cold war, which has masqueraded as American foreign policy for over 40 years, only states what we stand against. It does not state what we stand for. And, Mr. Chairman, I have tried to state over and over that if you disagree with an idea, and if that idea is communism, then how do you fight it? With a bigger bomb or bigger missile or bigger bullet or $100 million in aid to the Contras? Or do you stand up and say to the world, "We have a better idea". And if that better idea is a commitment to democratic policies and principles, we are not doing a good job of that.

We have a constitutional form of government. Our Constitution says we declare war, we do not use funds though Contras and the President of the United States.

If a better idea is a rule of law, we are not operating within the rule of law. If it is a respect for international law and a dedication to the orderly processes of dialog and debate, we are not doing a good job of it. If it is a commitment to a political solution and the embracing of the magnificence of the value of peace and the understanding and the recognition of the magnificence of the human spirit, we are not doing a good job of it. If our better idea is a commitment to human development and social justice, we are not doing a good job of it.

Mr. Chairman, if that better idea cannot be asserted from these Chambers, where can it be asserted from? From what better place than in this hemisphere can we show a commitment to dialog and democratic principles and political solutions.

What better time than now to embrace these ideas? War and death and destruction is not a way to go forward into the 21st century. We have to stop this madness. Even if you oppose communism in the strongest of terms, then what do you fight it with? With democracy, with the rule of law, with the understanding and respect for human life and human dignity and social justice. You do not do it with aid to the Contras, Mr. Chairman.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to the gentleman from California.

Mr. HUNTER. I thank the gentleman for yielding.

I am reminded of a gentleman that I think the gentleman from California [Mr. DELLUMS] respects, whom we have helped in Central America, Mr. Duarte. We could not have helped that fragile democracy to survive if we had not given him the military aid that he needed as a shield to protect that democracy. The idea of having two legs of a triad without having military help has not worked in Central America. Where we have given the military help, those fragile democracies have persevered, they have prevailed.

Mr. DELLUMS. If I might reclaim my time, I simply say to my colleague that I do not believe that is a wave of the future. War is an anachronism. It seems to me we have to come to grips with that.

I think the best thing that America can export to the world is a commitment to democratic principles, not a commitment to violence, to death and destruction. That is all this proposition gives us on the floor of this Congress. When we say, "Fight a proxy war," that is not a commitment to peace and democratic principles. That is all I am trying to assert to my colleagues.

Mr. McCAIN. Mr. Chairman, I yield 5½ minutes to the gentleman from Oklahoma [Mr. EDWARDS].

Mr. EDWARDS of Oklahoma. Mr. Chairman, many of the people who have been speaking against assistance to the Contras talk about the need to negotiate first. Well, we have tried to negotiate. The roadblocks to negotiations have come not from the United States but from the Sandinistas. When the Sandinistas have negotiated, they have negotiated for their own purposes, and whether the Sandinistas have negotiated or refused to negotiate, they have promoted subversion and aggression throughout all of Central America.

A former Sandinista intelligence officer, Miguel Bolanos, who defected from Nicaragua in May 1983, described the Sandinista policy this way. He said:

We wanted dialogue, the strategy is that we are willing to dialogue to allow more time for clandestine operation, especially with the United States with dialogue, there is more political space that is advantageous to Nicaragua * * *but dialogue is more a political tool than anything else; you can use it as a cover.

Let us look at the history of dialog.

Between August and October 1981—United States initiates diplomatic exchanges with Nicaragua. We offer a bilateral nonaggression treaty, economic assistance, and our influence to encourage Nicaraguan exiles in the United States to moderate their behavior if Nicaragua stops helping Salvadoran guerrillas, and limits its military buildup.

Nicaragua rejects the offer.

In October, Salvadoran guerrillas, trained in Nicaragua, attack the Puente de Oro bridge in El Salvador.

On November 17, after we tried to start talks, the Honduran police staged a raid on a guerrilla safe house in Tegulcigalpa and found evidence that the Honduran Front for Popular Liberation was receiving its funds from Nicaragua.

In January, 1982, guerrillas trained in Nicaragua attacked Ilopongo airbase in Honduras.

April 9, 1982, the United States offered an 8-point proposal to Nicaragua.

On October 4, 1982, in Costa Rica, seven democratic governments, including the United States, signed the Declaration of San Jose, outlining a regional peace settlement. Nicaragua turned down the plan.

On July 4, 1982, guerrilla forces in Honduras, trained in Nicaragua, sabotaged the main power station in Tegulcigalpa.

In April, 1983, Nicaraguan Interior Minister Tomas Borge says in an interview for Cuban television that Nicaragua will not negotiate about the situation in Central America and will not talk with or about the counter-revolutionaries.

April 27, 1983, President Reagan appointed a special envoy, Richard Stone, to facilitate dialog in El Salvador and Nicaragua.

July 21, 1983, Costa Rica, Guatemala, and Honduras propose a peace plan. Nicaragua does not respond.

In July, a large armed force crossed into Olancho Department in eastern Honduras. The weapons are provided by the Sandinistas.

July 23, 1983, President Reagan delivered a letter to the Contadora group presidents, supporting Contadora principles.

September 9, 1983, the Contadora document of objectives is approved by five Central American countries.

In October, an FMLN guerrilla defects, and he says that up to 50 tons of arms and ammunition are being delivered every 3 months from Nicaragua to Salvadoran guerrillas.

On December 30, the fourth brigade headquarters in El Salvador is attacked; the mockup of the headquarters used for that attack was built in Cuba and the weapons came from Nicaragua.

Between March and June 1984, 100 members of the Revolutionary People's Army in El Salvador receive training in Nicaragua.

June 1, 1984, Secretary Shultz visits Managus to launch bilateral talks in support of the Contadora agreement.

Between June and December 1984, the United States and Nicaragua have nine rounds of bilateral talks at Manzanillo, Mexico. The United States offers a peace assurance in return for Nicaraguan acceptance of modifications to the September 7 Contadora agreement.

December 10, Nicaragua totally rejects the United States proposal and proposes to scrap the entire Contadora process.

At the same time, Nicaragua receives shipment of the Soviets' most sophisticated gunship, the Hind MI-24.

On April 4, 1985, President Reagan calls on Nicaragua to accept dialog and he asks the Contras to keep their March 1 peace offer open.

Nicaragua refuses to respond.

April 11, 1985, the Contadora group agrees in principle on revised verification procedures.

April 25, Ortega flies to Moscow for his ninth visit.

July 26, 1985, Secretary Shultz states our willingness to resume bilateral talks if Sandinistas move toward internal dialog in Nicaragua.

There was no response.

October 15, Ortega announces a new state of emergency, suspending virtually all civil liberties.

October 29, Nicaragua totally rejects the San Jose peace proposal.

December 3, Nicaragua asks for complete suspension of Contadora talks.

December 9, 1985, OAS General Assembly votes 28 to 1 toward continuation of the Contadora talks. Only Nicaragua votes "no".

January 1, 1986, Catholic radio station is closed by Sandinistas.

February, Nicaragua repeats objections to Contadora agreement in Ortega's speech to Third Cuban Communist Party Congress in Cuba.

February 6, 1986, opposition parties in Nicaragua propose suspension of hostilities. Nicaragua rejects the proposal and Sandinista delegation flies to Moscow to attend the Soviet Communist Party Congress.

Every other leader of Central America has agreed to say, "We will talk with our guerrillas, if you, Mr. Ortega, talk to yours." But Daniel Ortega won't. He will not risk what all other leaders in Central America have had the courage and conviction to do: To ask the people themselves who they want to run their country, and what kind of system they believe would be best for their country.

If Mr. Ortega really wants to see the opposition to his government disappear, and if he really wants the United States to accept his government, he will talk.

Let no one hide behind the argument that we cannot send military help, but that we need to talk. We are talking, but the Sandinistas will not talk. We need military assistance to force them to the bargaining table.

Mr. ASPIN. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. SEIBERLING].

Mr. SEIBERLING. Mr. Chairman, the most disturbing thing to me about this issue, as posed by the President's approach, is his utter failure to recognize that there is any other reasonable alternative other than the one he has chosen. And the one he has chosen is appropriately characterized as all stick and no carrot. It is simply mind-boggling that the Nation that produced the Marshall Plan, produced NATO, has done all of the constructive things that saved Western Europe after the war and democratized Japan, can now not seem to think of anything but a military approach to solving what is basically a social, economic, and political problem.

Clearly, there are constructive alternatives. The Democratic caucus task force, under the chairmanship of our colleague, the gentleman from California [Mr. LEVINE], has produced an absolutely outstanding set of recommendations, which I commend to every Member and which has been distributed to every member of the caucus and I am sure will be available to the gentlemen on the other side if they would like to have it.

The people of the country are overwhelmingly opposed to military involvement in Nicaragua. Telephone calls in my Akron office, after the President's speech, were 2 to 1 against the President's position, even though he asked people to call in to support his position. The people have learned from their sad experience of 20 years and over 50,000 dead Americans in Vietnam to avoid military involvement in other nations' civil wars.

The nations of Central America, those most closely affected, are against the President. The leadership of the four largest South American democracies have just come out against military aid to the Contras. Yet the President insists that he knows the answers and everyone else is wrong. Worse yet, he impugns the patriotism of anyone who dares to differ with him.

I spent 4 years in the U.S. Army in World War II, 3 of them overseas. I think I am a freedom fighter. I think that it is a slur on the memory of the Founders of this country, the Revolutionary heroes who died and suffered at Valley Forge, to compare this gang running the Contras to our patriots throughout our history.

Let me just read you a couple of things about them. A recent study by the Congressional Arms Control and Foreign Policy Caucus states that 12 of the 13 members of the Contra's leadership are today, as they have been since 1980, former officers in Somoza's National Guard.

The supreme commander, Col. Enrique Bermudez, was one of the most senior officers in Somoza's National Guard.

Capt. Armando "El Policia" Lopez, the commander of logistics, is one of Bermudez's closest associates "and is

considered by a number of our sources to be his principal military adviser. Lopez acquired his nickname, "El Policia," under Somoza, when he commanded units of Managua's metropolitan police, a branch of the National Guard.

"El Policia" is controversial both because of his brutal behavior toward FDN prisoners * * * and because of his prior service with the Managua police, which Somoza used to arrest hundreds of civilian political opponents. By the late 1970's, international human rights organizations reported substantial numbers of tortures and assassinations by the Managua police.

The chief of special operations for Honduras, Maj. Ricardo Lau, is the most controversial member of the FDN High Command, is a close associate of Bermudez. Caucus sources confirm numerous press accounts of his brutal and criminal behavior both during his Guard service and his tenure with the 15th of September Legion and the FDN.

Lau attained the rank of major in the National Guard—he arranged for hundreds of political arrests and at times supervised or approved clandestine torture and execution.

These are freedom fighters? These are people to be compared with patriots of our revolution and past wars? Shame, shame on the President for saying that he is a Contra. I hope he realizes that he has made an allusion which is beneath him. The President is not a Contra. He is indeed a patriot and one who stands high in the annals of civilized thinking. We must believe that he did not realize the implications of what he was saying.

Mr. Chairman, the administration's approach will lead to a dead end in every sense of the word. The alternative is to engage in serious negotiations, support the efforts of the Contadora group, and develop some constructive programs to deal with the economic, social, and political backwardness of Central America. We should even offer to help Nicaragua, if it will respect basic human rights and the integrity of its neighbor states.

□ 1750

Mr. Chairman, I am including for the RECORD at this point an editorial from the Akron Beacon Journal of March 18, 1986, and an editorial from the Cleveland Plain Dealer of March 18, 1986, both of which strongly support the kind of approach I have suggested.

DIPLOMACY WOULD SERVE UNITED STATES BEST IN NICARAGUA

President Reagan is so vehement in insisting that Nicaragua's Sandinista government is a direct threat to American security that even his opponents must occasionally wonder: What if he's right? What if he knows something we don't?

The answer is that even if this worst case proved true, Mr. Reagan's request for $100 million to aid "contra" rebels is still misplaced. If the threat is as bad as he says it is, $100 million would not begin to do the job. In that case Mr. Reagan should be prepared to commit U.S. troops and have the political courage to sell that idea to the American people.

But the evidence shows that Mr. Reagan has overstated the threat. In his televised speech Sunday night, the President left no connection unmade. He linked the Sandinistas to illicit drug traffic and suggested Nicaragua has become a "Soviet beachhead" and an outpost for the PLO, Ayatollah Khomeini and Red Brigade terrorists; he said this "mounting danger" would spead through the hemisphere and played on fears that a wave of Latin refugees would wash upon U.S. shores.

By all unbiased accounts, this gives Nicaragua too much credit. But even Mr. Reagan's congressional opponents will concede the fact that the Sandinistas are a shabby little regime that represses its people and would subvert its neighbors if it had the power. The argument, made Sunday night by Sen. James Sasser, D-Tenn., is how best to achieve the goals of promoting human rights in Nicaragua and peace in Central America.

Mr. Reagan's own intelligence agencies say the contras can't win. They have little popular support within Nicaragua and, in fact, contra operations—not to mention atrocities—allow the Sandinistas to plead justification for more repression and more Soviet aid. Sandinista forces appear stronger than ever and Mr. Reagan has admitted he will probably be back for more aid in 18 months.

This approach promises only more turmoil in Central America, which can only make the United States more hated as an interventionist. And it neglects the role of the prime players—the other Central American nations that oppose contra aid and have urged the United States to negotiate a peaceful settlement. Mr. Reagan says he has tried negotiations. But he has never seen the peace initiatives from the perspective of the Latin Americans, who fear U.S. involvement as much as communism in Nicaragua. If the United States encourages war there without first exhausting the peace process, U.S. prestige may never recover.

A word should also be said about Mr. Reagan's heavy-handed tactics in dealing with Congress on this issue. He claims he wants a bipartisan foreign policy, yet Mr. Reagan and his lieutenants have promised to brand as un-American anyone who opposes their aid to rebel guerrillas.

The President may yet win this fight in Congress. But contra aid alone is not an enlightened policy for the complexities of Central America. It might make trouble for one nasty government, but at the expense of Washington's reputation among democratic nations of the region and the world. And it puts American taxpayers in the position of keeping alive a guerrilla war that has turned ugly.

Diplomacy could also fail. But it has a chance and it would put the United States in league with its Latin allies who want to isolate the Sandinistas and turn back their subversion.

THE COLOR RED

Leaders of Nicaragua's government are so underwhelmed by the contra-aid debate in the United States that the Sandinista president took his family on a "working" vacation to Cuba, The New York Times has reported. Daniel Ortega, the cocky leader of the Managua revolution, knows better than anyone else that he will not be driven to the negotiating table if the loose-knit band of contra-revolutionaries fighting him is given $100 million by the country that founded their movement.

The Reagan administration's aid proposal cannot achieve the president's aims, but that is not the worst element of the current debate. More upsetting is the shrillness of the administration's words. Rather than leading to a thoughtful discussion of foreign policy objectives, the discussion has plunged Congress into a battle over who can appear most committed to democracy, with opponents of the president feeling forced to reaffirm their patriotism, lest they be branded as commie-lovers.

What started four years ago as an effort to head off the arming of anti-government guerrillas in El Salvador has become an intense public relations campaign featuring maps of Latin America, symbolically splotched with the color red to illustrate a perceived Communist threat to much of the hemisphere. As each day passes before Thursday's House vote, we are told of new, startling evidence but are provided few actual details of further Soviet/Cuban/ Nicaraguan outrages. It's as if yesterday's story wasn't good enough, so something new must be provided to capture a reluctant public's imagination. The president Sunday night went beyond his listing of huge Soviet airfields, which have yet to be built, to bring Mu'ammar Qadhafi, Yasser Arafat and the Ayatollah Ruhollah Khomeini into the long list of menaces the United States faces in a tiny country three nations away.

If the threat to democracy is so real, why fool around with a mere $30 million worth of medicine, food and trucks and another $70 million in boots, bullets and anti-aircraft missiles for a band of rogues that offers no guarantee of bringing about the intended result? Why not send in the Marines?

Because the threat does not exist to the extent that the president claims. The Sandinistas are untrustworthy engineers of an unsavory social revolution. But they rule over just three million people in a tiny country sandwiched between two Central American democracies. They can be contained through diplomatic and economic pressure on them and their sponsors, coupled with economic support of democratic governments in the region and strong notice that the presence of advanced weapons or foreign troops on Nicaraguan soil will not be tolerated by the United States.

The president, by repeatedly referring to the contras as a "democratic resistance" movement Sunday night, gave the rebels a label they do not deserve. The contras are not a united force. More than one fourth of their leadership is made up of former members of the fallen Somoza government's hated national guard. They adhere to human right's principles no more so than does the government they seek to replace.

Even some supporters of the administration's position recognize those aspects of the contras. But they say Nicaragua offers only bad choices, and that the proper U.S. approach is to pick the best of the bad—the contras. That presumes, however, that the contras can succeed. Were they that strong, Daniel Ortega wouldn't be vacationing in Havana this week.

Mr. McCAIN. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. DEWINE].

Mr. DEWINE. Mr. Chairman, I have listened to this debate now I guess all afternoon and the one thing that strikes me is that my colleagues on this side of the aisle who oppose the aid really do not have an alternative. We have heard the reasons for not giving the aid, but there is no coherent policy coming out as an alternative.

Mr. Chairman, we have a policy. Our policy is what the gentleman from Illinois, HENRY HYDE, a few hours ago said was a triad policy. No one says that the Communists are going to be thrown out of Nicaragua purely by military force; neither was Somoza.

If you read Shirley Christian's book about Nicaragua in the 1979 revolution, what you find is he was toppled by a combination of economic, military, and political force. That is what we are talking about.

We have a viable alternative. I just heard my friend on the other side of the aisle say, "Well, what about negotiations?" That is what we always hear.

The gentleman from Oklahoma, Mr. MICKEY EDWARDS, just detailed the attempts at negotiations by this country. I only have one thing to add to that sorry story of futility that we have now been able to get them to negotiate, and that is this. Is there anybody in this Chamber who can give me one example of a Communist government that has ever negotiated themselves out of power, or better yet, can they give me one example of a Communist country that has ever shared power? None. There is absolutely none.

What we are asking for is the military pressure to force them to negoitate.

Now, some of my friends on the other side of the aisle also say that if it is so bad, if it is so horrible, then why does not the President send in the Marines, send in the Army.

Is that really your policy? Is it so bad that we are faced with another Cuba, another Vietnam? Is there no middle ground, no alternative? I say there is. There is middle alternative and that is the President's proposal of military aid, coupled with the other forces coming together. There is a middle ground.

My next door neighbor when I was home a few weeks ago asked me, she said, "Mike, why do you go to Central America?" She said, "Why am I always reading about that? Why do you care about that region of the world?"

My answer to her was this. I care about it and I believe we should send aid down there and your tax dollars, because I do not want my children fighting down there and I do not want her grandchildren fighting down there. That is why. That is what the choice is. We have a viable alternative.

I appeal to this body, the party of Harry Truman, the party of John F. Kennedy, the party that has historically understood that you cannot be an isolationist country, that you save lives by looking forward. Look forward. Save our sons from going to Central America, support this proposal.

Mr. ASPIN. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. CONYERS].

Mr. CONYERS. Mr. Chairman, this has been the most important foreign policy issue that this administration has chosen to debate, arms to fight, an impoverished, poor, tiny country in Central America. The arguments have been rather incredible. But hysteria has been rather mild, considering how high we can go on the Richter Scale of hysteria. I am very proud of the House so far. Somehow we have managed to contain our deep emotions on the subject. No one has been called a Communist in several hours.

I have been following this. I was talking to my good friend, the gentleman from Pennsylvania [Mr. WALKER], to whom I am not going to yield, and he told me about the Nicaraguan out in the chambers who had both ears cut off by the Sandinistas and he urged me to visit him and I went out there. He was not there. He probably will be back tomorrow, so I will have a good chance to talk with him. I hope that influences my vote somewhat.

We read now today that this great organization called the National Endowment for Democracy is now funding through its support groups—you know, the ones we voted to keep out of politics. Their proxy organizations are now running ads in America to advise us how to vote on tomorrow's pending measure.

I have seen a lot of photos and maps out in the hall. That means for all of you Congress watchers that this is an important measure. When we get maps and charts and photos, it is heavy duty around here, Mister, but there is one map I have not seen. I have not seen the map that draws the way that the Nicaraguan army is going to infiltrate to Harlingen, TX, in 2 days time. That map has not been produced yet but maybe it will come. It would have to show them going from Nicaragua through four nations. The terrain, I have been advised, is a little difficult, but I am not worried, Mr. President, because I know at the borders they will be stopped by Customs, the INS, the DEA, and the Coast Guard, so there for all these Nicaraguan invaders, 2 days away from Harlingen, TX.

Mr. DORNAN of California. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. I absolutely cannot.

For all of you who are worried about that, you will not see one chart on that subject.

I have listened to a lot of explanations about this poor country and I will hear some more tomorrow during 2 more hours of debate. But one thing needs to be explained to me. If this is a Communist country, if this country is ruled by a Marxist-Leninist government, why is 60 percent of the economy in private hands and why was American business the largest trading partner with Nicaragua before the embargo?

Will somebody please tell me that—and not on my time.

So I want to close my 5 minutes by saying that we need not be Contras or not Contras to vote on this. Nobody here is a Contra. You do not even need to be a freedom fighter. You do not even have to have served in the armed services, although it helps.

Believe me, I feel sorry for all the Members of Congress who have not served in the military and have not been in combat. They are a little bit disabled in this kind of battle, because this debate is primarily reserved for the people who have really served their country. You are not serving your country if you are just in the Congress. You must have been not only in the military, but in action; so for all of you who haven't, feel free to revise and extend.

We have behaved ourselves very admirably so far. I think the vote is just about in. There may be one Member floating around here with an unmade up mind, and I am looking for him just as hard as you are.

□ 1800

Mr. McCAIN. Mr. Chairman, I yield 4½ minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. I thank the gentleman for yielding this time to me.

Mr. Chairman, it is pretty difficult to follow the act of the gentleman from Michigan, but I will try.

I will vote for the President's request for military and economic aid for the Nicaraguan Contras. I take this position only after serious study of the facts as they can be ascertained.

This is not an easy decision to make. The so-called facts as claimed by the strong partisans on opposite sides of the issue are not hard facts at all. The overblown rhetoric has obscured the central issues and raised emotions when the seriousness of the problem demands clearheaded analysis.

Indeed, partisans on either side have tried to mobilize majority opinion among the people. The result of their efforts has been polarization. Meanwhile, the uncommitted majority of Americans remain confused and unconvinced.

The time is now, my colleagues, to make reasoned judgment. And there are some certainties, certainties that have led me to conclude that this military assistance would be appropriate leverage at this time.

Certainty 1: The good guys and the bad guys cannot be easily identified. But all parties agree that the Sandinistas are "bad actors." They have abandoned their original revolution, become increasingly repressive and have moved to destabilize the region. Even the Democratic response to the President's appeal to the American people cited "We agree that the Sandinista government has betrayed the promise of its own revolution, has supressed the freedom of its own people, and has supported subversion against its neighbor El Salvador."

Certainty 2: The facts of geography are compelling. The threat of insurgency and the continuing export of arms and revolution in our hemisphere by the Sandinista government is acknowledged even by the President's more severe critics.

Certainty 3: The situation has deteriorated. Negotiations have not been successful. Contadora, which still holds promise, has not moved forward, for whatever reasons. Nevertheless, I have concluded that Secretary of State George Shultz makes a valid case when he asserts that an incentive is needed to promote negotiations and that the diplomatic option is not foreclosed. The appointment of Philip Habib as Special Envoy to Central America is tangible evidence that we are pursuing diplomatic efforts. However, under present conditions, there is no incentive to negotiate.

Negotiations, it should be stressed, does not mean an overthrow of the Sandinista government. Negotiations should be conducted in the context of Contadora principles:

Ending support for armed insurgencies and arms trafficking in Central America.

Ending the foreign military presence in the region, and

Developing central American economies through mutual efforts and regional economic integration.

Our goal should be a Nicaragua contained and no longer a threat to its democratic neighbors, and in return their right to self-determination. My friends, the threat of Communist insurgency in Central America and indeed, throughout Latin America, is fed by the long history of brutal repression of the people by landed wealthy oligarchies and military juntas that have led people into grinding poverty.

In summary, approving this aid package now is a necessary action toward defining a policy. That policy should be, as Mr. Shultz has pledged, a negotiated settlement.

But the real needs of our Latin neighbors must also be addressed: Land Reform, economic aid and long-term development assistance. In short, a new good neighbor policy for the decade.

Mr. ASPIN. Mr. Chairman, I yield 7 minutes to the gentleman from Georgia [Mr. RAY].

Mr. RAY. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise to express my concern in regard to House Joint Resolution 540, which if passed would provide $100 million to the Contra freedom fighters.

I have noticed that various individuals and publications are characterizing the debate as one between the liberals and the conservatives.

I want to say at the outset of my remarks that I have fully supported all prior covert, overt, and other types of aid approved to combat the frightening situation which is going on in Central America.

In fact, my voting record lines up with the President's views and philosophies at approximately 66 percent—one of the highest among my Democratic colleagues.

I am fully aware of the serious threat that we face, if the Communists increase their hold on Central America and spread into neighboring countries.

We do indeed face a serious dilemma. For instance, we have no assurance that the so-called Contra freedom fighters will ever be able to gain a foothold or even the confidence of the Nicaraguan people.

History points out that guerrilla armies are not created overnight.

The Nicaraguan Sandinista FSLN fought for 18 years before becoming organized well enough to overthrow the Somoza regime.

The Vietnamese and Chinese fought for more than a decade before creating effective guerrilla armies.

So, Mr. Chairman, I would submit to you that this proposal of $100 million is hardly even a smidgen, as compared to what we face in the way of continued aid that will be needed to protect our investment in the Contras, which, by the way, already exceeds $100 million in prior aid.

If this sounds somewhat familiar, I would invite you to check the history of how we became involved in the Vietnam conflict to the tune of 50,000 American lives and billions of dollars.

On the other hand, we must realize that if we vote down the $100 million in aid, we are taking a risk that Nicaragua and eventually Central America, and Mexico may all be consolidated into a Soviet-backed Sandinista regime.

So, is this a stroke in time to save nine—or will we be shooting ourselves in the foot? Or is there some other way out of this dilemma?

This background brings me to my point of concern which I want to address at this time.

We are informed by reliable sources that there are six opposition groups totaling about 20,000 so-called Contras.

The United States has chosen to support one of the six, known as the FDN, or the Nicaraguan Democratic Force.

The FDN was created by the Argentine military and security agents with the assistance of the American CIA.

The FDN high command upon formation, without exception, was drawn entirely from the Somoza national guard. They claim, however, that 40 percent of their troops are former Sandinista soldiers and that presently less than 2 percent are former national guardsmen.

The group consists of about 12,000 insurgents. It is reported that there is much unhappiness with current CIA-imposed leadership and that commanders in the field fully share their troops' resentment of the FDN's leadership.

The FDN's recent reversals and their weakness result from a lack of combat officers, as well as equipment. It is reported that they are poorly trained. They have shown little interest in recruiting educated and urban cadres who tend to or might have political differences with some of the FDN leadership.

My reservations to supporting House Joint Resolution 540 are because of these confirmed problems that I know exist. They are coupled with my shock and dismay to learn just a few weeks ago that $27 million in humanitarian aid, approved with considerable effort by myself and others of my colleagues, took 7 months to trickle down. The GAO further reports that approximately $10 million of the total package cannot be accounted for.

Neither the administration nor DOD felt that it was necessary or important enough to notify their congressional supporters of this problem, thereby causing me and some of my friends personal embarrassment, who sweated some blood to get that humanitarian aid passed.

One must assume that if we do not have the ability to distribute boots, clothing and food, and other humanitarian goods, it will be unlikely that $100 million in cash can be channeled into the right area, without at least a portion of it ending up in Swiss bank accounts.

Who will buy the weapons and where will they be bought, from what country?

What involvement will American advisers play in an overt or covert manner?

The $100 million has already been reprogrammed from military ammunition and other accounts, and Secretary Weinberger in a committee hearing made it clear that this would have to be authorized in 1987—new money back to the DOD.

And finally, I'm concerned about America's own threat from within, the threat which has been forecast by Soviet prophecies of fiscal irresponsibility and the ruin of our financial system, which could carry this great Nation down.

It takes the debt and the deficit and Gramm-Rudman-Hollings very seriously.

There cannot be a viable national defense without viable economic security. We do not have viable economic security and we face considerable risk in investing $100 million in House Joint Resolution 540.

Mr. Chairman, we do need a third alternative which I am unable to recommend. But, I do have some very strong reservations about passing the present plan, which I believe to be very strongly flawed.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman from Georgia [Mr. RAY] yields back 1 minute.

□ 1810

Mr. McCAIN. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Nevada [Mrs. VUCANOVICH].

Mrs. VUCANOVICH. Mr. Chairman, fellow Members of the House, tomorrow we are going to cast a vote that is far more important than many had previously realized—and it will likely be one of the most important votes many of us will cast in our entire service in Congress, for the issue before us is, without question, the gravest, most vital foreign policy question of this decade and the reverberations will be felt for generations to come. If the majority in this body decides to cast a negative vote, it will be our children and grandchildren who will look back and wonder why—how we could possibly have allowed such a situation to develop. They would be right in looking back, as we look back at Neville Chamberlain, and ask if we could really have been so blind?

It disturbs me that the proposal for $100 million in aid to the Nicaraguan freedom fighters has become so partisan, with personal prestige and power on the line rather than a focus on the real issue. The real issue is democracy. In 1979 we saw a nation of freedom-seeking individuals topple a dictatorship. The odds were against them, to be sure, but as our own history vividly shows, when man has a desire for freedom, though the road be long and filled with obstacles, with a little assistance he will prevail. We saw it happen. The Nicaraguan people brought down the Somoza regime. We watched in hope and anticipation as the Sandinistas led their fellow Nicaraguans and the free world to believe that they were going to establish the democracy the people had craved—the democracy many of their family and friends had died for—the democracy the Sandinistas had vowed to provide. What we now know, what has been so graphically demonstrated is that one dictatorship was brought down and another, more brutal dictatorship has taken its place. As lovers of liberty we should be deeply concerned that a revolution to depose a hated dictator has regressed into an even more tyrannical regime that we have even less power to moderate.

Hindsight is wonderful, and in this case we have a hindsight advantage. We can look back through modern history and we know without any question what will happen throughout Central America if we were to deny aid to the Nicaraguan resistance by voting down the President's request. Look at Poland, at Hungary, at Czechoslovakia, at Romania, at Cuba and Afghanistan—what have we learned from these and other captive nations about Communist totalitarian governments?

If nothing else, we have learned that the one thing they tell us that we can believe, is that they do intend to expand; they do intend to dominate the world. They have repeatedly told us, and they have repeatedly shown us that we can take them at their word on that promise. Can there be any doubt now that they mean what they say?

No, there is no longer any room for doubt. We do not have the luxury of spending time questioning their goals or motives for they have made their position very clear and have consistently lived up to their promise that they will someday control the world.

In a region of the world that is making amazing progress toward true democracy, the Sandinistas are committed to reversing this trend, to establish a Marxist-Leninist-Stalinist region—a hemisphere permanently aligned with the Soviet bloc. This must not be allowed to happen. If not in Nicaragua, where do we draw the line? How much of Central America do we allow to succumb to the claws of the Soviet Union before we can no longer ignore our responsibility—our responsibility to our neighbors, to our country, to our fellow man?

Our goal is simple—it is moral—it is legitimate. Our goal is to provide the Nicaraguan people with the right to self-determination. Their democratic revolution was betrayed by the Sandinistas. By going back on their promise of pluralism, the Nicaraguan Communists have forced the citizens of Nicaragua to fight again. The Sandinista repression in 1979, 1980, and 1981, destroyed any hope the citizens had that their cherished dream of democracy was achievable under the Sandinistas.

Just as some have tried to make this a partisan issue, others have tried to make it an either/or issue—either aid to the Contras or continue working within Contadora for a peaceful solution. Those of us committed to aiding the freedom fighters are just as adamantly supportive of negotiations. We want a political solution, but the Sandinistas give lip service to the concept of negotiating. When it suits their purposes, they go through the motions of pretending to be supportive of negotiating. However, in all this time, they have yet to negotiate, and have yet to live up to their initial agreement with their neighbors. Their record is one of repudiating their promises to the Organization of American States, and failing to show good faith in any negotiating attempts. But why should they? Why would they want to negotiate away their repressive power? Only when they are forced to negotiate will a political solution be possible; only when the pressure is intense will they be forced to negotiate, and only when there is a strong resistance will the pressure be intense enough to force the Sandinistas to the negotiating table, where we will be able to work toward a permanent Contadora agreement.

We must support the most humane, most democratic faction that we can find. I am convinced, from my visit to the area, from my personal discussions with many people on this matter, that the Contras represent the best, perhaps the only, chance that Nicaragua has of becoming a democratic nation.

At the same time, I recognize that the Contras are not perfect, and are not all that we would want them to be. They are virtually untrained and unsophisticated, and there is no question that some have been a part to incidents of brutality. But while they are not perfect, they are the resistance—they are the only opposition to the brutal, repressive Sandinista regime.

Of the $100 million aid requested, $3 million is specifically held for human rights programs. I believe in that as strongly as I believe in the necessity to support the Contras. We must keep up the pressure on the Contras to respect human rights and democratic principles. We know that the Sandinistas, by their own admissions, will never adhere to such cherished ideals.

This issue is not popular, but this is one time when we must look beyond the popularity of an issue and focus on what is at stake. We will be casting a vote tomorrow that will have both short-range and long-term implications, not only for ourselves, but for our neighbors and for the rest of the free world. The future of democracy is on the line.

Mr. McCAIN. Mr. Chairman, may I ask the time remaining on both sides?

The CHAIRMAN. The minority has 39 minutes remaining and the majority has 26½ minutes remaining of today's debate.

Mr. McCAIN. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Virginia [Mr. WOLF].

Mr. WOLF. Mr. Chairman, as we debate today the request for $100 million for the Contras who are fighting to regain basic civil and human rights in their country of Nicaragua, I recall my meeting in 1984 with then Archbishop and now Cardinal Obando y Bravo in Nicaragua. I was so impressed with this leader of the Catholic Church who has called for a national reconciliation in his country and who is trying against mounting odds to bring justice to the citizens of Nicaragua.

His statements to me take on even more significance today as I hear some of my colleagues argue against providing U.S. support for the cause of freedom of which Cardinal Bravo is such an important leader.

As we consider this aid package for Nicaragua's democratic opposition, I believe it is important to heed the message of Cardinal Bravo who speaks

the truth about conditions in his country today.

Marxism is trying to eliminate the Church in Nicaragua because Marxism is the enemy of the Church.

The Sandinista government intends to eliminate the Catholic Church in order to implant the so-called Popular Church.

We want to state clearly that this government is totalitarian * * *. We are dealing with a government that is an enemy of the Church.

The major part of the (Nicaraguan) people are unhappy but they are also afraid * * * we are fighting a monster that includes the Soviet Union, Bulgaria, and Cuba * * * and this revolution could spread to Mexico or other parts of the hemisphere.

In the face of censorship of sermons and harassment of priests and churchgoers, Cardinal Bravo still continues to pursue basic human rights and freedoms which the people of Nicaragua were promised after the 1979 revolution. He continues to be the true voice of the people, not the Popular Church which has been set up by the Sandinistas as a propaganda piece, and his faith is reflected in this statement:

We believe the Church will continue to exist, and history, which is the mother of life, teaches us that the Church has always witnessed the burial of those who persecute her.

Mr. Chairman, I urge my colleagues to support this aid package to keep the pressure on the Sandinista government to enter into good-faith negotiations with the democratic opposition and provide the people of Nicaragua with some hope for a future free from oppression.

Mr. McCAIN. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from California [Mr. LUNGREN].

Mr. LUNGREN. Mr. Chairman, Charles Krauthammer, in his article in Sunday's Post, I think put it very well. After he talked about the question of the red scare of 1986 that some have suggested is about in this Capitol, he said this:

It seems to me an unexceptionable and rather undeniable fact: if the contras wither, as House Democrats devoutly wish, there will be an irreversible consolidation of Sandinista power in Nicaragua. Can anyone present a remotely plausible scenario in which the Sandinistas, unforced, either relinquish power or permit a free competition for power—i.e., a democratic election?

That does not mean that those who are against contra aid want to see a communist Nicaragua. But the consequence of their position, however unintended, is certainly not unforeseen.

We are told in domestic law of the United States that we are responsible for the unintended but nonetheless foreseen consequences of our actions, and that is what we are talking about here. We are talking about whether or not there will be any change in terms of the Government of Nicaragua if we do not act.

Then the question was brought up time and time again by opponents on the other side that it is not really in our interests to do anything. One of the speakers said if you could show me that somehow this government in Nicaragua was somehow actually jeopardizing the national interest of the United States Government, then maybe, just maybe we might act. Pardon me, but it seems to me that that suggests the isolationism sentiment that ruled this country between World War I and World War II. Unfortunately, my party happened to be saying the things at that time, and we thought we could close ourselves off.

The big criticism on Vietnam was that it was too far away, we did not have really established interests there. In fact, that probably was our undoing. People did not firmly understand why we had interests there.

Now we are told Nicaragua, which just happens to be closer to the students I was speaking with by telephone in Torrence, CA, in my district than Washington, DC, is too far away to be interested. We trivialize it by saying when are the hordes going to come, when are the troops going to come.

Maybe we ought to just look and see what happened with Cuba. Fidel Castro took over in Cuba, and then what has happened? Ten percent of the entire population now resides in the United States. If you apply very simple arithmetic to Central and South America, you can see that the problems we are having on our southern border are a mere trickle compared to what we would have if we do not do something.

We have all sorts of problems in the House trying to pass immigration legislation, yet everybody gets on the floor and says we do not deny there is an immigration problem. We do not deny that we have a funnel of illegal aliens coming across our border. Let me just tell you if you think that is a funnel, wait until we have something where the people of Central America know that this Congress will not allow a President to respond until—until when? As other speakers have said, until we can prove a direct threat to the United States on our doorstep.

What kind of folly is that? The problem is now. The problem is that we have to act here in the House of Representatives.

We talked about why we are standing here as Members of Congress. Let me just tell you, as a father of a 12-year-old son, I happen to think a vote tomorrow for $100 million to assist Contra aid is the best thing I can do for my son to make sure he is not going to be fighting in Central and South America 6 years from now.

Those of you who say look, let us wait until the problem gets so bad that we send marines in, fine. If that is your option, take it; put it up on the floor and let us vote on it. But if all your option is to say everything the President presents is to be questioned, we have got to doubt him, we have got to vote it down, then count me out. For my son, I am going to vote for $100 million for the Contras.

Mr. ASPIN. Mr. Chairman, I yield 3 minutes to the gentlewoman from Tennessee [Mrs. LLOYD].

Mrs. LLOYD. Mr. Chairman, I went to San Salvador, to Honduras, to a refugee camp on the Nicaraguan border and also met in Panama with United States military officials at our Southern Command. I went with my colleague from Massachusetts [Mr. MAVROULES]. I went for honest answers. I wanted to know what steps were right and what things were right to bring an end to the conflict in Central America.

I am going to vote no tomorrow, but I am going to vote for an alternative around April 15 that would provide firmer guidelines for funds to the Contras. I think it is necessary that we build a long-term policy for Central America and I am convinced that this policy must have at least 4 parts.

First, it is absolutely necessary that we support the new peace initiative offered by President Duarte. At the President's office in San Salvador last Friday, Mr. Duarte outlined the initiative he has proposed to Daniel Ortega in Nicaragua.

"On the same day and at the same hour" President Duarte has pledged to meet with the rebels in El Salvador—if—President Ortega will meet with political and military opposition groups in Nicaragua.

That is step one.

Mr. Duarte also proposed a Contadora/Central American summit of the region's Presidents which may lead to the establishment of a permanent forum for dialog and consultation among all the countries and interests in the region.

President Duarte's initiative is both hopeful and positive. But time must be provided for his program to work.

The Duarte proposal, however, must be just the start.

For as a second point, any program Congress approves must include assistance for refugees. For the homeless and suffering, democracy must mean more than boots and bullets. If you have any doubts, visit the refugee camps and look into the faces of the children.

Third, any military assistance provided for the Contras, should be fenced for a brief period—perhaps 60 to 90 days. This limited time provides sufficient opportunity for President Duarte to pursue his peace initiative and press for the regional summit.

Saturday morning, during a meeting with President Azcona of Honduras, I asked him for his views on any delays. His response was direct, "a small period of waiting after any legislation is passed—would be very helpful for the negotiations—the negotiations of a political settlement with Nicaragua."

President Azcona was frank and to the point. While preoccupied with the internal situation in Nicaragua, he was clear that Honduras cannot direct resources away from the economy into an arms race with Nicaragua.

But, like President Duarte, Mr. Azcona prefers a political settlement.

However, should the negotiations not occur—should Nicaragua refuse to participate in a diplomatic process—our response should be automatic. Once that time period has passed, the President should be free to certify the release of any Contra aid funds approved by Congress.

Finally, as a fourth point in any U.S. program, the specifics of any military aid package should be tailored to the direct needs of the Contras.

The four points I have outlined, supporting the new Duarte initiative, assisting the refugees, establishing a brief period or waiting before any Contra aid funds are released, and tailoring any military assistance to specific needs, these points must be included in any package of legislation this Congress approves.

"I want to prove that a democratic revolution is better than a Communist revolution," was President Duarte's concluding remark last Friday in San Salvador. His hope must become our goal.

We must as the greatest deliberative body in the world develop a true bipartisan compromise. If we can do that, we will have taken the first steps toward the long-term policy that Central America needs.

□ 1820

Mr. McCAIN. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. SHAW].

Mr. SHAW. Mr. Chairman, we have heard a great deal of expression on this floor, and I doubt whether in closing part of tonight we will hear anything new, any new ideas that have not already been put forth.

We know the reasons why we want the aid, and I do stand in strong support of the President's request.

We do for two reasons. One is because the Sandinista has double-crossed the people; that people of Nicaragua whom we felt we were supporting at the time we asked Somoza to leave. We bear responsibility for that, and there have been gross abuses of human rights by the present Government of Nicaragua.

We do so also for another reason which on its own can stand; and that is for the security of the United States. We have heard a lot from those that are opposed, and many of the people have been opposed, have been talking about the involvement of American troops.

Well, I have two sons that have just registered for the draft, the youngest of whom is 18. And those of you who have not seen your son go down and register for the draft, it is a very sobering experience, and one that wants, in the deepest part of your inner being, wants America to never be involved in a war where American troops are sent over. Never be involved in a war where the draft is again instituted.

We have a chance to fight this war with Nicaraguans, and that is right. All they need is some help. If the Soviets had not been so deeply involved in pumping military aid into Nicaragua, the Sandinistas would be gone.

So that is, if it is something that the Soviets want, do we know it is something that we must react to, but particularly when it is our own hemisphere.

I will ask—one thing that disturbs me, and maybe one of the speakers to come on the other side will answer this question: We have seen time after time, Members come to the well of the House and oppose aid, and this has been by some of the most staunch civil libertarians in this House—how in the world can you stand up and ask that the same civil liberties that we enjoy in this country not go to the people of Nicaragua?

Mr. ASPIN. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Maryland [Ms. MIKULSKI].

Ms. MIKULSKI. Mr. Chairman, our foreign policy toward Central America should reflect the same principles of freedom and democracy we hold so dear in this Nation. We must recognize our legitimate national security interests by acknowledging every nation's right to self-determination. No country has the right to dictate the economic and political institutions of other nations. We do have a moral imperative to encourage democracy, not dictatorships.

This administration has persistently disregarded the real issues in Central America. Over the past 6 years, the administration has sent more than $100 million to the Contras. Now it asks for another $100 million. It has spent over $250 million in the region on military bases in Honduras, mines in Nicaraguan harbors, and surveillance flights overhead. But after all this aid, the Contras have little territory and scant support among the Nicaraguan people.

Nicaragua is a nation plagued by poverty, disease, and malnutrition. Most Nicaraguans want good crops, a roof over their heads, and a safe environment for their families. Additional military assistance from the United States will only cause further bloodshed and further aggravation of their desperate situation.

Aiding the Contras in the best of economic times is wrong. Financing more violence in Central America in a time of belt-tightening and cutbacks here at home is unthinkable. American students need loans to attend college. Children and the elderly need funds for health care. This administration proposes to cut these programs, and this same administration wants to send $10,000 to each of the Contras at a time when the per capita income in Nicaragua is $1,000.

American taxpayers want their money spent on worthy causes that attain concrete results. They deserve nothing less.

Mr. ASPIN. Mr. Chairman, I yield 3½ minutes to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. Mr. Chairman, let me talk about the options.

I love democracy dearly.

I believe the United States should support the development of democracy, everywhere.

The question is not why or where, but how. Unfortunately, a single formula is not applicable, as to for example, Poland, Afghanistan, South Korea, the Philippines under Marcos, Cuba, or Nicaragua.

Democracy is in bleak shape in Nicaragua. Its Government is actively allied with chief antagonists of democracy—the Soviet Union.

The United States has several options.

The first is to do nothing. That is unacceptable, because of the Sandinista suppression of democracy inside Nicaragua and their efforts to foment trouble outside their borders.

The other options are:

To apply all types of nonmilitary pressure for change inside Nicaragua and to use all necessary means to prevent the Sandinistas from undermining their neighbors;

Or, next, provide military assistance to the Contras; and

Finally, use U.S. military force within Nicaragua.

Evidence is strong that the President's proposed military aid to the Contras will not work.

If its objective is to pressure the Sandinistas to change, military aid to the Contras seems more likely than not to increase the intransigency of the Sandinistas; and the closer to the mark is the President's and Mr. Buchanan's description of the Sandinistas, the more hopeless are the prospects for any meaningful agreement by the Sandinistas to open up their society or share power. Further, it must be noted, the Reagan record is not one of using added pressure to negotiate effectively.

If the objective of Contra aid is really not pressure on, but overthrow of, the Sandinistas, such aid by itself, certainly $100 million, is unlikely to work—given the past record of the Contras, the likelihood of a counter response of more Soviet aid, the divisions among the Nicaraguan people, and the attitudes of Nicaragua's governmental neighbors in Central America against such overthrow.

Whether the rhetoric and record of the administration to date, the more we would adopt its option of Contra aid, the more likely it is that the final

option will follow—direct U.S. military intervention.

We are left with as effective an implementation as possible of the remaining option. At best, it would mean a combination of containment of and change in the Sandinista regime. At worst, it would result in that regime's containment and isolation on the Central American mainland. That would not be an optimal result. It is better, though, than the likely result of the President's proposal now before us. I urge we reject it.

Mr. McCAIN. Mr. Chairman, I yield 4 minutes to the gentleman from Michigan [Mr. SILJANDER].

Mr. SILJANDER. "Human Rights in Nicaragua, From Revolution to Repression," by the State Department, a report that tells all.

Catholic Church has been singled out for attacks.

Censorship of sermons.

Harassment of the Pope. Even accusing Obando y Bravo of being a CIA agent—how ridiculous!

Confiscation of Catholic Church newsletters.

Fifty Moravian churches were burned to the ground by the Sandinistas.

The entire Jewish community driven out of the country; and they have called the Jewish community Synagogues of Satan, and said that all the world's money is in the hands of the Jews.

They have also said there is a myth of the chosen people; that myth is promoted to massacre, they say, Palestinians.

Mr. Chairman, some would say these moral arguments against the Sandinista government are not sufficient to assist in insurgency; and maybe so, but we are doing it because we see the broader picture. We see the Soviet global, geopolitical strategy.

We respond 10,000 miles away in the Middle East by giving millions—billions of dollars to Egypt, a moderate country, and to Israel. It seems so obvious.

Thirteen thousand miles away in Asia, in the Far East, we give money to the freedom fighters in Afghanistan and in Cambodia, and that seems so obvious.

Eight thousand miles away in Africa, to secure the ores and minerals indigenous only to the Soviet Union and the southern part of that continent, we help the freedom fighters in Angola, and it seems so obvious.

In our own Americas, the same people forced out the Jews, persecute the Protestants and the Catholics are saying, and I quote, that:

Libyan fighters, arms, and backing to the Nicaraguan people have reached them because they fight with us. They fight America on its own ground.—Mu'ammar Qadhafi, September 1, 1984, the New York Times.

Thomas Borge, July 22, 1980 says that:

We say to our brother Arafat that Nicaragua is his land and the PLO cause is the cause of the Sandinistas.

Why are the PLO there? So many that there are two bars catering exclusively in Managua to the Palestinians? Why are Ayatollah Khomeini's radicals training there? And Qadhafi's radicals training there?

It is because the PLO is looking for a homeland in Central America? Are they after the bananas?

I think it is quite obvious. It is far more obvious than why we send money tens of thousands of miles away.

□ 1830

There are terrorist training camps in Nicaragua. There was a comment made on the floor today: How can 3 million poor people be a threat to the United States? Well, I had to look into the eyes of the parents of Bill Zimmerman of Grand Haven, MI, because one crazy-eyed fundamentalist radical Moslem drove his car bomb into the Marine barracks in Lebanon, one person, and killed over 240 of our Marines. When the first terrorist bomb, my colleagues, blows up in San Diego, in Florida, in Texas, Louisiana, there will be a cry by all the Americans: "Why didn't we do something to stop it before it escalated this far?" And the $100 million that we are so desperately seeking for the freedom fighters today will look trivial in light of the billions of dollars and the commitment of tens of thousands of our own boys at our own borders. If we allow subversion, revolution, death, terrorism, and the waves of human bodies fleeing from all that tyranny to occur, don't blame me, don't say it was your fault. Don't say, "It was your fault." The blame will go squarely on the shoulders of those who knew full well the impact of those terrorist training centers, who have been persecuting those peoples for years. Do not blame me. Look to those who have decided to avoid the issue and not see the reality of the terrorist devastation before us in the Americas.

Mr. Chairman, the Sandinista's overthrow of the Somoza dictatorship in Nicaragua was originally welcomed by most of the international community with optimistic enthusiasm. The United States, in fact gave the new Sandinista regime over $130 million in aid during its first 2 years, including an $8 million grant to sustain the Nicaraguan Government Elment in the first hours of the revolution. This optimism faded, however, into a cruel nightmare for the Nicaraguan Jews and Christians as well as the neighboring nations of El Salvador, Honduras, and Costa Rica. The reason: the Sandinista's selling of their country to radical Marxist elements, most notably, the Cubans and the Palestine Liberation Organization [PLO].

In a recent speeh in London, Aleksandr Solzhenitsyn stated:

Within the philosophical system of Marx and Lenin and at the heart of their psychology, hatred of God is the principal driving force, more fundamental than all their political and economic pretensions. Militant atheism is not merely incidental or marginal to Communist policy; it is not a side effect, but the Central pivot. To achieve its diabolical ends, Communism needs to control a population devoid of religious and national feeling, and this entails the destruction of faith and nationhood.[1]

Nicaraguan leadership, by proclaiming itself a revolution without borders and by declaring itself in solidarity with Yasser Arafat in the world revolution and by its harsh persecution of religious groups has set itself up as a model example of Solzhenitsyn's analysis. Most likely because of the Sandinista's link to the PLO, the Jews have been the most thoroughly oppressed religious group in Nicaragua, if not in numbers then certainly in the completeness to which their exile and cultural genocide took place.

The PLO desire to overthrow the Somoza regime had nothing to do with the legitimate revolution of Nicaraguan citizens against the dictatorship. It had historical roots of its own. Just why Nicaragua is of concern to the PLO is best explained in the autobiography of Jerusalem's mayor Teddy Kollek, entitled "For Jerusalem." He revealed that Nicaragua played a major role in obtaining arms for Israel during the crucial period of its creation in 1943. Kollek met the older General Somoza in Nicaragua to plead Israel's case.

According to Kollek:

Somoza as well as the Nicaraguan foreign minister cooperated because of their strong basic sympathy with our cause. Our agreement included the understanding that Nicaragua would vote for Israel in the United Nations whenever the occasion arose, a point to which they pledged themselves out of genuine conviction.

Prior to the 1979 Sandinista revolution, Nicaragua had consistently supported Israel in the United Nations and was one of the very few nations that voted against the resolution condemning Zionism as racism.[2]

Clearly, the PLO had a vested interest in overthrowing the Somoza regime in Nicaragua. The results of the alliance between the Sandinistas and the PLO are evident upon Nicaraguan society. This paper will examine the PLO-Sandinista link and attempt to demonstrate the existence of the religious persecution in Nicaragua and other Central American countries, particularly against the Jewish community.

ARAB INVOLVEMENT IN LATIN AMERICA

Latin America has always been an important source of support to Israel in the United Nations. In Israel's first 25 years of existence Latin American nations provided more than one-half of the U.N. votes supportive of Israel. During the 1967 war, Latin America was more supportive of Israel than any other bloc of countries. However, by the seventies their support had weakened as Latin American nations began to split into political factions. Still

[1] Foot notes at end of article.

today, Israel and Arab nations perceive Latin America to be important politically to the survival of Israel.

In a visit to Mexico in 1975, Egypt's Vice Chancellor Gamal Mansour expressed the importance of Latin American U.N. votes:

For the Arabs, the support of Latin American countries is essential because they hope to obtain a majority for a resolution in the next Assembly of the United Nations * * * recognizing the right of the Palestinians to convert themselves into a political entity; to permit the Arabs to recuperate the territories occupied in the war of 1967 and confirm the principle that no country can acquire territories of another by force.

Gamal Mansour's visit was only one of many such Arab missions in the Arab League campaign to sway Latin America toward a pro-Arab stance. The Latin American governments resisted Arab efforts; however, the 1973 quadrupling of oil prices put new pressures upon their economies and international policies.

The Arabs began to use petrodollars and vitally needed oil to pressure the Latin American nations into the Arab camp. Fouad Naffah, who was the Lebanese Foreign Minister and acting as a representative to the Arab League in 1973, traveled to seven Latin American nations. In his tour, he informed the governments that "no underdeveloped country that backs the just cause of the Arab world will suffer from an energy shortage." In addition to a guaranteed oil supply, Naffab also made promises of Arab investments to strengthen the suffering Latin American economies.

In 1981, Arab representatives met in Tunis and decided to focus on gaining the support of Latin America in an effort to oust the Israelis. In conjunction with this decision, "they decided to unleash an anti-Semitic campaign designed to undermine the status of Jews in Latin America, to nullify the political and economic support which the Latin American Jewish communities provide Israel." [3] The Palestine Liberation Organization was selected as the primary instrument of the campaign in Latin America. "Arab ambassadors, other high ranking emissaries and representatives of the PLO have been crisscrossing the region in a coordinated, heavily financed effort to secure authorization to establish an official PLO office in every Latin American capital." [4]

The PLO has made limited progress during the past 3 years in its attempt to open offices in Latin American capitals. So far, the PLO has established offices in Cuba, Ecuador, Nicaragua, Peru, and Mexico. Brazil and Venezuela were thought to be prime candidates for the PLO; however, they have resisted the heavy Arab economic and political pressures. The main obstacle the PLO faces is the fact that it is an international terrorist network; and to allow the PLO to legitimatize themself in the region by opening an office would endanger the security of Latin American nations.

CRIMES AGAINST RELIGIOUS FREEDOM

The Sandinista government has been responsible for many abuses against the right to freedom of religion in Nicaragua. The Jews, so far, have been the most intensely targeted group for persecution. The Government began its campaign of persecution in the quasi-official government newspaper Nuevo Diario. On July 15 and 17, 1982, the paper carried articles that were not only anti-Zionist but also anti-Semitic. Jews were blamed for the crucifixion of Christ, using the "myth" of the chosen people to massacre Palestinians, and using financial power to gain political control of the United States. The articles referred also to "Synagogues of Satan," and rehearsed old canards that "world money, the banks and finance are in the hands of descendants of Jews, the eternal protectors of Zion."[5]

Although resident in Nicaragua for more than a century, the Jewish community has always been exceedingly small. The 1972 population of about 200 shrank to about 80 after the earthquake. After the overthrow of Anastasio Somosa in 1979, many Jews fled into exile, along with others close to the regime. Today, there are about 8 to 10 Jews living in Nicaragua, and only a few Jewish-owned firms. These individuals and businesses exist under the supressive conditions of he Sandinista regime.[6]

The main reason for the departure of Nicaraguan Jews is the manner in which the revolutionary government treated them. Their properties were among the first to be confiscated. Jews who owned factories and stores were ejected from their homes and places of business. Their properties were turned over to Arabs and local workers. Many accusations were made against them without proof. Often, their individual safety was threatened.[7] The foregoing took place in an environment politically and emotionally charged. Jews were accused of support for the Somoza government and blamed for Israeli assistance to the Somoza government.[8]

The final blow against the Jewish community came when Sandinista supporters scorched the doors of the only synagogue in Managua while worship services were in progress. The Sandinistas then seized the synagogue, destroying all religious items and putting progovernment posters over all religious symbols. The synagogue then became "an elite social club for the children of high-ranking Sandinista officials." [9] Since then, Jews have tried to regain their property and return to their homes, but the Nicaraguan Government has directed the courts not to act on any request by a Jew seeking to return to Nicaragua.[10]

On a number of occasions there have been attacks against religious leaders which have, at times, become violent. These attacks are not only specifically aimed at the Jewish religious, but also at the Christians, most notably the Catholics and the fundamental Moravian Church. The uneasy situation is caused by the fact that most Nicaraguan citizens are professed Catholics. These attacks have been sponsored by so-called devine mobs or confrontation groups of the Sandinista Front for the Liberation of Nicaragua [FSLN].[11] Harassment has also been extended to Pope John Paul II who in March 1983 visited Nicaragua and was subjected to inexcusable abuse. The Pontiff was forced to speak from a platform that had revolutionary billboards as a backdrop. Also during his homily, the Pope was barely audible to the large crowd because the Sandinista government provided him with a poor sound system which could not compete with the shouting of progovernment slogans by the divine mob.[12]

In addition, the Government banned from publication letters from Pope Paul II which criticized the Government's effort to create a Marxist peoples church.[13] The leaders of this peoples church have insulted the Catholic Church by trying to change the Christian doctrine of the Immaculate Conception of the Virgin Mary. The offensive reinterpretation depicts Mary, the mother of Jesus, as in fact not the mother of Jesus, but the mother of the revolutionary.[14] The Government has also gone so far as to discredit the divinity of Jesus and instead label him "the First Sandinista."[15]

The Government actively discriminates between those clergy who share its political viewpoints and those who are indifferent or critical.[16] An example of this was seen when the regular church sponsored televising of the mass was replaced with broadcasts of priests who took a progovernment position.[17]

Of the east coast Indians and Creole natives in Nicaragua, 80 percent are members of the Protestant Moravian Church. The Government has repeatedly described the Moravian Church as a center of counterrevolutionary sentiment. As a result, the Sandinistas have reportedly burned more than 50 churches, confiscated church property, harassed church leaders, and taken other actions to undermine the traditional role of the church. In addition, Government groups had stepped up attacks on Jehovah's Witnesses, Mormons, and Seventh Day Adventists, accusing the sects of having direct links to the U.S. Central Intelligence Agency.[18]

The anti-Semitic curtain that has descended over Nicaragua, and any other place where Sandinista inspired revolutions have spread to, is one of serious repercussions for all Jews. To emphasize, one of the first moves taken by the Sandinista government when it took control was to cut off all diplomatic ties to Israel.[19] Obviously, this is consistent with the Sandinista's stated intention to root "Zionism" out of Central America. In fact, a bloc of Salvadorans based in Washington, DC, and loyal to the Sandinistas were asked to provide, "* * * condemnation of the Zionist state of Israel, because of its participation in maintaining the deplorable conditions under which the people of Palestine, El Salvador, and South Africa are forced to live." [20] The ideological union between the PLO and the Sandinistas begins to be exposed with this statement of direct anti-Semitic attitudes toward Israel.

THE PLO, THE SANDINISTAS AND THE SALVADORAN GUERRILLAS

On January 12, 1983, Daniel Ortega Saavedra, the commander of the revolution and a member of the FSLN delivered a speech to a special ministerial meeting of the coordinating bureau of the nonaligned countries on Latin America and the Caribbean. In this speech he labeled Israel's policies toward the Palestinians as being irresponsible and that criminal actions were being taken against "the heroic Palestinian people" by Israel.[21] As the Palestinians were being praised and exhorted by the Sandinistas, the Jewish citizens of Nicaragua were being essentially expelled from their own country. The Nicaraguan Jews blame the loss of their jobs, homes and businesses

along with the general persecution on the presence of the PLO.[22]

Late in 1979, 1,000 delegates from Arab and Latin American nations met in Caracas, Venezuela. These delegates formed two organizations. The first is known as the Pan-American Institute of Arab Culture headquartered in Buenos Aires, and the second organization is the Arab-American Information, Publicity, and Communications Center based in Santiago, Chile. One of the basic initiatives of these two organizations is made clear in a communique published by the delegates saying that they would "* * * work for the free self-determination of the Palestinians and their right to a homeland * * * we consider the PLO the legitimate representative of that people * * *" [23] Victor Ananias of Chile, President of the Federation, was quoted in Agence France Presse (October 6, 1979) as stating, "The solution we propose for the Middle East is the disappearance of Israel to make way for a secular, democratic Palestinian state." [24] Other delegates were asked whether the PLO was a terrorist organization? Their reply was that the PLO armed activity was "legitimate defense." [25]

The PLO's involvement in covert operations with the Sandinistas is not a recent occurance. Active cooperation between these two revolutionary groups has existed as early as 1969 when Bonito Escobar of the Sandinistas met with three high-ranking PLO officials in Mexico City. As a result of this meeting, 50 Sandinistas were sent to training camps at PLO facilities in Tyre, Lebanon. Not only did they accept training, but they fought side-by-side with the PLO against King Hussein of Jordan in 1970. Patrick Arquello Ryan, a Sandinista trained in the Middle East, was Leila Khased's partner in an abortive attack on an El Al airliner just outside of Amsterdam (Ryan was killed in the attack). [26] The ties between the two groups has continued for 15 years without interruption.

As a result of this relationship, not much attention was given when the PLO announced a grant of $12 million to Nicaragua for economic aid.[27] The PLO also has helped the Sandinistas to gain support from other radical Arab countries such as Mu'ammar Qadhafi's Libya which has given $100 million under an "agricultural appropriation." [28] Qadhafi has in the past aided many other terrorist organizations such as the Montoneros in Argentina and the Revolutionary Coordinating Junta founded in 1974 as the first bridge between Latin America and Cuba. From January 25 to February 1, 1981, Libya sponsored a meeting with the Sandinistas, PLO, Montoneros, the JLR plus two other Marxist groups from Chile—the United Popular Action Movement and the Movement of the Revolutionary Left. The stated reason for the meeting was ". . . to draw up a unified plan of struggle against all types of fascism and imperialism in America." [29]

In addition to money, the PLO has been sending massive shipments of armaments to Nicaragua and El Salvador. U.S. News & World Report stated that there had been an interception of a plane load of weapons in Tunis which was sent to the Sandinistas by the PLO.[30] Weapons are always in abundance and training is also being provided for leftist forces in Central America.[31] The PLO cadres who have infiltrated into Nicaragua and El Salvador are providing this training.[32] Yasser Arafat has himself admitted that Sandinistas had received training in PLO camps.[33] The PLO stated in 1982 that it was fighting along side of the Sandinista guerrillas. These were actual PLO troops participating in combat in both El Salvador and Nicaragua.[34]

According to the Washington Post of July 12, 1979, there were Sandinista fighters training in PLO camps located in Algiers. The activity of the PLO was best summed up by this statement by Jorge Mandi, FSLN spokesman to the Kuwaiti newspaper Al Watan. He said, "* * * there is a long standing blood unity between us and the Palestinian revolution. Many of the units belonging to the Sandinista movement were at Palestinian revolutionary bases in Jordan * * * it is natural that in our war against Somoza we received Palestinian aid for our revolution in various forms."[35] These various forms included PLO pilots sent to Nicaragua and PLO freedom fighters sent to El Salvador.[36] Also a plane load of weapons in route to Nicaragua from the PLO labeled as medical supplies, just as the recent Libyan shipment, was intercepted in Brazil.[37] Those are suspected to be just two of many such shipments. In May 1982, the PLO gave a Boeing 707 jet to Nicaragua presumably for the purpose of transporting arms.[38] In addition, there is a Belgian Air-Charter Service that is wholly owned by the PLO that is used to transport arms to the insurgents in El Salvador, through Nicaragua.[39]

Diplomatic relations between the Sandinistas and the PLO started with a similar ideological base and has expanded to their commitments to overthrow governments that are contrary to their vision. In a letter from a group of Salvadorans based in Washington, DC and loyal to the Sandinistas, they stated, "* * * our situation is very much the same as the Palestinian Freedom Fighters." [40] Because of the unity between the FSLN and the PLO, Nicaragua cut off diplomatic relations with Israel and granted diplomatic status to the PLO on July 22, 1980. The office representing the PLO was officially opened in Managua with a staff of 70. The PLO's presence in Managua was accepted warmly as evidenced by the hero's welcome Arafat received when he visited Nicaragua on the first anniversary of the Sandinista takeover.[41] In his speech, Arafat praised the "strategic and militant ties between the Sandinista and Palestinian revolutions."[42]

Tomas Bouge Martinez, the Interior Minister of Nicaragua, stated to Yasser Arafat, "We say to our brother Arafat, that Nicaragua is his land and the PLO cause is the cause of the Sandinistas." In response to this statement of good will Arafat replied, "The links between us are not new. Your comrades did not come to our country just to train, but also to fight. Your enemies are our enemies." [43] Of course, the enemies of the PLO are the Jews, particularly those living in Israel. To demonstrate the joint efforts of the PLO and the Sandinistas against Israel, a bomb exploded in the Israeli embassy in San Salvador. The People's Revolutionary Army claimed responsibility and said the bombing was in "solidarity with the Palestinian people."[44]

THE PLO AND MEXICO

In 1975, Mexican President Luis Echeverria met with Yasser Arafat and gave the PLO permission to open an office in Mexico. The succeeding President of Mexico, Lopez Portillo, reluctantly honored his predecessor's commitment, and allowed the opening of a PLO office. However, the office was limited to a staff of one person without diplomatic status. In cooperation with the Association Mexicana de Amistad con el Pueblo Palestino [AMAPP], the PLO office has used cultural events to spread its message. In addition, the office has recruited exiled leftists and revolutionaries living in Mexico to work for their cause. Examples of the PLO activities in Mexico include anti-Israeli advertisements, publications, and demonstrations attacking "Zionism as Racism."

THE PLO AND COSTA RICA

On May 8, 1982, President Luis Alberto Monge announced an extension policy of internal security in order to combat the increasing terrorist activity in Costa Rica. In his speech he specifically expressed concern about the PLO and Libyan threat. The National Security Agency [ASN] of Costa Rica confirmed that Libya has been training young Costa Ricans as terrorists. The ASN has also linked Libya to the secret terrorist training camps operating in Costa Rica.

Many citizens of Costa Rica were alarmed with former President Rodrigo Carazo Odio's embrace of the Arab cause. It was reported that the Arabs had offered financial assistance to the president's pet project, the university of peace, in exchange for permission to open a PLO office. Ambassador Yamuni of Costa Rica increased the controversy when he announced to reporters that the Government had officially recognized the PLO. However, Foreign Minister Bernard Neihaus quickly denied the statement with good reason since Costa Rica has been struggling with high oil prices and terrorists activity.

THE PLO AND PANAMA

The Panamanian-Arab League of Solidarity with the Palestinian People and the PLO [LIGASOPOLP] have been working to gain support among the people of Panama. Carlos Perez Herrera, cousin of the late Gen. Omar Torrijos, was the first Secretary General of LIGASOPOLP. Torrijos was a commander of the Panamanian National Guard and the eminence gris of Panamanian politics. After the death of Torrijos in 1981, there has been a decrease in governmental support for the PLO. However, PLO activity and propaganda directed against the Panamanian Jewish community has been disruptive. LIGASOPOLP will continue to function in Panama with Libya as its main financial sponsor. The Panamanian Government has kept its promise to prevent the opening of an official PLO office, and there are no indications that they will break this promise.

CONCLUSION

PLO activity in Central America has been increasing, and there are no indications that their involvement will diminish. In 1981, Yasser Arafat, expressing the commitment of the PLO in that region of the world, stated:

We are a great revolution that can never be intimidated. We have connections with

all the revolutionary movements throughout the world, in El Salvador, in Nicaragua—and I reiterate Salvador—and elsewhere in the world.[45]

"The way to Jerusalem leads through Managua," was more than just an empty statement made by Yasser Arafat on July 27, 1980. Arafat clearly intends to have Nicaraguan and Salvadoran support in his effort to destroy Israel and establish a Marxist regime.

The PLO, combined with the Soviet and Cuban presence, poses a serious threat to the security of the vulnerable Central American governments. The United States must take into consideration the Soviet-Cuban-PLO dimension, along with the PLO threat to the Jewish community, in order to have an effective American policy which protects our interests as well as Central American democracies and religious freedom.

FOOTNOTES

[1] Aleksandr Solzhenitsyn, "Men Have Forgotten God," National Review, July 22, 1983, p. 874.
[2] Belden Bell, "The PLO is at Work Subverting Latin America," Human Events, November 25, 1978, p. 990.
[3] Rabbi Morton M. Rosenthal, "ADL International Report: PLO Activities in Latin America," New York, May 1982, p. 3.
[4] Ibid., p. 3.
[5] Op. cit., "Human Rights: Nicaragua's Human Rights Record," p. 33.
[6] B'nai B'rith, 1983.
[7] Op. cit., "Human Rights: Nicaragua's Human Rights Record," p. 32.
[8] Ibid., p. 32.
[9] Richard Araujo, "The Sandinista War on Human Rights," Backgrounder, The Heritage Foundation, Washington, D.C., July 19, 1983, p. 5.
[10] Ibid., p. 5.
[11] Op. cit., "Human Rights: Nicaragua's Human Rights Record," p. 26.
[12] Humberto Belli, "Heckling the Pope in Sandinista-Land," The Washington Times, April 6, 1983, p. 1C.
[13] Op. cit., "Human Rights: Nicaragua's Human Rights Record," p. 28.
[14] Ibid., p. 28.
[15] Patrick J. Buchanan, "Jesus—the First Sandinista," The Washington Inquirer, June 10, 1983, Vol. III, No. 23, p. 7.
[16] Op. cit., "Human Rights: Nicaragua's Human Rights Records," p. 25.
[17] Max Singer, "Nicaragua: The Stolen Revolution," Publication of the United States Information Agency, 1982.
[18] Ibid., p. 32.
[19] The Jerusalem Post, "Unholy Alliance," August 14, 1981.
[20] The bloc of Salvadorans in solidarity with the Revolutionary Popular Bloc, Washington, D.C.
[21] Speech by Daniel Ortega Saavedra at the ceremony inaugurating the 5th Special Ministerial meeting of the coordinating bureau of the movement of Non-Aligned Countries in Latin America and the Carribean, January 12, 1983.
[22] Rabbi Morton M. Rosenthal, Anti-Defamation League of B'nai B'rith, March 1983.
[23] Jacob Koradloff, "Latin America: The Arab Connection," The American Jewish Committee, 1979.
[24] Agence France Presse, March 1982.
[25] Ibid.
[26] U.S. News & World Report, September 1, 1980.
[27] London Daily Telegraph, December 2, 1981.
[28] Op. cit., "ADL International Report: PLO Activities in Latin America, "pp. 8-9.
[29] "Unholy Alliance," The Jerusalem Post, August 14, 1981.
[30] U.S. News & World Report, September 1, 1980.
[31] Rabbi Morton M. Rosenthal, "ADL International Report," May 1982.
[32] "Communist Interference in El Salvador," U.S. Department of State, February 23, 1981.
[33] Ibid.
[34] Op. cit., "ADL International report," May 1982, p. 9.
[35] Associated Press, "Foreign Briefs," December 13, 1979.
[37] "Al Watan," (Kuwaiti Newspaper), June 7, 1979.
[38] News from World Jewish Congress, May 17, 1982.
[39] Congressional Record, "Honorable Larry McDonald of Georgia," January 27, 1982.
[40] "The Bloc of Salvadorans."
[41] U.S. News & World Report, September 1, 1980.
[42] Report—"The PLO and International Terror," Israeli Defense Force paper, March 1981.
[43] Ibid.
[44] Associated Press, "Foreign Briefs," December 13, 1979.
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Mr. ASPIN. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. FAZIO].

Mr. FAZIO. I thank the chairman for yielding.

Mr. Chairman, as I listened throughout the debate, I think a couple of things are beginning to come through, one of which is perhaps a bipartisan comment. And that is what a tragedy it is that it has taken us so long to focus as we have for the last several weeks and perhaps the last year or two on a part of the world that we have ignored for so many years. It has been well over 100 years since William Walker, the adventurer, took his crusade to Nicaragua. We have sent the Marines into Nicaragua in the twenties and thirties, the CIA in the forties, and now we are back with surrogates in the seventies, and eighties. But the real tragedy is we have ignored this part of the world for so long that we in effect are reaping the whirlwind of this ignorance.

I hope we can all resolve that despite our frustration at our limited options today that that will not be the case in the future. The speeches that we write, the essays that we submit so to speak like schoolchildren will somehow scar our consciences to the point that perhaps we will remember a little bit about this in a few years when things have sorted themselves out and we perhaps can do much more about it.

But it is also tragic that we somehow seem to ignore history. We have all been so proud of our accomplishments in the Philippines where we were the liberators, where we stored up a lot of political and economic and moral capital and where we could be helpful, but in Nicaragua we have a different legacy. We are the oppressor. We come with unclean hands, as I have just indicated.

When I made my trip to Central America as so many of us have recently done, I concentrated on what is real about the contra opposition, what is a fact and not what is an illusion or a figment of our collective imagination.

I wanted to know whether these people really were there, were organized, were committed, had a zeal for freedom and democracy and for a reversal of the Sandinista revolution that has gone awry because I came back absolutely committed to that fact. The Leninists are stealing the revolution.

I discovered that the fact was that there was not any "there" there; that the people in refugee camps on the Honduran border, for example, who ought to be the grist for the contra mill, were not interested in fighting to the death, to regain something they had lost. And they had lost something. The Pentacostals, the farmers do not like cooperatives, let alone Communists, let alone Marxist-Leninists. They felt a loss. There were some who were willing to go off at night with the Contras, make that futile effort here and there. But the heart of the potential contra army, the young men of Managua who had left because they did not want to be drafted into the Sandinista army convinced me that what their goal was was to come to Mexico City or New York and get an education. I said, "Aren't you interested in going off and doing battle with the Sandinistas? The response was, "No, the Contras are corrupt, they don't represent the future, they are not the kind of people that I want to fight for." They are not interested in going off with long supply lines in a futile fight against a growing Sandinista army; and the Sandinistas, those who fight, are committed ideologically and are dedicated whether we like it or not.

So I think what we are doing, and certainly this debate brings it out, is we are putting our own wish list, how we want it to be, up against the reality. I find that tragic. The Nicaraguan people are enduring this revolution as they have others that held promise which were ripped away from them. They are indomitable. They are still free to express themselves, by the way, in Nicaragua. They do not seem to fear the Sandinistas. They do not seem to revere the Contras. They are poor. The people who fight are often children.

Do you know how they deal with imminent capture? They defect. It is easier to go over to the other side and avoid potential harm. We saw in the refugee camp of Tua Pacente, that I visited, American policy flailing around for someplace to land. We are at sea. Sure, Eden Pastora is a romantic. People continue to think highly of him. But the CIA cannot work with him. He is not an operative guy. He is not like the people from UNO who can organize and raise money and spend it, sometimes even on Contra armies.

No, what we have against us now is history and reality. And if we fail to understand that and make this futile effort at spending $100 million it will lead to our regretting this history even more than that which we have already created.

As I indicated this past summer, I spent 10 days touring Central America where I met with a wide variety of individuals from political leaders and ambassadors to refugees and towns-

people. I went with fellow Californians who were both bilingual and broadly based in our political views across the entire spectrum.

While in Nicaragua, I witnessed first hand the lack of broad support by the Nicaraguan people for the Contras and, indeed, I might add the Sandinistas. Despite the fact that we have already given the Contras well over $250 million, they control less territory than ever—they do not control a single town or village—and they stay primarily in safe havens in Honduras and Costa Rica. Despite the President's assertions, these bands are not going to be turned into an effective fighting force with mass appeal by giving them more U.S. aid that is wildly unrealistic.

Rather than being an effective military threat to the Sandinista regime, the Contras have largely waged war against civilian targets. In my candid and private discussions with numerous Nicaraguan citizens, I heard graphic accounts of the Contras attacking buses, agricultural cooperative workers, villages, and civilian government officials, while avoiding attack on Sandinista military units. I might add, I heard also about the increasing limitations on civil rights, the ecomonic "reforms" imposed by the Sandinista leaders and the limitations on the true Catholic church.

And during my discussions with soldiers of both the Contras and the Sandinistas it became clear that the foot-soldiers of neither group hold and strong ideological commitment to the views of their leaders. This is a "war of children," where the majority of those engaged in combat do not really understand why they are fighting. Rather than risk capture and possible death, the smart young man simply defects to the other side.

Despite the President's claim, I am convinced that providing aid will not lead to negotiations and a regional, diplomatic solution to this troubled region. The President has already had his opportunities in this area. In previous attempts to get Congress to agree to Contras aid, the administration has proclaimed its commitment to diplomatic negotiations—a commitment which has disappeared after aid is granted.

In 1983, for example, the administration promised that it would encourage church-mediated negotiations between the Contras and the Sandinistas, if Congress approved more Contra aid. Last year, the President again agreed to encourage a church-mediated internal dialog and a regional Contadora settlement. However, these talks never transpired. This time, the President has appointed Philip Habib as his special emissary to Central America, and claims that a "new" diplomatic effort will be made to force the Sandinistas to negotiate. But why should we believe the President now? Why should we believe that he has finally seen the need to pursue negotiations. $100 million in aid for the Contras will not help him achieve this goal. I believe Don Regan's candid comments on Sunday are the true administration position. "We want these guys out of there," he said.

I also reject the President's argument that the Sandinista regime poses a threat to the rest of Central America and thus necessitates our involvement. Nicaragua is an impoverished country, with less than three million people. The Sandinistas have not shown any inclination to attack their neighbors. In fact, Nicaragua's two neighbors, Costa Rica and Honduras, appear far more concerned by the prospect of further aid to the Contras than by any threat from the Sandinistas. For example, the president of Costa Rica has called on President Reagan to increase economic rather than Contra aid to Central America. Both nations believe that an enlarged Contra war would drag them into the conflict, thereby jeopardizing their security and stability far more than the continued existence of the Sandinista regime.

But this doesn't seem to matter to President Reagan. As Michael Kinsley wrote recently, "The essence of the Reagan Doctrine is indifference to the standard of international behavior implied in the idea of sovereignty."

In other words, it doesn't matter to President Reagan that we are supporting a guerrilla war—in essence a foreign invasion—against a sovereign nation. Few people are troubled when we try to shore up an established democracy. But that is not the situation in Nicaragua. This is not like Afghanistan. We are not helping those who are trying to repel a foreign invasion. In this situation, the United States is the one violating Nicaragua's sovereignty. We are the ones breaking the peace.

And this does make a difference. Good intentions are not enough. It's not enough that President Reagan wants to restore "freedom" and democracy to Nicaragua. I don't question that. But U.S. policy in Central America must take into consideration other factors than the ideology of a regime. We must carefully consider other factors such as the unanimous opposition of Nicaragua's neighbors to the President's proposal to aid the contras and our historical role in Nicaragua.

Our historical role in Nicaragua has been very telling. The United States has been in the forefront of foreign interference in Nicaragua for more than a century.

As I said earlier, from 1855 when American Commodore Cornelius Vanderbilt and American adventurer, William Walker, landed in Nicaragua to establish their own empire, to the 42-year reign of Somoza family, a military dictatorship put in power by the U.S. Marines, the U.S. role in Nicaragua has been anything but concerned with democracy and the "freedoms" of the Nicaraguan people.

Now is the time to change. Now, is the time to encourage peace and negotiation to resolve the problems in Nicaragua and not, as President Reagan suggests, spend more on military aid. The real threat to stability in Central America is the poverty and repression that is present in most countries in the region. Economic and political injustice produced the revolution in Nicaragua, have fueled the civil war in El Salvador, and are a constant threat to the stability of virtually every other country in Central America. These are our real enemies. And these are villains with which we should be waging war by using a wide range of diplomatic and economic resources available to strengthen national civilian rule to promote Democracy and free institutions.

We must focus our energies on the Contadora process and search for a peace treaty which addresses military, economic and political issues in the entire region.

To supplement my remarks, I'd like to include an excellent viewpoint article by the able journalist Michael Kinsley published in the "Wall Street Journal":

[From the Wall Street Journal, Mar. 13, 1986]

THE GRENADA ILLUSION: WAR CAN LOOK EASY IN HINDSIGHT

(By Michael Kinsley)

On Oct. 25, 1983, the American people woke up and discovered they'd won a war. By the time most folks heard about the invasion of Grenada—indeed, by the time they first heard of Grenada—the landing force of 1,200 Marines and 700 Army rangers, supplemented later by 800 more paratroopers, had subdued a few hundred Cuban construction workers and military advisers, ousted some vicious lunatics called the New Jewel movement, and restored freedom to a grateful people. The cost was 18 dead on our side, about 60 on theirs.

The whole thing was as good as over in time for The Wall Street Journal to editorialize the next day: "Who will tell us that replacing the murderous government of Grenada and restoring order and democracy is immoral? If no one will say that what happened in Grenada is wrong, why should a different morality apply in the rest of Latin America and the rest of the world?" And the party poopers did sound rather foolish, babbling lamely about the Rio Treaty and the United Nations Charter while the Grenadans celebrated the liberation of their island and Americans enjoyed a nostalgic imperial frisson.

Nothing succeeds like success. The Reagan administration, understandably, would like to make Grenada the metaphor for its foreign policy. If it was a good thing to free Grenada, what is wrong with freeing Nicaragua? But as a guide for dealings in the real world, the test-tube war in Grenada is a dangerous illusion. The Grenada illusion, in a nutshell, is that you can make war in hindsight. If you knew for certain in advance what the outcome of any act of agression would be, and at what cost—as the editors of the Journal in effect did when they started drawing the lessons of Grenada—running an aggressive foreign policy wouldn't be very difficult, or very interesting. Uncertainty about the outcome and the cost is not just a practical problem, but a moral one. It's what makes fomenting aggression the issue in Nicaragua, different not just in degree but in kind from the diplomatic maneuvering we engaged in, at the end, in the Philippines.

A few months ago Israel hijacked a Libyan civilian jet, thinking, incorrectly, that terrorist leaders were on board. When all the major Western nations objected, Israeli diplomat Abba Eban responded indignantly that there wouldn't have been any complaints from these quarters if the operation had worked. This is the Grenada illusion. It didn't work. And it's precisely because these things sometimes don't work that we have neutral standards of international behavior that don't depend, for their justification, on the goal involved. There will always be bad guys who flout these standards, of course. But international civil aviation happens to be a good example of an area where the standards survive despite regular flouting, to the great benefit of the civilized world. They won't survive if the civilized forces adopt the attitude that the end justifies the means—even if the end is not achieved.

The essence of the Reagan Doctrine is indifference to the standard of international behavior implied in the idea of sovereignty. Jimmy Carter was happy to help Afghanistan try to repel a foreign invasion. Few people are troubled when we help shore up an established foreign democracy. What's different about Mr. Reagan is his willingness to help the (ostensibly) good guys when they're out of power, and not just because of a foreign occupation. Put that way, it seems like so much common sense. When freedom is at stake, why should we honor a home-court advantage? The simple answer is that when you violate another nation's sovereignty, you're the side that's breaking the peace.

This also wouldn't matter much if you could be sure the result would be freedom at a proportionate cost, to you and to your intended beneficiaries. But that's the Grenada invasion. You can't be sure. That doesn't mean you can never act, but it means good intentions aren't enough of a reason. And it means other factors the Reaganites are contemptuous of—such as the support or otherwise of neighbors and allies, and a decent humility about our historical role—belong in the calculation. When you've already invaded Nicaragua twice, resulting in a 40-year dictatorship followed by a Marxist takeover, you'd better be pretty certain of what you're up to before trying it again, even by proxy.

Supporters of the contra war exaggerate the certainty of everything at issue: the nature of the Sandinistas and their goals, the nature of the contras and their goals, what will happen if we keep this war going, what will happen if we don't. They have to, to maintain the Grenada illusion. On Monday President Reagan charged his opponents with holding "an ideology that automatically identified anyone wearing fatigues, carrying a rifle and spouting Marxist slogans as a liberator of his nation." That doesn't describe the beliefs of anyone I know, but make it "anti-Marxist slogans" and it's a pretty good description of Mr. Reagan's own giddy enthusiasm for "freedom fighters."

I don't doubt that Mr. Reagan sincerely wants freedom and democracy for Nicaragua, but his administration has yet to offer a plausible scenario for how we get from here to there. Even beforehand, there wasn't much mystery about the result in Grenada (though it easily could have been messier than it was). In Nicaragua, $100 million of aid to the contras won't achieve the result Mr. Reagan wants. Patrick Buchanan has put the administration on record that the peril in Central America is great enough to justify committing U.S. troops. At the same time, the administration insists that committing U.S. troops is the last thing it has in mind. Essentially, Mr. Reagan wants the moral credit for the outcome he desires without taking on the moral onus of the potential cost. Mr. Reagan also seems unaware (to be generous) of the actual cost his policy imposes on the people it's intended to help. The invasion of Grenada was great for local business. Besides their freedom, the Grenadans got an even better new airport than the one the Cubans were building for them. The contra war is very different.

The president told a preposterous story Monday of some contras faced with the decision whether to blow up a power plant. "And those contras, those freedom fighters, said no, that this would hurt the people of Nicaragua, and we don't want to hurt the people, our people." Touching. But what are we paying the contras for if not to blow up power plants? Has Mr. Reagan forgotten the CIA mining of Nicaraguan harbor two years ago? The breakdown of social order and the destruction of the nation's economy are central goals of any serious guerrilla war. It's ironic that Mr. Reagan accuses the Sandinistas of being "Leninist," since our strategy in Nicaragua, to the extent we have one, is the classic Leninist technique of nursing rebellion by "heightening the contractions."

For about a month after Grenada, the polls showed Americans ready to go to war almost anywhere. They soon reverted to their usual attitude, hypocritical but comforting, or supporting a tough foreign policy in the abstract while opposing any particular exercise of force. The Journal, which trumpeted the post-Grenada polls with glee, now asserts defensively (Tuesday) that the contra war has the support of the electorate, "whatever the polls say." I'm afraid not. Most of us have recovered from the Grenada illusion.

Mr. McCAIN. Mr. Chairman, I yield 3 minutes to the gentleman from Florida [Mr. MACK].

Mr. MACK. I thank the gentleman.

Mr. Chairman, Florida has a special interest in this issue. That may be because my home is closer to Managua than it is to Chicago, maybe it is because of the 1.2 million Hispanics that live in Florida, maybe it is because of the huge number of veterans that live in Florida, and maybe it is because of the huge number of retirees, many of whom were involved not only in the Second World War but in the First World War, fighting for freedom around the world.

There is great division, no question, great division about this issue. But most casual observers and listeners seem to conclude that both parties are attempting to accomplish the same thing.

Well, the next comment they make is that they want to accomplish that same thing but by different means. And I say they are wrong. There is a difference. One party has peace as its objective above all things. The other party, our party, says that it is freedom above all things that must be won.

There is peace in Poland today, but there is no freedom; there is peace in Czechoslovakia, but there is no freedom; there is peace in Hungary, but there is no freedom; there is peace in Cuba, but there is no freedom.

It is because of their commitment to freedom, it is their desire to accomplish freedom in Central America, that the freedom fighters have not given up. It is for that reason that the Hispanic community in Florida, which by the way has a commission, a Hispanic commission established in Florida in 1976 by the State legislature with 15 members appointed by the Governor, 11 Democrats, 3 Republicans, 1 Independent. They passed a resolution supporting the freedom fighters and supporting the $100 million request. Many of the men and women that they represent know that it means a lot more and know what they lost when they left their homeland to come to this country. They know why they lost that freedom. That is why they have asked us to support the President and to provide the $100 million in aid.

Mr. Chairman, I yield back the balance of my time.

Mr. ASPIN. Mr. Chairman, I yield such time as he may consume to the gentleman from Kansas [Mr. GLICKMAN].

Mr. GLICKMAN. Mr. Chairman, I rise in opposition to the President's request to send $100 million to Nicaragua.

President Reagan has called on Americans to let their elected Representatives know of their support for his $100 million package of military and nonlethal aid to the Contras seeking the overthrow of the Sandinista government in Nicaragua.

Well, Mr. Chairman, over the last several weeks, and particularly during the last couple of days, I have received hundreds of phone calls and letters from Kansans on this question. But the majority of the views expressed have not been in support of the President's proposal. By a margin of nearly 2 to 1, Kansans have been telling me that they oppose the package before us today. Many have taken umbrage with the suggestion that their position on this issue calls into question their patriotism.

Since I believe that Kansans and their opinions reflect a serious, sensible, fairminded, and progmatic approach to policy questions such as the one before us, I would like to share with my colleagues excerpts from a number of their communications. I hope the President is listening.

A petroleum geologist writes:

Please cast your vote against further aid to the Contras in Nicaragua. We have not given Contadora any chance at all, and in view of this it is absolutely against all our basic principles to seek a military solution.

From the owner of a truck line comes this reason for opposing additional funding to the Contras:

It does not appear right that we should support a group of people in an effort to overthrow a sovereign government by terroristic methods.

A student writes:

I am upset that the Congress is considering aiding the Contra forces that are largely made up of Somoza's National Guard. * * * As a student that has studied and traveled abroad, I have noticed that people of other nations are aware of the contradiction between the ideals and foreign policy of the U.S.A. I feel that his vote is a chance to show that the United States believes in its ideals.

From a minister, I hear this:

I recognize that powerful forces in this region seek to utilize the tragic situation for political purposes, and I call on both the United States and the Soviet Union to cease using areas such as Central America as playgrounds for superpower hostilities and politics.

From a professor of Soviet and East European studies, I hear this:

When the vote comes up for aid to the Contras, vote against it. * * * All Latin American democracies are against it, our European allies don't approve of it, and all we are doing is making Nicaragua more and more dependent on aid from the Soviet Union and her allies.

A rural Kansan writes:

When the opportunity arrives, we hope you will cast your vote against this attempt to interfere where we have no right to be. As a nursing home administrator, I sure would like to see that $100 million spent on our own affairs, like, maybe, aid to the elderly poor.

Other Kansans offered these perspectives, and I quote:

—With the recent rise in unemployment in Kansas to 6.3 percent, I find it difficult to support a foreign policy that calls for $100,000 million to support the contras;

—After the 100 million dollars is gone they will want more and more. We would feel that we had to follow up with armed forces. We cannot afford this kind of gift. Our government is in the red now;

—I hold few if any illusions about the Sandinista government. I do believe that if we are to allow the Nicaraguans to choose their own government and be able to influence Nicaraguan policies in a positive way, we must change the way we deal with the current government in Nicaragua;

It astounds me to hear President Reagan call these forces "freedom fighters," given their past associations with the Somoza regime. It is an insult to the patriots of the American revolution to extend this title to these present-day rebels;

As an American and a Republican, I believe I may enter a protest. When the President of these United States says or even infers that those of us who may be in disagreement with some of his opinions or policies are unpatriotic or may even be abetting or adding stature to Communism, I resent that very much.

And finally, a constituent from Wichita writes:

I have never before written to a politician but I feel very strongly about this issue. We must not support the Contras. * * * This great country must not stoop so low. Please represent me, vote against the Contras.

Like the Kansans I have quoted, I do not believe that large amounts of military aid will get us the results we should be seeking in Nicaragua. And what are those goals? They should be encouraging democracy and pluralism in Nicaragua, and greater stability in the whole of Central America. These goals will not be realized through military support of the Contra rebels, who have had difficulty not only in organizing themselves but in winning the hearts of the Nicaraguan people. They will not be realized through today's proposed military route because it does not have the support of many of Nicaragua's Latin neighbors. If efficacy were all that mattered, that alone would be enough to disapprove the aid request before us. But there are American principles to be applied here, and I, for one, am not ready to abandon those principles of nonintervention and self-determination.

I do not deny that the Sandinista government of Nicaragua is a radical one, and that is not something to be taken lightly. Our friends in the region, including El Salvador, Costa Rica, Guatemala and Honduras, are concerned about the potential for Nicaraguan intervention in their countries. But, having been to Nicaragua, I left with the very clear realization that it is a nation beset with problems not uncommon to other developing nations; poverty, illiteracy, lack of technology. Because of this, there remains a chance to bring about the true reforms that were anticipated with the overthrow of the Somoza regime. But I am convinced that this military aid package will not make that happen. If it is adopted, it will only move Nicaragua further—even irretrievably—into the Soviet camp. That is not what America wants to see happen.

Instead, we should pursue negotiations through the Contadora nations and perhaps accompany those efforts with a carrot and stick approach. The carrot could be the establishment of a constructive bilateral relationship, with food aid perhaps, or educational and developmental assistance. Maybe we could even make an offer the Nicaraguan Government that for each and every Soviet or Cuban technicians who leaves Nicaragua, the United States will supply two or three teachers, agronomists or health care professionals to replace them. The stick would be the understanding that if Nicaragua abridged that relationship or interfered with its neighbors' sovereignty, not only would affirmative aid be withdrawn, but this country would have to reconsider its position on what sort of military posture we might want to take in the future. The carrot and stick approach admittedly requires risk on the part of the President and the Congress, but we are clearly not finding success in the current policy. Nor does the military stick approach before us today offer anything near a risk-free resolution of the problems in the region.

Mr. Chairman, in the interest of affording the rest of my colleagues a chance to speak, I will bring my remarks to a close with two calls to oppose Contra aid from Kansas editorial writers. From a newspaper in my district come these comments:

The time has come to ensure that no American troops are sent to Nicaragua. This objective can best be achieved by deciding now that the Nicaraguan civil war no longer will be financed by the United States as an escalating prelude to military intervention. Military aid should end.

From another comes this conclusion, which I share:

The best hope for a solution in Nicaragua is a resumption of bilateral talks with Managua. Cooperation, patience and diplomacy are always superior to a narrow military course which is doomed to fail. The added benefit is that any solution that comes from diplomacy will increase American influence and prestige in the area, something a military solution definitely cannot do.

I hope these words and the comments from concerned Kansans will not fall on deaf ears.

Mr. ASPIN. Mr. Chairman, I yield 3 minutes to the gentleman from Vermont [Mr. JEFFORDS].

Mr. JEFFORDS. I thank the gentleman for yielding.

Mr. Chairman, U.S. policy toward Central America has preoccupied this body for a long time, and no doubt it will continue to do so for some time to come.

The divisions over that policy, however, are not as deep as they sound today. I'm sure that most of my colleagues share my concern over the current direction and policies of the Sandinista regime. Reports of Sandinista censorship of the press, forced conscription, mistreatment of prisoners, control of opposition political parties, and harassment of religious officials are all extremely disturbing. There is no doubt in my mind that the Sandinista leadership is guided by the principles of Marxism-Leninism, and looks to the socialist world for guidance. While the revolution of 1979 was a broad-based popular revolt against a hated dictator and in support of individual freedoms, the Sandinistas succeeded in consolidating their power, forcing out those people who did not agree with their vision of a new society.

I also sense general agreement among my colleagues that the Soviet and Cuban military presence cannot be ignored, nor can we sit back and allow the Soviet Union to establish a permanent base in Nicaragua from which to destabilize the hemisphere. Yes, Nicaragua is very close to the United States, and the historic and cultural ties between our two countries run deep. I understand the President's concern about the threat to our security from the proximity of a Soviet-backed regime. As we did in Grenada, we must draw a line over which we will not allow the Soviets to step.

Despite such concerns, I believe the majority of my colleagues realize that the Contras are an imperfect instrument of U.S. foreign policy. While the issue of human rights abuses is disputed by some, careful studies of the conflict show that the Contras continue to engage in gross violations of human rights, and that efforts to curb these atrocities have been largely unsuccessful.

Last month, my legislative director went to Nicaragua to investigate charges of human rights violations by both the Sandinistas and the Contras. Her report to me painted a very disturbing picture of the methods and objectives of the Contras. The Contras have not—and cannot—win the hearts and minds of the Nicaraguan people with such tactics, no matter what the policies of the Sandinista government. And not even the administration is claiming that $100 million from us will ensure victory for them.

The real issue before us now is, what do we do about this dilemma?

How do we bring pressure to bear on the Sandinista government to moderate its abusive policies and back down from its support for revolution in the hemisphere? How do we curtail the Soviet and Cuban influence and prevent the establishment of another

Soviet base so near to our border? How can we ensure regional stability and promote economic development for our friends?

In the course of this debate, we will hear many answers to these questions. But there is no one solution to these problems—no quick fixes. What is very clear is that we must not continue a policy in Central America that goes against the very ideals of our Nation and alienates our friends on this continent and our allies abroad.

We have many alternatives other than military support for the Contras. The Contadora process has been reinvigorated and deserves our support. Diplomatic and economic pressures can be exerted and have proven effective—the most recent example being the Philippines. While I would not support a carrot approach without a stick, the Contras have not brought the Sandinista government any closer to military collapse or diplomatic negotiations. Economic tools might well succeed where military threat has failed.

We must remember that one of the strongest ways to bring pressure to bear on a troubled government is to provide its people with obvious and compelling examples of how democracy and free enterprise hold the only real promise of a better life for all members of society. A shining example of economic success would surely catch the attention of poverty-stricken Nicaragua. The Sandinista government would not be able to justify its policies to its people if their neighbors enjoy a substantially better standard of living and greater personal freedom. In short, we must not lose faith in the power and appeal of democracy.

The Latin American democracies are very fragile, and badly in need of technical and development assistance. Ever since the Kennedy Alliance for Progress Program, my own State of Vermont has been an active partner with Honduras, sharing technical knowledge, agricultural training, and basic health education. Honduras is now trying to solidify its new-found democracy, and is very troubled by the presence of the Contras on its southern border. Honduras is a desperately poor country. It does not have the resources to provide for the dislocated armed men and refugee families living along its border. Nor can it deal with unrest caused by the Contra presence. By focusing our attention on the evils of the Sandinistas, we have been ignoring the needs of our friends.

Our debate today will not be the final round over U.S. policy toward our nearest neighbors. Nor will our decisions over the next few months provide us with all the answers. We are destined to stay involved in the affairs of Latin America, whether by choice or necessity. Therefore, it is critical that our policies advance the ultimate objective of a free and prosperous hemisphere.

I strongly believe that this request for aid to the Contras takes us further from that end. This is a powerful country, but without wisdom, our power will bring us no closer to our goals.

I urge all of my colleagues to vote against this resolution.

Mr. McCAIN. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. I appreciate the gentleman yielding.

Let me just in my brief time try to capsulize why I feel so strongly about the issue. When constituents at home say, "Why do you feel you should support the President in Central America?" it is really fairly easy. I want to run through these points and be as concise as I possibly can and lead you to my conclusion. Since the Sandinista government has been in power the Soviet Union has given $600 million in military aid to the Sandinistas. Tanks: With that money the Soviets have also been able to give them tanks, 150 T-55 tanks, Which are used in the Warsaw Pact countries. If you go to Europe, look across the fence, there are T-55 tanks that the Soviets use in Eastern Europe to maintain control and for repression.

Armored personnel carriers: 200 armored personnel carriers along with one mechanized infantry brigade provided by the Soviet Union.

Artillery: The artillery within Nicaragua controlled by the Sandinistas is the largest in Central America. They have a 96-pound shell that they can shoot 11 miles, provided by the Soviet Union.

□ 1845

The Hind-D helicopter: We all know about the Hind-D helicopter because it has been the most effective instrument of terror used in Afghanistan today against the freedom fighters. That is why now the opposition, the freedom fighters in Afghanistan, have weapons designed to shoot down Hind-D helicopters. We do not have that with the freedom fighters in Nicaragua.

High-performance jets: The world held its breath when we thought that there were perhaps crates of high-performance jets put onto ships that were moving into the harbors in Nicaragua. But we do know that the Sandinistas themselves have been trained in Cuba and in Bulgaria in the use of high-performance jets.

The airport: The airport at Punta Huete has a 10,000-foot runway. It rivals many of the runways in many of the strategic airports that we have in the United States. In fact, as the chairman of the Armed Services Committee knows, it can accommodate the use of bear bombers, Soviet bear bombers with intercontinental capability.

Personnel: Cubans, there are 3,000 military advisers from Cuba, some out in the field fighting; 4,500 civilian Cubans who are there to construct military installations.

U.S.S.R.: 200 military advisers, perhaps as many as 1,000 civilians.

East Germans: 70 advisers from East Germany who are experts in internal security and putting down repression.

From Bulgaria: We have 80 military advisers from Bulgaria who are training Nicaraguans in the way in which you fly Mig's over in Bulgaria. There is a factory devoted to producing rifle ammunition that will fit M-16 rifles that were captured in Vietnam that are being used by Communist guerrillas in El Salvador to try to destroy the democratic government in El Salvador.

Libya: There are $400 million in grants and loans and 800 advisers. And listen to what Colonel Qadhafi says about his friends, the Sandinistas: "Libyan fighters, arms, and backing to the Nicaraguan people."

Mr. ASPIN. Mr. Chairman, may I inquire as to how much time on both sides of the aisle?

The CHAIRMAN. The gentleman from Wisconsin has 12 minutes remaining, and the gentleman from Arizona has 21 minutes remaining.

Mr. McCAIN. Mr. Chairman, I yield 5 minutes to the gentlewoman from California [Ms. FIEDLER].

Ms. FIEDLER. Mr. Chairman, I spent the entire day on the floor listening to the arguments on both sides, and I cannot honestly say that I came to this floor without having made up my mind first, but the longer I sat here, the more I am convinced that my personal view in support of the President's $100 million aid package is the view that should be supported by the overwhelming majority of the Members of this House.

When you take a look at what we are able to do in this country, what rights and privileges we have, and what our service here in the U.S. Congress represents, one is struck by the tremendous responsibility we hold. I often reflect upon how I can contribute in a positive way to the betterment of not only the people of this country, but of the world. Personally, I have two fundamental goals that I would like to achieve as a Member of the U.S. Congress and, hopefully, as a Member of the U.S. Senate.

One is to strengthen our economic base, and the other is to ensure that our people remain free.

I personally believe very strongly that unless we are willing to support the side that is trying to expand democracy in Central America, we are going to pay an enormously high price. And while each of us has to search our conscience for the decision

which we feel is in the best interests of our constituents and our country, I do not see how anyone can look at this situation and not recognize the tremendous threat that a Communist Nicaragua poses to our Nation.

I have to look at it not so much as what are we going to do in Nicaragua. I have to ask myself the question: What would I do if this was Mexico instead of Nicaragua? For me there is no question. I would vote for the aid, because living in southern California, we see the tremendous impact of the instability in Central America by the constant inflow of aliens and political refugees coming over the border. They are making decisions to come into our country because there is enormous instability in that part of the world, because their freedoms are threatened.

For us to make a decision here which will permit the continuous repression of people in Central America, means that we are making the least possible statement of support for their democratic rights as individuals.

Comments were made earlier in the day regarding whether or not there had been repression of the Jewish community in Nicaragua. Let me tell you that I have spoken personally to one of the people who was in the synagogue the day that it was set on fire, and the entire Jewish community's lives were put at risk. This kind of repression is something which is ongoing not only for the Jewish community which fortunately has managed to escape almost to the last person, but also to the Miskito Indians and the people who are part of the Catholic Church, because religious expression is inconsistent with communism. The Sandinistas simply do not want to see any independent religious influence in Nicaragua that competes with their propaganda and opposes their repression. The Soviet Union and, of course, from the Jewish community viewpoint, the PLO's influence in Nicaragua are also factors which we have to recognize.

It is not just a matter of what I am saying or what the Antidefamation League says here regarding what has happened to the Jewish community in Nicaragua, but also other statements made by Newsweek, where it says "PLO on the wing in Nicaragua," talking about the PLO's influence in that part of the world, Qadhafi's influence, and, of course, the latest article which is in the Boston Herald titled "Law, Leave the Church Alone." It is a statement by the Roman Catholic Cardinals Bernard F. Lau of Boston and John O'Connor of New York talking about religious repression in Nicaragua.

There are very serious problems there. If we do nothing, we are going to face continued expansion of Soviet domination in our hemisphere. It will cost not only lives, but will cost an enormous amount of jobs in our country and eventually it could erode the freedom of the people of the United States.

Mr. Chairman, it saddens me very much that there are those who can look at the situation and really hope that talk is going to change it. Believe me, talk did not change it in Hungary, it did not change it in Poland, it has not changed it in Afghanistan, and it is not going to change it in Central America either.

Mr. KASICH. Mr. Chairman, will the gentlewoman yield?

Ms. FIEDLER. I yield to my colleague.

Mr. KASICH. Mr. Chairman, I appreciate the gentlewoman yielding.

Mr. Chairman, let me just say that in a statement that was published in the New Republic:

> A highly militarized, highly disciplined country with by far the largest army in Central America with ideological ambitions stretching far beyond its border supported by Cubans and Soviets is bound to be a source of instability in the region of a weak and fledgling democracy is clearly what we have in Central America.

Let us not let them destroy the fragile democracies that are building throughout Central and South America today.

Mr. McCAIN. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from California [Mr. DREIER].

Mr. DREIER of California. Mr. Chairman, if no one in this House chooses to criticize the Sandinistas, it is very apparent that tomorrow we will see an overwhelming victory for the President's package.

Why? Simply because there is only one hope in the region. They may not be perfect, but the Contras are in fact our one hope.

Today there continues be two revolutions taking place in Nicaragua. One is the revolution we have been hearing about here, a revolution without borders, which is the one that is trying to continue to encroach into the Western Hemisphere in an even broader way. As the President said very clearly Sunday evening, it was most eloquently put by Libyan leader Mu'ammar Qadhafi, who said, "Nicaragua is a great thing. It is fighting America at its doorstep."

The second revolution is the one that began in the 1970's, and it is the one which, unfortunately, did not end in 1979 with the overthrow of Anastasio Somoza. It is one that continues today with the people of Nicaragua.

□ 1855

It is the revolution which continues to have that basic four-point platform, nonalignment, an end to human rights violations, a continued free and fair government, and a democratic elections process. Those are the four basic points that the people were trying to attain back in 1979, and it is what the people are continuing to look for today.

Throughout this debate President John F. Kennedy has been quoted. But when you look at the region of Central America, probably his best quote was the one that was delivered in his inaugural address in 1961. He said.

> Let every nation know, whether it wishes us well or ill, that we shall pay any price, bear any burden, meet any hardship, support any friend, oppose any foe, to assure the survival and the success of liberty.

I urge my colleagues to make that statement stick. Support the President when we have our vote tomorrow.

Mr. ASPIN. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa [Mr. BEDELL].

Mr. BEDELL. Mr. Chairman, I have been in this body for 11 years, and this is the first time since I have been here that I cannot talk. I cannot talk on this issue because it disturbs me so much and I become so emotional as I do.

I am concerned not about Nicaragua. I am concerned about us. I am concerned about our country. What kind of values do we have in our country? Do we believe that the way we should try to settle arguments is to grab our guns? Or do we believe that maybe what we should try to do is to talk and see if we can settle it with other means?

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. BEDELL. No, I will not yield. I have heard all that over and over again. Somebody better start to say what are values that matter. Somebody better start to say: Does it matter whether we grab guns or whether we try to settle our problems? I will not yield to the gentleman. I have heard all that palaver too much.

Mr. Chairman, as in the past, our debate today centers around what we here in Congress believe to be the best U.S. foreign policy alternative toward Nicaragua. In my view, this foreign policy alternative must address both the long-term national security interests of the United States, and serve the growing cause of democracy in Central America. The elements of this policy are not mutually exclusive. Rather, they are complimentary. Today, we must determine whether the foreign policy path the President has plotted for us—$100 million in assistance to the Contras—serves both the long-term national security interests of the United States and the cause of democracy in Central America, or whether that foreign policy path does not serve those interests.

Mr. Chairman, in my view the path plotted for us on Sunday evening does not serve the long-term national security interests of the United States or the cause of democracy in Central America. I have visited Nicaragua. I have seen there, first hand, the failures of the Sandinista government, as well as the failures of a U.S. foreign policy that seeks to make

that government cry, "uncle," at the hands of the Contras. I am certainly no fan of the Sandinista government, nor am I a fan of the Contras. But it seems obvious to me that the Sandinista government has not cried "uncle," and in my opinion, it is not about to. It seems obvious to me that with or without U.S. support, the Contras are incapable of defeating the Sandinista government. The Contras have no popular support, control no indigenous Nicaraguan territory and are dubious allies to the cause of democracy. Further, continued commitment to the Contras only isolates the United States from our friends and allies in this hemisphere, and runs the risk of drawing us slowly and inexorably toward direct military confrontation with Nicaragua.

I believe the Congress shares many of the President's policy objectives in Central America. Like the President, I believe we support implementation of a foreign policy toward Nicaragua that deters and blunts Soviet, Cuban, and Eastern bloc influence in Central America. Similarly, I believe we support implementation of a foreign policy toward Central America that protects the peoples of Central America from the tyrannies of rightwing or leftwing repression. Finally I am sure we are all encouraged by the growth of democratic governments and institutions in Central and South America. Where I believe many of us disagree with the President, however, is in the construction of a policy toward Nicaragua and Central America as a whole that relies upon the application of military solutions to what most experts believe to be socioeconomic problems. Thus, our long-term national security interests, as well as our support for the continued development and strengthening of democratic governments and institutions in Central America, are related more to how we go about helping our Central American friends and allies solve the socioeconomic problems that confront them, than they are to the success or failure of the Contras.

I believe we must develop a creative policy toward Central America that solves socioeconomic problems that confront Central America. Similarly, I believe we must develop a creative policy toward Nicaragua. In developing this policy, I believe we must pay heed to our hemispheric friends and allies who are encouraging us to foresake a reactive military policy that isolates the United States from our hemispheric friends and allies and instead, rely upon a creative, multilateral, diplomatic policy that allows us to work in concert with our friends and allies in seeking a negotiated solution to the problems we face in Central America.

I believe we can achieve and implement such a policy by rejecting President Reagan's request for $100 million in funding for the Contras. I believe we can achieve and implement such a policy by relying upon the Contadora peace initiative, an initiative President Reagan has said that he supports. In my view, a firm U.S. commitment to the Contadora peace initiative recognizes traditional U.S. interests in being a true and honest partner with our hemispheric friends and allies, working together, toward a common solution. A solution that moves us away from military confrontation and toward promotion of economic stability, social reform, and democratic pluralism. Under such circumstances, Soviet, Cuban, and Eastern bloc influence is minimized. Under such circumstances, a negotiated end to all hostilities in Central America becomes feasible. Under such circumstances, the Nicaraguan people would realize the attractive elements of United States foreign policy and power. Under such circumstances, the Sandinistas are put into a position of learning to live with Nicaragua's neighbors or live in isolation from both them and their people. Under such circumstances, the long-term national security interests of the United States and our commitment to the growing cause of democracy in Central America are served.

Mr. McCAIN. Mr. Chairman, I yield 4 minutes to the gentleman from New York [Mr. KEMP].

Mr. KEMP. Mr. Chairman, I was on the floor listening to my colleague from Iowa speak about the deep emotion and concern that he has about how, this issue can be resolved without guns or violence. All of us share deeply in the desire for peace and freedom in Central America and throughout the world.

History has something to say to us today, as we, the elected Representatives of the American people, are facing a very difficult decision tomorrow, as the gentleman pointed out.

Paul Johnson, in his great book "Modern Times," which chronicles the history of the 1900's, said the twin evils of this century are the Holocaust and the Gulag Archipelago. Nazism and communism are the twin evils of our day. And one cannot turn his back on evil without being evil, as Elie Wiesel reminds us.

I believe that there are moments of opportunity lost and won where responsible people determine the course of history. Charles Krauthammer, in the Washington Post the other day, wrote that, "compromise or not, if in the end the Contras are cut off, the reason ultimately will be fear—fear of another Vietnam." Turning away, for fear of becoming involved, will not bring peace or freedom, it will not bring us the blessing of neutrality. "We can look back on another act taken in fear, the Neutrality Acts of the 1930's, and see how misguided and futile they were as a response to German and Japanese militarism. Closing our eyes did not preserve peace. It brought on the Holocaust, it brought on the murder of 6 million Jews. It brought on the beaches of Dunkirk. Have we not learned the lesson of history? To turn our back on an evil with indifference is evil. There is no neutrality.

We were elected by the people of this country to face this responsibility. I am from Buffalo, he is from Arizona, you are from New York, you are from Wisconsin. We are elected for these votes. This is why we are here. We are not here for any other reason than to take tough stands on tough issues when there are great moral questions at stake.

Let me tell you about that final Neutrality Act in 1937. Fascist Italy had attacked Abyssinia, and everyone in the West said, "Who cares about Abyssinia? Those people are in northern Africa. They are not Jeffersonian Democrats."

Did anybody ask the question what was happening to Abyssinia or what was happening to the Rhineland when Nazi Germany invaded, in violation of the Versailles Treaty, and began to rearm, and everybody said, "It is too far away, it is in Europe, don't worry about that, it doesn't really matter"? Or when the Nuremberg laws were passed that ultimately resulted in the Holocaust and the Nazi concentration camps at Bergen Belsen and Dachau and Buchenwald, and on and on and on?

Do you know what the Congress did in 1937? It passed the Neutrality Act. It sat over here, while Europe was in flames and northern Africa was being bombarded by Fascist airplanes. We said, "We declare neutrality." That encouraged Hitler, that encouraged the Holocaust.

The true challenge of our responsibility as Members of the 99th Congress is to look forward, and to recognize that a Neutrality Act in 1986 cannot protect us against the dangers inherent in Soviet subversion and military expansion today. On the contrary, the answer to staying out of war, the answer to resolving this issue is to support those men and women who are fighting for freedom in this hemisphere. Indeed, these are the same reasons we are supporting freedom fighters in Afghanistan, freedom fighters in Kampuchea. As the Representative from Ohio pointed out a little bit earlier, some of us think we should support the freedom fighters in Angola, as well.

But to close our eyes to what is happening in Central America, to think that we are going to bring peace in our time by turning our backs on the Contras, is an act of neutrality from which we cannot escape the history books.

I ask you tomorrow to think about this issue in terms of the lesson of history and not turn our backs on the cause of democracy and freedom in our hemisphere.

Mr. ASPIN. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. GARCIA].

Mr. GARCIA. Just let me start off by saying I am absolutely convinced that it is only by involving directly all the concerned nations of Latin America that we are going to finally resolve this problem.

I have heard today that Nicaragua is at our back door. Well, if it is at our back door, it is at Central America's front door. And yet of every one of

those nations, not one government has come to us and asked us or sent any communication to us to support the Contras.

Once again we find ourselves in a situation where big brother up north is telling Spanish-speaking America how they should behave and how they should act.

Let me say to all of my colleagues here, as a person with the surname of Garcia, Rodriguez, and Gonzalez, I am sometimes resentful. I am not an admirer of Ortega. I do not think he represents the people of Nicaragua. I think he has turned out to be a person whom we should, in all honesty, try somehow in a democratic fashion to get rid of. But the $100 million that the President has asked the American people to come forward with I think is the wrong way to go.

I would like to take this time to thank the millions of people who have called and have sent cables to this building and to the Members of the House and the Senate and thank them, because the overwhelming response has been against aid to the Contras. I want to thank you, America, because I think that this is what this democracy is all about.

So I say to my colleagues that tomorrow is a crucial vote. Do you know what? We are not going to solve a thing. We are not going to solve a thing. One of us may win a battle, but the big war, in terms of how Central America and Spanish-speaking America directs itself will not be determined by this Chamber, it will be determined by the people who live in those countries. If we want to help them, send $100 million let us help them to build their economy, let us help them to show the Sandinistas in the surrounding countries that in fact by building their economy that they in fact will turn back communism.

Let me say, in closing, that there are those of us in this Chamber who have fought the Communists. There are those who fought in two separate wars, in Korea and in Vietnam. As one of those participants, I can tell you that I am totally and 100 percent against communism. But what we are doing in Central America is wrong.

Vote "no."

Mr. McCAIN. Mr. Chairman, how much time remains?

The CHAIRMAN. The gentleman from Arizona [Mr. McCAIN] has 9 minutes remaining.

Mr. ASPIN. Mr. Chairman, how much time is there remaining on this side?

The CHAIRMAN. The gentleman from Wisconsin [Mr. ASPIN] has 7 minutes remaining.

Mr. McCAIN. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. GINGRICH].

Mr. GINGRICH. Mr. Chairman, this has been a long day of debate. Both sides have probably said in a variety of ways about all they know, in general, about their feelings. And I guess, as we come to a close, I want to focus on the notion that, in the end, this is not a debte about Nicaragua, it is not even a debate about the Soviet Empire and a threat to America. This is primarily a debate over America's view of the world and America's view of its own responsibilities.

Yesterday, in a pattern which has been going on for 2 weeks and which was repeated several times today, a friend of ours on the left jumped up and talked about his concern about patriotism being questioned. He then went on to say something that I think is very revealing. After the gentleman from Pennsylvania [Mr. WALKER] had made a 1-minute speech, our friend on the left jumped up and said, "Mr. Speaker, I request the gentleman's words be taken down. He is questioning the judgment of other Members of this House."

He then repeated, "He questions the judgment of the Members of the House who oppose the Reagan proposition."

He then said, finally, "Yes, Mr. Speaker, I do, because it followed a statement that I just made where I indicated that I oppose the President's position, and certainly by inference he is questioning my judgment, and I resent it."

Now, I would suggest to anyone who wants to read page 5200 that that is the essence of what we are saying and why this debate is at some level so emotional.

I believe every friend I have in this House on the left is a sincere patriot. But what is at argument in this room tonight, what will be voted on tomorrow, on the anniversary of the "Dear Commandante" letter, is a question of judgment about the nature of reality and about the fact that on the left we have no effective strategy for dealing with communism.

Now, I think the Reagan proposal has problems with it. I think we have a lot to do at the CIA, I think we have a lot to do at the Defense Department. I have been part of commissions to reform defense. I do not think this administration has solved the problem. But at least this administration is standing up to the fact that Soviet-Cuban colonial advisers dominating a country in Latin America is a real threat.

I have heard my friends on the left say, "I don't like the Sandinistas."

This is not a beauty contest. If the Nicaraguan Communists are a threat to America, I say to my friends on the left, what are you going to do about it?

I have had three different Members on the left debate me in the last few days on television and, pushed to the wall, each of the three said, "Well, if things get bad enough, we can send in the Marines."

I was stunned all three times.

Can you honestly in your heart say that it is a more prudent gamble with our children's lives to vote "no" tomorrow on $100 million because your backup plan is you will send them down to Nicaragua to clean out the Communists?

And I have had three Members on your side say that on television.

The fact is that we are trapped in a historic tragedy that goes all the way back to Vietnam, and you know it. The fact is that for almost 20 years we have been having the same argument about communism, ever since John F. Kennedy was killed, and nobody on the left had the ability, the will or the courage to morally dominate the isolationist-pacifist wing represented by George McGovern. The fact is, as the New York Times' Fox Butterfield, 1983, in "The New Vietnam Scholarship" says flatly: "Just before the Paris peace accords in 1973, scholars now say, the United States was in a stronger position than it realized. Had aid been continued, South Vietnam might have survived."

□ 1910

Now, the gentleman may laugh. Every major scholar who has looked at that issue comes down on the same side. Congress cut off aid and then South Vietnam collapsed.

Now, I can understand the concept psychologically of cognitive dissonance. I can understand that people who have voted wrong for 16 years, who were wrong about South Vietnam and watched it become a dictatorship and watched the boat people flee, who were wrong about Cambodia and watched "The Killing Fields," who were wrong in Ethiopia and watched the death which continues to this day, who were wrong about the Sandinistas, and I can find you quote after quote after quote. It turns out they were Communists. It turns out they did dupe us. It turns out they did systematically lie to us.

I can find you the quotes in the Granada documents where they said to themselves, "We can always lie to the Americans. They will always believe."

Let me just close by saying, we vote tomorrow not as Republicans or Democrats, we vote as Americans and we vote not just for ourselves, but for history.

Mr. ASPIN. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa [Mr. PEASE].

Mr. PEASE. Mr. Chairman, I will oppose aid to the Contras.

I agree with President Reagan that the Sandinista government in Nicaragua is a Marxist, authoritarian regime which has betrayed the ideals of the revolution against Somoza.

I believe, however, that President Reagan grossly exaggerates the danger which Nicaragua poses to other Western Hemisphere nations.

Further, the President seriously misleads the American people when he refers to the Contras as freedom fighters seeking to restore democracy in Nicaragua. The Contra military leadership is anti-Communist, but it is not democratic by any means.

The President justifies Contra aid on the basis of Nicaraguan plans to subvert and conquer Costa Rica, El Salvador, Honduras, Guatamala, and Mexico, yet the leaders of all those nations oppose military aid to the Contras.

All of the leaders favor instead intensive negotiations to achieve a regional peace and nonaggression plan. Our course, I believe, should be to fully support those regional negotiations.

Opposing Contra aid is a vote for the negotiated settlement which the nations of Central America want. Supporting Contra aid would be a vote for the first $100 million of what I believe would become a multi-billion-dollar way which would eventually see American soldiers fighting in Nicaragua.

Two specific points:

First, I'm told that the President's proposal would repeal all existing restrictions on U.S. intelligence agencies and the Defense Department in aiding the Contras.

If this resolution passes, the CIA will be back in business in short order—training the Contras, serving as "bag men" with millions of dollars, directing the Contras, fighting alongside the Contras, putting out manuals on how to assassinate opposition leaders.

Second, on Sunday evening I heard President Reagan tell the American people that the $100 million for the Contras would not cost the taxpayers any extra money because the money would be transferred from funds already appropriated for the Pentagon.

Today I was informed that the President is expected at some later point to ask Congress to approve supplemental funds for the Pentagon.

What does this mean? It means no free lunch. We are going to pay and pay for our intervention in Nicaragua.

Mr. McCAIN. Mr. Chairman, I yield myself 4 minutes.

Mr. McCAIN. Mr. Chairman, it has been a very long day. A few of us have been here since early this morning and I would like to take a moment to thank the Chair for the extreme courtesy and fairness with which the gentleman from North Carolina has presided over this debate. I know all of us share that view.

I would like, Mr. Chairman, to make a few points that have been made here today. There is a common thread, I do not know if it was the Republican and Democrat primer that brought up the same issues, but I would like in the very short time remaining to run through them.

First of all, the GAO report. I am on the Western Hemisphere Subcommittee of the Foreign Affairs Committee. I questioned the person from the General Accounting Office and his statement to me was that the State Department did the best they could. We have passed a law that does not allow the State Department to track the funds all the way through and I think it is ludicrous for us to expect an audit trail into Nicaragua when all Americans are prohibited from being there.

The next point is that the Contras hold no part of the country, they do not hold a town or city or any significant part of the country. Indeed, they do not, nor do the Mujahadeen in Afghanistan. I have heard of no motion to cut off aid to the freedom fighters in Afghanistan and I would submit that aid has been cut off for the last 16 months in Nicaragua, it would be very difficult for them to fight without the kinds of equipment that we are seeking to provide them with this bill that is coming up.

Human rights violations—we all deplore the human rights violations and I can tell you that one part of this debate I think was a bit of a waste of time, the charges and countercharges and the lists of human rights violations on both sides, because it is very difficult to account for.

I would also point out that one of the greatest tragedies of warfare is human rights violations. We can go throughout our own history from a place like Andersonville and Mylai, the march from Atlanta to the sea and others where terrible human rights violations were inflicted.

I would suggest that possibly there would be a cessation or a lessening of human rights violations on the part of the freedom fighters if we had been able to give them the proper training.

Negotiations—we all want negotiations. We also remember in 1968 the frenzy for negotiations between ourselves and the North Vietnamese. Unfortunately, we began negotiations without any other pressures to bring about a settlement or a solution to that unhappy conflict and negotiations continued without any progress for the next 5 years until the B-52's came in Christmas of 1952.

Jose Napoleon Duarte I think a few days ago said it adequately when he said that he would be willing to negotiate with his guerrillas or rebels that are fighting in his country if the Sandinistas would negotiate with those in his.

The reason he gave was he said, "I cannot solve my problem until the problem in Nicaragua is solved." I think that statement is very clear.

Will $100 million do the job? I do not know if $100 million will do the job and I do not know how many school lunches $100 million will buy, although I am sure I will be told before the debate is over; but I do know we just voted on a voice vote $250 million to Ireland without a single dissenting vote or request.

I am running short of time. I would like to summarize by saying that TIP O'NEILL, our Speaker, said the other day and was quoted in the press, "The shadows of Vietnam have not left us."

Indeed that is true, Mr. Chairman. The shadows of Vietnam are with us and it is time we left the shadows of Vietnam and took our stand for freedom and those who are fighting for freedom throughout the world without sending American men to do that job.

Mr. ASPIN. Mr. Chairman, I yield 4 minutes to the gentleman from Pennsylvania [Mr. FOGLIETTA].

Mr. FOGLIETTA. Mr. Chairman, I rise in strong opposition to the bill before us today, which would provide direct financial assistance to the Contra insurgency in Nicaragua.

I am no more a fan of the Sandinista government of Nicaragua than those who support this legislation. Nor do I question that there are many serious problems of human rights violations and political and press freedoms in Nicaragua. Where I part company with those who advocate aid is on the question of the violent overthrow of the Sandinistas. Is it our right to create and prop up an artifical insurgency? No, it is not. Is it appropriate for the United States to undertake to destabilize and remove a sovereign government who's abuses are no more severe than those of many governments we provide money to keep in power? No, it is not. Is there any convincing evidence that what we are doing has any prospect for improving the lot of the average Nicaraguan? No, there is not. Are we, in fact, even concerned about the average Nicaraguan in this debate? I do not think so.

We are concerned with expansionism, with Communist influence and domination of the Central American and Carribean region. That is an appropriate concern. But we must reevaluate how to address that concern. The Contra movement has not contained or controlled the Sandinistas, or acted to force them to behave. Indeed, it has led to the rapid growth of the Sandinistas military, to the expansion of the Soviet and Cuban influence in Central America and to the consolidation, not the deterioration of power by those people which our President opposes. That is hardly a wise path to walk down. It does not further our aims. It defeats them. It does not concern itself with democracy in Central America, it ignores it. If anything, the current program of the executive branch, articulated and ex-

panded by the $100 million folly before us today, serves only to make it clear that in our zealousness to unseat a government we don't like we are forgetting our purposes. Stability in the Western Hemisphere will not be enhanced by funding this movement. Democracy in Nicaragua won't come through funding the Contras. More aid will lead to more Cubans and more Soviets and more consolidation. We have no business funding the Contras, and the time has come to stop.

Mr. COMBEST. Mr. Chairman, the importance of this vote is beyond question. There will be no second chance. We are dealing with basic fundamentals in this resolution: Fundamental precepts of our heritage in liberty; fundamental questions about our support for freedom in our own hemisphere, and fundamental challenges for the United States in meeting Soviet and terrorist aggression in the future.

Hope is at stake with this resolution: The hopes of the Nicaraguan people to live in freedom and democracy; and the hopes of the people of Central America to live in peace, free from Communist subversion. And, finally, the very security of the United States is at stake.

John Stuart Mill said:

The doctrine of nonintervention, to be a legitimate principle of morality, must be accepted by all governments. The despots must consent to be bound to it as well as the free states. Unless they do, the profession of it by free countries comes but to this miserable issue—that the wrong side may help the wrong, but the right must not help the right.

That is exactly where Congress' actions have brought us today. The Soviets can help their clients, but the U.S. Congress prevents us from helping the forces of democracy.

Calls for more diplomacy in place of military aid are at best simplistic when we all know that the Communist Sandinistas will only negotiate when it is in their best interest to do so. Since 1979, the Sandinistas have received over $500 million in military assistance from Cuba and the Soviet bloc. Last year, while we sent meager supplies of boots and bandages, the Soviets sent tanks, attack helicopters, and ammunition. Why should they bargain when we will eliminate their only opposition for them?

The Contras' cause is a just one—the same cause pursued by freedom fighters in Texas 150 years ago and Afghanistan today.

And I think Texans have a special understanding for the threat a Communist Nicaragua poses to the United States. The prospect of millions of refugees fleeing to the United States, and the turmoil so close to home created by Communist arms and agents is chilling. The presence of Lybian, PLO, Red Brigade, and other terrorists literally at our back door is of even greater concern. For once, we have a chance to stop a terrorist base before people start dying. Why do we hesitate?

We have seen a lot of namecalling and indignation these past few days and weeks. It seems to make some in this body uncomfortable to raise the possibilities of where their inaction will take us. Well, it should make them uncomfortable, for if they succeed in preventing aid from reaching those struggling in Nicaragua, millions in Central America will suffer the consequences as will the very cause of freedom.

Too many of those in this body who profess to be the guardians of our ideals have instead become the architects of our retreat.

We are now at a key time when we will decide with our votes whether we will sit by and let Soviet helicopters put down any chance for freedom and democracy in Nicaragua. We will decide with our votes whether we will strangle the democratic resistance whose members are willing to give their lives in pursuit of liberty if we'll just give them the support they need.

Our decision cannot be made lightly, nor should it be made with an eye toward a second chance or a so-called compromise down the road. As the Kissinger Commission noted, there may be an argument for doing nothing; there may be an argument for doing a great deal more; but there is no logical argument for giving some aid but not enough.

The time is now. We decide today if we will put the noose around the freedom fighters' necks so that the Sandinistas can pull the rope.

Let us all remember that a Communist regime has never peacefully relinquished power. Today we decide with our votes if we are willing to live with this threat on our border. Today we decide with our votes if we are willing to stand by those who are willing to fight and die for our principles.

There is a heavy burden of responsibility on us, for our decision will go far in defining what will confront future Presidents and Congresses in this hemisphere. I fervently hope that we are up to the task.

Mr. CROCKETT. Mr. Chairman, here we go again! Another ultimatum on Nicaragua from President Reagan. This time, if we don't come up with $100 million to help the Contras overthrow the legally elected and accredited Sandinista Government, then democracy, as we know it, "dies" in Nicaragua and is fatally wounded in the rest of the Western Hemisphere.

Fortunately, Mr. Chairman, the administration's determination to use military aid to make the Sandinistas "cry uncle" is not shared by others in the hemisphere.

Not a single, democratic government in this hemisphere has supported military aid for the Contras, and just this week I received a letter from the Honorable Edward Broadbent, a Member of the Canadian House of Commons and the leader of the New Democratic Party, urging me to oppose the President's request.

I agree totally with Mr. Broadbent's assessment:

That giving military support to the "Contras" is profoundly wrong. There is no indication that the government of Nicaragua has hostile intentions towards any nation or group in the region. Whether one agrees or disagrees with the priorities of the existing government in Nicaragua, it is completely wrong in terms of international law and morality to finance military action against a government that is internationally recognized.

I commend Mr. Broadbent's letter to the attention of my colleagues for its insights and for their consideration:

HOUSE OF COMMONS,
Canada, March 10, 1986.

Hon. GEORGE W. CROCKETT, Jr.,
House of Representatives, Washington, DC.

DEAR REPRESENTATIVE CROCKETT, JR.: It is with great concern for peace in our hemisphere that I write to you regarding the situation in Nicaragua. Canadians from all walks of life have been contacting me in increasing numbers about the continued conflict on the Honduras/Nicaragua border and about the reaction proposed by President Reagan.

It seems that President Reagan is proposing to provide military funding to the "Contras" just at a time when real peaceful solutions are at hand. Countries throughout Central America and South America are extremely serious about finding a mechanism to bring peace to the region. The support for a non-violent solution to problems in the region is visibly increasing in statements by governments in the area and from around the world.

I believe that giving military support to the Contras is profoundly wrong. There is no indication that the government of Nicaragua has hostile intentions towards any nation or group in the region. Whether one agrees or disagrees with the priorities of the existing government in Nicaragua, it is completely wrong in terms of international law and morality to finance military action against a government that is internationally recognized.

It is an extremely rare step for all our elected Members to take such action as to write directly to members of your Congress. In fact, it is being done for the first time. However, it is our strong view that the provisions of direct "Contra" military aid, as suggested by your President, will dangerously escalate the conflict. It constitutes a major incursion upon the rights of another nation.

Our concern at this time is to inform you of our understanding of the situation and to assure you that we believe politically sound peaceful solution is within reach. An escalation of violence is not only morally offensive but practically counter-productive.

I respectfully urge you for the sake of both justice and peace in the western hemisphere to refuse your President's request and urge you to pursue the route suggested by the Contadora Process. In writing, I am acting on behalf of all the elected New Democratic Party Members of Parliament.

Yours sincerely,

EDWARD BROADBENT.

Mr. STARK. Mr. Chairman, we should not send military or humanitarian aid to the Contra revolutionaries in Nicaragua. The issue is: Do you want peace or war in Central America. Sending aid, any aid, is a vote to fund war, killing, and bloodshed.

For over 5 years the Contras have been marauding in Nicaragua. What have they accomplished? The Contras have spent millions of dollars of U.S. taxpayer's money alienating the Nicaraguan citizenry with their barbaric acts. What they have not done is generated a popular uprising against the Sandinistas. What they have not done is inspired the Nicaraguan people into backing their cause. We should not be sending $100 million to finance a policy that is clearly failing.

I do not agree with everything the Sandinista government in Nicaragua does. But that does not justify the violent overthrow of the government. This is not, in spite of President

Reagan's assertions and questionable rhetoric, the frontlines in the battle against communism. In fact, by providing aid to the Contras we could be doing what President Reagan fears most, driving the Nicaraguan Government into the hands of the Communists. They would have nowhere else to turn.

We must pursue the process of peace. Frameworks for negotiations exist in both the Contadora and Caraballeda proposals. These frameworks are backed by 13 Latin American nations including Panama and Mexico. President Reagan's idea of peace negotiations is to send delegations to Central America that on numerous occasions did not even go to Nicaragua.

The House of Representatives needs to send a clear signal. We want the peace process to work in Central America. We are not Contras.

Mr. GRADISON. Mr. Chairman, in voting in favor of this request to extend additional assistance to the Contras, I have at bottom decided to give the President the benefit of the doubt in the only choice the House Democratic leadership has given us—$100 million of military and nonmilitary aid or no aid at all. But I do have doubts, and I would have preferred to have a wider range of choices.

No issue in recent memory has generated more public response than the issue of aid to the Contras. My constituents are as deeply divided as they are deeply concerned. The national debate over this issue has so polarized public opinion that I question whether this aid program will be sustained over any period of time. Whatever policy the United States adopts, it should have promise of being followed not only by this administration but its successors.

Members on both sides of the aisle have expressed their concerns about the internal behavior of the Nicaraguan Government, as well as the tendency of the Sandinistas to export the revolution. Concerns have also been raised about the nature and prior conduct of the Contras. Internal political reconciliation in Nicaragua and a viable regional agreement are clearly in the best interest of the United States. Continued Nicaraguan support of guerrilla movements in Central and South America does little to promote such a resolution to the problem, and continued Contra aid will signal our resolve to stop such Sandinista activities outside their borders.

Partisan divisions may produce a scapegoat but not a solution. Having worked last year toward a bipartisan approach to our Nicaraguan policy, I am painfully aware how hard it is to achieve and sustain. Nonetheless, should it prove possible to arrive at such a policy, I hope that it would be based on sustainability, strong support for the Contadora process, active steps to interdict the flow of arms from Nicaragua into other Central and South American countries and have the support of Nicaragua's neighbors.

Mr. ROYBAL. Mr. Chairman, the importance of tomorrow's vote on whether the American people should send $100 million to arm the Contras cannot be overstated. With this single vote we will set the course for American policy in this hemisphere for decades to come. And our choices are clear.

We can choose to work with all the other democratic nations in the Americas or we can set out on a course that isolates us from our friends and allies.

We can increase the threat of violence—violence that will certainly spread—and leave the Sandinistas no choice but to deepen their dependence on Soviet and Cuban military support or, we can seek to reduce militarism in Central America.

We can actively support the negotiations of the Contadora group—negotiations that seek to establish democratic governments and reduce foreign intervention in Central America—or we can support a course that promises prolonged confrontation.

If we send $100 million to the Contras, there will be no turning back. We would have burned our bridges and committed the United States to a war that does not need to be fought and that cannot be won without the loss of American lives. And, if we decide to pursue a military option, the first victim will be the chance for a negotiated peace.

Mexico, Colombia, Panama, Venezuela, Brazil, Argentina, Peru, and Uruguay have committed themselves to negotiations that would:

First, halt the flow of weapons into Central America;

Second, reduce the presence of foreign military advisers;

Third, cut the size of the armed forces in the region;

Fourth, create a mechanism to support democratic pluralism; and

Fifth, adopt measures to promote economic advances.

The U.S. support for arms will destroy any hope of achieving these goals. Instead, we will become isolated and, as the charges of "Yankee Imperialism" increase in a region that has long resented America's "Big Stick" interventionsm, we will increase the likelihood that other nations will follow the path of the Sandinistas.

Our choice is clear. We can use our intellect and stand with the Contadora group and seek to reduce the tension and antagonism in Central America. Or, we can provide arms and ammuntion to the remnants of Somoza's feared National Guard and start down an endless path of war.

I favor using our intellect. Last year, President Reagan said that if the Congress provided $27 million in aid to the Contras it would force the Sandinistas to negotiate. A month after that aid was approved, the administration failed to resume bilateral negotiations and, a month later, in August, President Reagan stated flatly that there would be no negotiated settlement.

Once again, the President is saying that aid to the Contras will help force negotiations. Well, I believe that just the opposite is true. A vote against the $100 million aid to the Contras is a vote for the Contadora plan. The efforts of those countries that share a common language, culture, and interest hold our greatest hope for peace in Central America.

Mr. RODINO. Mr. Chairman, I rise in strong opposition to House Joint Resolution 540, to approve the President's request for $100 million for the Contras fighting to overthrow the Government of Nicaragua. This is a huge, nearly fourfold increase in funding for the Contras since the first request 5 years ago for $19 million. If this request is granted, it will surely not be the last.

We are all well aware that the Sandinista government is repressive and has a continuing record of human rights violations, and no one wants a continuation and strengthening of a Marxist-Leninist regime in Central America. But the Contras have also committed brutal atrocities and, led by military strongmen from the Somoza national guard, they do not represent a viable or acceptable alternative to the Sandinistas. They do not inspire a popular, democratic movement inside Nicaragua, but instead spread terror and hatred among the innocent campesinos.

Equally important is the message from the leaders of the eight leading countries in the region who urged a halt to aid to the Contras. These neighbors of Nicaragua believe the only effective solution is through negotiation. It is time we give peace a chance and vigorously support the Contadora process.

This continued funding of the Contras, I am convinced, would be counterproductive and should be disapproved. Apart from the fact that we should not be aiding an ineffective group of men who spread violence and brutality throughout the countryside, I am appalled that this should be asked at a time when the President is proposing deep cuts in vital programs providing nutrition, health, education, job training, and other services to our disadvantaged and vulnerable citizens. Under the President's proposed budget for fiscal year 1987, 27,000 low-income women, infants, and children would be removed from the WIC nutrition program. Under his budget, student financial aid programs would be reduced by $1.9 billion, eliminating 2 million students from assistance. Under his proposed budget, funding for the National Institutes of Health would be cut by $417 million from the fiscal year 1986 appropriation and frozen at this lower level through fiscal year 1991.

It is inconceivable to me that we can consider sending funds to support a suspect, no-win, terrorist group while contemplating budget reductions that would endanger the health and welfare of so many of our citizens.

Mr. Chairman, I urge the defeat of this unwise and unrealistic request.

Mr. WHITTEN. Mr. Chairman, earlier I reserved the remainder of our original hour.

The CHAIRMAN. The gentleman from Mississippi has 1½ minutes remaining.

Mr. WHITTEN. Mr. Chairman, I yield the remainder of our time to the gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. Mr. Chairman, in the first part of January the information reached us that the Sandinista government had closed the Catholic radio station in Managua. This news was greeted by many, including myself, with a great deal of dismay. In fact, I joined in sending a letter to the Nicaraguan Ambassador to the United States protesting the closing of this radio station.

I bring this point up this evening in the closing hours of this debate to make it clear that many of us who oppose aid to the Contras in Nicaragua, the military solution to those problems, do not wish to whitewash the repression of the Sandinista government.

It is a curious political fact to me and others that while we talk about overthrowing this government, while we accuse the Sandinistas of being a haven for drug traffic, terrorism, the next Libya and the like, the United States maintains normal diplomatic relations with the Nicaraguan Government. It defies explanation to figure out why at a time when we are blaming them for the overthrow of their neighboring countries, while we are fearful of their outreach from Central America into the United States, that we would maintain normal diplomatic relations.

I will oppose Contra aid for this reason.

I believe the United States is a great power, but I think we found in Vietnam that we can be humbled if we do not use our power wisely.

The issue at hand is regional security. Unless and until we have the support of our allies, our efforts at regional security in Central America cannot and will not prosper.

Mr. WHITTEN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore [Mr. DURBIN] having assumed the chair, Mr. WHITLEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the joint resolution (H.J. Res. 540) relating to Central America pursuant to the International Security and Development Cooperation Act of 1985 had come to no resolution thereon.

□ 1925

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4332, FIREARMS LAW REFORM ACT OF 1986

Mr. BONIOR of Michigan, from the Committee on Rules, submitted a privileged report (Rept. No. 99-498) on the resolution (H. Res. 403) providing for consideration of the bill (H.R. 432) to amend chapter 44 (relating to firearms) of title 18, United States Code, and for other purposes, which was referred to the House Calendar and ordered to be printed.

FURTHER CONFERENCE REPORT ON HOUSE JOINT RESOLUTION 534, URGENT SUPPLEMENTAL APPROPRIATION FOR THE DEPARTMENT OF AGRICULTURE, 1986

Mr. WHITTEN submitted the following conference report and statement on the joint resoluttion (H.J. Res. 534) making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes:

CONFERENCE REPORT (H. REPT. 99-499)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the amendment of the House to the amendment of the Senate to the joint resolution (H.J. Res. 534), making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes, having met, after further conference, have agreed to recommend and do recommend to their respective Houses as follows:

Amendment numbered 1:

That the House recede from its disagreement to the amendment of the Senate, to the amendment of the House, to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

It is agreed that at least $1,700,000,000 is available for the insured operating loan program of the Farmers Home Administration. Therefore, the Secretary shall proceed immediately to make loans to farmers and farm owners. If these funds should prove to be insufficient, other funds should be made available to meet emergency credit needs of American farmers and ranchers.

And the Senate agree to the same.

JAMIE L. WHITTEN,
BOB TRAXLER,
MATTHEW F. MCHUGH,
WILLIAM H. NATCHER,
DANIEL K. AKAKA,
WES WATKINS,
RICHARD J. DURBIN,
NEAL SMITH,
VIRGINIA SMITH,
JOHN T. MYERS,
HAROLD ROGERS,
JOE SKEEN,
SILVIO O. CONTE,
Managers on the Part of the House.

THAD COCHRAN,
JIM MCCLURE,
MARK ANDREWS,
JAMES ABDNOR,
BOB KASTEN,
MACK MATTINGLY,
ARLEN SPECTER,
MARK O. HATFIELD,
QUENTIN BURDICK,
JOHN C. STENNIS,
LAWTON CHILES,
JIM SASSER,
DALE BUMPERS,
TOM HARKIN,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the further conference on the disagreeing votes of the two Houses on the amendment of the Senate to the amendment of the House to the amendment of the Senate to the joint resolution (H.J. Res. 534), making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

DEPARTMENT OF AGRICULTURE

COMMODITY CREDIT CORPORATION

Amendment No. 1: The conference agreement on the amendment of the Senate to the amendment of the House to the amendment of the Senate is as follows:

It is agreed that at least $1,700,000,000 is available for the insured operating loan program of the Farmers Home Administration. Therefore, the Secretary shall proceed immediately to make loans to farmers and farm owners. If these funds should prove to be insufficient, other funds should be made available to meet emergency credit needs of American farmers and ranchers.

The full text of H.J. Res. 534 will read as follows:

DEPARTMENT OF AGRICULTURE

COMMODITY CREDIT CORPORATION

For the operations of the Commodity Credit Corporation, not to exceed $5,000,000,000 for capital restoration, to enable the Corporation to use the authority authorized by the Charter of the Corporation and other laws to carry out programs handled by the Corporation: *Provided,* That Corporation programs shall retain the goal of sufficient production to meet domestic needs, maintain the supply line, and provide for our share of exports at competitive prices: *Provided further,* That after fiscal year 1987, funds available to the Corporation may be used to carry out section 1241(a)(1) of the Food Security Act of 1985, only to such extent or in such amounts as provided in advance in appropriations Acts. The sign-up agreement should not reduce total production below levels needed to meet domestic needs, maintain the supply line, and provide for an adequate supply for export by either the Commodity Credit Corporation or private corporations or individuals at competitive prices; since by law the proceeds from sales become available for use by the Commodity Credit Corporation, such sales should reduce future appropriations: *Provided further,* That the conservation reserve program shall not replace or reduce any existing conservation program.

It is agreed that at least $1,700,000,000 is available for the insured operating loan program of the Farmers Home Administration. Therefore, the Secretary shall proceed immediately to make loans to farmers and farm owners. If these funds should prove to be insufficient, other funds should be made available to meet emergency credit needs of American farmers and ranchers.

JAMIE L. WHITTEN,
BOB TRAXLER,
MATTHEW F. MCHUGH,
WILLIAM H. NATCHER,
DANIEL K. AKAKA,
WES WATKINS,
RICHARD J. DURBIN,
NEAL SMITH,
VIRGINIA SMITH,
JOHN T. MYERS,
HAROLD ROGERS,
JOE SKEEN,

SILVIO O. CONTE,
Managers on the Part of the House.
THAD COCHRAN,
JIM MCCLURE,
MARK ANDREWS,
JAMES ABDNOR,
BOB KASTEN,
MACK MATTINGLY,
ARLEN SPECTER,
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QUENTIN BURDICK,
JOHN C. STENNIS,
LAWTON CHILES,
JIM SASSER,
DALE BUMPERS,
TOM HARKIN,
Managers on the Part of the Senate.

WE CANNOT TRUST THE COMMUNISTS IN CENTRAL AMERICA

The SPEAKER pro tempore (Mr. DURBIN). Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 5 minutes.

Mr. BURTON of Indiana. Mr. Speaker, we are all familiar with the debate to simplify: We say if Nicaraguans are willing to fight and die to prevent Soviet guns from deciding the fate of Central America, we should help them.

They say, the other side, the Contras are not good enough to support, so we'll just stand by and let the Communists wipe them out.

Of course, the fact is, the Contras could be saints and the radicals in this House would not support them.

We never hear a peep about the Afghans or the Cambodians who are receiving our aid not being democratic enough, and Aquino can have all the Marcosistas she wants.

As for me, if they're good enough for Cardinal Obando Y Bravo, who is calling on the Sandinistas to negotiate with them, they're good enough for me.

At any rate, this debate is not really about the Contras or the Sandinistas: a large bipartisan majority now agrees that the Sandinistas must be stopped and it would be wrong to allow them to crush their fellow Nicaraguans with Soviet weapons while we stood by and watched.

What this debate is really about are two facts in this world that some Members of this House seem to wish would just go away: First, brutal Soviet-sponsored regimes; and second, people who are willing to fight them.

Until recently, we could go on blissfully ignoring the fact that nation after nation was falling to Communist cliques: 11 nations in 11 years.

Those nations are: Grenada, Suriname, Nicaragua, Angola, Mozambique, Ethiopia, Seychelles, Vietnam, Laos, Cambodia, and Afghanistan.

These nations, except of course for Grenada, read like a who's who of the worlds most oppressive regimes.

In three of these nations, Afghanistan, Cambodia, and Ethiopia, millions—not thousands—millions have died of famine and outright holocaust.

Mozambique and Angola have their own Gulags, and Ethiopia is deliberately starving its people to death.

The carnage is continuing throughout these nations today and for a decade we have been able to practically ignore it.

But then something unexpected happened: People started fighting back. They started fighting for freedom.

Now people are fighting back in most of the Soviets' newly acquired colonies.

One might think that if there is one thing liberals and conservatives could agree on, it would be that we should help people get rid of communism.

But a strange thing happened: some members only seem to want to help the people who are farthest away and have the least chance of winning their freedom: The Afghans and Cambodians.

So now the world is looking to us: do we really mean what our Declaration of Independence says:

> That all men are created equal; that they are endowed by their creator with certain unalienable rights; that among these are life, liberty and the pursuit of happiness; that to secure these rights governments are instituted among men . . .; that whenever any form of government becomes destructive to these ends, it is the right of the people to alter or abolish it and to institute new government, . . . as to them shall seem most likely to affect their safety and happiness.

So we have to ask ourselves: how many nations have to fall, how many people have to starve, how many "Boat People" and "Feet People" have to leave their homelands, and how many people have to take up arms—before we will come to their side.

I think it is high time we supported the Nicaraguan people. If we do not, their blood will be on our hands and Nicaragua will go the way of the most oppressive regimes on Earth, and their leader, the Soviet Union.

Winston Churchill said in 1938, "Like the Communists, the Nazis cannot be trusted. Like the Nazis, the Communists are always looking for a new prize, a new foe, a new objective."

That has not changed. Their goal of worldwide revolution is just as aggressive today as it was after the Bolshevik Revolution in 1917, and it really concerns me that we have not profited from history.

In 1938, in August, Lord Chamberlain went to Munich and he met with Adolf Hitler. Adolf Hitler said to him, "If you will give me half of Czechoslovakia, I will sign an agreement with you, a nonaggression pact." Lord Chamberlain gave away the freedom of Czechoslovakia and went back to England and he said, "Peace in our time. Peace in our time."

We could not trust the Nazis then, World War II started because of that, and we cannot trust the Communists now. Those people are fighting for freedom down there today, and we need to support them.

NICARAGUAN DEBATE NOT VERY GOOD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WALKER] is recognized for 5 minutes.

Mr. WALKER. Mr. Speaker, we had a long debate today on the issue of Nicaraguan aid. I would not call it a particularly good debate, however, because with the few exceptions we had a lot of Members of the majority party who came to the floor and refused to yield. They would make outrageous statements on the floor that in my opinion could not stand up to challenge, and then refused to yield when they were being challenged.

Therefore, what we have to conclude is that they simply were not willing to discuss the issue. They want to walk on the floor, make their 2-minute statement, and let it stand on the record without allowing someone to try to correct them along the way.

That does not yield a very good debate. It also tells me something about their side of the argument. Their side of the argument, it seems to me, is awfully weak if it cannot stand up to challenge. I can only conclude that there were many Members in this Chamber today who do not want to explain their support for a Marxist government that is one of the worst abusers of human rights in the world today, and that is indeed the way the Nicaraguan Government sees it.

I just came back from Nicaragua. The Nicaraguan Government sees this vote as a vote on it. We can have all the statements we want to on the floor about the fact that we hate the Sandinistas, too; we think they are a lousy government. The Sandinista Nicaraguan government sees this vote as a referendum on it. However this vote turns out, the Nicaraguan Government will see a vote against the Contra aid as being a vote for its position.

I listened to the arguments out here today, too, and I thought there were a lot of interesting arguments. It is interesting to go through them and figure out what the folks were saying out here that does not make any sense.

For example, they made the statement over and over again that the reason why we do not give Contra aid is because no one in the region supports Contra aid. Well, if that is the case, then we must not be giving any

aid to Israel, either, because there are none of our allies in the Middle East who agree with us giving aid to Israel, and yet the aid flows. Most of the people who made that statement on the floor today vote for that aid to Israel. That is a nonsense argument.

They say, for instance, that we ought not interfere with a legitimate government in another country.

□ 1935

Well, what do they think we just did in the Philippines, and most of them supported that? We were directly involved in that. We helped get rid of the Marcos government and install a new government. That was not interference? Of course it was. That is a nonsense argument based upon our performance as a nation over just the last few weeks.

They say we should not support freedom fighters, that that is not a legitimate thing for this country to be doing. Then what are they saying, that we ought not support the Afghans who are fighting for their lives against Soviet tanks and Soviet gunships and Soviet Mig's. Is that what they are really saying? I do not think any of them would stand on this floor and say they do not think the freedom fighters in Afghanistan deserve support. Again, a ridiculous argument.

They said we will send them troops. What will happen is if things go bad for the Contras, we are going to send in our troops. I remember them well, and so they were the people who along the way when we had to go into Grenada as a result of threats to American lives, there was at least one Member of the left wing of the Democratic Party who stood up and suggested that we ought to impeach the President for that. Well I would suggest that we should never get to that kind of situation, that the best policy is not to have to send American troops, to allow people within the countries the resources that they need to fight for freedom themselves. That will keep American boys out. So the idea that we are going to send in troops if it goes bad is just nonsense.

They said that the $100 million would be better spent here at home. You know, that is a very emotional argument and it makes some sense to a lot of people. But where were they the other day when we had $250 million on the floor for Ireland? I watched that whole debate. I did not hear one of those people come to the floor and suggest that we ought not send $250 million of new money, not reprogrammed money, not money that is already in the Defense Department budget, new money, $250 million, we ought not send that to Ireland. Why? Because the Speaker of the House here was very much in support of that, and yet none of these arguments were made at that time. It is a nonsense argument. It is a way to appeal emotionally without really getting down to the real issue involved.

They say the Contras are all ex-Somoza Somocistas. They ought to go out in the hallway here and talk to 3 of the Contra leaders who are here on Capitol Hill. We have three of them who are not only not ex-Somocistas, these were the opposition to Somoza, and they are the people who are now Contras who are the opposition, and really these folks ought to talk to them. It is a nonsense argument.

They also say that the Contras have not won any military victories so, therefore, they do not deserve our support. If that is the criteria on which we are going to judge, then there is no Sandinista government in Nicaragua because the Sandinistas did not win any military victory either before they took over. The Sandinistas, with our support, with the support of our Embassy took over and yet they did not win any military victories.

These are not arguments, these are excuses, excuses for allowing a Communist enclave in Central America to further entrench itself.

WORK-RELATED DEATHS AND INJURIES COST TOO MUCH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. GAYDOS] is recognized for 60 minutes.

Mr. GAYDOS. Mr. Speaker, I want to call to the attention of the House an article in yesterday's Wall Street Journal that dealt with the increase in job-related deaths, injuries, and illnesses.

As the chairman of the Subcommittee on Health and Safety of the Committee on Education and Labor, we deal with the issues of health and safety in the workplace on a daily basis. I believe it is imperative that every Member of this body, as well as our colleagues in the Senate, be aware of the increasing number of accidents, deaths, and serious injuries.

The present administration has stopped aggressive pursuit of employers who fail to provide for the health and safety of their employees, relying instead on voluntary compliance programs.

I don't doubt that they—both OSHA and the employers—mean well, but, let's face it, if no one is watching, too many employers will cut a corner here and a corner there. And, if OSHA is understaffed or if the inspectors are baffled by confusing and contradictory purposes coming from the head office, it is likely that a lot of seemingly minor violations will go unnoticed or unreported.

And then we'll have a situation like the one in New York City where, in two thermometer manufacturing firms, workers are threatened by exposure to unnecessary and, perhaps, excessive doses of mercury.

The figures cited in the Wall Street Journal article speak for themselves and they speak loudly about the impact of health and safety on people as well as business operations.

In 1984, the most current year for which we have figures, workplace fatalities rose by 21 percent from 1983, to 3,740, and injuries jumped by 13 percent to 5.3 million. In dollar terms, the National Safety Council estimates workplace accidents cost $33 billion in lost wages, medical expenses, property damage, and indirect costs.

And these figures don't even take into account the thousands who suffer and/or die every year because of a history of exposures to hazardous and toxic substances.

Simply put, the present administration, by its failure to enforce OSHA's rules, regulations, and standards aggressively has put every working man and woman in jeopardy.

And the result is a rise in work-related deaths and injuries some 2 to 5 years after policies are changed. And, in the article, former OSHA Director Eula Bingham predicts that things will get worse before they get better.

Mr. Speaker, I pray Professor Bingham is incorrect, but I fear she is not. For too long, as chairman of the subcommittee, I have had witness after witness come before us, testifying to the lax approach taken by OSHA in workplace inspections.

As I mentioned, the figures we have are for 1984, and, while the figures for 1985 will not be available for several months, the expectation by the experts is that deaths and injuries will rise.

As I said earlier, the numbers we have do not reflect the thousands of workers, both retired and disabled, who are going to die of disease caused by exposures to chemicals and other hazardous and toxic substances.

Those deaths will not be recorded as work-related so there will not be the hue and cry that we should expect when a large segment of Americans dies unnecessarily. I think it is criminal that in this country, in this day and age, men and women are exposed to so many substances in the workplace about which we know so little.

I am trying to do something about this, Mr. Speaker. In March of 1985, I introduced H.R. 1309, the High Risk Occupational Disease Notification and Prevention Act. This measure, which has been the subject of five intensive hearings by the Subcommittees on Health and Safety and Labor Standards, provides for identifying worker population at risk of disease because of exposures to substances for which OSHA has already developed permanent standards, would notify each individual of his or her risk, and would place that worker in an appropriate monitoring program.

There are a couple of key points behind the thrust of the bill. First, we know that some of the diseases these workers are at risk of getting can be arrested or alleviated if medical intervention occurs in the early stages of the disease.

Second, it encourages employers, who could wind up paying for the monitoring and eventual treatment, to seek alternative substances, when available, to replace the more hazardous and toxic ones, even if the alternative substance might cost somewhat more.

There has been opposition to the bill, Mr. Speaker, but it has been more in terms of the approach we offer than toward the concept. In

fact, no witness, whether representing business, labor, the health field, government, or the insurance industry, has opposed the concept of what we are trying to do through this measure.

Further, all of our witnesses recognize that early intervention and preventive health care saves substantial dollars in the long run.

In an appearance before the Subcommittee on Health and Safety, Dr. J. Donald Millar, Director of the National Institute for Occupational Safety and Health, estimated that as many as 100,000 American workers die from occupationally related diseases and illnesses each year. And, since many of those diseases do not become evident for as many as 25 years after the exposure, the diseases are detected by physicians with no background in occupational medicine and who fail to see the relation between the patient's work and that disease.

The loss to America, both in terms of people and dollars, is something on which we must act. When I have difficulty getting colleagues to serve on my Subcommittee on Health and Safety, I fear that we, too, aren't as aggressive as we should be in overseeing the actions by those Federal agencies that regulate worker health and safety.

I am including the article from the Wall Street Journal because it is important that you, my colleagues, be aware of the situation and be prepared to do your part as we attempt to have the agencies under our jurisdiction do more than just the minimum.

JOB DEATHS AND INJURIES SEEM TO BE INCREASING AFTER YEARS OF DECLINE

(By Robert L. Simison)

Safety and health conditions in the nation's workplaces have stopped improving and appear to be deteriorating.

After declining for four straight years, the rates of work-related injuries, illnesses and deaths began rising across a broad front in 1984, the latest year for which statistics are available. Occupational safety and health professionals expect the 1985 rates to show a continued increase. They say that workplace safety simply has become less urgent to employers than it once was.

On a drilling rig near Gillette, Wyo., the top priority last September 17 was saving time and money. Despite state safety regulations against the practice. Exeter Drilling Co. began a test for oil and natural gas long before daylight. To do that is dangerous because the lights needed to operate in the dark increase the risk that a stray electrical spark will ignite the hydrocarbons. Just such an explosion occurred about 7:30 a.m., killing John E. Nelson, a 30-year-old rig hand, and injuring four other people.

Wyoming safety authorities cited Exeter for the violation, and Exeter is appealing. To have waited for daylight, an Exeter official says, would have raised costs by as much as $6,000 because of the time the rig and its crew would have been idle. Just a month after Exeter's fatal accident, a huge piece of drilling pipe came loose and crushed another Exeter worker to death. "In hurrying to do a job fast, somebody must have done something in the wrong sequence," says Douglas Basey, Exeter's administrative manager. "You've got to cut corners out there."

LESS STRESS ON SAFETY

Corner-cutting accounts for some of the rise in accidents. During the recession of the early 1980s companies reduced sharply their spending on health and safety. Then, with the recovery, many employers hired a significant number of inexperienced workers, which further contributed to the increase in mishaps. The Reagan administration has de-emphasized the writing and enforcement of safety rules. And employers have put greater stress on competitiveness, often at the expense of safety, specialists say.

The number of workplace fatalities in 1984 rose 21% from 1983, to 3,740, and injuries, 13% to 5.3 million. Workplace accidents in 1984 cost the economy $33 billion in lost wages, medical expenses, property damage and indirect costs, the National Safety Council estimates. The total excludes the effects of exposures to toxic substances, which can cause occupational illnesses that don't become evident for years.

"Occupational safety is suffering greatly by the neglect of the administration and the neglect and greed of employers," asserts Eric Frumin, the director of health and safety for the Amalgamated Clothing and Textile Workers Union.

Government and business safety officials dispute that. "It ain't so that employers have been neglecting safety," says Howard Kusnetz, the president of the American Industrial Hygiene Association and manager of safety and industrial hygiene for Shell Oil Co. "An unsafe plant is an unprofitable plant." His association has begun writing exposure standards that employers can follow voluntarily for chemicals the government doesn't regulate.

WHAT TREND?

Moreover, some question whether workplace safety and health conditions have indeed begun to decline. "One 'up' year (in accidents) doesn't prove that," says Patrick Tyson, the acting chief of the Occupational Safety and Health Administration. Economic expansion accounted for much of the 1984 rise in workplace accidents, though not for all of it, he argues. Bureau of Labor Statistics data for 1985 won't be available until November.

But Mr. Tyson acknowledges that the 1984 workplace-hazard indicators rose too much in too many categories to represent a fluke. The Bureau's safety data, the best available, greatly understate accident and illness rates, it is generally conceded.

"Things will probably get worse before they get better," predicts Eula Bingham, a professor of environmental health at the University of Cincinnati, who was the OSHA chief in the Carter administration.

She argues that workplace accident trends seem to run in cycles, reflecting a three- to five-year lag between policy changes and their results. The 1984 increase in workplace accident and illness rates came three years after the Reagan administration started cutting health and safety enforcement and five years after employers slashed health and safety spending. Spending bounced back only in 1984 and 1985 and is expected to level off this year.

MORE INSPECTIONS

Some workers, district attorneys, legislators and OSHA itself are taking steps intended to reverse the trend. Labor unions and worker-advocate groups have sued to force stronger safety enforcement. Acknowledging concern over the rising accident rate, OSHA in January said it would subject some previously exempt employers to workplace inspections.

In the wake of the celebrated murder conviction of company officials last year in a Chicago workplace death, district attorneys from Waterbury, Conn., to Los Angeles have been hauling employers into court on criminal charges. In Congress, Democratic Rep. John Conyers of Michigan has proposed enactment of criminal penalties for company officials who fail to publicly disclose threats to workers' health and safety.

Safety conditions appear to have deteriorated most in construction, manufacturing, and oil and gas extraction. Much of the decline seems to reflect the shrinkage of certain depressed industries and greater emphasis on competition in others.

In the steel industry, for example, accident rates haven't increased dramatically, but "I'm convinced things are less safe and less healthy," says Michael Wright, the health and safety director of the United Steelworkers. He says safety complaints are up, although there are fewer workers in the industry. U.S. Steel Corp., with fewer supervisors to make sure that workers follow safety rules, is asking workers to shoulder more responsibility for their own safety.

For oil and gas extraction, the injury rate shot up 22% in 1984, more than for any other industrial category. Some in the industry, however, believe that the rate declined in 1985. But declining oil prices and drilling activity have idled thousands of rigs, making remaining rig operators intensely cost-conscious.

"How do you cut costs? First, you let the safety engineers go," observes a Wyoming safety official. Rig operators also are getting by with fewer and less-experienced hands. Inexperience apparently contributed to the death in February 1985 of a Wyoming rig worker who, after three weeks on the job, was hit in the head by a four-foot wrench when a big flywheel he was working on turned.

A number of recent industrial accidents indicate a pattern of neglect of safety-related maintenance and training. Nuclear Regulatory Commission investigators found that inadequate safety training contributed to the Jan. 4 chemical leak at Kerr-McGee Corp.'s Gore, Okla., uranium-processing plant that killed one worker and injured 32 other people.

On July 23, 1984, a Unocal Corp. refinery in Lemont, Ill., erupted in an immense fireball, rocking the ground for 50 miles. The accident killed 17 and injured 17. In proposing fines totaling $31,000, OSHA cited the company for improper inspection and maintenance of pressure vessels and lack of training for fire-brigade members, among other things. Unocal, which is contesting the charges, argues that it didn't break any safety rules.

DEATHS AT ST. JOE RESOURCES

Last July, two employees at St. Joe Resources Co. in Monaca, Pa., died of carbon-monoxide poisoning after entering a zinc-condensation tank. OSHA charged that the company had discontinued safety training and safety maintenance; the agency proposed fines totaling $20,000. St. Joe Resources, which is appealing, declines to comment.

Maintaining productivity at the expense of safety may have contributed to the death of two pipefitters last Oct. 3 at McDonnell Douglas Corp.'s fighter-plane plant in St. Louis, according to Ernest Johnson, an International Association of Machinists official. The two died of chemical burns after a 6,000-gallon tank they were filling with hydrofluoric acid overflowed. "The safety

rules weren't being enforced; sometimes it cuts in the profit," Mr. Johnson says.

The tank didn't have a quantity indicator, and because a safety valve had been blowing out frequently, a solid rubber plug had been inserted "to avoid shutdowns," Mr. Johnson says. The men weren't wearing chemical-proof suits or respirators, as safety rules require. OSHA cited the company for eight alleged safety violations and proposed fines totaling $44,300. McDonnell Douglas, which is appealing the citation, declines to comment but says it is reemphasizing safety practices.

For some labor unions, health and safety issues have taken a back seat to preserving jobs. In Mayfield, Ky., United Rubber Workers Local 665 complains that it can't get GenCorp. The former General Tire & Rubber Co., to disclose contents of some chemical compounds, a contention the company disputes. "It's hard to get people to walk out over safety," says Danny Bruce, the president of the local. Some members only recently have returned from long layoffs. And, he adds, "calling OSHA is a waste of time."

The federal safety agency, established in 1970, has always faced a herculean task in attempting to regulate the nation's 4.6 million workplaces. But budget cutbacks and Reagan administration policy changes have shrunk what Congress's Office of Technology Assessment last year called "an already weak regulatory effort." At the end of 1985, OSHA had 1,089 inspectors, down 16% from 1979.

Perhaps most controversial has been OSHA's practice of conducting a full-scale inspection only if a facility's accident rate exceeds the national average. After examining the safety records of Film Recovery Systems Inc. near Chicago, an OSHA inspector left without inspecting the plant. Several months later, in 1983, a worker there died after inhaling cyanide fumes. Three Film Recovery officials were convicted of murder last year because of the unsafe conditions.

Some employers may manipulate their safety records so as to avoid OSHA inspections, safety specialists suggest. In Womelsdorf, Pa., Landis Kleinfelter, the safety chairman of United Steelworkers Local 3269, noticed that the North American Refractories Co. plant there was reporting fewer accidents to OSHA than it was to state authorities. He took the reports to OSHA, which in September cited the company and proposed a $5,000 fine for deliberately failing to report 137 injuries over four years.

"They doctored up the records so they wouldn't be inspected," Mr. Kleinfelter says. Company officials, who are contesting the charge, say they weren't required to report the injuries, many of which were minor. In January, OSHA changed its policy so that even some companies with apparently good records will be inspected.

GRAIN-DUST RULES

Critics, however, fault the Reagan administration for issuing few new work-place-safety rules or exposure standards. OSHA has been working since 1980 on grain-dust rules intended to prevent explosions in grain elevators. In 1983, the agency sent a proposed standard to the Office of Management and Budget, which took nearly a year to approve less stringent wording. A weakened rule is to be published later this year. Meanwhile, since 1983, the number of grain-elevator explosions has risen steadily, to 22 last year; there were four deaths in 1985.

Because a rash of trench cave-ins killed 42 workers last year, OSHA is stepping up efforts to inspect trenches. "Trenches are easy to dig, but people don't know how to do it safely," one OSHA official observes. OSHA has issued a civil citation against Kelran Constructors Inc. of Sedalia, Colo., in the cave-in deaths of four workers last July. In proposing civil fines totaling $50,000, OSHA cited the company for, among other things, failing to shore the walls of the 34-foot-deep trench.

Kelran, which is contesting the civil citation, maintains that, within cost limits, it tried to dig a trench that wouldn't cave in. The company asserts that there aren't any generally accepted safety standards for digging trenches and that OSHA's own rules are inadequate, a point that OSHA concedes. OSHA's proposed new rules have been delayed seven months by the budget office.

And, more and more, local prosecutors are stepping in. Criminal cases brought by the federal government, never very numerous, have plummeted under the Reagan administration. In Los Angeles County, a unit of the district attorney's office set up last year to prosecute cases growing out of workplace accidents claims two convictions in workplace deaths and has brought charges against employers in three other fatal accidents. A district attorney in Austin, Texas has charged officials of three companies with criminally negligent homicide in two trenching-death incidents, and a prosecutor in Durham, N.C., has charged officials of one company with involuntary manslaughter in another trenching fatality.

But the jury is still out on whether the wave of prosecutions will help. "It's a good idea, but it only gets the clear, outrageous violations," observes Nicholas Ashford, a Massachusetts Institute of Technology professor and a former chairman of the National Advisory Committee on Occupational Safety and Health. "What characterizes most workplace hazards is their insidious nature."

THE REALITIES OF NICARAGUA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DORNAN] is recognized for 30 minutes.

Mr. DORNAN of California. Mr. Speaker, I have been on Capitol Hill for 10 years, 8 years in service and 2 years minus some campaigning time as a lobbyist for the strategic defense initiative of our President. I have waited 10 years for this moment because in the next 30 minutes I am going to show you pictures, garnered at some risk by the U.S. Air Force and our intelligence services that only a few days ago were classified top secret, no foreign intelligence allowed to view them. This is material that is available only to your Representatives and your Senators because, as many times as I have said it in this well, most American citizens are not aware that that treasured top secret or secret rating goes to a select few of our military people, and a select few of our civilian people, that type of secret briefing that the President gets, or even if they are nominated at one of our conventions Presidential candidates get, every one of the 435 Members of this House and every Member of the U.S. Senate is entitled to the minute he is sworn to uphold the Constitution of the United States in this well or in the other body's well against all foes of our country, foreign and domestic. The pictures I am going to show you are of prisons, nine major prisons down in Nicaragua where there are at least 11,000 people. Somoza at his high-water mark only held 500 prisoners, except for a point after the Eden Pastora takeover of the country in August 1978, when Somoza shot up to about 800 and then started releasing them within weeks along with the release of some of the prisoners that Mr. Pastora had put his life on the line to get released, the very people who had betrayed the Sandinistas in that revolution to communism and has driven Mr. Eden Pastora back into the hills.

Before I do that, let me explain something that you do not understand around here. We have some of the best graphics sitting out in the hall that I have ever seen in what is called the Speaker's Lobby where only certain people with press credentials are allowed to move through that lobby, and where our Members are allowed to look at the wire services and read newspapers from all around the world.

One of the Members on this side of the aisle, I do not know why, trivialized the pictures of the prisons where people are in solitary confinement and are being tortured at this moment, and trivialized the pictures that you only heard about. I am now going to show you on the House floor, because I think maybe my side made a mistake in not bringing these out onto the floor to share with the people who attend our sessions here in the very few chairs that we have available in the galleries, and those Americans who are just now because of that laser beam of focus that our President has put on this issue, are just now beginning to rediscover from their seventh grade geography classes just where Nicaragua is, and the fact that it is closer to my district in southern California than my district is to this great capital. So talk to New Mexicans, Arizonans, Texans and all of the Gulf States and you will see why this issue loses its idealogical importance with those States that are closest to Mexico and to Central America. It is no small observation around here that three liberal Democrats of conscience are with the President on this issue because they have got some very vigorous Cuban-Americans, Cuban-Americans who had to flee Castro's little palm-covered Communist island that has been a colony to the Soviet Union for almost a quarter of a century, and that now sees its young men secretly baptized as Christians being sent over to the Saudi Arabian Peninsula in

Yemen and killing and being killed in countries all over Africa, particularly Angola where our Government says there are 35, but Jonas Savimbi says there are 45,000 Cuban mercenaries.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. DORNAN of California. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman from California for yielding, because I think to emphasize the point the gentleman is making many people say, well, Nicaragua will not become another Cuba. I think we have evidence now that they may be headed that way already.

We have an article from this morning's paper from the columnists Evans and Novak that indicate that one of the commandantes who is the air force commander-in-chief for Nicaragua is right now on a secret mission in Moscow seeking a favorable sign from the Soviets; namely, a loan of Mig fighters, or the symbolic landing of a squadron of Bear bombers. Now this is the kind of thing that the Nicaraguans want.

The article goes on to say that they do not think they will get it from the Soviets. But it is apparent what it is the Nicaraguans want. The Nicaraguans want that kind of military presence by the Soviet Union in their country.

Mr. DORNAN of California. Of course they do.

Mr. WALKER. So it is very, very disturbing.

Mr. DORNAN of California. And it is to secure their political jobs, and it enables them to live in the former bankers' houses, and it enables them, like Tomas Borge, to collect their eight Mercedes Benz, small in comparison to the Marcos' loot, but still not the pure Communist egalitarians that we think about.

□ 1945

This first chart shows the active-duty armed forces in 1945 in a perfect graph size of a soldier. It shows that the size of the military in Nicaragua at 75,000 dwarfs all the other nations put together; and keep in mind that Costa Rica's services of 8,000 is a civil, rural guard; no military, and it has been that way from the Second World War.

Then they say, "Why haven't the Contras won" or they can't win? The Contras started out in 1980 with less than 400 people. They moved up to 4,000 the next year; 7,500, 14,000. They now have 20,000 potential people, if they have the arms and ammunition to fight for freedom.

Look at the growth in the meantime, relatively, of the Nicaraguan forces, supplied with the only tanks in Central America. You have heard all day 155 tanks. This is a relative thing.

If the Soviet Union and the Cubans had not been arming Nicaragua's Communist army to the teeth, the Contra freedom fighters shown in blue would at this point, in 1983, already been way larger than the Sandinista force that overthrew Somoza.

Keep in mind that the Sandinistas have unlimited arms and weapons from even democratic governments in Europe; because Somoza was a kleptogarch; a kleptomaniac and an oligarch, and then finally, our country even turned around an Israeli ship loaded with small arms ammunition for Somoza.

Because of the stand that the OAS took and our President—and I supported him in the end because Somoza was obviously an authoritarian and a thief—again, small potatoes compared to Marcos—but this is a relative position of the growth of the Communist forces.

What I have said—my colleagues in this Chamber on both sides of the aisle; very few on my side—where they do not attribute a sense of urgency to what is happening.

Here is the airfield that two of our colleagues, DAVE MCCURDY of Oklahoma and BOB STUMP of Arizona in our party, walked along this airfield right here on the ramp area—there are not that many hangars built—this is Punta Huete. No commercial airplanes are allowed to fly over it, but we have our ways, as they say in the intelligence agencies.

Jimmy Carter's first Executive order may have been to stop U-2 and SR-71 Blackbird flights, but President Reagan, with hindsight, was able to see what that naivete of 4 years of the Carter administration—not in our own interests, watching a Communist buildup—what it got us now.

This field has out here fighter hardstands. I flew in peacetime years as a fighter pilot—I know what a hardstand is; I know when they are building up to recieve the Mig's that Mr. WALKER talked about.

Punta Huete. If the Mig's come, that is where they go; right on the north shore of Lake Managua.

Here are the improvements at what is not a natural harbor, but pretty good water here, on El Bluff over on the other side. You have to fly here or take a ferry boat; but now they have already built the breakwaters—it may be too fine for you to see here, but it is accentuated by this black line.

Here are the ships, the *Atlantic Freeze*, the *Niccaro*, an extension of the cay—they are improving the airfield right through the center of the town. This is Atlantic water, Gulf of Mexico, Caribbean water out here. Here they are dredging—look at the size of this long series of barges and dredges, dredging a new harbor.

All the predictions that were made about the Soviets turning the American-built harbor at Cam Ranh Bay and our great base there with two parallel 13,000-foot runways into Soviet bases—it has all come true in Vietnam; the harbor at Danang, the old French-built harbor; and what we built at Cam Ranh Bay are now the two largest Soviet harbor facilities outside of main continental Soviet Union, approaching the size of Vladivostok in the north. Their whole Pacific blue water fleet harbors down there.

Time is catching up with me here, Mr. Speaker, so I want to get quickly to the prison pictures, because those are the ones that many of us begged to have declassified for this very debate today and tomorrow.

By the way, this is the Soviet flying tank, the Hind-D helicopter. It is the principal piece of genocidal machinery that is gutting the nation of Afghanistan. There are 10 million refugees in the world; 4½ million of those refugees are men, women, small children, and babies from Afghanistan, driven into neighboring Pakistan, really taxing Pakistan's economy to the very limit, and they have been driven out of that country most by this flying tank, the dreaded Hind-D.

There are 12 of them; 6 of them were seen recently at Punta Huete, that airfield that will take Mig's. I tell you as a former pilot who is also qualified in helicopters, I would take one Hind-D helicopter to 10 Soviet Mig's, even new Mig-25's.

Pulling off a target at 3,000 feet, lobbing in 500-pound bombs is nothing compared to the capability of this helicopter that can hold between 8 to 14 men, depending on how heavily you arm them. This comes in, strafes with gattling guns, rockets—in Afghanistan it is using poison gas—then it turns around and lands, and the soldiers come out and bayonet the wounded. We do not have any equivalent to that.

Here is the smoking gun that all my liberal colleagues of conscience ask for: This is what we call, with frustration, the "Smoking Lotta." This is a Soviet-made Lotta. It was so loaded to the gunnels with gelignite and blasting caps and ammunition, going from Costa Rica with free passage through Nicaragua up to Costa Rica that when it had an accident, blew a front tire, the lady who was unconscious that was driving this car with her agent cohort, Nicaraguan cohort, the lady started speaking in Russian, in her unconscious. When she came to, soldiers were probing around this car before they could even tell them to go search it, and here is what they found:

Is this enough of a "smoking gun" for you? Look at all these explosives. You know what this is used for? To kill U.S. Marines like Tim Webber, who graduated first in his class from the Fleet Marine Service and our Embassy Service, and asked to go to El Salvador because he said, "That's

where the action is, and I want that as the honor graduate of this class." He and two other marines were not in El Salvador 30 days before they gave their lives for you and for freedom; and the fourth marine had only been there for a period of about 3 months.

Now, here is the map of these clandestine prisons. Pock-marking this once-gentle land, tortured under Somoza, now tortured under betrayed revolution, it is beginning to look like what Alexandr Solzhenitsyn called an archipelago—taken after a South Pacific island.

An archipelago of prison gulag camps. You can truly call them gulags because that is the special name given to Soviet camps for political prisoners. Who ever dreamed we would have a gulag archipelago right here on the continent of North America in that narrow isthmus we call Central America? That is only a real estate name.

That is one continent north of the Panama Canal, and it is our continent—we are all Norte Americanos.

Here is one of the prisons; it did not exist under Somoza: La Palerma.

Here is another prison: Asuncion. It is near Juigalpa, where this helicopter earlier was killing people.

Here is the Zona Franca prison system. Very close to where American Congressmen and Senators will land to get the grand revolutionary tour.

Here is Wasmoli Prison. Brand new—look at the size of this prison complex. This is all brand new construction. They are only building two things in Nicaragua, and I have just witnessed it for the fourth time with my own eyes, spread over 30 years. They are building military bases and prisons.

The military bases, they are slapping them up so fast, have kind of temporary look or quality to them, but these are the only permanent structures that communism brings to this little Central American country.

Mr. BURTON of Indiana. Will the gentleman yield?

Mr. DORNAN of California. I yield to the gentleman.

Mr. BURTON of Indiana. I just want to know, if the gentleman can tell me, how many bases have they built since they took power? I know Mr. Somoza, when he was in power down there, had what, 8 or 10 bases. How many do they have now under the Communist regime?

Mr. DORNAN of California. They have enlarged all of Somoza's bases and probably by a factor of 5 or 6 times that——

Mr. BURTON of Indiana. So they have 40 or 50 bases now?

Mr. DORNAN of California. Some 40 to 50, some people say 60, depending on what size installation you are talking about.

The Zona Franca Prison. we asked to visit. I had a meeting with the acting President because the head commandante, Ortega, was at Mr. Olof Palme's funeral in Sweden.

Now this Asuncion Prison—I'm sorry, that is just a repeat of that picture. I do not have all nine pictures. Some of them were so sensitive that they said, "Would it be OK if we declassified five?"

Now here is the one that President Carter asked to visit when he was in Nicaragua about 5 or 6 weeks ago, Tipitapa. Nice, innocent-sounding name. The Tipitapa Prison was Somoza's only federal penitentiary. There were city jails all over, where occasionally he would throw people, but as I said at his high water steady mark except for that one blip, after the Eden Pastora takeover of the Congress, up to about 800 or 900, the most he ever had was 500, and here is where he kept them.

Now, I do not know how good our cameras are; I am going to hold this as steady as I can. This black line is the limit of the old Somoza prison at Tipitapa.

□ 1955

It held 500 people. I talked to a man the other day that said, "Somoza threw me in that prison for speaking out for freedom and my room was right here" about a fifth of the way in on this last long building. He said, "When the Sandinista Communists arrested me, a loyal Sandinista, and threw me in prison for the second time in my life, there were 4,000 people in the prison that Somoza had kept 500 people in." He said, "when I looked out this window toward the northeast this was all a field. Now it is new prison facility, new prison facility, new prison facility, new prison facility." Are you listening, Msgr. Wilbur Davis, who has been sitting in my office all day long? You who likes to be called "Father Will," who has been taken for revolutionary tours down there as a guest of the Communist government, who called your own cardinal down there a liar, you who knows more than the 10 bishops, than the 840 priests, you who runs around with the popular movement down there of Communist priests who sold out to liberation theology and worse, you know more about this? You deny these prisons are down there? Come on, Father Will, before your name becomes Father "Devious."

Look at this, these are guard gun towers, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, and maybe I counted that one and maybe not, 18. Somoza did not have these gun towers with Soviet machineguns to prevent anybody from escaping from here. But meanwhile while we were in the lobby of the Intercontinental Hotel, here is a great old American actor, nominated for academy awards, Gary Merrill, with all of his little friends from "Witness for Peace." They run up to the congressional group and tell us that we do not know what we are doing, that they really know the countryside. Do you think they have seen these nine prisons? They denied the reality of these pictures.

I ask everybody who is here and every American within the sound of my voice who either sees or hears about this: If you think your Government under Jimmy Carter, Ronald Reagan, or any President of the last 210 years would create phony evidence like this and debauch our CIA and our intelligence-gathering services and make liars out of the young intelligence pilots who fly the U-2's and the SR-71's whose motto is "Alone, Unarmed, and Unafraid," but off the patch they will tell you it is "Alone, Unarmed, and Very Afraid" sometimes, particularly in the perimeter of the Soviet Union trying to garner intelligence to keep the peace in this world, the kind of intelligence we did not have before the Second World War. If you think your Government would trump up this kind of evidence, then I will tell you something I feel sorry for you because I did not suspect that of my Government, my country and its Government and I do not care who the President was. Every President that I have ever lived under for the last 52 years has been an honorable man who would never do anything. They may misread it sometimes and they may hope that it is not coming in that hot. Kennedy was saying, President John F. Kennedy was saying that Keating, Senator Keating of New York, was jumping to conclusions until Kennedy saw the U-2 photographs of Cuba and saw nuclear warheaded intermediate-range ballistic missiles that could cover the whole southern part of this country, and he called in his brother and his Secretary of Nondefense or Undefense, Robert Strange McNamara, and he said we've got to do something right now. And he did something. He brought this country to the brink of a conflict by turning away Soviet ships at sea. As irony would have it, the first destroyer to turn around the first Soviet freighter was named the *Joseph P. Kennedy* after his older brother, who had given his life on an intelligence mission, blowing up, atomizing in thin air over the English Channel trying to go after German subpens. Every President is honorable when it comes to this kind of intelligence. You are now seeing photographs that were top secret just a few days ago and we get to see a lot more of this because you give up top-secret clearances when you elect us to office.

I yield to my colleague who spent a good, productive day in Nicaragua and another one in San Salvador with a heroic President.

Mr. WALKER. I thank the gentleman. I take the time to tell the gentle-

man that in another one of these things that sometimes confuses me and I must say many times angers me, I just had a call that indicates that while the gentleman is describing some of these things in the photographs up here that much of what the gentleman has shown and described is not making the TV cameras, that they are spending their time sweeping the chairs here and so on so that America cannot see much of what the gentleman is showing on his pictures. That is a disappointment. I think the gentleman is revealing some things, some intelligence photographs that this country does have a right to understand in light of the debate. It seems to me that what the gentleman is doing as a service to the debate would somehow be better.

Mr. DORNAN of California. Could I interrupt the gentleman a moment and ask the Chair how much time I have remaining?

The SPEAKER pro tempore. The gentleman has 9 minutes remaining.

Mr. DORNAN of California. During those 9 minutes I am going to hold these pictures under my face. They have to come to me occasionally.

This is one of the nine clandestine prisons in Nicaragua, Carcel Modelo did not exist under the authoritarian oligarch, Anastasio Somoza. It exists now with the naive ignorance of many people on the religious left denying that this is a real photograph, saying it is a trumped-up phony picture of a Communist prison supplied by our CIA to the President. I am just telling you it is real. It is real. And if it is not real, I will resign from the Congress of the United States. How is that for those who would rather pan the cameras somewhere else?

I yield to the gentleman.

Mr. BURTON of Indiana. Did I understand the gentleman to say when I first walked in that in the small prison, the first prison down there, there were 500 people when the gentleman you referred to was incarcerated sometime back and the Sandinistas have put in eight times that many people in there, political prisoners, they now have 4,000 where they used to have 500 people?

Mr. DORNAN of California. This is the prison at Tipicapa, this black square, this perfect square out in the countryside not all that far from Managua. Somoza at his high-water mark, let me give you the figures, where they come from: Amnesty International and Americas Watch. I had my staff call and I called myself because I could not believe this. They said, and I quarrel with them less than you would think, but they said that their problem is they go after the right-wing dictatorships around the world, the totalitarian, authoritarian governments, because they cannot get into the Soviet Union. They have admitted to me that failing. They are getting much, much better. They told me except for a brief high-water mark of 800 prisoners after the Pastora takeover, that 500, and even then it was uncomfortable. It was a big jail, not like our prisons in some States where some of our States probably have the same poor system as this, trying to find the money to build prisons in this permissive age of ours when our prison population goes up. But this small prison was then stuffed, and that is the right word, stuffed with human beings. Let me tell you what we were told down there by Cardinal Obando y Bravo.

Mr. BURTON of Indiana. These were political prisoners?

Mr. DORNAN of California. These are mostly political prisoners. Here is something that we were discussing while flying back home on a direct flight from San Salvador to this city in about 3 hours and 15 minutes. I said, "You know I can remember little nuns in school making me memorize the Bill of Rights, the first amendments to our Constitution, instigated by Thomas Jefferson."

We have one of our prime historians on the floor, NEWT GINGRICH of Georgia. Please check my historical facts, Professor, if you will, The first amendment that Thomas Jefferson would have phoned it in, I guess he sent a little message by ship. Our Consitution is great, it tells us how we are going to do everything, how everything is going to work but get it in writing, Jefferson said, what the Government cannot do to its citizens. The first one was, the first amendment of the Bill of Rights, "Congress shall make no law abridging freedom of speech." These 11,000 people are in there for speaking out for freedom and all of them hated Somoza and most of them spoke out against their revolution only when they felt betrayed, as the Kerensky revolution was betrayed in Leningrad and as Castro betrayed his revolution.

I yield to the gentleman.

Mr. BURTON of Indiana. It is my understanding that many of those people were put into prison with three-man tribunals, none of whom were lawyers. They could put people into prison for up to 30 years without the due process of law.

Mr. DORNAN of California. May I ask the gentleman to do me a favor? Would he give me that little red-and-black book from the top there?

Now continuing with our first amendment, "shall make no law abridging freedom of speech or of the press" and the word "the" is in there. Do you know what the word "press" is in Spanish? It is La Prensa. That is the name of the heroic paper that pulled down Somoza. It cost the life of the publisher-editor. People are convinced 90-95 percent that Somoza had him killed. There is a slight doubt that maybe the Sandinistas were clever enough then to kill him, one of the heroes of the anti-Somoza forces so as to really undo Somoza. The net effect was that Somoza started on a greased path to oblivion after Pedro Chamorro was executed in one of the major intersections downtown where there is a big memorial built to him. We met in La Prensa, the press, with all the editors, one of them with a pistolwhip wound across his forehead, several had been kidnaped. Even the lovely, beautiful young daughter of Pedro Chamorro, her name Christiana Chamorro, told us she had been kidnaped and threatened for a few hours just this year. She said, when asked by one of the Members, I think TOM DELAY of Texas, "Are you frightened?" she said, "Of course, I'm frightened."

Then they all went "Well, we all are." But they continue to publish. They get censored and they put the censored articles outside of the newspaper front knowing that it may cost them their lives or their freedom in one of these gulag prisons one day. She said, "My father used to tell us something always. We think of it often. He said we are all masters of our own fear." Meaning that fear is an internal thing that you can control if your cause is great enough. Then when we went on, Mr. WALKER and I and the other seven Members, to meet with Cardinal Obando y Bravo and two of his priests who had been beaten and threatened with death by Lenin Cerna—one of the subcomandantes. You like that first name, Lenin? I wonder if his mother gave him that name. I doubt it. Lenin Cerna told Father Bismarck Carballo, "I will kill you if it's the last thing I do." He said that on New Year's day when they shut down the Radio Catolica, while we were at the office of the curia with these three priests, a cardinal, a young bishop, Vivas, and Father Carballo, I thought of those words of the assassinated martyr, Pedro Chamorro, "We are all masters of our own fear."

When Mr. WALKER says to one of the human-rights men, and I am sorry, I have forgotten his name, because his name deserves to be emblazoned over this hemisphere as a hero, Mr. WALKER said, "Are you afraid, sir?" All of the people from the independent human rights group said, "Of course, we are afraid." They said, "We have been ordered that if we publish our latest report on human rights violations by the Sandinistas, we will all be punished."

And BOB WALKER said, "What are you going to do?" They said, "We will publish." The nine Congressmen broke out in spontaneous applause.

The same thing we felt with the private sector. Now I met with one of these gentlemen and he gave me permission to use his name all across the Americas, Enrique Bolyanos. I met with him with Congressman VIN WEBER in March of last year. He was then president of the private-sector group. Do you know what this has cost him? It reminds me about Thomas Jefferson's words about "We mutually pledge our lives, our fortunes, and our sacred honor." It has cost him his fortune, but it surely has not cost him his honor. It may yet cost him his life.

Soviet-weaponed soldiers showed up on his property June 24, 4 months after Congressman WEBER and I met him, and at the point of Soviet submachine guns, automatic weapons, as a matter of fact Kalashnikov assault rifles, they took away his 2,000 acres of cotton that he and his brother had built up from scratch in 1946. He said, "I started from scratch after the war; I will start from scratch again."

All his children are here in the United States now. He does not want to make the mistake of the Cuban middle class or business community where they all fled to Miami thinking that they would come back at the Bay of Pigs. Cuba has been a palm-covered prison ever since.

I will close on this. This man told me and I have given a challenge to my colleagues, "Prove this man to be a phony or a double agent, Alvaro Baldizon." I have written a "Dear Comandante" letter myself signed by about 20 of my colleagues to Ortega not to kill his brother in one of these secret gulag prisons or not to abuse his young wife and 7-year-old son who are locked up in house arrest down there. Baldizon has told me under oath and he said he will take truth serum and sodium pentathol that in 1981 Tomas Borge, and he was one of the favorite key lieutenants, aide-de-camps, Borge sent to East Germany three platoons of Sandinista soldiers to be trained for almost 6 months or over 6 months as disinformation specialists and counterintelligence forces. He said they were called "prophylaxia" meaning preventive, same thing it means in our language in Latin. Prophylaxia, troops that prevent the spread of the Contras by dressing perfectly as Contras, GI boots that they bought in the open market in South Korea, weapons, Israeli Galeels (?), falls (?) left over from Somoza, and M-16's that they captured—that they had, did not have to capture them, from Vietnam. They sent them out into the field. They have been out there 4½ years killing their own people. They know who the informer is in a little village like Wasmoli. So when they go in with a list and kill their own informer here is a person loyal to the Sandinista Communist revolution trying to help them and they slit his throat to make a political point. When Adolfo Calero called a rally of the FDN tribes early in 1983 they joined as a Contra unit and nobody could recognize them for what they were. They woke up in the middle of the night, slit the throats of all the real Contras, and everybody in that unit was promoted instantly to 2d lieutenant. I asked Baldizon in four 1-hour meetings I had with him, "Alvaro, what was the main thing that made you defect?" And I hope Monsignor "Devious" is listening. He said, "50 things made me defect." I said, "Well, what made you jeopardize your brother, your wife, and your son when you were investigating Sandinista corruption along the Honduran border, what made you walk across the border?"

□ 2010

He said, "Probably the No. 1 reason was capital punishment, because this country flaunts it in Europe and around the world that they have no capital punishment. I know of 700 secret executions of people."

He said, "Here is what happens. When you are arrested in the dead of night, if a neighbor sticks his head out, dares to, and sees you being arrested, you will not die. They will keep you in prison for 3 months. They will torture the blazes out of you, and they will intimidate you. But if no one sees you kidnaped, you die. Capital punishment in a Communist country."

That is what we are up against. I wish now I had taken an hour special order. Maybe I could get a few more of these secret prisons before the American public.

I thank you, Mr. Speaker, for this much time.

I hope all of America watches our 1 hour and their 1 hour tomorrow. I hope the President prevails. This is a malignant cancer in our hemisphere of pure unadulterated Communist terror, and the truth is getting out.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries.

NO ANSWERS ON THE LEFT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. The title of my special order this evening is "No Answers on the Left." The basic point I want to make in a variety of ways is that, frankly, the great problem with the vote tomorrow, if you vote no, is what is your solution.

This is an honorable debate between patriots about how we deal with Central America. It is possible for a patriot to argue honestly and honorably that there is no Soviet Communist threat in Central America. That is a factual argument that is legitimate and reasonable. Some of our friends on the left will get up and say, "No, we should not do anything because, after all, we are not threatened."

It is also honorable and honest for a patriot to get up and say, "Well, we have some problems. Those are not necessarily problems worth our responding to." That is an honorable and a sound position.

The groups, I guess, that trouble me the most are in two categories. They are those who claim we have a problem, but it is not a problem worth worrying about. They do not like the Sandinistas, they have said all day today. They do not believe it is a good regime. They stipulate that it is a totalitarian regime. They recognize that it is bad to have Cuban colonial officers and have Soviet colonial advisers. They recognize there is a Soviet empire, "but." And there is always a "but" in the way they describe it.

Those in a sense are folks who, as Charles Krauthammer put it on Sunday, are engaged in what they regard as the Neutrality Act of 1986. Their viewpoint is the viewpoint that, while there is evil in the world, somehow we should not do anything about it.

I draw a distinction, and I think anyone who analyzes the modern left should draw a distinction, between those who sincerely are not afraid of communism and are willing to say so, and that it is not a matter of great importance to them—and that is a legitimate position for patriots to take—those who recognize communism is not—but do not regard it as a threat—and that is a legitimate position for patriots to take—and those who stand up and piously explain that they don't like communism, "but," that they are afraid of communism, "but," that they think we should do something about the Communists in Nicaragua, "but."

The point of my talk tonight is to focus on that group and one other group.

There is another group that is sort of in the middle, and they are trapped between, on the one hand being afraid of saying yes, and therefore making their radical friends in the caucus mad at them, or on the other hand saying no, and having Ronald Reagan and the American people, and possibly history, mad at them.

That group always runs around and says, "I would like to vote for you, if." And their "if" is always something that provides them with a reason not quite to be with you today. They really want to do something "if."

Now the real two audiences I am addressing, frankly, are the people who

say, yes, communism is dangerous, "but," and the people who say I would like to be with you, "if." I want to walk through where I think we are at in America from their standpoint.

Let me, as I did earlier, address directly the question of patriotism. I think it was put by a gentleman yesterday who said that they wanted the Speaker to take down Mr. WALKER of Pennsylvania's words because, "He is questioning the judgment of other Members of the House." He went on to say, "He questions the judgment of the Members of the House who oppose the Reagan proposition." He said, finally, "Yes, Mr. Speaker, I do, because it followed a statement I just made where I indicated that I opposed the President's position, and certainly by inference he is questioning my judgment and I resent it."

Let me say, if I may, for the gentleman from Pennsylvania [Mr. WALKER], I think, frankly, he was questioning the judgment of the other gentleman. He was not questioning that gentleman's patriotism. He is a fine gentleman, a man who has served in this House now for some 15 years, a man who has a distinguished record.

What is at issue is not patriotism. What is at issue is judgment, reality, and the question of whether or not we have answers to the problems we are faced with.

Someone said recently that many leftwing Congressmen were traumatized psychologically as teenagers and college students in reaction to the Vietnam war. They now oppose any new information about the Soviet empire, because in their hearts, they know that if a Soviet empire exists, then their votes and their actions have increased misery, tyranny, and death for millions of people. They suffer from what psychologists call cognitive dissonance, which is a problem which says I cannot afford to learn this new information because it would cause me too much pain. I do not want to hear this because it would upset me, so I will reject the information, much as an alcoholic does not accept that he is an alcoholic because then he would have to give up alcohol which would be very painful, or much like a fat person who always looks for the calorie-less chocolate cake because while they would like to be on a diet, they like sweets even more. So they deny reality. Cognitive dissonance is a major problem in the U.S. House of Representatives today, because I believe that through cognitive dissonance, many of our leftwing friends remain committed to a pleasant fantasy world view because they find the frightening reality of the Soviet empire too horrible to think about, too threatening to their own past and to their present belief system.

It was said well, I think, in commentary March 1984, in an article by Penn Kemble, a man who is chairman of the executive committee of the Coalition for a Democratic Majority, and a board member of the Institute on Religion and Democracy. Penn Kemble said in an article entitled "The Democrats and the Kissinger Report":

> Today the problem is more a disorder of the mind, an inability to cope with complexities in public issues, a sophisticated form of simplemindedness.

That is, if I understand Mr. Kemble's point, what we are dealing with is not so much an intellectual problem as a psychological problem.

It is one he traces back, frankly, to the fact that we have not had, I think until the last 3 or 4 weeks, aggressive enough leadership in the White House in articulating what is at stake in Central America.

As he put it:

> The trumpet which was supposed to summon us again had trailed off into a medley of tiresome commercial jingles. Reawakened by Central America, the old anti-Vietnam coalition had begun to regroup and a new domestic political crisis threatened to develop. It was this threat first recognized by the late Senator Henry Jackson, a Democrat, and discussed before such audiences as the Sheetmetal Workers Union and the Coalition for a Democratic Majority that brought the Kissinger Commission into being.

It is important to recognize, first of all, that the pressures, particularly in the Democratic caucus, but to some extent among some Republicans, the pressures against American support for freedom fighters go directly back to the crisis of Vietnam and the fact that for 16 years now, we have been arguing about the nature of the Soviet empire and about whether or not Cuba provides a colonial army for the support of Soviet material objectives.

□ 2020

This was discussed during the Carter-Mondale administration.

I am going to quote from a brilliant essay by Edward N. Luttwak, professor at Georgetown University and a senior fellow at the Georgetown Center for Strategic International Studies. Mr. Luttwak is probably the leading expert in this country on the Israeli Army, a man who is remarkably wide ranging, with a Ph.D. in military history. His article, also in Commentary magazine, in the December 1979 issue, entitled "Cubans in Arabia? Or, the Meaning of Strategy," is one worth reading by every American asking themselves the question about why we are involved in Nicaragua.

He says:

> It is perhaps a natural consequence of our post-Vietnam predicament, in which we try to make foreign policy without a consensual world view, without a coherent scheme of our interests, and without even the vaguest sense of a national strategy, that our government policy-making and even our public debates on foreign affairs have themselves acquired a fragmentary character. We deal with issues seriatim, one by one as they arise, in reciprocal isolation, in a manner that we are pleased to call pragmatic but which is in fact merely episodic. Having no plan of concerted action ourselves, we imagine that others too are without plans; having no strategy ourselves, we imagine that others too conduct their policy in a fashion entirely unstrategical. Hence the episodic outlook.

The point Mr. Luttwak was making, the point which I think any reasonable reader of today's debate will conclude about the American left, whether it is a Republican left or a Democratic left, is that the Carter-Mondale administration, in its reaction to Vietnam, had no vision of the world, and because it was afraid to think and talk about the Soviet empire it could have no vision of the world because it is impossible to have a vision of the world that is realistic that does not take into account the Soviet empire.

I will bet, and I will go back tomorrow and check this, that in the CONGRESSIONAL RECORD for today, if you read it carefully you will find at least 20 Members of the left who say, "Why are we afraid of Nicaragua?" when, of course, the answer is we are not afraid of Nicaragua. Nicaragua is merely the current battlefield for Soviet imperialism; Nicaragua is merely the current arena for the Cuban colonial army.

What is at issue here is whether or not there is a Soviet colony being planted in the North American Continent. That is why this Congress is spending 10 hours on this debate. And it tells you something about the psychological and intellectual problems of the American left, that, faced with the reality of 2,500 Cuban soldiers in a colonial army in Nicaragua, faced with Soviet officers in Nicaragua, their question is to focus narrowly on the tiny country of Nicaragua and not on the vast threat of the Soviet empire.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I yield to my good friend, the gentleman from Indiana.

Mr. BURTON of Indiana. I thank the gentleman for yielding, and I think the gentleman has touched upon a very important point, that being that the Soviets, along with their surrogates, have a global strategy, and we do not.

On the horn of Africa, Ethiopia, North and South Yemen, the Communists control those countries, and the Soviet Union and their surrogates, the Cubans, have taken control and have helped take control of that part of the world. What people do not realize is the egress of the Red Sea is there. Oil supplies that are vital to the free world come through that part of the world. The Soviets and their surrogates, the Cubans, have been working very diligently in the southern part of Africa. In Angola we have 35,000 to 45,000 Cuban troops and 12 Soviet

generals, and they are bringing in planeload after planeload of military supplies to make sure that the Angolan Government prevails over Mr. Savimbi over there. In Mozambique and Zimbabwe you have two more Communist regimes. And they are moving toward southern Africa, with the African National Congress in the vanguard. If they are successful, five minerals that are absolutely vital to the security of the United States will be at risk. The only other place we can get most of those minerals is from, you guessed it, the Soviet Union. Forty percent of the free world's oil supplies come around the southern tip of Africa.

So the Soviet Union is playing chess on the horn of Africa, they are playing chess on the Persian Gulf, they are playing chess on the southern tip of Africa and they are playing chess, most of all, in our backyard in Nicaragua and Central America.

I flew into Grenada, along with some of my colleagues, the gentleman from California [Mr. DORNAN], who I think is gone right now, we flew into Grenada and we saw without doubt clear-cut evidence that the Soviet Union and her surrogate, the Cubans, plan to use Nicaragua and Grenada as a springboard for further military adventurism in Central and South America.

And today on this floor I think the gentleman from Georgia and others pointed out that of the 19 nations south of the Mexican-American border, 12 have either received weapons through Nicaragua or terrorists who were trained in Nicaragua or both.

So many of these fledgling democracies are at risk because the Soviet Union and her surrogates are moving in Central America right now.

I think the gentleman has made a very valid point by pointing out that the Soviets do have a global strategy and they are using chessmen, like the Nicaraguans, like the Ethiopians, like the Cubans, to achieve their goals, and if the United States does not wake up, we are going to be checkmated, we are going to be an island in a sea of Communist states. We must not allow that to happen. The Soviets are great chess players, but I think we are great chess players, as well. What we have to do is wake up Members on the left in this body to the fact that the Communists have one goal, and that is world domination, that they want to put us in an untenable situation on our southern border, our southern flank, the 2,000-mile border between us and Mexico. If they are successful in having a revolution without borders down there, as the gentleman from Georgia has pointed out many times, we are going to see a tidal wave of humanity fleeing Central America, South America, and Mexico and coming into the United States.

The economic problems we are going to suffer are going to be unbelievable, not to mention the military costs, because we are going to have to deploy troops on our southern flank. I call it the soft underbelly of America, the Mexican-American border, and it is going to be very costly both militarily and economically. If we can wake up our colleagues in the next 24 hours—and I know our valiant President is working very hard to do that—we can turn the tide to make sure the freedom fighters down there, who are fighting for their freedom and our freedom, will have a chance to prevail.

I thank the gentleman for making this very valid point in pointing out that they do have a global strategy and we should have one as well.

Mr. GINGRICH. I thank my friend from Indiana for commenting. It does seem to me that we have got to put this in larger perspective.

Tomorrow's vote is not a vote on the Nicaraguan reform movement. Tomorrow's vote is a vote on a Soviet Empire, on a Cuban colonial army, on a direct threat to the United States. I think that is the central issue. As I said, those of our friends on the left who, as patriots, do not believe that there is a Soviet Empire, do not believe that that is a threat, they have every right to say that.

Mr. BURTON of Indiana. If the gentleman will yield further, there was an article that Roland Evans and Robert Novak wrote I believe today or yesterday, and in it they quoted you about a Cuban general, a Gen. Nestor Lopez, who led a battalion of tanks, I guess, in the Yom Kippur War in 1974. He is now in Nicaragua. He is moving all over the globe in these wars of liberation, so-called.

Could you elaborate in your remarks a little on that?

Mr. GINGRICH. I was going to talk a little bit about General Lopez, because he is a perfect example of what we are talking about.

Mr. Luttwak, in his 1979 article, points out that people on the left kept laughing about a Soviet training brigade in Cuba, they kept saying, "Well, what does it matter that there is a Soviet training brigade in Cuba?"

Well, it matters a great deal because if you are the Soviet Empire and you can train Cubans in your tactics in Cuba and you can train them using your equipment, T-62 and T-72 tanks, and you can then pick up Cubans in an airplane, fly them to Syria, put them in exactly the same kind of tank, you are in a tremendous position to move people around the world and, much like a chess game, which is the favorite Soviet pastime, you are able now to say, "If we have a crisis, let's use the Cubans."

That sounds like scare talk. That sounds almost like Pat Buchanan. Can you imagine if someone had gotten up in 1972, and said, "If we allow Communist Cuba to keep being trained by the Soviet Empire, it is going to be a threat to Israel," people would have said on the left, "Why, that's silly. Of course it won't."

So let me read what Evans and Novak said today, because I think they put it pretty well:

> The arrival in Nicaragua last week of a Cuban general who fought against Israel in the 1973 Yom Kippur War is the launching pad for a new political effort to win the contra-aid vote in Congress on grounds that a vote against the contras is a vote against Israel.
>
> Brig. Gen. Nestor Lopez, the Soviet-trained Cuban commander who is just now making his debut in Nicaragua, commanded armored forces on the Syrian front against Israel and then stayed there for two more years. His move to Managua buttresses the administrations charge that a seamless web of left-wing forces now spans the globe, with the capability of pinpointing its power where and when needed.
>
> According to that theory, Lopez's battle experience in one theater of operations after another shows the capability of moving non-Soviet communist forces led by Soviet-trained officers into combat almost anywhere. The troops that fight on the Honduran border today may return to the Israeli border tomorrow. * * *

Lopez was one of the enemies of Israel who fought in Syria.

> * * * Indeed, at age 44 he typifies the Cuban communist professional who has made his mark in three theaters of war. A youthful fighter against the Batista regime in Cuba, he was trained at armor school in the Soviet Union. When the ill-fated freedom fighters landed at the Bay of Pigs in the spring of 1961, Lopez commanded one of the first Fidel Castro units to meet them.
>
> In 1973, he was sent to the Mideast in command of an armored regiment fighting with the Syrians against Israel along the Golan Heights, staying there throughout sporadic cleanup fighting that lasted into May 1974. All told, 3,000 Cubans were estimated to have been in Syria—including MiG and helicopter pilots.

According to The Economist's March 1978 Foreign Report, Cuban tank crews commanded by Lopex suffered 180 dead and 250 wounded in the Yom Kippur war.

Let me say as an aside that we do not know how many Israelis were killed by the Cubans.

I continue quoting from Evans and Novak:

> Less than a year later, in March 1975, the Cubans were dispatched to Angola to battle Jonas Savimbi's freedom fighters following Portugal's departure. Lopez was put in command of a Cuban armored division.
>
> Thus, while Washington sends one of its veteran peace-seeking envoys, Ambassador Philip Habib, to Central America, Havana sends one of its outstanding combat veterans to Managua.
>
> The Nicaraguan government's pleas for peace, echoed by Reagan critics in Washington, contrast with such war-like moves. Comandante Emmet Lang, the Nicaraguan air force commander in chief, is on a secret mission to Moscow seeking a favorable sign from the Soviets—such as the loan of MiG

fighters, or perhaps the symbolic landing of a squadron of Bear bombers.

U.S. experts very much doubt the Sandinistas will get any such stakes-raising signal from the Soviets. But even without the Russions, internationalization of the communist struggle in Nicaragua is well along.

The globe-trotting Gen. Lopez shows what military analyst Edward N. Luttwak meant when he wrote that "the pieces are on the chessboard"—in the Middle East and elsewhere.

Tying Israel and the Contras together politically is not all that easy. Formidable Democratic spokesmen in foreign affairs * * * support Israel and oppose the Contras with nearly equal passion.

I am omitting some Members' nemes who are not on the floor.

(Many Members) will try to convince them they will not be able to perform that feat with impunity much longer. (One Member) acknowledged to us that the apparent contradiction made him "uncomfortable." But he said "the tail should not wag the dog"—that giving Israel what it asks is not the same as supplying arms to the anti-Sandinista Contras.

The point is simply this: The arrival in Managua of the Cuban general, with his battle ribbons from the Syrian front helps our effort to tie together the survival of Israel and the survival of freedom and to say to everyone that if you have a Cuban general trained in the Soviet Union who has fought now in Syria, Angola, and has now been sent to Nicaragua, what further proof could you possible want that there is really a Soviet Empire and there is really a struggle against freedom.

I will be glad to yield to my friend, the gentleman from Arizona.

Mr. RUDD. I thank the gentleman for yielding. I commend the gentleman for his consistent and persistent search for the truth and an attempt to convey the truth to all of us here on the floor.

I have heard the gentleman make a number of good points and some statements were made today on the floor indicating that $100 million is not going to be enough and that, after all, 25,000 troops by the Contras will not be enough to overthrow the powerful, now well-armed Government of Nicaragua, and I would just like to make a statement on that effect.

I was a carrier-based fighter pilot in the Pacific in World War II, and there was not any question in my mind. The point was also made that we should not be overthrowing the Government of Nicaragua. But, after all, that is not really a duly constituted Government because they came to power behind the barrel of a gun and they have not done anything except to consolidate that power in the same way since. But we were involved in World War II in an attempt to overthrow that ancient dynasty of Japan. We intended to overthrow it. We fought in Europe to overthrow the hated fascist dynasty of Mussolini and Hitler's Nazi Germany.

But I wonder what would have happened in the Revolutionary War when our Founding Forefathers fought that war for liberty and freedom, an amateur military leader in the form of George Washington, who was entrusted with our rag-tag troops against the most powerful nation in the recent history of mankind at that time, the British Empire. I wonder what would have happened if General Lafayette, whose portrait appears here, would have said, "There is no sense going over and helping those people because they cannot make it." I wonder what would have happened if France would have said, "We are not going to help those people because they just have a rag-tag force there and there is no sense in us getting involved because they will lose the war." And that is what we are saying now, and the reason we are saying it is because we have been dragging our feet far too long and have allowed the Sandinistas in Nicaragua to consolidate their hold on the people, the atrocities that they have committed, the atrocities against freedom and liberty, everything we believe in, if those were good reasons, we would not be here today as a nation.

□ 2035

So I would like to respond to the gentleman's good statement in that way and I thank the gentleman from Georgia for yielding.

Mr. GINGRICH. Well, let me say to the gentleman, I happen to have here, and I want to read a couple of them into the RECORD, letters from George Washington.

I was really struck the other night listening to one of our friends on the left that if they had visited Valley Forge in the middle of that winter, they would have voted against aid to the American army fighting for its independence, because it was clear that that army could never win.

I was tempted again and again today when people got up on the left and said, "Oh, the freedom fighters can't win," to say to them. "Have you ever visited Valley Forge?"

Let me give you just a few examples:

It will not be believed that such a force as Great Britain has employed for eight years in this country could be baffled in their plan of subjugating it by numbers infinitely less composed of men oftentimes half starved, always in rags, without pay, and experiencing at times every species of distress which human nature is capable of undergoing."

Again, let me suggest a letter from George Washington, who said, and I want everyone to listen to this in the context of all these comments about "the Contras can't win. The freedom fighter can't win. Why are we backing them?

To see men without clothes to cover their nakedness, without blankets to lay on, without shoes by which their marches might be traced by blood from their feet and almost as often without provisions as well, marching through frost and snow and at Christmas taking up their winter quarters within a day's march of the enemy, without a house or hut to cover them so they could be built and submitting to it without a murmur is a mark of patience and obedience which in my opinion can scarce be paralleled.

Now, he also goes on to advise about the importance of being strong. He said:

Had we kept a permanent army on foot, the enemy would have nothing to hope for and would in all probability have listened to terms long since.

Let me say, nothing galls me more than to hear people who voted against sending aid to the freedom fighters now complaining because the freedom fighters are not winning, when we have not been allowed to give them military aid. We have not been allowed to give them military training. We have allowed decent men fighting for freedom in their country to go up against Soviet Hind helicopters with nothing effective to counterattack, and in that setting to hear of people who voted against helping them complain because they are not winning is almost more than reasonable people can bear.

My point is simply, as I think my friend from Arizona was saying, that maybe instead of having another plane to carry people to Nicaragua, President Reagan should invite everyone who intends to vote no to fly to Valley Forge to look at that camp, not because the Contras are the moral equivalent of the founding fathers; whether they are or not frankly I think is a part of Americanism. There were a lot of things done in the name of revolution that had it appeared on the CBS news, people would have been appalled by. There were a lot of things done in any kind of civil war that are ruthless and vicious and bloody, but rather to say that for us to decide that we have the power to either give the Contras hope or to insure their defeat and we will decide they will lose, but then we will think we escape that blame for the defeat because we will say, "Well, they couldn't have won anyway," somehow I think denies the whole tradition of Americanism.

Mr. KOSTMAYER. Mr. Chairman, will the gentleman yield?

Mr. GINGRICH. I am glad to yield to my friend, the gentleman from Pennsylvania.

Mr. KOSTMAYER. I live not very far from Valley Forge. I am wondering if in his reading of Washington's letters and in his reading of American history if my good friend, the gentleman from Georgia, has come across any record of serious human rights violations by American revolutionary soliders. I know that during those days obviously we did not have the kind of monitoring of human rights violations that we have today, but all of us know

of armies in the past that have been responsible, even before 1776, for such violations, through a reading of history.

Mr. GINGRICH. Oh, there is no question, I think——

Mr. KOSTMAYER. Just let me finish my question.

Mr. GINGRICH. I am sorry.

Mr. KOSTMAYER. I am not aware, although I am sure there are always individual incidents, I am not aware that the American Revolutionary Army was engaged in the kinds of human rights violations that the Contras have been charged with.

I am wondering if the gentleman from Georgia can enlighten us on the subject.

Mr. GINGRICH. I think it is fair to assert that if one reads carefully the history of the American Revolution, particularly the Tory version of it, you will find that people were driven out of town, that on occasion they were killed and on occasion they were tarred and feathered, that there were a number of incidents that I think would clearly stand as violations of human rights, that people like Washington did not participate in them anymore than I think my friend from Pennsylvania would suggest that an Arturo Cruz would participate in them.

I think because of the tradition among English speaking people, there tended to be fewer acts of savagery, but frankly if you read carefully, for example, the war in western New York in which both sides tended to use Indians and in which there were atrocities of enormous savagery in which the patriots, for example, butchered women in the Indian camps, I think you would find that given the modern, I think correct, attitude that Indians being killed are after all still violations of human rights, that the patriots were fairly frequently willing to do pretty atrocious things.

It was a different era. It was a different standard, But I think the central point which my good friend from Pennsylvania is making is a very interesting one. In fact under the El Salvador Accord, I doubt if this Congress would approve aid to the American Revolutionary forces of 1777 or 1778, because I am fairly certain that they violated human rights frequently enough that we would look upon them with some horror, and I can guarantee my friend that if the British had as good a disinformation program as the Soviets and the Cubans do, that we would have more than enough stories and more than enough witnesses who would have been lying frequently, as Pravda does and as Castro does, that we would be totally confused.

I am glad to yield to my friend.

Mr. KOSTMAYER. Well, I can only say very briefly that it is the first time I have ever heard the human rights violations of the Contras justified by saying that Americans during the Revolutionary struggle did the same kinds of violations.

Mr. GINGRICH. I did not justify them.

Mr. KOSTMAYER. By saying that Americans during the Revolutionary struggle were equally guilty of the same kinds of violations.

Mr. GINGRICH. I did not say that.

Mr. KOSTMAYER. That is an altogether new reading of American history.

As I say, our friends on the far right in the extremist right wing elements of the Republican Party, of which there are sadly so few moderates left, I think have a very distorted and a very puzzling view of history. I say that to our friends on the right.

Mr. GINGRICH. I think that is fair. Let me say to my friend on the left, I think the gentleman misheard me. I do not think the American Revolutionary Army was ever in its official form under George Washington guilty of the kinds of atrocities which some American Revolutionary groups committed.

Mr. KOSTMAYER. Or the Contras have.

Mr. GINGRICH. I do not believe, in all seriousness, for just a second—would my friend from Pennsylvania honestly suggest that the Indian wars in western New York were fought with a delicacy which would be appropriate to modern human rights standards? Would the gentleman seriously suggest that?

Mr. KOSTMAYER. Certainly not, but that does not justify our condoning the violations which have been charged to the Contras.

Mr. GINGRICH. I did not condone them.

Mr. KOSTMAYER. And it certainly does not justify our paying for them.

Mr. GINGRICH. I did not condone them. Why does the gentleman put words in my mouth? I have never, ever condoned the Contras' human rights violations. What I said was that civil wars often produced them.

Mr. KOSTMAYER. Well, I am glad that at least tonight that we have got the gentleman from Georgia on record as saying that. That is progress, I say to my friends on the right.

Mr. GINGRICH. Well, let me just say, it is not progress. I have been systematic and rather frequent in saying that I think the best way to have an effective army fighting a war against the Soviet empire, an army that is well trained and an army that does not commit human rights violations is to have Americans training them with American values.

I would say to the gentleman that the more we have trained the El Salvadorans, the less human rights violations there have been.

Mr. KOSTMAYER. Let me ask the gentleman a question about the training of soldiers with American values. Does the gentleman mean the kind of values enunciated in the bulletin or brochure of the CIA on how to murder Sandinista officials? Is that what the gentleman means?

Mr. GINGRICH. Absolutely not. I appreciate the gentleman bringing that up.

I was proud that when that was brought to the attention of the President of the United States, that people were punished for putting out that kind of garbage.

I would say to the gentleman that the American Army has overall, and the American Marine Corps, a rather exemplary record of trying to fight according to the rules of the civilized states.

I would say to the gentleman that I do not understand our friends on the left saying——

Mr. KOSTMAYER. We are not discussing the American Army. We are discussing the Contras.

Mr. GINGRICH. That is right.

Mr. KOSTMAYER. It is not the American Army that is fighting down there, not yet.

Mr. GINGRICH. And the question becomes, Are we more likely to get anti-Soviet freedom fighters well trained by having Americans train them, or by just backing out and pulling out?

Mr. GINGRICH. Of course they are.

Mr. KOSTMAYER. No one in the Democratic Party has suggested that we withdraw or back out.

Mr. GINGRICH. Of course you do.

Mr. KOSTMAYER. There is an alternative policy. In the last Congress we passed in the House, although not in the other body, an authorization, if the gentleman will recall, for $80 million to our allies in the region with which they were to interdict weapons. It never passed in the other body, so it never became law.

So it is not as if there is no alternative. No one, as the gentleman says on the left, is suggesting that we withdraw from Central America and that we do not have anything but a very crucial and vital role in that region of the world.

Mr. GINGRICH. Let me just ask one more question of the gentleman. I am fascinated and I appreciate the gentleman taking this kind of time for this kind of dialog, which I think is healthy for the country. I think it is good for this country for us to have this kind of dialog.

As regards the freedom fighters and their effort to change the Communist dictatorship of Nicaragua, is it not fair to say that on the left there is no support for helping to provide funds to the freedom fighters?

Mr. KOSTMAYER. Well, I do not speak for the left.

I think as the gentleman knows from reading yesterday's Washington Post that a majority of my party and a majority of the gentleman's party, according to the Gallup poll, both disagree very strongly with President Reagan on this particular policy and if the policy is proper, I wonder why a majority of the American people, even in the gentleman's party, disagree so strongly with him.

Mr. GINGRICH. I think frankly a large part——

Mr. KOSTMAYER. I think the American people know what they are talking about when it comes to this issue.

Mr. GINGRICH. I think that in large part because the President has only recently begun to lay out clearly what is at stake.

Mr. KOSTMAYER. The more he talks, the more they disagree.

Mr. GINGRICH. Oh, I do not believe that is true. In fact, we have some polling data here that I will share with the gentleman.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I am happy to yield.

Mr. BURTON of Indiana. Well, I will give this to the gentleman.

Mr. GINGRICH. I have a copy. Why does the gentleman just not read the thing in.

Now, there is a poll which just came out. It turns out if you ask the American people, how would you like to go get involved in a fight in Nicaragua——

Mr. KOSTMAYER. Well, I know the gentleman's views are not based on the polls. I was not suggesting that the gentleman from Georgia took the position he does because of public opinion polls.

Mr. GINGRICH. No, no; but I think the gentleman will find this polling information interesting.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I am glad to yield.

Mr. BURTON of Indiana. I do not know that I will read all the polling data, but there is no question that if the American people are confronted with a question about the Communist menace and it is framed properly, the American people are very much opposed to turning our backs on an impending danger.

Mr. KOSTMAYER. Well, I think the American people realize that the suggestion that there is today, I think the American people realize that.

Mr. BURTON of Indiana. If I may finish my question.

Mr. GINGRICH. Why not let the gentleman from Indiana finish and then I will yield back to the gentleman from Pennsylvania.

Mr. BURTON of Indiana. I will let my colleague from Georgia, who is more familiar with the poll, go into a little more detail; but let me just say this.

I have a firm belief that my colleagues on the left hide behind this human rights issue.

Now, this human rights issue has been distorted in large part by the Communist Sandinista government.

Today on the floor I came up to the mike and I talked about a Communist study, human rights study, that was paid for by the Communist Sandinista government that was put on the television airways in this country as fact.

Mr. KOSTMAYER. What study is that?

Mr. BURTON of Indiana. It was a study paid for by the Communist Sandinista government at the request of the law firm of Reichler & Applebaum, who was paid $350,000.

Mr. KOSTMAYER. If the gentleman will just yield for a question, is the gentleman speaking of the study conducted by the Washington office on Latin American affairs?

Mr. BURTON of Indiana. That is absolutely correct.

Mr. KOSTMAYER. That is an outrageous and preposterous charge and I am here to deny it.

Mr. GINGRICH. Let the gentleman finish and then the gentleman can respond to it.

Mr. KOSTMAYER. It is virtually slanderous. If it were not on the floor of the House, you would be yanked into a court of law. It is a reckless and irresponsible charge and the American people who are subjected each night to this ought to be clearly informed of these reckless, irresponsible charges by the far right, the extremist element in the gentleman's party.

Mr. GINGRICH. Why does the gentleman not let me finish and then he can respond. Let me yield to the gentleman so he can make the charge and then the gentleman can respond.

Mr. KOSTMAYER. We hear the charges every night.

Mr. GINGRICH. Well, the gentleman can respond after I make the charge.

Mr. KOSTMAYER. I heard them make the charge today.

Mr. GINGRICH. Well, then the gentleman can respond.

Mr. BURTON of Indiana. The law firm of Reichler & Applebaum was paid $350,000 by the Communist Sandinista government last year to represent their interests in the United States.

According to the Wall Street Journal, a very reputable paper, they sent a team of human rights investigators down to Nicaragua to investigate alleged human rights violations on the part of the Contras or freedom fighters.

Mr. KOSTMAYER. When was this?

Mr. BURTON of Indiana. Well, let me finish.

Mr. KOSTMAYER. When was this? When was the visit? Just tell me, when was the visit to Nicaragua?

Mr. BURTON of Indiana. It was just before the published document, but let me finish, and then the gentleman can respond to the charge.

Mr. KOSTMAYER. I do not want to respond. I know that it is difficult for the gentleman to be objective, but——

Mr. BURTON of Indiana. Mr. Speaker, I have been yielded to by the gentleman from Georgia. Will the Chair tell that gentleman over there to be quiet until I finish?

The SPEAKER pro tempore. The House will maintain order and decorum.

The gentleman may proceed.

Mr. GINGRICH. The gentleman from Indiana may go ahead.

Mr. BURTON of Indiana. The law firm of Reichler & Applebaum sent this team of people down there. Their airfare was paid for by the Communist Sandinista government, as was their housing, their transportation and everything else, according to this article, and this article has not been refuted by anybody.

Now, after they came back, they gave a report to Reichler & Applebaum, but Reichler & Applebaum, according to this, wanted to distance themselves from this report, so they sent a second team down there to verify these statistics that were acquired during the first trip.

The second team was headed by a gentleman, an attorney, who has a wife from Nicaragua. She has two brothers, both of whom are members of the Communist Sandinista Foreign Ministry. He went down there and came back and verified the first report.

The report was then published by the Washington office on Latin American affairs, to which the gentleman alluded a moment ago, and Representative GUNDERSON, I believe, and others went before the TV cameras here on Capitol Hill and alleged that this was factual information and that this report was documented and was above reproach, and it was paid for lock stock and barrel by the Communist Sandinista government.

The reason I get very concerned and frustrated about this when the gentleman raised this issue during the debate is that not that human rights violations do not occur in any kind of military conflict, they do.

□ 2050

I am sure that the Contras have perpetrated human rights violations. But when I talked to the independent Human Rights Violations Commission in Nicaragua when I was down there last year, they told me the overwhelm-

ing number of human rights atrocities have been taking place at the hands of the Communist Sandinista government. And they said there is no doubt that there have been atrocities on both sides, but that this Congress, the left in Congress is really waving a red herring by saying that the human rights atrocities that are taking place are mainly at the hands of the freedom fighters. It just is not true.

What I believe that the left in this body is trying to hide by using this time and again, are the Hind helicopters flown to Cuba.

Mr. KOSTMAYER. I am not going to participate in this session if the gentleman is going to talk all the time and talk all night. I am going to go home to my wife and my family. I am happy to respond, but if the gentleman is going to dominate the conversation all night, I am not going to stay here. I am going to go home. I think it is just that all of us get tired, and I think the American people get tired of listening to this every night, innuendo, innuendo, misstatements of fact.

Mr. BURTON of Indiana. Refute it.

Mr. KOSTMAYER. Outright distortion.

Mr. BURTON of Indiana. Refute it.

Mr. KOSTMAYER. The fact of the matter is, I say to my friend from Indiana, I participated last month, along with a Member of the party of the distinguished gentleman from Vermont [Mr. JEFFORDS] in a news conference organized and conducted by the Washington Office on Latin America at which we released a report regarding human rights violations in Nicaragua. I must say that I do not know whether the gentleman from Indiana is speaking of the report which we released at that news conference last month. But we did release this report, and the report which we released was based on verifications obtained by members of congressional staffs, including a member of my own staff who traveled to Nicaragua last month, not at the expense of the Communist Party, but who traveled to Nicaragua and verified the human rights violations of the Sandinistas, and there are plenty of them. They are a bad bunch. And of the Contras, and there are plenty of them, and they are a bad bunch. They verified these violations that occurred and that were first made public in the initial or the original report.

Now I do not know if my friend from Indiana is making reference to these two reports or to some other report. That is why I tried, unsuccessfully, to find out the dates of the trips to Nicaragua because my staff member was in Nicaragua last month.

Mr. BURTON of Indiana. If the gentleman will yield, the report to which I alluded was a report that was published last year. Now you may have a subsequent report. I hope it is not as erroneous as the one published last year.

Mr. KOSTMAYER. I do not know whether the trip made last month by congressional staff members verified the report the gentleman is talking about or whether it verified a different report, but the point is very much the same. The point is that American citizens are paying their hard-earned tax dollars to sustain a bunch of murderers, thugs, racists, and hoodlums who are not, as President Reagan said on television the other night, freedom fighters. They are the very people who fought against freedom in Nicaragua, who stood——

Mr. GINGRICH. Wait a minute.

Mr. KOSTMAYER. I am going to be permitted to finish—who stood with Somoza in his final days. And if you look at the top military leadership, and the American people who are subjected to this drivel every night by the far rightwing ought to recognize that of the top leadership of the country, of the top 14, 12 are those who were associated with Somoza. That is a fact.

Mr. GINGRICH. Let me just, if I may, ask the gentleman from Pennsylvania because I am a little confused here, I am not certain, and first of all, I must say, out of self-defense, I am not certain that a special order which quotes Penn, Luttwak, George Washington, and the New Republic, et cetera is necessarily drivel, but I can appreciate a difference of opinion. I can appreciate a difference in taste.

Mr. KOSTMAYER. It may not have been drivel at one time, but it has become drivel recently.

Mr. GINGRICH. Because I think this is an example of how we get very emotional without necessarily communicating with each other on both sides. I think the gentleman from Indiana made a series of allegations that were rather strong about a specific law firm and a specific report. I can appreciate if the gentleman from Pennsylvania thought he was referring to another activity that that might have got your dander up.

The question I would ask, I guess, is it seems to me this should be precisely the kind of debate which becomes factual rather than either ideological or psychological. That is, was the law firm in fact paid $350,000 by the Nicaraguan Communists and did the Nicaraguan Communists pay for the trip down there for that particular report. It seems to me we should be able by tomorrow to sort that out. That should not be a big problem.

Mr. BURTON of Indiana. I wish the gentleman would check that out.

Mr. KOSTMAYER. My concern, and I am sorry I do not know whether the report to which the gentleman from Indiana is referring is the same report that the gentleman from Vermont [Mr. JEFFORDS] and I released at the news conference last month, but I know that the organization that the gentleman is speaking of, the Washington Office on Latin American Affairs, is the same organization.

Mr. BURTON of Indiana. That is true.

The gentleman made one charge about the makeup of the Contras and he talked about them being Somocistas, rapists, horrible people perpetrating atrocities. And as has been brought out here on the floor a number of times today, it is not unusual for Communists to go in and perpetrate atrocities and blame it on their enemies, the freedom fighters.

But as far as the makeup——

Mr. KOSTMAYER. What does the gentleman mean by that? I wonder if the gentleman would explain that statement, because the President said that the other night. I think that we are entitled to an explanation.

Mr. BURTON of Indiana. Mr. Speaker——

Mr. GINGRICH. Go ahead and explain.

Mr. KOSTMAYER. It seems that the gentleman from Indiana cannot bear any questions.

Mr. BURTON of Indiana. I can bear questions. I can bear questions and will be glad to answer any questions.

The SPEAKER pro tempore. The Chair would interject that the time is controlled by the gentleman from Georgia [Mr. GINGRICH], and he may yield the time to speakers. Perhaps we could be a little more orderly in the exchange.

Mr. GINGRICH. I appreciate the Chair's admonition. I have been a little lax because frankly I think it is a useful debate, and the college professor in me allows more sloppiness than the House rules do. Let me first yield to the gentleman from Indiana, and then I will be delighted to yield to the gentleman from Pennsylvania for a clarifying question.

Mr. BURTON of Indiana. I will be happy to answer his question as time permits.

Out of the 71 Contra commanders, 32 peasants, farmers, professionals, teachers, 19 or 21 ex-National Guard, none higher than captain except for the commanding general, what is his name?

Mr. KOSTMAYER. Enrique Bermudez, a former Somocista.

Mr. BURTON of Indiana. That is correct, 20 of the ex-Somocistas and paramilitary, 20 were in on the revolution that threw Somoza out, and I am sure you are not criticizing those.

Mr. KOSTMAYER. If the gentleman will yield for a clarification, the reason that the administration and its allies on the far right are able to distort these figures is because of the universe of personnel which they consider. What you have got to do is not look at the total leadership. You have

got to look at the top military leadership, and if you look at the top, not the civilian leadership, but if you look at the top military leadership, you will find that the overwhelming majority, and I am prepared to say 12 out of 13, stood with Somoza as he fought against freedom in Nicaragua.

Mr. GINGRICH. Let me reclaim my time. I want to ask the gentleman a question because you are raising, I think, a legitimate concern that any American who loves freedom and democracy should have.

Certainly to simply replace a left-wing dictatorship with a right-wing dictatorship, while it may help us in terms of the Soviet empire, is not the future that you and I want. However, in the New Republic in an article entitled "The Case for the Contras," March 24, 1986, they said, and I quote, and I would like you to comment on this: "The Contras are not Democrats but Somocistas." That is an assertion people make.

They went on to say, "It is true that some top commanders are ex-National Guards. But even the most conservative—and powerful—of the three political leaders, Adolfo Calero, was a longtime opponent of Somoza and jailed for his efforts. The other UNO leader, Arturo Cruz, an impeccable Democrat, says the Contras represent 'the revolt of Nicaraguans against oppression by other Nicaraguans.' One doesn't raise an army of 15,000 peasants with promises of restoring a universally despised dictatorship."

What is your reaction to that?

Mr. KOSTMAYER. I think the distinction is very obvious. The gentleman from Georgia is speaking of the political leadership of the Contras. No one here during this debate, and this is the kind of thing—I do not think it is a distortion because I think my friend is sincere, but this is the kind of information which the American people ought to have.

□ 2100

Because I do not know that the average person watching tonight, or any night, recognizes the distinction between the political leadership of the Contras, the three gentlemen, two of whom you mentioned, and the military leadership.

We are talking about the military leadership.

Mr. GINGRICH. OK.

Mr. KOSTMAYER. And very oftentimes in these kinds of organizations, it is really the military people who have the power.

So when we speak of the association with Somoza, we are speaking not of the three civilian leaders, who I think are not the key players here; we are speaking of a military leadership which is dominated, I think almost thoroughly, by those who stood with Somoza.

I think that is the essential reason that the Contras lack the kind of popular support which, incidentally, I think the Sandinistas probably also lack within Nicaragua.

What we have to recognize is, we are not going to be able to change the government until you have the same kind of phenomena we experienced in Haiti and the Philippines. The way to go is not the way we are proceeding now; it simply cannot work.

It is a policy on which we have spent over $3 billion to date, if you include the military installations in Honduras. And what has it gotten us? More Soviets, I concede that. More Cubans, I concede that. More repression, I concede that.

It is a policy which has failed; it has not worked; it is a policy which ought to be changed; and the proper policy I think is one of negotiation, a policy about which I think the President has never ever made a sincere attempt—he is totally and thoroughly dedicated to the military overthrow of the Nicaraguan Government.

Mr. GINGRICH. Let me go back on your initial analysis, which I think is a reasonable analysis, but I want to pursue it with three questions, and we can have a dialog in just a minute.

First of all, you make the point that there are National Guardsmen from the Somoza era, high in the military leadership of the freedom fighters. If you were trying, in a country the size of Nicaragua, to organize an anti-Communist guerrilla movement, and the only army which had existed in your country for the last 30 years had been the National Guard, would not you be almost forced to accept at least some National Guardsmen in your leadership?

Mr. KOSTMAYER. If there were a real feeling in Nicaragua that the government should be overthrown. Yes, I would, but I do not see any indication that the Contras have that kind of popular support——

Mr. GINGRICH. That is fair—but I am trying to draw a distinction here—I am trying to ask you—there is a question of whether or not they have popular support. I am also saying, though, that as a matter of analysis, is it not fair to say that a group of political leaders who themselves are democrats, who are interested in democracy; if they turn to their own country to find people with military experience, they are likely, it seems to me, to find people who are in the national guard.

Mr. KOSTMAYER. Do you not see that is where they failed? They have turned to Nicaragua to find those willing to sustain the Contras, and whom have they found? A bunch of Somocista thugs. That is the very point that I have made, that the popular opposition to the Sandinista government does not exist to the extent that I wish it did exist in Nicaragua.

That is why the Contras are having such difficulty in finding adequate, legitimate democratic leadership, because it does not exist.

Mr. GINGRICH. Wait a second. You miss my point. Assuming that the New Republic is anywhere close to right and that there are 15,000 people showing up who want to fight——

Mr. KOSTMAYER. I do not think that is correct, by the way. It is way off. Your figure is double what it ought to be.

Mr. GINGRICH. All right, well, 8,000.

If you cite 13 of the top 15, and then he moves to a larger universe to get a better number, nonetheless the point is—out of 8,000, to take your number, the top 13 out of 8,000—again, if you are looking for trained military leaders with some experience, in a country the size of Nicaragua, are you not almost forced to get national guardsmen to be the trained leadership?

Mr. KOSTMAYER. If there were a popular movement in Nicaragua calling for the overthrow of the government, then that popular movement would consist of all kinds of people.

Mr. GINGRICH. And you are denying that——

Mr. KOSTMAYER. That popular movement does not exist, and so the Contras have been forced to look to the very people who were expelled from Nicaragua by the Sandinistas.

Mr. GINGRICH. But you are now denying, in effect, the gentleman from Indiana's assertion that below the top 13, there are a very significant number of nonguardsmen—this is a factual question, now—you are denying that there are a significant number of non-Somocistas in sort of the middle level leadership.

Mr. KOSTMAYER. What I am saying is very clear. I am not suggesting that the Sandinistas are loved in Nicaragua. Anybody as awful as the Sandinistas could not be loved.

What I am suggesting is, simply, there is not a popular basis for a military overthrow of the Nicaraguan Government.

Mr. GINGRICH. But that is a different question. I am not trying to get into that question. I am trying to focus you in on a common assertion about whether or not there are people from the national guard leading the army; and I am just asking you if you are going to have an army and you are going to start with somebody who has never been in the military, by definition, would not they be——

Mr. KOSTMAYER. Does it not occur to the gentleman that one of the reasons that the army has been so unsuccessful militarily is because they are led by former Somocistas?

Mr. GINGRICH. OK. That is fair.

Now let me ask you two more questions before my time runs out; and I

think the gentleman from Indiana [Mr. BURTON] has time if we decide we want to pursue this.

Does it not—and I will not say to you that I think—I will say explicitly. I think it fair to question the degree to which there are Somocistas in the leadership. Then I would have to say to you, Is it not then equally fair to be frightened by the degree to which the Communist leadership of Nicaragua was systematically trained by the Palestinian Liberation Organization, by the Cubans—and I can cite here "The Sandinistas and Middle Eastern Radicals," by the U.S. State Department——

Mr. KOSTMAYER. There are more PLO in New York than there are in Nicaragua. There really are.

Mr. GINGRICH. Let me cite you an example, and then tell me your version of this, because I am confused.

Mr. KOSTMAYER. How about the Basque Separatists? Does the gentleman include the Basque Separatists?

Mr. GINGRICH. No, no. Let me say something to the gentleman——

Mr. KOSTMAYER. Because I know we all need to be deeply concerned in the United States of America about the role of the Basque Separatists in Nicaragua today. It is a serious question—also, the Red Guard.

Mr. GINGRICH. Let me say to the gentleman, and I mean this with respect, and yet I have to say: The last two sentences or three sentences, if you will go back and read them tomorrow, and put them in the context of Ed Luttwak's article, will probably explain to you everything about our frustration with the left in this debate.

The Palestine Liberation Organization is a large, sophisticated terrorist institution, committed to the destruction of Israel, systematically allied with Cuba and the Soviet Union. It is not a game; it is not funny, it is not the Basque Separatists or some looney group wandering around southern Chicago.

Mr. KOSTMAYER. Your President mentioned the Basque Separatists.

Mr. GINGRICH. I think there are in fact Basque Separatists sitting down there because, as early as Claire Sterling's book on the Terror Network have indicated, that Cubans and the Soviets systematically train terrorists.

I can asure you, if there are south Chicago terrorists available, there is a PLO camp that will train them. Now, I do not think that is a joke. I do not think it is funny.

The question I would ask the gentleman is, Does it not bother you, for example, that Sandinista Patrick Jorgeo Ryan was killed hijacking an El Al airliner in 1970, as part of a PLO group; that the Sandinistas deliberately named a dam for him? That in fact there is a systematic relationship.

The gentleman talks about the Somocistas; how about the fact that most of the senior Sandinista leadership is systematically tied in to Castro, to communism and to the Palestine Liberation Organization? Does that worry you a little bit more than a defunct regime that is gone?

Mr. KOSTMAYER. Sure, it worries me, and I am as appalled by the presence, the limited presence however, I think of all of these people.

What concerns me, though, and I am sorry that the gentleman cannot understand this—I guess he just disagrees—is that a lot of us feel that the President has exaggerated the presence of these kinds of people; that it is really a kind of scare tactic.

I am not defending the PLO or the Ayatollah Khomeini or even the Basque Separatists, but a lot of us have a hard time taking very seriously these kinds of tactics which we really regard as scare tactics.

My guess, and I do not know for a fact, my guess is that there probably is some involvement with the Sandinistas and drug traffic.

Yet, in this morning's Washington Post a spokesman for the Administrator of the Drug Enforcement Agency, the DEA, denies the President's claims. If my friends from Georgia and Indiana saw the national news tonight, I think on CBS there was a point-by-point rebuttal to the points the President had made regarding drugs; and I am not suggesting there is not any involvement with drugs; I think there probably is.

I am not suggesting there is not any involvement with the PLO; I think there probably is. And I certainly do not come here, and I know the gentleman—because we have participated in a number of television programs together—knows that I am not a defender of the Sandinistas.

What we are saying here is that there has been some exaggeration, some rhetoric, which is really I think quite irresponsible.

Mr. GINGRICH. Let me say to the gentleman, I happen to agree with you that I think the President made a mistake in drawing a larger picture. I think the central issue in Nicaragua is the Soviet empire, the Cuban colonial army, the ties to the PLO, and whether or not collectively they are a threat to American, not Nicaraguan, security.

Let me ask one other question——

Mr. KOSTMAYER. May I ask the gentleman a question?

Mr. GINGRICH. Let me ask another question—go ahead.

Mr. KOSTMAYER. I wanted to ask the gentleman from Georgia a question.

Mr. GINGRICH. Sure.

Mr. KOSTMAYER. I wonder if he would just be specific regarding his definition of the Soviet threat to the United States in Nicaragua, because I have heard often my colleagues on the right say that it is not Nicaragua we are concerned about, it is the presence of a Soviet base in Nicaragua that we are concerned about.

Mr. GINGRICH. If the gentleman——

Mr. KOSTMAYER. If I could add two amendments to that question, No. 1, I wonder if you could speak in military terms, because I think it is our military concern that we are really concerned with here; and second, if you could speak in fairly specific terms.

What is the specific Soviet military threat in Nicaragua today to the United States?

Mr. GINGRICH. I have been told I have 2 minutes, so we will finish this; but I appreciate very much the gentleman from Pennsylvania joining us; and I think frankly this makes for a better dialog than, as you put it earlier, just having drivel on the right. I think this is more educational for our constituents and our colleagues.

Mr. KOSTMAYER. I wonder about that, but I am glad to be here.

Mr. GINGRICH. I see three major——

Mr. BURTON of Indiana. Let me take 5 seconds.

I want to refute two things. First of all, there is popular support for removing the Sandinistas. President Monge of Costa Rica said recently, just before he left office, that if there were an election in Nicaragua, in his opinion, 80 percent of the people—a free election—80 percent of the people would vote against the Sandinistas.

Mr. KOSTMAYER. That is not what the American Embassy told me in Nicaragua. They told me the contrary.

Mr. GINGRICH. Go ahead.

□ 2110

Mr. BURTON of Indiana. That is No. 1. No. 2, 98.5 percent of the total Contra army are non-Somocistas.

Mr. KOSTMAYER. Talking about the military leadership, not the infantry, obviously.

Mr. GINGRICH. Let me talk in my last 40 seconds probably about the three threats. The first that I mentioned before the gentleman from Pennsylvania came over is the very real fact that in Cuba, Soviets have already established a colonial army. If Nicaragua gives them a second colonial army, it increases their assets whether it is in Syria, where the gentleman may not realize that the current Cuban general in Nicaragua served against the Israeli, or whether it is in Angola or Ethiopia or Mozambique or the next place they try to colonize. So that is the first asset. The second asset, I think it is an asset to the Soviet empire to have a country on the mainland of North America

where it is easier to organize guerrilla movements. We have exclusive statements that they are already training guerrillas for Costa Rica, Honduras, Guatemala, El Salvador, and, as you know, they already control and train the guerrillas that are fighting currently in El Salvador.

Mr. KOSTMAYER. Mr. Chairman, a very brief question.

Mr. GINGRICH. I only have a very short few seconds.

Mr. KOSTMAYER. A very brief question.

Mr. GINGRICH. Very well.

The SPEAKER pro tempore. The time of the gentleman from Georgia has expired.

Mr. GINGRICH. OK, let us try again tomorrow night.

INTRODUCTION OF THE EMPLOYMENT OPPORTUNITIES FOR DISABLED AMERICANS ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. BARTLETT] is recognized for 20 minutes.

Mr. BARTLETT. Mr. Speaker, today I am introducing a bill which is a revised version of a bill I introduced earlier in the 99th Congress, H.R. 2030, "The Employment Opportunities for Disabled Americans Act." The changes that are included in this revised bill are the result of literally hundreds of letters and comments from individuals in the disability community.

The purpose of "The Employment Opportunities for Disabled Americans Act" is to remove a major disincentive to employment faced by persons with disabilities who are fearful that working may jeopardize the health care coverage already provided to them by the Supplemental Security Income Program [SSI]. The legislation will: Permanently authorize section 1619 and thus remove the primary risk associated with working under the SSI program; require the Social Security Administration to notify prospective participants about the program and, where feasible, designate a section 1619 specialist in district offices in order to enhance its utilization; and provide automatic reinstatement to those individuals whose irregular earning would render them temporarily ineligible. Taken together, these and other provisions in the bill, will serve to remove the barriers to employment which currently exist in the section 1619 program.

This legislation is a final step in the evolution of section 1619 that began in 1980. Current Members of Congress, including Senators BOB DOLE and PATRICK MOYNIHAN as well as Congressman PETE STARK, had the vision to realize that provided with the appropriate incentives and services, persons with disabilities could overcome their handicaps and become independent. The step that we are proposing today is a refinement of the work that was done in 1980 when section 1619 was created.

Currently, there are approximately 7,200 persons with disabilities participating in section 1619. The number of working-age disabled Americans receiving SSI is approximately 1.8 million. Fear that section 1619 will not be reauthorized prevents a significant number of those 1.8 million persons from taking advantage of the program. By permanently authorizing this program, we are removing a disincentive that presents itself as a risk to persons with disabilities.

I have become aware of that risk by numerous conversations I have had with disabled persons who have told me of the dilemma they encounter when faced with an employment opportunity. Let me take a moment to describe a composite of the kind of situation this legislation would impact.

The typical situation is this: A person disabled at birth, with a severe disability which may confine that person to a wheelchair and require the need for attendant care, has nonetheless combined the will to be independent with the appropriate training, and is offered a job with full-time earnings. If the person accepts the job, and Congress does not reauthorize section 1619, the individual is faced with the reality where the cost of his or her health care may consume the lion's share of earned income. Not accepting the job will maintain this person in the SSI Program, with an approximate annual income of $4,000, but with eligibility for Medicaid services.

In other words, without section 1619, this individual may not be able to afford to earn a living. Forced to choose between working and not knowing if Medicaid eligibility will be available to meet health care needs, and not working, but assured that Medicaid services will be available, disabled persons are too often forced to choose unemployment.

This legislation has two benefits: First, it will provide persons with disabilities on SSI with the security they need to accept that job and lead independent lives. Second, it will provide a cost savings to the Federal Government.

For every person who participates in section 1619(b) and who would have otherwise received a full SSI benefit of $336, the Federal Government saves a little over $4,000 a year. Thus, for every 10,000 persons who participate in 1619(b), we save $40 million per year. In addition to this cash benefit savings, we know that this same 1619(b) participant will pay income taxes. A recent State of Wisconsin survey of working-age SSI recipients with physical disabilities estimates that the taxes generated on average by this participant to be approximately $1,500 a year. And on top of this, we know, based upon information from the Social Security Administration that 32 percent of 1619(b) workers are being covered by their employer's health insurance plan, resulting in additional savings in Medcaid.

"The Employment Opportunities for Disabled Americans Act" will contribute significantly to the lives of many persons with disabilities, and perhaps the greatest testimony to this is the bipartisan support it has generated. Major congressional leaders from both sides of the aisle have indicated their support for this measure, and I am confident that this bipartisan spirit will continue. I would like to particularly thank and note the support of Chairman HAROLD FORD of the Subcommittee on Public Assistance and Unemployment Compensation.

Other provisions in this legislation, aside from those mentioned above, will:

Allow section 1619 participants who are institutionalized to remain eligible for benefits for up to 2 months. This eligibility is provided to such individuals once within a 2-year period.

Require the Comptroller General to conduct a study of the operation of section 1619 to determine the nature of the program's utilization and the effectiveness of related programs conducted in connection with the provision of benefits under section 1619.

Allow individuals whose entitlement to child's insurance benefits under SSDI would make them ineligible for their SSI disability benefits, to continue to remain eligible for Medicaid, so long as they would have remained eligible for their SSI disability benefits in the absence of their SSDI benefits.

Extend the Social Security Administration's waiver authority regarding disability demonstration projects.

Amend the Social Security Act upon the date of enactment.

I would like to thank countless persons within the disability community who have contributed to the development of this legislation, and in particular recognize the efforts of Dr. Robert Griss with the State of Wisconsin Department of Health and Social Services. Dr. Griss has provided me with valuable information and advice stemming from his research in Wisconsin.

I would also like to point out that the following organizations have indicated their support for this legislation:

Save Our Security (representing over 100 national organizations concerned with Social Security programs).

American Association of University Affiliated Programs.

Association for Retarded Citizens of the United States.

Epilepsy Foundation of America.

Goodwill Industries of America.

International Association of Psychosocial Rehabilitation Services.

Mental Health Law Project.

National Alliance for the Mentally Ill.

National Association of Developmental Disabilities Councils.

National Association of Private Residential Facilities for the Mentally Retarded.

National Association of State Mental Health Program Directors.

National Association of Rehabilitation Facilities.

National Association of Protection and Advocacy Systems.

National Association of State Mental Retardation Program Directors.

National Easter Seal Society.

National Head Injury Foundation.

National Society for Children and Adults with Autism.

The Association for persons with Severe Handicaps.

United Cerebral Palsy Associations, Inc.

This legislation is by no means a panacea. It is important to note that unemployment among persons with disabilities will continue to be unacceptably high even with the changes to section 1619 proposed here. According to recent figures supplied by the Congressional Research Service, 59 percent of working-age disabled persons are not working. This bill is part of the solution to this problem, but only a part. I look forward to working with

Members of Congress on this and the remaining parts of that solution.

PRESIDENT'S REQUEST FOR ASSISTANCE FOR NICARAGUAN OPPOSITION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-185)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committees on Appropriations, Armed Services, and Foreign Affairs, and the Permanent Select Committee on Intelligence and ordered to be printed:

To the Congress of the United States:

Since I transmitted my message to the Congress on February 25 requesting additional assistance for the Nicaraguan democratic resistance, I have heard from many thoughtful Members of Congress, as well as from Latin American leaders and the leaders of the Nicaraguan democratic resistance. Many have raised the question of how the additional authority I have requested could be implemented so as to help persuade the Government of Nicaragua to engage in a serious effort to resolve the conflict in Central America through peaceful means.

I am determined to make every effort to protect our vital interests and achieve peace without further loss of life. That is why on February 10 I proposed simultaneous talks by the Government of Nicaragua—with their opposition and with the United States. That is why on February 25 I affirmed my commitment to direct the additional assistance I have requested toward a comprehensive and verifiable agreement among the countries of Central America, based on the Contadora Document of Objectives. And that is why on March 7 I appointed Ambassador Philip Habib as my special envoy for Central America.

On Sunday night, I described to the American people the threat to our security that confronts us in Central America. As I said then, we are still willing to pursue vigorously a diplomatic effort to achieve a lasting peace. Approval of my request for additional assistance to the Nicaraguan democratic resistance does not mean that a military solution is inevitable. It is, however, essential that the Congress act now to approve this assistance if diplomacy is to have a chance. Accordingly, I am providing in this message a further explanation of how I will implement the authority I have requested.

If the Congress approves my request I will send my special envoy on an urgent mission to the capitals of the Contadora and Support Group nations. He will ask them to join with us in urging the Government of Nicaragua to initiate a national dialogue with representatives of all elements of the democratic opposition, designed to achieve the goals set out in the widely heralded proposal announced by six opposition Nicaraguan political parties on February 7, 1986. Their proposal, which has been endorsed by the Nicaraguan democratic resistance, calls for an immediate cease-fire, an effective general amnesty, abolition of the state of emergency, agreement on a new electoral process and general elections, effective fulfillment of international commitments for democratization, and observance of implementation by relevant international groups and bodies.

President Duarte's additional proposal for simultaneous dialogue with the Salvadoran guerrillas, a proposal endorsed by the democratic Presidents of Costa Rica, Honduras, and Guatemala, reinforces the importance of an internal dialogue in Nicaragua to address the objectives of the six-party proposal of February 7.

In order to give the Government of Nicaragua every reasonable opportunity to respond favorably, and to provide an incentive for a positive response, I will limit the assistance to be provided to the Nicaraguan democratic resistance for 90 days following approval of my request to the following:

(1) humanitarian assistance, as defined in section 722(g) of P.L. 99-83, including support for programs and activities to strengthen respect for human rights;

(2) logistics advice and assistance;

(3) equipment and supplies necessary for defense against air attack;

(4) support for democratic political and diplomatic activities; and

(5) training in radio communications, collection and utilization of intelligence, logistics, and small-unit skills and tactics.

Following this 90-day period, additional types of assistance will be provided to the Nicaraguan democratic resistance only if—

(1) I have determined, after consultation with the Congress,

(a) that the Central American countries have not concluded a comprehensive agreement based on the Contradora Document of Objectives;

(b) the Government of Nicaragua is not engaged in a serious dialogue with representatives of all elements of the democratic opposition, accompanied by a cease-fire and an effective end to the existing constraints on freedom of speech, assembly, and religion; and

(c) there is no reasonable prospect of achieving these developments through further diplomatic measures, multilateral or bilateral, without additional assistance to the Nicaraguan democratic resistance;

(2) I have reported my determination to the Congress; and

(3) Fifteen days have elapsed following my report to the Congress, during which the Congress may take such legislative or other action as it deems appropriate.

Should the conditions described in subparagraph (a) or (b) of paragraph (1) later be achieved, assistance to the Nicaraguan democratic resistance will again be limited to the categories, described above, available during the initial 90 days following approval of my request, for so long as the Government of Nicaragua acts in good faith to maintain those conditions.

In order to keep the Congress fully and currently informed of developments relating to diplomatic efforts to achieve a peaceful resolution of the conflict during the 90 days following approval of my request, I will appoint a special bipartisan commission to report on negotiations, whose reports will be made available to the Congress. This commission shall be composed of individuals, none of whom shall be a Member or employee of the Congress or an officer or employee of the United States, recommended by the Speaker and minority leader of the House of Representatives and the majority and minority leaders of the Senate, with a fifth member of the commission to be recommended by the four other commissioners.

This approach represents a sincere effort to achieve peace through negotiations. In order to further this effort, I will make $2,000,000 of the funds I have requested for assistance to the Nicaraguan democratic resistance available to the Central American democracies (Costa Rica, El Salvador, Guatemala, and Honduras) to facilitate their participation in regional meetings and negotiations. In addition, I will encourage those countries and the Contadora and support group nations to make regular and public reports on the status of negotiations, the likelihood of achieving a comprehensive agreement, progress toward national reconciliation, and the obstacles thereto. Moreover, the United States will assist all indigenous groups which are committed to work together for democratic national reconciliation in Nicaragua based on the six-party proposal. We will require only that they respect international standards of conduct, refraining from violations of human rights or other criminal acts, and that they work together toward this common goal.

In this regard, the democratic resistance has been broadening its representative base. The United Nicaraguan Opposition [UNO] now includes the largest of the Indian/Creole resistance groups [KISAN], and has forged cooperative relationships with other democratic resistance elements. The UNO has also engaged in constructive discussions with the Southern Opposition

Bloc [BOS]. And UNO has further strengthened unity by ensuring that all its military forces are responsive to its civilian leadership. We wholeheartedly support these developments and will encourage the democratic opposition to take further steps that will increase its unity and its appeal to the Nicaraguan people. Toward this end, I will reserve not less than $10,000,000 of the funds I have requested for assistance to resistance forces otherwise eligible and not currently included within UNO, one-half of which shall be for BOS and one-half shall be for the Indian resistance force Misurasata.

However, no group shall receive assistance from the United States if it retains in its ranks any individual who engages in—

(1) gross violations of human rights (including summary executions, torture, kidnapping, forced recruitment, or other such violations of the integrity of the person); or

(2) drug smuggling, or significant misuse of public or private funds.

There are two other issues, relating to funding, that I ask you to consider.

First, there has been inaccurate public speculation about what additional funds for assistance to the Nicaraguan democratic resistance might be available beyond the $100 million for fiscal years 1986 and 1987 that I have requested be transferred from amounts already appropriated to the Department of Defense. I want to state unequivocally that I will not augment this $100 million through the use of CIA or any other funds that have not been approved by the Congress for this purpose.

Second, when I proposed to the Congress a Central America Democracy, Peace, and Development Initiative to implement the recommendations of the National Bipartisan Commission on Central America, I included Nicaragua among the countries that could benefit from this initiative. The Congress accepted my recommendation in enacting a new chapter of the Foreign Assistance Act of 1961. The Congress also authorized in that Act, as the Bipartisan Commission recommended and I requested, the appropriation of the full $1,200,000,000 in nonmilitary assistance for Central America for fiscal years 1988 and 1989. However, the current authorization for fiscal year 1987 falls short of this goal. This, combined with appropriations shortfalls from previous years, is an obstacle to timely progress. I will ask the Secretary of State, the Administrator of the Agency for International Development, and the Director of the Office of Management and Budget to develop a plan to overcome the funding shortfalls that have occurred. In addition, I urge the Congress to provide the full amounts of economic assistance I have requested in my budget for fiscal year 1987 so that the necessary long-term commitment urged by the Bipartisan Commission will be fulfilled, and so that the promises of peace and freedom will be realized throughout Central America.

Upon the enactment of a joint resolution approving my request, I shall issue an Executive order to provide for the implementation of the undertakings I have expressed in this message and in my message of February 25. The Secretary of State, or his designee, will be responsible, under my direction, for policy guidance and coordination of United States Government activities under that Executive order.

In conclusion, I must stress that our diplomacy cannot succeed without the demonstrated resolve of the United States to protect its own interests and those of the brave men and women who are fighting for democracy in Central America. The time for decision is now. Your vote on my request will be a fateful one. I need and urge your support on this vital issue.

RONALD REAGAN.

THE WHITE HOUSE, *March 19, 1986.*

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SWEENEY) to revise and extend their remarks and include extraneous material:)

Mr. DORNAN of California, for 30 minutes, March 20.

Mr. DELAY, for 60 minutes, today.

Mr. ARMEY, for 60 minutes, today.

Mr. KOLBE, for 60 minutes, April 15.

Mr. BURTON of Indiana, for 5 minutes, today.

Mr. BARTLETT, for 20 minutes, today.

Mr. SOLOMON, for 60 minutes, today.

Mr. FIELDS, for 30 minutes, today.

Mr. DREIER of California, for 60 minutes, March 20.

Mr. WALKER, for 5 minutes, today.

Mr. MCEWEN, for 60 minutes, today.

Mr. SILJANDER, for 60 minutes, today.

Mr. SILJANDER, for 60 minutes, March 20.

(The following Members (at the request of Mr. BONIOR of Michigan) to revise and extend their remarks and include extraneous material:)

Mr. MILLER of California, for 5 minutes, today.

Mr. PICKLE, for 5 minutes, today.

Mr. JONES of Oklahoma, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. BROOMFIELD, to revise and extend his remarks following the remarks of Mr. MICHEL in the Committee today.

(The following Members (at the request of Mr. SWEENEY) and to include extraneous matter:)

Mr. DORNAN of California in two instances.

Mrs. VUCANOVICH in two instances.

Mr. CRANE in two instances.

Mr. JEFFORDS.

Mr. WEBER.

Mr. CONTE.

Mr. COMBEST.

Mr. STANGELAND.

Mr. TAYLOR.

Mr. HAMMERSCHMIDT.

Mr. COURTER.

Mr. ARCHER.

Mr. KOLBE.

Mr. DUNCAN.

Mr. VANDER JAGT.

Mr. MILLER of Ohio.

Mr. RUDD.

Mr. CRANE.

Mr. HYDE in two instances.

(The following Members (at the request of Mr. BONIOR of Michigan) and to include extraneous matter:)

Mr. MURTHA.

Mr. GAYDOS.

Mr. MRAZEK.

Mr. WHEAT.

Mr. GARCIA.

Mr. DORGAN of North Dakota.

Mr. RODINO.

Mr. BROWN of California.

Mr. SMITH of Florida.

Mr. HAMILTON.

Mr. MACKAY.

Mr. HOYER.

Mr. DASCHLE.

Mr. STARK.

Mr. STALLINGS.

Mrs. OAKAR.

Mr. BONER of Tennessee.

Mr. TORRICELLI.

ADJOURNMENT

Mr. GINGRICH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 25 minutes p.m.), the House adjourned until tomorrow, Thursday, March 20, 1986, at 11 a.m.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports of various House committees and delegations traveling under authorizations from the Speaker concerning the foreign currencies and U.S. dollars utilized by them during the third and fourth quarters of calendar year 1985 in connection with foreign travel pursuant to Public Law 95-384.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, SELECT COMMITTEE ON HUNGER, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Jeffrey Clark	8/11	8/11	United Kingdom		124.00						
	8/12	8/14	Sudan		672.00						
	8/14	8/17	Ethiopia		394.00						
	8/17	8/18	Kenya		80.00						
	8/17	8/20	Somalia		216.00						
	8/20	8/21	Italy		95.00						
Ernest Loevinsohn	8/11	8/11	United Kingdom		124.00						
	8/12	8/14	Sudan		672.00						
	8/14	8/17	Ethiopia		394.00						
	8/17	8/18	Kenya		80.00						
	8/17	8/20	Somalia		216.00						
	8/20	8/21	Italy		95.00						
Commercial transportation, $4,675, per person.											

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

MICKEY LELAND, Mar. 4, 1986.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DEBRA M. CABRAL, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN NOV. 7 AND NOV. 10, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Debra M. Cabral	11/7	11/10	Barbados		184.53						184.53
Military air transport							1,586.81				1,586.81
Committee totals					184.53		1,586.81				1,771.34

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DEBRA M. CABRAL, Dec. 5, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO ISRAEL, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN NOV. 17 AND NOV. 21, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Jack Russ	11/18	11/21	Israel		330.00		2,997.00				
Chief James J. Carvino	11/18	11/21	Israel		330.00		2,997.00				

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JACK RUSS, Chairman, Mar. 3, 1986.

CONTRACTUAL ACTIONS, CALENDAR YEAR 1985 TO FACILITATE NATIONAL DEFENSE

The Clerk of the House of Representatives submits the following report for printing in the CONGRESSIONAL RECORD pursuant to section 4(b) of Public Law 85-804:

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE,
Washington, DC, March 11, 1986.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives, Washington, DC.

DEAR MR. SPEAKER: In compliance with Section 4(a) of Public Law 85-804, enclosed is the calendar year 1985 report on *Extraordinary Contractual Actions to Facilitate the National Defense.*

Section A, Department of Defense Summary, shows that 56 contractual actions were approved and that one was disapproved. The number approved reflects actions for which the Government's liability is contingent and cannot be estimated.

Section B presents those actions which were submitted by the Army, Navy, and Air Force with an estimated or potential cost of $50,000 or more. A list of contingent liability claims is also included. The Defense Logistics Agency report indicated that no actions of $50,000 or more were approved, and the Defense Nuclear Agency reported no actions.

Sincerely,

ARTHUR H. EHLERS
(For D.O. Cooke,
Deputy Assistant Secretary of Defense).

Enclosure.

CONTRACTUAL ACTIONS TAKEN PURSUANT TO PUBLIC LAW 85-804 TO FACILITATE THE NATIONAL DEFENSE

SECTION A—DEPARTMENT OF DEFENSE SUMMARY

SUMMARY REPORT OF CONTRACTUAL ACTIONS TAKEN PURSUANT TO PUBLIC LAW 85-804 TO FACILITATE THE NATIONAL DEFENSE, JANUARY TO DECEMBER 1985

Department and type of action	Actions approved			Actions denied	
	Number	Amount requested	Amount approved	Number	Amount
Department of Defense—Total	56	0	0	1	$127,260
Formalization of informal commitments	0	0	0	1	127,260
Contingent liabilities	56	0	0	0	0
Army—Total	3	0	0	1	127,260
Formalization of informal commitments	0	0	0	1	127,260
Contingent liabilities	3	0	0	0	0

Department and type of action	Actions approved			Actions denied	
	Number	Amount requested	Amount approved	Number	Amount
Air Force—Total (contingent liabilities)	6	0	0	0	0
DLA—Total	0	0	0	0	0
DNA—Total	0	0	0	0	0

CONTRACTUAL ACTIONS WITH ACTUAL OR POTENTIAL COST OF $50,000 OR MORE TAKEN PURSUANT TO PUBLIC LAW 85-804 TO FACILITATE THE NATIONAL DEFENSE, JANUARY TO DECEMBER 1985

SECTION B—DEPARTMENT SUMMARY

U.S. Army

Contingent Liabilities

Provisions to indemnify contractors against liabilities because of claims for death, injury, or property damage arising from nuclear radiation, use of high energy propellants, or other risks not covered by the contractor's insurance program were included in three contracts (the potential cost of the liabilities cannot be estimated since the liability to the Government, if any, will depend upon the occurrence of an incident as described, in the indemnification clause). Items procured are generally those associated with nuclear-powered vessels, nuclear armed guided missiles, experimental work with nuclear energy, handling of explosives, or performance in hazardous areas.

Contractor:	*Number of contracts*
Martin Marietta Corp	2
Contract and subcontracts for operation of the Lake City and Newport Army ammunition plants at the U.S. Army Armament, Munitions and Chemical Command [AMCCOM]	1
Total	3

U.S. Navy

Contingent Liabilities

Provisions to indemnify contractors against liabilities because of claims for death, injury, or property damage arising from nuclear radiation, use of high energy propellants, or other risks not covered by the contractor's insurance program were included in 47 contracts (the potential cost of the liabilities cannot be estimated since the liability to the Government, if any, will depend upon the occurrence of an incident as described, in the indemnification clause). Items procured are generally those associated with nuclear-powered vessels, nuclear armed guided missiles, experimental work with nuclear energy, handling of explosives, or performance in hazardous areas.

Contractor:	*Number of contracts*
General Dynamics Corp	12
General Electric Co	7
Honeywell, Inc	1
Hughes Aircraft Co	1
Lockheed Missiles & Space Co., Inc	2
McDonnell Douglas Astronautics Co	2
Newport News Shipbuilding & Dry Dock Co.	6
Raytheon Co	2
Rockwell International Corp	5
Singer Co	3
Vitro Corp	4
Westinghouse Electric Corp	2
Total	47

U.S. Air Force

Contingent Liabilities

Provisions to indemnify contractors against liabilities because of claims for death, injury, or property damage arising from nuclear radiation, use of high energy propellants, or other risks not covered by the contractor's insurance program were included in six contracts (the potential cost of the liabilities cannot be estimated since the liability to the Government, if any, will depend upon the occurrence of an incident as described, in the indemnification clause). Items procured are generally those associated with nuclear-powered vessels, nuclear armed guided missiles, experimental work with nuclear energy, handling of explosives, or performance in hazardous areas.

Contractor:	*Number of contracts*
Aerojet Strategic Propulsion Co	1
Boeing Co	2
Martin Marietta Corp	3
Total	6

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3049. A letter from the Principal Deputy Assistant Secretary of Defense (Comptroller), transmitting a report of the value of property, supplies and commodities provided by the Berlin Magistrate for the quarter October 1, 1985, through December 31, 1985, pursuant to Public Law 98-473, section 101(h) (98 Stat. 1926); to the Committee on Appropriations.

3050. A letter from the Deputy Assistant Secretary of Defense (Administration), transmitting the calendar year 1985 report on extraordinary contractual actions to facilitate the national defense, pursuant to 50 U.S.C. 1434; to the Committee on Armed Services.

3051. A letter from the Executive Director, D.C. Retirement Board, transmitting a Summary Plan Description for the teachers, police officers and firefighters, and judges retirement programs, pursuant to Public Law 96-122, section 164(a)(i)(C); to the Committee on the District of Columbia.

3052. A letter from the Secretary of Education, transmitting proposed draft bill language extending for 5 years and making substantive amendments to the student aid programs authorized under title IV of the Higher Education Act of 1965, which expires at the end of fiscal year 1986; to the Committee on Education and Labor.

3053. A letter from the Administrator, Energy Information Administration, Department of Energy, transmitting a report entitled, "Annual Energy Outlook 1985", an analysis of energy trends and projections through 1995, pursuant to FEAA, section 57(a)(i) (90 Stat. 1139; 91 Stat. 572); to the Committee on Energy and Commerce.

3054. A letter from the Secretary of Transportation, transmitting a report on automobile antitheft devices, pursuant to Public Law 98-547, section 102(a) (98 Stat. 2767); to the Committee on Energy and Commerce.

3055. A letter from the Chairman and Executive Officer, Consolidated Rail Corporation, transmitting the Corporation's 1985 annual report, pursuant to Public Law 93-236, section 301(h) (90 Stat. 106); to the Committee on Energy and Commerce.

3056. A letter from the Acting Assistant Secretary of State, Legislative and Intergovernmental Affairs, transmitting notification and copy of Presidential Determination No. 86-6, authorizing the furnishing of up to $10 million in emergency military assistance to the Government of Chad, pursuant to 22 U.S.C. 2318(b)(2); to the Committee on Foreign Affairs.

3057. A letter from the Acting Assistant Secretary of State, Legislative and Intergovernmental Affairs, transmitting a copy of Presidential Determination 86-7, and statement of justification that it is important to U.S. security interests to use FAA funds under the special authority of section 614 of the act, pursuant to 22 U.S.C. 2364(a)(i); to the Committee on Foreign Affairs.

3058. A letter from the Administrator, Panama Canal Commission, transmitting a report of the Commission's activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3059. A letter from the Chairman, Federal Election Commission, transmitting a report of the Commission's activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3060. A letter from the Director, Office of Information and FOIA Officer, Department of Agriculture, transmitting a report of the Department's activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3061. A letter from the Director, Office of Information Resources Management, Department of the Interior, transmitting notice of a proposed revision to an existing Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3062. A letter from the Director, United States Information Agency, transmitting the 1985 Freedom of Information Act report, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3063. A letter from the Executive Secretary, Board of Regents, Uniformed Services University of the Health Sciences, transmitting a report on the Board's compliance with the laws relating to open meetings of agencies of the Government (Government in the Sunshine Act) during 1985, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

3064. A letter from the Deputy Assistant Secretary for Water and Science, Department of the Interior, transmitting notification of a proposed contract with the El Dorado Irrigation District, Sly Park Unit, Central Valley Project, CA, pursuant to 43 U.S.C. 505; to the Committee on Interior and Insular Affairs.

3065. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting a report on proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3066. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting a report on proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3067. A letter from the Deputy Administrator, National Oceanic and Atmospheric

Administration, Department of Commerce, transmitting a report on the spring flood potential across the Nation; to the Committee on Science and Technology.

3068. A letter from the Acting Director, Central Intelligence Agency, transmitting notification that the CIA has provided programs, projects and activities information to the appropriate committees of the Congress for the National Foreign Intelligence Program, pursuant to Public Law 99-177, section 252(a)(5) (A) and (B), the Balanced Budget and Emergency Deficit Control Act of 1985; jointly to the Committees on Appropriations and the Permanent Select Committeee on Intelligence.

3069. A letter from the Chairman, Commission on the Ukraine Famine, transmitting a corrected report on the Commission's program, project, and activity detail, in accordance with instructions received from GAO; jointly, to the Committees on Appropriations and Foreign Affairs.

3070. A letter from the Acting Federal Inspector, Alaska Natural Gas Transportation System, transmitting a report summarizing significant developments that occurred, from July through December 1985, on the Alaska Natural Gas Transportation System, pursuant to 15 U.S.C. 719e(a)(5)(E); jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

3071. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the National Ocean Pollution Planning Act of 1978, as amended, to authorize appropriations to carry out the provisions of the act for fiscal years 1987 and 1988; jointly, to the Committees on Merchant Marine and Fisheries and Science and Technology.

3072. A letter from the Associate Administrator for Congressional Affairs, General Services Administration, transmitting a report on the actions that must be taken to reach the GSA budget goals for both fiscal years 1986 and 1987; jointly, to the Committees on Public Works and Transportation and Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 or rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HAWKINS: Committee on Education and Labor. H.R. 4143. A bill to name the National Talented Teacher Fellowship Program after Christa McAuliffe (Rept. 99-497.) Referred to the House Calendar.

Mr. DERRICK: Committee on Rules. H. Res. 403 a resolution providing for the consideration of H.R. 4332, a bill to amend chapter 44 (relating to firearms) of title 18, United States Code, and for other purposes (Rept. 99-498). Referred to the House Calendar.

Mr. WHITTEN: Committee of conference. Conference report on House Joint Resolution 534 (Rept. 99-499. Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. PICKLE (for himself and Mr. VANDER JAGT):

H.R. 4448. A bill to clarify the tax treatment of certain mortgage related securities, to authorize the ownership of certain mortgage loans in multiple class arrangements, and for other purposes; to the Committee on Ways and Means.

By Mr. ATKINS:

H.R. 4449. A bill to direct the Secretary of Labor to establish and carry out a 2-year demonstration project in which certain States may utilize a portion of their unemployment compensation accounts in the Federal unemployment trust fund to carry out employment-related service programs designed to improve methods of locating employment opportunities for individuals who are receiving, or who are likely to begin receiving, unemployment compensation; to the Committee on Ways and Means.

By Mr. BARTLETT (for himself, Mr. FORD of Tennessee, Mr. CAMPBELL, Mr. JONES of Oklahoma, Mr. JEFFORDS, Mr. STARK, Mr. DUNCAN, Mr. PICKLE, Mr. FRENZEL, Mr. LAGOMARSINO, Mr. MCCAIN, Mr. MURPHY, Mr. GOODLING, Mr. GRADISON, Mr. GUNDERSON, Mr. TAUKE, Mr. NIELSON of Utah, Mr. MCMILLAN, Mr. KOLBE, Mr. MCKERNAN, Mrs. JOHNSON, Mr. MATSUI, Mr. DE LUGO, and Mr. LIGHTFOOT):

H.R. 4450. A bill to make permanent and improve the provisions of section 1619 of the Social Security Act, which authorize the continued payment of SSI benefits to individuals who work despite severe medical impairment; to amend such act to require concurrent notification of eligibility for SSI and Medicaid benefits and notification to certain disabled SSI recipients of their potential eligibility for benefits under such section 1619; to provide for a GAO study of the effects of such section's work incentive provisions; and for other purposes; to the Committee on Ways and Means.

By Mr. BENNETT:

H.R. 4451. A bill to amend title 10, United States Code, to require live-fire testing for certain conventional major weapon systems and munitions programs before production of such weapons system or munitions program is begun; to the Committee on Armed Services.

By Mr. FUQUA:

H.R. 4452. A bill to establish a Biotechnology Science Coordinating Committee to address scientific problems caused by genetically engineered organisms and a Biotechnology Science Research Program to support research and regulation of the biotechnology sciences; to regulate the release of genetically engineered organisms into the environment and the use of such organisms in manufacturing and agricultural activities; and for other purposes; jointly, to the Committees on Science and Technology, Energy and Commerce, and Agriculture.

By Mr. LEVIN of Michigan:

H.R. 4453. A bill to provide for interregional primary elections and caucuses for selection of delegates to political party presidential nominating conventions; to the Committee on House Administration.

By Mr. RICHARDSON:

H.R. 4454. A bill to impose an $8 a barrel import fee on petroleum and petroleum products; to the Committee on Ways and Means.

By Mr. STALLINGS (for himself, Mr. DASCHLE, Mr. DORGAN of North Dakota, Mr. BEDELL, and Mr. WILLIAMS):

H.R. 4455. A bill to consolidate and improve existing emergency livestock feed assistance programs administered by the Secretary of Agriculture, and for other purposes; to the Committee on Agriculture.

By Mr. STANGELAND:

H.R. 4456. A bill to amend the Agricultural Act of 1949 by modifying the basis for the determination of certain deficiency payments for wheat and feed grains; to the Committee on Agriculture.

By Mr. STARK:

H.R. 4457. A bill relating to the tariff classification of bicycle speedometers; to the Committee on Ways and Means.

By Mr. FOLEY:

H. Con. Res. 301. Concurrent resolution authorizing printing of additional copies of a message from the President, transmitting certain rescissions, deferrals, and revised deferrals of budget authority; to the Committee on House Administration.

By Mr. CHAPMAN:

H. Res. 404. Resolution to express the sense of the House of Representatives with respect to proposals currently before the Congress to deny an income tax deduction for the Federal excise tax and tariff portion of business' cost of providing goods and services; to the Committee on Ways and Means.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

315. By the SPEAKER: Memorial of the Senate of the State of New Mexico, relative to the Former Spouse Protection Act; to the Committee on Armed Services.

316. Also, memorial of the Senate of the State of New Mexico, relative to special education for gifted minority school children; to the Committee on Education and Labor.

317. Also, memorial of the Legislature of the State of New Mexico, relative to acid rain pollution; to the Committee on Energy and Commerce.

318. Also, memorial of the Senate of the State of New Mexico, relative to the Civil Rights Restoration Act; jointly, to the Committees on the Judiciary and Education and Labor.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. ALEXANDER introduced a bill (H.R. 4458) for the relief of Hilda Perwolf; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 512: Mr. CARNEY and Mr. DASCHLE.

H.R. 513: Mrs. SCHNEIDER.

H.R. 585: Mr. HAWKINS, Mr. DEWINE, Mr. RUSSO, and Mr. BONER of Tennessee.

H.R. 1101: Mr. SHAW.

H.R. 1103: Mr. SHAW.

H.R. 1375: Mr. WALGREN.

H.R. 1486: Mrs. SCHNEIDER.

H.R. 2439: Mr. HEFNER, Mr. JONES of North Carolina, Mr. COBLE, Mr. BROYHILL, Mr. HENDON, and Mr. COBEY.

H.R. 2578: Mrs. BYRON, Mr. COURTER, Mr. DANNEMEYER, Mr. FRANK, Mr. GARCIA, Mr. GREGG, Mr. HALL of Ohio, Mr. HARTNETT, Mr. HAYES, Mr. HEFNER, Mrs. HOLT, Mr. JONES of North Carolina, Ms. KAPTUR, Mr. KOLTER, Mrs. LLOYD, Mr. MCCAIN, Mr. MCKINNEY, Mr. MAVROULES, Mr. MOORHEAD, Mr. PENNY, Mr. PRICE, Mr. QUILLEN, Mr. ROBINSON, Mr. RODINO, Mr. SAXTON, Mr. SILJANDER, Mr. SKELTON, Mr. WALGREN, and Mr. WHITEHURST.

H.R. 2620: Mr. LEVIN of Michigan, Mr. LOWRY of Washington, and Mr. BOEHLERT.

H.R. 2952: Mr. DIXON.

H.R. 3099: Mr. KANJORSKI, Mr. EDWARDS of California, Mr. MARTINEZ, and Mr. YOUNG of Alaska.

H.R. 3129: Mr. GEJDENSON.

H.R. 3357: Mr. DREIER of California and Mr. MCCAIN.

H.R. 3555: Mr. MOODY, Mr. PETRI, Mr. LEVINE of California, Mr. FOGLIETTA, Mr. GEJDENSON, Mr. DYSON, Mr. HEFTEL of Hawaii, Mr. HUTTO, Mr. DE LA GARZA, Mr. BONKER, Mr. DONNELLY, Mrs. BOXER, Mr. YATRON, Mr. DIXON, Mr. HALL of Ohio, Mr. WEISS, Mr. WHITTAKER, Mr. KOLTER, Mr. JACOBS, Mr. MITCHELL, Mr. MOLINARI, Mr. BOLAND, Mr. YOUNG of Alaska, Mr. OBERSTAR, Mr. STAGGERS, Mr. WYDEN, Mr. MRAZEK, Mr. ANDERSON, Mr. ACKERMAN, Mr. BADHAM, Mr. HERTEL of Michigan, Mr. HATCHER, Mr. BROOKS, Mr. HOWARD, Mr. HAMMERSCHMIDT, Mr. LENT, Mr. FUQUA, Mr. BERMAN, Mr. KANJORSKI, and Ms. MIKULSKI.

H.R. 3599: Mr. COATS, Mr. DASCHLE, Mr. DAUB, Mr. ECKERT of New York, Mr. FIELDS, Mr. KOLBE, Mr. LOWRY of Washington, Mr. PACKARD, Mr. PICKLE, Mr. RINALDO, Mr. SCHUETTE, Mr. SMITH of Iowa, Mr. STALLINGS, Mr. SUNDQUIST, and Mr. WIRTH.

H.R. 3799: Mr. YATES, Mr. FOWLER, and Mr. SABO.

H.R. 3865: Mr. WORTLEY, Mr. COATS, Mr. SILJANDER, Mr. WHITTAKER, and Mr. COBEY.

H.R. 3950: Mr. DYMALLY and Mr. SHUMWAY.

H.R. 4003: Mr. STUDDS, Mr. HOYER, Mr. CONTE, Mrs. SCHNEIDER, Mr. STARK, and Mr. MARTINEZ.

H.R. 4030: Mr. FEIGHAN.

H.R. 4037: Mr. KOSTMAYER.

H.R. 4080: Mr. BEREUTER.

H.R. 4090: Mr. MCCOLLUM.

H.R. 4107: Mrs. BENTLEY, Mr. JEFFORDS, Mr. KOLBE, and Mr. ATKINS.

H.R. 4143: Mr. HALL of Ohio.

H.R. 4147: Mr. BATEMAN.

H.R. 4194: Mr. WHITEHURST and Mr. HAYES.

H.R. 4195: Mr. HUGHES and Mr. FAZIO.

H.R. 4259: Mr. ANDREWS and Mr. MRAZEK.

H.R. 4275: Mr. EVANS of Iowa and Mr. DE LUGO.

H.R. 4279: Mr. FAZIO, Mr. WEISS, Mr. RODINO, Mr. MARKEY, Mr. ROBINSON, Mr. CLINGER, and Mr. TRAXLER.

H.R. 4299: Mr. WHITEHURST, Mr. DELAY, Mr. WHITTAKER, Mr. ROBERT F. SMITH, Mrs. BENTLEY, Mr. MARTINEZ, Mr. BARTON of Texas, Mr. SHUMWAY, Mr. DENNY SMITH, Mr. HILER, Mr. MARLENEE, Mr. DASCHLE, Mr. GUNDERSON, Mr. COATS, Mr. WOLPE, Mr. HUNTER, and Mr. BURTON of Indiana.

H.R. 4304: Mr. WILSON.

H.R. 4311: Mr. RINALDO, Mr. SCHEUER, Mr. WEAVER, Mr. ST GERMAIN, Mr. ROE, Mr. NELSON of Florida, Mr. SAVAGE, Mr. BATES, Mr. GUARINI, Mr. LEHMAN of Florida, Mr. REID, Mrs. COLLINS, Mr. HEFTEL of Hawaii, Mr. EDGAR, Mr. WOLPE, Mr. ANDREWS, Mr. RAHALL, Mr. DE LUGO, Mr. SMITH of Florida, Mr. LEVIN of Michigan, Mr. WEISS, Mr. VENTO, Mr. MRAZEK, Mr. STUDDS, Mr. MITCHELL, Mr. VISCLOSKY, Mr. CONYERS, Mr. WHEAT, Mr. MCKERNAN, Mr. FAZIO, Mr. MARTINEZ, Mr. HOWARD, Mr. MARKEY, Mr. WILLIAMS, and Mr. GEJDENSON.

H.R. 4423: Mr. LEHMAN of Florida.

H.J. Res. 90: Mr. KOSTMAYER, Mr. DORGAN of North Dakota, Mr. CLAY, Mr. BENNETT, Mr. DIXON, Mr. ANDERSON, Mr. VENTO, Mr. WOLPE, Mr. WEAVER, Mr. HEFTEL of Hawaii, Mr. SAVAGE, Mr. DONNELLY, Mr. LEVIN of Michigan, Mr. MARTINEZ, Mr. STUDDS, Mr. WHITTAKER, Mr. RAHALL, Mr. MANTON, Mr. EVANS of Illinois, Mr. DELLUMS, Mr. HORTON, Mr. ROE, Mr. FUSTER, Mr. BEDELL, Mr. HUGHES, Mr. SUNIA, Mr. LIVINGSTON, Mr. MINETA, Mr. HOWARD, and Mr. GILMAN.

H.J. Res. 224: Mr. SAVAGE and Mr. HAYES.

H.J. Res. 234: Mrs. BYRON, Mr. LUNGREN, Mr. BRYANT, Mr. HAMMERSCHMIDT, Mr. WALGREN, Mr. RICHARDSON, Mr. MOORHEAD, Mr. WHEAT, Mr. TRAFICANT, Mr. HILER, Mr. LEHMAN of Florida, Mr. DANNEMEYER, Mr. DE LUGO, Mr. STOKES, Mrs. VUCANOVICH, Mr. DARDEN, Mr. HANSEN, Mr. YATRON, Mr. SAXTON, and Mr. WOLPE.

H.J. Res. 244: Mr. PETRI, Mr. GEJDENSON, and Mr. LEHMAN of Florida.

H.J. Res. 381: Mr. KOSTMAYER, Mr. ROSE, Mr. HERTEL of Michigan, Mr. RINALDO, Mr. VALENTINE, Mr. WEISS, Mr. STUMP, Mr. YATRON, Mr. DOWDY of Mississippi, Mr. DIXON, and Mr. OLIN.

H.J. Res. 451: Mr. MARTINEZ, Mr. COLEMAN of Missouri, Mr. STUMP, Mr. DARDEN, Mr. JEFFORDS, Mr. BONIOR of Michigan, Mr. IRELAND, Mr. DANNEMEYER, Mr. HATCHER, Mr. MCCOLLUM, Mr. FISH, Mrs. SMITH of Nebraska, Mr. KILDEE, and Mr. AUCOIN.

H.J. Res. 510: Mr. ROTH, Mr. CONYERS, Mr. SAVAGE, Mr. BUSTAMANTE, Mr. WYLIE, Mr. WOLF, Mr. OBEY, Mr. CHAPPIE, Mr. HEFTEL of Hawaii, Mr. O'BRIEN, Mr. MARKEY, Mr. LIGHTFOOT, Mr. WEBER, Mr. TRAXLER, Mr. DARDEN, Mr. MCGRATH, Mr. WALGREN, Mr. GUARINI, Mr. VALENTINE, Mr. BEDELL, Mr. FISH, Mrs. KENNELLY, Mr. CALLAHAN, Mr. GRAY of Pennsylvania, Mr. SUNIA, Mr. OWENS, Mr. DANNEMEYER, Mr. PEPPER, Mrs. BURTON of California, Mr. BLILEY, Mr. SAXTON, Mr. CHANDLER, Mr. AKAKA, Mr. LUNDINE, Mr. KEMP, Mr. ORTIZ, Mr. MILLER of Washington, Mr. MOAKLEY, Mr. EMERSON, Mr. HOYER, Mrs. VUCANOVICH, Mr. FEIGHAN, Mr. DAUB, Mr. KANJORSKI, Mr. DYSON, Mr. KOSTMAYER, Mr. DONNELLY, Mr. MURPHY, Mr. MCHUGH, Mr. FOGLIETTA, Mr. EDGAR, and Mr. HYDE.

H.J. Res. 532: Mr. SCHUMER, Mrs. HOLT, Mr. LIGHTFOOT, Mr. VOLKMER, Mr. BROYHILL, Mr. STRANG, Mr. ROBERTS, Mr. BILIRAKIS, Mr. OLIN, Mr. BATES, Mr. ECKERT of New York, Mr. SKEEN, Mr. BEILENSON, Mr. SWINDALL, Mr. SAXTON, Mr. ARCHER, Mr. QUILLEN, Mr. LUNGREN, Mr. CHAPPIE, Mr. SPENCE, Mr. KRAMER, Mr. ANDREWS, Mr. DELLUMS, Mrs. KENNELLY, Mr. MILLER of Washington, Mr. HARTNETT, Mr. LEWIS of California, Mr. STARK, Mr. ANDERSON, Mr. ECKART of Ohio, Mr. GRAY of Illinois, and Mr. MOAKLEY.

H.J. Res. 544: Mr. BENNETT, Mr. ROWLAND of Connecticut, Mr. EVANS of Illinois, Mr. HALL of Ohio, and Mr. MORRISON of Connecticut.

H.J. Res. 555: Mr. REGULA, Mr. EMERSON, Mrs. HOLT, Mr. MARTINEZ, Mr. MRAZEK, Mr. SKELTON, Mr. GUARINI, Mr. SUNIA, Mrs. BURTON of California, Mr. KEMP, Mr. ORTIZ, and Mr. FEIGHAN.

H.J. Res. 561: Mr. WYLIE, Mr. LIGHTFOOT, Mr. VANDER JAGT, Mr. LAGOMARSINO, Mr. KOLTER, Mr. EDGAR, Mr. LEACH of Iowa, Mr. SABO, and Mr. KOLBE.

H. Con. Res. 65: Mr. COURTER.

H. Con. Res. 66: Mr. COURTER.

H. Con. Res. 221: Mr. MACKAY.

H. Res. 395: Mr. FRANK, Mr. MRAZEK, Mr. MOAKLEY, Mr. TORRES, Mr. EVANS of Illinois, Mr. MATSUI, Mr. WHEAT, Mr. VENTO, Mr. MOODY, Mrs. KENNELLY, Mr. SEIBERLING, Mr. FORD of Michigan, Mr. WEAVER, Mr. SCHEUER, and Mr. SABO.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

290. By the SPEAKER: Petition of State Senator Warren K. Giese, Columbia, SC, relative to the provision of a nonnuclear defense system in space; to the Committee on Armed Services.

291. Also, Petition of the mayor and the village board of the Village of Roselle, IL, relative to the municipal bond provisions contained in H.R. 3838; to the Committee on Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 4332

By Mrs. BURTON of California:

—On page 19, after line 16, insert the following:

SEC. 16. PROHIBITION OF SALE OF HANDGUNS COMMONLY CALLED SATURDAY NIGHT SPECIALS.

Section 922(b) of title 18, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (4);

(2) by striking out the period at the end of paragraph (5) and inserting "; and" in lieu thereof; and

(3) by inserting after paragraph (5) the following:

"(6) any firearm, other than a rifle or shotgun, to any person, if the Secretary determines such firearm to be unsuitable for lawful sporting purposes based upon standards established under section 925(d)(3) of this title."

(Amendment to the Volkmer amendment in the nature of a substitute.)

—In paragraph (4) of section 102 of the matter proposed to be inserted by the amendment, add at the end the following new subparagraph:

(F) after paragraph (5), by inserting the following:

"(6) any firearm, other than a rifle or shotgun, to any person, if the Secretary determines such firearm to be unsuitable for lawful sporting purposes based upon standards established under section 925(d)(3) of this title.".

By Mr. CRAIG:

(Amendment to the Volkmer amendment in the nature of a substitute.)

—In the Volkmer amendment (on page H1319 of the March 18, 1986 Congressional Record) the following amendment is made to subsection 924(e)(1): strike the words "more than" prior to the number "15" and insert in lieu thereof "less than".

(Amendment to the Volkmer substitute.)

(This would restore the language of H.R. 945 found on page 16, line 6.)

—On page 15, line 24 (relating to amendments to Section 923(g)(1)(D)(2)) beginning with the words "such collector shall not be

required . . .", strike that sentence and all that follows through page 17, line 12.

(Amendment to the Volkmer amendment in the nature of a substitute.)

(Page and line numbers refer to H.R. 945.)

—On Page 8, line 2, insert between "firearms" and before the close parentheses, the following: "; Provided further that interstate sales of rifles and shotguns between two private citizens, eligible to possess rifles and shotguns under this chapter and not required to be licensed under this chapter shall be permitted notwithstanding any other provision of law"

By Mr. DINGELL:

—In Section 14, delete all of line 16 on page 16 through the end of line 3 on page 18, and insert in lieu thereof the following new Section 14:

"SEC. 14. TRANSPORTATION OF FIREARMS.

(a) IN GENERAL.—Chapter 44 of Title 18, United States Code, is amended by inserting between section 926 and section 927 the following new section:

"SEC. 926A. INTERSTATE TRANSPORTATION OF FIREARMS.

"Any person not prohibited by this chapter from transporting, shipping, or receiving a firearm shall be entitled to transport an unloaded, not readily accessible firearm in interstate commerce notwithstanding any provision of any legislation enacted, or any rule or regulation prescribed by any State or political subdivision thereof."

(b) CLERICAL AMENDMENT.—The table of sections for chapter 44 of title 18, United States Code, is amended by inserting between the item relating to section 926 and the item relating to section 927 the following new item:

"926A. Interstate transportation of firearms."

By Mr. FEIGHAN:

(Amendment to the Volkmer amendment in the nature of a substitute.)

—In section 102(4)(B) of the matter proposed to be inserted by the amendment insert after "firearm" the first place it appears the following: "with a barrel length of 3 inches or less".

—On page 6, after line 3, insert the following:

"(H) has been adjudicated a juvenile delinquent on the basis of conduct which, if committed by an adult, would be a crime punishable by imprisonment for a term of more than one year.".

(Amendment to the Volkmer amendment in the nature of a substitute.)

—In section 102(5)(D) of the matter proposed to be inserted by the amendment insert at the end the following:

"(8) who has been adjudicated a juvenile delinquent on the basis of conduct which, if committed by an adult, would be a crime punishable by imprisonment for a term of more than one year.".

By Mr. FORD of Tennessee:

(Amendment to the Volkmer amendment in the nature of a substitute.)

—In section 101 of the matter proposed to be inserted by the amendment—

(1) strike out the closing quotation marks and the final period; and

(2) insert at the end the following:

"(25) The term 'handgun' means a firearm which has a short stock and is designed to be held and fired by the use of a single hand.".

—On page 19, after line 16, insert the following:

"(3) The actual delivery of a handgun shall not take place until at least 15 days after the documentation is sent under paragraph (1).".

(Amendment to the Volkmer amendment in the nature of a substitute.)

—In section 102 of the matter proposed to be inserted by the amendment strike out paragraph (5) and insert in lieu thereof the following:

(5) by amending subsection (d) to read as follows:

"(d)(1) It shall be unlawful for a licensed importer, licensed manufacturer, or licensed dealer to sell, deliver, or otherwise transfer a handgun to an individual who is not licensed under section 923 unless such importer, manufacturer, or dealer promptly sends by registered or certified mail (return receipt requested), a copy of the documentation of the transaction required under this chapter, in a form prescribed by the Secretary—

"(A) to the chief law enforcement officer of the place of residence of the transferee notifying such officer of the transaction; and

"(B) to the Federal Bureau of Investigation which shall—

"(i) examine Federal official records which may reveal any circumstance making illegal the receipt or possession of a handgun by the transferee; and

"(ii) report to the chief law enforcement officer of the place of residence of the transferee if any such records show any such circumstance.

"(2) The chief law enforcement officer of the place of residence of the transferee and the Federal Bureau of Investigation shall each destroy each report received under this section from any licensee concerning any transferee, within 90 days after the date such report is received, if such report does not indicate any circumstance making illegal the receipt or possession of a handgun by the transferee.

"(3) The actual delivery of a handgun shall not take place until at least 15 days after the documentation is sent under paragraph (1).".

By Mr. HUGHES:

(Amendment to the Volkmer amendment in the nature of a substitute.)

—Page 11, after line 22, insert the following:

(5) Section 923(d)(1)(E)(i) of title 18, United States Code, is amended—

(A) by striking out "conducts" and inserting "engages in" in lieu thereof; and

(B) by striking out "conduct" and inserting "engage in" in lieu thereof.

Redesignate succeeding paragraphs accordingly.

Page 3, strike out line 19 and all that follows through line 10 on page 5 and insert in lieu thereof the following:

"(21) The term 'engaged in the business', with respect to an activity, means devoting time, attention, and labor to that activity on a recurring basis, and for that purpose maintaining firearms on hand or being willing and able to procure firearms, but such term does not include the sale by the owner of a personal collection in connection with liquidation of such a collection.".

(Amendment to the Volkmer amendment in the nature of a substitute.)

—Page 7, line 10, strike out "shall not apply" and all that follows through "firearms)" in line 2 on page 8, and insert in lieu thereof the following: "shall not apply to the sale or delivery of any rifle or shotgun to a resident of a State other than a State in which the licensee's place of business is located if the transferee meets in person with the transferor to accomplish the transfer, and the sale, delivery, and receipt fully comply with the legal conditions of sale in both such States (and any licensed manufacturer, importer or dealer shall be presumed, for purposes of this subparagraph, in the absence of evidence to the contrary, to have had actual knowledge of the State laws and published ordinances of both States)"

(Amendment to the Volkmer amendment in the nature of a substitute.)

—Page 11, strike out line 9 and all that follows through line 22 and redesignate succeeding paragraphs accordingly.

(Amendment to the Volkmer Amendment in the nature of a Substitute.)

—Page 11, strike out line 23 and all that follows through line 24 and redesignate succeeding paragraphs accordingly.

(Amendment to the Volkmer amendment in the nature of a substitute.)

—Page 11, line 25, strike out "(f)" and all that follows through line 21 on page 12 and insert in lieu thereof the following:

(f)(3)—

(A) by inserting "de novo" before "judicial"; and

(B) by inserting "whether or not such evidence was considered at the hearing held under paragraph (2)." after "to the proceeding";

(Amendment to the Volkmer amendment in the nature of a substitute.)

—Page 19, line 15, strike out "willfully" and inserting "knowingly" in lieu thereof.

(Amendment to the Volkmer amendment in the nature of a substitute.)

—Page 14, beginning in line 3, strike out "of a person" and all that follows through "licensee" in line 4.

Page 14, line 6, strike out "once" and insert "twice" in lieu thereof.

Page 14, line 10, strike out "in the course" and all that follows through "investigation" in line 11.

Page 13, line 25, strike out "or".

Page 14, line 1, insert ", or a licensed collector" after "dealer".

Page 14, strike out line 12 and all that follows through line 21 and redesignate succeeding subparagraphs accordingly.

(Amendment to the Volkmer amendment in the nature of a substitute.)

—Page 21, strike out line 23 and all that follows through "(C)" in line 9 on page 22 and insert "(2)" in lieu thereof.

Page 22 line 14 insert a close quotation mark followed by "; and" after the period.

Page 22, strike out line 15 and all that follows through line 17.

Page 21, beginning in line 13, strike out ", but" and all that follows through "seizure" in line 22.

(Amendment to the Volkmer amendment in the nature of a substitute.)

—Page 27, beginning in line 23, strike out "part" and all that follows through "exclusively" in line 1 on page 28 and insert in lieu thereof "part designed and intended solely and exclusively, or combination of parts designed and intended,".

(Amendment to the Volkmer amendment in the nature of a substitute.)

—Page 3, strike line 19 and all that follows through line 10 on page 5 and insert in lieu thereof the following:

"(21) The term 'engaged in the business', with respect to an activity, means engaged in that activity on a recurring basis but such term does not include—

"(A) the sale, exchange, or purchase of firearms by a collector for the enhancement of a personal collection or as a hobby,

"(B) the sale of a personal collection in connection with liquidation of the collection by the collector or by any successor of the collector; and

"(C) the occasional repair of firearms or the occasional fitting of special barrels, stocks, or trigger mechanisms to firearms.

(Amendment to Volkmer amendment in the nature of substitute.)

—Page 7, line 11, insert "(except a handgun)" after "firearm".

Page 5, line 25, strike out the closed quotation mark and the period that follows.

Page 5, after line 25 insert the following:

"(25) The term 'handgun' means a firearm which has a short stock and is designed to be held and fired by the use a single hand.".

(Amendment to the Volkmer amendment in the nature of a substitute.)

—Page 7, line 11, insert "(except a handgun which has a barrel length of less than three inches)" after "firearm".

Page 5, after line 25, strike out the closed quotation mark and the period that follows.

Page 5, after line 25 insert the following:

"(25) The term 'handgun' means a firearm which has a short stock and is designed to be held and fired by the use of a single hand.".

(Amendment to the Volkmer amendment in the nature of a substitute.)

—Page 11, line 16, strike out "one" and insert "three" in lieu thereof.

(Amendment to committee amendment in the nature of a substitute.)

—Page 18, strike out line 22 and all that follows through line 9 on page 19 and insert in lieu thereof the following: "by the Secretary to the chief law enforcement officer of the place of residence of the transferee notifying such officer of the transaction.".

Page 19, beginning on line 11, strike out "and the Federal Bureau of Investigation shall each" and insert in lieu thereof "shall".

Page 19, line 12, strike out "report" and insert in lieu thereof "copy of documentation".

Page 19, line 13, strike out "90" and insert in lieu thereof "30".

(Amendment to committee amendment in the nature of a substitute.)

—Page 16, beginning on line 16, strike out "State law or of any published ordinance" and insert in lieu thereof "State or local law".

(Amendment to committee amendment in the nature of a substitute.)

—Page 6, line 3, strike out the closed quotation mark and the period that follows.

Page 6, after line 3 insert the following:

"(3) The determination of whether a person has been convicted of a crime under State law shall be in accordance with the law of the State in which the proceedings were held. Any conviction which has been expunged, set aside, or otherwise vitiated shall not be considered a conviction for purposes of this chapter, unless such expungement, setting aside, or vitiation expressly provides that the person may not ship, transport, possess, or receive firearms.".

(Amendment to committee amendment in the nature of a substitute.)

—Page 16, beginning on line 11, strike out "such expungement or elimination occurs under any State law regarding the expungement of criminal convictions" and insert in lieu thereof "an expungement of that conviction occurs".

—Page 3, line 13, insert a comma before "silencer".

Page 3, line 13, strike out the comma after silencer.

Page 3, run in line 8 to line 7.

Page 5, line 13, strike out "(3)" and insert "(2)".

Page 13, make lines 14 through 19 full measure.

Page 13, line 20, strike out "Ammunition" and insert "Ammunition" in lieu thereof.

Page 16, beginning on line 11, strike out "such expungement or elimination occurs under any State law regarding the expungement of criminal convictions" and insert in lieu thereof "an expungement of that conviction occurs".

Page 18, strike out the quotation mark in each of lines 7 and 13.

(Amendment to the Volkmer amendment in the nature of a substitute.)

—Page 10, line 12, strike out the close quotation mark and the period that follows.

Page 10, after line 12 insert the following:

"(o)(1) It shall be unlawful for a licensed importer, licensed manufacturer, or licensed dealer to sell, deliver, or otherwise transfer a handgun to an individual who is not licensed under section 923 unless—

"(A) such importer, manufacturer, or dealer promptly sends by registered or certified mail (return receipt requested), a copy of the documentation of the transaction required under this chapter, in a form prescribed by the Secretary to the chief law enforcement officer of the place of residence of the transferee notifying such officer of the transaction; and

"(B) 3 days have elapsed since the licensee transmitted such documentation, unless—

"(i) such officer certifies to the licensee that the immediate delivery of the handgun to the transferee is, to the knowledge of such officer, necessary to protect against an imminent threat to the physical safety of the transferee;

"(ii) the transferee provides proof that the transferee purchased a handgun during the immediately preceding 12-month period and that such 3-day waiting period applied to such purchase; or

"(iii) such officer notifies the licensee that there is no circumstance which would make illegal the receipt or possession of the handgun by the transferee.

"(2) The chief law enforcement officer of the place of residence of the transferee shall destroy each report received under this section from any licensee concerning any transferee, within 30 days after the date such report is received, if such report does not indicate any circumstance making illegal the receipt or possession of a handgun by the transferee.

"(3) As used in this subsection, the term 'handgun' means a firearm which has a short stock and is designed to be held and fired by the use of a single hand.".

—Page 18, strike out line 4 and all that follows through line 16 on page 19 and insert in lieu thereof the following:

SEC. 15. WAITING PERIOD; RECORD CHECK FOR CRIMINAL CONVICTIONS AND OTHER DISQUALIFICATIONS FOR PURCHASE OF HANDGUNS

(a) DEFINITION.—Section 921(a) of title 18, United States Code, is amended by adding after the paragraph added by section 11(b) the following:

"(23) The term 'handgun' means a firearm which has a short stock and is designed to be held and fired by the use of a single hand.".

(b) Prohibition.—Section 922(d) of title 18, United States Code, is amended to read as follows:

"(d)(1) It shall be unlawful for a licensed importer, licensed manufacturer, or licensed dealer to sell, deliver, or otherwise transfer a handgun to an individual who is not licensed under section 923 unless—

"(A) such importer, manufacturer, or dealer promptly sends by registered or certified mail (return receipt requested), a copy of the documentation of the transaction required under this chapter, in a form prescribed by the Secretary, to the chief law enforcement officer of the place of residence of the transferee notifying such officer of the transaction; and

"(B) 3 days have elapsed since the licensee transmitted such documentation, unless—

"(i) such officer certifies to the licensee that the immediate delivery of the handgun to the transferee is, to the knowledge of such officer, necessary to protect against an imminent threat to the physical safety of the transferee;

"(ii) the transferee provides proof that the transferee purchased a handgun during the immediately preceding 12-month period and that such 3-day waiting period applied to such purchase; or

"(iii) such officer notifies the licensee that there is no circumstance which would make illegal the receipt or possession of the handgun by the transferee.

"(2) The chief law enforcement officer of the place of residence of the transferee shall destroy each report received under this section from any licensee concerning any transferee, within 30 days after the date such report is received, if such report does not indicate any circumstance making illegal the receipt or possession of a handgun by the transferee.".

—Page 18, strike out line 4 and all that follows through line 16 on page 19 and insert in lieu thereof the following:

SEC. 15. WAITING PERIOD; RECORD CHECK FOR CRIMINAL CONVICTIONS AND OTHER DISQUALIFICATIOMS FOR PURCHASE OF HANDGUNS

(a) DEFINITION.—Section 921(a) of title 18, United States Code, is amended by adding after the paragraph added by section 11(b) the following:

"(23) The term 'handgun' means a firearm which has a short stock and is designed to be held and fired by the use of a single hand.".

(b) PROHIBITION.—Section 922(d) of title 18, United States Code, is amended to read as follows:

"(d)(1) It shall be unlawful for a licensed importer, licensed manufacturer, or licensed dealer to sell, deliver, or otherwise transfer a handgun to an individual who is not licensed under section 923 unless—

"(A) such importer, manufacturer, or dealer promptly sends by registered or certified mail (return receipt requested), a copy of the documentation of the transaction required under this chapter, in a form prescribed by the Secretary, to the chief law enforcement officer of the place of residence of the transferee notifying such officer of the transaction; and

"(B) 7 days have elapsed since the licensee transmitted such documentation, unless—

"(i) such officer certifies to the licensee that the immediate delivery of the handgun to the transferee is, to the knowledge of such officer, necessary to protect against an imminent threat to the physical safety of the transferee;

"(ii) the transferee provides proof that the transferee purchased a handgun during the immediately preceding 12-month period and that such 7-day waiting period applied to such purchase; or

"(iii) such officer notifies the licensee that there is no circumstance which would make

illegal the receipt or possession of the handgun by the transferee.

"(2) The chief law enforcement officer of the place of residence of the transferee shall destroy each report received under this section from any licensee concerning any transferee, within 30 days after the date such report is received, if such report does not indicate any circumstance making illegal the receipt or possession of a handgun by the transferee.".

(Amendment to the Volkmer amendment in the nature of a substitute.)

—Page 10, line 12, strike out the close quotation mark and the period that follows.

Page 10, after line 12 insert the following:

"(o)(1) It shall be unlawful for a licensed importer, licensed manufacturer, or licensed dealer to sell, deliver, or otherwise transfer a handgun to an individual who is not licensed under section 923 unless—

"(A) such importer, manufacturer, or dealer promptly sends by registered or certified mail (return receipt requested), a copy of the documentation of the transaction required under this chapter, in a form prescribed by the Secretary to the chief law enforcement officer of the place of residence of the transferee notifying such officer of the transaction; and

"(B) 7 days have elapsed since the licensee transmitted such documentation, unless—

"(i) such officer certifies to the licensee that the immediate delivery of the handgun to the transferee is, to the knowledge of such officer, necessary to protect against an imminent threat to the physical safety of the transferee;

"(ii) the transferee provides proof that the transferee purchased a handgun during the immediately preceding 12-month period and that such 7-day waiting period applied to such purchase; or

"(iii) such officer notifies the licensee that there is no circumstance which would make illegal the receipt or possession of the handgun by the transferee.

"(2) The chief law enforcement officer of the place of residence of the transferee shall destroy each report received under this section from any licensee concerning any transferee, within 30 days after the date such report is received, if such report does not indicate any circumstance making illegal the receipt or possession of a handgun by the transferee.

"(3) As used in this subsection, the term 'handgun' means a firearm which has a short stock and is designed to be held and fired by the use of a single hand.".

(Amendment to the Volkmer amendment in the nature of a substitute.)

—Page 25, beginning in line 18, strike out "and inserting" and all that follows through the close quotation mark on line 6.

(Amendment to the Volkmer amendment in the nature of a substitute.)

Page 10, line 12, strike out the close quotation mark and the period which follows.

Page 10, after line 12, insert the following:

"(o)(1) It shall be unlawful for a licensed importer, licensed manufacturer, or licensed dealer to sell, deliver, or otherwise transfer a handgun to an individual who is not licensed under section 923 unless such importer, manufacturer, or dealer promptly sends by registered or certified mail (return receipt requested), a copy of the documentation of the transaction required under this chapter, in a form prescribed by the Secretary to the chief law enforcement officer of the place of residence of the transferee notifying such officer of the transaction.

"(2) The chief law enforcement officer of the place of residence of the transferee shall destroy each copy of documentation received under this section from any licensee concerning any transferee, within 30 days after the date such report is received, if such report does not indicate any circumstances making illegal the receipt or possession of a handgun by the transferee.

"(3) As used in this subsection, the term 'handgun' means a firearm which has a short stock and is designed to be held and fired by the use of a single hand.".

(Amendment to the Volkmer amendment in the nature of a substitute.)

—Page 2, strike out line 16 and all that follows through line 21 and redesignate succeeding paragraphs accordingly.

Page 6, beginning in line 17, strike out "(2)" and all that follows through line 22 and insert in lieu thereof the following: "(2), by striking out "or licensed dealer for the sole purpose of repair or customizing;" and inserting in lieu thereof "licensed dealer, or licensed collector;";

Page 7, strike out line 5 and all that follows through line 6 and redesignate succeeding subparagraphs accordingly.

Page 8, line 4, insert "and" after the semicolon.

Page 8, strike out line 8 and all that follows through line 12.

Page 10, line 19, strike out ", or importing or manufacturing" and insert "or" in lieu thereof.

Page 11, strike out line 2 and all that follows through line 4 and redesignate succeeding paragraphs accordingly.

Page 13, line 1, insert ", or ammunition (other than armor-piercing ammunition, as such term is defined in section 929 of this title) in transactions involving 1000 rounds or more," after "firearms".

(Amendment to the Volkmer amendment in the nature of a substitute.)

—Page 10, line 5, strike out "and".

Page 10, line 12, strike out the final period and insert "; and" in lieu thereof.

Page 10, after line 12, insert the following:

(9) by inserting after the subsection added by paragraph (8) of this section the following:

"(o)(1) Except as provided in paragraph (2), it shall be unlawful for any person to transfer or possess a firearm silencer.

"(2) This subsection does not apply with respect to—

"(A) a transfer to or by, or possession by or under the authority of, the United States or any department or agency thereof or a State, or a department, agency, or political subdivision thereof; or

"(B) any lawful transfer or lawful possession of a firearm silencer that was lawfully possessed before the date this subsection takes effect.".

Page 28, after line 20 insert the following:

(c) PROHIBITION OF FIREARM SILENCERS.—Section 102(9) shall take effect on the date of the enactment of this Act.

(Amendment to the Volkmer amendment in the nature of a substitute.)

—Page 26, strike out line 16 and all that follows through the matter immediately following line 5 on page 27 and insert in lieu thereof the following:

SEC. 108. INTERSTATE TRANSPORT OF RIFLES AND SHOTGUNS.

Section 927 of title 18, United States Code, is amended—

(1) by inserting "(a)" before "No"; and

(2) by adding at the end the following:

"(b) Notwithstanding any provision of State law or of any published ordinance to the contrary, any individual may transport any secured shotgun or secured rifle from such individual's place of origin to any destination State if—

"(1) such transport is—

"(A) incident to the change of the individual's State of residence; or

"(B) for the purpose of lawful participation in, or returning from lawful participation in—

"(i) hunting;

"(ii) a shooting match or contest; or

"(iii) any other lawful sporting activity;

"(2) the individual may lawfully transport and possess such shotgun or rifle—

"(A) in the individual's place of origin, the destination State, and the destination political subdivision of the destination State; and

"(B) under Federal law.

"(c) For purposes of subsection (b)—

"(1) a rifle or shotgun is secured if the rifle or shotgun—

"(A) is enclosed or cased;

"(B) is not readily accessible; and

"(C) is not loaded with ammunition; and

"(2) the term 'place of origin' means—

"(A) in the case of a change of residence, the State and political subdivision thereof from which residence is changed; and

"(B) in any other case, the State and political subdivision thereof in which the possession or transport of the rifle or shotgun begins.".

(Amendments to the Volkmer amendment in the nature of a substitute.)

—Page 3, strike out line 19 and all that follows through line 10 on page 5 and insert in lieu thereof the following:

"(21) The term 'engaged in the business', with respect to an activity, means devoting time, attention, and labor to that activity on a recurring basis, and for that purpose maintaining firearms on hand or being willing and able to procure firearms, but such term does not include the sale by the owner of a personal collection in connection with liquidation of such a collection.".

Page 11, after line 22, insert the following:

(5) Section 923(d)(1)(E)(i) of title 18, United States Code, is amended—

(A) by striking out "conducts" and inserting "engages in" in lieu thereof; and

(B) by striking out "conduct" and inserting "engage in" in lieu thereof.

Redesignate succeeding paragraphs accordingly.

Page 7, line 10, strike out "shall not apply" and all that follows through "firearms)" in line 2 on page 8, and insert in lieu thereof the following:

"shall not apply to the sale or delivery of any rifle or shotgun to a resident of a State other than a State in which the licensee's place of business is located if the transferee meets in person with the transferor to accomplish the transfer, and the sale, delivery, and receipt fully comply with the legal conditions of sale in both such States (and any licensed manufacturer, importer or dealer shall be presumed, for purposes of this subparagraph, in the absence of evidence to the contrary, to have had actual knowledge of the State laws and published ordinances of both States)."

Page 11, strike out line 9 and all that follows through line 22 and redesignate succeeding paragraphs accordingly.

Page 11, strike out line 23 and all that follows through line 24 and redesignate succeeding paragraphs accordingly.

Page 14, beginning in line 3, strike out "of a person" and all that follows through "license" in line 4.

Page 14, line 6, strike out "once" and insert "twice" in lieu thereof.

Page 14, line 10, strike out "in the course" and all that follows through "investigation" in line 11.

Page 13, line 25, strike out "or".

Page 14, line 1, strike out ", or a licensed collector" after "dealer".

Page 14, strike out line 12 and all that follows through line 21 and redesignate succeeding paragraphs accordingly.

Page 19, line 15, strike out "willfully" and inserting "knowingly" in lieu thereof.

Page 26, strike out line 16 and all that follows through the matter immediately following line 5 on page 27 and insert in lieu thereof the following:

SEC. 108. INTERSTATE TRANSPORT OF RIFLES AND SHOTGUNS.

Section 927 of title 18, United States Code, is amended—

(1) by inserting "(a)" before "No"; and

(2) by adding at the end the following:

"(b) Notwithstanding any provision of State law or of any published ordinance to the contrary, any individual may transport any secured shotgun or secured rifle from such individual's place of origin to any destination State if—

"(1) such transport is—

"(A) incident to the change of the individual's State of residence; or

"(B) for the purpose of lawful participaton in, or returning from lawful participation in—

"(i) hunting;

"(ii) a shooting match or contest; or

"(iii) any other lawful sporting activity; and

"(2) the individual may lawfully transport and possess such shotgun or rifle—

"(A) in the individual's place of origin, the destination State, and the destination political subdivision of the destination State; and

"(B) under Federal law.

"(c) For purposes of subsection (b)—

"(1) a rifle or shotgun is secured if the rifle or shotgun—

"(A) is enclosed or cased;

"(B) is not readily accessible; and

"(C) is not loaded with ammunition; and

"(2) the term 'place of origin' means—

"(A) in the case of a change of residence, the State and political subdivision thereof from which residence is changed; and

"(B) in any other case, the State and political subdivision thereof in which the possession or transport of the rifle or shotgun begins.".

Page 27, beginning in line 23, strike out "part" and all that follows through "exclusively" in line 1 on page 28 and insert in lieu thereof "part designed and intended solely and exclusively, or combination of parts designed and intended,".

Page 10, line 5, strike out "and".

Page 10, line 12, strike out the final period and insert ";and" in lieu thereof.

Page 10, after line 12, insert the following:

(9) by inserting after the subsection added by paragraph (8) of this section the following:

"(o)(1) Except as provided in paragraph (2), it shall be unlawful for any person to transfer or possess a firearm silencer.

"(2) This subsection does not apply with respect to—

"(A) a transfer to or by, or possession by or under the authority of, the United States or any department or agency thereof or a State, or a department, agency, or political subdivision thereof; or

"(B) any lawful transfer or lawful possession of a firearm silencer that was lawfully possessed before the date this subsection takes effect.".

Page 28, after line 20 insert the following:

(c) PROHIBITION ON FIREARM SILENCERS.—Section 102(9) shall take effect on the date of the enactment of this Act.

Page 2, strike out line 16 and all that follows through line 21 and redesignate succeeding paragraphs accordingly.

Page 6, beginning in line 17, strike out "(2)" and all that follows through line 22 and insert in lieu thereof the following: "(2), by striking out 'or licensed dealer for the sole purpose of repair or customizing;' and inserting in lieu thereof "licensed dealer, or licensed collector;';".

Page 7, strike out line 5 and all that follows through line 6 and redesignate succeeding subparagraphs accordingly.

Page 8, line 4, insert "and" after the semicolon.

Page 8, strike out line 8 and all that follows through line 12.

Page 10, line 19, strike out ", or importing or manufacturing" and insert "or" in lieu thereof.

Page 11, strike out line 2 and all that follows through line 4 and redesignate succeeding paragraphs accordingly.

Page 13, line 1, insert ", or ammunition (other than armor-piercing ammunition, as such term is defined in section 929 of this title) in transactions involving 1,000 rounds or more," after "firearms".

By Mr. McCOLLUM.

(Amendment to the Volkmer amendment in the nature of a substitute.)

Page 14, beginning on line 6, strike out "not more than once during any 12-month period;" and insert in lieu thereof the following:

(ii) not more than three times during any 18-month period, unless the Secretary or the Director of the Bureau of Alcohol, Tobacco, and Firearms approves such inspection;

Page 14, beginning on line 15, strike out "not more than once during any 12-month period;" and insert in lieu thereof the following:

(i) not more than three times during any 18-month period, unless the Secretary or the Director of the Bureau of Alcohol, Tobacco, and Firearms approves such inspection;

By Mr. MRAZEK:

(Amendment to the Volkmer amendment in the nature of a substitute.)

—After the section 109 proposed to be inserted by the substitute add the following new section:

SEC. 110. PROHIBITIONS WITH RESPECT TO CERTAIN FIREARMS.

(a) MANUFACTURE.—(1) Section 922 of title 18, United States Code, is amended by adding after the last subsection added by section 102 the following:

"(o) Except as provided in section 925(f) of this title, it shall be unlawful for any person to manufacture any firearm that the Secretary determines is not—

"(1) readily detectable as a firearm by the standard security equipment commonly used at airports; and

"(2) readily identifiable as a firearm.".

(2) Section 925 of title 18, United States Code, is amended by adding at the end the following:

"(f) The Secretary shall declare an exemption from the prohibition of section 922(o) of this title with respect to firearms of a type determined by the Secretary to be identical to a type designed and produced in the United States for commercial sale before January 1, 1986.".

(b) IMPORTATION.—Section 925(d) of title 18, United States Code, as amended by section 105, is further amended by inserting at the end the following: "The Secretary shall not authorize under this subsection the importation of any firearm that is not readily detectable as a firearm by the standard security equipment commonly used at airports and readily identifiable as a firearm.".

Redesignate succeeding sections accordingly.

(Amendment to the committee amendment in the nature of a substitute.)

—At the end of the substitute add the following new section:

SEC. . PROHIBITIONS WITH RESPECT TO CERTAIN FIREARMS.

(a) MANUFACTURE.—(1) Section 922 of title 18, United States Code, is amended by adding after the subsection added by section 2 the following:

"(o) Except as provided in section 925(f) of this title, it shall be unlawful for any person to manufacture any firearm that the Secretary determines is not—

"(1) readily detectable as a firearm by the standard security equipment commonly used at airports; and

"(2) readily identifiable as a firearm.".

(2) Section 925 of title 18, United States Code, is amended by adding at the end the following:

"(f) The Secretary shall declare an exemption from the prohibition of section 922(o) of this title with respect to firearms of a type determined by the Secretary to be identical to a type designed and produced in the United States for commercial sale before January 1, 1986.".

(b) IMPORTATION.—Section 925(d) of title 18, United States Code, is amended by inserting at the end the following: "The Secretary shall not authorize under this subsection the importation of any firearm that is not readily detectable as a firearm by the standard security equipment commonly used at airports and readily identifiable as a firearm.".

By Mr. SHAW:

(Amendment to the Volkmer Amendment in the nature of a substitute.)

—Page 10, line 5, strike out "and".

Page 10, line 12, strike out the close quotation mark and the period that follows.

Page 10, after line 12 insert the following:

(9) by inserting after the subsection added by paragraph (8) of this section the following:

"(o)(1) Except as provided in paragraph (2), it shall be unlawful for any person to transfer or possess a firearm silencer.

"(2) This subsection does not apply with respect to—

"(A) a transfer to or by, or possession by or under the authority of, the United States or any department or agency thereof or a State, or a department, agency, or political subdivision thereof; or

"(B) any lawful transfer or lawful possession of a firearm silencer that was lawfully possessed before the date this subsection takes effect.".

Page 28, after line 20 insert the following:

(c) PROHIBITION ON FIREARM SILENCERS.—Section 102(9) shall take effect on the date of the enactment of this Act.

By Mr. SMITH of Florida:

(Amendment to the Volkmer amendment in the nature of a substitute.)

—Section 109 of the matter proposed to be inserted is amended by striking out "solely and exclusively".

—Page 2, line 16, insert "a machinegun or" before "a silencer.".

Page 2, line 22, insert "a machinegun or" before "a".

Page 2, strike out line 4 and all that follows through line 5 and insert in lieu thereof the following:

SEC. 2. PROHIBITION ON TRANSFER AND POSSESSION OF MACHINEGUNS AND SILENCERS.

(Amendment to the Volkmer amendment in the nature of a substitute.)

—At the end of the matter proposed to be inserted add the following new section:

SEC. 111. WAITING PERIOD FOR PURCHASE OF HANDGUNS.

(a) DEFINITION.—Section 921(a) of title 18, United States Code, is amended by adding after the paragraphs added by section 101(5) the following:

"(25) The term 'handgun' means a firearm which has a short stock and is designed to be held and fired by the use of a single hand.".

(b) PROHIBITION.—Section 922 of title 18, United States Code, is amended by adding after the subsections added by section 102(8) the following:

"(o)(1) It shall be unlawful for a licensed importer, licensed manufacturer, or licensed dealer to sell, deliver, or otherwise transfer a handgun to an individual who is not licensed under section 923 unless—

"(A) such importer, manufacturer, or dealer has, before delivery of the handgun, sent by registered or certified mail (return receipt requested), a copy of a sworn statement by the transferee, in a form prescribed by the Secretary—

"(i) to the chief law enforcement officer of the place of residence of the transferee notifying such officer of the proposed transaction, and requesting such officer to confirm the residence of the transferee, and to examine State and local official records of criminal convictions and adjudications of metal incompetency, readily available to that officer, and report to such importer, manufacturer, or dealer whether any such records show any such conviction or adjudication for the transferee; and

"(ii) to the Federal Bureau of Investigation which shall examine Federal official records which may reveal any circumstance making illegal the receipt or possession of a handgun by the transferee and report to the importer, manufacturer, or dealer whether any such records show any such circumstance;

"(B)(i) such importer, manufacturer, or dealer has received such reports from the chief law enforcement officer of the place of residence of the transferee and the Federal Bureau of Investigation; or

"(ii) 10 days have elapsed from the sending of the sworn statement; and

"(C) such importer, manufacturer, or dealer has not received information from the chief law enforcement officer or the Federal Bureau of Investigation that receipt or possession of the handgun by the transferee would be in violation of Federal law or of a State or local law of the residence of the transferee.

"(2) An importer, manufacturer, or dealer who receives a report from the chief law enforcement officer or the Federal Bureau of Investigation after a transfer has taken place shall, if the report contains information that receipt or possession of the handgun by the transferee would be in violation of Federal law or of State or of local law of the residence of the transferee, immediately communicate all information such importer, manufacturer, or dealer has about the transfer and the transferee to—

"(A) the chief law enforcement officer of the place of business of the importer, manufacturer, or dealer;

"(B) the chief law enforcement officer of the place of residence of the transferee;

"(C) the Federal Bureau of Investigation; and

"(D) the Secretary.

"(3) An importer, manufacturer, or dealer who receives information, not otherwise available to the public, in a report under this subsection shall not disclose that information except incident to the proposed transfer.".

(Amendment to the Volkmer amendment in the nature of a substitute.)

—At the end of the matter proposed to be inserted add the following new section:

SEC. 111. WAITING PERIOD FOR PURCHASE OF HANDGUNS.

(a) DEFINITION.—Section 921(a) of title 18, United States Code, is amended by adding after the paragraphs added by section 101(5) the following:

"(25) The term 'handgun' means a firearm which has a short stock and is designed to be held and fired by the use of a single hand.".

(b) PROHIBITION.—Section 922 of title 18, United States Code, is amended by adding after the subsections added by section 102(8) the following:

"(o)(1) It shall be unlawful for a licensed importer, licensed manufacturer, or licensed dealer to sell, deliver, or otherwise transfer a handgun to an individual who is not licensed under section 923 unless—

"(A) such importer, manufacturer, or dealer has, before delivery of the handgun, sent by registered or certified mail (return receipt requested), a copy of a sworn statement by the transferee, in a form prescribed by the Secretary—

"(i) to the chief law enforcement officer of the place of residence of the transferee notifying such officer of the proposed transaction, and requesting such officer to confirm the residence of the transferee, and to examine State and local official records of criminal convictions and adjudications of mental incompetency, readily available to that officer, and report to such importer, manufacturer, or dealer whether any such records show any such conviction or adjudication for the transferee; and

"(ii) to the Federal Bureau of Investigation which shall examine Federal official records which may reveal any circumstance making illegal the receipt or possession of a handgun by the transferee and report to the importer, manufacturer, or dealer whether any such records show any such circumstances;

"(B)(i) such importer, manufacturer, or dealer has received such reports from the chief law enforcement officer of the place of residence of the transferee and the Federal Bureau of Investigation; or

"(ii) 3 days have elapsed from the sending of the sworn statement; and

"(C) such importer, manufacturer, or dealer has not received information from the chief law enforcement officer or the Federal Bureau of Investigation that receipt or possession of the handgun by the transferee would be in violation of Federal law or of a State or local law of the residence of the transferee.

"(2) An importer, manufacturer, or dealer who receives a report from the chief law enforcement officer or the Federal Bureau of Investigation after a transfer has taken place shall, if the report contains information that receipt or possession of the handgun by the transferee would be in violation of Federal law or of State or local law of the residence of the transferee, immediately communicate all information such importer, manufacturer, or dealer has about the transfer and the transferee to—

"(A) the chief law enforcement officer of the place of business of the importer, manufacturer, or dealer;

"(B) the chief law enforcement officer of the place of residence of the transferee;

"(C) the Federal Bureau of Investigation; and

"(D) the Secretary.

"(3) An importer, manufacturer, or dealer who receives information, not otherwise available to the public, in a report under this subsection shall not disclose that information except incident to the proposed transfer.".

(Amendment to the Volkmer amendment in the nature of a substitute.)

—At the end of the matter proposed to be inserted add the following new section:

SEC. 111. WAITING PERIOD FOR PURCHASE OF HANDGUNS.

(a) DEFINITION.—Section 921(a) of title 18, United States Code, is amended by added after the paragraphs added by section 101(5) the following:

"(25) The term 'handgun' means a firearm which has a short stock and is designed to be held and fired by the use of a single hand.".

(b) PROHIBITION.—Section 922 of title 18, United States Code, is amended by adding after the subsections added by section 102(8) the following:

"(o)(1) It shall be unlawful for a licensed importer, licensed manufacturer, or licensed dealer to sell, deliver, or otherwise transfer a handgun to an individual who is not licensed under section 923 unless—

"(A) such importer, manufacturer, or dealer has, before delivery of the handgun, sent by registered or certified mail (return receipt requested), a copy of a sworn statement by the transferee, in a form prescribed by the Secretary—

"(i) to the chief law enforcement officer of the place of residence of the transferee notifying such officer of the proposed transaction, and requesting such officer to confirm the residence of the transferee, and to examine State and local official records of criminal convictions and adjudications of mental incompetency, readily available to that officer, and report to such importer, manufacturer, or dealer whether any such records show any such conviction or adjudication for the transferee; and

"(ii) to the Federal Bureau of Investigation which shall examine Federal official records which may reveal any circumstance making illegal the receipt or possession of a handgun by the transferee and report to the importer, manufacturer, or dealer whether any such records show any such circumstance;

"(B)(i) such importer, manufacturer, or dealer has received such reports from the chief law enforcement officer of the place of residence of the transferee and the Federal Bureau of Investigation; or

"(ii) 7 days have elapsed from the sending of the sworn statement; and

"(C) such importer, manufacturer, or dealer has not received information from the chief law enforcement officer or the Federal Bureau of Investigation that receipt or possession of the handgun by the trans-

feree would be in violation of Federal law or of a State or local law of the residence of the transferee.

"(2) An importer, manufacturer, or dealer who receives a report from the chief law enforcement officer or the Federal Bureau of Investigation after a transfer has taken place shall, if the report contains information that receipt or possession of the handgun by the transferee would be in violation of Federal law or of State or local law of the residence of the transferee, immediately communicate all information such importer, manufacturer, or dealer has about the transfer and the transferee to—

"(A) the chief law enforcement officer of the place of business of the importer, manufacturer, or dealer;

"(B) the chief law enforcement officer of the place of residence of the transferee;

"(C) the Federal Bureau of Investigation; and

"(D) the Secretary.

"(3) An importer, manufacturer, or dealer who receives information, not otherwise available to the public, in a report under this subsection shall not disclose that information except incident to the proposed transfer.".

—Page 18, strike out line 4 and all that follows through line 16 on page 19 and insert in lieu thereof the following:

SEC. 15. WAITING PERIOD FOR PURCHASE OF HANDGUNS.

(a) DEFINITION.—Section 921(a) of title 18, United States Code, is amended by adding after the paragraph added by section 11(b) the following:

"(21) The term 'handgun' means a firearm which has a short stock and is designed to be held and fired by the use of a single hand.".

(b) PROHIBITION.—Section 922(d) of title 18, United States Code, is amended to read as follows:

"(d)(1) It shall be unlawful for a licensed importer, licensed manufacturer, or licensed dealer to sell, deliver, or otherwise transfer a handgun to an individual who is not licensed under section 923 unless—

"(A) such importer, manufacturer, or dealer has, before delivery of the handgun, sent by registered or certified mail (return receipt requested), a copy of a sworn statement by the transferee, in a form prescribed by the Secretary—

"(i) to the chief law enforcement officer of the place of residence of the transferee notifying such officer of the proposed transaction, and requesting such officer to confirm the residence of the transferee, and to examine State and local official records of criminal convictions and adjudications of mental incompetency, readily available to that officer, and report to such importer, manufacturer, or dealer whether any such records show any such conviction or adjudication for the transferee; and

"(ii) to the Federal Bureau of Investigation which shall examine Federal official records which may reveal any circumstance making illegal the receipt or possession of a handgun by the transferee and report to the importer, manufacturer, or dealer whether any such records show any such circumstance;

"(B)(i) such importer, manufacturer, or dealer has received such reports from the chief law enforcement officer of the place of residence of the transferee and the Federal Bureau of Investigation; or

"(ii) 10 days have elapsed from the sending of the sworn statement; and

"(C) such importer, manufacturer, or dealer has not received information from the chief law enforcement officer or the Federal Bureau of Investigation that receipt or possession of the handgun by the transferee would be in violation of Federal law or of a State or local law of the residence of the transferee.

"(2) An importer, manufacturer, or dealer who receives a report from the chief law enforcement officer or the Federal Bureau of Investigation after a transfer has taken place shall, if the report contains information that receipt or possession of the handgun by the transferee would be in violation of Federal law of State or of local law of the residence of the transferee, immediately communicate all information such importer, manufacturer, or dealer has about the transfer and the transferee to—

"(A) the chief law enforcement officer of the place of business of the importer, manufacturer, or dealer;

"(B) the chief law enforcement officer of the place of residence of the transferee;

"(C) the Federal Bureau of Investigation; and

"(D) the Secretary.

"(3) An importer, manufacturer, or dealer who receives information, not otherwise available to the public, in a report under this subsection shall not disclose that information except incident to the proposed transfer.".

SEC. 16. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), this Act shall take effect on the date of the enactment of this Act.

(b) EXCEPTION.—Section 15 shall take effect 90 days after the date of the enactment of this Act.

—Page 18, strike out line 4 and all that follows through line 16 on page 19 and insert in lieu thereof the following:

SEC. 15. WAITING PERIOD FOR PURCHASE OF HANDGUNS.

(a) DEFINITION.—Section 921(a) of title 18, United States Code, is amended by adding after the paragraph added by section 11(b) the following:

"(21) The term 'handgun' means a firearm which has a short stock and is designed to be held and fired by the use of a single hand.".

(b) PROHIBITION.—Section 922(d) of title 18, United States Code, is amended to read as follows:

"(d)(1) It shall be unlawful for a licensed importer, licensed manufacturer, or licensed dealer to sell, deliver, or otherwise transfer a handgun to an individual who is not licensed under section 923 unless—

"(A) such importer, manufacturer, or dealer has, before delivery of the handgun, sent by registered or certified mail (return receipt requested), a copy of a sworn statement by the transferee, in a form prescribed by the Secretary—

"(i) to the chief law enforcement officer of the place of residence of the transferee notifying such officer of the proposed transaction, and requesting such officer to confirm the residence of the transferee, and to examine State and local official records of criminal convictions and adjudications of mental incompetency, readily available to that officer, and report to such importer, manufacturer, or dealer whether any such records show any such conviction or adjudication for the transferee; and

"(ii) to the Federal Bureau of Investigation which shall examine Federal official records which may reveal any circumstance making illegal the receipt or possession of a handgun by the transferee and report to the importer, manufacturer, or dealer whether any such records show any such circumstance;

"(B)(i) such importer, manufacturer, or dealer has received such reports from the chief law enforcement officer of the place of residence of the transferee and the Federal Bureau of Investigation; or

"(ii) 3 days have elapsed from the sending of the sworn statement; and

"(C) such importer, manufacturer, or dealer has not received information from the chief law enforcement officer or the Federal Bureau of Investigation that receipt or possession of the handgun by the transferee would be in violation of Federal law or of a State or local law of the residence of the transferee.

"(2) An importer, manufacturer, or dealer who receives a report from the chief law enforcement officer or the Federal Bureau of Investigation after a transfer has taken place shall, if the report contains information that receipt or possession of the handgun by the transferee would be in violation of Federal law or of State or local law of the residence of the transferee, immediately communicate all information such importer, manufacturer, or dealer has about the transfer and the transferee to—

"(A) the chief law enforcement officer of the place of business of the importer, manufacturer, or dealer;

"(B) the chief law enforcement officer of the place of residence of the transferee;

"(C) the Federal Bureau of Investigation; and

"(D) the Secretary.

"(3) An importer, manufacturer, or dealer who receives information, not otherwise available to the public, in a report under this subsection shall not disclose that information except incident to the proposed transfer.".

SEC. 16. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), this Act shall take effect on the date of the enactment of this Act.

(b) EXCEPTION.—Section 15 shall take effect 90 days after the date of the enactment of this Act.

(Amendment to the Volkmer amendment in the nature of a substitute.)

—Section 102 of the matter proposed to be inserted is amended—

(1) in paragraph (7), by striking out "and";

(2) in paragraph (8), by striking out the period at the end and inserting in lieu thereof "; and "; and

(3) by adding at the end the following:

(9) by inserting after the subsection added by paragraph (8) of this section the following:

"(o)(1) Except as provided in paragraph (2), it shall be unlawful for any person to transfer or possess a machinegun.

"(2) This subsection does not apply with respect to—

"(A) a transfer to or by, or possession by or under the authority of, the United States or any department or agency thereof or a State, or a department, agency, or political subdivision thereof; or

"(B) any lawful transfer or lawful possession of a machinegun that was lawfully possessed before the date this subsection takes effect.".

Section 110 of the matter proposed to be inserted is amended by adding at the end the following:

(c) MACHINEGUN PROHIBITION.—Section 102(9) shall take effect on the date of the enactment of this Act.

By Mr. TRAFICANT:

(Amendment to the Volkmer substitute.)

—Page 20, line 14, insert "or if the drug trafficking crime is an especially serious drug trafficking crime" after "machinegun".

Page 20, line 19, insert "or if the drug trafficking crime is an especially serious drug trafficking crime" after "machinegun".

Page 21, after line 2 insert the following:

(3) Section 924(c) of title 18, United States Code, is amended by adding after the paragraph added by section 10(a) the following:

"(3) As used in this subsection, the term 'especially serious drug trafficking crime' means a drug trafficking crime that involves—

"(A) 2 or more kilograms of a narcotic drug described in subparagraph (C), (D), or (E) of section 102(17) of the Controlled Substances Penalties Act (21 U.S.C. 802(17));

"(B) 1 or more kilograms of a narcotic drug in schedule I or II in the Controlled Substances Act (21 U.S.C. 801 et seq.) that is not described in subparagraph (C), (D), or (E) of section 102(17) of such Act;

"(C) 1 kilogram or more of phencyclidine; or

"(D) 25 grams or more of lysergic acid diethylamide.".

Redesignate succeeding subsections accordingly.

—Page 14, line 6, insert "OR FIREARM USE IN ESPECIALLY SERIOUS DRUG TRAFFICKING CRIME" after "CRIME".

Page 14, line 12, insert "or if the drug trafficking crime is an especially serious drug trafficking crime" after "machinegun".

Page 14, line 16, insert "or if the drug trafficking crime is an especially serious drug trafficking crime" after "machinegun".

Page 14, line 18, strike out "DEFINITION" and insert "DEFINITIONS" in lieu thereof.

Page 15, after line 4 insert the following:

(3) Section 924(c) of title 18, United States Code, is amended by adding after the paragraph added by section 10(a) the following:

"(3) As used in this subsection, the term 'especially serious drug trafficking crime' means a drug trafficking crime that involves—

"(A) 2 or more kilograms of a narcotic drug described in subparagraph (C), (D), or (E) of section 102(17) of the Controlled Substances Act (21 U.S.C. 802(17));

"(B) 1 or more kilograms of a narcotic drug in schedule I or II in the Controlled Substances Act (21 U.S.C. 801 et seq.) that is not described in subparagraph (C), (D), or (E) of section 102(17) of such Act;

"(C) 1 kilogram or more of phencyclidine; or

"(D) 25 grams or more of lysergic acid diethylamide.".

Redesignate succeeding subsections accordingly.

By Mr. VOLKMER:

(Amendment to the Volkmer amendment in the nature of a substitute.)

—(1) In the Volkmer amendment (on page H 1319 of the March 18, 1986 Congressional Record) following the amendments made to subsection 924(c) add the following new paragraph:

"(3) For purposes of this subsection the term 'crime of violence' means an offense that is a felony and—

"(A) has as an element the use, attempted use, or threatened use of physical force against the person or property of another, or

"(B) that by its nature, involves a substantial risk that physical force against the person or property of another may be used in the course of committing the offense.".

(2) (On page H1319 of the March 18, 1986 Congressional Record,) strike all amendments made to subsection 924(D) and insert in lieu thereof the following:

(3) by amending subsection (d) to read as follows:

"(d)(1) Any firearm or ammunition involved in or used in any knowing violation of subsection (a)(4), (a)(6), (f), (g), (h), (i), (j), or (k) of section 922, or knowing importation or bringing into the United States or any possession thereof any firearm or ammunition in violation of section 922(l), or knowing violation of section 924, or willful violation of any other provision of this chapter or any rule or regulation promulgated thereunder, or any violation of any other criminal law of the United States, or any firearm or ammunition intended to be used in any offense referred to in paragraph (3) of this subsection, where such intent is demonstrated by clear and convincing evidence, shall be subject to seizure and forfeiture, and all provisions of the Internal Revenue Code of 1954 relating to the seizure, forfeiture, and disposition of firearms, as defined in section 5845(a) of that Code, shall, so far as applicable, extend to seizures and forfeitures under the provisions of this chapter: *Provided*, That upon acquittal of the owner or possessor, or dismissal of the charges against him other than upon motion of the Government prior to trial, the seized firearms or ammunition shall be returned forthwith to the owner or possessor or to a person delegated by the owner or possessor unless the return of the firearms or ammunition would place the owner or possessor or his delegate in violation of law. Any action or proceeding for the forfeiture of firearms or ammunition shall be commenced within one hundred and twenty days of such seizure.

"(2)(A) In any action or proceeding for the return of firearms or ammunition seized under the provisions of this chapter, the court shall allow the prevailing party, other than the United States, a reasonable attorney's fee, and the United States shall be liable therefor.

"(B) In any other action or proceeding under the provisions of this chapter, the court, when it finds that such action was without foundation, or was initiated vexatiously, frivolously, or in bad faith, shall allow the prevailing party, other than the United States, a reasonable attorney's fee, and the United States shall be liable therefor.

"(C) Only those firearms or quantities of ammunition particularly named and individually identified as involved in or used in any violation of the provisions of this chapter or any rule or regulation issued thereunder, or any other criminal law of the United States or as intended to be used in any offense referred to in paragraph (3) of this subsection, where such intent is demonstrated by clear and convincing evidence, shall be subject to seizure, forfeiture, and disposition.".

"(D) The United States shall be liable for attorneys' fees under this paragraph only to the extent provided in advance by appropriation Acts."

"(3) The offenses referred to in paragraphs (1) and (2)(C) of this subsection are—

"(A) any crime of violence, as that term is defined in section 924(c)(3) of this title;

"(B) any offense punishable under the Controlled Substances Act (21 U.S.C. 801 et seq.) or the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.);

"(C) any offense described in section 922(a)(1), 922(a)(3), 922(a)(5), or 922(b)(3) of this title, where the firearm or ammunition intended to be used in any such offense is involved in a pattern of activities which includes a violation of any offense described in section 922(a)(1), 922(a)(3), 922(a)(5), 922(b)(3) of this title;

"(D) any offense described in section 922(d) of this title where the firearm or ammunition is intended to be used in such offense by the transferor of such firearm or ammunition;

"(E) any offense described in section 922(i), 922(j), 922(l), 922(n) or 924(b) of this title; and

"(F) any offense which may be prosecuted in a court of the United States which involves the exportation of firearms or ammunition; and.".

EXTENSIONS OF REMARKS

FAMILY

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. KOLBE. Mr. Speaker, an article appearing in the Tucson Citizen told the story of a couple in their early sixty's who have been foster parents to 233 babies since 1966. It's a story of 233 adopted children who spent the first few days and weeks of their lives loved and cared for by two special people. Many of us are here today because as children we were nurtured by the love and support of our families. They helped develop our self-esteem and gave us the courage to achieve our goals. This story celebrates the hundreds of foster parents across the country who work to make "family" a reality for our children.

[From the Tucson Citizen, Feb. 19, 1986]

FAMILY

Most families have brought a baby home from the hospital once, twice, maybe even a few times.

Delores and Leonard Hartman have brought a newborn into their home hundreds of times, as foster parents since 1966. After 20 years with babies in the house, they're retiring.

But if babies waiting for adoption could somehow choose someone to care for them, the Hartmans would get a lot of votes.

"I just love babies," Mrs. Hartman said. "When my youngest child started school, I knew some people at church who were doing foster care for the Arizona Children's Home Association, and that's how I got into it. But mostly I just love babies."

The couple's first baby had red hair and was named Tommy. "I'll never forget our first one—he was a little redheaded baby. My husband has red hair, and he'd always wanted a redheaded baby. Well, now we had him."

Over the years, 233 babies, all under age 2, have stayed with the Hartmans until moving into their adoptive parents' homes. The longest any has stayed has been eight months, when there were medical problems that held up adoption. Most have stayed only a few days or weeks.

No matter how short the stay, though, they've been important to Mrs. Hartman. "I took a picture when I got the baby and a picture when they went home. I recorded their weights and I gave every baby a name." She also recorded the names the babies' adoptive parents gave them, but some adoptive parents would ask the Hartmans what name they had chosen and would keep it.

Eight photo albums are filled with memorabilia from each baby's time with the Hartmans. "I enjoy looking at them. Also, sometimes I even hear from some of them," Mrs. Hartman said.

The Hartmans reared four children of their own and now have five grandchildren. Hartman is 62 and his wife is 61.

Even though she's retiring as a foster mother, Mrs. Hartman is not giving up the three babies she cares for during the day. All three are under 1 year old, and that is the way she likes it. "Let someone else potty train them," she said.

But what about colic and all the other well-known hazards presented by having a very small person in the house? Mrs. Hartman admitted that some of the babies have been hearty criers and some have kept her awake nights. She did acknowledge that being up all night and then having three babies walk in the front door the next morning was a little tiring. But not too tiring.

Loving children, especially babies, seems to run in the family.

The Hartmans feel able to retire because their daughter, Nancy Higginbotham, will take over. Higginbotham, a mother of two, had been a foster mother in Flagstaff and recently moved to Tucson. She also will take in infants through the Arizona Children's Home Association.

"I never thought I would retire," Mrs. Hartman said. "But things do have a way of working out. Nancy was already an infant foster parent in Flagstaff. When she moved to Tucson, I knew I could retire."

Mrs. Hartman had high praise for the Arizona Children's Home Association, saying it does an excellent job of matching infants with adoptive parents.

She also had a little advice for mothers trying to decide whether to give their babies up for adoption. "Some people have a bad idea about foster parents, but we love babies and we take good care of them. If a girl can't take care of her baby, it's the right thing to do."

But of herself she said, "This has just been my life. I started babysitting when I was 11. There seems to be a need I have that nothing fills except a tiny baby."

DAVID WHIPPED GOLIATH

HON. TOMMY ROBINSON

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. ROBINSON. Mr. Speaker, last Friday on a snowy evening in Minneapolis I was fortunate enough to witness a miracle. Before nearly 30,000 fans David whipped Goliath. My alma mater, the University of Arkansas at Little Rock, in their first ever appearance in the NCAA tournament and their first ever game against a top 10 team, mustered all of their poise and talent to beat Notre Dame. I know that it was a disappointment to the Fighting Irish and the loyal fans of that great institution and sports powerhouse on the eve of St. Patrick's weekend, but it was a great day for UALR, the city of Little Rock, Coach Mike Newell, his team and our alums. Coach Newell, Paul Springer, Myron Jackson, Pete Myers, Michael Clarke, Paris McCurty, Ken Worthy, Reggie Smith, Curtis Kidd, assistant coaches Tom Brown, Robert Kirby, Jeff Dittman, Jim Calvin, Kevin Angelin and all of your support staff—I am very proud of you. Following is the account of the game as reported in the New York Times, Sunday, March 16, 1986:

[From the New York Times, Mar. 16, 1986]

NEWELL PUTS THE IRISH AWAY AND HIS SCHOOL ON THE MAP

(By Gerald Eskenazi)

MINNEAPOLIS, March 15.—They didn't even bring along their cheerleaders, but the chancellor is here, along with a few dozen fans and a basketball team named the University of Arkansas-Little Rock Trojans.

In their sudden spurt to the national scene, and in their very first appearance in the National Collegiate Athletic Association basketball tournament, they unseated nationally ranked Notre Dame by 90-83 on Friday night.

That propelled "Ualr" (as their warm-up jackets read) to the second round of the Midwest Regional on Sunday against North Carolina State, whose coach, Jim Valvano, says: "You don't like to play a team that has a hyphen. They're all 'cause' games. Those teams have a mission."

Indeed, the Trojans' coach, Mike Newell, concedes that the only reason he left as an assistant at powerful Oklahoma was because the new chancellor at Arkansas-Little Rock told him he wanted to put the school on the map.

"We had guys not going to class," Newell said. "I kicked four guys off the team. A lot of people roasted me for that."

His first season, 1984-85, produced a 17-13 record following a 14-15 mark. This season, the team is 22-10, winner 18 of its last 19 games, and 9 in a row, following a 4-9 start.

And, says Newell: "The average grades of our players now is 2.3. When I got here, it was something like a 0.8."

As Newell was talking this morning in a hotel coffee shop, Chancellor James ("Call me Jim") Young walked over to talk.

"I was telling Mike at halftime in the conference championship: 'I've taken you this far. The rest is up to you,' " Young said.

Young, who also has finished his second year at the school, laughed, but said, "We brought him in for the program."

The conference is called the Trans American Athletic Conference, and its schools are little known except regionally.

"If U-LR is ever to get known—it's sad but true—it'll be through the athletic department," said Newell.

He seemed hardly surprised by the victory over 10th-ranked Notre Dame, which had just finished its finest regular season in 12 years with a 23-5 mark. In fact, to hear Newell tell it, he has a team verging on a national powerhouse. It just needed a victory such as this to put it into the limelight.

"I was more concerned that we'd play a Louisville or an N.C. State because of their size and the talent of their athletes," he said. "Notre Dame is predictable. You can put a game plan together, and they're not going to vary."

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

But he also needed some coaching tricks. His team is not very tall—the taller guard is 6 foot 3 inches, his forwards are 6-6, the center is 6-7. The Trojans needed to halt David Rivers, the dervish-like whirler who makes Notre Dame go. The Trojans also had to avoid foul trouble against one of the country's top free-throw-shooting teams.

"We're a real good defensive team in man-to-man coverage," Newell said, "but I felt in this game if we went to man coverage early we'd put Notre Dame in foul situations."

The zone included double-teaming Rivers, forcing him to shoot from outside, a weakness.

"I looked at his field-goal stats and saw he was about a 44-percent shooter," Newell said, "which tells me he's not an outstanding outside shot."

But although Newell had prepared his club for pressure games, he could not have imagined that the players would do in such a situation.

Michael Clarke, a 38-percent free-throw shooter, hit a remarkable 11 of 14 free throws—78 percent. The team, which had shot 64 percent from the free-throw line during the season, converted 24 of 32 against the Irish, or 75 percent. In the second half, the Trojans hit 79 percent from the floor and kept even with taller Notre Dame in rebounds for the game.

Newell's philosophy is positive thinking.

"I want them to think of playing against big-time schools," he said. "The only way you can improve your program is by improving it. So I upgraded the teams we play against. The problem is, with a school like ours, the big schools don't like to come here. How would it look if they got beaten in Little Rock? So we have to play them on the road."

According to Newell, "No one bothered to recruit the kids I have."

Those recruits include three junior-college transfers from a school in Alabama, and a 6-9 player named Daron Hoges he is red-shirting.

"He'll be in the pros one day," said Newell. "He's from Macon, Georgia. I visited his home, it was on a redclay road. There weren't even any street signs. When I pulled up I saw him leaving the house with a bucket to feed the chickens. Inside he had one of those old-fashioned stoves that you lift the lid to put wood or coal in."

Newell is 34 years old, tanned and blond. He is fond of a baby-blue sports jacket, which is an anomaly here, where the temperature is in the 20's and the threat of snow always present.

Yet, there is nothing gee-whiz about his attitude. He believes he has a quality team.

"He can tell you he doesn't feel like an underdog," said Valvano. "But he knows what this means for his program nationally. We've been on network TV, and 20 years from now we still will be. But when I coached at Iona and we played Louisville in the Garden, it took me five years to get them into the Garden. So Newell might not say he's an underdog, but he's got a cause."

LIABILITY INSURANCE IN PERSPECTIVE

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. ARCHER. Mr. Speaker, all Members of Congress are hearing a rising tide of complaints about the cost and availability of liability insurance. It is a problem that will not go away and which will continue to grow unless it is put into perspective. The general public and elected officials have to realize how we have reached the point where businesses are closing or restricting their operations due to the cost of obtaining liability coverage.

A recent column by Andy Rooney does indeed put the liability insurance crisis into a perspective that should drive home to every American how we have arrived at the point where we find ourselves today. I commend it to the attention of my colleagues.

WE ALL PAY FOR THE FLIMSY ASSURANCE OF INSURANCE

(By Andy Rooney)

There's no such thing as living without taking some risks and if you take risks, the law of averages makes it certain that you'll lose every once in a while.

It's too bad we ever got the idea we could insure or assure ourselves against all bad things that might happen to us. The idea has created a legal monster for the court system and a financial monster of insurance payments for all of us. We refuse to accept the fact that some things happen to people for which there is no recourse. There is not money enough in the world to pay for all the sadness we suffer. There isn't gold enough in the ground to make everyone who has ever been permanently disabled feel better about it. And yet that's what judges and juries keep trying to do by handing out million-dollar liability judgments.

The insurance situation is out of hand. It's natural and popular to blame the insurance companies but it isn't usually their fault, it's our own. We have a disease that's become an epidemic called "litigiousness." The carriers of the disease are lawyers. There are a certain small group of lawyers who encourage people to sue any individual, company, institution or government that might conceivably be to blame for something that has happened to them.

Several months ago I bought a football helmet for a piece I was doing for television. I was shocked that the helmet cost $150.

Why was the helmet so expensive?

"About one third of that price," the manufacturer told me, "is for insurance premiums. There are lawyers who go to high school football games just to see kids get hurt. Then they go to the boy's parents and suggest that they have a case against the school or the makers of the equipment for negligence."

The lawyer doesn't charge the parents a fee, instead he takes as much as half of any winning judgment. His interest isn't justice, it's money.

Ladder companies are frequent targets for lawsuits. There is a small company that makes ladders on a road I travel frequently in the summer so I called and talked to the president. Who knows, I thought, maybe I can get rich. Three years ago I fell off a ladder when I did a really stupid thing that was totally my own fault. Maybe I can sue, I said to myself.

"Last year," the president told me, "we were sued by someone who fell off a ladder we made 35 years ago when my father was president of this company."

Ski resorts are charging $25 to $35 for a lift ticket for one day because their insurance costs them so much.

In Yellowstone National Park, people can no longer hike on a quarter of the good trails and they may remove all the bears from the park because someone who was attacked by a bear on one of those trails is suing for millions.

Doctors in the United States hardly dare practice some areas of medicine because of the cost of malpractice insurance and there are communities where a woman can't have a baby delivered because obstetricians have been forced out of business by the high price of malpractice insurance. Even lawyers and insurance companies have been put out of business by malpractice suits.

In hundreds of little towns, taxpayers are putting out more money this year for insurance premiums than they are for police and fire protection. There's something wrong there.

Jurors are handing out million-dollar judgments every day. Twelve people faced with the sad face of one life at least partially destroyed by an accident, usually vote in favor of the individual and against the impersonal company, city or institution. It's natural for compassionate people to do that.

The fact of the matter is, though, it is not the company, the city or the institution that is paying the million dollars. The victims are all of us.

BLACK BAGS ARE BACK

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. GEJDENSON. Mr. Speaker, churches which have given sanctuary to Latin Americans fleeing political persecution in El Salvador and Guatemala have recently been subject to a campaign of lawlessness and violence. Files and mailing lists from church offices have been stolen and informers have been placed in congregations around the Nation. The following article by Gerald Renner, a religion writer for the Hartford Courant, looks into this illegal campaign against sanctuary churches and at the Government's possible role in this effort to stop the sanctuary movement.

BLACK BAGS ARE BACK

Had Jamie Mock-Robbins not had a compulsion to keep up with current events while on his honeymoon last July in Yellowstone National Park, he would not have found in USA Today's state-by-state roundup that his Seattle church had been burglarized. The associate minister of the University Baptist Church later found out that the burglars had not take anything valuable, but instead had rifled through church files and mailing lists and had even gone through the unopened mail on his desk, especially, he said, those letters that were "related to sanctuary."

University Baptist was one of the early public sanctuaries giving refuge to people fleeing political persecution in El Salvador and Guatemala. The third floor of the church has been converted into apartments where eight Central Americans now live. Donovan Cook, another minister of the church, has been named a co-conspirator in the current Tucson sanctuary trial in which 11 people are being prosecuted on federal charges of conspiring to smuggle aliens into the United States illegally. One of the church's refugees, Elba Martinez, has also been named an unindicted co-conspirator.

The case of the University Baptist Church is not unusual. Similar instances of burglaries in sanctuary churches are being reported from sea to shining sea.

The Old Cambridge Baptist Church in Cambridge, Massachusetts, has been hit by a 13-month-long revolving-door series of five burglaries (the most recent on December 4). "Four or five offices are always the target," church administrator Peggy Smith says—offices used by organizations concerned with Central American issues. In only one instance, she added, has anything of value been taken: two answering machines and a camera.

Further south, in Louisville, Kentucky, on November 21, someone broke into the rectory of St. William Roman Catholic Church where James Flynn and five others live in a "Catholic peace community." "They left files on Central America all over the place," Father Flynn reports. "One rather sensitive letter on sanctuary that had been buried in the files was left in the middle of my desk. . . . They obviously wanted to let people know they had been there." Similar burglaries of churches—as well as of offices of lawyers and organizations working on behalf of Central Americans seeking asylum—have been reported in Philadelphia, Phoenix, Detroit, Guadalupe, Arizona, and Berkeley, California.

What is going on here? Who is reopening the "black bags" thought to have been shut tight after the scandal of FBI lawlessness during the civil rights and anti-Vietnam war movements? And what motivates the slopping burglars: a desire for information or the aim of harassment, or both?

Suspects range from government intelligence agencies to private right-wing vigilantes to the sanctuary workers themselves. In Cambridge, police blamed the unsolved break-ins on "street people."

Spokespeople for the FBI and the Immigration and Naturalization Service heatedly deny that their agents are involved. "For a federal agency to do that is illegal without a court order," Bill Carter, public affairs specialist at FBI headquarters in Washington, points out. Anyway, he says, the FBI "would not be involved in surreptitious entry to begin with" because the evidence gathered would be "tainted" and unusable.

Carter went on to note that the burglars did "very unprofessional jobs" and that if the FBI did make surreptitious entries, no one would know it. Reminded that the FBI once engaged in harrassment with its notorious "Cointelpro," he dismisses that parallel: "We live in a different world than we once did."

At the Immigration and Naturalization Service in Washington, Spokesman Duke Austin becomes almost combative at the suggestion that INS agents were responsible for the burglaries. "Any government agent doing that is jeopardizing his whole career," he says. "Let me suggest another scenario: they [the sanctuary workers] are doing it themselves, all over the country."

The INS is understandably touchy now that it is public knowledge that the agency has hired informers to infiltrate churches in search of undocumented aliens.

Accusing the INS of indiscriminate spying on churches, Phoenix lawyer Sara Baird says, "This has never before happened in American history . . . . I researched that thoroughly going back to the underground railroad." Ever at the height of the anti-Vietnam war movement, she contends, there were suspicions but no evidence that government agents joined churches as worshipers to spy.

Baird and her husband, Peter (also a lawyer), are representing the American Lutheran Church, the Presbyterian Church in the U.S.A., and four Arizona churches that recently filed suit against the federal government, alleging that indiscriminate spying by untrained informers violated constitutional guarantees of separation of church and state, freedom of religion, the right to privacy, protection against unwarranted searches and due process. They charge that the informers were turned loose on churches that were not suspected of any illegal activities and that were not part of the sanctuary movement.

Government use of informers lends credence to a theory that, though career government agents might not be involved directly in burglarizing churches, their informers could be. Jesus Cruz—the smuggler-turned-informer who is the key government witness in the Tucson trial—wasn't given to constitutional niceties.

One of the incidents cited by the churches in their suit against the government involved the Alzona Evangelical Lutheran Church in Phoenix. Pastor James Oines claims that government spying destroyed years of his mission work in the Spanish-speaking community. The church had served Lutherans of mostly northern European descent until the neighborhood changed and the church found itself in the middle of the barrio. Rather than closing the church down, the denomination supported Oines as he engaged in mission work. He started an adult Bible class in Spanish and, over time, 25 people began participating regularly. They focused on the Book of Exodus, with which, Oines says, the Hispanics could identify as they compared their sufferings with that of the ancient Hebrews wandering in the desert in search of the Promised Land.

Posing as a committed Christian, Cruz joined the Bible class in 1984. Over a ten-month period, Oines relates, Cruz befriended others in the class, sympathizing with them, giving them rides home. "He was a good actor," Oines says. Meanwhile, Cruz was secretly tape-recording everything. Then immigration agents swept up about a dozen people in the class as undocumented aliens and, presumably, deported them, Oines says. When Cruz's spying was revealed in pretrial depositions last spring, the rest of the Bible class stopped coming to the Alzona church.

To what extent is the government using spies—lawless types, perhaps, who think nothing of burglarizing places to earn their keep as informers—to infiltrate churches elsewhere? Leaders of the Old Cambridge Baptist Church believe they have proof that the FBI has planted a spy in their midst. They also suspect that the spying may be related in some way to the burglaries. In a letter dated November 11, 1985, the FBI declined to honor Freedom of Information request for its files on the church. Disclosure of the files, the FBI wrote Michael Rattner—an attorney with Center for Constitutional Rights, which has been keeping track of the burglaries—might "reveal the identity of an individual who has furnished information to the FBI under confidential circumstances."

WESTERN DOUBT, SOVIET CERTAINTY

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. COURTER. Mr. Speaker, in an address on "The Reagan Doctrine and U.S. Foreign Policy," Ambassador Jeane Kirkpatrick attributed a number of Soviet victories, and concomitant losses to the cause of freedom, to "the marriage of Western doubt and Soviet certainty." That is what we see today in Angola, where over $1 billion worth of new Communist military aid is buttressing some 40,000 foreign Communist troops and advisers and technical specialists in the MPLA's war against the Angolan resistance. America has yet to give any materiel but trucks to Jonas Savimbi and UNITA; more and better aid is now promised, and there are free people everywhere who look forward to its arrival.

Another marriage of Soviet certainty and Western doubt is visible in Nicaragua, where new shipments of military aid of all kinds to the government have been landed by Communist transports, and where the Sandinista armored forces have a new director in Brig. Gen. Nestor Lopez, a veteran of other Communist wars in Cuba, the Middle East, and Angola. Against these implements of Soviet certainty stand the anti-Communist Nicaraguans, victims of Western doubt, who have done without American military aid since June 1984.

It is my hope that when this House votes tomorrow, it will choose to allow the freedom-loving Nicaraguans to fight with more than inspiration. Let us give them the tools, and by themselves, they will finish the job.

Two articulate columns appeared in the press of today which I think my colleagues will find very worthy of their attention. In the Washington Post, Rowland Evans and Robert Novak describe what the transfer of General Lopez means about the war in Nicaragua, and indicates the international scope of that war. In the Wall Street Journal, the editors argue that deception—and self-deception—have been central to the refusal by some Americans to recognize all that is at stake in the conflict. The articles follow.

[From the Washington Post, Mar. 19, 1986]

ISRAEL AND THE CONTRAS

(Rowland Evans and Robert Novak)

The arrival in Nicaragua last week of a Cuban general who fought against Israel in the 1973 Yom Kippur War is the launching pad for a new political effort to win the contra-aid vote in Congress on grounds that a vote against the contras is a vote against Israel.

Brig. Gen. Nestor Lopez, the Soviet-trained Cuban commander who is just now making his debut in Nicaragua, commanded armored forces on the Syrian front against Israel and then stayed there for two more years. His move to Managua buttresses the administration's charge that a seamless web of left-wing forces now spans the globe, with the capability of pinpointing its power where and when needed.

According to that theory, Lopez's battle experience in one theater of operations after another shows the capability of moving non-Soviet communist forces led by Soviet-trained officers into combat almost anywhere. The troops that fight on the Honduran border today may return to the Israeli border tomorrow.

Republican supporters of anticommunist guerrillas in Nicaragua believe there is political advantage to be taken of this, particularly with many Democratic congressmen who vote consistently for aid to Israel but against the contras. Rep. Newt Gingrich plans to get a group of coleagues together for trips to New York, Chicago and Miami—all major centers of Jewish population—to deliver this message: a "no" vote on aid to the contras is a "yes" vote for the enemies of Israel who fought in the Yom Kippur War on the Arab side.

Lopez was one of them. Indeed, at age 44 he typifies the Cuban communist professional who has made his mark in three theaters of war. A youthful fighter against the Batista regime in Cuba, he was trained at armor school in the Soviet Union. When the ill-fated freedom fighters landed at the Bay of Pigs in the spring of 1961, Lopez commanded one of the first Fidel Castro units to meet them.

In 1973, he was sent to the Mideast in command of an armored regiment fighting with the Syrians against Israel along the Golan Heights, staying there throughout sporadic cleanup fighting that lasted into May 1974. All told, 3,000 Cubans were estimated to have been in Syria—including MiG and helicopter pilots.

According to The Economists's March 1978 Foreign Report, Cuban tank crews commanded by Lopez suffered 180 dead and 250 wounded in the Yom Kippur war. Less than a year later, in March 1975, the Cubans were dispatched to Angola to battle Jonas Savimbi's freedom fighters following Portugal's departure. Lopez was put in command of a Cuban armored division.

Thus, while Washington sends one of its veteran peace-seeking envoys, Ambassador Philip Habib, to Central America, Havana sends one of its outstanding combat veterans to Managua.

The Nicaraguan government's pleas for peace, echoed by Reagan critics in Washington, contrast with such warlike moves. Comandante Emmet Lang, the Nicaraguan air force commander in chief, is on a secret mission to Moscow seeking a favorable sign from the Soviets—such as the loan of MiG fighters, or perhaps the symbolic landing of a squadron of Bear bombers.

U.S. experts very much doubt the Sandinistas will get any such stakes-raising signal from the Soviets. But even without the Russians, internationalization of the communist struggle in Nicaragua is well along.

The globe-trotting Gen. Lopez shows what military analyst Edward N. Luttwak meant when he wrote that "the pieces are on the chessboard"—in the Middle East and elsewhere.

Tying Israel and the contras together politically is not all that easy. Formidable Democratic spokesmen in foreign affairs, including Rep. Mel Levine of California, chairman of the House Democratic task force on Central America, and Rep. Stephen J. Solarz of New York, a senior member of the House Foreign Affairs Committee, support Israel and oppose the contras with nearly equal passion.

Gingrich and his colleagues will try to convince them they will not be able to perform that feat with impunity much longer. Levine acknowledged to us that the apparent contradiction made him "uncomfortable." But he said "the tail should not wag the dog"—that giving Israel what it asks is not the same as supplying arms to the anti-Sandinista contras.

Gingrich will try to change that, raising the political cost of opposing the contras. The arrival in Managua of the Cuban general with his battle ribbons from the Syrian front helps his cause.

[From the Wall Street Journal, Mar. 19, 1986]

INTELLIGENCE FAILURE

Tomorrow the House will vote on President Reagan's request for military aid to the contras in Nicaragua. It will be a somber day whichever way the vote goes. The past few weeks' debate about Central America has unearthed a vast amount of ignorance and arrogance about how the world works and what Americans must do to defend themselves and their values.

A couple of weeks ago CIA Director William Casey said that Nicaragua's Sandinista government was waging a disinformation campaign aimed at the congressmen who would soon vote on contra aid. The White House said it would release a declassified version of the details.

From the Hill came the roar of congressmen outraged at the suggestion that they could be duped by a foreign government. Then the Washington Post sprang forward with a scoop: Mr. Casey's "disinformation campaign" was actually just some consultants to the Sandinistas proposing a publicity blitz with "language and tactics similar to those of many other legislative lobbying campaigns."

You get the clever message? The Sandinista campaign is a legitimate lobbying effort. It is the administration's attempt to discredit it that constitutes the deception. The White House decided not to release its information after all.

After a while, you grow numb. Last night, public television's documentary program "Frontline" scheduled a pre-vote film about the contras titled "Who's Running This War?" The production had so much political spin on it that it almost achieved orbit. In the film, contra leaders were Somocistas. The troops were bloodthirsty and ineffectual. Their U.S. supporters were bizarre right-wingers.

We have gotten used to this stuff, but recently there has been a fresh shock. As Michael Ledeen details nearby, Alvaro Baldizon is a former Sandinista official who defected and came to this country eight months ago. Before his defection he served as chief investigator to the minister of the interior, Tomas Borge. Mr. Baldizon says he investigated, among other things, international charges of human-rights abuse by the Sandinistas, to help the government answer them. He saw some of the innermost workings of the regime.

In the United States Mr. Baldizon has been telling his story. Each new question asked of him elicits more tales of murder, terror and deception. A couple of weeks ago Mr. Baldizon, answering one question, mentioned that he had direct knowledge of Sandinista soldiers disguising themselves as contras and committing atrocities in the contras' name. They were specially trained in East Germany. One group of them, said Mr. Baldizon, posed as counterrevolutionary peasants, killing Sandinista collaborators to prove their authenticity. They would join genuine contra bands, and in camp at night they would slit the throats of their new comrades-in-arms. The literature on communist military campaigns since World War II alludes to similar deceptions, but seldom has anyone come forth claiming firsthand knowledge of such events in progress. Yet Mr. Baldizon's revelations have hardly caused a ripple in the public debate.

Mr. Baldizon's charges could of course be spurious, even though some of his other claims, as Mr. Ledeen reports, have been checked against the findings of human-rights groups. He has named names, dates and places.

If his charges are true, the current debate about Nicaragua has been just a schoolchild's exercise, because the "facts" that people think they know have been manipulated with a deliberateness that we literally cannot imagine. No one has to believe Mr. Baldizon, but it is a remarkable phenomenon when, in the midst of a roaring debate, his charges are treated as if they were never made. This failing is part of a bigger one. Americans are truly innocent. There are some kinds of evil that we simply cannot believe, especially when disbelief is convenient for us.

We are used to open political debate. We hate clandestine manipulation because it robs us of the reliable information that makes open debate possible. When we are told that such manipulation exists, we desperately try to avoid knowing it, so that we will not have to face its complications.

It took a long time to convince people of the reality of the Holocaust. It took a long time for people to believe the horror of the Khmer Rouge. So far the United States has been lucky, and has made up for such failures of intelligence. But no one is lucky forever, and persisting in this self-satisfied ignorance could sooner or later be fatal.

FLOOD CONTROL PROJECT SUPPORTED

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. GAYDOS. Mr. Speaker, the Senate is expected to consider and pass, according to published reports, its version of a water resources development bill that includes authorization for the construction of a flood control project at Rowlesburg, WV.

This facility, if built, would control flooding along both the Cheat River in West Virginia and the Monongahela River in western Pennsylvania.

Ironically, the importance of this structure to the people who live and the communities which are located along the banks of these two rivers was underscored at the very time the House was passing its water resources development bill that deauthorized the Rowlesburg project.

That occurred during the first week of last November, when the Cheat and "Mon" Rivers were wreaking havoc in the worst flooding incident in decades. Several lives were lost, more than 2,800 families were severely impacted by the floodwaters, nearly 2,600 homes were destroyed or damaged, real property damage exceeded $36 million while the

economic loss has been calculated in excess of $21 million.

As a result of that tragic event, individuals and groups, private citizens as well as elected officials on the local, county, State, and Federal level, are urging the Congress to reauthorize the construction of the Rowlesburg flood control project.

We, in the House, will have that chance when conferees are named to work out a compromise between our version and the Senate's version of the water resources development bill.

At this point, Mr. Speaker, I would like to insert the text of a formal resolution recently adopted by the Westmoreland Conservation District in western Pennsylvania. I urge my colleagues to read it and, when the time comes, support our efforts to build a facility to protect the lives and properties of those citizens of Pennsylvania and West Virginia who live in the Monongahela River watershed.

RESOLUTION—ROWLESBURG LAKE PROJECT

Whereas, the Omnibus Flood Control Act was passed by the U.S. Congress in June 1936; and

Whereas, the United States Government adopted a federal policy with respect to the control of floods; and

Whereas, the U.S. Army Corps of Engineers has been delegated the responsibility for determing the need and construction of flood control projects for the purpose of reducing damage caused by flooding.

Whereas, Stonewall Jackson Lake and Rowlesburg Lake flood control projects were authorized by Congress following the devastating flood events along the Monongahela River in 1952, 1967, 1972, and 1979; and

Whereas, construction started on Stonewall Jackson in July of 1983 at a cost of 200 million dollars and is scheduled to be placed in operation in late 1986; and

Whereas, the Rowlesburg Lake project which would have provided two to three times as much flood protection as Stonewall Jackson Lake was estimated to cost 233 million in 1976 was dropped to an inactive status; and

Whereas, the flood that occurred on November 5, 1985 caused extensive damage and loss of life that devastated the communities of Rowlesburg and Albright in the state of West Virginia and the "Mon" River communities in Allegheny, Fayette, Green, Somerset, Washington, and Westmoreland counties in the Commonwealth of Pennsylvania; and

Whereas, several lives were lost, 2,822 families were severly impacted by the flooding, 2,594 homes were destroyed or damaged in the six Pennsylvania counties; and

Whereas, real property damage exceeded 36 million dollars in the region and the upper pool of the Monongahela River at Maxwell Lock and Dam was closed to shipping for 42 days (November 5, 1985–December 16, 1985) which accounted for an economic loss in excess of 21 million dollars.

Now, Therefore, be it Resolved, that the Directors of the Westmoreland Conservation District support West Virginia Governor Arch A. Moore's petition to have the status of the Rowlesburg Lake project located in the West Virginia section of the Monongahela River Watershed changed from the inactive to the active status. Said status change will permit the resumption of studies on the Rowlesburg Lake Project that could lead to it's construction.

Be it further Resolved, that the Directors of the Westmoreland Conservation District petitions the Congress of the United States to appropriate the necessary funds now estimated at 400 million dollars to construct the authorized Rowlesburg Lake Flood Protection Project. Said projects construction will substantially reduce flood damage and loss of life to the citizens of Pennsylvania and West Virginia who live in the Monongahela River Watershed. Said construction will also help protect and promote this vital industrial region that is now experiencing severe economic dislocation.

Be it further Resolved that copies of this Resolution be sent to U.S. Senators H. John Heinz and Arlen Specter and U.S. Congressmen John P. Murtha, Joseph M. Gaydos, Joseph P. Kolter and Governors Richard D. Thornburgh of Pennsylvania and Arch A. Moore, Jr. of West Virginia.

Adopted the 26th day of February, 1986 in Greensburg, Pennsylvania.

For the Westmoreland Conservation District Board of Directors

J. ROY HOUSTON,
Chairman for the Board of Directors.

WELCOME TO FOURTH DISTRICT CONGRESSIONAL STUDENT PROGRAM

HON. DAN COATS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. COATS. Mr. Speaker, it is my privilege to welcome the following members of the Fourth District Congressional Student Program from Indiana to Washington, DC, this week: Renee Atkison, Lakeland High School; Matthew Breman, Elmhust High School; Michelle Buckmaster, Jay County High School; Catherine Carey, Paul Harding High School; Mary Davis, Westview High School; Shelly Dohner, Central Noble High School; Jeffrey Dotterer, Bluffton High School; Lisa Eickhoff, Huntington North High School; Andrea Emberlin, Blackhawk Christian School; Melissa Evans, Grace Baptist School; Marti Gates, Columbia City Joint High School; Melissa Gehl, DeKalb High School; Christine Gulish, Whitko High School; Pamala Hamman, DeKalb Eastern High School; Amy Haugk, Bellmont High School; Holly Hoffman, South Adams High School; Krista Hull, East Noble High School; Joseph Jereb, Northrop High School; Matthew Johnson, Bishop Luers High School; Jana Kiess, Heritage High School; Tammy Kingery, Southern Wells High School; John Kiningham, Homestead High School; Scott Novak, Fremont High School; Michael Patterson, Snider High School; Karla Raines, Fort Wayne Christian School; Scott Rashley, Angola High School; Sheri Renkenberger, Churubusco High School; Tammy Renner, West Noble High School; Vincent Reyes, Wayne High School; Thomas Savage, Northside High School; Timothy Schmidt, Concordia Lutheran High School; Brian Schreck, Bishop Dwenger High School; Allen Schwartz, Leo Junior/Senior High School; Kacy Shafer, Garrett High School; Timothy Sheppard, South Side High School; Stephen Sink, Carroll High School; Julie Smith, Adams Central High School; Tom Stockwell, Prairie Heights Community High School; Nathan Streeter, Howe Military Academy; Kent Strock, Hamilton Community Schools; Leah Taylor, New Haven High School; Timothy Tuggle, Woodlan High School; Laura Waksman, Norwell High School; and special thanks to chaperones James and Marda Hofman of Huntington and Delain Wright of Fort Wayne.

Each year, every high school in my district has the option of selecting one student to participate in this program. A nonpartisan board of directors chooses the participant out of numerous applicants. I wish to congratulate these students and commend them on their enthusiasm. Throughout this week, they will have occasion to view the Government in action by observing many facets of the democratic process.

My special thanks to Senators RICHARD LUGAR and DAN QUAYLE and my colleagues BUDDY ROEMER, DALE KILDEE, MICKEY LELAND, JAN MEYERS, JACK FIELDS, and BUD HILLIS for taking time from their busy schedules to speak to these young people.

Mr. Speaker, I believe that the Congressional Student Program provides an excellent opportunity to these outstanding young men and women to explore Washington, DC, and learn more about how our Government works. They will be able to visit the historic sites in Washington as well as observe the people who serve our country. I hope that the participation in this week's program will one day encourage these students to become active in government and civic service.

Again, it is with delight that I welcome these very special Hoosiers to Washington.

OUR POSTAL SERVICE

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. GARCIA. Mr. Speaker, we have become so accustomed to the service provided by the U.S. Postal Service that too many times we take the service for granted. Moreover, the Postal Service is too often subject to undeserved criticisms. But every day there are thousands of postal employees who faithfully carry out their duties so that our Nation can run a little more smoothly.

I would like to take this opportunity to say that we should be proud of our Nation's Postal Service. Recently, the Washington Post conducted an informal survey on how long it takes for mail to be delivered from one place to another. The following is an article (Washington Post, March 18, 1986) which describes the survey and details how a letter is in fact delivered. I hope that this article can lead us to be more appreciative of the important service the Postal Service provides for all of us.

MAIL DELIVERY SCORES HIGH IN TEST

(By James Schwartz)

Once a letter is placed in a mailbox, it's in the care of the U.S. Postal Service, the gargantuan organization (765,666 employees, 39,327 post offices and stations) that last year confronted rain, heat and gloom of night to deliver 140 billion pieces of mail.

How effective are the U.S. mails? The Washington Post conducted an informal survey to answer this question, and the accompanying map illustrates the results.

Letters were deposited in local mailboxes at noon in mid-February in seven cities around the nation and sent to The Post in Washington. Letters were mailed simultaneously from the District of Columbia to the same seven cities. None of the letters was lost or damaged. All arrived within four days, despite the fact that February is second only to the weeks around Christmas as a high-volume mailing period.

In each case, both a typewritten and a handwritten envelope were mailed, to test whether handwritten mail moves more slowly through the heavily automated system.

For a piece of mail to get from here to there, it follows a route worthy of Rube Goldberg. According to George Conrad, public affairs officer for the Washington, D.C., Post Office, mail is collected by a postal collection driver or a dispatch driver and taken to a Management Sectional Center. There nonmetered mail is postmarked (or "canceled") and "faced," a procedure in which envelopes are placed in uniform position, with addresses right side up and stamps in the upper right-hand corner. Metered mail does not require cancellation.

From "postmarking," letters go to "sorting," where they are sorted by the first three numbers of their zip codes. Most mail then is processed by a Letter Sorting Machine (LSM), a $250,000 device boasting 12 consoles from which operators direct the flow of mail. Letters mailed with mechanically printed addresses pass the LSM and go directly to Optical Character Readers (OCRs), which actually read addresses and direct the mail to the correct zip code. Both machines process approximately 30,000 pieces of mail per hour.

The 15 percent to 20 percent of the mail that cannot be handled by OCRs or LSMs is sorted manually.

Sorted mail is dispatched to the Management Sectional Center at the destined zip code. Here the mail is sorted once more, this time according to address. It then is delivered by a local carrier.

Postal Service spokeman Lou Eberhardt said the U.S. system ranks among the world's best, but that comparison is difficult: "[Other systems] are basically delivering mail in what amounts to countries the size of one of our states. So that while the English and West German systems are very good, you have to be aware of the caveat: England is not as big as Texas."

SANDINISTAS AND THE JEWISH COMMUNITY

HON. VIN WEBER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. WEBER. Mr. Speaker, I would like to share with my colleagues a letter that I received from prominent Jewish leaders expressing strong support for the President's aid request to the Nicaraguan democratic resistance.

The list of signers includes not only members of the National Jewish Coalition, but also nationally well-known persons who are leaders in their communities.

We all know of the attacks on the Jewish community during the first years of Sandinista rule: The Firebombing of Managua's synagogue, the seizing of Jewish-owned property, the growing anti-Semitic print.

Yet, little attention has been given to the ties between the Sandinistas and the PLO's Yasir Arafat and Libya's Muammar Qadhafi. Libya has given $400 million in military aid to Nicaragua as well as assistance in the training of their political police. The cause of the PLO has been welcomed as the "cause of the Sandinistas." Managua has become a terrorist haven.

I urge my colleagues to give serious attention to this letter. The fight for freedom in Nicaragua is real. I believe it is apparent what side the Sandinistas have joined.

MARCH 18, 1986.

Hon. VIN WEBER,
U.S. House of Representatives,
Washington, DC.

DEAR MR. WEBER: We write to you as Americans concerned about the growing threat to U.S. strategic interests in Central America. Our concern is heightened by the increasing Soviet-supplied arsenal being accumulated by the Sandinista government of Nicaragua, and by the Sandinistas' willingness to export this weaponry to anti-democratic forces throughout Latin America.

We watched as the Sandinistas joined enemies of the West to provide a beachhead for the Soviet Union in Central America. We have also witnessed the Sandinistas' support for revolutionaries in Latin America and beyond.

We watched with dismay as Nicaragua's Jewish community suffered under Sandinista rule. In 1978, Sandinista gunmen firebombed Managua's synagogue. Individual Jews were hounded until, by 1981 they had fled the country, fearing for their lives. The anti-Semitism continued even after the Jews had left. Jewish-owned property was seized, and in July, 1982, the government-approved press referred to "synagogues of Satan" and resurrected the calumny that "the world's money, banking and finance are in the hands of descendants of Jews."

Prominent among the Sandinistas' allies are the PLO's Yasir Arafat and Libya's Muammar Qadhafi. In a 1980 speech, Interior Minister Tomas Borge praised the relationship between Nicaragua and the PLO, pledging that "the PLO cause is the cause of the Sandinistas." In addition, over the past four years, Libya has provided the Sandinistas with $400 million in aid, and now helps to train the Sandinistas' political police.

The anti-Semitism in Nicaragua is a reflection of the repression inherent in the Marxist-Leninist society the Sandinistas seek to establish. Furthermore, the Sandinistas' ties to Libya and the PLO exemplify the support that the Managua regime gives to the world's terrorist groups.

We cannot remain silent as Nicaragua denies human rights at home while attempting to undermine democracy abroad. Many victims of this government have taken up arms in the hope of wresting power from the Sandinistas and of establishing freedom and democracy where dictatorship now rules.

We support a negotiated settlement to this conflict. But we recognize that, at this time, unless the United States aids the democratic forces, the Sandinistas will continue to resist the establishment in Nicaragua of a pluralistic, democratic society. We therefore urge that, in the interests of freedom, democracy and our own security, you support the administration's request for aid to the anti-Sandinista resistence.

Sincerely,

Signed (in formation) [1]

Max M. Fisher, former chairman, United Jewish Appeal.

Morris Abram, attorney, New York, NY.

David Bar Illan, New York, NY.

Abel E. Berland, Chicago, Ill.

Julius Berman, former chairman, Conference of Presidents of Major Jewish Organizations.

Samuel H. Dresner, rabbi, Riverdale, NY.

Samuel Eisenstat, New York, NY.

Richard J. Fox, Philadelphia, PA.

Mendy Ganchrow, M.D., Monsey, NY.

Joshua O. Haberman, rabbi, Washington Hebrew Congregation, Washington, DC.

Hart Hasten, president, Herut Zionists of America.

George Klein. New York, NY.

William J. Lowenberg, San Francisco, CA.

Ivan Novick, chairman of the board, Zionist Organization of America.

Stanley Rabinowitz, rabbi, Adas Israel Congregation, Washington, DC.

Fritz A. Rothschild, rabbi, New York, NY.

Morris Sherer, rabbi, Agudath Israel of America, New York, NY.

Jack Stein, former chairman, Conference of Presidents of Major Jewish Organizations.

Gordon Zacks, Columbus, OH.

THROWING AWAY THE CLOCK

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. HAMMERSCHMIDT. Mr. Speaker, for those colleagues of mine who are growing older—cheer up. There is a more positive side—thanks to the observations and opinion of Suzanne Fields, a columnist for the Washington Times.

THROWING AWAY THE CLOCK

It's not a bad time to be growing older in. Our age isn't like the Age of Aquarius, when older people were stigmatized by the younger, simply for knowing more.

Poverty among the elderly is down. Political clout is up. The average life expectancy is on the increase and is now 74. The status of older people in the work place is higher, too.

Gray is good, and getting better.

A survey of employers in 400 corporations shows how experience, knowledge, and skills developed by older workers pay off in business. Worker over 50 get high evaluations in performance and productivity because they have a commitment to high quality.

Older employees are punctual, have good attendance rates, and are "cost-effective." Their higher salaries and benefits are offset by value produced, according to research conducted by Yankelovich, Skelly & White Inc. for the American Association of Retired Persons. Older workers are perceived as less flexible and less able to adapt to new technology, but most employers say that training can overcome these weaknesses.

[1] Organization and affilation listed for identification only.

Everyone who hopes to get old—and most do, given the alternative—has a vested interest in surveys like this. Its timing, however, also reflects major changes going on in our society. Since World War II, men and women over 50 have been a declining element in the work force. But, only a decade from now, the first of the baby boomers will enter their 50s, and older workers will begin to increase.

As the number of older workers grows, the number of young people going to work is declining, and soon there may be acute labor shortages in certain occupations. If older workers are to be encouraged to stay on the job, it helps to build trust in their competence now. And as baby boomers worry whether there will be enough left in the retirement funds to support their yuppie lifestyle, they can take some consolation in the fact that they can continue to work (to keep up the *old* BMW) if they want to.

In spite of contemporary aging research that rebuts the idea of an inevitable mental decline in older people, the '80s business climate has been characterized as "lean and mean," with corporations frequently offering older people financial incentives to bid a premature farewell to the gang around the water cooler. While many of these packages are "too good to refuse," some retirees quickly learn that all that lesiure time is a snare and a delusion. For a lot of people, retirement is the pits.

What we have now is a "New Realism" in business, say researchers who interviewed corporate employers to learn their attitudes toward older workers. Older workers can stay on the job, but they have to prove themselves to be up to the work, and they must carry their own weight, which means they must *perform.*

In the 1950s, the work contract was rooted in the Protestant work ethic, and employees were expected to sacrifice for the benefit of company. This is what Arthur Miller was railing against in *Death of a Salesman,* when Howard, the young boss, tells Wily Loman, 60, that he no longer has a job.

"I put 34 years into this firm, Howard, and now I can't pay my insurance! You can't eat the orange and throw the peel away—a man is not a piece of fruit."

To Howard, that's exactly what Willy was.

Then came the egalitarianism of the 1960s and 1970s, and the government and the company "owed" benefits to older employees. Perquisites and entitlements helped many people reduce the poverty that once was the inevitable companion of old age. Between 1959 and 1983, according to government figures, poverty among the aged dropped from 55 percent to 14.1 percent. This decrease in poverty was partly a result of the congressional formula for linking Social Security increases to inflation, which some economists say "overcompensated" for inflation.

"Congress stands with the elderly because the elderly stand in the polling places," says Rep. George Miller, Democrat of California.

But in the budget-cutting '80s the elderly have to fight harder to get what they believe they deserve. "Older employees hold the keys to their own destiny," say the researchers. Rewards in business are tied less to seniority than directly to performance in what is now characterized as a "reciprocal" arrangement. Older workers must become their own advocates.

In growing older, it helps to borrow attitudes and outlook from creative artists who have lived into their seventh, eighth, and ninth decades, and who cannot think of life without work.

Laurence Olivier played a memorable King Lear when he was 77, impersonating a man several years older then he was with the energy required of someone several years younger. Robert Penn Warren has been writing poetry, criticism, and fiction for 60 years, and at 80, still in the ink, he becomes our first poet laureate. Martha Graham, 91, no longer dances, but she choreographs dances and directs the dancers. Georgia O'Keeffe, who died last week at 98, worked to the end. When her sight failed, she stopped painting and began modeling in clay.

Keeping occupied and active, of course, keeps a person feeling younger. People who are written up in *Who's Who* live longer than people who aren't.

After Malcolm Cowley, the literary critic, who is 87, wrote a charming book called *The View From 80,* many readers demanded that he write a sequel, *The View from 90.* He may do it. He tells of a friend close to his age who lacks his sanguine attitude about the golden years. "The best part of your day is over," says his friend, "when the alarm clock rings."

So Mr. Cowley and Martha Graham and Robert Penn Warren threw away the clock. There's a lesson for us all there.

FUTURE OF THE DOMESTIC STEEL INDUSTRY

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. MURTHA. Mr. Speaker, in 1984, Congress devoted a considerable amount of its attention to the future of the domestic steel industry. Of particular concern was the plight of the thousands of dislocated steelworkers, and the International Trade Commission's finding that increased imports were a significant injury to the industry.

Congress overwhelmingly expressed its sentiment in the Steel Import Stabilization Act of 1984. Congress granted the authority for enforcing trade restrictions on imports, and tied that relief to increased modernization and worker retraining. Ways and Means Chairman DAN ROSTENKOWSKI was instrumental in this effort. Without his assistance, the steel industry today would be facing a floodtide of imports.

In its work to assure passage of the bill and compliance with its provisions, the Congressional Steel Caucus was greatly aided by Lynn Williams of the United Steelworkers of America.

Last week in testimony before the steel caucus, Commerce Secretary Baldrige acknowledged that without this steel program, imports today "would be through the roof." He agreed that Chairman ROSTENKOWSKI, Lynn Williams, and the steel caucus deserve credit for establishing the effort that has halted the trend of skyrocketing imports. Clearly, gains still need to be made; but the trend has been reversed.

At this point, I would like to submit into the RECORD the testimony of Secretary Baldrige.

STATEMENT OF MALCOLM BALDRIGE, SECRETARY OF COMMERCE, BEFORE THE CONGRESSIONAL STEEL CAUCUS EXECUTIVE COMMITTEE

Mr. Chairman and members of the Committee, thank you for allowing me this opportunity to meet with you today. We are pleased to report that the President's steel program is working. We have maintained from the outset that fourth quarter 1985 Census import data would begin to show the real effectiveness of the President's program.

Fourth quarter 1985 imports were the lowest since the program began. Imports from arrangement countries fell 23 percent from 1984. Fourth quarter import penetration dropped from 28.4 percent in 1984 to 22.7 percent in 1985.

1986 looks even more promising. January imports fell 19 percent from December 1985 and 34 percent from January 1985. Import penetration fell from 30.9 percent in January 1985 to 21.6 percent in January 1986. For the first nine weeks of this year, raw steel production rose 11 percent and capability utilization is up 9.1 percentage points.

The steel program has helped to create the necessary conditions for the domestic industry to begin to recapture market share and regain international price competitiveness. It is crucial that our industry continue to move ahead because steel is our nation's basic metal. Its future affects not only steelworkers and their communities, but each of us here today as well. The construction, automotive, oil and gas, machinery, and capital goods industries are only a few of the key sectors of our economy that look to a healthy and competitive steel industry as being a critical determinant of their own competitiveness.

For these and other reasons, the Administration is firmly committed to the vigorous enforcement of the bilateral steel export restraint arrangements, which are a central part of the President's overall program. These arrangements provide the domestic industry with relief from unfair surges in steel imports, while avoiding the economic costs associated with traditional quota systems.

We now have arrangements with 17 countries plus an extended and expanded version of our 1982 arrangements with the EC. With the conclusion of the December exchange of letters on finished EC steel products and the imposition of quotas on semi-finished products, we now have brought all EC steel imports under control.

Each of the 18 arrangements was carefully designed to accommodate the commercial needs of U.S. and foreign businesses, while ensuring full compliance with the terms and levels of restraint agreed upon. A double check enforcement mechanism is built into each arrangement to provide fail-safe control over steel imported into the United States. Arrangement country exporters must have a license to export, and their shipments must be accompanied by a valid, original export certificate to be entered for comsumption into a U.S. Foreign Trade Zone or U.S. Customs Territory.

We work closely with the U.S. Customs Service to ensure that every ton is accounted for in our records, and that not one ounce of steel that needs a certificate enters the United States without one. As an added precaution, we examine each transaction through the chain of producer, seller, importer, and U.S. buyer to detect transshipments through non-arrangement countries.

Any information that suggests the possibility of fraudulent activity is immediately turned over to U.S. Customs for investigation. We also notify the respective foreign government so it can take the appropriate action. To date, we have found very few cases.

Import penetration levels in the first full year of the program were above the President's announced goal because the arrangements were not designed in a way that would yield quick results in our official statistics. Although the President's program technically began on October 1, 1984, staggered export licensing deadlines and transportation and reporting time lags explain much of the delay in 1985's import declines. Import figures for the first half of 1985 included tonnage actually imported before the President's program took effect, and licensing for many countries began.

In announcing the steel program, the President indicated that it was the Administration's hope that the program would lead to import penetration levels of 18.5 percent for finished steel. However, the President's program is not global quotas, and the 18.5 percent market share figure for finished steel is not a guarantee. Instead, this figure represented an estimate of likely import levels when the program was fully implemented.

To the extent that negotiated market share levels exceed the original estimates set forth in the President's program, the U.S. industry was fully aware of the terms of each arrangement. No arrangement could be concluded until the U.S. industry agreed to withdraw all AD and CVD cases and orders against the country.

Now that the arrangements are in place, we will see further declines in steel imports. Import levels in 1986 will decrease because excess, pre-licensed shipments from arrangement countries during the October 1984 to December 1985 period will be deducted from 1986 export ceilings. The EC will also be lower in 1986, as the new arrangement and semis import quotas take full effect.

As the overall trends improve, we also are taking steps to ensure that foreign governments adhere strictly to any special terms or provisions contained in their arrangements. Each arrangement provides for the creation of new product categories if the product mix of exports shifts within an existing category, significantly exceeding preagreed levels. The domestic industry has applauded the results gained through our tough stance in recent consultations with Japan, Korea, and Brazil concerning this provision.

Japan agreed to break our four new subcategories, including electrical sheet and strip, a major concern of the domestic industry. Each new sub-category has a specific export ceiling, effective as of January 1, 1986. Japan will also reduce exports in four other sensitive product areas. These products will be immediately broken out as separate sub-categories if exports exceed agreed benchmark levels.

As a result of our talks with Korea, we concluded a memorandum of understanding concerning standard pipe. Korea agreed to cut its standard pipe exports to historical levels, 38 percent below the peak third quarter 1985 rate. If Korean standard pipe exports exceed this amount, a separate subcategory will automatically be broken out immediately.

Brazil has agreed to break out electrical sheet and strip as a sub-category, with an export ceiling equal to 3 percent of the Other Sheet and Strip category's ceiling. This level is an 83 percent decrease from 1985 imports of electrical sheet and strip from Brazil. Other products in which shifts may be developing are being addressed in consultations with Brazil this week.

Beyond enforcing the explicit terms of each arrangment, we are always on the lookout for transshipments and other activities that are intended to circumvent the program and its overall goals. We recently sent letters to all signatory countries advising them of our intention to enforce the terms and objectives of the arrangements with respect to third country processing of steel from arrangement countries destined for consumption in the United States. These letters put countries on notice that we will not stand by and see the objectives of the President's steel program thwarted.

The President's program is a success. It already has shown its effectiveness in reducing import levels. However, its continued success rests upon the cooperation and effort of all parties involved. It is essential that the U.S. industry use the remaining years of the program to restructure, modernize, and adjust to the new landscape of global steel trade.

The industry is making important strides to reduce overcapacity, cut costs, and raise productivity. Operating costs per ton have fallen 17 percent since 1982. Over the same period, employment costs have been reduced by 35 percent and have dropped from a third of total operating costs to a quarter. U.S. steel workers are now among the most productive in the world. Man-hours per ton of steel shipped fell 20 percent from an average of 5.5 in 1982-1984 to 4.4 in the first eleven months of 1985.

Continued efforts along these lines will have to be made, and the steel trade arrangements are helping to create the necessary conditions for the industry to move ahead. Demand for flat rolled products has been strong, bringing with it some strengthening in prices. In the week ending February 15, incoming orders for flat rolled steel were equivalent to 98 percent of the industry's capacity, and recent reports show that flat rolled steel prices for second quarter delivery are now up about 8 percent from late 1985 levels. The industry's overall operating rate through the first nine weeks of this year was 70.5 percent, compared to 61.4 percent for the same weeks last year. Raw steel production rose from 13.6 million tons for these weeks in 1985 to 15.1 million tons this year.

Steady progress is being made but we are not out of the woods yet. As the President's program continues, this Administration will ensure that the industry has a full and fair opportunity to regain its competitive footing.

THE "NO-CARE ZONE"

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. GEJDENSON. Mr. Speaker, I would like to call my colleagues attention to an article that appeared in the medicine section of Time magazine for March 24. The story, about the premature discharge of Medicare patients, is illustrated with a drawing of an elderly man in a hospital bed staring anxiously at a parking meter beside his bed. There is very little time left on the meter.

This is not the first time I have seen this frightening image used to portray the impact the Medicare DRG system has had on hospital care for senior citizens. We must enact comprehensive reform to assure quality care for the Nation's senior citizens.

As a first step, I introduced H.R. 4275, the Medicare Discharge Appeals Opportunity Act, on February 27. This bill will require peer review organizations to complete a discharge review before the 48-hour grace period on Medicare coverage expires. At present, few appeals are filed because the PRO's may take up to 3 working days to process them and the patient is responsible for the additional hospital charges if the appeal is denied. Strengthening the right to appeal will help protect those who might otherwise be discharged although they remain acutely ill. I am pleased that 19 of my colleagues have joined me in support of H.R. 4275.

More comprehensive legislation will be needed to assure suitable care for those who can safely be discharged from the hospital but need nursing home or home care. Congress must begin now to eliminate the "No-Care Zone" described in this article.

The article follows:

WELCOME TO THE "NO-CARE ZONE"—AFTER REFORM, CONCERN ABOUT NEW KINDS OF MEDICARE ABUSE

(By Claudia Wallis)

In Washington, a doctor is summoned from his dinner by a hospital nurse who tells him that one of his patients, a 72-year-old woman suffering from respiratory failure, has exhausted her allotment of Medicare funding. The further cost of her care must come out of the hospital's own pocket, says the nurse. Could he discharge the woman that evening?

In Knoxville, a 70-year-old woman with diabetes, gallstones and signs of congestive heart failure decides after a week in the hospital not to have gallbladder surgery. The hospital insists that she be sent home, despite her frail condition. "It was a mistake," says Dr. Bergein Overholt. "Within twelve hours she was back in the hospital in a prestroke condition. It was touch and go to save her."

At hospitals across the U.S., similar tales of callous and even life-threatening treatment apparently stemming from changes in the Medicare system seem to be cropping up with disturbing frequency. To concerned doctors and health-care groups, they reflect a growing gap in the American health-care system. Carroll Estes, director of the Institute for Health and Aging at the University of California, San Francisco, calls it the "no-care zone."

In January, Estes' institute released the results of a three-year study concluding that Medicare patients are being released "sicker and quicker" from the nation's hospitals. The study, which examined medical care in 32 communities in eight states, found that the newly ousted patients, still in need of treatment, often have nowhere else to turn for help.

The problem began three years ago, after a major reform of Medicare. Under its earlier provisions, the plan, which covers the health-care costs of citizens who are over age 65 or disabled, paid for all "reasonable" hospital expenses. By the late '70s, however,

this blank-check approach had led to a dizzying 17% annual increase in Medicare's hospitalization costs and warnings that the system would be bankrupt by 1990.

To forestall disaster, the rules were changed in 1983. A patient's ailment is now assigned to one of 470 diagnosis-related groups, which categorize treatment for everything from appendicitis to viral meningitis. Each DRG carries a fixed reimbursement rate based on the cost of treating the average patient. If a hospital can treat a patient for less than the DRG rate, it can keep the change; if the patient's care exceeds the ceiling, the hospital absorbs the loss. In theory, hospitals will lose money on complicated cases and save on simpler ones, and Medicare costs will be brought under control.

In financial terms, the DRG system appears to be working. It has helped limit the annual increase in hospital costs to 5% and reduced the average hospital stay for Medicare patients from 9.5 days in 1983 to 7.5 days last year. Many private insurers have introduced DRG systems of their own. Says Jack Owen, executive vice president of the American Hospital Association: "The DRGs have created efficiency and economy."

But they have had a less salutary effect on many patients. The Washington-based American Association of Retired Persons has received hundreds of letters from patients who claim they were kicked out of hospitals prematurely. "Some still had high temperatures, draining wounds, and were feeling terrible." says Barbara Herzog, director of AARP's health-care campaign. "Many had no one to care for them properly at home and could not get admission into a nursing home."

A study last year by the U.S. Senate Special Committee on Aging uncovered other problems. The committee found that some hospitals post lists of "bad doctors," who allow hospitalized patients to exceed the DRG ceiling, and of "good doctors," who boost hospital profits by discharging their patients quickly. Physicians reported they were under pressure not to admit complicated cases that might prove costly to treat. And, at seven hospitals operated by the Paracelsus Health Care Corp. of Pasadena, Calif., doctors receive bonuses if costs are kept within DRG range. This practice is now under federal investigation.

Health and Human Services Secretary Otis Bowen insists that Medicare beneficiaries "continue to receive the best-quality care available." While HHS has received 4,700 complaints about Medicare abuse related to DRGs, he says, there is no evidence of "any systematic increase in premature discharges." Nonetheless, Bowen last month announced that upon admission to a hospital, Medicare patients will soon receive a statement explaining their rights, including the right to appeal a discharge decision.

Even critics of Medicare policies concede that it often makes sense to release patients from $300-a-day hospitals and transfer them to $65-a-day nursing homes or even less costly home care. But, says Dr. T. Reginald Harris, president of the American Society of Internal Medicine, these cheaper alternatives are not always available, and Medicare skimps on paying for them. Meanwhile, he notes, hospitals say, "It's not our problem."

Republican Senator John Heinz of Pennsylvania is planning to introduce a bill in Congress that would compel hospitals to arrange suitable follow-up care for discharged patients and make local Medicare watchdog agencies responsible for supervising such arrangements. A report to be released later this month by Harvard's Center for Health Policy and Management proposes a more radical solution: revising the Medicare system so it pays for extended nursing-home stays, home care and other outpatient care. Such reform, which could cost $50 billion a year, seems unlikely to win congressional favor in an era of cost cutting. But until something is done to meet the needs of patients evicted from their hospital beds, large numbers will continue to fall into the perious no-care zone.

THE AMERICAN JEWISH CONGRESS OPPOSES AID TO NICARAGUA

HON. ROBERT J. MRAZEK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. MRAZEK. Mr. Speaker, at this critical juncture in our Nation's policy toward our neighbors in Central America, it is of utmost importance that the views of our constituents be made clear. I welcome the opportunity to apprise my colleagues of a decision made by the American Jewish Congress, one of the leading Jewish organizations in the United States, to oppose the President's policy toward Nicaragua.

This week, the American Jewish Congress almost unanimously adopted the following resolution condemning the current Contra aid package and the policy approach of this administration toward Nicaragua:

AMERICAN JEWISH CONGRESS 1986 BIENNIAL CONVENTION

Draft resolution: Contras in Nicaragua.

Submitted by: Resolutions committee.

We urge the administration and the Congress to bring an immediate end to our undeclared war against the Government of Nicaragua and to cease supplying money, arms, munitions and political legitimacy to the Contras. Instead, the United States must seek a peaceful political solution to the conflict. It must seek a negotiated solution, preferably through the Contradora process. The United States, and all parties to the conflict, must make a permanent commitment to democratic principles, civil liberties, economic reform and social justice.

TAX REFORM PROPOSALS

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. DUNCAN. Mr. Speaker, as we have been reading, hearing and learning more about the tax reform proposals that are being advanced in the other body by the chairman of the Finance Committee, I find that I have a growing concern about what appears to be the centerpiece of the package that is now under consideration. If I am correct in my understanding, legislation is being suggested to deny businesses the right to deduct Federal excise taxes collected for and paid to the Federal Government. This is a totally new concept and a departure from our traditional and well established principles of our system of taxing income.

Such a proposal ignores the basic tenet of tax policy, that the income tax is levied on net income only, not on the cost of goods sold or other operating expenses. Excise taxes have been deductible because these taxes collected by businesses are not the property or income of the taxpayer-collector. To regard the excise taxes paid to a collector as income to the collector would be to impose a tax on a tax.

That such a proposal would be seriously considered causes me great concern. To say that the excise tax payments are not deductible is to increase income subject to tax and this simply is not fair. I say again, it is a tax on a tax. It's just that simple. This can only have serious economic and employment impact throughout the country. It's bound to increase the price of all consumer goods that are already burdened by excise taxes, and we all know that increases in the costs of consumer goods generally cause inflation.

This is not tax reform and I can not accept such a concept. I have so advised the chairman of the Committee on Finance and I want the people in the Second District of Tennessee to know that this is not my concept of tax reform and that whenever I have the opportunity I will be opposing it.

NEW HORIZONS FOR AMERICA'S YOUTH

HON. DANIEL K. AKAKA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. AKAKA. Mr. Speaker, I would like to share with my colleagues a speech prepared by one of my constituents, Douglas Kiang. This fine speech was the winning entry from the State of Hawaii in the Veterans of Foreign Wars [VFW] Voice of Democracy Scholarship Program.

The VFW has sponsored the Voice of Democracy Program since 1961. During the past 24 years, over 5 million students have participated in this worthwhile program and more than $3 million in awards have been presented to deserving students. This past year alone saw more than one-quarter million students participating from over 8,000 schools. I commend the VFW for conducting the Voice of Democracy Program and helping students extend their education through this scholarship program.

I am especially proud that the VFW has chosen a resident of the Second Congressional District as Hawaii's winning entry this year. I am certain you will agree that Douglas Kiang's speech is an excellent representation of this year's theme, "New Horizons for America's Youth":

NEW HORIZONS FOR AMERICA'S YOUTH

Centuries ago, it was believed that the world was flat; that the world ended at the horizon, or the point beyond which the eye could see no further. Once a ship reached that point, it would fall off the edge of the world and everyone aboard would perish a

fiery death at the hands of unknown demons and monsters.

It wasn't until the late 1400's that a sailor named Christopher Columbus sailed over the horizon and made the discovery that there was no impassable barrier beyond the horizon, but instead, an infinite number of horizons beyond the horizon, as many as far as he wished to said to reach the next one.

The courage and the imagination required for Columbus to look beyond the horizon and venture past it could only have been found within himself—for nowhere but within himself could he have found the creativity and the imagination to venture past the limits of his sight.

Similarly, I too have begun to realize that there exists a multitude of New Horizons for America's youth, and that the key to those shining lands of success has been placed within our grasp—as the freedom of imagination.

As Columbus realized five hundred years ago, many times people are limited by what their eyes can or cannot see. It takes a person with imagination to realize that there often lie unexplored worlds far beyond the evident horizon; what the eye can see is very seldom "all that there is".

The same holds true for you and I, America's youth; our country offers not one, but an infinite number of horizons to each of us; an infinite number of goals to be set, and achieved. Our nation not only provides us with these horizons in the form of opportunities, but it also gives us the freedom to realize our own horizons.

This freedom of imagination is indeed one of the greatest freedoms we have. We Americans are free to look in any direction to find new horizons for ourselves to achieve—we can look in the directions of space, or medicine, or bio-technology, or anywhere else we choose to set our sights. All of these offer horizons that we have been given the opportunity to see, vast opportunities, limited only as much as we allow ourselves to limit them, and this is why this freedom is so important to us. For without it, our horizons would lie along one straight and narrow path, offering us only a flat world of limited goals.

However, as today's youth of America, we must ask ourselves what our horizons are. What are our goals? Where do we want to go? What is our idea of personal success? As America's youth we must take full advantage of the freedom that our country has to offer and decide for ourselves where our personal horizons lie and set sail for them, never taking our eyes off our goal. We must also decide what we will do once that goal has been reached. Will we simply fall off the edge of the world and disappear? Or will we instead cast our eyes far out to the next, distant horizon and triumphantly sail on?

Indeed, new horizons for America's youth depends upon us, the individuals. Just about anyone can establish a horizon and sail toward it, but the true test of the individual comes after that first step over the unknown. It has been said that with great freedom comes great responsibility. It is not only our prerogative, but our responsibility to keep pushing our horizons further and further out, constantly increasing our boundaries.

With the incredibly vast ocean that we, as todays youth now find ourselves afloat in, we must set goals for ourselves and keep sailing toward new horizons or risk falling prey to the monsters of stagnation lurking just below the surface of that cool, blue water.

It would seem now that, afloat on the ocean of opportunity, America's youth's only problem may lie in simply deciding in which direction to sail. But, once that goal has been established, you and I will be well on our way towards fully realizing the freedom and opportunities we, as the Youth of America, have been given.

DR. MARTIN LUTHER KING, JR.

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. RODINO. Mr. Speaker, this past January our Nation celebrated the life and work of a great American, Dr. Martin Luther King, Jr. Americans across the country honored Dr. King's memory in many ways—elementary schoolchildren set aside special days to study the meaning of his legacy, blacks and whites joined hands in parades and marches commemorating a turbulent period of growth, civil rights leaders rededicated themselves to resisting the Reagan administration's efforts to turn back the clock on affirmative action and other hard-won social justice gains.

I am especially proud of the efforts made by the staff of the Orange Public Library to ensure that Dr. King's great legacy is passed on to and carried on by our Nation's youth. Thanks to the hard work of Mr. E. David Grice, director of young adult services, and Marvin Scilken, director of the library, Dr. King's message of brotherhood and racial justice will not fade away with the passage of time, but instead will continue to live on in the thoughts and deeds of countless young people he continues to inspire.

As part of Dr. King's birthday celebration, Mr. Grice and Mr Scilken sponsored the Orange Public Library Martin Luther King, Jr., Essay Contest. The contest entrants were asked to write about Dr. King's life and ideals. Ms. Esther Witted, of Orange High School, won the first place prize. Ms. Razon Johnson, of Orange Middle School, won second place honors. Ms. Yolanda Pray, of Orange High School, won third place honors.

Mr. Speaker, I am proud to commend to you the following first prize essay written by Ms. Witted, and I join Ms. Witted, her fellow students and the Orange Public Library staff in paying tribute to Dr. King and his dream and in looking forward to the day when his dream will become a reality for all Americans.

DR. MARTIN LUTHER KING, JR.

Dr. Martin Luther King Jr. was born January 15, 1929 in Atlanta, Georgia.

King graduated from Morehouse College and completed advanced studies at Crover Theological Seminary and Boston University. His father and his mother's father were Baptist ministers and he was ordained a minister in 1947. King became the pastor of the Dexter Avenue Baptist Church in Montgomery in 1954.

Coretta Scott of Marion, Alabama became his wife in 1953.

Throughout King's life he received many awards and one of them was the Nobel Peace Prize. He received if for leading the negro struggle for equality through nonviolent demonstrations in 1964. As time progressed, King did many other things such as the famous March on Washington. More than 200,000 people marched from the Washington Monument to the Lincoln Memorial.

I am a teenager who wants to look up to Dr. Martin Luther King Jr. I describe him as a person who had a dream and carried it out until he was killed. One day he said, "I have a dream," and he not only said it, he lived it. He was not ashamed of his color, his family or how much he had. He didn't care who looked him up and down when he walked down the street. King never put himself down and he never thought he was better than anyone else. I will always appreciate the things Dr. Martin Luther King did and I will never let anyone tell me that he was just a black man with a dream. He was a black man who tried his best to fulfill his dream. If Dr. Martin Luther King Jr. could have a dream then I, Esther Whitted, can have a dream also. A dream of peace, love and equality for everyone. I will always remember Dr. Martin Luther King Jr.

RESEARCH MEDICAL CENTER CELEBRATES ITS CENTENNIAL

HON. ALAN WHEAT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. WHEAT. Mr. Speaker, at Research Medical Center, located in Kansas City for 100 years, the changes in medical technology, machinery, and even in its buildings have been astounding. One thing at Research, however, has not changed in the last century: the unequaled commitment and unsurpassed dedication to patient service.

In 1886, a group of prosperous business leaders of German descent organized to create the German Hospital. In 1981, the hospital's name was changed to Research Hospital because of anti-German sentiment aroused in World War I. Started in a frame residence at 23d and Holmes Street, Research Hospital began operating with minimal resources and an inventory that included a stable, two cows, and a tent.

Today, the Research Health Services System encompasses a complex, multimillion-dollar industry. Its resources span two States, including hospitals, occupational health clinics, a psychiatric center and a variety of other facilities and services.

Research Medical Center's century of serving the ill in Kansas City has been marked by a tradition of service and growth. Even in the early 1900's, Research was a pioneer in providing quality health care. In 1911, the hospital boasted the first obstetrics department in a private Kansas City hospital. Two years later, Research was among the first hospitals to have a radiology department.

By 1936, Research Hospital occupied seven buildings, including a diagnostic clinic. But the post-World War II population boom made the hospital's accommodations inadequate. Robert E. Adams, who administered the hospital for 28 years until his retirement in 1981, spearheaded a difficult 10-year effort to build a new hospital.

Groundbreaking began in 1955 for the $12.5 million hospital, but it took 8 long years

before the new building was finished at Meyer Boulevard and Prospect. Many believe Mr. Adams has made the greatest contribution to the development of Research Medical Center in the last 100 years. He brought a new dimension to Research by moving the administration and the leadership of the hospital from the board room to the office of the executive director. He emphasized a new style of hospital discipline and management organization, exemplified by a commitment to excellence in the delivery of health care.

The spirit of excellence continues today. In 1979, physicians at Research begin making high-tech house calls to rural hospitals in Missouri and Kansas. Today, the Research physicians make available their expertise and specialized techniques at 35 smaller hospitals and countless nursing homes, doctor's offices, and schools and businesses in rural areas.

Mr. Speaker, the last 100 years at Research has been marked by expansion, growth and a commitment to the delivery of quality care at the lowest possible cost. It truly has been a century of caring.

NINETY PERCENT OF THE PEOPLE IN CENTRAL AMERICA DO NOT SUPPORT U.S. POLICY

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. BARNES. Mr. Speaker, we keep hearing from the administration that although none of the governments in Central America are willing to state publicly that they support our policy, 90 percent of the people in the region have said in response to a poll that they support U.S. policy. That is simply not true.

The administration quotes a poll conducted last summer by a Gallup affiliate in Costa Rica. I have been unable to find any questions in the poll on whether or not people supported U.S. policy. The participants were asked what general opinion they had of the United States and of several other countries. On the average, over 90 percent of the people polled had a very favorable or somewhat favorable opinion of the United States. That is very different than saying that 90 percent of the people support U.S. policy.

The participants were also asked whether or not they support "assistance to the Contras" and 69 percent of the Costa Ricans polled said yes. But as was argued in an NPR report from Costa Rica yesterday, one needs to put this in the right context: when the poll was conducted last summer, the only assistance provided to the Contras was humanitarian assistance, and therefore, the answers relate to humanitarian assistance and not to the current request. Furthermore, the poll was taken after a border incident that resulted in the death of two Costa Rican civil guardsmen when the anti-Sandinista feeling in the country was very high.

Mr. Speaker, we know now that the administration also has in its possession a more recent poll conducted last November which shows that in answer to the same question, only 39 percent of the people polled said that they support assistance to the Contras. Unfortunately, the administration has refused to make this document available to the public and the press.

This misleading use of data and the selective release of only certain polling information demonstrates that the administration is becoming desperate. It simply cannot name a single country that supports our Contra policy nor can it demonstrate any popular support in Central America.

Mr. Speaker, the administration is clearly alone on this one.

AFFIRMATIVE ACTION

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, March 19, 1986, into the CONGRESSIONAL RECORD:

AFFIRMATIVE ACTION

The national debate over the use of racial preference to combat discrimination against minorities has reached a watershed. The Supreme Court will soon decide three major cases involving affirmative action plans, and the Reagan administration is locked in an internal debate over a proposal to eliminate a twenty-year old rule requiring federal contractors to set goals and timetables for hiring minorities. The outcome of this debate, and the court cases, could permanently reshape affirmative action.

For two decades affirmative action has been used to provide equal opportunities for minorities excluded from the workforce because of discrimination. Under affirmative action, employers may not discriminate against any employee or job applicant because of race, sex, religion, or national origin and must take "affirmative actions" to assure that minorities and women are treated fairly. Until recently, Congress, the courts, and presidents supported the use of affirmative action to help minorities in hiring and advancement. It is generally agreed that these programs have brightened the employment picture for minorities. For example, between 1967 and 1983, minority employment in the general workforce grew from 12 percent to 19 percent.

Affirmative action has always been a difficult concept, partly because it is so difficult to apply. The web of judicial decisions on affirmative action is intricate and confusing. Courts do not want to cure discrimination with more discrimination, but neither do they want to undermine affirmative action programs. Although the Supreme Court has ruled illegal the use of rigid quotas, neither the Court nor federal law forbids affirmative action plans that include race among the factors considered. Affirmative action plans appears in many different circumstances, and the lawfulness of a plan often depends on the specifics of the case. The outcome of the cases now in court may clarify the law and define the limits of affirmative action.

Opponents of affirmative action claim that goals and timetables, while meant to be flexible, have in practice become rigid quotas. In their view, quotas and goals help neither minorities nor women in low-salary jobs, they unnecessarily burden employers with paperwork, give minorities and women preferential treatment at the expense of white men, and create new (or reverse) discrimination. They claim that affirmative action stigmatizes those it hopes to aid and undermines their self-respect by suggesting that they cannot succeed without government help. Further, they see job discrimination as a less significant cause of poverty among minorities than other factors: family disintegration, teenage pregnancy, drug addiction, poor nutrition, and inadequate schooling. Also, they argue that affirmative action is unnecessary because the battle for equal opportunities has been won and that discrimination can be fought on a case-by-case basis.

To supporters of affirmative action, these attacks threaten two decades of slow and often painful progress for the employment of minorities. To them, these attacks indicate that the federal government is no longer interested in equity in the work place. They point out that the use of quotas in affirmative action programs has always been illegal, but that goals and timetables have provided a way of measuring progress toward equal opportunity and have helped integrate minorities and women into American life. Without goals and timetables, these groups will continue to lose jobs to less-qualified whites. Although a color-blind society is a worthy goal, it is far from a reality. They also argue that affirmative action works, that many local governments and businesses favor it, and that it strengthens our economy and competitiveness by bringing new sources of talent and creativity into the workforce.

Most of us believe discrimination on the basis of race or sex is wrong, and we favor equal opportunity for everyone. Yet people disagree over how discrimination should be determined. Some argue we should be concerned only with demonstrable discrimination against an individual. Others believe that the best way to show discrimination is to see if an employer's workforce generally reflects the available pool of qualified workers. Those who favor broad remedies to correct such racial or sexual imbalances in an employer's workforce describe them as "goals," while opponents brand them "quotas."

Personally, I do not favor quotas, and I believe that care must be taken that goals do not become rigid quotas to be met. But I also think that without goals and timetables we would be less likely to achieve equal treatment of women and minorities. I do not think government should force employers to meet goals by hiring less-qualified applicants. Because enforcing rigid quotas is easier than determining if recruitment and hiring is done in good faith, affirmative action has sometimes been taken too far. But the total repeal of affirmative action would be a mistake. Affirmative action has brought significant improvement for women and minorities in the work force. The objective has been a level of fair employment that will make all goals and timetables unnecessary, but that day has not yet come. After all, full-time female workers earn only 63 percent as much as males, black unemployment is still more than twice that of whites and the jobless rate exceeds 40 percent for black teenagers.

Undoubtedly there are limits to the effectiveness of affirmative action programs. My sense is that these programs are less effective than they once were. They should not end, but other approaches are needed. I would prefer to attack economic inequality

without using preferences. I believe that improved housing and nutrition, better schools, and greater self-help efforts in minority communities are better ways to address inequality, but there has not been enough progress in these areas. We should refine and clarify affirmative action, but not abandon it, with the hope that it will make some contribution to diminishing discrimination.

DEFICIENCY PAYMENTS

HON. ARLAN STANGELAND

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. STANGELAND. Mr. Speaker, today I am introducing a bill which will modify the basis for the determination of deficiency payments for wheat and feed grains.

The 1985 farm bill provides for two payments. The regular deficiency payment is based on the difference between the target price and the statutory loan rate or the average market price during the first 5 months of the marketing year, whichever is higher. In addition, the Secretary of Agriculture has the authority under the law to reduce the loan rate by up to 20 percent. If the Secretary uses this authority, which he has for the 1986 wheat and feed grain crops, the producer is then entitled to another payment. This payment is based on the difference between the statutory loan rate and the new loan rate or the average market price whichever is higher during the entire 12 month marketing year.

For example, the 1986 program for wheat provides for a target price of $4.38 per bushel. The statutory loan rate is $3 providing for a maximum deficiency payment of $1.38. The Secretary did use his authority to drop the loan rate to $2.40 thereby providing for a second deficiency payment with a maximum rate of 60 cents. This deficiency payment is determined by using the market price for the entire marketing year. Therefore, farmers must wait until the end of the marketing year which would be June 1987 for wheat, barley, and oats and October 1987 for corn and sorghum for this final payment.

This planting season many farmers are having a very difficult time generating enough cash and credit to put in a crop and pay their bills. Moreover, considering the present financial stress in American agriculture, deficiency payments will play a very important role in determining whether the farmer will be able to continue to meet financial obligations for the crop year. For these farmers to wait until late 1987 to receive the remainder of their deficiency payments for this year's wheat and feed grain crops does not make sense.

My bill will require all deficiency payments for wheat and feed grains to be determined on the basis of the average market price received during the first 5 months of the marketing year. It will assure the American farmer that deficiency payments will be made on a consistent and timely basis and help him meet the financial obligations of the crop year.

LISA HEMINGWAY, MISSOURI VOICE OF DEMOCRACY WINNER

HON. GENE TAYLOR

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. TAYLOR. Mr. Speaker, the Voice of Democracy Essay Contest, sponsored by the Veterans of Foreign Wars, has been an outstanding educational program, providing scholarships of more than $3 million over the past 24 years.

I am pleased that a constituent of mine, Lisa Hemingway of Springfield, MO, was adjudged our State's winner. Her winning essay follows:

NEW HORIZONS FOR AMERICA'S YOUTH

Golden rays of sunlight break through the hazy clouds of morning. Soon after daybreak, the space shuttle Discovery is brought into full view by the sun's beacon of light. A countdown begins to set the stage for another journey into space. As Discovery launches into the heavens to explore new galaxies, silent billows of white smoke are left behind. Although this smoke will eventually disappear, it represents a space technology that has constantly progressed since Neil Armstrong's first walk on the moon.

While astronauts probe space, the medical field is probing into new cures for sustaining human life. Picture doctors serving long, laborious hours in the operating rooms. With beads of anxious perspiration on their foreheads, they anticipate the long awaited countdown of medical miracles. The announcement of cures of dreaded diseases and transplants of human hearts, brings murmurs of excitement and thankful prayers to the lips of people around the world.

Still another countdown is in progress. Seated around a long conference table are men and women from around the world. In their explicit discussions, they are seeking to find solutions to the ever arising world problems. Through careful thought, patient response, and deliberate speech, these landmark talks will one day bring the summit of international understanding and world peace.

Today, America's youth stand on the threshold of the rest of their lives. They are able to look over the new horizons of space exploration, medical technology, and world peace. Young peoples' search for new horizons reveals opportunities for excitement, significant personal contributions, and commitment to world peace.

America's youth uniquely contribute to our nations striving fields of excellence by being the primary supporters of space exploration, medical technology and world peace. As they learn about these vital occupational fields, they secure our nation's future. As our nation's youth enter their new horizons, they will replenish these vital fields with new, fresh insights.

America's youth stand on the threshold of the rest of their lives look back on the traditional American values that have sustained them throughout their lives. A search of these eternal values reveals a trust in God, a love of parents and one another, and an allegiance to America, and land of the free.

I represent the youth of America. As a graduating senior, I stand on the threshold of the rest of my life. I am able to forge a new path in front of me and face many new tomorrows. I pledge to go forth determined to meet the challenges of new horizons for America's youth. I pledge to go forth determined to maintain those old and forever enduring values of trust in God, love for others, and freedom for all.

I know that all new horizons must be built upon the solid foundation of old, enduring values. I pledge to go forth determined to sustain the new horizons of space exploration, medical technology, and world peace. As I commit my life to these new horizons, I will be strengthening the foundation of trust in God, love for others, and freedom for all. Most importantly, as an American youth through my new horizons, I will sustain the hope that America will remain the land of the free.

A symbol of that freedom is our beloved Statue of Liberty. She has stood secure in the New York Harbor for 100 years reamaining the universal symbol of America. As we restore the Statue of Liberty, we as a nation, at the same time restore the beliefs she represents. Just as the Statue of Liberty is restored, it is appropriate for America's youth to renew their commitment to old values as they face bright, new horizons.

SAN BERNARDINO VALLEY COLLEGE CELEBRATES ITS 60TH YEAR

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. BROWN of California. Mr. Speaker, it is with great pride that I recognize the anniversary of a fine institution of higher learning in my district. San Bernardino Valley College will soon celebrate its 60th anniversary of serving students from throughout San Bernardino County. In 1926, like many community colleges in California, Valley College was established as a separate entity from the local unified school districts in order to better serve the higher education needs of the community.

The beginnings of Valley College were inauspicious. When first opened in 1926, it claimed but 140 students taught by a faculty of 16, in four buildings situated on 30 acres. The library claimed 1,400 volumes. It is a credit to the community of San Bernardino that today these numbers have grown dramatically. Over 10,000 students now attend classes taught by a faculty of 170 in 18 major buildings on 85 acres. Over 100,000 volumes are now housed in a two-building, multistory library complex.

A real source of pride for Valley College is the Public Broadcasting Services affiliate, KVCR-TV, which is housed on campus and owned by the college district. This PBS facility was the first television station owned by a community college in the Nation, and offered southern California its first public broadcast station. Many students have the unique opportunity to train at a functioning television station and at the community service radio station, also located on campus. Wide areas of southern California are served by these stations.

I commend the thousands of people who have worked for the past 60 years to make San Bernardino Valley College the great college that it is today. College President Dr. Arthur M. Jenson, the board of trustees, staff,

and students at Valley College continue to make the college's philosophy of education more than just an empty promise. This philosophy states that, "The essential purposes of education are the preservation and enhancement of all that a society believes to be vital both to its survival and for the enrichment of the human spirit." For 60 years, San Bernardino Valley College has both enhanced its community and enriched the lives of its students.

NEW GI BILL IMPORTANT TO STRONG NATIONAL DEFENSE

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. DASCHLE. Mr. Speaker, the Reserve Officers Association of the United States is a congressional chartered association of Reserve, Regular, active and retired officers of the uniformed services, with a current membership of more than 120,000. The primary purpose of the Reserve Officers Association is to support a military policy for the United States which will provide for the Nation's security.

Recently the National Council of the Reserve Officers Association adopted a resolution in strong support of the new GI bill. This resolution, which expresses the sentiments and priorities of the ROA membership, urges the Congress to continue, extend, and fund the new GI bill. In addition, this resolution calls on the administration to abandon any initiatives to terminate this effective educational assistance program.

This resolution correctly recognizes the direct and important relationship between a strong national defense and the new GI bill which is encouraging more young men and women of ability to enlist in our armed services. I commend the ROA for its strong statement of support for the new GI bill and request that the text of this resolution be printed in the RECORD.

RESOLUTION OF THE RESERVE OFFICERS ASSOCIATION OF THE UNITED STATES

Whereas, the FY85 Defense Authorization Act (PL98-525) provided for establishment of a new educational assistance test program effective through June 30, 1988, for active and Reserve components; and

Whereas, participation in the new educational assistance program has been exceptionally high in all of the active and Reserve services; and

Whereas, an Administration decision has been made to submit legislation to terminate the New GI Bill test program and return to the unpopular and ineffective Veterans Educational Assistance Program (VEAP); and

Whereas, returning to VEAP after completing the costly conversion to, and implementation of, the New GI Bill will cause widespread confusion and turbulance in the American public, damage morale in the services and recruiting programs; and

Whereas, deletion of the program will leave the Reserve components with no educational incentive program: Now, therefore, be it

Resolved, That the Reserve Officers Association of the United States, chartered by the Congress, urge the Administration to abandon any initiatives to terminate the New GI Bill and urge the Congress to continue, extend and fund the effective educational assistance program.

ARIZONA STATE HOUSE OF REPRESENTATIVES SUPPORTS H.R. 945

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. RUDD. Mr. Speaker, I am pleased to offer for consideration a resolution approved by the Arizona State House of Representatives urging the U.S. House of Representatives to approve the McClure-Volkmer bill.

I am a cosponsor of H.R. 945, the Firearms Owners Protection Act, and I support passage of the Volkmer substitute. I encourage my colleagues to do the same.

PETITION OR MEMORIAL

Under clause 1 or 4 of rule XXII, the following petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. Rudd Petition or Memorial of Arizona State House of Representatives.

OFFICE OF THE SECRETARY OF STATE,
Phoenix, AZ, March 6, 1986.

Hon. ELDON RUDD,
U.S. Representative, Rayburn Building, Washington, DC.

DEAR ELDON: The Arizona State House of Representatives, Thirty-seventh Legislature, Second Regular Session, 1986, passed House Resolution 2001, urging the United States House of representatives to approve the McClure-Volkmer Bill.

The members of the House of Representatives have asked me to forward the enclosed copy of this Resolution to you for your consideration.

Sincerely,

ROSE MOFFORD,
Secretary of State.

STATE OF ARIZONA,
DEPARTMENT OF STATE.

I, ROSE MOFFORD, Secretary of State, do hereby certify that the annexed document is a true, correct and complete copy of House Resolution 2001, passed by the Arizona State House of Representatives, thirty-seventh legislature, second regular session, 1986, urging the United States House of Representatives to approve the McClure-Volkmer bill; that I am the official of the State of Arizona in custody and control of the original of said document and the legal keeper thereof.

In witness whereof I have hereunto set my hand and affixed the Great Seal of the State of Arizona. Done at Phoenix, the capital, this 6th day of MARCH A.D. 1986.

HOUSE RESOLUTION 2001

A resolution urging the United States House of Representatives to approve the McClure-Volkmer bill

Whereas, the McClure-Volkmer Bill would correct provisions of the Gun Control Act of 1968 which encroach on the rights of gun dealers and collectors and honest gun owners; and

Whereas, the McClure-Volkmer Bill was approved by the United States Senate and is now under consideration in the United States House of Representatives.

Therefore, Be it resolved by the House of Representatives of the State of Arizona:

1. That the members of the House of Representatives respectfully request that the United States House of Representatives approve the McClure-Volkmer Bill.

2. That the Secretary of State of the State of Arizona transmit copies of this Resolution to the Speaker of the United States House of Representatives and to each Member of the House from Arizona.

Passed the House—February 25, 1986 by the following vote: 51 Ayes, 7 Nays, 2 Not Voting.

Filed in the Office of the Secretary of State—February 25, 1986.

BRAZILIANS DEMAND CLARIFICATION OF PRESIDENT'S SPEECH

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. BARNES. Mr. Speaker, last month the foreign minister of Brazil came to Washington along with the foreign ministers of seven other Latin American countries to plead with the administration not to provide additional funding for the Contras. He was ignored.

On February 27 Secretary Shultz told the Senate Foreign Relations Committee that the Nicaraguans were training Brazilian guerrillas. The Brazilian Embassy in Washington requested an explanation from the State Department, stating that there are no guerrillas in Brazil. The State Department was forced to apologize. Assistant Secretary of State Elliot Abrams wrote to the Brazilian Foreign Ministry that: "I regret that this matter has caused confusion." The Brazilians accepted this explanation and believed the case to be closed.

Then on Sunday March 16, the President in his speech made a similar accusation about Nicaraguan intervention in Brazil. The Brazilian Foreign Ministry was forced to take the unprecedented step of calling in the United States Charge d'Affaires to demand an explanation.

Mr. Speaker, there is simply no excuse for this. Not only has the administration consciously decided to mislead the American people, but it is also willing to create a major confrontation with a close ally in order to paint Nicaragua as a threat to the hemisphere and the world. This is yet another example of why the administration's Contra policy is bankrupt.

I am enclosing for the RECORD a Foreign Broadcast Information Service report from March 17 and an article by Richard House that appeared in today's Washington Post.

GOVERNMENT CRITICIZES GEORGE SHULTZ' REMARKS

BRASILIA, March 14.—Ruy Nogueira, Brazilian Foreign Ministry spokesman, has labeled the statement by U.S. Secretary of State George Shultz that Nicaragua is training guerrilla groups to reportedly operate in Brazil as "unfortunate, inappropriate, and irrelevant."

The spokesman reported that Elliott Abrams, U.S. assistant secretary of state for

Inter-American Affairs, had sent a letter of apology to the Brazilian Foreign Ministry.

Shultz told the U.S. Senate Foreign Relations Committee that Nicaragua is training guerrilla groups to operate in Brazil, Chile, Ecuador, the Dominican Republic, Uruguay, and Venezuela.

Nogueira said: "There is no Nicaraguan intervention in Brazilian internal affairs."

Shultz made his statement to a committee on 27 February, as he was requesting Congress' authorization to provide $100 million for the Nicaraguan "contras."

The Brazilian Embassy in Washington has requested an explanation from the State Department of Shultz' statements, the Brazilian spokesman added.

Abrams has sent a letter to Brazilian Foreign Affairs Under Secretary Gilberto Velloso, saying that "I regret that this matter has caused confusion."

The U.S. official acknowledged in the letter that the existence of the groups to which Shultz referred does not imply that there are guerrillas in Brazil.

INCIDENT TERMED "'CLOSED"

The United States has admitted having improperly used Brazil's name. Therefore, the Foreign Ministry has regarded as closed the incident provoked by George Shultz' remarks that Brazilian guerrilla fighters were being trained in Nicaragua to see action in Brazil.

Itamaraty has received a letter noting that U.S. Secretary of State George Shultz meant that Brazilians were being trained in Nicaragua, but not to see action in Brazil.

[From the Washington Post, Mar. 19, 1986]

BRAZIL DEMANDS U.S. CLARIFICATION

(By Richard House)

SALO PAULO, BRAZIL, MARCH 18.—Brazil has demanded U.S. clarification of President Reagan's statement during his televised address Sunday night that Nicaragua's Sandinista government is aiding radicals in this country.

Acting Foreign Minister Paulo Tarso Flecha de Lima yesterday summoned the U.S. Embassy charge d'affaires to request clarification of Reagan's remarks on the grounds that Brazil has had no internal security problems since at least 1979, when Nicaragua's Sandinista government came to power. Guerrilla groups were effectively wiped out a decade ago.

Reagan said that Brazil, Colombia, Ecuador, Chile, Argentina, Uruguay and the Dominican Republic were victims of Nicaragua's expansionist plans, because radical groups from these countries received training, safe haven, false documents and, occasionally, weapons from the Sandinistas.

A spokesman at the U.S. Embassy in Brasilia said that the Foreign Ministry requested clarification of what the president had meant. The spokesman said the text did not imply that all the countries had received the support from Nicaragua described by the president.

The incident follows a diplomatic exchange between Brazil and the State Department after Secretary of State George P. Shultz also mentioned Brazil as a victim of Nicaraguan terrorism in testimony to a foreign affairs committee on Capitol Hill on Feb. 28.

Elliot Abrams, assistant secretary of state for Latin American affairs, wrote his Brazilian counterpart an "explanatory letter" in which he acknowledged that the U.S. administration was aware that no guerrilla movements existed in Brazil.

Police in Rio de Janeiro, meanwhile, seized a secret cargo of arms aboard a Panamanian-registered freighter during the weekend. The freighter, Nobistor, arrived in Rio from Buenos Aires and carried machine guns, revolvers, rifles and grenades.

The crew of 10 Argentinians and eight U.S. citizens who told local police they were Vietnam War veterans working as mercenaries, said the cargo was picked up in Argentina. First reports said the cargo was destined for the African country of Ghana. Police denied other reports that the arms were destined for Central America, possibly Nicaragua.

REDUCING THE SOVIET UN DELEGATION

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. CRANE. Mr. Speaker, President Reagan and his administration should be commended for ordering the Soviets to reduce their diplomatic staff at the United Nations from the present 275 to 170 by April 1988. The Soviet staff is currently more than twice as large as the next 2 largest—126 in the United States delegation and 116 in the Chinese delegation. Arkady Shevchenko, the highest ranking Soviet ever to defect, was serving as a U.N. Under Secretary at the time of his defection. He estimates that fully one-third of all Soviet diplomats are not diplomats at all, but spies. And many other staff members also engage in espionage when the need arises.

The Soviets have long maintained unjustifiably large diplomatic staffs in Western democracies to further clandestine Soviet foreign policy objectives. These objectives include such activities as gathering military and technological information, planting and disseminating disinformation in the media of the host country, and recruiting agents of influence from among the ranks of journalists, politicians, and the military.

To further assist in this problem, I have introduced H.R. 77 to require diplomatic parity between the United States and Communist countries. This bill would limit the number of Soviet diplomats in this country to the same number of diplomats that the United States is permitted to send to the Soviet Union. This bill would also apply to diplomatic immunities—any immunity that is not granted to our diplomats will not be granted to their diplomats here.

I believe that passage of this bill is in the best interests of our national security and our diplomatic representatives stationed in Communist countries, and I therefore hope that my colleagues will join me in cosponsoring it.

SUPPORT FOR SECONDARY MARKET TAX AMENDMENTS OF 1986

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. VANDER JAGT. Mr. Speaker, it gives me great pleasure to cosponsor with Congressman JAKE PICKLE the introduction of the Secondary Market Tax Amendments Act of 1986 or "SECTA" a bill intended to clarify and rationalize the tax rules governing the secondary mortgage market.

This legislation is expected to make the prospect of home ownership attainable for more Americans by making the secondary mortgage market more efficient in its operation, and thereby reducing mortgage interest rates. The legislation is intended to be roughly revenue neutral in the aggregate. The Treasury Department has estimated its impact as reducing revenues by approximately $100 million for the 1986–90 revenue estimating period. Practically, it may actually raise revenue as the current state of uncertainty and confusion in this area of the tax law is probably resulting in taxpayers generally taking positions most favorable to them, thus, creating whipsaw situations for the fisc. Elimination of this state of confusion is one of the primary goals of the legislation in a way which is administratively manageable for both taxpayers and the Internal Revenue Service.

PROBLEMS FACING THE SECONDARY MORTGAGE MARKET

Unfortunately, as a result of existing tax rules, unnecessary inefficiencies exist in the secondary mortgage market. In addition, there is confusion among investors and issuers as to the proper tax treatment of earnings generated from mortgage-related securities. These problems are not attributable to any explicit congressional or regulatory tax policy decisions. Rather, they are the result of the application of tax rules which inadvertently fail to take into account the unique characteristics of the secondary mortgage market, and, in particular, certain innovative instruments which have revolutionized the way we finance residential mortgages in this country.

THE IMPORTANCE OF MORTGAGE "SECURITIZATION"

Mr. Speaker, this quiet revolution is a result of what is called "securitization" or the process of turning pools of small, individual, home mortgage loans into marketable securities that can be sold to capital market investors. The percentage of home mortgage loans that are being "securitized" has grown from only 1 percent or 2 percent of new loan originations in 1970 to almost 40 percent in 1985. As a result, the growth of this securities market has been phenomenal. In 1970, there were less than $1 billion of outstanding publicly issued mortgage-backed securities. By the end of 1985, there were almost $400 billion of such securities outstanding. This now represents a market almost as large as the $472 billion of outstanding publicly issued corporate bonds. It is time the tax rules for this important market were reformed to make economic sense and tax policy sense.

HOW MORTGAGE-BACKED SECURITIES WORK

A mortgage-backed security works by insuring that the tax liability arising from income generated from mortgage payments is imposed on the investors in the security, rather than the financial institution acting as the issuer. Currently, this is generally accomplished by using a tax-exempt or passthrough investment vehicle, under the grantor trust rules. It also can be done, though much less efficiently, by creating a taxable entity that issues bonds backed by mortgage loans. The bond approach is generally referred to as a collateralized mortgage obligation or "CMO".

As I stated earlier, the tax rules applicable to these investment vehicles were developed without attention being given to the mortgage-backed securities market, and were written principally to deal with family trusts, and traditional corporate obligations. Thus, using these tax entities to securitize mortgages has led to problems, confusion, and ambiguities that were not foreseen when the rules were written. The purpose of this bill is to provide an understandable, rational set of rules to govern this important activity.

INNOVATIONS IN THE MARKET

In June 1983, CMO's began to be used as a vehicle for issuers to divide up a pool of long-term mortgages into multiple classes of short-term, medium-term, and long-term securities. Although there was still no active management as there is in a mutual fund, the multiple class approach provided long-term investors with protection against early redemption ("call protection") while also taking advantage of the fact that interest costs for short-term obligations are often lower than for long-term obligations. As a result, the multiple class security has provided a way to answer some of the shortcomings of the single-class pass-through vehicle with its restrictions on active management.

Over $30 billion in CMO's have been issued in only 2½ years, a remarkable success story for a new investment vehicle. Unfortunately, however, there are still a series of tax and accounting problems facing issuers and investors in these securities which prevent the CMO from being used to its greatest efficiency. In addition, there is a great deal of uncertainty about how the original issue discount rules of the Tax Code apply to these obligations. As a result, issuers and investors may be overtaxed, or undertaxed, in comparison to their true economic income.

MULTIPLE-CLASS PASS-THROUGHS

Theoretically, a much more efficient vehicle than a CMO could be used to structure multiple classes of ownership interests in a pool of mortgages. However, proposed Treasury regulations do not allow a pass-through vehicle to have multiple classes of ownership. If such a multiple class pass-through instrument were authorized, mortgage bankers, commercial banks, or other institutions could sell multiple classes of ownership interests in mortgage pools. If these institutions could "sell" mortgages to investors in a pass-through vehicle they would not have to carry debt on their balance sheets as required in the case of a CMO. In addition, because the pass-through would not be classified as debt for tax purposes, the issuer would not be required to retain any "equity" interest in the mortgages solely for tax purposes. An equity requirement creates additional legal, accounting, and capital costs for the issuer which interfere wtih efficiency and prevent interest costs from dropping as far as they otherwise could. Multiple class pass-throughs containing mortgages could also qualify as mortgage investments for purposes of the various tax provisions requiring thrift institutions or REIT's to invest in mortgages or real estate. Finally, if it were possible to authorize this vehicle by legislation, we could provide detailed tax rules to ensure that there was neither overtaxation nor undertaxation of investors in multiple-class mortgage related securities.

A BILL TO FACILITATE MORTGAGE SECURITIZATION

The bill I am cosponsoring today with Congressman PICKLE is based on the technical recommendation of a group of tax lawyers and financial experts who worked throughout 1985 to recommend solutions to tax-related problems associated with the secondary mortgage market, and to devise a more efficient, multiple-class mortgage security.

Mr. Speaker, this legislation will address the major problems inherent in the current tax law through its four major provisions:

First, the legislation will clarify the precise method of computing original issue discount for CMO's in a manner that ensures that issuers and investors are properly taxed on their economic income.

Second, the legislation will permit CMO-like investment arrangements to be structured as ownership interests in a passive, multiple class, pass-through entity (referred to as a collateralized mortgage security or CMS) with strict rules designed to ensure that the amount, timing and character of income realized by the investors is not reduced, slowed down, or otherwise modified to result in adverse revenue effects.

Third, the legislation will provide that investments in the newly authorized CMS are treated as investments in mortgages under the Tax Code. This will enable thrift institutions and real estate investment trusts to invest in the new instrument and retain the tax advantages of investing in mortgages.

Fourth, the legislation will provide for expanded information reporting on mortgage related securities. This would improve taxpayer compliance and eliminate the potential for a whipsaw effect whereby issuers and investors take inconsistent tax reporting positions.

Mr. Speaker, the Treasury Department has already indicated its desire for legislation in this area, and supports a legislative solution of the type set forth in SECTA. By addressing these significant tax and accounting problems, we will increase efficiency in the secondary mortgage market, reduce mortgage interest rates, and improve taxpayer compliance.

CONCLUSION

Mr. Speaker, my action in introducing this important legislation is intended as the first step in a process to deal with a very complicated area of the tax law. It is my hope that introduction of this legislation will facilitate close examination of the proposed legislation to insure that it achieves its intended purpose. To the extent changes are necessary to achieve that purpose, I will welcome them. I am hopeful that we can proceed expeditiously with this legislation. It seems that this is the year of tax reform. SECTA, in my view, proposes to revise a series of technical tax rules in an area where reform is long overdue, and where reform will provide demonstrable and palpable benefits for the ordinary citizen.

I believe we should take this unusual opportunity to pass legislation that is not only good tax policy, but good for the average American.

COUNTERING TERRORISM

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. DORGAN of North Dakota. Mr. Speaker, yesterday as the House took the first of what I hope will be several steps to staunch the rising tide of international terrorism.

The Omnibus Diplomatic Security and Antiterrorism Act—H.R. 415—will help to protect American diplomats and enable them to carry out, without intimidation, our vital diplomatic business. The bill carries a heavy price tag; but careful investment in more secure embassies and improved counterterrorism capabilities is one we need to make.

So I rise in support of this timely legislation.

I want to make the additional point, however, that I don't support a fortress America approach to foreign policy. The roots of terrorism are as varied as they are complex. We must ready and steel ourselves to attack the roots of terrorism and not just respond to its symptoms. In that regard I want to stress that our foreign aid program must stress food for the hungry, education for the illiterate, and medicine for the sick. The extent to which America aligns itself with progresive change, instead of repressive dictatorships of either the left or right, will largely influence how successfully radical terrorists can gain an audience.

In that same regard, I would also like to call my colleagues' attention to a savvy article which sets forth some useful suggestions on how to craft a counterterrorism response.

Article by Robert H. Kupperman follows.

TERRORISM—WHAT SHOULD WE DO?

(By Robert H. Kupperman)

There is only one area of broad agreement about terrorism—the United States and its allies are against it, so much so we have "declared war" upon terrorists. Other than truisms about the need for international cooperation, no consensus has been established. In fact, few can agree upon a definition of terrorism. But, we do know some of its characteristics. It is political extortion that employs violence or the threat of violence; such extortions are usually targeted against large nations. The usual goal is to destabilize, to make a democratic government appear impotent and to amplify these effects through the electronic marvels of television. In sum, terrorism is theater.

The recent hijacking of TWA 847 was a tragic episode, but as important, it was a major media event. If we have learned anything from that incident at all, it is that coping with terrorism is not a simple, straightforward matter. It is a subject laden with paradoxes and conflicting needs for sovereign machismo and human compassion.

From the onset of the hijacking, the President of the United States faced a gut decision from which there was no escape. He had two basic choices—to guarantee the safety and well-being of every hostage or, on strategic grounds, to accept the plausible outcome of losing every hostage's life.

This was the basic strategic decision, those remaining were tactical rescue or diplomatic opportunities. The first path offered the Administration a variety of tactical options, including targets for retaliation and even preemptive opportunities to thwart future attacks. Possible targets included terrorist training camps in the Bekaa and economic targets, such as petroleum depots in Iran, as retaliation for this and past attacks.

Once the decision had been made to ensure the safety of every passenger, then retaliatory options virtually disappeared. Instead we entered into a "diplomatic minuet," the U.S. and Israel trying to keep a non-concessionary policy toward terrorism intact, and the United States having concurrently entered into unstated negotiations with Nabih Berri and Syria's President Assad. Berri and Assad, both of whom had been previously accused of sponsoring terrorism, had somehow become virginal. In the end, it was as though we had paid homage to Mafia godfathers for having returned the kidnap victims unharmed. By the time the incident had all but ended, when the hostages had given their press conference in Damascus, one had the feeling this was all occurring on a movie set, Assad having ordered the incident ended—"this is a wrap."

While patience is always required in any hostage siege, and no pure strategy is realistic, we run the risk of being condemned to once again relive Hegel's prophecy—"History teaches us that man learns nothing from history."

We are in the midst of an insidious and especially painful warfare that will not disappear miraculously. It is a form of unconventional conflict that denies an American president a chivalrous battlefield. Terrorism is clandestine, and it forces our national defense apparatus to cope well in an unseemly, murky environment. One thing is clear: if we do nothing, we will be attacked repeatedly.

America is the target of some 40 percent of international terrorist incidents. The often-stated reasons for this statistic are vague and speculative. Yet, most analysts believe that our mere size and presence are sufficient reasons to be targeted. Moreover, we are under assault by many terrorist groups. There is not just one conspiracy and one political motivation. In fact, most terrorist groups are small, numbering on the order of a hundred or fewer terrorists each, making our understanding of their intentions and organizational structures incomplete.

Through intelligence collection, police, and political means, many groups have been compromised. On the other hand, some are large separatist organizations, such as the I.R.A. and the Basques, who appear relatively immune to counterattack. Worse yet, some terrorist organizations are proxies of hostile governments, including Libya, Cuba, Syria and Iran.

The tactics needed to counter one group may not prove as effective for others. Probably, the tactics employed to destroy the early Baader-Meinhoff Gang would boomerang were they applied to Iran's Revolutionary Cells where tentacles are already in the United States.

The key to coping with terrorism must include an understanding of the values of the groups themselves as well as the goals of the sponsoring nations. While the Baader-Meinhoff Gang, and its successor (the R.A.F.), evaded the police by running from cellar to cellar, Iran's Ayatollah Khomeini might welcome a military attack by the United States. Not only would religious zeal and the resultant martyrdom flourish, so might the likelihood of Soviet presence in Iran increase.

Following the early Israeli model, Western governments have gradually hammered out partial counterterrorist policies—ranging from dicta to negotiate or not, to grant some concessions or none, to preempt or not, and to retaliate or not. In fact, we may well be spending too much time on forging policy when no fixed policy is desirable. Having a formal policy may injure us more than having none, because it would tie our hands. In today's environment, were we to make concessions and get caught at it, we would be in more trouble than never having had an announced policy.

What we need most are process, honed tools, tactical options, and practice. We need to game prototypical attacks, experiment with command and control regimes, and increase overall awareness of the peculiar problems of unconventional warfare. As a result, we need new technologies to increase our tactical agility, and we need to establish those command and control arrangements that lead directly to the White House itself.

We must also come to an increased accommodation with the media, understanding that too much media creates a circus-like atmosphere and may mess up back channel opportunities, but that excluding the media would make it likely that terrorists would kill more hostages.

Though we also need useful international agreements, including extradition treaties, we must be careful not to formalize matters so much that the "old boys' network" begins to falter. The very thing we need is confidence in each other, particularly at a time of urgent crisis when formal procedures often prove too cumbersome.

Worldwide, counterterrorism efforts have much in common—strategic and tactical intelligence collection and physical security. It would be best to have no predetermined response; especially if this policy of no predetermined response had previously been announced. Covert operations or military strikes must not be ruled out. Hegel's admonition notwithstanding, the lessons to be learned, if any, concern opportunism. Just as terrorists set us off balance, we need a flexible enough kit of diplomatic, economic and military tools to catch them off guard.

The debate regarding military assault has grown following every attack. We would be foolish to have a formal policy of either retaliation or non-retaliation. The important matter is to have the tools needed to appear ready and flexible at a time of stress and not perish as a standard-bearer of cavalier doctrine.

LIABILITY INSURANCE CRISIS: LOCAL GOVERNMENT IS A "VICTIM"

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. HYDE. Mr. Speaker, on Thursday, March 13, I introduced the "Local Government Liability Relief Act of 1985" (H.R. 4406). This legislation attempts to respond to the very serious problem confronting units of local government (cities, counties, townships, villages, school and park districts) throughout the Nation. That is, they are suffering from the tremendous rise in the cost of liability insurance coverage and the increasing difficulty in obtaining such coverage in a number of States. This situation has been prompted, in part, by the recent rash of lawsuits and the size of damage awards against localities and their public officials.

H.R. 4406 addresses this situation by proposing major reforms in the civil justice system (tort liability) when suits are brought against local governments or local officials (when acting in their official capacity). These reforms would be applicable to suits against localities in both Federal and State courts. First, punitive damage awards against localities would be limited to two times the amount of actual damages. Second, attorney's fees would be limited to 25 percent of any judgment (or settlement) where a unit of local government is the defendant.

Third, and perhaps most important, the liability standard in those lawsuits would become comparative negligence rather than the more typical standard of joint and several liability. Currently, joint and several liability leaves a local government potentially liable for the entire scope of the damages, even though they may be only partially responsible for the injury in question. Comparative negligence means that there could not be a recovery in excess of the locality's actual responsibility for the harm. This change would protect local governments and local taxpayers against suits motivated by a search for a convenient "deep pocket" recovery.

The erosion of the sovereign immunity defense over the last 20 years has placed local governments in a highly vulnerable situation. Localities have had to eliminate or reduce services because insurance coverage has either been greatly reduced or is no longer available at all. Local governments, whether large or small, confront major obstacles in purchasing adequate liability insurance coverage—exorbitant rates, annual premium increases exceeding several hundred percent, reduced levels of coverage, higher deductibles, and an ever-shrinking pool of insurance carriers willing to underwrite such coverage. Some cities have either been forced or opted to go without any insurance protection at all!

In late 1985, the United States Conference of Mayors released a survey they conducted on this problem in 40 cities throughout the Nation. Only 5 of the 40 cities surveyed responded by saying their rates had not increased in the past 2 years. One-half (20) of

the cities responded that rate increases in excess of 100 percent had occurred in that time frame, and 16 of those 20 received rate increase quotes above 200 percent. Furthermore, the Conference of Mayors survey documents that the list of insurance carriers willing to underwrite municipal liability is dwindling. In several instances, cities reported that when bids were solicited for coverage—not a single bid was received.

In my own State of Illinois, Knox, Livingston and Madison counties have had desperate problems securing needed coverage. Five Chicago suburbs and the city of Decatur have had similar experiences. Last week, the Will County Forest Preserve District closed 23 parks indefinitely, after its liability insurance was canceled. Three cities—Rockford, Naperville and Arlington Heights—have opted for self-insurance, as has Springfield's pubic transit system. But self-insurance is workable only if large damage awards do not occur.

The time has come for Congress to send a strong message to the State legislatures that we support major reforms in the negligence and tort-law system. If you want to join with me in this effort and co-sponsor H.R. 4406, please call Alan Coffey of Judiciary minority staff on extension 56906.

COMMEMORATION OF BLACK HISTORY MONTH

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. HOYER. Mr. Speaker, Edward J. Brown, Jr., acclaimed artist and resident of Prince George's County, displayed many of his works in the Rayburn Building on Capitol Hill on Friday, February 28, Mr. Brown is a well-respected portrait and graphic artist, as well as a cartoonist, musician, and composer. Mr. Brown, painting since he was a teenager, attended Eastern A&N in Omaha, NE. He tries to add to his collection each year.

The art display included portraits of Dr. Martin Luther King, Jr., Dr. Charles Drew, Booker T. Washington, Soujourner Truth, William E.B. Dubois, Frederick Douglass, Mary McLeod Methune, W.C. Handy, Benjamin Banneker, Dr. Carter G. Woodson, Blanche K. Bruce, Patricia R. Harris, and Eleanor Roosevelt. He presented the portrait he painted of Congressman PARREN MITCHELL to the Congressman personally.

Mr. Brown's exhibit, in conjunction with the Epsilon Delta Chapter of Iota Phi Lambda Sorority, was in commemoration of Black History Month. Iota Phi Lambda Sorority, Inc. is a Prince George's County business and professional sorority of women who are united in sisterhood for the purpose of encouraging the elevation of their self-concept as it relates to the role of women in our highly complex, competitive business and professional world. To this end, the women of Iota Phi Lambda Sorority promote interest among high school and college women in the broad field of business education through scholarships, encourage women to pursue excellence in business endeavors and, to support black businesses, encourage youths and adults to pursue higher education and professional attainment, and foster activities to assist today's women to cope with new technological and societal changes by aiding them in meeting their basic human needs. The sorority's most recent national project emphasized remediation and tutoring as well as career exploration for youths in order to prepare them for the future.

Marion Houston Brown, wife of Edward J. Brown, Jr., is a member of the Epsilon Delta Chapter.

NO CHECKS OR BALANCES TO CONTRA POLICY

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. MILLER of California. Mr. Speaker, our policy of overt and covert destabilization of the Nicaraguan Government has been fraught with misrepresentations, distortions, and illegality. The people of Nicaragua have borne the consequences of this war. But the policy helps to corrupt our own political system, one which relies on checks and balances between the Congress and the Executive, and which presupposes honesty in the practice of our foreign policy.

I would like to call to the attention of my colleagues two articles which have appeared in the past week in the Los Angeles Times, which deal with both the foreign and domestic effects of our policy toward Nicaragua.

The articles follow:

[From the Los Angeles Times, Mar. 14, 1986]

NO CHECKS OR BALANCES TO CONTRA POLICY

(By Terry Lynn Karl and Kenneth E. Sharpe)

The White House campaign to support the Nicaraguan *contras* not only promotes dubious policy; it also corrupts the constitutional rules for the making of foreign policy.

After five years of backing by the United States, there is no evidence that the contras are an effective foreign-policy tool. An inept force that is unable to dislodge the Sandinistas, the contras have systematically abused human rights and increased regional tensions. Continued military aid, despite the explicit opposition of eight major Latin countries, blocks a diplomatic solution to the conflict in Central America. Administration policy assures that even veteran negotiator Philip Habib can do little more than serve as a cosmetic device that is aimed at squeezing contra money from Congress.

Just as important as the policy abroad is the largely unnoticed constitutional struggle at home. The Administration's McCarthyite rhetoric—colored by Secretary of State George P. Shultz's casting of the coming congressional vote as a choice between "good guys" and "bad guys," and the President's dire warnings of a Central America that is "covered in a sea of red"—is merely the latest salvo in a presidential offensive against Congress' budget and war-making powers.

If Congress acquiesces to the President's request for $100 million in aid to the contras, it will reward a mode of policy formulation based on illegal acts and a circumvention of congressional checks and balances, thereby ensuring that these tactics will be used in the future.

The Administration's flagrant violation of the law in its Central America policy can be amply documented. The War Powers Act of 1973 (which was passed in part in response to the illegal bombing of Cambodia) stipulates that Congress must be fully informed within 48 hours when U.S. forces are introduced into potentially hostile areas. Yet by early 1985 the American military had flown reconnaissance missions over Nicaraguan air space and Salvadoran battlefields, participated in naval-interdiction activities in the Gulf of Fonseca, was stationed in brigade headquarters in zones of conflict in El Salvador, and had come under fire in at least eight separate incidents. Congress was never informed about any of these actions.

The Boland Amendment, adopted in December, 1982, prohibited the use of funds "for the purpose of overthrowing the government of Nicaragua." For 2½ years, until the amendment lapsed, the Administration continued to finance the contra army while its leaders openly declared their intent to overthrow the Sandinistas.

The 1980 Intelligence Oversight Act obligates the Central Intelligence Agency to provide full and current reports of its activities to Congress. But the CIA failed to inform the intelligence-oversight committees of the mining of Nicaragua's harbors until a full six weeks after the initial detonation—even though such activities constitute an international act of war.

In a 1981 executive order President Reagan prohibited the involvement of any U.S. agency in assassinations. However, the order was violated by the CIA's operations manual for Nicaraguan contras, which gave instructions "to neutralize carefully selected and planned targets, such as court judges, . . . police and state security officials."

In addition to violating the law the Administration consistently circumvented congressional spending restrictions. It built bases in Honduras, using funds that were earmarked for military maneuvers. The CIA charged expenses, such as the mining of Nicaragua's harbors, to its other accounts. An airfield for the contras also was built illegally in Honduras, using funds earmarked for Defense Department military exercises.

The Pentagon also donated aircraft to transport supplies to contra bases and transferred ships, planes and guns to the CIA for use in Nicaragua with little or no charge. When Congress cut aid to the contras in late 1984, the White House then permitted a member of the National Security Council to help organize private funding for the rebels.

Vietnam and Watergate brought home the dangers of an imperial presidency—a Chief Executive who evades the authority of Congress and the courts, views himself above the law in foreign-policy matters, and uses secrecy and distortion to deceive other branches of government and the public in order to accomplish his policy objectives. Those difficult episodes in our history resulted in legislation such as the War Powers Act of 1973, to protect the democratic process from abuses of power.

Administration policy toward Nicaragua and the rest of Central America threatens to undo democratic safeguards at home by undermining these careful mechanisms of accountability. After systematically excluding Congress from the takeoff of an illegal and misguided contra policy, it now wants to

strong-arm Congress into co-piloting its mission to disaster.

Congress' response should be clear and unequivocal. Both the contra policy and the imperial presidency are unacceptable. Its lawmakers should not support law breakers.

[From the Los Angeles Times, Mar. 17, 1986]

WHERE IS AID TO CONTRAS REALLY GOING?

(By Saul Landau and Joy Hackel)

Policy-makers preparing to vote on aid to the contras in Nicaragua would do well to keep in mind the plunder of the Philippines by Ferdinand E. Marcos. Government auditors testifying before Congress earlier this month revealed that at least $7.1 million channeled last year to the contras could not be accounted for. The announcement raised a few eyebrows in Congress, and several members have called for an examination of the nuts and bolts of the Administration's Nicaraguan policy: Who gets the money appropriated, and what is done with it?

According to the congressional testimony of General Accounting Office director Frank Conhan, State Department audit controls "cannot verify actual delivery or receipt of items . . . and are unable to observe the end use of items to ensure that they were not diverted, bartered or exchanged."

This pronouncement shouldn't take many by surprise. Since it began in 1981, the U.S. contra aid program has fostered lies, fraud and corruption. CIA Director William J. Casey first told Congress that the President needed $19 million to "interdict" arms flowing from the Sandinistas to the Salvadoran rebels. More than two years passed, and more millions were spent on "interdicting," but U.S. Ambassador to El Salvador Deane Hinton told Congress that "nary a pistola" had been intercepted. What then was the money spent for?

According to author Christopher Dickey in his new book, "With the Contras," the early funding was never intended for stopping an arms flow, which was minimal in 1981. Rather, it was intended for the CIA to form the contras out of a gang of former Nicaragua National Guardsmen loyal to ousted dictator Anastasio Somoza. These guardsmen had earned a reputation for brutality. In fact, these men who formed the contras, according to Dickey, had committed gross human-rights violations that the CIA *knew* about.

Dickey claims that the lion's share of the aid went to a handful of former Nicaragua National Guard officers, such as Capt. Ricardo ("El Chino") Lau, a man with a reputation for murder and torture. Lau did not intercept the Sandinistas, Dickey says, or the alleged arms carriers. In 1985 a former director of intelligence in El Salvador claimed that Lau received $120,000 to help arrange the assassination of El Salvador's Archbishop Oscar Romero, though this so far has not been proved. And Lau is only one of more than 40 former Somoza guardsmen in the contra command.

Another misuse of funds was reported by former contra leader Edgar Chammorro, who disclosed that U.S. funds were actually spent to lobby members of Congress.

Last year Congress allotted $27 million to the contra cause. This figure also bears some scrutiny. It takes $1 per day to sustain a fighter, according to the Administration. This sum, multiplied by 18,000 contras, accounts for only $6.5 million. Where's the rest? Granted, the rebel army has expenses other than attending to its soldiers, but only if corruption were rampant would the contras themselves be screaming that they don't have basic materials—boots, rice and beans. Meanwhile, according to a report in the New York Times, each of the seven directors of the largest U.S.-backed contra group, the Nicaraguan Democratic Force (FDN), receives a yearly salary of $84,000 from the United States, tax-free.

The contras are of course, not the only example of where U.S. funds intended for covert actions are converted into personal profit. Serious abuses were reported in Pakistan, where the heroin and arms trade have followed CIA money—as they did during the Vietnam War in the Golden Triangle (a heavy drug-trafficking area, where the borders of Thailand, Laos and Burma meet.)

The lesson here is that in a covert climate, fraud and corruption flourish.

As the Administration's new romance with covert operations and "low-intensity warfare" spawns fresh scandals, we approach the 10th anniversary of the Church Committee, which exposed earlier CIA misdeeds—assassination attempts and coups—in a variety of Latin American locales. Things have not changed. A former Salvadoran army officer claims that he worked for the CIA and served as a translator for a U.S. official who advised the Salvadoran military on torture techniques and assassinations.

When lies and cover-ups are necessary to pursue a policy in order to circumvent Congress and the law, corruption follows as day follows night.

The President's request for $100 million more to aid contra forces is as good as throwing money down the drain.

The Reagan policy toward Nicaragua is wrong, and the Administration's fiscal misdeeds throughout the entire contra program may be the most visible weak link in the rotten chain. If Congress gives one good yank, we might all see what comes apart.

A CONGRESSIONAL SALUTE TO REAR ADM. BENJAMIN F. MONTOYA

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. ANDERSON. Mr. Speaker, I rise to pay tribute to Rear Adm. Benjamin F. Montoya of the Civil Engineer Corps of the U.S. Navy who will be honored at a dinner by the Hispanic Business Association—Greater Long Beach Chapter on March 29, 1986.

Admiral Montoya was born in Indio, CA. He attended the U.S. Naval Academy and graduated in 1958. He also attended Rensselaer Polytechnic Institute, where he received a bachelor's degree in civil engineering; Georgia Tech, where he received a master of science degree in sanitary engineering; and Georgetown University Law Center where he received a law degree. He was admitted to the District of Columbia bar in 1981.

In addition to his fine educational background, Admiral Montoya has had an illustrious 27-year career in the Navy. Admiral Montoya has served the Navy in Port Hueneme, CA, San Juan, PR, Long Beach Naval Shipyard, and while with the Seabees he deployed twice to Vietnam. The admiral also served as commanding officer of the U.S. Navy Public Works Center in San Diego and Director of Environmental Protection Division on the staff of the Chief of Naval Operations, before being promoted to his present position as Commander of the Western Division, Naval Facilities Engineering Command. Under his command is the largest of the Navy's Facilities Engineering Divisions, which covers nine States and is headquartered in San Bruno, CA.

In recognition of his excellent work in the Navy, Admiral Montoya has received several decorations for his service. He has been awarded the Legion of Merit, the Meritorious Service Medal, the Bronze Star with Combat V, the Navy Commendation Medal, and the Navy Achievement Medal, among other decorations. Admiral Montoya will be promoted to a position on the Navy Planning Board in June of this year.

My wife, Lee, joins me in congratulating Rear Adm. Montoya on the occasion of his being honored by the Hispanic Business Association—Greater Long Beach Chapter, and in wishing Benjamin Montoya, his wife Virginia, and his seven children, Benjamin, Jr., David, Michael, Chris, Patrick, Theresa, and Natasha, continued success, and all the best in the years ahead.

H.R. 3521, SOURCE LICENSING BILL

HON. WILLIAM HILL BONER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. BONER of Tennessee. Mr. Speaker, our Nation has always applauded individual effort and creativity. However, a threat to that principle is looming on the legislative horizon. That bill is H.R. 3521, the so-called Source Licensing bill.

This legislation would cost writers and their publishers tens of millions of dollars of their income that is distributed annually. It would hamper the individual effort and creativity they use to bring us the music we are all so familiar with. It would take that money and hand it over to the already cash-rich television industry.

The net results of the passage of H.R. 3521 would be fewer creators of music—more financial strain on the show producers—and richer owners of television stations. The purpose of the copyright law—to foster and reward creativity—would be bypassed.

Today, I join the songwriters and composers from Music City USA, Nashville, TN in opposing this bill.

I would also like to insert in the RECORD, a commentary by Hal David, the president of ASCAP, that was published in the December 28, 1985 issue of Billboard Magazine.

NICARAGUA—A TIME FOR ACTION

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. HYDE. Mr. Speaker, an excellent article on Nicaragua has come to my attention which I am pleased to bring to my colleagues' attention. It was written by Mr. Ronald K. Sable, Special Assistant to the President for National Security Affairs.

NICARAGUA: A TIME FOR ACTION

Somewhere in northern Nicaragua, members of the Democratic resistance to the Communist regime of Daniel Ortega are gathering support for the resistance and discussing the debate taking place in America over military aid to the resistance. They wonder how the issue could be so difficult. Why would Americans consider any option but aid to the resistance?

Perhaps Americans oppose aid to the resistance because they think many of them are Somozistas.

Though some would argue that the resistance is primarily Somozistas, surely they would know that less than 3 percent of the armed opposition had any ties to Somoza—a number statistically irrelevant. Even within the FDN leadership, former National Guard members number less that 30 percent. In the case of the United Nicaraguan Opposition (UNO), each of the leaders have strong democratic credentials. Adolfo Calero was jailed by Somoza. Arturo Cruz and Alfonso Robelo, who were members of the ruling junta after Somoza's fall, joined the opposition when Sandinista policy abandoned the principles espoused at its inception.

Maybe people are looking at it the wrong way. The Sandinistas have a large number of former National Guard leaders along with Soviet and Cuban leaders, backed up by Libyan, Iranian and PLO funding.

Perhaps they think that military aid should not be given to the democratic resistance until the diplomatic process has run its course.

Maybe they are unaware of intense U.S. diplomatic initiatives over the last several months. The United States offer of a church-mediated dialogue among the people of Nicaragua, now nearly a year old, remains unanswered by Managua. The Sandinistas have disrupted Contadora meetings (June 1985) rejected draft Contadora agreements (Sept. 1985) much like ones they previously agreed to accept, and asked for a suspension of Contadora negotiations (Dec. 1985). Most recently (Feb. 1985), Nicaragua refused to address key areas of disagreement of the treaty text.

Is that the record of a group willing to negotiate, willing to bring a peaceful end to the situation in Nicaragua? Somehow I doubt it. Setting aside Mr. Ortega's dismal negotiating record, has the period of negotiating improved the situation? It certainly has, but not for the democratic resistance. In fact, during the last year, while military aid to the resistance has been denied, the Soviet Union has increased aid to Nicaragua tenfold, supplying more aid in the first 2 months of this year than in the entire year of 1985. Further, Mr. Ortega has suspended major civil liberties. He has closed Radio Catolica, closed the church newspaper, began interfering with religious masses and assisted the M-19 massacre in the Colombian Palace of Justice. In his latest move, Ortega has been drafting members of the seminary.

During the same period Sandinista military forces, already larger than all their neighbors combined, have grown to 60,000 regular troops, equipped with Soviet T-55 and T-72 tanks and Hind armed helicopters, hardly the type of activity expected by someone truly interested in a peaceful settlement.

Perhaps they don't understand the series of commitments made to the OAS in 1979 by the Sandinistas, commitments to an open and Democratic society.

In the 6 years since the 1979 declaration, not one single commitment has been fulfilled. The people of Nicaragua deserve better.

Perhaps they don't understand why Nicaragua's neighbors won't speak out in favor of aid to the resistance.

Put yourself in the position of those neighbors. Costa Rica, for example, a country without a military force of its own, faces 60,000 troops with modern weapons just on the other side of its border. Under the same circumstances, what would you say publicly?

Perhaps, it is the natural tendency to delay facing up to a problem.

That approach nearly caused the downfall of President Duarte in El Salvador. Fortunately, the right decisions were made there, support was provided, and real progress is being made. President Duarte recently offered to sit down with the Sandinista-supported rebels in his country if Ortega will do the same with the Democratic resistance in Nicaragua. Ortega, however, continues to reject that offer or any other reasonable approach.

In Nicaragua however, putting off real support for the democratic resistance, puts off support for democracy. Dealing with the Nicaraguan question requires tough choices and a willingness to deal with the source of the problem instead of the symptoms. As difficult as that choice may be for some, it is the right thing to do because it deals with the problem at its roots, before the cancer spreads further and reverses the democratic trend in Central America.

If you ignore the Sandinista military buildup (beyond any conceivable defensive need), ignore the repression and restrictions of press and religion, ignore subversion of neighboring countries, ignore the support of terrorism, most recently evidenced in the Hall of Justice in Colombia, when do you stop ignoring what the Sandinistas are doing? When the Soviets/Cubans have a solid foothold in Central America? When they take over Costa Rica and Honduras? When they get to Mexico? No, if America is smart, the time to stop the Sandinistas, to offer real support to the democratic resistance is now. It is time to step up to that responsibility in Nicaragua as you have in Afghanistan, as we have in El Salvador. To now abandon those who speak for freedom of the people is to abandon the ideals of your forefathers—the immigrants and revolutionaries who came before you. Both deserve better.

IT'S TIME TO LIFT THE JAPANESE AUTO QUOTAS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. CRANE. Mr. Speaker, I would like to direct my colleagues' attention to the fact that Japan has decided to extend its import quotas on autos for a sixth straight year. The Reagan administration first negotiated a "voluntary restraint agreement" [VRA] with the Japanese Government in 1981. It did so in the face of strong congressional pressure for very strict quotas and domestic content legislation. In this VRA, the Japanese agreed to limit exports of automobiles to the United States to 1.68 million units for each of 3 years. A fourth-year extension was implemented at a level of 1.85 million units.

The VRA has had a costly impact on consumers. There is no question that by creating an artificial scarcity of Japanese imports, the VRA's have increased the prices of both imported and domestic cars. The International Trade Commission reported in 1985 that due to the VRA's, U.S. consumers spent a combined total of $15.7 billion in additional costs in the 4 years ended in 1984. U.S. automakers posted record profits in 1983 and 1984, while selling fewer cars than in the record sales year of 1977. This means that the record profits were due to the higher prices charged as a result of import restrictions.

The present VRA extension has come at a time when the rise in the value of the yen has substantially reduced the price advantage that the Japanese imports have enjoyed. These quotas now serve only to unnaturally prop up the profits of the American auto companies. While doing so, they distort competition and impose added costs on consumers. They will also encourage Japanese expansion into the large car market, putting more pressure on United States companies. Their only positive impact is to lessen the protectionist fever in Congress.

The time for the quotas to be lifted is now. But it is crucial that this move not lead to the enactment of protectionist legislation by Congress. Quotas and protectionist measures have historically proven unsuccessful and economically damaging. Fair trade means free trade. Free trade means open markets and fair trading practices and procedures This is the approach needed to encourage American companies to improve their competitiveness, which will benefit the consumer and the economy.

I am heartened that the Washington Post, on February 17, 1986, saw fit to opine against the Japanese move and enumerate the harm served American consumers as a result. I commend the article to your attention and include it here.

[From the Washington Post, Feb. 17, 1986]

THE AUTO QUOTAS

The three major American automobile companies earned $8.1 billion last year. They owe nearly all of it to the "voluntary restraints"—that is, mandatory import quotas—that the Japanese government has

now decided to extend through a sixth year. With these import quotas in effect, the prices of American-made cars averaged about $1,000 higher than they otherwise would have. Since the three companies sold 7.8 million cars last year, the figures suggest that in the absence of quotas they would have been running right at the edge of profitability.

The White House has received the Japanese government's announcement in studied silence. While the administration obviously welcomes the extention of the quotas, in deference to its free market principles it prefers not to discuss the subject publicly. It meets all inquiries with slightly defensive observations that trade must be fair as well as free.

But the rise of the yen has already eliminated the one great unfair advantage that the Japanese imports enjoyed. Last summer an undervalued currency gave a subsidy worth perhaps $2,700 to each $10,000 car imported from Japan. Now, with the yen at its present value, that subsidy has disappeared.

There is one powerful reason to keep the quotas in effect another year: they are very helpful to the Reagan administration in its struggle to dissuade Congress from enacting violently protectionist legislation. There was a huge congressional outcry last year when the Japanese raised the quota from 1.85 million cars a year to the present 2.3 million—one out of every five cars sold in this country.

But the quotas are going to have lasting effects, by no means all of them beneficial to the American automobile manufacturers. Quotas put pressure on the Japanese companies to move upward in the American market toward larger and more expensive models. That upward movement is going to be accelerated by the arrival of small Korean cars built to undercut the Japanese. The effect is to increase foreign competition in the most profitable parts of the American market. While the quotas speed up this process, it won't be reversed when the quotas are eventually lifted.

And when do you suppose the quotas will be lifted? They are immensely costly to people buying cars. They distort competition, and put efficient Japanese manufacturers under restrictions that less efficient manufacturers in, for example, Germany, France and Britain do not have to cope with. The American companies have now had the two most profitable years in their history, and the yen is no longer undervalued. If not now, when will the time be right to drop the quotas?

TRIBUTE TO DAN LEONARD

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. SMITH of Florida. Mr. Speaker, yesterday the people of the United States and Florida and I and the members of my Washington and district offices lost a dear friend when Lt. Col. Dan Leonard, director of law enforcement operations for the Broward County sheriff's office, died suddenly at the age of 62.

Dan Leonard was a 37-year veteran of law enforcement, having started his career with the New York City Police Department. While a member of New York's finest, he served as the partner of our distinguished colleague MARIO BIAGGI. By the time Dan retired from that job, he commanded all narcotics enforcement in Manhattan.

Many of my colleagues will remember Dan from his work on the staff of the Select Committee on Narcotics Abuse and Control and his job as the Deputy Director of the President's Office of Drug Abuse Policy. He brought to these jobs the same dedication and abhorrence of drug abuse that he showed in New York.

I came to know Dan well because his wife Arlene served as my Washington office manager and personal secretary for 2 years. Dan was a passionate and compassionate human being who enjoyed life to the fullest. He always interjected a wisecrack with a kind word or a smattering of advice. No matter how gloomy life may have seemed. Dan managed to find that silver lining.

Dan Leonard was a street cop with street smarts. While he may not have liked sitting behind a desk, he served the people of Broward County well during his all too short tenure with the Broward sheriff's office.

Sheila and I extend, on behalf of ourselves and my entire family and staff, our deepest sympathy to his widow Arlene and to his family. Mere words are insufficient to express the sorrow that our hearts feel the loss.

A TRIBUTE TO THE CREW OF THE SPACE SHUTTLE

HON. BARBARA F. VUCANOVICH

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mrs. VUCANOVICH. Mr. Speaker, I have received a letter from a fellow Nevadan concerning the tragic loss of the crew of the space shuttle *Challenger.*

The letter was written by an Elko County teacher, married to another teacher, whose daughter has always dreamed of becoming an astronaut. Their daughter, who is now suffering from rheumatoid arthritis, has not abandoned her dream, and now aspires to become a mission specialist in a vital and developing space program, and she hopes to grow up and be a part of this special team.

The teacher, while urging me not to destroy the hopes of so many young people by abandoning support for the space shuttle, enclosed two of her daughter's poems. The poems were written right after the tragic accident, and I found them very moving. I would like to share the thoughts on this tragedy as seen through the eyes of Tami Mayer, a bright and determined 12-year-old.

The poems follow:

A TRIBUTE TO THE SEVEN CREW MEMBERS OF THE SPACE SHUTTLE "CHALLENGER"

(By Tami Mayer)

A dream, high hopes,
A roar, dragon's fire, a puff of smoke,
A pilot, an engineer, a scientist, all-in-all,
Six great minds standing alone,
One brilliant mind to teach the history of us all,
The flight of birds on fuel powered wings,
A flame, a strike, lightning's fire,
A blast, a boom, a ball of fire, a story of death.
A loss, great sorrow, a nation's tear,
Seven lives, a hope, a brilliance lost,
But a dream lives on for others to follow.
The trail of smoke remains as a path to find,
To touch a face, a face of God,
To reach a goal in man's great future,
This they tried and for this they died.
But neither their spirit,
Nor their determination is lost,
The dream lives on to reach . . .
The stars.

A SECOND TRIBUTE TO THE CREW OF THE SPACE SHUTTLE "CHALLENGER"

(by Tami Mayer)

Laughing at the flame of death,
The courage and brilliance they had,
Making the hearts of millions sad.
They need not grave,
They need no tomb,
They are laid to rest in a bright red plume.
Through a giant sky they flew,
Sailing over the ocean blue.
No one knows just where they'll land,
For their wings are washed up,
On golden sand.
We all knew where they meant to go,
But where they are, no one knows.
No one knew just how they went,
But feathered wings are the best.
They died for us,
We'll try again
They wouldn't want
Our frontier to end.
They didn't quit,
Neither will we,
Though today we kneel and we grieve.

GALLIPOLIS LOCKS: RIVER COMMERCE COMES TO A HALT—AGAIN

HON. CLARENCE E. MILLER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. MILLER of Ohio. Mr. Speaker, time and again, I have highlighted the importance of the Gallipolis Locks and Dam project. Time and again, I have underscored the fact that the aging Gallipolis complex—which was opened to traffic 1937—is the most hazardous navigational facility from Pittsburgh to Cincinnati. Time and again, the supporters of a new Gallipolis locking chamber have asked Congress to press on with critical legislation essential to the construction of a new 1,200-foot compound.

The House has approved a bill authorizing Gallipolis, but the measure has not yet cleared the Senate. A comprehensive, omnibus water development bill has not been enacted into law, in fact, since 1970. Instead, water project problems have been addressed by bits and pieces and with patchwork legislative procedures that is a far cry from the appropriate legislative process for dealing with something as important as the future of inland navigational commerce.

Through it all, Gallipolis has become the most dangerous facility on the Ohio River and, perhaps, the most difficult to negotiate on any river throughout the Midwest. It is the only

locking complex from the Pennsylvania border to the Gulf of Mexico with a 600-foot main chamber. Accidents and near misses at Gallipolis have become almost legendary.

Gallipolis experienced another accident last night. The Army Corps of Engineers office in Huntington just informed me today that the complex closed—completely closed to all river traffic—due to an accident involving a 10-barge tow last evening. Repairs will take 3 days and it is estimated by the corps that the backup of tows waiting to lock through Gallipolis could total 45 tows and as many as 400 barges.

Let me stress again: nothing is moving through Gallipolis today: tows are dead in the water or tied up along shore at a projected delay cost rate of $300 per tow daily. Gallipolis is an essential passage point for the movement of coal, petroleum, agricultural products, coke, and chemicals to and from key industrial plants lining the river from the gulf to Pittsburgh. It is a certainty that the impact of this latest mishap on the Ohio River highway at Gallipolis will be felt economically throughout the Midwest. The Ohio Valley has been, again, tied into knots. The only good news to surface from the accident is that no one was killed or injured.

What is disturbing about this incident is that it has happened before at Gallipolis and it will, more than likely, happen again. The present situation only emphasizes the fact that the decrepit conditions at the old complex will only worsen. The corps does the best it can with a complex that is already in its ninth life. As a body, Congress should place the proper emphasis on Gallipolis and get an omnibus bill which will build a new chamber at Gallipolis on the President's desk without further delay. Accidents on the river should be prevented, not expected, as they presently are at Gallipolis.

THE ADMINISTRATION AND THE TRUTH

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. BARNES. Mr. Speaker, the President in his speech last Sunday presented an ominous picture of what he describes as the threat that Nicaragua poses to United States interests and world stability. Not only were there a number of factual errors in the speech that some journalists have already pointed out, but this administration's description of the evils of Sandinista rule is in disproportion to the stated policy of providing $100 million in aid to the Contras.

James Reston had something to say about this apparent disproportion in the Washington Post of March 3, 1986. He said:

It's interesting what the White House has tried to do about Nicaragua. It has stated the menace in such harsh terms that its proposal for another $100 million seems almost modest. If there is a threat to the security of the United States, as the President and the Secretaries of State and Defense say, why a mere $100 million? Why not a decision to intervene with our own troops to remove the threat they say is posed by the Sandinista governments?

Even George Will agreed in a column that appeared in the Washington Post last Sunday. In describing the President's Contra campaign Mr. Will said:

He has painted the picture in the strongest primary colors, but his request is a pale pastel: just $100 million, only $70 million of it for military aid. A request five times larger might be more successful because it would be more realistically related to the scale of the task and the president's assessment of the stakes.

Mr. Will is clearly expressing what the administration's real intentions are. It might be $100 million today, but it will be $200 or $300 million next year.

But as James Reston pointed out in his article:

Congress has its doubts, and so does the press. They have been told so many lies about the Nicaraguan problem by the administration that they are no longer willing to be overwhelmed by this latest propaganda campaign out of the White House.

I urge my colleagues to carefully analyze the statements coming from the administration to determine what is true and what is not.

I am submitting for the record the James Reston article from March 5, and a March 18 article by Joanne Omang on factual errors in the President's speech.

[From the New York Times, Mar. 5, 1986]

THE LIE DETECTORS

(By James Reston)

WASHINGTON.—We need some lie detectors around here. The most prominent advertising agency in Washington these days is the firm of Reagan, Weinberger, Shultz and Speakes, situated at 1600 Pennsylvania Avenue.

These guys, with the aid of Pat Buchanan inside and Mike Deaver outside, think they can sell refrigerators to the Eskimos, but sometimes they go too far.

Having sold "Star Wars" and dumped their old buddies in Haiti and the Philippines, they are now engaged in a major campaign to convince Congress and the American people that Nicaragua is a menace to the United States, and that unless they get $100 million for the "freedom fighters" on the border, Mikhail Gorbachev in Moscow and Fidel Castro in Havana will threaten the security and democracy of the Western Hemisphere.

It's the boldest advertising campaign since the Ford Motor Company tried to sell the Edsel.

Suddenly, the Administration has aimed all its big guns on Nicaragua—and let's agree, Nicaragua is a problem.

The President proclaimed that failure by the Congress to vote that $100 million for the Nicaraguan rebels or "freedom fighters" would be a "strategic disaster" that could "well deliver Nicaragua permanently to the Communist bloc."

He gathered a few commentators into the theater of the White House the other day to emphasize the point, along with Secretary of Defense Weinberger and Secretary of State Shultz, who not only supported the President but indicated that he was minimizing the problem.

Then Mr. Shultz and other members of the Administration went on to veterans' groups and other so-called press conferences to pick up the theme of the coming "disaster" if they didn't get that $100 million.

At first they suggested that it might be un-American to oppose such an investment in Nicaragua, but when challenged on this point, they agreed that maybe it was all right, but wrong-minded to disagree.

Nevertheless, the President has charged so hard on this $100 million for Nicaragua, and overstated his case so obviously, that he has challenged the judgment of Congress and vilified the press—some of whose members, when trying to question him, were denounced as "sons of bitches."

Well, as the President is always saying with an amiable nod of his head, we have to be careful. It's a hard call what to do about Nicaragua. The Secretary of State has said that the Russians have put about half a billion in there in the last five years, and he testifies that the Cubans have been engaged in military operations on gunships from the Soviet Union against the opponents of the Nicaraguan Government, and therefore that Congress must act and act quickly to vote that $100 million.

But the Administration's pressure on Congress and on public opinion has been so sharp and accusative that a reaction has set in.

It's interesting what the White House has tried to do about Nicaragua. It has stated the menace in such harsh terms that its proposal for another $100 million seems almost modest. If there is a threat to the security of the United States, as the President and the Secretaries of State and Defense say, why a mere $100 million? Why not a decision to intervene with our own troops to remove the threat they say is posed by the Sandinista Government?

This, of course, is precisely the decision the President is unwilling to face. He thinks he can deal with the problem by financing the rebels to fight the battle he insists is vital to the security of the Republic.

But Congress has its doubts, and so does the press. They have been told so many lies about the Nicaragua problem by the Administration that they are no longer willing to be overwhelmed by this latest propaganda campaign out of the White House.

Pat Buchanan's advertising campaign really has gone too far. His fastball is better than his control, and Congress and the press are onto it.

He has been trying to use the press and television to put over this latest vote on financing Nicaragua in Congress, but there have been so many deceptions and lies about Nicaragua that Congress and the Press are beginning to rebel.

They admire Mr. Reagan's television techniques, but are increasingly skeptical about his policy on Nicaragua. They would welcome an honest discussion of the problem, but have become the lie detectors of the Administration's argument.

[From the Washington Post, Mar. 18, 1986]

CLAIMS ON CONTRAS IN DISPUTE

REAGAN'S CAMPAIGN FOR AID DRAWS ON CONTESTED STATISTICS, CHARGES

(By Joanne Omang)

In his weekend pleas for military aid to rebels in Nicaragua, President Reagan drew on the bywords of 40 years of staunch anticommunism to paint a dark and ominous picture of the Marxist government of Nica-

ragua and the threat it poses to the United States.

To make his grim portrait, the president invoked some disputed statistics and accusations and a panoply of devil figures, from Italy's Red Brigades to Iran's Ayatollah Khomeini. In the end, Reagan suggested that Congress' upcoming votes on the $100 million aid request will determine the course of the entire East-West conflict.

Grimmer versions of the appeal were drafted, according to White House officials. Those drafts included two grisly examples of alleged atrocities by the Sandinista rulers of Nicaragua in addition to the two Reagan used, the officials said.

On Saturday, Reagan charged in his regular nationwide radio address that Nicaraguan operatives "dress in freedom fighter [rebel] uniforms, go into the countryside, then murder and mutilate ordinary Nicaraguans." Asked for evidence, a senior official briefing reporters said it came from "sensitive intelligence sources that I'm not going to get into."

One of those is presumably a Sandinista defector, Alvaro Baldizon, who made the charge at a news conference two weeks ago but provided no evidence.

On many other points in his radio talk and in a nationally televised speech Sunday, Reagan used disputed information to draw a stark, black-and-white image of the Nicaraguan situation. For example:

His portrait of the counterrevolutionaries, or contras: "When the Sandinistas betrayed the revolution, many who had fought the old Somoza dictatorship literally took to the hills. . . [Today they have] more than 20,000 volunteers, and more come every day."

A 1982 Defense Intelligence Agency summary described the early contra groups as mainly remnants of Anastasio Somoza's National Guard, one of which, the "15 of September Legion," had carried out "terrorist" acts, the DIA said.

Provided with Central Intelligence Agency funding and advice beginning in 1982, the contras began to grow, recruiting an army of peasants unhappy with the Sandinistas. Their political leaders, held together in uneasy unity by CIA prodding, are civilian critics of the Sandinistas or disaffected Sandinista officials, but their military leadership still consists predominantly of old Somoza loyalists. Recent intelligence summaries provided to Congress put contra troop strength between 15,000 and 18,000, of whom a small fraction are inside Nicaragua.

The military threat: Nicaragua's "first target is Nicaragua's neighbors. . .the Nicaraguan military machine is more powerful than all its neighbors combined," Reagan said.

That careful wording seemed to suggest a Sandinista military invasion without flatly declaring it. Reagan also made skillful use of the language of possibility to describe a reddening Western Hemisphere. With Nicaragua as a base, the Soviets and Cubans "can become" the region's dominant power, and then "will be in a position to" threaten U.S. interests and "ultimately" Mexico. "Should that happen," millions of people would flee north, he said.

However, none of Nicaragua's neighbors has expressed concern over any Sandinista invasion, nor have administration officials called that a threat. They worry instead about infiltration of guerrilla trainers but admit that guerrillas move freely worldwide and do not require Nicaragua as a base.

On other occasions, Reagan has displayed pictures of a hemisphere glowing blue with the spread of democratically elected governments.

The global network of communism: Reagan placed "thousands of Cuban military advisers, contingents of Soviets and East Germans and all the elements of international terror—from the Palestine Liberation Organization to Italy's Red Brigades" in Nicaragua. He warned not only against "a second Cuba" but "a second Libya" in the region, and evoked Yasser Arafat, Muammar Qaddafi and the Ayatollah Ruhollah Khomeini in addition to the Warsaw Pact as enemies of the contra aid package.

"Now, we must make our decision," he said.

Estimates of the number of Cuban military advisers range from the Sandinistas' count of 200 to the administration's charge that all the Cuban construction workers, teachers and agricultural workers in Nicaragua are also military trainers.

While the PLO has an office in Nicaragua and international criminals have been seen in Managua, the administration has cited only secret sources for its allegations that "terrorist training camps" exist in Nicaragua.

The drug connection: A 1982 photograph of Federico Vaughn, an aide to Sandinista Interior Minister Tomas Borge, "loading an aircraft with illegal narcotics, bound for the United States," means that "top Nicaraguan officials are deeply involved in drug trafficking," Reagan said.

But Drug Enforcement Administration spokesman Cornelius Dougherty said earlier this year that "no evidence was developed to implicate the Minister of the Interior or other Nicaraguan officials."

The church connection: Reagan said "the entire Jewish community [was] forced to flee Nicaragua," while the Roman Catholic Church "has been singled out" for persecution, evangelical pastors have been tortured and people cannot "worship freely."

Nicaragua's few Jews closed their synagogue for lack of use, and most who left had backed Somoza. A 1983 State Department inquiry found no evidence of anti-Semitism.

While some Protestants have been harassed or their churches closed, mostly in contested Miskito Indian areas, others operate freely. The tortured pastor Reagan cited was working in the contested zone.

Nicaragua Cardinal Miguel Obando y Bravo is the leading opposition voice, but Catholics are split on the Sandinistas. U.S. Roman Catholic Church leaders critical of Nicaragua's internal policies are still among the sharpest opponents of aiding the contras.

The history of negotiations: "Ten times we have met and tried to reason with the Sandinistas. Ten times we were rebuffed," Reagan said. Special negotiator Philip C. Habib's recent trip was the 49th U.S. diplomatic mission to the region, Reagan said Saturday.

Habib did not go to Nicaragua, nor did those on many of the other trips. After bilateral discussion began in mid-1984, the Sandinistas complained that U.S. positions amounted to demands that they leave office, and U.S. officials broke off the talks.

PLANTATION, FL, DEMOCRATIC CLUB TO HONOR DENNIS WALTON, INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 675

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. SMITH of Florida. Mr. Speaker, today I rise to salute an exceptional man. Dennis J. Walton is to be honored by his friends and colleagues on March 29, 1986, at the Plantation, FL, Democratic Club's annual testimonial dinner and dance at the Diplomat Hotel.

Dennis Walton is the business manager of the International Union of Operating Engineers, Local 675, of Pompano, FL. He simultaneously serves as chairman of the board of trustees of the unions $40 million pension fund. He is the president of his own consulting company, Fund Advisors, Inc. Mr. Walton is also registered as an investment advisor under the Security and Exchange Commission's Investment Advisors Act of 1940.

At 44 years of age, Mr. Walton has risen through the ranks of the Operating Engineers from a mere oiler to currently holding the position of chief executive officer. His hard work and perserverance has served as an inspiration to his fellow workers. His friends and coworkers have recognized the caliber of his professional work and his tireless energy by honoring him with this special dinner.

Mr. Walton has made a name for himself nationally as an expert in pension fund policy. He is a recognized speaker and author. His comments and articles have appeared in Financial World, Wall Street Journal, Business Week, Pension and Investment Age, among other publications. He has addressed the Presidential Commission on Pension Policy during its tenure.

He is recognized as one of the most aggressive and innovative trustees in the United States today. He is known as a pioneer of a pension investment program that directed the union's pension funds into real estate investments that have produced jobs for union contractors and employment for union members. He has been an outspoken critic of the way union pension funds should be handled by investment managers over the last 20 years.

Dennis Walton has truly been an asset to the Operating Engineers, Local 675 and to the labor movement. I am honored that I was asked to address this tribute dinner to honor him. His dedication, sincerity, and intensity are shared by few.

ROCK-N-ROLL ALIVE AND WELL IN CLEVELAND

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Ms. OAKAR. Mr. Speaker, it is with great pride that I comment on a story that appeared

in the Cleveland Plain Dealer on Sunday, March 16, 1986.

Cleveland's top rock-n-roll station, WMMS-FM/100.7, was recently the recipient of Rolling Stone magazine's "Station of the Year Award." This is the seventh time that this station was awarded that honor.

Cleveland has always been a leader in the music industry, particularly in the area of commercial top 40 radio. Stations in Cleveland led the way in revolutionizing the FM radio format in the 1960's. As early as the 1950's many of Cleveland's disc jockeys were among the first to play rock-n-roll, as well as rhythm and blues music, as part of their regular programming.

Mr. Speaker, on Friday, March 21, 1986, the city of Cleveland will celebrate the birthday of America's first rock-n-roll concert. Thirty-four years ago Cleveland disc jockey, Alan Freed, hosted the first rock-n-roll concert. Mr. Freed is known in the music industry for coining the phrase "Rock-n-Roll." The Cleveland celebration for the birthday of rock-n-roll will be filled with city-wide events all day and into the night.

Mr. Speaker, the people of Cleveland are indeed proud of their rock-n-roll roots. We are all equally proud of the radio stations and disc jockeys that have made that music the most popular in the world.

Mr. Speaker, rock-n-roll is indeed alive and well in Cleveland, OH.

FEE ON IMPORTED OIL PROPOSED

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. RICHARDSON. Mr. Speaker, today I am introducing a bill that would impose a fee on imported oil to protect the domestic market, encourage energy conservation, ensure that national security supply concerns are protected, and reduce the Federal and U.S. trade deficits.

A fee on imported oil would stem the decline of the domestic petroleum and refinery industries, save American jobs, and result in increased State and Federal tax revenues derived from related industries. New Mexico's economy would benefit because prices would then stabilize. Each $1 drop in the per barrel price of oil means that New Mexico loses an estimated $12 million in revenues.

My initiative would impose a duty of $8 per barrel on all petroleum products and petroleum entering into the United States after December 31, 1986. The duty would be imposed in corresponding percentages for fractions of barrels entering the country. The measure would generate approximately $100 billion over a 5-year period. The bill includes a national security waiver with respect to imports from Mexico, subject to the decision of the President of the United States. As a member of the House Energy and Commerce Subcommittee on Fossil and Synthetic Fuels, I am committed to encouraging a full discussion and debate of this proposal by the Congress.

Without a healthy domestic energy industry, the Nation is vulnerable to outside economic pressures. National security cannot be maintained if the domestic oil industry is crippled. A drop in crude oil prices threatens other sources of energy such as natural gas and coal.

In part, one of my objectives in introducing this legislation is to encourage energy conservation. In 1973, Americans consumed 17.5 million barrels of oil a day. Today, consumption has fallen below 16 million barrels.

Prices are falling because we have conserved. Now that the price is not incentive enough to save and conserve, we may forget that the world's affordable supplies are still being depleted. The risk of unrest in the Middle East is ever present. Consumers might lose their incentive to drive energy efficient cars and stop caring about conserving energy, Congressman RICHARDSON said: "Serious deficit reduction demands an increase in revenues. A fee on imported oil would make a significant impact on reducing the deficit and at the same time would encourage domestic production—ensuring a viable industry and jobs here at home."

IMPROVEMENTS TO USDA EMERGENCY LIVESTOCK FEED ASSISTANCE PROGRAMS

HON. RICHARD STALLINGS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. STALLINGS. Mr. Speaker, I am joined today by four of my distinguished colleagues in introducing legislation that is designed to consolidate and improve existing emergency livestock feed assistance programs administered by the Secretary of Agriculture.

I don't believe I need to remind this body of the economic difficulties confronting most if not all American farmers and ranchers today, but I must tell you that these very hardships are being further compounded by the Department of Agriculture's implementation of our Federal farm programs. Nowhere are these contradictions in purpose and reality more noticeable than in the Department's emergency feed assistance programs.

By the very nature of their industry, Mr. Speaker, our farmers continually face uncertain markets, uncertain weather, uncertain yields, and uncertain prices, and yet they persist year after year in producing this country's low-cost food and fiber. And when these farmers are hit by successive natural disasters that destroy their crops and threaten their livestock, where are our Federal disaster assistance programs?

There are no less than seven emergency feed assistance programs at the disposal of the Secretary, but rarely if ever, are any of these programs utilized with any effectiveness. To date, in my State of Idaho, only one program has been made available to our producers and that always seems to be "too little to late."

From all indications, the time has come to revamp and streamline these hodgepodge of emergency assistance programs into one workable and cost-effective program that truly helps our farmers and ranchers. The text of the bill follows.

DYING WITH DIGNITY

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 18, 1986

Mr. ROYBAL. Mr. Speaker, in losing Jake Javits, this Nation has experienced a great and personal loss. This loss would be even greater if it were not for the powerful and enduring legacy he bequeathed to all of us.

A few months ago, my committee had the high privilege of having Senator Javits testify for what was to be his last time. Very appropriately, that hearing was entitled "Dying with Dignity: Difficult Times, Difficult Choices." In his testimony, Jake Javits expressed a view of life and a view of death from which all of us could benefit. He testified, "Birth and death are the most singular events we experience and therefore the contemplation of death as of birth should be a thing of beauty."

His eloquent testimony that day, his personal struggle, and his commitment to protecting the rights of dying people best exemplify what "dying with dignity" means. In his passing, Jake Javits has left us with the challenge of protecting the rights of the dying. He challenged us to ensure the dying person's right to refuse medical treatment. He challenged us to establish and protect the dying person's right to have medical treatment.

As we look toward building a memorial to this honorable and dedicated public servant and his final mission, let us commit ourselves to meeting Jake Javits' challenge. Let us commit ourselves to establishing and protecting the rights of dying persons throughout this great Nation.

THERE IS NO LIGHT AT THE END OF THE PRESIDENT'S TUNNEL VISION

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. TORRICELLI. Mr. Speaker, I commend to the attention of my colleagues an article by my good friend and distinguished colleague, the gentleman from New York [Mr. SOLARZ] which appeared today in the Los Angeles Times:

Far more than President Reagan's reputation as the "Great Communicator" will be at stake in Thursday's congressional vote on additional aid to the Nicaraguan contras.

In fact, a handful of swing votes could determine whether the United States throws its clout behind the forces of regional peace or weighs in on the side of a further militarization of the current conflict in Central America.

The President's request for $100 million in assistance for the contras is simply the latest wrinkle in a four-year effort to topple the Nicaraguan government. The Administration has already provided the contras with $100 million worth of supplies. It has imposed economic sanctions against the Sandinista regime. It has conducted massive

military maneuvers in neighboring countries and adjacent waters. It has mined Nicaragua's harbors. It has thumbed its nose at international law and turned its back on the World Court. It has even written an assassination manual for the contras.

None of this has worked. More to the point, nothing of this sort holds any promise of working. Our own intelligence agencies agree that the contras have no chance of overturning the government in Managua; they have yet to hold even a single town in Nicaragua.

This is not to say that U.S. policy has had no effect. Unfortunately, it has had the wrong effects. Instead of facilitating real democracy, it has led to greater repression. Rather than inducing the Sandinistas to adopt a policy of genuine nonalignment, it has driven Nicaragua more firmly into the Soviet-Cuban embrace.

Most Americans deplore the fact that the Sandinistas have betrayed the democratic promises of their revolution. Most Americans agree that the present Sandinista regime daily tramples on the liberties of the Nicaraguan people. All Americans hope for a restoration of political pluralism and human rights in Nicaragua. And all Americans rightly insist that Nicaragua allow its neighbors the same freedom from outside interference that it claims for itself.

But funding a "secret army" in Central America to oppose the Sandinistas will not return political freedom to Nicaragua or protect Nicaragua's neighbors or wean Managua from Cuban influence.

It will, however, inflame historic Latin fears about "U.S. meddling." It will tie the United States to a force that has shown the same disdain for basic human decency that we rightly condemn in the Sandinistas. And if it fails, as it surely will, it may lead to the subsequent introduction of American combat forces.

The President disclaims—sincerely, I believe—any desire to send American troops to Nicaragua. But his policies are inexorably carrying us toward the point where we will have to choose between dispatching the Marines and putting up with the Sandinistas, humiliating as that might be.

Nicaragua presents the United States with two sets of problems. We have legitimate security concerns there, in the presence of Cuban advisers, the possibility of Soviet bases and Nicaragua's continuing interference in the affairs of its neighbors. We also have political concerns, in the denial of democracy and the abuse of human rights in Nicaragua.

The Sandinistas have indicated that, in exchange for U.S. promises not to destabilize their regime or invade their nation, they would declare Nicaragua off-limits to foreign bases and troops and accept verifiable arrangements guaranteeing Nicaragua's non-interference in the affairs of its neighbors.

Perhaps no agreement along these lines would work, but we should at least test Managua's sincerity. If a regional agreement subsequently broke down, we would then have a sounder basis for mobilizing our Latin American allies against the Sandinista regime.

By insisting, however, that the Sandinistas also agree to the establishment of a genuine democracy, which could lead to their removal from power, the Administration is attempting to achieve the impossible. Whatever else the Sandinistas may be willing to do, they clearly are not prepared to commit political suicide.

Consequently, by imposing unrealistic demands as a condition for a negotiated settlement, we will be not only unavailing in our efforts to promote political democracy in Nicaragua but also unsuccessful in containing Sandinista adventurism.

By obtaining an agreement on the security issues and reducing regional tensions, we have a far better chance of promoting our democratic values.

Our Latin American allies, many of whom have even more at stake in the region than we do, have begged us not to militarize the conflict further. The Contadora countries of Mexico, Colombia, Panama and Venezuela have publicly asked us to give their diplomatic efforts more time to bear fruit before we heat up the region with additional military aid. So, too, have almost all the other democracies in Latin America, ranging from mighty Argentina, at the far end of the hemisphere, to tiny Costa Rica, just across the Nicaraguan border.

Beneath all the inflated rhetoric about Sandinista armies rampaging as far north as Texas lie two choices. We can work with our friends in the region to promote an end to the fighting and a situation in which neighbors can live together in peace and without fear of outside intervention. Or we can follow a go-it-alone policy that, to be successful, will ultimately require the U.S. Marines.

The American people do not want any more Cubas in Central America, but neither do they want another Vietnam. It remains essential that we give diplomacy a chance. Our friends in the region ask this of us. Our own interests require it. Most of all, our ideals demand it.

PEACE OF MIND FOR $155: THE NEED FOR CATASTROPHIC HEALTH CARE

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1986

Mr. STARK. Mr. Speaker, the President has proposed a study on the need for catastrophic health insurance amendments.

We don't need a study.

We need action.

Let's save the money we'd spend on a study, and get started providing peace of mind to the Nation's seniors. I would like to include in the RECORD at this point an excellent recent editorial from the New York Times on this issue.

PEACE OF MIND FOR $155

What's the price of peace of mind for the aging American who fears financial ruin from severe illness? About $155 a year could buy a lot, says Otis Bowen, the Secretary of Health and Human Services. If so, why not put this bargain to Congress instead of burying it in a broader study?

President Reagan has asked Dr. Bowen to conduct a yearlong inquiry into "how the private sector and government can work together to address the problems of affordable insurance for those whose life savings would otherwise be threatened when catastrophic illness strikes." That command, in the State of the Union Message, puzzled the experts in the field. For only last November Dr. Bowen published an article describing a sensible plan by which Government alone could modify Medicare to guarantee just such coverage.

The 30 million elderly on the Medicare rolls are currently covered for 60 days of hospital care a year after they pay an initial $492 deductible for each period of illness. Illnesses lasting longer than 60 days can be financially devastating. Patients must contribute $123 a day for the next 30 days, and $246 a day after that.

The same Medicare patients must also fret about doctors' fees. The Government insurance pays 80 percent of approved doctors' charges after a $75 deductible. But with major surgery, the remaining 20 percent can total many thousands of dollars.

Dr. Bowen proposed to allay these fears and also simplify the coverage formulas. Since only a few Medicare patients ever need prolonged care, he would spread the cost of their "catastrophic" illness among all 30 million plan members. Estimates developed for the Social Security Advisory Council, which he chaired, suggested that a new premium of $39 a year could cover unlimited days in a hospital after a patient had paid the $492 deductible on each of two spells of illness. An additional annual premium of $116, he calculated, could cover all doctors' bills above a patient's contribution of $350. In any year, then, a patient's maximum exposure would be $1,489, a fraction of the risk he now runs.

Some spokesmen for the aging object, with reason, that this plan fails to address the more costly and frightening prospect of long-term nursing-home care. While that problem certainly demands urgent study, the Bowen plan would still offer most Medicare beneficiaries a genuine saving over the $500 to $800 a year it costs to purchase private insurance covering what Medicare won't pay. Perhaps 90 percent of those on Medicare now allay their anxieties with such "Medigap" insurance.

Why then another study? Apparently to allay the fears of the sellers of Medigap. They stand to lose a big piece of business if the Government extends its coverage. They could not compete because they have no captive clientele of 30 million and bear heavy selling and administrative costs. They therefore welcome the President's call for a broader study, including nursing-home care and care of premature babies, because it would defer action on the Bowen approach.

How to combine public and private insurance programs to provide that still broader coverage certainly merits study. But why not proceed with insurance against catastrophic illness when an affordable remedy seems at hand?

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this infor-

mation, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, March 20, 1986, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MARCH 21

9:00 a.m.
Armed Services
Closed business meeting, to resume markup of proposed legislation authorizing supplemental funds for fiscal year ending September 30, 1986 for the Department of Defense.
SR-222

Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on S. 1992 and S. 1993, bills to preserve the rights of certain parties with an interest in certain vessels or fishing facilites, or with an interest in aircraft, aircraft parts, or vessels.
SR-253

9:30 a.m.
Judiciary
To hold hearings on S. 2162 and S. 2022, bills to promote and improve efficient and effective enforcement of the antitrust laws.
SD-226

MARCH 24

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on the nominations of Joseph T. Nall, of North Carolina, and James E. Burnett, Jr., of Arkansas, each to be a Member of the National Transportation Safety Board
SR-253

*Finance
Business meeting, to mark up H.R. 3838, proposed Tax Reform Act of 1985.
SD-215

10:30 a.m.
Commerce, Science, and Transportation
To hold hearings on the nomination of Robert Ortner, of New Jersey, to be Under Secretary of Commerce for Economic Affairs.
SR-253

2:00 p.m.
Armed Services
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the Department of Defense, focusing on Army tactical programs.
SR-222

MARCH 25

9:30 a.m.
Agriculture, Nutrition, and Forestry
Business meeting, to mark up S. 2045, authorizing funds through fiscal year 1992 for the Commodity Futures Trading Commission
SR-328A

Commerce, Science, and Transportation
Business meeting, to consider pending calendar business
SR-253

Energy and Natural Resources
To resume oversight hearings on the domestic and international petroleum situation and the implications of fees on imported oil.
SD-366

*Finance
Business meeting, to mark up H.R. 3838, proposed Tax Reform Act of 1985.
SD-215

Judiciary
Patents, Copyrights and Trademarks Subcommittee
To resume hearings on S. 1739, to legalize the home taping of copyrighted music and other audio material in exchange for a royalty on audio recording equipment.
SD-226

Labor and Human Resources
Handicapped Subcommittee
To resume hearings on proposed legislation authorizing funds for rehabilitation programs.
SD-430

Veterans' Affairs
Closed meeting to discuss reported sightings of live military personnel missing in action in Southeast Asia.
SH-219

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings to review the National Aeronautics and Space Administration's overall accomplishments in their space program.
SD-192

Environment and Public Works
Environmental Pollution Subcommittee
Nuclear Regulation Subcommittee
To hold joint hearings on the regulation of mixed chemical and radioactive waste disposal under the Atomic Energy Act and the Resource Conservation and Recovery Act.
SD-406

10:30 a.m.
Judiciary
Courts Subcommittee
To hold hearings on S. 1961, to authorize a new United States Trustee system by providing for the appointment of United States trustees to supervise the administration of bankruptcy cases in judicial districts throughout the United States.
SD-628

2:00 p.m.
Appropriations
HUD-Independent Agencies Subcommittee
To continue hearings to review the National Aeronautics and Space Administration's overall accomplishments in their space program.
SD-192

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Forest Service, Department of Agriculture.
SD-138

Judiciary
To resume hearings on white collar crime in the United States.
SD-226

MARCH 26

9:00 a.m.
Armed Services
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the Department of Defense, focusing on Navy tactical programs.
SR-222

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Trade Commission, and the U.S. Commission on Civil Rights.
S-146, Capitol

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Finance
Business meeting, to mark up H.R. 3838, proposed Tax Reform Act of 1985.
SD-215

Judiciary
To resume hearings on S. 2046, to place a cap on pain and suffering awards in litigation cases.
SD-226

Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for the National Science Foundation.
SD-430

Small Business
To hold hearings on S. 2147, to extend the authorization for non-profit organizations operated in the interest of handicapped and blind individuals to receive procurement contracts under the Small Business Act.
SR-428A

Select on Intelligence
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To continue hearings to review the National Aeronautics and Space Administration's overall accomplishments in their space program.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Interstate Commerce Commission and the Office of the Secretary of Transportation.
SD-138

Foreign Relations
To hold oversight hearings on aid to Ireland and the U.S. foreign assistance program.
SD-419

10:15 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Arms Control and Disarmament Agency.
S-146, Capitol

2:00 p.m.
Appropriations
Defense Subcommittee
HUD-Independent Agencies Subcommittee
To hold joint hearings to discuss the National Aeronautics and Space Administration's alternatives to sending satellites into space.
SD-192

Judiciary
To hold hearings on pending nominations.
SD-226

MARCH 27

9:30 a.m.
Rules and Administration
To resume hearings on S. 59, S. 1787, S. 1806, and S. 1891, and related measures to amend the Federal campaign finance laws.
SR-301

Small Business
To hold hearings on H.R. 2787, to extend through fiscal year 1988 SBA Pilot Programs under section 8 of the Small Business Act.
SR-428A

10:00 a.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Customs Service, Department of the Treasury.
SD-124

2:00 p.m.
Appropriations
*Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Bureau of Mines, Department of the Interior.
SD-138

Small Business
Entrepreneurship and Special Problems Facing Small Business Subcommittee
To hold hearings on entrepreneur spirit in America.
SR-428A

APRIL 8

9:30 a.m.
Finance
Business meeting, to mark up H.R. 3838, proposed Tax Reform Act of 1985.
SD-215

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy conservation programs.
SD-138

APRIL 9

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of the Secretary of Education, Departmental Management (salaries and expenses), Office for Civil Rights, and Office of Inspector General, all of the Department of Education.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Attorney General, Department of Justice.
S-146, Capitol

Finance
Business meeting, to mark up H.R. 3838, proposed Tax Reform Act of 1985.
SD-215

Labor and Human Resources
To hold hearings on pending nominations.
SD-430

Select on Intelligence
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

10:00 a.m.
Appropriations
Defense Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1987 for the strategic defense initiative.
S-407, Capitol

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Railroad Administration, Department of Transportation, and the National Railroad Passenger Corporation (AMTRAK).
SD-138

2:00 p.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Personnel Management, and the Federal Elections Commission.
SD-124

Select on Indian Affairs
To hold hearings on S. 1452, to settle certain Wampanoag Indian land claims in Gay Head, Massachusetts.
SD-538

APRIL 10

9:30 a.m.
Appropriations
*Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including compensatory education for the disadvantaged, special programs, and impact aid.
SD-116

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for the National Bureau of Standards, Department of Commerce.
SR-253

Finance
Business meeting, to mark up H.R. 3838, proposed Tax Reform Act of 1985.
SD-215

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the strategic defense initiative.
SD-192

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Management and Budget.
S-126, Capitol

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Inspector General, Agency for International Development, Peace Corps, Inter-American Foundation, and the African Development Foundation.
S-126, Capitol

Veterans' Affairs
To hold hearings to review Veterans' Administration policies relating to the construction of major medical facilities.
SR-418

APRIL 11

9:30 a.m.
Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold hearings on S. 977, to establish the Hennepin Canal National Heritage Corridor in Illinois, S. 1374, to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island, S. 1413 and H.R. 2067, bills to validate conveyances of certain lands in California that form part of the right-of-way granted by the United States to the Central Pacific Railway Company, S. 1542, to designate the Nez Perce Trail in Oregon and Montana, as a component of the National Trails System, and H.R. 3556, to provide for the exchange of land for the Cape Henry Memorial site in Fort Story, Virginia.
SD-366

Finance
Business meeting, to mark up H.R. 3838, proposed Tax Reform Act of 1985.
SD-215

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the strategic defense initiative.
SD-192

APRIL 14

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

APRIL 15

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including education for the handicapped, rehabilitation services and handicapped research, and special institutions (including Howard University).
SD-116
Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings to review safety issues relating to an aging commercial airline fleet.
SD-628
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for National Oceanic and Atmospheric Administration, focusing on funds for satellite and atmospheric programs.
SR-253
Finance
Business meeting, to mark up H.R. 3838, proposed Tax Reform Act of 1985.
SD-215

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192
Select on Indian Affairs
To hold hearings on S. 1991, to authorize funds for fiscal years 1987-1990 for Native American programs, and S. 1988, to establish a program for the prevention and control of diabetes among native Americans.
SR-385

1:00 p.m.
Select on Intelligence
Closed business meeting, to mark up proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Agency for International Development.
S-126, Capitol
Appropriations
*Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Endowment for the Arts and the Institute of Museum Services.
SD-138
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

APRIL 16

9:00 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative priorities of AMVETS, Vietnam Veterans of America, World War I Veterans, Jewish War Veterans of the U.S.A., and Atomic Veterans.
SD-106

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including student financial assistance, guaranteed student loans, higher education, higher education facilities loans and insurance, college housing loans, and educational research and training.
SD-116
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Oceanic and Atmospheric Administration, Department of Commerce, and the Marine Mammal Commission.
SD-146, Capitol
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366
Finance
Business meeting, to mark up H.R. 3838, proposed Tax Reform Act of 1985.
SD-215
Labor and Human Resources
To hold hearings on Acquired Immune Deficiency Syndrome.
SD-430
Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Aeronautics and Space Administration.
SD-124
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Coast Guard, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of the Treasury, Postal Service, and general government programs.
SD-124

APRIL 17

9:30 a.m.
Appropriations
*Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including bilingual education, vocational and adult education, education research and improvement, and libraries.
SD-116
Finance
Business meeting, to mark up H.R. 3838, proposed Tax Reform Act of 1985.
SD-215

10:00 a.m.
Commerce, Science and Transportation
To hold hearings with the National Ocean Policy Study on S. 2138 and H.R. 2935, bills to establish a National Marketing Council to enable the United States fishing industry to establish a coordinated program of research, education, and promotion to expand markets for fisheries products.
SR-253
Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on S. 1319, to relieve the Washoe County Water Conservation District, Nevada, of certain Federal repayment obligations, and S. 1772, to convey certain real property to the Pershing County Water Conservation District.
SD-366
Select on Indian Affairs
To hold hearings on S. 2118, to provide for the distribution of funds appropriated to pay a judgment awarded to the Sisseton and Wahpeton Tribes of Sioux Indians in Indian Claims Commission dockets numbered 142 and 359.
SD-485

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for foreign assistance programs.
S-126, Capitol
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Fish and Wildlife Service, Department of the Interior.
SD-192

4:00 p.m.
Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

APRIL 18

9:30 a.m.
Commerce, Science, and Transportation
Business, Trade, and Tourism Subcommittee
To hold hearings on proposed legislation authorizing funds for the U.S. Travel and Tourism Administration.
SR-253
Finance
Business meeting, to mark up H.R. 3838, proposed Tax Reform Act of 1985.
SD-215

APRIL 22

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Soldiers' and Airmen's Home, Prospective Payment Commission, Railroad Retirement Board, National Labor Relations Board, National Mediation Board, Occupational Safety and Health Review Commission, Federal Mediation and Conciliation Service, and the United States Institute of Peace.
SD-116

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, focusing on international narcotics control, migration and refugee assistance, and anti-terrorism programs.
S-126, Capitol
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Navajo-Hopi Indian Relocation Commission, and the Office of Surface Mining, Reclamation and Enforcement, Department of the Interior.
SD-192

APRIL 23

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for ACTION (domestic programs), Corporation for Public Broadcasting, National Council on the Handicapped, Mine Safety and Health Review Commission, National Commission on Libraries and Information Science, and National Center for the Study of Afro-American History and Culture.
SD-116
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Bureau of Investigation and Drug Enforcement Administration, Department of Justice, and the Equal Employment Opportunity Commission.
S-146, Capitol
Labor and Human Resources
To hold hearings on S. 1815, to prohibit any employer from using any lie detector test or examination in the work place, either for pre-employment testing or testing in the course of employment.
SD-430
Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Navy aircraft procurement programs.
SD-192
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the United States Railway Association and Conrail.
SD-138

2:00 p.m.
Appropriations
*Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs, focusing on atomic energy defense activities.
SD-116

APRIL 24

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116
Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 1018, to clarify the meaning of the term "guard" for the purpose of permitting certain labor organizations to be certified by the National Labor Relations Board as representatives of employees other than plant guards.
SD-430

10:00 a.m.
Appropriations
Defense Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1987 for intelligence programs.
S-407, Capitol
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, focusing on voluntary contributions to international organizations programs, and for the Office of the U.S. Representative to the United Nations.
SD-138
Energy and Natural Resources
Natural Resources Development and Production Subcommittee
To hold hearings on S. 1322, to provide Geothermal Steam Act Amendments of 1985.
SD-366

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Energy Information Administration and the Economic Regulatory Administration, Department of Energy.
SD-192

APRIL 25

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on the impact of proposed budget estimates on health research programs.
SD-138

APRIL 29

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for certain defense programs.
SD-192
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Bureau of Indian Affairs, Department of the Interior.
SD-192

APRIL 30

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of U.S. Trade Representative, and the Federal Communications Commission.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings on the human resources impact of reentry of women into the labor force.
SD-430

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

MAY 1

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for certain defense programs.
SD-192

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for territorial affairs, Department of the Interior.
SD-192

MAY 6

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Air Force aircraft procurement programs.
SD-192

MAY 7

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Supreme Court of the United States, U.S. District Courts/Courts of Appeals, and the Commission on the Bicentennial of the U.S. Constitution.
SD-146, Capitol
Labor and Human Resources
To hold oversight hearings on medical malpractice.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Urban Mass Transportation Administration, Department of Transportation, and the Washington Metropolitan Area Transit Authority.
SD-138

MAY 8

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for strategic systems.
SD-192
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Aviation Administration, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
*Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Holocaust Memorial Council and the Smithsonian Institution.
SD-192

MAY 13

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

MAY 14

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Health Resources and Services Administration, Department of Health and Human Services.
SD-116
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Legal Services Corporation, and the Securities and Exchange Commission.
S-146, Capitol
Labor and Human Resources
To hold hearings to review barriers to health care.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Transportation and certain related agencies.
SD-138
Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on S. 525, to provide for the transfer to the Secretary of Health and Human Services the authority of the Secretary of Energy to conduct epidemiological studies of radiation effects.
SD-342

MAY 15

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

2:30 p.m.
Appropriations
*Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for fossil energy and clean coal technology.
SD-192

MAY 20

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Indian Health Service, Department of Health and Human Services.
SD-192

MAY 21

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Information Agency, and the National Endowment for Democracy.
S-146, Capitol
Labor and Human Resources
To resume oversight hearings on medical malpractice.
SD-430

MAY 29

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of the Secretary and Office of the Solicitor, Department of the Interior.
SD-192

JUNE 3

10:00 a.m.
Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on statistical policy for an aging America.
SD-342

JUNE 4

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Commerce, Justice, and State, the Judiciary, and certain related agencies.
S-146, Capitol
Labor and Human Resources
To hold oversight hearings to review the imposition of user fees in FDA approval procedures for new drugs.
S-430

JUNE 11

9:30 a.m.
Labor and Human Resources
To hold hearings on pending nominations to the National Advisory Council cn Women's Educational Programs.
SD-430

JUNE 17

9:30 a.m.
Labor and Human Resources
To hold hearings on food safety issues.
SD-430

JUNE 18

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

JUNE 25

9:30 a.m.
Labor and Human Resources
To hold hearings on the administration of the Mine Safety and Health Review Commission.
SD-430

JULY 16

9:30 a.m.
Labor and Human Resources
To hold hearings on the establishment of generic drug procedures and patent term restoration for animal drugs.
SD-430

JULY 30

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

AUGUST 13

9:30 a.m.
Labor and Human Resources
To hold hearings to review the private sector initiatives in human services.
SD-430

SEPTEMBER 10

9:30 a.m.
Labor and Human Resources
To hold hearings to review the human resources impact on drug research and space technology.
SD-430

SEPTEMBER 16

9:30 a.m.
Labor and Human Resources
To hold hearings on pending nominations.
SD-430

SEPTEMBER 24

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

CANCELLATIONS

MARCH 20

2:00 p.m.
Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold oversight hearings on government nonproliferation activities for 1985.
SD-342

MARCH 21

9:00 a.m.
Armed Services
Strategic and Theater Nuclear Forces Subcommittee
To continue open and closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the Department of Defense, focusing on Navy reactor and nuclear programs.
SR-222

10:00 a.m.
Armed Services
Preparedness Subcommittee
To resume open and closed hearings on proposed budget estimates for fiscal year 1987 for the Department of Defense, focusing on Army National Guard and Army Reserve readiness and operation and maintenance programs.
SR-232A

SENATE—*Thursday, March 20, 1986*

(Legislative day of Tuesday, March 18, 1986)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Our prayer today will be offered by Father Michael J. Murray, St. Joseph's Roman Catholic Church in Washington, DC. He is sponsored by Ernest Garcia, Sergeant at Arms.

PRAYER

The Reverend Michael J. Murray, St. Joseph's Church on Capitol Hill, Washington, DC, offered the following prayer:

Loving God, Father of us all. We stand in Your presence once again, at the outstart of another day of work. We praise You, and thank You for having created us in Your image and likeness. We praise You and thank You for having redeemed us and for having accompanied us on our journeys. We praise You and thank You for having chosen us to mirror Your love and care to a broken world.

Bless these men and women, our chosen representatives. Let them be a conspicuous example of devotion to the sense of duty and of service to the advancement of the common good. May they always look to the welfare of the whole human family, which is tied together by the manifold bonds linking races, peoples, and nations. Let them work to exercise the honorable art of politics without thought of personal convenience. Prudently and honorably let them fight against injustice and oppression, the arbitrary rule of one man or one party, and lack of tolerance. Let them devote themselves to the welfare of all sincerely and fairly, with charity and political courage. This we ask in Your name. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, I thank the distinguished President pro tempore, the Senator from South Carolina [Mr. THURMOND]. Under the standing order the leaders have 10 minutes each—and I would reserve time that leaders do not use—followed by special orders in favor of Senator HAWKINS and Senator PROXMIRE for 5 minutes each; routine morning business not to extend beyond 10:30 a.m., with Senators permitted to speak therein for not more than 5 minutes each; then return to the motion to proceed to S. 1017, the regional airport bill.

We have had a good debate and discussion on the regional airport bill. It would be my hope that we could make some headway on that bill today. I certainly cannot quarrel with the debate. There was almost 6 hours of solid debate on the issue yesterday by the Senator from Maryland [Mr. SARBANES] and the Senator from Virginia [Mr. TRIBLE]. So we have had good debate.

I would hope today that we can reach some time agreement because there are a number of other items we would like to complete action on before the Easter recess begins at the close of business Thursday, March 27. That would include the Contra aid proposal, which I assume we will take up before the Easter recess, but again I will want to visit with the President on that matter. Second, we will complete action on the balanced budget on March 25. There are a number of issues, drug export bill, sports franchise bill, and others that we would like to start on—and maybe a trade bill. Then I have indicated to the chairman of the Budget Committee, Senator DOMENICI, that we might be able to move to the budget resolution which was ordered reported out of the Senate Budget Committee yesterday afternoon. Again, I think we need to study that resolution rather carefully, and I am not certain that will be up next week.

Mr. President, let me yield briefly to the distinguished Senator from Oregon [Mr. HATFIELD].

FATHER MICHAEL MURRAY

Mr. HATFIELD. Mr. President, I thank the majority leader for yielding in order that I might be permitted to extend a very special and warm welcome to Father Murray, of St. Joseph's, who has opened our Senate this morning.

Mr. President, St. Joseph's is a very key church on the Hill because it is the closest to the Senate office buildings. There is a great ministry that goes on from St. Joseph's for Members and their staffs on the Hill.

I find that it is a very inspiring and renewing experience to drop in a number of mornings a week for 8 o'clock mass. I guess you would call me a high Baptist. But I find this is a very delightful and inspiring experience. Father Murray has had that covenant relationship with the Hill now for a number of years, to be the shepherd, to be the spiritual helper and counselor and guide. I express my very personal thanks to him for providing a place for quiet meditation to begin the day and oftentimes to get us through the day. I am delighted that the Senate was blessed this morning by his presence and by his prayer.

I say to the majority leader that I will not speak to the future because our colleague from Alaska I notice is here, and I would urge the majority leader to yield to him for a very brief word about the future of Father Murray.

Mr. DOLE. Mr. President, I ask unanimous consent that I may yield 2 minutes of my time to the Senator from Alaska [Mr. MURKOWSKI].

The PRESIDING OFFICER (Mr. COCHRAN). Without objection, it is so ordered.

Mr. MURKOWSKI. I thank the majority leader and I thank my colleague from the State of Oregon.

I think it is appropriate that I take the opportunity this morning to commend Father Michael Murray for the prayer of thanksgiving which he gave in opening the Senate. I am particularly proud, Mr. President, to advise you and my colleagues that this summer Father Murray will move to Fairbanks, AK. I wish to say that this is in recognition of the significant ministry which he has provided for our colleagues and associates at St. Joseph's. On the other hand, I want to reassure my colleagues that in no way is it anything more than a reward.

Of course, Father Murray is eminently qualified for the important assignment ahead. He is the only child of Charles and Frances Murray, of Bethesda, MD, where he graduated from Cathedral Latin Preseminary and Catholic University cum laude. He then entered the North American College in Rome, and upon graduation was ordained to the deaconate by Cardinal Baum. His ordination to the priesthood was held at St. Mathews Cathedral here in Washington in September 1976.

Father Murray has wanted to serve in Alaska for many years, ever since he had an opportunity to visit St. Mary's and McGrath, and I might add he visited at an appropriate time, in the dead of winter when Alaska is in full bloom.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Father Murray received a request from Father Whelan of our Fairbanks diocese to serve in Fairbanks, AK, but he was unable to leave Washington at that time. However, he pursued his interest, climbed the Chilkoot trail. He has returned to Alaska and has shown a love of the outdoors. It is my understanding that he intends to take up flying and work the missions when he does establish himself in Alaska late this fall. We are very blessed to have him come to our State. He has a warm and genuine interest in Alaska's people. I am gratified that he has been chosen to serve the Lord in our great State of Alaska. I certainly welcome a new Alaskan. I thank the Chair and the majority leader.

Mr. DOLE. Mr. President, I thank both Senators HATFIELD and MURKOWSKI.

Mr. President, I shall just take a couple minutes and then I will yield the floor.

NATIONAL AGRICULTURE DAY

Mr. DOLE. Mr. President, March 20 is being celebrated as National Agriculture Day throughout the Nation in recognition of the tremendous achievements and contributions made by the American farmer.

AGRICULTURE—AMERICA'S HEARTBEAT

Mr. President, the American farmer is the envy of the world. He produces enough food and fiber for 116 people—86 in the United States and 30 in foreign countries. American farmers today produce over 80 percent more crop output on an acre of land than did their fathers. Today, 1 hour of farm labor produces 16 times as much food and other crops as it did in 1920. In fact, agricultural production per hour has been increasing about three times as fast as industrial production.

We have an opportunity today to remind all Americans of the American farmer's productivity and the benefits of agriculture to our standard of living. U.S. consumers spend only 15 percent of their disposable income on food and yet are blessed with a stable supply of many different types of food items.

Agriculture is the Nation's biggest industry. Farm assets total over $1 trillion and are equal to about 70 percent of the capital assets of all manufacturing corporations in the United States. Agriculture accounts for 20 percent of the Nation's gross national product with $610 billion of business activity yearly. Agriculture is the Nation's largest employer with roughly 21 million people—1 out of 5 American jobs—involved in some phase of agriculture from growing food to selling it at the supermarket. And although U.S. farm exports have fallen from their 1981 peak of $43.8 billion to a projected $28 billion this year they are still a key ingredient to U.S. farm income. Every billion dollars in farm exports generates 35,000 jobs and creates another $1.4 billion of economic activity in the United States, for a total of $2.4 billion.

The American farmer is a consumer and taxpayer as well. Farmers, as consumers, spend $45 billion a year on goods, services, and personal taxes. Total farm production expenses or the cost of producing crops and livestock for 271 million people amounts to $139.5 billion.

KANSAS—AN AGRICULTURAL GIANT

Mr. President, my own State of Kansas has long been considered the breadbasket of the world. Kansas is the No. 1 State in wheat production and wheat and wheat products exported. Kansas is also No. 1 in sorghum silage production, flour milling capacity and grain sorghum produced. Kansas is second in commercial grain storage capacity, total cropland, cattle on feed and dressed beef production. The annual value of Kansas agricultural production is nearly $5 billion in crops and livestock.

Kansas is also the home of Kansas State University, one of the Nation's first land grant schools and a major teaching and research university. The university has been a leader in training students for successful agriculture-related careers. In addition, the Kansas agricultural experiment station has provided basic and applied research for almost 100 years to aid farmers and others. There are currently over 600 research projects ongoing in the experiment station network, which includes scientists from 30 KSU departments, 5 branch stations, and 11 experiment fields. Further, the Kansas Cooperative Extension Service is an essential source in disseminating this information to all parts of our State and has helped Kansas attain the status of being one of the leading agricultural States in the Nation.

A TIME OF CHALLENGE

Mr. President, I am proud of American farmers and Kansas farmers. Yet we all know that these are difficult times in agriculture. Many farmers are struggling to simply survive from several years of falling prices. They have seen embargos wreck markets and ruin our reputation as a reliable supplier. They have been hit by high interest rates and burdened by mounting debts. In fact, the largest single production expense last year was interest on debts which cost farmers $21.1 billion. Farmers have been a direct victim of runaway Federal spending which has caused a huge budget deficit resulting in a strong dollar and drastically reduced exports. In my State and others, many farmers have faced several years of bad weather and insect problems.

When farmers struggle, the local businessmen struggle, the local bankers struggle, and in some cases entire communities wither. So it is important to remind Americans of what the farmer contributes to our society and to also remind Americans of the difficulties the family farmer is encountering in today's economic environment.

TOUGH CHOICES

It is my hope that Congress will be committed to working in a bipartisan manner to make the tough decisions on the budget deficit and other issues which will benefit farmers and all Americans. We've taken positive steps through the passage of a new 5-year farm bill that protects income for a couple of years and we've reformed the Farm Credit System. We will need to look at other measures to ensure that farmers have access to credit and that banks can service the small communities which make up American agriculture.

Internationally, with the export tools provided in the new farm legislation, we have sent a clear message to the world. The message is that the American farmer will compete, he is in business to stay and the United States will be more aggressive in finding and developing markets. Our Government will stand beside our farmers to ensure that they are competing on a level playing field.

WORKING TOGETHER

Our problems in agriculture are not a result of a particular administration or a particular party. Rather they are the result of years and years of shortsighted economic policies and farm policies which have sent confusing and short-range signals to farmers. Unfortunately, some farmers may not be able to endure the present circumstances long enough to see agriculture recover and be healthy again. But it is our obligation to work together to address the current problems, providing assistance and a long-term direction that makes economic sense to the long-term security and prosperity of our Nation and its farmers.

I only indicate that this is a time of challenge for the American farmer. It is a time of challenge and a time of trouble for many American farmers.

But I am confident that those of us in Congress who have a responsibility have responded by passing what I consider to be a good farm bill with the minor amendments made just this year.

I also believe it will address some of the farm credit problems that farmers are having in many parts of the country.

So I just suggest that notwithstanding a very troublesome time, I believe that there is light at the end of the tunnel and there is hope for American agriculture, which means hope for the American consumer and others who rely on American agriculture for their existence.

RECOGNITION OF THE ACTING MINORITY LEADER

The PRESIDING OFFICER. Under the previous order, the acting minority leader is recognized.

FUNDING THE CONTRAS IS FUNDING TERRORISTS

Mr. CRANSTON. Mr. President, the Reagan administration has framed the upcoming vote for $100 million in aid to the Contras as a vote for or against communism. Yet millions of patriotic Americans who deplore communism do not believe funding Contra killing is the way to stop it.

Nor do I.

This is not a vote for or against communism.

It is a vote on what is the best way to stop communism.

It is a vote on whether we are going to take still another step down the bloody road to war in Nicaragua.

We are walking into a trap in Nicaragua—the same horrible trap we got ourselves into in Vietnam:

First we pour in U.S. money; then more U.S. money; then U.S. military advisers; then U.S. troops.

I say no.

The time to stop is now—before it is too late.

President Reagan and administration officials call the Contras freedom fighters. Yet the Contras are using terrorist tactics. Trained and financed by our Government, their chief targets are civilian, not military.

Mr. President, neither I, nor any other Senator, carries any grief for the Sandinistas. I deplore the tactics the Sandinistas employ. But the issue here is not the Sandinistas; it is whether or not U.S. taxpayers want to continue to finance an illegal terrorist war.

I want to refresh my colleagues' memories about a few of the terrorist acts carried out by the Contras. In September 1983, U.S.-backed rebels attacked the main airport in Managua. In October 1983, the Contras launched several air and sea attacks against Nicaragua's Pacific ports of Corinto and Puerto Sandino.

According to press reports, U.S. officials said the CIA helped plan these attacks. The officials said these actions were, and I quote the New York Times of October 16, 1983:

> The result of a decision, reached by the CIA over the summer, that attacks directly against industrial and transportation targets inside Nicaragua would be a quicker and more effective way of hurting the Sandinistas than previous efforts.

Of course, such actions are completely illegal under international law and are a violation of the OAS Charter.

The campaign continued. By March 1984 it was evident that principal Nicaraguan harbors were mined and that the CIA was instrumental in carrying out these activities.

Civilians have been targets, too. On several occasions Amnesty International reported that it appealed to Honduran authorities on behalf of individuals captured by Contra forces. In one case, Amnesty International appealed to authorities in December 1982 on behalf of lay church leaders Maria Eugenia de Barreda and her husband Felipe Barreda who were seized by Nicaraguan Democratic Forces [FDN] while working as teachers near the Honduran border. The Barredas were—

> Taken across the border and reportedly transported by Honduran Army forces to the town of Danli where they and other Nicaraguan captives were reportedly held and interrogated. According to detailed reports, from captives who escaped FDN/Honduran custody at Danli, the Barredas had been severely beaten. Other reports maintained that Maria Eugenia de Barreda had been repeatedly raped and was held bound and gagged. The bodies of the two were reportedly found near Danli several months later.

In another case, FDN forces seized five student teachers on September 28, 1984 and another on October 5 in Nicaragua's Jinotega department. According to Amnesty International, they were removed across the border to Honduras. One of them who reportedly escaped, told a press conference in Managua that she had been held inside Honduras for part of her captivity, where she was raped and tortured.

In its report, "Human Rights in Nicaragua," America's Watch refers to two widely reported incidents in 1984 and 1985, where women traveling in trucks to visit their sons in the military service were killed. The FDN attacked a vehicle killing 8 women and wounding 19 other civilians in September 1984 in Pantasma, Jinotega. Nine women were killed and 24 other civilians were wounded when a truck was attacked near the base of Mulukuku, 168 miles north of Managua in July 1985. More recently, in the February 20, 1986, issue of the New York Times, Stephen Kinzer reported an attack on a group of women traveling in the countryside. According to the story:

> A land mine tore through a pickup truck carrying 17 civilians. A rebel band waiting in ambush then opened fire. Five women ranging in age from 28 to 70 were killed. A Swiss agronomist who had worked in the area for three years also died.

The U.S.-backed rebels have been accused of heinous crimes and atrocities. These have been the subject of numerous debates in Washington which have degenerated into a who-can-top-who argument. Yet attacks against civilians and civilian facilities like schools, health clinics, and farms continue.

Mr. President, it is not a question of degree of atrocities—or of who commits more, the Contras or the Sandinistas—it is simply a question of whether U.S. taxpayers want to continue to finance terrorist activities, not only against a government we dislike, but against women and children and schools as well. These Contra tactics have done nothing to help foster democracy. It is time for us to stop backing them.

Mr. President, I reserve the remainder of the leadership time on this side of the aisle.

RECOGNITION OF SENATOR HAWKINS

The PRESIDING OFFICER. Under the previous order, the Senator from Florida [Mrs. HAWKINS] is recognized for not to exceed 5 minutes.

TERRORISM AND DRUGS: AN UNHOLY ALLIANCE

Mrs. HAWKINS. Mr. President, I call attention once again to the umbilical link between drug trafficking and terrorism. The International Narcotics Control Board, an agency of the United Nations, recently issued its annual report which contains grim documentation of steady expansion and growth of the narcotics trade. The Board states that the abuse of various drugs is spreading, the number of users is increasing, and that new areas of illicit cultivation and production have emerged. The net result of this growing drug trade is economic disruption, corruption, and political instability. The most forbidding aspect of the Narcotics Control Board report is the observation that both illegal arms trades and international terrorism are connected with drug trafficking. The huge profits generated by drugs tend to undermine legitimate economies and political institutions. Narcotics syndicates are highly organized and their activities are often tied in with the smuggling of weapons and fomenting of violence and terrorism. The tremendous cash-flow that is being churned spills over into illegal traffic in firearms, vehicles, ships, and aircraft, and in the process fosters subversion, crime, and terrorism.

Drug traffickers attempt to conceal their ill-gotten gains by money-laundering, often through legitimate businesses. This undermines the economic and social order, spreads violence and corruption, and threatens the political stability and security of some countries. Not the least of our concerns is the threat to youth: When drug abuse ensnares young people, it affects the future of nations.

Last December, our Ambassador to the United Nations, Vernon Walters, remarked in a speech that terrorist and insurgent groups are turning to drug deals to fund their operations in many parts of the world. Ambassador Walters observed that "terrorism and narcotics together are destabilizing

whole regions of the world and posing a significant threat to duly constituted governments." Secretary of State Shultz has characterized drug trafficking as the "modern day version of piracy" and warned of the serious security threat posed by armed, heavily financed drug traffickers.

I should, Mr. President, like to cite three examples from the scores of incidents linking drugs and terrorist acts. In Peru, 36 coca eradication workers were literally slaughtered by narcotics entrepreneurs who respect no laws but their own. In Colombia, the Minister of Justice was assassinated by drug kingpins because of his tough stand against the narcotics trade. In Mexico, last November, 21 policemen were ambushed by traffickers protecting their marijuana cache.

Ambassador Walters emphasized that "these are not isolated incidents; they are essential elements in a pattern of lawlessness which has infiltrated all societies affected by narcotics trafficking and production."

On February 10, the Honorable Elliott Abrams, the Assistant Secretary of State for Inter-American Affairs, addressed the Council of Foreign Relations in New York City. Secretary Abrams alerted us anew to "the mounting evidence of a deadly connection between narcotics traffickers and guerrilla terrorist groups." He singled out for special attention the case of Colombia, where guerrilla groups have been found protecting cocaine labs and landing strips and facilitating shipments of drugs. Last November, terrorists attacked the Colombian Supreme Court and killed nearly half its judges. The judges who were attacked first and extradition documents burned convinced Colombian law enforcement officials that the terrorists were working directly for drug traffickers.

The sophistication of the weapons used in that attack and the origin of the weaponry, Communist-led Nicaragua, demonstrate the ignoble association between narcotics and terrorism. More than 15,000 Cuban-trained Latins have been dispersed throughout Central and South America to spread havoc wherever they can.

They are armed with weapons, communications, and intelligence capabilities often far superior to the governments and security forces they are attempting to subvert. These Cuban-trained guerrillas have direct links to drug dealers in a sort of tweedle-dee-dee tweedle-dee-dum relationship.

I wish that every leader of every nation had as firm a grasp on the terrorism and drug addiction link as does the Deputy Prime Minister of Malaysia, Musa Hitam. The Minister says, and these are his words: "We recognize that drug traffickers are working to undermine every aspect of life that we hold dear. They are corrupting the young, creating a population of drug slaves; distorting fragile national legal structures and eroding political guarantees. They then seek only to open new markets for their poison." Those, Mr. President, are the words of a very wise man.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 5 minutes.

STAR WARS WILL SET OFF THE BIGGEST ARMS RACE IN HISTORY

Mr. PROXMIRE. Mr. President, will star wars aggravate the arms race? Mr. President, if this country presses ahead with star wars it will set off a furious arms race between offensive and defensive nuclear weapons. What will be the result of that stepped-up arms race? It will be immensely expensive. Will it increase our security? Or will it enhance the likelihood of nuclear war. Well, this Senator firmly believes it will increase the fear, the danger, and the likelihood of a fatal accident that could trigger the disaster of a full-fledged nuclear war. Does any thoughtful American really believe that, if the United States should begin to make real progress in building a shield that gradually destroyed the credibility of the Russian nuclear deterrent, the Soviets would not pour its demonstrated technological capability into a desperate effort to overcome our star wars shield with nuclear penetration capability and with massively increased offensive nuclear power?

Again and again the Soviets have matched United States nuclear weapons achievements with their own. Consider the long and consistent record. This country first developed the relatively primitive, Little Boy nuclear bomb the we exploded at Hiroshima. For a few years, we had a nuclear weapons monopoly. Then the Russians made their own first primitive nuclear weapon breakthrough. The United States pioneered intercontinental ballistic missiles so that we could strike the Soviet Union over the pole from the continental United States in a 30-minute flight. The Soviet Union matched that advance in less than 2 years with their own ICBM's. In 1960, the United States greatly added to its strategic advantage when we successfully equipped submarines with nuclear missiles that we could fire at distant targets from below the ocean and covering thousands of miles. Within 8 years, or so, the Soviets equipped their own missile-firing submarines.

And then in 1970, America pioneered what seemed like a definitive military advantage with the first multiple independently targeted reentry vehicles. This missile could launch not one but several warheads simultaneously at different targets hundreds of miles apart. Our leaders said it would be years, if ever, before the Russians could catch and match the United States. How long did it take? It was 5 years. And that is not all.

Again and again and again we have developed advanced nuclear weapons and again and again and again, without exception, the Soviets have succeeded in matching us. Is star wars different? If we develop a defensive shield that can protect the United States would the Soviets be able to do the same? On the basis of all past experience, it would seem that if we do develop such a shield they very probably could soon match it. Our adversary has shown that it will literally beg, buy, borrow, and steal whatever is necessary to maintain its nuclear parity.

In the case of star wars, however, there is a very big "if." The big "if" is whether or not the United States can itself develop an impenetrable barrier in the sky capable of shooting down almost all of the Soviet offensive missiles that might challenge it. A vast majority of eminent experts and scientists say that we cannot. If they are right, the star wars effort will be the most costly and foolish waste of money in the history of the world. If they are wrong and star wars works, what happens then? Well, we know from past experience that the Russians will again beg, buy, borrow, and steal whatever they need first to penetrate it. Second, they might also—I repeat, also—go on to build their own star wars defense. And what would be our response? We too would rise to the challenge to build even more powerful nuclear offenses as well as nuclear defenses. This insane arms race will rush on.

Do you doubt this course? Consider under these circumstances what would any Russian leader with any common sense do in the face of the headlong drive by the United States to build a super astrodome in the sky? The answer is easy. The first step the Russians will take will be to follow the course that the great majority of independent American experts say they can follow most easily. They will strive to research, develop, produce, and deploy the hardware that will penetrate the SDI defense. The Soviets have the technological capacity to do it. They have the time. It will take this country at least 20 years to finally deploy star wars. They fear that the United States might succeed in building a star wars system that could prevent the penetration of a Soviet attack if they do not make a vigorous, major effort to develop the offensive capability to penetrate it. The Soviet Union

also know that the offensive capability will come far cheaper, quicker, and more surely than the long shot of duplicating the trillion dollar-plus American star wars.

Furthermore, they know the duplication of star wars will—like the other Russian nuclear weapons breakthroughs—follow much more quickly and easily if they permit the Americans to go first, to go through the agonizingly expensive and time-consuming process of building the first star wars defense.

So the Russian defensive star wars will follow, if and when we succeed. Do you ask, "Isn't that exactly what President Reagan has asked? Won't world peace be served if, at long last, the two great superpowers both build successful antimissile defenses?" The answer to that is an emphatic "no." Here is why; Both superpowers will find their offensive nuclear deterrent credibility challenged by the specter of a successful star wars defense. So both will rush ahead to build the offensive capability to penetrate the adversary's defense. The offense will be cheaper. It will be more swiftly produced. Both sides can deploy it far more quickly and easily. Result: Star wars will set off the furious offensive-defensive arms race that this Senator foresees.

Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond the hour of 10:30 a.m., with statements therein limited to 5 minutes each.

MYTH OF THE DAY

Mr. PROXMIRE. Mr. President, my myth of the day is that we can be confident of the accuracy of recent forecasts of declining Federal budget deficits over the next 5 years. That is a myth. Let me say why it is a myth.

There has been a great deal of excitement over the newest Federal budget deficit estimates which forecast that without further budget cuts or tax increases the deficit would fall to $100 billion by 1991.

These optimistic projections are based upon a series of heroic assumptions that interest rates will decline further, inflation will stay under control, economic growth will accelerate, and there will be no increase in real military spending. The euphoria surrounding these pollyannish projections will be quickly dissipated if any of these assumptions turn out to be wrong.

Just how accurate have budget forecasts been since the Budget Act was passed in 1974? A recent staff study prepared for the Subcommittee on Economic Resources, Competitiveness, and Security Economics of the Joint Economic Committee details the abysmal record of optimistic forecasts which never came true.

The JEC study found that 10 of the 11 projections analyzed overestimated the average growth rate of real GNP over the forecast period. While the actual growth rate of real GNP from 1974 to 1985 was 2.4 percent, the official Office of Management and Budget forecasts came in with a figure of 4.3 percent, or 75 percent higher than the actual growth rate.

The overly optimistic OMB forecasts resulted in underestimating the interest rate on 3-month Treasury bills by more than one-third. The OMB forecast said the bill rate over the 11 years would average 6.8 percent while the actual figure was 9.5 percent.

These feel-good scenarios wildly underestimated the budget deficits especially when we look at each budget projection for the fourth and fifth years into the future. Over the last decade, deficit projections for the fourth year into the future have underestimated the deficit by a whopping average of $158 billion in that fourth year alone. When we look at the budget projections for the fifth ensuring fiscal year, we find that the average underestimation of the deficit has grown to an unbelievable and astronomical $212 billion in that fifth year alone.

Based upon the historical record, anyone willing to bet that the current 5-year projections of sharply declining budget deficits are accurate, would probably also be willing to take an even bet that the sun will rise in Milwaukee before it does in Washington next Tuesday morning.

THE LIABILITY INSURANCE CRISIS

Mr. McCONNELL. Mr. President, many doctors in this country are finding that the costs of liability insurance for obstetric work is increasing so much, more and more physicians are declining such work. The local transit authority in Louisville, KY, has seen its liability insurance rates go up from $46,800 for $10 million in coverage in July 1984 to $555,100 for only $6 million in coverage 1 year later.

Situations like these are driving up the cost of daily living for people as higher insurance costs are passed on to the consumer. A recent article in Louisville magazine, appropriately titled "Everybody's Crisis," does an excellent job of describing the problem, exploring possible sources of blame and looking at some solutions.

The article also explains some of the reasons why I introduced Senate bills 2038 and 2046. These bills are aimed at correcting abuses that have arisen in our tort system, resulting in outrageous punitive damage awards and clogged court dockets. Such abuses are causing companies and government entities to lose their insurance. In some cases, consumers end up paying higher prices for goods as manufacturers have to pass on the cost of higher insurance premiums.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EVERYBODY'S CRISIS

(By George H. Yater)

The Kentucky Railway Museum, which spent years getting 'old 152,' its former Louisville & Nashville steam locomotive, ready to run again, is worried about July 15. That's when the $3-million liability insurance policy covering its planned excursion trips expires.

"We don't know what the renewal cost will be," reports Museum president Allen Kempe, "but we expect it will be double the $6,700 premium we paid in 1985." That, in turn, is double the cost of a 1984 policy.

Those figures are small potatoes, however, compared to cost increases for liability coverage that some other organizations have faced. Moreover, all indications are that the situation will not improve in the near future and may get worse before it gets better.

WHERE ARE THE BRAKES?

The Transit Authority of River City, for example, paid $46,800 in July 1984 for $10 million in liability coverage for mishaps involving injuries on its bus fleet during the ensuing 12 months. In July 1985 the cost jumped a dramatic 1,200% to $555,100 for only $6 million in coverage.

Moreover, adds TARC general manager David Arnett: "We had to provide only $50,000 per claim in 1984 in self-retained funds to cover small claims. Now we have to provide $100,000." The policy is up for renewal in July and TARC is braced for another cost increase. "I don't think it will jump up as much as it did last year," Arnett adds, fervent hope evident in every word.

Across the Ohio River in Indiana, the Paoli Peaks ski resort has faced the same problem in protecting itself against claims by exuberant skiers who wind up with injuries. The resort used to get $5 million in insurance for $35,000 annually. Now it pays a quarter-of-a-million for only $1 million in coverage and the deductible is higher. For a while Paoli Peaks feared it wouldn't be able to get coverage at all and would be forced to shut down. "We negotiated until the day before we opened this season," a spokeswoman reports. "We're told by the insurance people that we're lucky; that we have the lowest rate of all ski resorts in this part of the country."

NIBBLING AT CONSUMER DOLLARS

These three organizations are not alone in their dilemmas. Check with any private business, independent professional, nonprofit group, governmental entity or any other group that you can name and you'll find that they're all getting hit in the pocketbook by the doubling, tripling, quadrupling—or more—of the cost of protecting themselves against suits for damages.

These added costs are eventually reflected in the price of the product or service—and

that means we all pay. The Railway Museum may be forced to raise the ticket prices on its fall excursions. Paoli Peaks has tacked a dollar onto the charge for its weekend lift passes. TARC hasn't had to raise fares, but will probably run over budget this year because of the sharp rise in the cost of liability insurance. "Thank God for the Federal budget freeze on cutting transportation funds!" Arnett exclaims.

Has the cost of drinks gone up at your favorite watering hole? Likely it's due in part to the increased cost of liquor-liability insurance and perhaps the distiller's or brewer's product-liability insurance. If you have youngsters attending a day-care center, you're paying more—again largely because of rising liability insurance rates. At the Calvary Child Development Center, 2520 Wallace Ave., for instance, that translates to $5 a week. This sort of thing may not be classic inflation, but it's nibbling away at consumer budgets nonetheless.

These are examples of what buyers of commercial liability insurance all across the U.S. are calling a "crisis." Locally, from Churchill Downs to skating rinks to the mom-and-pop grocery on the corner to the banks, the crisis is a reality.

The National Federation of Independent Business/Kentucky reports that many small businesses throughout the state report liability costs up more than 50%, while 26% of firms have been unable to get insurance at all.

A MEDICAL MORASS

Perhaps one of the most serious aspects is the steep rise in the cost to physicians of medical malpractice insurance—reflected in higher patient fees.

In most smaller Kentucky communities the general practitioner is usually the only kind of physician in town and so the only one to handle obstetrical work. But the cost of insurance coverage for the OB portion of a general practice is rising so sharply that these physicians more and more are declining such work.

"The GP may find that OB work doubles his medical malpractice coverage from, say, $10,000 to $20,000 a year," notes Louisville insurance consultant Eric Tachau, whose work is statewide. "He probably doesn't earn that much in fees from those cases, so he turns them down."

The result, Tachau says, is that expectant mothers go to the nearest large town for hospital-delivery of their babies. "But," he adds, "they get no prenatal care, which can have dire consequences for both mother and child."

And the problem isn't confined to rural areas, and not just to OB work. It's happening right here in Louisville as well, according to Dr. Lynn L. Ogden II, president of the Jefferson County Medical Society.

"Especially among older and younger physicians and surgeons, the cost of medical malpractice coverage is a problem," he says. The older physician may wish to slow down and limit his practice; the younger physician is still building his practice. "Yet they're paying the same rates as physicians with dawn-to-dusk schedules," Dr. Ogden explains. "They sometimes wind up paying 30% to 40% of their income for insurance."

That can prompt the older physician to drop out of practice or the younger one to seek an alternative to private practice—go on the payroll at a hospital or private corporation. The end result is reduced availability of medical expertise to patients in general, in addition to higher fees.

THE FIRST TO GO

But governments, especially small municipalities, are facing the worst problems of all. Many can't buy liability coverage at any price. The one-year terms and necessity for submitting bids makes it distasteful to insurance carriers at any time; in a tight market it's the first to be jettisoned.

"If somebody maliciously removes a stop sign in a smaller city here in Jefferson County and a collision occurs at that intersection, a verdict for damages, in the absence of insurance, would have to come out of that city's none-too-ample funds," says Louisville attorney Stanley Chauvin, Jr. "The city's trustees could conceivably find themselves liable."

Cities generally considered themselves immune to liability suits, but last year the Kentucky Supreme Court ruled that they can be sued in cases of negligence.

Large governmental units are feeling the coverage pinch, too, but not as drastically. Both Louisville and Jefferson County, with large tax bases, self-insure many of their liability risks. Even so, Louisville found its one-year auto-liability cost would rise last July from $75,000 to $385,000 for $5 million in coverage.

"We couldn't afford that," says Kevin O'Donnell, the City's administrator of risk management. "We had to go for only $1 million in coverage and that cost $130,000."

The story is the same in County government, where auto liability cost went up 67% last July. "I felt fortunate that it was only that much," reports Chester Brandon, who handles the County's insurance purchasing. Medical malpractice for EMS personnel went up 150%.

Across the river, Jeffersonville thought it wasn't going to be able to get liability insurance at all last summer. "but our agent went to bat for us," says City attorney Allen Morris. Now the City pays $18,540 for a $1-million liability policy. Previously it paid $7,500 for $5 million. Other liability coverages (such as for police and elected officials) went up in the same ratio.

In Jefferson County, the Metropolitan Sewer District did have its $30-million umbrella' liability policy—covering all contingencies—cancelled. It has been unable to find new coverage and has only a policy covering $1 million in expenses—at an annual cost of$497,408.

WHO'S AT FAULT?

Why, at a time when inflation has been tamed and the economy is showing signs of stable—even slow—growth, would liability rates start reaching for the sky? And are any attempts being made to correct the situation?

The answer to the first question is "Several factors," and to the second, "Yes, but. . . ." Let's take the questions in order.

It's a fact that casualty-and-property insurance companies are showing underwriting losses. The $3.8-billion loss in 1984 climbed to an estimated $5.5 billion in 1985. However that includes property losses as well, unusually high because of the several hurricanes that struck the Atlantic coast last year.

The pat answer to the operating loss (excess of claims paid over premiums charged) is that trial lawyers have been wangling astronomical settlements from sympathetic juries for injury and wrongful death cases, even when the defendant is not to blame. And certainly there have been some unusual awards: the California burglar who fell through a skylight while about his burgling and successfully sued the building owner for injuries; the pole vaulter who received $1.6 million for injuries received when he missed the mat; and others of like nature.

Should we blame the plaintiffs' lawyers in these cases, and by extension, the whole legal profession?

"Juries make awards, not the attorneys," answers Louisville attorney Chauvin, president of the American Judicature Society. "Certainly anyone who has suffered injuries through the negligence of someone else has a right to adequate compensation and a trial by jury, if necessary." Chauvin notes that his own professional liability insurance cost has tripled recently.

Moreover, he adds, the huge awards that have received media attention are few and far between. Most awards, he says, are for modest amounts covering medical expenses, lost wages and some compensation for pain and suffering. The Kentucky Medical Insurance Corp., formed by Kentucky physicians to help fill the gap in obtaining malpractice coverage, estimates that the average jury award in this state is $31,000.

It may well be the case, also, that most plaintiffs suing for damages have better courtroom representation than that provided by insurance companies to the persons or business being sued. Insurance consultant Eric Tachau notes that in the past the insurers often got "low-fee lawyers to handle smaller cases and they presented a lousy defense, while the plaintiff's lawyers built up new approaches to certain legal doctrines."

SOCIAL WELFARE?

Those new approaches may be a potent factor in the broadening definitions of liability that have come out of judicial decisions of the past few years—liability as defined by judges and not awards made by juries.

In New Jersey, for instance, a local court put an unexpected meaning in the language of a general-liability policy that excluded pollution liability except for "sudden and accidental occurrences." The court ruled that each drip from an oil-tank over a 12-year period was "sudden and accidental."

Some courts have ruled that an obstetrician may be liable for alleged delivery-room negligence until the infant reaches adulthood. The Iowa Supreme Court last year ruled that private party hosts can be held responsible if a guest drinks to excess and later injures himself or others in an auto accident.

Even though U.S. courts are interpreting the concepts of liability and the meaning of insurance policies more broadly than ever before, that in itself has little overall effect on underwriting losses, Eric Tachau declares.

"It's the increase in punitive damages awarded [the civil law equivalent of a prison term under criminal law] that is the real disaster area," Tachau notes, citing a recent western Kentucky case. A pedestrain struck by a car with a drunk driver at the wheel suffered a broken left wrist and was awarded $100,000 in punitive damages in addition to medical expenses. (There was no loss of income.)

"Although there were few similar instances," Tachau adds, "it is the uncertanity of such awards that results in a large number of out-of-court settlements today for 1,000% or more of what would have been paid just a few years ago."

In 1976, he points out, the Western Kentucky case would probably have been settled out of court for $2,500, assuming $1,200 in

medical expenses. There would have been minimal attorneys' fees and no court costs. One insurance company attorney estimates that of every $2.59 paid by an insurer in settling suits, $1.59 goes for attorneys' fees and court costs.

Added punitive damages are also one reason that medical malpractice awards are so high, Tachau adds. "The old common-law defenses are no longer adequate," he points out. "Formerly, if a doctor explained the chances of success and the patient gave 'informed consent' to a course of treatment that didn't work out, there was no legal case unless it could be proved that the physician botched his work."

Now, he says, the courts have largely thrown out the concept of informed consent. "It may be held that a patient was not adequately informed; perhaps there was emotional coercion by the physician telling the patient that he had only so long to live without treatment or something similar." And how, Tachau asks, is an obstetrician to know beforehand all of the unexpected complications that may occur during birth?

The basic crisis here, Tachau comments, is society's growing expectation that when anything goes wrong, somebody should pay. Oregon attorney Lloyd B. Ericsson, who practices insurance defense work, puts it this way: "In effect, the courts have said that the insurance industry constitutes part of the social welfare system. . . If this is the burden imposed by the courts, the insurance industry has to regroup to define its participation."

BLAME THE INSURERS, TOO

But that industry does not come to the table with clean hands. It has contributed mightily to its own predicament by price-cutting and ignoring sound underwriting practices during the past few years. The parallel to what has happened to the airlines in the wake of deregulation is striking. The difference is that insurance has never been regulated at the Federal level—only lightly and separately by the 50 states.

It is a free-wheeling, free-market, competitive business that goes through regular peaks of underwriting profits and troughs of losses, usually on a six-to eight-year cycle. When profits are high, companies engage in price wars to attract more business; when underwriting losses start (they always do), prices bounce back up. But this time liability coverage buyers are finding absurdly high rates and insurance companies are finding losses deeper than ever.

The tight underwriting situation today follows a period of deep price-cutting that began about 1978 and continued until about 1984. "Our $46,800 liability cost in 1984 was too low," says TARC's David Arnett, "and the $55,100 we're paying today is far, far too high."

The high interest rates of the late 1970s and early in the 1980s compounded the problem; insurance companies were making billions on investment income from reserve funds. That prolonged the rate war (competition for more funds to invest) even though claims payments were mounting. That situation couldn't continue, especially when investment income fell as interest rates declined. Some casualty insurance companies have gone bankrupt.

The crowning blow, Tachau notes, came when the reinsurance companies, which take part of the high end of the risk for the primary carrier, said, "No more!" Settling claims had become so expensive that the reinsurers were beginning to feel the pinch. Much of this 'laying off' of part of the risk goes to European reinsurers, particularly brokers at Lloyd's of London. They are taking a dim view of the insurance situation in the U.S., in many cases refusing to participate at all for fear of high court awards or out-of-court settlements.

And there's an odd Catch 22 situation at work here. The higher rates go, the fewer policies the companies can issue. Premium income should not exceed two to three times reserve funds. As rates are raised to make up for losses, premium income goes up, but because of initial expenses in issuing the policy plus the complex and slow way in which reserves build up, these reserves lag premium income for several years.

To keep within the usual ratio, companies are refusing to renew some policies or to accept some new business, with small municipalities the first to suffer. Reserves could be increased by an infusion of investment capital, but investors are reluctant to commit funds to property and casualty insurers who are posting losses.

"This trough that we're in will last a long time—until some changes are made," Tachau warns.

POSSIBLE SOLUTIONS

What can be done?

That question is getting lots of attention these days in lots of places, including the U.S. Senate and the Kentucky General Assembly.

One remedy might be for groups that are having special difficulty in getting coverage to form their own mutual insurance company. That's what some 40 East Coast banks are exploring. All financial institutions now face problems of cost and availability of bonding sources for employees and of liability coverage for directors and officers.

David Arnett of TARC reports, however, that transit operators tried a similar approach a few years ago during the last insurance crunch. "It worked fine until commercial liability rates came down again," he recalls. "When the big insurers started a price war, the transit operators all left their own company for cheaper rates elsewhere and that was the end of that."

Kentucky's cities, counties and physicians are trying a different approach. They've gone to the state legislature for relief. The Kentucky Municipal League and the Kentucky Association of Counties are backing a bill (BR 354) that would limit government liability to $100,000 for each person and $1 million for each incident. The Kentucky Medical Association is backing a bill (BR 1087) that would: put a cap of $500,000 on the total recoverable for any injury or death of a patient; permit periodic rather than new lump-sum payment of the award, and provide that suits must be filed within two years of the date of the alleged medical malpractice.

But many attorneys think these bills, if approved, would probably be ruled unconstitutional, as has similar legislation in other states. In fact, the Kentucky Constitution specifically prohibits the General Assembly from placing any limitation on awards for injuries, death or property damage. Physicians hope that a provision permitting patients to reject the limitations in writing will enable the bill to pass court muster.

Dr. Lynn Ogden has other thoughts on easing the problem. Noting that a patient who sues may have his own health insurance that paid all or a substantial part of his medical costs, Dr. Ogden suggests that the jury be allowed to know this. Often a successful plaintiff receives double his medical expenses plus an award for pain and suffering plus a large sum in punitive damages.

Dr. Ogden also points out that many 'expert' witnesses for plaintiffs are out-of-state physicians "who testify for the fees they collect." If such witnesses had to be licensed Kentucky practitioners, perhaps appointed by the court, with each side paying half of a standard fee, such expert testimony might live up to its name.

Stanley Chauvin notes that punitive damages are "a form of punishment for a wrongful act" and the civil-law equivalent of imprisonment under the criminal law. But, asks Eric Tachau, since criminals pay their debt to the state through the prison term, why shouldn't punitive damages go to the state as well?

"The victim of a criminal act doesn't benefit—except psychologically—from the imprisonment of a criminal," he comments. "Why should the plaintiff in a civil case reap a windfall?" Paying punitive damages into the public coffers (with none going for attorneys' fees) would likely mean that juries would impose them only in appropriate cases and reduce them to a reasonable figure, he believes.

"If the legislature would do something about punitive damages, I believe the rest will take care of itself," he says.

OTHER OPTIONS

Both Tachau and Chauvin have thoughts on additional moves to ease the liability crisis. Both agree that limiting awards, even if it were legally possible, would be unjust, since there are some horrendous cases where virtually no award is adequate.

Both also agree that putting a cap on attorneys' fees would not work. Chauvin acknowledges that in many cases fees are high, but adds that "capping a fee will not prevent a skywalk from falling in Kansas City."

He suggests that an assigned-risk pool, as used in auto insurance and workers' compensation, might be set up by the insurance companies. Each would agree in turn to issue a policy for any organization or business that otherwise would be rejected for whatever reason.

Chauvin also thinks that the way insurance companies set rates should be scrutinized. "What percent of income goes to overhead, for instance," he wonders, "and why is investment profit not considered in rate-making?" He also believes that arbitration, mediation or conciliation might provide forums for settling some kind of simpler actions that now clog court dockets, providing they do not preempt judicial involvement and the right to a trial by jury.

Such alternative methods would free the courts to give adequate time to complex cases, including liability suits, "where the right to a jury trial must be guaranteed," he declares.

When Tachau suggested—somewhat reluctantly—in a newsletter to his clients that Federal regulation of insurance might be necessary to cut the Gordian Knot, he stirred up a small hornet's nest with many readers taking exception. And Chauvin is also opposed to such action, which he sees as creating uniform rates across the U.S. "Why should the Louisville Water Co. pay the same rates as the water company in Phoenix, Ariz., where the liability situation is much different?" he asks.

Tachau, however, points out that having 50 states individually regulating insurance means that no one state can take a strong stance unless all do. "If the Kentucky insur-

ance commissioner tried, for example, to curb the current price-gouging in liability rates, the insurers would simply stop offering that coverage here," he says.

"I don't hold any particular brief for Federal regulation, but State regulation is not working, so the question is whether Federal regulation might," he adds. Tachau sees a parallel with the Federal Reserve System that brought order to the chaotic banking business, and Federal deposit insurance that protects depositors.

Whatever the eventual solutions, they will not be won easily. Meantime, we can all be relieved that personal lines of insurance are not greatly affected by the current imbroglio.

"That's because there's more competition, more selective underwriting and lower limits of coverage with little fear of giant punitive damage awards," Tachau says.

TAX OVERHAUL

Mr. PRYOR. Mr. President, yesterday the Senate Committee on Finance began consideration of a tax overhaul plan. The chairman of our committee has put a great deal of time into this plan, and I think most Members would agree that his document is a good starting point.

Obviously, I do not agree with all the aspects of the bill as it now stands, and I believe substantial changes will be made as we proceed with our markup.

Today, I want to mention one proposed change contained in the draft of the bill, and urge that it be dropped from consideration immediately before significant damage is done. The change is contained in the expanded minimum tax for individuals and corporations. Under current law, tax-exempt interest is not considered to be an item of tax preference for purposes of the minimum tax. From time to time, this type of suggestion has been made, but for a variety of reasons, it has been rejected in the past.

In the House-passed bill, H.R. 3838, the interest on newly issued nonessential function bonds would be included in the minimum tax as an item of tax preference. The change, as proposed in the House bill, however, would apply only to bonds issued after January 1, 1986. Bonds outstanding on that date would not be considered an item of tax preference. Further, the change would only apply to nonessential function bonds—that is bonds that are used by private parties, not those used in traditional Government functions.

In the draft of the bill presented to the Committee on Finance, all tax-exempt interest on all bonds—including those outstanding today—would be included as an item of tax preference for purposes of the alternative minimum tax for individuals and corporations. This change would be phased-in over 5 years. Presumably, the way it would work would be that in the first year you would calculate your tax-exempt interest and then take 20 percent of it into account as an item of tax preference for purposes of the alternative minimum tax. Then, the next year 40 percent, and so on, until the fifth year you take all of it into account as an item of tax preference.

This proposed change, Mr. President, has had a devastating effect on the bond market, and it will seriously impair the ability of State and local governments, school districts, and many other governmental entities in their efforts to finance capital improvements.

I know other members of the Finance Committee are very concerned over this proposed change, and I would hope that this proposal is dropped from the draft of the package very quickly. Any prolonged delay in this area will have serious consequences.

With State and local governments already facing serious problems due to the elimination of revenue sharing, and reductions in programs due to efforts to reduce the budget deficit with Gramm-Rudman, throwing this additional problem on top of them is simply unwarranted. It is unjustified, and it is unfair.

While I am most concerned over the effect on State and local governments, I am extremely concerned over the apparent inequity of imposing what amounts to a retroactive tax on these bonds. The people who bought them did so in good faith, relying on the state of the tax law at that time. It seems to me that fairness would dictate that any changes not be made retroactive. As I have stated earlier, I oppose the change in its entirety, but I will vigorously oppose any retroactive changes of this type.

Mr. President, I ask unanimous consent that an article from today's business section of the Washington Post be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MUNICIPAL BOND MARKET SINKS

(By James L. Rowe, Jr.)

The multibillion-dollar municipal bond market virtually collapsed yesterday when investors panicked after Senate Finance Committee Chairman Bob Packwood (R-Ore.) proposed a new minimum tax that could hit municipal bond interest that now is tax-exempt.

"For all practical purposes, the market ground to a halt," said Thomas Opdycke, vice president and manager of Bank of America's municipal securities and public finance department.

In response to the turmoil in the market for municipal bonds, several major issues due to be sold this week were postponed, including a $450 million New York City sale.

Municipal bond is a generic term that is used to describe virtually any security whose interest payments are exempt from federal taxation, whether or not it is sold by a municipality. Industrial revenue bonds, for example, are protected from taxation even though they benefit a private party.

The tax-exempt change proposed by Packwood would apply only to those taxpayers with sizable incomes and low tax liabilities under the normal tax rules. Those taxpayers are subject to a "minimum tax" on portions of their income. Packwood would include interest that is tax-exempt in the income that is subject to a 20 percent minimum tax.

Taxpayers who are not subject to the minimum tax still would enjoy the federal tax exemption.

There are no statistics on how many municipal bondholders are subject to the minimum tax, but presumably a large number are. Their willingness to buy municipal bonds could be reduced if the interest were included in the minimum tax. Municipal bonds generally carry lower interest rates than bonds—such as those sold by corporations or the federal government—whose interest currently is taxed.

Opdycke said that the tax-exempt status of the interest earned from a municipal bond is a major factor in determining the price of that bond. "When we don't know the value of the tax exemption, we cannot evaluate" the price of the bond, he said.

For a period of time, I assume there will be no real market for tax-exempt bonds, because people won't know whether they're tax-exempt or not," said David Wright, national tax director for the accounting firm of Coopers & Lybrand.

Even though the proposal is far from enactment, it does not cover every municipal bondholder and it would not become effective until next year, the volatile market reacted sharply to the Packwood proposal, which was revealed Tuesday night as part of the Republican's sweeping tax reform plan.

Municipal bond prices fell sharply yesterday, by about $2.50 to $3.50 for each $100 of face value. But Opdycke said the prices are misleading, because almost no one was willing to buy or sell municipal bonds yesterday.

Some brokers, such as Prudential-Bache Securities, temporarily withdrew from buying or selling tax-exempt securities. But most firms continued to "make a market," although there were almost no investors willing to buy or sell them.

The volatile reaction of the municipal bond market surprised some observers because Packwood has been talking about including some tax-exempt income in the minimum tax for several weeks. But earlier proposals suggested that only newly issued bonds or those that changed hands would be subject to the minimum tax. In the proposal released Tuesday, all tax-exempt income from previously issued or new bonds would be included.

NATIONAL AGRICULTURE DAY

Mr. HELMS. Mr. President, today being the first day of spring, it is the day traditionally designated as "National Agriculture Day."

It is a day to pay our respects to not only the 2 million or more farm families who work so hard to produce this Nation's food and fiber, but the 20 million other workers involved in the processing, packaging, and distribution of our food supply.

Fittingly, the theme of this year's celebration is "The Agriculture Team," a tribute to the millions of

men and women who are involved in providing the most bountiful, nutritious, and inexpensive food supply any nation on Earth in all history, has enjoyed.

Mr. President, the cornerstone of this food system is the family farmer. The past few years have been difficult for the family farmer. Serious farm problems began when inflation roared and interest soared in the late 1970's, and then farmers were taken out of a competitive market position by the grain embargo and high price supports. Increased competitive abroad—largely encouraged by our own Government's farm policy—led to a worldwide glut and depressed prices.

But just as the first day of spring is a symbol of renewal and rekindling of the spirit, this year's celebration marks the beginning of a new optimism in rural America. There are many signs that point to better days ahead on America's farms.

Last year, Congress passed a farm bill that, for the first time in 4 years, will make U.S. farm commodities price competitive. The reduced loan rates in the farm bill, coupled with the weakening value of the dollar in relation to other currencies, signals a strong rebound in American farm exports. A strong export performance is surely a cornerstone of profitability for America's farmers.

The farm bill also provides for record amounts of public money to be spent to protect farm income. Congress and the President have made an unprecedented commitment to America's farmers, which will ensure sufficient money to meet credit needs this spring as well as billions of dollars in income support.

Other economic signs point the way toward profitability for our farmers. Interest rates have been dropping at a stunning rate, and reduced interest costs will be a prime factor in putting more money in farmers' pockets. Inflation—once in the double digits—is now down around 3 percent, giving farmers a more stable economic environment in which to plan. The sudden and dramatic reduction in oil prices not only contributes to keeping inflation low, but directly contributes to reducing input costs farmers must pay.

Mr. President, the recent appointment of Richard E. Lyng as Secretary of Agriculture is cause for optimism. Secretary Lyng is a highly experienced and competent man, and, as he told the Agriculture Committee at his confirmation hearing, he is absolutely committed to expanding U.S. exports.

But he brings to the job another important quality—optimism. Mr. President, it is time to renew the sense of optimism on America's farms. As Secretary Lyng told the committee, "This Nation has a strong agriculture, the strongest in the world. It will survive and thrive in the years ahead. This is no time for pessimism. It is, rather, a time for hard work and confidence in the days ahead."

On National Agriculture Day, this first day of spring, let us as Senators renew our commitment to and confidence in America's farmers.

NATIONAL AGRICULTURE DAY AND NUTRITION MONTH

Mr. ANDREWS. Mr. President, today is "National Agriculture Day" and, in addition, March is "National Nutrition Month." At a time when American agriculture is being severely tested we should take time to salute the enormous contribution made to our Nation by our farmers and to acknowledge the great debt that we, as Americans, owe them.

One half of the American land mass is farmland—a phenomenal 1 billion acres. This enormous acreage is comprised of 43 percent cropland and 57 percent of the land is devoted to livestock. But it's not the amount of land that is so impressive, it's what the ingenuity and hard work of the American farmer has done with it.

Our farmers have made quantum leaps in production and land usage. In 1984, the aggregate number of breeding animals and total inputs to agriculture were only 5 percent above the same levels of 1930. However, crop production in the United States has increased 2.5 times since 1930 and livestock production rose 2.1 times in the same period. As if this were not enough, the average farmer today produces 80 percent more crop output than his or her parents did. This is astounding. With 2.3 million farms averaging 440 acres a piece, America manages to produce 25 percent of the world's beef and 15 percent of the world's grain, milk, and eggs.

Yet, with all these accomplishments, our debt to America's farmers remains uncollected. We owe our farmers a fighting chance, a fair market, and the respect that an economic force of such magnitude deserves. While there may be only 3.75 million Americans working on our farms, there are 21 million people working in jobs somewhere between the tractor and the grocery checkout. That represents more agriculturally dependent jobs than the transportation, steel, and auto industries combined. Furthermore, farmers pay $4.4 billion in farm real estate taxes annually and $500 million in personal property taxes each year, yet the annual farm income after taxes and expenses amounts to around $9,000 a year. It is apparent that their contribution to our Nation's economy reaches far beyond the cultivation of land.

In a country as wealthy as ours and as proficient in the production of food as we are, hunger and malnutrition should be absent from our land. However, it is estimated that perhaps as many as 20 million people in our country go hungry every year with 15 million of these individuals existing beneath the poverty level and the remainder being comprised largely of people who are not technically poor due to such factors as household composition, newly or temporarily unemployed, the new poor, or those who hover above the poverty level while remaining in its grasp.

We should remember, however, that while some people are fed they are still malnourished. It is my hope that special months like these go far in increasing public awareness of the importance of proper diet for good health, since poor diet can increase susceptibility to such diseases as heart disease, some cancers, strokes and hypertension, arteriosclerosis and diabetes.

America should be proud of the accomplishments of the American farmer. Their ingenuity, determination and productivity feed a nation and a world. Let us salute them and honor their contribution to good nutrition on National Agriculture Day.

NATIONAL AGRICULTURE DAY

Mr. MATTINGLY. Mr. President, I would like to briefly speak in honor of the dedicated men and women of American agriculture. Today, March 20, has been proclaimed, since 1973, as "National Agriculture Day" in recognition of the vital importance that all sectors of agriculture ply in our economic well-being and national security. We in the United States are truely blessed with bountiful supplies of high quality food and fibre. We spend less than any other country in the world for these necessities of everyday life—about 14 percent of our disposable income—and yet, we are prone to take our agricultural blessings for granted.

Agriculture is much more than just food: It includes cotton, wool, forest products, tobacco, greenhouse products, and many, many others. About one-fourth of all prescription drugs contain one or more agricultural product, and Americans use about 20 pounds of paper per person daily. Think of other items: Pet food, grass seed, gasohol, adhesives, cosmetics, soap, candles, paints, and even chewing gum. Agriculture has spawned a vast new industry to help farmers produce, process and transport food and clothing to the consumer. Although there are only about 2 million farm producers, there are more than 21 million other jobs which exist because of agriculture. Each additional 1 billion dollars' worth of farm demand creates some 30,000 additional jobs in related industries and services and adds a total of $2 billion to the Nation's gross national product.

Mr. President, this would be a much more joyous occasion—this National Agriculture Day—if it were not for the continuing financial stress of those redoubtable men and women who make all of our bounty possible in the first place. With all of the debate that has taken place in this Chamber, with all of the media coverage from every region of the country, and with the personal contacts I know all of my colleagues have experienced directly, there can be no doubt as to the extent or the severity of the hard times our farm producers are currently enduring.

I do not know of one single Member of this body who desires to do anything but the best in an attempt to assist our farm men and women during these tough times. However, I do find it frustrating when the Senate becomes bogged down for weeks—sometimes months—in trying to resolve conflicts and concerns between differing philosophies or political goals while producers sit at home on the farm and wonder what we will do to them next. And that's unfortunate because most of the time we do unto them rather than for them.

Most farmers I know do not want a handout from Uncle Sam—they don't want a free ride at the expense of the Federal taxpayer. They do want and need to know what the rules of the game will be so they can plan and execute their business, and they need to know as far in advance as possible. I find it a shameful commentary on the ability of the Congress that we managed to delay passage of the new 1985 farm bill last year until Christmas, when farmers needed to know what to plan on as early as September. And we're still playing that shameful game, Mr. President, by delaying the recent urgent supplemental for CCC, by delaying and bickering like children over the recent technical amendments bill, by nitpicking over the budget reconciliation measure.

Mr. President, I will not belabor these points further. I do point out to my colleagues that we could best celebrate National Agriculture Day by each making a solemn pledge to renew our personal efforts in an attempt to provide true assistance for the brave women and men of American agriculture. We can each determine to seek guidance and pray for a greater degree of compromise, compassion, and understanding as we make future decisions which impact our agricultural economy and our farm producers. Let us seek to minimize partisan disputes and maximize our joint concerns by adopting a new spirit of cooperation in this body. If we will truly adopt such attitudes and behavior, Mr. President, we will be able to provide a measure of true relief for American agriculture and our farm producers.

ADDRESS BY SENATOR STEVENS AT RESERVE OFFICER'S ASSOCIATION ANNUAL MID-WINTER BALL

Mr. THURMOND. Mr. President, I would like to call to the attention of our colleagues a recent address delivered by the Honorable TED STEVENS of Alaska at the Reserve Officer's Association Annual Mid-Winter Ball. Senator STEVENS was being honored as the Reserve Officer's Association Minuteman of the Year.

The thrust of his remarks dealt with the continuing importance of our National Guard and Reserve Forces. Senator STEVENS highlighted the improvements in Guard and Reserve readiness in the past 5 years as we have transferred more missions to the Reserve components.

In the months and years ahead, as we attempt to reduce the deficit, there will be great pressure to limit increases or even reduce expenditures for our national defense. Maintaining our commitments around the world will force us to rely even more heavily on the Guard and Reserve.

Senator STEVENS emphasizes this point in his address, and he is to be commended for his foresight and knowledge as one of the Senate's leading experts on defense matters.

Mr. President, I ask all of our colleagues to join me in congratulating Senator STEVENS as this year's recipient of the Minuteman of the Year Award, and I ask unanimous consent that a copy of Senator STEVENS address to the Reserve Officer's Association Annual Mid-Winter Ball be included in the RECORD at the conclusion of my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR STEVENS

I am honored to receive this Minuteman Award.

The staff of the Senate Defense Appropriations Subcommittee works harder than any group that I know on the Hill—and under greater time pressures. They deserve this more than I. Let me introduce to you the staff director of our subcommittee, Dwight Dyer.

My continued involvement in defense issues is possible because of the overwhelming support I receive from my constituents. Billy Mitchell once said he who controls Alaska could control the world. Alaskans have a special awareness of defense needs—we live on the edge of our frontier and share a long line of demarcation with the Soviet Union. As your most northern and western fellow countrymen, we are the Soviets' closest eastern neighbors. In the Aleutian Islands, Alaskans carry our flag to the edge of the Asian continent. And, we remember well the occupation of the Aleutians in World War II.

I accept this award as a proud American and as a proud Alaskan—Alaska has been a State for only 26 years—this award was first presented the year the Alaska statehood bill became law.

This is a fast-moving and an exciting time in history. We are witnessing the evolution of the Soviet leaders' awareness of world opinion. And they may comprehend the economic limits on military power, even under the communistic system.

We also are learning hard lessons from deficit financing and the impact of compound interest on an ever growing national debt. Political rhetoric as to who or what party is or is not responsible for that debt is not in order here. And, in my judgment, it would be better for all concerned to realize that we have seen the last of the generations which could take it for granted that we could somehow, someday, pay for the wants of today without regard to the needs of tomorrow.

Our Nation now has a two plus trillion dollar national debt. Interest on that debt now exceeds $165 billion per year. By law, in 1987 our Federal Government may have no more than a $144-billion deficit—meaning that if Congress complies, in the coming fiscal year, the national debt should increase by no more than $144 billion. Each year, the target deficit will be lowered, and each year the increase in the debt should be less. If successful, by at least 1991, the budget should be balanced—and all interest paid out of current revenues. But, our national debt will then be over $2.4 trillion. In the long run, the national debt is the real problem. But, that cannot be solved unless the deficits are first eliminated.

While I have high regard for the Senators who authored Gramm-Rudman-Hollings, I shall not use it as either a whipping post or an altar. It is neither—it is a mechanism for discipline in a divided society. The sooner all concerned realize that Gramm-Rudman-Hollings is not a solution but a device which attempts to assure a solution, the easier it will be to live with.

For myself, I believe our major defense concern is not complex; it is, simply stated, how may we maintain the prestige and power of the United States through this painful period of fiscal readjustment?

National defense interests will suffer more than any other area of Government if we fail to meet the goal of deficit reduction.

The result of the arms control negotiations will put severe pressure upon our Nation to keep, primarily with conventional forces, our commitments for mutual defense.

I now am optimistic that we can succeed in these negotiations with the Soviets and the ongoing summit talks. We want not just limitations—as you know we seek radical reductions in nuclear arms and, further, that the superpowers build down their nuclear arsenals. If we are successful, the cost of conventional forces in the last decade of this century will far exceed the current cost of our nuclear umbrella. At the very least, the threshold for the use of nuclear weapons will rise.

Assuring survival of readiness and the modernization program in this period of budgetary restraints requires tough cost saving decisions. Obvious options have been discussed by others: The restoration of the draft; reduction in our commitments abroad; or even increased utilization of Reserve and Guard forces.

My preference is to try to meet our goals without restoring the draft. However, it may well be that current generations will pay more in the long run for the cost of volunteer forces. The costs will have to be repaid with compound interest—a burden they would not bear if they dedicated a

short period of their lives to our defense early in their careers.

And, I reject the option of reducing our commitments abroad. As a world power, we must defend our legitimate interests throughout the world.

I believe we should continue what we have already started with the Reserves. Funding for Reserve and Guard forces has almost doubled in the past 4 years—from $3.9 to $6.1 billion. Our Reserve component personnel have increased by 20 percent. And their incentive and special pay, allowances and benefits have more than quadrupled—from $50 to $240 million.

We on the Defense Subcommittee have insisted that we not only increase utilization of our citizen force but provide them at least a fair share of modern equipment as it comes off the line. We added more than $3.7 billion to the budget expressly for Reserve and Guard aircraft, weapons and equipment—often exceeding authorization when we find offsetting savings.

Over the past 5 years our subcommittee also supported more than $1 billion above budget as a defense contribution to Coast Guard modernization and readiness. This strengthens critical defense wartime assets.

Incidentally, no chairman of the Defense Appropriations Subcommittee has ever had the privilege of the kind of working partnership that I have. The overwhelming majority of the subcommittee has agreed with JOHN STENNIS and me. The Reserve and Guard forces of this Nation know of our subcommittee's commitment to your strength.

Now, in the current budget crunch, we must do more for the Reserves and rely on them for more.

Our military Reserves, I am convinced, represent the best and most immediate opportunity to preserve a strong defense in a period of severe budget constraints. The cost of maintaining Reserve personnel is about one-fifth that of full-time active personnel. And total personnel costs now consume nearly half the Defense budget.

Let's expand our Reserve components, and press harder for a wider role for Reserves. We can shift more of the tasks performed by the active force to Reserves, here and overseas.

The Southern Command has demonstrated for us already how valuable the Reserves can be outside our borders. In Central America, Reserve and Guard units supply most of the tactical and logistical support for regular forces stationed in Panama and for the training operations in Honduras. We should expand on that concept.

With that in mind I have asked the General Accounting Office to look into cost considerations under various manning alternatives. If we are innovative, we can develop rotational training programs for the Reserves that substantially reduce the costs of maintaining our permanent forces in Europe and the Pacific.

Without question, wider and more effective use of Reserves will help avert damaging reductions in the force structure and costly setbacks in military readiness.

Rather than continue to articulate my ideas, let me urge you to come forward with your ideas on how to maintain our defense and at the same time save our fiscal and monetary systems. You, each of you, has the experience to think through these problems and offer solutions to them. Congress is in a receptive mood for new ideas, new suggestions, new solutions.

It doesn't seem long ago that I stood on the aft deck of a baby aircraft carrier, returning from China across the Pacific, wondering if I should change my career so that I might help prevent the reoccurrence of world conflict. As the years went by, I became convinced that the only way to prevent such a war was to assure that our Nation is always ready to defend itself.

I know of no group which has had a greater role in maintaining that readiness than your organization and the forces you represent. You give meaning to our traditions and bolster our hope that the peace of our time will last long into the future.

May God bless you all—and answer our mutual prayers for continued peace with honor.

NATIONAL AGRICULTURE DAY, 1986

Mr. QUAYLE. Mr. President, I am pleased to join my colleagues on this occasion, National Agriculture Day, to highlight the importance of U.S. agriculture and to cite the contributions our farm families and agricultural sector make to our society.

During this period of great difficulty for many of our farm families, it is especially appropriate that we, in Congress, pay tribute to the values and productivity of our Nation's agricultural community. As many of us from rural communities know, and as everyone in this Chamber should bear in mind, agriculture remains this country's No. 1 industry. The agricultural sector in its various forms, from production to retail marketing, employs one in five Americans, and the value of goods and services produced by those workers constitutes a full 20 percent of the U.S. gross national product.

I am proud to represent and serve one of this Nation's most productive agricultural States. Indiana farmers produce a variety of farm commodities, from corn, soybeans and hogs, to popcorn, poultry, and hardwood lumber. The value of Indiana farm products sold in 1985 totaled nearly $4 billion. We devote nearly 70 percent of our State's land to agriculture. That amounts to about 16.5 million acres, 12.5 million of which is tillable, making Indiana a top corn and soybean producer.

In Indiana, our 81,000 farms employ over 35,000 workers, and they are also the principal source of income for an additional 64,000 farm family members and nonpaid individuals. From these farms stem the rich character of our State. The basic unit of Indiana farm production, the family owned and operated farm, is a prime source of our community and State leaders, support for our churches, tax revenues that fund our schools and highways, and the social character that shapes our unique Hoosier culture, which is founded on cooperation and integrity.

As we, in Congress, debate policies designed to address the problems plaguing our farm economy, it is necessary to appreciate not only the economic contribution that our agricultural sector makes, but the social one as well. Our family farms represent the fiber from which the fabric of our culture is woven. It is not enough to think of U.S. agriculture as a sector of our national economy, for in fact, agriculture is the very foundation upon which our society is built.

In protecting this vital part of our society, as we must, I strongly believe that we should develop a long-term plan to meet the needs of our farm economy and community. That plan must be one that reduces the damaging effect of Federal Government involvement and places emphasis where it should lie, on providing an economic environment most favorable to healthy competition and prosperity. This can only be accomplished through a consistent and sustained effort along several fronts: By pursuing a sound fiscal policy, including a balanced Federal budget and tax reform, managing our money supply appropriately so as to accommodate economic growth while discouraging inflation, aggressively fighting unfair trade practices, and finally, developing farm legislation that allows our farmers the freedom to make individual, on-farm management decisions.

For those who leave the farm, it is essential that we provide a means of transition. Our farmers are blessed with a diversity of skills necessary for the demanding work on the farm, and with some help, they can often successfully apply these skills in off-farm professions. In 1982, I was the principal Senate author of the Job Training Partnership Act, the Nation's primary job training program, and earlier this year, I introduced amendments to the JTPA—to assist those who are forced off the farm by hardship. These amendments would specify that dislocated farmers are eligible for participation in JTPA's Dislocated Worker Program. My bill, S. 2069, is designed to provide dislocated farmers with the same opportunity to return to the workplace now provided laid-off steel and auto workers under JTPA's title III, which gives program participants training in new skills.

Mr. President, all Hoosiers and all Americans would do well to pause and reflect on the vital role our agricultural community has played in shaping our national personality and character. On this, National Agriculture Day, let me repeat what I have said time and again: In these times of technological advancement and dramatic social change, U.S. agriculture remains the predominant source of economic and social stability and strength in this country.

WORLD HOME ECONOMICS DAY

Mr. BURDICK. Mr. President, today is "World Home Economics Day," and I want to call it to the attention of my colleagues so that they may join me in extending our best wishes to the home economics profession for long and continued service. I do this because it is important that we recognize and publicly celebrate the profession that makes life so livable for all of us.

The term "home economics" conjures up an image of skills that have been mainstays of past home economics programs, and their importance to American life is not to be underestimated. But, as the American family has changed over the past 25 years, so too has the home economics profession. Today home economists in the schools, the USDA Extension Service and the many businesses that employ them assist Americans in dealing with contemporary family problems such as budgeting, consumer education, prevention of child abuse, teenage parenthood, school drop out, farm family stress, concerns of the aging, and myriad nutrition programs that are important to all Americans and people throughout the world. The knowledge and training provided by home economists has contributed to each of our communities' strength and comfort.

But home economists have not stopped at that achievement. Thousands of home economists have gone abroad to work in developing countries, and have brought with them knowledge to help deal with the forces of nature, the forces of the marketplace, and the forces of their own domestic conditions.

I particularly want to call to your attention the American Home Economics Association, which for 77 years has been the voice of the profession, offering advice and counsel to individual and unit members—setting standards, emphasizing goals. It is truly a force for families and that makes it a much-needed and valuable force in our lives today. I also want to recognize the International Federation for Home Economics, which provides working relationships for home economists across the globe so that professionals can easily communicate with other professionals as the needs arise.

Home economists deserve our recognition, our thanks, and our support. On World Home Economics Day, please join me in a salute to the members of this profession, who have served the public and their communities faithfully.

TRIBUTE TO JOSEPH U. ELSTON, DEDICATED CHRISTIAN

Mr. BUMPERS. Mr. President, on Sunday, March 23, 1986, at a morning prayer breakfast, Bethel African Methodist Episcopal Church will pay tribute to Joseph U. Elston for untiring and dedicated service as Sunday school superintendent. Mr. Elston is a textbook example of Christian dedication and I pause to recognize him for the work he has done since succeeding his father as Sunday school superintendent more than 20 years ago. This is an important position in his church, and he is also making a great contribution to the Little Rock community.

I am told that Mr. Elston's health has not been the best over the last few years, and this would make it easy for him to resign from work and community activity. But, Mr. Elston is continuing to do all that he can, and this makes his service even more noteworthy. Besides being Sunday school superintendent, he is on the board of stewards at Bethel AME and last year was named President Emeritus for the Arkansas Christian Credit Union. He is a mortician owner of Miller-Elston Mortuary.

Mr. Elston is widely loved and respected in his church and community. It is truly an honor for me to take this time to congratulate him on this occasion and commend him for his work. I wish him Godspeed, and he will be in my thoughts and prayers. If all of us were as dedicated as he, the world would indeed be a remarkably better place.

MESSAGE FROM U.S.S.R. SUPREME SOVIET CONCERNING NUCLEAR WEAPONS TESTS

Mr. THURMOND. Mr. President, the U.S.S.R. Supreme Soviet has delivered a message to the Senate regarding recent proposals by General Secretary Gorbachev concerning nuclear weapons testing. As President pro tempore, I bring this document to the attention of my colleagues at the request of the Supreme Soviet. The presentation of this document to the Senate, and its publication in the RECORD, does not in any way represent my personal endorsement of its contents.

I ask unanimous consent that a copy of this document be included in the RECORD.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

APPEAL OF THE PRESIDIUM OF THE U.S.S.R. SUPREME SOVIET TO THE U.S. CONGRESS

Dear members of the Congress of the United States of America, on behalf of the U.S.S.R. Supreme Soviet its Presidium regards it as its duty to address you on a subject of paramount importance—immediate cessation of nuclear weapon tests.

General Secretary of the Central Committee of the CPSU Mikhail S. Gorbachev has received a message from the leaders of Argentina, India, Mexico, Tanzania, Sweden and Greece. They recall the determination that was expressed at the Soviet-American summit in Geneva to achieve early progress at the negotiations on nuclear and space weapons. The message also contains the reasonable proposal that the U.S.S.R. and U.S. refrain from any nuclear tests until the next summit.

A similar message, as we know, has been received by President Ronald Reagan as well.

In his response Mikhail S. Gorbachev indicated that the Soviet Union would not conduct nuclear explosions after March 31, either—until the first nuclear explosion in the USA.

Thus the Soviet Union supported the opinion of the six countries. It means that now seven countries strongly urge the leadership of the United States of America to stop nuclear weapon tests. Over a billion people live in those countries on various continents. They are joined by everybody who cherishes peace.

The Soviet Union unilaterally has already not been conducting nuclear tests for over seven months. Within that period of time the U.S. has carried out seven officially announced nuclear explosions and is preparing for the eighth one in April. So the entire world can see a fundamental difference between the positions of the two states.

Addressing the USSR and USA the leaders of the six countries state: "You bear the primary responsibility for our survival". The USSR, for its part, fully appreciates that responsibility. It is prepared for the negotiations to ban nuclear weapon tests on any basis—bilateral, trilateral, multilateral. Now it is up to the United States of America.

The arguments of the opponents of the mutual moratorium and complete termination of nuclear tests, in our view, do not stand up to criticism.

They say, for example, that testing is necessary to verify the "reliability" of the American nuclear weapons. While in fact testing is conducted for its modernization, for enhancing their operational, destructive capabilities, for creating new types of such weapons, including those for use in outer space. So the stake is made on the continued growth of the potential of the weapons of mass destruction, though what is already there is sufficient to explode humankind and to cover the planet with grave dust.

They also say: let us confine ourselves to working out the methods of verification. However, what they propose to verify is not compliance with agreements to stop testing, but, rather, nuclear explosions which they want to continue.

We are convinced that in the interests of entire humankind nuclear testing must be stopped. Moreover, the Soviet Union is prepared to go farther. It has put forward a comprehensive stage-by-stage program of completely freeing humankind from nuclear weapons already before the end of this century. This program has been brought to the attention of all the states, all parliaments and all governments of the world. It is known to the U.S. Congress, too.

Having no lesser interest than the U.S. in strict compliance with agreements, the Soviet Union, naturally, attaches great importance to verification. Scientists, experts have long proven that verification of compliance with agreements on terminating nuclear tests and subsequent treaties on nuclear disarmament can be ensured by national means and with the help of international procedures—when necessary, including on-site inspections, which the Soviet Union has agreed to.

The attention of the peoples of the world is focused today on the issue of stopping nuclear testing. Politicians and public figures, parliamentarians and outstanding scientists

of all countries, including well-known U.S. scientists, point out the urgent need to put an end to nuclear weapon tests.

We call upon the Congress to do everything in its power to have the position of the U.S. also correspond to the task of terminating nuclear tests in accordance with the will of peoples, their passionate desire for lasting peace on Earth.

It is the duty of our two countries, possessing the greatest stockpiles of nuclear weapons, to be the first to stop their testing. Our two countries can and must justify the aspirations for peace of all the peoples.

The USSR is against nuclear explosions.

The USSR is against nuclear weapons in general.

However, now the first step must be the decision regarding the non-resumption of nuclear explosions by either the Soviet Union or the United States of America.

THE PRESIDIUM OF THE U.S.S.R.
SUPREME SOVIET.

TRIBUTE TO STEVE BELL

Mr. GORTON. Mr. President, one of life's most satisfying experiences is to watch a man work at a job for which he is perfectly suited by temperament and skill. If the match is good enough, the man's mastery of his task can become so thorough, so complete, that this activity is less a job than an extension of his personality.

Such has been the case these past several years with Steve Bell, staff director of the Senate Budget Committee. During the 6 years that I have served on that committee, I have come to admire greatly the style with which Mr. Bell has carried out his tasks. It is not simply his diligence and loyalty that I admire, though these are great qualities. More than that, though, I think it is the sheer good humor and sense of joy that he brings to his work that sets Mr. Bell apart. Not for Mr. Bell a life of quiet and unemotional detachment. Quite the contrary, he obviously lived fully both the joy of victories and the pain of his setbacks—which setbacks have usually, in Mr. Bell's case, been few and temporary. We may sometimes have questioned the particular advice that Mr. Bell was providing in his service to the chairman of the Budget Committee, but no one has ever accused Steve Bell of being understated.

This vitality of style should not make us think that Mr. Bell was deficient in the traditional virtues of top staff. An enthusiastic style has been fully compatible with discharging his duties with diligence, loyalty, and political sensitivity. Mr. Bell's service to the chairman and to the entire Budget Committee has been of the very highest order, and he will be missed by the committee and by this Senator.

THE EPISCOPAL CHURCH CALLS FOR PEACEFUL RATHER THAN MILITARY SOLUTIONS IN NICARAGUA

Mr. PELL. Mr. President, I would like to share with my colleagues a letter from the Most Reverend Edmond L. Browning, presiding bishop of the Episcopal Church, to President Reagan. Bishop Browning, reflecting his deep concern about the course and tone of the administration's policy toward Nicaragua, sent me a copy and is permitting me to share it with you. He also sent me two resolutions adopted by the general convention of the Episcopal Church at its meeting in Anaheim, CA. The resolutions oppose all covert and overt aid to the Contras and support the Contadora peace process.

I find Bishop Browning's letter to the President significant because it reflects the concern of a respected leader of a major church in the United States. The bishop's problems with the identification of the Contras as "freedom fighters" and with the administration's attempt to place in question the credibility of those who oppose current policy is shared by many of us.

Mr. President, I ask unanimous consent that Bishop Browning's letter and the resolutions of the general convention of the Episcopal Church be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EPISCOPAL CHURCH CENTER,
New York, NY, March 11, 1986.

The PRESIDENT,
The White House,
Washington, DC.

MR. PRESIDENT: I write regarding your proposed financial and moral support of the "Contra" forces against the government of Nicaragua.

The five Episcopal Dioceses of Central America are a part of the Episcopal Church. We are proud of the mission and ministry of our sisters and brothers in Central America and we support them and their leadership. I have just visited with the leadership of our Latin American dioceses and my estimation of their contribution to the spiritual and physical well being of the people in the region has been strengthened and expanded.

After a two-year process, including a series of extensive visitations, study reports and nationwide discussion on the local level, the General Convention of the Episcopal Church, meeting in Anaheim, California, in September 1985, passed two resolutions relating to the United States' policy and actions in Central America. The resolutions are enclosed for your information. In summary, they oppose *all* covert and overt aid to the "Contras", oppose attempts to destabilize the government of Nicaragua, and support the Contadora process. As requested in the resolutions, it is my intention to share these actions with members of Congress and the other identified governments.

On a personal note, Mr. President, I must share with you that I have several disquieting questions about your policies and your characterizations of some of the governments in Central America, and political processes and conditions in the region; and, I must admit, some of your public statements about those in this country who do not share your perceptions.

I do not think that I am alone in finding it less than helpful for our national leaders to coin or corrupt the language of our democracy in support of questionable foreign military forces. Identifying the "Contras" as freedom "fighters" obscures the issues in an attempt to attach the "Contras" to the historic memory of the U.S.

To disregard the reports of reputable international human rights agencies or undermine their credibility and legitimacy by preemptive accusations of "a disinformation campaign" does not seem to serve the interests of our open national decision-making process, serve the interests of those in legitimate need nor enhance the vital work of independent, international human rights agencies and advocates.

To ignore the advice and counsel of our historic allies and friends in Latin America, especially those who have initiated the Contadora process, strikes me as a short sighted approach to the common security of our hemisphere.

I question the public relations attempt to blunt or short circuit full citizens information, discussion and participation in the formulation of the policies of our great nation. I hope your office will stimulate public debate and quality discussion not stifle it.

I am deeply troubled by these concerns, Mr. President. I must be honest in sharing with your that neither your public statements nor those of your administration have alleviated my discomfort—a discomfort I do not believe is mine alone.

Faithfully yours,

EDMOND L. BROWNING,
Presiding Bishop.

RESOLUTION

I hereby certify that the following is a Resolution adopted by the General Convention of The Episcopal Church at its triennial meeting in Anaheim, California, September 7-14, 1985:

Resolved, the House of Bishops concurring, That this 68th General Convention supports the unanimous vote of the Executive Council of the Episcopal Church calling on the United States government and all other governments involved, to take concrete actions in support of the Contadora initiative and process; to work toward negotiated, rather than military, solutions to regional conflicts; to cease all covert and overt activities aimed at destabilizing governments in the region; to affirm and respect the principles of national sovereignty, self-determination, and non-intervention in domestic affairs; and to respect human rights; and be it further

Resolved, That dioceses and congregations encourage all members to study this declaration of the Executive Council, and to share their individual views on this declaration and the situation in Central America with those in authority in Washington.

RESOLUTION

I hereby certify that the following is a Resolution adopted by the General Convention of The Episcopal Church at its triennial meeting in Anaheim, California, September 7-14, 1985:

Resolved, the House of Bishops concurring, That this 68th General Convention

calls upon the United States government and all other governments involved to:

(a) cease all covert and overt aid to the contras and all other military forces in Nicaragua;

(b) cease all embargos and other activities aimed at destabilizing the government of Nicaragua;

(c) affirm and respect the principles of national sovereignty, self-determination and non-intervention in the domestic affairs of Nicaragua; and

(d) seek a negotiated settlement based on the 21 points of the Contadora Group; and be it further

Resolved, That this General convention expresses it support of the Diocese of Nicaragua in its appeal to the entire Anglican Communion, and especially to our churches in Central America, that they do all they possibly can to influence their members, their communities and their governments, to help in the steps taken for peace in Central America and by so doing avoid war among brothers and sisters; and be it further

Resolved, That the Secretary of this Convention be directed to communicate this Resolution to the President of the United States and the members of Congress, and the governments of the USSR, Cuba, and Israel.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, before the Chair closes morning business, may I ask the distinguished majority leader what the outlook is for today, how late we will be in session, and whether or not there will be rollcall votes after a certain hour, and the same with respect to tomorrow?

Mr. DOLE. Mr. President, I think for tomorrow there is no question about rollcalls. There will be a cloture vote tomorrow morning unless we can agree to do that later today.

Mr. SARBANES. If the majority leader would yield on that point, I would expect that the cloture vote would be in the morning, which would be in conformance with the regular order and in conformance with our proceedings.

Mr. DOLE. I do not have any problem with that. I just say there will be votes tomorrow—and it will come tomorrow morning, early tomorrow morning. I assume if cloture is invoked, there will be amendments and further debate on the bill itself. So I would say we shall be in quite late today and probably quite late tomorrow, because we would still like to dispose of this bill.

I do not know about votes today. I think that would depend on the Senator from Maryland, primarily. I assume there will be continued debate today.

Mr. SARBANES. Mr. President, I am quite happy to respond to the majority leader. My own view is that with the cloture motion having been filed, we ought to follow the regular course in terms of our proceeding. Therefore, I anticipate the vote on cloture in the morning—I do not know what time the majority leader intends to bring us in, but whenever that occurs.

If that were to carry—of course, it may not carry, but if it were to carry, that would, in effect, foreclose debate on the motion to proceed except for what is allowed after cloture. That has now been cut to 30 hours in any event. I do not know of any disposition to play that game.

If cloture is invoked and we go to the bill, I have a number of very substantive amendments. They are not delaying amendments and they would really address the matters that we have talked about. My own view, of course, is that the bill is so defective that we ought not to go to it at all, and I am going to develop that further today in the course of the discussion. I should think we would have to spend a fair amount of time on the bill itself if, in fact, the bill is reached.

Mr. DOLE. Mr. President, I have no problem with that. Obviously, amendments would be in order if the bill were before us. I wish the bill were before us now so we would not have to go through two filibusters. In any event, there will be amendments on this side, too, as I understand it, in addition to that side, on the bill. That is no great problem. We have alerted Members on this side to expect probably a number of rollcall votes tomorrow. I shall visit with the distinguished minority leader about the possibility of votes today.

Mr. BYRD. Mr. President, I thank the distinguished majority leader.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

METROPOLITAN WASHINGTON AIRPORTS TRANSFER ACT

The PRESIDING OFFICER. The Senate will now proceed to the consideration of the motion to proceed to the consideration of S. 1017, which the clerk will state by title.

The assistant legislative clerk read as follows:

A bill (S. 1017) to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Mr. SARBANES. Mr. President, we are now back on the motion to proceed with respect to S. 1017. On yesterday, a number of us opposed to S. 1017 put forth in the Chamber for the benefit of our colleagues a series of arguments about the legislation before us. I want to make it very clear that this debate on the motion to proceed has a substantive dimension to it. I notice the proponents of the bill have not responded. They have not advanced arguments as to why they think the bill ought to be adopted by the Senate or, indeed, even why it should be considered. Their view apparently is that once it is on the calendar, automatically, it ought to be considered. As I argued yesterday, and as I shall endeavor further to show today, I think this legislation is so defective on its face that the Senate ought not to go to it. In other words, the vote which will occur tomorrow on the cloture motion filed last night is not simply a procedural vote. It is a substantive vote.

A case has been made here and is being made with respect to the defects in this legislation. These defects are of sufficient weight that the Members ought to decide that we really do not want to go to it; that the Senate ought, in effect, to say, no, we are not going to take it up. This would send a signal to the Secretary of Transportation that she has to go back to the drawing board, open a series of discussions and negotiations with the affected jurisdictions, and perhaps give Governor Holton a new mandate to enter into conversations with Maryland and Virginia and the District of Columbia and Members of Congress to see if many of the objections that have been raised and the defects and deficiencies in this legislation can be dealt with. In other words, this is not an instance in which debate on the motion to proceed is being used simply to delay without a substantive dimension. On some occasions, we have debated on a motion to proceed simply for delay. It is recognized that, in a sense, the bill ought to come up, ought to be considered by this body.

What I am submitting here and what we are arguing is that there are so many defects in this bill on its very face, there are so many problems, that the Senate ought not to go to the bill. By refusing to go to the bill, we would communicate to the Secretary of Transportation that the effort here to address the question of Washington National Airport and Dulles International Airport has not been adequate, not been sufficient.

Mr. President, one may say to that, why not let the bill come up and then amend it? And, of course, if the bill comes up, there will be a number of efforts to amend it. But the fact of the matter is that in a situation of this sort—where you have to work out carefully an arrangement well into the

future, where you are talking about disposing of very valuable and important assets, where there are very complex questions of bonding authority or employee rights, questions of powers and authorities involving the Federal Government and local jurisdictions, where the whole question of regional comity and consensus is at issue—those questions need really to be addressed when the legislation is framed.

It is interesting in this instance that the committee felt that it had to strike out the bill submitted by the administration and insert another version. But it is clear upon review of the committee version that it relied to a very large degree upon the version submitted by the administration. These issues have not been adequately addressed, the things that the distinguished Senator from South Carolina and I and the distinguished Senator from South Dakota and others talked about yesterday, the things that are wrong in this legislation I think are of such magnitude and consequence that the Senate ought not to agree with respect to the motion to proceed. That would be the simplest and clearest way to communicate to the Secretary of Transportation that this effort did not rise to the standard that is necessary in order to seriously undertake to enact this legislation.

I know the distinguished Senators from Virginia disagree with that, but obviously they would disagree with that. This is a tremendous bonanza for Virginia. Unfortunately, it is not fair to the Federal Government and the Federal taxpayer, nor fair to the State of Maryland, nor in my judgment will it over time contribute to resolving the problem of air transport and traffic in the Washington metropolitan region.

So the debate yesterday and the further discussion that will take place today is directed to the point that the vote which will occur on Friday morning, tomorrow morning, on the cloture motion that was filed last night on the motion to proceed carries with it the possibility of sending to the Secretary a very clear signal that this legislation is faulty and that another effort ought to be made to address this problem. I think the simplest and clearest way of sending that message is in fact to do it on that cloture vote on the motion to proceed.

So this is not merely an effort to delay because there is an orderly procedure for bringing such efforts to a close. The majority leader embarked on it yesterday when he laid down the cloture motion, and I clearly recognize that that is within his rights to do under the rules. But there is an extra dimension involved.

Now, the proponents of the bill apparently have chosen not to make any arguments even why they think the bill should come up. Of course, that is their right. But those of us who oppose it intend to lay out all the arguments as to why we think this bill should not come out, lay out what the deficiencies are in this legislation, try to make it clear to our colleagues that there are consequences from this legislation of a magnitude about which Members need to think.

Now, yesterday's discussion, of course, appears in the RECORD this morning, and I am hopeful that Members and their staffs will review it and begin to perceive what is happening. This is not the kind of legislation that ordinarily attracts a great deal of attention. It seems to be localized in its impact. The Secretary of Transportation is very much for it. She has visited around at a lot of offices. The chairman of the commission which she appointed to address this matter has done the same. Of course, the chairman is the very able former Governor of the State of Virginia, and he has also visited with Members to try to lobby on behalf of this legislation.

So what we hope and intend to do today is to develop further the case outlining the deficiencies in this legislation, the defects, its failure to address a range of problems, to make the point that they are so deep and extensive that really the legislation cannot be corrected through the amending process here on the floor, and that therefore Members should reach the conclusion that there is so much wrong with this legislation, there are so many weaknesses in it, there are so many unanswered questions, there are so many problems that have not been addressed we simply ought not to take the legislation up and let the Secretary go back and try again to come up with an arrangement or a formula that makes sense, that meets these problems, that answers these questions, that achieves a regional consensus which is perceived by Members of this body as a reasonable solution.

As I pointed out yesterday on these issues, there ought to be enough room to work out a resolution of them. It is not done in this bill, and there is a need, I think, to go back and the Secretary to engage in further consultations and try to work out a resolution that addresses the problems that are being raised.

So there is a substantive dimension to this debate, and the cloture vote tomorrow will address that.

The discussion on the bill has been substantive from the beginning on this motion to proceed without exception on the part of the opponents of the bill. The opponents have in effect laid out a series of arguments and made a number of criticisms which we think are of sufficient weight that the Senate should conclude that we do not want to take the bill up. We do not even want to begin the process because it is so faulty that what we really need to do is send it back to the Secretary.

This is not a matter of some international import in which it is absolutely necessary that the Senate act and act within the next week or the next month. It is not an issue which carries that dimension to it.

I, therefore, hope that my colleagues will very carefully review the discussion of yesterday and the discussion that is going to take place today as they try to reach a conclusion as to how to vote on the cloture motion which will be before us tomorrow morning. By rejecting the cloture motion we would then send to the Secretary a very strong message that the deficiencies in this legislation are such that it is the view of the Senate that she really ought to make another effort to try and work out the disposition of these airports and address the whole range of issues and questions that have been raised here on the floor.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. GARN). The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I thank my distinguished colleague from Maryland. I commend his stalwart stand here on the floor of the Senate in behalf of judicious consideration, rather than political consideration, of a particular matter of importance to all of us. The U.S. Government has various properties and responsibilities.

I do not think anyone in his right mind would say, "Look, we have museum authorities in the United States and all of them work extremely well. Therefore, what we really ought to do in our private possession thrust here in America is to privatize the Smithsonian.

I guess, since the Smithsonian is located in the District and not in Virginia, we should get Mayor Marion Barry a group of citizens in the District of Columbia and let us see how we could put on a fire sale for the Smithsonian. There would be all kinds of invaluable properties there going for perhaps, even up to the billions of dollars.

But I think I could get a group of responsible citizens from the city of Washington who would be glad to take it over for $47 million.

Similarly, with respect to the Botanical Gardens. I could go back home and make a very good political talk on why the United States of America should not be planting flowers when we are running deficits, and what we ought to do is sell off the Botanic Garden and privatize it.

Or the National Zoo. Someone could well contend that one zoo is enough. This one we have up here called the U.S. Congress. Why should we have two zoos. Let us get rid of the one that

we have downtown and let us see if we cannot privatize that one.

And down the list, which brings you to the logic, of course, of the responsibility that we have and the trust that we have to the people of America for these two entities, the National Airport and Dulles.

The Washington National and Dulles were developed with millions and millions of dollars of taxpayer's money, far in excess of $47 million. The actual properties encompassed in this particular fire sale is just horribly dreadful. To think in terms of $346 million in bond costs, that we would have to take on under this legislation in order to get what we have already paid for. I could go right on down the list on that particular score.

But since we are discussing the issue of bringing this up for consideration, let us tell the National Congress and the U.S. Senate here this morning what we are not considering, which I think is an important responsibility, and the distinguished Presiding Officer would perhaps from his experience, far greater than this particular Senator—the Senator from Utah is now presiding, our astronaut friend whom I have the greatest respect for, and I think has done a very courageous thing in bringing an awareness to the American public of the importance of our space program here in the United States. He took his life at risk. He took the discipline, the hard training, the sacrifice of time, and everything else because he was that dedicated to our space program.

I do want to associate the distinguished Presiding Officer with my following remarks. I have misgivings, this Senator does, about the conduct of the space shuttle disaster investigation, and the conduct of that particular investigation has disturbed me from the very word "go." I realize the cold weather was a problem, because the Kennedy Space Center is not that far away from where I live in South Carolina. In fact, the previous month in December, we had a nighttime launch at Canaveral and I stayed down just outside the city of Charleston there on the beach. We could walk out in Charleston, SC, and look 300 miles down range in the Atlantic at nighttime, and we observed the night launch.

We do not necessarily have the same cold weather at Canaveral—that was the unusual part—that we have in South Carolina, but my pipes froze on the evening of January 27, the morning of January 28, and I had to pay to repair all the pipes that burst under the house and stopped the loss of water and other damage that occurred.

So, when we were on the floor that afternoon of January 28, I was wondering about the cold and what experience they had. I was rather shocked later to learn of the O-ring failure and how NASA itself had come to observe the damaging effect upon these O-rings by cold weather.

But I was even more greatly and seriously shocked by a statement made by one of the most responsible of all in the system, Astronaut Bob Crippen. I did not hear Astronaut Crippen make that statement, but it was related to me in a telephone conversation and then under sworn testimony by the engineer in authority, the No. 1 man at the Cape for Morton Thiokol, Mr. McDonald. I asked him about what occurred. He went in to, as you all know now, what he observed and knew about the particular O-rings' near complete failure in January of 1985 where the burnthrough occurred not only on the primary but the secondary ring. As a result, the Cook letter had been written which was related in an article this past weekend in the Washington Post by Mr. Cook himself.

Mr. Cook's memo was written in July of 1985. Thereupon, in August of last year, 1985, a special panel was convened by NASA here in Washington. They were so concerned that in November we had in the city of Washington the automotive engineering conference in this city. The NASA engineers and others attended the automotive engineering conference to see if they could come up with some ideas how to confront and solve this problem.

So, it was a known problem, what we say, knowingly, in the law, and, on January 27 when they got ready with the known problem, the head man at Morton Thiokol—not "at"—that is misleading—of Morton Thiokol at Cape Canaveral—this is a very important point—he was the authority to sign off for the contractor. He said, "No, I object to that launch."

And then a very heated discussion came out with respect to the pressure brought by the Huntville group. One Huntsville gentleman, Mr. Hardy, wanted to know what gives down there. We are not going to try to change the launch commit criteria at this time.

You see, that is an important statement to study because the criteria were not being changed. On a more in-depth study, we found out that the O-ring had been made a criticality-one item. But Hardy is thinking that he maybe knows more about the O-ring. He wants to get this shuttle launched.

So he is saying to McDonald at the Cape, "What gives here? This is no time to change criteria." And McDonald is pleading, "I'm not changing criteria. I'm responding to criteria. I'm responding to known facts and I'm not signing off."

I am, of course, paraphrasing.

Thereupon, Mulloy comes on the line and he says, "My God, Thiokol, are we going to have to wait until April to launch?" I do not have the verbatim quote here this morning, but that is what he was saying—"Let's get going."

And even then, with that kind of pressure, Mr. McDonald said "No." And, in essence, they said, "We will fix you. We will go to your personnel office 2,000 miles across the country and we will make this a management rather than an engineering decision."

So, at 11:45 at night, they had the gentleman overruled. Thereupon, the next morning, Mr. McDonald related his three concerns—the O-ring, the ice on the launch pad, and then, of course, at that particular time, the threat high seas posed to the ships and to the recovery of solid rocket boosters. The retrieval boats had been called in to shore because of the high seas early the morning of January 28. When the boosters are thrown off by the shuttle, Thiokol retrieves them because they are reusable. Also, there is a postflight inspection of the boosters to determine what damage, if any, did occur to the O-rings. That is exactly what he had in mind. He had O-ring problems and failure on his mind at that time. And he said, well, at least, as contractors, if you all want to be so managerial—and, of course, I am again paraphrasing—we have to be able to retrieve the boosters.

But they said no, they would not wait until the afternoon of the 28th when the weather would have warmed up and the seas would have calmed. There was pressure.

And I asked Mr. McDonald, "Well, what kind of pressure?" And he said—and this is the answer he gave to the Rogers Commission and therein when he quoted Bob Crippen—"The entire launch approval philosophy was changed or reversed or different for the first time and, instead of the contractor justifying why to fly, the contractor was justifying why not to fly."

Now, here is a very important fact that strikes me. You know, as Senators in the service up here, you become more or less, in a sense, a trial lawyer. We are in hearings every day. That is what is going on now, the hearings in the different committees. And we are hearing the adversary proceedings and witnesses on both sides. Before I came to the Senate, I also had practically another 20 years before the trial bar in my State of South Carolina. So when I am hearing the witness say that, I know that the process, I say to the Senator, is not flawed. Flaws infer a flaw in the cloth or flaw in the metal, something unforeseen. On the contrary, the process was tried and true. Here, instead of flawed, it was violated, and that is important to the investigation.

And, knowing that, when Secretary Rogers came to the hearing that we had—hearing, singular—I asked about

launch pressure. However, since that hearing on February 18, I cannot get any more hearings. That is my objection here this morning. They are stonewalling me.

(Mr. PRESSLER assumed the chair.)

Mr. BYRD. Will the Senator yield? Who is stonewalling the Senator?

Mr. HOLLINGS. Stonewalling, the chairman of the Commerce Committee, Senator DANFORTH, and the chairman of the subcommittee, Senator GORTON of Washington. We have asked in written requests for hearings and they keep negotiating.

I want to complete that thought and come right down to why, because the case is getting awfully cold. We had, I say to the distinguished minority leader, precedent based on the 1967 investigation of the Apollo disaster. In 1967, we had the Senate investigate, go immediately to an investigation within 10 days after the Apollo accident. We pursued it for 12 months in a bipartisan fashion and what we had, in essence, was a very responsible and responsive investigation.

And, with that particular precedent, we started in here. I am back now to having Secretary Rogers. I am saying, "Mr. Secretary"—he was telling about the staff and almost emphasizing to us, I guess, in the shadows of Gramm-Rudman-Hollings how economical he was going to be. Well, this is no time or place to really be so economical. They need to be hot on the trail and get the witnesses' statements while they are fresh in their minds and while the witnesses are available and the testimony and the evidence is available, which is what I am worried about. I do not know if it is available any longer. Seven weeks have passed.

I was asking the Secretary, I said, "Mr. Secretary, you have got a very diligent and hardworking commission. I could see you could get out and do these things, but you can't really do it all. What you need are field investigators." Five investigators, I suggested, down at Canaveral and 5 at Huntsville, 5 at Houston, and 5 up at Brigham City, and give us 10 here to look at Congress to see whether the Congress brought the pressure, to look at NASA and see whether NASA was being pressured, and look at the White House and see their interest and whether there was any White House pressure.

And the distinguished Secretary said, "This is not any gumshoe operation." I believe in his statement at that time, he said, "I'm not going to have a gumshoe walking around asking some person one at a time." He stated that we are going to have to do a lot of reading.

I said, "Well, now, Mr. Secretary, that is what I am doing is I am reading from the gumshoes of Aviation Week and ABC and the New York Times." And I am leaving out one significant edition, namely, the Washington Post, because, I say to the Senator, I want to get to them later.

But Secretary Rogers did not want to do that. I wanted it right here that minute. We have hundreds of investigators going after the particulars, and it should be, hundreds of investigators going after both the physical and the technical evidence. We have got the Navy and the ships, the Coast Guard, the engineers, the contractors making tests, and this is all good. Hundreds and hundreds going after the physical evidence. I do not know who is going after the human evidence. In fact, I think there is a block on doing it and I felt there has been a block on doing it all along. I do not know that they have asked the White House any questions about their telephone logs, their communications, or anything else of that kind between the White House and NASA, between NASA and the Kennedy Space Center, between the White House and the Kennedy Space Center. All of these things come immediately to mind. Why was the process on this occasion violated?

Now, let me, in order—and I will be glad to try to answer the Senator's question. Then I will go back and make a seriatim, in my way, of trying to develop my concerns.

Mr. BYRD. Mr. President, I apologize to the distinguished Senator from South Carolina.

Mr. HOLLINGS. I welcome the question.

Mr. BYRD. I was interested, however, in what he had to say about the lack of committee action in this matter. I take it that this would be the Committee on Commerce.

Mr. HOLLINGS. The Committee on Commerce, Science, and Transportation. The chairman is the distinguished Senator from Missouri, Senator JOHN DANFORTH, and I am the ranking minority Democratic member. The chairman of the Subcommittee on Science, Technology, and Space is the distinguished Senator from Washington, Mr. SLADE GORTON, and the ranking minority Democratic member is our distinguished colleague from Michigan, Senator DON RIEGLE.

Now, we have worked to investigate these matters. Senator RIEGLE and I talked to Mr. McDonald before he was invited to Washington, and he told us he was concerned that his statement given in the private session hearing of the Rogers' Commission on the previous Friday was leaked in part and was not a fair coverage of all he had said.

And it was not a fair coverage of what he had said. He wanted to testify. He wanted to come all the way to Washington to make a complete statement, and he came all the way to Washington to make a complete statement. Therein is the big difference that should be understood.

It was the understanding of Senator DANFORTH, Senator GORTON, Senator RIEGLE and myself that we would take a statement in private. We called ahead to Secretary Rogers, and Secretary Rogers had promised to give us his statement in a public hearing the following week. I think it was the pressure of the Congress that got some of these hearings to be public which I think is one good result.

But otherwise we were going to take Mr. McDonald's statement in private, and by the morning that he was to show up, which was the next morning—we only agreed on the afternoon before, and called him. And to show how anxious he was, he came right away, the next morning, and spent hours in Washington. He was intercepted, and I can only surmise from there.

I know from my particular point, I was called earlier that morning, and asked about the hearing. In fact, I was asked by a Congressman if he could come over to the hearing. I said, "Where did you learn about this?" I was immediately in communication with Chairman DANFORTH saying, look, the bell has rung. We cannot unring the bell. McDonald's presence is in the public domain. I stand for Government in the sunshine. I do not want to be postured as taking, for some unknown reason, statements in private. The unknown reason, of course, was that it was going to be taken in public the next Tuesday, but we wanted a complete statement. We were fearful about the change that could occur under certain pressures or by lapse of memory or anything else. I am not ascribing anything improper to the individual witness himself, Mr. McDonald, but we were worried about that.

It was highly important to get that full statement. We needed it then, and would not wait again for the Commission. At least Senator RIEGLE and myself both felt that way, and felt very strongly about it.

When we got around to see Mr. McDonald and to taking his statement, we could not find Mr. McDonald. I was told he was hidden somewhere, had been hiding since 12 o'clock for over 3 hours, and that I could talk to him on the squawk box. I said, "I will not demean my position as a U.S. Senator to talking on squawk boxes to anyone. If you folks still want to get his statement in private—I want it in public—I will withdraw so you at least can accomplish that. I am the one who wants a public statement. I do not have to be present if you choose to continue. I do not need to hear his statement. I have heard the gentleman. He has talked to me." So I did withdraw.

So we all know now I did not take the statement. In addition to hiding

with all the witnesses, and that kind of shenanigans which I have not seen up here in 20 years, we then asked for a hearing—meanwhile, Dr. Graham called to talk to me. He called several times. I said, "I will be glad to hear you in public Dr. Graham, but not in private." At that point, Dr. Graham was scheduled to testify at a hearing the ensuing Wednesday on the NASA fiscal year 1987 budget request. Senator RIEGLE and I suggested this slot be used for another oversight hearing. However, Senators GORTON and DANFORTH canceled the scheduled hearing.

So Senator GORE, Senator RIEGLE, and Senator HOLLINGS under the rules as three members of the committee asked that it be rescheduled so we could fulfill our oversight responsibility. Here was the witness, Dr. Graham, who said he wanted to be heard. Here was the ranking member saying he wanted to hear him. But here was the chairman and the subcommittee chairman stonewalling. They did not want to have a hearing concerning oversight of the accident. And in the negotiations that had been going on too long, they said, "You go ahead and just ask them about the budget, but do not ask them anything about the needs that go in behind that budget." We have the oversight responsibility.

I have a great, a deeper, and a more lasting responsibility than Secretary Rogers has. I have to not only find out what all he is looking for, but I have to justify what I find, and I have to support it in my vote. I have to continue on.

We want to continue on with this space program. We want to reestablish the credibility.

(Mr. PRESSLER assumed the chair.)

Mr. BYRD. If I may ask, is the Senator saying to me that the committee has only had one hearing, or one meeting or no meeting or will not hold meetings?

Mr. HOLLINGS. Senator, the answer to your question is yes. We have had one meeting. We have been told by Senator DANFORTH if we find any fault with something wrong with the Rogers Commission, then maybe we can have another hearing on the score. His rationale, of course, is I do not want to have confusion, to have two investigating committees. There is no confusion with NASA. They are making their investigation along with the Rogers Commission. There is no confusion there.

But for responsible Senators to call for hearings to bring out into the open, and in the public light the investigative part of the accident, we are told "No." I can see going off the record in private if Members want to express personal opinions and draw up a report. But we have always used the Government in the sunshine, and an open process to investigate up here.

We did not think anything but the truth should come out, and if we are at fault in the Congress, or they are at fault in NASA, or they are at fault in the White House, whatever it is, that is going to dance around the fire.

Let us get to the point. They use that nebulous excuse about confusion, and they said something about grandstanding. One time the chairman used "circus." The only circus, Senator, I have seen around here is when they secreted the witness, and however they brainwashed him, they had him intimidated. It was a different McDonald on the squawk box than it was talking to me on the telephone. He was afraid to talk to me. I said maybe I am the problem. I will get out. I guess they told him that fellow is trying to get on TV or something else of that kind. Not at all.

I have not said anything around here. I could have been on more TV programs than you have ever seen.

We are trying to get to the root of this particular problem.

So McDonald will not talk.

Mr. BYRD. Mr. President, I will not ask the Senator to yield any further. He has made reference to the rule, and to the "three Members" requirement in that rule. So the distinguished Senator is fully aware. I am not seeking to edify him or anyone else. But if he would allow me, I would like to read into the RECORD at this point the language of rule 26 which is pertinent, and it might be helpful if I did read that into the RECORD, not that the Senator has to be educated on this. As a matter of fact, he and I have talked about the rule a good many times in the past. He has been here for a long time. He knows what the rule is.

I quote from paragraph 3 of rule 26. It is as follows:

> If at least three members of any such committee desire that a special meeting of the committee be called by the chairman, those members may file in the office of the committee their written request to the chairman for that special meeting. Immediately upon the filing of the request, the clerk of the committee shall notify the chairman of the filing of the request. If, within 3 calendar days after the filing of the request, the chairman does not call the requested special meeting to be held within 7 calendar days after the filing of the request, a majority of the members——

This may be the problem area. I do not know.

Mr. HOLLINGS. That is the problem area. They made it a partisan thing.

Mr. BYRD [reading]:

> A majority of the members of the committee may file in the offices of the committee their written notice that the special meeting of the committee will be held specifying the date and hour of that special meeting. The committee shall meet on that day and hour. Immediately upon the filing of the notice, the clerk of the committee shall notify all members of the committee that such special meeting will be held and inform them of its date and hour. If the chairman of any such committee is not present at any regular, additional, or special meeting of the committee, the ranking member of the majority party of the committee who is present shall preside at that meeting.

I think I need read no further.

I thank the distinguished Senator for letting me read that into the RECORD. The problem is, as he has indicated, as I understand it, in getting a majority of the committee to act. I infer, by what the distinguished Senator is saying, that there is some problem in that regard.

I think what he is doing here is a service. I am not sure that the Senate really knows, or at least a majority of the Senate really knows why such hearings have not been conducted already. It is the responsibility of the Senate. We have to act on the NASA budgets. We have the responsibility of oversight under the Constitution. I think the Senator is trying to proceed with what he perceives to be his responsibilities in that regard.

It would seem to me that there ought to be a majority of the committee, before the evidence gets cold, which would have a meeting. That ought to be done. In the interest of our Nation's space program and in the interest of the lives of people who are going to continue to be involved in that program, there ought to be committee meetings or hearings going on now, it seems to me.

Mr. HOLLINGS. What we have is that we have to respond to our responsibility in a catch-22 situation. We are told by Chairman DANFORTH if we find something wrong with the Rogers Commission, then maybe we can have some hearings. In order to do my job, I have to find fault with the Commission. I am not running around trying to find fault. I have some misgivings about the way they are doing it. But in large measure, they have been working around the clock, they have brought out these points, and they have traveled about. They are absolute experts. There is no question about that.

Every Presidental commission has a dual role. They serve as a jury for the investigation, and they are eminently qualified to do this. There is nobody who would reflect in any way on that particular score.

I have enjoyed the questions, particularly Sally Ride's question that she has asked, with her eyebrows and her facial expressions. That meant more to me than anything else.

But, they also have another role, which is just as important, of investigating. What you need in that particular instance is field experts. Let us call them gumshoes. It is those who are used to taking statements from witnesses and going around one on one asking questions. "Where were you? Did you call anyone? Did you receive

any calls? How long were you in this particular post?"

Then there are negative statements such as when they say, "I do not know anything." You get that statement.

You keep coming down and then you bring all those statements in from all the investigators and correlate them here at headquarters, so to speak, in Washington where they are doing the job.

We had 91 such field investigators on Three Mile Island. The best I can hear is that the Commission has a staff of 13, and the staff are mostly lawyers, PR people, et cetera. Then they have a computer into which all the testimony and information is fed to find discrepancies. What we need is a human computer. I can get you some from over at the Department of Defense who know how to investigate, from the FBI, and from other agencies of Government, such as the Internal Revenue Service. They know how to ask witnesses questions and go right in on an experienced basis.

I doubt if the majority of the Rogers Commission ever went around and investigated a day in their lives.

Mr. BYRD. If the Senator will yield, I am sorry I have to leave but I understand what he is saying. I will certainly read the RECORD. I do compliment the Senator, not only for his statement here today but also for his dedication to duty in trying to pursue this matter.

Mr. HOLLINGS. I thank the distinguished leader. Let me complete that thought as to my suggestion. I have to find fault with the Rogers Commission before I can investigate and perform my responsibility. But I bring Secretary Roger up and we ask him to provide the information and he says, "I am not furnishing any. I might respond to some questions from time to time. But, you cannot have the statements, you cannot have this or that."

So I cannot find good or bad. Since I cannot find, I cannot find fault. If I cannot find fault, I cannot have any hearings. They have you cut off and it just moves on and the case gets cold.

I have some things that I want to emphasize that are being discussed. For example, the original, January 28, version of the State of the Union Address President Reagan was to give on the day of the disaster. First they said there was no copy, that there was nothing available. They did not know what we were talking about. Then ABC followed it down and got what was supposed to be the talk. Now I am told just in the last few hours that the White House has apologized to ABC and said, "Well, we did not give you all the talk."

Well, it is obvious they did not give all the talk. You can see that from what we were furnished in the first instance.

The incredible part, and I do not believe it so I say incredible, is they say—and I know the Senator has to leave the floor—that NASA asked that the President of the United States in that State of the Union Message to touch on Christa McAuliffe and her pioneering in space and how this was the forerunner of spaceflights in the 1990's. They would have you believe that that specific request by NASA was thrown aside, that it did not get to the speechwriters. Instead, they want you to believe, the President of the United States thought it was important enough to mention a scientific experiment being conducted on the *Challenger* but not to mention Christa McAuliffe, the very person that started the teacher in space program.

These are the kinds of questions that go through the lay mind in America today.

We are not asking those questions. We are told about computerization of statements but we are failing to ask the hard questions.

I do not know that you can get them, but the Commission did ask one person, "Did you bring pressure?" That is what I am talking about. You do not ask a conclusion. You let the conclusion be drawn from the various facts about the calls, the actions, the letters, and whatever else comes out, and then the conclusion is to be made by the Rogers Commission or our U.S. Senate, whether there was extraordinary pressure that caused a violation of the process.

Mr. BYRD. If the Senator will yield again, this is a strange way of doing things, as I see it. I do not understand why the Senate and/or its committees have to wait to see if someone is making a mistake. That does not fulfill our responsibilities. I am sure the Senator feels that way about it. He has said so time and time again. I would hope the committee would have hearings.

We are going to have to find these things out for ourselves. Whatever the Commission finds out will be helpful, and I think they are doing a good job. But at some point in time the questions are going to be asked: "What did you do? What did the Senate do? What did the Senate committee do? What did your investigation turn up? What did it tell you?"

I again thank the Senator.

Mr. HOLLINGS. I thank the distinguished leader. I appreciate it very much.

Along that line, I might refer to the thought the distinguished leader touched upon.

Our ranking member, Senator DON RIEGLE, has written a letter, I am told, and asked that certain witnesses be allowed to appear in a segmented series of at least four hearings, where we could touch on different subjects, and fulfill both our authorization and oversight responsibilities. The witnesses that we would like to have are listed. I keep on being told that, "We are looking at it. Yes, you might get your hearings."

Of course, important time is passing now. We are only asking the conclusive question of, "Did you bring pressure?" The obvious answer is, "No."

I might refer the Senator from Arkansas to something that really points up what he has referred to.

I do not know what happened to Woodward and Bernstein. There is a very peculiar attitude.

Here the American Broadcasting Co., goes and brings out just exactly what we were trying to find out about. The Chicago Tribune, after they learned from the ABC investigation, headlined it "NASA Sought State of the Union Plug." Find that in the Washington Post, not just the headline, but the story.

No, sir, They would be on that like a June bug.

Whatever it is now, they are on Imelda Marcos' shoes and dresses, her clothes. But the important thing to the American people, where we have lost seven brave Americans, is they cannot find out anything about the state of the Union plug. Let us read that since I mentioned it. People do not know this in the U.S. Senate. It was sent over by NASA a few weeks ahead of time. I am told it was signed by Phil Culbertson. I have been asking to hear from him.

He is the one who was the No. 1 man at the Kennedy Space Center the day of the launch. He has yet to testify. They have not brought the No. 1 man at the Kennedy Space Center on behalf of NASA before the Commission. He said there was not any pressure. Why should there be pressure? Maybe he was the one bringing the pressure. He signed off on this NASA draft statement.

Can you not see me as Director of NASA, the head man, sending this to the White House and saying, "Draft input for State of Union Message?"

I wish I had the exact date here. I am told it was in January, the same month. The accident happened on January 28. This happened the same month. Here is the exact quote.

Tonight, while I am speaking to you—

This is what President Reagan is supposed to be saying according to NASA folks—

a young elementary school teacher from Concord, New Hampshire, is taking us all on the ultimate field trip as she orbits the earth as the first citizen passenger on the Space Shuttle.

Christa McAuliffe's journey is a prelude to the journeys of other Americans and our friends around the world who will be living and working together in a permanently manned Space Station in the mid 1990s, bringing a rich return of scientific, technical and economic benefits to mankind.

Mrs. McAuliffe's week in space is just one of the achievements in space which we have planned for the coming year, however. The U.S. Voyager spacecraft has just this week visited the planet Uranus and sent back striking images of this distant world after a two billion mile trip in space. Later, we will participate in a worldwide study of Halley's comet, launch the Hubble Space Telescope, launch the Galileo space ship on its way to Jupiter and participate with our European partners in sending the Ulysses spacecraft to explore the poles of the sun.

Our commitment to continuation of a strong civil space program through such projects as the Space Station, space transportation, space science and the technology required for the programs of the 1990s, is an investment in the future of America's greatness in space and in the young men and women of this nation who will be the leaders of tomorrow.

Mr. President, I want to yield in 2 minutes to the Senator, but I think I want to make a coherent presentation to see if we can try to make some coherence out of this question of the sincerity and genuineness of my particular concern. I go now to the Chicago Tribune article that I referred to earlier by headline, which had this article on the morning of March 13:

Nearly three weeks before the space shuttle Challenger exploded, acting NASA administrator William Graham suggested that President Reagan include a passage in his State of the Union Address citing the achievements of the shuttle and its celebrated citizen-passenger, teacher Christa McAuliffe.

In a memo to the White House dated Jan. 8, 1986—

They did have the date. These investigative reporters, these gumshoes of the press have been doing a better job. The Commission did not have this date. They do not want to be gumshoes, they are going to be scientists and they are going to miss the real cause with their great science.

. . . January 8, 1986, and titled "draft input for State of the Union message," Graham suggested that Reagan highlight McAuliffe for taking America on "the ultimate field trip."

The memo was solicited as part of a routine government-wide effort to seek ideas from the various agencies.

I shall divert from that particular article to say I would like to know of the other submissions they got from the other agencies. I would like to know what is so routine that they get from the other agencies that is so readily disregarded, where the President would have one of his great initiatives, a teacher in space, have everybody down at the Kennedy Space Center on a particular Sunday morning. For the originally planned Sunday launch, the Vice President of the United States was due to be there. When it was delayed, he was waved off, but they had other dignitaries there. This particular Senator had schoolchildren hooked up on Tuesday, January 28, from South Carolina. There were millions of schoolchildren all hooked up throughout the United States. There was tremendous interest, all engendered by the White House. Now, all of a sudden, the White House goes cold, colder than that old O ring. You cannot get it to respond.

I can tell you here and now, Mr. President, they said the memo was solicited, just routine, just routine talk, all of a sudden, a routine flight with scientific experiment but not a schoolteacher. Going back to the article:

When the Challenger exploded 73 seconds after launch on Jan. 28, killing McAuliffe and six astronauts, the President postponed for a week his annual message to Congress, which had been scheduled for delivery that night. The NASA draft referring to the nation's first ordinary citizen observer in space was never used.

But on Feb. 26, nearly a month after the tragedy, White House spokesman Larry Speakes said that there wasn't "any thought of ever putting anything" about the shuttle mission in the State of the Union "except referring to the kid's [a student] experiment on board and except referring to the commitment to the space station.

"Those two things were in the speech from the start," Speakes added during the morning White House press briefing. "Nothing connected with the shuttle launch, and that story ought to go away."

"That story" was a reference by Speakes to rumors that there was pressure from the White House to launch the shuttle in time for Reagan to cite McAuliffe's mission in an annual message used to sum up his administration's accomplishments—pressure that might have caused the launch to be made on a day when there were increased hazards.

At the Feb. 26 briefing, Speakes branded the speculation about pressure "the most vicious and distorted [rumor] I have ever heard. [I'm] not only denying it, I'm saying it's a rumor perpetrated by the press."

Now all of a sudden the press is at fault.

I might note that on March 12, when ABC released this story, Dr. Graham was not available for comment. He was out of the country. He had been available before that, running up and down in the Halls, calling to try to see me.

You could see the fellow. Now all of a sudden when we want to know what he did about a memo, he is out of the country. We cannot find him. They have not called him. He has not testified.

I know he met with me in private in the office of the Secretary from Washington [Mr. GORTON] and said there was not any pressure, there was not any concern. He did not tell us of this memo. He did not act as though there was any concern, any connection whatsoever, yet he had to know of this memo at the particular time and he did not tell us.

In the memo from Graham, who was not available for comment Wednesday night, it was suggested that Reagan tell Congress and a prime time national television audience:

"Tonight, while I am speaking to you, a young elementary school teacher from Concord, New Hampshire, is taking us all on the ultimate field trip as she orbits the Earth as the first citizen passenger on the space shuttle.

"Christa McAuliff's journey is a prelude to the journeys of other Americans and our friends around the world who will be living and working together in a permanently manned space station in the mid-1990s, bringing a rich return of scientific, technical and economic benefit to mankind. Mrs. McAuliffe's week in space is just one of the achievements in space which we have planned for the coming year."

Shirley Green, NASA's chief press aide, confirmed Wednesday that a speechwriter in her office, Vera Hirschberg, wrote the passage in early January after Reagan's Cabinet secretary, Alfred Kingon, sent a routine message.

They keep on using that word "routine." They all get to be routine.

• • • to executive agencies and departments calling for ideas for the President's State of the Union speech.

Now all of a sudden all they want to really ask from NASA is a matter of routine. That is another question in my mind. Was it routine or was it not routine, or was there a particular interest there?

Going back to the article:

Senior White House officials said Wednesday neither Reagan nor his top aides ever considered including the material in his speech and repeated their denial there was any White House pressure on NASA to make the ill-fated Challenger launch.

"I never even saw it," said White House Communications Director Patrick Buchanan, who oversaw speechwriting efforts for the State of the Union Address. "It was filed and forgotten."

The memo was addressed to Kingon.

They did not say the memo was signed off by Phil Culbertson. It does not say that in the story, but we found this out. And he was a man down at the Cape, too. So he is the leading man. He submitted the memo.

We have in politics the famous couplet:

Like Cato, give his little senate laws,
And sit attentive to his own applause.

We have that in science, with the White House. We send over the memo and race down to the Cape. Could it have been—I am asking; I do not know—could it have been pressure by the very man who sent the memo saying:

I have sent the memo. I have a chance the President might do it. Let's get this thing off this morning so by the afternoon we can have it in his talk.

That is a logical, reasonable question to be asked.

A draft State of the Union speech dated Jan. 28, prepared before the shuttle explosion, was made available by the White House Wednesday night and contained only a brief, one-sentence reference to the Challenger mission.

The passage about the Challenger referred to a young science buff whom Reagan introduced as a "citizen-hero"

during his address and did not mention either McAuliffe or the achievements of the space shuttle itself.

"We see today the dream coming alive in the spirit of discovery of 21-year-old Richard Cavoli," the draft speech said. "All his life he has followed the path of science and medicine. Today the science experiment he began in high school was launched on the space shuttle Challenger."

Then they go on in the story meanwhile talking about recovery of the remains there, but I know there was another particular quote because it was asked over there at NASA. And I now leave that Chicago Tribune article.

I ask unanimous consent that the article in its entirety be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Chicago Tribune, Mar. 13, 1986]

NASA SOUGHT STATE OF THE UNION PLUG

(By George de Lama and Storer Rowley)

WASHINGTON.—Nearly three weeks before the space shuttle Challenger exploded, acting NASA administrator William Graham suggested that President Reagan include a passage in his State of the Union Address citing the achievements of the shuttle and its celebrated citizen-passenger, teacher Christa McAuliffe.

In a memo to the White House dated Jan. 8, 1986, and titled "draft input for State of the Union message," Graham suggested that Reagan highlight McAuliffe for taking America on "the ultimate field trip."

The memo was solicited as part of a routine governmentwide effort to seek ideas from the various agencies.

When the Challenger exploded 73 seconds after launch on Jan. 28, killing McAuliffe and six astronauts, the President postponed for a week his annual message to Congress, which had been scheduled for delivery that night. The NASA draft referring to the nation's first ordinary citizen observer in space was never used.

But on Feb. 26, nearly a month after the tragedy, White House spokesman Larry Speakes said that there wasn't "any thought of ever putting anything" about the shuttle mission in the State of the Union "except referring to the kid's [a student] experiment on board and except referring to the commitment to the space station.

"Those two things were in the speech from the start." Speakes added during the morning White House press briefing. "Nothing connected with the shuttle launch and that story ought to go away."

"That story" was a reference by Speakes to rumors that there was pressure from the White House to launch the shuttle in time for Reagan to cite McAuliffe's mission in an annual message used to sum up his administration's accomplishments—pressure that might have caused the launch to be made on a day when there were increased hazards.

At the Feb. 26 briefing, Speakes branded the speculation about pressure "the most vicious and distorted (rumor) I have ever heard. [I'm] not only denying it, I'm saying it's a rumor perpetrated by the press."

In the memo from Graham, who was not available for comment Wednesday night, it was suggested that Reagan will tell Congress and a prime time national television audience:

"Tonight, while I am speaking to you, a young elementary school teacher from Concord, New Hampshire, is taking us all on the ultimate field trip as she orbits the Earth as the first citizen passenger on the space shuttle.

"Christa McAuliffe's journey is a prelude to the journeys of other Americans and our friends around the world who will be living and working together in a permanently manned space station in the mid-1990s bringing a rich return of scientific, technical and economic benefit to mankind. Mrs. McAuliffe's week in space is just one of the achievements in space which we have planned for the coming year."

Shirley Green, NASA's chief press aide, confirmed Wednesday that a speechwriter in her office, Vera Hirschberg, wrote the passage in early January after Reagan's Cabinet secretary Alfred Kingon, sent a routine message to executive agencies and departments calling for ideas for the President's State of the Union speech.

Senior White House officials said Wednesday neither Reagan nor his top aides ever considered including the material in his speech and repeated their denial there was any White House pressure on NASA to make the ill-fated Challenger launch.

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"We see today the dream coming alive in the spirit of discovery of 21-year-old Richard Cavoli," the draft speech said, "All his life he has followed the path of science and medicine. Today the science experiment he began in high school was launched on the space shuttle Challenger."

According to Buchanan and other White House aides, Kingon never brought up the Graham memo in staff meetings nor showed it to Reagan's retinue of speechwriters.

Meanwhile, divers off Cape Canaveral, Fla., continued to retrieve remains of Challenger's crew compartment and crew members Wednesday.

Also, a local medical examiner charged that NASA and the Air Force kept "essentially a blackout of communications" with his office after last Friday's discovery of human remains from Challenger.

Brevard County Medical Examiner Laudie McHenry issued a statement at noon Wednesday saying the blackout had ended two hours earlier, and his office would "be present" during examination of crew remains, in accordance with Florida law giving him such responsibility.

NASA later confirmed the arrangement, saying in a statement that the space agency has "invited" McHenry to participate in the forensic examinations of Challenger crew members.

Though NASA changed its policy toward the medical examiner Wednesday, it still refused to release any information about crew or cabin recovery until retrieval and identification is complete. However, United Press International reported that a salvage ship carrying wreckage from the crew cabin and crew remains docked late Wednesday.

On Wednesday, Air Force officials began barring reporters from the Patrick Air Force Base hospital where NASA officials had said crew remains would be stored.

A military source, however, indicated that remains may be moved to another facility, possibly to the county medical examiner's laboratory. The base hospital, the source said, may be too small and ill-equipped to handle the examination.

Navy Lt. Cmdr. Deborah Burnette, press aide for the underwater recovery effort, said NASA engineers were studying two fragments of solid rocket boosters to determine whether they were from the left or right side and whether to lift them. Both were photographed from manned submarine Sea-Link-II.

The first piece is 10-by-14 feet and was found in 800-foot-deep water 40 miles northeast of the cape. The second piece, 4-by-5 feet, was in 650 feet of water 37 miles offshore. The latter was of greater interest because it was closer to where pieces of the right booster have been found previously, Burnette said.

Two engineers from rocket manufacturer Morton Thiokol Inc. are aboard the submarine.

As Morton Thiokol engineers assisted in the debris identification, a spokesman for the Chicago-based company said that a former Morton Thiokol executive has come out of retirement to take command of the company's beleaguered space operations division.

Morton Thiokol Vice President Thomas Russell said Edward Dorsey Jr., who left the company in 1984 after 25 years, would become vice president and general manager of the space division, replacing Calvin Wiggins, who will become Wiggins' deputy.

As investigative and retrieval work continued at the cape Jim Mizell, one of NASA's most knowledgeable technical spokesmen, said he would take a temporary leave of absence. Mizell denied rumors that he was being reprimanded for briefly discussing possible conditions of the cabin and its computers Monday, during NASA's self-imposed silence about the recovery effort.

He did not say when his leave would begin or end but said that his job "appointment" as a retired NASA engineer permitted him to work only 130 days per fiscal year and he was nearly at the limit.

Mr. HOLLINGS. We do not want to just put part of these things in the RECORD. I thank the distinguished Chair.

Now I go to the actual ABC News program, and I quote from it, on the evening of March 12 when they finally found out about this and broke the story:

Dr. Graham is out of the country but his aid Charles Kupperman told us "it's ludicrous to think there was any pressure because of a planned speech."

Now, that in and of itself is ludicrous, in my judgment, a ludicrous statement by Charles Kupperman. It is a very serious thing. It is laughable that they think there was no pressure because we know there is pressure. We are just trying to find out from whom, from where it came. We know it is not

just general pressure of schedule that some of them have talked about and Astronaut Young has referred to in his memos, launch schedule pressure.

We know there was specific launch pressure, not just the schedule pressure this particular time, but as the Astronaut Crippen has said, it changed the entire philosophy at the Cape whereby the contractor, rather than justifying why to fly, had to justify why not to fly.

Now, on that particular point, let us not forget the other contractor. The other contractor was Rockwell. On the morning of January 28, they checked the ice and they said it was unsafe to launch.

At no time in the history of NASA launchings have we ever had a launch over the objection of a contractor. And herein, Mr. President, we have a launch over the objection of two contractors and the original man responsible at the Cape still refusing to sign off. That should not be missed by my colleagues as we move along and try to unravel the story and find out where it comes from.

I mentioned some thoughts. For one, we had an exchange just a week ago over on the House side with respect to Dr. Graham. They could get him over there. And I guess they pledged to only ask abut the budget, and that is what he testified about. The distinguished astronaut, Congressman NELSON, BILL NELSON—and I am paraphrasing from memory. I wish I had it. I did not realize we were going to get into it here and have this interest we have this morning—but when Dr. Graham indicated there might be a holdup on commercial flights and the commercial nature of the launches and the particular program, he came back and he said, "Dr. Graham, I want you to know that we here in the committee on the Congress are 100 percent for the commercial nature of our Space Program."

Well, No. 1, that is a mistake if he said it was 100 percent. I do not know whether he said 100 percent in Congress. If he said 100 percent in committee, he could have been accurate. I am not trying to find fault with BILL NELSON. He is an outstanding Congressman, an outstanding astronaut. He, too, showed courage and dedication to go up in that shuttle.

But when he said we are 100 percent committed, not this Senator, to commercial payloads, I rather look upon the entire shuttle phase of the Space Program as research and development. Our launches should occur in accordance with the program of research and development not commercial pressures to keep up to financially pay for it.

The American public are going to have to understand that this is not a commercial venture to make money but still very, very much in the research and development stage.

No. 2, when you look upon an administrator who is in charge of a program here in the Federal Government in Washington who is looking for his budget approval and the authorizing chairman is seated before him and he says "You better get with it and you better go commercial," then that is pressure. It is inadvertent but it is pressure. We all bring pressure from time to time and we understand it.

So herein we are not disregarding that there could have been pressures or calls. I will get my telephone logs and see whether this Senator on the Space Subcommittee on the Senate side was calling and said, "Let's get it up there" and whatever. We must look at other telephone logs. Could the pressure come from Congress? Could the pressure come from NASA itself?

You have, and I mentioned it over a month ago, the institutional pressure which is obvious to me. They want to show and prove their programs and they could well have brought it on themselves.

The only thing I wonder about is what they call uncharacteristic the conduct of Hardy and Mulloy at Huntsville. That was totally uncharacteristic, I am told, of those particular officials in the Space Program at Huntsville, because we just never did have anybody overruling or chastising or saying "What gives" or when we are going to launch in April and going all the way up and have them overrule and chastise a very responsible engineer at the Cape, Mr. Alan McDonald.

That did not look to me like regular pressures or schedules, but it could be or it could be interworking between staffers at NASA and staffers at the White House. Therein I want to know about. I do not want to walk up and say to a staffer "Did you bring pressure?" The answer is no. I want to know who did you contact, when did you contact them? And they have a long list of those who have not been asked any questions, and it is 7 weeks since the tragedy, and I have a list of those at the White House.

I am glad now that the chairman of the subcommittee is here on the floor because he can elaborate. He has repeatedly tried to get hearings scheduled and has requested officially of the leadership of our Committee on Commerce, Space, Science, and Transportation, the names of those particular witnesses.

But I think it should be understood that we have been stonewalled in my opinion. Their reason is we do not want to have a circus, we do not want to have confusion, we do not want to have grandstanding. I have been up here 20 years and never been accused of it, and neither has the Senator from Michigan. We are still mature individuals. I think if we are grandstanding the media would pick it up quicker than any Senator would and they would say so in the newspapers, and they would blast us away from any kind of grandstanding. We are not in secret. We are in public and we are subject to the criticism of the public and if they saw a serious measure, the loss of life, and tremendous national tragedy that we have all had to experience here, anybody that would get out and try to take political advantage or grandstand or have a circus, or whatever else, they would immediately lose all credibility, support, and respect and should lose all credibility, support, and respect.

Let me at this particular time, Mr. President, yield to the distinguished Senator from Michigan on this score and I think he can complete some of the thoughts that I initiated here.

Mr. RIEGLE. I thank the Senator for yielding.

As he has noted, I serve as the ranking minority member of the Space Subcommittee, and I have many of the same concerns that we have to find out exactly what happended and the truth and the whole truth is really the only thing that we can settle for. Piecing the truth together is not an easy, task no matter who does it. It has not yet been done in this instance. So it remains to be done.

I would like to just review a little bit some of the history that leads up to today.

I did not come to the floor with any prepared remarks and so I am going to touch on some things that I think bear on both the points that the Senator from South Carolina has made and other related issues that I think ought to be said in the context of the discussion that has already taken place here this morning.

But if one goes back to the accident itself, I think only now the magnitude of this disaster is becoming clear. It was obvious that there was the loss of seven magnificent astronauts, one of course a civilian woman and mother of two children, but in addition to that, we lost at least 3 billion dollars' worth of vital national security assets. In addition to that, the Space Program has now effectively been shut down and it will be shut down for a period, it appears, for at least a year and perhaps a good deal longer depending upon the time that it takes to reconstruct exactly what happened and to work out appropriate remedies to various problems and to have those remedies put in place is going to take some period of time.

One of the future space projects that the United States has been embarked on is the building of a space station. Because of the tragedy, that work has been interrupted. We should know that the Soviet Union, for example, has been proceeding now for a long period of years with a space station effort and in fact are well along

with that. There was news just within the last 2 weeks that they are putting their astronauts, cosmonauts as they call them, up in their space station. So they are moving ahead at a time when we are shut down, and we are shut down because of this accident.

So this is not a routine matter. This is not a casual matter. This is not an accident of a minor scale. This is an accident of enormous consequences to the country where there are major strategic implications. The financial aspects are multi billion-dollar issues.

Just yesterday in the Senate Budget Committee we made provision on a tentative basis, not taking final action, because we do not know enough now to be able to take a final step, but we took tentative action, to set aside the spending of at least $3 billion on a replacement orbiter, and yet we have not had any kind of serious hearings helping to put us in a position to know whether or not that is really the course of action that the country ought to take.

All of this leads to the question of why the U.S. Senate is not proceeding in the normal orderly fashion to try to understand what happened here and what the policy and budget implications are.

I will say that we have had discussions and letters go back and forth, some from me to my counterparts on the other side, some with the Senator from South Carolina and I together to our counterparts on the other side, requesting that we get started in a serious way to lay out the factual record as to not only what we can determine was related to this particular catastrophe but also to begin to take and draw from those facts the implications on urgent policy decisions that we have to make, programmatic decisions, budget decisions, procedural decisions and decisions that we cannot possibly make in a meaningful fashion and a proper fashion until we have done the groundwork, until we have assembled a body of information that we feel that we understand and that we have the confidence in that we can make recommendations and take those recommendations both to our colleagues in the Senate and at the same time in a sense to the country as a whole so that we can make whatever national judgments now we are prepared to make on the future of the Space Program.

I must say I have served here in Congress now 20 years, as the Senator from South Carolina has, and I recall no situation quite like this one. I have never found it so difficult to work out in the normal course of business an understanding about how to proceed with a serious piece of congressional work.

We are just having a very, very difficult time doing it and it is not clear to me why. I do not think there is any justification for it, frankly. What is invoked as the reason is that, well, there is a Presidential inquiry underway and we ought not to do anything presumably until they finish their work.

Well, people can make that point, but we have our own duties to perform. We have parallel responsibilities that do not relate in any way to what the Presidential Commission is doing. And, as a matter of fact, they have already taken their look at some of the issues that have been raised today. They have already had public hearings. I attended those public hearings to listen to the cross-examination of witnesses having to do with the launch procedures and the activities leading up to the decision of the launch and so forth. So that ground has already been plowed publicly by the Commission. So even in that area, as sensitive as that may be, it is not something that we would in a sense be getting into before them or in a way that would complicate their activities.

Our problem is that we have basic legal obligations ourselves, constitutionally imposed duties, both in the area of oversight and in the area of budget, that we are not exercising. And I am upset about it. I am upset about the fact that we are not exercising them. There is no excuse for it. None whatsoever. We ought to get moving.

I feel I have been very patient about it, by my patience is just about at an end because that has not produced any results. We have had one or two private meetings here or there, and they have some limited value. But that is no substitute for the fundamental work responsibility that we are obligated to carry out and which we are not doing, frankly. We are at a dead stop at the moment. A dead stop. We are not doing anything in a serious, systematic way in terms of pulling together the body of information that we need to make the kind of policy decisions and forward budget decisions that this country has to now make. It is irresponsible of us not to be moving at least in a routine manner, but I think in something more urgent than that.

This is an extraordinary situation and we ought to be putting this ahead of other things. We ought to be clearing off our calendars in order to get down to work in a serious way to start to assemble the facts that are out there and to call in the people that we need to hear from.

I do not mean NASA people. That is only part of it. We need to talk to outside suppliers. We need to talk to space experts who can talk to us about our policy options for the future, about the space plane. We have a whole series of interlocking issues now that have been forced upon us that we must address and answer.

This was not true in the same sense 2 months ago before the accident. At that time we were on a different course. But the accident has changed that and it imposes a burden of responsibility on us as a Senate that, frankly, we are not meeting—we are not meeting. And I am at a loss to say why.

People ask me why we are not moving. I cannot give the answer to that because I do not know a good answer to that. We should be moving. We should be moving in an orderly fashion.

When the Presidential Commission came in on one occasion some weeks ago to report to us as to the fact that they were in being and they were starting their work, I posed the questions in a very constructive way, I felt, to former Secretary of State Rogers, the chairman of the Commission, who I think has been pushing the Commission hard. I salute him for the work that he has done in that capacity as they have been moving along.

But I asked at that time if it would be possible for us to be able to share at least the accumulation of factural information as it was being developed, because we had our own need for that. We need to be in a position to try to figure out where we go from here and what kind of budget decisions and recommendations that we are going to make. And we are not able to do that if we have to wait until they finish. And they are supposed to run for 120 days. Well, but they may not be done in 120 days; it may take longer.

But if we are going to wait for that length of time before we start in any serious way, what we are doing is we are handicapping ourselves and we are handicapping the whole issue in terms of being able to understand it and act on it in a timely manner.

So I said at that time, and I have said since in other conversations with former Secretary Rogers, that I think we can work out procedures here that are fully understood so that there is no possible problem of any kind of conflict back and forth between the two efforts. They have one assignment that they must meet, but we have parallel obligations that we must meet. And, in fact, we should be able to share information as we go. And why not? Why should we not be able to share information? What is there here that cannot see the light of day? What has to be hidden? What has to be kept out of public view? After all, these are public activities, paid for by the public. So, any suggestion along that line just does not hold water in any case.

But nobody is looking for a conflict. I certainly am not. I want to be able to work and get our job done, in parallel with the Commission, without having any problem with respect to conflicts

with them. And because we are so far behind now and they have already plowed a lot of this ground anyway, I do not think there is any legitimate argument that can be made at this stage of the game that says that we cannot begin in a thorough and systematic way.

Now, with respect to the point that the Senator from South Carolina raises with respect to pressure to launch, there is absolutely no mistake about it. There was pressure to launch. The Commission has, in effect, said as much time and time again on the record and it is well known and it has been widely reported by a number of other people who were involved in the process and adjacent to the process. And it is clear to this Senator that that was the case.

Now, where that pressure came from, whether it was too ambitious a schedule in terms of too much to try to accomplish in too short a time that caused pressure, internal pressures within NASA, external pressures on NASA, we do not know today what the full scope of those pressures were. But they were extraordinary and they led to this disaster. The procedures were turned upside down. That has been confirmed to us in public by the Commission itself.

This is the first time where a recommendation not to launch has not been accepted by NASA and pressure has been applied to turn that decision around. There is no other precedent in the entire history of NASA, and it has been so testified in the public hearings of the Presidential Commission, where this has happened. So this is an extraordinary event and procedure that has produced, as I say, an extraordinary tragedy. So we must get started here in the Senate.

I am not going to put it in the RECORD today, because I have been trying to work with my colleagues on the other side and I am going to continue to try to work with them, but I, for one, have sent a memo to my counterpart on the subcommittee suggesting a course of hearings that I think we ought to begin quickly and which would begin to fill out the record and give us the factual information that we need to have.

Every day that goes by puts us further behind the curve in terms of being prepared to make intelligent policy recommendations. We are talking about multi-billion-dollar strategic decisions, as well as decisions that relate to the safety of the astronauts. And John Young and the other astronauts have made it clear that they are plenty concerned about the procedures that have been working in the past. Are we going to sweep that aside? Are we going to put that aside? Is that something we should take a look at? Are we going to invite the astronauts in to talk? If we are not going to ask them in, what is our basis for not doing so? Who would we be protecting? We certainly would not be protecting the astronauts, and they are certainly the ones we ought to be protecting first, not last.

I am frank to say that we are seeing it is very, very difficult to get anything moving here. We have just had to go through the exercise, in the Budget Committee yesterday, where we put in a tentative mark for replacement of the shuttle Orbiter and we fenced the money because we are not in a position to make a recommendation of any solid consequence at the moment.

But how do we solve that problem if we do not have some hearings around here and get the responsible people in and ask the appropriate questions and get the answers? Why are we not doing this? We do it on everything else. What is there about this particular situation that is causing this reluctance to take even the first step that would be the normal step for the Senate to be taking to try to figure out where we go from here? I do not know. I am at a loss to explain it.

As I say, I have served in both parties, in the House and Senate, for 20 years. I have never seen a situation like it. I have just not seen one like it. I have never seen it so difficult to get the normal order of work process going. We are just stalled. We are stuck. Things are not moving and there is really no excuse for it.

But I would just finish by saying that I do not think it is right that we are in this situation. I think the country is injured by it. I think our national interest is badly served by the fact that we are not doing the proper work now in a timely basis that we ought to be doing.

As I say, I did not come over here with prepared remarks because I had not intended to speak today. But, having heard the Senator from South Carolina raise these issues, I felt it was important to add these additional thoughts.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. I thank the distinguished Senator.

First, I will make two points, and I will yield the floor. One is with respect to the matter of ancillary concerns which comes up now, Senator. That is the Senator's responsibility, and my responsibility; that is, the investigative reporting that is being done by the Miami Herald. I hold in my hand a headline story, Sunday, March 16, a little bit earlier this past week, "NASA Is Wasting Millions, Audits Reveal."

So in addition to the responsibility of what caused the disaster, we need to determine what is the cost of the repair, what is the proper policy with respect to one shuttle, or two or three more shuttles, or are we going to what we call expendable launch vehicles, and thereupon what about the space station? Now we have an additional responsibility; that is, they say if you think the Pentagon is bad with $600 toilet seats, go on over to NASA, and you will find worse. Perhaps we have not been looking as closely as the Senator and I should have been looking.

We are going to have a look into that before we appropriate this year the millions or billions that the President is asking for to make sure they are not wasting money.

One way to reestablish credibility in this particular agency is to get a pro on board. This is no time for on-the-job training. Get a pro on board that the disciplines and personnel of NASA have confidence in.

I commend the administration. They are bringing back Dr. Jim Fletcher. But they move like molasses. I do not know why we cannot get hearings, and why they don't move Dr. Graham aside. The gentleman misrepresented himself to me, and I do not want to have to frankly contend with him.

But when I asked him, "Is there any evidence, Dr. Graham, to substantiate the report that Morton Thiokol objected or opposed the launch," his answer was, "No." All of the evidence pointed in the other direction. His answer, "No," of course, was obviously false. There is nothing but evidence in that direction. For example, there was one statement before the Rogers Commission where the witness who now is up at Brigham City stated that "there was not a single prolaunch statement in that room." He was Roger Boisjoly. That gentleman with the other 12 engineers the evening before—it was not a split decision on safety—says there was not one positive prolaunch statement in the room.

Second, Dr. Graham misled me when he said again all the evidence pointed in the other direction. And I said, "What was that evidence?" And he elaborated saying, "Well, the official who normally signs off at the Cape gave us written recommendation for a launch." False; the man who normally does it at the Cape was Allan McDonald. That is why he was complaining to Senator RIEGLE and to Senator HOLLINGS. They overruled the man who normally signs off at the Cape, and went 2,000 miles across the country at quarter of 12 p.m. on the evening before the launch to get approval. As we have since heard, it was now a management decision rather than engineering, and we cannot just be contending with safety. We have to get to management on this one. They overruled the poor gentleman.

So I want to get Dr. Fletcher on board because they have confidence in him—the astronauts, all the scientific personnel, and the Congress. I do not

think it would take any time whatsoever to confirm him over here, and I do not see what the delay is. He was examined by the Federal Bureau of Investigation, Senator, for the SDI and the Fletcher Commission. He just completed that task. I do not know why they have to drag their feet.

But there is something wrong in this thing. I do not know what it is. I am trying to find out. When you are given the talk from the White House, they give you part of the talk, and not all of the talk. First, they say there is no talk. Then they say, if there is one, it is not available. Why would they not make the draft State of the Union Address available for a month. All the media has been asking for that particular address. Then when they finally give it to ABC, they only give them part of the talk. Then when you can see it is obvious that a part is left off, then they come up with the rest. Meanwhile, they are still maintaining that absolutely there was no idea of mentioning anything about Christa McAuliffe in the address. I do not believe it.

Mr. President, what I have done today in a letter to Fred Fielding, White House counsel, is requested of the White House the appropriate telephone logs as best I can. I cannot get any witnesses, but I can try to see if the White House will give us anything conclusive with respect to pressure.

We asked some weeks ago at the Kennedy Space Center for their telephone logs and we received them, and we are now making a study of those.

We asked, also, for the ones from NASA. As I indicated above, I have communicated with the White House this morning to get the telephone logs of the White House, to see what calls and what communications were made, because that is the only thorough way to try and determine if there was any pressure.

Someone, sometime, somehow, the tragedy will be ironed out.

My question of Secretary Rogers was studied and respectful and had historical concern. I said: "Secretary Rogers, I don't want to be investigating the Rogers committee 20 years afterward, like we are investigating the Warren Commission and people are writing books. Let us be absolutely thorough on this particular score and go into every facet and get your field investigators out there."

If he would do the job they are doing on obtaining the physical evidence, with all the Navy and all the ships and all the engineers and all the tests, with the physical exertion, with all the Commission members traveling hither, thither, and yon—I could not travel all those places if I were in charge of it—get the field investigators and know how to take the statements of everyone involved, because the meaningful statements put out on this score come from the witnesses themselves who said they could not sleep at night. To whom did they say that? National Public Radio. The witnesses say, "We want to make a statement somewhere, to somebody." It was National Public Radio receiving those calls that got them to interview the particular witnesses, who have yet to be identified, necessarily, in the field of press and journalism. The radio authorities do not identify those particular individuals who gave the statements; but I am certain that if we could bring witnesses and statements around, it would not take us long, from the quotes made, to begin to identify some persons that may have already been quoted. But they are very dramatic statements.

I have a record of the National Public Radio interview, which I ask unanimous consent to have printed in the RECORD.

There being no objection, the material ordered to be printed in the RECORD, as follows:

TRANSCRIPT OF NPR REPORT—FEBRUARY 20, 1986

NPR reporter in Louisville: The Presidential panel investigating the shuttle Challenger explosion continues to focus on the effect of cold weather. Late yesterday, the head of the panel, William Rogers, said three top NASA officials did not know about serious concerns voiced by Morton Thiokol engineers the day before Challenger was launched. Thiokol builds the shuttle's solid rocket boosters. Photographs have shown a jet of fire streaming from a joint in the right-hand booster rocket seconds before the explosion. NASA officials have stated that Thiokol managers approved the launch, but, Rogers said, a number of company engineers still felt the crucial seal between the booster segments would not hold if they were too cold. We have two reports, the first from NPR's Daniel Zwerdling (?) in Huntsville, Alabama.

NPR reporter in Huntsville: A Morton Thiokol engineer sits before me, his eyes getting red with tears. "I fought like hell to stop that launch," he says. "I am so torn up inside I can hardy talk about it, even now." But here's the story, according to this and other company engineers I talked to, of what happened the day before the launch. Top NASA and Thiokol officials refuse to talk about it. It's about noon at company space shuttle headquarters in Brigham City, Utah. Several key engineers learn that temperatures around the shuttle launch pad in Cape Canaveral are unusually low, colder than they have ever been just before a launch. They meet hurriedly, urgently, in company hallways, and they all agree that they've got to warn top management fast that the shuttle could be in serious trouble. A handful of worried employees crowd around the desk of Vice-President Robert Lund and they lay out the evidence. If the temperatures in Florida don't get a lot warmer, they say, then the crucial seals which hold the rockets together might fail during takeoff. Says one engineer, "we all knew what the implication was without actually coming out and saying it. We all knew if the seals failed, the shuttle would blow up."

6:00 p.m. A bigger, more formal, meeting in one of the company's main conference rooms. About a dozen engineers are there, along with four top managers, pouring over charts and photographs of rocket seals and joints. They all agree that it's too risky for the shuttle to take off.

8:00 p.m. They call NASA officials over a special telephone conference network and, one by one, four key Thiokol engineers lay out the troubling evidence:

Point Number One: Both NASA and company engineers have known for several years that when the shuttle starts to take off, tremendous forces work the joints where sections of the solid rocket's put together. And some of those crucial seals don't work right.

Point Number Two: The colder the weather, the worse the seals work. In fact, they emphasize, when the shuttle took off in Jan. 1985, in 53 degree temperatures, the coldest it's ever been, till now, half the seals in both solid rockets were damaged.

Point Number Three: Thiokol's own laboratory studies show that as temps drop below 50 degrees, the seals dramatically lose their ability to hold the rockets together. And tomorrow, at Cape Canaveral, the engineers warn, it's going to be only around 30 degrees. Thiokol executive Bob Lund wraps up the presentation to NASA with the company's official recommendation: do not launch the shuttle tomorrow. The NASA officials listening on the telephone lines are shocked. "I am appalled", say George Hardy of NASA's Marshall Space Flight Center in Huntsville, ALA., "I am appalled by your recommendation". Another top Marshall official, Larry Mulloy, argues with the Thiokol engineers. He challenges their figures. He says the company doesn't have firm enough proof that the seals will fail in cold weather, but Thiokol engineers vehemently disagree, at some points almost shouting with anger. They insist that NASA should postpone the launch until the weather climbs into the 50's and at that point, according to one engineer, NASA's Mulloy exclaims. "My God! Thiokol, when do you want me to launch, next April?"

It's 8:30 p.m. now. Thiokol managers put NASA on hold on the telephone network, and they ask their staff engineers one more time, "You're sure about this?" "Absolutely," the engineers say, and virtually no one in the conference room disagrees. But now Thiokol's general manager Jerry Mason speaks up. "Look," he says, "this has got to be a management decision." So, while a dozen engineers look on, fuming with anger, Mason asks the three other managers what they want to do. They each nod O.K., let's go ahead with the launch. "Who knows why our managers overruled us?" one engineer tells me now. "As you know, our company's competing with several other corporations to get future shuttle contracts. I can only guess," the engineer says, "at the enormous pressure they were feeling."

8:45 p.m. Thiokol general manager Mason takes NASA officials off hold, and he tells them, "O.k., we'll approve the launch after all". "Then sign a document right away," NASA's Mulloy tells them, "and send it to us by telefax." Although one top Thiokol manager, Allan McDonald, who's been taking part in the conference call from the Cape, refuses to sign the paper, the meeting breaks up. The engineers go home feeling downtrodden, and defeated, and terribly worried. "I kept having fantasies that night," says one engineer, "that at the moment of ignition, the shuttle would blow up, instantly. See, we thought that if the seals failed, the shuttle would never get off

the pad. There'd just be a big fireball, and everything would vanish. I was so scared, I didn't even want to watch the launch." But the next morning, the engineer joins fifty other colleagues back at company headquarters in the same conference room where they'd argued the night before. They're all watching the countdown together on a large projection tv. When the shuttle lifted off the pad, he says, "I thought gee, it's going all right, it's a piece of cake. And when we were one minute into the launch, a friend turned to me and he said 'Oh God, we made it, we made it'. Then a few seconds later," the engineer says, "the shuttle blew up. And we all knew exactly what happened." I'm Daniel Zwerdling, in Hunstville, ALA.

NPR reporter in Brigham City, Utah: A Morton Thiokol engineer here says he prayed as he watched shuttle Challenger lift off from its launch pad. We can't tell you his name, his job title, or even the color of his hair. His job may depend on this secrecy. But we can tell you something of what he feels, what others may feel, about the right stuff gone awry. On Jan. 28, this man prayed for some divine act that would safely guide Challenger into space. He worried that the seals in the solid rocket boosters would not function properly in the chilling morning air. He feared disaster, but as Challenger rose from earth, and as all seemed well, he began another prayer, one of thanks. But in mid-prayer, the spacecraft exploded. He sat quietly, and cried. Now, three weeks later, that launch haunts him. This Thiokol engineer suspected the danger, joined with his colleagues in trying to reserve the launch decision, and now feels regret that the did not do more. This is a space shuttle worker who has had the utmost respect for NASA, who in the past has been frustrated by NASA's extraordinary conservatism, which he says always puts safety first. But as he recalls the decision-making process that led up to the launch of the Challenger, he grows silent, and wonders aloud why this time was different. "NASA had a brain spasm," he says, "and forgot their code of conduct." He bristled as he quotes NASA's Lawrence Mulloy, saying "My God! Thiokol, when do you want me to launch, next April?" and then he turns the anger inward. He says, he should have stood up, answering if that's when its warm, yes. But he didn't. Now he's left wondering what else could have or should have been done. Depression has set in, and this proud space program engineer now talks of meeting with psychiatric specialists he says Morton Thiokol will provide. Though he claims NASA managers coerced Thiokol engineers and managers into approving the launch, he blames his fellow Thiokol workers and himself for not arguing more adamantly, for not insisting on a postponement. Last night he read in a local newspaper that vandals scrawled a phrase three feet high across a RR overpass: "Morton Thiokol murderers", it said. The engineer shakes his head, rises and walks into another room to watch a television report, but turns away when that haunting image is shown again. "I should have done more", he says, "I could have done more". I'm Howard Burkets in Brigham City, Utah.

Mr. HOLLINGS. Mr. President, referring to those particular interview records of national public radio, it will be seen that there were certain engineers involved in this who were so concerned that they used the expression that they thought the shuttle would explode on the pad. They thought the shuttle would explode on the pad! It would not even go off. There is real concern of those involved, to show you the realism and seriousness of what they are talking about. We are not making up stories.

They said their prayers. At the time of lift-off, one turned and said: "Thank God, there she goes." An associate said: "Like a piece of cake." "Thereupon, it exploded, and all of us in the room knew why."

That was made weeks and weeks ago. That is the human part of this that I am talking about.

We are assigning hundreds, perhaps thousands of people, trying to recover the remnants in the ocean, to develop the remaining pieces of the shuttle and the booster rockets, the individuals themselves. We are trying to make tests now about the effects of the cold on O rings, putty, and solid rocket boosters. They were already made last year. We do not have to make new tests and put it out as a new story, like this morning, that something new was discovered. It was not new; it was known.

You had them praying because they thought it was going to explode on the pad.

So there it is, and there is where we have not been in depth, to really find out all that really happened after this thing occurred—not speaking lightly—after this tragedy occurred; that we did not get on the human part of it and find out who all was involved and why it was violated.

Mr. President, I saw momentarily the distinguished Senator from Missouri, our chairman of the committee and his staff director, Mr. Allen Moore, come to the floor and then to the cloakroom. I know they are aware of my comments. I would like to be around if they have some comments. I would like to be able to answer any questions, and I would like to have the opportunity to reaffirm my feeling on this particular score. So I will yield the floor at this time.

Mr. TRIBLE. Mr. President, let me comment on the proceedings today.

As we move through this second day of extended debate and filibuster on the motion to proceed, it is obvious to me that the purpose of the Senator from Maryland is to delay and obstruct these proceedings.

This morning, my friend from Maryland talked about his substantive discussion of the issues. Throughout this day, we have heard hardly a word about the airport legislation, but we have heard a great deal about zoos and botanical gardens, the space shuttle program, and the tragedy of the *Challenger.*

The reason why I think we see this strategy of delay is that it is apparent that the opponents of this measure cannot prevail on the merits.

Maryland opposed the establishment of Dulles in the early 1960's; and through the years, Maryland officials have shown competitive hostility to the development of Dulles and National.

Today, the opponents of this measure are attempting to prevent the Senate from working its will. The opposition to this legislation is limited to a handful of Senators at best, as evidenced by the debate.

It seems that the opponents of this measure want to keep Dulles and National on the Government welfare, or, as the British would say, "on the dole." The opponents want to make sure that these airports remain shackled by Federal control.

The opponents of the measure want to prevent these airports from being run by a local authority, as all airports in this country are managed.

Finally, the opponents of this measure want to prevent these airports, Dulles and National, from becoming the modern, first-class jetports that our Nation's Capital requires.

I hope that the opponents of the measure will permit the Senate to work its will.

I look forward to a debate on the issues that have been raised today. I intend, at the appropriate time, once the Senate turns to the consideration of this measure, to meet the concerns that have been advanced, to set the record straight on a number of important points, and I look forward to the opportunity to engage my friends and colleagues in a full discussion of this important legislation.

Mr. President, I am prepared for the question.

Mr. SARBANES. Mr. President, has the Senator yielded the floor?

Mr. TRIBLE. If there are no further requests at this point, it is appropriate for the Chair to put the question to the body.

Mr. SARBANES. The Senator was speaking and stopped speaking but continued standing, and I am asking the Senator whether he has yielded the floor.

Mr. TRIBLE. It would not be my intention to talk further. If it is the intention of my colleague from Maryland to speak at this point, the floor is his as far as this Senator is concerned.

Mr. SARBANES. In other words, the Senator has yielded the floor?

Mr. TRIBLE. Indeed.

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, the Senator from Virginia, who just said a few remarks, among other things said that there are not very many opponents to this legislation. I would only note that the people who have spoken against it outnumber those who have

spoken for it thus far in the debate. In fact, it is only the Senators from Virginia who have spoken for it; and the odds—just in terms of odds—are pretty sharply against them thus far.

Mr. President, it has been asserted that we are only in a procedural situation, and I have submitted to the Chair and to my colleagues that there is substance involved here. What we have tried to show in the course of yesterday and today is that the defects in this legislation are such that it ought not be taken up by the Senate and the proper place to make that point is on the motion to proceed to the legislation.

In other words, if the legislation is so faulty, if there really has been a failure on the part of the Secretary to work out a number of the difficult problems and pressing questions that are involved in this issue, it seems to me that the wisest course of action is for the Senate not to take it up and to say to the Secretary of Transportation, in effect, "Well, you've got to go back and try again."

It is not accurate, as my colleague from Virginia suggested, that there is an animus at work here toward his State. What is accurate to suggest is that if the airport facilities in the two States are to be in a competitive situation, that competition ought to be a fair and reasonable one, and that a particular jurisdiction should not gain unfair advantage through an inequitable piece of legislation.

Now, Mr. President, I want to discuss some of the provisions of this legislation, S. 1017, because I think it is fair to say that many have not had an opportunity as yet to really get into the legislation in detail and to begin to ask questions about particular provisions. There is an overall impression about this issue which people have. You have the Secretary of Transportation saying that she is for it and calling people and urging them to be for it, and, of course, the Secretary of Transportation is a powerful figure in the President's Cabinet because there are a whole range of other programs over which the Secretary of Transportation has jurisdiction and authority, programs that are important to Members and to their States and to their localities.

We have pointed out at the more general level a range of problems. First of all, the return to the Federal Government for disposing of these assets, a paltry $47 million. I do not know anyone who argues that that is really a fair price. Everyone recognizes that as a giveaway. And, of course, the true figure that ought to be paid ranges in quite a broad range but you are talking about 10,000 acres at Dulles. You are talking about turning over a federally built access road that cost $60 million, the road alone. The road alone cost $60 million. You are talking about two major airport facilities, both of which are profitable and returned a substantial profit last year.

Second, it is clear that by lumping the two airports together in one authority and giving Maryland only 2 of 11 members, that is grossly unfair to Maryland. This legislation allows the airports to cross-subsidize one another so that the profits of one can be used to underwrite the activities of the other, therefore sharpening the competitive disadvantage of BWI which seeks to compete with Dulles. You have leveraging possible here where the access to highly desirable slots at National is traded off for the provision of service to Dulles even though the carrier might not otherwise without that tying arrangement choose to make that decision.

And then, of course, you have, as was raised yesterday, the question of noise. Mr. President, I want to take a minute on that because I find it extremely disturbing what has transpired. The Committee on Commerce, Science, and Transportation—the committee of jurisdiction in this subject—reported this bill out on September 11. Two months later the committee ordered reported by voice vote a committee amendment to the amendment in the nature of a substitute previously ordered reported. And the report states:

> This committee amendment would transfer to the independent Airports Authority created by this legislation full responsibility for regulating airport aircraft noise at National.

So the committee came along—this was the amendment of the distinguished Senator from Virginia, as I understand it, who is a member of the Commerce Committee, and he added this noise amendment putting into the Airports Authority the responsibility for regulating airport aircraft noise at National.

Now, this is an authority dominated by the State of Virginia. The bill submitted to the committee, drafted by the Holton Commission and submitted to the committee, provided, and I quote:

> That the nighttime noise limitation standards currently set out in 14 Code of Federal Regulations 159.40 may not be amended.

The proposal was to carry over and freeze into place the regulations with respect to nighttime noise.

The junior Senator from Virginia got an amendment in 2 months after the fact to give the authority over noise to this Airports Authority. The noise problem at National has been a pressing one over the years. Planes are required to follow a course over the Potomac in order to try to minimize the noise impact; the way they turn on takeoffs and landings has a great deal to do with who is impacted by the noise. It has been a source of great concern to constituents in both Maryland and Virginia and the Maryland and Virginia Members of Congress have tried to work together to place some restraint on the noise. A curfew was put into place that begins at 10 in the evening and runs until 7 in the morning to try to check this problem.

Now we find, through this late-starting amendment, the authority being put in the Airports Authority with respect to noise, and that is an authority which Virginia dominates. It is no wonder that Marylanders are apprehensive that the burden of this noise is going to be directed toward Maryland, which has only 2 out of 11 members of the authority that will be deciding what the regulations are going to be with respect to nighttime noise.

The choices with respect to nighttime noise are, either you curtail it overall or, to the extent you have it, it is directed equitably toward Maryland or Virginia or inequitably toward one or the other. I think it is reasonable to be concerned and apprehensive about what is going to happen when you have an authority that has 2 Maryland members on it out of 11 and has 5—2½ times as many—Virginia members.

Mr. PRESSLER. Will my colleague yield for a 3-minute statement I wish to make on this point? I do not know where it would fall.

Mr. SARBANES. Mr. President, I am happy to yield. I ask unanimous consent that I may yield to my colleague without losing my right to the floor.

The PRESIDING OFFICER (Mr. SYMMS). Without objection, it is so ordered.

Mr. PRESSLER. Mr. President, I want to say on this very point regarding membership of the commission that it is very important to small States in the Midwest and the West that there be more Presidential appointees on this commission or that it be designed in some fashion so that it will not be controlled by one State. Let me explain why. I see the senior Senator from Virginia is on the floor and I would welcome his response to this.

In my State of South Dakota, we used to have a direct flight from Sioux Falls to Washington, DC. There used to be a direct flight from Sioux City, IA, to Washington, DC. Part of the reason that there is not a direct flight now is that the Washington, DC, airports like to give prime landing times to the big jumbo jets from Los Angeles or Chicago or London. We can fill our planes up, but ours are not big, jumbo jets. Nevertheless, my constituents have business to do in Washington, DC. We do not want to land all the time during prime times, but minorities should have some rights.

In the case of the District of Columbia airports, those citizens from smaller States are at a disadvantage. Let us

say that we pass this bill and, 5 years from now, a group from the chamber of commerce or from the labor unions of South Dakota come to me and say, "Senator, we are getting very bad treatment. Airplanes want to fly into Washington, DC, from our State but we cannot get landing times that are favorable."

I can say, "Well, I don't have anything to do with it. It is controlled by a board that is controlled by the State of Virginia, so go see the Governor of Virginia."

That will not be a very good answer for me to give for two airports that are basically close to Washington, DC. Therefore, I have filed an amendment and I am going to file another one today providing that the State of Virginia not have five members but have a lesser number, equal to the number that Maryland has and equal to the number that the District has, and that the President of the United States should appoint more of the members from across the country, with the advice and consent of the Senate. Then I can do something about it if there is a problem at the airports.

Some people might say, well, why not do this in New York or Florida? Let me say, if my constituents need to fly to New York or Florida, it is probably a business trip or a pleasure trip; therefore, if there is a problem, that has to be worked out on a business basis. But coming to Washington, DC, is a little different. People have business before the Interstate Commerce Commission; they have a forestry problem; they want to come and see their Senators and Congressmen; they want to petition their Federal Government. We, in Congress, must keep some control so that if a problem arises at these airports, not just for the people in this area but for the rest of the country, we have some say in it. In this bill, we are effectively giving complete control over those two airports to one State, however you slice it.

Let me say that I like the State of Virginia. In my 12 years in Congress, I have done a lot to help Members from Virginia with projects in their States. But these two airports have a national significance.

Let me say also that my part of the country, South Dakota, has been treated badly in the airline deregulation situation. We have lost a lot of our air service and we have lost in rail deregulation. What transportation companies want to do is take the richest routes, the most populous routes.

But there is also a public service and a national defense interest in a national transportation system. That is how our country was built up. What we are doing with this bill in terms of giving complete control over those two airports to one State diminishes that transportation system.

If there is a problem, and I cannot see all the problems we might have, but I am citing one—the assignment of landing times to planes that come in from across the country—we are going to find the big population centers have a big advantage over the lesser populated areas. Maybe that is not a concern that Members of this body have, but I think every State has some small cities that have airports and they cannot all have direct flights into Washington, DC. In some cases, from some parts of our country, perhaps there cannot be a direct flight every day, perhaps there can be one every 3 days. But much of the decision that is made on the part of an airline, what goes into their decisionmaking process, is what is available in landing times, how they are going to be treated.

If that is made by one board with more members from 1 State, the other 49 States are going to suffer.

Also, there may be other issues that we have not even yet defined. The point I am making is that my amendment will increase substantially the Presidential appointees. Let me notify the Senate that we are still negotiating over the numbers. It has been suggested there might be two from Virginia, two from Maryland, two from the District of Columbia, and five appointed by the President.

If the President wanted to appoint all his five from Maryland, Virginia, or the District of Columbia, I suppose that would be fine, but I think the advice and consent of the Senate would be such that it would come from across the United States and put a national input into decisionmaking at these airports.

I also think they should be sold down the line for a fair price and I think that the time has come for us to consider getting the Government out of this business. But we have set up a plan here that gives windfall to one State under the price that it is being sold for and it gives a windfall under the bonding provisions. However, those two things do not bother me as much.

The most important issue is that I want, as a Senator, to be able to explain to my constituents who say to me: "There is a problem at the airport. We cannot get a direct flight that is able to land at a good time there. Therefore, the airlines don't want to fly there because they want the big jets to get the prime landing time."

They should give most of the landing times to the big jets. But the minorities also have rights, and I am speaking for a minority, a smaller State and a distant State, but a State, nevertheless, that has constituents and citizens who wish to come to petition their Government. That is why I am offering an amendment to this bill which will provide for a change in the composition of the governing board which will not allow one State control. I know that some people say this is a Maryland and a Virginia fight. It is much more than that.

Every State in the Union and territory has citizens who come here.

In fact, there were five groups from my State here yesterday who came by air and they all had to go through at least one airport to get here. That may have to continue. But the quality of air service into Washington, DC, is partially decided by how those planes are treated when they land, what landing times they are given, and a lot of other things.

There is absolutely nothing wrong with letting the President appoint a majority of this board. He can appoint good people. Are we to suggest that only people from Virginia can make judgments on these airports? Certainly I think our senior colleague from Virginia, with whom I have worked so much and who is interested in smaller cities, I am sure, in the Midwest as well as in Virginia, would share sentiment in this with me.

But I want to say that my concern here is about transportation and the quality of transportation, the ability of citizens to petition their Government, and the way we tend to overlook smaller cities, small States, and so forth. That is what the Senate is for.

It is here that, under the great compromise of the Constitutional Convention, the rights of minorities were to be protected, and I find myself speaking for a minority that is not usually recognized as a minority, the traveling public who wants to come to Washington, DC, to petition the Federal Government.

If my public wants to travel to other places for vacations and business, that is another matter. But Washington, DC, has a different nature. There are people who have to appear in person before the FCC, who have to appear regarding railroad abandonments before the ICC, who have to appear in person before some of the courts here, not to mention testifying before congressional committees.

So that is the principal reason for my interest in this legislation.

I am working with Senator HOLLINGS, Senator EXON, and others, on legislation. I filed an amendment yesterday. It is my feeling that the authority which we will propose, will most likely be comprised of two from Virginia, two from Maryland, two from the District of Columbia, and five to be appointed by the President with the advice and consent of the Senate. I do not know exactly how those numbers will come out, but we are open to suggestions.

I see my senior colleague from Virginia here. Would those numbers be agreeable to him?

71-059 O-87-40 (Pt. 4)

Mr. WARNER. Mr. President, I say to my distinguished colleague that throughout this initial phase of consideration of this legislation, the managers of the bill have determined that it is in the best interest of the Senate that we await the consideration of the bill before such time as we would address the substantive issues.

We are quite anxious to move along on this matter. We are available as soon as the Senate determines whether it will continue deliberations on the motion to proceed or get to the bill. It is my hope we will get to the bill and that we will consider the Senator's amendment along with the others.

Mr. PRESSLER. I thank my colleague.

I hope my colleague understands that it troubles me to be on the opposite side of an issue from him, but I hope he will understand that. We in the minority on this matter, we from the small States, whose citizens have to travel to Washington, DC, are fearful that we may be overrun, so to speak, by the large cities, the big States, the great industrial centers.

I have seen our air transportation devastated. I have seen the one direct flight to Washington ended because of the fact they could not get landing rights at a particular time. They say, you come at night or you come at a time that did not fit, but the prime times are reserved for the jumbo jets and the big planes, even though our planes are full. So our people have to stop in Minneapolis or St. Louis or Chicago and change planes and come in. That is about a 2-hour delay.

The point is I think we should have a right to have some direct flights, maybe two or three a week. But I am fearful that if this board were controlled by the members of one State we would have no input.

My constituents would come to me and say: "Senator PRESSLER, why don't you do something about this? When this bill was on the floor, why didn't you do something about it?"

I am trying to do something about it. It would be my feeling that before we proceed we should have the ground rules, we should know what we are proceeding on. Is this indeed a matter that our colleagues understand? Because under the rules of the Senate, the motion to proceed offers an important protection to minorities. Indeed, one might say those of the minority have a responsibility to protect their rights by engaging in debate on the motion to proceed to the consideration of important legislation like this.

So I speak for a minority, not a minority that is listed as a minority, but a minority that is very much a Western, small State, similar to the one represented by my colleague from Virginia in some cases.

So, Mr. President, I thank my colleagues.

Mr. SARBANES. Mr. President, will the Senator yield?

Mr. PRESSLER. I yield.

Mr. SARBANES. I think the Senator is making a very important point. It seems to me that we have made efforts here to discuss this legislation substantively, which the proponents do not want to do. This matter really should have been put in a posture that when Members looked at it and it was brought to us, each problem had been addressed and had been worked out.

This, it seems to me, is a desire to move along and in effect have people forfeit their rights before the substance has been fully addressed. It is my contention that this legislation is so flawed that the Senate ought not to take it up and ought to ask the Secretary, in effect, to try again to address the concerns that are being raised, the very legitimate concerns which the Senator from South Dakota has just outlined. Those should have been taken into account before the legislation was ever put before us.

The effort to try to steamroller this thing right along so that in fact the issue may never be addressed it seems to me is not fair. That is why I think the vote tomorrow on the motion to proceed to cloture is a very important vote.

I think it is possible on that vote to say to the Secretary of Transportation, "There are a lot of things in this legislation that you have not addressed, that you need to address, and you should take it and work it over in light of the concerns, problems, and questions which have been raised by Members of the Senate in the course of discussing the substance of this matter."

Mr. PRESSLER. May I say to my colleague, if he would yield, that if this legislation is passed in this form, I predict that in 3 or 4 years we will be having a hearing in the Commerce Committee as to why the smaller cities in more distant States are not being served properly. Indeed, they could even be smaller cities in upstate New York or in Virginia. And we will be told that, "Well, let's call the fellows in this authority and ask them." Well, they are not accountable in any way to us, and they will be acting solely in the interests, I suppose, of Virginia, by whose Governor, I presume, they will be appointed.

The point is the rest of the United States also has an interest in these two airports. Now, if this were an airport in New York or Florida or California, I would say we do not have a right to see more Presidential appointees. But there will be problems brought to the Commerce Committee. We will be having a hearing and will be helpless to do anything about it.

So somebody will say, "Why didn't you do something about this when it was in the Senate?" One of the few times small States can do anything about such matters is on the motion to proceed. And unless we can get some commitments on this during this period, we will be completely steamrolled once we are operating simply by majority vote. And that is what the rules of the Senate are about.

Mr. WARNER. Mr. President, I fail to appreciate how small States are going to be steamrolled simply because we are not joining in the substantive issues on the motion to proceed. If the bill is before this Senate, subject to amendment at that time, the interests of small States and all States can be considered.

I see here on the floor the distinguished chairman of the Committee on Commerce, the Senator from Missouri, and I wonder if he would be kind enough to address the Senate on this issue of the procedure and the present posture of the Senate; namely, currently deadlocked on the issue of the motion to proceed.

There have been statements made here today inferring that perhaps this bill was ill-considered by the committee over which the distinguished Senator from Missouri presides.

Mr. PRESSLER. I have not in any way suggested that.

Mr. WARNER. Maybe I will withdraw that. I did not mean it in a negative context at all. But let us hear from him.

Mr. PRESSLER. I have spoken very highly of the chairman of the committee on more than one occasion.

Mr. DANFORTH. I thank the Senator. And he is welcome to continue. [Laughter.]

Mr. President, I know that Senator PRESSLER has the floor. I would just say that this is a bill which has been of great interest to members of the Commerce Committee. Senator TRIBLE, especially, a member of the committee, has spent a great deal of time on the bill. We feel that it has been thoroughly aired in the committee. We also feel that the long-term health of both National Airport and Dulles Airport are very much at stake. These are the only two airports, I believe, the only two commercial airports in the country that are owned and operated by the Federal Government. They are, therefore, unique.

One of the problems that we found with both of these airports is that, because they are owned by the Federal Government, the Federal Government has been much more tight-fisted in providing for capital improvements than would have been the case had they been operated by a governmental entity other than Uncle Sam.

I know in our State of Missouri we have had major airport work done in St. Louis. Kansas City built a new airport in the last decade. But National and Dulles are sort of rocking along

without real improvements. And the concern is that, in a Gramm-Rudman era, it is going to be very difficult to see the healthy development and maintenance, even, of Dulles and National unless the ownership is changed.

So it is the view of the majority members of the Commerce Committee that this is something that is quite important for these two airports and that it would put them on a par with other airports in the country and that we should get on with it.

I thank the Senator from South Dakota for his time.

Mr. PRESSLER. I thank the Senator for his kind words. Let me say that I have enjoyed working with him on this and other issues. But I hope he would consider joining us in changing the composition of the authority somewhat and give the President more appointees.

I would agree that the goal of selling it is a good goal, but we are essentially giving one State control of it. I said earlier that my State used to have a direct flight to Washington, DC, but it has been discontinued because they like to give the prime landing times to the jumbo jets from the larger airports. We do not want to elbow anybody out, but certainly the minorities have some rights. My constituents want to come to Washington, DC, to petition the Government.

So, assuming it is our goal to sell the airport, would the chairman of the committee consider becoming a cosponsor of my amendment to increase the number of Presidential appointees, certainly with the advice and consent of the Senate? Let us say, have two members of the commission from Virginia, two from Maryland, two from the District, and five appointed by the President of the United States. That would not impede the sale. Would my colleague become a cosponsor of my amendment? We would love to have the weight of your name on the amendment.

Mr. DANFORTH. I appreciate the honor that has been tendered me. I am not prepared to entertain that thought right now, but if we can get on with the bill, pass the motion to proceed, I will certainly think about it.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota has the floor.

Mr. PRESSLER. I would just conclude this by saying that 4 years from now the Senator from Washington or Missouri or South Dakota may have a group of constituents who come into their offices and say, "There is something terrible going on out at the airport that is unfair to my part of the country." It is unfair to the planes that come from Washington State, for example. And the Senator from Washington will have to say, "Well, there is a board of Virginians. The Virginians. Rally 'round the Virginians. Go see the Virginians, because, as a Senator, I don't have anything to say about that."

That is what I am concerned about. There is a national scope to these two airports. I do not think that Virginia or Maryland or the District should be cut out. Indeed, they would have the majority of votes together.

Mr. WARNER. Mr. President, I say to my distinguished colleague, there is a national scope right now; namely, that the taxpayers of the United States of America are caring for these airports and the main thrust of this legislation is to relieve them of that burden.

Mr. PRESSLER. Then let us pull together a package and reach agreement so we could sell it.

Mr. WARNER. I would also say to my distinguished colleague that we have on each Senator's desk a report here of the Committee on Commerce and the vote was 12 to 4 to report this bill out.

I ask a question of my colleague, the chairman of the committee. Was this matter in any way handled, this particular piece of legislation, inconsistent with the traditions of the committee in handling other pieces of legislation? Was it forced through, rammed through?

Mr. DANFORTH. No. The history of this bill is that there was a hearing on June 26, 1985. There was a second hearing on July 11, 1985. The bill was reported on September 11, 1985, by a vote of 12 to 4, and an amendment to the bill was reported on November 14, 1985. So there were two hearings and two days in which it was considered in markup.

Mr. WARNER. Does the Senator know of any instances when witnesses asked to testify or Senators asked to appear that they were denied that request?

Mr. DANFORTH. I do not know.

Mr. PRESSLER. I have never suggested they would.

Mr. WARNER. If I may say in reply, and maybe I misunderstood, the Senator said the minority rights of small States are being thwarted here on this motion to proceed. That troubled me a bit. Just what did the Senator mean by that, if I understood him correctly?

Mr. PRESSLER. I meant that the minorities in this particular situation will have a very hard time getting into National Airport, in many instances, because all the times will be left to the jumbo jets.

Mr. WARNER. Let us look at the motion to proceed. That is the matter that is before the Senate. How are the interests of the Senator's constitutents in any way being reduced?

Mr. PRESSLER. Because, under the rules of the Senate, our chances of getting an agreement before proceeding are much greater.

Mr. WARNER. Let me ask the Senator, what is the agreement we are trying to reach before we proceed?

Mr. PRESSLER. That the composition of the board be changed to give more national representation.

Mr. WARNER. That is a substantive change to the pending legislation which would have to be addressed by the Senate as a whole during the course of its consideration of the bill, and that is the precise reason we want the bill brought up.

Mr. PRESSLER. But is it not true, under the Senate rules, frequently people seek such an agreement before they proceed. Our State would have absolutely nothing to say about this afterward.

I have five groups from South Dakota here. In fact, at this very moment, there are constituents waiting to see me in the Senate reception room who flew here through the State of Missouri, went to St. Louis and probably had a nice meal, and continued on their way.

But they could have flown here directly under some other circumstances.

Mr. WARNER. Mr. President, I have been asked by the distinguished chairman if he might have the floor to address another subject. As a courtesy, I think we should accord the chairman that privilege. But I would like to meet privately with my distinguished colleague, the Senator from South Dakota, to go over what rule it is the Senator can invoke at this time that would better assure the interests of the minority groups as opposed to proceeding on the bill

Mr. PRESSLER. Perhaps my colleague would like to become a cosponsor of the amendment. We can work that out.

Mr. WARNER. No. Let us get down to serious business.

Mr. PRESSLER. We could have five members. We suggest two members from Virginia.

Mr. WARNER. I understand.

Mr. PRESSLER. We could have two from Maryland, two from D.C., and five appointed by the President, or more appointed by the President.

Mr. WARNER. Let us at this time accommodate our chairman. And the Senator and I can discuss the rule of the Senate which the Senator says provides greater interest for the minorities.

Mr. DANFORTH addressed the Chair.

The PRESIDING OFFICER (Mr. ANDREWS). The Senator from Maryland [Mr. SARBANES] has the floor.

Mr. DANFORTH. Mr. President, if I can inquire of the intention of the Senator from Maryland, I would like

to proceed for a few minutes on a different topic.

Mr. SARBANES. I have no objection to that.

Mr. President, is the Senator going to address the topic of the Senator from South Carolina which he discussed earlier?

Mr. DANFORTH. Yes.

Mr. SARBANES. I understand the fact that at the time the Senator from South Carolina spoke he indicated he awaited the pleasure of the Senator from Missouri, and wanted to be here. To allow him time to get here, I wonder if we can put in a short quorum call.

Mr. DANFORTH. The Senator can do whatever he wants. He has the floor.

The PRESIDING OFFICER. Does the Senator from Missouri make a unanimous-consent request that he have the floor for a limited time without the Senator from Maryland losing his possession of the floor?

Mr. DANFORTH. I do.

The PRESIDING OFFICER. Is there objection? Without objection, the Senator from Missouri is recognized.

Mr. DANFORTH. Mr. President, this morning while I was in my office visiting with a fairly large group of constituents, it was called to my attention that a debate was taking place on the floor of the Senate relating to the work of the Commerce Committee and responsibilities of the Commerce Committee with respect to the space shuttle disaster, the oversight of the NASA Space Program, and the Shuttle Program.

I see the Senator from Washington on the floor now. I think it is appropriate for us to set forth our analysis of the situation.

Mr. President, shortly after the shuttle disaster, President Reagan appointed a commission consisting of 13 individuals to investigate the shuttle disaster. Those 13 individuals are chaired by a former Secretary of State and U.S. Attorney General. Among the members of the Commission are two former astronauts, and a Nobel laureate in physics.

The 13-member Commission has been given 120 days to conduct its work. It is now I think something like 1 month short of its deadline. It is in the midst of conducting its investigation.

From all indications, the investigation has been very comprehensive. Indeed, it has consumed approximately, the full time of the Commission members. And they have had available to them a staff of some 20 people, including technicians.

Mr. President, Senator GORTON, who is the chairman of the Space Subcommittee of the Commerce Committee, and I are of one mind on this issue. The Space Program and the shuttle disaster in particular must receive the very careful scrutiny of the Senate, and of the Commerce Committee. We have made it clear from the beginning that it will receive that careful scrutiny. We have made it clear that the Commerce Committee will be holding hearings, a number of hearings, and hearings at length on the question of this tragedy.

There is no doubt that we have a responsibility to explore this matter in great depth. There is no doubt that we must look at the future of the program to determine among other things whether a new *Orbiter* or fourth *Orbiter* would be required, whether any additional costs should be incurred with respect to the design of the solid fuel rocket, whether there is a reasonable and realistic launch schedule, and whether NASA has felt itself under some kind of pressure to exceed a rule of reason with respect to getting these launches underway.

All of these matters must be examined by the Commerce Committee, and they will be examined in great detail, and at great length.

Mr. President, we have felt it very important that our committee not get in the hair of the Rogers Commission during its investigation. We have felt it is very important that we do not undertake what would be widely viewed as a Keystone Cop operation at the time the Rogers Commission, with its 13 members, are attempting to do their job.

Mr. President, some weeks ago Senator GORTON and I were approached by Senator HOLLINGS and Senator RIEGLE, and they wanted to have a hearing at which a Mr. McDonald, who is an employee of Morton Thiokol, and other Morton Thiokol people would be brought to Washington to meet with the committee.

We approached Mr. McDonald. He did come to Washington. And on the day that he came to Washington to have an informal meeting with the Commerce Committee, it turned out that members of the Commission, the Presidential Commission, were in Utah to interview Mr. McDonald.

Mr. President, that was an instance of the Commerce Committee getting in the hair of the Rogers Commission. That was an instance of our interference with the work of the Commission. I think that it was a mistake for us to invite Mr. McDonald to Washington at that time. But we did it in order to accommodate the Senator from South Carolina, and the Senator from Michigan. We try to be accommodating.

Mr. McDonald did come to Washington. He did come to the Commerce Committee offices in the Russell Building. He was told that there was a large crowd of press gathered outside my office where we were to meet him.

He said, "That was not my understanding. I did not understand that there was to be a public meeting. I did not understand that I was to run the gauntlet of the press. And I do not choose to testify. I will testify before the Commission next week." And I do not blame him, because what was created outside my office on that day, not by me or anything I did—we never notified the press in our office—was a carnival atmosphere.

Maybe that is the way we should conduct business here. Maybe we should have media events, call the press, and have circuses. But seven lives were involved here, the future of the program is involved, and the reputations of men and women who work for NASA and work for its contractors are involved.

It has been my judgment, and the judgment of Senator GORTON, who can speak for himself, that the professional work of the Commission should go forward without the interference of the Commerce Committee, and without a circus atmosphere being created.

We are going to have meetings. As a matter of fact, Chairman Rogers—was it last week or the week before?—came to my office and met with four members of the committee. All members of the committee were invited to that meeting. Only four showed up. He came to meet with Senator GORTON and me and with Senator RIEGLE and Senator ROCKEFELLER. He spent an hour with us, bringing us up to date on what the Commission was doing. Undoubtedly, he will be coming back.

The staff of the Commerce Committee, the majority staff, has been in touch over the last 2 weeks with the minority staff of the Commerce Committee to work out dates for hearings. The majority staff has attempted to clear dates with the minority staff. We have done that in good faith. We have suggested specific dates to the minority staff.

We have been in touch with the minority staff with respect to those kinds of issues that we should focus on in the hearings. We believe that we should focus on the future of NASA, its budgeting, its procedures. We do not believe that we should be conducting an exposé; but if other Members want to conduct an exposé, fine. Let them show up at the hearings we schedule. There is not going to be a lack of hearings.

This is a very serious matter. It involves the Space Program, which has been the pride of this country, and it involves the reputation of good men and good women who have worked on the Space Program.

I want to express my appreciation and respect for the Senator from Washington, who is the chairman of the Subcommittee on Science, Technology, and Space of the Committee

on Commerce, in whose views I concur completely. I wonder if he has any comments to make at this time.

Mr. GORTON. Mr. President, will the Senator from Missouri yield?

Mr. DANFORTH. I yield.

Mr. GORTON. Mr. President, I should like to express my agreement with the remarks of the distinguished chairman of the Commerce Committee on this subject and to commend him.

I had not realized this morning that a debate over the motion to proceed to a discussion of the future of two airports located in the State of Virginia would be transmuted into a debate—or perhaps it is more accurate to say a trashing—on the part of the Senator from South Carolina of the work of the President's Commission on the space shuttle disaster. Nevertheless, it became such a debate, or, until the Senator from Missouri showed up on the floor of the Senate, a monolog on that subject.

It will be appropriate for me to begin my remarks by expressing my total and complete confidence in Secretary Rogers and in the members of the Commission who were appointed with him by the President of the United States to investigate the causes of the disaster to the space shuttle *Challenger* and to make recommendations arising out of their finds.

The Senator from Missouri is entirely correct that that Commission is composed of 13 distinguished Americans: a former member of a Cabinet of the United States; Nobel laureates; astronauts, both present and former; members who are highly qualified, both in character and from professional background, to engage in that investigation.

The Commission has hired a highly qualified professional staff. I do not believe that it can insult either the Senator from South Carolina or the chairman of the parent committee or this Senator to say that they are much more qualified than we are, or than the staff of the Senate Commerce Committee is, to undertake that investigation.

I have not only been pleased with the progress of the investigation; it is my conclusion that it has proceeded with more thoroughness and more rapidity than I would have expected possible at the time it was appointed.

I may point out, Mr. President, that this is not, by the remotest sense, a political or a partisan debate. The position which has been so carefully expounded by the chairman of the Commerce Committee, and in which I concur, is the position of the House full Committee on Science and Technology, which also has complete confidence in the Rogers Commission and which has also made the decision that it should not interfere in any respect with that investigation.

Secretary Rogers has been willing to speak both by telephone and in person in our offices with both the chairman of the full committee and with this member on the progress of his Commission's work, at any time, at our request.

On several occasions, we have extended those meetings to include, by invitation, all other members of the Commerce Committee. The Senator from South Carolina has flatly refused to attend any such meeting or to ask any questions.

I am particularly upset with his bringing up the hoary chestnut that there may have been some kind of interference on the part of the White House with the launch decision of the space shuttle *Challenger*. Had he been willing to attend meetings with Secretary Rogers, he would have learned, as the Senator from Missouri has, that Secretary Rogers and the Commission were greatly concerned with that question; that they have inquired into it, and have not found a hint—not the slightest hint—of any such interference. In fact, I believe it relatively safe to say at this point that the problem with the decision to launch the *Challenger* was not that any pressure or any decision was made too high in the chain of command in the administration but that it was clearly made at too low a level in the chain of command. What I have found to be shocking, what Secretary Rogers has found to be shocking, is that important considerations relating to that launch never got to the individual in NASA itself who was responsible for making the decision.

Secretary Rogers has now informed us that he hopes to have a preliminary report ready by the 18th of April, approximately halfway into the 120-day life of the Commission.

It is my view that it will be more than appropriate for the Subcommittee on Science, Technology, and Space to hear directly from Secretary Rogers and from other members of his Commission, upon the release of that report, to ask any questions which Members may have, to point out any leads which they may feel the Commission has not followed, and generally to encourage the completion of the report. To do so prior to that time, as the distinguished chairman of the Commerce Committee has said, can only interfere in the workings of a distinguished, able, and competent Commission, rather than to enhance a sober and careful investigation into what went wrong and a sober and careful set of recommendations as to how to prevent that kind of disaster in the future.

I may say, Mr. President, that while the distinguished Senator from Michigan [Mr. RIEGLE] has in some respects, but not in all respects, supported the position of the Senator from South Carolina, by and large I have regarded his participation in this process as having been constructive.

As he pointed out himself a little earlier today on the floor, at my suggestion, he has favored me with a detailed letter recommending a course of action for the subcommittee; asking for a series of hearings relating to the work and to the responsibilities of the subcommittee and suggesting either individuals or people from particular organizations from whom it would be appropriate to hear. I found his set of suggestions to be highly constructive and to state both valid concerns and a highly valid set of questions. I am in the process of responding to them in detail, but I can state rather simply that I agree with the primary direction in which he wishes the subcommittee to focus its efforts in the future.

I suspect that the order of hearing from given individuals on given subjects may well be changed somewhat by the schedule of the Rogers Commission itself, but the general direction of the advice of the Senator from Michigan is something that I find to be constructive and to be valid.

The function of the Senate Committee on Commerce, Science, and Technology, and the function of its Subcommittee on Science, Technology, and Space is the future of the National Aeronautics and Space Administration. It is up to us to determine whether or not there should be changes in the structure of that agency. It is up to us even more fundamentally to determine the future of the space program. This morning, we held the first of a set of hearings on the proposal of the President to move forward into the next generation of space travel and to develop that aerospace plan. It is very specifically our function to determine whether or not we should authorize a replacement for it.

I have not made a firm and final decision on that subject yet, though clearly, I think the evidence at this point points in that direction. We shall do precisely that.

We are not anxious to engage in a splashy media event, we are not anxious to trash the reputations of good, thoughtful, and hard-working Americans. We are anxious, we are desirous to see to it that NASA is strengthened and, to the extent that mistakes have been made, those mistakes are rectified. We intend to make recommendations to the Senate of the United States about the future of that agency in a sober, objective fashion.

I am sorry that the Senator from South Carolina, who, 2 months ago, said we should be hiring gumshoes, by which I take him to mean private detectives, to wander around the bars in Florida to see whether or not they could dig up some kind of dirt, persists

in feeling that that is an appropriate course of action. I do not. The chairman of the committee does not. We have confidence in the work of the Commission. We will have a series of hearings on appropriate subjects and we will, at an appropriate time, make recommendations on the future of NASA to Members of the U.S. Senate.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER (Mr. GRASSLEY). The Senator from Maryland has the floor.

Mr. SARBANES. Mr. President, I yield to the Senator from South Carolina.

Mr. HOLLINGS. I thank the distinguished Senator.

Mr. President, let the Record show that I have only been here momentarily, about 3 minutes. I had heard that the Senator from Washington and the Senator from Missouri—after they had been in the cloakroom and been on the floor when we were here earlier today, did not come to the floor and engage in an intelligent discussion. Rather, they waited until lunchtime, when we had gone to lunch, and appeared on the floor now and directly disappeared. I take it they are in the cloakroom, and whether they appear or disappear, we shall soon learn.

Necessarily, I asked the staff exactly what the Senator from Washington and the Senator from Missouri had to say and there were three or four subjects: One, that I was trashing the Rogers Commission; two, that we were interfering with the Rogers Commission investigation; three, that they had set some hearings but we had withdrawn or refused to have the hearings; and four, I was not willing to participate with the Rogers Commission because they had had a meeting with him last week and I did not attend.

Then I got on the floor just now when the distinguished Senator from Washington [Mr. GORTON], who has been stonewalling this thing, used the expression in a very low voice—I could barely hear it—but he said gumshoes, that the Senator from South Carolina wanted private detectives to wander around bars in Florida.

I do not know where his imagination comes from, Mr. President. Field investigators, at the behest of this Federal Government, prey daily. They prey daily over the income accounts of the citizens of America under the income tax law; we know they prey daily with respect to the crimes and offenses that may occur with respect to drugs and other activities; they prey daily with respect to taking statements in antitrust cases. They prey daily in all the fields of the former attorney general from the State of Washington.

The Senator from Washington knows better. You do not, when you talk of field investigators, necessarily talk as though it is a social or domestic case, for private detectives to go into individual lives and find out at bars who has been seen with whom and that kind of thing. What we were talking about, and talking about it in a very meaningful way, is the need for field investigators to check into the human evidence. Today is March 20 and I still do not know the official employment record of the Rogers Commission. I would like to know how many field investigators they do have.

I did not come to the floor today to "trash" the Rogers Commission. On the contrary, we wanted to assist, particularly from this Senator's standpoint, and say let us get out there and get this case while it is hot in the context of memories being fresh and reactions as to who was there and who was not and what was said and what was not said, and put these statements on the record.

We have that regularly happening with everything else and with respect to the cost and diligence—again, referring to the physical side, we see that they have been very diligent, because everyone has come in—in the exact kind of bipartisan and nonpartisan spirit of cooperation that the Army, the Navy, the Coast Guard, the engineers, the contractors, every one. I take it, it has moved right on in without all of this dilatory nonsense that you have to hear on the floor of the U.S. Senate about not willing to participate.

When the gentleman refers to not willing to participate at a meeting last week with Secretary Rogers. I would like the record to show it was about 40 minutes before Secretary Rogers was to show in the chairman's office that I was notified. I have been to one of these office show-and-tell operations and it seems like a manifest intent on the part of the leadership of our Commerce Committee, the responsible Senators, Senator GORTON and Senator DANFORTH, to, yes, conduct a parallel hearing in the Senators' offices, where they can talk to the various officials from time to time but not bring anything out onto the public record. In that light, I have, made my position known with respect to the witness, Allen McDonald, who in one instance was very pleased and ready to talk to me the evening before and within less than 24 hours—within 18 or 17 hours—he would not talk except through a squawkbox.

I do not know what the Senators told him, what the staff told him, because they had the whole operation and the gentleman secreted for 2 or 3 hours. I am told he got here at 12 o'clock and he had the lawyers, Morton Thiokol lawyers, with him. I'm unsure what they told him—but I know now that he did not want to talk because they said so.

He was not willing to participate—and I am not willing to participate in that kind of nonsense. As I said this morning, I would rather have this investigation out in the public as we do with other investigations, every other investigation I have been involved with in the U.S. Senate. We are not the FBI, we are not the Internal Revenue Service.

We are the public's servants and agents to examine issues of public interest in the open. We have made a fetish out of putting Government in the sunshine. When I first came to the U.S. Senate, we used to have markup sessions in private. Now, with the markup sessions and the conference committees and everything else, it is a good initiative to have it on the public record. And rather than have rumors, I felt as Mr. McDonald felt; he wanted to make a public statement, I wanted to hear a public statement. I did not want to hear private testimony that would be misinterpreted; there was a need for a record so that everyone could react to and be interested and learn from it.

So the truth of the matter is, when I said I did not want to meet privately with Dr. Graham and he wanted to still meet, I said then I would meet publicly in a hearing to address his concerns. I just figured as a policy for this particular Senator that I better stick to the condition that information be exchanged in hearings. For anybody connected in this particular matter, I would be glad to meet with them publicly and hear what they had to say and know because we are not private servants; we are public servants. And that still stands. I would be glad for Secretary Rogers to come up and appear as he did once already, when he took umbrage at the fact that I wanted field investigators, investigators described as private detectives to wander around bars. You can see the lack of reasonableness on the part of the Senator from Washington referring to these investigators in that extreme fashion. That is utter nonsense. So therein I have to answer his assertion, but I do not know the exact wording—I wish I had been here—about my refusal to participate.

Today, there was a NASA authorization oversight hearing that covered just the Aeronautics budget and the Orient Express. It had nothing to do with the shuttle. It had nothing to do really with the space program. It had to do with the only area of the NASA budget not affected by the disaster and a new initiative concerning an aerospace plane or Orient Express. As for other hearings suggested by the majority, they have always said, "Well, yes, let's have hearings but . . ." And then they list all their conditions. The principal conditions were that you could not mention the acci-

dent, you could not mention the investigation or, in other words, you could not perform your duty of oversight.

That is pure and simple just exactly what has occurred to date. They are anxious to have hearings now because they know they are getting caught up in the stonewall activity. We do not have any conditions on hearings. Sometimes in the U.S. Senate we have a dispute about witnesses and whether they really add anything to the record, whether or not they are capable in the context of being expert and should be heard. There will always be some discussion with respect to witnesses called to testify. But in this particular case they are saying, we are going to have a hearing but we are not going to have a hearing. They want us to just stick to academic concerns, fiscal amounts, how much it is to fix the shuttle, how much it is for the space station, how much it is for one shuttle replacement. They want us to just physically go in and ask a few financial questions without any idea about the policy and the impact of the accident and its investigation on policy and budgetary matters.

As a fundamental question, we need to know whether the space program is a research and development program, whether it is a Government operational program, whether it is a Government commercial program, and what is the intent of the Congress and this Government toward our space program in light of the accident.

If it is, as has been indicated just within the last 10 days over on the House side, to be a commercial program, then we are immediately embroiled in the question of commercial viability. And when you get to commercial viability you get to cost benefit. And when you get to cost benefit, then you begin to cut the pattern to fit the cloth. Then you will know whether or not you have enough money and whether they are going to make enough money and whether under that kind of pressure of making the money or the program paying for itself it is a right decision at this time, looking at space as research and development.

The Senator from South Carolina looks upon the space program as a research and development program. We are still in the research stage. I am not a genius or a knowledgeable person on this particular score. I am only telling what I have heard from the best of astronauts, the best of scientists, the best of the engineers and those engaged in NASA, how they look upon it. I will ask Dr. Fletcher, if they will bring him up this afternoon and we can confirm him, "Doctor, as the administrator of NASA, do you look at the space program as presently in place as a research and development program or are we beyond the stage now of research and development and into commercialization? Are we now making the judgments more on the basis of fiscal viability and worth or the cost benefit ratio?"

So with respect to the preconditions, you bet your boots we have not agreed to have a hearing which is not a hearing. And they have been very, very secretive, in a sense sneaking around. They are the ones putting voices on the squawk box and hiding witnesses and then talking about private detectives to wander around bars. I am going to have to get private detectives to find these U.S. Senators before I get through with this thing.

Who is doing the sneaking around and setting the conditions?

So we have not refused. We have been asking, and so there will be no misunderstanding, the distinguished Senator from Michigan has laid out in black and white in a three-page letter just exactly what witnesses would be called, who we think would be worthy of calling, and at what stage of the investigation they should be called and what subject they should cover.

So we have not been nebulous or evasive or refused. On the contrary, we have had to almost spell it out like in the classroom in a school case of some kind so there will be no misunderstanding.

Now, Mr. President, the staff has told me of the word "interfere," that I had interfered with McDonald on the day that Allen McDonald came to the U.S. Capitol here in order to make his statement or testify, that I had interfered because the Rogers Commission was in Utah looking for him.

Now, let us dwell on that in a very serious manner and let me emphasize what I know here without even looking at these notes because I remember well where we were seated in the Senate Chamber that day, we being Senator DANFORTH, Senator GORTON, Senator RIEGLE, and myself, at approximately 5:15 to 5:30 on the afternoon prior to Mr. McDonald coming, the following morning, to Washington. Senator RIEGLE and I asked Senators DANFORTH and GORTON if we could get a deposition from Mr. McDonald and have him testify. As a counter to our request that we bring Mr. McDonald, Senator GORTON and Senator DANFORTH said:

> Let's see if the Commission will bring him up and have him heard in public. Won't that suffice?

So Senator GORTON left the Chamber and came back and said:

> I have just talked to Secretary Rogers and he will hear public testimony from Mr. McDonald next week. So what about that?

Well, we said we still thought we ought to get the full statement, as I related this morning, and so the invitation was extended. The invitation was extended by none other than those charging the Senator from South Carolina with interference, Senators DANFORTH and GORTON.

If there was any interference, it was not on my part. The invitation to Mr. McDonald came from Senator DANFORTH and Senator GORTON, the majority, and Mr. Allen Moore, the Director of the Commerce, Science, and Transportation Committee of the U.S. Senate who made the call to Mr. McDonald inviting him to come.

Mind you me, remember this particular important fact. The important fact was that Secretary Rogers knew we were inviting Mr. McDonald to come, and he was still promising to hear him publicly. So the Commission should have known if he was to be interviewed by members of the Rogers Commission the next day in Utah. Mr. McDonald did not mention it to me later that evening. He did not feel like he was being interfered with by leaving Brigham City, UT, or wherever he was living, and coming to Washington the following morning. He came to the District of Columbia at the request and the direction of Senator DANFORTH and Senator GORTON.

The members of the Rogers Commission might have had in mind wanting to see him, but they had seen him on the previous Friday during a closed session at the cape. They had a full statement from him. That is why we were here on the floor the afternoon before discussing the appearance of that particular witness here in Washington. The Commission had already gotten a full statement from him but they were only leaking parts of it. They were not putting out the full statement.

So we were not interfering but, if there was interference, it was at the behest of Senator GORTON and Senator DANFORTH as well as ourselves to get the gentleman to come to Washington to make his full statement. I will add that at no time on the squawk box or otherwise did he indicate he was interfered with. He stuck around town until later that afternoon. I take it he was here at least until 4 o'clock or later, so he was in Washington for 4 hours, from 12 until 4 o'clock or later. He came here, my understanding is, voluntarily. He was not subpoenaed in any fashion. In fact, he asked to come and make at one place and at one time before a responsible group a full statement so everybody could hear it. It was his idea and request that it be made in public, and he did not feel like he was interfered with.

Now, there is an ailment or disease around this national Congress, particularly here in the U.S. Senate to use buzz words and rejoinders that somewhat bespeak the testy nature and cynicism of the Senators themselves. If I disagree with your statement, there is honest disagreement. We have votes up and down. There are regular

opposite sides to be taken on important questions. We do not call that trashing the other Senator. And when I disagree with the Rogers Commission about not hiring field investigators, getting out into the field as thoroughly as they have gotten the physical evidence and getting as much information and evidence as they can on the human side that is not trashing the Commission. We need to know from whence the pressure came and who and how was it brought. In my opinion, the Commission has not been as diligent on that score. I disagree with the Rogers Commission. I had this in mind in the early stages. I admonished Secretary Rogers at the time.

I have served on Presidential commissions with President Hoover, under the Hoover Commission investigating the intelligence activities of this Government 30 years ago. It was cited nationally for that particular work. I served at the appointment of President Eisenhower on the Advisory Commission on Intergovernmental Relations. I served at the appointment of President Kennedy on the Advisory Commission on Intergovernmental Relations. I served at the appointment of President Carter on his Growth Commission. So I have been appointed from time to time to serve on Presidential commissions.

Commissions necessarily or generally speaking, I would say, are made up of important personages from over the country and they come momentarily. They all have full-time assignments, work, professions, otherwise, and so they come here on sort of a crash basis, giving up their time and their income to dedicate their services to the people of the United States and its Government.

What they do, generally speaking, they take the particular agency or entity and listen to those witnesses who are already arranged by staff to appear. Knowing that, that is why I initially engaged Secretary Rogers saying, "Mr. Secretary, let us not wait for NASA to come and give you what you want to hear. On the contrary, get some field investigators down to the Cape right now and find out some of these things for yourself. We have witnesses getting ahead of you."

For example, we had National Public Radio who went out and got those statements they reported concerning the feelings of the involved Thiokol employees and the discussions that preceded the launch.

I said:

> You are going to get behind the curve on the field investigation and you are going to end up answering all the reports in the newspapers. You are going to be investigating the investigators rather than investigating the incident itself.

So true it is, I have differed to some degree with the approach of the Commission. But that is not in anyway to trash Secretary Rogers, to trash the Commission, or to trash its members.

The Senator from Washington, making that statement, is a clever politician. He knows if we can put a Hollings reputation against the reputation of these outstanding Americans who are serving on that Commission and get the argument to be who is right or wrong or who is trashing whom, the Commission members will win out. People could care less about the Senator from South Carolina.

But, of course, the Senator from South Carolina has that responsibility to make suggestions, especially when he sees from his own hard experience in Congress, in Washington, in investigations, and in Presidential commission experience, that this is an unusual situation where unusual pressure caused the violation of a proven process. I am not running around saying trash the Commission. I am saying to the former Secretary of State, Secretary Rogers, whom I respect, "Mr. Secretary, I think you better get out there and uncover the human evidence." That is what I said at the hearing on February 18 and that is what I have continued to insist upon. I might suggest that over the 7-week period since the accident. I am more nearly right than mistaken or wrong because what has come out has not necessarily come from the Rogers Commission. For example, we now have the fact that, yes, NASA, which has not been called to testify, was trying to bring pressure on the White House to include a reference to Christa McAuliffe in the January 28 State of the Union Address.

You read NASA's suggested language and that address and make your own judgment. There is not any doubt in my mind.

We now have Mr. Phil Culbertson, who signed off on the proposed NASA language saying he had not brought any pressure. Well, the acts speak louder than his words. I think if I had signed off on this and had known this statement was getting to the White House, I would want to try to get that shuttle launched before afternoon so it could be referred to in the President's State of the Union Message.

We now have, thanks to ABC, a copy of that particular talk from the White House. They first said there were not any copies, and then when they did provide a copy, they gave an incomplete copy. We have that from the free press and ABC, the American Broadcasting Co., and we can move right on down the various statements released by other news sources that we have had from public radio and the Houston Post.

We did not know anything about the feeling of the astronauts until two stories were published by the Houston Post.

So I differ, yes, with the Rogers Commission. They seem to have heard about it the week before, again not saying anything about it, and now as a result of the free press in this country we know how Astronaut Young feels about these things and as a Senator with oversight responsibility what I ought to be looking into. This is important to me. The Rogers Commission has not given it to me. The Houston Post has given it to me. And we continue on with the particular statements and other bits of information that have come out as a result of the posture taken by this Senator that what we need is some field investigators.

I have personal friends on that Rogers Commission.

I wish I could remember the names because I only momentarily could watch them from time to time on C-SPAN when the public hearings were held. There is a distinguished gentleman from Boeing, Mr. Jutter, that asked some very, very important questions, I thought. I was waiting for some good, important questions to be asked. I remember the gentleman from Stanford, Dr. Walker. He had some very interesting questions and approaches and thoughts. He appears very capable and very outstanding. The Nobel Prize laureate, Dr. Feymann, is the one who is giving credence to the concern we had about the effect of cold temperatures on the O-rings. He has had an obvious effect and made an impression on his fellow commissioners.

We have had, as I said earlier this morning, Astronaut Dr. Sally Ride, whom I have had the pleasure of meeting and being with at hearings before. I have the greatest respect for her. I said her reaction to some of the answers were very similar to this Senator's reactions, having attended many hearings. She was not necessarily in a position at the time, however, to follow up. But the hard, followup questions need to be asked and many times they were not. But the questions and the expressions of the commissioner herself, Dr. Sally Ride, really taught me a lot. I was very interested in her reactions.

I was also interested in the manner of Astronaut Armstrong and Mr. Acheson, whom I know and have the highest respect for.

So HOLLINGS is not trying to trash any commission. That is just a red herring since they hope the news media will try to turn this into a personal fight of somebody trashing a commission that had not had a chance to really make its report.

There is only so much you can do in a certain time. If I had the responsibility that Secretary Rogers had, as I said to him at the hearing, I would have to embellish my whole effort. I

would have more than a staff of 12 and a computer to look for contradictions. I would have field investigators, human computers, to investigate. If I could get me two or three good field investigators—I mentioned investigative reporters like Sam Donaldson and others—I would have me a staff. I also would have lawyers who could develop the hard followup questions so we could get to the truth. That is the whole idea. We are not trying to embarrass anyone. We are not trying to indict anybody.

I was asked in one instance about a grand jury investigator. I said, "We are not interested in crime. We are intersted in the process itself, in trying to become educated and understand exactly what went on." When you mention there is any kind of criminal liability, you immediately obscure not only the intent and the responsibility of the Congress, but the witnesses themselves immediately begin to clam up and modify the positive nature of their statements.

I also would like to respond to the comment of Senators GORTON and DANFORTH that I engaged in a monolog this morning. Yet they don't appear willing to stay on the floor this afternoon and engage in an intelligent discussion. How do you avoid a monolog? That is just the way they have got the catch-22 on the Rogers Commission. I can have a hearing if I find fault with the Rogers Commission. But I cannot find fault with the Rogers Commission because I cannot find. The Rogers Commission will not tell us anything.

Well, trying to do that, they want to have a little quiet session, but they will not tell the Senators and the American public, so I have to stand as a Senator without that information. Then we are on the floor, and they pass through and walk into the cloakroom. They do not want to engage in the discussion on this matter. They want to allege that I am engaged in a monolog. They are not even on the floor.

So we are not trashing any commission or interfering with its investigation. We are not refusing to schedule hearings or refusing to participate. And certainly, we do not have anything in mind about private detectives wandering around bars in Florida.

I would like field investigators to go where National Public Radio went and get those same statements. We have subpoena powers in the U.S. Senate. The Rogers Commission does not. If there are any reluctant witnesses, because you have some previous statements given, you can subpoena those witnesses and then have them give their depositions or statements to the staff investigating for you. You can then arrange the hearings in accordance with the particular statements on a subject to be covered in a coherent fashion. But I would like to have someone out at Brigham City, UT and someone down at the Cape. I would like to have someone to look into the statements made by witnesses that we have heard. For example, I would like a statement from Mr. Mulloy on the important question of pressure. I want him to answer my questions and not read a prepared statement as he did before the Rogers Commission. I saw that with my own eyes on TV.

I know, in a regular court of law, that you would not be allowed to read your answers. It immediately struck me that here the witness was very glib in coming forth and had all kinds of statements to be made, but when you got down to the key one, he had a lawyer's statement written out for him to repeat. That bothered me. Yes, I watched that kind of activity before in my own experience. So I would get really a full deposition from that gentleman and find out who he had seen, who he had talked to and why, and let him respond to why he had to give a written answer to the important question before the Rogers Commission.

So these are the kinds of things that we need to bring out. I am sorry that Senators DANFORTH and GORTON want to prove their point that I gave a monolog by abandoning me on the floor and not talking with the Senator here. They can continue to stonewall, but I can tell you here and now we are going to get an investigation. They cannot avoid us.

As Joe Louis said, "They can run, but they can't hide." The American people do not want political or partisan activity on this score. They want thoroughness. And we get pretty thorough when we have the adversary proceedings here in the U.S. Senate, a majority and minority, and we take our positions. I, obviously, have not reacted as a minority member, but, rather, as a Senator dedicated to the Space Program.

I started, as Governor of South Carolina 25 years ago, the nuclear space commission in my State. I have seen the early liftoffs and launches. We have had the astronauts come in. We have been very proud of Charlie Duke and Charles Bolden, the astronaut from Columbia. And, of course the distinguished, as any could possibly be, Ron McNair.

Ron McNair, the astronaut lost on this particular shuttle flight, was from Lake City, SC. Just a few months ago, last year, he gave a talk for the Senator from South Carolina, this spokesman, in Spartanburg at the Spartanburg High School. He was a volunteer in the sense of trying to inspire. He would go around in his particular area, in the Sixth District of South Carolina, into the public schools, on his own, and tell the students of the opportunity and the challenge, of the hard work and everything else, and how he got ahead. He was the finest example any of us had ever seen. As bespeaks of that, the city of Lake City had dedicated its main street as Ron McNair Boulevard. This was done before his loss during Mission 51-L. That was significant for a black citizen to have a main street in a small, rural town of South Carolina, named after him. So we were very much interested in the Space Program and continue our interest in the program and we are participating in the various activities of the Space Program.

For example, in May of this year, the city of Columbia, SC, will celebrate its 200th anniversary. So great is the interest that we have in South Carolina in this program and of this particular Senator is best evidenced by the fact that we had revolved the bicentennial celebration around the Civilian Space Program. Out at McIntyre Field we were going to try to get a capsule and other space materials. Actually, we had from NASA headquarters the commitment on an appearance by Christa McAuliffe. Yes, Christa McAuliffe, the first teacher in space, was coming to Columbia, SC, in May of this year for the bicentennial.

So this Senator has been interested and his State has been interested in the Space Program and we continue that interest in a very serious and a nonpartisan way.

Referring to another comment made on the floor today. Senator DANFORTH indicated that if I had attended the Senate session with Secretary Rogers last week, I would know there was no White House pressure. What he failed to indicate was that during this session. Mr. Rogers indicated he was considering requesting White House phone logs. The Rogers Commission is still investigating whether or not there was pressure to launch, and this is what we should be doing. How could I have learned from Secretary Rogers last week that there was no White House pressure? I would not be a competent Senator to bring the distinguished Chairman of the Commission in before he himself had investigated the White House, before he had looked at the logs himself, before he had talked to the individuals involved, and before he identified the required information as I did in the communication I sent to the White House this morning asking for those logs. I do not think I could intelligently conclude that there is pressure or is not pressure. I do not know. We have been careful to say so.

But we have been careful also to point out that there is circumstantial evidence, as we call it in a law case. There is direct evidence that you get from a witness, perhaps in many cases an eye witness, or "I saw," and "Yes, he killed the man," or he did this, he did that, or he brought pressure. Yes; I do not expect every witness to come

forward in this particular investigation and say, "Yes; I am the one that brought the pressure to cause them to violate the process." I do not expect that. I do not expect that, of course, of Secretary Rogers. Nevertheless, Senator DANFORTH said if I had been there last week with Secretary Rogers, he would readily give me the answer that there was no pressure to be brought.

So we are looking into the impartiality, and the mechanisms of this Commission. We are going to make that a requirement. I now know they are using certain individuals in this investigation that under the Rogers rule of independent investigation should not be involved.

We will have to look into that if the distinguished Senator from Missouri is going to put me to the task of investigating the Rogers Commission. I did not want to do that. I just wanted a complementary investigation as Senator RIEGLE pointed out this morning. I do not want to duplicate, to waste time, to waste effort in an all-important measure of this kind. But to do this I must know what the Commission is doing. In that manner, we could make an intelligent decision about the issues we need to discuss at our hearings.

On yesterday afternoon, your U.S. Senate Budget Committee, in a bipartisan vote, voted out a budget. In that budget there is a provision for the space effort. The provision in there is a pure guess. We cannot know. We are trying to decide on a figure. We had to sort of guess and ruminate in our minds, yes, there would be less launches this year. So there would be some saving of money. Let us not run overboard with that idea because the scientists, the engineers, the talent, and the personnel that you really need in the space agency have got to be kept on even without the launches. We have to keep these research programs going. Some will be used in an alternative fashion with what we call the expendable launch vehicles. We are going to try to pick up and play catchup ball on that score. So, yes, we will save money, but not all of the money that some of the Members think.

We also want to know what the cost is of repair and replacement. There was a $500 million figure, there was a $350 million figure, but we have not been able to get into that cost at all in any particular hearing. We just had to guess at that. We had to fence an amount of $2.7 billion for a new orbiter and to make the necessary engineering fixes to get the shuttle back in flight.

I say fencing because we had to agree as gentlemen that we could not spend anything until it was authorized. We could not authorize until we could conduct hearings, and we could not conduct hearings until Chairman DANFORTH and Subcommittee Chairman GORTON, who are stonewalling, stop the stonewalling and let us get on with the business and the work at hand.

So these amounts had to be included in the budget resolution in a conditional fashion. In that budget where you see the real problem, you are not looking for other problems, other stories, or whatever it is.

I am frustrated. I am dismayed this afternoon to come back to the floor to hear that the Senator from South Carolina was accused of interferring with the Rogers Commission when Mr. McDonald came here at the invitation of Senators GORTON and DANFORTH. I am dismayed to learn that I had refused hearings when I had been asking for them, putting them down in black and white without conditions, and they do not want to mention those conditions. I am dismayed to learn I was not willing to participate—when I have been participating. The difference is I want to participate in the investigation and not participate in their stonewall. They are right. I am not going to participate in that stonewall. And lastly, I am dismayed about comments that I was "hashing" the Commission.

How we love words in the U.S. Senate. When I got up here, the first thing that hit me was the word "dichotomy." You do not have to have an argument. You have a dichotomy with the other Senator. Then nothing is ever stabilized. The only thing constant about change is change itself. But here in the U.S. Senate everything is destabilized, like something is stabilized. If you do not like a thing, it is destabilized. Last year a new word surfaced, "egregious." If anything was wrong, it was egregious. I had to keep looking that word up. Now if you disagree with a Senator on the approach on a particular issue, you just do not vote yes or no. You trash them.

We were before the Budget Committee last week. I had presented an alternative budget and laid it out. The President's budget was then placed on the table and we put it to a vote. It was voted down 16 to 6. But all along, the proponents were for the budget. They said they we are trying to trash President Reagan's budget, to trash him. Ask the Republicans on the Senate Budget Committee that voted against the President's Budget whether they are trying to trash their own President. I think not, and equally I do not think the Democrats were trying to trash President Reagan. He missed the mark by $16.1 billion of Gramm-Rudman-Hollings. Everybody knows that. Having missed the mark that much and asked for an inordinate increase for defense without paying for it, with no revenues, there was no way we could pass a budget of that kind. Sure enough, on the House side it was voted down by a vote of something like 312 to 12. Thereupon, again, many withheld their vote because to even vote on the President's budget was to trash the President.

We have come to a sad state of affairs when the President puts an initiative and you call it to be voted upon, and then they run off like children crying, oh, you are trashing the President. The President is supposed to put a budget up here. I guess we are supposed to bow, genuflect, and say what a wonderful magnificent thing it is, and if you have any words of opposition, just remember you are going to be painted into a corner as some demagog trashing the President.

Now comes that same political strategy that goes good on a 10-second bite on evening TV, saying we are trashing the Rogers Commission. We are saying, Mr. Rogers, get on the job and get just as astute on the human side, over at NASA headquarters, over there at the White House, at the Pentagon, and right here in the Congress and get the facts on where did the unusual pressure come from.

Why were Mr. Hardy and Mr. Mulloy so intent and adamant on this particular score? Why did the other gentleman, Aldrich, down at the Cape say, "I thought an objection was just a concern?" You do not talk that way. If you are at an airport, think on this a minute, if the lay public has any interest at all, what we have is one of the most serious, one of the most dangerous, and one of the most venturesome matters that we have ever experienced in space flight, and particularly the shuttle launches.

A parallel in my mind would be, for example, a security officer at an airport. Let us assume, and paraphrase practically what happened on the morning of January 28, at the Cape.

Let us assume, you are a security officer and I come with a weapon and you stop me at the airport. On the monitor, my supervisor at Huntsville sees you stopping me but says, "What are you trying to do?" "I am appalled."

I have come with a weapon and you have stopped me, but the supervisor on the monitor at Huntsville says, "I am appalled. That man doesn't look like a terrorist."

Another supervisor says: "What's the matter there, airport security? When do you want me to take off or fly this plane? Next April?"

That, in context, is basically what happened to Allen McDonald, who was the security officer for Thiokol at the Cape.

Thereupon, when you, as security officer, refuse to pass me through with that weapon, they then said: "Ah, we're going to get you. We'll show you this is not really a security matter.

This is a personnel or management decision."

So they at 11:45 in the evening, they get written permission overruling you to permit me to board the plane. Thereafter, the next morning, even though written recommendation for launch has been had, which, if you read it closely, is one of these lawyer statements with all the misgivings in it to protect themselves, they say: "It's still not safe. Why don't we wait until it becomes safe later today?" They say, "No, we're going ahead."

In addition, we have another security checkpoint. I come through there with a weapon, or another person comes through with a weapon, and that security checkpoint says, "No, you have to stop." The particular supervisor sees you on the TV and says, "Let him on through." Afterwards, the supervisor says he thought the guard was expressing a concern rather than an objection.

Airport security is no place for split decisions or engineering arguments or safety arguments, and certainly launchtime is no place for split decisions on safety.

On the contrary, it was hardly split, because Boisjoly, who was the witness up at Brigham City that night, with 12 other engineers, said there was not one positive pro-launch statement in that room.

So they go ahead over the two contractors and launch in this instance, pass me through security into the airport.

That is the kind of factual situation that we have with the shuttle tragedy and that is what worries this particular Senator and why he wants to fulfill his responsibility and conduct hearings on the shuttle tragedy.

Mr. President, I am delighted to yield to the distinguished Senator from New York.

(Mr. D'AMATO's statement appears later in the RECORD.)

Mr. HOLLINGS. Mr. President, I would like to refer to the Washington Metropolitan airport system, National and Dulles Airports. I shall go to one important point I do not believe we covered very thoroughly. That is the matter of the Federal Aviation Administration's airport and airways trust fund. There is a unique kind of provision and approach in this particular fund.

First, you have to go to the fundamental law. When we asked Secretary Dole and the authorities at FAA why they do not just take money from the trust fund, they said it was against the law. It could be, from a reading, that they are correct. It is a doubtful question because it is a circuitous or oblique fashion that it comes to be the law—specifically the Airport and Airway Improvement Act of 1982. In section 503 under subsection 21, the money is going to sponsors.

It says:

Sponsors mean: (a) any public agency which either individually or jointly with one or more public agencies submits to the Secretary in accordance with this title an application for financial assistance and any private owner of a public use airport who submits to the Secretary in accordance with this title an application for financial assistance for such airport.

Then you go to the previous section or stipulation entitled "Public Agency" and see how that is alleged to be.

Public agency means a State or any agency of a State, a municipality or other political subdivision of a State, a tax-supported organization, or an Indian tribe or Pueblo.

Looking down those things, we are not necessarily an Indian tribe or Pueblo. We are not a State or an agency of a State or municipality. We are not a political subdivision of a State.

Then we look under tax-supported organization and, knowing of the deficit and the debt, I doubt if we could describe the Federal Government as a tax-supported organization, or at least the Federal Aviation Administration and the Department of Transportation do not describe the Federal Government as a tax-supported organization. I do not know what else supports it. I would allege it to be. But they seem to think that they are not a tax-supported organization. Under that provision, the Administrator of the Federal Aviation Administration is not permitted to make any grants to either National or Dulles.

Now, you can see what I am going to get at later on, which is how do we get the money to the particular airport, comply with Gramm-Rudman-Hollings and at the same time not have to have an offsetting reduction. If we can put in a particular measure later on to describe the Metropolitan Washington airports as public airports, I am confident then, with a sense-of-the-Senate resolution, we would get some moneys to these particular airports. You would not have to pass an appropriations bill because it is sitting over there making interest on the investments.

Right now there is a proposal in the particular measure at hand by Senators TRIBLE and WARNER to the effect "the Metropolitan Washington airports shall qualify as a 'public airport' under the terms of the Airport and Airway Improvement Act of 1982, shall be eligible for Federal assistance on the same basis as any comparable public airport operated by a regional authority, and shall be considered to have accepted a grant on the date of transfer."

So they do not want to do it. They say they cannot do it. They recommend though in that particular provision exactly what the Senator from South Carolina has been requesting since early last year when we first started discussing this particular problem.

Now, when the FAA master plan for the two airports identifies almost $1 billion in capital needs, why not change this law and use the trust fund moneys? Other airports get the moneys.

I was curious to know how much money had been allocated for airport development just last year, in 1985. We do not have a bit of trouble with the Federal Government supporting local airports. We supported the local airport in Kahalui, Hawaii, to the tune of $24.3 million. The Department of Transportation and Secretary Dole did not give them any legalistic runaround or Miami any runaround. They gave them hard dollars, $23.1 million to Miami. They are local airports. Houston, $23.1 million to Houston. Atlanta, $18.5 million to Atlanta. There is Allanta. It got $100 million when Jimmy Carter left. There is another $18.5 million there. Let us give $118 to National, the people's airport, or $118 to Dulles. Either one of those airports are just as big in size and operation as the Hartsfield terminal and facilities in Atlanta, GA. You would have the $250 million on an equal basis.

In fact, talking about on an equal basis, I am not going to write a civil right, but I am going to sure talk of the equal rights of the airports. And when they say that these airports can get the moneys but the public cannot, then I think it is discrimination and under the due process clause we are being denied the grants. Maybe we ought to bring a legal case against the Secretary to make her award the money and not give me that legal excuse. I would ask the staff to look into that particular proceeding. Everybody is suing everybody in this land. We are the most litigious society ever, and since everybody seems to say you have to sue in order to get anything done, maybe we ought to start suing and quit trying to pass laws up here.

Los Angeles, they did not have any trouble, $16.5 million; John F. Kennedy Airport in New York, the old Idlewild, $16.3 million; Newark Airport, $12.6 million. This was all just last year. They had a busy session over there granting money. This is the Santa Claus group in Government. I heard about UDAG and Social Security and Pentagon giving grants hither, thither, and yon. I had forgotten about this one. This is a better one right under my nose, and I have not been paying enough attention to it. Fort Lauderdale, $11.7 million; St. Louis, $11.1 million; and Phoenix, $11.1 million.

That was the total grant program just to the cities I have listed. I am confident there are many, many more. In fact, total obligations reached

$939.6 million—$1 billion right there. A billion dollars a year, and as Senator Everett Dirksen said: "A billion here, a billion there; before long that runs into real money."

Well, you see, the users, the individual users are discriminated against because, as a user of the Atlanta Airport, I am allowed to participate in an $18.5 million grant. I had to go through there just week before last. They canceled a flight to Charlotte, NC. I was lucky to catch something to Atlanta and get there late but at least we got there the same day. So at Atlanta, as a passenger, as a citizen of the United States under the due process clause, I am able to experience the benefits of the Federal Aviation Administration, but I am discriminated against and not allowed due process when I go through National Airport.

Now, there is a Government dedicated to e pluribus unum, equal justice under the law. The users of all airports have created a $7.7 billion balance in the trust fund. I have, as a Member of the U.S. Senate, put in a good 15-year contribution to the two biggest airports belonging to all the people of the United States but I am denied the benefits under this particular law, which I think is unconstitutional. Under current law, they describe "public airports as being only State-owned or municipal-owned airports.

And you know, Mr. President, when we asked about that, can you imagine Federal authorities saying that would be a conflict of interest. They get on a highhill of ethics and they say to receive money and to give it out for the public of the United States of America is a conflict of interest. I can see the interest but I cannot see the conflict.

Where in the Lord's world do they get these officials to come up to Washington? I do not know where they find them. They are ingenious. Here I am, I have a public responsibility for the Federal Aviation Administration to administer the airport and airways trust fund for O'Hare, the other airports around—I guess Midway could get some money under this one, but not at Washington National and Dulles. Why? Go over and ask them. They will tell you because it is a conflict of interest. They get the money from the users of the airports; they actually use the money from the user. It is a conflict of interest, since they are the ones to receive the money, to also pay it out to National and Dulles. It is not a conflict of interest to give it out at Atlanta airport and to the other airports around, in Houston and all these others, Miami, Los Angeles, Newark, Fort Lauderdale, Phoenix, all around the country. It is all right to give it to those particular airports, but to give to the people's airport is a conflict. I can see the interest in it. I am interested in it. I can see what is supposed to be, under their oath of office, an interest. I would think in order to do this they would take an oath to go ahead and do this and get the funds out to the airport. But they say no, since they get the money, they cannot pay it out. They do get the money but they do not pay it out. Interesting, is it not.

I never heard of such a thing in my life.

Now, Mr. President, it is really not a conflict of interest since they are the ones who are showing no interest at all. It makes absolutely no sense.

We have had a need for renovating these two airports for numerous years, but they will not come up and they will not even ask for the money. They will not even put in a recommendation. They can immediately describe it as an eligible request for airport funds. But they cannot recommend, as they are doing here through the Secretary of Transportation, a provision of law so that they can receive public moneys from the airport and airways trust fund to improve Dulles and to improve National Airport.

I have not been able to understand the particular goings on about this measure.

I agree very positively with our colleague from the State of Maryland that it is premature to present this particular measure for debate. What we have, in essence, is a fix. They have gone around and have gotten all the votes. They worked a year in order to get them. There has been a general disinterest. People have more important things, such as the Contra vote. They have more important things, such as the deficits and the budget, various things we have to respond to.

The airports are not coming apart. They are being operated. Everyone says the operation is, generally speaking, efficient. We need improvements. We need additional parking facilities at National. We need infield facilities at Dulles.

At National Airport, just let it rain or have a little bit of snow on a Friday afternoon and your best bet is to try Baltimore.

I know from hard experience.

At National, people get in and out of the cars and the way that traffic is configured coming in from all over the cities, they just run into a big, honest traffic jam. Then you sit there by the hour and hope they are holding the plane or the flight is running late, whatever it is. When you get up there, hours late, you find your flight is gone and there is not another connection. You are liable to spend an extra day and miss your appointments.

So if we have that kind of weather, instead of turning right where Washington National Airport can be reached in 15 minutes, turn left and reach Baltimore in about 40 minutes. It is much more reliable.

We need parking facilities and improvements at Washington National. We have needed them for quite some time. But the Secretary of Transportation, who is so astute to go around asking Senators in their offices for their votes, and she is hard to deny when she appears, has yet to ask the President of the United States for any kind of funds to do the job. She says the only way to have it done is through some kind of political authority whereby we are going to have to really respond to the nuances and thoughts of the State of Virginia, Richmond.

In spite of these needs, Secretary Dole has requested only $7 million in the last 2 years for capital development of the two airports. Are we to assume that, given the capital needs of these two airports, that this amount is adequate? Obviously not, Mr. President. Those figures merely reflect another attempt by the administration to forgo its responsibilities in favor of spinning them off to others.

Because the President has not stated or asked for the money to make these improvements, Congress had not thought about the needs of National and Dulles and they have not recognized those needs. Those who have recognized them have been reluctant to ask for the money.

As President Reagan, the Secretary of Transportation is a bright and resourceful individual. She knew that by underfunding the capital accounts for these airports there could be no alternative for Congress but to approve her plan to spin these airports off a local authority without money. She and everyone else could then point out the mess out there and say, "See, there is simply nothing we in the Federal Government can do to solve the problem."

I will only add here the previous reference made, it is because there is a conflict of interests.

But, Mr. President, I am here to challenge our distinguished Secretary of Transportation on that notion. We are told that the only solution is the sale of these airports to a local authority, an act which is really a giveaway of valuable Federal assets. This legislation calls for the sale of both airports for a mere $47 million—$47 million to be repaid over the next 35 years. This is hardly a windfall for the U.S. Treasury.

It is not like we are talking about expensive long-term liabilities to the Federal Government. The airports themselves are making money. Last year, the two airports generated over $10 million in surplus revenues returned to the general revenue fund. The year before it was $17 millon.

On that particular score, we can just allow a little measure. If you wanted to see some response to responsibility, rather than taking the profits made

from us who are paying our way to go through, let the two facilities, through the Federal Aviation Administrators, retain these funds rather than returning them to the general revenue fund so we can finance Mrs. Marcos in dresses and shoes in the Philippines under the Foreign Assistance Act. Rather, let us give it to the users of Washington National Airport and Dulles. They can take that money and immediately, with that kind of revenue coming in each year, easily launch the improved facilities that are so badly needed.

During this time of fiscal austerity, when we are on a collision course and must decide the future funding of our national defense, health care research, and a multitude of other programs critical to our national welfare, we are being asked to give away for a pittance two valuable airports.

A mere $47 million clearly pales in comparison with the valuation estimates other impartial experts have made.

The Grace Commission, which was appointed by the President to save our Government money, valued the two airports at more than $300 million.

Just that $300 million amount brings to mind the replacement value. We all know that you could not replace those airports for $150 million apiece at all. It would take $300 million apiece right now, and more. You have anywhere from $600 million to $1 billion, as evidenced by the letter from the National Taxpayers Union. You have 1 billion dollars' worth of property being given away for $47 million, and that is the airports. That is not just the reconstruction of those runways, the hangars, and terminal facilities. But, rather, the 10,000 acres for development, highly profitable development land, in the State of Virginia around Dulles, and the 60 million dollars' worth of access highways to be thrown in to boot.

This valuation by the Grace Commission has made the Holton Commission figure of $47 million actually look ridiculous. Even the cautious General Accounting Office testified last year that after reviewing the Department of Transportation's accounting records, it found that the Department of Transportation had undervalued the airports by some $61 million. GAO said that using DOT valuation techniques, which it did not endorse, the sale price even under the Department of Transportation's own valuation systems and approach was $108 million.

The Governor of Maryland, of course, as we referred earlier, realized this was a good deal when he saw one, so he offered to double the asking price to $94 million, and nobody would take it. They just will not treat a serious offer made in a serious fashion. But he would be delighted to get that. We could at least get $47 million more. But no one gave serious consideration to Governor Hughes' proposal.

During the Commerce Committee consideration of this legislation, the supporters of the sale argued that it was impractical to consider increasing the price tag. They even said that to finance the sale "could so burden the new authority that it could not afford to undertake in a timely manner the substantial improvements, a major justification of the transfer proposal."

Now, I do not know how they could not finance the sale that would so burden a new authority. I just do not understand that rationale at all, particularly when we have an authority and we have a responsibility to finance the Government right now with the money in its pocket. They are saying, because they have no interest, it is a conflict of interest.

Let me ask my colleagues today, if this is the case, why are we even considering this legislation? If these airports cannot compete on the open market, if their value cannot be used for fear of making airlines landing fees too high to attract service, then why are we taking time to consider selling them?

Mr. President, not only are we giving these airports away, but in the years to come, under this bill, taxpayers, air travelers, and the U.S. Government will end up tremendous losers, and the Congressional Budget Office bears me out on this.

For example, the FAA officials have told me that a modest amount of work, which would begin to turn these airports around, could be done for $250 million. By "modest," they mean the construction of a new midfield terminal at Dulles and the renovation of terminal space, parking, and access roads at National. It would not include money for the purchase of additional land or the construction of a new runway at Dulles. It is based simply on what is needed to allow these airports to operate at peak performance.

To obtain this money, the new authority would be empowered to issue tax-exempt bonds, but bonds cost a great deal of money; that is, additional funds have to be generated to cover the net interest during construction, the debt service reserve, and issuance costs.

As a Governor, I handled hundreds of millions of dollars in Government bonds. I know they take a great deal of time to issue. They take a lot of lawyers. They take opinions and, in many instances, in any kind of case charged, questions might be asked to review the legal procedures, and the petition before the court, the finding by the court. And even though the finding is agreed with, in order to make the bond salable, they thereupon appeal it on up and you carry it all the way to the U.S. Supreme Court. So, at the time of issuance, you go and say, "Here are my bonds and don't ask for legal opinions. The Supreme Court has already ruled on them." Now, that is the best way to get the highest rating and the highest returns on the issuance of bonds. That particular procdure is looked upon as salutary and desirable.

I asked the nonpartisan Congressional Budget Office to undertake the analysis of the cost of the bonds. The Congressional Budget Office found that, in order to generate the $250 million needed to accomplish the development at the airports, the new authority would have to issue $346.2 million in bonds. That is almost $100 million, Mr. President, in extra costs that would not build 1 square foot of terminal space, nor would it create one additional parking space.

And who is going to pay for the extra costs? Well, the average person who will use these airports over the next 30 years. These are the same people who have already contributed to the aviation trust fund through the 8-percent ticket tax that is now being collected on flights in and out of these airports. But, because of the position by the Department of Transportation on a conflict of interest, it is not being spent on their development.

And, as an individual citizen who is in a position to sue because I have experienced damage, in that I cannot receive the benefit that other users and payers of that particular tax pay into the fund because I am traveling through a Federal airport and I am not getting the equal protection of the laws under the Constitution. I am denied those benefits. So I am paying my money out and I am told by the Department of Transportation, "Just keep on paying, but don't expect any more benefits because we are not going to give it to you. We are going to make you pay all over again by running this through an authority and make you pay all over for the next 30 years."

Because bonds are now tax exempt, they have not gotten into—they got into municipal bonds and put that bond market in panic, but they did not get into the airport bonds yesterday in that Finance Committee—they end up costing the U.S. Treasury, because the bonds are tax exempt, some $366.3 million in lost Federal revenues.

Now, you talk about waste. How many toilet seats—I wish somebody who is a good arithmetic student would just divide the $600 into the $366.3 million in lost Federal revenues. I have heard Senators run all around the floor talking about Cap Weinberger's $600 tiolet seats. Look at how many that would be just lost revenues under this authority—$366.3 million in waste. We do not talk about the waste that occurs on the floor of the U.S.

Senate, but I am told fairly reliably that you could buy 610,000 toilet seats.

Now, think on that for a while, what we could get under here if we just go ahead and use the other $250 million if that is in the pot—excuse me.

We have it over there already and why not spend the $250 million? It is allocated for that use. It is in the trust fund. Instead, under this wishful procedure of the Secretary of Transportation we are going to lose for the taxpayer $366.3 million in Federal revenues.

Mr. President, let me emphasize what this means. The new authority will have to issue $346.2 million in bonds. When you add the $346.2 million to the lost revenues of $366.3 million, it will cost the taxpayers $712.5 million to get $250 million in construction.

So let us subtract the $250 million from the $712.5 million and we get $462.5 million.

This legislation should be entitled "The $462.5 million waste, fraud, and abuse bill." That is exactly what it is. There is no other way to describe it.

When Senators are running around talking about trashing, let us talk figures. Here is $462.6 million that I can save by just using the present trust fund for the people's airport. It would not be going to Charleston, SC. It would not be going to Richmond, VA. It would not be going off into some Senator's hometown. On the contrary, it would be going to all the people of the United States—Dulles and National Airports.

And, instead of doing that, we want to spend $462.5 million and just waste it. And who does it go to? It goes to lawyers and politicians.

Now, you know I do not resent politicians getting money, but I sure hate to give any more to lawyers—$462.5 million. Your can see all the lawyers that they will hire there and the PR people and everything else like that. They will go in with some program. Of course, they will charge it to the users of the airport.

You can land in downtown Tokyo, and the next thing you are going to see is an ad, "Develop your plant at Dulles." I do not know how you say that in Japanese. I will try tomorrow before we have a vote to learn how to say that in Japanese, but "Come to Dulles." And everybody bring your plant there because we have a lot of fat, free land that if you put an industry there, that is what we want. We can create jobs, and we can all get reelected because we have had a giveaway of 10,000 acres. We are willing to scatter plants hither, thither, and yon. And after all we have already exported the jobs of the United States of America enough. I am going to get into that subject as we proceed on this particular debate.

But I will be glad at this time now to hear from the Senator from Maryland who has given a lot of thought and effort. There is no Senator more dedicated and serious in purpose of doing a responsible job than Senator SARBANES from Maryland. He has worked hard on this. I cannot help but feel some comfort in not only bringing in the cost feature in the giveaway, but to my colleagues also. But I am working in tandem with the leadership of Senator SARBANES. I yield the floor.

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER (Mr. SPECTER). The Senator from Maryland.

Mr. SARBANES. Thank you, Mr. President.

Mr. President, I appreciate the kind words of my able colleague from South Carolina.

Mr. President, I want to address again—because I did not have an opportunity to complete my discussion of it earlier—the question of noise, and control over noise that would exist in this Airports Authority.

As I indicated earlier, a late-starting amendment put the authority to deal with noise in the Airports Authority. The bill as originally submitted provided that the nighttime noise limitation standards currently set out in the Federal regulations may not be amended. That was stricken by the committee.

As originally referred to the Commerce Committee, the bill would have transferred the nighttime noise standards to the new Authority stipulating that the rule cannot be locally amended during the 35-year lease term. During committee markup, an amendment was offered establishing the existing standard as a noise ceiling but permitting the new Authority to frame a more stringent noise standard; in other words, to place greater restraint upon it.

That amendment in the end was not acted upon, and in the final development of this matter an amendment offered by the Senator from Virginia, the junior Senator from Virginia, was adopted in a 4-minute meeting of the committee on the 14th of November, which may or may not have had a quorum present.

It is an interesting question which in effect transferred the power to set the standard to the new Airports Authority, but with total flexibility with regard to that standard. In other words, they were not to be held at least to the existing standard but were in fact given the discretion, or the latitude, to have a looser standard—in other words, more noise, many more flights well beyond the curfew hours.

This amendment was adopted 2 months after the bill was reported from the committee. And the reason it is of such concern is because the noise problem associated with Washington National Airport has been a very serious one. As a matter of fact I had worked in concert with Virginia Members of the Congress to try to address it.

Now this amendment places the authority to promulgate this ruling and set the standard completely in this Airport Authority dominated by Virginia—5 of the 11 members. Maryland has two.

The decisions that the Authority makes on flight path, on hours, on the directions in which planes take off and land have a major impact on the noise pattern that people experience, and the hours that planes operate.

Mr. TRIBLE. Will the Senator yield on that point?

Mr. SARBANES. Surely.

Mr. TRIBLE. That is not the right or prerogative of the Authority. That is the power retained by the FAA. The Senator's premise is simply incorrect.

Mr. SARBANES. What authority is it then that has been transferred by the Trible amendment on noise? What was it that was transferred?

Mr. TRIBLE. The question of routing of airplanes——

Mr. SARBANES. How about the curfew, the 10 p.m. to 7 a.m. curfew that now exists and that was put in after a great deal of difficulty? Would the Airport Authority under this bill have the power to ignore that curfew?

Mr. TRIBLE. The amendment simply gives the Authority some operational flexibility and if changes are made must be de minimis in character and do not in any real or substantial way affect the noise in the region.

Mr. SARBANES. How does the Senator reach that conclusion in light of the language? Is the Senator telling me that this Authority could not abandon the curfew?

Mr. TRIBLE. The first point that I want to make in response to the Senator is that several times during the course of this debate the Senator has incorrectly said that the Authority has the right to direct airplanes, and determine their line of flight. Then he goes on to argue that this Authority which he believes is too heavily weighted in the direction of Virginia is going to impose more noise on Maryland.

That is simply incorrect. The Authority does not have that power. That power resides with the FAA.

Mr. SARBANES. What authority, then, did the Senator give to this airport group on pages 38 and 39 of the bill?

Mr. TRIBLE. The power that was given the Authority deals with the nighttime noise rule for National Airport.

Mr. SARBANES. Am I correct that the Authority can now do whatever it pleases?

Mr. TRIBLE. No. That would not be a correct reading of the amendment.

By this amendment, and by the colloquy in the committee between Senator GORE and me, it is very clear that the Authority cannot do whatever it pleases. But this amendment does give the Authority some operational flexibility in view of new technologies, quieter aircraft, to make operational decisions. But the committee was very clear and very explicit that those decisions could not, in any substantial or meaningful way, increase the level of noise in the Metropolitan Washington area.

Mr. SARBANES. I hear what the Senator is saying, but that is not what the bill reads. The powers of this Authority are not determined by the statements that the Senator makes. The powers are determined by the legislation which Congress may enact.

The bill that was submitted to you in the beginning contained a provision that the nighttime noise limitation standards currently set out at 14 CFR 159-40 may not be amended.

In deference to the work of the Holton Commission—and of course I disagree with a number of their recommendations—in this instance they did try to protect what had been achieved with respect to inundating the people along the Potomac flyway with noise. So they had that provision in the bill submitted to the committee. You took it out, and there is no restraint of that sort.

Given that, and given the language at pages 38 and 39, I do not see how you can conclude anything other than that the Authority has the power to make these changes. Where is the limitation? Where is the restraint?

Mr. TRIBLE. First of all, the practical effect of this does give the Authority operational power to adjust, in an insubstantial way, the nighttime noise rule. The practical effect of that would be that a regional authority, including Virginians and Marylanders, and citizens of the District of Columbia who are genuinely concerned about the noise, could well make the rules stricter, and that would probably be the result if changes were made.

Mr. SARBANES. Of making it stricter?

Mr. TRIBLE. That there are new technologies and that this airport ought to be able to accommodate new aircraft in a manner that offers some flexibility to management, as long as the noise burden on the metropolitan area is not enhanced.

Mr. SARBANES. The bill does not say that, I say to the Senator. The bill does not contain a provision that says the Authority has the power to change the noise regulation as long as the consequence of changing it is to diminish noise.

Mr. TRIBLE. Well, let me read to the Senator the language that was agreed upon by Senators GORE, LONG, TRIBLE, and other members of the committee—after a long discussion about noise, the impact of noise on the metropolitan area, and the concern we all have that the noise burden on the citizens of the metropolitan area is not to be increased.

The committee notes that noise—

Mr. SARBANES. Will the Senator inform me from where he is reading?

Mr. TRIBLE. I am reading from the Metropolitan Washington Airports Transfer Act of 1985, the committee report, and I am reading from page 14.

The committee notes that noise at National, and particularly noise between 10 p.m. and 7 a.m., has been a controversial and divisive issue. In transferring responsibility for the nighttime noise standards—

That is what is transferred, not the right and authority to say how planes land and take off, I say parenthetically.

at National to the Authority, the Committee expects that the Authority would waive the existing standard to allow aircraft operations above the standard only in limited circumstances and only when proposed operations exceed the existing standard by a minimal amount. In such cases, the Committee expects the Authority to seek compensating reductions in noise created by other operations of the carrier seeking a waiver, so that the overall impact of noise is not increased.

Mr. SARBANES. I say to the Senator that, first of all, that is extraordinarily loose language, if you are trying to control this noise problem. Second, in any event, it is only language in the committee report and it is not language in the bill. This is merely the committee expectation, and the expectation itself is wide open, really. In effect, it concedes that the Authority could waive the existing standard to allow aircraft operations above the standard. It concedes that. It does say that it should be only in limited circumstances, but it concedes that power, to begin with, to the Authority.

I think it is clear from the statute that this Authority has now the power—given the amendment that you added 2 months later, after the markup—to do as it pleases. There is some committee report language here. As I say, I do not find that very restrictive; and even if it were restrictive, it is still not in the bill. It does not legally bind the Authority.

This Authority, if it once gets going, is going to have a life of its own. The governing document is going to be this law. If you go to court with it, this is what the court will look at—the provision of S. 1017.

Mr. TRIBLE. Mr. President, will the Senator yield so that I may respond to his statements?

Mr. SARBANES. I yield.

Mr. TRIBLE. This Senator shares the concern expressed by the Senator from Maryland and that of our constituents about noise. Noise in the metropolitan area is indivisible. It affects us all. No one has worked harder during his public life to restrain the noise that affects us all than I have.

Mr. SARBANES. Why would the Senator, then, support a proposition that would allow noise higher than the existing standard?

I want to leave aside the other point the Senator made, which is that if you can work out some arrangement whereby you have actually diminished the amount of noise, maybe you need some flexibility to change the regulation. Of course, you could write that into the law. But this language, itself, concedes that you would allow aircraft operations above the standard.

Why would the Senator support noise above the standard that many of us have worked so hard to get in place in response to the problem that the constituents on both sides of the Potomac, in Maryland and Virginia, have felt and have been impacted by?

Mr. TRIBLE. Mr. President, will the Senator yield so that I may answer his question?

Mr. SARBANES. I yield.

Mr. TRIBLE. First of all, let me say that it was my view, and that of a majority of the members of the committee—Republicans and Democrats alike—that this airport authority ought not be placed in a straightjacket. It was our belief that this airport authority should have basically the same rights and powers that other airports exercise, day in and day out, to provide quality service to the traveling public. To that end, this amendment merely transfers to the new Authority the same responsibility for regulating nighttime noise as all other airports have, as all other airports in the Nation exercise.

Let me go beyond that.

Mr. SARBANES. Will the Senator yield right at that point? Because I think that was a very straightforward statement by the Senator and it has a rationale.

In other words, he is saying, "Look, other airport authorities in the country can set the standards for noise; they can run their airport all night long if they want to run their airport all night long, and I think this authority ought to be able to run its airport all night long if it decides to do that."

Mr. TRIBLE. I disagree with that, Mr. President.

Mr. SARBANES. Well, I disagree with that. I think we fought too hard to get a standard controlling noise to come along now and say, "Well, this airport authority ought to be like any other airport authority and ought to be able, if it chooses to, to exceed the noise standard which was finally put into place."

This noise standard should have been held onto and the Senator's amendment did not do that.

Mr. TRIBLE. Mr. President, will the Senator yield?

Mr. SARBANES. I yield.

Mr. TRIBLE. Let the Senator from Virginia complete his answer and I shall be happy to engage the Senator from Maryland in further colloquy.

The point simply is that this airport authority ought not to be placed in a straitjacket; it ought to be granted basic operational flexibility. To that end, this amendment does transfer to the new authority the responsibility to regulate nighttime flights. That is a part of the overall noise equation, but only one aspect of it.

Because the committee was concerned about the burden of noise on the citizens of the metropolitan area, the committee was very clear in the language of this bill to set forth our view that although this authority should have some operational flexibility, decisions ought not to be made that would in any real way expand or increase the noise in our area.

Now, it is my view, quite frankly, that if one understands how regional airports work, one would view this as a primary means of reducing noise, not expanding it, because this airport authority will be composed of people who live in the Washington metropolitan area. That, indeed, is a requirement of this law. These are people who deal with airplane flights every day of their lives—as travelers, yes, but also as residents who are concerned about noise.

That airport authority is simply not going to take action that in any way is going to add to the noise burden in this community. It simply will not occur. I think the Senator is raising a red herring here in advancing that proposition.

Moreover, I simply point out that decisions affecting the flight patterns of aircraft—whether they fly over Virginia or Maryland, whether they fly down the Potomac River—will not be made as the Senator has suggested, by the Airports Authority; rather, they will be made by the FAA. That is a continuing responsibility of the Federal Aviation Administration.

Mr. President, I think this amendment makes sense. In no way do I believe that it will add to the burden of noise in the Washington Metropolitan Area. It is for that reason that I supported it with the majority of the members of the committee.

Mr. SARBANES. Mr. President, let me read the minority views of the Committee on Commerce with respect to this amendment on nighttime noise restrictions at National Airport because, in my view, it is clear that the amendment offered by the Senator from Virginia, in effect, makes it possible to impose a greater noise burden on the people who live along the Potomac. The flight patterns in there, because of the configuration of the airport and the river, impact heavier on Maryland than they do on Virginia. So, in any event, even if the flight patterns are kept as they are, an increase in the traffic is going to have a disproportionate impact on Maryland.

What the Senator has done here is open up a loophole through which the airlines can fly, the consequence to be paid by the person under the flight pattern who is disturbed by this noise.

The minority on this amendment—this is the amendment on nighttime noise restrictions at National Airport put forward by the Senator from Virginia—said the following:

> The provision giving the new airport commission power to revise the nighttime noise restrictions at National was added by the Committee as an amendment to S. 1017 a full 2 months after the bill was originally ordered reported. It will most certainly result in the eventual easing of those restrictions and an increase in late night flights into Washington's principal airport.
>
> Why is this amendment needed in the first place? Current FAA regulations specify that all flights in and out of National after 10 pm and before 7 am are restricted by noise levels. The original approach endorsed by supporters of S. 1017 was to freeze these rules in place for the 35-year duration of the lease. Then the same people who claimed that the Holton Commission had worked out every detail of the bill, turned around and wanted to amend it. Since no one has proposed an earlier curfew at National, we can only conclude that the reason for giving the local authority this power is to pave the way for more late night flights.
>
> Originally, the Committee agreed to try to resolve this issue on the Senate floor. However, supporters of the bill panicked at the thought of 100 Senators, many of whom live in National's flight path, having the opportunity to debate this issue and discovering the truth about it. That's why the decision was made to schedule a second markup and add the amendment at the Committee level, thereby hoping to bury it from view.
>
> This amendment is simply another reason why this bill should be defeated. And it should alert others in the Senate who are suspicious about the effect this legislation will have on air service in Washington.

I submit, Mr. President, that if you were really desirous of protecting the people against noise but wanted to give the authority the flexibility to protect them even more—in other words, to have a more stringent standard—that could easily have been written. That is not what was done in this amendment and, as the Senator from Virginia himself has admitted, his premise was that this authority should have the full range of power just like any other airport authority. What that means is, once it has that range of authority—and that is exactly what it is given by this bill—it can move in either direction. And as the minority views say, it will most certainly result in the eventual easing of those restrictions and an increase in late-night flights into Washington's principal airport.

Later, as they point out, since no one has proposed an earlier curfew at National, we can only conclude that the reason for giving the local authority this power is to pave the way for more late-night flights.

When it happens, if it happens, and I am working assiduously to see that it does not, and the people along that flight path are disturbed by noise that transcends these curfew restraints, the genesis of that problem will be the amendment of the Senator from Virginia.

It does not answer this point to say that it was desirous to give them flexibility to have a tightened standard because you could have required the existing standard and then provided flexibility for a tigher standard. That is not what was done. The existing standard has been abandoned despite years of efforts by Members of Congress, by citizen groups, improvement associations, individual citizens impacted by this noise, both in Mary nd and in Virginia; years of effort t get that standard, and the standard is out the window. And the authority has the power to do less or to do more. But as the minorty report says, "No one has proposed an earlier curfew at National. We can only conclude that the reason for giving the local authority this power is to pave the way for more late night flights"—something that will be highly sought after by the carriers and by the Airports Authority.

Think of the premium you can place on that. Think of the economic impact of that.

Now, the Senator says, well, the members of this authority are going to live in the Washington metropolitan area, and, therefore, they will personally be sensitive to this problem.

The bill does, in fact, say in talking about the membership of the authority that they shall reside within the Washington standard metropolitan statistical area, except that the member appointed by the President shall not be required to reside in that area.

I simply point out to the Senator that the size of the Washington metropolitan statistical area compared to the size of the flight path in and out of National Airport is comparing a large magnitude with a very tiny area.

First of all, even if they lived there, we would not know that they would be upset, but the chances are very high that they will not live in that flight path. Only a very limited portion of the metropolitan area's population is in that flight path and impacted.

So what the Senator's amendment has done is really reopen the noise issue and I would think that all of the citizen groups that have been so concerned about this matter in the past, the individuals who have been almost driven out of their homes in some instances, would recognize a very impor-

tant protection that was finally achieved for them is now being lost.

One other point, Mr. President: I have been looking at Virginia's enabling legislation to create this regional airport authority to acquire Washington National Airport and Washington Dulles International Airport from the Federal Government. I take it, as I understand it from the Senator, the authority would have power to promulgate rules and regulations, including a rule and regulation on noise; is that correct?

Mr. TRIBLE. The authority would have the right to determine the hours of operation.

Mr. SARBANES. And it could adopt a rule or regulation in that regard.

Mr. TRIBLE. It could, as we discussed, exercise some flexibility in terms of hours of operation but consistent with the language of the report it could only do so if there was not an additional burden of noise placed on the community.

Mr. SARBANES. The report does not say that. The report allows even that to happen in certain limited instances.

Mr. TRIBLE. I read the report. Let the report speak for itself. I think it clearly suggests that noise ought not to be increased on the community.

(Mr. EVANS assumed the chair.)

Mr. SARBANES. Mr. President, just to quote that language:

In transferring the responsibility for the nighttime noise standards at National to the authority, the committee expects that the authority would waive the existing standard to allow aircraft operations above the standard only in limited circumstances and only when proposed operations exceed the existing standard by a minimum amount. In such cases, the committee expects the authority to seek compensating reductions in noise created by other operations of the carrier seeking a waiver, so that the overall impact of noise is not increased.

But that does not say that you cannot extend into the curfew period. You could, in fact, compensate by reducing in noncurfew period hours so that the overall impact is not increased. I think that is a problem even with this language, but as I pointed out this language is not in the bill and as far as the bill is concerned the authority has complete freedom to act as it chooses.

Furthermore, you know, we have talked about this authority being dominated by Virginia. I want to read something from the enabling legislation. Suppose the authority wanted to change a rule or regulation. Suppose the authority said, well, we want to allow flights until midnight. We do not think 10 o'clock is right. We are going to allow them until midnight. People want to come into Washington and that is true from all over the country. There will be no difficulty filling the slots. So suppose the authority said we want to extend it until midnight.

They have, according to this, the authority. I am reading now from the Virginia legislation:

The authority shall have the power to adopt, amend, and repeal rules and regulations pertaining to the use, maintenance, and operation of its facilities. Unless the authority shall by unanimous vote of all members present determine that an emergency exists, the authority shall, prior to the adoption of any rule or regulation—

And then—

make such rule or regulation in convenient form available for public inspection in the office of the authority for at least 10 days.

I do not know where the office is going to be, but I assume it is going to be at one or the other of these airports. The Senator may know. I do not know.

Then:

(B) Publish a notice in a newspaper or newspapers of general circulation in the political subdivision where the authority facilities are located, declaring the authority's intention to consider adopting such a rule and informing the public that the authority will hold a public hearing—

Et cetera, et cetera.

I take it this means that a Marylander who lives in the flight path who wants to be aware as to whether the airport authority is going to allow flights to come in until midnight would have to check in the office of the authority or have to subscribe to a newspaper or newspapers of general circulation in the political subdivision where the authority's facilities are located.

We have talked about the composition of this authority being one-sided, with 5 of its 11 members from Virginia. Now we find that the procedures being put into place are one-sided; that in fact the authority will proceed as though it is simply a Virginia corporation. Not even the residents of the District of Columbia, let alone the residents of Maryland, are in a position to obtain notice about what the authority proposes to do on a whole range of matters. These are all the rules and regulations. I am just citing them with respect to this curfew problem at night and the noise problem. But the residents of the District of Columbia or Maryland, must go over to the authority's office about every week—because you have 10 days after posting, so you have to continually make that check—or peruse carefully a newspaper of general circulation in the political subdivision of where the authority's facilities are located. It is not even the metropolitan area.

This is some piece of work. It is not even the metropolitan area. You can have this authority, located at one of the airports, put it in a local paper of general circulation, in one of the Virginia subdivisions, and everyone else impacted by this can be oblivious to what is happening.

I do not think there is a much clearer illustration of the consquences of this weighted authority than this rules and regulations provision contained in the acts of the Virginia General Assembly providing for this regional airport authority. There is not even a pretense, there is not even a pretense, that this is going to operate in some metropolitan areawide fashion. Here we are, I assume the authority's offices are going to be in Virginia. One assumes that they are going to be at one or the other airport. And the notice for changes in the rules and regulations—it may affect you on noise, it may affect you on some other important item—is going to be made public in a paper in the political subdivision where the authority's facilities are located.

Now, Mr. President, that is only one of the things that you discover upon working through this legislation. One really needs to study what is before us, that is, S. 1017. That, after all, is the governing legislation. The committee report language may or may not be helpful. I think the committee language the Senator cited on airport noise is wide open in any event, as I indicated, I do not think it is helpful. I think it is in a sense a kind of cover for the fact that what is really being done allows an extension of the curfew hours and therefore raises the very real specter of a significant increase in the noise problem at Washington National Airport. As the minority views say,

It will certainly result in the eventual easing of those restrictions and an increase in late-night flights into Washington's principal airport.

But there are other comparable provisions in this legislation, and I want to take a moment to discuss them. In the findings of fact it is asserted that—

an operating authority with representation from local jurisdictions will improve communications with local officials and concerned residents regarding noise at the Metropolitan Washington Airports.

As I have just pointed out, that is the assertion which is made, and then you turn around and find out that they can promulgate rules and regulations affecting noise at the airport and they do not have to be published in Maryland or the District of Columbia. They are posted in the office of the authority and they are published in a county newspaper. Actually, it might even be a city newspaper since it says "general circulation in the political subdivision where the authority's facilities are located."

So you could really get this thing down to just a tiny population that was in the normal course of events going to have notice.

Now, I spoke yesterday about the cross-subsidy aspect of this bill which

allows the revenues at National to be used to under-write expenses or costs at Dulles.

It is interesting to note that the bill refers to the two airports as "a unit." It does that first in the purposes section where they are authorized to be transferred "as a unit, including access highways." That is that $60 million highway built at Federal expense. The highway and the two airports and all of their assets are being turned over for $47 million. But it says, "* * * including access highways and other related facilities," without any definition of what those might be.

Then further on in the bill it provides for "the operation, maintenance, protection, promotion, and development of the Metropolitan Washington Airports as a unit."

So the concern which has been expressed about a cross-subsidy potential is obviously there. It is throughout this bill.

I focused yesterday on the financial part of it, but I am citing these provisions simply to show the framework in which this authority is being put forward, just like I cited the Virginia statute to show that this authority is being treated like a Virginia corporation. It is going to make rules there. No one outside of the immediate locale in Virginia is going to be aware of them. And now we see the two airports explicitly referred to here as functioning as a unit—"promotion and development of the Metropolitan Washington Airports as a unit."

It is interesting, Mr. President, that while Maryland, Virginia, and D.C. were all provided membership on the Airports Authority, five for Virginia, three for D.C., and two for Maryland, that the agency to be created, the Metropolitan Washington Airports Authority, was to be created by the Commonwealth of Virginia and the District of Columbia. Now it all sort of comes clear. You have this tripartite membership in the agency itself to be created only by the Commonwealth of Virginia and the District of Columbia. It fits hand in glove with the point I have just made about promulgation of rules and regulations.

We talked yesterday about the lease payments provided in section 5. It never tells you how much is to be paid. It talks about an imputed interest rate. It does not tell you what it is to be, although I understand 4.9 percent. Not a bad interest rate.

In any event, it is clear. I have had a number of colleagues today come up, in effect, and say to me that this thing is just being given away at a bargain basement price. That is absolutely the case.

The 35-year lease leaves it open as to what happens afterwards. In fact, the statute says that the real and personal property turned over to the Airports Authority shall be used for airport purposes during the period of the lease.

I take it once the lease is over with, all bets are off, and that, in fact, anything and everything could be done with this property. That seems to be the message, since there is another provision that says the facilities shall be available to the public on fair and reasonable terms and without discrimination. But that provision is limited to 35 years.

After 35 years you can discriminate. You can charge unfair and unreasonable terms. Or you can even go further and cease to use the real and personal property for airport purposes.

Having gotten these facilities at this incredible bargain price—it is not even a bargain. It is closer to—well, I do not want to use any invidious terms about it. It is a handout. I understand why my colleague is trying to run all the way to the bank with this provision. Imagine, two airports—10,000 acres at Dulles, the access road, which cost $60 million to build, and Washington National Airport, which makes a profit of close to $20 million a year—for $47 million.

Having given it away to the Airports Authority, the provisions of S. 1017 then provide that if the Federal Government wants to put in facilities for air traffic control and navigation, and weather reporting and communication activities—in other words, Federal Government involvement with air traffic control and navigation, weather reporting and communications activities, all of which, I take it, are essential to the operations of the airport, but we are giving this airport away—S. 1017 says if the Federal Government wants to do that it has to do it at Federal expense.

I think you should have shown some mercy, I say to my distinguished colleague from Virginia. I mean, at some point it is so egregious that even the perpetrator perpetrating the situation should say, "I just cannot bring myself to do this." We are giving this thing away.

Then you provide in here that the Airports Authority has to provide areas of land or water or rights and buildings for these purposes. In other words, they have to, in effect, make some land or space in a building available. But you then go on and say including construction at Federal expense of additional space or facilities.

Is there no shame?

Let me go on. That is only part of it. Listen to this section, which continues right along:

> In addition, all airport facilities shall be available to the United States for use by Government aircraft in common with other aircraft at all times without charge.

Well, that sounds pretty good. If I read that and it said, "In addition, all airport facilities shall be available to the United States for use by Government aircraft in common with other aircraft at all times without charge," I would say, "Well, that is what they ought to do. These were Federal airports and they were transferred at virtually no cost. It is a small thing but at least they are going to allow these airport facilities to be available to the United States for use by Government aircraft in common with other aircraft at all times without charge." But there is not a period there. That is not the end of the provision.

What the provision says is:

> Except if the use by Government aircraft is substantial, a charge may be made for a reasonable share proportional to such use of the cost of providing, operating and maintaining the facilities used.

So if you really make any use of it, you have got to pay for it. If you come out here to our airport and the Federal Government wants to put in air traffic control and navigation facilities or weather reporting and communication activities related to air traffic control, the airport has to give you the space, but the Federal Government has got to pay for the construction of additional space or facilities.

You take over these huge facilities, virtually no cost, then you come along with the temerity to put in section 8(a)(2) on pages 37 and 38.

It would have seemed to me that someone in the Virginia hierarchy would have said: "This is really too much. I mean, just how far should we push this thing?" Why should not the U.S. Government aircraft be able to use these facilities without a charge? That is a cost that has never been factored into the disposal of these airports.

Mr. President, there are some important employee protection provisions in here, but I see that they are limited to a 2-year period. I really just want to raise the warning flag about that because it is not at all clear from the provisions here what is going to happen to the employees after—after—the 2-year period. There are a lot of fairly detailed provisions here for employee protection during the 2-year period and there is nothing that says what happens after the 2-year period has transpired.

Now, we have had very dedicated employees at National and Dulles and I think they have done an outstanding job, often under difficult circumstances. And this issue here really is not to do with them. I think they serve the country well and we are all anxious to ensure their continued service and to make sure that the future they had projected for themselves is not in any way altered. That was discussed in the Commission and I took a very strong view in that regard. I am disturbed to see that the legislation now before us appears to limit

these protections to a 2-year period, at least many of them or most of them.

And, of course, the question that raises is: What will happen, what might happen, what is it possible can happen? Because one never knows. I will not accept these assertions: "Well, it will never happen." If the authority is there, it may happen.

The Senator from Virginia says: "The authority will never raise the noise ceiling." Well, if they have the power to raise it, they might raise it. And the same thing here with this 2-year period. At the end of the 2-year period, it appears that these employees are really left without many of the protections that are contained in this legislation.

Mr. EXON. Mr. President, could I interrupt the Senator for a question?

Mr. SARBANES. I would be happy to respond to the Senator.

Mr. EXON. I would advise my friend from Maryland that I share some of the concerns that he has shared and I would very much appreciate the opportunity of making some comments in a slightly different vein about the matter before us. I am not sure of what the parliamentary position is right now. Could the Senator yield to me without losing his right to the floor or would he prefer that I seek the floor in my own right?

Mr. SARBANES. Mr. President, I yield the floor and the Senator can be recognized.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator is recognized.

Mr. EXON. Mr. President, I thank the Senator from Maryland for his courtesy and consideration. I recognize that another good friend of mine, the junior Senator from Virginia, is on the floor who has been a main mover of the legislation that an attempt is being made to at least bring up on the floor of the U.S. Senate.

I have considered this matter beforehand. As a member of the Committee on Commerce, Science, and Transportation, and as a ranking member on the Aviation Subcommittee thereof, this came up before our committee. At that time, this Senator had some concerns, not about the motives of the two Senators from the State of Virginia who have been very upfront about this matter—I think that they are attempting to be constructive in their approach. If I were a Senator from the State of Virginia, I would be doing exactly what the Senators from Virginia are doing, led primarily by my colleague, the junior Senator from Virginia, who is on the floor, in trying to work out a rather difficult situation.

I think we all know and recognize and realize that some improvements are obviously necessary at Washington National Airport. I also believe that, right or wrong, the Federal Government put in a lot of money years ago, before I came here, to build Dulles International Airport. And certainly during the intervening time, Dulles has been a considerable disappointment because it did not draw off the amount of air traffic in and out of Washington, DC, as had been anticipated.

I think we can all remember that Dulles International was supposed to become the main air terminal in this area in cooperation with and sometimes in competition with the Baltimore International Airport. But that did not come to pass for many obvious reasons.

I think it is now clear, and the commitment has been made, that there is no plan to close down Washington National Airport. In fact, the contrary claim is made that if we ever get this legislation up and if it ever becomes law, there would be significant improvements made in Washington National Airport with regard to parking and with regard to the facilities that are, at best, minimum out there. And so I think that the idea of improving that airport without taxpayer assistance is a good one.

And then I guess to further this thought, and the idea sprung up somewhere that would it not be a fine thing if we just put Dulles and Washington National in together in an airport authority? And then probably by design or as an afterthought these people decided why do we not bring Baltimore International in with this also? So we would have three major airports under one combined jurisdiction. Under that combined jurisdiction, they could do very many things. They could certainly float tax-free bonds to make these improvements.

So I guess out of some kind of a scenario as this Senator just outlined or some variation thereof, was formed the legislation that in my opinion unfortunately was reported out to the floor of the Senate by the Senate Commerce, Science, and Transportation Committee.

I felt at that time—I feel today more strongly than I did then because I have some additional information—that certainly the airports, Washington National and Dulles International would be improved by the action that was taken here. In addition thereto, the airports would be better than they are right now. I do not think there is any question about that.

The downside of some of this that has been brought up by others, not this Senator, and by additional information that I have received is that at a time of extreme budget crunch when indeed we are looking for the sale, Mr. President, of some of the assets of the Federal Government to try to raise some money to reduce the staggering deficit and skyrocketing national debt, this is not a time when we should be disposing of an asset of the Federal Government for less than it is worth.

I have seen some rather staggering figures on that. I do not know how authentic they are. But I submit, Mr. President, that I think even the most fundamental look at the figures involved would have to say that Uncle Sam is not doing very well if he feels he needs some additional money at this time to reduce the deficit, and help balance the national debt.

I think most of us would agree this is a bargain basement price sale that is going to benefit the airports, may benefit, and probably would benefit the passengers who come in and out of these airports. But I also suggest that if I were a resident of the State of Virginia I would think it is a pretty good deal because in addition to the airport facilities I am getting a great deal of adjacent land primarily at Dulles International Airport that is some of the prime land in the whole general area that we refer to as the Washington, DC, area. I think that land is going to appreciate much further and much faster than it has.

I do not say that is wrong. I wish we could get more land and more of these arrangements where the Government could get out of private industry. But that brings me, Mr. President, to the overall key objection that I have to this piece of legislation, and a key objection that I think has received very little consideration by the other Members of this body.

And, that is this is not just Washington National, a District of Columbia general airport, this is not just Dulles International Airport, and this is just not the Baltimore International Airport. What we are doing here is creating an airport authority that has the authority, I suggest, to do about anything they want in the future. This is my main concern.

This is what I brought up in the Commerce Committee. I offered an amendment, Mr. President, to try to correct that. That amendment simply was that I was not as much concerned about the interests of Baltimore or Maryland or the interests of Virginia and how much they were going to benefit from this or, for that matter, Washington National Airport.

What I was most concerned about was that—especially Washington National and to a lesser extent Dulles International—those two airports have been run and financed by the Federal Government primarily for the reason that this is the National Capital of the United States of America. And citizens all across this great country of ours have a keen interest on coming to and from their Nation's Capital to see us in action here in the Senate, to see the House of Representatives in their deliberation, to see their National Capitol, this great Capitol, this great his-

toric shrine that we have the privilege of serving in, to view and see all of the taxpayer-financed facilities that we have in this town on everything from the museums to the historic monuments to the great history that is part and parcel and wrapped up in this area more than any other area of our great Nation.

What I am saying, Mr. President, is that the flight arrangements in and out of Washington, DC, and the Washington, DC, area are of interest and above the interests of any other airport in the United States of America as far as American citizens are concerned. As a result of that, Mr. President, I felt that if this proposed sale was to go through, I suggested to the members of the Commerce Committee—in fact, I was prepared, Mr. President, to support this measure as it came out of the Commerce Committee if an amendment that I offered would be accepted which, in effect, Mr. President, would provide a balance of representation on the controlling commission between Maryland, the District of Columbia, and the State of Virginia with an add-on of additional appointees, I emphasize, than provided in a measure to be appointed by the President of the United States.

I went down as far, Mr. President, as fashioning balanced representation as I viewed it by having an arrangement that citizens from the rest of the United States that would represent all of the other citizens of the United States who come to and leave their Nation's Capital would have representatives on that board, and, if those representatives from outside this area appointed by the President of the United States to represent everybody else in the country, they in conjunction with the members of the State of Maryland have an objection to what happened or does not happen under the authority that we are suggesting be granted to this commission, they could block it because it would take a majority to do otherwise.

I did not see anything wrong with that proposal. I thought it was a worthy suggestion. It was immediately brushed aside by the main supporters of this bill. The argument was given, well, after all, it would not be fair. You would not like it if the citizens of Virginia had something to say about the operation of the airport in Omaha, NE. That is hardly the point, Mr. President. What we are doing here, in this measure, I say, is to not only make a grand and magnificent gift to the State of Virginia, but we are also saying we want to turn over the control of this area as far as incoming flights are concerned and where those flights are going to go, and at what time. We are giving away a taxpayer-financed, very valuable piece of property—or properties. We are going to turn it over to a board that is basically dominated by the representatives of the State of Virginia.

Mr. TRIBLE. Mr. President, will the Senator yield on that point?

Mr. EXON. I am happy to yield.

Mr. TRIBLE. The authority would not have that power.

Mr. EXON. Would not have what power?

Mr. TRIBLE. The power to decide on flights come and go and where they would go. It would not be a power that would reside with the authority. The authority is granted other powers that airports routinely have, but that is not one of them. Just as the FAA continues to hold power to decide questions of safety.

I know that the Senator has many concerns, and he has enumerated them today and during the committee hearings, and I respect my colleague's opinions. But I just want to put him at ease in terms of his concern that this authority would in some way be able to say no on particular flights or decide where they go. That is not a power of this authority.

Mr. EXON. I ask my friend from Virginia if, as a result of this bill, this commission would have any say-so whatsoever about the time that airplanes could land or take off from the airports under their control.

Mr. TRIBLE. There is a nighttime noise restriction; and, as the Senator from Maryland and I discussed earlier, this bill would give a measure of flexibility to the authority to adjust that. But I was speaking in response to what I understood to be the Senator's concern that this authority would in some way interfere with the ability of his constituents to come here or in some way decide that flights ought not come here or go to Nebraska or some other point in our country. Those decisions would not be made by this authority.

Mr. EXON. I thank the Senator from Virginia for his explanation.

My main point was that since this involves the Washington National Airport, and from that standpoint it is a national airport, I have never been able to understand the objection of some to a broader base authority that would have more input, more decisionmaking, based upon the views of people around this Nation who see the Washington, DC, area—not Virginia and not Maryland—but see the Washington, DC, area as their area, their Nation's Capital.

I would think that the basic fundamentals to which I speak have been very clearly outlined by the founders of this country when they carved out a piece of this great land and said: "This will be the District of Columbia. This will be our Nation's city." Changes have been made with regard to the administration of our Nation's city. We will not go over that.

What I am saying is that if I were a Senator from a State other than Virginia and Maryland, anywhere else in the United States, I would think that I would be best representing my citizens if I insisted upon some representation on the board that controls the Washington, DC, area, the national city of the United States, so to speak—if I had some representation and input on whatever the decisions were.

Certainly, I think we can agree, without getting into all the details, that if we are going to have an airport authority or commission—or call it what you will in this measure—they will have to make some decisions along the way; and the decisions they make primarily affect not only the local area—very importantly the local area—but also the citizens of the Nation as a whole.

Therefore, Mr. President, I thought that the suggestion I made, which was turned aside, that we had better balance this with having the President appoint more individuals, was a good idea. I simply say that if these airports in or near the Nation's Capital are not of concern to the rest of the people of the United States, why is there a provision that at least some members of that board be appointed by the President of the United States? I think it is quite obvious that even the people who originally designed this legislation thought there should be some input.

What I am saying is that I think we are about to make a mistake, if this bill ever becomes law—and I suspect that eventually, one way or another, it might be—that we have not made provisions for broader input, advice, and decisionmaking for the rest of the people of the United States, outside of the District of Comumbia, State of Maryland, and the State of Virginia, for this important facility.

From that standpoint, Mr. President, I am not directly involving my self in the discussion and interesting debate that is being provided here by the Senators from the two States I have just mentioned. Suffice it to say that I still feel that whatever we do with this piece of legislation, it should be broadened, at a minimum, to provide more members appointed by the President of the United States, to better represent the citizens of these United States and not the parochial interests—and there are some—of the citizens of Virginia, the citizens of Washington, DC, and the citizens of Maryland.

I yield the floor.

Mr. SARBANES. Mr. President, I simply want to say, while the very able Senator from Nebraska is still on the floor, that he is right; there are many dimensions to this legislation before us, and various Members have focused on different aspects.

One of them is that, given that these are the two national airports, who should run them? That issue has been raised. It is a legitimate issue. Elizabeth Dole, when she gave her charge to the commission chaired by the former Governor of Virginia, precluded examining the question of whether the Federal Government should continue to run them. She said they must be given out. That was the point she made.

Second, if you are going to give them out, at what price? That has been focused on a lot. There is the issue, of course, of the terms on which you give it out and how that interrelates with who runs an airport that serves the Metropolitan Washington area. It is my view that the Federal interests have not been adequately protected in this legislation, that the facilities are being turned over at fire sale prices or worse.

Third, from the point of view of Maryland, we are being put into an utterly unfair and inequitable situtation, which I hope Members will understand. One of the objectives of the Federal Government when it is dealing with States should be to try to preserve some equity. We are not being unreasonable about this thing, but we think the terms we are confronted with are utterly unreasonable. We have been making that point to the Membership. It is in part for that reason that we have been fighting. But a lot of very important questions have been raised.

The able Senator from South Dakota earlier alluded to the fact that these airports were important to his constituents because they are the gateway to the Nation's Capital; that if his constituents wanted to come to see him, this is the way they came in order to do the Government's business. Therefore, the future of the airports was much more than simply a legal question. I recognize that, and I think that is absolutely correct.

I know that the Senator from Nebraska was very effective in the committee in the consideration of this leislation. I particularly noted the views he wrote on lifting the nighttime noise restrictions at the airport, which can only lead in one direction, and that is that the people who live in the flight paths are going to be subjected to much more noise. As the Senator said in his report:

> Since no one has proposed an earlier curfew at National, we can only conclude that the reason for giving the local authority this power is to pave the way for more late night flights.

I thank the Senator very much for his contribution to this important debate.

Mr. TRIBLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. TRIBLE. Mr. President, I have listened with great interest to the comments of the junior Senators from Maryland, South Carolina, and Nebraska, and I thank them for their contribution. Let me say that Senator HOLLINGS and I disagree on this legislation. But I do share the concerns he expressed in a "Dear Colleague" letter that he circulated a number of months ago. I want to quote from Senator HOLLINGS' "Dear Colleague" letter.

> Very simply, National Airport is falling apart. The road system and parking are inadequate—access to the Metrorail system is difficult and the terminals are cramped. At Dulles, a proposed midfield terminal is needed to accommodate increased airline service. Because of the importance of these airports in ensuring access to the Nation's Capital and the Federal Government, we must move to repair and develop these assets.

On that, Senator HOLLINGS and I absolutely agree. That is an all-important reason to support this legislation.

Funds from the Federal Government are not available, Mr. President. They simply are not available. Perhaps that statement was debatable when this legislation was reported from the Commerce Committee back on November 20. Some argued then, as some still persist in arguing, that the Federal Government could pay for these desperately needed improvements. But that argument is obviously moot today. Subsequent to the appearance of Senate bill 1017 on the calendar, Congress enacted Gramm-Rudman-Hollings, which commits us to a massive deficit reduction program over the next 5 years. As a result, there will be no—no—Federal money for improvements at Dulles or National.

Let me put this very plainly: Any Senator concerned about his or her constituents traveling to Washington by air will find them experiencing growing difficulty, delay, and inconvenience. There is no Federal money to improve these airports. If we fail to transfer the air gateways to our Nation's Capital, they will become the bane of air travelers everywhere. Only transfer of Dulles and National to a regional authority will permit the planning and the bonding necessary to enhance these important airports.

At National, a new authority can easily solve the now intractable problems. Adequate parking facilities, a redesigned road system can alleviate traffic congestion. The metro can be made more accessible. The terminal can be refurbished to provide at least a modicum of convenience for air travelers.

At Dulles, construction of badly needed midfield terminals could begin, the parking problem solved, and Dulles be able to accommodate the anticipated traffic growth.

But the key to providing better facilities, the key to better service for all of our citizens is the raising of the substantial dollars necessary to enhance these facilities.

The Federal Government, in spite of all that we have heard today, cannot do that. We all know that. Only a local authority can raise those dollars and take appropriate action.

Let us address briefly some of the points that have been raised in opposition to this measure. Opponents of the bill claim the airports are being given away and they are not happy with the purchase price. The properties at Washington National and Dulles would be priceless if—and I repeat if—they could be put to their highest use. But they cannot. They must be used as nonprofit airports to serve the public. The bottom line in their operations is not profit, but public service.

Under the terms of this legislation, the new authority——

Mr. EXON. Will the Senator yield for a question?

Mr. TRIBLE. I shall be happy to yield for a question.

Mr. EXON. I have been listening to the distinguished Senator from Virginia, my good and able friend. We have worked together on many, many things.

I think that I indicated to him and to others that I was prepared at one time to buy the arguments, many of them legitimate, that he has just made. I know there is a problem. The way that he is suggesting that they be solved is one way to solve them.

May I ask the Senator from Virginia, given all that, given his concern for my constituents coming in to see me—which I am sure he is concerned about——

Mr. TRIBLE. I certainly do not want to discourage the Senator's constituents from coming to Washington. We want to have more and more of the good citizens of Nebraska coming to this great metropolitan area.

Mr. EXON. Yes; because they bring money with them and I can understand that that is good for the area.

But, given all those things, why is it that the sponsors of this measure fundamentally turn their backs on what I still believe is a reasonable proposition of getting better balance on that commission by having the President appoint from outside this area the members of the commission that would run the airport? What is wrong with that?

Mr. TRIBLE. The practical problem with that suggestion is that this compromise is a very carefully crafted political agreement. If we are going to change fundamental provisions at this point, then we defeat the proposition.

I understand that many of my colleagues would like to do that in spite of what they say. I do not suggest that that is the Senator's purpose, because I know the Senator has offered this amendment before and we have talked

about this proposition before. But steps have been taken to protect the public interest.

There is broad representation on the board, although the Senator from Nebraska would argue that there ought to be more than one member of the board selected by the President. I am not sure, quite frankly, what difference it would make if there were one or two or more.

In order for this commission to take fundamental action on its budget and other such matters, it is necessary to achieve a heavily weighted majority. So Virginia cannot unilaterally make fundamental decisions about the operation of this airport; it can only be done in concert with Virginia's neighbors across the Potomac.

Indeed, I have talked recently to Najeeb Halaby, who served as the administrator of the FAA and has been the CEO of a major airline. He confirmed my own assessment that although there are great political debates about the composition of airport commissions and other such regional bodies, when these regional bodies are established, the members stop thinking in parochial ways and start thinking about the region and the purpose of the enterprise. Here this purpose is to provide better service to all of our citizens.

Let me proceed to complete the point I was making about the sales price. I thank the Senator, my colleague from Nebraska (Mr. EXON), for his question.

This legislation provides a formula by which the Airports Authority will pay over $100 million for this property. It is not easy to determine the fair market value of this kind of property. It is uniquely different. By statute, the airport cannot make a profit. Revenues must be reinvested and can only be used for airport purposes. Really the only way you can go about placing a value on this property is to establish a hypothetical debt which represents the unreimbursed cost to the taxpayers, the money that has been invested in the airports through the years that today has not been repaid by the users. That sum is $44 million.

Beyond that, the Airports Authority will be required to take over the unfunded liability of the Civil Service Retirement Fund for the airport employees.

That is an estimated $37 million.

Finally, in order to meet the concerns of Maryland the Commerce Committee imposed on the Airports Authority the obligation of paying $36 million to the State of Maryland in compensation for this out-of-pocket costs to purchase Friendship Airport, the airport facility now known as the Baltimore-Washington International Airport.

In all then the new authority will have to pay $117 million for this property, not an insubstantial amount of money. This is a huge sum of money when one considers that this operation cannot make money and that any dollars that are generated by its operation must be dedicated to airport purposes.

A higher sales price might make some of our colleagues happier and it might bring more to the Treasury, but it would simply represent a tax on Washington travelers, the people who come from the State of Washington or the State of Nebraska to this Nation's Capital. They will be required to pay more because it is the traveling public that pays the airport's costs through fares and users fees.

We are not talking about imposing greater costs on Virginia. We are not talking about imposing greater costs here on the airlines. These dollars will come from the pockets of the traveling public.

Let me make one other substantial point: the moneys the Federal Government has invested in these properties are being repaid as of we speak by the users of these facilities. It is simply unfair for us to require these same users to pay twice for those same properties.

Finally, this transfer will relieve the United States of nearly $1 billion liability for improvements at Dulles and National in the near future.

The transfer, as I said, pays a $37 million shortfall in the Federal pension fund. All this represents a sum far greater than the United States could possibly expect to earn if it keeps running these airports.

So if my colleagues will be mindful of the special nature of these properties, the fact that they cannot be dedicated to their highest use but rather must be reserved for airport purposes and must be operated on a nonprofit basis to serve the public, one must conclude that this is a fair price for this transaction.

It might make us feel better to impose a heavier burden on this authority by requiring it to pay more. But that would be shortsighted indeed because we hope this authority, indeed we have ordered this authority to immediately undertake substantial improvements to these properties that will cost almost $1 billion.

Let me talk about the board of directors for a moment. The board of directors consists of five members from Virginia, three from the District of Columbia, two from Maryland and one appointed by the President. A vote of seven, a heavily weighted majority, is required for improvements and for the annual budget, for the important kinds of decisions.

Maryland claims it is underrepresented. Senator EXON and others claim there should be more Federal representation.

Let me respond to those points: Roughly 20 percent of the passengers at National and Dulles originate their trips in Maryland. Maryland's representation is roughly proportionate, without taking into account that these airports are located in Virginia. Moreover, I would suggest it would hardly make sense to give Maryland greater representation, as Maryland officials have shown only a hostility to the proper development of Dulles and National through the years.

The seven-vote requirement assures that Virginia cannot take major action without the concurrence of representatives from the other side of the Potomac. We are talking about a regional authority. This is an authority concerned about the problems and opportunities of this region, an authority that in practice will speak with one voice.

I would point out that during the deliberations of the Holton Commission, Maryland was asked to become a full participant in this enterprise. It was suggested that all three airports be placed together and operated by this Airports Authority. Maryland said: "No, nothing doing. We like things as they are." And yet now Maryland attempts to frustrate this enterprise.

Now, in making the argument that Maryland is in some way underrepresented, the opponents of this measure raise two kinds of concerns. One concern is about noise. Senator SARBANES and I have talked about that. Like every other airport operator the Authority will have absolutely no control over the number of flights and their paths. As I pointed out before, that remains an FAA responsibility. Flights cannot and will not be deliberately routed over Maryland. Indeed, noise is a problem that plagues us all and that is why I believe this Authority, composed of members from this metropolitan region, will be highly responsive to the concerns about noise.

Moreover, like any other airport authority, the new Airports Authority has absolutely no control over the distribution of slots at National Airport, and so it cannot force carriers to serve Dulles in order to serve National, and that is an important point and one that ought to be fully considered by those who are concerned about this legislation gives Dulles some competitive edge over other airports in the region.

The Senator from South Carolina, Senator HOLLINGS, has complained that the Airports Authority will be able to use revenue bonds. Indeed, that is so. And so do all other airports in this country. But whether these bonds are tax exempt or not is up to Congress and to the tax policy that we construct.

Senator HOLLINGS has referred to a CBO letter of August 21 which he says

shows that it would cost more money to let this Authority proceed by way of revenue bonds than it would be to provide directly from the Government the moneys required for expanding and enhancing these facilities.

That is simply not the case. The CBO letter of August 21 reported that present value cost to the Government of $250 million in improvements would be $215 million if directly funded by the Government and $166 million if funded by tax-exempt revenue bonds.

To this I would add that the impact would be zero if the tax laws were changed to prohibit the use of tax-exempt revenue bonds. That, of course, is a decision for Congress to make in the days ahead.

Mr. SARBANES. Mr. President, is the Senator suggesting that these airport authorities would operate without tax-exempt revenue bonds?

Mr. TRIBLE. I think airports could operate without tax-exempt bonds. What I am saying is that whether they will be tax exempt or not is a decision Congress will make in executing tax reform and tax policy.

Mr. SARBANES. No; when the Holton Commission looked at this matter, it was very clear from their financial analysis that it was essential in order to make this work that you have tax-exempt revenue bonds. That is why the Senator from South Carolina has been making the point that the administration is at cross-purposes. On the one hand, it is seeking to devolve these airports to allow authority and in order to achieve that that authority must rely on tax-exempt revenue bonds. On the other hand, the administration is proposing to do away with tax-exempt revenue bonds. So the two work at direct cross-purposes. I simply cannot understand the Senator's reasoning.

Mr. TRIBLE. Be that as it may, this legislation simply provides to this authority the same right of every other airport to employ tax-exempt revenue bonds in order to raise capital for their operations. Whether or not the tax-exempt status is available to this and other airports is a matter for the Congress to resolve in the days ahead.

Mr. President, I would like at this point to submit for the RECORD, and ask unanimous consent to do so, a copy of that letter of August 21 to which I have referred and from which Senator HOLLINGS has spoken this morning.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, DC, August 21, 1985.

Hon. ERNEST F. HOLLINGS,
Ranking Minority Member, Committee on Commerce, Science, and Transportation, U.S. Senate, Washington, DC.

DEAR SENATOR: In response to your request, the Congressional Budget Office has compared the cost to the federal government of two alternatives for financing improvements to National and Dulles Airports: (1) direct federal funding, and (2) local financing from tax-exempt bonds. Based upon your staff's request, we have assumed for both scenarios that the construction costs for improvements at the two airports will total $250 million. As the tables indicate, it would cost the federal government more money over time to finance the improvements with tax-exempt bonds than with a direct federal grant, but the annual tax losses are relatively small and are spread over many years. However, if the costs are discounted to reflect their value in 1986 dollars (assuming a 10 percent discount rate), the federal government would lose $116 million in forgone tax revenue if tax-exempt bonds are issued compared to $215 million if a direct grant is used to finance the construction.

Under the first scenario, we have assumed that the federal government would appropriate $250 million to fund 100 percent of the needed construction costs at the two airports. This option would increase budget authority by $250 million in 1986. Our historical spending rates indicate that this would result in increased outlays of approximately $50 million in 1986, $113 million in 1987, $51 million in 1988, $24 million in 1989, and $12 million in 1990. Federal spending would increase by $250 million over five years, but if the costs were discounted to their present value, they would be equivalent to a 1986 cost of $215 million.

The second scenario assumes that the airports are transferred to an independent local authority that, in turn, issues 30-year tax-exempt bonds to finance the needed improvements. Based on information we have reviewed for other airport improvement bonds, we estimate that bonds would have to be issued for almost $350 million to fund $250 million worth of construction improvements. The additional funds are used to cover net interest during construction ($60 million), debt service reserve ($27 million), and issuance costs ($9 million). These costs usually add up to 50 percent of the amount of bonds needed to cover the construction. According to Moody's Investor Service credit report, for example, airport bonds for $1.5 billion in 1983 and 1984 financed $983 million in construction programs.

Our analysis also assumes that the bonds would be issued on two dates, rather than through one issue, because of Treasury limits on the time taken to spend bond proceeds. Since the improvements are expected to take five years to complete, we have assumed that the initial bond issue would cover the costs of the first 2½ years of construction, and a second issue could then be made to cover the remaining costs. The tax losses to the government would be about $10 million in the first few years, rising to $12 million after the second issue. These annual tax losses would continue until the bonds mature. Over the life of the bonds, the federal government would lose approximately $366 million in tax revenues under this option. In terms of its present value, however, the loss to the government would only be equivalent to a 1986 outlay of $116 million.

It is also worthwhile to note that under the Administration's new tax reform proposals, it is possible that airport improvement bonds might no longer qualify for tax-exempt status. In that case, there would be no cost to the federal government if bonds were issued to finance the improvements.

The attached tables provide more details on the costs of each option.

If you wish further details on this estimate, we will be pleased to provide them.

With best wishes,

Sincerely,

RUDOLPH G. PENNER,
Director.

Mr. PRESSLER. Will my colleague yield for a question?

Mr. TRIBLE. I am pleased to yield to my distinguished colleague.

Mr. PRESSLER. Earlier today I stated, when the senior Senator from Virginia was here——

Mr. TRIBLE. The senior Senator from Virginia is still here.

Mr. PRESSLER. He is still here? Good.

I expressed the desire to work closely with the Senators from Virginia, as we have, and expressed my great respect for the job that both of the Virginia Senators are doing. I am also attempting to do a good job for my State in terms of representation on the authority. I ask my colleague if down the road there is a problem which citizens of South Dakota or of Colorado or Montana have, where would they go for resolution?

For example, the last direct flight from my State to Washington, DC, had difficulty getting a landing time at the correct time. I was able to work on that problem as a Senator from South Dakota. If this board, as presently proposed, is the airport operating authority, where could, let us say, the chamber of commerce of South Dakota or Colorado or of Idaho go if they were seeking relief? And let us say that the board had a choice between taking jumbo jets from Los Angeles or smaller planes from Sioux Falls; they are going to make more money on the former. But there is a right of all citizens to come to Washington to petition their Government. That does not mean that they have to take every flight, but maybe two or three a week at a prime time.

What I am trying to say, and I hope my colleague will hear me, is that there is a nationwide interest in these two airports. I feel strongly that the number of Presidential appointees should be increased.

Mr. TRIBLE. I understand the Senator's question and it is a fair one. Let me reclaim my time and respond as best I can.

The Holton Commission and all those engaged in crafting this legislation recognize that these airports have a national dimension. It is our view that in order to satisfy the requirements of aircraft passage it is necessary to turn these airports over to an authority that can operate them more effectively and generate the huge sums of money that are necessary to upgrade their operation.

(Mr. SIMPSON assumed the chair.)

Mr. DOLE. Will the Senator from Virginia yield briefly?

Mr. TRIBLE. I am happy to yield to the majority leader.

Mr. DOLE. I want to indicate at this time, after a brief discussion with the distinguished minority leader, that there will be no votes today. We do hope to continue discussion of this matter so if cloture is invoked on the motion to proceed then we could make some progress, but there will be no votes the remainder of the day.

Mr. BYRD. Mr. President, will the distinguished Senator yield? I thank the majority leader for making this announcement so that Senators from both sides may be able to plan the rest of their day accordingly.

Mr. DOLE. I would also indicate we are attempting to work out reconciliation. We are very close. We have a couple of small items with the House. I hope to be visiting the Speaker before too long to see if we can work out a couple of areas. If not, then I assume the House will take some action before they leave for the week.

Mr. SARBANES. Will the majority leader yield for a question?

Mr. TRIBLE. I will yield to the Senator from Maryland for the purpose of a question. I yielded the floor to the majority leader.

Mr. DOLE. I ask this not be included in the dialog.

Mr. TRIBLE. I think I am still in control of the time.

Mr. DOLE. Right.

Mr. TRIBLE. I am happy to yield to the Senator from Maryland for the purpose of a question to the distinguished majority leader.

Mr. SARBANES. I appreciate my colleague from Virginia doing that. Unfortunately, I fell into the fallacy of thinking when I saw the majority leader on his feet that he in fact was in control of the floor and simply accorded a respect to the majority leader which I now am informed by my colleague from Virginia I should not have done in the circumstance.

Could I ask the majority leader—I am prepared to go as long as he wants—how long would he like to go on?

Mr. DOLE. I do not have any suggestion. I think as long as there is constructive debate, but there will be a vote tomorrow morning. Maybe anytime the principals would like to terminate the debate.

Mr. SARBANES. Fine.

Mr. DOLE. I think it has been fully discussed. Again, I commend my colleagues on both sides. I do not see any reason to extend it if the principals can agree. Whatever they agree is fine with this Senator.

Mr. SARBANES. Fine. The other thing is I think I ought to observe to the majority leader, because we have tried to be candid with one another in the course of considering this matter, it is my own view that if in fact we get to this bill it is going to take some time to finally dispose of it.

There are a number of substantive amendments that need to be considered, so I do not think it is a matter of getting rid of the bill in a day or two, although by making that comment I am not trying to suggest that there is going to be highly extended debate. But I know we are into a period now where the majority leader is having to make judgments about other matters, and it just seems to me that there are a lot of amendments in fact on that side of the aisle as well, which I think the majority leader understands, and there are a number obviously on this side of the aisle. The ones that I am working on I do not think anyone would question as being substantive. They are directed to valid aspects of the bill. I simply wanted to say that for the benefit of the majority leader's thinking.

Mr. DOLE. Right. I certainly understand people have substantive amendments. They have a right to have those amendments debated and voted upon. And there probably are amendments—I think I know of amendments on this side and there may be amendments from a number of Senators on the other side; that it may take additional time, and it may not even be completed before the Easter recess because there are a couple of things we may have to set it aside for if we can get an agreement to do that. We still have the water bill we would like to dispose of early next week, and we have Contra aid that we would like to take up starting on Tuesday. We had hoped to determine the budget resolution—I do not think that will be possible—before we leave here Thursday, so I understand that and I appreciate the Senator's concern.

Mr. TRIBLE addressed the Chair.

The PRESIDING OFFICER [Mr. HATCH]. The Senator from Virginia.

Mr. TRIBLE. Let me respond to the question posed by the Senator from South Dakota. The Senator is concerned about his constituents and their level of representation and whether in some way service to his constituents will be diminished by this legislation.

My answer to the Senator would be absolutely not, for several reasons. The proponents of this legislation understand, Mr. President, the national dimension of this airport, and our purpose in this transaction is to improve those facilities, expand those facilities, make them more available to the citizens of South Dakota and the citizens of our other 49 States and the world.

In terms of oversight, be mindful that this transaction is not a sales transaction but, rather, a long-term 35-year lease. During that time the Federal Government maintains oversight authority. And there are certain ground rules under which the authority must operate. For example, they have to use the property about which we have heard so much today solely for airport purposes.

If they violate that provision, then the Federal Government reclaims those properties. So there is one oversight authority residing in this Congress during the course of that 35-year lease.

Moreover, in order to ensure that there will be no reduction of traffic at Washington National, an airport of special concern to my colleagues, there has been a freeze on slots. This authority cannot respond to the pressure of people who want to decrease flights, but, rather, would maintain most of the current flight levels. That means that there will still be flights beginning and ending at National carrying passengers all over this country.

Finally, I would point out to my colleague that in a deregulated airline environment, the decisions about who flies where and when are made largely by the carriers. These are not decisions made by any governmental authority. If market forces in South Dakota generate demand for services, then airlines will continue to serve South Dakota.

Mr. PRESSLER. If my colleague will yield for a question on that point, say that South Dakota or any other State 5 years from now has a problem with landing rights. Citibank located one of its largest divisions in South Dakota. United serves Sioux Falls as does Ozark. It is my feeling that both of those could operate full aircraft. They could not operate jumbo jets such as those that fly to Los Angeles, London, or Chicago.

If market forces alone are going to determine landing rights, we are going to be cut out. I am not bothered with market forces in terms of going to New York, Hawaii, or Chicago. But Washington, DC, is different. It is the Nation's Capital. A lot of my constituents come here for the purpose of petitioning their Congress, appearing before congressional committees, or seeking relief.

I think market forces should be the predominant factor, but also there are some things in our society that market forces do not determine. One is the right of minorities to have access to the Nation's Capital. Sometimes our smaller cities, counties, and States are in the category of minorities.

Mr. TRIBLE. I understand the Senator's concern abut having his constituents well served with air transportation. I would simply tell the Senator that we must live in a deregulated airline environment. That is the status quo. That is the way things are today. This bill will not change it.

Mr. PRESSLER. But the flights to the airport are decided by the airport.

Mr. TRIBLE. No; that is incorrect, I say to my distinguished friend.

Mr. PRESSLER. If the authority decides to allocate 9:15 a.m. to a certain flight——

Mr. TRIBLE. Slots are allocated by the airline committees, not the authority.

Mr. PRESSLER. That is not totally true. I disagree with that.

Mr. TRIBLE. We will have to sort that out, then. The record will speak for itself. One of us will not be correct.

Mr. PRESSLER. Ozark Air Lines cannot just declare tomorrow morning that it is going to start landing at 10 a.m. at National Airport.

Mr. TRIBLE. That is clearly so. There are a certain number of slots, but those slots are allocated by carriers committees not by the authority. There is a freeze on slots at Washington National, so that means there will be no reduction in the number of slots. They will always be at the current level. That is expressly there to protect your constituents.

I would point out further that there is no limitation on slots at Dulles. Dulles is an environment from which more and more planes will be able to operate. So the Senator's airplanes will have more than ample opportunity to find their way to Dulles Airport.

Mr. PRESSLER. I can assure you that the authority will participate in decisions dealing with landing times of aircraft from different parts of the country. It would be inaccurate to suggest that any airport authority is completely at the mercy of the carriers. That is not the way it works.

Mr. TRIBLE. Let me explain my point. We will let the record speak for itself. I will maintain the position that I have stated and I am stating now for the third time. That is that the allocation of slots is a function of the carriers committee decisions and not this, or any other, authority.

Let me address my final point and then I will be happy to yield for a colloquy.

Let me respond to a final point made by the Senator from South Carolina. That is the assertion that this bill is not unnecessary because there is a great sum of money available in the airport trust fund. Therefore, we should simply take those moneys and dedicate them for the purpose of improving these airports.

I think it would be instructive for my colleagues to know a bit more about how the airport trust fund operates.

As the program applies to all airports, it works in the following manner: Airports receive entitlement grants based on enplanements. Under the present circumstances, the Washington Metropolitan Airports would receive $6.5 million per year based on traffic at Dulles and National.

Discretionary grants are also made out of the trust fund. Only about $150 million has been made available for general discretionary grants each year. As a general rule of thumb, no airport receives more than $2.5 million per year in discretionary funds except under extraordinary circumstances.

There is absolutely no precedent for meeting the kinds of requirements that we find at Dulles and National from this airport trust fund. Indeed, in order to take from that fund the nearly $1 billion that is necessary to improve facilities at Dulles and National, it would leave little, indeed no, money for other facilities that desperately need it around our country.

Finally, let me point out that appropriations from the trust fund are an on-budget item. To the extend that this Congress chooses to appropriate any sum of money for this purpose, it will simply aggravate an already vast Federal deficit. Under the rules of Gramm-Rudman-Hollings, legislation crafted by the Senator from South Carolina at least in part, an important part, that is simply impossible.

The argument sounds very appealing but it simply does not comport with reality. The fund is available, but appropriations are unlikely.

In the environment of Gramm-Rudman-Hollings they simply will not occur. That argues, then, for the passage of this legislation because this represents the only means by which these important airports can be improved, expanded, and made to satisfy the increasing demands for airline traffic throughout this country.

I see my distinguished colleague and friend from Virginia on his feet. He has helped shape this legislation. He was a member of the Holton Commission. His interest remains profound and his leadership immense. I yield to my distinguished colleague from Virginia.

Mr. WARNER. I thank my distinguished colleague from Virginia and wish to commend him on this legislation we are discussing today. I had to Chair an Armed Services Subcommittee for 3 hours and was unable to accompany him on the floor today as much as I would have liked to.

My colleague makes reference to the fact that I was a member of the Holton Commission. I tried to attend each and every meeting of the commission. It was an outstanding commission. It was well represented from Virginia, Maryland, and the District of Columbia. We had the advice and counsel of many who had no affiliation whatsoever with either of those jurisdictions in matters relating to politics or otherwise, but just came in with good hardheaded counsel on the issues relating to operating these two airports and the financing.

Now on the latter point, I address the following observation to those who are anxious to consider changing the bill, and that is that there is a very delicate balance between the way this bill was crafted and the financing that will be required for the improvements of these two airports. It is envisioned that bonding authority will be utilized and, of course, we all understand that the cost of bonds is reflected by, primarily, the interest rate that must be paid. And that will become a direct obligation of the authority.

Now, if we pull and tug at this bill and change it, then we better watch at each point we do so—and I recommend we do not—but should it be the will of the Senate to change it, we must examine the ability of this authority to go into the public market to secure the adequate financing at rates which will enable these two airports to improve themselves and to remain viable economic entities.

I conclude by saying that these issues were carefully weighed by the commission, using the advice and counsel of independent individuals who cautioned us to put together this plan in a way that would enable the authority to go into the marketplace and raise the revenue through bonding at rates which would enable these airports to function as economic entities.

I see my distinguished colleague from South Dakota is on his feet.

Mr. PRESSLER. I appreciate what my colleague has said. Let me add earlier I made some remarks regarding allocation of slots, which I stand by very much. Let me say that the authority, I am told, could be very influential and determinative, depending on a number of conditions and depending on the direction that our airlines go.

But it is very important to many States that they have a direct flight to Washington, DC. Whether we have a direct flight to New York or not, as far as I am concerned, can be strictly market forces. But I would like to see one or two direct flights a week from my State to Washington, DC. If left entirely to the free enterprise system and left entirely to market forces in a deregulated environment, that probably will not happen.

But I want to use my influence as a Senator not to force the ability of flights to land, but certainly to influence it. We have located in Sioux Falls now Citibank, which employs several thousand people; I think the largest branch of Citibank. We have a number of farmers and small businessmen and others who come to Washington regularly who have business to conduct here; ranchers who appear before the ICC regarding the railroad and the West River area.

I would say to my friend from Virginia—and I have worked on many things with him—that I would appreciate his consideration of those distant

parts of the country that are unable to send jumbo jets in here. We fear that an authority controlled by one State would not be as fair as an authority with more national representation. I do think more Presidential appointee would be appropriate and I would ask him to consider that possibility.

Mr. WARNER. Mr. President, I understand the Senator's concerns. Indeed, were I to assume his position, I would advocate the same thoughts with equal force.

But I would say to the Senator, I hope he would think again before using the phrase that this authority would be under the control of one State. Again, the Commission, under the guidance of Governor Holton, carefully crafted it such that indeed Virginia has a certain number of positions and Maryland and the District of Columbia and, indeed, the President appoints some individuals. So it is not one State, it is a balance of the interests that are concerned.

Bear in mind that Virginia, directly and indirectly, has to assume a measure of responsibility for the infrastructure that surrounds these two airports. They do not simply become islands unto themselves, they become partners in a living, expanding economic community.

Mr. PRESSLER. Certainly, if my friend will yield—I admire Governor Holton very much—I am sure these would be people of the highest quality. But my friend, who has served as Secretary of the Navy and in many public capacities, would be well aware that with five members, I believe, from Virginia, and three from the District, Maryland would be automatically outvoted. And if you put Maryland and the District and Virginia together on an issue against the rest of the country, the President's one appointment just would not have much of a chance.

Taxpayers from all over this country are very proud of this area and invest in it. But we need a bit more to say about this authority, very frankly, and this bill I think is going to be in great difficulty unless we give the President the authority to appoint more members, with the advice and consent of the Senate.

Mr. WARNER. Mr. President, I say to my good friend, let us first get the facts correctly in the RECORD. There will be five from Virginia, three from the District of Columbia, two from Maryland, and one appointed by the President. Coincidentally, that is the formula that I recommended to the Commission and it was ultimately accepted. The formula represented a consensus among those members of the Commission who had indeed varying ideas.

But I cannot conceive the three members from the District of Columbia abdicating their interests to Virginia, and, likewise, the two from Maryland abdicating their interests, and the one by the President. So if you add them up, three from the District of Columbia, two from Maryland, that is five, and one from the President is six. So, actually, you have six against Virginia's five.

Mr. PRESSLER. Let us say that problem X arose, I do not know what that problem would be. But say problem X was very important to South Dakota and it was not deemed important to the local commissioners. A problem, let us say, of direct flights. Or let us say it is from some other State. It does not necessarily have to be mine. It could be from a section of Texas. Indeed, a situation that might mean less profits if the authority yielded on the issue.

Do you really think that those locally appointed commissioners, or authority, or whatever their titles will be, would act in the national interest against local interests in some instances if there were not more Presidential appointees?

Mr. WARNER. Well, I do not know what formula. I think I heard the Senator mention the formula from time to time. But let me say this is an issue that should be and will be addressed as soon as the Senate turns to the consideration of the bill. And I would hope that at this time or distinguished colleague from Maryland and I, in consultation with Mr. TRIBLE, can determine the duration of debate for the balance of the day.

I see other Senators on the floor who may be seeking recognition on matters other than the pending business.

Mr. PRESSLER. If my friend will yield further, I would throw out the possibility of a formula, 2, 2, 2, and 5. That would be an 11-person board—2 for Virginia, 2 for Maryland, 2 for the District, and 5 appointed by the President. Would that be agreeable?

Mr. TRIBLE. Will the Senator yield to me on that?

I think my colleague from Virginia's view is that this is an extended debate on a motion to consider a bill. This is hardly the place to debate the merits of the bill.

But, moving beyond that, may I inquire of the Senator: What are the concerns that are in your mind for greater representation on the Commission? What is it that troubles you? What action is this authority likely to to take that troubles constituents?

Obviously there is something that is troubling you that influences you to say there ought to be greater representation for this great national body of users. Could you articulate that for me?

Mr. PRESSLER. All right. It troubles me in the same sense that I would like to see someone from South Dakota be on the board of directors of the Kennedy Center, for example.

Even though that is located here in Washington, DC, and even though I support it, I would like to see directors from across the country. It is used by people principally from here. But there are times when it is used by people from every State in our Union. It is a national treasure. It would be nice to have someone from South Dakota on the board of directors of the Kennedy Center. It would further enrich the Kennedy Center. Let us say the directors of the Kennedy Center were only from the District, Maryland, and Virginia. They would do a good job. But there may be some instances where performers from South Dakota want to perform at the Kennedy Center. There may be some instances where groups from South Dakota would be able to participate in certain events over there in part because there was somebody from our State on the board of directors.

There is not any guarantee there will ever be somebody from South Dakota on the board of directors. The board members are appointed by the President of the United States, I believe. The Kennedy Center serves the entire country.

The local airports analogously also serve not only the region, but they also serve the entire United States in a quasi-public fashion because this is one city where many of our citizens have to come if they wish to petition their Government. Therefore, these airports take on a more important role. I think Virginia and Maryland and the District have both a greater benefit and a greater responsibility. What troubles me is down the road in 5 years, if a certain problem arises—we will call the problem X, because I cannot foresee what it might be—I feel that we would have a better chance at fair treatment if the President were to appoint more of the members of the authority, rather than to have them essentially appointed by Virginia, Maryland, or the District.

Right now the President only has one appointment who could be outvoted or have very little influence. He is one person. It would be like one Senator on the board of seven other people. He would be there, but he could be outvoted. It is a total of 10, 5 from Virginia, 3 from the District as I understand it, and 2 from Maryland. My latest amendment is two, two, two, and five.

Mr. TRIBLE. Five, three, two, one, all adding up to a grand total of 11.

Mr. PRESSLER. But the President only gets one. Would my colleague be offended if the President were to appoint more, and what would his objection be to the President's appointing more?

Mr. TRIBLE. What I tried to, if the Senator will yield, to ascertain in this colloquy is what it is my distinguished

colleague from South Dakota hopes to accomplish by greater representation? I asked specifically what are his concerns? My colleague's response was, well, I cannot foresee what they are tonight, but at sometime in the future concern X might arise.

It would seem that the obvious concerns that the Senator has for his constituents would be that they have access to this airport, that there be flights at regular times, and on a regular schedule enabling his constituents and mine can come and go from the Nation's Capital. Those will not be limited. Those rights can in no way be reduced by this authority.

This has to be discussed in our colloquy. The number of slots is determined by the FAA. The allocation of slots between competing airlines is done by airline carrier committees. These are not functions of the local authority.

My response to the question posed by my colleague is that I would see nothing that would be gained by changing the numbers. Having one or two more representatives appointed by the President really does not gain anything if we cannot be any more specific about our concerns here, and what it will surely do is kill this measure.

Mr. PRESSLER. Let me respond.

Mr. TRIBLE. Can I just complete this train of thought? It will kill this measure whether it is the intention of my colleague or not because the composition of this authority has been arrived at after great discussion and debate, and it has been very carefully crafted. If we change it here on this floor, then this initiative comes to an end.

Mr. PRESSLER. Why would that be? Would my colleague yield? Let me say we cannot foresee what the deregulatory environment will be 5 years from now. But an authority would be very influential in many of these decisions. It would certainly be consulted. The authority, let us face it, would be consulted. But why would this amendment mean an end to the bill? It is not meant to be a killer amendment. Why would the Senator not trust Presidential appointees? Perhaps the President of the United States would appoint all Virginians. Who knows? I think the Senate in its advice and consent would not allow that.

Mr. TRIBLE. It is really immaterial to me who the President would appoint, because unlike the Senator from South Dakota it is my view that once people are appointed to this Commission they will start thinking in terms of the metropolitan area, improving service to the Nation, and they are going to stop these partisan and parochial debates that we have heard on this floor.

I will say to the Senator the reason I suggested it would kill this bill is that this bill is based on a compact passed by the State of Virginia and the city of the District of Columbia that reflects this carefully crafted balance arrived at.

Each of us can disagree as to what kind of representation we would want for the various parties. But we have many different interests here. It is very difficult to reconcile those interests to everyone's satisfaction.

If we undo this agreement, then this particular legislation is at an end, and it would be necessary to begin this long and difficult process once again. So whether it is the intention of my colleague or not, it would be the end of this initiative, the status quo would be maintained, and these airports would continue to provide inferior service, rather than expanding to meet the growing requirements of his constituents and mine.

Mr. PRESSLER. If my friend will yield, let me say that I have made many arguments on this floor, and if my colleague considers them parochial, so be it. But I represent South Dakota. I appreciate very much the remarks he made on behalf of Virginia. I do not consider Virginians' arguments parochial. I represent South Dakota, and my friend represents Virginia. I consider his arguments on the merits. I hope he will not consider mine parochial for speaking up for my State.

It is perhaps true that some of these arguments do sound parochial, but they are very real. They are very real concerns. And they are concerns of the State that I represent. That is what the U.S. Senate is all about.

Mr. TRIBLE. Will the Senator yield on that particular point?

Mr. PRESSLER. Yes.

Mr. TRIBLE. This whole discussion has been a discussion of the relative interests of the Nation and the States of Virginia, Maryland, and the city of the District of Columbia, and whether the citizens of particular States would be well served by this transaction or not.

To that end, as we represent our particular constituents, one can say we represent interests that are not national but are parochial. That is indeed our responsibility, and for championing the interests of these constituents, I applaud this Senator. I simply tired in the course of our colloquy to point out that it is my judgment that the interests of his constituents would be better served by this transaction, by improved airports, and my colleague can in no way point out ways in which service would be diminished. Indeed, service will only be expanded. I think that has to be our purpose.

Finally, and with this I will yield and thank the Senator for his patience.

Mr. PRESSLER. If the Senator will yield further, I was leading to a question. If, indeed, my colleague considers my views parochial, the thing I am advocating in giving the President more appointments would be more of a national view. My colleague has not given any reason why he thinks the five Commissioners appointed by the President would be detrimental to the airport authority—they would act in the national interest. They certainly would not be parochial.

Mr. TRIBLE. I thought I was very clear in my response. Let me restate my response.

First of all, I see nothing that would be gained by increasing the representation by those people appointed by the President.

I invited my colleague from South Dakota to spell out the concern he is trying to address by that initiative, and he failed to do so.

Finally, I tried to point out that it is the experience with these boards and commissions that, once empaneled, they adopt the broader view of the metropolitan region they serve. The problems and opportunities of this metropolitan area are one and the same. The citizens of Maryland, the District of Columbia, and Virginia are all concerned about noise. We are all interested in improving the service at these airports. We want to encourage jobs and economic growth. We share the view of the Senator from South Dakota that we want to enhance the operation of these airports so that more of his constituents can come to this city.

I do not believe that these interests are in competition. Indeed, I think they are strikingly the same and that they include the approach put forth by this legislation.

Mr. SARBANES. Mr. President, who has the floor?

The PRESIDING OFFICER (Mr. GORTON). The Senator from Virginia.

Mr. TRIBLE. I yield the floor, Mr. President.

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, I say to the distinguished Senator from South Dakota that I think he has put his finger on a matter that should be of concern to a number of Members of the Senate, and that is, as he eloquently stated earlier in the day, that these airports are the air gateway to the Nation's Capital. So there is a Federal or national interest involved. How you provide for that is a difficult question, if at the same time you are determined to put these in local hands, as the Secretary of Transportation was.

The Secretary could have considered setting up an airport authority on her own to run these airports, with a combination of membership of the sort that the Senator talked about, or some other combination of membership.

The reason why it is a pressing issue for some Members is that the airport authority is probably going to be more interested in running service to some large metropolitan area elsewhere in the country than in running it to the less populated areas of the country. In other words, if you put it strictly on that basis, there will be less reason for them to be concerned about service to the more rural areas. So I can understand the concerns which the Senator has expressed.

In a sense, it is correct that this deal has been sort of cut, as it were. I think that was a mistake. It was cut without ever coming to the Senate or to Congress. We are now being told, in effect, "A deal was made, and you have to go with a deal or there is no deal," even though a lot of people look at this thing and say, "We see a lot of problems with it. It should have been done in a different way."

In fact, a lot of circumstances have changed since the Holton Commission, headed by the former Governor of Virginia, considered this matter some 18 months ago. Let me give one instance.

Dulles is currently experiencing a significant growth in enplanements, having handled 47 percent more passengers in 1985 than in the previous year. That was not a fact that the Holton Commission had before it; and if it had had that fact before it, the analysis it undertook would have been different from what took place which led to the Commission's recommendation. There were Maryland members of that Commission. We dissented.

A concern expressed in the Commission was how the Federal interest would be addressed and, in fact, how Members of the Senate and the House of Representatives would react to this proposal—the very debate and dialog that has just been going on between the Senator from South Dakota and the Senator from Virginia.

I simply say that many Members who, at first blush, may see this simply as a Maryland-Virginia-District of Columbia problem really should take an interest and a careful look at this legislation, because access on their part and the part of their constituents by air to the Washington metropolitan region is at stake in this bill.

It is my view, Mr. President, that there is a failure here to adjust to changing times and changing circumstances. The budget situation in which Congress finds itself is a very strong argument to reexamine, and reexamine carefully, the ridiculously low amount which the Federal Government would realize from the transfer of these assets.

Yesterday, I put in the RECORD a letter from the National Taxpayers Union which touched on this subject and really pointed out that under current budget circumstances, what was being done here was not a wise move. Let me underscore that point. In that letter, the National Taxpayers Union stated:

> DEAR SENATOR: Soon you may be asked to vote on S. 1017, the Metropolitan Washington Airports Transfer Act. This bill would transfer ownership of Dulles and National Airports to an independent authority dominated by the Commonwealth of Virginia. We urge you to vote "NO" on this sale.
>
> Although, we agree that the federal government should get out of the business of owning and managing airports, we are appalled at the ridiculously low sale price placed on these valuable properties. The combined market value of the properties is conservatively estimated at $1.5 to $2 billion. Yet, the two airports are to be sold for only $47 million—about 1/35 their actual worth.
>
> In addition, the transfer and future improvements are to be financed with tax-exempt bonds over a 30-year period. This adds up to a double soaking of the taxpayer.
>
> Given the nation's tremendous budget deficits and $4 trillion national debt, it is fiscally irresponsible for the federal government to do anything but seek fair market value for the airports. Sound policy demands that the price tag on Dulles and National be raised to reflect their true worth. Otherwise, the sale should be rejected.

Mr. President, what is being put to Members here is that unless you do it this way, nothing can be done. I do not accept that proposition. If, in fact, Members accept that proposition, it means that answers to problems are essentially going to be determined from outside the Senate, outside the body that has the burden of developing the solutions.

The choice is not between this and nothing. There are lots of choices; there are lots of possibilities.

There is a wide scope to develop a solution here that responds to many of the concerns that have been put forward by Members of this body. Members are not confronted with an end-all situation. In fact, it is my very strongly held view that if the Senate were to determine that it did not want to go ahead on this legislation; that there were enough problems swirling around it, contained within it; that it is not in a position now to be taken up and acted upon by the Senate; that that would open up an opportunity for the Secretary of Transportation, in consultation with the affected States and with Members of this body, to try to develop an altered approach that would respond to the problems and to the questions that have been raised.

Well, it is said, why do you not go to the bill and change it there? Because, as the Senator from Virginia just indicated in his response, the argument that will be used then is "You cannot change these things. It is all part," as he put it, "of a very carefully crafted arrangement."

Therefore, when he responded to the Senator from South Dakota, he in effect said, well, we cannot change the composition of the authority because this is all part of this carefully crafted arrangement, it is all part of the deal, and if that is changed, then you do not have a deal and you cannot move forward with the proposal contained in this legislation.

So the appeal to go to the legislation and consider it on the substance is, really, empty because if you should get there, then the argument would be made, "Well, now, you cannot tamper with this; this has all been carefully done." So if you have problems with what has been done, if you have questions about it, if you have concerns about it, the thing to do is to bring a halt to this, in effect, at the moment and allow an effort to be made to develop a proposal that meets those problems and those concerns.

Because I can tell you, Mr. President, the argument that was just heard—well, you cannot really tamper with this thing, it has been carefully crafted, and if you do so, the participants will no longer participate—is the argument that is going to be made. So we are going to say, "Look, you have to take it as it is."

I do not accept that proposition, Mr. President, but the way to address it is not to invoke cloture on this proposal, to provide thereby an opportunity to reexamine with some care, without the immediate press of a legislative deadline, the arguments that have been made, the concerns that have been raised, and the questions that have been asked.

None of those is beyond solving. People have talked about the amount of money. That judgment ought to be made in light of a lot of changing circumstances, including the very significant increase in traffic at both of these airports, and the significant strengthening of their financial position.

Questions have been raised about the composition of the authority. The numbers picked were not written in stone, they were put out as a proposal. The Commission actually considered lots of other proposals, came very close to adopting some of them. So there is nothing here that is etched in stone.

We have raised this point about noise, a very critical item; the question of cross-subsidizing. There is a whole range of issues here. It seems to me what is needed to be done is for the Senate to say, on tomorrow, by rejecting the cloture motion, that there are enough problems connected with this legislation, enough difficulties contained within it, that we think the better way to proceed is to reformulate it. Let that new proposal then encompass a response to many of the arguments that have been made here, on the floor.

I caution Members to think about this legislation in those terms because

the argument that will be made, if we should go to an amending process, is you cannot do that because this is a carefully crafted arrangement, as my colleague from Virginia said only a few moments ago in responding to the Senator from South Dakota and if you do that, the arrangement will fall apart and we will have no bill.

So I say to my colleagues, the way to address this is to reject the cloture motion tomorrow, open up thereby an opportunity to take another look at this legislative proposal, to reformulate it in the light of the questions and problems that have come out in this debate and which more Members now are beginning to express and to focus on. We must recognize that there are alternatives between taking this legislation and doing nothing. That is not the situation we find ourselves in. There are other alternatives and our opportunity to explore them and to address this matter in a positive and constructive way will be enhanced if the Senate refuses tomorrow morning to invoke cloture on the motion to proceed to this legislation.

Mr. TRIBLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. TRIBLE. Mr. President, it is not my intention to talk long at this hour of the day. The Senate has heard much about this proposed transaction over the course of the last 2 days.

Let me simply say that I hope that the Senate will be permitted to work its will on this important piece of legislation. We have heard a great deal of debate, a well-orchestrated attempt to frustrate this process, evidencing the continuing opposition of our friends in Maryland to efforts to enhance and develop the Dulles and National Airports.

I understand that opposition, Mr. President. It has been expertly advanced over the last 2 days. But let me remind my colleagues our situation. We are debating the motion to proceed.

I would suggest the time has come for the Senate to proceed to the consideration of this matter so that we can debate the merits of this proposition and decide whether we should proceed and, if so, under what terms.

The support for this legislation is broad-based. It extends well beyond Virginia. Indeed, this legislation is enthusiastically supported by the citizens of Virginia, the District of Columbia, and I would add many residents of Maryland as well. They all understand the importance of improving the operations of Washington National and Dulles so that all of our citizens, wherever they reside, will be better served.

This legislation, of course, is supported by the administration and by airline organizations representing the major carriers that propose to serve this region. They understand how desperately important it is that we find a way to enhance the facilities at Dulles and National.

I look forward to the vote tomorrow morning. Cloture is never easily invoked on a first attempt, but it is my hope that this Senate will act decisively tomorrow so we can continue this debate on the merits and resolve some of the questions that have been advanced here over the last couple of days.

For us to fail to do so we would abdicate our responsibility to the many constituents that we serve.

Moreover, let me point out that a lot of very able people have worked on this legislation over the course of the last year. I would note the service of the members of the Holton Commission, former Governor Holton, of Virginia, and citizens from all the metropolitan areas of Washington who helped craft this legislation, the Secretary of Transportation, the Senator from Missouri, Senator DANFORTH, the chairman of the Commerce Committee, and a bipartisan majority of that committee who supported this legislation after thorough review and a great deal of debate by a margin of 12 to 4.

This bill has broad-based support. The opposition does not extend beyond a handful of Senators. It would be my hope that that bipartisan majority will be given the opportunity to work its will in this Senate.

Mr. SARBANES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CLOTURE MOTION

Mr. SIMPSON. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to the consideration of S. 1017, a bill to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority.

Bob Dole, Jack Danforth, Steve Symms, W.D. Armstrong, Slade Gorton, John Warner, Strom Thurmond, Chuck Grassley, Daniel J. Evans, Al Simpson, Thad Cochran, John H. Chafee, Paul Trible, Mark Andrews, Orrin G. Hatch, and Paul Laxalt.

Mr. SARBANES. Mr. President, will the assistant majority leader yield for a question?

Mr. SIMPSON. I yield.

Mr. SARBANES. Mr. President, I take it that the cloture motion which was just sent to the desk on S. 1017 is premised on the vote to occur tomorrow on a cloture motion.

Mr. SIMPSON. The Senator is correct.

Mr. SARBANES. That is a premise I am happy to see the assistant majority leader acting upon. In other words, the cloture motion is submitted on the premise that the cloture motion that will be voted on in the morning may not invoke cloture. Assuming that is the case, when would the vote occur on the cloture motion that the Senator has just submitted take place?

Mr. SIMPSON. Due to the possible uncertainty of tomorrow's outcome, if cloture is not invoked on tomorrow, then the vote on the motion just entered will come 1 hour after convening on Monday, following the ascertainment of a quorum.

Mr. SARBANES. Mr. President, can the acting majority leader set a time for convening on Monday?

Mr. SIMPSON. Mr. President, that hour has not been established. I would assume that it would likely be at noon.

Mr. SARBANES. I thank the distinguished assistant majority leader. In closing, may I say again that I appreciate the premise on which the cloture motion is submitted.

Mr. SIMPSON. Mr. President, I do not know that the majority leader is appreciative of that, but we must press on with our business here. We do not want to spend a great deal of time on motions to proceed, if we can avoid it.

ROUTINE MORNING BUSINESS

Mr. SIMPSON. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, not to extend beyond the hour of 7 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

TAX-EXEMPT STATUS OF MUNICIPAL BONDS

(The following proceedings occurred earlier.)

Mr. D'AMATO. Mr. President, I thank my colleague, the Senator from South Carolina, for giving me the opportunity to make a brief statement on a subject that is of a tremendous importance to all cities and States.

Mr. President, I rise today feeling a great deal of frustration and consternation. Yesterday, the municipal bond market ceased to exist. At first blush, this may sound like a esoteric subject of interest to only financiers. However, the truth is that without municipal

bonds, roads will not be fixed, hospitals will not be built, garbage will not be disposed of, and taxes will certainly rise.

Last Friday the chairmen of the two tax writing committees issued a statement with the support of the Secretary of the Treasury extending the effective date for general obligation bonds to September 1, 1986. I was happy that at least this small step was taken, though I would have preferred that the effective date of the entire bill be moved January 1, 1986. But at least cities and States would be able to issue bonds to fund legitimate government services.

This was true until yesterday. Yesterday, the chairman of the Finance Committee made public his tax reform proposal. Contained in that proposal is a Treasury sponsored provision that calls into question the tax exempt status of all municipal bonds. Treasury recommended that all tax exempt interest earned on bonds issued in the past and in the future be included in a minimum tax.

What was the effect of Treasury's minimum tax proposal? The bond market halted. For instance, the city of New York was forced to cancel a $450 million general obligation bond issue designed to finance general city services. New York City planned to issue these bonds based on a statement made last Friday moving the effective date for general obligation bonds to September 1, 1986.

Treasury concurred with the effort to move the effective date of certain municipal bonds. But then Treasury turned around and ensured that cities and States could never issue low cost tax exempt securities. What Treasury gave with one hand they took away with the other. The net effect is that cities and States and ultimately taxpayers are left in the lurch.

What will inclusion of tax exempt interest in a minimum tax cost? According to the Public Securities Association, interest rates on municipal securities will rise 50 to 75 basis points. Based on the volume of tax exempt debt in 1984 and 1985, added interest costs to cities and States through 1990 will be between $8 and $24 billion. This means that either services will not be funded or taxes will rise.

The Public Securities Association estimates that in my home State of New York interest costs will rise between $562 million and $1.5 billion.

The Treasury proposal changes the rules in the middle of the game. If an individual purchased a tax-exempt bond 10 years ago, that bond may be taxable under Treasury's plan. First, this is grossly unfair. Second, it may very well be unconstitutional. The doctrine of reciprocal immunity states that the Federal Government cannot tax the operations of local government and likewise, local government cannot tax the operations of the Federal Government. The notion of reciprocal immunity was first established by Chief Justice Marshall in 1812. Treasury wants to throw this out the window. Who will pay? The taxpayer ultimately will bear the burden.

Treasury would not be happy if States began to tax Federal securities. You can be sure that Treasury bureaucrats would be outraged by such a proposal.

I am pleased that the Finance Committee has agreed to take up the inclusion of tax-exempt interest in the minimum tax on Monday. This will not help the city of New York which is hanging in the lurch. I would hope that Treasury would announce today that it renounces this wrong-minded proposal. If this were done today, the city of New York could proceed to raise $450 million to finance ongoing operations.

Mr. President, it is rather incredible to believe that the Treasury of the United States and that the chairmen of the taxwriting committees of both Houses would seek to end the tax-exempt status of municipal bonds. Not just future bonds, but even the municipal bonds issued decades ago. This has been accomplished by the proposal to include tax-exempt interest in a new minimum tax. The result of this shortsighted move is to shut down the municipal bond market.

This is not an esoteric subject. People may say, "What does the municipal bond market have to do with me?" It means that local government, when it goes to raise revenues for paving the streets, building the bridges, repairing the hospitals, taking care of the municipal sewage treatment plants, can no longer sell low cost bonds. Why? Because the nameless, faceless gnomes in the bowels of the Treasury have finally had it their way. They have finally been able to get into legislative language a proposal that really says that municipalities will no longer have tax exempt status; they will no longer enjoy that.

Maybe it is going to bring revenues to the Treasury of the United States, although I doubt it. What about the cost? It is going to wind up costing the taxpayers, the municipalities, the local governments from $8 billion to as much as $24 billion a year more.

We are simply shifting to the local taxpayers an incredible cost, because municipalities will no longer be able to sell bonds at 2 percent lower than traditional taxable rate.

Mr. President, I have sent a letter today to Secretary Baker, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARCH 20, 1986.

JAMES A. BAKER III,
Secretary of the Treasury, Washington, DC

DEAR MR. SECRETARY: Yesterday the municipal bond market ceased to exist. This was as direct result of a provision contained in the tax reform proposal drafted by the Chairman of the Finance Committee. This provision would include all tax-exempt interest earned on bonds issued in the past and the future in a new minimum tax. As a result, the tax-exempt status of all municipal securities is in doubt. It is my understanding that this provision was included in the Chairman's proposal at the request of the Treasury Department.

The inclusion of tax-exempt interest in a minimum tax is unfair and probably unconstitutional. Furthermore, the President's tax proposal specifically excluded tax-exempt interest from the minimum tax.

According to an industry trade group, this provision will raise municipal interest costs from $8 billion to $124 billion through 1990. In New York State, it is estimated that interest costs will rise from $562 million to $1.5 billion. This will result in higher taxes or reduced services.

What truly frustrates me is that the Chairmen of the two tax writing Committees of Congress, with the concurrence of the Treasury Department, recently issued a statement delaying the effective date of general obligation bonds to September 1, 1986. Based on this, many cities and states planned to issue bonds. These bond issues had to be delayed indefinitely. For instance, the City of New York had to postpone a $450 million bond issue designed to fund numerous vital projects.

In short, what Treasury gave municipalities by delaying the effective date has been taken away. I urge you to issue a statement renouncing the Treasury supported provison including tax-exempt interest in a minimum tax. Only in this way can local government, such as the City of New York, proceed with financing legitimate government services.

Sincerely,

ALFONSE M. D'AMATO,
U.S. Senator.

Mr. D'AMATO. Mr. President, in my letter I pointed out how the inclusion of tax-exempt interest in a minimum tax frustrates the legitimate efforts of local government, and how it will cost the taxpayers of every municipality in this Nation billions of dollars.

I suggest, Mr. President, that it is typical of what the tax reform effort has accomplished. Or I should say not accomplished. A proposal that was supposed to bring tax simplification, that was supposed to be fair, ends up causing incredible hardship on the American citizens.

If these efforts continue, I think we should end consideration of the tax reform. It is ill-conceived and unconstitutional to include tax-exempt interest in a minimum tax. Worse still, the proposal is retroactive. The proposal would tax people who purchased municipal bonds the past 10 years with the expectation that the interest would be tax free.

Mr. President, I do not wish to speak longer on this subject, because I could speak for days.

I yield the floor back to the Senator from South Carolina [Mr. HOLLINGS], my good friend, and I thank him for his courtesy in allowing me to put this in the RECORD. I do not think we should stand still while the cities and the taxpayers of this Nation are imperiled as the result of this shortsightedness of the Treasury Department.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I thank the distinguished Senator from New York. He is right on target. Marking up the bipartisan budget, as we were on yesterday afternoon, it would interest the Senator from New York to know that, as budgeteers, we reacted in horror to hear that someone was going to suggest not only disallowing the tax-exempt nature of municipal bonds but also making it retroactive and terrifying the bond market. We could not understand that. We got into a very close discussion with respect to revenue sharing.

I happen to have been in the Senate in February 1, 1967, 19 years and 1 month ago. I came up here in 1966. I got with the legislative counsel. I got a revenue-sharing bill introduced on February 1, 1967, to assist the local communities who were assisting themselves. The Senator's former colleague, the distinguished Senator Robert Kennedy, said to me, "FRITZ, I can tell you now we cannot allow all that money to go to Albany, just to the State. The city of New York will get very little of it."

You can look at the Kennedy bill, under the Johnson administration, because the statement was made that this was a President Nixon initiative. The fact is that Senator Robert Kennedy put in a bill—word for word, our particular bill that came out of the legislative counsel—allocating it, instead of to the States, to the municipalities and counties of America. That is how we started on this initiative. It was for all those areas that were making a tax or revenue effort, a reasonable revenue effort themselves, to be rewarded and to take on these new things coming from this so-called Great Society.

We were making the local communities far more conscious of the various needs of environment and law enforcement and better-trained law enforcement officers in those particular days of demonstrations and everything else. So, not to pay the law enforcement officers, not to pay the firemen, but for these special programs offloading these responsibilities—frankly, we wanted to have a program instituted of revenue sharing.

Yesterday afternoon, in voting on that budget, we had a close vote with respect to revenue sharing. It did not pass—meaning that we fence in this particular budget one-half if it is authorized, one-half of the amount. Last year, in all candor, we told the municipal and county officials that we doubted we could continue it this year but count on it through September 1986 because we just have run out of revenue to share. We do not have any revenue, as is obvious from the high deficits and the big national debt. So here we are, and we have started under the so-called Federal leadership of bringing into being these programs at the local level, cutting off the wherewithal with respect to revenue sharing and now saying, even if you want to do it and take on the finanical burden and debt yourself, by gosh, we are not going to let you do that.

We just want you to have the responsibility with no way in the world to respond, because everybody knows on the basic property tax, there has been vote after vote on Proposition 13 and Proposition 2½, and proposition this and proposition that. On real property itself, as in Kansas City, the local city father has gone about as far as he can go, so he has to issue municipal bonds to come up with these particular needs.

Now, they come with this nonsensical proposition. I do not know if it will pass. I know it could not pass in the Senate Budget Committee.

Mr. D'AMATO. Mr. President, I think my distinguished colleague from South Carolina is absolutely correct. I cannot believe either of the Houses would want to tax municipal bonds retroactively. Yet what they have done is to terminate the bond market and literally all sales of these bonds have been withheld. There will be a premium paid by States and cities because of the uncertainty in the future.

Mr. HOLLINGS. Right.

Mr. D'AMATO. Driving the cost up to whom? Working middle-class homeowners, the taxpayers. As the Senator from South Carolina put it, it is one of the incredible inconsistencies that exists today.

First we shift more spending on to local government. Then we say that cities and States cannot issue bonds to finance activities that the Federal Government can no longer afford. The Treasury is trying to make it more costly for local government to undertake these projects, whether building roads or hospitals? It does not make sense. I agree with my colleague.

Mr. HOLLINGS. I am pleased the Senator from New York has brought this to the attention of the body this afternoon. It is very important that we reestablish the confidence of the domestic market. We have no idea in the Senate, as far as this Senator is concerned, of passing anything of that nature. We do have a better appreciation and understanding of the wonderful public purpose we have in tax-exempt municipal bonds. That has been given for many, many years.

Mr. D'AMATO. If I might suggest to my colleague what I see taking place, it is this idea of setting up a straw man—the straw man of the wealthy American who pays no taxes. Treasury says we should not allow people to buy municipal bonds to avoid taxes. This is really fallacious because in the long run, the cost to the average taxpayer is going to go up by doing away with the tax-exempt governmental purpose bonds. We are not talking about private-sector bonds but governmental purpose bonds that our local villages, towns, and cities must use to keep costs down.

This is the battle. Treasury is going to say, I am for the rich guy. I would like the record to be set straight that I am for working middle-class families. I am for local government. I am not for getting a huge burden put on local government. I want a fair minimum tax, but that does not tax municipal bonds.

Mr. HOLLINGS. I am sure the record would show that, in the New York bond market, the majority of those are widows and persons with families who are trying to maintain the little estate that is left. Not the rich, not the idle rich. They do not want this money, they are not waiting for the payoff of the municipal bond. They are not looking for that stability. They want to make more. I can tell you, Mr. President, that group that is really rich can invest in far more than municipal bonds. If you have a trust, an estate, if you are a widow who is left, and says, "Well, now, I don't have any income. I have lost John. How am I going to pay doctor bills and other bills?" The banker or local trust officer will say, "Put it in some municipal bonds; it is a good payout to you in a general sense and you will not be paying all those taxes."

That is the gap that is filling in the investment community, not the real rich.

Some of them come along and get some of that. But they make more money out of other things, way more than municipal bonds will return.

Mr. D'AMATO. The Senator makes a good point. In my State, many of middle-income people have invested their extra money, good sound savings, in municipals.

I thank the Senator from South Carolina.

Mr. HOLLINGS. I thank the Senator from New York.

RETROACTIVE BOND INTEREST

Mr. MOYNIHAN. Mr. President, Senator PACKWOOD has assured me that this issue will be brought up at the beginning of the next meeting of

the Finance Committee, which is to be at 9:30, next Monday morning.

I am confident that the committee will not agree to the last-minute change that makes the interest provisions on tax-exempt bonds retroactive.

The concern has been that even with a strengthened minimum tax, so long as large holders of tax-exempt bonds can continue to exclude interest from the calculation of minimum tax, there will continue to be a number of taxpayers who pay no tax despite large incomes.

This is a legitimate concern, but does not overcome the objection to retroactive tax provisions, nor does it protect small holders who will see the value of their investment decline in consequence of its lesser value to large holders.

ASSISTANCE TO DEMOCRATIC RESISTANCE IN NICARAGUA—MESSAGE FROM THE PRESIDENT DURING RECESS—PM 123

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on March 19, 1986, during the recess of the Senate, received the following message from the President of the United States; which was referred to the Committee on Foreign Relations:

To the Congress of the United States:

Since I transmitted my message to the Congress on February 25 requesting additional assistance for the Nicaraguan democratic resistance, I have heard from many thoughtful Members of Congress, as well as from Latin American leaders and the leaders of the Nicaraguan democratic resistance. Many have raised the question of how the additional authority I have requested could be implemented so as to help persuade the Government of Nicaragua to engage in a serious effort to resolve the conflict in Central America through peaceful means.

I am determined to make every effort to protect our vital interests and achieve peace without further loss of life. That is why on February 10 I proposed simultaneous talks by the Government of Nicaragua—with their opposition and with the United States. That is why on February 25 I affirmed my commitment to direct the additional assistance I have requested toward a comprehensive and verifiable agreement among the countries of Central America, based on the Contadora Document of Objectives. And that is why on March 7 I appointed Ambassador Philip Habib as my special envoy for Central America.

On Sunday night, I described to the American people the threat to our security that confronts us in Central America. As I said then, we are still willing to pursue vigorously a diplomatic effort to achieve a lasting peace. Approval of my request for additional assistance to the Nicaraguan democratic resistance does not mean that a military solution is inevitable. It is, however, essential that the Congress act now to approve this assistance if diplomacy is to have a chance. Accordingly, I am providing in this message a further explanation of how I will implement the authority I have requested.

If the Congress approves my request I will send my special envoy on an urgent mission to the capitals of the Contadora and Support Group nations. He will ask them to join with us in urging the Government of Nicaragua to initiate a national dialogue with representatives of all elements of the democratic opposition, designed to achieve the goals set out in the widely heralded proposal announced by six opposition Nicaraguan political parties on February 7, 1986. Their proposal, which has been endorsed by the Nicaraguan democratic resistance, calls for an immediate cease-fire, an effective general amnesty, abolition of the state of emergency, agreement on a new electoral process and general elections, effective fulfillment of international commitments for democratization, and observance of implementation by relevant international groups and bodies.

President Duarte's additional proposal for simultaneous dialogue with the Salvadoran guerrillas, a proposal endorsed by the democratic Presidents of Costa Rica, Honduras, and Guatemala, reinforces the importance of an internal dialogue in Nicaragua to address the objectives of the six-party proposal of February 7.

In order to give the Government of Nicaragua every reasonable opportunity to respond favorably, and to provide an incentive for a positive response, I will limit the assistance to be provided to the Nicaraguan democratic resistance for 90 days following approval of my request to the following:

(1) humanitarian assistance, as defined in section 722(g) of P.L. 99-83, including support for programs and activities to strengthen respect for human rights;

(2) logistics advice and assistance;

(3) equipment and supplies necessary for defense against air attack;

(4) support for democratic political and diplomatic activities; and

(5) training in radio communications, collection and utilization of intelligence, logistics, and small-unit skills and tactics.

Following this 90-day period, additional types of assistance will be provided to the Nicaraguan democratic resistance only if—

(1) I have determined, after consultation with the Congress,

(a) that the Central American countries have not concluded a comprehensive agreement based on the Contadora Document of Objectives;

(b) the Government of Nicaragua is not engaged in a serious dialogue with representatives of all elements of the democratic opposition, accompanied by a cease-fire and an effective end to the existing constraints on freedom of speech, assembly, and religion; and

(c) there is no reasonable prospect of achieving these developments through further diplomatic measures, multilateral or bilateral, without additional assistance to the Nicaraguan democratic resistance;

(2) I have reported my determination to the Congress; and

(3) Fifteen days have elapsed following my report to the Congress, during which the Congress may take such legislative or other action as it deems appropriate.

Should the conditions described in subparagraph (a) or (b) of paragraph (1) later be achieved, assistance to the Nicaraguan democratic resistance will again be limited to the categories, described above, available during the initial 90 days following approval of my request, for so long as the Government of Nicaragua acts in good faith to maintain those conditions.

In order to keep the Congress fully and currently informed of developments relating to diplomatic efforts to achieve a peaceful resolution of the conflict during the 90 days following approval of my request, I will appoint a special bipartisan commission to report on negotiations, whose reports will be made available to the Congress. This commission shall be composed of individuals, none of whom shall be a Member or employee of the Congress or an officer or employee of the United States, recommended by the Speaker and Minority Leader of the House of Representatives and the Majority and Minority Leaders of the Senate, with a fifth member of the commission to be recommended by the four other commissioners.

This approach represents a sincere effort to achieve peace through negotiations. In order to further this effort, I will make $2,000,000 of the funds I have requested for assistance to the Nicaraguan democratic resistance available to the Central American democracies (Costa Rica, El Salvador, Guatemala, and Honduras) to facilitate their participation in regional meetings and negotiations. In addition, I will encourage those countries and the Contadora and Support Group nations to make regular and public reports on the status of negotiations, the likelihood of achieving a comprehensive agreement, progress toward national reconciliation, and the obstacles thereto.

Moreover, the United States will assist all indigenous groups which are committed to work together for democratic national reconciliation in Nicaragua based on the six-party proposal.

We will require only that they respect international standards of conduct, refraining from violations of human rights or other criminal acts, and that they work together toward this common goal.

In this regard, the democratic resistance has been broadening its representative base. The United Nicaraguan Opposition (UNO) now includes the largest of the Indian/Creole resistance groups (KISAN), and has forged cooperative relationships with other democratic resistance elements. The UNO has also engaged in constructive discussions with the Southern Opposition Bloc (BOS). And UNO has further strengthened unity by ensuring that all its military forces are responsive to its civilian leadership. We wholeheartedly support these developments and will encourage the democratic opposition to take further steps that will increase its unity and its appeal to the Nicaraguan people. Toward this end, I will reserve not less than $10,000,000 of the funds I have requested for assistance to resistance forces otherwise eligible and not currently included within UNO, one-half of which shall be for BOS and one-half shall be for the Indian resistance force Misurasata.

However, no group shall receive assistance from the United States if it retains in its ranks any individual who engages in—

(1) gross violations of human rights (including summary executions, torture, kidnapping, forced recruitment, or other such violations of the integrity of the person); or

(2) drug smuggling, or significant misuse of public or private funds.

There are two other issues, relating to funding, that I ask you to consider.

First, there has been inaccurate public speculation about what additional funds for assistance to the Nicaraguan democratic resistance might be available beyond the $100 million for fiscal years 1986 and 1987 that I have requested be transferred from amounts already appropriated to the Department of Defense. I want to state unequivocally that I will not augment this $100 million through the use of CIA or any other funds that have not been approved by the Congress for this purpose.

Second, when I proposed to the Congress a Central America Democracy, Peace, and Development Initiative to implement the recommendations of the National Bipartisan Commission on Central America, I included Nicaragua among the countries that could benefit from this initiative. The Congress accepted my recommendation in enacting a new chapter of the Foreign Assistance Act of 1961. The Congress also authorized in that act, as the Bipartisan Commission recommended and I requested, the appropriation of the full $1,200,000,000 in nonmilitary assistance for Central America for fiscal years 1988 and 1989. However, the current authorization for fiscal year 1987 falls short of this goal. This, combined with appropriations shortfalls from previous years, is an obstacle to timely progress. I will ask the Secretary of State, the Administrator of the Agency for International Development, and the Director of the Office of Management and Budget to develop a plan to overcome the funding shortfalls that have occurred. In addition, I urge the Congress to provide the full amounts of economic assistance I have requested in my budget for fiscal year 1987 so that the necessary long-term commitment urged by the Bipartisan Commission will be fulfilled, and so that the promises of peace and freedom will be realized throughout Central America.

Upon the enactment of a joint resolution approving my request, I shall issue an Executive order to provide for the implementation of the undertakings I have expressed in this message and in my message of February 25. The Secretary of State, or his designee, will be responsible, under my direction for policy guidance and coordination of United States Government activities under that Executive order.

In conclusion, I must stress that our diplomacy cannot succeed without the demonstrated resolve of the United States to protect its own interests and those of the brave men and women who are fighting for democracy in Central America. The time for decision is now. Your vote on my request will be a fateful one. I need and urge your support on this vital issue.

RONALD REAGAN.

THE WHITE HOUSE, *March 19, 1986.*

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

RESCISSION OR DEFERRAL OF CERTAIN BUDGET AUTHORITY—MESSAGE FROM THE PRESIDENT—PM 124

The Presiding Officer laid before the Senate the following message from the President of the United States, together with accompanying papers; which, pursuant to the order of January 30, 1975, was referred jointly to the Committee on Appropriations, the Committee on the Budget, the Committee on Foreign Relations, the Committee on Energy and Natural Resources, the Committee on the Judiciary, and the Committee on Commerce, Science, and Transportation:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report two revised rescission proposals totaling $54,920,475, two new deferrals of budget authority totaling $2,026,462, and one revised deferral of budget authority totaling $10,238,000.

The rescissions affect programs in Funds Appropriated to the President and in the Department of Energy.

The deferrals affect programs in the Departments of Commerce, Interior, and Transportation.

The details of these rescission proposals and deferrals are contained in the attached report.

RONALD REAGAN.

THE WHITE HOUSE, *March 20, 1986.*

MESSAGES FROM THE HOUSE

ENROLLED BILL AND JOINT RESOLUTION SIGNED

At 11:30 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled bill and joint resolution:

H.R. 2453. An act to amend the Older Americans Act of 1965 to increase the amounts authorized to be appropriated for fiscal years 1985, 1986, and 1987 for commodity distribution, and for other purposes; and

H.J. Res. 563. Joint resolution to provide for the temporary extension of certain programs relating to housing and community development, and for other purposes.

The enrolled bill and joint resolution were subsequently signed by the President pro tempore (Mr. THURMOND).

At 4:55 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the amendment of the House to the amendment of the Senate to the joint resolution (H.J. Res. 534) making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes.

The message also announced that pursuant to the provisions of section 276h of title 22 of the United States Code, the Speaker appoints as members of the United States Delegation of the Mexico-United States Interpar-

liamentary Group for the second session of the Ninety-ninth Congress, to be held in Colorado Springs, CO, May 29 through June 2, 1986, the following Members on the part of the House: Mr. DE LA GARZA, Chairman, Mr. YATRON, Vice Chairman, Mr. RANGEL, Mr. COLEMAN of Texas, Mr. UDALL, Mr. GIBBONS, Mr. MILLER of California, Mr. LAGOMARSINO, Mr. DREIER of California, Mr. DELAY, Mr. GILMAN, and Mr. KRAMER.

At 6:11 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following joint resolutions, without amendment:

S.J. Res. 262. Joint resolution to authorize and request the President to issue a proclamation designating June 2 through June 8, 1986, as "National Fishing Week"; and

S.J. Res. 272. Joint resolution to authorize the request the President to issue a proclamation designating March 21, 1986, as "Afghanistan Day", a day to commemorate the struggle of the people of Afghanistan against the occupation of their country by Soviet forces.

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker has signed the following enrolled bill and joint resolutions:

H.R. 4399. An act to designate the Federal building located in Jamaica, Queens, New York, as the "Joseph P. Addabbo Federal Building";

S.J. Res. 272. Joint resolution to authorize and request the President to issue a proclamation designating March 21, 1986, as "Afghanistan Day", a day to commemorate the struggle of the people of Afghanistan against the occupation of their country by Soviet forces;

H.J. Res. 534. Joint resolution making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes.

The enrolled bill and joint resolutions were subsequently signed by the President pro tempore [Mr. THURMOND].

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2751. A communication from the Principal Deputy Assistant Secretary of Defense transmitting, pursuant to law, the report for the quarter ended December 31, 1985 on the value of property, supplies, and commodities provided by the Berlin Magistrate; to the Committee on Armed Services.

EC-2752. A communication from the Secretary of Transportation transmitting, pursuant to law, the annual report on railroad financial assistance; to the Committee on Commerce, Science, and Transportation.

EC-2753. A communication from the Secretary of Commerce transmitting, pursuant to law, his annual report for fiscal year 1985; to the Committee on Commerce, Science, and Transportation.

EC-2754. A communication from the Secretary of Transportation transmitting, pursuant to law, the report on automobile antitheft devices; to the Committee on Commerce, Science, and Transportation.

EC-2755. A communication from the Secretary of Energy transmitting, pursuant to law, the 1985 annual report of the Bonneville Power Administration; to the Committee on Energy and Natural Resources.

EC-2756. A communication from the Acting Federal Inspector, Alaska Natural Gas Transportation System, transmitting, pursuant to law, the 25th quarterly report on the status of the system; to the Committee on Energy and Natural Resources.

EC-2757. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, a report on Medicare payment for hospital capital; to the Committee on Finance.

EC-2758. A communication from the Secretary of Health and Human Resources transmitting a draft of proposed legislation to extend for 5 years the authorization of appropriations for low-income home energy assistance; to the Committee on Labor and Human Resources.

EC-2759. A communication from the Administrator of the Veterans' Administration transmitting a draft of proposed legislation to authorize VA police to enforce State and local traffic laws; to the Committee on Veterans' Affairs.

EC-2760. A communication from the Director of the Defense Security Assistance Agency transmitting, pursuant to law, a confidential report on a foreign military assistance sale to Indonesia; to the Committee on Armed Services.

EC-2761. A communication from the Assistant Secretary of Defense transmitting, pursuant to law, a report on independent research and development costs and bid proposal costs; to the Committee on Armed Services.

EC-2762. A communication from the Assistant Secretary of Defense transmitting, pursuant to law, reports on independent research and development costs and bid proposal costs; to the Committee on Armed Services.

EC-2763. A communication from the Secretary of the Air Force transmitting, pursuant to law, a report on the increase, by 124 percent, in cost of the MX missile procurement unit cost; to the Committee on Armed Services.

EC-2764. A communication from the Fiscal Assistant Secretary of the Treasury transmitting, pursuant to law, 7 annual trust fund reports; to the Committee on Finance.

EC-2765. A communication from the Acting Assistant Secretary of State transmitting, pursuant to law, the Presidential determination to furnish $10 million in emergency military assistance to Chad; to the Committee on Foreign Relations.

EC-2766. A communication from the Chairman of the Federal Election Commission transmitting, pursuant to law, the Commission's Freedom of Information report for 1985; to the Committee on the Judiciary.

EC-2767. A communication from the Associate Director of ACTION transmitting, pursuant to law, the agency's 1985 Freedom of Information report; to the Committee on the Judiciary.

EC-2768. A communication from the Secretary of Education transmitting a draft of proposed legislation to amend student aid programs; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary, without amendment and with a preamble:

H. Con. Res. 278. Concurrent resolution expressing the sense of the Congress that February 28, 1986, should be designed "National Trio Day" and that the achievements of the Trio programs should be recognized.

S. Res. 105. Resolution to designate March 21, 1986 as "Henry Ossian Flipper Day".

By Mr. THURMOND, from the Committee on the Judiciary, without amendment:

S. 1655. A bill to amend the Unfair Competition Act of 1916 and Clayton Act to provide for private enforcement of the Unfair Competition statute in the event of unfair foreign competition, and to amend title 28 of the United States Code to provide for private enforcement of the Customs fraud statute.

By Mr. THURMOND, from the Committee on the Judiciary, without amendment and with a preamble:

S.J. Res. 251. A joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "National Science Week, 1986".

S.J. Res. 263. A joint resolution to designate the week of September 7-13, 1986, as "National Independent Retail Grocer Week".

S.J. Res. 264. A joint resolution designating April 28, 1986 as "National Nursing Home Residents Day".

S.J. Res. 267. A joint resolution designating the week of May 26, 1986, through June 1, 1986, as "Older Americans Melanoma/Skin Cancer Detection and Prevention Week".

S.J. Res. 279. A joint resolution to designate the month of October 1986, as "Lupus Awareness Month".

S.J. Res. 286. A joint resolution to designate the week of April 20, 1986, through April 26, 1986, as "National Reading Is Fun Week".

S.J. Res. 296. A joint resolution to designate October 16, 1986, as "World Food Day".

S.J. Res. 297. A joint resolution to designate the week of April 20, 1986 as "Crime Victims Week".

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary:

J. Daniel Mahoney, of New York, to be United States Circuit Judge for the Second Circuit;

Barbara K. Hackett, of Michigan, to be United States District Judge for the Eastern District of Michigan;

Henry K. Oncken, of Texas, to be United States Attorney for the Southern District of Texas for the term of 4 years;

Thomas E. Dittmeier, of Missouri, to be United States Attorney for the Eastern District of Missouri for the term of 4 years;

Harry Connolly, of Oklahoma, to be United States Marshal for the Northern

District of Oklahoma for the term of 4 years.

By Mr. MURKOWSKI, from the Committee on Veterans' Affairs:

Thomas K. Turnage, of California, to be Administrator of Veterans' Affairs.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. SARBANES:

S. 2210. A bill to amend part C of the Balanced Budget and Emergency Deficit Control Act of 1985 to exempt from reduction under sequestration orders issued under this part the pay of Federal blue-collar employees; to the Committee on Governmental Affairs.

By Mr. LAUTENBERG (for himself, Mr. STAFFORD, Mr. BENTSEN, Mr. LEAHY, Mr. CHAFEE, Mr. MITCHELL, Mr. DURENBERGER, Mr. BAUCUS, Mr. MOYNIHAN, Mr. HUMPHREY, Mr. BURDICK, Mr. BRADLEY, Mr. KENNEDY, Mr. HATFIELD, Mr. GORE, and Mr. D'AMATO):

S. 2211. A bill to amend the Internal Revenue Code of 1954 so as to extend temporarily the authority to collect Superfund taxes, and for other purposes; to the Committee on Finance.

By Mr. LAUTENBERG (for himself, Mr. LEAHY, Mr. STAFFORD, Mr. BENTSEN, Mr. CHAFEE, Mr. MITCHELL, Mr. DURENBERGER, Mr. BAUCUS, Mr. MOYNIHAN, Mr. HUMPHREY, Mr. BURDICK, Mr. BRADLEY, Mr. KENNEDY, Mr. HATFIELD, Mr. GORE, and Mr. D'AMATO):

S. 2212. A bill to make an advance to the Hazardous Substance Response Trust Fund to enable the fund to meet certain expenses under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and for other purposes; to the Committee on Appropriations.

By Mr. BRADLEY (for himself, Mr. GLENN, and Mr. WILSON):

S. 2213. A bill to amend section 406 of title 37, United States Code, to authorize transportation for the dependents and household effects of a member of a uniformed service who receives a punitive discharge, is dismissed from service, or is sentenced to a certain period of confinement; and to amend chapter 55 of title 10, United States Code, to authorize certain medical and dental care for certain dependents of members of the uniformed services who receive a punitive discharge or are dismissed for abuse of dependents; to the Committee on Armed Services.

By Mr. HATCH (for himself and Mr. CRANSTON):

S. 2214. A bill to clarify that a civil penalty is the exclusive penalty for violations of the Ethics in Government Act; to the Committee on Governmental Affairs.

By Mr. LUGAR (for himself, Mr. LEAHY, and Mr. PROXMIRE):

S. 2215. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to ensure safer pesticides and to better protect the public and the environment, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. STEVENS (for himself, Mr. KENNEDY, Mr. THURMOND, and Mr. HATCH):

S. 2216. A bill to designate September 17, 1987, the bicentennial of the signing of the Constitution of the United States, as "Constitution Day," and to make such a day a legal public holiday; ordered held at the desk.

By Mr. GRAMM:

S. 2217. A bill to provide fair incentives for the domestic production of oil and gas; to the Committee on Finance.

By Mr. GLENN (for himself, Mr. JOHNSTON, Mr. PROXMIRE, Mr. CHAFEE, Mr. FORD, and Mr. STENNIS):

S.J. Res. 300. Joint resolution to recognize and honor 350 years of service of the National Guard; to the Committee on the Judiciary.

By Mr. NICKLES:

S.J. Res. 301. Joint resolution designating the week of May 18, 1986, through May 23, 1986, as "National Food Bank Week"; to the Committee on the Judiciary.

By Mr. DOLE (for himself, Mrs. KASSEBAUM, Mr. EAGLETON, and Mr. DANFORTH):

S.J. Res. 302. Joint resolution to commend Project Equality, Inc., participant for 20 years of dedicated service to equal employment opportunity; to the Committee on the Judiciary.

By Mr. DOLE (for Mr. MATHIAS) (for himself, Mr. HEINZ, Mr. METZENBAUM, Mr. STAFFORD, Mr. SPECTER, Mr. PROXMIRE, Mr. CHILES, Mr. RIEGLE, Mr. CHAFEE, Mr. SARBANES, Mr. GORTON, Mr. LEVIN, Mr. MATSUNAGA, Mr. WILSON, Mr. DODD, Mr. ZORINSKY, Mr. BRADLEY, Mr. MITCHELL, Mr. INOUYE, Mr. LAUTENBERG, and Mr. SIMON):

S.J. Res. 303. Joint resolution to designate April 1986, as "Fair Housing Month"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. ABDNOR:

S. Res. 370. Resolution to express the sense of the Senate that Americans are encouraged to consume meat and meat food products; to the Committee on Agriculture, Nutrition, and Forestry.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SARBANES:

S. 2210. A bill to amend part C of the Balanced Budget and Emergency Deficit Control Act of 1985 to exempt from reduction under sequestration orders issued under this part the pay of Federal blue-collar employees; to the Committee on Governmental Affairs.

TREATMENT OF PAY UNDER FEDERAL PREVAILING RATE PAY SYSTEMS

● Mr. SARBANES. Mr. President, today I am introducing legislation to reconcile an oversight that affects a special group of Federal employees. A provision in Gramm-Rudman-Hollings intended to protect rates of pay and pay increases of Federal employees omits those employees whose salaries are based on the prevailing rate pay system. Section 256g of Gramm-Rudman-Hollings prohibits agencies from reducing the basic rate of pay or eliminating any scheduled increase in rates of pay for military personnel and Federal employee pay under a "statutory pay system"—General Schedule. Although I opposed Gramm-Rudman-Hollings, I am, indeed, pleased that it was given final approval with this provision included.

However, I am quite concerned that it only provides coverage for employees who are subject to the General Schedule [GS] but does not extend coverage to employees who are subject to the "prevailing rate" pay system. I am certain that Congress did not intend a partial personnel exemption from sequestration orders, when Gramm-Rudman-Hollings was enacted, and my bill will correct this oversight. Without this legislation, pursuant to a spending reduction order under Gramm-Rudman-Hollings, the salaries of agency personnel not covered by the provision are to be considered part of the agency's "administrative costs" and therefore, are subject to reductions. It is almost inevitable that this will happen if my legislation isn't enacted. Therefore I urge my colleagues to join me in extending the same protection assured GS Federal employees to all Federal employees and support early passage of this critical piece of legislation.●

By Mr. LAUTENBERG (for himself, Mr. STAFFORD, Mr. BENTSEN, Mr. LEAHY, Mr. CHAFEE, Mr. MITCHELL, Mr. DURENBERGER, Mr. BAUCUS, Mr. MOYNIHAN, Mr. HUMPHREY, Mr. BURDICK, Mr. BRADLEY, Mr. KENNEDY, Mr. HATFIELD, Mr. GORE, and Mr. D'AMATO):

S. 2211. A bill to amend the Internal Revenue Code of 1954 so as to extend temporarily the authority to collect Superfund taxes, and for other purposes; to the Committee on Finance.

By Mr. LAUTENBERG (for himself, Mr. LEAHY, Mr. STAFFORD, Mr. BENTSEN, Mr. CHAFEE, Mr. MITCHELL, Mr. DURENBERGER, Mr. BAUCUS, Mr. MOYNIHAN, Mr. HUMPHREY, Mr. BURDICK, Mr. BRADLEY, Mr. KENNEDY, Mr. HATFIELD, Mr. GORE, and Mr. D'AMATO):

S. 2212. A bill to make an advance to the Hazardous Substance Response Trust Fund to enable the fund to meet certain expenses under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and for other purposes; to the Committee on Appropriations.

INTERIM FUNDING FOR SUPERFUND

● Mr. LAUTENBERG. Mr. President, I am today introducing two pieces of legislation which represent alternative methods of providing interim funding

for the Superfund Program through May 31 of this year. I am joined in this effort by Senators STAFFORD and BENTSEN, chairman and ranking minority member of the environment and Public Works Committee, Senator LEAHY, ranking minority member of the HUD-Independent Agencies Appropriations Subcommittee, and Senators CHAFEE, MITCHELL, DURENBERGER, BAUCUS, MOYNIHAN, HUMPHREY, BURDICK, BRADLEY, KENNEDY, HATFIELD, and GORE.

Taxing authority for the Superfund Program expired on October 1, 1985. The trust fund is virtually depleted. On April 1, the Environmental Protection Agency will begin to dismantle Superfund by terminating contracts with companies that are currently involved in cleanup actions. Enforcement actions will be reduced by half and no new cases will be developed. Emergency removals will be curtailed by 80 percent. And, EPA would only be able to handle three or four major emergencies a month. Last month, EPA began the process of furloughing its own employees.

We cannot permit this dismantling of the program to occur. It is not possible to start and stop a program the size and complexity of the Superfund Program without irreparable damage.

The House of Representatives and the Senate last year approved legislation reauthorizing the Superfund Program. The House bill provides for slightly over a $10 billion program. The Senate bill calls for $7.5 billion. But, the administration has held out for a program of only $5.3 billion. In addition, other controversial issues separate the two Houses and the administration on this complicated legislation.

A House-Senate Superfund conference has been meeting regularly to resolve differences between the House and Senate bills since it convened late last month. Nevertheless, there is no realistic prospect that the conference will be able to complete its work prior to the congressional Easter recess. Our legislation is designed to keep pressure on the conference to complete its work, but provide enough funding to protect the integrity of the Superfund Program until a 5-year reauthorization bill is enacted into law.

Time is of the essence. We have 1 week left before the Congress adjourns for the recess, leaving EPA to dismantle the Superfund Program. Along with my cosponsors, I strongly support a 5-year reauthorization bill to enlarge and strengthen the Superfund Program. But, we feel that while the conference continues to work on this bill, it would be irresponsible to permit the dismemberment of this program. If we do not provide this interim funding, Superfund will suffer serious and, perhaps, irreversible harm.

Today I am introducing two proposals to provide interim funding for Superfund. They would provide $150 million for 2 months, a level consistent with the annual rate of funding provided in the fiscal year 1986 HUD-Independent Agencies Appropriations bill. This legislation is necessary because that money remains fenced, pending a reauthorization bill or further action by the Congress. Our legislation would unfence $150 million of the $861 milion provided by that bill after the March 1 Gramm-Rudman sequester order.

The first bill is an emergency supplemental appropriation of $150 million from the General Fund into the Hazardous Substance Response Trust Fund. Under this bill, funds would be available immediately as repayable advances.

The second bill would extend the Superfund taxing authority that expired last fall for a period of time sufficient to generate $150 million in revenues, to be available through Mar. 31, 1986 as a repayable advance from the General Fund against these receipts.

The objective of both pieces of legislation is to assure adequate funding to keep Superfund intact and functioning effectvely without removing the incentive to complete action on reauthorization of the program. The HUD-Independent Agencies Appropriations Act (Public Law 99-160) included an appropriation of $900 million from the Trust Fund to support Superfund Program activities. That amount was reduced to $861.3 million by the Gramm-Rudman-Hollings sequester on March 1.

The problem is that, with the expiration of Superfund taxes last fall, the resources in the trust fund are inadequate to support this level of operation and the moneys are now "fenced" pending further action. The bills I am introducing today would infuse enough money into the Trust Fund to release 2 month's worth of the 1986 Superfund appropriation.

Mr. President, it does not matter which of these alternatives the Congress chooses to enact. But it is imperative that we enact one or the other before the Easter recess begins on March 27. The Superfund Program is rapidly running out of money and will actually start shutting down operations as of April 1.

We cannot allow this to happen. Contractors must be able to count on work in the pipeline, or else they have to lay off employees. EPA personnel need the resources to do their jobs. And, it is important that we let them know that they will have a job, to ward off morale problems, and loss of talent at EPA.

There is no way to replace the knowledge, technical skill, and experience embodied in contractor project teams at a moment's notice. It takes time to build organizational resources of this kind. EPA Administrator Thomas testified last Wednesday before the HUD-Independent Appropriations Subcommittee that it would take at least a full year to get contractors back on board once their contracts were terminated. And that assumes that they would want to come back on board after having been cut off—a questionable proposition at best.

Mr. President, it would be unwise to provide open-ended financing for Superfund at this point. To do so would almost guarantee prolonged and even more difficult negotiations among the two Houses and the administration on the issues that remain to be resolved. The result could well be a stalemate that would kill the chance of a reauthorization bill during this session of Congress. It would force us to start from scratch next year. No one wants to see that happen. For this reason, the legislation I am proposing would limit the availability of program funding, making funds available only until May 31.

Mr. President, we must move quickly. We have about a week before we recess. We have about 2 weeks before EPA begins dismembering Superfund. The Senate likes to move in a deliberative manner. A week is seldom enough time to get a measure through a subcommittee, let alone enacted. But I also know that when a real emergency exists, the Congress can respond. We have seen that over the past few weeks on farm legislation. I am confident that, working together, we can meet this challenge.

Mr. President, I urge my colleagues to cosponsor this legislation and to support efforts to move this bill as quickly as possible.

Mr. President, I ask unanimous consent that a letter that I have sent to Majority Leader DOLE, along with my cosponsors, be printed in the RECORD, along with a copy of each bill, for the information of my colleagues.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2211

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

SHORT TITLE

SECTION 1. This Act may be cited as the "Hazardous Substance Response Trust Fund Temporary Funding Act".

EXTENSION OF AUTHORITY TO COLLECT SUPERFUND TAXES

SEC. 2. (a) Subsection (d) of section 4611 of the Internal Revenue Code of 1954 (relating to imposition of tax) is amended to read as follows:

"(d) Period of Application of Tax.—The taxes imposed by this section shall apply during the period—

"(1) beginning on the date of the enactment of the Hazardous Substance Response Trust Fund Temporary Funding Act, and

"(2) ending on any date on which the sum of the amounts received in the Treasury under this section and section 4661 total $150,000,000.".

(b) Section 303 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended to read as follows:

"PERIOD OF AUTHORITY TO COLLECT TAXES

"SEC. 303. (a) Unless reauthorized by the Congress, the authority to collect taxes conferred by this Act under sections 4611 and 4661 of the Internal Revenue Code of 1954 shall—

"(1) begin on the date of the enactment of the Hazardous Substance Reponse Trust Fund Temporary Funding Act, and

"(2) end on any date on which the sum of the amounts received in the Treasury under sections 4611 and 4661 of the Internal Revenue Code of 1954 total $150,000,000. The Secretary of the Treasury shall estimate when the level of $150,000,000 will by reached and shall be regulation provide procedures for the termination of the tax authorized by this Act and imposed under sections 4611 and 4661 of the Internal Revenue Code of 1954.

"(b) Unless reauthorized by the Congress the authority to collect taxes conferred by this Act under section 4681 of the Internal Revenue Code of 1954 shall terminate after September 30, 1985.".

AMENDMENTS TO COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT OF 1980

SEC. 3. (a) Section 223(c)(2)(A) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by deleting "for the following 12 months, and" and inserting in lieu thereof "as a result of the amendment to the Internal Revenue Code of 1954 made by section 2 of the Hazardous Substance Response Trust Fund Temporary Funding Act, and".

(b) Section 223(c)(2)(D) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by deleting "September 30, 1985, and all advances to such Fund shall be repaid on or before such date" and inserting in lieu thereof "May 31, 1986".

S. 2212

Be is enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding any other provision of law, there is appropriated, cut of any money in the Treasury not otherwise appropriated, to the Hazardous Substance Response Trust Fund, as a repayable advance, $150,000,000 to be available to carry out the purposes of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980. The amount provided herein shall be in addition to any sums otherwise available. None of the amount made available by this Act shall be available for obligation after May 31, 1986.

U.S. SENATE,
Washington, DC, March 19, 1986.

Hon. ROBERT DOLE,
Majority Leader,
U.S. Senate,
Washington, DC.

DEAR BOB: Today we introduced legislation to provide short-term, interim funding for the Superfund program. We are writing to seek your assistance in providing a vehicle for the Senate to consider this issue before we recess for the Easter break.

As you know, taxing authority for the Superfund program expired on October 1, 1985. The trust fund is virtually depleted. On April 1, EPA will begin to dismantle Superfund by terminating contracts with companies that are currently involved in cleanup actions. Enforcement actions will be reduced by half and no new cases will be developed. Emergency removals will be curtailed by 80%. And, EPA would only be able to handle 3 or 4 major emergencies a month. Last month, EPA began the process of furloughing its own employees.

We cannot permit this dismantling of the program to take place. It is not possible to stop a program the size and complexity of the Superfund program and start it over again without irreparable damage.

The Superfund conference has been meeting regularly since it convened late last month. Nevertheless, there is no realistic prospect that the conference will be able to complete its work prior to the Easter recess. Our legislation is designed to keep pressure on the conference to complete its work, but provide enough funding to protect the integrity of the Superfund program.

We have introduced two proposals to provide interim funding for Superfund. They would provide $150 million for 60 days, a level consistent with the annual rate provided in the FY86 HUD-Independent Agencies Appropriations bill.

One proposal would extend the existing Superfund tax to raise $150 million for the program, with the funds available for obligation from April 1 to May 31 as a repayable advance. The second proposal would merely make a direct appropriation of $150 million available to the program as a repayable advance, without extending Superfund taxing authority.

Both proposals require EPA to operate the program at a pace and scale consistent with one-quarter of the post-sequester FY86 appropriation of $861 million.

Time is of the essence. We have one week left before the Congress adjourns for the recess, leaving EPA to dismantle the Superfund program. We all support a full, five-year reauthorization bill for Superfund. But, we feel that while the conference continues to work on this bill, it would be irresponsible to permit the dismemberment of this program. If we do not provide this interim funding, Superfund will suffer serious and, perhaps, irreversible harm.

Calendar Order 393, H.R. 3629, is pending on the calendar and could be used as a vehicle for a direct appropriations bill. If a short-term extension of existing Superfund taxes, combined with an unfencing of FY86 monies is preferable, a House-passed revenue measure in the Finance Committee could be used.

We urge you to give our proposals serious consideration and schedule an appropriate bill for Senate consideration as quickly as possible.

Sincerely,

Robert T. Stafford, Patrick J. Leahy, John H. Chafee, Dave Durenberger, Gordon J. Humphrey, Quentin N. Burdick, Frank R. Lautenberg, Lloyd Bentsen, George J. Mitchell, Daniel Patrick Moynihan, Max Baucus, Edward M. Kennedy, Bill Bradley.●

By Mr. BRADLEY (for himself, Mr. GLENN, and Mr. WILSON):

S. 2213. A bill to amend section 406 of title 37, United States Code, to authorize transportation for the dependents and household effects of a member of a uniformed service who received a punitive discharge, is dismissed from service, or is sentenced to a certain period of confinement, and to amend chapter 55 of title 10, United States Code, to authorize certain medical and dental care for certain dependents of members of the uniformed services who receive a punitive discharge or are dismissed for abuse of dependents; to the Committee on Armed Services.

MILITARY DEPENDENTS PROTECTION ACT

● Mr. BRADLEY. Mr. President, on behalf of my distinguished colleagues, Senator GLENN and Senator WILSON, I send a bill to the desk and ask that it be referred to the appropriate committee.

Mr. President, this bill corrects a serious problem suffered by a small but significant population—military dependents who have been physically or sexually abused by a member of the military who is less than honorably discharged from the service.

This matter came to my attention when I tried to help one of my constituents, a military wife, who had a tragic problem. Her husband had sexually abused their children. When she reported him through appropriate military channels, court martial proceedings were initiated. She then realized that after many years in the service with her husband, she and her children were going to lose all benefits, including those that would help them cope with the crisis of family violence. She felt that she had no choice but to plead for leniency for her husband. Despite the fact that he had sexually abused her children, and despite her efforts to protect those children, she and her children would be further jeopardized if her husband were punished.

I contacted the military authorities on her behalf but was told that under current law, there was no way to help this family. As frustrated as I was trying to assist in this case, I learned that, unfortunately, it was not an isolated case. I believe that we have a special obligation to those families who are victimized by the military spouse.

Mr. President, dependents who have been physically or sexually abused by a member of the military are in double jeopardy. Many choose to endure the abuse rather than report it and face, not only the shame of being victimized, but also the loss of benefits that may be critical to cope with this crisis. Loss of the breadwinner is a major disincentive in the civilian population that frequently deters mothers from reporting violence against themselves and their dependent children. Military

dependents are even more vulnerable. In addition to loss of support, they are denied access to medical treatment necessary to deal with their situation.

Mr. President, research and clinical evidence on family violence points to the victims' need for therapeutic intervention. These families need, at the very least, to have their medical needs attended to for a transitory period until they can reestablish themselves in the civilian community. This legislation would provide dependents who have suffered through intrafamilial physical and sexual abuse a year of such medical care. Physically and sexually abused children can be helped, but only if they are provided with appropriate intervention. Without help, the intergenerational cycle of abuse is allowed to persist unabated such that the abused children of today are most likely to become the abusive parents of tomorrow.

Mr. President, the military has made great strides in recent years to address the problems of child and spousal abuse. Victims of this hidden violence must not be allowed to fall through the cracks of both military and civilian communities when the military member is discharged under less than honorable circumstances.

Mr. President, an immediate problem faced by all families of less than honorably discharged military members is that they are abandoned far from family and support networks. They must vacate military housing, usually within 30 days, but are not entitled to movement of their household goods. A sympathetic base commander may allow the family to remain in military housing a bit longer than permitted, or the Red Cross may step in with assistance.

Mr. President, military dependents frequently relocate with the military member, as often as every few years. Military families deserve a minimum level of security that if their spouse or parent violates the law, they will not be abandoned in a place far from their home of origin and their support networks. This legislation will ensure that such families are able to move back to their homes, where they can resume their lives. After uprooting for a military move every few years, they should not find themselves far from family and friends, with no way to get home.

Mr. President, all families, civilian and military, whose spouses and parents engage in wrongdoing suffer. However, in the military, problems are exacerbated since families are isolated from kin and frequently without the longer term friendships that families outside of the military can establish in their communities. Also, with frequent moves, about which they have little say, spouses do not have the same opportunities as their civilian counterparts to develop their own careers to provide economic security.

Mr. President, this legislation would assure families that if they make a commitment to support those defending our country, they will not be abandoned by our Government. It will assure them that if they are subjected to intrafamilial physical or sexual assault they will not be denied medical treatment when they are most in need of it. It will provide dependents with their minimal need to return to their homes if, through the wongdoings of their spouses and parents, they are no longer under the protection of military.

Mr. President, when I was first made aware of this problem, it seemed impossible that we would allow families to be so unduly punished and abandoned by our Government that they have tried to serve. Yet, that is the case today. While the military spouse has behaved badly, and been separated from the service as a result, it does not seem fair to unduly jeopardize the future of those family members who in good faith have supported the defense of our country. This legislation makes help possible.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2213

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 406 (a)(2)(A) of title 37, United States Code, is amended to read as follows:

"(2)(A) Except as provided in subparagraph (B) of this paragraph, a member who—

"(i) is separated from the service or released from active duty; and

"(ii) on the date of his separation from the service or release from active duty, has not served or active duty for a period of time equal to at least 90 percent of the period of time for which he initially enlisted or otherwise initially agreed to serve,

may be provided transportation under this subsection for his dependents only by transportation in kind by the least expensive mode of transportation available or by a monetary allowance that does not exceed the cost of the Government of such transportation in kind.".

(b)(1) The first sentence of section 406(h) of title 37, United States Code, is amended to read as follows: "(1) If the Secretary concerned determines that it is in the best interests of a member described in paragraph (2) or his dependents and the United States, he may, when orders directing a change of permanent station for the member concerned have not been issued, or when they have been issued but cannot be used as authority for the transportation of his dependents, baggage, and household effects—

"(A) authorize the movement of the member's dependents, baggage, and household effects at the station to an appropriate location in the United States or its possessions or the country of the dependents' origin, in the event the dependents are foreign nationals, and prescribe transportation in kind, reimbursement therefor, or a monetary allowance in place thereof, as the case may be, as authorized under subsection (a) or (b) of this section; and

"(B) in the case of a member described in paragraph (2)(A), authorize the transportation of one motor vehicle owned by the member or for his or her dependents' personal use to that location by means of transportation authorized under section 2634 of title 10.".

(2) Section 406(h) of such title is further amended by adding at the end the following new paragraph:

"(2) A member referred to in paragraph (1) is a member who—

"(A) is serving at a station outside the United States or in Hawaii or Alaska;

"(B) receives an administrative discharge under other than honorable conditions; or

"(C) is sentenced by a court-martial to be confined for a period of more than 30 days, to receive a dishonorable or bad-conduct discharge, or to be dismissed from a uniformed service, if the sentence is approved under section 860(c)(2) of title 10.".

SEC. 2. (a) Section 1076 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(e)(1) Subject to paragraph (3), if—

"(A) a member of a uniformed service receives a dishonorable or bad-conduct discharge or is dismissed from a uniformed service as a result of a court-martial conviction for an offense involving abuse of a dependent of the member, as determined in accordance with regulations prescribed by the administering Secretary for such uniformed service; and

"(B) the abused dependent needs medical or dental care for an injury or illness resulting from the abuse,

the administering Secretary may, upon request of the abused dependent, furnish medical or dental care to the dependent for the treatment of such injury or illness in facilities of the uniformed services.

"(2) Subject to paragraph (3), upon request of any dependent of a member of a uniformed service punished for an abuse as described in paragraph (1)(A), the administering Secretary for such uniformed service may furnish medical care in facilities of the uniformed services to the dependent for the treatment of any adverse health condition resulting from such dependent's knowledge of (A) the abuse, or (B) any injury or illness suffered by the abused person as a result of such abuse.

"(3) Medical and dental care furnished to a dependent of a member of the uniformed services in facilities of the uniformed services under paragraph (1) or (2)—

"(A) shall be limited to the health care prescribed by section 1077 of this title;

"(B) shall be subject to the availability of space and facilities and the capabilities of the medical and dental staff; and

"(C) shall terminate 1 year after the date on which the member is discharged or dismissed from a uniformed service as described in paragraph (1)(A).".

(b)(1) Section 1079 of such title is amended by adding at the end the following new subsection:

"(h)(1) Contracts entered into under subsection (a) shall also provide for medical care for dependents of former members of the uniformed services who are authorized to receive medical and dental care under section 1076(e) of this title in facilities of the uniformed services.

"(2) Except as provided in paragraph (3), medical care in the case of a dependent described in section 1076(e) shall be furnished under the same conditions and subject to the same limitations as medical care furnished under this section to spouses and children of members of the uniformed services described in the first sentence of subsection (a).

"(3) Medical care may be furnished to a dependent pursuant to paragraph (1) only for an injury, illness, or other condition described in section 1076(e) of this title.".

(2) The amendment made by paragraph (1) shall apply to contracts entered into under section 1079(a) of title 10, United States Code, on or after the date of the enactment of this Act.●

● Mr. GLENN. Mr. President, I am pleased to join Senator BRADLEY and Senator WILSON in introducing this legislation to help alleviate some of the problems caused by the tragedy of spouse abuse or child abuse in military families.

The existence of spouse and child abuse is a tragic reality that pervades all segments of our society, including the military. Although the Defense Department estimates that the number of military members discharged from the services each year for some form of dependent abuse is probably only in the hundreds, this relatively small number does not diminish the seriousness of this problem or the need for this legislation.

This bill would give the Secretaries of the military departments discretionary authority to provide a permanent change of station separation move to dependents of military members who receive an other than honorable discharge, and to provide medical care in a military medical facility or under CHAMPUS for dependents of a military member convicted of dependent abuse for up to 1 year after the member's discharge from the service.

Under current law (10 U.S.C. 404, 406), a military member who is discharged from the service under other than honorable conditions is provided a permanent change of station separation move for himself and his dependents "only by transportation in kind by the least expensive mode of transportation available or by a monetary allowance that does not exceed the cost to the Government of such transportation in kind."

The effect of this provision is to deny dependents of military members separated from the service under other than honorable conditions any ability to move their household goods at Government expense as part of a separation move.

The effect of this provision, however, has been limited to military members serving in the continental United States. Section 406(h) of title 10 currently gives the service Secretaries discretionary authority to provide a full permanent change of station move to return military members and their families from overseas areas "if the Secretary concerned determines it to be in the best interests of the member or his dependents and the United States." In practice, the service Secretaries have been using this discretionary authority to provide a full permanent change of station separation move to most military members, their dependents and their household goods who are discharged overseas under other than honorable conditions.

Section 1 of our legislation would provide the same discretionary authority for the service Secretaries to provide a full permanent change of station separation move for a military member with dependents who is separated under other than honorable conditions in the United States that currently exists in overseas areas. Under this authority, the service Secretary could authorize a full permanent change of station separation move for a military member with dependents who is discharged from the service for other than honorable conditions if he determined such a move to be in the best interests of the member, his dependents, or the United States. The sole purpose of this discretionary authority, Mr. President, is to allow the service Secretaries to mitigate the hardship on the family members in the case of a military member who is discharged under other than honorable conditions.

Our legislation contains one change to current practice in this area. Currently, military members are authorized a permanent change of station separation move no longer than the move necessary to go from their final duty station to their home of record. Our legislation provides the service Secretary discretionary authority to provide a permanent change of station move to an "appropriate location," which in some instances could be beyond the home of record.

The purpose of this change is to give the service Secretaries discretionary authority to provide military dependents who may have been the victims of dependent abuse a permanent change of station separation move to a supportive environment that may be beyond the military member's home of record. In providing this authority, however, we expect the Defense Department to use their rulemaking authority to provide transportation beyond the home of record only when absolutely necessary and only in cases of dependent abuse. The Manpower and Personnel Subcommittee of the Armed Services Committee will carefully monitor the implementation of this provision to ensure that the military services comply with the intent of this legislation.

With the second provision of our legislation, Mr. President, we are fulfilling a moral obligation to the victims of dependent abuse in military families. Section 2 of our bill gives the service Secretary discretionary authority to provide medical care in a military medical facility or under CHAMPUS, upon request, to the abused dependents of a military member who receives a dishonorable or bad-conduct charge or who is dismissed from the service as a result of a court-martial conviction for an offense involving abuse of a dependent of the member.

Under current law, the dependents of a military member discharged from the service for spouse abuse or child abuse lose all eligibility for medical care in a military medical facility or under CHAMPUS when the member leaves the service. In essence, because they lose all benefits through no fault of their own, these dependents are victimized a second time. They may be left with no apparent means of support, and are also denied basic, necessary medical care that may be required as a result of injury inflicted by the former service member.

Our bill would allow victims of dependent abuse, upon request, to continue to receive medical care at Government expense for up to 1 year following the military member's discharge. This care would be provided under the same priority system and on the same space available basis as if the member were still in service.

Mr. President, the Defense Department has been unable to identify the exact number of military members discharged from the services each year for some form of dependent abuse. The number is relatively small—probably in the hundreds—and as a result the cost of extending medical care to the victims of dependent abuse in these cases will be small.

In closing, I want to commend Senator BRADLEY for bringing this matter to the attention of the Manpower and Personnel Subcommittee of the Armed Services Committee. I strongly urge my colleagues to support this legislation.

We have a moral obligation to assist abused dependents of military members in restoring their health and well-being. Unfortunately, we can't legislate away spouse abuse or child abuse in the military or in any other segment of society. But we can try to create a supportive environment in which the victims can recover from this tragedy. That is the purpose of this legislation.●

By Mr. LUGAR (for himself, Mr. LEAHY, and Mr. PROXMIRE):

S. 2215. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to ensure safer pesticides and to better protect the public and the environment, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT AMENDMENTS

Mr. LUGAR. Mr. President, I rise today to introduce a bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act [FIFRA]. This act establishes the standards and procedures by which the Environmental Protection Agency regulates the production and application of pesticides used for agricultural purposes, as well as for many general household products.

The bill is a bipartisan effort that reflects an accord reached between the National Agricultural Chemicals Association, a trade association representing 92 manufacturing companies, and the Campaign for Pesticide Reform, a coalition of 41 environmental, consumer, and labor groups. The accord addresses some 13 broad areas in FIFRA where there has been traditional disagreement among these groups.

I am very encouraged by the willingness of the agricultural chemical industry and the public interest groups to negotiate their differences and develop bipartisan solutions to difficult problems. The Congress has not enacted amendments to FIFRA since 1978 and clearly the opportunities for passage of such amendments were very limited as long as the chemical industry and the environmental groups remained at odds. Farmers, environmentalists, as well as the chemical manufacturing industry, suffered as a result of this stalemate.

The most fundamental change proposed by this bill is the reregistration of pesticides marketed prior to the creation of FIFRA in 1972. These products were registered using standards that are not reflective of today's more stringent testing requirements. For nearly 13 years, the current statute has instructed the Environmental Protection Agency to reregister these pesticides using today's standards. Progress in this area has been slow with more than 600 active ingredients remaining on the market. This bill proposes an aggressive reregistration program whereby each of these active ingredients must be reregistered within 7 years. The manufacturer of the reregistered pesticide is assessed a fee in order to assist the Environmental Protection Agency in meeting these aggressive reregistration deadlines.

In addition to the reregistration question, the bill requires the Environmental Protection Agency to cancel a pesticide registration if the registrant has willfully submitted false or invalid data to support such a registration. The bill limits the use of conditional registrations until the registrant has provided adequate health and safety data.

With regard to pesticides involved in international commerce, the bill prohibits food imports that contain residues exceeding the Government-established tolerance levels for pesticides. It also requires that U.S. pesticide manufacturers give foreign governments better notification prior to exporting canceled, suspended, or restricted-use pesticides.

For many years, chemical manufacturers and environmentalists have argued over this issue of the public's access to health and safety registration data. Environmentalists argued for full public disclosure and the industry pressed for limited releases in order to protect proprietary information. This accord calls upon the manufacturers to develop a summary of health and safety data. Such summaries shall be made available to the public upon request. In addition, the public will be allowed limited access to health and safety registration data prior to the Environmental Protection Agency's approval of a pesticide registration.

The bill increases the Environmental Protection Agency's authority to regulate inert ingredients with priority given to those inert ingredients that present the greatest risk to the environment. A case has been made that many inert ingredients which may be inactive to plants and pests may remain quite active and toxic to other life forms. I am aware of the concerns expressed by many groups for the regulation of inert ingredients and I can assure these groups that the Senate Committee on Agriculture, Nutrition, and Forestry will review this area carefully in the hearing process.

Mr. President, given the extent of this bipartisan effort, I do not claim to wholeheartedly endorse each provision contained in this bill. I believe, however, this legislation represents a good starting point to bring about needed changes if FIFRA. It is a good-faith effort to resolve major differences among competing interests.

As chairman of the Agricultural Research Conservation, Forestry and General Legislation Subcommittee, I am aware that some organizations have concerns with specific aspects of this bill. I am aware of concerns by the Environmental Protection Agency over the aggressive schedule for reregistration of old pesticides that has been proposed in this legislation. I would simply indicate that I am prepared to receive testimony from all interested and affected parties and will give full consideration to those concerned with certain aspects of this legislation.

Mr. President, I ask unanimous consent that the text of this legislation and an executive summary be printed in the RECORD at this time.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2215

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Federal Insecticide, Fungicide, and Rodenticide Act Amendments of 1986".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

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SEC. 2. REFERENCES TO THE FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT.

Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136 et seq.).

TITLE I—PREREGISTRATION ACCESS TO DATA

SEC. 101. PREREGISTRATION ACCESS TO DATA.

(a) IN GENERAL.—Section 3(c) (7 U.S.C. 136a(c)) is amended by adding at the end thereof the following new paragraph:

"(9) PREREGISTRATION ACCESS TO DATA.—

"(A) Prior to the registration of a pesticide, the Administrator shall provide, in accordance with this paragraph, public access to health, safety, and environmental data that are submitted in support of an initial application for the registration of a new active ingredient or initial food use of a previously registered active ingredient.

"(B) The Administrator shall publish in the Federal Register a notice of such application in accordance with paragraph (4).

"(C) Not later than 30 days after the publication of such notice, to obtain access to the data referred to in subparagraph (A), a person must send by certified mail a request for such access and the affirmation referred to in subparagraph (E) simultaneously to the Administrator and to the applicant for the registration of the pesticide.

"(D) Not later than 15 days after receipt of a request for access to such data and affirmation, the Administrator shall grant or deny such request. The Administrator may not extend the 15-day period for acting on such request.

"(E)(i) Notwithstanding any other provision of law, data referred to in subparagraph (A) may be made available only to a person who provides an affirmation (and such supporting evidence as the Administrator considers necessary) that the person is neither employed by nor acting directly or indirectly on behalf of a person or entity engaged or affiliated with a person engaged in the production, sale, or distribution of a pesticide.

"(ii) For purposes of this subparagraph, an affiliate is a person who directly or indirectly, through one or more intermediates, controls or is controlled by or is under common control with the person specified.

"(iii) The affirmation required under clause (i) shall—

"(I) state that the person is neither employed by nor acting on behalf of any business or entity, or affiliate thereof, engaged in the production, sale, or distribution of a pesticide;

"(II) identify any business, employer, or other entity, if any, on whose behalf the person is requesting access to the data; and

"(III) affirm that the person will not intentionally or recklessly violate this paragraph.

"(iv) Section 1001 of title 18, United States Code, shall apply to an affirmation made under this subparagraph.

"(F)(i) Data relating to a pesticide shall be made available to a person only for the purpose of permitting the person to comment to the Administrator on the application for registration of the pesticide.

"(ii) Except as provided in clauses (iii) and (iv), data so obtained may not be—

"(I) published, copied, or transferred to any other individual or entity for use to obtain approval to sell, manufacture, or distribute a pesticide anywhere in the world; and

"(II) may not be used for any purpose in any court or agency of the United States or any State or political subdivision thereof prior to the decision of the Administrator on the registration of the pesticide or after such decision if the application for registration is denied.

"(iii) Data relating to a pesticide may be reasonably quoted in comments submitted to the Administrator. Such comments may not be made public prior to the decision of the Administrator on the registration of the pesticide or after such decision if the application for registration is denied.

"(iv) Such data and comments may be disclosed consistent with section 10 after registration of the pesticide.

"(G)(i) Data relating to a pesticide may be examined at an office of the Environmental Protection Agency or an appropriate State agency that complies with this section and may not be removed from such office.

"(ii) The Administrator shall maintain a record of the persons who inspect data. A copy of the record entry shall be sent to the data submitter.

"(iii) Once access to the data is granted, the data may be examined and comments on the application shall be filed within 60 days, unless extended an additional 30 days for good cause.

"(iv) If access to the data is denied, comments on the application shall be filed within 60 days from the determination of the Administrator denying access.".

(b) NOTICE OF APPLICATION.—Section 3(c)(4) (7 U.S.C. 136a(c)(4)) is amended—

(1) in the first sentence, by striking out "promptly" and inserting in lieu thereof "not later than 30 days"; and

(2) in the second sentence, by striking out "30" and inserting in lieu thereof "60".

SEC. 102. CRIMINAL PENALTIES FOR DISCLOSURE OF INFORMATION.

Paragraph (3) of section 14(b) (7 U.S.C. 136l(b)(3)) is amended to read as follows:

"(3) DISCLOSURE OF INFORMATION.—

"(A) Any person who, with intent to defraud, uses or reveals information relative to the formula of a product acquired under section 3, shall be fined not more than $10,000, or imprisoned for not more than 3 years, or both.

"(B) Any person, including any officer, contractor, or employee of the United States or a State, who—

"(i) is granted access to data under section 3(c)(9); and

"(ii) in furtherance of a commercial purpose involving the production, registration, distribution, or sale of a pesticide—

"(I) knowingly violates such section; or

"(II) knowingly allows data to be made available in violation of such section,

shall be fined not more than $100,000, or imprisoned for not more than 3 years, or both.".

TITLE II—CONDITIONAL REGISTRATION

SEC. 201. CONDITIONAL REGISTRATION.

Subparagraphs (B) and (C) of section 3(c)(7) (7 U.S.C. 136a(c)(7)(B) and (C)) are amended to read as follows:

"(B)(i) The Administrator may conditionally amend the registration of a pesticide to permit additional uses of such pesticide notwithstanding the fact that data concerning the pesticide may be insufficient to support an unconditional amendment, if the Administrator determines that—

"(I) the applicant has submitted all additional data that are required solely for the proposed additional use;

"(II) amending the registration in the manner proposed by the applicant would not materially increase the risk of any unreasonable adverse effect on the environment; and

"(III) the additional use is in the public interest.

"(ii) Notwithstanding clause (i), no registration of a pesticide may be amended to permit an additional use of such pesticide if the Administrator has issued a notice stating that such pesticide, or any ingredient thereof, meets or exceeds risk criteria associated in whole or in part with human dietary exposure specified in regulations issued under this Act.

"(iii) An applicant seeking amended registration under this subparagraph shall submit such data as would be required to obtain registration of a similar pesticide under paragraph (5).

"(iv) Except as provided in clause (v), if the applicant is unable to submit an item of data (other than data pertaining to the proposed additional use) because it has not yet been generated, the Administrator may amend the registration of a pesticide under such conditions as will require the submission of such data not later than the time such data are required to be submitted with respect to similar pesticides already registered under this Act.

"(v) If data concerning chronic toxicity (oncogenicity, reproductive effects, and mutagenicity), neurotoxicity, or teratogenicity are required for registration of an additional use of a pesticide that is not a minor use, and such a data requirement was in effect at the time the studies to obtain the data commenced, a conditional registration for such use shall not be granted under this subparagraph unless such data have been submitted.

"(vi) An amendment to an existing conditional registration, other than an amendment for an additional use, may be issued if the registrant has—

"(I) initiated necessary tests to secure such data, even though the data have not been submitted; and

"(II) satisfied the other requirements for the amendment of a conditional registration imposed under this paragraph.

"(C)(i) Except as provided in clauses (ii) and (iii), the Administrator may conditionally register a pesticide containing an active ingredient not contained in any registered pesticide for a period reasonably sufficient for generation and submission of required data (that are lacking because a period reasonably sufficient for generation of the data

has not elapsed since the Administrator first imposed the data requirement) if—

"(I) by the end of such period the Administrator receives such data;

"(II) such data do not meet or exceed the risk criteria specified in regulations issued under this Act; and

"(III) such other conditions as the Administrator may prescribe are met.

"(ii) A conditional registration under this subparagraph shall be granted only if the Administrator determines that—

"(I) use of the pesticide during such period will not cause any unreasonable adverse effect on the environment; and

"(II) use of the pesticide is in the public interest.

"(iii) If data concerning chronic toxicity (oncogenicity, reproductive effects, and mutagenicity), neurotoxicity, or teratogenicity are required for registration of the pesticide, and such a data requirement was in effect at the time the studies to obtain the data commenced, a conditional registration shall not be granted under this subparagraph unless such data have been submitted.".

TITLE III—REREGISTRATION AND REVENUES

SEC. 301. DEFINITION OF OUTSTANDING DATA REQUIREMENT.

Section 2 (7 U.S.C. 136) is amended by adding at the end the following new subsection:

"(ff) OUTSTANDING DATA REQUIREMENT.—

"(1) IN GENERAL.—The term 'outstanding data requirement' means any study, required information, or data necessary to make a determination under section 3(c)(5) that—

"(A) has not been submitted to the Administrator; or

"(B) has been submitted to the Administrator but which the Administrator determines are not valid, complete, or adequate to make a determination under section 3 and the regulations and guidelines issued thereunder.

"(2) FACTORS.—In making a determination under paragraph (1)(B), the Administrator shall examine, at a minimum, relevant protocols, documentation of the conduct and analysis of the study, and the results of the study to determine whether the study and the results of the study fulfill the data requirement for which the study was submitted to the Administrator.".

SEC. 302. REREGISTRATION OF PESTICIDES.

Subsection (g) of section 3 (7 U.S.C. 136a(g)) is amended to read as follows:

"(g) REREGISTRATION OF PESTICIDES.—

"(1) IN GENERAL.—The Administrator shall reregister each pesticide in accordance with this subsection.

"(2) LISTS OF PESTICIDE ACTIVE INGREDIENTS.—

"(A) Not later than 60 days after the effective date of the Federal Insecticide, Fungicide, and Rodenticide Act Amendments of 1986, the Administrator shall publish in the Federal Register a list of 300 pesticide active ingredients not reregistered since September 30, 1978, in the order of their priority, for reregistration under this Act.

"(B) Not later than 90 days after the effective date of the Federal Insecticide, Fungicide, and Rodenticide Act Amendments of 1986, the Administrator shall publish in the Federal Register a list of all pesticide active ingredients remaining after subparagraph (A) that have not been reregistered since September 30, 1978, in the order of their priority, for reregistration under this Act.

"(3) PRIORITY.—In establishing the lists required under paragraph (2), the Administrator shall give the highest priority to pesticides that—

"(A) are in major use on or in food or feed that may result in postharvest residues;

"(B) may result in residues of potential toxicological concern in potable groundwater, edible fish, or shellfish;

"(C) have previously been determined by the Administrator to have the most significant outstanding data requirements; or

"(D) are used on crops, including in greenhouses and nurseries, where worker exposure is most likely to occur.

"(4) REMOVAL.—Not later than 90 days after the publication of a list containing an active ingredient of a pesticide under paragraph (2), the Administrator shall remove such ingredient from the reregistration list if the Administrator is requested by each registrant of each pesticide containing such ingredient that the registration of such pesticide be canceled.

"(5) JUDICIAL REVIEW.—The establishment of a list by the Administrator under this subsection shall not be subject to judicial review.

"(6) DATA REQUIREMENTS.—

"(A) Not later than 18 months after the effective date of the Federal Insecticide, Fungicide, and Rodenticide Act Amendments of 1986, the Administrator shall—

"(i) identify and publish in the Federal Register a list of each outstanding data requirement for each pesticide active ingredient referred to in paragraph (2)(A); and

"(ii) simultaneously notify pursuant to subsection (c)(2)(B) each existing registrant of each pesticide containing such ingredient that, in order to maintain the registration of such pesticide under this Act, such registrant must complete studies to fill such outstanding data requirement within a reasonable period of time, but not to exceed 4 years after such notice.

"(B) Not later than 24 months after the effective date of the Federal Insecticide, Fungicide, and Rodenticide Act Amendments of 1986, the Administrator shall—

"(i) identify and publish in the Federal Register a list of each outstanding data requirement for each pesticide active ingredient referred to in paragraph (2)(B); and

"(ii) simultaneously notify pursuant to subsection (c)(2)(B) each existing registrant of each pesticide containing such ingredient that, in order to maintain the registration of such pesticide under this Act, such registrant must complete studies to fill such outstanding data requirement within a reasonable period of time, but not to exceed 4 years after such notice.

"(C) The Administrator may extend the period referred to in subparagraph (A)(ii) or (B)(ii) by no more than 2 years if extraordinary circumstances beyond the control of the registrant prevent the registrant from filling the outstanding data requirement for a pesticide active ingredient.

"(D) If a hearing is requested following the issuance of such notice, the registrant may appeal in such hearing—

"(i) the classification of a study as an outstanding data requirement; and

"(ii) other matters for resolution referred to in subsection (c)(2)(B)(iv).

"(7) FILLING DATA REQUIREMENTS.—

"(A) Not later than 6 months after issuance of a notice required under paragraph (6) with respect to a pesticide active ingredient, the Administrator shall determine whether appropriate tests have been initiated to fill the identified outstanding data requirements for such ingredient.

"(B) A registrant shall submit annual progress reports to the Administrator that indicate the status of such testing and report interim results.

"(8) SUSPENSION.—The Administrator shall issue a notice of intent to suspend the registration of a pesticide pursuant to subsection (c)(2)(B)(iv) if the Administrator determines that—

"(A) necessary tests to fill an outstanding data requirement for such pesticide have not been initiated within 1 year of the issuance of a notice under paragraph (6);

"(B) progress is insufficient to ensure completion of such tests within the deadlines established in such notice;

"(C) the required test data have not been submitted to the Administrator within the specified deadline; or

"(D) a registrant fails to comply with clauses (ii) and (iii) of subsection (c)(2)(B).

"(9) REREGISTRATION.—

"(A) Not later than 1 year after receipt of the data required by this subsection with respect to a pesticide, the Administrator shall complete reregistration of such pesticide by determining whether such pesticide fulfills the requirements of subsection (c)(5).

"(B) The Administrator shall determine whether a pesticide shall be reregistered under this Act by conducting a thorough examination of all data required by the regulations and guidelines issued pursuant to this section or taking such other steps as are necessary to make such determination.

"(10) FEES.—

"(A) The Administrator shall charge and collect reregistration fees from registrants in accordance with this paragraph.

"(B) To identify outstanding data requirements in accordance with paragraph (6) for each pesticide required to be reregistered under paragraph (2), on issuance of the notice required under subsection (c)(2)(B), the Administrator shall charge and collect from the registrant or registrants of such pesticide a one-time fee of $50,000 for each active ingredient of such pesticide registered for use on food or feed, except that no such fee shall be collected for a pesticide voluntarily canceled in accordance with paragraph (4).

"(C) To subsequently evaluate data and reregister a pesticide in accordance with paragraph (9) for each pesticide required to be reregistered under paragraph (2), on submission of the data required by the notice issued under subsection (c)(2)(B), the Administrator shall collect from the registrant or registrants of such pesticide an additional one-time fee of $100,000 for each active ingredient of such pesticide registered for use on food or feed.

"(D) If an active pesticide ingredient of a pesticide is registered under this Act solely for uses other than for food or feed, the Administrator may levy a reduced fee for the registration of such pesticide, but no less than one-half of the fee charged for an active ingredient of a pesticide registered for use on food or feed.

"(E) On payment of fees for the reregistration of an active ingredient in accordance with this paragraph, the Administrator may not levy any other fees for the reregistration of such ingredient.

"(F) If there are two or more registrants for an active ingredient registered under this Act, the fees shall be apportioned by such registrants in accordance with this section.

"(11) REVOLVING FUND.—

"(A) There shall be established in the Treasury of the United States a revolving fund.

"(B) All fees collected by the Administrator under paragraph (10) shall be deposited into the revolving fund and shall remain available without fiscal year limitation to carry out this subsection.

"(C) Money in the revolving fund not currently needed to carry out this subsection shall be—

"(i) maintained on hand or on deposit;

"(ii) invested in obligations of the United States or guaranteed thereby; or

"(iii) invested in obligations, participations, or other instruments that are lawful investments for fiduciary, trust, or public funds.

"(D) The Administrator shall—

"(i) provide an annual accounting of the fees collected and disbursed from the revolving fund; and

"(ii) take all steps necessary to insure that expenditures of such funds are solely utilized to carry out this subsection.

"(12) COMPENSATION OF DATA SUBMITTER.—

"(A) On submission of data or fees required under this subsection, the data submitter shall be compensated in accordance with subsection (c)(1)(D).

"(B) If data or fees are submitted jointly by two or more registrants, an agent shall be appointed by the registrants, at the time of the joint submission or payment of a reregistration fee, to handle any subsequent compensation matters.".

TITLE IV—INERT INGREDIENTS

SEC. 401. DEFINITION OF INGREDIENT STATEMENT.

Subsection (n) of section 2 (7 U.S.C. 136(n)) is amended to read as follows:

"(n) INGREDIENT STATEMENT.—

"(1) IN GENERAL.—The term 'ingredient statement' means a statement that contains—

"(A) the name and percentage of each active ingredient, the name of each inert ingredient listed under section 3(h)(1), and the total percentage of all inert ingredients, in the pesticide; and

"(B) if the pesticide contains arsenic in any form, a statement of the percentages of total and water soluble arsenic, calculated as elementary arsenic.

"(2) COMMON NAME.—An inert ingredient listed under section 3(h)(1) shall be identified by its most common name.".

SEC. 402. COMPENSATION FOR DATA ON INERT INGREDIENTS.

Subparagraph (D) of section 3(c)(2) (7 U.S.C. 136a(c)(2)(D) is amended to read as follows:

"(D) EXEMPTION.—

"(i) No applicant for registration of a pesticide who proposes to purchase a registered pesticide from another producer in order to formulate such purchased pesticide into an end-use product shall be required to—

"(I) submit or cite data pertaining to the safety or such purchased product; or

"(II) offer to pay reasonable compensation otherwise required by paragraph (1)(D) for the use of any such data or reregistration fees.

"(ii) No applicant for registration of a pesticide who proposes to purchase an inert ingredient from another producer in order to formulate the pesticide shall be required to offer to pay reasonable compensation otherwise required by paragraph (1)(D) for a study required to be cited or submitted that was generated pursuant to a data development plan under subsection (h)(7) in accordance with—

"(I) the Toxic Substances Control Act (15 U.S.C. 2601 et seq.); or

"(II) this Act, if the inert ingredient is purchased from a person who is an original data submitter of the study.".

SEC. 403. APPROVAL OF REGISTRATION FOR SUBSTITUTED INERT INGREDIENTS.

(a) APPROVAL OF REGISTRATION.—The first sentence of section 3(c)(5) (7 U.S.C. 136a(c)(5)) is amended—

(1) by striking out "and" at the end of subparagraph (C);

(2) by striking out the period at the end of subparagraph (D) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new subparagraph:

"(E) in the case of an application to amend a registration to substitute an inert ingredient for an inert ingredient listed under subsection (h)(1), that the requirements of subsection (i) are satisfied.".

(b) STUDY REQUIREMENT.—Section 3(c)(5) is amended by adding at the end thereof the following new sentence: "On or after the date specified for submission of a study in the final data development plan published under subsection (h)(1), an application to register or to amend the registration of a pesticide containing a listed inert ingredient shall be considered not to satisfy the requirements of this paragraph, unless the application is supported by the study required under paragraph (1)(D).".

SEC. 404. PRIORITY LIST AND DATA DEVELOPMENT PLANS FOR INERT INGREDIENTS.

Section 3 (7 U.S.C. 136a) is amended by adding at the end thereof the following new subsection:

"(h) PRIORITY LIST AND DATA DEVELOPMENT PLANS FOR INERT INGREDIENTS.—

"(1) ESTABLISHMENT OF LIST.—The Administrator shall establish a priority list of inert ingredients consisting of—

"(A) inert ingredients that appear to cause a pesticide to meet or exceed a criterion for initiating an interim administrative review established under subsection (c)(8); and

"(B) inert ingredients for which additional data are reasonably necessary to evaluate whether the inert ingredient may result in a pesticide causing an unreasonable adverse effect on the environment—

"(i) that are similar in molecular structure to a chemical that is oncogenic, mutagenic, teratogenic, or causes another significant adverse effect, and (I) have significant use in pesticides, or (II) to which there is significant exposure from pesticides; or

"(ii) to which there is significant and widespread exposure, or that are in widespread use, in pesticides.

"(2) PUBLICATION OF LIST.—Not later than 90 days after the effective date of the Federal Insecticide, Fungicide, and Rodenticide Act Amendments of 1986, the Administrator shall publish the priority list required under paragraph (1). The Administrator shall publish revisions to such list at least annually.

"(3) JUDICIAL REVIEW.—The priority list and any revisions to the priority list shall not be subject to judicial review at the time an initial or revised priority list is published.

"(4) REMOVAL OF INGREDIENTS INVOLVING ADMINISTRATIVE REVIEWS.—An inert ingredient listed on the priority list pursuant to paragraph (1)(A) shall be removed from the priority list on—

"(A) a final decision by the Administrator not to initiate an interim administrative review with respect to any pesticide containing the inert ingredient, or final action by the Administrator concluding interim administrative review, and all actions under section 6 resulting therefrom and judicial review thereof; and

"(B) a final decision by the Administrator under paragraph (7)(F) not to require additional data to be generated, or the receipt and evaluation by the Administrator of all data required to be submitted under paragraph (7), and all actions under section 6 resulting therefrom and judicial review thereof.

"(5) REMOVAL OF INGREDIENTS INVOLVING ADDITIONAL DATA.—An inert ingredient listed on the priority list pursuant to paragraph (1)(B) shall be removed from the priority list on—

"(A) a final decision by the Administrator under paragraph (7)(F) not to require additional data to be generated, and judicial review thereof; or

"(B) the receipt and evaluation by the Administrator of all data required to be generated under paragraph (7), and all actions under section 6 resulting therefrom and judicial review thereof.

"(6) NUMBER OF INGREDIENTS.—The priority list shall consist of not less than 50, and not more than 75, inert ingredients. Initially, the list shall consist of 50 inert ingredients. Twenty-five additional inert ingredients may be added to the list 15 months after the effective date of the Federal Insecticide, Fungicide, and Rodenticide Act Amendments of 1986.

"(7) DATA DEVELOPMENT PLANS.—

"(A) For each inert ingredient referred to in paragraph (1), the Administrator shall publish a proposed data development plan within 1 year after the inert ingredient is placed on the priority list.

"(B) A proposed data development plan for an inert ingredient shall include—

"(i) a discussion of the risk concerns raised by the inert ingredient and the anticipated exposures to man and the environment from the use of the ingredient in pesticides;

"(ii) in the case of an inert ingredient referred to in paragraph (1)(A)—

"(I) the studies that the Administrator proposes to require to address the concerns identified pursuant to clause (i); or

"(II) if the Administrator proposes not to require additional studies, a discussion of the reasons for not requiring any additional studies;

"(iii) in the case of an inert ingredient referred to in paragraph (1)(B), the studies that the Administrator proposes to require to address the concerns identified pursuant to clause (i);

"(iv) the regulatory mechanisms or other procedures the Administrator proposes to use to generate the studies; and

"(v) the dates for submission of the studies, as established in accordance with subparagraph (C).

"(C)(i) Subject to clause (ii), a proposed data development plan shall require the submission of the studies referred to in subparagraph (B) within a reasonable time, not to exceed 4 years after the issuance of the final data development plan.

"(ii) The Administrator may extend such period by no more than 2 years if extraordinary circumstances beyond the control of the registrant prevent the submission of necessary studies.

"(D) In preparing a proposed data development plan, the Administrator shall consider—

"(i) the minor use factors referred to in subsection (c)(2)(A);

"(ii) the guidelines published pursuant to such subsection;

"(iii) the use of a tiered testing program, under which the need for long-term studies would be evaluated after receipt of short-term studies;

"(iv) the use of other statutory authorities of the Administrator to require the generation of the identified studies on an equitable basis, considering nonpesticide uses, and within the dates specified in the data development plan; and

"(v) data generated or scheduled for generation.

"(E) The Administrator shall allow 60 days for registrants and interested members of the public to comment on the proposed data development plan.

"(F)(i) Not later than 30 days after the close of the comment period, the Administrator shall publish a final data development plan or a final decision to require no additional studies.

"(ii) The final data development plan and label requirement imposed under subsection (j)(1), or a final decision to require no additional studies, shall be subject to judicial review under section 16 at the time the final data development plan is published.

"(iii) The omission of an inert ingredient from the priority list established under paragraph (1) shall be subject to judicial review under section 16 at any time after the first data development plan is published.

"(G)(i) The Administrator shall take appropriate action to implement the final data development plan at the same time as the publication of the plan, including, as appropriate, the issuance of notices under subsection (c)(2)(B).

"(ii) If a hearing is requested by a registrant under subsection (c)(2)(B)(iv), the registrant may contest whether the Administrator has complied with subparagraphs (B) and (D).

"(H) On receipt of the additional data for each inert ingredient submitted pursuant to subparagraph (G), the Administrator shall, within 1 year, evaluate the data and take such steps as are appropriate to prevent unreasonable adverse effects on the environment of pesticides containing such inert ingredient.

"(I)(i) For purposes of subsection (c)(1)(D)—

"(I) any study that, pursuant to a data development plan, was generated other than with public funds using another statutory authority of the Administrator, shall be treated as having been submitted in support of registration; and

"(II) the person who submitted the study shall be treated as an original data submitter.

"(ii) For purposes of subsection (c)(1)(D)(iii), the compensation period for a study generated using the Toxic Substances Control Act (15 U.S.C. 2601 et seq.) shall expire at the expiration of the reimbursement period provided for in section 4(c)(3)(B) of such Act (15 U.S.C. 2603(c)(3)(B)).".

SEC. 405. SUBSTITUTION OF INERT INGREDIENTS.

Section 3 (7 U.S.C. 136a) (as amended by section 404 of this Act) is amended by adding at the end thereof the following new subsection:

"(i) SUBSTITUTION OF INERT INGREDIENTS.—The Administrator shall approve an application to amend the registration of a pesticide to substitute an inert ingredient for an inert ingredient listed under subsection (h)(1), if the Administrator finds, on the basis of similarity in molecular structure to a chemical known to cause significant adverse effects, existing data, or such short-term tests as the Administrator determines are necessary, that the substitute inert ingredient does not pose the same or similar concerns about unreasonable adverse effects on the environment that resulted in the listing of the original inert ingredient.".

SEC. 406. LABELING OF INERT INGREDIENTS.

Section 3 (7 U.S.C. 136a) (as amended by section 405 of this Act) is amended by adding at the end thereof the following new subsection:

"(j) LABELING OF INERT INGREDIENTS.—

"(1) AMENDED LABEL.—Not later than 30 days after the publication of a final data development plan under subsection (h)(7)(F), the registrant of a pesticide that contains the listed inert ingredient shall apply for an amended registration of the pesticide to change the label of the pesticide to conform with subsections (q)(2)(A) and (n) of section 2. Not later than 30 days after receipt of such application, the Administrator shall act on such application.

"(2) MISBRANDING.—A pesticide, the ingredient statement of which does not satisfy section 2(n) with respect to a listed inert ingredient, shall not be considered misbranded until 120 days after the publication of the data development plan or the date on which the Administrator approves a registration amendment providing for a change in the label of the pesticide to satisfy section 2(n), whichever occurs later.".

SEC. 407. FORMULA STATEMENTS.

Section 3 (7 U.S.C. 136a) (as amended by section 406 of this Act) is amended by adding at the end thereof the following new subsection:

"(k) FORMULA STATEMENTS.—

"(1) LISTED INERT INGREDIENTS.—Not later than 120 days after the initial publication of the priority list required pursuant to subsection (h)(1), each registrant of a pesticide containing an inert ingredient or ingredients contained on the list shall make any necessary modifications to the formula statement submitted pursuant to subsection (c)(1)(E) to satisfy the requirements of the Administrator with respect to such ingredient or ingredients.

"(2) ALL INERT INGREDIENTS.—Not later than 240 days after the initial publication of the priority list required pursuant to subsection (h)(1), each registrant of a pesticide containing an inert ingredient or ingredients shall make any necessary modifications to the formula statement submitted pursuant to subsection (c)(1)(E) to satisfy the requirements of the Administrator with respect to such ingredient or ingredients.".

SEC. 408. DISCLOSURE OF INERT INGREDIENTS.

(a) DISCLOSURE PERMITTED.—Section 10(d)(1)(C) (7 U.S.C. 136h(d)(1)(C)) is amended by inserting before the period the following: ", except that the identity of an inert ingredient listed under section 3(h)(1) shall be disclosed in accordance with paragraph (4)".

(b) METHODS.—Section 10(d) is amended by adding at the end thereof the following new paragraph:

"(4)(A) The identity of an inert ingredient may be disclosed by—

"(i) the listing of the ingredient on the priority list required by section 3(h)(1); and

"(ii) the release of product labels disclosing the identity of an inert ingredient on the priority list.

"(B) The Administrator may continue to require identification of an inert ingredient on the product label pursuant to section 2(n) after the removal of the ingredient from the priority list pursuant to paragraph (4) or (5) of section 3(h) if the Administrator has issued a notice under section 3(c)(8) or 6.".

TITLE V—PUBLIC RIGHT TO KNOW

SEC. 501. REGISTRATION STATEMENTS.

Section 3(c)(1) (7 U.S.C. 136a(a)(1)) is amended—

(1) by striking out "and" at the end of subparagraph (E);

(2) by striking out the period at the end of subparagraph (F) and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new subparagraphs:

"(G)(i) proposed fact sheets that contain—

"(I) the name of the pesticide active ingredients and inert ingredients referred to in subsection (h)(1); and

"(II) a summary of relevant health, safety, and environmental data.

"(ii) Not later than 120 days after the effective date of the Federal Insecticide, Fungicide, and Rodenticide Act Amendments of 1986, each registrant of a pesticide active ingredient, or pesticide containing an inert ingredient referred to in subsection (h)(1), that is registered on the effective date of such Act shall submit the fact sheets required under this subparagraph to the Administrator.

"(iii) A fact sheet required under this subparagraph for a registered pesticide shall be—

"(I) maintained and kept current by a registrant; and

"(II) made available to the public, on request, by the Administrator and the registrant.

"(iv) The Administrator may require amendments to such fact sheets in order to provide accurate and clear information to the public; and

"(H)(i) a list of locations where the pesticide of the registrant will be produced in the United States.

"(ii) Not later than 120 days after the effective date of the Federal Insecticide, Fungicide, and Rodenticide Act Amendments of 1986, each registrant of a pesticide active ingredient that is registered on the effective date of such Act shall submit a list of locations where the registrant produces the pesticide in the United States.

"(iii) On approval of the registration of the pesticide, such list shall be—

"(I) maintained and kept current by a registrant; and

"(II) made available to the public, on request, by the Administrator and the registrant.".

SEC. 502. REGISTRATION OF ESTABLISHMENTS.

(a) CONFIDENTIAL RECORDS AND INFORMATION.—Section 7(d) (7 U.S.C. 136e(d)) is amended by inserting "and production locations" after "names".

(b) FACT SHEETS.—Section 7 is amended by adding at the end thereof the following new subsection:

"(e) FACT SHEETS.—Any producer operating an establishment registered under this section shall obtain and make available to the public a fact sheet required under section 3(c)(1)(G) for each active ingredient and listed inert ingredient used in the establishment.".

TITLE VI—DATA DISCLOSURE TO STATES

SEC. 601. DATA DISCLOSURE TO STATES.

Section 10 (7 U.S.C. 136h) is amended by adding at the end thereof the following new subsection:

"(h) DATA DISCLOSURE TO STATES.—

"(1) IN GENERAL.—The Administrator may disclose to a State any data or information acquired under this Act if the State assures the Administrator and the Administrator determines that the owner of the data or information will receive no less protection with respect to the disclosure and use of the data or information by the State than is provided by section 3 and this section.

"(2) ACTION FOR JUST COMPENSATION.—For the purpose of any action that may lie against the United States for just compensation under section 1491 of title 28, United States Code—

"(A) the disclosure or use of data or information provided by the Administrator to a State in a manner inconsistent with this section or section 3 shall be considered a taking of property; and

"(B) the act of a State with respect to such data or information shall be considered an act of the United States.".

TITLE VII—CANCELLATION PROCEDURES

SEC. 701. INTERIM ADMINISTRATIVE REVIEW.

(a) INTERIM ADMINISTRATIVE REVIEW.—Paragraph (8) of section 3(c) (7 U.S.C. 136a(c)(8)) is amended to read as follows:

"(8) INTERIM ADMINISTRATIVE REVIEW.—

"(A) CRITERIA.—

"(i) Notwithstanding any other provision of this Act, the Administrator may not initiate a public interim administrative review process to develop a risk-benefit evaluation of the ingredients of a pesticide or any of its uses prior to initiating a formal action to cancel, suspend, or deny registration of such pesticide, required under this Act, unless such interim administrative process is based on a validated test or other significant evidence raising prudent concerns of unreasonable adverse risk to man or to the environment.

"(ii) The Administrator shall publish in the Federal Register notice of the definition of the terms 'validated test' and 'other significant evidence' as used in this subparagraph.

"(iii) Criteria for initiating an interim administrative review shall be established on the basis of levels of risk, and may include consideration of currently available exposure data.

"(iv) Absence of exposure data shall not delay or preclude initiation of an interim administrative review. The Administrator shall not decline to initiate an interim administrative review solely on the basis of exposure unless adequate data on all relevant means of exposure have been considered.

"(v) On receipt of data demonstrating that interim administrative review triggers are exceeded, the Administrator shall immediately notify all registrants of the pesticide and provide the registrants with appropriate information and an explanation of the manner in which the trigger has been exceeded.

"(vi) Not later than 30 days after receipt of such notice, a registrant may respond to such notice.

"(vii) Not later than 30 days after the Administrator receives a response from a registrant, the Administrator shall determine whether an interim administrative review of the pesticide shall be initiated.

"(B) PROCEDURES.—

"(i) Notice of an interim administrative review shall be provided to all registrants and interested members of the public and shall be published in the Federal Register.

"(ii) The notice shall state the basis for the review, indicate the availability of all data on which the position of the Administrator is based, and include a request for any additional data needed for the review.

"(iii) Not later than 90 days after publication of a notice of such review, comments may be submitted on such review.

"(iv) Not later than 90 days after the close of the comment period, the Administrator shall review all comments and additional data submitted and shall publish a proposed regulatory position.

"(v) Not later than 45 days after the close of the initial comment period, additional comments may be submitted to the Administrator to address comments filed by other parties.

"(vi)(I) The proposed regulatory position of the Administrator shall be submitted to the Scientific Advisory Panel established under section 25(d) at the next scheduled meeting of the panel for comment solely on relevant scientific issues. The public may submit comments to the Scientific Advisory Panel concerning such position.

"(II) Not later than 30 days after such meeting, the Scientific Advisory Panel shall issue a report on such position.

"(III) The Administrator shall review and consider the report of the Scientific Advisory Panel.

"(IV) Not later than 60 days after receipt of such report, the Administrator shall issue a final regulatory decision whether to retain, restrict, or cancel the uses of the pesticide.

"(vii) Not later than 1 year after the initiation of a review, the Administrator shall make such decision.

"(viii) The time limits specified in this paragraph may not be extended, except in exceptional circumstances in which—

"(I) additional data critical to a fair and accurate determination of risks posed by the pesticide are required;

"(II) the extension is for a period limited to the time required to obtain such data on an expedited basis and in no event to exceed 1 year; and

"(III) the Administrator acted to obtain the additional data at the time the interim administrative review was initiated.".

(b) SCIENTIFIC ADVISORY PANEL.—The first sentence of section 25(d) (7 U.S.C. 136w(d)) is amended by striking out "The" and inserting in lieu thereof "Except when a referral is made pursuant to section 3(c)(8)(B) to the Scientific Advisory Panel established by this subsection, the".

(c) APPLICATION OF AMENDMENTS.—The amendments made by this section shall apply to interim administrative reviews under section 3(c)(8) initiated after January 1, 1986.

SEC. 702. CANCELLATION AND CHANGE IN CLASSIFICATION.

Subsection (b) of section 6 (7 U.S.C. 136d(b)) is amended to read as follows:

"(b) CANCELLATION AND CHANGE IN CLASSIFICATION.—

"(1) NOTICE.—

"(A) Subject to subparagraph (B), if it appears to the Administrator that a pesticide or its labeling or other material required to be submitted does not comply with this Act or when used in accordance with widespread and commonly recognized practice, generally causes unreasonable adverse effects on the environment, the Administrator may issue a notice of the intent of the Administrator—

"(i) to cancel its registration or to change its classification together with the reasons (including the factual basis) for the action of the Administrator; or

"(ii) to hold a hearing to determine whether or not its registration should be canceled or its classification changed.

"(B)(i) The Administrator may require changes to the labeling of a pesticide by informal rulemaking unless the changes are equivalent to a cancellation of a use, render the product unmarketable, or otherwise have a major economic impact on the product, in which case the changes shall be subject to the hearing procedures provided in this section.

"(ii) Label changes issued through informal rulemaking shall not be effective pending any judicial review requested under section 16 after a final order of the Administrator.

"(C) Notice shall be sent to the registrant and made public.

"(D) The notice shall include the findings and conclusions in support of the proposed action.

"(E) In determining whether to issue any such notice, the Administrator shall include among those factors to be taken into account the impact of the action proposed in such notice on production and prices of agricultural commodities, retail food prices, and otherwise on the agricultural economy.

"(F)(i) Not later than 60 days prior to sending such notice to the registrant or making public such notice, whichever occurs first, the Administrator shall provide the Secretary of Agriculture with a copy of such notice and an analysis of such impact on the agricultural economy.

"(ii) If the Secretary comments in writing to the Administrator regarding the notice and analysis within 30 days after receiving them, the Administrator shall publish in the Federal Register (with the notice) the comments of the Secretary and the response of the Administrator with regard to the comments of the Secretary.

"(iii) If the Secretary does not comment in writing to the Administrator regarding the notice and analysis within 30 days after receiving them, the Administrator may notify the registrant and make public the notice at any time after such 30-day period notwithstanding the 60-day time requirement imposed by clause (i).

"(iv) The time requirements imposed by this subparagraph may be waived or modified to the extent agreed on by the Administrator and the Secretary.

"(G) Notwithstanding any other provision of this subsection and section 25(d), in the event that the Administrator determines that suspension of a pesticide registration is necessary to prevent an imminent hazard to human health, on such a finding, the Administrator may waive the requirement of notice to and consultation with the Secretary of Agriculture pursuant to this subsection and of submission to the Scientific Advisory Panel pursuant to section 25(d) and proceed in accordance with subsection (c).

"(2) HEARING.—

"(A) The proposed action shall become final and effective at the end of 30 days from receipt by the registrant, or publication of a notice issued under paragraph (1)(A)(i), whichever occurs later, unless within that time—

"(i) the registrant makes the necessary corrections, if possible; or

"(ii) a request for a hearing is made by a person adversely affected by the notice.

"(B) Whenever a request for a hearing is made, the request shall—

"(i) identify with particularity the findings and conclusions of the decision of the Administrator that are disputed; and

"(ii) include a complete statement of the reasons and factual basis that support the request for a hearing.

"(C) Another party to the proceeding may also identify findings and conclusions in dispute.

"(D) If a hearing is held pursuant to such a request or the determination of the Administrator under paragraph (1)(A)(ii), a decision pertaining to registration or classification issued after completion of such hearing shall be final.

"(3) FACTORS.—In taking any action under this subsection, the Administrator shall—

"(A) consider restricting a use or uses of a pesticide as an alternative to cancellation and fully explain the reasons for such restrictions; and

"(B) include among those factors to be taken into account the impact of such final action on production and prices of agricultural commodities, retail food prices, and otherwise on the agricultural economy, and publish in the Federal Register an analysis of such impact.".

SEC. 703. PUBLIC HEARINGS AND SCIENTIFIC REVIEW.

Section 6(d) (7 U.S.C. 136d(d)) is amended—

(1) by striking out the fifth through ninth sentences; and

(2) in the tenth sentence, by striking out "90 days thereafter" and inserting in lieu thereof "12 months after issuance of the notice that gave rise to the hearing, or such shorter time specified in subsection (g)(4),".

SEC. 704. HEARING FOLLOWING INTERIM ADMINISTRATIVE REVIEW.

Section 6 (7 U.S.C. 136d) is amended by adding at the end thereof the following new subsection:

"(g) HEARING FOLLOWING INTERIM ADMINISTRATIVE REVIEW.—

"(1) IN GENERAL.—If a hearing is held following an interim administrative review of a pesticide conducted pursuant to section 3(c)(8), the procedures set forth in subsections (b) and (d) shall be modified in accordance with this subsection.

"(2) REQUEST FOR HEARING.—Any person who is adversely affected by a decision of the Administrator following an interim administrative review may request a hearing within 30 days of such decision or failure to make a decision.

"(3) JUDICIAL REVIEW.—Any person may seek judicial review under section 16(a) of the failure of the Administrator to make a decision within the time required under section 3(c)(8).

"(4) PROCEDURES.—

"(A) At the request of a party, a hearing examiner may receive into evidence portions of the interim administrative review record that the party demonstrates are relevant and material to the disputed issues.

"(B) The right of other parties to confront and cross-examine such evidence shall be preserved with respect to material issues of adjudicative fact, so long as such cross examination is not unduly repetitious.

"(C) Not later than 60 days after the hearing examiner is appointed, prehearing matters shall be completed and the hearing shall commence.

"(D) Not later than 30 days before the hearing commences, the parties shall exchange witness lists and exhibits to be offered at the hearing.

"(E) If studies become available that were not considered during the interim administrative review, the hearing examiner may, on request of any party and when in the judgment of the hearing examiner it is necessary, submit such studies to the Scientific Advisory Panel established under section 25(d) for supplemental comment on an expedited basis, except that such comment shall not extend the time for completion of the hearing.

"(F) The hearing examiner shall schedule the presentation and examination of witnesses so that the presentation of evidence is completed within 60 days, except that the schedule shall not prejudice the right of a party to present evidence.

"(G) The parties shall submit briefs within 20 days of receiving a transcript of the hearing.

"(H) The hearing examiner shall render a recommended decision within 20 days from the submission of briefs by the parties.

"(I) A hearing conducted under this section shall be completed and the Administrator shall make a final decision within 6 months of the issuance of the notice that gave rise to the hearing.

"(J) The time limits imposed by this subsection may not be extended, except in exceptional circumstances in which it is essential for a fair and accurate determination of pivotal facts central to the proceeding, and in no event to exceed 180 days.".

TITLE VIII—FALSE OR INVALID DATA

SEC. 801. CANCELLATION OF REGISTRATION BASED ON FALSE OR INVALID DATA.

Section 6 (7 U.S.C. 136d) (as amended by section 704 of this Act) is amended by adding at the end thereof the following new subsection:

"(h) CANCELLATION OF REGISTRATION BASED ON FALSE OR INVALID DATA.—

"(1) NOTICE.—The Administrator shall immediately issue a notice of intent to suspend and to cancel the registration of a pesticide if—

"(A) prior to the effective date of the Federal Insecticide, Fungicide, and Rodenticide Act Amendments of 1986, the Administrator has previously determined in the Industrial Biotest validation process conducted by the Administrator that data submitted by a registrant to the Administrator in support of such registration were invalid;

"(B) the data—

"(i) have not been replaced on the effective date of such Act; or

"(ii) are in the process of being replaced on the effective date of such Act but have not been submitted to the Administrator by April 1, 1988; and

"(C) the data are material to the registration.

"(2) INVALID DATA.—If, after the effective date of the Federal Insecticide, Fungicide, and Rodenticide Act Amendments of 1986, the Administrator determines that invalid data have been submitted by a registrant to the Administrator in support of a registration of a pesticide, the Administrator may—

"(A) require the registrant to submit valid replacement studies or data on an expedited schedule and to submit interim progress reports; or

"(B) issue a notice of intent to cancel such registration, if the Administrator determines that such action would be in the public interest, taking into account the scope of the invalid data and the need to use the data to determine whether the pesticide may cause unreasonable adverse effects on the environment.

"(3) FALSE DATA.—If a registrant willfully submits material data known to be false in support of the registration of a pesticide, the Administrator shall immediately issue a notice of intent to suspend and cancel such registration.

"(4) HEARING.—

"(A) Any suspension or cancellation under this subsection shall become final and effective at the end of the 30-day period beginning on receipt by the registrant of a notice issued under this section unless during such period a request for a hearing is made by a person adversely affected.

"(B) A hearing under this paragraph shall be conducted in accordance with subsection (c) or (d), as appropriate.

"(C) The only matters for resolution at a hearing conducted pursuant to paragraph (1) shall be whether—

"(i) in response to a notice of the Administrator issued under section 3(c)(2)(B) or other formal notice, data previously determined by the Administrator to be invalid—

"(I) have not been replaced on the effective date of the Federal Insecticide, Fungicide, and Rodenticide Act Amendments of 1986; or

"(II) are in the process of being replaced on the effective date of such Act but have not been submitted to the Administrator by April 1, 1988; and

"(ii) the data are material to the registration.

"(D) The only matters for resolution at a hearing conducted pursuant to paragraph (2) shall be whether data are invalid, material, and necessary to adequately determine whether a pesticide may cause unreasonable adverse effects on the environment.

"(E) The only matters for resolution at a hearing conducted pursuant to paragraph (3) shall be whether a registrant willfully submitted material data known to be false.

"(F) A decision after completion of a hearing conducted under this paragraph shall be final.

"(G) Notwithstanding any other provision of this Act, a hearing shall be held, and a determination made, under this subsection within 75 days after the receipt of a request for such hearing.".

SEC. 802. UNLAWFUL ACTS INVOLVING FALSE DATA.

Section 12(a)(2) (7 U.S.C. 136j(a)(2)) is amended—

(1) by striking out "or" at the end of subparagraph (O);

(2) by striking out the period at the end of subparagraph (P) and inserting in lieu thereof "; or"; and

(3) by adding at the end thereof the following new subparagraph:

"(Q) to willfully falsify all or part of any data submitted pursuant to this Act, or to willfully submit such false data knowing it to be false.".

TITLE IX—INSPECTION OF LABORATORIES

SEC. 901. INSPECTION OF LABORATORIES.

Section 9(a) (7 U.S.C. 136g(a)) is amended by inserting after the first paragraph the following new paragraph:

"For purposes of verifying the accuracy of data submitted in support of an experimental use permit or registration, an officer or employee duly designated by the Administrator is authorized, after the submission of an application for an experimental use permit under section 5 or an application for a registration under section 3, to enter at reasonable times any laboratory to inspect relevant parts of such laboratory, related books and records, and data that have been or are being developed to support such application. The Administrator shall coordinate actions taken under this section with actions taken under other Federal laws for the purpose of avoiding duplication of inspections.".

TITLE X—EXPORT OF PESTICIDES

SEC. 1001. DEFINITION OF MISBRANDED.

Section 2(q)(1) (7 U.S.C. 136(q)(1)) is amended—

(1) by striking out "or" at the end of subparagraph (G);

(2) by striking out the period at the end of subparagraph (H) and inserting in lieu thereof "; or"; and

(3) by adding at the end thereof the following new subparagraph:

"(I) in the case of a pesticide intended for export that is substantially similar in composition and use pattern to a pesticide registered under section 3, the label does not contain the same health, safety, and hazard precautions as a pesticide registered under section 3, unless such precautions on the label are in conflict with the law of the importing country.".

SEC. 1002. DEFINITION OF IMPORTING COUNTRY.

Section 2 (7 U.S.C. 136) (as amended by section 301 of this Act) is amended by adding at the end thereof the following new subsection:

"(gg) IMPORTING COUNTRY.—The term 'importing country' means the first country to which a pesticide, device, or active ingredient, subject to the notification requirement of section 17(a), is exported from the United States.".

SEC. 1003. BOOKS AND RECORDS.

The first sentence of section 8(a) (7 U.S.C. 136f(a)) is amended by inserting "and exporters" after "producers".

SEC. 1004. PESTICIDES AND DEVICES INTENDED FOR EXPORT.

(a) IN GENERAL.—Subsection (a) of section 17 (7 U.S.C. 136o(a)) is amended to read as follows:

"(a) PESTICIDES AND DEVICES INTENDED FOR EXPORT.—

"(1) VIOLATIONS.—Notwithstanding any other provision of this Act, no pesticide or device or active ingredient used in producing a pesticide intended solely for export to any foreign country shall be considered in violation of this Act when prepared or packed according to the specifications or directions of the foreign purchaser, except that producers of such pesticides and devices and active ingredients used in producing pesticides shall be subject to sections 2(p), 2(q)(1) (A), (C), (D), (E), (G), (H), and (I), 2(q)(2) (A), (B), (C) (i) and (iii), and (D), 7, 8, and 17(a) (2), (3), (4), (5), and (6).

"(2) EXPORTS.—

"(A) This paragraph applies to a pesticide, device, or active ingredient

"(i) for which a restricted use classification has become effective under section 3;

"(ii) for which a cancellation or suspension has become effective under section 6;

"(iii) the registration of which has been voluntarily withdrawn by the registrant, if such withdrawal was associated with concern over potential adverse public health or environmental effects; or

"(iv) that is not registered under section 3 for any use.

"(B) No pesticide, device, or active ingredient described in subparagraph (A) may be exported to any foreign country by any person unless, at least 30 days prior to the first shipment each year of such pesticides to such country, such person has—

"(i) notified, pursuant to paragraph (3), the person importing the pesticide and the appropriate government regulatory office in the importing country;

"(ii) received written evidence that the notification was delivered to the appropriate government regulatory office; and

"(iii) submitted a copy of the notification in English and evidence of delivery to the Administrator.

"(C) Documents referred to in subparagraph (B) shall be made available to the public, on request.

"(3) NOTIFICATION.—The notification required pursuant to paragraph (2) shall be made in an appropriate language and shall contain the following information—

"(A) the name of the pesticide and the common and chemical names of the active ingredient;

"(B) the name and address of the person exporting the pesticide;

"(C) the name and address of the person importing the pesticide;

"(D) the name and address of the appropriate government regulatory office in the importing country;

"(E) a statement of the reasons why the pesticide was canceled, suspended, voluntarily withdrawn, is not registered in the United States, or has been classified for restricted use, and the list of restrictions; and

"(F) the name and address of the office of the United States Environmental Protection Agency that, on request by the importer or official of the importing country, can provide additional information on the pesticide.

"(4) LABELS.—

"(A) The label of pesticides intended for export from the United States shall be written in an appropriate language.

"(B) Except as provided in section 2(q)(1)(H), such label may not refer to compliance with the laws of the United States unless the label also contains or is accompanied by a description of the relevant requirements of such laws.".

(b) EFFECTIVE DATES.—

(1) Section 17(a) (2) and (3) (as amended by subsection (a) of this section) shall become effective 90 days after the date of enactment of this Act.

(2) Not later than 30 days after the date of enactment of this Act, the Administrator of the Environmental Protection Agency shall publish in the Federal Register a list of the names, addresses, and international telecommunications codes of appropriate regulatory offices required to receive notices under section 17(a)(2)(B).

(3) Not later than 180 days after the date of enactment of this Act, and annually thereafter, the Administrator shall revise the list required under paragraph (2).

(4) Not later than 90 days after the date of enactment of this Act, the Administrator shall publish in the Federal Register preliminary guidelines regarding—

(A) the form of the notification required under section 17(a)(2);

(B) translation of the notification and labels required under such section into the appropriate language;

(C) retention of shipping documents and other pertinent records by exporters under such section; and

(D) procedures for public access to documents submitted by exporters under such section.

(5) Not later than 1 year after the date of enactment of this Act, the Administrator shall issue such regulations as are necessary to carry out section 17(a) (2) and (3) and this subsection.

SEC. 1005. CANCELLATION NOTICES FURNISHED TO FOREIGN GOVERNMENTS.

Subsection (b) of section 17 (7 U.S.C. 136o(b)) is amended as follows:

"(b) CANCELLATION NOTICES FURNISHED TO FOREIGN GOVERNMENT.—

"(1) ISSUANCE.—The Administrator shall transmit through the State Department a notice, at such time and annually thereafter, to the appropriate governmental regulatory office of other countries and to appropriate international agencies whenever—

"(A) a registration, or a cancellation or suspension of the registration, of a pesticide becomes effective, or ceases to be effective; or

"(B) a pesticide is classified for restricted use.

"(2) CONTENTS.—Such notification shall include—

"(A) the reasons for the regulatory action taken;

"(B) for canceled or suspended registrations, information concerning other pesticides that are registered under section 3 and that could be used in lieu of such pesticide; and

"(C) the name and address of the office of the United States Environmental Protection Agency that, on request, can provide additional information on the pesticide.".

SEC. 1006. COOPERATION IN INTERNATIONAL EFFORTS.

Subsection (d) of section 17 (7 U.S.C. 136o(d)) is amended to read as follows:

"(d) COOPERATION IN INTERNATIONAL EFFORTS.—The Administrator shall—

"(1) in cooperation with the Department of State, other appropriate Federal agencies, and non-governmental and international organizations, actively participate in international efforts to develop improved pesticide research and regulatory programs;

"(2) provide foreign countries with technical assistance to develop comprehensive pesticide regulatory programs;

"(3) within 1 year of the effective date of the Federal Insecticide, Fungicide, and Rodenticide Act Amendments of 1986, and every 3 years thereafter, conduct and publish a survey of all countries that import pesticides from United States exporters or from which the United States imports agricultural commodities, to—

"(A) ascertain what procedures are in place in each country regarding registration, labeling, and training to ensure safe handling, transportation, application, and disposal of pesticides; and

"(B) control residues on foods in order to meet tolerances established under United States law; and

"(4) report to Congress annually on the activities conducted to comply with this subsection and the results thereof.".

SEC. 1007. TOLERANCES FOR AGRICULTURAL COMMODITIES.

Section 17 (7 U.S.C. 136o) is amended by adding at the end thereof the following new subsection:

"(f) TOLERANCES FOR AGRICULTURAL COMMODITIES.—

"(1) REGISTRATION.—Subject to paragraph (2), if the registration of a pesticide under this Act has been canceled, suspended, denied, or voluntarily withdrawn (unless any such action was due solely to environmental effects), the Administrator shall, not later than 60 days after such action, revoke or amend—

"(A) the corresponding tolerance or exemption from tolerance established under section 408 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 346a); and

"(B) any food additive regulation established under section 409 of such Act (21 U.S.C. 348).

"(2) AMENDMENT OF TOLERANCE.—The Administrator may amend such tolerance only to permit food in commerce that contains residues of the pesticide from previously

registered uses, from foreign or United States use of existing stocks permitted under section 6(a), or from unavoidable residual environmental contamination.

"(3) LOWERING OF TOLERANCE.—The Administrator shall promptly lower any such amended tolerance as soon as such residues decrease.".

TITLE XI—AUTHORIZATION FOR APPROPRIATIONS

SEC. 1101. AUTHORIZATION FOR APPROPRIATIONS.

Effective October 1, 1986, section 31 (7 U.S.C. 136y) (as amended by section 1768 of the Food Security Act of 1985 (Public Law 99-198)) is amended to read as follows:

"SEC. 31. AUTHORIZATION FOR APPROPRIATIONS.

"There is authorized to be appropriated to carry out this Act $100,000,000 for the fiscal year ending September 30, 1987, $110,000,000 for the fiscal year ending September 30, 1988, $70,000,000 for the fiscal year ending September 30, 1989, and $70,000,000 for the fiscal year ending September 30, 1990.".

TITLE XII—EMPLOYEE PROTECTION

SEC. 1201. EMPLOYEE PROTECTION.

The Act (7 U.S.C. 136 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 32. EMPLOYEE PROTECTION.

"(a) IN GENERAL.—No employer may discharge any employee or otherwise discriminate against any employee with respect to the employee's compensation, terms, conditions, or privileges of employment because the employee (or any person acting pursuant to a request of the employee) has—

"(1) commenced, caused to be commenced, or is about to commence or cause to be commenced a proceeding under this Act;

"(2) testified or is about to testify in any such proceeding; or

"(3) assisted or participated, or is about to assist or participate, in any manner in such a proceeding or in any other action to carry out the purposes of this Act.

"(b) ADMINISTRATION.—The Administrator shall implement this section in a manner consistent with the procedures, remedies, review, enforcement, and exclusion provisions of section 23 of the Toxic Substances Control Act (15 U.S.C. 2622).".

TITLE XIII—TECHNICAL AMENDMENTS

SEC. 1301. TABLE OF CONTENTS.

The table of contents contained in section 1(b) (7 U.S.C. prec. 121) is amended—

(1) by striking out the item relating to section 2(n) and inserting in lieu thereof the following:

"(n) Ingredient statement.
"(1) In general.
"(2) Common name.";

(2) by adding at the end of the items relating to section 2 the following:

"(ff) Outstanding data requirement.
"(1) In general.
"(2) Factors.
"(gg) Importing country.";

(3) by striking out the item relating to section 3(c)(8) and inserting in lieu thereof the following:

"(8) Interim administrative review.
"(A) Criteria.
"(B) Procedures.";

(4) by adding at the end of the items relating to section 3(c) the following:

"(9) Preregistration access to data.";

(5) by striking out the item relating to section 3(g) and inserting in lieu thereof the following:

"(g) Reregistration of pesticides.
"(1) In general.
"(2) Lists of pesticide active ingredients.
"(3) Priority.
"(4) Removal.
"(5) Judicial review.
"(6) Data requirements.
"(7) Filling data requirements.
"(8) Suspension.
"(9) Reregistration.
"(10) Fees.
"(11) Revolving fund.
"(12) Compensation of data submitter.";

(6) by adding at the end of the items relating to section 3 the following:

"(h) Priority list and data development plans for inert ingredients.
"(1) Establishment of list.
"(2) Publication of list.
"(3) Judicial review.
"(4) Removal of ingredients involving interim administrative reviews.
"(5) Removal of ingredients involving additional data.
"(6) Number of ingredients.
"(7) Data development plans.
"(i) Substitution of inert ingredients.
"(j) Labeling of inert ingredients.
"(1) Amended label.
"(2) Misbranding.
"(k) Formula statements.
"(1) Listed inert ingredients.
"(2) All inert ingredients.";

(7) by striking out the item relating to section 6(b) and inserting in lieu thereof the following:

"(b) Cancellation and change in classification.
"(1) Notice.
"(2) Hearing.
"(3) Factors.";

(8) by adding at the end of the items relating to section 6 the following:

"(g) Hearing following interim administrative review.
"(1) In general.
"(2) Request for hearing.
"(3) Judicial review.
"(4) Procedures.
"(h) Cancellation of registration based on false or invalid data.
"(1) Notice.
"(2) Invalid data.
"(3) False data.
"(4) Hearing.";

(9) by adding at the end of the items relating to section 7 the following:

"(e) Fact sheets.";

(10) by adding at the end of the items relating to section 10 the following:

"(h) Data disclosure to States.
"(1) In general.
"(2) Action for just compensation.";

(11) by striking out the item relating to subsections (a) and (b) of section 17 and inserting in lieu thereof the following:

"(a) Pesticides and devices intended for export.
"(1) Violations.
"(2) Exports.
"(3) Notification.
"(4) Labels.
"(b) Cancellation notices furnished to foreign government.
"(1) Issuance.
"(2) Contents.";

(12) by adding at the end of the items relating to section 17 the following:

"(f) Tolerances for agricultural commodities.
"(1) Registration.
"(2) Amendment of tolerance.
"(3) Lowering of tolerance."; and

(13) by adding at the end thereof the following:

"Sec. 32. Employee protection.
"(a) In general.
"(b) Administration.".

TITLE XIV—EFFECTIVE DATE

SEC. 1401. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act and the amendments made by this Act shall become effective 60 days after the date of enactment of this Act.

EXECUTIVE SUMMARY OF THE FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT AMENDMENTS OF 1986

REREGISTRATION AND REVENUES

The bill establishes a schedule for completion of the reregistration of pesticides by requiring EPA to develop two lists of pesticide active ingredients for reregistration. A priority list of 300 active ingredients scheduled for reregistration must be developed within sixty (60) days of enactment, followed within thirty (30) days thereafter by a second list of the remaining chemicals.

Within eighteen months of enactment for the first list, and within twenty-four months of enactment for the second list, EPA is required to fully evaluate the existing data supporting registrations for the active ingredients and to issue notices to registrants to fill any outstanding date requirements. Registrants then have up to four years to complete the studies required, with an exceptional circumstance extension of up to two years for unanticipated delays. Failure to submit data within such deadlines will result in suspension of registration. Following submission of the studies, EPA has one year to reregister the pesticide.

The bill provides for a one-time fee on active ingredients to assist EPA's reregistration effort. The fee is divided into two parts. After an initial opportunity for registrants to voluntarily cancel registrations which they do not wish to reregister, a fee of $50,000 is assessed on each active ingredient when EPA issues its notification of outstanding date requirements for that active ingredient. Another fee of $100,000 is assessed when the registrants submit the required data. Lesser fees may be assessed for registrations of active ingredients not used on food or feed. The reregistration fee is apportioned among active ingredient registrants. Formulators are exempted from paying the fee.

FALSE OR INVALID DATA

The bill provides for expeditious EPA review and regulatory action on registrations that are based on false or invalid data.

First, the bill requires EPA to issue a notice of intent to suspend and to cancel the registration of a pesticide if, prior to the effective date of the amendments, the EPA has previously determined that data submitted by a registrant to the EPA in support of an existing registration were invalid, have not been replaced or will not be replaced by April 1, 1988, and are material to the registration.

Second, if EPA determines subsequent to enactment of the amendments that invalid data have been submitted by a registrant in support of a registration, the amendments also authorize EPA either to require the registrant to submit valid replacement studies on an expedited basis or to issue a notice of intent to cancel the registration. These amendments are designed to allow EPA to take action on situations where the EPA discovers that pivotal studies, previously thought to be valid in justifying a product's registration, are in fact invalid and the con-

tinued use of the product may cause an unreasonable risk.

Finally, the proposal provides that EPA must immediately cancel a registration if a registrant willfully submits material data know to be false in support of the registration.

The EPA is authorized to conduct a hearing to be concluded within seventy-five (75) days after receipt of the request for such a hearing upon notice of cancellation. The hearing will address only a limited number of issues relevant to whether the data are false or invalid and the appropriate impact on the registration.

The proposed amendments also provide that willful falsification of data or knowing submission of false data are unlawful acts, subject to civil and criminal penalties.

CONDITIONAL REGISTRATION

The bill proposes to restrict the availability of conditional registrations for new products and new major uses.

The proposal provides that EPA will not grant a conditional registration for a new use or active ingredient where the data concerning chronic toxicity (oncogenicity, reproductive effects, and mutagenicity), neurotoxicity, or teratogenicity are required for registration, such date have not been submitted, and the date requirement was in effect at the start of date development. Additionally, EPA may amend conditional registrations for existing uses to allow revisions of labels—for example, application methods, efficiency claims, and safety instructions—except if such modifications introduce uses prohibited by the amended statute.

The proposed amendments provide that such conditional registrations must not materially increase the risk of any unreasonable adverse effect on the environment, registrants must provide all additional date required for the proposed additional use, and the additional use is in the public interest.

PUBLIC RIGHT TO KNOW

The bill directs registrants to develop and submit to EPA a summary of health and safety data supporting their registered active ingredients and on priority inert ingredients. Such summaries will be made available to local communities and the public on request. The priority inert ingredients requiring summaries are those 50 to 75 inert ingredients to be listed and regulated under other proposed FIFRA amendments described below. The summaries must be developed within 120 days of enactment of the amendments. The EPA may require modifications to the summaries as needed.

Registered establishments must also obtain and make available to the public on request such summaries on active and inert ingredients used in the establishment.

Finally, the amendments clarify that registrants must provide a list of plant locations in the United States where active ingredients are produced and to make this list available to the public upon request.

PREREGISTRATION ACCESS TO DATA

The bill expands the public's access to health and safety data submitted in support of registrations on new active ingredients and initial food uses of existing registered pesticides. Access to such data is allowed prior to EPA's action on registration applications and is permitted solely for the purpose of public comment on pending applications. The amendments allow access immediately following EPA's publication of receipt of the application for registration and, once the supporting data is disclosed, allow sixty (60) days for public comment. The data will be made available in the offices of EPA or authorized state agencies upon submission of an affirmation that the data reviewer is not acting for a pesticide company and will not intentionally or recklessly violate other restrictions in the Act to protect confidentiality. Comments may quote and discuss the data and may be exchanged for peer review, but will not be made public until after a registration decision has been reached and in compliance with section 10 confidentiality provisions. The data shall not be used for commercial purposes and penalities are provided for wrongful use of data.

INERT INGREDIENTS

The bill gives increased authority to EPA to regulate inert ingredients in pesticides. It requires EPA to develop a priority list of fifty (50) inert ingredients within ninety days of enactment and allows expansion of the list to seventy-five (75) inert ingredients fifteen months after enactment. Criteria are provided to focus the list on inerts with potentially the greatest risk to health or the environment.

Once an inert is listed, EPA is required to develop and publish within one year a plan on what toxicity studies must be conducted and the deadlines for submission of such studies. Once the data development plan is published, pesticides containing listed inerts must list such inert ingredient on the product label. Studies required by the data development plan must be submitted in no more than four (4) years and must be reviewed and appropriate action be taken by EPA within one year of receipt.

The amendments also establish requirements for testing inert ingredients used to replace listed inerts, submission of amended confidential statements of formula, registration of pesticides containing listed inerts, labelling of listed inerts and misbranding provisions, and data development cost allocation.

EXPORT OF PESTICIDES

The bill addresses a number of issues in the export and foreign use of U.S. pesticides.

First, the proposal expands the current notice requirements of registrants to inform, at least annually, foreign importers and importing countries about their products in international trade whose registrations are cancelled, suspended, are restricted use pesticides, are not registered for any U.S. use, or have been voluntarily withdrawn for health or environmental reasons. Export cannot proceed until the notice and evidence of its delivery have been provided to the EPA and made available to the public. Notices will identify the exporter, foreign purchases, the appropriate regulatory office in the importing country, and a clear statement of the reason why the product cannot be legally sold in the U.S. or is a restricted use. EPA must annually provide similar notices to foreign governments and appropriate international agencies.

Second, the bill requires exported pesticides which are substantially similar in composition and use pattern to pesticides registered in the U.S. to have labels containing the same health, safety and hazard precautions as U.S. products, unless such precautions on the label are in conflict with the law of the importing country.

Third, the proposal required EPA within sixty days to revoke or amend food tolerances on imported and domestically grown food when a pesticide registration has been cancelled, suspended, denied, or voluntarily withdrawn, unless any of such actions were due solely to environmental effects. The action on the tolerance may take into account consumption of food in commerce, use of existing stocks, and unavoidable environmental contamination.

Finally, the bill encourages the EPA to assist foreign governments in establishing comprehensive pesticide programs and allows EPA to regulate the maintenance of records by pesticide exporters.

CANCELLATION PROCEDURES

The bill establishes expedited procedures for EPA's conduct of interim administrative or "special" reviews of pesticides, and sets time limits on those reviews and product registration cancellation hearing. The amendments also permit certain modifications of labels by informal rulemaking unless they are equivalent to a cancellation, render the product unmarketable or have a major economic impact.

With respect to interim administrative reviews initiated after January 1, 1986, the proposal established criteria for initiating a review on the basis of levels of risk and permits consideration of currently available exposure data. The absence of exposure data will not delay or preclude initiation or reviews. When administrative review triggers are exceeded, EPA shall immediately notify the registrants, who shall respond with thirty (30) days to the Agency's assessment that the trigger has been activated. Once a notice of a review is formally initiated, the amendments further provide that the interim administrative review must be completed within one year. Key elements of the schedule call for a ninety (90) day public respose to the EPA's notice of an interim administrative review, ninety (90) day EPA review of public comments and issuance of a proposed decision, and sixty (60) day deadline thereafter for final EPA decision. The overall time limit of one (1) year may be extended up to an additional year for exceptional circumstances and under certain limitations.

With respect to product registration cancellation hearings, the amendments establish a time limit of six (6) months for hearings conducted subsequent to an interim administrative review and twelve (12) months for hearings not following such a review. In either instance, a hearing may be requested by an adversely affected party. The amendments prescribe the conditions under which EPA may grant a hearing and the hearing procedures. Essentially, a hearing which follows an interim administrative review must be conducted on the following schedule: The hearing must commence sixty (60) days from appointment of the Hearing Examiner and conclude sixty (60) days thereafter, briefs must be filed within twenty (20) days of transcript receipt, and the Examiner's recommended decision made twenty (20) days from submission of briefs. The schedule may be extended for up to 180 days in exceptional circumstances.

EMPLOYEE PROTECTION

The bill requires that no employer may discharge or otherwise discriminate against any employee with respect to the employee's compensation and conditions of employment because the employee or a person acting at the request of the employee has initiated a proceeding under FIFRA, testified, or participated in such a proceeding. EPA is instructed to implement these protections in a manner consistent with a similar section of the Toxic Substances Control Act.

DATA DISCLOSURE TO STATES

The bill permits EPA to disclose to States any data or information acquired under FIFRA, if the State and EPA assure that the owner of the data will receive no less protection with respect to disclosure and use of the data than is provided under FIFRA. The bill additionally provides for remedies if improper disclosure is made.

INSPECTION OF LABORATORIES

The bill authorizes EPA to inspect relevant parts of laboratories, related books and records, and data supporting applications for experimental use permits and registrations. Additionally, the bill requires EPA to coordinate such inspections with actions taken under other Federal laws to avoid duplication.

Mr. LEAHY. Mr. President, I am pleased to join Senator LUGAR and Senator PROXMIRE in submitting this important legislation to strengthen the Nation's pesticide law. The bill represents literally years of effort on the part of several organizations concerned about safer uses of pesticides. Organizations supporting the bill include the Campaign on Pesticide Reform—a coalition of 41 consumer, environmental, and labor groups—and the National Agricultural Chemicals Association, whose membership includes some 92 companies.

The bill amends the Federal Insecticide, Fungicide, and Rodenticide Act [FIFRA], the primary Federal law regulating registration, sale, and use of pesticides and certain other agricultural and household chemicals.

The bill improves the existing statute in several ways. First, the bill establishes a schedule for completing the required reregistration of certain pesticides by the Environmental Protection Agency [EPA]. The bill provides for a one-time fee for the reregistration of each active ingredient for which additional data is required. Proceeds generated by the fee will be used to defray the costs of the reregistration effort.

Expedited procedures will be established for EPA to review and take regulatory action on pesticide registrations that may have been based on false or invalid data submitted in the past. In addition, if a registrant willfully submits information known to be false in the process of registering a pesticide, EPA must immediately cancel the registration.

The availability of conditional registrations for new products or for new major uses is restricted under the bill. Conditional registration will not be permitted if data concerning some of the more dangerous potential side effects of a pesticide would be required for its registration. In addition, conditional registrations must not materially increase the risk of any unreasonable adverse effect on the environment.

The public's right to know more about pesticide ingredients is strengthened by the bill. A summary of health and safety data used to support applications for registration of active ingredients and certain inert ingredients must be developed by pesticide registrants and submitted to EPA. The data will be available to the public. In addition, the bill provides for increased public access to health and safety information submitted in support of the registration of new active ingredients and any initial food use of existing registered pesticides. Such access is allowed prior to any EPA action on a registration application but will be permitted solely for the purpose of public comment on the pending application.

The bill gives EPA broader authority to regulate inert ingredients in pesticides. EPA's efforts will be focused on inert ingredients that pose the greatest risk to the environment.

The bill will also improve in several ways the existing statutory provisions related to export and foreign use of pesticides produced in the United States. The bill would require foreign purchases of a pesticide of its cancellation, suspension, use restriction, or voluntary withdrawal. More strict labeling requirements are established for exported pesticides.

Under the bill requires EPA, within 60 days, to revoke or amend food tolerances on imported and domestically grown food when a pesticide registration is canceled, suspended, denied, or voluntarily withdrawn.

With regard to registration cancellation procedures, the bill will establish expedited procedures for conducting interim administrative or "special" reviews of pesticides. In addition, the bill provides for: First, increased employee protection in cases where an employee has initiated a proceeding under FIFRA; second, disclosure to appropriate State agencies of certain information acquired under FIFRA, and third, authorized, coordinated inspection of laboratories.

Mr. President, I look forward to seeing this bill rapidly enacted. I hope that the Senate Committee on Agriculture will conduct hearings on the bill at an early date and begin markup as soon as may be practical.

Mr. PROXMIRE. Mr. President, I am delighted to be cosponsoring with Senators LUGAR and LEAHY the new consensus pesticide bill worked out by the National Agricultural Chemicals Association and the Campaign For Pesticide Reform, a coalition of environmental, consumer and labor groups.

The bill tightens existing law insuring for the first time that all registered pesticides have been tested for their effects on human health and the environment. It's outrageous that almost 15 years after the passage of the Federal Insecticide, Fungicide and Rodenticide (FIFRA) amendments, the vast percentage of all pesticide active ingredients are still missing vital tests for cancer, mutations or birth defects.

Even more, without this legislation EPA lacks effective measures for dealing with pesticides whose active ingredients were registered based on invalid or fraudulent data.

The bill also:

Tightens up the enormous loopholes in the existing registration process;

Provides new public access and right to know for pesticide health and safety data;

Requires new labeling for inert ingredients;

Applies new requirements to exported pesticide and imported food products grown with pesticides banned in the United States;

Streamlines the process for cancelling pesticide registrations;

Includes protections against discharge or discrimination for workers who initiate or participate in FIFRA proceedings;

Permits EPA data disclosure to States;

Authorizes laboratory and record inspection, and;

Clarifies existing requirements on data confidentiality.

Even more important than the bill's contents is the process used in its drafting. I can think of no other example of historic adversaries coming together and producing a strong consensus bill which protects human health while considering effects on the regulated industry. This bill is truly a stunning achievement and one which should be imitiated again and again for other tough environmental problems.

Unfortunately, while the bill covers a considerable percentage of the pesticide program's lonstanding weaknesses, it does not cover them all.

In some cases, such as groundwater protection, negotiations between the NACA and the CPR are still continuing. I hope both sides will realize the importance of this issue and resolve their differences prior to hearings in the Agriculture Committee.

With other items, such as workers safety and training, separate negotiations with affected groups are proceeding in parallel with the CPR-NACA negotiations. Here too it is my hope that discussions be resolved favorably as soon as possible so that these topics can be included in the committee's deliberations.

Mr. President, this bill is not a total solution, covering every thorny pesticide problem. However, it is a splended first step which leads the way to the ideal program sought by Congress since 1972.

By Mr. STEVENS (for himself, Mr. KENNEDY, Mr. THURMOND, and Mr. HATCH):

S. 2216. A bill to designate September 17, 1987, the bicentennial of the signing of the Constitution of the United States, as "Constitution Day", and to make such day a legal public holiday; ordered held at the desk until the close of business on Monday, March 24, 1986.

CONSTITUTION DAY

Mr. STEVENS. Mr. President, to me there is no day more worthy of celebration than the day the U.S. Constitution was signed.

Along with Senator THURMOND and Senator KENNEDY, I have the privilege to represent this body on the Commission created to organize the celebration of the bicentennial of the adoption of our Constitution. We have joined together in sponsoring this bill to make September 17, 1987, a onetime national holiday—Constitution Day.

Even more than the signing of the Declaration of Independence, the signing of the Constitution by the Constitutional Convention marked the beginning of our Nation. That Convention, representing a loose confederation of former British colonies, and empowered to redraft the Articles of Confederation, went beyond their charge and instead drew up the blueprint of the most successful government in history. When the framers of our Constitution sent their new document out to what would become the States for it to be ratified our country's life began.

There have been amendments to our Constitution—we just spent some time here in the Senate on a proposed amendment which we will vote on next week—but the basic form of our Government has remained unchanged. The balance between our three branches has not only provided successful in our country; it has set a standard by which other countries have measured their own governments.

It is only appropriate that we celebrate the 200th anniversary of our Constitution with all the energy we can muster. This is more than just another day for parades and parties: it is an opportunity to reflect on the history of our Nation, and the great concepts which have made us what we are today. However, while it is important that we think about the wisdom embodied in the Constitution, it is just as important that we do have parades to celebrate the bicentennial.

This national celebration is the best way to convince Americans to think of ways to commemorate the founding of our Government. And, a key part of such a celebration must be a day devoted only to the anniversary of our Constitution. I hope that all Senators will join with us in calling for a national holiday to celebrate this bicentennial.

Mr. President, I understand the leadership will ask unanimous consent that this bill be printed in the RECORD and that it be held at the desk until the close of business Monday so that all who wish to do so may be an original cosponsor, and that at the close of business Monday this bill be appropriately referred.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S. 2216

To designate September 17, 1987, the bicentennial of the signing of the Constitution of the United States, as "Constitution Day", and to make such a day a legal public holiday

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

FINDINGS

SECTION 1. The Congress finds that—

(1) the United States Constitution is the cornerstone of our system of Government under law;

(2) September 17, 1987, commemorates the bicentennial of the signing of the United States Constitution;

(3) the bicentennial of the signing of the United States Constitution serves as a reminder and a celebration of the rights, privileges, and responsbilities of citizenship;

(4) the United States Constitution signifies the importance of the rule of law and affirms our dedication to freedom and justice; and

(5) the United States Constitution provides the framework for our law, our spirit, and our beliefs as a Nation.

DESIGNATION

SEC. 2. September 17, 1987, is designated as "Constitution Day".

TREATMENT AS A LEGAL PUBLIC HOLIDAY

SEC. 3. September 17, 1987, shall be treated as if it were a legal public holiday under section 6103(a) of title 5, United States Code, for purposes of—

(1) any statute relating to pay or leave of employees (as defined by section 2105 of title 5, United States Code);

(2) section 2(d) of the joint resolution entitled "Joint resolution to codify and emphasize existing rules and customs pertaining to the display and use of the flag of the United States of America", approved June 22, 1942 (36 U.S.C. 174(d));

(3) section 15(a) of the Federal Contested Election Act (2 U.S.C. 394(a)); and

(4) any other law.

Mr. THURMOND. Mr. President, I am pleased today to cosponsor this important legislation establishing September 17, 1987, as "Constitution Day" and proclaiming that day as a onetime national holiday commemorating the bicentennial of the U.S. Constitution.

Over the years, our Government has chosen to observe, through annual national holidays, a number of great leaders and great events in our Nation's history. I cannot imagine an occasion of greater historical significance of the people of the United States than the 200th birthday of its unique and unparalleled Constitution.

Mr. President, the bicentennial provides an opportunity for our citizens to gain a new appreciation of the vital role which the Constitution has played in making the United States the greatest country in the world. Establishment of a one-time holiday, by underscoring the significance of the Constitution, should stimulate many of our citizens to study and analyze its origin and meaning.

I am honored to be a member of the Commission on the Bicentennial of the U.S. Constitution. The Commission, under the leadership of its chairman, Chief Justice Warren Burger, is working with Federal entities, with the States and local communities, and with numerous nonpublic entities, to ensure that our observance of the bicentennial is meaningful. The Commission has strongly endorsed the onetime holiday proposed by this legislation, and believes that it will greatly enhance our bicentennial celebration.

Mr. President, I am hopeful that my colleagues in the Senate will support this important initiative. A one-time holiday would be an excellent way to observe 200 years of democracy under a document which, in my view, is the greatest that man has ever penned for the governing of a people.

By Mr. GRAMM:

S. 2217. A bill to provide fair incentives for the domestic production of oil and gas; to the Committee on Finance.

OIL AND GAS DEREGULATION AND INCENTIVE ACT

● Mr. GRAMM. Mr. President, today I am introducing the "Oil and Gas Deregulation and Incentive Act of 1986." This legislation addresses four major areas of concern to our Nation's troubled oil and gas industry: Tax policy, banking policy, repeal of the Windfall Profits Tax and deregulation of the gas industry.

There has been a dramatic decline in oil and natural gas exploration and development in the United States. Broad sectors of the domestic oil and gas industry have suffered severe economic reversals, and rapidly declining oil prices are exacerbating an already serious economic climate in the industry.

There are a number of contributing factors. These include the uncertainty created by pending tax legislation and inadequate regulatory authority on the part of Federal banking agencies, as well as the passage of events that precipitated the Natural Gas Policy Act of 1978, the Industrial Fuel Use Act of 1978 and the Crude Oil Windfall Profit Tax Act of 1980.

The legislation I am introducing today addresses these problems in the following ways. First, the bill eliminates by resolution those provisions of the Rostenkowski tax bill (H.R. 3838) that detrimentally affect the oil and natural gas industry. Retained specifically are existing rules regarding intangible drilling costs and percentage depletion allowances. Also retained are the alternative minimum tax net income offset provisions and the re-

serve method for bad debt deductions utilized by banks. Retention of these tax benefits should assist in the ability of the industry to provide for capital formation and to quell existing concerns regarding additional and potentially disastrous taxing of the industry.

Next, the bill provides enhanced flexibility to the Federal Deposit Insurance Corporation the Comptroller of the Currency and the Federal Reserve Board in establishing regulatory procedures to allow the restructuring of appropriate oil and gas industry debt. More particularly, the bill provides the sense of the Congress that Federal banking agencies acting in their regulatory capacity should work in cooperation with well managed financial institutions whose capital may be temporarily impaired by adverse economic conditions beyond their control. The bill also provides for the use of Financial Accounting Standards Board No. 15 in troubled debt restructurings, allowing financial institutions to account prospectively for modifications to the term of their borrowers' debts, and provides for a special classification category for renegotiated loans. There is also provision for forebearance of capital standards by the Federal banking agencies in appropriate circumstances. The bill specifically amends the Federal Deposit Insurance Corporation Act to allow for "extraordinary acquisitions" of both closed banks and banks "experiencing financial difficulties" by in-state and out-of-state banks and bank holding companies. The FDIC is required to consult with appropriate State bank supervisors and the FDIC can solicit proposals from any qualified purchasers. Any further acquisitions in the involved State must be in accordance with State law.

Third, the bill repeals the Windfall Profits Tax and changes the withholding requirements of the act to conform to the effective date of the repeal.

Fourth, the bill deregulates the natural gas industry by removing various provisions of the Natural Gas Policy Act of 1978 and the Powerplant and Industrial Fuel Use Act of 1978, and by providing for the nondiscriminatory transportation of natural gas. More specifically, the bill repeals certain sections of the Fuel Use Act, retaining those sections of the act that provide for expedited environmental review. These changes will allow any new or existing electric utility plant or major industrial user to choose natural gas as its energy source. This repeal should lead to increased use of natural gas by utilities and industrial installations.

This section of the bill also repeals the incremental pricing requirements of the NGPA, allowing industrial users to buy gas on a nondiscriminatory basis. The price of natural gas will no longer be tied to an artificial figure, and rules promulgated by the Commission will continue only with respect to flowthrough of costs incurred before enactment. The bill also repeals wellhead price control provisions of the NGPA, in effect excluding first sales and renegotiated contracts, while still providing for contract sanctity in certain area rate clause situations.

Further, the bill repeals Natural Gas Act jurisdiction over first sales of committed or dedicated natural gas and those provisions of the NGPA that would allow the reimposition of price controls. The bill also provides for the transportation of natural gas without undue discrimination as to class of shipper or recipient, and provides that rates and charges with respect to such transportation must be just and reasonable. This provision grants significant latitude to the Commission in its rulemaking capacity.

As additional provisions of a general nature, the bill provides a sense of the Congress regarding the inappropriateness of State regulations that require the premature plugging of marginal wells, and also provides for certain modifications regarding the period of time required in which to explore and develop land under the Mineral Lands Leasing Act. The bill would change the present 10-year period to 20 years.

Mr. President, I urge my colleagues to join me in this long overdue effort to deregulate the oil and gas industry and provide the mechanisms necessary to address the current situation.●

By Mr. GLENN (for himself, Mr. JOHNSTON, Mr. PROXMIRE, Mr. CHAFEE, Mr. FORD, and Mr. STENNIS):

S.J. Res. 300. Joint resolution to recognize and honor 350 years of service of the National Guard; to the Committee on the Judiciary.

RECOGNIZING THE NATIONAL GUARD FOR 350 YEARS OF SERVICE

● Mr. GLENN. Mr. President, I rise today to introduce a joint resolution recognizing the 350th anniversary of the National Guard, and honoring the Army and Air National Guard for services rendered to their communities, their States, and to our Nation. Congressman THOMAS DASCHLE is introducing identical legislation in the House of Representatives.

Three hundred and fifty years ago, the first settlers organized militia units to defend their property and their lives, establishing the tradition of the citizen-soldier in the United States. The citizen-soldiers evolved into the National Guard. These patriotic and dedicated men and women have answered the call to duty in virtually every conflict in which the United States has been involved. In peacetime the National Guard also has always been ready to serve by protecting lives and property when disaster strikes.

Mr. President, 1986 marks 350 years of the National Guard's impressive service to our Nation. It is only fitting that we recognize their important contributions.●

By Mr. NICKLES:

S.J. Res. 301. Joint resolution designating the week of May 18, 1986, through May 23, 1986, as "National Food Bank Week"; to the Committee on the Judiciary.

NATIONAL FOOD BANK WEEK

● Mr. NICKLES. Mr. President today I am introducing a joint resolution which would designate the week of May 18, 1986 through May 23, 1986 as "National Food Bank Week".

It is estimated that there are approximately 20 million people in the United States that periodically go hungry. Nonprofit food banks all over the country have provided a valuable service in helping to provide food for those in need.

In 1985, Second Harvest, a recognized leader in food banking, distributed over 1 million pounds of food products to help combat hunger. With a growing demand for food assistance, the work of food banks is increasing daily. Therefore, I introduce this joint resolution today not only to recognize the work of food banks, such as Second Harvest, but to also bring a much needed awareness to the American public of the problem of hunger in America and the need for food assistance.

It is my hope that other Senators will join me in honoring the work of those who sacrifice time and energy on behalf of the needy in the distribution of food.●

By Mr. DOLE (for himself, Mrs. KASSEBAUM, Mr. EAGLETON, and Mr. DANFORTH):

S.J. Res. 302, Joint resolution to commend Project Equality, Incorporated, participants for 20 years of dedicated service to equal employment opportunity; to the Committee on the Judiciary.

COMMENDING PROJECT EQUALITY INCORPORATED

Mr. DOLE. Mr. President. I am pleased to introduce a joint resolution commending an outstanding Kansas City-based group called Project Equality on its 20th anniversary.

Project Equality was founded to promote equal employment opportunities for those traditionally excluded from the economic mainstream of our society. It is comprised of many different religious and public interest groups, all tied together by a strong commitment and dedication to equality in the job market. Over the past two decades, Project Equality has prodded and cajoled corporations and businesses throughout the country to open their doors and implement fair employment

practices. And by doing so, this organization has helped untold numbers secure jobs which may otherwise have been unavailable to them.

Mr. President. There is currently an intense debate going on about whether numerical goals and timetables should be required under affirmative action plans and, in general, to what extent race- or sex-conscious measures should be used to promote employment opportunities for women and minorities. But regardless of disagreements about means, I think we can all agree on the end, which is a job market completely devoid of discrimination. Project Equality has made a large contribution toward achieving that goal and I congratulate them on their 20th anniversary.

Mr. President, I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 302

Whereas equal employment opportunity programs have made significant improvements in our society;

Whereas Project Equality, Incorporated, is a nationwide organization comprised of religious organizations and public interest groups with a membership totaling in excess of thirty million persons;

Whereas Project Equality, Incorporated, the Nation's largest private fair employment program, serves as an advocate in support of equal employment opportunity;

Whereas Project Equality, Incorporated, through publication and distribution of the "Buyer's Guide", rates participating companies on their equal employment opportunity for endorsement purposes;

Whereas Project Equality, Incorporated, willingly furnishes consultation services, resources, and manpower to assist organizations in developing equal opportunity programs beneficial to corporations and employees; and

Whereas the contributions of Project Equality, Incorporated, are invaluable toward the continued improvement of fair employment practices: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That in support of the principles and activities of Project Equality, Incorporated, the Representatives commend this organization and recognize their twentieth anniversary.

ADDITIONAL COSPONSORS

S. 8

At the request of Mr. CRANSTON, the names of the Senator from New Mexico [Mr. BINGAMAN], and the Senator from Montana [Mr. MELCHER] were added as cosponsors of S. 8, a bill to grant a Federal charter to the Vietnam Veterans of America, Inc.

S. 670

At the request of Mr. PELL, the names of the Senator from Tennessee [Mr. GORE], and the Senator from Michigan [Mr. LEVIN], were added as cosponsors of S. 670, a bill to amend the National Labor Relations Act to give employers and performers in the performing arts rights given by section 8(e) of such act to employers and employees in similarly situated industries, and to give to employers and performers in the performing arts the same rights given by section 8(f) of such act to employers and employees in the construction industry, and for other purposes.

S. 1064

At the request of Mr. PELL, the name of the Senator from Montana [Mr. MELCHER] was added as a cosponsor of S. 1064, a bill to provide for the continuation of the National Diffusion Network.

S. 1654

At the request of Mr. STEVENS, the name of the Senator from North Carolina [Mr. EAST] was added as a cosponsor of S. 1654, a bill to amend title 18, United States Code, to provide for criminal forfeiture of proceeds derived from espionage activities and rewards for informants providing information leading to arrests in espionage cases.

S. 1793

At the request of Mr. KENNEDY, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of S. 1793, a bill to amend the Public Health Service Act to establish a grant program to develop improved systems of caring for medical technology dependent children in the home, and for other purposes.

S. 1823

At the request of Mr. ROCKEFELLER, the name of the Senator from Colorado [Mr. HART] was added as a cosponsor of S. 1823, a bill to strengthen the technological literacy of the Nation through demonstration programs of technology education.

S. 1826

At the request of Mr. KENNEDY, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 1826, a bill to protect the Social Security Trust Funds and other retirement funds from actions designed to avoid the statutory limit on the public debt.

S. 1900

At the request of Mr. ROTH, the names of the Senator from Arkansas [Mr. BUMPERS], and the Senator from North Dakota [Mr. BURDICK] were added as cosponsors of S. 1900, a bill to amend the Foreign Agents Registration Act of 1938 by providing for the 5 year suspension of exemptions provided to an agent of a foreign principal convicted of espionage offenses.

S. 1901

At the request of Mr. ROTH, the names of the Senator from Arkansas [Mr. BUMPERS], and the Senator from North Dakota [Mr. BURDICK] were added as cosponsors of S. 1901, a bill to amend the Foreign Missions Act regarding the treatment of certain Communist countries, and for other purposes.

S. 1980

At the request of Mr. THURMOND, the names of the Senator from Wisconsin [Mr. KASTEN], and the Senator from Indiana [Mr. LUGAR] were added as cosponsors of S. 1980, a bill to amend title 17, United States Code, regarding the conveyance of audiovisual work, and for other purposes.

S. 2050

At the request of Mr. METZENBAUM, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 2050, a bill to notify workers who are at risk of occupational disease in order to establish a system for identifying and preventing illness and death of such workers, and for other purposes.

S. 2094

At the request of Mr. COCHRAN, the name of the Senator from Kansas [Mr. DOLE], and the Senator from Maryland [Mr. SARBANES] were added as cosponsors of S. 2094, a bill to establish a commission for the amelioration of Parkinsonism.

S. 2122

At the request of Mr. GLEEN, the name of the Senator from Tennessee [Mr. GORE], was added as a cosponsor of S. 2122, a bill to continue the current waiver of liability presumption for home health agencies and skilled nursing facilities under the Medicare Program is order to protect beneficiary access to home health and extended care services.

S. 2134

At the request of Mr. HEFLIN, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 2134, a bill to amend title 39, United States Code, to extend to certain officers and employees of the Postal Service the same procedural and appeal rights with respect to certain adverse personnel actions as are to Federal employees under title 5, United States Code.

S. 2136

At the request of Mr. ABDNOR, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 2136, a bill to provide that any requirement to substantiate a deduction under the Internal Revenue Code of 1954 for business use of a vehicle be based on the regulations in effect before the Tax Reform Act of 1984.

S. 2147

At the request of Mr. WEICKER, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 2147, a bill to extend the authorization for not-for-profit organizations operated in the interest of handicapped and blind individuals to receive procurement contracts under the Small Business Act.

S. 2166

At the request of Mr. DURENBERGER, the name of the Senator from North Dakota [Mr. ANDREWS], the Senator from Iowa [Mr. HARKIN], the Senator from Florida [Mr. CHILES], the Senator from South Carolina [Mr. THURMOND], and the Senator from Utah [Mr. GARN] were added as cosponsors of S. 2166, a bill to amend the Internal Revenue Code of 1954 to modify the tax treatment of tax-exempt municipal bonds, and for other purposes.

SENATE JOINT RESOLUTION 143

At the request of Mr. GORE, the names of the Senator from New Jersey [Mr. BRADLEY] and the Senator from Connecticut [Mr. WEICKER] were added as cosponsors of Senate Joint Resolution 143, a joint resolution to authorize the Black Revolutionary War Patriots Foundation to establish a memorial in the District of Columbia at an appropriate site in Constitution Gardens.

SENATE JOINT RESOLUTION 199

At the request of Mr. MURKOWSKI, the name of the Senator from Oregon [Mr. HATFIELD] was added as a cosponsor of Senate Joint Resolution 199, a joint resolution to designate the month of November 1985 as "National Elks Veterans Remembrance Month."

SENATE JOINT RESOLUTION 246

At the request of Mr. HATCH, his name was withdrawn as a cosponsor of Senate Joint Resolution 246, a joint resolution to designate May 25, 1986, as "Hands Across America Day," for the purpose of helping people to help themselves, and commending United Support of Artists for Africa and all participants for their efforts toward combating domestic hunger with a 4,000-mile human chain from coast to coast.

SENATE JOINT RESOLUTION 260

At the request of Mr. COCHRAN, the names of the Senator from Alabama [Mr. HEFLIN], the Senator from Kansas [Mr. DOLE], the Senator from Indiana [Mr. LUGAR], the Senator from Illinois [Mr. SIMON], and the Senator from Georgia [Mr. NUNN] were added as cosponsors of Senate Joint Resolution 260, a joint resolution designating the first Sunday of October as "National Stepparents Day."

SENATE JOINT RESOLUTION 279

At the request of Mr. GORE, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of Senate Joint Resolution 279, a joint resolution to designate the month of October 1986, as "Lupus Awareness Month."

SENATE JOINT RESOLUTION 282

At the request of Mr. MOYNIHAN, the names of the Senator from Arizona [Mr. DECONCINI], the Senator from Georgia [Mr. NUNN], and the Senator from Michigan [Mr. LEVIN] were added as cosponsors of Senate Joint Resolution 282, a joint resolution to express the disapproval of the Congress with respect to the proposed rescission of budget authority for the General Revenue Sharing Program.

SENATE JOINT RESOLUTION 289

At the request of Mr. ROTH, the names of the Senator from Texas [Mr. BENTSEN], the Senator from North Dakota [Mr. BURDICK], and the Senator from New York [Mr. MOYNIHAN] were added as cosponsors of Senate Joint Resolution 289, a joint resolution to designate 1988 as the "Year of New Sweden" and to recognize the New Sweden 1988 American Committee.

SENATE JOINT RESOLUTION 290

At the request of Mr. DECONCINI, the name of the Senator from Nevada [Mr. LAXALT] was added as a cosponsor of Senate Joint Resolution 290, a joint resolution to designate July 4, 1986, as "National Immigrants Day."

SENATE JOINT RESOLUTION 293

At the request of Mrs. HAWKINS, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of Senate Joint Resolution 293, a joint resolution to designate the month of May 1986 as "National Child Safety Month."

SENATE CONCURRENT RESOLUTION 115

At the request of Mr. TRIBLE, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of Senate Concurrent Resolution 115, a concurrent resolution expressing the opposition of the United States to the forcible resettlement and systematic oppression of the Ethiopian people.

SENATE RESOLUTION 370—ENCOURAGING AMERICANS TO CONSUME MEAT AND MEAT FOOD PRODUCTS

Mr. ABDNOR submitted the following resolution; which was referred to the Committee on Agriculture, Nutrition, and Forestry.

S. RES. 370

Whereas agriculture is the largest industry in the United States, with assets totaling $1,000,000,000,000;

Whereas the beef cattle industry is the largest segment of American agriculture, accounting for more than 20 percent of all farm marketings;

Whereas every dollar that this $30,000,000,000 a year industry generates is multiplied five or six times in related industries;

Whereas for every job created on a farm or ranch, there are six jobs created in related industries;

Whereas balance and moderation are the keys to good diet;

Whereas about 50 separate nutrients are essential to good health, and no single food contains all of these nutrients;

Whereas the high quality and abundant meat supply of the United States is the most regulated, most inspected, and safest meat supply in the world; and

Whereas the American Heart Association has stated that a healthy person may eat up to seven ounces of lean red meat, poultry, and seafood per day, and that Americans currently consume an average of only two ounces of cooked lean beef per day (considerably less than the recommended daily intake of foods from the meat group): Now, therefore, be it

Resolved, That it is the sense of the Senate that Americans are encouraged to consume meat and meat food products.

● Mr. ABDNOR. Mr. President, there are lot of predators which plague the livestock industry these days. There is one such predator which would shut down the livestock industry tomorrow if it had the chance. This group has the gall to call itself FARM, the Farm Animal Reform Movement. This organization states in its literature that "next to nuclear weapons, the meat industry and its associates in animal agriculture pose the greatest threat to the quality of life on this planet." They warn of "the holocaust of animal agriculture." Today, March 20, these mindless, misinformed, self-appointed regulators of the American dinner table are picketing restaurants and supermarkets holding meatless receptions for public officials and handing out propaganda in shopping malls. Their objective is to get America to "kick the meat habit."

Well, Mr. President, I'm going to do a little kicking myself. It's time to stand up for meat.

Agriculture is the Nation's largest industry, with assets totaling about $1 trillion. And the beef cattle industry is the largest segment of American agriculture, accounting for more than a fifth of all farm marketings. And every dollar that this $30 billion a year industry generates is multiplied five or six times in related industries. Furthermore, for every job created on the farm or ranch, there are six jobs created in related industries. The beef industry is indeed an essential part of this country's economy.

I think it is time to stand up for beef producers and their product. And it is time to stand up against those who malign this great industry.

Balance and moderation are the keys to good diet. About 50 separate nutrients are essential to health, and no single food contains all of these. For example, beef is an excellent source of vitamin B-12, but is not a source of vitamin C. Oranges contain vitamin C, but virtually no protein. That's why it's important to eat a varied diet.

So what nutrients does beef contribute? Beef offers a substantial amount of protein—nutritionally complete protein containing all eight essential amino acids in the ideal proportions for human nutrition. A 3-ounce portion of cooked sirloin trimmed of fat contributes 40 percent of the U.S. recommended daily allowance for vitamin B-12, 37 percent of the zinc RDA, 18 percent of the niacin, 57 percent of the protein, and 16 percent of the

iron. Furthermore, that is heme iron, which is three to five times more easily absorbed by the body and actually serves as a catalyst for the absorption of other types of iron. And since deficiency is one of the most common dietary deficiencies among women in the United States today, it makes sense to include beef in the diet.

Three ounces of cooked lean beef contains only 73 milligrams of cholesterol. By comparison, the same amount of roast chicken contains 76 milligrams; cheddar cheese 90 milligrams; and shrimp 130 milligrams.

Cattlemen have been steadily improving their product—using new breeding and feeding technologies—so that beef is 10 percent leaner today than it was 20 years ago. Three ounces of cooked lean beef contains only 9 grams of fat, and less than half of that is saturated. Of all the fat in the U.S. food supply, only 36 percent comes from meat and fish. The increase in fat consumption which we have seen in recent years is the result of an increase in the use of vegetable fats.

Beef has received a bum rap, not only regarding nutrition, but regarding safety, as well. What we too often forget is that our meat supply is the most regulated, the most inspected, and the safest meat supply in the world.

Despite this, we continue to hear scare stories about drugs used in beef production. I'd like to clear the air on some of these issues.

Criticism of the use of growth promotants has also been leveled at the beef industry. But this needs to be put into perspective. The amount of estrogen in 1 gram of meat from a hormone-implanted steer is 22 picograms. That's equivalent to one grain of wheat in a shipment of 65,000 metric tons. And, compared to the estrogen in other foods, it is actually very small. For instance, wheat germ contains 4,000 picograms per gram, and soybean oil contains 2 million picograms. So, in a meal containing potatoes, whole wheat bread, green salad, green peas, and ground round steak from estrogen-treated cattle, the food containing the least estrogen is the steak.

But none of these foods present a hazard when you consider how much estrogen the human body produces. Men produce 39,700 times the amount of estrogen that is in hormone-treated beef, women produce 466,000 times that amount, and pregnant women produce 18,750,000 times that amount.

But the whole beef safety issue is best summed up in a statement made by Gilbert Leveille, then of the Department of Food Science and Human Nutrition at Michigan State University. Dr. Leveille said:

It is ironic that such effort is directed at faulting the diet of the United States, when there is little doubt that this is the most abundant, most varied, and the safest food supply in the world.

The American Heart Association says that a healthy person can eat up to 7 ounces of lean red meat, poultry, and seafood per day. Presently, Americans consume an average of only 2 ounces of cooked lean beef per day—considerably less than the recommended daily intake of foods from the meat group.

Government agencies recommend moderation in the diet, and they often caution against "too much" fat, saturated fat and cholesterol. In fact, most agencies now say that "lean meat" can be an appropriate part of restrictive diets as well as more conventional diets. The problem is that people interpreting diet recommendations—including some people in the media—automatically assume, and state, that red meat is a "fatty" food and that its intake should be cut back. Unfortunately, the sources fo such stories have not assumed responsibility for seeing that their advice is properly interpreted. If government agencies and organizations are going to issue dietary guidance, they should be obligated to see that health professionals, the news media, and the public get all the facts. And they should be obligated to help see that their diet recommendations are correctly interpreted.

Mr. President, I ask unanimous consent to place into the RECORD at this point an article published in the January/February 1986 edition of the Sciences magazine titled "the 100,000-year Hunt."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[Reprinted from the Sciences, January/February 1986]

THE 100,000-YEAR HUNT

(By Marvin Harris)

Picture a line of people dressed in shabby raincoats, umbrellas in one hand and assorted plastic bags in the other. As they shuffle forward in the gray dawn, the ones up front grudgingly make room for women who are pregnant or carrying infants. Those behind grumble and make jokes about pillows stuffed under dresses and babies borrowed for the morning. One woman in a knit cap remarks, "Nothing has gone up in price at this stand because there's nothing here anyway." The Polish people are beginning their daily hunt for meat.

Problems with the meat supply endanger the security of Poland's state socialist system. If the butcher shop lines grow longer and the shelves emptier, watch out. In 1981, the government announced a twenty percent cut in subsidized meat rations and then had to declare martial law to restore order. "The patience of harassed housewives has snapped," reported a correspondent for The Economist. "Used to queuing for hours, clutching empty shopping bags and waiting for meat deliveries that sometimes never come, several thousand of them have taken to the streets in noisy banner-waving hunger marches in Kutno, Lodz, Warsaw and other major towns."

Why are the Poles (and other Eastern Europeans) desperate over a shortage of what many nutritionists consider a luxury and others increasingly condemn as bad for your health? Are they malnourished? Is their diet deficient in calories or proteins? According to the World Health Organization, an adult male weighing one hundred seventy-six pounds needs about sixty grams of protein a day.

In 1980, Poles were getting more than one hundred grams of protein a day. They got sixty-one grams from animal foods alone (meat, fish, poultry, and dairy products)—enough to satisfy the recommended daily allowance without any plant foods. As for calories, they were consuming more than three thousand per capita each day. By way of comparison, in the United States, consumption of animal protein in 1980 was sixty-five grams a day for each person—only four grams more than in Poland—and calorie consumption in the two countries was almost even. Of course, averages cover up some painful details. In Poland, the supply of meat and other animal foods is erratic.

Further, some people get a lot of it and others very little. But these problems are partly a consequence of panic buying. They help make my point: the Poles could eat less meat and easily remain well nourished, yet they are willing to spend a good part of their lives in exasperating pursuit of meat and other animal products.

One might suppose that the Polish government would be trying hard to get people to accept the dietary status quo. Yet it has met each crisis by promising more meat. At great expense to the rest of the economy, it raised meat, fish, and fowl production by forty percent between 1970 and 1975. By 1980, the monthly ration of low-cost meat in state shops was costing the government two and a half billion dollars, about half the national food subsidy.

Are the Poles merely indulging an arbitrary cultural taste? Is their meat hunger nothing but a symbol of the rejection of the Polish brand of socialism? Both state bureaucrats and their opponents recognize that meat is a symbol with the capacity to stir revolutionary thoughts. But it would be an injustice to the Polish people to view their craving for meat as nothing but a symbolic form of hunger. There are good reasons why the Poles and other Eastern Europeans should be concerned about cutbacks in their meat rations; animal foods and plant foods play fundamentally different biological roles in the human diet.

Despite recent findings that link the overconsumption of animal fats and cholesterol to degenerative diseases in affluent societies, animal foods are more critical for sound nutrition than are plant foods. This is not to say that we can dispense with plant foods altogether; we are best off when we consume both kinds. Rather, my contention is that while plant foods can sustain life, access to animal foods bestows health and well-being above and beyond mere survival. There is nothing arbitrary about the inclination of people all over the world, as well as in Poland, to honor and crave animal foods more than plant foods and to lavish a disproportionate share of their energy and wealth on producing them.

No, I haven't forgotten the hundreds of millions of people who are vegetarians and supposedly prefer plant foods to animal foods. But the term vegetarian is misleading. Whereas significant numbers of people spurn meat, fish, fowl, and other flesh, only a tiny minority of cultists, monks, and mys-

tics have professed a bias against all foods of animal origin—eggs, milk, cheese, and other dairy products included. True vegetarians are technically known as vegans. Like followers of the macrobiotics leader George Ohsawa, who aim to exist on little more than brown rice, soya sauce, and herbal teas, they are few and far between. The existence of vegans no more refutes the universal preference for animal foods than the fasts of holy men refute a preference for food over hunger. The lesson to be drawn in both cases is that such practices are not only unpopular but don't last long.

No major world religion has ever urged its followers to practice veganism nor entirely banned the consumption of eggs and animal flesh from the diets of ordinary people. The Hindu diet, for example, does not conform to popular stereotypes. In India, some members of the priestly Brahman caste reject all animal flesh; but most Brahmans consume eggs, poultry, or fish in addition to copious quantities of milk and other dairy products. Brahmans, at any rate, constitute a small minority of the Hindu population; all the other castes consume various combinations of dairy products, eggs, poultry, mutton, fish, pork, goat, and even beef. It is true that the total quantity of animal flesh eaten by Hindu Indians amounts to less than a gram a day per capita, but that is because all kinds of animal foods are in scarce supply. For most Hindus, goat, sheep, and poultry are "delicious foods," and they would eat more of them if they could afford them.

Buddhism is the other great world religion whose eating habits Westerners frequently confuse with veganism. Again, only a relatively small number of extremely devoout priests voluntarily deprive themselves of all animal foods. Buddhists may not slaughter or witness the slaughter of animals, but they may eat animal flesh as long as they are not responsible for ending of the animal's life. Buddha himself never gave up eating boar meat, and in Tibet, Sri Lanka, Burma, and Thailand, Buddhist priests eat meat as well as dairy products. As for ordinary Buddhists, they tend to eat as much meat or fish as they can afford, especially where ecological conditions prevent the raising of cattle for dairy products.

Less than one percent of the world's people voluntarily spurn every type of flesh food, and less than one-tenth of one percent are bona fide vegans. Involuntary rather than voluntary abstinence characterizes the meat-eating patterns of people in less developed countries. Witness the changes in these patterns with improvements in per capita income. The Japanese experience should be taken as a harbinger of Asian things to come: Between 1961 and 1971, Japanese consumption of animal protein rose thirty-seven percent and plant protein consumption fell by three percent. Worldwide, the consumption of grain by livestock is rising twice as fast as the consumption of grain by people.

Within most societies, developed as well as underdeveloped, the higher the income bracket, the greater the proportion of animal products in the diet. In Jamaica, for example, wheat flour is the number one source of protein for the poorest twenty-five percent of the population, with chicken and beef ranking tenth and thirteenth respectively. But for the top twenty-five percent of Jamaicans, beef and chicken rank first and second, and wheat flour ranks seventh. In Madagascar, the elites consume twelve times as much animal protein as the people at the bottom of the social hierarchy. Even in the United States, people at the top eat twenty-five percent more meat than those at the bottom.

Anthropologists in remote parts of the world regularly report cases that invite comparison with the efforts of Poland and other industrialized nations to increase meat consumption. Janet Siskind recounts how the daily life of the Sharanahua, a jungle village people of eastern Peru, revolves around meat shortages. Sharanahua women relentlessy cajole and taunt their menfolk into going hunting. If two or three meatless days go by, the women get together, put on their beads and face paint, and corner each man in the village one by one. They gently tug at his shirt or belt and sing a song: "We are sending you to the forest; bring us back meat." The men pretend not to hear, but they go hunting the next morning, knowing that the women will not sleep with them if there is no meat in the village.

Reports about band and village peoples from other continents paint a similar picture. Richard Lee, in his study of the !Kung San of Africa's Kalahari Desert, states that both men and women value meat more highly than plant food. In New Guinea, despite the ready availability of yams, sweet potatoes, sago plam flour, taro, and other vegetable foods, people devote an inordinate amount of time to raising pigs; they relish pork more than any other food and hold great pig feasts at which they stuff themselves to the point of nausea.

Out of necessity, meat portions are often small and eaten in combination with grains and starch tubers. But even the present of a few ounces of aminal food can make people feel good. Hunter-gatherers and village horticulturists commonly complain that they are "meat hungry," a condition their languages denote by words different from those for ordinary hunger. Among the Canela of Amazonia, *ii. mò plàm* means "I am hungray," but iiyate means "I am huyngry for meat." In the jungles of Malaysia, a Semai native who has not had animal flesh recently will say "I have not eaten for days."

Virtually every band or village society studied by anthropologists expresses a special esteem for animal flesh by using meat to reinforce the social ties that bind campmates and kinfolk together. Far more commonly than plant foods, animal products must be shared among producers and consumers. Yanomami hunters, for example, believe that if they do not share their catch they will lose their hunting skills. Individuals and families rarely share their plantains and other crops, but they never consume meat without cutting it into portions and distributing it to the important men in the village, who make further distributions to the women and children.

Lorna Marshall depicts meat distribution among the !Kung as progressing in waves from the hunter to his helpers to primary relatives, to more-distant relatives and in-laws, until everybody in the camp gets some, even if it is only a single mouthful. The !Kung cannot imagine one family eating meat and others not. "Lions do that," they say, "not men." Through meat sharing, Marshall writes, "the fear of hunger is mitigated; the person with whom one shares will share in turn when he gets some meat; people are sustained by a web of mutual obligation." The !Kung also share other foods, but nothing else occasions the care and concentration that accompanies having meat passed from one hearth to another.

Meat hunger can be a powerful disruptive as well as harmonious force. In band and village societies, especially those that do not possess significant domesticated sources of animal flesh, eggs, or milk, lack of success in the hunt may lead to quarrels, a split in the community, or the outbreak of warfare among neighboring camps and settlements. There need not be an actual scarcity of meat or animal or plant protein from a nutritional standpoint for events to take a quarrelsome turn. Like the Poles, the Yanomami are generally well nourished; they average as much as seventy-five grams of animal protein per capita each day and show few signs of protein deficiency. But as the population of a village grows, and the hunters deplete nearby game, complaints about meat hunger increase and some men find it increasingly difficult to reciprocate the gifts of meat they have received.

The "web of mutual obligation" turns into a web of mutual suspicion. Portions must be cut smaller and smaller, and some villagers may have to be left out altogether. Resentments build, and soon hunters begin to slight one another deliberately. As their communal supply of meat dwindles and tensions mount, groups such as the Yanomami split into hostile factions that move off to establish new villages where there is more game. Or they may step up their attacks on enemy villages as a means of gaining access to additional hunting grounds. Recent studies show that the problem of dwindling animal resources lies behind much of the endemic warfare found in native Amazonia and other tropical forests.

Reinforcing the ethnograpic evidence that animal foods play a special role in the nutritional physiology of our species is evidence that we have descended from a long line of meat-hungry animals. Not so long ago anthropoligists believed that monkeys and apes were strict vegetarians. Now, after closer and more-meticulous observation in the wild, we see that most primates are omnivorous—like us. And many species of monkeys and apes further resemble humans in making a big fuss when they dine on meat.

Being small creatures, monkeys prey mostly on insects rather than game. But they expend much more time in capturing and eating insects than was previously believed. This new information has cleared up a long-standing puzzle about the way monkeys feed in the wild. As they make their way through the forest canopy, members of many species send down a constant rain of half-chewed pieces of leaves and fruit. Close study of the morsels they discard indicates that they are not being sloppy but finicky. Monkeys do a lot of sniffing, feeling, exploratory nibbling, and spitting out before they pick the fruit they want.

Yet they are not looking for the prefect, ripe, unblemished Garden of Eden apple; they are trying to find the ones with worms inside. Some Amazonian species will open a weevil-infested fig, eat the weevil, and discard the fig. Some eat both fruit and larva, spitting out the portion that has not been spoiled. Some simply ignore fruits that show no signs of insect-induced decomposition.

Several species of monkeys not only consume insects but actively pursue small game as well. Baboons are especially keen hunters, killing and eating small vertebrates such as infant gazelles and antelopes. To be sure, baboons normally spend most of their time in the wild eating plant foods. But, as among many vegetarian human populations, this meager meat consumption may be more a matter of necessity than choice:

baboons have difficulty finding and capturing suitable prey. When there is a choice, according to William Hamilton, the baboons he has observed in Namibia and Botswana prefer to eat animal matter first; roots, seeds, fruits, and flowers second; and leafy materials and grasses third.

The most startling discovery about nonhuman primate meat-eating is that chimpanzees, perhaps our closest relatives in the animal kingdom, are devoted and fairly effective hunters. (So much for the theory that humans are unique "killerapes.") On the basis of ten years of observation in Gombe National Park, in Tanzania, Geza Teleki estimates that chimpanzees use about ten percent of their time to hunt small mammals—mostly young baboons, other kinds of monkeys, and bush pigs—and that adult males eat noninsect meat about once every two weeks.

Chimpanzee hunters frequently cooperate, as many as nine individuals, mostly males, coordinating their movements, sometimes for an hour or more, to surround the quarry and effectively prevent its escape. After capturing their prey, they typically spend several hours tearing apart the carcass and eating it. Some individuals beg for morsels by holding their hands, palms up under the chin of a dominant male; others snatch pieces from one another and dart in and out to recover dropped fragments—behavior that seldom occurs when they dine on plant foods. Through one means or another, as many as fifteen individuals share in eating a single prey animal.

I do not see how it can be either arbitrary or coincidental that animal foods evoke special behavior among so many human groups as well as among our primate cousins. But this does not mean that humans are compelled by genetic programming to seek out and consume such foods, the way lions and eagles and other true carnivores are driven to eat meat. There is too much variation in the ratios of plants to animals in the diets of different cultures to support the idea that we instinctively recognize animal foods as something we must eat. A more plausible explanation is that our species-given physiology and digestive processes predispose us to learn to prefer animal foods. We and our primate cousins pay special attention to foods of animal origin because such foods have special characteristics that make them exceptionally nutritious.

What's so nutritious about them? First of all, they are generally a better source of protein than are plant foods. Compared with most foods of plant origin, a higher percentage by weight of cooked meat, poultry, and fish consists of protein. And with one or two exceptions, the quality of proteins is higher in foods of animal origin than it is in plant foods.

The nutritional importance of protein is that the body uses it to promote and regulate tissue growth. Muscles, organs, cells, hormones, and enzymes all consist of different kinds of proteins formed by particular combinations of amino acids linked into long, complex chains. Between fifteen and forty percent by weight of cooked meat, fish, fowl, and milk solids consists of proteins. In contrast, the protein content of cooked cereals ranges from about two and a half to ten percent. Cooked legumes—beans, lentils, peas—all into the same range (they have higher percentage by dry weight, but they cannot be digested uncooked). Starchy root crops, such as potatoes, yams, and manioc, along with fruits and green leafy vegetables, rarely contain more than three percent protein by weight.

The only plant foods that are as proteinaceous as meat, fish, fowl, and milk solids are nuts and soybeans. But with the exception of soybeans, the quality of the proteins in plant foods—including nuts and legumes—is significantly lower than that in foods of animal origin. To understand why, one must understand the relationship between proteins and amino acids.

It takes about twenty kinds of amino acids to build the body's thousands of proteins. Out of molecules obtained by eating other kinds of nutrients, such as starches, sugars, vegetable fats, and water the body can itself synthesize many of these amino acids. The ten that it cannot synthesize are the essential amino acids; these we can obtain only by eating a plant or animal that has the ability to produce them or has ingested them for us. When we eat a food that contains proteins, the proteins get broken down into their constituent amino acids, and the amino acids are then distributed throughout the body to form a pool that is drawn upon as needed by the cells in various organs and tissues.

When we stop eating foods that contain the essential amino acids, the assembly of proteins needed for maintenance, repair, and growth continues only until the essential amino acid in shortest supply—the limiting amino acid—gets used up. (Other essential amino acids remaining in the pool will then be converted into energy and either burned up or deposited as fat.)

Many plant foods contain all ten of the essential amino acids. The problem is that the ratios in which they occur limit their ability to be converted into proteins. The least abundant essential amino acids in plants are precisely the ones most needed by the human body. For example, humans need twice as much methionine as threonine, but beans have four times as much threonine as methionine. Taking into account their digestibility, the quality of most animal sources of protein can be said to be about twenty-five to fifty percent higher than the best proteinaceous plant foods (soybeans, again, being a conspicuous exception).

As every nutritionist knows, there are strategies that can raise the protein quality of diets based on plant foods. If one eats cereals along with legumes, for example, the essential amino acid balance can be considerably improved. But this does not alter the relative nutritional value of plants and animals as sources of protein. Both quantitatively and qualitatively, animal foods are a better source of proteins than are plant foods.

Protein is only one, and not necessarily the most important, nutritional reason why humans find animal foods so attractive. Meat, fish, fowl, and dairy products are also a concentrated source of such vitamins as A and E and the entire B complex. And they are the only source of vitamin B12, a deficiency of which leads to pernicious anemia, neural disorders, and psychotic behavior. If vegans do not regularly develop B12 deficiencies, it is only because the plant foods in their diets are tinged by insect residues or by certain cobalt-digesting bacteria.

This explains why Hindu vegans suffer an increase in the incidence of pernicious anemia when they migrate from India to England: in England, the use of pesticides and the washing of fruits and vegetables wipes out the B12 supply. Vegans are also at risk of rickets, a bone-crippling disease caused by vitamin D deficiency.

Normally, we get enough vitamin D from sunlight. But in northerly latitudes, where winters are long and there are many misty, cloudy days, dietary vitamin D often becomes critical, and animal foods, especially eggs, fish, and liver, are the best sources. Animal foods even contain enough vitamin C to satisfy daily recommended allowances. By eating copious amounts of animal flesh and bone marrow; the Eskimos long maintained themselves in excellent health on an all-meat diet, without the slightest trace of scurvy or other vitamin C-deficiency diseases. Recently though, Eskimo health has deteriorated, as a result of the consumption of sweets and starches introduced into their diet by outsiders.

Animal foods are also concentrated sources of essential minerals. Iron, needed for oxygen transport in the blood, occurs in animal foods (except milk) in greater abundance and in more usable form than in spinach and other leafy plant foods. Milk and other dairy products are the best sources of calcium, essential for bone growth. And many animal foods are excellent sources of zinc, essential for male fertility, as well as copper, iodine, and almost every other element needed in trace amounts.

To say that animal foods are especially good to eat is not to say that we can dispense entirely with plant foods or that we can eat all kinds of animal foods in unlimited quantities without harming ourselves. A glaring deficiency in the animal foods package is fiber, which, paradoxically, is not a nutrient. Fiber adds bulk and roughage to the content of the large intestine, stimulates peristalsis, and is excreted without being digested.

What's more, the evidence that links diets deficient in fiber to cancer of the colon must be taken seriously. (One theory is that in the absence of fiber, the transit time of digested matter is slowed and carcinogenic substances accumulate in the bowel. Another theory stresses that phytic acid, one of the components of cereal fiber, binds to potential carcinogens and aids in their excretion.)

Though fiber deficiency has become a serious problem in affluent industrial societies, throughout history and prehistory the problem has been too much rather than too little fiber. Until the twentieth century, fiber was the cheapest food element, and its absence from animal foods was a positive aspect of the animal food package. Everybody got more than enough fiber simply by consuming imperfectly milled cereals. Additional fiber from vegetables and fruit was not only useless (fiber, having no nutritive value, does not even provide empty calories), it was potentially hazardous.

One of the most distinctive features of human physiology is that our digestive tract can cope with only small amounts of fiber. To derive essential nutrients and energy from a high-fiber diet, an animal needs to have a long and voluminous gut (or special fermentation "vats" such as cattle and sheep possess) and must spend most of the day eating. Gorillas and chimpanzees eat continually, digest slowly, and process cellulose fiber by fermentation in their voluminous colons. About thirty-five hours elapse between the time they eat something and its first appearance as fecal matter.

Humans, like gorillas and chimpanzees, have a lengthy small intestine, but our colon is conspicously smaller. Some absorption of nutrients takes place there, but the principal function of the human colon is to conserve and resorb body fluids. Transit time in the human gut is quite short—about twenty-five hours—indicating that we are

not well suited for highfiber diets; rather, we seem to be adapted to dense, highquality food that can be rapidly digested. Animal foods are exactly what this formula calls for.

Whereas the absence of fiber does not substantially detract from the package of nutrients in animal food, the presence of other substances—especially fat and cholesterol—seems, at first glance, to do so. For example, much evidence links coronary heart disease with the overconsumption of saturated animal fats and cholesterol. In general, societies that consume large quantities of them have high rates of mortality from heart attacks. Also, several studies show that lowering cholesterol levels the risk of heart disease.

In the Lipid Research Clinic's Coronary Primary Prevention Trial—the best designed of these studies—middle-aged men were divided into two groups. The men in one group were given the cholesterol-lowering drug cholestryamine, in the other, a placebo. After seven years, the group that was not treated had experienced nineteen percent more coronary events, such as heart attacks.

Despite this kind of evidence, the nature of the causal links remains obscure. Fifty to sixty percent of patients with heart disease do not have elevated cholesterol counts. And many groups with diets extremely high in animal fat and cholesterol, such as the Eskimos and the Lapps, have rates of cardiovascular disease lower than expected. What's more, though diet and anticholesterol drugs may reduce pathologically high cholesterol levels in humans, no studies have yet shown that diet alone can lead to pathologically high levels of cholesterol in otherwise healthy people.

This interpretive problem is anologous to evaluating the meaning of high blood sugar levels in diabetics: diet can lower the sugar level, but diet alone may not cause the disease.

All this suggests that much more than cholesterol and animal fats is involved in the high incidence of coronary heart disease in countries where they are consumed in large amounts. Other known dietary contributors include the overconsumption of calories, salt, and alcohol. And many nondietary factors put people at risk of heart attacks: high blood pressure, cigarette smoking, air pollution, lack of exercise, and chronic repressed anger—just to mention a few.

No one knows what proportion of the risk associated with high cholesterol and animal fat reflects the combined effect of other dietary and nondietary risk factors as they interact with cholesterol and animal fat in people with modern life-styles.

Our understanding of the link between animal foods and cancer is no less fragmentary. Dietary fat—not cholesterol—is a risk factor in cancer of the breast and the colon, but no one knows if the problem arises from too much fat of all types or from too much saturated animal fat in particular. (Saturated fats are denser, harder, and have a higher melting point than do unsaturated fats.)

There is even some evidence that the least-saturated fats—the polyunsaturated vegetable fats—which are supposedly better from the standpoint of preventing cardiovascular disease, are worse from the standpoint of preventing cancer. Cancer of the colon has increased severalfold since the Second World War, precisely the period during which margarine and other polyunsaturated vegetable fats and oils substantially replaced butter and lard in the American diet.

Despite the contradictory and fragmentary nature of the evidence, the rational thing for affluent industrial societies to do—or, as the Senate's Select Committee on Nutrition and Human Needs put it, the "prudent thing" to do—is to cut back on cholesterol and animal fat consumption. But we must maintain a distinction between prudently cutting back on some possibly hazardous components of animal foods and imprudently giving up the entire animal food package. No one knows what will happen if we drastically reduce the amount of dietary cholesterol for the entire population, starting in childhood.

Further, there may be hidden dangers in reducing fat intake. Fat, after all, is necessary for a healthy diet, since it is needed for the absorption, transport, and storage of vitamins A, D, E, and K—the fat soluble vitamins, which enhance, respectively, vision, bone strength, fertility, and blood coagulation. Diets severely limited in fat content can, for example, hamper the body's absorption of the precursor of vitamin A and thus contribute to a form of blindness known as xerophthalmia.

The increasing unpopularity of animal fats as a source if dietary fats must be placed in a historical context. Just as animal foods formerly were more rather than less desirable because they contained little fiber, so until recently they were more rather than less desirable if they contained a lot of fat. Much of the nearly worldwide hunger for meat is really a craving for fatty meat. The reason is that lean meat needs to be supplemented by calorie-rich substances to prevent the meat's amino acids from being converted into energy rather than into bodybuilding proteins.

Although calorie for calorie, carbohydrates are about thirteen percent more efficient than fats in thus "sparing" proteins, fats provide one hundred percent more calories each gram than do carbohydrates (such as sugar or starch). This means that far fewer grams of fat than carbohydrates are needed to achieve a given protein-sparing effect.

Before the development of industrial methods of stuffing cattle, pigs, and chickens with grains, fish meal, growth hormones, and antibiotics, the problem with most meats was that they were too lean to achieve a protein-sparing effect. Today the carcasses of most livestock are thirty percent or more fat. In contrast, a survey of fifteen species of free-ranging African herbivores revealed an average carcass fat content of less than four percent. This explains a practice often observed among people who depend on hunting for their protein supply. During the height of the hungry season, when sources of nourishment are scarce, hunter-gatherers frequently refuse to eat certain cuts of meat or even whole animals that they have hunted and killed.

The Pitjandjara of Australia have been seen to walk up to a slain kangaroo, inspect its tail for signs of body fat, then walk away, leaving the animal to rot, if the signs are negative. Archaeologists have also long puzzled over ancient bison-kill sites on the American Great Plains from which only a few parts of the slain animals had been removed. The explanation for these seemingly inexplicable practices is that hunters run the risk of starving to death if they reply too heavily on lean meat. Vilhajalmur Stefansson, who learned from years of living among the Eskimos how to stay in excellent health by eating nothing but uncooked meat, warned that such a diet would work only if the meat were fatty.

He left a vivid description of a phenomenon that Eskimos, Indians, and many earlier explorers of the Far West recognized as a symptom of eating too many lean rabbits (serious dieters may find this account reminiscent of the money-making, effective, but highly dangerous diet of Irwin Maxwell Stillman, which lets people eat as much as they want of lean meats, poultry, and fish, but little else):

"If you are transferred suddenly from a diet normal in fat to one consisting wholly of rabbit you eat bigger and bigger meals for the first few days until at the end of about a week you are eating in pounds three or four times as much as you were at the beginning of the week. By that time you are showing both signs of starvation and of protein poisoning.

"You eat numerous meals; you feel hungry at the end of each; you are in discomfort through distention of the stomach with much food and you begin to feel a vague restlessness. Diarrhea will start in from a week to 10 days and will not be relieved unless you secure fat. Death will result after several weeks."

Not only is there less fat in wild animals, but its composition is different as well. Wild game contains over five times more polyunsaturated fats in a gram than does domestic livestock. Thus the threat to health associated with eating too much cholesterol and fat of animal origin is newly arisen.

Notwithstanding this threat, there is no strictly nutritional justification for lowering the consumption of meat, fish, poultry, and dairy products in the United States and other affluent countries. High levels of consumption need not imply overconsumption of cholesterol and saturated fats. Various government committees recommended that saturated animal fat be reduced to ten percent of energy intake and that the consumption of cholesterol be no more than three hundred milligrams a day. But this can be achieved without reducing the current reliance on animal foods. The key is to select foods low in cholesterol and saturated fat—lean cuts of beef and pork, more fish and poultry, more skimmed milk and skimmed milk products. (There is even a place for eggs; the cholesterol is in the yolk, not the white.)

Lean cuts of meat contain less than thirty milligrams of cholesterol and less than sixty calories to the ounce. One could therefore eat as much as ten ounces (two hundred eighty-three grams) of lean red meat, fish, or poultry every day without exceeding either the recommended fat or cholesterol percentages. That adds up to two hundred twenty-eight pounds a year, about the amount of meat, poultry, and fish that Americans currently consume. .

Before blaming cancer and heart disease on the consumption of too much animal flesh, we had better take a look at what our hunter-gatherer ancestors were doing during the hundred thousand or so years preceding the domestication of plants and animals. By piecing together evidence from archaeology, palenontology, and the study of contemporary hunter-gatherers, an estimate can be made of how much meat our paleolithic forebears consumed. S. Boyd Eaton and Melvin Konner, of Emory University, conservatively suggest, in an article published in The New England Journal of Medicine, that preagricultural peoples living

in temperate climates regularly derived thirty-five percent of their calories from meat.

This means that for most of our species' history, our ancestors' bodies were adapted to the consumption of about seven hundred eighty-eight grams of red meat a day—ten times the amount of beef, pork, sheep, and goats the average American now consumes. Our ancestors probably consumed as much or more cholesterol, but less fat than is taken in by the typical American. This is the pattern, Eaton and Konner suggest, "for which human beings are in essence genetically programmed."

Anyone who contends there is something inherently more "natural" about a diet rich in wheat or rice than one rich in meat knows little about either culture or nature. Cereal grains contributed an insignificant part of the calories and proteins in the paleolithic diet; only after the adoption of agriculture a mere ten thousand years ago did grains become the staple foods of humankind. Of course, if it's the chemical adulterants, preservatives, and polyunsaturated fat that one has in mind, what we are eating by way of meat is clearly not what our ancestors ate. (But then again, neither did they eat our chemically nourished grains.)

It is important to understand that cancer and heart disease result from long-term degenerative processes; the basic reason why heart disease and cancer have become the number one and number two causes of death in the United States and other affluent countries is that people are living longer. This is not to say that these diseases are caused by old age or are in some sense inevitable, but that the effects of all the risk factors—dietary and nondietary—take a long time to express themselves. What has allowed us to live long enough to run these risks? Meat, among other things.

The increased consumption of animal foods and decreased consumption of grains are strongly associated with increased longevity. Between 1909 and 1976, United States life expectancy at birth rose by forty percent. During the same period, per capita consumption of red meat, fish, and poultry rose by thirty-five percent. Indeed, all the countries whose citizens have the highest life expectancies have undergone similar dietary changes.

A simple correlation, of course, is not evidence of causality, but given that animal foods contain essential proteins, minerals, and vitamins in concentrated forms, would it not be imprudent to conclude that improved longevity is due entirely to other factors? Since the beneficial effects of high levels of animal food consumption have been achieved despite the deleterious effects of the fats and cholesterol they contain, we simply ought to remove these offending substances and thereby further improve the nutritive value of the animal food package. And of course this is exactly what is happening, as evidenced by the rapid rise in the United States of the consumption of fish, fowl, and lean cuts of meat since 1980.

In third world countries, where undernutrition rather than overnutrition is the prime danger, animal foods retain a clear-cut nutritional advantage over plant foods, even without any reduction of their fat and cholesterol levels. The continuing world hunger for more meat, fish, fowl, and milk therefore represents a thoroughly rational preference. It will never be in the best interests of any country to eat less animal food (as distinct from less animal fat and cholesterol) as a health measure.

No one can blame a nation, like Poland, that does not rush to embrace such a fate. Perhaps someone should tell the Poles that they would be better off eating leaner meats, more fish, more poultry, fewer eggs, more skimmed milk, and less butter and lard. But woe to the would-be savior of socialism who decides to solve Poland's meat hunger by telling the people to eat more bread and beans.

Mr. ABDNOR. Mr. President, the author of this article is Marvin Harris, author of 16 books, formerly a department chairman at Columbia University and now teaching at the University of Florida. Dr. Harris' contention is that while plant foods can sustain life, access to animal foods bestows health and wellbeing above and beyond mere survival.

Before any drug can be used in food production, it must undergo extensive testing. The manufacturer must show that it is not only safe, but that a reliable test exists for detecting residues. Then, and only then, does the Food and Drug Administration approve its use.

Once the drug is approved, its use is regulated by State and Federal officials who inspect feed mixing facilities and randomly sample animal feed to insure that the approved levels of the drug are not exceeded.

USDA, through its Food Safety and Inspection Service, oversees the slaughter and processing of all livestock and poultry to insure that the animals are healthy and that all appropriate sanitation measures are taken. They also sample for drug residues.

Once again, meat is randomly inspected when it reaches the retail store—this time by FDA. But because of the precautions taken prior to delivery to the retail store, these residue tests have repeatedly demonstrated that beef is safe and unadulterated.

Despite this, consumers have voiced concern about antibiotic use, and the beef industry has responded. Penicillin is not used at all for beef production, and tetracyclines are not frequently used for growth promotion. Nonetheless, to reassure consumers, the National Cattlemen's Association has recommended to their members that any subtherapeutic use of antibiotics for growth promotion be discontinued until the issue is resolved.●

AUTHORITY FOR COMMITTEES TO MEET

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Select Committee on Indian Affairs be authorized to meet during the session of the Senate on Thursday, March 20, to hold a hearing on a bill to reauthorize the tribally controlled Community College Assistance Act of 1978, and the Navajo Community College Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, March 20, 1986, in closed executive session, in order to receive a briefing on counterintelligence.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, March 20, in order to continue its hearing and receive testimony concerning the nomination of Jefferson Sessions to be U.S. District Judge for the Southern District of Alabama

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON STRATEGIC AND THEATER NUCLEAR FORCES

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Strategic Subcommittee of the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, March 20, in closed session, to hold a hearing on Strategic Air Command's Strategic Force Assessment.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SEA POWER AND FORCE PROJECTION

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Subcommittee on Sea Power and Force Projection of the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, March 20, in open session followed by executive session, in order to hear testimony on the C-17 Air Lifter, in review of the fiscal year 1987 DOD authorization request.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON MERCHANT MARINE

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Subcommittee on Merchant Marine of the Committee on Commerce, Science and Transportation be authorized to meet during the session of the Senate on Thursday, March 20, to hold a hearing on S. 1885, the Marine bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Subcommittee on Merchant Marine of the Committee on Commerce, Science and Transportation be authorized to meet during the session of the Senate on Thursday, March 20, to conduct a

meeting on the Mariner Fund authorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SCIENCE, TECHNOLOGY, AND SPACE

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Subcommittee on Science, Technology, and Space of the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Thursday, March 20, to conduct a meeting on the NASA authorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CONSUMER

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Consumer Subcommittee of the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Thursday, March 20, to conduct a meeting on risk retention.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON MANPOWER AND PERSONNEL

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Subcommittee on Manpower and Personnel of the Committee on Armed Service be authorized to meet during the session of the Senate on Thursday, March 20, 1986, in order to receive testimony on the manpower and personnel portions of the fiscal year 1987, DOD authorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. TRIBLE. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, March 20, to hold an oversight hearing on implications of fees on imported oil.

The PRESIDENT OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE NEED TO INCREASE STUDENT LOANS

● Mr. KERRY. Mr. President, yesterday morning, the Labor and Human Resources Committee reported out S. 1965, the reauthorization of the Higher Education Act. It does not contain all that some of us may have wanted, but it is a strong affirmation of our commitment to our young people and America's future.

Just yesterday, some very bright and articulate students from Needham, MA, who have been working with my staff on amendments to the Higher Education Act, were in my office to discuss the reauthorization. The eloquent statement that follows details the reasons why these students believe that increasing the availability of student aid is crucial. I strongly agree with them and I made it clear to them that it is crucial for students around the country to communicate with their Members of Congress to let them know how important access and choice are for their futures.

I ask that the statement be included in the RECORD.

The statement follows:

THE NEED TO INCREASE STUDENT LOANS

The government must enhance the dignity of the citizen, promote the maximum development of his capabilities, and widen the range of his opportunities. Education is the means to these ends. The cost of education is a restricting force when considering a wide range of opportunity for young people. It is vital that adequate financial aid for education be available for the students.

Adequate financial aid is not available. The current loan limits should be increased. Students have conducted several surveys. A survey of Needham High School seniors indicates that 100% of the students asked feel that the financial aid program should be extended to allow higher loan limits. Ninety percent of the surveyed seniors point out that the financial aid package will have a definite bearing on what college or university they choose to attend. Local college and university students were surveyed to examine the impact of federal aid on their higher education. The percentage of students from the following schools would benefit from our proposed increase:

	Percent
Boston College, MA	95
Wellesley College, MA	70
General Connecticut State University	100
Brandeis University, MA	80
Clark University, MA	50
Colby College, ME	100
Plymouth State College, NH	50

According to U.S. News & World Report, the cost of 1 year's tuition for colleges has risen by 8 percent in the last 2 years. The average cost of 1 year's tuition at a public college is $4,900. At private institutions, expenses run anywhere from $9,000 to $16,000. For example, Bates College in Maine has increased its tuition by 11 percent to $14,600 per year. U.S. News & World Report indicates further that 93 out of 100 student loans are being paid back on time, and that the net rate on defaults has declined. The surveys indicate that the high cost of college disallows the promotion of higher learning and is discriminatory. Unless loan limits are increased, many students will not be able to attend the higher learning institution of their choice.

The administration believes that the existing program should be simplified, but this need not mean cut loans. Much of the administration's proposal speaks to poor management, not the need for loans. Therefore, the focus of the problem should be proper administration and management, not reducing the loan limits. The answer is to increase the Federal funding and increase the quality of management. Needy students must not become victims of governmental mismanagement.

Our most precious resource is the American child. The dividends which come with the investment in the young people have no equal. The investment in youth will bear everlasting fruit.●

RULES OF COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

● Mr. STAFFORD. Mr. President, Senate rule XXVI requires each standing committee of the Senate to publish its rules in the CONGRESSIONAL RECORD.

The rules of the Committee on Environment and Public Works, of which I am chairman, remain quite similar to those under which the committee has operated productively and, in general, harmoniously for several years.

Mr. President, for myself and Senator BENTSEN, I ask that the current rules of the Committee on Environment and Public Works be printed in the RECORD.

RULES OF PROCEDURE OF THE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Rule 1. *Regular Meeting Days.*—The regular meeting day of the committee shall be the first and third Thursday of each month at 10:00 A.M., except that if there be no business before the committee, the regular meeting shall be omitted.

Rule 2. *Committee Meetings.*—Subject to section 133(a) of the Legislative Reorganization Act of 1946, as amended, committee meetings for the conduct of business, for the purpose of holding hearings, or for any other purpose, shall be called by the chairman, after consultation with the ranking minority member. Subcommittee meetings shall be called by the chairman of the respective subcommittee, after consultation with the ranking minority member. Notice of a meeting and the agenda of business to be discussed by the committee will be provided to all members not less than twenty-four hours in advance of such meeting. Additions to the agenda after that time may be made with the concurrence of the ranking minority member. Such 24-hour notice may be waived in an emergency by the chairman, with the concurrence of the ranking minority member.

Rule 3. *Open Committee Meetings and Legislative Mark-up Sessions.*—Meetings of the committee, including hearings and legislative mark-ups, shall be open to the public, except that a portion or portions of any such meeting may be closed to the public if the committee determines by record vote of a majority of the members of the committee present that the matters to be discussed or the testimony to be taken at such portion or portions—

(1) will disclose matters necessary to be kept secret in the interests of national defense or the confidential conduct of the foreign relations of the United States;

(2) will relate solely to matters of committee staff personnel or internal staff management or procedure; or

(3) constitute any other grounds for closure under paragraph 7(b) of rule XXV of the Standing Rules of the Senate (as amended by Senate Resolution 9, 94th Congress).

Rule 4. *Presiding Officer.*—(a) The chairman shall preside at all meetings and hearings of the committee except that in his absence the ranking majority member who is present at the meeting shall preside.

(b) Subcommittee chairmen shall preside at all meetings and hearings of their respec-

tive subcommittees, except that in the absence of the subcommittee chairman, the ranking member of the subcommittee who is present at the meeting shall preside.

(c) Notwithstanding the rule prescribed by subsection (a) and (b), any member of the committee may preside over the conduct of a hearing.

Rule 5. *Quorums.*—(a) Except as provided in subsection (b) and (d), five members, two of whom shall be members of the minority party, shall constitute a quorum for the conduct of business, except for the purpose of reporting any measure or matter.

(b) Quorums for the conduct of business by the subcommittees shall be a simple majority of the membership of the subcommittees with at least one minority member present.

(c) Once a quorum as prescribed in subsections (a) and (b) has been established for the conduct of business, the committee may continue to conduct business.

(d) Notwithstanding the rule prescribed in subsection (a), one member shall constitute a quorum for the purpose of conducting a hearing.

Rule 6. *Proxy Voting.*—(a) Proxy voting shall be allowed on all measures, amendments, resolutions, or any other issue before the committee or any subcommittees. Any member who is unable to attend the meeting may submit his vote on any such issue, in writing or through personal instructions; however, proxies shall not be voted for the purpose of reporting any measure or matter except when the absent committee member has been informed of the matter on which he is being recorded and has affirmatively requested that he be so recorded. A proxy given in writing shall be valid until revoked, while a proxy given orally or by personal instructions is valid only on the day given.

(b) At the descretion of the chairman, after consultation with the ranking minority member, members who are unable to be present and whose vote has not been cast by proxy may have their positions recorded on any vote on the same business day so long as the vote will not change the outcome.

Rule 7. *Public Announcement of Vote.*—Whenever the committee, by rollcall vote, reports any measure or matter, or acts upon any measure or amendments thereto, the report of the committee on such measure or matter shall include a tabulation of the votes cast in favor of and the votes cast in opposition to such measure or matter by each member of the committee.

Rule 8. *Announcement of Hearing.*—The committee, or any subcommittee thereof, shall make public announcement and provide notice to members of the date, place, time, and subject matter of any hearings to be conducted on any measure or matter, at least one week in advance of such hearing, unless the committee chairman, or subcommittee chairman, with the concurrence of the ranking minority member, determines that there is good cause to begin such hearing at an earlier date, in which event not less than twenty-four hours notice shall be given.

Rule 9. *Statements of Witnesses at Hearings.*—(a) Each witness who is scheduled to testify at any hearing of the committee, or any subcommittee thereof, shall file a written statement of his proposed testimony not later than noon of the last business day preceeding the day on which he is scheduled to appear. At the time of his appearance, he shall supply for the use of the committee or subcommittees, 25 copies of his prepared testimony or such greater number as may be requested in the letter of invitation. Except for witnesses from the Federal Government, this rule may be waived with regard to field hearings.

(b) The presiding officer at a hearing may have a witness confine his oral presentation to a summary of his statement.

Rule 10. *Regularly Established Subcommittees.*—The committee shall have six regularly established Subcommittees as follows:

Subcommittee on Environmental Pollution;

Subcommittee on Nuclear Regulation;

Subcommittee on Water Resources;

Subcommittee on Transportation;

Subcommittee on Toxic Substances and Environmental Oversight; and

Subcommittee on Regional and Community Development.

Rule 11. *Subcommittee Membership.*—Following consultation with the Majority Members and the ranking Minority Member of the Committee, the chairman shall announce selections for membership of the subcommittees referred to in Rule 10.

Rule 12. *Environmental Impact Statements.*—No project or legislation proposed by the Administration shall be approved or other action taken on such project or legislation unless the committee has received a final environmental impact statement relative to it, in accordance with section 102(2)(C) of the National Environmental Policy Act of 1970, and the written comments of the Administrator of the Environmental Protection Agency, in accordance with section 309 of the Clean Air Act. This rule is not intended to broaden, narrow, or otherwise modify the class of projects or legislative proposals for which environmental impact statements are required under section 102(2)(C).

Rule 13. Whenever the committee authorizes a project, under Public Law 89-298, Rivers and Harbors Act of 1965, Public Law 83-566, Watershed Protection and Flood Prevention Act, or Public Law 86-249, Public Buildings Act of 1959, as amended, the chairman shall submit for printing in the Congressional Record, and the Committee shall publish periodically as a committee print, a report that describes the project and the reasons for its approval, together with any dissenting or individual views.

Rule 14. *Naming of Public Facilities.*—No building, structure or facility authorized by the committee, shall be named for any living person, except former Presidents or former Vice Presidents of the United States; or former Members of Congress over 70 years of age.

Rule 15. (a) The committee shall act on all prospectuses for construction (including construction of buildings for lease by the government), alteration and repair, or acquisition submitted by the General Services Administration in accordance with section 7(a) of the Public Buildings Act of 1959, as amended, and such action shall be completed by the date of May 15 during the same session in which such prospectuses are submitted to Congress. The committee may consider prospectuses submitted for alterations or repairs necessitated by emergency building conditions at any time during the same session of the Congress in which they are submitted. Prospectuses rejected by majority vote of the committee or not contained in any bill reported to the Senate shall be returned to the GSA and must then be resubmitted in order to be considered for action by the committee during the next session of the Congress.

(b) Reports of building project surveys submitted by the General Services Administration to the committee under section 11(b) of the Public Buildings Act of 1959, as amended, shall not be considered by the committee as being prospectuses subject to approval by committee resolution in accordance with section 7(a) of that Act. Projects described in such survey reports shall be considered for committee action only if they are submitted as prospectuses in accordance with section 7(a) and they shall be subject to the provisions of subsection (a) of this rule.

(c) Proponents of committee resolutions shall submit appropriate evidence showing need for review or reports on river and harbor and flood control projects.

Rule 16. *Broadcasting of Hearings.*—Public hearings of the committee, or any subcommittee thereof, may be televised or broadcast, or recorded for television or broadcast, upon notification in advance to the chairman through the chief clerk. During public hearings, photographers and other reporters using mechanical recording or filming devices shall position and use their equipment in such fashion as will not interfere with the seating, vision, or hearing of Committee Members or staff on the dais, nor with the orderly process of the hearing.

Rule 17. *Amendment of Rules.*—The rules may be added to, modified, amended, or suspended by a majority of the Committee Membership.●

AIR CONTROLLERS

● Mr. SIMON. Mr. President, the Aurora Beacon News is a conservative newspaper in Illinois. It is part of the Copley chain. If they have ever endorsed a Democratic candidate for office, I am not aware of it. I may be wrong in that assumption. But their bent is clear.

Recently, they had an editorial on the problem with the air controllers that makes more sense than anything I have seen on the subject.

I urge my colleagues to read it.

I particularly urge the staff members of the appropriate committees to take a look at this.

What is significant about this editorial is that it appears in the community where the facility is that controls traffic for much of the Midwest. I am sure the editorial writers there have had the same experience I have had of talking to the people in that facility, both management and air controllers, virtually all of whom tell the same story—that if we want better safety, we had better pull back, in a careful way, some of the experienced air controllers.

I ask that the editorial be printed in the RECORD.

The editorial follows:

[From the Aurora (IL) Beacon News, Feb. 10, 1986]

REHIRE FORMER AIR CONTROLLERS

The friendly skies aren't so friendly any more.

Civil aviation in the United States is coming off back-to-back record years in numbers of both accidents and fatalities,

with nearly 2,000 lives lost in 1985 air disasters.

A number of last year's fatal crashes were caused by mechanical defects that critics claim slipped through increasingly loose Federal Aviation Administration maintenance safety inspections, and a federal judge blamed one accident on air traffic controller error.

Beyond that, so-called "near-miss" violations of air safety standards have become almost commonplace weekly occurrences throughout the FAA's 23 regional centers—including the busy Chicago Center located in Aurora—and 448 other air traffic control facilities.

The reasons for the current and growing air safety epidemic no doubt are multiple, but a logical contributing cause is the fact deregulation-engendered increases in scheduled commercial flights have overburdened FAA safety inspection and air traffic control forces.

In the case of air traffic control, it is now more than four years after the August 1981 walkout in which President Reagan fired 11,400 striking controllers.

Prior to the strike, a 16,300-member controller force manned FAA consoles and complained of overwork.

Today, with considerably more flights, there are only 14,000 controllers on duty, many of whom lack the experience necessary to handle the critical jobs necessary at the Aurora and other regional centers, as well as at the control towers at some of the nation's busiest airport.

Also today, with a pair of new unions fighting to get a foot into currently nonunion FAA doors, the same old complaints of long hours, overwork and burnout are emerging anew.

It is amazing the FAA—which continues to rely on delayed senior-controller retirements, substantial overtime and the return of administrators to the consoles—has been able to limp along and keep America's commercial carriers and private pilots flying in the relative safety it has.

We thus were glad to see, in reviewing President Reagan's 1987 budget proposal last week, that even in this Gramm-Rudmanized era of federal budgeting, the administration chose to hike the FAA budget by $200 million in the next fiscal year.

This came in spite of an overall $1.6 billion cut in the budget of the FAA's parent U.S. Department of Transportation.

The increased funding is to hire an additional 138 safety inspectors and another 500 controllers.

Both manpower increases appear necessary, and Congress ought readily to approve the request.

Instead of rounding up a new batch of green recruits who will take years of costly training and apprenticeship before they are able to help out where they are needed most, however, why not give some among that already-trained force of 11,000 fired controllers a shot at rehiring?

Among present-day supporters of that viewpoint, Illinois' junior U.S. Senator, Paul Simon, is waging a vigorous campaign in Congress to authorize just that.

Simon—the former U.S. representative who, in a rare show of support for any Reagan action, has backed the president's firing of the strikers continuously—says the need for experienced help—*now*—is too critical to ignore this valuable resource pool which likely could step back into key slots with relatively little retraining.

We said as much a year ago, after a U.S. Supreme Court refusal to hear a challenge filed by former controllers thoroughly ensconced the precedent that strikes against the federal government are illegal.

We agree with Simon that any program to open new FAA jobs to the strikers should include "selective screening" to weed out those who led the 1981 walkout.

Other than that, however, we see no useful purpose to further punish a highly trained force of experienced air controllers whose only crime was to be duped and coerced into following faulty leadership—especially not now, when safety statistics show their services to be a critical need.●

PROPOSED ARMS SALES

● Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with the committee's intention to see that such information is immediately available to the full Senate, I ask to have printed in the RECORD the notification which has been received. The classified annex referred to in the covering letter is available to Senators in the office of the Foreign Relations Committee, room SD-423.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., March 17, 1986.

In reply refer to: I-00355/86ct.

Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 86-26 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Air Force's proposed Letter(s) of Offer to Indonesia for defense articles and services estimated to cost $432 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

PHILIP C. GAST,
Director.

[Transmittal No. 86-26]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b)(1) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective purchaser: Indonesia.

(ii) Total estimated value:

	Million
Major Defense Equipment [1]	$245
Other	187
Total	432

[1] As defined in section 47(6) of the Arms Export package.

Note: $432 million is for the 12 aircraft package.

(iii) Description of articles or services offered: Eight F-16A/B aircraft (with an option for an additional four F-16A/B aircraft) with associated AIM-9P4 missiles, other aircraft munitions, support equipment, spares, contractor engineering technical support and training.

(iv) Military department: Air Force (SEA).

(v) Sales commission, fee, etc., paid, offered, or agreed to be paid: None.

(vi) Sensitivity of technology contained in the defense articles or defense services proposed to be sold: See Annex under separate cover.

(vii) Section 28 report: Case not included in section 28 report.

(viii) Date report delivered to Congress: March 17, 1986.

POLICY JUSTIFICATION

INDONESIA F-16A/B AIRCRAFT

The Government of Indonesia has requested the purchase of 8 F-16A/B aircraft (with an option for an additional four F-16A/B aircraft) with associated AIM-9P4 missiles, other aircraft munitions, support equipment, spares, contractor engineering technical support and training. The Indonesian request is for an initial purchase of eight aircraft, but it may be increased up to a total of twelve. The estimated cost is $432 million for 12 aircraft and supporting material.

This proposed sale will contribute to the foreign policy objectives of the United States by helping to improve the security of a friendly country in East Asia. Indonesia is a strategically important country as it is astride the major air and naval routes between the Indian Ocean and the Western Pacific. The F-16 is considered to be an appropriate capability in the face of the Soviet build up at Cam Ranh Bay.

Sale of these aircraft to Indonesia will improve the solidarity of the relationship with the United States and strengthen our influence in that region. It will also enhance interoperability with United States forces. Indonesia will have no difficulty absorbing these aircraft into its armed forces.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be General Dynamics of Fort Worth, Texas.

Implementation of this sale will require the assignment of two additional U.S. Government personnel and 40 contractor representatives in Indonesia for one year.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

[Transmittal No. 86-26]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b)(1) OF THE ARMS EXPORT CONTROL ACT

CLASSIFIED ANNEX ITEM NO. VI

(vi) Sensitivity of technology: [Deleted].

[Deleted].

3.(U) Classified elements of the Indonesian F-16A/B include:

a. (U) Software associated with the ALR-69, APG-66 and ALQ-131.

b. (U) The radar element of the OFT due to hardware and software features, particularly the terrain and system mapping algorithms.

c. (U) Six line replaceable units (LRU) and the Operational Flight Program (OFP) of the AN/ALR-69.

d. (U) Fifteen of ninety LRUs and Interface Test Adapter programs used on the AIS relating to the radar and AN/ALR-69.

e. (U) The OFP of the Fire Control Computer (FCC).

f. (U) Approximately fifteen operating manuals and maintenance technical orders containing performance information, operating and test procedures, weapons delivery information, repair procedures, and other information related to support operation and repair at the organizational and intermediate levels. The hardware, software, and data identified are classified to protect vulnerabilities, design and preformance parameters, munitions related data, and similar critical information.●

TRADE ADJUSTMENT ASSISTANCE

● Mr. JOHNSTON. Mr. President, among the victims of the continuing impasse among the House, the Senate and the White House over the reconciliation bill are the many thousands of men and women who are out of work and who urgently need the extended unemployment benefits provided under the trade adjustment assistance portion of the bill.

In my home town of Shreveport, more than 3,000 workers who have been laid off from the AT&T consumer products plant are eligible for this compensation. Funding for trade adjustment assistance has already been appropriated but the program is still awaiting authorization under the budget reconciliation.

I think it is tragic that those people and their families, and families like them across the Nation, have become the forgotten pawns of this ongoing policy dispute between Congress and the administration.

It is difficult for us in Congress, and certainly for those in the President's Office of Management and Budget who have helped to stall this legislation for so long, to understand what being unemployed really means. And the anguish, the desperation, and the helplessness these families must feel grows deeper with each day that we delay trade adjustment assistance.

And it is especially tragic for the people in Shreveport and other areas of my State because the prospects of a new job are so dismal. We now have a quarter of a million people out of work statewide. We have the second highest unemployment rate in the Nation and are rapidly approaching West Virginia as the State with the highest per capita unemployment.

There are, indeed, important policy disagreements involved in the dispute over reconciliation. But I hope my colleagues will remember that there are people involved as well, people like the laid-off AT&T workers in Shreveport and countless others around the country who are looking to us for help in this time of absolute despair.

I sincerely hope we will not let them down by giving up on the reconciliation bill, and I urge the leadership to continue working with the House to resolve our differences over this measure as quickly as possible and send it to the President for his signature.●

RULES OF THE SPECIAL COMMITTEE ON AGING

● Mr. HEINZ. Mr. President, I submit for printing in the RECORD the rules of the Special Committee on Aging.

The rules follow:

RULES OF THE SPECIAL COMMITTEE ON AGING

RULE 1. CONVENING OF MEETINGS AND HEARINGS

1.1 Meetings. The Committee shall meet to conduct Committee business at the call of the Chairman.

1.2 Special meetings. The members of the Committee may call additional meetings as provided in Senate Rule XXVI(3).

1.3 Notice and agenda.

(a) Hearings. The Committee shall make public announcement of the date, place, and subject matter of any hearing at least one week before its commencement.

(b) Meetings. The Chairman shall give the members written notice of any Committee meeting, accompanied by an agenda enumerating the items of business to be considered, at least 5 days in advance of such meeting.

(c) Shortened notice. A hearing or meeting may be called on not less than 24 hours notice if the Chairman, with the concurrence of the ranking minority member, determines that there is good cause to begin the hearing or meeting on shortened notice. An agenda will be furnished prior to such a meeting.

1.4 Presiding officer. The Chairman shall preside when present. If the Chairman is not present at any meeting or hearing, the ranking majority member present shall preside. Any member of the Committee may preside over the conduct of a hearing.

RULE 2. CLOSED SESSIONS AND CONFIDENTIAL MATERIALS

2.1 Procedure. All meetings and hearings shall be open to the public unless closed. To close a meeting or hearing or portion thereof, a motion shall be made and seconded to go into closed discussion of whether the meeting or hearing will concern the matters enumerated in Rule 2.3. Immediately after such discussion, the meetings or hearing may be closed by a vote in open session of a majority of the members of the Committee present.

2.2 Witness request. Any witness called for a hearing may submit a written request to the Chairman no later than twenty-four hours in advance for his examination to be closed or open session. The Chairman shall inform the Committee of any such request.

2.3 Closed session subjects. A meeting or hearing or portion thereof may be closed if the matters to be discussed concern: (1) national security; (2) Committee staff personnel or internal staff management or procedure; (3) matters tending to reflect adversely on the character or reputation or to invade the privacy of the individuals; (4) Committee investigations; (5) other matters enumerated in Senate Rule IIVI(5)(b).

2.4 Confidential matter. No record made of a closed session, or material declared confidential by a majority of the Committee, or report of the proceedings of a closed session, shall be made public, in whole or in part or by way of summary, unless specifically authorized by the Chairman and ranking minority member.

2.5 Broadcasting.

(a) Control. Any meeting or hearing open to the public may be covered by television, radio, or still photography. Such coverage must be conducted in an orderly and unobtrusive manner, and the Chairman may for good cause terminate such coverage in whole or in part, or take such other action to control it as the circumstances may warrant.

(b) Request. A witness may request of the Chairman, on grounds of distraction, harassment, personal safety, or physical discomfort, that during his testimony cameras, media microphones, and lights shall not be directed at him.

RULE 3. QUORUMS AND VOTING

3.1 Reporting. A majority shall constitute a quorum for reporting a resolution, recommendation or report to the Senate.

3.2 Committee business. A third shall constitute a quorum for the conduct of Committee business, other than a final vote on reporting, providing a minority member is present. One member shall constitute a quorum for the receipt of evidence, the swearing of witnesses, and the taking of testimony at hearings.

3.3 Polling.

(a) Subjects. The Committee may poll (1) internal Committee matters including those concerning the Committee's staff, records, and budget; (2) other Committee business which has been designated for polling at a meeting.

(b) Procedure. The Chairman shall circulate polling sheets to each member specifying the matter being polled and the time limit for completion of the poll. If any member so requests in advance of the meeting, the matter shall be held for meeting rather than being polled. The clerk shall keep a record of polls; if the Chairman determines that the polled matter is one of the areas enumerated in rule 2.3, the record of the poll shall be confidential. Any member may move at the Committee meeting following a poll for a vote on the polled decision.

RULE 4. INVESTIGATIONS

4.1 Authorization for investigations. All investigations shall be conducted upon a bipartisan basis by Committee staff. Investigations may be initiated by the Committee staff upon the approval of the Chairman and the ranking Minority member. Staff shall keep the Committee fully informed of the progress of continuing investigations, except where the Chairman and the ranking Minority member agree that there exists temporary cause for more limited knowledge.

4.2 Subpoenas. Subpoenas for the attendance of witnesses or the production of memoranda, documents, records, or any other materials shall be issued by the Chairman, or by any other member of the Committee designated by him. Prior to the issuance of each subpoena, the ranking minority member, and any other member so requesting, shall be notified regarding the identity of the person to whom the subpoena will be issued and the nature of the information sought, and its relationship to the investigation.

4.3 Investigative Reports. All reports containing findings or recommendations stemming from Committee investigations shall be printed only with the approval of a majority of the members of the Committee.

RULE 5. HEARINGS

5.1 Notice. Witnesses called before the Committee shall be given, absent extraordinary circumstances, at least forty-eight hours' notice, and all witnesses called shall be furnished with a copy of these rules upon request.

5.2 Oath. All witnesses who testify to matters of fact shall be sworn unless the Committee waives the oath. The Chairman, or any member, may request and administer the oath.

5.3 Statement. Any witness desiring to make an introductory statement shall file 50 copies of such statement with the Chairman or clerk of the Committee 24 hours in advance of his appearance, unless the Chairman and Ranking Minority Member determine that there is good cause for a witness's failure to do so. A witness shall be allowed no more than ten minutes to orally summarize his prepared statement.

5.4 Counsel.

(a) A witness's counsel shall be permitted to be present during his testimony at any public or closed hearing or deposition or staff interview to advise such witness of his rights, provided, however, that in the case of any witness who is an officer or employee of the government, or of a corporation or association, the Chairman may rule that representation by counsel from the government, corporation, or association creates a conflict of interest, and that the witness shall be represented by personal counsel not from the government, corporation or association.

(b) A witness who is unable for economic reasons to obtain counsel may inform the Committee at least 48 hours prior to the witness's appearance, and it will endeavor to obtain volunteer counsel for the witness. Such counsel shall be subject solely to the control of the witness and not the Committee. Failure to obtain counsel will not excuse the witness from appearing and testifying.

5.5 Transcript. An accurate electronic or stenographic record shall be kept of the testimony of all witnesses in executive and public hearings. Any witness shall be afforded, upon request, the right to review that portion of such record, and for this purpose, a copy of a witness's testimony in public or closed session shall be provided to the witness. Upon inspecting his transcript, within a time limit set by the committee clerk, a witness may request changes in testimony to correct errors of transcription, grammatical errors, and obvious errors of fact; the Chairman or a staff officer designated by him shall rule on such request.

5.6 Impugned persons. Any person who believes that evidence presented, or comment made by a member of staff, at a public hearing or at a closed hearing concerning which there have been public reports, tends to inpugn his character or adversely affect his reputation may;

(a) file a sworn statement of facts relevant to the evidence or comment, which shall be placed in the hearing record;

(b) request the opportunity to appear personally before the Committee to testify in his own behalf; and

(c) submit questions in writing which he requests be used for the cross-examination of other witnesses called by the Committee. The Chairman shall inform the Committee of such requests for appearance or cross-examination. If the Committee so decides, the requested questions, or paraphrased versions or portions of them, shall be put to the other witnesses by a member or by staff.

5.7 Minority witnesses. Whenever any hearing is conducted by the Committee, the minority on the Committee shall be entitled, upon request made by a majority of the minority members to the Chairman, to call witnesses selected by the minority to testify or produced documents with respect to the measure or matter under consideration during at least one day of hearing. Such request must be made before the completion of the hearing or, if subpoenas are required to call the minority witnesses, no later than three days before the completion of the hearing.

5.8 Conduct of witnesses, counsel and members of the audience. If, during public or executive sessions, a witness, his counsel, or any spectator conducts himself in such a manner as to prevent, impede, disrupt, obstruct, or interfere with the orderly administration of such hearing the Chairman or presiding Member of the subcommittee present during such hearing may request the Sergeant at Arms of the Senate, his representative or any law enforcement official to eject said person from the hearing room.

RULE 6. DEPOSITIONS AND COMMISSIONS

6.1 Notice. Notices for the taking of depositions in an investigation authorized by the Committee shall be authorized and issued by the Chairman or by a staff officer designated by him. Such notices shall specify a time and place for examination, and the name of the staff officer or officers who will take the deposition. Unless otherwise specified, the deposition shall be in private. The Committee shall not initiate procedures leading to criminal or civil enforcement proceedings for a witness's failure to appear unless the deposition notice was accompanied by a Committee subpoena.

6.2 Counsel. Witnesses may be accompanied at a deposition by counsel to advise them of their rights, subject to the provisions of Rule 5.4.

6.3 Procedure. Witnesses shall be examined upon oath administered by an individual authorized by local law to administer oaths. Questions shall be propounded orally by Committee staff. Objections by the witness as to the form of questions shall be noted by the record. If a witness objects to a question and refuses to testify on the basis of relevance or privilege, the Committee staff may proceed with the deposition, or may, at that time or at a subsequent time, seek a ruling by telephone or otherwise on the objection from a member of the Committee. If the member overrules the objection, he may refer the matter to the Committee or he may order and direct the witness to answer the question, but the Committee shall not initiate procedures leading to civil or criminal enforcement unless the witness refuses to testify after he has been ordered and directed to answer by a member of the Committee.

6.4 Filing. The Committee staff shall see that the testimony is transcribed or electronically recorded. If it is transcribed, the witness shall be furnished with a copy for review. No later than five days thereafter, the witness shall return a signed copy, and the staff shall enter the changes, if any, requested by the witness in accordance with Rule 5.6. If the witness fails to return a signed copy, the staff shall note on the transcript the date a copy was provided and the failure to return it. The individual administering the oath shall certify on the transcript that the witness was duly sworn in his presence, the transcriber shall certify that the transcript is a true record of the testimony, and the transcript shall then be filed with the Committee clerk. Committee staff may stipulate with the witness to changes in this procedure; deviations from this procedure which do not substantially impair the reliability of the record shall not relieve the witness from his obligation to testify truthfully.

6.5 Commissions. The Committee may authorize the staff, by issuance of commissions, to fill in prepared subpoenas, conduct field hearings, inspect locations, facilities, or systems of records, or otherwise act on behalf of the Committee. Commissions shall be accompanied by instructions from the Committee regulating their use.

RULE 7. SUBCOMMITTEES

7.1 Establishment. The Committee will operate as a Committee of the Whole, reserving to itself the right to establish temporary subcommittees at any time by majority vote. The Chairman of the full Committee and the Ranking Minority Member shall be ex officio members of all subcommittees.

7.2 Jurisdiction. Within its jurisdiction, as described in the Standing Rules of the Senate, each subcommittee is authorized to conduct investigations, including use of subpoenas, depositions, and commissions.

7.3 Rules. A subcommittee shall be governed by the Committee rules, except that its quorum for all business shall be one third of the subcommittee membership, and for hearings shall be one member.

8. Reports. Committee reports incorporating Committee findings and recommendations shall be printed only with the prior approval of the Committee, after an adequate period for review and comment. The printing, as Committee documents, of materials prepared by staff for informational purposes, or the printing of materials not originating with the Committee or staff, shall require prior consultation with the minority staff; these publications shall have the following language printed on the cover of the document: "Note: This document has been printed for informational purposes. It does not represent either findings or recommendations formally adopted by the Committee."

9. Amendment of Rules. The rules of the Committee may be amended or revised at any time, provided that not less than a majority of the Committee present so determine at a Committee meeting preceded by at least 3 days notice of the amendments or revisions proposed.●

CONGRESSIONAL CALL TO CONSCIENCE

● Mr. LEAHY. Mr. President, I am here on the Senate floor to once again join the congressional call to conscience on behalf of the thousands of persecuted Jews in the Soviet Union. I commend Sentor MITCHELL for his leadership in organizing the call to conscience this year.

Last fall, I spoke about the plight of Aleksandr Rozman, who had been cruelly and arbitrarily separated from his wife, Jan Feldman, a resident of Vermont. I am delighted to report that for whatever reason, the Soviets saw

fit to reunite this young couple, who are now living together in Burlington.

But the successful resolution of one case—or even a handful—should not lull us into inactivity. Behind Mr. Rozman are thousands of other Soviet Jews, all yearning for the freedoms that are stifled so ruthlessly in the country of their birth.

Today, I would like to talk about the case of Boris Rivkin.

Boris Rivkin first applied for an exit visa 10 years ago. Educated at an engineering institute and working in a lab associated with weather forecasting, Boris was treated by the government as if he had access to sensitive information.

It is a policy in the Soviet Union to make people who have worked in security sensitive areas wait 5 years before being allowed to emigrate. Boris dutifully left his work and took a job as an elevator operator. After 5 years passed, Rivkin applied for an exit visa. His request was denied.

He then made a tragic and heroic decision. He divorced his wife so she and their children would have a chance to leave the country. When OVIR again refused them permission to emigrate, Rivkin demonstrated in their office. His wife and children were granted permission to leave, and he was told that if he remained quiet for 1 year, a visa for him would be forthcoming. The chief of OVIR did not follow through on this promise.

Five more years have passed. Boris continues to be stonewalled. His son, now 21 years old and able legally to send his father invitations has repeatedly done so. His ex-wife, no longer a relative, of course, is prohibited from sending Boris invitations. When Rivkin presented his invitation from his American son, he was told by OVIR that he needed an invitation from Israel. This, in spite of the fact that invitations must come from relatives and Boris has none in Israel. Moreover, he now has no relatives in the Soviet Union.

Rivkin has been on several hunger strikes, all to no avail. His health is very fragile. He has only one kidney—the second having been removed. He is determined, but he is losing his optimism and hope, especially after the invitation set last year by his son and signed by Secretary of State Shultz was not even accepted, let alone, acted upon.

Finally, Boris speaks excellent English, and Hebrew, has published several noteworthy articles in his field. It is a tragic situation when a man of his courage and ability is separated from his family and forced to languish in a country where he has no family, and importantly, no freedom or hope.●

SETON HALL LAW WEEK 1986

● Mr. LAUTENBERG. Mr. President, during the week of March 31, 1986 through April 5, 1986, Seton Hall Law School of Newark, NJ, will be celebrating Seton Hall Law Week. The theme this year will be the legal profession in the community at large. The student bar association of the law school is coordinating activities sponsored by the individual student organizations and some other law school groups in an attempt to show the important role of the lawyer in the community.

The members of the student bar association and its president, Timothy F. McGoughran, are to be commended for their efforts to share with their fellow students and the public, the importance and role of attorneys in our society.

Mr. President, these aspiring lawyers are working in the tradition of a vital profession in this country. I want to share with my colleagues the fine efforts of these students.●

INDIAN GAMBLING

● Mr. DOMENICI. Mr. President, for several months, I have been working closely with the administration on alternative legislation to those bills now pending before the Congress on the regulation of Indian gambling activities. While the final details have not been agreed upon, I believe it is timely to inform my colleagues about our thoughts on the matter.

The attached letter to Congressman UDALL is from John R. Bolton, Assistant Attorney General, U.S. Department of Justice. The letter and summary of the administration proposal explain our basic position. We do not intend to interfere with so-called "ceremonial gaming" that is conducted along with tribal rituals. We do establish a Federal commission to regulate bingo, and we would require that all other forms of gambling be regulated by the 50 States according to their laws and regulations.

I believe this is a balanced approach to the potential problems of expanding gambling activities on Indian reservations, and I will be happy to know of original cosponsors for introduction shortly after the Easter recess.

The letter and summary follow:

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AND
INTERGOVERNMENTAL AFFAIRS,
Washington, DC.

Hon. MORRIS K. UDALL,
Chairman, Committee on Interior and Insular Affairs, U.S. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: We understand that the Committee on Interior and Insular Affairs has reported H.R. 1920, a bill to establish federal standards and regulations for the conduct of gaming activities on Indian reservations and lands, and that the bill may soon reach the floor of the House of Representatives for a vote. This Department has previously expressed its concerns with H.R. 1920 and we would like to reiterate our opposition to its passage as presently drafted.

As you know, the Department of Justice is responsible for criminal law enforcement as well as representation of the Secretary of the Interior in matters involving Indian tribes. Thus, we are in a unique position to perceive all of the possible ramifications of H.R. 1920, recognizing both the very real and serious potential for criminal infiltration in such a lucrative enterprise as well as the economic benefit such an enterprise can afford the Indian tribes. The Department testified in November 1985 on proposals to address the issue and outlined the major concepts of the Administration's policy on Indian gambling that is very close to being finalized.

A major objection to H.R. 1920 is that it fails to recognize that widespread, high-stakes gambling on Indian reservations, involving large sums of cash and lucrative peripheral service industries, would draw organized crime like a magnet, and in its trail would follow fraud and corruption. Indians are no more susceptible to infiltration by organized crime than any other segment of society. It is, however, the inherent nature of the enterprise itself that we have seen time and time again draw criminal elements solely because there is so much profit to be made. H.R. 1920 fails to provide the high degree of regulation and control, including intensive background checks, licensing procedures, management contract review and approval by the Secretary, auditing and oversight that is necessary to ensure the integrity of the games this legislation intends to legitimate.

Of significant concern to this Administration is H.R. 1920's fragmented approach to enforcement. First, the bill requires that the National Indian Gaming Commission adopt comprehensive regulations for Class III gaming which are "identical to that provided for the same or similar gaming activity by the state within which such Indian gaming activity is to be conducted." While the Committee states that its intent is not to require that all state laws relating to gaming activity be incorporated into a federal Commission's regulatory scheme, this provision could result in 50 different sets of regulations, which would be impossible to monitor or enforce. Second, criminal enforcement of gambling laws would be severely hampered because certain states (those that have criminal jurisdiction under Public Law 280) would be empowered to enforce, while others would not. Federal enforcement authorities do not have the resources or expertise to investigate gambling violations based on state laws. States, on the other hand, already have in place the necessary enforcement mechanisms to regulate and enforce their gambling laws. Prosecution of criminal cases arising out of state gambling laws must remain primarily the responsibility of the states, with the federal government playing a back-up role where states are reluctant to act. This comports with applicable constitutional principles.

The Administration's proposal to regulate Indian gambling is nearing completion in a matter of weeks. A summary of that proposal is attached. We feel that it represents a balanced approach to the regulation of this highly lucrative, easily corrupted enterprise while allowing the tribes to improve their economic position by promoting these games. We request that the Committee postpone any further activity on H.R. 1920

until it can consider the Administration proposal.

The Office of Management and Budget has advised this Department that there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,

JOHN R. BOLTON,
Assistant Attorney General.

SUMMARY OF ADMINISTRATION PROPOSAL TO REGULATE INDIAN GAMBLING

Gambling is divided into three categories: ceremonial, bingo and "all other" forms. Ceremonial would be uncontrolled; bingo would be controlled by a federal commission; and "all other" gambling would be controlled by the law of the state where the tribe is located.

Tribally operated bingo would not be permitted in any state which does not permit any form of legal bingo. Five states currently prohibit all types of bingo.

The Native American Bingo Commission would be created to license and police tribal bingo operations. The Secretary of the Interior will appoint the majority of the Commission who will serve at his pleasure. The Secretary will also appoint the Chairman. The Attorney General will appoint one member of the Commission, a career Department of Justice employee who will serve at the pleasure of the Attorney General. All expenses of the Commission, except the salaries of the Commissioners, will be borne by the tribes operating bingo through licensing fees.

Subject to approval by the Secretary, the Commission is authorized to draft rules and regulations regarding management contracts and other specified subjects relating to the conduct of gambling.

The Secretary's involvement in the Commission's day-to-day decisions concerning license applications and inspections of bingo operations is to be minimal. The Commission is to operate independently in these areas, although its decisions are subject to judicial review. The Secretary and Attorney General will maintain overall policy control through their authority to dismiss the Commissioners they appointed.

Any federally recognized tribe (except a tribe in one of the five states that prohibits bingo) may apply for a license to operate bingo, or authorize a separate entity, such as a tribal corporation, to do so. The Commission will then conduct a background investigation to determine the prospective licensee's fitness and ability (and that of any management contractor) to run a bingo operation in compliance with the law and for the general economic benefit of the tribe. The Commission may contract with tribal, federal, state, or private agencies for such investigations. If the Commission denies or fails to issue a license within the specified time—90 days if the prospective licensee is not going to use a management contractor and 270 days if the prospective licensee is going to use such a contractor—the applicant is entitled to a hearing before the Commission. An adverse decision would be subject to judicial review.

The Commission must approve management contracts, and the legislation contains a number of provisions relating to such contracts. Management contractors can receive no more than forty percent of the net income from the bingo operation, but the Commission can decide that in a particular case that a certain figure is too much and only approve a contract that provided for a lesser amount. Existing contracts would be allowed to remain in effect until October 1, 1987, unless terminated earlier by the Secretary pursuant to his general supervisory powers over such contracts.

The Commission is authorized to issue regulations concerning which, if any, individual employees of bingo establishments and of management contractors must obtain a license from the Commission and to establish the criteria for a license. The Commission is also authorized to conduct background investigations on persons required to be licensed and may conduct these investigations by contracting with outside agencies. The license must be issued in 90 days or the applicant is entitled to a hearing before the Commission. The Commission's decision is subject to judicial review.

The Commission is authorized to inspect and examine licensed bingo operations and to institute disciplinary action for violations of its rules. When the Commission has reason to believe that a tribal licensee, an individual licensee, or a management contractor has violated a statutory provision or rule of the Commission in such a manner that the license or approval of the management contract should be suspended, modified or revoked, or that a monetary penalty should be imposed, it must give the suspected violator notice and a hearing. Disciplinary action is also subject to judicial review.

THE GENOCIDE OF INDIANS BY THE COMMUNIST SANDINISTAS IN NICARAGUA

● Mr. WALLOP. Mr. President, in this proliferation of statements about Nicaragua and Soviet plans for military and political domination of that country, there is a chapter which demands our attention as citizens of a civilized nation dedicated to fundamental principles of human rights. This is the systematic program that the Communist-backed Sandinistas have for persecution, torture, and genocide of the Indian tribes of Nicaragua. The Sandinistas are engaging in actual genocide of the Nicaraguan Indian tribes on a scale which rivals that of the Pol Pot in Cambodia or the Soviets in Afghanistan. The American Indians of Nicaragua are being pillaged, raped, tortured, and carried away in Soviet-supplied helicopters. They are being killed after tortures which should appall all civilized people. The Sandinistas have gotten away with this without one blink from the United Nations or any protest by the human rights activists in our country, in the Western democracies, or in the Third World.

I want to call this genocide in Nicaragua to the attention of the Congress and the American people. I want us to know that this is happening and to do all we can to stop it. If the Genocide Treaty is worth anything at all, it should be called into play immediately in this situation. But I am not persuaded that this will happen or that if it did, it would stop the killing. If the treaty has any of the validity its proponents so recently claimed, it will be involved. Does anyone think it will? Only the outrage of the community of civilized nations can put pressure on the Sandinistas to begin to cease this awful genocide. Only a victory by the forces of democracy can stop it completely.

I never thought that I would be in agreement with certain people in the American Indian Movement. But in this case, I not only agree, but I wholeheartedly support their efforts to bring this genocide of the Indians of Nicaragua to our attention. For this reason, I ask that the attached articles be printed in the RECORD.

The material follows:

A VOICE FOR INDIANS' PLIGHT IN NICARAGUA

(By Marc Lee)

Russell Means, the American Indian Activist known for his 1973 shootout with the FBI at Wounded Knee, S.D., yesterday called Daniel Ortega's Sandinista government in Nicaragua one of the 20th century's most violent regimes.

"They stand next to [former Cambodian leader] Pol Pot in their thirst for genocide," said Mr. Means, still smarting from a shrapnel wound sustained during a just completed clandestine tour of Indian villages in eastern Nicaragua.

"Support of the Sandinistas is unholy. I just don't want to have to be proven right after the holocaust," he said, following his monthlong adventure.

Mr. Means, a founder of the American Indian Movement, is in Washington to ask the Reagan administration to give financial and military aid to Indian tribes opposing the Sandinista government.

Sandinistas frequently raid Indian villages, taking children away in Soviet-made helicopters, he said. "They take them off and kill them. I saw 29 teen-age boys, ages 12 to 16, taken from one village. They are never seen again once they're taken."

Mr. Means said the Sandinistas are bent on genocide, killing and torturing Miskito, Suma and Rama Indians. He described the Sandinistas' common methods of torture as electric shock to the testicles, breaking bones with 2-by-4s and pulling off fingernails.

"Burning people alive and raping women is also commonplace," said Mr. Means. "Village churches and schools have been transformed into torture chambers."

Mr. Means was accompanied on his trip by two other North American activists, Hank Adams of Olympia, Wash., and Clem Chartier, a Canadian who heads the World Council of Indigenous People.

The group set out secretly from Costa Rica, Jan. 7, protected by Misurasata fighters, an Indian rebel group led by Brooklyn Rivera.

During the group's stay in Nicaragua, the Sandinistas issued over public radio a death warrant for Mr. Means and told village Indians that Mr. Means "had to be exterminated because the team was in the country to discredit the government.

"They threatened to murder anyone giving us aid," he said.

The Nicaraguan armed forces set up a naval blockade to catch the group, Mr. Means said. "They hunted us with helicopters during the night."

Although pursued by government troops, the team escaped serious injury. But Mr. Means suffered an abdominal wound when a bomb exploded near him. The group pad-

died out of Nicaragua in a canoe and made a 24-hour trip to the island of San Andres in Colombian territory.

Mr. Means said the Misurasata Indian rebels are "fearless fighters," but they now must capture all of their weapons from the Sandinistas.

"They just need guns, ammunition, boots and medicine," he said. "You'll never hear them asking for anything more, because they're a self-sufficient people."

The Indian activist said American liberals and radicals have not helped the Indian cause. "We certainly have no liberal friends," he said. "From hippies to Walter Mondale, they are a bunch of welfare clients. They're great at championing someone else's revolution, but they never do anything themselves.

"I describe liberals as opinion pollsters. Whatever the latest opinion poll shows, they move in that direction," Mr. Means said. "They are now vehemently condemming me on grounds that I've been bought by the CIA. Can you imagine that?"

Mr. Means opposes U.S. aid to the Nicaraguan resistance fighters, because he says the Contras are fighting a war that could last for another 60 years, whereas the "Indians and Creole," who claim to control 45 percent of Nicaraguan soil, could wage a winnable war.

"You're fighting a sophisticated communist regime, and the Contras lack the manpower and the military might needed to wage a successful war," he said.

The Sandinistas are dangerous because they are such "sophisticated liars," Mr. Means said. "They have managed to turn the word 'atrocity' into the word 'mistake.' They have systematically persecuted Catholics, and yet they get Catholic support from this country."

During his stay in Washington, Mr. Means said he will try to arrange a meeting with President Reagan to report his findings and gain support for the Indians' plight in Nicaragua.

"I admire [Mr. Reagan] because he lets you know exactly what he stands for," Mr. Means said. "Hopefully, he'll be able to give us some support. The Reagans are not the dangerous people in the world. It's the Carters and the Mondales who are really dangerous."

If the United States doesn't offer assistance, Mr. Means said he will seek support from other nations and international organizations. Mr. Means said he will present documents of his recent trip to the United Nations Commission of Human Rights and to Congress.

"My people only have two choices," he said. "Fight or be exterminated."

[From the Washington Post, Mar. 11, 1986]

THE REAL FREEDOM FIGHTERS IN NICARAGUA

(By Russell Means)

The United States is following the logic of self-defeat in Nicaragua. Recently, while traveling clandestinely in that country, I realized that one force, without any outside support whatsoever, had waged a five-year, armed resistance against the Marxist-led government. It is made up of American Indians fighting under the banner of an organization known as Misurasata.

The Reagan administration claims its objective in Central America is the transformation or overthrow of the Sandinista government. Yet it restricts its material support to the contras, an odd assortment of supposed "freedom fighters" waging an unsuccessful guerrilla war against Managua from Honduras. Such a policy is nonsense in terms of both strategic military and economic planning, virtually guaranteeing that the use of American troops will eventually be required to change the course of the Sandinista regime.

The reason for this odd situation is that thg resistance fighters inside Nicaragua are American Indians of the Miskito, Sumu and Rama nations on the Atlantic coast. Rallying behind their representative politico-military organization, Misurasata, and enlisting allies from the region's Creole and Latino communities, the Indians are struggling for preservation of their own autonomy and self-determination. Hence, the wizards of the State Department have deemed Misurasata unacceptable.

The magnitude of the error involved in this position—which is manifestly more anti-Indian than anticommunist—is readily evident. While the Reagan-backed contra units are collapsing in the field, Misurasata has managed to secure the bulk of the traditional Atlantic coast Indian territory against ground invasion by Sandinista troops.

I personally witnessed the massive Indian support to Misurasata, which allows it to maintain 2,000 to 3,000 warriors on the basis of materials captured from the Nicaraguan army. I witnessed firsthand the fact that the Indians control not only the land within their territory but also the rivers and logistics all along the Atlantic Coast.

I also experienced firsthand the nature of Managua's response to the effectivenss of Indian resistance. Unable to maneuver on the ground within Indian territory, they have resorted to air strikes and helicopter assaults on villages and other civilian targets, as welll as attempting a blockade by sea. I have seen the mass graves that result and have documented accounts from 28 different villages concerning the Sandinista program of torture and execution intended to terrorize the Indians into submission to centralized rule. This policy of terror has backfired on Managua.

The level of Indian resistance is such that with proper material support Misurasata could immediately field at least 15,000 warriors and fully liberate Indian territories—about a third of Nicaragua—in a matter of months. In a meeting with me on March 3, Assistant Secretary of State for Inter-American Affairs Elliot Abrams agreed that Misurasata is a major factor in anti-Sandinista resistance, but suggested the Indians should abandon their own agenda and merge with the contras as a prerequisite to receiving any sort of American support.

Specifically, Abrams felt it appropriate that Misurasata put itself under Kisan, a tiny "Indian" contra group based in Honduras and unable to show support of any kind from the Indian communities of Nicaragua. It is interesting to note that, while the U.S. State Department promotes Kisan as a "legitimate Indian voice," so does Managua, a situation that suggests the lengths to which Washington is prepared to go to avoid emergence of any true expression of Indian sovereignty in this hemisphere.

My response to Abrams is that no such political strings were attached to congressional allocation of $27 million in humanitarian aid last year. It is precisely this sort of manipulation and compulsory political subordination that caused the Indian resistance to Sandinista policies in the first place. There is no reason to expect them to be more willing to accept such behavior from Washington than from Managua. If by some fluke the contras were able to unseat the Sandinistas tomorrow, they too would have to deal with Indian rights to autonomy and self-determination on the Atlantic coast.

There has been a lot of talk lately about "being on the right side of history" where Nicaragua is concerned. Indeed, a crossroads has been reached. America now has the opportunity to cross over from the side of history that has been marked by the genocide of Indian peoples for 500 years and which is evident today in the looming forced relocation of 10,000 traditional Navajos from their Arizona homeland, the similar forced relocation of the James Bay Cree in Canada, the slaughter of the Ache people in Paraguay, the decimation of the Indians of Brazil and Guatemala, and the counterinsurgency warfare directed at the Indians of Nicaragua.

The alternative is to remain on the side of history marked by the European world view, to insist that Indians are inherently subordinate to non-Indians, and that they are ultimately expendable peoples.

A decision to remain on this latter side of history will not only be morally wrong, but, for once, politically, economically and militarily unworkable as well. It carries with it a greatly increased likelihood that direct U.S. military intervention will be necessary to effect change in Managua. The sole other option will be to admit, once and for all, that the United States prefers any European-derived form of government—even a Marxist-Leninist one—to the true exercise of Indian sovereignty.

I will put it clearly: there is a choice that must be made by Ronald Reagan or the American people. They must decide whether the continued suppression of Indian rights is worth the risk of another Vietnam-type quagmire, with all the human and financial cost this entails, or whether they are finally willing to accept that notions of freedom and democracy must inevitably include Indians.●

JACQUELINE OWENS—A DEDICATED VOLUNTEER

● Mrs. HAWKINS. Mr. Chairman, I rise today to commend the work of Mrs. Jacqueline Owens, of Miami, FL. Mrs. Owens is a dedicated volunteer who for 18 years has served our Nation's veterans at the Veterans' Administration Medical Center in Miami, FL.

Initially, Mrs. Owens served as a clerical assistant in the office of the center's Chief of Dental Services. In 1970, on her own initiative, through her own generosity and donations she encouraged from others, she started an arts and crafts program at the center.

The program she created aided the hospitalized veterans both physically and emotionally, and in some instances hastened the veterans' return to the community in a productive capacity.

This petite, older woman has shown great strength of character. Health problems within her own family have not prevented her from developing this program, which started with five participants and now regularly serves 50 veterans who are hospitalized or

who are residents of the center's nursing home.

She promotes volunteerism in others and personally provides transportation so that other volunteers may help with the program. She is most pleased, though, when participants she has taught become teachers for new participants.

Studies have shown that particularly with elderly people the loss of mental skills may be more the result of disuse than disease. Mental exercise may reverse this process. Mrs. Owens' volunteerism may be very important to the well-being of those who participate because she keeps them actively engaged.

Her dedication to the patients and residents of the center extends beyond the arts and crafts program. When veterans are unable to participate because of illness, she may visit them in their room. She has occasionally become an advocate of such veterans to assure they receive appropriate attention.

Mr. Chairman, President Reagan has often encouraged Americans to participate more fully in the opportunities available for volunteers. Mrs. Owens has volunteered her services for many years and is an excellent example for all of us. I am proud that she is a resident of Florida. I am pleased to be able to recognize her excellent contribution.●

RECOMMENDATIONS OF THE HARVARD MEDICARE PROJECT

● Mr. DURENBERGER. Mr. President, I call my colleagues' attention to an article which appeared in last week's issue of the New England Journal of Medicine. That article offers recommendations of the Harvard Medicare project, a distinguished group of health policy analysts and economists, on preparing to meet the future of Medicare. While I do not agree with all of their recommendations, I do agree wholeheartedly with some of their observations—for example:

That Medicare reform has too often proceeded in a piecemeal manner, driven by budgetary crises rather than deliberated health policy;

That the Medicare Program must be restructured and simplified so that beneficiaries and caregivers don't have to deal with so many unnecessarily different types of cost-sharing provisions, appeals processes, and covered versus uncovered services;

That this restructuring should be designed to offer greater protection to those with lower incomes or higher medical expenses in order to ease the disproportionate burden of out-of pocket costs they bear under the current system;

That a cooperative approach between the public and private sector must be encouraged—for instance, in the continued development of private health plans such as HMO's; that Medicare beneficiaries should be offered more choices, such as membership in an HMO; and that Medicare should continue to encourage enrollment in prepaid health care organizations;

That Medicare should revise the method of determining fee-for-service payments to physicians to eliminate the inflationary incentives inherent in the current reasonable charge formula;

That Medicare's philosophy should be changed from one which finances sick care to one which promotes prevention and staying well;

That Medicare must be restructured to include long-term care, the real need of the Medicare population; and finally;

That long-range considerations, not short-sighted goals, must shape the changes we make today.

Medicare was designed to meet those acute care needs of the older population that were unmet by private insurance in the 1960's. But that old framework doesn't fit the needs of the Medicare-eligible population of today. Nor will it meet the needs of this population in the future as it continues to grow. By 1990, the number of people aged 85 and older, the heaviest users of health care services, will double. By the year 2000, the number 65 and older will double. We must take steps to enable the Medicare Program to handle those needs.

I do take exception to the authors' criticism of the prospective payment system for hospitals. They predict that the system will not be effective in controlling costs in the long run because hospitals will simply increase admissions of Medicare beneficiaries. But with all of the Medicare participating hospitals now under prospective payment, there has been a decrease in the annual number of Medicare admissions. Clearly, the evidence shows that hospitals are not trying to game the system by fostering overutilization through unnecessary admissions.

Finally, I must add that I differ with the conclusions of the Harvard Medicare project on payment policy, I do not agree that the prospective payment system for hospitals is bankrupt. I believe the evidence shows very clearly that the prospective payment system has contributed to better management in the health care system. This Nation should move toward improving economic incentives in the health care marketplace, not dictating from the State or Federal level how hospitals and physicians do business. It's too bad that regarding hospital payment policy the report looks backwards to the 1970's approaches to health care cost containment.

Despite these reservations about the report, the Harvard Medicare project goes a long way in its recommendations for restructuring Medicare package. I ask that this thought-provoking article by the Harvard Medicare project be printed in the RECORD.

The article follows:

SPECIAL REPORT—THE FUTURE OF MEDICARE

Since the creation of Medicare 20 years ago, the program has done much to promote the health and well-being of elderly persons and the general public in the United States. Life expectancy at age 65 has increased by 2½ years. Elderly persons now visit doctors at least as often as do younger Americans. Middle-generation Americans no longer have to choose between providing for their children and financing health care for their parents.

However, Medicare does have a number of evident failings. The cost of physicians' services under Medicare continues to rise at an astronomical rate. Medicare provides the elderly only the most minimal protection againt catastrophic health care expenditures or the enormous, unpredictable, and growing costs of long-term care. Older persons now pay a larger portion of their income for health care than they did before Medicare was enacted. The program itself has become so complicated that few elderly people understand how it works, what it entitles them to, or even where to go to find answers to their questions.

At the same time, Medicare faces political challenges. In the drive to balance the federal budget, the program is a tempting target for cutbacks. During this era of government retrenchment, proposals have been made to replace Medicare with subsidized private savings plans and private insurance policies.

The participants in the Harvard Medicare Project saw the 20th anniversary of Medicare as an appropriate time to take stock of the program's successes and to make specific suggestions to meet the enormous challenges it faces. This report summarizes only the most of our 40 proposals. A complete discussion of all our recommendations appear elsewhere.[1] Although we hope our findings will be relevant to issues now on the legislative agenda, we, as academics, have the luxury of taking a longer view. In the past, Medicare reform has too often proceeded in a piecemeal manner, driven by moments of crisis or by purely programmatic concerns. Too much of the current political debate has focused solely on cost control, as opposed to more general program improvement. Many of our suggestions indicate the direction we think Medicare should take over the next 10 to 15 years. We hope that history will bear us out and that these proposals will contribute to a broad-ranging debate about the future of this essential but troubled program.

PREMISES AND GOALS

Our analysis is predicated on one premise and three goals. The premise is that the government must continue to play an important part in ensuring that elderly people have adequate access to health care services and adequate protection against the costs of illness. Our goals are to promote cost control, fairness, and simplicity in the Medicare program.

Footnotes at end of article.

As in other areas of social policy, it has become increasingly fashionable to address Medicare's problems with market-oriented solutions. We are neither opposed to private initiatives nor enamored of government. However, the special nature of older persons and their health problems argues for caution in relying primarily on private solutions to providing health care for them.

The Medicare program was enacted specifically because some elderly people were unable to obtain affordable private insurance. Today this problem is even more severe. The costs of health care have soared and private insurers face sharply increased competition, thus making them less able to subsidize unprofitable enrollees.

Even when options are available, older persons may be unable to reap the benefits fully. As compared with younger consumers, the elderly are often less capable of making knowledgeable choices about health care purchases and less able to change insurers or providers when dissatisfied. Partly because elderly persons are more likely to suffer from physical and mental impairments (declining eyesight, hearing, and memory), they have more trouble than younger persons in comprehending the increasingly complex insurance arrangements now available. The elderly also usually lack the counsel of the purchasing agents and benefits representatives who serve younger, employed populations.[2] Although some retired persons may be able to navigate our health care system, many others will not fare well in the rough and tumble of a health care marketplace.

Consequently, although we favor providing Medicare beneficiaries with more choices, we believe this can best be achieved by allowing them more options within the existing Medicare program and by encouraging a cooperative approach between the public and private sectors. Private health plans, such as health maintenance organizations (HMOs), can play a more avtive part in the program. However, the government must take an equally active role in making certain that the health care system provides the essential care that the elderly need. Recent reforms have demonstrated that Medicare can stimulate beneficial changes in the way we pay for health services (through prospective hospital payments) and in the way health care is delivered (for example, in hospices). Medicare should continue to have this role.

In discharging these responsibilities, the government should strive to achieve three goals. First, it is essential to contain Medicare ependitures. We are concerned not only about the current federal deficit; rather, cost control is a valuable objective in its own right, as long as it is achieved through changes that increase the efficiency of the program.

A second goal for the Medicare program is fairness—to the elderly, to health care providers, and to other groups (employers, insurance companies, and family members) who are effected by the program. The elderly should receive affordable health care that is comparable in quality and amount to that enjoyed by the average American. When cost considerations dictate limits on access to services or higher patient payments, the burden should fall more heavily on the healthy and the wealthy.

Medicare should end payment policies that treat providers in capricious or unpredictable ways. The program should also honor its broader responsibility to society. It should pay enough to cover the reasonable costs of caring for its own beneficiaries, and it should promote payment systems that discourage discrimination against any group of patients.

The third goal of the Medicare program should be simplicity. Medicare is currently composed of several parts, each with its own procedural requirements and appeals processes. Beneficiaries must deal with five different types of cost sharing and with seemingly arbitrary distinctions between covered and uncovered services. The Medicare program should be simplified so that both the elderly and their care givers can understand it.

REFORMS DIRECTLY AFFECTING BENEFICIARIES

Three aspects of the Medicare program have the most direct and immediate effect on its beneficiaries. The first is the amount patients must pay out of pocket at the time services are used—i.e., their copayment responsibilities (coinsurance and deductibles). The second is the nature of those covered services—i.e., what Medicare will and will not help to pay for. The third is the overall complexity of the program, which determines how easy or difficult it is for elderly people to use the Medicare program. Improvements can and should be made in all these areas.

Decreased copayments and increased premiums

Present cost-sharing arrangements for Medicare patients are unfair and poorly conceived. During the past 20 years, the proportion of Medicare costs paid through copayments has increased, whereas that paid through premiums (which are required only for Part B) has fallen. Monthly premiums have increased from $3 to about $15, but copayments and overall program costs have grown more than 10-fold. Copayments disproportionately burden the poor and the sick, they have become excessive overall, and their unpredictability undermines the principles of insurance that Medicare was designed to promote.

Because there are no limits on accumulating copayment liability, the sickest elderly persons—those who use many services—face the steepest Medicare copayments. We have estimated that each year more than 2.5 million enrollees pay more than $1,000 in copayments alone.[3] Since copayments are unrelated to income, they add to the disproportionate burden of the cost of health care on the poor. Currently, poor and near-poor elderly persons pay 25 percent of their income annually for health care. For those with incomes that are three times that of the poverty level or more, the figure is 2.5 percent.[4]

Because copayment requirements are linked to the use of services, they are inherently unpredictable, and their unexpectedness is a major handicap for retirees with fixed incomes. As a result of the rapid inflation of health care prices, many forms of copayment—which are set as a fraction of medical charges—have also become excessive. During the past decade, the total amount that Medicare beneficiaries paid in copayments has risen 50 percent faster than their income.[5,6] Between 1985 and 1986, the hospital deductible alone increased by 23 percent. As a result, policies intended to encourage elderly patients to be prudent purchasers of care have become an important deterrent to needed treatment, particularly for those with the lowest incomes.

To lessen or eliminate these drawbacks, we propose reducing or eliminating several of Medicare's deductible and coinsurance provisions and increasing beneficiary premiums to make up the lost revenues. We believe that the aggregate contribution of the beneficiaries should be maintained at the current level of 25 percent of program costs. We find premiums inherently preferable to coinsurance and deductibles for three reasons: they are predictable, they do not penalize the sick, and they can be related to income.

Specifically, we recommend that Medicare's hospital deductible, which is currently equivalent to the cost of a day in the hospital ($492), be cut in half; that the physician deductible (now $75) be eliminated; that the requirement that patients pay 25 percent of the cost of each hospital day after 60 days of hospitalization be eliminated; and that the physician coinsurance requirements be reduced from 20 to 10 percent. An additional annual premium payment of $150 to $200 for each beneficiary would offset any revenues that were lost because of these changes, as well as the costs of any additional health care.

The two forms of copayments that we would eliminate do little to control the use of health care services; they only add to the amounts paid by elderly users of those services. Copayments for long hospital stays are no longer sensible now that Medicare's new prospective payment system creates incentives for early discharge. Physician deductibles do not curtail the use of physician services by beneficiaries (about 50 percent of Medicare recipients) whose chronic illnesses require that they see physicians frequently. These patients know that they will always spend far more than the deductible each year.

Even with the reduced provisions for coinsurance and deductibles, copayments will accumulate into large bills for very sick and chronically ill elderly patients who use expensive services extensively.[7] This problem can be eliminated at a relatively small cost to the program (approximately $500 million) by limiting each beneficiary's total annual liability for copayments to $1,000.

Premiums adjusted according to ability to pay

Increases in the premiums paid by Medicare beneficiaries will disproportionately affect elderly persons with low incomes. To ease their burden, we propose, first, that uniform national standards be established for Medicaid's payment of Medicare premiums. Currently, because of varying state standards, only 25 percent of poor and near-poor elderly persons are covered by Medicaid, and states can refuse to purchase Medicare coverage (under Part B), even for those who are eligible to receive Medicaid. States should be required to purchase Medicare coverage for all older persons whose incomes are at or below 125 percent of the federal poverty level.

Second, to adjust premium contributions to the incomes of elderly people who are not poor, we recommend eliminating the extra personal exemption ($1,040) for all taxpayers who are 65 or over and assessing them a surtax that is equal to 5 percent of their taxes. The additional revenues raised in this way would be earmarked for the Medicare program. Because only slightly more than 40 percent of elderly persons pay any income taxes, most of the added funds would be collected from those most able to pay. Among those affected, elderly persons with higher incomes would pay more than those with lower incomes. These reforms would generate about $8 billion annually.

The Medicare premiums should be reduced by a comparable amount.

Expanded coverage of long-term care and chronic illnesses

Even through about 25 percent of the health care costs of elderly persons are for long-term care, Medicare now pays only a small part of the cost of nursinghome care and virtually none of the outpatient care of chronically ill elderly persons that is provided by nonphysicians. For those who are eligible, Medicaid pays some of these costs, but its coverage is incomplete and varies greatly from state to state. In many states, elderly people must impoverish themselves and their households before they become eligible for the Medicaid program.

Our society cannot in good conscience continue to deal with chronic illness in this manner. It robs the elderly of their dignity and of any real hope of economic and emotional security. Although we recognize that private insurers have begun to experiment with plans that cover some of the costs of nursing-home care, there are three major reasons why those insurers fail to offer reasonably priced insurance for long-term care.

First, few people are willing to purchase coverage until they reach an age at which their chances of needing nursing-home care are quite high. For most persons of that age, private insurance for nursing-home care is too expensive; in fact, the premiums for those older than 70 can approach $1,500 a year.[8] Second, because private companies fear that covered patients will overuse insured services, many of them will not offer coverage for a full range of noninstitutional care, or they will price such coverage beyond the reach of all but a few wealthy persons. Third, the marketing of insurance on an individual basis, which is necessary for most retirees, tends to make the policies even more costly.

In many ways, the problem of long-term care that now faces elderly persons closely resembles the problem they had with physician and hospital services that led to the enactment of Medicare—the costs are high, the needs are pressing, and the response of private insurers is insufficient.

To address the issue of long-term care, we propose two major reforms in the Medicare program. First, Medicare should cover the cost of extended nursing-home care (in addition to the limited, rehabilitative stays for which it currently pays), which constitutes the single largest out-of-pocket expense for health care of elderly persons today. This coverage should be mandatory, and it should ultimately be financed in the same way as the rest of the Medicare program—i.e., through a combination of Social Security taxes levied on the working population, premiums paid by elderly persons, and general revenues.

Our proposal that Medicare cover nursing-home care in this fashion raises a number of legitimate concerns. First, much of the cost of a nursing home represents living expenses (room and board), and many consider payment of such expenses by Medicare to be inappropriate. We propose that Medicare beneficiaries in nursing homes cover such nonmedical costs by making "residential copayments" that are equal to 80 percent of their Social Security benefits.

Another concern is that covered nursing-home services will be used inappropriately and excessively. The proposed residential copayment will partly discourage overuse, but we also suggest that Medicare beneficiaries be required to pay a deductible for extended nursing-home care (beyond that currently covered by Medicare in full) that is equal to the cost of one month of care. Furthermore, we suggest that the Medicare program designate geriatric assessment teams of physicians, social workers, and nurses in each community to act as nursing-home "gatekeepers." All admissions to nursing homes will require advance approval from those teams.

Our second major proposal is that Medicare provide more generous coverage of long-term care in out-patient settings, especially of home health care and mental health services. Currently, partly because of limitations on Medicare coverage, mentally ill older persons are half as likely to be treated as their younger counterparts.[9] Outpatient coverage would reduce the incentive to institutionalize patients with chronic illnesses, either in hospitals or nursing homes, in cases in which less expensive outpatient care would suffice. Currently, for example, 10 to 30 percent of the elderly persons in nursing homes are there because they could not find adequate outpatient services.[10] To prevent the excessive use of these long-term care benefits, the community-based "gatekeepers" should also determine eligibility for those services.

Despite financial and administrative safeguards, an increase in coverage for long-term care and chronic illnesses would be expensive. Additional expenditures could reach nearly $15 billion a year (1985 dollars) within 10 years of implementation (Table 1). We think that these costs are justified, but to accommodate concerns about the federal deficit, we suggest that the new benefits begin in 1990, after current efforts to reduce the deficit have had time to take effect.

Improved primary care

Good primary care involves timely diagnosis and treatment. Eliminating the deductible on physician service, as suggested earlier, will remove an important barrier to such care. We also propose that Medicare cover the entire cost of an annual physical examination (no copayment by the patient). This visit should be limited to a set of specified, preventive screening tests, such as cervical Papanicolaou smears, blood-pressure checks, cholesterol determinations, rectal examinations, and stool assessments for occult blood. For persons who are unable to visit a physician's office, Medicare should pay a home health agency to conduct similar examinations.

Administrative simplification

Many of the proposals discussed above would, if enacted, help to simplify the Medicare program for its beneficiaries. Their responsibilities for copayments would become simpler and easier to understand. The arbitrary coverage distinctions between acute and chronic care and between physical and mental illness would be eliminated.

To simplify the program further, we propose that Medicare's Parts A and B (which cover hospital and nonhospital services, respectively) should be combined into a single, unified program that would allow Medicare to offer older persons a uniform structure of benefits and cost-sharing requirements. The existence of separate programs is the product of accident and inertia, not of planning. When Medicare was enacted, legislators simply assumed that the program would be modeled on existing private health insurance plans, which typically offered separate policies for hospital and physician coverage.

REFORMS IN PAYMENT OF PHYSICIANS

Current methods for paying physicians under Medicare have a number of drawbacks that contribute to escalating costs and the unfair treatment of both beneficiaries and physicians.

From the beginning, Medicare has reimbursed physicians according to the "customary, prevailing, and reasonable" (CPR) method.[16] For several reasons, this system has contributed to escalating costs. First, since it pays physicians on a fee-for-service basis, it creates a built-in incentive for physicians to provide more services. Since payment is based partly on what physicians customarily charge, the method has perpetuated the relatively high fee scales of specialists and surgeons, thus encouraging such physicians to provide more high-technology services.

The Medicare payment system is also unfair to patients in that it allows physicians to accept or reject "assignment" (that is, to decide whether to accept the fee set by Medicare as full compensation) on a case-by-case basis. Physicians who refuse assignment must bill the patient directly to get paid, but they may then charge more than the fee set by Medicare. In 1983, 10 percent of the out-of-pocket expenses for physicians' services of Medicare beneficiaries were payments for unassigned charges. Such expenditures add to the confusion of elderly patients, they impair access to care, and they vary arbitrarily according to the physician and the region.

The current system for paying physicians also tends to treat certain groups of physicians unfairly. Even when specialists and surgeons provide services that are similar to those given by primary care practitioners, they receive more compensation. In 1982, for example, specialists were paid 20 to 53 percent more for a brief office visit than were primary care physicians. Another example of unfair treatment is that physicians in urban areas are generally paid considerably more than physicians in rural areas.

To ameliorate these problems of cost and fairness, we recommend that Medicare pursue four major avenues of reform. First, the program should continue to encourage enrollment in prepaid health care organizations (see below). However, we recommend caution in implementing systems that reimburse individual physicians for ambulatory services alone on a prepaid basis under "managed care" arrangements. Without the financial resources and management expertise that are available to large organizations, individual physicians might not be effective in containing costs while preserving the quality of care.

TABLE 1.—PROJECTED COSTS FOR LONG-TERM CARE UNDER THE CURRENT MEDICARE SYSTEM, AS COMPARED WITH THOSE OF THE PROPOSED MEDICARE COVERAGE. BEGINNING IN 1990. [1]

[In billions of dollars]

Type of care	Year—		
	1990	1995	2000
Under current system:			
Nursing-home care	30.3	34.5	38.8
Outpatient long-term care [2]	5.3	5.9	6.6
Total	35.6	40.4	45.4
Under proposed system:			
Nursing-home care [3]	30.3	45.8	50.4
Outpatient long-term care	7.3	8.2	9.4
Total	37.6	54.0	59.8

TABLE 1.—PROJECTED COSTS FOR LONG-TERM CARE UNDER THE CURRENT MEDICARE SYSTEM, AS COMPARED WITH THOSE OF THE PROPOSED MEDICARE COVERAGE, BEGINNING IN 1990. [1]—Continued

[In billions of dollars]

Type of care	Year—		
	1990	1995	2000
Difference between current and proposed systems	2.0	13.6	14.4

[1] Sources are studies of impairment in elderly populations,[11] nursing-home use,[11,12] home health care use,[13,14] and the use of mental health services.[9,15]

[2] Includes home health care and outpatient mental health care.

[3] For the 1990 projections, we assumed that nursing-home use would be limited by the available supply of beds. The supply is assumed to increase by 1995 in response to the following changes in use: 20 percent of those who would otherwise be in nursing homes remain in the community because of enhanced home care, all elderly persons who require personal care (e.g., feeding and dressing) and who are unmarried or living alone are in nursing homes, and half the elderly persons with impaired mobility who are living alone are in nursing homes.

As long as enrollment in prepaid health care organizations remains voluntary for Medicare beneficiaries, many—perhaps most—will continue to be cared for by physicians on a fee-for-service basis. Therefore, a way must be found to improve on the CPR method of determining fee-for-service payments. Thus, as a second major reform, we recommend that Medicare pay physicians according to a relative-value scale that is adjusted by a dollar-value multiplier.[17] A properly designed relative-value scale could help to control costs by making physician payments "fiscally neutral." It would reduce fees for certain services that are now expensive and overvalued under the CPR system (such as certain specialty service). Such a system would also eliminate unjustifiable differences in fees charged to beneficiaries and in those paid to physicians in different geographic regions.

Since any fee-for-service system encourages physicians to deliver more services, the implementation of a relative-value scale would not guarantee overall cost savings in the Medicare program. Thus, to ensure that such savings occur, we recommend, as part of a third major reform, that the federal government establish an annual target budget for total expenditures for physicians' services under Medicare. If payments exceeded that target in any year, the federal government could reduce the dollar-value multipliers for the following year by an amount that would be sufficient to recover the excess.

As a fourth major change in physician reimbursement, we recommend that Medicare require physicians to accept assignment—that is, accept Medicare's fee as payment in full (less any coinsurance and deductibles)—for all beneficiaries. Neither patients nor physicians should be eligible to receive Medicare payments for services rendered by physicians who refuse assignment. Failing to adopt "mandatory assignment" would undermine the effectiveness of a fee schedule based on relative values, since physicians who were dissatisfied with the fees paid by Medicare could charge patients whatever the Medicare feee schedule denied them. Unfortunately, immediate introduction of mandatory assignment could adversely affect access to care under Medicare, since physicians in certain areas might simply refuse to treat Medicare beneficiaries. Thus, this change in payment policy should be implemented gradually over 5 to 10 years, and it should start with mandatory assignment for all physicians' services to hospitalized patients.

REFORMS IN PAYMENT OF HOSPITALS

Medicare's current prospective payment system, a system of regulated prices that is based on diagnosis-related groups, is almost certainly an improvement over the cost-based approach to reimbursement that preceded it. Although the implementation of the prospective payment system does not deserve all the credit for recent declines in the rate of increase in hospital costs, it has contributed to growing cost consciousness among the nation's hospitals.

Nevertheless, the current prospective payment system has a number of flaws. First, it controls the amount paid for a hospital admission, but not the number of patients a hospital can admit. Since hospitals can thus boost revenues by increasing admissions of Medicare beneficiaries, the prospective payment system may not be effective in controlling costs in the long run.[18]

Second, Medicare's current prospective payment system may promote discrimination against certain groups of patients. Because that system controls only Medicare prices, it may make the elderly less desirable patients than privately insured persons, thus leading to a tendency to discharge older persons "sicker and quicker."[19] The prospective payment system also encourages hospitals to favor admission of Medicare patients who are in certain diagnostic groups and who are less severely ill. Uninsured patients also suffer under this system, since it is increasingly difficult to cross-subsidize their care from hidden surpluses that are built into Medicare charges and other fees.

We think that better prospective payment systems can be designed. We propose one here that should be considered if the flaws in the current prospective payment system create pressure for major reform. We recommend a system of prospectively set target budgets for hospitals that includes safeguards against discrimination against Medicare beneficiaries and uninsured patients. The fundamentals of this approach are as follows.

Each year, the federal government should set a target budget for hospital payments for each state. The states should then be empowered to devise ways to keep Medicare hospital costs within that target, or they should be required to make up the difference from their own resources. To achieve this goal, the states should have wide discretion in determining how hospitals within their boundaries will be paid for providing services to Medicare beneficiaries.

In designing payment systems, however, the states should meet certain federal requirements. All payers within their jurisdiction should use the same method for paying for hospital care, and the rates for different payers should reflect the costs of treating such patients—not the market power or the negotiating skill of the payers. The states and each hospital should negotiate a limit on the hospital's total revenues from all sources for the next year. If those target budgets are exceeded, the hospitals involved should be paid at a reduced rate for the rest of the year. The states should also be required to establish systems to cover the costs of caring for uninsured patients. Medicare should contribute to such uncompensated care schemes.

Experience in this country and abroad (Massachusetts and Canada, for example) has demonstrated that such a system is workable and that it can constrain the rise in hospital costs. Because this system limits hospital budgets instead of Medicare prices, it promises to be a better method than the prospective payment system for reducing the rate of growth in hospital costs over the long term. By limiting increases in hospital expenditures for both private and public patients, the system would use Medicare's leverage in the health care system to limit the growth in all health care costs, not just Medicare expenditures. In addition, because it would create an all-payers system, the plan would ensure that Medicare patients were treated as fairly as other consumers of hospital expenditures. Finally, the proposed plan would provide federal leadership in designing solutions to the growing problem of providing uninsured patients with access to hospital care.

REFORMS RELATED TO PREPAID HEALTH CARE

The virtues of prepaying for health care, especially in HMOs, have been widely discussed.[20,21] Sixty years of experience and research have documented the ability of HMOs to deliver high-quality care at costs that are lower than those in the free-for-service system. These organizations also expand the options available to consumers of health care, thereby creating pressures for innovation and enabling patients to find plans that cover services that best meet their needs.

Nevertheless, since most of our experience with HMOs involves working populations rather than retirees, some caution is indicated in applying that experience to Medicare beneficiaries. The very high costs of caring for some elderly patients may encourage prepaid health care organizations to enroll healthy Medicare beneficiaries selectively, thereby channeling costly patients back into the free-for-service system. If HMOs are paid the average cost of treating a Medicare beneficiary in the traditional system but they enroll only beneficiaries who are healthier than average, overall Medicare expenses may increase. Also, HMOs have not yet had to provide as much in the way of long-term care as Medicare patients need. The ability and willingness of prepaid health care organizations to provide such care remains to be tested.

Nevertheless, the track record of HMOs is long and strong enough to justify encouraging increased enrollment of Medicare beneficiaries in them. The Medicare amendments of 1983 went a long way in this direction by reimbursing HMOs at 95 percent of the age- and sex-adjusted average rate of Medicare spending in the communities where they are located. To encourage additional enrollment, Medicare should allow HMOs to recruit up to 75 percent of their members from the Medicare population. (The limit is now 50 percent.) This would permit specialization in the health needs of the elderly, without taking that group of patients completely out of the mainstream of care.

If the Medicare program and its beneficiaries are to benefit fully from the option to choose among HMOs, it is essential to promote informed decisions and to discourage selective enrollment of healthy older persons. Medicare should provide its beneficiaries with easily understandable information about the benefit packages and costs of all participating HMOs. To counteract incentives to stint on costlier services, such as those involved in the treatment of chronic illnesses, Medicare should monitor the performance of the HMOs. Currently, professional review organizations oversee the quality of hospital care to counteract similar incentives under the prospective payment system. They should do the same for HMOs.

CONCLUSION

Predicting the costs of all these suggested reforms in the Medicare program—some of which would not be implemented for 5 to 10 years—is difficult and hazardous. If we exclude additional long-term care benefits, we estimate that the financial impact of our proposals on Medicare expenditures in the year 2000 could range from a net saving to a net cost of approximately $3 billion (1985 dollars), depending on the assumptions used.[1] Coverage for long-term and nursing-home care would increase Medicare's spending by about $50 billion annually, although $35 billion of that amount would substitute for costs that would have been paid by Medicaid or by elderly persons and their families.

It is imperative to consider these costs in assessing the merits of our package of proposals. Yet, it is just as essential to consider other factors that have received less attention in the current fiscal and political climate. For example, given the current drift of Medicare policy, what kind of protection against the financial costs of illness will elderly persons have in the year 2000? What kind of access will they have to services? How will we care for the growing numbers of elderly persons who can no longer live alone?

These questions deserve study now, if only because current changes in policy should be informed by long-range considerations. In 1965, the political process produced a Medicare program that, for all its current failings, represented a triumph of humane public policy. It is now time to correct those failings so that the program can meet the challenges of the next 20 years.

Participants in the Harvard Medicare Project include Judith Bentkover, Ph.D., Robert Binstock, Ph.D., David Blumenthal, M.D., Phillip Caper, M.D., Hale Champion, Rashi Fein, Ph.D., William Hsiao, Ph.D., Nancy Altman Lupu, J.D., Theodore Marmore, Ph.D., Alicia Munnell, Ph.D., Julius Richmond, M.D., Mark Schlesinger, Ph.D., James Verdier, J.D., and Terrie Wetle, Ph.D. Funds for this work were supplied by the Milbank Memorial Fund to the Division of Health Policy Research and Education at Harvard University. However, the opinions expressed here are those of the Harvard Medicare Project only and should not be taken to represent the views of the Fund or of Harvard University.

FOOTNOTES

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INNA AND NAUM MEIMAN

● Mr. SIMON. Mr. President, Naum and Inna Meiman are Soviet Jews whose only desire is to emigrate to Israel. Inna is in her fifties and has cancer. Naum is in his seventies. What harm could it do to let the Meimans emigrate?

This Saturday, I will have the unique opportunity to visit with Naum's daughter, Olga Plam, who lives in Colorado. Olga is deeply concerned that she may never see her father again. Naum proudly displays pictures of Olga's family, as any father would do. Unfortunately, Naum has not had the same opportunity to see his daughter whenever he wishes.

Inna is critically ill. She and Naum desperately want the opportunity to live the rest of their lives in Israel. Still, the Soviet Government continues to deny the Meimans the rights to which they are entitled as human beings.

I strongly urge the Soviet Government to allow the Meimans to emigrate to Israel.●

INTERIM FUNDING FOR SUPERFUND

● Mr. D'AMATO. Mr. President, I rise today in support of legislation to provide short-term, interim funding for the Superfund Program. I commend my colleagues, Senator LAUTENBERG and Senator STAFFORD, for their leadership on this issue. I understand that several other Members of the Senate also have been in contact with Majority Leader Dole to urge that this proposal be considered on the next possible vehicle.

Although I know that the overwhelming majority of my colleagues would prefer to see final passage of a 5-year Superfund reauthorization, and I share this preference, it is clear that immediate action is necessary to avoid an unacceptable disruption of the program.

By April 1, EPA expects to have delayed starting nearly 200 Superfund-financed projects, including planning studies, cleanup construction designs, and actual cleanup starts. Although some planning studies, designs, and cleanups are currently being continued, many of these also will be delayed without interim funding.

A disruption in the Superfund Program will be devastating for New York, which has the fourth highest number of Superfund sites in the Nation. In addition, the contractors and laboratories which have worked with EPA under this program are facing tremendous uncertainty, and in some cases may be forced to close permanently, causing severe long-term disruptions, even after funding is restored.

Today I am cosponsoring two proposals to provide interim funding for Superfund. Each would provide $150 million for 60 days, a level consistent with the annual rate provided in the fiscal year 1986 HUD-Independent Agencies appropriations bill.

The first proposal would raise $150 million by extending the existing Superfund tax, making funds available from April 1 to May 31 as a repayable advance. The second would make a direct appropriation of $150 million available as a repayable advance, without extending the taxing authority.

Mr. President, I cannot overemphasize the urgency of this situation. I urge my colleagues to join me in supporting swift passage of interim fundings.●

ACID RAIN

● Mr. GARN. Mr. President, the subject of acid deposition, sometimes mistakenly hyped as acid rain, is again in the news. President Reagan has met with Canadian Prime Minister Mulroney, and the subject of transboundary pollution was high on the agenda. My colleague, the chairman of the Committee on Environment and Public Works, has just introduced a stringent new bill on the subject.

Several scientific and background studies have recently emerged, but from the point of view of the West, the most significant study is Acid Deposition and the West—A Scientific Assessment by Dr. George M. Hidy, president of the Desert Research Institute at the University of Nevada in Reno, and five other distinguished scientists. This study was commissioned by Western Energy Supply and Transmission [WEST] Associates, a research and planning organization of 20 electric utilities—publicly owned, investor owned, and rural electric cooperatives—serving nearly 19 million consumers in 11 States in the West and Southwest.

First, I would like to emphasize the excellent scientific credentials of the six authors of this report:

CREDENTIALS OF THE SCIENTIFIC PANEL

George M. Hidy, D. Eng., served as director of the advisory panel, interpreted the data collected and analyzed atmospheric processes. He is President of the Desert Research Institute at the University of Nevada in Reno. Having specialized in atmospheric sciences for 28 years, Dr. Hidy has been involved in major experiments and issues relating to acid deposition since 1975. His involvement in acid deposition problems is an outgrowth of his long-term interest in atmospheric chemistry and atmospheric aerosols. He has written an authoritative textbook on state-of-the-art aerosol science entitled "Aerosols—An Industrial and Environmental Science."

Dr. Hidy is a member of the Science Advisory Board of the Environmental Protection Agency and a past member of the Environmental Studies Board of the National Academy of Sciences. He has served as reviewer of the U.S. National Acid Precipitation Assessment Program and of its Canadian counterpart. His doctorate in chemical engineering is from Johns Hopkins University with an M.S. in engineering from Princeton University, a B.S. in chemical engineering from Columbia University and an A.B. from Columbia College.

James R. Young, Ph.D., collected and analyzed the deposition information for this study and served as publications manager for the Technical Report. Dr. Young is a Senior Scientist for ERT, Inc., in Newbury Park, California. ERT is an environmental consulting firm which specializes in air quality issues including acid deposition. He has been involved in review and analysis of precipitation chemistry data and in long-range transport and acid deposition model development at ERT since 1981, and before that in environmental research at the California Institute of Technology. His interest in acid deposition stems from his involvement in the aquaeous-phase chemistry of natural systems.

Dr. Young is a member of the American Chemical Society and of Sigma Xi, the scientific research society. His doctorate and M.S. are in environmental engineering science from California Institute of Technology with a B.A. in chemistry from St. Mary's College in Winona, Minnesota.

Dale W. Cole, Ph.D., served as the panel's expert on forests and forest soils. Dr. Cole is Associate Dean and Professor of Forest Soils at the College of Forest Resources at the University of Washington in Seattle, where he has been since 1963. With over 25 years experience in areas relating to the mineral cycling of forests, he has published numerous articles and papers. Ten years ago he began studying soil acidification and became concerned that acid deposition might influence natural processes of mineral cycling. He then began a program to monitor the rate of acid deposition and to investigate its effects on soil.

Dr. Cole is a research group leader of the International Union of Forest Research Organizations and a member of the American Geophysical Union, Ecological Society of America and other organizations. He serves on the Forest Effects Review Panel for the Science Advisory Board of the Environmental Protection Agency. He holds a doctorate in forest soils from the University of Washington, an M.S. in soils from the University of Wisconsin and a B.S. in forestry from the University of Washington.

Robert W. Brocksen, Ph.D., provided expertise on aquatic ecosystems for the study. He was Director of the Wyoming Water Center and Professor of Zoology at the University of Wyoming at Laramie. In this position, he initiated research to determine if acid deposition exists at high elevation lakes and streams. His research focuses on the release of acidity in water as snow melts in the spring and its impact, if any, upon fisheries. In 1986, Dr. Brocksen took a leave of absence from the University of Wyoming to direct the Living Lakes Project, an eastern U.S. lake limning program.

When acid deposition was emerging as an issue in 1978, Dr. Brocksen was Senior Program Manager for Ecological Studies at the Electric Power Research Institute in Palo Alto, California. In that position, he was responsible for developing research programs relating to the problem of acid deposition in various parts of the U.S.

Dr. Brocksen's authoritative research on the effects of water quality on fish and other organisms dates from his post as Assistant Professor at the University of California at Davis in 1968. Later, he served as Adjunct Associate Professor at the University of Tennessee and was also Aquatic Ecology Section Head of the Environmental Sciences Division at Oak Ridge National Laboratory in Tennessee.

His doctorate in fisheries physiology and limnology, an M.S. in fisheries toxicology and B.S. in fisheries are from Oregon State University.

Albert L. Page, Ph.D., served as the panel's expert on soils and crops. At the University of California in Riverside for 25 years, he holds three titles in the Department of Soils and Environmental Sciences: Director of the Program of Excellence in Energy Research, Professor of Soil Science and Chemist. For the past five years, he has been Director of the Program of Excellence in Energy Research—involving studies on acid deposition, soil physics, soil chemistry and soil microbiology.

Having worked on a number of projects for the Environmental Protection Agency, Dr. Page became familiar with acid rain in the northeastern U.S. early in his career. In 1965, he was involved in a one-year study of 170 lakes in the Sierra Nevada region of the West. Since 1980, he has been responsible for a follow-up study of these same lakes.

Dr. Page holds a doctorate in soil science from the University of California at Davis and a B.A. in chemistry from the University of California at Riverside.

Mohammed M. El-Amamy, Ph.D., was the panel's advisors on soils and vegetation. He is a Postdoctoral Soil Scientist at the University of California at Riverside in the Department of Soils and Environmental Sciences.

Since 1980, he has been investigating the effects of acid deposition on surface and ground water. This research began at the Stanford Research Institute in Menlo Park, California, where he studied the degradation effect of pesticides and their interaction with soils and ground water.

Dr. El-Amamy's doctorate in soil chemistry and M.A. in soil survey and classification are from the University of California at Riverside. His B.A. in soil and water sciences is from Alfatah University in Libya.

As you can see these six Ph.D.'s are all from the West and collectively possess a broad range of expertise: Dr. George Hidy has specialized in atmospheric sciences for 28 years; Dr. James Young has been involved in review and analysis of precipitation chemistry data and in long-range transport and acid deposition model development since 1981. Dr. David Cole, who is associate dean and professor of forest soils at the College of Forest Resources at the University of Washington in Seattle, served as the panel's expert on forest and forest soils. Dr. Robert Brocksen, the director of the Wyoming Water Center and professor of zoology at the University of Wyoming at Laramie, provided expertise on aquatic ecosystems for the study. Dr. Albert Page, professor of soil scientist and chemist at the University of California in Riverside, served as the panel's expert on soils and crops. Dr. Mohammed M. El-Amamy, a postdoctoral soil scientist at the University of California at Riverside, was the panel's advisor on soils and vegetation.

Thus the panel contains the expertise to analyze both atmospheric processes and long-range transport questions as well as the effects of any deposition on forests, forest soils, aquatic ecosystems, soils, and crops. Each of the panel members possesses impeccable qualifications in his field of expertise.

Next, let me turn to the panel's conclusions summarized in a layman's version of the study:

CONCLUSIONS

This study considers the scientific knowledge about acid deposition in the West and its environmental consequences. Based on available information, there is no credible scientific evidence of adverse regional-scale ecosystem effects associated with acid deposition in the West. Without such evidence, incremental increases in emission controls are not scientifically supported.

This study uses specific terminology for the processes and effects of acid deposition, rather than the general term acid rain. When used precisely, acid rain refers to the removal of acidic chemicals, such as oxides of sulfur and nitrogen, from the atmosphere only by precipitation. Acid deposition, on the other hand, refers to the removal of chemicals from the atmosphere by all possible processes. Acid deposition includes both wet and dry deposition. Wet deposition results from precipitation, such as rain, snow and hail. Dry deposition results from the

absorption of acidic gases and the collection of acidic particles on surfaces. Deposition also may result from moisture collection on surfaces in the form of dew, fog and clouds. Acidity is a general term that refers to hydrogen ion concentration in any system and is expressed as pH.

This scientific inquiry focuses on the West's pristine mountain regions because of their valuable recreational, lumber and fishery resources, but does not ignore the deserts. To address public concern about widespread geographical effects of acid deposition, and regional scale was chosen for this study. Regional refers to those effects and processes of acid deposition covering distances greater than 60 miles from sources of emissions or larger than 400 square miles in potentially affected area.

Conclusions of the study are divided into four groups: major findings plus supporting conclusions related to atmospheric deposition, terrestrial ecosystems and aquatic ecosystems.

A. MAJOR CONCLUSIONS

1. Evidence indicates that region-wide effects of acid deposition do not exist in the West, and none are expected at current levels of exposure.

2. There are no comparative studies to indicate that western ecosystems are more susceptible to damage from acid deposition than those elsewhere. In western ecosystems, natural ecological processes are the prime cause of acidity and acid neutralizing capacity.

3. Sulfur is an inadequate tracer for indicating acidity in the West. Other manmade and natural chemicals, particularly nitrate, calcium and ammonia, must also be considered.

4. Dry deposition, often mentioned as uniquely large when compared to wet deposition in the West, is not necessarily large in susceptible high elevation alpine areas.

5. Acidity is commonly identified with sulfur dioxide gas (SO_2) and oxides of nitrogen gases (NO_x). Man-made emissions of SO_2 in the West have decreased sharply for the last 15 years and no significant increases are expected in the future. NO_x emissions are expected to increase only 20 percent through the year 2000.

ATMOSPHERIC DEPOSITION

1. The western bioclimate is more diverse and can be extremely variable over relatively short distances. Unlike the East, the West has strong precipitation gradients; widespread wet and arid regions; variable annual precipitation; dominant winter-spring snow in alpine areas; cloud-fog exposure in the coastal mountains; extremes in temperature and humidity gradients and sunlight; as well as diverse terrestrial vegetation within subregions. Current analyses treat the west uniformly, but the West's non-uniformity may be important in clarifying potential acid deposition effects.

2. Precipitation acidity in the West is generally within the range of natural variability. Acidity in precipitation, on the average, is 10 percent to 20 percent of that in the East.

3. Concentrations of sulfate and nitrate in western precipitation are only 20 percent to 50 percent of those measured in the northeastern U.S.

In the West, sulfate concentrations in precipitation more closely correlate with the presence of calcium—rather than hydrogen ions (acidity).

Calcium containing minerals, such as calcium sulfate (gypsum), in wind-blown soil dust often contribute to sulfate concentrations in precipitation. Calcium carbonate (limestone) dust often reduces acidity by neutralization.

Acidity and concentrations of sulfate, nitrate and ammonium ions are variable throughout the entire West. Concentrations of hydrogen ions (acidity) are 50 percent higher during spring and summer and approximately 10 percent lower than average values during the fall and winter. These factors must be considered in assessing atmospheric deposition data.

Regional wet and dry deposition of sulfur in the West is below levels expected to cause adverse ecological effects. Even with 50 to 100 percent higher man-made sulfur dioxide emissions 15 to 30 years ago, there have been no observed acid deposition effects.

Wet sulfate and nitrate deposition is generally 10% to 20% of that in regions of the eastern United States. Hydrogen ion deposition in the West is 3 to 20 percent of that measured in the East.

6. Region wide emission of SO_2 NO_x and hydrocarbons are substantially lower in the West than the East-except in cities. Western SO_2 emissions have decreased by a factor of two since 1970. During the same period, NOX emissions have increased by 50 percent primarily as a result of increased transportation and urban activities. By the year 2000, SO_2 emissions will increase only slightly, and NO_x is projected to increase by only 20 percent.

7. Source-receptor relationships are not well-defined in the West, largely resulting from poor characterization of transport winds in mountainous terrain and the lack of geographically representative data. For example, evidence of a hypothesized relationship between southwestern smelter SO_2 emissions and wet sulfate deposition over the intermountain region is circumstantial and not verified. There is no accepted link between long-range transport of emission and wet sulfate deposition in the West.

8. Sulfur-to-nitrogen (S/N) emission ratios are less than deposition ratios. Three possibilities may explain the mechanism that increases sulfur or decreases nitrogen in precipitation compared to man-made emissions: Sulfur in soil dust may be an unaccounted for national source of sulfate in precipitation; nitrogen loss by dry deposition may be more rapid than sulfur loss; sulfur may be more effectively scavenged in clouds and precipitation than nitrogen. In addition, S/N emission ratios are more variable than precipitation ratios. These observations imply that there is no direct relationship between man-made emissions and deposition rates which is consistent throughout the western region.

9. Dry deposition is not necessarily more predominant than wet deposition in susceptible western areas. It is highly variable with the heaviest influence near emission sources or in arid areas.

10. Nitrate is not generally found in greater proportion to sulfate in the West as has been previously believed.

C. TERRESTRIAL ECOSYSTEMS

1. In the West, approximately 88 percent of surveyed soils are well buffered and, therefore, not susceptible to changes due to current or projected levels of acid deposition. There is no evidence that surveyed soils, forests or crops in the West have been affected by acid deposition. The potential for adverse effects on western soils is small due to low levels of acid deposition and the natural chemical processes in soils.

2. Acid production from natural processes in western soils are generally more important and significantly greater than acidity from atmospheric sources.

3. Western forest soils are relatively insensitive to acid deposition. Although extensive acidification occurs naturally in western forest soils, most of the acidity from all sources is neutralized by natural buffering mechanisms.

4. Nitrogen and sulfur deposited in precipitation may help to fertilize native vegetation and, to a lesser extent, commercial crops.

5. From the 1950's to the present, there is no evidence that acid pecipitation has damaged crops or reduced their yields. In fact, crop yields have increased every decade from the 1950's to the present.

6. The amount of acidity deposited onto cropland from precipitation is small compared to amounts of acidity generated by ammonia fertilizers and natural processes in soil. This acidification of cropland resulting from natural processes is routinely and easily neutralized by liming.

7. Atmospheric gases and particles can influence vegetation by direct exposure, but only at ambient air concentrations much higher than those found regionally in remote western areas.

8. There is no evidence of any regional forest damage due to acid deposition in the West. Some forest vegetation, especially ponderosa pine in southern California, shows injury from prevailing atmospheric ozone levels.

D. AQUATIC ECOSYSTEMS

1. No credible scientific information—either regionally or from specific sites—suggests that present levels of deposition are acidifying any sensitive high elevation water bodies in the West.

2. The level of acidity and chemical composition of western surface waters depends largely on interacting man-made as well as natural factors, such as bedrock geology, soil characteristics, lake sediment interactions, precipitation, deposition and land use.

As indicated from the above excerpt, the panel concludes that "there is no credible scientific evidence of adverse regional-scale ecosystem effects associated with acid deposition in the West." Furthermore, "made-made emissions of SO_2 in the West have decreased sharply for the last 15 years and no significant increases are expected in the future. NO_x emissions are expected to increase only 20 percent through the year 2000." The study then proceeds with more specific conclusions on atmospheric deposition, terrestrial ecosystems, and aquatic ecosystems.

Mr. President, this study should be of great value to the Congress and the administration when and if the acid deposition matter is reopened. These scientists have demonstrated that there are basic scientific differences between the East and the West. Regardless of what President Reagan and Prime Minister Mulroney may discuss concerning the Northeast boundary line, there is no problem in the West which requires Federal interference. The West burns coal with a lower SO_2 content; it has installed more scrubbers proportionately; and it has much

cleaner air. I for one want to keep clean air in the West, but I am more convinced than ever by this study that any emission control program to retrofit existing stationary sources in the West would not be scientifically sound or economically justified.

In conclusion, Mr. President, I hope that both the EPA and the administration as well as the interested congressional committees will carefully analyze and absorb this new study of "Acid Deposition in the West—A Scientific Assessment."●

RULES OF THE COMMITTEE ON LABOR AND HUMAN RESOURCES

● Mr. HATCH. Mr. President, paragraph 2 of rule XXVI of the Standing Rules of the Senate requires that each committee of the Senate publish its rules not later than March 1 of each year. Therefore, I submit for the RECORD the rules of the Committee on Labor and Human Resources.

SENATE COMMITTEE ON LABOR AND HUMAN RESOURCES

(Orrin G. Hatch, Chairman)

RULES OF PROCEDURE (AS AMENDED FEBRUARY 16, 1983)

Rule 1.—Subject to the provisions of Rule XXVI, paragraph 5, of the Standing Rules of the Senate, regular meetings of the Committee shall be held on the second and fourth Wednesday of each month, at 10:00 a.m., in room SD 430, Dirksen Senate Office Building. The Chairman may, upon proper notice, call such additional meetings as he may deem necessary.

Rule 2.—The Chairman of the Committee or of a subcommittee, or if the Chairman is not present, the ranking Majority member present, shall preside at all meetings.

Rule 3.—Meetings of the Committee or a subcommittee, including meetings to conduct hearings, shall be open to the public except as otherwise specifically provided in subsection (b) and (d) of Rule 26.5 of the Standing Rules of the Senate.

Rule 4.—(a) Subject to paragraph (b), one-third of the membership of the Committee, actually present, shall constitute a quorum for the purpose of transacting business. Any quorum of the Committee which is composed of less than a majority of the members of the Committee shall include at least one member of the Majority and one member of the Minority.

(b) A majority of the members of a subcommittee, actually present, shall constitute a quorum for the purpose of transacting business: provided, no measure or matter shall be ordered reported unless such majority shall include at least one member of the Minority who is a member of the subcommittee. If, at any subcommittee meeting, a measure or matter cannot be ordered reported because of the absence of such a Minority member, the measure or matter shall lay over for a day. If the presence of a member of the Minority is not then obtained, a majority of the members of the subcommittee, actually present, may order such measure or matter reported.

(c) No measure or matter shall be ordered reported from the Committee or a subcommittee unless a majority of the Committee or subcommittee is actually present at the time such action is taken.

Rule 5.—With the approval of the Chairman of the Committee or subcommittee, one member thereof may conduct public hearings other than taking sworn testimony.

Rule 6.—Proxy voting shall be allowed on all measures and matters before the Committee or a subcommittee if the absent member has been informed of the matter on which he is being recorded and has affirmatively requested that he be so recorded. While proxies may be voted on a motion to report a measure or matter from the Committee, such a motion shall also require the concurrence of a majority of the members who are actually present at the time such action is taken.

The Committee may poll any matters of Committee business as a matter of unanimous consent; provided that every member is polled and every poll consists of the following two questions:

(1) Do you agree or disagree to poll the proposal; and

(2) Do you favor or oppose the proposal.

Rule 7.—There shall be prepared and kept a complete transcript or electronic recording adequate to fully record the proceedings of each Committee or subcommittee meeting or conference whether or not such meetings or any part thereof is closed pursuant to the specific provisions of subsections (b) and (d) of Rule 26.5 of the Standing Rules of the Senate, unless a majority of said members vote to forgo such a record. Such records shall contain the vote cast by each member of the Committee or subcommittee on any question on which a "yea and nay" vote is demanded, and shall be available for inspection by any Committee member. The Clerk of the Committee, or the Clerk's designee, shall have the responsibility to make appropriate arrangements to implement this Rule.

Rule 8.—The Committee and each subcommittee shall undertake, consistent with the provisions of Rule XXVI, paragraph 4, of the Standing Rules of the Senate, to issue public announcement of any hearing it intends to hold at least one week prior to the commencement of such hearing.

Rule 9.—The Committee or a subcommittee shall, so far as practicable, require all witnesses heard before it to file written statements of their proposed testimony at least 24 hours before a hearing, unless the Chairman and the ranking Minority member determine that there is good cause for failure to so file, and to limit their oral presentation to brief summaries of their arguments. The presiding officer at any hearing is authorized to limit the time of each witness appearing before the Committee or a subcommittee. The Committee or a subcommittee shall, as far as practicable, utilize testimony previously taken on bills and measures similar to those before it for consideration.

Rule 10.—Should a subcommittee fail to report back to the full Committee on any measure with in the reasonable time, the Chairman may withdraw the measure for such subcommittee and report that fact to the full Committee for further disposition.

Rule 11.—No subcommittee may schedule a meeting or hearing at a time designated for a hearing or meeting of the full Committee. No more than one subcommittee executive meeting may be held at the same time.

Rule 12.—It shall be the duty of the Chairman in accordance with section 133(c) of the Legislative Reorganization Act of 1946, as amended, to report or caused to be reported to the Senate, any measure or recommendation approved by the Committee and to take or cause to be taken, necessary steps to bring the matter to a vote in the Senate.

Rule 13.—Whenever a meeting of the Committee or subcommittee is closed pursuant to the provisions of subsection (b) or (d) of Rule 26.5 of the Standing Rules of the Senate, no person other than members of the Committee, members of the staff of the Committee, and designated assistants to members of the Committee shall be permitted to attend such closed session, except by special dispensation of the Committee or subcommittee or the Chairman thereof.

Rule 14.—The Chairman of the Committee or a subcommittee shall be empowered to adjourn any meeting of the Committee or a subcommittee if a quorum is not present within fifteen minutes of the time scheduled for such meeting.

Rule 15.—Whenever a bill or joint resoluton repealing or amending any statute or part thereof shall be before the Committee or a subcommittee for final consideration, the Clerk shall place before each member of the Committee or subcommittee a print of the statute or the part or section thereof to be amended or replaced showing by stricken-through type, the part or parts to be omitted, and in italics, the matter proposed to be added.

Rule 16.—An appropriate opportunity shall be given the Minority to examine the proposed text of Committee reports prior to their filing or publication. In the event there are supplemental, minority, or additional views, an appropriate opportunity shall be given the Majority to examine the proposed text prior to filing or publication.

Rule 17.—(a) The Committee, or any subcommittee, may issue subpoenas, or hold hearings to take sworn testimony or hear subpoenaed witnesses, only if such investigative activity has been authorized by majority vote of the Committee.

(b) For the purpose of holding a hearing to take sworn testimony or hear subpoenaed witnesses, three members of the Committee or subcommittee shall constitute a quorum: provided, with the concurrence of the Chairman and ranking minority member of the Committee or subcommittee, a single member may hear subpoenaed witnesses or take sworn testimony.

(c) The Committee may, by a majority vote, delegate the authority to issue subpoenas to the Chairman of the Committee or a subcommittee, or to any member designated by such Chairman. Prior to the issuance of each subpoena, the ranking minority member of the Committee or subcommittee, and any other member so requesting, shall be notified regarding the identity of the person to whom it will be issued and the nature of the information sought and its relationship to the authorized investigative activity, except where the Chairman of the Committee or subcommittee, in consultation with the ranking minority member, determines that such notice would unduly impede the investigation. All information obtained pursuant to such investigative activity shall be made available as promptly as possible to each member of the Committee requesting same, or to any assistant to a member of the Committee designated by such member in writing, but the use of any such information is subject to restrictions imposed by the Rules of the Senate. Such information, to the extent that it is relevant to the investigation shall, if requested by a member, be summarized in writing as soon as practicable. Upon the request of any

member, the Chairman of the Committee or subcommittee shall call an executive session to discuss such investigative activity or the issuance of any subpoena in connection therewith.

(d) Any witness summoned to testify at a hearing, or any witness giving sworn testimony, may be accompanied by counsel of his own choosing who shall be permitted, while the witness is testifying, to advise him of his legal rights.

(3) No confidential testimony taken or confidential material presented in an executive hearing, or any report of the proceedings of such an executive hearing, shall be made public, either in whole or in part or by way of summary, unless authorized by a majority of the members of the Committee or subcommittee.

Rule 18.—Presidential nominees shall submit a statement of their background and financial interests, including the financial interests of their spouse and children living in their household, on a form approved by the Committee which shall be sworn to as to its completeness and accuracy. The Committee form shall be in two parts—

(I) information relating to employment, education and background of the nominee relating to the position to which the individual is nominated, and which is to be made public; and,

(II) information relating to financial and other background of the nominee, to be made public when the Committee determines that such information bears directly on the nominee's qualifications to hold the position to which the individual is nominated.

Information relating to background and financial interests (Part I and II) shall not be required of (a) candidates for appointment and promotion in the Public Health Service Corps; and (b) nominees for less than full-time appointments to councils, commissions or boards when the Committee determines that some or all of the information is not relevant to the nature of the position. Information relating to other background and financial interests (Part II) shall not be required of any nominee when the Committee determines that it is not relevant to the nature of the position.

Committee action on a nomination, including hearings or meetings to consider a motion to recommend confirmation, shall not be initiated until at least five days after the nominee submits the form required by this rule unless the Chairman, with the concurrence of the ranking minority member, waives this waiting period.

Rule 19.—Subject to statutory requirements imposed on the Committee with respect to procedure, the rules of the Committee may be changed, modified, amended or suspended at any time; provided, not less than a majority of the entire membership so determine at a regular meeting with due notice, or at a meeting specifically called for that purpose.

Rule 20.—In addition to the foregoing, the proceedings of the Committee shall be governed by the Standing Rules of the Senate and the provisions of the Legislative Reorganization Act of 1946, as amended.

NATIONAL AGRICULTURE DAY

● Mr. ZORINSKY. Mr. President, here we are on March 20, 1986—it is National Agriculture Day. Unfortunately, I find it difficult to commemorate or celebrate this day in light of the very serious problems in the farming community.

The huge surpluses of commodities that overhang agricultural markets have caused nearly all crop prices to drop during 1985. At the end of the 1985-86 marketing year, carryover stocks as a percent of current annual use are about 43 percent for corn and 80 percent for wheat.

Growing stockpiles combined with declining exports make prospects for the future less than bright. A recent issue of "Outlook for U.S. Agriculture Exports," published by USDA, estimates the value of U.S. agricultural exports at $28 billion, which is 10 percent below the 1985 value and $1 billion less than the December estimate. U.S. exports of all major grains are running 29 percent behind exports a year ago.

Because the dollar has declined by at least 30 percent from its high point in early 1985, it is difficult to blame the strong dollar for declining U.S. exports. We need to evaluate other factors that are contributing to the deterioration of the farm economy.

The 1985 farm bill is intended to make U.S. farmers competitive in the international marketplace. The farm bill lowers loan rates and provides export incentives. However, thus far we continue to see reductions in net farm income and increasing farm foreclosures.

Farmers, of course, are not the only ones that are suffering from a weak agricultural economy. In my home State of Nebraska, 15 banks have been closed in the last 15 months. Because land values are expected to decline further, these banks' security interest will continue to erode. Credit availability remains a problem—farmers are now having tremendous difficulties obtaining loans for spring planting.

I do not see anything that is going to turn things around unless the administration makes use of the mechanism contained in the farm bill in accordance with the intent of Congress. The Department of Agriculture can use the export bonus program to give away surplus stocks. USDA can also make use of surplus commodities for production of ethanol. There are many tools contained in the farm bill that USDA can use to benefit our farmers. The administration must wake up before it is too late. We no longer have a farm crisis that affects a few States in the Midwest. The problem goes to the very fabric of this country.

Mr. President, I encourage the administration to use all the tools at its disposal to give farmers a chance to survive these stressful times.●

REDUCING THE SOVIET MISSION TO THE UNITED NATIONS

● Mr. MOYNIHAN. Mr. President, I rise today to note that by ordering a reduction in the size of the Soviet Mission to the United Nations, the administration has done something fully warranted and long overdue. But the administration could have been far more explicit in highlighting the need for this order.

Since the Rockefeller Commission report of 1975, it has been public knowledge that personnel at the Soviet Mission have invaded our telephone system. Together with the other espionage activities these personnel conduct on a massive scale, in direct violation of their obligations under the U.N. Charter, such violations make it both proper and essential to reduce the size of the Soviet Mission.

Soviet officials claim otherwise. On ABC News' "This Week With David Brinkley" of March 16, 1986, Ambassador Vassiliy Safronchuk—acting permanent representative of the Soviet Union to the United Nations—dismissed concerns over such espionage as "utter nonsense." He also argued that we have no right to order a reduction of the Soviet Mission under the terms of the Charter and the 1947 U.N. Headquarters Agreement.

The time has come to be explicit about why these Soviet claims are false. On the Brinkley telecast, where Senator COHEN and I also appeared, we noted that the evidence of electronic eavesdropping and other espionage activities by Soviet mission personnel is incontrovertible. We also pointed out that the United States is fully within its rights to order a reduction in such personnel. I noted that "the Headquarters Agreement specifically states that behavior outside of official duties is governed by American law, and tapping telephones is a violation of our law." Senator COHEN added the following:

There is a provision in Public Law 357 and Article VI which says that nothing contained in the agreement dealing with the United States serving as host nation shall in any way abridge the right of the United States to protect its own national security.

Yesterday the New York Times published letters written by Senator LEAHY, Senator COHEN, and me that further describe the improper activities of Soviet Mission personnel, and the legal justifications for the administration's order. Mr. President, I ask that these letters be entered into the RECORD.

The letters follow:

[From the New York Times, Mar. 19, 1986]

U.S. HAS THE RIGHT TO LIMIT SOVIET U.N. MISSION

To the Editor:

As the authors of a bill, S.1773, to limit the size of the Soviet Mission to the United Nations, we would like to comment on the March 11 news article "U.N. Experts Debate U.S. Order to Moscow." The article dealt with legal issues relating to the State Department announcement on March 7 that

the Soviets would have to cut their U.N. Mission personnel from 275 down to 170.

The F.B.I. has stated publicly that the Soviets employ a large percentage of their Mission for espionage purposes. Actions by the Administration and Congress to limit the official representation in the U.S. from countries that engage in such hostile intelligence activities represent a determination to counter espionage operations run under diplomatic and other official cover.

We believe that limiting the size of the Soviet Mission to the United Nations is both consistent with international agreements and a valid exercise of our country's right to protect its national interests while playing host to the U.N. When we introduced S.1773 last Oct. 18, we submitted a detailed analysis of the legal issues. This included extensive citations from U.S. Government and U.N. sources on the application of the U.N. Headquarters Agreement of 1947.

Neither the Headquarters Agreement nor the Convention on the Privileges and Immunities of the U.N. (signed in 1946 but consented to by the Senate in 1970) refers specifically to the power of the host government to limit the size of national missions to the U.N.

The U.S. Government, however, expressed a reservation to the convention which made it clear that U.S. immigration laws take precedence over the convention in the case of any person "who abused his privileges of residence by activities outside his official capacity." The U.S. also stated with reference to the Headquarters Agreement that, "Nothing . . . shall be construed as in any way diminishing, abridging, or weakening the right of the United States to safeguard its own security" or to control the movement of foreign personnel outside the vicinity of U.N. Headquarters. The U.S. Government has consistently interpreted the clause concerning security as providing independent authority to limit the admission, and not merely restrict the movement, of the staff of national missions.

The claim has been advanced that the U.S. may act against the admission of particular persons but not with respect to the overall size of missions. In fact, as host country, the U.S. has the inherent power to regulate such missions when their size and the conduct of their personnel raise legitimate national security concerns.

As your editorial topic "U.N. Countdown" (March 12) indicates, the obvious touchstone here is reasonableness. We agree that the size of the Soviet Mission to the U.N. greatly exceeds what is reasonably required for its legitimate functions at the U.N., especially when viewed against the sizes of other national missions.—Senator PATRICK LEAHY, WILLIAM S. COHEN, Washington, March 12, 1986.

(The writers are members of the Senate Select Committee on Intelligence.)

To the Editor:

The State Department could have made a much stronger case for reducing Soviet personnel at the United Nations. The department noted that such personnel "engage in activities unrelated to U.N. business, including espionage." But we should have been far more explicit: they invade our telephone system on a massive scale, violating both our laws and our rights.

This illegal activity has been public knowledge since the Rockefeller report of 1975. Arkady Shevchenko (former Under Secretary General of the U.N.) writes that by 1973, the Soviet Mission already "bristled with antennas for listening to American conversations," and that this technological espionage "mushroomed."

Questions are arising as to the appropriateness of the Administration's cutback order. They need not. The facts of the case would be clear, if only the Department of State would simply set them forth.—DANIEL PATRICK MOYNIHAN, Senator from New York, Washington, March 11, 1986.●

NATIONAL AGRICULTURE DAY

● Mr. D'AMATO. Mr. President, I rise today to call the attention of my colleagues to the fact that today is National Agriculture Day. Recently, we completed action on the technical corrections to the 1985 farm bill, and soon we will complete action on the CCC supplemental appropriation measure. I believe we are nearing agreement with the House over this matter, and I look forward to enabling our Nation's farmers to start planting their crops with the full knowledge of what Federal farm policy will be this year—and for the next several years.

It is fitting that we use today to elevate public awarness of the need to maintain a strong and prosperous agricultural industry, something we in Congress have been trying to accomplish. I believe we have. Last year, we passed the most expansive farm bill in this Nation's history. It is designed to provide the support and tools necessary to recapture those agricultural export markets which we have lost and to prevent the further erosion of our agricultural export trade.

Ours is the most productive and advanced agricultural industry in the world, and this is something of which we can be proud. It is important that we, as a nation, continue to work together to overcome the pitfalls that have beset our farm policies in the past. In recent years, we have made tremendous strides in this direction, but I believe that although we have worked hard these last few months to craft a practicable farm bill for 1986, we have much more ground to break.

In the years ahead we must work hard to restore the confidence of the American farmer in the Federal Government. I believe we can. I am happy to say that New York State producers have maintained impressive figures in several areas of farming. New York is ranked first in the Nation in the production of creamed cottage cheese and cabbage for kraut; second in the production of apples, corn for silage, fresh market sweet corn, Italian cheeses, low-fat cottage cheese, maple syrup, tart cherries, and many other products; third in the production of all cheeses, milk, cabbage for market; and fourth in pears, celery, onions, ice cream, and more.

The bounties from New York are to be shared. This fact has been made very clear here on Capitol Hill, when, for the last 4 years, I have sponsored the annual Farm Harvest Day. This event attracts greater participation each year from New York producers, as well as from my colleagues in the Senate, Congressmen, Capitol Hill staffers, and many others. Tables are lined up end on end, each filled with New York produce—from baskets of milk, cheese, apples, pork, to maple syrup, wine, ice cream, Long Island duckling, and countless other products which are donated by more than 100 New York producers. Everyone who attends, and there were in excess of 800 this year, returns home with as much food as they can physically carry.

Today is a day to be thankful for bountiful crops. It is an occasion to elevate public awareness of the importance of our agricultural industry, of the importance of the American farmer, and of the need to keep them and the industry strong, healthy, and prosperous.●

BENIAMIN AND TANIA BOGOLMOLNY: A CRITICAL REFUSENIK CASE

● Mr. SIMON. Mr. President, I have heard from a number of friends about a refusenik family in the Soviet Union, Beniamin and Tania Bogolmolny, whose situation is crucial. Cases of Soviet violations of human rights are always poignant, but cases in which a refusenik is critically ill are especially dire.

Beniamin Bogolmolny has the dubious distinction of being the world's "most patient refusenik" as he was called by the Guiness Book of World's Records. Beniamin first applied to emigrate with his parents in 1966. His parents and his sisters were allowed to emigrate to Israel in 1970 while Beniamin was in the army. He then applied on his own in 1972. Beniamin has waited for 20 years to emigrate to Israel.

In 1979, Beniamin married Tania. In December of 1985, Tania underwent a mastectomy operation for breast cancer. The most recent diagnosis revealed that the cancer had spread to Tania's lymph system. Tania's situation is worsening. Allowing Tania and Beniamin to join Beniamin's family in Israel is consistent with the Soviet policy of family reunification.

I strongly urge the Soviet authorities to grant permission to the Bogolmolny family in keeping with General Secretary Gorbachev's statement in which he declared that humanitarian cases will be resolved in the "spirit of cooperation."●

THE 100TH ANNIVERSARY OF POINT PLEASANT BEACH

● Mr. BRADLEY. Mr. President, I am pleased to offer my congratulations to

the Borough of Point Pleasant Beach as it celebrates its 100th anniversary.

Since its incorporation on June 12, 1886, by the New Jersey State Legislature, Point Pleasant Beach has become one of New Jersey's loveliest resort areas, home of many fine restaurants and seafood specialty markets, a principal center in the State for the sale of pleasure and commercial boats, and an area offering some of the best fishing, boating, and swimming along the entire shore.

Point Pleasant Beach has much to offer to its year-round residents as well as to the thousands of visitors who return summer after summer. I salute Point Pleasant Beach as it celebrates 100 years of progress and I extend my best wishes for continued success in the future.●

Mr. SIMPSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

BILL HELD AT THE DESK—S. 2216

Mr. SIMPSON. Mr. President, after conferring with the Democratic leader, I ask unanimous consent that the bill introduced by Senator STEVENS today, to designate September 17, 1987, as "Constitution Day," be held at the desk until close of business on Monday, March 24, 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

SEQUENTIAL REFERRAL OF H.R. 3773

Mr. SIMPSON. Mr. President, I ask unanimous consent that once H.R. 3773, the Federal Technology Transfer Act of 1985 is reported by the Commerce Committee, and placed on the calendar, it be sequentially referred to the Committee on the Judiciary for a period not to extend beyond 30 calendar days, for the purpose of considering sections 4, 5, 6, and 7; and that if H.R. 3773 is not reported at such time, the Judiciary Committee shall be immediately discharged of further consideration thereof, and the bill be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR FRIDAY

RECESS UNTIL 10 A.M.

Mr. SIMPSON. Mr. President, after conferring with the Democratic leader, I ask unanimous consent that once the Senate completes its business today it stand in recess until the hour of 10 a.m. on Friday, March 21, 1986.

RECOGNITION OF CERTAIN SENATORS

Following recognition of the two leaders under the standing order, I ask unanimous consent that the following Senators be recognized for not to exceed 5 minutes each for special orders: Senators HAWKINS, PROXMIRE, BAUCUS, and SARBANES.

ROUTINE MORNING BUSINESS UNTIL 10:30 A.M.

Following the special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond the hour of 10:30 a.m. with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. SIMPSON. Then, Mr. President, following morning business, the Senate will resume the motion to proceed to S. 1017, the regional airport bill.

Under the provisions of rule XXII of the Standing Rules of the Senate, at 11 a.m., a live quorum will begin. Following the quorum, a cloture vote will occur on the motion to proceed to S. 1017, the regional airport bill. If cloture is invoked, the Senate will remain on the motion for the remainder of the day. Therefore, rollcall votes could occur.

Also, the Senate could be asked to turn to any other legislative or executive items cleared for action.

Mr. BYRD. Mr. President, as I understand the distinguished assistant Republican leader, the rollcall vote on the motion to invoke cloture would occur at about 11:25 or 11:30?

Mr. SIMPSON. Mr. President, I think that would be a correct range for that vote.

Mr. BYRD. Mr. President, I thank the distinguished Senator.

Mr. SIMPSON. Mr. President, I advise our colleagues on both sides of the aisle that we are attempting at this time to clear a 60-day extension of the Superfund Program which otherwise will expire on April 1. Since the House has now made the decision, apparently, that they are going to be in session only in pro forma fashion after tonight until after the Easter recess, we think we are faced with a situation where we must extend Superfund or else it will run out of funds on April 1 and no further site cleanups will be done and the contracting out will be terminated, which I think is a result that none of us wish to see.

The House, at the present moment, is voting on the reconciliation issue and we will see the outcome of that very shortly. But, indeed, they will be going out, so we will remain in morning business while we try to clear the extension.

Mr. SARBANES. Will the assistant leader yield for a question?

Mr. SIMPSON. Yes.

Mr. SARBANES. As I understand it, we will conclude morning business at 10:30 a.m. tomorrow?

Mr. SIMPSON. Mr. President, that is correct.

Mr. SARBANES. And a quorum will begin at 11?

Mr. SIMPSON. A live quorum will begin, under rule XXII, at 11 a.m.

Mr. SARBANES. Is it the assistant leader's assumption that the half-hour would be available to talk about the motion to proceed if one wished to do so; is that correct?

Mr. SIMPSON. That would be correct.

Mr. SARBANES. Could the assistant leader assure me of 10 minutes during that period?

Mr. SIMPSON. Mr. President, I ask unanimous consent that there be a period of a half an hour, equally divided.

Mr. SARBANES. That is fine. I do not want to force anyone to use time if they do not want to use time. I just wanted to be certain that, if I wanted to, I had some time, that is all.

Mr. SIMPSON. It certainly would be appropriate and, I believe, under that unanimous-consent arrangement, that would be assured.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. SIMPSON. Does the Democratic leader have any further business?

Mr. BYRD. Mr. President, I do not have. It is agreeable with me if the distinguished assistant leader wishes to put the Senate into morning business until such time as the matters to which he has already alluded are back before the Senate. I would take it, then, that the Senate would not be on the airport bill anymore today, am I correct?

Mr. SIMPSON. Mr. President, that would be correct.

Mr. BYRD. I thank the Senator.

EXTENDING ROUTINE MORNING BUSINESS UNTIL 7:30 P.M.

Mr. SIMPSON. Mr. President, I ask unanimous consent that morning business be extended until the hour of 7:30 this evening.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is ordered.

SUPERFUND

Mr. SIMPSON. Mr. President, the House has now passed an extension of Superfund which we believe is the same as the legislation presented by Senator LAUTENBERG, which we cleared previously in this Chamber. It will consist of a 60-day extension until June 1 of this year, with a repayable advance of funds which will be paid back to the Treasury when Superfund itself is reauthorized.

Senator LAUTENBERG and I are both on the conference committee. We will resolve our issues with Superfund and a permanent reauthorization.

It will be our intention then to move the House bill at a very early opportunity on Friday, and I pledge to the Senator from New Jersey [Mr. LAUTENBERG] that that will be done.

Mr. LAUTENBERG. Mr. President, I thank the assistant majority leader for the cooperation and patience with which he dealt with this matter, and his commitment to see that we move judiciously tomorrow to pass the legislation that the House has just approved. It is the bill we originally started with.

I appreciate very much the effort of the minority leader and the assistant Republican leader tonight in getting that ready for swift and positive treatment tomorrow morning.

Mr. BYRD. Mr. President, I thank the Senator. He can be assured that we will do our best tomorrow morning.

Mr. SIMPSON. Mr. President, I, too, appreciate the assistance of the Democratic leader in this process.

RECESS UNTIL 10 A.M. TOMORROW

Mr. SIMPSON. Mr. President, there being no further business, I move, in accordance with the previous order, that the Senate stand in recess until 10 a.m. tomorrow.

The motion was agreed to, and at 8:12 p.m., the Senate recessed until tomorrow, Friday, March 21, 1986, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate March 20, 1986:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Dorcas R. Hardy, of California, to be Commissioner of Social Security, vice John A. Svahn, resigned.

IN THE AIR FORCE

The following-named officers for permanent promotion in the U.S. Air Force, under the provisions of section 628, title 10, United States Code: as amended, with dates of rank to be determined by the Secretary of the Air Force:

NURSE CORPS

To be lieutenant colonel

Nina K. Rhoton, xxx-xx-xxxx

To be major

Janet C. Flournoy, xxx-xx-xxxx

IN THE AIR FORCE

The following officers for appointment in the Regular Air Force under the provisions of section 531, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform duties indicated with grade and date of rank to be determined by the Secretary of the Air Force provided that in no case shall any of the following officers be appointed in a grade higher than that indicated:

NURSE CORPS

To be major

Janet C. Flournoy, xxx-xx-xxxx

BIOMEDICAL SCIENCES CORPS

To be captain

Charles A. Culver, xxx-xx-xxxx

IN THE AIR FORCE

The following officers for appointment in the Regular Air Force under the provisions of section 531, title 10, United States Code, with grade and date of rank to be determined by the Secretary of the Air Force provided that in no case shall the officer be appointed in a grade higher than captain:

LINE OF THE AIR FORCE

Abraham, Warren O., xxx-xx-xxxx
Acevedo, Edward, xxx-xx-xxxx
Achorn, Michelle L., xxx-xx-xxxx
Ackerman, William R., xxx-xx-xxxx
Ackley, Alan W., xxx-xx-xxxx
Adam, Daniel A., xxx-xx-xxxx
Adams, Dennis M., xxx-xx-xxxx
Adams, Norman B., xxx-xx-xxxx
Adams, Wendy Yvonne, xxx-xx-xxxx
Addington, Martin R., xxx-xx-xxxx
Ahnen, William M., xxx-xx-xxxx
Albus, Michael M., xxx-xx-xxxx
Alderson, Andrew B., xxx-xx-xxxx
Allen, Christopher S., xxx-xx-xxxx
Allen, Cynthia S., xxx-xx-xxxx
Allen, Edward F., Jr., xxx-xx-xxxx
Allen, Larry D., xxx-xx-xxxx
Allen, Richard L., xxx-xx-xxxx
Allen, Steven E., xxx-xx-xxxx
Allen, Steven R., xxx-xx-xxxx
Althouse, Margaret M., xxx-xx-xxxx
Ammerman, Mark A., xxx-xx-xxxx
Anderson, Cary M., xxx-xx-xxxx
Anderson, Craigen B., xxx-xx-xxxx
Anderson, Dane A., xxx-xx-xxxx
Anderson, Gretchen R., xxx-xx-xxxx
Anderson, James A., Sr., xxx-xx-xxxx
Anderson, James W., xxx-xx-xxxx
Anderson, Leo K., Jr., xxx-xx-xxxx
Anderson, Nicholas W., xxx-xx-xxxx
Anderson, Norman C., xxx-xx-xxxx
Anderson, Warren M., xxx-xx-xxxx
Andre, John M., xxx-xx-xxxx
Antalek, Mary L., xxx-xx-xxxx
Antolak, Scott T., xxx-xx-xxxx
Antonucci, Michael, Jr., xxx-xx-xxxx
Arias, Raymond F., xxx-xx-xxxx
Armon, Dianne, xxx-xx-xxxx
Arnold, Micahel F., xxx-xx-xxxx
Arnold, Michael W., xxx-xx-xxxx
Arrington, Timothy D., xxx-xx-xxxx
Ashworth, Jeffrey H., xxx-xx-xxxx
Atchison, Mark R., xxx-xx-xxxx
Aten, Mary A., xxx-xx-xxxx
Austin, Omer F., xxx-xx-xxxx
Avance, Derek W., xxx-xx-xxxx
Avrit, Carl L., xxx-xx-xxxx
Ayson, Eglin V., xxx-xx-xxxx
Babers, Teresa R., xxx-xx-xxxx
Bagnell, Richard J., xxx-xx-xxxx
Bailey, Penny H., xxx-xx-xxxx
Bailey, Rene B., xxx-xx-xxxx
Baker, Daren A., xxx-xx-xxxx
Baker, Dennis K., xxx-xx-xxxx
Baker, Karen F., xxx-xx-xxxx
Baker, Paul H., xxx-xx-xxxx
Baker, Robert R., Jr., xxx-xx-xxxx
Baker, Susan J., xxx-xx-xxxx
Bakewell, Jeffrey S., xxx-xx-xxxx
Ball, Glenn A., xxx-xx-xxxx
Ballentine, John W., Jr., xxx-xx-xxxx
Balsone, Stephen J., xxx-xx-xxxx
Baltuskonis, Thomas J., II, xxx-xx-xxxx
Banko, Victoria J., xxx-xx-xxxx
Banks, Sid P., xxx-xx-xxxx
Barberis, Cesidio V., Jr., xxx-xx-xxxx
Barco, Charles T., xxx-xx-xxxx
Barnes, Donald R., xxx-xx-xxxx
Barnes, Michael J., xxx-xx-xxxx
Barnes, Phoenix, Jr., xxx-xx-xxxx
Barnes, Russell C., xxx-xx-xxxx
Barnett, Charles R., xxx-xx-xxxx
Barnett, Frank W., Jr., xxx-xx-xxxx
Barnstable, Michael B., xxx-xx-xxxx
Bartlett, Daniel W., Jr., xxx-xx-xxxx
Barton, Wayne E., xxx-xx-xxxx
Bass, Steven W., xxx-xx-xxxx
Battle, Robin M., xxx-xx-xxxx
Batzel, Leroy H., xxx-xx-xxxx
Bearden, David W., xxx-xx-xxxx
Beardslee, Robert A., xxx-xx-xxxx
Bearup, Keith C., xxx-xx-xxxx
Beatty, Richard S., xxx-xx-xxxx
Beck, Christopher C., xxx-xx-xxxx
Becker, Dean O., xxx-xx-xxxx
Becker, Joseph D., xxx-xx-xxxx
Beckham, John R., Jr., xxx-xx-xxxx
Beckley, Ernest F., xxx-xx-xxxx
Becton, Renee M., xxx-xx-xxxx
Beer, Michael A., xxx-xx-xxxx
Behel, Thomas O., xxx-xx-xxxx
Bell, John M., xxx-xx-xxxx
Bell, Robert D., xxx-xx-xxxx
Bellefontaine, Steve J., xxx-xx-xxxx
Bellinger, Clyde T., xxx-xx-xxxx
Bendall, David C., xxx-xx-xxxx
Benhoff, Dennis K., xxx-xx-xxxx
Bennett, David A., xxx-xx-xxxx
Bennett, James G., xxx-xx-xxxx
Benson, Bradley D., xxx-xx-xxxx
Bent, Carol A., xxx-xx-xxxx
Bergeman, Kevin E., xxx-xx-xxxx
Bernard, Warren H., xxx-xx-xxxx
Bernier Barry, J., xxx-xx-xxxx
Bernier, Ramos Sergio J., xxx-xx-xxxx
Bertino, Robert J., xxx-xx-xxxx
Biagi, William R., xxx-xx-xxxx
Birlingmair, Shawn D., xxx-xx-xxxx
Birns, Cyd E., xxx-xx-xxxx
Black, Randall L., xxx-xx-xxxx
Black, Richard E., xxx-xx-xxxx
Blackburn, David H., xxx-xx-xxxx
Blanchard, Edward A., xxx-xx-xxxx
Blanco, Edgard Roman, xxx-xx-xxxx
Blanco, Jose E., Jr., xxx-xx-xxxx
Blankenhorn, Thomas F., xxx-xx-xxxx
Blomquist, Vernon J., xxx-xx-xxxx
Bloom, Andrew P., xxx-xx-xxxx
Boerlage, Andrew P., xxx-xx-xxxx
Bolling, Donald T., xxx-xx-xxxx
Bolus, Robert B., xxx-xx-xxxx
Bomberger, Michael E., xxx-xx-xxxx
Bonniksen, Christine K., xxx-xx-xxxx
Boone, Douglas J., xxx-xx-xxxx
Boone, Terry N., xxx-xx-xxxx
Boord, Kenneth E., xxx-xx-xxxx
Booth, Mark E., xxx-xx-xxxx
Booton, Charles E., xxx-xx-xxxx
Bopp, John F., Jr., xxx-xx-xxxx
Bopp, Timothy C., xxx-xx-xxxx
Borgelt, John A., xxx-xx-xxxx
Borgmann, Ann L., xxx-xx-xxxx

Bouchard, Amy M., xxx-xx-xxxx
Boudreau, Armand D., Jr., xxx-xx-xxxx
Bourda, Frank S., xxx-xx-xxxx
Boyd, Avis J., xxx-xx-xxxx
Boyette, Gregory T., xxx-xx-xxxx
Boyle, Todd A., xxx-xx-xxxx
Boyles, Robert K., xxx-xx-xxxx
Bozeman, Roydan D., III, xxx-xx-xxxx
Bradford, Christopher J., xxx-xx-xxxx
Bradsher, Dean A., xxx-xx-xxxx
Brandeau, Mary B., xxx-xx-xxxx
Brannon, Barry D., xxx-xx-xxxx
Brateng, Dennis A., xxx-xx-xxxx
Bratton, David L., xxx-xx-xxxx
Bray, Bruce D., xxx-xx-xxxx
Bray, Gary A., xxx-xx-xxxx
Bray, John D., xxx-xx-xxxx
Brents, Michael R., xxx-xx-xxxx
Breuer, Harvey A., xxx-xx-xxxx
Breuer, Kenneth J., xxx-xx-xxxx
Brewer, Roy E., Jr., xxx-xx-xxxx
Brickhouse, Tonja M., xxx-xx-xxxx
Bridges, Freeman P., xxx-xx-xxxx
Briggs, Kevin W., xxx-xx-xxxx
Briody, John A., xxx-xx-xxxx
Brock, John R., Jr., xxx-xx-xxxx
Brodkin, Christopher D., xxx-xx-xxxx
Bromley, Frederick A., III, xxx-xx-xxxx
Broome, Lynn D., xxx-xx-xxxx
Brown, Betty J., xxx-xx-xxxx
Brown, Daniel P., xxx-xx-xxxx
Brown, James C., xxx-xx-xxxx
Brown, Shirley H., xxx-xx-xxxx
Brown, Terry L., xxx-xx-xxxx
Brown, William R., III, xxx-xx-xxxx
Brown, Willie B., xxx-xx-xxxx
Browning, John G., III, xxx-xx-xxxx
Bruder, Robert M., xxx-xx-xxxx
Brumbaugh, Scott A., xxx-xx-xxxx
Brunz, Jerald L., xxx-xx-xxxx
Bruther, Thomas J., xxx-xx-xxxx
Bubb, Toni R., xxx-xx-xxxx
Buckland, Robert S., xxx-xx-xxxx
Buckner, Timothy R., xxx-xx-xxxx
Buel, Marvin G., Jr., xxx-xx-xxxx
Bullock, David W., xxx-xx-xxxx
Bulls, Felix R., xxx-xx-xxxx
Bunning, William P., xxx-xx-xxxx
Burkett, Kris L., xxx-xx-xxxx
Burkett, Mathew A., xxx-xx-xxxx
Burklow, Cynthia Gay, xxx-xx-xxxx
Burling, John H., xxx-xx-xxxx
Burlison, Keith H., xxx-xx-xxxx
Burns, Gregory J., xxx-xx-xxxx
Burns, J. Hugh, xxx-xx-xxxx
Burns, Mark D., xxx-xx-xxxx
Burson, David J., xxx-xx-xxxx
Burton, Stephen L., xxx-xx-xxxx
Bush, Glenn, xxx-xx-xxxx
Busick, Lisa A., xxx-xx-xxxx
Butcher, Donald R., xxx-xx-xxxx
Butcher, James W., xxx-xx-xxxx
Butler, Glenn D., xxx-xx-xxxx
Butts, Calvin C., xxx-xx-xxxx
Bye, Charles E., xxx-xx-xxxx
Caldwell, Thomas R., xxx-xx-xxxx
Calkins, Scott C., xxx-xx-xxxx
Callis, David M., xxx-xx-xxxx
Campbell, Geoffrey O., xxx-xx-xxxx
Campbell, Neil J., xxx-xx-xxxx
Campbell, Phillip W., xxx-xx-xxxx
Campbell, Walter, xxx-xx-xxxx
Cannon, Kevin H., xxx-xx-xxxx
Capers, Gloria Ann, xxx-xx-xxxx
Caplett, Richard G., xxx-xx-xxxx
Carbonel, Alfredo, Jr., xxx-xx-xxxx
Cardow, James E., xxx-xx-xxxx
Carey, Kenneth F., xxx-xx-xxxx
Cargill, Todd R., xxx-xx-xxxx
Carlson, Mark A., xxx-xx-xxxx
Carlson, Stephen R., xxx-xx-xxxx
Carney, Renee J., xxx-xx-xxxx
Carpenter, Michael L., xxx-xx-xxxx
Carpenter, Robert R., Jr., xxx-xx-xxxx
Carraher, Jospeh M., Jr., xxx-xx-xxxx
Carrara, Kevin L., xxx-xx-xxxx
Carroll, James S., xxx-xx-xxxx
Carroll, Kimberley L., xxx-xx-xxxx
Carroll, Ronald A., xxx-xx-xxxx
Carter, Michael L., xxx-xx-xxxx
Cartier, Marie L., xxx-xx-xxxx
Casey, James A., xxx-xx-xxxx
Casey, John P., xxx-xx-xxxx
Casey, Paul, xxx-xx-xxxx
Casey, Thomas M., xxx-xx-xxxx
Cassady, Jann E., xxx-xx-xxxx
Cassady, Jay W., xxx-xx-xxxx
Cassidy, Michael D., xxx-xx-xxxx
Castle, James T., xxx-xx-xxxx
Castrillo, Ivan F., xxx-xx-xxxx
Cather, Peggy S., xxx-xx-xxxx
Chambliss, Christopher R., xxx-xx-xxxx
Champness, Michael D., xxx-xx-xxxx
Chappell, James W., Jr., xxx-xx-xxxx
Charles, Terri L., xxx-xx-xxxx
Chavers, Susan C., xxx-xx-xxxx
Cheeseman, Owen M., xxx-xx-xxxx
Cheney, Jeffrey J., xxx-xx-xxxx
Cherberg, Peter A., xxx-xx-xxxx
Chesnut, James S., xxx-xx-xxxx
Chesonis, K. Michael, xxx-xx-xxxx
Chiarolanza, Gerald A., xxx-xx-xxxx
Chiasson, Bradley J., xxx-xx-xxxx
Childre, Donald E., Jr., xxx-xx-xxxx
Chodzko, Larry J., xxx-xx-xxxx
Christensen, Alan J., xxx-xx-xxxx
Christiansen, Don J., xxx-xx-xxxx
Christiansen, Kathleen E., xxx-xx-xxxx
Christie, Michael S., xxx-xx-xxxx
Christner, John D., xxx-xx-xxxx
Clark, David B., xxx-xx-xxxx
Clark, Gregg A., xxx-xx-xxxx
Clark, Kenneth N., xxx-xx-xxxx
Clary, Timothy D., xxx-xx-xxxx
Clay, Karla C., xxx-xx-xxxx
Clemons, Harry L., Jr., xxx-xx-xxxx
Clifton, Keith A., xxx-xx-xxxx
Clough, Bruce T., xxx-xx-xxxx
Clower, Andrew, xxx-xx-xxxx
Clune, Cathleen C., xxx-xx-xxxx
Clyburn, Jonathan M., xxx-xx-xxxx
Cochran, Landon V., xxx-xx-xxxx
Cochrane, Charles D., xxx-xx-xxxx
Cockburn, Richard L., xxx-xx-xxxx
Cockrell, David D., xxx-xx-xxxx
Cody, James R., xxx-xx-xxxx
Coen, John K., xxx-xx-xxxx
Coffman, David A., xxx-xx-xxxx
Coiner, Leonard G., xxx-xx-xxxx
Colbert, William J., xxx-xx-xxxx
Cole, John C., xxx-xx-xxxx
Colli, David C., xxx-xx-xxxx
Collins, Bernard F., II, xxx-xx-xxxx
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Wier, Dennis R., xxx-xx-xxxx
Wildhaber, Kathaleen A., xxx-xx-xxxx
Wilk, Michael xxx-xx-xxxx
Wilkerson, Patricia S., xxx-xx-xxxx
Wilkins, James I., xxx-xx-xxxx
Williams, Allon H., xxx-xx-xxxx
Williams, Calvin xxx-xx-xxxx
Williams, Eddie xxx-xx-xxxx
Williams, Ira D. Jr., xxx-xx-xxxx
Williams, Jeffrey L., xxx-xx-xxxx
Williams, Martin, K. Jr., xxx-xx-xxxx
Williamson, Charles R., xxx-xx-xxxx
Williamson, Charles W., III, xxx-xx-xxxx
Williamson, Scott R., xxx-xx-xxxx
Willis, Wendy E., xxx-xx-xxxx
Wilson, Bonnie M., xxx-xx-xxxx
Wilson, David A., xxx-xx-xxxx
Wilson, Richard R., xxx-xx-xxxx
Wilson, Russell S., xxx-xx-xxxx
Wilson, William G., Jr., xxx-xx-xxxx
Wilz, Theodore R., xxx-xx-xxxx
Wimbrough, John H., xxx-xx-xxxx
Windom, Stephen M., xxx-xx-xxxx
Windorf, Craig S., xxx-xx-xxxx
Winegar, David J., xxx-xx-xxxx
Winn, Stephen G., xxx-xx-xxxx
Winstead, Leslie L., xxx-xx-xxxx
Winter, Randy T., xxx-xx-xxxx
Wintle, Frederick L., xxx-xx-xxxx
Wisian, Kenneth W., xxx-xx-xxxx
Witt, Bruce A., xxx-xx-xxxx
Wogan, Marian V., xxx-xx-xxxx
Wolfe, David L., xxx-xx-xxxx
Wolleat, Douglas D., xxx-xx-xxxx
Wood, Arthur J., III, xxx-xx-xxxx
Woodmark, Jerry R., xxx-xx-xxxx
Woodward, Margaret H., xxx-xx-xxxx
Wozniak, Thomas G., xxx-xx-xxxx
Wuensch, James D., xxx-xx-xxxx
Wurthmann, Virginia M., xxx-xx-xxxx
Wyllie, Joseph L., xxx-xx-xxxx
Yakkel, Ronald M., xxx-xx-xxxx
Yandik, Paul E., xxx-xx-xxxx
Yarbrough, Robert M., xxx-xx-xxxx
Yates, William M., xxx-xx-xxxx
Yeager, Bryan K., xxx-xx-xxxx
Yelton, Dennis J., xxx-xx-xxxx
Young, James R., xxx-xx-xxxx
Young, Kevin G., xxx-xx-xxxx
Young, Richard J., xxx-xx-xxxx
Yovish, Mark F., xxx-xx-xxxx
Zachmeier, Bryan K., xxx-xx-xxxx
Zehr, David T., xxx-xx-xxxx
Ziesenhene, Gregory G., xxx-xx-xxxx
Zimitsch, John F., xxx-xx-xxxx
Zimmerman, Michael V., xxx-xx-xxxx
Zukowski, Laura M., xxx-xx-xxxx

IN THE NAVY

The following-named U.S. Naval Reserve Officers, to be appointed permanent lieutenant in the line of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Michael S. Anisowicz
Arthur B. Balensiefer
Johnnie B. Barfoot, Jr.
John R. Bell
Nathan H. Boe
John F. Caffiero
Duane J. Canon
John C. Caps
Steven M. Clary
Kevin J. Creahan
Kenneth B. Croff
Michael A. Crosby
Carl M. Dubac
Martin S. Earl
Jack L. Eppard, Jr.
Paul A. Gabiou
Gregory J. Garee
Joseph B. Harris
Andrew S. Herzog
William C. Labermeier
Dirk E. Lentz
David B. McElhinney
William J. Mills, Jr.
Robert M. Smith
George T. Tanguay
Christopher M. Tochterman
Gale J. Wolff

HOUSE OF REPRESENTATIVES—*Thursday, March 20, 1986*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We thank You, O God, for Your precious gift of life which is given to us and to the people of every land. May our hearts and minds and souls be so conscious of that gift that we will see every person as Your creation and so understand our common humanity to one another. You have showed us, O God, what is good and thus may we do justly, love mercy, and ever walk humbly with You. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mrs. VUCANOVICH. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mrs. VUCANOVICH. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 293, nays 127, not voting 14, as follows:

[Roll No. 62]

YEAS—293

Ackerman	Boner (TN)	Cooper
Akaka	Bonior (MI)	Coyne
Alexander	Bonker	Crockett
Anderson	Borski	Daniel
Andrews	Bosco	Darden
Annunzio	Boucher	Daschle
Anthony	Boxer	Davis
Applegate	Breaux	de la Garza
Archer	Brooks	Dellums
Aspin	Broyhill	Derrick
Atkins	Bruce	Dicks
AuCoin	Bryant	Dingell
Barnard	Burton (CA)	DioGuardi
Barnes	Bustamante	Dixon
Bateman	Byron	Donnelly
Bates	Callahan	Dorgan (ND)
Bedell	Carper	Dowdy
Bellenson	Carr	Downey
Bennett	Chappell	Duncan
Berman	Coats	Durbin
Bevill	Coelho	Dwyer
Biaggi	Coleman (TX)	Dymally
Boggs	Combest	Dyson
Boland	Conyers	Early
Eckart (OH)	Lantos	Ritter
Eckert (NY)	Leath (TX)	Robinson
Edgar	Lehman (CA)	Rodino
Edwards (CA)	Lehman (FL)	Roe
English	Leland	Rose
Erdreich	Levin (MI)	Rostenkowski
Evans (IL)	Levine (CA)	Rowland (CT)
Fascell	Lipinski	Rowland (GA)
Fazio	Livingston	Roybal
Feighan	Lloyd	Rudd
Fish	Long	Russo
Flippo	Lowry (WA)	Sabo
Florio	Lujan	Schneider
Foglietta	Luken	Schulze
Foley	Lundine	Schumer
Ford (MI)	MacKay	Seiberling
Ford (TN)	Manton	Sharp
Fowler	Markey	Shelby
Frank	Matsui	Shumway
Franklin	Mavroules	Sisisky
Frost	Mazzoli	Skelton
Fuqua	McCain	Slattery
Garcia	McCloskey	Smith (FL)
Gaydos	McCurdy	Smith (IA)
Gejdenson	McDade	Smith (NE)
Gibbons	McEwen	Smith (NJ)
Gilman	McHugh	Snyder
Glickman	McKinney	Solarz
Gonzalez	Mica	Spratt
Gordon	Mikulski	St Germain
Gradison	Miller (CA)	Staggers
Gray (IL)	Miller (WA)	Stallings
Gray (PA)	Mineta	Stark
Green	Moakley	Stenholm
Guarini	Molinari	Stokes
Hall (OH)	Mollohan	Stratton
Hall, Ralph	Montgomery	Studds
Hamilton	Moody	Sweeney
Hammerschmidt	Moore	Swift
Hansen	Morrison (CT)	Synar
Hatcher	Morrison (WA)	Tallon
Hawkins	Mrazek	Tauzin
Hayes	Murphy	Thomas (GA)
Hefner	Murtha	Torres
Heftel	Myers	Torricelli
Hertel	Natcher	Towns
Hillis	Neal	Traficant
Holt	Nelson	Traxler
Hopkins	Nichols	Udall
Horton	Nowak	Valentine
Howard	O'Brien	Vento
Hoyer	Oakar	Visclosky
Hubbard	Oberstar	Volkmer
Huckaby	Obey	Walgren
Hughes	Olin	Watkins
Hutto	Ortiz	Waxman
Hyde	Owens	Weaver
Jeffords	Packard	Weiss
Jenkins	Panetta	Wheat
Johnson	Pease	Whitley
Jones (NC)	Pepper	Whitten
Jones (OK)	Perkins	Williams
Jones (TN)	Petri	Wilson
Kanjorski	Pickle	Wirth
Kaptur	Porter	Wise
Kasich	Price	Wolpe
Kastenmeier	Pursell	Wortley
Kemp	Quillen	Wright
Kennelly	Rahall	Wyden
Kildee	Rangel	Wylie
Kleczka	Ray	Yates
Kolter	Reid	Yatron
Kostmayer	Richardson	Young (MO)
LaFalce	Rinaldo	

NAYS—127

Armey	Boulter	Clinger
Badham	Brown (CO)	Cobey
Bartlett	Burton (IN)	Coble
Barton	Campbell	Coleman (MO)
Bentley	Carney	Conte
Bereuter	Chandler	Coughlin
Bilirakis	Chappie	Courter
Billey	Cheney	Craig
Boehlert	Clay	Crane
Dannemeyer	Lott	Shaw
Daub	Lowery (CA)	Shuster
DeLay	Lungren	Sikorski
DeWine	Mack	Siljander
Dickinson	Madigan	Skeen
Dornan (CA)	Marlenee	Slaughter
Dreier	Martin (IL)	Smith, Denny (OR)
Edwards (OK)	Martin (NY)	
Emerson	McCandless	Smith, Robert (NH)
Fawell	McCollum	
Fiedler	McGrath	Smith, Robert (OR)
Fields	McKernan	
Frenzel	McMillan	Snowe
Gallo	Meyers	Solomon
Gekas	Michel	Spence
Gregg	Miller (OH)	Stangeland
Gunderson	Mitchell	Strang
Hartnett	Monson	Stump
Hendon	Moorhead	Sundquist
Henry	Nielson	Swindall
Hiler	Oxley	Tauke
Hunter	Parris	Taylor
Ireland	Pashayan	Thomas (CA)
Jacobs	Penny	Vander Jagt
Kindness	Regula	Vucanovich
Kolbe	Roberts	Walker
Kramer	Roemer	Weber
Lagomarsino	Rogers	Whitehurst
Latta	Roth	Whittaker
Leach (IA)	Roukema	Wolf
Lent	Saxton	Young (AK)
Lewis (CA)	Schaefer	Young (FL)
Lewis (FL)	Schroeder	Zschau
Lightfoot	Schuette	
Loeffler	Sensenbrenner	

NOT VOTING—14

Addabbo	Evans (IA)	Martinez
Broomfield	Gephardt	Ridge
Brown (CA)	Gingrich	Savage
Chapman	Goodling	Scheuer
Collins	Grotberg	

□ 1110

Ms. OAKAR changed her vote from "nay" to "yea."

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries, who also informed the House that on the following dates the President approved and signed a bill and joint resolutions of the House of the following titles:

On March 14, 1986:

H.J. Res. 371. Joint resolution to designate March 16, 1986, as "Freedom of Information Day."

On March 19, 1986:

H.J. Res. 345. Joint resolution to designate March 1986, as "Music in Our Schools Month"; and

H.R. 3851. An act to amend section 901 of the Alaska National Interest Lands Conservation Act.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced

that the Senate had passed without amendment a bill and joint resolution of the House of the following titles:

H.R. 4399. An act to designate the Federal building located in Jamaica, Queens, New York, as the "Joseph P. Addabbo Federal Building"; and

H.J. Res. 563. Joint resolution to provide for the temporary extension of certain programs relating to housing and community development, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of further conference on the disagreeing votes of the two Houses on the amendment of the Senate to the amendment of the House to the amendment of the Senate to the joint resolution (H.J. Res. 534) "Joint resolution making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes."

The message also announced that the Senate had passed a bill and joint resolution of the following titles, in which the concurrence of the House is requested:

S. 209. An act to amend chapter 37 of title 31, United States Code, to authorize contracts retaining private counsel to furnish legal services in the case of indebtedness owed the United States; and

S.J. Res. 272. Joint resolution to authorize and request the President to issue a proclamation designating March 21, 1986, as "Afghanistan Day," a day to commemorate the struggle of the people of Afghanistan against the occupation of their country by Soviet forces.

APPOINTMENT AS MEMBERS OF U.S. DELEGATION OF MEXICO-UNITED STATES INTERPARLIAMENTARY GROUP

The SPEAKER. Pursuant to the provisions of title 22, United States Code 276h, the Chair appoints as members of the United States delegation of the Mexico-United States Interparliamentary Group for the 2d session of the 99th Congress, to be held in Colorado Springs, CO, May 29 through June 2, 1986, the following Members on the part of the House:

Mr. DE LA GARZA of Texas, chairman;
Mr. YATRON of Pennsylvania, vice chairman;
Mr. RANGEL of New York;
Mr. UDALL of Arizona;
Mr. GIBBONS of Florida;
Mrs. SCHROEDER of Colorado;
Mr. MILLER of California;
Mr. LAGOMARSINO of California;
Mr. DREIER of California;
Mr. DELAY of Texas;
Mr. GILMAN of New York; and
Mr. KRAMER of Colorado.

□ 1125

PERMISSION FOR SUBCOMMITTEE ON SURFACE TRANSPORTATION OF THE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO SIT TODAY DURING GENERAL DEBATE

Mr. GRAY of Illinois. Mr. Speaker, I ask unanimous consent that the Subcommittee on Surface Transportation of the Committee on Public Works and Transportation be permitted to sit today during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

GENERAL LEAVE

Mr. BROOMFIELD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Joint Resolution 540 being debated today.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PRESIDENT'S REQUEST FOR ASSISTANCE FOR NICARAGUAN OPPOSITION

Mr. WHITTEN. Mr. Speaker, pursuant to section 722(n) of Public Law 99-83 and the order of the House of March 13, 1986, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the joint resolution (H.J. Res. 540) relating to Central America pursuant to the International Security and Development Cooperation Act of 1985.

The SPEAKER. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

□ 1129

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the joint resolution, House Joint Resolution 540, with Mr. WHITLEY in the chair.

The Clerk read the title of the joint resolution.

The CHAIRMAN. When the Committee of the Whole rose on Wednesday, March 19, 1986, the gentleman from Illinois [Mr. MICHEL] had 1 hour of debate remaining and the gentleman from Mississippi [Mr. WHITTEN] had 1 hour of debate remaining.

The Chair recognizes the gentleman from Michigan [Mr. BROOMFIELD].

Mr. WHITTEN. Mr. Chairman, I yield my 1 hour of time to the gentleman from Washington [Mr. FOLEY], and I ask unanimous consent that he be allowed to yield time.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. BROOMFIELD. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, opponents of the President's request for assistance to the democratic resistance in Nicaragua have argued we need to give negotiations a chance. Well, the President has now offered a compromise to respond specifically to the concerns of a number of Members of Congress to demonstrate his continued commitment to negotiations.

The President, with this offer of compromise, has taken a significant step to show his good faith in responding to the calls for a bipartisan approach to the crisis in Central America. It is now up to us in the Congress to meet the President halfway and accept his compromise and support his efforts to find a negotiated settlement in the region.

The President is responsible for the conduct of American foreign policy. We must give him the opportunity and the resources he believes necessary to carry out his duties.

As we conclude debate today on this most important national security issue, it is essential that we maintain the incentives for the Nicaraguan Communist leadership to negotiate. We must apply the carrot-and-the-stick approach. The President's compromise represents that approach.

The Nicaraguan Communists could have negotiated with their internal, unarmed opposition to participate in elections in 1984. Instead, they have continued to reject negotiations.

Now, the President's compromise proposal gives the Communists yet another chance to show they are sincere about negotiating.

The opponents of the administration say they do not want a military solution in Nicaragua. Yet, if they defeat aid to the Contras, they will ensure the military defeat of the Contras by the Communists, and after that, the military defeat of all remaining internal opposition.

The burden of proof also rests on the critics of the administration to demonstrate they want to give negotiations a chance and are not simply looking for a partisan, political victory over the President. The President's compromise is a sincere offer to seek the negotiations everyone says he wants. Now, let us set politics aside and support the President on this national security issue.

A defeat on this issue today will send a clear message to the democracies of Latin America that they cannot count

on the U.S. Congress to stand with them in defense of freedom.

I urge my colleagues to vote in favor of the President's compromise proposal.

Mr. FOLEY. Mr. Chairman, I yield 5 minutes to the gentleman from Maryland [Mr. BARNES].

Mr. BARNES. I thank the gentleman for yielding me this time.

Mr. Chairman, every now and then issues come before the Congress that really are momentous and historic; this is one of those. Today, we will decide whether the United States wants to support increased military action in Central America. Whether the United States wants to involve U.S. forces in the training and advising of guerrillas who are engaged in an effort to overthrow the government of another country with which the United States has normal diplomatic relations.

□ 1135

We will decide whether or not we want to give the President of the United States total discretion once again to involve the Central Intelligence Agency and all of the defense agencies of the United States in the running of this war in Central America.

This is indeed one of the moments when we have a very difficult decision to make.

Over the last 2 or 3 years the Congress has provided really when you think about it, it has in many respects been the Congress that has provided excellent leadership in the field of foreign affairs, not only in Central America, but elsewhere.

Let me just cite a couple of examples of where the Congress has stood up to the administration's foreign policy and has achieved some objectives that I thank all of us, Republicans and Democrats, are fairly proud of today.

In Central America, for example, the Reagan administration for its first days in office wanted to provide military assistance to Guatemala, wanted to provide unrestricted military assistance to El Salvador, wanted to have a close military to military relationship with the military dictatorships in those countries.

The Congress said no. The Congress said no military aid to that vicious, brutal dictatorship in Guatemala, and it said yes to military aid to El Salvador, but only under restrictions that require free elections, that require that the death squads be brought under control.

The Congress fought with the administration over those policies. As you will recall, many advocates of the administration's position came to this floor and said no restrictions on aid, let us give military aid to Guatemala, let us give military aid to El Salvador without restrictions; but the majority in the Congress, Republicans and Democrats alike, prevailed and today the administration points with pride to a newly elected democratic President in Guatemala who says it never would have happened if this Congress had gone along with the President's position.

The administration points with pride to the cutbacks in actions by the terrorist death squads in El Salvador, to the democratic elections in that country, that President Duarte himself has said never would have happend if this Congress had not put strict conditions on the aid that we provided to El Salvador.

Let us look at a more recent example of congressional leadership on foreign policy. To the very last minute, the Reagan administration wanted to stand with the Marcos dictatorship in the Philippines. At the very last minute, while the entire international community was saying that Marcos was stealing that election, was saying that he had to go, President Reagan was saying, "Well, there is fraud on both sides. You know, occasionally we have problems with our elections in this country. It's not all that bad and, after all, we have bases there."

It was not until this House passed a resolution saying we ought to terminate our aid, it was not until Senator LUGAR, a Republican, the gentleman from New York, STEVE SOLARZ, a Democrat, this bipartisan leadership, stood up to the administration and said, "No, your policy in the Philippines is wrong. We ought to cut that tie to Marcos."

And finally, the administration got on board the congressional policy with respect to the Philippines.

This Congress is capable of providing leadership and we have the opportunity again today, just as in the Philippines, where the United States was isolated in the international community, where no other country, except the Soviet Union, was standing with Marcos.

We are isolated again today. A policy that the administration says is designed to isolate Ortega, designed to isolate the Nicaraguans, has tragically isolated the United States from our best friends, from our best friends in Europe, from our best friends in Latin America.

We ought to have a positive policy that we can be proud of. We ought to be supporting our democratic allies and friends around the world and the Congress should loud and clear say today that there is an alternative, a better alternative to war in Central America and that is what we are being urged to do by all of our democratic friends all over the world.

The Congress can provide leadership again.

Mr. BROOMFIELD. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Chairman, I want to quote from one of the great authorities on Latin America. His name is MICHAEL BARNES. I will tell you when he said it and where you can find it in the RECORD after I give you his message, and I quote:

> Nicaragua must now, unequivocally, choose the path of freedom, democracy, nonalinement, and respect of basic freedom for its people. Most recently, on September 29 I joined six other Members of the House in addressing a private letter stating these concerns to the Nicaraguan junta and directorate. That letter has not been answered.
>
> Mr. Speaker, I must now say to the leaders of Nicaragua: What do we have to show for our efforts? What do we have to show for our forbearance? How much longer do you expect us to remain silent in the face of what seems to be the slow but inexorable destruction of the ideals of your revolution?

Now, you can find that on page 33445 of the CONGRESSIONAL RECORD of December 21, 1982.

Mr. FOLEY. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. LEHMAN].

Mr. LEHMAN of California. Mr. Chairman, today, this House is being asked to support the President's request to provide aid to Contras who are in their fifth year of fighting the Sandinista government. We are once again faced with a decision to help the Contras and, in the President's own words, "deny the Soviet Union a beachhead in North America."

I agree with the President that the presence of Soviet and Cuban advisers in Nicaragua is a cause for national concern. The fact that human rights abuses are committed by both sides against innocent civilians concerns me a great deal and is something that we should seek to end. However, giving the Contras in Nicaragua $70 million in military aid contradicts the administration's stated objectives for resolving the problems in Central America.

According to the administration, the U.S. objectives in Central America center around "support for a political solution to the conflicts in Central America, via peaceful dialog within and among the countries of the region, and renewal of economic development and growth to address the root cause of turmoil and conflict." It seems to me that if the United States is serious about resolving the civil unrest in Central America, then the United States ought to commit its resources and energy toward the goals of "peaceful dialog" with the Contadora nations.

Then, on Sunday, the President appeared on national television to sell his aid request to the American people and to Congress. He tried to convey to the American people the need to act now before the "malignancy" in Nicaragua spreads to our "southern frontier." Well, Mr. President, your plea worked. As a result of over 300 phone calls and telegrams I received in response to your speech, I will vote against the request for aid to the Contras. Over 62 percent of my constituents who contacted me since Sunday have told me they are strongly against any aid to the Contras.

They told me that they want to see this country push for peace negotiations. They have said they are scared that we are repeating the course of history they and their children experienced in Vietnam. Moreover, they have asked me why we are giving the Contras $100 million when this Nation faces a bloated deficit and when domestic programs they need are being eliminated. I share their concerns and I will vote accordingly.

Finally, I have read with outrage several articles dealing with this issue which label those of us who are representing their constituents and voting against the President's request as supporting the spread of Marxism. Since when does voting in accordance with the views of the majority of my district mean that my patriotism and support for the country I love should be called into question? It is regrettable that debate on this issue has been lowered to this level. These attacks have only served to confirm my long-held views on this subject.

In July 1983, when this body voted to end all covert aid to the Contras, I addressed the House and said, "The only way the United States can truly achieve the President's objective of fostering democracy for the people of Central America is to help them establish the basis for a positive future." I believe now, as I did then, that this can best be accomplished by helping the countries of Central America resolve their differences peacefully, and formulating a realistic long-term policy which promotes economic development and eradicates widespread poverty and illiteracy.

I urge my colleagues and this administration to put our support behind the eight Latin American countries who have strongly advised this Nation against a self-defeating policy of blindly sending money to groups we cannot identify or hold accountable.

Mr. FOLEY. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina [Mr. VALENTINE].

Mr. VALENTINE. Mr. Chairman, I would like to say to the gentleman that I appreciate the fact that he made available to me this time.

Mr. Chairman, I rise to express my opposition to the President's request for $100 million in U.S. assistance for the Contras in Central America.

Let me say at the outset that I take a back seat to no Member of Congress in my support for a strong national defense or in my opposition to Communist aggression anywhere in the world. I believe that my record clearly reflects my unwavering commitment to providing the military capabilities necessary to protect our vital interests.

Moreover, I have consistently sought opportunities to support the President on matters of national security. America's foreign policy is not a matter for partisanship.

I am concerned about the current aid request and disturbed about the terms in which this debate has been framed by some of the participants.

This is not a dispute over the patriotism or anticommunism of House Members—I know of no House Member who is not firmly opposed to Communist aggression.

This is not a dispute over support for the Sandinista government—I know of no House Member who supports the suppression of human rights in Nicaragua, Sandinista backing for insurgencies and terrorist activities that threaten the stability of other nations in the region, or the growth of Soviet and Cuban influence in Nicaragua.

This dispute is about the best way to protect American interests in a region that is of critical importance to us. I believe that the President has chosen the wrong approach.

The administration, in my opinion, has not presented arguments that justify the major step of providing aid to insurgents fighting to overthrow a government we recognize and with which we have diplomatic relations. If the threat from Nicaragua is as great as the President says, we should at least sever diplomatic relations with that nation before launching a major effort to bring down its government.

I also believe that we deserve a much better accounting of the assistance that we have already provided for the Contras. Recent reports that the General Accounting Office is unable to trace a substantial percentage of the aid authorized last year are disturbing, to say the least. If we do not know what happened to that aid, how can we even contemplate a fourfold increase?

Reports of widespread Contra atrocities and human rights violations also cannot be ignored. Do we want to pin our hopes for the region on a group that has compiled the record of the Contras? Do we want to send American tax dollars to an organization that includes many individuals formerly in the employ of the Somoza security force, the group most responsible for the conditions that promoted the Sandinista revolution?

Mr. Chairman, we face a difficult set of choices. We must fashion a policy in Central America that serves as a foundation for long-term stability in the region. In my view, only if we have the support, and indeed the active participation, of the nations with the greatest stake in the area can we hope to succeed.

For that reason, our policy must include the democracies of Central and South America. We have been told that those nations privately support American assistance to the Contras but cannot take that position publicly for fear of Communist retaliation. I understand that argument, but I do not find it to be sensible from the point of view of these nations.

Do these governments believe that they will be spared Sandinista aggression if they refrain from publicly acknowledging their own national interests? Do they believe that they are threatened by Nicaragua but that the Sandinista menace will melt away if they do not express support for the Contras? If those governments do fear the Sandinistas, I believe that it would be in their long-term interest to give public support to efforts to address that threat.

Mr. Chairman, I do not take this position in opposition to the President's request lightly. But I do believe that it is the wrong policy at the wrong time and that it will produce the wrong results. I hope that the administration and the Congress will be able to agree on a bipartisan policy that protects our interests and can command the support of the American people as well as of the nations with greatest stake in Central America.

Mr. BROOMFIELD. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin [Mr. Sensenbrenner].

Mr. SENSENBRENNER. Mr. Chairman, until yesterday I was one of those undecided votes. My concern about this aid request fell into two categories.

First, there were not appropriate safeguards to insure that the aid went to those that this country intended the aid to go to and was not sold on the open market or the black market in Central America.

Second, I was concerned about the very legitimate allegations of human rights violations on the part of the Contras.

I brought these matters to the attention of both the Vice President and Mr. Abrams and have received a letter, which I will ask to insert in the RECORD, that hits both of these points. Basically this letter says that there will be some postaudit accountability to make sure that the aid falls into those hands that this country and the administration intend it to, and furthermore, that the aid is conditioned upon any group receiving the aid having an enforceable code of military justice.

I urge the membership to support the President's request for freedom in Central America.

Mr. Chairman, I include the following letter:

DEPARTMENT OF STATE,
Washington, DC, March 20, 1986.

Hon. JAMES SENSENBRENNER,
House of Representatives.

DEAR MR. SENSENBRENNER: This letter responds to your concerns about accountability of funds to be provided to the Nicaraguan democratic resistance under the President's request and the dedication of the resistance to the protection of human rights.

First, let me address the accountability issue. We agree completely that proper procedures must be maintained to ensure that all funds are used for their intended purposes. As you know, the administration of the humanitarian assistance program as authorized by the Congress has operated under the difficulties inherent in a partially overt, partially covert program. Our ability,

under the proposed legislation, to use those agencies best equipped to monitor program implementation will ensure improved monitoring and control. Control over funds will be provided through a system of policy oversight, audits, and periodic reports to the Congress.

Policy oversight of the humanitarian assistance program is currently provided by the Secretary with the assistance of an inter-agency group chaired by Under-Secretary Armacost. We would envision a similar arrangement following enactment of the proposed legislation.

Audits will be conducted as appropriate, to ensure funds are used for the purpose intended. In addition, the Inspectors General of the relevant agencies will review their agencies' activities under the program. The President's proposal provides for releasing funds in tranches of 15% every 90 days conditioned upon submission of a report to the Congress. These reports would include details of efforts to reach a negotiated settlement, a detailed accounting of disbursements, and a discussion of the human rights practices of the resistance and the Sandinistas. Details of the covert portions of the program would be provided to the appropriate Congressional committees. This system of audits and reports will ensure that both the Executive and the Congress are fully informed about the administration of the program. Such a system is vital if we are to achieve our goals with the proposed legislation.

With respect to the human rights situation of the resistance, the key point is that the resistance's record, while not perfect, is reasonable and is improving, while the Sandinistas have adopted a policy of increasing repression and abuse. The Nicaraguan resistance has been tarred with a poor human rights image by the international human rights network. This undeserved image reflects both an active Sandinista effort to discredit the resistance and a pro-Sandinista bias among certain human rights groups. A recent New Republic article (attached) outlined this bias, which arises from home that the revolution will succeed and varies from soft-peddling Sandinista atrocities to ignoring favorable information about the resistance. The resistance's record on human rights has been good. Nevertheless, we need to do more to ensure that the human rights performance of all the groups we support continues to improve. In that regard, $3 million of the President's request will go to support continuing and strengthening human rights programs conducted by the democratic resistance.

The resistance has taken measures to ensure proper conduct by its members. Commanders have stressed the importance of lawful conduct, and UNO/FDN is training human rights officers for each regional command and task force. Troops in training receive instruction on the laws of war, and receive material to carry with them to remind them of their responsibilities in this area. Several members, including a commander, charged with improper conduct, have been tried and, when found guilty, punished. These kinds of actions are essential to maintaining a high standard of human rights and must be continued.

In 1985, UNO established a human rights commission (CDH) to monitor the human rights performance of the resistance. CDH is headed by Ismael Reyes, former head of the Nicaraguan Red Cross, and its executive director is Roberto Ferrey, who was exiled by Somoza from 1976-79. He later served as legal adviser to the Minister of Justice in the first revolutionary government, but left when he became disillusioned with Sandinista policy.

UNO has attempted to open contacts with international human rights groups. It has provided the ICRC with information on Sandinista prisoners and casualties and attempted to arrange prisoner exchanges with the Sandinistas through the ICRC. To date, the Sandinistas have refused all such proposals.

We fully support these efforts and will continue to do so. President Reagan has made plain in his letter to Congress that we will provide no assistance to any group that retains in its ranks any known violator of human rights. The Secretary in his February 7 meeting with the leaders of the democratic resistance stressed that we would not be associated with any group or individuals involved in human rights abuses or criminality of any kind.

Finally, in any discussion of human rights it must be remembered that the resistance depends on popular support for its existence. It has earned this support. It deserves ours as well.

I hope this responds to your concerns, and that you will be able to support the President's request.

Sincerely,

ELLIOTT ABRAMS,
Assistant Secretary of State for Inter-American Affairs.

Mr. FOLEY. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. COLEMAN].

Mr. COLEMAN of Texas. Mr. Chairman, I rise in opposition to the administration's request for funds to pursue a military solution to the Nicaraguan dilemma.

For some 10 hours now, this Chamber has heard a variety of sincerely held opinions about the proper course of United States policy in Nicaragua. While I certainly will not use this time to go back over previous arguments, I would like to share with my colleagues the unique perspective on this issue that comes from representing a district directly on the United States-Mexico border.

Some of the rhetoric we have heard attempts to reduce this complex issue to one of simplistic labels and slogans. But the vote today is not as clear cut as some would portray it—the choice before us today is not between aid to the Contras or the spread of communism.

There is no doubt but that there are broad areas of agreement between all Members of Congress and the President regarding Central America. No one here today would hesitate to take whatever action is necessary to prevent the establishment of Soviet military bases that would jeopardize the security of either the United States or of this hemisphere. Clearly, all Americans embrace the goals of promoting democracy, ensuring the attainment of human rights worldwide, and curbing the spread of communism.

No, Mr. Chairman, the vote today is not about this Congress' dedication to these foreign policy objectives. Rather, today's vote is about selecting a course of action that can reach these objectives. The President has pursued a confusing strategy that pays lip service to a diplomatic solution to the Nicaraguan problem while at the same time he talks of forcing the Sandinistas to "say Uncle." Unfortunately, foreign policy cannot be formulated on imprecise and frequently contradictory statements, and this is why the course of action followed by this administration has resulted in the entrenchment of the Sandinista regime in Managua.

I represent an area of west Texas directly adjacent to Mexico, a region of this country isolated from virtually every major city in the United States. This is a region comprised primarily of Americans of Latin American descent who feel a very close kinship to our neighbors to the south, Americans who do business daily with Latin America, and Americans who serve or have already served our country in its Armed Forces. And I think we west Texans have a far clearer idea of the threat posed by a politically unstable Central America. To prosper and grow in this region has caused us to appreciate the wisdom of bilateral communications to prevent conflict, and the strength to fight when all peaceful options have been exhausted. Colleagues, this country has not even begun to honestly explore nonmilitary alternatives in Central America.

Ensuring that Nicaragua not fall permanently into the Communist camp, and that the progress toward democracy attained by a host of other Central American nations will not be impeded, cannot be realized by the pursuit of a unilateral policy based solely on military strength as a threat. Indeed, the stability of democratic nations throughout Central America, especially Mexico, needs to become the focal point of a comprehensive United States policy based not on guns and bullets, but rather on the principles of mutual respect, on economic development and the improvement of the way of life for all Latin Americans, and on the realization of the sovereignty of each nation in our Southern Hemisphere.

Those who claim that the failure of the House to support the proposed package of military assistance will cause the failure of United States policy in Nicaragua miss the point—this nonpolicy has already failed. And there is little argument coming from either the military or intelligence communities that this $100 million will accomplish anything in the way of even a military solution.

So, Mr. Chairman, what is this debate really about? It is about choices. Either we pursue a unilateral, military-oriented policy that promises to fail, or we can put away our gun

money and strive to achieve a more lasting peace based on a commonality of interests and goals. Today, this House can begin a journey which strongly resembles a path embarked on over 20 years ago in Southeast Asia, or it can set an example for all of the world to respect.

I ask all of my colleagues, as freedom-loving Americans who care about human life, to vote against the President's proposal.

□ 1150

Mr. BROOMFIELD. Mr. Chairman, I yield 3 minutes to the distinguished gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in support of House Joint Resolution 540 and applaud the President's acceptance of congressional effects to structure a clear, opportunity for negotiations to achieve agreements that will address the problems in Central America before military aid is released.

A year ago I stood on this House floor and fought hard against military aid and in support of humanitarian aid. The goal was to deescalate conflict, to create an opportunity for negotiations to succeed. If we examine the consequences of our policy adopted a year ago, we will have to acknowledge that the policy failed, the results have been abysmal.

Nicaragua has adopted more oppressive policies internally than at any other time in her history and has renewed the flow of resources to destabilize governments that share her borders.

Let us look back further, to 3 years ago when Nicaragua was refusing to join the regional peace process, the Contadora process. At that time, she insisted on negotiating one on one, face to face, with the nations of the region, which gave her the upper hand at the negotiation table. In the face of Nicaragua's continued refusal to join the regional peace process, we mobilized with our allies a combination of military and diplomatic pressures that influenced her to change her position. She began to participate in the regional peace process as a result of these pressures. In other words, diplomatic and military pressures worked. They did bring Nicaragua to the bargaining table. They did foster negotiations that were fruitful, if incomplete.

Stepping back to relieve pressure, as we did a year ago, did not work, and today we must have the courage to once again mobilize the constellation of pressures, diplomatic and military, that will enable a negotiated settlement to address the difficult problems we face in Central America and to bring peace and stability to that region.

Let me say once again, that if Senator SASSER's description of why some could not support the President is an honest one, and if what he really wanted and what Democrats really wanted was to assure that there would be a last opportunity to negotiate plan, then I say Democrats can vote "yes" today. This is a strong proposal. Negotiations will precede any flow of military aid, and we can fulfill our responsibility to bring peace to this region, which is so important to us, but in addition, to preserve fragile democracies and the opportunity that democracy offers people that Marxism does not offer people—ask any of my Polish constituents—for a life that is filled with freedom and prosperity and hope.

Mr. FOLEY. Mr. Chairman, I yield 2 minutes to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in opposition to giving $100 million of our taxpayers' money to the Contra forces in Nicaragua and urge defeat of this resolution.

The administration's conclusion in Nicaragua is that the only response is to promote a war. This is objectionable, and indeed alarming, to a majority of Americans. Most Americans look upon war the way most Americans view taxes—something to be applied as a last resort only, not the first thing we do.

The administration's option is to look for military solutions first.

Mr. Chairman, eight foreign ministers, our allies, recently visited the United States and asked the President to please engage in diplomacy. The Contadora countries have placed three proposals for dialog on the table. Our country has not even responded. Since 1982, when it was first revealed that the CIA had provided nearly $20 million in covert, illegal aid to a Contra force in Nicaragua, the administration has promoted an undeclared war, sinking fishing boats, mining harbors, counseling assassinations, and imposing economic sanctions.

The rationale for this policy has been characterized by half-truths, even outright falsification. They have told us the Pope supports an armed struggle. Mysterious crates contained Soviet Mig fighters. The Contras are the moral equivalent of George Washington and Thomas Jefferson. Now Democrats opposed to the administration's policy, they told us, are supporters of Havana, Moscow, and worldwide Communist revolution.

None of these and countless other administration assertions are true. Indeed, they are absurd and demean the issue. If history teaches us anything, it is that a policy based on misconceptions and fabrications is fundamentally flawed, and I hope we reject this reckless policy.

When it involves tens of millions of dollars in military equipment and arms, the commitment of American troop advisers and our country's good name, the policy becomes reckless and it is the responsibility of Congress to reject it, and reject it soundly.

Nicaragua is a tiny country of 2.8 million people, the population of northeast Ohio's five-county region. To suggest that this mite of a country can threaten America's southern borders is absurd. The notion that our only option in addressing Managua's ideological orientation is war, betrays a lack of imagination and an absence of confidence in our country's moral, economic, political, and cultural strength.

The administration's present course with respect to Nicaragua is driving the vast majority of Nicaraguans to rally behind the government against the outside invader, the Contras who are largely led by the hated Somocistas and, if the administration continues to have its way, by United States military and CIA advisers. This course of pursuing a military approach to the problems of Central America unwisely narrows our options to either war in the region or forfeiture of the hemisphere to Soviet hegemony. Recent experience with the administration's military approach to the problems of the Middle East led to the tragic debacle in Beirut where we lost hundreds of marines and diplomatic personnel. The examples of Haiti and the Philippines, where we kept our options open, demonstrated how the skillful use of the full range of American resources can lead to resolutions that serve our national interests and the interests of the people in the countries in question.

In the case of Nicaragua, the administration characteristically overstates its case. The Sandinistas have indeed announced a Communist orientation. Two-thirds of the Nicaraguan economy, however, is in the private sector. We should be working to strengthen that sector, instead of trying to undermine it. The Catholic Church in Nicaragua is vibrant and outspoken, often scolding the Sandinista government. We should be working on the basis of the many contacts between church and other private groups in our country with their counterparts in Nicaragua. In fact, during the last 5 years, more than 100,000 Americans have visited Nicaragua. This provides a firm basis to influence events in that tiny country. There is even an active political opposition in Nicaragua. It did not win the most recent election there, but it had a chance to compete in a process that was no more corrupt than the recent election in the Philippines. I did not support the corruption in the latter country, but I also did not see

corruption as grounds for war. Neither did President Reagan.

Our country has vast resources that can be applied to the problems that confront us in Central America. President Kennedy demonstrated that we can keep the hemisphere free of Soviet nuclear arms. We should take the same resolute stance should we ever be confronted with a similar situation in the future. We are not confronted with that situation today. Let us keep our political, diplomatic, economic, cultural and military options open by rejecting the President's $100 million request. War should be a last resort, not the first thing you try.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Pennsylvania [Mr. COUGHLIN].

Mr. COUGHLIN. I thank the gentleman for yielding this time to me.

Mr. Chairman, as the world watches today, I hope the American people consider two alternatives and two scenarios to prevent a Soviet military surrogate in Nicaragua.

In the first scenario, the United States cuts off all aid to the democratic opposition fighting in Nicaragua. Nicaraguan leader Daniel Ortega forgives them all, and seeks national reconciliation. He sends his Soviet and Cuban advisers home, reduces the size of his armed forces, and restores individual, press, and religious freedoms. He also ceases to foment revolution in his Central American neighbors. We all live happily ever after.

In the second scenario, the United States also cuts off all aid to the democratic opposition. Nicaraguan leader Daniel Ortega consolidates his power and members of the opposition become refugees. Soviet and Cuban influence strengthens. Ortega becomes more aggressive in fomenting unrest among his Central American neighbors. There is no domestic opposition left; our only remaining option is military force.

Which scenario seems more likely?

The first scenario is possible only if you believe Nicaraguan strong man Daniel Ortega is not fully committed to Havana and Moscow.

Which scenario would young Americans prefer? Letting Nicaraguans solve their problems with our help to counterbalance the Soviets or, ultimately, resolving this situation through intervention that could result in American lives?

If we are to prevent a Soviet military surrogate in Nicaragua it is best done by Nicaraguans who espouse the cause of freedom and who have our assistance. The administration has said, time and again, that no Americans will be involved in Nicaragua. No American pilots. No American advisers. No American CIA agents. No Americans in Nicaragua, period.

In the Democratic response to the President's address of March 16 on Nicaragua, it was agreed that "Nicaragua must never become a base for Soviet military adventurism." It called for a negotiated settlement.

That sounds nice. The problem is, however, that it defies credulity to believe Daniel Ortega will voluntarily give up his Soviet and Cuban roots.

We support the Contadora process. We want a negotiated settlement. It is in fact the Sandinistas who most recently rejected Contadora proposals and who chose in December 1985 to postpone further talks.

And the President's most recent action, which withholds the most significant amount of this aid in an effort to promote another diplomatic attempt to resolve this crisis, further demonstrates the U.S. commitment to negotiate.

Much has been said about atrocities in Nicaragua. Much is regrettably true. But the atrocities are not limited to one side. A recent America Watch report documents atrocities on both sides. And former Sandinista Alvaro Baldizon, who worked in the Nicaraguan Ministry of the Interior until his defection last year, has detailed murders by the Sandinistas and government assassination squads disguised as Contras fighters.

Neither President Reagan, nor this administration, nor for that matter any previous administration, condones or has condoned any such atrocities. We have always abided by the Geneva Conventions. We are not a ruthless people; it is not in our nature.

In fact, the United Nicaraguan Opposition, with our support, has taken positive steps to deter such acts by the establishment of the Human Rights Commission [UNO-CDH], headed by Ismael Reyes, former president of the Nicaraguan Red Cross.

I will vehemently oppose any use of the funds in this package for wanton acts against civilians, repugnant CIA pamphlets, mining of harbors, and other terrorist acts.

Concerns have also been raised that our allies in Latin America and elsewhere have not been overt in their support for current American proposals. As they read the U.S. political debate, Latin leaders may have some right to concern about the constancy of U.S. policy.

Latin American concern about Soviet imperialism, moreover, is at least as overt as is their concern about "Yankee" intervention. And they know that only the United States can counterbalance the Soviets.

The future of Central America belongs to bold leaders both there and in the United States. In the words of former President John F. Kennedy: "If not us, who; if not now, when?"

□ 1200

Mr. FOLEY. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. ANDREWS].

Mr. ANDREWS. Mr. Chairman, I rise in opposition to the President's proposal.

Central America, and Nicaragua in particular, pose serious and difficult challenges for America. Unfortunately, just as the need is greatest for us to work together toward a solution, the issue of funding the Contras has sharply divided the Congress and the American people.

Many of us in the Democratic Party have supported the President in his major foreign policy initiatives with consistency and resolve. The shrill and exaggerated partisan rhetoric of the White House during the past few weeks has only weakened the administration's case—not strengthened it. The White House has played politics with this debate and that has cost them votes. No Democrat is going to be intimidated into being bipartisan.

On questions of this magnitude, previous Presidents have wisely put policy ahead of politics. During Woodrow Wilson's administration, the advice of his able White House aide, Colonel House was clear: "The best politics is to do the right thing." That advice is still true today. The partisanship and politics that have clouded this issue are the reasons we face today two equally dangerous extremes.

On one side are those who argue that the Sandinistas are not hostile to freedom, that they are neither a threat to America nor their neighbors, that they do not commit the atrocities of which they are accused, and that their domestic policies are a result of American intervention.

The other side, led by the exaggerated rhetoric of the White House, tells us that the Contras are the moral equivalent of the Founding Fathers, and that without $100 million in U.S. aid today the Contras will fail and communism will win in our hemisphere.

Proponents of both of these positions base their arguments on half truths. The Sandinista government has betrayed its revolution. This Communist-inspired totalitarian government is supporting the guerrillas in El Salvador and subversion throughout our hemisphere. The people of Nicaragua have been subjected to civil rights abuses of the worst order. In Nicaragua today, there is no real freedom of the press, of religion, or of assembly. Their idea of a criminal justice system includes neither the right to habeas corpus nor the right to trial.

While I was in Managua last year, Minister of the Interior Thomas Borge, on a whim, entertained me by releasing from prison a man who had been incarcerated there for many

months without a hearing. The commandante wanted to show me the justice of his system; in reality, of course, he proved just the opposite.

Nor do the Contras have clean hands. In fact, the Contras have little internal discipline and as a result, gross atrocities have been committed against the Nicaraguan people. Many of the Contra leaders are former Somoza henchmen. They have had very little success on the battlefield, and many of our military leaders tell us they cannot win.

More importantly, they have not shown to the Nicaraguan people or to the world the kind of government they would be should they be successful.

While in Nicaragua, I met several conscripted Contra soldiers who were only 13 years old. I talked to one poor woman who said the Contras had come through her village and destroyed their small hospital. Such tactics fail to gain the support of the Nicaraguan people. Without major reform, their chances of real success are grim.

Between the proponents of these two competing views, only one thing is held in common: the belief that our choice today is all or nothing. Both would convince us that there can be no compromise, no bipartisan policy that can bring about a peaceful restoration of democracy in Nicaragua. Both extremes are wrong and both are self-defeating. There is a better choice.

One hundred and sixty-four years ago this month, the United States first urged the recognition of the emerging Latin American republics. Simon Bolivar spoke then of his plans to make the Americas the greatest region in the world. "Greatest," he said, "not so much by virtue of her area and her wealth, as by her freedom * * *."

Bolivar's vision has never been in greater peril.

We must begin today to craft a policy that makes sense for the United States and for the Nicaraguan people; such a policy is both urgently needed and eminently possible. There is a growing concensus in this body that rejects both of the polarized positions represented by this vote. We will not hear a great deal in defense of the Sandinista government in this Chamber today; that is no longer the issue. The issue before us is more difficult: What should we do about the Sandinistas? What kind of long range policy will give stability to Central America and help democracy to flourish?

Congress and the administration are capable of constructing such a policy. What is most needed is a plan that promises real progress in Nicaragua. Such a policy should include the following points:

First, we should provide immediate financial support to the Contadora group and give them more than hollow assurances of our support.

Second, a bipartisan observer team should be appointed by the leadership of the House and Senate. The group would report regularly on the progress of the negotiations and the status of civil rights in Nicaragua.

Third, we need to commit ourselves to a long-range partnership with the fragile democratic governments of Central America. The Kissinger commission report, all but forgotten by this administration, should be revived and implemented. We need a mini-Marshall plan for the economic development of Central America. Not since the Alliance for Progress in the early 1960's has any administration set clearly defined social and economic goals for the region and then aggressively worked to achieve those goals. A revitalized Peace Corps, an expanded program of surplus food distribution, attention to the needs of Central America in health and education, perhaps a restructuring of Latin American debt, all should be considered if we truly want democracy to prosper.

Fourth, we should provide an immediate $30 million in nonmilitary aid to the democratic resistance that would be primarily designated for training and reform. The funds would go not only to the Contras, but rather would be dispersed to all of the major resistance forces within Nicaragua.

Fifth, an additional $70 million in military aid should be put in escrow for 90 days. If after that time the President and the bipartisan observer team agree that peace negotiations have failed and that no genuine domestic reforms are being carried out by the Sandinistas, the funds would become available unless Congress stops the funding within 5 legislative days.

All U.S. aid would be discontinued if the Sandinista government agrees to a cease fire, earnestly begins talks with the opposition, and removes sanctions against freedom of press, assembly and religion.

Sixth, the United States must more clearly define to Cuba and the Soviet Union our vital security limits in Central America. We must be prepared to enforce those limits with American strength. Our responses must be specific and unequivocal—not undefined strategies such as the random mining of Nicaraguan harbors.

Finally, our efforts must all drive toward a single aim: to give political support and visibility to the legitimate opposition to the Sandinista government within Nicaragua. The new political leaders who will fulfill the dreams of democracy for the people of Nicaragua will emerge in Managua—not Miami.

Will this compromise proposal work? There are no guarantees. But surely the two alternatives before us today: to do nothing or to rely solely on a military solution, are self-defeating and fraught with peril.

There are great opportunities for democracy to flourish in Central America. In Honduras, in Guatemala, in El Salvador, fragile democracies are trying to grow. Let us seize this opportunity to create a larger policy for our hemisphere.

As President Kennedy said 25 years ago:

> Our continents are bound together by common history, the endless exploration of new frontiers. Our nations are the product of a common struggle * * * and our people share a common heritage, the quest for the dignity and the freedom of man.

Only by defeating this proposal today can we move toward a compromise that will not only strenghten America's role, but also give strength and direction to those striving for democracy in Central America.

Mr. BROOMFIELD. Mr. Chairman, could you tell us the time remaining on both sides?

The CHAIRMAN. The gentleman from Michigan [Mr. BROOMFIELD] has 50 minutes remaining and the gentleman from Washington [Mr. FOLEY] has 44 minutes remaining.

Mr. BROOMFIELD. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconisn [Mr. GUNDERSON].

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. GUNDERSON. I yield to my colleague from New York.

Mr. FISH. Mr. Chairman, I have thought long and hard on this issue and have sought out information from those in and out of the Congress close to this issue. I sense this year a significant change in the debate. The realities of the Sandinistas are now universally recognized.

To reduce the debate, as I understand it, its essential is how to achieve a Contadora negotiated settlement and containment of Sandinista adventurism. On the one hand, we are told that the neighboring countries in Central America will achieve it on their own. I believe this is unrealistic and that we will need the military pressure to back up our diplomatic and political efforts to achieve our objectives.

I thank the gentleman for yielding.

Mr. GUNDERSON. Mr. Chairman, I have never supported military assistance to the freedom fighters in Nicaragua. It has always been my position that each country in Central America ought to have the right to chart its own destiny, whether we like their chosen destiny or not.

Yet, after careful and intense review of intelligence material I am convinced beyond any doubt that the Sandinistas of Nicaragua are exporting revolution throughout the region.

Such a conclusion caused me to carefully study the two options before us today. And I found them both unac-

ceptable. To vote this package down and do nothing is to guarantee the destabilization of the entire region. Yet, to persue a military solution seems both premature and a far greater commitment than can be achieved by this proposal.

It is for this reason many of us sought a bipartisan concensus that could produce a defensible long-term policy for the region. And this compromise for which the President announced his support last night provides us this opportunity. It is based on a preference for negotiations. It contains no new appropriations, rather a reprograming of previously appropriated defense dollars. And it uses military assistance only as a leverage to pressure all sides into serious negotiations. I want to assure those concerned that intelligence sources suggest the Contras would need many times more this amount of military assistance to have any hope of a military victory.

The compromise included in the President's legislative proposal now before us, the President's message to Congress of yesterday, and the draft executive order the President will sign upon passage of such legislation continue the humanitarian assistance at $25 million. It also provides an additional $2 million in support of the Contadora process. And it delays the $70 million in direct military assistance for 90 days during which negotiations should occur on an internal, a regional, and bilateral basis.

At the end of 75 days, the President must report to Congress on the status of negotiations and the hope for future progress. Congress then has 15 days to deauthorize the military funding if it so chooses.

However, most important, the status of the military funding is actually in the hands of the present Nicaraguan Government. For they can prevent the military funds from ever being released. And if the funds are released they can stop further distribution by three simple and positive measures. First, declaring a cease-fire; second, conducting internal negotiations with the various opposition parties; and third, lifting the "emergency rule" which restricts religious, political, and free speech restrictions. Never has such an incentive for positive negotiations been presented to any country in the world. They alone can choose between military confrontation with the Contras or negotiations for peace.

In addition to these efforts at negotiations, the compromise also directs a new commitment toward economic aid based upon the recommendations of the bipartisan Commission on Central America. Finally, this package also includes continued review of human rights abuses by both the Sandinista and the freedom fighters.

Mr. Chairman, I and many of my colleagues would have preferred to accomplish this compromise through legislative action. Yet, the decision of the Democratic leadership to force a simple up or down vote on the President's proposal has denied us that direct opportunity. Yet, the President has promised to implement these conditions through an Executive order which has the force of law. And, most important, he has agreed to name a bipartisan congressional commission to monitor the negotiations and report back to the Congress and the administration on their progress, their potential for resolution, and an honest assessment of who is seriously committed to this process and who isn't. It is important for the public to know that this five-member commission will be based upon one nomination each from the Speaker and minority leader of the House, and the majority and minority leaders in the Senate. The four will then choose the fifth person. Through this commission, the President agrees to monitoring and review of all administration decisions on negotiations and the release or nonrelease of military aid to the Contras.

If there ever was any doubt of the President's commitment to negotiations over military action, I believe this compromise dispells such myths. If there ever was a program based on negotiations, with military assistance as only pressure to make the negotiations work and used in a last resort, this compromise is it.

I believe this compromise presents the best opportunity we have ever had for a bipartisan long-term policy in Central America. Thus, I encourage my colleagues to support the proposal before us.

Mr. Chairman, during the weeks of discussion on aid to the Contras it has become apparent that neither of the options now facing Congress is acceptable.

This is not a clear-cut issue that can be settled by a yes or no decision. The problem with the legislation presented to us by President Reagan is that our choices are extreme.

To reject the aid and do nothing is wrong. It will send the wrong signal to Nicaraguan President Daniel Ortega and our other Central American neighbors. Walking away from the issue will not bring an end to Nicaraguan support and sponsorship of terrorism and revolution throughout the region.

But to authorize $70 million in military aid—with no strings attached—is just as wrong. It is clear to me that the approach of diplomatic negotiations has not been exhausted. And if our policy is now one of a military solution, the $70 million is totally inadquate.

If America is to play a positive role in resolving the conflict now plaguing the region, it must be willing to develop a policy that goes beyond the black and white alternatives Congress will consider today. That is why I joined a number of my colleagues in the House, both Democrats and Republicans, in urging a different proposal.

This alternative addresses the problems in Nicaragua from several angles. It places negotiations above fighting. It emphasizes respect for human rights. It provides the funds needed for advancing the Contadora process. It stresses the economic development of the region. And it increases the pressure needed to bring about a negotiated settlement.

The key difference between our plan and the President's plan is that under our proposal, military aid is a last resort. It will only occur if the Sandinistas leave America no alternative.

We in this country work best when we work together. Most predictions say that the vote on the President's package will come down to a handful of votes. We send no meaningful signal to the region when we decide to take a step of such major importance by the narrowest of margins. I believe that the alternative proposal can receive broad bipartisan support—support necessary if America is to promote an effective and successful policy in Central America.

Before discussing the specifics of our proposal, it is important to identify the problem we are attempting to address. After hours of classified briefings, pages of intelligence reports, and countless discussions with individuals representing the full range of opinion on the issue, it has become clear to me that the Sandinistas' threat to the region is real.

The $500 million in weaponry provided by the Soviet Union is not the result the administration's overactive imagination. The assassination of Supreme Court Justices in Columbia with weapons later linked to Nicaragua is fact, not fancy. The 10,000-foot runway at Punta Huete, which is the longest runway in Central America and is capable of accommodating any aircraft in the Soviet inventory, will not go away just because we wish it would. The photo of Sandinista Commander Daniel Ortega proudly raising the hand of Libyan terrorist Múammar Qadhafi could not convey a clearer message.

There is no law, nor should there be, requiring that all nations must think, act, and behave the same as America. But that does not mean that America should stand idly by and watch as a nation uses murder and coercion to bully their neighbors. America is acting in response to Nicaraguan abuses, not the other way around. Nicaragua smuggled arms to rebels in El Salvador long before Contra forces were funded by the United States. Today, Nicaragua is assisting revolutionary efforts in almost every country in the region.

Yes; the threat is real and we must act to bring an end to that threat. But we must explore other options before we provide the Contra rebels with unrestricted military aid.

We must first put more emphasis on a negotiated solution. I do not believe that the Nicaraguans or the United States have adequately pursued the negotiation process on an internal, bilateral, or regional basis. The alternative we proposed places negotiations above all other considerations.

With $2 miilion in aid to the Contadora group, our proposed compromise makes clear America's commitment to meet the financial needs required in pursuing a regionally negotiated settlement. If we hope to achieve a regional settlement it is important that we not

give up on those Latin American nations that are working so hard to bring about peace.

We create a five-member bipartisan commission, comprised of distinguished and respected experts, to monitor all negotiations and report back to Congress. Through this commission, we can achieve the unbiased and objective perspective that has all too often been absent from debate on this issue. The establishment of this commission will unequivocally demonstrate the determination of Congress to pressure both the Sandinistas and the Reagan administration into undertaking serious and responsible negotiations.

Our plan calls for $30 million in humanitarian assistance and possibly $70 million in military aid to the Contras.

But we would not allow any money to be spent on military aid until 3 months have passed and these conditions are met:

The governments of the Central American nations involved in the Contadora negotiations have not reported an agreement.

A declared cease-fire is not in effect in Nicaragua and new elections are not taking place there.

Trade and economic measures have failed to resolve the conflict.

No other avenues exist for a negotiated settlement.

If the President certifies these conditions exist and provides notification that military aid will be appropriated, Congress will retain the power to pass a joint resolution blocking the aid. The bipartisan commission would serve as an objective and outside source of information for Congress as it considers the aid request.

Let there be no doubt, military assistance to the Contras would be a last resort. I pray that it is an option we need never choose. But, it is up to the Sandinistas. If they continue to subvert their neighbors. If they choose to sleep with the Qadhafis and Arafats of the world. If they refuse to ignore domestic, United States, and Latin American demands to join in serious and meaningful negotiations on an internal, regional, and bilateral basis, then the United States will be left no alternative but to run up the pressure and grant military aid to the rebels.

Military aid could be suspended at any time if the Nicaraguan Government implements a cease-fire, begins direct negotiations with the opposition, and lifts restrictions on freedom of the press, assembly, and religion.

Economic development is critical to a lasting peace in Central America. The proposal we have offered makes economic development an integral part of United States efforts, providing economic aid for Guatemala, Honduras, Costa Rica, and El Salvador.

America must loudly and repeatedly communicate its abhorrence with human rights violations committed by either party to the Nicaraguan conflict. Provisions in the compromise package would allow for the suspension of Contra aid if abuses take place and those who are responsible are not punished. If any member of a resistance group engages in drug smuggling or the diversion and misuse of funds, and if that person is not dismissed, the group shall be ineligible to receive U.S. assistance.

This plan provides a much better long-term policy for both Nicaragua and all of Central America.

There are no simple yes-or-no answers to the quagmire of problems facing Nicaragua. The facts demand that we not take a walk and simply trust the Sandinistas to respect the rights and interests of its neighbors; something it has so far failed to do. But we should not look to a military solution, if there is any hope that negotiation remains a viable alternative. In offering a proposal that fences in military assistance, using it as an incentive to negotiations, it is my hope that we can break the current impasse and help bring about a lasting and real peace for the region.

Mr. FOLEY. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa [Mr. LEACH].

Mr. LEACH of Iowa. Mr. Chairman, I would like briefly to address the issue of compromise. That proposed by the President would appear to be of a tactical variety: consequential perhaps in dealing with Congress but of limited significance to constraining the administration's intended policies.

The only kind of compromise this Member would consider credible would be one precluding the provision of militarily related assistance to armed intervenors in the region and one requiring administration reacceptance of the jurisdiction of the World Court in issues of this nature.

After all, what is at stake in these deliberations relates less to the irrational decisions of a leftward lurching government in a small area of Central America and more to the constitutional process of decisionmaking here at home and to the rule of law in our policy abroad.

Given the preemptive executive decision to commence without congressional sanction a civil war in Nicaragua, the Congress is placed in the difficult position of having to determine which is a greater misdeed: pulling the rug from armed mercenaries who were trained and equipped in violation of United States law and who are currently marauding a countryside in violation of international law; or pulling the rug from the values we cherish as profoundly American: the sanctity of law, the rights of others to determine their own destiny in their own way; a decent respect for the opinions of mankind.

It is worthy of note that the vast majority of our allies in Europe and of our friends in Latin America have called on us to reverse gears and end assistance to the Contras. It is worthy of note that Brooklyn Rivera, the leader of the Miskito Indian resistance, told this Member just last week that we've backed the wrong horse. Whatever statistics are trotted out about what percentage of officers of the FDN are former Somocistas, the understandable view of virtually everyone in Nicaragua is that the United States wants a return to the past and wants to impose its will by force. Is there any wonder a policy of support for armed groups who destroy crops and execute social workers is counterproductive? Is there any wonder there is no one in or out of Nicaragua that's predicting success for these forces? The issue isn't arms; it's morality.

The Sandinistas have fallen victim to a kind of ideological corruption. But instead of allowing the weight of its own mismanagement to sink itself, we leaped precipitously into the fray and backed a force that can't win. We are responsible for escalating violence in a traditionally pacific country. Enough is enough.

Liberals may have erred by believing the Sandinistas wouldn't opt in the direction of police state controls; but our country nevertheless has an obligation to stand by the side of law, with the understanding that not only do procedural concerns matter but that adherence to proper rules in the long run are more likely to produce proper results. There is simply no evidence America is very good at running a civil war oriented foreign policy. There is evidence, as recent as last month in the Philippines and Haiti, that despots cannot stand for long when their policies don't serve the interest of their people.

The time has come to reconsider an ill-chosen path. It is better to cut bait now than troll into waters whose depths are unfathomable, whose currents are uncontrollable. Prudence dictates restraint.

Mr. BROOMFIELD. Mr. Chairman, I yield 3 minutes to the gentleman from Arizona [Mr. KOLBE].

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. KOLBE. I yield to the gentleman from Minnesota.

Mr. STANGELAND. Mr. Chairman, I rise in support of the resolution providing military and further humanitarian support for the Contra freedom fighters of Nicaragua.

Let me first state that I have disagreed with President Reagan on certain issues, most relating to agricultural policy. If I was convinced Nicaraguans live under lawful rule and that the present regime posed little threat to its democratic neighbors and eventually the United States, I would cast a "no" vote. But that simply is not the case and I support the President.

Reflecting on previous Contra aid debates I recall that several Members of the House, from both parties, would point to democratic overtones of the Sandinista regime. They used to explain to us that Comandante Ortega and his government did not assist Communist movements, that they allowed free elections, freedom of religion, freedom of speech, and, in general, a pluralistic society.

However, the truth about Nicaragua is now well known and those arguments are no longer faithfully made by my colleagues. In fact, the House appears united in the belief that the Sandinistas are revolutionary Marxist-

Leninists who are guilty of widespread repression and their policies must be changed. We must now decide how best to introduce democracy to this beleaguered nation.

I contend that passing this resolution and adequately assisting the Contras will present the greatest opportunity for democratic reform in Nicaragua. Negotiations between the Sandinistas and Contras are important, but we should not expect the Communists to relinquish power, share power, or institute democracy without significant military pressure from the opposition.

By helping the Contras, who are willing to fight for their freedom, we will also lessen the chance that America will be forced to directly intervene militarily. Use of United States fighting forces would be unpopular both in the United States and Latin America and probably would not further the ongoing movement toward democracy in the region.

Some think we should not worry about a small, poor nation even if they may be a Soviet client state. However, I feel the Soviet Union, Cuba, Bulgaria, Libya, the PLO, North Korea, Vietnam, Czechoslovakia, Iran, and East Germany are not pouring weapons and military and civilian personnel into Nicaragua for nothing. They have a great stake in the outcome of the civil war. As Col. Muammar Qadhafi said in a September 1, 1984, New York Times article, "Libyan fighters, arms, and backing to the Nicaraguan people have reached them because they fight with us. They fight America on its own ground."

I guess the questions we will soon answer are: Is it proper for free people who cherish liberty and all its benefits to sit idly by and overlook the totalitarian mistreatment of their fellow men? Or are they responsible to help those willing to risk everything to ultimately live in, or if necessary, die with dignity?

Let's do what's right and give freedom and democracy a chance in Nicaragua.

Mr. KOLBE. Mr. Chairman, I rise today, near the close of this lengthy debate with full knowledge that almost everything has been said. This debate, while it has not always been enlightening or elevating, is what the democratic process is all about. It is good, not only for this body, but for our country, to have a full and vigorous discussion of an issue of this magnitude. There is room for legitimate disagreement in a democracy—and I would hope that none of us, on either side of this issue—would question the motives, the integrity, or the patriotism of our colleagues who may differ with us.

I stand here today in the hope that I might bring a slightly different perspective to this issue that we have been hearing in the main, for the last 24 hours. I was undecided on this question until the beginning of this week. I did oppose military aid that was requested last year.

Now, I have come to a different conclusion, in part because of a visit I made to the region over the weekend. But let me make one point very clearly: I don't believe one goes to Nicaragua for 24 hours—or even 24 days or 24 months—and comes back knowing everything or seeing everything in black and white. I went to Nicaragua on the razor edge of decision, and returned with a nudge to one side.

So what did I see and hear that caused me to decide that military assistance is the best alternative available?

Yes, I did see Soviet helicopter gunships, but no, I didn't see any Cuban pilots or Soviet technicians. I didn't expect them to show me their military buildup or have me interview Cuban military commanders.

But I did meet with Vice President Sergio Ramirez. In answer to my direct question he said there were virtually no circumstances short of surrender, that his government would ever negotiate with the opposition forces. Mr. Chairman, peace in this region requires negotiations, not just between the United States and Nicaragua, but also with the opposition within that country that remains bitterly opposed to the tyranny of a Communist government.

We met with Cardinal Obando y Bravo. He did not wave the American flag or sing our national anthem. But he did tell us in vivid terms how the Catholic church is being persecuted in his country and his fear that Nicaraguans will not be permitted to express their religious beliefs.

And yes, we met with members of the Permanent Commission on Human Rights, a group founded during the Somoza regime to monitor human rights violations. And no, they didn't tell us that the opposition forces—the Contras—are saints. But they did say that human rights violations by the Sandinista government are far more widespread, systematic and sinister.

We met with business and labor leaders. No, they didn't tell us that they want to replicate the U.S. economic model in Nicaragua. But they did say that they want free unions and the right to make choices in the marketplace.

I return from this visit with a couple of impressions that I want to share with my colleagues. One, there are no simple, no clear cut moral choices in Central America. The opposition forces in the field are not the ideal opposition. But it strikes me as paradoxical to suggest that we shouldn't train these forces because they are ill-disciplined and have committed acts outside the accepted rules of warfare.

If they had training they would be better led and better disciplined. And we should remember that they are only part of the opposition—the field force of an opposition that includes labor leaders and church leaders, human rights activists and newspaper publishers.

Two, the Sandinista government in Nicaragua is a hardcore, Marxist-Leninist regime. No amount of whitewash will cover that up. Even the slight bow to democracy with opposition political parties and the vestige of a free press is entirely consistent with that conclusion. They are a threat to stability in the region and the United States has every right to be concerned for our security and that of Central America.

Third, if we don't give aid, we will not have this debate next year. That conclusion is a stark one, but inevitable. Two years with no military assistance to speak of, pitted against literally hundreds of millions of dollars of arms and weapons that have flowed from Cuba and the Soviet Union, has left the opposition forces on the ropes. It is now—this year—or not at all.

Mr. Chairman, on our return to the United States, we stopped in El Salvador and met with President Jose Napoleon Duarte. What El Salvador and President Duarte proves is that revolutionary economic and social change can take place in the democratic context. President Duarte said to us that the Nicaraguan experience has accelerated the democratic process in Latin America, that the "domino theory of democracy" is sweeping this region of the world.

The question that we must ask ourselves is simply this: Will the domino of democracy fall across Nicaragua?

Mr. FOLEY. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. MURPHY]

Mr. MURPHY. Mr. Chairman, I rise today in opposition to the President's request for $100 million in aid to the Contra rebels.

No one doubts that the Sandinista government is a Communist supported regime. The departure from reality is made, however, when one assumes that this poses an inherent threat to the United States. The fact is: an impoverished, rural, and debt plagued country of less than 3 million people with a smaller armed forces than the police presence in the District of Columbia is no threat to U.S. security.

Political philosophy is not and should not be a precondition of relations. We have maintained close ties with many Communist regimes. China, Poland, Yugoslavia, Romania, Bulgaria, Czechoslovakia, Hungary, North Korea, East Germany, and the U.S.S.R. all have strong diplomatic ties to the United States and some have even been granted favored trade status. There are benefits in understanding the dynamics of international relations and striving for international cooperation.

Our experience in Vietnam should have taught us of the limitations in trying to topple any regime that is deemed to be politically unacceptable. But the administration seems determined to lead us down that horrid road again. The scenario is all too familiar: A request for aid to assist the

rebels followed by a request for advisers to complement the aid and leading eventually to a request for troops to protect our advisers and our investment. We spent 50,000 lives and a trillion dollars in defense of democracy in Vietnam. Yet, when we left there was still no democracy and still no threat to our national interest.

At least in Vietnam there was early support for our involvement. But today, our polls, our letters and our phone calls related the same message: don't waste our tax dollars on an unwinnable war.

What is more, there is not even support for the aid from our friends in the region. Those who border on Nicaragua don't want us funding the Contras. The President cites a USIA poll taken last July that claimed 69 percent in Central America favored the aid. A poll taken last week by the Tico Times in Costa Rica, however, severely mitigates those outdated numbers. This most recent poll concludes that only 39 percent are now in favor of the aid.

There is another issue that concerns me, Mr. Chairman. At a time that we are being forced to cut vital domestic programs, such as revenue sharing, job training and education, it is preposterous to even think of handing over this sum to a group of ragtag guerrillas without the slightest hope of furthering U.S. interests or democracy in Central America.

The United States has already poured over $250 million to the Contra cause and gotten no results. It is time we reevaluate our priorities and invest in programs that help our people at home.

This Nation is faced with a $2 trillion national debt. We are paying $150 billion a year on interest for that debt. But, for the first time in the Reagan Presidency we are seriously considering deficit reduction measures. Are these initiatives to be forgotten in light of an imagined Communist threat in Nicaragua?

Economic reality dictates that in order to provide an additional $100 million in aid to the Contras: We will be forced to borrow more money, add to the national debt, pay a great percentage of the budget toward interest payments and pass the entire fiasco on to our children. Future generations of Americans should not be forced to finance the military ventures of today.

The administration claims that no new moneys will be required. All that will be needed, they claim, is a transfer of funds already appropriated. Well, if there is an extra $100 million laying around the Pentagon someplace, I can think of a hundred better ways to spend it.

That $100 million would restore the housing subsistence for 100,000 Americans. It would fund general revenue sharing in my district for 12 years. It would restore half of the Reagan cut in low-income weatherization. It would restore funding for rural waste water disposal grants.

My district has three times as many unemployed workers than there are Contra rebels, $100 million would go a long way toward helping these Americans get back on their feet. For example, that money could be used to fund trade adjustment assistance for 2 years. It would restore the Reagan cut in the Vocational Rehabilitation Program or half of the proposed cut in higher education categorical programs.

There are countless other important domestic programs that have been subjected to severe cutbacks in light of our commitment to deficit reduction. UDAG, EDA, Amtrak, library assistance, juvenile justice grants and many more have seen the administration's knife. Given the financial realities that face us today, can aid to the Contra rebels be truly justified?

Mr. Chairman, conscience dictates that we apply these tax dollars where they can really make a difference—back at home.

Mr. BROOMFIELD. Mr. Chairman, I yield 1 minute to the gentleman from Arkansas [Mr. ROBINSON].

Mr. ROBINSON. Mr. Chairman, my time is very limited so I want to quickly preface my remarks by thanking all of my constituents back home that have been so sincere in sharing their viewpoints over the past several weeks. I also want to thank my colleagues on both sides for being sincere throughout this debate.

Notwithstanding the sincerity of this great body, however, some today want to cast their vote to make Daniel Ortega cry uncle, while others want to cast their vote to make the President of the United States cry uncle by making him come back in April for another vote. Well, today I want to associate my remarks with a different type of uncle. I want to talk about Uncle Sam and what this vote means for our country.

The whole world is watching us today to see whether or not, once again, we will in a very weak-kneed way, back off and not do what we know in our hearts is right. I have a 17-year-old son, and on this day in 1896, the marines landed in Nicaragua.

On this day in 1986, I am going to vote "yes" to keep my son out of Nicaragua.

Mr. FOLEY. Mr. Chairman, I yield 2 minutes to the gentlewoman from Tennessee [Mrs. LLOYD].

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Mrs. LLOYD. Mr. Chairman, I am going to vote against House Joint Resolution 540 today so that we can allow consideration of an alternative policy that we can debate and legislatively bound on this issue.

More than 160 years ago, John Quincy Adams, then Secretary of State, drafted a document which is the heart of our discussion today. This document was the Monroe Doctrine. It was a simple message and it was a simple warning: That was that the United States of America would take an active interest in the American Hemisphere.

This warning is really what we are debating today; that we will not tolerate the intervention of foreign powers in our own backyard. If we are going to assist in bringing to an end the conflict in Central America, if we are going to end the threat of communism, then what steps are best, what steps are necessary?

I think that is a real issue; what is best for America, not whether we are against or for the President. I think it is in the best interests of America to work out a compromise that would allow for any military assistance provided for the Contras to be fenced in for a brief period, perhaps 30 to 45 days. This would allow sufficient time for President Duarte to pursue his peace initiative and press for a regional summit.

However, should the negotiations not occur, should the Nicaraguans refuse to participate in diplomatic processes, then our process, our response should be automatic.

Once the time period has passed, the President should be free to certify the release of Contra aid funds approved by the Contras.

Last Saturday morning, Mr. Chairman, I met with President Ascona of Honduras. I asked him for his views on the delays, and his response was direct: He said:

A small period of waiting after any legislation has passed would be very helpful for the negotiations. The negotiations of a political settlement with Nicaragua.

President Ascona was frank and to the point. While preoccupied with the internal situation he expressed his concern.

I urge my colleagues to vote no and to vote for the alternative.

Mr. BROOMFIELD. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. SKELTON].

Mr. McCANDLESS. Mr. Chairman, will the gentleman yield?

Mr. SKELTON. I yield to the gentleman from California [Mr. McCANDLESS.]

Mr. McCANDLESS. Mr. Chairman, the most important critical ingredient in any political movement is the composition and identity of the men who lead it: The United Nicaraguan Opposition, who they are, and where do they come from.

Mr. Chairman, much has been said about the opposition forces in Nicaragua, a great deal of which is misinformation and inaccurate, such as the as-

sertion that the opposition movement is nothing more than Somoza sympathizers and former members of the Somoza national guard, attempting to return to power. For this reason, I feel the need to share with my colleagues some background information on the leadership, composition, and organization of what has been referred to as the Contras, now unified under the banner of the United Nicaraguan Opposition.

The membership of the United Nicaraguan Opposition includes:

Nicaraguan Democratic Force [FDN]: The largest of the freedom fighter groups, the FDN is a fighting force of 18,000 to 22,000 men and women, 25 percent of whom are former Sandinistas. Their leader is Adolfo Calero.

Revolutionary Nicaraguan Armed Forces [FARN]: Led by former Sandinista Fernando Chamorro, who had fought Somoza since 1960, FARN has about 1,000 fighters and operates in southeastern Nicaragua.

United Villages of the Nicaraguan Atlantic Coast [KISAN]: An alliance of Miskito, Sumo, and Rama Indians, and English-speaking black Creoles, KISAN is a new organization made up of previously independent guerrilla groups. They have about 4,000 armed fighters and over 100,000 civilian members. Its military commanders are Raul Tobias and Wycliffe Diego, and its civilian leader is an Indian named Roger Hermann. Leader of the black Creoles within KISAN is the Reverend Jenelee Hodgson.

Nicaraguan Opposition Coordinator [CON]: A coalition of civilian political parties, business organizations, and trade unions in exile. This represents the vast majority of the non-Communist political leadership of Nicaragua, much of which had formerly been aligned with the Sandinistas.

The UNO directors are:

Adolfo Calero-Portocarrero: A graduate of Notre Dame who did graduate work in industrial management at the University of Syracuse, and holds a law degree from the University of Central America in Nicaragua. In the late 1950's, Mr. Calero became manager of the Coca-Cola Co., of Nicaragua. In the 1970's he was one of the founders of the Authentic Conservative Party, and in 1978 he was his party's representative in the Broad Opposition Front [FAO]. He was jailed along with other FAO leaders for initiating a general strike that shook the Somoza regime.

Arturo Cruz-Porras: A longtime member of the Democratic Conservative Party. He holds graduate and undergraduate degrees from Georgetown University. He was twice jailed by Somoza. He was a member of the Sandinista junta for 9 months, and served as Nicaragua's Ambassador to the United States from June to December 1981. He resigned that post in protest over the growing Marxist-Leninist totalitarian tendencies of the Sandinistas.

Alfonso Robelo-Callejas: A chemical engineer who served as director of the University of Central America from 1970 to 1972, and was president of the Nicaraguan Chamber of Commerce until 1975. Following the assassination of La Prensa editor Pedro Chamorro, Mr. Robelo founded the Nicaraguan Democratic Movement [MDN], a political party of businessmen, industrialists, and professionals opposed to the Somoza regime.

The military forces of the FDN—under the UNO—are led by:

Enrique Bermudez-Varela: He served in the national guard under Somoza, but was cleared of "war crimes" by the Sandinista regime in December 1982. He has described himself as a professional soldier and, under Somoza, not interested in politics. He is a graduate of the Nicaraguan Military Academy and received training at the U.S Army Command and General Staff College and the U.S. Army School of the Americas. During the last years of the Somoza regime, Bermudez served in Washington as defense attaché at the Embassy of Nicaragua. The Carter administration supported Bermudez as a military expert with no ties to the Somoza regime, who would have made an excellent leader of the post-Somoza Nicaraguan Armed Forces.

The leader of the Revolutionary Nicaraguan Armed Forces [FARN]:

Fernando "El Negro" Chamorro-Rappaccioli: He has been a prominent anti-Somoza figure since the 1940's. He participated in numerous military actions against the dictator and was repeatedly jailed or exiled by Somoza. In 1979 he fought on the southern front with the Sandinistas. The increasingly Communist nature of the Sandinistas, and the absence of any effort to carry out the democratic goals of the revolution, drove him into exile in 1982.

The leader of the Nicaraguan Indian and Creole Leaders [KISAN]:

Wycliffe Diego: A Miskito Indian leader from the Atlantic coast town of Puerto Cabezas, he was a Moravian pastor and was jailed by Somoza in 1971, for allegedly being a Communist. He has a reputation for effectiveness and honesty.

These are dedicated people who are putting their lives on the line to bring about what their revolution was originally designed to accomplish—the implementation of democratic institutions in Nicaragua. They need and deserve our support.

Mr. TALLON. Mr. Chairman, will the gentleman yield?

Mr. SKELTON. I yield to the gentleman from South Carolina [Mr. TALLON].

Mr. TALLON. Mr. Chairman, I urge bipartisan support for the President's proposed compromise.

Nicaragua is an increasingly totalitarian regime determined to consolidate its power and subvert the political independence and territorial integrity of the neighboring countries in the region.

In Nicaragua, there must be a reconciliation of differences that separate the government from the democratic opposition. The Sandinista government must be willing to sit down and negotiate in earnest with its own people.

I believe that the Executive order offered by the President in response to congressional concerns, outlining new conditions on aid to the Contras, offers a constructive alternative. It includes a 90-day delay in military assistance and full cooperation of a bipartisan commission established by Congress to report directly to the Congress on negotiations. This compromise demonstrates to the American people that we are diligently pursuing reasonable possibilities for a regionally based political solution.

I am convinced we cannot negotiate with a Communist-supported Marxist regime in Nicaragua without applying pressure, and I believe this compromise proposal shows the world and this Nation that we are presenting the Nicaraguan Government with a clear alternative to a prolonged conflict. I urge bipartisan support for the President's compromise proposal.

Mr. SKELTON. Mr. Chairman, I rise in support of the proposal that is before us today. I do so as one who voted for the humanitarian aid the last time, and against the military assistance the last time.

I do so based upon the agreement that has been worked out with others, especially the gentleman from Washington [Mr. CHANDLER] and myself, and I do this because it is a workable solution to the problem that is ahead of us.

It is based upon a proposed Executive order. We asked for certain things to be addressed, and they were. We asked about human rights; we asked about negotiations, having a last chance; we asked about humanitarian aid and holding off military aid for 90-days, and during that 90 days we suggested that there be training and of course air defense.

We asked for a commitment to Central America and to a policy based upon the Henry Jackson report. We also asked that all resistance forces be included.

Mr. Chairman, this is what we have accomplished. We want to give negotiations one more chance, and this we have succeeded in having.

I would be remiss if I did not say at this juncture that the gentleman from Oklahoma [Mr. MCCURDY] was very helpful in this work; he and I agree on so many aspects of it; disagreeing, I believe, on the vehicle on which we reach the same goal.

I would like to very briefly review what we have accomplished in the negotiations and agreement with the White House. That humanitarian assistance would be given immediately, and that other assistance would be withheld for 90 days following approval of this request.

That immediately, equipment and supplies for defense air attack would be supplied. That support for democratic, political, and diplomatic activities be given. That immediate training be given.

Following the 90 day period, additional types of assistance would be provided to the Nicaraguan democratic resistance only if it has been determined after consultation with Congress that the Central American countries have not concluded a comprehensive agreement, that the Government of Nicaragua has not engaged in serious dialog, and that there is no reasonable prospect of achieving these developments through further diplomatic measures and that there has been a report to Congress.

Also, that there is a commission established to make the reports to the Congress on a bipartisan basis.

We have also included in this an agreement to require assistance to human rights. Also, we have stopped receipt of any assistance by those who violate human rights or involve themselves in drug smuggling.

This is one that involves an equal proportion of assistance to the Indian groups as well as to others.

Mr. Chairman, this body seems polarized on this issue, but it is not the first time that this body has been polarized over Central America. The first time was back in the early 1800's when Henry Clay was the Speaker. The great decision at that time was whether to endorse freedom from the Spanish rule for those countries in Central and South America.

After a long and bitter debate, the House came down on the side of freedom for those countries. We set a precedent then that has been maintained ever since.

Mr. FOLEY. Mr. Chairman, I yield 3 minutes to the gentleman from Kentucky [Mr. HUBBARD].

Mr. HUBBARD. Mr. Chairman, some of those who are very enthusiastic about $100 million in aid to the Contras of Nicaragua like to paint the opponents as liberal Democrats or liberal Republicans who are apparently not worried about the spreading of communism in Central America.

This Congressman is a Democrat who frequently votes with President Reagan and who met with the President in the Oval Office on Wednesday of last week for 25 minutes.

I'm a Democrat who genuinely likes and admires our President.

Some of you consider this Kentucky Democrat a hawk on defense issues—and I am.

I represent Fort Campbell, KY, home of the 101st Airborne Division, Air Assault, and several of my constituents are employed at Fort Knox, KY.

If this country ever goes to war again, among the most valued troops first to be called upon would be Fort Campbell's 21,000 soldiers.

Last Sunday night my wife Carol and I watched with interest the President's speech.

The whole awkward rationale for the $100 million in aid for the Contras was summed up in a few arresting sentences.

I quote our President:

> Clearly the Soviet Union and the Warsaw Pact have grasped the stakes involved, the strategic importance of Nicaragua. The Soviets have made their decision—to support the Communists. Fidel Castro has made his decision—to support the Communists. Arafat, Qadhafi, and the Ayatollah Khomeini have made their decision—to support the Communists. Now we must make our decision.

An elderly lady at Beaver Dam, KY, asked me last Monday morning: "Gee whiz, are Arafat, Qadhafi, and the Ayatollah really concerned about Nicaragua?"

Let's be serious. If I thought the United States were actually faced with the kind of armed threat and refugee invasion pictured by our President, I assure you $100 million in aid to these Contras waging a losing battle in Nicaragua would not be appropriate for us to be considering today. The use of U.S. troops would be the issue of the day if our security were actually threatened.

The foreign ministers of eight Latin American nations—known as the Contadora group—visited with Secretary of State George Shultz here in Washington last month to ask that their Contadora process be given a chance to work. The nations at the meeting were Mexico, Colombia, Panama, Venezuela, Argentina, Brazil, Peru, and Uruguay. These eight countries plead with you and me today to give the pursuit of the Contadora process a chance to bring about a meaningful, lasting peace in Central America.

This is my 12th year in Congress. During all this time and through seven administrations Fidel Castro has led a Communist regime just 90 miles from Key West, FL. They haven't attacked us yet.

No one advocates today sending $100 million in military and economic aid to anti-Castro Cubans.

Let's establish economic improvements and not war in Central America so that democracy will be the chosen form of government in Nicaragua and all of Central America.

Please vote "no" today.

□ 1225

Mr. BROOMFIELD. Mr. Chairman, I yield 6 minutes to my friend from Pennsylvania [Mr. MURTHA].

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. MURTHA. I yield to the gentleman from Florida.

Mr. FASCELL. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the pending resolution to provide military assistance and other assistance to the Contras in Nicaragua. Now I would like to say by way of preface here that all of us recognize that there are deeply and sincerely held differences of opinion on how to approach this matter. I take no issue with any of my colleagues. I have certainly no quarrel with the rationale by which they try to solve their dilemma. I reached my decision based on my own conclusion, observations, and analyses. In the last administration I was one of the congressional leaders to help put through a program of assistance to the new government in Nicaragua to try to help undo 40 years of misery with which the United States had at least a little something to do. I am not ready to give us all of the blame. But nevertheless, it was an unfortunate experience. There were people in the hills for years and years and years who fought against the dictatorship of Somoza. And when a new government came in, all of those people who were part of the revolution of Somoza thought a new day had come, that there finally was the opportunity to bring democratic processes to the people of Nicaragua. Those of us who visited Managua at that time, who took the lead in this House to extend the hand of friendship to that new government, found out very quickly where that government was coming from. They cut us off at the elbow.

Their concern was not for democratic processes or carrying out their statements on which the revolution was predicated, but simply to consolidate Communist power. I guarantee you they followed the handbook paragraph by paragraph on how to consolidate Communist power, how to subjugate the people and get rid of all opposition.

Many of the people who fought and were part of the revolution against Somoza, and started out being part of the new government in Nicaragua, were frozen out. They were forced to quit. Their whole being was shattered by virtue of the fact that the revolution they had fought for had been subverted beyond any question.

That is my conclusion also after having talked to every single member of the Directorate, either down there in Managua or up here in the United States, and to every single member of the junta, and after having talked to

the leaders of all of the democratic elements that were part of the fight to get rid of Somoza.

And they all say unanimously, "We did not fight to get rid of Somoza to wind up with a Communist goverment subjugating our people." And where are those leaders? They are out in the hills again. They are called all kinds of names, Contras, counterrevolutionaries, whatever you want to call them. But the first guy was Pastora. He fought Somoza with a ragtag outfit and with no apparent support from anybody. People said he would never win. But he was part of that revolution, and he was part of the new government. He is back in the hills fighting again.

He told me personally, "I will fight for as long as it takes, with or without anybody's help, because this is not what I fought for, this is not what the Nicaraguan people are entitled to. They are entitled to something better than this." The same is true for, Robello and for Colero, and for Cruz.

The thing that really brought down Samoza was the assassination of Chamorro—from one of the principal families of Nicaragua and who ran the free press—and now that family is right down the middle. Now, ever since we had to cut off our assistance—which was designed to be friendly and establish a new relationship with this new government—absolutely nothing has happened in terms of democratic processes, with or without force, with or without diplomacy. I have come to the conclusion the only way we are going to get any kind of talk at all, if indeed we can, is to go to the two-track approach. And to do that military assistance in a serious way is absolutely essential. That is where I come down.

In conclusion, let me say, and I thank the gentleman for yielding, unfortunately there will be no victory here today by one vote, or two votes, or three votes, or whatever the vote is. This issue is here before us for a long time. And if the Congress is divided and the country is divided, you cannot have a long-term policy to deal with the issue. It is not going to go away. The issue is: Will we have democracy in Nicaragua? We have to do our best to start now to help bring it there.

Mr. FOLEY. Mr. Chairman, may I inquire how much time remains?

The CHAIRMAN. The gentleman from Washington has 36 minutes remaining, and the gentleman on the minority side has 32 minutes remaining.

Mr. FOLEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Wisconsin [Mr. MOODY.]

Mr. MOODY. Mr. Chairman, I rise in opposition to the resolution before us today.

I recently met with Lt. Col. Edward L. King, U.S. Army, retired, formerly a combat soldier, Joint Chiefs of Staff military liaison officer to the U.S. delegations to the Inter-American Defense Board, and still an acknowledged expert on military conditions in Central America. For those interested in the military merits of the President's Contra aid package, it might be useful to share Colonel King's observations.

First, the Contras are nowhere near capable of effectively fighting the Sandinista army.

The Sandinistas' so-called irregular warfare battalions are highly trained, highly motivated counterinsurgency soldiers and have had growing success against the Contras. Meanwhile, the United States has invested approximately $130 million in the Contras, yet their actual military capability remains very poor. They have inadequate training, low morale, poor leadership, inappropriate tactics, and no coherent strategy. Another $100 million won't substantially correct these inadequacies. Unless the U.S. commits about $400 million and at least 2 years of intensive military training, the $100 million will be largely wasted.

Second, there are now only small bands of Contras actually fighting in Nicaragua.

Eden Pastora's group fo Contras have been virtually eliminated in southern Nicaragua and their remnants driven back into Costa Rica. In northern and central Nicaragua, all but about 1,000 of the original 12,000 to 14,000 troops have been driven back into camps in Honduras. Those Contras now remaining in Nicaragua are capable of only hit-and-run tactics against chiefly civilian targets.

Third, the President's claim of 20,000 Contras is grossly exaggerated.

There remain only 3,000 to 4,000 highly motivated Contra troops. Most of the larger number counted as Contras by the President include: Dodgers of the unpopular Sandinista draft; Sandinista POW's given the option of becoming Contras or dying; villagers pressed into service by the Contras; teenagers who hear that joining the Contras is a good way to eventually get to the United States; and several hundred, according to Honduran radio reports, unemployed Hondurans looking for work.

Colonel King's cogent observations have strengthened my conviction that President Reagan's Contra policy is fundamentally flawed in five important ways:

First, it is unrealistic. Without massive funding, the Contras will never pose a sufficient military threat to force change in the Sandinista government.

Second, the President's policy plays right into the Sandinistas' hands. It gives them an excuse to continue domestic repression, press censorship, tight economic controls, and the unpopular military draft.

Third, the President's policy alienates our allies in Latin America and Europe. Not one democractically elected government in Europe or Latin America supports U.S. military aid to the Contras.

Fourth, the President's policy inflames and encourages anti-U.S. emotions throughout the region as we are again seen as utilizing "gunboat diplomacy" to promote our aims. Such a policy, which may have worked once upon a time, is perceived as unwelcome confirmation that the United States still wants to substitute force for negotiations in the region—a policy that deeply offends the sense of nationalism and sovereignty held by Central Americans today.

Fifth, the President misdiagnoses the real appeal of revolution in this region: Poverty, illiteracy, and exploitation of the compesinos—made far worse by 5 straight years of falling regional income.

Many of the Nicaraguan people are dissatisfied and resentful of the Sandinista government. But military aid to the Contras fails to tap into that reservoir of feeling, and in fact strengthens the Sandinistas.

I urge all of my colleagues to vote against President Reagan's request.

Mr. FOLEY. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. DOWNEY].

Mr. DOWNEY of New York. Mr. Chairman, I rise in opposition to the proposal to provide $100 million in assistance to the Contras. I also oppose the compromise of the President is offering now that it is clear that there is not sufficient support for his original request.

Today, we face a choice, and it is a choice which we have confronted several times over the past 5 years. Will we seek a diplomatic resolution of the crisis in Central America, or will we commit ourselves to military involvement in Central America?

Let us not deceive ourselves, for if we approve $100 million in assistance today—no matter how many Executive orders, no matter how many 90-day windows of negotiation we cloak it in—we will have moved one step closer to a direct military commitment.

Let us not deceive ourselves, for we all know that this aid package will not be enough to bring victory to the Contras—$70 million, $100 million, $200 million will not do the trick. The Contras have been in the field—or as their partisans here like to say—in the hills for several years. Where is the popular support for the Contras? It has not materialized. How much longer must we wait for some sign that the people of Nicaragua support the Contras?

When it comes to the Contras, the only consistency we find is that the administration's means never quite match their stated goals. When we first started our overt covert support for the Contras, it was to interdict the supply of arms to the rebels in El Salvador. Unhappily for the Contras' supporters, no interdicted arms ever surfaced. Our next goal in supporting the Contras was to exert influence on Nicaragua to change its orientation and somehow reduce its dependence on the Soviet Union and Cuba. That did not work. Rather than change the means, the administration changed the goal yet again. Now the goal is to bring the Nicaraguans to the negotiating table. What is clear is that the means never change—just the goal.

Let us not deceive ourselves, Mr. Chairman. The real goal is now, and

has always been, the removal—not the reform—of the Nicaraguan Government.

Rather than choosing the path of military involvement, I urge my colleagues to choose the diplomatic path. Let us not deceive ourselves. The diplomatic option has never been fully tried. U.S. diplomats have offered lip service to the Contadora peace process, but the underlying commitment to support the Contadora nations has been lacking.

Last summer, Congress accepted a compromise with the President in return for a letter promising negotiations. But in the succeeding 9 months, there is precious little evidence of the administration's commitment to negotiations. The administration has undercut the Contadora nations. Let us not deceive ourselves. Every time it has appeared that the Contadora nations are nearing a diplomatic breakthrough, the administration rushes in to denigrate their efforts, to point out the shortcomings of the proposed solution. This is not constructive engagement; this is not the way people interested in reaching a negotiated settlement respond to breakthroughs.

Mr. Chairman, I believe that we should be clear about our goals. Our goal is to deny the Soviets an offensive military base in Central America. This is not an impossible goal. Our goal should also be to promote peace in the region. This is a goal which is not incompatible with the first goal.

The question has been raised as to whether we can negotiate from a position of weakness. A position of weakness? The United States and Nicaragua? Where is the weakness in our position? Even if by some stretch of the imagination we concede we are weaker than Nicaragua, how will providing $100 million to the Contras make us stronger? Can we buy strength so inexpensively? Mr. Speaker, we can negotiate with the Nicaraguans and we can do so in a confident and strong manner, and we do not need to give the Contras $100 million to protect our negotiating abilities.

I believe that we can reach these goals by a wholehearted commitment to the Contadora nations' efforts. They have committed a significant amount of their own resources to a peaceful resolution. They are on the frontline. They are willing to trust in a diplomatic solution. Why shouldn't we? Mr. Chairman, I urge the defeat of House Joint Resolution 540 this afternoon. One hundred million will not bring peace to Central America.

Mr. FOLEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida [Mr. SMITH].

Mr. SMITH of Florida. Mr. Chairman, I rise to associate myself with the remarks of the gentleman from Florida [Mr. FASCELL].

Mr. FOLEY. Mr. Chairman, I yield 1 minute to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Chairman, I am touched by the sincerity of the debate today and the high level of information imparted by our Members and especially the previous speaker from Florida, the chairman of the Committee on Foreign Affairs.

I will say to him that I oppose this resolution but I agree with many of the things that he has said. I too went to Nicaragua in 1980 as an emissary to meet with the factions there. However, my views on this issue differ from his largely because I see the Contra army in a much different light. I have a letter which I will submit for the RECORD by Edgar Chamorro, who is a Nicaraguan who opposed Somoza. He later joined the FDN and became one of the directors of the Contra movement until 1984. He became disillusioned with the Contras because, in his words, his letter says, "The Contras do not represent a viable military force, a successful political project, nor an appropriate means for reaching U.S. foreign policy goals in Central America." This former Contra leader says that ultimately it is the Nicaraguans themselves who must resolve this problem and we must put faith in pluralism and democracy to allow it to work in that region.

The letter follows:

WASHINGTON, DC,
March 19, 1986.

Esteemed Members of Congress:

Over the past few days I have spoken with many members of both the House of Representatives and the Senate. As many of you know, I was a member of the national directorate of the FDN, the principal armed group fighting the Saninistas. I am now firmly convinced, based on my experience within the FDN, that the United States should stop its support of the contras and seek a political solution in Nicaragua.

I left Nicaragua in June 1979, just before the ouster of Somoza. I feared the radicalization of the revolution and went to Miami with my family. In exile, I became an organizer of the expatriate Nicaraguan community. In 1982 I was contracted by someone who identified himself as representing the United States government to join the directorate of the FDN. All the leaders of the FDN were similarly handpicked by the CIA to join with the remnants of the old National Guard in the fight against the Sandinistas.

I joined the FDN hoping to bring democracy to Nicaragua. But I realized that this would be impossible within the context of the FDN which is controlled, directed and financed by the CIA. I soon found that we civilians on the directorate had no control over the military. We were simply a democratic facade to convince Congress and the American public of our good intentions. I feel the current civilians associated with the FDN and UNO are being similarly used.

Over time I came to know of the consistent use of terror tactics by the FDN combatants against the civilian population. I criticized these tactics and tried to change them with no success. Ultimately, my break with the FDN came when the CIA produced its now-Infamous "Manual on Psychological Operation" that called for the hiring of professional criminals, selective assassination of government officials, and the creation of martyrs among our own ranks. I tried to delete the more offensive aspects of this manual, but it was distributed over my objections. This experience convinced me that the FDN could never be a democratic organization and by the end of 1984 I left.

All of this history is well known. With time, more revelations will emerge regarding the dirty tricks used by the CIA and the contras to manipulate public opinion in Central America, lobby the U.S. Congress and deceive the public in the United States.

In summary, the contras do not represent a viable military force, a successful political project, nor an appropriate means for reaching U.S. foreign policy goals in Nicaragua. By any standard, the contras have been a failure. Instead of encouraging democracy in Nicaragua, the government has restricted civil liberties in response to military attacks. Rather than halting an arms build-up, the Sandinistas have armed themselves to defend against the contras and threatened U.S. aggression. The contras provide a ready scapegoat for Sandinista economic failures, build international support for a beseiged "David" facing the U.S. "Goliath", and justify the Sandinista's tilt toward Cuba and the Soviet Union.

All of these arguments have been made and heard in this debate. I would like to turn to the future and the options facing the United States and Nicaragua. First, imagine the best case scenario of the Reagan policy. Suppose after years of protracted conflict, thousands more deaths and millions of dollars spent—suppose the contras win. The fighting will not be over. The Sandinistas would fight on from the hills, from neighboring Costa Rica and Honduras—destabilizing fragile democracies. The northern contras would fight the southern contras—because they don't fight for the same reasons. The Miskitus would fight whatever government for their autonomy. In short, you would have the fragmentation—the Lebanonization—of Nicaragua and an increased possibility of regional war.

If the contras win with direct U.S. intervention, then we are back to 1928. Back to the Marines in Nicaragua and the creation of a new Somoza, a new National Guard, and a new Sandino.

Speaking in practical and realistic terms, what would constitute a constructive, positive approach by the United States toward Nicaragua? We must start by acknowledging the positive aspects of the revolution, and grant that revolution the right to exist. There should be no rolling back the revolution. The revolution has brought many positive things to Nicaragua—equality, pride, self-respect, and national dignity—values which America shares and should promote. The United States is, after all, a revolutionary country.

A political solution is still possible in Nicaragua. A genuine opposition exists inside Nicaragua. The United States should encourage and support these internal democrats in a non-military way. Look at the successful example of the Philippines. There the United States supported the internal opposition—not with contras—but with political and moral support. This was very successful.

The United States has a historic opportunity to approach the Nicaraguan problem through its Latin American allies. The Contadora process represents a multilateral,

diplomatic approach with great promise for a political solution acceptable to all the countries in the Hemisphere. The foreign ministers of the eight countries of Contadora and the Support Group made an exceptional plea to the United States when they came to Washington; a plea for restraint, understanding, and time to work out a solution. To ignore this gesture is to invite disaster.

The United States is the dominant political, military and economic power in the region. As a great power it can afford to be magnanimous with its smaller, weaker neighbors. It is inarguable that if the United States faces a security threat in the Hemisphere it must act with resolve and strength to face that threat. But even if Nicaragua could be construed as a security threat, certainly the contras are not an appropriate response.

Nicaragua is a local political problem that can best be handled by local politicians. The first step toward a political solution is to create an atmosphere of trust and mutual respect. The key here is to end U.S. support of the contras and *stop the war.*

At the same time, we must demand concessions from the Nicaraguans. The security concerns of the United States regarding the presence of foreign military bases and advisors and support for subversion must be addressed by the Sandinistas. Internally there must be a restoration of civil rights, extension of amnesty to the leaders of the contras and the guarantee of safe passage back to Nicaragua for the purpose of organizing political parties and pursuing any public office. There must be assurance of a true mixed economy without fear of retaliation or confiscation, a genuine commitment to cultural and political pluralism, and respect for the rule of law.

Ultimately it is we Nicaraguans who must live together. This will require concessions on both sides. We must reduce the polarization affecting U.S. policy toward Nicaragua and encourage political moderates. The current policy does the opposite.

Sincerely,

EDGAR CHAMORRO.

Mr. Chairman, President Reagan's proposal facing Congress today is the best example so far of his shoot-first-ask-questions-later diplomacy.

While the President has said on several occasions that he supports negotiations to resolve the issues in Central America, the fact is his administration over the past 5 years has repeatedly frustrated the efforts of the Latin American nations to resolve regional conflicts through diplomacy.

Mr. Chairman, the leaders of nearly every American ally in Latin America and Europe and Japan has voiced opposition to Mr. Reagan's militarization of Central America.

Former Venezuelan President Carlos Andres Perez said that any attempt to find a "military solution to the conflict in Central America would bring regional warfare, in which the United States could not win, and Latin America could not win." In his opinion only the Soviets would benefit.

President de la Madrid of Mexico has said that United States policy was causing "anger and resentment" toward the United States among its Latin neighbors, while President Betancur of Colombia has repeatedly pleaded with the United States to abandon military intervention and use its great power to support the efforts of the Latin nations to solve their own problems from within the region.

President Alfonsin of Argentina, who credits the saving of his own life to the human rights policies of the United States under President Carter, came to Washington last year to personally tell President Reagan that "dialog, not intervention" would cause democracy to flourish in Central America. Add to this list the Presidents of Costa Rica and Uruguay, the Prime Minister of Spain, the President of France, the Pope, the new President of Guatemala, and the President of Peru.

Mr. Chairman, it is so sad to look at Nicaragua through the eyes of Latin America and see that it is the United States policies of militarization which are the instruments of chaos in Central America. It is the view of our Latin neighbors that it is the Reagan administration which is standing in the way of a genuine regional effort to resolve the conflict in Central America.

Mr. Chairman, can it be true that the nation of Nicaragua—one of the poorest nations in the world, a nation most of whose citizens are below the age of 18, and whose total population is less than half that of Tennessee—can completely thwart the will of all of its neighbors including that of the greatest nation on Earth? I do not believe that is true.

I trust the leaders of Latin America when they say there is a chance for a negotiated settlement. I am embarrassed when President Reagan says the Sandinistas will not negotiate in good faith when at the same time the nations of Latin America continue even as we speak to be engaged in a constructive and meaningful dialog with the Government of Nicaragua. I look at the diplomatic agreement the Costa Ricans and the Nicaraguans have recently implemented, and it is clear that given time, patience and earnest support from the Reagan administration, the United States can persevere. We have everything to gain through diplomacy, and everything to lose through the reckless use of our military might.

Finally, Mr. Chairman, let me turn to a second point that every one of us must consider in light of the budgetary crisis our Nation now faces.

Mr. Chairman, during the past 5 years the United States has spent $3.4 billion in bilateral foreign and military assistance to Central America. Add to that another $2.4 billion in 1986 and 1987; add to that another $21 million for military bases in Honduras; add more for training excercises, and add even more in overt and covert assistance for the Contras. It is an enormous price tag for a policy that seems at best to be without goal or purpose.

My concern about this costly policy is that it has achieved vitually nothing. The President's request for another hundred million dollars is a proposal for throwing good money after bad—more and more money for a policy we know is doomed to failure. It did not work in Vietnam. It has not worked in Central America.

During the past 2 months I have spent much of my time working with the people of my district helping them prepare for the impact of Gramm-Rudman. Unemployment in several of my counties now exceeds 20 percent, while the farm economy has reached levels equal to that of the Great Depression.

When I see so many people of my district struggling just to make ends meet, I cannot justify a vote to commit more American resources to a foreign adventure so unmistakably marked for failure.

Mr. BROOMFIELD. Mr. Chairman, what is the division on time?

The CHAIRMAN. The gentleman from Michigan has 32 minutes remaining, and the gentleman from Washington has 35 minutes remaining.

Mr. BROOMFIELD. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. CLINGER].

Mr. CLINGER. Mr. Chairman, today I will be voting in favor of the $100 million aid package before us. I have, in the past, voted against military aid to the Contras because it was offered in the absence of a coherent, rational, long-term policy for Nicaragua as well as for the Central American region. There has been confusion over whether we are intent on overthrowing the Sandinista regime, or on taking an active role with the Contadora countries in negotiations between the warring factions in Nicaragua. The aid package alone does not offer any opportunity for reconciliation, however, the bipartisan compromise embodied in the President's Executive order to allow a period of 90 days for negotiations forms a workable, reasonable outline for United States strategy in Nicaragua and represents the first step toward democracy in that country without immediately resorting to military action.

I believe the key provision of this compromise is the requirement that a special envoy be dispatched to the Contadora nations to begin the negotiations. The nations making up the Contadora group—Mexico, Venezuela, Colombia, and Panama, once shared the problems that currently afflict their neighbors in Central America—their understanding of the social and political problems there is more acute than our own. These four, along with the Central American countries, are

the key actors in Latin America, the ones to whom America's strategic interests turn. The Contadora group warns the United States of the disastrous long-term consequences a military invasion would have on our relations with Latin America. The group also points out the long-term benefits of an enhanced American standing in the region if we resolutely commit ourselves to negotiations. All four governments are firmly anti-Communist and unwilling to see an expansion of Soviet influence on the mainland of the Western Hemisphere. This commitment to the Contadora process and the $2 million earmarked for the Central American democracies will bring us that much closer to national reconciliation.

Should, after 90 days, the Sandinistas choose to reject the United States and Contadora efforts, and fail to show good faith in implementing the conditions stated in the Executive order, the President would then, in the face of such intransigence, release the $70 million in military aid.

Mr. Chairman, it is my fervent and sincere hope that the President will never have to resort to this action. But, if the Nicaraguan Government is unwilling to sit down and negotiate with its own people, then Nicaragua, not the United States, should be held up to the international community as the obstacle to peace and reconciliation.

The status of our future relations with Latin America will in large part be determined by the decision Congress makes on this aid package. Let us today show Central Americans and the world that our commitment to pluralist democracy and economic development is genuine by working to implement a cease fire in Nicaragua as called for in the compromise and begin negotiations toward an eventual political settlement.

Mr. FOLEY. Mr. Chairman, I yield 1 minute to the gentleman from Indiana [Mr. JACOBS].

Mr. JACOBS. Mr. Chairman, I speak to all of the American people and, according to the polls, I speak for 58 percent of the American people. You need not wait until tomorrow to read this debate. You can read it on every day of the CONGRESSIONAL RECORD during the Vietnam war, you can read the same debate in the Lebanon blunder.

The gentleman from Pennsylvania [Mr. COUGHLIN] has quoted President Reagan as saying, "Absolutely, no Americans will be sent, no American flyers" et cetera.

Let me read you a quotation from President Reagan on October 25, 1962, just in case you are interested to know what the President will do when this so-called Contra force fails, as everybody in this Chamber knows it must fail on its own with or without our financial aid—this is what President Reagan said in 1962:

> Can any of us deny when we abandoned the 1,500 Cuban fighters in the Bay of Pigs that we turned our back on their suffering and the fact that they were dying in prison because we were willing to sacrifice honor in order to avoid unpleasantness?

"Unpleasantness," what a euphemism for the kind of slaughter our young men suffered in Lebanon. Lebanon was to save this country in its vital hour of need. So it was argued in the case of Vietnam, in World War I, to "make the world safe for democracy."

Mr. Chairman, and the 58 percent of the American people who have learned the lesson of history, if this country ever gets involved in a war again, let it be because we have to, not just because we have a chance to.

I yield back the balance of my time.

Mr. BROOMFIELD. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Michigan [Mr. HENRY].

Mr. HENRY. Mr. Chairman, as we engage in the final moments of debate over the President's request for military aid to the Contra resistence in Nicaragua, let each of us refrain from such exaggeration and rhetorical excess that we would seek to mislead those yet uncommitted on the issue, and inadvertantly fall into the trap of engaging in the same polarized extremism which has all too often characterized the politics of our Latin American friends who themselves now search for the political center.

To those uncommitted on the issue, let me note first of all that the divisions between both sides of this issue are not as great as our own rhetoric would have us believe. If we compare the President's statement of Sunday last with the response on behalf of the Democratic Party offered by Senator SASSER, we note that both acknowledge the present regime in Nicaragua to be Marxist in character, that both acknowledge the export of revolution and terrorism from that country, and that both acknowledge the appropriateness of discussing aid to the Nicaraguan resistence. What does distinguish the two positions is the issue of waiting up to 6 months before releasing such assistance, in order to allow yet one more opportunity for a negotiated settlement both within Nicaragua and between Nicaragua and its neighbors. And now even this difference has apparently been resolved.

Mr. Chairman, during the recent task force visit to Central America, of which I was a part, the nine Members of Congress met with Nicaraguan Vice President Sergio Ramirez Mercado. I asked him during that meeting why Nicaragua was the only Central American government unwilling to sign the Contadora treaty proposal. His direct response was, and I quote verbatim, "We won't get anywhere if we debate this issue. I prefer simple answers to simple questions."

Why, then, should we release these funds as immediately as possible? First, to add military pressure to the efforts to secure a negotiated settlement in the face of such intransigence. Second, to add risk viability to those who courageously resist this regime, be it militarily or from within the civil resistance.

But there is yet an even more important consequence and significance to our vote on this matter today. In Central America, we have the tale of two cities, two nations, which have experienced two very different types of revolutions. And the differing character of each of these revolutions has profound impact on the current struggle between those committed to and those opposed to the dream of freedom for the Latin American peoples.

These two revolutions are as strikingly different as the English Revolution of the 17th century, and the French Revolution of the 18th century. In the one—as in El Salvador—the necessity of mediating social change through democratic political institutions is recognized as central to the ultimate character of its final result. In the other—as in Nicaragua—the end is elevated above the means. And the "liberators" have subsequently become the new "oppressors."

Mr. Chairman, our constituents are not particularly sensitive to the critical nature of this distinction. Nor for that matter have we been as sensitive as we ought in acknowledging its importance. But our Latin American friends have been—and they look to us for a sign as to where we stand on the issue. The Nicaraguan resistance looks to us in desperate hope of reclaiming a revolution betrayed. And its neighbors wonder whether it is worth the while to stand firm against those who, while using the language of democracy, use tyrannical means to reach their ends.

The assistance to the resistance within Nicaragua is not only a matter of supporting the forces for democratic change within that country, but a signal of profound diplomatic significance sent throughout the region. And it has direct implications for the democratic revolution in El Salvador which needs an opportunity to consolidate its gains against subversion from abroad.

Finally, Mr. Chairman, it is we, the American people, who are being tested. Can we continue to be passive in the face of Communist subversion in the region? Can we permit our own ignorance of world affairs, or our preoccupation with profoundly important domestic concerns, to allow the Soviet bloc to operate with relative impunity and without cost in destablizing the

fledging steps of infant democracies in the region?

As we close our debate, Mr. Chairman, regardless of the outcome of this vote, let us speak honorably and respectfully of those with whom we disagree on the choice before us. And as such, let us seek to move forward together in the continued quest to honor the ideals of freedom both in our own land and abroad.

□ 1240

Mr. FOLEY. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. MAVROULES].

Mr. MAVROULES. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, profound changes have come about in Latin America during the last decade. These changes have come through peaceful means. They have been brought about by ballots not by bullets.

This map, distributed by our State Department, vividly portrays the massive movement throughout this hemisphere toward democratic societies.

Ten years ago, most of the southern tilt of our hemisphere was dominated by military dictatorship of the right or the left. They are portrayed in brown.

Today, by the patient application of peaceful dialog and constitutional process, 90 percent of the inhabitants of Latin America live under constitutional systems.

Not one of these changes was brought about by U.S military intervention—nor by our financing violent overthrow of existing governments. Our Latin American friends tell us that would have been counterproductive. The people who live in these democracies insist that we can help the cause of democracy not by financing invasion and violent efforts to stain their lands red with blood, but rather by the process of negotiation and reason.

We must understand, just as in Lebanon, our well-intentioned but clumsy efforts to direct events by force of arms bred only resentment and hatred of the United States by these people. If we wanted to influence these people in the right direction we would heed the leaders who understand the mores, the sensitivities, the conditions and the great underlying strengths of their own society. We would not do it by presuming the right to dictate from Washington whom they chose to run their own country. Surely we have the right to insist that each such country would leave its neighbor in peace.

Our friends in Latin America insist that this goal can best be achieved by the Contadora process for the things that Latin Americans themselves are anxious to do to promote peace and democracy in the hemisphere and to influence Nicaragua within. As President Duarte and the democratic forces are demonstrating in El Salvador, the future lies not in military conquest but in orderly democratic procedure.

Mr. BROOMFIELD. Mr. Chairman, I yield such time as he may consume to the gentleman from Arizona [Mr. STUMP].

Mr. STUMP. Mr. Chairman, I rise in strong support of House Joint Resolution 540.

Mr. Chairman, I rise in support of the Michel-Murtha resolution to approve the President's request for aid to the Nicaraguan Democratic Resistance. The time has come for all Members of the House to stand and be counted in support of those fighting for freedom and democracy in Nicaragua. The United States must respond effectively to the Communist challenge in Nicaragua.

We can spend the money the President has requested now to help the members of the Nicaraguan Resistance fight for their freedom, or we can abandon them and thereby abandon the only hope for a free Nicaragua. Money spent today will obviate the need to spend much greater sums in future decades to arm our southern border and liberate a Communist Central America.

I urge my colleagues to vote in favor of House Joint Resolution 540 to protect the security interests of the United States and its allies and to help in the fight for a free Nicaragua.

Mr. BROOMFIELD. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. KEMP], who is a member of the Kissinger Commission.

Mr. KEMP. Mr. Chairman, I thank my friend from Michigan for yielding me this time.

Mr. Chairman, Congress has been debating what to do about Nicaragua each year since 1982. And each year, Communist oppression within Nicaragua has grown, and Soviet-Cuban arms shipments have risen, and the Sandinista government in Managua has reaffirmed several times its solidarity with Havana and Moscow.

Last year we voted to provide $27 million, in humanitarian aid only, to the democratic resistance. At the time, I believed we should have done more, that we should have provided military assistance as well. But the majority supported the limited measure as a last ditch effort at stimulating negotiations, to avoid the need to resume military support.

What has happened since?

In October, all civil liberties were suspended in Nicaragua.

President Duarte's daughter was kidnaped by terrorist guerrillas, and her release had to be negotiated through representatives in Managua. The implied threat behind that act cannot have escaped the attention of the democratic leaders of Central America.

And the resistance forces, in large part, have been forced to retreat into Honduras and Costa Rica, chased by Soviet helicopter gunships.

And so today, President Reagan has come to the Congress with an urgent plea for military assistance for the freedom fighters. Yet many of our colleagues have urged a vote against this request, arguing that our policy should rest entirely on negotiations.

It is easy to stand here and say, "We should talk." Congress excels at talking. But the fact is that we have already tried negotiations. We have talked bilaterally and multilaterally, directly and indirectly, until we are blue in the face. During the Carter administration, we even provided generous economic assistance to the Sandinistas, in the hope that they would fulfill their promises of free elections. All to no avail.

It is clear by now to any person of good faith that the Sandinistas see negotiation as a way to buy more time, further entrench their totalitarian government, and starve out the democratic freedom fighters.

As Jeane Kirkpatrick has written, while they talk, the Sandinistas move "to further consolidate their power over the economy, church, schools, press, military—and all other aspects of Nicaraguan society."

While we negotiate, thousands of Miskito Indians have taken refuge in Honduras, fleeing from aerial bombings and Sandinista gunfire. While we negotiate, the leaders of the Catholic Church in Nicaragua are threatened with state censorship. The tiny Jewish minority in Nicaragua is facing religious persecution. And political prisoners are jailed for daring to speak out about Sandinista repression.

In its military and political campaign against the democratic opposition, the Communist government seeks to destroy the Contras and to intimidate the population into submission. Their task becomes much easier if the Contras are given no means with which to fight and the people see nothing but talk out of the United States.

The Contras cannot sustain themselves with our words. They cannot continue without our help. And if they go, Nicaragua loses any hope for a democratic future.

And I wish the opponents of this bill would tell us what to do when the Marxist-Leninist Sandinistas turn their large military forces against neighboring countries to pursue what they call "the revolution without borders"? I served on the Bipartisan Commission on Central America, and I would like to quote its report:

The Commission encountered no leader in Central America, including democratic and unarmed Costa Rica, who did not express deep foreboding about the impact of a militarized, totalitarian Nicaragua on the peace

and security of the region. Several expressed the view that, should the Sandinista regime now be consolidated as a totalitarian state, their own freedom, and even their independence, would be jeopardized.

And as we debate whether to support freedom fighters in Nicaragua, Daniel Ortega has just returned from Havana, where he helped draft resolutions that called for armed struggle against the United States.

It is all well and good to talk about compromising and more trial periods and more delays. But there is more at issue here than the capacity of diplomats and Government agents to manufacture talking points and working drafts. We must never lose sight of the fact that there are lives—and freedom—in the balance.

There comes a time when the people of Nicaragua can sustain themselves no longer. If the Contras do not receive our aid, what would aid opponents have them do? Are they supposed to return to Nicaragua, to face certain imprisonment and death? Are they supposed to live in exile, either in the region or in the United States? What of their families living in refugee camps or hiding in the hills? What shall we say to these people who have turned to us for help?

If aid is denied today, and Congress later decides we made a mistake, what then? We can't just wave a magic wand and wish the lives unshattered—bodies untortured—units reconstituted. These are not chessboard pieces. They are real men and women with families and hopes and dreams. They can't simply be put on hold. They must know what we will do. Will we support them, or not?

Is the United States committed to extending freedom? Or do we believe that is no longer our concern?

By our actions in Nicaragua, people everywhere in the world will know our answer.

I have heard some colleagues argue that $100 million is too little to dislodge the Sandinista government. And so they oppose this aid request—as they have opposed aid requests in the past. Do they mean that they would support a larger request? Of course not. But their argument is simply a self-fulfilling prophecy. The resistance cannot succeed if it cannot fight. And the hope of victory is necessary to win active popular support.

Charles Krauthammer has correctly pointed out what he calls "an unexceptionable and rather undeniable fact: If the Contras wither, as the House Democrats devoutly wish, there will be an irreversible consolidation of Sandinista power in Nicaragua." He likened a vote against Contra aid to a vote for the fatuous "neutrality acts" of the 1930's.

We were elected to take these votes. We were elected to take this stand. We were told by the American people to support democracy with freedom and justice. We cannot escape this vote. And our vote will be recorded in history as to which side we are on.

The time for equivocation has passed. The time has come to act. The time has come to provide the Nicaraguan freedom fighters with the arms and training they need to win. The time has come to give freedom a chance.

Mr. FOLEY. Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Chairman, here we go again. If there is a problem, throw some money at it.

I have not heard one committee chairman really come forward and give us a documented litany of facts surrounding this matter. We are here again under an air of emotionalism, and a lot of people are waving the flag, but whomever I have talked to in the last several months when asked this question, What happens if our $100 million bluff should fail? Everyone of them says we are up a creek without a paddle.

Ladies and gentleman, we need to formulate policy, and $100 million is a Band-Aid. It is not going to treat the cancer in Central America. And we have been herded in here again on emotionalism, and we have yet to get any facts from this President.

Mr. Chairman, I think that our committees, after we defeat this measure, should demand those facts, if we have to close this House down, shut off C-SPAN and give us a litany of facts showing what really is the case in Central America.

Mr. FOLEY. Mr. Chairman, I yield 3 minutes to the gentleman from Kansas [Mr. SLATTERY].

□ 1250

Mr. SLATTERY. Mr. Chairman, in the spring of 1966 I graduated from high school, in Atchison, KS.

The war in Vietnam was heating up, and I was thinking about joining the Marines.

My dad was a Kansas farmer, and I still remember him saying: "This war just doesn't make sense."

Today, Mr. Chairman, we are debating another war, in another place, at another time.

Once again, we are approaching a fateful decision that will escalate this war, and escalate our commitment to it.

But we are asked to act without a consensus in Congress, and without much hope of military success.

We are asked to act without the support of the church, and without the support of our people.

And we are asked to act without the support of our democratic allies in Latin America.

It just doesn't make sense.

Mr. Chairman, we must have a bipartisan policy, and we do not have one today.

The lesson of history is clear: As a nation, united we are strong, divided we are weak.

And today, we are divided.

On February 3, I joined with 30 other Members, in a letter to President Reagan.

We urged him to postpone his Contra request.

We urged him to work with the Latin democracies, to search for peace, and to work with Congress, to search for consensus.

Our advice was ignored.

And then, only days later, eight Latin Foreign Ministers came to Washington.

They represented Colombia, Panama, Mexico, Venezuela, Argentina, Brazil, Peru, and Uruguay.

They urged the administration—unanimously—to withold the Contra request, and to support the Contadora process. They, too, were ignored.

Mr. Chairman, we can develop a bipartisan policy, and we can agree on goals to contain communism: No foreign military bases in Nicaragua. No foreign military advisers. No interference with the other nations of the region. And human rights for the people of Nicaragua. But Mr. Chairman, despite the gloom and doom rhetoric of this debate, one point is clear: Throughout Latin America, democracy is winning, totalitarianism is losing. Throughout the himisphere, the trend to democracy is clear. The democracies are not surrounded by Communists. The Communists are surrounded by democracies. Will we work with, or against, these democracties. That is the question.

And our answer must be a renewed commitment to these democracies.

We must work with them—diplomatically, politically, and we must help them economically.

We should respect them, and join them, in a common effort based on common principles. Mr. Chairman, in closing, I hope we all understand that the proposal before the House today: Does not have the support of the American people. Does not have the support of our allies in Latin America, or Europe. And does not have the support of the church. To pursue such a policy, in our democracy, just doesn't make sense. That's why we should vote down this request, and develop a policy, working together, that does.

Mr. BROOMFIELD, Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. Mr. Chairman, I'd like to confine my remarks to the risk to peace of aiding or not aiding the Contras. The risks are borne by:

The Nicaraguans themselves;

The people of the region; and

The people of the United States.

I ask you to consider whether it is safer or more dangerous for the people of Nicaragua to experience the increasing brunt of Soviet-style communism's hopelessness, pain, and failure or an internal struggle to divert the country from Sovietization. What are the tradeoffs between living under the mailed fist and fighting for liberation? Does slavery under communism without struggle equate to peace?

One need only ask the American people what they would do in a similar circumstance if faced with similar choices. Would my Democratic colleagues voting against Contra aid put up with what the Nicaraguans are expected to bear under Soviet communism?

I ask you to consider whether it is safer or more dangerous for the people of the region—and indeed, all of Latin America—to have a conflict inside Nicaragua which slows or stops the establishment of a Soviet-Cuban military base or to allow unfettered the completion of such a base which, by its very size and capability and historic parallel, projects power and violence outward (as in the support of Communist rebels in El Salvador or, with the M-19 terrorists, in Colombia, or in the training and arming of Communist revolutionaries) for export.

Maybe we should ask the East Europeans whether proximity to Soviet military bases has had an impact on their national and personal lives.

Finally, is the United States safe or endangered by a new Soviet-Cuban base on the Central American land bridge so close to our borders; so capable of subversion, among our nearest southern neighbors; so involved with the international terrorist movement; so certain to create the vast refugee stream northward; so ready to project Soviet air and naval power in the Caribbean and up along our west coast.

For the answer there, we need only look at the island of Cuba serving as the U.S.S.R.'s operations base in this hemisphere, and its support for subversion, and Soviet overflights or our east coast; its supply of proxy troops and military advisers for hemispheric and worldwide ventures of violence.

And that, Mr. Chairman, is the key to this vote—the safety of the people of the United States and the people of this hemisphere. Considering the facts, considering the history, it is far safer for us to provide assistance to the Contras than to withold it.

Mr. BROOMFIELD. Mr. Chairman, I yield 3 minutes to the gentleman from Alabama [Mr. SHELBY].

Mr. SHELBY. Mr. Chairman, today, the House is addressing what may be one of the most important foreign policy decisions for the remainder of the century—United States support of the freedom fighters of Nicaragua.

We do not know what will happen if we do or do not approve the President's request for aid to the Contras, but we can certainly make an educated guess based on past Soviet behavior.

The Soviet Union's recent performances in Afghanistan and Poland portray the true role of the Soviet Union—a role of aggresssion and totalitarianism.

The stage is now set for another new performance much closer to home—the establishment of a second Cuba on the mainland of Central America.

Before us is basically a question of national security, or more precisely, a threat to our national security.

Cuba has been used as an island base to spead communism and terrorism. Can we imagine the horrible possibilites of a land base in Central America?

There is no doubt of the intentions of the Soviet Union, Cuba, and Nicaragua—a triumvirate of revolution.

The Soviet Union and Soviet-bloc countries have orchestrated a massive flow of arms and material—over $1 billion—to Nicaragua. A deep water port capable of basing Soviet submarines is being constructed on Nicaragua's Caribbean coast. The largest military air field in Central America is being built outside Managua.

These are not Soviet public works projects. These are the trappings of a military operation strategically located so as to launch a revolution to the north and to the south, to El Salvador, Guatamala, and Colombia, and even Mexico. From this base will come the direct export of terrorism to the United States.

The establishment of a Soviet-backed military presence in this crucial part of the Western Hemisphere poses an intolerable threat to the Caribbean sea lanes through which half of America's foreign trade, including oil, passes. Vital supplies for our NATO allies are also shipped through these narrow passages.

If a Soviet-styled totalitarian state is established, millions of families will be forced to flee to the United States in search of freedom.

Many would tell us that negotiations are the key. I have no doubt that everyone in this body would want to see a peaceful solution and the return of democracy. Does anyone believe that the Soviet-backed Sandinistas will negotiate with a group of abandoned Contras? Did the Soviets negotiate in Afghanistan? No, Did the Soviets negotiate in Poland? No. Will they relinquish power to the democratic forces? No.

Without our support, the Contras will become demoralized, eventually disband, and the hope of democracy will be forever dashed. Who can rise up to fight for democracy? Who will take the risks, knowing that the United States will not support the effort?

If we abandon the Contras, we will extinguish the hope of democracy in Nicaragua and ignite the fear of a future of terrorism and repression in those living in the neighboring countries of Central America.

If we step aside now for the Sandinistas and their Soviet and Cuban mentors, our next debate will be on aid to freedom fighters in Costa Rica.

I urge you to stop now this Soviet threat at our doorstep and support the President's aid package to those fighting for the freedom and rights that we enjoy.

Mr. FOLEY. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. EDWARDS].

Mr. EDWARDS of California. Mr. Chairman, I strongly urge a no vote on this resolution. The Congress should not give 1 cent to this band of terrorists. And the American public should vociferously object to the way in which the President and his aides have conducted the debate on this crucial issue. They should be angered by the cowboy mentality which has once again been revealed at the White House.

For the President, the Contras are the guys in the white hats. The bad guys, wearing the black hats of course, are the Sandinistas, Members of Congress who oppose the aid request, and any American who suggests that waging war in Central America is not necessarily a good idea. To President Reagan and those who speak for him, the issue is simple—if you don't support the President, you must be one of the bad guys. White House Communications Director Patrick Buchanan summed up the administration's viewpoint with his now infamous comment, "With the vote on Contra aid the Democratic Party will reveal whether it stands with Ronald Reagan and the resistance—or Daniel Ortega and the Communists."

What the administration fails to understand is that opponents of Contra aid are acting on the basis of their well informed understanding of what is in the best interests of the United States. Fortunately, to most Americans, the issue isn't reduced to the "let's get 'em boys" mentality.

Americans do not have to choose between Nicaraguan President Daniel Oretega and President Reagan. The decision is not that simple. Instead, we have to do our best to sort the reality from the rhetoric. Why is it, for example, that the United States recognizes the Sandinista government and maintains an Embassy in Managua, while during the last 5 years U.S. taxpayers have paid over $100 million in efforts to overthrow the same government?

Let's take a look at the reality. While the Reagan administration claims that the Contras number about 20,000, news reports put the number at somewhere between 6,000 and 16,000. Despite the administration's generous estimate, the Contras for years have been fighting a losing battle without control of a single village, without popular support and without progress. The reality is that the Contras cannot win without the support of the people, and the support of the people is not for sale.

If we give the Contras another $100 million, which incidently would double the investment we've made over the past 5 years, where will the money end up? Let's not forget that there

are already millions of dollars for which we have no account; $7.1 million, in fact, has been lost without documentation, record, or account. Taxpayers should demand to know what this money has purchased.

Although Congress specifically demanded strict auditing procedures to ensure delivery of the aid, the General Accounting Office recently concluded that of the $27 million appropriated for the Contras last year, $7.1 million was deposited in a Miami bank account held by one of several brokers for Central American suppliers. Other than this report, virtually no record has been kept as required by law. With all the talk of across-the-board budget cuts and the dire need for deficit reduction, the administration's request for more money, when it lacks the methods or the will to monitor what becomes of these funds, just doesn't make sense.

As we consider the Contra aid issue, we are forced to consider some very difficult questions. We must take a hard look at history, and we must take a hard look at the present.

For some of us it's hard to look back at the Vietnam experience. We can't, however, forget the lessons we learned. We learned that no amount of money or weapons could win the support of the Vietnamese people. Equally important, we learned that to succeed, American foreign policy must have the backing of the American public. To some, the Vietnam war is an old argument against the administration's requests for military aid for the Nicaraguan rebels. These arguments may be old, but they have lost none of their validity.

In the 5 years of United States financing, training, and attempting to legitimize the Nicaraguan guerrillas, the end result has simply been the promulgation of suffering by the Nicaraguan people. And with the path our administration has chosen, we are well on the way to direct U.S. intervention. When this happens, the suffering will be brought home through the experiences of young American soldiers who will pay the price of an irresponsible foreign policy. Above and beyond the effects of our 5 year, multi-million dollar investment in the Contras, this is the more penetrating long term effect which we have not considered.

Where do we go from here? Should we support the President's freedom fighters? The answer is "No." Instead, we should join Mexico, Peru, Argentina, Brazil, Colombia, Venezuela, Panama, and Uruguay in strongly urging the President not to provide aid to the Contras. If the administration supports the cause of democracy in Latin America, how does it explain the failure of the United States to support the Contadora peace effort? While doing everything in its power to undermine the work of the democracies of the Contadora group, and the Contadora support group, the United States has consistently opposed renewal of direct negotiations with Nicaragua.

Though the Reagan administration has attempted to legitimize the Contras through money and rhetoric, they are not legitimate, they are not our allies, and they are not our friends.

President Reagan has dispatched Ambassador Habib to Central America, but it's clear that the President is not committed to negotiations, diplomacy or to cooperating with our Latin American allies. This is evident by the cursory treatment the foreign ministers of the Contadora group received this February, when they met with Secretary Shultz in Washington.

Yet, the best solution is the Contadora process which calls for the expulsion of all foreign troops in Central America. Until this is recognized by the President, the United States will continue to move closer to a disaster.

The vast majority of Americans believe that waging war is wrong, and that the alternative to war is diplomacy, negotiations, and the Contadora process. Since President Reagan will settle for nothing less than a wholesale "restructuring" of the Sandinista government, it is hardly surprising that the administration's "diplomatic" initiatives have led nowhere.

Rightly so, the American people are alarmed by the threat of United States troops in Nicaragua. And rightly so, the American people deserve an honest debate on the real issues surrounding this question, free of aspersions on patriotism.

Mr. FOLEY. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. LAFALCE].

Mr. LAFALCE. Mr. Chairman, I rise in opposition to the resolution.

Mr. Chairman, most Americans, and a large majority of the constituents I have heard from, oppose the President's request for $100 million to aid the Contra rebels in Nicaragua. Our national security is so vital, though, and our interests in Central America so compelling, that if the President were right I would stand by his policy and vote for the aid.

But the President is wrong. His Nicaraguan policy seems to be based on a simplistic one-dimensional analysis that sees only left and right and ignores the actual circumstances in Nicaragua and Central America. His policy is hurting the people, especially the true democrats, of Nicaragua, our allies in Central America, and the hemispheric interests of the United States, and it will make more mischief the longer our Government pursues it.

Let us be clear from the outset; the issue under debate is not the Sandinistas. I do not favor or like the Sandinistas or Mr. Ortega. However, the issue under debate is whether funding the Contras is the best policy to achieve our national interests in Central America.

It is not; in fact, it is counterproductive. It involves four major consequences that undermine American interests: self-delusion about the Contras; escalation of the military conflict, both within Nicaragua and throughout Central America; isolation from our democratic allies in the region and throughout the world; and polarization of Nicaraguan society between two repressive forces, at the expense of the democratic center.

After discussing these problems of self-delusion, escalation, isolation, and polarization, I will outline the elements of a constructive and potentially more effective policy to achieve our goals of democracy in Nicaragua and security for its neighbors. Finally, I will comment on the difference in perspective between myself and the President.

SELF-DELUSION

The Contras, after 5 years and 100 million American dollars, have never held control of a single village in Nicaragua. They have completely failed to build either political or logistical support in their country. Almost all of them have now fled Nicaragua, and most are camped in Honduras.

The Contras have been hurt by Nicaragua's increasingly strong counter-insurgency capability, but no amount of American assistance is likely to even the odds because their dismal record of failure is primarily due to internal faults. Many of the Contra troops are simply dodging the Nicaraguan draft. Many others were recruited at gunpoint. Their desertion rate is high, and despite ideological coaching their motives remain selfserving and incapable of sustaining the will required to take the offensive.

Former officers of Anastasio Somoza's hated national guard created and still control the Contras, severely constricting their appeal in a country that has no desire to escape Sandinista tyranny by restoring Somocista tyranny. To improve the Contras' image, at least in the United States, the Reagan administration recruited three Nicaraguans who support democracy—Adolfo Calero, Arturo Cruz, and Alfonso Robelo—to form the UNO, which supposedly oversees the Contras supported by the United States, known as the FDN. I wish the Contra leaders were all as democratic as Calero, Cruz, and Robelo, but they are not, and real power belongs to the military comandantes in the FDN, led by former national guard leader Enrique Bermudez. Another democrat in the UNO, Edgar Chamorro, broke with the organization because he refused to serve as a figurehead propped in front of reactionary Somocistas.

The Contras' record of violence against civilians has contributed further to their unpopularity. The Sandinistas have also abused human rights, but impartial observers agree that even their record is less dirty than the Contras' record.

Delusions are reinforced by calling the Contras the democratic resistance, freedom fighters, or by comparing them to the Founding Fathers of the United States. The triumvirate that signs their press releases comprises three democrats, but power belongs to right-wing comandantes who kept Somoza in office through violence and repression and are now trying to shoot their way back into government. Even UNO member Arturo Cruz passed up the opportunity to run for office in Nicaragua's elections of November 1984, despite the fact that he could have received very strong support and reinforced the other non-Sandinistas who now control one-third of Nicaragua's National Assembly. When I visited El Salvador a month after the Nicaraguan elections, President Duarte told me he thought Cruz had seriously erred in his failure to participate in the elections and enlarge the democratic opening.

We must stop deluding ourselves and face squarely the fact that the Contra's goal is to win power by military means. The Contra comandantes have repeatedly and consistently stated that they intend to overthrow the Government of Nicaragua. This is important because all unbiased experts, including our own intelligence agencies, agree that the Contras cannot do this without the direct help of American combat forces.

ESCALATION

We must not underestimate the dangers of military escalation, which is taking two forms. One is the increasing destructive power, and cost, of the arms in use. The other is the geographic broadening of the war.

Nicaragua has already imported Mi–24 Hind helicopter gunships from the Soviet Union. These gunships have allowed Nicaragua to pursue similar counterinsurgency tactics to those adopted so successfully by our allies in El Salvador. Now the Contras want advanced surface-to-air missiles to fight the Hinds. We should consider how unlikely it is that those missiles would win victory for the Contras, and how likely it is that, instead, they will provoke the importation of more, and more advanced, East-bloc aircraft into Nicaragua. And if the Nicaraguans import, say, Mig jets, would the United States feel compelled to call an air strike by our brand new B–1 bombers? It is not mere happenstance that the first B–1's delivered were based, not in the Dakotas to threaten the Soviets, but at Dyess Air Force Base, TX, just 2 hours away from Managua.

A more dangerous possibility is that continued buildup of the Honduran-based Contras will provoke a Nicaragua invasion across the border, requiring direct American intervention and igniting the Central American powder keg in a regional war. During "exercises" in recent years, the administration has spent millions of dollars, often without congressional knowledge or approval, to develop a military infrastructure in Honduras of air fields, base camps, hospitals, docks, armories, radar installations, and communications networks. They are harmless in themselves, but they indicate a readiness to commit American ground troops as the Contra war escalates.

As evidence that the Contras are raising international tensions, I cite the item in this morning's newspaper, from the Associated Press, stating that Honduras has just sent 5,000 troops to reinforce the border in response to a reported mass deployment of Nicaraguan troops near the frontier. Nicaraguan troops had been reported to be heading north on Tuesday, following a series of Contra attacks.

ISOLATION

If the United States is not worried about this escalation, our democratic allies in Central America certainly are. They do not want a costly and dangerous arms race in Central America. Furthermore, they do not believe that support for the Contras will bring democracy to Nicaragua. That is why they continue to participate in the regional Contadora negotiations, and why they refuse to support the American policy of aiding the Contras.

The administration hints that our allies are too scared of Nicaraguan power to openly support us, so they have to communicate their support for us through private winks and nudges. This is hard to believe. Any winks or nudges are more likely meant to keep American aid flowing from an intransigent and pushy American Government. What they say publicly about desiring peace in the region is what they mean.

This is clearly the case with Costa Rica, which has entered into direct negotiations with Nicaragua in spite of objections from the United States. The two countries are establishing a border commission that will, in effect, protect Nicaragua from the Costa Rican-based Contras.

Even Honduras, which has cooperated with the United States more closely than any other country in the region, has lately tried to distance itself from the Contras. It has apparently recognized that the Contras are doomed to failure and is understandably worried over the prospect of several thousand armed and undisciplined guerrillas in its territory. It has, therefore, stopped allowing aircraft carrying supplies for the Contras to land in Honduras, causing severe logistical problems for the Contras and further impeding their effectiveness.

Obviously, these countries no longer believe their security is protected by the escalating militarism of the administration's policy. Indeed, our support for the Contras has placed us in direct opposition to all 13 Latin American countries participating in the Contadora process. Indeed, every democracy in the Americas, from Canada to Mexico to Venezuela to Brazil to Argentina, opposes our policy. Any Central American policy that can't find a word of allied support between Baffin Bay and Tierra del Fuego deserves serious reconsideration.

We should be especially circumspect in our policy considering the history of unpopular intervention by the United States in Latin America generally and Nicaragua in particular. All our efforts in recent decades to become good neighbors to the rest of the hemisphere are being undermined by the Reagan administration's actions, which lend new credibility to the old charges of gunboat diplomacy and Yankee imperialism. Our Nicaraguan policy may backfire as it shows the hemisphere, once again, the arrogant face of the ugly American.

Our support for the Contras has caused Nicaraguan nationalism to be directed against the United States, when it should properly be directed against the Sandinista Front. But, even more dangerous to our foreign policy in the long run, the military adventure against a government we recognize as legitimate has concerned nationalists everywhere. Our Contra policy has weakened our credibility and lowered esteem for us in the eyes of our allies, and lent credibility to the charges of our adversaries. Everywhere we discuss international relations with other democracies, whether in Japan or Europe or Latin America, the discussion is soured by our own allies' vocal objections to our support for the Contras. The damage we have already inflicted upon ourselves is likely to weaken our foreign policy for many years.

Far from standing tall in the world, we are standing alone. Our isolation prevents us from rallying diplomatic pressure against the Nicaraguan Government. In fact, we have provoked sympathy for Nicaragua from other countries. They not only refuse to join our economic embargo of Nicaragua, they are actually sending foreign aid there.

We have also prevented ourselves from making our case in the Organization of American States, which could otherwise press Nicaragua for adherence to its original commitments to free enterprise, political pluralism, and strategic nonalignment. We have failed to press our case in the United Nations, where our own policies have been attacked from all sides. No international organization will take our side against Nicaragua as long as we support the Contras.

POLARIZATION

Our policy has been extremely damaging to the prospects for progress toward true democracy in Nicaragua, because it has polarized Nicaraguan society and weakened the forces that could otherwise form a democratic center, a "third force," in their country. Nicaragua, unlike, say, Cuba, has a strong middle class and vital social institutions that can provide the basis for political pluralism. Private businesses, labor unions, churches, independent news media, and opposition political parties, are all deeply rooted in Nicaraguan society and all work naturally to press for democracy. They have been starved, though, by the President's trade embargo. They have been repressed under the state of emergency declared in response to the war by the Contras. They have been caught in the middle of the increasingly polarized political situation, accused by the Government of being traitors and by the Contras of being collaborators.

The longer we continue to support the Contras, the weaker the nonviolent opposition will become. The situation is especially critical now, because the Nicaraguan National Assembly is drafting a new national constitution that is supposed to be ready by the end of the year. This constitution could answer American concerns about Nicaraguan domestic policy, and the United States should be putting an international spotlight on the drafting process to ensure that the new constitution is democratic. Instead, the administration pins its hopes on the Contras who are futilely trying to overthrow the Government, and provokes a reduction of the political space in which nonviolent opposition forces could bring about a real democratic evolution in Nicaragua.

ALTERNATIVES

The cornerstone of a sustainable, effective policy toward Nicaragua should be support for the institutions within Nicaragua that can bring liberalization from within much more easily than we will ever be able to force it from without.

One example of such support would be to allow American trade, perhaps even subsidized by the United States, with the Nicaraguan private sector, but not with the Nicaraguan Government or its agencies until specific reforms were adopted. This would strengthen the private sector, which will eventually work for democracy. Since most of the Nicaraguan economy is controlled by the private sector, Nicaragua would be under strong pressure to accept our trade to revive its economy. And the policy's effectiveness would be bolstered by cooperation in it with our allies. Such cooperation will only be won, though, if the United States ends its aid to the Contras.

Other measures should be found to buttress independent labor unions, the print and broadcast media, opposition political parties, and the churches. I would not overlook the importance of this last group, considering the vital role played by the Catholic Church in bringing democracy to the Phillippines. Our hope for a moderate and open democracy in Nicaragua

lies with all the indigenous institutions, not with the Contras.

Armed resistance to the Nicaraguan Government may well continue after the United States ends its assistance. Eden Pastora's ARDE forces, and Brooklyn Rivera's Misurasata, have been fighting the Sandinistas without assistance from the United States, because they are supported by the Nicaraguan people. They have gained a kind of legitimacy from their popular support that American dollars cannot buy for the FDN, and in some ways they have been more successful. The Nicaraguan Government, for example, has negotiated with Misurasata but refused to negotiate with the United States-backed FDN. Even if the United States ends its support for the Contras, armed resistence will continue as long as the Nicaraguan Government continues its repression. But it will be a more legitimate, and therefore a more effective, armed resistance.

Furthermore, if the only armed resistance were indigenous and justified by internal repression, democracies throughout the region and throughout the world could be expected to lean on Nicaragua for reforms. We must take away from Nicaragua the sympathy it receives as the victim of a superpower's undeclared and uncompromising aggression.

An aggressive diplomatic front, though, should not be the only element in a new policy toward Nicaragua. We should offer whatever support would be effective and appropriate in bolstering the institutions of pluralism in Nicaragua. Business, labor, religion, the press, and political parties will all be more effective in building democracy from within Nicaragua than the United States will be by aiding the Contras from outside.

At some point, it might be appropriate to take the final step toward normalization of relations with Nicaragua by offering economic aid if certain conditions are met, including the adoption of a democratic constitution, the free and fair election of a new government, the restoration of civil rights, and the loosening of ties with Cuba and Soviet-bloc nations. Nicaragua's geography gives it strong incentives to want cordial relations with the United States, and we should show that we will not be the ones to prevent such relations from developing.

In the meantime, we must lay down conditions for direct military intervention against Nicaragua. For example, the establishment of Soviet military bases in Nicaragua, or aggression, either direct or indirect, against our Central American allies, are two threats to our security that would justify the use of force. We must be clear in drawing our lines, though, because there is a broad consensus among the American people that it is wrong to use military force arbitrarily, and our support for the Contras as pressure on Nicaragua has seemed arbitrary to many Americans.

To help defend the security of our allies in Central America, it may be necessary to increase our military assistance to them. One effective way to help them defend themselves would be to support border patrols that would prevent the secret support of rebels in other countries. Nicaragua and Costa Rica, as I have said, have already begun working for agreement on such a plan. Nicaraguan support of rebels in El Salvador was the administration's original justification for aid to the Contras. For less money than we might waste on an ineffective Contra policy, we could help build very effective border security for our allies.

CONCLUSION

Mr. Chairman, the controversy over aid to the Contras is not new to this Chamber. We have been over the arguments before.

But the level of escalation this request represents, the strident rhetoric with which it has been promoted, and the deepening perplexity of the public as to how their Government can continue to pursue a policy so patently doomed to failure at best, and disaster at worst, compel me to speak of the issues beyond the policy. I am concerned about the programmatic, ideological style of President Reagan's foreign policy.

President Reagan began sending aid to the Contras during his first year in office. In all the time since then, he and the members of his administration have never described the goals of the policy, how it will achieve them, and what commitment will be required from the United States.

Instead, they have staged a huge and expensive public relations campaign to paint an unrealistic picture of the Cental American situation. They have supported their judgments with hearsay and innuendo, ignoring the truth when formulating their policy, and distorting the truth when promoting it. They have shamelessly pandered our national history and ideals—the Founding Fathers, democracy, and freedom—to gangs of young men led by fugitive war criminals. They have violated international treaties that carry the force of law under our Constitution. They have propagated hysterical fear of Nicaragua, while shirking their responsibility to develop an effective policy to protect American interests from realistc concerns about the Sandinista government.

Our most stunning international achievement in recent years has been the promotion of democracy in Latin America, but that has come largely because of congressional insistence on observance of human rights, always over the administration's objections. The administration seems to lack appreciation of the natural tendency toward democracy wherever human rights are taken seriously.

Nicaragua only pays lipservice to human rights, but the Contras are no better, and even lipservice raises demands and expectations. Patience and prudence are needed to nurture the social institutions of pluralism in Nicaragua, and to build popular demands for political liberalization. Funding the Contras will only stifle the institutions, defer the demands, and create a bigger, dirtier war in Central America.

We can accomplish our goals through coordination with our allies, aggressive diplomacy to apply international pressure, strong support for pluralism and the nonviolent opposition, and clear demands, backed by armed force, for American security. The precondition for these constructive policies to work is to reject, once and for all, the failed, flawed folly of the Contras.

Mr. FOLEY. Mr. Chairman, I yield such time as he may consume to the gentleman from North Carolina [Mr. NEAL].

Mr. NEAL. Mr. Chairman, I am very much opposed to this resolution and urge its defeat.

It needs to be said first of all, Mr. Chairman, that we must not tolerate Soviet, Cuban, or any other foreign country to become established or dominate in this hemisphere. The Monroe Doctrine has not been repealed and it must be enforced. These facts should be made clear to the Soviets, the Cubans, and the Nicaraguans in the strongest terms possible.

Mr. Chairman, the United States has a legitimate stake in preventing Nicaragua from threatening its neighbors, as well as preserving the liberty of its citizens. And this, too, should be made abundantly clear to the Sandinistas.

The administration maintains that it cannot negotiate with the Sandinista government in Nicaragua. The only way to impress the Nicaraguans, according to the administration, is try to overthrow them using the Contras. We have, in effect, declared war by proxy on the Sandinista government. The CIA set up the Contras with the help of Argentina 5 years ago. And nearly $100 million has been spent directly on Contras support since then. Another $150 million may have been spent in indirect assistance.

Has this policy worked, Mr. Chairman? Clearly not.

The Sandinistas have greatly strengthened their military forces and are more dependent than ever on the Soviets and the Cubans. Moreover, the Sandinistas have used U.S. support for the Contras and our military exercises in Honduras as an excuse to increase internal repression: Suppressing the press, persecuting political opponents and antagonizing religious organizations.

Will sending another $100 million in tax dollars be enough to topple the Sandinista government, Mr. Chairman? Absolutely not. The President and his advisers of course know this. Their strategy is to use this aid to gain a foot in the door. They reason that once our commitment to the Contras reaches this level, we will not be able to stop. Mr. Chairman, If we approve this request, the administration will be back again and again for hundreds of millions, if not billions, more. They will argue that we must not abandon our valiant allies, these freedom fighters, whom they irreverently compare to our own Founding Fathers. If we continue down this path, Mr. Chairman, I am convinced that it will end tragically in loss of American lives in the jungles of Central America, without accomplishing our goals.

Is there another way? I think there is, Mr. Chairman. This approach is supported by Nicaragua's neighbors and our Latin friends. It requires that the administration negotiate directly with the Nicaraguan Government. The administration must clearly define for the Nicaraguans our dedication to keeping Central America free from Soviet, Cuban or other Communist domination, and our stake in preventing Nicaragua from threatening its neighbors. Most importantly, the Sandinistas, the Soviets, and the Cubans must understand that we are prepared to take whatever action is needed, including military intervention, to protect the interests of freedom in the region.

In this carrot and stick approach, Mr. Chairman, the threat of our military strength, especially our forces in Honduras, is the stick. The carrot is the promise of opening economic ties with Nicaragua; resuming trade between our countries, letting Nicaragua participate in the Caribbean Basin Initiative and so on. Our goal should be to end Soviet and Cuban involvement in Nicaragua and to get Nicaragua to join its Central American neighbors in a verifiable, nonagression compact, and move toward greater individual freedom for its citizens.

Will this work, Mr. Chairman? There can be no guarantee. But I believe the American people want the administration to negotiate first. We always have the military option available if we or any of Nicaragua's neighbors are threatened.

Again, Mr. Chairman, we must not tolerate the Soviets establishing a base or installing threatening weapons in Central America. But it is naive to believe that a relatively small, inexperienced guerrilla army with $100 million can prevent foreign domination of this region. We need a much more comprehensive approach along the lines I have outlined. I am optimistic that such a policy can be fully developed by April 15, 1986, when we will next deal with this issue.

It is time to end the rhetoric and red-baiting and bet on with a sensible foreign policy toward Nicaragua. I urge my colleagues to vote down this request for $100 million and let us move forward with a real bipartisan approach that has a real chance of success.

Mr. Chairman, I would like to make one other observation about this issue. I am certain that many Members sincerely believe we should continue to support the Contras, but I also sense that many, both within and outside of Congress, believe they have here a red-hot political opportunity, a chance for a massive smear campaign. My guess is that at this very moment NCPAC and other rightwing organizations are busy producing some of the nastiest smear campaigns we have ever seen. I can see the TV ads now; a jack-booted Communist hoard marching across Latin America, trampling the American flag, urged on by Fidel Castro and so on with the clear implication that anyone not now supporting a military solution in Nicaragua is a Communist sympathizer. I hope I'm wrong Mr. Chairman, but we have seen this kind of approach before and my prediction is that we will see it again. I expect soon.

I hope that our colleagues will not yield to this kind of intimidation and that the American public will recognize it for what it is. Preserving democracy at home means preserving the opportunity for open, honest intelligent discussion of issues leading to informed choices. It is not un-American to differ with each other on issues. It is un-American to try to intimidate through smear campaigns.

Mr. FOLEY. Mr. Chairman, I yield 1 minute to the gentleman from New Mexico [Mr. RICHARDSON].

Mr. RICHARDSON. Mr. Chairman, there are four things I wish to say on the eve of this vote. First, beware of letters and executive orders. If there is going to be a compromise, let it be in legislative language.

As a victim of a letter, one who believed in that letter, I speak from experience.

Second, we are spending too much time on this issue. There are other important national domestic priorities that we should be spending our time on.

I wish the President could consider some other problems domestically that we have in our country.

Third, it is clear that the ads—and I was victim of radio ads—have backfired. They produced a 4-to-1 vote against the President after provoking these ads that are shameful, that question patriotism. I hope that is a lesson to be learned.

Last, I think if this bill is defeated, the message to the President is not a rejection of his policies but a rejection of the methodology of achieving his policies. If we reject the President's package, we can truly come up with a bipartisan compromise in legislative language and supported multilaterally by other nations.

Mr. FOLEY. Mr. Chairman, I yield such time as he may consume to the gentleman from New Jersey [Mr. HUGHES].

Mr. HUGHES. Mr. Chairman, I rise in opposition to aid to the Contras.

Mr. FOLEY. Mr. Chairman, I yield 4 minutes to the gentleman from Oklahoma [Mr. MCCURDY].

Mr. MCCURDY. Mr. Chairman, regardless of the outcome of this vote, in my opinion, no one really wins. We still do not have a bipartisan foreign policy, we do not have a comprehensive regional plan for Central America, we still do not have a real commitment to economic social progress in the region.

I have been a supporter of President Reagan on much of his defense posture, and as one who believes that the President is our chief national spokesman on foreign affairs. I also believe that our country has vital interests at stake in Central America.

The Sandinistas are Marxists, and their government is undemocratic and repressive. To the extent that they export revolution and subversion, and provide bases for Soviet and Cuban military operations, they pose a security threat to their neighbors and to the United States.

But Nicaragua is only one part of the equation. The other four countries of Central America have democratic governments in place and they need our support for economic development. We have made a bipartisan commitment to provide that support through the Jackson plan, and we need to deliver on it.

There is also a regional peace process in place, supported by all the major democracies of Latin America. As an American Nation, we have an obligation to demonstrate our commitment to a political, rather than a military solution.

Three years ago, when the Intelligence Committee was debating the Boland amendment, I did not believe that our Government had a well-thought-out policy with respect to Nicaragua and the region. The President's message to Congress last month did not convince me that we now have such a policy.

Since that time, there has been some movement. A number of Members on both sides have worked long and hard to address our common concerns in a bipartisan way. I want to thank the gentleman from Missouri [Mr. SKELTON] and the other Members on our side who gave many months to this effort. And I particularly want to express my appreciation and high regard for the leadership, the courage and the personal integrity of the gentleman from Washington [Mr. CHANDLER].

I wish that the administration had been as eager to work with us over the past 24 weeks as they have been over the past 24 hours. And I wish that some Members of my own party would be as eloquent in telling us what they support as they have been in telling us what they oppose.

In any event, we are faced today with an up-or-down vote on the resolution, with the understanding that, if it is enacted, the President will undertake certain commitments by Executive order. The proposed order addresses some of my concerns. For various reasons, including constitutional limitations, it does not address others.

On this issue, as on most issues, the divisions in this House reflect the divisions in the country. In my view, the best way to achieve a truly bipartisan policy—one that the American people can understand and support—is through the legislative process. Therefore, I will vote against the resolution.

Regardless of the outcome of this vote, no one in this Chamber believes that the debate will end today. In President Reagan's words, the President and the Congress share "both the power and the responsibility for our foreign policy." We must work together. The American people expect no less.

Mr. BROOMFIELD. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Chairman, I rise in support of the President and the eloquent words of my committee chairman of Foreign Affairs, Mr. DANTE FASCELL. He said it correctly. So did the last speaker. This issue is not going to go away.

Mr. Chairman, time and time again in this debate the courageous cardinal of Nicaragua, His Eminence Miguel Obando y Bravo, is misquoted on this House floor. No man of God

announces publicly for a military option. I have met with the cardinal four times and he believes that true reconciliation means the Communist government in Managua must meet with the Contra Freedom Fighters in the hills. I submit for the RECORD again the pastoral letter on reconciliation from the Nicaraguan bishops, Easter Sunday, April 22, 1984:

The road to social peace is possible through dialogue, sincere dialogue that seeks truth and goodness. * * *

It is dishonest to constantly blame internal aggression and violence on foreign aggression.

It is useless to blame the evil past for everything without recognizing the problems of the present.

All Nicaraguans inside and outside the country must participate in this dialogue, regardless of ideology, class or partisan belief. Furthermore, we think that Nicaraguans who have taken up arms against the Government must also participate in this dialogue. If not, there will be no possibility of a settlement, and our people, especially the poorest among them will continue to suffer and die.

Shortly after the publication of the pastoral letter, Tomas Borge said the following of the bishops in an interview with Mexico's Excelsior:

Those bishops belong to a race of traitors, to the sector that has turned itself over to imperialism. * * * The stand taken by such individuals, enemies to their country and their people and traitors to their own homeland, causes indignation.

No less a liberal Democrat than Senator EDWARD M. KENNEDY said the following on May 22, 1984:

Why can't some of you grasp the level of church persecution that we're dealing with down there?

When it comes to dealing with their critics in the Catholic Church in Nicaragua, the Sandinistas are flunking the test. And when it comes to taking concrete steps aimed at achieving a meaningful dialog with their opponents—the only real basis for an enduring national reconciliation—the Sandinistas are falling far short of their promises.

They [the Nicaraguan bishops] called for national healing, reconciliation and dialog among the people of Nicaragua. The Sandinistas response brought back memories of their confrontation with Pope John Paul II when he visited Nicaragua. They called the bishops' pastoral message criminal and accused the bishops of being instruments of counterrevolutionaries.

The Sandinistas' response to the bishops' letter is unacceptable. When the bishops voiced concern for the suffering of the Nicaraguan people, the Sandinistas accused them of abetting foreign intervention. When the bishops urged negotiations and dialog for peace, the Sandinistas accused them of criminal statements. When the bishops called for freedom, the Sandinistas accused them of seeking confrontation.

Mr. BROOMFIELD. Mr. Chairman, I yield 5 minutes to the gentleman from Washington [Mr. CHANDLER].

Mr. CHANDLER. Mr. Chairman, today we have an opportunity to give peace a chance in Central America. We have the means to say to the Nicaraguan Sandinistas, to Guatemala, to Honduras, to Costa Rica, and to El Salvador that we want peace for them and a chance for democracy to flourish everywhere in this hemisphere. We have a chance to say to the American people and to the rest of the world that the United States will not tolerate tyranny and subversion of allies, but we will always extend the olive branch before aiming the gun.

Can there be any doubt in anyone's mind that the people of Nicaragua have been conquered by yet another dictator—throwing off an authoritarian from the right only to be subdued by a totalitarian on the left? And can there be any doubt that the Soviet Union and Cuba are using Nicaragua as an outpost—a staging ground for further subverting the democracies of Central America?

But knowing that, I still believe it is not too late. The Nicaraguan people want freedom. They want to practice their religion; read newspapers whose writers are free to report without interference; they want to elect their representatives in elections with real choices and in a process that assures fairness; they want to raise their children knowing they will stay at home and build a strong economy, not become conscripted riflemen in an army of terror and subversion in a neighboring land; they want to enjoy the promises made to them in 1979 when they courageously overthrew Somoza, promises coming true today for the people of Honduras, Guatemala, and El Salvador.

The President of the United States has agreed to provide a window of opportunity. He worked with us to fashion this concept of carrot before stick, olive branch before gun. He did so in good faith and, I believe, what we have before us now is superior to the measure as it existed yesterday.

In addition to the 90-day negotiations window, the President's Executive Order addresses the concerns of many Americans.

With this measure, we strongly endorse—and even provide resources for—the Contadora countries and their peace proposal.

If at any time during the next 18 months, the Sandinistas agree to genuine diplomacy, military aid to the Contras will cease.

We heighten the visibility of the diplomatic process by appointing a top-level, bipartisan commission to report to Congress on progress being made.

We implore the democratic forces in Nicaragua to unite behind a common leadership.

And, in no uncertain terms, we immediately terminate aid to any group that practices torture, kidnaping, forced recruitment, or any other violation of human rights.

We also will absolutely not tolerate anyone who deals in drug trade or misuses the funds appropriated.

And finally, the President has renewed his commitment to the economic assistance envisioned in the Kissinger Commission report, recognizing that peace takes root where there is the promise of a better tomorrow.

Yesterday I had the opportunity to visit extensively with Special Ambassador Philip Habib. He told me his instructions from the President were emphatic: "Find a peaceful, diplomatic solution to the problem in Central America."

Ambassador Habib believes, and I do, too, that a peaceful solution can be found.

Look at Central America. Nicaragua is the aberration. The spark of freedom and democracy has ignited a flame of reform and change in that region. Daniel Ortega is the only leader today who wears a military uniform. And the United States has committed itself to these democracies to help them grow and to prosper and to be free and independent. We have no quarrel with any nation in Central America that leaves its neighbors alone and rejects the certainty of slavery offered by Cuba and the Soviet Union.

We have tyranny on the run in this hemisphere. Democracy and freedom are being chosen wherever people are free to choose. I deeply believe that our vote today will send a strong message of strength and hope to these people. It will be a message of peace—of conciliation and of tolerance. But it will be backed by the rigid determination of a free people to unite behind anyone who is willing to throw off the shackles of slavery and lay their lives on the line for the values our ancestors fought and died for.

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Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. CHANDLER. I yield to the gentleman from Illinois.

Mr. HYDE. I thank the gentleman.

Mr. Chairman, I suggest that we have a new slogan today. It used to be "Given Peace a Chance;" today it is "Give Surrender a Chance."

Mr. FOLEY. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. BOLAND].

Mr. BOLAND. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in opposition to the President's request that we provide $100 million to the Contras in Nicaragua.

We have had this debate before, and whatever we do on this request, I believe we will have it again.

The arguments haven't changed much since 1982 when we first discussed this matter on the House floor. Neither have the facts.

But the arguments have become colored by a regrettable level of rhetorical excess which has not facilitated

our ability to develop a sound policy to deal with the situation in Nicaragua.

After 4 years of debate there are some who would still frame the Nicaraguan question as a choice between the Sandinistas and the Contras.

In my judgment, that dangerously misstates our interests in Central America, and our ability to further those interests.

What are we faced with in Nicaragua?

We are faced with a Sandinista government which has quite clearly betrayed the promise of its own revolution, which has repressed freedom of expression and religion, which is totalitarian, and which is Marxist.

The Sandinistas are neither committed to, nor in pursuit of, democracy.

And Daniel Ortega will never be mistaken for Simon Bolivar.

Under the Sandinistas Nicaragua has become increasingly dependent on Cuba and the Soviet Union. The evidence is convincing that it has provided support for leftist guerrillas in other countries in Central and South America.

These facts are of legitimate concern to the United States, and to the other nations of this hemisphere.

As items of legitimate concern, they demand a sound policy response.

Our closest allies in Latin America have chosen the Contadora process as their response, President Reagan has chosen the Contras.

Who are the Contras?

By all accounts, they are a mix of fighters from the Sandinista revolution dissatisfied with its results, members of various Indian groups, and some members of the security forces of former President Somoza.

They have no internal political following.

They have not been able to capitalize on popular dissatisfaction with Sandinista rule.

They have achieved no major military successes.

They have no internal organization to get their message across.

And therein lies their other problem—they have no clear message.

They are Contras.

They are against the Sandinistas.

But what they stand for is less clear.

In a country which has, we are told, a very unpopular totalitarian government, that same government continues to arm large numbers of citizens drafted into the militia to fight against the Contras.

Those guns—in spite of the government's unpopularity—are turned against the Contras, not the Sandinistas.

No, based on all available evidence, the Contras do not appear to be the vanguard of a popular revolution in Nicaragua.

Since we are being asked to provide them with $100 million, I think it is fair to ask what the Contras can do for us.

Can they prevent Nicaragua from turning into a Soviet-Cuban outpost?

I think not.

Let no one in this Chamber be deluded.

That is our job.

If a line is to be drawn in the dirt in Nicaragua let it be a credible line, one which makes clear the importance we place on, among other things, certain types of weapons being kept out of Central America.

Only the United States can draw that line, and expect it to be observed.

The Contras cannot be its enforcers. It is dangerous, and wrong, to pretend that they can.

Can the Contras prevent Nicaragua from assisting leftist revolutionaries in Latin America?

There is no evidence to support that conclusion.

That task falls to the other nations in the region, including the United States.

It will require material support, both economic and military, and it will require the development of an allied response to those instances of Nicaraguan behavior, which the nations of this hemisphere consider unacceptable.

The Contras have not been, and by all available evidence will not be, sanctioned by Mexico, Costa Rica, Honduras, Guatemala, or any other country in Latin America, to be the instrument by which the behavior of Nicaragua is conformed to acceptable standards.

Can the Contras produce democratic reforms in Nicaragua?

History and logic suggest otherwise.

Military pressure from the Contras will not encourage the Sandinistas to ease repression, and will not cause them to sever their ties with the Soviet Union or Cuba.

A threatened government will take actions to protect its power.

In the case of Nicaragua, this will not mean better treatment of the church, a smaller army, an end to the importation of sophisticated arms, or less government control of the economy.

What can the Contras do?

Well, they can certainly be an irritant to the Sandinistas.

And I know that there are those who place great value on irritating any government that receives supplies and support from the Soviet Union, because they believe the irration flows through to the Kremlin.

Regardless of your view on that reasoning, understand two things about the recommendation the President has sent us.

Even in guerrilla warfare, $100 million does not buy an inexhaustible supply of irritation.

The military supplies in this request will be expended, and when they are gone, the administration will be back for more.

You cannot buy a Contra victory, on any terms, for $100 million.

But you should also understand that you will not be voting on just $100 million for the Contras.

If we approve the President's request, we would be making available other funds in the fiscal year 1987 intelligence budget—specifically, those in the CIA's reserve for contingencies.

We would also remove all current legal restrictions on CIA or DOD assistance with respect to the $100 million in the President's request.

This Congress has traveled down that road before, at other times, and in other countries.

I think we should seriously consider whether we want to make that journey again.

The President's proposal—the Contras—represents the sum total of his plan for a policy toward Nicaragua.

It barely acknowledges another option—an intensified diplomatic and security assistance effort, in concert with our allies, to isolate Nicaragua and to strengthen our friends' ability to resist Nicaraguan aggression.

In my view, the Contras represent a flawed plan—one which cannot achieve its announced or implied goals—and one which ought to be rejected.

Mr. BROOMFIELD. Mr. Chairman, I yield such time as he may consume to the gentleman from Oregon [Mr. ROBERT F. SMITH].

Mr. ROBERT F. SMITH. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in support of the call to aid the Contras.

I realize that this isn't a simple issue for many Americans to understand. After all, very few Americans have ever experienced the situation faced by the Contras in Nicaragua.

But I believe this issue is important enough to search for that understanding.

I urge every American, and certainly every Member of this House who stands in opposition to this resolution, to look for understanding from people who have walked the mile the Contras walk today.

If you really want to know what its like to believe in freedom but run from the muzzle of a gun because of that belief—as the Contras must do—ask a refugee of the wholesale slaughters in Cambodia.

If you really want to know what its like to watch as your neighbors and friends and family are murdered because they represent an unspecified threat to the state—as the Contras are being murdered—ask a Jewish survivor of the Nazi Holocaust.

Or if you just want to know what its like to live without any political voice in your own home—as the Contras do—you need not go any farther than my own congressional district in Oregon.

When you get there, ask any native of the little town of Antelope.

In Antelope, the "politically legitimate" control was captured, perverted and abused, and the native residents placed under armed surveillance and political control of followers of the Bhagwan Shree Rajneesh.

That happened in America. Antelope, a community deeply embedded in the most open and free society in all of the world's history, was ultimately liberated—but only with our help.

Nevertheless, they can tell you what it's like to fear for your life, regardless of the righteousness of your belief.

They can tell you what it's like to watch as good is dominated by evil and enforced by terror.

We must help. Whether its Antelope, OR; Stuttgart, Germany; or Managua, Nicaragua, freedom must not be allowed to die by default.

Mr. BROOMFIELD. Mr. Chairman, I yield 7 minutes to the gentleman from Pennsylvania [Mr. MURTHA].

Mr. MURTHA. I thank the gentleman for yielding me this time.

Mr. Chairman, in 1977 the United States cut off aid to the Somoza government. In 1979, the overthrow of President Somoza was broad-based, popular; it had the support of labor, business, professional groups, and the church, and most segments of Nicaraguan society.

The OAS passed a resolution of support for the revolution and this was extraordinary. It was extraordinary because they supported the overthrow of one of its members.

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But a condition of the overthrow by OAS was requiring a democratic, pluralist, and nonaligned Nicaragua. These conditions were accepted by the Sandinistas in a cable on July 12, 1979.

Now, after that we had an acrimonious debate in the House of Representatives and I remember it vividly. The gentleman from Florida, Mr. DANTE FASCELL, the chairman of the Foreign Affairs Committee, who spoke so eloquently a few minutes ago, talked about the gentleman leading the battle to get the money for the Sandinistas.

I remember being convinced that even though I did not think the Communists were going to change their minds, I remember people saying;

You've got hard line Communists, you've got people who have got money from outside the country coming into the country and you're not going to do anything at all by giving them money.

But I voted for the money, because I felt it was the right thing to do and it was about the same amount of money we are talking about today.

We offered to send Peace Corp volunteers into Nicaragua, and instead, what they accepted were military advisers and economic advisers from Cuba. They did not accept any aid from the United States and the repression that was so prevalent under the Somoza regime was back under the Communist regime that is now ruling.

As I said, the amount of aid that we gave to the Sandinistas at that time was about the same amount of aid that we are talking about today.

Now, the Carter administration had to withdraw that aid because they violated the very agreement that they made. The Sandinistas violated the agreements that they made.

As a matter of fact, during that period of time the Costa Rican national assembly investigators estimated that at least 1 million pounds of material entered Nicaragua from Cuba in the 6 to 8 weeks before the Somoza government was overthrown, so they established very clearly the link between Cuba and the Nicaraguan Government which took over.

Now, going down to the Philippines not long ago, I saw what the church can do when it supports a free election, what international observers can do. The thing that Nicaragua worries about the most are free elections. You saw the farce that they called a free election not long ago. You know that if there is a free election in Nicaragua what will happen. You know very well, even though you see on TV the people say, "Well, I support the government."

Well, if I lived in Nicaragua, I would say I support the Government also, because obviously it is not to the benefit of the people to not support the Government on TV.

But I remember vividly going to El Salvador as an observer to the elections. The press reported there would be a very low turnout and it would be a free election. Many people here were criticizing us for giving aid to the El Salvador Government and that the guerrillas were inside guerrillas, not being directed from the outside and the people would not vote and would not support an election.

I remember flying out over on election day and seeing the long lines of people and talking to some of the people who were voting, standing in those lines for hours, and saying to us after being threatened by the guerrillas and walking for miles, "They can kill me. They can kill my family, but they can't kill us all."

They were threatened with cutting their fingers off because they were going to vote and when they make a threat in El Salvador, it is a serious threat. There is no question about it, because of the violence that goes on in that country; but they ignored that and 80 percent of the people in El Salvador voted and you saw the turnout and they have a freely elected Government.

And even though we got all kinds of criticism in the United States for giving them aid, they had another election. They elected a freely elected Government and they are doing well.

Some of the very same people who criticized what we are doing in El Salvador now try to take credit for the legislation that we passed a couple years ago.

So if in this country can give aid to places like the Philippines, which is 8,500 miles away, Zaire, $4 million, 6,500 miles; Malaysia, 9,000 miles away; Gabon, Oman, Portugal, thousands of miles away, hundreds of millions of dollars to countries that are so far away, it seems to me that there can be bipartisan support for a compromise which has been worked out so that we can send a message to them that they should have free elections and the people of Nicaragua can select a majority party in that country to run that country and get rid of the repressive regime which is in Nicaragua today.

I just want to say this. In my feeling, there is no way we are going to have a chance in government down there unless the United States has military aid in order to stimulate a change in that government.

There is no way the other democracies will survive unless the United States supports what is going on down there.

So I very strongly urge this House to support the aid recommended by the President under the compromise position under the skeleton plan.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. MURTHA. I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, would the gentleman agree with me that the question here is not negotiations. It is whether you negotiate from weakness or from strength and that if you believe you can negotiate with a Marxist-Leninist government from weakness, then vote "no"; but if you believe you need the correlation of forces to negotiate successfully with a Marxist-Leninist government, then vote "yes."

Mr. MURTHA. I think in order to have a free election, we have got to have some pressure. In order for them to negotiate, we have to have pressure. The only way we are going to have pressure is to have some sort of military aid.

Mr. FOLEY. Mr. Chairman, I yield 2 minutes to the gentleman form Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Chairman, this is perhaps one of the most difficult votes that I have had to cast since serving in this great body. The leadership in our country is divided on the issue. Those from whom I seek counsel and advice are divided on the issue. My district is divided on the issue in a sort of polarizing way where it has become very divisive.

I have prayed for divine guidance, Mr. Chairman, and I have come to one conclusion. If I strip all the rhetoric

and come only to the single basic issue, if I dissect it and have only the naked issue, with no rhetoric around it, I come to the basic question: Do I use my taxpayers' money to put guns and arms in the hands of a group of Nicaraguans to kill other Nicaraguans with whom they have an ideological difference?

There has to be, there must be, a better alternative.

Mr. Chairman, until then, I must vote "no."

Mr. FOLEY. Mr. Chairman, I yield 30 seconds to the gentleman from California [Mr. DYMALLY].

Mr. DYMALLY. Mr. Chairman, a great deal has been said about the persecution of Catholics, the persecution of Jews in Nicaragua. Nothing has been said about the persecution of blacks, because there is none.

For the first time in the history of Nicaragua, blacks are enjoying some sense of freedom.

Under Somoza, they were semislaves in the sugar cane and the coffee fields. Now most of them come from the Caribbean. They are enjoying at least some freedom of moment, some sense of equality and I just thought the Members ought to know this.

Mr. HYDE. Mr. Chairman, if the gentleman will yield, think about the Indians, too.

Mr. FOLEY. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. OWENS].

Mr. OWENS. Mr. Chairman, I rise in opposition to the delivery of $100 million into the hands of a group of bandits whose record of murder and torture of civilians is undisputed. Nicaragua can be saved from the jaws of totalitarian oppression but this is not the way to do it.

Much has already been said about the need for a comprehensive policy for Central America. I would like to join those who deplore the piecemeal approach of the administration with respect to a policy for the promotion of security, peace, and a decent standard of living within the Western Hemisphere. The time has come for a policy which initiates a true partnership with our neighbors in the Western Hemisphere. The United States has always assumed certain privileges and prerogatives. The time has come for the United States to assume certain vital responsibilities as well.

Nicaragua and the rest of the countries of Central America can be saved from outside interference and influence if the United States would accept greater responsibility for the well-being of all of the citizens of this hemisphere. The threat of gunboat diplomacy is obsolete. Financing rightwing rebellions is a waste of the American taxpayer's money. Only a policy which promotes a true partnership in the development of the economies of our neighbors will enhance real security within this hemisphere. Our fellow Americans in Haiti, Grenada, and in NIcaragua also deserve life, liberty, and the pursuit of happiness.

Sharing the American way of life is the best way to prevent the establishment of beachheads of communism in the Western Hemisphere. Citizens who live in countries like our longstanding ally, Haiti, should have more to look forward to than mud and misery. The eroded soil of Haiti stands as a stark symbol of the rewards of loyalty and friendship to the United States. Our approval and friendship with Samoza and our friendship with Duvalier are glaring examples of how not to conduct foreign policy in the Western Hemisphere.

The work of the Peace Corps and the initiatives of the Alliance for Progress under President John F. Kennedy are far better examples of the elements which must go into a new foreign policy for the Western Hemisphere. Instead of $100 million for murder and mayhem, let us follow these two examples and spend money to provide bread and promote democracy. We need a Marshall plan for Central America, Haiti, and the Caribbean area.

All Americans want security in this hemisphere. But the security we seek will not be gained by financing bandits. Let us have instead a comprehensive policy based on a true respect and partnership with our fellow Americans, inlcuding the citizens of Nicaragua. I urge my colleagues to vote no on this wasteful and dangerous resolution.

Mr. FOLEY. Mr. Chairman, I yield myself 2 minutes.

Mr. FOLEY. Mr. Chairman, the question before the House today is a historic one. I think if there is anything about the debate that has been disturbing for some of us, I hope on both sides, it is the occasional references that have been made to the patriotism and commitment of Members. Nobody in this House is anything but a patriotic American seeking to find the best solution for our country, but we were, as the gentleman from New York [Mr. KEMP] said quite accurately, elected to make this decision.

The President was not elected to make it for us.

I would personally prefer today to be in the position of supporting the recommendation of this President or any President of the United States; but I believe it is most ill-advised for us to move forward on a course of escalating the violence in Nicaragua until we have truly exercised every effort to explore negotiations. That is the position of the countries of Latin and South America and of the other countries around the world with whom we are allied.

As objectionable as the conduct of Nicaragua is viewed to be both here and abroad, attempting to change it by pure military pressure has not succeeded and will not succeed.

We need to have a policy that reflects the intentions, concerns, and values of those in the hemisphere in addition to ourselves who respect democracy and freedom. Clearly, that is not the policy that is proposed to us today.

We continue to have the opportunity to consider alternatives to this issue and problem, and we will, but let us have a program which Americans can stand behind.

Let us have a program that the Congress can stand behind, united and determined together.

Let us have a program that our allies and friends, those who respect democracy and freedom around the world, can support, applaud, encourage, and help in. The policy before us today, however, offers no such possibility or hope.

For this reason, I urge you to vote no on this resolution; in doing so, allow us to continue working for an acceptable bipartisan solution that brings us together.

Mr. BROOMFIELD. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio [Mr. OXLEY].

Mr. OXLEY. Mr. Chairman, I rise in support of the resolution.

Mr. BROOMFIELD. Mr. Chairman, I yield such time as he may consume to the gentleman from Montana [Mr. MARLENEE].

Mr. MARLENEE. Mr. Chairman, those opposing aid to the freedom fighters would demagogue the issue by stating the question, "should $100 million be spent on the agricultural producers or the freedom fighters?" My response is that both are critical areas. On one hand, our producers are losing their farms, if not all at once, then little by little they should be helped far in excess of $100 million.

In Nicaragua, they are losing their farms to a totalitarian Communist regime and along with their farms, they are losing their freedom and any chance to rebuild.

In America, there are people in need and we try to help them. In Nicaragua, there are people in need, but they can't be helped until they become refugees in Honduras or Costa Rica. They can't be helped because they don't have a ration card if they don't support the totalitarian Communist regime. Under conditions where whole villages have been burned in an attempt to motivate communism, how do our farmers get their products to the people of Nicaragua who need them?

Yes, there are a group of us ag rebels who understand how painful the economy is to the American producer, and as a result we sought and received an audience with the new Secretary of Agriculture. We wanted an opportunity to air our grievances.

As a result, in my opinion, there is hope for American producers. The Secretary stated his commitment to making the 1985 farm bill work, instead of manipulating regulations. The Secretary exhibited sensitivity to producer problems. The Secretary promised an aggressive pursuit of exports. He assured us there would be no crosscompliance for 1985. He has delayed the deadline for reconstitution from March 1 to April 1. He has assured us that the nonprogram crops bill will be signed; $750 million has been diverted into FmHA.

And, most important, the Secretary's stature is being brought to bear on the Federal Reserve, to bring pressure to allow banks to carry, without prejudice, farm loans.

I remind my colleagues that a lot has been done, and, given the opportunity, the new Secretary will attempt to do more.

Just as we must work to solve the problems of the producer, we must work to see that communism does not destroy our sea lanes of commerce, the freedom of our producer neighbors, our markets to the south, or the lives of our children.

Support aid to the freedom fighters.

Mr. BROOMFIELD. Mr. Chairman, I yield such time as he may consume to the gentleman from Washington [Mr. MILLER].

Mr. MILLER of Washington. Mr. Chairman, I want to zero in on where we in this House agree and where we don't.

I believe there is broad agreement on a number of issues.

First, most of us agree the Nicaraguan regime is Communist and moving Nicaragua down the road of totalitarianism. Some may argue the degree of press censorship or religious persecution, or the number of political or labor leaders jailed. We may argue the numbers of Soviet or Cuban advisers and troops or the number of Mesquito Indians murdered, but most of us accept that the Communist leaders are doing exactly what in their unguarded moments they've said they would do: Change Nicaragua into a Leninist state.

Second, most of us agree this Nicaraguan Government is exporting violence and terror. We may argue as to whether the shipments go by air or sea or land. Or how many rifles or rounds of ammo there are. But most of us accept that the Communist regime in Nicaragua goes on trying to extend, as they put it, a revolution without borders.

I believe most of us here agree that the opposition to the Nicaraguan Government offers more hope for democracy and security than the Nicaraguan Communist leaders. There is some disagreement on this issue. Some question the democratic credentials of some of the regime's opponents. Some question alleged human rights violations on all sides. But most of us if asked "who offers more chance for democracy and security in Nicaragua—the Communists or the opposition?" would not answer "the Communists."

We agree therefore that Nicaragua should change. We disagree on how to bring that change about.

But even here there is some agreement. Most of us here agree that we should not send United States troops into Nicaragua.

Most of us here agree we must pursue diplomatic efforts to change Nicaragua.

Where we disagree—and deeply—is on one issue: whether we should aid the democratic resistance—those Nicaraguans fighting to bring change.

Let's not kid ourselves. This issue is not economic U.S. military aid. It's whether to help them. Any aid to a fighting force has a military purpose.

Put another way we disagree on whether along with diplomatic pressure there should be military pressure.

But look, in facing this choice we must realize that our diplomatic efforts to get withdrawal of Soviet and Cuban forces simultaneously with withdrawal of our support for the resistance have failed, failed during bilateral negotiations, failed during the Contadora process, and failed at the Organization of American States. In all these forums we have also failed to get the Nicaraguan Communist rulers to agree to negotiate with the democratic resistance and with the internal opposition.

Yes, I know that we have no guarantees that military aid will bring change and success. But I also believe to deny military help—to rely solely on diplomacy without some teeth will guarantee no change—will guarantee failure.

Last month we gave our support to democratic change in the Philippines. A phone call from Senator LAXALT or a visit from Phil Habib may work with a corrupt despot in the Philippines. That option has not and will not work with the Communist elite of Nicaragua.

That is why diplomatic efforts to succeed need military pressure. That is why I believe we must help the Nicaraguan democratic resistance to help themselves.

Mr. BROOMFIELD. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. O'BRIEN].

Mr. O'BRIEN. Mr. Chairman, I rise in support of the resolution.

Mr. Chairman, I would like the record to show that I cast my vote today for the President's proposal to provide further aid to the Contra freedom fighters in Nicaragua.

Mr. Chairman, I want to publicy and officially express my thanks to under Secretary of the Army James R. Ambrose for his leadership in resolving a difficult situation at the Joliet Army Ammunition Plant, a situation which for a time delayed my opportunity to support the Contra freedom fighters.

Mr. BROOMFIELD. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. DREIER].

Mr. DREIER of California. Mr. Chairman, I rise in strong support of House Joint Resolution 540.

Before I visited Nicaragua last week, I thought the Sandinista government was a totalitarian regime. After I returned, I was certain of it. Everything I saw and heard demonstrated that the Sandinistas had blatantly violated their revolutionary pledges of freedom. Most unfortunately, my conversations with the Nicaraguan Government gave me no confidence that the Sandinistas are willing to give peaceful negotiations a chance. I continue to hold hope for negotiations, but I have no reason to believe that we can bring the Sandinistas to the table without effective pressure from the democratic opposition.

Mr. Chairman, perhaps the most striking symbol of the situation in Nicaragua came during our meeting with Cardinal Obando Y Bravo the leader of Nicaragua's Catholic Church. When I asked him for the best way to bring change to the country, he called for whatever pressure the United States could bring to bear. When I pressed him to be more specific, he replied "We're not in the United States but Nicaragua. Our words have to be measured."

In the past, debate on assistance has focused on the nature of the Sandinista society. The Sandinista's apologists have clung to the facade of democracy provided for their consumption. Today, the nature of the Sandinista government is no longer a question. It is an oppressive, Communist totalitarian state which nobody denies. For most Nicaraguans, the 1979 revolution is still under way almost 7 years after Somoza's fall. The names of the oppressors have changed but the oppression remains and is in most cases greater.

Our conversations with the editorial staff of La Prensa revealed the extent of repression through censorship. The nation's leading opposition newspaper regularly has 40 to 90 percent of its stories censored. Under the Sandinista's 1982 state of emergency, the Government regularly excludes reports of military contact but also of the country's depleted economy and human rights record. Censorship extends to the minute details such as the closing of local markets unable to survive the country's economic policies.

Articles reporting on the Catholic Church or Cardinal Obando are cut from copy. The exclusion of the church from the news effectively limits the church to communicating through daily Mass. On October 12, 1985, the Sandinistas banned Iglesia, the Catholic Church's newspaper. On January 1, 1986, the Government closed the Catholic radio station because it failed to broadcast President Ortega's year end message.

Sandinista Vice President Sergio Ramirez flatly lied during our interview. His lies came among a familiar chorus of denials that Nicaragua was aligned with the Soviet Union and Cuba or exported its revolution to other countries. When questioned about the great exodus of Nicaraguans seeking refuge in neighboring countries, Ramirez refused to accept the numbers, claiming they were gross distortions. He also indicated that those Nicaraguans which had left the country had been taken against their will—kidnapped he said.

In the same conversation, Ramirez denied the construction of prisons which have been clearly documented by aerial photographs. He also claimed the prisons which he admitted exist have model conditions for cleanliness and treatment. This statement was in stark contrast to those of the independent local permanent Commission on Human Rights which described the prisons as worse than those under Somoza and certainly more populated. Commission members described prison cells as absolutely dark with no sanitary facilities. My discussions with the staff of La Prensa confirmed that it does not limit its measures to censoring opponents. Carlos Ramirez, a La Prensa editor, told me about his kidnapping and beating by the Sandinistas. He is only one of several La Prensa staff to be so arrested. I couldn't blame him for fearing for his life.

As I vote in favor of the President's aid package to the Contras this week, I do so with several thoughts in mind. First, it is the Sandinistas who, having accepted the objectives of the Contadora group in 1983, most recently asked that negotiations be suspended. Second, the United States, who has no official role in the Contadora process, has supported the process and offered repeatedly to reopen bilateral talks with the Sandinistas on the condition that they do not undermine the Contadora process. Third, previous restraint exercised by the House has not shown the Sandi-

nistas any more willing to negotiate. In fact, from 1979–81 when we were providing aid to the Sandinistas, there was no sign of cooperation on their part.

I seek to remind those, who oppose aid and screech for America to disengage from Central America, of an important consideration. We are inherently involved in Central America as a member of the international community and as a leader of the free world. If we decide this week to void our intervention by not approving aid, we must realize that we are not really disengaging ourselves from the situation. De facto we will be involved by aiding the Sandinista government in its consolidation of power.

Mr. Chairman, as I talked to the opposition, I realized I was talking to the same Nicaraguans that led the charge against Somoza. It was the assassination of La Prensa Editor Chamorro which ignited Somoza's fall. It was the same human rights group which supported the Sandinistas and even comforted imprisoned Sandinistas, like Tomas Borge, in Somozan jails. These were the same revolutionaries who assumed they were achieving their democratic goal when Somoza fell in July 1979.

As I said in the well yesterday, Mr. Chairman, the revolution for freedom continues for the people of Nicaragua. The Contras, while not perfect, provide our only hope for pressure on the Sandinistas. Supporting this aid package takes a bold step toward ensuring that we will never be forced to send a U.S. combat troup to fight for our liberty in the region.

I implore my colleagues—vote "aye" on House Joint Resolution 540.

Mr. FOLEY. Mr. Chairman, I yield 3 minutes to the gentleman from Missouri [Mr. GEPHARDT].

Mr. GEPHARDT. Mr. Chairman, I think the problem we face today is that not enough of us are sure that we know what the goal of the administration is in its policy with regard to Nicaragua. In order to have a successful foreign policy, there have to be some clearly defined and perceptible goals that our Nation is trying to achieve.

In looking at what the administration has said in the past 3 or 4 years, I cannot, and I think a lot of Members of the House cannot understand what our goal is. If our goal is to negotiate with the Sandinistas to try to increase the security of the United States and the security of nations in the region, then why have not those negotiations gone forward? Why have we not taken the Sandinistas at their word and said not to allow Soviet and Cuban advisers, stop sending Cuban and Soviet advisers, stop sending arms to other countries, and let us have on-site verification of whether or not you are willing to do that.

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The Sandinistas have said they are willing to make those promises in writing, and if that is our goal, why have we not tried to negotiate that treaty? The fact is, we have not. The fact is, the Congress has voted for Contra aid on four or five different occasions on the assumption that that kind of a negotiation was our goal, and yet that kind of a negotiation has not gone on.

Because there is not a clearly perceptible goal that we are trying to achieve, there is no unity in the Congress and there is no unity in the country with regard to our policy on Nicaragua, and there will not be unity until the American people understand what it is that we are trying to do.

If we have learned nothing from the last 20 years, surely we have learned that the only way America has a sound foreign policy is if the American people understand what it is that we are trying to do, accept the goals that we are trying to achieve, and then support the President and the Congress in trying to achieve those goals.

My worry, my concern today, is that those goals have not been articulated and the American people are not behind this policy. Therefore, I intend to vote "no" and I urge the Members of this body to vote "no," and if the House sustains that "no" vote, maybe finally the Reagan administration will begin to articulate to America what our policy is in Central America. If that can be done, the Congress and the American people will report that foreign policy.

Mr. HAMILTON. Mr. Chairman, I make a point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Eighty-seven Members. A quorum is not present.

Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 63]

Ackerman	Bonker	Coble
Akaka	Borski	Coelho
Alexander	Bosco	Coleman (MO)
Anderson	Boucher	Coleman (TX)
Andrews	Boulter	Collins
Annunzio	Boxer	Combest
Anthony	Breaux	Conte
Applegate	Brooks	Conyers
Armey	Broomfield	Cooper
Aspin	Brown (CA)	Coughlin
Atkins	Brown (CO)	Courter
AuCoin	Broyhill	Coyne
Badham	Bruce	Craig
Barnard	Bryant	Crane
Bartlett	Burton (CA)	Crockett
Barton	Burton (IN)	Daniel
Bateman	Bustamante	Dannemeyer
Bates	Byron	Darden
Bellenson	Callahan	Daschle
Bennett	Campbell	Daub
Bentley	Carney	Davis
Bereuter	Carper	de la Garza
Berman	Carr	DeLay
Bevill	Chandler	Dellums
Biaggi	Chapman	Derrick
Bilirakis	Chappell	DeWine
Billey	Chappie	Dickinson
Boehlert	Cheney	Dicks
Boggs	Clay	Dingell
Boland	Clinger	DioGuardi
Boner (TN)	Coats	Dixon
Bonior (MI)	Cobey	Donnelly
Dorgan (ND)	Kastenmeier	Panetta
Dornan (CA)	Kemp	Parris
Dowdy	Kennelly	Pashayan
Downey	Kildee	Pease
Dreier	Kindness	Penny
Duncan	Kleczka	Pepper
Durbin	Kolbe	Perkins
Dwyer	Kolter	Petri
Dymally	Kostmayer	Pickle
Dyson	Kramer	Porter
Early	LaFalce	Price
Eckart (OH)	Lagomarsino	Pursell
Eckert (NY)	Lantos	Quillen
Edgar	Latta	Rahall
Edwards (CA)	Leach (IA)	Rangel
Edwards (OK)	Leath (TX)	Ray
Emerson	Lehman (CA)	Regula
English	Lehman (FL)	Reid
Erdreich	Leland	Richardson
Evans (IL)	Lent	Rinaldo
Fascell	Levin (MI)	Ritter
Fawell	Levine (CA)	Roberts
Fazio	Lewis (CA)	Robinson
Feighan	Lewis (FL)	Rodino
Fiedler	Lightfoot	Roe
Fields	Lipinski	Roemer
Fish	Livingston	Rogers
Flippo	Lloyd	Rose
Florio	Loeffler	Rostenkowski
Foglietta	Long	Roth
Foley	Lott	Roukema
Ford (TN)	Lowery (CA)	Rowland (CT)
Fowler	Lowry (WA)	Rowland (GA)
Frank	Lujan	Roybal
Franklin	Luken	Rudd
Frenzel	Lundine	Russo
Frost	Lungren	Sabo
Fuqua	Mack	Savage
Gallo	MacKay	Saxton
Garcia	Madigan	Schaefer
Gaydos	Manton	Scheuer
Gejdenson	Markey	Schneider
Gekas	Martin (IL)	Schroeder
Gephardt	Martin (NY)	Schuette
Gibbons	Martinez	Schulze
Gilman	Matsui	Schumer
Gingrich	Mavroules	Seiberling
Glickman	Mazzoli	Sensenbrenner
Gonzalez	McCain	Sharp
Goodling	McCandless	Shaw
Gordon	McCloskey	Shelby
Gradison	McCollum	Shumway
Gray (IL)	McCurdy	Sikorski
Gray (PA)	McDade	Siljander
Green	McEwen	Sisisky
Gregg	McGrath	Skeen
Guarini	McHugh	Skelton
Gunderson	McKernan	Slattery
Hall (OH)	McKinney	Slaughter
Hall, Ralph	McMillan	Smith (FL)
Hamilton	Meyers	Smith (IA)
Hammerschmidt	Mica	Smith (NE)
Hansen	Michel	Smith (NJ)
Hartnett	Mikulski	Smith, Denny (OR)
Hatcher	Miller (CA)	
Hawkins	Miller (OH)	Smith, Robert (NH)
Hayes	Miller (WA)	
Hefner	Mineta	Smith, Robert (OR)
Heftel	Mitchell	
Hendon	Moakley	Snowe
Henry	Molinari	Snyder
Hertel	Mollohan	Solarz
Hiler	Monson	Solomon
Hillis	Montgomery	Spence
Holt	Moore	Spratt
Hopkins	Moorhead	St Germain
Horton	Morrison (CT)	Staggers
Howard	Morrison (WA)	Stallings
Hoyer	Mrazek	Stangeland
Hubbard	Murtha	Stenholm
Huckaby	Myers	Stokes
Hughes	Natcher	Strang
Hunter	Neal	Stratton
Hutto	Nelson	Studds
Hyde	Nichols	Stump
Ireland	Nielson	Sundquist
Jacobs	Nowak	Sweeney
Jeffords	O'Brien	Swift
Jenkins	Oakar	Swindall
Johnson	Oberstar	Synar
Jones (NC)	Obey	Tallon
Jones (OK)	Olin	Tauke
Jones (TN)	Ortiz	Tauzin
Kanjorski	Owens	Taylor
Kaptur	Oxley	Thomas (CA)
Kasich	Packard	Thomas (GA)

Torres	Watkins	Wise
Torricelli	Waxman	Wolf
Towns	Weaver	Wolpe
Traficant	Weber	Wortley
Traxler	Weiss	Wright
Valentine	Wheat	Wyden
Vander Jagt	Whitehurst	Wylie
Vento	Whitley	Yates
Visclosky	Whittaker	Yatron
Volkmer	Whitten	Young (FL)
Vucanovich	Williams	Young (MO)
Walgren	Wilson	Zschau
Walker	Wirth	

□ 1340

The CHAIRMAN. Four hundred nineteen Members have answered to their names, a quorum is present, and the Committee will resume its business.

The Chair will advise that there are 9½ minutes remaining on the majority side and 10½ minutes remaining on the minority side.

Mr. FOLEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Washington [Mr. DICKS].

Mr. DICKS. Mr. Chairman, I rise in strong opposition to this resolution.

Mr. FOLEY. Mr. Chairman, I yield such time as he may consume to the gentleman from West Virginia [Mr. MOLLOHAN].

Mr. MOLLOHAN. Mr. Chairman, it is after a long and careful assessment of the current situation in Nicaragua and the Central American region as a whole, that I rise today to oppose the President's request for $100 million in military and humanitarian aid to the democratic resistance forces in Nicaragua. I vote against the President's request not because I am unconcerned about the situation in Nicaragua; indeed, I am deeply concerned about the situation there and I am certain that the majority of my colleagues in the House share my concerns. I feel strongly that the United States needs to fashion a comprehensive policy in the region which will strengthen economically our democratic friends in the area as well as help move the Government of Nicaragua toward democracy.

Frankly, Mr. Chairman, I am not confortable with a policy in Nicaragua which leads with military force without serious support and consideration given to diplomatic initiatives. In light of the statement issued in January by the Contadora group and the Contadora support group which called for a Latin American solution to the Central American problem, I feel that the time has come for a major diplomatic initiative by the United States in support of Contadora.

On February 3, I joined 30 of my colleagues in sending a letter to the President. In our letter, we asked the President to support the democracies of Latin America in their efforts to seek a solution to the problem in Nicaragua. The President and the administration have tried to address our concerns and work with us in developing a more comprehensive policy toward Nicaragua. However, I must say that I am neither satisfied nor comfortable with the compromise offered by the President yesterday.

This is not the end of our debate on United States policy in Nicaragua. The question we will decide today is whether the United States should send $100 million in military and economic aid to the democratic resistance in Nicaragua. The question we may face in the weeks ahead is: What direction do we want the future of our policy in Nicaragua to go? Many of our colleagues in the House have worked together to develop compromises to the President's request. I am very encouraged by the proposal put forth by the gentleman from Oklahoma [Mr. MCCURDY]. I feel that Mr. MCCURDY's proposal offers strong incentives for both parties in the conflict, as well as the Contadora countries to negotiate a Latin American solution to the problem in the region. I am hopeful that the House will vote against the $100 million aid request today so that we will have the opportunity to debate Mr. MCCURDY's proposal or something similar April 15.

In the final analysis, the debate today is one of means; not of goals. All of us would like to see a cease-fire in Nicaragua, direct talks between the Sandinistas and the democratic resistance, and the restoration of freedom of press and religion within Nicaragua. This debate is about the means we will use to achieve our goals. I urge a "no" vote on the resolution before us.

Mr. FOLEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. GRAY].

Mr. GRAY of Pennsylvania. Mr. Chairman, I rise in opposition to the resolution.

Mr. FOLEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida [Mr. MACKAY].

Mr. MACKAY. Mr. Chairman, I rise in opposition to the resolution.

As the Congress debates the conflict in Central America, I want to outline my reasons for opposing $100 million of additional military aid to the Contras.

I want to make clear that I dislike the Sandinista government of Nicaragua as much as the President does. Furthermore, I do not intend to stand by and allow Nicaragua to be used as a base to export communism throughout Central America. But I don't think $100 million in military aid will solve anything. The money will only escalate the human suffering and will deepen the quagmire we are already in.

The alternative I support was developed by a bipartisan group of moderate and conservative Congressmen. It is patterned after the recommendations of President Reagan's Blue Ribbon Commission on Central America. That Commission recommended a two-track approach, combining military pressure with diplomatic negotiations—which is exactly the policy that other nations of Central America as well as our allies in Western Europe and Japan have asked us to follow. In fact, our proposal is entirely consistent with President Reagan's approach in dealing with the Soviet Union and other Communist nations.

I propose undertaking serious and committed diplomatic efforts to achieve national reconciliation in Nicaragua. While this effort is in progress, the United States would provide humanitarian aid to the Contras, but no military aid. All opposition groups would be included in the negotiations, including the internal opposition parties in the Nicaraguan Government.

If the Sandinistas are unwilling to sit down and negotiate with their own people and their neighbors in Central America, then Nicaragua, and not the United States, will have been identified as the true obstacle to peace in Central America.

I believe that before we provide military assistance to the Contras, we must demonstrate to the American people that we have diligently pursued all possibilities for a regionally based political solution. I firmly believe we must show the world that this Nation is presenting the Nicaraguan Government with a clear alternative to a prolonged conflict. If good faith negotiations are tried and fail, I will support military assistance to the Contras and other Nicaraguan opposition groups who are willing to carry on the fight without targeting civilians or engaging in human rights violations.

I have not arrived at my position lightly. My study and discussion of this question has included personal meetings with the Contra leadership, officials from the State Department, the CIA, and leaders of various church groups. I have talked with leaders of the internal opposition parties in Nicaragua, as well as Nicaraguan businessmen and ordinary citizens. I have raised this issue for discussion, at numerous town meetings and forums in ever county in my congressional district, and have discussed my views with hundreds of my constituents.

It isn't clear which side will prevail in the debate. But both President Reagan and Speaker O'NEILL need the votes of our bipartisan group. So both of them have agreed to incorporate more elements of our compromise into their policy if their position prevails. So our effort has been of importance, no matter how the vote turns out today.

One more point. I have been working hard for weeks to develop the bipartisan compromise outlined above. I believe the issue is of crucial importance, because without this compromise, we must choose between being untrue to America's historic principles, on the one hand, and jeopardizing our national security on the other. It is sad commentary on today's politics that even while this good faith effort was going on, complete with meetings at the White House and personal discussions with top officials in the Reagan administration, I have been subject to a barrage of paid political ads accusing me of disloyalty and favoring communism.

Mr. FOLEY. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. GARCIA].

Mr. GARCIA. Mr. Chairman, verbal warfare over this legislation started off with a fevered pitch when White House Communications Director, Patrick Buchanan, wrote in an op-ed piece that, "With the vote on Contra aid, the Democratic Party will reveal whether it stands with Ronald Reagan and the resistance—or Daniel Ortega and the Communists."

Mr. Buchanan has missed the point. Opposing aid to the Contras is not a question of siding with Daniel Ortega. It is, instead, a question of what is the best policy for the

United States to pursue not only with regard to Nicaragua but toward all the nations of Central America.

Pressure must be applied on the Sandinistas, but a two-track approach—using military pressure via the Contras, while at the same time seeking a negotiated settlement—has not proven to be effective. The Contras have not been able to firmly establish themselves within Nicaragua, and the Reagan administration, despite promises and protestations to the contrary, has not continued to pursue a negotiated settlement, either bilaterally or through active support of a regional agreement through the Contadora nations.

In many ways, the Contras are as destabilizing to Costa Rica and Honduras as they are to Nicaragua. In fact, the Sandinistas have continuously used the Contra war as an excuse to consolidate their power in Nicaragua. As journalist Christopher Dickey wrote in his book, "With the Contras," "With the war against the Contras as a reason and as a pretext, the Sandinistas moved steadily into the Soviet orbit.* * *" The longer the war continues the further the Sandinistas will drift away from serious bargaining either with the United States or within the framework of Contadora.

A recent article on the Contras characterized them as being plagued by "internal disputes, inadequate training, and human rights abuses, as well as (having) little political direction and faltering public appeal." Yet, even if the Contras were somehow able to establish a presence in Nicaragua, the Sandinistas would not be any more willing to make changes or "cry uncle." They fought a prolonged war with Somoza; they most certainly would be willing to do so with U.S. backed rebels.

None of these arguments against aid touch on the financial burden that extended support for the Contras would entail. The present Presidential request of $100 million is merely part of the down payment. The guerrillas in Guatemala have been fighting for nearly 30 years. It is conceivable that the same thing could happen with the Contras—if we continue to support them. Thirty times $100 million is a lot of money, particularly in light of Gramm-Rudman inspired cuts to domestic programs. One hundred million dollars would go a long way to build houses in the Bronx.

If, however, the President remains determined to come to the aid of the nations of Central America, which in principle is a good idea, then he should use that money for economic development. President Oscar Arias Sanchez of Costa Rica in an interview with conservative journalist, John McLaughlin, said that if the United States really wanted to help the nations of the region, then we should use the $100 million to help the ailing economies of Guatemala, Honduras, Costa Rica, and El Salvador. The prosperity of its neighbors, economically and politically, will finally undercut the Sandinistas.

Reports indicate that there is growing discontent in Nicaragua with the draft, the failing economy, and the chastisement of the church. The Sandinistas are crumbling from within; if given enough rope they will hang themselves. The Contras are one of the best excuses they have to avoid their excesses and corruption.

In essence the argument over the Contras is really an argument about control. The United States wants to control the destiny of the region. It's not enough to want to influence change and to work for democracy in the farms and factories of Central America. We also insist that events follow our preconceived notion of how they should proceed. That's not going to happen in Nicaragua or anywhere else in the region.

This does not mean that we should somehow surrender the fight to aid the nations of the region in their efforts to build democracy. We should continue to work for democracy throughout the region. That is the best way to isolate the Sandinistas. We should listen to those Governments comprising the Contadora and Contadora support groups, Colombia, Venezuela, Mexico, Panama, Argentina, Brazil, Uruguay, and Peru. They all oppose aid to the Contras. In addition, the nations of the European Economic Community and Japan have endorsed the Contadora group's Caraballeda statement, which is also supported by the five nations of Central America. Among other things, it calls for "termination of external support to the irregular forces operating in the region."

Finally, there is not now and there never has been enough support in Congress or across the Nation for the Contras. Chairman of the House Foreign Affairs Committee, DANTE FASCELL, and committee member, DAN MICA, correctly pointed out at the committee's recent hearing on Contra aid that in order for foreign policy to be effective, it must enjoy a broad consensus of bipartisan support. The Contras can't muster that kind of support. Instead of aiding them, let's stick to what we do best—helping to build democracies and market economies.

Mr. FOLEY. Mr. Chairman, I yield such time as he may consume to the gentleman from New Jersey [Mr. RODINO].

Mr. RODINO. Mr. Chariman, I rise in strong opposition to House Joint Resolution 540, to approve the President's request for $100 million for the Contras fighting to overthrow the Government in Nicaragua. This is a huge, nearly fourfold increase in funding for the Contras since the first request 5 years ago for $19 million. If this request is granted, it will surely not be the last.

We are all well aware that the Sandinista government is repressive and has a continuing record of human rights violations, and no one wants a continuation and strengthening of a Marxist-Leninist regime in Central America. But the Contras have also committed brutal atrocities and, led by military strongmen from the Somoza national guard, they do not represent a viable or acceptable alternative to the Sandinistas. They do not inspire a popular, democratic movement inside Nicaragua, but instead spread terror and hatred among the innocent campesinos.

Equally important is the message from the leaders of the eight leading countries in the region who urged a halt to aid to the Contras. These neighbors of Nicaragua believe the only effective solution is through negotiation. It is time we give peace a chance and vigorously support the Contadora process.

This continued funding of the Contras, I am convinced, would be counterproductive and should be disapproved. Apart from the fact that we should not be aiding an ineffective group of men who spread violence and brutality throughout the countryside, I am appalled that this should be asked at a time when the President is proposing deep cuts in vital programs providing nutrition, health, education, job training and other services to our disadvantaged and vulnerable citizens. Under the President's proposed budget for fiscal year 1987, 27,000 low-income women, infants, and children would be removed from the WIC nutrition program. Under his budget, student financial aid programs would be reduced by $1.9 billion, eliminating 2 million students from assistance. Under his proposed budget, funding for the National Institutes of Health would be cut by $417 million from the fiscal year 1986 appropriation and frozen at this lower level through fiscal year 1991.

It is inconceivable to me that we can consider sending funds to support a suspect, no-win, terrorist group while contemplating budget reductions that would endanger the health and welfare of so many of our citizens.

Mr. Chairman, I urge the defeat of this unwise and unrealistic request.

Mr. FOLEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. KOLTER].

Mr. KOLTER. Mr. Chairman, I rise in opposition to this resolution.

I believe that we should continue the traditional role of the United States "as peacemaker wherever the parties in a local conflict seek our help in promoting negotiated solutions. In Central America, * * * and other regions, we will continue an active diplomacy for peace."

I believe that we should "* * * (m)ake no attempts to impose our will on any other country."

We should not seek "to destabilize or overthrow the Government of Nicaragua."

We should support "the comprehensive, verifiable implementation of the Contadora Document of Objectives."

These are not my words, Mr. Chairman. These words belong to none other than President Reagan.

Today however, we are hearing a different story. The President has requested $100 million to destabilize the Government of Nicaragua thereby dismantling any hope for peace. An action that can only serve to escalate present hostilities.

The requested funding of the Contra forces in Nicaragua has only one goal. The objective of U.S. military assistance and funding is to remove the Sandinistas from power. To suggest anything else is rediculous.

Will the requested $100 million accomplish the desired goal of the administration? Or will it take $200 million next year and $400 million after that?

Mr. Chairman, I would like to state that it will not stop at $100 million. This beast will grow. It will grow by being fed American tax dollars and in the process irrevocably entrench United States aid and involvement in Nicaragua for years to come.

Make no mistake about it. A vote for House Joint Resolution 540 is a vote for eventual American involvement in Nicaragua. Funding the Contras is the first step toward putting American troops on Nicaraguan soil.

In January of 1983 the Contradora group met for the first time to pursue the path of peace, just 3 short years ago. The neighbors of Nicaragua are content to pursue peaceful negotiation through the Contadora process. Who are we to deny a chance for peace?

Placing time constraints on peace whether they are 90 days or 90 months—is in itself—self-defeating.

In closing I would like to commend to my colleagues the words of wisdom offered by Joachim Prinz, "A neighborhood is not a geographic term. It is a moral concept. It means our collective responsibility for the preservation of man's dignity and integrity."

Mr. FOLEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. GRAY].

Mr. GRAY of Illinois. Mr. Chairman, I rise in opposition to the resolution.

Mr. Chairman, today, Congress was once more called upon to deal with the issue surrounding a financial commitment to military aid for the Contras in Nicaragua. No Member of this Congress supports or embraces the goals of communism. However, all are genuinely concerned with the welfare of Americans and the commitment each and everyone of us has to promote the welfare of our fellow beings particularily in this hemisphere.

It is the concept of how to support the human condition of those living in Central America and Nicaragua, in particular, which has separated many serving in Government. I, like others, feel as a democracy we must be committed to pursuing all viable avenues for resolving the differences among governments, societies, and philosophies without first empoying military activities. For on too many occasions, long after many valiant servicemen and women have been lost to the harvest of war, the same beligerents set down together and engage in a cooperative relationship. Therefore, the only justification we may attach for the sacrifices of former wars is to dedicate ourselves to obtaining the goals of a cooperative relationship without the middle stage: war.

Owing to the present circumstances in Nicaragua and being responsive to the commitment made by those who served our Nation's and mankinds' interest, I am compelled to vote against aid to the Contra's. Also, I will be joining the chairman of the Veterans' Affairs Committee, G.V. "SONNY" MONTGOMERY, and others in meeting with the American Ambassador and the leaders of Nicaragua to effect direct negotiations between our two governments, soon. I urge my colleagues to vote "no."

Mr. FOLEY. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Illinois [Mrs. COLLINS].

Mrs. COLLINS. Mr. Chairman, I rise in opposition to the resolution.

Mr. Chairman, I rise to voice my strong opposition to military aid to the Contra rebels in Nicaragua and to urge my colleagues to vote "no" on this measure. The proposal submitted by the President and his supporters is both excessive and insufficient all at the same time.

It is excessive because any additional military aid to the Contras will only add fuel to the violent tension in Central America at the expense of all efforts to reach a peaceful resolution.

It is insufficient because the best available evidence shows us that the proposal we are considering will not be enough—standing alone—to provide a long-term solution.

Furthermore, the President has offered us no real compromise on this issue. After all, in any compromise, you have to give up something in order to get something. It is a process of give and take. In this case, the President is doing all the taking while we are being asked to do all the giving.

I am terribly concerned that we are being asked to support this measure on the basis of misleading information put out by Contra supporters.

For example, the President, in his attempt to sell the Contras to the American people as freedom fighters, has failed to point out that these forces actually were organized and continue to be led by remnants of the notorious Somoza national guard. These so-called freedom fighters are, in fact, terrorists. They have shown utter contempt for human rights and have subjected the people of Nicaragua to a nightmare of violence and oppression.

If these people can be characterized as freedom fighters, it is only because they built their careers fighting against freedom whenever it has tried to blossom.

The President has announced to the world that now, he, too, is a Contra.

Well, by describing himself in this manner, the President is telling us something very significant about the way he is viewing a matter of grave importance regarding our foreign policy.

By his own admission, our President, the Contra, has shown us just how narrowly he has come to view this serious issue. By his own admission, our President, the Contra, is not shaping policy in the well-considered, deliberative fashion that rests as the cornerstone of our democratic system. By his own admission, our President, the Contra, is not attempting to formulate his opinion, to make his decision, to exercise his awesome power as the result of balancing the many critical factors at play here.

Well, I an not a Contra. I have just come from my district where the calls are coming in 3 to 1 against Contra aid. The people in my district have sent me here to represent their interests—American interests. I urge my colleagues to vote in the best interests of the American people—not in the interests of a ragtag band of terrorists who have no widespread support among their own people.

The views of the American people are clear. They do not want United States military involvement in Central America; they do not want any situation to develop which would require our boys to have to go over there. That would be absolutely unacceptable. And war by proxy, which is probably if we continue to prop up a force with questionable goals and the inability to stand on its own, is equally unacceptable.

Let us not fool ourselves about what is at stake here. What is at stake here is not limited to the $100 million in aid to the Contras. After all, we are being asked to grant this money request with no assurances it will be effective, with no provisions for congressional oversight, with no guarantee that we will not have to grant another money request later. What we are being asked to consider is, in effect, a blank check for what may wind up being endless support for a questionable cause.

In its simplest Spanish form, "Contra" means "against." In that sense, the Contras live up to their name. Clearly, the Contra rebels stand against everything we hold true—long-held principles of freedom, justice, and fair play. The very principles that made this country great. The Contra supporters are running against the grain of American public opinion and ideals. I refuse to cast my lot with a band of terrorists and murderers disguised as freedom fighters. I urge my colleagues to do the same and vote "no" on Contra aid.

Mr. FOLEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Chairman, I rise in opposition to the resolution.

We are engaged in an extensive, detailed, and informative debate on the policy implications of providing the President with the funds to finance an armed insurrection against a government with which we maintain diplomatic relations. The issues are serious and in the past 2 days we have examined and considered the issue from every possible angle and point of view.

History has a way of repeating itself. President Reagan's policy in Nicaragua is a policy which looks to war—to a military settlement. It seems increasingly clear to me that the Reagan administration is ignoring facts and history and is proceeding on a course of action that is blind to the past that will be unsuccessful in both the near and long term. The $100 million the President requests is a pittance to the flow of funds the President will request later if this request is approved by the Congress.

Let's look to past history, Mr. Chairman. In less than a month, Castro will celebrate the 25th anniversary of the Bay of Pigs invasion. In what President Kennedy himself called a monumental disaster for the United States, the CIA recruited, trained and equipped a force of anti-Castro Cubans. Although they were not called Contras, or freedom fighters, these anti-Castro Cubans were in many ways quite similar to the Contras in Nicaragua. Many of their leaders had been officers of the despised former Batista dictatorship. The CIA premise for the invasion was based on the idea that the invasion would result in the overthrow of the Castro government by triggering a popular, public uprising in Cuba. But the CIA failed to understand how much the Cuban people hated Fulgencio Batista. There was no popular support for the invasion at the Bay of Pigs and it ended in tragedy and defeat for

the United States. Castro remained firmly in control. Cuba still has Castro firmly entrenched.

The policy of the Reagan administration is very much like the policy that failed in Cuba. There is no evidence or reason to believe that the Sandinistas do not command popular support in Nicaragua, particularly when the Contras are led by people affiliated with the hated Somoza. Nobody believes—not even our military experts—nobody believes that Somoza-laced Contras can topple the Sandinistas. It may even strengthen their power throughout the country as the government resists with the cry of "Yankee imperialism." The United States will again be branded as the aggressor throughout Latin America.

Mr. Chairman, a bona fide diplomatic effort should be our alternative. President Reagan has not given the Contadora group its support or cooperation. We should make that bona fide effort instead of intensifying the war effort which is what the President wants to do.

I urge defeat of the resolution.

□ 1355

Mr. FOLEY. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. TORRES].

Mr. TORRES. Mr. Chairman, I rise in opposition to the resolution.

Mr. FOLEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. SAVAGE].

Mr. SAVAGE. Mr. Chairman, I rise in strong opposition to this resolution.

Mr. Chairman, to be honest, it is difficult for me to understand why the President is pushing with such ferocity for $100 million to help the Contras overthrow the legitimate Government of Nicaragua and for the murder of innocent Nicaraguan citizens when so many desparately needed programs are being neglected in this country.

While our most challenging domestic problems are being ignored, President Reagan continues his all-out effort to drive the Sandinistas from Nicaragua arguing, among other nonsensical and unfactual allegations, that if you supported the decision to permit the ouster of Baby Doc in Haiti and Marcos in the Philippines, then you must support the military ouster of the Sandinistas in Nicaragua.

Under no circumstances, however, can the Government of Nicaragua be compared to the Duvalier government in Haiti or the Marcos government in the Philippines—neither morally nor in terms of the popular support of the people. Rigidity in the attempt to establish a more equitable distribution of wealth, universal literacy, and health care, while defending your country against a well-financed invasion, cannot be viewed in the same light as rigidity designed to increase personal wealth and privilege in the face of increasing poverty and violence orchestrated by the fascists of Haiti and the Philippines.

The Sandinistas insist that there should be room in this hemisphere for the existence of different ideologies and that they can work out their problems with their Central American neighbors if the Reagan administration would stop interfering.

I have traveled to Nicaragua, spoken with the leaders and citizens, and have studied the arguments. The hypocrisy and outright falsities emanating from the White House are insulting, at best.

The argument that the government does not represent the people has no logical basis. Eighty percent of the citizens voted in the election for seven very distinct parties to both the political right and left of the Sandinistas. International human rights and legal groups monitoring the elections found them to be free and fair.

Unlike many Central American countries supported by the United States, such as El Salvador and Guatemala where rightwing military forces murder civilians with impunity, Nicaragua has allowed opposition newspapers to write and parties to preach. The brutality of the Contras, on the other hand, the vicious murder of women and children before their very families, has been well-documented.

Contra aid can do nothing but continue killing the Nicaraguan people. The overthrow of the Sandinistas, a move I am wholly opposed to, can only occur through direct American military action. I hope and pray that Vietnam is too fresh in the minds of us all to permit such unjustifiable, immoral maneuvers. It is time we respect the wishes of the people of Central America and allow them to resolve their differences and build their communities in peace.

Mr. FOLEY. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Ohio [Ms. KAPTUR].

Ms. KAPTUR. Mr. Chairman, I rise in opposition to the resolution.

Mr. Chairman, today, I will vote against the administration's proposal to send an additional $100 million in military aid to the Contra guerrillas seeking to overthrow the Government of Nicaragua. This is the wrong way to control the Communist threat in Central America. One-hundred million dollars channeled to a ragtag army lacking the popular support of the people is insufficient to result in a clear military victory. Because the Contras will not be able to gain the military highground, military aid will ultimately result in drawing the United States into a protracted war in Central America. You can't gain true loyalty of peasant people through rifle butts. That is the Communist way. Rather, loyalty starts by respecting the worth of people and getting food to empty stomachs.

The United States has already spent $100 million in Nicaragua. The impact has been minimal. No amount of money given to the Contras would be enough. Nearly $30 million of this amount cannot be accounted for by the General Accounting Office. In essence, this proposal puts good money after bad.

Diplomatic efforts to resolve the conflict in that region should be redoubled. Any aid should be made contingent on serious diplomatic initiatives being undertaken. In fact, aid should be used as an incentive for negotiation. Leaders of neighboring democratic nations in the region have urged us, as recently as last month, to exhaust dimplomatic efforts before applying a military solution. No serious negotiations have been underway in over a year.

At a time of record U.S. budget deficits and when Americans are being asked to sacrifice for the national good, I find it difficult to justify another $100 million in foreign aid to a ragtag group that has yet to prove it can win on the battlefield. And so do the vast majority of constituents from whom I have heard. They believe, as do I, that the money could be better spent here at home—in our manufacturing and farming communities, in our downtowns and in our neighborhoods. One hundred million dollars could create a lot of job opportunities in our district.

Controlling the spread of communism in Central America is an important national foreign policy goal. If the threat to the United States is that severe, then let the President come to Congress and explain the clear and present danger to our national security. Short of that, we should seek other solutions which are in the long-term interests of the United States and the democratic nations of Central America.

Thank you.

Mr. FOLEY. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. HAMILTON].

Mr. HAMILTON. Mr. Chairman, I rise in opposition to House Joint Resolution 540.

Let me make several points:

First, the choice before us is not between aid to the Contras and the triumph of communism. If it were, the choice would be easy, since we cannot allow the triumph of communism in Central America.

The choices before us include better alternatives to protect U.S. interests.

Our approach must be multilateral;

Our approach must favor negotiations over an expanded war;

Our approach must contain and isolate Nicaragua;

And our approach must strengthen our democratic friends throughout Central and Latin America, as well as have their support.

Second, the principal defect in the President's proposal is that the Nicaragua problem simply cannot be solved unilaterally.

The Contra war has isolated the United States, not Nicaragua;

U.S. support for the Contras is a policy that today stands in splendid isolation from all the world, and such a policy, no matter what its temporary gains may be, cannot be sustained over time and cannot in the end succeed;

Thirteen governments representing over 85 percent of the population of Latin America support Contadora and a negotiated settlement of conflict in Central America;

The European Community and Japan, Nicaragua's two largest trading partners, are on record firmly in support of Contadora. Neither the European Community nor Japan support United States funding of the Contras;

Our friends in Central America regard United States military intervention as a more destabilizing threat

than the existence of the Sandinista government in Nicaragua;

The Contra war frustrates efforts for a regional settlement which is essential to preserving and promoting democracies in the area;

European as well as Latin American allies see the necessity of a negotiated settlement as the only possible practical alternative to a lengthy and unwinnable war. We owe it to them and to ourselves to explore that alternative thoroughly.

Third, the President's request before us fails to take into account the reaction of our adversaries to it.

When the United States steps up its aid to the Contras, the Soviet Union and Cuba will step up their aid to the Sandinistas. What will the United States do then? The administration does not address that question. It assumes that our move will be the last move. But it will not be the last move. This proposal would lead us to further escalation, more bloodshed, and stalemate.

A vote for the President's request today will lift restrictions on CIA and DOD participation in the Contra war. It will bring American military advisers into Central America to train the Contras. It will put American soldiers shoulder to shoulder with the Contras.

The President has said that he does not plan to send United States troops to Nicaragua, and I have no doubt that he does not intend to do so. But, I submit, the announced goals of the President, his commitment to those goals, the predictable response of our adversaries, the chances of accident and miscalculation all raise the risks of deeper American military involvement.

Fourth, there is a better alternative than expanded war. That better policy consists of three parts in equal measure: Containment, carrots and sticks, and Contadora.

We need to contain and isolate the Sandinistas

We need a long-term strategy of carrots and sticks to change Sandinista behavior; and

We need active U.S. support for Contadora and negotiations.

First, we should contain and isolate the Sandinistas.

We should prevent the Soviet Union or its allies from developing an offensive capability in Central America that threatens United States security. We should support economic and military assistance to help strengthen the democracies of Central America against threats from Nicaragua or anywhere else. We should use skillful diplomacy, encouraging the support of our friends and allies, to isolate and contain Nicaragua—diplomatically, politically, economically, and militarily.

Second, we should use carrots and sticks to influence Sandinista behavior in years to come because, short of United States intervention, we cannot change their behavior in the near term.

If Nicaragua were to agree to a cease-fire, remove Soviet and Cuban advisers, reduce the size of its armed forces, or make progress toward national reconciliation and a pluralistic democracy, we could respond positively. We could suspend United States military exercises in the region, resume normal trade, and support bilateral and multilateral assistance for Nicaragua.

On the other hand, if Nicaragua's behavior worsened we could press Europe and Japan—now Nicaragua's largest trading partners—to cut trade and cooperate in blocking assistance. We could impose tougher economic sanctions, including an assets freeze and a prohibition on bank lending or travel to Nicaragua. Such steps, however, would only be effective if taken together with our friends and allies.

Third, we should vigorously support the Contadora negotiations.

The administration has only paid lip service to the idea of a multilateral, negotiated settlement:

The President's speech of March 16, 1986, does not once mention Contadora. There is no more revealing statement of this President's views on the Contadora process than this speech. It simply draws a blank on Contadora;

The President's diplomatic approach requires the Sandinistas to relinquish power. It cannot and will not succeed.

The United States has yet to make public comment on the third Contadora treaty draft issued 6 months ago.

If we don't like the draft, we should work to improve it. The current draft has many positive elements which serve U.S. interests.

If agreed and implemented by Nicaragua, it would:

Stop new military deliveries to the Sandinistas;

Establish a ceiling on the size of their military forces and a schedule for their reduction;

Prevent the establishment of Soviet or Cuban military bases;

Force Nicaragua to send home all foreign military advisers;

And end Nicaragua's support for the export of revolution.

A Contadora agreement would also substantially increase Latin American and Western European political pressure on Nicaragua to live up to treaty commitments for national reconciliation, A pluralistic democracy and free elections.

Why would Nicaragua ever live up to any deal it might cut with the United States through the Contadora process? Because its survival would depend on it.

The Sandinistas know that the heart of the bargain is that we would let them survive in exchange for stopping foreign policies we don't like and beginning to improve their domestic record;

If they reneged, all bets would be off, including any United States pledges at Contadora. With strong support from Western Europe and Latin America, the United States could make life for Nicaragua very difficult.

Nicaragua needs peace and economic development. The Soviets and Cuban's can't provide either one. Nicaragua knows that Latin America, Western Europe, and the United States hold those keys—and that only a Contadora agreement can lead them to open the door.

CONCLUSIONS

Mr. Chairman, the proponents of this legislation say that if you do not support an expanded war, the United States policy will fail. In my view, the proponents of funding the Contras overestimate what war can do and underestimate what diplomacy can achieve.

A vote for House Joint Resolution 540 today will not resolve the issue. The Congress, and the country, are simply too divided on this aspect of Central America policy to sustain the proposed military policy. A policy which is not sustainable cannot succeed.

A vote against House Joint Resolution 540 is a vote to concentrate United States energies and policy on those aspects of Central America policy on which there is a consensus, to build on that consensus in order to isolate and contain Nicaragua, and to work together with the democracies of Central and Latin America who oppose Nicaragua's policies but also oppose the Contra war.

Mr. Chairman, we need a better policy because a unilateral policy will not work:

A policy that favors Contadora negotiations over an expanded war will have the support of our friends and allies, and can work.

A policy that offers carrots and sticks to Nicaragua can work.

A policy that contains and isolates Nicaragua can work.

I urge a vote against House Joint Resolution 540 and for a better alternative.

Mr. BROOMFIELD. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. PORTER].

Mr. PORTER. Mr. Chairman, I rise in strong support of the resolution.

Anyone who cares to look can see the historic parallels between the Nicaraguan revolution of 1979 and the Russian revolution of 1917. The overthrow of a hated despot by all elements of society working together, followed by the gradual squeezing out of the moderates by the Communists. Their cry of imminent foreign intervention to justify an immense military buildup then used to divert domestic at-

tention and, together with martial law, to quell domestic dissent. Repression of the church and the press, formation of the neighborhood committees to identify those not committed to the government's ideals, and gradual elimination by assassination, execution, or imprisonment of "enemies of the people." Russia since 1917 and Nicaragua since 1979—it's all there to see and it's all the same.

Now, four new fragile democracies in Central America are facing the threat of subversion from the only totalitarian government left there, Nicaragua.

Our President's policy is to prevent that threat from succeeding, and there are over 15,000 brave men willing to fight to contain it.

There are some here who would turn their backs on these freedom fighters and give Communist subversion on our doorstep a free hand. Mr. Chairman, I'm not one of them.

Mr. BROOMFIELD. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. BOULTER].

Mr. BOULTER. Mr. Chairman, I rise in support of the resolution.

Mr. Chairman, today Members of the House will cast a momentous vote that will determine, in part, whether the people of Central America will have the opportunity to enjoy democratic freedoms we have in the United States, or fall victim to Marxist tyranny where no individual freedoms exist.

It's this simple: Will the United States continue to be the defender of freedom and democracy, or will we turn our backs on our friends to the south, leaving them to the designs of the Soviet-backed Sandinistas who have said their revolution is without frontiers? It is clear that Nicaragua is not the only country whose future is at stake. The Sandinistas have stated publicly that they have their eyes on all of Central America, with Mexico being their ultimate and most sought after prize. Should we not approve the President's request for aid it will signal to the Sandinistas and terrorists worldwide that we lack the resolve to defend the development of democratic institutions that are evolving throughout Latin America and elsewhere.

The Marxist strategy continues to rely on a war of patience and attrition. They test the resolve of the United States by seeing just how far they can go. Slowly but surely they grow stronger. Each delay in United States assistance to the freedom fighters contributes to the Sandinistas' growing strength. Meanwhile, the freedom fighters grow weaker. Though fairly large in number and steadily growing in support, the freedom fighters are ill-equipped to fight a protracted war with the Sandinistas. The Sandinistas know this, as do the Soviets. Without our assistance, the freedom fighters will most certainly lose this war of attrition.

The revolutionary promises of a democratic Nicaragua have gone unfulfilled. The true believers in democratic ideals were hoodwinked by a shrewd bunch of Marxist practitioners. What we are trying to do today is breathe new life into the democratic vision many Nicaraguans had in mind when the revolution took place in 1979. I urge my colleagues to provide the needed lifeblood which is necessary to make this vision a reality.

Mr. BROOMFIELD. Mr. Chairman, I yield such time as he may consume to the gentleman from New Hampshire [Mr. SMITH].

Mr. SMITH of New Hampshire. Mr. Chairman, I rise in strong support of this measure.

Mr. BROOMFIELD. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. LOWERY].

Mr. LOWERY of California. Mr. Chairman, I rise in strong support of this measure.

Mr. Chairman, today the House of Representatives will vote on one of the most difficult and important foreign policy issues of our time. The magnitude of this decision is reflected in the unprecedented amount of mail and calls all of us have received from our constituents. I have heard from many constituents who stress the ill-effects of Contra aid and ask that we end any assistance to these rebels. Conversely, many other citizens in my district insist that we continue supporting the freedom fighters and help them with their struggle for freedom and democracy. If we examine all the competing factors in this debate, I firmly believe that the soundest policy is to support the Contras in Nicaragua as the best means of promoting democracy, stability, and peace throughout Central America. I would like to take this opportunity to explain the reasons which led me to this conclusion.

Perhaps it is best to examine the present regime in Nicaragua, ascertain its system and intents, and compare it with United States policy for the entire region. It will then be possible to weigh the various policy options available to the United States and select the one that best promotes a free, democratic, and peaceful Central America.

The most alarming aspect of the Nicaraguan system is its astounding military buildup. Today, the Sandinistas have the largest armed forces in Central America. There are active duty forces of 60,000, with a reserved militia adding another 50,000 people in arms. That is roughly 110,000 troops ready for speedy mobilization. Aside from raw numbers, the firepower of the Sandinistas is unmatched in the region. Their arsenal includes 150 tanks, 300 armored personnel carriers, over 40 helicopters (including 6 of the Soviets' advanced MI-24 Hind helicopters), over 200 artillery pieces, and 300 missile launchers. Compare this with neighboring Honduras (21,000 troops) and Costa Rica (which has no army) or even to the 15,000-strong Contra rebels, and it is evident that the Sandinista arms buildup is offensive in nature. Any objective observer of these facts must reach the same conclusion—that the Soviet/Cuban-supplied Sandinista army far exceeds any defensive needs and is offensive in nature.

Many opponents of Contra aid contend that United States hostility toward the Sandinistas has forced them to seek help from the Soviets and Cubans. The facts do not support this. The United States, albeit belatedly, cosponsored and voted for the Organization of American States [OAS] resolution calling for the replacement of the Somoza regime with the coalition opposition (which included the Sandinistas). During the first 18 months of the new government, the United States provided Nicaragua with 100,000 tons of food, some $118 million in bilateral economic assistance, and supported the flow of $1 billion from international lending institutions. It was only after this period (during the Carter presidency), when the Sandinistas imposed press censorship, began their military buildup, and revealed ties to the Soviets, that the United States cutoff aid to the Sandinistas. It must be acknowledged, therefore, that the Sandinistas preference for Soviet and Cuban friendship was voluntary in nature.

Let's take a look at the Sandinistas themselves. Few now doubt the Marxist-Leninist leanings of the Sandinistas. Humberto Ortega, Defense Minister, put it this way: "Marxism-Leninism is the scientific doctrine that guides our revolution * * *." Commandants Bayardo Arce, in his speech to the political committee of the Nicaraguan Socialist Party in 1984 commented on the upcoming elections in this fashion: "For us then, the elections, viewed from that perspective, are a nuisance, just as a number of things that make up the reality of our revolution are a nuisance—In the future of our country, all changes through development is in the hands of the revolutionary authority * * *."

Unfortunately, the Sandinistas have backed up these words with actions. Radio and television news are under government control, and they broadcast only what the Sandinistas permit. There is only one opposition newspaper, La Prensa, and it is government-censored to the point that publication must sometimes be suspended for lack of news. On October 15, 1985, the Sandinistas suspended civil liberties. The church, political parties, labor unions, and the press were faced with increased censorship. The attack has been waged against all religious beliefs—Jewish, Protestant, and Catholic. In addition, the Sandinistas ended the long-standing policy of exempting seminarians from the draft and closed Radio Catolica on January 1, 1986. Compare this grim reality to the promises the Sandinistas made to the OAS for human rights, political pluralism, free elections, and a mixed economy. The Sandinistas record is clear and poor.

In essence, we have a militaristic government ruled by self-proclaimed Marxist-Leninists which exhibits all the traits of oppressive Communist regimes. Is there any other conclusion to draw except that the Sandinistas are committed to the doctrines of Lenin? Again, an objective observer must concede that the regime in Nicaragua is antidemocratic, pro-Soviet, and poses a potential threat to the entire region.

Still, some opponents of Contra aid say that these facts are insufficient justification for seeking what they see as the ultimate goal—the military overthrow of the Sandinistas. They suggest that if we leave the Sandinistas alone, they will behave in a peace-loving way, concerned only with the welfare of Nicaraguans. Aside from the historical inconsistencies of applying this rationale to Communist countries, it is necessary to examine specific Nicaraguan behavior.

The Nicaraguan Government has embraced the likes of Muammar Qadhafi, Yasser Arafat,

and members of terrorist organizations throughout the world, referring to their shared struggle. In addition to this symbolic display, the Sandinistas are aiding the guerrillas in El Salvador. Since 1979, the Salvadoran insurgents have relied on Nicaragua for weapons, training, intelligence, and sanctuary—the guerrilla high command is based in Nicaragua. There is also evidence which suggests the Sandinistas are subverting the governments of Honduras and Colombia.

Clearly, then, the threat to Central America is real. The citizens in Nicaragua face oppression at home and the neighboring fragile democracies are feeling the intrusive arm of the Sandinista military machine. The question now becomes: how can the United States best attain the twofold goal of internal reconciliation for all Nicaraguans and external stability (ending Sandinista-backed subversion in the democracies of Central America)?

All of us would like to see this achieved through peaceful negotiation. The Contadora process and Church-mediated talks offer the best hope for a lasting settlement and the United States has fully supported both these approaches. Since 1981, the United States has sent over 40 diplomatic missions to Latin America and has held nine rounds of direct talks with the Sandinistas. The United States maintains a standing offer to talk any time the Sandinistas wish to discuss changes in four principal areas of concern: Soviet/Cuban presence; military buildup; support for subversion; and internal reconciliation. It is the Sandinistas who have categorically refused to open dialog with the rebels—something President Duarte agreed to in El Salvador.

Moreover, the record is replete with examples of Sandinista intransigence on Contadora. For example, last December, Daniel Ortega proposed in writing to the OAS a postponement until May 1986 of further Contadora negotiations. The OAS General Assembly, meeting in Cartagena, voted 24 to 1 (Nicaragua) to recommend continuation of the negotiations. The one draft treaty the Sandinistas did endorse contained no verification or enforcement provisions for reducing military stockpiles and holding free elections. In short, it is the Sandinistas who refuse to seriously negotiate.

Nevertheless, the President has agreed to postpone deliverance of offensive military materials to the Contras for a period of 90 days. This grace period will afford the Sandinistas yet another chance to seriously engage in meaningful dialog. In addition, a special envoy will be sent to the capitals of the Contadora and support group nations urging a unified effort for a regional peace accord. In light of past Sandinista behavior, I believe this is an eminently fair proposal.

A viable resistance force, ever-ready for negotiation but also willing to fight, is the best hope for convincing the Sandinistas that a negotiated settlement is in their interest. It is naive to believe the Sandinistas will come to the peace table without the impetus of a viable Contra force. Strength of United States resolve in this matter is critical.

For the reasons outlined above, I believe continued assistance—both humanitarian and military—is in order. Before ending this discussion, however, I would like to address some of the concerns often expressed by my constituents.

The most frequently aired complaint is that the Contras are unpopular Somocistas who can't win. It is important to recognize that the rebel force has grown from 3,000 in 1981 to 15,000 to 20,000 today. The opposition includes people from all walks of life including a large number of campesinos. While some of the Contras are undoubtedly ex-Guardia, the vast majority are ordinary citizens disillusioned with the Sandinistas. Moreover, the three leaders of the United Nicaraguan Opposition—Adolfo Calero, Arturo Cruz, and Alfonso Robelo—all fought to overthrow Somoza. In essence, the Contras are a growing force of peasants, shopkeepers, with Somocistas comprising a smaller and smaller percentage of this group.

To those who say the Contras can't win, I agree that yes, unarmed they can't win. They certainly can't be expected to win by lying down in front of Sandinista tanks, Philippines-style. Under Leninist regimes, Philippine and Solidarity approaches do not fare well. Nor do vastly out-gunned, out-trained guerrilla armies do well against Cuban-Soviet-style military machines. The Contras cannot win the way North Vietnam won in South Vietnam. However, they can win in the way the Sandinistas won in Managua—not by rolling over the Sandinista army, but by controlling the countryside, gaining popular support, and forcing the Sandinistas to recognize that their oppressive and subversive policies are untenable.

Another frequent statement is that the Nicaraguans held elections and that the people of Nicaragua worked their will. The facts say otherwise.

Opposition candidates were harrassed and censored from La Prensa and, not surprisingly, the government controlled media did not carry opposition statements. As the New York Times put it:

> Only the naive believe that Sunday's election in Nicaragua was democratic or legitimizing proof of the Sandinistas' popularity. The result was ordained when opposition parties tamely accepted terms that barred them from power. . . .

A further concern often aired is that we can't afford this $100 million. It must be noted that this is a transfer of existing funds and requires no new appropriations. In addition, if this is a legitimate security concern, which I believe it is, then this amount is trivial.

The last argument that opponents of contra aid cite is that Central America does not support United States assistance to the freedom fighters. A recent Costa Rican gallup poll indicates widespread local support for United States efforts in the region. As for public statements by Latin leaders in opposition to the United States, I offer this explanation—what do you expect? Costa Rica, a country with no army, faces a 100,000 plus force across its border. Does one expect Costa Rica publicly to come out in support of overthrowing its neighbor, given an isolationist U.S. Congress and a rising military power in Nicaragua? But many leaders of these fledgling democracies told the Kissinger Commission that they want the United States to help the Contras and control the growing threat of Managua.

It is absolutely vital for all Americans to pinpoint the issue at hand. The history of Nicaragua, and indeed all of Central America, has been one of military dictatorship, widespread depravation and poverty. In fairness to the Sandinistas, it must be acknowledged that they have implemented modest improvements in health care and education. However, these gains do not, in themselves, justify their massive military buildup, their oppression at home, and their subversion abroad. Moreover, more substantial social gains have been made in the neighboring democracies of Honduras and El Salvador.

The issue at hand is whether the United States will ignore a substantial segment of Nicaraguans—arguably a majority—who seek to restore their revolution. Those brave men and women fighting the Sandinistas are risking their lives for privileges which many Americans take for granted. The issue is whether the United States will cutoff the freedom fighters and watch them whither away as the Sandinistas consolidate their control and continue to work on their neighbors. This issue is too important and the need for action too great for the Congress not to act.

If we do not strengthen the resistance now, our worry in the future will be a very different one—a far more serious one. Our worry will be a Soviet and Cuban base on the mainland of Latin America, a regime whose consolidated power will allow it to spread and directly threaten Mexican oil fields, the Panama Canal and Caribbean shipping lanes. And nothing is more likely to force American military intervention than the consolidation of an aggressive, highly militarized, pro-Soviet regime in the area. The contras want to do their own fighting. Cut them off, and the only body in the hemisphere able to restrain the Sandinistas will be the U.S. Army.

Mr. Chairman, I urge my colleagues to support this request for assistance to the freedom fighters in Nicaragua.

Mr. BROOMFIELD. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. PACKARD].

Mr. PACKARD. Mr. Chairman, I rise in strong support.

Mr. BROOMFIELD. Mr. Chairman, I yield such time as she may consume to the gentlewomen from Rhode Island [Mrs. SCHNEIDER].

Mrs. SCHNEIDER. Mr. Chairman, I rise in opposition.

Mr. BROOMFIELD. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. LENT].

Mr. LENT. Mr. Chairman, I rise in strong support of the resolution.

Mr. Chairman, what we decide in the House today—whether to approve aid to the Contras or deny it—will affect the political future of that nation and of the entire Central American region.

Moreover, it will seriously affect the security of the United States in this hemisphere for many years to come.

Certainly, from an ideological standpoint, the hope of democracy as opposed to Daniel

Ortega's Marxist-Lenist military regime, is critical.

But even more fundamental, and what I personally perceive to be the deciding factor in this debate, is the fact that the Sandinista government threatens to destabilize Central America and ultimately the entire hemisphere.

The massive flow of Soviet-Cuban arms and materiel into Nicaragua—now estimated at approximately $500 million—is no secret. A government supported by Soviets and Cubans is bound to be a source of constant instability in a region of fledgling democracies, many of which are weak militarily. It took Daniel Ortega's flight to Moscow a few days after the Contra aid vote last year to dramatize the Soviet connection, and since that time, the situation has not changed. Neighboring countries in the region—Honduras, El Salvador, Costa Rica—regard the Sandinista government as a serious military threat to their sovereignty.

I don't think anyone—Republican or Democrat—could argue the fact that the United States has a vital interest in preventing the establishment of a Soviet base in Nicaragua. Yet my colleagues who oppose this aid package offer no alternative solution.

They place their faith in a diplomatic process that, in my view, is doomed to failure because of the nature of a key participant, the Ortega government.

Mr. Ortega and his associates gained power through force of arms and they are not going to relinquish that power, either in whole or in part, because of the Contadora process. The Sandinistas understand one thing and one thing only—force. And they will not seriously negotiate until they are forced to do so.

A democratic Nicaragua is the only hope that this threat will not materialize. This is a goal worthy of support and those willing to fight for the cause are deserving of American support. Thank you.

Mr. BROOMFIELD. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. FIELDS].

Mr. FIELDS. Mr. Chairman, I rise in strong support of the resolution.

Mr. Chairman, it seems clear to me that if client rulers of the Soviet Union obtain external assistance to maintain their rule, certainly those citizens who are deprived of liberty have the right to ask for external assistance to reclaim it.

The Sandinistas' military buildup in Nicaragua and their dependence upon Soviet bloc and Cuban security advisers began shortly after Anastasio Somoza was ousted and before the advent of anti-Sandinista military operations. Since 1979, the Sandinistas have received at least $500 million in military assistance from Cuba and the Soviet bloc. There are 6,000 to 7,500 Cuban military and civilian advisers in Nicaragua. In addition, there are about 300 other advisers from the Soviet bloc, Libya, and the PLO. The Sandinistas have received sophisticated Soviet military hardware, including the formidable Hind helicopter gunships. Cuban military advisers are found down to the company level and are playing an increasing operational role, including the piloting of the Hind helicopters supplied by the Soviet Union.

Those who contend that the Sandinista government in Nicaragua is a legitimate government, sustained by the people, need only look at the facts to see that it is not. Its power is sustained through repression, foreign assistance and those who are bent on securing Nicaragua as a Communist stronghold on the American Continent.

Let there be no misunderstanding as to what the goals and objectives of the Sandinistas are. Statements by the Sandinistas and their allies plainly spell it out:

On July 19, 1981, Tomas Borge, the Sandinista Minister of Interior, said, "This revolution goes beyond our borders. Our revolution was always internationalist. * * *"

On September 1, 1984, Colonel Muammar Qadhafi was quoted as saying, "Libyan fighters, arms, and backing to the Nicaraguan people have reached them because they fight with us. They fight America on its own ground."

Sandinista leaders and PLO leader Yasir Arafat have voiced their sympathy for each other and their common cause, as Tomas Borge did in 1980, saying, "We say to our brother Arafat that Nicaragua is his land and the PLO cause is the cause of the Sandinistas."

Before coming to power, the Sandinista revolutionaries promised that they would hold free elections, guarantee human rights and remain nonaligned in foreign policy. They have betrayed their many promises. In early 1980, the Sandinistas signed an accord with Moscow and ratified the Soviet invasion of Afghanistan. In 1980, the Sandinistas reneged on its promise to hold elections, announcing instead that elections would not take place and banned electoral activities until 1984. On October 15, 1985, the Sandinistas extended restrictions on fundamental civil rights guaranteed in the Statute of Rights and Guarantees of Nicaraguans. The October crackdown formalizes de facto Sandinista restrictions on civil liberties that have been imposed in varying degrees of severity since the Sandinistas came to power in 1979. Some of the same people who fought tyranny under Somoza are now fighting repression at the hands of the Sandinistas.

Let there be no misunderstanding as to the extent to which the Sandinistas have gone to deny their people basic civil rights. Some of the rights and freedoms which have been suspended include: Freedom of information, freedom of expression, right of peaceful assembly, right to a trial and freedom from arbitrary interference in personal life, family, home, and correspondence, Catholics, protestants, and Jews have been the target of severe religious harassment and persecution as part of the Sandinista policy to supplant the teachings of these religions with the Marxist-Leninist doctrine of the Sandinistas.

According to accounts from ex-prisoners, ex-Sandinistas, Nicaraguan defense lawyers, and relief agencies, there are approximately 11,000 to 13,000 political prisoners being held within the prison network operated by the Sandinista regime. The Sandinista military along with State Security Forces have indiscriminately imprisoned political opponents of the Sandinista government since the beginning of 1980. Accounts gathered from former political prisoners describe a policy by the Sandinista police and security forces of using systematic means of torture to extract information from civilian prisoners, intimidate those who oppose the government, and weaken the resistance of the opposition.

Under such circumstances, it is not surprising that more than 400,000 Nicaraguans have fled their country between 1979 and 1985. These people have fled Nicaragua to escape this terror and thousands more stand ready to flee, both in Nicaragua and throughout the region, if this terror imposed by the Sandinista regime is allowed to continue.

Mr. Chairman, the President and I have a commitment to democracy in Nicaragua. The people in Central America are waiting for Congress to make up its mind as to whether it is also committed to democracy in Nicaragua. Negotiations have failed and only provide the Sandinistas the necessary time to complete their consolidation of power in the region. We cannot abandon the brave men and women—the trade unionists, church people, businessmen and women, the farmers and ordinary citizens who are struggling, both from within and from exile for the freedoms for which they waged a valiant revolution in 1979. They do not ask us to fight the fight for them, they only ask that we help even out the odds against them.

One hundred and fifty years ago, Col. William Barrett Travis and 187 brave men stood outnumbered and outgunned at the Alamo. There, Colonel Travis drew a line in the sand to see who would stay and fight with him. Mr. Chairman, now is the time for us to draw the line in the sand. The question remains, are we for democracy, or are we not?

Mr. BROOMFIELD. Mr. Chairman, I yield such time as he may consume to the gentleman from Minnesota [Mr. WEBER].

Mr. WEBER. Mr. Chairman, I rise in support to the resolution.

Mr. KASTENMEIER, Mr. Chairman, I would like to make a personal observation on aid to the Nicaraguan Contras. I am one of the few Members of the House presently serving who served during the period of our slow but steady descent into the quagmire of the Vietnamese civil war.

There may be those who dismiss any comparison between Vietnam and Nicaragua as ancient history or as being irrelevant to present day circumstances. But, the similarities between Vietnam and Nicaragua are striking and we are still living with the tragic results of our experience in Vietnam.

In South Vietnam, a nation about which we knew little, we propped up government after government, each lacking in any political legitimacy and each failing to win the supoport of the people of South Vietnam. We understand the power of nationalism in Vietnam and the desire of the Vietnamese people to rid their nation of forces from foreign powers. Our military advisers in South Vietnam grew into military battalions, and when we found that the South Vietnamese military couldn't carry the fight, these battalions became military divisions. We had a President who became obsessed with a domino theory which held that is South Vietnam toppled, all of the Southeast

Asia would fall to a Communist force directed from China and Moscow. In the end, we sided with a decaying political, social, and economic class against a popular mass movement and we lost.

With Nicaragua, again a nation about which the American people really know very little, we are propping up a counterrevolutionary force which has no political legitimacy and very little if any, popular support among the people of Nicaragua. We are again underestimating the spirit of nationalism among the Nicaraguan people and their deep-rooted suspicion of the powerful Yanqui from the north. We, again, are supporting the forces of reaction against a popular mass movement. We, again, have a President who is obsessed with a red menace which, he believes, is directed from Moscow and which, he maintains, will sweep up to the southern borders of the United States if the Sandinista regime is not eliminated. We, again, are finding that the forces which we are supporting are unable, on their own, to win a military victory. U.S. military advisers which will be attached to the Contra forces will, I fear, be augmented by U.S. military forces once the administration comes to accept the fact that the Contras, by themselves, will be unable to overthrow the Sandinistas.

Unlike Vietnam, however, I believe that United States military forces, after paying a price, will be able to conquer the Nicaraguan Armed Forces. But, we will learn that we will never be able to conquer the spirit of the Nicaraguan people and they will hate us for occupying, again, their nation.

History is a teacher, and if we fail to learn the lessons of history, then we are destined to repeat the mistakes of the past. Let us not relive our sad experience of Vietnam through a dirty war in Nicaragua.

Mr. STRATTON. Mr. Chairman, one of the most obvious aspects in this debate is that to a very large degree it is frankly partisan. The Democrats, with some few exceptions, are strongly opposed to providing aid to the anti-Communist groups in Nicaragua; while the Republicans, also with few exceptions, support the President's initiatives.

But it has not always been thus in the long history of our Nation. On the Democratic side of the aisle I daresay an overwhelming majority of Democrats—if you ask them who is their most revered President—will say Harry Truman.

But I wonder how many of these members—who are determinedly resisting the pleas of the White House in this debate—remember that one of President Truman's most courageous and most effective achievements was virtually a mirror image of what President Reagan is asking this 99th Congress to approve?

When President Truman took over the Nation's leadership following the death of Franklin D. Roosevelt, his first official contact with the Soviets was at the Potsdam Conference outside East Berlin. Mr. Truman came back home deeply pleased that he had achieved a warm, personal relationship with Marshall Stalin and regularly referred to him as "good, old Uncle Joe."

But it didn't take very long before that form of address for the Soviet dictator was replaced by some of the more colorful language Mr. Truman used when he really got his dander up.

At Potsdam Stalin had agreed to get his Red army forces out of the Azerbaijan district of Iran, which—during the war—had been the narrow, southern corridor through which United States lend-lease materials had reached the Soviet Union. But Harry Truman suddenly discovered that "good, old Joe" had been dragging his heels in Iran. Truman believed that promises should be lived up to. He gave Joseph Stalin a piece of his mind; and in short order, the Soviet troops were out of Azerbaijan, though subsequently they went back in.

But that was only the beginning. Before long Mr. Truman was advised that Communist agents—and armed guerrillas—were moving in in force to take over two other countries adjacent to the Soviet Union—Greece, the ancient birthplace of democracy, and Turkey. This is very much the same way the Soviets are taking over Nicaragua behind the cover of the Communist Sandinistas and what they had tried to do in Grenada but fortunately failed.

Once again Mr. Truman got his dander up. The President went before a joint session of Congress on March 12, 1947—nearly 39 years to the day—and called on Congress to appropriate funds to both Greece and Turkey—not just humanitarian aid, but also military aid to enable both countries to preserve their integrity and wipe out effectively the insidious Communist infiltration coming from Yugoslavia and Albania. And the peril to us after 39 years has moved within just 2 driving hours on the North American Continent from the borders of the United States.

If you have visited Greece you have seen the statue of President Turman which the people of Greece erected to express their deep gratitude to that courageous and outspoken President for his decisive action in enabling Greece to preserve her historical democracy and drive out the Communist subverters.

I have never heard a single Democrat who ever faulted Harry Truman for saving Greece and Turkey.

So why is it, I wonder, that what Harry Truman was courageous enough to do in 1947—and was made possible, by the way, with the broad support that he got from that terrible Republican 80th Congress—a Democratic 99th Congress now appears to be turning down a very similar initiative to ensure freedom and self-government in place of Communist oppression on the North American Continent.

Incidentally, both leaders learned the true meaning of communism through sad experience and both fought it bravely and effectively—President Truman in those early days in the White House, and President Reagan as a result of his experiences with Communist penetration of the Screen Actors' Guild.

As the philosopher George Santayana put it: Those who are unwilling to learn from the mistakes of histroy are condemned to repeat them.

Mr. Chairman, we are told this will be a very close vote on the matter of Contra aid. Let me just say that, if all those Democrats who claim Harry Truman as their political hero will emulate what Harry Truman urged Congress in 1947 to do in stopping communism in the Mediterranean and will support President Reagan's very similar plea to stop communism on our own North American Continent, the bill we argue here today is bound to pass by a wide margin.

Mr. FRENZEL. Mr. Chairman, aid to the Contras has become a big issue; $100 million of reprogrammed funding would seem at first glance to be a modest sum, but the President has given this proposal prime importance and urgency. Naturally, opponents have given it equal importance.

The President has spelled out the threat in stark terms on television. Nicaragua is a small country with minimal resources, but he sees it as a mainland foothold for communism and a source for the spread of revolution and terror in Central America.

Nobody has a good word for the Sandinista government. It is Communist and highly repressive. Its advisors from other Communist countries, its substantial military presence, and its aggressive attitude have made neighboring countries understandably nervous.

Opponents of the proposal have been apparently willing to stipulate that the Sandinistas are nasty and dangerous, but have no practical solutions to contain them, to change their behavior, or to root them out. I am troubled by the fact that extreme-left dictatorships never exit gracefully. Unlike rightwing dictatorships, which, in Latin America, often fade away, Communist dictators have to go out feet first.

What bothers me about the President's proposal is that I don't think that the Contras are a force sufficent to remove a threat as massive as the President describes. The Contras have been in place for years without attracting many recruits, or even much attention for that matter. An extra $100 million would seem unlikely to make them much stronger, or to bring the Sandinistas to their knees.

To his credit, the President has been cooperative and accommodation about being willing to hold up most of the funds pending 90 days more of negotiations with specifically stated objections. The funds won't be available until those negotiations have not been successful. His proposed Executive order, worked out after discussions with a group of Congresmen, makes his overall proposal more extractive.

This additional proposal of the President, seems to be close to a proposal the House Democrat leadership is now said to be willing to schedule in mid-April. This narrowing of differences is not uncommon in issues of this kind in which the President has taken such a strong position. The Nicaragua problem is one on which there should be a national consensus rather than a narrow partisan majority.

Unfortunately, the House majority has refused to allow amendments so that this body might reach such a consensus.

While I do believe that the proposal will be ineffective it will at least be a holding action. The alternative of a negative vote exposes the Contras and leaves us without any policy. I think it is unfortunate that both sides are dug in so deeply.

When all is said today, I come to several conclusions. I don't like the proposal of the President, and I don't like the idea of voting

down the only proposal before this House, and one on which the President has staked his leadership.

Mr. FORD of Michigan. Mr. Chairman, I rise in strong opposition to House Joint Resolution 540, the President's request for $100 million for aid to the Contras in Nicaragua.

I recognize that the Sandinista regime has grown increasingly repressive and has sought to consolidate its power further. Regardless, the issue remains how we should deal with this regime. The President seeks to use military assistance to solve the problems in Central America through violence and bloodshed. I prefer that the United States pursue negotiations and diplomacy to deal with the problems of Central America, as urged by our democratic allies in the region.

First, I feel that it is necessary to put the situation in Nicaragua into the proper perspective. Nicaragua is a nation with an area slightly less than that of the State of Alabama and has a population of 3 million—just about the same number as Wayne and Macomb Counties in Michigan.

It is also important to take a close look at exactly who are the Contras and what the United States would be supporting should the Congress approve this aid. First, the Contras are equally, if not more, abusive of human rights than the Sandinistas. The administration has attempted to deemphasize the brutality of the Contras. However, the reports of human rights abuses by the Contras are too frequent, too widespread and too well documented by unbiased observers to be ignored.

One of the primary tactics of the main Contra group [FDN] is to attack any organs that it views as part of the Sandinista government. These targets include agricultural collectives, health clinics, and schools. The unfortunate result has been the deaths of innocent civilians.

In addition, the military leadership of the FDN is dominated by former members of Somoza's brutal and hated National Guard. Last year 46 of the top 48 military leaders of the FDN were former National Guardsmen. Although the administration has noted that the overall percentage of FDN members who are former National Guard members is relatively small, the President has refused to recognize that these members of Somoza's security force continue to dominate the miltiary hierachy of the FDN. This is one of the primary reasons why the Contras lack popular support in Nicaragua.

The Contras are further plagued by serious factional divisions and an inability of the factions to work together. The FDN is but one of many guerrilla groups. A second major group under the leadership of Eden Pastora, a one-time Sandinista, has refused to work with the FDN because of the extensive presence of ex-National Guardsmen.

In addition to being factionally divided, the Contras are also militarily weak. Estimates indicate that the Contra currently number 13,000 to 14,000 soldiers. However, upward of 70 percent of the FDN Contras have not left Honduras since October. Only 6,000 Contras have recently operated in Nicaragua. Even with U.S. aid, the Contras would be in no position to challenge the Sandinistas militarily.

Instead of providing $100 million to the Contras, the United States should push ongoing diplomatic efforts of our Central and South American allies. In January the leaders of the Contadora group issued what has become known as the Caraballeda statement calling for the "termination of external support to the irregular forces operating in the region." This is just the latest in a series of ongoing efforts by the Contadora group to achieve a regional peace plan.

The nations supporting this effort include Panama, Mexico, Venezuela, Colombia, Argentina, Brazil, Peru, and Uruguay, all of which are members of the Contadora or the Contadora support groups. The latest statement has also been endorsed by other nations in Central America. This action has breathed fresh life into the Contadora process. To approve the President's request would slam shut the door on a potential peaceful solution.

Mr. Chairman, in times of tight budgetary constraints and the guillotine of Gramm-Rudman, there are much wiser uses of $100 million. The President's request is cloaked in the guise of a transfer of already appropriated funds from Pentagon ammunition accounts. The Secretary of Defense has made it clear that the administration intends to make up the money in ammunition accounts from unappropriated and unauthorized funds. There are only two possible sources for this funding. Either $100 million can be added to the deficit or $100 million more can be cut from domestic programs. If we were to approve any additional funding, I would prefer to see this money added to child nutrition, education or job-training programs—programs that have been devastated by budget cuts and that will provide concrete benefits to our Nation's citizens.

In closing, I feel compelled to comment on the tenor of debate on this issue and, in particular, some statements from the administration questioning the patriotism of opponents of Contra aid. In my 22 years on the House, I have never heard such personal, red baiting attacks as those we have heard from the White House over the past month. I served in uniform in two wars—World War II and the Korean war. I resent any implication that I or any of my colleagues who oppose military aid to Contras are less than patriotic.

Mr. WORTLEY. Mr. Chairman, for the last 4 or 5 years, this body has been debating the question of whether we should aid the resistance forces or give negotiations just one more chance. Except for last year when a strictly humanitarian aid package was approved, negotiations have won every time.

What has this restraint done for reconciliation in Nicaragua and peace in Central America? Nothing.

What restraint have the Sandinistas shown in their military buildup and internal repression? None.

So why are so many people saying "negotiate, negotiate" when the Sandinistas will agree only to peace proposals that include no verification measures? And, most importantly, refuse to talk with their opposition?

There is no question that we have to continue efforts to negotiate, but it has become abundantly clear that the Sandinistas will not agree to live up to the promises they made to the Organization of American States in 1979 without pressure being brought to bear on them. Seven years later, it's time to face up to that fact and get serious about helping the resistance forces.

Just once, I would like to hear someone opposed to military aid offer a realistic alternative.

They say don't send military aid, it will escalate the conflict. What do Soviet MI-24 Hind helicopters, the infamous flying tanks shipped to Nicaragua in November 1984, do to the conflict? What did $200 million in Soviet and Cuban military aid from May 1984 to September 1985 do to the conflict? If those opposed to military aid will recall, that is the very period of time during which the United States provided no aid—military or humanitarian—to the Nicaraguan resistance.

It seems to me that if the theories of those opposed to U.S. aid to the resistance were valid, the Sandinistas would have halted its military buildup and made some good faith efforts toward negotiations and reconciliation. Yet they continued to refuse to talk to the resistance forces, and in the Contadora negotiations, they rejected verification procedures that all of the parties to Contadora—including Nicaragua—had previously agreed to.

I am puzzled. What history of Sandinista actions supports the idea that negotiations without military pressure are going to work? Perhaps the problem is that we see different goals for negotiations. The goal I see for negotiations is a Nicaraguan Government that fulfills the promises made to the Organization of American States in 1979. A government that seeks reconciliation among the Nicaraguan people, a government that is not a threat to its neighbors, a government that does not support terrorism and drug trafficking, a government that operates in a pluralistic society in which freedoms and human rights are respected.

I get the uneasy feeling that those opposed to military aid are resigned to the Sandinistas running Nicaragua as a totalitarian police state, let them have Nicaragua. World public opinion will keep them in their own country.

My only response to that is world public opinion hasn't kept the Soviet Union out of Afghanistan or Vietnam or out of Cambodia.

I have even heard some people say that the Soviets have no interest in establishing another Cuba on the North American mainland. Why do they think the Soviet Union, Cuba, and Libya have been investing hundreds of millions of dollars in military hardware, training, and construction in Nicaragua? To build a vacation resort?

And while the United States Congress repeatedly debates the same issues and refuses to face the issue squarely, what is happening in Nicaragua?

In January of this year, Cardinal Obando y Bravo wrote to the Secretary General of the United Nations outlining the government's attacks on the Catholic Church and stating the Nicaraguan bishops' belief that the purposes of these activities is to, among other things, reduce it to a church of silence. This is the same Obando y Bravo who was an active opponent of the Somoza regime. We listened to

him then, and I believe we should listen to him now.

There are no easy answers to the situation in Nicaragua. We have to look at alternatives and judge which offers the best opportunity for protecting the security interests of the United States and of our Central American neighbors, and which offers the best hope for a free and peaceful future for the Nicaraguan people. Military aid is the only alternative offered that has any real hope of achieving these goals.

The Nicaraguan resistance seeks no territorial gain. These people are seeking an end to bloodshed in their country.

All they want is leverage to get to the bargaining table.

The least we can do is to provide them that leverage. I urge your support of this resolution.

Mr. LIPINSKI. Mr. Chairman, I would like to take this opportunity to speak in support of the proposed $100 million aid package for the Contras in Nicaragua.

The civil war in Nicaragua has presented this country with a foreign policy dilemma. This issue has invoked a wide disparity in public opinion which runs the gambit from protecting our national interests to the outcries of American interventionism. Unfortunately those who advocate a laissez-faire approach and oppose the Contra cause have closed their eyes to the overriding issues of a democratic balance in Central America and the long term security interests of the United States.

The Sandinista government led by Daniel Ortega have been masquerading as a model for democracy in Central America while in reality they have pursued a course which embraces the communist ideology permeating from the Kremlin.

Their open alliance with the Soviet Union along with a propensity to export subversion in the region demonstrates a clear and present danger to hemispheric stability.

Although the Contras possess some misgivings they do represent the only legitimate deterrent to Sandinista adventurism and Soviet expansion in Central America. To refuse to support this option will only lead to increased subversive activities in the region, and the realization that the only viable alternative left will be the presence of American soldiers. The revolution may not succeed with U.S. help, but it will certainly be destined to failure without it. Anyone who is fearful of a direct U.S. military move in Nicaragua should be eager to assist in bolstering the Contra movement.

The danger of escalated civil unrest in Central America is only heightened by the lack of commitment to the Contras who seek only to finalize the democratic revolution that the Ortega government repressed. In fact the Contras are no more guilty of human rights violations than are the Sandinistas who are violating the basic freedoms of the entire population. Moreover the reports of Contra atrocities are fradulently manufactured by the Sandinistas for the edification of the international media. Their principal goal is to disseminate false information about the nature of their own system so as to convince the world community that they are really not Communists.

Opponents of Contra aid will continue to cite the glaring errors of the Vietnam era and the potential ramifications that may occur in Nicaragua. Those errors and the loss of American lives may in fact occur if we abandon the goals of the Contras, whose purpose is to bring about a democratic sharing of government through an honestly elected government. A goal that the Sandinistas paid lip service to during the overthrow of General Somoza.

If the Contra objective is not eventually reached we will have a Soviet satellite similar to that of East Germany, Hungary, and Cuba at the doorsteps of this country.

In security terms, Central America is of considerable importance to the United States. An unstable Central America presents a grave threat to both the Panama Canal and Mexico. A militarily powerful Nicaragua committed to the interests of Moscow will eventually force the United States to divert more and more resources to protecting neighboring democracies in the region. In time of war, the Sandinistas could provide bases for Soviet planes and ships that would endanger vital American shipping interests through the Panama Canal.

If the United States abandons the Contras, it will be tantamount to an open invitation to the Soviets, who have already supplied the Ortega regime with an array of economic and military aid. Failure on our part to assist in the democrative revolution will allow the Warsaw Pact to build a second beachhead on the North American Continent.

There are some who may argue that Nicaragua is a developing democratic entity which is devoid of any outside influence. If that is the case how can these same people justify the presence of Cubans, Bulgarians, Libyans, Czechs, North Koreans, East Germans, Vietnamese, and elements of the PLO operating in various capacities within the borders of Nicaragua. The hands of international communism are clearly outstretched to Daniel Ortega.

Congress must decide now whether it will stifle international communism in Central America or let it spread like a cancer through the democracies of North America. Unfortunately in Nicaragua today there can be no self-determination as long as the Soviet Union and its clientele are allowed to nurture and grow on our back doorstep.

If we choose to deny these friends of democracy a real chance at self-determination we will be condemning the Nicaraguan people and very possibly our Latin American neighbors to a turbulent period of Communist domination that someday may reach our shores.

Mr. FAWELL. Mr. Chairman, I would like to express my thoughts in reference to this most difficult question of "aid to the Contras."

LEGITIMATE, NEW REVOLUTION IN NICARAGUA

First, I believe there is a new revolution going on in Nicaragua. There are 16,000 to 20,000 young men, ages 17 to 24, mostly compesinos, farmers, who have volunteered, without pay, to fight in this new revolution. There were only 6,000 Sandinistas who fought the revolution against Somoza. It is difficult for me to assume that these young men, many of whom are Sandinista army deserters, will volunteer for rugged battlefield duty unless, indeed, there is significant disenchantment with what the Government of Nicaragua is doing to its people. I believe that disenchantment is now widespread throughout Nicaragua. A successful Contra revolution is possible if the United States will lead the way to a unity of all anti-Sandinista forces including the FDN, the Southern Opposition Bloc [BOS] led by Eden Pastora and Alfredo Cesar and Brooklyn Rivera's Misurasata Miskito Indians.

NICARAGUA—A MILITARY POWER

Second, knowledgeable estimates are that Nicaragua today has 145,000 trained men under arms.[1] They are professionally trained under Soviet and Cuban military advisers. They are well equipped with modern weapons, including 154 Soviet tanks and, just recently, Soviet helicopter gunships. Nicaragua has reportedly received more than $500 million in military aid from the Soviets alone. There has been an escalation of the military buildup by the Sandinistas during the past 2 years. Most of the military buildup came as a result of weapons' deliveries from the Soviets, Cubans and most of the Communist world while the United States maintained a policy of no arms shipments to the Contras.

NICARAGUA—A TOTALITARIAN STATE

Third, the promises of the Sandinistas to the Organization of American States to form a democracy, a pluralistic society and one which is not aligned with the East or West has been openly broken. Nicaragua is today a totalitarian state. It exports terrorism and revolution. There is no freedom of the press in Nicaragua. There are no trade unions. The right to strike by labor is outlawed. The church is persecuted and censored. Open-air Masses are prohibited, the Catholic radio station has been shut down, its newspaper suppressed, its printing press confiscated, its social welfare office seized; seminarians have been illegally drafted into military service and imprisoned and priests deported. Civil rights have been taken from the people. The International League of Human Rights estimates that there are now between 3,500 and 7,000 political soners in Nicaragua, not including the 2,500 National Guardsmen. The deterioration of civil rights began soon after the Sandinistas took power, while the United States was given $100 million in economic aid to Nicaragua and before the Contras were ever heard of.

Robert Leiken, in a recent edition of the New Republic, sums it up as follows:

> The once enormously popular support for the Sandinistas has virtually vanished, and their power now depends on a military and security apparatus built by Moscow and Havana.

CONTRAS CAN WIN

It is said that the Contras cannot win such a revolution against the superior military strength of the Sandinistas. But then revolutions never do seem to have much of a chance in Marxist-Leninist nations. And to be sure, if we give the Sandinistas and their Soviet and Cuban allies much more time, Nicaragua may well be molded in a permanent Communist form. But I don't believe it is too late. I don't believe, at this time, the conscript army of the Sandinistas has the will to defend

[1] That total is made up of about 63,000 regular army troops, 22,000 reserves and a 60,000 man militia. (Source, *Chicago Tribune*, March 15, 1986, Vincent J. Schodolski)

a system in which they basically do not believe. Nor do I believe that the Contras' winning is the whole name of the game.

WITHOUT AID, NO SERIOUS NEGOTIATIONS

I believe it is naive to assume, given the military power now in the hands of the government of Nicaragua, that the Sandinistas would seriously negotiate for democracy and freedom in Nicaragua once the challenge of the new revolution is snuffed out. And I believe the new revolution will be snuffed out if America will not give it military and humanitarian aid.

WILL AID DRAW UNITED STATES INTO WARS

Will aid to the Contras draw the United States into war? I think the reply to that question has been eloquently answered by the editors of the New Republic:

Nothing is more likely to force American military intervention than the consolidation of an aggressive, highly militarized, pro-Soviet regime in the area. The Contras want to do their own fighting. Cut them off, and the only body in the hemisphere able to restrain the Sandinistas will be the U.S. Army. Of course, American military involvement can never be ruled out. But destroying the only indigenous armed opposition to the Nicaraguans hardly seems the way to prevent it.

SALIENT QUESTION

I believe the salient question before this Congress is not over the respective morals of today's, admittedly ill-trained Contras, and the conscripted young men who form the Sandinista army. It is a tragedy that a civil war pits these young men against each other. But the division is there. And it is real. The question before this Congress is which group, today's Contras, or the government of Nicaragua, better represents the possibilities of freedom and democracy for Nicaraguans and Central Americans and which group offers the greatest hope for stability in Central America.

I do not mean to imply by these words that I endorse all that the administration has done in Central America. I would prefer to hear the administration talk more about how it is attempting to implement the development and economic aid recommendations of the Kissinger Commission so that what has happened in Nicaragua will not happen in other Central American nations. We now know that abject poverty, injustices and closed political systems have been the genesis of the people's problems in Central America. We have much to do also in promoting a broad national movement within the resistance forces for a democratics solution to the Nicaraguan crisis.

But exchanging the totalitarian state, run by Somoza, for another one, run by the Sandinistas and ignoring the Contras' revolution, as though it has no significance, is no solution. Again, allow me to quote the editors of The New Republic:

Those who advocate dramatic American intervention in pro-American dictatorships should not be suddenly stricken with scrupulousness about the sanctity of sovereignty when intervention is proposed in states ruled by pro-Soviet Leninists.

NO EASY VOTE

It's not an easy vote to cast. There are no guarantees, no certainties. But I cannot vote down military aid and face what I feel will be the inevitable consequences—both for Nicaragua and eventually for Central America, Mexico, and the United States—of a consolidated, Soviet-backed expansionist Sandinista regime.

Mr. WAXMAN. Mr. Chairman, after all the hours spent debating aid to the Contras, one question remains: What will the gift of $100 million accomplish?

Will it accomplish a military victory for the Contras? All the evidence indicates that $100 million is far too little to materially change the military balance between the two sides. That judgment was supported recently by the Acting Director of the CIA, who said the majority of experts in our own intelligence community believe the Contras cannot win this war without massive outside help.

Will it cause the Sandinistas to bargain with us about the nature of their regime? This is as much a fiction as the notion that the Contras only need $100 million more to win. The Sandinistas have shown that under Contra pressure, they will dig in deeper and force Nicaraguans to bear greater hardships in order to maintain the fundamental character of their regime.

Do we hope to prevent the Sandinistas from intimidating or even invading their neighbors? This is a worthy objective, yet not an argument for Contra aid. The Sandinistas know nothing would be more likely to bring outside intervention, including that of the United States, than turning their army against their neighbors. We must enunciate a firm and clear position that Sandinista pressure against its neighbors is totally unacceptable to us and will be repelled.

Finally, will this prevent, as some have suggested, the establishment of Soviet bases or missile silos in our hemisphere? That is another worthy objective, but one to which Contra aid is peripheral. The United States and the Soviet Union—not Nicaragua—are the two nations that will decide whether Soviet bases are established in Nicaragua. This requires that the Soviets know what we will and will not tolerate in this area, and that we make that stick; it does not depend on an ill-fated band of insurgents.

No, Mr. Chairman, aid to the Contras will accomplish none of these things I have mentioned. But it will accomplish some others:

It will accomplish the killing and maiming of many people. Many of whom will be ordinary Nicaraguans trying to simply live their lives.

It will accomplish the destruction of much property and economic infrastructure, which in a country as desperately poor as Nicaragua amounts to terrible tragedy.

And finally, it will assuage the consciences of many people who want to be able to say: "I'm doing something about communism," even if they know in their heart it will not change a thing.

Mr. Chairman, I suggest that if we really want to "do something about communism," we not wait until communism has come to a country to take an interest in that country. If we really want to prevent communism in Nicaragua's neighbors, we should commit our prestige and energy to attacking the problems that breed it: Poverty, inequality, hopelessness. Many Members have referred to Contra aid as "an ounce of prevention"; the real prevention is policies that help Central Americans gain a stake in the present system.

Finally, let me say a word about the so-called compromise coming from the White House today. This does not change the merits of the question one bit. The administration offers to spend $25 million in nonlethal aid over the first 90 days. This of course permits air defense weapons, logistics, and communications gear. After a mild 3-month delay, the Contras would begin buying everything else. Twenty-five million dollars in the first 90 days exceeds the rate at which the overall $100 million could be spent, as it is an 18-month appropriation. So what are they giving up?

In short, Mr. Chairman, I believe that this $100 million will be simply an expensive way of expressing our dislike of the Nicaraguan regime, not a prescription for change. It will serve merely as an irritant to the Sandinistas—one that is cruel, and ultimately, ineffectual.

Mr. BROYHILL. Mr. Chairman, today we are faced with the responsibility of making an important decision. Should we support or oppose our President's request for aid to the freedom fighters in Nicaragua?

I support the President's proposal. I realize there is strong opposition to this proposal. However, there should be strong consensus on another issue, that is, the values that we as Americans cherish—opportunity, justice, and freedom. Furthermore, I believe that we cherish these values not only for ourselves, but for all people of the world.

In our own hemisphere, in Nicaragua, we see others who have lost the freedoms we have fought for: freedom of speech, freedom of the press, freedom of worship, and a constitution full of other freedoms. The freedom fighters are fighting for these principles, and I believe the United States has the responsibility to help; to help them build democratic institutions, to bring peace to their long-suffering people, and to help them transform the principle of freedom into the practice of freedom.

Of course, the Sandinistas, along with the Cubans, Soviets, and other Marxist-Leninists in Nicaragua, have their own values, chief of which is the establishment of another Soviet-allied state and the export of revolution throughout Central America, and training and weapons have been supplied by the Soviets for this task. From January 1981 until late 1985, the Sandinistas received over $500 million in military hardware from the Soviets. Some 10,000 Soviet, Cuban, East German, and Libyian "advisors" assist the Sandinistas.

By supporting an American aid package to the freedom fighters, we are supporting our unwavering commitment to peace and freedom. We are giving the Nicaraguan freedom fighters support in their struggle for a representative government.

Mr. GEJDENSON. Mr. Chairman, in 1964, President Johnson gave a memorable speech in which he appealed to the United States Congress to approve a request for more military assistance to the Government of South Vietnam so that "American boys won't be sent to fight Asian wars." Today you could substitute "Central American" for "Asian" and you would get a sense of where this policy is going. It is going to bring our country deeper

into a war in Central America, a war that we have already spent $250 million on.

Maybe some of my colleagues would like to think that the United States can blindly continue spending in hundreds of millions of dollars on military bases in Honduras, on naval maneuvers off Nicaragua's coast and ground-to-air missiles for the Contras and all the while not really getting involved in this messy guerrilla war. Maybe there are some who still believe the United States can throw its money and its national prestige into the Contra coffers and still maintain a certain detachment from the kidnaping, from the raping, and from the killing. Maybe, just maybe, there are some who can convince themselves that America can finance, direct and manage a rebel army to fight a bloody battle and keep American troops out of it. I am sure there are still some who believe that the United States can topple a government on the cheap, like we did in Guatemala in 1954. But history shows us otherwise. It shows us that a little bit of covert aid leads to a lot of covert aid and that a lot of covert aid leads to advisers and advisers lead to open aid and open aid inevitably leads, in the end, to the critical investment of our Nation's integrity. And when that point is reached, it becomes, we all know, tremendously difficult to pull back, even if the side you are on is not worth what you stand to lose in credibility, in integrity and in the end, lives.

And that is the precipice we are poised on at this moment because it is abundantly clear that the Contras are not cutting it even after 5 years and $250 million, and if that is what our policy is based on, our policy is not working. So, the question now is: Do you throw another $100 million at a failed policy or do you stop and consider what your options are before those options are lost? I would opt for the latter.

The real lesson of Vietnam is that there must be public support for a policy in order for it to be sustainable. That is not the case with this policy. The American people, in poll after poll, have clearly stated their opposition to U.S. funding for the Contras.

The real lesson of the Bay of Pigs invasion is that military actions and a policy of isolation does not further American interests nor does it induce our adversaries to become more democratic.

Mr. LELAND. Mr. Chairman, I rise in strong opposition to this resolution providing the Contras with $100 million. My opposition to this aid, however, is not a sign of patriotic weakness or support for the spread of communism. The Nicaraguan people should determine their own destiny without worrying about their small impoverished nation becoming the focal point of an East-West conflict and for this reason I oppose the Contra aid.

During the 20th century there have been numerous instances of American military intervention in Central America to halt the spread of revolution or oppose governments we dislike. In these instances the result of our intervention was to put us on the side of those who used violence and repression to maintain or gain power. Our intervention aggravated the situation giving the Soviets and others the opportunity to turn the region's revolutionary ferment toward their own purposes.

Supporters of the President's aid package have gone around shouting and intimidating the American public into thinking that if we do not help the Contras, Nicaragua and the whole of Central America and Mexico will fall prey to communism, jeopardizing the security of our great Nation. Yet, the reality of the situation is that by funding the Contras we will only exacerbate the situation.

Providing the Contras with funding will be a confrontational response to a delicate situation. We will only perpetuate the "Yankee imperialist" image and force the Nicaraguan Government to accept aid from wherever offered to counter American intervention. Instead of bringing peace the United States will prolong strife and bring our Nation that much closer to direct intervention.

American interests can best be served by channeling the revolutionary aspirations of Latin Americans toward the democratic goals we espouse instead of providing military aid which can only prolong the agony of the Nicaraguan people.

The real threat to U.S. security is the instability of Central America resulting from the decades of poverty and injustice those nations continue to experience. Unless these root causes are addressed no amount of U.S. military aid or arms will resolve the turmoil of Central America. I urge my colleagues to oppose this resolution.

Mr. IRELAND. Mr. Chairman and colleagues, the harsh reality is that there is no middle ground.

In war—and that is what Communist aggression around the world and in our hemisphere is—in war, if one does not support one side, one supports the other. There is no middle ground.

Our 10-hour debate is like the 60-second TV auto filter ad. The mechanic says, "Pay me a small amount now for the filter or a larger amount later for the engine repair." The choice is pay me now or pay me later. There is no middle ground.

We cannot escape the fact that if we do not support the Contras, we are supporting the Sandinistas. There is no middle ground.

If we vote against the side of freedom, we are voting for Communist tyranny. There is no middle ground.

I ask, whose side are you on?

Mr. GALLO. Mr. Chairman, it is pure myth to suggest that the Sandinistas are just well meaning revolutionaries who were driven to communism by American insensitivity and support for the democratic opposition in Nicaragua.

The current Government of Nicaragua came to power in 1979 when a broad based coalition pledging genuine democracy, respect for human rights, a mixed economy, and a nonaligned foreign policy overthrew the Somoza regime. After the revolution, the leaders of the Sandinistas quickly took over the coalition government, purging its more democratic members. Prior to American aid to the anti-Sandinista forces, the Sandinistas began their violations of human rights and intensified the campaign of repression against internal groups such as the Catholic Church, political parties, the private sector, and the opposition press.

When the Sandinistas took power after the fall of the Somoza dictatorship in 1979, President Carter attempted to promote good relations through a foreign aid program of over $100 million. This aid was ultimately discontinued due to Sandinista animosity and support for the Communist guerrillas in El Salvador. By the first anniversary of the Sandinista accession to power, the U.S. delegation was obliged to leave the ceremonies because the Sandinistas, in the national anthem, denounced Americans as enemies of humanity. It is therefore clear that immediately after the Sandinista Revolution, the United States made a sincere effort to aid Nicaragua and use peaceful means to encourage the development of a pluralistic, democratic society.

It was well before the United States supported the Contras that the Sandinistas [FSLN] began building the largest army in the history of Central America. The buildup, at that time, was unprovoked and far exceeded defensive needs. It threatens Nicaragua's neighbors and provides an unprecedented instrument of force for suppression of domestic opposition. The Sandinista military buildup began at a time when the United States was providing significant amounts of economic assistance to Nicaragua.

Many opponents of President Reagan's proposals also argue that the United States has refused to negotiate with the Sandinistas. This portrayal of events is grossly misleading. President Carter tried to negotiate, but was rebuffed. When President Reagan assumed office, he sent an Assistant Secretary of State to Managua in 1981. If the Sandinistas would halt their military buildup, follow through on their earlier promises of democracy, and temper ties with Cuba and the Soviet Union, they could count on American aid and Washington would not support anti-Sandinistas in exile. Repeatedly, the Sandinistas have refused to negotiate with their democratic opposition.

What the Democrats in Congress apparently do not understand is that the Sandinistas use prolonged negotiations to further consolidate their power over the economy, church, schools, press, military—and all other aspects of Nicaraguan society.

Nicaragua's exiled democratic political parties and other groups, incuding trade union councils, have recently unified behind the CON banner. CON recently addressed a letter to the foreign ministers of the Contadora countries in which they pointed out that by prolonging negotiations the Sandinistas give themselves time for definitive consolidation of power. Their letter states that "every day that they—Sandinistas—acquire at the expense of your good intentions is a day that our country loses in its struggle to achieve its independence and liberty."

SOVIET INTERVENTION AND EXPANSION

Many opponents of the anti-Sandinistas both here and in Nicaragua argue that the Soviets have no plans to put a permanent military base in Nicaragua. But then again, that is what some people said about Grenada. But when the Marxist regime and the Cubans were tossed out, the Grenadian opposition discovered a bunch of secret military treaties with the Communist bloc. The Cubans and

Soviets already have a significant presence in Nicaragua. Only a very foolish contingency planner would rule out the possibility of something more.

Today, FSLN troops number 119,000, with 65,000 men on active duty. The Sandinistas say they will expand the army even further. The government has mentioned figures as high as 250,000. Somoza's National Guard numbered 14,000 men at its height. Nicaragua also receives personnel and military equipment from the Soviet Union and Cuba. Cuba has approximately 3,000 military advisors in the country, while the U.S.S.R. has sent over $500 million in military aid since 1981. Since August 1979, the Sandinistas have shipped arms and ammunition to the Communist guerrillas in El Salvador and operated bases for training Salvadorans in terrorist tactics. (State Department Report 1986.) It is apparent that the Soviet Union has long range plans for Nicaragua and may only be waiting until it is not so risky to make a move to gain access to Nicaragua military facilities.

NICARAGUAN ATROCITIES AND THE "SANDINISTA LOBBY"

According to an article by Fred Barnes, which appeared in the New Republic on January 20, Alvaro Jose Baldizon Aviles, the chief of the special investigations commission of Nicaragua's Ministry of Interior, escaped into Honduras on July 1. Citing specific names, dates, and locations, Baldizon disclosed hundreds of murders of peasants, prisoners, Indians, businessmen, and opponents of the Sandinista regime, all of them carried out by Nicaraguan soldiers or police.

Even by Latin American standards this was quite an indictment—exactly the kind of firsthand account likely to trigger outrage by groups that monitor human rights in Central America. Barnes argues, however, that the indifference to Baldizon and his accusations by various "Human Rights" organizations such as the Washington Office on Latin America [WOLA] and America's Watch, was not merely an oversight. On the contrary, the indifference reflects the selective moral indignation of the group of organizations in Washington that regularly criticize the Reagan administration's Nicaraguan policy. Barnes effectively argues that while these groups are quick to judge the human rights abuses in all other Central American countries, the abuses in Nicaragua, with its increasingly repressive Sandinista regime, are explained away or ignored. As the Sandinistas are legitimized by the human rights community, the Contras are demonized. Dissenting opinions are not tolerated on this point. When Bruce Cameron of the American Civil Liberties Union decided that support of the Contras would promote human rights in Nicaragua, he was no longer welcome in the pro-Sandinista human rights community.

Many critics of President Reagan's policy claim that former members of Somoza's hated National Guard dominate the anti-Sandinista forces and that the Contra forces enjoy no popular support for their insurgency. Fred Barnes argues that while this may have been true 5 years ago, since then the Contras have been transformed from a small band of ex-National Guardsmen to a 15,000 man force that has won the support of such anti-Somoza leaders as Alfonso Robelo, Arturo Cruz, and Eden Pastora. Mass defections to the Contras, plus their ability to operate in large areas of Nicaragua, evidence the surge in popularity of the Contras and the growing disenchantment with the Sandinistas.

INTERNAL DISSENT

The Sandinista sympathizers continue to insist that political pluralism is the general rule in Nicaragua. America's Watch, for example, proclaimed in July 1985 that "While prior censorship has been imposed by emergency legislation, debate on major social and political questions is robust"—New Republic—in Nicaragua. In fact, just as under Somoza's regime, debate is allowed so long as it doesn't threaten the authorities. The censorship of the only opposition paper, La Prensa, and the closing of all opposition radio stations give ample evidence to this charge.

BREAKING INDEPENDENT TRADE UNIONS

In their "Nicaragua Update," the Friends of the Democratic Center in Central America report that as of February 1, 1986, 12 of Nicaragua's major trade unions have failed to meet government registration requirements, and can no longer function legally. All are affiliates of the Conferacion de Unificacion Sindical [CUS], a member of the International Confederation of Free Trade Unions and one of Nicaragua's two remaining independent union federations. Alvin Guthrie, of the CUS, explained that leaders of nongovernment unions are refusing to provide the Sandinistas with union membership lists, on the grounds that their members are being harassed. He also protested that the CUS journal, Soldaridad, has been prevented from publishing.

EXPORTING REVOLUTION

Nicaragua is using its military to intimidate neighboring countries while pursuing the much safer course of subversion and support for insurgencies in those countries. Documents captured on April 18, 1985, in El Salvador's San Vicente Province outline Sandinista plans to increase coordination with guerrilla factions throughout Central America. (CRS December 18/Washington Post, April 29, 1985). In fact, several Sandinista leaders have stated openly that their government intends to support revolutions to other countries. (Tomas Borge and Bayard Arce/April 18, 1984) We must not let these international terrorists spread their oppressive system throughout Central America and Mexico.

COMPROMISE

In February 1985, the internal unarmed opposition called for a national dialog involving all parties in the conflict—including the armed opposition—to be mediated by the Catholic Church. In March 1985, the principal groups of the armed opposition declared they would accept a cease-fire and allow the Sandinistas to stay in power until free elections could be held. The Sandinistas completely rejected this peaceful compromise proposal. In June 1985, the principal groups of the democratic resistance formed the United Nicaraguan Opposition [UNO].

The President of the United States has requested to the Congress that they approve of the transfer of already appropriated Department of Defense funds to the anti-Sandinista forces in Nicaragua. I strongly support this request. The key to the continued success of our policies in Central America is adequate assistance for those who seek a democratic rather than a dictatorial future for their country.

ANTI-SEMITISM IN NICARAGUA

For almost a century before the Sandinista Revolution in 1979, Nicaragua's Jewish community lived in peaceful coexistence in Nicaragua. Within a few months of the revolution, however, the systematic, anti-Semitic policies of the leftwing Sandinista government forced the Jewish community into exile. One Friday evening in 1978, Managua's synagogue was fire-bombed and set aflame by Sandinista gunmen. The synagogue was subsequently confiscated by the Sandinista government and adorned with pro-PLO and anti-Zionist propaganda posters.

The Sandinistas are closely aligned with PLO terrorists. A Sandinista press spokesman has been quoted as saying,

> There is a longstanding blood unity between us and the Palestinians. Many of the units belonging to the Sandinista movements were at Palestinian Revolutionary bases in Jordan.

Only Nicaragua and Cuba allow the PLO to maintain a fully accredited embassy in Managua. In July 1980 Yasser Arafat made a 4-day state visit to Nicaragua where he praised "the strategic and military ties between the Sandinista and Palestinian Revolutions." A Sandinista Junta member stated, "We say to our brother Arafat that Nicaragua is his land and the PLO cause is our cause."

A TURNING POINT

In the last few months, the Sandinista government has gradually shed its mask of revolutionary respectability to reveal its frightening inner character. Promises of political and religious freedoms are replaced with broad suspensions of civil liberties. Increased censorship seeks to silence an already crippled independent press. Propaganda campaigns are geared to manipulate information Soviet-style. Meanwhile, Cuban and Soviet advisers manage the Nicaraguan Armed Forces and train other Central American nationals in terrorist techniques. As each day passes, earlier promises of a free Nicaragua become disappointing memories. Increasingly, the Sandinistas' true agenda becomes apparent.

The failure to support the anti-Sandinista forces would be a travesty for the people of Central America and American foreign policy in the region. We must not back away from this Communist threat and hide behind a wall of isolationism. We must not listen to those who ignore Nicaraguan atrocities and wish to normalize relations with the Communist regime. Such a policy would be a travesty since it would significantly hamper American efforts to restore peace and freedom to the Nicaraguan people.

Mr. SHUMWAY. Mr. Chairman, I rise today in support of U.S. military and humanitarian aid to the democratic resistance forces in Nicaragua. We are witnessing the growth of a Communist cancer in Managua which threatens to spread throughout our hemisphere in the form of terrorism and subversion. We must not ignore this totalitarian regime which deprives its own people of the freedom they fought for, which openly seeks to undermine the development of democracy in neighboring

countries, and which is engaged in an unprecedented military buildup in Central America with the assistance of the Soviet Union and its allies. I therefore urge my colleagues to support those who fight for peace and democracy in Nicaragua.

It has been almost 2 years since the Congress in June 1984 suspended military aid to the resistance forces which continue their struggle for freedom. During this time the Communist government has continued its policies of internal repression, including censorship, arbitrary confiscation of property, and arrest and interrogation of persons opposing the government's policies. The consolidation of a totalitarian state modeled after the Soviet Union is clearly reflected in the Communist defense committees which control ration cards and provide information to state security forces.

Censorship has become a way of life in Nicaragua. In the words of Tomas Borge, the Minister of Interior who is responsible for state security, "Only constructive criticism is acceptable in a revolutionary process." The censors usually object to about 80 percent of the material contained in the one opposition newspaper, La Prensa. Similarly, the Permanent Commission on Human Rights must submit all of its letters, communiques and reports for censorship review. Nonetheless, in the past 90 days the Commission reported 13 substantiated cases of political murder committed by government forces.

Religious persecution by a Communist government is nothing new and the Nicaraguan regime is no exception. The Catholic Church has been an outspoken advocate for freedom in Nicaragua and has been rewarded with: prohibition of outdoor masses, mandatory Marxist-Leninist indoctrination of Church-run schools, forced draft of Nicaraguans studying for the priesthood, continuing threats to expell foreign priests, interrogation and detention of priests and Catholic lay workers, prohibition of certain church services, prohibition of the Catholic newspaper, and closure of Radio Catolica. The protestant evangelical community has also suffered arrest and detention of its members and the prohibition of prayer meetings under the 1985 State of Emergency Act. The one Jewish synagogue was confiscated shortly after the overthrow of the Somoza government. Most of the Jewish population has left Nicaragua.

In the past 2 years any semblance of freedom and democracy has vanished in Nicaragua. Limited access to the media, interference with campaigns and harassment led the six major opposition parties to withdraw from the 1984 elections. Last October the Communists declared a state of emergency and suspended all civil rights; 20,000 Miskito Indians and 60,000 peasants were forcibly removed from their homes in northern Nicaragua in 1985. Today over 7,000 political dissidents imprisoned under the Somoza government remain in detention. The players have changed, but the oppression continues.

The Nicaraguan Government received its first shipment of advanced attack helicopters from the Soviet Union a few months after the congressional ban on aid to the resistance. Nicaragua now has the largest army every assembled in Central America. It is in fact larger than any possible combination of its neighbors' armed forces. Literally tens of thousands of young men have been conscripted and are serving in the Communist army. They are heavily armed and well-equipped, thanks to the Soviet Union and Cuba which have provided $500 million in military supplies such as tanks, artillery pieces, and helicopter gunships. There are also thousands of Cubans fighting the resistance on Nicaraguan soil to support a Communist state the people never asked for and continue to oppose. It is the Cubans who are piloting the Soviet helicopter gunships which fly over Nicaragua. The Nicaraguan people challenged Somoza in the hope for freedom and democracy. The struggle continues. This time against a Communist totalitarian state.

The Communist leadership in Managua has declared a revolution without borders. Nicaragua fulfills this pledge by supplying arms, military training, safe haven, transit and false documentation to revolutionaries in Central and Latin America. Nicaragua supplied the guns seized from the M19 terrorists who stormed the Palace of Justice in Colombia killing several Supreme Court Justices. In Managua the Communists held a mass to honor the M19 terrorists who participated in the attack. Nicaragua has established a terrorist base which demonstrates its commitment to continue to support terrorism and revolution beyond its borders. The Communist regime, which maintains ties with European and Middle Eastern terrorists, receives advice from 50 Libyan and PLO advisers. These activities are partially financed by illegal drug proceeds. There is documented evidence, including photographs, of high government officials participating in international drug trafficking.

When we fail to provide support for the democratic resistance, the Soviet Union is quick to fill the vacuum with increased military aid to the Communists. After the last prohibition on U.S. military aid it was not long before Daniel Ortega traveled to Moscow and the advanced Soviet attack helicopters began arriving in Nicaragua. The Communist regime has succeeded in consolidating a totalitarian state, while failing to demonstrate serious interest in a comprehensive and verifiable regional settlement along the lines of the 1983 Contadora declaration. In contrast, Managua has proved its commitment to a revolution without borders through the support of terrorism and insurgency in Central and Latin America.

The resistance has remained steadfast in its quest for freedom and democracy in Nicaragua. Today the Congress must decide if it supports freedom for the people of Nicaragua. The resistance cannot be expected to face advanced Soviet weaponry with humanitarian assistance alone. The United States cannot reasonably expect the Communist government to discontinue its support for a revolution beyond its borders in the absence of effective resistance. We must not allow Nicaraguan support for terrorism and subversion to turn back the tide of democracy which has swept across Central America. The Soviet Union is on the verge of establishing a foothold on the North American continent. If we fail to act, they will win by default. Today it is a question of supporting the democratic resistance in a conflict within Nicaragua's borders. Tomorrow the stakes will be much higher.

Mr. BLILEY. Mr. Chairman, the current debate and the upcoming vote on President Reagan's request for aid to the democratic resistance forces in Nicaragua is a historic and weighty moment for the American people.

I used "American" deliberately because this decision by the U.S. Congress is vital to the future of all of the American nations and all of the American people. The people of the New World, the Western Hemisphere—of America—have been moving decisively to seize control of their own destiny and to provide for their own liberty and justice. The Jeffersonian ideals of individual freedom, justice, and opportunity for all and a pluralistic political society have been long suppressed in many parts of the American Continents.

Today, people are no longer willing to accept business as usual and submit to repression and injustice at the hands of tyranny and totalitarianism from the right or from the left. The people of Argentina and Brazil have chosen moderate political leaders and firmly rebuffed military rule. The people of El Salvador have braved Communist gunfire and threats of reprisals to elect a Social Democrat government. The people of Grenada cried out with their joy at the removal of their oppressive Communist regime and have since elected a Democratic government that is prepared to work for the interests of its own people instead of the interests of the Kremlin. In Haiti, the people rose up after many years and forced a powerful dictator to flee. Now the struggle has triumphed in Honduras and Guatemala while Costa Rica has reconfirmed its own tradition of freedom and democracy.

Mr. Chairman, we are all proud of the people and the nations of America who have worked so hard to join the United States as open and pluralistic societies. But the task is not complete. The people of Chile even today are wrestling with an attempt to keep them from returning to their democratic ideals. And the real trial is going on in Nicaragua. The people have spoken in Nicaragua. They spoke in 1979 when they joined together in a crusade to overthrow the corrupt Somoza autocracy and proclaim themselves free.

The people of Nicaragua have now recognized that their dreams and aspirations have been stolen from them. The cadre of dedicated Communists that have gained control of Nicaragua have embarked on a course of aggression, oppression, and subservience to the ideals of international revolution that is far worse than anything experienced under the former regime. The democrats who were originally included in the government of the Sandinistas have been jailed, exiled, or forced out of the government. All personal rights have been suspended, the Catholic Church and other religious faiths are increasingly suppressed, more than $500 million in guns and bombs have been received from the Soviet Union along with "advisers" from North Korea, East Germany, Bulgaria, Hungary, and most of all from Cuba. The people of Nicaragua are aware that all of these "advisers" are not in their country to promote peace, liberty, justice, and democracy.

The Nicaraguan revolution and the future of the people have been stolen and subverted as a tool of the Marxist slave masters of the Kremlin. The people of Nicaragua know this and I continue to be amazed at the number of Members of this great democratic body who refuse to open their own eyes and see the same things that the people of Nicaragua see. The people have seen all they need to see, they have made their decision and when they were not allowed a free and fair vote at the ballot box they voted with their feet. Over 400,000 people have fled the Nicaragua of the Sandinistas. That is more than 12 percent of the total population and would be comparable to 30 million people fleeing from the United States.

Ever since the end of the Second World War, we have seen exactly the same actions all over the world where communism is able to install itself in power. The exodus from eastern Europe is a sight that still chills the soul of those of us old enough to remember it. The Berlin Wall was built solely to stop the people of Soviet-occupied East Germany from fleeing for their lives and their future. Many thousands of people were able to leave Cuba before Castro closed the ports and the beaches and shut off the flight of his people by force. Who can possibly forget or fail to be moved by the sight of the "boat people" of Vietnam who risked starvation, drowning, or attack by pirates to escape from the Communists in leaky sailboats and overloaded barges by the thousands. The refugee camps of the Cambodians fleeing the Vietnamese invaders would make the strongest man in this room cry in anquish. The brave people of Afghanistan are fighting back, but even they cannot stand fast against the massive power and brutality of the Soviet Army and 3 million have had to cross the border into Pakistan while the strong and the brave remain behind to resist and to fight for their homeland.

This is exactly what is occurring in Nicaragua. Why is there even a debate about whether or not we should help the people of Nicaragua reclaim their country and their future? The truth is there for everyone to see in the refugee camps in Honduras and Costa Rica. The proof is in the military camps of the resistance forces where more than 14,000 Nicaraguans have chosen to take up arms and risk their lives to take back their nation from the Communist thieves who stole their revolution and their destiny. The resistance forces do not ask for U.S. troops. They do not ask for tanks or fighter planes. They do not even ask for trainers and advisers like the Sandinistas did in having Cuban and even Soviet military support in 1978 and 1979.

The resistance forces in Nicaragua know how to fight. They fought Somoza. And now they are fighting the Sandinistas. We cannot turn our back on these people again. We cannot refuse to assist people who cry out against injustice and oppression. We cannot hold our heads high and claim that we are proud not only to be United States' citizens but American citizens if we refuse to help our fellow Americans who want to be free and who are willing to die for that freedom.

Mr. Chairman, I support President Reagan's request for aid for the democractic resistance forces in Nicaragua. I am proud to be an American and I am proud to give my support to the people of Nicaragua who are willing to die to share in the American ideals of liberty and justice for all and a political system that allows all opinions and beliefs to be expressed and pursued.

Mr. WIRTH. Mr. Chairman, the irony could not be more apparent. On the eve of the downfall of Ferdinand Marcos, when the Philippine people displayed the robust power of democracy and diplomacy, the Reagan administration proposed to meet the social and political crisis in Nicaragua with guns and bullets.

The administration has asked Congress to appropriate $100 million—including $70 million in military aid—to the Nicaraguan Contras. That represents a dramatic increase of almost 300 percent over last year's level of aid, which did not include military assistance.

More important, the administration's request represents a sharp repudiation of regional diplomatic efforts—efforts that seek to resolve Nicaragua's crisis without massive bloodshed and without destroying whatever remains of the Nicaraguan people's hopes for an end to a deepening cycle of violence and destruction.

In late January, the foreign ministers of our key Latin American allies—Colombia, Mexico, Panama, Venezuela, Argentina, Peru, Brazil, and Uruguay—agreed to accelerate negotiations aimed at a regional diplomatic settlement. As a basis for reaching that settlement, the foreign ministers called for a "termination of external support to the irregular forces operating in the region."

Their agreement, known as the Carabelleda Statement, was also endorsed by the foreign ministers of five Central American countries, including Costa Rica and newly democratic Guatemala. The Contradora negotiating process, which was initially the work of only four Latin American countries, has grown into a hemispheric movement for diplomacy, stability, and peace.

By making its request for military aid, the administration has ignored this powerful movement for diplomacy. It continues to pass by a potentially historic opportunity to join together with our regional allies, negotiate a binding agreement and jointly enforce it.

There is no excuse for America not to seize the diplomatic initiative—it is in our self-interest and the interest of our neighbors. As a newspaper in my district recently editorialized:

The countries in (Latin America) understand the day-to-day effects of the Communist boot upon the people of their region. The U.S. Government should listen to the recommendations, give them high credence and stop playing the role of outside agitator.

I have no use for the Sandinistas when they suspend the civil liberties of Nicaraguans and abuse their minority populations. I deplore their increasingly repressive methods of government. But what grounds do we have for assailing their behavior so long as we fuel the Contras' war?

Our undeclared war against Nicaragua has strengthened the hand of Daniel Ortega, giving him an excuse to expand the army, repress his people and fortify his dependence on the Soviet Union and Cuba. Our policy has boomeranged.

Just ask the recently elected president of Costa Rica, Oscar Arias, who said:

The result with the aid to the Contras has been a more dictatorial, more totalitarian government in (Nicaragua). They abolished • • • individual liberties because they have an excuse: the aid of the U.S. Congress to the Contras. So you won't get a more open society in Nicaragua, you won't get a negotiation with the anti-Sandinistas giving more money to the Contras."

This from this leader of a country which shares a long border with Nicaragua. His crystal clear warning to the administration is that its foreign policy is achieving the opposite of its intention. It is entrenching the Sandinista regime without creating a democratic opposition. The administration itself has acknowledged that the Contras would collapse without the crutch of American aid. The Contras' military campaign has alienated, rather than attracted, indigenous support.

Despite the failure of its policy, the administration apparently feels that we have no alternative to the military overthrow of the Sandinista. It has not cooperated with the Contadora countries and has not spent any of the funds appropriated by Congress last year to advance the negotiating process. It has shut down bilateral talks with Nicaragua. Last fall, the administration announced that we cannot negotiate with the Sandinistas because they cannot be trusted.

This is truly a new idea in foreign affairs. We negotiate every day with the Soviets. We negotiated with Hanoi and Beijing in the 1970's. And we did so not because we trusted those adversaries, but because negotiation was the best way to end conflicts or other rifts in our international relations.

The intelligent alternative to the administration's policy—and its refusal to negotiate—is to pursue a diplomatic settlement with the help of our friends in the hemisphere. I am a firm believer, and so are the American people, that negotiations should be tried before confirmation. To further this policy, I have consistently voted against aid to the Contras and for financial and diplomatic support of the Contadora process.

My policy steers a middle course between those who favor counterproductive military aid and those who advocate total disengagement from the region. To return to the Philippines example, my policy mirrors our approach to the recent turmoil in that troubled country. It recognizes that the United States has legitimate strategic and political interests in the region. It also recognizes that there is a window of diplomatic opportunity, this time in the form of the Contadora talks. The Contadora process, with the backing of our allies in the region, can isolate Nicaragua and guarantee the security interests of our country and the countries in closest proximity to that tragic country.

In the Philippines, the Reagan administration eventually grasped the potential for peace and diplomacy in the popular candidacy of Corazon Aquino. The administration had the wisdom to listen to the Filipino people's call for a peaceful transition to new government. The result: A ringing blow for democracy, a reaffirmation of United States strategic and political ties with the Philippines, and a devastat-

ing setback for the nation's Communist insurgents. All of this was achieved because our policymakers took heed of the people most affected by our decisions.

Now, ironically, the White House turns a deaf ear to the chorus of Latin-American governments—those with a direct stake in Nicaragua's future—who endorse diplomacy and the Contadora process.

It is time for America to pay attention to our democratic allies' concerns—which are nearly identical to ours. It is time for us to adopt a policy that advances democracy and continues our well-proven emphasis on human rights in Latin America. We can do that by joining our allies in suspending aid to the Contras, isolating the Sandinistas, and pressuring them into beginning a process of reform to meet the original goals of the broad-based Nicaraguan revolution.

As our handling of the Philippines crisis amply demonstrated, given the opportunity, we have the skill to diplomatically achieve peace and reform in regions of strategic importance to our country. We cannot let this lesson elude us in Central America.

Mr. VENTO. Mr. Chairman, I rise in opposition to House Joint Resolution 540, to provide further United States aid to the Contras in Nicaragua. This resolution would authorize the transfer of $100 million in fiscal year 1986 from Defense Department funds to the President to assist the Contras. The President would reportedly commit $30 million of these funds to continue the existing so-called humanitarian, or nonlethal aid and the remaining $70 million would be used to provide direct military aid to the Contras. This military aid would include supplying the primary Contra force with antiaircraft and antitank weapons, small arms and ammunition, and providing more United States Army advisers to train Contra soldiers in Honduras.

The President also asks that Congress repeal all existing restrictions on U.S. intelligence agencies and the Defense Department in aiding the Contras. Under current law, the Central Intelligence Agency [CIA], other intelligence agencies, and the Department of Defense have restrictions on their relations with the Contras. Although they may share intelligence with the Contras, they may not train the Contras, participate directly in combat, or give them aid that has not been explicitly approved by Congress. The President now proposes that all of these restrictions be repealed.

Mr. Chairman, let us be absolutely clear what it is that the President is asking us to do today. The Contras are commited to the violent overthrow of the Sandinista government of Nicaragua. The President is, in effect, asking that the United States become a party to this war.

The President tells us that we have exhausted the possibilities of reaching a political solution to the problems in Nicaragua and the problems between Nicaragua and its neighbors in Central America and that the only alternative available is to support the Contras. The fact is, however, that this administration has dropped the ball in pursuing a political settlement to these problems. In January 1985 the Reagan administration broke off the only direct talks that it has ever conducted with the Sandinistas. The President insists that the United States has worked constructively with the Contadora countries in the search for a political settlement. Unfortunately, however, the administration's actions are at odds with its record. The administration has supported and helped to direct the Contra war effort by directing military intervention from Honduras while simultaneously seeking to strengthen the rationale for direct United States military action against Nicaragua. These actions are contradictory—not compatible—with the goals of the Contadora countries of Latin America: Mexico, Venezuela, Colombia, and Panama.

The basic terms of the Contadora proposal for peace in Central America are multilateral: Control and reduction in armaments and personnel; a halt to all external support for insurgent movements; the elimination of foreign military bases and advisors—including Cuban advisors in Nicaragua—as well as international military maneuvers; and national reconciliation which would insure equal access for all political parties to the political process. These are laudable goals which deserve our vigorous support. But the Reagan administration's actions speak louder than its words. Just 2 months ago, in February, the foreign ministers of Brazil, Peru, Argentina, and Uruguay came to Washington to urge President Reagan not to resume aid to the Contras but instead to become an active supporter of the efforts of the Contadora countries. The President rebuffed these Latin American foreign ministers. Lately, the President has even suggested that the political leaders of Latin America really don't mean what they say when they call on the United States to stop supporting the Contras. Despite the fact that there is overwhelming evidence to the contrary, the administration insists that these leaders are saying one thing in public and something else in private. This is an insult to the Contadora leaders and will ultimately do serious damage to our credibility with the people of Latin America.

Similarly, the President belatedly recognizes that the Contras are responsible for human rights violations. But instead of facing facts, he alleges that these are really Sandinistas disguised as Contras. Without offering any evidence or documentation to support his claim, the charge rings hollow.

The President tells us that if we do not approve this $100 million aid package for the Contras that they will be defeated and that communism will triumph not only in Nicaragua but throughout all of Latin America. Lately President Reagan has said that he will hold up the military aid in this package for 90 days while further negotiations are pursued. This is a gimmick to gather political support rather than a good faith effort at negotiations. Under this formula, all of the existing safeguards, limited as they are, would be abandoned and President Reagan would have an absolutely free hand to exercise his policy without adequate congressional input or oversight.

In 1979, the Sandinistas, with only 5,000 lightly armed, poorly trained fighters and with no outside aid of any kind, were able to overthrow the Somoza regime and its heavily armed National Guard which had been built up over years with U.S. aid. Today, Nicaragua's Contras control less territory than ever. The Contras do not control a single town or village in Nicaragua and operate primarily from bases outside of Nicaragua, in Honduras and Costa Rica. The Contras have not brought their war directly to the Sandinistas who they seek to overthrow, but have instead inflicted pain and suffering upon the civilian population of Nicaragua. They have been implicated in gross violations of human rights by Amnesty International and Americas Watch and other groups. They have been involved in attacks on buses, villages, agricultural cooperative workers, and various other civilian targets. In some other country, the President might describe such activities as acts of terrorism. But in Nicaragua, President Reagan embraces the Contras as freedom fighters and the moral equivalent of our Founding Fathers.

Over the past 5 years, the United States has spent over $250 million for the Contras' cause. Five years and $250 million later, the Contras control less territory today than ever before. The Contras have not failed for lack of U.S. support. They have failed because they have not won the popular support of the people within Nicaragua.

I am deeply disturbed about the implications of continued United States support for a covert war which is waged from Honduras and Costa Rica. The administration has established a massive, permanent military presence in Honduras, with upgraded military air bases that provide support for the Contras. Our confused policy risks exposing Honduras and Costa Rica to Nicaraguan retaliation if this conflict expands further.

Mr. Chairman, this House and the American people are frustrated by this issue. We beg for a rational, understandable Central American policy; not the polarized vision offered by the President, but a policy that reflects fairness, common sense, and the values of our Nation.

I deplore the restrictions on basic civil liberties which have been imposed by the Sandinista government of Nicaragua. Certainly Nicaragua should not be used as a base to project Soviet military power into this hemisphere. Clearly, the Sandinistas see their country as being under siege from the United States. While it cannot be condoned, it should not come as a surprise that the Sandinistas have become more repressive and less tolerant of their political opposition because of the continuing counterrevolutionary forces of the Contras, supported in large measure by the United States. We must do all that we can to encourage a peaceful political settlement of the problems in Nicaragua. I hope that my colleagues will join me in voting "no" on further aid to the Contras and will instead support a creative, intelligent policy which values diplomacy over military confrontation. The escalation of conflict hasn't worked in the past 5 years and will not succeed in the future.

Mr. GOODLING. Mr. Chairman, in 12 years I've never had a vote as difficult to cast as the vote on the President's $100 million request for humanitarian and military aid to the Contra force fighting in Nicaragua.

When Somoza fled Nicaragua and the Sandinistas came to power, President Carter asked Congress for $75 million to reconstruct that country. I supported the request, hoping this was the way to encourage the Sandinistas

to align themselves with the Western democracies.

President Carter subsequently cut off these funds—which reached $100 million—when he found that the Sandinistas were accepting arms and aid from the Soviet Union. Additionally, they were not honoring their promises of free elections, civil liberties, and human rights for their people.

I never previously supported any military aid to the Contras, because I did not think we should be involved in covert activity in Nicaragua. I was set against the $70 million in military aid which was part of this package until I heard Congressman FOLEY and Senator SASSER respond to the President over the weekend. Both gentlemen said that if negotiations do not progress, American boys could be fighting there. The President said he needed the aid to force negotiations to take place.

I certainly don't want American boys in Nicaragua and therefore a group of us decided to try to forge a compromise which would foster negotiations.

We had a good bipartisan effort. Unfortunately, Speaker O'NEILL's only interest was to make sure he defeated the President. He pressured many Democrats to vote against the plan, and promised them an opportunity to present alternatives on April 18. I suppose these alternatives will be similar to those we negotiated with the White House.

Our compromise would allow $25 million in humanitarian aid and some defensive aid to be sent. The remaining $75 million could not be used for 90 days while we try negotiations once again. The leaders of both parties in Congress are to nominate a five member commission which will be appointed by the President and which will determine with him the state of the negotiations. At the end of 90 days, Congress will have an additional opportunity to stop the flow of military aid to the Contras.

I've served on the Foreign Affairs Committee, the Intelligence Committee, and the Mexican-American Interparliamentary Congress, and I'm very well aware that we've done everything we've been asked to further the goals of the Contadora process.

Unfortunately, with the Contadora group, we're asking nations with overwhelming internal problems to solve those of other peoples. There is no way these countries can force the Sandinistas to abide by their verbal agreements, and no way they can force them to sign any either.

My decision making process was clouded further by the large volume of phone calls from the 19th District. In fact, we had 1,238 calls in favor of aid and 653 calls opposed.

Overall, the problems we fact in Nicaragua will not disappear. Unless we aid Central and South America in promoting the economic and social welfare of all their inhabitants, their problems will increasingly become ours.

Mr. HUGHES. Mr. Chairman, I rise in opposition to the President's request to furnish Nicaraguan rebels, known as Contras, with some $100 million in aid, 70 percent of which would be for military supplies and equipment.

Like many of my colleagues, I have tried to listen to our President with an open mind. Under the Constitution, he is our Commander in Chief and responsible for the conduct of U.S. foreign affiars. He has placed the full weight of his office behind this request, and his views demand the fullest consideration.

By the same token, the Congress also has constitutional responsibilites, particularly where it involves the expenditure of public funds in ways that have tremendous long-term consequences.

It is unfortunate that the debate on aid to the Contras has been misconstrued by some as a partisan debate. To the contrary, in my judgment, it respresents a classic demonstration of the system of checks and balances evisioned by the framers of our Constitution. The President may want to furnish military equipment and supplies to rebels in Nicaragua, but it is Congress that must provide the funds. There are Republicans who feel that the President is wrong on Nicaragua, and Democrats who feel that he is right. It is not a partisan issue, and it should not be a test of party loyalty for any Member. I regret that some have made it such.

I'm a Democrat, but I supported the President's decision to use military force in Granada. I believe his action saved American lives from a clear and present danger while toppling a bloodthirsty regime. I applaud the skilled diplomacy demonstrated by the Reagan administration which has brought new democratic leadership to Haiti and the Philippines. The President deserves much credit for those successes.

When the President has a success in foreign affairs, it is a success for all Americans—not just those of his party. But when he fails, as occurred in Lebanon, it is a failure for all of us and we all suffer the consequences. I felt it was a mistake to base our marines at the airport in Beirut and I said so at the time. They were sitting ducks at the low-lying airport. Our role in the Congress is to support the President when he is right, and try to develop constructive alternatives and guidance when he is wrong.

I agree with the President that it is important for the United States to support democacy in our hemisphere, and oppose those regimes which attempt to export Marxism and revolution to the rest of Latin America. I have little regard for Sandinista leader Daniel Ortega, and deplore the abuses which have occurred within Nicaragua at the hands of the Sandinistas.

However, to temper the excesses of the Sandinista regime, the President proposes to furnish military aid to the Contras, a varied group of Nicaraguan revolutionaries numbering not more than 20,000, and probably less. It seems to me that, as prerequisites to approval of that policy, it should first be shown to have a reasonable chance of success, and second, be able to attract the support of at least a few of our allies. The Contra aid package fails on both counts.

The United States is alone among all our allies in favoring military action. While we are concerned that Communist Nicaragua might try to subvert its democratic neighbors, those same neighbors oppose our program and instead favor a different solution—the Contadora process—a regional diplomatic, political and economic approach towards getting greater cooperation in Central America. They know that continued arming of the Contras will probably result in a wider war, particularly since many of the Contras are based just over the border in Honduras.

We have been told that these nations privately support aiding the Contras but cannot say so publicly. Support that can't be voiced publicly is not support worth having. What good is it? If our policy fails, these nations will just walk away from us and claim that they never in fact supported our actions. I certainly am not going to vote to commit the United States to a policy of armed insurgency on the basis of purported whispers of support from other nations in the Americas.

It is of equal importance to note that the relatively small Contras force is not regarded by most experts as capable of overthrowing the Nicaraguan Governmant. Notwithstanding many of the claims that have been made, the Sandinistas came to power through a broad-based revolution that cut across all classes in Nicaragua. In fact, it appears that the current Government of Nicaragua, which replaced the corrupt and hated Samoza regime, enjoys far more popular support than do the Contras, many of whom are Somoza loyalists.

It is true that the Contras can serve as a thorn in the side of the ruling Sandinistas, but with over 100,000 men under arms and Soviet and Cuban military support, the current government is not going to be ousted by the insurgents, unless—and this is a very important "unless"—there is a direct military intervention by the United States.

Are we prepared to make a military commitment when it becomes clear that the Contras are unable to dislodge the Government or modify its policies? Are we ready to take that first step down the slippery slope of growing involvement in a no-win war?

Throughout this debate, there has been a great deal of effort to distinguish the situation in Nicaragua from the situation that existed in Vietnam in the 1960's. Certainly there are important differences, but there are also important parallels that should not be overlooked.

Our goal was to contain communism, so we furnished aid and supplies to pro-Western forces, but that was not enough. U.S. advisers were needed. Then Green Berets were needed. Then the North Vietnam purportedly fired on several U.S. ships—an alleged provocation that justified the adoption of the Gulf of Tonkin resolution. And so on and so on until over half a million American soldiers were committed to battle in an undeclared war. Over 50,000 died and hundreds of thousands were wounded. And who can ever forget the light at the end of the tunnel?

There are most certainly parallels that we should not overlook.

We are told that, if we do not stand firm in Nicaragua, all of the nations of Central America will fall like dominoes to the Communists. We were told tne same about Southeast Asia.

We are told that all we need do is furnish military supplies and equipment to pro-Western forces in Nicaragua, and that direct United States involvement will not be necessary. We were told the same about Vietnam.

Our involvement in Vietnam did not have the strong support of the American people. Neither does our involvement in Nicaragua.

And finally, those who are questioning the wisdom of growing United States involvement in Nicaragua are having their patriotism questioned. The same was true of those who questioned our growing involvement in Indochina.

If we recall nothing else from our Vietnam experience, let us remember this: America should not get involved in an undeclared, no-win war that does not have the overwhelming support of the American people.

Mr. Chairman, the last time Contra aid came before the Congress, I stated that the issue is not whether we have serious differences with the Sandinista government. We most certainly do.

The issue then, and the issue now, is whether those differences should be settled through military action. I believe that military action is futile, dangerous and unnecessary.

Instead of embarking upon a costly proxy war that has little chance of success, I believe our differences should be resolved through diplomatic, economic and other means. If the Sandinistas take any actions that directly threaten our national security, we are more than capable of making a direct response.

I believe that Nicaragua ought to be given an opportunity to show that it is willing to act peacefully toward its neighbors, lower the number of troops and outside advisers, allow greater freedom of the press, and broaden democratic participation. It is not reasonable to expect the Sandinistas to lower their guard when the President of the United States is publicly committed to the overthrow of their Government.

To the contrary, the threat of U.S. intervention has helped the Sandinistas to solidify their popular support despite some very serious economic and political difficulties. They have exploited this threat to justify a large military buildup, suppressing human rights and freedom of the press, and maintaining a large Cuban-Soviet presence. In other words, our policy may just strengthen, not weaken, the Sandinista grip on Nicaragua. It is counterproductive.

Let us join with the other nations of our hemisphere including Canada, who have made it clear they do not support aid to the Contras, and instead favor the Contadora process as the best way of avoiding a wider war in Central America and pressuring the Sandinistas to cease its abuses.

We have not seriously and steadfastly pursued a negotiated settlement with our friends and neighbors in this hemisphere before turning to a military option. That is not in America's interest, and I must accordingly vote most reluctantly against this aid package for the Contras. However, I will be watching the Contadora process carefully and will continue to reexamine this option should it appear that it can avert a serious threat to the Americas.

Mr. LEHMAN of California. Mr. Chairman Speaker, today this House is being asked to support the President's request to provide aid to Contras who are in their fifth year of fighting the Sandinista government. We are once again faced with a decision to help the Contras and, in the President's own words, "deny the Soviet Union a beachhead in North America."

I agree with the President that the presence of Soviet and Cuban advisers in Nicaragua is a cause for national concern. The fact that human rights abuses are committed by both sides against innocent civilians concerns me a great deal and is something that we should seek to end. However, giving the Contras in Nicaragua $70 million in military aid contradicts the administration's stated objectives for revolving the problems in Central America.

According to the administration, the United States objectives in Central America center around "support for a political solution to the conflicts in Central America, via peaceful dialog within and among the countries of the region, and renewal of economic development and growth to address the root cause of turmoil and conflict." It seems to me that if the United States is serious about resolving the civil unrest in Central America, then the United States ought to commit its resources and energy toward the goals of "peaceful dialog" with the Contadora nations.

Then, on Sunday the President appeared on national television to sell his aid request to the American people and to Congress. He tried to convey to the American people the need to act now before the "malignancy" in Nicaragua spreads to our "southern frontier." Well Mr. President, your plea worked. As a result of over 300 phone calls and telegrams I received in response to your speech, I will vote against the request for aid to the Contras. Over 62 percent of my constituents who contacted me since Sunday have told me they are strongly against any aid to the Contas. They told me that they want to see this country push for peace negotiations. They have said they are scared that we are repeating the course of history they and their children experienced in Vietnam. Moreover, they have asked me why we are giving the Contras $100 million when this Nation faces a bloated deficit and when domestic programs they need are being eliminated. I share their concerns and I will vote accordingly.

Finally, I have read with outrage several articles dealing with this issue which label those of us who are representing their constituents and voting against the President's request as supporting the spread of Marxism. Since when does voting in accordance with the views of the majority of my district mean that my patriotism and support for the country I love should be called into question. It is regrettable that debate on this issue has been lowered to this level. These attacks have only served to confirm my long held views on this subject.

In July 1983, when this body voted to end all covert aid to the Contras, I addressed the House and said "the only way the United States can truly achieve the President's objective of fostering democracy for the people of Central America is to help them establish the basis for a positive future." I believe now, as I did then, that this can best be accomplished by helping the countries of Central America resolve their differences peacefully, and formulating a realistic long-term policy which promotes economic development and eradicates widespread poverty and illiteracy.

I urge my colleagues and this administration to put our support behind the eight Latin American countries who have strongly advised this Nation against a self-defeating policy of blindly sending money to groups we cannot identify or hold accountable.

Mr. CHAPPELL. Mr. Chairman, when the distinction between freedom and freedom's denial dims in the perspective of a free people, so dims the chances of those denied freedom to acquire it. We, as free Americans, should see clearly that distinction in Nicaragua and lend a helping hand to the Contras struggling to gain freedom—God's greatest gift to man.

I support humanitarian assistance and military aid to the Nicaraguan democratic resistance.

At one time a few years ago, the debate in Congress was centered around the question, "Who are the Sandinistas?"

Were they antitotalitarian reformers?

Were they democratic reformers who would improve the daily lives of the Nicaraguan people?

People asked, "How much aid should we give them?"

Well, now we all know who the Sandinistas are.

They betrayed the revolution that overthrew the Somoza dictatorship.

We see clearly who they are by the company they keep.

The presence in Nicaragua of Cubans, Soviets, East Germans, North Koreans, terrorists from the P.L.O. and members of the Red Brigade gives eloquent testimony to the question, "Who are the Sandinistas?"

As others have pointed out, for the first time in history a Marxist/Leninist regime is now physically on the land mass of the Western Hemisphere. In my view, the long run implications of this fact are rather ominous.

In Nicaragua we now have a government which views Cuba as the appropriate model for behavior in terms of: internal repression; freedom of speech; freedom of press and religion; and in terms of subverting its neighbors.

Somehow, many have put the debate regarding humanitarian assistance to Nicaragua in the following terms:

They say, "If you vote against the aid, you are in favor of peace and diplomatic negotiations."

To me, that simply is not the case.

If assistance to Nicaragua is defeated, violence, subversion, and terrorism will spread throughout Central America.

If such aid is denied we will be broadcasting to the people of the world that the Soviet's can provide massive amounts of armaments to a Marxist government on the land mass of the Western Hemisphere, and we won't even provide support to an active resistance movement which opposes that Marxist government.

The Sandanistas are arming themselves to the teeth with Soviet HIND helicopters, automatic weapons, and massive amounts of armaments. We are providing our allies in Nicaragua with toothbrushes, blankets, boots, and medical supplies. Now, I'm sure those medical supplies will come in handy when the Contras are wounded by fire from a Soviet helicopter or AK–47.

But it seems to me they should be given the means to shoot down that Soviet helicopter gunship or given the means to effectively fight against Sandanista troops equipped with AK-

47's furnished by Cuba and the Soviet Union. Secretary of State, George Shultz, recently put forward the U.S. objectives in Nicaragua. He stated,

Our objectives in Nicaragua, and the objectives of our friends and allies, are straightforward. We want the Nicaraguan regime to: Reverse its military buildup; send its foreign advisers home; and stop oppressing its citizens and subverting its neighbors.

He made two additional points very germane to this debate in the House. He stated,

The United States and its friends have sought these objectives through diplomacy. But all serious efforts at negotiation have been blocked by the Nicaraguan Communists.

Mr. Chairman, the real purpose of providing military aid to the Contras is to give the Sandanista government an incentive to negotiate. Also, the aid should help in bringing a peace in Central America satisfactory to the interests of the United States. The forces of freedom are on the rise in many countries of the world. Let us make sure those forces of freedom stay viable in Nicaragua.

I support humanitarian assistance and military aid for Nicaragua. Lets brighten the distinction between freedom and freedom's denial in Nicaragua and give those denied freedom a better chance to acquire it.

Mrs. SCHNEIDER. Mr. Chairman, I rise in opposition to providing funds for the Contras. I do so because I am convinced that our continued efforts to force a military solution to the complicated problems that face our neighbors in Central America are doomed to failure. Overthrowinig the Sandinistas will only result in continued resentment throughout the hemisphere against heavy handed U.S. interference.

As I have listened to my colleagues during the debate over the past 2 days, I have heard charges and countercharges regarding the Sandinistas and the Contras; I have heard every possible position attributed to the heads of Latin American governments; I have heard charges of drug dealing, terrorism, and brutal human rights violations attributed with equal vehemence to Contras and Sandinistas alike. Mr. Speaker, it may not be the case that truth is the first casualty of war, but it certainly has been battered into unrecognizability on the floor of the House.

What these many opposing truths, spoken by my honorable colleagues, convey to me is that this is not a problem that can be solved with a 100 million dollars' worth of arms. The issue cannot be boiled down into a simple matter of "us" versus "them." Nicaragua is a country that has been torn by civil war for years and, preceding that, governed by a dictator who chose to bomb urban areas in a last desperate attempt to maintain power. It is a country that was devastated by an earthquake in 1972 and never completely rebuilt. It is a country where poverty, lack of basic public health, and illiteracy have been rampant. It is a country whose Sandinista government has made undeniable advances in literacy and health care, and a country that has allied itself with governments that we vigorously oppose. I don't see how we can expect to improve this unstable situation by providing $100 million in arms to a loose confederation of rebels who seem no more dedicated to democracy than the Sandinistas.

The amount of assistance requested—$100 million—has been tossed about as though it is an insignificant sum. But $100 million is not insignificant—some estimate that it would provide $20,000 and $30,000 per Contra combatant. This, in a country where the per capita income is less than $900 per year. In our own country we have unmet social and educational needs that have forced us to contemplate significant budget cuts; $100 million is four times as much as we spent to prevent child abuse last year and twice as much as we spend on immunizations. At a time when every domestic program is threatened, $100 million for any of a number of programs would be a godsend.

More important than the money is our approach to the problem. No one accepts that there should be Soviet or Cuban military influence in Central America. The heads of state of the region have pushed for a regional solution to the security problems posed by the Sandinista government. I feel that we have not made full use of the Contadora process to negotiate with the Sandinistas—a sentiment that is shared by the authors of the Contadora agreement. I am convinced that we will not get lasting democracy in Nicaragua from the barrel of a gun. We should abandon this folly and seek a solution that is more in keeping with the ideals of our Founding Fathers.

Mr. WEBER. Mr. Chairman, I would like to share with my colleagues the following statements by two prominent Jewish leaders in the United States who wish to make us aware of the Sandinista's repressive treatment of the Jewish community in Nicaragua.

Chris Gersten, executive director of the National Jewish Coalition, and Fred Luft, secretary of the Jewish Nicaraguan Community in Exile, are aware of the evidence that has been presented to prove that the Jewish community in Nicaragua has not been singled out for abuse and mistreatment because of their religious beliefs.

These two leaders, actively involved with this region, have quite a different opinion. I urge my colleagues to give their comments serious attention.

STATEMENT ON NICARAGUAN ANTI-SEMITISM

Last night, the CBS eveining news allowed New York Rabbi, Balfour Brickner, to state without challenge, that there was no anti-semitism in Nicaragua, either official or unofficial. According to Brickner, there is no evidence to support the President's claims that Nicaragua's Jewish community was forced out of the country by a systematic government policy of anti-semitism.

I have long been aware, though, that the facts, tell a different story, a story that bears out the President's statements. The National Jewish Coalition has worked tirelessly over the past year, but especially in recent weeks, to bring to light the abuses committed by the Sandinistas against Nicaragua's Jews. The coalition has also worked to make America aware of what Sandinista anti-semitism means for others in Nicaragua and beyond. Despite what Balfour Brickner may believe, today, there are no Jews in Nicaragua. The coalition has mounted a major effort to tell America that, while it is too late to save the Nicaraguan Jewish community, it is not yet too late to save Catholics, Protestants, Miskito Indians and others from the totalitarian net that the Sandinistas are tightening around Nicaragua.

I first became aware of the systematic persecution of Jews by the Sandinista government over a year ago, when I saw documentary evidence of the events that took place.

I say to those who doubt that the Sandinistas are the anti-semites, the President said them to be that:

"It is a substantiated fact that in 1978, the synagogue which Brickner said had been abandoned by the Jewish community was firebombed by Sandinista gunmen while members of the community were inside. When those Jews attempted to flee the building, the gunmen tried to force them back into the burning building.

It is a substantiated fact that Jews received death threats warning them to "get out of the country."

It is a substantiated fact that Jews were singled out for arrest and imprisonment on false charges, that individual Jews were followed, that their homes were searched, their businesses confiscated, their cars burned.

And, lest anyone doubt that these acts of persecution were specifically aimed at Jews, let me refer you to the Sandinista-sanctioned newspaper, Nuevo Diario, which in July 1982 ran articles which referred to "Synagogues of Satan," which accused the Jews of using "the myth of God's chosen people to massacre the Palestinian people without mercy," and which resurrected the charge that "the world's money, banking and finance are in the hands of descendents of Jews," a charge which has for centuries been used by anti-semites to slander Jews.

There are no Jews today in Nicaragua. There are no Jews because the Sandinista regime drove them out with acts of violence and threats of death. Who are the Jews that Brickner claims remain in the country? They are people with Jewish names whose ancestors may, generations ago, have been Jewish. Today, though, the Jews Brickner refers to are Roman Catholics or atheists who have never had any ties to Jews, Judaism or to Nicaragua's former Jewish community.

Let there by no doubt that the Sandinistas are precisely the anti-Semites described by the President. The special zeal reserved by the Sandinistas for persecution of Nicaragua's Jews is well documented.

The Anti-Defamation League of B'Nai Brith has spent five years investigating this persecution, documenting reports by victims of these outrages and by some of the former Sandinistas who had helped carry them out. Yesterday, the ADL released a white paper reaffirming that these incidents did take place. The statements made in this paper have been corroborated by the State Department.

And, most importantly, they have been corroborated by the Nicaraguan Jews who were in the synagogue when it was firebombed, who were falsely arrested and imprisoned, whose cars were burned and property confiscated, and whose lives were threatened by agents of the Sandinista government.

And who was it that assured Rabbi Brickner that no anti-semitism had occurred? Why, it was Nicaraguan President Daniel Ortega and his representatives, people who, I suggest, have more than a passing interest in denying their own brutality.

Apart from Brickner and the few of his friends whose first loyalty is to the Ortega regime, the many American Jews whom I

have heard from recognize the hostility and violence visited upon their Nicaraguan coreligionists by the Sandinistas.

Thankfully, those Jews are wise enough to recognize Mr. Ortega's denial for the self-serving disinformation that it is. Through the efforts of the National Jewish Coalition, America and American Jews are now aware that the Sandinistas have enthusiastically imitated the anti-semitism of their Soviet mentors.

This week, I and many of my colleagues received a letter from several prominent members of the American Jewish community, including three former chairmen of the umbrella organization of the Jewish community, several rabbis, and many others. These individuals recognize what Rabbi Brickner, and many of my colleagues across the aisle do not: that the Sandinistas are a threat, not only to Jews, but to all those in Nicaragua and beyond who cherish democracy and strive for freedom.

STATEMENT OF FRED S. LUFT, SECRETARY OF THE JEWISH NICARAGUAN COMMUNITY IN EXILE

Ladies and Gentlemen: I am here today as a member of the Exiled Jewish Nicaraguan Community.

I have invited you for the purpose of setting the record straight on Sandinista Anti-Semitism and the Jews in Nicaragua.

Today, there is no Jewish Community or Jewish Congregation or Jewish Life in Nicaragua. Only two Nicaraguan Jews who were members of our Congregation still work in Managua. The rest of our small Community left the country because of fears for our personal safety. This fear was stimulated by the fire bombing of our Synagogue by the Sandinistas while we were worshipping inside, by repeated telephone threats and graffiti on the walls of our businesses, warning us that after their take over we will suffer at their hands the "Sandinista Justice." The graffiti said: "Zionism, Judaism and Somozism are all the same thing." Other graffiti said "Jewish pigs, gun sellers, we will apply the Sandinista justice to you."

This reflected the fact that the Sandinistas have long been virulently anti-Israeli, anti-Zionists and closed collaborators with the PLO and other enemies of Israel. They even planned to kill the President of the Community and other members who they believed were helping Israel in selling the weapons to Somoza, something which was totally absurd.

Although they did not kill the President of the Jewish Congregation, a 70 year old gentleman, he was jailed and forced to sweep the streets and his property was summarily confiscated.

President Reagan has in various occasion made mention of Sandinista anti-semitism. Unfortunately, many individuals who opposed the President's policy in Central America, have repeatedly attempted to distort the facts of Sandinistas state induced anti-semitism. Most recently this was done by Rabbi Balfour Brickner in a statement which appears in the New York Times today.

Because this is a direct challenge to the credibility of President Reagan, and due to the fact that when such false statements have appeared in print in the past, we have written letters to the editors of the newspapers including the New York Times, The Washington Post, and our letters to the editors have never been printed.

Therefore, we have concluded that only by means of this Press Conference to which we have invited you, hoping this will be a more effective way to set the record straight, we can obtain a fair acknowledgement of our plight. Thank you.

With me, today, is Mr. Oscar Kellerman and his wife Mrs. Sarita Beer Kellerman.

Mr. BATEMAN. Mr. Chairman, the situation in Central America is a complex and difficult one. Certainly, I am concerned about any overinvolvement of the United States in the region or any inappropriate United States intrusion into the internal policies of legitimate governments in Nicaragua or elsewhere.

This having been said, our security interests in Central America are substantial and compelling, and dictate continued pressure on Nicaragua's Communist regime to desist from its avowed policy of exporting Marxist revolution to neighboring countries. The Sandinista regime is not democratic, and its violations of human rights are gross and pervasive. The regime perpetuates itself in power by military aid from the Soviets, Cuba, North Korea, Bulgaria, Libya and others. This military aid has transformed a small Nicaraguan Army into the largest in the region. A clear threat to its neighbors whose borders it periodically violates.

Mr. Chairman, the Sandinista regime has betrayed the Nicaraguan revolution which overthrew Somoza, and has consistently refused to live up to its agreement with the Organization of American States to hold free and fair elections and respect human rights and the freedoms of speech, the press, and religion, in return for diplomatic recognition of their right to govern. Surely, it must be obvious to the opponents of this aid to the freedom fighters that the Sandinista regime lacks the legitimacy which can only be conferred on it by adherence this agreement.

With full knowledge of these developments, some of the opponents of this assistance to the freedom fighters in Nicaragua argue that this package is simply not enough to aid those freedom fighters to effectively force political concessions from the Sandinistas. This argument is an obvious smoke screen. These are largely the same members who rejected military aid in toto in 1984 and since. It is frivolous to hear them argue now that this is not enough. I would be interested to know what those who claim that this is not enough would propose. Do they urge we do more?

Some of the opponents of this aid package say that we should withhold the aid while we seek a solution through negotiations and diplomacy. However, since this House began rejecting military aid in May 1984, the Sandinistas have been more intransigent and they have consistently rejected the Contadora efforts toward reconciliation. In the meantime, with Soviet bloc arms they are increasing their effort to eradicate their opposition, and forward other Soviet arms to Communist insurgencies in other Latin American countries. An example of this was the weapons they provided to the revolutionary M-19 movement in Colombia, a leading Contadora nation, which then used these weapons to assault that country's supreme court and subsequently kill its members.

Other opponents of aid to the freedom fighters claim that if we send weapons now, we will become involved in a quagmire and end up sending U.S. troops later on. This argument is absurd. This may be our last best hope to prevent Marxist regime from consolidating its power by force of arms, which is certain to lead to continued attempts to destabilize the region by their policy of a revolution without borders. My greatest concern, Mr. Speaker, is that if today we refuse to help those who want to help themselves in Nicaragua, the likelihood of United States military force being required in a massive way is enhanced not reduced.

Mr. Chairman, for all of these reasons I believe the United States should continue to apply pressure to the communist Nicaraguan regime to promote political pluralism in Nicaragua and to desist from exporting Marxist revolution to neighboring countries. My support for the democratic opposition to the Sandinista regime will not end until that regime permits liberty to exist within its borders and ceases its efforts to undermine democratic governments in the region. So long as Nicaragua's ruling junta follows its present policies, America must oppose that regime and aid those within Nicaragua who fight for their freedom.

Mr. Chairman, we in the Congress cannot, as a 535 Member committee, articulate and direct a coherent and effective foreign policy. We can thwart the President, acting as the Commander in Chief and as the constitutional architect of our foreign policy from any meaningful policy that protects our vital national security interests in Central and South America. But we should not allow ourselves to paralyze our Nation's policy in this vital area. If those who would deny this military assistance prevail, the responsibility for a Soviet colony on the mainland of the Western Hemisphere will be theirs. Are they willing to accept that responsibility?

Mr. BROOMFIELD. Mr. Chairman, I yield 7 minutes to a great American, the chairman of the Committee on Rules, the gentleman from Florida [Mr. PEPPER].

Mr. PEPPER. Mr. Chairman, members of the committee, I rise in support of this resolution because I believe it is in the best interests of our beloved America.

I believe most Americans will agree that one of the worst mistakes ever made by our Government was to allow Castro to come to power. I remember in those early days when he lied to the American press and to the American people in denying that he was a Communist.

A little while later, he ridiculed our American people and said "of course he'd been a Communist all the time." We should have known that he participated in the Communist violence in Bogota, Columbia, and what his commitment to communism was; but we did nothing.

What happened? In a little while, he had become the minion of the Soviet Union, both preserving and aggressing communism in the Western Hemisphere; and he and Khrushchev formed a cabal to make Cuba a citadel of military power, buttressed by nucle-

ar weapons, installed in Cuba, 90 miles from my beloved State of Florida.

President Kennedy had to risk nuclear war to get those nuclear weapons out of Cuba. We had to stop Russian ships on the high seas, prepare to board them, if they had not turned back.

Do we want to risk that situation again? Would Gorbachev yield as did Khrushchev? What might be the outcome of it, if we had another confrontration?

"Oh," they say, "this is not a Communist government in Nicaragua." Well, I think everybody will agree that while all of the government is not, the dominant part of the government is.

□ 1405

There must be some interesting data to be observed from three things: First, is today the Communist government of the Government of Nicaragua has formally taken the position and the place of the Communist Party of Nicaragua at all of the conferences on communism all over the world. Second thing: Every time one of the Communist leaders dies, they have a 3-day mourning proclaimed by the Government of Nicaragua, with all the effusive declarations of regret and sorrow that they experience.

Another little item that may be not so insignificant, go into the bookstalls and newsstands in Nicaragua and you will hardly see anything but Communist propaganda. Now they say, "Well, all we got to do is entreat these people to negotiate." They are in power. They control the Government. They have got the help of the Soviet Union furnishing them war materiel. In addition to that 7,500 Cubans, 3,000 of them identified with the military group, are in Nicaragua. What American, what Member of this House who loves our country, as all do, would be sure that if we allow this Government to continue in power with only moral suasion attempted against them that there may not come a time when Gorbachev and whoever is the head of that Government may plant some more nuclear weapons down there in Nicaragua? And what are we going to do this time? They say we should negotiate. The President says, and he knows better than I do, he has negotiated nine times or tried to. I think the President's proposal is fair. I have opposed the President about as much as any Member of this House but I think he is right on this issue today and I think he has been fair. In the morning paper the President is quoted as saying that he will not use the power that we may give him today, if there is an affirmative vote, as I hope there will be, for 90 days, to see if they do want to come to the negotiating table. I am sure the President will agree with us to have a condition subsequent that if this expenditure begins but then we find that the Government of Nicaragua adopts a constitution that the Contadora say is a fair constitution and if they have fair elections and they preserve human rights, we will not spend another dollar.

I am sure there is no doubt in anybody's mind that the President would agree to that. But we are entertaining a dream if we think that by doing nothing we can bring these people into negotiation with us.

My dear colleagues, too many times American Government, American opinion have been divided on crucial foreign policy issues. Today this House of the people is speaking for the people. We are talking about the character of our hemisphere. We are saying we do have an objective. We will not tolerate communism to be the dominant character of the state in any part of the Western Hemisphere, that is what we are saying. We are saying we still believe in the principles of the Monroe Doctrine which are incorporated in the Rio Treaty. Yes, there is a better way than the President has proposed. What is it? For the nations of the Western Hemisphere to join us in throwing these Communists out but until they do let us speak for ourselves.

The CHAIRMAN. The Chair will advise that the gentleman from Washington [Mr. FOLEY] has 4 minutes remaining and the gentleman from Michigan [Mr. BROOMFIELD] has 3 minutes remaining.

Mr. FOLEY. Mr. Chairman, I yield all remaining time to the Honorable Speaker of the House, the gentleman from Massachusetts [Mr. O'NEILL].

Mr. O'NEILL. Mr. Speaker, I want to speak only briefly today.

This vote that we are about to take is not a matter of partisanship. As far as I am concerned, partisanship ends at the water's edge. All of you know that I have stood with the President on some tough foreign policy questions such as Beirut. I have also opposed him, as I do on our proper role in Nicaragua.

Today's vote is a matter not of politics, but of conscience. I have told Members with whom I have spoken how I feel about the issue and I have made it clear that it is a matter for them to weigh as heavily as I have.

It is my view that a policy of providing military weapons for the war in Nicaragua takes us in the wrong direction. It takes us further down the road, further toward a situation where our country's own troops become involved. Just as covert aid has become overt, just as humanitarian aid has now become lethal, just as we have moved from a role of arms supplier to that of trainer and adviser, I see the pattern continuing. I see us becoming engaged, step by step, in a military situation that brings us directly into the fighting.

I don't believe that we can have it both ways, that we can arm and train the Contras, that we can send U.S. weapons and U.S.-trained and U.S.-directed soldiers into the field without feeling some ultimate responsibility for their safety. When it comes to the crunch, we will find ourselves with only two options: either to go in ourselves or see our trained contingents face a bloodbath.

I don't like those options. I want to avoid them and that is why I oppose the new escalation of the war that could be triggered by today's vote.

That is my position, but I recognize there are others in this Chamber who sincerely support the rebel forces in Nicaragua and are willing to accept the risks of becoming their supporters in the field. I do not approve of this view. I would not vote for it, but neither would I question the patriotism of those who take such a position.

I said that today's vote is a matter of conscience, not of politics. What disturbs me as Speaker is not the positions some Members have taken but the tactics that have been used by those outside this body.

I was elected to the Congress in 1952. As some of you will recall, that was not a good time for our country. Fingers were being pointed, reputations were being destroyed. People were frightened not by an enemy abroad but by accusations made by their own countrymen. It was a time when lists were drawn up of who was loyal and who was not.

That dark era of fear in our country did not end because one political party blew the whistle on this sort of conduct, but because both parties agreed that our democracy can and must allow for the free expression of views, that Americans had not only the right but also the duty to speak their minds on questions of national policy without fear, without the dread that their motives and purposes will be questioned.

I am proud that this House of Representatives has been able to engage in strong and hard debate over foreign policy matters in recent years. I am proud that we have been able to weigh the consequences of administration policies. That is our duty. That is what people elect us to do, to weigh the consequences of various policies.

There is a difference between debating the effects of policy and questioning the motives of those who advocate those policies. In recent days, we have seen newpaper advertisements questioning the loyalty of Members of the Congress. There has been a drumbeat of such attacks, some of them directed and voiced by administration staff people. The message has been crystal clear: Oppose the $100 million and you are somehow un-American; you are acting to help our country's enemies.

What is really un-American is the charge that we, the elected representatives of the people, do not have the right to do the job we were elected to do: To represent the good sense of our own constituents and their justified conclusion that more U.S. weapons will simply mean more bloodshed; that the $100 million will not be the end but simply the downpayment; that we should never again get into a war for which our best hope is a bloody and dangerous stalemate, when there are other alternatives.

My conscience dictates that I vote "nay," not only to the policy but to its tactics as well.

Mr Speaker, let me read just two communications that I have received:

HOUSE OF COMMONS,
London SWIA OAA, February 26, 1986.

Mr. TIP O'NEILL,
Speaker, House of Representatives, Washington, DC, USA.

MY DEAR TIP: I am writing, as Foreign Affairs Spokesman of the Labour Party, to convey my concern at the requests made by the Reagan Administration to Congress to increase humanitarian aid, and provide military assistance, to the Contra forces in Nicaragua. There is great concern in Europe at this proposal and at the announcement of help for UNITA. In the opinion of many of us these actions will seriously jeopardise the prospects for regional stability in these areas.

I have to say that the policy of the U.S. Administration toward Nicaragua continues to place a heavy strain on the Western alliance. The rejection of the Corabelleda declaration and allegations that the U.S. government has violated the Boland amendment have fueled the belief that the American government has no serious interest in a negotiated solution to the problems of Central America. Such an approach not only jeopardizses the prospect of a negotiated solution but impedes those forces within Nicaragua who most strongly support the development of a more pluralist society.

I urge you and your colleagues to reject the requests of the administration.

With best wishes.

Yours sincerely,

DENIS HEALEY.

[From the Associated Press, March 20, 1986]

While the House debated, the eight-member Contadora group of Latin American countries made a fresh appeal to avoid the use of force in Central America.

Speaking at a meeting of the Political Council of the Organization of American States in Washington, Venezuelan Ambassador Edilberto Moreno said it was necessary to reiterate the obligation of all member states of the OAS "to solve their controversies exclusively by peaceful means and to abstain from the use of force directly or indirectly."

Moreno said he was speaking for Argentina, Brazil, Colombia, Mexico, Panama, Peru, Uruguay, and Venezuela.

Chile's new ambassador to the OAS, Javier Illanes, declared his country's "decided support for the Contadora peace efforts."

□ 1420

Mr. FOLEY. Mr. Chairman, I ask unanimous consent that the gentleman in the well, the distinguished Republican leader, be granted such additional time as he may desire.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. BROOMFIELD. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. BADHAM].

Mr. BADHAM. Mr. Chairman, I rise in support of the resolution.

Mr. Chairman, yesterday, I received a copy of the Democratic Caucus' report "Peace, Democracy, and Development in Central America: A Democratic Alternative." This report attacks President Reagan's policy toward Central America and states that the administration seeks only a military solution. However, the report ignores the fact that the current United States policy toward Nicaragua's Sandinistas was charted during the last months of the Carter administration. Indeed, I am sure that you are aware that Zbigniew Brzezinski, President Carter's National Security Adviser fully supports the $100 million aid to the freedom fighters in Nicaragua.

Further, the Democratic report states that the United States should negotiate with the Sandinistas about their aggressive external policies, but forget about the Sandinista's internal policies simply because they are Communists and will not negotiate about such things. This is very strange logic. Why would the Sandinistas want to talk about anything? They have everything to lose. Absolute totalitarians cannot talk about power-sharing nor of coexistence with their democratic neighbors.

Meanwhile, while we cannot pressure the Sandinistas for internal reforms, the Democrats wish to use military pressure to force President Duarte to continue peace talks with the Communist guerrillas in El Salvador. If Duarte doesn't talk, no military aid. But, it was Duarte who has sought talks all along. I don't understand how some of my distinguished colleagues believe that they can have this both ways. Abandon the Nicaraguan freedom fighters because the Sandinista's will not negotiate, and abandon El Salvador if the legitimate Government cannot bring the Communist guerrillas back to the negotiating table.

We must stand up to totalitarian Communist aggression and we must do it now. I strongly urge my colleagues to support the $100 million in aid for the Nicaraguan freedom fighters.

Mr. BROOMFIELD. Mr. Chairman, to close debate, I yield the balance of my time to the distinguished minority leader, the gentleman from Illinois [Mr. MICHEL] and I hope he may proceed for 3 long minutes.

Mr. MICHEL. Mr. Chairman, several years ago when I was elected the Republican leader, I said in very brief remarks before presenting the Speaker that there would be occasions when there would be no center aisle and the issue itself would transcend partisanship.

This is one of those occasions.

Mr. Chairman, I would say to the Speaker he may very well take a little heart from the fact that I cannot give you a unanimous vote in support of our resolution from my side; similarly, the Speaker cannot do that on his side today.

Mr. Chairman, I am every so grateful for those of you, JACK MURTHA particularly, DANTE FASCELL, CLAUDE PEPPER, who frankly said it all a few moments ago. I probably would not have to say anything aften what they have done today to help elevate the quality of the debate.

Mr. Chairman, as we conclude these 10 hours of debate, there have been four major arguments against the bipartisan resolution.

It is said that if we aid the Contras, this is the first step toward sending American troops to Central America.

My cosponsor, JACK MURTHA, and I, both of whom have been through this thing called war at its worst level, would consider that the last thing either one of us would ever want to do. I submit that precisely the opposite is the case. This is a step away from sending American boys to do what the Nicaraguan freedom fighters want to do for themselves, if we will only give them the chance.

Those opposing this bill say we have not exhausted negotiations. If it is exhaustion you want, it is exhaustion you will get for the next 90 days. There will be a veritable deluge of diplomacy in Central America. I am not going to bet the mortgage money that the Sandinistas will change their minds and meet the Contras at the bargaining table. But no one can then say that diplomacy has not been given a chance, and that is what will take place under this compromise.

It has been said that our Latin American neighbors are against our policies. As I understand it, the Contadora nations want internal reconciliation in Nicaragua. Is that not what we want? That is what the Roman Catholic bishops want in Nicaragua.

The Latin American nations look at our on-again, off-again actions here in the House and, quite naturally, they fear we will abandon the Contras. Who would not feel like that, seeing that uncertainty that we display from time to time around here?

If we provide effective assistance today, we will then see these Latin American countries coming aboard to support our policy.

Fourth, it is said that Nicaragua poses no military threat to us, but if the Soviet military presence in Central America becomes a serious threat, those opposed to providing aid now will make the hard decision later, even if it means sending American troops. I have heard that bellicose sound coming from a few time to time.

In other words, you are not willing to put out a fire in Nicaragua now, but you will march into hell in Central America later. Oh, I wonder if that is

really true. My colleague CLAUDE PEPPER put his finger on it when he made the analogy to Cuba, and I recall those days all too well. I happened to be here at that time. Yes, depose Batista on the right, we said. Get rid of him. For what? We did not know, and we ended up with someone worse on the left.

How many times do we have to go through this thing before it finally soaks in as to what this thing is all about down there? Yes, it is a confrontation between East and West, and do not ever forget it.

As for me, I say why not get the job done while it is still manageable, and without American troops.

To those of you gazing longingly at the April 15 vote—the escape hatch offered by the Speaker—let me tell you what a national security expert told me yesterday. He said, "BOB, if you lose that vote tomorrow, Nicaragua is gone. A month from now will be too late, because the Communists are even now mobilizing for an offensive."

So forget that tantalizing image of some kind of compromise vote a month from now on a supplemental appropriation bill that, quite frankly, is not going to go anywhere.

In moments of great crisis, we do not remain in the same condition; either we rise or we fall; either we transend the crisis or it crushes us. That is as true for institutions and nations as it is for human beings.

So the question is: Do we rise or do we fall? Are we going to avoid the tough questions and some day see Nicaragua, Costa Rica, Honduras go the way of Latvia, Estonia, and Lithuania? Or do we act like a great power with great responsibilities, like we ought to?

I urge each of you to rise to the occasion, join with those of us on both sides of the aisle who support this resolution, and, in my judgment, we will write one of the proudest chapters in the history of this House.

Mr. Chairman, I want to thank the overwhelming majority of Members on my side of the aisle who support the resolution, recognizing that for some it is a very difficult decision for you. We all have to make those decisions from time to time.

Again, I am especially appreciative of the work of my cosponsor JACK MURTHA and those roughly 50 Members that I can see on that side of the aisle, good Members of the majority party, who are also supporting our bipartisan resolution.

Mr. Chairman may I finally say to the Speaker, I love him. We are great friends. I respect his sincerity. I know what an emotional issue this is with him. I think I know something special about that and will not spell it out here. But I just have to say, today, our Speaker is wrong. He is wrong, wrong, wrong. I would say that I hope a majority, of this House will feel as strongly as we do about this resolution and support this bipartisan resolution.

The CHAIRMAN. All time for general debate has expired.

The text of House Joint Resolution 540 is as follows:

H.J. RES. 540

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress hereby approves the additional authority and assistance for the Nicaraguan democratic resistance that the President requested pursuant to the International Security and Development Cooperation Act of 1985, notwithstanding section 10 of Public Law 91-672.

The CHAIRMAN. Pursuant to section 722(n), Public Law 99-83, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WHITLEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the joint resolution (H.J. Res. 540) relating to Central America pursuant to the International Security and Development Cooperation Act of 1985, he reported the joint resolution back to the House.

The SPEAKER. Pursuant to section 722(n), Public Law 99-83, the previous question is ordered.

The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the joint resolution.

Mr. BROOMFIELD. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 210, nays 222, not voting 3, as follows:

[Roll No. 64]

YEAS—210

Archer	Cobey	Fiedler
Armey	Coble	Fields
Badham	Coleman (MO)	Fish
Barnard	Combest	Flippo
Bartlett	Coughlin	Franklin
Barton	Courter	Fuqua
Bateman	Craig	Gallo
Bennett	Crane	Gaydos
Bentley	Daniel	Gekas
Bereuter	Dannemeyer	Gibbons
Bevill	Darden	Gilman
Bilirakis	Daub	Gingrich
Bliley	Davis	Goodling
Boulter	DeLay	Gradison
Breaux	DeWine	Gregg
Broomfield	Dickinson	Gunderson
Brown (CO)	DioGuardi	Hall, Ralph
Broyhill	Dornan (CA)	Hammerschmidt
Burton (IN)	Dowdy	Hansen
Byron	Dreier	Hartnett
Callahan	Duncan	Hatcher
Campbell	Dyson	Hendon
Carney	Eckert (NY)	Henry
Chandler	Edwards (OK)	Hiler
Chappell	Emerson	Hillis
Chappie	English	Holt
Cheney	Erdreich	Huckaby
Clinger	Fascell	Hunter
Coats	Fawell	Hutto
Hyde	Monson	Sisisky
Ireland	Montgomery	Skeen
Jenkins	Moore	Skelton
Johnson	Moorhead	Slaughter
Jones (OK)	Morrison (WA)	Smith (FL)
Kasich	Murtha	Smith (NE)
Kemp	Myers	Smith (NJ)
Kindness	Nelson	Smith, Denny (OR)
Kolbe	Nichols	Smith, Robert (NH)
Kramer	Nielson	Smith, Robert (OR)
Lagomarsino	O'Brien	Snyder
Latta	Ortiz	Solomon
Leath (TX)	Oxley	Spence
Lent	Packard	Stangeland
Lewis (CA)	Parris	Stenholm
Lewis (FL)	Pashayan	Strang
Lipinski	Pepper	Stratton
Livingston	Petri	Stump
Loeffler	Porter	Sundquist
Lott	Pursell	Sweeney
Lowery (CA)	Quillen	Swindall
Lujan	Regula	Tallon
Lungren	Rinaldo	Tauzin
Mack	Ritter	Taylor
Madigan	Roberts	Thomas (CA)
Marlenee	Robinson	Thomas (GA)
Martin (IL)	Roemer	Vander Jagt
Martin (NY)	Rogers	Vucanovich
McCain	Roth	Walker
McCandless	Roukema	Watkins
McCollum	Rowland (GA)	Weber
McDade	Rudd	Whitehurst
McEwen	Saxton	Whittaker
McGrath	Schaefer	Wilson
McKernan	Schuette	Wolf
McMillan	Schulze	Wortley
Meyers	Sensenbrenner	Young (AK)
Mica	Shaw	Young (FL)
Michel	Shelby	Zschau
Miller (OH)	Shumway	
Miller (WA)	Shuster	
Molinari	Siljander	

NAYS—222

Ackerman	Dixon	Kaptur
Akaka	Donnelly	Kastenmeier
Alexander	Dorgan (ND)	Kennelly
Anderson	Downey	Kildee
Andrews	Durbin	Kleczka
Annunzio	Dwyer	Kolter
Anthony	Dymally	Kostmayer
Applegate	Early	LaFalce
Aspin	Eckart (OH)	Lantos
Atkins	Edgar	Leach (IA)
AuCoin	Edwards (CA)	Lehman (CA)
Barnes	Evans (IL)	Lehman (FL)
Bates	Fazio	Leland
Bedell	Feighan	Levin (MI)
Beilenson	Florio	Levine (CA)
Berman	Foglietta	Lightfoot
Biaggi	Foley	Lloyd
Boehlert	Ford (MI)	Long
Boggs	Ford (TN)	Lowry (WA)
Boland	Fowler	Luken
Boner (TN)	Frank	Lundine
Bonior (MI)	Frenzel	MacKay
Bonker	Frost	Manton
Borski	Garcia	Markey
Bosco	Gejdenson	Martinez
Boucher	Gephardt	Matsui
Boxer	Glickman	Mavroules
Brooks	Gonzalez	Mazzoli
Brown (CA)	Gordon	McCloskey
Bruce	Gray (IL)	McCurdy
Bryant	Gray (PA)	McHugh
Burton (CA)	Green	McKinney
Bustamante	Guarini	Mikulski
Carper	Hall (OH)	Miller (CA)
Carr	Hamilton	Mineta
Chapman	Hawkins	Mitchell
Clay	Hayes	Moakley
Coelho	Hefner	Mollohan
Coleman (TX)	Heftel	Moody
Collins	Hertel	Morrison (CT)
Conte	Hopkins	Mrazek
Conyers	Horton	Murphy
Cooper	Howard	Natcher
Coyne	Hoyer	Neal
Crockett	Hubbard	Nowak
Daschle	Hughes	O'Neill
de la Garza	Jacobs	Oakar
Dellums	Jeffords	Oberstar
Derrick	Jones (NC)	Obey
Dicks	Jones (TN)	Olin
Dingell	Kanjorski	Owens

Panetta	Schroeder	Traxler
Pease	Schumer	Udall
Penny	Seiberling	Valentine
Perkins	Sharp	Vento
Pickle	Sikorski	Visclosky
Price	Slattery	Volkmer
Rahall	Smith (IA)	Walgren
Rangel	Snowe	Waxman
Ray	Solarz	Weaver
Reid	Spratt	Weiss
Richardson	St Germain	Wheat
Ridge	Staggers	Whitley
Rodino	Stallings	Whitten
Roe	Stark	Williams
Rose	Stokes	Wirth
Rostenkowski	Studds	Wise
Rowland (CT)	Swift	Wolpe
Roybal	Synar	Wright
Russo	Tauke	Wyden
Sabo	Torres	Wylie
Savage	Torricelli	Yates
Scheuer	Towns	Yatron
Schneider	Traficant	Young (MO)

NOT VOTING—3

Addabbo	Evans (IA)	Grotberg

□ 1445

So the joint resolution was not passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

RESIGNATION AS MEMBER AND APPOINTMENT AS MEMBER OF UNITED STATES-MEXICO INTERPARLIAMENTARY DELEGATION

The SPEAKER laid before the House the following communication from the Honorable PATRICIA SCHROEDER, Member of Congress:

MARCH 20, 1986.

DEAR MR. SPEAKER, I am willing to accede to the wishes of the chairman of the U.S.-Mexican Interparliamentary delegation that 2 serve in a capacity as ex officio hostess instead of as a member of the delegation.

PAT SCHROEDER.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

The SPEAKER. The Chair appoints the gentleman from Texas [Mr. COLEMAN] to fill the vacancy.

CONFERENCE REPORT ON HOUSE JOINT RESOLUTION 534, URGENT SUPPLEMENTAL APPROPRIATION FOR THE DEPARTMENT OF AGRICULTURE, 1986

Mr. WHITTEN. Mr. Speaker, I call up the conference report on the joint resolution (H.J. Res. 534) making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes, and ask unanimous consent for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. WALKER. Mr. Speaker, reserving the right to object, I do so to ask the gentleman from Mississippi the question: Is my understanding that the resolution that we have before us has been stripped now of the language that was the nonconferenceable language that brought up a problem in the House previously? Is that correct?

Mr. WHITTEN. If the gentleman will yield, that has been satisfactorily settled with conferees on both sides.

Mr. WALKER. I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the conference report.

(For conference report and statement, see proceedings of the House of March 19, 1986.)

The SPEAKER pro tempore (Mr. MOAKLEY). The gentleman from Mississippi [Mr. WHITTEN] will be recognized for 30 minutes and the gentlewoman from Nebraska [Mrs. SMITH] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Speaker, may I say the only item in disagreement between the House and Senate has been settled. That is amendment No. 1, which has been resolved. The Senate has already passed this conference report.

The following language is that agreed on by conferees on both sides, and I quote:

It is agreed that at least $1.7 billion is available for the Insured Operating Loan Program of the Farmer's Home Administration. Therefore, the Secretary shall proceed immediately to make loans to farmers and farmowners. If these funds should prove to be insufficient, other funds should be made available to meet emergency credit needs of the American farmers and ranchers.

Mr. Speaker, at this point I would like to insert the full text of the agreed upon resolution:

DEPARTMENT OF AGRICULTURE

COMMODITY CREDIT CORPORATION

For the operations of the Commodity Credit Corporation, not to exceed $5,000,000,000 for capital restoration, to enable the Corporation to use the authority authorized by the Charter of the Corporation and other laws to carry out programs handled by the Corporation: *Provided*, That Corporation programs shall retain the goal of sufficient production to meet domestic needs, maintain the supply line, and provide for our share of exports at competitive prices: *Provided further*, That after fiscal year 1987, funds available to the Corporation may be used to carry out section 1241(a)(1) of the Food Security Act of 1985, only to such extent or in such amounts as provided in advance in appropriations Acts. The sign-up agreement should not reduce total production below levels needed to meet domestic needs, maintain the supply line, and provide for an adequate supply for export by either the Commodity Credit Corporation or private corporations or individuals at competitive prices; since by law the proceeds from sales become available for use by the Commodity Credit Corporation, such sales should reduce future appropriations: *Provided further*, That the conservation reserve program shall not replace or reduce any existing conservation program.

It is agreed that at least $1,700,000,000 is available for the insured operating loan program of the Farmers Home Administration. Therefore the Secretary shall proceed immediately to make loans to farmers and farmowners. If these funds should prove to be insufficient, other funds should be made available to meet emergency credit needs of American farmers and ranchers.

Mr. WHITTEN. May I say there is no dissention among the conferees on this report. I urge the Members' support.

Mrs. SMITH of Nebraska. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to thank the chairman of the subcommittee for his diligent work on this most urgent matter and rise in support of House Joint Resolution 534, a supplemental appropriation of $5 billion for the CCC.

This urgent supplemental is crucial in the agricultural sectors of this country. Our farmers are waiting for us to pass this bill so that provisions in the 1985 farm bill can be fully funded in timely fashion. Among other things, this will enable them to receive 40 percent of advanced deficiency payments from their local ASCS offices. You know, for a lot of farmers, this will also help ease the credit crunch, for spring planting.

Although this supplemental will not be adequate to fund CCC programs through the rest of the year, it will help them function through the summer. This will allow a better assessment of CCC needs to complete the year. I also would again like to point out that it is extremely difficult to estimate future needs due to the fluctuations in participation and weather.

Also most important, this supplemental points out that at least $1.7 billion is available for insured FmHA operating loans in 1986. This will not even begin to reach the $4 billion level reached in 1985, but instruct the Secretary of Agriculture to immediately make loans to farmers and farm owners. If this amount proves to be insufficient, other funds should be made available to meet these emergency credit needs.

I urge a yes vote on House Joint Resolution 534.

Mr. CONTE. Mr. Speaker, I am pleased to report that your conferees have finally reached agreement on this further conference report for the urgent CCC supplemental. It is one which I understand is acceptable to the

administration, so I hope we can finally dispense with it.

To summarize the contents of the current agreement, let me point out that it does contain the $5 billion which each of us have sought all along for the Commodity Credit Corporation. It also contains the language in the House-passed version restating the Corporation's goals. We have included language affirming our existing commitment to the Conservation Reserve by striking House language which would have required advance appropriations, and we have retained the House provision indicating our continued support for existing conservation programs.

Finally, we have agreed to delete the language which I opposed and the other body struck on a point of order with regard to the Farmers Home Administration insured operating loan levels. The conference agreement emphasized the availability of $1.7 billion for this program, the level authorized in the 1985 Farm Bill. It directs the Secretary to proceed making loans, and contains some long-awaited compromise language which states that other funds should be made available to meet the credit needs of American farmers and ranchers if the fiscal year 1986 ceiling on loan authority is insufficient.

Mr. Speaker, I have no objection to this report. And, as I understand, the administration does not object. No new or hidden budget-busting provisions are contained in this agreement. Should there be a proven need for additional FmHA lending authority, the House will be able to address it through the normal channels on another appropriations bill or through approval of requested transfers and reprogrammings. The extra billion dollars is not in this further conference report. I repeat, it is not in this report.

In closing, I would like to take this opportunity to say to my colleagues that this year, as we've found out, it ain't gonna be easy. The history of the conference report before us proves, beyond a shadow of a doubt, that the heyday is over. Whether or not the Supreme Court strikes down the automatic sequestrations, we are still going to have to live with the facts of the Gramm-Rudman life.

In a decisive 61–33 vote taken in the other body, it was shown that there will be no new increases in outlays without offsets in other accounts. If we want more farm loans, there are going to be less units of housing for the elderly, less student aid, less security for our embassies abroad, less biomedical research, and less medical care for the veterans. These are the clearcut tradeoffs we will have to make.

The lessons that we have learned in this urgent supplemental have been costly—we have kept the CCC closed for 2 weeks and the Crop Insurance Corporation closed for 3 days. The farmers and businessmen and women who have had their payments held up should know that the money due them under the law has been held hostage to a few efforts to rewrite the farm bill and Gramm-Rudman, and to send some sort of poison pen letter to the new Secretary.

I hope that this lesson will not have to be repeated. I hope that we will stop toying around with the Federal agencies and corporations we're supposed to oversee, and the people who elected us to represent them.

Mr. Speaker, I urge adoption of our conference report.

Mrs. SMITH of Nebraska. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri [Mr. COLEMAN].

Mr. COLEMAN of Missouri. I thank the gentlewoman for yielding me this time.

Mr. Speaker, I rise in support of this conference report and want to clarify a previous vote on this bill when it passed the House, I believe it was last week; rollcall No. 50.

I either inadvertently hit the wrong button or the electronic device did not capture my correct vote. In any event, I was supportive of the bill then; I am supportive of the bill now.

We in the Midwest have a great need for this direct loan moneys, and we hope that this bill will provide much assistance to farmers as they go into their spring planting.

Mrs. SMITH of Nebraska. Mr. Speaker, I yield 1 minute to the gentlemen from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. I thank the gentlewoman for yielding me this time.

Mr. Speaker, I just simply want to rise once again to call upon the Appropriations Committee and our distinguished chairman: Please do not do this to us. Year after year we are going through this process. We have now been over a month without money in the CCC because we refuse to fully fund the Commodity Credit Corporation on an annual basis.

As the distinguished lady has said, this is not going to do it. We are going to be back here again, and I know you mean well and I know you think you are helping agriculture, but let me tell you, our colleagues are getting very fed up. They think supplementals are spending additional money above and beyond the normal appropriation.

So the longer we play this game the more we are hurting agriculture rather than helping them. Let us pass the necessary funds in the Commodity Credit Corporation. We all know what that is.

Mrs. SMITH of Nebraska. Mr. Speaker, I yield 1 minute to the gentleman from Nebraska [Mr. DAUB].

Mr. DAUB. I thank the gentlewoman for yielding me this time.

Mr. Speaker, I would like to comment and follow on with what our colleagues, Mr. GUNDERSON, said to us. The problem maybe is not so much that we nickel and dime the CCC, I say to my good friend and chairman of the committee, because I know he has to manage the money of this country and we appreciate the effort he makes.

The bankers in the Midwest tell me that they cannot make their loans because they do not have an understanding of what the cash flows will be as they look at that asset called the CCC relative to the help that it does give to our growers and producers all across the country in a variety of kinds of agriculture.

May I ask this question of either Mrs. SMITH or Mr. WHITTEN: Do we know yet whether Gramm-Rudman and its 4.3 reduction as of March 1 will affect the second payment that will be made on this crop signup that will be paid in fiscal 1987?

Could someone answer that question?

□ 1455

Mr. WHITTEN. Mr. Speaker, I yield myself such time as I may consume.

In my opinion, they could have gone ahead with a whole lot of things that perhaps they have not. I think we have had kind of a breakdown at the county level for one reason or another to where they just have not filed applications or where they have filed applications, they have not operated under them.

I met with the head of the Farmers Home Administration last Friday, I believe it was, and I think they have a different attitude and they are ready to move, but I do understand that the payment will be made.

Mr. DAUB. Mr. Speaker, if the gentleman will yield further, if you sign up with funds now being made available by this particular appropriation, and that farmer says, "I'm going to sign up and I'm going to draw down my 40 percent," that the second part or the remaining 60 percent, although not in the 1986 year, but to be paid after harvest in the 1987 year, will essentially have a sanctity of contract and not be cut more than 4.3 percent?

Mr. WHITTEN. I have been assured that it will be carried out, but may I say it will depend on the terms of the contract.

Let me direct my attention to the Commodity Credit Corporation. The budget request this year was that we take all controls off for the Commodity Credit Corporation—take off all controls. We have not done that, but we do, in Government, give more and more jobs to the Commodity Credit Corporation. Of course, our committee can only do what we are asked to do and that is to keep the Corporation where it can handle its business.

Mr. DAUB. I am trying to get a yes or no from the chairman.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Speaker, I think we ought to point out that the administration delayed the signup on purpose so they would have that option available to them to make that reduction if they want to. I do not think it is legal under the language we had in the Gramm-Rudman bill. It is

not legal for them to do it, but they say that it is legal for them to do it; so the question cannot be answered here.

Mr. DAUB. Mr. Speaker, will the chairman yield for a further clarification?

Mr. WHITTEN. Certainly, I yield.

Mr. DAUB. Notwithstanding the comment that it could or could not be true that my colleague, the gentleman from Iowa, has stated, I am trying to find out, if you sign up and if Gramm-Rudman in effect did reduce that first 40 percent of CCC deficiency payments by 4.3 percent, will the remaining 60 percent also be reduced be 4.3 percent, but no more than that?

Mr. WHITTEN. May I say to my colleague that the administration of this comes under the executive branch. I have so much difficulty trying to find out from the Department and from the local offices what the facts are, that I cannot answer. They are supposed to handle this, but they have been mighty slow moving into it, so I cannot tell the gentleman what they will do. I can tell the gentleman what they should do.

Mr. DAUB. Mr. Speaker, I think the gentleman very much.

Mrs. SMITH of Nebraska. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana [Mr. MYERS].

Mr. MYERS of Indiana. Mr. Speaker, I thank our friend, the gentlewoman from Nebraska, for yielding the time.

Here we go again. It seems like every time your Appropriations Committee has been on this floor, which has been too frequently in the last 90 days, we get criticized for being here.

The gentleman from Wisconsin [Mr. GUNDERSON] I guess has left the floor. I am sorry the gentleman has left; but again the gentleman beats this drum that it is the Appropriations Committee's fault that we do not ask for enough money.

Oh, there the gentleman is. Will the gentleman come on over so I can talk to him.

If the gentleman will check the RECORD back on December 19, 1985, this Congress passed the appropriation bill containing $2.7 billion for insured operating loans for the Farmers Home Administration.

The next day a different bill passed in the authorization, authorizing only $1.7 billion, which is in this particular provision here.

Through an interpretation by the Department of Agriculture, they say they have only $1.7 billion available for operating loans, those which are critical.

Now, we feel there is $2.7 billion because the appropriations passed, but because the authorizing bill passed a day later, the attorneys in the Department of Agriculture interpreted that the latest bill, the latter bill shall prevail.

Now, if the gentleman recalls, a couple weeks ago we passed an appropriation bill here containing $2.7 billion. We did not really pass another appropriations bill, because it had already been appropriated; but we identified that $2.7 billion as being available for operating loans.

We went to conference with the other body and in conference we passed the $2.7 billion and that it should remain available.

The interpretation by the other body was that that exceeded the budget limitation, so we had to drop back to the $1.7 billion; but in the language here, if the gentleman will notice, if these funds should prove to be insufficient, which many people feel they probably will and likely are to be, but no one knows at this point whether they will or will not be. This is an uncertain business we are in, as we all know; and yet the gentleman is critical of the Appropriations Committee because we cannot anticipate. The administration admits that it cannot anticipate, either. No one knows how much is going to be the demand out here.

But here is the important part: Other funds should be made available to meet emergency credit needs of American farmers and ranchers.

Now, if I were writing the report, and I did not write this language, in the last part of that sentence I would have said, "Other funds shall be made available from previously appropriated funds." Instead of other funds would be made available.

But nevertheless, the intent of this body is that $1.7 billion we know is available and should be loaned. If more is needed, it is the intent of this language on this body that available funds previously appropriated should be available to loan. I think that extra billion dollars would probably be enough.

But do not shoot the messenger. We are only dealing first with the other body, with the rules of the Budget procedure, as well as the administration.

Mr. GUNDERSON. Mr. Speaker, will the gentleman yield?

Mr. MYERS of Indiana. I yield to my friend, the gentleman from Wisconsin.

Mr. GUNDERSON. Mr. Speaker, I appreciate the gentleman yielding and I appreciate his remarks.

I am sure the gentleman heard the distinguished ranking member of the subcommittee, the gentlewoman from Nebraska [Mrs. SMITH], who indicated earlier that the amount of money that is in this bill will only carry the Commodity Credit Corporation through the summer, which means that we will need more money before we complete the fiscal year on October 1st.

My concern is not with the gentleman from Indiana or the gentleman from Mississippi [Mr. WHITTEN] or the gentlewoman from Nebraska [Mrs. SMITH]. All of you I know are committed to agriculture.

The gentleman and I both now that we have colleagues on both sides of the aisle who when we come back to get more money that we are always asking for more money for agriculture.

Our problem is that our other colleagues are coming up to us and saying, "There you are asking for more money for agriculture. How many times are we going to have supplementals for agriculture?"

We do have estimates and we know right now what the estimates are, what we are going to need between now and the end of the fiscal year.

The distinguished gentlewoman has said why do we not appropriate that much now and be done with it? Then if as the gentleman indicated prices change, the crops surplus changes, and we have got to come back and get a true honest supplemental that is fine. That is beyond the gentleman's control, and I recognize and understand that.

My only concern is that we are getting a bad name for agriculture by doing this piecemeal.

Mr. MYERS of Indiana. I would not disagree with the gentleman. We do not like it either, because it is taking our time and the time of the gentleman. We have to come back and beat this again because the rules of the House prohibit it; but if the gentleman will look at the RECORD, he will find why we are here because of what happened in the other body. I cannot of course refer to a particular vote in the other body because of the rules of the House, but if the gentleman will check the RECORD, the gentleman will see that we were forced to go this way.

Mrs. SMITH of Nebraska. Mr. Speaker, I have no further requests for time, and yield back the balance of my time.

Mr. WHITTEN. Mr. Speaker, I have no further requests for time. I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DAUB. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 352, nays 71, not voting 11, as follows:

[Roll No. 65]

YEAS—352

Ackerman	Emerson	Lloyd
Akaka	English	Long
Alexander	Erdreich	Lott
Andrews	Evans (IL)	Lujan
Annunzio	Fascell	Lundine
Anthony	Fazio	MacKay
Applegate	Feighan	Madigan
Aspin	Fiedler	Manton
Atkins	Fish	Markey
Badham	Flippo	Marlenee
Barnard	Florio	Martin (IL)
Barnes	Foglietta	Martin (NY)
Barton	Foley	Martinez
Bateman	Ford (MI)	Matsui
Bates	Ford (TN)	Mazzoli
Bedell	Fowler	McCain
Beilenson	Franklin	McCloskey
Bennett	Frost	McCurdy
Bentley	Fuqua	McDade
Bereuter	Garcia	McEwen
Berman	Gaydos	McHugh
Bevill	Gejdenson	McKernan
Biaggi	Gephardt	McKinney
Billey	Gilman	McMillan
Boehlert	Glickman	Meyers
Boggs	Gonzalez	Mica
Boland	Gordon	Michel
Boner (TN)	Gradison	Mikulski
Bonior (MI)	Gray (IL)	Miller (CA)
Bonker	Gray (PA)	Miller (OH)
Borski	Green	Mineta
Bosco	Guarini	Moakley
Boucher	Gunderson	Mollohan
Boulter	Hall (OH)	Montgomery
Boxer	Hall, Ralph	Moody
Breaux	Hamilton	Moore
Brooks	Hammerschmidt	Morrison (WA)
Broomfield	Hartnett	Mrazek
Brown (CA)	Hatcher	Murphy
Broyhill	Hawkins	Murtha
Bruce	Hayes	Myers
Bryant	Hefner	Natcher
Burton (CA)	Heftel	Neal
Burton (IN)	Hendon	Nielson
Bustamante	Henry	Nowak
Byron	Hiler	O'Brien
Callahan	Hillis	Oakar
Campbell	Hopkins	Oberstar
Carr	Horton	Obey
Chapman	Howard	Ortiz
Chappell	Hoyer	Owens
Chappie	Hubbard	Oxley
Clay	Huckaby	Panetta
Clinger	Hughes	Parris
Coats	Hunter	Pashayan
Cobey	Hutto	Pease
Coble	Hyde	Pepper
Coelho	Jacobs	Perkins
Coleman (MO)	Jeffords	Petri
Coleman (TX)	Jenkins	Pickle
Combest	Johnson	Price
Conte	Jones (NC)	Pursell
Conyers	Jones (OK)	Quillen
Cooper	Jones (TN)	Rahall
Coyne	Kanjorski	Rangel
Craig	Kaptur	Ray
Crockett	Kasich	Regula
Darden	Kastenmeier	Reid
Daschle	Kemp	Richardson
Daub	Kennelly	Ridge
Davis	Kildee	Rinaldo
de la Garza	Kindness	Ritter
Dellums	Kleczka	Roberts
Derrick	Kolbe	Robinson
DeWine	Kolter	Rodino
Dickinson	Kostmayer	Roe
Dicks	Kramer	Roemer
Dingell	LaFalce	Rogers
Dixon	Lagomarsino	Rose
Donnelly	Lantos	Rostenkowski
Dorgan (ND)	Latta	Roth
Dowdy	Leach (IA)	Roukema
Durbin	Leath (TX)	Rowland (CT)
Dwyer	Lehman (CA)	Rowland (GA)
Dymally	Lehman (FL)	Roybal
Dyson	Leland	Rudd
Early	Lent	Sabo
Eckart (OH)	Levin (MI)	Savage
Eckert (NY)	Lewis (CA)	Saxton
Edgar	Lightfoot	Scheuer
Edwards (CA)	Lipinski	Schneider
Edwards (OK)	Livingston	Schuette
Schulze	Staggers	Visclosky
Schumer	Stallings	Volkmer
Sharp	Stangeland	Walgren
Shaw	Stenholm	Watkins
Shelby	Stokes	Waxman
Shuster	Strang	Weber
Sikorski	Stratton	Weiss
Siljander	Stump	Wheat
Sisisky	Sweeney	Whitehurst
Skeen	Swift	Whitley
Skelton	Swindall	Whittaker
Slattery	Synar	Whitten
Slaughter	Tallon	Williams
Smith (FL)	Tauke	Wilson
Smith (IA)	Tauzin	Wirth
Smith (NE)	Taylor	Wise
Smith (NJ)	Thomas (GA)	Wolpe
Smith, Robert (OR)	Torres	Wortley
	Torricelli	Wright
Snowe	Towns	Wyden
Snyder	Traficant	Wylie
Solarz	Traxler	Yatron
Solomon	Udall	Young (AK)
Spence	Valentine	Young (FL)
Spratt	Vander Jagt	Young (MO)
St Germain	Vento	

NAYS—71

Anderson	Gekas	Nichols
Archer	Gingrich	Olin
Armey	Goodling	Packard
Bartlett	Gregg	Penny
Bilirakis	Hansen	Porter
Brown (CO)	Hertel	Russo
Carney	Holt	Schaefer
Carper	Ireland	Schroeder
Chandler	Levine (CA)	Sensenbrenner
Cheney	Lewis (FL)	Shumway
Coughlin	Lowery (CA)	Smith, Denny (OR)
Courter	Lowry (WA)	
Crane	Luken	Smith, Robert (NH)
Daniel	Lungren	
Dannemeyer	Mack	Stark
DeLay	McCandless	Studds
DioGuardi	McCollum	Thomas (CA)
Dornan (CA)	McGrath	Vucanovich
Downey	Miller (WA)	Walker
Dreier	Mitchell	Weaver
Fawell	Molinari	Wolf
Fields	Monson	Yates
Frank	Moorhead	Zschau
Frenzel	Morrison (CT)	
Gallo	Nelson	

NOT VOTING—11

Addabbo	Evans (IA)	Mavroules
AuCoin	Gibbons	Seiberling
Collins	Grotberg	Sundquist
Duncan	Loeffler	

□ 1510

Mr. BILIRAKIS changed his vote from "yea" to "nay."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1520

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO HAVE UNTIL MIDNIGHT, TUESDAY, MARCH 25, 1986, TO FILE REPORT ON A BILL MAKING SUPPLEMENTAL APPROPRIATIONS, FISCAL YEAR 1986

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight, Tuesday, March 25, 1986, to file a privileged report on a bill making supplemental appropriations for the fiscal year ending September 30, 1986, and for other purposes.

Mr. CONTE reserved all points of order on the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

IMMEDIATE MEETING OF COMMITTEE ON APPROPRIATIONS

(Mr. WHITTEN asked and was given permission to address the House for 1 minute.)

Mr. WHITTEN. Mr. Speaker, I desire to make the announcement that the Committee on Appropriations will meet immediately on the supplemental appropriations bill in its full committee room.

LEGISLATIVE PROGRAM

(Mr. LOTT asked and was given permission to address the House for 1 minute.)

Mr. LOTT. Mr. Speaker, I ask to address the House at this time so that Members may be advised of the schedule for the balance of the day and the week. I will be glad to yield to the distinguished majority leader for that purpose.

Mr. WRIGHT. Mr. Speaker, I thank the gentleman from Mississippi for giving us this opportunity to discuss exactly where we are at this moment.

It is our purpose at this time to proceed with special orders pending a possible resolution of the elements involved in the reconciliation bill. It is our understanding that the leadership on the Senate side has agreed to certain elements on a settlement that they want to be considered on our side. In order that our principals have the opportunity to consider those and evaluate them, we would like for Members to be advised that we will go into special orders and proceed on special orders, pending such time as it is able to be determined whether or not there is a settlement with regard to reconciliation. We would hope that might occur within a couple of hours.

This we expect would conclude the business for this week. Agreement has been reached by the principals on both sides of the issue to postpone consideration of the gun control legislation until the Wednesday after the Easter recess. That will be the 9th day of April, Wednesday, April 9.

On that day, we expect to take up the rule and begin debate on the gun control legislation. It will not be considered this week.

Mr. LOTT. If the gentleman will yield at that point, I understand the gentleman will ask unanimous consent at the appropriate time that we come in at 10 o'clock on that Wednesday, April 9, to consider the gun bill. I would like to advise the leader that we would have no objection to that.

HOUR OF MEETING ON WEDNESDAY, APRIL 9, 1986

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns on Tuesday, April 8, 1986, we adjourn to meet at 10 o'clock on Wednesday, April 9, 1986.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. WRIGHT. If the gentleman will yield further, the further information we need to give is that if we conclude this business this evening, we will have only a pro forma session tomorrow, and only pro forma sessions on Monday and Tuesday. But that depends upon our being able to conclude the matter of reconciliation this evening.

Mr. LOTT. I thank the gentleman for that information. If I may repeat it just so Members will understand, we will not take up the gun bill or even the rule on the gun bill today; is that correct?

Mr. WRIGHT. The gentleman is absolutely correct.

Mr. LOTT. They will be brought up instead on Wednesday, April 9, at 10 a.m.

We are still working now to try to get a resolution of the reconciliation package. There are meetings occurring at this time, and the Members should be on notice that we hope to get something this afternoon, as soon as possible. Now that may be minutes or that may be hours or more, but we will proceed in the meantime with special orders while we await action in that regard; is that corect?

Mr. WRIGHT. The gentleman is absolutely right.

Mr. LOTT. Does the gentleman expect a pro forma session on Tuesday, April 8, or do we expect to have legislative business and defer votes until Wednesday? What would be the situation?

Mr. WRIGHT. We expect to have a pro forma session on Monday, April 7, and on Tuesday, April 8, to take up suspensions, debate, and vote on them by voice vote, but to postpone any recorded votes on those suspensions until the following day, Wednesday, April 9.

Mr. LOTT. I thank the gentleman for that information. Now we can go to work on reconciliation.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will accept 1-minute speeches before embarking on special orders.

WORLDWIDE EXPRESSION OF BROTHERHOOD COOPERATION AND PEACE

(Mr. DARDEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DARDEN. Mr. Speaker, on Friday, March 28, Rome, GA, will be the center of a worldwide expression of brotherhood, cooperation, and peace—all centered around the simultaneous broadcast by more than 8,000 radio stations in 35 nations of the song, "We Are the World."

This is the second year in which Rome Radio Station WROM-AM/WKCX-FM is organizing a simulcast of this song, calling mankind's attention to the need for cooperation in solving our common problems. Last year's simulcast—prompted by the plight of famine victims in Africa—was carried on 7,000 radio stations in 27 nations.

I call attention to the contribution of disc jockey Bob Wolfe, organizer of both simulcasts. Bob Wolfe has proven that one person can make a difference—that one man's love and concern for other human beings truly can be a light to the rest of the world.

At 10:50 a.m. eastern time on March 28, I urge my colleagues to join 7,000 schoolchildren in Rome's Barron Stadium—and millions more listening to their radios—in singing "We Are the World"—a message of peace and good will to all the people of the earth.

MYTHS AND FACTS ABOUT RED MEAT

(Mr. ROBERTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROBERTS. Mr. Speaker, today has been declared "American Meat Out Day" by several organizations who lay claim to be guardians of public health.

The theme is for consumers to eat less meat in order to become more healthy. Mr. Speaker, this is a disservice to our livestock and red meat industry. More to the point, the argument is based upon myth, not fact. I do not quarrel with individual preference of those who choose not to eat meat but in order to make that choice, the consumer's decision should be based upon fact. Let us set the record straight.

Red meat production is the largest segment of American agriculture, accounting for more than a fifth of all farm marketings. And every dollar that this $30 billion a-year industry generates is multiplied five or six times in related industries. Furthermore, for every job created on the farm or ranch, there are six jobs created in related industries. The beef industry is indeed an essential part of this country's economy, and it saddens me to hear of such activities as the "Meat-Out."

I think it is time to stand up for beef, pork, and lamb producers and their products. And it is time to dispel some of the myths and half-truths used to malign this great industry.

Myth: Red meat has no place in a healthy diet.

Fact: Balance and moderation are the keys to good diet. About 50 separate nutrients are essential to health, and no single food contains all of these. For example, beef is an excellent source of vitamin B-12, but is not a source of vitamin C. Oranges contain vitamin C, but virtually no protein. That's why it's important to eat a varied diet.

So what nutrients does beef contribute? Beef offers a substantial amount of protein—nutritionally complete protein containing all eight essential amino acids in the ideal proportions for human nutrition. A 3-ounce portion of cooked sirloin trimmed of fat contributes 40 percent of the U.S. recommended daily allowance for vitamin B-12, 37 percent of the zinc RDA, 18 percent of the niacin, 57 percent of the protein, and 16 percent of the iron. Furthermore, that is heme [heem] iron, which is three to five times more easily absorbed by the body and actually serves as a catalyst for the absorption of other types of iron. Since iron deficiency is one of the most common dietary deficiencies among women in the United States today, it makes sense to include beef in the diet.

Myth: Red meat is high in cholesterol and fat.

Fact: Three ounces of cooked lean pork contain only 79 milligrams of cholesterol. By comparison, the same amount of roast chicken contains 76 milligrams; cheddar cheese 90 milligrams; and shrimp 130 milligrams.

Cattlemen have been steadily improving their product—using new breeding and feeding technologies—so that it is 10 percent-leaner today than it was 20 years ago. Three ounces of cooked lean beef contain only nine grams of fat, and less than half of that is saturated. Of all the fat in the U.S. food supply, only 36 percent comes from meat and fish. The increase in fat consumption which we have seen in recent years is the result of an increase in the use of vegetable fats.

Myth: Americans eat too much red meat.

Fact: The American Heart Association says that a healthy person can eat up to seven ounces of lean red meat, poultry, and seafood per day. Presently, for example Americans consume an average of only 2 ounces of cooked lean beef per day—considerably less than the recommended daily intake of foods from the meat group.

Myth: Government agencies recommend that Americans not eat red meat.

Fact: Government agencies recommend moderation in the diet, and they often caution against "too much" fat, saturated fat and cholesterol. In fact, most agencies now say that lean meat can be an appropriate part of restrictive diets as well as more conventional diets. The problem is that people interpreting diet recommendations—including some people in the media—automatically assume, and state, that red meat is a fatty food and that its intake should be cut back. Unfortunately, the sources for such stories have not assumed responsibility for seeing that their advice is properly interpreted. If Government agencies and organizations are going to issue dietary guidance, they should be obligated to see that health professionals, the news media and the public get all the facts. They should be obligated to help see that their diet recommendations are correctly interpreted.

Myth: Red meat is too expensive.

Fact: While average meat prices have changed little in the past 6 years, other food prices have increased. Americans now spend an average of 1.7 percent of their disposable income for beef and, in view of its contribution to the diet, beef is a particularly good value.

Myth: Livestock graze on valuable land and consume grain that could be used to feed the world's hungry.

Fact: About 1 billion acres of the Nation's 2.2 billion acres of land are used for pasture and grazing. The vast majority of this land is too rugged, too arid, too wet or too high to cultivate crops of any kind. If it were not for grazing ruminants such as cattle and sheep, this 1 billion acres of land would have no productive use. These animals are able to convert otherwise unusable cellulose in grass and shrubs into nutritious food.

For example: Grain fed to beef cattle represents only 15 percent of the total feed for cattle. This grain is mostly feed grain, for which there is little or no demand as human food. So feeding less grain, which is already in oversupply, would do nothing to help the hungry.

Red meat is an important industry for our Nation, and an important source of nutrition for Americans. Rather than a "Meat-Out" we should have a "Meat-In" to recognize how the majority of Americans feel about the red meat industry.

NATIONAL AGRICULTURE DAY

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LA GARZA. Mr. Speaker, today is National Agriculture Day, and I want to take this opportunity to spell out, for all Americans, what this observance means to all the people of our country.

Congress passed the law calling for this observance because we want to continue a tradition of honoring the men and women whose hard work and sacrifices give us, every day, our daily bread. But while we pay tribute to the farmers of America, I want to remind the House that in recognizing the contributions of American agriculture, we are also honoring the work of millions of other workers.

When we call on the country to take note of what agriculture does, we are certainly talking about farmers. But we are also talking about the men and women who manufacture farm machinery, fertilizers, farm chemicals, and agricultural supplies of all kinds. We are talking about the people who move the farmers' crops, livestock, and milk from the farm and ranch to processing plants or consumers. We are talking about the farm workers who cultivate the crops, pick the vegetables and care for the cattle, hogs, and chickens. We are talking about the people who take wheat and turn it into bread, or who convert raw foods into packaged complete dinners ready for use in today's homes.

Mr. Speaker, I could go on for a long time listing all the people who are part of modern agriculture—the groups that handle marketing in this country and overseas, the wholesalers and retailers who bring food to consumers in the greatest variety and with the highest quality available anywhere in the world—and at the lowest real cost in the world. But I think the point is clear. Agriculture is not only our most basic industry, it is our largest industry. It involves about 21 million jobs—about one out of every five private enterprise jobs in this country.

Not many of us are farmers, Mr. Speaker, but every one of us in this Nation has a stake in what happens on the farm and in the entire agricultural industry. Some Americans have that stake because they make a living in one of the segments of agriculture that operates off the farm. But whether you work in some phase of agriculture or not, you are affected by what happens to agriculture.

What it boils down to is this:

A healthy agricultural industry is good news for America because it means long-term assurance of continued adequate food and fiber supplies at reasonable and stable prices—and because it contributes to the strength of the whole national economy.

But an agricultural industry that is struggling through a depression is bad news for America. That is because a depressed agriculture will be less able to meet the needs of American consumers over the long run—and because a depressed agriculture weakens the entire national economy.

I hope this message can be brought to all parts of the country and all groups today as we celebrate the annual observance of National Agriculture Day. This observance is coordinated each year by the Agriculture Council of America, a non-partisan, non-profit organization that devotes itself to promoting progress in agriculture and a national understanding of agriculture.

I would be very happy if I could come to you today to tell you that the outlook for our farm economy this year is good. It would be nice to predict that all efficient farmers are going to earn good incomes in 1986. I would love to be able to say that our only problem will be in keeping up with the demand for farm products.

The fact is, however, that we are going through what amounts to a depression in some agricultural areas. Not all parts of the country and not all segments of agriculture have been hit to the same degree. But even in areas that have so far escaped the worst of the squeeze, we are beginning to see problems ahead.

If I look far enough into the future, I can be an optimist about agriculture. Population and food demand are going to grow in the years ahead. By sometime in the next century, we could be concerned again about whether we can produce enough to meet the world's needs. But for the present, and for the next few years, our problem is farm income.

American agriculture today can produce more of many commodities than we can sell at prices good enough to keep the farm economy healthy. There are no quick, clean and easy solutions to this problem. What we can do, and what we must do, is to find a way to help efficient farmers hold on until the economic situation improves.

This is one of the reasons Congress was willing to pass the 1985 farm bill by an overwhelming margin. Four years ago, when we adopted the 1981 farm bill, it passed in the House by a margin of just two votes. The 1985 farm bill passed in the House by a margin of 325 to 96—better than 3 to 1.

I think this shows that urban America now agrees it has a stake in trying to do something to help rural America. This is good news. It doesn't solve our problems. But it gives us a chance to find solutions—and it gives us added reasons to take some time on this agriculture day to bring the message of American agriculture to all of the people of our country.

One of the things we should be thinking about today is the issue of rebuilding our agricultural export markets.

One of the major factors behind today's trouble in the farm economy has been the decline in export sales for some of our major commodities in recent years. In passing the 1985 farm bill, Congress acted to regain those lost markets, partly by making support loan rates more competitive for major crops and partly by beefing up some of our export promotion programs. As my colleagues know, we were forced to modify some of the new export promotion features of the law recently in order to get other needed changes in the farm bill. But this has not changed the fact that export policy remains one of the key elements in any future agricultural recovery.

With this in mind, I believe we should try to call the importance of the problem to the attention of the Nation at large. And to help in this effort, I am today introducing a bill to proclaim the week of June 16th as National Agricultural Export Week. Passage of this legislation, which I introduced with Congressman EDWARD R. MADIGAN of Illinois, the ranking minority member of the Agriculture Committee, should help get national attention for the significance of export markets to the agricultural and total national economies.

I hope that all Members of the House will join us as cosponsors on the legislation to create a National Agricultural Export Week Observance.

Finally, Mr. Speaker, as we share in the bounty of this great country of ours, at least for today, let us thank God for those who till the land and say a special prayer for them—for without them, there is no life.

EAT MORE BEEF

(Mr. ROBERT F. SMITH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROBERT F. SMITH. Mr. Speaker, I want to join my colleague from Kansas [Mr. ROBERTS] in his remarks regarding the so-called meat-out on next Thursday. The red meat industry and beef industry are honorable industries. They take no subsidy from this Government, nor the taxpayers of this country. They do not need at this time of almost desperation and recession an additional onslaught on this product which is nutritious to people and has never been found by any medical interests to be a disaster to health or future or longevity in life.

So I am asking my colleagues and those listening to understand that meat is not injurious to your health. In fact, meat is cheap.

Eat more beef.

NONDEDUCTIBILITY OF FEDERAL EXCISE TAXES

(Mr. CHAPMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHAPMAN. Mr. Speaker, I rise today to ask my colleagues to support House Resolution 404 which I introduced last evening.

Over in the other body of this institution, there has been proposed a tax reform bill that includes a revenue proposal that would eliminate the deductibility of Federal excise taxes from the cost of doing business. I oppose this proposal for at least six reasons.

First, deductibility of excise taxes is not a loophole. Federal excise taxes are a legitimate cost of doing business.

Second, to eliminate the deductibility of the excise taxes results in a regressive tax and has the effect of raising each Federal excise tax by 54 percent, and this will fall most heavily on those of low- or moderate-income.

Third, nondeductibility results in a disruptive tax increase.

Fourth, nondeductibility is an arbitrary consumption tax.

Fifth, nondeductibility penalizes taxpayers who have acted as Government agents. It would penalize those taxpayers who traditionally have helped our Government as the collectors of this Federal excise tax.

Lastly, nondeductibility is probably unconstitutional and may violate the 16th amendment.

I urge my colleagues to join me in support of House Resolution 404 which is a sense-of-the-House resolution that we should maintain the deductibility of the Federal excise taxes.

□ 1535

GUN LEGISLATION WILL IMPROVE SECOND AMENDMENT RIGHTS

(Mr. SHAW asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHAW. Mr. Speaker, I was somewhat disappointed to see that the so-called gun bills were taken off of the calendar this afternoon, but I can understand, with the emotion and the pressing of the last issue that was before this House on the matter of Nicaragua and with the oncoming recess, that we were quite possibly going to lose some Members, and this was an issue that has generated a lot of interest, and I think one for which all the Members should be here.

There is also a lot of disinformation floating about this House with regard to both of these bills. I am referring to the one that came out of the Committee on the Judiciary and I am also talking about the one that has been refiled by the gentleman from Missouri [Mr. VOLKMER], who will probably have something to say about it this afternoon.

I believe that both of these bills for those of us who are concerned about the preservation of second amendment rights, are a substantial improvement over existing law. Both of these bills can be improved with some amendments, but I would like to urge all of my colleagues to support at least one of these bills. They are good bills, and they will do a lot to protect the rights of the American people as framed in the second amendment of the Constitution.

RED MEAT HAS RECEIVED A BUM RAP

(Mr. STENHOLM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STENHOLM. Mr. Speaker, I would like to echo Mr. ROBERTS' sentiments. Red meat has received a bum rap, not only regarding nutrition but regarding safety, as well. What we too often forget is that our meat supply is the most regulated, the most inspected, and the safest meat supply in the world.

Despite this, we continue to hear scare stories about drugs used in red meat production. I'd like to clear the air on some of these issues.

Before any drug can be used in food production, it must undergo extensive testing. The manufacturer must show that it is not only safe, but that a reliable test exists for detecting residues. Then, and only then, does the Food and Drug Administration approve it's use.

Once the drug is approved, its use is regulated by State and Federal officials who inspect feed mixing facilities and randomly sample animal feed to ensure that the approved levels of the drug are not exceeded.

USDA, through its Food Safety and Inspection Service, oversees the slaughter and processing of all livestock and poultry to insure that the animals are healthy and that all appropriate sanitation measures are taken. They also sample for drug residues.

Once again, meat is randomly inspected when it reaches the retail store—this time by FDA. But because of the precautions taken prior to delivery to the retail store, these residue tests have repeatedly demonstrated that beef is safe and unadulterated.

Despite this, consumers have voiced concern about antibiotic use, and the beef industry has responded. Penicillin is not used at all for beef production, and tetracyclines are not frequently used for growth promotion. Nonetheless, to reassure consumers, the Na-

tional Cattlemen's Association has recommended to their members that any subtherapeutic use of antibiotics for growth promotion be discontinued until the issue is resolved.

Criticism of the use of growth promotants has also been leveled at the beef industry. But this needs to be put into perspective. The amount of estrogen in 1 gram of meat from a hormone-implanted steer is 22 picograms. That's equivalent to one grain of wheat in a shipment of 65,000 metric tons. And compared to the estrogen in other foods, it is actually very small. For instance, wheat germ contains 4,000 picograms per gram, and soybean oil contains 2 million picograms! So, in a meal containing potatoes, whole wheat bread, green salad, green peas, and ground round steak from estrogen-treated cattle, the food containing the least estrogen is the steak.

But none of these foods present a hazard when you consider how much estrogen the human body produces. Men produce 39,700 times the amount of estrogen that is in hormone-treated beef, women produce 466,000 times that amount, and pregnant women produce 18,750,000 times that amount.

But the whole beef safety issue is best summed up in a statement made by Gilbert Leveille, then of the Department of Food Science and Human Nutrition at Michigan State University. Dr. Leveille said:

> It is ironic that such effort is directed at faulting the diet of the United States, when there is little doubt that this is the most abundant, most varied, and the safest food supply in the world.

PROGRESS OF THE FIREARMS OWNERS PROTECTION ACT

(Mr. VOLKMER asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. VOLKMER. Mr. Speaker, I just want to make it clear that the Firearms Owners Protection Act, the legislation that was scheduled to be taken up today and finished up tomorrow, was pulled not at my request. I did not request that the legislation be pulled; in fact, I requested that we continue with the legislation.

However, with matters as they were presented, I finally determined that we were not going to finish it any way we looked at it, and we would have to come back after Easter, and knowing that, I then insisted that we not take up the rule. The Speaker and the chairman of the Committee on the Judiciary and everyone agreed to do that, and then we agreed to take it up on Wednesday, the 9th.

I want Members to know that I did not instigate the putting off of the consideration of the legislation. I, for one, was prepared, and wanted to proceed with finishing up today and tomorrow.

In a few minutes, I will be taking a 5-minute special order to discuss some of the past abuses of BATF that brought about the reason for the legislation.

REVISED RESCISSION PROPOSALS AND NEW DEFERRALS OF BUDGET AUTHORITY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-186)

The SPEAKER pro tempore (Mr. CHAPMAN) laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed:

(For message, see proceedings of the Senate of today, Thursday, March 20, 1986.)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will call for special orders at this time, but will return to legislative business later in the day.

GREEK INDEPENDENCE DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. GEKAS] is recognized for 5 minutes.

Mr. GEKAS. Mr. Speaker, next Tuesday marks another anniversary of Greek Independence Day. That is not a well-known item, perhaps, in American history books, but for those who are members of the Greek Orthodox Church and those people who have a Greek heritage of which they can speak proudly, as I do, it is a very momentous occasion.

When I was a youngster, and attending church, and learned about the significance of March 25, I learned for the first time that it was a combination of an ethnic celebration and a religious celebration. The religious celebration being the Day of Evangelismou, or the day on which the message of Christiandom was spread throughout the world.

I also learned that, on that day it was in 1821 when a cleric, a priest in a small village in Greece raised the flag of independence. Up to that time, for almost 500 years, that little country of Greece was under the heel of the Ottoman Empire—almost 500 years of total suppression, total dominance by that fearsome regime known as the Ottoman Empire.

Yet on that day, March 25, 1821, this Pater Germanos raised the flag of independence and ignited a flame that lasted throughout the revolution that began on that day and lasted until 1830, finally ending in the independence of Greece from the Ottoman Empire.

During that time, the whole world learned of the beautiful poetry of Lord Byron of England who, when he observed what was happening in Greece, himself went to Greece, and on the battlefield of Missolonghi, on that battlefield on the side of Greek revolutionaries, Lord Byron—the great poet, great general, great leader—died on land of a country for which he had great admiration and about which he wrote some of his richest poetry.

So we who learned and were born into the history and tradition of the Greek religion and history, began to learn even more as the years progressed.

□ 1545

What we learned was that that did not go unnoticed in the United States of America. In those years when President Monroe was advocating and pronouncing the Monroe Doctrine, which ironically came into the very debate which we have concluded here today on Nicaragua, that Monroe Doctrine was one which will live forever, of course, in American history. But at the same time he took pains to proclaim the right of the Greek nation to be independent from the Ottoman Empire and Member after Member stood up on the floor of the House, where I am privileged today to occupy a small part, and gave support to that Greek revolution, citing that 500 years of repression and slavery, outright slavery, I might say, which characterized the heel of the Ottoman Empire.

So it was that the American Government and the American people in various ways, by collecting moneys, by collecting support of materiel and having their elected representatives on the floor of the House of Representatives evince that support for the Greek nation, in total were able to create such a momentum that in that blessed day in 1830 the last vestige of the Ottoman Empire was removed from the nation we now know as Greece.

So it is fitting that the cradle of democracy, where democracy was born, where the principles were first announced which Thomas Jefferson adopted for utilization in this country, the benefit of which we now exercise here on the floor of the House, was again reemphasized in the 1820's when this Nation stood side by side with that small country to rekindle the spirit of liberty and democracy which Greece first presented to the American Nation through its classical history and, then in the mid-19th century, to reconfirm with the rhetoric and the purpose and the esteem of the President of the United States and the Members of Congress of that era.

So it is a part of American history. It is more than just with ethnic pride that I stand here and repeat some of the themes of this occasion. It is now, or should be, regarded as part of American history.

I thank the Speaker.

THE NEED FOR THE FIREARMS OWNERS PROTECTION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. VOLKMER] is recognized for 5 minutes.

Mr. VOLKMER. As announced, Mr. Speaker, I would like to review some of the matters that have given rise to the need for the legislation which I have entitled the Firearms Owners Protection Act which I have worked on for 6½ years.

Mr. Speaker, for reasons known to some of us, there have been no real hearings in this House on the civil liberties abuses which inspired the substitute and its Senate counterpart. I therefore want to stress that need for the substitute is not based upon hypotheticals, but upon abuses—some might call them atrocities—perpetrated against real people. These abuses were documented in 6 years of hearings before two different committees, and deserve mention here.

The first sets of hearings were held in Senate Appropriations and were chaired by DENNIS DECONCINI. The first witness was David Moorhead, a decorated and disabled Vietnam veteran from New Hampshire. The Tet offensive had left Moorhead with eight major wounds. Told he would never walk again, he persevered and left the wheelchair behind. Moorhead's gunshop, located in a small New Hampshire town, was one day visited by an undercover agent who casually asked if Moorhead would make an illegal sale. Moorhead instead noted his auto license plate and called BATF to turn the man in and urge his arrest. He was that type of person. The informant had, however, seen in Moorhead's shop an M-14, which Moorhead had bought from a Boy Scout leader and kept as a memento of his service. Although the gun was semiautomatic, BATF's experts felt it was originally designed to work, if fitted with extra parts, as a machinegun. BATF sent a team of agents to raid his shop and take him into custody on felony charges. When his wife, a nurse, sought to accompany him, she was told to stay with the search party or be arrested. Following their policy of involving local officials in a search party, the agents had taken the county sheriff with them. To their chagrin the sheriff immediately agreed to become a character witness for Moorhead.

At trial, the prosecution argued that good faith was no defense: Moorhead should be subject to 10 years' imprisonment for an honest act. Judge Bownes—since elevated to the circuit—had the courage to dismiss the case. From the bench he asked Moorhead to stand and the judge apologized to him on behalf of the United States, calling the case a travesty. Moorhead, who at this point was indigent, was still being sued by BATF for license revocation and forfeiture of the rifle. Under these pressures, he finally gave up the shop.

Another dealer, H.W. Phillips of Virginia, had a related experience. He was approached by an undercover agent who had proper identification and was legally entitled to purchase a firearm. However, since the agent claimed he had muttered a statement about desiring to transfer the firearm to his girlfriend who resided in another State, the prosecution sought to convict Phillips of aiding an interstate sale. The case fell apart so completely that the judge directed a verdict of acquittal. The agency had seized some 44 firearms from Phillips' shop—and it took two court orders to get them returned. The Bureau also withheld Phillips' license for over a year after his acquittal. Although ultimately vindicated, the experience left Phillips out of pocket some $7,000 in legal fees. Senator MCCLURE, sitting on the committee, read into a record a Justice Department memorandum complaining that BATF's mass seizures of all of a dealer's guns were sometimes so blatantly illegal as to enrage judges hearing of it and jeopardize the prosecution.

A third witness documented a different abuse. R. C. Lindsey of Florida, like many collectors, held a dealer's license in order to purchase for himself and close friends. BATF sought to revoke it, not upon the grounds that he had ever done wrong, but upon the ground that he was not selling enough guns to merit it. He had sold three—at a time when the Bureau was prosecuting unlicensed persons selling three or four guns for dealing without a license. The agent inspecting his rather limited books told him to resign the license; upon his refusing, the agent said he would see to it that Lindsey had to hire a lawyer to keep it. He kept that promise; it cost Lindsey some $4,000 in legal fees. The Bureau granted Lindsey the revocation hearing required by law, and appointed one J.E. McDevitt hearing officer. Not surprisingly, McDevitt ruled against Lindsey. Lindsey's breakthrough came after he made a Freedom of Information request. Although the Administrative Procedure Act requires hearing officers to be unbiased and prohibits appointing one who has had anything to do with the case, Lindsey discovered a memorandum from McDevitt, dated only a few months before the hearing, in which McDevitt, took a part in pressing the case against him and indicated how his superiors in the Bureau should handle it, together with his suggestion as to why the license should be revoked. Upon being confronted with the document, the Bureau promptly reversed its position and issued the license.

GREEK INDEPENDENCE DAY (MARCH 25)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. BILIRAKIS] is recognized for 5 minutes.

Mr. BILIRAKIS. Mr. Speaker, in just a few days, on March 25, the people of Greece will celebrate an anniversary, and I would like to take a moment to extend my heartfelt congratulations and admiration to them.

Mr. Speaker on March 25, 1821, the Greeks embarked on their long and just struggle to escape the grasp of their Turkish oppressors, I think it important that we take a moment to reflect upon this momentous historic event, for it holds many parallels to current political situations throughout the world. March 25 commemorates the 165th anniversary of the beginning of Greece's struggle for independence from over 400 years of foreign domination. On that historic day, the Greek people began a series of uprisings against their Turkish oppressors which soon turned into a revolution taking successes from the empire almost from the beginning.

The Greek resistance, small battle-weary groups of guerillas known as "klephtes," was ill-clad, ill-fed, and ill-equipped, but they valiantly fought for their right to a national identity. The justice of their cause soon spread and encouraged a movement throughout Europe, as well as the United States, to assist the Greeks in their heroic struggle. The valiant fight lasted through many long, difficult years, until the blood and labor of the Greeks was finally rewarded when the sultan was forced to concede national political independence to the Greek revolutionaries after the Battle of Navarino on October 20, 1827.

Such, Mr. Speaker, is the legacy of the Greek people to the free world. By the example of the sacrifices of these patriots, they have, hopefully, given others the strength to defend the principles founded by our ancestors. It was precisely this Greek legacy and spirit that prompted President Harry S. Truman, among others, to note in the post World War II era that: "The valor of Greece . . . convinces me that the Greek people are equal to the task."

This weekend, the events of March 25 will be marked in countless schools and Greek Orthodox parishes throughout the United States and Greece. The kindred will and spirit

that would not tolerate domination should, and must, be celebrated, for it has battled countless other just causes throughout the centuries that appeared unreachable and lost, and has not only emerged victorious, but rekindled and revived in its righteousness.

The Hellenic spirit and ideal must not be forgotten, Mr. Speaker, nor should it be remembered only on momentous occasions like March 25 and October 28—Greek "OHI" Day. It must continuously be kept alive for future generations to learn from, just as it has taught those of the past.

The lessons of history are, indeed, invaluable ones, and no history can parallel the richness of the Greek. It is a full and exemplary history that must not only be preserved, but shared. It is one colored with strife and victory, pride and honor, love, and passion for all things Greek, and, above all, an abiding sense of patriotism that has carried the Greek people through centuries of strong, sometimes violent, social and political winds to make a mark upon civilization that is not, and cannot be, paralleled.

There is no doubt but that the Hellenic tradition has shaped and molded every one of us, whether we are Greek American or not. It has influenced almost every facet of the composition of the great Nation we live in and has thereby touched every one of us as its citizens. Hellenism is ever present, and our lives are the richer for it! Whether it be in the political values we are so proud of, the language we speak, the buildings we work in, or the literature, art, and music which soothes us, the Greek influence is real and present and it must be acknowledged and celebrated.

As Greek Americans, we are obligated to hold out our lamp of experience for our neighbors and countrymen who may be searching for the road to those values we cherish so much. There are, today, people thoughout the world who are struggling for their independence and right to a national identity. Let all of us, Mr. Speaker, lend the influence of this great body to their causes wherever they are appropriate and just!

Mr. Speaker, I yield to the gentleman from Texas.

Mr. GONZALEZ. I thank the gentleman for yielding.

Mr. Speaker, I simply want to add my voice to that of the gentleman from Florida [Mr. BILIRAKIS] and to say that in my district in San Antonio we have a very deep and historical association with our fellow Americans of Greek descent. And I also want to say that it has been a tremendously rich contribution to the community and it has made us, those of us not of Greek heritage, very much aware and appreciative of the richness of the Greek heritage.

Again I thank the gentleman for yielding, my colleague from Florida, and also the previous speaker, the gentleman from Pennsylvania [Mr. GEKAS].

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. PEPPER] is recognized for 5 minutes.

Mr. PEPPER. Mr. Speaker, on Tuesday evening, March 18, 1986, I was regrettably absent for the vote on rollcall 60 that agreed to the conference report on H.R. 2453, amending the Older Americans Act of 1965 by increasing authorized appropriations for fiscal years 1985, 1986, and 1987. Had I been present, of couse I would have voted "aye."

On Wednesday, morning, March 19, 1986, I was conducting a hearing on "Catastrophic Health Insurance: The Home Care Benefit" at the time of rollcall 61, when a vote was taken approving the Journal of March 18, 1986. Had I been present, I would have voted "aye."

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky [Mr. MAZZOLI] is recognized for 5 minutes.

Mr. MAZZOLI. Mr. Speaker, I was unavoidably absent for votes on Tuesday, March 18. Had I been present, I would have voted:

"No" on roll No. 58, the Walker amendment to H.R. 4151, the Omnibus Diplomatic Security and Antiterrorism Act of 1986, which sought to change the proposed compensation program from an entitlement program to one subject to the appropriations process;

"Yea" on roll No. 59, final passage of H.R. 4151, the Omnibus Diplomatic Security and Antiterrorism Act of 1986; and

"Yea" on roll No. 60, the conference report to accompany H.R. 2453, to amend the Older Americans Act of 1965, to increase the amounts authorized to be appropriated for fiscal years 1985, 1986, and 1987 for commodity distribution.

□ 1600

INTEGRITY OF LAW ENFORCEMENT OFFICERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. HUGHES] is recognized for 5 minutes.

Mr. HUGHES. Mr. Speaker, my colleague from Missouri just addressed the House and went through a litany of abuses by the Bureau of Alcohol, Tobacco and Firearms. I am not going to stand up here and defend the abuses by any law enforcement agency. I think if my colleague had indicated the dates of those abuses, they go back many, many years and, in many instances, back to the Reagan administration, to the Nixon administration and the Carter administration, in many, many instances.

The views that were alluded to have not occurred in a number of years.

I want to say that I spent some 25 years in one way or another in law enforcement, and I can honestly say that I have received more complaints directed at other law enforcement agencies than I have at the Bureau of Alcohol, Tobacco and Firearms.

As chairman of the Subcommittee on Crime, it is our responsibility to oversee the operations of the Drug Enforcement Administration. It is also our responsibility to oversee the operations of the Bureau of Alcohol, Tobacco and Firearms, which has major responsibility for arson, firearms, and explosives in particular.

In the full committee we oversee the operations of the FBI, and so it is with a whole host of other law enforcement agencies that we come in contact with every day.

For years, I worked with the New Jersey State Police and the various municipal police departments. I was never proud to see any abuses which occurred when police officers exceeded their authority or overzealous in the discharge of their duties. But I can honestly say that, over the years, I did not see a disproportionate number of those abuses on the part of the Bureau of Alcohol, Tobacco and Firearms.

The vast majority of police officers in this country are decent, honest, committed people. The people who committed abuses—unfortunately they do—are in the minority. It is just like the youngsters that in fact do not make us proud. They are in the minority. We hear about the youngsters that are into narcotic substances of all kinds, and they give young people a bad name. But they are in the minority. They do not represent the vast majority of youngsters. So it is with police departments.

Mr. Speaker, I wanted to take just this minute to say that I am very proud myself, and I am sure my colleagues are, of the work performed by the police throughtout this country. They are our first line of defense. They are underpaid. Unfortunately, they have to work on their days off. They are called back from vacations. They are not always appreciated. They have to become philosophers. They have to be ministers. They have to be able to listen to the stories. They have to be able to solve problems on the spot.

So I think we are fortunate to have the caliber of police officers we do. I am just sorry that I have to take this time to defend an agency that has had a surpurb record in law enforcement.

Look at the record of convictions of the Bureau of Alcohol, Tobacco and Firearms; one of the finest of any law enforcement agency. Look at the number of reversals on appeal and you

will find that it is very little in reversals. That tells the story about the Bureau of Alcohol, Tobacco and Firearms. It is a professional organization, and I am proud of the work they do.

Mr. GONZALEZ. Mr. Speaker, will the gentleman yield?

Mr. HUGHES. I would be happy to yield to my colleague from Texas.

Mr. GONZALEZ. Mr. Speaker, I thank the gentleman for yielding, and also for taking this time for the purposes the gentleman has so eloquently explained. I want to join you.

I had a stint of working earlier in my life in which I ended up being named chief juvenile probation officer for my county, right after the war, where we had registered a 400-percent increase in juvenile deliquency in that county. San Antonio was a war impact area.

But I came to know law enforcement from another perspective. I was not a police officer, but I worked in close joinder with the police and I became very appreciative of the tasks that we in our social development have given the law enforcement official.

We thrust on our law enforcement officials all of the problems of social disruptive situations. We expect them to be psychoanalysts. We expect them to be doctors in an emergency. And then we do not pay them anywhere near what they should receive.

Mr. HUGHES. The gentleman is right.

The reason I take the time is because when we come back from recess, we are going to have a major bill before this Congress that puts our police officers at risk. I just hope my colleagues take the time to read the legislation, both the committee legislation, the firearms legislation, that came out of the Judiciary Committee 35 to 0, out of my Subcommittee on Crime 10 to 0; and take a look also at the so-called Volkmer substitute. I think you will find that the committee has endeavored to balance the interests of society and the interests of hunters and sportsmen and is worthy of the Members' support.

ORDER OF BUSINESS

Mrs. BENTLEY. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. ARMEY] be allowed to take his special order at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

MINIMUM WAGE REQUIREMENTS OF THE FAIR LABOR STANDARDS ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. ARMEY], is recognized for 30 minutes.

Mr. ARMEY. Mr. Speaker, I would like to thank the gentlewoman from Maryland [Mrs. BENTLEY] for yielding her time and helping Mr. RUDD and myself proceed in a manner that will facilitiate his getting back to his committee work.

Mr. Speaker, I take this special order to discuss the issue of the minimum wage. Mr. RUDD and myself have spent a good deal of time studying this issue, and we are submitting legislation concerning the issue.

Mr. RUDD, my distinguished colleague from Arizona, who has been very helpful to advise a relative newcomer to the House in the ways of drafting and supporting legislation, has agreed to give time from his busy committee work schedule to come down and open this discussion.

Mr. Speaker, at this time I will yield to the gentleman from Arizona [Mr. RUDD].

Mr. RUDD. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I would like to say that rarely has anyone made such an impact on this Congress as a first-term Member as my distinguished colleague from Texas [Mr. ARMEY]. The gentleman is a great credit to that almost sovereign State and to his district and to the people of this country.

Today my colleague, the gentleman from Texas [Mr. ARMEY] is introducing legislation to repeal both the minimum wage and overtime requirements of the Fair Labor Standards Act. I say that I am pleased to sign as an original cosponsor of this measure.

This year marks the 48th anniversary of the Fair Labor Standards Act of 1938, which established a nationwide restriction on the amount of wages an American worker is allowed to accept for his work, and a similar restriction on the number of hours he is allowed to work.

The good intentions of the Fair Labor Standards Act has been with us for nearly half a century, and that is ample time for the present Congress to consider its results.

Very regretfully, the well-being of the American poor, for whom the act was enacted, has not improved as a result of this legislation. Instead of providing employment opportunities, the minimum wage has discouraged employers from hiring additional help where help could have been hired. Our Nation's entitlement rolls continue to grow while we prevent employers from hiring those who receive those funds.

For this reason, I encourage my colleagues to reconsider the impact of the mimimum wage and overtime requirements of the act on those it is supposed to help.

Mr. Speaker, this year is the 48th anniversary of the Fair Labor Standards Act of 1938 which established a nationwide restriction on the amount of wages an American worker is allowed to accept for his work, and a similar restriction on the hours he is allowed to work.

For nearly two generations the good intentions of the 75th Congress have been with us in the form of these restrictions, ample time for the present Congress, the 99th, to consider the results and take the necessary action to reform this law.

The need for reform is evident, judging by the most basic indicator of American life: the well-being of the American family. As the decades have passed, the United States has entered and concluded wars, and traveled to the Moon on behalf of all mankind. We have built the most prosperous and free society in history. But these achievements are plainly more and more at risk from misguided attempts to help our poor along, attempts many of which seem to have begun in the same spirit that originated the minimum wage laws. We have watched the results of these efforts gather destructive force over the years, becoming a social whirlwind crashing into the very foundation of our well-being: the American family.

Today our poorest families suffer the most, and a large part of that suffering has been caused by the minimum wage. It erodes their economic life, a subversion which has grown worse, and become endemic to our national life in many other forms.

I invite the Congress today to reconsider these laws on the basis of our long experience, and take this opportunity to resolve to pass a bill we here propose to repeal the minimum wage and overtime requirements of the Fair Labor Standards Act of 1938. The evidence is in, and must be heeded. It is to be found in the scholarship of such nationally recognized economists and social analysts as Walter Williams and Milton Friedman, where I urge all of you to go and look at the record. Dr. Williams is especially eloquent in his denunciation of the effects of minimum wage laws on our urban minority communities. He calls them a result of, "maximum demagoguery and folly."

Minimum wage laws, Dr. Williams has shown, actually encourage racism in employment practices. They do not, on balance, put more money in the pockets of poor workers.

In spite of the evidence, I recognize that this bill is not likely to pass the Congress, this session, because the facts of this case have not been publicly understood. They do not accord with our hopes or our common assumptions. I bring this to the attention of you, my colleagues, for the less well-off who have suffered under this law for so long. I at least hope to speak for them in the gathering public policy debate which is now reconsidering so many of the fixed public policy landmarks of recent American life. We have many new lessons to recognize and act on. But our action should begin and be carried out in the name of the many millions whose lives and families have been unintentionally stunted, even destroyed by the instruments of our unfulfilled hopes for them.

In 1938, the minimum wage was a daring breakthrough in social policy. As the proud new labor bureaucracy was being installed, one of its first acts was to forbid American workers to accept any job for less than 25 cents an hour. Today, their successor bureau-

crats, still firmly gripping our poorer workers by the collar, allow Americans to work only if they can get at least $3.35 an hour. This amounts to a significant temporary increase above the buying power of 1938's minimum wage. Of course, this is only a temporary increase. Time and inflation will erode this so-called minimum too, until political pressure causes it to be raised again. However, the political pressure which raises the minimum wage next time will not come from the poor. It will come from elsewhere, it will come from the nonpoor who, as Walter Williams points out, receive the only practical benefit of any minimum wage. Since the minimum wage limits competition and keeps up middle-class wages and salaries.

A full-time employee working for minimum wage earns nearly $8,000, before Federal, State and local taxes are deducted from the paycheck. It is an amount well below the poverty line, which we currently draw at around $11,000 a year. It is not much money, yet we tax people far below the minimum wage of course.

They must pay taxes below the minimum wage, but we will not let them deliberately earn that much. It seems like they catch our ruthlessness both going and coming.

This, of course, is barely a subsistent living, less than we would like anyone to have to live on. But the small amount of money is what people usually focus their attention on. I suggest we look elsewhere, however, for the real meaning of the minimum wage.

Leon Dash is a reporter from the Washington Post who spent the last year or so investigating the difficult lives of some of the least fortunate citizens of Washington, D.C. He says it took him 6 months to gain the trust of people in the neighborhoods he visited. And as he did so he came to notice the less obvious but important things about them.

Entering homes he had not visited before, Dash learned that he could tell who was employed and who was not, just from the faces and expressions. And he came to notice the consequences for their home life, the way it affected their personal lives to be unemployed, or to be employed even at a low salary.

People with jobs, Dash found, had some purpose in life and could be happy, and people without were not. It was not first of all a question of who had a good job. Even a poor job made the difference.

A home with people employed was a happy one, a home with unemployed probably was not. It was a simple observation, but a striking one, I think. Leon Dash learned to respect and love the people of those difficult neighborhoods. And he came to testify that having a job was to them the difference between having self-respect and having none. He went so far as to say, that having a job was enough for basic peace and happiness in a family. Having a job kept away the worst of the bitterness and defeat to which all our lives are subject. It made him come to value more than ever his own professional position as a respected reporter on one of the Nations most important newspapers.

But we should notice that it was the difference between having a job and having none that was important. Even a very poor job might keep an adult or grown child going for the time being, and allow the family to function, to carry out the role we know it is made for. The family is the cradle of our hopes as well as our ability for self-sacrifice and self-discipline. The family doesn't need much to give human shape to our lives, to open our hearts to love one another, to care for each other. But even the family cannot easily help adults who are in despair. Desperate and unhappy adults find everything difficult.

In such circumstances, even a poor job can make the difference between a successful functioning family and one that collapses under the load.

The chief effect of the minimum wage is to destroy the poor jobs of precisely the people who find themselves in such desperate circumstances. We may not like to admit that such poorly paying jobs can be a necessity to anyone. But they can be. They are. In the faces of those he visited, Leon Dash began to be able to see instantly the bitterness and despair of people with no job, and the relative hope and peace of those with even a poor job.

We must face the fact that the poor people on the difficult periphery of our society are in need of exactly the low-paying jobs that are diminished by the minimum wage. Research indicates that for every 10 percent rise in the minimum wage, there is about 3 percent less employment among workers covered by the Fair Labor and Standards Act. That means, if seven workers get their wages raised by, say, 34 cents an hour three workers either get fired or can't find any work.

Which three? It may well be three workers who contribute to the support of a family. It may be young people on their first job. It may be new immigrants just learning English. It may be an urban minority adult who has just decided to get started and make something of himself, to help support children or put someone through school. Whoever it may be, 3 in 10 will have the pay-window slammed in their faces because of the minimum wage.

There are about 6 million such workers today, 6 million out of about 100 million working Americans. Three percent of them is 180,000 American workers, 180,000 of the poorest among us. When the minimum rises every few years, almost 200,000 workers are denied work, many of them in needy areas of our big cities.

What has been the cumulative total over the decades of marginal workers who have been discouraged into nonworking status by these laws: it must be huge, it is certainly monstrous. Imagine how it contributes to our national problems.

To some, who look only at the income, it might seem a small loss to any one individual. It seems to be a loss welfare will make up. Isn't that what welfare is for? But welfare cannot provide dignity and self-respect. It cannot sustain an intact family. The family, it turns out, is the chief victim of both welfare, and the minimum wage laws. It is also the chief road out of poverty for ordinary Americans.

A family with three adults working at the minimum wage can earn over $20,000 a year. When one family member begins to make more, the lesser jobs are still a major stabilizing asset. With a strong family to make efficient use of even very poor wages, money can be saved, small businesses started, school completed. After a time, homes can be bought, professional jobs trained for.

This cycle of opportunity used to be a hard but sure road to success in America. It still works fairly well for many, especially new immigrants who stay away from the welfare system and depend upon the self-reliant support of family and friends. Their story used to be more common in this country, when there were places to work hard at very low wages and in conditions far from ideal.

Factories used to be places where even the most needy family could get a toehold in our society. Like mountain climbers scaling a vertical face in a high cold wind, such jobs provided a hard testing ground. Families emerging from that test have gone on to give American society some of her most accomplished leaders, and multitudes of our most solid and worthwhile ordinary citizens.

I am very sure many now sitting in this 99th Congress were raised by parents and among relatives and friends who suffered and surmounted that same challenge. You, and those of us who know of the difficulties faced in that life, would like to insist that there is an alternative, some other way for families at the bottom to make their way up.

But the minimum wage is not the way, however much we might wish it were.

It only eliminates the refuge of the poorest. The minimum wage closes off their opportunity by making it too expensive.

The truth is, we have no better way to offer, and it is empty boasting to claim that all our welfare and job-fare and psychological innovations are a humane substitute for the sweatshop. We who are well off can live by such illusions. But it is unconscionable any longer to force poor people to try to do so. Let us allow them to find sustenance in the patterns of strong family attachments, attachments which are made stronger by adversity.

But in our cities today we have something worse than poverty. We have a growing underclass: people who are not only poor, but who have no hope. Whose families have been broken, or lost, or prevented.

There are large numbers of Americans now so trapped by circumstances that they have practically no opportunity at all, and we do not know what to do for them.

We do know where these suffering multitudes came from, however. This new class of permanent poor has been created by ill-conceived efforts to help the needy. We seem inadvertently to have caused something much worse than what we intended to cure. And we don't know what to do. Shouldn't we at least set them free to do the best for themselves that they can, by allowing them to work for the best wages they can get, instead of no wages at all?

Considering all the other things we allow consenting adults to do nowadays, it doesn't seem too much to ask.

But won't the jobs created be very low-paying ones? Yes they will. They will be low-paying jobs that support the integrity and self-respect of our neediest families, something

which the minimum wage and welfare have simply failed to do.

Everything we have come to know about the problems of poverty tells us that families do not stay poor permanently. Families mobilize their members and work their way out of poverty, often in a few years of great effort.

That is why other solutions do not help very much. Most of our other efforts have the effect of splitting families or preventing their formation, freezing people in poverty. And of course we now know too that the face of this new poverty is increasingly the face of single or abandoned women with children. And it isn't only poor families who suffer. Small business suffers, entrepreneurship suffers, the middle class suffers because the wealth created by new businesses is less likely to be a support to their families.

I call today for an act of realistic compassion: repeal the minimum wage.

Mr. ARMEY. Mr. Speaker, I thank the gentleman for his comments. I appreciate the gentleman taking time out of his busy schedule to come down and help me kick off this discussion.

□ 1610

Mr. Speaker, I think it is very important that we reflect back on the title given the legislation that established the minimum wage in America. If you go back and look at that, you see the title is "The Fair Labor Standards Act." And I have no doubt in my mind that those people who were in this body at that time and in the other body and perhaps, certainly, in the White House, those people who worked so hard to develop and pass that legislation and make it become the law of the land did indeed have fairness in their minds and in their hearts at that time.

I really believe that we need to understand that. This is not really an ill-intention or ill-feeling body. I think we saw that earlier today. Certainly we saw Members of the body on different sides of a very important issue argue their arguments with an enormous amount of passion at times, but always with an understanding and a respect of the fact that all persons who bring legislation to the floor of this House or speak on behalf or perhaps even in opposition to legislation do so with a sincere regard for concepts such as fairness and human rights. Certainly no one could dispute the fact that the minimum wage was born out of an effort to establish fair labor standards and to bring fairness to the world of work.

On the other hand, Mr. Speaker, I, as a professional economist, am accustomed to understanding that past actions must be evaluated in terms of their result and their impact and that actions taken in the present for purposes of the future must always be evaluated with your best understanding of potential impact.

In that regard, I would like to spend a moment examining the impact of the legislation that was passed. Did it fulfill the objections of fairness that those folks most certainly hoped to achieve?

And then, if indeed we see reason to believe that perhaps that fairness has not been the case and the result, is it possible for us to take an alternative course of action that may help us to restore fairness?

One always has to be very careful to appreciate that the best of intentions can result in behavior that can lead to the worst of results.

I have had an opportunity over the years to watch the impact of the minimum wage on individuals with whom I have worked and I want to relate one story, in particular, perhaps a little lengthy story, but it is a real story born out of my experience.

Before coming to this body I was a professor in a major university in Texas and, in a manner consistent with my duties as department chairman, I found myself, for a 5-year period of time, teaching a night class, and in that night class experienced being on campus outside of normal university hours for from 3 to 4 hours every evening.

During that time I developed a friendship as I came and went from my evening duties and during that break that my students always insisted on having in the middle of a 3- or 4-hour lecture, I became friends with the fellow who was the night janitor. Let me call him Charlie.

Charlie and I became fast friends. Charlie was a rather interesting fellow in the sense that he was extremely friendly. I suppose a psychologist or someone trained in these things might have some kind of a label, but suffice it to say that Charlie did have an intellectual handicap, and I suppose he was not a particularly intelligent person in a conventional sense of the word, but at the same time he was a person of tremendous pride, dignity, and sensitivity, and he saw the building during the hours that he had it as his building and he cared for that building with an enormous amount of concern and care and took a great deal of pride in his work. He kept the building meticulous.

He was also a person who was friendly to those of us who were coming in, friendly to us when we were there, and very much concerned about the safety and security of people who came and went from his building. It was not uncommon for Charles at the time the classes let out or at other times, particularly when the young women were coming and going, to be there by the door, just standing a sort of silent vigil as they walked across that lonely, always too dark, parking lot, just to see that they got to their cars and on their way safely. It was not something that was in his job description but something that he felt very sincerely concerned that people going from his building should be safe.

I became fast friends with Charlie. He had many of the same problems that I did. We were both trying to support our families. We were both very proud of our children. Charlie and his wife had a new baby one winter, and he was extremely proud of his youngster, just like I guess all of us fathers and mothers are. I remember seeing him and his wife at the grocery store, very proudly showing me his youngster, and I became quite accustomed to visiting with him.

One evening I came to work, and I had two observations that upset me. One, the building was a mess. This was very unusual. And, two, Charlie was not there. This condition persisted. I could understand, perhaps, that he might have been ill and had a night off, but it persisted. And as it persisted, I talked to a friend of mine in administration who was responsible for hiring the maintenance personnel. I asked him what happened to Charlie, and he explained to me that the university had to let Charlie go, the reason being that there had been an increase in the minimum wage and, given the budget of the university, they could not afford to continue Charlie on the payroll.

Now, here was a law and an effort made, I am sure, in this body that was certainly designed to help people like my friend Charlie, but it resulted in effectively legislating away his right to work. Charlie went on unemployment and subsequently on welfare.

Now, as if to add insult to injury, because I was injured in having lost my good friend and seeing him suffer a deprivation of employment and the pride that he took with it, a few weeks later I found a young man sitting on the third floor hallway, listening to a loud radio, in a janitor's uniform and doing nothing in the middle of a filthy hallway, showing no concern for his work. This condition persisted.

Now, after a while I called my friend in the administration, and I said, "Who is this young man, and what does he do up there?" He explained to me that the young man was a CETA trainee. Now, a CETA trainee is provided to the university by another Government program designed to help somebody. And the university actually had the young man's salary and everything paid for as they took him on as a trainee. I said, "Well, if he is a CETA trainee, why do we not train him?"

And he said, "We are so understaffed that we cannot find someone to send over to train the fellow."

Reflecting on that, I saw two pieces of legislation, both of which were designed to help somebody and to do good, one legislated away Charlie's right to earn his income and the other

provided income to somebody who did not earn it.

In neither case did I see any contribution to fairness or human dignity.

Another case in point: One of the things you have to understand is something we call the law of downward sloping demand. If the price of some commodity goes up, the quantity consumed goes down. Indeed, if the price of labor goes up, the quantity of labor consumed will go down and machines will be substituted in its place.

Now, a few years ago we had a song that my teenagers enjoyed. It was called, "Working at the Car Wash Blues." There can be no doubt that the car wash must be a blue place to make a living. I myself started on my trek up the occupational ladder shoveling coal in North Dakota at temperatures as low as 30 degrees below zero for 50 cents an hour. I learned two things doing that at the age of 14, one, that if I went to work, took a job, I had to be there, I had to do the job and, two, and probably most importantly, I did not want to spend the rest of my life doing that. So I immediately then, having placed my foot on the first rung of the ladder, did everything I could to scramble up that ladder so that I could find a job with better working conditions and better salary.

That is pretty much the kind of job that I suppose working in a car wash is. But working in a car wash as a young person is a place to begin to learn these two fundamental lessons. I saw that same time period when they raised the minimum wage and Charlie lost his job. I saw my favorite car wash where the youngsters worked change. The youngsters were not working there any more. I could still get my car washed there, but that 40 or so young people who were working there and on that first rung of the occupational ladder were not there any more. Where they were I do not know. Perhaps in a CETA training program. But what was there was an automated car wash, exactly what anybody would predict: As we raised the wage arbitrarily, the quantity demanded of the labor went away, went down. And there was substituted machines for men. And that will always be the case.

Now, what does all that mean as we translate the impact of this into our dilemmas, our social problems?

The first thing you have to understand is that as you look at the statistics—and let us understand, through no fault of their own, the young are inexperienced, and sometimes in a very wonderful way irresponsible, certainly irrepressible. They are easily distracted. Quite frankly, they are learning what Thorstein Bunde Veblen called the spirit of workmanship. In order to do that, you must recognize that, more often than not, the employer is taking a risk that they will be somewhat frivolous, certainly inexperienced, less productive on the job, and that of course if that experience is productive for them at all, they will most likely move along.

So he is not willing to pay them as much to do a job, not because they are not good people—certainly they are. But they are in that place in their life. I certainly have my own youngsters in that place. And getting them to clean the room, as most parents will testify, is not the easiest job in the world.

So what do we find happening? As the minimum wage goes up, according to Walter Williams, an economist of considerable stature who has researched this and put it within the most refined analysis with the best statistical analysis, as the minimum wage increases, it becomes documented the single most important cause for the most grievous intractable unemployment problem in America today, that is, black youth unemployment. There is no getting around it. That is the reason.

Now, obviously, we are all concerned about this. We are concerned about employment, and as you are concerned about employment and you break unemployment statistics down and you find them a definable category, the youth of America, and then within that, the black youth of America.

For example, in 1948, black youth unemployment was 9.5 percent. White youth unemployment in 1948 was 10.2 percent. In 1980, black youth unemployment was 37.7 percent, and over 50 percent in many innercities.

□ 1625

White youth unemployment in 1980 was 18 percent, and is now closer to 12 percent. The single greatest cause for this dramatic increase of this unemployment that seems to stay with us year after year after year, that unemployment that so often becomes a basing point for people diverting their time and their energy into other pursuits, is the minimum wage.

One thing about young people is that they will not sit idle. Indeed, if they cannot find a job to occupy themselves they will find a way to occupy themselves and we need to understand that is the most natural thing in the world. Consequently, high unemployment results in high crime.

It is the minimum wage and increases in that minimum wage causing the decrease in labor consumed and the substitution of capital that has given us this chronic unemployment problem. There can be no disputing it. Walter Williams' work has not been disputed.

What we are suggesting is that we have seen a failure of that policy that was passed so many years ago with such great good intentions. We have seen it hurt my friend Charlie and his family and his children. We have seen it hurt our own youngsters. I am saying the time has come for us to look at the results and recognize that we have not gotten what we intended. Can we, with any degree of understanding of the lessons from that unfortunate experience, turn in another direction?

Some of you will argue, and I suppose it can be argued, that perhaps the total abolition of the minimum wage may be a drastic and severe move. I can only say that I offer such legislation only out of a conviction that the very existence of that wage is in itself discriminatory and is the blatant act of the Government legislating away a person's right to work. In so doing, denying the low-income, low-experience, youthful worker that opportunity to make the most crucial step on the occupational ladder which is that first step which we all took. We all start at the bottom and we learn as we grow, and we should not deny that opportunity to our own young people.

Perhaps that may be too drastic a step; it may be too great an experiment to try. If so, then why not try another experiment, something in the middle; something that more or less compromises these two approaches. That would be the Youth Unemployment Wage.

It is not popular with the young people. A few years ago, before I joined this body, when it was first proposed, I was asked by my local newspaper to assess the Youth Opportunity Wage, and I predicted that it would give more work opportunities to more youth in the summer, and I found an interesting response by one of the youngsters.

One of the youngsters said, "I will not work at that wage." I think it was $2.50 or $2.25 an hour. "I will not work at that wage."

Now, what that says to me is there is a youngster out there whose personal circumstances, perhaps of family income, perhaps of privilege, is such that this youngster, who happened to be a young girl, can afford to say, I do not want to work at that wage. I'd rather go swimming, I'd rather party, I'd rather do all the things we all like to do in the summer.

That does not mean that the job that would be available at that wage would go unfilled. It would be filled by somebody who says,

I will work at that wage; I need to make the money. I want to get started making my own way. I will take this opportunity, and perhaps even, because it is made available to me, having been unaccepted by that other person who might have been in line ahead of me.

Somebody will fill that job. One of the wonderful things about the market we must always understand: The market does not throw people away. The market provides an opportunity for you to work at some wage.

I might say, by the way, when we held some hearings on this earlier this year, I was very much dismayed by an advocate of the minimum wage. A person who opposed the Youth Opportunity Wage who sat in our committee hearing, looked at me and said, "You have to understand, some people just aren't worth anything."

Now that really upset me, and frankly, I was so stunned, I did not even pick up on it. But certainly they are worth something. Maybe their skills are so nominal, their experience so limited, perhaps their attention span so short and their penchant for what we adults might call frivolous behavior so great that they are only worth a dollar an hour. Maybe $1.10 an hour. I was only worth 40 cents an hour.

But whatever it is, whatever my worth is, the market will find a place for me. Maybe it will be doing work that some of us think is not dignified. Shoveling coal in the snow or perhaps cleaning homes. I think it was Margaret Thatcher who said that one of the ways she remembers who she is and where she came from is by the requirement that she clean her own bathroom facilities.

There is not such a thing, in my estimation, Mr. Speaker, as work that is beneath our dignity. Work must be done. People should have the opportunity to do it and receive a wage commensurate with their productivity.

These are the things we are advocating and what we would like to see us try again. Let us turn our attention to opening opportunities, giving beginnings rather than denying even the opportunity to begin.

I yield to my colleague from Illinois [Mr. CRANE].

Mr. CRANE. I have profound respect for my distinguished colleague with his professional expertise and training in economics, and I have seen some figures in the past and I questioned them because I was not sure of the reliability of the sources, but knowing the amount of time that you have devoted to this study, is there a perceptible correlation between rises in the minimum wage law and escalating unemployment for blacks and other minorities?

Going back before the minimum wage law, the unemployment figures for black teenagers and white teenagers was roughly the same. Since that time, we now have horrendous unemployment figures—almost 50 percent for black teenagers—notwithstanding unprecedented numbers of Americans who do have jobs.

Is there a correlation that can be drawn there?

Mr. ARMEY. Yes, there is. In fact, Walter Williams draws it with the finest of methodologies.

It is also recognized by racists in the world. I want to take a moment for this because we are talking about what is fair. Certainly, racism is not fair.

If we look at Kurt Begee, who is the secretary of an avowedly racist building workers' union in South Africa, this is why he embraces the concept of the minimum wage. He has recognized what you are talking about. He said:

> There is no job reservation left in the building industry and in the circumstances I support the rate for the job as the second-best way of protecting our artisans.

A year later, he stated that he would be prepared to allow black artisans into the industry provided that the minimum wages were raised from Rand 1.40 to at least Rand 2.00 per hour, and if the rate for the job was strictly enforced.

Indeed, not only has the famous Walter Williams, our own American, black economist who studied this—and again, I was, myself, so overwhelmed by Walter's work and the fine work he did with Step-wise regression and many of the most sophisticated methodologies, that he demonstrated this.

A quick look.

In 1948, it was 9.4 for black youth; 10.2 for white youth. But that has stretched in 1980 to a gap of 37.7 for black youth, over 50 in some communities, to 18 percent. Statistics show the gap has widened over that period of time.

□ 1635

Walter Williams has seen the correlations that explain why it is widening. Perhaps only by intuition, the secretary of an avowedly racist union in South Africa says that if it has worked there, whether intended or not, we can make it work here with that intention.

That, of course, is certainly an insignificant observation if we go back to the beginnings of the legislation, which was to incorporate within a fair labor standard. There is nothing fair about it.

Mr. CRANE. Mr. Speaker, if the gentleman will yield further, does the minimum wage, inasmuch as it is an arbitrary figure picked for the least skilled people in society, have any ratcheting effect on wages up the line?

Mr. ARMEY. Well, yes, and of course, one of the things I have always wondered about is, why does the contemporary American union movement embrace the concept of a minimum wage, when indeed almost without exception, a person with a union card and a job will be far above that; but as you elevate that, you go back perhaps to the notion of a rising tide raises all boats. As the prime goes up, all rates go up, and as any component in the wage structure increases, it will have a tendency to affect increases throughout all.

The only problem is that as we have seen in effect that the upper end of the wage spectrum, we have seen even our unions who have pushed for and been successful in achieving higher wages at the upper rates, really triggered this response of reducing the consumption of labor and substituting instead the use of capital and the upshot of that is higher wages for fewer workers.

THE TORT LIABILITY REFORM ACT OF 1986

(Mr. DAUB asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DAUB. Mr. Speaker, I am today introducing the Tort Liability Reform Act of 1986, H.R. 4460, a bill designed to tackle the insurance crisis problem for the wide variety of individuals, businesses, and other institutions who are unable to obtain affordable liability insurance coverage. While there are many reasons for the current insurance problem, the rapid expansion of the concept of tort liability in our American civil justice system is clearly the central issue.

Day care centers, transportation companies, manufacturers, municipal governments, public and private schools, professionals, farmers, environmental cleanup technicians, boards of directors, and a wide variety of business interests are unable to obtain liability coverage. No one bill designed to assist one particular interest, however, can meet the immediate needs of the wide variety of constituents involved.

My bill would attempt to bring about minimum procedural and substantive reforms in the tort litigation area which are designed to expedite tort cases and to provide more consistent awards and recoveries. Specifically, the bill would provide for the following:

First, a preliminary evaluation session would be required within 30 to 60 days of the filing of the action. The session would be administered by a judiciary authority and would be for the purpose of sorting out frivolous suits and defendants who do not belong in the suit. At the same time, recommendations will be made to expedite the discovery process.

Second, where parties have not completed the discovery process within 1 year, the court would be required to take certain actions to expedite the process. In jurisdictions with court-supervised arbitration systems, such systems would be used. In jurisdictions without court-supervised arbitration systems, a judicial authority would be appointed to develop and administer a plan to bring the parties to trial on a timely basis.

Third, courts would be given discretionary authority to provide that awards for future damages may be satisfied by periodic payment through a trust fund or annuity to benefit the injured party.

Fourth, awards would not be permitted to include any interest amount which relates to time periods prior to the filing of the action.

Fifth, any award to compensate for injuries would take into account other sources of compensation to the injured party.

Sixth, pain and suffering damages will be limited to the greater of $100,000 or the amount of economic damages.

Seventh, punitive damages would not be awarded unless the plaintiff establishes by a preponderance of the evidence that the defendant manifested a conscious disregard for the consequences of the defendant's acts. Any award of punitive damages will be transmitted to the federal or state treasury rather than to the plaintiff.

Eighth, monetary sanctions will be provided against attorneys who do not act in good faith when filing cases, motions, responses, and so forth. These sanctions will also apply to attorneys initiating suits merely for the purposes of obtaining a settlement when there was not a reasonable prospect of a court award.

These eight provisions would be a significant step in the right direction to curb the insurance crisis. The bill reflects much of the mainstream of tort reform in the 50 States and in many respects is consistent with the recommendations of the tort policy working group established last year by the Attorney General.

None of us need to look too far in our own district to find individuals and organizations which are caught up in the insurance crisis. Let me offer the following examples of the scope of the problem:

Day care centers are closing because their insurance premiums were increased by up to 500 percent or because they simply can no longer obtain liability insurance.

Trucking companies are experiencing increased premiums of 200 to 500 percent. The National Journal reported that a Pennsylvania trucking company was recently driven to bankruptcy by liability premiums that increased from $165,000 to $1.6 million.

An equipment manufacturer in my home State has seen its product liability expense increase by approximately 650 percent over the past 5 years. Product liability costs now represent an amount equal to 59 percent of the total direct labor costs to produce the product.

A municipal government in my State is unable to obtain affordable errors and omissions coverage. Even though nobody can ever remember a claim against the city, premiums in 1986 for $500,000 of coverage would be approximately 7½ times as much, $1 million of coverge the year before.

Schools and local governments are having to discontinue recreational programs because liability insurance is not available.

Attorneys, accountants, engineers, physicians, and other professionals are finding dramatic increases in malpractice insurance. Engineers experienced in handling Superfund cleanup projects can no longer accept contracts or contribute to the effort as there is no available liability insurance in this area.

This bill may not be the perfect bill and may not be all things to all people. It is, however, a beginning in taking a look at a comprehensive tort reform effort. It also recognizes that we need more uniform State standards without federalizing all tort laws. The States must be involved partners in this process and legitimate rights of the States must be recognized in this process. Thus, this legislation attempts to reach some minimal uniform provisions while leaving the States the ability to enact their own tort reform statutes.

I hope that each of my colleagues will take a serious look at this new approach to solving a pressing problem, and I invite cosponsorship of this legislation, H.R. 4460.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair announces that the House will consider two unanimous consent requests for commemorative resolutions, after which we will return to special orders.

AFGHANISTAN DAY

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate joint resolution (S.J. Res. 272) to authorize and request the President to issue a proclamation designating March 21, 1986, as "Afghanistan Day," a day to commemorate the struggle of the people of Afghanistan against the occupation of their country by Soviet forces, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, under my reservation, I yield to the gentleman from California [Mr. LAGOMARSINO], the chief sponsor of Senate Joint Resolution 272.

Mr. LAGOMARSINO. Mr. Speaker, I rise in support of Senate Joint Resolution 272 designating tomorrow March 21, 1986, as "Afghanistan Day." The people of Afghanistan observe March 21 as the start of their new year and it serves as a symbol of the nation's rebirth. It is, therefore, appropriate that we designate tomorrow to commemorate the struggle of the Afghan people against the brutal occupation of their country by Soviet forces.

In January, while on a fact-finding mission to Pakistan, I again met with Afghan refugees and freedom fighters, the Mujahideen. Their courage and determination to remove illegal Soviet occupation forces continues to impress and amaze me. For more than 6 years the Mujahideen have struggled against great odds to liberate their homeland from the puppet regime installed and maintained by the Soviet Red army.

It is imperative that we do not forget these brave people inside and outside of Afghanistan who continue to endure great hardships in their struggle. We rarely hear news about the Afghan crisis anymore except, perhaps, on the anniversary marking the day the Soviets rolled their tanks in. When considering arms control and the so-called peaceful intentions of the Soviets, we should not forget Soviet actions in Afghanistan or the pain and suffering they have inflicted on the Afghan people.

I urge my colleagues to join me in calling attention to the Afghan peoples' national struggle and designate March 21 as "Afghanistan Day."

Mr. HANSEN. Mr. Speaker, further reserving the right to object, I yield to the gentleman from California [Mr. LEVINE].

Mr. LEVINE of California. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I want to join my colleagues in commemorating Afghanistan Day.

It is 6 years since the Soviet Union invaded Afghanistan and cast an enduring chill over East-West relations. There are now more than 115,000 Soviet troops engaged in the systematic destruction of Afghanistan. The Soviets dominate Afghanistan's security forces and the bureaucracy. They have constructed extensive military and logistical facilities to support their forces and have tied Afghanistan closer than ever to the Soviet economic system. They are engaged in a scorched Earth policy which includes destruction of crops, water and food supplies. They have destroyed villages and have brutally killed and maimed Afghan civilians. Massive human rights abuses by Soviet troops against the Afghan population have been documented by Helsinki Watch.

The Soviet occupation and the internal turmoil in Afghanistan have caused the flight of one-fourth or more of its pre-1979 population, creating the largest refugee population in the world. Close to 3 million Afghan refugees are reported to be in Pakistan, and some 1½ million in Iran.

Soviet troops and their Afghan proxies have used chemical weapons against innocent Afghans. Soviet strategy seems to be to maintain control of Afghanistan with a minimum commitment while, ominously, seeking a new generation of Afghan Communist leaders loyal to Moscow.

Both the United States and the United Nations have repeatedly called for a peaceful, negotiated settlement of the conflict in Afghanistan, including the immediate withdrawal of all foreign troops from that country.

Mr. Speaker, those of us fortunate enough to live in a land of freedom have a special responsibility to do all we can to end the massive human rights abuses, the suffering and the destruction caused by the Soviet occupation of Afghanistan. I am glad to join with my colleagues in speaking out on behalf of the Afghan rebels, who are true "freedom fighters"—and

of all those who strive to liberate Afghanistan from its oppressors.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 272

Whereas Afghanistan, more than six years after the Soviet invasion, remains a nation occupied and terrorized by over one hundred eighteen thousand Soviet troops;

Whereas the continued Soviet occupation of Afghanistan is causing enormous suffering among the people of Afghanistan, as well as the deprivation of their basic right of national sovereignty;

Whereas between one-quarter and one-third of Afghanistan's prewar population has been driven into exile, killed, wounded, or internally displaced;

Whereas the Soviet invasion of Afghanistan undermines the spirit and intention of the Declaration of Principles of the Final Act of the Conference on Security and Cooperation in Europe, which the Union of Soviet Socialist Republics signed at Helsinki in 1975;

Whereas the puppet regime of Babrak Karmal, installed and maintained by the Union of Soviet Socialist Republics, has denied the people of Afghanistan their rights to self-determination, in violation of the United Nations Charter;

Whereas the United Nations General Assembly has passed seven resolutions calling for "the immediate withdrawal of the foreign troops from Afghanistan";

Whereas on December 13, 1985, the United Nations General Assembly passed an unprecedented resolution on human rights in Afghanistan endorsing the United Nations Special Rapporteur's report demonstrating "gross, massive, and increasing human rights violations in Afghanistan";

Whereas the undaunted resistance of the Afghan freedom fighters against the Soviet occupational forces is an inspiration to the free world; and

Whereas the people of Afghanistan observe March 21 as the start of each new year and as a symbol of the nation's rebirth; therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating March 21, 1986, as "Afghanistan Day", and calling upon the United States to observe such day with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL FISHING WEEK

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 262) to authorize and request the President to issue a proclamation designating June 2 through June 8, 1986, as "National Fishing Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. HANSEN. Reserving the right to object, Mr. Speaker, I do not object, but simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 262

Whereas the United States Bureau of the Census reported that fifty-four million residents of our country participated in sport fishing in 1980;

Whereas sport fishing is a family oriented, outdoor recreational activity that provides therapeutic rewards and enjoyment;

Whereas sport and commercial fishing provide an excellent source of healthful protein-rich food;

Whereas the demands for goods and services by sport fishing participants is estimated to generate $25,000,000,000 in economic activity and employment for an estimated six hundred thousand individuals in 1985;

Whereas the commercial fishing industry annually employs an estimated three hundred thousand individuals and lands over six billion pounds of seafood worth over $2,400,000,000 in direct sales;

Whereas fishing promotes respect for our Nation's marine, estuarine, and fresh waters, and their associated plant and animal communities; and

Whereas our country's league of fishing enthusiasts represent a constituency that seeks to prevent the degradation of our Nation's diverse aquatic habitats: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is requested and authorized to issue a proclamation designating June 2 through June 8, 1986, as "National Fishing Week" and calling upon Federal, State, and local government agencies, and the people of the United States to observe the week with appropriate programs and activities.

Mr. DYMALLY. Mr. Speaker, I just want to make one comment in conclusion.

I was very pleased that my friend, the gentleman from California [Mr. LAGOMARSINO] and myself ended up on the same side today, as we must take the same plane to California and I may very well be sitting with him. Now we will have something very pleasant to talk about.

I appreciate the gentleman's support and the support of my friend, the gentleman from Utah [Mr. HANSEN].

The Senate joint resolution was ordered to be read as third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FREEDOM IS NOT JUST AN IDEA

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 60 minutes.

Mrs. BENTLEY. Mr. Speaker, a nation is made out of a number of forces, which joined together, create, strengthen and protect the people within its borders. A great nation is part good fortune; part geographic advantages; part the character of its people and part the great ideas which animate that society.

It is also humble things. It is the right of people to work and make their own way in the world. It is the right to have a government which represents the people and keeps their interests as a trust. It is the right to be told the truth and to be dealt with fairly by that government. Thanks to the blessings of God and the grit and character of our people, we have become such a great Nation.

But having reached that status, we must work hard to maintain it. This form of government is now the inheritance of those who are fortunate enough to live under it. Even more, it is the shining example and the goal of other peoples, elsewhere in the world, who see in us what can be for them and for their children.

There are disturbing signs now appearing that there are those in government who have begun to doubt the great destiny of our Nation. Some have felt that the great experiment in representative government was fine for 1776 but is out of date in 1986. These cracks in our national foundation do not show themselves first in great things.

Freedom of speech and freedom of religion—the bulwark of our Bill of Rights do not disappear. Great visible changes do not occur overnight. The slide into the dustbin of failed governments begins first with self-doubt, first among our leaders; then communicated to the people. Trusted ideas are questioned, then attacked, and finally abandoned.

Such, it appears, is the fate of one of the great columns of strength upon which our national power has rested for so long. Our ability as a great nation, producing goods and products desired throughout the world, is now under attack.

That attack, I am sorry to say, is not only from outside. It comes also from within the ranks of those who guide our national policies.

Many of you are old enough to remember the history of World War II. Slogans from that great war still ring in our ears. "American is the arsenal of Democracy." Our strength was in

Detroit and Pittsburgh as much as in our Armed Forces.

Even earlier, the same fear which plagued the Axis Powers had frightened the Central Alliance. Our industrial strength won us both of the Catastrophic wars in this century.

But they will not win the next one, if, God forbid, we are forced to fight it. We are losing our great production strength. It is seeping away—not because our people are unwilling to work; not because our entrepreneurs are less ingenious—but because our leaders have embarked on a new vision of our place in the world. We are no longer to produce but to consume. We are to leave to others the task of providing the means of defending ourselves.

One of the keys to this new approach is a little known and less understood industry—the machine tool industry. Its low public perception is not surprising. You can't buy its product in a supermarket or a shopping mall. But it is so critical that you can't buy almost anything for sale in those shopping centers which hasn't been produced or packaged or shipped because of the production of machine tools.

Machine tools make the equipment used by heavy and light industry to make railroads and rails; cannon and aluminum siding; airplanes and aerosol cans. It is literally the central jewel of our productive capacity. And it is disappearing from our shores.

We pay tribute to this industry in our everyday speech without realizing what we are saying. We refer to a new enterprise as "tooling up." The phrase honors the machine tool industry.

You might believe that so critical an industry would not merely be allowed to flourish in the great tradition of its contribution to the national well being, but would be protected and hedged around with safeguards to its health. But you would be wrong.

Those who administer our trade policies, such as they are, pursue a policy, not of protection, not of equity, not even of benign neglect, but of almost ferocious hostility to this critical industry. And it has had its effect.

Let me give just the most obvious effects of our new policy of government aggressively seeking to send our industrial might offshore.

In 1980, total U.S. shipments of machine tools stood at $5.8564 billion. By 1984, in just 4 short years, those shipments had fallen to only $2.2288 billion less than half. The fall from the beginning of this decade was more than 60 percent. And last year's figures, though not yet complete, do not give any cause for confidence that the trend has been stopped.

Look at the situation from another perspective. In 1980, this industry employed 110,000 mostly high-skill craftsmen. Last year, there were only 75,000 jobs in that industry; 45,000 people, mostly in what the military would call critical specialities, are now out hustling hamburgers or washing your car. But they are not maintaining and upgrading the skills we may need in a national emergency.

There is a kind of "strategic schizophrenia" plaquing our leaders. We stockpile Middle East oil against the day we need it in a national emergency, civilian or military. They do this while there is enough oil underground to last a generation on this continent.

But they do not turn a finger to maintain our machine tool expertise and skill which we could need at a moment's notice and which they are working to export overseas where we might not be able to reach it in an emergency.

The machine tool industry has not been given a death sentence willingly. It has attempted to fight back. But it is facing two opponents which make its fight almost futile. One of those enemies is foreign governments which subsidize their machine tool industries and give them preferred tax treatment. You do not have to be a trade expert to know that this allows foreign competitors to underprice our own domestic industry. To add a bitter pill to the scenario, many of those subsidies and that preferential tax treatment is made possible by our own Government's financial support of the same countries. Essentially, the craftsman is thrown out of work by his own tax money.

The second enemy is less to be expected and even less understandable. It is our own Government. Our trade laws provide for consideration for critical industries from damaging import competition. It is in the form of a petition called a 232 petition. It is filed with the Secretary of Commerce. It was favorably considered by his office and then went to the Executive for action. It has been sitting in the White House for 25 months while this crucial segment of our strength withers away.

But I mentioned hostility. During that 2-year period, in fact in only 1 year, the Department of Defense purchased nearly 27 million dollars' worth of machine tools from overseas suppliers. That may not sound like a large amount of money, but it would have put a large segment of those 45,000 employees back to work and kept a few machine tool manufacturers above water.

These foreign purchases alone are less important than the idea which motivates them. Gen. Bernard Rogers, the commander of our NATO forces, made a public statement in an interview by the Wall Street Journal praising the Independent European Program group saying it had done more than any other organization in moving down the road toward what we must have—which is a Western European defense industrial base which can compete with the United States.

□ 1650

And I want to repeat that that is an American general stating that we must have a Western European defense industrial base which can compete with the United States.

I make no claim to military expertise, but I have a memory. During World War II, I can remember the terrible costs we paid in the secret war in the North Atlantic. We lost hundreds of ships and millions of tons of shipping in moving supplies to Europe, to say nothing of the loss of thousands of lives. Does the general now propose to try to supply our defense industries from Europe against a far more formidable opponent than we faced in the 1940's?

Some time in the very near future, I hope, the 232 petition will be presented to the President finally by the National Security Council. Whatever the reason for the delay, it is wrong to have held this petition for 25 months. And if he is not already aware, it is high time that the President be made aware of this grave situation.

Neither the President, nor the country have been well served by this delay. It is most important that the NMTBA gets a recognition of its effort to work through the intent of the 1962 Trade Expansion Act, but it is also important that this type of stonewalling be stopped, not only at the National Security Council, but anywhere else in government it is occurring.

Mr. Speaker, we are captives of history. We will learn it and remember it, or we will be condemned to repeat it.

In the middle of the 1830's there was a tremendous argument waged in a major European country over trade. It was very similar in tone and context to what we are hearing in this country today. The protectionists of the 1830's wanted some import barriers erected to protect the beginnings of an industrial base. The "free traders" of that day wanted to protect the agriculture interests of the country. They did not want their agricultural export markets threatened by retaliatory trade barriers if their own industry markets had protection barriers raised.

The "free traders" won. Agriculture export markets were saved, in effect, "protected" at the expense of industry.

The world has lived to rue that decision made over 150 years ago. The country was Russia. Social historians believe that had Russia chosen industrialism and the building of a middle class of manufacturers which is the natural outgrowth of industrialization, communism would have never been able to gain a foothold.

I believe we are approaching such a crossroads in this country, right now!

Every evidence I see is that our choices are coming down on the side of deindustrialization. In trade arguments, we vote on the side of "protecting" disappearing agricultural markets abroad all the while trading off our industries.

It is a futile effort for the agriculture interests. It is a sad choice for our working people. The idea of becoming servants in a service economy, servants to the rest of the world, the producers, is frighteningly similar to the decision made in Russia so long ago. And I worry that the consequences may be as far reaching—as long lived.

We, who demand that our domestic industries be given an opportunity for fair trade and reciprocity of barriers and/or supports are truly the real free trade advocates.

Those who have stacked the deck against the growth of our own domestic and defense industries are the real protectionists—but, sad to say they are protecting the industries and the jobs of nations in Europe and the Orient. In the process, they are compromising the standard of living of our own people. They are also destroying our capability of defending ourselves without going thousands of miles away for strategic parts.

The consequences are being felt right now, but at some point, all too soon, I fear, the consequences may be so grave as to threaten our position as the leader of the Western World.

Mr. Speaker, I hope you will consider the gravity of the course we are taking. There is still time for us to change it.

□ 1700

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, last week in anticipation of the House's consideration of the President's request for $100 million, most of which would have been for direct military aid to the group that is variously referred as the rebel or the Contra groups that are presently mostly concentrated across the Nicaraguan border in the sovereign country of Honduras, and we also have progressed very far in what I consider to be a very shameful episode of American foreign policy in compelling the militarization or partial militarization for the first time in many decades of the very beautiful country of Costa Rica.

I stated last week in the remarks I made in anticipation of this vote today and made mention and reference to several things that until this last Monday had not been reported in the American press or in any medium of general mass communication to the American people. I think we also should understand that the issue is not simply the question of approving $100 million in amount in aid, but other policy sanctions on the part of the Congress. For example, part of the request of the President which was incorporated in the legislation before us today, and upon which we voted earlier this afternoon, was the President's request for congressional approval of the use of American military advisers to aid and to coexist, cheek by jowl, with the so-called Contras or rebels.

As I said last week, the President in reality was not really coming to the Congress in order to get $100 million, that he would accept much less, and then in subsequent statements made by the President since last week and earlier this week and over the weekend were to the effect that, yes; he would consider some alternative in lesser amount, or perhaps a hard bargain that at most would yield only in terms of delaying the implementation of the use of $100 million.

The reason I said what I did is that the President's conduct is going to be pursued regardless of what the Congress clearly indicates is its expressed will. The President clearly has revealed this, since the Congress has at no time since its approval of the 1974 War Power Limitation Act seen fit to oversee the act. It has not found it within its desires and will to ask the President for an accounting of his actions. He has been conducting war in Central America. He has been involved, in my opinion, in my opinion so strongly held that it has led to my introducing into the House in two Congresses a sum total of three resolutions alleging War Power Limitation Act violations on the part of President Ronald Reagan. Now until the Congress does that, I maintain that today's exercise really is meaningless as far as the President's determined irreversible, inflexible, dogmatic course of action which he has opted to follow, which is one of war, which is one of unilateral military intervention, for not once has the President ever indicated in his assumption of the Presidency in 1981 that he would even consider initiating a diplomatic approach. Instead, the President has undermined, has completely suborned the diplomatic initiatives of other countries, one group known as the First Contadora Group which consisted of essentially the same group of nations that were formed in 1957, President Dwight Eisenhower being in the Presidency, and for the same purpose. The purpose was to bring about a reconciliation in a peaceful way of the difficulties that had given rise to violence between the two nations of Honduras and Nicaragua where there has been a history of friction. In all of these countries, I know of no two that are exempted. There is a history over the course of a couple of centuries of friction, and animosities, jealousies, and what have you, which is very natural to expect anywhere in the world, even on the North American Continent.

□ 1710

What has been the history here between our country and our next neighbor to the south, Mexico, it has been a history of war, and friction. What has been the history with respect to our neighbor to the north?

Well, actually, we did, because we forget in our self-containment, and in our learning our history, our version of history, that actually the Thirteen Original Colonies from the standpoint of our national emergence were really part of a group of a total of 37 colonies; 24 of which are today part and parcel of the Dominion of Canada.

So that if we do not regain the historical perspective, if we continue to ignore the historical course of developments, particularly with reference to the country south of the border, we have to be paying a higher and higher price, not only in bad feeling and bad relations, but most of all in our ability to develop the economic markets that are natural for America.

What has happened under the same administration of President Ronald Reagan that has gone back to a discredited and an abandoned and a bankrupt policy of Calvin Coolidge, who was the last President to embrace the doctrine of direct military unilateral intervention.

As a matter of fact, it was right in the nation of Nicaragua, in 1929. I have placed in the RECORD over a year and a half ago the documents that were called a white paper of the then-Secretary of State in the regime of Calvin Coolidge, in which the rationalization was given for the invasion by our Marines.

The rationalization was that we had to contain the exportation of Mexican bolshevism—Mexico was then where Cuba is today. Bolshevism was the word, where Marxism-Leninism is today.

We have got to understand, however, that all during this while we have approached this from a unilateral, subjective approach. We have blithefully ignored history. Franklin Roosevelt, the first to realize that the United States had to be creative; it had to evolve a policy. It was not sufficient to say, "We will turn our backs on gunboat diplomacy. We deplore President Coolidge's approach." It was necessary to offer a creative—and he did, he came out with what was known and was glorified as the "Good Neighbor Policy."

Now that policy resulted in creative and in affirmative results for the United States, because not many years after that, less than 6, the United

States finds itself involved in a world war in which it was imperative that we have the sympathy and the alliance of these countries that border with ours. Mexico for instance.

Now, in Mexico, ever since the invasion of the Marines in 1914 in Veracruz, ever since the war with Mexico, there has always been a strong undercurrent of anti-Americanism. It is historical, it is traditional.

With the advent of the course of history, the approximation of nations, the fact that whether Mexico had its cultural centers in Europe, not in the United States or the New World, did not detract from the tremendous impact of American economic activity, the progressiveness of American society, and its obvious influence and Mexico's dependency on American's well-being.

So that you had the foreign minister of Mexico, Pavilla, during World War II, not only coming and joining the United States in an alliance, but even permitting the drafting of Mexican citizens who happen to be in the United States.

If you cross the border today and you visit the cemeteries in Nuevo Laredo, you will still see on occasion little American flags and flowers placed on top of some of the burial plots. These were men, Mexican nationals, who fought with our soldiers in the Pacific, in Germany, all over where our troops were, and who died in combat. They did not get the benefits for the survivors of the GI bill, or any of the veterans benefits that the United States has given.

What I am saying is, that the affirmative constructive policies—now, incidentally, Franklin Roosevelt had a very difficult time in the United States. He was bitterly criticized by the opposition and by the vested interests such as the oil and gas interests of the United States who were up in arms and wanted to invade Mexico, because of the expropriation of the oil companies, most of which were American.

Even despite that, Franklin Roosevelt knew because he had the sagacity to attract first-rate minds around him. As a matter of fact, I think Franklin Roosevelt set the pattern and the working order and the sort of job description that a 20th century President after mid-20th century would have to develop to try to cope with the enormity of what we have made of the office of the President.

He said the major task of the President is to attract first-rate minds, and then orchestrate them and lead them in an assault and resolution of the common problems confronting the American people.

Now I think that is very important to remember, because Franklin Roosevelt was able to attract not only able Secretaries of State, but the actual sergeants of that army; that is, men such as Assistant Secretary or Under Secretary for Latin American Affairs Sumner Wells, who was the architect and the carpenter to put the framework and the foundation behind this policy and make it effective.

So that when we did fight, and there was a tremendous pro-German sentiment in Mexico, because Germany had great cultural and great economic interchanges with Mexico, as well as France. As a matter of fact, ever since the occupation of Mexico by Maximillian, who was imposed by Napoleon III, and the elite of the third French empire were sent to Mexico, why did France invade Mexico?

In order to demand and obtain compliance of the Mexican people of the payment of the debts that the American people had to the French investors.

This is the issue today in Latin America. So that with this background of cultural and historic developments, with the background and the accumulation of historical developments with respect to the policy such as we have used.

For instance, before World War I, we had Gen. John J. (Blackjack) Pershing chasing over some of the north Mexican States after Pancho Villa; who was considered the bandit, the great murderer, assassin. This was the label given him.

History today softens that, and he appears as a great revolutionary personality in Mexican history.

We must evoke that history in order to do now what at all costs must come from some level of our Government. If the President, the executive branch, which under our Constitution, under our President, has the main responsibility of creating and carrying out foreign policy. This was determined very early in our history.

The very first Congress, in 1789, had to delegate. For instance, such things as the imposition of tariffs and duties and such had to be delegated to the President. By the very nature of a pluralistic body, it was not in a position to sit in and discuss taxes and tariffs and imposition of duties on thousands of items.

□ 1720

It had to be an executive branch duty even though the Constitution said that that duty was in the hands and within the jurisdiction exclusively of the Congress.

So that the President today has not offered the Congress any kind of a policy, short term, long term. We have not had any long-term development of policies since Franklin Roosevelt. We have accreted, we have let historical developments so telescope that we are approaching events in an ad hoc, spasm-like type of reaction. And that, of course, for a Nation such as ours, is not fair to the people of this great Nation.

What is going to be our policy? Not in Nicaragua. Even if we were to invade Nicaragua, sit in Nicaragua, govern Nicaragua, we would still have to ask ourselves the same question with respect to Guatemala, maybe even Mexico, our next-door neighbor who, right now, is on a cliff, 50-percent inflation, over 50-percent unemployment, and submarginal employment. Of course we are going to continue to face these cycles and tides of human beings who do what all human beings to in all history, and that is try to keep from starving, try to eke out an existence.

But my feeling and deep conviction has been for years that it is entirely unnecessary to wait for crisis. This has been, actually, what I feel is the thing that inwardly, subjectively, I feel the proudest, ever since I did get involved in the political endeavor: and I will say for the record that that first endeavor was on the local level, the city council; it was there that I discovered that this was a field of interest that absorbed me, that challenged me. I call it legislative advocacy. I discovered by accident, because the last thing I ever thought I would be doing was seeking political office. I studied engineering and then I studied law. I had two older brothers who were engineers. And I could not decide. And it was by accident and only after the war when I found myself working for the Bexar County Juvenile Department and eventually was appointed chief juvenile probation officer, that I realized what a sorry mistake had been committed by my family in the method and manner in which we had been reared, in which we were considered sort of guests, not citizens, though born here, and that sooner or later the entire family would be returning to our parents' homeland. This is understandable when one realizes that in my father's case his roots are in the northern State of Mexico, in Durango, back 400 years, 1561. Not the same in the case of my mother, but nevertheless it is understandable if we look at it from that standpoint, in a day and time in which we were quite living simplistically, 1911, from 1911 to 1930, roughly, was the very turbulent revolutionary period in the Republic of Mexico.

Now, what is going to be the policy? Nothing really has been resolved by today's vote because when the Congress cut off and mandated cutting off direct aid to the CIA for involvement with the Contras, the President simply shifted his funding in his executive discretionary funds and moved the money that he wanted, to the extent that he wanted, right down for the purpose that the Congress said it should not appropriate or divert any

appropriated funds for that purpose. The same thing will happen today. The President is not the kind that is flexible in his mindset approach to this type of a pattern of activity. I think that the most awesome development that has literally impressed me and raised my concerns extremely, like I have felt with none of the six Presidents that I have had the honor of serving with in this body since I came to the House, and that is the experience in Beirut, where a President, in his role as Commander in Chief, deploys a couple of thousand marines into a situation and under conditions that the Joint Chiefs of Staff unanimously advised him against.

Now when you have that and you have the consequent results, it was not easy for me to get up here for 14 months and ask the President, "Mr. President, what is the mission of the marines in Beirut? Mr. President, if you are telling the reporters that they are peacekeepers, you can't be a peacekeeper if you are on the side of one faction."

You are having the same thing in Lebanon as you have in Nicaragua, as you have in these other Central American countries in the course of turmoil, you have civil wars. This has been going on in what we call Lebanon for years, for generations. And when the President told a reporter because he did not answer the letters I sent him—this is the first President that does not answer a Congressman's letter of the six I worked with—but he did reply to a newspaper reporter's question, some 6 months after I had first written him in a letter. In it he said two reasons, one to shore up the Gemayel government in Lebanon. Well, the Gemayel government was one of four factions in Lebanon. So there would be three who would be antagonized. So you are not a peacekeeper if you are taking sides in a civil war.

The second reason he gave was that they were peacekeepers. But marines are not politicians, marines are not ambassadors, marines are warriors. They are trained as soldiers. That is their purpose. No soldier has a commander in chief who is worth his salt unless that commander in chief is in a position to give him clear and explicit mission purposes. What is the mission of the military? This is the pervasive question in our involvements since the active hot shooting phase of World War II, because I maintain World War II has not ended. There is no peace treaty terminating the declaration of war that this Congress made on December 7, 1941. We have 300,000 military in Germany alone, we have 45,000 in Korea.

So that what has happened is that we have our chief executive as a popinjay swinging on a pole. Just a few weeks ago the headlines were that, by golly, he was going to put down this upstart, Qadhafi, in Libya. So the headlines were, "Mediterranean Fleet Deployed." Secretary of State Shultz got up and he said, and it was frontpage at least down in my San Antonio paper, "Secretary Shultz says don't rule out the possibility of the use of force."

Then the next thing you know you have this character known as Qadhafi who dresses himself very much like some of the courier-messengers here in Washington, DC, and he has his picture taken and all the press picks it up in the international sector and he says. "I am going on a PT boat to meet President Reagan's Mediterranean fleet."

Then all of a sudden nothing. Where is the big issue? Was or was not Qadhafi backing down? Did or did not President Reagan back down? The whole thing is absurd. Why? Because there is no basic policy of approach or consideration analysis.

I have asked the question from the beginning of my speechifying here, and that beginning was April 1, 1980, and it was not President Ronald Reagan who was in office. It was Jimmy Carter. I was asking the same question I am asking today. There was a very, very illustrative book written that I think was sort of a seminal writing and thought-provoking book. The title of it was "On Revolution" by Hannah Arendt. She had one statement—she had other things that I think historical developments prove her erroneous or wrong in her criteria or her judgment, but her basic thesis was that a contest that divides the world today, and which continues, and in which so much is at stake, those will probably win who understand revolution. That is a very, very true statement that should have been emblazoned on every State Department entrance door. It should have been placed before every Secretary of State. If we do not understand these developments after 1947, labeled as wars of liberation, people's liberation movements, from Asia to the Middle East to the New World—Is the El Salvador movement the same as the Nicaraguan? Is this indeed an East-West conflict? During debate today we had eminent leaders in the House saying it indeed was. Well, the first Secretary of State under the Reagan administration was Alexander Haig. And he no sooner had been installed after January 20 when he announced that he was drawing the line, those were his words, in the smallest country in the Western Hemisphere, El Salvador, and that this was an East-West conflict reflected in the smallest country in the New World.

Five years later and $4 billion out of our Treasury, that conflict is no closer to resolution now than it was then. Should we not ask, Mr. Speaker, what is going on here? Can it be that the basic assumption that you can and insist on obtaining a military resolution is flawed? Can that be the thing? And if, after $4 billion, all told, and 5 years, and the loss of several of our active-duty military, and the yet-to-be-reported violation of the advisory capacity of our military, and in our embracing tactics that we condemn when used by other nations, in that tiniest, smallest of countries, what then are we going to do when Guatemala blows up? You do not have to be a prophet, you do not have to be a big, big expert to know that it is coming.

Where have we been, where have our voices of outcry on persecution been when we have literally equipped the armies of Guatemala to eradicate entire Indian tribes?

□ 1535

If we were to be judged by the Nuremberg principles, we would be declared guilty. We are, in fact, at this very moment, under what we would call in our court system here a restraining order by the World Court of Justice to cease and desist and refrain from conducting war against Nicaragua, are perpetrating acts of war against Nicaragua, because we have been tried and found guilty of acts of war. We have been accused and found guilty of trying to mine and bomb and destroy and port facilities. There is no question about it.

Our CIA has called upon tactics that I do not think have ever been sanctioned in law. The CIA was created by the 1947 National Security Act. I do not think the CIA, under that act or any subsequent amendments, has the authority or the right to accept the untold number of war planes that the Defense Department gave it on September 18, 1984, for use, obviously, by the Contras, obviously, in and around Nicaragua.

What I am saying is that these collateral debates such as they have been on whether or not we are going to sanction and approve $18 million for the President, they are that. They are collateral issues. They are not hitting at the heart of the matter. They are not asking the President for accountability.

Now the American people have no other way except through their elected Representative and their elective officials—in this case, it is their U.S. Senators and Members of the House and, in the case of the President and Vice President. Now the President and Vice President have 230-plus million Americans to look after. They can interpret their mandate to their like. In a State like mine, the two U.S. Senators have over 15 million citizens to respond to. But in the case of the individual Representative, the citizen should have a sense of immediate accessibility, whether it is just a tele-

pone, to this office we call the Office of Representative of the Congress of the United States. If that office is not accessible or if it is not leading the way in disseminating the information necessary to understand the issues, can we then demand of the American people to act and respond in a knowledgeable way? Well, I think that begs the question; of course not.

I heard some statements made here today that were taken as dogma, and even some of those were arguing and saying that they could not go along with the President were quick to preface their remarks by saying, "But that doesn't mean that I am on the side of the Sandinistas. I don't think they are any better or worse or anything. They are no angels."

Well, that is again begging the question.

The point is that we heard very serious allegations. One, that the church was persecuted and is being persecuted in Nicaragua. But the same people who are alleging this persecution are equally condemnatory of Fidel Castro in Cuba. But the church has always had and still has and continues to have diplomatic relations with Cuba. As a matter of fact, my own archbishop of the archdiocese of San Antonio just came back from a conference of bishops in Cuba.

Why is it then that the Vatican is so severe in its handling of the eccelsiastics in Nicaragua? Well, can it be that President Reagan, after he named our first representative to the Vatican, has struck a deal with the Pope, and that the Pope, among other things, will supply our CIA with what is going on in Poland, for example?

I can assure you the CIA does not have the capability to find out any other way.

Can it be that the leading lobbyist right now here in Washington on behalf of the so-called Contras was the former representative of the Banco de Ambrociano of Italy, which is the Vatican bank, which went kerplunk as a result of a scandal, in which that same lobbyist was the one who headed that bank's interests in Nicaragua during Somoza? Could there be some happenstance connection? Could it be that there is some reason why some of the leading columnists and editorialists in the Central and South American press say that the real issue and that the reason why ultimately American soldiers will be there is that that is the only way they will be able to collect the bank's debts, which they cannot get right now, and which the leading countries meeting just last month in February in South America were united in their expression of concern about the exaction of the interest rates demanded in the repayment of these debts? These are the real issues.

But who here has ever informed this Congress of the nature and the background of these lobbyists, some of whom were referred to by some of my colleagues as very distinguished and responsible leaders trying to bring democracy to Nicaragua?

I think that those facts ought to be known. I think they should be established. I think we Americans are in many ways so innocent even now.

What I said for the first time and placed in the RECORD, because what I did put in the RECORD a letter that the Washington Ambassador from Nicaragua had sent, I assume, to all the Members—I know I got one of the letters. I had known from reading some of the Latin American press, some of the Mexican press, Argentina press, which I do read, that these events had happened, but they had never been reported in our press. In this letter the Nicaraguan Ambassador was saying, look, we have just entered into a bilateral agreement with Costa Rica in which we are creating a commission to resolve peacefully our differences here along the border.

So that it was not until this Monday that the first report of this event was written in the American press, in the Washington Post for Monday, March 17, on page A18. The title of the article is "Latin Mood Shifts Against Washington; Diplomatic Trends Weaken Reagan Effort to Isolate Nicaragua and Win Contra Aid." It is bylined by Robert J. McCartney, Washington Post Foreign Service. Its dateline is Mexico City, March 16.

The article follows:

[From the Washington Post, Mar. 17, 1986]

LATIN MOOD SHIFTS AGAINST WASHINGTON; DIPLOMATIC TREND WEAKENS REAGAN EFFORT TO ISOLATE NICARAGUA AND WIN CONTRA AID

(By Robert J. McCartney)

MEXICO CITY, March 16.—The diplomatic mood in Latin America has tipped against Washington in recent months, weakening the Reagan administration's sales pitch to Congress for aid to the Nicaraguan rebels and isolating the United States in the region on the issue.

Seven South American countries and Mexico, grouped in the Contadora movement, took the unprecedented step last month of formally urging the U.S. government to halt aid to the guerrillas and press efforts for a regional peace treaty.

These countries are convinced that such U.S. involvement only aggravates the conflict in Central America and hurts chances for a negotiated settlement there, according to senior diplomats of Latin American and other western countries.

The Latin Americans' stepped-up role has its roots in the expansion of the Contadora movement last summer, in the emergence of new democratic governments in South America, and in a new sense of regional solidarity owing to the Latin American debt crisis, diplomats said.

In Central America, a center-left tide in recent elections has contributed to fresh interest in peace talks with Nicaragua's Sandinista government.

Costa Rica has irritated the United States by talking directly with Nicaragua about the two nations' border problems. Guatemala's new civilian government, hoping to make a foreign policy splash, plans to host a summit of Central America's five presidents in May.

The diplomatic trend appears to have undermined Washington's efforts to isolate Nicaragua. Instead, the United States finds itself isolated in the face of nearly unanimous regional opposition to helping the contras, or counterrevolutionaries, who are fighting a civil war against the Sandinista government.

"The United States' support efforts [for the contras] lead to concern that it could be the cause of destabilization and greater conflict in Central America. There is real ideological agreement on this among the countries in the Contadora groups," a South American ambassador said.

The Latin Americans' shift has attracted the attention of U.S. allies in Western Europe, Canada and Australia and reinforced the allies' own skepticism over U.S. policy in Central America, western diplomats said.

Nevertheless, the tilt is unlikely to have much effect beyond its impact on U.S. and foreign public opinion. None of the Contadora countries has expressed any intention to cut back economic or diplomatic ties with the United States because of disagreements over Central America.

Moverover, Washington may benefit later this year from the Latin American countries' own growing frustration with the Nicaraguan government's military buildup and curbs on political pluralism, according to the Latin and other western diplomats. These sources emphasize, however, that dissatisfaction with the Sandinistas did not translate into support for the contras.

To some extent, the Latin Americans are making a fuss over contra aid in order to underline their opposition to direct U.S. military action in the region, western diplomats and other observers said. Several Latin American governments worry that use of U.S. forces against Nicaragua would trigger large protest demonstrations and cause significant political unrest in their countries, the sources said.

Peruvian President Alan Garcia said Friday that his country would break diplomatic relations with the United States if it attacked Nicaragua.

"The Latins are saying very strongly that the time has come to tell the United States that you can't just send the Marines into Latin America anymore," a senior West European diplomat said.

As far as contra aid is concerned, U.S. officials argue that the Latin Americans' diplomatic stance is largely a public relations gimmick playing on anti-Yankee feeling at home.

"Central America is a long way away from some of these (Contadora) countries and is not a priority national interest," a U.S. official said.

Some U.S. officials say that representatives of several Latin American nations have told the United States privately that their governments "secretly" favor a tough line against Nicaragua, and even want Washington to back the contras. This was disputed strongly, however, in interviews with senior diplomats of four Latin American countries and three non-Latin U.S. allies.

"It is unrealistic for the United States to say that all of our diplomatic work is just for show. This attitude leads nowhere," a South American envoy said.

A western ambassador said: "The Americans claim to hear privately all the time that people wish they would go in against the Sandinistas. That is just not what we are being told by the Latin Americans."

A high point of Latin American opposition to U.S. policy in Central America came on Feb. 10, when the foreign ministers of the eight countries of the Contadora movement met jointly with Secretary of State George P. Shultz in Washington to urge the United States to halt aid to the contras.

The original Contradora group—Mexico, Venezuela, Colombia and Panama—has been trying since January 1983 to draw up a region-wide peace treaty for Cental America. The group, named for the Panamanian island where it first met, has produced two major draft treaties calling for Cental America's countries to reduce their military arsenals, halt all support for guerrillas in neighboring countries, and promote democracy at home.

Neither pact has won universal acceptance among the five Cental American nations: Guatemala, El Salvador, Honduras, Nicaragua and Costa Rica. Critics charge that the Contadora process has yielded only meaningless paperwork and fruitless diplomatic conferences.

But the Contadora process got a boost last July when Brazil, Argentina, Uruguay and Peru formed a support group for Contadora. The Contadora movement now includes every major Latin American democracy except Bolivia, Ecuador and the Dominican Republic, and represents approximately 300 million people.

Three of the support group countries—Brazil, Uruguay and Argentina—have switched recently from military to civilian governments, which the U.S. administration applauded.

In general, however, the new democratic governments are pursuing policies that are more nationalistic and more critical of Washington.

□ 1745

Well, most of them, including Daniel Ortega of Nicaragua, were in Guatemala City at the taking of the oath of office at the newly elected president of Guatemala, who said, "Gentleman, let's get together here and declare ourselves in positive agreement of seeking and obtaining a peaceful settlement of our differences," and every one of those, including Daniel Ortega, subscribed to that.

Now, it was not until after those meetings that the President mentioned the possibility of some kind of compromise based on a diplomatic approach. But what it would be, to this day he has not said. Now, today during the debate there were some pledges made by some of the Members apparently speaking on behalf of the White House who said, "Well, there is no harm in giving the President this money because he is going to hold up its use for 90 days to see if we can force Nicaragua to a diplomatic resolution."

Well, these nations have already done it. When the Contadora group had an agreement from these nations in dispute, Nicaragua, Honduras, the United States undermined—that is a strong word, but it is the truth. The United States did not say we appreciate this and we want to help you, we want a peaceful resolution. We undermined them. We put pressure, for instance, on the Mexican foreign minister. And, of course, they are vulnerable. Why, which one of us is not vulnerable to threats, depending on the nature of the threats?

I happen to know, for instance, in the case of the horrible decimation of the poorest of the poor in the world, not just in the New World, the Indian tribes up in the mountains of Guatemala, where they fled, 20,000 to 30,000 in one particular day or two, and went into and across the border of Mexico in the state of Chiapas. I talked to the bishop of Chiapas himself, who was still horrified—I could see the horror in his eyes—of the Guatemalan soldiers beyoneting 6- and 7-month-old babies, ripping their bellies open. With what bayonets? Russian made, Cuban made? No; bayonets and materiel that were clearly stamped "For U.S. Army use only."

Is this the way we want to be associated, whether we carry the day or not, with the masses of the people with whom destiny says we have to share the future in the New World and which for the first time in the last 15 years now exceed our population by about 75 or 80 million?

I say the time has come for us to develop, and if it is not forthcoming from the executive branch, then let the policymaking body rise to its purpose in great destiny, as it has in the past and let us forge the policy, one, that like Franklin Roosevelt's, will be creative and productive of good.

The irony of this is that we will never, never succeed with bullets and bayonets. If we are talking about eliminating communism, we will never, never, bomb communism out of existence. The only way is justice and social justice. That is the only way, and it is the surest way. It is the easiest way, really, in the long run, and it is the one most productive of good, where we can become the natural producers. Once again we must never forget the old biblical saying, "By their fruits ye shall know them." A good tree will not produce bad fruit. A bad tree cannot produce good fruit. And what is the result of Reaganomics and Reaganism? In the foreign field we have been kicked out completely of any influence in the Middle East. We have lost that. It is gone. In fact, England and France have returned with a greater presence than we.

To the south of us we had allowed our private sector to abandon Latin America. In less than a 10-year period our investments had dropped from 37 percent, or maybe more, to less than 17 percent. Why? It is a natural. Mexico, for instance. Who knows in this Congress, among my colleagues, that we buy over 85 percent of Mexico's production? Who knows it? Do you think that Mexico did not try during the last 20 years to find markets in Japan? In fact, they even tried Russia, through Cuba. But why do they find that it is better to deal with the United States? Naturally, because it is the natural market, it is the productive market, it is the profitable market. They do not have the problems that they found they confronted when Italy wanted to come in and buy oil, when France wanted to come in and buy oil, West Germany, Japan. What happened? The Mexicans found out that old Uncle Sam was not such an Uncle Shylock after all.

But is the United States reaping any good from this knowledge? No. It is not even generally known that we consume or rather buy that tremendous overwhelming preponderant amount of Mexican oil production.

Why should we be suffering in our growing agricultural producing areas for the lack of markets for this tremendous ingenuity of American production know-how?

Why should Mexico be a scarcity area now for corn and wheat and not be a natural outlet on some kind of a barter deal? Why? I will tell you why. Because the U.S. Government, the American people, do not have real control, not even ownership over the main grain companies in this country.

Canada, the great wheat producer, has a government wheat board. We do not have any such thing.

It is the big speculators in Brussels, another one in London, another one in Buenos Aires, Argentina, that is determining what the farmer is going to get for his grain in America and how it is going to be sold and when it is going to be sold and under what conditions.

Why do we not address that problem? I say that rather than wasting our sustenance in these frivolous and unproductive foreign adventures, Mr. President, we stay at home and first resolve the needs of our people. If you tell me that you have $100 million to give the Contras while you are also telling me as chairman of the Subcommittee on Housing that you do not have $63 million for the homeless of America, Mr. President, you will never get my vote, and I do not think you will find you will get the majority under those circumstances, as you found out today.

There is no way the American people, even those who have supported you, will accept that kind of a conflict or dichotomy, as they say. And, after all, we are supposed to be trying to represent people. I say, Mr. President, we are hurting here at home. Our people do not want to waste the sustenance and the strength of our future, which is our youth, in adventures in foreign shores, with no basic

purposeful reason of a creative nature or one conducive of any good.

Why are we in such a dilemma?

One of our most eloquent colleagues, the gentlewoman who preceded me, was deploring the sad state of how America, the great arsenal of democracy, is now a consuming importing nation. We are now back where we were before 1914 and during the Continental Congresses and during the time we were a colony, a sort of a merchantile system, where we import our manufactured and processed goods. We are not producing. As of the last 3½ years the United States is not a producing nation.

Second, we are now a debtor nation for the first time since 1914. When Teddy Roosevelt insisted and obtained the construction of the Panama Canal, he had to wait until he could get $40 million line of credit from the French bankers because we were not a creditor nation. And why? Because we were self-centered at that time. And we responded and we had not sold our soul and our people's souls and its economic well-being for a mess of potage. We had not sold out to the tremendous financial interests who have total control of our country today and who, in reality are making the decisions as to the American standard of living as to whether or not we will continue this debacle of more and more and thousands and thousands of small businesses going broke.

As I reported last week. The last report I got on housing indicates that for the first time since the Depression—and, mind you, that must be horrible, because during the Depression, before the housing policies and programs were put into effect, we did not have much home ownership. We do now, or we have had. But for the first time last month over 7 percent of the homeowners of this Nation were facing foreclosure. In what kind of a market? The market we had 2 years ago, 1½ years ago, which was an inflationary market? No. In a downturn market in which real estate values, for instance, in my area dropped 40 percent in less than 10 months. We anticipated this, Mr. President. And in May of 1983 a bit of legislation we called the Emergency Home Morgage Assistance Act, which I took great pride in having concocted on the basis of the Homeowners Loan Corporation studies of the 1930's, which worked, when our Government had faith in its people and the people returned that faith. When we closed out the Homeowners Loan Corporation the taxpayers made half a billion dollars profit, and that was a lot of money at that time. Half a billion dollars then was like $3 billion today, or more.

But not this time, Mr. President, because you fought us down the line. And even though we battled and we got it out of subcommittee and we got out of full committee and we got it out of this House by a goodly margin, you and your leaders in the Senate killed it. It languished and died in the Senate.

Mr. President, while you are asking for $100 million for a motley crew with untold purposes, ill-defined objectives, untold prospects for enmeshing this country in quicksands of jungle wars, while you are saying you have the $100 million for that, please reconsider and let us forwardly push with just that amount of money, $100 million, which is what we were asking for in 1983. We could have saved 150,000 Americans whose only real identification with the country is their home and their little plot or lot of land.

Let us, Mr. President, go back. I heard last week, right before my special order, a colleague representing the agricultural area, saying there was great distress and that family homes were popping out of existence like popcorn in a popper. Today we have heard the gentlewoman from Maryland. Before that I have heard many times the distinguished chairman of the Steel Caucus referring to the rust belt of the United States. That was the producing arsenal of democracy in the vast war today rusing, inactive, out of use.

□ 1800

We have been subjected to the invasion of former enemies who lost the shooting war and have won the economic war.

I have related in speech after speech in 1965 and especially since 1966 and the first credit crunch of June, 1966, and it gives me no particular joy to say, "I told you so," anymore than I am joyful because of the outcome of the vote today which I had advocated and pled for, because I have never been satisfied with criticizing. I criticize only after I have some suggestions as alternatives to be considered.

The only time I complain is when there is no consideration given, when you are shut out from any consideration, because I think that is a disservice. Every one of us has the right and the duty to speak out and be heard and to be considered in those serious endeavors.

There has never been any levity on my part, but what I say is in the words of the prophet Isaiah:

> But this a people robbed and spoiled, they are all of them snared in holes and they are hid in prison houses. They are for a prey and none delivereth for a spoil and none sayeth restore.

I also include for the RECORD the following article and letter:

[From the Washington Post, Mar. 14, 1986]

The Reagan administration is right to take Nicaragua as a serious menace—to civil peace and democracy in Nicaragua and to the stability and security of the region. Some of its rhetoric is easily mocked, but the administration understands things much better than those who paint the Sandinistas as poor put-upon patriots of a mischievous but unthreatening leftist persuasion. There is no good reason to doubt the Sandinistas are revolutionary communists who would if they could make their country a second Cuba: a police state and an outpost of Soviet power. To defeat Somoza, they lied to the hemisphere that they were pluralists and democrats. To get aid from Jimmy Carter, they told more lies of their peaceful intent. They are squeezing the remaining pluralistic forces, and their subversive capability is evident.

The question is, what should be done about it? More precisely, since this is the seventh year of the revolution and the fifth year of the counter-insurgency and many political facts already exist on the ground, what can be done about it? For—here is where judgment must temper ardor—all possibilities are not equally open.

The first requirement is a general explicit agreement among Americans to draw certain geopolitical lines: no Soviet bases, no weapons of regional intimidation. The United States needs to make sure the Kremlin knows where these lines are. The United States needs to pledge to itself it will counter the inevitable Soviet probes.

Then the United States needs to do what is necessary to block and defeat efforts by Nicaragua, with or without its Cuban and Soviet patrons, to subvert other Central American countries. Naturally this can only be done with the consent and cooperation of the countries affected. The whole argument over the contras illustrates, by the way, the foolishness of imagining that El Salvador's large guerrilla force could stay in the field for two weeks without Nicaraguan support.

What about the contras? They have become an instrument to topple the Sandinistas or—a nearly equivalent goal— to deny them a monopoly of power. But they are an imperfect instrument. The credentials and field performance of the effective military leadership do not fit the democratic and humane purposes avowed by the political leadership. Their American sponsorship lets the Sandinistas depict them as inheritors of earlier Yankee interventions. Their American sponsorship also denies them the necessary warm support of almost all other Latin countries, whose fear of communist subversion is offset by a reluctance to endorse what they see as American armed intervention.

But, as the administration says, would not these difficulties dissolve if the United States ended its hesitancy on the contras and provided them the resources and American policy constancy they need to prevail? The record suggests that the Sandinistas would stiffen, close out the lingering traces of domestic pluralism and seek additional support. Other Latins, fearing the whirlpool, would distance themselves further from Washington.

The other Latins include Nicaragua's near neighbors and the South American democracies. They have found it next to impossible to gain political concessions from the Sandinista regime while it faced what it has regarded as a threat to its very existence. While Managua sees the issue as survival, no real concessions are likely, and even then they would be hard in coming. In this sense, the administration's insistence that the Sandinistas are irredeemable becomes, as does its critics' insistence that the contras cannot win, a self-fulfilling prophecy.

We believe, nonetheless, that serious negotiation offers a route to the loosening

that internal reconciliation and regional stabilization require. It counts that Nicaragua is not Cuba: not an island, necessarily more open to its neighbors, harder for Moscow (or Havana) to protect and sustain. It counts that inside as well as outside Nicaragua there remain important elements devoted to the best interests of their country. It counts that Latin America is caught up in a historic sweep toward democracy and that the Latin democracies are available to tug and haul on the parties, to assist in the back and forth, to draw away some of the Sandinistas' paralzying paranoia and to put the administration's effort in a larger multinational context.

"Serious negotiation." The goals—the feasible goals—are clear enough on the democratic side: first the scaling down of limits on civil liberties, press, private enterprise and church, the opening of next year's municipal elections to all parties, plus credible evidence of reduced Sandinista support for El Salvador's guerrillas; then a turn toward national power-sharing. What could the Sandinistas reasonably expect in return? A guerrilla cease-fire, postponement at least of American aid to rebel forces, a start on diminishing the American regional military presence, an end to economic sanctions; and, if things went along, American renunication of an intent to drive the Sandinistas from Nicaragua.

The Sandinistas have taken Nicaragua a long way toward the Soviet-Cuban orbit. An attempt to fit Nicaragua back into a Central American mode would be disorderly, incomplete and frustrating—but a vast improvement on what otherwise looms.

HOUSE OF REPRESENTATIVES,
Washington, DC, March 14, 1986.

EDITOR,
The Washington Post,
Washington, DC.

DEAR EDITOR: Your March 14 editorial on Nicaragua correctly points out that the Sandinistas are tough cookies; that's the way revolutionaries are. Then you go on to say that the Contras aren't nice guys, either, so maybe the best thing to do is forget about the latest request for more aid and try to negotiate a settlement. The trouble is, it isn't up to us to settle anything in Central America. It's up to those folks, not us.

Obviously, $100 million isn't going to make or break the Contras, let alone their enemies in Managua. If the Vietcong survived unlimited U.S. firepower, it's pretty clear that the Contras could do the same—if they had popular support, if they had internal unity, or even if they had some democratic leanings of their own.

The Reagan policy can make life tough for the Sandinistas, but they already know what hard times are. Hard times make hardbitten people. They haven't forgotten the decades of U.S.-sponsored dictatorship, and they see our present misadventures as just another chapter in Yankee efforts to impose our will in places where it's none of our business.

Nobody appointed Ronald Reagan to cleanse the world of obnoxious governments. If they did, there's a long list that he's forgotten about. If repression is bad in Nicaragua, how about Seoul? How about Santiago or worse still, Pretoria? And if "constructive engagement" works in South Africa, why couldn't it work in Nicaragua?

Money won't buy us a popular revolution in Nicaragua, any more than Marcos could buy his way out of one in the Philippines. The test the Contras have failed is the test of popular appeal and support. "People power" eliminated Somoza from Nicaragua, Marcos from the Philippines and Duvalier from Haiti. This is the power that the Contras don't have, and we can't buy. Reagan may believe that power stems from the barrel of guns, but revolutions grow only in the hearts of people. The Contras don't represent anything except an ugly past. Forget the aid. All it's doing is illing off whatever chance we might have ever had to walk away from our old role of bullyboy. Forget American negotiation; nobody down there is interested in being told again what Uncle Sam wants; it's their turn.

Sincerely,

HENRY B. GONZALEZ,
Member of Congress.

RECESS

The SPEAKER pro tempore. Without objection, the House will stand in recess.

Mr. WALKER. I object, Mr. Speaker.

The SPEAKER pro tempore. Objection is heard.

Does the gentleman from California wish to request time?

Mr. WALKER. Mr. Speaker, I ask unanimous consent that the House stand in recess until 6:45 p.m.

The SPEAKER pro tempore. Without objection, the House will stand in recess until 6:45 p.m.

There was no objection.

(Accordingly, at 6 o'clock and 6 minutes p.m., the House stood in recess until 6:45 p.m.)

□ 1845

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore [Mr. FOLEY] at 6 o'clock and 45 minutes p.m.

DEFICIT REDUCTION AMENDMENTS OF 1985

Mr. GRAY of Pennsylvania. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3128) to make changes in spending and revenue provisions for purposes of deficit reduction and program improvement, consistent with the budget process, with the Senate amendment to the House amendment to the Senate amendment to the House amendment to the Senate amendment thereto, to recede from disagreement to the Senate amendment, and to concur therein with an amendment.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The Clerk will report the amendment.

Mr. GRAY of Pennsylvania. Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The text of the amendment is as follows:

On page 1, strike out lines 8, 9, and 10.

On page 3, strike out lines 13 through 17, inclusive, and insert "which lies wholly within three".

On page 3, line 19, strike out "(except as provided above for Alaska)".

On page 5, strike out lines 9 through 12, inclusive, and insert the following: "shall pay the remaining balance due such State in accordance with section 8006(b) of the Outer Continental.".

On page 5, strike out line 14 and all that follows down through line 7 on page 8 and insert the following:

In section 8004—

(1) strike out "January 1, 1986" in subsection (a) and insert "April 15, 1986"; and

(2) insert "on October 1, 1986" after "United States Treasury" in subsection (b)(3).

In section 8006—

(1) insert "issued after September 18, 1978" after "any Federal leases" in subsection (a);

(2) insert "issued after September 18, 1978" after "derived from any lease" in paragraph (1) of subsection (a);

(3) insert "and any amount due such State under section 8(g)(5)(A) of the Outer Continental Shelf Lands Act, as amended by this title," after "subsection (a) of this section" in the first sentence of subsection (b);

(4) insert "and such section 8(g)(5)(A)" before the period at the end of subsection (b);

(5) strike out "10 percent" and insert "5 percent" in subsection (c); and

(6) insert "and section 8(g)(5)(A) of such Lands Act" after "subsection (a) of this section" in subsection (c).

In the second sentence of section 19(c) of the Outer Continental Shelf Lands Act as proposed to be amended by section 8101(a), insert ", to the maximum extent possible," after "equally weigh".

In section 5(j) of the Outer Continental Shelf Lands Act, as proposed to be added by section 8201—

(1) amend paragraph (2) to read as follows:

"(2) The requirements of paragraph (1) shall not apply to any vessel, rig, platform, or other structure which was built, which is being built, or for which a building contract has been executed, on or before October 1, 1985, and shall expire with respect to any vessel, rig, platform, or other structure for which either the bidding or award process has commenced on or after September 30, 1991.";

(2) strike out the quotation mark and the following period at the end of paragraph (3); and

(3) add at the end thereof the following new paragraph:

"(4)(A) Notwithstanding the provisions of this subsection, a lessee may petition the Secretary for a waiver of the requirements of this subsection.

"(B) The Secretary shall assign an Administrative Law Judge to conduct a hearing on the record on the petition and make a finding for the Secretary.

"(C) The Administrative Law Judge shal recommend to the Secretary that the Secre tary grant such waiver if the Administrativ Law Judge finds that the lessee's explora

tion or development and production plan cannot be carried out solely because of the additional costs that would be incurred as a result of the requirements of this subsection.

"(D) If the Secretary receives the recommendation from the Administrative Law Judge provided in paragraph (C), the Secretary may grant the waiver if the Secretary concurs with the finding of the Administrative Law Judge.".

Page 9, line 7, insert "and" after the comma.

Page 9, line 9. strike out ", and" and insert in lieu thereof a period.

Page 9, strike out line 10 and all that follows through line 17, on page 10.

Page 11, after line 23, insert the following:

In section 9221(a), strike out "September 30, 1986" and insert in lieu thereof "July 31, 1987".

Page 12, amend lines 1 through 8 to read as follows:

(1) in subsection (a), strike out "January 31" and "January 31" and insert in lieu thereof "May 31" and "May 31", respectively;

(2)(A) in subsection (b), strike out "11-month", "February", "January 31", "4-month", and "the month of January 1986" and insert in lieu thereof "7-month", "June", "May 31", "8-month", and "the 31-day period beginning on April 14, 1986", respectively, each place each appears;

(B) in subsection (b)(3), strike out "before the beginning of the respective period" and insert in lieu thereof "during the 31-day period beginning on April 14, 1986, or before the beginning of the calendar year involved, respectively"; and

Page 12, line 20, strike out "8" and "May" and insert in lieu thereof "7" and "June", respectively.

Page 15, strike out line 16 and insert the following:

In section 12302(d), strike out "1988" and insert in lieu thereof "1989".

Page 31, strike out line 18 and insert in lieu thereof the following:

(1) strike out "Subsection (c)" and insert in lieu

Page 35, strike out lines 3 and 4, and insert in lieu thereof the following:

In section 15202(b)(2), strike out "March 1, 1986" and insert in lieu thereof "June 1, 1986".

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Pennsylvania?

Mr. WALKER. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

MOTION OFFERED BY MRS. MARTIN OF ILLINOIS

Mrs. MARTIN of Illinois. Mr. Speaker, I offer a privileged motion.

The SPEAKER pro tempore. The Clerk will report the motion and the Senate amendment.

The Clerk read as follows: Mrs. MARTIN of Illinois moves to take from the Speaker's table the bill, H.R. 3128, with the Senate amendment to the House amendment to the Senate amendment to the House amendment to the Senate amendment thereto, and recede from its disagreement to the Senate amendment and concur in the Senate amendment.

Senate amendment to House amendment to Senate amendment to House amendment to Senate amendment: In lieu of the matter proposed to be inserted by the said amendment, insert:

In section 4016, insert "or seasonal suspension" after "adjustment in frequency"; and insert "adjustment or" after "service unless such".

In subparagraph (F)(ii) of paragraph (10) of section 204(b) of the Magnuson Fishery Conservation and Management Act, as proposed to be amended by section 6021, strike out "from such nations".

In title VI, strike out subtitle D and redesignate subtitles E, F, G, H, I, and J as subtitles D, E, F, G, H, and I, respectively.

In subsection (b)(2)(B) of section 315 of the Coastal Zone Management Act, as proposed to be amended by section 6044, strike out "environmental" and insert "environment".

In section 3A of the National Ocean Pollution Planning Act of 1978, as proposed to be added by section 6072(2)—

(1) amend subparagraph (B) of subsection (a)(2) to read as follows:

"'(B) be headed by a director who shall—

"'(i) be appointed by the Administrator,

"'(ii) serve as the Chair of the Board, and

"'(iii) be the spokesperson for the program;";

(2) insert a quotation mark and a period after the period at the end of subparagraph (D) of subsection (b)(2); and

(3) strike out paragraph (3) of subsection (b).

In section 6085—

(1) insert "and duties" after "functions" in the long title of the Act of August 6, 1947 cited in such section; and

(2) strike out "'or subdivision thereof'" and insert "'or subdivision thereof,'" in paragraph (2).

In title VIII, strike out the heading for subtitle A.

In section 8001, strike out "subtitle" and insert in lieu thereof "title".

In section 8(g) of the Outer Continental Shelf Lands Act, as proposed to be amended by section 8003, strike out paragraph (2) and insert in lieu thereof the following:

"(2) Notwithstanding any other provision of this Act, the Secretary shall deposit into a separate account in the Treasury of the United States all bonuses, rents, and royalties, and other revenues (derived from any bidding system authorized under subsection (a)(1)), excluding Federal income and windfall profits taxes, and derived from any lease issued after September 18, 1978 of any Federal tract which lies wholly (or, in the case of Alaska, partially until seven years from the date of settlement of any boundary dispute that is the subject of an agreement under section 7 of this Act entered into prior to January 1, 1986 or until April 15, 1993 with respect to any other tract) within three nautical miles of the seaward boundary of any coastal State, or, (except as provided above for Alaska) in the case where a Federal tract lies partially within three nautical miles of the seaward boundary, a percentage of bonuses, rents, royalties, and other revenues (derived from any bidding system authorized under subsection (a)(1)), excluding Federal income and windfall profits taxes, and derived from any lease issued after September 18, 1978 of such tract equal to the percentage of surface acreage of the tract that lies within such three nautical miles. Except as provided in paragraph (5) of this subsection, not later than the last business day of the month following the month in which those revenues are deposited in the Treasury, the Secretary shall transmit to such coastal State 27 percent of those revenues, together with all accrued interest thereon. The remaining balance of such revenues shall be transmitted simultaneously to the miscellaneous receipts account of the Treasury of the United States.".

In section 8(g)(5) of the Outer Continental Shelf Lands Act, as proposed to be amended by section 8003, strike out subparagraph (A) and insert in lieu thereof the following:

"(5)(A) When there is a boundary dispute between the United States and a State which is subject to an agreement under section 7 of this Act, the Secretary shall credit to the account established pursuant to such agreement all bonuses, rents, and royalties, and other revenues (derived from any bidding system authorized under subsection (a)(1)), excluding Federal income and windfall profits taxes, and derived from any lease issued after September 18, 1978 of any Federal tract which lies wholly or partially within three nautical miles of the seaward boundary asserted by the State, if that money has not otherwise been deposited in such account. Proceeds of such account shall be distributed as follows:

"Upon the settlement of any boundary dispute which is subject to a section 7 agreement between the United States and a State, the Secretary shall pay to such State all money due such State from amounts deposited in the escrow account. If there is insufficient money deposited in the escrow account, the Secretary shall transmit, from any revenues derived from any lease of Federal lands under this Act, the remaining balance due such State in accordance with the formula set forth in section 8004(b)(1)(B) of the Outer Continental Shelf Lands Act Amendments of 1985.".

Strike out section 8004 and insert in lieu thereof the following:

"SEC. 8004. DISTRIBUTION OF SECTION 8(g) ACCOUNT.

"(a) Prior to April 15, 1986, the Secretary shall distribute to the designated coastal States the sum of—

"(1) the amounts due and payable to each State under paragraph (2) of section 8(g) of the Outer Continental Shelf Lands Act, as amended by this title, for the period between October 1, 1985, and the date of such distribution, and

"(2) the amounts due each such State under subsection (b)(1)(A) of this section for the period prior to October 1, 1985.

"(b)(1) As a fair and equitable disposition of all revenues (including interest thereon) derived from any lease of Federal lands wholly or partially within 3 miles of the seaward boundary of a coastal State prior to October 1, 1985, the Secretary shall distribute:

"(A) from the funds which were deposited in the separate account in the Treasury of the United States under section 8(g)(4) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(g)(4)) which was in effect prior to the date of enactment of section 8003 of this title the following sums:

	($ million)
Louisiana	572
Texas	382
California	338
Alabama	66
Alaska	51
Mississippi	14
Florida	0.03

as well as 27 percent of the royalties, derived from any lease of Federal lands, which have been deposited through September 30, 1985 in the separate account described in this paragraph and interest thereon accrued through September 30, 1985 and shall trans

mit any remaining amounts to the miscellaneous receipts account of the Treasury of the United States; and

"(B) from revenues derived from any lease of Federal lands under the Outer Continental Shelf Lands Act, as amended, prior to April 15 of each of the fifteen fiscal years following the fiscal year in which this title is enacted, 3 percent of the following sums in each of the five fiscal years following the date of enactment of this Act, 7 percent of such sums in each of the next five fiscal years, and 10 percent of such sums in each of the following five fiscal years:

	($ million)
Louisiana	84
Texas	134
California	289
Alabama	7
Alaska	134
Mississippi	2.

"(2) The acceptance of any payment by a State under this section shall satisfy and release any and all claims of such State against the United States arising under, or related to, section 8(g) of the Outer Continental Shelf Lands Act, as it was in effect prior to the date of enactment of this Act and shall vest in such State the right to receive payments as set forth in this section.

"(c) Notwithstanding any other provision of this Act, the amounts due and payable to the State of Louisiana prior to October 1, 1986, under subtitle A of title VIII (Outer Continental Shelf and Related Programs) of this Act shall remain in their separate accounts in the Treasury of the United States and continue to accrue interest until October 1, 1986, except that the $572,000,000 set forth in subsection 8004(b)(1)(A) of this section shall only accrue interest from April 15, 1986 to October 1, 1986, at which time the Secretary shall immediately distribute such sums with accrued interest to the State of Louisiana.".

Strike out section 8006.

Strike out subtitles B and C of title VIII.

In subtitle A of title IX, strike out sections 9203, 9212, 9302, 9311, and 9312, and conform the table of contents of title IX accordingly.

In section 9101—

(1) in subsection (a), strike out "FEBRUARY 28" and "February 28" and insert in lieu thereof "APRIL 30" and "April 30", respectively;

(2) in subsections (b), (e)(1)(B), (e)(2)(B), (e)(2)(C), and (e)(3)(C), strike out "1 percent" and insert in lieu thereof "½ percent";

(3) in subsection (d), strike out "December 19, 1985" and insert in lieu thereof "March 15, 1986";

(4) in subsection (e)(1)(A), strike out "March" and insert in lieu thereof "May";

(5) in subsection (e)(2)(B), strike out "5 months" and "7 months" and insert in lieu thereof "7 months" and "5 months", respectively; and

(6) in subsection (e)(3)(B), strike out "7/12" and insert in lieu thereof "7/24".

In section 9102(d)—

(1) strike out "5 months" in paragraph (2)(B)(i) and insert in lieu thereof "7 months",

(2) strike out "7 months" in paragraph (2)(B)(ii) and insert in lieu thereof "5 months",

(3) strike out "March" in paragraph (3) and insert in lieu thereof "May", and

(4) add at the end thereof the following:

"(4) EXCEPTION.—

"(A) Notwithstanding any other provision of this subsection, the amendments made by this section shall not apply to payments with respect to the operating costs of inpatient hospital services (as defined in section 1886(a)(4) of the Social Security Act) of a subsection (d) hospital (as defined in section 1886(d)(1)(B) of such Act) located in the State of Oregon.

"(B) Notwithstanding any other provision of law, for a cost reporting period beginning during fiscal year 1986 of a subsection (d) hospital to which the amendments made by this section do not apply, for purposes of section 1886(d)(1)(A) of the Social Security Act—

"(i) during the first 7 months of the period the 'target percentage' is 50 percent and the 'DRG percentage' is 50 percent, and

"(ii) during the remaining 5 months of the period the 'target percentage' is 25 percent and the 'DRG percentage' is 75 percent.

"(C) Notwithstanding any other provision of law, for purposes of section 1886(d)(1)(D) of such Act, the applicable combined adjusted DRG prospective payment rate for a subsection (d) hospital to which the amendments made by this section do not apply is, for discharges occurring on or after October 1, 1985, and before May 1, 1986, a combined rate consisting of 25 percent of the national adjusted DRG prospective payment rate and 75 percent of the regional adjusted DRG prospective payment rate for such discharges.".

In section 9103, in subsections (a) and (b)(2), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9104, in subsections (a) and (c)(1), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9105, in subsections (a) and (e) strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9123(b), strike out "January" and insert in lieu thereof "April".

In section 9124(b)(1), strike out "April" and insert in lieu thereof "July".

In section 9128, strike out "will go" and insert in lieu thereof "went".

In section 9201(d), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 1886(h)(4)(E) of the Social Security Act, which is proposed to be added by section 9202(a)—

(1) strike out "before July 1, 1986" in clause (i)(I),

(2) strike out "the individual is unable to take that examination because" in clause (i)(II), and

(3) insert "or a previous examination of the Educational Commission for Foreign Medical Graduates" in clause (ii)(II) after "FMGEMS examination".

In section 9211(e), strike out "February" and "April" and insert in lieu thereof "May" and "July", respectively, each place each appears.

In section 9301—

(1) in subsection (a), strike out "JANUARY 31" and "January 31" and insert in lieu thereof "APRIL 30" and "April 30", respectively;

(2) in subsection (b), strike out "11-month", "February", "January 31", "4-month", and "January 1986" and insert in lieu thereof "8-month", "May", "April 30", "7-month", and "April 1986", respectively, each place each appears; and

(3) in subsection (c)(5), strike out "July" and insert in lieu thereof "October".

In section 9303—

(1) in subsection (b)(2), strike out "April", "1987" and "December 31, 1986" and insert in lieu thereof "July", "1988", and "December 31, 1987", respectively, and

(2) in subsection (b)(5)(A), strike out "April" and insert in lieu thereof "July".

In section 9304(b)—

(1) strike out "11-month" and "February" and insert in lieu thereof "8-month" and "May", respectively;

(2) in paragraph (1) in the matter before subparagraph (A), insert "at any time" after "in the case of any physician who"; and

(3) in paragraph (1)(B), strike out "is not a participating physician" and all that follows through "September 30, 1985, or" and insert in lieu thereof "was not a participating physician (as defined in section 1842(h)(1) of the Social Security Act) on September 30, 1985, and who is not such a physician".

In section 9307(c)—

(1) in paragraph (1), strike out "subsection (l)" and insert in lieu thereof "subsection (k)";

(2) in paragraph (2), strike out "after subsection (k), added by section 146(a) of this title," and insert in lieu thereof "at the end"; and

(3) in the subsection added by paragraph (2), strike out "(l)(1)" and insert in lieu thereof "(k)(1)".

In subtitle B of title IX, strike out sections 9504, 9513, and 9521, and conform the table of contents of title IX accordingly.

In section 9501(d)(1), strike out "April" and insert in lieu thereof "July".

In section 9505(b)(1)—

(1) strike out "sections 9501 and 9504" and insert in lieu thereof "section 9501", and

(2) strike out "(VI)" and "(VII)" and insert in lieu thereof "(V)" and "(VI)", respectively.

In section 9506(a), in proposed subsection (k)(2) of section 1902 of the Social Security Act, insert "(other than by will)" after "established".

In section 9511(b), strike out "January" and insert in lieu thereof "April".

In section 9517(c), amend paragraph (2) to read as follows:

"(2)(A) Except as provided in subparagraph (B), the amendments made by paragraph (1) shall apply to expenditures incurred for health insuring organizations which first become operational on or after January 1, 1986.

"(B) In the case of a health insuring organization—

"(i) which first becomes operational on or after January 1, 1986, but

"(ii) for which the Secretary of Health and Human Services has waived, under section 1915(b) of the Social Security Act and before such date, certain requirements of section 1902 of such Act,

clauses (ii) and (iv) of section 1903(m)(2)(A) of such Act shall not apply during the period for which such waiver is effective.".

In section 9522, insert "(or submitted during 1986 by)" after "granted to".

In section 9523—

(1) in subsection (a), strike out "CONTINUED" and "continue" and insert in lieu thereof "RENEWED" and "renew", respectively, and

(2) in subsection (b)—

(A) strike out "continued" and insert in lieu thereof "renewed",

(B) strike out "the date of the enactment of this Act" and insert in lieu thereof "December 31, 1985".

In section 9526, at the end of subsection (a) of proposed section 1920 of the Social Security Act, add the following:

"(F) Section 310(b)(1) of Public Law 96-272 (relating to continuing medicaid eligibility for certain recipients of Veterans' Administration pensions).".

In subtitle C of title XII, strike out section 12302.

In section 12301—

(1) in subsection (b)—

(A) strike out "or 1903(u)" in paragraph (1), and

(B) strike out "titles IV-A and XIX" and insert in lieu thereof "title IV-A" each place it appears; and

(2) after subsection (d), strike out "and 1982.".

In section 12304(a)(3), immediately before the semicolon at the end of the proposed new subparagraph (C), insert the following: "; but the State shall not be subject to any financial penalty in the administration or enforcement of this subparagraph as a result of any monitoring, quality control, or auditing requirements".

Part 1 of subtitle A of title XIII of the bill is amended to read as follows:

"PART I—TRADE ADJUSTMENT ASSISTANCE

"SEC. 13001. SHORT TITLE.

"This part may be cited as the 'Trade Adjustment Assistance Reform and Extension Act of 1986'.

"SEC. 13002. ELIGIBILITY OF WORKERS AND FIRMS FOR TRADE ADJUSTMENT ASSISTANCE.

"(a) WORKERS.—Sections 221(a) and 222 of the Trade Act of 1974 (19 U.S.C. 2271(a); 2272) are each amended by inserting '(including workers in any agricultural firm or subdivision of an agricultural firm)' after 'group of workers'.

"(b) FIRMS.—

"(1) Subsections (a) and (c) of section 251 of the Trade Act of 1974 (19 U.S.C. 2341) are each amended by inserting '(including any agricultural firm)' after 'a firm'.

"(2) Paragraph (2) of section 251(c) of the Trade Act of 1974 (19 U.S.C. 2341(c)(2)) is amended to read as follows:

"'(2) that—

"'(A) sales or production, or both, of the firm have decreased absolutely, or

"'(B) sales or production, or both, of an article that accounted for not less than 25 percent of the total production or sales of the firm during the 12-month period preceding the most recent 12-month period for which data are available have decreased absolutely, and'.

"SEC. 13003. CASH ASSISTANCE FOR WORKERS.

"(a) PARTICIPATION IN JOB SEARCH PROGRAM REQUIRED.—

"(1) Subsection (a) of section 231 of the Trade Act of 1974 (19 U.S.C. 2291(a)) is amended by adding at the end thereof the following new paragraph:

"'(5) Such worker, unless the Secretary has determined that no acceptable job search program is reasonably available—

"'(A) is enrolled in a job search program approved by the Secretary under section 237(c), or

"'(B) has, after the date on which the worker became totally separated, or partially separated, from the adversely affected employment, completed a job search program approved by the Secretary under section 237(c).'.

"(2) Section 231 of the Trade Act of 1974 (19 U.S.C. 2291) is amended by adding at the end thereof the following new subsection:

"'(c) If the Secretary determines that—

"'(1) the adversely affected worker—

"'(A) has failed to begin participation in the job search program the enrollment in which meets the requirement of subsection (a)(5), or

"'(B) has ceased to participate in such job search program before completing such job search program, and

"'(2) there is no justifiable cause for such failure or cessation,

no trade readjustment allowance may be paid to the adversely affected worker under this part on or after the date of such determination until the adversely affected worker begins or resumes participation in a job search program approved under section 237(c).'.

"(3) Subsection (a) of section 239 of the Trade Act of 1974 (19 U.S.C. 2311(a)) is amended—

"(A) by striking out 'training,' in clause (2) and inserting in lieu thereof 'training and job search programs,'; and

"(B) by striking out 'and (3)' and inserting in lieu thereof '(3) will make determinations and approvals regarding job search programs under sections 231(c) and 237(c), and (4)'.

"(b) QUALIFYING WEEKS OF EMPLOYMENT.—The last sentence of section 231(a)(2) of the Trade Act of 1974 (19 U.S.C. 2291(a)(2)) is amended by striking out all that follows after subparagraph (C) and inserting in lieu thereof 'shall be treated as a week of employment at wages of $30 or more, but not more than 7 weeks, in case of weeks described in paragraph (A) or (C), or both, may be treated as weeks of employment under this sentence.'.

"(c) WEEKLY AMOUNTS OF READJUSTMENT ALLOWANCES.—Section 232 of the Trade Act of 1974 (19 U.S.C. 2292) is amended—

"(1) by striking out 'under any Federal law,' in subsection (c) and inserting in lieu thereof 'under any Federal law other than this Act',

"(2) by striking out 'under section 236(c)' in subsection (c) and inserting in lieu thereof 'under section 231(c) or 236(c)', and

"(3) by striking out 'If the training allowance' in subsection (c) and inserting in lieu thereof 'If such training allowance'.

"(d) LIMITATIONS.—

"(1) Paragraph (2) of section 233(a) of the Trade Act of 1974 (19 U.S.C. 2293(a)(2)) is amended by striking out '52-week period' and inserting in lieu thereof '104-week period'.

"(2) Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended by adding at the end thereof the following new subsection:

"'(e) No trade readjustment allowance shall be paid to a worker under this part for any week during which the worker is receiving on-the-job training.'.

"SEC. 13004. JOB TRAINING FOR WORKERS.

"(a) IN GENERAL.—Section 236 of the Trade Act of 1974 (19 U.S.C. 2296) is amended—

"(1) by striking out 'for a worker' in subsection (a)(1)(A) and inserting in lieu thereof 'for an adversely affected worker',

"(2) by striking out 'may approve' in the first sentence of subsection (a)(1) and inserting in lieu thereof 'shall (to the extent appropriated funds are available) approve',

"(3) by striking out 'under paragraph (1)' in subsection (a)(2) and inserting in lieu thereof 'under subsection (a)',

"(4) by striking out 'this subsection' in subsection (a)(3) and inserting in lieu thereof 'this section',

"(5) by redesignating paragraphs (2) and (3) of subsection (a) as subsections (e) and (f), respectively,

"(6) by inserting at the end of subsection (a) the following new paragraphs:

"'(2) For purposes of applying paragraph (1)(C), a reasonable expectation of employment does not require that employment opportunities for a worker be available, or offered, immediately upon the completion of training approved under this paragraph (1).

"'(3)(A) If the costs of training an adversely affected worker are paid by the Secretary under paragraph (1), no other payment for such costs may be made under any other provision of Federal law.

"'(B) No payment may be made under paragraph (1) of the costs of training an adversely affected worker if such costs—

"'(i) have already been paid under any other provision of Federal law, or

"'(ii) are reimbursable under any other provision of Federal law and a portion of such costs have already been paid under such other provision of Federal law.

"'(C) The provisions of this paragraph shall not apply to, or take into account, any funds provided under any other provision of Federal law which are used for any purpose other than the direct payment of the costs incurred in training a particular adversely affected worker, even if such use has the effect of indirectly paying or reducing any portion of the costs involved in training the adversely affected worker.

"'(4) The training programs that may be approved under paragraph (1) include, but are not limited to—

"'(A) on-the-job training,

"'(B) any training program provided by a State pursuant to section 303 of the Job Training Partnership Act,

"'(C) any training program approved by a private industry council established under section 102 of such Act, and

"'(D) any other training program approved by the Secretary.', and

"(7) by inserting after subsection (c) the following new subsection:

"'(d) Notwithstanding any provision of subsection (a)(1), the Secretary may pay the costs of on-the-job training of an adversely affected worker under subsection (a)(1) only if—

"'(1) no currently employed worker is displaced by such adversely affected worker (including partial displacement such as a reduction in the hours of nonovertime work, wages, or employment benefits),

"'(2) such training does not impair existing contracts for services or collective bargaining agreements,

"'(3) in the case of training which would be inconsistent with the terms of a collective bargaining agreement, the written concurrence of the labor organization concerned has been obtained,

"'(4) no other individual is on layoff from the same, or any substantially equivalent, job for which such adversely affected worker is being trained,

"'(5) the employer has not terminated the employment of any regular employee or otherwise reduced the workforce of the employer with the intention of filling the vacancy so created by hiring such adversely affected worker,

"'(6) the job for which such adversely affected worker is being trained is not being created in a promotional line that will infringe in any way upon the promotional opportunities of currently employed individuals,

"'(7) such training is not for the same occupation from which the worker was separated and with respect to which such worker's group was certified pursuant to section 222,

"'(8) the employer certifies to the Secretary that the employer will continue to employ such worker for at least 26 weeks after completion of such training if the worker desires to continue such employment and the employer does not have due cause to terminate such employment,

"'(9) the employer has not received payment under subsection (a)(1) with respect to any other on-the-job training provided by such employer which failed to meet the requirements of paragraphs (1), (2), (3), (4), (5), and (6), and

"'(10) the employer has not taken, at any time, any action which violated the terms of any certification described in paragraph (8) made by such employer with respect to any other on-the-job training provided by such employer for which the Secretary has made a payment under subsection (a)(1).'.

"(b) ON-THE-JOB TRAINING DEFINED.—Section 247 of the Trade Act of 1974 (19 U.S.C. 2319) is amended by adding at the end thereof the following new paragraph:

"'(16) The term "on-the-job training" means training provided by an employer to an individual who is employed by the employer.'.

"(c) AGREEMENTS WITH THE STATES.—Section 239 of the Trade Act of 1974 (19 U.S.C. 2311) is amended—

"(1) by amending subsection (a)(2) by inserting 'but in accordance with subsection (f),' after 'where appropriate,'; and

"(2) by adding at the end thereof the following new subsections:

"'(e) Agreements entered into under this section may be made with one or more State or local agencies including—

"'(1) the employment service agency of such State,

"'(2) any State agency carrying out title III of the Job Training Partnership Act, or

"'(3) any other State or local agency administering job training or related programs.

"'(f) Each cooperating State agency shall, in carrying out subsection (a)(2)—

"'(1) advise each adversely affected worker to apply for training under section 236(a) at the time the worker makes application for trade readjustment allowances (but failure of the worker to do so may not be treated as cause for denial of those allowances), and

"'(2) within 60 days after application for training is made by the worker, interview the adversely affected worker regarding suitable training opportunities available to the worker under section 236 and review such opportunities with the worker.'.

"SEC. 13005. JOB SEARCH ALLOWANCES.

"(a) IN GENERAL.—Section 237 of the Trade Act of 1974 (19 U.S.C. 2297) is amended by adding at the end thereof the following new subsection:

"'(c) The Secretary shall reimburse any adversely affected worker for necessary expenses incurred by such worker in participating in a job search program approved by the Secretary.'.

"(b) DEFINITIONS.—Section 247 of the Trade Act of 1974 (19 U.S.C. 2319), as amended by section 13004(b) of this Act, is further amended by adding at the end thereof the following new paragraph:

"'(17)(A) The term "job search program" means a job search workshop or job finding club.

"'(B) The term "job search workshop" means a short (1 to 3 days) seminar designed to provide participants with knowledge that will enable the participants to find jobs. Subjects are not limited to, but should include, labor market information, resume writing, interviewing techniques, and techniques for finding job openings.

"'(C) The term "job finding club" means a job search workshop which includes a period (1 to 2 weeks) of structured, supervised activity in which participants attempt to obtain jobs.'.

"SEC. 13006. ADJUSTMENT ASSISTANCE FOR FIRMS.

"(a) TECHNICAL ASSISTANCE.—

"(1) Paragraph (1) of section 252(b) of the Trade Act of 1974 (19 U.S.C. 2342(b)(1)) is amended to read as follows:

"'(1) Adjustment assistance under this chapter consists of technical assistance. The Secretary shall approve a firm's application for adjustment assistance only if the Secretary determines that the firm's adjustment proposal—

"'(A) is reasonably calculated to materially contribute to the economic adjustment of the firm,

"'(B) gives adequate consideration to the interests of the workers of such firm, and

"'(C) demonstrates that the firm will make all reasonable efforts to use its own resources for economic development.'.

"(2) Section 252 of the Trade Act of 1974 (19 U.S.C. 2342) is amended by striking out subsection (c) and redesignating subsection (d) as subsection (c).

"(3) Paragraph (2) of section 253(b) of the Trade Act of 1974 (19 U.S.C. 2343(b)(2)) is amended by striking out 'such cost' and inserting in lieu thereof 'such cost for assistance described in paragraph (2) or (3) of subsection (a)'.

"(b) NO NEW LOANS OR GUARANTEES.—Section 254 of the Trade Act of 1974 (19 U.S.C. 2344) is amended by adding at the end thereof the following new subsection:

"'(d) Notwithstanding any other provision of this chapter, no direct loans or guarantees of loans may be made under this chapter after the date of enactment of the Trade Adjustment Assistance Reform and Extension Act of 1986.'.

"SEC. 13007. EXTENSION AND TERMINATION OF TRADE ADJUSTMENT ASSISTANCE.

"(a) IN GENERAL.—Section 285 of the Trade Act of 1974 (19 U.S.C. 2271, preceding note) is amended—

"(1) by striking out the first sentence thereof and inserting in lieu thereof "(a)",

"(2) by striking out the section heading and inserting in lieu thereof 'SEC. 285. TERMINATION.', and

"(3) by adding at the end thereof the following new subsection:

"'(b) No assistance, allowances, or other payments may be provided under chapter 2, and no technical assistance may be provided under chapter 3, after September 30, 1991.'.

"(b) CONFORMING AMENDMENT.—The table of contents of the Trade Act of 1974 is amended by striking out the item relating to section 285 and inserting in lieu thereof the following:

"'Sec. 285. Termination.'.

"SEC. 13008. AUTHORIZATION OF APPROPRIATIONS.

"(a) WORKERS.—Section 245 of the Trade Act of 1974 (19 U.S.C. 2317) is amended by striking out '1982 through 1985' and inserting in lieu thereof '1986, 1987, 1988, 1989, 1990, and 1991'.

"(b) FIRMS.—Subsection (b) of section 256 of the Trade Act of 1974 (19 U.S.C. 2346(b)) is amended—

"(1) by inserting 'for fiscal years 1986, 1987, 1988, 1989, 1990, and 1991' after 'to the Secretary',

"(2) by striking out 'from time to time', and

"(3) by striking out the last sentence thereof.

"SEC. 13009. EFFECTIVE DATES; APPLICATION OF GRAMM-RUDMAN.

"(a) IN GENERAL.—Except as provided in subsections (b) and (c), the amendments made by this part shall take effect on the date of the enactment of this Act.

"(b) JOB SEARCH PROGRAM REQUIREMENTS.—The amendments made by section 13003(a) apply with respect to workers covered by petitions filed under section 221 of the Trade Act of 1974 on or after the date of the enactment of this Act.

"(c) EXTENSION AND AUTHORIZATION.—Chapters 2 and 3 of title II of the Trade Act of 1974 (19 U.S.C. 2271, et seq.) shall be applied as if the amendments made by sections 13007 and 13008 had taken effect on December 18, 1985.

"(d) APPLICATION OF GRAMM-RUDMAN.—Trade readjustment allowances payable under part I of chapter 2 of title II of the Trade Act of 1974 for the period from March 1, 1986, and until October 1, 1986, shall be reduced by a percentage equal to the non-defense sequester percentage applied in the Sequestration Report (submitted under the Balanced Budget and Emergency Deficit Control Act of 1985 and dated January 21, 1986) of the Comptroller General of the United States for fiscal year 1986.".

In section 13031(e)(2)—

(1) strike out "section 236(c)" and insert in lieu thereof "section 236", and

(2) strike out "58b(c)" and insert in lieu thereof "58b".

Strike out subtitle B of title XIII and redesignate the following subtitles accordingly.

In section 13201—

(1) strike out "Subsection (c)" and insert in lieu thereof "(a) Subsection (c)", and

(2) add at the end thereof the following new subsection:

"(b) For purposes of all Federal and State laws, the amendment made by subsection (a) shall be treated as having taken effect on March 14, 1986.".

Strike out subsection (d) of section 13202 and insert in lieu thereof the following:

"(c) EFFECTIVE DATE.—

"(1) IN GENERAL.—The amendments made by this section shall apply to smokeless tobacco removed after June 30, 1986.

"(2) TRANSITIONAL RULE.—Any person who—

"(A) on the date of the enactment of this Act, is engaged in business as a manufacturer of smokeless tobacco, and

"(B) before July 1, 1986, submits an application under subchapter B of chapter 52 of the Internal Revenue Code of 1954 to engage in such business,

may, notwithstanding such subchapter B, continue to engage in such business pending final action on such application. Pending such final action, all provisions of chapter 52 of such Code shall apply to such applicant in the same manner and to the same extent as if such applicant were a holder of a permit to manufacture smokeless tobacco under such chapter 52.".

Strike out subsection (c) of section 13203 and insert the following:

"(c) EXISTING REDUCTION IN RATES FOR PERIOD AFTER TEMPORARY INCREASE RETAINED.—So much of subsection (e) of section 4121 (relating to temporary increase in amount of tax) as precedes paragraph (2) is amended to read as follows:

"'(e) REDUCTION IN AMOUNT OF TAX.—

"'(1) IN GENERAL.—Effective with respect to sales after the temporary increase termination date, subsection (b) shall be applied—

"'(A) by substituting "$.50" for "$1.10",

"'(B) by substituting "$.25" for "$.55", and

"'(C) by substituting "2 percent" for "4.4 percent".'"

In section 13203(d), strike out "December 31, 1985" and insert in lieu thereof "March 31, 1986".

In section 13205(a)(1), strike out "of the Internal Revenue Code of 1954".

In subsection (a)(2) of section 13205, strike out "of such Code" each place it appears.

In section 13205, strike out "December 31, 1985" and "January 1, 1986" and insert in lieu thereof "March 31, 1986" and "April 1, 1986", respectively, each place either appears.

At the end of paragraph (2) of section 1303(d) of the Internal Revenue Code of 1954 (as proposed to be added by section 13206(a)), insert the following: "In applying subparagraph (B), amounts which constitute earned income (within the meaning of section 911(d)(2)) and are community income under community property laws applicable to such income shall be taken into account as if such amounts did not constitute community income.".

In section 13207(c), strike out "September 12, 1985" and insert in lieu thereof "September 12, 1984".

In subparagraph (A) of section 531(g)(1) of the Tax Reform Act of 1984 (as proposed to be added by section 13207(d)), strike out "performed" and insert in lieu thereof "performs".

In paragraph (2) of section 531(g) of the Tax Reform Act of 1984 (as proposed to be added by section 13207(d)), strike out subparagraph (B) and insert in lieu thereof the following:

"(B) if—

"(i) such organization is described in section 501(c)(6) of the Internal Revenue Code of 1954 and the membership of such organization is limited to entities engaged in the transportation by air of individuals or property for compensation or hire, or

"(ii) such organization is a corporation all the stock of which is owned entirely by entities referred to in clause (i), and".

In clause (vi) of section 57(a)(9)(E) of the Internal Revenue Code of 1954 (as proposed to be added by section 13208(a)), strike out "The" and insert in lieu thereof "For purposes of this subparagraph, the".

In clause (vii) of such section 57(a)(9)(E), strike out "The" and insert in lieu thereof "For purposes of this subparagraph, the".

In section 14001(a)(2), strike out "amounts".

In section 14001(a)(4), strike out "March 1, 1986" and insert in lieu thereof "June 2, 1986".

In section 15202, strike out subsection (b) and redesignate subsection (c) as subsection (b).

In section 19001(a), strike out "and Compensation Rate Amendments of 1985" and insert in lieu thereof "Amendments of 1986".

In section 19011—

(1) strike out "April 1, 1986" in the last sentence of subsection (e)(2) and insert in lieu thereof "July 1, 1986"; and

(2) in subsection (f)—

(A) strike out "April 1, 1986" each place it appears and insert in lieu thereof "July 1, 1986";

(B) strike out "March 31, 1986" both places it appears in paragraph (2)(A) and insert in lieu thereof "June 30, 1986"; and

(C) strike out "April and May 1986" in paragraph (2)(B) and insert in lieu thereof "July and August 1986".

Strike out subtitle B of title XIX (and redesignate subtitle C as subtitle B).

In section 19031(b)(2), strike out "April 1, 1986" and insert in lieu thereof "July 1, 1986".

In section 19032—

(1) strike out "February 1, 1986" in subsection (a) and insert in lieu thereof "May 1, 1986"; and

(2) strike out "November 1, 1986, and November 1, 1987," in subsection (f) and insert in lieu thereof "February 1, 1987, and February 1, 1988,".

Mrs. MARTIN of Illinois (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

The SPEAKER pro tempore. The gentlewoman from Illinois [Mrs. MARTIN] will be recognized for 30 minutes, and the gentleman from Pennsylvania [Mr. GRAY] will be recognized for 30 minutes.

The Chair recognizes the gentlewoman from Illinois [Mrs. MARTIN].

Mrs. MARTIN of Illinois. I thank the Speaker.

Mr. Speaker, we do not intend to take the full 30 minutes, revisiting this legislation one more time. I am sure all Members of the House listening or here will recall this bill. Enough is enough. It is time to get reconciliation over. This agrees to the Senate amendment. It is safe to say that every side has negotiated in good faith but we could not make and agree to any changes. This does what reconciliation is supposed to do. It saves $25 billion over the 3 years, $19 billion in outlay savings and $6 billion in revenue increases. It has the changes that are necessary in 8(g) and OCS. It also has the necessary changes that are required retroactively with the cigarette tax. I think it is about time. If this reconciliation does not take place there will indeed be divorce. I would just say let us vote quickly and let us get the savings. Whatever State you represent you are better off with this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in opposition to the motion to concur.

When the House acted on March 6 to amend the reconciliation package, it did so in good faith and in recognition of the need to compromise on items in dispute in order to resolve the deficit reduction agreements of last year.

I must oppose the motion to concur because I do not believe the other body's action has been taken in good faith. In the face of the clearly articulated position of the House, the other body, in its amendment of March 14, deleted crucial modifications of the Outer Continental Shelf Lands Act, Medicare, AFDC, and the Federal Employee Health Benefits Program. Beyond that, the other body went so far as to include in its amendment changes in the Medicare Program which will benefit a single constituency in a single State.

Since Tuesday, when the House disagreed to the other body's amendment and the other body insisted on its amendment, House Members with matters in dispute met to formulate a final concession. Yesterday, modifications were proposed to the other body. They responded today. That response was no response at all. The counteroffer of the other body indicates to me that they will not negotiate in good faith. We must not allow ourselves, as Members of the House, to be pressured into a compromise which is no compromise at all.

Reconciliation was intended to be a vehicle for deficit reduction. The House has acted to fulfill that pledge in good faith. The other body has not.

We must not agree to concur in the other body's action.

Mr. Speaker, I yield 1 minute to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Speaker, I rise in opposition to this bill once again. I think it is a real tragedy that we have to cave in not only to the Senate but to OMB which has more power sometimes, it seems to me, than the three branches of Government. It is a shame that we have forgotten American workers and we want to cave in to the provision that excludes the Buy American provision. It is a shame that we have to once again sock it to Government employees who would have gotten an opportunity to have health benefits that were really competitive and that would have cost them a little less.

As a matter of fact it would have cost the Government less. But we do not ever in this body want to help Government employees. Somehow our astronauts, the people who work on our borders, deliver our mail, and issue those Social Security checks and inspect our food are not that important.

So I think it is a shame that we are just caving in to OMB and the other body, and I hope that we oppose it again. I think it is in our best interest to do that.

Mr. Speaker, I for one vote "no."

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana [Mr. BREAUX].

(Mr. BREAUX asked and was given permission to revise and extend his remarks.)

Mr. BREAUX. Mr. Speaker, I regret that the amendment that was offered by Mr. GRAY originally was objected to incorporating the provisions of the previously informally agreed-to proposal that we sent to the other body as a compromise yesterday. That represented the last vestige of our effort to keep faith with the reconciliation process that had produced a conference report last December.

Mr. Speaker, I do not want to rehash in detail a blow-by-blow account of the events that have taken us from that promising beginning to what inevitably appears to be the end of the road today. Other Members will likely want to express their views on some of the elements of that amendment now.

I would note, however, that all of the elements of this amendment from AFDC, unemployed-parent provisions, to the section 19 amendments to the OCS Lands Act, to the so-called Buy American provisions, to the 8(g) provisions represent additional and unilateral concessions offered by the House to provisions of the conference report that was agreed to by both Houses of Congress last December.

Our mistake in making these concessions was that we thought we would be negotiating in good faith. Our mistake was that we thought we were negotiating with parties in the other body who were capable of making independent judgments on important policy and budgetary decisions. Our mistake was that we did not realize that the other body, upon receiving a thumbs down from the President's men at OMB, would force us to negotiate with a gun to our head. With respect to the 8(g) we previously conceded, in House action 2 weeks ago, to demands of the White House that we deny coastal States a fair and equitable division of royalty revenues flowing from OCS leases after the date of the 1978 law requiring such a division, when those royalties came from leases issued prior to that date.

The OMB and the Senate did not think that even this concession was sufficient even though OMB Director Miller indicated that this would meet his objections when he testified before the other body last month. The OMB did not even think that it was fair and equitable to now pay the States what it admits is currently due to them, taking 10 percent off the top for their own purse and forcing the States to wait 15 years for this money.

I can recognize reality, however. I can feel the cold muzzle of that veto gun against my head and I am proud that we have held out for this long even though some were telling me last year to accept a settlement for my State that represented less than one-third of what we have in this package today.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 2 minutes to the distinguished chairman of the Committee on Ways and Means, the gentleman from Illinois [Mr. ROSTENKOWSKI].

(Mr. ROSTENKOWSKI asked and was given permission to revise and extend his remarks.)

Mr. ROSTENKOWSKI. Mr. Speaker, I thank the gentleman for yielding.

I expect that tonight the House will finally bring to an end the long debate over the 1986 reconciliation bill. The conference agreement on this legislation was filed on December 19 of last year. For 3 months we have been sending this conference agreement, with various amendments, back and forth between the Senate and the House. Frankly, we are not any closer tonight than we have been for a number of weeks.

There is no question that this is important legislation. It will reduce the deficit by about $18 billion over the next 3 years. We have worked hard to resolve the issues that are in disagreement because we need these savings, and because we need to demonstrate to the American public that we are capable of enacting legislation that will address the serious deficit problem.

Despite the importance of this bill, I intend to vote against it for two reasons. It does not contain the extension of the AFDC two-parent family program to all States that was in the House bill and was agreed to as part of the original conference agreement. Also, I do not think it is right to single out specific States or other geographical regions for special treatment under our national entitlement programs.

Nevertheless, the House will work its will tonight and, as I said, I expect we will concur in the latest Senate amendment and send this legislation to the President.

I thank the Speaker.

Mrs. MARTIN of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Louisiana [Mr. MOORE].

Mr. MOORE. I thank the gentlewoman for yielding.

Mr. Speaker, it seems like we are right back where we started again. It is about time we finished this. This is dragging on. When we leave here today we do not come back until after the recess and then we have something like a week or a week and a half to produce a budget resolution that meets the guidelines of Gramm-Rudman. So things are getting tighter and closer. I want to point out to the House again what is separating us from the other body in this version is not matters of money, they are matters of policy that ought to be brought up at another time, they ought to be brought up in legislation dealing with policy, not legislation dealing with spending changes to try to save money.

I think it would not be wise for us on this eve of recess to vote down again a measure that saves $17 billion for this country, savings we badly need, to begin work on Gramm-Rudman.

I also point out for the coastal States that this means another delay and continuing to trifle with an agreement that we have with the administration and with the other body that would put to rest and settle this matter once and for all paying the offshore revenue to the States involved. AFDC amendment is something that ought to be taken up again at another time. This will cost my State $12 million. This amendment will cost my State $12 million in additional expenditures at a time when it is running a deficit of maybe as much as $500 million.

I think the State of Louisiana would appreciate that coming up at another time, a time when we have time to sit down and discuss that and debate that separately as a policy change rather than trying to attach it to this spending reduction bill on the idea that we can get this and force this down the President's throat. It is not going to work. I do not know how many times it is going to take for the other body to keep rejecting something until we finally understand. The administration has made it clear it is not going to sign something like that. So we ought to drop it and get on with the business of saving money and take that up at another time.

Mr. FORD of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. MOORE. I yield to the gentleman from Tennessee.

Mr. FORD of Tennessee. I thank the gentleman for yielding.

Mr. Speaker, I ask the gentleman from Louisiana, when we talk about AFDC unemployed-parent program, the Subcommittee on Public Assistance and Unemployment Compensation of the Committee on Ways and Means had full hearings on this matter, we marked that bill up in subcommittee, reported it to the full committee of which the gentleman is a member, we had open discussion at full committee level. We reported the bill out.

Mr. MOORE. I hear what the gentleman is saying. I do not disagree with him. But we have the tail wagging the dog.

Quite frankly I say to my good friend from Tennessee who has worked so hard on this amendment, while his amendment may be meritorious, bring it up in another bill. Do not let this hold up a $17 billion savings to the entire country and the money of these coastal States involved. Now is not the time to argue this.

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Mr. FORD of Tennessee. If the gentleman will continue to yield, we worked tirelessly in the full committee on this unemployed parent program. We went to the conference committee in order to reconcile the differences with the Senate.

The gentleman talks about it is going to cost his State $12 million. That is true. But on the moratoriums, we lift the sanctions under the Medicaid Program, which will also provide about $17 million additional dollars to the State of Louisiana.

We did the same thing for Texas. We tried in every way to compromise with the conferees in the Senate side. We gave up everything. For them to come back now at the 11th hour, when we are about to leave here for recess for the Easter break, to tell us no, no AFDC UP Program—our President stood right in this well in his State of the Union Message, and he talked about the profamily piece. He talked about welfare reform.

Mr. MOORE. I hear the gentleman. I am simply saying this is not the time to fight that fight. This is a budget reconciliation bill. It is not a bill to address AFDC.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 1 minute to the gentleman from Tennessee [Mr. FORD].

Mr. FORD of Tennessee. Mr. Speaker, I thank the gentleman for yielding to me at this time.

Mr. Speaker, I would hope my colleagues would realize at this point the UP Program is only saying that the unemployed parent can live in the household and be a part of the family unit.

Right now, under current law, options are there for States to adopt it, whereas the father can live in the home and keep the family intact.

I would hope that we would take a clear message from the President when he said here that we are talking about welfare reform, profamily, in breaking the cycle of poverty. I would hope that we would see fit to reject this motion that is before the House today and not agree with what the Senate has rammed down our throats here this afternoon in saying that we ought to accept this reconciliation.

I, too, would agree that reconciliation is important, but it is not that important when we have gone through the legislative process to add the unemployed parent program to the reconciliation bill. We have gone through the subcommittee level, the full committee level, as well as our conferees on the Senate, to reconcile the differences. We gave up and protected Louisiana, Texas, and other States, We gave up everything that was fair that was possible to give up.

I would hope my colleagues would say no to this motion before the House today.

Mrs. MARTIN of Illinois. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. BOULTER].

Mr. BOULTER. Mr. Speaker, I rise in support of the motion to concur with the Senate amendments on reconciliation. There are a lot of reasons for my support, but there is one in particular that I want to bring to the attention of my colleagues.

In a time when we are attempting to reign in out of control Federal spending and get our fiscal house out of the red, we have a provision in the House package that would increase the size of the welfare state, bringing more people onto the welfare rolls, rather than trying to reduce those numbers.

This change would cost 25 States a total of $187.4 million each year—and would cost the State of Texas alone $23 million. The provision would mandate that as of January 1, 1988, States would have to provide AFDC benefits to two-parent families with dependent children in which the principal wage-earner in unemployed. Participation in the two parent AFDC Program has historically been an option for States. Many, including Texas, opted out of participation. Now we are saying, in the House passed version—that States must participate. Texas must, the law says, now spend as much as $23 million on a program it has chosen not to be part of.

This, Mr. Speaker, is not the kind of quality control on welfare that the American people want. In fact, it is just the opposite. The Senate amendments delete this unnecessary provision, returning the AFDC Program to its original state. The Senate amendments leave State's rights and State decisions where they belong—in the State.

We must remember that we are trying—the American people are demanding that we do—we are trying to reduce this Nation's deficit. This does not mean that we can shift burdens onto our State and local governments. This does not mean that we should be increasing the scope of our welfare system.

We must remember, Mr. Speaker, that we are trying to be fiscally, and socially, responsible. The Senate amendments do a far better job of meeting those goals, and I encourage my colleagues to support the Senate version.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Speaker, very briefly, the issue is not the timing on reconciliation in terms of savings. That is something we should have passed last year. I would say that I have no question in my mind that ultimately we will pass a form of reconciliation bill.

The real issue here is the integrity of the House in terms of the House's position. We made a deal with the Senate. We basically sat down and agreed as to the elements that would be included in reconciliation.

Instead, now in a bona fide offer that the House has made to the Senate, it is just outrightly rejected.

So the question is: Is the House going to stand for its position at this point? That is the issue.

Mr. Speaker, I would urge the Members to stand by the position of the House if we are to truly have a bargaining position, not only in this reconciliation, but in reconciliation bills for the future.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 1 minute to the gentleman from Louisiana [Mr. ROEMER].

Mr. ROEMER. Mr. Speaker, I thank the Chairman for yielding. I would like to congratulate the gentleman, not necessarily for what we got today, but for what the gentleman has tried to do for those of us who wanted elements that we did not get.

Mr. Speaker, I also want to thank my colleagues, JOHN BREAUX, JERRY HUCKABY, HENSON MOORE, for the work they have done on agriculture. It could have been a lot better, but I think we have a chance now to help our State help this country with the deficit reduction.

Mr. Speaker, I say let us move on.

Mr. Speaker, I once again say to the Chairman, thank you for the attempt to have us a good bill rather than the one we have.

PARLIAMENTARY INQUIRY

Mr. GRAY of Pennsylvania. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. GRAY of Pennsylvania. Mr. Speaker, it is my understanding that this side has the right to close debate.

The SPEAKER pro tempore. The gentlewoman from Illinois has the opportunity to close debate.

Mr. GRAY of Pennsylvania. Mr. Speaker, I will make one closing statement.

Mr. Speaker, I think all of us know what the issues are. We have been down this road many times. I think clearly the issue from my perspective is one of good faith. We have made many offers; the Senate has rejected them.

Mr. Speaker, I want to particularly take a moment to thank our distinguished leaders of the House who have worked so hard: Chairman ROSTENKOWSKI who worked tirelessly in this effort to bring about an equitable reconciliation process; also the gentleman from Louisiana [Mr. BREAUX] who was one of the originators of the idea of the Outer Continental Shelf proposals that were included in the House budget. It was his suggestion that led us to move it in the budget, and eventually it was accepted by the other body, and also by the administration as true deficit reduction. So the gentleman is to be congratulated for helping us in that leadership.

I also want to thank Mr. Bosco, who worked so hard to get the other body to recognize the need for protection of American jobs with the Buy America. I would also like to thank Chairman WILLIAM FORD of the Post Office and Civil Service Committee, who worked to protect the Federal employees

health benefits, which the other body rejected. I want to thank, of course, subcommittee Chairman HOWARD FORD of Tennessee, who worked to try to bring some real profamily into the welfare system that we heard so eloquently talked about from the well of this House during the State of the Union.

Mr. Speaker, I urge the Members of this body to vote against the motion to concur.

Mr. Speaker, I yield back the balance of my time.

Mrs. MARTIN of Illinois. Mr. Speaker, although my heart tugs at the thought of not being able to debate this another week and at another time, may I strongly suggest a "yes" vote.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Illinois [Mrs. MARTIN].

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. GREGG. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were yeas 230, nays 154, not voting 50, as follows:

[Roll No. 66]

YEAS—230

Andrews	Coble	Glickman
Archer	Coelho	Goodling
Armey	Coleman (MO)	Gordon
Aspin	Coleman (TX)	Green
AuCoin	Combest	Gregg
Badham	Coughlin	Hall, Ralph
Barnard	Courter	Hamilton
Bartlett	Craig	Hammerschmidt
Barton	Crane	Hansen
Bateman	Daniel	Hatcher
Bereuter	Dannemeyer	Hefner
Bevill	Darden	Heftel
Bilirakis	Daub	Hendon
Bliley	de la Garza	Henry
Boehlert	DeLay	Hiler
Boggs	Derrick	Hopkins
Bonker	DeWine	Hubbard
Boucher	Dicks	Huckaby
Boulter	DioGuardi	Hunter
Breaux	Dornan (CA)	Hutto
Brooks	Dreier	Hyde
Broomfield	Duncan	Ireland
Brown (CO)	Durbin	Jeffords
Broyhill	Eckert (NY)	Jenkins
Bruce	Edwards (OK)	Johnson
Bryant	Emerson	Jones (NC)
Burton (IN)	English	Jones (OK)
Callahan	Erdreich	Kasich
Campbell	Fawell	Kindness
Carney	Fiedler	Kleczka
Carper	Fields	Kolbe
Carr	Flippo	Lagomarsino
Chandler	Franklin	Latta
Chapman	Frenzel	Leach (IA)
Chappell	Frost	Leath (TX)
Chappie	Fuqua	Lent
Cheney	Gallo	Lewis (CA)
Clinger	Gekas	Lewis (FL)
Coats	Gilman	Lightfoot
Cobey	Gingrich	Livingston
Lott	Pashayan	Smith, Robert (OR)
Lowery (CA)	Pease	Snowe
Lujan	Penny	Snyder
Luken	Perkins	Solomon
Lungren	Pickle	Spence
Mack	Porter	Spratt
Madigan	Quillen	Stallings
Markey	Rahall	Stangeland
Marlenee	Richardson	Stenholm
Martin (IL)	Ridge	Strang
Martin (NY)	Ritter	Stratton
Mazzoli	Roberts	Stump
McCain	Roemer	Sundquist
McCloskey	Rogers	Sweeney
McCollum	Rose	Swindall
McCurdy	Roth	Tallon
McKernan	Roukema	Tauke
McKinney	Rowland (CT)	Tauzin
McMillan	Rowland (GA)	Taylor
Meyers	Rudd	Thomas (CA)
Michel	Schaefer	Thomas (GA)
Miller (WA)	Schneider	Valentine
Molinari	Schuette	Vander Jagt
Mollohan	Sensenbrenner	Walker
Montgomery	Shaw	Watkins
Moore	Shelby	Weber
Moorhead	Shumway	Whitley
Morrison (WA)	Shuster	Whittaker
Murtha	Siljander	Whitten
Myers	Sisisky	Wilson
Natcher	Skeen	Wise
Neal	Slattery	Wortley
Nelson	Slaughter	Wyden
Nichols	Smith (NE)	Young (AK)
O'Brien	Smith (NJ)	Zschau
Olin	Smith, Denny (OR)	
Ortiz	Smith, Robert (NH)	
Packard		

NAYS—154

Akaka	Hawkins	Pepper
Alexander	Hayes	Petri
Anderson	Hertel	Price
Anthony	Holt	Rangel
Applegate	Horton	Ray
Barnes	Howard	Regula
Bates	Hoyer	Reid
Bedell	Hughes	Rinaldo
Beilenson	Jacobs	Robinson
Bennett	Jones (TN)	Rodino
Bentley	Kanjorski	Roe
Berman	Kaptur	Rostenkowski
Boland	Kildee	Russo
Boner (TN)	Kolter	Sabo
Bonior (MI)	Kramer	Savage
Borski	LaFalce	Saxton
Bosco	Lantos	Scheuer
Boxer	Lehman (CA)	Schroeder
Burton (CA)	Lehman (FL)	Schulze
Byron	Leland	Seiberling
Clay	Levin (MI)	Sharp
Collins	Levine (CA)	Sikorski
Conte	Lloyd	Smith (FL)
Conyers	Lowry (WA)	Smith (IA)
Cooper	Lundine	Solarz
Coyne	MacKay	St Germain
Daschle	Manton	Staggers
Davis	Martinez	Stark
Dellums	Matsui	Stokes
Dingell	Mavroules	Studds
Dixon	McCandless	Swift
Donnelly	McDade	Synar
Dorgan (ND)	McEwen	Torres
Dwyer	McHugh	Torricelli
Dyson	Mica	Towns
Early	Mikulski	Traficant
Eckart (OH)	Miller (CA)	Udall
Edwards (CA)	Miller (OH)	Vento
Evans (IL)	Mineta	Visclosky
Fazio	Mitchell	Volkmer
Feighan	Moakley	Vucanovich
Florio	Moody	Waxman
Foley	Morrison (CT)	Weaver
Ford (TN)	Mrazek	Wheat
Frank	Murphy	Williams
Gaydos	Nowak	Wolf
Gejdenson	Oakar	Wolpe
Gonzalez	Oberstar	Yates
Gray (IL)	Obey	Young (FL)
Gray (PA)	Oxley	Young (MO)
Guarini	Panetta	
Gunderson	Parris	

NOT VOTING—50

Ackerman	Ford (MI)	McGrath
Addabbo	Fowler	Monson
Annunzio	Garcia	Nielson
Atkins	Gephardt	Owens
Biaggi	Gibbons	Pursell
Brown (CA)	Gradison	Roybal
Bustamante	Grotberg	Schumer
Crockett	Hall (OH)	Skelton
Dickinson	Hartnett	Traxler
Dowdy	Hillis	Walgren
Downey	Kastenmeier	Weiss
Dymally	Kemp	Whitehurst
Edgar	Kennelly	Wirth
Evans (IA)	Kostmayer	Wright
Fascell	Lipinski	Wylie
Fish	Loeffler	Yatron
Foglietta	Long	

□ 1925

The Clerk announced the following pair:

On this vote:

Mr. Loeffler for, with Mr. Dymally against.

Messrs. STARK, SYNAR, REID, JONES of Tennessee, RINALDO and DYSON changed their votes from "yea" to "nay."

Messrs. HEFTEL of Hawaii, WYDEN, WHITTEN and McCLOSKEY changed their votes from "nay" to "yea."

So the motion was agreed to.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. REID. Mr. Speaker, I want the record to reflect that I voted "no" on H.R. 3128. Savings is not a question. The issue is whether or not the House and Senate agreement, which was reached in December, should have been met. It is my feeling that it should have been.

For example, the AFDC program called for a Work Fair Program which I think this country needs; it would have been a good start. There were other problems with the legislation, but I want the record to reflect that the issue is not savings, but one that we should have followed, as the House version of the agreement.

GENERAL LEAVE

Mr. FROST. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the bill, H.R. 3128.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. DAUB. Reserving the right to object, Mr. Speaker, I do so for the purpose of using the request by the gentleman from Texas for unanimous consent, should I not have that opportunity later in this evening's proceedings, to inquire of any Member, particularly the chairman of the Budget Committee if he is in the Chamber, and or any other Member of the leadership as to why this House has decided to adjourn for 17 days and forget

about the budget process, which under Gramm-Rudman requires us to act so that the Senate can act by April 15 on what we have as a common budget, as required by that act.

I will be happy to yield to anyone who can so answer the question.

The SPEAKER pro tempore. Does the gentleman from Washington wish to respond?

Mr. FOLEY. Mr. Speaker, if the gentleman will yield, the recess schedule, as the gentleman knows, has been announced for some time. It was planned that the schedule would take effect early next week. We have made the decision to postpone legislation relating to the Federal Firearms Act until the week that we return.

There is no scheduled business now from this point forward to what was the schedule at the beginning of the Easter recess week.

Under those circumstances, it is my intention to call up immediately the recess resolution.

Mr. DAUB. Further reserving the right to object, Mr. Speaker, I do so to inquire again of the distinguished gentleman, does the gentleman know or have knowledge as to whether or not the House Budget Committee intends to meet at all next week in furtherance of the objective of being able to achieve a budget resolution in agreement with the other body by the 15th of April?

Mr. FOLEY. I have no knowledge of any scheduled meeting of the Budget Committee next week.

Mr. DAUB. Let me say, I will withdraw my objection to this particular request of the gentleman from Texas, with the intention of getting a vote on whether or not we adjourn.

Mr. FOLEY. The gentleman, of course, will be recognized for whatever parliamentary request or demand that the rules allow.

Mr. DAUB. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mrs. JOHNSON. Reserving the right to object, Mr. Speaker, may I ask the gentleman, what then is the plan of the leadership to enable this House to pass a budget by our deadline in the bill that we just passed by April 15?

Mr. FOLEY. Mr. Speaker, if the gentlewoman will yield, we are recessed until the week of the 7th of April if the House agrees to the recess resolution. That will, of course, permit a week's time between that date and the date that the gentlewoman mentions.

Mrs. JOHNSON. Mr. Speaker, I am sorry, I cannot hear what the gentleman is saying.

Mr. FOLEY. Mr. Speaker, if the gentlewoman will yield, I would answer that the resolution will provide for the House to stand adjourned until April 8, 1 week before the deadline of the 15th.

Mrs. JOHNSON. Can I have the word of the gentleman from Washington that then we will be able in that week to reserve the time that we need to pass a budget early in that week so that it can go to conference and be returned?

I believe it is of the utmost importance that this House meet its Gramm-Rudman deadline and pass a budget out of conference with final action by April 15. I believe that is extremely important to our credibility and to our ability to implement our responsibility under the Gramm-Rudman legislation.

Mr. FOLEY. That is our intention.

Mrs. JOHNSON. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

REMOVAL OF NAME OF MEMBER AS A COSPONSOR OF H.R. 3800

Mr. TAUKE. Mr. Speaker, I ask unanimous consent that the name of the gentleman from California [Mr. BATES] be removed as a cosponsor of H.R. 3800.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

REREFERRAL OF EXECUTIVE COMMUNICATION 2686 AND H.R. 4144 TO COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION AND COMMITTEE ON WAYS AND MEANS

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that Executive Communication 2686 and H.R. 4144, both referred to the Committee on Public Works and Transportation, be referred jointly to the Committee on Public Works and Transportation and the Committee on Ways and Means.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

ADJOURNMENT OF THE HOUSE FROM TUESDAY, MARCH 25, 1986, TO TUESDAY, APRIL 8, 1986, AND ADJOURNMENT OF THE SENATE FROM WEDNESDAY, MARCH 26, 1986, OR THURSDAY MARCH 27, 1986, TO TUESDAY, APRIL 8, 1986

Mr. FOLEY. Mr. Speaker, I offer a privilege concurrent resolution (H. Con. Res. 304) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 304

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Tuesday, March 25, 1986, and that when the Senate adjourns on Wednesday, March 26, 1986, or on Thursday, March 27, 1986, pursuant to a motion made by the majority leader, or his designee, in accordance with this resolution, they stand adjourned until 12 o'clock meridian on Tuesday, April 8, 1986, or until 12 o'clock meridian on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution whichever occurs first.

SEC. 2. The Speaker of the House, after consultation with the minority leader of the House, and the majority leader of the Senate, acting jointly, shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the concurrent resolution.

There was no objection.

The SPEAKER pro tempore. The question is on the concurrent resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DAUB. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 170, nays 158, not voting 106, as follows:

[Roll No. 67]

YEAS—170

Akaka	Dwyer	LaFalce
Alexander	Dyson	Lantos
Aspin	Early	Lehman (CA)
Barnard	Eckart (OH)	Lehman (FL)
Barnes	English	Leland
Bedell	Erdreich	Levin (MI)
Bellenson	Evans (IL)	Levine (CA)
Bennett	Fazio	Lowry (WA)
Berman	Feighan	Luken
Bevill	Flippo	MacKay
Boggs	Foley	Manton
Boland	Ford (TN)	Martinez
Bonior (MI)	Frank	Matsui
Bonker	Frost	Mavroules
Borski	Gaydos	Mazzoli
Bosco	Gejdenson	McCloskey
Boucher	Glickman	McDade
Boxer	Gonzalez	McHugh
Brooks	Gordon	Mica
Burton (CA)	Gray (IL)	Miller (CA)
Byron	Guarini	Mineta
Chapman	Hamilton	Moakley
Chappell	Hayes	Mollohan
Coelho	Hefner	Montgomery
Collins	Heftel	Moody
Conyers	Hertel	Morrison (CT)
Cooper	Holt	Murphy
Coyne	Howard	Murtha
Daniel	Hoyer	Myers
Darden	Hughes	Natcher
Daschle	Jenkins	Nelson
de la Garza	Jones (NC)	Nowak
Dellums	Jones (OK)	O'Brien
Derrick	Jones (TN)	Oakar
Dicks	Kanjorski	Oberstar
Dingell	Kaptur	Obey
Dixon	Kildee	Olin
Donnelly	Kleczka	Ortiz
Dorgan (ND)	Kolter	Panetta
Durbin	Kostmayer	Pease

Penny	Seiberling	Towns
Pepper	Shelby	Udall
Perkins	Sikorski	Valentine
Price	Smith (FL)	Vento
Rahall	Smith (IA)	Volkmer
Rangel	Snyder	Walgren
Ray	Solarz	Watkins
Reid	Spratt	Wheat
Robinson	St Germain	Whitley
Rodino	Staggers	Whitten
Roe	Stokes	Williams
Rostenkowski	Stratton	Wolpe
Rowland (GA)	Studds	Yates
Russo	Swift	Yatron
Sabo	Thomas (GA)	Young (AK)
Savage	Torres	Young (MO)
Scheuer	Torricelli	

NAYS—158

Anderson	Green	Ritter
Anthony	Gunderson	Roberts
Applegate	Hall, Ralph	Roemer
Armey	Hammerschmidt	Rogers
Bartlett	Hansen	Roth
Barton	Hendon	Roukema
Bateman	Hiler	Rowland (CT)
Bentley	Hopkins	Rudd
Bereuter	Hubbard	Saxton
Bilirakis	Huckaby	Schaefer
Billey	Hunter	Schneider
Boehlert	Hyde	Schroeder
Boner (TN)	Ireland	Schuette
Boulter	Johnson	Sensenbrenner
Brown (CO)	Kasich	Shumway
Broyhill	Kramer	Shuster
Bruce	Lagomarsino	Siljander
Bryant	Lent	Skeen
Burton (IN)	Lewis (CA)	Slattery
Callahan	Lewis (FL)	Slaughter
Campbell	Lightfoot	Smith (NE)
Carney	Livingston	Smith (NJ)
Carper	Lloyd	Smith, Denny (OR)
Chappie	Lott	Smith, Robert (NH)
Cheney	Lowery (CA)	Snowe
Clinger	Lujan	Solomon
Coats	Lungren	Spence
Cobey	Mack	Stallings
Coble	Madigan	Stangeland
Coleman (MO)	Marlenee	Stenholm
Coleman (TX)	Martin (IL)	Strang
Combest	Martin (NY)	Stump
Conte	McCain	Sundquist
Coughlin	McCandless	Sweeney
Courter	McCollum	Swindall
Craig	McEwen	Synar
Crane	McKernan	Tallon
Dannemeyer	McMillan	Tauke
Daub	Meyers	Tauzin
Davis	Michel	Traficant
DeLay	Mikulski	Visclosky
DeWine	Miller (OH)	Vucanovich
Dornan (CA)	Miller (WA)	Walker
Duncan	Moorhead	Weber
Eckert (NY)	Morrison (WA)	Wise
Edwards (OK)	Mrazek	Wolf
Emerson	Neal	Wortley
Fawell	Packard	Wyden
Fields	Petri	Young (FL)
Franklin	Porter	Zschau
Frenzel	Regula	
Gallo	Richardson	
Gekas	Ridge	
Gingrich	Rinaldo	

NOT VOTING—106

Ackerman	Dowdy	Gradison
Addabbo	Downey	Gray (PA)
Andrews	Dreier	Gregg
Annunzio	Dymally	Grotberg
Archer	Edgar	Hall (OH)
Atkins	Edwards (CA)	Hartnett
AuCoin	Evans (IA)	Hatcher
Badham	Fascell	Hawkins
Bates	Fiedler	Henry
Biaggi	Fish	Hillis
Breaux	Florio	Horton
Broomfield	Foglietta	Hutto
Brown (CA)	Ford (MI)	Jacobs
Bustamante	Fowler	Jeffords
Carr	Fuqua	Kastenmeier
Chandler	Garcia	Kemp
Clay	Gephardt	Kennelly
Crockett	Gibbons	Kindness
Dickinson	Gilman	Kolbe
DioGuardi	Goodling	Latta
Leach (IA)	Owens	Stark
Leath (TX)	Oxley	Taylor
Lipinski	Parris	Thomas (CA)
Loeffler	Pashayan	Traxler
Long	Pickle	Vander Jagt
Lundine	Pursell	Waxman
Markey	Quillen	Weaver
McCurdy	Rose	Weiss
McGrath	Roybal	Whitehurst
McKinney	Schulze	Whittaker
Mitchell	Schumer	Wilson
Molinari	Sharp	Wirth
Monson	Shaw	Wright
Moore	Sisisky	Wylie
Nichols	Skelton	
Nielson	Smith, Robert (OR)	

□ 1950

Mr. RICHARDSON changed his vote from "yea" to "nay."

Mr. HEFTEL of Hawaii changed his vote from "nay" to "yea."

So the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CORRECTING ENROLLMENT OF H.R. 3128, DEFICIT REDUCTION AMENDMENTS OF 1985

Mr. HAYES. Mr. Speaker, I ask unanimous consent for the immediate consideration of the concurrent resolution (H. Con. Res. 305), to make technical corrections in the enrollment of the bill H.R. 3128.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

Mr. BARTLETT. Mr. Speaker, reserving the right to object, I shall not object, but I think it is important to take a minute to explain to the House what these provisions are.

Mr. Speaker, it is necessary to adopt the technical changes at this time because adequate notice was not given for their inclusion when the House last passed H.R. 3128.

The changes have been agreed to by the majority and minority on the two committees of jurisdiction—the Committee on Education and Labor and the Committee on Ways and Means.

The changes are absolutely necessary to the proper administration of the ERISA title IV termination insurance program inasmuch as—

First, they include transition rules and other adjustments to ease burdens on employers and the PBGC which otherwise would arise from the January 1, 1986, effective date of the legislation—for example employers who have already filed notices of intent to terminate would have an opportunity to withdraw their notice, file for a distress termination, or fully fund their plan for vested benefits;

Second, they include a number of technical and clarifying changes recommended and considered necessary by the Pension Benefit Guaranty Corporation; and

Third, they include corrections to spelling, punctuation, and cross-reference errors which could otherwise lead to confusion.

Mr. FRENZEL. Mr. Speaker, will the gentleman yield?

Mr. BARTLETT. Under my reservation, I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Speaker, these technical amendments have been chasing H.R. 3128 for a number of months, as it ricocheted between the House and the Senate with the Senate amendment and the House amendment to the Senate amendment to the House amendment to the Senate amendment. There has been no substantive argumentation; it is simply that politically this little 41-page book of technical amendments has not caught up with the reconciliation bill.

I would like to add, under the gentleman's reservation, Mr. Speaker, that the amendments which are contained in the reconciliation bill have no business being in there in the first place. They are substantive law which was added whimsically because somebody decided that H.R. 3128 was a convenient vehicle. Maybe tonight those people will be proved right.

The problem with them is while they attempt to shore up BBGC and the fund, they are inevitably going to cause pension plans not to be formed by new entrants. Inevitably through the years, this means less coverage for less individuals in the United States.

What went forward in H.R. 3128 was very unwise legislation. What follows here in this 41-page package is some necessary language to clean up some of the technical difficulties. It does not relieve the deep substantive difficulties of that legislation.

Mr. HAYES. Mr. Speaker, this amendment has been cleared by OMB and is acceptable to the other body.

Mr. BARTLETT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 305

Resolved by the House of Representatives (the Senate concurring), That, in the enrollment of the bill (H.R. 3128) to make changes in spending and revenue provisions for purposes of deficit reduction and program improvement, consistent with the budget process, the Clerk of the House of Representatives shall make the following corrections:

(1) SECTION 11001.—In section 11001 of the bill, strike out "1985" and insert in lieu thereof "1986".

(2) SECTION 11002(c).—In section 11002(c) of the bill, strike out "Act" and insert in lieu thereof "title".

(3) SECTION 11004.—In section 11004 of the bill—

(A) in section 4001(a)(2)(B) of the Employee Retirement Income Security Act of 1974 (hereinafter in this resolution referred to as "ERISA"), as proposed to be amended, strike out "affiliated group" and all that follows and insert in lieu thereof "controlled group, and";

(B) in section 4001(a)(13)(A) of ERISA, as proposed to be added, insert ", in connection with such plan," after "responsible";

(C) in section 4001(a)(14)(B) of ERISA, as proposed to be added, strike out "section 414(c)" and insert in lieu thereof "subsections (b) and (c) of section 414";

(D) in section 4001(a)(15) of ERISA, as proposed to be added, strike out ", except as otherwise specifically provided in this title,";

(E) in section 4001(a)(17)(B) of ERISA, as proposed to be added, strike out "as of such date" and insert in lieu thereof "(as of such date)";

(F) in section 4001(a)(18) of ERISA, as proposed to be added, strike out "of" the fourth place it appears in subparagraph (A) and insert in lieu thereof "to", and strike out "as of such date" in subparagraph (B) and insert in lieu thereof "(as of such date)"; and

(G) in section 4001(a)(19) of ERISA, as proposed to be added, strike out "of" the fifth place it appears in subparagraph (A) and insert in lieu thereof "to", and insert "required to be" after "are" in subparagraph (B).

(4) SECTION 11004(b).—In section 11004(b) of the bill—

(A) strike out "paragraphs" and insert in lieu thereof "paragraph"; and

(B) strike out paragraphs (2) and (3) of section 4001(b) of ERISA, as proposed to be added, and insert in lieu thereof the following:

"(2) For purposes of subtitle E—

"(A) except as otherwise provided in subtitle E, contributions or other payments shall be considered made under a plan for a plan year if they are made within the period prescribed under section 412(c)(10) of the Internal Revenue Code of 1954 (determined, in the case of a terminated plan, as if the plan had continued beyond the termination date), and

"(B) the term 'Secretary of the Treasury' means the Secretary of the Treasury or such Secretary's delegate.".

(5) SECTION 11005(c)—In section 11005(c)—

(A) redesignate paragraphs (9) and (10) as paragraphs (10) and (11), respectively;

(B) insert after paragraph (8) the following new paragraph (8) the following new paragraph (9):

(9) Subsection (f)(4)(C) of section 4022A (29 U.S.C. 1322a(f)(4)(C)) is amended by striking out "concurrent" and inserting in lieu thereof "joint".

and

(C) Insert after paragraph (11) (as redesignated) the following new paragraph (12):

(12) Subsection (g)(4)(D) of section 4022A (29 U.S.C. 1322a(g)(4)(D) is amended by striking out "concurrent" and inserting in lieu thereof "joint".

(6) SECTION 11005.—In section 11005 of the bill, add at the end the following new subsection:

(e) TRANSITIONAL RULE.—

(1) NOTICE OF PREMIUM INCREASE.—Not later than 30 days after the date of the enactment of this Act, the Pension Benefit Guaranty Corporation shall send a notice to the plan administrator of each single-employer plan affected by the premium increase established by the amendment made by subsection (a)(1). Such notice shall describe such increase and the requirements of this subsection.

(2) DUE DATE FOR UNPAID PREMIUMS.—With respect to any plan year beginning during the period beginning on January 1, 1986, and ending 30 days after the date of the enactment of this Act, any unpaid amount of such premium increase shall be due and payable no later than the earlier of 60 days after the date of the enactment of this Act or 30 days after the date on which the notice required by paragraph (1) is sent, except that in no event shall the amount of the premium increase established under the amendment made by subsection (a)(1) be due and payable for a plan year earlier than the date on which premiums for the plan would have been due for such plan year had this Act not been enacted.

(3) ENFORCEMENT.—For purposes of enforcement, the requirements of paragraphs (1) and (2) shall be considered to be requirements of sections 4006 and 4007 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1306 and 1307).

(7) SECTION 11006(a).—In section 11006(a) of the bill, in section 204(h) of ERISA, as proposed to be added—

(A) strike out "on or after the date of the enactment of the Single-Employer Pension Plan Amendments Act of 1985"; and

(B) In paragraph (2), strike out "under the plan who is a beneficiary of a deceased participant or".

(8) SECTION 11006(b).—In section 11006(b) of the bill, strike out "the date described in section 11019(a)" and insert in lieu thereof "January 1, 1986, except that, in the case of plan amendments adopted on or after January 1, 1986, and on or before the date of the enactment of this Act, the requirements of section 204(h) of the Employee Retirement Income Security Act of 1974 (as added by this section) shall be treated as met if the written notice required under such section 204(h) is provided before 60 days after the date of the enactment of this Act".

(9) SECTION 11007(a).—In section 11007(a) of the bill, in section 4041(a)(2) of ERISA, as proposed to be amended, strike out "plan termination under subsection (b) or (c)" and insert in lieu thereof "standard termination under subsection (b) or a distress termination under subsection (c)", and insert "of" after "case".

(10) SECTION 11008(a).—In section 11008(a) of the bill—

(A) in section 4041(b)(2)(A) of ERISA, as proposed to be amended, strike out "the termination date proposed in the notice" and insert in lieu thereof "the date on which the notice of intent to terminate is", and in clause (iii), strike out "is" and insert in lieu thereof "are";

(B) in section 4041(b)(2)(B) of ERISA, as proposed to be amended, strike out "At the time" and insert in lieu thereof "No later than the date on which", and in clause (i), strike out ", expressed in terms of the normal form of benefits under the plan," and insert in lieu thereof "and the benefit form on the basis of which such amount is determined";

(C) in section 4041(b)(2)(C)(i) of ERISA, as proposed to be amended, strike out "provide the plan administrator with a notice of noncompliance" and insert in lieu thereof "issue a notice of noncompliance to the plan administrator", and in subclause (I), strike out "the requirements of subsection (a)(2) and subparagraphs (A) and (B) have" and insert in lieu thereof "any requirement of subsection (a)(2) or subparagraph (A) or (B) has";

(D) in section 4041(b)(3)(A) of ERISA, as proposed to be amended, strike out "the termination of the plan" and insert in lieu thereof "the standard termination of the plan under this subsection", and in clauses (i) and (ii), strike out "are allocated" each place it appears and insert in lieu thereof "are required to be allocated"; and

(E) in section 4041(b)(3)(B) of ERISA, as proposed to be amended, strike out "the termination of the plan" and insert in lieu thereof "the standard termination of the plan under this subsection", and strike out "are allocated" and insert in lieu thereof "are required to be allocated".

(11) SECTION 11008(b).—In section 11008 of the bill, strike out subsection (b) and insert in lieu thereof the following:

(b) CONFORMING AMENDMENT.—Section 4041(f) (29 U.S.C.1341(f)) is amended to read as follows:

"(f) LIMITATION ON THE CONVERSION OF A DEFINED BENEFIT PLAN TO A DEFINED CONTRIBUTION PLAN.—The adoption of an amendment to a plan which causes the plant to become a plan described in section 4021(b)(1) constitutes a termination of the plan. Such as amendment may take effect only after the plan satisfies the requirements for standard termination under subsection (b) or distress termination under subsection (c).".

(12) SECTION 11008(c).—In section 11008(c) of the bill, strike out "May 1, 1986," and insert in lieu thereof "120 days after the date of the enactment of this Act.".

(13) SECTION 11008(d).—In section 11008(d) of the bill, strike out paragraphs (1) and (2) and insert in lieu thereof the following paragraphs (1) and (2):

(1) REQUIREMENTS TO BE MET BEFORE FINAL DISTRIBUTION OF ASSETS.—In the case of the termination of a single-employer plan described in paragraph (2) with respect to which the amount payable to the employer pursuant to section 4044(d) exceeds $1,000,000 (determined as of the proposed date of final distribution of assets), the final distribution of assets pursuant to such termination may not occur unless the Pension Benefit Guaranty Corporation—

(A) determines that the assets of the plan are sufficient for benefit commitments (within the meaning of section 4041(d)(1) of the Employee Retirement Income Security Act of 1974 Act (as amended by section 11007)) under the plan, and

(B) issues to the plan administrator a written notice setting forth the determination described in subparagraph (A).

(2) PLANS TO WHICH SUBSECTION APPLIES.—A single-employer plan is described in this paragraph if—

(A) the plan administrator has filed a notice of intent to terminate with the Pension Benefit Guaranty Corporation, and—

(i) the filing was made before January 1, 1986, and the Corporation has not issued a notice of sufficiency for such plan before the date of the enactment of this Act, or

(ii) the filing is made on or after January 1, 1986, and before 60 days after the date of the enactment of this Act and the Corporation has not issued a notice of sufficiency for such plan before the date of the enactment of this Act, and

(B) of the persons who are (as of the termination date) participants in the plan, the lesser of 10 percent or 200 have filed complaints with the Corporation regarding such termination—

(i) in the case of plans described in subparagraph (A)(i), before 15 days after the date of the enactment of this Act, or

(ii) in any other case, before the later of 15 days after the date of the enactment of this Act or 45 days after the date of the filing of such notice.

(4) SECTION 11008(d)(4)(A).—In section 11008(d)(4)(A) of the bill, strike out "paragraph (1)(C)" and insert in lieu thereof "paragraph (1)(B)".

(15) SECTION 11008(d)(4)(B)—In section 11008(d)(4)(B) of the bill, strike out "The preceding provisions of this subsection shall not apply (except in the case of an acquisition, takeover, or leveraged buyout)" and insert in lieu thereof "Except in the case of an acquisition, takeover, or leveraged buyout, the preceding provisions of this subsection shall not apply", and strike out "it" and insert in lieu thereof "the contributing sponsor".

(16) SECTION 11009(a).—In section 11009(a) of the bill—

(A) strike out "title)" and insert in lieu thereof "Act)";

(B) in section 4041(c)(2)(A) of ERISA, as proposed to be amended, strike out "the termination date proposed in the notice of intent to terminate provided" and insert in lieu thereof "the date on which the notice of intent to terminate is provided", and strike out "is" in clause (iv) and insert in lieu thereof "are";

(C) in section 4041(c)(2)(B) of ERISA, as proposed to be amended, insert "(as of the termination date)" after "each person who is", strike out "it" in clause (i)(I) and insert in lieu thereof "such person", strike out "it" in clause (ii)(I) and insert in lieu thereof "such person", and insert "to such person" after "unreasonably burdensome" in clause (iii)(II);

(D) in section 4041(c)(2)(C) of ERISA, as proposed to be amended, strike out the last sentence;

(E) in section 4041(c)(3)(A) of ERISA, as proposed to be amended, strike out "whether" each place it appears in clauses (i) and (ii) and insert in lieu thereof "that";

(F) in section 4041(c)(3)(B) of ERISA, as proposed to be amended—

(i) strike out "in the manner described in subsection (b)(3), and" in clause (i) and insert in lieu thereof ", and make certification to the corporation with respect to such distribution, in the manner described in subsection (b)(3), and shall";

(ii) strike out "that the plan is not sufficient for benefit commitments (or" in clause (ii), strike out "it)" in clause (ii) and insert in lieu thereof "it", strike out "whether" in clause (ii) and insert in lieu thereof "that", insert after "subsection (b)(3)," in clause (ii)(I) the following: "make certification to the corporation that the distribution has occurred, and take such actions as may be appropriate to carry out the termination of the plan,"; and

(iii) strike out "that the plan is not sufficient for guaranteed benefits (or" in clause (iii), strike out "it)" in clause (iii) and insert in lieu thereof "it", and strike out "whether" in clause (iii) and insert in lieu thereof "that";

(G) in section 4041(c)(3)(C) of ERISA, as proposed to be amended, strike out clauses (i) and (ii) and insert in lieu thereof the following:

"(i) FINDING WITH RESPECT TO BENEFIT COMMITMENTS WHICH ARE NOT GUARANTEED BENEFITS.—If, after the plan administrator has begun to terminate the plan as authorized under subparagraph (B)(i), the plan administrator finds that the plan is unable, or will be unable, to pay benefit commitments which are not benefits guaranteed by the corporation under section 4022, the plan administrator shall notify the corporation of such finding as soon as practicable thereafter. If the corporation concurs in the finding of the plan administrator (or the corporation itself makes such a finding) the corporation shall take the actions set forth in subparagraph (B)(ii)(II) relating to the trust established for purposes of section 4049.

"(ii) FINDING WITH RESPECT TO GUARANTEED BENEFITS.—If, after the plan administrator has begun to terminate the plan as authorized by subparagraph (B)(i) or (ii), the plan administrator finds that the plan is unable, or will be unable, to pay all benefits under the plan which are guaranteed by the corporation under section 4022, the plan administrator shall notify the corporation of such finding as soon as practicable thereafter. If the corporation concurs in the finding of the plan administrator (or the corporation itself makes such a finding), the corporation shall institute appropriate proceedings under section 4042.

and

(H) in section 4041(c)(3) of ERISA, as proposed to be amended, strike out subparagraph (D) and insert in lieu thereof the following:

"(D) ADMINISTRATION OF THE PLAN DURING INTERIM PERIOD.—

"(i) IN GENERAL.—The plan administrator shall—

"(I) meet the requirements of clause (ii) for the period commencing on the date on which the plan administrator provides a notice of distress termination to the corporation under subsection (a)(2) and ending on the date on which the plan administrator receives notification from the corporation of its determinations under subparagraph (A), and

"(II) meet the requirements of clause (ii) commencing on the date on which the plan administrator or the corporation makes a finding under subparagraph (C)(ii).

"(ii) REQUIREMENTS.—The requirements of this clause are met by the plan administrator if the plan administrator—

"(I) refrains from distributing assets or taking any other actions to carry out the proposed termination of this subsection,

"(II) pays benefits attributable to employer contributions, other than death benefits, only in the form of an annuity,

"(III) does not use plan assets to purchase irrevocable commitments to provide benefits from an insurer, and

"(IV) continues to pay all benefit commitments under the plan, but, commencing on the proposed termination date, limits the payment of benefits under the plan to those benefits which are guaranteed by the corporation under section 4022 or to which assets are required to be allocated under section 4044.

In the event the plan administrator is later determined not to have met the requirements for distress termination, any benefits which are not paid solely by reason of compliance with subclause (IV) shall be due and payable immediately (together with interest, at a reasonable rate, in accordance with regulations of the corporation).".

(17) SECTION 11009(b).—In section 11009(b) of the bill, strike out "Act" and insert in lieu thereof "title".

(18) SECTION 11010(a)(1).—In section 11010(a)(1) of the bill, strike out subparagraph (B) and insert in lieu thereof the following:

(B) by inserting at the beginning of the matter following paragraph (4) the following new sentence: "The corporation shall as soon as practicable institute proceedings under this section to terminate a single-employer plan whenever the corporation determines that the plan does not have assets available to pay benefits which are currently due under the terms of the plan.".

(19) SECTION 11010(a)(2)(A).—In section 11010(a)(2)(A) of the bill, strike out "court".

(20) SECTION 11010(a)(2)(B).—In section 11010(a)(2)(B) of the bill, strike out "it may," and insert in lieu thereof "has determined", strike out "court", and strike out "(whether" and all that follows down through "shall,".

(21) SECTION 11010(b).—In section 11010 of the bill, insert after subsection (a) the following new subsection:

(b) ESTABLISHMENT OF SECTION 4049 TRUST.—Section 4042 is further amended by adding at the end thereof the following new subsection:

"(i) In any case in which a plan is terminated under this section in a termination proceeding initiated by the corporation pursuant to subsection (a), the corporation shall establish a separate trust in connection with the plan for purposes of section 4049, unless the corporation determines that all benefit commitments under the plan are benefits guaranteed by the corporation under section 4022 or that there is no amount of unfunded benefit commitments under the plan.".

(22) SECTION 11011(a).—In section 11011(a) of the bill, strike out "(a) LIABILITY" and all that follows down through "following:" and insert in lieu thereof the following:

(a) LIABILITY FOR DISTRESS TERMINATIONS AND TERMINATIONS BY THE CORPORATION.—Section 4062 (29 U.S.C. 1362) is amended—

(1) by redesignating subsection (e) as subsection (f); and

(2) by striking out so much as precedes subsection (f) (as redesignated) and inserting in lieu thereof the following:

(23) SECTION 11011(a).—In section 11011(a) of the bill, in section 4062(a) of ERISA, as proposed to be amended, insert a comma after "corporation" in paragraph (1), insert "or section 4042(i)" after "or (iii)" in paragraph (2), and strike out "referred to in section 4042(d)(1)(B)" in paragraph (3) and insert in lieu thereof "appointed under subsection (b) or (c) of section 4042,".

(24) SECTION 11011(a).—In section 11011(a) of the bill, strike out section 4062(b) of ERISA, as proposed to be amended, and insert in lieu thereof the following:

"(b) LIABILITY TO THE CORPORATION.—

"(1) AMOUNT OF LIABILITY.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the liability to the corporation of a person described in subsection (a) shall consist of the sum of—

"(i) the lesser of—

"(I) the total amount of unfunded guaranteed benefits (as of the termination date) of all participants and beneficiaries under the plan, or

"(II) 30 percent of the collective net worth of all persons described in subsection (a),

and

"(i) the excess (if any) of—

"(I) 75 percent of the amount described in clause (i)(I), over

"(II) the amount described in clause (i)(II),

together with interest (at a reasonable rate) calculated from the termination date in accordance with regulations prescribed by the corporation.

"(B) SPECIAL RULE IN CASE OF SUBSEQUENT INSUFFICIENCY.—For purposes of subparagraph (A), in any case described in section 4041(c)(3)(C)(ii), actuarial present values shall be determined as of the date of the notice to the corporation (or the finding by the corporation) described in such section.

"(2) PAYMENT OF LIABILITY.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the liability to the corporation under this subsection shall be due and payable to the corporation as of the termination date, in cash or securities acceptable to the corporation.

"(B) SPECIAL RULE.—Payment of the liability under paragraph (1)(A)(ii) shall be made under commercially reasonable terms prescribed by the corporation. The parties involved shall make a reasonable effort to reach agreement on such commercially reasonable terms. Any such terms prescribed by the corporation shall provide for deferral of 50 percent of any amount of liability otherwise payable for any year under this subparagraph if a person subject to such liability demonstrates to the satisfaction of the corporation that no person subject to such liability has any individual pre-tax profits for such person's fiscal year ending during such year.

"(3) ALTERNATIVE ARRANGEMENTS.—The corporation and any person liable under this section may agree to alternative arrangements for the satisfacton of liability to the corporation under this subsection.

(25) SECTION 11011(a).—In section 11011(a) of the bill, strike out section 4062(c) of ERISA, as proposed to be amended, and insert in lieu thereof the following:

"(c) LIABILITY TO SECTION 4049 TRUST.—

"(1) AMOUNT OF LIABILITY.—

"(A) IN GENERAL.—In any case in which there is an outstanding amount of benefit commitments under a plan terminated under section 4041(c) or 4042, a person described in subsection (a) shall be subject to liability under this subsection to the trust established under section 4041(c)(3)(B) (ii) or (iii) or section 4042(i) in connection with the terminated plan. Except as provided in subparagraph (B), the liability of such person under this subsection shall consist of the lesser of—

"(i) 75 percent of the total outstanding amount of benefit commitments under the plan, or

"(ii) 15 percent of the actuarial present value (determined as of the termination date on the basis of assumptions prescribed by the corporation for purposes of section 4044) of all benefit commitments under the plan.

"(B) SPECIAL RULE IN CASE OF SUBSEQUENT INSUFFICIENCY.—For purposes of subparagraph (A)—

"(i) PLANS INSUFFICIENT FOR GUARANTEED BENEFITS.—In any case described in section 4041(c)(3)(C)(ii), actuarial present values shall be determined as of the date of the notice to the corporation (or the finding by the corporation) described in such section.

"(ii) PLANS SUFFICIENT FOR GUARANTEED BENEFITS BUT INSUFFICIENT FOR BENEFIT ENTITLEMENT.—In any case described in section 4041(c)(3)(C)(i) but not described in section 4041(c)(3)(C)(ii), actuarial present values shall be determined as of the date on which the final distribution of assets is completed.

"(2) PAYMENT OF LIABILITY.—

"(A) GENERAL RULE.—Except as otherwise provided in this paragraph, payment of a person's liability under this subsection shall be made for liability payment years under commercially reasonable terms prescribed by the fiduciary designated by the corporation pursuant to section 4049(b)(1)(A). Such fiduciary and the liable persons assessed liability under this subsection shall make a reasonable effort to reach agreement on such commercially reasonable terms.

"(B) SPECIAL RULE FOR PLANS WITH LOW AMOUNTS OF LIABILITY.—In any case in which the amount described in paragraph (1)(A) is less than $100,000, the requirements of subparagraph (A) may be satisfied by payment of such liability over 10 liability payment years in equal annual installments (with interest at the rate determined under section 6621(b) of the Internal Revenue Code of 1954). The corporation may, by regulation, increase the dollar amount referred to in this subparagraph as it determines appropriate, taking into account reasonable administrative costs of trusts established under section 4041(c)(3)(B)(ii) or (iii) or section 4042(i).

"(C) DEFERRAL OF PAYMENTS.—The terms for payment provided for under subparagraph (A) or (B) shall also provide for deferral of 75 percent of any amount of liability otherwise payable for any liability payment year if a person subject to such liability demonstrates to the satisfaction of the corporation that no person subject to such liability has any individual pre-tax profits for such person's fiscal year ending during such year. The amount of liability so deferred is payable only after payment in full of any amount of liability under subsection (b) in connection with the termination of the same plan which has been deferred pursuant to terms provided for under subsection (b)(2)(B).

(26) SECTION 11011(a).—In section 11011(a) of the bill, in section 4062(d) of ERISA, as proposed to be amended, strike out "referred to in section 4042(d)(1)(B)" and insert in lieu thereof "appointed under subsection (b) or (c) of section 4042" and in the matter following paragraph (3), insert "(at a reasonable rate) calculated from the termination date in accordance with regulations prescribed by the corporation" after "interest".

(27) SECTION 11011(a).—In section 11011(a) of the bill, in section 4062(e)(3) of ERISA, as proposed to be amended, strike out "begins" and insert in lieu thereof "ends".

(28) SECTION 11011(b).—In section 11011(b) of the bill, strike out "Subsection (e) of section 4062" and insert in lieu thereof "Subsection (f) of section 4062 (as redesignated by subsection (a)(1))" and strike out "(e)" the second place it appears and insert in lieu thereof "(f)".

(29) SECTION 11011(c)(2).—In section 11011(c)(2) of the bill, in section 404(g)(4) of the Internal Revenue Code of 1954, as proposed to be added, strike out "Any" and insert in lieu thereof "For purposes of this subsection, any", and strike out "the date described in section 11019(a) of the Single-Employer Pension Plan Amendments Act of 1985" and insert in lieu thereof "the date of the enactment of the Single-Employer Pension Plan Amendments Act of 1986".

(30) SECTION 11011(c)(3)—In section 11011(c)93) of the bill, strike out "the date described in section 11019(a)" and insert in lieu thereof "January 1, 1986,".

(31) SECTION 11012(a)—In section 11012(a) of the bill, in section 4049(a) of ERISA, as proposed to be added, strike out the last sentence and insert in lieu thereof the following:

The trust shall be maintained for such period of time as is necessary to receive all liability payments required to be made to the trust under section 4062(c) with respect to the terminated plan and to make all distributions required to be made to participants and beneficiaries under this section with respect to the terminated plan.

(32) SECTION 11012(a).—In section 11012(a) of the bill, in section 4049 of ERISA, as proposed to be added, strike out so much of subsection (b) as precedes paragraph (2) and insert in lieu thereof the following:

"(b) DESIGNATION OF FIDUCIARY BY THE CORPORATION.—

"(1) PURPOSES FOR DESIGNATION OF FIDUCIARY.—

"(A) COLLECTION OF LIABILITY.—The corporation shall designate a fiduciary (within the meaning of section 3(21)) to serve as trustee of the trust for purposes of conducting negotiations and assessing and collecting liability pursuant to section 4062(c).

"(b) ADMINISTRATION OF TRUST.—

"(i) CORPORATION'S FUNCTIONS.—Except as provided in clause (ii), the corporation shall serve as trustee of the trust for purposes of administering the trust, including making distributions from the trust to participants and beneficiaries.

"(ii) DESIGNATION OF FIDUCIARY IF COST-EFFECTIVE.—If the corporation determines that it would be cost-effective to do so, it may designate a fiduciary (within the meaning of section 3(21)), including the fiduciary designated under subparagraph (A), to perform the functions described in clause (i).

(33) SECTION 11012(a).—In section 11012(a) of the bill, in section 4049(c)(1)(A) of ERISA, as proposed to be added, strike out "of" the second place it appears and insert in lieu thereof "to".

(34) SECTION 11012(a).—In section 11012(a) of the bill, redesignate the second subsection (c) of section 4049 of ERISA, as proposed to be added, as subsection (d).

(35) SECTION 11012(b).—In section 11012(b) of the bill, in section 501(c)(24) of the Internal Revenue Code of 1954, as proposed to be added, strike out "1985" and insert in lieu thereof "1986".

(36) SECTION 11012(c).—In section 11012(c) of the bill, insert "of such Code" after "section 402(a)".

(37) SECTION 11012(d).—In section 11012(d) of the bill, strike out "incurred under" and insert in lieu thereof "otherwise payable as provided in".

(38) SECTION 11013(b).—In section 11013(b) of the bill, strike out "the date described in section 11019(a)" and insert in lieu thereof "January 1, 1986".

(39) SECTION 11014(a).—In section 11014(a) of the bill, in section 4070(a) of ERISA, as proposed to be added, strike out "A person" and insert in lieu thereof "Any person", strike out "who is adversely" and insert in lieu thereof "is adversely", strike out "an employee organization which represents" and insert in lieu thereof "who is an employee organization representing", and by inserting "so adversely affected" and "beneficiary".

(40) SECTION 11014(b)(1).—In section 11014(b)(1) of the bill—

(A) in section 4003(f)(1) of ERISA, as proposed to be amended, strike out "who is adversely" and insert in lieu thereof "is adversely", strike out "and any employee organization which represents" and insert in lieu thereof ", or who is an employee organization representing", and by inserting "so adversely affected" after "beneficiary"; and

(B) in section 4003(f)(2)(B) of ERISA, as proposed to be amended, insert "for the judicial district" after "district court".

(41) SECTION 11014(b)(2).—In section 11014(b)(2) of the bill, in section 4003(e)(6)(C) of ERISA, as proposed to be amended, strike out "if such date is later than the date described in clause (i)".

(42) SECTION 11015(a)(2)(A).—In section 11015(a)(2)(A) of the bill—

(A) in section 412(f)(3)(C)(i) of the Internal Revenue Code of 1954, as proposed to be added, strike out "oustanding" in subclause (III) and insert in lieu thereof "outstanding", and strike out "subsection (d)" in subclause (III) and insert in lieu thereof "subsection (e)"; and

(B) in section 412(f)(3)(C)(ii) of such Code, as proposed to be added, strike out "of" the fourth place it appears and insert in lieu thereof "or".

(43) SECTION 11015(a)(3).—In section 11015(a)(3) of the bill, strike out "the date described in section 11019(a)" and insert in lieu thereof "the date of the enactment of this Act".

(44) SECTION 11016(a).—In section 11016(a) of the bill—

(A) strike out paragraph (1);

(B) redesignate paragraphs (2) and (3) as paragraphs (1) and (2), respectively; and

(C) strike out paragraph (4) and insert in lieu thereof the following new paragraph:

(3) RESTORATION OF PLANS.—Section 4047 (29 U.S.C. 1347) is amended—

(A) in the first sentence, by inserting "under section 4041 or 4042" after "terminated" each place it appears; and

(B) in the second sentence, by striking out "section 4042" and inserting in lieu thereof "section 4041 or 4042". and

(D) redesignate paragraphs (5), (6), and (7) as paragraphs (4), (5), and (6), respectively;

(E) in paragraph (5)(A)(ii)(I) (as redesignated), strike out ", to which section 4021 applies and";

(F) in paragraph (5)(A)(iii)(I) (as redesignated), insert a comma after "section" the second place it appears;

(G) Strike out paragraph (5)(A)(iii)(III) (as redesignated) and insert in lieu thereof the following:

(III) in paragraph (3), by inserting "under section 4041(c) or 4042" after "terminates" and by striking out "employer" in subparagraph (C) and inserting in lieu thereof "contributing sponsor".

and

(H) in paragraph (5)(A)(iv)(II) (as redesignated), strike out "and";

(I) in paragraph (5)(A)(iv)(III) (as redesignated), strike out the period and insert in lieu thereof "; and";

(J) in paragraph (5)(A)(iv) (as redesignated), add after subclause (III) the following:

(IV) in paragraph (2), by striking out "termination" and inserting in lieu thereof "plan terminated under section 4042".

and

(K) in paragraph (5)(B) (as redesignated), strike out clause (ii) and insert in lieu thereof the following:

(ii) Section 4064(b) (29 U.S.C. 1364(b)) is amended to read as follows:

"(b) The corporation shall determine the liability with respect to each contributing sponsor and each member of its controlled group in a manner consistent with section 4062, except that—

"(1) the amount of the liability determined under section 4062(b)(1) with respect to the entire plan—

"(A) shall be determined without regard to clauses (i)(II) and (ii) of section 4062(b)(1)(A), and

"(B) shall be allocated to each controlled group by multiplying such amount by a fraction—

"(i) the numerator of which is the amount required to be contributed to the plan for the last 5 plan years ending prior to the termination date by persons in such controlled group as contributing sponsors, and

"(ii) the denominator of which is the total amount required to be contributed to the plan for such last 5 plan years by all persons as contributing sponsors,

and clauses (i)(II) and (ii) of section 4062(b)(1)(A) shall be applied separately with respect to each such controlled group, and

"(2) the amount of the liability determined under section 4062(c)(1) with respect to the entire plan shall be allocated to each controlled group by multiplying such amount by the fraction described in paragraph (1)(B) in connection with such controlled group.

The corporation may also determine the liability of each such contributing sponsor and member of its controlled group on any other equitable basis prescribed by the corporation in regulations.".

and

(L) in paragraph (5)(C) (as redesignated), strike out "any" the second place it appears in clause (ii), and strike out "comprises with others" in clause (iii) and insert in lieu thereof "(alone or together with members of such contributing sponsor's controlled group) constitutes";

(M) in subparagraph (B)(ii) of paragraph (6) (as redesignated), strike out "section 4062(b)(1)(A)" and insert in lieu thereof "section 4062(b)(1)(A)(i)"; and

(N) in subparagraph (B)(vi) of paragraph (6) (as redesignated), in section 4068(c)(1) of ERISA, as proposed to be amended, strike out "1985" and insert in lieu thereof "1986".

(45) SECTION 11016(c)(3).—In section 11016(c)(3) of the bill, in section 304(c)(1) of ERISA, as proposed to be added, strike out "such application" and insert in lieu thereof "the affected plan".

(46) SECTION 11016(c)(4).—In section 11016(c)(4) of the bill, strike out "Act" and insert in lieu thereof "title", and, in section 412(f)(4)(A) of the Internal Revenue Code of 1954, as proposed to be added, strike out "such application" and insert in lieu thereof "the affected plan".

(47) SECTION 11016(c).—In section 11016(c) of the bill, redesignate paragraphs (12) and (13) as paragraphs (13) and (14), respectively, and insert after paragraph (11) the following:

(12) CONFORMING AMENDMENT.—Section 4044(a)(29 U.S.C. 1344(a)) is amended by striking out "defined benefit".

(48) SECTION 11016(d)(4).—In section 11016(d)(4) of the bill, insert "the" after "of" the second place it appears.

(49) SECTION 11017(a)(1)(A).—In section 11017(a)(2)(A) of the bill, strike out "Act" and insert in lieu thereof "title".

(50) SECTION 11017(a)(2)(G).—In section 11017(a)(2)(G) of the bill, strike out "a" and insert in lieu thereof "an".

(51) SECTION 11017(b)(2).—In section 11017(b)(2) of the bill, strike out "February 1, 1986," and insert in lieu thereof "May 1, 1986,".

(52) SECTION 11018(a)(1)(C).—In section 11018(a)(1)(C) of the bill, insert "the date of the" after "prior to" in the matter following clause (iv).

(53) SECTION 11018(b).—In section 11018(b) of the bill, strike out all the single quotation marks and insert in lieu thereof double quotation marks, and in paragraph (4)(H), strike out "limitaiton" and insert in lieu thereof "limitation".

(54) SECTION 11019.—In section 11019 of the bill, redesignate subsection (b) as subsection (c), and strike out subsection (a) and insert in lieu thereof the following new subsections:

(a) IN GENERAL.—Except as otherwise provided in this title, the amendments made by this title shall be effective as of January 1, 1986, except that such amendments shall not apply with respect to terminations for which—

(1) notices of intent to terminate were filed with the Pension Benefit Guaranty Corporation under section 4041 of the Employee Retirement Income Security Act of 1974 before such date, or

(2) proceedings were commenced under section 4042 of such Act before such date.

(b) TRANSITIONAL RULES.—

(1) IN GENERAL.—In the case of a single-employer plan termination for which a notice of intent to terminate was filed with the Pension Benefit Guaranty Corporation under section 4041 of the Employee Retirement Income Security Act of 1974 (as in effect before the amendments made by this title) on or after January 1, 1986, but before the date of the enactment of this Act, the amendments made by this title shall apply with respect to such termination, as modified by paragraphs (2) and (3).

(2) DEEMED COMPLIANCE WITH NOTICE REQUIREMENTS.—The requirements of subsection (a)(2), (b)(1)(A), and (c)(1)(A) of section 4041 of the Employee Retirement Income Security Act of 1974 (as amended by this title) shall be considered to have been met with respect to a termination described in paragraph (1) if—

(A) the plan administrator provided notice to the participants in the plan regarding the termination in compliance with applicable regulations of the Pension Benefit Guaranty Corporation as in effect on the date of the notice, and

(B) the notice of intent to terminate provided to the Pension Benefit Guaranty Corporation in connection with the termination was filed with the Corporation not less than 10 days before the proposed date of termination specified in the notice.

For purposes of section 4041 of such Act (as amended by this title), the proposed date of termination specified in the notice of intent to terminate referred to in subparagraph (B) shall be considered the proposed termination date.

(3) SPECIAL TERMINATION PROCEDURES.—

(A) IN GENERAL.—This paragraph shall apply with respect to any termination described in paragraph (1) if, within 90 days after the date of the enactment of this Act, the plan administrator notifies the Corporation in writing—

(i) that the plan administrator wishes the termination to proceed as a standard termination under section 4041(b) of the Employee Retirement Income Security Act of 1974 (as amended by this title) in accordance with subparagraph (B),

(ii) that the plan administrator wishes the termination to proceed as a distress termination under section 4041(c) of such Act (as amended by this title) in accordance with subparagraph (C), or

(iii) that the plan administrator wishes to stop the termination proceedings in accordance with subparagraph (D).

(B) TERMINATIONS PROCEEDING AS STANDARD TERMINATION.—

(i) TERMINATIONS FOR WHICH SUFFICIENCY NOTICES HAVE NOT BEEN ISSUED.—

(I) IN GENERAL.—In the case of a plan termination described in paragraph (1) with respect to which the Corporation has been provided the notification described in subparagraph (A)(i) and with respect to which a notice of sufficiency has not been issued by the Corporation before the date of the enactment of this Act, if, during the 90-day period commencing on the date of the notice required in subclause (II), all benefit commitments under the plan have been satisfied, the termination shall be treated as a standard termination under section 4041(b) of such Act (as amended by this title).

(II) SPECIAL NOTICE REGARDING SUFFICIENCY FOR TERMINATIONS FOR WHICH NOTICES OF SUFFICIENCY HAVE NOT BEEN ISSUED AS OF DATE OF ENACTMENT.—In the case of a plan termination described in paragraph (1) with respect to which the Corporation has been provided the notification described in subparagraph (A)(i) and with respect to which a notice of sufficiency has not been issued by the Corporation before the date of the enactment of this Act, the Corporation shall make the determinations described in section 4041(c)(3)(A) (i) and (ii) (as amended by this title) and notify the plan administrator of such determinations as provided in section 4041(c)(3)(A)(iii) (as amended by this title) and notify the plan administrator of such determinations as provided in section 4041(c)(3)(A)(iii) (as amended by this title).

(ii) TERMINATIONS FOR WHICH NOTICES OF SUFFICIENCY HAVE BEEN ISSUED.—In the case of a plan termination described in paragraph (1) with respect to which the Corporation has been provided the notification described in subparagraph (A)(i) and with respect to which a notice of sufficiency has been issued by the Corporation before the date of the enactment of this Act, clause (i)(I) shall apply, except that the 90-day period referred to in clause (i)(I) shall begin on the date of the enactment of this Act.

(C) TERMINATIONS PROCEEDING AS DISTRESS TERMINATION.—In the case of a plan termination described in paragraph (1) with respect to which the Corporation has been provided the notification described in subparagraph (A)(ii), if the requirements of section 4041(c)(2)(B) of such Act (as amended by this title) are met, the termination shall be treated as a distress termination under section 4041(c) of such Act (as amended by this title).

(D) TERMINATION OF PROCEEDINGS BY PLAN ADMINISTRATOR.—

(i) IN GENERAL.—Except as provided in clause (ii), in the case of a plan termination described in paragraph (1) with respect to which the Corporation has been provided the notification described in subparagraph (A)(iii), the termination shall not take effect.

(ii) TERMINATIONS WITH RESPECT TO WHICH FINAL DISTRIBUTION OF ASSETS HAS COMMENCED.—Clause (i) shall not apply with respect to a termination with respect to which the final distribution of assets has commenced before the date of the enactment of this Act unless, within 90 days after the date of the enactment of this Act, the plan has been restored in accordance with procedures issued by the Corporation pursuant to subsection (c).

(E) AUTHORITY OF CORPORATION TO EXTEND 90-DAY PERIODS TO PERMIT STANDARD TERMINATION.—The Corporation may, on a case-by-case basis in accordance with subsection (c), provide for extensions of the applicable 90-day period referred to in clause (i) or (ii) of subparagraph (B) if it is demonstrated to the satisfaction of the Corporation that—

(i) the plan could not otherwise, pursuant to the preceding provisions of this paragraph, terminate in a termination treated as a standard termination under section 4041(b) of the Employee Retirement Income Security Act of 1974 (as amended by this title), and

(ii) the extension would result in a greater likelihood that benefit commitments under the plan would be paid in full,

except that any such period may not be so extended beyond one year after the date of the enactment of this Act.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

WORLD HEALTH WEEK AND WORLD HEALTH DAY

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from the further consideration of the Senate joint resolution (S.J. Res. 226), to designate the week of April 6, 1986, through April 12, 1986, as "World Health Week," and to designate April 7, 1986, as "World Health Day," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but simply would like to inform the House that the minority has no objection to the legislation now being considered.

Ms. OAKAR. Mr. Speaker, will the gentleman yield?

Mr. HANSEN. Under my reservation of objection, I yield to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Speaker, I would like to thank the minority for its cooperation on this resolution.

Mr. LEVIN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. HANSEN. I yield to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. Mr. Speaker, as the sponsor of House Joint Resolution 426, I rise in strong support of this resolution which would designate April 6 through 12, 1986, as "World Health Week" and April 7 as "World Health Day."

For 37 years, April 7 has been celebrated as "World Health Day." In observance of "World Health Day," communities throughout the world and across the Nation conduct health fairs, health education workshops, and other informational programs. These activities serve to focus public attention on the challenges we face in obtaining better health for all.

This year, the activities will run for 1 week. With "Healthy Living: Everyone a Winner" as its theme, "World Health Week 1986" will be an occasion to urge Americans to make a commitment to healthier lifestyles and to support global efforts to ensure health for all. This year's theme reminds us that we can improve our own health if we eat nutritious foods, exercise regularly, and if we don't abuse tobacco, alcohol or drugs. The theme also stresses the importance of combating malnutrition, the lack of clean water and sanitation and inadequate health care services in developing nations, in order to achieve the World Health Organization's goal of "Health for All by the Year 2000."

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 226

Whereas the health of a nation depends upon the health of its people;

Whereas improvement of the health of the people of our Nation contributes to world health, and world health contributes to the health of our Nation—a principle enunciated in the Constitution of the World Health Organization and accepted by the United States;

Whereas the United States is an active member of the World Health Organization and has both benefited from and contributed to the achievements of the Organization;

Whereas the countries of the world, acting through the World Health Organization, are committed to the goal of "Health for All by the Year 2000";

Whereas primary health care is recognized as a key to the attainment of "Health for All by the Year 2000";

Whereas health education and health awareness, prevention, and treatment of common diseases and illnesses, basic sanitation, and adequate nutrition are essential elements of primary health care;

Whereas the World Health Organization has established April 7 of each year as World Health Day to call attention to what individuals and governments can do to further the health of human beings everywhere, and the American Association of World Health has sponsored and assisted in this endeavor; and

Whereas it has been the custom for the President to call attention to World Health Day each year in the form of a public message: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of April 6, 1986, through April 12, 1986, is designated as "World Health Week" and April 7, 1986, is designated as "World Health Day" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate programs, ceremonies, and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate joint resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

MAKING A REPAYABLE ADVANCE TO THE HAZARDOUS SUBSTANCE RESPONSE TRUST FUND

Mr. BOLAND. Mr. Speaker, I send to the desk a joint resolution (H.J. Res. 573) making a repayable advance to the Hazardous Substance Response Trust Fund, and ask unanimous consent for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

Mr. ECKART of Ohio. Mr. Speaker, I reserve the right to object.

On my reservation, Mr. Speaker, I yield to the gentleman from Massachusetts for purposes of explaining the bill.

Mr. BOLAND. Mr. Speaker, over the past 6 months, the reauthorization of Superfund has been hotly debated on both sides of this Capitol. What this program needs is a good, long-term bill and an assured source of funds.

Up until this point, the Committee on Appropriations has strenuously opposed all efforts to provide short-term extensions, in order to keep maximum pressure to reach some sort of an agreement on Superfund reauthorization.

Mr. Speaker, we have reached the point of a crisis, and we have passed that point, and still there is no solution in sight. Unless something is done soon, national Superfund contractors responsible for the actual work will have to be terminated and their staffs will have to be laid off.

If that should happen, it will take many months, maybe 12 to 18 months, to put the program back on track. We cannot allow that to happen to the Superfund Program.

So this resolution simply provides, out of the $900 million already appropriated for Superfund in 1986, that $150 million will be available from a repayable advance from the general fund to the Hazardous Substance Response Trust Fund.

These funds cannot be obligated after May 31, 1986. I understand that agreement has been reached by both sides and that the Committee on Ways and Means has no objection to it. Hopefully, they will be coming in with a solution to the tax problem.

My understanding is that the Committee on Energy and Commerce agrees to this. And CBO indicates that there are no additional outlays and no additional budget authority. The appropriation is already in place and this simply permits $150 million of that $900 million appropriated to be available now to continue this program.

Mr. ECKART of Ohio. Mr. Speaker, under my reservation of objection, I yield to the gentleman from New York [Mr. GREEN].

Mr. GREEN. Mr. Speaker, I would like to emphasize a couple of points to the House. First, this was adopted early this evening by the Committee on Appropriations by a voice vote. One addition, has been made to it, spelling out specifically the May 31st expiration date of the appropriation.

The other point that I think is very important is that there are no new obligations, no new budget authority in here, and no new outlays in here. This is all money that was in the HUD-independent agencies 1986 appropriation bill that has been adopted.

The only problem has been the hangup in the conference in the authorizing legislation. This emergency legislation will allow the program to keep going without contractors having to be terminated, and without the whole program collapsing. This will keep us going for 2 months while the conferees try to resolve their differences.

Mr. ECKART of Ohio. Continuing my reservation, Mr. Speaker, I yield to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. May I ask the distinguished gentleman from Massachusetts: The resolution merely provides for borrowing; it does not provide for any particular rate of taxation?

Mr. BOLAND. The gentleman is absolutely correct. It provides an advance from the general fund and that will be repaid to the general fund when the money is available through the taxing process.

Mr. FRENZEL. I thank the gentleman for his explanation, and the gentleman from Ohio [Mr. ECKART] for yielding.

Mr. ECKART of Ohio. Mr. Speaker, I yield to the gentleman from New Jersey [Mr. ROE].

Mr. ROE. Just for the Members of the body, the Committee on Public Works, Representative HOWARD and myself, we support this action because it has to be done at this point.

Mr. ECKART of Ohio. Under my reservation of objection, Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I want to clear up a technical point. The unanimous consent was for consideration only? The question will be put on the resolution, is that correct?

Mr. ECKART of Ohio. It is my understanding that the question is consideration, and not passage.

The gentleman would have to proffer that question to the Speaker.

PARLIAMENTARY INQUIRY

Mr. WALKER. Mr. Speaker, the unanimous-consent request is for consideration, and the question will be put?

The SPEAKER pro tempore. That is correct.

Mr. BOLAND. Will the gentleman yield?

Mr. ECKART of Ohio. Under my reservation, I am happy to yield to my colleague from Massachusetts.

Mr. BOLAND. Mr. Speaker, I thank the gentleman from Ohio [Mr. ECKART] and the gentleman from New Jersey and everyone else involved in this, including the members of the Committee on Ways and Means and the Committee on Energy and Commerce.

This is a very serious problem with the Environmental Protection Agency. We completed 2 days of hearings yesterday with the EPA, and Lee Thomas, who in my judgment is probably one of the finest administrators that has ever been appointed, indicated to us the seriousness of the problem. He believes in a long-term solution. However, that is not possible within the timeframe within which these committees have been operating. So a short-term solution is the only solution to resolving the problems facing EPA today.

Mr. ECKART of Ohio. Last, Mr. Speaker, continuing my reservation, I understand there are no language or substantive provisions in this bill?

Mr. BOLAND. That is correct.

Mr. ECKART of Ohio. I understand that there are no future encumbrances in this bill.

Mr. BOLAND. There are no future encumbrances.

Mr. ECKART of Ohio. And that it can in no way be used for repayments or advances.

Mr. BOLAND. The gentleman is correct.

Mr. ECKART of Ohio. Mr. Speaker, I withdraw my reservation objection, and urge adoption of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 573

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That language under

the heading Environmental Protection Agency, "Hazardous Substance Response Trust Fund" in Public Law 99-160 is amended by deleting "as amended, including sections 111(c)(3), (c)(5), (c)(6), and (e)(4) (42 U.S.C. 9611), $900,000,000, to be derived from the Hazardous Substance Response Trust Fund," and inserting in lieu thereof "including sections 111(c)(3), (c)(5), (c)(6), and (e)(4) (42 U.S.C. 9611), $900,000,000, of which $750,000,000 shall be derived from the Hazardous Substance Response Trust Fund and $150,000,000 shall be derived from an advance from the general fund of the Treasury to the Hazardous Substance Response Trust Fund to be repaid in accordance with section 223(c)(3) of Public Law 96-510 and notwithstanding section 223(c)(2)(D) of Public Law 96-510, *Provided*, That none of the $150,000,000 shall be available for obligation after May 31, 1986,".

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES WILDER DAY

(Mr. EMERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EMERSON. Mr. Speaker, everybody loves a hometown boy who has made good. I am pleased to share with you today the success story of one young man from a community in my district in southeast Missouri.

In 1976, James Wilder was a senior at Sikeston Senior High School, where he thrilled football fans with his talents as a member of the Sikeston Bulldog football team. During his high school career, James distinguished himself as a member of the all-conference team, and as an honorable mention member of the Missouri All-State Team. In his senior year he broke the Sikeston Bulldog regular season rushing record by gaining 1,292 yards.

Following high school, James attended the University of Missouri at Columbia, where he again displayed his talents on the football field. Each Saturday afternoon during the football season, James Wilder thrilled Mizzou football fans as a star attraction of the Tiger squad. By the time his senior year was completed, James had broken the university's rushing record and was selected as the most valuable player in the 1978 Liberty Bowl.

James now makes his hometown proud as a running back with the Tampa Bay Buccaneers. He has been called the NFL's best kept secret. He is a star on the national horizon, but he has never forgotten his roots. James visits his hometown with regularity and has sponsored a softball team for young people—offering them the chance to participate in community sports, just as he did as a youngster.

Mr. Speaker, I am proud to share the success of this outstanding young man with my colleagues, and to announce that Thursday, April 3, 1986, has been proclaimed "James Wilder Day" in the city of Sikeston; and on that evening he will be presented with the annual Man of the Year Award by the Sikeston Chamber of Commerce. In addition, for the first time in history, the Sikeston Public Schools will be retiring a jersey number—James Wilder's number 29.

The city of Sikeston and, indeed, all of southeast Missouri, are proud of this favorite son and are delighted to be honoring this hero. He is an inspiration to all young men and women in our area—proving that hard work, diligence in purpose, and dedication to the task have their reward in success and achievement.

AUTHORIZING THE SPEAKER TO ACCEPT RESIGNATIONS, AND APPOINT COMMISSIONS, BOARDS, AND COMMITTEES AUTHORIZED BY LAW OR BY THE HOUSE, NOTWITHSTANDING ADJOURNMENT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that, notwithstanding any adjournment of the House until Tuesday, April 8, 1986, the Speaker be authorized to accept resignations, and to appoint commissions, boards, and committees authorized by law or by the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY, APRIL 3, 1986

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday, April 9, 1986, may be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

THE HOUSE TURNS ITS BACK ON THE NICARAGUAN CRISIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 30 minutes.

Mr. BURTON of Indiana. Today was a very disappointing day Mr. Speaker, for many of us who have worked very hard and diligently in the area of foreign affairs to deal with the crisis in Central America.

We have felt for some time that that situation needed to be addressed, but unfortunately the House saw fit today, by about a 12-vote margin, to turn their back on that crisis and let it continue to fester.

My concern, Mr. Speaker, is that the problem is going to get considerably worse before it gets better.

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We have had a number of days of debate on this floor and a lot of misinformation has been presented to the American people. I would like to try to set some of that straight tonight before I go home. I do not think I could sleep well if I felt that the American people had been misled and did not know the facts.

So I want to make a few points before we depart on our recess with a lot of unfinished business yet to be done.

Mr. Speaker, I yield to my colleague from California.

Mr. DORNAN of California. Mr. Speaker, I am proud to join the gentleman from Indiana in this special order because post mortems sometimes are very valuable things.

First of all, Mr. Speaker, I would like to congratulate you for bringing down the gavel and asking the demonstration to stop on your side of the aisle when the President's resolution was rebuffed.

Given the number of speeches on this House floor that we were dealing with hard-core Communists in Managua who were dealing in terror, persecuting the church, building prisons, and that is the only thing they are building down there and filling them with 11,000 political prisoners; suppressing labor unions. Not everybody around here cares about the private sector but that seemed to be what crippled Cuba was when the private sector all fled. There are some heroes trying to remain down there. They have had their property expropriated, several of them just since VIN WEBER and I met with them.

After talking about how horrible all the situation was down there, just trying to go for a little different direction and then have all this cheering on the other side I thought was in the poorest taste. And I appreciate you, Mr. Speaker, bringing down the gavel and demanding that there be no demonstration on your side of the aisle.

So let us proceed with a constructive post mortem here. I have things I want to get off my chest too.

I thank the gentlemen for taking this time out.

Mr. BURTON of Indiana. I yield to my colleague from Illinois.

Mr. CRANE. I thank the gentleman for yielding.

Unfortunately I was unable to secure time to participate in the debate that we had yesterday and this morning on this issue, notwithstanding the 10 hours allocated for the entire debate.

But there are some things that I want to get off my chest, too, and I am grateful for the gentleman having this opportunity to deliver the post mortem, as our colleague from California described it.

The thing that disturbed me about this whole debate is I do not think there is any dispute on either side of this question about the nature of the government that exists in Nicaragua. We all know it is totalitarian, we all know it has defiled the concept of free democratic elections; we all know it

does violence to religious worship; we all know it does violence to freedom of the press, freedom of speech, freedom of assembly. We all know it violates all of the traditional norms that we consider proper with respect to judicial institutions.

Now all of those ideals were principles that the Sandinista movement committed itself to in 1979 when the United States joined with the other members of the Organization of American States in an effort to derecognize the dictatorial Somoza Government, to anticipate the fulfillment of the real Sandinista movement which was to guarantee all of these principles. In short we joined in the overthrow of a government that did violence to all those principles because we had a revolutionary force committed to those ideals.

The sad reality was that the real Contra movement was Communist within that true democratic reform revolutionary movement. The real counterrevolutionaries are the people who sit in control of the Government of Nicaragua today who violated every one of the solemn commitments made to the United States and every other country that was a participant in the Organization of American States toward the realization of those goals. I think it is important now for us to look at the situation in the stark light of what transpired here on the floor and to call upon our own administration to urge those members of the Organization of American States that joined with us in 1979 and derecognize that Government that exists in Nicaragua and to re-recognize the true Sandinista movement represented by the freedom fighters and ultimately work toward the end of the tyranny that exists down there that is a threat to their neighbors and is, in fact, a threat to the Western Hemisphere.

The revolution is still alive, but the revolution is represented by the freedom fighters who do indeed believe in freedom, not by the Communists who subverted that, and for us to continue to maintain recognition of that iniquitous regime to me is working at cross-purposes with everything we tried to wage the fight for in the debates that went on yesterday and today.

I thank the gentleman.

Mr. BURTON of Indiana. I thank the gentleman for his very valuable contribution.

I think what I would like to start off with—and I will try not to take too much time because I know the people at the front desk are tired, it has been a long 3 or 4 days—but the people of the United States, the people in the Congress I think should know that Mr. Ortega, who went to Moscow shortly after the vote last year for $17 million in humanitarian aid and because of his trip to Moscow changed a lot of minds on the other side of the aisle and we were able to get $27 million in humanitarian aid; Mr. Ortega this year did not go to Moscow but went to Havana instead. He addressed the Third Cuban Communist Party Congress in Havana on February 6. Instead of making the terrible mistake that he made last year he sent Bayardo Arce to the Communist Congress in Moscow during the same period of time so that they could be together with their comrades-in-arms who were working to make sure that they have worldwide revolution.

But that did not upset my colleagues on the other side of the aisle this time because today they manifested their support or at least their nonopposition to that Communist regime by voting against military aid for the freedom fighters who are fighting so valiantly for the recapture of their revolution in Nicaragua.

I will be submitting some items for the RECORD, Mr. Speaker.

Mr. Speaker, I want to make that point very clear, they did go to both the Cuban Communist Congress and the Moscow Communist Congress to express their support and allegiance to the puppets from Cuba and to the big brothers in Moscow as far as their mutual goals are concerned, those being worldwide domination and worldwide revolution.

Now last night one of my colleagues and I engaged in a debate about the problem of disinformation, Communist disinformation getting to the American people via the media here in the United States. I was told by my colleague that some of the things I raised, some of the issues I raised were drivel and that they should not be brought to the attention of the American people the way we did and that if I had not been doing it here on the floor of Congress, if I had been doing it in any other forum, I would probably be dragged into a court of law and sued for libel because I was accusing a law firm here in Washington, DC, of being tools or puppets of the Communist Sandinista government.

So today I wrote a letter to my colleague who made those allegations last night and I would like to read this letter into the RECORD for the benefit of my colleagues and for the people who may be paying attention to this debate:

HOUSE OF REPRESENTATIVES,
Washington, DC, March 20, 1986.

DEAR PETE: Regarding the debate last night, it is not really in dispute that many of the human rights groups, such as WOLA, have become "shills for the Sandinistas" (that's what Bruce Cameron, former lobbyist for the ADA calls them). For example, two former WOLA associates, Kay Stubbs and Sophia Clark, are now working for the Nicaraguan foreign ministry in Managua (you can call the Nicaraguan embassy to verify this). None of these organizations has ever, to my knowledge, issued a report on human rights in Cuba.

The enclosed articles, from the *Wall Street Journal* and *The New Republic* outline the allegations we discussed regarding last year's WOLA report.

I also recommend the enclosed report on high-ranking Sandinista defector, Alvaro Baldizon. You may choose not to believe what he says, but you should at least review the report and judge it for yourself. You may want to take into account the fact that he has every incentive *not* to speak out against the Sandinistas, given that they are now holding his wife and family captive.

Sincerely,

DAN BURTON.

P.S.—This is not *drivel.*

Now Mr. Baldizon, who was a lieutenant for Tomas Borge, escaped to freedom and came to the United States and told about the atrocities that had been taking place at the hands of the Communist Sandinista government which my colleagues on the left of this body have chosen to ignore. I would like to read an excerpt of an article by Fred Barnes regarding Mr. Baldizon, talking about Tomas Borge, one of the nine comandantes in the Communist Party down there:

Borge personally ordered some killings and whitewashed others, Baldizon said. In 1981 Borge allegedly standardized the practice of murdering political foes by issuing a secret order allowing "special measures," the euphemism for assassinations. He institutionalized the deception of visiting foreigners, appearing before Christian groups in an office with a crucifix, a statue of Jesus Christ, and a Bible. His real office is adorned with pictures of Marx, Engels, and Lenin, and copies of *The Communist Manifesto* and *Das Kapital.* Moreover, Borge was involved in cocaine trafficking, put former criminals in police jobs, and installed Cuban advisers in operational posts.

Now remember, Baldizon was one of Borge's lieutenants.

Now this is fact, this is fact that has been given by a chief lieutenant who defected to the United States remarks last night drivel, I hope he reads this article. Also I sent to him an article from the Wall Street Journal regarding the Washington Office on Latin America's published reports regarding human rights violations in Nicaragua at the hands of the freedom fighters, the Contras. In this article it says that the law firm of Reichler & Applebaum received, not $350,000 as I stated last night, I made a mistake, but $320,000 in legal fees from the Communist Sandinista government last year.

Reichler & Applebaum sent Reed Brody—and I will give the name tonight—a 31-year-old lawyer, and Jim Bordeloin, a law school student, who were selected to conduct an objective investigation. They spent 4 months in Nicaragua taking statements from witnesses of resistance-force atrocities, all with the full cooperation of the Communist Sandinistas. Mr. Brody confirms that most of the investigators' in-country transportation, boarding, housing, office space, staff, and one can assume the witnesses themselves

were provided compliments of their Marxist Communist hosts and sympathizers in Managua.

This report was paid for lock, stock, and barrel, and I mean lock, stock, and barrel, by the Communist Sandinista government. But that was not enough. When they came back to publish the report the law firm of Reichler & Applebaum decided they wanted to distance themselves from this report so they sent a second team down there.

The second team was headed by a man named Mr. Fox. Let me give you his exact name here, Donald Fox, a New York city-based international human rights lawyer activist. Mr. Fox went down there and he confirmed later that his wife was a Nicaraguan-born lady who has two brothers and both of her brothers are members of the Communist Sandinista foreign ministry. He went down there, studied the report and the allegations made by the first committee that went down there and verified the first report. Obviously he would do that; his wife was in sympathy with the Communist government in Nicaragua, her two brothers are members of the Communist Sandinista government, the first report was paid for by the Communist Sandinista government and they came back and it was published by the Washington Office of Latin American Affairs. Mr. GEJDENSON, a member of the Democratic majority on the other side of the aisle, held a news conference along with some other Members, I understand, along with the members of the Washington Office on Latin American Affairs, and NBC, CBS, ABC, CNN, all the major networks were there and they all swallowed this Communist disinformation report hook, line, and sinker. And it went across the airwaves of this country to the American people as fact.

Now that is why the American people are confused about this issue. They do not know who to believe. Communist disinformation is publicized across the airwaves as fact and they have to listen to it.

After they listen to it they say well, who is right, who is wrong, is it the left or is it the right down there? Is it the Communists, the bad guys, or the freedom fighters? And because of this confusion today many of my colleagues I think were led down the primrose path and voted against aid to the freedom fighters.

Mr. DICKS. Mr. Speaker, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from Washington.

Mr. DICKS. I did not quite understand the gentleman. Is the gentleman suggesting that the Congressman from Connecticut [Mr. GEJDENSON] was involved in a disinformation campaign? Is the gentleman suggesting that he was exploited by the Communist? Is that what the gentleman is saying here before the House of Representatives?

Mr. BURTON of Indiana. I will be very happy to state it very clearly and concisely for my friend.

What I am saying is that the report was paid for by the Communist Sandinista government, not the report but the transportation and all the people who went down there. In fact I will quote the article, referring to a Wall Street Journal article that was on the editorial page written by Mr. Jim Denton.

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Let me read it to you once again so you will have it straight:

> Reed Brody, a 31-year-old lawyer, and Jim Bordeloin, a law-school student, were selected to conduct the "objective investigation." They spent four months in Nicaragua taking statements from witnesses of resistance-force atrocities, all with the full cooperation of the Sandinistas. Mr. Brody confirms that most of the investigators' in-country transportation, boarding, housing, office space, staff and, one can assume the witnesses themselves, were provided compliments of their Marxist hosts and sympathizers in Managua.

This report was commissioned by the law firm of Reichler & Applebaum. They sent the people down there to do the report in the first place. Reichler & Applebaum received $320,000 in legal fees from the Communist Sandinista government last year.

The gentleman just walked in, so I will go through this one more time.

The report was then verified by a second group that went down headed by a gentleman named Donald Fox, a New York City based international human rights lawyer activist. Mr. Fox is married to a lady from Nicaragua who has two brothers in the Communist Sandinista Foreign Ministry. He verified the first report, which was done at the behest of the law firm of Reichler & Applebaum. When they came back, this report was published by the Washington Office on Latin American Affairs. There was a news conference here on Capitol Hill, and Mr. GEJDENSON was a participant. Whether he knew or did not know this was done at the behest of the law firm of Reichler & Applebaum, I do not know.

But what I am saying is that Members of the Congress, in my view, have been duped into believing that human rights violations have been perpetrated upon the people of Nicaragua by the freedom fighters down there, when much of that has been Communist disinformation, paid for by the Communist Sandinista government and sold to the American people lock, stock and barrel by a duped media.

Mr. DICKS. Well, I think the gentleman has to be a little careful, in my own judgment, when the gentleman starts suggesting that Members of Congress, who have a whole variety of sources of information and have maybe read a report and agree with its consequences and the substance of it, have been duped. I think that phrase is very pejorative.

I am a little surprised the gentleman, who I have a great deal of respect for, would enter into that kind of a diatribe just because today the House of Representatives voted. We had a vote here. We have a democratic process.

Mr. BURTON of Indiana. I brought this issue up many times. This is not the first. Nobody has refuted it.

Mr. GINGRICH. Mr. Speaker, will the gentleman yield?

I want to say this to my good friend, with whom I helped found the military reform caucus and for whom I have the deepest respect. Nothing pains me more than the fact that for many Members in this body, if a Wall Street Journal article is being read by one Member which suggests—let us get it out in the open—which suggests that one of our good friends may well have been taken in. That is certainly what the article suggests. Nothing pains me more than to have it said that the gentleman from Indiana, who was reporting that our good friend may well in fact have been deceived, that it was the gentleman from Indiana who was first challenged, whereas in fact I think we would want to say to our good friend from Connecticut, what are the lessons all of us should learn about Soviet disinformation if, in fact, you are taken in.

Mr. DICKS. I happen to know the gentleman from Connecticut. He is a very bright, able Member of this body. I am certain that he has looked at this issue like all of us have. We read lots of reports. We get in lots of different debates about it.

The people here, I think, have a right to make their judgments.

Mr. BURTON of Indiana. If I may reclaim my time, this was brought up the first time at a Foreign Affairs Committee meeting in which Mr. GEJDENSON was in attendance. Now, he knows about this report and he knows that we challenged the report, because Reichler & Applebaum received this legal retainer of $320,000 from the Communist Sandinista government, and they requested the study be done in the first place. and sent the group down there the first time.

So he is not unaware of this, and he has never come to the floor to challenge these remarks. I would be happy to talk with him about them.

Mr. GINGRICH. Will the gentleman yield?

Mr. BURTON of Indiana. I would be happy to yield.

Mr. GINGRICH. I just want to carry this a step further.

I am not suggesting that any Member who voted no is necessarily being duped or anything else. That is not what I am saying. I want to make that very clear.

I am saying unequivocally there is clearly Soviet, Cuban, and Nicaraguan disinformation out there.

Mr. DICKS. I want to say to my distinguished friend that I agree with him.

Mr. GINGRICH. OK.

Mr. DICKS. There has certainly been a campaign conducted to influence public opinion in the United States. As the gentleman from Georgia well knows, the United States does the same thing all over the world on behalf of the things we believe in.

Mr. GINGRICH. In free countries where we can.

Mr. DICKS. I am not so sure it is just there. But I think the gentleman understands that we have a vigorous approach to presenting our viewpoint around the world with U.S. Government funds being involved.

Mr. GINGRICH. I ask the gentleman, does it not disturb the gentleman a little bit if a proposal is issued as supposedly being a human rights proposal, if in fact the Communist government has paid $320,000 to have a law firm to have the proposal written?

Mr. DICKS. All I am saying is I think we ought to be careful.

I think there is one thing we learned from this debate that we have just been through. I really do not think it is productive to start saying the press has been duped and Members have been duped.

Mr. GINGRICH. What if it has been?

Mr. DICKS. I really do not think that is the case.

Mr. GINGRICH. You do not think it is ever the case?

Mr. DICKS. There could be one report. There could be one situation. But Members have had a chance to debate this issue for 4 years.

Mr. GINGRICH. That is not the issue. The gentleman is missing the point we are trying to make, I think.

The question I am asking the gentleman is: What if there is a serious systematic disinformation effort? What if the Communist governments pay a significant amount of money to pay lobbyists? What if, in fact, they set up front groups? What if, in fact, in some cases, they work closely with specialists in the United States to figure out how to frame the Communist argument in the United States. Should that not be a matter of public record and should we not be aware of it?

Mr. DICKS. I agree with that. I do not have any problem with the gentlemen presenting their concerns about a disinformation campaign that has been presented by the Sandinistas and the Soviet Government. I do not have any problem with that.

What I am worried about—and I admit that I just heard part of the gentleman's presentation, and I wish I had heard all of his presentation—but when I hear the words "duped" and "misled" or that the Members of Congress——

Mr. BURTON of Indiana. Let me just interrupt.

Last night I brought this issue up on the floor before the debate. One of my colleagues stood up and said that everything we were saying was dribble and there was no documentation to back up what we were saying. So tonight I came down here with a specific purpose, among other things, to point out that there was fact and a firm basis for us saying what we said last night.

Now, this article has not been refuted by anybody. Nobody sued the paper for slander, and nobody has taken me on that was involved in that report on the floor of the House.

Mr. DICKS. All I am suggesting to my good friend is that when you use the word "duped," I do not think the Members around here are duped.

Mr. BURTON of Indiana. May I ask the gentleman a question?

Mr. DICKS. I think they study these issues carefully. And I think they make a judgment based on the evidence, and sometimes you do not agree. But I do not think they are being duped.

Mr. BURTON of Indiana. Let me just say one thing.

If a person believes a report to be fact, and it is in fact Communist disinformation, if it is not being duped, tell me what it is.

Mr. DICKS. I think Members may read 1 report and they may read 50 other reports.

Mr. BURTON of Indiana. What is it if it is not duped?

Mr. DICKS. But what the gentleman is suggesting is Mr. GEJDENSON made up his mind on this issue based on this report. I do not think that is how any Member makes up his mind.

Mr. BURTON. He made it in a news conference that cited this report as fact. If that is not being duped, American people were watching and there he was giving lending his credentials to the report.

I yield to my colleague.

Mr. GINGRICH. I just want to read a paragraph here. This is from the Wall Street Journal:

> The Brody document made its way into the public and congressional debate with a splash. The media fallout included articles in the Washington Post and the New York Times, and network coverage, including about 2½ minutes on the CBS Evening News. None of these accounts seriously challenged the report's origins or handling, ignoring or playing down the Sandinista sponsorship to the point that it was virtually unrecognizable to the audience.
>
> The overall impact of the press accounts and congressional responses served the purposes of a Marxist regime to distort the U.S. public and Congress' understanding of the human-rights saga in Nicaragua—all of which will continue to shape U.S. policy in that war torn country.

All I am saying to the gentleman from Washington State is that I am puzzled by the fact that—let us place it to one side. The gentleman from Connecticut who is not here and is a bright and a lively Member, and who I am sure would do a great job of explaining his position.

Mr. DICKS. I think he is a patriot.

Mr. GINGRICH. I think he is a patriot, too. We are all patriots. That is not the issue.

The issue is whether patriots dealing with a highly sophisticated foreign government which is systematically trying to manipulate the American system.

The gentleman does not seem to buy that. But I think that a Communist regime spending $300,000 on a law firm is not stupid.

Mr. BURTON of Indiana. If I may reclaim my time, I only have 5 minutes left and I want to make a couple of other points.

I do want to say this. The Soviet Union has a whole department in Moscow that is devoted entirely to disinformation.

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And is it any wonder that they would be exporting revolution and, right along with it, the experts who know how to utilize disinformation? If you think that that puppet regime down there in Nicaragua is not following the Moscow line and the Cuban line right down the pike, then you are very misguided. And the thing that concerns me is if they are masters of disinformation——

Mr. DICKS. If the gentleman will yield for one statement, I just think we ought to be careful about using the phrase "duped."

Mr. BURTON of Indiana. If they are masters of disinformation, then why in the world would they not be using disinformation tactics in Managua? Which they are, and this report verifies it.

Now, I just want to make a couple other points before I run out of time. I have just about 5 minutes left.

General Lopez, a Cuban war hero, a Communist, Gen. Nestor Lopez, who was involved in the war against Israel, who fought in the Yom Kippur war against Israel on the side of the Syrians in 1973, who later fought in Angola, on the side of the Communists in Angola, who fought against Batista when Castro came to power, now that Cuban general is down in Managua, Nicaragua, helping lead the Communist forces against the freedom fighters, helping lead the 3,000 Cubans who are down there, who are flying the

Communist Hind helicopters, the Soviet Hind helicopters.

So not only are there human rights distortions, disinformation, coming into the United States of America, but the Cubans and the Communists are sending men down there, generals and support troops, to augment the Communist Sandinista government in their quest to eradicate the freedom fighters in Nicaragua, to squash them once and for all.

But one of the things that bothers me the most is something that I brought up time and time again, and that is what they are teaching the children in Nicaragua. The first thing the Communists do when they take over a country is send in the teachers. They sent into Nicaragua about 300 to 600 teachers as soon as they took power. Our last commanding general in Vietnam, General Weyand, when asked why the Communists kept coming after losing a million men, why did the Communists and North Vietnamese keep coming, they lost 1 million men, we lost about 110,000 the reason was, he said, because of elderly ideological indoctrination. For instance, the children were taught to add and subtract by saying, "If there are 10 imperialists and 5 are killed, how many will be left?" That was taught in the textbooks.

Here is a copy of a textbook I got in Managua, Nicaragua, a first-grade mathematics text. And here is how they are teaching their children to add: two AK-47 rifles plus two AK-47 machineguns plus two machineguns are six machineguns. Three handgrenades plus three handgrenades are six handgrenades.

These children, like the Communist Vietnamese, are going to be zealots in the not-too-distant future, and if the freedom fighters down there are not allowed to fight them and to at least force them to the conference table and negotiate a free democracy, then they are going to have their way not only in Nicaragua but throughout Central America. And our children are going to have these zealots on the battlefield. They have alreay had 7 years to indoctrinate these children, and it is going to get worse.

I just want to end up by saying that my colleagues on the other side of the aisle, many of them, after the vote today, said, "Well, we may come back next month with another version, something that will be workable, something that we can support."

There are those of us on this side of the aisle who feel like if they come back with a watered-down version that is not going to give enough help to those people down there, we will not be able to support it.

We either should give enough help or none at all. To give false hope to protect the political fortunes of my friends on the left here in Congress, would be unforgivable, and I think that many of my colleagues on the other side of the aisle think that we will come back and just give a drop here and a drop there and that will pacify the American people. The American people are not going to be duped, they are not going to be fooled for very long. If the Communist Sandinistas are successful in crushing the freedom fighters, as they very well may do because the freedom fighters will not be getting any aid from us, at least not in the foreseeable future, if they crush those people down there, then they are going to solidify their position in Nicaragua, the exportation of the revolution will increase, make no mistake about it.

I saw the weapons in El Salvador that came through Nicaragua, and I talked to a captured Communist guerrilla who told me where the weapons came from, from Managua. The exportation of revolution will increase, and then, my friends, El Salvador will be in danger of falling and may fall, Guatemala, Honduras and then we are going to be up into Mexico, and our boys are going to be involved in a war that is unnecessary. And I say to my colleagues on the other side of the aisle who voted against helping those freedom fighters today that the responsibility will be at your feet, at your feet.

Articles referred to are as follows:

[From the Wall Street Journal, Apr. 23, 1985]

CONTRA ATROCITIES, OR A COVERT PROPAGANDA WAR?

A LOBBYING DRIVE BEGAN IN MANAGUA

(By Jim Denton)

The likely congressional defeat of President Reagan's proposal to provide military aid to the anti-Sandinista contra forces comes in the wake of an extraordinary lobbying campaign. The struggle for the hearts and minds of Congress has mobilized a handful of partisans who have been enormously effective in distorting the Nicaraguan human-rights story. Although it is not uncommon for foreign governments to try persuasion on Capitol Hill, the manner and degree to which the Sandinistas have manipulated public and congressional opinion is noteworthy.

A review of the origins, the dubious handling and the reception of a report recently released by Rep. Samuel Gejdenson (D., Conn.), and two putative human-rights groups provides a case study of how Sandinista propaganda is legitimized and makes its way into the public debate and, ultimately, congressional policy.

The Washington, D.C., law firm of Reichler & Applebaum is the Nicaraguan government's official registered agent in the U.S. For its services, the firm is paid an annual rate of about $320,000. From all outside appearances the firm has ably represented its client. An accounting of the lobbyists' appointments with legislators and staff reads like a Who's Who among Senate and House liberals.

But Reichler & Applebaum's lobbying efforts on the Sandinistas' behalf have gone beyond the congressional routine. In an interview, Mr. Reichler confirmed that some months ago he originated and orchestrated a plan to send a team of "professional attorneys to Nicaragua to conduct an objective, independent investigation of contra atrocities."

Reed Brody, a 31-year-old lawyer, and Jim Bordeloin, a law-school student, were selected to conduct the "objective investigation." They spent four months in Nicaragua taking statements from witnesses of resistance-force atrocities, all with the full cooperation of the Sandinistas. Mr. Brody confirms that most of the investigators' in-country transportation, boarding, housing, office space, staff and, one can assume, the witnesses themselves, were provided compliments of their Marxist host and sympathizers in Managua.

Upon completion of the "investigation," the 141-page Brody Report, consisting of nearly 150 sworn affidavits from "witnesses," was duly processed back through the Sandinistas' lobbyists at Reichler & Applebaum. There it was prepared in final form and, according to a report submitted to the House Foreign Affairs Subcommittee on Western Hemisphere Affairs, passed to the Washington Office on Latin America (WOLA), the International Human Rights Law Group and Rep. Gejdenson for public dissemination.

These three parties all have their individual biases. WOLA, for example, has been a particularly prolific and harsh critic of the human-rights records of Latin American governments friendly to the U.S., as well as the contras, and sympathetic to the Sandinistas and other Marxist insurgents in the region. In reviewing WOLA reports, articles and studies, no serious or critical account of Fidel Castro's human-rights record in Cuba could be found. It is also worth noting, in weighing the group's objectivity, that two former WOLA employees are now employed by the Nicaraguan Foreign Ministry.

Apparently recognizing that a hasty embrace of the Sandinista-sponsored Brody report might be viewed with skepticism. Rep. Gejdenson, WOLA and the Law Group assembled a second delegation to verify the Brody findings. This second delegation consisted of Michael Glennon, former chief counsel to the Senate Foreign Relations Committee under the chairmanship of Frank Church; Donald Fox, a New York City-based international human-rights lawyer-activist; Valerie Miller, the delegation's interpreter, who lived in post-revolutionary Nicaragua for two years and wrote a book on the Sandinista literacy campaign; and, as an observer, a staff aide to Rep. Gejdenson. Mr. Fox confirmed that his Nicaraguan-born wife, now a U.S. citizen, Ana Clemenzia Tercero, accompanied the group to Managua to visit family members at WOLA's expense. Ms. Tercero's brother is a high-ranking official in the Nicaraguan Foreign Ministry assigned to Rome. This group uncovered no discrepancies in the Brody findings after having corroborated only 10 of the nearly 150 Brody affidavits during its one-week visit to Nicaragua.

Then, on March 7, in releasing the Sandinista-sponsored Brody Report, Rep. Gejdenson, WOLA and the Law Group called for a congressional investigation into contra atrocities before a packed press conference on Capitol Hill. Mr. Gejdenson stated he was forwarding the report to Rep. Lee Hamilton (D., Ind.), chairman of the House Intelligence Committee, and Rep. Michael Barnes (D., Md.), chairman of the House Foreign Affairs Subcommittee on Western Hemisphere Affairs, of which Mr. Gejden-

son is a member. In their prepared press statements, Mr. Gejdenson, WOLA and the Law Group did not mention the Sandinistas' role in originating and facilitating the Brody Report.

Last week the House Western Hemisphere Affairs Subcommittee held several days of hearings on aid to the contras. At Thursday's session, at the request of Mr. Gejdenson, Mr. Brody testified before the committee and had his report entered into the Congressonal Record. Mr. Fox also testified, embracing the Brody report. And, apparently in order to gain some distance from the Sandinista-inspired document. Mr. Fox submitted a second report written by himself, Mr. Glennon, the Law Group and WOLA. The findings of this report substantiated and reinforced the Brody report.

The Brody document made its way into the public and congressional debate with a splash. The media fallout included articles in the Washington Post and the New York Times, and network coverage, including about 2½ minutes on the CBS Evening News. None of these accounts seriously challenged the report's origins or handling, ignoring or playing down the Sandinista sponsorship to the point that it was virtually unrecognizable to the audience.

The overall impact of the press accounts and congressional responses served the purposes of a Marxist regime to distort the U.S. public and Congress' understanding of the human-rights saga in Nicaragua—all of which will continue to shape U.S. policy in that war-torn country.

(Mr. Denton is executive director of the National Forum Foundation, a public-policy group in Washington.)

Daniel Ortega at the Cuban Party Congress

To reaffirm publicly the Sandinistas' solidarity with Fidel Castro and the Cuban Revolution, President Daniel Ortega of Nicaragua made a special point to attend the Third Party Congress of the Cuban Communist Party February 4–7, 1986

Ortega was only one of two chiefs of state to participate in the congress (the other being the President of Guinea Bissau).

Indicative of his priorities, by attending he snubbed an important delegation of Western leaders representing the Socialist International who were visiting Managua.

He competed at the podium in anti-U.S. rhetoric with representatives from the Soviet bloc and from communist parties of such countries as Angola, Ethiopia, and Afghanistan.

Ortega also rubbed shoulders with representatives of such political terrorist groups as the Argentine Mononeros, the Chilean "Manuel Rodriguez" Patriotic Front, and the Colombian M-19.

In his speech, Ortega characterized Nicaragua's relations with Cuba as "unalterable, non-negotiable and sealed with the blood of Cuban internationalists fallen on Nicaraguan soil . . ."

He also praised Cuba as "a symbol of dignity, resistance, and combativeness in Latin America." He closed his remarks by declaring, "Long live Cuba and Nicaragua, united they will overcome!"

In reciprocation for Ortega's expression of loyalty, Cuban Politburo member Jorge Risquet responded, "In the future, as now, we will share our bread, our knowledge and our blood with the heroic people of Sandino's homeland."

Fidel Castro asserted that not only the Salvadoran guerrillas (statement by Salvadoran Communist leader Shafik Handal) but "all the Central American revolutionaries" would unite to defend the Sandinistas.

Ortega returned to Havana March 2, 1986, for what a Nicaraguan Government communique characterized as a "private" stay of 10 days, after dispatching another of the Comandantes, Bayardo Arce, to Moscow to attend the Soviet Communist Party Congress. Arce is chief ideologue of the Sandinista Party.

(Excerpts of Ortega's speech in Havana are attached.)

Speech by Commander of the Revolution Daniel Ortega, President of Nicaragua and Coordinator of the FSLN Executive Committee, Third Cuban Communist Party Congress, Havana, February 6, 1986

Esteemed Comrade Fidel Castro, comrade delegates and guests: I bring greetings from the FSLN militants to the militants of the CCP who are today holding their Third CCP Congress. We are bringing a fraternal message from Sandino's heroic people to Marti's heroic people . . .

Cuba is an example of a people's determination when they decide to be free in the face of the terrorist actions of Yankee imperialism. To speak of Cuba is to speak of the heroic resistance against the invasion in Giron. It is to speak of the people's firmness in the face of the criminal blockade. It is to speak of the internationalism of thousands of Cubans who have given their blood and sweat in favor of sister peoples . . .

In the report presented yesterday, we have learned of the tasks undertaken by the workers, peasants, youths, women, soldiers, technicians, professionals, and party militants. The balance is positive, with a stronger revolution and with a more developed party, above all, marching with open eyes to avoid the obstacles that are in its path. We have learned in the report about the just and dignified positions that Cuba has upheld in the international field of defense of sovereignty, the self-determination of peoples, and peace. We were especially moved by the generosity of its heroic people who despite their limitations, struggles, and sacrifices, give their best and share their blood and bread with sister peoples who defend their freedom and independence in various regions of the world.

In Nicaragua, we are witnesses of the internationalist disposition of the Cuban people. Ever since the struggle against the Somozist dictatorship, the blood of Cuban revolutionaries has mixed in Nicaraguan soil with the blood of Nicaraguan revolutionaries. In these past years, the blood of Cuban internationalists who were providing their cooperation in various specialties has again been shed in Nicaraguan soil, victims once again of the imperialist policy that assassinated Sandino, Che, and Allende, and that procreated Batista, Somoza, Duvalier, and Pinochet . . .

Our relations with Cuba are friendly, fraternal, and respectful. They are relations that are unalterable and nonnegotiable. They are relations sealed with the blood of Cuban internationalists who have fallen on Nicaraguan soil . . .

They (the United States) are trying to justify their terrorist policy towards Nicaragua by accusing our homeland of being the sanctuary of the Salvadoran revolutionaries. We all know perfectly well that as long as there is injustice, exploitation, and lack of freedom, there will be revolutions and that if in El Salvador there is a revolutionary struggle it is because there has been a lack of justice and democracy and because the Salvadoran people have not been respected.

This Third Congress is taking place when the threats of the nuclear hecatomb are being brandished by the U.S. rulers in a policy of universal blackmail that is rejected by the peoples of the world. One can no longer deny the extraordinary efforts that the Soviet Union carries out in favor of peace . . .

To defend Nicaragua's right to self-determination and peace in Central America means to defend the right to self-determination of Latin America and the Caribbean as well as to defend our right to struggle against the financial blackmail to which we are being subjected by the creditors of a debt that is unrepayable, and therefore, uncollectible. It means defending the right to struggle for a new economic order; it means defending the right to peace . . .

Long live the Third Congress of the Cuban Communist Party! Long live the friendship between Cuba and Nicaragua! Cuba and Nicaragua, united they will overcome! Long live peace!

Israel and the Contras

(By Rowland Evans and Robert Novak)

The arrival in Nicaragua last week of a Cuban general who fought against Israel in the 1973 Yom Kippur War is the launching pad for a new political effort to win the contra-aid vote in Congress on grounds that a vote against the contras is a vote against Israel.

Brig. Gen. Nestor Lopez, the Soviet-trained Cuban commander who is just now making his debut in Nicaragua, commanded armored forces on the Syrian front against Israel and then stayed there for two more years. His move to Managua buttresses the administration's charge that a seamless web of left-wing forces now spans the globe, with the capability of pinpointing its power where and when needed.

According to that theory, Lopez's battle experience in one theater of operations after another shows the capability of moving non-Soviet communist forces led by Soviet-trained officers into combat almost anywhere. The troops that fight on the Honduran border today may return to the Israeli border tomorrow.

Republican supporters of anticommunist guerrillas in Nicaragua believe there is political advantage to be taken of this, particularly with many Democratic congressmen who vote consistently for aid to Israel but against the contras. Rep. Newt Gingrich plans to get a group of colleagues together for trips to New York, Chicago, and Miami—all major centers of Jewish population—to deliver this message: a "no" vote on aid to the contras is a "yes" vote for the enemies of Israel who fought in the Yom Kippur War on the Arab side.

Lopez was one of them. Indeed, at age 44 he typifies the Cuban communist professional who has made his mark in three theaters of war. A youthful fighter against the Batista regime in Cuba, he was trained at armor school in the Soviet Union. When the ill-fated freedom fighters landed at the Bay of Pigs in the spring of 1961, Lopez commanded one of the first Fidel Castro units to meet them.

In 1973, he was sent to the Mideast in command of an armored regiment fighting with the Syrians against Israel along the Golan Heights, staying there throughout sporadic cleanup fighting that lasted into

May 1974. All told, 3,000 Cubans were estimated to have been in Syria—including MiG and helicopter pilots.

According to The Economist's March 1978 Foreign Report, Cuban tank crews commanded by Lopez suffered 180 dead and 250 wounded in the Yom Kippur war. Less than a year later, in March 1975, the Cubans were dispatched to Angola to battle Jonas Savimbi's freedom fighters following Portugal's departure. Lopez was put in command of a Cuban armored division.

Thus, while Washington sends one of its veteran peace-seeking envoys, Ambassador Philip Habib, to Central America, Havana sends one of its outstanding combat veterans to Managua.

The Nicaraguan government's pleas for peace, echoed by Reagan critics in Washington, contrast with such warlike moves. Commandante Emmet Lang, the Nicaraguan air force commander in chief, is on a secret mission to Moscow seeking a favorable sign from the Soviets—such as the loan of MiG fighters, or perhaps the symbolic landing of a squadron of Bear bombers.

U.S. experts very much doubt the Sandinistas will get any such stakes-raising signal from the Soviets. But even without the Russians, internationalization of the communist struggle in Nicaragua is well along.

The globe-trotting Gen. Lopez shows what military analyst Edward N. Luttwak meant when he wrote that "the pieces are on the chessboard"—in the Middle East and elsewhere.

Tying Israel and the contras together politically is not all that easy. Formidable Democratic spokesmen in foreign affairs, including Rep. Mel Levine of California, chairman of the House Democratic task force on Central America, and Rep. Stephen J. Solarz of New York, a senior member of the House Foreign Affairs Committee, support Isreal and oppose the contras with nearly equal passion.

Gingrich and his colleagues will try to convince them they will not be able to perform that feat with impunity much longer. Levine acknowledged to us that the apparent contradiction made him "uncomfortable." But he said "the tail should not wag the dog"—that giving Israel what is asks is not the same as supplying arms to the anti-Sandinista contras.

Gingrich will try to change that, raising the political cost of opposing the contras. The arrival in Managua of the Cuban general with his battle ribbons from the Syrian front helps his cause.

NATIONAL AGRICULTURE DAY

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LA GARZA. Mr. Speaker and my colleagues, I am concerned that, in the pressure of the vote of today, we have neglected to give more emphasis to the fact that today is National Agriculture Day. This is the day when we thank all of those who till the soil and work for us and make us the bested Nation in the world, with yet enough to export to other countries.

There is a very critical situation in rural America and in the farm sector. We have addressed that in part, with legislation that we feel will aid the farmers—credit legislation, commodity-support legislation—but the rest remains with the American people that they recognize who it is that puts the bread, the daily bread, on the table and the sacrifices that they made. We take pride in saying that Americans are the best fed people for the least amount of disposable income per family, with enough to sell abroad. Yet more often than not, the farmers sell for less than it costs them to produce it.

So what we need is that the American people realize, understand and, hopefully, appreciate the fact that it is the farmers, the producers of America, who are giving us this bounty, and at least for today, as we close this session, and tonight, that all of us say a silent prayer or otherwise for those who till the land. We have spoken today about life and liberty and democracy and the pursuit of happiness. None of this would be available in this country of ours without those who till the land. There would be no life, no liberty, no pursuit of happiness.

ORDER OF BUSINESS

Mr. GINGRICH. Mr. Speaker, I ask unanimous consent to proceed with my special order, which was requested earlier.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

WHERE DO WE GO FROM HERE?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. Mr. Speaker, I want to talk about what happened today and where we go from here. Some who may watch or who may look tomorrow at the transcript may say, "Why is GINGRICH talking? Isn't the vote over?" and my answer to our friends is: No, it is not over.

I think the very distinguished Democratic chairman of the Foreign Affairs Committee said it beautifully on the floor today when he said, "This will not end today, whether we vote yes or not. This will not end tomorrow. This may well go on for 10 years." And then he cited—and I say with a great sense of history, for I have read some of his statements back in 1961 and 1962—Fidel Castro and all those who thought it would be over, "if only we could negotiate, if only we could have let Fidel play baseball in Yankee Stadium, if only we could do something." Twenty-six years after Fidel Castro, it is not over. As the very distinguished Democratic chairman of the Rules Committee, CLAUDE PEPPER, said today, in what I thought was a heroic moment that, frankly, sent chills up my spine listening to him talk, looking back over many years of watching this planet, a man who has witnessed the isolationism of the 1930's, a man who saw the rise of the cold war, a man who has seen far beyond those of us who are younger, Chairman PEPPER said, if I may paraphrase: "They are Communists. They lie to us. They have lied again and again. We have no choice."

And yet the fact is that when the vote was over today, while Ronald Reagan carried 49 States in 1984, today it is George McGovern, Jimmy Carter and Walter Mondale who control the House of Representatives. It was the George McGovern-Jimmy Carter-Walter Mondale foreign policy that received a vote today.

I will be glad to yield to my very distinguished friend, the gentleman from Arizona [Mr. RUDD].

Mr. RUDD. I thank the very distinguished gentleman in the well for taking this special order. His remarks are well taken in that people think this vote is over, and the vote on the floor is over, but I just have to make a comment with regard to a little bit of history that the gentleman was talking about.

I was in the Caribbean when Fidel Castro took over, and I was in Mexico at the time of the Bay of Pigs and at the time of the missile crisis.

In 1959, when Fidel Castro took over in Cuba, everybody thought, as you pointed out, that a democratic government might come to Cuba, with the exception of a few people. A friend of mine who was with AP at the time was the only reporter out of Havana who was writing these stories that told the stories the way it was. He knew that Fidel Castro was a Communist.

So Fidel made some promises and got a lot of support in this country, and then shortly after that he declared himself to be a Communist.

Now, two important things really took place in Cuba in 1961 and 1962. On April 17, 1961, the Bay of Pigs, the famous Bay of Pigs, occurred. And at that time, although the assistance had been promised and had been assured by President Eisenhower, who decided to leave it to his successor, President Kennedy, to carry out the plan that had been on the books for a long time, an open secret, I might add, that was not really a secret, but the refusal of President Kennedy to provide air support for the exiles, the freedom fighters who were trying to recover freedom in Cuba after they had been deceitfully deprived of freedom by Castro, Castro subsequently consolidated all of his power at the failure of the Bay of Pigs, and the Soviet Union got a permanent foothold in our own back yard and later installed missiles and nuclear warheads the following year.

In July 1962, we got information that the Soviets were shipping missiles to Cuba, and on October 22, President Kennedy, at long last, recognizing the folly of his earlier decision not to help in the Bay of Pigs, placed a naval blockade around Cuba, and President Kennedy planned an armed invasion, I was told at the time, on October 30, 1962. On October 28, Premier Khrushchev backed down, presumably, and promised to remove all of the missiles from Cuba, and we got some pictures of them removing something that looked like missiles and we took it for granted that they did. We do not know for sure that they did. It did not really matter because the base was assured.

The missile crisis, in my opinion, was the greatest geopolitical victory that any country could have had in recent times, and certainly the greatest geopolitical victory that ever occurred in the Western Hemisphere if you discount Hernan Cortez and Francisco Pizarro in the conquering efforts that they made in Latin America 400 years earlier.

And the reason it was such a victory is this: What did we get in return for all of this? We really got some empty promises that the missiles would be removed from Cuba, but in turn we took our missiles out of Turkey and we gave carte blanche authority to the Soviet Union to establish a permanent base in Cuba, a base for espionage, a headquarters for terrorism and a base for subversion and military activity throughout all of the other countries in Latin America.

At first, Castro decided to send his henchman, the Guevara, to Bolivia, and fortunately he discovered that he was not going to be able to live off the land and do the things that he wanted to do.

How lamentable it was that we did not provide the air support for the Cuban exiles. What a mistake that was. And we struck a deal with the Soviets to allow Cuba to become a dominant power in the world, even though it is a nation of something like 9 million people, to do the bidding of the Soviet Union at that time.

As we all know now, Cuba has armed forces, they have a submarine base for the Soviets, they have submarines of their own, warlike material, first-rate aircraft, perhaps 10,000 maybe 12,000 Soviet soldiers and advisers in Cuba to tell them where to go and how to get there and how to use the equipment, to teach them how to use it so that they can teach others how to use military equipment.

□ 2050

To go back for just a moment, on July 23, 1961, under the direction of Fidel Castro, three Nicargauan Marxist radicals, Carlos Fonseca Amador and Tomas Borge, now Interior Minister and overseer of the secret police for Nicaragua, and Castro's closest friend, and Silvio Mayorga, set up the FSLN in Honduras.

Now, I guess the name in Spanish is Printe de Sandinista Liberacion Nationale, the National Sandinista Liberation Front, and from Honduras they began their terrorist activities to overthrow the then legitimate government of Nicaragua.

In July 1979, the revolution came where the Sandinistas had taken power and put in Tomas Borge again, Nicaragua's Interior Minister, and Castro's personal choice to run the country, although Ortego took over.

Tomas Borge has with the help of Fidel Castro established a power base in Cuba that is almost unshakable today and the Cuban advisers that came in under Castro's direction have taught the government there how to really install political oppression.

On September 21, 1979, I think I have heard the gentleman talk about this before, the FSLN in Nicaragua approved the 72-hour document, the manifesto that committed the Sandinistas to revolutionary internationalism. I think that was the title of it, and a Marxist-Leninist state was closely aligned with the Soviet bloc.

The 3-day session produced the basic blueprint for the construction of communism in Nicaragua, spreading subversion throughout the region. The document was remarkably similar to that others captured in Grenada 4 years later and stressed the need to hoodwink U.S. opinion into believing that the Sandinista pledge to promote pluralism, a mixed economy and nonaligned foreign policy was the way to go; all of this for our consumption, the smokescreen behind which they could gain time and complete their integration into the Communist world revolution that took place and the scenario as to Communist evolution in Cuba now was installed and taking place in Nicaragua.

During the month of September 1983, Tomas Borge was interviewed by an American magazine. He was asked to respond to President Reagan's assertion that Nicaragua is the first domino in Central America since the revolutionary triumph in Nicaragua, and it will be the next revolution exported to Nicaragua and then to Guatemala and then on to Honduras and eventually to Mexico.

Borge replied, "That is one historical prophecy of Ronald Reagan that is absolutely true." That is frightening in itself.

Now, in 1984, January 10, Henry Kissinger reported the findings of the bipartisan Kissinger Commission and he said that our efforts in Latin America would fail because they are not broad enough and they do not provide sufficient resources. He mentioned a figure of $8 billion for all, not for the freedom fighters, but for all the area to try to cope with the crisis which on a continuous basis was being exacerbated by the Soviet Union and by Cuba.

One other little item that should frighten everybody as in June 1984 the Soviet Ambassador to Brazil said that the most important event in the past 2 years in that region in Central America undoubtedly is the Sandinista victory in Nicaragua and the way things are going. We will have another Cuba there. That was his opinion.

So the pattern is in and the domination that they accomplished, they continue to accomplish throughout the world, with one exception and that one exception was Grenada.

George Shultz met with the foreign ministers of the Contadora process and he said at that time in December 1985 that the Sandinistas did not want to negotiate in good faith, which is underscored by everything else that they have done.

So today we have in Nicaragua, like Cuba, a revolutionary movement by the Communist international and Daniel Ortega is quickly following the footsteps of Fidel Castro. He has betrayed the moderate members of the coalition, the people who were really seeking freedom, and he has consolidated his power by the use of force behind the barrel of a gun again.

In just winding this up a little bit, today the Sandinistas have the largest armed force in Central America. We all know that. We know the huge numbers of soldiers that they have under arms, perhaps 120,000, and we know that they have thousands, over 10,000 advisers in the form of people from the Soviet-Cuban, Bulgarians, North Koreans, Libyans, and Palestinians.

The buildup in offensive material with over 150 tanks, and I will not go ahead and name all the equipment they have, because we know what they have; but if we are as unconcerned, as apparently we are today with that vote, which I think is pretty final, then the Contras will have to disappear from the scene. The only hope that we will have then is presumably a negotiated settlement with Nicaragua, who will never negotiate. Why should they negotiate now? I will not be a bit surprised if Ortega does not get aboard a plane, issue a press release and go to Moscow to personally report the good position that he now finds himself in.

We have abandoned the Contras, as we did the Cuban freedom fighters at the Bay of Pigs. In doing so we have now allowed the Iron Curtain to fall around Nicaragua and when it comes up from time to time it will only be up long enough to allow military forces, terrorism, and espionage to leave in order to do the same thing in the surrounding countries. Probably the first target will be Honduras, then El Salva-

dor and then Guatemala and then Mexico, but they will leave Costa Rica to the last because Borge was reported to have said, "We don't have to worry about that. We can take them anytime we want."

I wonder what happened to the tremendous emotion captured in a phrase that our President Kennedy once said. He said,

> We are a people who will pay any price, make any sacrifice, travel any distance, to protect freedom on this earth.

I cannot believe that we as a people cannot be sympathetic with the freedom fighters all around the world, because we were once freedom fighters. Our Founding Fathers were and our statements of sympathy for that by almost every President that anyone can remember, starting recently, most recently with Harry Truman, were that we would defend freedom fighters wherever they might be found anywhere in the world.

Those people who opposed the freedom fighters in Honduras I do not feel understand that the freedom fighters are defending United States principles as surely as they are fighting for their own freedom.

I want to thank the gentleman for yielding to me, but this is a ticklish question. We in America who have always stood for freedom and liberty, and it has really taken 5,000 years for us to come to the understanding that we have about freedom and liberty and it culminated and became an apex of that thought with what happened 200 years ago in Philadelphia; but I just cannot believe that the sympathy we feel for freedom fighters everywhere, I cannot understand why we cannot feel that for the people who are trying to recover freedom which was taken from them, stolen from them by Ortega and the Sandinista movement in Nicaragua.

Mr. GINGRICH. Mr. Speaker, I particularly wanted to yield to our friend from Arizona because I know the gentleman personally has witnessed this. I know the gentleman has lived the frustration of 26 years of Fidel Castro and the Cuban Communists extending their power in Cuba, creating a colonial army for use in the Soviet empire.

I think, and I do not know whether the gentleman wants to comment on what I am about to say, because it is very, very strong, and yet it is at the core of the reason I decided to stay tonight and do this special order. It seems to me it is the history of 26 years of Cuban communism, 69 years of Soviet communism, that for people like us creates a genuine fear of Communist tyranny.

We were here on the floor today voting frankly out of fear, a real fear. We think the Soviets represent a weird and frightening reality, while our friends on the left believe in a pleasant fantasy that simply is not true.

Let me say, because I think we have to say it and we have to say it firmly and we have to say it clearly. There were patriots disagreeing on this floor today. I respect Members who voted their conscience. I respect the Speaker when he got up today and I think spoke from the heart, but I have to say that there was a deep emotion as I stood in the back at the last minute of the vote and some Members on the left cheered and applauded. A part of me, frankly, was sickened. They were patriots who were cheering and applauding. I do not question that they are sincere Americans, but I have to ask myself, "How much do those who were cheering lack compassion and concern? How much did they lack sensitivity?"

When that vote went down, there were Afghan freedom fighters who were crying because America once again has once again shown weakness in the face of communism.

There were Cambodian freedom fighters who were crying, because America still was not helping them adequately.

There were Polish workers in Solidarity crying, because we will have not found a way after 40 years to help those oppressed by communism in Europe.

There were Israelis crying, because their loved ones had been killed by Cuban troops led by Gen. Nestor Lopez, who is now the Cuban leader, the head of the Cuban colonial army in Nicaragua.

There were Nicaraguans crying, because they have 35,000 Cuban troops right now oppressing them with Soviet weapons and America is not doing enough to help them and they know that if we do not have the courage to stand up in our own backyard, we are not likely to have the courage to stand up across the ocean.

There were Ethiopians crying, because a thousand a day are dying in Soviet dictatorship concentration camps and forced relocations.

There were Cubans crying, because by failing to stand up to Castro and his colonial army we increased the power of his grip in his totalitarian government.

There were Nicaraguans crying, because they are going to be in the mountains fighting for freedom against Soviet helicopters manned by Cuban pilots with no effective American help tomorrow morning.

There were Soviet citizens crying, because like Sakharov, they were either threatened with a mental institution if they believe in freedom or they are imprisoned or sent in isolation to a strange city.

Who was laughing and cheering as they watched C-SPAN and saw the vote go down and saw America turn its back on freedom fighters?

I suspect the Soviet Embassy was laughting and cheering.

I suspect that Fidel Castro's observers at the United Nations in New York were laughing and cheering.

I suspect that Qadhafi in Libya when he got the vote results was laughing and cheering.

I suspect that Ortega and his communist gang in Nicaragua, although I have been told that Ortega himself is in Cuba right now and his air force general is in Moscow; but I suspect that Ortega and the Communist gang in Nicaragua are laughing and cheering, and in this House there were those on the left who were laughing and cheering.

Those who cheered, those who thought they defeated and weakened Ronald Reagan, in fact defeated and weakened the forces of freedom not only in Central America, but around the world.

I guess what I find so troubling and so hard to deal with is not the men and women of conscience who quietly and soberly voted no because in their hearts they just did not agree with Ronald Reagan, I think that is their job. I think if we cannot convince them, they owe it to this country to vote their conscience; but when you read, as we read today, "The Democratic leadership vowed to defeat him today in the House," referring to the President of the United States on a foreign policy issue, and you see the maneuvering in which first we scheduled a vote early because that way the Democratic leadership thought Ronald Reagan could not rally the country, and then when the President went on television and rallied the country, they offered a new vote in April, because they were afraid they would lose today, and then the radical elements in their party laughed and cheered. It is a bit much not to want to cry for freedom, for freedom fighters, and for America.

□ 2105

So I wanted to ask the gentleman from Arizona, and I appreciated so much him sharing with us the history of these years, because he has lived through the frustration that I think DANTE FASCELL, the chairman of the Democratic Foreign Affairs Committee, was warning all of us we may live through, and the question is whether we live through the next decade gradually winning for freedom, or we live through the next decade gradually losing our freedom.

I would be glad to yield further to the gentleman.

Mr. RUDD. I do not want to be an apologist, but when things happen as they have happened with the Communist extension of power throughout

the world since they came to power, when freedom fighters in Hungary wanted to regain freedom, when freedom fighters in Poland and Czechoslovakia and Greece—thank the Lord we were able to help them then, and I could ask you that question then, if you were opposed to freedom fighters, what would have happened in Greece if we had not come to the aid of them. They would now be under the total domination and another province of Soviet Russia.

But we look at these areas, and they say, "But that is far away. Afghanistan is far away. Ethiopia, Angola, is far away." Even in Vietnam we were not interested in that because it was far away. So we did not want to be bothered with that.

Does the gentleman think it is because we are here at home affluent, with good shoes on, with clothes on our backs, that we do not feel the compassion? We know it is there, we admit it, and for just a fleeting moment we are opposed and angered by what the Soviets are doing throughout the world, but it is far away and it is easier to just forget about it and hope that it will go away, even though you know in your heart it will not go away.

But here in Central America, that is not far away. That is almost within walking distance of the United States of America, or in a rowboat, if you will. But you would think by this time that we know how the Soviets operate, what communism is all about, that it feeds on war. That is the only way it continues to exist, is to feed on war, to let the people within the Iron Curtain borders of the country where it takes place, and I am talking about Soviet Russia and every other Communist country, that it will eventually take over everything that we hold dear.

Freedom and liberty will no longer be ours if we continue to let them advance, and advance and advance. You would think that we would at least become fearful enough to realize that if we have not helped these people regain their freedom, they do not want our soldiers there to do it, they want our help only in the way of materiel, that we will have lost our last opportunity, and the next time that we will be involved it will be in armed conflict to defend freedom and liberty as we know it. And could it be too late then?

Mr. GINGRICH. Let me say first of all, just very briefly, that I think there are three primary reasons we in America find it hard to systematically confront communism and the threat to our freedom and our survival.

The first is that if you are prosperous and you live in a suburb and your life is orderly and rational and you watch color television and you have a good life, it is hard to believe in the weird and frightening reality of Leninism and the Soviet system. It is just outside our normal behavior.

The second is that for very, very many members of the American political elite, members who are in the Henry Wallace-George McGovern tradition of isolationism and neopacificism, that I think there are intellectual and there are psychological reasons that they find it very hard to confront the Soviet empire. I think for some of them they have now spent 40 years trying to explain away this dangerous reality, and trying to develop a pleasant fantasy that sounds good even if it is not real.

The third, candidly, and the one that led me to ultimately decide to do this special order, is that only in recent weeks have we had the firmness and the clarity from the Reagan administration necessary to force this issue.

The fact is, the President has not been clear enough, his advisers have not been systematic enough. To this very day, they have not finished the process of getting the State Department to use the right language to explain what is going on. I think if the President does not lead systematically, and if his staff does not lead systematically, they can hardly expect the Nation to follow. In fact, I think this vote was lost as much in the last 5 days by people on the White House staff talking about compromise as by anything else.

If this issue is not important enough for the President and his senior staff to focus on systematically, it can hardly be important enough for the average American voter to worry about.

So I think all three factors are at stake.

Mr. RUDD. Mr. Speaker, if the gentleman will yield further, it is only recently that we began to understand that probably the key to all of this for the Soviets is the tremendous to which they have developed disinformation services to provide a wrong picture throughout our Nation, and it is targeted at us particularly. Everything that has happened in the last 2 or 3 weeks, for example, how much money the Nicaraguans, which came from Soviet Russia and Cuba, are spending to provide disinformation on all subjects with regard to who they are and what they are doing, and nothing about what they are not doing.

I recently received a pamphlet, as I know the gentleman did, from Los Angeles. It told me how wonderful everything was in Nicaragua. Tomas Borje is holding a child, grieving for the hated freedom fighters who had killed the parents. We saw pictures of schools that were blown up. We saw the hospitals that were blown up. We do not know if these were blown up in Nicaragua. It could have been in El Salvador. It could have been in Cuba at an earlier time.

But anyway, this came out, and this is all total disinformation. So the Soviet Union has been beaming information into our country into the ears and for the eyes of our citizens for a long time, to tell us that things are not the way we know they are, but the way they say it is. So disinformation is probably the key to this whole thing for the Communists in order to soften us up and to soften any nation up before they take over. When they promise freedom and liberty, they are talking about slavery.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I would be glad to yield to my friend, the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Speaker, I just wanted to get in here to say that I appreciate both gentlemen putting the vote today in somewhat of a historical perspective, because I think it is important to understand what happened today is a part of an ongoing history that this country is going to have to deal with at some point or another.

I was taught some time ago that men and nations move in historical cycles. The cycle tends to move from bondage to faith, from faith to courage, from courage to freedom, from freedom to abundance from abundance, to complacency, from complacency to dependency, and from dependency back to bondage.

What I heard on the House floor today and yesterday all too much was people talking about the downside of history rather than the upside of history. The upside of history is faith, courage, freedom, and ultimately abundance. The downside of history is complacency, dependency, and ultimately bondage.

What I heard many people saying on the floor today and yesterday was that they did not even have faith enough to stand with people of courage in Nicaragua who are members of churches that are being persecuted and who are people standing against all odds in order to protect their faith; that we do not even have the kind of courage in this House to stand safely on the House floor and vote to provide the kind of aid that gives people of real courage the sustenenace they need to carry on the fight for freedom; that we do not even believe in the ideals of freedom enough to do, as one of our colleagues described it, allow people to stand on their feet and fight rather than to live on their knees.

Rather, what we heard all too often in the debate today was people who had decided to be complacent, who had decided to be complacent about what was going on in Cental America, who had decided that despite the fact that they came to the floor and de-

scribed a Sandinista Communist regime in such horrid terms that they could not endorse it. Time and time again they said, "We cannot endorse this regime."

Despite knowing what they knew about what was happening in Nicaragua, they said, "Well, it really does not matter enough to do anything now." That is complacency.

And they also talked about dependency, because ultimately what they said was, "We have no solution to the problem there. Let us leave it to somebody else to solve the problem. Let us leave it to the Contadora nations. Let us leave it to a regional kind of solution. Let us leave it to someone else. We have no stake."

People are complacent, people who are dependent about the issues that we had before us in this House today, are ultimately people who are in danger of being placed into bondage.

That is my great fear. I share with the gentleman a sense of fear about what we saw take place here, because history teaches us precisely the kinds of things that took place here today are what allow free people to become slaves.

Mr. GINGRICH. Let me say that of all the people who voted "no" today, the ones who surprised me the most and saddened me the most and made me the most confused were those who claimed in April they would vote "yes" for something else a little bit like this.

There seems to be one faction of the House which always has a compromise, if only there is a headline or a fig leaf. There seems to be one faction of the House which, if they just said "no" to the freedom fighters and walked off, would then have the country and Ronald Reagan and history angry at them.

□ 2115

On the other hand, if they said yes to the freedom fighters, then they would have the radicals in their own conference angry at them. And it seems to me that our efforts in the coming weeks and months must focus on these Members, because they are the most difficult Members to deal with, and in many ways those who in the way they behave make it the hardest to explain the challenge and the choice.

Let me draw a distinction. There are Members in this House who sincerely and openly believe that we should not be in Central America. They go back and they explain their viewpoints, they are elected by folks back home who agree with them. I respect those Members because they are up front, they are straightforward. The folks back home know what they are voting for and they get what they vote for. That is perfectly reasonable and patriots can disagree. I go back home and I say you vote for NEWT GINGRICH and you are going to vote for somebody who is explicitly, strongly, actively trying to stop communism. And I am willing to take the risk of sending money to help the freedom fighters help themselves, because I think that is a smaller risk than some day having to send American troops.

Other Members come in and say I think we can afford the risk of communism in Central America. I think that is a smaller risk than us getting involved, and I will vote against aid. And I can respect those because they are up-front and clear.

The difficult ones, those who cause the most problems in having a clear debate and a clear dialog and a public education process, are the ones who say oh, I am really a conservative but I cannot quite vote for it this time. One was quoted, for example, in the New York Times as describing himself as a "genuine, certified, 100-percent hawk," except, of course, he was going to vote no. Now let me just say if you had even said "I was a 99-percent hawk but on this one, this 1 percent I was not" that would have made some sense. But there were no genuine, certified, 100-percent hawks who voted no today, and somehow what puzzles me the most is how do we get across the message, first of all, that there are a lot of folks who pretend they are sort of like Ronald Reagan when they are back home, but they vote sort of like they are George McGovern when they are up here.

And second, there was just something fundamentally wrong about standing here on the floor of the House in March, talking about a year in Central America and promising that in April you would vote a better deal. If the deal is better, should we not have voted on it today? What kind of person can walk off now before a recess knowing that tomorrow there will be Soviet helicopters, manned by Cuban pilots, killing young men and women in the mountains of Nicaragua, but in April, the ones who are still alive will get a better deal? How can they day by day over the next 30 days get up in the morning knowing that today Cuban colonial soldiers in Soviet helicopters will be patrolling, seeking freedom fighters to kill, but in April we are going to have a chance to vote on a better deal? How many men and women will die in the mountains of Nicaragua while we wait for the better deal?

If they had had a better deal, should they not in any sense of conscience have brought it up today, if it was really better, and if that deal is going to be voted on, and in my judgment it is a worse deal, not a better deal, and in my judgment has not got a chance of passing, then should we not have discovered that today and faced the fact that they have no answers, and that the President at least has an answer because, frankly, those on the left have an answer, and it is a legitimate answer. It is Nicaraguan communism is not a real threat, and do not really worry about it, let us talk. Those on the right have an answer, and it is a real answer. The answer is Nicaraguan communism in the Soviet empire and the Cuban colonial army are a threat, and if we do not do something about it, then let us help the freedom fighters help themselves. But those in the middle who voted no because they have a better deal in April, it seems to me they have the least answer and the most to answer for.

When they are home, I hope folks will ask them if it does not bother them a little bit that people are dying, as Americans drink their coffee, drink their Coca-Cola and go to movies.

In three recent debates, I have debated Democrats on the left who have said, well, if it gets bad enough, we can always send in the Marines. I believe that was even said on this floor today.

Let me say I hope as they go home that every American mother and father will say to them: "Do you really mean you believe it is a smaller risk to be prepared to send my son to die in Nicaragua rather than to send the weapons so that the Nicaraguan freedom fighters can fight for their own freedom? Are you really telling me you think you would rather gamble on our children in Central America 2 years from now than take the risk of helping freedom fighters today?"

You know, the old isolationism of the 1930's was based on bad information about the need for America to be involved elsewhere in the world, and sometimes in a sense that the old world would only taint the new if we came in greater contact with old-world conflicts. The fact is today we are faced with the fact that the old world is in the new world. It is a Soviet tyranny in Nicaraguan Cuba. It is Soviet colonial officers who trained the Cubans. It is Soviet secret police methods that dominate Nicaraguan Cuba. The old world has come to the new world, the tyranny is here. Now it is America which today rejected those who reach out to help us. We do not just fight for Nicaraguan freedom if we help the freedom fighters, we help the freedom help us fight for our own freedom, and it is we who are involved, for as Franklin Roosevelt said, if your neighbor's house is on fire and he is willing to help somehow put out the fire if you will lend him a hose, you are a pretty foolish person who refuses to lend the hose and waits until your own house is on fire. The fact is that today the Nicaraguan and Cuban houses are on fire with Communist tyranny.

Charles Krauthammer put it brilliantly in an article entitled "The Neutrality Act of 1986." I quote:

The great "red" scare of 1986 is over. The president and Pat Buchanan have backed off the claim that those who want to end the contra resistance would ensure the success of communism in Nicaragua. The tone of the charge was uncomfortably accusatory. But that does not make the proposition any less true this week than last.

It seems to me an unexceptionable and rather undeniable fact: if the contras wither, as House Democrats devoutly wish, there will be an irreversible consolidation of Sandinista power in Nicaragua. Can anyone present a remotely plausible scenario in which the Sandinistas, unforced, either relinquish power or permit a free competition for power—i.e., a democratic election?

That does not mean that those who are against contra aid *want* to see a communist Nicaragua. But the consequence of their position, however unintended, is certainly not unforeseen.

So it is dismissed. America's national interest, it is said, depends not on the form of a foreign government, but on its foreign policy. What we want is a Nicaragua that doesn't subvert its neighbors or permit the Soviets a military base. We don't care how it is ruled. Therefore the United States should work out a deal with the Sandinistas—a negotiated "Contadora" agreement under which the Sandinistas guarantee not to bother us or their neighbors, and we guarantee them control of Nicaragua by cutting off their opponents.

Now, what will prevent the Sandinistas from violating such an agreement? In 1979 in return for hemispheric support, the Sandinistas pledged in writing to the Organization of American States to bring pluralism and democracy to Nicaragua. They got the support. They gave Nicaragua dictatorship.

Apart from their word as Leninist gentlemen, what is to prevent the Sandinistas from ultimately subverting, for example, Costa Rica? Or from bringing in Soviet MIGs and transports and submarines, quietly and gradually, exactly as Cuba has done for 25 years?

Bruce Babbitt, progressive, hard-headed, neoliberal Democrat, and an advocate of such a deal, has the answer. "The United States, with its overwhelming dominance of the hemisphere, has the power and the duty to enforce such an agreement," he writes in The New York Times.

American power. It seems, then, that the Marines will do the enforcing. So it is unanimous. Everyone agrees: cut off the Nicaraguans who want to fight the Sandinistas and the only cordon against Sandinista threats to regional and U.S. security will be American boys and American blood. Not very sanitaire. And this is advertised as a counsel of prudence.

The current contra debate has produced the clearest division of the house in memory. The Democrats want to deal with the Sandinistas and the president wants to get rid of them. What muddies the waters is that neither side is permitted to say what it really thinks.

Democrats have to pretend that they care about democracy in Nicaragua. And the administration must pretend it does not seek to overturn the Sandinistas. Democrats *accuse* the president of seeking a military solution, as if that would be undesirable. (It certainly did the trick for Castro in Cuba, for the United States in Grenada and, for that matter, for the allies in World War II.) Even more absurd, the administration is forced to agree that victory is not its objective.

Instead, it has to cook up another preposterous mission on which to send Phil Habib. This one is designed to symbolize for House Democrats the administration's desire for a diplomatic solution. To be sure, House Democrats are easily impressed by airborne symbols. Last year, after all, a single flight to Moscow by Daniel Ortega convinced them that this agrarian reformer had pro-Soviet proclivities.

And now there is on-again, off-again talk of a compromise: the United States will starve the contras for a few more months, and the Sandinistas will thereby be induced to compromise and negotiate. This is the Nicaraguan version of that memorable Vietnam success, the "bombing pause." Only this time, the bombing—deadly fire from Afghan-tested Soviet MI-24 helicopter gunships—will continue. The pause will be in the supply of anti-aircraft defenses for those on the receiving end.

Compromise or not, if in the end the contras are cut off, the reason ultimately will be fear—fear of another Vietnam. It will not be the first time we have closed our eyes to a threat to escape an evil deja vu. Opponents of contra aid see it as another Gulf of Tonkin Resolution. They might consider another analogy, the Neutrality Acts of the 1930s, by which Congress undertook to legislate American safety in a world of Nazism and Japanese militarism. After the passing of the Third Neutrality Act of 1937, the New York Herald Tribune wryly dubbed it "an act to preserve the United States from intervention in the war of 1917-1918."

Cutting off the contras will not repeal the Gulf of Tonkin Resolution. Nor will it bring us the blessings of neutrality. At least the isolationists of the '30s had an idea: hunkering down and hiding from the world in our own hemisphere. Where do we hide now?

□ 2125

That was a quote from Charles Krauthammer, a democrat, a liberal internationalist by his own definition, but a man not too afraid to look the Soviet empire in the eye and see reality.

We in fact heard on this floor today, as he predicted, the Gulf of Tonkin resolution referred to by at least one man who voted against aid to the freedom fighters.

The fact is, that today the U.S. House of Representatives voted for neutrality in Central America, while the Soviets and the Cubans have voted for aggression.

Today the U.S. House of Representatives voted for unilateral disarmament of the freedom fighters, while the Soviets and the Cubans arm the Communist side.

This debate will not go away; this debate will not end; it will go on. What then should the White House do now? First, it should go to the other body and pass the reasonable request for a modest amount of money designed to help freedom survive in Central America.

Then, however, the White House should take heed of two Democrats: Of DANTE FASCELL, chairman of the Committee on Foreign Affairs, who told us this would be a 10-year struggle; and of Charles Krauthammer, who pointed out that all too often the voices of timidity in this administration have silenced the truth, have weakened the cause, have turned us away from the debate which is so necessary.

The No. 1 thing this administration must do is educate the American people about the Soviet empire. Yes, we can talk to Gorbachev, but let us be honest who we are talking to. Yes, we can deal with the Soviets, but let us be honest about who we are dealing with.

If this administration has not the courage to be up front and consistent about what the threat is, it should not expect the American people to understand and it should not expect the American people to support them.

Let me list some other things: This administration should release everything we have on Soviet, Cuban, and Nicaraguan disinformation efforts and on Communist lobbying in the United States, and it should establish the process of once a month releasing everything new we learn about every person who is working with the Communists, about every dollar the Communists are spending in this country, and it needs to clear up the confusion about disinformation.

The simple fact is: The Communist Governments of Nicaragua, Cuba, and the Soviet Union spend millions of dollars lying to the American people, hire Americans to carry those lies, and we should at least know who is doing it and what they are doing.

Second, this administration should hold a weekly briefing on death in Central America caused by communism and on the flow of arms into Nicaragua from Cuba and the Soviet empire. On a weekly basis, the President should report to the American people, if necessary an additional radio speech, possibly in something as extraordinary as a television speech.

Week after week we have to be as willing to speak about the Soviet empire's aggression as the Soviet empire is willing to be aggressive.

In addition, this administration should ask the Federal Emergency Management Administration to send a letter to every town and every county in this country, to outline the number of refugees we can expect if Central America goes Communist, and to ask that town and that county to hold a public meeting this summer to discuss how it is going to deal with the refugees.

Based on the flow of refugees from Cuba, Cambodia, Laos, Vietnam, and Afghanistan, we can expect between 9 and 15 million refugees in the next 5 or 6 years. Towns should be told how many they will probably get; and they should be asked to plan now and think through, how are they going to put the children in school, how are they

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going to pay for the people, where are they going to find the housing, what are they going to do with the public health facilities.

Now is the time for a prudent government to ask the Federal Emergency Management Administration to ask every town and every county to start thinking through the alternative.

This is not a cost-free vote. Those Members who stood in this House and said they did not want to spend $100 million should go to those town meetings and explain how much Cuban refugees have cost in south Florida. How much Laotian refugees have cost in Clayton County, GA. How much we have spent in southern California on Vietnamese and Cambodian refugees.

Let us talk about the real cost of not sending $100 million to help fight freedom, for freedom in Central America. Let us lay it on the line and be honest with the people who are going to pay for it when the refugees start arriving.

In addition, this administration needs to upgrade the quality of its strategy, its operations, and its tactics to deal with the transnational Soviet empire and its use of a Cuban colonial army.

The simple fact is: We have every power to say to the Soviets diplomatically, we will not tolerate Czechoslovakian airplanes, we will not tolerate any more Hind helicopters, we will insist that you cut it out, and we have methods of stopping you.

Furthermore, we need to systematically develop a strategy to raise the cost to Castro and his Communist dictatorship of serving as a Soviet colonial army. It is a tragedy that Cuba, that left-wingers tell us once upon a time was a sugar plantation for America, earning a living off of American tourists, has become a Soviet colony that earns its money by being a sugar plantation for the Soviet empire and sending its children overseas.

Progress under Castro has been, that instead of American tourists in Havana, the sons of Havana are now serving in Angola, Ethiopia, Mozambique, and Nicaragua. That is what Communists call "progress."

We need to take steps. There are simple steps. For a start, there should be a branch of Radio Marti set up in the bush in Angola, broadcast to the Cuban troops. We should offer a reward to every Cuban soldier in Angola, Ethiopia, Mozambique, and Nicaragua who deserts. We should offer a big reward to the first Cuban who deserts with a Hind helicopter. We would love to have a Hind helicopter; and I suspect the morning we offer, say $1 million, there will be fewer Hind helicopters flying without a KGB officer prepared to shoot the pilot if he tries to desert.

We need to systematically make life difficult for the Communist dictatorship in Cuba as long as it serves as a colonial army for the Soviets.

In addition, this administration needs to launch an all-out effort to communicate to the Jewish community that cares so deeply about Israel the reality of Nester Lopez and the fact that the Cuban general now serving in Nicaragua is precisely the same Cuban general who commanded a regiment in Syria against the Israelis, precisely the same Cuban general who commanded a division in Angola, smothering freedom there, precisely the same Cuban officer who was trained in the Soviet Union.

Furthermore, this administration should develop a Grenada Week effort this October on every college campus in America, on every public television station, to educate the American people about Leninism, the nature of the Soviet empire, the role of Cubans, terrorists ands Nicaraguans, and the absolute historic proof, first, that Leninism is real; second, that there are Communists in this hemisphere; third, that they are allied with Nicaragua and Cuba and the Soviet Union; and fourth, that there is an active Soviet disinformation effort, and we have absolute proof that on some occasions, American congressional staffs and American Congressmen—well-meaning patriots—have served unwittingly as methods of communicating that disinformation.

The President should make a major goal of his administration to make Grenada Week a week the American people can look at historic facts, and can debate the facts. Because in Grenada, we captured the documents that prove the truth about the nature of the Soviet empire.

□ 2135

In addition this administration through the Republican National Committee, through other institutions and other allies, should develop an intensive advertising campaign to make sure that people back home understand the nature of the Soviet empire, the Cuban colonial army, and the threat to American national security in Nicaragua.

I can assure the President that the voters of Tennessee never thought they sent McGovern-Mondale Democrats to Washington and would be shocked to discover that not a single Democrat in Tennessee voted to help the freedom fighters, that the voters of North Carolina did not think they sent McGovern-Mondale Democrats to Washington and would be shocked to discover that they did not send a single Democrat to Washington who voted to help the freedom fighters, that in Oklahoma there are two districts who have no idea they sent McGovern-Mondale Democrats to Washington and they voted against helping the freedom fighters; that in Texas, most Texas Democrats had no idea that a clear overwhelming majority of the Texas delegation Democrats voted the McGovern-Mondale pattern against helping freedom fighters.

Finally this administration must identify the good, decent patriotic folks of this House who are so confused that they always seek a compromise and they always seek a way to avoid clear choice. Those people cannot become the basis for a firm, consistent policy and there must be no effort made to find a compromise based on sand.

In short, my suggestion to this White House is simple: Hang tough, read what DANTE FASCELL, the Democratic chairman of the Committee on Foreign Affairs, said, read what CLAUDE PEPPER, the chairman of the Committee on Rules, said. This is the beginning of a long struggle. To those in the administration who grow weary of this long struggle, who grow impatient, read Ronald Reagan's words about George Washington, about Lafayette, about Churchill.

I can promise, having canvassed the Republicans on this floor tonight, we who fought so hard in favor of Ronald Reagan's request will oppose vehemently and vigorously any phony patched-up compromise that some timid souls in the White House or elsewhere might suggest.

Yes, this debate will go on, just as Churchill in the 1930's argued every day, because reality gave him no choice; just as Washington, Franklin, and Jefferson in the 1770's and 1780's argued every day because reality gave them no choice.

So long as freedom is threatened by communism in our hemisphere the argument will continue. As long as the Cuban colonial army can threaten Israel and Syria, to crush freedom in Angola, can endanger American security in Central America, the argument will continue because we have no choice. As long as the American left, patriotic but intellectually and psychologically scarred, refuses to learn from Lenin, refuses to learn from Stalin, refuses to learn from Eastern Europe over 40 years, refuses to learn from Vietnam, refuses to learn from the Grenada documents, refuses to learn from open literature and Soviet disinformation, refuses to learn from current reality, for that long the argument will go on. It will go on because those of us who believe in freedom, those of us who truly do fear the Soviet empire, have no choice. In a free society while patriots on both sides can disagree, it is just as important for the patriots who are afraid of the Soviet empire to talk out as it is for those who believe the Soviet empire is not a threat.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. GIBBONS (at the request of Mr. WRIGHT), after 2:45 p.m. today, on account of a death in the family.

Mr. LEATH of Texas (at the request of Mr. WRIGHT), after 3:20 p.m. today and for March 21, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. HUGHES, for 5 minutes, today.

(The following Members (at the request of Mr. ARMEY) to revise and extend their remarks and include extraneous material:)

Mr. GINGRICH, for 60 minutes, today.

Mr. GINGRICH, for 60 minutes, March 21.

Mr. GEKAS, for 5 minutes, today.

Mr. BILIRAKIS, for 5 minutes, today.

Mrs. BENTLEY, for 5 minutes, April 8.

Mrs. BENTLEY, for 60 minutes, April 9.

Mrs. BENTLEY, for 30 minutes, April 10.

Mr. BEREUTER, for 60 minutes, today.

(The following Members (at the request of Mr. VOLKMER) to revise and extend their remarks and include extraneous material:)

Mr. VOLKMER, for 5 minutes, today.

Mr. PEPPER, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. MAZZOLI, for 5 minutes, today.

(The following Members (at the request of Mr. BURTON of Indiana) to revise and extend their remarks and include extraneous material:)

Mr. BURTON of Indiana, for 30 minutes, today.

Mr. DAUB, for 60 minutes, March 21.

Mr. DAUB, for 60 minutes, March 25.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. CONTE, on House Joint Resolution 534, following the remarks of Mrs. SMITH of Nebraska.

Mr. REID, following the vote on H.R. 3128.

(The following Members (at the request of Mr. ARMEY) and to include extraneous matter:)

Mr. MCEWEN.
Mr. PORTER.
Mr. RITTER.
Mr. O'BRIEN.
Mr. MCCOLLUM.
Mr. CLINGER.
Mr. DUNCAN.
Mr. OXLEY.
Mr. CRANE.
Mr. SCHULZE.
Mr. STRANG.
Mr. ARMEY.
Mr. GALLO.
Mr. FAWELL.
Mr. WORTLEY.
Mr. DANNEMEYER in two instances.
Mr. GUNDERSON.
Mr. GREEN.
Mrs. BENTLEY.
Mr. GOODLING.
Mr. DAUB.
Mr. TAUKE.
Mr. MACK.
Mr. SENSENBRENNER.

(The following Members (at the request of Mr. VOLKMER) and to include extraneous matter:)

Mr. MAZZOLI.
Mr. LEVINE of California.
Mr. YATRON.
Mr. LIPINSKI.
Mr. TALLON.
Mr. GARCIA in two instances.
Ms. OAKAR.
Mr. HAWKINS.
Mr. RAHALL.
Mr. EDGAR.
Mr. FLORIO.
Mr. LOWRY of Washington.
Mr. SAVAGE.
Mr. DYMALLY.
Mr. VENTO.
Mr. CHAPMAN.
Mr. OBERSTAR.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 209. An act to amend chapter 37 of title 31, United States Code, to authorize contracts retaining private counsel to furnish legal services in the case of indebtedness owed the United States; to the Committe on the Judiciary.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 2453. An act to amend the Older Americans Act of 1965 to increase the amounts authorized to be appropriated for fiscal years 1985, 1986, and 1987 for commodity distribution, and for other purposes; and

H.R. 4399. An act to designate the Federal building located in Jamaica, Queens, NY, as the "Joseph P. Addabbo Federal Building;"

H.J. Res. 534. Joint resolution making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes; and

H.J. Res. 563. Joint resolution to provide for the temporary extension of certain programs relating to housing and community development, and for other purposes.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 272. Joint resolution to authorize and request the President to issue a proclamation designating March 21, 1986, as "Afghanistan Day", a day to commemorate the struggle of the people of Afghanistan against the occupation of their country by Soviet forces.

ADJOURNMENT

Mr. GINGRICH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 39 minutes p.m.) the House adjourned until tomorrow, Friday, March 21, 1986, at 11 a.m.

CONTRACTUAL ACTIONS, CALENDAR YEAR 1985 TO FACILITATE NATIONAL DEFENSE

The Clerk of the House of Representatives submits the following report for printing in the CONGRESSIONAL RECORD pursuant to section 4(b) of Public Law 85-804:

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION,
Washington, DC, March 17, 1986.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives, Washington, DC.

DEAR MR. SPEAKER: In accordance with section 4(a) of Public Law 85-804 (50 U.S.C. 1431-35 *et seq.*), I am herewith reporting to the United States House of Representatives on all CY 1985 actions taken by the National Aeronautics and Space Administration under authority of that Act which involve actual or potential cost to the United States in excess of $50,000.

During CY 1985, the NASA Contract Adjustment Board did not grant any request for extraordinary contractual relief under P.L. 85-804.

On January 19, 1983, the Administrator made a decision to provide indemnification to certain NASA Space Transportation System (STS) contractors for specified risks arising out of contract performance directly related to NASA space activities. The authority of that decision was extended on September 26, 1984, to include prime contracts which have an effective date before October 1, 1989. This decision was based upon consideration of the potential liabilities to which a contractor could be exposed in the event of a hardware or software malfunction or operator error in NASA's STS space activities leading to an accident; these liabilities could be in substantial excess of the insurance coverage that a NASA prime contractor would reasonably be expected to purchase and maintain considering the availability, cost, and terms and conditions of such insurance. A copy of the Administrator's Memoranda of Decision is enclosed.

During CY 1985, three NASA prime contractors, performing under four contracts, were indemnified under the Memorandum of Decision dated September 26, 1984, for

the risks set forth therein. A summary description of each contract is also enclosed.

Sincerely,

WILLIAM R. GRAHAM,
Acting Administrator.

Enclosures.

MEMORANDUM DECISION UNDER PUBLIC LAW 85-804

Authority for National Aeronautics and Space Administration Contracting Officers to idemnify certain NASA contractors and subcontractors involved in NASA space activities.

1. On July 4, 1982, the Space Transportation System (hereinafter STS) completed its design, development, test and evaluation phase and was declared an operational system of the United States for the transportation of payloads into and out of outer space for governmental and commercial purposes. With the commencement of these space operations, the STS has conducted and will continue to conduct launch, in orbit and landing activities on a repetitive basis and at an increasing frequency.

2. Scheduled STS operations at an increasing frequency has dictated a continuing examination of the risks in repetitive space activities of the STS and the present availability of adequate insurance at reasonable premiums to manufacturers and operators of the system. While NASA's STS space activities are designed to be safe, and have been proven to be safe, there exists the remote and low statistical probability that a malfunction of either hardware, software or operator error could occur resulting in an accident. This low probability of occurrence, albeit remote, cannot be totally removed. In the event that such a malfunction or operator error led to an accident, the potential liability arising from such an accident could be substantially in excess of the insurance coverage NASA contractors could reasonably be expected to acquire and maintain considering the availability, cost and potential terms and conditions of such insurance at the present time.

3. Pursuant to the authority of Public Law 85-804 and Executive Order 10789, as amended, and notwithstanding any other provisions of the contracts to which this determination may apply, I therefore authorize that certain NASA contractors, as further defined in paragraphs 4 and 5 below, be held harmless and indemnified against certain risks as specifically set forth herein. Accordingly, and subject to the limitations hereinafter stated, cognizant, NASA contracting Officers are authorized to include in prime contracts, described in paragraphs 4 and 5 below, contract provisions for the indemnification of the contractors and their subcontractors at any tier, against claims or losses, as defined in paragraph 1A of E.O. 10789, as amended, arising out of contract performance directly related to NASA's space activities.

4. This authorization is limited to prime contracts which have an effective date before October 1, 1989, by or for NASA for:

a. provision of Space Transportation System and cargo flight elements or components thereof;

b. provision of Space Transportation System and cargo ground support equipment or components thereof;

c. provision of Space Transportation System and cargo ground control facilities and services for their operation; and

d. repair, modification, overhaul support and services and other support and services directly relating to the Space Transportation System, its cargo and other elements used in NASA's space activities.

5. This authorization is further limited solely to claims or losses resulting from or arising out of the use of performance of the products or services described in paragraph 4 in NASA's space activities. For this purpose, the use of performance of such products or services in NASA's space activities begins solely when such products or services are provided to the U.S. Government at a U.S. Government installation for or in connection with one or more Space Transportation System launches and are actually used or performed in NASA's space activities.

6. The risks for which indemnification is authorized are the risks arising under the contracts described in paragraphs 4 and 5 causing personal injury or death, or loss of or damage to property, or loss of use of property. These risks are considered unusually hazardous risks solely in the sense that if, in the unlikely event, the Space Transportation System, its cargo or other elements or services used in the NASA's space activities malfunctioned causing an accident, the potential liability could be in excess of the insurance coverage that a NASA prime contractor would reasonably be expected to purchase and maintain, considering the availability, cost and terms and conditions of such insurance. In no other sense are the Space Transportation System, its cargo or other elements or services used in NASA's space activities unusually hazardous.

7. a. This authorization may be applied prospectively, without additional consideration, to existing prime contracts and subcontracts and in new prime contracts and subcontracts which otherwise meet the conditions of this memorandum.

b. Indemnification of prime contractors and subcontractors may be provided under this authorization only when the Government will receive the benefit of all cost savings, if any, to the prime contractor and its subcontractors at every tier.

8. All contract indemnification clauses shall comply with applicable provisions of Federal Acquisition Regulation 50.4 as modified by the NASA FAR Supplement 18-50.4.

9. This authorization is given upon condition that each prime contractor is approved by me and that such contractor maintains financial protection of such type and in such amounts as may be determined by me in writing to be appropriate under the circumstances. Each prime contractor shall provide a statement of applicable financial protection through the cognizant NASA contracting officer for my review and determination. In making this determination, I shall take into account such factors as the availability, cost and terms of private insurance, self-insurance and other proof of financial responsibility and workman's compensation insurance.

10. When indemnification provisions are included in a prime contract pursuant to the authority of this decision, the cognizant contracting officer shall immediately submit directly to the Contract Adjustment Board a report referencing this decision and containing the information required by NASA/FAR Supplement 18-50.403-70-Reporting and records requirements.

11. The actual or potential cost, if any, of the actions hereby authorized is impossible to estimate since it is contingent upon the remote possibility of an occurrence and extent of loss resulting from certain space activities which malfunction. Such an event may never occur, however, should a major incident occur, millions of dollars of damage could result.

12. I find that this action will facilitate the national defense. In the remote event that the Space Transportation System, its cargo or other elements or services used in NASA's space activities malfunctioned causing damage in excess of insurance maintained by contractors and subcontractors, the resulting excess liability could place the contractors and subcontractors continued existence in jeopardy, making those contractors and subcontractors unavailable to continue to support space activities and the Department of Defense. I note that for purposes of the Defense Production Act of 1950, the term national defense is defined as "programs for . . . space, and directly related activity." (50 U.S.C. App. 2152(d)).

JAMES M. BEGGS,
Administrator.

Date: September 26, 1984.

MEMORANDUM DECISION UNDER PUBLIC LAW 85-804

Authority for National Aeronautics and Space Administration Contracting Officers to indemnify certain NASA contractors and subcontractors involved in NASA space activities.

1. On July 4, 1982, the Space Transportation System (hereinafter STS) completed its design, development, test and evaluation phase and was declared an operational system of the United States for the transportation of payloads into and out of outer space for governmental and commercial purposes. With the commencement of these space operations, the STS will conduct launch, in orbit and landing activities on a repetitive basis and at an increasing frequency.

2. The initiation of scheduled STS operations at an increasing frequency has dictated a reexamination of the risks in repetitive space activities of the STS and the present availability of adequate insurance at reasonable premiums to manufacturers and operators of the system. While NASA's STS space activities are designed to be safe, and have been proven to be safe, there exists the remote and low statistical probability that a malfunction of either hardware, software or operator error could occur resulting in an accident. This low probability of occurrence, albeit remote, cannot be totally removed. In the event that such a malfunction or operator error led to an accident, the potential liability arising from such an accident could be substantially in excess of the insurance coverage NASA contractors could reasonably be expected to acquire and maintain considering the availability, cost and potential terms and conditions of such insurance at the present time.

3. Pursuant to the authority of Public Law 85-804 and Executive Order 10789, as amended, and notwithstanding any other provisions of the contracts to which this determination may apply, I therefore authorize that certain NASA contractors, as further defined in paragraphs 4 and 5 below, be held harmless and indemnified against certain risks as specifically set forth herein. Accordingly, and subject to the limitations hereinafter stated, cognizant NASA Contracting Officers are authorized to include in prime contracts, described in paragraphs 4 and 5 below, contract provisions for the indemnification of the contractors and their subcontractors at any tier, against claims or losses, as defined in paragraph 1A of E.O.

10789, as amended, arising out of contract performance directly related to NASA's space activities.

4. This authorization is limited to prime contracts, which have an effective date before October 1, 1984, by or for NASA for:

a. provision of Space Transportation System and cargo flight elements or components thereof;

b. provision of Space Transportation System and cargo ground support equipment or components thereof;

c. provision of Space Transportation System and cargo ground control facilities and services for their operation; and

d. repair, modification, overhaul support and services and other support and services directly relating to the Space Transportation System, its cargo and other elements used in NASA's space activities.

5. This authorization is further limited solely to claims or losses resulting from or arising out of the use or performance of the products or services described in paragraph 4 in NASA's space activities. For this purpose, the use or performance of such products or services in NASA's space activities begins solely when such products or services are provided to the U.S. Government at a U.S. Government installation for or in connection with one or more Shuttle launches and are actually used or performed in NASA's space activities.

6. The risks for which indemnification is authorized are the risks arising under the contracts described in paragraphs 4 and 5 causing personal injury or death, or loss of or damage to property, or loss of use of property. These risks are considered unusually hazardous risks solely in the sense that if, in the unlikely event, the Space Transportation System, its cargo or other elements or services used in NASA's space activities malfunctioned causing an accident, the potential liabilities could be in excess of the insurance coverage that a NASA prime contractor would reasonably be expected to purchase and maintain, considering the availability, cost and terms and conditions of such insurance. In no other sense are the Space Transportation System, its cargo or other elements or services used in NASA's space activities unusually hazardous.

7. a. This authorization may be applied prospectively without additional consideration to existing prime contracts and subcontracts and in new prime contracts and subcontracts which otherwise meet the conditions of this memorandum.

b. Indemnification of prime contractors and subcontractors may be provided under this authorization only when the Government will receive the benefit of all cost savings, if any, to the prime contractors and its subcontractors at every tier.

8. All contract indemnification clauses shall comply with applicable provisions of NASA PR Part 10. The applicable requirements of NASA PR, Part 17 shall be complied with.

9. This authorization is given upon condition that each prime contractor is approved by me and that such contractor maintains financial protection of such type and in such amounts as may be determined by me in writing to be appropriate under the circumstances. Each prime contractor shall provide a statement of applicable financial protection through the cognizant NASA contracting officer for my review and determination. In making this determination, I shall take into account such factors as the availability, cost and terms of private insurance, self-insurance and other proof of financial responsibility and workman's compensation insurance.

10. When indemnification provisions are included in a prime contract pursuant to the authority of this decision, the cognizant contracting officer shall immediately submit directly to the Contract Adjustment Board a report referencing this decision and containing the following information: (i) name and address of the contractor, (ii) cognizant NASA installation (iii) contract number and date, and (iv) a brief description of the supplies or services procured under the contract.

11. The actual or potential cost, if any, of the actions hereby authorized is impossible to estimate since it is contingent upon the remote possibility of an occurrence and extent of loss resulting from certain space activities which malfunction. Such an occurrence may never occur; in the event of a major incident, millions of dollars of damage could occur.

12. I find that this action will facilitate the national defense. In the remote event that the Space Transportation System, its cargo or other elements or services used in NASA's space activities malfunctioned causing damage in excess of insurance maintained by contractors and subcontractors, the resulting excess liability could place the contractors and subcontractors continued existence in jeopardy, making those contractors and subcontractors unavailable to continue to support space activities and the Department of Defense. I note that for purposes of the Defense Production Act of 1950, the term national defense is defined as "programs for . . . space, and directly related activity." (50 U.S.C. App. 2152(d)).

JAMES M. BEGGS,
Administrator.

Date: January 1, 1983.

[In millions of dollars]

Name of contractor	Memorandum decision date	Contractor financial protection plan requirement	
		Contractor property	3d party liability
Federal Express Corp	Nov. 15, 1985	0	0
Activity: Against all risks regards ground handling of the orbiter "Enterprise" at Dulles International Airport, VA, on behalf of the Smithsonian Institution.			
Lockheed Space Operations Co.	Aug. 29, 1985	500	0
Affected Contract: NAS10–10900 for shuttle processing and launch services at the Kennedy Space Center, FL.			
Rockwell International Corp	Aug. 12, 1985	500	0
Affected contracts: NAS8–40000: [1] Shuttle orbiter main engine effort. NAS8–36700: [1] Shuttle systems integration effort for Marshall Space Flight Center, AL.			

[1] Coverage is time limited, expires June 30, 1986.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3073. A letter from the Executive Associate Director, Office of Management and Budget, transmitting notification that the appropriations to the Internal Revenue Service have been reapportioned on a basis that indicates the necessity for a supplemental estimate of appropriation, pursuant to 31 U.S.C. 1515(b)(2); to the Committee on Appropriations.

3074. A letter from the Assistant Secretary of Defense for Acquisition and Logistics, transmitting the annual report of Independent Research and Development and Bid and Proposal costs, pursuant to 10 U.S.C. 2358 nt.; to the Committee on Armed Services.

3075. A letter from the Secretary of the Air Force, transmitting notification that the current procurement unit cost for the Peacekeeper ICBM has increased by 124 percent in fiscal year 1986, pursuant to 10 U.S.C. 139(b)(3)(A); to the Committee on Armed Services.

3076. A letter from the General Counsel, Department of the Treasury, transmitting a draft of proposed legislation to authorize appropriations for the United States Mint for fiscal years 1987 and 1988; to the Committee on Banking, Finance and Urban Affairs.

3077. A letter from the Administrator, Environmental Protection Agency, transmitting the Toxic Substances Control Act report for Fiscal Year 1985, pursuant to Public Law 94–469, section 9(d) and 30; to the Committee on Energy and Commerce.

3078. A letter from the Under Secretary of State for Security Assistance, Science and Technology, transmitting the "Arms Sales Proposal" covering all sales and licensed commercial exports under the Arms Export Control Act of major weapons or weapons-related defense equipment which are considered eligible for approval during calendar year 1986, pursuant to 22 U.S.C. 2765(a); to the Committee on Foreign Affairs.

3079. A letter from the Associate Director, Office of Management and Budget, ACTION, transmitting the Freedom of Information Act report for calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3080. A letter from the Acting Administrator, National Aeronautics and Space Administration, transmitting a report on the indemnification of certain contractors and subcontractors during calendar year 1985, pursuant to Public Law 85–804, section 4; to the Committee on Government Operations.

3081. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting a report on proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3082. A letter from the Secretary of Health and Human Services, transmitting a report entitled "Study of Home Respiratory Therapy", pursuant to 42 U.S.C. 139511 nt.; jointly, to the Committees on Ways and Means and Energy and Commerce.

3083. A letter from the Secretary of Health and Human Services, transmitting the annual report on the implementation of the Indian Health Care Improvement Act during fiscal year 1984, pursuant to 25 U.S.C. 1671; jointly, to the Committees on Interior and Insular Affairs, Energy and Commerce, and Ways and Means.

3084. A letter from the Acting Director, Central Intelligence Agency, transmitting a draft of proposed legislation to authorize appropriations for fiscal year 1987 for intelligence and intelligence-related activities of the United States Government, the Intelligence Community Staff, and the Central Intelligence Agency Retirement and Disability System, and for other purposes; jointly, to the Committees on the Permanent Select Committee on Intelligence, Armed Services, and the Judiciary.

3085. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting the annual report on the Panama Canal Treaties of 1977 for the period October 1, 1984, through September 30, 1985, pursuant to 22

U.S.C. 3871; jointly, to the Committees on Merchant Marine and Fisheries, Foreign Affairs, the Judiciary, and Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. S. 1684. A bill to declare that the United States holds certain Chilocco Indian School lands in trust for the Kaw, Otoe-Missouria, Pawnee, Ponca, and Tonkawa Indian Tribes of Oklahoma (Rept. 99-500). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 3212. A bill to declare that the United States holds certain lands in trust for the Reno Sparks Indian Colony; with amendments (Rept. 99-501). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. S. 1106. A bill to provide for the use and distribution of funds appropriated in satisfaction of judgments awarded to the Saginaw Chippewa Tribe of Michigan in dockets numbered 57, 59, and 13E of the Indian Claims Commission and docket numbered 13F of the U.S. Claims Court, and for other purposes; with an amendment (Rept. 99-502). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 4350. A bill to amend the Wild and Scenic Rivers Act, and for other purposes; with amendments (Rept. 99-503). Referred to the Committee of the Whole House on the State of the Union.

Mr. ASPIN: Committee on Armed Services. House Joint Resolution 220. Joint resolution to recognize the vital role played by members of the National Guard and Reserve in the national defense; with amendments (Rept. 99-504). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ARMEY (for himself, Mr. RUDD, and Mr. CRANE):

H.R. 4459. A bill to amend the Fair Labor Standards Act of 1938 to repeal its minimum wage and overtime requirements; to the Committee on Education and Labor.

By Mr. DAUB:

H.R. 4460. A bill to establish limitations and procedures in certain civil cases arising under tort laws; to the Committee on the Judiciary.

By Mr. WYDEN (for himself, Mr. BRYANT, Mr. SIKORSKI, and Mrs. BOXER):

H.R. 4461. A bill to amend title 10, United States Code, to impose limitations on the obligation and expenditure of funds and the making of progress payments by the Department of Defense with respect to so-called underfinitized contractual actions; to the Committee on Armed Services.

By Mr. DASCHLE (for himself, Mr. BEDELL, Mr. STALLINGS, Mr. ENGLISH, Mr. DORGAN of North Dakota, Mr. JONES of Oklahoma, Mr. MCCURDY, and Mr. GLICKMAN):

H.R. 4462. A bill to change the basis for computation of emergency compensation whenever the Secretary of Agriculture adjusts the level of loans and purchases for the 1986 through 1990 crops of wheat and feed grains under the Agricultural Act of 1949; to the Committee on Agriculture.

By Mr. HAWKINS (for himself, Mr. GOODLING, Mr. FORD of Michigan, Mr. JEFFORDS, Mr. CLAY, Mr. GUNDERSON, Mr. BIAGGI, Mr. CHANDLER, Mr. MURPHY, Mr. TAUKE, Mr. KILDEE, Mr. FAWELL, Mr. MARTINEZ, Mr. OWENS, Mr. BOUCHER, Mr. HAYES, Mr. PERKINS, Mr. BRUCE, Mr. SOLARZ, Mr. DYMALLY, Mr. ECKART of Ohio, and Mr. ATKINS):

H.R. 4463. A bill to establish programs to promote effective schools and to encourage joint parent-child educational approaches, and for other purposes; to the Committee on Education and Labor.

By Mr. HOWARD:

H.R. 4464. A bill to amend the Federal Election Campaign Act of 1971 to change certain contribution limits for congressional elections and to amend the Communications Act of 1934 regarding the broadcasting of certain material regarding candidates for Federal elective office, and for other purposes; jointly, to the Committees on House Administration, and Energy and Commerce.

By Mr. LOWRY of Washington (for himself and Mr. MILLER of Washington):

H.R. 4465. A bill amending title 46, United States Code, to require inspection by the Coast Guard of fishing vessels, to require certain safety equipment to be aboard such vessels, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. MICA:

H.R. 4466. A bill to require the Secretary of Commerce to collect and disseminate certain information relating to international trade and to establish a trade information assistance program for U.S. businesses; to the Committee on Foreign Affairs.

By Mr. MILLER of California (for himself, Mrs. BOXER, Mrs. BURTON of California, Mr. EDWARDS of California, Mr. BROWN of California, Mr. DELLUMS, and Mr. STARK):

H.R. 4467. A bill to authorize the establishment of a Peace Garden on a site to be selected by the Secretary of the Interior; to the Committee on Interior and Insular Affairs.

By Mr. PACKARD (for himself, Mr. BATES, Mr. BERMAN, Mr. DANNEMEYER, Mr. DYMALLY, Mr. HUNTER, Mr. LEVINE of California, Mr. LOWERY of California, Mr. MOORHEAD, Mr. DORNAN of California, Mr. WAXMAN, Mr. MCCANDLESS, Mr. LUNGREN, Mr. DREIER of California, Mr. LAGOMARSINO, Mr. TORRES, Mr. BOSCO, Mr. RUDD, Mr. STRANG, Mr. NIELSON of Utah, and Mr. BADHAM):

H.R. 4468. A bill to provide for the settlement of water rights claims of the La Jolla, Rincon, San Pasqual, Pauma, and Pala Bands of Mission Indians in San Diego County, CA, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. PEASE (for himself, Mr. CLINGER, Mr. LEVIN of Michigan, Mr. STARK, Ms. KAPTUR, AND Mr. SEIBERLING):

H.R. 4469. A bill to provide an improved program of extended unemployment compensation, and for other purposes; jointly, to the Committees on Ways and Means, and Education and Labor.

By Mr. SCHULZE:

H.R. 4470. A bill to amend the Internal Revenue Code of 1954 to provide that the revenues received under any Federal income tax amnesty program shall be used for payments to individuals who are audited but whose adjustments do not exceed certain amounts; to the Committee on Ways and Means.

By Mr. STARK (for himself, Mr. FORD of Tennessee, Mr. MATSUI, Mrs. KENNELLY, and Mr. BARTLETT):

H.R. 4471. A bill to amend title XVI of the Social Security Act to make necessary improvements in the SSI Program with the objective of assuring that such program (including the work incentive provisions in section 1619 of such act) will more realistically and more equitably reflect the needs and circumstances of applicants and recipients thereunder; to the Committee on Ways and Means.

By Mr. STRANG (for himself, Mr. SCHAEFER, and Mr. KRAMER):

H.R. 4472. A bill to establish the Black Canyon of the Gunnison National Park complex; to amend the Wild and Scenic Rivers Act to designate a certain segment of the Gunnison River in Colorado as a component of the National Wild and Scenic Rivers System, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. TAUKE (for himself, Mr. MADIGAN, Mr. BROYHILL, and Mr. WAXMAN):

H.R. 4473. A bill to amend the Public Health Service Act to revise the allotment formula for block grants for alcohol and drug abuse and mental health services; to the Committee on Energy and Commerce.

By Mr. DE LA GARZA (for himself and Mr. MADIGAN):

H.J. Res. 572. Joint resolution to proclaim the week of June 15, 1986, as "National Agricultural Export Week"; to the Committee on Post Office and Civil Service.

By Mr. BOLAND:

H.J. Res. 573. Joint resolution making a repayable advance to the hazardous substance response trust fund; considered and passed.

By Mr. DASCHLE (for himself, Mr. EVANS of Illinois, Mr. HORTON, Mr. RICHARDSON, Mr. KLECZKA, Mr. RINALDO, Mr. NICHOLS, Mr. DORNAN of California, Mr. GRAY of Pennsylvania, and Mr. DIXON):

H.J. Res. 574. Joint resolution to recognize and honor 350 years of service of the National Guard; to the Committee on Armed Services.

By Mr. KOLBE (for himself and Mr. NELSON of Florida):

H.J. Res. 575. Joint resolution commemorating January 28, 1987 as a National Day of Excellence in honor of the crew of the space shuttle *Challenger;* to the Committee on Post Office and Civil Service.

By Mr. DANNEMEYER (for himself, Mr. DENNY SMITH, and Mr. CRANE):

H. Con. Res. 302. Concurrent resolution setting forth the congressional budget for the U.S. Government for fiscal years 1987, 1988, and 1989; to the Committee on the Budget.

By Mr. GREGG (for himself and Mr. SMITH of New Hampshire):

H. Con. Res. 303. Concurrent resolution expressing the sense of the Congress with

respect to the administration of the Nuclear Waste Policy Act of 1982 by the Secretary of Energy; jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

By Mr. FOLEY:

H. Con. Res. 304. Concurrent resolution providing for a conditional adjournment of the House from March 25 to April 8, and a conditional adjournment of the Senate from March 26 or March 27 to April 8, 1986, considered and agreed to.

By Mr. HAYES:

H. Con. Res. 305. Concurrent resolution to make technical corrections in the enrollment of the bill H.R. 3128; considered and agreed to.

By Mr. DASCHLE (for himself and Mr. WHITTAKER):

H. Res. 405. Resolution to express the sense of the House of Representatives opposing the elimination of the Rural Electrification Administration loan programs and restrictive lending criteria; and that it will work to preserve them in order that the rural electric cooperatives can adequately serve their member-consumers; to the Committee on Agriculture.

By Mr. DASCHLE (for himself and Mr. WHITTAKER):

H. Res. 406. Resolution to express the sense of the House of Representatives that it supports continued Federal ownership and operation of the power marketing agencies, opposes their sale, and supports the continuation of existing Federal power marketing policies; jointly, to the Committees on Interior and Insular Affairs, Energy and Commerce, and Public Works and Transportation.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mrs. BYRON:

H.R. 4474. A bill for the relief of Thomas E. Butt; to the Committee on Armed Services.

By Mr. FOLEY:

H.R. 4475. A bill for the relief of Alphonsus Ngai; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 471: Mr. MACK, Mr. BROYHILL, and Mr. LEATH of Texas.

H.R. 893: Mr. TOWNS, Mr. FUSTER, Mr. HAWKINS, Ms. OAKAR, Mr. WORTLEY, Mr. SCHEUER, Mrs. BENTLEY, Mr. HORTON, Mr. KANJORSKI, Mr. ROE, Mr. REID, Mr. HAYES, Mr. MORRISON of Connecticut, and Mr. KASTENMEIER.

H.R. 1309: Mr. NOWAK, Mr. VISCLOSKY, and Mr. MCCLOSKEY.

H.R. 1436: Mr. DYMALLY, Mr. BENNETT, Mr. WOLF, Mr. HUTTO, and Mr. EVANS of Illinois.

H.R. 1490: Mr. HOWARD.

H.R. 1769: Mr. RAHALL and Mr. PURSELL.

H.R. 1780: Mr. ROYBAL, Mr. YATES, Mr. FUSTER, Mr. BOLAND, Mr. HORTON, Mr. WORTLEY, Mr. CROCKETT, Mr. NELSON of Florida, Mr. MITCHELL, and Mr. AKAKA.

H.R. 1840: Mr. RAHALL, Mr. PEASE, and Mr. MCCURDY.

H.R. 1875: Mr. LENT, Mr. PEPPER, Mr. RALPH M. HALL, Mr. ENGLISH, Mr. CLAY, Mr. GALLO, Mr. FLORIO, Mr. APPLEGATE, and Mr. SCHUETTE.

H.R. 1917: Mr. MARTINEZ, Mr. NIELSON of Utah, and Mr. GRAY of Illinois.

H.R. 2364: Mr. FUSTER, Mr. FRANK, Mr. MINETA, Mr. HEFTEL of Hawaii, Mr. WEAVER, Mr. MARTINEZ, Mr. MITCHELL, and Ms. KAPTUR.

H.R. 2504: Mrs. SMITH of Nebraska and Ms. MIKULSKI.

H.R. 2691: Mrs. SCHNEIDER.

H.R. 3024: Mr. VOLKMER, Mrs. KENNELLY, Mr. ARCHER, and Mr. ARMEY.

H.R. 3062: Mr. SMITH of Florida, Mr. ROE, Mr. MITCHELL, and Ms. KAPTUR.

H.R. 3263: Mr. BERMAN.

H.R. 3397: Mr. THOMAS of California and Mr. VANDER JAGT.

H.R. 3436: Mr. WIRTH.

H.R. 3465: Mr. YOUNG of Missouri, Mr. TALLON, Mr. MARTINEZ, Mr. ROE, Mr. SEIBERLING, Mr. HALL of Ohio, and Mr. OLIN.

H.R. 3600: Mr. ARMEY, Mr. BARTON of Texas, Mr. KEMP, MR. LOTT, Mr. MACK, Mr. LUNGREN, Mr. SMITH of New Jersey, and Mr. COATS.

H.R. 3634: Mr. MCCLOSKEY.

H.R. 3736: Mr. WEAVER.

H.R. 3799: Mr. KLECZKA.

H.R. 3854: Mr. YATES, Mr. SCHEUER, Mr. SAVAGE, Mr. OWENS, Mr. DYMALLY, Mr. LUKEN, Mr. MORRISON of Connecticut, Mr. DWYER of New Jersey, Mr. RAHALL, Mr. LELAND, Mrs. KENNELLY, Mr. CONYERS, Mr. SMITH of Florida, Mr. VENTO, Mr. SEIBERLING, Mr. FAZIO, Mr. TOWNS, and Mr. MARTINEZ.

H.R. 3995: Mr. MCCURDY, Mr. EDWARDS of Oklahoma, Mr. STUMP, Mr. BARTON of Texas, Mr. DIOGUARDI, Mr. MORRISON of Washington, and Mr. RINALDO.

H.R. 4029: Mr. ROYBAL, Mr. MORRISON of Connecticut, and Mr. HOYER.

H.R. 4051: Mr. ASPIN.

H.R. 4054: Mrs. KENNELLY and Mr. GRAY of Pennsylvania.

H.R. 4060: Mr. PEASE, Mr. GUARINI, Mr. SCHEUER, Mr. MCCURDY, Mr. JEFFORDS, Mr. NEAL, Mr. ANNUNZIO, Mr. SHELBY, Mr. MCCAIN, Mr. STARK, Mr. GRAY of Illinois, Mr. WEISS, Mr. WHITEHURST, and Mr. DE LA GARZA.

H.R. 4103: Mrs. BENTLEY.

H.R. 4104: Mrs. BENTLEY.

H.R. 4128: Mr. REID, Mr. MATSUI, and Mr. WALGREN.

H.R. 4141: Mr. LOEFFLER, Mr. SMITH of New Hampshire, and Mr. KASICH.

H.R. 4157: Mrs. BENTLEY, Mr. ROE, Mr. FROST, Mr. WHITEHURST, Mr. TORRICELLI, and Mr. DAUB.

H.R. 4160: Mr. RAHALL.

H.R. 4186: Mr. CARPER, Mr. ECKART of Ohio, and Mr. LEVIN of Michigan.

H.R. 4187: Mr. COBLE.

H.R. 4189: Mr. FISH and Mr. BLILEY.

H.R. 4205: Mr. OWENS, Mr. BRUCE, Mr. BOUCHER, Mr. WEAVER, Mr. FAZIO, and Mr. PEASE.

H.R. 4223: Mr. DOWNEY of New York, Mr. RUSSO, Mr. TRAFICANT, Mr. ACKERMAN, Mr. OWENS, and Mr. LEVIN of Michigan.

H.R. 4323: Mr. MITCHELL, Mr. LEVIN of Michigan, Mr. FAZIO, Mr. OWENS, Mr. WEAVER, Mr. CONYERS, and Mr. VENTO.

H.R. 4338: Mr. LELAND, Mr. ROBINSON, and Mr. MARKEY.

H.R. 4397: Mr. BROWN of California, Mr. COLEMAN of Texas, and Mr. RALPH M. HALL.

H.R. 4430: Mr. WILLIAMS.

H.R. 4439: Mr. OXLEY, Mr. WORTLEY, Mr. DANIEL, Mr. OLIN, Mr. MOORHEAD, Mr. LENT, Mr. WHITTAKER, Mr. MCMILLAN, and Mr. MONSON.

H.R. 4445: Mr. MCCAIN.

H.J. Res. 10: Mrs. BYRON, Mr. GUARINI, Mr. LEWIS of Florida, Mr. LOWERY of California, and Mr. STRATTON.

H.J. Res. 220: Mr. ASPIN, Mr. PRICE, Mr. BENNETT, Mr. STRATTON, Mr. NICHOLS, Mr. DANIEL, Mr. DELLUMS, Mrs. SCHROEDER, Mr. HUTTO, Mr. SKELTON, Mr. LEATH of Texas, Mr. MCCURDY, Mrs. LLOYD, Mr. SISISKY, Mr. RAY, Mr. SPRATT, Mr. ORTIZ, Mr. ROBINSON, Mr. BUSTAMANTE, Mr. MCCLOSKEY, Mr. DICKINSON, Mr. WHITEHURST, Mrs. HOLT, Mr. HILLIS, Mr. STUMP, Mr. COURTER, Mr. DAVIS, Mr. HUNTER, Mrs. MARTIN of Illinois, Mr. BATEMAN, Mr. BLAZ, Mrs. BYRON, Mr. FOGLIETTA, Mr. DYSON, Mr. HARTNETT, Mr. CARNEY, Mr. KRAMER, and Mr. KASICH.

H.J. Res. 381: Mr. BATEMAN, Mr. FAUNTROY, Mr. QUILLEN, Mr. LUNGREN, Mrs. KENNELLY, Mr. WORTLEY, Mr. SCHULZE, Mrs. LLOYD, Mr. HOWARD, Mr. HATCHER, Mr. GALLO, Mr. KLECZKA, Mr. VANDER JAGT, Mr. PERKINS, Mr. HEFNER, Mr. HAMILTON, Mr. BRYANT, Mr. LEHMAN of Florida, Mr. TRAFICANT, Mr. FEIGHAN, Mr. HENRY, Mr. DAUB, Mr. HOYER, Mr. HUNTER, Mr. ALEXANDER, Mr. CLAY, Mr. BROWN of Colorado, Mrs. JOHNSON, Mr. GEKAS, and Mr. MCKINNEY.

H.J. Res. 426: Mr. SMITH of New Jersey, Mr. LOWERY of California, Mr. DAUB, Mr. TAUKE, Mr. JEFFORDS, Mr. GREEN, Mr. HANSEN, Mr. BONER of Tennessee, Mr. HUTTO, Mr. BLAZ, Mr. AKAKA, Mr. PEPPER, Mr. DANNEMEYER, Mr. DONNELLY, Mr. LUKEN, Mr. KLECZKA, Mr. JENKINS, Mr. BLILEY, Mr. LAGOMARSINO, and Mr. CLAY.

H.J. Res. 427: Mr. QUILLEN, Mr. LUKEN, Mr. ORTIZ, Mr. JONES of North Carolina, Mr. MILLER of Ohio, Mr. BEDELL, Mr. YOUNG of Florida, Mr. NOWAK, Mr. MOLLOHAN, Mr. COUGHLIN, Mr. EVANS of Iowa, Mr. CARR, Mr. SKELTON, Mr. PORTER, Mr. WYDEN, Mr. DEWINE, Mr. DIOGUARDI, Mr. DONNELLY, Mr. CAMPBELL, Mr. DYSON, Mr. FLIPPO, Mr. GEPHARDT, Mr. PACKARD, Mr. FRANK, Mr. SUNDQUIST, Mr. YATES, Mr. EARLY, Mr. LOEFFLER, Mr. DOWDY of Mississippi, Mr. JONES of Tennessee, Ms. KAPTUR, Mr. SHUMWAY, Mr. BLAZ, Mrs. BOXER, Mr. LEVIN of Michigan, Mr. ROSE, Mr. PURSELL, and Mr. PRICE.

H.J. Res. 433: Mr. PURSELL.

H.J. Res. 508: Mr. HALL of Ohio, Mr. EDWARDS of Oklahoma, and Mr. PARRIS.

H.J. Res. 513: Mr. COLEMAN of Texas.

H.J. Res. 539: Mr. BONER of Tennessee, Mr. RICHARDSON, Mr. VENTO, Mr. BORSKI, Mr. ERDREICH, Mr. WAXMAN, and Mr. BERMAN.

H.J. Res. 548: Mr. FAZIO, Mr. OWENS, Mr. HOYER, Mr. SHUMWAY, Mr. WOLF, Mrs. BOXER, Mr. REID, Mr. FROST, Mr. HUCKABY, Mr. LUNGREN, Mr. EARLY, and Mr. BONER of Tennessee.

H.J. Res. 556: Mr. VENTO.

H.J. Res. 561: Mr. OWENS, Mr. SCHAEFER, Mr. BATEMAN, Mr. GEPHARDT, Mr. KASICH, Mr. YOUNG of Missouri, and Mr. RODINO.

H.J. Res. 567: Mr. COLEMAN of Texas, Mrs. HOLT, Mr. KINDNESS, Mr. LEVIN of Michigan, Mr. LIPINSKI, Mr. ROBINSON, Mr. ROE, Mr. VALENTINE, and Mr. YOUNG of Missouri.

H. Con. Res. 26: Mr. HAMILTON.

H. Con. Res. 129: Mrs. SCHNEIDER.

H. Con. Res. 233: Mr. BONKER.

H. Con. Res. 237: Mr. SEIBERLING, Mr. SAXTON, Mr. LEVINE of California, Mr. EDWARDS of California, Mr. BROWN of California, Mr. VENTO, Mr. STRANG, Mr. BONIOR of Michigan, Mrs. MARTIN of Illinois, Mr. AUCOIN, Mrs. BENTLEY, Mr. PURSELL, Mr. MATSUI, Mr. MARTINEZ, and Mr. WALGREN.

H. Con. Res. 241: Mr. DAVIS, Mr. FRANK, and Mr. ROE.

H. Con. Res. 295: Mr. PENNY, Mr. WYLIE, and Mr. MONSON.

H. Res. 404: Mr. BRYANT, Mr. FROST, Mr. WHITLEY, Mr. BROOKS, Mr. DE LA GARZA, Mr. DARDEN, Mr. RALPH M. HALL, Mr. STENHOLM, and Mr. RANGEL.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 3800: Mr. BATES.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

292. By the SPEAKER: Petition of the city council of Laredo, TX, relative to the Laredo Job Corps Center; to the Committee on Education and Labor.

293. Also, petition of the Charge d'Affaires, Embassy of the Union of Soviet Socialist Republics, relative to nuclear weapon tests; to the Committee on Foreign Affairs.

294. Also, petition of Depute de Loire-Atlantique, National Assembly, Republic of France, relative to Nicaragua; to the Committee on Foreign Affairs.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

[Omitted from the Record, Mar. 19, 1986]

H.R. 4332

By Mr. SMITH of Florida:

—Page 18, strike out line 4 and all that follows through line 16 on page 19 and insert in lieu thereof the following:

SEC. 15. WAITING PERIOD FOR PURCHASE OF HANDGUNS.

(a) DEFINITION.—Section 921(a) of title 18, United States Code, is amended by adding after the paragraph added by section 11(b) the following:

"(21) The term 'handgun' means a firearm which has a short stock and is designed to be held and fired by the use of a single hand.".

(b) PROHIBITION.—Section 922(d) of title 18, United States Code, is amended to read as follows:

"(d)(1) It shall be unlawful for a licensed importer, licensed manufacturer, or licensed dealer to sell, deliver, or otherwise transfer a handgun to an individual who is not licensed under section 923 unless—

"(A) such importer, manufacturer, or dealer has, before delivery of the handgun, sent by registered or certified mail (return receipt requested), a copy of a sworn statement by the transferee, in a form prescribed by the Secretary—

"(i) to the chief law enforcement officer of the place of residence of the transferee notifying such officer of the proposed transaction, and requesting such officer to confirm the residence of the transferee, and to examine State and local official records of criminal convictions and adjudications of mental incompetency, readily available to that officer, and report to such importer, manufacturer, or dealer whether any such records show any such conviction or adjudication for the transferee; and

"(ii) to the Federal Bureau of Investigation which shall examine Federal official records which may reveal any circumstance making illegal the receipt or possession of a handgun by the transferee and report to the importer, manufacturer, or dealer whether any such records show any such circumstance;

"(B)(i) such importer, manufacturer, or dealer has received such reports from the chief law enforcement officer of the place of residence of the transferee and the Federal Bureau of Investigation; or

"(ii) 7 days have elapsed from the sending of the sworn statement; and

"(C) such importer, manufacturer, or dealer has not received information from the chief law enforcement officer or the Federal Bureau of Investigation that receipt or possession of the handgun by the transferee would be in violation of Federal law or of a State or local law of the residence of the transferee.

"(2) An importer, manufacturer, or dealer who receives a report from the chief law enforcement officer or the Federal Bureau of Investigation after a transfer has taken place shall, if the report contains information that receipt of possession of the handgun by the transferee would be in violation of Federal law or of State or local law of the residence of the transferee, immediately communicate all information such importer, manufacturer, or dealer has about the transfer and such transferee to—

"(A) the chief law enforcement officer of the place of business of the importer, manufacturer, or dealer;

"(B) the chief law enforcement officer of the place of residence of the transferee;

"(C) the Federal Bureau of Investigation; and

"(D) the Secretary.

"(3) An importer, manufacturer, or dealer who receives information, not otherwise, available to the public, in a report under this subsection shall not disclose that information except incident to the proposed transfer.".

SEC. 16. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), this Act shall take effect on the date of the enactment of this Act.

(b) EXCEPTION.—Section 15 shall take effect 90 days after the date of the enactment of this Act.

[Submitted Mar. 20, 1986]

By Mr. CRAIG:

(Amendment to the Volkmer amendment in the nature of a substitute.)

—On page 7, strike line 22 and all that follows through page 8, line 2 and insert in lieu thereof the following: "accomplish the transfer or to negotiate the transfer,";

Amendment to the Volkmer amendment in the nature of a substitute.)

—On page 19, line 2, insert "subsection (b) and (c) of" following the words "provided in".

(Amendment to the Volkmer amendment in the nature of a substitute)

—On page 27, beginning in line 23, strike out "part" and all that follows through "exclusively" in line 1 on page 28 and insert in lieu thereof "part designed and intended solely and exclusively, or combination of parts designed and intended."

By Mr. McCOLLUM:

(Amendment to the Volkmer amendment in the nature of a substitute.)

—Page 10, strike out line 5 and insert in lieu thereof the following:

(7) so that subsection (h) reads as follows:

"(h) It shall be unlawful for any individual, who to that individual's knowledge and while being employed for any person described in any paragraph of subsection (g) of this section, in the course of such employment to receive, possess, or transport any firearm in interstate or foreign commerce."; and

EXTENSIONS OF REMARKS

THE SECOND PILLAR OF SOUND MONEY

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. DANNEMEYER. Mr. Speaker, the second of 10 pillars of sound money entails the principle of free coinage, as propounded by Prof. Antal Fekete. Considering the economic climate and budgetary framework, his commentary is indeed timely.

THE SECOND PILLAR OF SOUND MONEY AND CREDIT: THE PRINCIPLE OF FREE COINAGE

(By Antal E. Fekete)

A CHINESE TALE

Once upon a time money in China consisted of silver coinage issued by the Imperial Treasury. Since time immemorial, the main source of imperial revenue had been seigniorage, due to the limit the emperor placed on the number of silver coins in circulation. Consequently the Imperial Treasury could buy two pounds of silver from the people in exchange for coins containing only one pound, then turn around and mint it into twice as many silver coins. The difference was simply expropriated by the emperor. As a result of this cruel exploitation, people of the Celestial Empire fell into the direst poverty. Money was exceedingly scarce. Parents were selling their children into slavery, and they killed their baby daughters when no takers were found.

The chief mandarin, Kwang, threw himself at the feet of the emperor, pleading thus: "Son of Heavens, have pity. People are suffering. Money is scarce."

The emperor made an edict providing for free coinage. From then on, people could take all the silver to the Treasury, and get the same weight in silver coins in exchange. Seigniorage was abolished. There was a great relief all over the Celestial Empire. A tremendous resurgence of agriculture and industry took hold. The humblest of coolies could pick and choose between jobs. People were becoming so prosperous that husbands started to embellish their wives with choice silver jewelry.

Hardly twelve moons had passed when Kwang threw himself at the feet of the emperor once more and pleaded thus: "Sire, money is still scarce. The people want you to issue paper money in order to augment the circulation of silver coins."

The emperor, who was a wise man, answered: "Kwang, you are talking like a fool. You ask me to restore poverty that I abolished in this country twelve months ago. I have given people the right to put their silver where their mouth is. If money is still scarce, they have only themselves to blame. Let them bring their jewelry to the Treasury, and we shall give them silver coins, pound for pound, and ounce for ounce. If they really think that money is scarce, they have to prove it not by words, but by deeds.

"Remember, Kwang, it is not the abundance of money that makes the people prosperous, but the unencumbered fruits of their own efforts. By the same token, it is not the scarcity of money that impoverishes them, but exploitation that you now try to advocate."

And Kwang went off, tearing his beard, as he lamented: "O Wo! O Fu! O Pe! O Li! And all the two-letter named gods of Cathay! Take pity on our people! For there has come to us an emperor of the Austrian School, who believes that people can lift themselves out of their misery by their own bootstraps! The emperor is deluded by the idea that wealth is created by coolies! He no longer believes that the source of all wealth lies in the power to regulate the money supply!

BEAT SCARCITY

There will always be people who complain that money is scarce. Today, there is no answer to these complaints. In a true sense of the word, everything of value is scarce. The only way to abolish the scarcity of the dollar is to make it lose all its remaining value. And there is a real danger that this is exactly what we are doing.

Money and money-substitutes have never been so abundant as they are today in the United States. Yet, if we are to believe the officers of Continental Illinois, and the directors of the savings banks in Ohio and Maryland, money is excruciatingly scarce in this country.

The only way to stop the vicious agitation against the scarcity of money is to put the power of issue where it belongs, namely, into the hands of the people. This means free coinage of gold. When this is done, every citizen who believes that there is too little money in circulation, can do something about it. He can take his old jewelry or his newly mined gold to the U.S. Mint, and convert it into the gold coins of the realm. After this fundamental right—guaranteed by the Constitution but abolished in 1933—has been restored to the people, all cries about the scarcity of money can be exposed as frivolous gibberish.

LATTER-DAY SLAVES

The principle of free coinage also exposes the exploitation to which the people of the United States have been subjected by the mandarins in the Treasury and on the Federal Reserve Board. The Constitution abolished bondage embodied by seigniorage in this country, but the bureaucrats have reimposed a more cruel seigniorage through the back door.

The rate of extortion in the Celestial Empire of old was 2:1, as silver in the hand of the emperor was worth twice as much purchasing power as the same silver in the hands of the people. Today the rate of extortion in the United States is 33:1. As reported in The New York Times on July 21, 1985, Michael Brown, a spokesman for the United States Mint in Washington, D.C., explained that the Susan B. Anthony dollar, introduced in 1979, cost 3 cents each to make, allowing the government to pocket a profit of 97 cents. Thus, resources in the hands of the Treasury can create 33 times more purchasing power than the same resources in the hands of the people. The extra purchasing power is not created out of the thin air: it is simply extorted from the people.

Mr. Brown used these figures of support his argument against melting down half a billion Anthony dollars which nobody seems to want. If the coins were melted down for the metal, the government would have to take a loss. "And we don't want to add half a billion dollars to the deficit," Mr. Brown was quoted as saying.

The rate of exploitation in the United States would be much higher if the calculation was based on the cost of printing bonds, which the Treasury can turn into cash at the Federal Reserve banks.

THE MOLOCH OF MANAGED MONEY

Irredeemable currency could be made to work in a free country only if every citizen were given the right to print and to dispose of his bonds on the same terms as the Treasury. But this would make the bonds and ultimately the dollar lose their remaining value. Therefore the regime of irredeemable currency can never be made to work, nor can it be made compatible with freedom.

The usurpation of the Constitutional right of free coinage, and the reimposition of bondage embodied by the seigniorage, makes free citizens into slaves of the government.

Moreover, the unemployed are like the innocent female infants in China, earmarked to be sacrificed on the altar of the Moloch of Managed Money.

CUOMO'S ENTERPRISE BILL BOOSTS A PROVEN CONCEPT

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. GARCIA. Mr. Speaker, recently I participated in a news conference with Gov. Mario Cuomo of New York outlining his proposed opportunity zones legislation. This legislation, like the Federal legislation, is designed to encourage community self-help, and they will only be designated in those areas that can demonstrate that they will make the best use of the local talent and voluntary associations. The State program builds upon the proposed Federal legislation by providing a complete package of incentives to revitalize distressed areas. In addition to tax incentives, opportunity zones will include low-interest loans, low-cost power, job training, and technical assistance.

A recent article in Crains New York Business by Dick Cowden, director of the American Association of Enterprise Zones outlines the virtues of Governor Cuomo's State legislation and I recommend it to my colleagues.

CUOMO'S ENTERPRISE BILL BOOSTS A PROVEN CONCEPT

Despite premature reports of the federal legislation's demise, prospects for an urban initiative oriented around enterprise zones

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

actually improve over time as more states pass enabling acts.

Since 1982 a majority of states have adopted some form of zone policy. In the coming weeks California and Oregon will activate their first sets of zones, and late last year Michigan's state legislature established a pilot project in Benton Harbor. Recently Gov. Cuomo weighed in with a proposal for "opportunity zones"—a variation on the theme.

His quiet nod to establishing zones in one of the few large states that has yet to do so is already giving a strong boost to renewed activity in Washington. Housing Secretary Samuel R. Pierce has called for staff recommendations on a possible new federal strategy. The question is whether the administration will again trot out its four-year-old bill for 75 federally designated zones or simply reinforce the states' already field-tested policies.

Zones have become popular because, dollar for dollar, they are a bargain for cities trying to rejuvenate decayed areas at a time of declining federal funding. They typically offer firms a variety of tax incentives that often make acquiring and renovating inner city properties more attractive than moving to suburban sites. To date no one has complained of damaging revenue losses; if the zones attract a new company, the state and local government are more than happy to temporarily forgo the taxes.

Enterprise zones, as implemented by the states, have highlighted an important national issue that Congress and the administration will eventually have to resolve. At stake is the question of what role, if any, the federal government has in promoting redevelopment of declining communities.

Ironically, the Reagan administration, whose credo has been that local ills are best remedied locally, acknowledges a federal responsibility by proposing zones.

By twice killing Senate-passed zone bills, the House of Representatives has stepped out of character to deny federal help for inner cities. Opponents contend that tax abatements proposed in the federal legislation might be used as a reason to further cut existing urban programs. But such arguments have not rung true with officials in charge of operating state-designated zones. They see lawmakers from both parties, under pressure to cut the deficit, preparing to slash budgets—zones or no zones.

In fact, Gov. Cuomo's proposal may relate to the states' anticipation of less federal economic development funding, as well as to their own emerging interest in promoting growth. As outlined in his 1986 State of the State message, Cuomo's policy would provide business financing, job training, lowered energy rates and tax incentives.

Even without a federal designation system, as proposed in the original legislation, some incentives could be keyed to state-designated zones. One suggested means would be to retain incentives now slated for extinction under the tax-reform bill in areas that meet given criteria of distress and that have combined state and local support for redevelopment. Another method would give statutory and administrative priority to the states' zones in a way that provides a safety net for poorer areas as Washington cuts urban funding.

Whatever course is chosen, the goal should be to complement state and local actions that promote reinvestment in decaying areas.

ISSUE OF CONTRA FUNDING

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. RITTER. Mr. Speaker, continuing in my effort to bring pertinent information on the issue of Contra funding to the attention of my colleagues, I trust they will find this March 13, 1986, George Will article from the Globe-Times of interest.

The article follows:

[From the Globe-Times, Bethlehem, PA, March 13, 1986]

SENSORY DEPRIVATION OVERPOWERS IN MOSCOW

(By George Will)

Moscow.—To watch dusk descend on Moscow is to watch a city vanish. It is as though it sinks into the sandy soil that limits high-rise construction in this horizontal capital. To see Moscow at night is to be struck by what you do not see, and to long for neon—the electronic exuberance that is freedom's signature in the form of capitalism's crackling energy.

A wit, seeing Times Square for the first time, said: It must be beautiful if you can't read. That is somewhat true of Moscow, bedecked with red banners proclaiming slogans that are punctuated by the obligatory exclamation mark. It is a city without what we call "commercial clutter." It is a city where mass appetites are not expressed and satisfied in the populist democracy of the marketplace.

An American in Moscow can suffer an ailment diagnosable as "PSD"—Pointer Sisters Deprivation. The absence of popular expression of the sensual side of life is a telling facet of the Soviet system. In the West, the social atmosphere may be overdosed with aphrodisiacs, However, a sojourn in an antisensualist society such as this underscores a theme of Orwell's "1984": Eroticism is feared by a regime that feels threatened by any realm of privacy or flicker of spontaneity.

The sensory deprivation here is highlighted by exceptions to it, such as a performance of the Bolshoi Ballet in the ornate theater which, like almost all things pleasing to the eye, was built before 1917. A sumptuous performance of "Sleeping Beauty" is attended by 2,500 of le tout Moscow and a few visitors. The performance seems all the more ethereal and remote because it is such a stylized, tantalizing glimpse of life lived beyond the gray walls of ideological categories.

"Sleeping Beauty," an echo of an earlier age, was performed the evening of the day the Communist Party congress echoed with Gorbachev's thoughts on matters cultural. He denounced literature, art and scholarship in which, "under the guise of national originality, attempts are made to depict in idyllic tones reactionary nationalist and religious survivals contrary to our ideology, the socialist way of life, and our scientific world outlook." He said "the people" need "only a literature that is ideologically motivated," and not "showy verbosity on paper, petty dirty-linen-washing, time-serving and utilitarianism." This is Gorbachev, voice of the "bold new generation," expressing Stalinist values with Khrushchevian crudity.

The Soviet Union is Third World country with first-class missiles at the disposal of a regime with a mind that never even rises to the second-rate. The morning of the day Gorbachev spent declaiming about the glittering high-tech future of the "qualitatively new" Soviet experience, a visitor sought a bit of breakfast in a lobby refreshment area in a hotel so grand, by Soviet standards, that only a few privileged Soviet citizens are allowed in.

Visitor: I'd like some buttered toast.

Waiter: There is no toast today.

Visitor: What do you have?

Waiter: Cheese or ham sandwiches.

Visitor: I'll take a cheese sandwich.

Waiter: The cheese is not fresh.

Valdimir Bukovsky, the exiled dissident, says that Soviet public-health problems—high infant mortality, low birthrates (below replacement rates among some nationalities, including Russians), increasing birth defects—indicate that the Soviet crisis has gone beyond mere disillusionment and apathy to "biological exhaustion, a fatigue of human material."

Certainly the sullenness and rudeness that Westerners living here find so wearing reflects the grinding-down experience of going around with an empty bag, jostling with others in the search for the necessities of life, potatoes here, perhaps some meat over there. And the inessentials? There are hundred of people outside a store because it has received a shipment of wallpaper and who knows when there will be more. The communist aristocracy is, of course, exempt from these rigors. That aristocracy is another tradition. A commander of a Soviet ship in a 1937 naval review was addressed as "Arch-Comade."

The vigor of a society can, in the short run, be stimulated by revolutionary ardor or wartime discipline. But over the long haul, social vigor is a function of fun, in this sense: People will be more energetic, creative, productive, fecund when they are enjoying themselves. A capacity for enjoyment is grounded in self-esteem. That is difficult to develop in a society in which the individual is considered a mere manifestation of this or that collective category ("worker," "peasant," "vanguard"). Individual attributes and achievements are made to seem trivial in comparison with ideological goals—such as "new Soviet man"—by which the collectivist society is lashed into discipline.

The Soviet regime, too, lacks self-esteem. It aches for "respect" from the world." But it sends five KGB agents to confiscate the books of an 85-year-old woman. Perhaps three agents could have done the job, but the regime is proud of running a full-employment society.

PROTECTION IS AN ABUSE OF PATRIOTISM

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. CRANE. Mr. Speaker, I am concerned that my colleagues, with the best intentions, will succumb to pressure from various quarters to enact what a recent editorial by Harold Evans in U.S. News & World Report called an "abuse of patriotism." I am referring to protectionist measures designed to insulate various industries from the effects of foreign imports.

Historically, protectionist measures have been a dismal failure at saving jobs and maintaining a sound economy. We must not forget the lessons taught by the disastrous Smoot-Hawley Act of 1930, which contributed to the Great Depression.

Protectionism is a costly method of trying to save jobs. If the President had supported the ITC recommendations for the shoe industry, the average cost per saved job would have been $50,000 to $80,000, in an industry where the average yearly salary is $14,000. Also, shielding industry from market signals with import restrictions allows firms to delay painful measures to modernize, leaving them less competitive once protection is removed. In the end, instead of saving jobs and fostering growth, protectionism discourages innovation and efficiency, further delaying the day when American products will compete more favorably with imports.

Tariffs are costly to consumers as well. In 1984, restrictions on clothing, sugar, and autos cost consumers an extra $14–$20 billion for those products, according to a report by the Republican Study Committee. This same report states that quotas are equivalent to a 23-percent income tax surcharge on low-income families. Mr. Evans cites economist Michael Munger, whose data shows that the average family of four pays between $1,500 and $2,000 a year due to protectionism. Tariffs are a hidden tax paid by all consumers, including those least able to afford it. Ultimately, protectionism sacrifices the general interest in a poor and unsuccessful attempt to aid the special interests.

Protectionism invites retaliation by our trading partners and will substantially affect consumers by limiting product choice and denying them access to low-priced goods. Rather than running to the false security of protectionism, we need to attack the real sources of our trade imbalance. We should devote our energies to our fundamental problem: deficit reduction through sound fiscal policies. Once we begin to address our own shortcomings, we can attack unfair trading practices when and where they exist.

Mr. Evans' editorial appeared in the February 3, 1986, issue of U.S. News & World Report. I commend the article to your attention and include it here.

AN ABUSE OF PATRIOTISM

If all the economists in the world were placed end to end, they wouldn't reach a conclusion. That has been the jibe ever since Adam Smith invented the dismal science. So here is an oddity. There is today one thing on which economists resoundingly agree. Yet on this single issue the economists, having stumbled on a common view, are spurned by the people and the politicians.

The issue is protectionism. Economists are at one in saying quotas and tariffs that restrict trade are bad for the country and the world. They are right. Textile workers in Georgia and shoemakers in Missouri and steelmen in Pittsburgh respond with Grover Cleveland's slogan in 1887: "It is a condition which confronts us, not a theory." The condition, as they see it, is factories closed because of our imports of steel from Europe, blouses from India and so on. They are right, too.

It is Congress that is wrong in its answer to their plight, and the public that is wrong—yes, the public—in going along with the majority in the House and Senate who have dreamed up 300 bills to tax and limit imports.

Protectionism is a perfect word for describing the fogged and ugly reality entailed in mugging free trade. It wouldn't get very far on its own, but it hitches a ride on another ism that is honest and noble: Patriotism. None of us likes the idea of fellow citizens being jettisoned from their crafts, and when they seem to be the victims of cheating foreigners, emotion replaces economic reason. Congressman disguise their demagogy with high-minded expressions of concern for the trade deficit, another real issue for which protectionism is the wrong answer.

The truth is the protectionism doesn't protect, and it isn't patriotic. It preserves some jobs for a time, but it postpones innovation. Textiles have been protected for 25 years and still cannot offer secure livelihoods. Protectionism does not protect prosperity; it imperils it. Import taxes and quotas lock up labor and capital and add to inflation. The textile worker, like everyone else, has to find $600 more for a U.S. car because of quotas on automobiles. Altogether, thanks to protectionism, consumers paid $4.5 billion more for cars in 1984, $1 billion more for footwear. An American family of four, according to economist Michael Munger, pays between $1,500 and $2,000 a year because of protectionism. That is more than most families pay in federal income tax.

It is patriotic to buy a "Made in the U.S.A." jacket out of good feeling. Do it with a smile. It is altogether different to have government interfere with free choice. It is un-American. And it is a funny form of patriotism that punishes the poor. The duties on shoes, clothing and sugar have the same effect on families with incomes of $9,350 as an income-tax surcharge of 25 to 66 percent.

But what do we do about jobs, the foreign-trade deficit—and shouldn't we get mad at the Japanese anyway? The answer is to expand free trade, not diminish it. Nine million new jobs have been created in five years of relatively free trade. Five million American jobs in exports are at risk from retaliation in a trade war. The world is dangerously poised, just as it was when Congress "patriotically" passed the Hawley-Smoot Tariff Act in 1930 and triggered the Great Depression. As for textile jobs and the like, the answer is money. It costs $74,000 to protect one job in the television-receiver industry where $22,900 is the average wage, $110,000 to protect one job in steel. Put that sort of money into retraining. Make it easy for workers to move and to take their pensions.

The Japanese? Of course we should get tough—where they are provably unfair. The Institute for International Economics has shown that if Japan dismantled its import barriers it would cut America's trade deficit by $5 billion to $8 billion—but this would be canceled out if we took down our barriers, too. It is not the Japanese who are to blame for our trade deficit.

Grover Cleveland was right. But "the condition" he challenged was high tariffs; protectionism was the theory then. Delusion is a better term for it. President Reagan sees that. He has vetoed one bill. He is giving a strong lead for the new trade talks in Geneva. He deserves the support of every American against the fallacies flying a false flag on Capitol Hill.

TRIBUTE TO WILLIAM JONES

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. DioGUARDI. Mr. Speaker, I rise today to pay tribute to William Jones who will be honored at a gala party on March 22 for 25 years of dedicated service to the Conservative Party.

Mr. Jones was one of the founders of the Yonkers Conservative Party and has served on many committees and appointments since that time. Some of his more prominent achievements are; city leader—Yonkers Conservative Party for 6 years, mayoral appointment to the human rights committee for 2 years, mayoral appointment to the parks and recreation board for 2 years, third ward leader for 10 years and sixth ward leader for 2 years. He rose to offices of treasurer—for the last 16 years—and president—for the last 6 years—of the Conservative Club of Yonkers.

Mr. Jones was a pioneer of the Conservative Party. He was a Conservative before it was fashionable to be a Conservative, never compromising his ideals despite the odds he was up against. He ran Conservative candidates who were badly defeated yet he never lost sight of the goals of his party. The Conservative movement has made great strides over the past three decades because of people like William Jones, who recognize the beauty and greatness of American liberty and pledge their lives to defend and promote it.

Thank you Mr. Speaker

COMPREHENSIVE TEST BAN IS VERIFIABLE

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. GREEN. Mr. Speaker, I would like to bring to the attention of my colleagues a very important article which appeared in the Wall Street Journal today. This article, which I am having reprinted below, states that by using a new seismic testing device, the United States is capable of detecting Soviet nuclear explosions which amount to a fraction of a kiloton.

The repercussions of this are twofold. First, U.S. geology experts are now in near unanimity that the Soviets have not violated an earlier, unratified treaty limiting the force of nuclear explosions. But far more important, this development puts to rest the administration's charge that a Comprehensive Test Ban Treaty with the Soviet Union would be unverifiable.

I, thereby, urge my colleagues to read this article and join with me in urging the President to adhere to the resolution recently passed by the House, House Joint Resolution 3, and to begin serious and prompt negotiations toward a Comprehensive Test Ban Treaty.

WHITE HOUSE CLAIMS OF SOVIET TEST BAN CHEATING ARE CHALLENGED BY NEW BOMB DETECTION SYSTEM

(By John J. Fialka)

One day last summer, the Soviet Union triggered a tiny nuclear explosion at a test site in eastern Kazakhstan. The blast amounted to a fraction of a kiloton, a mere hiccup in a world where 150-kiloton weapons are tested regularly. (A kiloton is the energy produced by exploding 1,000 tons of TNT.)

But the explosion registered as a strong, clear signal at a new seismic testing station in Norway, 2,800 miles away. The result meant that, after 20 years and at least a half billion dollars' worth of effort, the U.S. capability to detect and measure Soviet tests had suddenly grown by as much as tenfold.

The matter of how much the U.S. really knows about Soviet testing is an arcane but politically charged issue that was revived last week when Soviet leader Mikhail Gorbachev announced his country will continue its eight-month-long moratorium on nuclear tests until the U.S. tests its next weapon.

Despite a recent House resolution calling for negotiations on a nuclear test ban, and increasing criticism from the scientific community, the Reagan administration continues to oppose the Soviet proposal. The administration argues that a comprehensive test ban would be unverifiable and that the Soviets have probably violated an earlier test-limitation treaty.

IMPROVED DETECTION HARDWARE

But the new, improved detection hardware being developed by the U.S. has produced data that convinces many experts the U.S. has consistently overestimated the yield of Soviet tests and that U.S. accusations of Soviet cheating may therefore be false. The same overestimates also may have led the Pentagon to overstate the size of some of the weapons in Russia's vast nuclear arsenal.

What's more, the improvement in the equipment has been so great that some experts believe a test ban would now be verifiable, despite the administration's denials.

The device in Norway, operated jointly by the U.S. and the Norweigian governments, was designed as a prototype of an unmanned seismic test station that might be used in or around the Soviet Union if U.S. and Soviet arms-control negotiators ever agree on a test ban or further testing limitation that would permit verification inside each other's country. The U.S. is currently negotiating for sites in a number of other countries, including China, according to government officials.

What's different about the Norway device is that it measures high-frequency shock waves that usually vanish beyond 1,200 miles from a blast. Seismic signals extending beyond that range, which have normally been used by the U.S. and other countries monitoring Soviet tests, tend to carry less useful information.

Data from the Norway experiments, according th U.S. scientists, confirm previous suspicion that testing in the Soviet Union tends to amplify shock waves because much of Russia sits on a thick, resonant bed of granite. Meanwhile, most U.S. anaylses of Soviet testing have been extrapolated from U.S. explosions in the Navada desert where the soft, underlying layers of sediment tend to muffle or understate the power of nuclear shocks.

One of the studying this anomaly, according to Lynn R. Sykes, a geologist at Columbia University, is a "near unanimity" in the U.S. geological community that the Soviets haven't violated an earlier, unratified treaty that confines nuclear tests to a maximum of 150 kilotons. The Reagan administration position, as recently announced by President Reagan and Kenneth Adelman, director of the Arms Control and Disarmament Agency, is that there has been a "likely violation" of the treaty in a number of Soviet tests.

Mr. Sykes goes further to agree that the new seismic test station in Norway could lead to the deployment of a network of stations that would give the U.S. "high confidence" that it could verify Soviet compliance with a nuclear test ban.

The assertions of Mr. Sykes and other experts have set off a few shock waves of their own, especially at the nation's weapons laboratories and at the Nevada test site, where bomb designers and weapons engineers have traditionally opposed test ban proposals. These opponents insist they can't reliably maintain the nation's nuclear arsenal or move ahead with the president's Strategic Defense Initiative, also known as Star Wars, without regular testing of weapons and new materials.

In the same laboratories however, there are people who are promoting the potential of the new seismic equipment. The Norwegian device, which is called the Norwegian Regional Seismic Array, was designed by scientists at the Energy Department's Sandia Laboratory in New Mexico and its Livermore Laboratory in California.

"What we have said is that you can't support the hypothesis that they (the Soviets) have violated the treaty," says Milo Nordyke, who heads the verification program at Livermore. Mr. Nordyke agrees with Mr. Sykes that the U.S. has overestimated Soviet test results by using Nevada test data, but he thinks there is more work to be done before the U.S. could field a system that could deter Soviet cheating.

Mr. Nordyke notes that many of the procedures that would be used by a U.S. verification team in the Soviet Union were accepted by Soviet negotiators during the late 1970s, when the U.S. negotiators came close to completing a comprehensive test ban. (The draft treaty was withdrawn after the Soviet invasion of Afghanistan.)

One result of the negotiations was that a number of U.S. scientists, including Mr. Nordyke, were given the daunting task of figuring out how U.S. inspection teams could wire the vast Soviet land mass for sound, if such a treaty were actually ratified. They developed a network of five relatively simple, unmanned, automatic seismic stations to measure the shocks from U.S. nuclear tests. To make sure they could survive the winter in Soviet Siberia, near the nuclear test sites, they are located in such places as Yellowknife, in the Canadian Northwest Territories, and in upstate New York.

The stations, covered by white, fiberglass bubbles, are designed to sense slight movements of the earth and to radio them to the U.S. via satellite. Any tampering with them or their sensitive seismographs would automatically destroy their computer memory and trigger an alert signal to the U.S. control center.

According to one of Mr. Nordyke's colleagues at Livermore, Willard J. Hannon Jr., the argument among geologists isn't whether these machines and the more sophisticated version in Norway could do the job, but over how many of them it would take to establish a reliable verification system in the Soviet Union.

Mr. Hannon envisions a network of at least 30 of the devices installed at various places in the Soviet Union. They would be combined with a U.S. inspection team that had the right to do periodic maintenance on them and to request permission to visit areas where suspicious, unexplained explosions are detected.

PROPOSALS ON THE TABLE

While this may seem far-fetched to some people, Mr. Hannon notes that proposals to carry out parts of an effective verification system are already on the bargaining table. One element fell into place last August when President Reagan invited Soviet experts to come to the Nevada Test Site and measure a U.S. shot. One device that could have been used, according to Mr. Nordyke, is a cable buried near the blast hole that would allow the Soviets to determine the exact yield of a U.S. weapon.

If the U.S. were allowed to reciprocate, Mr. Nordyke believes that both sides could calibrate their seismic equipment and develop a common data base that could end complaints of cheating. Mr. Gorbachev promptly rejected this offer, but more recently he made one of his own that has U.S. experts wondering just how much the Russians will accept.

"We declare unequivocally that verification is no problem, so far as we are concerned," said the Soviet leader, adding that a reciprocal test ban could be monitored by multinational, on-site inspection teams, if necessary.

While Soviet negotiators haven't disclosed any details of such a plan, U.S. scientists and engineers point out that technically, if not politically, the two sides are coming closer.

THE EFFECTIVE SCHOOLS AND EVEN START ACT

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. HAWKINS. Mr. Speaker, for several years now this Nation has been involved in a very serious effort to reform certain aspects of its education systems. These efforts have led to a volume of activity at the State and local school levels to improve the functioning of schools and to provide reasonable resources with which to implement these improvements.

At the Federal level education programs of proven success have seen serious erosions in their funding. This factor has affected the ability of these federally funded programs to deliver educational services to those eligible students who have critical educational needs. It is, of course, imperative that all sectors of this society, including government, recognize and respond to the expressed demands of its citizenry for a well-functioning education system. There are such systems in the Nation, operating effectively, and within the framework of excellence and equity. These education systems are providing students with the learning tools that will competently prepare them for the kind of economic competition this Nation faces worldwide.

In this regard, I am committed to providing the necessary leadership in this Congress which will help to bring greater excellence and equity in the Nation's schools. This is why I have introduced bills in this Congress and the last Congress designed to improve school effectiveness. This is why I am an advocate of the effective schools movement. This is also why I have joined with my colleague from Pennsylvania, Congressman WILLIAM GOODLING, in authorizing and introducing the Effective Schools and Even Start Act. This bill is unique because it is designed to enhance a child's very early pre-school education; it is designed to provide basic education skills to that child's functionally illiterate parent; it is designed to help that parent learn under a supervised program ways to teach a 3- to 7-year-old child; it is designed to help school administrators, teachers, and other school staff, parents and community, learn how to organize a school's effectiveness through the school's analysis of all of its functions, and to then develop and implement plans which will vastly improve those functions.

Mr. GOODLING and I believe that we are on the right track with this bill, because there is supportable research, study, and demonstration that the elements of school effectiveness, parent education, and early childhood education programs, work to improve overall school improvement efforts.

This bill will not require new funding because it calls for the utilization of chapter 2 funds and adult education funds. The bill articulates a reasonable targeting of these funds at the State and local level, with the State still retaining control and administration of the funds for the effective schools portion of the bill. We have been encouraged by the reception that this proposal has received in the education community. We are looking forward to working with our colleagues in this most important area of endeavor, and urge their support of the effective schools and even start bill. The text of the bill and a section-by-section analysis are presented for our colleagues' review and comment.

H.R.—

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

SECTION 1. SHORT TITLE.

This Act may be cited as the "Effective Schools and Even Start Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) successful education of the Nation's children depends on effective learning that occurs at home and on effective teaching in the Nation's schools;

(2) increasing the academic skills of children before they begin school and increasing school effectiveness will enhance the learning and achievement of children throughout their educational careers;

(3) parental involvement in preparing their children for school will improve a child's ability to obtain an even start in school and assist in early identification of problems which might hinder a child's readiness for school;

(4) research indicates that many parents are not full partners in the education of their own children because many of them lack basic literacy skills;

(5) participation by parents in the education of their children can be increased by helping them to acquire specific skills and strategies needed to work with their children;

(6) there are schools that are effectively teaching the Nation's children, and school children are increasing their learning and achievement in schools that have been identified as being effective;

(7) there is an increasing body of experience and knowledge built on research which indicates that school effectiveness can be increased; and

(8) where school improvement programs (based on effective school principles and practices) have been instituted, student academic achievement often increases, especially in schools serving poor, minority, or educationally deprived students.

SEC. 3. EFFECTIVE SCHOOLS PROGRAM.

(a) PURPOSE.—It is the purpose of this section to assist State and local educational agencies in increasing school effectiveness through effective schools programs to improve student achievement, student behavior, teaching, learning, and school management.

(b) FUNDING FROM STATE ALLOCATION UNDER CHAPTER 2 OF ECIA.—Each State receiving an allotment under section 563 of the Education Consolidation and Improvement Act of 1981 after the date of enactment of this Act shall use not less than one-half of the amount remaining from any such allotment (after making the distributions to local educational agencies required by section 565(a) of such Act) to carry out one or more of the activities described in subsection (c). Such activities may be carried out directly by the State educational agency or other agency of that State or indirectly by grant to or contract with a local educational agency of that State.

(c) AUTHORIZED ACTIVITIES.—Funds required to be used to carry out activities described in this subsection may be used (in accordance with a program agreement entered into pursuant to section 5 of this Act)—

(1) to plan for effective schools programs under this section, and to conduct reviews and propose revisions of such programs, either by local or State educational agencies or by combined local and State task forces;

(2) to implement and support effective schools programs through activities such as training; workshops; forums and other mechanisms to improve parent and community organization involvement and participation; demonstration programs; and improve communication and coordination between schools, school districts, and such demonstration programs;

(3) to obtain technical assistance and consultant services with respect to effective schools programs from (A) regional educational laboratories and research and development centers supported under section 405(f) of the General Education Provisions Act, (B) institutions of higher education, and (C) other qualified nonprofit educational organizations and institutions;

(4) to design, develop, and publish educational materials on effective schools programs;

(5) to develop and implement systems to collect, analyze, and interpret data concerning effective schools programs and to communicate the results to school personnel;

(6) to promote State and local educational agency awareness of effective schools information through conferences at schools and district and multidistrict offices, and through onsite visits to model effective schools;

(7) to conduct evaluations of effective schools programs conducted under this section; and

(8) to otherwise identify, document, and disseminate information concerning exemplary effective schools programs.

(d) TECHNICAL ASSISTANCE.—The Secretary shall make available information and technical assistance for the purpose of informing State educational agencies of the requirements for using funds under this Act and for the purpose of assisting such agencies to comply with such requirements.

SEC. 4. EVEN START PROGRAM.

(a) PURPOSE.—It is the purpose of this section to successfully combine adult basic education for parents and school readiness training for children into a single education program by—

(1) assisting pilot adult basic education programs having a major component designed to assist parents to be more effective in preparing their children for entrance into school;

(2) helping parents learn techniques and skills that can be used to assist in their children's education; and

(3) providing parents with supervised opportunities to practice the techniques and skills at educational facilities and in the home.

(b) FUNDING FROM CHAPTER 2 OF ECIA AND FROM ADULT EDUCATION ACT.—The Secretary shall—

(1) from $2,000,000 of the amount available for allotment by the Secretary pursuant to the third sentence of section 563(a) of the Education Consolidation and Improvement Act of 1981 from amounts appropriated after the date of enactment of this Act, and

(2) from $1,000,000 of the amount appropriated pursuant to the Adult Education Act after the date of enactment of this Act,

make grants in accordance with this section to eligible applicants. The requirements of this subsection shall cease to be effective after the Secretary has made such grants for four fiscal years.

(c) USE OF FUNDS.—(1) Funds made available to a grant recipient under this section shall be used to provide a program of adult literacy training which includes as a major component involving parents and children together in an effort to enhance the likelihood of educational achievement.

(2) Each program provided by a grant recipient under this section shall include the following elements:

(A) identifying and recruiting eligible participants;

(B) screening and preparation of parents and children for participation, including testing, referral to necessary counseling, and related services;

(C) designing programs and providing support services to suit the participants' work and other responsibilities, including—

(i) scheduling and locating services to allow joint participation by parents and children;

(ii) child care; and

(iii) transportation;

(D) establishing instructional programs that promote adult literacy, equip parents to support the education and growth of their children, and prepare children for success in regular school programs;

(E) providing and monitoring integrated instructional services to participating parents and children through home-based programs; and

(F) coordinating programs assisted under this Act with programs assisted under chapter 1 of the Education Consolidation and Improvement Act of 1981, the Adult Education Act, Head Start, volunteer literacy organizations, and other relevant service providers.

(3) An eligible participant in a program provided by a grant recipient under this section may be a parent or a child (aged 3 to 7, inclusive) from a family—

(A) that includes a parent who is eligible for participation in an adult basic education program under the Adult Education Act; and

(B) that resides—

(i) in a school attendance area designated for receipt of funds under chapter 1 of the Education Consolidation and Improvement Act of 1981; and

(ii) with a child aged 3 to 7, inclusive.

(d) SELECTION OF GRANT RECIPIENTS.—(1) Any agency, organization, or institution that—

(A) operates an adult basic education program under the Adult Education Act; and

(B) serves an area which has an especially high concentration of children from low-income families, as determined by the Secretary in a manner consistent with section 117 of the Elementary and Secondary Education Act of 1965;

is eligible to apply for a grant under this section.

(2) To be selected as a grant recipient, an eligible applicant shall submit an application in such form and containing or accompanied by such information as the Secretary may require. Such application shall include a demonstration by the applicant that—

(A) the applicant has the qualified personnel required (i) to develop, administer, and implement the program required by this section, and (ii) to provide special training necessary to prepare staff for the program; and

(B) in the case of an applicant that is not a local educational agency, the applicant plans and operates such programs in coordination with the applicable State and local educational agency.

(3) In addition, such application shall include a plan of operation for the program which includes—

(A) a description of the program goals;

(B) a description of the activities and services which will be provided by the program (including training and preparation of staff);

(C) a statement of the methods which will be used (i) to ensure that the program will serve those eligible participants most in need of the activities and services provided by this section, (ii) to provide services under this section to special populations, such as individuals with limited English proficiency and handicapped individuals, and (iii) to encourage participants to remain in the program for a time sufficient to meet program goals;

(D) a description of the methods by which the applicant will coordinate programs under this Act with programs assisted under chapter 1 of the Education Consolidation and Improvement Act of 1981, the Adult Education Act, Head Start, volunteer literacy organizations, and other relevant service providers; and

(E) a demonstration of the applicant's capacity to carry out the requirements of section 5(b)(2)(C).

(4) From the applications submitted in accordance with this subsection, the Secretary shall select not less than 15 nor more than 20 for final review. Of the applications so selected, two-thirds shall be from urban areas and one-third from rural areas. Such final review shall be conducted by a review panel composed of the Secretary and the following individuals appointed by the Secretary:

(A) a State director of programs under chapter 1 of the Education Consolidation and Improvement Act of 1981;

(B) a State director of programs under the Adult Education Act;

(C) a director of a local program under such chapter;

(D) a director of a local program under such Act;

(E) a chief State school officer;

(F) a representative from a local Parent-Teacher Association;

(G) an individual with training in early childhood education; and

(H) an individual with training in adult literacy education.

(5) The review panel shall select applications for the receipt of funds under this section.

SEC. 5. APPLICATIONS AND AGREEMENTS.

(a) EFFECTIVE SCHOOLS.—Any State educational agency required to use funds under section 3 shall amend the application filed under section 564 of the Education Consolidation and Improvement Act of 1981 to reflect the activities and programs to be conducted with such funds.

(2) In addition, a State educational agency shall enter into a program agreement with the Secretary in accordance with this subsection. Each program agreement under this subsection shall—

(A) contain a description of the methods by which funds under section 3 will be used to carry out effective school programs by applying the effective schools principles set forth in section 7(5)(B);

(B) provide for an independent annual evaluation of activities conducted pursuant to section 3 and for making the results of such evaluation available to the Secretary;

(C) demonstrate how funds will be used to improve schools in districts with the greatest number or percentages of educationally deprived children; and

(D) contain such information and assurances as the Secretary may require to ensure compliance with the applicable requirements of this Act.

(b) EVEN START.—(1) An eligible applicant whose application has been selected for funding under section 4(d) shall enter into a program agreement with the Secretary in accordance with this subsection.

(2) Each program agreement under this subsection shall—

(A) contain such information and assurances as the Secretary may require to ensure compliance with the applicable requirements of this Act;

(B) assure that the grant recipient will comply with evaluation and dissemination requirements prescribed under section 6; and

(C) contain assurances that the grant recipient will provide, from non-Federal sources, not less than 20 percent of the cost of the program for each year of operation.

SEC. 6. EVALUATION AND DISSEMINATION OF RESULTS.

(a) EFFECTIVE SCHOOLS.—The Secretary shall, on the basis of the evaluation reports received pursuant to section 564(a)(5) of the Education Consolidation and Improvement Act of 1981 and section 5(a)(2)(B) of this Act, and such further investigation as may be necessary, analyze the programs conducted pursuant to section 3 of this Act and, not later than September 30, 1989, submit to the Congress a report thereon, together with such recommendations as may be useful in strengthening and improving such programs.

(b) EVEN START.—(1) The Secretary shall provide for annual evaluations of programs under section 4 of this Act in order to determine their effectiveness in providing—

(A) for the participation of special populations;

(B) adult education services;

(C) for the training of parents to work with their children;

(D) home based programs involving parents and child;

(E) coordination with related service programs; and

(F) for the training of personnel in the appropriate skill areas.

(2) The evaluation shall be conducted by individuals not directly involved in the administration of the program or project operation under section 4 of this Act. These outside evaluators and the program administrators shall jointly develop a set of evaluation criteria which provide for appropriate analysis of the factors listed in paragraph (1). When possible, these evaluations shall include comparisons with appropriate control groups.

(3) In order to determine a program's effectiveness in achieving its stated goals, the evaluations shall contain objective measures of such goals and, whenever feasible, shall obtain the specific views of program participants about such programs.

(4) The results of the evaluations conducted under this subsection shall be submitted to the national diffusion network, in the form required for consideration, for possible dissemination.

SEC. 7. DEFINITIONS.

As used in this Act—

(1) The term "Secretary" means the Secretary of Education.

(2) The term "local educational agency" has the meaning given such term by section 595(a)(4) of the Education Consolidation and Improvement Act of 1981.

(3) The term "State educational agency" has the meaning given such term by section 595(a)(3) of such Act.

(4) The term "institution of higher education" has the meaning given such term by section 481(a)(1) of the Higher Education Act of 1965.

(5)(A) The term "effective schools programs" means school programs having the objective of (i) promoting school-level planning, instructional improvement, and staff development, (ii) increasing the academic achievement levels of educationally deprived children through early childhood education programs and the use of the factors identified by effective schools research as distinguishing effective from ineffective schools, and (iii) achieving those factors as ongoing conditions in the school.

(B) For the purpose of subparagraph (A) of this paragraph, the factors identified by effective schools research as distinguishing effective from ineffective schools are the following:

(i) strong and effective administrative and instructional leadership that creates consensus on instructional goals and organizational capacity for instructional problem solving;

(ii) emphasis on the acquisition of basic and higher order skills;

(iii) a safe and orderly school environment that allows teachers and pupils to focus their energies on academic achievement;

(iv) a climate of expectations that virtually all children can learn under appropriate conditions; and

(v) continuous assessment of students and programs to evaluate the effects of instruction.

(6) The term "parent" includes a legal guardian or other person standing in loco parentis.

EFFECTIVE SCHOOLS AND EVEN START ACT

SECTION BY SECTION ANALYSIS

Sec. 1. Short Title: Effective Schools and Even Start Act.

Sec. 2. Findings.

Sec. 3. Effective Schools.

Funding: One-half of the 20 percent of Chapter 2 funds reserved for use by the SEA's.

Authorized activities include planning effective schools programs; supporting such programs through training, demonstration projects, etc.; developing and distributing educational materials and information on effective schools; evaluation of effective school programs.

Sec. 4. Even Start Program.

Funding: $2 million from the Chapter 2 appropriation, and $1 million from the Adult Education Act appropriation.

Grants will be awarded to provide programs of adult literacy training which involve both parents and their children. Eligible grant recipients must operate an adult basic education program in a low-income area. A review panel will make final selection of applications to receive funding.

Participants: Parents eligible to participate in adult basic education programs with a child between ages 3 and 7, who reside in attendance areas receiving Chapter 1 funds.

Sec. 5. Applications and Agreements.

Provides for program agreements with the Secretary, which include:

For Effective Schools, (a) annual evaluation of such programs; and (b) description of methods to be used to carry out effective schools principles.

For Even Start, (a) participants encouraged to stay in program sufficient to meet program goals; and (b) grantee must provide 20% of program funding from non-Federal sources.

Sec. 6. Evaluation and Dissemination of Results.

For Effective Schools, the Secretary will submit an evaluation and recommendations to Congress by September 30, 1989.

For Even Start, annual evaluations by independent evaluations shall be conducted and the results submitted to the national diffusion network.

Sec. 7. Definitions.

Includes objectives of effective schools programs and the five factors which distinguish effective schools from ineffective schools.

GROWTH AND REBUILDING IN THE BRONX

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. GARCIA. Mr. Speaker, I want to share with my colleagues an article from Crain's New York Business describing the economic and social vitality growing in the Bronx. As the article points out, the Bronx deserves a second look. Look at the strong business climate; look at the new construction of houses, apartments, and businesses, and look at the population growth in the Bronx.

Simply put, the Bronx is back! Investments are coming into the Bronx. People are coming back into the Bronx! And communities are being rebuilt in the Bronx. The article in Crain's paints a picture of a Bronx on the move. A Bronx shedding the image of devastation and destruction; on the contrary, it is becoming a Bronx of delight and development. I hope my colleagues will read the Crain's article.

CAROL PASCO'S BRONX—AND WHY YOU NEED TO KNOW ABOUT IT

(By Mark Liff)

Carol Pasco's Bronx is little like the Bronx I remember while growing up. I was born on the Concourse (Bronxites don't call it Grand Concourse or Grand Boulevard, like those Hagstrom maps and foreigners) and grew up off West Farms Square.

Gerry Byrne, my boss and publisher of Crain's New York Business, grew up a home run's distance from Yankee Stadium (with Bob Fane of Young & Rubicam, the ad agency). We all remember our blocks and the street games we played: stoop ball and stickball. But we need to see Carol Pasco's Bronx to understand what the borough has become.

We need Carol Pasco's Bronx because we've been brainwashed by the image of Fort Apache. That's what cops in the 41st precinct called their South Bronx outpost 15 years ago—and that's what everyone thought the whole Bronx was like. Those same cops in the four-one now call their place Little House on the Prairie, because it's about the only thing still standing there.

Carol Pasco's Bronx is far more than that little patch of turf, which also is struggling to come back. Carol Pasco's Bronx truly is a borough of rebuilding and of hope. Carol Pasco does public relations for a living. You wouldn't think there would be enough fee-paying clients in the Bronx to count on one hand. But sit down with Carol Pasco and you'll see quickly that you're wrong.

Sit down with Carol Pasco for antipasto and veal picante at Joe & Joe's, on Castle Hill Avenue. Joe & Joe's is a good barometer of the borough's strong business climate: It's jammed with local business persons at lunch and loyal devotees at dinner, with good reason—huge portions, low prices and owners who take an interest in their customers. There aren't many of these local places left.

Family-owned Joe & Joe's has been around for 46 years; some of the staff goes back decades. The restaurant reflects the borough's rebuilding. A computerized meal/inventory system was installed in February. And the "Bronx Room" was fixed up to add 47 great memory-tugging photos of the Bronx in the old days. So who says the Bronx isn't up to date? Go see for yourself.

Sit down with Carol Pasco in her office—a refurbished two-family house—on Williamsbridge Road and talk about some of her clients: Dick Gidron, who has the biggest, black-owned Cadillac dealership in the country; Jose Serrano, the state senator who gave Stanley Simon a scare last year in the borough president's race; the Bronx Chamber of Commerce. They're all comers. (For those into machine politics, Stanley Friendman's Bronx organization clubhouse is directly across Williamsbridge Road from the Pasco place.)

Sit in her car and drive up Fordham Road toward the Concourse. See the commitment Bank Leumi has made to help rebuild the once-thriving business hub. Everyone took the No. 20, 36 or 1 bus to Alexander's there on Saturdays, then perhaps took in a movie at the Loew's Paradise, where lights sparkled overhead like twinkling stars.

Sit down with Carol Pasco at Throgg's Neck and the former Shorehaven beach club and see the pricey condos going up on the waterfront. And those one-family homes in Pelham Gardens (the cognoscenti know that's off Williamsbridge Road) can now go for $165,000.

There's much growth and rebuilding in the Bronx. Lillian Roberts, the state's industrial commissioner, recently reported that 2,000 new construction jobs were added there.

No borough has taken the pasting the Bronx has. It deserves some good ink. It merits a second look from businesses and potential residents alike. And a chance to rebuild.

REMARKS OF HON. DAVID BONIOR IN RESPONSE TO PRESIDENT'S RADIO ADDRESS

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. EDGAR. Mr. Speaker, on March 1, our colleague, DAVID BONIOR, of Michigan, delivered an eloquent Democratic response to the President's weekly radio address.

DAVE convincingly made the case against granting the administration's request for $100 million in aid to the Contras fighting in Nicaragua. At a time when we are slashing funding for vital domestic services and cutting out constructive foreign initiatives, this House must look hard at a request for additional money for a dead-end war that can't be won.

The Contra war does nothing to address the root causes of violence in Central America—poverty, injustice, and oppression. It increases, rather than reduces, foreign intervention in the region. The way to move toward peace and democracy in Nicaragua is, as DAVE BONIOR says, to implement "a program of peace, not war."

I commend his remarks to my colleagues' attention:

Hello, I am Congressman Dave Bonior from Michigan.

This week, the president has once again asked the American people to provide increased funding for the Contras fighting to overthrow the government in Nicaragua.

It is not the administration's first request.

Back in 1981, the administration requested $19 million. Last year, they requested $27 million. And this week, the president requested $100 million; a huge, nearly four-fold increase.

And if this request is granted, it will surely not be the last.

Today the Contra war is already in its fifth year.

That is a long time. My daughter, who may enter college in just two more years, was still in grade school when the war begin.

Five years is longer than the U.S. involvement in World War I or World War II or the Korean War. Only one modern war has lasted longer, the Vietnam War.

Yet today, the Contras do not hold a single town in Nicaragua, not one. We are caught in a cycle of failure, pouring more and more U.S. tax dollars into an uncontrolled and unending war.

Mr. President, you call the Contras freedom fighters and compare them to our founding fathers. Listen to someone who has spent time behind the lines with the Contras.

Christopher Dickey, a respected foreign correspondent, describes them this way in his recent book:

"The Contra commanders . . . are men addicted to violence. Their brutality is indiscriminate—their victims include government officials (health workers, agricultural specialists, teachers, all carefully selected targets for torture, rape and murder) . . ."

A just released report by Amnesty International, winner of the Nobel Peace Prize for its work on human rights, describes the Contras' treatment of the people they capture:

"Witnesses have described . . . execution style killings, in which captives were bound, tortured and their throats slit . . ."

Is that a description of George Washington or Thomas Jefferson? With this campaign of terror, is it any wonder that the Contras have not sparked a popular, democratic movement inside Nicaragua.

Mr. President, you tell us that the Contra war is necessary to defend our allies in Central and Latin America. Yet just two weeks ago, leaders from the eight leading countries in the region came to Washington with a clear message. "Latin Ministers Urge U.S. to Halt Contra Aid," the headlines ran.

Yes, Americans have reason for concern about the direction of the Nicaraguan government—its censorship of the press, and its conflicts with the church. And we have serious security concerns both for ourselves and for Nicaragua's neighbors—the military build-up, Nicaragua's close ties with Cuba and the Soviet Union.

But our allies in the region and the neighbors of Nicaragua those who have the greatest stake in the issue—have proposed a solution. They have developed a bold statement of principles that has been signed by all the affected Central American countries, including Nicaragua.

It calls for the verifiable reductions in military strength on all sides. It calls for the elimination of foreign military advisers in every country, including the Cubans and Soviet Bloc advisers in Nicaragua. And it calls for each country to halt efforts to export revolution. And it calls for democracy.

Guatemala is a country that knows the price of freedom, because it has just elected the first civilian president in decades. His courageous call for peace has given new life to this proposal.

Argentina is also a country that knows the price of freedom, because it has just succeeded in replacing a military dictatorship with a new democracy. Argentina's foreign minister calls this proposal "the only peaceful road to resolve the problems" in Central America.

Here is a program of peace, not war.

But it requires first that the administration stop the Contra war. Without that first step, success is impossible.

There is a decision to be made. The choice is ours, and it must be made now. We can opt for more Contra terrorism, or give peace a chance. We can listen to our allies and the neighbors of Nicaragua, or charge ahead with a war that no one else wants.

It was not armed intervention that brought democracy to the Philippines, but diplomacy. It was not the denials of election fraud that brought democracy to the Philippines, but a hard-headed recognition of the abuses rampant in the Marcos government.

We need to apply those lessons to the Contra war.

My daughter was in grade school when the Contra war began. If we add another five years to the five years that have already run, the war will still be underway as she prepares to graduate from college.

My generation lived its young adult life under the shadow of the Vietnam War—a shadow that ultimately claimed 57,000 lives.

I want something better for my children, and for your children. Peace is possible. Let's end the Contra war.

GOLD AND DEBT

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. DANNEMEYER. Mr. Speaker, the Lehrman Institute is a private foundation that was established in 1972 to encourage an interdisciplinary approach to the study of public policy. It sponsors individual research and group studies that stress the historical origins and long-term implications of contemporary economic, social, and foreign policy issues.

Prof. Antal E. Fekete of the Memorial University of Newfoundland in St. John's, has been asked to contribute a paper to the institute's critical economic issues seminar series. His paper is a new departure in theoretical economics, revealing the role that gold plays in supporting a country's debt structure, and in controlling its growth.

GOLD AND DEBT

(By Antal E. Fekete)

The most important economic property of gold is not to be found in gold's mythical power to stabilize the price level. Rather, it is to be found in gold's power to stabilize interest rates at the lowest possible level consistent with the economy. To understand how it works, we must first consider the proposition that individuals are willing to carry gold in their balance sheet without any promise of return. This is implicit in the mechanism known as the Fullarton effect. It was John Fullarton who observed in 1842 that if the rate of interest falls too far (falls below the rate of marginal time preference, we might add), then the bondholders will keep selling their bonds, and stay invested in gold, thus forcing the rate of interest to return to more attractive levels (i.e., to the rate of marginal time preference). Thus gold furnishes the mechanism whereby bondholders can validate time preference as the lowest rate to which yields on bonds may fall.

Note that the Fullarton effect fails to operate under the regime of irredeemable currency precisely because individuals would not carry more than a nominal amount of cash, and banks are forced to pay interest on their checking account deposits. In this situation bondholders have no way to validate their time preference. Staying invested in cash would be tantamount to jumping from the frying pan into the fire. Holding cash is a form of extending credit at zero interest, and would be counter-productive if your aim is to force an increase of interest rates.

In other words, the regime of irredeemable currency corrupts the mechanism which makes the rate of interest a positive quantity, and opens the way to wild currency and interest rate manipulations by the monetary authority. John Maynard Keynes understood this very well and did his best to oust gold from his system.

The property of gold that individuals are willing to carry it without any promise of return, in virtually unlimited quantities, has far-reaching consequences. Gold is the only monetary asset which at the same time is not the liability of someone else. Thus gold is the ultimate extinguisher of debt. Without it debt can be shifted but not extinguished. This suggests that gold has a unique role to play in the checks-and-balances mechanism of the debt-structure, that is, in the mechanism regulating the rate of interest. Other monetary assets, whatever qualities they may have, lack this regulatory capacity. The removal of gold from the system will throw the credit markets to the winds. The bond market under the regime of irredeemable currency is all sails and no anchor. As interest rates catch the chill-fever syndrome, the allocation mechanism for capital goods—without which capitalism cannot operate in the long run—gets destroyed. Not only do interest rates get destabilized, but their volatility is also increasing. Bond-speculation, rather than alleviating the problem, is aggravating it.

We have seen that, under the gold standard, there is a lower limit, determined by time preference, below which the rate of interest cannot fall. Now we shall see that, likewise, there is an upper limit, determined by marginal productivity, above which the rate of interest shall not rise. Indeed, if there was a tendency for the rate of interest to rise indefinitely, the owners of capital goods would sell out and invest the proceeds into bonds, in order to benefit from the higher yields. This activity of the capitalists tends to push up bond prices, that is, to push down the rate of interest, and keep it at a certain level we may call the marginal productivity of capital. This analysis assumes that wage rates are rigid, but the restriction can be removed without changing the argument essentially. If the marginal productivity of capital does in fact depend on the marginal productivity of labor, and vice versa, then we may pair off capital goods and laborers and argue in terms of units consisting of such pairs. The marginal productivity (of these units) is just the upper limit above which the rate of interest may not rise.

Moreover, the spread between marginal time preference and marginal productivity cannot be arbitrarily wide. In substance, this spread depends on the cost of shipping capital goods from one manufacturing center to the next. In more detail, let the rate of marginal productivity be substantially higher than the rate of time preference in a certain manufacturing center. Then it would be in the interest of capitalists to keep importing capital goods to that center. In the end, the wider availability of capital goods would close the gap between the rate of marginal productivity and the rate of marginal time preference, and the variation of the rate of interest would be confined to the narrow band between those two rates.

However, once more, the regime of irredeemable currency corrupts this fine mechanism, by removing the upper limit which caps the variation of the rate of interest, as we shall now see.

The value of irredeemable currency is a plaything in the hands of currency managers and in the hands of speculators. On average, it keeps depreciating. This depreciation may be camouflaged by the fact that various currencies may depreciate at various rates, because then one currency may appreciate relative to any other which depreciates faster, even though in absolute terms all the currencies depreciate. This was the case with the dollar during the 5-year period ending in February, 1985, giving rise to the agitation that the value of the "strong" dollar should be brought down (meaning that the depreciation of the dollar be stepped up.)

Since all the pressures work for faster depreciation, and no force works for stabilization, the effect is continual depreciation. Under these conditions, periodic confidence crises are inevitable, as the depreciation of certain currencies get out of control. Everybody becomes a seller, and there are no buyers of these currencies. The monetary authorities in charge may try to revive confidence by allowing the rate of interest to soar. In the United States, the Fed can do this by the simple device of slowing down its open market purchases of federal securities. The reduced demand causes the price of these securities to fall, and the result is a corresponding rise in the rate of interest. Note that this is a sheer monetary play, which fails to address a single one of the underlying causes of the confidence crisis. Yet it can happen that this monetary trick actually stems the confidence crisis. Speculators reason that bonds are cheap and ready for a correction. The rally in the bond market brings the flight from the currency to a halt, and may even reverse it. It would, however, be dangerous to build a theory on this confidence trick, even if it works repeatedly. There is simply no guarantee that the speculators in the bond market will change their mind, once bond prices have fallen far enough. Even if they change their mind, the damage may be too great and the destruction of the value of the currency may just follow the destruction of bond values.

The question that concerns us here is what happens to marginal productivity under the monetary regime of high interest rates. As the theory shows, rising interest rates push up marginal productivity, which renders a lot of capital goods and a lot of hands submarginal. A great destruction of capital occurs, destroying a great many employment opportunities. Yet the process remains hidden, for the time being, as the owners of submarginal capital are locked in. They would like to be in bonds, but nobody would buy their capital equipment at this time. Their best strategy is to continue production until their capital goods wear out. At that point they would scrap their capital goods, lay off their workers, and invest the proceeds in high-yield bonds. Thus idle productive capacity and widespread unemployment does not follow on the heels of the regime of high interest rates, but they certainly follow with a lag, which reflects the amortization cycle of capital goods. It is clear that this lag is but a stay of execution. Capital maintenance is suspended, no replacement for aging capital goods is contemplated, and worn capital is mercilessly scrapped. Capital destruction is widespread.

The causal relation between the regime of high interest rates and capital destruction as well as unemployment is not widely recognized. Fed officials act as if they were free to use the carrot-and-stick approach of lower and higher interest rates, in order to "squeeze the inflationary expectations out of the system", regardless of the permanent damage they are causing to capital and labor. In other words, they are using the sledge hammer to do the "fine tuning". Worse still, there is another deleterious effect of the regime of high interest rates: it makes the burden of the debt worse.

We have seen that the regime of irredeemable currency has no mechanism for extinguishing debt, short of default. Debt is merely being shifted around, from the individual debter to the banking system, and from the banking system to the government. But there is no meaningful way the government can retire its debt. When the Treasury pays off the bondholder with Federal Reserve notes, it simply substitutes one form of debt for another. This means that the system has lost its ability to liquidate malignant debt before it starts to metastasize. The total debt can only grow, rain or shine. Even if there is no new net borrowing, the debt would still increase by the amount of interest payable. And the higher the rate of interest, the faster the growth of debt.

These factors conspire to make the total debt grow at a double-digit rate, even if interest rates and the rate of inflation are single digit rates. According to data released by the Council of Economic Advisers, total debt was increasing in the United States at an annual rate of 12.7% in June, 1985 and 14.8% in December, 1985. The question arises whether these increases are healthy. The following table may give us some clues.

[In billions of dollars; D = total debt; ΔD = annual gain in D; GNP = gross national product; ΔGNP = gain in GNP]

	GNP	ΔGNP	D	ΔD	ΔD/ΔGNP
1978	2,250		3,157		
1979	2,508	258	3,544	387	1.5
1980	2,732	224	3,882	338	1.5
1981	3,053	321	4,256	374	1.2
1982	3,166	113	4,650	394	3.5
1983	3,402	236	5,177	527	2.2
1984	3,775	373	5,927	750	2.0
1985	3,989	214	6,741	814	3.8

The table clearly shows that the Fed's high interest rate policy has failed to curb the growth of debt. More ominously, while it took less than a dollar and a half of additional debt to produce one dollar worth of goods and services in 1978–1981, it took more than twice as much, or $3 a new debt, to produce the same $1 worth of additional goods and services for the nation in 1982–1985. It should be clear from this that the new debt is not healthy. It is not producing the income necessary to liquidate it. Much of the new debt has no economic justification, other than the postponement of the day of reckoning. We are facing a runaway debt tower, which must grow even faster just to eke out the same meager livelihood for the nation. This growth has its own momentum, as demonstrated by the feed-back effect of increasing as well as decreasing interest rates on the debt. Paradoxically, both work for accelerated growth. Rising rates make the debt grow faster because interest payments do not come out of production but out of borrowing; while falling rates do the same as they encourage new borrowing.

In addition to the inordinate size of the debt and its self-accelerating growth, the construction of the debt is also flawed. The flaw can be exhibited through the composition of the interest-bearing public debt held by private investors, in March, 1985 (see Treasury Bulletin, Spring 1985):

[In billions of dollars]

Maturity:	
30 years and over	19
20 to 30 years	55
10 to 20 years	58
5 to 10 years	144
1 to 5 years	367
Within 1 year	464

Thus 75% of the interest-bearing public debt held by private investors is maturing within 5 years, 18% matures in 5–20 years, and the remaining 7% in 20 years or longer.

These ratios are the very opposite of what they should be. For a safe construction of the debt, its bulk should have maturity of 20 years or longer, and a small fraction should have maturity 5 years or less. The fact is that debt maturing in 5 years or less is 'near-money'. At any rate, holders of this part of the debt think of their assets as being very liquid, and they act accordingly. Any indication that they are wrong about the liquidity of their holdings would cause panic. But if this part of the debt is 75% of the total, it will be impossible it localize the panic.

A "healthy" debt-pyramid may look like this:

[Chart not reproduced in the Record.]

Let us compare this inverted debt pyramid to a glacier sliding down very slowly, but nonetheless inexorably, from the mountain top to the moraine lake at the bottom where the ice melts and feeds the lake. The glacier has its own dynamics which fits in with the ice melts and feeds the lake. The glacier has its own dynamics which fits in with the climatology of the seasons. Mountain dwellers at the moraine lake think it is safe to build houses and hotels on the lakeshore, in spite of the incredible mass of ice overhanging at the upper echelons of the glacier. But they know that their dwellings are safely isolated from the bulk of that slowly moving ice, and it will take years and decades before that part of the glacier moves closer to their homes. They are not afraid that the glacier might all of a sudden slide into their moraine lake, causing avalanches and floods which would wipe out their village. Their sense of security is well-grounded in the fact that the bulk of the glacier is remote, and lies at higher grounds with lower temperatures, reducing the possibility of an unexpected slide.

Of course, if the glacier had an inverted shape, meaning that the bulk of the ice was in the immediate proximity of the moraine lake where the temperature was milder during much of the year, the picture would change drastically for the mountain dwellers, from the point of view of their safety. They would live under the constant threat of a slide, and mild weather would be a threat for them. They would be well-advised to move to safer grounds, before it is too late.

The simile with the two different shapes of the debt pyramid is quite apt. The debt pyramid is not static, but is moving, almost imperceptibly, towards the pool of money. It would be disaster if an avalanche occurred and the whole debt became money all at once. Principles of safety and prudence suggest that the bulk of the debt pyramid should be isolated from the pool of money by a maturity of several decades, and only a minor part should be near-money, maturing within a few years. If this is the

cause, the economy is safe from slides and other disasters. Otherwise, there is a constant threat which is getting greater as time goes by, and the economy cannot function properly under such a threat.

The reason why our debt structure became unbalanced and assumed its present threatening shape is clear. It is our departure from the gold standard. Before 1933, the average maturity of the federal debt was almost 30 years. By 1985, it became 4½ years. There is no way to predict when the avalanche comes. But if the average maturity of the debt keeps shrinking, the slide is inevitable, and the consequences are incalculable.

There is no other way to avert the threatening debt crisis but by converting the entire debt, public and private, to gold-bonded debt. This will achieve two objectives immediately: (1) stable and low rates of interest, which are compatible with the marginal productivity of capital and labor in this country; (2) a lengthening of the maturity structure of the private and public debt. The conversion could be done during a one-year period, as envisaged by the bill H.R. 3794, introduced in the House of Representatives by Congressman Dannemeyer.

The first day of the one-year conversion period is designated October 1, 1986 (D-day), and the last day, October 1, 1987 (R-day). Starting on D-day, Eagle bonds would be offered with maturity no less than 25 years and a coupon rate no higher than 2½%. These gold bonds would be used to refinance the entire public debt (worth $2 trillion at last count), as a long-term, low-interest debt. In this manner the federal government would yield the ground of short and medium term debt to the private sector and to other levels of government.

An important feature of the bill is that it does not call for fixing the statutory price of gold until after the conversion of the debt is complete. This will guarantee that the price of gold arrived at is sufficiently high in order to carry our present debt burden without defaults or forced debt liquidation. There is no way to predict what the price of gold will be on R-day. But history indicates that if we resumed while the rate of interest was still too high, then we would jeopardize the success of the operation. As the rate of interest declined further, bond prices would keep increasing which would depress commodity prices and would trigger a deflation. But if we take care of the interest and maturity structure of the debt before we fix the price of gold, then we avoid forced debt liquidations, and success is virtually guaranteed.

Even though we cannot predict what the gold price will be on R-day, we may make certain observations. If the Eagle bonds are not selling well on D-day, then the Treasury will be forced to enter the gold market and buy, because it must have sufficient gold reserves to meet the maturing debt after R-day. Treasury purchases of gold will tend to move the gold price higher, until sufficient incentives have been offered to bondholders to make the conversion to the Eagle bonds. On the other hand, if the Eagle bonds are well-received on D-day, then there will be less upward pressure on the gold price.

In order to have a somewhat clearer idea of what the gold price may be on R-day, consider the fact that there are some outstanding Treasury bonds with 25 years maturity and with a coupon rate of 10%. If the rate of interest were to decline to 2½%, then the holders of these bonds would experience a capital gain of at least 200%. Therefore, if we want to have a conversion on a voluntary basis, then the capital gain accruing to holders of gold should be comparable. Thus, a rule of thumb is that the price of gold on R-day will be in the vicinity of $1,000 per ounce.

The question arises whether a 200% increase in the gold price will be inflationary. The answer is that it need not be and it won't be, unless we allow the Fed and the banking system to build a new credit expansion on the gold flowing into the monetary system. The basic provisions of the Federal Reserve Act of 1913 must be enforced, in particular: (1) the Federal Reserve banks must divest themselves of all their holdings of government securities, (2) they must maintain gold reserves of at least 40% of their deposit and note liabilities, (3) the remaining assets held against the deposit and note liabilities must consist of self-liquidating, short term commercial paper. Gold flowing into the monetary system should be coined and the gold coins freely paid out by the banks. The best way of preventing inflation is to press gold coins (gold certificates) into service, and to keep the earning assets of the Federal Reserve banks in a most liquid condition.

The commercial banks will have to get out of investment banking, because illiquid paper is no longer eligible for rediscount. They must also discontinue the practice of paying interest on checking account deposits.

The usual argument to justify the thesis that a high official gold price inevitably leads to inflation is based on the false notion that holders of gold would reap a windfall profit and they would go on a spending spree. This argument is naive in the extreme. Inflation cannot follow resumption, except as a consequence of inept fiscal and monetary policy. Holders of gold are the people whose propensity to save is the highest. They are least prone to go on a spending spree, no matter how high the new official gold price may be. They have, for the first time in half a century, the opportunity to invest their capital safely and profitably in a gold standard environment. They will use their income, and not their capital, to satisfy their urge of gratification.

Critics of the Dannemeyer bill have questioned the assumption that bondholders holding non-callable government bonds paying interest at, say, 10%, will voluntarily exchange their bonds for gold bonds paying interest at only 2½%. The answer is that the same incentive mechanism is at work as the one making convertible bonds attractive. When a corporation issuing convertible bonds wants the bondholder to convert earlier rather than later, it will prescribe a schedule of *rising* conversion value for its stocks. Moreover, the slope of the rise will influence the length of the conversion period: the steeper it is, the shorter the period will be. Likewise, the conversion to Eagle bonds is governed by the rising gold price between D-day and R-day. The Treasury is more than able to control the steepness of the rise by its open market operations.

It is important to remember in this context that Treasury purchases of gold are costless. The money to pay for the gold is not appropriated by Congress (the only example of government acquisition having no budgetary consequences). The Treasury's account with the Federal Reserve banks will not be depleted in consequence of gold purchases, as the Treasury is simultaneously depositing an equal amount of gold certificates. This completes the analogy with the company issuing convertible bonds. The company can set up an arbitrary schedule of conversion values for its stocks, because the company creates those stocks at no cost to itself.

The critics of the Dannemeyer bill have also questioned whether it makes sense to talk about 2½% interest when nobody, certainly no government, has succeeded within living memory to borrow at such low rates. The answer is that the governments are prisoners of their anti-gold ideology. Several finance houses have borrowed, during the past five years, hundreds of millions of dollars at interest rates as low as 1%. (The purpose of the loan, in each case, was the sinking of a new gold mine.) The amount of monetary gold in private hands is estimated at 50,000 metric tons (or $570 billion when gold is valued at $350 per ounce). The owners of this gold are paying at the rate of ¼ of 1 percent per annum in carrying charges for the privilege of holding monetary gold. This is the equivalent of negative interest. If they exchanged their gold for Eagle bonds, they would be earning a return of 2½%, instead of losing ¼ of 1%, for a net gain of two and three-quarters percent, and they would become the owners of the "best paper" in the world, the gold bonds issued by the United States of America. This paper has been absent from the financial markets of the world for more than half a century. Its return would be received by the financial community with a tumultuous welcome. There can be no question about the ultimate success of the Eagle bond program.

A number of foreign governments, including Germany and Japan, would follow the monetary leadership of the United States and resume. They would have everything to gain, and nothing to lose, if they did. They would enormously strengthen their public credit, would stabilize their domestic money markets, and would open up new vistas for their export industry and trade. Only weak and authoritarian governments, apprehensive of the good will of their own citizens and creditors, would keep their markets in straitjacket by hanging on to depreciating currencies. In doing so they would act against the interest of their own people who, as a consequence, could not partake the triumphant economic revival in the most civilized part of the world.

Another frequently heard objection is that the U.S.S.R. could sabotage the international gold standard by gold dumping. Well, it is welcome to try. Red gold is a red herring. It costs real resources to produce gold, even in the U.S.S.R. Gold is a form of wealth, indeed, a very desirable form of wealth. The government of the U.S.S.R. would give up gold only in exchange for another form of wealth more desirable or more useful to it. At any rate, an abundant gold flow reaching our shores would not be a disaster for us: it would be a good sign, a welcome sign. It would further reinforce credit markets, boost trade, production, capital accumulation in this country. An increased gold flow is a sign of increasing world confidence in the economy of the United States. One need not be afraid of and need not apologize for having earned that confidence. The specter of unfriendly governments dumping gold in order to embarrass the United States is purely imaginary.

Finally, a few remarks may be in order, to guard us against repeating the humiliation of August 15, 1971, the day President Nixon repudiated the obligation to pay gold on

demand at the rate of $35 per ounce to foreign creditors of the United States. The gold standard, once established, must not be abused and compromised as it was, by the Roosevelt Administration, in devaluing the dollar for no good reason and to no good purpose, in 1933-34. Congress must not abridge the citizen's right to convert his gold into gold coin of the realm at the Mint, nor his right to hoard, to melt, or to export the gold coin of the realm in his possession. Congress must not pass legal tender laws. Fiscal policy must serve one aim, and one aim only: to maintain the credit of the government at the highest possible level. The purpose of taxation is to raise revenue to cover essential public expenditure, and not social engineering or economic fine-tuning. Borrowing should be undertaken by the government only if it is clearly seen that there are revenues in sight necessary to retire the debt. Government debt must be financed through long term bonds, whose value must be secured by the establishment of a sinking fund. The use of Treasury bills must be severely limited in time and in amount as well. If the rate of interest were to rise as a result of natural disaster or war destruction, then the government debt should be refinanced at the higher rate. Profligate and frivolous government spending must be exposed as waste at best, and vote-buying at worst. Monetary policy has one aim, and one aim only: to keep units of various forms of money in circulation on a par with the unit of value. It is not the task of monetary policy to influence the rate of interest, short or long. The idea that the money supply can be manipulated by open market purchases and sales of government bonds must be abandoned. Inflation, and hence deflation, can be averted if the country is firmly on the gold standard and does not allow monetary policy to be used for political purposes. Every inflation in the past, whether in wartime or peacetime, was the direct result of a faulty monetary policy allowing interest rates to join prices in an upward spiral, in order to accommodate political objectives. The humiliation of August 15, 1971 was a consequence.

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REMARKS OF HARRY K. WELLS ON RECEIVING AWARD AS BUSINESS LEADER OF THE YEAR

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mrs. BENTLEY. Mr. Speaker, it is sometimes difficult to see ourselves clearly. A trenchant view of what we do requires some distance. Last month, Harry K. Wells, chairman of the board of McCormick & Co., received an award as the Business Leader of the Year from a group of his peers.

In accepting that award, he made observations on our Nation, its goals, political process, and immediate needs with such clarity that they deserve close attention from all of us.

I offer those remarks for the RECORD, in the hope that their wisdom and vision will be of benefit to all of us.

The remarks follow:

REMARKS OF HARRY K. WELLS, CHAIRMAN, MCCORMICK & CO., INC., RECIPIENT OF BUSINESS LEADER OF THE YEAR AWARD FROM BUSINESS AND COMMERCE POLITICAL ACTION COMMITTEE, FEBRUARY 20, 1986

Thank you.

This is a great honor . . . and one that I am most proud to receive.

I accept it on behalf of hundreds of people like you who have a long and abiding love for our democratic form of government, our individual freedoms, and our free enterprise system.

One only has to witness the recent events in the Philippines to understand how precious, how rare, and how special our heritage of freedom really is.

February seems to deserve the title of Freedom month. It's the time of year when we celebrate the birthdays of great national figures like George Washington and Abraham Lincoln although I must confess the government has done its usual good job of confusing us about which date or dates we are supposed to salute these good people.

No wonder we have problems, if our elected officials can't even resist tinkering with the birthdays of two of our biggest national heroes!

It also was supposedly in February that one of our folk heroes, Will Rogers, said "Thank God we don't get all the Government we pay for!"

The problem of trying to figure out how we can pay for our government has stirred one of the most important debates in recent times.

Because of this debate, I believe the upcoming months may be some of the most crucial in the economic history of this country.

Both the White House and Capitol Hill are struggling with issues affecting the nation's economic future.

How much for defense? How to increase some services and decrease others? Should entitlements be reduced and how much? Should there even be such a thing as entitlements? Can other expenses be cut or delayed?

All are critical issues which will affect the bottom line on how much we can cut the deficit.

And there's no question—we must cut the deficit because we already have had more government than our grandchildren can pay for!

We may be able to have instant coffee, instant orange juice, and instant retrieval of information on computers but there is no "quick fix" for over 20 years of "runaway" spending and we shouldn't expect it.

Our government is too big, too slow moving, and the debt is too large to expect that. But we must start and we must start by electing people to office who are dedicated to reducing the cost of government. This is why PAC's such as this one tonight are so important. This represents a first big step toward doing what we in business should be doing in combining our resources and our strength.

I've been disappointed that business even through political action committees has not registered a more effective effort to build public support for the various actions necessary to reduce the deficit.

Instead some corporations are actually fighting one another attempting to protect their own special tax breaks at the expense of other business sectors.

Some of these companies say they're all for cutting back on entitlements but they want their own special entitlements to remain in effect and remain untouched.

Many are so concerned with protecting their own interests that they support candidates from both parties just to be sure they back a winner, one that they can then go to to push their own special interest.

If we continue these kinds of self-serving actions then business will deserve no better reputation than our critics are eager to give us. And the results we'll achieve will be exactly what we have earned!

Certainly we all realize that we need some overall governmental policies and regulations to keep our society united in a democratic and orderly system.

Certainly there is a proper role for government at every level—city, county, State, and Federal.

But it is also certain that we've gone too far—far too far the other way.

Wonder what one of the chief architects of our freedom would say if he could see what we've done with his dream of democracy?

Although he wrote long volumes on other subjects, Thomas Jefferson used only 40 words to describe what the overriding national policy ought to be. He said:

"A wise and frugal government which shall restrain men from injuring one another and shall leave them free to regulate their own pursuits on industry and improvement and shall not take from the mouths of labor the bread it has earned."

What he was saying is that there shall be a public sector called government and a private sector called business made up of the pursuits of the people. The role of the public or government sector was to encourage and to assist the private sector in pursuit of creating a unified society—not to impede it!

Contrast Jefferson's 40 words with the current code of Federal regulations containing only the basic standing rules set down by the bureaucracy which now takes up almost a whole library of shelf space in Washington.

These are regulations composed by appointed officials and civil servants who through their rulemaking write more law than elected Members of Congress.

The real danger is that these regulators now call the shots for you and me everyday in almost every way and they don't even need our vote to survive.

Matter of fact, they know that if they write enough regulations they can survive almost forever because the greatest job security system ever devised is to keep writing and rewriting regulations so that they as administrators have to be there to interpret what they mean.

What is even more tragic useless and wasteful regulation by Federal agencies costs us billions and billions of dollars each year.

How did we get this way? Well we got this way because most of us in business sat around thinking that if we handled our own businesses successfully and acted properly as good citizens people would automatically understand how our system of free enterprise worked and would appreciate us for

the many fine products and services we provided.

If you don't think that is true, just consider in the current tax bill debates some personal tax deductions including interest paid on home mortgages are being referred to as tax expenditures to the taxpayer, an interesting turn of phrase! Clearly indicating the idea, it's the government's money that they are expending on you—a pretty scarey prospect for a country that believes in free enterprise and democracy.

Unfortunately while we in business were busy building and nurturing the greatest economic system the world has ever known, others were working against us under the misguided notion that the public and the private sectors were the same. Somehow those in the public sector began to feel entitled to the earnings produced by the private sector. Somehow they have the idea that our profit is their money and what we keep they in fact are giving back to us!

Those of us in business sat back while the social and economic initiative was assumed by the public sector since they were sure that only the government knew what the country needed—that only they could be trusted, that only they could solve the country's problems, that only they knew how and where to spend taxpayers' money—our money.

Those of us in business watched while they decreed larger and larger budgets. We watched while they put forth an endless succession of unworkable welfare schemes and vast public investments in utopian projects which have created endless bureaucracies dedicated to running the government at the public's expense.

I'm sure I don't need to recite the list of things that don't work. Almost everything the government has tried to administer in the private sector has ended up a disaster—Amtrak, the post office, public housing, welfare, social security, education, Medicare, job programs. They can't even protect the integrity of our dollar and they're supposed to do that!

We must help people see the difference between government's proper role as guide, a setter of policy, and a protector of public safety, and the improper role of government as a doer of things it is ill-equipped to do and should not do.

Now is the time for us to help everyday Americans realize this difference between the private and the public sector.

And now is the time to help them understand that government can't solve all of our problems by merely throwing more and more money at them or by writing new and more complex regulations.

We all need to realize that sooner or later we have to pay for each new law and regulation and usually it's the working American who has to pick up the tab either in higher taxes or higher prices or both! Our government doesn't make anything, doesn't produce anything, except new ways to spend our money!

What can we do about it?

A lot! And those of you in this room who deal with people, and people problems, everyday can really do something about it, if you make up your minds to do it.

As managers we've made the mistake of assuming that because our employees worked in business they also understood how business works. We made the same mistake with politics because they had a course in civics. We assumed they understood government.

We have to look no further than the current financial mess the country is in to see what a tragic blunder this has been.

What kind of nonpartisan political action programs are you promoting? Government on all levels isn't going to get any better unless we all get active on all levels in helping it get better. I believe as businessmen and women we ought to become the "new activists" in government.

What kind of economic and political education programs have you developed for your employees? Don't you think they ought to know what makes your business operate successfully? How it makes a profit and where that profit goes?

No one has a better story to tell than we do in American business but who's going to tell it unless you and I do?

Who's going to translate it into terms everyday Americans can understand unless you and I do?

No one has a better system than our free market system but who is going to sell it unless you and I do?

No one has a better system of government than we do but who's going to redirect its course unless we do?

No one has a better built-in audience than you do, through thousands of employees and their families. But who's going to tell them unless you do?

Obviously, I intend to continue to be an activist for business and I challenge each of you to join me.

And let's encourage others to join us—shareholders, employees, and customers toward making America regain its image as the world's best example of both economic and individual freedom.

I believe responsible leaders of both parties yearn really yearn for business to commit its full strength to the economic principle of free enterprise we've all talked so much about over the last 20 years.

As a group we seem to be better at saluting principles than we are at supporting them.

Instead of crossing our fingers and hoping for the best roll of the dice we all need to join together in an all out effort to let everyone we can influence in government know that we want responsible budgets and that we want to bring deficit spending down—way down.

One of the early leaders of our American Revolution wrote a creed which I think ought to be posted on the bulletin boards of every business in this country. See if you don't agree with these words by another of our early heroes, Thomas Paine:

"I do not choose to be a common man. It is my right to be uncommon if I can. I seek opportunity not security. I want to take the calculated risk to dream and to build, to fail and to succeed. I prefer the challenges of life to the guaranteed existence, the thrill of fulfillment to the stale calm of utopia. I will not trade freedom for beneficience nor my dignity for a handout.

"I will never cower before any master nor bend to any threat. It is my heritage to stand erect, proud, and unafraid, to think and act for for myself, to enjoy the benefit of my creations, and to face the world boldly and say: 'This with God's help I have done. All this is what it means to be an American.' "

Thank you for the honor you've given me tonight.

And thank you even more for listening so politely to these words.

Good night.

PEACE CORPS "VETS"

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. EDGAR. Mr. Speaker, I rise today to commend to my colleagues an article published in the Pittsburgh Press written by Earl Kohnfelder about the 25th anniversary of the Peace Corps. This piece describes the admirable achievements of both the Peace Corps program and one of its former volunteers, Representative Tom Murphy.

As the article describes, the Peace Corps has made great strides over the last 25 years "to help people help themselves" in impoverished countries. Not only has the Corps made a difference in its host countries, but it has also given its volunteers an experience shared by few. This program has created a generation of new leaders. One who has made a mark on Pennsylvania is State Representative Tom Murphy. An old friend of mine, Tom Murphy, is a man of integrity and true dedication to public service. Again, I hope my colleagues will take the time to read this excellent piece.

The article follows:

[From the Pittsburgh (PA) Press, Mar. 2, 1986]

PEACE CORPS 'VETS' DRAW ON 25 YEARS OF HELPING

(By Earl Kohnfelder)

Tom Murphy's journey to the state House began 7,000 miles from his North Side home, in the primitive jungles of Paraguay where he and his wife taught natives how to keep drinking water clean and reduce a high infant mortality rate.

It was 1970 when Murphy and his wife, Mona, both 27 at the time, signed up for the Peace Corps and spent a year and a half in the hot, humid jungles without electricity or running water.

"My bent in life was always toward public service," said Murphy, who is serving his fourth term in the House, "but my experience gave me a sense of wanting to organize people to a point where they had control over matters affecting their lives. "The Peace Corps gave me a lot of confidence and directed my interests more toward politics."

The Peace Corps, which officially celebrated its 25th anniversary yesterday, had as much lasting impact on the volunteers as it had on the millions they helped in impoverished countries.

It's doubtful President John F. Kennedy realized how much the Peace Corps would affect those who served when he created the agency—showcase of his New Frontier—with an executive order March 1, 1961.

In his inaugural address six weeks earlier, Kennedy stated the Peace Corps philosphy: "To those peoples in the huts and villages . . . struggling to break the bonds of mass misery, we pledge our best efforts to help them help themselves . . ."

His only promises to the volunteers were adventure and subsistence wages.

Within five years, 15,500 Peace Corps volunteers were in the field financed by a $114 million budget.

With the romanticism of the 1960s giving way to realities of the '80s, today's Peace Corps, leaner and less glamorous, is no longer fashionable. About 5,400 volunteers

are working on grass-roots, self-help development projects in 60 nations. At least 2,300 are in Africa.

Programs are more diversified and better planned than ever. Most Peace Corps projects are requested or initiated by the host countries.

In the past 25 years, 100,00 volunteers have served the Peace Corps—more than 400 of them from the Pittsburgh area.

A great number of the Pittsburghers have moved on, but about 25 former volunteers here get together frequently for pot luck dinners.

Peace Corps symposiums have been scheduled by World Affairs Councils in more than 20 American cities to celebrate the anniversary, which is being observed from Oct. 1, 1985, to Sept. 30. None has been scheduled for Pittsburgh.

The idea for the Peace Corps surfaced publicly in October 1960 when Kennedy spoke of a "youth service program" he envisioned in a campaign stop at the University of Michigan.

Three days after signing the executive order he appointed Sargent Shriver as the Peace Corps' first director.

The following Aug. 30, Kennedy honored the first group of 51 volunteers in a Rose Garden ceremony at the White House. The next day, they stepped off a plane signing Twi-folk songs in Accra, Ghana.

Support declined as the Vietnam War took precedence over foreign spending. Volunteers began to be selected for specific skills because countries wanted engineers to design bridges, rather than eager, inexperienced young people to build them.

When the Peace Corps celebrated its 15th anniversary in 1976, there were 5,900 volunteers and trainees in 68 countries.

In January 1985, Peace Corps director Loret Miller Ruppe announced the agency had requested 10,000 inquires from people with agriculture-related backgrounds to help with famine areas of Africa.

Twice that number of inquiries were received.

It was in Africa that volunteer Laura Layton, a former Bethel Park resident, taught at an all-boys high school in Tunisia, and later at the University of Tunis.

That experience, she says, placed her on a path that led to the United Nations where today she's in charge of English language training.

Miss Layton said she decided after graduatign from Pitt in 1967 that joining the Peace Corps was "the most exciting thing to do."

She received the same beginning salary—$120 a month—as Tunisian teachers. Back in the United States, she said, the government was "putting away $75 a month for my repatriation when I returned."

Even though she joined the corps four years after Kennedy's death, she included her years of service as part of "the whole Kennedy period . . . a more idealistic, more liberal, more international time."

"Pittsburgh is a very insular part of the country. My experience taught me to be much more aware that people elsewhere are not the same, do not have the same ideas," she said.

Returning home, Miss Layton taught a year in the North Hills School District, then earned a master's degree at Columbia University before going to the United Nations.

Legislator Murphy said he and his wife were attracted to the Peace Corps "a little bit by idealism and a little bit by adventure.

He said the jungle in northern Paraguay where he and his wife spent all but four months of their stay was a four-day boat ride from the nearest road.

"They (Peace Corps superiors) brought you into the jungle and said 'do good.' We taught the people to build cement block houses. We lived in two rooms, without benefit of electricity or running water. We cooked over an open fire."

Murphy said their first assignment was in a small town 15 miles from Asuncion, the capital. "Mona was a dietitian and health educator. I was a sanitation engineer, meaning I taught them to build latrines. Our first task in the jungle was to take a census of the area. We helped to organize and build a running-water project."

Mrs. Murphy spend 8½ months of her pregnancy there, traveling to Asuncion for checkups. She arrived home in time to give birth to their daughter.

"In the jungle, there was a 50 percent infant mortality rate by 1 year of age from water-borne diseases," Murphy said. Babies would get diarrhea and dehydrate until they died. The people just felt they couldn't deal with that issue.

"We had to teach the people to protect their water sources. It sounded so simplistic, but it was very difficult getting them to understand that they could control the number of babies who die in their village."

Mrs. Murphy said she and her husband suffered "reverse culture shock" upon returning to Pittsburgh. "The training to prepare us for the Paraguayan culture was very intense, but they didn't prepare us for a return to this country.

"This nation changes a lot in two years as it is. After two years in such a remote place, it was very hard to adjust back again. We became so aware of how Americans waste so many things."

For Cynthia Vanda, part of the "third group ever" to be sent abroad in 1961, the Peace Corps shaped her personal and professional life.

She married the principal of the secondary school she was assigned to in Badagri, an old slave-trading port of the southern coast of Nigeria.

Ms. Vanda, who received a master's degree from Pitt's Graduate School of Public and International Affairs before joining the corps, is the women's advocate in Pitt's provost office and teaches a course on women in Third World development.

In training at Ibadan University, she said, the volunteers came under criticism by some of the students.

"We had an incident occur that made things touch and go for awhile. We weren't sure we were going to stay." Another Peace Corps volunteer wrote a postcard in which she said Nigerians ate, slept and went to the bathroom in the streets.

"Somehow the card was intercepted by some of the Nigerian students who promptly staged a protest against our presence. Nigeria had been independent for just one year and there was this great nationalist feeling among students who saw us as a neocolonial group.

"We volunteers were all told to go and stay at the homes of State Department people until it was decided how to apologize. We had some vociferous discussions with students, we argued and talked a lot, but it eventually blew over," Ms. Vanda said.

Her first of two teaching assignments at secondary schools was in Shagamu. "I found out very quickly how tough it was to be a good teacher. When I got out there and saw what a challenge it was, my respect and admiration for good teachers went up tremendously."

Her second assignment was at a school in Badagri, where she met her future husband. She returned with her husband—they're now divorced—to direct a technical assistance program at Pitt in which Nigerian teachers were trained to replace American teachers in their country.

Also carrying a master's degree from Pitt into the corps and returning afterward to her alma mater was Lynn Cohen, a volunteer in Liberia in 1980–82 who has been the area recruiter for the agency since then.

Now working toward a Ph.D. in international education, Miss Cohen said she derived great satisfaction from "becoming part of the community and from how they (Liberians) accepted me."

"Although they were poor and had little to share, they were so willing to share what they did have. They welcomed me into their homes to have dinner with them. If I became homesick, they went out of their way to make sure I was OK."

She instructed adults who had received a high school education and wanted to become teachers. "They came to class regularly and would stay after classes for additional tutoring. They had very little resources to learn with . . . no textbooks and very little paper to write on."

For many volunteers, the satisfaction of helping people in other countries kept them abroad after their Peace Corps service ended.

Common Pleas Judge Judith Friedman served in the Peace Corps from 1964 to 1966, helping to run a nursery school in eastern Turkey. "I enjoyed Turkey so much that I took a job as a secretary with the U.S. Air Force after my Peace Corps duty ended and didn't return home until 1970," she said.

After graduation from college, Mrs. Friedman, then Judith Anderson, turned down an opportunity for graduate work in medicine to join the Peace Corps. She had been accepted for a master's program at New York Medical College.

"For me, the Peace Corps was the right thing at the right time. I had just graduated from Mount Holyoke College (Massachusetts).

"That was back when they were still talking about the 'ugly American' and we wanted to dispel that idea. I loved languages and travel and the values the Peace Corps represented," said Mrs. Friedman, who met her husband Ed in Turkey.

She said her experience gave her an "understanding of another person's perspective, and of the valuable strength of this country that nobody appreciates.

"There are certain experiences that contribute to your personality, others you just discard. I haven't discarded my Peace Corps experience."

ANTIDUMPING LAW REFORM

HON. DAN MICA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. MICA. Mr. Speaker, today I am introducing legislation that would amend existing antidumping laws to make those laws an effective tool against dumping in the semiconductor industry.

Dumping, that is, the export of semiconductors below the cost of production, poses a threat to large segments of the merchant

semiconductor industry. Dumping is a very likely tactic that will wrest world leadership in semiconductors from the U.S. industry during the next several years.

Preliminary decisions by the Commerce Department in mid-March show that the margin of dumping of semiconductors onto U.S. markets has ranged up to 188 percent. The objective of my proposal is to ensure that the U.S. semiconductor industry's existence is never again threatened—as it currently is—by a wave of dumped devices.

Current antidumping laws do not provide any financial compensation to U.S. companies which have been injured by foreign dumping. Nor is there any means under U.S. antidumping law to identify and take action against firms that repeatedly use dumping as a tactic for building market share. Our laws are simply not designed to deal with dumping in short-life-cycle, high technology sectors where competitive dominance can be achieved in a matter of months.

The changes I propose are as follows:

(1) A mechanism would be established whereby foreign producers found to have engaged in dumping which caused injury to U.S. companies would be assessed damages that would be payable to the U.S. Treasury and which U.S. firms could recover through U.S. District Court action.

(2) Multiple offenders, that is, firms found to have engaged in dumping in the U.S. market on three or more occasions would be excluded from the U.S. market.

(1) DAMAGES PAYABLE TO INJURED PARTIES

One of the major weaknesses of the current antidumping laws is that they enable predatory foreign firms to "buy" an industry—that is, to continue dumping, absorbing the antidumping duties until the U.S. industry is destroyed. Ultimately, the cost of paying duties is a small price to pay for industry domination. Moreover, under current U.S. antidumping laws, the U.S. government, not injured companies, retain the antidumping duties, and the duties are assessed against the importer of record, not the foreign producers. The importer often passes through the cost of the duty to the U.S. consumers. Thus, at present, foreign producers are not required to compensate their victims—instead U.S. consumers are paying the U.S. government.

The Antidumping Act of 1916 allows U.S. companies to seek damages in federal district court for predatory dumping. However, it has proven ineffective because of the necessity of proving predatory intent on the part of foreign producers.

My proposal would:

(1) Establish a damages civil remedy for dumping which causes injury to U.S. industries.

(2) Make those damages payable to the U.S. Treasury but accessible to U.S. firms through U.S. District Court action.

(3) Make this remedy enforceable in Federal District Court.

(4) Eliminate procedural delay and massive evidentiary burdens currently associated with court proceedings by making the final antidumping determinations by Commerce Department and the ITC conclusive proof of injurious dumping, e.g., limit the scope of the court's inquiry to the amount of damages to be assessed.

(5) Make the remedy enforceable against foreign producers of the dumped product, and their affiliates, not the importer of record.

QUESTIONS AND ANSWERS

Q. How would this remedy mesh with the imposition of antidumping duties by the U.S. government?

A. The two remedies would be complementary. Under the current system duties are essentially prospective, that is, after an affirmative finding they are imposed on products which enter the country after the final determination (plus those products which were the subject of suspension of liquidation after the preliminary determination). That remedy would remain in place. The new remedy would provide compensation for injury that occurs prior to the affirmative dumping determination.

Moreover, upon the issuance of final affirmative determinations by the Commerce Department and the USITC, petitioners would be authorized to make an election—they could opt for the imposition of antidumping duties, as under current law, or could forego those duties and preserve a right to seek additional damages if periodic annual reviews by the Department of Commerce revealed that dumping had continued following the original Commerce-USITC findings. These damages would also be awarded by the federal district court.

Q. How would the damages be calculated, on the basis of the margin of dumping?

A. No. Damages would be calculated by the court based on the amount of injury to the individual firm. The purpose of this remedy is to compensate the victim, as in other civil cases. This would avoid the problem posed, for example, if a foreign producer were able to inflict severe injury on a U.S. industry by dumping at comparatively low margins.

The court's injury determinations would be wide ranging, and would calculate injury to petitioner from dumping in third-country markets as well as in the United States. For example, if Japanese producers dumped semiconductors into East Asian markets, and these were incorporated into circuit boards and other products imported in the U.S., injuring the petitioner, such dumping in third country markets would form an element of the injury to be compensated.

Q. Won't this remedy violate the GATT?

A. The GATT does not prohibit the assessment of civil damages against private parties.

Q. What makes you think that federal district courts have the expertise to make quantitative determinations of injury in cases like this?

A. The federal courts in effect make such a determination in any civil case in which damages are awarded, including complex antitrust and other economic cases.

(2) EXCLUDE MULTIPLE OFFENDERS FROM THE U.S. MARKET

Some foreign firms have a history of dumping in the U.S. market, and of probing for loopholes in the U.S. trade laws. Japanese firms which were found to have dumped mobile phones in the U.S. were among the same firms that have been found to be dumping 64K and 256K DRAMS and EPROMS. The present disincentives for engaging in this kind of conduct—namely, the prospect of more dumping cases—is inadequate to deter repeated resort to dumping by some foreign producers.

My proposal would exclude a foreign firm which has been the subject of three affirmative antidumping findings in a six year period from further exports to the U.S. for a period of five years—"three strikes and you're out." Firms which have already been the subject of three or more antidumping findings at the time of enactment of the legislation would be considered, for purposes of exclusion, to have been the subject of two such findings.

Once a firm has been found to have dumped, it will be placed on a special monitoring list by the Department of Commerce. Imports of its products will thereafter be subject to special monitoring by the Department of Commerce. If Commerce determines, as a result of this monitoring, that dumping is occurring, it shall self-initiate an antidumping investigation.

Q. Isn't the concept of exclusion a wholly unprecedented concept?

A. No. The U.S.I.T.C. already issues exclusion orders in Section 337 cases, although these run against products, not producers.

Q. But is there any precedent in U.S. law for excluding from our market some producer on the grounds of unfair trade practices?

A. Yes. The Federal Aviation Act (49 U.S.C. § 11596(b) provides that if the Secretary of Transportation finds that a foreign government, instrumentality, or air carrier engages in unjustifiable, unreasonable, discriminatory, predatory, or anticompetitive practices against a U.S. air carrier, or imposes unjustifiable or unreasonable restrictions on access of a U.S. air carrier to foreign markets, the Secretary may take a variety of actions, including the "denial, transfer, alteration, modification, amendment, cancellation, suspension, limitation, or revocation of any foreign air carrier permit". Such permits are required in order for foreign air carriers to serve the U.S. market, and the suspension or revocation of such permits would effectively exclude a foreign airline from the U.S. market.

THE HIGH TECHNOLOGY ANTIDUMPING ACT OF 1986

ANTIDUMPING—RIGHT TO MONEY DAMAGES

(a) Any citizen of the United States who has been injured in his business or property by the dumping of a commodity by a foreign person or persons shall have a right to money damages as provided in this section.

APPLICABILITY OF SECTION

(b) This section shall apply only to high technology products with short life cycles, as determined by the International Trade Commission pursuant to paragraph (c) of this section.

(c) By no later than the date that is one year after the date of enactment of this section, the International Trade Commission, in consultation with the Secretary of Commerce, shall conduct a proceeding to identify the products to which this section shall apply, giving interested parties an opportunity to comment.

(d) The Commission shall establish procedures and guidelines for making subsequent additions to and deletions from the list of products established in the proceeding held pursuant to the paragraph (c). Such procedures shall permit an interested party to request an addition to or deletion from the list, and shall provide for a final determination by the Commission no later than six months from the date of such request.

ANTIDUMPING—ACTIONS BY INJURED PARTIES

(e) Any petitioner in an antidumping investigation brought pursuant to Title 19 of the United States Code, Subtitle IV, Part II, which is the subject of a final affirmative determination by the Department of Commerce and the International Trade Commission, may bring an action for civil damages in any district court of the United States in

which the defendant resides or is found or has an agent, without respect to the amount in controversy, and shall recover an amount equal to the damages by him sustained, the cost of the suit, including a reasonable attorney's fee, and such additional damages as the district court may deem appropriate, excepting however that no such additional damages shall exceed threefold the damages sustained by the petitioner. For purposes of enforcing the right of action created by this section, the district court shall have jurisdiction over any foreign person or persons who produce commodities to which this section applies which are offered for sale in the United States.

(1) Such an action will lie only against an entity which has produced some or all of the commodities which are the subject of the affirmative antidumping determination, and its affiliates and subsidiaries.

(2) In an action brought pursuant to this paragraph, the final affirmative determinations by the Department of Commerce and the International Trade Commission shall be deemed conclusive proof of the fact that actionable sales at less than fair market value have occurred.

(3) In calculating damages assessed pursuant to this section, the district court shall regard to the injury to the petitioner or petitioners as a result of sales at less than fair market value by the defendant or defendants.

(i) from the importation of commodities at less than fair market value;

(ii) from the sale of commodities outside of the United States at less than fair market value; and

(iii) from the importation of commodities incorporating commodities sold at less than fair market value.

(4) In calculating damages assessed pursuant to this section, the district court may give such regard to the final affirmative determination of the International Trade Commission as it deems appropriate.

(5) In actions brought pursuant to this section, process may be served on a defendant corporation not only in the judicial district whereof it is an inhabitant, but also in any district wherein it may be found or transacts business.

(6) In calculating whether additional damages are appropriate under this section, the district court shall give regard to whether products produced by the defendant have been the subject of previous affirmative findings of dumping, or whether the effect of dumping of a product has been to

(i) eliminate one or more U.S. companies from participation in the production of that product;

(ii) substantially deter research, development, and investment by U.S. companies in future generations of the product;

(iii) substantially injure or destroy the U.S. industry or a significant portion thereof.

(7) Following the award of damages pursuant to this section, the district court shall take such steps as are necessary to ensure that the judgment is satisifed, including:

(i) directing the Secretary of the Treasury to disburse to petitioner or petitioners such moneys as may be maintained in the special account established pursuant to paragraph (j)(ii) of this section from the collection of antidumping duties, up to the full amount of the award granted pursuant to this paragraph, provided that such payments are made only from an account consisting of the proceeds of antidumping duties assessed on the products which are the subject of the petition brought under this paragraph;

(ii) issuing a writ of execution against property, including merchandise, of the defendant; or

(iii) taking any other appropriate action within the power of the district court necessary to ensure full satisfaction of the judgment.

STAY PENDING REVIEW

(f) The federal district court shall stay the effectiveness of any order assessing damages which is based upon a final affirmative determination of sales at less than fair market value which is the subject of a pending review by the United States Court of International Trade pursuant to Chapter 95 of Title 28. Such stay shall remain in effect until

(1) Review by the Court of International Trade has been completed, any subsequent review of that Court's decision by the United States Court of Appeals has been completed, and the final affirmative determination remains in effect following such review, in which case the order of the federal district court shall take effect; or

(2) The final affirmative determination is remanded to the Department of Commerce or the International Trade Commission for further proceedings, and

(i) such proceedings result in another final affirmative determination, whether or not such final affirmative determination is identical to the original determination, and

(ii) any further review of the remanded proceeding by the United States Court of International Trade, and any subsequent review of that Court's decision by the United States Court of Appeals for the Federal Circuit has been completed; and

(iii) following such review the final affirmative determination remains in effect; in which case the order of the federal district court shall take effect;

(3) The final affirmative determination is remanded to the Department of Commerce and the International Trade Commission for futher proceedings and

(i) such proceedings result in a negative determination, and

(ii) any further review of the remanded proceeding by the United States Court of International Trade, and any subsequent review of that Court's decision by the United States Court of Appeals for the Federal Circuit has been completed, in which case the order of the federal district court shall be without force and effect.

ELECTION BY PETITIONERS

(g) Within three days of the issuance of a final affirmative determination of dumping by the Commission, petitioner shall make an election, in writing, to the Commission, that it chooses

(1) To allow the imposition of antidumping duties pursuant to 19 U.S.C. Section 1673e; or

(2) To preserve the right to seek damages from foreign producers of the commodity which is the subject of the affirmative determination of injury, and to allow the imposition of antidumping duties as provided in paragraph (j).

(h) In cases involving multiple petitioners, the election made by the petitioner or petitioners representing the largest portion of production of the commodity within the most recent twelve month period for which data is available, as determined by the Commission, shall govern.

(i) If petitioners making an election pursuant to paragraph (g) make the election provided in paragraph (g)(1), antidumping duties shall be imposed pursuant to 19 U.S.C. Section 1673e.

(j) If petitioners making an election pursuant to paragraph (g) make the election provided in paragraph (g)(2), antidumping duties shall be imposed pursuant to 19 U.S.C. Section 1673e, excepting however, that

(i) such duties shall only be assessed against the foreign producer of the article which is the subject of the affirmative determination, or its affiliates and subsidiaries;

(ii) the duties collected shall accrue to a separate account established by the Secretary of the Treasury, and payments from that account shall be made to the petitioner or petitioners to satisfy damages awarded in an action brought pursuant to paragraph (e) of this section in the manner directed by the federal district court having jurisdiction over action; and

(iii) in collecting the duties assessed against the foreign producer pursuant to part (i) of this paragraph, the appropriate customs officer shall take such measures as are necessary to ensure that such duties are collected, including, but not limited to,

(A) seizure and liquidation of merchandise owned by the foreign producer; and

(B) commencment of an action in any district court in which the foreign producer or its affiliates or subsidiaries, reside or are found or have an agent, for the purpose of levying against the property of the foreign producer, or its affiliates or subsidiaries.

CONTINUING DUMPING—ADDITIONAL DAMAGES

(k) If petitioners make the election provided in paragraph (g)(2) of this section, in each periodic administrative review conducted pursuant to 19 U.S.C. Section 1675,

(1) The Department of Commerce shall make a determination whether sales of the commodity in question at less than fair market value have occurred during the 12-month period which is the subject of such review, and shall publish such determination in the Federal Register; and

(2) pursuant to such procedures as it may establish for the purpose, the Commission shall, in conjuction with each periodic administrative review, provide an opportunity for interested persons who were not petitioners in the original antidumping investigation to join as petitioners. For purposes of this paragraph "an interested person" is any citizen of the United States who produces the commodity which is the subject of the investigation.

(1) Any petitioner in an antidumping investigation undergoing an administrative review pursuant to 19 U.S.C. Section 1675 in which an affirmative finding of sales at less than fair market value has been made pursuant to paragraph (k) of this section may bring an action for civil damages in any district court of the United States in which the defendant resides or is found or has an agent, without respect to the amount in controversy, and shall recover the damages sustained by him, the cost of the suit, including a reasonable attorney's fee, and such additional damages as the district court shall deem appropriate, excepting however that no such additional damages shall exceed threefold the damages sustained by the petitioner.

(1) Such an action will lie notwithstanding any action which may have been brought by petitioner or petitioners pursuant to paragraph (e) of this section.

(2) In an action brought pursuant to this paragraph, an affirmative determination of continuing sales at less than fair market value by the Department of Commerce pur-

suant to paragraph (k)(1) shall be deemed conclusive proof of the fact that actionable dumping has occurred.

(3) In calculating damages assessed pursuant to this section, the district court shall give regard to the injury to petitioner or petitioners as a result of sales at less than fair market value—

(i) from the importation of commodities at less than fair market value;

(ii) from the sale of commodities outside of the United States at less than fair market value, and

(iii) from the importation of commodities incorporating commodities sold at less than fair market value

during the twelve month period which is the subject of administrative review conduced pursuant to paragraph (k)(1).

(5) In calculating whether additional damages are approriate under this section, the district court shall give regard to whether the defendant has been the subject of previous affirmative findings of dumping, or whether the effect of dumping of a product has been to

(i) eliminate one or more U.S. companies from participation in the production of that product;

(ii) deter research, development and investment by U.S. companies in future generations of the product; or

(iii) substantially injure or destroy the U.S. industry or a significant portion thereof.

(6) The district court shall ensure satisfaction of the amount of the judgment as provided in paragraph (e)(7) of this section.

ANTIDUMPING—EXCLUSION OF MULTIPLE OFFENDERS

(m) The Secretary of Commerce shall maintain a list of all persons producing commodities which have been the subject of a final affirmative determination pursuant to 19 U.S.C. Section 1673d. If the Secretary determines any such person has been the subject of three such determinations, the Secretary shall so notify the Commission, and

(1) The Commission, within 90 days of receipt of such notification, shall direct that any articles produced by such person, or by any entity owned by such person, or in which that person holds the controlling interest, be excluded from entry into the United States for a period of five years, except where the Commission determines that such exclusion, or a portion thereof, would prevent the importation of products which are not manufactured in the United States, or are not manufactured in quanities necessary to meet the requirements of the United States economy, or that such exclusion would otherwise be injurious to the national defense, to the public health and welfare, or to United States consumers; and

(2) The Commission shall notify the Secretary of the Treasury of its action under this paragraph directing such exclusion from entry, and upon receipt of such notice, the Secretary shall, through the proper officers, refuse such entry for a period of five years. (n) The Commission may modify, terminate, or suspend all or any portion of an exclusion order issued pursuant to paragraph (m)(1) where necessary to prevent injury to the national defense, to public health and welfare, or to the United States consumer; or if the articles subject to the exclusion order are not manufactured in quantities necessary to meet the needs of the United States economy. The Commission shall notify the Secretary of the Treasury of such modification, termination, or suspension, and upon receipt of such notice, the Secretary shall, through the proper officers, permit the importation of such articles as the Commission's order may direct.

(o) If any foreign person produces commodities which have been the subject of two final affirmative determinations pursuant to 19 U.S.C. Section 1673d,

(1) the Secretary of Commerce shall establish procedures for monitoring the importation of commodities produced by such foreign person, and

(2) if the Secretary determines, as a result of such monitoring, that a class or kind of foreign merchandise is being, or is likely to be, sold in the United States at less than its fair value, he shall commence an investigation pursuant to 19 U.S.C. Section 1673a.

(p) For purposes of paragraphs (m) and (o) of this section, persons who have been the subject of two or more affirmative determinations pursuant to 19 U.S.C. § 1673d on the date of enactment of this legislation shall be deemed to have been subject ot two such determinations.

DIVERSION OF THE AIRPORT AND AIRWAY TRUST FUND

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. FLORIO. Mr. Speaker, I wanted to direct the attention of my colleagues to a disturbing administration budget proposal that would directly impact the ability of our Nation's airports to improve security and efficiency. This past year has been one of the worst in aviation history with large numbers of casualties and airplane accidents that were caused by either lab inspection and maintenance or terrorist incidents. In 1985, 561 persons lost their lives in accidents involving U.S. aircraft. Internationally, a total of 1,893 persons died in air crashes involving non-Communist countries.

In this year of heightened awareness of the need for increased safety and maintenance of airports and airplanes, the airport and airway trust fund, which provides money for airport improvement grants and capital modernization, has been crucial in addressing the needs of the aviation community.

The airport and airway trust fund is maintained through the efforts of the traveling public by an 8-percent tax on airline tickets and a 12-cent-per-gallon tax on aviation fuel. The primary intent of this user fee concept has been to finance airport construction and further capital improvements that, in some cases, include installing such safety equipment as runway and approach lights, visual approach systems and weather reporting systems. A certain portion has been, since a revision of the law in 1982, redirected to pay for the Federal Aviation Administration's [FAA] operating expenses and salaries.

I am disturbed by a recent proposal initiated by the Department of Transportation to transfer 75 percent of the trust funds and redirect it to meet the cost of FAA's operations and maintenance costs. Under current practices, out of the nearly $3 billion received in the fund through the user fee, $925 million are tranferred to the States either in direct grants to the States or individual airport grants. In 1985, my own State of New Jersey received $17.74 million which was divided into a $7.4 million State grant and a $10.3 million individual airport grant for Newark and Teterboro airports. All of this would be jeopardized under this proposal as the funds would be, for the most part, directed toward meeting FAA's operating expenses.

Additionally, the administration proposes to single out this airport trust fund and make it the only Government dedicated trust fund that would not receive interest for money borrowed from the trust fund. The interest amounts to over $700 million every year. Rather than spending the money accumulated in this fund to finance the necessary safety improvements that have been so clearly demonstrated by the many unfortunate accidents this year, FAA is distorting the intent of the fund and ignoring the fact that airline users are paying these user fees and properly expect that the fees be used to assure their safety.

As chairman of the House Subcommittee on Commerce, Transportation and Tourism, I am concerned that an increased fear of flying due to large numbers of aviation accidents and terrorist incidents has had a negative impact on the international tourism industry. During a hearing held by my subcommittee this week, officials from the Commerce Department, the FAA and the Department of State, as well as representatives of travel agent and tour operator organizations, expressed their support for improving security at airports and on airlines. Though I have been assured that funding for airport security will not be jeopardized, I am concerned that such areas including improvements in airport safety construction and research and development of explosive detection devices will be seriously challenged.

This misdirection of funding has instigated concern among those that own and operate our Nation's airports and aircraft. Both the Aircraft Owners and Pilots Association [AOPA] and the Airport Operators Council International have voiced their opposition and I would like to call attention to the concern that has been expressed. Not only does this midirection of funding set an unfortunate precedent for collecting user fees for one purpose and actually using the fees for another, but it will also have a detrimental impact on air safety in a time when we simply cannot afford to ignore the needs of this sector.

I am disturbed by the devastating impact of such a step and would urge my colleagues to work to defeat such a proposal. It it time to stop this raid on the airport trust fund and bring back an element of trust in the intent of this user fee and in the use of our aviation resources. The following *New York Times* article clearly illustrates the dimensions of the problem:

WHITE HOUSE REPORTED SET TO ASK FOR FUND SWITCH

(By Reginald Stuart)

WASHINGTON, March 18.—The Department of Transportation plans to ask Congress to transfer $115 million in the agency's budget to the Federal Aviation Administration and the Coast Guard to help the two agencies avoid temperarily laying off thousands of workers in the coming months, sources in Congress and the department said today.

The aviation agency would get $80 million and the Coast Guard $35 million from

money appropriated for mass transit, Amtrak and the airport improvement program, the sources said.

The programs from which the money would be taken have been unpopular with the Reagan Administration, which has repeatedly advocated the elimination Federal money for Amtrak and of operating subsidies for local transit systems.

The proposal from the Department of Transportation is expected to be approved Wednesday by the White House Office of Management and Budget, after which it would go to Congress.

OPPOSITION IS PROMISED

Congressional supporters of mass transit and Amtrak who are familiar with the proposal said it would meet stiff opposition in both houses.

Sources familiar with the proposed transfer to the aviation agency's operating budget said that $43.7 million would come from the agency's Airport Improvement Program, which is supported by a trust fund; $27.5 million from the Urban Mass Transit Program that awards funds to cities for operating and capital projects based on population, and $8.7 million from the Amtrak budget. A breakdown on the source of the $35 million transfer proposed for the Coast Guard was not available.

Officials of F.A.A. have told Congress that the new deficit-reducing law required the air safety agency to reduce its spending by $171 million in the current fiscal year and that all but the $80 million had been achieved through economic measures.

Without the additional money, the agency had warned that it would have to lay off 20,000 to 25,000 workers, about half its work force, for eight to 10 weeks over the next 30 weeks. The agency had said workers directly involved in safety-related activities, such as air traffic controllers and those in maintenance inspection, would not be affected.

"I have a very real operational problem," said Donald D. Engen, Administrator of the agency. He said he was optimistic that Congress would approve the proposal.

An Amtrak official said the budget of the Government-subsidized passenger railroad had been reduced to $592 million from the $616 million initially approved by Congress because of the deficit-reducing law.

An official of the America Public Transit Association, the trade association for mass transit systems and their suppliers, said the organization would strongly oppose the transfer.

In a separate development, Mr. Engen said today that he felt some members of Congress might be confused about the status of the force of air traffic controllers but that it was not his agency's intent to mislead lawmakers.

DECEPTION QUESTION RAISED

The question of deception was raised Monday by Representative Guy V. Molinari, Republican of Staten Island, in hearings on the air traffic control system by the Subcommittee on Oversight and Investigation of the House Committee on Public Works and Transportation. Mr. Molinari, a longtime critic of the F.A.A., suggested that the agency was misleading lawmakers by including more than 1,000 clerks in what many lawmakers had thought was a count of air traffic controllers. The agency included the workers as part of the "controller work force."

"We're aware they had created this new category but not that they were including that number in the count of controllers," said Representative James L. Oberstar, Democrat of Minnesota, the subcommittee chairman. "That was an astonishing revelation and it raises more serious questions about the condition of our air-traffic system than we started out with."●

SUPPORT THE NEW GI BILL

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. McEWEN. Mr. Speaker, I have been impressed with the early reports concerning the new GI bill. The Veterans' Affairs Subcommittee on Education, Training and Employment received testimony last November regarding the successes of this new program. As a recruitment tool, each of the services testified regarding the high quality of individuals which were enlisting. For example, the Army indicated before our subcommittee that 70 percent of all new recruits enlisted to participate in the program. This figure illustrates the effectiveness of this program as a recruitment tool.

Mr. Speaker, it is important to view the new GI bill in the context of other Federal education programs. In the current fiscal year, more than $3 billion will be spent for Pell grants, in addition to millions of dollars for other educational grant and loan programs. Since those individuals receiving the grants are not required to make any commitment for military or any Federal service, some have coined the phrase that we have a GI bill without the GI.

It is my firm belief that we should continue to give the higest priority in the granting of educational benefits to those who will serve in our military service—both active and reserve. The preliminary data, which has been given to the Committee on Veterans' Affairs, indicates that the GI bill is a considerable success. This is good news. Moreover, I want to underscore my continued support for this effective program.

A SALUTE TO WALTER BRADBURY

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. YATRON. Mr. Speaker, it is my honor to bring to the attention of my colleagues the outstanding achievements of Mr. Walter Bradbury, former Scoutmaster of Boy Scout Troop No. 91 in Frackville, PA.

On April 6, 1986, Troop No. 91 will be holding its annual Boy Scout banquet. The banquet is a special occasion, but this year's celebration will be especially important. On this date, the Scouts will honor Walter Bradbury for 60 years of dedicated service to Scouting.

I want to commend Mr. Bradbury for his hard work and service to Scouting. He has brightened the lives of countless young men by providing them the opportunity to participate in and learn the fine ideals of the Boy Scouts. I can think of no better way to ensure the success and security of our future than by entrusting our children to the Scouting program under the capable and outstanding leadership of men like Mr. Bradbury.

I am very happy for Mr. Bradbury and he can be justifiably proud of this fine achievement. I know that all of my colleagues will join me in congratulating Mr. Walter Bradbury for 60 years of service to Scouting and in wishing him the very best in the future.

U.S. LABOR MOVEMENT IN THE PHILIPPINES

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. GARCIA. Mr. Speaker, I am inserting in the RECORD a copy of a February 27 article from the Detroit News discussing the role the Trade Union Congress of the Philippines [TUCP] played in reinstituting democracy in the Philippines.

The TUCP has strong ties with our own labor movement, and like the AFL-CIO, it too has worked and fought for the dignity of the working class. As the article correctly begins, this is a great unreported story of the behind the scenes struggle for democracy in the Philippines. I urge my colleagues to take a moment to read this most important essay.

[From the Detroit News, Thursday, Feb. 27, 1986]

SOLIDARITY IN THE PHILIPPINES

(By Charles D. Gray)

As democracy advances in the Philippines, the great unreported story concerns the role played by the 2.75 million-strong Trade Union Congress of the Philippines (TUCP), a group with strong ties of kinship and solidarity to the American labor movement.

The TUCP joined the National Citizens Movement for Free Elections (NAMFREL) in the fight for a truly free and democratic election. From the ranks of the TUCP came at least 7,000 volunteers to help NAMFREL's vote monitoring effort. While other unions joined the Communists in urging workers to boycott the election, the TUCP embarked on a nonpartisan voter turnout campaign, the only one besides that of the Catholic Church. Those with an interest in seeing the election fail, notably the Communists and corrupt military officers, were so infuriated that the workers posted guards to defend themselves. Despite boycott calls, murder, intimidation, and fraud, the voter turnout was the largest in Philippine history.

TUCP General Secretary Ernesto F. Herrera said that "the people's right of suffrage has been desecrated with rampant vote-buying, terrorism, and ballot-snatching. . . . No less than a genuinely mandated leadership is needed to let the center hold and put the nation on the road of reconciliation and renewal."

Herrera won the AFL-CIO's 1985 George Meany Human Rights Award for the leading role he played in the fact-finding panel that called for the indictment of top army leaders and Marcos cronies in the Benigno Aquino assassination. He has every right to be worried. Twenty years of corruption and ineptitude have resulted in economic disaster for Filipino workers. Political strife fol-

lows. On one side, desperate people are seduced by Communuists who say, "things will be better after the revolution." These poverty-stricken Filipinos do not know what happened to ordinary workers in Vietnam and Cambodia "after the revolution."

On the other side was the oligarchy that Marcos represented, backed by a military that by its abysmal behavior during the elections lost what shreds of credibility it still had. The utter ruthlessness of the Marcos machine was revealed in the "10,000 to 0" vote counts that were returned from some of its strongholds. It sought no compromise.

The struggle of the Philippine labor movement to preserve a democratic center didn't start with this election. Several years ago, recognizing that traditional trade union techniques were insufficient to meet the economic and political crisis engulfing their members, the TUCP and its allies among rural workers' organizations embarked on a series of innovative social assistance programs for workers and their families.

These programs include low interest loans for credit-starved small farmers, skills training for landless rural workers (particularly sugar-workers), health care programs for families living in the remotest barrios, special apprenticeship programs, and financial outreach assistance for the small entrepreneurs who are so much a part of the Philippine scene. At a time when 300,000 sugarworkers are unemployed and the Philippine sugar industry is in a state of collapse, the sugarworkers' union is actually gaining members.

These activities serve several goals: They address workers' immediate needs; they promote free trade unionism and (often directly) help union organizing drives; they give people hope, and an independent democratic alternative both to the violent Communist insurgency and the dismal status quo. But these activities are not risk-free. At least 27 trade unionists have been murdered in the past 18 months, many by Communists, others by the military or their allies.

Using grant monies primarily from the U.S. Agency for International Development and the National Endowment for Democracy, the AFL-CIO's Asian-American Free Labor Institute (AAFLI) has been helping trade unions operate in countries where the climate for democracy is much worse than in the Philippines. But American workers might ask: Why is the AFL-CIO expending tax dollars overseas when many U.S. unionists are enduring the most difficult economic times since the Great Depression?

Samuel Gompers, the first prgsident of the American Federation of Labor, denounced American colonialism in the Philippines. Indeed, the AFL-CIO consistently criticizes the human rights abuses of dictatorships of both the left and the right. Where men and women are organizing, the American labor movement feels involved.

Admittedly there is a degree of self-interest in labor's activities. American workers are hurt by the exploitative labor policies of countries with export-oriented economies. Teaching the basics of organizing and collective bargaining to workers earning a dollar a day is a step—albeit a small one—toward correcting the gross imbalance in living and working conditions, that underlies so much of the world's problems.

Ernesto Herrera accepted his George Meany Human Rights award at the AFL-CIO convention last October. In his speech, this courageous fighter for human rights, crippled by polio early in life, outlined his view of the situation in his country:

". . . we are fighting an uphill struggle for democratic unionism. The dictatorial Marcos regime cannot possibly like us. Nor can the Communists in the guise of unionists, (or) pseudo-unionists, (or) their armed supporters . . . but we cannot cower or compromise. We cannot accept a faked democracy. Nor can we join hands with the Communists. Simply put, we know what we want. We believe in unionism unadulterated with Communism. We believe in authentic democracy. We believe in human rights."

This is a philosophy—and a trade unionist—that the AFL-CIO can and does support. We believe our activities are an act of solidarity in the finest tradition of the American labor movement.

OHIO TO PURSUE EQUITABLE PAY PRACTICES

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Ms. OAKAR. Mr. Speaker, the great State of Ohio is again showing its leadership. On Wednesday, March 19, the Governor of Ohio announced that he would implement the findings of a 2-year study which determined the extent to which the civilian classification system conformed with the principles of pay equity.

The study, undertaken by the Ohio Bureau of Employment Services Women's Division in consultation with a private compensation group, was divided into two parts. First, the State analyzed the 12-year-old compensation program to determine whether men and women performing jobs equal in value received equivalent pay. The study found, in fact, that the Ohio civilian pay system compenstated its employees fairly. Second, the State conducted a thorough review of the classification system. The study found that while the system is basically sound, the job classification should be updated to reflect the jobs common to the 1980's and beyond.

The new classification system will ensure that jobs are not compensated on the basis of gender, but, rather, on the basis of skill, effort, responsibility, education, and other legal, compensable factors, In announcing his decision to implement pay equity, Governor Celeste stated:

Ohio's families have a stake in pay equity because they depend on women's wages. The new pay structure will provide fair treatment for all state workers, improve the status of working women in Ohio, and bring to state government the most current personnel management techniques.

I commend my own State of Ohio for having the foresight to examine its civilian pay structure, identify its weaknesses, and begin to implement improvements. I only wish that the Federal Government would act in such a positive manner and agree to enact my Federal pay equity study. As you will recall, my Federal pay equity legislation, H.R. 3008, passed the House last October by a vote of 259 to 162. The bill has yet to be considered by the Senate. I am hopeful that the Senate will act favorably on the bill so that the Federal Government can join those States that have demonstrated their commitment to eliminating discrimination in the workplace.

I am very proud of Ohio and Governor Celeste for reaffirming the State's resolve to treat its workers fairly. Pay equity is an idea whose time has come.

JOLIET PRIEST NEARS 444 DAYS AS HOSTAGE IN LEBANON

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. O'BRIEN. Mr. Speaker, January 8, 1985, was the day baseball legends Lou Brock and Hoyt Wilhelm were named to the basebali Hall of Fame.

Mike Royko, world-famous columnist for the Chicago Tribune, was on vacation, January 8, 1985.

Rev. Jesse Jackson met with the Archbishop of Canterbury to commemorate slain civil rights leader Dr. Martin Luther King, Jr., in the chapel for 20th century saints and martyrs.

It was the week the Phil Donohue TV talk show moved from Chicago to New York.

Comandante Daniel Ortega, head of the Sandinista ruling junta in Nicaragua, was sworn in as President of the Central American country.

The Dow Jones Industrial Average was up 1.11 points to close at 1,191.70 on Tuesday, January 8, 1985. Gold was bid at $301.50, up from $298 Monday.

The Chicago Bears returned to the Windy City after losing the NFC Championship game to the the San Francisco 49ers in a 29–0 shutout.

At 7:30 a.m., Beirut time, Tuesday, January 8, 1985, Father Lawrence Jenco was kidnaped at gun point on his way to work as director of Catholic Relief Services of Lebanon.

Mr. Speaker, Good Friday next week marks the 444th day Father Jenco has been held hostage in Lebanon, exactly the period of the hostage crisis in Iran 6 years ago. Father Jenco's family and friends are commemorating the 444th day of his captivity with prayer and vigils next Friday in his hometown of Joliet, IL.

Mr. Speaker, I know every Member of this distinguished body joins with the family and friends of Father Lawrence Jenco in their prayer for the swift release of Father Jenco and the other Americans held hostage in Lebanon.

THE SCHACHT FAMILY—A FAMILY OF ACHIEVEMENT

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. SCHULZE. Mr. Speaker, today, I would like to recognize the achievement of Daniel J. Schacht, of Concordville, PA. On Thursday, March 13, 1986, Dan was recognized for achieving the highest rank in Scouting, the "Eagle Scout Award."

Dan has been in the Scouting program from Cubs to Webelos and on through Scouts. In becoming an Eagle Scout, he will join the ranks of a very select group. The individual tasks which he had to complete challenged him mentally, physically, and psychologically. The sum of those achievements and the perseverance they demanded illustrates the high caliber and motivation of this young man.

But there's not just one Eagle Scout in the Schacht family. Dan's two older brothers, Steven and Eric, also achieved the rank of Eagle Scout—Eric in 1978 and Steven in 1981. And in 1982, I had the honor of appointing Eric to the U.S. Military Academy at West Point from which he will graduate this May.

These three young men are a tribute to their parents, Al and Judy Schacht, and to their Scout leaders. I am proud to congratulate Dan Schacht for his outstanding contributions to his community, as well as those of his two brothers. I am honored to have individuals like Dan, Steve, and Eric in my congressional district and I am sure my fellow Members of Congress join me in wishing them good luck in their future endeavors.

LESSONS FOR PRIVATIZATION IN THE UNITED STATES

HON. RICHARD ARMEY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. ARMEY. Mr. Speaker, privatization is an exciting new approach that can help us deliver Federal goods and services more efficiently and effectively. It can save us money and, in the long run, help us reduce the size of government in general.

The National Center for Policy Analysis has put together an excellent study of privatization, entitled "Privatization Around the Globe: Lessons for the Reagan Administration." Compiled by Peter Young, this study examines a wide variety of successful privatization efforts around the world.

The report begins by analyzing the British experience with privatization. A British Treasury release recently stated that privatization "ranks among the most radical reforms of the UK's economic and industrial structure since 1945."

Under Margaret Thatcher's direction, the British Government has sold $28 million of public-sector assets and is currently selling assets at the rate of about $5 billion a year. Also, nearly 400,000 jobs, representing one-third of the total public-sector jobs, have been transferred to the private sector. Conservative Party Chairman Norman Tebbit stated that in 1979 Britain had the largest public sector in the Western world, but by 1990 it will have the smallest.

The NCPA report also looks at privatization in developing countries. It points out that State-owned telephone and telegraph companies are being sold to the private sector in Bangladesh, Mexico, Thailand, South Korea, Malaysia, and Sri Lanka; State-owned banks are being sold to the private sector in Thailand, Singapore, Bangladesh, Malaysia, South Korea, Chile, the Philippines, and Taiwan; railways and bus services are being privatized in Thailand and Sri Lanka; highways are being privatized in India and Malaysia; shipping and shipbuilding are being privatized in Singapore, Bangladesh, and Sri Lanka; and the list goes on and on.

There is even a movement toward privatization in Communist countries. State-owned houses are being sold to the tenants in Cuba and China. The Chinese are encouraging medical doctors to set up private practice, and Hungary is now producing over one-half of their food in the private sector. Even the Soviet Union is making some noises about the virtues of private ownership.

But what does this mean for the United States? The theme of the NCPA report is that privatization can be used successfully in the United States. The report argues:

> The task of the Reagan administration should be to conduct a fundamental reexamination of the scope of the public sector in America and to devise intelligent and saleable privatization policies.

There are two criteria to the above prescription: Intelligence and saleability. Unfortunately, we live in a highly politicized environment so the "saleability" criterion often outweighs intelligence. However, I believe we can devise privatization projects that meet both needs.

For example, I believe that we could proceed immediately with a sale of Federal housing units to the tenants, what I call urban homesteading. Federal housing projects cost the Government billions of dollars to build and maintain, and often end up in shambles after a few years. Why not sell these units to the occupants for a token sum? The tenants will surely take much better care of the units if they own them. The net result is positive all around, both for the tenants and the Government.

Recently, I chaired a hearing held by the Grace Caucus Task Force on Privatization which focused on privatization options facing the Reagan administration. The Director of the Office of Management and Budget. James Miller III, was one of the many experts who testified in favor of privatization. Dr. Miller praised the NCPA report, and remarked that such a study will hopefully inspire Americans to jump on the privatization bangwagon, which has already been rolling for several years in other countries around the globe.

Mr. Speaker, I want to commend NCPA and Peter Young for putting together this excellent account of privatization efforts around the world. I recommend it to anyone interested in delivering a myriad of Federal goods and services in a more efficient and effective manner. Our chronic deficits have demonstrated the compelling necessity to discuss new approaches. I believe privatization is an idea whose time has come. Let's not miss the opportunity to put it to work for the American people.

PERSONAL EXPLANATION

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. CLINGER. Mr. Speaker, I was absent from the floor of the House of Representatives for the last vote of the day on March 19, 1986. Had I been present, I would have voted in the following fashion:

Roll Call No. 60: H.R. 2453—Older Americans Act Amendments, the House agreed to the conference report on the measure to amend the Older Americans Act of 1965, to increase the amounts authorized to be appropriated for fiscal years 1985, 1986, and 1987 for commodity distribution, "yea".

I am a strong supporter of the conference report which would increase the authorization level for meals served under the Older Americans Act.

In 1984, Congress reauthorized the Older Americans Act through fiscal year 1987 at levels for commodity support for congregate and home-delivered meals based on projected participation rates. Since then, the Department of Agriculture revised its projections to reflect the dramatic increase in the number of senior citizens receiving meals. The USDA has estimated that 8 to 18 million more meals are being served to senior citizens across the country this year. If the authorization level had not been increased, the per meal reimbursement rate to State and local offices of aging would have had to be cut back and hundreds of older Americans in my congressional district as well as throughout the country would have lost important nutritional benefits.

This is a wonderful program which permits senior citizens to receive one balanced meal of the day. Moreover, the congregate meals give many lonely senior citizens the opportunity to meet and socialize with others in the community.

I am delighted to see that the House of Representatives voted to make up this funding shortfall and ensure the continued effectiveness of this important program.

LATIN AMERICAN STRATEGIC STUDIES INSTITUTE

HON. BILL McCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. McCOLLUM. Mr. Speaker, I would like to bring to my colleagues attention the valuable contribution the Latin American Strategic Studies Institute [LASSI] has made to our understanding of Central America.

LASSI's primary concern during its first year of operation has been to establish an information base for the American public on the historical background, contemporary issues and future trends in Latin America. Our recent debate on aid to the Contra forces in Nicaragua has definitely underscored the need for accurate, unbiased information. LASSI's goal has been to fill that gap and I'm pleased to

report that they have indeed succeeded in this venture.

Father Thomas Dowling, Cornelius Barrington and the rest of the staff at LASSI provide a professional service which had not existed previously. I, personally, would like to take this opportunity to commend their efforts to date and wish them continued success in the future.

COMMUNIST REVOLUTIONS: RUSSIA AND NICARAGUA

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. PORTER. Mr. Speaker, anyone who cares to look can easily see the historic parallels between the Nicaragua revolution of 1979 and the Russian revolution of 1917. The overthrow of a hated despot by all elements of society working together, followed by the gradual squeezing out of the moderates by the Communists. Their cry of imminent foreign intervention to justify an immense military buildup used to divert domestic attention and, together with martial law, to quell domestic dissent. Repression of the church, and the press, formation of the neighborhood committees to identify those not committed to the government's "ideals," and gradual elimination by execution or imprisonment of "enemies of the people." Russia since 1917—and Nicaragua since 1979—it's all there to see, and it's all the same.

Now, four new, fragile democracies, in El Salvador, Panama, Honduras, and Guatamala, are facing the threat of subversion from the only totalitarian government left in Central America, Nicaragua.

Our President's policy is to prevent that threat from succeeding. There are over 15,000 men willing to fight for pluralism and freedom in Nicaragua. Some say that's not enough. Perhaps, but Castro had only 4,000 when he overthrew Batista. And the Nicaraguan guerrillas—which then included Eden Pastora and Arturo Cruz—numbered only 5,000 when they overthrew Somoza.

Mr. Speaker, there are 15,000 willing to fight and die to contain the Nicaraguan threat. There are some here who would turn their backs on these brave people and give Communist subversion on our doorstep a free hand. I'm not one of them.

LEGISLATION TO MAKE FISHING INDUSTRY SAFER

HON. MIKE LOWRY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. LOWRY of Washington. Mr. Speaker, today I am introducing legislation that I believe will make the fishing industry safer.

According to U.S. Coast Guard figures, an average of 250 U.S. fishing boats sink each year. Furthermore, the death rate for fishermen is seven times the national average and twice that of the next most hazardous profession. I am greatly disturbed by these statistics and I am sure that insurance underwriters are also troubled by these statistics. I hope that this legislation, and similar legislation that I understand will be introduced in the near future by other Members, will be the first step in reducing the casualty rate for fishermen.

This bill will require that all fishing vessels be equipped with an emergency position indicating radio beacon [EPIRB]; liferafts or lifeboats sufficient to accommodate all crew and passengers; and survival suits to enable all crew and passengers aboard the vessel to survive for at least 4 hours immersion in waters in which the vessel operates. In addition, certification by a marine surveyor is required before a vessel enters a new fishery if such transition would require significant changes in equipment or operational techniques. To enforce these provisions, the exemption for fishing vessel inspections is repealed.

Some may argue that the requirement for additional equipment will only increase the cost of fishing. I believe just the opposite. I believe these costs will offset by lower insurance costs in addition to saving lives. In addition, this bill will also have an effect on reducing the Federal deficit because Coast Guard search and rescue costs would be reduced if all fishing vessels had EPIRB's. According to the Coast Guard, the cost of the average search and rescue operation is greater than the cost of buying EPIRB's for all fishing vessels.

Clearly something must be done to address the safety and insurance problems in the fishing industry. Congress can no longer afford to do nothing on this issue. I look forward to working with other Members to resolve these problems in this Congress.

NEED MORE PUBLIC SUPPORT FOR FAMILY PLANNING

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. GREEN. Mr. Speaker, Saturday, March 22, marks a very special anniversary for those of us who are staunch supporters of family planning programs: It is the 14th anniversary of the Supreme Court decision guaranteeing all people access to contraception.

In its landmark 1972 decision, Eisenstadt versus Baird, the Court struck down a Massachusetts law designed to prevent contraception. The Court made clear in the Baird decision that it is unconstitutional to limit access to contraceptives. Yet today, opponents of family planning still attempt to do just that by trying to gut domestic and international family planning programs.

It is critical, now more than ever, that people let the rightwing extremists know that this isn't the 13th century. Chastity belts simply are not a reasonable form of birth control in 1986.

The so-called right-to-lifers have expanded their agenda to include outright destruction of the very programs which prevent unwanted pregnancy. It is especially sad because the people who suffer most from these attacks are the people most in need of family planning services—the poor in developing countries and here at home.

As a member of the Appropriations Committee, I have fought numerous antifamily planning amendments in committee and floor debates. It's unfortunate that the people who draft these destructive amendments seem to have no positive goals. Their personal beliefs about contraception are archaic, and they want to impose these beliefs on the rest of the country.

Justice Brennan, in writing the Baird opinion, made reference to the very private nature of an individual's decision whether to have children. Brennan wrote that:

If the right to privacy means anything, it is the right of the individual, married or single, to be free from unwarranted governmental intrusion into matters so fundamentally affecting a person as the decision whether to bear or beget a child.

It has been 14 years since the Supreme Court ruled that limited access to contraceptives violates equal protection under the laws. The anniversary of that decision reminds us that the goals of antifamily planning zealots are blatantly discriminatory, as well as an invasion of privacy.

We must also remember the practical benefits of family planning programs. In any given year, each Government dollar invested in family planning saves at least $2 in health and welfare costs related to unintended births the following year. Among teenagers, this savings is even larger, estimated at $2.90. Further, counseling and contraceptive services improve maternal and child health care, particularly for low-income women and teenagers.

There is a tremendous need for greater public endorsement of federally supported family planning programs. People need to make their voices heard. Before the Baird decision, there was no such thing as equal access to contraception. If the people throughout country don't let Congress know they support Federal family planning programs, there won't be equal access in the future.

TRADE DATA BANK BILL

HON. DAN MICA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. MICA. Mr. Speaker, today I am introducing legislation directing the Department of Commerce to set up a trade data bank. The bill:

Requires the Secretary of Commerce, through the International Trade Administration, to develop and maintain a system to monitor and organize commercial information dealing with international trade. This information would be of assistance to private businesses and State agencies engaged in export activities.

This trade information system would augment existing information gathering efforts of the ITC and utilize state-of-the-art equipment

to monitor, organize, analyze, and disseminate information on foreign countries.

Secretary of Commerce shall consult with State export agencies and the private sector regarding the establishment and maintenance of the trade information system.

Requires the Secretary of Commerce to establish a program to provide international trade advice and assistance to individual firms located in the United States.

Fees shall be charged to reimburse the Commerce Department for such services. A schedule of these fees shall be published in the Federal Register.

I call upon my colleagues to join me in the effort to combat our growing trade deficit by making state-of-the-art trade data information available.

A CARIBBEAN VIEWPOINT ON THE CARIBBEAN BASIN INITIATIVE

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. DYMALLY. Mr. Speaker, my colleagues are aware that from its inception, I have had grave reservations about the impact of the Caribbean Basin Initiative. I have attempted to have legislation adopted that would at least get some organized Caribbean advice about how to make the Caribbean Basin Initiative be truly effective, and have met with resistance at every step. I recently was sent an article from a paper aimed at the Caribbean audience. The article concerns the Caribbean Basin Initiative, and I insert it into the RECORD as a contribution to the ongoing debate on the CBI:

CARIBBEAN ECHO, FEBRUARY 28, 1986

CBI—A FAILURE

President Reagan at long last concedes that the Caribbean Basin Initiative [CBI] plan is of no worthwhile meaning to the Caribbean Islands—a fact we projected on these pages as far back as 1984.

It does not take a genius to see that the basin plan lacked foresight together with understanding.

What puzzles us however, is the fact that leaders like Seaga, and Eugenia Charles, failed to observe the shortcomings of this brainchild of President Reagan.

We have no doubt that the President was misdirected by his peers, hence today he is placed in the position of having to accept the real truth.

The Caribbean islands are known to be predominantly of an agricultural setting, which should mean that whatever plan is presented, agriculture must be the focusing point for it to be meaningful.

Yet for all, the only product connected to agriculture—sugar, met with pressure from all angles. The other product, made again from sugar cane—which is rum one can see the price skyrocketing to heights that is so unaffordable that customers decline to buy it.

CBI, according to the original presentation was intended to ease especially the export tariffs, but instead it tightened the grips making exports to America from the Caribbean even harder.

The various Caribbean governments fell for the garb of the tongue, and the glibness of men like George Schultz, who mesmerized them into spending enormous sums, which they could ill-afford, masquerading all over the United States hoping to benefit from this lame-duck plan.

There is no way, with the present projection, the Caribbean islands can or will benefit and the leaders need to address themselves to the hard facts of it all.

The lesson learned from CBI must be a painful one, and our concern goes out for the small businessmen who took the dive over the last two years, after being led by their leaders to believe that somewhere along the line, they would benefit. Lack of foresight seems to be the apparent failure of the leaders, and such irresponsible doings should never be allowed to continue. Leaders owe a responsibility to their people and, therefore, when plans are being presented by foreign governments, they need to carefully study them before jumping like blind bats and further committing their people.

Mr. Seaga, with all his brilliance, misled his people, and so did Ms. Charles, and all the others who gave their support to this plan. At the same time, credit must be given to Prime Minister John Compton, of St. Lucia who although having given his support questioned it in many circles. But like a lone wolf, his voice and feelings went unheeded.

Now that Mr. Reagan paid them the honour of saying his plan is a failure, they need to look more diligently for a real plan that will inject some kind of booster to the respective economies through exports.

PRESIDENTIAL SUPPORT OF CLEAN COAL TECHNOLOGY WELCOMED IN NATION'S COALFIELDS

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. RAHALL. Mr. Speaker, according to reports in the press, yesterday, President Reagan endorsed the January 1986 "Joint Report of the Special Envoys On Acid Rain" compiled by Drew Lewis, on behalf of the United States, and William Davis, on behalf of Canada.

The major recommendation of this report, which the President has now embraced, is that the U.S. Government should implement a 5-year $5 billion emission control technology commercial demonstration program with the Federal Government and the private sector sharing the costs on a 50/50 basis.

Many Representatives of coal-producing regions, such as myself, have been working for the establishment of just such a program for some time now, and in fact, last year, the Congress appropriated approximately $400 million for a clean coal technology program. Our efforts on this matter did not meet with an enthusiastic response from the Reagan administration, and I am pleased the President, through his endorsement of the Special Envoy report, will now be working with us, rather than against clean coal technology funding.

Let me make one thing perfectly clear. Those of us from the Nation's coalfields do not fear new combustion technologies. We are, in fact, in the vanguard of the effort to develop more efficient and environmentally sound methods of burning coal.

We also do not fear the close examination of the causes and effects of acid deposition. We have always stated that this phenomenon must be addressed from the coolheaded perspective of scientific fact rather than from the emotionalism of innuendo.

For example, a close reading of the most recent National Academy of Sciences report, "Acid Deposition, Long-Term Trends," brings to light many of the points I have been making for years. The report concluded that the trend of acid deposition in the Northeast "has been one of modest decrease" although it stated some increases were found in the Southeast and, to a lesser extent, the Midwest. However, with respect to the latter two regions, the buffering capacities of the soil greatly reduce the occurrence of acidified surface waters, according to other scientific documentation.

The academy report found that existence of sulfates in lakes in northeastern United States, in relation to the amount of sulfates present in wet deposition in that region, decreases with distance from major source regions. This substantiates the arguments I have been making that long-range transport of sulfur emissions from the Midwest is not the major cause of any acidification of lakes in the Northeast.

The report found that while anthropogenic, or manmade, sources of emissions are related to acid deposition in the Northeast, data from New York, New Hampshire, and Wisconsin suggest that lake acidity levels are not determined by acid deposition alone and may "result from other human activities or natural causes."

And finally, the report found no conclusive evidence that acid deposition alone is adversely impacting the Nation's forests.

Mr. Speaker, let us move forward with developing new coal combustion technologies for they will benefit the consumer by providing more efficient and economical electrical generation along with their environmental benefits. Let us not adopt some sort of arbitrary and costly point source emission reduction plan. Science does not support this approach. It would not work.

TRIBUTE TO IDAHO FARMERS AND RANCHERS ON NATIONAL AGRICULTURE DAY—MARCH 20, 1986

HON. RICHARD STALLINGS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. STALLINGS. Mr. Speaker, Thursday, March 20, is National Agriculture Day. I want to congratulate all of Idaho's farmers and ranchers on this national day honoring American agriculture for their continuing dedication to our State's most vital industry.

In these days of economic distress, it seems even more important for us to pause and reflect on the tremendous contributions our farmers and agribusinesses have made to our great State and the country as a whole. It

is not by accident that agriculture has become our largest industry, contributing more than 20 percent to the Nation's gross national product. The importance of agriculture to our State and national economy is due entirely to the tireless and often unrewarded efforts of hundreds of thousands of individual farmers. Agriculture is, without a doubt, our greatest source of national strength.

I believe we should view this day of celebration as a new beginning, to restore our faith in the traditional family and community values of rural America and to rebuild the economic vitality of our agricultural industries. But first we must recognize the severity of our continuing economic problems and willingly accept the challenges ahead of us. Above all else, I believe it is absolutely essential that our Idaho farmers and ranchers receive adequate market prices for their products. The availability of affordable credit must also be assured, with a full recognition that credit is no substitute for economic profitability.

We must commit ourselves to forward-thinking farm policies and programs that are flexible, based on reality rather than political philosophy, and are responsive to current real world conditions as well as future changes that will have a direct and fundamental impact on our agriculture producers. We must also demonstrate our commitment to U.S. competitiveness by aggressively adopting a unified agricultural trade policy and by expanding market access for U.S. products.

I believe all Idaho farmers and ranchers are committed to these goals and will continue to use all of their resources in this effort to improve net farm income and halt the demise of our rural economies and communities. Together, I believe we can and will make a difference in reshaping the future of our agriculture which is truly the "heartbeat of America."

NATIONAL AGRICULTURE DAY

HON. THOMAS J. TAUKE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. TAUKE. Mr. Speaker, the designation of today, March 20, as "National Agriculture Day", provides all of us with the opportunity to recognize the enormous contributions which American farmers and their families make to the national economy and to the quality of life in the United States.

America is unquestionably the world's greatest producer of agricultural commodities. This is due partly to our advanced technology, but more importantly, this is the result of the sweat and dedication of millions of farm families and other Americans involved with the agricultural industry. These men and women are the bedrock foundation of our great republic, and today I rise to say "Thank you" to each and every one of them.

Nevertheless, we cannot pay tribute today without acknowledging that all is not well today on American farms. Unfortunately, National Agriculture Days do not provide the cash need for spring planting, don't eliminate the effects of weather, don't ensure decent prices for farmers' products, and don't help pay the enormous financing costs which many of this Nation's farmers are now bearing.

America's and the world's agricultural economies are going through a dramatic transition, and these changes are inflicting a terrible cost on many farmers. Besides acknowledging our debt of gratitdue to American farmers, however, I want to pay special tribute to those men and women who are making extraordinary contributions in assisting farmers through these changes. I am speaking specifically of the workers in our county agricultural stablilization and conservation service offices.

I know personally that the administrators and support staff of these offices are making substantial personal sacrifices to ensure that farmers receive the service and consideration that is due them. These dedicated employees are keeping their offices open late at night and working through the weekends in order to process the paperwork, study the new farm program rules, and share their knowledge with area farmers.

Like the farmers themselves, these workers seldom receive the gratitude they deserve, and their important contributions are often underestimated and sometimes even disparaged. We should be aware that they are in a difficult position, especially considering the recent changes in farm programs that have been dumped in their laps by the USDA bureaucracy. And they haven't been helped by the recent congressional activity to change certain sections of the 1985 farm bill approved just 3 months ago.

People like Donella Watkinson in the Linn County ASCS office and Debbie Wilson of the office in Elkader, IA, have exemplified the patient and dedicated public service which all Americans expect and deserve. Please join me, therefore, in saying "Thank you" to Donella, Debbie, and their colleagues in the county ASCS offices across this country for a job well done.

THE REWARD INCENTIVE GRANTED TO HONEST TAXPAYERS ACT (THE "RIGHT" ACT)

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. SCHULZE. Mr. Speaker, today I am introducing the reward incentive granted to Honest Taxpayers Act, a bill which would provide limited compensation to honest taxpayers for the time and expense incurred by such taxpayers in being audited by the Internal Revenue Service. The payments contemplated in this bill would be funded solely from the revenues raised if any Federal tax amnesty program is adopted by Congress. The bill provides that all revenues raised by any Federal tax amnesty program would be used exclusively to fund such compensatory payments to honest taxpayers.

Under this legislation, an individual taxpayer who is audited by the Service in a "substantial audit," would receive compensation of up to $500 when either there is no audit adjustment or the audit adjustment is relatively insignificant. An individual taxpayer would receive compensation of, first, the lesser of $500 or one-half of the tax shown on the return for an audit adjustment of less than 1 percent, second, the lesser of $300 or one-fourth of the tax shown on the return for an audit adjustment of less than 2 percent, and third, the lesser of $100 or one-tenth of the tax shown on the return for an audit adjustment of less than 3 percent. No compensation would be paid, however, if any part of the underpayment for the taxable year were due to intentional disregard of rules or regulations, or fraud.

In introducing this bill, I would like to make it very clear that I am not endorsing any of the proposals for Federal tax amnesty before the House. In fact, I believe the concept of Federal tax amnesty is ill-conceived and poor tax policy. It represents a slap in the face to those citizens who have honestly paid their taxes year after year. It is an affront to those good citizens which comprise the bulk of the taxpaying public, to enact a tax break for the tax cheaters. There are those who have suggested that amnesty is part of the answer to our deficit problem, that it is a quick way to raise some easy money. In fact, tax amnesty is an extremely inefficient way to raise revenue. According to a preliminary estimate by the Joint Committee on Taxation, tax amnesty would raise at most $1 billion. The U.S. Treasury has also released an estimate only slightly higher. The modest revenue gains that we can expect from tax amnesty in the short run are almost certainly outstripped by the long-term costs resulting from the erosion of current voluntary compliance levels as taxpayers begin to expect future tax amnesties, and honest taxpayers lose faith in the system. The message it says to honest taxpayers is "Don't be a chump and pay your tax, is you wait long enough, the Congress will come back with another amnesty proposal." That's the wrong message.

Notwithstanding these problems, if a tax amnesty program is adopted by the House, I would urge my colleagues to adopt this bill as an integral part of any such amnesty program. We owe it to the honest taxpayers that make a voluntary assessment system, such as we have in the United States, possible.

RADIOACTIVE WASTE

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. ACKERMAN. Mr. Speaker, last year I joined several of my colleagues in opposing the Department of Transportation's irresponsible decision to transport radioactive wastes through the city of New York—the most densely populated area in the Nation.

We argued that it is utterly senseless to select a route that endangers the safety of the greatest possible number of citizens. Hundreds of trucks overturn on the Long Island Expressway each year. Shipping the waste by barge would pose less danger to fewer people.

Unfortunately, the Department has continued to allow radioactive material to roll through our city streets. It contends that the risk of an accident is "infinitesimal."

Mr. Speaker, last weekend this "infinitesimal" risk became a reality. A tractor-trailer hauling radioactive waste ripped apart as the driver attempted to squeeze the rig under elevated train tracks in Queens. Had the cargo been high-level rather than low-level waste, the result could have been catastrophic.

This latest accident shows that DOT is clearly more concerned about uniformity and convenience than about overall safety. We should recognize that the worst case scenario sometimes does occur, and that accidents involving radioactive contamination do happen.

Mr. Speaker, let's prevent a full-fledged tragedy. Let's do what's safest for the largest number of people, and stop trucking radioactive material through our neighborhoods. Most of all, Mr. Speaker, let's eliminate the risk that, in the city of New York, is not infinitesimal, but instead is almost an everyday occurrence.

NEW HORIZONS FOR AMERICA'S YOUTH

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. DUNCAN. Mr. Speaker, it all started one night in March of 1983. I was comfortably seated in front of the television set, contentedly feeding myself oreo cookies, when suddenly my father walked into the room. "Family," he says, "we're moving overseas!" I couldn't believe it. We were actually leaving the continent of North America, leaving behind the United States—leaving McDonald's, MTV, and the Boston Celtics. I cried, I screamed, I even ran away, but to no avail. Two months later we were on the plane heading for our new destination.

In time, I came to accept my new home, but I'm ashamed to say, it wasn't for awhile later that I realized I had missed the United States for all the wrong reasons. Oh, sure in the beginning I longed for a Burger King or even K Mart, but as I grew older, I found there was also the American flag, freedom of speech, and a democracy. Also, what became most important to me as an inspired American youth, was the wide spectrum of opportunities available to me only in America.

New windows and new scopes can be found in all endeavors of American life. Since we're aided not only by the awesome advances in technology, but also by the democracy of our Government, we youth of today are faced with ever-expanding challenges—and unbridled horizons. Horizons available only in America.

For instance, there is the opportunity of education. In the United States today there are thousands of colleges, all willing to cater to aspiring young students. The colleges even offer help for those in financial trouble, through scholarships and literary contests.

There are work-study programs, and community involvement programs, all designed to support the rising young scholar. Athletic programs promoted by schools project the "sound mind and body." Contests sponsored by universities and corporations encourage healthy competitiveness between young people, a necessary ingredient for the growth of our Nation.

And there are still more opportunities for our youth in other varied professions. In the world of science, there is no end to the swirl of questions surrounding our world. A young mind is always welcome. In the world of physiology, the studies made on the brain everyday increase the questions, therefore the horizons. In the world of computers the introduction of technology has made this field perhaps one of the greatest potentials for youth.

Another of the many admirable attributes of the United States is the heavy emphasis placed on human individuality. Only in America can we be what we want to be, say what we feel and do as we say—no restrictions, no limitations. As built into the American tradition, the horizons offered in the United States are available to all of us regardless of race, creed, or color. There are young people in such professions as law, medicine, sports, and even politics.

But there are still many horizons that are yet untouched. That most mysterious frontier ever space has still to be fully explored. Perhaps, it is time for my generation to begin our own explorations. I have a suggestion.

To increase the ever-expanding numbers of opportunities available only in America, I hope the United States will add one more to its list. That is, allow the next civilian in space to be an American youth! In this way, could the United States show how far the American youth are able to go, how much they can achieve. The sky is no limit. I know I'd gladly volunteer myself! It would be a small step for me, but a giant significant step for the young people of America. It seems like a million years since I first boarded the plane that took me overseas. But I can say of my beloved nation, what Robert Emmet once said of his Irish homeland, "My country is my idol."

I have come to realize that everything I do or have stems from my American roots—my ideas, my rights, my golden opportunities, my choice of horizons. Everything I live for comes only from America. I will give something back.

ST. PATRICK'S DAY

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. RODINO. Mr. Speaker, On St. Patrick's Day, Americans of all backgrounds become honorary Irish. It is a day to come together to celebrate the unique spirit of the Irish and to pay tribute to their many contributions to the civic, cultural, social, and commercial institutions of our Nation.

In this spirit, I was privileged to join with thousands of New Jersey Irish—real and honorary—on Sunday, March 16, for the 51st anniversary Newark St. Patrick's Day parade. The parade is the oldest and largest in the State. This year's grand marshal was Mr. J. Brendan Vesey. Ms. Sheila Lenihan served as deputy grand marshal. Mr. Thomas P. Giblin served as general chairman. Mr. Giblin, vice president of the Essex County Board of Chosen Freeholders, is the son of Mr. John J. Giblin, a former grand marshal (1951).

The parade this year is dedicated to the memory of Daniel O'Callaghan. Mr. O'Callaghan, 19, chose to live as a Good Samaritan and paid for that decision with his life. Early one Sunday morning in 1984, young Danny saw four youths in a truck being attacked by a band of teenagers. He rushed to their rescue and was also attacked. Three days later he died. By his braver deed, Danny showed us the true meaning of being a good Irishman.

The success of this year's parade did not come about because of the luck of the Irish. Many fine people worked long and hard, among them: Bella Nugent Laughlin, first vice chair; Thomas P. Gerrity, second vice chair; James P. McCarty, treasurer; Helen M. Washington, recording secretary; Mollie Murphy, corresponding secretary; John A. Kenney, financial secretary; Gerald P. Lenihan, adjutant; Terrence O'Reilly and Mary Vesey, sergeant-at-arms; Dennis Lenihan, historian; Michael K. Farrell, judge of elections; Rev. Msgr. John J. Maloney, chaplain; and Michael McCormick, chief of staff.

Like many other immigrants, the Irish came to America seeking opportunity and fleeing misfortune. In the 19th century, many Irish immigrants toiled hard building the railroads that linked the coasts of our growing land. Others worked the mines and factories. And they often had to fight nativist mobs that brandished anti-Irish, anti-Catholic slogans.

But these early Irish-Americans prevailed because of their faith in the American dream, and the strength of conviction, love of liberty, and spiritual resourcefulness that they brought with them from the Emerald Island.

As the patron saint of Ireland. St. Patrick has become a symbol of the Irish people—and for good reason. For his message was one of peace and justice, of faith and religion, of learning and commitment. When he arrived as a Christian missionary on the shores of Ireland over 1,500 years ago, he inspired a deep spiritual reverence in the people that can still be seen in the churches he built and the arts and letters that, to this day, continue to flourish.

THE UNPRICED MILITARY CONTRACTS REDUCTION ACT

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. WYDEN. Mr. Speaker, Congressmen SIKORSKI and BRYANT, my colleagues on the Oversight and Investigations Subcommittee of the House Energy and Commerce Committee, are joining me today in introducing the Unpriced Military Contracts Reduction Act of 1986.

Unpriced orders and other unpriced contractual actions are military procurement contracts that authorize a contractor to start work before a price has been set. The Government is responsible for all costs incurred up until

the time a price is negotiated and the contract is "definitized."

In an era of increasingly severe Federal budget restraints, we simply can no longer afford wasteful military procurement practices. The use of unpriced orders, letter contracts, change orders and other unpriced contractual instruments at the Pentagon has grown enormously in recent years. There is no doubt that such informal contracting procedures are now used excessively and for the wrong reasons in far too many cases. Billions of our constituents' tax dollars are being squandered. It is time for Congress to step in and impose some responsible controls that will limit this type of contracting to situations where it is clearly cost effective and necessary.

For the past year, our Oversight and Investigations Subcommittee has been engaged in an extensive investigation of the use of unpriced orders and other unpriced contractual actions at the Department of Defense. Our investigation of one specific unpriced order last fall revealed, among other things, that the Air Force paid $8,800 for a pulley puller that a local machine shop could manufacture and deliver for $69.

Unpriced contractual actions at the Pentagon reached the unprecedented level of $27 billion in fiscal year 1985. This figure—a huge chunk of DOD's overall procurement budget—includes $11.5 billion at the Navy—triple the 1982 level—and $12.9 billion at the Air Force—double the 1984 level.

The Pentagon recognizes this problem and has pledged to deal with it. In a February 7, 1986, letter to Chairman DINGELL, Defense Secretary Weinberger says he is:

> Committed to reducing the number of unpriced contractual actions. Their rightful place is a tool to be used in support of urgent operational needs.

The commander of the Naval Air Systems Command recently summed up the problem with unpriced orders rather well:

> Cost-consciousness is usually absent when ceiling priced or unpriced orders are issued since there is very little motivation on the contractor's part to control costs due to the fact that "costs incurred" up to the time of negotiations are usually accepted by the Government.

A recent procurement management review at that same command noted that some naval plant representative officers have estimated that the Government pays as much as 30 percent more as a result of orders not being "forward priced." And, in the case of the "pulley puller," the extra and unnecessary cost to the taxpayers was obviously much more than 30 percent.

As Secretary Weinberger points out, unpriced orders should be limited to "urgent operational needs." Yet audit teams for both the Naval Audit Service and an Assistant Secretary of the Navy told our subcommittee staff that they believe the growing use of unpriced orders can be tied directly to the huge increase in procurement funds we have seen in recent years.

A recent Navy directive obtained by the subcommittee lists specific "criteria of urgency" that are deemed sufficient to justify the use of unpriced orders in the procurement of spare parts. One of the three specific "criteria of urgency" is "loss of funds," which means, according to the notice, if "appropriated funds" are "in danger of being lost due to imminent expiration of funding obligation date."

In a report prepared for Chairman Dingell, the subcommittee staff cited this notice as evidence that:

> The Pentagon is so awash with procurement funds that it must resort to wasteful and irresponsible procurement practices to spend its annual budget in the time allotted.

So, there's no doubt that the Pentagon—and the American taxpayers—have a big problem here. And our investigation has convinced us that the primary cause of the problem is that the Pentagon has failed to follow rules and regulations already on the books that are intended to prevent the excessive use of unpriced instruments.

In the "pulley puller" case, three regulatory safeguards intended to prevent abuses were in place at the time. First, Air Force Systems Command regulations make unpriced orders allowable only if the procurement is "urgent." Second, the contractor had a specific contractual obligation to recommend the most cost effective method of procurement. Third, Air Force regulations require that a final price on unpriced contracts be negotiated within 180 days.

All three safeguards were ignored or otherwise failed to work in this case and the system totally broke down. The result, among other things, was an $8,800 pulley puller. This sort of thing simply cannot be allowed to continue. While Secretary Weinberger and others agree and have pledged to curb these abuses, Congress is ultimately responsible to the people of this country for spending tax dollars wisely. And, in all candor, we are a little skeptical of the Pentagon's willingness or ability to clean up its own mess. Again, regulations have been on the books for years to prevent the sort of thing we say in the "pulley puller" case.

And these safeguards seem to fail consistently. A recent draft report prepared by the Defense Department's inspector general found that 42 percent of the letter contracts and unpriced orders reviewed "did not have documentation in the contract file to support the use of an unpriced action and 66 percent were not definitized in a timely manner." The report condludes that "these conditions existed because of the lack of adequate acquisition planning, administrative convenience and insufficient management attention."

Mr. Speaker, a whole host of internal Pentagon audits, dating back to 1979, have identified widespread abuses of unpriced orders and directed specific policy changes. Since unpriced orders have grown enormously in just the past couple of years, it's clear to us that these directives have generally been ignored. And what assurances do we have that new regulations, limitations or other safeguards implemented by the Defense Department will fare any better?

As a result, we believe Congress can and should step in. The most obvious place to start is to give some of the Pentagon's existing regulatory safeguards the force of law. And since the Pentagon has pledged to reduce the overall level of unpriced orders, there should be no objection if Congress decides to codify such reductions.

Accordingly, with the encouragement of Chairman DINGELL and the assistance of his staff, Congressman BRYANT and SIKORSKI and I have drafted the Unpriced Military Contracts Reduction Act. Let me briefly outline the major elements of our bill:

First, we would limit the percentage of appropriated DOD procurement funds that could be obligated for undefinitized contractual actions to 10 percent in fiscal year 1987 and 5 percent in fiscal years 1988 and 1989.

Second, we would prohibit undefinitized contractual actions unless the contracting officer certifies the urgency of the action. Specific criteria of urgency, which must be included in the certificate, are listed in the bill.

Third, we would prohibit progress payments on any undefinitized contractual actions when more than 40 percent of the work has been completed or the contract is more than 180 days old, whichever occurs first.

Finally, for undefinitized contractual actions entered into before the effective date of the act that have not been definitized and where more than 40 percent of the work has been done, further progress payments would be prohibited and the ultimate negotiated profit could not exceed 5 percent of the total cost.

Again, we are proposing to write into law some of the key regulatory restrictions that are already on the books to prevent excessive use of unpriced actions, as well as some of the recommendations for corrective action that are included in various Pentagon directives and internal audit reports. We know that our colleagues on the House Armed Services Committee share our concerns about the enormous growth of unpriced contracts at the Pentagon in recent years, and we look forward to working with them on this important legislation.

GHOST OF DUVALIER HAUNTS HAITI

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. OWENS. Mr. Speaker, the Duvalier appointed junta in Haiti is having its problems. It seems that the junta can't seem to identify and appoint ministers who are not strongly opposed by the people of Haiti. Opposition to the Duvalier junta appointments has been based on the relationship between the appointees and the Duvalier regime. American support of the junta and the resumption of aid has not strengthened the hand of the junta where they have been able to totally ignore the will of the Haitian people.

The Minister of Agriculture, Montaigu Cantave, and the Minister of Commerce, Odonel Fenerstor resigned on March 17. Both were under pressure to resign due to their close association with Duvalier.

In the latest shuffle, the Director of the Agriculture and Industrial Bank resigned under pressure 2 weeks ago. Bank employees had demanded the ouster of Leonce Thelusma because of his ties to the family of Michele Ben-

nett Duvalier, the wife of "Baby Doc" Duvalier. The Duvalier junta, not wanting to lose one of its own, then appointed Thelusma as the new Commerce Minister. However, Thelusma's swearing-in ceremony was halted by Commerce Ministry employees who objected to the appointment.

Meanwhile, on the Washington scene, Pierre Sam has been appointed as Haiti's Ambassador to the United States. Once again, the junta has appointed one of its fellow Duvalierists. Mr. Sam served as Secretary of State for Agriculture and Secretary of State for Planning under Jean Claude Duvalier. Although the U.S. Embassy in Port-au-Prince describes Mr. Sam's service to Duvalier as "brief," his work with the U.N. Food and Agriculture Organization ended in 1979. It is interesting to note that the U.S. Embassy is issuing statements on the background of Mr. Sam. One would think that that would be the proper function of the appointing authority.

While the Duvalier junta is working to keep its appointments among Duvalier loyalists, the military continues to behave in the Duvalierist way. On March 19, 1986, government troops opened fire on a crowd in Port-au-Prince killing at least four people and wounding at least one. The troops involved were from the Leopards who were the elite palace guard for Duvalier. The Leopards are commanded by Prosper Avril, a member of the Duvalier junta. This is the second known incident of Leopards shooting and killing since Duvalier left Haiti after appointing his caretaker junta. The other episode occurred on February 26, 1986. In that incident, three people were shot and a 16-year-old boy was killed. The Leopards appear to have filled the shoes of the Ton-Tons Macoutes who are actively being disarmed by the junta.

Things are not going well in Haiti. Although the Haitian people were overjoyed that Duvalier had physically left the country, their joy was brief. It is now quite clear that the Duvalier caretaker junta has simply taken "Baby Doc's" place for the moment. Duvalier policies and violence against the people of Haiti continue.

EXTENDED UNEMPLOYMENT INSURANCE REFORM ACT OF 1986

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. PEASE. Mr. Speaker, today, I am pleased to introduce the Extended Unemployment Insurance Reform Act of 1986. I am joined today by my colleagues, Messrs. CLINGER, LEVIN, STARK, BOEHLERT, Ms. KAPTUR, and Mr. SEIBERLING, in calling for an overhaul of the badly flawed Federal Extended Benefits [EB] Program.

To me, it seems only common sense that Congress should act now—while official unemployment levels are relatively low—to correct the serious problems with the EB system which became painfully apparent during the last recession and its aftermath. The system we have now is inflexible and ineffective. Only Alaska and Puerto Rico currently are qualified for extended benefits, despite the fact that long-term unemployment is a major problem in many other areas, including parts of my own State of Ohio.

The Public Assistance and Unemployment Compensation Subcommittee of the Ways and Means Committee, of which I am a member, made a good start last year to overhaul the EB Program when my earlier bill, H.R. 1072, was reported from the subcommittee about a year ago. I think now we should take the opportunity to build on the earlier effort to create an efficient, flexible EB Program that targets compensation to areas that need it most and is much more responsive to workers and their needs.

As with last year's bill, this bill would provide between 10 and 30 weeks of additional benefits to workers who have exhausted their 26 weeks of regular unemployment insurance in States with prolonged, higher-than-average unemployment. The bill would qualify States with the greatest levels of unemployment for the most weeks of additional benefits, and it would allow a State to choose between its insured unemployment rate and its total unemployment rate (which includes all the State's unemployed rather than just those receiving regular unemployment insurance benefits) to determine eligibility and benefit levels. The bill would also provide Federal financing for the program on a sliding scale, so that as the State's unemployment rate increases, so will the Federal share of its EB funding.

The new bill goes beyond the bill passed by the subcommittee last year. It provides for a test of sub-State triggers. The statewide triggers currently used fail to address the fact that "pockets" of extremely high and prolonged unemployment often exist in States with overall unemployment rates that fall below the "trigger rate" for extended compensation. Workers in these "pockets" need extended benefits, even though the rest of the State may not. My bill would authorize at least three States to conduct demonstrations of the sub-State trigger concept. Finally, my bill would provide incentives for training, retraining, and job search assistance.

I believe this plan I am offering today would provide an enlightened system which deals with the realities of long-term unemployment. I am very much aware that the problems of the unemployed get much less attention during a time when the unemployment rates are relatively low. However, I think Congress can and should deal with this issue calmly and thoughtfully while we have the chance.

SSI IMPROVEMENT AMENDMENTS OF 1986

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. STARK. Mr. Speaker, on behalf of myself, Mr. FORD of Tennessee, Mr. MATSUI, Mrs. KENNELLY, and Mr. BARTLETT, I am today introducing the Supplemental Security Income Improvement Amendments of 1986. This legislation will make the SSI Program more manageable, more effective and better able to serve the needy aged, blind, and disabled. A major goal of this bill is to improve the present unrealistic standards and administration of the program that now impede the efficacy, access, and above all fairness of the SSI Program.

On the 12th anniversary of the SSI Program, it seems appropriate to compare the program's performance with its original goals and expectations. SSI began in January 1974 as a federally funded means tested income assistance program authorized by title XVI of the Social Security Act. It is 100 percent federally funded. Its main objective is to provide basic support to needy aged, blind, and disabled individuals who meet nationwide eligibility requirements.

Unfortunately, Mr. Speaker, I have watched the SSI Program in the past few years become needlessly complex and rigid and have seen negative, unintended consequences of current law hinder the original purpose of the program. My bill does not propose comprehensive welfare reform, although that certainly would be a worthy goal. Nor does it try to correct all of the inequities in the program. Instead, it takes incremental—but no less important—steps toward a fairer, more reponsive and more manageable SSI Program. These are steps I believe we must take. My legislation contains several proposals that lead us in this direction.

First, it would treat certain income and resources in a more equitable fashion so that SSI recipients receive the benefits that they are entitled.

Second, the legislation would update the personal needs allowance for SSI recipients in medicaid facilities which has remained at $25 a month since 1974. This works out to 83 cents a day. My modest proposal would increase this amount to $35 a month.

Third, this bill modifies the eligibility requirements so that truly deserving individuals will receive their benefits in a timely fashion. On the other hand, it denies eligibility to aliens for 3 years after entry into the United States if the aliens are sponsored by an agency or organization.

Fourth, there are provisions which make it easier for States to provide emergency assistance to the poorest of poor in our country.

Fifth, the legislation would repeal the penalty against a recipient where the group living facility fails to meet relevant State standards and it calls for a study of alternative methods of promoting the establishment of effective enforcement of standards in these facilities.

Sixth, this bill seeks to provide better outreach and assistance to applicants and recipients of SSI benefits.

Seventh, there are provisions to make the program more responsive to the needs of blind recipients.

Lastly, the section 1619 work incentive program for severely disabled SSI recipients who want work is made permanent.

Taken together these proposals will make the SSI program fairer for recipients, easier for them to understand, more responsive to the truly needy and simplify the administration of the program. These are goals which I believe all of my colleagues can support. The follow-

ing summary discusses these proposals in more detail.

SSI IMPROVEMENT AMENDMENTS OF 1986

TITLE I—GENERAL SSI AMENDMENTS OF 1986

Subtitle A. Treatment of Income and Resources

Sec. 101. Exclusion of interest and dividends from income.

Provides that interest and dividend income received by an SSI recipient on resources which they own would not be counted as income under the SSI program.

Sec. 102. Exclusion of certain temporary income in retrospective accounting.

Requires that temporary non-recurring income received in the initial month of eligibility or re-eligibility by SSI recipients may not be counted more than once under the retrospective accounting process.

Sec. 103. Exclusion of vehicle from resources.

Provides that in determining whether an individual or couple meets the countable resources test, there shall be excluded one vehicle.

Sec. 104. Determination in living arrangement.

Modifies the assumptions to be used in determining whether or not an SSI applicant is receiving in-kind assistance when living with others in such a way as to protect SSI applicants from an automatic ⅓ reduction in their initital Federal SSI benefit if at the time of application they are living with a relatively low income household.

Sec. 105. Exclusion of certain real and personal property from income.

Provides for excluding from countable income certain unearned income received in the form of real or personal property which would not be counted as a resource in the following month.

Sec. 106. Modification of penalties where assets are transferred at less than fair market value.

Current law provides a two year delay in eligibility for SSI benefits when resources are transferred at less than fair market value in order to qualify for benefits. Current law would be modified to give the Secretary of HHS the authority to waive the denial of benefits to the extent necessary to avoid undue hardship.

Subtitle B. Benefits for Residents of Medical Facilities

Sec. 111. Increase in SSI personal need allowance benefit standard for residents of medical facilities.

Provides for increasing the current $25 a month SSI personal needs allowance federal benefit standard for residents of medical facilities to $35 effective January 1, 1987. As under present law in the case of increases in the regular federal SSI benefit standard, States which currently supplement the $25 federal payment would be required to passthrough the increase in the federal payment and not decrease the State supplementary payment level.

Sec. 112. Federal administration of State supplementation of benefits standard for residents of medical facilities.

Provides that the Social Security Administration shall, at the request of a State, administer State supplementary payments to residents of medical facilities who are eligible for the Federal personal needs allowance.

Subtitle C. Provisions Related to Eligibility

Sec. 121. Payment of benefits due to deceased recipients.

Provides for payment of benefits on behalf of a deceased recipient to the ineligible spouse and the parent of a disabled or blind child. Present law provides that only an eligible spouse may receive the payment that was due a deceased SSI recipient.

Sec. 122. Modification of certain filing requirements.

Provides that certain disabled SSI applicants or recipients (widow/ers who at age 60 qualify for reduced title II benefits) will not be required to file for title II benefits before they reach age 65 if receipt of such benefits would disadvantage the individual, i.e. loss of eligibility for SSI and possibly, health services under Medicaid.

Sec. 123. Eligibility of members of a couple living apart.

Provides that an individual and spouse would be treated as individuals for determining eligibility and payments under SSI after three months of living apart. Current law requires that they be living apart for six months before they are treated as individuals under the SSI program.

Sec. 124. Eligibility of alien for SSI when sponsor is an agency or organization.

Expands the current law's limitation on the eligibility of aliens for SSI. Section 124 would deny eligibility for SSI to aliens for three years after entry into the United States if the alien was sponsored for entry by an agency or organization. Current law considers the income and resources of an individual who sponsored an alien's entry and deems the sponsor's income and resources to the alien but with allowances for the alien's living needs. As in present law, the proposal would not apply to those who become blind or disabled after entry, to refugees or to persons granted political asylum.

Subtitle D. Provisions Related to Emergency Assistance

Sec. 131. Modification of interim assistance reimbursement program.

Expands the interim assistance reimbursement provision to include payment of the appropriate amount of retroactive SSI funds to the State, when the State has provided financial assistance to SSI recipients whose SSI benefits were terminated or suspended and who subsequently are found eligible for those benefits. It would also include the use of the interim assistance mechanism when the recipient's SSI check has been lost or stolen and the State or local agency provided emergency assistance until the SSI check is replaced by the Social Security Administration. Current law only relates to assistance provided prior to receipt of retroactive benefits after initial application.

Sec. 132. Increased emergency advance payments for presumptively eligible individuals.

Provides that emergency advance payments which can be paid directly by a Social Security district office to those in need of immediate subsistence income be increased from a maximum of $100 to a maximum of the monthly regular SSI benefit standard and, if any, State supplementary payment.

Subtitle E. Provisions Related to Group Living Facility Standards

Sec. 141. Repeal of penalty against recipient where group living facility fails to meet applicable standards.

Repeals provision of present law that requires that Federal SSI payments be reduced dollar-for-dollar for any payments made by a State to provide medical or remedial care on behalf of an SSI recipient who is in an institution that is not approved as meeting relevant State standards.

Sec. 142. Study of alternative methods of promoting the establishment and effective enforcement of standards for group living facilities.

Provision directs HHS and GAO to analyze alternatives to current law and report findings by July 1, 1987.

Subtitle F. Provisions Related to Outreach and Notices to SSI Recipients

Sec. 151. Notice to recipients regarding overpayments.

Requires that when an individual has been overpaid, the Secretary must send the person a notice which contains certain specified information: the exact amount of and reason for the overpayment; the months in which the overpayment occurred; a statement of the manner in which, and the rate at which, the overpayment is proposed to be recovered; a statement of the individual's right to seek a review on the finding that the overpayment occurred; the right to seek waiver of repayment; and notice that if waiver or a hearing is sought, payment of full benefits will continue until a decision is made.

Sec. 152. Extension of outreach efforts.

Requires HHS to establish and conduct an ongoing SSI outreach effort similar to the onetime outreach effort provided for in the 1983 Social Security bill. Under the 1983 legislation which elderly and disabled social security recipients who, because of their low level of benefits, were notified that they may be eligible for SSI requires notification of the availability of SSI benefits to potentially eligible elderly and disabled Social Security beneficiaries at least once every 2 years. Provides specific authorization for the Secretary of HHS to contract with private nonprofit organizations, including but not limited to State agencies on aging and area agencies on aging for outreach activities. Also requires HHS to work with other Federal, State and private agencies to identify and notify people potentially eligible for SSI.

Sec. 153. Requirement of increased clarity and readability for written materials to be used by SSI applicants or recipients.

Requires that HHS take action to increase the clarity and readability of written materials to be used by SSI applicants or recipients. The amendment also requires SSA to contract with recognized experts to review current and future notices to determine if they are readily understandable by the SSI population, except to the extent it is determined not to be feasible. The objectives of simplicity and readability should not be permitted to overide concerns for completeness, accuracy, or legal sufficiency.

Subtitle G. Provisions Related to the Blind

Sec. 161. Special notice to blind SSI recipients.

Requires Health and Human Services to provide SSI recipients who are blind with the option of receiving special notice of official actions which may affect their SSI benefit rights. The SSI recipient will be provided the option to receive a supplementary notice of any action by SSA by telephone or to receive the initial notice by certified letter. The Secretary must attempt to provide all blind SSI recipients with the option to receive this supplementary notification within at least one year after the bill is enacted. It also requires the Secretary to conduct a study to determine the feasibility of providing supplementary notification rights to other individuals who may have difficulty in reading printed notices. These individuals

may include the mentally impaired and persons for whom English is a second language.

Sec. 162. Technical amendments related to rehabilitation services for the blind.

The amendment also provides that the blind receiving benefits under the SSI program would, as is now the case for disabled SSI recipients, be allowed to continue to receive vocational rehabilitation services funded through the SSI program even if there is an improvement in their medical condition that results in their no longer qualifying for SSI.

Sec. 171. Effective date.

Except as otherwise specifically provided, the provisions of title I are effective October 1, 1986.

TITLE II—SSI WORK INCENTIVE PROVISIONS

Sec. 201. Section 1619 work incentive provision made permanent.

Makes permanent Section 1619 of SSI law, which provides special SSI benefits and/or Medicaid benefits for disabled individuals who are able to work in spite of the continuation of their disability. The 1984 Disability Amendments extended Section 1619 through June 30, 1987.

Sec. 202. Technical amendments to Section 1619.

Includes allowing recipients to regain eligibility for Section 1619 even if they have unusual one time income (other than earnings) which makes them otherwise ineligible for SSI; and restores certain needed references to the title XX social services programs.

Sec. 203. Notifications to SSI applicants and recipients related to potential eligibility for benefits under Section 1619.

Mandates that specific notification procedures are to be used by the Social Security Administration to inform disabled SSI recipients of the potential availability of special SSI benefits and/or Medicaid under Section 1619 when they first become eligible for SSI and again when their earnings begin to exceed $200 a month and periodically thereafter.

Sec. 205. Effective date of October 1, 1986.

IMPROVEMENTS TO USDA EMERGENCY LIVESTOCK FEED ASSISTANCE PROGRAMS

HON. RICHARD STALLINGS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. STALLINGS. Mr. Speaker, I am joined today by four of my distinguished colleagues in introducing legislation that is designed to consolidate and improve existing emergency livestock feed assistance programs administered by the Secretary of Agriculture.

I don't believe I need to remind this body of the economic difficulties confronting most if not all American farmers and ranchers today, but I must tell you that these very hardships are being further compounded by the Department of Agriculture's implementation of our Federal farm programs. Nowhere are these contradictions in purpose and reality more noticeable than in the Department's emergency feed assistance programs.

By the very nature of their industry, Mr. Speaker, our farmers continually face uncertain markets, uncertain weather, uncertain yields, and uncertain prices, and yet they persist year after year in producing this country's low cost food and fiber. And when these farmers are hit by successive natural disasters that destroy their crops and threaten their livestock, where are our Federal disaster assistance programs?

There are no less than seven emergency feed assistance programs at the disposal of the Secretary, but rarely if ever, are any of these programs utilized with any effectiveness. To date, in my State of Idaho, only one program has been made available to our producers and that always seems to be "too little too late."

From all indications, the time has come to revamp and streamline these hodge-podge of emergency assistance programs into one workable and cost-effective program that truly helps our farmers and ranchers. The text of the bill follows.

H.R. 4455

A bill to consolidate and improve existing emergency livestock feed assistance programs administered by the Secretary of Agriculture, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Emergency Livestock Feed Assistance Act of 1986".

SEC. 2. ESTABLISHMENT OF FEED ASSISTANCE PROGRAM.

The Secretary shall establish an emergency feed assistance program for the preservation and maintenance of livestock in any State, where, because of flood, drought, fire, hurricane, earthquake, storm, hot weather, or other natural disaster, the Secretary determines that an emergency exists.

SEC. 3. APPLICATION AND DECISION-MAKING PROCESS.

(a) REQUESTS FOR DETERMINATION OF EMERGENCY.—

(1) All requests for a determination by the Secretary that an emergency exists shall be made by the Governor of the affected State.

(2) Each requested shall state the type and extent of assistance required and shall be accompanied by—

(A) a justification for the request; and

(B) information on the extent and nature of State and local resources which have been or will be used to alleviate the emergency.

(3) A governor shall make a request under this subsection after consultation with a special State emergency board which collects and compiles data regarding the emergency and to assist in the preparation of the request. The special board shall be comprised of—

(A) a representative of the Agricultural Stabilization and Conservation Service;

(B) a representative of the Soil Conservation Service;

(C) a representative of the Farmers Home Administration; and

(D) a representative of the Governor.

(b) DETERMINATION OF EMERGENCY.—

(1) Before the close of the fourteenth calendar day beginning after the date of receipt of any request pursuant to subsection (a), the Secretary shall either—

(A) deny such request for a determination that an emergency exists; or

(B) notify the Governor that the request is under consideration and identify each assistance program being considered.

(2) Before the close of the twenty-fifth calendar day beginning after the date of receipt of such request, the Secretary shall—

(A) make a final determination that an emergency exists;

(B) determine the appropriate assistance program or programs under this Act to alleviate the emergency; and

(C) provide a justification of why other assistance programs under this Act are inappropriate forms of assistance.

SEC. 4. CONDITIONS OF ELIGIBILITY.

The Secretary shall provide assistance under this Act if the Secretary finds that any of the following conditions created by the emergency are present:

(1) The eligible farmer or rancher has suffered at least a 30 percent loss in feed normally produced on the farm for such farmer's or rancher's livestock, and does not have sufficient feed that has adequate nutritive value and is suitable for such farmer's or rancher's livestock (as of the date of the Governor's request for a determination of emergency under section 3(a)(1)) for the estimated duration of the emergency.

(2) The eligible farmer or rancher does not have and is unable to obtain through normal channels of trade without undue financial hardship sufficient feed that has adequate nutritive value and is suitable for such farmer's or rancher's livestock.

SEC. 5. ASSISTANCE.

The following assistance may be made available by the Secretary under this Act to eligible farmers and ranchers:

(1) The donation of feed held by the Commodity Credit Corporation to farmers and ranchers who are financially unable to purchase feed at market prices or to participate in any other program set forth in this subsection, including the cost of transporting feed to the affected area.

(2) Reimbursement of not to exceed 50 percent of the cost of feed purchased by farmers or ranchers for their livestock during the duration of the emergency.

(3) The sale of feed grain held by the Commodity Credit Corporation to farmers or ranchers for their livestock at a price established by the Secretary but does not exceed 75 percent of the current basic county loan rate for such feed grain in effect under the Agricultural Act of 1949 (or at a comparable price if there is no such current basic county loan rate).

(4) Hay transportation assistance to farmers or ranchers of not to exceed two-thirds of the cost of transporting hay purchased from a point of origin beyond such farmers' or ranchers' normal trade area to the livestock, subject to the following limitations:

(A) The transportation assistance may not exceed $50 per ton of eligible hay ($12.50 for silage).

(B) The amount of eligible hay may not exceed—

(i) 20 pounds per day per animal unit; or

(ii) the lesser of the farmer's or rancher's feed loss or the amount of additional feed needed for the duration of the emergency.

(5) Livestock transportation assistance to farmers or ranchers of not to exceed two-thirds of the cost of transporting livestock to and from available grazing locations, subject to the following limitations:

(A) Transportation assistance may not exceed $24 per head of eligible livestock.

(B) Transportation assistance may not exceed the lesser of the farmer's or rancher's feed loss or the amount of additional feed needed for the duration of the emergency.

(6) The donation of feed held by the Commodity Credit Corporation with respect to livestock which is stranded and unidentified as to its owner, including the cost of transporting feed to the affected area.

SEC. 6. COMMODITY CREDIT CORPORATION.

The Secretary shall carry out this Act through use of the funds, facilities, and authorities of the Commodity Credit Corporation.

SEC. 7. REGULATIONS.

The Secretary is authorized to issue regulations to carry out this Act.

SEC. 8. DEFINITIONS.

As used in this Act:

(1) The term "eligible farmer or rancher" means—

(A) any established farmer or rancher who is a citizen of the United States; or

(B) any farm cooperative, private domestic corporation, partnership, or joint operation in which a majority interest is held by members, stockholders, or partners who are citizens of the United States, if such cooperative, corporation, partnership, or joint operation is engaged primarily in farming or ranching. In the case of a joint operation, a majority interest must be held by individuals who are related by blood or marriage, as defined by the Secretary.

(2) The term "Governor" means the chief executive of any State.

(3) The term "livestock" means cattle, sheep, goats, swine, poultry, horses, or mules.

(4) The term "Secretary" means the Secretary of Agriculture.

(5) The term "State" means any State of the United States, the Commonwealth of Puerto Rico, the Virgin Islands, or Guam.

SEC. 9. PENALTIES.

(a) CIVIL PENALTY.—Any farmer or rancher who disposes of any feed made available to such farmer or rancher under this Act other than as authorized by the Secretary shall be subject to a civil penalty equal to the market value of the feed involved, to be recovered by the Secretary in a civil suit brought for that purpose.

(b) CRIMINAL PENALTY.—Any farmer or rancher who disposes of any feed made available to such farmer or rancher under this Act other than as authorized by the Secretary shall be subject to a fine of not more than $10,000, or imprisonment for not more than one year, or both.

SEC. 10. REPEALER.

Section 1105 of the Agricultural Act of 1977 is repealed.

INTRODUCTION OF HOUSE RESOLUTIONS IN OPPOSITION TO ADMINISTRATION BUDGET PROPOSALS ON REA AND FEDERAL POWER AGENCIES

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. DASCHLE. Mr. Speaker, today it gives me great pleasure to introduce with my colleague from Kansas, Congressman BOB WHITTAKER, two resolutions which express the House of Representatives' opposition to the administration's proposals to phase down and sell off the Rural Electrification Administration and to "privatize" five Federal power agencies—Bonneville, Western Area, Southwestern, Southeastern, and Alaska.

The administration is renewing its all-out attack on the rural electrification and Federal power marketing programs. The President's fiscal year 1987 budget, coupled with legislation being prepared by the administration, poses the most serious threat ever encountered by the rural electric and public power systems in the Nation.

REA: Last year, Senators DOLE, DOMENICI, and ABDNOR announced an agreement with the Office of Management and Budget (OMB). This agreement provided that the Rural Electrification Administration (REA) would not be phased out and that restrictive lending criteria and increased interest rates would not be imposed on REA loans. Despite that commitment only 10 months ago, the administration's fiscal year 1987 budget proposes to eliminate all REA lending programs by 1990, to reduce fiscal year 1987 REA loans by 40 percent and REA guarantees by 72 percent, to increase the REA interest rates to above the Government's cost of money, to add user fees to all new loans, to prohibit REA loans for new transmission and generation, to sell off the assets of REA's revolving fund and to rescind the $100 million reimbursement already provided to the REA revolving fund during fiscal year 1986. These draconian proposals leave no doubt that the administration's pledge to Senators DOLE, DOMENICI, and ABDNOR has been ignored.

Federal Power Agencies: The Reagan administration is proposing to sell the five power marketing administrations to private parties. These agencies—Bonneville, Western, Southwestern, Southeastern, and Alaska—sell power from Federal dams at cost to nearly 1,100 public power systems and cooperatives in 34 States which serve some 60 million customers. A sale of the Federal power agencies would constitute a lucrative giveaway to private investors and a terrible penalty to rural and public power consumers.

Now is not the time to penalize millions of public power and rural electric consumers by driving up utility rates by selling off the power administrations and crippling the rural electric and telephone cooperative systems.

The texts of the resolutions follow:

RESOLUTION ON REA

Whereas rural electric systems are consumer-owned utilities established to provide electric service to rural America, and most are consumer cooperatives owned and controlled by the people they serve,

Whereas rural electric systems serve about 10.5 million farms, homes, schools, churches, irrigation systems, commercial enterprises and other establishments in 2,600 of the 3,141 counties or county-type areas of the United States, as well as Puerto Rico and the Virgin Islands,

Whereas Rural Electrification Administration borrowers have helped start and expand more than 20,500 new commercial, industrial and community facility projects which have produced nearly a million new jobs,

Whereas the Administration agreed last year that the Rural Electrification Administration would not be phased out and that restrictive lending criteria and increased interest rates would not be imposed on Rural Electrification Administration loans, and

Whereas the Administration's Fiscal Year 1987 budget also proposes to reduce Fiscal Year 1987 Rural Electrification Administration loans by 40 percent and Rural Electrification Administration guarantees by 72 percent to increase the Rural Electrification Administration interest rate to above the Government's cost of money, to add user fees to all new loans, to prohibit Rural Electrification Administration loans for new transmission and generation, to sell off the assets of the Rural Electrification Administration's revolving fund, and to rescind the $100 million reimbursement already provided to the Rural Electrification Administration revolving fund during Fiscal Year 1986: Now, therefore, be it

Resolved, that the House of Representatives—

(1) opposes the elimination of the Rural Electrification Administration loan programs and restrictive lending criteria; and

(2) will work to preserve them in order that the rural electric cooperatives can adquately serve their member-consumers.

RESOLUTION ON FEDERAL POWER AGENCIES

Whereas energy generated at the 130 Federal hydroelectric facilities is purchased by more than 1,000 consumer-owned utilities in 34 states,

Whereas some 275,000 businesses and industries which employ 3 million people and contribute $240 billion per year to the nation's economy are served by these consumer-owned utilities,

Whereas 1.3 million farms in the United States are served by electric cooperatives supplied by Federal power,

Whereas all operation and maintenance costs and the Federal investment in hydropower are being systematically repaid to the United States Treasury, with interest, by Federal power customers, and power revenues also contribute significantly to the repayment of irrigation costs, salinity control and certain fish and wildlife mitigation programs,

Whereas current Federal power policies encourage diversity and competition in the electric industry by supplying local, consumer-owned utilities with power at rates that reflect the cost of production, and

Whereas the sale, transfer or other disposition of the power marketing administrations, or a change in the current repayment schedule would:

(1) threaten consumer-owned utilities and their customers with uncertainty of supply and significantly higher power rates,

(2) erode the present pattern of pluralism in the nation's electric utility systems,

(3) jeopardize the economic vitality of certain cities, states, and regions of the country by increasing electric costs for consumers,

(4) further depress economic conditions in rural areas and farm communities,

(5) renege on existing repayment agreements between the United States and Federal power users, and

(6) eliminate a reliable, long-term source of revenue for the United States Treasury: Now, therefore, be it

Resolved, that the House of Representatives—

(1) supports continued Federal ownership and operation of the power marketing agencies;

(2) opposes their sale; and

(3) supports the continuation of existing Federal power marketing policies.

HONORING THE LEAGUE OF MUTUAL TAXI OWNERS OF NEW YORK

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. ACKERMAN. Mr. Speaker, I rise today to commend and congratulate the League of Mutual Taxi Owners on the occasion of its 50th anniversary, which will be celebrated on March 22, 1986.

The American entrepreneurial spirit is alive every day in thousands of men and women who drive our Nation's taxi cabs. For the last half century in New York City, these hard-working Americans have had a friend to turn to when they needed a head start. The League of Mutual Taxi Owners [LOMTO] began as a credit union organized to help people purchase taxi medallions so that they could start their own businesses. In five decades, it has grown from a small operation to a multi-million-dollar financial institution that aids prospective drivers from every ethnic background and from all over the world. Its funding is generated solely from the retired drivers of this fine organization.

Mr. Speaker, I take great pride in informing you of the outstanding contribution the League of Mutual Taxi Owners has made to New York City and its citizens. In providing thousands of people the opportunity to obtain independent work, LOTMO has helped them truly achieve the American dream.

The League of Mutual Taxi Owners represents 5,000 independent owner/operators in New York. Four hundred of these dedicated members will proudly attend a special dinner this Saturday, March 22, 1986. I would particularly like to take this occasion to congratulate the LOTMO's fine officers, including Al Zeff, president; Marvin Gold, vice president; and Phil Pollack, manager and treasurer. The commitment of these men, the other officers, and the entire membership, has certainly made New York a better place.

Mr. Speaker, I call now on all of my colleagues in the U.S. House of Representatives to join with me in paying tribute to the League of Mutual Taxi Owners for its fine work on the occasion of its 50th anniversary.

TRIBUTE TO CARL SPINALE

HON. GENE CHAPPIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. CHAPPIE. Mr. Speaker, I would like to take this opportunity to recognize a constituent from my district, Mr. Carl Spinale, who is being honored at a special retirement ceremony on March 22 for his 35 years on the Oroville Police Force.

To the townspeople of Oroville, Carl has become a local celebrity because of his friendly manner and ability to relate to the downtrodden. He has received many awards for his community service, including Oroville's Police Officer of the Year in 1983 and Peace Officer of the Year on three occasions. Throughout his life as a merchant marine, fireman, and police officer, Carl has unselfishlessly dedicated himself to the well-being of his community and to his country. He is a man highly respected by his peers whose presence on the police force will be missed by all. I hope you will join me in congratulating Carl Spinale for his outstanding service to Oroville, and in expressing best wishes for his retirement.

UNIVERSITY OF SOUTHERN CALIFORNIA CONFERENCE OPPOSES AID TO CONTRAS

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. LEVINE of California. Mr. Speaker, we are now engaged in an important debate on aid to the Contras. All of us have heard vociferously from the American public.

I wanted to share with my colleagues a statement released by the participants of a conference, called "The United States and Central America: A Five-Year Assessment," held at the University of Southern California in Los Angeles. The statement says, in part, "The undersigned professors and specialists strongly oppose this aid and the administration's emphasis on military solutions to the crisis in Central America . . . We encourage the U.S. Government to respond to the strong desire for peace in Central America and to promote efforts toward a negotiated rather than a military solution to the conflicts in the region."

This statement makes an important contribution to the debate on this issue, and I want to include it here for the RECORD.

Thank you.

THE UNITED STATES AND CENTRAL AMERICA: A FIVE-YEAR ASSESSMENT

The President has announced that he is seeking $100 million in military and nonmilitary aid to the contras fighting the Sandinistas in Nicaragua. The undersigned professors and specialists strongly oppose this aid and the Administration's emphasis on military solutions to the crisis in Central America. We have recently participated in a conference on The United States and Central America: A Five-Year Assessment held at the University of Southern California February 20-22, 1986, which brought together participants from Central America, Mexico and the United States, and Europe. While a diversity of opinions was expressed, there was universal concern regarding the present direction and future implications of U.S. policy in Central America, both for the region and for the United States. Some of the points of general agreement were the following:

1. In both El Salvador and Nicaragua, the administration appears to be seeking a military solution, which in the context of a military impasse in El Salvador and the weakness of the contra forces in Nicaragua, as well as the unwillingness of the U.S. public and Congress to support direct military intervention, translates into a long-term policy of low-intensity warfare. Such a policy has limited visibility in the United States, but is extremely costly for the people of Central America in terms of loss of life and human suffering, as well as the destruction of economic infrastructure, aggravating conditions of poverty and making more difficult the eventual task of economic reconstruction. It has also been widely recognized that neither a military victory by the Salvadoran armed forces nor the military defeat of the Sandinistas by the contras is likely, even in the long run. Military aid to the contras can only prolong the agony of the people of Nicaragua, and we strongly oppose such aid.

2. The Administration's search for a military solution has narrowed the debate and structured the agenda to exclude negotiations. The failure of the strategy of low intensity warfare to result in military victory will thus increase the likelihood of a direct U.S. invasion. The limitations of options follow in turn from a long-term assumption of U.S. policy: the need to maintain U.S. hegemony with respect to Latin America and particularly with respect to the nations of Mexico, Central America and the Caribbean, an assumption which conflicts with the principle of self-determination of nations, to which the United States subscribes.

3. The conduct of U.S. policy in Central America has been accompanied by violations of international law as well as domestic law. These violations, such as the mining of Nicaragua's harbors by the CIA, erode the legal and moral position of the United States and threaten to isolate it among the community of nations. It can also be argued that U.S. actions are undermining constitutional procedures and democratic processes within the United States itself. Examples are presidential circumvention of congressional debate through the misuse of special funding authority, the administration's failure to provide congress with adequate information regarding its actions in Central America, and similar procedures.

4. We encourage the United States Government to respond to the strong desire for peace in Central America and to promote efforts toward a negotiated rather than a military solution to the conflicts in the region. In January of this year, the eight nations of Latin America constituting the Contadora group and the Support group signed a document in Caraballeda, Venezuela calling for the resumption of bilateral talks between the United States and Nicaragua, an end to foreign aid for irregular forces and insurgent groups in Central America, and a resumption of the Contadora peace talks. Subsequently the Caraballeda document was endorsed by the five Central American countries. Genuine U.S. support for these and other efforts of Latin American countries would constitute a significant step toward peace in the region.

5. In the long run, the changing realities of Central America and of Latin America in general will require a creative rethinking of U.S. policy toward the region, one which goes beyond the narrow interpretation of options in terms of hegemony or withdrawal. Such a reassessment should by based on recognition that the legitimate security concerns of the United States are compatible with respect for the sovereignty of the Latin American nations and that the interests of the United States and the other nations of the hemisphere can be best advanced through mutual understanding and cooperation rather than through a policy of confrontation.

This document has been endorsed by the following:

William Bollinger, Director, Interamerican Research Center, Los Angeles.
E. Bradford Burns, History, University of California, Los Angeles.
Michael Conroy, Economics, University of Texas, Austin.
Norma Chinchilla, Sociology and Women's Studies, California State University, Long Beach.
Margaret Crahan, Luce Professor, Occidental College, Los Angeles.
Paul Espinosa, Director, Office of Hispanic Affairs, KPBS-TV, San Diego.
Nora Hamilton, Polticial Science, University of Southern California, Los Angeles.
Timothy Harding, Latin American Studies, California State University, Los Angeles.
Milton Jamail, Political Science and Economics, Texas Lutheran College, Sequin.
Jane Jaquette, Political Science, Occidental College, Los Angeles.
Kenneth Sharpe, Political Science, Swarthmore College, Swarthmore, Pennsylvania.

NATIONAL AGRICULTURE DAY

HON. JIM CHAPMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. CHAPMAN. Mr. Speaker, in light of the difficult times that our Nation's farmers are facing, I think it is more than appropriate that I join my colleagues in recognizing the importance of the American agriculture industry to the survival of our Nation.

Most Americans think of themselves as living in an urban society and holding city jobs. We don't often equate the terms "farmer and agriculture" with businessman and industry. Instead these terms conjure up pictures of smiling pioneers tilling the soil and merrily milking cows. But the fact is agriculture is this country's largest industry and its largest employer. It is our most productive industry and it is the cornerstone on which the national economy rests. Without a doubt, agriculture is the key to this Nation's survival—as well as that of many other countries.

Every time we sit down to break bread with our loved ones, or meet our friends and neighbors for coffee; everytime we put a shirt on our backs and slip our tired feet into a comfortable pair of shoes; everytime we open a favorite book to read to our children, we are sharing in the wealth of this important and productive industry. Agriculture touches nearly every element of our lives and it produces the one essential of life that we cannot live without.

Given this very basic fact, I believe that all Americans would be well served if they were given a clearer understanding of the role that agriculture plays in their lives and the many direct and indirect ways it affects their well-being. Today, March 20, has been chosen as the day that we as a nation can join together to learn more about this vital industry. Celebrations and seminars are being held in hundreds of communities across the Nation; from Oregon to New York; from North Dakota to Louisiana. These festivities and educational programs are aimed at sharing knowledge about the many facets of agriculture production and at honoring the millions of men and women who have contributed so much to this great Nation of ours.

Mr. Speaker, National Agriculture Day may be just a small step toward promoting better understanding between our rural and urban communities. But with this understanding can come the compassion and support to help each other through tough economic times. America's farmers need our support now. Farmers are the heart of America.

INTRODUCTION OF THE EVEN START—EFFECTIVE SCHOOLS ACT

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. GOODLING. Mr. Speaker, I am pleased to join with my colleague on the Education and Labor Committee, Chairman HAWKINS, in introducing the Even Start—Effective Schools Act. This bipartisan package contains two programs that hold great promise for educational improvement.

The last few years have been difficult ones for me. As a member of the Education and Labor Committee I am aware of the serious problems of illiteracy, school dropouts, and other educational failings which threaten the strength of our Nation. As a member of the Budget Committee I am also aware of the need to restrain Federal spending in all areas so as to reduce the deficit. The educational problems of the Nation are not going to wait for a balanced budget, so we must try to do more with the funds already available.

I would like to take this opportunity to describe this piece of legislation which I originally proposed as H.R. 2535, the Even Start Act. A recent study by the Department of Education, "What Works," stated that it is critical for parents to engage in reading activities with their children. However, this advice is just another reminder of failure to the millions of parents who cannot read. The Even Start Program would directly attack this cycle of illiteracy by bringing parents and children together to learn.

The goal of the Even Start Act is to help parents learn basic literacy skills while at the same time assisting them to become partners in the early education of their children. More specifically, adult basic education would cooperate with chapter 1 remedial education programs and Head Start to develop innovative approaches to working with adults and children. The first goal of the program would be the training of adults in basic literacy skills. Once this goal was attained, instruction involving the parent working directly with the child would take place. To participate in this program adults would have to be eligible for participation in an ABE Program and have a child aged 3 to 7.

This bill does not propose a specific structure for how these services would be delivered. Instead applicants are encouraged to design innovative and educationally sound proposals to attain the goals specified in the act. Proposals would be chosen on a competitive basis by a review panel appointed by the Secretary representing both rural and urban settings.

The value of a small program such as this is its ability to demonstrate new ways of achieving successful results. The evaluation and dissemination requirements in the bill ensure that we will know what was done, with what effects, and then be able to share this knowledge through established dissemination mechanisms.

Head Start, chapter 1 and ABE have all been successful programs in their own right. The Even Start Program attempts to build from their efforts to make even greater gains in the education of both adults and their children.

Both the even start and effective schools programs would be funded by already existing authorizations; $2 million from chapter 2 and $1 million from adult education would support even start demonstration projects. This is certainly not going to solve the illiteracy problem but it is a start and moves the field into an area with enormous potential. It is my hope that as the economy improves we will be able to build a national program on the success of these models.

CONGRESSIONAL BAY OF PIGS

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. DORNAN of California. Mr. Speaker, I rise today with a dual purpose. First, I feel that it is necessary to warn my colleagues in this great body of the importance of Thursday's vote on the President's request for aid to the Contras. The fate of the House Joint Resolution 540 is truly in the hands of those Members who are undecided about how to deal with the Sandinistas. To those Members I would like to point out that we are dealing with Communists, who view negotiations solely as another option to be used to their advantage. This is exactly why negotiations without military pressure as a backup will only lead Nicaragua further down the road to totalitarianism.

Second, I would like to remind my colleagues of a similar situation some 25 years ago in which there were serious doubts about Cuba's drift toward communism. Today's doubts about America's commitment to defending democracy in the hemisphere are a direct result of America's self-doubts and the resultant abandonment of 1,500 Cuban patriots.

Voting down aid to Nicaragua's freedom fighters now will be unequivocably a "Congressional Bay of Pigs" for which Congressmen must be held accountable.

Mr. Speaker, I submit for the RECORD, "Nicaragua—The Lessons of History," an article by Phil Nicolaides. His article is a well-articulated approach from a historical perspective about the importance of passing the President's request for aid to the Contras:

NICARAGUA—THE LESSONS OF HISTORY

(By Phil Nicolaides)

BAY OF PIGS REPRISE

If the United States now pulls the plug on the Contras it will be a repeat of the Bay of Pigs—in agonizing slow motion. Twenty five years ago we turned our back on 1,500 Cuban patriots we had armed, trained, and promised to support in a bid to free their country from the scourge of communist oppression. This time we will be turning our back on some 20,000 Nicaraguans—after stringing them along for almost five years. Such a contemptible and cowardly betrayal will weigh heavily on our national conscience. But that is not all. We should not be too surprised to find that never again will any Latin people rise up against communism, putting their trust in American promises.

Liberals love to flagellate the U.S. for the shabby way we have sometimes treated our Latin neighbors in the past. Yet the worst we ever did in the much-maligned era of "gunboat diplomacy" pales by comparison to the monstrous crime they urge us to commit against the Nicaraguan people today.

LET NICARAGUA BE NICARAGUA

Five years ago we lit candles and held meetings protesting the brutal Soviet-inspired repression of Solidarity in Poland. The USIA hastily produced a television special, "Let Poland Be Poland," deploring the situation. We imposed a few economic sanctions. There was not much more we could do, everybody seemed to agree. Poland, after all, was a key member of the Warsaw Pact, thousands of miles away, and clearly in the Soviet sphere of influence. Thousands of Soviet troops were already stationed on Polish soil and tens of thousands were poised on its Eastern border.

But Nicaragua is in our "sphere of influence"—it is right on your doorstep. A large, highly-motivated guerrilla force has been fighting the communist regime there for several years. As in Poland, the church is a rallying point for massive popular opposition. This time we can do more than light candles, wear ribbons, and wring our hands. This time we are not limited to chanting "Let Nicaragua Be Nicaragua." This time we are in a position to make it happen by giving the freedom fighters—fighting our battle as well as theirs—the means to win.

If we fail to seize this golden opportunity to win a struggle so close to our borders, so vital to our own security, and so important to the cause of democracy, the message will go forth to friend and foe alike that we are neither dependable nor formidable and that all our talk of standing up for the cause of liberty is only hollow cant.

THE HIGH COST OF SELF DELUSION

Weakness and irresolution in the face of aggression, naive faith in "talks and agreements"—such behavior deepens the contempt and sharpens the appetite of predatory tyrants. Just before Hitler moved into Czechoslovakia's Sudetenland, Czech President Edward Benes went on the radio: "I firmly believe," he said, "that nothing other than moral force, good will, and mutual trust will be needed" to resolve the disputed issues with Hitler's Reich. American correspondent William L. Shirer, appalled at this naivete, wanted to warn Benes that he was "dealing with gangsters." Britain's Neville Chamberlain was equally gullible: "I got the impression," he wrote his sister, "that here was a man [Hitler] that could be relied upon when he had given his word."

President Roosevelt, grumbled to Ickes that Chamberlain's policies amounted to "peace at any price" and predicted the British and French would abandon the Czechs and then try to "wash the blood from their Judas Iscariot hands." I guess that remark—suggesting that a politician's motives might be less than pure and his character less than courageous—would qualify FDR as a "McCarthyite" before his time.

The British and French leaders who dealt with Hitler were sure they had impressed him with their reasonableness and moderation. Chamberlain even fancied he had created a climate of "confidence." In fact, Hitler had learned something very different: "He had discovered," as John Toland puts it, "how far a resolute man, unafraid of using force, could go against adversaries terrified of another world war."

Western concessions far from slaking Hitler's ambitions, encouraged him to take the greater risks which inevitably led to war. For many of our Democratic congressmen the bugaboo is "another Vietnam." But if they now fail to take the modest and timely action needed to dislodge the Nicaraguan beachhead of the Soviet Empire before it has been fully hardened, they will simply embolden the Kremlin to take greater risks to destabilize all the lands south of the Rio Grande.

At some time during that very dangerous and chaotic period, American troops would become involved. But it would not be "another vietnam." It would be the Last Battle for America.

POINT PLEASANT BEACH CELEBRATES 100TH BIRTHDAY

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. HOWARD. Mr. Speaker, this year the 12th of June is especially significant for about 5,000 of my constituents who call Point Pleasant Beach their home. Residents of this beautiful ocean side community will pause for a special birthday celebration. It was on this date, 100 years ago, that the New Jersey legislature incorporated Point Pleasant Beach Borough.

When Ocean County broke away from Monmouth County in 1850, seven townships were formed, including Brick Township. Early communities in Brick Township included Bricksburg, now Lakewood, Burrsville, now Laurelton, and Point Pleasant. Growth in the Point Pleasant community led to the legislature incorporating the Borough of Point Pleasant Beach in 1882. Also in that year, the borough's first newspaper, the Beacon, was published. Following the incorporation of Point Pleasant Beach and over the next 40 years, Lakewood, Bay Head, Point Pleasant, and Mantoloking all broke away from Brick and became incorporated.

The arrival of the New York and Long Branch railroad in 1899 sparked development in the Point Pleasant Beach area. By the turn of the century and with the completion of the railroad, the community found itself providing needed relief for vacation travelers who found solace at sandy beaches and by a beautiful ocean.

Today, Point Pleasant Beach still welcomes vacation-bound visitors. Hotel, motel, cottage, or guest house accomodations all await sportsmen ready to take advantage of excellent fishing or recreational boating activities. One only needs to sample seafood at one of the dockside restaurants, stroll the boardwalk or be treated to the warm hospitality of borough residents to realize why millions have enjoyed a visit to the Jersey Shore.

Mr. Speaker, the people of Point Pleasant Beach can be proud of the fine community they and their ancestors have built. I know that I am proud to represent in Congress this beautiful ocean side community.

CITY OF GLASGOW, MO, CELEBRATES 150TH ANNIVERSARY

HON. E. THOMAS COLEMAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. COLEMAN of Missouri. Mr. Speaker, this year the city of Glasgow, MO, celebrates its 150th anniversary. I have the honor of representing Glasgow in Congress and it is a pleasure to recognize this graceful town with many historic sites and its friendly people. Glasgow was established in 1836 by a group of businessmen who believed that its location on the Missouri River assured its future as a thriving metropolis. Glasgow suffered a severe bombardment and other disruptions during the Civil War and later experienced a decline in the river traffic which once crowded its wharfs with bales of hemp and barrels of tobacco and apples. Glasgow today serves the needs of the surrounding area. While it did not become the major city envisioned by its founders, it is a small but thriving community which preserves an amazing range of historically significant architecture. Although its citizens enjoy the 20th century conveniences enjoyed by all Americans, they also take justifiable pride in their 19th century homes, churches, and libraries. They have worked hard to preserve their town and those of us who have experienced its architectural delights are grateful to them. The town of Glasgow and its residents richly deserve our congratulations as they celebrate their sesquicennential and I commend them to my colleagues here in Congress.

THE 25TH ANNIVERSARY OF THE RETIREMENT HOUSING FOUNDATION

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. ROYBAL. Mr. Speaker, I recently had the privilege of attending the 25th anniversary celebration of the Retirement Housing Foundation—a California-based organization dedicated to meeting the housing needs of senior citizens.

I was very impressed by the work of this remarkable organization and believe their suc-

cess can serve as a model for other organizations throughout the Nation.

Over the past 25 years, the foundation has provided dignity and comfort to the elderly. With dedication, aggressive work, and tireless energy, the founders of the Retirement Housing Foundation have grown, since 1961 from an organization with a mere $7,000 in property holdings to a major provider of elderly housing, health care, nutrition, and support services with more than 50 facilities located in 13 States. But the most impressive thing about the foundation is not its size—or even the range of quality services it provides. The Retirement Housing Foundation is worthy of such special notice because, as they have housed and served the elderly, they have nurtured dignity and independence. They have remained true to and deepened their commitment to enrich the lives of senior citizens.

While we are all concerned with meeting the growing need of caring for an aging population, the Retirement Housing Foundation is busy building solutions.

I sincerely hope their next quarter century is as successful as their first and that their standard for improving the quality of life for the elderly is widely emulated.

TO JUSTIFY $100 MILLION IN CONTRA AID IS DIFFICULT

HON. JIM ROSS LIGHTFOOT

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. LIGHTFOOT. Mr. Speaker, today I intend to vote against the President's request for $100 million in aid to the Nicaraguan Contras, and I want to take a moment to explain to my colleagues my reason for doing so. Last year Congress approved the President's request for $27 million in humanitarian aid to the Contrcs. I supported that request, as did a majority of my colleagues, because I believe the Communist threat In Central America is real and that for our sake and for the sake of the Nicaraguan people we should take action to stop it. Since our approval of that aid to the Contras last year, the Sandinista government has continued its efforts to export its revolution to neighboring countries and has strengthened its ties to Cuba and the Soviet Union, whose ultimate goal is and always has been world domination. Meanwhile, the suppression of human rights continues, and the Sandinista government has consistently walked out on negotiations with the Contadora nations or refused to agree to reasonable proposals aimed at restoring peace and self-determination to Central America.

However, in Iowa we have our own group of Contras who are fighting for something they consider almost as valuable as freedom—and that is their rural American way of life. With a few exceptions, I've returned to my district every weekend since I was elected, and while I'm there I listen to a lot of very troubled people whose numbers continue to grow. I listen to the businessman on Main Street who is closing the store that his father and grandfather ran before him because the town is drying up. I listen to the struggling farmer who thought he saw some light in the end of the tunnel with the passage of the 1985 farm bill, only to find that the administration will interpret that bill in a way most detrimental to him. And I listen to the student who will keep bagging groceries this year because he decided that farming doesn't hold a bright future for him and he can't get a student loan to go on to college. I listen to all of these people, and all I can tell them is that things will get better because we're working in Congress to reduce the Federal deficit. I firmly believe that deficit reduction is the key to creating an economy in which these people will have a fair opportunity at making it on their own, and I can say that while looking them straight in the eye because I've strongly supported efforts to reduce the deficit.

However, Mr. Speaker, I cannot look my constituents in the eye and say that, despite the urgent need to reduce the deficit, I'm going to support sending $100 million to Central America anyway. I cannot look my constituents in the eye and say I'm sorry you're a legitimate borrower and can't get a loan from the Farmers Home Administration, but the Contras need money too. I cannot look my farmers in the eye and say I'm sorry the Commodity Credit Corporation is broke, but we still have to give the Contras $100 million. And I cannot look my constituents in the eye and say I'm sorry that economic conditions are so bad that I have to organize a districtwide food drive to feed the hungry, and then get on the plane back to Washington to vote $100 million for the Contras.

Mr. Speaker, the economic situation in the farm belt is very desperate, and I simply cannot justify $100 million, a fourfold increase, in aid to the Nicaraguan Contras at this time.

OPPOSING AID TO THE CONTRAS

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Ms. MIKULSKI. Mr. Speaker, today the House will vote on the administration's request for $100 million in aid to the Contras in Nicaragua. I will be voting "No" on this request.

I want us to find diplomatic solutions to the problems in Nicaragua—I don't want to send either men or money.

Much has been written on the President's request for aid to the Contras. One of the most thoughtful statements I've read recently was issued by a group of Maryland religious leaders including: the Most Rev. William D. Borders, Archbishop of Baltimore; the Rt. Rev. A. Theodore Eastman, Bishop of Maryland; Bishop Joseph H. Yeakel, United Methodist Church; the Rev. Herbert D. Valentine, executive presbyter of the Presbyterian Church (U.S.A.), and the Rev. Douglas Miles, president, Interdenominational Ministerial Alliance.

The issues they raise, the points they make, are right on target. I know my colleagues in the House will benefit from reading them, just as I have benefitted and continue to benefit from their wise counsel.

[From the Baltimore Sun, Mar. 19, 1986]

AGAINST CONTRA AID

(The following statement, released today, is signed by the Major Christian Judicatories, including the Most Rev. William D. Borders, Archbishop of Baltimore; the Right Rev. A. Theodore Eastman, Bishop of Maryland; Bishop Joseph H. Yeakel, United Methodist Church; the Rev. Herbert D. Valentine, Executive Presbyter of the Presbyterian Church (U.S.A.), and the Rev. Douglas Miles, president, Interdenominational Ministerial Alliance.)

As heads of many of the Christian Churches of Maryland, we find it necessary to speak out today to express our opposition to the Reagan administration's attempt to seek $100 million in aid for the United States-backed counter-revolutionary forces (known as contras) who are seeking to overthrow the government of Nicaragua. In our opposition, we stand in solidarity with the United States Catholic conference, the General Convention of the Episcopal Church, virtually every main-line Protestant denomination, and many Jewish organizations, which have appealed to the administration and the Congress to stop funding the contras.

We speak as pastors and religious leaders, who seek to bring a moral perspective to the issues involved in this question, and not just a purely pragmatic or national one. The formulation of foreign policy must involve a clear and constant assessment of our moral responsibilities as a nation and a people, and our government's policies must never be exempted from moral scrutiny. Our fear is that our government has decided upon a military solution to the problems in its relationship with Nicaragua and the wider Central American region. Our conviction is that the militarization of our relationship to Nicaragua and the other Central American nations will only result in an increased loss of life, and an exacerbation of the domestic problems of poverty and injustice which are at the heart of the turmoil in that region. Furthermore, we must seriously challenge the morality and the legality of our government's attempt to overthrow militarily another government with which we are not at war, and with which we have diplomatic trade relations. Such action can only serve to undermine the moral standing of the United States in the international community.

In 1985, the United States Catholic Conference stated its position that:

"The first requisite of a political and diplomatic solution is the recognition that a military solution is neither possible nor desirable. To pursue a military solution, even while proclaiming the goals of political settlements, is to fail the test of political realism and moral action."

Yet the continued militarization of our strategies and goals in Central America reflects the decisions of both the Soviet Union and the United States to make of that region a focal point of indirect superpower confrontation. Because of the interventionist policies of the United States, the Soviet Union and its ally Cuba, the fundamental human needs of the region for social and economic development are made subordinate to the geopolitical strategies of the superpowers.

Consequently, a very narrow political-military notion of security has come to dominate the relationship of the United States to the nations of Central America, as with developing nations in other parts of the

world. This is reflected in the increasing militarization of our bilateral aid programs. From 1981 to 1984 congressional appropriations for security increased by two thirds, while development assistance programs remained almost unchanged. This militarization of United States relations to the developing nations of Central America, along with the often destabilizing economic practices of American corporate interests in these nations, has only helped to create and exacerbate the conditions of social turmoil and violence that continually perpetuate warfare and strife in that region. We believe that the administration's proposed aid to the contras can only add to these destructive developments.

Thus, we believe that the question of aid to the contra forces raises fundamental questions about the nature of our relationship to the developing nations of Central America, as elsewhere. It raises questions about our national values and priorities in subordinating the rights of other peoples to full and free human and national development to our larger economic and geopolitical strategies. We believe there is an intimate connection between the national attitudes and priorities which have caused us to militarize our relationships to the poor nations of Central America and the attitudes and priorities that have led to our subordination of the needs of our domestic poor to an ever-increasing military build-up.

In 1985 the General Convention of the Episcopal Church called upon the United States and all governments to cease aid to the contras, cease embargoes against Nicaragua, affirm and respect national sovereignty and self-determination in Nicaragua, and seek a negotiated settlement based on the points of the Contadora group.

We join with the near-unanimous sentiment of the nations of Latin America in urging a regional approach to a negotiated settlement to the problems of Central America. Last month eight of those nations (Argentina, Brazil, Colombia, Mexico, Panama, Peru, Uruguay and Venezuela) made the extraordinary move of sending their foreign ministers to meet with the Secretary of State Shultz to urge the United States to stop aid to the contras, reestablish bilateral negotiations with Nicaragua (which the United States broke off), and support the diplomatic peace initiative known as the Contadora process. Endorsed by all five Central American countries and by the European Economic Community and Japan, the Contadora process calls for a Latin American solution to Latin American problems so that the region may not be hostage to the East-West conflict. This solution must be based upon the principles of self-determination, which means that each Latin American country must be free to choose its own form of government. Implementing this solution would require commitments by all sides to:

Stop supporting guerrilla armies;

Freeze the region's military build-up;

Suspend international military maneuvers;

Progressively reduce foreign military advisers and bases until they are eliminated;

Support human rights and individual freedoms.

It is clear to us that the Administration's rejecton of the Contadora proposal effectively sabotages the entire process. We therefore urge:

1. Rejection by the Congress of all Administration requests for aid to the contras, whether military or so-called "humanitarian";

2. Genuine support, through deeds as well as words, by the Administration for the Contadora process. Such support should begin by resumption of bilateral negotiations between Nicaragua and the United States;

3. Prayerful reflection and action by all citizens, particularly those in our religious communities and congregations, to promote a deeper union and reconciliation between the peoples of the United States and those of Latin America.

THE SELF-EMPLOYMENT OPPORTUNITY ACT

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. WYDEN. Mr. Speaker, earlier this week, the Ways and Means Subcommittee on Public Assistance and Unemployment Compensation held a hearing on how our unemployment insurance system might be changed to provide additional assistance to dislocated workers in this country. One of the specific legislative initiatives discussed was H.R. 1690, the Self-Employment Opportunity Act, which I introduced last year along with our colleagues, RICHARD GEPHARDT and CHARLES SCHUMER. This bill would authorize several State pilot projects where selected unemployed workers could attempt to create a new job of their own through self-employment—without forfeiting their right to unemployment benefits.

My colleague, DICK GEPHARDT, and I submitted a joint statement on the Self-Employment Opportunity Act for this hearing. We would like to have this statement printed in the RECORD at this time, and we urge all our colleagues to get behind this legislation.

JOINT STATEMENT—CONGRESSMEN RON WYDEN AND DICK GEPHARDT

Mr. Chairman, we want to commend you for scheduling this hearing today to discuss new ways to help solve one of the most wrenching social and economic problems of or time: the plight of dislocated workers. Such workers, many skilled, highly motivated and highly steeped in the American work ethic, have permanently lost their jobs due to the major structural changes our economy is now experiencing. From the steel mills of Pennsylvania to the coal mines of West Virginia, the textile plants of North Carolina, the assembly lines of Michigan and sawmills of Oregon, millions of working men and women are struggling to put their lives back together and regain their rightful status as productive members of our society.

We believe that the federal government can and should be doing more to assist dislocated workers. And we further believe that, if we look at existing federal assistance programs—like unemployment insurance—in a slightly different light, real assistance can be provided without major new appropriations, without adding to the deficit, without threatening the sanctity and primary purpose of these programs and without adding to the tax burden of employers or the general public.

Mr. Chairman, HR 1690, in a sense, does not fit within the announced subject of this hearing today, which is "alternative uses of unemployment compensation trust funds to assist dislocated workers." We are not talking about the trust fund's money. We're talking about an individual worker's money—earned benefits. Why should qualified and motivated workers have the eligibility revoked and those earned benefits taken away simply because they realize that their old jobs are gone forever and they want to try to create a job of their own? That is the bottom line question that HR 1690 seeks to answer. And the answer is that they should not.

For individuals selected by participating states for the self employment option, HR 1690 would remove the restrictions in current law—primarily "work search requirements"—that now prevent dislocated workers from attempting to start a business of their own without losing their eligibility for unemployment benefits. That, in the simplest and most concise sense, is what HR 1690 is all about. No more and no less.

The Self Employment Opportunity Act is an example of how Congress can—on an experimental, demonstration-project basis—find out, not if unemployment insurance trust funds should be used for alternative purposes, but if designated individual dislocated workers can use their own, earned unemployment benefits in a new way. It would give qualified workers whose jobs have disappeared forever a new option—the opportunity to create a job of their own.

We are not offering this proposal as a panacea for the problem of unemployment. Nor are we guaranteeing that it will work. We fervently, believe, however, that it is worth trying.

These pilot projects would be limited in three ways. First, the Department of Labor is directed to accept pilot project applications from at least five but no more than ten states. Second, in those states selected, no more than 5 per cent of the eligible unemployment compensation beneficiaries would be allowed to participate. And third, the demonstration projects would terminate in three years, to be followed by an evaluation of the results by the Labor Department.

The Labor Department is instructed to choose the most innovative and workable state pilot projects, and supplemental state assistance, if available, would obviously be welcome. Selected states would have to set up a screening process to evaluate individual small business proposals and would be encouraged to utilize existing or new small business management and technical support services to help these workers get started.

To encourage innovation and allow each state to most efficiently match individual needs and resources, we have drafted this proposal in a way that would give participating states the maximum amount of flexibility in setting up pilot projects. As presently written, this flexibility would extend to the method of paying unemployment benefits—including the possibility of a lump sum payment that could be used as seed money to leverage additional start-up capital. In the vast majority of cases, however, we expect that selected states would continue to pay benefits on a weekly basis, just as if these workers were not involved in self employment initiatives. Unemployment benefits could be used for food and shelter expenses while other resources—savings, loans from family members or friends, a working spouse's income—could be pooled to meet the start up costs of the business.

We would like to make it very clear that, if the Subcommittee feels that payment methods other than the normal weekly benefit check procedure should not be al-

lowed—either to avoid any possibility of a windfall or misuse of benefits, or to ensure that the primary income maintenance purpose of the program is maintained for the protection of the participating workers—we would have absolutely no objection.

While federal efforts to come to the aid of dislocated workers should extend beyond the unemployment insurance program, we share the concerns voiced by many experts in this area about expanding the purposes of the trust fund itself beyond the primary purpose of income maintenance. Under our proposal, the trust fund would not be jeopardized because we are talking about benefits that have been earned by and are payable to individual unemployed workers. And no one would receive more under the self employment option than they would be eligible to receive under the standard program. In virtually all cases, dislocated workers exhaust their eligibility for unemployment benefits. As you noted in announcing this hearing, Mr. Chairman, dislocated workers are those "who are going to have to change careers and whose spell of unemployment can be expected to last a lot longer than the six months in which they can get unemployment benefits."

In addition, the states, as managers of the trust fund, will have sufficient incentive to make sure dislocated workers are properly identified and the fund is not used incorrectly. As a result of all these factors, the "experience rating" and tax burden of employers will not be affected by the self employment demonstration projects. Again, this program is intended to assist individual dislocated workers who are already eligible to draw unemployment benefits. There is no reason to fear that it would jeopardize the trust fund, employees rights or employers rights in any fashion.

This proposal is modeled after successful programs underway in Great Britain and France that have enabled hundreds of thousands of people to become self employed in the past six years. An encouragingly high percentage of these businesses are still operating after the first three years. One third of all new businesses in France in 1984 were started by unemployed workers.

While there are differences in government support mechanisms between the U.S. and these European nations, these results are encouraging—and sufficiently compelling to justify a similar, experimental program in this country. We are convinced that there are thousands of people in the unemployment lines today with the necessary skills and ingenuity to become self employed. And we need to broaden our perspective on who can successfully start a small business. Not all entrepreneurs are necessarily Harvard MBAs or computer science wizards.

Although the economy continues to grow, many parts of the country—and millions of Americans—are not enjoying the fruits of economic recovery. The unemployment rate crept back up over the 7 per cent mark again last month. The economy is simply not creating enough jobs for all who want to work. If we cannot offer a decent job at a decent wage for everyone who wants one, the least we can do is not penalize those who have the ability and the desire to create their own. Our income maintenance system needs to offer the widest possible number of options to allow workers who will never be able to go back to their old jobs the opportunity to use their individual talents and ability to get back on their feet.

The Self Employment Opportunity Act represents, on a limited, experimental basis, a fundamental but warranted departure from our traditional view of individual unemployment benefits, not the unemployment trust fund itself. HR 1690 would not in any way use trust fund money for any new program or new purpose. It would merely redefine what selected individual recipients can or cannot do and still remain eligible for unemployment benefits to which they are otherwise clearly entitled. Thank you.

CLIFTON LADY LIONS WIN GIRLS' BASKETBALL STATE CHAMPIONSHIP

HON. DON SUNDQUIST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. SUNDQUIST. Mr. Speaker, it is with great pride that I bring to the attention of the Congress this news from the 7th District of Tennessee. On Saturday, March 15, 1986, the High School Girls' Basketball State Championship was played between two very outstanding opponents. When the Lady Lions of Clifton Frank Hughes School took to the hardwood for the championship contest, they were ranked fifth in the State. On the road to the title game, they had defeated three teams who had enjoyed a higher ranking. In the final game, the Clifton Lady Lions again found themselves as the underdog facing a powerful Greenback squad. In spite of this, under the skillful guidance of Coach Hal Clark, the Lady Lions were not to be denied. When the final buzzer sounded, the Clifton team had won in dramatic fashion by a score of 63–62 and had improved their season record to 35 wins and only 3 losses. To win a State athletic championship is a grand accomplishment and a distinction which can never be taken away. Throughout their lives these young women will reflect on this experience with fond memories and personal satisfaction. Coach Clark and his team are a credit to the youth of our State and are deserving of the highest praise. They are winners, and I salute them and their families.

CONGRESSIONAL SALUTE TO RALPH E. CRAWFORD

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. MATSUI. Mr. Speaker, I would like to call the attention of the U.S. House of Representatives a man who has served the Sacramento area with diligence and success. On Saturday, March 15, 1986, a retirement dinner in honor of Arcade Fire Chief Ralph E. Crawford will be held.

At only 45 years of age, Chief Crawford has a multitude of impressive accomplishments to his credit. His service record is exemplary of his continuous loyalty and devotion to his community as well as to the U.S. armed services.

After serving 4 years in the U.S. Air Force, Chief Crawford gave 20 years of dedicated service to the Arcade Fire Department including 5 years as fire chief. Chief Crawford's involvement does not stop there. He is currently on the board of directors for the California Fire Chiefs Association, where he holds the position of general manager. During its 1985 term, Chief Crawford served as president of the Fire Districts Association of California and was past president of the Fire Districts Insurance Group of Sacramento. In addition to his many accomplishments with the fire department, Chief Crawford holds the rank of lieutenant colonel in the California State Military Reserve and is a member on the Sacramento Juvenile Substance Abuse and Delinquency Commission.

Mr. Speaker, Ralph E. Crawford has demonstrated an ongoing commitment to excellence and hard work. On behalf of the people of Sacramento, I commend and thank Chief Crawford for his outstanding service to our community.

LEGAL QUESTIONS RAISED OVER WESTLANDS SETTLEMENT

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. MILLER of California. Mr. Speaker, on March 13 and 18, 1986, the Subcommittee on Water and Power Resources held oversight hearings on a proposed settlement in the case of *Westlands Water District* v. *United States* (CV–F–81–245–EDP).

The Westlands Water District, located near Fresno, CA, receives irrigation water from the San Luis Unit of the Central Valley Project. Westlands filed suit against the United States in 1981 after then Secretary Watt threatened to cutoff water supplies to the district because they did not have a long-term water service contract. For the past 4 years, parties to the litigation have been attempting to negotiate a permanent settlement.

Last summer, Government negotiators submitted a proposed settlement in this case to the Department for review and approval. After becoming aware of the contents of the proposed settlement, I sought legislation to gain disclosure of the proposed stipulated agreement and associated materials.

The Congress passed this legislation in December, prohibiting the Secretary from signing any settlement agreement until first, April 15, 1986 or second, until the Congress had reviewed the agreement for at least 30 days, Public Law 99–190.

The subcommittee's oversight hearings were convened to discuss the implications of the proposed settlement.

Mr. Speaker, our hearings uncovered some very disturbing facts. The hearings clearly revealed that the proposed agreement contains provisions which violate existing Federal reclamation law. Other provisions violate the spirit of the law. In every case where the negotiators were faced with a judgment call, they appear to have decided in favor of Westlands. These conclusions are supported by comments contained in internal Interior and Justice Department memoranda.

Mr. Speaker, I would like to summarize for my colleagues the major conclusions reached as a result of our hearings.

VIOLATIONS OF LAW

First. No repayment contract for distribution and drains: The San Luis Unit authorizing act required distribution systems and drains to be repaid within 40 years of being placed in service. The Department only has secured repayment contracts for $157 million of the $248 million appropriated to date. As one internal memo notes, the proposed settlement "violates all relevant contract provisions of reclamation law and 60 years of established procedures" on this issue. The specific statutes violated are the 1926 Omnibus Adjustment Act and the 1939 Reclamation Projects Act.Z42146 larry n. hearn march 20, 1986 jacket number 71-060 A20MR8.153 folio(s) 3zb/4zb

Second. Shifting the drain to the main project features account: The proposed settlement would shift funds previously appropriated and obliged from the empty distribution and drainage account to the indexed main project features account. Not only is this shift unjustified under the 1960 law, but further, it ignores the specific rejection of such an interpretation by Congress in 1977. This shift would eliminate the necessity of Westlands to come back to Congress for authorization of drainage funds, including the cleanup of Kesterson, for many years.

Moreover, all drainage funds must be repaid in full by Westlands, whereas the main project features are repaid, in part, by power consumers. The effect of this ill-advised policy is to shift payment costs to other water and power users.

Third. No authority for drainage funding: The proposed settlement would establish a mechanism calling for Westlands to provide $5 million per year for 20 years as an "up-front" cost-sharing arrangement for payment of drainage costs. However, Westlands would not be required to sign a repayment contract for the full cost of solving drainage problems as required by the 1960 San Luis Act and the Reclamation Projects Act of 1939.

Fourth. Improvement Districts Violate Reclamation Reform Act: The proposed settlement would allow Westlands to establish "improvement districts" to sign contracts for additional water supplies. In this way, Westlands can circumvent coming under the provisions of the Reclamation Reform Act of 1982 which requires full compliance with the law whenever supplement benefits are received.

As the Justice Department review of the agreement noted, this provision is "especially patent because improvement districts are in this context nothing more than alter egos" of Westlands itself.

Fifth. Repayment contract for $31 million exempt from Reclamation Reform Act: Westlands pledged in 1977 to repay $31 million in drainage costs which have subsequently been spent. The last increment of the $31 million was appropriated in fiscal year 1985, 2 years after enactment of the Reclamation Reform Act. If Westlands now signs such a repayment contract, it would be covered by the Reclamation Reform Act which mandates coverage when any new contract is signed. The settlement provides that this contract shall not be covered by the act.

The Justice Department stated it was not "persuaded" by the arguments to support this interpretation.

Sixth. Entire settlement exempt from Reclamation Reform Act: The proposed settlement includes a provision which exempts the entire settlement from coming under the Reclamation Reform Act.

The Justice Department correctly concluded there was no basis for such a conclusion. As Justice observed "this paragraph raises one of the more troubling questions rayised by this Settlement. * * *."

Seventh. Allows water deliveries to lands outside the congressionally established service area: When Congress authorized the San Luis unit, it specifically detailed the lands which were authorized to receive Government subsidized water. The proposed settlement ignores the law and allows water deliveries, some of which are now draining selenium into Kesterson Reservoir, to receive Federally-subsidized water. This would violate, according to the Interior Department memo, the San Luis Act and the precedent in 25 other Bureau projects.

CHANGES IN POLICY

The proposed settlement would establish a series of unprecedented policies all of which would undermine the Reclamation program, or work entirely to Westlands' benefit.

First. Added repayment costs for others: The proposed settlement would defer capital repayment, at zero interest, well into the next century. It would also create O&M deficits which would have to be borne by other water users. A December 4, 1985 Interior Department memorandum states that:

> The settlement defers payment by Westlands of some $130 million in capital repayment until after 2008. That capital shortfall would be paid back, interest free, over the years 2008-2030. Under the CVP ratesetting policy proposed by the Bureau . . . *at least $50 million of this repayment would be shifted from Westlands to other water districts* * * *. (Emphasis added).

Second. Violates April 3 agreement for closure of Kesterson: The April 3, 1985 agreement calling for the phased closure of Kesterson requires Westlands to undertake and pay for all drainage work. This approach is consistent with the 1960 authorizing act. This proposed settlement, however, shifts the burden for solving the drainage problem to the Federal Government and will result in the taxpayers picking up the tab for millions of dollars in costs.

Third. Preferential status for additional water: The proposed settlement gives Westlands preferential status for 250,000 acre-feet of water for which it has no long-term water service contract. At present, the Bureau has requests for 4.1 million acre-feet of water, but it only has 1.1. million acre-feet available for contract. This agreement puts Westlands at the head of the line for this water, notwithstanding the fact that this water would be delivered to lands outside the authorized service area, as well as to some lands implicated in the selenium contamination crisis.

Fourth. Prejudice in Contra Costa case: A 1977 agreement in the case of Contra Costa versus United States enjoins the Secretary from signing any water service contract with Westlands until a supplemental EIS has been finalized. If the Secretary were to sign the stipulated agreement which is the subject of these hearings, he would be—in the words of the Justice Department—"pre-judging the outcome of the EIS process presently underway as a result of the Contra Costa litigation."

ADVANTAGES OF SETTLEMENT DISPUTED

Contrary to the testimony offered last week, internal Interior Department memos clearly point out that the costs of settlement exceed those of going to court. According to the Deputy Assistant Secretary for Policy, Budget and Administration, the present worth of revenues from settlement are $209 million. However, the revenues to be derived from winning the case are $260 million. Even the worse case scenario results in a loss of only $9 million.

Given these facts, it is difficult—if not impossible—to understand the public policy grounds on which the proposed settlement was agreed to in the first place. As one internal memo noted, the reason stated is that this will bring an end to "angry conflict" and "make friends happy—great victory to farmrs." However, it would "stir up enemies—GEORGE MILLER, METZENBAUM, et al."

It should also be noted that, far from ending the angry conflict, even the judge in this case acknowledges the dispute will continue in the courts.

CONCLUSION

Mr. Speaker, this proposed settlement will shape California's water future for decades. Equally important, it will determine the integrity of the Reclamation Reform Act of 1982.

However, this proposed settlement would result in a double standard for Westlands. While other districts throughout the West must comply with existing laws, Westlands would be exempted. The proposed settlement is rife with inconsistencies and double standards.

If the goal is to use whatever legal means exist to trigger the Reclamation Reform Act, they have failed.

Just deciding a course is legal doesn't mean it is the proper course. Questions must be asked regarding the manner in which public policy decisions are made within the Interior Department.

The internal memos we have seen which repeatedly condemn the proposed settlement are troubling, not because they were written in the first place, but because the advice and recommendations they contain have been rejected and ignored by administration officials.

Mr. Speaker, I strongly urge the Secretary to reject this settlement and go to court. This settlement clearly is not in the public interest. It would destroy the integrity of reclamation law and establish an inconsistent standard of enforcement.

PRO AMERICA ORGANIZATION RESOLUTIONS

HON. ROBERT K. DORNAN
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. DORNAN of California. Mr. Speaker, I rise today to endorse three resolutions passed by the Pro America organization. Pro America's efforts to educate the American public regarding a wide spectrum of domestic social issues and important international events, help the advancement of the conservative agenda in Congress.

Mr. Speaker, I submit for the record three resolutions: First, Expose and Oppose the National Education Association; second, Support English As the Official Language of the United States, and third, Material Help for Afghan Freedom Fighters.

EXPOSE AND OPPOSE THE NATIONAL EDUCATION ASSOCIATION

Whereas, the National Education Association (NEA), founded in 1857 for the purpose of advancing the cause of education, promoting professional excellence and gaining recognition of the importance of teachers in the educational process, was gradually influenced by the socialist-humanist "progressives," who had begun to infiltrate the teaching profession, teachers' colleges, and the text book industry; and

Whereas, this socialist-humanist progressive network shared a number of basic beliefs that would form the philosophical foundation of the new curriculum—an absolute faith in science and the theory of evolution, a belief that children could be taught very much like animals in accordance with the new behavioral psychology, a conviction that there was no place for religion in education and that traditional values were an obstacle to social progress which had to be removed; and

Whereas, the ultimate goal of these "progressives" was, through conditioning by uncoerced persuasion of the students and teachers of the public schools, to convert this Republic into a socialist state; and

Whereas, through the years the NEA has become more radical and, within the past several decades, increasingly a militant labor union (rather than a professional organization), ruthless and effective in political action, made possible by millions of dollars of compulsory union dues; and

Whereas, in that connection, the NEA works constantly for the repeal of Section 14 (b) of the Taft-Hartley Management Act in order to force more compulsory unionism on teachers; and

Whereas, they openly and arrogantly admit (NEA Oregon UniServe Bulletin, October 1981) that "The major purpose of our associations is not the education of children, it is or ought to be the extension and/or preservation of our members' rights. We earnestly care about the kids learning, but that is secondary to the other goals."; and

Whereas, the devoted members of the NEA persistently follow the advice of Dr. George S. Counts that "the teachers should deliberately reach for power and then make the most of their conquest . . . " (in his publication, "Dare the Schools Build a New Social Order?"); and

Whereas, their demands for more and more power over American education and for more and more millions of taxpayer dollars are equaled only by a greater and greater decline in quality of education and SAT scores, accompanied by heretofore unheard of increase in functional illiteracy, sexual promiscuity, teenage pregnancies, violence in schools, and suicides of young people; and

Whereas, for the NEA and the educational establishment massive functional illiteracy has proven to be the greatest financial boon in the history of public education, with millions of dollars in federal grants to the special education teachers to undo what has been done in the classroom; and

Whereas, from Pavlov's experiments in Moscow, it is known that by imposing look-say teaching techniques on an alphabetic writing system one can artificially induce dyslexia, thereby creating a learning block or reading neurosis, and this fact was known to many American educationists who were determined to continue this method; and

Whereas, among the many goals set forth in the NEA 1984-85 "Legislative Program" were the support of nuclear freeze, use of classroom courses on nuclear war for all grade levels, opposition to all tuition tax credits and use of vouchers in education (page 149), support of the Equal Rights Amendment including military service for women, support of sex education, including homosexuality, and the demand that teachers be free from censorship or legislative interference and that communication between certified personnel and students must be legally privileged, opposition to any testing of teachers, and opposition to tax indexing; and

Whereas, the protection of Pupil Rights Act or Hatch Amendment, passed by Congress in 1978, to protect children from psychiatric examinations and related activities in the schools, was ignored by the Department of Education; and

Whereas, public pressure forced the publication of regulations in 1984, with hearings (to which the NEA sent no representatives) in seven different United States cities, and these hearings revealed shocking documentation of what is going on in the schools of America in the name of education; and

Whereas, the NEA's response to the new regulations has been a vicious attack on the Hatch Amendment (with the NEA Newsletter, Dec. 3, 1984, agonizing in oversize type that "The Hatch Act could change the Way you Teach Forever"); Now, therefore, be it

Resolved, That the members of the National Association of Pro America do all in their power to expose the disastrous consequences of what has passed for education in the last several decades, expose the National Education Association as the major source of the problem, oppose further accumulation of power by the NEA, and work to promote knowledge about and enforcement of the Pupil Rights Amendment (Hatch Amendment).

Documention: The Turning of the Tides: Paul W. Shafer and John Howland Snow, pp. 9, 10, 29.

N.E.A.—Trojan Horse in American Education: Samuel L. Blumenfeld, pp. 61-2, 78, 129, 130-31, 148-49, 150-51, 152, 203, 204.

NEA: Propaganda Front of the Radical Left: Sally D. Reed, pp. 88-89.

The Phyllis Schlafly Report: "Child Abuse in the Classroom"; Sept. 1984.

The Phyllis Schlafly Report: The Radical Agenda of the NEA; Feb. 1985.

Child Abuse in the Classroom: Edited by Phyllis Schlafly, Excerpts from Official Transcript of Proceedings.

GLOBAL EDUCATION

Whereas, the ultimate goal of Global Education is to "internationalize" education on a world-wide scale, and it is being introduced (initially, as "bilingual" education in some areas) through State Legislative bills and Superintendent of Public Instruction offices; and

Whereas, the proposed curriculum spells out movement toward a socialistic form of government, and humanistic concepts of teaching values clarification where there is no right or wrong, no good or bad and, in fact, no absolutes whatsoever; and

Whereas, Global Education encourages exploration of alternative and non-traditional lifestyles and critical evaluation of long-established cultural patterns, thereby seeking to break down the time-honored American tradition and family unit through political indoctrination and cultural revolution; and

Whereas, the concept of national sovereignty and patriotism is replaced by "international citizenship" and interdependence, thereby violating current teacher obligation to teach allegiance to the United States, as a sovereign State; and

Whereas, emphasis is placed on "fear" . . . of nuclear warfare, global hunger, poverty, pollution, overpopulation and environmental destruction, and

Whereas, the program is very expensive, ultimately requiring the establishment of world-wide resource centers, libraries, training of personnel and building of extensive facilities; Now, therefore be it

Resolved, That, with the security of the United States in mind, the National Association of Pro America oppose the use of the concept of Global Education in all its forms and in every area of education including the public, private, and parochial schools of this country.

Documentation: The Global 2000 Report: 1977, Council of Environmental Quality and the Department of State.

Global Education: State of the Art: Lynda Falkenstein, Dec. 1983.

School and Citizenship in a Global Age: An Exploration of the Meaning and Significance of Global Education: Lee Anderson, 1979.

The International Dimension of Global Education: Leonard S. Kenworthy, Wash., D.C.; Association of Supervision and Curriculum Development, 1970.

MATERIAL HELP FOR AFGHAN FREEDOM FIGHTERS

Whereas, the United States Congress has passed House Concurrent Resolution 237 and Senate Concurrent Resolution 74 declaring the intention of the United States to provide material assistance to the Freedom Fighters (Mujahideen) of Afghanistan; and

Whereas, the majority of the people of Afghanistan oppose the encroachment by a totalitarian puppet regime emplaced and supported by Soviet aggression and their ongoing reign of terror and genocide against the civilian population; and

Whereas, the the Afghan Freedom Fighters singlehandedly have taken a stand against the continuing imperialism of the Soviet State, pledging their lives and sacred honor against a barbarian aggressor and for the defense of freedom worldwide; and

Whereas, the Soviet presence in Southwest Asia is destablizing to world peace and specifically threatening to Pakistan, Iran, and the Middle East oil lanes, placing Soviet planes based in Afghanistan within two

hours flying time of the Persian Gulf; Now, therefore, be it

Resolved, That the National Association of Pro America reaffirm its Resolution V, 1982, "Support Afghanistan's Freedom Fighters," that it support the aforementioned Congressional Resolutions and urge Congress to aid the defense of freedom in Afghanistan by taking all necessary steps to supply adequate weapons, food, clothing, medical aid, and other materials directly into the hands of the Afghan Freedom Fighters now and encourage international support for their courageous stand against the tyranny of international communism and its military war machine.

Documentation: Washington Inquirer: Jan. 18, 1985.

News Tribune, Tacoma, WA: Mar. 16, 1985.

Washington Post: Feb. 13, 1983.

"Free Afghanistan Report": Aug. 1982.

IN HONOR OF JIM ARMSTRONG

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. LEVINE of California. Mr. Speaker, I rise today in honor of Jim Armstrong on the occasion of his retirement as mayor of the city of Torrance, CA.

James R. Armstrong is a native Californian and veteran of service in the U.S. Navy. He continued his education at Pepperdine University and received a masters degree in education from the University of Southern California.

Jim has been a teacher with the Torrance Unified School District since 1954. He was awared the Valley Forge Teacher Medal for Excellence in 1965 and was named a Robert A. Taft Fellow in Political Science.

Mr. Armstrong was elected in 1972 to the Torrance City Council with the largest plurality ever afforded a council candidate, and was reelected in 1976. As a councilmember, he served as chairman of the Council Committee on Civil Service; chairman Legislative Liaison; chairman Public Works; member of Council Committees on Civil Service, Police, Fire, and Public Safety and Park, Recreation, and Community Development; and chairman of the Council Committee on Committees and Commissions.

Jim was elected mayor in 1978. He was reelected as mayor in 1982, receiving 90 percent of the ballots cast.

As councilmember and mayor, he represented, and continues to represent the city of Torrance in various governmental groups such as the League of California Cities, National League of Cities, Southern California Association of Governments, Independent Cities of Los Angeles County, U.S. Conference of Mayors and a graduate of the Mayors Institute of the U.S. Conference of Mayors.

As Jim steps down as mayor, it is an honor to pay tribute to him and his numerous contributions to the community. The city of Torrance has been in good hands under his leadership and he is to be applauded for a job well done. I trust my colleagues will join me in wishing Jim and Anne all the best in future endeavors.

NICARAGUAN RESISTANCE

HON. CONNIE MACK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. MACK. Mr. Speaker, in the ongoing debate on assistance which the United States should be extending to the Nicaraguan resistance, I believe we should pay close attention to the views of the Hispanic communities in Florida which have close cultural and family ties to Latin America.

Recently, the Florida Commission on Hispanic Affairs, a commission of 15 members of Hispanic civic, professional, business, labor, and community leaders throughout the State, passed a resolution supporting the President's request for military and humanitarian assistance to the Nicaraguan freedom fighters.

This resolution, which I wholeheartedly support, illustrates the desire of the Hispanic community to support freedom and democracy in their homelands. Mr. Speaker, I would like to insert at this point in the RECORD the text of the resolution of the Commission on Hispanic Affairs.

RESOLUTION

Whereas, the Florida State Commission on Hispanic Affairs (Hispanic Commission) is an official state commission established by the Legislature in 1976 to voice and represent the over one million Floridians of Hispanic origin; and,

Whereas, the Governor of the State of Florida appoints the fifteen members of the Hispanic Commission from among Hispanic civic, professional, business, labor and community leaders throughout the state; and,

Whereas, the present composition of the Hispanic Commission is representative of the principal ethnic, racial, and national origins that make up Florida's Hispanic population, including Puerto Ricans, Mexican-Americans, Cuban-Americans, Colombian-Americans and persons born in this country of Hispanic heritage; and,

Whereas, the Hispanic Commission is increasingly alarmed by the systematic violation of human rights by the Sandinista regime in Nicaragua; and,

Whereas, the Hispanic Commission is concerned with the massive flow of Soviet, Cuban, P.L.O., Libyan and Eastern-bloc personnel, arms and materiel into Nicaragua which, in the past year alone, has totalled five hundred million dollars; and,

Whereas, the Sandinista government has provided weapons, training and political support to Communist guerrillas intent in overthrowing the democratically-elected governments of Costa Rica, El Salvador, Honduras, Guatemala, Colombia and other countries in the region; and,

Whereas, the Hispanic Commision believes that the establishment of Soviet client states in Central America would result in great increases in United States military expenditures to the detriment of social programs at home and other international commitments; and

Whereas, the Hispanic Commission is concerned that the resulting destabilization in Central America would result in a mass of political refugees coming to the United States which would further strain the limited resources available for social services; and,

Whereas, the people of Nicaragua demonstrated their commitment to democracy in the struggle against the Somoza regime and today they resist communist tyranny and are willing to fight for freedom; and,

Whereas, the Nicaraguan Freedom Fighters are in need of arms and supplies to counter the massive influx of Soviet, Cuban, P.L.O., Libian and Eastern-bloc personnel and supplies; and,

Whereas, the Hispanic Commission believes that it is morally right to help people who struggle for freedom; and,

Whereas, the Hispanic Commission believes that the Sandinista regime in Nicaragua has betrayed the goals of the Nicaraguan revolution and has permitted their country to be used as a terrorist haven and a Soviet base in the Western Hemisphere; and,

Whereas, the Hispanic Commission believes that the Nicaraguan Freedom Fighters today embody the hopes and aspirations of the Nicaraguan people; and,

Whereas, the President of the United States has requested the Congress to provide funds in the amount of one hundred million dollars for military and humanitarian assistance to the Nicaraguan Freedom Fighters to help them in their struggle for freedom and democracy; and,

Whereas, the Hispanic Commission believes that rejection by the Congress of the President's request would be a catastrophic blow to the forces fighting for freedom in this hemisphere and would abandon to Communist tyranny the people of Nicaragua who have relied on American support of their cause; and,

Whereas, the Hispanic Commission believes that it is in the national interest of the United States to promote democracy in Central America; and,

Whereas, the Hispanic Commission believes that rejection by the Congress of the President's aid proposal for the Nicaraguan freedom fighters would encourage further Communist aggression in the region and would ultimately require a U.S. military response;

Therefore, be it resolved, that the Florida State Commission on Hispanic Affairs supports the President's request for one hundred million dollars in military and humanitarian assistance to the Nicaraguan Freedom Fighters and urges the members of Congress, regardless of party affiliation, to support this bill.

Furthermore, the Florida State Commission on Hispanic Affairs urges Americans of all backgrounds, especially those like the Soviet Jews, Poles, Hungarians, East Germans, Rumanians, Ukranians, Czechoslovakian, Vietnamese, Cambodians and other witnesses of Communist repression to voice their support for the President's request.

Furthermore, the Chairman of the Florida State Commission on Hispanic Affairs, Rafael A. Penalver, Jr., and all other members of the commission who may wish to join him, are hereby authorized to travel to Washington, D.C., all at their own expense, to present this resolution to the President of the United States, the Speaker of the House, the President of the Senate and all members of Congress.

(Approved and Resolved this 7th day of March, 1986 in Key West, Florida.)

RAFAEL A. PENALVER, Jr.,
Chairman.

JACK VALENTI

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. RICHARDSON. Mr. Speaker, one of the class individuals in Washington, DC is Jack Valenti, president of the Motion Picture Association of America.

He has contributed a great deal to the Nation, both as a former aide to President Lyndon Johnson, and now as a industry executive. He is always ready to help a good cause, and the public dialog is better off with people like Jack Valenti around.

I ask that Gary Arnold's article in "Politics" be inserted in the CONGRESSIONAL RECORD:

BODY POLITIC

A radiantly dapper and distinguished white-haired gentleman whose dynamically compact presence was once described by a reporter as "shorter than average but larger than life," Jack Valentine sums up his durable in two sentences. "I survived," he concedes with a fleeting grin and exaggerated shrug. "That is no small accomplishment in places like Washington and Hollywood, where the casualty rates are sometimes high."

This month Valenti will complete his 20th year as president of the Motion Picture Association of America (MPAA), a job that makes him the chief spokesman, lobbyist and trade negotiator for the film industry. He had formerly served as a special assistant and speechwriter for President Lyndon Johnson.

Valenti came to Washington in a state of shock on the afternoon of November 22, 1963. In the crisis atmosphere created by the assassination of President John F. Kennedy in Dallas, Vice President Johnson immediately drafted Valenti and others into government service. But it wasn't until June 1985 that Valenti gained notoriety, thanks to one of these peculiarly virulent attacks of righteous indignation that lend credence to charges of a "hive mentality" within the Washington press establishment.

INDISPENSABLE GAFFE

It was his unwitting offense to praise his boss and mentor at a speech delivered in Boston at the annual convention of the Advertising Federation of America. Valenti utterly failed to anticipate that terms of praise he considered merely sincere would be ridiculed as intolerably fulsome by journalistic scolds. In retrospect it might be argued that Valenti popularized the now ubiquitous and indispensable "gaffe," pursued by the press like pigs on a truffle hunt. At the time, of course, Valenti never saw 'em coming.

"I was pleased at the invitation," he recalls. "I thought of it as a very proud occasion, and pride went before my fall, but it never occurred to me that this little Boston speech would have any public repercusions. I didn't even know there was a problem until I got back to Washington the next day and George Ready, the press secretary, got on me because he was being bombarded with demands for copies of the speech. 'What on earth did you say up there?' he wanted to know.

"It was still a mystery to me, but I soon found out that the offending part had come at the end. And that was the rhetorical flourish I'd admired the most when writing and giving the speech. I thought I'd composed something really elegant." Quoting from indelible memory, Valenti recites the infamous passage.

"Once, during the deadly days of the Nazi terror, when a desperate France had been overrun and the heel of the Nazi was on the neck of the French, Winston Churchill spoke to the French people in a radio broadcast. 'Francais, c'est moi, Churchill." He told them not to lose heart, that in due time, the free world would stir itself and relieve the French of their long night. 'So,' he said, 'sleep well, my Frenchmen, sleep well to gather strength for the morning, for the morning shall come.'" Then came the kicker: "I sleep each night a little better, a little more confidently because Lyndon Johnson is my President. For I know he lives and thinks and works to make sure that for all Americans, and indeed, the growing body of the free world, the morning shall always come."

Valenti was not destined to sleep well for several nights after the press, just beginning to accumulate gripes about a "credibility gap" where Vietnam War policy was concerned, got wind of his sittingduck oration and couldn't resist roasting it to a crisp. "The ridicule that hurt the most," Valenti says, "was Herblock's cartoon in *The Washington Post.* I've valued Herb as a friend for many years now, but at that time he really socked it to me. He drew a plantation scene with me as a cringing, yes massa, no massa kind of slave.

"The president helped take away some of the sting. 'Forget it,' he said. 'How many special assistants in the history of this office ever said anything memorable?' Then he added, 'Come to think of it, how many presidents ever said something memorable? Well, I took a beating, and it was tough and humiliating to take it, but I think it taught me a useful lesson in humility."

Valenti was recruited for the MPAA job in 1966 by two men—Lew Wasserman, then the president and now chairman of MCA and still the single most powerful and influential executive in the movie business, and Edwin Weisl Sr. a lawyer and confidant to President Johnson. Initially reluctant to endorse the idea and part with Valenti, the president countered at one point with an offer of the ambassadorial post in Italy. Gradually, he relented, aware that the MPAA offered an improvement in Valenti's annual White House salary of $30,000. Nevertheless, his original contract with the association permitted Valenti emergency leave if President Johnson found his services necessary—which he promptly did while preparing for the Manila Conference in October 1966.

PIRACY

Valenti, after 20 years no less an engine than LBJ, expects politics and the political role he plays to become even more important to the future of the industry he represents."The problems and opportunities that exist right now were simply unimaginable when I started the job 20 years ago. That was another world, a simpler world. But there was no comparison, because what did you have? The movies and television. There were a handful of cable systems, but they didn't constitute a significant market or challenge. No one had invented the superstation or the VCR or the satellite dish, or all these other delivery systems. There was piracy, but it wasn't remotely as malignant, as difficult to police, as it became once you could record a movie on a blank tape small enough to hold in your hand. And against all these exotic toxins, your only armor was the copyright laws—a pretty shabby, creaky, cracked suit of armor."

Today, Valenti believes, his industry is faced with two great challenges—new technology and foreign market constraints. He speaks confidently about his political role in meeting the challenge of foreign trade and even attibutes part of that challenge to the strength of the American film.

"Unless it's been mortgaged beyond recall from the very beginning a motion picture can be a priceless asset. Its shelf life may never end and its reach is potentially global.

"That reach is responsible for some of the resistance we encounter when negotiating trade contracts with 120 countries around the world, because the appeal of the American entertainment film is unmatched. That fact causes inevitable kinds of envy and resentment and tempts some societies to erect barriers against us and impose outrageous penalties on us.

"How do we answer that kind of prejudice? With patience when it comes to soothing the cultural envy but firmness when it comes to insisting on equitable trade. We've had a problem with the Koreans lately, but I think that dispute is coming along satisfactorily. All we're expecting is to be treated with the same hospitality our country extends to trading partners. I told them, 'You've got cars and VCR's you're eager to sell in America, so why penalize our movies with quotas and high tariffs? Let's try to work things out.' And they've been forthcoming."

Valenti is less confident that politics will be helpful in meeting the challenges posed by new technology. No one seems quite sure what to expect of the promising but also imponderable market created by the popularity of videocassette recorders. While the theatrical market was declining to about $3.7 billion in 1985, home video was growing by a factor of 100 percent to $3.3 billion. It's taken for granted that home video revenue will surpass theatrical revenue in the United States this year. Worldwide it may already be a greater source of revenue. Nevertheless, it looms as a vast new market that also creates transitional difficulties for the movie business, loath to see its copyrighted merchandise reproduced and retailed in a format that makes a good deal of unathorized copying impossible to prevent while returning a far smaller share of income to the film companies than the theatrical exhibition does.

UNFATHOMABLE

"Where are we going?" Valenti asks rhetorically. "Nobody, but nobody," he proceeds to emphasize, "can fathom that prospect. That's what we're trying to determine now. A lot of time and effort in this organization go into planning for the business landscape just over the horizon, but in general terms, the best we can do is grab a hold of whichever curve seems to be ascending and try to keep pace with the magic of technology, which has certainly been way ahead of us."

Ultimately, Valenti hopes, human nature will work to the advantage of his industry.

"I don't believe people will want to remain hostages in their living room day after day, even if they turn the living room, or the rec room, into a pleasant, high-tech theater setting. But there's no doubt that movies are going to remain high on the list of things people elect to spend their leisure hours on."

The challenge of his office hasn't really changed Valenti. He still prides himself on being a promptly accessible public figure, particularly when responding to phone calls. "I'm available to damn near everybody," he maintains, "and I get a kick out of answering all my calls personally and even dialing the numbers myself. It's almost unheard of, but I think it's a useful management practice. For one thing, it's easier to get through to people."

Valenti remains a very political man. His job has kept him at the turbulent intersection of politics, entertainment, international trade and rapidly developing technology. But it is no surprise that he still speaks fondly of his days as a Johnson aide.

Valenti described his years as a White House assistant in his second book, A Very Human President, published in 1975. Despite the success and prominence he's enjoyed while heading the MPAA, Valenti still regards the association with President Johnson as the climactic peak of his professional life. As he expressed it in the book, "I have worked in two of life's classic fascinations, politics and movies, and while there are dazzling attractions in both areas, it is the political man who most excites me. Since LBJ was the quintessential political being, I suppose that is why I was in thrall continuously to him . . . I personally will never look upon his like again . . . He was an awesome engine of a man."

THE DRUG PROBLEM

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. KLECZKA. Mr. Speaker, last Sunday, we all listened closely to the President's speech on Central America. One point really caught my attention: We should fund the Contras because the Sandinistas engage in drug trafficking. Every parent concerned about the drug problem should be outraged, said the President.

Well, Mr. Speaker, I too am outraged about the drug problem, but for a different reason. Because despite all the lip service this administration has paid to the war on drugs, it has repeatedly slashed the drug interdiction budget.

Take a look at the Customs Air Program, a vital component of our interdiction force. Last year, we appropriated $75 million for fiscal 1986. This year, the President has proposed a rescission to leave only $52.5 million.

Take a look at the Air Force wing of radar planes that were supposed to supplement Customs air efforts. Last year, we authorized $35 million to get this project started. So far DOD hasn't spent a dime from this account, and the President's 1987 budget eliminates the program.

Mr. President, let's not blame Sandinistas for problems your administration have failed to address. If you really want to start a war, start the war on drugs.

DEBRA LOUISE EBY, GEORGIA WINNER OF VOICE OF DEMOCRACY

HON. ROBERT LINDSAY THOMAS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. THOMAS of Georgia. Mr. Speaker, to look into the future of our Nation, we need look no farther than to the people of America. That is the reason that I know that our future is bright.

As I travel throughout the communities of my own district, I am always struck by the fact that the youth of my own State are brighter, more articulate, and, very often, more concerned and aware of national issues than were the youth of my own generation.

For those who may have the idea that the younger generation has lost touch with the values of America, I invite their attention to Ms. Debra Louise Eby of Hinesville, GA. Debra is the 18-year-old daughter of Lt. Col. and Mrs. Daniel Eby, and she has an outstanding record of accomplishments and activities at her high school, Bradwell Institute.

Her most recent achievement has been to win first prize in the Georgia competition of the Voice of Democracy scriptwriting contest sponsored by the Veterans of Foreign Wars of the United States and its Ladies Auxiliary.

This program was started 38 years ago, and this past year more than a quarter of a million students participated. More than 8,000 schools took part in the contest along with 4,000 VFW posts and 3,500 Ladies Auxiliaries and 2,300 radio and TV stations. The total monetary value of scholarships and awards provided last year amounted to $675,000.

Ms. Eby faced some very tough competition in the Georgia contest, and on behalf of the people of the First Congressional District, I salute her achievement and congratulate her for bringing this honor to our coastal empire area.

Mr. Speaker, Ms. Eby's winning script is placed in the CONGRESSIONAL RECORD at this point:

NEW HORIZONS FOR AMERICA'S YOUTH

(By Debi Eby)

When I was thirteen or fourteen, I decided that President Reagan needed some help in leading the country, so I wrote a letter to him explaining what I would do if I were in his shoes. I never mailed that letter—I still have it somewhere—and that's probably for the best, because some of my suggestions were very implausible. For example, I wanted to make it illegal for anyone to earn over $50,000 a year. My ideas may have been outlandish, but I am proud that I felt that my views were worth the attention of the President. As a wise man once said, "There are no limits to those who see none." America's youth should see and set no limits for themselves—they should always strive to reach that new horizon. After all, what is a horizon but the point at which all limits end?

Now that we, the youth of America, are finally free from the "seen but not heard" taboo, we have the opportunity to speak up and speak out. And we have done just that. Young men and women are volunteering their talents for social services, holding leadership posts in local governments, voicing their opinions in newspapers, magazines, and other publications, organizing marches to protest unwanted legislation, and working in innumerable other ways to better their communities and country.

Only by continuing such activities can we youth expand our horizons. Therefore, we should have only one goal—to continue, to the best of our time and abilities, to lessen the gap between "what is" and "what should be." In other words, we must do everything possible to improve our country. Before we can accomplish this or any other endeavor, though, we must recognize that we can make a difference. If we set "limits" for ourselves, the only thing we will ever see is a sunset. Wisdom may come with age, as the saying goes, but if we wait until we are wise enough never to make mistakes, we will never make any difference, either. Concern for the welfare of the United States is what is needed most in this country right now, and there is no age limit on caring. So let's voice our opinions—no matter how unusual they may be. Worthy thoughts breed worthy actions.

Before we can "widen our horizons," though, we must modify the attitudes of those people who believe that American youth must simply be tolerated until they "grow up." These people see youth as a detriment to society, rather than an asset. To them, we are just a bunch of immature kids. We must dispel this stereotype by convincing them that we are worthy of their respect, that inexperienced does not mean inept. Our generation is better educated than any of our predecessors. This fact is a powerful tool which we must use to our advantage. With it, we can convince our critics that the word reasonable can describe youth. With it, we can continue to improve or lives and the lives of our contrymen to the best of our abilities. With it, we can reach new and greater heights.

I can't tell you exactly how I'm going to improve my country, because I don't know myself. I do know, though, that I will take advantage of any and every opportunity which comes my way. For example, I suggested to the President that he maintain a so-called "suggestion box"—an address that people could write to and offer any comments or suggestions they might have. My father told me that it would cost too much to have someone open and read all that mail. I don't know, he may be right, but might it not be worth the expense? This country is a democracy—doesn't that mean that the people rule? I cannot think of a better way for the people, both old and young, to express their opinions. And who knows? One of those ideas may just make this world a little bit better. We, the youth of America, are going to use all the "suggestions boxes" we can find to improve our country. And me? I'm looking forward to the day when "what should be" finally "is."

SANDINISTA DOUBLE STANDARD ON HUMAN RIGHTS

HON. F. JAMES SENSENBRENNER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. SENSENBRENNER. Mr. Speaker, a recent issue of the New Republic magazine clearly outlines the double standard on human

rights abuses. So that my colleagues will be able to clearly see what is happening in Latin America, I am inserting it into the RECORD at this point:

The article follows:

[From the New Republic, Jan. 20, 1986]

THE SANDINISTA LOBBY

(By Fred Barnes)

Last July 1 a man named Alvayro Jose Baldizon Aviles slipped across the border from Nicaragua into Honduras. He was no ordinary refugee. Baldizon was chief of the special investigations commission of Nicaragua's Ministry of Interior. He worked for Tomas Borge, the interior minister and a powerful figure in the Sandinista government. Baldizon had an eye-popping story to tell of massive human rights abuses by the Sandinistas. In September and October, under the guidance of the U.S. State Department, he told it all over Washington.

Citing specific names, dates, and locations, Baldizon disclosed hundreds of murders of peasants, prisoners, Indians, businessmen, and opponents of the Sandinista regime, all of them carried out by Nicaraguan government soldiers or police. Borge personally ordered some killings and whitewashed others, Baldizon said. In 1981 Borge allegedly standardized the practice of murdering political foes by issuing a secret order allowing "special measures," the euphemism for assassinations. He institutionalized the deception of visiting foreigners, appearing before Christian groups in an office with a crucifix, a statue of Jesus Christ, and a Bible. His real office is adorned with pictures of Marx, Engels, and Lenin, and copies of The Communist Manifesto and Das Kapital. Moreover, Borge was involved in cocaine trafficking, put former criminals in police jobs, and installed Cuban advisers in operational posts. Baldizon also said the Sandinistas were training Costa Rican guerrillas and using mobs of young Sandinistas to break up gatherings of political opponents.

Even by Latin American standards, this was quite an indictment, exactly the kind of firsthand account likely to trigger outrage by groups monitoring human rights in Central America. And maybe even spark an aggressive investigation or two. But not by the Washington Office on Latin America, which says it "monitors human rights practices and political developments in Central and South America . . . [and promotes] a foreign policy that advances human rights, peace, and democracy in the hemisphere." Joseph T. Eldridge, the Methodist minister and former missionary in Chile who is WOLA's director, was invited along with other human rights activists to a session with Baldizon at the State Department on October 3. Eldridge didn't show. He did call to ask about a private session with Baldizon, and State Department officials agreed so long as one of their staff aides was present. Later, Eldridge canceled the meeting because of a schedule conflict. He insists he's still trying to meet with Baldizon. But Janice Barbieri of the State Department's office of public diplomacy says Eldridge isn't trying very hard; he hasn't even called back to set up a new time. Whatever the case, it's been months, and Eldridge has yet to meet with Baldizon.

This indifference to Baldizon and his evidence of systematic abuses of human rights was not a lapse. On the contrary, it reflects the selective moral indignation of a phalanx of organizations in Washington that regularly criticizes the Reagan administration's policy toward Central America and, in particular, Nicaragua. The ostensible aims of these groups are high-minded: peace, protection of human rights, free elections, an end to domination of politics by oligarchies, etc. And they tirelessly point out how Guatemala, El Salvador, Honduras, and Panama—all allies of the United States—come up short. But Nicaragua, with its increasingly repressive Sandinista regime, is another story. What criticism these organizations have of Nicaragua is soft-hitting in the extreme. Mostly they explain away or ignore abuses by the Sandinistas.

These organizations and their leaders refer to themselves as "the community." But they've been accused of being something quite different. A Heritage Foundation paper labeled them "The Left's Latin American Lobby." A book by the Council for Inter-American Security attacks them as "The Revolution Lobby." Bruce Cameron, a former lobbyist for Americans for Democratic Action, says WOLA at least is a "shill for the Sandinistas." Naturally, WOLA and other groups disagree. "There is an attitude in [Washington] that equates opposition to the administration's Central American policy with support for the Sandinista government," says Eldridge. "This is an unfortunate and lamentable conclusion."

Maybe so, but WOLA and other organizations haven't exactly gone out of their way to show that they don't apply a double standard—tough on right-wing governments and U.S. allies, soft on left-wing regimes. A good place to start would have been with Baldizon. Juan Mendez of America's Watch, a human rights monitoring group, went to the trouble of taking Baldizon to lunch, where they could confer without State Department interference. But America's Watch seems more interested in countering Reagan's attacks on Nicaragua than checking out Baldizon's evidence. Last July it put out a report evaluating Nicaragua's human rights record. The logical yardstick was the Sandinista promise of political pluralism and a mixed economy. Had the Sandinistas delivered on these? But that wasn't the question asked. Rather, America's Watch found the one human rights standard that the Sandinistas can meet: Is their human rights record as bad as Reagan says? Nope, America's Watch concluded.

WOLA doesn't pretend to be anything but an advocacy organization. It advocates friendly, tolerant relations with Nicaragua. But similar questions arise in the case of legal groups, whose nominal concern is not policy but the rule of law. Susan Benda of the American Civil Liberties Union says her only concern is blocking U.S. involvement in the covert war waged by the contras. "We're opposed to this covert war regardless of what the Sandinistas do," she says. "We don't care if they close down the press. What the Sandinistas do doesn't affect our opinion on the war."

But at least one legal group is now taking care to avoid the appearance of a double standard. Amy Young, the director of the International Human Rights Law Group, now admits that her organization's study of contra abuses last year should also have looked at Sandinista conduct. In a new investigation early in 1986—another vote on contra aid comes in March—both sides will be examined, she says, Larry Garber, IHRLG's project director, characterizes the soft-on-the-Sandinistas approach of some groups as "avoidance tactics." Although they recognize there are human rights problems in Nicaragua, "they won't go down and investigate," he says. Why not? "It's no secret some organizations in town were excited about what happended in Nicaragua and are still hopeful it will be a revolution that brings lasting peace and stability. They've been willing to forgive things that have gone on during a time of transition. That time is over."

Practically no one is more forgiving than the Coalition for a New Foreign and Military Policy, the umbrella group of "the community." Its 50-odd members include WOLA, the Council on Hemispheric Affairs, the Washington office of the Presbyterian Church (USA), the American Friends Service Committee, and the YWCA. The coalition, along with the Commission on U.S.-Central American Relations, published what it called a "basic information" book on Central America. According to the book, the Sandinistas have done little wrong, and when they have, it was only because the United States forced them to.

Take the massive Sandinista arms buildup. It began in 1979, at a time when the U.S. government was reasonably friendly, and has gone on unabated. Nicaragua now has by far the largest military force in Central America. Yet the "basic information" book attributes the Sandinista buildup to fear of a U.S. invasion. "In short, the Nicaraguans want to raise the military, and thereby the political, cost of a U.S.-sponsored invasion," it says. Nor do the Nicaraguans threaten their neighbors. "Despite the difficulty in distinguishing between offensive and defensive weapons, it is clear that the military strengthening that Nicaragua has undergone in the last few years is primarily defensive, not offensive." Even MIGs from the Soviets, the book says, wouldn't give Nicaragua "a credible offensive force capable of invading any country in the region."

The book is vague about the political leanings of the Sandinista directorate, vague in a way that misleads. Borge, the interior minister, is described as "a poet and a writer [who] has studied law at the National University." This is the fellow who confided to Playboy magazine in 1983: "I told [my mother] that I would not be blackmailed by her gentleness and her naivete and that I was a Communist." Humberto Ortega, the defense minister and brother of Nicaraguan president Daniel Ortega, is described simply as an author. Yet Ortega doesn't mince words about his ideology. "Marxism-Leninism is the scientific doctrine that guides our revolution," he said in 1981. "Our moral strength is Sandinismo and our doctrine is that of Marxism-Leninism."

As the Sandinistas are legitimized by "the community," the contras are demonized. Dissenting opinions are not tolerated on this point. When Bruce Cameron decided that support for the contras would promote human rights in Nicaragua, he was no longer welcome in "the community."

The acceptable line on the contras is that they are old Somoza hands who have generated no popular support for their insurgency. "Nicaraguans," wrote Reggie Norton of WOLA in the coalition's book, "are justifiably concerned that far from representing a promise to improve their lives, the contras represent a return to the type of repression that characterized the Somoza regime." This may have been true five years ago, but since then the contras have been transformed from a small band of ex-National Guardsmen to a 15,000-man force that has won the support of such anti-Somoza leaders as Alfonso Robelo and Arturo Cruz. Mass defections to the contras, plus their ability to operate in large areas of Nicara-

gua, are palpable signs of a surge in popularity, and evidence of growing disenchantment with the Sandinistas.

On the subject of elections, Eldridge of WOLA talks scornfully about the recent election in Guatemala, which saw a once-exiled dissident win the presidency. After all, Eldridge says, "elections are one note in the symphony of democracy. . . . The gist is it [the Guatemalan election] was technically flawless. Hats off. The question is whether this will wean the military away from its monopoly of power. A lot of people are skeptical." But the Nicaraguan election in 1984 was "a political opening," concluded a report by WOLA and IHRLG. Serious impediments to free choice by the voters were minimized in the report. There was censorship, but the parties were permitted "to communicate to the Nicaraguan people" their "vision for the future" and "to criticize freely the performance of the government." Repeated "incidents of harassment and intimidation" occurred—Sandinista mobs broke up opposition rallies—but they didn't affect much. The chief opposition party, the Coordinator, which dropped out charging that the election wasn't free or fair, acted for "political reasons."

Eldridge says that half the leaders of the Coordinator would rather have an invasion by U.S. Marines than participate in an election. If so, then why did the Coordinator accept the Sandinista condition that the contras be asked to lay down their arms for the election? In fact, the Coordinator's candidate, Arturo Cruz, negotiated feverishly for a postponed election in which the opposition would take part. At the key moment, though, the Sandinistas backed out.

The Sandinista sympathizers continue to insist that political pluralism is the general rule in Nicaragua. America's Watch proclaimed in July 1985 that "while prior censorship has been imposed by emergency legislation, debate on major social and political questions is robust, outspoken, even often strident" in Nicaragua. In fact, just as under Somoza's regime, debate is allowed only so long as it doesn't threaten the authorities.

The America's Watch report claims that the group does "not take a position on the U.S. geopolitical strategy in Central America," then goes on to do exactly that. There have been abuses of human rights by the Sandinistas, it says, but "some notable reductions in abuses have occurred in Nicaragua since 1982, despite the pressure caused by escalating external attacks." This is exactly what the Sandinistas say. Baldizon, who was in a position to know, tells a strikingly different story. So do Protestant preachers who have been arrested recently in Nicaragua. And last October the Sandinistas suspended what few civil liberties had been allowed.

One organization that has gone to great lengths to explain away this new state of emergency is the Central American Historical Institute at Georgetown University. Tossing out civil liberties "does not violate the U.N. International Civil and Political Rights Amendment," the institute said in 1984. And the state of emergency doesn't take away the right to life or justify torture or slavery, or block "freedom of thought, conscience, or religion," the institute said. "Nor is it applied in a discriminatory fashion," it added, suggesting that political repression is less troubling if it is evenhanded.

The institute points out the impressive turnout of 75 percent for the election, despite efforts by the Coordinator to discourage voting. "This, and the fact that opposition parties won one-third of the valid votes, contradicts the accusation that the election was merely a rubber stamp for the [Sandinistas]." Last May, in its publication Update, the institute went to great lengths to knock down an article in La Prensa, the frequently censored opposition paper in Nicaragua. Jaime Chamorro, the paper's co-director, charged that the Sandinistas added 400,000 votes to their tally. The same month the institute said in another Update that opposition parties are alive and "kicking" in Nicaragua's National Assembly. The Sandinistas like "a give and take dynamic to prevail so as to not alienate what amounts to a 'loyal' opposition.

The institute frequently attacks the *contras,* but is squeamish about Sandinista abuses. In a rundown of *contra* leaders, it lists Lucia Cardenal de Salazar as "widow of Jorge Salazar, wealthy coffee grower killed in a November 1980 dispute with Nicaraguan police." Shirley Christian of the *New York Times* reports in her book *Nicaragua* that Jorge Salazar was assassinated by Sandinista security forces. Baldizon confirmed that Sandinista leaders were involved in plotting and carrying out Salazar's death.

The biggest splash made by "the community" has been with its well-timed reports on *contra* abuses. The most famous of these was written by Reed Brody, a New York lawyer. He charged that the *contras* attack purely civilian targets, and he cited instances of killings of unarmed women and children, rapes, beatings, kidnapings, forced recruitment of new troops, disruption of harvests, and intimidation of people joining government programs. With a congressional vote on aid to the *contras* a few weeks away last spring, the Brody report got big play in the press. But it was, at best, open to question. A Reagan administration examination of the report found that six incidents cited by Brody had been carried out by a *contra* officer later executed for murdering civilians and that four incidents occurred before the *contras* were constituted as an organized force. Brody blames the *contras* for killing a French doctor with mortar fire, but the *contras* say they had no mortars in that incident and that Sandinista fire killed him. Moreover, the administration says 48 rifles and 11,500 rounds of ammunition were seized from what Brody describes as merely a farm, and that a "deeply religious" couple killed by *contras* were actually agents of Sandinasta state security. Brody was candid enough to disclose that the idea for the report came from Reichler & Applebaum, the Wshington law firm that represents the Nicaraguan government. And he also revealed that in Nicaragua he was housed and given office space by the Sandinistas. The government even directed him to witnesses. Still, Brody said, his investigation was "independent." He made no attempt to probe Sandinista abuses.

A recent Sandinista defector has described Brody's close relationship with the Nicaraguan government. Mario Jose Guerrero was director of the National Commission for the Promotion and Protection of Human Rights. The commission, Guerrero said, was ordered to give full support to Brody. Besides office and lodging, it paid all his bills and arranged interviews. Another defector, Bayardo de Jesus Payan, was the chief budget officer of the commission. He described Brody in action to a House subcommittee:

"I . . . noticed that many times he showed a photograph in which he was hugging Commander Daniel Ortega and also that he was constantly calling on the telephone to the foreign ministry and visiting it. He also made propaganda for the [Sandinistas] and urged the employees of the institution to vote for Daniel Ortega, since he was a great supporter of the Sandinistas. Also, he always spoke badly about the policy of the government of the United States and of President Ronald Reagan."

WOLA and the International Human Rights Law Group found Brody's evidence compelling, but they were worried that his connection with the Sandinistas would deprive the report of credibility. They dispatched two lawyers, one an outspoken critic of administration policy, to Nicaragua to check on contra abuses. These representatives also neglected to examine abuses by the Nicaraguan government. But they managed to corroborate some of the Brody report, and they declared their support for it. America's Watch supplied a report of its own, which dealt with both sides. It concluded that Sandinista abuses were mainly in 1981 and 1982, and directed against the Miskito Indians. Since then, there had been a "sharp decline" in Sandinista abuses, America's Watch said. Baldizon, for one, would quarrel with that.

"The community" does make some efforts to demonstrate evenhandedness. WOLA, Eldridge says, has been "steadfastly encouraging dialogue in Nicaragua, as in El Salvador." Indeed, WOLA sponsored a visit to the United States by leaders of El Salvador's guerrilla forces. But the *contra* leaders in Nicaragua are out of bounds. Eldridge is for a dialogue between Duarte and his Communist opposition, but not for one between the Sandinistas and the *contras.* The dialogue he wants would pit only the erratic Eden Pastora, once a Sandinista commander, and perhaps Arturo Cruz against the Sandinistas. Cruz could be there only as an individual, not as a leader of the *contras,* says Eldridge. Which means that the main political and military opposition to the Sandinistas would be excluded, and the Sandinistas will be under little pressure in the talks to make concessions to democracy. Some dialogue.

FOREIGNERS INCREASE HOLDINGS OF U.S. GOVERNMENT SECURITIES BY $20 BILLION TO A TOTAL OF $213 BILLION—BILLIONS IN INTEREST ON PUBLIC DEBT GOES OVERSEAS

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. STARK. Mr. Speaker, it is certainly nice to have the use of foreigners' money to help finance our staggering deficits. It keeps the interest rates in this country lower amd makes it less painful to finance our red ink spending.

The latest figures from the Treasury show that between November 1984 and November 1985, the "estimated total foreign holdings of marketable and nonmarketable Treasury bills, notes and bonds reported by banks and brokers in the United States" rose from $193.4 to $212.9 billion.

From this, one can estimate that somewhere near $20 billion a year in interest on the public debt will go to foreigners. This is money which, if it were not for the deficits,

could have gone into investment in America—in our roads, our education system, our defense, our health services, or lower taxes.

The new figures are interesting. They show that the Middle East oil exporters are drawing down their investments as the price of oil falls. Between November 1983 and November 1985, their holdings of U.S. Government securities fell from $34.3 to $26.7 billion. The old fears of Arab oil influence in America are drying up.

Who are the big new investors? The Japanese. We are running about $4 billion a month in our trade deficit with Japan. A lot of those extra dollars are ending up in United States securities—to draw interest for future generations of Japanese. Between November 1983 and November 1985, the Japanese increased their holdings from $20.6 to $42.7 billion.

Last year, for the first time since 1917, the United States became a net debtor to the world. We will be paying for that debt and for our deficit spending binge of the Reagan years for a long, long time to come.

SPRINGFIELD'S 300TH ANNIVERSARY

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. EDGAR. Mr. Speaker, I rise today to request that my distinguished colleagues join in saluting the citizens of Springfield, Delaware County, PA who this year are celebrating their 300th anniversary. The residents are commemorating this landmark in their history on June 21, 1986, the date which marks the foundation of the township as a government entity.

Since the founding of Springfield by William Penn in 1686, Springfield residents have preserved the honor and continuity of their community through the many trials which have swept our Nation. I want to extend my heartiest congratulations to them for maintaining a commitment to preserving the township's past as they continue to look to the future. The pride with which they have blended tradition and innovation has helped to create a wonderful community in which to live and raise a family for all of its three centuries. I hope that this milestone marks only the beginning of a long and productive life for the township of Springfield and its denizens.

AMERICAN AGRICULTURE

HON. FRANK McCLOSKEY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. McCLOSKEY. Mr. Speaker, today we are recognizing the importance of agriculture to our economy, to our security and to our Nation. But unless our words are transformed into effective policies, the praise expressed today for the American farmer will ring hollow. Net farm income is down. The great farm depression which began in 1982 is still with us. Despite the good faith efforts here in Congress to enact a farm bill to protect farm income and farm credit legislation to avert catastrophic failure of the farm credit system, thousand of farmers face greater difficulties and the specter of farm foreclosure continues to stalk the Midwest. Without an administration willing to implement the highest level of income support for farmers contained in the 1985 farm bill, the 1986 crop year will be bleak indeed for producers of food and fiber. While interest rates are falling into single digits for big business, they remain well above 10 percent for family farmers. At a time when the dollar's value is falling, we find little evidence from the White House of a coherent policy to systematically expand farm exports. Nor does there appear to be concern about the damage caused to beef and pork producers because of imports coming in from north and south of the border. And as land values continue to fall, the administration continues to defy the sentiment in Congress that advance loan payments should be made this spring to farmers. Oh yes, the administration will point to the bookkeeping changes that increased made available an additional $750 million to the Farmers Home Administration.

So, if today is going to be a meaningful exercise recognizing the importance of agriculture, we must continue to press the administration to address the issues which I have mentioned. To do so will not bust the budget. In addition, we must insist that the President expedite the appointment of the new Farm Credit Administration to get on with the job of implementing the Farm Credit System [FCS] amendments. Congress in good faith overwhelmingly supported FCS restructuring. However, the delay in appointment of these officials has caused confusion and uncertainty about provisions of this important credit legislation most important to FCS member-borrowers, especially in the area of management of acquired properties.

Despite the dark picture facing many farmers in my district and elsewhere, we should not overlook the inherent strength of American agriculture. Given time and a national leadership that understands the importance of policies emphasizing net income protection for the family farmer, agriculture may be able to join other sectors in economic recovery. But an administration that seeks to severely cut Cooperative Extension Service activities, slash soil conservation programs, and impose user fees on farmers who are just beginning to see relief in the form of lower fuel prices is not that national leadership. I am confident that my colleagues in the House on both sides of the aisle will in the days ahead continue to press the administration of these issues. The current "look Ma, no hands" farm policy just won't do. Such an attitude will only produce a "look Ma, no farms" result.

NATIONAL AGRICULTURE DAY

HON. TOMMY ROBINSON

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. ROBINSON. Mr. Speaker, many Arkansans have been touched by the crisis in American agriculture. Most of us grew up on a farm, or have family or friends who are farmers. Though city dwellers may scoff, you and I know that family farming is the backbone of our economy and our culture.

Congress recognized the importance of agriculture in a unique way—by declaring today, March 20, 1986, as "National Agriculture Day." Such a tribute is certainly deserved, for our farm families work dawn to dusk, rain or shine. They stand to remind all of us that hard work is the basis of American life.

Farm families are special because their work brings them together. They live and work on the same land as their forefathers. Problems are shared by all, but being close, they find strength. The best part about being a farmer I suppose, is seeing the results of their hard work. How proud these families must feel to stand and look at fields brimming with healthy green crops.

It is disturbing that farmers are not getting a fair price for their crops these days, but our farm families are hanging on. They are hanging on to a way of life—their heritage. "National Agriculture Day" is a small, but honest way for us to say "thank you" to our farm families for continuing to provide us wholesome and plentiful food.

And they certainly do provide food. Last year's soybean crop was estimated at 2.13 billion bushels, and corn was estimated at 8.72 billion bushels. That's a record harvest.

To farmers, these record harvests are a mixed blessing. Crop prices fall, but high volume production helps make up for low prices. As a nation, we will never face widespread hunger due to ineffective farming techniques. Without a doubt, famine is a word we Americans do not really understand. Let us all be thankful for that, and let us all remember that farm families have given us more than we could ever give them in return.

MILLER INTRODUCES PROPOSAL TO CREATE PEACE GARDEN

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. MILLER of California. Mr. Speaker, I am today introducing legislation authorizing the establishment of a Peace Garden in the District of Columbia.

It is particularly fitting that today, when this Chamber is filled with discussions of war and death, we take time for the creation of a monument to the concept of peace.

There are many memorials in the city at which people pause and consider the tragedy and senselessness of war. But they are all monuments to war, and to its victims. We also should have a monument to the ideal of peace.

My legislation was originally proposed by residents of the San Francisco Bay Area and my own 7th Congressional District who have come together to form the Peace Garden project. I want to congratulate these citizens, and particularly Elizabeth Ratcliff, the president of the project, for initiating the idea for

this "place for growth, beauty, and quiet contemplation."

I am also gratified to have the support of my colleagues, Mr. DELLUMS, Mrs. BOXER, Mr. STARK, Mr. BURTON, Mr. EDWARDS of California and Mr. BROWN of California who join me as cosponsors of this legislation.

Members of the project have written to William Penn Mott, the director of the National Park Service, who has responded, "We enthusiastically support your commitment to a serene garden in which people can contemplate its important message."

The legislation authorizes establishment of a Peace Garden in the District of Columbia on a site selected by the Secretary of the Interior, subject to the approval of the Commission on Fine Arts and the National Capital Planning Commission. The Peace Garden project would be charged with the responsibility to design plans which will also be subject to the commissions' approval. The costs of establishing the Peace Garden would be entirely borne by the public, not the taxpayers.

Mr. Speaker, in a city filled with monuments to war, to the courageous men and women who have fought for and died for this Nation throughout our history, we surely have room for a monument to one of the great causes for which they fought and died, the cause of peace.

A TRIBUTE TO DOMINICK "DICK" PLESCIA

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. TORRICELLI. Mr. Speaker, I rise today to honor Mr. Dominick "Dick" Plescia. On March 21, 1986, Mr. Plescia will be honored with a testimonial dinner by the Textile Workers Pension Fund on the occasion of his retirement. Dick Plescia will be ending a career in the textile dyeing and printing industry spanning almost 50 years.

Dick Plescia has held many distinguished positions and accumulated a string of accomplishments during his long period of service. He began his career in 1938 in Lodi, NJ. where he was born and attended high school. He quickly rose to vice president and then president of local 1932 and was reelected to nine consecutive terms.

As manager of the Chicago Joint Board, Dick Plescia devoted countless hours to strengthening and expanding the joint board. His efforts were also on behalf of his fellow workers. While at the joint board, Dick instituted the Chicago Textile Industry Health and Welfare Fund, a benefits plan for members of the joint board.

As fund manager of the Textile Workers Pension Fund, Dick's untiring efforts and innovative programs has brought the fund continued growth and security. The financial strength of the pension fund today is due in no small part to Dick Plescia.

The many achievements of Dick Plescia would fill several volumes. His spirit and dedication to his fellow workers deserves to be recorded in history as part of the CONGRESSIONAL RECORD.

It is with great honor and pleasure that I join with so many of Dick's friends in wishing him a retirement filled with good health and prosperity.

MINNESOTA AAUW WILL PROVIDE UNIQUE GLIMPSE AT PROFESSIONAL WORLD TO AREA HIGH SCHOOL WOMEN

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1986

Mr. OBERSTAR. Mr. Speaker, the American Association of University Women has long been recognized as a forerunner in efforts to advance the education and career opportunities of women. The Virginia, MN, branch of AAUW recognizes the importance of implementing these values within the local community, and has established priorities to assist women in utilizing their capabilities and potentials to the fullest degree.

To help pursue these goals, the Virginia AAUW will sponsor a career workshop on April 5 entitled "Invest in Your Future." This workshop will be open to area high school women and will offer exposure to the wide variety of nontraditional career choices available to them.

Thirty professional women from throughout the area will spend the day discussing the positive societal impact women can have in fields including banking, engineering, and law enforcement. Students will have the opportunity to question speakers on every facet of the professional world. Women attending the workshop will be offered a good indication of what to expect from a particular career, and they will be exposed to positive role models—women whose ambition and determination helped them to achieve their goals.

This is the first workshop of its kind to be held in the Virginia area. Area high schools have expressed enthusiastic support, as have the Mesabi Community College and the Eveleth Vocational-Technical Institute. The workshop concept is a valuable contribution that should be explored by other communities.

All too often young people are forced to make career-determining decisions without access to knowledgeable guidance and insight. The Virginia, MN, AAUW workshop will allow young women to approach their futures in a mature, educated manner. I commend all the members of the Virginia AAUW for investing their time and efforts in our country's finest asset—our youth.